

88 generated by the endowment's investments.

89 (e) The state treasurer shall invest and manage the endowment assets as a prudent
90 investor would, by:

91 (i) considering the purposes, terms, distribution requirements, and other circumstances
92 of the endowment; and

93 (ii) exercising reasonable care, skill, and caution in order to meet the standard of care
94 of a prudent investor.

95 (f) In determining whether or not the state treasurer has met the standard of care of a
96 prudent investor, the judge or finder of fact shall:

97 (i) consider the state treasurer's actions in light of the facts and circumstances existing
98 at the time of the investment decision or action, and not by hindsight; and

99 (ii) evaluate the state treasurer's investment and management decisions respecting
100 individual assets not in isolation, but in context of an endowment portfolio as a whole as a part
101 of an overall investment strategy that has risk and return objectives reasonably suited to the
102 endowment.

103 (5) (a) The endowment shall earn interest.

104 (b) The state treasurer shall deposit the interest or other revenue earned from
105 investment of the endowment into the endowment.

106 (6) The board:

107 (a) may expend money from the endowment for programs that:

108 (i) advance the system priorities as established in Subsection [53B-1-402\(2\)\(a\)](#); and

109 (ii) support ~~§~~ **§→ [current and]** ~~←§~~ prospective students ~~§~~ **§→ or current students** ~~←§~~
109a enrolled at an institution, as described in

110 Section [53B-2-101](#); and

111 (b) may not expend money from the endowment for a capital expenditure, including
112 the construction or lease of a capital facility or operation and maintenance of a capital facility.

113 (7) The board shall ensure that:

114 (a) money deposited into the endowment is irrevocable and is expended only for
115 programs that advance the system priorities as established in Subsection [53B-1-402\(2\)\(a\)](#); and

116 (b) creditors of the board of directors may not seize, attach, or otherwise obtain assets
117 of the endowment.

118 Section 4. Section **53B-7-803** is enacted to read: