

**Management & Reporting of
Institutional Investments (R541)**



Office of the Internal Auditor

Audit Report 2018-04

April 18, 2018

EXECUTIVE SUMMARY

Internal Audit has completed the audit of *Management & Reporting of Institutional Investments* policy (“Regent Policy R541”) which is required by the Utah System of Higher Education’s R541. The purpose of this report is to express audits opinion regarding the following objectives:

- 1) Determine the accuracy and completeness of the annual Report of Cash, Cash Equivalents, and Investments as of June 30, 2017;
- 2) Ensure the Report of Cash, Cash Equivalents, and Investments ties to the cash, cash equivalents, and investments balances listed on the audited Statement of Net Assets as of June 30, 2017; and
- 3) For the year ended June 30, 2017, determine whether Snow College was compliant with the laws and policies governing investment activity which include the Money Management Act, the Uniform Prudent Management of Institutional Funds Act, and Regent Policy R541 (“the Standards”)

The audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*. Those standards require that Internal Audit develop an audit plan that establishes objectives, a scope sufficient to satisfy those objectives, and a work program that achieves those objectives. The audit plan emphasized compliance with the Standards and focused on processes in place from July 1, 2016 through June 30, 2017, and balances as of June 30, 2017.

It is the opinion of Internal Audit, that the accompanying annual Report of Cash, Cash Equivalents, and Investments presents fairly the cash, cash equivalents, and investments position as of June 30, 2017 in accordance with the presentation requirements set by the Commissioner of Higher Education. Snow College was compliant with the Money Management Act, the Uniform Prudent Management of Institutional Funds Act, the Rules of the Money Management Council and Regent Policy R541.

It is the opinion of Internal Audit that sufficient and appropriate audit procedures have been conducted and evidence gathered to support the accuracy of the conclusions reached and contained in this report. The evidence gathered meets professional audit standards and is sufficient to provide the Board of Trustees and senior management with the proof of the conclusions derived from the internal audit.

REPORT OF CASH, CASH EQUIVALENTS & INVESTMENTS

INSTITUTION: Snow College

DATE: 07-19-2017

SUBMITTED BY: Jon Knudsen

USHE - REPORT OF CASH, CASH EQUIVALENTS, AND INVESTMENTS
ALL FUNDS - AS OF JUNE 30, 2017

CATEGORY OF ASSET	DESCRIPTION OF ASSET	NAME OF BANK OR ISSUER	ACQUISITION DATE	MATURITY DATE	TOTAL FAIR VALUE	ENDOWMENT FUNDS AMT	FOUNDATION FUNDS AMT	ALL OTHER FUNDS AMT
Cash Per Books	Cash Per Books	N/A	N/A	N/A	12,766	-	-	12,766
					12,766	-	-	12,766
Money Market Accounts	Money Market	Zions Business Gold	N/A	N/A	105,366	-	-	105,366
	Cash	Soltis Investment Advisors	N/A	N/A	373,708	373,708	-	-
	Money Market Business	Cache Valley Bank	N/A	N/A	8,385	8,385	-	-
	Cash	Soltis Investment Advisors	N/A	N/A	4,733	-	4,733	-
	Zions Bank Business Interest on Checking	Zions Bank	N/A	N/A	318,372	-	-	318,372
					810,565	382,093	4,733	423,739
Repurchase Agreements	Sweep	Zions Gold International	N/A	N/A	1,098,006	-	-	1,098,006
					1,098,006	-	-	1,098,006
Utah PTIF Accounts	PTIF	PTIF	N/A	N/A	4,667,009	-	-	4,667,009
	PTIF	PTIF	N/A	N/A	328,471	-	-	328,471
	PTIF-Housing Bond	PTIF	N/A	N/A	517	-	-	517
	UT St Treasurer's Public Inv Pool A	Zions Capital Advisors	N/A	N/A	1,282,824	-	-	1,282,824
					6,278,820	-	-	6,278,820
Obligations of US Government	FHLMC	Zions Bank	06/29/17	06/29/22	99,083	-	-	99,083
	FNMA	Zions Capital Advisors	03/27/17	03/27/20	250,085	-	-	250,085
	FHLMC	Zions Capital Advisors	04/21/17	03/27/20	249,711	-	-	249,711
	FHLMC	Zions Capital Advisors	03/30/17	03/29/20	249,304	-	-	249,304
	FHLMC	Zions Capital Advisors	04/28/17	12/28/20	250,001	-	-	250,001
	FHLMC	Zions Capital Advisors	06/30/17	05/28/21	249,564	-	-	249,564
					1,347,747	-	-	1,347,747
Obligations of State / Local Government	North Davis Cnty 659078BP3	Zions	03/21/13	03/01/18	501,750	-	-	501,750
					501,750	-	-	501,750
Common / Preferred Stocks	Common Stock	AT&T	N/A	N/A	74,554	74,554	-	-
	General Electric Co	Soltis Investment Advisors	06/28/17	N/A	494,688	-	494,688	-
					569,243	74,554	494,688	-
Corporate Bonds / Notes	Bank Montreal	Zions Capital Advisors	05/05/17	07/31/18	250,379	-	-	250,379
	Goldman Sachs Group Inc	Zions Capital Advisors	04/04/17	10/23/19	253,130	-	-	253,130
	Daimler Finance NA LLC	Zions Capital Advisors	03/20/17	01/09/20	241,164	-	-	241,164
	Nissan Motor Acceptance	Zions Capital Advisors	05/08/17	01/13/20	350,740	-	-	350,740
	Wells Fargo & Company	Zions Capital Advisors	06/09/17	01/30/20	251,627	-	-	251,627
	Morgan Stanley	Zions Capital Advisors	03/24/17	02/14/20	251,025	-	-	251,025
	National Australia Bank	Zions Capital Advisors	05/25/17	05/22/20	250,440	-	-	250,440
	Nordea Bank AB	Zions Capital Advisors	05/31/17	05/28/20	250,557	-	-	250,557
	Citibank NA	Zions Capital Advisors	06/12/17	06/12/20	250,637	-	-	250,637
	National Bank of Canada	Zions Capital Advisors	06/12/17	06/12/20	225,731	-	-	225,731
	Bank of America Corp	Zions Bank	01/10/17	09/01/17	100,688	-	-	100,688
	Morgan Stanley	Zions Bank	02/02/17	04/25/18	70,231	-	-	70,231
	Credit Suisse New York	Zions Bank	03/14/17	04/27/18	249,983	-	-	249,983
	Bank of America	Zions Bank	2/10/17,	05/01/18	309,421	-	-	309,421
			2/16/17,					
			3/6/17					
	Hubbell Inc	Zions Bank	4/6/17,	06/01/18	207,466	-	-	207,466
			4/17/17					
	Santander UK PLC	Zions Bank	06/16/17	08/23/18	101,253	-	-	101,253
	General Elec Cap Corp	Zions Bank	1/21/15,	12/07/17	411,691	-	-	411,691
			3/3/15					
	American Honda Finance	Zions Bank	12/09/16	07/14/17	14,999	-	-	14,999
	Bear Stearns Co Inc	Zions Bank	12/19/17	10/02/17	10,115	-	-	10,115
	Citigroup	Zions Bank	11/14/16,	08/14/17	43,003	-	-	43,003
			12/5/16,					
			12/13/16					
	John Deere Capital Corp	Zions Bank	12/08/17	09/18/17	20,058	-	-	20,058
	Westpac Banking Corp	Zions Bank	11/17/16,	08/14/17	30,020	-	-	30,020
			12/12/16					
	Santander UK PLC	Wells Fargo Securities SLC	06/01/16	09/29/17	500,240	-	-	500,240
	Citigroup Inc	Wells Fargo Securities SLC	08/03/16	11/24/17	901,736	-	-	901,736
	Toronto-Dominion Bank	Wells Fargo Securities SLC	08/03/16	03/13/18	450,499	-	-	450,499
	HSBC USA INC	Wells Fargo Securities SLC	04/01/16	09/24/18	906,166	-	-	906,166
	Goldman Sachs	Wells Fargo Securities SLC	03/01/16	11/15/18	858,833	-	-	858,833
					7,661,832	-	-	7,661,832
Mutual Funds	Fidelity Real Estate Income	Soltis Investment Advisors	N/A	N/A	347,928	347,928	-	-
	Adirondack Small Cap Fund	Soltis Investment Advisors	N/A	N/A	92,781	-	-	92,781
	Edgewood Growth Fund Instl Cl	Soltis Investment Advisors	N/A	N/A	212,068	212,068	-	-
	Artisan Mid Cap	Soltis Investment Advisors	N/A	N/A	151,207	-	-	151,207
	Grandeur Peak Global Reach Fund	Soltis Investment Advisors	N/A	N/A	226,845	226,845	-	-
	Grandeur Peak Global Stalwarts Instl	Soltis Investment Advisors	N/A	N/A	359,288	359,288	-	-
	JP Morgan Mid Cap Value Fund	Soltis Investment Advisors	N/A	N/A	150,171	-	-	150,171
	Oakmark Fund	Soltis Investment Advisors	N/A	N/A	208,850	208,850	-	-
	Salient MLP & Energy Infrastructure	Soltis Investment Advisors	N/A	N/A	266,546	266,546	-	-
	Wasatch Small Cap Growth	Soltis Investment Advisors	N/A	N/A	86,993	86,993	-	-
	William Blair Macro Allocation Fund	Soltis Investment Advisors	N/A	N/A	107,244	107,244	-	-
	American Cen SHT Dur Intl Protection	Soltis Investment Advisors	N/A	N/A	361,672	361,672	-	-
	Dodge & Cox Income	Soltis Investment Advisors	N/A	N/A	242,151	242,151	-	-
	JPMorgan Strategic Income Opps	Soltis Investment Advisors	N/A	N/A	789,833	789,833	-	-
	Metropolitan West Total Return	Soltis Investment Advisors	N/A	N/A	907,057	907,057	-	-
	Fidelity Real Estate Income	Soltis Investment Advisors	N/A	N/A	5,260	-	5,260	-
	Artisan Mid Cap	Soltis Investment Advisors	N/A	N/A	7,489	-	7,489	-
	Oakmark Fund	Soltis Investment Advisors	N/A	N/A	9,912	-	9,912	-
	Salient MLP & Energy Infrastructure	Soltis Investment Advisors	N/A	N/A	6,010	-	6,010	-
	Wasatch Small Cap Growth	Soltis Investment Advisors	N/A	N/A	4,851	-	4,851	-
	American Cen SHT Dur Intl Protection	Soltis Investment Advisors	N/A	N/A	9,210	-	9,210	-
	Hartford World Bond Fund	Soltis Investment Advisors	N/A	N/A	13,892	-	13,892	-
	JPMorgan Strategic Income Opps	Soltis Investment Advisors	N/A	N/A	14,678	-	14,678	-
	Metropolitan West Total Return	Soltis Investment Advisors	N/A	N/A	14,113	-	14,113	-
	Wasatch Funds Micro cap	Wasatch Funds	N/A	N/A	58,348	58,348	-	-
					4,654,197	4,568,782	85,415	-
Exchange Traded Products	ELKHORN ETF TR LUNT LW VLH/HG	Soltis Investment Advisors	N/A	N/A	831,134	-	-	831,134
	Ishares Edge MSCI Min Vol Emerging	Soltis Investment Advisors	N/A	N/A	63,710	-	-	63,710
	Ishares MSCI EAFE ETF	Soltis Investment Advisors	N/A	N/A	391,200	-	-	391,200
	Ishares Core S&P Mid-Cap ETF	Soltis Investment Advisors	N/A	N/A	304,413	-	-	304,413
	Ishares Core S&P Small-Cap ETF	Soltis Investment Advisors	N/A	N/A	178,781	-	-	178,781
	Ishares Edge MSCI Min Vol EAFE ETF	Soltis Investment Advisors	N/A	N/A	148,866	-	-	148,866
	Vanguard Intl Equity Index FDS FTSE	Soltis Investment Advisors	N/A	N/A	359,304	-	-	359,304
	ISHARES CORE U.S. AGGREGATE BOND	Soltis Investment Advisors	N/A	N/A	941,786	-	-	941,786
	ELKHORN ETF TR LUNT LW VLH/HG	Soltis Investment Advisors	N/A	N/A	4,679	-	4,679	-
	Ishares Edge MSCI Min Vol Emerging	Soltis Investment Advisors	N/A	N/A	4,432	-	4,432	-
	Ishares Edge MSCI Min Vol EAFE ETF	Soltis Investment Advisors	N/A	N/A	12,463	-	12,463	-
					3,240,767	3,219,193	21,574	-
Other Investments	Donated Bookstore	N/A	N/A	N/A	42,437	-	42,437	-
					42,437	-	42,437	-
TOTAL FAIR VALUE					26,218,129	8,244,623	648,847	17,324,659