Sul Ross State University maintains a strong system of internal controls in its financial systems. In addition, the following internal controls have been implemented in the processing and monitoring of all SRSU investment transactions:

A. The University adheres to the current Texas State University System Investment Policies approved by the Board. These policies are system-wide policies which require each institution to develop and document administrative procedures and internal controls in support of the System policies which contain allocation targets and endowment investment strategies.

B. The investment policy is reviewed and/or updated annually.

C. Except for certificates of deposit, all securities purchased by Sul Ross State University are held by a third party custodian in the name of the University. A safekeeping receipt is issued to the University listing the specific instrument, rate, maturity, safekeeping receipt number, and other pertinent information. A safekeeping receipt is issued to the University in the University’s name for certificates of deposit. These receipts are kept in fireproof cabinets.

D. All sales or purchases of securities require the written approval and signature of the investment officer. No securities are safe-kept with a broker/dealer.

E. Portfolio market values are evaluated on a periodic and timely basis but at least monthly to insure that the University is aware of any market changes. Investment reporting is completed monthly.

F. The investment subsidiary ledger is reconciled on a monthly basis to the Monthly Operating Report, General Ledger, Texpool statements, investment reports, and other broker/dealer statements. A monthly reconciliation of transactions and income is made by investment personnel. These reconciliations are reviewed by accounting personnel on a regular basis and by the investment officer monthly.

G. A periodic reconciliation of income expected and received is prepared by investment and accounting personnel. Operating funds cash flow is reviewed periodically and at a minimum annually to determine investment strategy impact and projections.

H. All wire transfers for the purchase of securities are performed by accounting personnel not involved in the decision process. These wire transfers are then confirmed in writing by at least two University officials.
I. The University’s investment processes and procedures are audited at least every two years by the Internal Auditor with an audit report presented to the Board.

J. All entries for each investment transaction require supporting documentation. The Investment Officer will review all market value documentation monthly.