WEST VIRGINIA CODE: §18B-18A-4

§18B-18A-4. Directed research endowments.

(a) The governing board of each participating institution may create and administer or enter into an agreement with its research corporation and/or foundation to administer one or more directed research endowments to receive qualified donations and matching state moneys allocated for distribution to that institution.

(b) A research endowment consists of qualified donations and

matching moneys distributed by the commission from the trust fund in accordance with the provisions of section eight of this article.

(c) Subject to the following conditions, the governing board of a participating institution or its research corporation may invest moneys deposited into the research endowment either directly or through a foundation subject to the following conditions:

(1) Any interest or other investment earnings on the moneys invested are retained by the participating institution to be used for the purposes set forth in this article;

(2) Any investments authorized by this subsection are made in accordance with and subject to the provisions of the Uniform Prudent Investor Act codified as article six-c, chapter forty-four of this code; and

(3) Any investments authorized by this subsection are not subject to the provisions of section twelve-d, article one, chapter twelve of this code.

(d) Investment earnings accruing to a participating institution's research endowment, hereinafter referred to as endowment proceeds, may be expended by the governing board of the participating institution or its research corporation, subject to the provisions of section six of this article and the following conditions:

(1) Endowment proceeds may be expended only for the eligible uses designated; and

(2) The principal of a research endowment may not be expended for any purpose.

(e) The governing board of a participating institution is exempt from liability for any loss or decrease in value of the assets or income of a directed research endowment, except as losses or decreases in value are shown to be the result of bad faith, gross negligence or intentional misconduct.

(f) The governing board of each participating institution shall promulgate a rule or rules for the administration of research endowments that fulfills the purposes and requirements of this article and section six, article one of this chapter.

WV Legislature