



MEMORANDUM

November 21, 2024

Southern Utah University – Revision to Institutional Endowment Investment Policy

[Board Policy R541, Management and Reporting of Institutional Investments](#), requires that revisions to an institutional endowment investment policy receive approval from the institutional board of trustees and the Utah Board of Higher Education. Southern Utah University's Fiscal Year 2024 endowment closing balance was \$37,948,104 and has matured to the point where SUU's investment management firm (Soltis Advisory Group) and external investment committee members (Clint Stone, Mark Russel, and Kimber Heaton) recommend updating the policy to allow for more flexibility in the asset allocation strategy. Primary changes are summarized as follows:

SUU's Current Endowment Investment Allocation

- Fixed Income & Cash: 20-50%
- Equity: 50-80%
- Alternatives: 5-15%

SUU's Proposed Endowment Investment Allocation

- Cash & Cash Equivalents: 1-10%
- Fixed Income: 10-40%
- Equity Investments: 20-50%
- Alternative Investments: 10-50%

SUU expects that this updated allocation strategy will diversify across risk, maximize returns, and allow for an increase to its annual spending policy from 4.0% to 4.25% - 4.5%, which better approximates the National Association of College and University Business Officer (NACUBO) institution average annual endowment spending. The investment policy was presented and approved by the SUU Board of Trustees on October 11, 2024.

Commissioner's Recommendation

The Commissioner recommends that the Board approve Southern Utah University's proposed modification to its current endowment investment policy.

Attachment

Attachment 1 – SUU Proposed University Investment Policy