



Higher Education Institution Investment Reporting

As discussed more fully at <https://www.sao.texas.gov/InternalAudit/PublicFunds/#higherEdu> Higher Education Institution Investment Reporting Requirements of the General Appropriations Act (87th Legislature), Article III, Section 6, Rider 5—Investment Reports, the State Auditor’s Office (SAO) requires that higher education institutions report to the SAO certain investment information prescribed by Rider 5. Those requirements include responses to the following three investment questions:

- 1) Does the institution employ outside investment advisors or managers and, if so, who are they (provide individual or firm name and address)? Do the outside investment advisors or managers have the authority to make investment decisions without obtaining prior approval?

Answer: Texas Southern University (TSU) uses Atlanta Consulting Group (ACG) as our investment managers. Their address is 5600 Glenridge Drive NE, Suite 230-East; Atlanta, GA 30342. ACG does not have the authority to make investment decisions without obtaining prior approval from the University.

- 2) Does the institution use soft dollar, directed brokerage or directed commission, commission recapture, or similar arrangements (these arrangements typically involve using brokerage commissions as a means of paying for other related investment services through credits of a portion of brokerage commissions paid rather than through direct payments, or using selected brokers who will rebate a portion of commissions they receive on trades for the investor)? If the answer to this question is yes, the institution must summarize briefly the guidelines that govern the use of such arrangements.

Answer: No.

- 3) Is the institution associated with an independent endowment or foundation? If the answer to this question is yes, the institution must provide contact information (name and address) for the individual(s) who manage the independent endowment or foundation. The institution must also provide, if available, the market value of the endowment's or foundation's investments.

Answer: No, Texas Southern University does not have an independent endowment.