

University Policy 1100: Investment Policy

Category: Governance & Administration

Subcategory: Finance

Covered Individuals: All USU Employees

Responsible Executive: Vice President for Finance and Administrative Services

Policy Custodian: Office of the Vice President for Finance and Administrative Services, Vice President

Last Revised: 2025/11/07

Previous USU Policy Number: 517 & 5000

1100.1 PURPOSE AND SCOPE

To provide for the implementation of and compliance with the State Money Management Act (MMA), the Rules of the State Money Management Council, the Uniform Prudent Management of Institutional Funds Act (UPMIFA), and the Utah System of Higher Education Policy R541, Management and Reporting of Institutional Investments wherein:

1. Institutional Funds are governed by UPMIFA
2. Operating Funds are governed by the State Money Management Act

1100.2 POLICY

2.1 Authority to Manage and Invest Funds

The Vice President for Finance and Administrative Services, as the Chief Business Officer and Treasurer for the University and as the University official designated by the Board of Trustees to serve as the University's Public Treasurer (as defined by the State Money Management Act), has the authority to manage investment activities and approve investments. Other University individuals with appropriate knowledge and experience may also be designated by the Board of Trustees as Public Treasurer.

To ratify investment purchases, the Public Treasurer and the President or designee will complete and sign a Notification of Investment Form.

No unauthorized person may engage in an investment transaction on behalf of Utah State University except as provided under the terms of this policy.

2.2 Investment Pools or Portfolios

1. Similar funds may be commingled for investment and/or reporting purposes unless specifically prohibited by statute, donor stipulation, or bond covenant.
2. Investment pools or portfolios may be established to:
 - a. Ensure compliance with the appropriate specific provisions of the State Money Management Act and Rules of the State Money Management Council, Uniform Prudent Management of Institutional Funds Act, or USHE R541, Management and Reporting of Institutional Investments, under which the investment pool or portfolio will be governed.
 - b. Ensure compliance with written donor directives relating to gifts, devices, or bequests

(Section 2.3).

- c. Ensure compliance with any legal restrictions, such as bond covenants or trust agreements.
 - d. Meet investment objectives as outlined in the [Cash Management Investment Pool Guidelines](#), [Defensive Return Pool Investment Guidelines](#), or the [Endowment Pool Investment Guidelines](#) to help fund the various operating or educational needs within the University.
3. Certain funds or securities may be separately invested rather than commingled in an investment pool if one or more of the following conditions exist:
- a. A donor has provided written directions as to the investment of, or that restricts the sale of, their donation that would make it impractical to commingle with other securities or funds in other investment pools.
 - b. The Vice President for Finance and Administrative Services approves such an investment, as long as such an investment is in accordance with the appropriate governing regulations.

2.3 Donated Securities

1. Securities received by gift, devise, or bequest, whether outright or in trust, shall be sold as soon as practical in accordance with the Rules of the Money Management Council and USHE Policy R541, Management and Reporting of Institutional Investments unless:
 - a. Restrictions specified by the donor in a written instrument contain directions for investing them. The University will periodically review the donor's written directions to determine if any donated securities being held can be sold or if they should be written off if the value is deemed immaterial.
 - b. Such securities are restricted from sale because they are not registered with the Securities and Exchange Commission and/or lack a written instrument as per the donor's intentions. In such cases, they may be retained as a qualified investment. When the terms of the restrictions are no longer applicable, the securities shall be sold or written off in accordance with this section.
 - c. Such securities are illiquid and cannot be immediately sold at net asset value. Such securities may be held until maturity or until such time when a sale is prudent.

2.4 Investment Advisory Committees

The Investment Advisory Committee of the Endowment Pool shall include not more than two members of the Utah State University Board of Trustees, two members of the Utah State University Foundation Board, and no less than two independent investment management professionals.

The Investment Advisory Committee of the Defensive Return Pool shall include not more than two members of the Utah State University Board of Trustees and no less than two independent investment management professionals.

Non-University committee members shall be invited to serve a five-year term and may be invited to serve a second five-year term.

2.5 Reporting, Audit, & Conflict of Interest Requirements

Investment reports, annual audits, and conflict of interest requirements will follow the Utah System of Higher Education Policy R541, Management and Reporting of Institutional Investments.

1100.3 RESPONSIBILITIES

3.1 President

Review and sign Notification of Investment Forms to ratify investment purchases.

3.2 Public Treasurer

Manage and invest funds in accordance with this policy and provide investment reports to the Utah State University Board of Trustees.

1100.4 REFERENCES

- [Utah System of Higher Education Policy R-541 Management and Reporting of Institutional Investments](#)
- [Utah Code Title 51, Chapter 7, 5](#)
- [Rules of the State Money Management Council](#)
- [Utah Code Title 51, Chapter 8, Uniform Prudent Management of Institutional Funds Act](#)

1100.5 RELATED USU POLICIES

- [USU Policy 2301 Individual Conflicts of Interest](#)

1100.6 DEFINITIONS

- **Institutional Fund.** A fund that is primarily for appreciation or the production of income and intended to be held in perpetuity. Institutional Funds do not include program-related assets, which are assets held to accomplish the purpose of the institution and not primarily for appreciation or the production of income.
- **Operating Funds.** Funds not primarily for appreciation or the production of income. Money used to operate a higher education institution that is received from state appropriations, government contracts and grants, or tuition and fees collected from students.
- **Public Treasurer.** Utah State University employee who has been designated by the Board of Trustees as the University's Public Treasurer as defined in the State Money Management Act and who has the responsibility and authority for the safekeeping and investment of public funds. The criteria to serve as a public treasurer include, without limitation (1) demonstrated investment knowledge and experience through professional endeavors and/or through obtaining financial certifications; (2) integrity and strong moral character; (3) the ability to build relationships with investment, banking, and other personnel; and (4) possess financial acumen with proven ability to educate others on investments.

Information below is not included as part of the contents of the official policy. It is provided only as a convenience for readers/users and may be changed at any time by persons authorized by the president.

RESOURCES

Guidance

- [Cash Management Investment Pool Guidelines](#)
- [Defensive Return Pool Investment Guidelines](#)
- [Endowment Pool Investment Guidelines](#)

Contacts

- [Vice President of Finance and Administrative Services](#)

POLICY HISTORY

Original issue date: 2006/10/26

Last review date: 2025/11/07

Next scheduled review date: 2028/01/01

Previous revision dates: 2025/01/10, 2024/08/30, 2022/06/24, 2022/06/24, 2016/11/18, 2014/02/19