



Board of Trustees

1:30 PM

October 10, 2019

President's Boardroom, Horace Mann Center

-
- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|
| 1. Call to Order | Board Chair Kevin Queenin |
| 2. Approval of Minutes June 20, 2019 | Board Chair Kevin Queenin |
| 3. General Announcements a. Annual Trustee Convening – October 31 | Board Chair Kevin Queenin |
| 4. President's Report | Dr. Ramon S. Torrecilha |
| <u>Executive Committee</u> | Board Chair Kevin Queenin |
| 5. Items for Information | |
| 6. Items for Action a. Ratification of Motion – Direct Rubin & Rudman to Answer Open Meeting Law Complaint of June 18, 2019 | |
| <u>Academic and Student Affairs Committee</u> | Committee Chair Robert Martin |
| 7. Items for Information | |
| <u>Finance and Capital Assets Committee</u> | Committee Chair Edward Sullivan |
| 8. Items for Information a. Investment Presentation | Eaton Vance Investment Counsel |
| 9. Items for Action a. Ratification of Motion – Approval of Westfield State University Investment Policy (0430) b. Ratification of Motion – Schwab Investment Account, Fund Transfer c. Motion – Voluntary Separation Incentive Program d. Motion – Money Market Account | |

- e. Motion – Affirmative Action/Equal Opportunity/Diversity Plan/Complaints Against University President Policy (2150)
- f. Motion – American Recovery and Reinvestment Act (ARRA) Funds Policy (0520)
- g. Motion – Student Short-Term Loans Policy (0120)

Advancement and Enrollment Management Committee

Committee Chair Lydia Martinez-Alvarez

10. Items for Information

- a. Marts & Lundy Presentation

Kathy Howrigan, Marts & Lundy

Audit Committee

Committee Chair Lydia Martinez-Alvarez

11. Items for Information

12. Items for Action

- a. Motion – FY19 Audit Report
- b. Motion – Computer Viruses Policy (0040)
- c. Motion – Equipment/Software Purchasing Policy (0070)
- d. Motion – Identity Theft Prevention Policy (0540)
- e. Motion – Telephone Use Policy (0310)
- f. Motion – Confirmation of Appointment of Audit Committee Chair

Attachments:

- a. Minutes of June 20, 2019

Executive Committee:

- b. Motion – Ratification of directing Rubin & Rudman to Answer Open Meeting Law Complaint of June 18, 2019

Finance and Capital Assets Committee:

- c. Eaton Vance Presentation
- d. Motion – Ratification of Approval of Westfield State University Investment Policy (0430)
- e. Motion – Ratification of Schwab Investment Account, Fund Transfer
- f. Motion – Voluntary Separation Incentive Program
- g. Motion – Money Market Account
- h. Motion – Affirmative Action/Equal Opportunity/Diversity Plan/Complaints Against University President Policy (2150)
- i. Motion – American Recovery and Reinvestment Act (ARRA) Funds Policy (0520)
- j. Motion – Student Short-Term Loans Policy (0120)

Advancement and Enrollment Management Committee:

- k. Marts & Lundy Presentation

Audit Committee:

- l. Motion – FY19 Audit Report
- m. Motion – Computer Viruses Policy (0040)
- n. Motion – Equipment/Software Purchasing Policy (0070)
- o. Motion – Identity Theft Prevention Policy (0540)
- p. Motion – Telephone Use Policy (0310)
- q. Motion – Confirmation of Appointment of Audit Committee Chair



BOARD OF TRUSTEES

Minutes

President's Boardroom, The Horace Mann Center

June 20, 2019

MEMBERS PRESENT: Chair Kevin Queenin, Vice Chair Linda Slakey, Secretary Madeline Landrau, James Hagan, Terrell Hill, Robert Magovern, Steven Marcus, Robert Martin, Lydia Martinez-Alvarez, Edward Sullivan and Cameron Swan.

Dr. Ramon S. Torrecilha, President of Westfield State University, was also present.

The meeting was called to order at 2:00 PM by Chair Queenin.

MOTION made by Trustee Hagan, seconded by Trustee Hill to approve the minutes of the April 24, 2019 Board of Trustees meeting. **Motion passed unanimously.**

MOTION made by Trustee Hagan, seconded by Trustee Hill, to approve the minutes of the May 15, 2019 Board of Trustees meeting. **Motion passed unanimously.**

Chair Queenin recognized Trustees Slakey, Marcus and Swan, who will be leaving the Board, and presented them with gifts and Resolutions, thanking them for their commitment to Westfield State.

President's Report:

- President Torrecilha thanked faculty and staff for joining the meeting. Going forward, he intends to send communication to campus letting them know that agendas and Board minutes have been posted.
- Out of the nine institutional priorities that were set last year, eight were met. In the future, the Strategic Plan will guide institutional priorities.
- The Strategic Plan was accepted by the State and is now being implemented and guiding the budget for FY20.
- We partnered with the Division of Capital Asset Management and Maintenance (DCAMM) in the selection of the architects for the Parenzo Hall renovation.
- An investment advisor has been selected to put in place an investment strategy for reserved funds.
- We are closing in on the \$1.6 million fundraising goal for the year. For the first time, Westfield State was recognized with a 2019 Educational Fundraising Award from the Council for Advancement and Support of Education (CASE).
- Enrollment Management has developed a dashboard for recruitment, marketing and financial aid in comparison to last year. This dashboard was highlighted at the Department of Higher Education (DHE) Trustees conference.
- Trustees Marcus, Slakey and Swan were thanked for their service on behalf of the students and the institution.

- Ms. Susan LaMontagne, Dean of Students, will retire this summer. She has provided leadership and stability to the Student Affairs division for more than three decades and is highly respected both on and off campus for her expert understanding of student issues.

Finance and Capital Assets Committee: Trustee Sullivan stated that in addition to discussion on the following action items, there was a multi-year planning model presented at the committee which will also be presented to the campus community in the coming months.

MOTION made by Trustee Sullivan, seconded by Trustee Swan, to approve the FY20 Operating Budget as presented and to authorize the President to make budget adjustments to these funds. **Motion passed unanimously.**

MOTION made by Trustee Sullivan, seconded by Trustee Magovern, to approve FY20 capital projects, as presented in the FY20 Capital Projects Summary Plan.

Some of these projects fall under the threshold of requiring Board approval, but it was felt that it was appropriate for the Board to be aware and approve of the projects. **Motion passed unanimously.**

MOTION made by Trustee Landrau, seconded by Trustee Magovern, to authorize the University to spend up to \$30,000 in FY20 on sponsorship and/or attendance at community events, consistent with University guidelines for the expenditure of such funds. The University will report all expenditures made under this umbrella approval no later than the June 2020 meeting of the Board of Trustees. **Motion passed unanimously.**

MOTION made by Trustee Sullivan, seconded by Trustee Swan, to approve the FY20 expenditures for the vehicle lease/purchase program, as presented. **Motion passed unanimously.**

MOTION made by Trustee Sullivan, seconded by Trustee Swan, to approve and adopt the updated Westfield State University policy on Fixed Assets, Capitalization, and Inventory Control (0601), as presented, to be effective July 1, 2019. **Motion passed unanimously.**

MOTION made by Trustee Sullivan, seconded by Trustee Hill, to engage the services of Eaton Vance in accordance with the Investment Management Services RFP (2019-004), rescinding the April 24, 2019 motion approved by the Board of Trustees engaging the services of Vanguard. **Motion passed unanimously.**

MOTION made by Trustee Sullivan, seconded by Trustee Swan, to support the development of a voluntary separation incentive plan for Westfield State University, based on the recently approved Salem State University plan. **Motion passed unanimously.**

MOTION made by Trustee Sullivan, seconded by Trustee Martinez-Alvarez, to amend the Emergency Notification System (Policy 3030) as presented. **Motion passed unanimously.**

MOTION made by Trustee Sullivan, seconded by Trustee Landrau, to amend the Emergency Response and Preparedness Authorization (Policy 3040) as presented. **Motion passed unanimously.**

Trustee Sullivan left the meeting at 2:27 PM.

Academic and Student Affairs Committee: Trustee Martin asked that Board materials, in addition to agendas, also be presented on the website. It was also requested that PowerPoint presentations be provided to Trustees before the meeting so notes could be written on them. At the committee meeting, the Westfield State Experience was discussed in connection with the first two years. Collaboration and ownership of the program needs to happen by all parts of the campus community.

Advancement and Enrollment Management Committee: Trustee Landrau welcomed Dr. Erica Broman, Vice President for Institutional Advancement, who introduced Ms. Kathy Howrigan, Senior Consultant and Principal of Marts & Lundy, a fundraising firm. Ms. Howrigan spoke about the goals, benefits, phases, and types of a capital campaign, as well as the three pillars to campus success: Case, Constituents and the Catalysts. They will present interim findings in September and a full report in January, which will give recommendations on staffing levels to sustain the campaign and investments needed.

Audit Committee: Trustee Martinez-Alvarez stated that the committee has met twice (May 3 and June 3) since the last full Board meeting to discuss the position of Associate Director of Risk Management and dual reporting. At the June 3 Audit Committee meeting, it was voted to bring to the full Board changes to the Audit Committee Charter and Whistleblower Policy. The committee appreciated campus community input on those changes.

MOTION made by Trustee Martinez-Alvarez, seconded by Trustee Magovern, to approve and adopt the updated Westfield State University Audit Committee Charter, as presented, and to update the Audit Committee Charter Policy (0460) accordingly. **Motion passed unanimously.**

MOTION made by Trustee Landrau, seconded by Trustee Hill, to approve and adopt the updated Westfield State University Reporting Violations of Laws, Rules, or Regulations (Whistleblower) Policy (0440), as presented. **Motion passed unanimously.**

Governance and Nominating Committee: Trustee Marcus thanked Trustee Slakey for serving as Vice Chair and Trustee Landrau for serving as secretary to the Board the last few years.

MOTION made by Trustee Marcus, seconded by Trustee Landrau, to elect the following slate of officers for the 2019-2020 academic year:

Kevin R. Queenin, Chair
Edward C. Sullivan, Vice Chair
Lydia E. Martinez-Alvarez, Secretary

Motion passed unanimously.

Chair Queenin presented a draft response to the Massachusetts State College Association (MSCA) local chapter's questions presented at the April 24 meeting. He and Trustee Martin spent some time working on the draft response, which will serve as a template for working on issues that come up in the future. He asked for input on the draft letter and the process. It was commented that the letter was good, strong and provides continued dialogue with the Union to put the interests of the University first. This Board supports the President and hopes this letter goes forward to create healthy discussion. Focusing on the topics is important. Concentrating on finance first because that is an area that should be explored and a more robust conversation can be established. Other topics were left open so that the Union could identify other areas of concern that should be discussed next.

MOTION made by Trustee Slakey, seconded by Trustee Magovern, to authorize the letter to be sent to the MSCA Union. **Motion passed unanimously.**

Chair Queenin stated that all Trustees received correspondence from Ms. Linda Hogan-Shea, steward of the AFSCME Union today. In the past, Ms. Hogan-Shea and Mr. Gonzales of the APA Union had said that Dr. Hennessey of the MSCA Union would represent their interests, but today's note stated they are open to meet with the Board. Ms. Hogan-Shea was in the room and clarified that they would like to be included in Trustee and Union meetings in the future.

There being no further business, **MOTION** made by Trustee Magovern, seconded by Trustee Hagan, to adjourn.

Meeting adjourned at 3:05 PM.

Attachments presented at this meeting:

- a. Minutes of April 24, 2019
- b. Minutes of May 15, 2019
- c. Draft Response to MSCA statement presented to the Board of Trustees on April 24, 2019

Finance and Capital Assets Committee:

- d. Motion – FY20 Operating Budget and supporting documents presented by the Committee
- e. Motion – Capital Projects and supporting documents presented by the Committee
- f. Motion – FY20 Sponsorships and supporting documents presented by the Committee
- g. Motion – Vehicle Lease/Purchase Program and supporting documents presented by the Committee
- h. Motion – Fixed Assets, Capitalization, and Inventory Control Policy (0601) and supporting documents presented by the Committee
- i. Motion – Investment Advisor and supporting documents presented by the Committee
- j. Motion – Voluntary Separation Incentive Plan and supporting documents presented by the Committee
- k. Motion – Emergency Notification System (3030) and supporting documents presented by the Committee
- l. Motion – Emergency Response and Preparedness Authorization (3040) and supporting documents presented by the Committee

Audit Committee:

- m. Motion – Audit Committee Charter Policy (0460) and supporting documents presented by the Committee
- n. Motion – Westfield State University Reporting Violation of Laws, Rules, or Regulations (Whistleblower) Policy (0440) and supporting documents presented by the Committee

Governance and Nomination Committee:

- o. Motion – Election of Board of Trustees Officers for 2019-2020

Secretary's Certificate

I hereby certify that the foregoing is a true and correct copy of the approved minutes of the Westfield State University Board of Trustees meeting held on June 20, 2019.

Lydia Martinez-Alvarez, Secretary

Date



Massachusetts Department of Higher Education

MAIN OFFICE
One Ashburton Place, Room 1401
Boston, MA 02108
TEL (617) 994-6950
WEB www.mass.edu

OFFICE of STUDENT FINANCIAL ASSISTANCE
75 Pleasant Street
Malden, MA 02148
TEL (617) 391-6070
WEB www.mass.edu/osfa

Carlos E. Santiago
Commissioner
Chris Gabrieli
Board Chairman

MEMORANDUM

TO: Community College Presidents
State University Presidents
Martin Meehan, President, University of Massachusetts System
Community College Board Chairs
State University Board Chairs

FROM: Carlos E. Santiago, Commissioner

DATE: September 26, 2019

SUBJECT: Registration now open for October 31 DHE Trustee Conference

As you may recall, on August 9, I sent you a memorandum asking you to notify your boards of trustees to "Save the Date" for the 2019-20 DHE Statewide Trustee Convening, which will take place on October 31 at the Doubletree Hotel in Westborough, MA.

I am writing today to notify you about the launch of registration for the October 31 Trustee Convening. Online registration is live and available at <https://www.eventbrite.com/e/october-2019-statewide-trustees-conference-registration-73002533543>. Please register and share this link with the members of your board and strongly encourage them to attend. DHE's Director of Trustee and Government Relations, Matt Noyes, will also follow-up with local board liaisons about the event.

This year's convening is an important step in the implementation of the Equity Agenda. As you know, last December, the Board of Higher Education formally adopted achieving equity as the overarching goal for the Massachusetts public higher education system. The October 31 Trustee Convening is an opportunity to engage directly with trustees around the goal and to help them understand their roles in moving toward this future. During the event, I will share how the equity principles will intersect with presidential evaluation criteria, and trustees will hear directly from their peers about local efforts to advance our statewide agenda. Trustees will also have an

opportunity to work together with other members of their board during an interactive training on the use of the DHE's Performance Measurement Review System (PMRS), which will allow them to better understand how to access institutional data and determine progress.

Additionally, we are working to have a keynote plenary session that will focus on the specific role that trustees can and must play in implementing the Equity Agenda. DHE staff is currently in conversation with national experts on this, and I am hopeful that an announcement of a speaker will be made soon.

I cannot stress enough the importance of strong participation at this year's annual convening. We have established an ambitious agenda that is vitally important from both a social justice and economic development perspective and will only be realized by strong collaboration and commitment to cultural change in order to advance equity. To that end, we rely on the engagement and expertise of campus leadership, including boards of trustees. I look forward to seeing you on October 31.

Beal, Jean A.

To: Noyes, Matt (DHE)
Subject: RE: DHE Trustee Conference: Registration now open for October 31, 2019

Hello Board Chairs and Board Liaisons –

I am writing with news of an exciting addition to the October 31 DHE Trustee Conference. I am pleased that the day will feature a keynote address from national experts on higher education board governance practices with a particular focus on the intersection of leadership, race, power, and equity. The mission of the Critical Higher Education Governance Collaborative (CHEGC) is closely aligned with the Equity Agenda for public higher education here in Massachusetts. CHEGC has said that they are impressed with the focus on equity that we have taken on here and that they are excited to work with us. The session that they will deliver on October 31 is aimed at giving trustees a better understanding of their role in implementing the Equity Agenda and the tools necessary to help drive that work forward at their own institutions.

More information on CHEGC is available on their website here: <https://www.chegc.org/>

We have had strong registration numbers to date, but please continue to encourage your board members to register for the conference. The registration link is available here: <https://www.eventbrite.com/e/october-2019-statewide-trustees-conference-registration-73002533543>

As always, if you have any questions or would like more information, please do not hesitate to reach out to me directly.

Thanks!

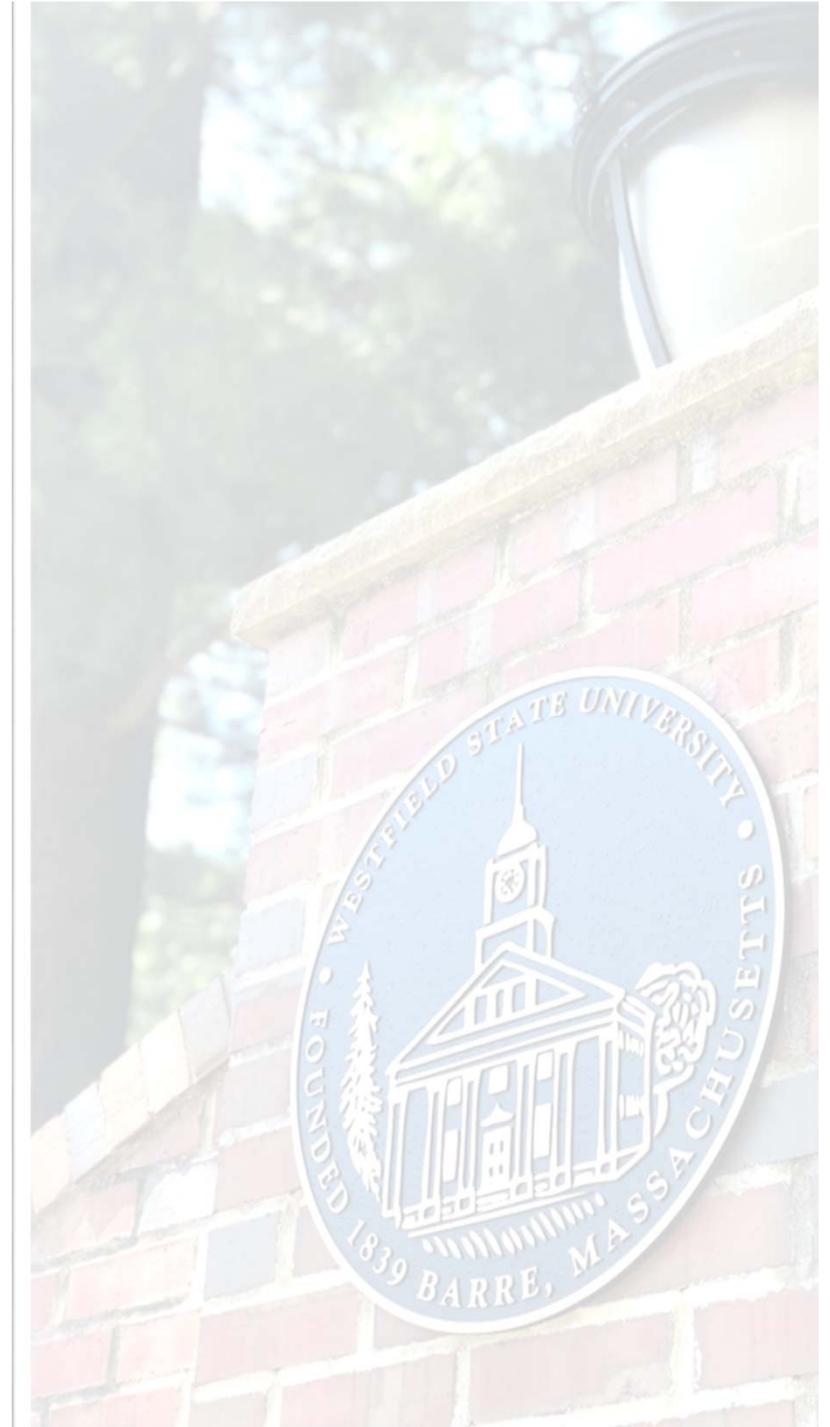
Matt Noyes
Director of Trustee and Government Relations
Massachusetts Department of Higher Education
One Ashburton Place, Room 1401
Boston, MA 02108
Office: (617) 994-6934
Cell: (781) 605-4434

Westfield

STATE UNIVERSITY

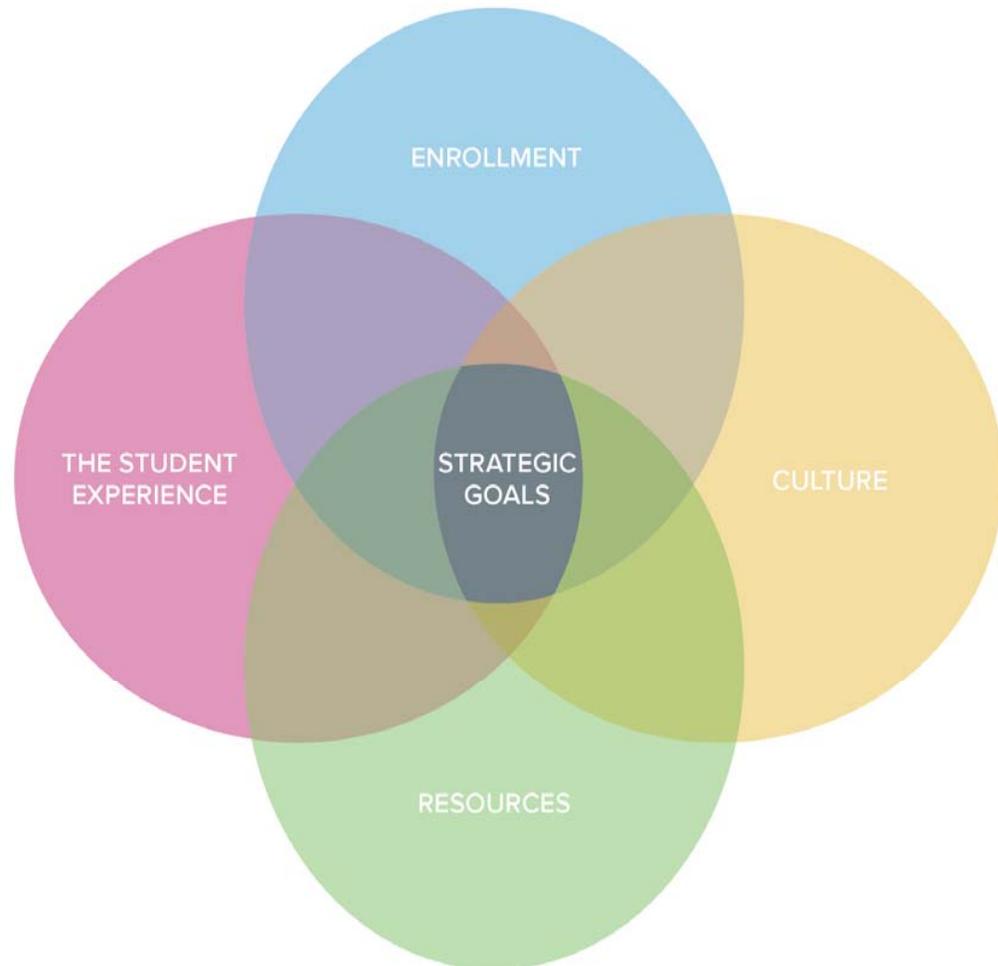
Update Strategic Plan

Board of Trustees
October 10, 2019



Four Goals of the Westfield State Strategic Plan

1. The Student Experience
2. Enrollment
3. Culture
4. Resources



Goal 1: Student Experience

Priority: Optimize student experience

| Action | Measured Outcomes FY20 |
|--------------------------------------------------|------------------------------------------------------------------------------------------|
| Implement Westfield State Experience Programming | 3 faculty in residence 51 GO-2 pairings 47 newly trained emerging leaders |
| Provide opportunities for young learners | Contact and planning in progress for West Springfield and Agawam for FY21 implementation |

Goal 1: Student Experience

Priority: Support academic programming

| Action | Measured Outcomes FY20 |
|--------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| Provide for innovation and strengthening in academic programming through research and regular program review | 2 accreditations 5 internal reviews in progress |
| Explore creative internal alliances | MPA seeking Health Management Concentration MS in cybersecurity being explored |
| Develop programming | Urban Studies articulation with STCC |

Goal 1: Student Experience

Priority: Core revision

| Action | Measured Outcomes FY20 |
|----------------------------------------------------------------------------------|---------------------------------------------------|
| Models of possible new core curriculum selected by the core subcommittee of ACAP | Conversation and planning moved into the colleges |

Priority: Opportunities for adult learners

| Action | Measured Outcomes FY20 |
|--------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| Prior learning assessments building on grant funding provided by DHE in AY2018 | New policy and procedures planned for submission to governance AY1920 |

Goal 2: Enrollment

Priority: Engage the campus in work of recruitment, retention, graduation

| Action | Measured Outcomes FY20 |
|-------------------------------------------------------|------------------------------------------------------------------------------|
| Hold 4 enrollment workshops on best practices | Enrollment Management dialogue: October 11, 2019, 1:40, Loughman Living Room |
| Market residential life as student success experience | New communication products created (video spots, brochures) |

Goal 2: Enrollment

Priority: Strategic enrollment to reach more diverse population of students

| Action | Measured Outcomes FY20 |
|-------------------------------------------------------------------|------------------------------------------------------------------------------------|
| Establish connection with diverse partners to enhance recruitment | Targeted outreach to community based organizations implemented (e.g., Girls, Inc.) |
| | 6 Student Outreach and Recruitment (SOAR) events this admissions cycle |

Priority: Increase financial aid

| Action | Measured Outcomes FY20 |
|----------------------------|---------------------------------------------------------------|
| Develop net tuition models | Implement recommendations from EAB report and restructure aid |

Goal 3: Culture

Priority: Create collaborative and communicative environment

| Action | Measured Outcomes FY20 |
|------------------------------------------------------------|-----------------------------------------|
| Develop onboarding and consistent professional development | HRRIDE will develop framework this year |
| Hold and record open forums | 4 planned for fall 2019 |

Priority: Inclusion everyday

| Action | Measured Outcomes FY20 |
|----------------------------|--------------------------------------------------------------------------------|
| Create office of diversity | OHRIDE created, Title IX investigator hired, Diversity Officer hire in process |
| Climate study | First task for the Diversity Officer |

Goal 4: Resources

Priority: Optimize use of current resources

| Action | Measured Outcomes FY20 |
|-----------------------------------------------------------------|-------------------------------------|
| Review redundant processes and develop more efficient processes | Questica implementation in progress |
| Support simplicity and increase stakeholder satisfaction | Questica implementation in progress |

Priority: Invest in upgrading and implementing technology solutions

| Action | Measured Outcomes FY20 |
|----------------------------------------------------|-------------------------------------|
| Assess institutional capacity for capital campaign | Report completed and plan evaluated |
| Develop online training in key areas | Procurement videos produced |
| Develop five year technology plan | Complete and implementation begun |

Goal 4: Resources

Priority: Diversity revenue sources

| Action | Measured Outcomes FY20 |
|-------------------------------------|------------------------------------------------------------------------|
| Create or enhance revenue sources | Identify three to five opportunities and implement them (e.g., Dining) |
| Develop alternative revenue sources | Investment strategy implemented |



Board of Trustees

October 10, 2019

MOTION

To ratify the Executive Committee's action taken at its June 27, 2019 meeting to delegate to Rubin and Rudman LLP the task of responding to the June 18, 2019 Open Meeting Law Complaint.

Kevin R. Queenin, Chair

Date

Working with Eaton Vance Investment Counsel

Prepared for Westfield State University
October 10, 2019

Robert C. Quinn, CFP®, CFA, Vice President
Duke Laflamme, CFA, Vice President

About Eaton Vance Corp.

Firm

- Publicly traded global asset management firm with a history dating back to 1924
- Offices in North America, UK, Germany, Japan, Singapore, and Australia
- \$474.4 billion in assets under management¹
- 357 investment professionals globally with over 17 years average industry experience; 200 CFA Charterholders¹
- Eaton Vance is a signatory of the Principles for Responsible Investment (UN PRI)*

Culture

- Focus** – Investment management is our only business
- Ownership Structure** – Voting control by senior management ensures we control our destiny
- Broad Range of Capabilities** – Assist clients in building portfolios designed for the outcomes they require
- Specialized Expertise** – Multi-affiliate model brings range of specialized investment expertise
- Commitment** – Eaton Vance has been partnering with institutional and private clients for more than 75 years

*Implemented by the United Nations Secretary-General, the Principles for Responsible Investment were developed by an international group of institutional investors reflecting the increasing relevance of environmental, social and corporate governance issues to investment practices.

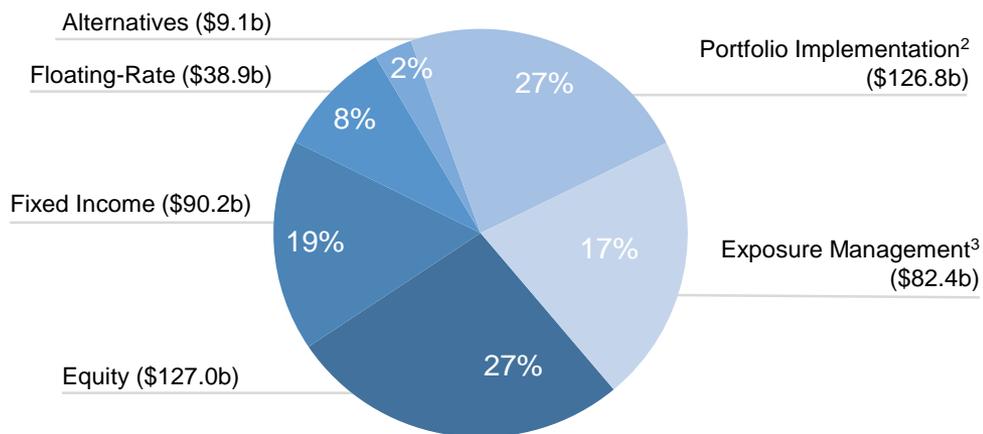
¹Eaton Vance Management and its affiliates as of June 30, 2019.

²Portfolio Implementation² includes Parametric Seattle's centralized portfolio management, Custom Core and specialty index assets.

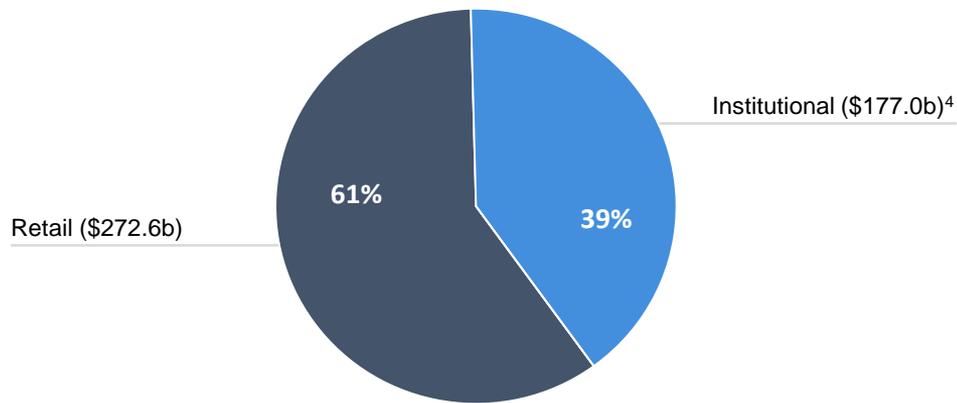
³Exposure Management³ includes Parametric Minneapolis's custom market capture strategies and derivative strategies to manage a portfolio's exposures or risk profile.

⁴Eaton Vance Management's institutional assets represent 7.8% of the total firm assets, with the remaining percentage representing institutional assets of EVM affiliates.

AUM by Investment Mandate¹



AUM by Market Channel¹



Representative Client in Education

- American School of Tangier
- Boston University
- ***Bunker Hill Community College***
- Dunn School
- Eastern Nazarene College
- ***Fitchburg State University Foundation Inc.***
- ***Framingham State University***
- Hebron Academy
- ***Holyoke Community College Foundation***
- ***Massachusetts Maritime Academy***
- ***Massasoit Community College***
- Neighborhood House Charter School
- Walnut Hill School for the Arts
- ***Westfield State University***
- Vermont Law School

Notable:

- \$112M¹ in assets under management for education clients
- Eaton Vance Investment Counsel has expertise in philanthropic advising, fund development, campaigns, marketing and board development services. Many of our employees are engaged with local community service organizations.
- We host a regular schedule of networking events for non-profit community leaders.

**Indicates inclusion in the "Massachusetts College Collaborative*

¹AUM as of 6/30/2019

This is a representative list of clients in Education of Eaton Vance Investment Counsel as of June 30, 2019 and is provided for informational purposes only. The clients on this list have provided permission to be included. Inclusion is not to be construed as a positive endorsement or testimonial regarding Eaton Vance's Investment Counsel services or performance in the management of such client's account.



Westfield State University Investment Goal

- The investment objectives of the University's liquid assets is to satisfy the University's cash flow needs and to preserve and enhance the portfolio's inflation adjusted purchasing power.

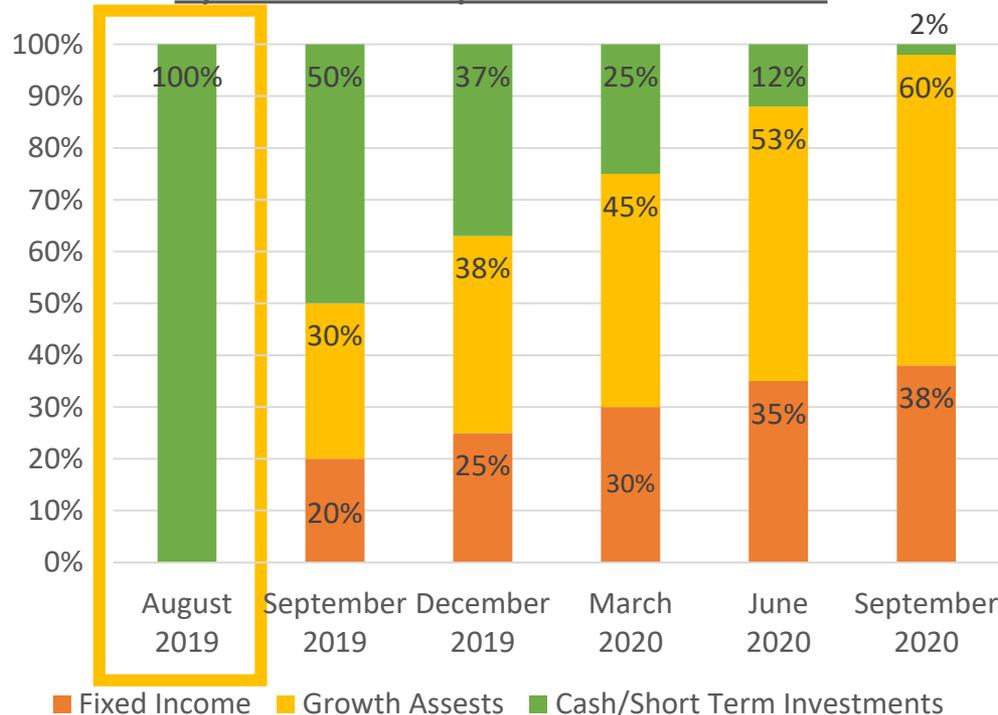


Portfolio Implementation Timeline

Asset Allocation Target: 60% Equities, 40% Bonds and Cash



Systematic Implementation Plan



Implementation Notes:
 Gradually & thoughtfully invest every 3 months and/or opportunistically to reach strategic allocation over 12 months

- Maximize cash returns by investing in short duration Treasuries (< 1 year)
- Opportunistic: market correction of 10% → invest 1/2 of next systematic investment



Portfolio Implementation Plan

(September 2019) Investment Tranches:

1. **U.S. equity investments focused on core high quality dividend growth stocks and diversified exposure to small-mid, international and emerging market equities**
2. **Focus on high quality bonds and fixed income diversifiers**
3. **Smaller investment due to volatility and less attractive valuations**

Investment Allocation

| <u>Asset Class Holding</u> | <u>Proposed Allocation</u> | <u>Target</u> |
|----------------------------|----------------------------|---------------------|
| | | \$20,000,000 |
| EQUITIES | 60% | \$12,000,000 |
| FIXED INCOME | 38% | \$7,600,000 |
| Short Term Investments | 2% | \$400,000 |
| Total | 100% | \$20,000,000 |

Important Additional Information and Disclosure

This presentation is for informational and illustrative purposes only. This material does not constitute investment advice and should not be viewed as a current or past recommendation or a solicitation of an offer to buy or sell any particular securities, engage any Manager, or to adopt any investment strategy. This information has been prepared on the basis of publicly available information, internally developed data and other third party sources believed to be reliable. However, no assurances are provided regarding the reliability of such information and Eaton Vance has not sought to independently verify information taken from public and third party sources.

Any investment views and opinions/analyses expressed constitute judgments as of the date of this presentation and are subject to change at any time without notice. Different views may be expressed based on different investment styles, objectives, views or philosophies. Each investor's portfolio is individually managed and may differ significantly from the information discussed in terms of portfolio holdings, characteristics and performance. It should not be assumed that any investments in funds, securities, companies, sectors or markets described were or will be profitable. There are no guarantees concerning the achievement of investment objectives, tax benefits, allocations, target returns or measurements such as alpha, tracking error, stock weightings and information ratios. The use of tools cannot guarantee performance.

The views and strategies described may not be suitable for all investors. Actual portfolio holdings will vary for each client and there is no guarantee that a particular client's account will hold any, or all, or the securities/sectors mentioned or utilize any or all of the unaffiliated Managers contained in the current examples. Not all of Eaton Vance's recommendations have been or will be profitable. Any references to future returns should not be construed as an estimate or promise of the results a client portfolio may achieve.

An imbalance in supply and demand in the income market may result in valuation uncertainties and greater volatility, less liquidity, widening credit spreads and a lack of price transparency in the market. Investments in income securities may be affected by changes in the creditworthiness of the issuer and are subject to the risk of nonpayment of principal and interest. The value of income securities also may decline because of real or perceived concerns about the issuer's ability to make principal and interest payments. Investments rated below investment grade (typically referred to as junk) are generally subject to greater price volatility and illiquidity than higher-rated investments. As interest rates rise, the value of certain income investments is likely to decline. Investments in foreign instruments or currencies can involve greater risk and volatility than U.S. investments because of adverse market, economic, political, regulatory, geopolitical, or other conditions. Emerging Markets – In emerging (or frontier) countries, these risks may be more significant. Smaller companies are generally subject to greater price fluctuations, limited liquidity, higher transaction costs and higher investment risk than larger, established companies. Investments in private equity entails greater credit and other risk factors. There is no readily available market for these investments; are difficult to value and exit and may be negatively impacted by rising interest rates. Venture capital funds which invest during the early phases of a company's development may be subject to substantial losses. Investing primarily in responsible investments carries the risk that, under certain market conditions, the strategy may under perform strategies that do not utilize a responsible investment strategy.

Investments in private equity entails greater credit and other risk factors. There is no readily available market for these investments; are difficult to value and exit and may be negatively impacted by rising interest rates. Venture capital funds which invest during the early phases of a company's development may be subject to substantial losses.

Hedge funds carry additional risks and are different from other investments due to their investment style of taking positions in securities that may have a low correlation to other traditional asset classes such as global equities, fixed income and commodities. Additionally, hedge funds may utilize derivatives that may increase risk, including the loss of principal.

S&P Dow Jones Indices are a product of S&P Dow Jones Indices LLC ("S&P DJI") and have been licensed for use. S&P® and S&P 500® are registered trademarks of S&P DJI; Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); S&P DJI, Dow Jones and their respective affiliates do not sponsor, endorse, sell or promote the Fund, will not have any liability with respect thereto and do not have any liability for any errors, omissions, or interruptions of the S&P Dow Jones Indices.

Nasdaq, Inc. The information is provided by Nasdaq (with its affiliates, are referred to as the "Corporations") and Nasdaq's third party licensors on an "as is" basis and the Corporations make no guarantees and bear no liability of any kind with respect to the information or the Fund. MSCI indexes are net of foreign withholding taxes. MSCI data may not be reproduced or used for any other purpose. MSCI provides no warranties, has not prepared or approved this report, and has no liability hereunder.

Eaton Vance does not provide specific legal or tax advice. You should always consult with your attorney or tax advisor prior to taking any planning action. IRS Circular 230 Disclosure: Pursuant to IRS Regulations, we inform you that anything contained in this communication (including any attachments) is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding tax related penalties or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

A full description of Eaton Vance Investment Counsel's services and schedule of fees is contained in Part II of Form ADV which is available upon request.

Investing entails risks and there can be no assurance that Eaton Vance, or its affiliates, will achieve profits or avoid incurring losses. Past performance does not predict future results. Before investing, investors should consider carefully the investment objectives, risks, charges and expenses of a mutual fund. This and other important information is contained in the prospectus and summary prospectus, which can be obtained from a financial advisor. Prospective investors should read the prospectus carefully before investing.

IW Financial is not affiliated with Eaton Vance. Eaton Vance Investment Counsel uses third party screens offered through IW Financial, acquired by ISS in January 2017, a leading provider of environmental, social, and governance (ESG) research, consulting, and portfolio management solutions for asset management firms to narrow the investable universe down to companies that meet the principled criteria of our clients.

Advisory services offered by Atlanta Capital Management Company, LLC, an SEC registered investment adviser and an affiliate of Eaton Vance Management. It serves as a sub-adviser to various Eaton Vance and Calvert mutual funds and manages assets for separately managed accounts. Parametric Portfolio Associates LLC is a registered investment adviser and a majority-owned subsidiary of Eaton Vance Corp. It serves as a sub-adviser to various Eaton Vance mutual funds and manages assets for separately managed accounts. Hexavest Inc. is a Montreal-based registered investment adviser. It serves as a sub-adviser to four Eaton Vance mutual funds. Eaton Vance Corp. controls a 49 percent interest in Hexavest Inc. Calvert Research and Management is a wholly owned subsidiary of Eaton Vance.

As an RIA under Eaton Vance Corp's institutional umbrella, EVIC is able to access institutional global private equity and venture capital managers that do not typically work with individual clients of an RIA.

2019 Eaton Vance Investment Counsel | Two International Place, Boston, MA 02110 Eaton Vance Investment Counsel is a wholly-owned subsidiary of Eaton Vance Corporation and is registered with the SEC as an investment adviser under the Advisers Act.



Board of Trustees

October 10, 2019

MOTION

To ratify the Executive Committee's action taken at its August 19, 2019 meeting to approve and adopt the updated Westfield State University Investment policy (0430), as presented.

Kevin R. Queenin, Chair

Date

Westfield State University

Policy concerning:

APPROVED: February 2003

| | |
|---------|----------------|
| Section | Administrative |
| number | 0430 |
| page | 1 of 7 |

REVIEWED: April 2019

INVESTMENT POLICY

(DRAFT 5A - 7/9/19) – [Feedback from Eaton Vance](#)

STATEMENT OF PURPOSE

Chapter 15A of Massachusetts General Laws provides that the Westfield State University Board of Trustees (Trustees) has the authority to establish and manage trust funds. The administration of these funds will comply with MGL Chapter 73, Section 14 as well as with MGL Chapter 180A, also known as the Uniform Management of Institutional Funds Law. This Investment Policy is intended to serve as a basis for actions of management in carrying out its investment duties, and for the Trustees in monitoring management's investment activities. A concurrent responsibility of the management of the funds is the thoughtful investment of trust monies. The University may use the services of one or more investment management firms and/or a bank trust department (Investment Manager(s)) to carry out the University's investment activities. The basic responsibility of the Investment Manager(s) will be to keep management of the University abreast of the economy and market conditions and to invest in a mix of eligible instruments within the context of laws, regulations and this investment policy. The Investment Manager(s) shall be approved by the Board of Trustees as part of this policy. University management may delegate authority to the Investment Manager(s) to act within the boundaries of this policy.

SCOPE

This Investment Policy applies to funds that are not appropriated by the Commonwealth of Massachusetts and specifically excludes federal or other restricted allocations. All funds are accounted for in the University's financial reports. The overall goal is to establish and maintain an investment portfolio which is designed to provide for the University's cash flow requirements and principal growth of certain fund balances.

INVESTMENT SUB-COMMITTEE

A sub-committee will be formed called the Investment Sub-Committee and will oversee the investment portfolio, policy and the selection of an investment advisor. The sub-committee is established under the Finance and Capital Assets Committee who has formal authority over investments, as provided in the Trustee by Laws. The composition of the Investment Sub-Committee may have members other than trustees who can provide guidance but will not be voting members of the sub-committee. The sub-committee will be staffed by the Vice President for Administration and Finance and or their designee.

INVESTMENT OBJECTIVE

It is the investment objective of the University to establish and maintain an investment portfolio which is designed to provide for the University's cash flow requirements while also achieving long-term capital growth and appreciation of the portfolio. The basic objectives of the Investment Policy are:

Westfield State University

Policy concerning:

APPROVED: February 2003

Section Administrative

number 0430

page 2 of 7

REVIEWED: April 2019

- a. Preservation of Capital and Safety of Principal – Investment of Westfield State University funds shall be undertaken in a -manner that seeks to ensure the preservation of capital and safety of principal. Implicit in this objective is the financial goal of preserving and enhancing the portfolio's inflation adjusted purchasing power.
- b. Minimizing Price Volatility – This Investment Policy prohibits investments in securities with the potential for wide price volatility. (See Prohibited Investments).
- c. Return on Investment - Investment income is an integral part of the University's annual budget and long term viability. The portfolio of Westfield State University shall be designed to attain an optimal rate of return under shifting economic conditions and investment cycles.

ASSET ALLOCATION

The responsibility for establishing periodic asset allocation that is consistent with the objectives of the overall Investment Policy is under the purview of the Trustees Finance and Capital Asset Committee with recommendations from the Investment Subcommittee and with specific responsibilities assigned to the Vice President for Administration and Finance. The Investment Subcommittee shall review the allocations twice a year and will report up to the Finance and Capital Assets Committee with its findings. The investment mix selected should reflect the risk level periodically determined to be appropriate for the University investment portfolio. It is recognized that over the long-term, the allocation between the equity and fixed income allocation will be the single most important determinate of the portfolio's investment performance. ~~It is recognized that asset allocation is a critical strategy to achieve investment objectives.~~

Asset allocation of the University portfolio should be equivalent to approximately X% in equities, ~~39X~~% in fixed income and ~~1X~~% in cash. Managed funds that include both equity and fixed income underlying investments shall be distributed to the appropriate portfolio category for the purpose of reviewing asset allocation. Recognizing that from time-to-time during the course of business it is not realistic to expect complete compliance with this guideline, an acceptable range follows:

| | <u>Goal</u> | <u>Acceptable Range</u> |
|-------------------------|-----------------|-------------------------|
| Equities | X60% | X45-75% |
| Fixed Income | X40% | X30-55% |
| Alternative Investments | --- | --- |
| Cash | Minimal | X0-10% |

Commented [FL1]: JD-We need to establish high level ranges for each category.

Any asset allocation not within these ranges should be communicated by the Investment Managers(s) to management as soon as practicable but no later than the next quarterly status report to the University. The portfolio should be re-balanced to fit within the acceptable ranges defined in this policy as soon as practical, taking investment risks into consideration. The Investment Manager(s) is expected to rebalance the portfolio at least annually. Rebalancing recommendations of the portfolio should be made to the Investment Subcommittee for approval. ~~Rebalancing recommendations should be made to the~~

Westfield State University

Policy concerning:

APPROVED: February 2003

| | |
|---------|----------------|
| Section | Administrative |
| number | 0430 |
| page | 3 of 7 |

REVIEWED: April 2019

~~Investment Subcommittee for approval.~~ [What does this statement mean?](#)

PROHIBITED INVESTMENTS

Investment in derivative securities, forwards, swaps, futures of any type are explicitly prohibited via direct or indirect involvement under this policy.

DELEGATION OF AUTHORITY

Oversight responsibility for the investment program is delegated to the Finance and Capital Assets Committee and includes asset allocation, and active management decisions consistent with this policy. No University official may execute or cause any investment transaction except as allowed or provided under the terms of this Investment Policy and specific investment procedures that may be periodically established by the Finance and Capital Assets Committee at the recommendation of the Investment Subcommittee. The University's investments shall be secured through third party custody and safe keeping procedures. Bearer instruments shall be held only through third party institutions (i.e. a custodian or a trustee).

Roles and Responsibilities

The Vice President for Administration and Finance (VPAF), with oversight from the Finance and Capital Assets Committee, shall have the overall responsibility for implementing the management of the Investment Policy. The Associate Vice President for Finance shall have the responsibility of implementing the investment program, including executing the related transactions, accounting and reporting of the activity. The Finance and Capital Assets Committee, upon recommendation by the Investment Subcommittee and University Management, will appoint the investment advisor/manager. The Investment Policy's related procedures shall comply with the University's Internal Control Plan.

ETHICS AND CONFLICT OF INTEREST

The Trustees, officers and employees of Westfield State University involved in the investment process are prohibited from personal business activities that could impair their ability to make impartial investment decisions. The perception of a conflict of interest must be avoided. All ethics rules and laws of the Commonwealth of Massachusetts are hereby incorporated by reference into this policy.

REPORTING

University management shall provide quarterly reports from the investment advisor, summarizing investment activity and detail to the Finance and Capital Assets Committee through the Investment Subcommittee.

AUDITS

The University retains the option to request an independent audit of the funds invested through the investment advisor.

Westfield State University

Policy concerning:

APPROVED: February 2003

Section Administrative

number 0430

page 4 of 7

REVIEWED: April 2019

INVESTMENTS

With stability, capital growth and total return as essential objectives in this Investment Policy, available funds will be invested in instruments consistent with the objective and asset allocation methodology.

The University's investment portfolio, for purposes of this policy statement, shall consist of three major categories of financial investments: (1) fixed income - short and long term (bonds); (2) equity (stocks/managed funds); (3) cash or cash equivalents.

Total fees (advisory and expenses) for the Investment Advisor/Manager will be limited to 100 basis points unless approved by the Finance and Capital Assets Committee.

1. Fixed Income - short term and long term (bonds):

(a) *Fixed Income – short-term.* These are investments which have maturities of no longer than one year. The purpose of the fixed income short-term investment portfolio shall be to provide sufficient liquidity to meet institutional objectives. The use of this portion of the portfolio shall be consistent with management's anticipated cash flow needs and future investment opportunities.

(b) *Fixed Income – long-term.* These are investments which have maturities of more than one year from the date of investment. The purpose of the long-term portion of the investment portfolio shall be to maximize return within the context of other recognized needs and risks. The portfolio shall be considered for purposes of capital growth and the provision of long term funding of capital needs. Eligible securities and other restrictions are as follows:

1. U.S. Treasury and Federal Agency Securities

- a. Maximum size of portfolio - no limit
- b. Maximum lot size - no limit
- c. Mutual funds or ETFs consisting of individual securities that meet the above characteristics

2. Corporate Bonds

- a. Aggregate limit of all corporate bonds: 35% of capital (prudently diversified)
- b. All individual corporate bonds shall have a rating of Baa/BBB or better as published by Moody's or Standard & Poor's at the time of purchase
- c. Mutual funds or exchange traded funds (ETFs) consisting of individual securities that meet the above characteristics
- d. Mutual funds or ETFs holding broadly diversified portfolios of bonds with credit ratings above Baa/BBB as published by Moody's or Standard & Poor's at the time of purchase.

Commented [FL2]: JD-We may not need the 7 year limit.

Commented [FL3]: JD-This would need to fall under the overall allocation guidelines.

Commented [FL4]: JD-Need to fall under overall guidelines. 35% needs to tie in as well.

Commented [FL5]: JD-Discuss rating threshold with investment advisor to determine rate

Commented [FL6]: JD-Should be reviewed with advisor and below removed for rating level decided on above

Westfield State University

Policy concerning:

APPROVED: February 2003

Section Administrative

number 0430

page 5 of 7

REVIEWED: April 2019

3. Municipal/Other Tax Exempt Issues

- a. Municipal bonds and other tax exempt bond issues offer an opportunity that allows investors to avoid payment of taxes on income or capital gains resulting from the investment. Since the University is a tax-exempt entity that does not pay taxes, municipal bonds and other tax exempt bond issues are generally not advantageous to the investment portfolio although not necessarily prohibited within the portfolio. Depending on market conditions, these instruments may be appropriate and attractive even without the benefit of the tax shelter.

Commented [FL7]: JD-Important that investment manager/advisor understand the impact of tax exempt on all of our investments.

4. Preferred stocks (considered fixed income)

- a. Aggregate limit of preferred stocks of 15% of total portfolio (prudently diversified)
- b. All individual preferred have a rating of Baa/BBB or better as published by Moody's or Standard & Poor's at the time of purchase.

Formatted: Numbered + Level: 1 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 0.75" + Indent at: 1"

2. **Equity (stocks):**

The purpose of the equity investment portfolio shall be to maximize return and provide a hedge against inflation through a diversified approach in compliance with applicable Massachusetts statutes. Eligible securities, appropriate rating service and dividend policy follow.

Equities generally refer to the common or preferred stock in publicly-traded companies, but they may also be in the form of managed funds, which include such investment vehicles as mutual funds, exchange traded funds (ETFs) and other types of funds that function in a managed way but are not directly managed by the University's Investment Manager. Managed funds of this sort are acceptable in the University's portfolio if they are consistent with the standards that otherwise apply to equities.

Formatted: Font: (Default) Arial

Westfield State University

Policy concerning:

APPROVED: February 2003

Section Administrative

number 0430

page 6 of 7

REVIEWED: April 2019

| <u>Eligible Securities</u> | <u>Rating Service *</u> | <u>Dividend Policy</u> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|-------------------------------------------|
| Domestic Equities | S & P Stock Guide Rating of B+ or Better | Maximum Reinvestment Enhance Growth |
| International Equities | MSCI ACWI** <u>Ex-U.S</u> Rating of B+ or Better | Maximum Reinvestment Enhance Growth |
| Total Equities (Blended) | Blend 60/40 S & P and MSCI Rating of B+ or Better | Maximum Reinvestment Enhance Growth |
| Mutual Funds | Morningstar Three Star or Better | Maximum Reinvestment to Enhance Growth |
| Exchange Traded Funds | To Be Determined* Three Star or Better | Maximum Reinvestment to Enhance Growth |
| <p>* At least annually, the Rating Service (i.e. benchmark) will be determined based upon mutual discussion and agreement between the investment manager and University management. <u>The rating is a portfolio average rating.</u></p> | | |
| <p>** ACWI is an abbreviation for All-Country World Index, as published by MSCI.</p> | | |

Commented [FL8]: JD-Rating hurdles should be discussed with investment manager and final decisions determined. The same for dividend policy as it may differ between asset classes. They could be an advantage to reinvestment rather than income, just need to see by specific investment.

“Alternative Investments” may include private (unregistered) securities such as hedge funds, private equity funds, venture capital funds, commodities, precious or industrial metals, etc. While these are not expressly prohibited in this policy, it is anticipated that they will be used sparingly if at all. This provision also applies to registered “liquid alternative” mutual funds that are designed to mimic private unregistered funds. To the extent that any Alternative Investments are used, they will be counted as Equities for the purpose of reviewing asset allocation.

3. Cash and Cash Equivalents:

Cash and cash equivalents are instruments that are relatively “liquid” in nature and are available for operational and/or investment opportunities. This component of the portfolio should be minimal.

Commented [FL9]: JD-% of cash held should be a discussion with the investment advisor as liquidity is now not a key driver.

4. Prohibited Investments:

Investment in derivative securities, forwards, swaps, futures of any type are explicitly prohibited via direct or indirect involvement under this policy.

Westfield State University

Policy concerning:

APPROVED: February 2003

Section Administrative

number 0430

page 7 of 7

REVIEWED: April 2019

5. Fossil Fuel and Alternative Investment Strategy:

The university's investment advisors are instructed to consider further divestment from direct holdings in the balance of the Carbon Underground 200 list to the extent the advisors believe it is financially prudent with the goal of achieving full divestment. The advisors are further instructed to invest in alternative and/or renewable energy companies, consistent with the parameters of this investment policy as they may deem financially prudent.

Note: It is not a requirement that the State Colleges and Universities must avoid the Carbon Underground 200 list. Imposing the requirement will impact investment performance

Commented [FL10]: JD-It is not a requirement that universities must avoid the Carbon Underground list. Imposing this requirement will impact investment performance.

Commented [TSJ11]: Should this section stay in or out?

REVIEW

This policy shall be reviewed annually by the Vice President for Administration and Finance and the Investment Sub-Committee with changes approved by Finance and Capital Assets Committee.

INVESTMENT POLICY

STATEMENT OF PURPOSE

Chapter 15A of Massachusetts General Laws provides that the Westfield State University Board of Trustees (Trustees) has the authority to establish and manage trust funds. The administration of these funds will comply with MGL Chapter 73, Section 14 as well as with MGL Chapter 180A, also known as the Uniform Management of Institutional Funds Law. This Investment Policy is intended to serve as a basis for actions of management in carrying out its investment duties, and for the Trustees in monitoring management's investment activities. A concurrent responsibility of the management of the funds is the thoughtful investment of trust monies. The University may use the services of one or more investment management firms and/or a bank trust department (Investment Manager(s)) to carry out the University's investment activities. The basic responsibility of the Investment Manager(s) will be to keep management of the University abreast of the economy and market conditions and to invest in a mix of eligible instruments within the context of laws, regulations and this investment policy. The Investment Manager(s) shall be approved by the Board of Trustees as part of this policy. University management may delegate authority to the Investment Manager(s) to act within the boundaries of this policy.

SCOPE

This Investment Policy applies to funds that are not appropriated by the Commonwealth of Massachusetts and specifically excludes federal or other restricted allocations. All funds are accounted for in the University's financial reports. The overall goal is to establish and maintain an investment portfolio which is designed to provide for the University's cash flow requirements and principal growth of certain fund balances.

INVESTMENT SUB-COMMITTEE

A sub-committee will be formed called the Investment Sub-Committee and will oversee the investment portfolio, policy and the selection of an investment advisor. The sub-committee is established under the Finance and Capital Assets Committee who has formal authority over investments, as provided in the Trustee by Laws. The composition of the Investment Sub-Committee may have members other than trustees who can provide guidance but will not be voting members of the sub-committee. The sub-committee will be staffed by the Vice President for Administration and Finance and or their designee.

INVESTMENT OBJECTIVE

It is the investment objective of the University to establish and maintain an investment portfolio which is designed to provide for the University's cash flow requirements while also achieving long-term capital growth and appreciation of the portfolio. The basic objectives of the Investment Policy are:

Westfield State University

Policy concerning:

APPROVED: February 2003

| | |
|-----------|----------------|
| Section | Administrative |
| Number | 0430 |
| Page | 2 of 7 |
| REVIEWED: | August 2019 |

- a. Preservation of Capital and Safety of Principal – Investment of Westfield State University funds shall be undertaken in a manner that seeks to ensure the preservation of capital and safety of principal. Implicit in this objective is the financial goal of preserving and enhancing the portfolio's inflation adjusted purchasing power.
- b. Minimizing Price Volatility – This Investment Policy prohibits investments in securities with the potential for wide price volatility. (See Prohibited Investments).
- c. Return on Investment - Investment income is an integral part of the University's annual budget and long term viability. The portfolio of Westfield State University shall be designed to attain an optimal rate of return under shifting economic conditions and investment cycles.

ASSET ALLOCATION

The responsibility for establishing periodic asset allocation that is consistent with the objectives of the overall Investment Policy is under the purview of the Trustees Finance and Capital Asset Committee with recommendations from the Investment Subcommittee and with specific responsibilities assigned to the Vice President for Administration and Finance. The Investment Subcommittee shall review the allocations twice a year and will report up to the Finance and Capital Assets Committee with its findings. The investment mix selected should reflect the risk level periodically determined to be appropriate for the University investment portfolio. It is recognized that over the long-term, the allocation between the equity and fixed income allocation will be the single most important determinate of the portfolio's investment performance.

Asset allocation of the University portfolio should be equivalent to approximately X% in equities, 39% in fixed income and 1% in cash. Managed funds that include both equity and fixed income underlying investments shall be distributed to the appropriate portfolio category for the purpose of reviewing asset allocation. Recognizing that from time-to-time during the course of business it is not realistic to expect complete compliance with this guideline, an acceptable range follows:

| | <u>Goal</u> | <u>Acceptable Range</u> |
|-------------------------|-------------|-------------------------|
| Equities | 60% | 45-75% |
| Fixed Income | 40% | 30-55% |
| Alternative Investments | --- | --- |
| Cash | Minimal | 0-10% |

Any asset allocation not within these ranges should be communicated by the Investment Managers(s) to management as soon as practicable but no later than the next quarterly status report to the University. The portfolio should be re-balanced to fit within the acceptable ranges defined in this policy as soon as practical, taking investment risks into consideration.

Westfield State University

Policy concerning:

APPROVED: February 2003

| | |
|-----------|----------------|
| Section | Administrative |
| Number | 0430 |
| Page | 3 of 7 |
| REVIEWED: | August 2019 |

The Investment Manager(s) is expected to rebalance the portfolio at least annually. Rebalancing recommendations of the portfolio should be made to the Investment Subcommittee for approval.

PROHIBITED INVESTMENTS

Investment in derivative securities, forwards, swaps, futures of any type are explicitly prohibited via direct or indirect involvement under this policy.

DELEGATION OF AUTHORITY

Oversight responsibility for the investment program is delegated to the Finance and Capital Assets Committee and includes asset allocation, and active management decisions consistent with this policy. No University official may execute or cause any investment transaction except as allowed or provided under the terms of this Investment Policy and specific investment procedures that may be periodically established by the Finance and Capital Assets Committee at the recommendation of the Investment Subcommittee. The University's investments shall be secured through third party custody and safe keeping procedures. Bearer instruments shall be held only through third party institutions (i.e. a custodian or a trustee).

Roles and Responsibilities

The Vice President for Administration and Finance (VPAF), with oversight from the Finance and Capital Assets Committee, shall have the overall responsibility for implementing the management of the Investment Policy. The Associate Vice President for Finance shall have the responsibility of implementing the investment program, including executing the related transactions, accounting and reporting of the activity. The Finance and Capital Assets Committee, upon recommendation by the Investment Subcommittee and University Management, will appoint the investment advisor/manager. The Investment Policy's related procedures shall comply with the University's Internal Control Plan.

ETHICS AND CONFLICT OF INTEREST

The Trustees, officers and employees of Westfield State University involved in the investment process are prohibited from personal business activities that could impair their ability to make impartial investment decisions. The perception of a conflict of interest must be avoided. All ethics rules and laws of the Commonwealth of Massachusetts are hereby incorporated by reference into this policy.

REPORTING

University management shall provide quarterly reports from the investment advisor, summarizing investment activity and detail to the Finance and Capital Assets Committee through the Investment Subcommittee.

Westfield State University

Policy concerning:

APPROVED: February 2003

| | |
|-----------|----------------|
| Section | Administrative |
| Number | 0430 |
| Page | 4 of 7 |
| REVIEWED: | August 2019 |

AUDITS

The University retains the option to request an independent audit of the funds invested through the investment advisor.

INVESTMENTS

With stability, capital growth and total return as essential objectives in this Investment Policy, available funds will be invested in instruments consistent with the objective and asset allocation methodology.

The University's investment portfolio, for purposes of this policy statement, shall consist of three major categories of financial investments: (1) fixed income - short and long term (bonds); (2) equity (stocks/managed funds); (3) cash or cash equivalents.

Total fees (advisory and expenses) for the Investment Advisor/Manager will be limited to 100 basis points unless approved by the Finance and Capital Assets Committee.

1. Fixed Income - short term and long term (bonds):

(a) *Fixed Income – short-term.* These are investments which have maturities of no longer than one year. The purpose of the fixed income short-term investment portfolio shall be to provide sufficient liquidity to meet institutional objectives. The use of this portion of the portfolio shall be consistent with management's anticipated cash flow needs and future investment opportunities.

(b) *Fixed Income – long-term.* These are investments which have maturities of more than one year from the date of investment. The purpose of the long-term portion of the investment portfolio shall be to maximize return within the context of other recognized needs and risks. The portfolio shall be considered for purposes of capital growth and the provision of long term funding of capital needs. Eligible securities and other restrictions are as follows:

1. U.S. Treasury and Federal Agency Securities

- a. Maximum size of portfolio - no limit
- b. Maximum lot size - no limit
- c. Mutual funds or ETFs consisting of individual securities that meet the above characteristics

2. Corporate Bonds

- a. Aggregate limit of all corporate bonds: 35% of capital (prudently diversified)
- b. All individual corporate bonds shall have a rating of Baa/BBB or better as published by Moody's or Standard & Poor's at the time of purchase

Westfield State University

Policy concerning:

APPROVED: February 2003

| | |
|-----------|----------------|
| Section | Administrative |
| Number | 0430 |
| Page | 5 of 7 |
| REVIEWED: | August 2019 |

- c. Mutual funds or exchange traded funds (ETFs) consisting of individual securities that meet the above characteristics
- d. Mutual funds or ETFs holding broadly diversified portfolios of bonds with credit ratings above Baa/BBB as published by Moody's or Standard & Poor's at the time of purchase.

3. Municipal/Other Tax Exempt Issues

- a. Municipal bonds and other tax exempt bond issues offer an opportunity that allows investors to avoid payment of taxes on income or capital gains resulting from the investment. Since the University is a tax-exempt entity that does not pay taxes, municipal bonds and other tax exempt bond issues are generally not advantageous to the investment portfolio although not necessarily prohibited within the portfolio. Depending on market conditions, these instruments may be appropriate and attractive even without the benefit of the tax shelter.

4. Preferred Stocks (Considered Fixed Income)

- a. Aggregate limit of preferred stocks of 15% of total portfolio (prudently diversified).
- b. All individual preferred have a rating of Baa/BBB or better as published by Moody's or Standard & Poor's at the time of purchase.

2. **Equity (stocks):**

The purpose of the equity investment portfolio shall be to maximize return and provide a hedge against inflation through a diversified approach in compliance with applicable Massachusetts statutes. Eligible securities, appropriate rating service and dividend policy follow.

Equities generally refer to the common or preferred stock in publicly-traded companies, but they may also be in the form of managed funds, which include such investment vehicles as mutual funds, exchange traded funds (ETFs) and other types of funds that function in a managed way but are not directly managed by the University's Investment Manager. Managed funds of this sort are acceptable in the University's portfolio if they are consistent with the standards that otherwise apply to equities.

Westfield State University

Policy concerning:

APPROVED: February 2003

Section Administrative

Number 0430

Page 6 of 7

REVIEWED: August 2019

| <u>Eligible Securities</u> | <u>Rating Service *</u> | <u>Dividend Policy</u> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|-------------------------------------------|
| Domestic Equities | S & P Stock Guide Rating of B+ or Better | Maximum Reinvestment Enhance Growth |
| International Equities | MSCI ACWI** Ex-U.S Rating of B+ or Better | Maximum Reinvestment Enhance Growth |
| Total Equities (Blended) | Blend 60/40 S & P and MSCI Rating of B+ or Better | Maximum Reinvestment Enhance Growth |
| Mutual Funds | Morningstar Three Star or Better | Maximum Reinvestment to Enhance Growth |
| Exchange Traded Funds | To Be Determined* Three Star or Better | Maximum Reinvestment to Enhance Growth |
| <i>* At least annually, the Rating Service (i.e. benchmark) will be determined based upon mutual discussion and agreement between the investment manager and University management. The rating is a portfolio average rating.</i> | | |
| <i>** ACWI is an abbreviation for All-Country World Index, as published by MSCI.</i> | | |

“Alternative Investments” may include private (unregistered) securities such as hedge funds, private equity funds, venture capital funds, commodities, precious or industrial metals, etc. While these are not expressly prohibited in this policy, it is anticipated that they will be used sparingly if at all. This provision also applies to registered “liquid alternative” mutual funds that are designed to mimic private unregistered funds. To the extent that any Alternative Investments are used, they will be counted as Equities for the purpose of reviewing asset allocation.

3. Cash and Cash Equivalents:

Cash and cash equivalents are instruments that are relatively “liquid” in nature and are available for operational and/or investment opportunities. This component of the portfolio should be minimal.

4. Prohibited Investments:

Investment in derivative securities, forwards, swaps, futures of any type are explicitly prohibited via direct or indirect involvement under this policy.

Westfield State University

Policy concerning:

APPROVED: February 2003

| | |
|------------------|----------------|
| Section | Administrative |
| Number | 0430 |
| Page | 7 of 7 |
| REVIEWED: | August 2019 |

5. Fossil Fuel and Alternative Investment Strategy:

The university's investment advisors are instructed to consider further divestment from direct holdings in the balance of the Carbon Underground 200 list to the extent the advisers believe it is financially prudent with the goal of achieving full divestment. The advisors are further instructed to invest in alternative and/or renewable energy companies, consistent with the parameters of this investment policy as they may deem financially prudent.

Note: It is not a requirement that the State Colleges and Universities must avoid the Carbon Underground 200 list. Imposing the requirement will impact investment performance

REVIEW

This policy shall be reviewed annually by the Vice President for Administration and Finance and the Investment Sub-Committee with changes approved by the Finance and Capital Assets Committee.



Board of Trustees

October 10, 2019

MOTION

To ratify the Executive Committee's action taken at its August 19, 2019 meeting to establish an account with Charles Schwab as custodian for Eaton Vance Investment Counsel, and to approve the transfer of twenty million (\$20,000,000) dollars from Westfield State University's checking account at Berkshire Bank to the newly established Charles Schwab account for investment purposes.

Kevin R. Queenin, Chair

Date

Westfield State University
Cash Balances
Fiscal Year Ending June 30, 2014 - June 30, 2019

| Institution | Account Number | Account Inception | Purpose | Description | Balance FY14 | Balance FY15 | Balance FY16 | Balance FY17 | Balance FY18 | Balance FY19 |
|--------------------------------|-----------------------|--------------------------|--------------------|-----------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| <u>Investments</u> | | | | | | | | | | |
| Peoples Bank Holyoke, MA | XXXXXX6533 | 2006 | Reserve | Institutional Money Market Account | \$10,614,702.04 | \$10,657,245.64 | \$10,700,018.71 | \$710,294.98 | \$712,423.20 | \$714,557.79 |
| Westfield Bank Westfield, MA | XXX31431 | 2016 | Reserve | Government Banking Money Market Account | \$0.00 | \$0.00 | \$0.00 | \$6,118,981.79 | \$6,226,926.86 | \$6,336,776.16 |
| Westfield Bank Westfield, MA | XXX31449 | 2016 | Reserve | Government Banking Money Market Account | \$0.00 | \$0.00 | \$0.00 | \$4,054,799.69 | \$4,126,330.39 | \$4,199,122.97 |
| Westfield Bank Westfield, MA | 1000817450 | 2009 | Investment | Repurchase Agreement | \$5,699,998.16 | \$5,844,142.20 | \$6,000,148.21 | \$0.00 | \$0.00 | \$0.00 |
| Berkshire Bank Pittsfield, MA | XXX8096 | 2016 | Reserve/Investment | Certificate of Deposit | \$0.00 | \$0.00 | \$0.00 | \$4,000,000.00 | \$4,036,238.24 | \$4,128,746.07 |
| United Bank Glastonbury, CT | XXX246468 | 2016 | Reserve/Investment | Certificate of Deposit | \$0.00 | \$0.00 | \$0.00 | \$2,012,201.32 | \$2,033,936.31 | \$2,069,125.37 |
| MMDT Boston, MA | XXXX4918 | 1991 | Investment | Money Market | \$58,057.70 | \$58,173.89 | \$58,419.51 | \$58,952.22 | \$59,887.44 | \$61,384.15 |
| The Common Fund Boston, MA | XX0901 | 1993 | Investment | Intermediate Term Fund | \$60,823.57 | \$61,339.39 | \$62,446.78 | \$62,517.78 | \$62,734.56 | \$65,445.06 |
| Subtotal | | | | | \$16,433,581.47 | \$16,620,901.12 | \$16,821,033.21 | \$17,017,747.78 | \$17,258,477.00 | \$17,575,157.57 |
| <u>Operating</u> | | | | | | | | | | |
| *Berkshire Bank Pittsfield, MA | XXX5658 | 2007 | Operating | NOW Checking Account | \$26,894,381.32 | \$31,317,900.58 | \$40,072,023.82 | \$41,380,933.82 | \$44,090,867.41 | \$50,469,404.47 |
| Berkshire Bank Pittsfield, MA | XX3219 | 2012 | Forfeiture Acct | Business Checking 500 | \$298.00 | \$298.00 | \$298.00 | \$298.00 | \$298.00 | \$348.00 |
| Subtotal | | | | | \$26,894,679.32 | \$31,318,198.58 | \$40,072,321.82 | \$41,381,231.82 | \$44,091,165.41 | \$50,469,752.47 |
| Grand Total | | | | | \$43,328,260.79 | \$47,939,099.70 | \$56,893,355.03 | \$58,398,979.60 | \$61,349,642.41 | \$68,044,910.04 |
| Year-to-year change | | | | | \$5,407,044.83 | \$4,610,838.91 | \$8,954,255.33 | \$1,505,624.57 | \$2,950,662.81 | \$6,695,267.63 |

*Book balance is being reported instead of the bank balance since the bank balance would not include outstanding checks. The bank balance would be higher depending on the amount of checks outstanding.



Board of Trustees

October 10, 2019

MOTION

The Board of Trustees hereby authorizes the voluntary separation incentive program presently before the Board to be offered to the University's eligible members of the American Federation of State, County and Municipal Employees (AFSCME), Association of Professional Administrators (APA), Non-Unit Professionals (NUP), and Non-Unit Classified (NUC) employees.

Kevin R. Queenin, Chair

Date

**Westfield State University
Separation Incentive Plan**

Excluding MSCA

| | a. | b. | c. | d. |
|-----------------------------------------|---------------------------------------|--------------------|-------------------------|-------------------|
| | Original Analysis Incl. All Unions | | Revised to Exclude MSCA | |
| 25+ Years @ 100% | Assumptions | Potential | Assumptions | Potential |
| Qualifying Employees Participation Rate | 54 | 14 25.0% | 28 | 7 25.0% |
| Average Annual Salary | 97,630 | 1,366,826 | 80,983 | 566,884 |
| Campus Fringe Impact | 18,545 | 259,629 | 15,383 | 107,680 |
| Total Projected Annual Savings | 116,175 | 1,626,455 | 96,366 | 674,564 |
| Total Buyout Costs | 97,630 | 1,366,826 | 80,983 | 566,884 |

(excluding 20% sick time)

| 10 - 24 Years @ 80% | Assumptions | Potential | Assumptions | Potential |
|-----------------------------------------|---------------|--------------------|---------------|--------------------|
| Qualifying Employees Participation Rate | 275 | 83 30.0% | 178 | 53 30.0% |
| Average Annual Salary | 76,131 | 6,318,847 | 71,315 | 3,808,245 |
| Campus Fringe Impact | 14,461 | 1,200,265 | 13,546 | 723,376 |
| Total Projected Annual Savings | 90,592 | 7,519,112 | 84,862 | 4,531,621 |
| Total Buyout Costs (80%) | 60,905 | 5,055,078 | 57,052 | 3,046,596 |

(excluding 20% sick time)

| Summary: All Groups 10+ Years | Assumptions | Potential | Assumptions | Potential |
|---------------------------------------|-------------|------------------|-------------|------------------|
| Total Qualifying Employees | 329 | 97 | 206 | 60.4 |
| Overall Participation Rate | | 29.5% | | 29.3% |
| Total Projected Annual Savings | | 9,145,567 | | 5,206,185 |
| Total Buyout Cost - Year 1 | | 6,421,904 | | 3,613,480 |

| | | |
|-----------------------------------------|--------------------|--------------------|
| Net Savings Opportunity - Year 1 | 2,723,663 | 1,592,705 |
| Annual Ongoing Savings Year 2+ | 9,145,567 | 5,206,185 |
| Less: 30% Rehire Factor for 25 Yrs | (487,936) | (202,369) |
| Less: 30% Rehire Factor for 10-24 Yrs | (2,255,734) | (1,359,486) |
| Total Rehire Factor | (2,743,670) | (1,561,856) |
| Net Savings | 6,401,897 | 3,644,330 |

| Variance Analysis: Original vs. Revised | | |
|-----------------------------------------|-------------------------|------------------------|
| 25+ Years @ 100% | Assumptions (a.- c.) | Potential (b. - d.) |
| Qualifying Employees Participation Rate | 26 | 7 |
| Average Annual Salary | 16,647 | 799,942 |
| Campus Fringe Impact | 3,162 | 151,949 |
| Total Projected Annual Savings | 19,809 | 951,891 |
| Total Buyout Costs | 16,647 | 799,942 |

(excluding 20% sick time)

| 10 - 24 Years @ 80% | Assumptions (a.- c.) | Potential (b. - d.) |
|-----------------------------------------|-------------------------|------------------------|
| Qualifying Employees Participation Rate | 97 | 29.6 |
| Average Annual Salary | 4,815 | 2,510,602 |
| Campus Fringe Impact | 915 | 476,889 |
| Total Projected Annual Savings | 5,730 | 2,987,491 |
| Total Buyout Costs (80%) | 3,852 | 2,008,482 |

(excluding 20% sick time)

| Summary: All Groups 10+ Years | Assumptions (a.- c.) | Potential (b. - d.) |
|---------------------------------------|-------------------------|------------------------|
| Total Qualifying Employees | 123 | 36.6 |
| Overall Participation Rate | | 0.2% |
| Total Projected Annual Savings | | 3,939,382 |
| Total Buyout Cost - Year 1 | | 2,808,423 |

| | |
|-----------------------------------------|--------------------|
| Net Savings Opportunity - Year 1 | 1,130,958 |
| Annual Ongoing Savings Year 2+ | 3,939,382 |
| Less: 30% Rehire Factor for 25 Yrs | (285,567) |
| Less: 30% Rehire Factor for 10-24 Yrs | (896,247) |
| Total Rehire Factor | (1,181,814) |
| Net Savings | 2,757,567 |

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement is made this 24th of Sept., by and between the Board of Higher Education ("the Board") and the American Federation of State and County and Municipal Employees, Local 1067/Council 93, AFL-CIO ("AFSCME").

WHEREAS, the Board and the AFSCME are parties to a collective bargaining agreement effective July 1, 2017; and

WHEREAS, the Board and the AFSCME wish to provide an incentive to encourage the voluntary separation of certain unit members.

NOW, THEREFORE, in consideration of the foregoing premises and of the mutual covenants hereinafter set down, the Board and the AFSCME hereby agree to a Voluntary Separation Incentive Program ("the Program") for Westfield State University ("the University") as follows:

1. Intent to Participate

Unit members shall notify the University of their irrevocable intent to participate in the Program on or before 5:00 pm on November 18, 2019, by submitting the notice letter attached as Appendix A to the Office of Human Resources. Late notifications will not be accepted. Separation dates are either on December 23, 2019 or March 9, 2020, at the discretion of the University.

2. Eligibility for Program

To be eligible to participate in the Program, in addition to the other requirements for participation contained herein, the unit member must:

- a. Be a full-time or a salaried part-time unit member employed or on an approved leave of absence for the spring 2019 semester;
- b. Have achieved at least 10 years of creditable state service for purposes of retirement as of June 30, 2019; and
- c. Formally notify the University on or before 5:00 pm on November 18, 2019, of their intent to participate in the Program.

3. Disqualification from Program

A unit member who already has informed the University, the State Retirement Board or the Optional Retirement Plan before September 1, 2019 of his or her intention to retire or resign shall not be eligible to participate in this Program, even if the unit member defers his/her retirement.

4. Incentives

The value of the incentive payment will be based upon the unit member's years of creditable service for purposes of retirement, as follows:

- For unit members who have 25 years or more of creditable state service, the incentive will be the monetary value of one year of the unit member's annual salary as of September 30, 2019, excluding any and all stipends or other additional monies including but not limited to monies earned for additional assignments or adjunct teaching in the day program or the graduate or continuing education department;
- For unit members who have 10 years to under 25 years of creditable state service, the incentive will be the monetary value of 80% of the member's annual salary as of September 30, 2019, excluding any and all stipends or other additional monies earned, including but not limited to monies earned for additional assignments or adjunct teaching in the day program or the graduate or continuing education department.

5. Separation Dates

The University reserves the right to determine separation dates for unit members. Unit members will be notified no later than December 9, 2019 of their separation dates. Separation dates for unit members will be December 23, 2019 or March 9, 2020.

6. Incentive Pay-Out Dates

For those separating on December 23, 2019, payout dates are as follows:

- 12/27/2019 25% of payout share and full leave payouts
- 2/21/2020 37.5% of payout share
- 4/3/2020 37.5% of payout share

For those separating on March 9, 2020, payout dates are as follows:

- 3/20/2020 25% of payout share and full leave payouts
- 5/15/2020 37.5% of payout share
- 6/26/2020 37.5% of payout share

7. Limits on Program Participants

The University may elect to limit the number of participants based on operational needs or availability of funding. The University president shall notify the campus steward and Union of such a limit no later than December 9, 2019. In the event more employees in the bargaining unit seek to participate in the Program than the University can accept, the University shall accept members on the basis of the greatest creditable state service within the department or program area of which they are a member.

8. Taxes

The Commonwealth will withhold taxes from the incentive payments. The Commonwealth will not regard the incentive payments as regular compensation for purposes of determining a unit member's retirement allowance.

9. State Employment

If a unit member retires and later accepts employment with an executive branch agency (including an institution of public higher education) on a full-time basis within one year of the effective date of his or her retirement, they shall return the incentive payments.

Retirees may teach on a part-time basis (but not on a salaried part-time basis), or in DGCE/CGCE, or may accept part-time state employment in other than a teaching or librarian position subject to the limitations provided by state law.

10. Future Retirement Incentive Plans

Should the Commonwealth of Massachusetts enact a Retirement Incentive Plan which allows for either an increase in the employee's pension or provides a cash incentive to unit members, employees will not be eligible to participate in both the University's plan described in this memorandum and the Commonwealth's plan.

11. Release of Claims

Unit members must sign a general release of claims.

12. Grievance Procedure

The terms of this voluntary separation incentive program and the University's implementation of the program are not subject to the grievance procedure as set forth in the Agreement between the Board of Higher Education and the American Federation of State and County and Municipal Employers, Local 1067/Council 93, AFL-CIO.

13. Board of Trustees Approval

This Agreement shall be effective upon approval of the University's budget by its Board of Trustees in October 2019.

WHEREFORE, the parties hereto hereunder set their signs and seals on the date first above written.

BOARD OF HIGHER EDUCATION

By: Mig Mas, designee of
Carlos E. Santiago
Commissioner

Date: 9/4/19

AFSCME

By: Sheila A. Kearns
Sheila Kearns
President

Date: Sept. 4, 2019

By: BOH/AFSCME Council 93 Staff Rep
AFSCME Council 93

Date: Sept 4, 2019

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement is made this 23rd of August, by and between the Board of Higher Education ("the Board") and the Association of Professional Administrators ("the Association").

WHEREAS, the Board and the Association are parties to a collective bargaining agreement effective July 1, 2017; and

WHEREAS, the Board and the Association wish to provide an incentive to encourage the voluntary separation of certain unit members.

NOW, THEREFORE, in consideration of the foregoing premises and of the mutual covenants hereinafter set down, the Board and the Association hereby agree to a Voluntary Separation Incentive Program ("the Program") for Westfield State University ("the University") as follows:

1. Intent to Participate

Unit members shall notify the University of their intent to participate in the Program on or before 5:00 pm on November 18, 2019, by submitting the notice letter attached as Appendix A to the Office of Human Resources. Late notifications will not be accepted. Separation dates are either on December 23, 2019 or March 9, 2020, at the discretion of the University. Staff may request one of these two dates. Should the University decide the staff member's chosen date is not acceptable, that staff member may, within two business days of the date notice was sent by the University, either agree to the other date or withdraw his/her request for consideration.

2. Eligibility for Program

To be eligible to participate in the Program, in addition to the other requirements for participation contained herein, the unit member must:

- a. Be a full-time or a salaried part-time unit member employed or on an approved leave of absence for the spring 2019 semester;
- b. Have achieved at least 10 years of creditable state service for purposes of retirement as of June 30, 2019; and
- c. Formally notify the University on or before 5:00 pm on November 18, 2019, of their intent to participate in the Program.

3. Disqualification from Program

A unit member who already has informed the University, the State Retirement Board or the Optional Retirement Plan before September 1, 2019 of his or her intention to retire or resign shall not be eligible to participate in this Program, even if the unit member defers his/her retirement.

4. Incentives

The value of the incentive payment will be based upon the unit member's years of creditable

service for purposes of retirement, as follows:

- For unit members who have 25 years or more of creditable state service, the incentive will be the monetary value of one year of the unit member's annual salary as of September 30, 2019, excluding any and all stipends or other additional monies including but not limited to monies earned for additional assignments or adjunct teaching in the day program or the graduate or continuing education department;
- For unit members who have 10 years to under 25 year of creditable state service, the incentive will be the monetary value of 80% of the member's annual salary as of September 30, 2019, excluding any and all stipends or other additional monies earned, including but not limited to monies earned for additional assignments or adjunct teaching in the day program or the graduate or continuing education department.

5. Separation Dates

The University reserves the right to determine separation dates for unit members. Unit members will be notified no later than December 9, 2019 of their separation dates. Separation dates for unit members will be December 23, 2019 or March 9, 2020.

6. Incentive Pay-Out Dates

For those separating on December 23, 2019, payout dates are as follows:

- 12/27/2019 25% of payout share and full leave payouts
- 2/21/2020 37.5% of payout share
- 4/3/2020 37.5% of payout share

For those separating on March 9, 2019, payout dates are as follows:

- 3/20/2019 25% of payout share and full leave payouts
- 5/15/2020 37.5% of payout share
- 6/26/2020 37.5% of payout share

7. Limits on Program Participants

The University may elect to limit the number of participants based on operational needs or availability of funding. The University president shall notify the chapter president of such a limit no later than December 9, 2019. In the event more employees in the bargaining unit seek to participate in the Program than the University can accept, the University shall accept members on the basis of the greatest creditable state service within the department or program area of which they are a member.

8. Sick Leave Buy-Back

The employer waives the requirement of Article VII, section B(1)(h) of the Agreement between the Board of Higher Education and the Association of Professional Administrators, MTA/NEA, mandating three (3) months' notice of retirement to receive one's sick-leave buy-back for those unit members who are retiring and participating in the Program.

9. Taxes

The Commonwealth will withhold taxes from the incentive payments. The Commonwealth will not regard the incentive payments as regular compensation for purposes of determining a unit member's retirement allowance.

10. State Employment

If a unit member retires and later accepts employment with an executive branch agency (including an institution of public higher education) on a full-time basis within one year of the effective date of his or her retirement, they shall return the incentive payments. Retirees may teach on a part-time basis (but not on a salaried part-time basis), or in DGCE/CGCE, or may accept part-time state employment in other than a teaching or librarian position subject to the limitations provided by state law.

11. Future Retirement Incentive Plans

Should the Commonwealth of Massachusetts enact a Retirement Incentive Plan which allows for either an increase in the employee's pension or provides a cash incentive to unit members, employees will not be eligible to participate in both the University's plan described in this memorandum and the Commonwealth's plan.

12. Release of Claims

Unit members must sign a general release of claims.

13. Grievance Procedure

University decisions regarding the financial scope of the Program, the choice of departments to be affected, effective dates of separation and operational impacts are not subject to the grievance procedure as set forth in Article XI.

14. Board of Trustees Approval

This Agreement shall be effective upon approval of the University's budget by its Board of Trustees in October 2019.

WHEREFORE, the parties hereto hereunder set their signs and seals on the date first above written.

BOARD OF HIGHER EDUCATION

ASSOCIATION OF PROFESSIONAL ADMINISTRATOR

By: Michael Mung designee
of Carlos E. Santiago
Commissioner

By: Sherry Horanopoulos
Sherry Horanopoulos
President, APA 8/23/19

1870/1871

1871/1872

Westfield State University
Finance and Capital Assets Committee

Voluntary Separation Incentive Program
October 10, 2019

Westfield State University is offering a voluntary separation incentive program to non-unit professionals (NUP) and non-unit classified (NUC) staff, as set forth below. **Please note the special terms of this program found at the end of this document.**

ALL NUP/NUC STAFF WITH 25 YEARS OR MORE OF STATE SERVICE AS OF JUNE 30, 2019

| Date of Notice to Employees | Date of Commitment to University of Participation | Date of Separation | Pay-out Amount | Eligible Employees |
|-----------------------------|---------------------------------------------------|------------------------------------|-------------------------------------------------------------|--------------------|
| TBD | No later than November 18, 2019 | December 23, 2019 or March 9, 2020 | 100% of annual salary (minus stipends or additional monies) | All NUP/NUC staff* |

- Staff must notify the University on or before November 18, 2019 of their irrevocable intent to separate (leave or retire) from the University. No applications will be accepted after the deadline.
- University will pay staff **100% of their salary as of September 30, 2019**, not including stipends or other monies that are in excess of salary, with payout dates as set forth below.
- Separation dates will be December 23, 2019 or March 9, 2020, at the discretion of the University.

For those separating on December 23, 2019, payout dates are as follows:

- 12/27/2019 25% of payout share and full leave payouts
- 2/21/2020 37.5% of payout share
- 4/3/2020 37.5% of payout share

For those separating on March 9, 2020, payout dates are as follows:

- 3/20/2020 25% of payout share and full leave payouts
- 5/15/2020 37.5% of payout share
- 6/26/2020 37.5% of payout share

- Employees must sign a general release of claims.
- Other incentives:
 - If retiring, gift of Westfield State University chair.
 - If retiring, waiver of requirement of 90-day notice for 20% of sick leave buy-out.

ALL NUP/NUC STAFF WITH 10 TO UNDER 25 YEARS OF STATE SERVICE AS OF JUNE 30, 2019

| Date of Notice to Employees | Date of Commitment to University of Participation | Date of Separation | Pay-out Amount | Eligible Employees |
|------------------------------------|----------------------------------------------------------|------------------------------------|------------------------------------------------------------|---------------------------|
| TBD | No later than November 18, 2019 | December 23, 2019 or March 9, 2020 | 80% of annual salary (minus stipends or additional monies) | All NUP/NUC staff* |

The same terms apply as articulated above **EXCEPT:**

- University will pay staff **80% of their salary as of September 30, 2019**, not including stipends or other monies that are in excess of salary.

SPECIAL TERMS * (PLEASE READ CAREFULLY)**

1. Submission of your intent to participate is irrevocable. This means, if you submit a form to participate, you are effectively resigning from the University.
2. The University reserves the right to limit the number of participants in this program or to postpone separation dates. While the University will endeavor to honor all requests, there may be limited instances, as determined solely by the University, where the University may limit participation.
3. Seniority by department will be used as the basis for determining which employees may participate.
4. The University will not discriminate based on race, color, religion, national origin, age, disability, gender, gender identity, gender expression, sexual orientation, genetic information, marital/parental status or veteran's status.
5. Those employees who receive an incentive payment and retire but are re-employed by the Commonwealth within one (1) year of the effective date of their retirement shall return the incentive payment. Retired unit members who receive an incentive payment, however, may accept part-time employment with the Commonwealth including teaching on a part-time basis or DGCE/CGCE program, subject to limitations upon annual hours worked provided by state law.
6. The incentive payout is taxable income subject to withholdings, and not earnings for purposes of determining retirement allowances.
7. (*) Staff who have already informed the University or the State Retirement Board or the Optional Retirement Plan on or before September 1, 2019 of their intention to retire or resign shall not be eligible to receive the payout, even if the staff member defers their retirement to the 2020-2021 academic year.



Board of Trustees

October 10, 2019

MOTION

To establish a Money Market Account at Berkshire Bank, to approve the transfer of \$20,000,000 into the newly established account from the University's checking account at Berkshire Bank and to authorize the University to transfer funds between the two accounts if necessary.

Kevin R. Queenin, Chair

Date

ADMINISTRATION AND FINANCE

To: Finance and Capital Assets Committee, Board of Trustees

From: Stephen Taksar, Vice President, Administration and Finance

Date: October 10, 2019

RE: Establishing a New Money Market Account at Berkshire Bank

The campus would like to establish a new account at Berkshire Bank to maximize interest income to the University.

Most of our funds are held in our primary operating account gaining very little interest at 0.4%. The University would like to establish a new Money Market Account at Berkshire Bank and shift funds from the operating account to the Money Market Account. The current interest rate quoted at Berkshire Bank for a Money Market account is 1.7%, which would be an increase in interest rate of 1.3%, simply by moving cash to a new account. Assuming we move \$20,000,000 from the operating account to the Money Market Account at current rates, the **potential** net gain to the University over twelve months would be an additional \$260,000 in interest income or \$195,000 in this fiscal year. This rate is only guaranteed until December 2019 and may change for the remaining months in FY20 (January – June 2020), which would impact projected interest income.

Per the Trust Fund Management Policy (#0604), approval by the Board of Trustees is required to open or close any bank accounts.

The campus is seeking approval from the Board of Trustees today based on the details provided in this memo and our desire to expedite establishing the new account now to increase additional funds to the University. Please let me know if you have any questions or concerns.

Thank you for your consideration of this request.



Board of Trustees

October 10, 2019

MOTION

To eliminate the Affirmative Action, Equal Opportunity, Diversity Plan, Complaints Against University President Policy (2150) as it is no longer applicable. The provisions of this policy are covered in the Board of Higher Educations Equal Opportunity, Diversity and Affirmative Action Plan Policy (2170) as well as the University's Reporting Violations of Laws, Rules or Regulations (Whistleblower) Policy (0440).

Kevin R. Queenin, Chair

Date

AFFIRMATIVE ACTION/EQUAL OPPORTUNITY/DIVERSITY PLAN COMPLAINTS AGAINST THE UNIVERSITY PRESIDENT

PURPOSE

It is the purpose of this document to present policies for complaints made against the University President. This procedure is designed to facilitate the prompt, fair and impartial investigation and disposition of complaints filed against public university presidents involving allegation of abuse of office or official misconduct. Use of these grievance procedures does not foreclose subsequent legal action or any other available legal remedies provided these procedures are followed first. Complainants may wish to obtain independent legal advice.

POLICY

A. INTRODUCTION

1. The Department of Higher Education of the Commonwealth of Massachusetts is responsible, pursuant to Chapter 15A of the General Laws of the Commonwealth, for the overall governance of the public higher education system, which includes the nine State Universities. The Department of Higher Education and the Boards of Trustees of the individual States maintain and promote a policy of non-discrimination on the basis of race, color, creed, religion, national origin, gender, age, disability, sexual orientation, gender identity, genetic information, marital status, and veteran status.
2. The nine State Universities and the Massachusetts Department of Higher Education have adopted the Massachusetts State Universities Affirmative Action/Equal Opportunity/Diversity Plan, effective July 1, 2007.
3. In accordance with Appendix 2, Section E. of this Plan:
If a complaint is directed against a University President the functions assigned to that person by these procedures will transfer to the Chairman of the Board of Trustees or his/her designee.

Westfield State University

Policy concerning:

section Personnel

number 2150

page 2 of 4

APPROVED: October 13, 2009

REVIEWED: September 2011

B. PROCEDURE

1. The complainant shall file a Discrimination Complaint Form, (Exhibit A) accompanied by any pertinent supporting documentation, with the Chairman of the Board of Trustees or his/her designee. The complaint must contain as essential elements, the signature of the complainant, the date signed, the prohibited basis on which the complaint is filed, and the alleged act(s) of discrimination, discriminatory harassment and/or retaliation. The names of any witnesses and any appropriate documents should be attached to the Complaint Form.
2. A complaint shall normally be filed within (40) working days from the date upon which the complainant had knowledge or should have had knowledge of the alleged act(s) of discrimination, discriminatory harassment or retaliation, or twenty (20) days following the completion of the informal mediation process, if utilized. Where, however the act complained of is one of a continuing nature, has a continuing effect, or, in the judgment of the designated person warrants proceeding, the time limit may be reasonably extended.
3. The Chairman of the Board of Trustees will promptly consider the complaint and will, within thirty (30) working days of the filing thereof:
 - (1) Determine whether the complaint has been filed in accordance with the provisions of these procedures;
 - (2) Determine whether the complaint alleges discrimination or discriminatory harassment on the basis of race, color, creed, religion, national origin, gender, sexual orientation, gender identity, age, disability, veteran status, marital status, or genetic information or alleges retaliation;
 - (3) Investigate the complaint by taking, at a minimum, the following steps:
 - (a) providing a copy of the formal complaint to the person accused;
 - (b) requesting and considering the response of the person accused;
 - (c) reviewing relevant documents and, at the discretion of the

Westfield State University

Policy concerning:

section Personnel

number 2150

page 3 of 4

APPROVED: October13, 2009

REVIEWED: September 2011

designated officer, interviewing of the persons identified by either party as ones having information pertinent to the allegations;

- (d) collecting further evidence relevant to the investigation;
- (e) presenting the evidence to each party and considering any rebuttal; and
- (f) such other steps as the designated officer believes are necessary.

REVIEW

This document will be reviewed annually by the Assistant VP, Human Resources and Affirmative Action.

Complaint Form attached

Westfield State University

Policy concerning:

APPROVED: October 13, 2009

section Personnel

number 2150

page 4 of 4

REVIEWED: September 2011

DISCRIMINATION COMPLAINT FORM

NAME OF COMPLAINANT: _____

PLACE WHERE YOU MAY BE CONTACTED:

Address: _____

Phone: _____

E-mail: _____

DATES OF ALLEGED DISCRIMINATORY ACT: _____

ALLEGED DISCRIMINATOR: _____

NATURE OF COMPLAINT AND RELIEF DESIRED: Include all events, places and persons that you feel are involved with this complaint. (Use additional pages if necessary)

The above information is complete and accurate to the best of my knowledge and belief and I hereby elect to use the procedures outlined in the *Discrimination Complaint Procedures*. I (do) (do not) authorize the use of my name in the investigation and resolution of this claim/complaint and the disclosure of this document to appropriate administrators and any or all persons named above, including their representatives.

Signature of Complainant: _____ Date: _____

Westfield State University

Policy concerning:

APPROVED: April 2015

Section Personnel

Number 2170

Page 1 of 77

REVIEWED: September 2018

EQUAL OPPORTUNITY, DIVERSITY AND AFFIRMATIVE ACTION PLAN

BRIDGEWATER STATE UNIVERSITY

FITCHBURG STATE UNIVERSITY

FRAMINGHAM STATE UNIVERSITY

MASSACHUSETTS COLLEGE OF ART AND DESIGN

MASSACHUSETTS COLLEGE OF LIBERAL ARTS

MASSACHUSETTS MARITIME ACADEMY

SALEM STATE UNIVERSITY

WESTFIELD STATE UNIVERSITY

WORCESTER STATE UNIVERSITY

APPROVED BY THE BOARD OF HIGHER EDUCATION: SEPTEMBER 28, 2018

TABLE OF CONTENTS

| | PAGE |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|
| I. INTRODUCTION..... | 1 |
| II. POLICY STATEMENT OF NON-DISCRIMINATION AND DIVERSITY | 2 |
| III. SCOPE AND DURATION OF THE PLAN..... | 3 |
| IV. PLAN DEFINITIONS AND TERMS..... | 3 |
| V. POLICY AGAINST DISCRIMINATION, DISCRIMINATORY HARASSMENT AND RETALIATION ... | 9 |
| VI. SEXUAL VIOLENCE POLICY..... | 13 |
| (INCLUDING SEXUAL HARASSMENT, GENDER-BASED HARASSMENT, DOMESTIC VIOLENCE, DATING VIOLENCE AND STALKING) | |
| VII. POLICIES FOR REASONABLE ACCOMMODATIONS FOR PERSONS WITH DISABILITIES | 46 |
| VIII. POLICY AGAINST DISCRIMINATION IN EMPLOYMENT BASED ON PREGNANCY AND PREGNANCY-RELATED CONDITIONS AND REQUIREMENT TO PROVIDE REASONABLE ACCOMMODATION..... | 47 |
| IX. MANDATORY CHILD ABUSE REPORTING POLICY | 48 |
| X. CONTRACTING AND PURCHASING | 48 |
| XI. MONITORING AND GOALS | 50 |
| XII. AFFIRMATIVE ACTION HIRING PROCEDURES | 50 |
| XIII. RESPONSIBILITY FOR PLAN IMPLEMENTATION | 51 |
| XIV. POLICY AWARENESS PROCEDURES..... | 51 |
| XV. CONCLUSION..... | 52 |
| APPENDICES | |
| 1. POSITION DESCRIPTION: EO OFFICER | 53 |
| 2. POSITION DESCRIPTION: TITLE IX COORDINATOR..... | 54 |
| 3. POSITION DESCRIPTION: EO INVESTIGATOR | 56 |
| 4. COMPLAINT INVESTIGATION AND RESOLUTION PROCEDURES | 58 |
| (FOR COMPLAINTS OF DISCRIMINATION, DISCRIMINATORY HARASSMENT, SEXUAL VIOLENCE, SEXUAL AND GENDER-BASED HARASSMENT, DOMESTIC VIOLENCE, DATING VIOLENCE, STALKING AND RETALIATION) | |
| 5. GUIDELINES FOR CAMPUS POLICIES AGAINST DISCRIMINATION, DISCRIMINATORY HARASSMENT AND RETALIATION | 72 |
| 6. ADVISORY COMMITTEE FOR EQUAL OPPORTUNITY, DIVERSITY AND AFFIRMATIVE ACTION.. | 74 |

I. INTRODUCTION

Together, Bridgewater State University, Fitchburg State University, Framingham State University, Massachusetts College of Art and Design, Massachusetts College of Liberal Arts, Massachusetts Maritime Academy, Salem State University, Westfield State University and Worcester State University (collectively, “the Universities”) have carefully developed the major elements of this Equal Opportunity, Diversity and Affirmative Action Plan with the understanding that a successful plan requires more than knowledge of the laws, regulations and current government requirements.

This Equal Opportunity, Diversity and Affirmative Action Plan (“the Plan”) demands vision to fully comprehend what challenges the Universities face in preparing our students for their post-commencement lives. With this Plan, the Universities continue to take a step beyond and, both collectively and individually, commit themselves to the valuing of human dignity, and to the appreciation of the necessity of providing all members of the University community an experience that equips them to relate to all persons and groups in the increasingly global and diverse world in which we all live and work.

PURPOSES

Pursuant to M.G.L. Chapter 15A, the Commonwealth of Massachusetts’ Board of Higher Education (“BHE”) is responsible for the overall governance of the Universities. Together with the BHE, the Universities’ Boards of Trustees maintain and promote a policy of non-discrimination on the basis of race, color, religion, national origin, age, disability, gender, sexual orientation, gender identity, gender expression, genetic information, marital or parental status, or veteran status. A primary purpose of this Plan is to inform the campuses of: (1) the Universities’ prohibition of all forms of discrimination, discriminatory harassment, sexual violence, sexual and gender-based harassment, domestic violence, dating violence, stalking and retaliation; (2) the Universities’ efforts to prevent such behaviors; and (3) the manner in which the Universities will respond to such behaviors, including the prompt, impartial, fair and thorough investigation and resolution of complaints.

Through this Plan, the Universities also seek to responsibly recognize and, when possible, resolve the effects of past societal discrimination and the impact that discrimination has had. To those ends, the State Universities commit to an ongoing examination of all policies and procedures to ensure that they do not operate to the detriment of any person on any discriminatory basis. Finally, the Universities commit to a pro-active affirmative action posture with respect to the recruitment, selection and promotion of students and employees.

II. POLICY STATEMENT OF NON-DISCRIMINATION AND DIVERSITY

The Universities are committed to a policy of non-discrimination, equal opportunity, diversity and affirmative action, and dedicated to providing educational, working and living environments that value the diverse backgrounds of all people.

The Universities do not discriminate in admission or access to, or treatment or employment in, its educational programs and activities on the basis of race, color, religion, national origin, age, disability, gender, sexual orientation, gender identity, gender expression, genetic information, marital or parental status, or veteran status. The Universities prohibit discrimination or discriminatory harassment on all of those bases. Such behaviors violate the Universities' Policy Against Discrimination, Discriminatory Harassment and Retaliation, will not be tolerated, and may result in disciplinary action up to and including termination or expulsion.

It is also the Universities' policy to provide each student, employee, and other person having dealings with the institutions an environment free from sexual violence and all forms of misconduct on the basis of gender. The Universities prohibit rape, statutory rape, sexual assault, sexual exploitation, incest, sexual harassment, gender-based harassment, domestic violence, dating violence and stalking, and retaliation. These behaviors violate the Universities' Sexual Violence Policy, will not be tolerated, and may result in disciplinary action, up to and including termination or expulsion.

The Universities' Non-Discrimination, Discriminatory Harassment and Retaliation Policy and Sexual Violence Policy apply in all University programs and activities, including, but not limited to, athletics, instruction, grading, housing, and employment. They apply to all members of the campus communities, including, but not limited to, students, faculty, librarians, staff, visitors, contractors and applicants for employment or admission. They also apply to off-campus conduct that negatively affects a community member's experience in the University environment.

Each University has appointed an Equal Opportunity Officer ("EO Officer") to oversee its compliance with this Plan, as well as the state and federal non-discrimination and equal opportunity laws. Details regarding the EO Officer's specific duties and responsibilities can be found at Appendix 1. Anyone with questions, concerns or complaints regarding discrimination, discriminatory harassment or retaliation may contact the EO Officer.

Any person with questions or concerns about any form of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence and stalking and/or retaliation may also contact:

The U.S. Department of Education
Office for Civil Rights
33 Arch Street, 9th Floor
Boston, MA 02119-1424
(617) 289-0111/Fax (617) 289-0150
TDD (877) 521-2172
OCR.Boston@ed.gov

or

the University's
Title IX Coordinator

The Title IX Coordinator at each University is responsible for the University's compliance with Title IX and the administration of the Universities' Sexual Violence Policy. Details regarding the Title IX Coordinator's specific duties and responsibilities can be found at Appendix 2.

III. SCOPE AND DURATION

Equal opportunity, diversity and affirmative action programs are an integral part of the mission of the Universities. This Plan, by its very nature, shall affect and impact not only personnel and admissions policies, but also the procedures and practices that contribute to the academic and educational experiences of our students, and the employment opportunities throughout the Universities.

The provisions of this Plan, in compliance with applicable laws^{i,ii} and collective bargaining agreements, apply to every educational, employment and co-curricular activity at the Universities. All benefits, services and opportunities pertaining to the Universities' educational programs, employment and services are available to all applicants, students, employees and others having dealings with the Universities regardless of race, color, religion, national origin, age, disability, gender, sexual orientation, gender identity, gender expression, genetic information, marital or parental status, or veteran status. No provision of this Plan is intended, and should not be used, to discriminate against any applicant, employee or student on any prohibited basis.

Pursuant to this Plan, the actions of persons responsible in matters of employment and education, including all supervisors and faculty, must be non-discriminatory. Should one of the Universities discover discrimination in any employment, educational or service decision, action, inaction or practice, all appropriate corrective and/or disciplinary actions shall be taken under the direction of the President of the University, subject to any applicable collective bargaining agreement or other policy or procedure of the University.

This Plan shall take effect as soon as it is approved by the BHE and the Universities' Boards of Trustees, and shall remain in effect for the period determined by those Boards.

CONTINUING REVIEW

The Universities will continually review this Policy and the Complaint Investigation and Resolution Procedures at Appendix 4 to ensure compliance with the requirements of federal and state law and regulations.

APPLICATION

The Plan applies to all members of the campus communities, including, but not limited to, students, faculty, librarians, staff, visitors, contractors and applicants for employment or admission. The Plan also applies to off-campus conduct that negatively affects a community member's experience in the University environment.

IV. PLAN DEFINITIONS AND TERMS

For the purposes of this Plan, the following terms are defined as follows:

Equal Opportunity. The Universities' effort to ensure that all employment and academic decisions, programs and policies are formulated and conducted in a manner to ensure equal access for all people and to prevent discrimination. As part of this effort, the Universities will ensure that employment and academic decisions, programs and policies will be based solely on the individual eligibility, merit or fitness of applicants, employees and students without regard to race, color, religion, national origin, age, disability, gender, sexual orientation, gender identity, gender expression, genetic information, marital or parental status, or veteran status.

Equal Opportunity Officer or "EO Officer". A University official charged with the responsibility for the University's administration of this Plan, and the state and federal non-discrimination and equal opportunity laws. The EO Officer may also serve as the University's Title IX Coordinator. If the positions are held by different individuals, the EO Officer and Title IX Coordinator may collaborate on the enforcement of any part of this Plan. The identity and contact information for the EO Officer shall be published and widely distributed on each campus, including on the website of each campus. See also Appendix 1.

Protected Classes. Characteristics or groups of persons protected from discrimination by law, including:

1. Race. Discrimination laws do not contain a definition of "race," but are interpreted to prohibit discrimination on the basis of ancestry or physical or cultural characteristics associated with a certain race, such as skin color, hair texture or styles, or certain facial features, and on the basis of stereotypes and assumptions about abilities, traits, or the performance of individuals of certain racial groups. All individuals, including persons of more than one race and the following racial classifications, are protected from discrimination:

Black: All persons having origins in any of the Black racial groups of Africa including, but not limited to, African-Americans, and all persons having origins in any of the original peoples of the Cape Verdean Islands.

White (not of Hispanic origin): Persons having origins in any of the original peoples of Europe, North Africa, or the Middle East.

Hispanic/Latino: All persons of Mexican, Puerto Rican, Cuban, Central, Latin or South American or other Spanish culture or origin, regardless of race.

Asian or Pacific Islander: All persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent or the Pacific Islands, including, for example, the areas of China, India, Japan, Korea, the Philippine Islands and Samoa.

American Indian or Alaskan Native: All persons having origins in any of the original peoples of North America, and who maintain cultural identification through tribal affiliation or community recognition.

2. Color. Variations in skin tone among persons of the same race.
3. Religion. "Religion" and "creed" have the same or equivalent meaning: all religious and spiritual observances, practices, and sincerely held beliefs.
4. National Origin. A "national origin group" or "ethnic group" is a group sharing a common language, culture, ancestry, and/or other similar social characteristics.
5. Persons of Color. Members of the following racial classifications: Black, American Indian/Native Alaskan, Asian/Pacific Islander, and Hispanic/Latino.
6. Age. For employment purposes, persons 40 years of age or older. For the purposes of access to and participation in University programs and services, all persons of all ages are protected on the basis of age.

7. Disability. A person with a disability is one who has a physical or mental impairment that substantially limits one or more major life activities, has a record of such impairment, or is regarded as having such impairment.
8. Gender. A person's sex (female or male). "Gender" and "sex" may be used interchangeably for the purposes of the EO Plan.
9. Gender Identity. Gender identity is a person's internal view of the person's gender. "Gender identity" covers a multitude of sexual identities including, but not limited to, male, female, and transgender or gender-nonconforming individuals, who are persons whose gender identity or gender presentation falls outside of stereotypical gender norms.
10. Gender Expression. Gender expression is a term that refers to the ways in which individuals manifest or express masculinity or femininity. It refers to all of the external characteristics and behaviors that are socially defined as either masculine or feminine, such as dress, grooming, mannerisms, speech patterns and social interactions.
11. Sexual Orientation. Actual or perceived heterosexuality, homosexuality or bisexuality, either by orientation or by practice.
12. Genetic Information. Any written, recorded individually identifiable result of a genetic test or explanation of such a result or family history pertaining to the presence, absence, variation, alteration, or modification of a human gene or genes.
13. Marital/Parental Status. A person's status as single, married, parent or non-parent, where discrimination on these bases has disparately impacted against those of different protected classes, including gender and sexual orientation.
14. Veteran Status. A person who is a member of, has served in, applies to perform or is obligated to perform service in, a uniformed military service of the U.S., including the National Guard.

Discrimination. An intentional or unintentional act that adversely affects employment and/or educational opportunities because of a person's membership in a protected class or association with a member(s) of a protected class. Discrimination may be classified as either disparate impact (facially neutral practices that fall more harshly on one group than another and cannot be justified by business necessity) or disparate treatment (treatment of an individual that is less favorable than treatment of others based on discriminatory reasons). A single act of discrimination may be based on more than one protected class status. For example, discrimination based on anti-Semitism may relate to religion, national origin, or both; discrimination against a pregnant woman might be based on sex, marital or parental status, or both; discrimination against a transgender individual might be based on sex or sexual orientation.

Discriminatory harassment. A form of discrimination including verbal and/or physical conduct based on legally protected characteristics and/or membership in a protected class that:

1. has the purpose or effect of creating an objectively intimidating or hostile work or educational environment;
2. has the purpose or effect of unreasonably interfering with an individual's work or educational opportunities; or

3. otherwise unreasonably adversely affects an individual's employment or educational opportunities.

Reasonable directions or warnings by authorized University personnel as to the time, place and manner in which employees perform their assigned responsibilities, students carry out their educational assignments or program participants engage in sponsored activities do not constitute evidence of discriminatory harassment under this Policy.

For purposes of this Plan, unwelcome conduct constitutes hostile environment harassment when:

- it is targeted against a person on the basis of his/her membership in a protected class;

AND

- it is sufficiently severe or pervasive that it alters the conditions of education or employment and creates an environment that a reasonable person would find intimidating or hostile; **OR**
- submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment or education; **OR**
- submission to, or rejection of, such conduct by an individual is used as a basis for academic or employment decisions affecting that individual.

The determination of whether an environment is "hostile" is based on the totality of the circumstances. These circumstances could include the frequency of the conduct, its severity, and whether it is threatening or humiliating. Simple teasing, offhand comments and isolated incidents (unless extremely serious) will not amount to hostile environment harassment under this Plan.

For emphasis, conduct that is not based on a person's membership in a protected class is not considered hostile under this Plan.

Retaliation. Taking adverse employment or educational action against a person who: (a) files claims, complaints or charges under this Plan, or under applicable local, state or federal statute; (2) is suspected of having filed such claims, complaints or charges; (3) has assisted or participated in an investigation or resolution of such claims, complaints or charges; or, (4) has protested practices alleged to be violative of the non-discrimination policies of the University, the BHE, or local, state or federal regulation or statute. Retaliation, even in the absence of provable discrimination in the original complaint or charge, constitutes as serious a violation of this Plan as proved discrimination under the original claim, complaint or charge.

Title IX Coordinator. A University official charged with the University's overall compliance with Title IX of the Education Amendments of 1972. Among other duties, the Title IX Coordinator is responsible for the enforcement of this Plan regarding all issues pertaining to sexual violence, sexual and gender-based harassment, domestic violence, dating violence, stalking and retaliation. A campus may have Deputy Title IX Coordinators. The Title IX Coordinator may also serve as the University's EO Officer. If the positions are held by different individuals, the Title IX Coordinator and the EO Officer may collaborate on the enforcement of any part of this Plan. The identities and contact information for all Title IX Coordinators and Deputy Title IX Coordinators shall be published and widely distributed on each campus, including on the website of each campus. See also Appendix 2.

Sexual Violence. As defined by the U.S. Department of Education's Office for Civil Rights and this Plan, sexual violence "refers to physical sexual acts perpetrated against a person's will or where a person is incapable of giving consent (*e.g.*, due to the [person's] age or use of drugs or alcohol, or because an intellectual or other disability prevents the [person] from having the capacity to give consent)." All forms of sexual violence are prohibited by the Universities and Title IX.

Title II/504 Coordinator. A University official charged with the responsibility for the University's compliance with Title II of the Americans with Disabilities Act of 1990, as amended, Section 504 of the Rehabilitation Act of 1973, the University's Policies for Reasonable Accommodations for Persons with Disabilities, and this Plan with regard to issues of disability discrimination. The Title II/504 Coordinator may also serve as the University's EO Officer. If the positions are held by different individuals, the Title II/504 Coordinator and the EO Officer may collaborate on the enforcement of any part of this Plan. The identity and contact information for the Title II/504 Coordinator shall be published and widely distributed on each campus, including on the website of each campus.

Individual with a Disability. A person who has a physical or mental impairment that substantially limits one or more major life activities, has a record of impairment, or is regarded as having an impairment. Examples of disabilities include, but are not limited to: alcoholism; asthma; blindness or other visual impairments; cancer; cerebral palsy; depression; diabetes; epilepsy; hearing or speech impairments; heart disease; migraine headaches; multiple sclerosis; muscular dystrophy; orthopedic impairments; paralysis; thyroid gland disorders; tuberculosis; loss of body parts.

Qualified Individual with a Disability. An employee or applicant who satisfies the skill, experience, education, and other job-related requirements of the position held or desired, and who, with or without reasonable accommodation, can perform the essential functions of that position; a student who meets the academic and technical standards requisite for admission or participation in the institution's educational program or activity.

Reasonable Accommodation. Modifications or adjustments to an application process, job, work environment, academic program or activity, or a course of study, that permit a qualified individual with a disability to perform the essential functions of a position or to enjoy the benefits and privileges of employment or education equally with persons without disabilities.

Undue Hardship. The Universities are required to make reasonable accommodations to qualified individuals with disabilities unless doing so would impose an undue hardship on the operation of the Universities' business. Undue hardship means an action that requires significant difficulty or expense when considered in relation to factors such as the University's overall size, financial resources, and the nature and structure of its operation.

Interactive Process. An on-going communication between the University and an individual with a documented disability in an effort to provide reasonable accommodation, auxiliary aids, or academic adjustments.

Complainant. An individual who makes a complaint under the Complaint Investigation and Resolution Procedures at Appendix 4 of the EO Plan. The Complainant may also be the University under certain circumstances.

Respondent. An individual who is accused of violating the EO Plan.

Day. As used in the Complaint Investigation and Resolution Procedures at Appendix 4 of the EO Plan, a day shall mean a calendar day, except where otherwise noted.

Timeframes. While the Universities encourage prompt reporting of incidents of discrimination, discriminatory harassment, sexual violence, sexual or gender-based harassment, domestic violence, dating violence, stalking and retaliation, they do not limit the timeframe for filing a complaint under this Plan.

Complaints may be filed at any time, but the University's ability to take action may be limited by the matriculation or employment status of respondents or witnesses. A prompt report will enable the University to most effectively respond to a complaint.

The process for resolving a complaint consists of three major stages: the investigation, the administrative review, and a possible appeal. Every effort will be made to investigate a complaint within sixty (60) calendar days after its receipt. Extenuating circumstances, including the complexity or severity of a complaint, breaks in the academic calendar or exam periods, may require that the investigation process be extended beyond 60 days. Every effort will be made to conclude the administrative review within fourteen (14) calendar days after the receipt of the investigation report and, where practicable, the appeal process will be concluded within thirty (30) days of receipt of the appeal.

In the event that good cause prevents the investigation and resolution process from being concluded in this time frame, the University will notify in writing all parties of the need for additional time and best efforts will be made to complete the process as expeditiously as possible. As a matter of course, parties can expect to receive status updates at reasonable intervals until the matter is resolved.

Standard of Review. All complaints pursued under the Complaint Investigation and Resolution Procedures will be evaluated under a "preponderance of the evidence" standard. Under this standard, conclusions must be "more likely than not." Accordingly, the fact-finder must find that it is more likely than not that the respondent violated the University's EO Plan, Student Code of Conduct or other relevant University policy.

Advisors. Each party to an investigation initiated under the Complaint Investigation and Resolution Procedures is entitled to have an advisor present during any meetings regarding the process (other than meetings between a party and University officials regarding accommodations or protective interim measures). Except as otherwise required by law, the advisor may observe, but may not participate in any way whatsoever, including, without limitation, by asking questions or speaking during the meeting or proceeding. The advisor's role is to provide support and/or advice to the party. During meetings and proceedings, the advisor may speak with the party or pass notes in a non-disruptive manner. The Universities reserve the right to remove from the meeting or proceeding any advisor who disrupts the process, or who does not abide by the restrictions on their participation. In addition, please note that the University does not need to cancel or delay a meeting or proceeding simply because an advisor cannot be present. Further, the advisor is not permitted to attend a meeting or proceeding without the advisee.

The personal advisor for a complainant, a student respondent or a non-unit employee respondent can be any person, including an attorney.

Respondents who are unit members may elect to have a union representative (or other University employee) present during any meeting that the unit member reasonably believes may result in discipline

pursuant to the unit member's Weingarten rights. A respondent unit member who invokes their Weingarten right to a union representative or other University employee is not also permitted an advisor.

If a party's advisor is an attorney, the University's legal counsel may also attend the meeting or proceeding.

Discipline or Sanctions. For the purposes of the investigation and resolution procedures, the terms may be used interchangeably.

V. POLICY AGAINST DISCRIMINATION, DISCRIMINATORY HARASSMENT AND RETALIATION

PROHIBITED CONDUCT

The Policy prohibits all conditions and all actions or omissions, including all acts of discrimination, discriminatory harassment and retaliation, which deny or have the effect of denying to any person their rights to equity and security on the basis of their membership in or association with a member(s) of any protected class. This Policy reaffirms the values of civility, pluralism and pre-eminence of individual human dignity as preconditions to the achievement of an academic community, which recognizes and utilizes the resources of all people.

The prohibited conduct contained in this Policy shall apply to and be enforced against all members of the University community, including, but not limited to, faculty, librarians, administrators, staff, students, vendors, contractors and all others having dealings with the institution.

Examples of discrimination, all of which are prohibited by this Policy, include, but are not limited to:

- Differences in terms, conditions and privileges of employment (including, but not limited to hiring, promotion, reassignment, termination, salary, salary increases, discipline, granting of tenure, selection for awards, etc.) on a prohibited basis.
- Disparity of treatment in educational programs and related support services on the basis of membership in a protected class.
- Differences in salaries or other benefits that are paid to one or more men or women if the differences are not based on a bona fide occupational qualification.
- Developing position descriptions or qualifications, which, without lawful justification, are so specific as to have a disparate exclusionary impact on a group of individuals because of their membership in a protected class.
- Limiting access to housing, or participation in athletic, social, cultural or other activities to students because of membership in a protected class not based on a bona fide requirement or distinction.
- Failing or refusing to hire or promote a person because of their age.
- Classifying a position or positions as unsuitable for persons of certain religions.

- Excluding members of a certain race or national origin from a category of positions or from a department or division.
- Restricting the number of veterans or qualified persons with disabilities in a category of positions or in a department or division.
- Using information on marital or parental status for employment decisions where the use of such information has a disparate impact on persons of one gender or sexual orientation.
- Advising students of similar interests and backgrounds differently because of their gender or gender identity.
- Forcing female students to sit in the back of the class on the stereotyped assumption that each of them has a lower aptitude for learning that particular subject than male students.
- Placing unreasonable expectations upon students of particular races or national origins based on stereotyped assumptions that members of those protected classes have a better aptitude for certain academic subjects than students not of those protected classes.

Examples of discriminatory harassment, all of which are prohibited by this Policy, include, but are not limited to:

- Physically harassing another individual or group because of that person's or persons' membership in a protected class by assaulting, touching, patting, pinching, grabbing, staring, leering at them, making lewd gestures, invading their personal space, blocking their normal movement, or other physical interference.
- Encouraging others to physically or verbally abuse an individual (or group of individuals) because of that person or persons' membership in a protected class.
- Threatening to harm an individual or group because of that person or persons' membership in a protected class.
- Directing epithets, slurs, derogatory comments, unwelcome jokes or stories at an individual or group because of that person or persons' membership in a protected class.
- Displaying hostile, derogatory and/or intimidating symbols/objects, such as posters, cartoons, bulletins, drawings, photographs, magazines, written articles or stories, screen savers, or electronic communications, to an individual or group because of that person or persons' membership in a protected class.

Examples of retaliation, all of which are prohibited by this Policy, include, but are not limited to:

- Terminating an employee for stating an intention to file a complaint of discrimination or for assisting another employee in filing a discrimination complaint.
- Refusing to hire an employee because the employee pursued an age discrimination charge against a former employer.
- Denying a promotion to an employee for complaining about alleged sexual orientation harassment.

- Refusing tenure to a faculty member for filing a complaint of sexual harassment pursuant to the Complaint Investigation and Resolution Procedures.
- Issuing an unjustified negative evaluation to an employee for testifying in a legal proceeding concerning a complaint of discrimination or harassment.
- Assigning a student an unearned poor grade for requesting a reasonable academic accommodation based on religion.
- Assigning a student an unearned failing grade for cooperating with an internal investigation of alleged discriminatory practices or a complaint of discrimination or harassment.
- Refusing to admit a student for requesting a reasonable accommodation based on disability in the admission process.

Members of the academic community should not assume that any of the forms of speech described above are protected by the principles of academic freedom or the First Amendment to the United States Constitution.

CONDUCT THAT IS NOT PROHIBITED

The Universities are committed to protecting, maintaining and encouraging both freedom of expression and full academic freedom of inquiry, teaching, service, and research. Nothing in this Policy shall be construed to penalize a member of the University community for expressing an opinion, theory, or idea in the process of responsible teaching and learning. Accordingly, any form of speech or conduct that is protected by the principles of academic freedom or the First Amendment to the United States Constitution is not subject to this Policy.

COMPLAINT INVESTIGATION AND RESOLUTION PROCEDURES

The Universities have established specific Complaint Investigation and Resolution Procedures to review and resolve allegations of discrimination, discriminatory harassment and retaliation on their campuses. Any member of the University community or any applicant for admission or employment who believes that he or she has been a victim of such conduct in violation of this Plan may initiate a complaint as outlined in these procedures, which are set forth at Appendix 4.

Further advice or information about Universities' Complaint Investigation and Resolution Procedures may be obtained by contacting the EO Officer on each campus.

DUTY TO COOPERATE

Every faculty member, librarian, administrator, staff member and University employee has a duty to cooperate fully and unconditionally in an investigation conducted pursuant to the Complaint Investigation and Resolution Procedures, subject to the provisions of any relevant collective bargaining agreements. This duty includes, among other things, speaking with the EO Officer, Administrative Investigator, reviewing or appellate body, and voluntarily providing all documentation that relates to the claim being investigated. The failure and/or refusal of any employee, other than an employee subject to criminal charges or who invokes a Fifth Amendment privilege, to cooperate in an investigation may result in a separate disciplinary action up to and including termination.

DUTY TO REPORT DISCRIMINATION, DISCRIMINATORY HARASSMENT OR RETALIATION

No member of the University community, including a faculty member, can ignore a report of discrimination, discriminatory harassment or retaliation.¹ He or she should provide the reporter as much assistance in bringing it to the attention of the EO Officer as is reasonably appropriate given his or her position at the University and relationship with the reporter.

In terms of reports of discrimination, discriminatory harassment or retaliation, any trustee, administrator, department chair, program coordinator, manager or supervisor who receives such a complaint from a student or other member of the University community is obligated to report the complaint to the EO Officer as soon as he or she becomes aware of it. Likewise, any member of the campus community is encouraged to report to the EO Officer any conduct of which they have direct knowledge and which they in good faith believe constitutes discrimination, discriminatory harassment or retaliation in violation of this Policy.

Any member of the University community who has a question about his or her responsibilities under this Policy Against Discrimination, Discriminatory Harassment and Retaliation should contact the EO Officer.

FALSE CHARGES

Filing a false charge of discrimination, discriminatory harassment or retaliation is a serious offense. If an investigation reveals that a person knowingly filed false charges, the University shall take appropriate actions and issue sanctions, up to and including termination or expulsion, pursuant to other applicable University policies, including any applicable collective bargaining agreement. The imposition of such sanctions does not constitute retaliation under this Plan.

¹ In terms of reports of complaints of sexual violence, sexual or gender-based harassment, domestic or dating violence, or stalking, those community members designated as Responsible Employees for the purposes of Title IX or Campus Security Authorities for the purposes of the Clery Act must act in accordance with their specific reporting obligations. All other community members are encouraged, in accordance with the level of confidentiality requested by the complainant, to report reliable knowledge of an incident(s) of such conduct to the Title IX Coordinator. See the Sexual Violence Policy at Section E for more information on employees' duty to report conduct prohibited by that Policy.

VI. SEXUAL VIOLENCE POLICY

INCLUDING SEXUAL HARASSMENT, GENDER-BASED HARASSMENT, DOMESTIC VIOLENCE, DATING VIOLENCE AND STALKING

| | | |
|----|----------------------------------------------------------------------------------------------------------------------------------------------------|----|
| A. | POLICY INTRODUCTION..... | 14 |
| 1. | Policy Purposes | 14 |
| 2. | Prohibition Against Sexual Violence, Sexual Harassment, Gender-Based Harassment, Domestic Violence, Dating Violence, Stalking and Retaliation..... | 15 |
| 3. | Policy Application | 15 |
| 4. | Title IX Coordinator | 16 |
| 5. | Coordination with the Non-Discrimination and Harassment Policy | 16 |
| B. | DEFINITIONS AND EXAMPLES OF POLICY VIOLATIONS | 17 |
| 1. | Sexual Violence | 17 |
| 2. | Sexual Harassment | 19 |
| 3. | Gender-Based Harassment | 20 |
| 4. | Domestic and Dating Violence | 21 |
| 5. | Stalking | 22 |
| 6. | Retaliation | 22 |
| C. | CONDUCT THAT IS NOT PROHIBITED | 23 |
| D. | CONSENSUAL RELATIONSHIPS | 23 |
| 1. | Faculty/Administrator/Staff Member Relationships with Students..... | 23 |
| 2. | Relationships Between Supervisors and Subordinates or Between Co-Workers | 23 |
| E. | RESOURCES | 23 |
| 1. | Immediate Needs: Assuring One’s Safety and Preserving Evidence | 24 |
| 2. | Confidential Medical Attention | 24 |
| 3. | Confidential Counseling and Support..... | 24 |
| 4. | Non-Confidential Campus Resources..... | 27 |
| F. | REPORTING OPTIONS | 27 |
| 1. | Confidential Reporting Options..... | 27 |
| 2. | Non-Confidential Reporting Options..... | 28 |
| 3. | Making No Report | 31 |
| 4. | Amnesty | 31 |
| 5. | Timeframe for Reporting | 31 |
| 6. | False Charges..... | 31 |
| 7. | Employees’ Duty to Report | 32 |
| 8. | Employees’ Duty to Cooperate | 32 |
| G. | PRIVACY AND CONFIDENTIALITY: ADDITIONAL CONSIDERATIONS..... | 32 |
| 1. | Requests for Confidentiality or for No Investigation | 32 |
| 2. | Privacy for Respondents who are Students | 32 |
| 3. | Disclosures Made at Public Awareness Events | 33 |
| 4. | Statistical Reporting and Timely Warnings Under the Clery Act..... | 34 |
| H. | PROTECTIVE INTERIM MEASURES..... | 34 |
| I. | WRITTEN NOTIFICATION OF RIGHTS, OPTIONS, RESOURCES, SERVICES AND INFORMATION | 35 |
| J. | EDUCATION AND PREVENTION PROGRAMS | 37 |
| K. | INDEPENDENT INVESTIGATIONS | 39 |
| L. | COMPLIANCE CONCERNS..... | 39 |
| M. | MASSACHUSETTS LEGAL DEFINITIONS..... | 39 |
| | APPENDIX A: CONFIDENTIALITY AND REPORTING | 42 |

A. POLICY INTRODUCTION

The Massachusetts State Universities are committed to maintaining safe and healthy learning, living and working environments that are free from all forms of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation. Consistent with this commitment, the Universities comply with Title IX of the Higher Education Amendment of 1972, which prohibits discrimination and harassment on the basis of sex in education programs and activities, as well as retaliation for the purpose of interfering with any right or privilege secured by Title IX. The Universities do not discriminate on the basis of sex in admission to or employment in its education programs and activities.

This Policy prohibits all forms of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation. These behaviors are antithetical to the Universities' educational mission and are prohibited forms of harassment under Title IX. The Universities provide educational and prevention programs, services for individuals who have been impacted by discrimination and harassment on the basis of sex, and accessible, timely and equitable methods of investigation and resolution of complaints.

This Policy and the Complaint Investigation and Resolution Procedures are intended to comply with Title IX, the reauthorized Violence Against Women Act, including the Campus SaVE Act, the Clery Act, and the guidance documents on Title IX issued by the Department of Education's Office for Civil Rights and the White House Task Force to Protect Students from Sexual Assault.

1. Policy Purposes

The purpose of this Policy is for the Universities to educate their campuses about sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation, as well as their efforts to prevent, address and remedy all forms of such prohibited conduct. Accordingly, this Policy:

- states that sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation are prohibited and will not be tolerated;
- defines and describes the conduct that is prohibited;
- explains what to do if one experiences sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and/or retaliation;
- identifies available on- and off-campus resources;
- identifies the persons with whom one may speak confidentially;
- describes all reporting options, including how to file a complaint with the University;
- specifies the rights of both complainants and respondents; and
- explains the Universities' response to alleged incidents, including how reports of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation are evaluated, investigated and resolved.

2. Prohibition Against Sexual Violence, Sexual Harassment, Gender-Based Harassment, Domestic Violence, Dating Violence, Stalking and Retaliation

The Universities prohibit and will not tolerate sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation. These behaviors violate this Policy, state and federal civil rights laws, and possibly the criminal laws of Massachusetts.²

These behaviors can occur between strangers or acquaintances, including between people involved in an intimate or sexual relationship. Victims³ can be any gender. Any person, regardless of gender identity, can commit sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation, and these behaviors can occur between people of the same or different gender.

The Universities prohibit any student, faculty or staff member, visitor or contractor, regardless of gender, from sexually harassing, stalking, engaging in sexual violence toward or committing domestic or dating violence against another community member or anyone having dealings with the Universities. Any member of the University community who believes that s/he has been subjected to such misconduct is encouraged to report it as described in this Policy. Upon receiving a report, the University will respond quickly and seriously, and, where appropriate, will take steps to prevent the recurrence of the behavior, remedy its effects, and discipline individuals who violate this Policy.

The Universities prohibit retaliation against anyone who reports sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation, who assists another in making a report, or who participates in an investigation of a report. All persons should feel free to report their concerns without fear of retribution or reprisal.

3. Policy Application

This Policy applies to all University community members, including students, faculty, staff, visitors, contractors and applicants for employment or admission, and without regard to a person's race, color, religion, national origin, age, disability, gender, sexual orientation, gender identity, gender expression, genetic information, marital or parental status, or veteran status. This Policy applies to all University programs and activities, both on and off campus.

Acts of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation that take place off campus may be subject to investigation and disciplinary action under this Policy when the conduct involves behavior by or toward a community member, which (1) occurs during University-sponsored events or the events of organizations affiliated with the University, including study abroad and outside internships; (2) negatively impacts a person's access to education programs and activities; (3) adversely affects or disrupts the campus community; and/or (4) poses a threat of harm to the campus community.

² Incidents of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation as described in this Policy may also constitute criminal acts when they meet the standards set forth in Massachusetts' criminal laws, which are listed in Section M of this Policy. An individual can be prosecuted by the Commonwealth for violating a criminal law and simultaneously subject to discipline for Policy violations by the University.

³ This Policy uses the term "victim" or "complainant" to describe a person who has been subjected to sexual violence, and does so with respect for those who have been subjected to sexual violence and without making a presumption about the responsibility (or lack thereof) of the alleged respondent.

4. Title IX Coordinator

Pursuant to Title IX and its implementing regulations at 34 C.F.R. Part 106, each University has appointed a Title IX Coordinator, who has the primary responsibility for coordinating the University's efforts to comply with and carry out its responsibilities under Title IX.

In this role, the Title IX Coordinator: administers this Policy; monitors the University's responsive actions to ensure that the learning, living and working environments are free of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation; and monitors the steps taken to remedy the effects of the misconduct on the complainant(s), including any investigation, resolution or disciplinary proceedings. The Title IX Coordinator also: provides information about reporting options and support resources; initiates interim protective measures; evaluates requests for confidentiality; coordinates appropriate accommodations; assists persons in filing complaints with law enforcement (when requested); provides or facilitates training for faculty, staff and students; and may investigate complaints.

The Title IX Coordinator may also serve as the University's Equal Opportunity Officer ("EO Officer"). If these positions are held by different persons, the Title IX Coordinator and EO Officer may collaborate on the enforcement of any aspect of this Policy. There may also be a Deputy Title IX Coordinator(s) designated to assist the Title IX Coordinator in the performance of the Coordinator's duties and to whom specific responsibilities may be delegated.

Anyone with questions, concerns or complaints related to Title IX, sexual violence, sexual harassment, gender-based harassment, domestic or dating violence, stalking and retaliation, and/or this Policy may contact the Title IX Coordinator on the relevant campus. The names and contact information for the Universities' Title IX Coordinators and any Deputy Coordinators are identified on each campus's website.

Bridgewater State University

<https://www.bridgew.edu/>

<http://www.handbook.bridgew.edu/PoliciesProcedures/SexualMisconductandRelationshipViolence.cfm>

Fitchburg State University

<http://www.fitchburgstate.edu/>

<http://www.fitchburgstate.edu/about/equal-opportunity-diversity-and-affirmative-action-title-ix/>

Framingham State University

<http://www.framingham.edu/>

<http://www.framingham.edu/shape>

Massachusetts College of Art and Design

<http://www.massart.edu>

<http://www.mcla.edu/titleix>

Massachusetts Maritime Academy

<http://www.maritime.edu/title-ix>

Salem State University

<http://www.salemstate.edu>

<http://www.salemstate.edu/chs/27875.php>

Worcester State University

<http://www.worcester.edu>

http://www.worcester.edu/Title_IX

Westfield State University

<http://www.westfield.ma.edu/>

http://catalog.westfield.ma.edu/content.php?catoid=8&navoid=329#Sexual_Misconduct_Policy

5. Coordination with the Policy Against Discrimination, Discriminatory Harassment and Retaliation Harassment, misconduct or violence related to a person's sex, sexual orientation, gender identity or

expression is sometimes also related to a person's race, age, disability, or membership in another protected class. Discriminating against or harassing any person on such bases is prohibited by the Universities' Policy Against Discrimination, Discriminatory Harassment and Retaliation. In cases where the alleged conduct implicates both Policies, the University will coordinate its evaluation, investigation and resolution efforts to address the alleged conduct on all prohibited bases.

Note: While this Policy and the Complaint Investigation and Resolution Procedures identify certain University officers and employees who have particular roles and duties, the Universities may designate other officers or employees to perform specific roles and/or duties set forth in this Policy or the Complaint Investigation and Resolution Procedures.

B. DEFINITIONS AND EXAMPLES OF POLICY VIOLATIONS

For the purposes of this Policy, the following definitions and terms apply:

1. Sexual Violence

As defined by the U.S. Department of Education's Office for Civil Rights, sexual violence "refers to physical sexual acts perpetrated against a person's will or where a person is incapable of giving consent (e.g., due to the [person's] age or use of drugs or alcohol, or because an intellectual or other disability prevents the [person] from having the capacity to give consent)." All forms of sexual violence are prohibited by the Universities and Title IX.

a. Rape

Rape is the penetration, no matter how slight, of (1) the vagina or anus of a person by any body part of another person or by an object, or (2) the mouth of a person by a sex organ of another person, without that person's consent. Rape is also the performance of oral sex or anal sex on another person without that person's consent.

b. Sexual Assault

Sexual assault is any kind of sexual physical contact that involves any form of coercion, force or lack of consent. Sexual physical contact includes the intentional touching of another person on an area of the body generally recognized as a private part of the body, or touching any part of another person's body with a private part of one's own body or object, no matter how slight. Sexual intercourse means penetration, no matter how slight, of a bodily orifice (vagina, anus, or mouth) by an object or by a body part, and/or non-consensual oral sex or anal sex. *Examples* of sexual assault include, but are not limited to:

- kissing or fondling without consent;
- rape;
- advancing sexual activity without consent;
- ignoring a partner's objections to sexual activity on one occasion even when consent has been given in the past; and
- engaging in manipulative, threatening and coercive behavior to obtain consent.

c. Sexual Exploitation

Sexual exploitation is taking sexual advantage of another person for one's own benefit or the benefit of anyone other than that person without that person's consent. *Examples* of behavior that could rise

to the level of sexual exploitation include, but are not limited to:

- prostituting another person;
- recording images (e.g., video, photograph) or audio of another person's sexual activity, intimate body parts, or nakedness without that person's consent;
- distributing through social media, text, email or other media images (e.g., video, photograph) or audio of another person's sexual activity, intimate body parts, or nakedness, if the individual distributing the images or audio knows or should have known that the person depicted in the images or audio did not consent to such disclosure and objects to such disclosure;
- viewing child pornography; and
- viewing another person's sexual activity, intimate body parts, or nakedness in a place where that person would have a reasonable expectation of privacy, without that person's consent.

d. Incest

Incest is sexual intercourse between persons who are related to each other and whose marriage would be prohibited by law. Attempts to commit incest are also prohibited.

e. Statutory Rape

Statutory rape is sexual intercourse with a person who is under the statutory age of consent, which is 16 in Massachusetts. Attempts to commit statutory rape are also prohibited.

f. Aiding in the Commission of Sexual Violence

The aiding or assisting in the commission of an act(s) of sexual violence is prohibited. Examples of aiding in the commission of sexual violence include, but are not limited to:

- videotaping a friend having sex with a person who has passed out drunk at a party;
- helping a friend to drug the friend's date's drink; and
- encouraging students to engage in sexual activity when one knows those students to be incapacitated by drugs or alcohol.

g. Affirmative Consent

Consent is an understandable exchange of affirmative words or actions, which indicate a willingness by all parties to participate in mutually agreed upon sexual activity. Consent must be informed, freely and actively given. It is the responsibility of the initiator to obtain clear and affirmative responses at each stage of sexual involvement.

Whether an individual has taken advantage of a position of influence over a complainant may be a factor in determining consent. For example, a position of influence could include supervisory or disciplinary authority.

Silence, previous sexual relationships or experiences, and/or a current relationship may not, in themselves, be taken to imply consent. While nonverbal consent is possible (through active participation), it is best to obtain verbal consent. Similarly, consent to one form of sexual activity does not imply consent to other forms of sexual activity. Consent to sexual activity may be withdrawn at any time, as long as the withdrawal is communicated clearly.

h. Incapacitation

An individual who is incapacitated by alcohol and/or drugs both voluntarily or involuntarily consumed may not give consent. Alcohol or drug related incapacitation is more severe than impairment, being under the influence, or intoxication. Evidence of incapacity may be detected from context clues, such as slurred speech, bloodshot eyes, the smell of alcohol on the breath, shaky equilibrium, vomiting, unusual behavior or unconsciousness. While context clues are important in determining incapacitation, they alone do not necessarily indicate incapacitation.

Persons unable to consent due to incapacitation also include, but are not limited to: persons under age sixteen (16); persons who are intellectually incapable of understanding the implications and consequences of the act or actions in question; and persons who are physically helpless. A physically helpless person is one who is asleep, blacked out, involuntarily physically restrained, unconscious, or, for any other reason, unable to communicate unwillingness to engage in any act.

The use of alcohol or drugs to render another person mentally or physically incapacitated as a precursor to or part of a sexual assault is prohibited. The use of alcohol, medications or other drugs by the respondent or accused does not excuse a violation of this Policy.

i. Force

Force is the use of physical strength or action (no matter how slight), violence, threats of violence or intimidation (implied threats of violence) as a means to engage in sexual activity. A person who is the object of actual or threatened force is not required to physically, verbally or otherwise resist the aggressor.

j. Coercion

Coercion is unreasonable pressure or emotional manipulation to persuade another to engage in sexual activity. When someone makes it clear that s/he does not want to engage in sexual behavior, or s/he does not want to go beyond a certain point of sexual activity, continued pressure beyond that point can be considered coercive. Being coerced into sexual activity is not consent to that activity.

2. Sexual Harassment

Unwelcome conduct of a sexual nature is prohibited when:

- submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment or education; and/or
- submission to, or rejection of, such conduct by an individual is used as a basis for academic or employment decisions affecting that individual; and/or
- such conduct has the purpose or effect of substantially interfering with an individual's academic or work professional performance or creating a sexually intimidating or hostile employment, educational, or living environment.

Examples of sexual harassment may include, but are not limited to:

- repeatedly pressuring another person for sexual activity;
- making sexist remarks about an individual's clothing, body or sexual activities;

- unnecessary touching, patting or pinching another person;
- demanding sex from a subordinate while making threats concerning the subordinate's job;
- demanding sex from a student while making implied threats concerning the student's grade;
- electronically transmitting derogatory, demeaning or pornographic materials;
- posting explicit sexual pictures on an exterior office door or on a computer monitor; and
- sexually assaulting another person.

Sexual harassment can occur between people of any gender. It can occur between equals (*e.g.*, student-to-student, staff-to-staff, faculty-to-faculty) or between those of differing power status (*e.g.*, supervisor-to-subordinate, faculty-to-student, coach-to-athlete). It is possible for one who appears to have the lesser power to commit sexual harassment (*e.g.*, a student harassing a faculty member).

In order for conduct to constitute sexual harassment under this Policy, a reasonable person under similar circumstance would have to conclude that the behavior was harassing or discriminatory.

Reasonable directions or warnings by authorized University personnel as to the time, place and manner in which employees perform their assigned responsibilities, students carry out their educational assignments or program participants engage in sponsored activities do not constitute evidence of sexual harassment under this Policy.

Hostile Environment

A hostile environment exists when sexual harassment is sufficiently serious to deny or limit a person's ability to participate in or benefit from the University's programs or activities. A hostile environment can be created by anyone involved in the University's programs or activities (*e.g.*, administrators, faculty members, students, and campus visitors).

To make the ultimate determination of whether a hostile environment exists for campus community member(s), the University considers a variety of factors related to the severity, persistence, or pervasiveness of the sexual harassment, including: (1) the type, frequency, and duration of the conduct; (2) the identity and relationships of persons involved; (3) the number of individuals involved; (4) the location of the conduct and the context in which it occurred; and, (5) the degree to which the conduct affected one or more person's education or employment.

A single or isolated incident may create a hostile environment if the incident is sufficiently severe. The more severe the conduct, the less need there is to show a repetitive series of incidents to show evidence of a hostile environment, particularly if the harassment is physical.

3. Gender-Based Harassment

Unwelcome conduct of a nonsexual nature based on a person's actual or perceived sex, including conduct based on gender identity, gender expression, and nonconformity with gender stereotypes, is prohibited when:

- submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment or education; and/or
- submission to, or rejection of, such conduct by an individual is used as a basis for academic or employment decisions affecting that individual; and/or

- such conduct has the purpose or effect of substantially interfering with an individual’s academic or professional performance or creating an intimidating or hostile employment, educational, or living environment based on gender.

Examples of gender-based harassment include, but are not limited to:

- using derogatory comments and terms toward a male or female who do not act in ways that align with their gender stereotype, such as a male being called names for being interested in the arts or a female being called names for being interested in construction;
- telling someone to use a restroom that does not align with that person’s gender identity; and
- making generalized derogatory comments about one gender, such as “all females” are _____ or “all males” are _____.

While harassment based on non-sexual factors may be distinguished from sexual harassment, these types of behaviors may contribute to the creation of a hostile environment. Thus, in determining whether a sexually hostile environment exists, the University may consider acts of gender-based harassment. In order for conduct to constitute gender-based harassment under this Policy, a reasonable person under similar circumstances would have to conclude that the behavior was harassing or discriminatory.

Reasonable directions or warnings by authorized University personnel as to the time, place and manner in which employees perform their assigned responsibilities, students carry out their educational assignments or program participants engage in sponsored activities do not constitute evidence of gender-based harassment under this Policy.

The definition of hostile environment provided under the Sexual Harassment section above also applies in the context of gender-based harassment.

4. Domestic and Dating Violence

Domestic and dating violence are acts of abusive or coercive behavior (physical, sexual, financial, verbal and/or emotional) used by a perpetrator to gain or exercise control over another, including any behaviors that intimidate, manipulate, humiliate, isolate, frighten, threaten, blame, hurt, injure, or wound someone. Domestic and dating violence can occur in relationships between persons of any gender.

Domestic violence is such behavior directed against a current or former spouse, family member (blood, step, adoptive or foster), person with whom a child is shared, or cohabitant (possibly a roommate).

Dating violence is such behavior directed against another person in a social relationship of a romantic or intimate nature, and where the existence of such a relationship is determined based on a consideration of the length and type of relationship and frequency of interaction between the persons involved.

Examples of domestic and dating violence may, under the totality of the circumstances of each case, include, but are not limited to:

- hitting, slapping, punching, kicking, pulling hair or other physical misconduct;
- isolating a partner from family and friends;
- destroying a roommate’s personal items;
- physically assaulting the child of a partner;

- pursuing sexual activity when a partner is not fully conscious, is not asked, or is afraid to say no, or coercing a partner to have sex without protection;
- threatening to reveal a person's sexual orientation without the person's permission;
- exhibiting excessive possessiveness and jealousy;
- constantly belittling or insulting a partner;
- checking a roommate's cell phone or email account without permission;
- demanding that a partner dress or act in a certain way; and/or
- threatening violence against the victim's acquaintances, friends, or family members.

5. Stalking

Engaging in a course of harassing, threatening, or unwanted behavior that would cause a reasonable person to suffer substantial emotional distress or fear for their safety or the safety of others. Stalking may occur in a range of formats including, but not limited to, in-person conduct, writings, texting, voicemail, email, social media, following someone with a global position system (GPS), and video/audio recording. Examples of stalking behaviors include, but are not limited to:

- repeated unwanted or unsolicited contact or leaving unwanted gifts or items;
- posting disturbing messages or threats online;
- creating, attempting to create, or disseminating unauthorized recordings of another;
- gathering information about an individual from family, friends, co-workers, and/or classmates, or by electronic means by installing spy-ware on a computer or using GPS;
- threats in any form about an individual or their loved ones or threats to harm oneself;
- damaging, stealing, borrowing, or relocating property, trespassing and vandalism;
- pursuing, waiting, or showing up uninvited at a workplace, residence, classroom, or other locations frequented by an individual; and
- directing a third party to take any of the above acts.

6. Retaliation

The Universities prohibit retaliation against any person for making a complaint of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation, for assisting in making a complaint, for resisting or openly opposing such conduct, or for otherwise using or participating in the complaint investigation process under the Policy. Persons who file, or participate in the investigation or resolution of, claims or complaints of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation with outside agencies, law enforcement or otherwise pursuant to any applicable state or federal law, are also protected from retaliation by this Policy.

Prohibited retaliation includes, but is not limited to: threats; intimidation; reprisals; continued harassment or misconduct; other forms of harassment; slander and libel; and adverse actions related to employment or education. Retaliation can be committed by individuals or groups, including friends, relatives or other associates of the person against whom a complaint is filed. Retaliation, even in the absence of proven sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence or stalking in an underlying complaint, constitutes a violation of this Policy that is just as serious as the main offense itself.

Any person who believes that he or she is the object of retaliation, or any person with questions or concerns about retaliation should contact the University's EO Officer.

C. CONDUCT THAT IS NOT PROHIBITED

The Universities are committed to protecting, maintaining and encouraging both freedom of expression and full academic freedom of inquiry, teaching, service and research. Nothing in this Policy shall be construed to penalize a member of the University community for expressing an opinion, theory, or idea in the process of responsible teaching and learning. Any form of speech or conduct, no matter how offensive, unpleasant or even hateful, which is protected by the principles of academic freedom or the U.S. Constitution, is not subject to this policy.

D. CONSENSUAL RELATIONSHIPS

Consensual romantic and/or sexual relationships in which one party retains a direct supervisory or evaluative role over the other party are unethical and create a risk for real or perceived coercion. The Universities do not intrude upon private choices regarding personal relationships when these relationships do not violate the Universities' policies, or cause harm or increase the risk of harm to the safety and wellbeing of members of the campus community.

1. Faculty/Administrator/Staff Member Relationships with Students

No faculty member shall have a romantic and/or sexual relationship, consensual or otherwise, with a student who is being taught or advised by the faculty member or whose academic work is being supervised or evaluated, directly or indirectly, by the faculty member. No administrator or staff member shall have a romantic and/or sexual relationship, consensual or otherwise, with a student who the administrator or staff member supervises, evaluates, advises, or provides other professional advice or services as part of a University program or activity. A romantic and/or sexual relationship, consensual or otherwise, between a faculty member, administrator or staff member and a student is looked upon with disfavor and is strongly discouraged.

2. Relationships Between Supervisors and Subordinates or Between Co-Workers

A consenting romantic and/or sexual relationship between a supervisor and subordinate or co-workers may interfere with or impair the performance of professional duties and responsibilities and/or create an appearance of bias or favoritism. Further, such relationships could implicate state ethics laws and/or result in claims of discrimination, sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation. Therefore, such workplace relationships are strongly discouraged.

E. RESOURCES

The safety, health and well-being of the campus communities are of paramount importance to the Universities. All who experience any form of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation are strongly urged to talk to someone to get the support they need, no matter when or where the incident occurred.

For information on the location, phone numbers, hours and services provided for the campus and community resources listed below, please contact the Title IX Coordinator or Deputy Title IX Coordinator, the EO Officer, Human Resources, Student Life or Student Conduct, Residence Life, Health Services, the Counseling Center and/or Campus Police. The information is also listed on each University's website as identified earlier on page 17.

1. Immediate Needs: Assuring One's Safety and Preserving Evidence

If an incident occurs, the Universities encourage victims to report the incident and seek both police and medical assistance. Seeking police or medical assistance does not obligate a victim to make a complaint or take any further action, but the decision to seek medical help and gather evidence allows victims to preserve the full range of available options. The Universities will assist any community member to get to a safe place, provide transportation for medical help and, if requested, contact law enforcement. For 24/7 help, contact Campus Police, or contact the Title IX Coordinator during normal University hours.

Any person who has experienced sexual violence is encouraged to take steps to preserve evidence of the incident, as doing so may be necessary to the proof of a crime or to obtain a protection order from the court. After an incident occurs, one should try to refrain from bathing, showering, brushing teeth, drinking, eating, douching or changing clothes until the evidence can be collected. If one changes clothes, one should place each garment in a separate paper (not plastic) bag. If the incident involves any written or electronic communications (*e.g.*, pictures/videos, texts, social media posts, etc.), take care to preserve copies and not delete the originals.

2. Confidential Medical Attention

Medical attention is strongly encouraged to treat any possible injuries, including internal injuries, or infections. Please note that there are some medical actions that are more effective if taken within a few days after an offense, such as preventative treatment for pregnancy and sexually transmitted infections, evidence collection, and toxicology testing if there are signs that drugs or alcohol facilitated the offense. One may generally discuss the incident with licensed medical personnel confidentially.

a. Confidential Medical Resources on Campus

Students may access the services of the Student Health Center on a confidential basis. Employees may seek the confidential services of the Employee Assistance Program ("EAP").

b. Confidential Community Medical Resources

Sexual Assault Nurse Examiners (SANEs) are specially trained, certified professionals skilled in performing quality forensic medical-legal exams. One may find more information about SANE services and where to obtain them here:

<https://www.mass.gov/orgs/division-of-sexual-and-domestic-violence-prevention-and-services>

3. Confidential Counseling and Support

Generally, one may discuss the incident with a licensed mental health counselor or a counselor recognized by a religious order or denomination on a confidential basis. These counselors are good options if one wishes to discuss one's situation with someone who can keep one's information as confidential as possible while assisting one to determine what additional steps to take, such as obtaining further counseling, seeking medical attention, preserving evidence, and/or reporting to University or law enforcement authorities then or at a later time.

a. Confidential Counseling and Support Resources on Campus

Students may access the services of Counseling Services on a confidential basis. Employees may seek the confidential services of the EAP. All community members may access the confidential services of any religious/pastoral counselors on campus.

b. Confidential Community Counseling and Support Resources

Many off-campus counseling resources are available. These service providers are not required to report any information to the University and will generally maintain one's confidentiality.

White House Initiative to Combat Sexual Assault on College Campuses
www.notalone.gov (searchable listing of local resources & hotlines)

The National Stalking Resource Center
<http://www.victimsofcrime.org/our-programs/stalking-resource-center>

National Sexual Assault Hotline
(800) 656-4673 (24 hour)

RAINN [Rape Abuse & Incest National Network]
(800) 656-4673 (Hotline)
www.rainn.org (On-Line Chat Live)

National Domestic Violence Hotline
(800) 799-7233 (24 hour)

MA Spanish Language Rape Crisis Center Hotline (Llamanos)
(800) 223-5001(Hotline)

National Suicide Prevention Lifeline
(800) 273-8255 (Hotline)

Victim Rights Law Center
115 Broad Street, 3rd Floor Boston, MA 02110
Phone: 617-399-6720
(legal services for victims of sexual assault)

Massachusetts Office for Victim Assistance
<http://www.mass.gov/mova/>
Ask MOVA: 844-878-6682
MOVA Office: 617-586-1340
mova@state.ma.us

<http://changingourcampus.org/get-help/>

Additionally, the Rape Crisis Centers listed below offer FREE services, including:

- 24/7 hotline counseling, information, and referral;
- will go with victims to hospitals and/or police stations 24/7;
- will go with a victim to court;
- provide one-to-one counseling and support group counseling; and
- provide primary prevention education, professional training and outreach.

Greater Boston Area

Boston Area Rape Crisis Center, Cambridge
(800) 841-8371 (24-hour hotline), (617) 492-6434 TTY

BARCC ha ayudado a miles de mujeres y hombres. Por favor llámanos si necesita ayuda. Estamos aquí para usted. Usted puede llamar nuestra oficina al numero 617.649.1297 o llamar la línea de ayuda de Llámanos y Hablemos al numero 1.800.223.5001

Francais et Kreyol: <http://www.barcc.org/francais>; <http://www.barcc.org/francais/kreyol>

Northeastern Massachusetts

North Shore Rape Crisis Center, Lynn, 800-922-8772

Center for Hope and Healing, Lowell, 800-542-5212 Hotline, 978-452-8723 TTY

YWCA of Greater Lawrence, 877-509-9922 SA Hotline, 978-686-8840 TTY

Central Massachusetts

Pathways for Change, Inc., Worcester, 800-870-5905 Hotline, 888-877-7130

Pathways for Change, Inc., Fitchburg, 800-870-5905

Wayside Trauma Intervention Services, Milford, 800-511-5070 Hotline, 508-478-4205 TTY

Voices Against Violence, Framingham, 800-593-1125 Hotline, 508-626-8686 TTY

Southeastern Massachusetts

A Safe Place, Nantucket, 508-228-2111 Hotline, 508-228-7095 TTY

Independence House, Hyannis, 800-439-6507 Hotline, 508-771-6702 TTY

Martha's Vineyard Community Services, Vineyard Haven, 508-696-7233; Hotline 508-693-7900 TTY

Greater New Bedford Women Center, New Bedford, 508-999-6636 Hotline, 508-996-1177 TTY

New Hope, Attleboro, 800-323-4673 Hotline/TTY

The Women's Center, Fall River, 508-672-1222 Hotline, 508-999-6636; TTY 508-996-1177

A New Day, Brockton, 508-588-8255 Hotline, 508-588-8255 or toll free at 888-293-7273

Western Massachusetts

Elizabeth Freeman Center, Pittsfield, (866) 401-2425 Hotline, 413-499-2425 TTY

Center for Women and Community, Amherst, 413-545-0800 Hotline, 413-577-0940 TTY

NELCWIT, Greenfield, 413-772-0806 Hotline; 413-772-0815 TTY

YWCA of Western Mass, Springfield, 800-796-8711 (24/7) Hotline and TTY; 800-223-5001 Spanish

YWCA of Western Mass, Westfield, 800-796-8711 (24/7) Hotline and TTY

As the above contact information may be subject to change, current contact information on rape crisis centers in Massachusetts can be found at:

<http://www.mass.gov/eohhs/consumer/physical-health-treatment/health-care-facilities/rape-crisis-centers.html>

For more information about programs and services offered by the Commonwealth regarding sexual and domestic violence see: <http://www.mass.gov/eohhs/gov/departments/dph/programs/community-health/dvip/violence/saps/>

Finally, each county in Massachusetts maintains a Victim Advocate/Assistance Program:

| | |
|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Barnstable | http://www.mass.gov/capeda/public-safety-assistance/victim-and-witness-assistance/ |
| Berkshire | http://www.mass.gov/berkshireda/victim-assistance.html |
| Bristol | http://www.southcoastserve.org/bristol_county_district_attorneys_office |
| Dukes | http://www.mass.gov/capeda/public-safety-assistance/victim-and-witness-assistance/ |
| Essex | http://www.mass.gov/essexda/victim-witness-services.html |
| Franklin | https://northwesternda.org/victim-witness-assistance-unit |
| Hampden | http://hampdenda.com/victim-witness-unit/ |
| Hampshire | https://northwesternda.org/victim-witness-assistance-unit |
| Middlesex | http://middlesexda.com/prosecution/victim-witness-services.php |
| Nantucket | http://www.mass.gov/capeda/public-safety-assistance/victim-and-witness-assistance/ |
| Norfolk | http://www.mass.gov/norfolkda/victimwitness.html |
| Plymouth | http://www.mass.gov/daplymouth/prosecution/victimwitness.html |
| Suffolk | http://www.suffolkdistrictattorney.com/victim-assistance/ |
| Worcester | http://worcesterda.com/resources/victim-resources/ |

4. Non-Confidential Campus Resources

The Universities offer a variety of resources to those community members who have experienced or been affected by sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation. While the following resources are not bound by confidentiality, they will maintain one's privacy within the limited group of University personnel necessary to address the issues of prohibited conduct presented.

- Title IX Coordinator (and any Deputies)
- EO Officer
- Campus Police
- Human Resources
- Housing/ Residence Life
- Student Life/Student Affairs
- Student Conduct
- Disability Services

F. REPORTING OPTIONS

The Universities strongly encourage all who have experienced sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation to report the incident so that the University can provide support and pursue an appropriate resolution. The Universities prohibit and will not tolerate retaliation against anyone who makes a report.

Victims have several options for reporting: **Confidential Reports**, **Non-Confidential Reports** and **Making No Report**. While each option will be described in detail below and is summarized at Appendix A, as a general rule, if a University receives a report of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation, it must investigate the report. If one is unsure of someone's duty to report or ability to maintain one's privacy, one should ask them before one talks to them about an incident. They will be able to explain if they are required to make a report, and they can identify others who can help.

All parties and witnesses to incidents of such prohibited conduct have reasonable expectations of privacy in matters reported and investigated under this Policy. The Universities want all community members to seek the assistance they need without fear that their private information will be shared more broadly than they would like. Federal and state laws, however, impose reporting obligations on certain University employees that, under some circumstances, require those employees to share information about an incident of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation with others at the University. Even when these employees have an obligation to report, they will protect the privacy of the reporter to the greatest extent possible and share information on only a need-to-know basis.

When a person makes a report, a University employee or official will try to ensure that the person is informed of their reporting obligations, and they will direct the person to Confidential Resources to whom one may make a private report. So that one fully understands the ability to make reports and the ability to keep one's information confidential, please review the following reporting options. If one needs assistance in making a report, please contact the Title IX Coordinator.

1. Confidential Reporting Options

a. Clergy, Pastoral Counselors, Licensed Medical and Mental Health Providers

One may report sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and/or retaliation in confidence to licensed mental health counselors, licensed

health care personnel, pastoral counselors or clergy who work for the Universities. Employees may also report such misconduct in strict confidence through the EAP. Except in rare, extreme circumstances, these individuals will share nothing without one's permission. For example, a University official who works as a clinical provider is legally required to break confidentiality when there appears to be a risk of immediate harm. Further, the University may be required to notify the Massachusetts Department of Children and Families if it receives a report regarding the abuse (including sexual assault) of a child.

Even if one does not wish to make a complaint, these individuals can help one to obtain support services and provide information about one's options. Please bear in mind, however, that if one requests certain protective interim measures from the University, *e.g.*, extension for academic work or changing classes, residence halls or work locations (see Section H), the Dean of Students and/or other University officials as necessary may be contacted only for the purpose of providing the requested measures. In such cases, one's privacy will be maintained to the extent that maintaining confidentiality will not impair the University's ability to provide the requested measures.

One may also confidentially report sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and/or retaliation to community support resources, which are not required to share information with the Universities.

b. Anonymous Reporting

One may file an anonymous report (without including one's personal identification) with the Title IX Coordinator. Anonymous reports will typically be used only for statistical data collection under the Clery Act, will be kept confidential, and will not be used to initiate an investigation or a complaint except: (1) when necessary to comply with applicable law; or (2) to protect the health and safety of the campus community.

2. Non-Confidential Reporting Options

a. Campus Reporting Options

If one wishes to report sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and/or retaliation to the University, one may notify the Title IX Coordinator or a Deputy Title IX Coordinator, the EO Officer, Campus Police, the Human Resources Director, the Dean of Students or Student Conduct. Upon receipt of a report, the University will conduct appropriate follow-up to ensure that one has access to support, services, safety measures, and accommodations. One may also request a criminal investigation through Campus Police, who will assist in contacting the appropriate law enforcement agency that has jurisdiction (see below for more information on Criminal Reporting Options).

The Universities recognize that one may feel most comfortable disclosing an incident to a University employee that one knows well, such as a resident advisor, coach or faculty member. Pursuant to Title IX, however, certain employees are required, under nearly all circumstances, to report incidents to the Title IX Coordinator. These employees, known as "Responsible Employees" or "REs" are those with supervisory responsibilities or the authority to address or remediate sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation, or whom a student might reasonably believe has such supervisory responsibility or authority.

The Universities encourage victims to speak with an RE so that the incident can be investigated and properly resolved. When one makes a report to an RE, one has the right - and should expect - the

University to take the report seriously, to undertake a prompt, thorough and fair investigation, and to resolve the matter in accordance with the procedures in this Policy.

The REs at the Universities include persons holding the following positions:

- Members of the Boards of Trustees;
- The President and Vice Presidents;
- Assist./Assoc. Vice Presidents;
- Title IX Coordinator/ Deputy Coordinators;
- EO Officer;
- Campus Police;
- Institutional Security Officers;
- Director and Assist./Assoc. Director of Human Resources;
- Departmental Directors and Assist./Assoc. Directors⁴;
- Residence Life Staff (including RDs and RAs);
- Athletic Coaches, Assistant Coaches and Athletics Administrators;
- Studio Managers;
- Lab Managers;
- Deans and Assistant/Associate Deans
- Academic Department Chairs;
- Academic and Non-Academic Program Directors/ Coordinators;
- Faculty/Staff Leading or Chaperoning Travel or Overnight Trips; and
- Faculty/Staff Advisors to Student Organizations.

The complete listing of the REs for each University can be found on each University's website.

Once an RE receives the report, the University is "on notice" of the incident and the University is then required, under most circumstances, to investigate. If one makes a report to an RE, however, only the people who need to know about the report will be told. Personal information will be shared only as necessary, and consistently with state and federal law: (1) with Administrative Investigators, witnesses, and the accused; (2) with other University officials to provide interim measures or accommodations; or (3) when required to be disclosed by law.

Whenever possible, REs will disclose their duty to report incidents before someone reveals information about an incident. REs will also inform a person making a report of their option to make a confidential report on campus, and where to obtain support services.

Additionally, University employees who are designated as Campus Security Authorities ("CSAs") for the purposes of the Clery Act must provide Campus Police with non-identifying statistical information regarding all reported incidents of sexual assault, dating violence, domestic violence and stalking. This statistical information is used by the Universities to compile their Annual Security Reports, and by Campus Police for purposes of advising the campus of any potential safety risks or concerns.

Accordingly, unless a University employee or official is identified as a Confidential Resource in Appendix A, most other University employees and officials who receive reports of incidents of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation are required to report them to the Title IX Coordinator.

b. Criminal Reporting Options

Victims may file a criminal complaint with Campus Police and/or the local police department where the

⁴ Those Departmental Directors, Assistant Directors and Associate Directors who serve in professional roles in which communications are afforded confidential status under the law (*e.g.*, licensed mental health care providers, medical providers, pastoral counselors and clergy) are not REs under this Policy.

incident occurred. Victims can make a criminal report and a report to the University; one does not have to choose one or the other.

The Universities encourage victims to report incidents to the police so that the police can take appropriate measures to help victims and prevent future crimes. If one would like assistance in filing a report with local law enforcement, Campus Police will help.

Victims are never required, however, to report an incident to Campus Police or local law enforcement. If a victim elects not to make a criminal report, the Universities will respect that decision not to report the incident to the police.

If a victim chooses to make a report to Campus Police, the Department will conduct an investigation and, if wished, assist the victim in filing criminal charges against the alleged offender. Campus Police can also assist a victim in the process of obtaining protective restraining orders and abuse prevention orders for relationship/domestic violence. The Department has specially trained officers to respond to complaints of sexual assault and domestic violence, and, whenever possible, Campus Police will make every effort to offer female complainants/victims an opportunity to have a female officer present during all interviews. Campus Police also helps the University to evaluate, investigate and resolve complaints under this Policy, and Campus Police assists in protecting the safety of complainants.

c. Governmental Reporting Options

If one wishes to file a complaint of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation outside of the University or in addition to a complaint filed under the University's Complaint Investigation and Resolution Procedures, the following agencies may provide additional resources:

U.S. Department of Education,
Office for Civil Rights
<http://www2.ed.gov/about/offices/list/ocr/index.html>
U.S. Department of Education
Office for Civil Rights
33 Arch Street, 9th Floor
Boston, MA 02119-1424
(617) 289-01111, TDD (877) 521-2172
Email: OCR.Boston@ed.gov

U.S. Department of Justice, Office on
Violence Against Women
<http://www.ovw.usdoj.gov/>
Office on Violence Against Women
145 N St., NE, Suite 10W.121
Washington, D.C. 20530
(202) 307-6026
Fax: (202) 305-2589
Email: ovw.info@usdoj.gov

Persons who have questions or who wish to file a complaint of gender discrimination or sexual harassment under state law may contact the Massachusetts Commission Against Discrimination:

Boston Office:
One Ashburton Place
Rm. 601
Boston, MA 02108
(617) 994-6000
Springfield Office:
436 Dwight Street, Rm. 220
Springfield, MA 01103
(413) 739-2145

Worcester Office:
Worcester City Hall
484 Main Street, Rm. 320
Worcester, MA 01608
(508) 453-9630
New Bedford Office:
800 Purchase Street, Rm. 501
New Bedford, MA 02740
(508) 990-2390

Employees with complaints, questions or concerns about gender discrimination, sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation may also contact the Equal Employment Opportunity Commission, John F. Kennedy Federal Building, 475 Government Center, Boston, MA 02203, (800) 669-4000, TTY (800) 669-6820.

d. Third Party Reporting

Anyone may make a report of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation against another member of the campus community or a person affiliated with the University by contacting the Title IX Coordinator, Campus Police or another Responsible Employee.

e. Unknown/Non-University Offenders

If one does not know the identity of an alleged offender, or if the alleged offender is not a member of the campus community, the University will assist a victim in identifying appropriate resources or local authorities if the victim wishes to file a report. In addition, the University may investigate to the fullest extent possible and take other actions to protect the University community.

3. Making No Report

Victims have the right not to make a report to anyone. The Universities, however, strongly encourage victims to seek medical attention, counseling and support. Victims are always welcome to file a report at a later date, but please note that a delay in reporting could weaken the evidence necessary to determine whether the accused is found responsible for committing an act of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation.

4. Amnesty

Students may be hesitant to report sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation out of concern that they, or witnesses, might be charged with violations of the Universities' drug/alcohol policies. While the Universities do not condone such behavior, they place a priority on the need to address sexual violence and misconduct. Accordingly, a University may elect not to pursue discipline against a student who, in good faith, reports, witnesses, or participates in an investigation of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation.

5. Timeframe for Reporting

The Universities do not limit the timeframe for filing a complaint under this Policy. While reports may be made at any time, complainants are reminded that the more time that passes from the time of the incident, the more difficult it is for the University to obtain information and contact witnesses, and the alleged respondent may no longer be affiliated with the University.

6. False Charges

The initiation of a knowingly false report of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation is a serious offense prohibited by this Policy. A report made in good faith, however, is not considered false merely because the evidence does not ultimately support the allegation of prohibited conduct. If an investigation reveals that a complainant knowingly filed false charges, the University shall take appropriate actions and issue

sanctions pursuant to other applicable University policies, including any applicable collective bargaining agreement. The imposition of such sanctions does not constitute retaliation under this Policy.

7. Employees' Duty to Report

All members of the Universities' campus communities are encouraged to promptly report incidents of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation to the Title IX Coordinator.

As set forth above in Subsection 2, each University employee designated as a Title IX Responsible Employee who is informed about an allegation of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and/or retaliation involving any member of the campus community is required to notify the Title IX Coordinator either directly or through their relevant reporting structure.

Additionally, as set forth above in Subsection 2, University employees who are designated as CSAs for the purposes of the Clery Act must provide Campus Police with non-identifying statistical information regarding all reported incidents of sexual assault, dating violence, domestic violence and stalking.

University employees who serve in professional roles in which communications are afforded confidential status under the law (*e.g.*, licensed mental health care providers, medical providers, pastoral counselors and clergy) may, consistent with their ethical and legal obligations, be required to report limited information about incidents without revealing the identities of the individuals involved, to the Title IX Coordinator. Such employees who receive reports of violence or misconduct when not functioning in their licensed capacity (*i.e.*, teaching a course) are not prohibited by their ethical codes or legal obligations from making a full report to the University.

8. Employees' Duty to Cooperate

Every faculty member, librarian, administrator, staff member and University employee has a duty to cooperate fully and unconditionally in an investigation conducted pursuant to the Complaint Investigation and Resolution Procedures at Appendix 4 of the EO Plan, subject to the provisions of any relevant collective bargaining agreements. This duty includes, among other things, speaking with the EO Officer, Title IX Coordinator, Administrative Investigator, reviewing or appellate body, and voluntarily providing all documentation that relates to the claim being investigated. The failure and/or refusal of any employee, other than an employee subject to criminal charges or who invokes a Fifth Amendment privilege, to cooperate in an investigation may result in a separate disciplinary action up to and including termination.

G. PRIVACY AND CONFIDENTIALITY: ADDITIONAL CONSIDERATIONS

1. Requests for Confidentiality or for No Investigation

If a victim discloses an incident of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and/or retaliation, but requests that the University maintain confidentiality or that no investigation or disciplinary action occur, the University will weigh the request against its obligation to provide a safe, non-discriminatory environment for its entire community, including the victim, and its obligation to comply with applicable laws. It is important to understand that the University's ability to investigate an incident and pursue disciplinary action against the alleged perpetrator(s) may be limited if the University honors a confidentiality or no investigation request.

In consultation with Campus Police and other University personnel as necessary, the Title IX Coordinator will evaluate a request for confidentiality or that investigation/discipline occur by considering a range of factors including, but not limited to, whether:

- there have been other similar complaints about the same alleged perpetrator;
- the alleged perpetrator has a history of arrests or records indicating a history of violence;
- the alleged perpetrator threatened any further violence against the victim or others;
- the misconduct was committed by multiple perpetrators;
- the act was perpetrated with a weapon;
- the alleged perpetrator holds a position of power over the victim;
- the victim is a minor;
- the University possesses no other means to obtain relevant evidence (*e.g.*, security cameras or personnel, physical evidence);
- there appears to be a pattern of perpetration (*e.g.*, via illicit use of drugs or alcohol) at a given location or by a particular group; and/or
- other circumstances indicating an increased risk of violence or harm.

The presence of one or more of these factors could lead the University to investigate and/or pursue discipline. The University will inform the victim prior to starting an investigation and, to the extent possible, will share information with only the people responsible for handling the University's response.

The Universities may not require a victim to participate in any investigation or disciplinary proceeding. If none of the above factors are present, the University will likely honor the victim's request for confidentiality. It will also take interim measures as necessary to protect and assist the victim. In this circumstance, the University will consider broader remedial action, such as increased monitoring, supervision or security, increased or targeted education or prevention measures, conducting climate assessments/victimization surveys, and/or revisiting its policies and practices.

In the event that the victim requests that the University inform the alleged perpetrator that the victim asked the University not to investigate or seek discipline, the University will honor this request and inform the alleged perpetrator that the University made the decision to go forward.

2. Privacy for Respondents Who Are Students

A student's right to privacy is primarily governed by the Family Educational Rights and Privacy Act ("FERPA"), which provides that personally identifiable information maintained by the Universities in students' educational records may not be disclosed except with the consent of the student or as otherwise specified by law. For more information, see each University's website for its Annual Notice on FERPA.

3. Disclosures Made At Public Awareness Events

Public awareness events such as "Take Back the Night," the Clothesline Project, candlelight vigils, protests, "survivor speak outs" or other forums in which individuals disclose incidents of sexual violence or relationship violence are not considered notice to the Universities and do not trigger an obligation to investigate any particular incident(s). Such events, however, may inform the Universities' education and prevention efforts.

4. Statistical Reporting and Timely Warnings under The Clery Act

The Clery Act requires the Universities to maintain a daily log of reports of crimes that occurred on campus, University-controlled property or public property immediately adjacent to campus, including reports of sexual assault, domestic or dating violence and stalking. The Universities must also publish an Annual Campus Crime Report concerning reported incidents. The Universities do not include names or other personally identifying information in the daily logs or the Annual Security Reports.

Additionally, when the University becomes aware that an incident of sexual misconduct or violence occurred, and there is a potential for bodily harm or danger to members of the campus community, the University will issue a timely warning to the campus. While the University will provide enough information to safeguard the campus community, a victim's name or other personally identifying information will not be disclosed in the timely warning.

H. PROTECTIVE INTERIM MEASURES

The Universities may provide individualized services as appropriate to either or both parties involved, making every effort to avoid depriving a student of access to the student's education, throughout the investigation process. The Universities want all community members to be safe, to receive appropriate medical attention, and to get the help they need to heal and to continue to access their educational or employment opportunities.

The Universities further wish for complainants to understand how to access available interim measures. Complainants may obtain protective interim measures by either (1) reporting the incident to the Title IX Coordinator or other Responsible Employee and requesting interim measures, or (2) disclosing the incident to a counselor, who in turn can request interim measures on the complainant's behalf from the University.

If a complainant elects to confidentially disclose an incident to a counselor and seek protective interim measures from the University, the counselor may ask the complainant to sign a release specifying the information that may be shared with the University. In accordance with the University's practice of allowing counselors to seek such measures for complainants of trauma without requiring that the nature of the trauma be disclosed, the University will not require a counselor to disclose that sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation is the basis for the request. Additionally, if a complainant does not wish for the University to investigate or otherwise notify the alleged respondent of the reported incident, a counselor may still request protective interim measures on behalf of the complainant. In such cases, the Title IX Coordinator will consider whether the University can honor the request for confidentiality or no investigation while still providing a safe and nondiscriminatory environment for the campus.

Respondents may seek interim measures by making a request directly to the Title IX Coordinator and/or the Administrative Investigator assigned to the matter in which the respondent is a party.

The Universities will maintain as confidential any accommodations or protective interim measures provided, to the extent that maintaining such confidentiality would not impair the ability of the Universities to provide the accommodations or protective interim measures.

In assessing the need for either or both parties to receive interim measures, the Universities will not rely on fixed rules or operating assumptions that favor one party over another. The determination of interim measures shall be made on a case-by-case basis in consideration of the information available to the Title

IX Coordinator. The Universities may provide one or more of the following protective measures:

- “no contact/communication” orders;
- escorts to ensure safety while moving between locations on campus;
- changes in academic or work schedules;
- statutorily-provided leave to employees, such as Domestic Violence Leave pursuant to M.G.L. c. 49, §52D;
- alternative housing, dining and/or office accommodations;
- restrictions from areas of campus;
- medical and/or mental health services;
- assistance in identifying an advocate to help secure additional assistance, such as off-campus and community advocacy, support and services; and/or
- academic accommodations, such as:
 - transferring to another section of a course, lecture or lab;
 - rescheduling an academic assignment or test;
 - arranging for incompletes, a leave of absence, or withdrawal from campus; and
 - preserving eligibility for academic, athletic, or other scholarships, financial aid, internships, study abroad, or foreign student visas.

The Universities may also suspend a student on an interim basis or place an employee on paid administrative leave prior to completing an investigation under this Policy when it reasonably concludes that the person: (a) poses a threat to health or safety; (b) poses a threat to University property or equipment; (c) is disruptive or interferes with an investigation under this Policy or the normal operations of the University; or (d) is charged with a serious violation of state or federal law. The University shall provide the employee or student of the specific reason(s) for the interim action. During an interim action, the University reserves the right to prohibit the person from entering upon the University’s property or participating in any University activities absent written authorization from an appropriate University official. When a person has been placed on interim suspension or paid leave of absence, the Universities will make reasonable efforts to complete the investigation process in an expedited manner. The interim measures needed by either or both parties may change over time, and the Title IX Coordinator shall communicate with each party throughout the investigation and resolution process to ensure that interim measures are appropriate and effective based on the parties’ evolving needs.

The failure of a person to comply with an interim suspension, temporary leave or other interim measure is a violation of this Policy and may lead to additional disciplinary action.

Additionally, in some circumstances, a complainant may wish to seek an order of protection from a court or appropriate jurisdiction against the alleged perpetrator. In these circumstances, Campus Police will assist individuals in their attempt to secure these orders. Individuals may also seek restriction of access to the University by non-students or non-employees when appropriate.

I. WRITTEN NOTIFICATION OF RIGHTS, OPTIONS, AVAILABLE RESOURCES, SERVICES AND INFORMATION

The Universities will provide written information to community members regarding counseling, medical and mental health services, disability accommodations, victim advocacy, legal assistance, visa and immigration assistance, and other services available on and off campus.

The Universities will notify parties alleging sexual violence, sexual harassment, gender-based

harassment, domestic violence, dating violence, stalking and/or retaliation in writing that they have the following rights:

- to an explanation of the options available;
- to referrals to confidential assistance and support services from both on- and off-campus resources, including 24 hour services;
- to a change in on-campus residence and/or an adjustment to their academic schedule if such changes are reasonably available;
- to request that the University impose no contact/communication orders or other interim protective measures;
- to make a complaint that starts the University's investigation and resolution processes;
- to a prompt, thorough and equitable investigation and resolution of a complaint;
- to choose whether or not to initiate a formal investigation of the complaint, unless the University deems it necessary to investigate to protect the safety of the community or in compliance with applicable law;
- to the confidentiality of the investigation process to the extent possible (see Privacy and Confidentiality at Section G);
- to an advisor of one's choice who will assist and be present at any time during the investigation proceedings, but who may not participate in or otherwise provide representation in any way throughout the process;
- to reasonable accommodations for a documented disability during the process;
- to know, in advance, the names of all persons known to be involved;
- not to have irrelevant sexual history discussed;
- to be present at certain meetings and review evidence;
- to speak and present information on one's own behalf;
- to submit questions for the Administrative Investigator to ask witnesses;
- to know the status of the case at any point during the process;
- to be provided with a copy of the investigation report and an opportunity to respond to the report in advance of the administrative review;
- to be informed of the outcome of the process in a timely manner;
- to an appeal from the outcome of the process (if proper grounds for appeal exist);
- to file no complaint with the University, but receive support services from the University;
- to file a police report and/or take legal action separate from and/or in addition to the University discipline process;
- to seek and enforce a no contact, restraining or similar court order;
- to be assisted by the University in seeking assistance from or filing a complaint with local law enforcement;
- to not file a complaint or seek assistance from local law enforcement, but receive support services from the University;
- to be free from any behavior that may be construed by the University to be intimidating, harassing or retaliatory; and
- to have the matter handled in accordance with University Policy.

Parties who are respondents to claims of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and/or retaliation have the following rights:

- to an explanation of the allegations against them;
- to referrals to confidential assistance and support services from both on- and off-campus resources, including 24 hour services;
- to request that the University impose no contact/no communication orders or other interim protective measures;
- to receive a copy of the complaint filed against them;
- to be presumed not in violation of University policy until a violation is established through the complaint investigation process;
- to the confidentiality of the investigation process to the extent possible (see Privacy and Confidentiality at Section G);
- to an advisor of one's choice who will assist and be present at any time during the investigation proceedings, but who may not participate in or otherwise provide representation in any way throughout the process (pursuant to Weingarten, respondent unit members may exercise their right to a union representative or other University employee at meetings which the unit member reasonably believes may result in discipline);
- to reasonable accommodations for a documented disability during the process;
- to know, in advance, the names of all persons known to be involved;
- not to have irrelevant sexual history discussed;
- to be present at certain meetings and review evidence;
- to speak and present information on one's own behalf;
- to submit questions for the Administrative Investigator to ask witnesses;
- to know the status of the case at any point during the investigation and resolution process;
- to be provided with a copy of the investigation report and an opportunity to respond to the report in advance of the administrative review;
- to be informed of the outcome of the process in a timely manner;
- to an appeal from the outcome of the process (if proper grounds for appeal exist);
- to be free from any behavior that may be construed by the University to be intimidating, harassing or retaliatory; and
- to have the matter handled in accordance with University Policy.

J. EDUCATION AND PREVENTION PROGRAMS

As part of the Universities' commitment to providing working, living and learning environments free from sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation, this Policy shall be disseminated widely to the campus communities through publications, new employee and student orientations, physical posting in places where students and employees are likely to see it, and other appropriate communications. A copy of this Policy shall be prominently posted on each University's website.

The Universities provide sustained and comprehensive training to the campus community concerning: (1) prevention and awareness programs that address rape, acquaintance rape, domestic and dating violence, sexual assault, and stalking; (2) the provisions of the Universities' Sexual Violence Policy; and (3) the Universities' Complaint and Investigation Procedures for alleged violations of the Sexual Violence Policy. Additionally, the Universities provide all new or incoming students and employees primary

prevention and awareness programs that promote awareness of rape, acquaintance rape, domestic and dating violence, sexual assault, and stalking.

The Universities have implemented primary and on-going prevention and awareness programs for students and employees focused on sexual violence, domestic and dating violence and stalking, and the promotion of positive and healthy behaviors that foster mutually respectful relationships and sexuality. The Universities shall make preventative educational materials available to all community members to promote compliance and familiarity with this Policy.

In the training programs for students and employees, the Universities address the following:

- The Universities' prohibition of sexual assault, domestic violence, dating violence and stalking.
- The Universities' Sexual Violence Policy and Complaint and Investigation Resolution Procedures for addressing complaints of sexual assault, domestic violence, dating violence and stalking.
- The Massachusetts' legal definitions of the crimes of sexual assault, domestic violence, dating violence and stalking.
- The legal definition of "consent" in reference to sexual activity in Massachusetts.
- The rights and remedies of students and employees under Title IX.
- Practical information about identifying, preventing, and reporting sexual violence and sexual harassment.
- The reporting options available to victims, on and off campus.
- The confidential resources available to the victims, on and off campus.
- How to obtain accommodations and/or interim protective measures.
- How the Universities' analyze complaints.
- Positive options for bystander intervention that an individual may take to prevent harm or intervene in risky situation.
- The role of alcohol and drugs and student safety.
- How employees should respond to reports of sexual violence, sexual and gender-based harassment, domestic and dating violence, and stalking; employees' duty to make reports to the Universities and how to make such reports.
- The Universities' prohibition against retaliation.

In addition, the Universities provide annual training to its Title IX Coordinators and Deputy Coordinators, EO Officers, Administrative Investigators, review and appellate body members, REs, Campus Police, and all others involved with the administration of this Policy and the Complaint Investigation and Resolution Procedures on the topics listed above, as well as the following:

- The obligations of responsible employees when interacting with students or employees making reports of sexual violence, sexual and gender-based harassment, domestic and dating violence, and stalking.
- The obligations of responsible employees to forward reports to the Universities.
- The dynamics of sexual violence and the unique toll it can take on self-blaming and traumatized individuals.
- Understanding how sexual violence occurs, how it is perpetrated, and how victims naturally respond during and after assault.
- Issues related to sexual violence, domestic violence, dating violence and stalking.
- The requirements of the Complaint Investigation and Resolution Procedures.

- How to conduct an investigation in a manner that protects the safety of the parties and promotes accountability.
- How to conduct prompt, fair, impartial and thorough investigations.

Furthermore, the Universities pledge to routinely:

- evaluate current policies, procedures, and practices;
- ensure appropriate training of all persons charged with administering this Policy and/or involved in the complaint investigation and resolution process;
- evaluate who is designated an RE for Title IX reporting purposes and/or CSA for Clery Act reporting purposes, and disseminate and publish applicable list of REs and CSAs;
- ensure appropriate training of REs and CSAs;
- evaluate campus climate assessment survey data;
- provide education and prevention programming for students and employees; and
- evaluate physical security needs on campus.

K. INDEPENDENT INVESTIGATIONS

At any time, the University, at its discretion, may conduct an investigation independent of, or in addition to, the procedures described in this Policy.

L. COMPLIANCE CONCERNS

All are encouraged to report any concerns about the University's handling of a sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation investigation to the University's Title IX Coordinator. Individuals may also report concerns about the University's handling of such investigations to:

U.S. Department of Education
 Office for Civil Rights
 33 Arch Street, 9th Floor
 Boston, MA 02119-1424
 Telephone: (617) 289-0111
 FAX: (617) 289-0150; TDD (877) 521-2172
 Email: OCR.Boston@ed.gov

M. MASSACHUSETTS LEGAL DEFINITIONS

Alleged incidents of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation are determined by the language of this Policy rather than by the provisions of the criminal laws of Massachusetts. However, community members who believe they have been the victim of a crime may choose to pursue a criminal investigation through local law enforcement. In those instances, the criminal laws will apply. Here are the definitions of Massachusetts crimes related to the conduct prohibited by this Policy:

1. Sexual Assault

Massachusetts uses the term "rape." The definition encompasses (1) the penetration of any orifice by any body part or object (2) by force (or threat) and (3) without consent. Rape also includes instances where the victim is incapacitated ("wholly insensible so as to be incapable of consenting") and the perpetrator is aware or should have known of the incapacitation. Relatedly, under M.G.L. c. 268, § 40, a

person who knows that an individual is a victim of an aggravated rape and is at the scene of the crime, must report the crime to law enforcement as soon as is reasonably practicable.

<https://malegislature.gov/Laws/GeneralLaws/PartIV/TitleI/Chapter265/Section22>

2. Domestic Violence

Section 1 of M.G.L. c. 209A defines domestic abuse as “the occurrence of one or more of the following acts between family or household members: (a) attempting to cause or causing physical harm; (b) placing another in fear of imminent serious physical harm; (c) causing another to engage involuntarily in sexual relations by force, threat or duress.”

<https://malegislature.gov/Laws/GeneralLaws/PartII/TitleIII/Chapter209A>

For the purposes of Chapter 209A, “family or household members” are defined as persons who: (a) are or were married to one another; (b) are or were residing together in the same household; (c) are or were related by blood or marriage; (d) have a child in common regardless of whether they have ever married or lived together; or (e) are or have been in a substantive dating or engagement relationship, which shall be adjudged by district, probate or Boston municipal courts’ consideration of the following factors: (1) the length of the relationship; (2) the type of relationship; (3) the frequency of interaction between the parties; and (4) if the relationship has been terminated by either person, the length of time elapsed since the termination.

<https://malegislature.gov/Laws/GeneralLaws/PartII/TitleIII/Chapter209A>

Section 13M of M.G.L. c. 265 prohibits assault and/or assault and battery against family or household members, which is defined as: “persons who: (i) are or were married to one another, (ii) have a child in common regardless of whether they have ever married or lived together or (iii) are or have been in a substantive dating or engagement relationship.”

<https://malegislature.gov/Laws/GeneralLaws/PartIV/TitleI/Chapter265/Section13m>

<https://malegislature.gov/Laws/SessionLaws/Acts/2014/Chapter260>

In determining whether Section 13M applies to a particular relationship, the courts shall consider the following factors: “(1) the length of time of the relationship; (2) the type of relationship; (3) the frequency of interaction between the parties; and (4) if the relationship has been terminated by either person, the length of time that has elapsed since the termination of the relationship.”

<https://malegislature.gov/Laws/GeneralLaws/PartIV/TitleI/Chapter265/Section13m>

Section 15D of M.G.L. c. 265 prohibits the strangulation or suffocation of another person.

<https://malegislature.gov/Laws/SessionLaws/Acts/2014/Chapter260>

3. Dating Violence

While Massachusetts does not have a law concerning dating violence, conduct may constitute an assault or assault and battery under M.G.L. c. 265, § 13A. An assault or an assault and battery: (i) upon another and [the perpetrator] by such assault and battery causes serious bodily injury; (ii) upon another who is pregnant at the time of such assault and battery, [the perpetrator] knowing or having reason to know that the person is pregnant; or (iii) upon another who [the perpetrator] knows has an outstanding temporary or permanent vacate, restraining or no-contact order or judgment issued pursuant to

[applicable law], in effect against him at the time of such assault or assault and battery.”

<https://malegislature.gov/Laws/GeneralLaws/PartIV/Title/Chapter265/Section13a>

Section 13M of M.G.L. c. 265 prohibits assault and/or assault and battery against family or household members, which is defined as: “persons who: (i) are or were married to one another, (ii) have a child in common regardless of whether they have ever married or lived together or (iii) are or have been in a substantive dating or engagement relationship.”

<https://malegislature.gov/Laws/GeneralLaws/PartIV/Title/Chapter265/Section13m>

<https://malegislature.gov/Laws/SessionLaws/Acts/2014/Chapter260>

In determining whether Section 13M applies to a particular relationship, the courts shall consider the following factors: “(1) the length of time of the relationship; (2) the type of relationship; (3) the frequency of interaction between the parties; and (4) if the relationship has been terminated by either person, the length of time that has elapsed since the termination of the relationship.”

<https://malegislature.gov/Laws/GeneralLaws/PartIV/Title/Chapter265/Section13m>

Section 15D of M.G.L. c. 265 prohibits the strangulation or suffocation of another person.

<https://malegislature.gov/Laws/SessionLaws/Acts/2014/Chapter260>

4. Stalking

Section 43 of M.G.L. c. 265 defines “stalking” as “(1) willfully and maliciously engages in a knowing pattern of conduct or series of acts over a period of time directed at a specific person which seriously alarms or annoys that person and would cause a reasonable person to suffer substantial emotional distress, and (2) makes a threat with the intent to place the person in imminent fear of death or bodily harm.”

<https://malegislature.gov/Laws/GeneralLaws/PartIV/Title/Chapter265/Section43>

5. Consent

There is no definition of the term “consent” in the Massachusetts General Laws. Massachusetts courts use the term “against his/her will” which means without consent. Cases have held that consent cannot be compelled or induced by force or threats, and consent is not present when the victim is incapacitated. In other words, consent requires a voluntary agreement demonstrated by words or actions, by a person with sufficient mental capacity to make a conscious choice to do something proposed by another, free of duress. *Commonwealth v. Lopez*, 433 Mass. 722 (2001), *Commonwealth v. Lefkowitz*, 20 Mass. App. Ct. 513 (1985); see also:

<https://malegislature.gov/Laws/GeneralLaws/PartIV/Title/Chapter265/Section22>

APPENDIX A

| CONFIDENTIALITY AND REPORTING | | |
|-----------------------------------------------------|----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Personnel/Organization | Confidential Status | Obligation to Report to the University's Title IX Coordinator and/or Outside of the University |
| University Counseling Services | Confidential | <p>None, with the following exceptions:</p> <p>If there is reasonable cause to suspect that a minor, or an elderly or disabled person, has been abused, Counseling Services may report this to the University in compliance with state law.</p> <p>If a person presents an imminent threat of harm to one's self or others, a clinical provider may break confidentiality.</p> <p>If one would like to request certain protective interim measures in the aftermath of reported sexual violence, <i>e.g.</i>, more time to submit academic work or changing classes, residence halls or work locations, the Dean of Students and/or other University officials as necessary may be contacted only for the purpose of implementing the interim measures.</p> <p>De-identified statistical information may be reported to Campus Police in compliance with the Clery Act.</p> |
| University Health Services | Confidential | <p>None, with the following exceptions:</p> <p>If there is reasonable cause to suspect that a minor, or an elderly or disabled person, has been abused, Counseling Services may report this to the University in compliance with state law.</p> <p>If a person presents an imminent threat of harm to herself or others, a medical provider may break confidentiality.</p> <p>If one would like to request certain protective interim measures in the aftermath of reported sexual violence, <i>e.g.</i>, more time to submit academic work or changing classes, residence halls or work locations, the Dean of Students and/or other University officials as necessary may be contacted only for the purpose of implementing the interim measures.</p> <p>De-identified statistical information may be reported to Campus Police in compliance with the Clery Act.</p> |
| University Chaplains, Clergy or Pastoral Counselors | Confidential | <p>None, with the following exceptions:</p> <p>If one would like to request certain protective interim measures in the aftermath of reported sexual violence, <i>e.g.</i>, more time to submit academic work or changing classes, residence halls or work locations in the aftermath of reported sexual violence, the Dean of Students and/or other University officials as necessary may be contacted only for the purpose of implementing the interim measures.</p> <p>De-identified statistical information may be reported to Campus Police in compliance with the Clery Act.</p> |

| CONFIDENTIALITY AND REPORTING | | |
|---------------------------------------------------------------------------|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Personnel/Organization | Confidential Status | Obligation to Report to the University's Title IX Coordinator and/or Outside of the University |
| University Employee Assistance Program | Confidential | None |
| Off-Campus Medical Providers | Confidential | None |
| Off-Campus Rape Crisis Centers, Counseling and/or Victim Support Services | Confidential | None |
| Off-Campus Chaplains, Clergy, Pastoral Counselors | Confidential | None |
| Local Police or other Law Enforcement | <i>Not Confidential</i> | There is no obligation for local police or law enforcement to make a report to the University, but information may be shared with the University within the requirements of Massachusetts law. |
| Outside Agencies (MCAD, EEOC, OCR, BHE) | <i>Not Confidential</i> | The relevant agency will notify the University of accepted complaints. |
| Title IX Coordinators (and Deputies) | <i>Not Confidential</i> | Yes. The Title IX Coordinator will share information with University officials and employees who need to know it in order to implement University policies and procedures. |
| EO Officers | <i>Not Confidential</i> | Yes. The EO Officer will share information with University officials and employees who need to know it in order to implement University policies and procedures. |
| Campus Police/Public Safety | <i>Not Confidential</i> | Yes. Campus Police will share information with University officials and employees who need to know it in order to implement University policies and procedures. Depending on the circumstances, an anonymous public warning may be issued by Campus Police. Whenever possible, the University will notify one if this will be issued and one's name and identifying information will not be included. |
| University Trustees | <i>Not Confidential</i> | Yes. Members of the Board of Trustees will share information with University officials and employees who need to know it in order to implement University policies and procedures. |
| The President | <i>Not Confidential</i> | Yes. The President will share information with University officials and employees who need to know it in order to implement University policies and procedures. |

| CONFIDENTIALITY AND REPORTING | | |
|------------------------------------------------------------------|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Personnel/Organization | Confidential Status | Obligation to Report to the University's Title IX Coordinator and/or Outside of the University |
| | | |
| Vice Presidents, Associate and Assistant Vice Presidents | <i>Not Confidential</i> | Yes. The Vice Presidents and Associate/Assistant Vice Presidents will share information with University officials and employees who need to know it in order to implement University policies and procedures. |
| Director and Assistant Director of Human Resources | <i>Not Confidential</i> | Yes. The Director/Assistant Director of Human Resources will share information with University officials and employees who need to know it in order to implement University policies and procedures. |
| Departmental Directors and Assistant Directors | <i>Not Confidential</i> | Yes. Departmental Directors and Assistant Directors will share information with University officials and employees who need to know it in order to implement University policies and procedures, except: Those Departmental Directors and Assistant Directors who serve in professional roles in which communications are afforded confidential status under the law (e.g., licensed mental health care providers, medical providers, pastoral counselors and clergy) will maintain confidentiality. |
| Residence Life Professional Staff (including RDs/RAs) | <i>Not Confidential</i> | Yes. These Residence Life professionals will share information with University officials and employees who need to know it in order to implement University policies and procedures. |
| Athletic Coaches, Assistant Coaches and Athletics Administrators | <i>Not Confidential</i> | Yes. These members of the Athletics Department will share information with University officials and employees who need to know it in order to implement University policies and procedures. |
| Studio Managers | <i>Not Confidential</i> | Yes. Studio Managers will share information with University officials and employees who need to know it in order to implement University policies and procedures. |
| Deans, Associate and Assistant Deans | <i>Not Confidential</i> | Yes. The Deans and Associate/Assistant Deans will share information with University officials and employees who need to know it in order to implement University policies and procedures. |
| Academic Department Chairs | <i>Not Confidential</i> | Yes. Academic Department Chairs will share information with University officials and employees who need to know it in order to implement University policies and procedures. |
| Academic and Non-Academic Program Directors and Program | <i>Not Confidential</i> | Yes. Academic and Non-Academic Program Directors/ Coordinators will share information with University officials and employees who need to know it in order to implement University policies and |

| CONFIDENTIALITY AND REPORTING | | |
|--------------------------------------------------------------------|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Personnel/Organization | Confidential Status | Obligation to Report to the University's Title IX Coordinator and/or Outside of the University |
| Coordinators | | procedures. |
| Faculty and Staff Leading or Chaperoning Travel or Overnight Trips | <i>Not Confidential</i> | Yes. Faculty and Staff Travel Leaders and/or Chaperones will share information with University officials and employees who need to know it in order to implement University policies and procedures. |
| Faculty and Staff Advisors to Student Groups | <i>Not Confidential</i> | Yes. Faculty and Staff Advisors to Student Groups will share information with University officials and employees who need to know it in order to implement University policies and procedures. |

VII. POLICIES FOR REASONABLE ACCOMMODATIONS FOR PERSONS WITH DISABILITIES

The Universities are committed to providing equal access to otherwise qualified persons with disabilities. The Universities recognize that individuals with disabilities may need reasonable accommodations to have equally effective opportunities to participate in or benefit from educational programs, services, activities and employment.

EDUCATION OF PERSONS WITH DISABILITIES

The Universities will examine all existing admissions, student support and other student life policies, practices and facilities to assure that they do not disparately treat or impact otherwise qualified persons with disabilities. Where such disparity is found, it will be corrected as quickly and completely as is reasonable under existing financial constraints.

In accordance with state and federal requirements, the Universities will provide necessary reasonable accommodations, auxiliary aids and academic adjustments (including support services) to otherwise qualified students with disabilities to assure equal access to its programs, facilities and services. Reasonable accommodations will also be afforded to applicants for admission who have disabilities to enable them to adequately pursue all opportunities for enrollment in the programs of study.

EMPLOYMENT OF PERSONS WITH DISABILITIES

The Universities will examine all existing employment policies, practices and facilities to assure that they do not disparately treat or adversely impact otherwise qualified persons with disabilities. Where such disparity is found, it will be corrected as quickly and completely as is reasonable under existing operational constraints.

In accordance with the requirements of state and federal law, and through the interactive process, the Universities will afford reasonable accommodations to any otherwise qualified employee with a disability to enable the employee to perform the essential functions of the job. Reasonable accommodations will also be afforded to applicants for employment who have disabilities to enable them to adequately pursue a candidacy for any available positions.

PROCESS BY WHICH TO REQUEST ACCOMMODATIONS

Any member of the University community who seeks reasonable accommodation for a disability may contact the EO Officer and/or the Title II/Section 504 Coordinator for more information. Similarly, any applicant for employment or admission who seeks assistance in the application process may contact the EO Officer and/or the Title II/Section 504 Coordinator.

Additionally, a student seeking reasonable accommodations, auxiliary aids and/or academic adjustments for a disability must contact the appropriate Office of Disability Services on the student's campus to obtain such services.

COMPLAINT INVESTIGATION AND RESOLUTION PROCEDURES

Any member of the University community or any applicant for admission or employment who believes that he or she has been a victim of disability discrimination or harassment, or who alleges that the University has failed to provide reasonable accommodations, appropriate auxiliary aids and/or academic adjustments, may initiate a claim as outlined in the Universities' Complaint Investigation and Resolution Procedures located at Appendix 4.

Further advice or information may be obtained by contacting the EO Officer and/or the Title II/Section 504 Coordinator of each University.

VIII. POLICY AGAINST DISCRIMINATION IN EMPLOYMENT BASED ON PREGNANCY AND PREGNANCY-RELATED CONDITIONS AND REQUIREMENT TO PROVIDE REASONABLE ACCOMMODATIONS

The Universities are committed to providing equal access to employment for all current and prospective employees. The Universities recognize that employees and job applicants may not be treated less favorably because of pregnancy or pregnancy-related conditions and that employees and job applicants may need reasonable accommodations for pregnancy or pregnancy-related conditions to allow them to have effective opportunities to participate in or benefit from employment.

In accordance with the requirements of state law, and through the interactive process, the Universities will provide necessary, reasonable accommodations that will allow an employee to perform the essential functions of the job while pregnant or experiencing pregnancy-related conditions that exist during and/or after pregnancy (*e.g.*, morning sickness, lactation, or the need to express milk), unless doing so would impose an undue hardship on the University. The Universities recognize that they cannot make an employee accept a particular accommodation if another reasonable accommodation would allow the employee to perform the essential functions of the job, or require an employee to take a leave if another reasonable accommodation may be provided without an undue hardship.

Reasonable accommodations may include, but are not limited to, the following:

- more frequent or longer paid or unpaid breaks;
- time off to attend to a pregnancy complication or recover from childbirth with or without pay;
- acquisition or modification of equipment or seating;
- temporary transfer to a less strenuous or hazardous position;
- job restructuring;
- light duty;
- private non-bathroom space for expressing breast milk;
- assistance with manual labor; and/or
- modified work schedule.

Upon the request from the employee or prospective employee, the Universities will engage in a timely, good faith and interactive process to determine an effective, reasonable accommodation to enable the employee to perform the essential functions of the position.

The Universities recognize that they may require documentation regarding the need for an accommodation from a healthcare professional that explains what accommodation(s) the employee needs, but that they cannot require documentation for the following accommodations: (1) more frequent restroom, food, or water breaks; (2) seating; (3) limits on lifting more than 20 pounds; and (4) private, non-bathroom space for expressing breast milk.

PROCESS BY WHICH TO REQUEST ACCOMMODATIONS

University employees who seek an accommodation for pregnancy or a pregnancy-related condition may contact the EO Officer and/or the Title II/Section 504 Coordinator for more information.

COMPLAINT INVESTIGATION AND RESOLUTION PROCEDURES

Employees or job applicants who believe that they have been a victim of discrimination as a result of pregnancy or a pregnancy-related condition, or who allege that the University has failed to provide reasonable accommodations, may initiate a claim as outlined in the Universities' Complaint Investigation and Resolution procedures located in Appendix 4.

Further advice or information may be obtained by contacting the EO Officer and/or the Title II/Section 504 Coordinator at each University.

IX. MANDATORY CHILD ABUSE REPORTING POLICY

Persons under 18 may be students or may be engaged in activities sponsored by the Universities or by third parties utilizing University facilities. Where an employee has reasonable cause to believe that a child is suffering injury from sexual abuse on campus or on University owned or controlled property, the employee and/or the University *may* be obligated to comply with the mandatory child abuse reporting requirements established at M.G.L. c. 119, §§ 51A-E. In such cases, the employee must immediately report the matter to Campus Police, who, in consultation with other officials, shall contact the Department of Children and Families (“DCF”) and/or outside law enforcement. An employee may also directly contact law enforcement or DCF in cases of suspected abuse or neglect. Massachusetts law also has mandatory reporting requirements for certain occupations where elderly and disabled abuse or neglect is suspected. For more information, please contact the Campus Police.

X. CONTRACTING AND PURCHASING

EQUAL OPPORTUNITY VENDORS

When selecting contractors, suppliers, and vendors of goods and services, including goods and services secured in connection with construction projects, the Universities will offer equal opportunity to all qualified persons and entities and will not discriminate on the basis of race, color, religion, national origin, age, disability, gender, sexual orientation, gender identity, gender expression, genetic information, marital or parental status, or veteran status.

The Universities shall seek to locate and shall encourage the use of minority and female contractors, subcontractors, vendors, and suppliers. The Universities will identify businesses primarily operated by members of such protected classes with the help of agencies such as the State Office of Minority Business Assistance in order to encourage bids and proposals from potential contractors, vendors and suppliers.

EQUAL EMPLOYMENT OPPORTUNITY

The Universities require that all persons and entities with which they contract for the provision of goods and services shall provide equal opportunity for all persons without regard to race, color, religion, national origin, age, disability, gender, sexual orientation, gender identity, gender expression, genetic information, marital or parental status, or veteran status.

CONTRACTOR COMPLIANCE

Prior to the awarding of any contract, the Universities shall require that the contractor provide written assurance of its compliance with applicable state and federal laws and regulations, including the provisions of this Policy, prohibiting discrimination in employment.

The Universities shall require that every contract made on or after July 1, 1996, for the purchase of goods and services contain the following provisions.

“During the performance of this Agreement, the Contractor agrees as follows:

1. The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, national origin, age, disability,

gender, sexual orientation, gender identity, gender expression, genetic information, marital or parental status, or veteran status.

2. The Contractor will comply with the provisions of the Governor's Code of Fair Practices, with Chapter 151B of the General Laws of Massachusetts, with the Americans with Disabilities Act and with all other applicable state and federal laws barring discrimination in employment, and with Section IV of the Massachusetts State Universities' Equal Opportunity, Diversity and Affirmative Action Plan.
3. In the performance of this Agreement, the Contractor shall take affirmative action to employ minority and female subcontractors, vendors and suppliers.
4. The University may at any time require the Contractor to supply it with such data, as it shall reasonably require for purposes of determining whether the Contractor is adhering to the above-described prohibitions against discrimination in employment.
5. In the event that the Contractor shall have failed to comply with the requirements contained in any of foregoing clauses 1, 2, 3 and 4, the University may enforce such compliance by withholding part or all of any payment then due until such time as the Contractor complies with any such requirement, and/or by cancelling, terminating or suspending the whole or any part of this Agreement. Nothing herein contained shall bar the University from pursuing such other lawful recourse as it may have to enforce compliance with the above-described requirements and to recover damages for their breach."

The Universities reserve the right to disqualify as a contractor any person or entity that fails to adhere to the prohibitions against the discrimination, discriminatory harassment and retaliation in employment that are contained in Section IV of this Plan.

CONTRACTOR CONDUCT

All contractors, vendors, consultants and suppliers of goods and services shall be required, during any period when they or their agents or employees are present at the Universities, to adhere to standards of conduct that are consistent with this Policy, and all such contractors, vendors and suppliers, their agents and employees shall refrain from acts or conduct that constitute harassment of any person by reason of such person's race, color, religion, national origin, age, disability, gender, sexual orientation, gender identity, gender expression, genetic information, marital or parental status, or veteran status. The Universities shall require every contractor, vendor, consultant, and supplier to instruct its agents and employees concerning the requirements of this paragraph, and to take actions including disciplinary actions, to correct any violation thereof.

COMPLAINT INVESTIGATION AND RESOLUTION PROCEDURES

Any member or the University community or any applicant for employment or admission who believes that he or she has been a victim of discrimination, discriminatory harassment, sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation by a vendor or contractor may initiate a complaint pursuant to the Universities' Complaint Investigation and Resolution Procedures located at Appendix 4. Further advice or information may be obtained by contacting the EO Officer and/or Title IX Coordinator on each University campus.

XI. MONITORING AND GOALS

By and through this Plan, the Universities commit themselves to a policy of equal opportunity, diversity, affirmative action and non-discrimination in all aspects of campus life.

The Universities shall endeavor to increase the representation of qualified women, veterans, persons with disabilities and minorities in their workforces. To this end, the Universities shall continually examine and monitor their affirmative action and equal opportunity policies, procedures and practices for the purpose of determining the degree to which their workforces are reflective of the demographics of the Commonwealth's labor market. To the extent that this review reveals areas of deficiency or shortcomings, the Universities will make reasonable and good faith efforts, consistent with requirements of the law, to address and improve such deficiencies or shortcomings.

The Universities realize that the development and implementation of specific policy and programmatic efforts is essential to the establishment of a pro-active, system-wide Plan. The Universities further realize, however, that policies and programs of equal opportunity, diversity, affirmative action and non-discrimination are only as effective as the commitment to them at the local level. Accordingly, each University shall determine and implement for itself the projects, programs, defined strategies, structured activities or other tactical steps to achieve the equal opportunity, diversity, affirmative action and non-discrimination goals of this Plan on its individual campus.

On an annual basis, each University will review the progress being made toward the achievement of its compliance with this Plan and its equal opportunity, diversity, affirmative action and non-discrimination goals.

XII. AFFIRMATIVE ACTION HIRING PROCEDURES

The procedures set forth in this Plan take into consideration both organizational limitations and opportunities with respect to current and future employees. The Plan calls upon all staff to engage in a major effort in order to fulfill the objectives of equal opportunity for all persons at all levels of employment, in compliance with all applicable collective bargaining agreements. Each EO Officer will monitor the employment policies of the University with respect to the areas of recruitment and appointment to vacant positions to assure compliance with the objectives of this Plan. The areas to be monitored should include, but not be limited to, pre-recruitment procedures, recruitment, selection, appointments (permanent, acting, emergency and temporary), salary and benefits, and shall include employees of continuing education, grant funded programs and other appropriate areas.

COMPLAINT INVESTIGATION AND RESOLUTION PROCEDURES

The Universities have established specific internal Complaint Investigation and Resolution Procedures to help resolve claims and complaints of discrimination, discriminatory harassment and retaliation on their campuses. The Universities' Complaint Investigation and Resolution Procedures also serve as a system of review and resolution for claims of discrimination in hiring. Any applicant for employment who believes that he or she has been a victim of discrimination in hiring may initiate a claim as outlined in the Universities' Complaint Investigation and Resolution Procedures located at Appendix 4. Further advice or information regarding these complaint procedures may be obtained by contacting the EO Officer of any University.

XIII. RESPONSIBILITY FOR THE IMPLEMENTATION OF THE EQUAL OPPORTUNITY DIVERSITY AND AFFIRMATIVE ACTION PLAN AND RELATED PROGRAMS, POLICIES AND PROCEDURES

The final authority and ultimate responsibility for the implementation of this Plan rests with the Presidents of the State Universities. The EO Officer on each campus, however, has the responsibility for the overall development, administration and monitoring of all policies, procedures and programs pertinent to the implementation of this Plan. The EO Officer commonly reports to the President and bears the responsibility for the preparation and execution of all affirmative action policies and programs. Details regarding the EO Officer's specific duties and responsibilities can be found at Appendix 1.

All Vice Presidents, Deans, Directors, Program Coordinators, Department Chairs, and other supervisory personnel will be accountable for ensuring that equal opportunity, non-discrimination, diversity and affirmative action are integrally tied to all actions and decisions for which they are responsible and which fall within the scope of the Plan. A statement concerning such accountability will be added to all appropriate position descriptions. It shall be considered a regular function of faculty, librarians, administrators and supervisory staff that they are aware of goals and consult with the EO Officer prior to and in the course of those actions that may have an impact on the implementation of this Plan. In the event that a supervisor and/or the EO Officer identify problem areas that are impeding a University's efforts to meet its goals, they shall develop an action plan designed to move the University toward successful attainment of its objectives.

XIV. POLICY AWARENESS PROCEDURES

DISSEMINATION

At the commencement of each academic year, all policy statements regarding equal opportunity, non-discrimination, diversity and affirmative action at the State Universities will be distributed, either electronically or in hard copy or in both formats, as follows:

- to every office at each University, including the Human Resources Office and the Office of the Equal Opportunity Officer;
- to each University's Library;
- to all students, either in the relevant Student Handbook, Course Catalog or by e-mail;
- to all employees, either in a relevant publication or by e-mail;
- posted to all relevant sections of the Universities' websites;
- copies will be made available to the campus community and to the public upon request; and
- copies will also be made available in accessible formats upon request.

Periodic meetings and workshops will be held with various segments of the campus community to assist their understanding of the Universities' commitment to equal opportunity, non-discrimination, diversity and affirmative action.

Copies of all policy statements regarding equal opportunity, non-discrimination, diversity and affirmative action will also be provided to students who enroll mid-year and to all new employees upon their hire.

POSTING

The Universities' Policy Statement on Non-Discrimination, Diversity and Affirmative Action will be posted in areas customarily used for public announcements and on the Universities' websites. Prospective

employees and applicants for admission will be informed of this Policy Statement in all advertisements posted both on and off campus.

RECRUITING

All employment recruiting sources used by the Universities will be informed of their commitment to equal opportunity, non-discrimination, diversity and affirmative action. Listings of current openings will be sent on a regular basis to appropriate sources for the recruitment and referral of applicants who are persons of color, women, veterans, persons with disabilities, and persons of diverse religions and national origins.

In addition, notices of position openings will be posted on campus and on the Human Resources sections of the Universities' individual websites, so that all current employees are aware of opportunities for promotion or transfer.

CONTRACTORS AND VENDORS

The Universities will notify all contractors, sub-contractors and vendors of the Universities' responsibilities and commitments to equal opportunity, non-discrimination, diversity and affirmative action.

ADVERTISING

Selection for and participation in the State Universities' employment is without regard to race, color, religion, national origin, age, disability, gender, sexual orientation, gender identity, gender expression, genetic information, marital or parental status, or veteran status. An Affirmative Action, Equal Opportunity and Non-Discrimination/Diversity statement will be placed in all appropriate University operational publications and advertisements.

COMMUNITY RELATIONS

The State Universities will cooperate and work with local, state and federal government agencies and community groups, as well as national minority, multicultural, multiracial, disability, women's and veteran's organizations and other national groups that have equal employment opportunity objectives, for the purpose of developing significant access to equal opportunity for persons of color, women, veterans, persons with disabilities, and persons of diverse religions and national origins.

XV. CONCLUSION

In developing and presenting this Plan for approval to the BHE, the State Universities have committed themselves to institutional change in order to provide maximum access to a university education and university experience that equips all of our students to live and work in our diverse world. The State Universities believe that access to affordable higher education is an integral part of their mission.

With this Plan, the State Universities commit themselves not only to providing each student and employee a safe, yet exciting academic and living environment, where each member of the community is valued as an individual, whose racial, cultural, religious, gender, orientation, age, disability or socioeconomic status make her or him a valued member of a diverse community of pluralism, but in doing so, to fully prepare our students for the great diversity of the larger world. If this Plan is fully implemented, we will have moved beyond merely prohibiting the violation of human dignity and civility to the fulfillment of our mission of providing accessible higher education to the increasingly diverse population of the Commonwealth.

We commit ourselves to this effort.

APPENDIX 1

POSITION DESCRIPTION: EO OFFICER

The Equal Opportunity Officer (“EO Officer”) provides campus-wide leadership to promote equal opportunity, diversity and affirmative action on campus. The EO Officer works closely with the President, Vice Presidents, Department Chairs, Program Coordinators and Directors in the implementation, monitoring and evaluation of the Universities’ Equal Opportunity, Diversity and Affirmative Action Plan. The EO Officer works with faculty and student organizations to introduce a variety of multicultural issues across the curriculum and across the campus. The EO Officer is the ombudsman for all issues of discrimination, including discriminatory harassment, and retaliation.

The EO Officer may also serve as the Title II/Section 504 Coordinator. Similarly, the EO Officer may be the primary Title IX Coordinator for each University, although the individual campuses may designate one or more additional Deputy Coordinators to assist with Title IX compliance.

SUPERVISION: Reports directly to the President or the President’s designee.

SUPERVISION EXERCISED: Over assigned professional and non-professional staff.

DUTIES AND RESPONSIBILITIES: Include, without limitation:

- Provides leadership in planning and organizing events and programs to increase the awareness of diversity on campus.
- Develops plans and policies to recruit and employ members of protected classes through affirmative action and equal employment opportunity programs.
- Responsible for monitoring, implementing and evaluating recruitment to insure a policy of non-discrimination, affirmative action, equal employment/educational opportunity and diversity.
- Serves as an ex-officio member of faculty hiring committees.
- Works closely with the Vice Presidents, Directors, Program Coordinators and Department Heads to develop and implement program initiatives designed to increase diversity among faculty, staff and students.
- Plans and develops policies and procedures regarding the implementation of the ADA and the Rehabilitation Act.
- Responsible for overseeing investigations of all complaints of discrimination, discriminatory harassment, and retaliation filed pursuant to the Universities’ Discrimination Complaint Investigation and Resolution Procedures. Responsible for communicating all relevant information to appropriate persons on campus regarding the investigation process.
- May act as a representative of the University on claims presented to state/federal agencies.
- Reviews all University policies for potential discriminatory impact.
- Communicates information on laws, regulations and policies on affirmative action and equal opportunity to members of the University community.
- Exercises sign-off authority on all personnel actions.
- Assumes additional support duties assigned by the President.

*This Position Description is illustrative and not necessarily exhaustive.

APPENDIX 2

POSITION DESCRIPTION: TITLE IX COORDINATOR

The Title IX Coordinator has primary responsibility for managing the day-to-day responsibilities associated with the University's compliance obligations pursuant to Title IX.

The Title IX Coordinator may also serve as the EO Officer and/or the Title II/Section 504 Coordinator. Additionally, the individual Universities may designate one or more additional Deputy Coordinators to assist the lead Title IX Coordinator with Title IX compliance.

SUPERVISION: Reports directly to the President or the President's designee.

SUPERVISION EXERCISED: Over assigned professional and non-professional staff.

DUTIES AND RESPONSIBILITIES: Include, without limitation:

- Serving as the University's central resource on issues related to sexual violence, sexual and gender-based harassment, domestic and dating violence, stalking and retaliation.
- Implementing and managing the University's Sexual Violence Policy.
- Ensuring that community members know their options and resources concerning the reporting of sexual violence, sexual and gender-based harassment, domestic and dating violence, stalking and retaliation.
- Evaluating and implementing of requests for accommodations or interim protective measures.
- Overseeing the receipt, investigation and resolution of complaints of sexual violence, sexual and gender-based harassment, domestic and dating violence, stalking and retaliation by employees, students and others protected under state/federal laws/regulations and/or the University EO Plan. Where appropriate, conducting complaint investigations.
- Maintaining investigation files; maintaining a University-wide reporting system for complaints and investigation findings; identifying patterns and making recommendations.
- Developing and implementing long-term goals for programming, services, education and assessment of Title IX compliance efforts, including but not limited to sexual violence, sexual and gender-based harassment, domestic and dating violence, stalking and retaliation; providing leadership for University-wide initiatives to increase gender equity on campus.
- Overseeing education, training, and outreach programming concerning awareness and prevention of sexual violence, sexual and gender-based harassment, domestic and dating violence, stalking and retaliation.
- Providing or recommending training to Deputy Title IX Coordinators, complaint Mediators and Administrative Investigators, and other campus officials with Title IX responsibilities.
- Maintaining current knowledge of the laws, policies, procedures and best practices with regard to sexual violence, sexual and gender-based harassment, domestic and dating violence, stalking and retaliation; attending trainings, workshops, conferences to augment knowledge.
- Acting as the University's representative when attending conferences and communicating with government compliance or investigation officers; processing inquiries from third parties. Assuming additional support duties assigned by the President.

MINIMUM QUALIFICATIONS:

1. J.D. with at least one year of coordinator's experience OR Master's Degree with at least 3 year's coordinator's experience.
2. Demonstrated knowledge of and ability to interpret federal and state discrimination, harassment and equal opportunity laws, including Title IX, Title VII, VAWA and Clery.
3. Exceptional communication, organizational and interpersonal skills.
4. Demonstrated ability to maintain a high level of collegiality with different campus constituencies.
5. Experience with sexual violence prevention programming and training.
6. Experience designing and implementing training for difference campus constituencies.
7. Experience with reporting software and databases.

PREFERRED QUALIFICATIONS:

1. At least 3 years' experience conducting Title IX investigations in higher education.
2. At least 3 years' experience interpreting federal and state discrimination, harassment and equal opportunity laws.
3. Experience participating in administrative hearings and proceedings.
4. Experience with and understanding of mental health/counseling issues in higher education.

*This Position Description is illustrative and not necessarily exhaustive.

APPENDIX 3

POSITION DESCRIPTION: EQUAL OPPORTUNITY INVESTIGATOR

The EO Investigator is responsible for investigating alleged incidents of discrimination, harassment, retaliation and sexual violence, including domestic/dating violence and stalking, as defined in the University's Equal Opportunity, Diversity and Affirmative Plan ("EO Plan"). The EO Investigator is responsible for gathering, preserving and analyzing evidence/information to determine the outcome of the investigation and recommended corrective action and/or resolution.

SUPERVISION: Reports directly to the EO Officer.

SUPERVISION EXERCISED: Over assigned professional and non-professional staff.

DUTIES AND RESPONSIBILITIES: Include, without limitation:

- Conduct investigations of complaints of discrimination, harassment, retaliation and sexual violence in a timely, fair, impartial and thorough manner.
- Prepare comprehensive investigation reports, including factual findings, conclusions, and recommendations for discipline and/or other corrective action.
- Serve as the contact for all parties to an investigation and manage communications regarding the investigation process.
- Assist the EO Officer and/or Title IX Coordinator in the evaluation and implementation of requests for accommodations or interim protective measures.
- Assist the EO Officer and/or Title IX Coordinator in the development of training programs for faculty, staff and students on equal opportunity, discrimination, harassment, retaliation, sexual violence, Title IX, and other related topics.
- Provide information to the campus community regarding the EO Plan and the Complaint Investigation and Resolution Procedures.
- Remain abreast of University, state and federal policies, statutes, regulations and guidance documents in the areas of discrimination, harassment, retaliation and sexual violence. Participate in professional forums, conferences, training and/or seminars. Continuously identify and integrate best practices in the equal opportunity investigation field into knowledge base and practice.
- Identify systemic problems in the investigation process and make recommendations to the EO Officer and/or Title IX Coordinator concerning appropriate changes to the EO Plan and/or the Complaint Investigation and Resolution Procedures.
- Perform other duties as required or assigned which are reasonably within the scope of the duties enumerated above.

MINIMUM QUALIFICATIONS:

1. Master's Degree, OR Bachelor's Degree in related field with equivalent combination of relevant education and experience (degrees in psychology, counseling, social work and criminal justice are favored).
2. At least 3 years' experience investigating complaints and/or grievance investigation and resolution.
3. Knowledge of state and federal laws regarding discrimination, harassment, retaliation and equal opportunity.
4. Exceptional communication and organizational skills.

5. Demonstrated ability and to project neutrality and to appropriately handle confidential and sensitive information.
6. Demonstrated ability to maintain a high level of collegiality with different campus constituencies.

PREFERRED QUALIFICATIONS:

1. J.D. or Master's Degree.
2. Experience in higher education.
3. Experience and training in human resources, student conduct, civil rights and/or diversity programming.
4. Knowledge of investigation techniques and best practices.
5. Experience with Title IX, VAWA, Clery Act and Title VII.

*This Position Description applies to a dedicated EO Investigator position; it is illustrative and not necessarily exhaustive.

APPENDIX 4

INVESTIGATION AND RESOLUTION PROCEDURES

FOR COMPLAINTS OF DISCRIMINATION, DISCRIMINATORY HARASSMENT, SEXUAL VIOLENCE, SEXUAL HARASSMENT, GENDER-BASED HARASSMENT, DOMESTIC VIOLENCE, DATING VIOLENCE, STALKING AND RETALIATION

I. INTRODUCTION AND APPLICATION

It is the policy of the Universities to provide each student, employee, and other person having dealings with the institutions an environment free from all forms of discrimination, discriminatory harassment, sexual violence, sexual and gender-based harassment, domestic and dating violence, stalking and retaliation as defined in the Universities' Equal Opportunity, Diversity and Affirmative Action Plan ("EO Plan") and/or each University's Student Code of Conduct.

These Procedures are intended to provide a mechanism to investigate and resolve complaints of discrimination, discriminatory harassment, sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation. These Procedures are available and applicable to all students, faculty, librarians, staff, visitors, contractors, applicants for employment or admission, and others having dealings with the Universities.

No community member may retaliate, harass, intimidate, threaten, coerce or otherwise discriminate against any individual for filing a complaint under these Procedures or for otherwise exercising his or her rights or responsibilities under the EO Plan or the Student Code of Conduct.

Complaints of the following prohibited behaviors may be made under these Procedures:

Discrimination or discriminatory harassment on the basis of:

- race
- color
- religion
- national origin
- age
- disability/failure to accommodate
- sex/gender
- sexual orientation
- gender identity
- gender expression
- genetic information
- marital/parental status
- veteran status

Any form of the following prohibited conduct:

- sexual violence
 - rape
 - sexual assault
 - sexual exploitation
 - incest
 - statutory rape
 - aiding in the commission of sexual violence
- sexual harassment
- gender-based harassment
- domestic violence
- dating violence
- stalking

Retaliation

II. INVESTIGATION AND RESOLUTION PROCEDURES

Investigations of complaints are necessary to determine:

- whether a complaint alleges a violation of the EO Plan or the Student Code of Conduct;
- whether prohibited conduct has occurred;
- whether there is an ongoing risk of harm for further prohibited conduct and, if so, what steps must be taken to prevent its recurrence;
- whether interim protective measures should be in place for the safety of the complainant or the community, or to redress the effects of prohibited conduct;
- whether the conduct warrants disciplinary action; and
- whether local or system-wide changes to policies, practices or training should be considered and implemented by the Universities.

These Procedures have been designed to provide prompt, thorough, fair and impartial processes from investigation to final result. The proceedings pursuant to these Procedures will be conducted transparently and consistently with the Universities' policies. The formal rules of process or evidence, such as those applied in criminal or civil courts, are not used under these Procedures.

All investigations of alleged sexual harassment, sexual violence, dating violence, domestic violence and stalking under these Procedures will be conducted using a trauma-informed approach to support complainants, while ensuring that appropriate support and due process protections are provided to all parties.

The trauma-informed approach is based on scientific evidence that a person who is subjected to a traumatic situation experiences a change in brain function that can materially affect the person's response to the situation and how memories of the event may be stored and recalled. A trauma-informed approach acknowledges that a complainant in a sexual harassment, sexual violence, dating violence, domestic violence or stalking case may have suffered a traumatic incident that may affect their participation during an investigation. A trauma-informed approach is also consistent with the provision of a fair and equitable process for the respondent.

The complaint investigation and resolution process is comprised of two processes, the **Informal Resolution Procedure** and the **Formal Investigation Procedure**, which are detailed below.

Deviations from the Informal Resolution Procedure or Formal Investigation Procedure shall not necessarily invalidate a decision, unless significant prejudice may result to a party or the University.

Note: While these Procedures identify certain University officers and employees who have particular roles and duties, the Universities may designate other officers or employees to perform specific roles and/or duties set forth in these Procedures.

A. Informal Resolution Procedure

After full disclosure of the allegations and the parties' option for formal resolution, and if the University determines that a particular complaint is appropriate for such process, the parties to a dispute may attempt to reach an informal resolution of the potential violation. The Universities encourage involved parties to request the intervention of the University to assist in an informal resolution by contacting the EO Officer.

In conference with the Title IX Coordinator and/or others as necessary, the EO Officer or the EO Officer's designee will assess the request for informal resolution against the severity of allegations and the potential risk of a hostile environment or safety concern for other campus community members. If an informal resolution is appropriate, the EO Officer will notify the parties. The University will not ask a

complainant to resolve a problem with a respondent without the involvement of the EO Officer or designee.

The EO Officer or designee will facilitate a dialogue with the parties in an attempt to reach a resolution. At no time prior to the resolution of the matter shall either party question or confront the other, or engage a third party to do so, outside the presence of the EO Officer or designee.

The matter will be deemed resolved when all parties expressly agree to an outcome that is acceptable to them and to the University. Every attempt will be made to conclude the Informal Resolution Process within sixty (60) days of the date of the complainant's request.

A complainant is not required to use the Informal Resolution Procedure before initiating the Formal Investigation Procedure. A party may withdraw from the Informal Resolution Procedure and initiate the Formal Investigation Procedure at any time.

B. Formal Investigation Procedure

Submission of Complaint and Initial Review

When a person believes that s/he has been harassed, discriminated or retaliated against, stalked or subjected to violence in violation of the EO Plan and/or the Student Code of Conduct, s/he may file a written complaint, preferably using the Complaint Form attached to these Procedures.⁵ Individuals are encouraged to file complaints directly with the EO Officer, but complaints may also be filed with other offices, such as the Title IX Coordinator, Student Conduct, Human Resources, Residence Life or Campus Police. Any complaint that is initially filed with other offices will be reported to the EO Officer.

In certain circumstances, the University may initiate the Complaint Investigation and Resolution Procedures without the filing of a written complaint or the active participation of a complainant. Complaints may be generated upon receipt of a report by a complainant or by a third-party reporter, such as, but not limited to, a friend, spouse, family member, advisor, parent or coworker.

A complaint must be filed by the complainant or a University official, and the complaint must be in the words of the complainant or the University official. Complaints should contain all known facts pertaining to the alleged violation, the names of any known witnesses and others with knowledge of the allegations, and an identification of any documents or other evidence.

The EO Officer or designee will determine if the complaint falls within the jurisdiction of these Procedures. When complaints allege sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and/or retaliation, the EO Officer or designee will refer them to the Title IX Coordinator for jurisdictional evaluation and review. At this point, the University will implement any necessary and/or appropriate interim protective measures, or monitor and/or revise any measures already in place. If the University determines that the complaint is not properly filed pursuant to these Procedures, it will provide written notice to the complainant (or third party reporter).

⁵ Individuals who believe they have been subjected to conduct prohibited by the Sexual Violence Policy also have options to report such incidents confidentially; victims are encouraged, but not required, to file complaints pursuant to these Procedures. Please see Section E of the Sexual Violence Policy for more information on reporting options.

Investigation Process

1. Complaints and the Respondent's Response

If a complaint has been properly filed, or the University otherwise determines that an investigation is necessary, the University will assign the matter to an Administrative Investigator. The University may also designate other trained and knowledgeable University officials to assist with the investigation. Under circumstances where the University deems it necessary or appropriate, the University may also appoint an external investigator.

The Administrative Investigator will notify the respondent of the complaint, provide him or her with a copy of the complaint, and invite the respondent to submit a written response. See the model Notice to Respondent attached to these Procedures. If the respondent does not respond, or otherwise fails to participate in the investigation, the Administrative Investigator will complete the investigation on the basis of the other information obtained.

Where a complaint is brought by a third party reporter, the Administrative Investigator shall attempt to meet with the potential complainant to discuss his/her participation in the investigation, and to gain additional information.

2. Counterclaims

At times a Respondent may assert a counterclaim against the Complainant in which the Respondent alleges that the Complainant has engaged in conduct that violates the EO Plan. Such counterclaims are treated as separate complaints under the EO Plan.

Under such circumstances, the Investigator will notify and/or provide a copy of the Respondent's complaint to the Complainant for his or her response in the same manner that the initial complaint is provided to the Respondent.

The University has the discretion to consolidate into one investigation all complaints between a Complainant and a Respondent (or among multiple parties), if the evidence related to each incident would be relevant and probative in reaching a determination on the other incident(s).

Any complaint by a Respondent against a Complainant that is frivolous, knowingly false, or asserted in bad faith will be considered retaliation against the Complainant who filed the original complaint, and will become a separate violation of the EO Plan for which the Respondent may be subject to potential sanctions.

3. Investigation

The investigation shall include, but is not limited to: an analysis of the allegations and defenses presented using the preponderance of the evidence (more likely than not) standard; consideration of all relevant documents, including written statements and other materials presented by the parties; interviews of the parties and other individuals and/or witnesses; and/or reviewing certain documents or materials in the possession of either party that the Administrative Investigator has deemed relevant. The Administrative Investigator may also review any available campus police investigation reports or the investigation reports of local law enforcement authorities.

In regards to complaints alleging sexual violence, domestic violence, dating violence or stalking, questions, statements, or information about the sexual activity of alleged victim with any person other

than the other party(ies) to the investigation is not relevant and will not be considered. Parties to such complaints are permitted to submit questions for the Administrative Investigator to ask of the other parties and witnesses, but the questions must be specifically about the allegations of the present complaint.

At the conclusion of the investigation of the complaint, the Administrative Investigator shall prepare an Investigation Report for an administrative review. The Investigation Report shall: outline the investigatory steps undertaken; summarize the factual findings; state whether any policy violations have occurred based on the preponderance of the evidence; explain the rationale for each violation determination; and, if applicable, recommend a sanction(s).

Both parties shall be provided with an opportunity to review the Investigation Report and an opportunity to respond in writing in advance of a decision of responsibility and before the Investigation Report is submitted for administrative review.

In providing both parties with the opportunity to review the Investigation Report before a decision of responsibility is made, both parties should be afforded the opportunity to come to campus with his/her advisor (or, if a respondent is a unit member, a Weingarten representative) to review the Investigative Report. To minimize the risk of compromising the investigation and to protect the sensitivity of the information contained in the Investigation Report, the parties should be given as much time as they need to review the Investigative Report, but should not be provided with a hard or electronic copy of the Investigative Report to take with them. Both parties shall then be afforded seven (7) to ten (10) business days to respond in writing to the Investigative Report. The Investigator should follow-up on any material comments made by either party that have not already been given appropriate consideration. Subsequently, the Investigative Report should be finalized by the Investigator to include a decision of responsibility and then submitted for administrative review.

A person making a complaint of sexual violence, domestic violence, dating violence or stalking may submit an impact statement during the Investigation Process. A respondent to such a complaint may submit a statement of mitigation or extenuation during the Investigation Process. At any point during the investigation, a respondent to any complaint may agree to the allegations and the recommended sanction.

Administrative Review

The EO Officer, Title IX Coordinator or other designated University official(s) (the “reviewing body”) will conduct an administrative review of the Investigation. The purpose of the administrative review is to determine whether the investigation is prompt, fair, impartial and thorough. If the reviewing body determines the investigation is deficient, the reviewing body shall remand the matter back to an Administrative Investigator for further investigation.

If the reviewing body determines that the investigation is prompt, fair, impartial and thorough, the reviewing body will then consider whether the recommended discipline or sanction for each violation is consistent with University policy and practice. In determining discipline, the Administrative Investigator and the reviewing body may consider the disciplinary history, if one exists, of the party found responsible. The Administrative Investigator and/or reviewing body may discuss sanctions with other University personnel as necessary, such as Human Resources, Student Conduct or upper-level administrators.

At any point during the administrative review, a respondent to any complaint may agree to the allegations and the recommended sanction.

Notice of Outcome

At the completion of the administrative review, the University will notify the party found responsible of all sanctions imposed. If the sanctions imposed include a separation from the residence halls or the University, and, in the opinion of the Administrative Investigator and/or reviewing body, the party poses a continued threat to the safety of the campus community, the sanctions may take effect immediately, and while an appeal is pending.

At the completion of the administrative review, the University will also contemporaneously issue a written Notice of Outcome to all parties. The Notice of Outcome shall include the following:

1. the factual findings of the investigation;
2. the policy violation determination and the rationale for the determination;
3. all sanctions that result from an allegation of sexual violence or other crime of violence;
4. the sanctions that directly relate to the complaining party that arise from an allegation of discrimination, discriminatory harassment, non-violent sexual or gender-based harassment, and/or retaliation; and
5. the parties' appeal rights.

If no appeal is filed by either party within ten (10) business days of their receipt of the Notice of Outcome, the results will become final and the University will proceed with the imposition of the recommended sanction(s).

Option for Mediation of Formal Complaints

During a formal investigation, at any time prior to the issuance of the Notice of Outcome, either party may request mediation of the complaint by contacting the EO Officer or Title IX Coordinator. All parties must agree to mediation for this option to be used.

The purpose of mediation is to resolve the dispute to the satisfaction of all parties. When mediation is appropriate, the EO Officer shall designate an impartial Mediator, who shall be mutually agreed upon and not unreasonably refused by the parties, and inform the parties in writing of the mediation process and schedule. Where practicable, a mediation session shall be conducted no later than thirty (30) days after agreed to by the parties. The timelines presented under these Complaint Investigation and Resolution Procedures shall be tolled pending the outcome of mediation. If successful in resolving the complaint, the Mediator shall reduce to writing the terms of the mediated resolution, which shall be signed by the parties. If mediation does not result in a resolution, all mediation discussions shall remain confidential and may not be used or introduced in this process or any other forum.

Timeframe

The University will make every attempt to investigate a complaint within sixty (60) days of the date of its submission. If, for good cause, an investigation cannot be completed within 60 days, the University will provide the parties status updates at reasonable intervals until the investigation is completed. The University will make every effort to conclude the administrative review within fourteen (14) calendar days of receipt of the Investigation Report.

C. Appeals

Either party may appeal the results of an investigation under these Procedures by submitting a written letter of appeal to the EO Officer or designee within ten (10) business days of the party's receipt of the Notice of Outcome. An appeal may be transmitted electronically to the EO Officer or designee. Appeals may be submitted on the following grounds:

1. to allege a material procedural error within the investigation and resolution process that would substantially change the outcome; or
2. to consider new evidence that was not known at the time of the investigation that would substantially change the outcome.

Appeals will not be considered on any other basis.

Upon timely receipt of the appeal letter, the EO Officer shall transmit the Investigation Report and the appeal letter to the appropriate appellate officer or body for review. If the appealing party has presented an appeal on the basis of the grounds set forth above, the appellate officer or body, who shall not have participated in the investigation or administrative review, will review the appeal and make a determination to uphold, reverse or modify the decision. When necessary, the appellate officer or body may seek additional information and/or refer the matter back to the Administrative Investigator, prior to making an appellate determination.

Where practicable, within thirty (30) days of receiving the appeal, the appellate officer or body shall contemporaneously issue a written decision to the parties in which it may uphold, reverse or modify the decision. All appellate decisions are final, provided that any corrective action and/or discipline imposed upon a unit member is subject to applicable collective bargaining agreements.

Under limited, exceptional circumstances, and in compliance with the principles of due process, the University reserves the right to correct, amend, supplement or modify a finding, conclusion or sanction to ensure that an investigation has been prompt, fair, impartial and thorough.

D. Possible Sanctions And Additional Remedies

For Employee Respondents. Disciplinary action taken against an employee shall be regarded as an administrative action, up to and including termination, subject to all provisions of applicable collective bargaining agreements or personnel policies.

Additional disciplinary action, subject to all provisions of applicable collective bargaining agreements or personnel policies, shall also be taken against an employee who violates a sanction or sanctions imposed pursuant to this Plan.

For Student Respondents. A student who has been found to have violated the EO Plan and/or Student Code of Conduct may be subject to sanctions including, but not limited to:

- reprimand
- warning
- disciplinary probation
- loss of privileges
- relocation of residence
- restriction from facilities or activities
- temporary or permanent residence hall suspension
- fines and/or restitution
- disciplinary hold
- assessment
- educational program or project
- revocation of admission or degree
- withholding of degree
- suspension
- expulsion

In general, the sanction typically imposed for students for rape or non-consensual sexual intercourse is expulsion. The sanction typically imposed for students for non-consensual sexual contact, sexual exploitation, domestic violence, dating violence and stalking is suspension or expulsion. All student sanctions, however, are determined on a case-by-case basis in consideration of: the seriousness of the violation; sanctions typically imposed for similar violations; prior disciplinary history; and any other circumstances indicating that the sanction should be more or less severe.

Additional disciplinary action shall also be taken against a student who violates a sanction or sanctions imposed pursuant to this Plan. Depending on the nature of the violation, such discipline may be imposed pursuant to the provisions of this Plan or pursuant to the applicable provision of the Student Code of Conduct. Additional Remedies Following Finding of a Violation.

Where necessary, the Universities will provide additional measures to remedy the effects of a violation. These remedies are separate from, and in addition to, any protective interim measures that may have been provided or sanctions that have been imposed. If the complainant declined or did not take advantage of a specific service or resource previously offered as a protective interim measure, such as counseling, the University will re-offer those services to the complainant as applicable or necessary.

In addition, the University will consider broader remedial action for the campus community, such as increased monitoring, supervision, or security at locations where the incidents occurred, increased or targeted education and prevention efforts, climate assessments/victimization surveys, and/or revisiting its policies and Procedures.

III. RELATED INFORMATION AND DEFINITIONS

For the purposes of these Procedures, the following terms are defined and used as follows:

Complainant. An individual who makes a complaint under these Procedures. The Complainant may also be the University under certain circumstances.

Respondent. An individual who is accused of violating the EO Plan.

Day. A day shall mean a calendar day, unless otherwise specified herein.

Discipline or Sanctions. The terms may be used interchangeably.

Advisors.

Each party to an investigation initiated under the Complaint Investigation and Resolution Procedures is entitled to have an advisor present during any meetings regarding the process (other than meetings between a party and University officials regarding accommodations or protective interim measures). Except as otherwise required by law, the advisor may observe, but may not participate in any way whatsoever, including, without limitation, by asking questions or speaking during the meeting or proceeding. The advisor's role is to provide support and/or advice to the party. During meetings and proceedings, the advisor may speak with the party or pass notes in a non-disruptive manner. The Universities reserve the right to remove from the meeting or proceeding any advisor who disrupts process, or who does not abide by the restrictions on their participation. In addition, please note that the University does not need to cancel or delay a meeting or proceeding simply because an advisor cannot be present. Further, the advisor is not permitted to attend a meeting or proceeding without the advisee.

The personal advisor for a complainant, a student respondent or a non-unit employee respondent can be any person, including an attorney.

Respondents who are unit members may elect to have a union representative (or other University employee) present during any meeting which the unit member reasonably believes may result in discipline pursuant to the unit member's Weingarten rights. A respondent unit member who invokes their Weingarten right to a union representative or other University employee is not also permitted an advisor.

If a party's advisor is an attorney, the University's legal counsel may also attend the meeting or proceeding.

Referrals to Title IX Coordinator. Complaints of sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking and retaliation will be referred to the Title IX Coordinator for evaluation. Before starting an administrative investigation, the Title IX Coordinator or his/her designee will determine whether the reported facts, if true, would violate the Sexual Violence Policy and/or the Student Code of Conduct, and may consult with the complainant to obtain more information and discuss his/her options.

Interim Protective Measures. Upon review of a complaint, the University may determine that interim protective measures are necessary or appropriate for either party, making every effort to avoid depriving any student of access to the student's education. The Universities will implement interim measures on a case-by-case as described in Section H of the Sexual Violence Policy. Interim measures may also be instituted and/or modified at any point during the investigation and resolution process.

Off Campus Behavior. The Universities may investigate off-campus conduct alleged to violate the EO Plan and/or Student Code of Conduct when such conduct involves behavior by or toward a community member, which (1) occurs during University-sponsored events or the events of organizations affiliated with the University, including study abroad and outside internships; (2) negatively impacts an alleged victim's access to education programs and activities; (3) adversely affects or disrupts the campus community; and/or (4) poses a threat of harm to the campus community.

Grade Disputes. While grade changes must generally be pursued through the academic grade change procedure, a complaint may proceed under these Procedures when a student alleges that a grade was improper because of discrimination, discriminatory harassment, sexual violence, sexual or gender-harassment, domestic or dating violence, stalking or retaliation. The remedy for policy violations in cases pursued under these Procedures may be determined and/or implemented in conjunction with Academic Affairs.

Amnesty. Students may be hesitant to report sexual violence, sexual or gender-harassment, domestic or dating violence, stalking or retaliation out of concern that they, or witnesses, might be charged with violations of the Universities' drug/alcohol policies. While the Universities do not condone such behavior, they place a priority on the need to address sexual violence and other conduct prohibited by the Sexual Violence Policy. Accordingly, a University may elect not to pursue discipline against a student who, in good faith, reports, witnesses, or participates in an investigation of sexual violence, sexual or gender-harassment, domestic or dating violence, stalking or retaliation.

Conflicts of Interest. If any University official involved in the investigation, resolution or appeal process believes there is a potential or actual conflict of interest regarding their role, they must disclose this

conflict in advance to the EO Officer, Title IX Coordinator (where applicable) or designee. Likewise, if a complainant or respondent believes there is a conflict of interest present regarding any University official involved in the investigation, resolution or appeal process, s/he must disclose the conflict in advance to the EO Officer, Title IX Coordinator (where applicable) or designee. If a valid conflict of interest exists, the University will take steps to remedy or eliminate the conflict.

Confidentiality of Process. These Procedures will be conducted as confidentially as reasonably possible to protect the privacy of all involved. The Universities may share information about the allegations with parties, witnesses or others on a need-to-know basis, and shall share information with union representatives pursuant to M.G.L. Chapter 150E, or as otherwise required by law. All with whom information is shared shall be advised of the confidential nature of the information and directed not to discuss it with anyone except an advisor or union representative. See Section VI of the Sexual Violence Policy for more information about confidential reporting options.

Joint Investigation. In some circumstances, a respondent's conduct may constitute a potential violation of other University conduct policies in addition to the EO Plan and/or the Student Code of Conduct. To avoid duplicative efforts, the University may undertake a joint investigation of the conduct under these Procedures. Based on the findings of the joint investigation, the respondent may be subject to disciplinary action for violations of the EO Plan and/or the Student Code of Conduct, as well as other policy violations.

Preponderance of the Evidence. The standard of review used to evaluate all complaints. Under this standard, conclusions must be "more likely than not." Accordingly, the fact-finder must find that it is more likely than not that the respondent violated the University's EO Plan, Student Code of Conduct or other relevant University policy.

Notice of Meetings and Access to Information. Each party to an investigation will be provided timely notice of meetings at which such party or both parties may be present. The parties will be afforded the same and timely access to any information that the University is aware will be used at any meeting or hearing. Where appropriate or required by law, the University may redact the complainant's name and other identifying information from any information provided to the respondent, including the specific charge and the complaint or related materials.

Training of Officials Who Participate in the Investigation and Resolution Process. Proceedings pursuant to these Procedures are conducted by officials who receive annual training on the issues of discrimination, discriminatory harassment and retaliation. Officials also receive training specific to matters of sexual and gender-based harassment, domestic violence, dating violence, stalking, as well as how to conduct an investigation that protects the safety of complainants, promotes accountability, and provides all parties with the same opportunities to be accompanied to meetings or proceedings by an advisor of their choice.

Refusal of Participation. In cases where a complainant or respondent (or both) refuses or fails to participate in the investigation and resolution process, the University may continue the process without the complainant and/or respondent's participation. The failure of the respondent to participate in the investigation and resolution process will not prevent the University from imposing discipline or other sanctions when a violation is found.

Right to File an Outside Complaint. Individuals have the right to file charges of discrimination, discriminatory harassment, sexual violence, sexual or gender-harassment, domestic or dating violence,

stalking or retaliation at any time with the appropriate government agency, with or without utilizing these Procedures. More information about filing an outside complaint can be found in the Non-Discrimination and Harassment Policy and the Sexual Violence Policy, both of which are contained in the EO Plan.

Concurrent Criminal or Civil Proceedings. Persons may be accountable to both the Universities and the state for conduct that constitutes potential violations of the EO Plan and/or Student Code of Conduct and state or federal law. University investigations may be conducted before, after or simultaneously with civil or criminal proceedings, and University investigations are not subject to challenge on the grounds that civil or criminal charges involving the same conduct have been dismissed or reduced. When a person has been charged with a crime or a violation of civil law, the Universities will neither request nor agree to special consideration for the individual solely because of his/her student status. Persons subject to parallel criminal charges shall be instructed that their statements and/or other information supplied by them may be subject to subpoena.

When a criminal investigation of an incident of sexual violence, sexual or gender-based harassment, domestic or dating violence, stalking or retaliation is also occurring, the University will not delay its investigation due to the criminal investigation, unless law enforcement requests to gather evidence. When law enforcement makes such a request, the University will typically resume its investigation within three to ten days.

Withdrawal of Complaint. The complainant may withdraw a complaint at any point during the investigation. The EO Officer, Title IX Coordinator, or designee, however, may determine, in their discretion, that the allegations raised in the complaint warrant further investigation despite the complainant's desire to withdraw the complaint. See Section VII(A) of the Sexual Violence Policy for more information on the circumstances under which the University may elect to proceed with an investigation of alleged sexual violence, sexual harassment, gender-based harassment, domestic violence, dating violence, stalking or retaliation.

COMPLAINT FORM

This form is used to report information necessary to initiate an investigation of alleged discrimination, harassment, sexual or gender-harassment, domestic or dating violence, stalking or retaliation pursuant to the Universities' Equal Opportunity, Diversity and Affirmative Action Plan ("EO Plan") and/or the Student Code of Conduct. All reasonable efforts will be made to maintain the involved parties' confidentiality during the investigation and resolution procedure.

It is a violation of University Policy to retaliate against a student, employee or any other person affiliated with the University for filing a complaint or for cooperating in an investigation of a complaint.

All parties to a complaint may have a personal advisor assist them throughout the process, in accordance with Sexual Violence Policy, Student Code of Conduct and applicable collective bargaining agreements. Pursuant to Weingarten, respondents who are unit members may have a union representative or other University employee present at any meeting which the unit member reasonably believes may result in discipline.

Date Filed: _____ Date(s) of Alleged Incident(s): _____

A. Name (Print): _____

B. Check One: Student: _____ Employee: _____

Other: _____ (describe relationship to University)

C. Type of alleged discrimination or discriminatory harassment:

- Race
- Color
- Religion
- National Origin
- Age
- Disability
- Sex/Gender
- Sexual Orientation
- Gender Identity
- Gender Expression
- Marital Status
- Veteran Status
- Genetic Information
- Other: _____

D. Type of alleged sexual violence or other prohibited conduct:

- Rape
- Sexual Exploitation
- Incest
- Statutory Rape
- Aiding in the Violence
- Stalking
- Sexual Assault
- Domestic Violence
- Dating Violence
- Sexual Harassment
- Gender-Based Harassment
- Other _____

E. Retaliation

F. Name of individual(s) you believe harassed you, discriminated or retaliated against you, or engaged in violence toward you: _____

NOTICE TO RESPONDENT

Date: _____

To: _____, Responding Party

From: _____, Administrative Investigator

Subject: Complaint of Discrimination, Discriminatory Harassment, Sexual Violence, Sexual Harassment, Gender-Based Harassment, Domestic Violence, Dating Violence, Stalking and/or Retaliation

This is to notify you that on _____ a complaint alleging a violation of the University's Equal Opportunity, Diversity and Affirmative Action Plan ("EO Plan") and/or the Student Code of Conduct was filed against you with the University. A copy of the complaint is attached, as is a copy of the complaint investigation and resolution procedure. Please submit to me a written response to the complaint.

An Administrative Investigator will be contacting you to schedule an appointment to discuss this matter. Please be advised that it is a violation of University Policy to retaliate against a student, employee or any other person for filing a complaint or for cooperating in an investigation related thereto.

All reasonable efforts will be made to maintain confidentiality during the complaint procedure.

If you are an employee, any disciplinary sanctions imposed as a result of this investigation shall be regarded as an administrative action subject to all terms and conditions of applicable collective bargaining agreements or personnel policies.

All questions concerning this matter should be addressed to the Equal Opportunity Officer, Title IX Coordinator or Administrative Investigator at _____.

Finally, all parties to a complaint may have a personal advisor assist them throughout the process, in accordance with Sexual Violence Policy, Student Code of Conduct and applicable collective bargaining agreements. Pursuant to Weingarten, respondents who are unit members may have a union representative or other University employee present at any meeting that the unit member reasonably believes may result in discipline.

APPENDIX 5

GUIDELINES FOR CAMPUS POLICIES AGAINST DISCRIMINATION, DISCRIMINATORY HARASSMENT AND RETALIATION

The State Universities have promulgated a policy prohibiting discrimination and harassment based on race, color, religion, national origin, age, disability, gender, sexual orientation, gender identity, gender expression, genetic information, marital or parental status, or veteran status, and affirming their collective commitment to a diverse learning and living environment where intolerance and bigotry are looked upon with disfavor. With this Policy, the Universities call upon the individual campuses to develop environments that embrace the accords of civility and human dignity as preconditions to the establishment of a community and that achieve optimum utilization of its human and intellectual resources.

These Guidelines are established in order to provide guidance to the individual campuses in their effort to develop and implement a campus policy consistent with the State Universities' policy. The Guidelines consist of two components, required elements and suggested activities.

REQUIRED ELEMENTS

All individual University policies against discrimination and discriminatory harassment on the basis of membership in a protected class, particularly including those policies addressing discrimination and/or discriminatory harassment based on race, religion, and national origin, must contain certain elements, including:

1. A firm, unequivocal statement condemning discrimination and embracing multicultural/multiracial pluralism.
2. Procedures for the periodic and wide dissemination and publicity of the written policy.
3. A program of educational activities designed to enlighten faculty, librarians, administrators, staff and students with regard to:
 - developing an appreciation for diversity and pluralism;
 - developing greater awareness of the multiple ways in which racial, religious or cultural insensitivity and hostility may be manifested;
 - understanding ways in which the dominant society manifests and perpetuates racism; and
 - learning ways in which to prevent and combat racial, religious and cultural insensitivity and intolerance.
4. Determination of strategies and efforts to be undertaken for the purpose of institutional analysis to reveal institutional factors which give rise to racism and other forms of intolerance, insensitivity and discriminatory actions against members of protected classes. Remedial actions will be developed for all revealed institutional factors.
5. Incorporation of the spirit of this Policy into the official campus code of conduct for students.
6. Specific procedures of recording reported incidents of racial, cultural or religious harassment or violence, events and related confrontations. Confidentiality will be afforded to any reporting individual wishing to remain anonymous, but will be offered only insofar as it does not violate the rights of the respondents or charged parties.

SUGGESTED ACTIVITIES

Each University must determine the specific programs and activities it will carry out in the process of implementing the policy objectives. These activities should include those that would address deterrence, education, institutional analysis, monitoring, resource development, counseling, and sanctions for prohibited behavior. What follows below represents many suggested activities, which the Universities might consider undertaking in addition to those required above. This list is not intended to represent an exhaustive set of activities.

1. Develop approaches to incorporate racial and cultural sensitivity training as a component of staff and faculty development efforts;
2. Apprise incoming students of the policy and expected standards of behavior during orientation sessions;
3. Include a synopsis of the policy with all letters of acceptance sent to students;
4. Incorporate information on the policy during all student and employee recruitment efforts - these activities help make a college more attractive to students and employees interested in a safe environment;
5. Encourage and support research and scholarly activity which examines cultural diversity, racism, and strategies for combating racism;
6. Develop residential unit programs for promoting living and learning environments that foster interracial and intercultural awareness and sensitivity - films, speakers, workshops and forums within the dormitories help facilitate these promotions; and
7. Develop mechanisms to assist the institution in monitoring the racial climate at the University and identify areas needing remedial attention.

APPENDIX 6

ADVISORY COMMITTEE FOR EQUAL OPPORTUNITY, DIVERSITY AND AFFIRMATIVE ACTION

The President of each University shall appoint an Equal Opportunity, Diversity and Affirmative Action Advisory Committee. This Committee shall consist of members representing the respective campus constituencies of administration, faculty and librarians, and staff, and should attempt to include student(s). The Committee shall include appropriate representation of persons of color, women and persons with disabilities. Each President shall consult with his or her EO Officer with respect to these appointments. The EO Officer of each University shall be an ex-officio member of the Committee.

PURPOSE

The purposes of the Advisory Committee are:

1. to serve as an advisory group to the President;
2. to make recommendations to the President as well as to respective campus and governance committees concerning effective implementation of the Universities' Equal Opportunity, Diversity and Affirmative Action Plan;
3. to evaluate institutional compliance with respect to all equal opportunity, diversity, and affirmative action programs and to recommend appropriate strategies to the President; and
4. to keep informed as to federal and state laws and regulations as well as institutional policies impacting equal opportunity, diversity, and affirmative action.

RESPONSIBILITIES

The responsibilities of the Advisory Committee include, but are not limited to, the following:

1. to establish its own rules of order with respect to election of officers, meeting times, quorum restrictions, etc.;
2. to furnish a report of its activities and recommendations to the President upon her/his request, but at least annually;
3. if the EO Officer deems it appropriate, to appoint a member to sit on a search committee as a non-voting member to assure that the search committee complies with affirmative action/equal opportunity policies and regulations; and
4. each University will develop its own policies with respect to additional functions or tasks which may be assigned to this Committee and with respect to Committee members sitting on search committees.

ⁱThis EO Plan incorporates by reference, and where applicable, the requirements of: Titles VI and VII of the Civil Rights Act of 1964; Title VI of the Civil Rights Act of 1968; Titles I and II of the Civil Rights Act of 1991; Title IX of the Education Amendments of 1972 and its regulations found at 34 C.F.R. part 106; the Equal Pay Act of 1963; Civil Rights Restoration Act of 1988; Sections 503 and 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990, as amended; Section 402 of the Vietnam-era Veterans Readjustment Act of 1974,

Uniformed Services Employment and Reemployment Rights Act; the Age Discrimination Act of 1975; the Age Discrimination in Employment Act of 1967, as amended; the Family and Medical Leave Act of 1993; the Genetic Information Nondiscrimination Act of 2008; the reauthorized Violence Against Women Act, Pub. Law No. 113-4 (2013); the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act; the Higher Education Act of 1965, as amended; Federal Executive Order 11246 of 1965, as amended by Executive Order 11375 of 1967; Federal Executive Order 12900 of 1994; Federal Executive Order 13145 of 2000; Federal Executive Order 13160 of 2000; Federal Executive Order 13166 of 2000; Massachusetts Civil Rights Act; Massachusetts General Laws Chapters 151B, 151C, and Chapter 149; St.2011, c. 199 (H3810), An Act Relative to Gender Identity; directives of the BHE, the Universities' Boards of Trustees and the Commonwealth; and other applicable local, state and federal constitutions, statutes, regulations and executive orders.

ⁱⁱ Section 106.13 of the Title IX regulations provides: "This part does not apply to an educational institution whose primary purpose is the training of individuals for a military service of the United States or for the merchant marine." 34 C.F.R. § 106.13. Massachusetts Maritime Academy voluntarily complies with the provisions of this EO Plan that incorporate the requirements of, or make reference to compliance with, Title IX.

Westfield State University

Policy concerning:

APPROVED: October 2005

Section Administrative

Number 0440

Page 1 of 5

REVIEWED: June 2019

REPORTING VIOLATIONS OF LAWS, RULES OR REGULATIONS (WHISTLEBLOWER)

PURPOSE

To protect individuals who report suspected improper activity in accordance with this policy against retaliation. In addition to this policy, employees shall be protected from retaliation in accordance with Massachusetts General Law Chapter 149, Section 185.

INTRODUCTION

Westfield State University is committed to complying with all laws, rules and regulations that govern its operating practices. In that spirit, the University has established internal controls and procedures designed to prevent violations of law and applicable regulations. The University encourages all employees, students, volunteers, and vendors/contractors acting in good faith to report suspected improper activity. When the University becomes aware of potential violations, it has a responsibility to investigate such allegations promptly. Similarly, the University has a responsibility to assure that individuals who report what they reasonably believe are violations do not suffer retaliation.

The University's policy is designed to provide guidance to individuals for reporting suspected violations of law, rule or regulation promulgated pursuant to the law. This policy is not meant to abridge any processes or protections available to individuals under any collective bargaining agreement, federal or state law. This policy also does not replace the grievance processes provided in the respective collective bargaining agreements to investigate complaints regarding the terms and conditions of employment, or the affirmative action grievance process established to address alleged unlawful discrimination.

DEFINITIONS

1. Employee - any individual who performs services for and under the direction of Westfield State University for wages.
2. Supervisor - any individual to whom the University has given authority to direct and control the work performance of an employee, or who has the authority to take corrective action regarding the violation of the law, rule or regulation of which the employee complains.
3. University Reporting Officer (URO) - the person designated by the Audit Committee Chair and the Vice President of Administration & Finance to serve as the official with

Westfield State University

Policy concerning:

APPROVED: October 2005

| | |
|-----------|----------------|
| Section | Administrative |
| Number | 0440 |
| Page | 2 of 5 |
| REVIEWED: | June 2019 |

responsibility for receiving reports of improper activities, as defined herein; the person designated to coordinate investigations of improper activities, as defined herein, on behalf of the Audit Committee Chair and the Vice President of Administration & Finance. The Associate Director of Risk Management serves as the URO.

4. Retaliatory Action - (a) adverse action or harassment of an individual; or (b) the discharge, suspension, or demotion of an employee, or any adverse employment action taken against an employee in the terms and conditions of employment.
5. Public Body - (a) the United States Congress, any state legislature, or any popularly elected local government body, or any member or employee thereof; (b) any federal, state, or local judiciary, or member or employee thereof; (c) any federal, state, or local regulatory, administrative or public agency or authority; (d) any federal, state, or local law enforcement agency, prosecutorial office, police or peace officer; or (e) any division, board, bureau, office, committee or commission of any public bodies described above.
6. Improper Activity - any activity by a University employee, volunteer, agent, or vendor/contractor which is a violation of federal, state, or local laws, rules, policies or regulations; is a serious violation of University policy; or uses University property, resources, or authority for personal gain or other non-University purpose except as provided under University policy.
7. False Allegation – Any employee or volunteer who knowingly or with reckless disregard for the truth gives false information or knowingly makes a false report of improper activity or a subsequent false report of retaliation shall be subject to disciplinary action, up to and including termination. Any student who makes false allegations in the non-employment setting shall be subject to student code of conduct for disposition. Allegations that are not substantiated yet are made in good faith are not subject to corrective action.

REPORTING ALLEGATIONS OF SUSPECTED IMPROPER ACTIVITIES

1. Any individual may report a suspected improper activity. Individuals are encouraged to report improper activities in writing, although they may be made orally. Any such reports should be based on facts, rather than speculation, and should contain as much specific information as possible to allow for an effective investigation. The “Fraud, Waste & Abuse Report Form” is available on the University website in Word Document format and electronic format for anonymous submission directly to the URO.
2. Under normal circumstances, reports by employees of suspected improper activities should be made to the employee's immediate supervisor or to the appropriate

Westfield State University

Policy concerning:

APPROVED: October 2005

Section Administrative

Number 0440

Page 3 of 5

REVIEWED: June 2019

administrator within the employee's department or division. In instances where there exists a potential conflict of interest or to ensure confidentiality, an individual may report suspected activity to a University administrator who has responsibility for, or oversight of, the unit in which the suspected activity occurred or to the URO. The URO's contact information is available on the University's Risk Management webpage.

When a report involves the activities of a senior officer or the URO, the report should be made directly to the President of the University. The President shall inform the Audit Committee Chair of any reports involving senior officers or the URO. All reports involving alleged improper activities by the President shall be reported to the Audit Committee Chair and the Chair of the Board of Trustees.

It is important that all faculty and staff, particularly those in a supervisory role, recognize that any complaint or allegation, formal or informal, may constitute a report of improper activity.

3. Administrators and supervisors who receive reports of alleged improper activity should report that information to their supervisor, appropriate administrative official or the URO as soon as practicable. In circumstances where the alleged improper activity is a minor violation of a rule or regulation it may be appropriate for the supervisor to investigate the alleged activity. When a supervisor is uncertain how the report should be investigated, the supervisor is encouraged to seek guidance and direction from supervisors, the URO and University administrators. When in doubt, supervisors receiving reports should err on the side of reporting to the URO or supervisor. Administrators and supervisors shall report to the URO any alleged improper activities which involve possible criminal acts, the misuse of University resources, or a significant threat to the health and safety of the University community.
4. Individuals are required to report alleged improper activities to the appropriate University official as described in the preceding sections 1, 2 and 3 prior to disclosing the matter to a public body, unless the individual is reasonably certain the activity is known to a supervisor and is an emergency, or the individual reasonably fears physical harm will result from disclosing the activity to a University official, or the disclosure is for the purpose of providing evidence of a crime. Such notice to the supervisor or appropriate University official must be made in writing prior to notification of a public body. In the event an individual does not comply with this section 4, the individual shall not be protected by this policy.
5. Several University departments, public safety and human resources for example, have responsibility for conducting investigations of improper activities. Based on the nature of the alleged improper activity, other departments may become involved in, or responsible for, an investigation. The URO shall consult with university

Westfield State University

Policy concerning:

APPROVED: October 2005

| | |
|-----------|----------------|
| Section | Administrative |
| Number | 0440 |
| Page | 4 of 5 |
| REVIEWED: | June 2019 |

departments as deemed appropriate and/or seek consultation with the Vice President for Administration and Finance to determine a department's role in the investigation. Reports involving the President shall be investigated by the Board of Trustees. All University employees are required to cooperate fully with any investigation into improper activities. The URO shall assure that appropriate University officials have been apprised of the allegations and the progress of the investigation. At the conclusion of the investigation the URO or the investigating officer may recommend corrective action and shall ensure that, where required, notification is provided to appropriate governmental bodies. All reports and final outcomes are submitted to the Audit Committee Chair and the Vice President for Administration & Finance and kept on file with the URO.

6. If the employee assigned as the URO is unavailable to perform this function for an extended period of time (e.g., family or medical leave, leave of absence, vacancy), the Assistant Vice President of Human Resources will automatically fulfill this function unless otherwise determined by the Vice President of Administration and Finance and the Chair of the Audit Committee. The campus community will be notified and the risk management website will be updated within 2 business days if the URO is unavailable and the Assistant Vice President of Human Resources will temporarily fulfill this function.

PROTECTION FROM RETALIATION/ADVERSE PERSONNEL ACTION

1. Westfield State University is committed to protecting individuals from retaliation for having disclosed alleged improper activities. No retaliatory action may be taken against an individual who, consistent with this policy, reports improper activities or participates in an investigation of suspected improper activities. Further, no adverse personnel action may be taken with respect to any employee who objects to, or refuses to participate in any activity, policy or practice which the employee reasonably believes is in violation of a law, or a regulation promulgated pursuant to law, or which the employee reasonably believes poses a risk to public health, safety, or the environment.
2. Whenever an individual believes that retaliatory action has been taken against the individual for one of the reasons stated in Section 1 above, the individual shall file a complaint with the URO. The complaint shall be filed in writing within 10 days of the date the alleged retaliation occurred. The URO shall meet with the individual within 10 days of receipt of the complaint, conduct such investigation as the URO deems appropriate, and whenever possible, render a decision in writing within 10 days of the meeting. The decision shall set forth a finding whether retaliation took place, and, if so, what remedy shall be undertaken. Any action or decision taken or made shall be reported to the Chair of the Audit Committee.

Westfield State University

Policy concerning:

APPROVED: October 2005

Section Administrative

Number 0440

Page 5 of 5

REVIEWED: June 2019

3. Nothing in this policy shall be deemed to limit the rights, privileges or remedies of any individual under any federal or state law or regulation, or of any employee under any collective bargaining agreement.

REVIEW

This policy shall be reviewed, at a minimum, every three years by the Audit Committee Chair in conjunction with the Vice President of Administration and Finance.



Board of Trustees

October 10, 2019

MOTION

To eliminate the American Recovery and Reinvestment Act (ARRA) Funds Policy (0520) as it is no longer applicable.

Kevin R. Queenin, Chair

Date

Westfield State University

Policy concerning:

Section Administrative

number 0520

page 1 of 5

APPROVED: October 2010

REVIEWED:

American Recovery and Reinvestment Act (ARRA) Funds Policy

Policy

It is the policy of Westfield State University (WSU) to comply with all federal, state and grant required directives, policies and procedures. The receipt of the American Recovery and Reinvestment Act (ARRA) funds places reliance on WSU Internal Controls and Procedures. In addition, the receipt of the ARRA funds requires the review and assurance that the WSU Internal Control Plan provides for the following ARRA grant specific compliance. This policy and the related procedures provide for the ARRA grant required controls.

Statement of Purpose

- To comply with regulations, performance and reporting requirements, the university will designate personnel to serve as the lead on the award, perform the administrative duties and reporting associated with the ARRA funds receipt and disbursement.
- To ensure that all employees involved with ARRA funds are notified, support and comply with the related requirements, notices will be provided to impacted parties, with updates, guidance and follow up monitoring.
- To ensure that ARRA awards and related expenditures are accounted for separately from other federal activities, and reported separately, and to provide transparency and accountability, the ARRA funds will be accounted for separately.
- To ensure oversight of the receipt and disbursement of the ARRA funds, the regulations relating to the administration and the actual use of the ARRA funds will be monitored and reported on periodically.

Purpose

To provide procedures to insure compliance with the University's ARRA Funds Policy. These procedures include internal control steps, administration, communication, reporting and monitoring related to the oversight of the ARRA Funds.

Procedure Guidelines

The University Internal Control Plan Policies and Procedures will be updated in order to comply with all applicable requirements of the American Recovery and Reinvestment Act (ARRA) by inclusion of the ARRA Policy, these procedures and additional changes where deemed necessary.

Westfield State University

Policy concerning:

Section Administrative

number 0520

page 2 of 5

APPROVED: October 2010

REVIEWED:

The University records will be updated to separately track ARRA records and funds

- Communication, documents, financial data and reports regarding the stimulus funds will be saved in a separate location designated for ARRA.
- Hard copy documents will be maintained in the Administration and Finance Division offices. Electronic documents will be saved to the Administration and Finance shared drive.
- Emails relating to ARRA funds will be so noted in the subject line.

Administration and oversight responsibilities:

- In lieu of any specific ARRA requirements, administrative and oversight authority will follow established university policies and procedures as directed by the Massachusetts Office of the State Comptroller.
- Security profiles will follow existing guidelines unless otherwise specified by ARRA guidelines.
- The university will designate an ARRA approver to oversee, review and approve ARRA activity.

Procedure for separate ARRA coding to track all inflows and outflows:

- A separate fund has been set up in the general ledger for ARRA activity.
- Each catalog of federal domestic assistance (CFDA) will be assigned a separate appropriation line within the Massachusetts Managements Accounting and Reporting System (MMARS) system.
- A separate revenue code will distinguish ARRA funds received from other appropriations and revenue streams.
- Separate program codes will be used, as necessary, within the fund to segregate individual projects/proposals.
- Approval of ARRA expenditures will be approved by the initiator following existing university policies and procedures. A final review and approval will be performed by a designated ARRA approver for all expenditures relating to an ARRA project. Currently, the designated ARRA approver is the Vice President of Administration and Finance.

Westfield State University

Policy concerning:

Section Administrative

number 0520

page 3 of 5

APPROVED: October 2010

REVIEWED:

-
- All ARRA transactions will be processed through the Commonwealth's MMARS financial system using unique revenue source codes, program codes, receivable codes and location codes as established by the Massachusetts Office of the State Comptroller.
 - All ARRA transactions will be reconciled and interfaced into the university's accounting system, Banner Finance System and where applicable the Banner Student Records System.

Procedures for records management: tracking ARRA records, retention and accessibility, security of personal information (electronic and paper), including emails, correspondence, approvals, narratives:

- All ARRA records, documentation, etc. will be kept in one central location in the Administration and Finance Division offices.
- Record retention will follow applicable statutory requirements. Absent specific ARRA guidance, record retention will follow existing state regulation.

Internal data systems content/security; data reliability/integrity and security (MMARS)

- ARRA transactions will be processed in MMARS as required by the Massachusetts Office of the State Comptroller.
- The transaction will then be reviewed, reconciled and interfaced into the university's Banner general ledger system.
- Access to both systems will be granted on an as needed basis following established university protocol.

Decision making; justification, priority setting, disbursement justification approvals

- Decisions surrounding the potential use of ARRA funds should consider the three major principles guiding the expenditure of ARRA funds.
 - i. Funds should be spent quickly to save or create jobs.
 - ii. There should be transparency and accountability to ensure accurate and timely reporting on the use of ARRA funds.

Westfield State University

Policy concerning:

Section Administrative

number 0520

page 4 of 5

APPROVED: October 2010

REVIEWED:

-
- iii. should be given to any onetime expenditures in order to minimize any adverse effect on the budget when the funds are depleted.
 - ARRA funds will be used for education and general expenses in such a way as to mitigate any potential fee increases.
 - ARRA funds may not be used:
 - i. To increase the university endowment
 - ii. To maintain existing equipment or facilities
 - iii. To renovate or repair any athletic facilities or facilities that charge admission to the general public
 - iv. To renovate or repair any facilities used (either fully or substantially) for sectarian instruction or religious worship.
 - v. In any instance where it violates, or potentially violates, the Commonwealths regulations.
 - Spending Proposals will be developed for each potential ARRA project. These proposals will include intended use of the funds, performance goals, and criteria to measure those goals.
 - Proposals must indicate the connection to the university's mission, benefits to the mission and include measurable objectives that results can be weighed against.
 - Spending Proposals will then be prioritized and reviewed by the Vice President of Administration and Finance and the Vice President of Academic Affairs. Recommendations will then be forwarded to the President for final approval
 - Spending proposals will include a budget. Any changes to the original budget must be approved by the designated ARRA approver.
 - Disbursement activity will follow established College protocol as stated above.

Disbursement documents (contracts, ISAs invoices, payments, sub recipient data, reporting.)

- ARRA disbursements will be processed using the standard state contracts, invoices, and payment forms unless other forms are specifically required.
- Existing internal university documents will be used and will follow existing university guidelines.

Westfield State University

Policy concerning:

Section Administrative

number 0520

page 5 of 5

APPROVED: October 2010

REVIEWED:

-
- All ARRA documents will be submitted to the designated ARRA approver for final review before processing.

Reporting requirements, goal and performance verification and evaluations

- Interim reporting of ARRA transactions will follow the guidelines and timelines as established by the Massachusetts Office of the State Comptroller.
- Interim reports will be reviewed and approved by the Vice President of Administration and Finance prior to submission to the State.
- Interim reports should include information such as (but not limited to) the amount of ARRA funds received, how those funds were distributed and used, the number of jobs saved, any tuition and fee increase, enrollment data as prescribed by the Comptroller, a description of other projects funded by ARRA funds.
- At the conclusion of ARRA projects a final report will be prepared by the project initiator and submitted to the Vice President of Administration and Finance for review and to the President for final approval. The report should include a project narrative, budget (original and final), a comparison of project goals to actual accomplishments and other pertinent information. Results of the project will be verified and evaluated.

Review

This policy is supplemented with the related ARRA Procedures. This policy shall be reviewed by the Vice President of Administration and Finance, and updated as necessary.



Board of Trustees

October 10, 2019

MOTION

To eliminate the Student Short-Term Loans Policy (0120) as it is no longer applicable.

Kevin R. Queenin, Chair

Date

Westfield State University

Policy concerning:

Section Administrative

number 0120

page 1 of 1

APPROVED: March 1991

REVIEWED: April 2007

STUDENT SHORT-TERM LOANS

PURPOSE

This document provides guidelines for loans primarily for books and supplies.

POLICY

1. Student Loan Guidelines are as follows:
 - a. Loans will be made only to students who have sufficient financial aid on account for the current semester to cover the loan.
 - b. Loans will be made only to "cleared" students. Loans will be made up to \$200.00. Students may receive one (1) student short-term loan per semester.
 - c. All loans will be processed through the weekly accounts payable check run and disbursed Friday morning. Hand written checks will not be issued.
 - d. Loans will be disbursed beginning the second week of the semester.
 - e. The Director of Student Accounts, under special circumstances, may waive any of these guidelines.

REVIEW

This policy will be reviewed annually by the Vice President for Administration and Finance.

Assessing Potential for an Inspirational Campaign: **Westfield State University**

Kathy Howrigan
Senior Consultant & Principal

Myrna Ghorayeb
Associate Consultant

Brian A. Zive
Consultant, Analytical Solutions

Agenda

Phase I Overview

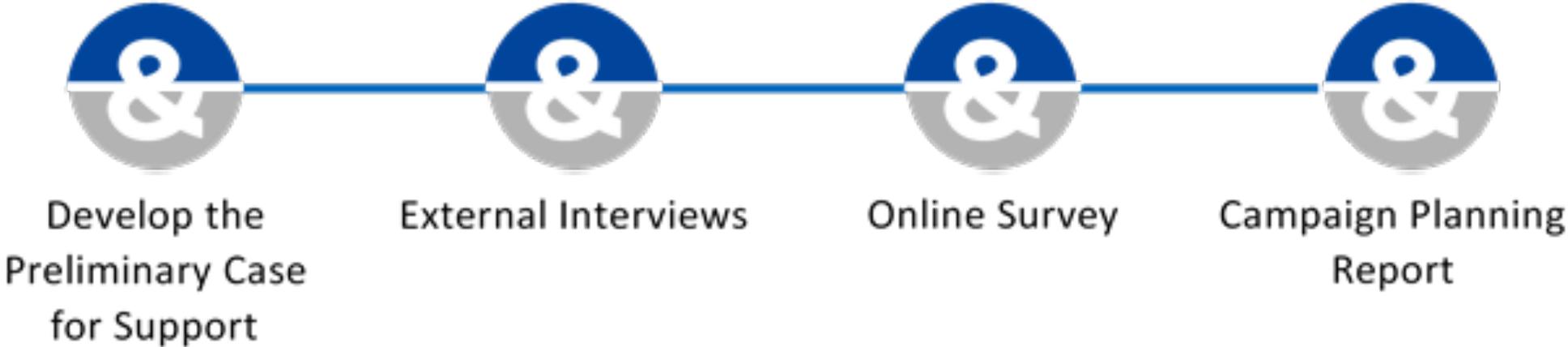
Yield Analysis

Overall Recommendations

Next Steps

Phase I Overview

Overview



Phase I Objectives

Identify strengths and challenges in WSU's fundraising programs.

Identify areas of concern and potential obstacles; provide recommendations to address.

Provide initial recommendations for any staffing changes.

Provide recommendations for training/coaching on specific topics.

Internal Assessment

- WSU has a strong vision and future to share with constituents.
- Advancement is under resourced for a campaign.
- Shared understanding and organizational effectiveness is a work in progress.
- Significant improvement in data quality yet challenges remain.
- WSU will need a comprehensive multi-year plan for Advancement.

Trends Analysis

Comprehensive look at the historical trends in fundraising program.
Provides a historical perspective of fundraising achievement.

- WSU has seen significant growth in leadership and major gift revenue in the past three fiscal years.
- WSU has had a significant decrease in donors – particularly alumni donors.

Benchmarking

Compares WSU with 14 similar and aspirant public universities. Analyzes data from the Council for Advancement and Support of Education (CASE) Voluntary Support of Education (VSE) survey.

- WSU is relatively smaller than the cohort institutions on several measures, including enrollment and student body.
- WSU ranks below the cohort for most measures, in particular, alumni giving as a portion of total giving.

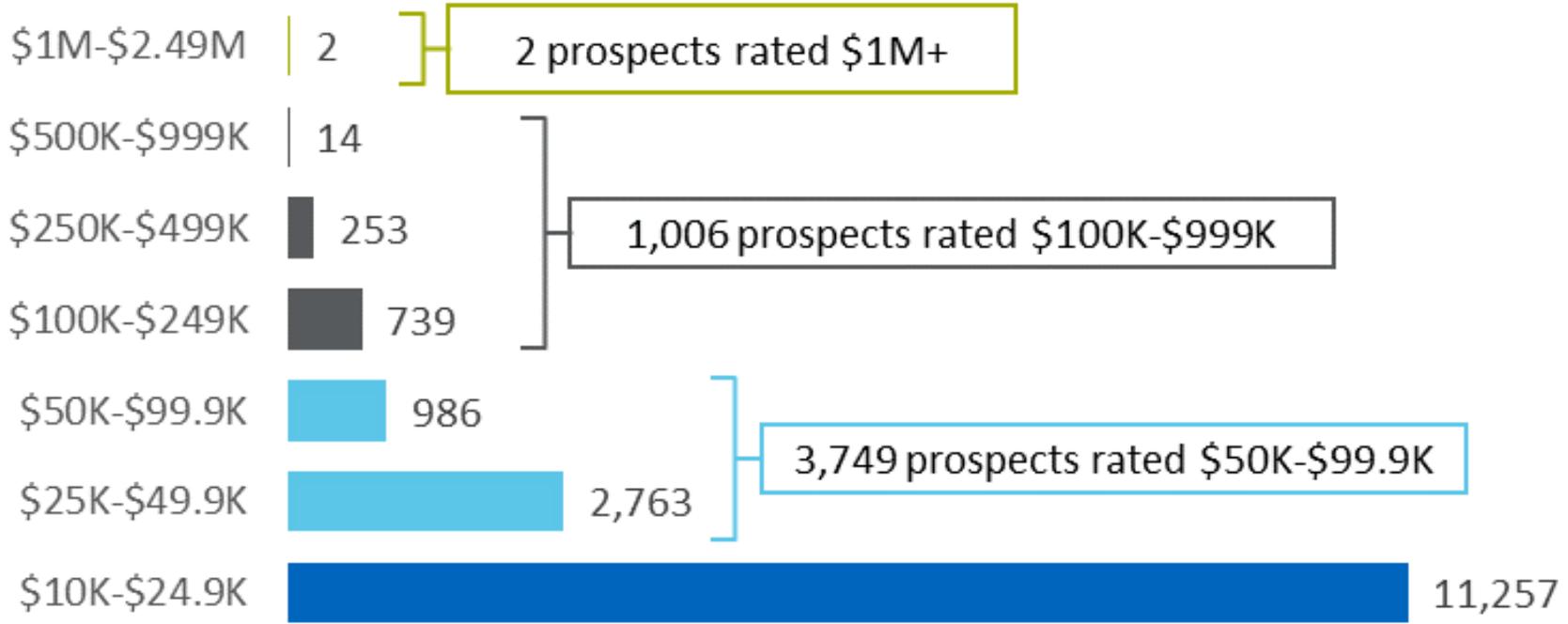
Yield Analysis

Yield Analysis Methodology

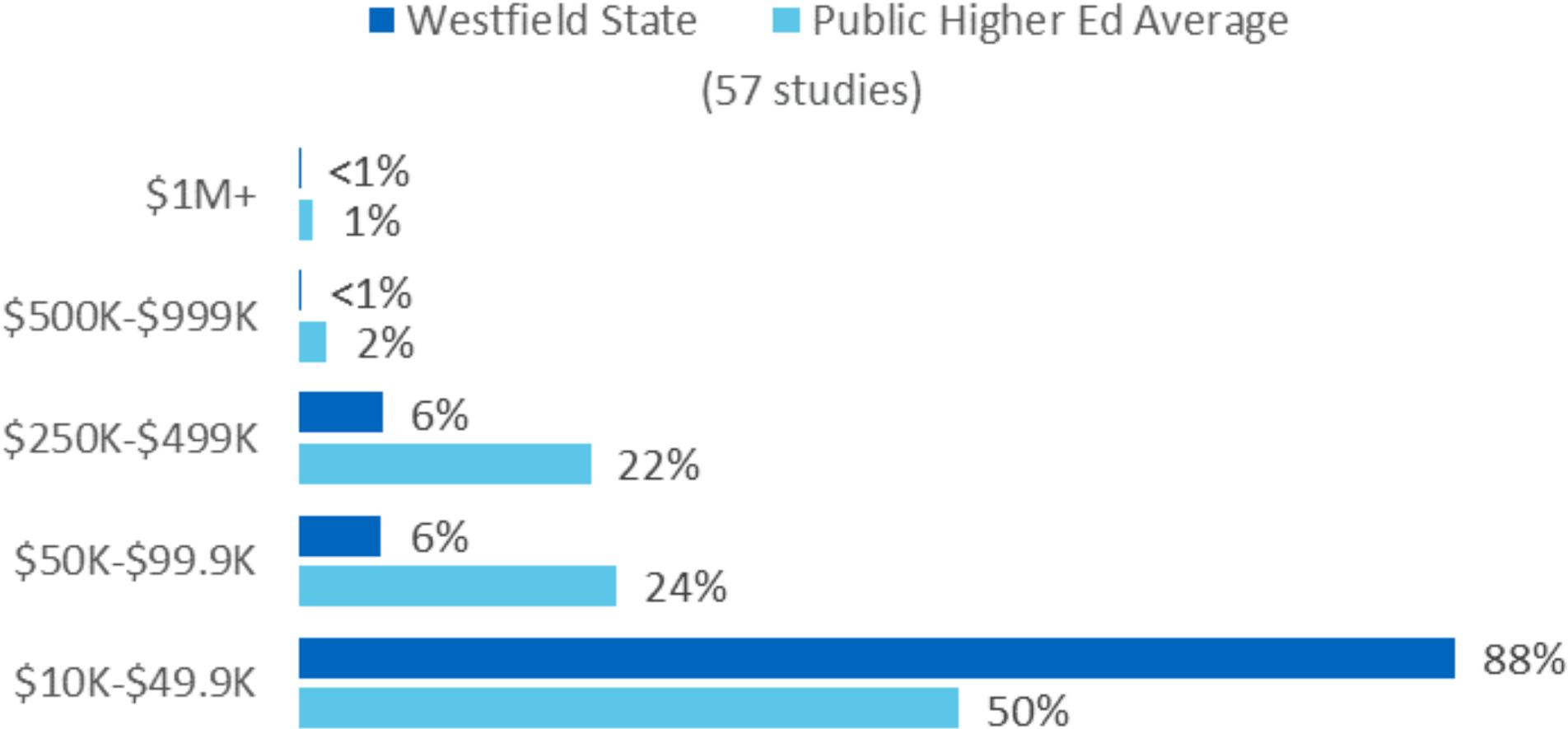


Prospect Segmentation – by Capacity

- Westfield State has 16,014 prospects with major gift capacity.
- Only two prospects have \$1 million+ in capacity.



Prospect Capacity Benchmarking



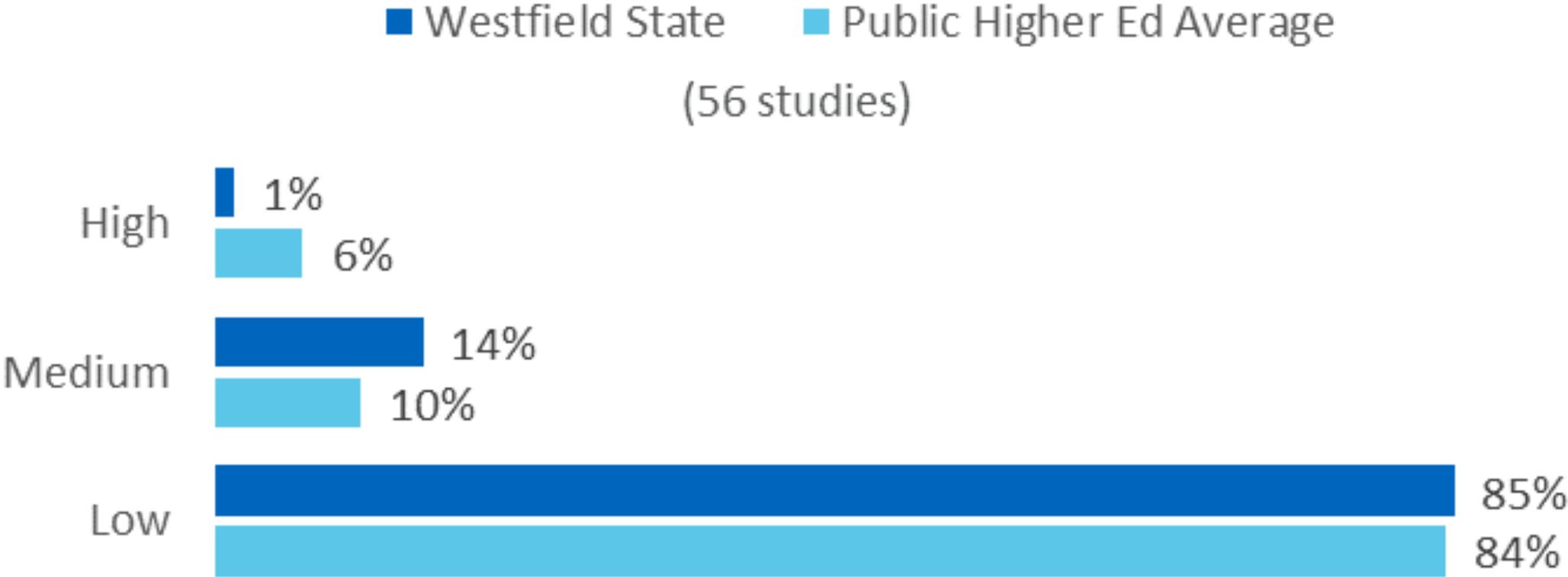
Prospect Segmentation – By Affinity



Likelihood

| | | |
|--------|--------|-----|
| High | 229 | 1% |
| Medium | 2,218 | 14% |
| Low | 13,567 | 85% |

Prospect Affinity Benchmarking



Prospect Segmentation by Capacity and Affinity

| Prospects by Capacity and Likelihood | | | | |
|--------------------------------------|---------------|------------|--------------|---------------|
| Capacity | Prospects | Likelihood | | |
| | | High | Medium | Low |
| \$1M-\$2.49M | 2 | 1 | 0 | 1 |
| \$500K-\$999K | 14 | 0 | 1 | 13 |
| \$250K-\$499K | 253 | 2 | 26 | 225 |
| \$100K-\$249K | 739 | 15 | 80 | 644 |
| \$50K-\$99.9K | 986 | 14 | 128 | 844 |
| \$25K-\$49.9K | 2,763 | 44 | 435 | 2,284 |
| \$10K-\$24.9K | 11,257 | 153 | 1,548 | 9,556 |
| Total | 16,014 | 229 | 2,218 | 13,567 |

Yield Analysis Methodology



Risk Adjustment

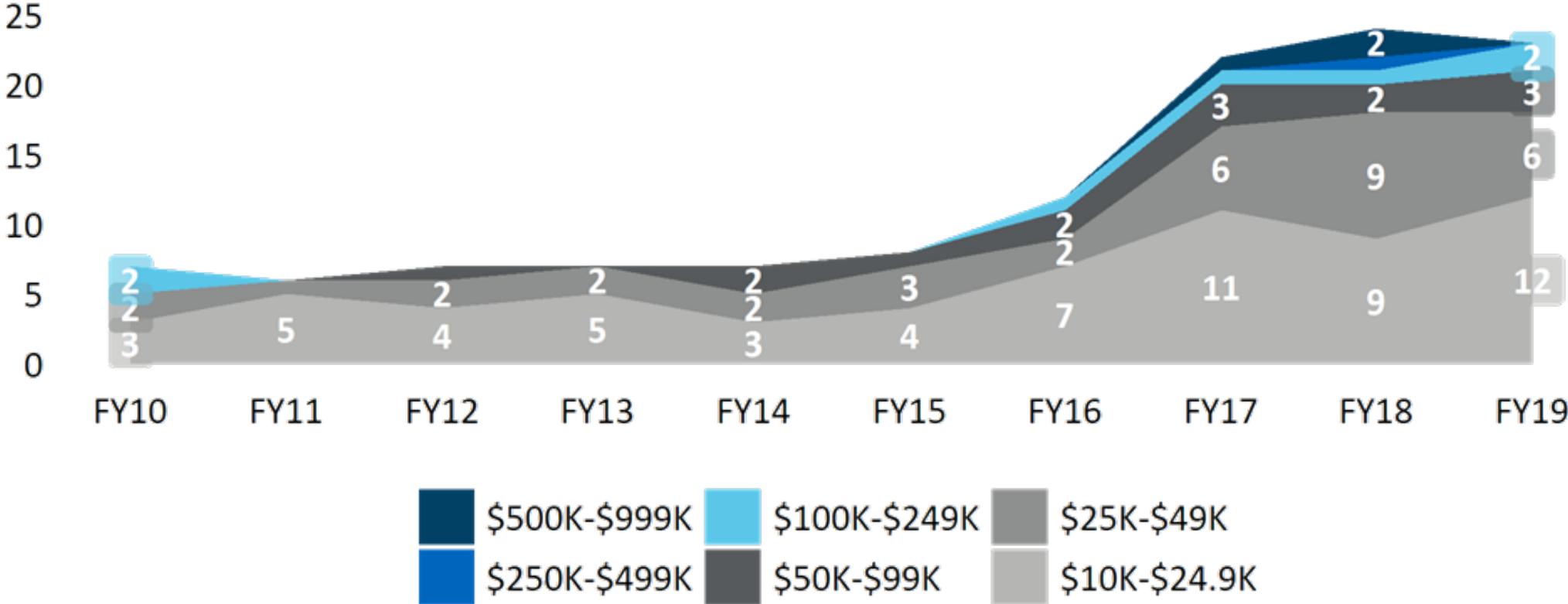
Prospects Aggregate Base Capacity



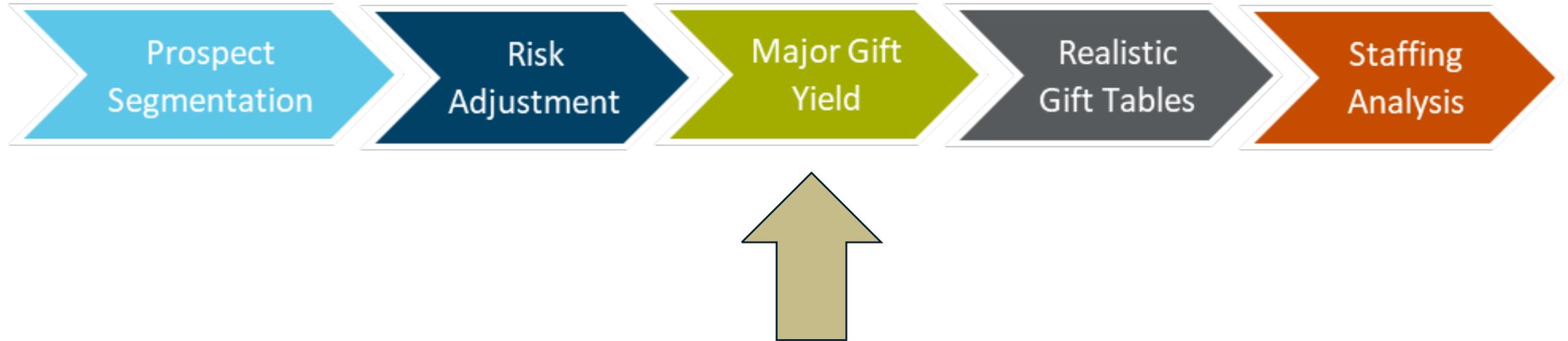
How much of this will you capture?

| Risk Adjustment | | | |
|---------------------|-----------|-----------------|-----------------------|
| Prospect Likelihood | Prospects | Conversion Rate | Full Donor Equivalent |
| High | 229 | 15% | 34.35 |
| Medium | 2,218 | 5% | 110.9 |
| Low | 13,567 | 1% | 135.67 |

Risk Adjustment



Yield Analysis Methodology



Major Gift Yield

- **Marts & Lundy projects potential individual major gift yield of \$6.6 million to \$10.7 million over the course of a campaign.**
- This range is based on new gifts and new pledges, where pledges are typically payable over a five-year period.

| Projected Major Gift Yield | | | | |
|----------------------------|---------------|-----------------------|----------------|-----------------|
| Capacity | Prospects | Full Donor Equivalent | Low Yield | High Yield |
| \$1M+ | 2 | 0.16 | \$0.16M | \$0.28M |
| \$500K-\$999K | 14 | 0.18 | \$0.09M | \$0.13M |
| \$250K-\$499K | 253 | 3.85 | \$0.96M | \$1.44M |
| \$100K-\$249K | 739 | 12.69 | \$1.27M | \$2.22M |
| \$50K-\$99.9K | 986 | 16.94 | \$0.85M | \$1.27M |
| \$25K-\$49.9K | 2,763 | 51.19 | \$1.28M | \$1.92M |
| \$10K-\$24.9K | 11,257 | 195.91 | \$1.96M | \$3.43M |
| Total | 16,014 | 281 | \$6.57M | \$10.70M |

Products and totals may not equal the sum or product of their parts due to rounding.

Yield Analysis Methodology



Realistic Gift Tables and Gift Pyramids

\$10M Gift Pyramids

\$20M Gift Pyramid



\$10 Million Broad Gift Table

| \$10 Million Broad Gift Table | | | | | | | |
|-------------------------------|--------------|------------------|----------------------|------------------|----------------|------------------|-----------------------|
| Gift Level | Gifts Needed | Prospects Needed | Prospects Identified | Prospect Surplus | Total | Cumulative Total | Cumulative % of Total |
| \$1M | 1 | 4 | 2 | -2 | \$1.0M | \$1.0M | 10% |
| \$500K | 2 | 8 | 14 | 6 | \$1.0M | \$2.0M | 20% |
| \$250K | 8 | 32 | 253 | 221 | \$2.0M | \$4.0M | 40% |
| \$100K | 20 | 80 | 739 | 659 | \$2.0M | \$6.0M | 60% |
| \$50K | 30 | 150 | 986 | 836 | \$1.5M | \$7.5M | 75% |
| \$25K | 60 | 300 | 2,763 | 2,463 | \$1.5M | \$9.0M | 90% |
| \$10K | 100 | 500 | 11,257 | 10,757 | \$1.0M | \$10.0M | 100% |
| Total | 221 | 1,074 | 16,014 | 14,940 | \$10.0M | \$10.0M | 100% |

\$10 Million Broad Gift Table – by Likelihood

| \$10 Million Broad Gift Table by Prospect Likelihood | | | | | | | |
|------------------------------------------------------|--------------|------------------|-----------------|-------------|-------------------|-------------------------|-----------------------------------|
| Gift Level | Gifts Needed | Prospects Needed | High Likelihood | | Medium Likelihood | | Low Likelihood |
| | | | Identified | Surplus | Identified | Surplus (High + Medium) | Additional to Qualify & Cultivate |
| \$1M | 1 | 4 | 1 | -3 | 0 | -3 | 1 |
| \$500K | 2 | 8 | 0 | -8 | 1 | -7 | 13 |
| \$250K | 8 | 32 | 2 | -30 | 26 | -4 | 225 |
| \$100K | 20 | 80 | 15 | -65 | 80 | 15 | 644 |
| \$50K | 30 | 150 | 14 | -136 | 128 | -8 | 844 |
| \$25K | 60 | 300 | 44 | -256 | 435 | 179 | 2,284 |
| \$10K | 100 | 500 | 153 | -347 | 1,548 | 1,201 | 9,556 |
| Total | 221 | 1,074 | 229 | -845 | 2,218 | 1,373 | 13,567 |

\$10 Million Narrow Gift Table

| \$10 Million Narrow Gift Table | | | | | | | |
|--------------------------------|--------------|------------------|----------------------|------------------|----------------|------------------|-----------------------|
| Gift Level | Gifts Needed | Prospects Needed | Prospects Identified | Prospect Surplus | Total | Cumulative Total | Cumulative % of Total |
| \$1M | 1 | 4 | 2 | -2 | \$1.0M | \$1.0M | 10% |
| \$500K | 4 | 16 | 14 | -2 | \$2.0M | \$3.0M | 30% |
| \$250K | 12 | 48 | 253 | 205 | \$3.0M | \$6.0M | 60% |
| \$100K | 18 | 72 | 739 | 667 | \$1.8M | \$7.8M | 78% |
| \$50K | 22 | 110 | 986 | 876 | \$1.1M | \$8.9M | 89% |
| \$25K | 30 | 150 | 2,763 | 2,613 | \$0.75M | \$9.65M | 97% |
| \$10K | 35 | 175 | 11,257 | 11,082 | \$0.35M | \$10.0M | 100% |
| Total | 122 | 575 | 16,014 | 15,439 | \$10.0M | \$10.0M | 100% |

\$10 Million Narrow Gift Table – by Likelihood

| \$10 Million Narrow Gift Table by Prospect Likelihood | | | | | | | |
|-------------------------------------------------------|--------------|------------------|-----------------|-------------|-------------------|-------------------------|-----------------------------------|
| Gift Level | Gifts Needed | Prospects Needed | High Likelihood | | Medium Likelihood | | Low Likelihood |
| | | | Identified | Surplus | Identified | Surplus (High + Medium) | Additional to Qualify & Cultivate |
| \$1M | 1 | 4 | 1 | -3 | 0 | -3 | 1 |
| \$500K | 4 | 16 | 0 | -16 | 1 | -15 | 13 |
| \$250K | 12 | 48 | 2 | -46 | 26 | -20 | 225 |
| \$100K | 18 | 72 | 15 | -57 | 80 | 23 | 644 |
| \$50K | 22 | 110 | 14 | -96 | 128 | 32 | 844 |
| \$25K | 30 | 150 | 44 | -106 | 435 | 329 | 2,284 |
| \$10K | 35 | 175 | 153 | -22 | 1,548 | 1,526 | 9,556 |
| Total | 122 | 575 | 229 | -346 | 2,218 | 1,872 | 13,567 |

\$10 Million Gift Tables Comparison

| Measure | \$10M Broad | \$10M Narrow | Difference |
|--------------------------------------------|--------------|--------------|------------------|
| \$1M Gifts | 1 | 1 | - |
| \$500K Gifts | 2 | 4 | 2 more |
| \$250K Gifts | 8 | 12 | 4 more |
| \$100K Gifts | 20 | 18 | 2 fewer |
| \$50K, \$25K, and \$10K Gifts | 190 | 87 | 103 fewer |
| Total Gifts Needed | 221 | 122 | 99 fewer |
| Prospects Needed | 1,074 | 575 | 499 fewer |
| Goal Achieved From Gifts of \$100K+ | 60% | 78% | +18% |



Gifts Tables Summary

| Gift Tables Summary | | | |
|-------------------------------------|--------------|--------------|------------|
| Measure | \$10M Broad | \$10M Narrow | \$20M |
| \$5M Gifts | 0 | 0 | 1 |
| \$1M Gifts | 1 | 1 | 5 |
| \$500K Gifts | 2 | 4 | 8 |
| \$250K Gifts | 8 | 12 | 10 |
| \$100K Gifts | 20 | 18 | 14 |
| \$50K Gifts | 30 | 22 | 24 |
| \$25K Gifts | 60 | 30 | 36 |
| \$10K Gifts | 100 | 35 | 0 |
| Total Gifts Needed | 221 | 122 | 98 |
| Prospects Needed | 1,074 | 575 | 452 |
| Percent of goal from lead gift(s) | 10% | 10% | 25% |
| Goal achieved from gifts of \$100K+ | 60% | 78% | 90% |

Yield Analysis Methodology



Staffing Analysis

At optimal productivity levels, Westfield State will need at least 5 FTEs dedicated to major and principal gift fundraising.

| Productivity Assumptions | | | | |
|---------------------------------|----------------|------------------|-------------------------|--------------|
| Role | Portfolio Size | Visits per Month | Solicitations per Month | Closure Rate |
| Principal Gift Officers | 75 | 5 | 1 | 70% |
| Experienced Major Gift Officers | 125 | 10 | 1.5 | 35% |
| New Major Gift Officers | 100 | 12 | 1 | 25% |

Recommendations

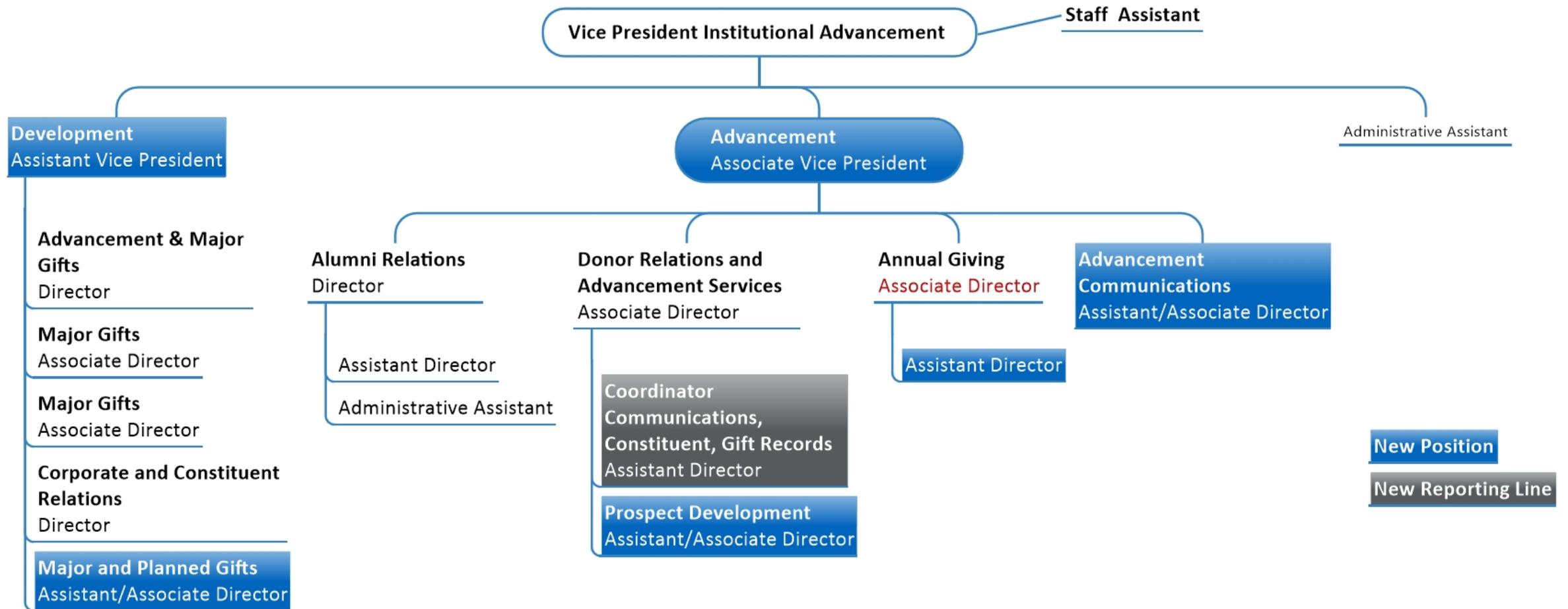
Overall Recommendations

- Build and test a case for support for WSU.
- Develop a comprehensive multi-year plan for advancement.
- Create key success indicators:
 -
 -
 -

Overall Recommendations

- Create strategic engagement plans for key constituencies and programs including:
 -
 -
 -
- Hire key staff across development functions.

Advancement Staffing



Next Steps

Next Steps



Internal Assessment
With Trends Analysis



Benchmarking



Yield Analysis



Campaign
Readiness Report



Develop the
Preliminary Case
for Support



External Interviews



Online Survey



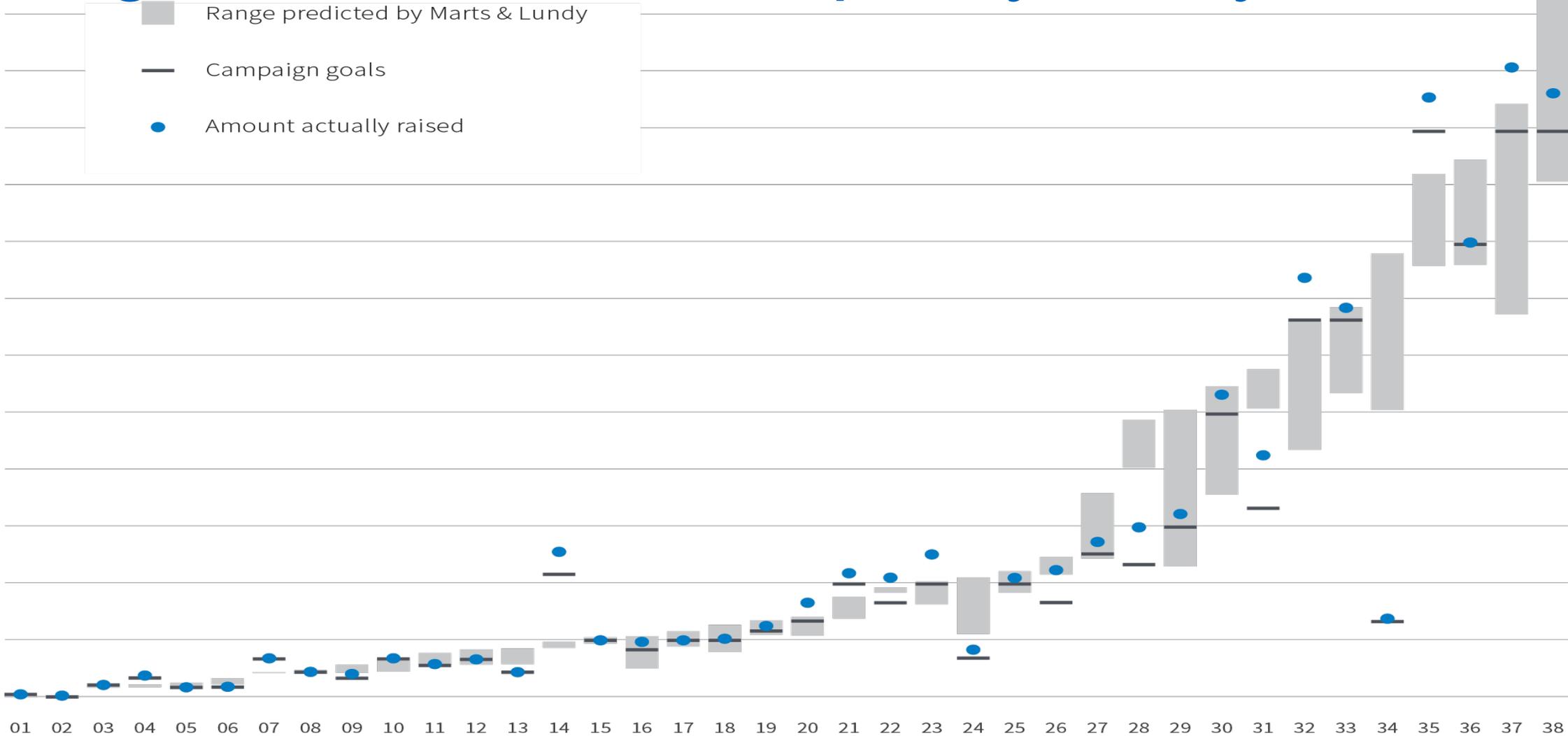
Campaign Planning
Report

Questions and Conversation

Prospect Segmentation Confirmation

| Statistics by Likelihood Rating | High | Medium | Low |
|---------------------------------|------------|--------------|-------------|
| Prospects | 220 | 2,233 | 13,561 |
| Total Lifetime Giving | \$3.9M | \$2.1M | \$0.9M |
| Average Lifetime Giving | \$17,700 | \$950 | \$65 |
| Average Largest Gift | \$11,350 | \$550 | \$80 |
| Average Number of Gifts | 45 | 9 | 1.5 |
| Average Giving Last Three Years | \$14,828 | \$254 | \$2 |
| Average Time Since Last Gift | 11 months | 30 months | 14.5 years |
| Donors in Last Three Years | 206 (94%) | 1,325 (59%) | 0 (0%) |
| Donors Lifetime | 220 (100%) | 2,233 (100%) | 5,653 (42%) |

Significance of the Capacity Analysis





Board of Trustees

October 10, 2019

MOTION

To accept the annual report for fiscal year ending June 30, 2019, as prepared by the university's Administration and Finance Division and to authorize the submission of this report to the State Comptroller's Office, the Massachusetts Department of Higher Education, and the State Auditor's Office, as required by the Massachusetts Department of Higher Education. This annual report includes the Westfield State University FY19 Financial Statements, audited by O'Connor & Drew, P.C.

Kevin R. Queenin, Chair

Date

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

**FINANCIAL STATEMENTS AND
MANAGEMENT'S DISCUSSION AND ANALYSIS**

JUNE 30, 2019

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

**Financial Statements and
Management's Discussion and Analysis**

June 30, 2019

C O N T E N T S

| | |
|--------------------------------------------------------------------------|-------|
| Independent Auditors' Report | 1-2 |
| Management's Discussion and Analysis (Unaudited) | 3-17 |
| Financial Statements: | |
| Statements of Net Position | 18 |
| Statements of Revenues and Expenses | 19 |
| Statements of Cash Flows | 20-21 |
| Notes to the Financial Statements | 22-61 |
| Required Supplementary Information: | |
| Schedule of Proportionate Share of the Net Pension Liability (Unaudited) | 62 |
| Schedule of Contributions – Pension (Unaudited) | 63 |
| Notes to the Required Supplementary Information – Pension (Unaudited) | 64-65 |
| Schedule of Proportionate Share of Net OPEB Liability (Unaudited) | 66 |
| Schedule of Contributions – OPEB (Unaudited) | 67 |
| Notes to the Required Supplementary Information – OPEB (Unaudited) | 68 |

Supplemental Information:

Schedules of Net Position - Dormitory Trust Fund Report (Unaudited) 69

Schedules of Revenues, Expenses and Change in Net
Position - Dormitory Trust Fund Report (Unaudited) 70

**Independent Auditors' Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters Based on
an Audit of Financial Statements Performed in Accordance
with *Government Auditing Standards*** 71-72

DRAFT

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
Westfield State University
Westfield, Massachusetts

Report on the Financial Statements

We have audited the accompanying financial statements of Westfield State University (an agency of the Commonwealth of Massachusetts) (the “University”), and its discretely presented component unit, the Westfield State Foundation, Inc. (the “Foundation”), which comprise the statements of net position as of June 30, 2019 and 2018, the related statements of revenues and expenses, changes in net position and cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise the University’s basic financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control.

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the University and its discretely presented component unit as of June 30, 2019 and 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Schedules

Our audit was conducted for the purpose of forming an opinion on the University's basic financial statements. The supplemental schedules listed in the accompanying table of contents, which is the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 10, 2019, on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

**Certified Public Accountants
Braintree, Massachusetts**

October 10, 2019

WESTFIELD STATE UNIVERSITY

(an agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis (Unaudited)

June 30, 2019

Introduction

The following discussion and analysis provides an overview of the financial position and results of operations of Westfield State University (the "University") for the fiscal year ended June 30, 2019, with comparative information for the year ended June 30, 2018. This discussion has been prepared by management along with the financial statements and footnotes. Since this analysis is designed to focus on current activities, resulting changes and currently known facts, it should be read in conjunction with the basic financial statements and notes thereto. The financial statements, footnotes and this discussion are the responsibility of management.

Westfield State University is a comprehensive public institution of higher learning with approximately 5,500 full time equivalent combined day and evening students. The campus is located in Westfield, Massachusetts and offers undergraduate majors in both the traditional arts and sciences and in professional fields with multiple options for discipline-specific or interdisciplinary minors and concentrations. There are also several graduate-level degree and certificate programs offered by the College of Graduate and Continuing Education. This broad range of graduate programs and undergraduate majors, minors, and concentrations reflect the commitment of Westfield State University to providing quality educational programs.

Financial Highlights

- The University's financial position decreased during the fiscal year ended June 30, 2019, with a \$5.8 million or 11.6% decrease in total net position. The decrease was related to recording expenses of \$3.6 million for postemployment benefits other than pensions ("OPEB") and an additional \$2.7 million of pension expense, which are net of contributions subsequent to the measurement date. The effects of these adjustments are described in more detail on pages 4 and 5 of this discussion and analysis. Net position, which represents the residual interest in the University's assets and deferred outflows after liabilities and deferred inflows of resources are deducted, decreased to \$44.5 million from \$50.3 million in 2018.
- Expenses incurred during fiscal year 2019 totaled \$136.7 million. Revenues from tuition and fees, state capital support and appropriations, grants, and other sources totaled \$130.9 million resulting in a decrease in net position of \$5.8 million. Expenses incurred during fiscal year 2018 totaled \$130.1 million. Revenues from tuition and fees, state capital support and appropriations, grants, and other sources totaled \$128.5 million resulting in a decrease in net position of \$1.6 million.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis (Unaudited) - Continued

June 30, 2019

Financial Highlights - Continued

- In June of 2015, GASB issued Statement 75 Accounting and Financial Reporting for Postemployment Benefits other than Pensions which was effective for fiscal years beginning after June 15, 2017. During the fiscal year ended June 30, 2018, the University implemented GASB 75. With the new reporting change, the University is allocated its proportionate share of the Commonwealth of Massachusetts State Employees' Retirement System's net OPEB liability, deferred outflows of resources, deferred inflows of resources and OPEB expense. A restatement to record the effects of the new reporting guidance decreased beginning net position in fiscal year 2018 by \$52,632,530.

GASB No. 68 – Accounting and Financial Reporting For Pensions and GASB No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions

GASB Statement No. 68, Accounting and Financial Reporting for Pensions, established standards for how governmental employers (and other entities) that contribute to state and local pension plans report liabilities and plan details on their financial statements. GASB 68 and its required disclosures were implemented in fiscal year 2015. GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions established standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense related to OPEB. The tables below show the financial statement impact of GASB 68 and GASB 75 in fiscal years 2019 and 2018:

| | 2019 | | |
|--------------------------------------------------|------------------------|------------------------|------------------------|
| | <u>Pension</u> | <u>OPEB</u> | <u>Total</u> |
| Statement of Net Position (Balance Sheet) | | | |
| Deferred outflows (like an Asset) | \$ 11,794,391 | \$ 20,472,180 | \$ 32,266,571 |
| Net liability (Non-Current Liability) | (35,031,695) | (61,531,987) | (96,563,682) |
| Deferred inflows (like a Liability) | (3,821,675) | (19,190,251) | (23,011,926) |
| Net position | <u>\$ (27,058,979)</u> | <u>\$ (60,250,058)</u> | <u>\$ (87,309,037)</u> |
| Statement of Revenues and Expenses | | | |
| Pension expense, net of subsequent contributions | \$ 2,725,512 | \$ - | \$ 2,725,512 |
| OPEB expense, net of subsequent contributions | - | 3,547,267 | 3,547,267 |
| Total | <u>\$ 2,725,512</u> | <u>\$ 3,547,267</u> | <u>\$ 6,272,779</u> |

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis (Unaudited) - Continued

June 30, 2019

GASB No. 68 – Accounting and Financial Reporting For Pensions and GASB No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions - Continued

| | 2018 | | |
|--------------------------------------------------|------------------------|------------------------|------------------------|
| | <u>Pension</u> | <u>OPEB</u> | <u>Total</u> |
| Statement of Net Position (Balance Sheet) | | | |
| Deferred outflows (like an Asset) | \$ 11,541,068 | \$ 12,724,309 | \$ 24,265,377 |
| Net liability (Non-Current Liability) | (31,945,217) | (62,133,611) | (94,078,828) |
| Deferred inflows (like a Liability) | (3,929,318) | (7,293,489) | (11,222,807) |
| Net position | <u>\$ (24,333,467)</u> | <u>\$ (56,702,791)</u> | <u>\$ (81,036,258)</u> |
| Statement of Revenues and Expenses | | | |
| Pension expense, net of subsequent contributions | \$ 2,211,432 | \$ - | \$ 2,211,432 |
| OPEB expense, net of subsequent contributions | - | 4,070,261 | 4,070,261 |
| Total | <u>\$ 2,211,432</u> | <u>\$ 4,070,261</u> | <u>\$ 6,281,693</u> |

The required reporting of the pension and OPEB liability on the financial statements of the University reduced the unrestricted net position as follows:

Effect of GASB 68 and GASB 75 on Unrestricted Net Position

| | <u>Without Pension/OPEB</u> | <u>Pension/ OPEB Adjustment</u> | <u>With Pension/OPEB</u> |
|-------------------------------------------------------|---------------------------------|-------------------------------------|------------------------------|
| Unrestricted net position, June 30, 2017, as restated | \$ 44,911,804 | \$ (74,754,565) | \$ (29,842,761) |
| Change in unrestricted net position for 2018 | <u>3,316,641</u> | <u>(6,281,693)</u> | <u>(2,965,052)</u> |
| Unrestricted net position, June 30, 2018 | \$ 48,228,445 | \$ (81,036,258) | \$ (32,807,813) |
| Change in unrestricted net position for 2019 | <u>3,740,287</u> | <u>(6,272,779)</u> | <u>(2,532,492)</u> |
| Unrestricted net position, June 30, 2019 | <u>\$ 51,968,732</u> | <u>\$ (87,309,037)</u> | <u>\$ (35,340,305)</u> |

The combined impact of the pension and OPEB liabilities for fiscal year 2019 and 2018 is a reduction in unrestricted net position of \$87.3 million and \$81.0 million, respectively.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis (Unaudited) - Continued

June 30, 2019

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the University's basic financial statements. Westfield State University's basic financial statements are comprised of two components: 1) the financial statements and 2) the notes to the financial statements.

The Financial Statements

The financial statements are designed to provide readers with a broad overview of Westfield State University's finances in a manner similar to a private-sector university. The University's financial report includes four financial statements: the *Statements of Net Position*, the *Statements of Revenues and Expenses and Changes in Net Position* and the *Statements of Cash Flows*.

These statements have been prepared in accordance with Government Accounting Standards Board (GASB) principles. These principles establish standards for external financial reporting for public colleges and universities and require that financial statements be presented on a consolidated basis to focus on the institution. A description of the financials is as follows:

The Westfield State Foundation, Inc. (the 'Foundation'), a component unit of the University, is an independent not-for-profit corporation operated exclusively for charitable, scientific, and educational purposes for the benefit of the University. The financial information of the Foundation has been discretely presented and included within these financial statements because of the nature and significance of their relationship with the University. Complete financial statements for the Foundation can be obtained from their administrative office in Westfield, Massachusetts.

The *Statements of Net Position* presents the financial position of the University at the end of the fiscal year and includes all assets and deferred outflows of resources less liabilities and deferred inflows of resources of the University. The difference between these amounts, net position, is one indicator of the current financial position of the University, while the change in net position serves as a useful indicator of whether the financial position of the University is improving or deteriorating.

The *Statements of Revenues and Expenses and Changes in Net Position* presents the University's results of operations and other non-operating revenues and presents information showing how the University's net position changed during the most recent fiscal year.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis (Unaudited) - Continued

June 30, 2019

Overview of the Financial Statements - Continued

The *Statements of Cash Flows* provides additional information about the University's financial results by reporting the major sources and uses of cash. Government Accounting Standards Board (GASB) Statements 34 and 35 require that the direct method be used to prepare this statement. The direct method of cash flow reporting portrays the net cash flow from operations by major categories of operating receipts and disbursements.

The financial statements can be found on pages 18-21 of this financial report.

Notes to the Financial Statements

The footnotes provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found on pages 22-61 of this financial report.

Other Information

In addition to the financial statements and accompanying footnotes, this financial report also contains certain required supplementary information concerning the University's Building Authority trust fund. This supplementary information can be found on pages 69-70 of this financial report.

Financial Analysis of the University

The University's total net position for fiscal year 2019 decreased by \$5.8 million or 11.6% primarily due to the recording of OPEB and pension expense, net of contributions made subsequent to the measurement date in the amount of \$6.3 million during the fiscal year. The University's total net position for fiscal year 2018 decreased by \$1.6 million or 3.2%. A summary of the University's assets, deferred outflows, liabilities, deferred inflows and net position as of June 30, is presented below:

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis (Unaudited) - Continued

June 30, 2019

Financial Analysis of the University- Continued

| <u>Assets</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> |
|---------------------------------------------------------|----------------------|-----------------------|-----------------------|
| Current Assets | \$ 74,225,664 | \$ 68,409,730 | \$ 62,986,417 |
| Capital Assets, net | 99,116,839 | 102,743,536 | 103,744,693 |
| Other Non-current assets | 1,288,234 | 1,416,133 | 1,513,948 |
| Total Assets | <u>174,630,737</u> | <u>172,569,399</u> | <u>168,245,058</u> |
| Deferred Outflows of Resources | 32,266,571 | 24,265,377 | 13,370,415 |
| Total Assets and Deferred Outflows | <u>\$206,897,308</u> | <u>\$ 196,834,776</u> | <u>\$ 181,615,473</u> |
| <u>Liabilities</u> | | | |
| Current Liabilities | \$ 19,343,962 | \$ 16,382,205 | \$ 15,259,531 |
| Non-current Liabilities | 120,062,614 | 118,920,119 | 110,922,946 |
| Total Liabilities | <u>139,406,576</u> | <u>135,302,324</u> | <u>126,182,477</u> |
| Deferred Inflows of Resources | <u>23,011,926</u> | <u>11,222,807</u> | <u>3,473,580</u> |
| <u>Net Position</u> | | | |
| Investment in Capital Assets, net | 78,587,213 | 81,499,843 | 80,531,023 |
| Restricted: Expendable | 1,231,898 | 1,617,615 | 1,271,154 |
| Unrestricted | (35,340,305) | (32,807,813) | (29,842,761) |
| Total Net Position | <u>44,478,806</u> | <u>50,309,645</u> | <u>51,959,416</u> |
| Total Liabilities, Deferred Inflows and Net Position | <u>\$206,897,308</u> | <u>\$ 196,834,776</u> | <u>\$ 181,615,473</u> |

Total assets in fiscal year 2019 increased by \$2.1 million or 1.2% over the prior year due to an increase in cash and equivalents (\$6.7 million) offset by decreases in capital assets (\$3.6 million) and accounts receivable (\$1.0 million). Total liabilities in fiscal year 2019 increased by \$4.1 million or 3.0% over the prior year primarily due to the increase in the net OPEB liability and increases in deferred revenue and accrued payroll. The \$8.0 million increase in deferred outflows of resources and \$11.8 million increase in deferred inflows of resources was due to the adjustments related to the fiscal year 2019 pension and OPEB activity.

Total assets in fiscal year 2018 increased by \$4.3 million or 2.6% over the prior year due to an increase in cash and equivalents. Total liabilities in fiscal year 2018 increased by \$9.1 million or 7.2% over the prior year primarily due to the increase in the net pension and net OPEB liabilities.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis (Unaudited) - Continued

June 30, 2019

Financial Analysis of the University- Continued

The \$10.9 million increase in deferred outflows of resources and \$7.7 million increase in deferred inflows of resources was due to the implementation of GASB 75 offset by adjustments related to the fiscal year 2018 pension activity.

A condensed summary of the Statements of Revenues and Expenses for the years ended June 30 is as follows:

| <u>Operating Revenues</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> |
|----------------------------------------------------------|---------------------------|---------------------------|-------------------------|
| Tuition and fees | \$ 57,377,085 | \$ 55,554,507 | \$ 54,007,683 |
| Residence and dining fees | 26,579,581 | 28,304,371 | 29,150,749 |
| Less: scholarships and fellowships | (10,967,197) | (10,701,997) | (10,220,586) |
| Federal, state, and private grants | 13,114,205 | 13,540,086 | 12,171,899 |
| Other sources | 4,631,229 | 4,843,559 | 5,255,339 |
| Total Operating Revenues | <u>90,734,903</u> | <u>91,540,526</u> | <u>90,365,084</u> |
| | | | |
| <u>Operating Expenses</u> | | | |
| Compensation and benefits | 84,827,534 | 80,121,537 | 79,309,043 |
| Supplies and services | 35,763,572 | 34,241,551 | 33,310,241 |
| Depreciation | 5,809,084 | 5,988,394 | 4,836,154 |
| Scholarships | 2,971,317 | 2,713,655 | 2,595,264 |
| GASB 68 pension expense, net of subsequent contributions | 2,725,512 | 2,211,432 | 2,306,976 |
| GASB 75 OPEB expense, net of subsequent contributions | 3,547,267 | 4,070,261 | - |
| Total Operating Expenses | <u>135,644,286</u> | <u>129,346,830</u> | <u>122,357,678</u> |
| | | | |
| <u>Non-Operating Revenues (Expenses):</u> | | | |
| State appropriations, net | \$ 39,022,622 | \$ 35,255,242 | \$ 35,049,389 |
| Restricted state appropriations | 223,619 | 84,136 | 187,314 |
| Net investment income | 537,698 | 439,603 | 369,874 |
| Loss on disposal of assets | (326,377) | (27,602) | (11,012) |
| Interest expense | (773,582) | (797,016) | (812,199) |
| Total Net Non-Operating Revenues | <u>38,683,980</u> | <u>34,954,363</u> | <u>34,783,366</u> |
| State capital appropriations | <u>394,564</u> | <u>1,202,170</u> | <u>7,023,049</u> |
| (Decrease) increase in net position | <u>\$ (5,830,839)</u> | <u>\$ (1,649,771)</u> | <u>\$ 9,813,821</u> |

WESTFIELD STATE UNIVERSITY
 (an agency of the Commonwealth of Massachusetts)

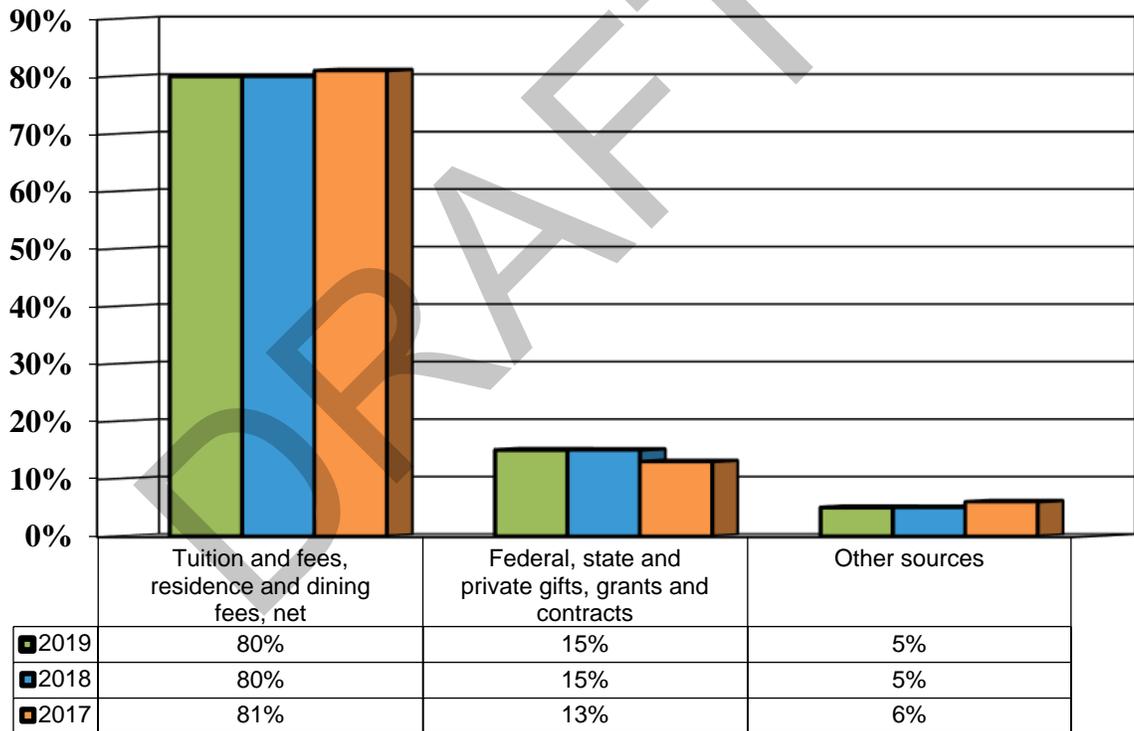
Management’s Discussion and Analysis (Unaudited) - Continued

June 30, 2019

Financial Analysis of the University- Continued

The following is a graphic illustration of operating revenues by source, as a percent of total operating revenue, which were used to fund the University’s operating activities for the years ended June 30, 2019, 2018 and 2017.

Operating Revenues by Source



The University’s operating revenues consist primarily of tuition and fee and residence and dining fee revenue. Tuition and fee revenue increased \$1.8 million or 3.3% during the fiscal year ended June 30, 2019 and \$1.5 million or 2.9% during the fiscal year ended June 30, 2018. The increase in fiscal year 2019 was due to an increase in the general fee of \$714 per student (\$3.0 million impact) combined with an increase in graduate and continuing education tuition and fees of \$1.5 million offset by the revenue decrease due to lower enrollment (\$2.7 million). The increase in fiscal year 2018 was due to an increase in the general fee of \$440 per student (\$1.9 million impact)

WESTFIELD STATE UNIVERSITY
 (an agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis (Unaudited) - Continued

June 30, 2019

Financial Analysis of the University- Continued

combined with an increase in graduate and continuing education tuition and fees of \$1.0 million offset by the revenue decrease due to lower enrollment (\$1.4 million).

Residence and dining fee revenue generated by the auxiliary operations of the University's food service and building authority trust funds was \$26,579,581, \$28,304,371 and \$29,150,749 for the years ended June 30, 2019, 2018 and 2017, respectively. The decrease in revenues for the year ended June 30, 2019 in the amount of \$1,724,790 or 6.1% is attributable to the yearly increase in room and board rates combined with the decrease in the number of residential students. At June 30, 2018 residence and dining fee revenue decreased \$846,378 or 2.9%

Tuition and fees received by the University include the following at June 30:

| | <u>2019</u> | <u>2018</u> | <u>2017</u> |
|--------------------------|----------------------------|---------------------|---------------------|
| Tuition | \$15,723,395 | \$14,325,998 | \$13,344,874 |
| Student Fees: | | | |
| General fees | 35,854,941 | 31,130,117 | 30,126,159 |
| Student activity fees | 1,580,461 | 1,693,427 | 1,754,553 |
| Capital improvement fees | 421,420 | 449,460 | 464,540 |
| Technology fees | 3,306,835 | 7,419,095 | 7,653,971 |
| Miscellaneous fees | 490,033 | 536,410 | 663,586 |
| Total | <u>\$57,377,085</u> | <u>\$55,554,507</u> | <u>\$54,007,683</u> |

In fiscal year 2019, the annual technology fee was reduced by \$870 and reclassified to the general fee to better align with actual technology costs.

WESTFIELD STATE UNIVERSITY
 (an agency of the Commonwealth of Massachusetts)

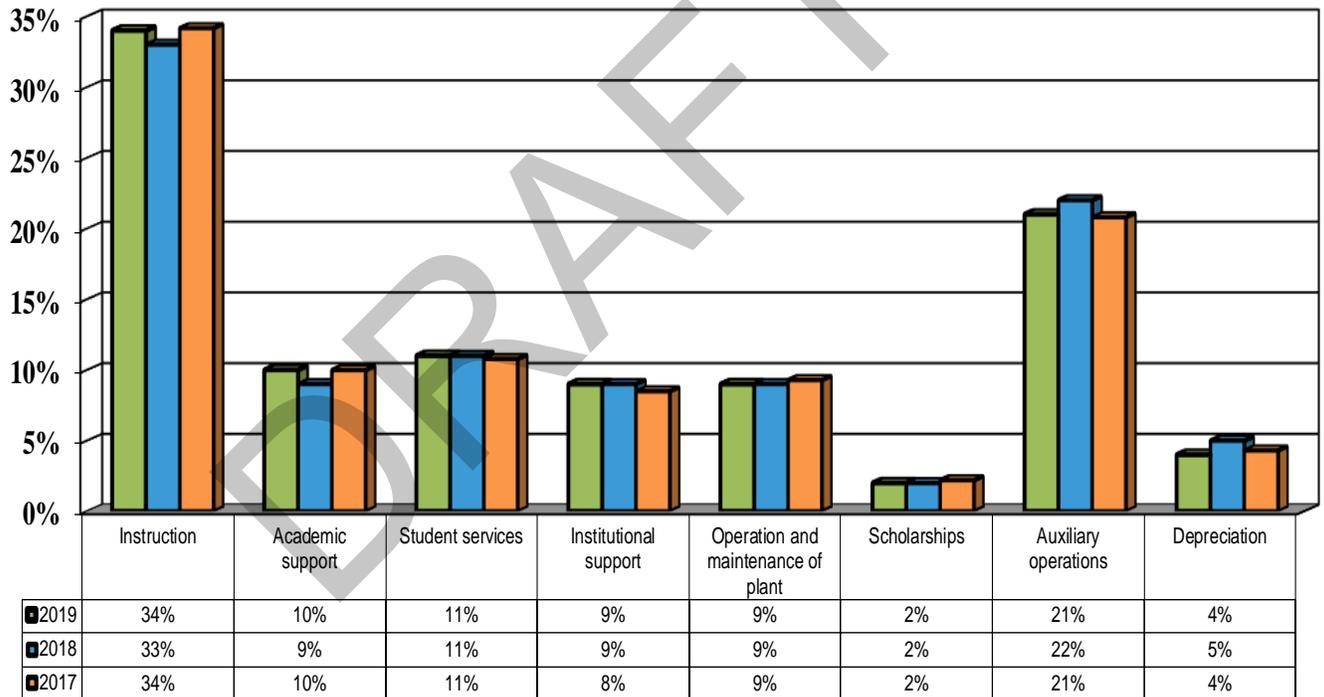
Management’s Discussion and Analysis (Unaudited) - Continued

June 30, 2019

Financial Analysis of the University- Continued

The following is a graphic illustration of operating expenses by function, shown as a percent of total operating expense, for the years ended June 30, 2019, 2018 and 2017.

Operating Expenses by Function



A summary of the University’s expenses by functional classification for the years ended June 30, 2019, 2018 and 2017 is as follows:

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis (Unaudited) - Continued

June 30, 2019

Financial Analysis of the University- Continued

| | <u>2019</u> | <u>2018</u> | <u>2017</u> |
|------------------------------------|-----------------------|-----------------------|-----------------------|
| Instruction | \$ 46,100,343 | \$ 43,206,727 | \$ 41,743,652 |
| Public service | 703,925 | 429,328 | 410,625 |
| Academic support | 13,473,060 | 12,474,581 | 10,874,284 |
| Student services | 14,543,437 | 14,069,677 | 12,730,630 |
| Institutional support | 11,454,735 | 11,086,773 | 10,227,159 |
| Operation and maintenance of plant | 12,526,660 | 11,323,303 | 10,210,653 |
| Scholarships and fellowships | 2,971,317 | 2,713,655 | 2,595,264 |
| Auxiliary operations | 28,061,725 | 28,054,392 | 28,729,257 |
| Depreciation | 5,809,084 | 5,988,394 | 4,836,154 |
| Total | <u>\$ 135,644,286</u> | <u>\$ 129,346,830</u> | <u>\$ 122,357,678</u> |

The University's total operating expenses increased during fiscal year ended June 30, 2019 by \$6.3 million or 4.9% as compared to a \$7.0 million or 5.7% increase for the fiscal year ended June 30, 2018. The increase in fiscal year 2019 is attributable to several factors, the most significant of which are: an increase in compensation and benefits of \$4.7 million due in part to the payment of retroactive pay increases from fiscal years 2018 and 2019 and related fringe charges in the amount of \$2.8 million, an increase in debt service payments to the Massachusetts State College Building Authority of \$.4 million, a net increase in non-capitalized equipment and maintenance projects of \$.3 million and an increase in scholarship expense of \$.2 million.

A condensed summary of the Statements of Cash Flows for years ended June 30, is as follows:

| | <u>2019</u> | <u>2018</u> | <u>2017</u> |
|-------------------------------------------------------|----------------------|----------------------|----------------------|
| Cash received from operating activities | \$ 121,336,851 | \$ 119,786,025 | \$ 118,849,359 |
| Cash expenses for operating activities | (141,177,767) | (136,206,119) | (136,611,541) |
| Net cash applied to operating activities | (19,840,916) | (16,420,094) | (17,762,182) |
| Net cash provided by non-capital financing activities | 28,413,739 | 26,311,849 | 26,467,467 |
| Net cash applied to capital financing activities | (3,064,636) | (5,571,018) | (11,597,390) |
| Net cash provided by investing activities | 534,988 | 439,386 | 369,803 |
| Net increase (decrease) in cash and equivalents | 6,043,175 | 4,760,123 | (2,522,302) |
| Cash and equivalents - beginning of year | 65,891,611 | 61,131,488 | 63,653,790 |
| Cash and equivalents - end of year | <u>\$ 71,934,786</u> | <u>\$ 65,891,611</u> | <u>\$ 61,131,488</u> |

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis (Unaudited) - Continued

June 30, 2019

Financial Analysis of the University- Continued

The University's liquidity increased during the year ended June 30, 2019 with a \$6,043,175 increase in cash and equivalents. The following discussion amplifies the overview of cash flows presented above.

During the year ended June 30, 2019, the University's net cash applied to operating activities increased by \$3.4 million over the prior year. This was due to an increase in cash received of \$1.6 million and an increase in payments made of \$5.0 million. Net cash provided by non-capital financing activities increased by \$2.1 million due to an increase in direct state appropriations received for collective bargaining costs. Net cash applied to capital financing activities decreased by \$2.5 million mostly due to a decrease in capital asset purchases (\$2.0 million) and an increase in state capital appropriations (\$.5 million). The slight increase (\$.1 million) in net cash provided by investing activities was due to an increase in interest received.

The University's liquidity increased during the year ended June 30, 2018 with a \$4,760,123 increase in cash and equivalents. The following discussion amplifies the overview of cash flows presented above.

During the year ended June 30, 2018, the University's net cash applied to operating activities decreased by \$1.3 million over the prior year. This was due to an increase in cash received of \$.9 million and a decrease in payments made of \$.4 million. Net cash provided by non-capital financing activities decreased slightly by \$.2 million due to a decrease in restricted state appropriations received. Net cash applied to capital financing activities decreased by \$6.0 million due to a decrease in capital asset purchases (\$5.1 million) and debt service reserve (\$.1 million) offset by an increase in state capital appropriations (\$.8 million). The slight increase in net cash provided by investing activities was due to an increase in interest received.

Loss from Operations

The following table presents the University's incurred losses from operations and its net non-operating revenues for the fiscal years ended June 30, 2019, 2018 and 2017.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis (Unaudited) - Continued

June 30, 2019

Loss from Operations - Continued

| | <u>2019</u> | <u>2018</u> | <u>2017</u> |
|----------------------------------------------------------------------------------------------------------------------------|-----------------------|----------------|---------------|
| Operating revenues, net | \$ 90,734,903 | \$ 91,540,526 | \$ 90,365,084 |
| Operating expenses | (135,644,286) | (129,346,830) | (122,357,678) |
| Operating loss | (44,909,383) | (37,806,304) | (31,992,594) |
| Commonwealth direct appropriation, fringe benefits for Commonwealth employees, net of tuition remitted to the Commonwealth | 39,022,622 | 35,255,242 | 35,049,389 |
| Restricted state appropriations | 223,619 | 84,136 | 187,314 |
| Net investment income | 537,698 | 439,603 | 369,874 |
| Loss on disposal of assets | (326,377) | (27,602) | (11,012) |
| Other expenses | (773,582) | (797,016) | (812,199) |
| Capital appropriations | 394,564 | 1,202,170 | 7,023,049 |
| Net non-operating revenues | 39,078,544 | 36,156,533 | 41,806,415 |
| (Decrease) increase in net position | \$ (5,830,839) | \$ (1,649,771) | \$ 9,813,821 |

Due to the nature of accounting for appropriations as non-operating revenues in accordance with GASB principles, the University incurred a loss from operations. The Commonwealth's Department of Higher Education establishes tuition rates while the University sets fees and other charges. The University, with the purpose of balancing educational and operational needs with tuition and fee revenue, approves budgets to mitigate losses after Commonwealth appropriations.

The \$2.9 million increase in net non-operating revenues during fiscal year 2019 is attributable to an increase in net state appropriation in the amount of \$3.7 million offset by a decrease in state capital appropriation of \$.8 million.

The \$5.6 million decrease in net non-operating revenues during fiscal year 2018 is primarily attributable to a decrease in state capital appropriation in the amount of \$5.8 million. The state capital appropriation decrease was due to the decrease in the revenue recognition related to the completion of the Stevens Science and Innovation Center project.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis (Unaudited) - Continued

June 30, 2019

Capital Assets

A summarized comparison of the University's capital asset categories at June 30, 2019, 2018 and 2017 is as follows:

| | 2019 | 2018 | 2017 |
|--------------------------------|----------------------|----------------|----------------|
| Land and improvements | \$ 6,959,450 | \$ 4,185,691 | \$ 3,941,574 |
| Construction-in-progress | 325,547 | 1,777,409 | 48,007,168 |
| Building and improvements | 144,425,504 | 144,086,045 | 95,606,611 |
| Equipment and furnishings | 28,419,009 | 28,288,867 | 27,177,955 |
| Library books | 7,398,449 | 7,347,373 | 7,295,998 |
| Vehicles | 1,053,329 | 1,061,090 | 1,215,545 |
| Total | 188,581,288 | 186,746,475 | 183,244,851 |
| Less: accumulated depreciation | (89,464,449) | (84,002,939) | (79,500,158) |
| Capital assets, net | \$ 99,116,839 | \$ 102,743,536 | \$ 103,744,693 |

The University's investment in capital assets, net of accumulated depreciation, as of June 30, 2019, 2018 and 2017 was \$99,116,839, \$102,743,536 and \$103,744,693, respectively. Investment in capital assets includes land, land improvements, buildings and improvements, furnishings and equipment, construction in progress, and library books. Capital assets decreased by \$3,626,697 or 3.5% during fiscal year ended June 30, 2019 and decreased by \$1,001,157 or 1.0% during the fiscal year ended June 30, 2018. The decrease during fiscal year ended June 30, 2019 and 2018 was due to depreciation expense outpacing capital additions. In fiscal year 2019, the University increased its fixed asset capitalization threshold from \$10,000 to \$17,500 with a plan to reach a \$50,000 threshold in fiscal year 2022 in order to be consistent with other Commonwealth agencies. This change will result in the University recognizing more non-capital expenses in the year the assets are purchased rather than spreading the costs over multiple years.

Capital additions during fiscal year ended June 30, 2019 amounted to \$2,508,764 as compared to \$5,014,839 for the year ended June 30, 2018.

Major additions during 2019 include \$.3 million in construction in progress for additional improvements to the steam line infrastructure, \$.8 million for the new athletic field, \$.7 million for the replacement of steam lines, and \$.2 million for the installation of security cameras throughout the campus.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis (Unaudited) - Continued

June 30, 2019

Capital Assets - Continued

Major additions during 2018 include \$.9 million in construction in progress for the new athletic field, \$.4 million in construction in progress for a major infrastructure project related to the replacement of steam lines, \$.9 million for the installation of security cameras throughout the residential halls and a portion of the campus, and \$.8 million for the purchase of pianos from a donation from the Foundation.

Looking Ahead

The University has completed and received Massachusetts Department of Higher Education approval for the new strategic plan for FY19-24. Implementation of the plan will begin in FY20 and will continue through FY24. The primary goals of the plan are focused on four overarching goals: a. Student Experience b. Enrollment c. Culture and d. Resources. The priorities and initiatives in the strategic plan will align with our resource allocation process to meet these goals. Additionally, there is a major capital investment project on the horizon, the renovation of Parenzo Hall (a \$40-million-dollar project), a primary classroom and multi-service facility along with other critical campus infrastructure projects such as a major steam line loop system. Enrollment will be an ongoing challenge as the demographic shift is underway and competition from other higher education organizations increases. While entering class enrollment is steady, overall enrollment is projected to decline based on balancing larger graduating classes with smaller incoming classes and retention rates are variable. As a public university, continued and increasing financial support from the state is vital to serve the growing needs of a diverse student population and to increase access and affordability for prospective students.

Requests for Information

This financial report is designed to provide a general overview of Westfield State University's finances for all those with an interest in the University's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Vice President of Administration and Finance, 333 Western Avenue, Westfield, Massachusetts 01085.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Statements of Net Position

June 30,

Assets and Deferred Outflow of Resources

| | Westfield State University | | Component Unit | |
|------------------------------------------------------------|-------------------------------|---------------------------|---------------------------|---------------------------|
| | 2019 <u>University</u> | 2018 <u>University</u> | 2019 <u>Foundation</u> | 2018 <u>Foundation</u> |
| Current Assets: | | | | |
| Cash and equivalents | \$ 67,984,489 | \$ 61,292,857 | \$ 138,604 | \$ 168,803 |
| Cash held by State Treasurer | 2,091,136 | 1,437,048 | - | - |
| Deposits held by State Treasurer | 1,551,739 | 1,887,359 | - | - |
| Deposits held by MSCBA | 307,422 | 1,274,347 | - | - |
| Short-term investments | 65,445 | 62,735 | - | - |
| Due from the Commonwealth of Massachusetts | 827,465 | - | - | - |
| Accounts receivable, net | 1,137,209 | 2,182,659 | 458,017 | 586,696 |
| Perkins loans receivable, net | 155,469 | 166,074 | - | - |
| Other current assets | 105,290 | 106,651 | 24,325 | 1,493 |
| Total Current Assets | <u>74,225,664</u> | <u>68,409,730</u> | <u>620,946</u> | <u>756,992</u> |
| Non-Current Assets: | | | | |
| Debt service reserve | 990,996 | 995,635 | - | - |
| Investments | - | - | 10,342,524 | 9,274,245 |
| Perkins loans receivable, net | 297,238 | 420,498 | - | - |
| Capital assets, net | 99,116,839 | 102,743,536 | 436,686 | 454,765 |
| Total Non-Current Assets | <u>100,405,073</u> | <u>104,159,669</u> | <u>10,779,210</u> | <u>9,729,010</u> |
| Total Assets | <u>174,630,737</u> | <u>172,569,399</u> | <u>11,400,156</u> | <u>10,486,002</u> |
| Deferred Outflows of Resources: | | | | |
| Pension related, net | 11,794,391 | 11,541,068 | - | - |
| OPEB related, net | 20,472,180 | 12,724,309 | - | - |
| Total Deferred Outflows of Resources | <u>32,266,571</u> | <u>24,265,377</u> | <u>-</u> | <u>-</u> |
| Total Assets and Deferred Outflows of Resources | <u>\$ 206,897,308</u> | <u>\$ 196,834,776</u> | <u>\$ 11,400,156</u> | <u>\$ 10,486,002</u> |

The accompanying notes are an integral part of the financial statements.

Liabilities, Deferred Inflows of Resources and Net Position

| | Westfield State University | | Component Unit | |
|--------------------------------------------------------------------------|-------------------------------|-----------------------|---------------------------|----------------------|
| | 2019 <u>University</u> | 2018 University | 2019 <u>Foundation</u> | 2018 Foundation |
| Current Liabilities: | | | | |
| Accounts payable and accrued liabilities | \$ 2,151,792 | \$ 1,984,287 | \$ 2,130 | \$ 7,424 |
| Accrued salaries, wages and benefits | 7,434,688 | 5,776,321 | - | - |
| Compensated absences | 4,837,411 | 4,797,181 | - | - |
| Accrued workers' compensation | 241,544 | 198,108 | - | - |
| Student deposits and unearned revenue | 2,724,814 | 1,431,204 | 3,500 | 4,300 |
| Deposits held for others | 203,332 | 520,279 | - | - |
| Line of credit | - | - | 7,200 | 64,800 |
| Assets held in custody for others | 319,886 | 291,893 | 221,642 | 230,232 |
| Current portion of capital lease obligations | 97,133 | 97,133 | - | - |
| Current portion of bonds payable | 1,331,179 | 1,283,930 | - | - |
| Other liabilities | <u>2,183</u> | <u>1,869</u> | <u>-</u> | <u>-</u> |
| Total Current Liabilities | <u>19,343,962</u> | <u>16,382,205</u> | <u>234,472</u> | <u>306,756</u> |
| Non-Current Liabilities: | | | | |
| Compensated absences | 1,668,126 | 1,697,554 | - | - |
| Accrued workers' compensation | 871,564 | 736,364 | - | - |
| Grants refundable | 582,310 | 602,171 | - | - |
| Capital lease obligations | 97,132 | 194,265 | - | - |
| Bonds payable | 20,279,800 | 21,610,937 | - | - |
| Net pension liability | 35,031,695 | 31,945,217 | - | - |
| Net OPEB liability | <u>61,531,987</u> | <u>62,133,611</u> | <u>-</u> | <u>-</u> |
| Total Non-Current Liabilities | <u>120,062,614</u> | <u>118,920,119</u> | <u>-</u> | <u>-</u> |
| Total Liabilities | <u>139,406,576</u> | <u>135,302,324</u> | <u>234,472</u> | <u>306,756</u> |
| Deferred Inflows of Resources: | | | | |
| Pension related, net | 3,821,675 | 3,929,318 | - | - |
| OPEB related, net | <u>19,190,251</u> | <u>7,293,489</u> | <u>-</u> | <u>-</u> |
| Total Deferred Inflows of Resources | <u>23,011,926</u> | <u>11,222,807</u> | <u>-</u> | <u>-</u> |
| Net Position: | | | | |
| Net investment in capital assets | 78,587,213 | 81,499,843 | 436,686 | 454,765 |
| Restricted for: | | | | |
| Expendable | 1,231,898 | 1,617,615 | 6,002,300 | 5,407,669 |
| Non-expendable | - | - | 4,862,884 | 4,478,843 |
| Unrestricted | <u>(35,340,305)</u> | <u>(32,807,813)</u> | <u>(136,186)</u> | <u>(162,031)</u> |
| Total Net Position | <u>44,478,806</u> | <u>50,309,645</u> | <u>11,165,684</u> | <u>10,179,246</u> |
| Total Liabilities, Deferred Inflows of Resources and Net Position | <u>\$ 206,897,308</u> | <u>\$ 196,834,776</u> | <u>\$ 11,400,156</u> | <u>\$ 10,486,002</u> |

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Statements of Revenues, Expenses and Changes in Net Position

For the Years Ended June 30, 2019 and 2018

| | 2019 | 2018 | 2019 | 2018 |
|------------------------------------------------------------------|-------------------------------|-------------------------------|------------------------------|------------------------------|
| | Westfield State University | Westfield State University | Component Unit Foundation | Component Unit Foundation |
| Operating Revenues: | | | | |
| Tuition and fees | \$ 57,377,085 | \$ 55,554,507 | \$ - | \$ - |
| Residence and dining fees | 26,579,581 | 28,304,371 | - | - |
| Less: scholarships and fellowships | <u>(10,967,197)</u> | <u>(10,701,997)</u> | - | - |
| Net tuition and fees | 72,989,469 | 73,156,881 | - | - |
| Federal grants and contracts | 9,411,959 | 9,264,815 | - | - |
| State grants and contracts | 3,052,214 | 2,719,900 | - | - |
| Private grants and contracts | 650,032 | 1,555,371 | 1,536,976 | 1,588,369 |
| Public service | 655,112 | 436,338 | - | - |
| Other sources | <u>3,976,117</u> | <u>4,407,221</u> | <u>76,021</u> | <u>76,536</u> |
| Total Operating Revenues | <u>90,734,903</u> | <u>91,540,526</u> | <u>1,612,997</u> | <u>1,664,905</u> |
| Operating Expenses: | | | | |
| Instruction | 46,100,343 | 43,206,727 | - | - |
| Public service | 703,925 | 429,328 | - | - |
| Academic support | 13,473,060 | 12,474,581 | 118,624 | 293,851 |
| Student services | 14,543,437 | 14,069,677 | - | - |
| Institutional support | 11,454,735 | 11,086,773 | 827,643 | 1,573,849 |
| Operation and maintenance of plant | 12,526,660 | 11,323,303 | - | - |
| Scholarships and fellowships | 2,971,317 | 2,713,655 | 253,955 | 245,257 |
| Auxiliary operations | 28,061,725 | 28,054,392 | - | - |
| Depreciation | <u>5,809,084</u> | <u>5,988,394</u> | <u>18,079</u> | <u>19,269</u> |
| Total Operating Expenses | <u>135,644,286</u> | <u>129,346,830</u> | <u>1,218,301</u> | <u>2,132,226</u> |
| Operating Income (Loss) | <u>(44,909,383)</u> | <u>(37,806,304)</u> | <u>394,696</u> | <u>(467,321)</u> |
| Non-Operating Revenues (Expenses): | | | | |
| State appropriations, net | 39,022,622 | 35,255,242 | - | - |
| Restricted state appropriations | 223,619 | 84,136 | - | - |
| Loss on disposal of capital assets | (326,377) | (27,602) | - | - |
| Investment income, net of expenses | 537,698 | 439,603 | 593,290 | 631,811 |
| Interest expense | <u>(773,582)</u> | <u>(797,016)</u> | <u>(1,548)</u> | <u>(3,743)</u> |
| Net Non-Operating Revenues | <u>38,683,980</u> | <u>34,954,363</u> | <u>591,742</u> | <u>628,068</u> |
| (Decrease) Increase in Net Position Before Other Revenues | (6,225,403) | (2,851,941) | 986,438 | 160,747 |
| Capital appropriations | <u>394,564</u> | <u>1,202,170</u> | <u>-</u> | <u>-</u> |
| (Decrease) Increase in Net Position | (5,830,839) | (1,649,771) | 986,438 | 160,747 |
| Net Position, at Beginning of Year | <u>50,309,645</u> | <u>51,959,416</u> | <u>10,179,246</u> | <u>10,018,499</u> |
| Net Position, at End of Year | \$ 44,478,806 | \$ 50,309,645 | \$ 11,165,684 | \$ 10,179,246 |

The accompanying notes are an integral part of the financial statements.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Statements of Cash Flows

For the Years Ended June 30, 2019 and 2018

| | Westfield State University | |
|----------------------------------------------------------|-------------------------------|---------------------------|
| | 2019 <u>University</u> | 2018 <u>University</u> |
| Cash Flows from Operating Activities: | | |
| Tuition and fees | \$ 46,560,495 | \$ 45,922,075 |
| Residence and dining fees | 23,070,078 | 24,665,692 |
| Grants and contracts | 13,022,931 | 13,461,273 |
| Payments to suppliers | (35,411,993) | (34,467,881) |
| Payments to employees | (72,954,485) | (70,248,511) |
| Direct lending receipts | 32,811,289 | 31,403,727 |
| Direct lending disbursements | (32,811,289) | (31,403,727) |
| Loans issued to students | - | (86,000) |
| Collections of loans to students | 126,914 | 148,610 |
| Other receipts | <u>5,745,144</u> | <u>4,184,648</u> |
| Net Cash Applied to Operating Activities | <u>(19,840,916)</u> | <u>(16,420,094)</u> |
| Cash Flows from Non-Capital Financing Activities: | | |
| State appropriation | 29,394,975 | 27,177,404 |
| Tuition remitted to state | <u>(981,236)</u> | <u>(865,555)</u> |
| Net Cash Provided by Non-Capital Financing Activities | <u>28,413,739</u> | <u>26,311,849</u> |
| Cash Flows from Capital Financing Activities: | | |
| Capital appropriations | 1,294,666 | 775,088 |
| Purchases of capital assets | (2,209,338) | (4,260,347) |
| Principal paid on capital leases | (97,133) | (160,115) |
| Interest paid on capital leases | - | (1,423) |
| Principal paid on bonds payable | (1,138,802) | (1,083,314) |
| Interest paid on bonds payable | (773,582) | (795,593) |
| Accretion on bond premiums | (145,086) | (153,411) |
| Decrease in debt service reserve | <u>4,639</u> | <u>108,097</u> |
| Net Cash Applied to Capital Financing Activities | <u>(3,064,636)</u> | <u>(5,571,018)</u> |
| Cash Flows from Investing Activity: | | |
| Interest income | <u>534,988</u> | <u>439,386</u> |
| Net Increase in Cash and Equivalents | 6,043,175 | 4,760,123 |
| Cash and Equivalents, Beginning of Year | <u>65,891,611</u> | <u>61,131,488</u> |
| Cash and Equivalents, End of Year | \$ 71,934,786 | \$ 65,891,611 |

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Statements of Cash Flows - Continued

For the Years Ended June 30, 2019 and 2018

| | 2019 | 2018 |
|-------------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| | Westfield State University | Westfield State University |
| Reconciliation of Net Operating Loss to Net Cash Applied to Operating Activities: | | |
| Operating loss | \$ (44,909,383) | \$ (37,806,304) |
| Adjustments to Reconcile Net Operating Loss to Net Cash Applied to Operating Activities: | | |
| Depreciation | 5,809,084 | 5,988,394 |
| Fringe benefits provided by the State | 10,005,037 | 9,027,529 |
| Amortization of service concession arrangement | - | (6,000) |
| Bad debts | 193,121 | 38,328 |
| Changes in Assets and Liabilities: | | |
| Accounts receivable | 855,460 | (774,704) |
| Loans receivable | 130,734 | 81,905 |
| Other current assets | 1,361 | (18,784) |
| Accounts payable and accrued liabilities | 144,705 | (349,867) |
| Accrued salaries, wages and benefits | 1,658,367 | 738,156 |
| Compensated absences | 10,802 | 94,275 |
| Accrued workers' compensation | 178,636 | 97,489 |
| Student deposits and unearned revenue | 116,882 | 302,569 |
| Deposits held for others | (316,947) | 11,267 |
| Assets held in custody for others | 27,993 | 4,275 |
| Grants refundable | (19,861) | (128,889) |
| Other liabilities | 314 | (1,426) |
| Net pension activity | 2,725,512 | 2,211,432 |
| Net OPEB activity | <u>3,547,267</u> | <u>4,070,261</u> |
| Net Cash Applied to Operating Activities | <u>\$ (19,840,916)</u> | <u>\$ (16,420,094)</u> |
| Non-Cash Transactions: | | |
| Fringe benefits paid by State | <u>\$ 10,005,037</u> | <u>\$ 9,027,529</u> |
| Capital improvements provided by capital appropriations | <u>\$ 276,626</u> | <u>\$ 427,082</u> |
| Construction in progress included in accounts payable and accrued liabilities | <u>\$ 22,800</u> | <u>\$ 327,410</u> |
| Cash and Equivalents, End of Year: | | |
| Cash and equivalents | \$ 67,984,489 | \$ 61,292,857 |
| Cash held by State Treasurer | 2,091,136 | 1,437,048 |
| Deposits held by State Treasurer | 1,551,739 | 1,887,359 |
| Deposits held by MSCBA | <u>307,422</u> | <u>1,274,347</u> |
| Total | <u>\$ 71,934,786</u> | <u>\$ 65,891,611</u> |

The accompanying notes are an integral part of the financial statements.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements

June 30, 2019 and 2018

Note 1 - **Summary of Significant Accounting Policies**

Organization

Westfield State University (the "University") is a public, state-supported university located in Westfield, Massachusetts and governed by a local Board of Trustees under the direction of the Massachusetts Department of Higher Education. The University is empowered to award baccalaureate and post graduate degrees in education, business, and arts and sciences, as well as conduct programs of continuing education. The University is accredited by the New England Commission of Higher Education.

Basis of Presentation

The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, as prescribed by the *Governmental Accounting Standards Board* ("GASB").

Westfield State Foundation, Inc. (the "Foundation") is a related tax-exempt organization founded to foster and promote the growth, progress and general welfare of the University. The Foundation is included in the University's financial statements and is reported in a separate column from the University to emphasize that it is a Massachusetts not-for-profit organization legally separate from the University. Because of the significance of its financial relationship with the University, the Foundation is included in the University's financial statements. Complete financial statements can be obtained from the Foundation's administrative office in Westfield, Massachusetts.

Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. The University's policy for defining operating activities in the statement of revenues, expenses and changes in net position are those that generally result from exchange transactions such as the payment received for services and payment made for the purchase of goods and services. Certain other transactions are reported as non-operating activities. These non-operating activities include the University's operating and capital appropriations from the Commonwealth of Massachusetts (the "Commonwealth"), net investment income, gifts and interest expense.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 1 - **Summary of Significant Accounting Policies - Continued**

Basis of Presentation - continued

The University has determined that it functions as a business-type activity, as defined by GASB. The effect of inter-fund activity has been eliminated from these financial statements. The basic financial statements and required supplementary information for general-purpose governments consist of management's discussion and analysis, basic financial statements and required supplementary information. The University presents statements of net position, revenues and expenses, changes in net position, and cash flows on a combined University-wide basis.

Net Position

Resources are classified for accounting purposes into the following four net asset categories:

Net Investment in capital assets: Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, repair or improvement of those assets.

Restricted - nonexpendable: Net position subject to externally imposed conditions such that the University must maintain the funds in perpetuity.

Restricted - expendable: Net position whose use is subject to externally imposed conditions that can be fulfilled by the actions of the University or the passage of time.

Unrestricted: Net position that is not subject to externally imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of management or the Board of Trustees or may otherwise be limited by contractual agreements with outside parties.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 1 - **Summary of Significant Accounting Policies - Continued**

Net Position - continued

The University has adopted a policy of generally utilizing restricted - expendable funds, when available, prior to unrestricted funds.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies at the dates of the financial statements and revenues and expenses recognized during the reporting periods. The University's significant estimates include the accrual for employee compensated absences, the accrual for workers' compensation liability, net pension and OPEB liabilities, the allowance for doubtful accounts, and the useful lives of capital assets. Actual results could differ from those estimates.

Trust Funds

In accordance with the requirements of the Commonwealth of Massachusetts, the University's operations are accounted for in several trust funds. All trust funds have been consolidated and are included in the accompanying financial statements.

Cash and Equivalents

The University's cash and equivalents are cash on hand, cash and deposits held with the Commonwealth's Treasurer and Massachusetts State College Building Authority ("MSCBA"), which are short term, highly liquid investments with original maturities of three months or less from the date of acquisition.

Allowance for Doubtful Accounts

Accounts and pledge receivable are periodically evaluated for collectability. Provisions for losses on receivables are determined on the basis of loss experience, known and inherent risks in the loan portfolio, the estimated value of underlying collateral and current economic conditions.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 1 - **Summary of Significant Accounting Policies - Continued**

Investments

Investments in marketable securities are stated at fair value.

Dividends, interest, and net gains or losses on investments of endowments and similar funds are reported in the Statement of Revenues and Expenses. Any net earnings not expended are included in net position categories as follows:

- A) as increases in restricted – nonexpendable net position if the terms of the gift require that they be added to the principal of a permanent endowment fund;
- B) as increases in temporarily restricted – expendable net position if the terms of the gift or the University’s interpretation of relevant state law impose restrictions on the current use of the income or net gains. The University has relied upon the Attorney General’s interpretation of state law that unappropriated endowment gains should generally be classified as restricted - expendable; and
- C) as increases in unrestricted net position in all other cases.

Capital Assets

Real estate assets, including improvements, are generally stated at cost. Furnishings, equipment and collection items are stated at cost at date of acquisition or, in the case of gifts, at fair value at date of donation. In accordance with the University's capitalization policy, non-collection items with a unit cost of more than \$17,500 are capitalized. Library materials are generally expensed during the year. University capital assets, with the exception of land and construction in progress, are depreciated on a straight-line basis over their estimated useful lives, which range from 3 to 40 years. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Restricted Gifts

The University recognizes restricted gifts as revenues or receivables when all applicable eligibility requirements, including time requirements, are met.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 1 - **Summary of Significant Accounting Policies - Continued**

Grants and Contracts

The University receives monies from the Federal and state government and other private agencies under grants and contracts. The costs, both direct and indirect, charged to these grants and contracts are subject to audit by the granting agency. The University administration believes that any audit adjustments would not have a material adverse effect on the University's financial position, its revenues, expenses and changes in net position, or its cash flows.

Compensated Absences

Employees earn the right to be compensated during absences for vacation and sick leave or when using compensatory time. Accrued vacation and compensatory time is the amount earned by all eligible employees through June 30, 2019 and 2018. The accrued sick leave balance represents 20% of amounts earned by those employees with ten or more years of state service at June 30, 2019 and 2018. Upon retirement, these employees are entitled to receive payment for this accrued balance. Funding of these amounts is anticipated to be part of the future annual appropriation process from the Commonwealth of Massachusetts.

Deposits and Unearned Revenue

Deposits and advance payments received for tuition and fees related to certain summer programs and tuition received for the following academic year are deferred. Funds received in advance from various grants and contracts are deferred. Deposits and unearned revenue are recorded as revenue when earned.

Deposits Held by MSCBA

Deposits held represent funds held by the Massachusetts State College Building Authority for specific projects.

Deposits Held by State Treasurer

Deposits held represent funds accessible by the University held by the Commonwealth of Massachusetts for payments on payroll.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Massachusetts State Employees'

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 1 - **Summary of Significant Accounting Policies - Continued**

Pensions – Continued

Retirement System plan (“SERS”) and the additions to/deductions from SERS’ fiduciary net position have been determined on the same basis as they are reported by SERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions (“OPEB”)

For purposes of measuring the University's net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the State Retirees' Benefit Trust (“SRBT”) and additions to/deductions from SRBT’s fiduciary net position have been determined on the same basis as they are reported by SRBT. For this purpose, SRBT recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Student Fees

Student tuition and other fees are presented net of scholarships and fellowships applied to students’ accounts. Certain other scholarship amounts paid directly to, or refunded to, the student are generally reflected as expenses.

Fringe Benefits

The University participates in the Commonwealth’s fringe benefit programs, including health insurance, unemployment, pension and workers’ compensation benefits. Health insurance, unemployment and pension costs are billed through a fringe benefit rate charged to the University. Workers’ compensation costs are assessed separately based on the University’s actual experience. The Commonwealth requires the University to record, as a liability, its portion of the future estimated workers’ compensation benefits to be paid.

Income Tax Status

The University is a component unit of the Commonwealth of Massachusetts and is exempt from Federal income taxes under Section 115 of the Internal Revenue Code. The Foundation is exempt from income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 1 - **Summary of Significant Accounting Policies - Continued**

New Governmental Accounting Pronouncements

GASB Statement 84 – *Fiduciary Activities* is effective for periods beginning after December 15, 2018. The objective of this Statement is to establish criteria for identifying fiduciary activities. Activity meeting the established criteria would then be presented in a statement of fiduciary net position and a statement of changes in fiduciary net position. Pension and other employee benefit trust funds, investment trust funds, private-purpose trust funds and custodial funds would be reported, as applicable, according to this Statement. Information of component units of a primary government would be combined and shown in the aggregate with the fiduciary funds of the primary government. Under this Statement, a liability could be recognized to the beneficiaries in a fiduciary fund if the government has been compelled to disburse fiduciary resources. Management has not completed its review of the requirements of this standard and its applicability.

GASB Statement 87 – *Leases* is effective for periods beginning after December 15, 2019. Implementation of this standard will require lessees to recognize on their statement of net position the rights and obligations resulting from leases categorized as operating leases as assets, liabilities, or deferred inflows / outflows of resources. It provides for an election on leases with terms of less than twelve months to be excluded from this Standard. Management has not completed its review of the requirements of this standard and its applicability.

GASB Statement 89 – *Accounting for Interest Costs Incurred before the End of a Construction Period* is effective for reporting periods beginning after December 15, 2019. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. Management has not completed its review of the requirements of this standard and its applicability.

Note 2 - **Cash and Equivalents**

Custodial credit risk is associated with the failure of a depository financial institution. In the event of a depository financial institution's failure, the University would not be able to recover its balance in excess of amounts insured by the Federal Deposit Insurance Corporation (FDIC) and other third-party insurance. The University's policy is to mitigate as much custodial risk associated with its cash assets as possible. Deposits in the bank in excess of the insured amounts are uninsured and uncollateralized.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 2 - **Cash and Equivalents - Continued**

The Treasurer of the Commonwealth of Massachusetts oversees the financial management of the Massachusetts Municipal Depository Trust (“MMDT”), an external investment pool for cities, towns and other state and local agencies within the Commonwealth. MMDT operates as a qualifying external investment pool and is valued by MMDT’s management on amortized cost where the net asset value is \$1 per share. At June 30, 2019 and 2018, the University has \$61,384 and \$59,887, respectively, invested with MMDT and is included in cash and equivalents.

The carrying amount of the University’s bank deposits and deposits in trust depositories are \$67,984,489 and \$61,292,857, as compared to bank balances of \$69,006,840 and \$61,911,273 at June 30, 2019 and 2018, respectively. The differences between the carrying amount and the bank balances were attributed to deposits in-transit and outstanding checks.

In addition to Federal Deposit Insurance Corporation insurance, the University has deposits insured under Massachusetts Depositors Insurance Fund and through collateralization in a pool of eligible securities held by Berkshire Bank’s Asset Management/Trust Group as custodian. Amounts remaining that are exposed to custodial risk at June 30, 2019 and 2018 were \$12,105,372 and \$11,887,491, respectively.

Note 3 - **Cash Held by the State Treasurer**

Accounts payable, accrued salaries, wages and withholdings to be funded from state appropriated funds totaled \$2,091,136 and \$1,437,048 at June 30, 2019 and 2018, respectively. The University has recorded a comparable dollar amount of cash held by the State Treasurer for the benefit of the University, which was subsequently used to pay for such liabilities.

Note 4 - **Investments**

University

Short-term investments are categorized according to the level of risk assumed by the University. At June 30, 2019 and 2018, the entire balance of investments represents mutual funds that are held in trust depository accounts in the name of the University and are uninsured. At June 30, 2019 and 2018, the investments are stated at fair value.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 4 - **Investments - Continued**

Fair Value Hierarchy

The fair value hierarchy categorizes inputs to valuation techniques used to measure fair value into three levels. Level 1 inputs are quoted market prices for identical assets or liabilities in active markets that a government can access at the measurement date.

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for an asset or liability, directly or indirectly. Level 3 inputs are unobservable inputs. The highest priority is assigned to Level 1 inputs and the lowest to Level 3 inputs. If the fair value is measured using inputs from more than one level of the hierarchy, the measurement is considered to be based on the lowest priority input level that is significant to the entire measurement. Valuation techniques used should maximize the use of the observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2019 and 2018.

Mutual Funds: Valued at the net asset value of the shares held by the University and the Foundation at year end.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine if the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

At June 30, 2019 and 2018, all investments of the University and Foundation are categorized in Level 1 of the fair value hierarchy.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 4 - **Investments - Continued**

Foundation

Investments of the Foundation are stated at fair value and consist of the following at June 30,:

| | <u>2019</u> | | <u>2018</u> | |
|---------------------------------------|----------------------|---------------------|---------------------|---------------------|
| | <u>Market</u> | <u>Cost</u> | <u>Market</u> | <u>Cost</u> |
| Investments: | | | | |
| Stock Market Index Fund | \$ 4,454,818 | \$ 3,370,681 | \$ 4,017,987 | \$ 3,219,332 |
| Bond Market Index Fund | 3,032,715 | 2,964,656 | 2,732,541 | 2,797,062 |
| International Stock Market Index Fund | <u>2,854,991</u> | <u>2,782,027</u> | <u>2,523,717</u> | <u>2,400,463</u> |
| | <u>\$ 10,342,524</u> | <u>\$ 9,117,364</u> | <u>\$ 9,274,245</u> | <u>\$ 8,416,857</u> |

Note 5 - **Accounts Receivable**

The composition of the University's accounts receivable at June 30, 2019 and 2018 is summarized as follows:

| | <u>2019</u> | <u>2018</u> |
|---------------------------------------|---------------------|---------------------|
| Student accounts receivable | \$ 2,141,216 | \$ 1,942,325 |
| Grants receivable | 318,953 | 227,679 |
| Other receivables | <u>288,544</u> | <u>1,434,169</u> |
| | 2,748,713 | 3,604,173 |
| Less: allowance for doubtful accounts | <u>(1,611,504)</u> | <u>(1,421,514)</u> |
| | <u>\$ 1,137,209</u> | <u>\$ 2,182,659</u> |

Note 6 - **Due from the Commonwealth of Massachusetts**

Amounts recorded as due from the Commonwealth of Massachusetts represent additional fiscal year 2019 state appropriated funds for collective bargaining retroactive pay. As of June 30, 2019 and 2018, the amounts owed to the University were \$827,465 and \$0, respectively.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 7 - **Perkins Loans Receivable and Grants Refundable**

Loans receivable consist of the Federal Perkins Loan Program (“Perkins”). The Federal government provides the majority of the funds to support this program. Loan payments received from students made under this program may be re-loaned after collection. The portion of the Perkins program provided by the Federal government, identified as grants refundable on the Statement of Net Position, is refundable to the Federal government upon the termination of the University’s participation in the program.

Loans receivable include the following at June 30,:

| | <u>2019</u> | <u>2018</u> |
|---------------------------------------|------------------------------|-----------------------|
| Perkins loans receivable | \$ 827,616 | \$ 958,350 |
| Less: allowance for doubtful accounts | <u>(374,909)</u> | <u>(371,778)</u> |
| Total loans receivable, net | 452,707 | 586,572 |
| Less: amount due in one year | <u>(155,469)</u> | <u>(166,074)</u> |
| Long term loans receivable | <u>\$ 297,238</u> | <u>\$ 420,498</u> |

The Federal Perkins Loan Program Extension Act of 2015 (the “Extension Act”), enacted on December 18, 2015, extended the Perkins Loan Program through September 30, 2017. The Extension Act states that new Perkins Loans cannot be disbursed to students after September 30, 2017. Students that received a fall semester Perkins loan disbursement before October 1, 2017 were eligible to receive a spring semester Perkins loan disbursement. No further extensions were granted for the program as of the date of issuance of these financial statements.

Note 8 - **Related Party Transactions**

University

The University provides certain personnel and payroll services to the Foundation at no charge.

The University maintains depository relationship with the Westfield Bank, the president of which is a member of the Board of Trustees. At June 30, 2019 and 2018, total deposits were approximately \$10.5 million and \$10.4 million, respectively.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 9 - **Capital Assets**

The University's capital asset activity for the year ended June 30, 2019 is summarized as follows:

| | <u>Estimated lives (in years)</u> | <u>Beginning Balance</u> | <u>Additions</u> | <u>Retirements</u> | <u>Reclassifications</u> | <u>Ending Balance</u> |
|-----------------------------------|-------------------------------------------|------------------------------|-----------------------|--------------------|--------------------------|---------------------------|
| Capital assets, not depreciable: | | | | | | |
| Land | - | \$ 1,223,862 | \$ - | \$ - | \$ - | \$ 1,223,862 |
| Construction-in-progress | - | <u>1,777,409</u> | <u>308,546</u> | <u>315,678</u> | <u>(1,444,730)</u> | <u>325,547</u> |
| Total | | <u>3,001,271</u> | <u>308,546</u> | <u>315,678</u> | <u>(1,444,730)</u> | <u>1,549,409</u> |
| Depreciable: | | | | | | |
| Buildings, including improvements | 20-40 | 143,814,962 | 214,181 | - | 125,278 | 144,154,421 |
| Land improvements | 20 | 2,961,829 | 1,454,307 | - | 1,319,452 | 5,735,588 |
| Leasehold improvements | 5 | 271,083 | - | - | - | 271,083 |
| Equipment and furnishings | 3-10 | 28,288,867 | 439,689 | 309,547 | - | 28,419,009 |
| Library books | 5 | 7,347,373 | 51,076 | - | - | 7,398,449 |
| Vehicles | 5 | <u>1,061,090</u> | <u>40,965</u> | <u>48,726</u> | - | <u>1,053,329</u> |
| Total | | <u>183,745,204</u> | <u>2,200,218</u> | <u>358,273</u> | <u>1,444,730</u> | <u>187,031,879</u> |
| Less accumulated depreciation: | | | | | | |
| Buildings, including improvements | | 52,405,209 | 4,858,302 | - | - | 57,263,511 |
| Land improvements | | 1,423,329 | 231,400 | - | - | 1,654,729 |
| Leasehold improvements | | 271,083 | - | - | - | 271,083 |
| Equipment and furnishings | | 21,668,778 | 628,926 | 305,238 | - | 21,992,466 |
| Library books | | 7,252,821 | 46,152 | - | - | 7,298,973 |
| Vehicles | | <u>981,719</u> | <u>44,304</u> | <u>42,336</u> | - | <u>983,687</u> |
| Total accumulated depreciation | | <u>84,002,939</u> | <u>5,809,084</u> | <u>347,574</u> | - | <u>89,464,449</u> |
| Capital Assets, Net | | <u>\$ 102,743,536</u> | <u>\$ (3,300,320)</u> | <u>\$ 326,377</u> | \$ - | <u>\$ 99,116,839</u> |

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 9 - **Capital Assets - Continued**

The University's capital asset activity for the year ended June 30, 2018 is summarized as follows:

| | Estimated lives (in years) | Beginning Balance | Additions | Retirements | Reclassifications | Ending Balance |
|-----------------------------------|----------------------------------|-----------------------|---------------------|------------------|---------------------|-----------------------|
| Capital assets, not depreciable: | | | | | | |
| Land | - | \$ 1,223,862 | \$ - | \$ - | \$ - | \$ 1,223,862 |
| Construction-in-progress | - | 48,007,168 | 1,821,312 | - | (48,051,071) | 1,777,409 |
| Total | | <u>49,231,030</u> | <u>1,821,312</u> | <u>-</u> | <u>(48,051,071)</u> | <u>3,001,271</u> |
| Depreciable: | | | | | | |
| Buildings, including improvements | 20-40 | 95,335,528 | 442,135 | 3,647 | 48,040,946 | 143,814,962 |
| Land improvements | 20 | 2,717,712 | 233,992 | - | 10,125 | 2,961,829 |
| Leasehold improvements | 5 | 271,083 | - | - | - | 271,083 |
| Equipment and furnishings | 3-10 | 27,177,955 | 2,428,501 | 1,317,589 | - | 28,288,867 |
| Library books | 5 | 7,295,998 | 51,375 | - | - | 7,347,373 |
| Vehicles | 5 | 1,215,545 | 37,524 | 191,979 | - | 1,061,090 |
| Total | | <u>134,013,821</u> | <u>3,193,527</u> | <u>1,513,215</u> | <u>48,051,071</u> | <u>183,745,204</u> |
| Less accumulated depreciation: | | | | | | |
| Buildings, including improvements | | 48,457,846 | 3,949,551 | 2,188 | - | 52,405,209 |
| Land improvements | | 1,277,596 | 145,733 | - | - | 1,423,329 |
| Leasehold improvements | | 271,083 | - | - | - | 271,083 |
| Equipment and furnishings | | 21,227,240 | 1,732,984 | 1,291,446 | - | 21,668,778 |
| Library books | | 7,206,928 | 45,893 | - | - | 7,252,821 |
| Vehicles | | 1,059,465 | 114,233 | 191,979 | - | 981,719 |
| Total accumulated depreciation | | <u>79,500,158</u> | <u>5,988,394</u> | <u>1,485,613</u> | <u>-</u> | <u>84,002,939</u> |
| Capital Assets, Net | | <u>\$ 103,744,693</u> | <u>\$ (973,555)</u> | <u>\$ 27,602</u> | <u>\$ -</u> | <u>\$ 102,743,536</u> |

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 10 - **Student Deposits and Unearned Revenue**

Student deposits and unearned revenue includes tuition received in advance from students for summer courses commencing after June 30, the subsequent fall semester, state capital appropriations and grant funds received in advance. Student deposits and unearned revenue of the University include the following as of June 30,:

| | <u>2019</u> | <u>2018</u> |
|---------------------------------------------|---------------------|---------------------|
| Tuition and fees | \$ 1,463,856 | \$ 1,357,785 |
| State Capital appropriations | 1,176,728 | - |
| Grants | <u>84,230</u> | <u>73,419</u> |
| Total student deposits and unearned revenue | \$ <u>2,724,814</u> | \$ <u>1,431,204</u> |

Note 11 - **Line of Credit**

The Foundation has a demand line of credit allowing maximum borrowings of \$1,000,000. This note carries a variable interest rate with a minimum rate of 3.50%. At June 30, 2019 the interest rate on this line of credit was 4.44%. This line of credit expires December 31, 2019. Borrowings under the line of credit are secured by pledged securities. The outstanding balance on the line of credit was \$7,200 and \$64,800 at June 30, 2019 and 2018, respectively.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 12 - **Long-Term Liabilities**

Long-term liabilities at June 30, 2019 consist of:

| | June 30, 2019 | | | | Current Portion |
|-----------------------------------|-------------------------------------|-------------------------|--------------------------|----------------------------------|----------------------------|
| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Reductions</u> | <u>Ending Balance</u> | |
| Leases and bonds payable: | | | | | |
| Lease obligations | \$ 291,398 | \$ - | \$ 97,133 | \$ 194,265 | \$ 97,133 |
| Bonds payable | 20,723,626 | - | 1,138,801 | 19,584,825 | 1,187,288 |
| Bonds premium | <u>2,171,241</u> | - | <u>145,087</u> | <u>2,026,154</u> | <u>143,891</u> |
| Total leases and bonds payable | <u>23,186,265</u> | <u>-</u> | <u>1,381,021</u> | <u>21,805,244</u> | <u>1,428,312</u> |
| Other long-term liabilities: | | | | | |
| Compensated absences | 6,494,735 | 10,802 | - | 6,505,537 | 4,837,411 |
| Workers' compensation | 934,472 | 178,636 | - | 1,113,108 | 241,544 |
| Grants refundable | 602,171 | - | 19,861 | 582,310 | - |
| Net pension liability | 31,945,217 | 3,086,478 | - | 35,031,695 | - |
| Net OPEB liability | <u>62,133,611</u> | <u>-</u> | <u>601,624</u> | <u>61,531,987</u> | <u>-</u> |
| Total other long-term liabilities | <u>102,110,206</u> | <u>3,275,916</u> | <u>621,485</u> | <u>104,764,637</u> | <u>5,078,955</u> |
| Total | <u>\$ 125,296,471</u> | <u>\$ 3,275,916</u> | <u>\$ 2,002,506</u> | <u>\$ 126,569,881</u> | <u>\$ 6,507,267</u> |

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 12 - Long-Term Liabilities – Continued

Long-term liabilities at June 30, 2018 consist of:

| | June 30, 2018 | | | | |
|-----------------------------------|------------------------------|---------------------|---------------------|---------------------------|----------------------------|
| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Reductions</u> | <u>Ending Balance</u> | <u>Current Portion</u> |
| Leases and bonds payable: | | | | | |
| Lease obligations | \$ 451,513 | \$ - | \$ 160,115 | \$ 291,398 | \$ 97,133 |
| Bonds payable | 21,806,940 | - | 1,083,314 | 20,723,626 | 1,138,843 |
| Bonds premium | <u>2,324,652</u> | <u>-</u> | <u>153,411</u> | <u>2,171,241</u> | <u>145,087</u> |
| Total leases and bonds payable | <u>24,583,105</u> | <u>-</u> | <u>1,396,840</u> | <u>23,186,265</u> | <u>1,381,063</u> |
| Other long-term liabilities: | | | | | |
| Compensated absences | 6,400,460 | 94,275 | - | 6,494,735 | 4,797,181 |
| Workers' compensation | 836,983 | 97,489 | - | 934,472 | 198,108 |
| Grants refundable | 731,060 | - | 128,889 | 602,171 | - |
| Net pension liability | 30,460,744 | 1,484,473 | - | 31,945,217 | - |
| Net OPEB liability | <u>54,196,656</u> | <u>7,936,955</u> | <u>-</u> | <u>62,133,611</u> | <u>-</u> |
| Total other long-term liabilities | <u>92,625,903</u> | <u>9,613,192</u> | <u>128,889</u> | <u>102,110,206</u> | <u>4,995,289</u> |
| Total | <u>\$ 117,209,008</u> | <u>\$ 9,613,192</u> | <u>\$ 1,525,729</u> | <u>\$ 125,296,471</u> | <u>\$ 6,376,352</u> |

Bonds Payable

In December 2014, the University entered into a financing agreement with the MSCBA for partial funding of a new Science Center building. The source of financing for the project is based on the issuance of Project Revenue Bonds issued by MSCBA on behalf of the University (Series 2014B). Through its agreements with MSCBA, the University will repay this debt in semi-annual installments, starting November 1, 2015 and ending May 1, 2044, at an annual variable coupon rate averaging 5.0%. MSCBA requires that the University maintain a debt service reserve. At June 30, 2019 and 2018, the balance on these bonds was \$10,817,061 and \$11,091,223, respectively.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 12 - **Long-Term Liabilities - Continued**

Bonds Payable - continued

In November 2011, the University entered into a financing agreement with the MSCBA for an expansion of the wellness center, and the relocation of the food services and other student areas in Ely Hall. The source of financing for the project is based on the issuance of Project Revenue Bonds issued by MSCBA on behalf of the University (Series 2012A). Through its agreements with MSCBA, the University has an agreement to repay this debt in semi-annual installments, starting November 1, 2012 and ending May 1, 2031, at an annual variable coupon rate averaging 4.9%. A debt service reserve fund is not required under this financing arrangement. At June 30, 2019 and 2018 the balance on these bonds was \$6,583,046 and \$7,006,218, respectively.

During November 2010, the University borrowed \$226,065 in clean renewable energy bonds issue Series 2010A-14 with the Massachusetts Development Finance Agency ("MDFA"). The Series 2010A-14 bonds are payable in annual principal installments of \$13,298 through fiscal year 2027. Interest is payable semiannually at a fixed interest rate of 3.5%. MDFA requires no debt reserve. At June 30, 2019 and 2018 the balance on these bonds was \$106,384 and \$119,681, respectively.

In December 2010, the University entered into a financing agreement with the MSCBA for an expansion of a dining facility. The source of financing for the project is based on the issuance of Project Revenue Bonds issued by MSCBA on behalf of the University (Series 2010A and 2010B). Through its agreements with MSCBA, the University has an agreement to repay this debt in semi-annual installments, starting May 1, 2011 and ending May 1, 2030, at an annual variable coupon rate averaging 5.5%. MSCBA requires that the University maintain a debt service reserve. At June 30, 2019 and 2018 the balance on these bonds was \$2,873,078 and \$3,081,279, respectively.

In August 2002, the University borrowed \$5,816,000 in tax-exempt revenue bonds issue Series M-2 with the Massachusetts Health and Educational Facilities Authority ("MHEFA"). The Series M-2 bonds are payable in annual installments through fiscal year 2022 with principal amounts ranging between approximately \$242,000 and \$435,000. Interest is payable monthly at a predetermined varying rate (1.705% as of

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 12 - **Long-Term Liabilities - Continued**

Bonds Payable - continued

June 30, 2019). MHEFA requires that the University maintain a debt service reserve. At June 30, 2019 and 2018 the balance on these bonds was \$1,231,410 and \$1,596,466, respectively.

The University has a \$1,231,410 letter of credit agreement with Bank of America in support of the above MHEFA revenue bonds. Under the terms of the agreement, the University has pledged its right to receive continuing education tuition and fees, general fees, technical fees and miscellaneous fees as collateral to Bank of America. The agreement also places certain limits on the University with regard to incurring additional debt; requires the University to maintain a minimum amount of unrestricted cash and equivalents, and to maintain a debt service ratio and debt service reserve fund. Fees paid under the terms of the agreement were \$19,002 and \$15,865 at June 30, 2019 and 2018, respectively. As of June 30, 2019 and 2018, there is no outstanding balance on the letter of credit.

Maturities of the bonds payable subsequent to June 30, 2019 are as follows:

| Years Ended <u>June 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------------------|----------------------|----------------------|----------------------|
| 2020 | \$ 1,331,179 | \$ 865,967 | \$ 2,197,146 |
| 2021 | 1,384,712 | 832,576 | 2,217,288 |
| 2022 | 1,445,517 | 796,496 | 2,242,013 |
| 2023 | 1,048,473 | 754,688 | 1,803,161 |
| 2024 | 1,090,286 | 712,394 | 1,802,680 |
| 2025-2029 | 6,084,911 | 2,848,486 | 8,933,397 |
| 2030-2034 | 3,732,960 | 1,673,585 | 5,406,545 |
| 2035-2039 | 2,484,053 | 1,088,000 | 3,572,053 |
| 2040-2044 | <u>3,008,888</u> | <u>454,000</u> | <u>3,462,888</u> |
| | <u>\$ 21,610,979</u> | <u>\$ 10,026,192</u> | <u>\$ 31,637,171</u> |

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 12 - **Long-Term Liabilities - Continued**

Capital Lease Obligations

The following schedule summarizes future minimum annual payments under non-cancelable capital leases as of June 30, 2019.

| <u>Years Ending June 30,</u> | <u>Principal</u> |
|----------------------------------|-------------------|
| 2020 | 97,133 |
| 2021 | <u>97,132</u> |
| | <u>\$ 194,265</u> |

The following is a summary of property held under capital leases as of June 30, 2019:

| | |
|--------------------------------|---------------------------|
| Equipment | \$ 1,135,367 |
| Less: accumulated depreciation | <u>(1,032,026)</u> |
| | <u>\$ 103,341</u> |

Note 13 - **Pension**

Defined Benefit Plan Description

Certain employees of the University participate in a cost-sharing multiple-employer defined-benefit pension plan – the Massachusetts State Employees’ Retirement System (“SERS”) administered by the Massachusetts State Board of Retirement (the “Board”), which is a public employee retirement system (“PERS”). Under a cost-sharing plan, pension obligations for employees of all employers are pooled and plan assets are available to pay the benefits through the plan, regardless of the status of the employers’ payment of its pension obligations to the plan. The plan provides retirement and disability benefits and death benefits to plan members and beneficiaries.

The Massachusetts State Employees’ Retirement System does not issue stand-alone financial statements. Additional information regarding the Plan is contained in the Commonwealth’s financial statements, which is available on-line from the Office of State Comptroller’s website.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 13 - **Pension - Continued**

Benefit Provisions

SERS provides retirement, disability, survivor and death benefits to members and their beneficiaries. Massachusetts General Laws (“MGL”) establishes uniform benefit and contribution requirements for all contributory PERS. These requirements provide for superannuation retirement allowance benefits up to a maximum of 80% of a member’s highest three-year average annual rate of regular compensation. For employees hired after April 1, 2012, retirement allowances are calculated based on the last five years or any five consecutive years, whichever is greater in terms of compensation. Benefit payments are based upon a member’s age, length of creditable service, and group creditable service, and group classification. The authority for amending these provisions rests with the Massachusetts State Legislature (the “Legislature”).

Members become vested after ten years of creditable service. A superannuation retirement allowance may be received upon the completion of twenty years of service or upon reaching the age of 55 with ten years of service. Normal retirement for most employees occurs at age 65; for certain hazardous duty and public safety positions, normal retirement is at age 55. Most employees who joined the system after April 1, 2012 are not eligible for retirement until they have reached age 60.

Contributions

The SERS’ funding policies have been established by Chapter 32 of the MGL. The Legislature has the authority to amend these policies. The annuity portion of the SERS retirement allowance is funded by employees, who contribute a percentage of their regular compensation. Costs of administering the plan are funded out of plan assets.

Member contributions for SERS vary depending on the most recent date of membership:

| <u>Hire Date</u> | <u>Percent of Compensation</u> |
|---------------------|-----------------------------------------------------------------------------------------|
| Prior to 1975 | 5% of regular compensation |
| 1975 - 1983 | 7% of regular compensation |
| 1984 to 6/30/1996 | 8% of regular compensation |
| 7/1/1996 to present | 9% of regular compensation except for State Police which is 12% of regular compensation |
| 1979 to present | An additional 2% of regular compensation in excess of \$30,000 |

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 13 - **Pension - Continued**

Contributions – Continued

The Commonwealth does not require the University to contribute funding from its local trust funds for employees paid by state appropriations. Pension funding for employees paid from state appropriations are made through a benefit charge assessed by the Commonwealth. Such pension contributions amounted to approximately \$3,458,000, \$3,051,000 and \$2,604,000 for the years ended June 30, 2019, 2018 and 2017, respectively.

For employees covered by SERS but not paid from state appropriations, the University is required to contribute at an actuarially determined rate. The rate was 12.06%, 11.78% and 9.95% of annual covered payroll for the years ended June 30, 2019, 2018 and 2017, respectively. The University contributed \$2,549,316, \$2,421,406 and \$1,947,416 for the years ended June 30, 2019, 2018 and 2017, respectively, equal to 100% of the required contributions for each year. Annual covered payroll was approximately 88%, 87% and 86% of total related payroll for the years ended 2019, 2018 and 2017, respectively.

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2019 and 2018, the University reported a liability of \$35,031,695 and \$31,945,217, respectively, for its proportionate share of the net pension liability related to its participation in SERS. The net pension liability as of June 30, 2019, the reporting date, was measured as of June 30, 2018, the measurement date, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018 rolled forward to June 30, 2018. The net pension liability as of June 30, 2018, the reporting date, was measured as of June 30, 2017, the measurement date, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2017 rolled forward to June 30, 2017.

The University's proportion of the net pension liability was based on its share of the Commonwealth of Massachusetts' collective pension amounts allocated on the basis of actual fringe benefit charges assessed to the University for the fiscal years 2019 and 2018. The Commonwealth's proportionate share was based on actual employer contributions to the SERS for fiscal years 2019 and 2018 relative to total contributions of all participating employers for the fiscal year. At June 30, 2019 and 2018, the University's proportion was 0.265% and 0.249%, respectively.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 13 - **Pension - Continued**

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - continued

For the years ended June 30, 2019 and 2018, the University recognized pension expense of \$5,274,827 and \$4,632,841, respectively. The University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources at June 30,:

| | <u>2019</u> | <u>2018</u> |
|-------------------------------------------------------------------------------|----------------------|----------------------|
| <u>Deferred Outflows of Resources Related to Pension</u> | | |
| Contributions subsequent to the measurement date | \$ 2,549,316 | \$ 2,421,406 |
| Differences between expected and actual experience | 1,110,908 | 1,235,132 |
| Changes in proportion from Commonwealth | 94,479 | 109,413 |
| Change in plan actuarial assumptions | 3,550,245 | 3,324,387 |
| Changes in proportion due to internal allocation | <u>4,489,443</u> | <u>4,450,730</u> |
| Total | <u>\$ 11,794,391</u> | <u>\$ 11,541,068</u> |
| <u>Deferred Inflows of Resources Related to Pension</u> | | |
| Changes in proportion due to internal allocation | \$ 1,883,403 | \$ 2,668,154 |
| Changes in proportion from Commonwealth | 6,659 | 11,388 |
| Differences between expected and actual experience | 713,947 | 869,149 |
| Differences between projected and actual earnings of pension plan investments | <u>1,217,666</u> | <u>380,627</u> |
| Total | <u>\$ 3,821,675</u> | <u>\$ 3,929,318</u> |

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 13 - **Pension - Continued**

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - continued

The University's contributions of \$2,549,316 and \$2,421,406 made during the years ended June 30, 2019 and 2018, respectively, subsequent to the measurement date will be recognized as a reduction of the net pension liability in each of the succeeding years. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as increases (decreases) in pension expense as follows:

| Years Ending <u>June 30,</u> | |
|---------------------------------|---------------------|
| 2020 | \$ 2,788,168 |
| 2021 | 1,596,538 |
| 2022 | 84,083 |
| 2023 | 658,151 |
| 2024 | <u>296,460</u> |
| | <u>\$ 5,423,400</u> |

Actuarial Assumptions

The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| Measurement date | June 30, 2018 | June 30, 2017 |
|------------------------------------------------|----------------|----------------|
| Inflation | 3.00% | 3.00% |
| Salary increases | 4.00% to 9.00% | 4.00% to 9.00% |
| Investment rate of return | 7.35% | 7.50% |
| Interest rate credited to annuity savings fund | 3.50% | 3.50% |

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 13 - **Pension - Continued**

Actuarial Assumptions - continued

For measurement dates June 30, 2018 and 2017, mortality rates were based on:

- Pre-retirement - reflects RP-2014 Blue Collar Employees table projected generationally with Scale MP-2016 set forward 1 year for females
- Post-retirement - reflects RP-2014 Blue Collar Healthy Annuitant Table projected generationally with Scale MP-2016 set forward 1 year for females
- Disability – reflects RP-2000 Healthy Annuitant table projected generationally with Scale BB and a base year of 2015 (gender distinct)

The 2019 pension liability for the June 30, 2018 measurement date was determined by an actuarial valuation as of January 1, 2018 and rolled forward to June 30, 2018. The 2018 pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of January 2017 and rolled forward to June 30, 2017.

Investment assets of SERS are with the Pension Reserves Investment Trust (“PRIT”) Fund. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage. Best estimates of geometric rates of return for each major asset class included in the PRIT Fund’s target asset allocation as of June 30, are summarized in the following table:

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 13 - **Pension - Continued**

Actuarial Assumptions – continued

| Asset Class | 2018 | | 2017 | |
|---------------------------------|----------------------|----------------------------------------------|----------------------|----------------------------------------------|
| | Target Allocation | Long-Term Expected Real Rate of Return | Target Allocation | Long-Term Expected Real Rate of Return |
| Global Equity | 39.0% | 5.0% | 40.0% | 5.0% |
| Portfolio Completion Strategies | 13.0% | 3.7% | 13.0% | 3.6% |
| Core Fixed Income | 12.0% | 0.9% | 12.0% | 1.1% |
| Private Equity | 12.0% | 6.6% | 11.0% | 6.6% |
| Value Added Fixed Income | 10.0% | 3.8% | 10.0% | 3.8% |
| Real Estate | 10.0% | 3.8% | 10.0% | 3.6% |
| Timber/Natural Resources | 4.0% | 3.4% | 4.0% | 3.2% |
| Hedge Funds | 0.0% | | 0.0% | 3.6% |
| Total | <u>100.0%</u> | | <u>100.0%</u> | |

Discount Rate

The discount rate used to measure the total pension liability was 7.35% and 7.50% at June 30, 2019 and 2018, respectively. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and the Commonwealth's contributions will be made at rates equal to the difference between actuarially determined contributions rates and the member rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 13 - **Pension - Continued**

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following table illustrates the sensitivity of the net pension liability calculated using the discount rate as well as what the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate.

| June 30, 2019 | | |
|----------------|---------------|----------------|
| Current | | |
| 1.00% Decrease | Discount Rate | 1.00% Increase |
| (6.35%) | (7.35%) | (8.35%) |
| \$ 47,216,869 | \$ 35,031,695 | \$ 24,619,993 |
| June 30, 2018 | | |
| Current | | |
| 1.00% Decrease | Discount Rate | 1.00% Increase |
| (6.50%) | (7.50%) | (8.50%) |
| \$ 43,508,055 | \$ 31,945,217 | \$ 22,631,074 |

Note 14 - **OPEB**

Plan Description

As an agency of the Commonwealth, certain employees of the University participate in the Commonwealth's single employer defined benefit-OPEB plan – the State Retirees' Benefit Trust ("SRBT"). Benefits are managed by the Group Insurance Commission ("GIC") and investments are managed by the Pension Reserves Investment Management ("PRIM") Board. The GIC has representation on the Board of Trustees of the State Retirees' Benefits Trust ("Trustees").

The SRBT is set up solely to pay for OPEB benefits and the cost to administer those benefits. It can only be revoked when all such health care and other non-pension benefits, current and future, have been paid or defeased. The GIC administers benefit payments, while the Trustees are responsible for investment decisions.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 14 - **OPEB - Continued**

Plan Description - continued

Management of the SRBT is vested with the board of trustees, which consists of 7 members including the Secretary of Administration and Finance (or their designee), the Executive Director of the GIC (or their designee), the Executive Director of PERAC (or their designee), the State Treasurer (or their designee), the Comptroller (or a designee), 1 person appointed by the Governor and 1 person appointed by the State Treasurer. These members elect 1 person to serve as chair of the board.

The SRBT does not issue stand-alone audited financial statements but is reflected as a fiduciary fund in the Commonwealth's audited financial statements.

Benefits Provided

Under Chapter 32A of the Massachusetts General Laws, the Commonwealth is required to provide certain health care and life insurance benefits for retired employees of the Commonwealth, housing authorities, redevelopment authorities and certain other governmental agencies. Substantially all of the Commonwealth's employees may become eligible for these benefits if they reach retirement age while working for the Commonwealth. Eligible retirees are required to contribute a specified percentage of the health care / benefit costs, which are comparable to contributions required from employees. Dental and vision coverage may be purchased by these groups with no subsidy from the Commonwealth.

Contributions

Employer and employee contribution rates are set by MGL. The Commonwealth recognizes its share of the costs on an actuarial basis. As of June 30, 2019 and 2018, and as of the valuation date (January 1, 2018 and 2017), participants contributed 0% to 20% of premium costs, depending on the date of hire and whether the participant's status is active, retired, or survivor. As part of the fiscal year 2010 General Appropriation Act, all active employees pay an additional 5% of premium costs.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 14 - **OPEB - Continued**

Contributions - continued

Effective beginning in fiscal year 2014, by statute the Commonwealth is required to allocate, to the SRBT, a portion of revenue received under the Master Settlement Agreement with tobacco companies, increasing from 10% in fiscal year 2014 to 100% by fiscal year 2023. In fiscal years 2018 and 2017, 30% and 10%, respectively, of tobacco settlement proceeds or approximately \$73 million and \$25 million was allocated to the SRBT. The percentage of proceeds to be transferred to the SRBT in fiscal years 2018 and 2017 was set at 30% and 10%, respectively, overriding existing statute.

The Massachusetts General Laws governing employer contributions to SRBT determine whether entities are billed for OPEB costs. Consequently, SRBT developed an effective contribution methodology which allocates total actual contributions amongst the employers in a consistent manner (based on an employer's share of total covered payroll). The University is required to contribute based on Massachusetts General Laws; the rate was 8.79% and 8.92% of annual covered payroll for the fiscal years ended June 30, 2019 and 2018, respectively. The University contributed \$1,858,947 and \$1,833,293 for the fiscal years ended June 30, 2019 and 2018, respectively, equal to 100% of the required contribution for the year.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2019 and 2018, the University reported a liability of \$61,531,987 and \$62,133,611, respectively, for its proportionate share of the net OPEB liability related to its participation in SRBT. The net OPEB liability as of June 30, 2019, was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2018. The net OPEB liability as of June 30, 2018, was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2017. The University's proportion of the net OPEB liability was based on its share of the Commonwealth's collective OPEB amounts allocated on the basis of an effective contribution methodology which allocates total actual contributions amongst the employers in a consistent manner based on the University's share of total covered payroll for the fiscal years 2018 and 2017. The University's proportionate share was based on the actual employer contributions to the SRBT for fiscal years 2018 and 2017 relative to total

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 14 - **OPEB - Continued**

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - continued

contributions of all participating employers for the fiscal year. At June 30, 2019 and 2018, the University's proportion was 0.433% and 0.373%, respectively.

For the years ended June 30, 2019 and 2018, the University recognized OPEB expense of \$5,806,906 and \$6,000,982, respectively. The University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources at June 30,:

| | <u>2019</u> | <u>2018</u> |
|--------------------------------------------------------------------------------|----------------------|----------------------|
| <u>Deferred Outflows of Resources Related to OPEB</u> | | |
| Contributions subsequent to the measurement date | \$ 1,858,947 | \$ 1,833,293 |
| Changes in proportion from Commonwealth | 197,746 | 130,039 |
| Differences between expected and actual experience | 747,361 | - |
| Changes in proportion due to internal allocation | <u>17,668,126</u> | <u>10,760,977</u> |
| Total deferred outflows related to OPEB | <u>\$ 20,472,180</u> | <u>\$ 12,724,309</u> |
| <u>Deferred Inflows of Resources Related to OPEB</u> | | |
| Net differences between projected and actual earnings on OPEB plan investments | \$ 153,647 | \$ 113,361 |
| Differences between expected and actual experience | 131,336 | 142,856 |
| Changes in OPEB plan actuarial assumptions | <u>18,905,268</u> | <u>7,037,272</u> |
| Total deferred inflows related to OPEB | <u>\$ 19,190,251</u> | <u>\$ 7,293,489</u> |

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 14 - **OPEB - Continued**

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - continued

The University's contributions of \$1,858,947 and \$1,833,293 made during the fiscal years ending 2019 and 2018, respectively, reported as deferred outflows of resources related to OPEB resulting from University contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in each of the succeeding years.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as increases (decreases) in OPEB expense as follows:

| Years Ending <u>June 30,</u> | |
|---------------------------------|---------------------|
| 2020 | \$ (73,474) |
| 2021 | (73,474) |
| 2022 | (73,474) |
| 2023 | 325,131 |
| 2024 | <u>(681,727)</u> |
| | <u>\$ (577,018)</u> |

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 14 - **OPEB - Continued**

Actuarial Assumptions

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

| Measurement date | June 30, 2018 | June 30, 2017 |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|
| Inflation | 3.00% | 3.00% |
| Salary increases | 4.0% per year | 4.5% per year |
| Investment rate of return | 7.35%, net of OPEB plan investment expense, including inflation | 7.5%, net of OPEB plan investment expense, including inflation |
| Health care cost trend rates | 8.0%, decreasing by 0.5% each year to 5.5% in 2023 and then decreasing .25% each year to an ultimate rate of 5.0% in 2025 for Medical; 5.0% for EGWP; 5.0% for administrative costs | 8.5%, decreasing by 0.5% each year to an ultimate rate of 5.0% in 2024 for Medical; 5.0% for EGWP; 5.0% for administrative costs |

The mortality rate was in accordance with RP 2014 Blue Collar Mortality Table projected with scale MP-2016 from the central year, with females set forward one year.

The participation rates are actuarially assumed as below:

- 100% of all retirees who currently have health care coverage will continue with the same coverage, except that retirees under age 65 with POS/PPO coverage switch to Indemnity at age 65 and those over 65 with POS/PPO coverage switch to HMO.
- All current retirees, other than those indicated on the census data as not being eligible by Medicare, have Medicare coverage upon attainment of age 65, as do their spouses. All future retirees are assumed to have Medicare coverage upon attainment of age 65.
- 80% of current and future contingent eligible participants will elect health care benefits at age 65, or current age if later.
- Actives, upon retirement, take coverage, and are assumed to have the following coverage:

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 14 - **OPEB - Continued**

Actuarial Assumption - continued

| | <u>Retirement Age</u> | |
|-----------|-----------------------|----------------|
| | <u>Under 65</u> | <u>Age 65+</u> |
| Indemnity | 40.0% | 85.0% |
| POS/PPO | 50.0% | 0.0% |
| HMO | 10.0% | 15.0% |

The actuarial assumptions used in the January 1, 2018 and 2017 valuations were based on the results of an actuarial experience study for the periods ranging July 1, 2016 and 2015 through December 31, 2017 and 2016, depending upon the criteria being evaluated.

As a result of this actuarial experience study, the mortality assumption was adjusted in the January 1, 2017 and 2016 actuarial valuations to more closely reflect actual experience as a result of the recent experience study completed by the Public Employee Retirement Administration Commission ("PERAC").

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage.

The SRBT is required to invest in the PRIT Fund. Consequently, information about SRBT's target asset allocation and long-term expected real rate of return as of June 30, 2019 and 2018, are the same as discussed in the pension footnote (note 13).

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 14 - **OPEB - Continued**

Discount Rate

The discount rate used to measure the total OPEB liability for 2019 and 2018 was 3.95% and 3.63%, respectively. These rates were based on a blend of the Bond Buyer Index rate (3.87% at June 30, 2018 and 3.58% as of June 30, 2017) as of the measurement dates and the expected rates of return. The OPEB plan's fiduciary net position was not projected to be available to make all projected future benefit payments for current plan members. The projected "depletion date" when projected benefits are not covered by projected assets is 2025 and 2023 for the fiscal years 2019 and 2018, respectively. Therefore, the long-term expected rate of return on OPEB plan investments is 7.35% and 7.50%, respectively per annum was not applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the University's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the University's proportionate share of the net OPEB liability, as well as what the University's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

| | | June 30, 2019 | | |
|--------------------|---------------|----------------|---------------|----------------|
| | | Current | | |
| | | 1.00% Decrease | Discount Rate | 1.00% Increase |
| | | 2.95% | 3.95% | 4.95% |
| <hr/> | | | | |
| Net OPEB Liability | \$ 72,658,720 | \$ 61,531,987 | \$ 61,531,987 | \$ 52,636,331 |
| | | | | |
| | | June 30, 2018 | | |
| | | Current | | |
| | | 1.00% Decrease | Discount Rate | 1.00% Increase |
| | | 2.63% | 3.63% | 4.63% |
| <hr/> | | | | |
| Net OPEB Liability | \$ 73,757,566 | \$ 62,133,611 | \$ 62,133,611 | \$ 52,891,661 |

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 14 - **OPEB - Continued**

Sensitivity of the University's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the University's proportionate share of the net OPEB liability, as well as what the University's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

| 1.00% Decrease (B) | June 30, 2019 Current Healthcare Cost Trend Rate (A) | 1.00% Increase (C) |
|--------------------------------------------------------|---------------------------------------------------------------|-----------------------|
| \$ 51,122,460 | \$ 61,531,987 | \$ 75,121,154 |
| June 30, 2018 Current Healthcare Cost Trend Rate | | |
| 1.00% Decrease (B) | 1.00% Increase (C) | (A) |
| \$ 51,407,661 | \$ 62,133,611 | \$ 76,248,312 |

(A) - Current healthcare cost trend rate, as disclosed on page 52

(B) - 1-percentage decrease in current healthcare cost trend rate, as disclosed on page 52

(C) - 1-percentage increase in current healthcare cost trend rate, as disclosed on page 52

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 15 - **Operating Leases**

During fiscal year 2011, the University entered into a lease agreement for an apartment building to be used for student housing, expiring in July 2022. The University also leases office equipment under non-cancelable operating leases with various expiration dates through 2024. Total rent expense under these lease agreements was approximately \$1,857,000 and \$1,834,000 for the years ended June 30, 2019 and 2018, respectively.

Future minimum annual payments related to these leases are as follows:

| Years Ending <u>June 30,</u> | |
|---------------------------------|---------------------|
| 2020 | \$ 1,813,284 |
| 2021 | 1,815,155 |
| 2022 | 661,676 |
| 2023 | 529,349 |
| 2024 | <u>514,836</u> |
| Total | <u>\$ 5,334,300</u> |

Note 16 - **Net Position**

Restricted Net Position

The University is the recipient of funds that are subject to various external constraints upon their use, either as to purpose or time. These funds are comprised of the following at June 30,:

| | 2019 | 2018 |
|------------------------------|----------------------------|----------------------------|
| Restricted - expendable: | | |
| Scholarships and fellowships | \$ 651,956 | \$ 543,834 |
| Loans | 15,095 | 15,095 |
| Capital projects | 118,871 | 515,818 |
| Grants | <u>445,976</u> | <u>542,868</u> |
| | <u>\$ 1,231,898</u> | <u>\$ 1,617,615</u> |

The Foundation's restricted - nonexpendable and expendable net position consists of investments to be utilized for various scholarships and program support as of June 30, 2019 and 2018.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 17 - **Operating Expenses**

The University's operating expenses, on a natural classification basis, are comprised of the following at June 30,:

| | <u>2019</u> | <u>2018</u> |
|-------------------------------|------------------------------|------------------------------|
| Compensation and benefits | \$ 91,100,313 | \$ 86,403,230 |
| Supplies and services | 35,763,572 | 34,241,551 |
| Depreciation and amortization | 5,809,084 | 5,988,394 |
| Scholarships and fellowships | 2,971,317 | <u>2,713,655</u> |
| | <u>\$ 135,644,286</u> | <u>\$ 129,346,830</u> |

Note 18 - **Other Fringe Benefits**

The University participates in the Commonwealth's Fringe Benefit programs, including active employee and post-employment health insurance, unemployment, pension and workers' compensation benefits. Health insurance for active employees and retirees is paid through a fringe benefit rate charged to the University by the Commonwealth.

Group Insurance Commission

The Commonwealth's Group Insurance Commission ("GIC") was established by the Legislature in 1955 to provide and administer health insurance and other benefits to the Commonwealth's employees and retirees, and their dependents and survivors.

GIC also covers housing and redevelopment authorities' personnel, certain authorities and other offline agencies, retired municipal teachers from certain cities and towns and a small number of municipalities as an agent multiple-employer program, accounted for as an agency fund activity of the Commonwealth, not the University.

The GIC is a quasi-independent state agency governed by an eleven-member body (the "Commission") appointed by the Governor. The GIC is located administratively within the Executive Office of Administration and Finance, and it is responsible for providing health insurance and other benefits to the Commonwealth's employees and retirees and their survivors and dependents. During the fiscal year ended June 30, 2019, the GIC provided health insurance for its members through indemnity, PPO, and HMO plans. The GIC also administers carve-outs for pharmacy, mental health,

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 18 - **Other Fringe Benefits- Continued**

Group Insurance Commission - Continued

and substance abuse benefits for certain health plans. In addition to health insurance, the GIC sponsors life insurance, long-term disability insurance (for active employees only), dental and vision coverage (for employees not covered by collective bargaining), retiree discount vision and dental plans, and a pretax health care spending account and dependent care assistance program (for active employees only).

Other Retirement Plans

The employees of the University can elect to participate in two defined contribution plans offered and administered by the Massachusetts Department of Higher Education – an IRC 403(b) Tax-Deferred Annuity Plan and an IRC 457 Deferred Compensation SMART Plan. Employees can contribute by payroll deduction a portion of before-tax salary into these plans up to certain limits. The University has no obligation to contribute to these plans and no obligation for any future pay-out.

Note 19 - **Commitments and Contingencies**

The University is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, and natural disasters for which the Commonwealth is self-insured.

Various lawsuits are pending or threatened against the University, which arise in the ordinary course of operations. In the opinion of management no litigation is now pending or threatened that would materially affect the University's financial position.

The University receives significant financial assistance from Federal and state agencies in the form of grants. Expenditures of funds under these programs require compliance with the grant agreements and are subject to audit. Any disallowed expenditure resulting from such audits become a liability of the University. In the opinion of management, such adjustments, if any, are not expected to materially affect the financial condition of the University.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 19 - **Commitments and Contingencies - Continued**

The University participates in the Massachusetts College Savings Prepaid Tuition Program (the “Program”). This Program allows individuals to pay in advance for the future tuition at the cost of tuition at the time of election to participate, increased by changes in the Consumer Price Index plus 2%. The University is obligated to accept as payment of tuition the amount determined by this Program without regard to the standard tuition rate in effect at the time of the individual’s enrollment at the University. The effect of the program cannot be determined as it is contingent on future tuition increases and the Program participants who attend the University.

The University participates in the various programs administered by the Commonwealth for property, general liability, automobile liability and workers’ compensation. The Commonwealth is self-insured for employees’ workers’ compensation, casualty, theft, tort claims, and other losses. Such losses, including estimates of amounts incurred but not reported, are obligations of the Commonwealth. For workers’ compensation, the Commonwealth assumes the full risk of claims filed under a program managed by the Human Resources Division. For personal injury or property damages, Massachusetts General Laws limit the risk assumed by the Commonwealth to \$100,000 per occurrence, in most circumstances.

Note 20 - **Massachusetts Management Accounting and Reporting System**

Section 15C of Chapter 15A of the Massachusetts General Laws requires Commonwealth Colleges and Universities to report activity of campus-based funds to the Comptroller of the Commonwealth on the Commonwealth’s Statewide Accounting System, Massachusetts Management Accounting and Reporting System, (“MMARS”) on the statutory basis of accounting. The statutory basis of accounting is a modified accrual basis of accounting and differs from the information included in these financial statements. Management believes the amounts reported on MMARS meet the guidelines of the Comptroller’s *Guide for Higher Education Audited Financial Statements*.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 20 - **Massachusetts Management Accounting and Reporting System - Continued**

The University's state appropriations are composed of the following at June 30,:

| | <u>2019</u> | <u>2018</u> |
|-------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Direct unrestricted appropriations | \$ 29,998,821 | \$ 27,093,268 |
| Add: Fringe benefits for benefited employees on the state payroll | 10,005,037 | 9,027,529 |
| Less: Day school tuition remitted to the state and included in tuition and fee revenue | <u>(981,236)</u> | <u>(865,555)</u> |
| Total unrestricted appropriations | 39,022,622 | 35,255,242 |
| Capital appropriations | 394,564 | 1,202,170 |
| Restricted appropriations | <u>223,619</u> | <u>84,136</u> |
| Total appropriations | \$ <u>39,640,805</u> | \$ <u>36,541,548</u> |

No timing differences occurred where the University had additional revenue that was reported to MMARS after June 30, 2019 and 2018.

Note 21 - **Pass-Through Grants**

The University distributed \$32,811,289 and \$31,403,727 as of June 30, 2019 and 2018, respectively, for student loans through the U.S. Department of Education Federal Direct Lending Program. These distributions and related funding sources are not included as expenses and revenues, or as cash disbursements and cash receipts in the accompanying financial statements.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Financial Statements - Continued

June 30, 2019 and 2018

Note 22 - **Massachusetts State College Building Authority**

The MSCBA was created pursuant to Chapter 703 of the Acts of 1963 by the Commonwealth as a public instrumentality for the general purpose of providing dormitories, dining commons and other facilities primarily for use by students of the state universities of the Commonwealth. The University is charged a semi-annual revenue assessment that is based on a certified occupancy report, the current rent schedule, and the design capacity for each of the residence halls. This revenue assessment is used by MSCBA to pay principal and interest due on its long-term debt obligations. These obligations may include the costs of periodic renovations and improvements to the residence halls. The Commonwealth guarantees these obligations. The Revenue Assessments for the residence halls for the years ended June 30, 2019 and 2018 was \$11,784,601 and \$11,433,169, respectively. All facilities and obligations of the MSCBA are included in the financial statements of the MSCBA.

Dormitory trust fund reports included as supplemental information include revenues, which are included in operating revenues as other sources and expenses, which are included as operating expenses in auxiliary operations.

**REQUIRED SUPPLEMENTARY
INFORMATION**

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedule of Proportionate Share of Net Pension Liability (Unaudited)

Massachusetts State Employees' Retirement System

| Year ended | June 30, 2019 | June 30, 2018 | June 30, 2017 | June 30, 2016 | June 30, 2015 |
|---------------------------------------------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Measurement date | June 30, 2018 | June 30, 2017 | June 30, 2016 | June 30, 2015 | June 30, 2014 |
| Valuation date | January 1, 2018 | January 1, 2017 | January 1, 2016 | January 1, 2015 | January 1, 2014 |
| Proportion of the collective net pension liability | 0.265% | 0.249% | 0.240% | 0.289% | 0.218% |
| Proportionate share of the collective net pension liability | \$ 35,031,695 | \$ 31,945,217 | \$ 30,460,744 | \$ 30,111,590 | \$ 16,195,411 |
| University's covered payroll | \$ 20,555,229 | \$ 19,572,020 | \$ 16,780,213 | \$ 15,939,644 | \$ 16,181,450 |
| College's proportionate share of the net pension liability as a percentage of its covered payroll | 170.43% | 163.22% | 181.53% | 188.91% | 100.09% |
| Plan fiduciary net position as a percentage of the total pension liability | 67.91% | 67.21% | 63.48% | 67.87% | 76.32% |

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2014 and is intended to provide data for the most recent ten years.

See accompanying notes to the required supplementary information.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedule of Contributions - Pension (Unaudited)

Massachusetts State Employees' Retirement System

For the Years Ended June 30,

| | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> |
|--------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Statutorily required contribution | \$ 2,549,316 | \$ 2,421,406 | \$ 1,947,416 | \$ 1,586,274 | \$ 1,656,130 |
| Contributions in relation to the statutorily required contribution | <u>(2,549,316)</u> | <u>(2,421,406)</u> | <u>(1,947,416)</u> | <u>(1,586,274)</u> | <u>(1,656,130)</u> |
| Contribution (excess)/deficit | <u>\$ -</u> |
| University's covered payroll | \$ 21,138,607 | \$ 20,555,229 | \$ 19,572,020 | \$ 16,780,213 | \$ 15,939,654 |
| Contribution as a percentage of covered payroll | 12.06% | 11.78% | 9.95% | 9.45% | 10.39% |

Notes:

Employers participating in the Massachusetts State Employees' Retirement System are required by MA General Laws, Section 32, to contribute an actuarially determined contribution rate each year.

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2014 and is intended to provide data for the most recent ten years.

See accompanying notes to the required supplementary information.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Required Supplementary Information - Pension (Unaudited)

For the Year Ended June 30, 2019

Note 1 - **Change in Plan Actuarial and Assumptions**

Measurement date – June 30, 2018

The investment rate of return changed from 7.50% to 7.35%. In conjunction with the investment rate of return changing, the discount rate was also changed to mirror the new investment rate of return.

The mortality rate assumptions were changed as follows:

- Disabled members – the amount reflects the same assumptions as for superannuation retirees, but with an age set forward of one year

Measurement date – June 30, 2017

The mortality rates were changed as follows:

- Pre-retirement – was changed from RP-2000 Employees table projected generationally with Scale BB and a base year of 2009 (gender distinct) to RP-2014 Blue Collar Employees Table projected generationally with Scale MP-2016 and set forward 1 year for females
- Post-retirement – was changed from RP-2000 Healthy Annuitant table projected generationally with Scale BB and a base year of 2009 (gender distinct) to RP-2014 Blue Collar Healthy Annuitant Table projected generationally with Scale MP-2016 and set forward 1 year for females
- Disability – did not change

Measurement date – June 30, 2016

The assumption for salary increases changed from a range of 3.5% to 9.0% depending on group and length of service to a range of 4.0% to 9.0% depending on group and length of service.

Chapter 176 of the Acts of 2011 created a one-time election for eligible members of the Optional Retirement Plan (“ORP”) to transfer to the SERS and purchase service for the period while members of the ORP. As a result, the total pension liability of SERS increased by approximately 400 million as of June 30, 2016.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Required Supplementary Information - Pension (Unaudited)

For the Year Ended June 30, 2019

Note 1 - **Change in Plan Actuarial and Assumptions - Continued**

Measurement date – June 30, 2015

The discount rate to calculate the pension liability decreased from 8.0% to 7.5%

In May 2015, Chapter 19 of the Acts of 2015 created an Early Retirement Incentive (“ERI”) for certain members of SERS who upon election of the ERI retired effective June 30, 2015. As a result, the total pension liability of SERS increased by approximately \$230 million as of June 30, 2015.

The mortality rates were changed as follows:

- Pre-retirement – was changed from RP-2000 Employees table projected 20 years with Scale AA (gender distinct) to RP-2000 Employees table projected generationally with Scale BB and a base year of 2009 (gender distinct)
- Post-retirement – was changed from RP-2000 Healthy Annuitant table projected 15 years with Scale AA (gender distinct) to RP-2000 Healthy Annuitant table projected generationally with Scale BB and a base year of 2009 (gender distinct)
- Disability – was changed from RP-2000 table projected 5 years with Scale AA (gender distinct) set forward three years for males to RP-2000 Healthy Annuitant table projected generationally with Scale BB and a base year of 2015 (gender distinct)

WESTFIELD STATE UNIVERSITY
 (an agency of the Commonwealth of Massachusetts)

Schedule of Proportionate Share of Net OPEB Liability (Unaudited)

Massachusetts State Retirees' Benefit Trust

| | June 30, 2019 | June 30, 2018 |
|---------------------------------------------------------------------------------------------------|-----------------|-----------------|
| Year ended | June 30, 2018 | June 30, 2017 |
| Measurement date | June 30, 2018 | June 30, 2017 |
| Valuation date | January 1, 2018 | January 1, 2017 |
| Proportion of the collective net OPEB liability | 0.433% | 0.373% |
| Proportionate share of the collective net OPEB liability | \$ 61,531,987 | \$ 62,133,611 |
| University's covered payroll | \$ 20,555,229 | \$ 19,572,020 |
| University's proportionate share of the net OPEB liability as a percentage of its covered payroll | 299.35% | 317.46% |
| Plan fiduciary net position as a percentage of the total OPEB liability | 7.38% | 5.39% |

Notes:

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2017 and is intended to provide data for the most recent ten years.

See accompanying notes to the required supplementary information.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedule of Contributions - OPEB (Unaudited)

Massachusetts State Retirees' Benefit Trust

For the Year Ended June 30,

| | <u>2019</u> | <u>2018</u> |
|--------------------------------------------------------------------|--------------------|--------------------|
| Statutorily required contribution | \$ 1,858,947 | \$ 1,833,293 |
| Contributions in relation to the statutorily required contribution | <u>(1,858,947)</u> | <u>(1,833,293)</u> |
| Contribution (excess)/deficit | <u>\$ -</u> | <u>\$ -</u> |
| University's covered payroll | \$ 21,138,607 | \$ 20,555,240 |
| Contribution as a percentage of covered payroll | 8.79% | 8.92% |

Notes:

Employers participating in the Massachusetts State Retirees' Benefit Trust are required by MA General Laws, Section 32, to contribute an actuarially determined contribution rate each year.

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2017 and is intended to provide data for the most recent ten years.

See accompanying notes to the required supplementary information.

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Notes to the Required Supplementary Information – OPEB (Unaudited)

June 30, 2019

Note 1 - **Change in Plan Assumptions**

Fiscal year June 30, 2019

Assumptions:

Change in Trend on Future Costs

The healthcare trend rate decreased from 8.5% to 8.0%, which impact the high cost excise tax.

Change in Mortality Rates

The following mortality assumption changes were made in the January 1, 2018 Actuarial Valuation:

- Disabled members – would reflect the same assumptions as for superannuation retirees, but with an age set forward of one year

Change in Discount Rate

The discount rate was increased to 3.95% (based upon a blend of the Bond Buyer Index rate (3.87%) as of the measurement date as required by GASB Statement 74.

Fiscal year June 30, 2018

Assumptions:

Change in Discount Rate

The discount rate was increased to 3.63% (based upon a blend of the Bond Buyer Index rate (3.58%) as of the measurement date as required by GASB Statement 74. The June 30, 2016 discount rate was calculated to be 2.80%.

SUPPLEMENTAL INFORMATION

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedules of Net Position
Dormitory Trust Fund Report (Unaudited)

For the Years Ended June 30,

Assets

| | <u>2019</u> | <u>2018</u> |
|----------------------------------|----------------------------|----------------------------|
| Current Assets: | | |
| Cash and equivalents | \$ 6,182,931 | \$ 7,204,263 |
| Accounts receivable, net | 27,635 | 39,104 |
| Deposits held by State Treasurer | 174,837 | 136,291 |
| Other current assets | <u>2,073</u> | <u>4,483</u> |
| Total Assets | <u>\$ 6,387,476</u> | <u>\$ 7,384,141</u> |

Liabilities and Net Position

| | | |
|----------------------------------------------------------|----------------------------|----------------------------|
| Current Liabilities: | | |
| Accounts payable and accrued liabilities | \$ 98,773 | \$ 157,554 |
| Accrued employee compensation and benefits | 396,858 | 372,898 |
| Deposits held for others | <u>147,652</u> | <u>538,922</u> |
| Total Current Liabilities | <u>643,283</u> | <u>1,069,374</u> |
| Noncurrent Liability: | | |
| Accrued liability for employee compensation and benefits | <u>50,720</u> | <u>60,813</u> |
| Total Liabilities | <u>694,003</u> | <u>1,130,187</u> |
| Net Position: | | |
| Unrestricted | <u>5,693,473</u> | <u>6,253,954</u> |
| Total Liabilities and Net Position | <u>\$ 6,387,476</u> | <u>\$ 7,384,141</u> |

WESTFIELD STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedules of Revenues, Expenses and Changes in Net Position
Dormitory Trust Fund Report (Unaudited)

For the Years Ended June 30, 2019 and 2018

| | <u>2019</u> | <u>2018</u> |
|----------------------------------------------------------------------|---------------------|---------------------|
| Operating Revenues: | | |
| Room rent | \$ 17,233,039 | \$ 18,158,363 |
| Other sources | 16,451 | 24,367 |
| Deposits forfeited | 111,594 | 124,210 |
| Commissions - laundry | 66,596 | 66,333 |
| Commissions - vending | 49,287 | 53,730 |
| University support | <u>150,000</u> | <u>150,000</u> |
| Total Operating Revenues | <u>17,626,967</u> | <u>18,577,003</u> |
| Operating Expenses: | | |
| Employee compensation | 2,354,651 | 2,396,200 |
| Energy costs | 1,562,753 | 1,581,360 |
| Pension and insurance | 843,898 | 865,664 |
| Special employees | 561,717 | 707,914 |
| Operational services | 352,783 | 323,735 |
| Scholarships | 344,331 | 325,000 |
| Repairs and maintenance | 2,818 | 23,528 |
| Facility operations supplies | 249,222 | 304,481 |
| Administrative | 38,648 | 73,037 |
| Equipment purchase | 1,951 | 698,428 |
| Equipment lease, rental and maintenance | 49,613 | 40,224 |
| Consultant services | 26,600 | 13,411 |
| Student travel | 3,397 | 3,706 |
| Employee related | 10,465 | 13,149 |
| Annual payment to the Massachusetts State College Building Authority | <u>11,784,601</u> | <u>11,433,169</u> |
| Total Operating Expenses | <u>18,187,448</u> | <u>18,803,006</u> |
| Decrease in Net Position | <u>(560,481)</u> | <u>(226,003)</u> |
| Net Position, Beginning of Year | <u>6,253,954</u> | <u>6,479,957</u> |
| Net Position, End of Year | <u>\$ 5,693,473</u> | <u>\$ 6,253,954</u> |

**INDEPENDENT AUDITORS' REPORT ON
INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees of
Westfield State University
Westfield, Massachusetts

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Westfield State University (the "University"), which comprise the statements of net position as of June 30, 2019 and 2018, and the related statements of revenues and expenses, changes in net position, and cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise the University's basic financial statements and have issued our report thereon dated October 10, 2019.

Internal Control Over Financial Reporting

In planning and performing our audits of the financial statements, we considered the University's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, we do not express an opinion on the effectiveness of the University's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audits we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Certified Public Accountants
Braintree, Massachusetts

October 10, 2019



Board of Trustees

October 10, 2019

MOTION

To eliminate the Computer Viruses Policy (0040) as it is no longer applicable.

Kevin R. Queenin, Chair

Date

COMPUTER VIRUSES

PURPOSE

It is the purpose of this document to describe the University's policy on dealing with computer viruses.

POLICY

1. Since computer viruses may be introduced accidentally, or with malice, into university-owned computers at any time, especially systems found in computer laboratories, the University will make every effort to protect its systems from such viruses and to protect and restore data on disks of users affected by viruses.
2. All PC-, MAC-, and UNIX-based systems must have anti-virus software present and working. Users **MUST NOT** disable this software at any time. Updating this software is the responsibility of the user because new viruses appear frequently. Automatic updates from the software vendor can be applied by simply logging onto the vendor's web site and downloading the latest version.
3. The University is not responsible for the presence of any virus found on any university-owned system. The University will not accept responsibility for damage caused to data, software, or hardware by any virus found on any University-owned system.
4. Users can protect their systems by implementing scheduled back-up procedures that they develop. Should the system become infected, restoring data from a back-up set that is not infected will ensure data integrity.
5. Viruses can be introduced by file sharing, downloading, or e-mail. Users should not open any e-mail attachments unless the sender is known, or the user is familiar with the content. If a user has doubts about the document, it should be scanned with anti-virus software before opening it.

REVIEW

This policy will be reviewed annually by the Chief Information Officer.



Board of Trustees

October 10, 2019

MOTION

To eliminate the Equipment/Software Purchasing Policy (0070) as it is no longer applicable.

Kevin R. Queenin, Chair

Date

Westfield State University

Policy concerning:

Section Administrative

Number 0070

Page 1 of 3

APPROVED: September 1992

REVIEWED: April 2007

EQUIPMENT/SOFTWARE PURCHASING

PURPOSE

To coordinate the acquisition of software and equipment for the University in an effort to save money, maintain property, and provide the necessary service on purchased items.

DEFINITION

Requisitioner: The person who is requesting that an order be placed; the “ship to attention of” person.

Unit: The administrative office having the authority to service, inventory, install or maintain equipment purchased by the University.

POLICY

1. It is the full responsibility of the requisitioner to obtain approval or sign-off for all items/services listed in this policy prior to the beginning of the purchasing process (electronic or otherwise).
2. When items such as computer equipment/software, audio/visual equipment, communications equipment, security devices, and other specialized equipment are purchased, the purchase requisition shall be reviewed by the department unit (hereby referred to as unit) which is responsible for cataloging, servicing, and/or maintaining the equipment.
3. The unit shall review equipment purchase requisitions through use of the Purchase Review and Approval Form before the requisition receives the **initial** approving signature or electronic sign-off.
4. The unit shall review the requisition to ascertain if the equipment or software being purchased is: (1) a duplicate purchase, (2) the type of equipment that can be supported or serviced by the unit, (3) cost effective, and (4) the best equipment for the desired purpose (in the professional judgment of the unit).
5. Should the unit not recommend the purchase of equipment/software; the equipment can only be purchased with the approval of the appropriate Vice President. In this case, the unit shall not be under any obligation to respond to requests for service, advice, and/or training for this equipment/software.
6. Requisitioners who fail to seek unit review prior to the purchase of software, equipment or items that require university service, installation, or maintenance

Westfield State University

Policy concerning:

Section Administrative

Number 0070

Page 2 of 3

APPROVED: September 1992

REVIEWED: April 2007

may at the discretion of the unit director be charged for the service, installation, or maintenance for this equipment. The unit shall not be under any obligation to respond to requests for service, advice, and/or training for this equipment/software.

7. The units responsible for reviewing purchase requisitions for software and equipment include:
 - a. Information Technology: Information Technology is responsible for reviewing all purchase requisitions that involve the acquisition of computer-type equipment including, but not limited to, terminals, personal computers, computer software, computer communications devices, printers, and other peripheral devices associated with computer technology.
 - b. Media Services: Media Services is responsible for reviewing all purchase requisitions that involve the acquisition of audio/visual equipment, multi-media equipment, photographic equipment, and materials. Media materials such as video tapes shall be received by the Media Services department for cataloging.

Media Services is also responsible for reviewing all purchase requisitions that involve the acquisition of communications hardware, telephone devices such as FAX machines, telephone answering machines, telephone extensions, or any other devices that would involve a connection to the University telephone system.
 - c. Facilities and Operations: The Facilities and Operations Department is responsible for reviewing all purchase requisitions that involve the acquisition of equipment requiring specialized or additional electrical connections as well as physical modifications to the office space where the equipment is to be located.
 - d. Public Safety: Public Safety is responsible for reviewing all purchase requisitions that involve the acquisition of security systems, alarms, and any other security-type devices.
 - e. The Inventory Control Office receives a copy of all purchase orders to facilitate the inventory of equipment and software purchases as required.
8. The Purchase Review and Approval Form for equipment and software shall be routed to the appropriate unit for review either during the budget process or prior to initiating the purchase requisition. Each unit reviewing Purchase Review and

Westfield State University

Policy concerning:

Section Administrative

Number 0070

Page 3 of 3

APPROVED: September 1992

REVIEWED: April 2007

Approval Forms under this policy shall provide written guidelines to assist compliance with this policy. The completed form for "Recommended" purchases should be sent to Purchasing, and the requisition number should be at the top.

REVIEW

This policy shall be reviewed annually by the Vice President for Administration and Finance.



Board of Trustees

October 10, 2019

MOTION

To eliminate the Identity Theft Prevention Policy (0540) as it is no longer applicable.

Kevin R. Queenin, Chair

Date

Westfield State University

Policy concerning:

APPROVED: December 2010

Section Administrative

number 0540

page 1 of 5

REVIEWED:

IDENTITY THEFT PREVENTION

PURPOSE

Westfield State University (University) has adopted this initial Identity Theft Prevention Program (Program) in compliance with the Red Flag rules issued by the Federal Trade Commission pursuant to the Fair and Accurate Credit Transactions ACT ("FACTA"). The University is engaging in activities which are covered by the FACTA Red Flag rules. After consideration of the size and complexity of the University's operations and account systems, and the nature and scope of the University's activities, the Board has determined that this Program is appropriate for the University.

Under the Red Flag rules, the University is required to establish an "Identity Theft Prevention Program" with reasonable policies and procedures to detect, identify, and mitigate identity theft in its covered accounts. The University must incorporate relevant Red Flags into a Program to enable the University to detect and respond to potential identity theft. The University shall ensure that the Program is updated periodically to reflect changes in risks to customers or creditors or the University from identity theft.

POLICY

- **RESPONSIBLE UNIVERSITY OFFICIAL**

The President shall designate a senior University official to serve as Program Administrator. The Program Administrator shall exercise appropriate and effective oversight over the Program and shall report regularly to the President on the Program.

- **ADMINISTRATION AND MAINTENANCE**

The Program Administrator is responsible for developing, implementing, and updating the Program throughout the University. The Program Administrator will be responsible for: coordinating appropriate training of University staff on the Program; advising on appropriate procedures to follow for identifying, preventing, and mitigating identity theft; determining which steps of prevention and mitigation should be taken under particular circumstances; serve as facilitator and advisor on incidences of identity theft and coordinate any reporting requirements, as necessary; and recommending to the President periodic changes to the Program.

The Program will be periodically reviewed and updated to reflect changes in identity theft risks and technological changes. The Program Administrator will consider the University's experiences with identity theft, changes in identity theft methods; changes in identity theft detection, mitigation and prevention methods; changes in types of accounts the University maintains; changes in the University's business arrangements with other entities, and any changes in legal requirements in the area of identity theft. After considering these and other factors, the Program Administrator will determine whether changes to the Program are warranted.

The Program Administrator shall confer with all appropriate University personnel and knowledgeable experts in the area of privacy issues as necessary to ensure compliance and maintenance of an effective program. The Program Administrator shall annually report to the President on the effectiveness of the Program. The Program Administrator shall present any recommended changes to the President for approval. The President's approval shall be sufficient to make changes to the University's Identity Theft Program.

Westfield State University

Policy concerning:

Section Administrative

number 0540

page 2 of 5

APPROVED: December 2010

REVIEWED:

• DEFINITIONS

Pursuant to the Red Flag regulations at 16 C. F. R. § 681.2, the following definitions shall apply to this Program:

Identity Theft:

A fraud committed using the identifying information of another person without authority.

Red Flag:

A pattern, practice, or specific activity that indicates the possible existence of Identity Theft.

Covered accounts:

1. Any account the University offers or maintains primarily for personal, family or household purposes, that involves multiple payments or transactions.
2. Any other account the University offers or maintains for which there is a reasonably foreseeable risk to customers or to the safety and soundness of the University from Identity Theft.

Credit:

The right granted by a creditor to a debtor to defer payment of debt or to incur debt and defer its payment or to purchase property or services and defer payment therefore.

Creditor:

An entity that regularly extends, renews, or continues credit.

Customer:

Any person with a covered account with a creditor.

Identifying information:

Any name or number that may be used, alone or in conjunction with any other information, to identify a specific person, including:

Name
Address
Telephone number
Social security number
Date of birth
Government issued driver's license or identification number
Alien registration number
Government passport number
Employer or taxpayer identification number
Unique electronic identification number
Computer's Internet Protocol address or routing code

• IDENTIFICATION OF RED FLAGS

In order to identify relevant Red Flags, the University considers the types of accounts that it offers and maintains, the methods it provides to open its accounts, the methods it provides to access its accounts, and its previous experiences with identity theft. The following are examples of relevant Red Flags, in each of the listed categories, which employees should be aware of and diligent in monitoring for:

A. *Notifications and Warnings from Credit Reporting Agencies*

- Report of fraud accompanying a credit report;
- Notice or report from a credit agency of a credit freeze on a customer or applicant;
- Notice or report from a credit agency of an active duty alert for an applicant; and

Westfield State University

Policy concerning:

Section Administrative

number 0540

page 3 of 5

APPROVED: December 2010

REVIEWED:

- Indication from a credit report of activity that is inconsistent with a customer's usual pattern or activity.

B. *Suspicious Documents*

- Identification document or card that appears to be forged, altered or inauthentic;
- Identification document or card on which a person's photograph or physical description is not consistent with the person presenting the document;
- Other document with information that is not consistent with existing customer information (such as is a person's signature on a check appears forged); and
- Application for service that appears to have been altered or forged.

C. *Suspicious Personal Identifying Information*

- Identifying information presented that is inconsistent with other information the customer provides (example: inconsistent birth dates);
- Identifying information presented that is inconsistent with other sources of information (for instance, an address not matching an address on a credit report);
- Identifying information presented that is the same as information shown on other applications that were found to be fraudulent;
- Identifying information presented that is consistent with fraudulent activity (such as an invalid phone number or fictitious billing address);
- Social security number presented that is the same as one given by another customer;
- An address or phone number presented that is the same as that of another person;
- A person fails to provide complete personal identifying information on an application when reminded to do so (however, by law social security numbers must not be required); and
- A person's identifying information is not consistent with the information that is on file for the customer.

D. *Suspicious Account Activity or Unusual Use of Account*

- Change of address for an account followed by a request to change the account holder's name;
- Payments stop on an otherwise consistently up-to-date account;
- Account used in a way that is not consistent with prior use (example: very high activity);
- Mail sent to the account holder is repeatedly returned as undeliverable;
- Notice to the University that a customer is not receiving mail sent by the University;
- Notice to the University that an account has unauthorized activity;
- Breach in the University's computer system security; and
- Unauthorized access to or use of customer account information.

Westfield State University

Policy concerning:

APPROVED: December 2010

Section Administrative

number 0540

page 4 of 5

REVIEWED:

E. Alerts from Others

- Notice to the University from a customer, identity theft victim, law enforcement or other person that is has opened or is maintaining a fraudulent account for a person engaged in Identity Theft.

• **DETECTING RED FLAGS**

The program is also designed to detect Red Flags relevant to each type of covered account as follows:

A. New Accounts

In Order to detect any of the Red Flags identified above associated with the opening of a new account, University personnel will take the following steps to obtain and verify the identity of the person opening the account:

- Require certain identifying information such as name, date of birth, residential or business address, driver's license or other identification;
- Verify the customer's identity (for instance, review a driver's license or other identification card);
- Independently contact the customer.

B. Existing Accounts

In order to detect any of the Red Flags identified above for existing accounts, University personnel will take the following steps to monitor transactions with an account:

- Verify the identification of customers if they request information (in person, via telephone, via facsimile, via email);
- Verify the validity of requests to change billing addresses; and
- Verify changes in banking information given for billing and payment purposes.

• **RESPONDING TO RED FLAGS AND MITIGATING IDENTITY THEFT**

In the event University personnel detect any identified Red Flags, such personnel shall take prescribed steps to respond and mitigate identity theft depending on the nature and degree of risk posed by the Red Flag, including but not limited to the following examples:

- Continue to monitor an account for evidence of identity theft;
- Contact the customer;
- Change any passwords or other security devices that permit access to accounts;
- Not open a new account;
- Close an existing account
- Reopen an account with a new number;
- Notify law enforcement; or
- Determine that no response is warranted under the particular circumstances.

Westfield State University

Policy concerning:

APPROVED: December 2010

Section Administrative

number 0540

page 5 of 5

REVIEWED:

- **STAFF TRAINING AND AWARENESS PROGRAM**

An integral part of the Program entails initial and continual training and awareness of university staff to potential incidences of identity theft. To this end, University employees responsible for implementing the Program shall be trained under a university sponsored awareness and training program coordinated with departmental staff, the Office of Human Resources and the Program Administrator on the detection of Red Flags, and the responsive steps to be taken when a Red Flag activity is detected.

- **REPORTING**

Appropriate staff and/or supervisors shall provide reports to the Program Administrator on incidents of identity theft and actions taken to mitigate any risks associated with Red Flag activity. A separate "Privacy Incident Report" form has been developed to facilitate and standardize this reporting. This reporting mechanism will be communicated to all responsible employees and will also be located on the University's web site.

- **SERVICE PROVIDER ARRANGEMENTS**

In the event the University engages a service provider to perform an activity in connection with one or more accounts, the University will take the following steps to ensure the service provider performs its activity in accordance with reasonable policies and procedures designed to detect, prevent, and mitigate the risk of identity theft:

1. Require, by contract, that service providers have such policies and procedures in place; and
2. Require, by contract, that service providers review the University's Program and report any Red Flags to the Program Administrator.

- **REPORTING REQUIREMENTS TO THE BOARD OF TRUSTEES**

After initial approval of this policy by the Board of Trustees, the President will advise the Board on a periodic basis on the continued compliance of this policy and from time to time bring appropriate recommendations to the Board for their consideration, review and revisions to this policy, as necessary.

REVIEW

This policy shall be reviewed annually by the Vice President, Administration and Finance.



Board of Trustees

October 10, 2019

MOTION

To eliminate the Telephone Use Policy (0310) as it is no longer applicable.

Kevin R. Queenin, Chair

Date

TELEPHONE USE POLICY

PURPOSE

The purpose of this document is to define the appropriate use of University-provided telephones and telephone service by University employees.

POLICY

1. University employees are provided access to a University telephone to conduct business as required.
2. Under no circumstances are employees permitted to access 1-900 numbers.
3. It is expected that a small percentage of calls may be made from University telephones by University employees that are personal, i.e. not University business-related; consequently, it is also expected that those calls would be reimbursed to the University telephone account, as the billing information is made available on the call record report.
4. Telephone charges for local and long-distance dialing are distributed on a monthly schedule. Personnel changes should be reported to the switchboard as necessary to maintain a current report.
 - a. Users are to remit a check payable to Westfield State University at 105% of charges. The additional 5% is to pay the tax due to the State Department of Revenue. Forward checks to the Chief Information Officer.
5. Telephone maintenance and repair is coordinated through the Office of Information Technology. Repair problems and moves, adds or changes in service should be reported/requested.
6. Voice Mail is available to all University employees as a feature on their telephone. Activation or deletion of voice mail service is coordinated through the Office of Information Technology.
7. Conference Calling is available through the switchboard and should be coordinated directly through the operators.

Westfield State University

Policy concerning:

Section Administrative

number 0310

page 2 of 2

APPROVED: October 1996

REVIEWED: April 2007

8. International calls must be completed by the switchboard operator.
9. Audio teleconferencing can be coordinated through the switchboard for the use of the Voice Point teleconferencing unit. This device allows a group to conduct a telephone conference/interview from various locations on the campus.

REVIEW

This policy will be reviewed annually by the Chief Information Officer.



Board of Trustees

October 10, 2019

MOTION

To confirm the appointment of Trustee Paul Boudreau as the Chair of the Audit Committee.

Kevin R. Queenin, Chair

Date