

## CHAPTER 137

## UNIVERSITY OF MINNESOTA

137.022 Permanent university fund.

**137.022 PERMANENT UNIVERSITY FUND.**

Subdivision 1. **Investment.** The investment management of the permanent university fund shall be under the jurisdiction of the board of regents of the University of Minnesota, subject to any limitations imposed by the Constitution of the state of Minnesota, Article XI, Section 9. All securities and cash held in the state treasury credited to the permanent university fund that are unappropriated or unencumbered are transferred and appropriated to the board of regents of the University of Minnesota solely for the purpose of investment by them, with the restriction that all such investment transactions be handled through the supervision of investment counselors, bank trust departments, or insurance companies which are organized, licensed, or have registered offices within the state of Minnesota or have agreed in writing to conduct such securities transactions and investment counseling under Minnesota law and the rules and regulations established by the department of commerce. These investments shall be restricted to those authorized as eligible for use in the Minnesota postretirement investment fund, section 11A.18, with the exception that corporate debt securities may be used to the extent of 80 percent of the portfolio.

Subd. 2. **Income.** The income from the permanent university fund is appropriated annually to the board of regents. This appropriation of income must not be used to reduce other appropriations made to the board of regents. The determination of this income shall be based on the procedures detailed in section 11A.16, subdivision 5, or 11A.12, subdivision 2.

Subd. 3. **Endowed chairs.** The income from the permanent university fund must be used to help endow professorial chairs in academic disciplines. This income must not provide more than half the sum of the endowments for all chairs endowed, with nonstate sources providing the remainder. The income may provide more than half the endowment of an individual chair. Any portion of the annual appropriation that is not used for this purpose lapses and must be added to the principal of the permanent university fund.

**History:** *1Sp1985 c 11 s 65*

**NOTE:** Subdivision 2, as amended by Laws 1985, First Special Session chapter 11, section 65, subdivision 2, is effective July 1, 1986. See Laws 1985, First Special Session chapter 11, section 82, subdivision 2.