

540A.102 Definitions.

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

1. “*Charitable purpose*” means the relief of poverty, the advancement of education or religion, the promotion of health, the promotion of a governmental purpose, or any other purpose the achievement of which is beneficial to the community.

2. “*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. “*Endowment fund*” does not include assets that an institution designates as an endowment fund for its own use.

3. “*Gift instrument*” means a record or records, including an institutional solicitation, under which property is granted to, transferred to, or held by an institution as an institutional fund.

4. “*Institution*” means any of the following:

a. A person, other than an individual, organized and operated exclusively for charitable purposes.

b. A government or governmental subdivision, agency, or instrumentality, to the extent that it holds funds exclusively for a charitable purpose.

c. A trust that had both charitable and noncharitable interests, after all noncharitable interests have terminated.

5. “*Institutional fund*” means a fund held by an institution exclusively for charitable purposes. “*Institutional fund*” does not include any of the following:

a. Program-related assets.

b. A fund held for an institution by a trustee that is not an institution.

c. A fund in which a beneficiary that is not an institution has an interest, other than an interest that could arise upon violation or failure of the purposes of the fund.

6. “*Person*” means an individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, public corporation, government or governmental subdivision, agency, or instrumentality, or any other legal or commercial entity.

7. “*Program-related asset*” means an asset held by an institution primarily to accomplish a charitable purpose of the institution and not primarily for investment.

8. “*Record*” means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

2008 Acts, ch 1066, §2, 11

Section applies to institutional funds in existence on or after July 1, 2008; 2008 Acts, ch 1066, §11