

after July 1, 1986, shall include conditions requiring routine conservation practices, and requiring implementation of emergency conservation measures after notification by the department.

Approved March 29, 1990

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**CHAPTER 1095**  
**DISPOSITION OF UNCLAIMED PROPERTY**  
*S.F. 2340*

**AN ACT** relating to the disposition of unclaimed property.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. NEW SECTION. 556.9A OUT-OF-STATE PROPERTY ISSUED WITHIN THE STATE.

1. As used in this section, unless the context requires otherwise:

a. "Property" means intangible personal property located outside the state, but issued by the state of Iowa, a state agency, a political subdivision of the state, or a person formed within the state as a corporation, trust, partnership, limited partnership, association, cooperative, union, or organization.

b. "Temporary custodian" means an entity holding property outside of this state, including but not limited to a person, the United States government, or an agency or instrumentality of the United States government, and any other state or agency or political subdivision of that state.

2. Property and income derived from the property, including but not limited to dividends, earnings, and interest, which are held by a temporary custodian on behalf of the property's owner, are presumed abandoned and after deducting lawful charges are subject to the custody of this state as unclaimed property, if all the following apply:

a. The owner has not claimed the property or income derived from the property or corresponded in writing with the temporary custodian of the property within three years after the date prescribed for delivery of the property or payment of income from the property.

b. The current address of the owner is unknown.

c. Notice that the property may be claimed has been delivered to the last known address of the owner.

3. This section does not apply to property or income derived from the property subject to any other provision of this chapter providing for a different procedure for determining when property is presumed abandoned and subject to state custody.

Approved March 29, 1990

**CHAPTER 1096****INSTITUTIONAL FUNDS MANAGEMENT***S.F. 2350*

**AN ACT** relating to the uniform management of institutional funds Act.

*Be It Enacted by the General Assembly of the State of Iowa:*

**Section 1. NEW SECTION. 122C.1 SHORT TITLE.**

This chapter may be cited as the "Uniform Management of Institutional Funds Act".

**Sec. 2. NEW SECTION. 122C.2 DEFINITIONS.**

For purposes of this chapter and unless the context otherwise requires:

1. "Institution" means an incorporated or unincorporated organization organized and operated exclusively for educational, religious, charitable, or other eleemosynary purposes, or a governmental organization to the extent that it holds funds exclusively for any of these purposes.

2. "Institutional fund" means a fund held by an institution for its exclusive use, benefit, or purposes, but does not include a fund held for an institution by a trustee that is not an institution and does not include a fund in which a beneficiary that is not an institution has an interest, other than possible rights that could arise upon violation or failure of the purposes of the fund.

3. "Endowment fund" means an institutional fund, or any part of an institutional fund, not wholly expendable by the institution on a current basis under the terms of the applicable gift instrument.

4. "Historic dollar value" means the aggregate fair value in dollars of all of the following:

a. An endowment fund at the time it becomes an endowment fund.

b. Each subsequent donation to the fund at the time it is made.

c. Each accumulation made pursuant to a direction in the applicable gift instrument at the time the accumulation is added to the fund. The determination of historic dollar value made in good faith by the institution is conclusive.

5. "Gift instrument" means a will, deed, grant, conveyance, agreement, memorandum, writing, or other governing document, including the terms of any institutional solicitations from which an institutional fund resulted, under which property is transferred to or held by an institution as an institutional fund.

**Sec. 3. NEW SECTION. 122C.3 APPROPRIATION OF APPRECIATION.**

The governing board of an institution may appropriate for expenditure for the uses and purposes for which an endowment fund is established so much of the net appreciation, realized and unrealized, in the fair value of the assets of an endowment fund over the historic dollar value of the fund as is prudent under the standard established by section 122C.7. This section does not limit the authority of the governing board to expend funds as permitted under other law, the terms of the applicable gift instrument, or the charter of the institution.

**Sec. 4. NEW SECTION. 122C.4 RULE OF CONSTRUCTION.**

Section 122C.3 does not apply if the applicable gift instrument indicates the donor's intention that net appreciation shall not be expended. A restriction upon the expenditure of net appreciation shall not be implied from a designation of a gift as an endowment, or from a direction or authorization in the applicable gift instrument to use only "income," "interest," "dividends," or "rents, issues, or profits," or "to preserve the principal intact," or a direction which contains other words of similar import. This rule of construction applies to gift instruments executed or in effect before or after the effective date of this chapter.

**Sec. 5. NEW SECTION. 122C.5 INVESTMENT AUTHORITY.**

In addition to an investment otherwise authorized by law or by the applicable gift instrument, and without restriction to investments a fiduciary may make, the governing board of an institution, subject to specific limitations set forth in the applicable gift instrument or in the applicable law, other than law relating to investments by a fiduciary, may do any of the following: