

Third Supplement to Memorandum 88-65

Subject: Study L-3012 - Uniform Management of Institutional Funds Act
(Comments of California Catholic Conference)

Attached to this supplement is a letter concerning Uniform Management of Institutional Funds Act from William J. Wood, Executive Director of the California Catholic Conference. Mr. Wood writes in support of the proposal to expand UMIFA to cover charitable and religious organizations. He believes that UMIFA would be a useful clarification of the law.

Respectfully submitted,

Stan G. Ulrich
Staff Counsel



CA LAW REV. COMMISSION

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October 12, 1988

Mr. Stan G. Ulrick
Staff Counsel
California Law Revision Commission
4000 Middlefield Road, Suite D-2
Palo Alto, California 94303-4739

RE: Uniform Management of Institutional Funds Act

Dear Mr. Ulrick:

Thank you for your letter of August 26 to my Associate Director, David Pollard, and for the opportunity to comment on the Commission's proposal regarding the extension of the Act.

In reviewing the provisions of the act and consulting with attorneys who have had experience with its provision, we have concluded that the extension of the Act into endowment funds of other charitable and religious organizations would be beneficial to all concerned.

First of all, it was clearly the intention of the original draft that all endowment funds should be covered. There appears to be no adverse effect on private educational funds during the period of coverage of the act. The so-called experimentation period has therefore passed successfully.

Our research has uncovered no abuse on the part of fund administrators or complaints of fund donors as a result of the provisions of the Act.

Further, the provisions of the Act clarify the often conflicting and confusing provisions of trust law, corporate law, and contract law. This is a welcome step. In an age when it is becoming increasingly difficult to find volunteers to serve as advisors in endowment fund decision-making, such clarifications are increasingly beneficial.

Thank you again for this opportunity to comment.

Sincerely,

William J. Wood, S.J.
William J. Wood, S.J.
Executive Director

WJW:nmc

cc: Mr. David A. Pollard
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