

CHAPTER 4.**COLLEGE OF THE MARSHALL ISLANDS ENDOWMENT FUND****ARRANGEMENT OF SECTIONS****Section**

§401. Short Title

§402. Purpose of College of the Marshall Islands Endowment Act

§403. Establishment of the College of the Marshall Islands Endowment Fund

§404. Term of the Fund

§405. Effective Date

An Act to establish an Endowment Fund for the College of the Marshall Islands.[Section numbering style modified to conform to new code format (Rev.2003)]

Commencement: April 7, 1999
 Source: P.L. 1999-92

§401. Short Title.

This Act may be cited as the College of the Marshall Islands Endowment Act of 1999.
 [P.L. 1999-92]

§402. College of the Marshall Islands Endowment Fund

(1) **Purpose:** The purpose of this Act is to establish an Endowment Fund for the College of the Marshall Islands (“college”) into which all financial contributions (except for the annual operating subsidy) made by the RMI Government to the college shall be deposited for the purpose of investment to meet the long term needs of the college. The Nitijela intends that such government contributions shall remain invested and the college shall only be allowed to withdraw the investment income (dividends, capital gains, and interest) pursuant to the endowment fund investment policy adopted by the Board of Regents of the college. All other donor capital contributions to the college shall be put into the endowment fund as a condition to the receipt of such contributions.

(2) **Establishment of the Fund:** Within 90 days of the effective date of this Act, the Board of Regents and the President of the college shall establish an endowment fund account to be known as the “College of the Marshall Islands Endowment Fund” at an internationally recognized financial institution which manages endowment funds for institutions of higher learning. The chosen financial institution should have a minimum operational history for 10 years and total managed assets of more than 20 million dollars. Following the effective date of this Act, all capital contributions to the college earmarked for the endowment fund from the RMI Government and other sources shall be deposited into the endowment account subject to the minimum requirements set

forth in the written endowment fund investment policy adopted by the Board of Regents of the college. The endowment fund shall be invested utilizing the same care, skill, prudence, and due diligence, under the circumstances then prevailing; that experienced investment professionals acting in a similar capacity and familiar with such matters would use in similar activities for similar endowment funds with similar aims. All capital contributions to the endowment fund made by the RMI government and other donor sources shall not be expended by the college. Investment income earned from the endowment fund net of all management fees and other necessary fees and expenses may be expended by the college subject to the terms and conditions of written endowment fund investment policy required by this Act. [section numbering defect in P.L. 1999-92, section restructured for ease of reference (Rev.2003)]

§403. Term of the Fund

The term of the endowment fund shall be perpetual unless for some reason the college ceases operations. In such an event, all capital contributions made by the RMI Government shall revert to the RMI General Fund. All other capital contributions to the endowment fund shall be distributed in accordance with the intent of the donors.” [P.L. 1999-92, §3. [section re-numbered]

§404. Effective Date.

This Act shall take effect on the date of certification in accordance with Article IV, Section 21 of the Constitution. [P.L. 1999-92, §3[section re-numbered]