Board of Trustees

February 8, 2024
3:00 to 5:00 PM

President's Boardroom, Horace Mann Center

A live stream of the meeting for public viewing will also take place at the following link: https://www.westfield.ma.edu/live

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1. **Call to Order** — Board Chair Ali Salehi

2. **Approval of Minutes** — Board Chair Ali Salehi
   a. Draft Minutes of September 8, 2023 Executive Committee
   b. Draft Minutes of December 13, 2023 Full Board Meeting
   c. Draft Minutes of December 22, 2023 Executive Committee

3. **General Announcements** — Board Chair Ali Salehi

4. **President's Report** — Dr. Linda Thompson

5. **Student Trustee Report** — Trustee Daniel Currier

6. **Enrollment Management and Student Affairs Committee** — Committee Chair William Reichelt
   a. Items for Information

7. **Advancement, Marketing, and External Relations Committee** — Committee Chair Dr. Gloria Williams
   a. Items for Information

8. **Academic Affairs Committee** — Committee Chair Dr. Robert Martin
   a. Items for Information
   b. Items for Action
      i. Motion – Honorary Degree approval for Mary Lou McDonald
      ii. Motion- Approval of a Master of Arts in History

9. **Financial Affairs Committee** — Committee Chair George Gilmer
   a. Items for Information

b. Items for Action
   i. Motion – Allocation/Reallocation of Space Policy (0250)
   ii. Motion – Capital Planning and New Projects
   iii. Motion – Schedule of Annual Tuition and Fees
   iv. Motion – Investment Policy (0430)

10. <u>Audit Committee</u> Committee Chair Theresa Jasmin

a. Items for Information

b. Items for Action

   i. Motion – Uniform Guidance Report

11. <u>Other Business</u>

a. Items for Action
   i. Ratification of Motion-Funds Transfer to New Account
b. Items for Discussion Board Chair Ali Salehi
   i. Board Self Evaluation
   ii. Committee Structure
   iii. Efficiency of Meeting Time and Utilization
   iv. Board Crisis Management
   v. Consent Agendas to Approve Routine Motions
   vi. KPI's

<u>Attachments</u>:

a. Draft Minutes of September 8, 2023 Executive Committee
b. Draft Minutes of December 13, 2023
c. Draft Minutes of December 22, 2023 Executive Committee
d. President's Presentation
e. Student Trustee Presentation

Academic Affairs Committee:

f. Motion – Honorary Degree approval for Mary Ann McDonald
g. Motion- Approval of a Master of Arts in History

Financial Affairs Committee:

h. Motion – Allocation/Reallocation of Space policy (0250)
i. Motion – Capital Planning and New Projects
j. Motion – FY25 Schedule of Annual Tuition and Fees
k. Motion – Investment Policy (0430)

Audit Committee:

l. Motion – Uniform Guidance Report

Full Board:

m. Motion – Ratification of Motion-Funds Transfer to New Account

Board of Trustees

Executive Committee
September 8, 2023
Minutes

Via Zoom
In accordance with Massachusetts Executive Order Suspending Certain Provisions of the Open Meeting Law, G.L. c. 30A, § 20 dated March 12, 2020.

A live stream of the meeting for public viewing also took place on YouTube.

MEMBERS PARTICIPATING REMOTELY: Committee Chair Ali Salehi, Vice Chair Melissa Alvarado, Secretary Dr. Gloria Williams, and past Chair Dr. Robert Martin

TRUSTEE GUESTS PARTICIPATING REMOTELY: Trustees Paul Boudreau, Daniel Currier, George Gilmer, Theresa Jasmin, Madeline Landrau, and William Reichelt

Also participating remotely was Westfield State University President Dr. Linda Thompson.

The meeting was called to order at 2:06 PM by Chair Salehi. A roll call was taken of the Trustees participating as listed above and it was announced that the meeting was being livestreamed and recorded.

> **MOTION** made by Trustee Williams, seconded by Trustee Alvarado, to approve the minutes of the July 27, 2022, meeting.
> There being no discussion, ROLL CALL VOTE passed motion unanimously with Trustees voting in the affirmative: Alvarado, Wiliams, Martin, and Salehi.

This is the first year an evaluation is required for President Thompson. Chair Salehi and Trustee Martin gathered feedback last fall from campus constituents, which has been incorporated into the evaluation.

Presidential Evaluation for 2022-2023 Academic Year. Trustee Martin shared the Open Meeting Law restrictions of creating and sharing the evaluation. The evaluation to be submitted to the Department of Higher Education (DHE) will include the president's self-evaluation and anonymous input from nine trustees, excluding himself. He and Chair Salehi have reviewed the draft evaluation with President Thompson. Trustee Martin provided an overview of the evaluation:

- The president has done a great job in setting the direction for the University that is sensitive to the dramatically changing higher ed landscape. Perhaps the most important outcome is convincing members of the community that change is necessary, possible, and doable.
- President Thompson is a significant bridge builder and has been stellar in creating partnerships with the community that are essential for enrollment and programmatic development.
- The president's challenge for the next year will be to ensure people are behind the vision, to develop momentum for change, and turn ideas into tangible action plans. A president and her team

cannot move a University by themselves. There needs to be communication and setting very specific expectations for herself, the Board, and her staff.

The following comments were provided by the committee and trustee guests:

- Wished the committee could have discussed the report prior to the meeting but understand the restrictions.
- The format makes sense and is easy to read; nothing to be added. Commended the president for having open office hours for two-way learning and being open to the campus community.
- Very comprehensive and a summary of the good work President Thompson has done in her time at the University. In the trustee feedback, there was a great deal of alignment on the president's impact on the University. Although working independently, there was consensus provided.
- Appreciated looking at barriers/negativity as opportunities and moving from challenges to goals.
- In responding to the NECHE report, the president replied in a non-confrontational way to each point given to us.
- Identified the challenges moving forward: communication and mobilizing people. Implementation of strategies are needed to increase the enrollment numbers. New programs need to come into reality and ideas into action plans. The Board needs to hold the president and staff accountable for taking those actionable steps.
- Due to the restrictions of the Open Meeting Law, going forward it may be helpful as a group to have discussions and input for the evaluation in an open meeting.
- It is a very challenging time for universities and colleges across the nation. Appreciative of the way the president has and will approach some of the challenges going forward. She is the right person to take the University through what it needs to get through.
- Agree with everything in the report – the president has done a stellar job in the last two years. Students agree and want to see her succeed because her success is the students' success. She is a change agent to move the institution forward.
- The trait of a good leader is facing challenges head on, which the president has done in a short time. She has formed strong relationships with students and cabinet. She is everywhere in the community, serving on several local boards. She is a leader who is not afraid to make decisions. She will make mistakes but will get up and move on.

MOTION made by Trustee Alvarado, seconded by Trustee Martin, to approve and recommend to the full Board the presidential evaluation for the 2022-2023 academic year as presented to the Executive Committee on this date, September 8, and the submission of said evaluation to the Commissioner of the Department of Higher Education.
Discussion: The Commissioner of Higher Education determines a salary adjustment, a portion of which will be based on the evaluation submitted. We can recommend but have no say in the increase. Typically, the Commissioner will meet with the president to discuss the evaluation and will respond to the Board Chair. Chair Salehi will share with the Board any correspondence he receives.
There being no further discussion, ROLL CALL VOTE passed motion unanimously with Trustees voting in the affirmative: Alvarado, Wiliams, Martin, and Salehi.

Recommendation for Compensation Adjustment.

MOTION made by Trustee Martin, seconded by Trustee Alvarado, to recommend approval to the full Board of the following:
Based on the requirements of the *Massachusetts Board of Higher Education Compensation and Evaluation Guidelines and Procedures for State University and Community College Presidents* and the Board of Trustees' evaluation of President Linda Thompson for the 2022-

2023 academic year, the Board recommends that President Thompson receive the maximum compensation increase that can be awarded.
Discussion: In past years, the DHE has provided boards with the option to request a percentage increase, but there were no guidelines this year, so the motion is phrased this way. The previous commissioner was reviewing a Council of Presidents' recommendation from EY Parthenon to make some adjustments allowing compensation to be a little more similar across different universities. It is unclear how Commissioner Ortega will move forward.
There being no further discussion, ROLL CALL VOTE passed motion unanimously with Trustees voting in the affirmative: Alvarado, Wiliams, Martin, and Salehi.

There being no further business,

MOTION made by Trustee Martin, seconded by Trustee Williams, to adjourn.
There being no discussion, ROLL CALL VOTE passed motion unanimously with Trustees voting in the affirmative: Alvarado, Wiliams, Martin, and Salehi.

Meeting adjourned at 2:50 PM.

Attachments presented at this meeting:

a. Draft Minutes of July 27, 2022
b. Draft Presidential Evaluation for 2022-2023 Academic Year
c. Motion – Presidential Evaluation for 2022-2023 Academic Year
d. Motion – Recommendation for Compensation Adjustment

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 Executive Committee meeting held on September 8, 2023.

_____ _____

Dr. Gloria Williams, Secretary Date

BOARD OF TRUSTEES

December 13, 2023
Minutes

Conference Room 107, Parenzo Hall

A live stream of the meeting for public viewing also took place on YouTube.

MEMBERS PRESENT: Chair Ali Salehi, Vice Chair Melissa Alvarado, Secretary Dr. Gloria Williams, and Trustees Paul Boudreau, Daniel Currier, George Gilmer, Theresa Jasmin, Dr. Robert Martin, Chris Montemayor, and William Reichelt

MEMBERS EXCUSED: Trustee Madeline Landrau

Also present and participating were Westfield State University President Dr. Linda Thompson, Beverly Army Williams, Dr. Lynn Shelley, Dr. Megan Kennedy, and cabinet members Dr. David Caruso, Dr. Michael Freeman, Dr. Kevin Hearn, Dr. LaRue Pierce, Timothy Rooke, and Stephen Taksar.

Chair Salehi called the meeting to order at 2:45 PM and it was announced that the meeting was being livestreamed and recorded.

> **MOTION** made by Trustee Currier, seconded by Trustee Williams, to approve the minutes of the October 11, 2023, meeting. There being no discussion, **Motion passed unanimously.**

Chair Salehi welcomed everyone to the last meeting of 2023. Goals and KPIs for the University are taking place and improvements to the structure of the board are being discussed. Vice presidents are working closely with committee chairs. He has been hearing positive feedback from students and the University is on the right path for growth and collaboration.

President's Report. Dr. Linda Thompson thanked the Board for contributing to the governance and advancement of the University. She acknowledged that Westfield State University was built and currently sits on unceded traditional ancestral territory of the Nipmuc, Pocumtuc, Agawam, and the Woronoco peoples. The NECHE re-accreditation suggestions are being implemented and momentum has started in developing the next strategic plan. The University aims to be an integral contributor to workforce development to capture trends and innovations for the student success. The support of strategic investments will enhance enrollment stabilization and growth, campus culture, and economic health. An international focus on programming is critical for unity and collective spirit throughout the world. Coming in 2024 is a year's worth of events showcasing Westfield State's 185th anniversary.

Student Trustee Report. Trustee Daniel Currier stated it was a successful fall semester with open houses, enhanced commuter engagement, MASCAC athletics achievements, and events supporting the greater Westfield community. He shared issues and initiatives that the Student Government Association (SGA) is working on and gave an update on his student trustee projects on student employment centralization and marketing and engagement for intramural athletics.

General Education Reform Presentation. Dr. Caruso introduced Dr. Kennedy, Dr. Shelley, and Ms. Army-Williams who presented an update on the General Education Reform, which will be implemented in fall 2024, culminating three years of committee work. The statement of general education was created from faculty and students leading to broad learning goals, the model, and university curriculum requirements to be fulfilled as part of the student's major. High-impact practices were shared, which students will take in their first semester.

Enrollment Management and Student Affairs Committee. Committee Chair William Reichelt updated the Board on discussions held in the committee meeting.

Academic Affairs Committee. Committee Chair Dr. Robert Martin updated the Board on discussions held in the committee meeting and presented the following Motion approved by the committee.

> **MOTION** made by Trustee Reichelt, seconded by Trustee Montemayor, to approve the granting of faculty emeritus status, effective December 13, 2023, to Mr. David A. Laing, Physical Education. There being no discussion, **Motion passed unanimously.**

Advancement, Marketing, and External Relations Committee. Committee Chair Dr. Gloria Williams updated the Board on discussions held in the committee meeting and presented the following Motion approved by the committee.

> **MOTION** made by Trustee Reichelt, seconded by Trustee Currier, to approve the granting of staff emerita status, effective December 13, 2023, to the following individuals: Barbara Hand and Bette Jemillo. There being no discussion, **Motion passed unanimously.**

Justice, Equity, Diversity, and Inclusion Committee. Committee Chair Chris Montemayor updated the Board on discussions held in the committee meeting and presented the following Motion approved by the committee.

> **MOTION** made by Trustee Currier, seconded by Trustee Reichelt, to approve the university Student Preferred/Chosen Name policy as presented to the Board of Trustees, acknowledging its significance in advancing our institution's commitment to Justice, Equity, Diversity and Inclusion. There being no discussion, **Motion passed unanimously.**

Financial Affairs and Advancement Committee. Committee Chair George Gilmer updated the Board on discussions held in the committee meeting and presented the following Motions approved by the committee.

> **MOTION** made by Trustee Currier, seconded by Trustee Reichelt, to adopt the Chosen Name Policy for employees, as presented. There being no discussion, **Motion passed unanimously.**

> **MOTION** made by Trustee Currier, seconded by Trustee Reichelt, to eliminate Keeping the Campus Safe Policy (2210), as it is no longer needed. There being no discussion, **Motion passed unanimously.**

> **MOTION** made by Trustee Currier, seconded by Trustee Montemayor, to approve the allocation of $1,000,000 in cash reserves to fund the revised FY24 capital project plan, as presented, contingent on the further approval of the committee prior to expending funds for the repairs of Ely pool. Unspent funds from this allocation will automatically roll forward to the next fiscal year to fund the project(s) listed in the updated spending plans.

To further approve the revised five-year capital spending plan allocations for new and existing projects, as presented.

There being no discussion, **Motion passed unanimously.**

Audit Committee. Committee Chair Theresa Jasmin updated the Board on discussions held in the committee meeting.

Board Crisis Management and Communication and Board Committee Structure. Trustee Alvarado highlighted resources provided by the Association of Governing Boards (AGB). Although the president and the University have procedures in place to manage crises, there are circumstances where the Board needs to have additional oversight and needs to develop a process. Most resources are also consistent that Board committees be aligned with strategic priorities instead of administrative structure. There needs to be further discussion on whether the Board should re-align their committees as the new Strategic Plan is being created. The Board should review the materials provided on these topics and both items will remain on the Governance and Nomination Committee agenda for upcoming meetings.

Chair Salehi reminded the campus community that the Board of Trustees is open and transparent and if anyone has questions or concerns, they should reach out to any member of the Board.

There being no further business,

MOTION made by Trustee Reichelt, and seconded by Trustee Gilmer, to adjourn. **Motion passed unanimously.**

Meeting adjourned at 4:28 PM.

Attachments presented at this meeting:

a. Draft Minutes of October 11, 2023
b. President's Presentation
c. Student Trustee Presentation
d. General Education Reform Presentation
e. SCORE Model

Academic Affairs Committee:

f. Motion – Faculty Emeriti and supporting document

Advancement, Marketing, and External Relations Committee:

g. Motion – Staff Emeriti and supporting documents

Justice, Equity, Diversity, and Inclusion Committee:

h. Motion – Preferred/Chosen Name Policy (Student) and supporting document

Financial Affairs Committee:

i. Motion – Chosen Name Policy/Employees (New) and supporting document
j. Motion – Keeping the Campus Safe Policy (2210) and supporting document
k. Motion – Reallocation of Capital Project Funds and supporting documents

Full Board:

l. Resources on Board Crisis Management and Committee Structure

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 December 13, 2023.

_____ _____

Dr. Gloria Williams, Secretary Date

Board of Trustees

Emergency Executive Committee Meeting
December 22, 2023
Minutes

Via Zoom, in accordance with Massachusetts Executive Order Suspending Certain Provisions of the Open Meeting Law, G.L. c. 30A, § 20 dated March 12, 2020.

A live stream of the meeting for public viewing also took place on YouTube.

MEMBERS PRESENT PARTICIPATING REMOTELY: Chair Ali Salehi, Vice Chair Melissa Alvarado, Secretary Gloria Williams, and Trustee Robert Martin, and, other Trustees, George Gilmer, Paul Boudreau, Dan Currier, Robert Martin,

Westfield State University President Dr. Linda Thompson and cabinet members were also participating remotely.

Chair Salehi called the meeting to order at 2:30PM and it was announced that the session was being livestreamed, and recorded. A roll call of the members listed above was taken.

Chair Salehi stated the emergency executive committee meeting was called to consider one action item, an urgent recommendation from the Investment sub-committee.

> A **MOTION** was made by Trustee Robert Martin, seconded by Trustee Melissa Alvarado, to authorize the administration to transfer $10M-15M to open a new account with Corient after evaluating University's current cash and money market accounts.
>
> Trustees raised questions and entered discussion about the available cash on hand, the quality of the bonds, terms of the bonds, and any penalties for moving the funds. The new fixed income fund will be high quality (A-rated or better) bonds with varying maturities. Investment advisors assured the committee the proposed move from money market to bonds affects only one part of the fixed income portion of the University's portfolio.
>
> **ROLL CALL VOTE** taken:
>
Trustee Robert Martin	Yes
Trustee Melissa Alvarado	Yes
Gloria Williams	Yes
Ali Salehi	Yes

> **Motion passed unanimously.**

There being no other business,

> **MOTION** made by Trustee Gloria Williams, seconded by Trustee Melissa Alvarado, to adjourn.

There being no discussion,
ROLL CALL VOTE taken:

Robert Martin	Yes
Melissa Alvarado	Yes
Gloria Williams	Yes
Ali Salehi	Yes

Motion passed unanimously.

Meeting adjourned at 2:50PM.

Secretary's Certificate

I hereby certify that the foregoing is a true and correct copy of the approved minutes of the Emergency Executive Committee of the Westfield State University Board of Trustees meeting held on December 22, 2024.

_____ _____

Gloria Williams, Ed.D., Secretary Date

Student Trustee Report

February 2, 2021

Trustee Daniel Currier '21

Westfield
STATE UNIVERSITY

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HOPE

RELAY FOR LIFE

American Cancer Society

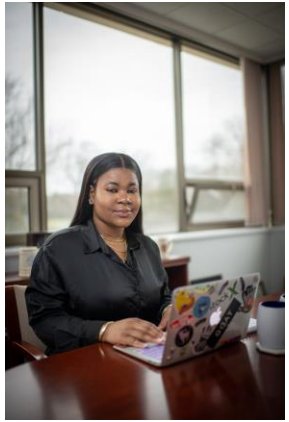
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Westfield
STATE UNIVERSITY

Westfield
STATE UNIVERSITY

Board of Trustees

February 8, 2024

MOTION

The Academic Affairs committee recommends approval to the full Board:
The granting of the Honorary Degree to Mary Lou McDonald effective February 8, 2024.

_____ _____

Dr. Robert Martin, Chair DATE

Mary Lou McDonald

Mary Lou McDonald is Leader of Sinn Féin and Teachta Dála for the Dublin Central constituency. Mary Lou is married to Martin and they have two young children, Iseult and Gerard. She is proud to represent the people of Dublin Central where she has a reputation for hard work and championing the needs of her constituency both locally and nationally.

Prior to becoming Leader of Sinn Féin in February 2018 Mary Lou was Deputy Leader of the party. Following her election to the Dáil in 2011 Mary Lou was Sinn Féin's Spokesperson for Public Expenditure and Reform and on her re-election in 2016 Sinn Féin's All-Ireland Spokesperson for Mental Health and Suicide Prevention. She was a prominent member of the Public Accounts Committee between 2011 and 2017 holding Ministers and senior civil servants to account. She has also served on the Joint Oireachtas Committees for Public Expenditure and Reform and the Future of Mental Health.

She was an MEP for Dublin from 2004 to 2009 and during her time in the European Parliament Mary Lou was a prominent member of the Employment and Social Affairs committee and Civil Liberties committee.

Educated in Trinity College, Dublin, the University of Limerick and Dublin City University she studied English Literature, European Integration Studies and Human Resource Management. She previously worked as a consultant for the Irish Productivity Centre, a researcher for the Institute of European Affairs and a trainer in the trade union sponsored Partnership Unit of the Educational and Training Services Trust.

Mary Lou's Contact Details:

Email

marylou.mcdonald@oireachtas.ie

Dáil office

Leinster House
Kildare Street
Dublin 2
Telephone: (01) 618 3230

Cabra Constituency Office

58 Fassaugh Ave
Cabra, Dublin 7
(01) 868 3934

North City Constituency Office

OFFICE OF THE PRESIDENT

Westfield STATE UNIVERSITY

December 19, 2023

Members of the Honorary Degree Committee

I am excited to write you about my desire to recognize Mary Louise McDonald, Deputy Director of Sinn Fein in the Republic of Ireland. We have invited her to commencement to present her with an honorary degree at our commencement on May 17, 2024.

Mary Louise McDonald of Dublin, Ireland has served honorably as Leader of the Opposition in the Irish Parliament, President of the Sinn Féin political party. She participated as Teachta Dála for the Dublin Central constituency, was a member of the European Parliament. She has proven invaluable to the deliberations and policy-making as the leader of Sinn Féin and serving her constituency. Mary Louise was a prominent member of the Public Accounts Committee between 2011 and 2017 holding Ministers and senior civil servants to account. She has honorably served on the Joint Oireachtas Committees for Public Expenditure and Reform and the Future of Mental Health. I admire her dedication and enthusiasm for Irish unity, ending partition, national freedom and social justice has received notable attention and has framed her devotion to combating poverty, racism and social inequities within her community. I believe her background and activities align with Westfield and ask that you join me in recognizing this amazing person.

Warmly,

Linda

The Horace Mann Center
333 Western Avenue
P.O. Box 1630
Westfield, MA
01086-1630

(413) 572-5201
(413) 579-3030 (f)
westfield.ma.edu

Westfield
STATE UNIVERSITY

Board of Trustees

February 8, 2024

MOTION

The Academic Affairs committee recommends approval to the full Board:
The granting of a Master of Arts in History effective February 8, 2024.

_____ _____

Dr. Robert Martin, Chair DATE

Westfield STATE UNIVERSITY

Board of Trustees

February 8, 2024

MOTION

The Financial Affairs Committee recommends approval to the full Board:

To approve the revised Allocation/Reallocation of Space Policy (0250) and supporting procedures, as presented, based on best practices.

Westfield State University

Policy concerning:

APPROVED: May 1994

REVIEWED: February 2024

ALL□ □ATI□N AND□□R REALL□ □ATI□N □F S□A□E

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□his policy establishes space allocation and reallocation standards to ensure the effective, efficient, and e□uitable allocation and reallocation of □niversity space resources. □he allocation and reallocation of space on campus is guided by the University's Strategic Plan, Master Plan, and space utilization data. This policy is not intended to coordinate the reservation and use of spaces on campus.

□□LI□Y

A. The University's effective space allocation and reallocation requires the adequate and appropriate distribution of space for students, faculty, and staff in order to provide the best educational environment possible. □his policy governs the University's efforts regarding all types of spaces not under the authority of the □ estfield □tate □niversity Foundation. □he □niversity may allocate and/or reallocate space at any time as needs and priorities change.

□. □he □resident of the □niversity, or their designee, has ultimate authority over space assignments. As the chief executive and administrative officer of the □niversity, the □resident has the authority and the responsibility to ma□e all final decisions regarding space allocation and reallocation.

□. Management of designated spaces on campus (defined in the University's □rocedures □oncerning the Allocation and/or Reallocation of □pace□are the responsibility of the President's Cabinet as outlined below:

1. Academic/□nstructional space is the responsibility of the □rovost/□ice □resident of Academic Affairs.

2. Non□Academic/Administrative space is the responsibility of the □ice □resident of Administration and Finance.

3. Athletic space is the responsibility of the □irector of Athletics in consultation □ith the □rovost/□ice □resident of Academic Affairs, and the □ice □resident of Enrollment □ anagement and □tudent Affairs.

□. □o□curricular space is the responsibility of the □ice □resident of Enrollment □ anagement and □tudent Affairs.

□. □assachusetts □tate □ollege □uilding Authority □□ □□□A□space is the responsibility of the □ice □resident of Enrollment □anagement and □tudent Affairs in consultation □ith the □ice □resident of Administration and Finance.

6. Foundation space are those areas and facilities under the authority of the □estfield □tate □niversity Foundation □hich is an independent nonprofit corporation.

□. All space designations and changes to ho□ a space is being used must be revie□ed and approved by the □resident. □pace allocation and reallocation re□uests re□uire a space utilization revie□ before they can be considered. Re□uests must be submitted using the Space Request Form in accordance with the University's Procedures for the Allocation and/or Reallocation of □pace, revie□ed by the □pace Revie□ □ or□ing □roup, and for□arded to the □resident □ith its recommendation.

REVIEW

□his policy and the accompanying procedures □ill be revie□ed no less than every three years by the □ice □resident of Administration and Finance.

Westfield State University

Policy concerning:

APPROVED: May 1994 REVIEWED: April 2007

ALL□ □ATI□N AND□R REALL□ □ATI□N □F S□A□E

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~~□he purpose of this document is to outline procedures and processes for the allocation and/or reallocation of space in on□campus facilities that are not under the authority of the □assachusetts □uilding Authority or □ □□ Foundation.~~

□□LI□Y

~~A. □EF□N□□□N□~~

~~1. **A□□□em□□Inst□u□t□n□l S□□□e** includes those facilities □here the primary activity is academic instruction. □his space designation also includes those facilities used in □ays other than those directly related to instruction, but □hich serve as venues for instructional programs and such as gymnasiums, athletic fields, s□imming pools, dar□rooms, production studios, computer laboratories, faculty and academic department offices.~~

~~2. **N□n A□□□em□ □n□ A□m n st□t ve S□□□e** includes those facilities housing administrative offices and support facilities. □his space designation includes such facilities as the plant operations, trades and maintenance, business offices, etc.~~

~~3. □ □ss□□□usetts □u l□□n□ Aut□□□t□ S□□□e includes all residential housing facilities.~~

~~□. **F□un□□t□n S□□□e** includes all facilities under the authority of the □ estfield □tate □niversity Foundation □hich is an independent non□ profit corporation. □he Albert and Amelia Ferst □nterfaith □enter is under their purvie□.~~

~~□. □R□□E□□~~

~~1. **A□□□em□□Inst□u□t□n□l S□□□e**~~

~~a□ □ hen the □resident or appropriate □ice □resident proposes to allocate or reallocate academic space, to change the function of space used for academic/instructional purposes or~~

proposes a facilities change □hich impacts on presently allocated academic/instructional space, he/she shall notify the □ice □resident of Academic Affairs and affected parties of the proposed changes.

b□ In facilities situations deemed "emergency", that is, situations in □hich the decision must be made □ithin a time frame shorter than needed to comply □ith the consultation process, decisions by the □resident regarding allocation and/or reallocation of space □ill be made so as to implement plans for campus development and/or to satisfy the emergency appropriately.

c□ A department chairperson or area director may ma□e immediate or short term changes in his/her area, in consultation □ith his/her area vice president and the □ffice of Facilities and □perations, provided that such changes do not in any manner affect other areas. Any changes and/or expenditure of funds to accomplish such changes must receive the approval of the □ice □resident of Academic Affairs or administrative designee.

□. N□N□A□A□E□ □□ AN□ A□□ □N□□RA□□□E □□A□E

1. Any changes □ithin non□academic and/or administrative space not impacting on academic/instructional space may be made at the discretion of the □resident, the appropriate □ice □resident or administrative designee. All parties affected □ill be notified and □ill be as□ed to provide input on the proposed changes.

REVIEW

□his policy □ill be revie□ed annually by the Assistant □ice □resident of Administration.

Procedures for the Allocation and/or Reallocation of Space
Westfield State University

□u□□□se

□hese procedures outline the process through □hich members of the □niversity may re□uest the allocation and/or reallocation of space on campus. □ncluded are the definitions of the different types of spaces on campus. □hese procedures are to be applied in the context of the □olicy □oncerning the □uidelines for the Allocation and/or Reallocation of □pace. □hese procedures are not intended to coordinate the reservation and use of space on campus. □he policy provides in part□

A. The University's effective space allocation and reallocation requires the adequate and appropriate distribution of space for students, faculty, and staff in order to provide the best educational environment possible. □his policy governs the University's efforts regarding all types of spaces not under the authority of the □ estfield □tate □niversity Foundation. □he □niversity may allocate and/or reallocate space at any time as needs and priorities change.

□. □he □resident of the □niversity has ultimate authority over space assignments. As the chief executive and administrative officer of the □niversity, the □resident has the authority and the responsibility to ma□e all final decisions regarding space allocation and reallocation.

De□n□t□□ns

A. **A□□□em□□Inst□u□t□□n□l S□□□e** are those facilities □here the primary activity is academic instruction. □his space designation also includes those facilities used in □ays other than those directly related to instruction, but □hich support the academic experience such as dar□rooms, production studios, computer laboratories, and faculty and academic affairs/department offices.

□. **N□n□A□□□em□□ □n□ A□m□n□st□□t□ve S□□□e** are those areas and facilities housing administrative offices and support facilities. □his space designation includes such facilities as the plant operations, trades and maintenance, administrative offices, road□ays and □al□□ays, and green space.

□. **At□let□□ s□□□e** are those areas □here the primary focus is the University's athletic program including those that can serve as venues for instructional programs. □his space designation includes the gymnasiums, □eight room, athletic fields, Ely Fitness □enter, and the s□imming pool.

□. **□□□□u□□□□ul□□S□□□e** are areas □here the primary focus is the co□curricular experience but can serve as venues for instructional programs. □his space designation includes areas for the □tudent □overnment Association □□□A□and its clubs and organizations.

E. **□ □ss□□□usetts St□te □□lle□e □u□l□□n□ Aut□□□t□ □□ S□□A□S□□□e** are all residential housing facilities and any part thereof.

F. **F□un□□t□□n S□□□e** are those areas and facilities under the authority of the □estfield □tate □niversity Foundation □hich is an independent nonprofit corporation. □he Albert and Amelia Ferst □nterfaith □enter is under their purvie□.

□□□□ess □n□ □□□□e□u□es

A. □vervie□

1. □he Associate □irector of □pace □anagement is responsible for maintaining an inventory of spaces on campus, all □pace Re□uest Forms, and communicating □ith re□uestors on behalf of the □pace Revie□ □ or□ing □roup.

2. □epartment □hairs/□eads and □uman Resources are responsible for notifying the Associate □irector of □pace □anagement of all pending vacancies and ne□ hires, and the space assigned. A □pace Re□uest Form should be completed for ne□ly hired employees. □f the space a position is assigned to does not change □ith a ne□ hire, the □pace Re□uest Form □Appendix □□does not need to be revie□ed by the □pace Revie□ □ or□ing □roup.

3. Upon an employee's departure, a lock change will be conducted on the assigned space until the position is filled. □hould a department need access to the office space □hile the position is vacant, the □epartment □hair/□ead must coordinate that access □ith the Associate □irector of □pace □anagement.

□. Any member of the □niversity □anting to allocate or reallocate a space on campus must submit a formal re□uest to the □pace Revie□ □ or□ing □roup. Re□uests must be made using the □pace Re□uest Form and be supported by the □epartment □hair/□ead and area □ice □resident before being submitted for the Space Review Working Group's consideration. All allocation/reallocation requests should support the University's Strategic □lan, □aster □lan, and include relevant space utilization data.

□. All □pace Re□uest Forms □ill be revie□ed by the □pace Revie□ □ or□ing □roup and submitted to the □resident □ith its recommendation. □he □pace Revie□ □ or□ing □roup may return the form to the re□uestor if additional information is needed prior to submitting it to the □resident □ith its recommendation.

6. All permanently vacated spaces □ill revert to the space inventory for future reallocation.

□. □f the □resident approves a re□uest, the re□uestor, their □epartment □hair/□ead, and □ice □resident must coordinate □ith the □ice □resident of Administration and Finance and Associate □ice □resident of Facilities and □apital □lanning to implement the re□uest.

□. □he □pace Re□uest Form and □ubmission □rocess

1. □he use of the □pace Re□uest Form is intended to streamline and accelerate the revie□ of space re□uests and the implementation of approved space allocations/reallocations. □he procedure is designed to involve the Facilities and □perations □epartment and Administration and Finance □ivision as early in the planning process as possible so that pro□ect feasibility, budget, and delivery can be identified and addressed in a timely manner.

2. □he submission process consists of three □3□steps□

    a. Re□uestor submits the □pace Re□uest Form □ith their □epartment □hair/□ead and area Vice President's signatures.

    b. □he Associate □irector of □pace □anagement for□ards the re□uest to the □pace Revie□ □ or□ing □roup □hich revie□s the request within the context of the University's Strategic Plan, Master □lan, relevant utilization data provided, and against any other factors that may affect the allocation of available campus resources.

    c. □he □pace Revie□ □ or□ing □roup then for□ards the re□uest to the □resident □ith its recommendation.

3. Following the President's decision, the re□uestor, the □epartment □hair/□ead, and □ice □resident □ill be notified.

□. □ or□ing □roup

1. □he □pace Revie□ □ or□ing □roup shall be established to support the □niversity in its efforts by revie□ing all space allocation/reallocation re□uests and submitting recommendations to the □resident. □embers of the □or□ing group shall be determined by the □resident.

Board of Trustees

February 8, 2024

MOTION

The Financial Affairs Committee recommends approval to the full Board:

To approve two new capital projects as presented and required by the Trust Fund Management Policy (0604). The projects are funded by the Fair Share Program of the Commonwealth of Massachusetts $50,000,000 capital allocation. The total allocation for Westfield State is $1,292,058. Further, if the projects are not completed by June 30, 2024, the unspent funds will be rolled forward into the FY25 budget to complete the projects.

Facilities & Capital Planning

Capital Plan Updates

February 2024

Westfield STATE UNIVERSITY

DCAMM 5-year Plan Projects

- ✓Nearing Completion
  - ✓HMC AC Replacement
  - ✓Power Plant Deaerator & Condensate Tank Replacement
- ✓In Design
  - ✓Trades Roof Repair
  - ✓R22 Replacement
  - ✓Road & Sidewalk Repairs
- ✓Out for Bid
  - ✓DC Mechanical Room Upgrades
- ✓In Study Certification
  - ✓Ely Pool Restoration
- ✓Bid Award in Progress
  - ✓DC Beverage Station Upgrades

Ely Pool Restoration

Following the December meeting, Facilities held a follow up meeting with the House Doctor assigned to the Ely Pool Project.

- ✓The repairs outlined in the current study will extend the serviceable life of the pool by 25 years, not the 5-10 originally believed based on the study narrative.
- ✓Installation of a new pool built to current competitive standards is estimated to be between $24-$28 million dollars.
- ✓Previous estimate is still under review but not yet completed. A formal recommendation we be provided in April.

Fair Share Funding



Fair Share Program

Higher Education Quarterly Briefing

Fair Share Program (FSP)

- Projects to be completed by June 30, 2025.
- Funding cannot replace otherwise planned critical repairs state bond funding.
- Funding can be used to supplement previously planned projects to address decarbonization efforts.
- Decarbonization efforts, including renewal, repair, and/or replacement of equipment, systems, and infrastructure of/in Commonwealth-owned facilities should be prioritized.
- Projects shall address any associated accessibility issues.

Projects supported under the program shall include, but are not limited to:

- Energy efficiency projects that lessen the consumption of onsite fossil fuels or increase efficiency (e.g., building/boiler controls upgrades, LED lighting)
- Electrification including, but not limited to: heat pumps or heat pump hot water heaters, EV charging, assessing electrical capacity at buildings/facilities)
- Onsite renewables
- Demolition (or other steps that reduce footprint)
- Retro commissioning
- Building envelope repairs including, but not limited to: window replacements, door replacements, insulation, weatherization
- Tree planting and the creation of carbon sinks
- Projects that encourage walking/biking in lieu of vehicular trips
- Programmatic projects that result in more efficient space use
- Security upgrades: up to $175,000/institution for SU and CC and $750,000 total for all UMass campuses

Fair Share Program - $1,292,058 Supplemental Allocation Energy & Decarbonization Projects

- ✓Residence Hall Access Control
  - ✓Door control equipment is outdated and parts are not available; almost all hardware on exterior doors is obsolete and must be replaced
  - ✓With an estimated cost of about $65,000 per building, the $175,000 allowance for security upgrades will enable upgrade of two-three residence hall buildings
- ✓Building System Controls
  - ✓Electronic controls allow staff to manage HVAC systems remotely to make adjustments to optimize heating and cooling and reduce energy expenses
  - ✓Estimated at $450,000 per building, top priority for updates would target residence halls, likely New Hall and Courtney Hall

Facility Condition Assessment (FCA)

Overview of Facility Condition Assessment

- ✓"Informs Critical Repair 5 Year plans and decision making for Building Infrastructure Investment and Capital Projects" (Higher Ed Quarterly Briefing – 11/29/23).
- ✓DCAMM initiated project/using Westfield baseline data
- ✓Draft report in process
- ✓Residence halls excluded(50% of campus space-MSCBA buildings).
- ✓Builds off of campus FCA study completed last year

QUESTIONS & ANSWERS




WESTFIELD STATE UNIVERSITY
FOUNDED 1839 BARRE, MASSACHUSETTS

Thank you

Westfield
STATE UNIVERSITY

Board of Trustees

February 8, 2024

MOTION

The Financial Affairs Committee recommends approval to the full Board:

To approve the FY25 annual tuition and fee schedules, as presented.

Westfield State University

Financial Affairs Committee

FY25 Schedule of Annual Tuition and Fees

February 8, 2024

Overview

The campus FY25 Planning Assumptions were presented to the Board of Trustees last October with the expectation that cost of attendance increases would fall within a range of 2.5% to 3.2%, Including CGCE, Dining and Housing. The campus remains committed to keeping the overall cost of attendance as cost effective as possible. However, given the current overall rate of inflation at 3.4% and Food commodity at 5.4% as of December 2023, a fee increase is unavoidable. Inflation is still running at historically high levels despite the recent year-over-year decreases. Therefore, the campus recommendation for the undergraduate cost of attendance fee increase is 2.5% for in-state tuition and fees and 3.2% for students participating in the on-campus housing and dining programs.

The campus is also recommending fee increases for the College of Graduate and Continuing Education as follows:

- Undergraduate Programs, 4.0%
- RN to BSN Program, 3.0%
- Graduate Programs, 5.0%
- MSW Program, 5.0%
- Physician's Assistant Program, 4.0%

The President's Cabinet has discussed these fees, and the President is recommending them to the Board of Trustees.

Comparison of Tuition and Fees

Tuition and mandatory fees at Westfield State are still in line with all the other state universities. While Westfield State fees are slightly above the average, they remain in the middle of the fees charged by the other state universities, which is our desired market position. It is important to note that the posted tuition and fee rates are partially offset by financial aid, state waivers, institutional grants and other state provided funding and that the net price most students pay is less than the "sticker price" on tuition and fees approved today.

Residential Life Fees

Residential Life is continuing its pricing strategy of using a flatter fee structure to increase upper class retention rates (reduce the gap of residential hall rates). This change is incentivizing returning students to stay on campus in their junior and senior year and normalize the price for first year students. The University is in the fourth year of the repricing strategy which has been approved by both the MSCBA and BHE. The result is a year over year weighted average room

rate of $8,810 for FY25 or a 3% increase over FY24. Campus housing remains significantly more cost effective for students than the local housing rental market, which realizes average monthly rents between $1,500 and $1,750 per month. The campus will also offer premium single rates (double size room for one person).

Dining Services Fees

Dining Services is expected to continue to absorb significant inflationary increases in the food commodities, with a CPI of 5.4%, and labor increases with a CPI of 4.0% as of December 2023. Therefore, an across-the-board increase of 5.0% for all meal plan rates is recommended. Despite the meal plan price increases, Dining services will need to identify offsetting cost savings to meet their budget. Three new meal plan options will be offered based on input from students this year.

Summary

FY25 budget planning models have assumed these increases and are within the planning parameters previously presented and discussed at prior Board of Trustee meetings this year. Vice President Taksar has met with SGA twice, along with Residential Life and Dining Service staff to discuss the issues and the recommendations presented today. As previously noted, the President's Cabinet recommended, and the President approved, the fee changes proposed in this document. The price sensitivity of our students is of the utmost importance; however, the current challenging economic conditions have resulted in unavoidable increases in labor, supplies and utilities.

Westfield State University

Financial Affairs Committee

FY25 Schedule of Annual Tuition and Fees

February 8, 2024

New Campus Fees for FY25

Overview

Fees charged to students fall into two major categories, mandatory fees and non-mandatory Fees (campus fees). In the University's Trust Fund Management Policy (0604), they are defined as:

> Mandatory Fees – Required fees charged to students enrolled in credit coursework. This type of fee applies to a large proportion of students, with few exceptions. Examples include general fee, technology fee, capital improvement fee, student activity fee, CGCE tuition, educational service fee, and registration fee.
>
> Non-Mandatory Fees or Campus Fees – Optional or one-time fees charged to students for a specific purpose or special program/course offering. This fee is not required of the majority of students each year. Examples of non-mandatory fees include non-credit courses, summer programs, testing fees, equipment fees, laboratory fees, transcript fee, late registration fee, late payment fee and parking fees. The President approves non-mandatory fees.

The campus is providing the list of new fees approved by the President for FY25.

Process

A formal process was executed in FY25 to seek recommendations on proposed fee increases. Data was gathered, justifications developed, and all proposed fees were reviewed by the President's Cabinet and approved by the President. Details of new fees and amounts are summarized following this overview.

While the revenues generated from the new campus fees may remain in the general fund, the requesting departmental budgets will be increased accordingly based on the revenues generated and are expected to have a neutral impact to the budget.

FY25 Approved Fees

The President has approved three new non-mandatory academic program fees for FY25 follows:

1. A $50.00 per student per course Finance/Data Analytics Technology Fee that will provide funding for the technology tools and software necessary to support experiential learning.

2. A $40.00 course specific Art Supplies Fee that the "Weaving New Connections, Fiber Arts and Mental Health" course that will ease the burden for students to find and purchase the unique course specific materials and tools, which are often difficult to find.

WESTFIELD STATE UNIVERSITY
Schedule of Annual Tuition and Fees
FY24 - FY25 Comparison
FY25 DRAFT - For Review

	FY24 Approved	FY25 DRAFT	$ Change	% Change
TUITION:				
√ Resident	**970**	**970**	**0**	**0.0%**
Proximity	1,455	1,455	0	0.0%
Non-Resident & Foreign	7,050	7,050	0	0.0%
MANDATORY FEES:				
Student Activity	162	162	0	0.0%
General Fee	9,920	10,217	297	3.0%
Capital Improvement Fee	100	100	0	0.0%
Technology Fee	730	730	0	0.0%
√ Total Mandatory Fees	**10,912**	**11,209**	**297**	**2.7%**
Total In-State Tuition/Fees	**11,882**	**12,179**	**297**	**2.5%**
ROOM RATES:				
√ Estimated and Adjusted Weighted Average Room Rate	**8,550**	**8,810**	**260**	**3.0%**
MEAL PLAN RATES:				
Nestor's Plan	**4,960**	**5,208**	**248**	**5.0%**
Total Recommended Change in Mandatory Fees [(2)]	**25,392**	**26,197**	**805**	**3.2%**
OTHER FEES:				
Bad Check Fee	25	25	0	0.0%
ID Card Replacement Fee	40	40	0	0.0%
Late Payment Fee	100	100	0	0.0%
Late Registration Fee	25	25	0	0.0%
Nursing Fee [(1)]	1,794	1,794	0	0.0%
Parking	100	100	0	0.0%
Parking - CGCE	60	60	0	0.0%
Practical Exam, Equipment and Clinical Fee	240	240	0	0.0%
Reinstatement Fee	50	50	0	0.0%
Student Teaching (practicum) Fee	250	250	0	0.0%
Study Abroad Fee	50	50	0	0.0%
WAIVABLE FEES:				
Lifetime Owls (opt in fee)	75	75	0	0.0%
Student Health Insurance (see note below)	3,779	Pending	0	0.0%
Fitness Center	185	185	0	0.0%

√ Average student annual change in fees is calculated using the gray shaded areas.
√ Student Health Insurance Plan rate is to be determined once rates are made known by the state

Note:

1. The Nursing Fee includes coverage for clinical requirements by healthcare facilities and payment for Assessment Technology Institutes (ATI).
2. Actual cost of attendance is determined by financial aid and may vary from the weighted average estimated cost of attendance.

5 Year Tuition and Fee Comparison-SU

(Based on Fall Resident Undergraduate State-Supported Rates)								
Segment	Institution	FY-2019	FY-2020	FY-2021	FY-2022	FY-2023	FY-2024	1 Yr % Chg
State Universities	Bridgewater State University	$10,368	$10,732	$10,732	$10,732	$11,056	$11,390	3%
State Universities	Fitchburg State University	$10,354	$10,504	$10,654	$10,654	$10,920	$11,044	1%
State Universities	Framingham State University	$10,520	$11,100	$11,380	$11,380	$11,380	$11,630	2%
State Universities	Massachusetts College of Art and Design	$13,200	$13,700	$14,200	$14,200	$14,570	$14,960	3%
State Universities	Massachusetts College of Liberal Arts	$10,560	$10,930	$11,306	$11,306	$11,590	$11,884	3%
State Universities	Massachusetts Maritime Academy	$9,728	$10,018	$10,314	$10,516	$10,776	$11,092	3%
State Universities	Salem State University	$10,882	$11,284	$11,674	$11,674	$11,978	$11,978	0%
State Universities	Westfield State University	$10,430	$10,850	$11,140	$11,140	$11,500	$11,882	3%
State Universities	Worcester State University	$10,162	$10,162	$10,586	$10,586	$10,786	$11,286	5%
Weighted Average	University of Massachusetts*	$15,151	$15,629	$15,699	$15,703	$16,205	$16,607	2%
Weighted Average	State Universities*	$10,562	$10,895	$11,149	$11,150	$11,439	$11,732	3%

Comparisons to State Universities	
State University Weighted Average	$11,732
Westfield State	$11,882
Variance	$150
Percent	1.3%

Comparison to UMASS	
UMass Weighted average	$16,607
Westfield State	$11,882
Variance	($4,725)
Percent	-28.5%

5 Year Westfield State Fee History

Westfield State - 5 Year Tuition/Fee History			
Year	**Amount**	**$ Change**	**% Change**
FY2020	10,850	420	4.0%
FY2021	11,140	290	2.7%
FY2022	11,140	-	0.0%
FY2023	11,500	360	3.2%
FY2024	11,882	382	3.3%
Average		**206**	**1.9%**
Average			
Annual Rate of Change		**290**	**2.7%**

Note:

1. Average is difference between FY24 and FY20 divided by number of years.
   % change is average divided by FY20 base year.

2. Annual Average Rate of Change
   $ Change is average of annual changes.
   % Change is average of annual changes

Board of Trustees

February 8, 2024

MOTION

To accept the newly revised Investment Policy (0430), as presented.

Ali R. Salehi, Chair

Date

Westfield STATE UNIVERSITY

ADMINISTRATION AND FINANCE

MEMORANDUM

TO: Investment Subcommittee, Board of Trustees

FROM: Stephen Taksar, Vice President, Administration and Finance

DATE: December 15, 2023

SUBJ: Investment Policy / Impact of Shifting Short-Term Investments to Long-Term Investments

---

As discussions progress to shift short-term cash investments to the long-term investment fund, there will be a direct impact on campus revenues and budgets.

The current Investment Policy allows for a payout of 4% of the average total market value of the portfolio over a trailing twelve-quarter moving average. The payout has a single purpose, which is to provide annual funding for the President's Innovation fund, targeted at $800,000 per year. This strategy has worked well so far, and our investment advisors provide quarterly projections which align to the policy.

The investment income generated from our money market funds of $25M, invested with Federated Hermes, assumes a direct allocation using all of the interest income in support of the annual budget. For FY24, this amount was assumed to be $1.4M and was used to balance our budget. The university relies on this funding stream to support campus operations and while there is some risk with the rate of return as interest rates may shift, it is a significant source of funding. The campus has always assumed short-term investment income in its annual budget planning.

This potential shift under discussion from short-term to long-term investment strategies will require revisiting the spending policy in order to maintain the funding needed for the President's Innovation Fund and investment income generated from the short-term cash investments which fund campus operations. This issue will need a resolution before the end of the current fiscal year in order to update the spending policy in preparation for the FY25 budget planning cycle, which is already underway. A predictable and stable spending policy will help the university to develop a more effective resource allocation plan and annual budget.

A preliminary strategy is to segregate the short-term money market funds into a separate account with Corient and apply different spending rules to that account, as the intent and use is different than that of the primary long-term investment portfolio, which is used to support the President's Innovation Fund.

My recommendation is to ensure the Investment Subcommittee is grounded in the details relating to this issue and begin to discuss adjustments to the spending policy based on sustaining this revenue stream.

INVEST□ENT □□LI□Y

STATE□ENT □F □UR□□SE

□hapter 1□A of □assachusetts □eneral □a□s provides that the □estfield □tate □niversity □oard of □rustees □rustees□has the authority to establish and manage trust funds. □he administration of these funds □ill comply □ith □□□□hapter □3 □1□ and □ith □□□□hapter 1□0A□also □no□n as the □niform □anagement of □nstitutional Funds □a□. □his □nvestment □olicy 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. □he □niversity 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. □he basic responsibility of the □nvestment □anager□s□□ill be to □eep management of the □niversity abreast of the economy and mar□et conditions and to invest in a mix of eligible instruments □ithin the context of la□s, regulations and this investment policy. □he □nvestment □anager□s□shall be approved by the □oard of □rustees as part of this policy. □niversity management may delegate authority to the □nvestment □anager□s□ to act □ithin the boundaries of this policy.

S□□□E

□his □nvestment □olicy applies to funds that are not appropriated by the □ommon□ealth of □assachusetts 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 re□uirements and principal gro□th of certain fund balances.

INVEST□ENT SU□□□□□ITTEE

A subcommittee □ill be formed called the □nvestment □ubcommittee and □ill oversee the investment portfolio, policy and the selection of an investment advisor. □he subcommittee is established under the Finance and □apital Assets □ommittee □ho has formal authority over investments, as provided in the □rustee by □a□s. □he composition of the □nvestment □ubcommittee may have members other than trustees □ho can provide guidance but □ill not be voting members of the subcommittee. □he subcommittee □ill be staffed by the □ice □resident for Administration and Finance and or their designee.

INVEST□ENT □□□E□TIVE

□t is the investment ob□ective of the □niversity to establish and maintain an investment portfolio □hich is designed to provide for the University's cash flow requirements while also achieving long□term capital gro□th and appreciation of the portfolio. □he basic ob□ectives of the □nvestment □olicy are□

a. □reservation of □apital and □afety of □rincipal – □nvestment of □ estfield □tate □niversity funds shall be underta□en in a manner that see□s to ensure the preservation of capital and safety of principal. □mplicit in this ob□ective is the financial goal of preserving and enhancing the portfolio's inflation adjusted purchasing po□er.

b. □inimizing □rice □olatility – □his □nvestment □olicy prohibits investments in securities □ith the potential for □ide price volatility. □□ee □rohibited □nvestments□

c. Return on □nvestment □□nvestment income is an integral part of the University's annual budget and long term viability. □he portfolio of □ estfield □tate □niversity shall be designed to attain an optimal rate of return under shifting economic conditions and investment cycles.

ASSET ALL□ □ATI□N

□he responsibility for establishing periodic asset allocation that is consistent □ith the ob□ectives of the overall □nvestment □olicy is under the purvie□ of the □rustees Finance and □apital Asset □ommittee □ith recommendations from the □nvestment □ubcommittee and □ith specific responsibilities assigned to the □ice □resident for Administration and Finance. □he □nvestment □ubcommittee shall revie□ the allocations t□ice a year and □ill report up to the Finance and □apital Assets □ommittee □ith its findings. □he investment mix selected should reflect the ris□ level periodically determined to be appropriate for the □niversity investment portfolio. □t is recognized that over the long□term, the allocation bet□een the e□uity and fixed income allocation □ill be the single most important determinate of the portfolio's investment performance.

Asset allocation of the □niversity portfolio should be e□uivalent to approximately 60□ in e□uities, □03~~5~~□ in fixed income and 0~~2~~□ in cash. □anaged funds that include both e□uity and fixed income underlying investments shall be distributed to the appropriate portfolio category for the purpose of revie□ing asset allocation. Recognizing that from time□to□time during the course of business it is not realistic to expect complete compliance □ith this guideline, an acceptable range follo□s□

	□oal	Acceptable Range
E□uities	60□	□□□□~~0~~□
Fixed □ncome	□03~~5~~□	30□60□
Alternative □nvestments	□□□	□□□
□ash	0~~2~~□	0□10□

Any asset allocation not □ithin these ranges should be communicated by the □nvestment □anagers□s□to management as soon as practicable, but no later than the next □uarterly status report to the □niversity. □he portfolio should be re□balanced to fit □ithin the acceptable ranges defined in this policy as soon as practical, ta□ing investment ris□s into consideration.

□he □nvestment □anager□s□is expected to rebalance the portfolio at least annually. Rebalancing recommendation discussions □ill be part of the ongoing dialogue bet□een the investment manager and the investment committee. Rebalancing is allo□ed if it is □ithin the acceptable range.

□R□□I□ITED INVEST□ENTS

□nvestment in derivative securities, for□ards, s□aps, futures of any type are explicitly prohibited via direct or indirect involvement under this policy.

DELE□ATI□N □F AUT□□RITY

□versight responsibility for the investment program is delegated to the Finance and □apital Assets □ommittee and includes asset allocation, and active management decisions consistent □ith this policy. No □niversity official may execute or cause any investment transaction except as allo□ed or provided under the terms of this □nvestment □olicy and specific investment procedures that may be periodically established by the Finance and □apital Assets □ommittee at the recommendation of the □nvestment □ubcommittee. The University's investments shall be secured through third party custody and safe □eeping procedures. □earer instruments shall be held only through third party institutions □i.e. a custodian or a trustee□

Roles and Responsibilities

□he □ice □resident for Administration and Finance □□□AF□, □ith oversight from the Finance and □apital Assets □ommittee, shall have the overall responsibility for implementing the management of the □nvestment □olicy. □he Associate □ice □resident for Finance shall have the responsibility of implementing the investment program, including executing the related transactions, accounting and reporting of the activity. □he Finance and □apital Assets □ommittee, upon recommendation by the □nvestment □ubcommittee and □niversity Management, will appoint the investment advisor/manager. The Investment Policy's related procedures shall comply with the University's Internal Control □lan.

ET□I□S AND □□NFLI□T □F INTEREST

□he □rustees, officers and employees of □ estfield □tate □niversity involved in the investment process are prohibited from personal business activities that could impair their ability to ma□e impartial investment decisions. □he perception of a conflict of interest must be avoided. All ethics rules and la□s of the □ommon□ealth of □assachusetts are hereby incorporated by reference into this policy.

RE□□RTIN□

□niversity management shall provide □uarterly reports from the investment advisor, summarizing investment activity and detail to the Finance and □apital Assets □ommittee through the □nvestment □ubcommittee.

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.

Fixed Income Instruments (short term and long term)

(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 (30% of capital) prudently diversified.
    b. All individual corporate bonds shall have a rating of (Baa3/BBB) or better as published by Moody's or Standard & Poor's at the time of purchase. If a bond is downgraded below (Baa3/BBB), the manager shall sell as soon as prudently possible.

c. □utual funds or exchange traded funds □E□Fs□consisting of individual securities that meet the above characteristics
d. □utual funds or E□Fs holding broadly diversified portfolios of bonds □ith credit ratings above □aa3/□□□□as published by Moody's or Standard & Poor's at the time of purchase.

3. □unicipal/□ther □ax Exempt □ssues

a. □unicipal bonds and other tax exempt bond issues offer an opportunity that allo□s investors to avoid payment of taxes on income or capital gains resulting from the investment. □ince the □niversity 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 □ithin the portfolio. □epending on mar□et conditions, these instruments may be appropriate and attractive even □ithout the benefit of the tax shelter.

□. □referred □toc□s □□onsidered Fixed □ncome□

a. Aggregate limit of preferred stoc□s of 1□□ of total portfolio □prudently diversified□.
b. All individual preferred have a rating of □aa3/□□□□or better as published by Moody's or Standard & Poor's at the time of purchase.

2□ E□u□t□ □st□□□s□□

□he purpose of the e□uity investment portfolio shall be to maximize return and provide a hedge against inflation through a diversified approach in compliance □ith applicable □assachusetts statutes. Eligible securities, appropriate rating service and dividend policy follo□.

E□uities generally refer to the common or preferred stoc□ in publicly□traded companies, but they may also be in the form of managed funds, □hich include such investment vehicles as mutual funds, exchange traded funds □E□Fs□and other types of funds that function in a managed □ay 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 □ith the standards that other□ise apply to e□uities.

West□el□ St□te □ust□m □en□□m□□□		
		□□l□□□ □en□□m□□□
□arclays □.□ □overnment □redit □ntermediate	Fixed □ncome	3□□
□ofA□ □0□3 □onth □□ □□□ill □ndex	□ash	□□
F□□e□ In□□me		**□□□**
□□□ □00	□arge □ap	30□
□ □□□EAFE □NE□□	□eveloped	1□□
□ □□□Emerging □ar□ets	Emerging	6□
Russell 2000 □ndex	□mall □ap	□□
Russell 2□00 □ndex	□id □ap	□□
E□u□t□		**6□□**

"Alternative Investments" may include private (unregistered) securities such as hedge funds, private e□uity funds, venture capital funds, commodities, precious or industrial metals, etc. □ hile these are not expressly prohibited in this policy, it is anticipated that they □ill be used sparingly if at all. □his provision also applies to registered "liquid alternative" mutual funds that are designed to mimic private unregistered funds. □o the extent that any Alternative □nvestments are used, they □ill be counted as E□uities for the purpose of revie□ing asset allocation.

3□ □□s□ □n□ □□s□ E□u□v□lents□

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

□□ □□□□□te□ Investments□

□nvestment in derivative securities, for□ards, s□aps, futures of any type are explicitly prohibited via direct or indirect involvement under this policy.

5□ F□ss□l Fuel □n□ Alte□n□t□ve Investment St□□te□□□

The university's investment advisors are instructed to consider further divestment from direct holdings in the balance of the □arbon □nderground 200 list to the

extent the advisers believe it is financially prudent □ith the goal of achieving full divestment. □he advisors are further instructed to invest in alternative and/or rene□able energy companies, consistent □ith the parameters of this investment policy as they may deem financially prudent.

Note□ It is not a re□uirement that the □tate □olleges and □niversities must avoid the □arbon □nderground 200 list. □mposing the re□uirement □ill impact investment performance.

S□ENDIN□ □□LI□Y

□he □niversity has adopted the follo□ing spending policy, □hich □ill apply to the □ □□ investment portfolio.

1. □his □olicy see□s an appropriate balance among the follo□ing goals□

    a. □rovide the □niversity □ith a predictable and stable stream of revenue
    b. Ensure the real value □defined as purchasing po□er□of the invested assets and its revenue stream does not decline over the long term
    c. □ase the spending policy on best practices for similar organizations or mar□et segments □e.g., treat the invested funds as endo□ment li□e□

2. Authorized expenditures during an upcoming fiscal year shall be limited to four percent □□□ □of the average total mar□et value of the investment portfolio over a trailing t□elve □uarter period ending □une 30 fiscal year, not to include additions during the current fiscal year. □n the event the average annualized total return for the trailing three year period fails to e□ual or exceed □□ , then the □niversity shall calculate the ne□ percentage and see□approval from the Finance and □apital Assets □ommittee for an exception to the □□ threshold. □he amount for the upcoming fiscal year is to be calculated each □une 30th and □ill be revie□ed and approved annually by the Finance and □apital Assets committee □ith a recommendation from the □nvestment □ub□ □ommittee.

3. □n ma□ing such distributions, the □niversity is authorized to use both Net □ncome and Net □apital Appreciation □defined as realized and unrealized appreciation in the fair mar□et value of the investments□in accordance □ith the □niform □rudent □anagement of □nstitutional Funds Act □□□□ □FA□.

□. Exceptions to or changes in this spending policy shall only be made by approval of the □oard of □rustees based on recommendations from the □ □□ Finance and □apital Assets □ommittee □and the □nvestment □ubcommittee□.

REVIEW

□his policy shall be revie□ed annually by the □ice □resident for Administration and Finance and the □nvestment □ubcommittee □ith changes approved by the Finance and □apital Assets □ommittee.

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 § 14 and 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 SUBCOMMITTEE

A subcommittee will be formed called the Investment Subcommittee and will oversee the investment portfolio, policy and the selection of an investment advisor. The subcommittee 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 Subcommittee may have members other than trustees who can provide guidance but will not be voting members of the subcommittee. The subcommittee 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:

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 60% in equities, 40% in fixed income and 0% 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:

	Goal	Acceptable Range
Equities	60%	45-75%
Fixed Income	40%	30-60%
Alternative Investments	---	---
Cash	0%	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.

The Investment Manager(s) is expected to rebalance the portfolio at least annually. Rebalancing recommendation discussions will be part of the ongoing dialogue between the investment manager and the investment committee. Rebalancing is allowed if it is within the acceptable range.

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.

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 Baa3/BBB- or better as published by Moody's or Standard & Poor's at the time of purchase. If a bond is downgraded below Baa3/BBB-, the manager shall sell as soon as prudently possible.

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 Baa3/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 Baa3/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 Custom Benchmark		
		Policy Benchmark
Barclays U.S Government Credit Intermediate	Fixed Income	35%
BofAML 0-3 Month US T-Bill Index	Cash	5%
Fixed Income		**40%**
S&P 500	Large Cap	30%
MSCI EAFE (NET)	Developed	15%
MSCI Emerging Markets	Emerging	6%
Russell 2000 Index	Small Cap	5%
Russell 2500 Index	Mid Cap	4%
Equity		**60%**

"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.

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.

SPENDING POLICY

The University has adopted the following spending policy, which will apply to the WSU investment portfolio.

1. This Policy seeks an appropriate balance among the following goals:

    a. Provide the University with a predictable and stable stream of revenue
    b. Ensure the real value (defined as purchasing power) of the invested assets and its revenue stream does not decline over the long term
    c. Base the spending policy on best practices for similar organizations or market segments (e.g., treat the invested funds as endowment like).

2. Authorized expenditures during an upcoming fiscal year shall be limited to four percent (4%) of the average total market value of the investment portfolio over a trailing twelve quarter period ending June 30 fiscal year, not to include additions during the current fiscal year. In the event the average annualized total return for the trailing three year period fails to equal or exceed 4%, then the University shall calculate the new percentage and seek approval from the Finance and Capital Assets Committee for an exception to the 4% threshold. The amount for the upcoming fiscal year is to be calculated each June 30th and will be reviewed and approved annually by the Finance and Capital Assets committee with a recommendation from the Investment Sub-Committee.

3. In making such distributions, the University is authorized to use both Net Income and Net Capital Appreciation (defined as realized and unrealized appreciation in the fair market value of the investments) in accordance with the Uniform Prudent Management of Institutional Funds Act (UPMIFA).

4. Exceptions to or changes in this spending policy shall only be made by approval of the Board of Trustees based on recommendations from the WSU Finance and Capital Assets Committee (and the Investment Subcommittee).

REVIEW

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

Westfield STATE UNIVERSITY

Board of Trustees

February 8, 2024

MOTION

The Financial Affairs Committee recommends approval to the full Board:

To accept the audit report on the audit procedures required pursuant to the Office of Management and Budget (OMB) Uniform Guidance for fiscal year ending June 30, 2023, as prepared by the firm of WithumSmith and Brown P.C., and to authorize the submission of this report to the Federal Audit Clearinghouse and to other parties as required by OMB Uniform Guidance and the Commonwealth of Massachusetts.

WESTFIELD STATE UNIVERSITY

(an Agency of the Commonwealth of Massachusetts)

INDEPENDENT AUDITOR'S REPORTS AS REQUIRED BY THE UNIFORM GUIDANCE AND *GOVERNMENT AUDITING STANDARDS* AND RELATED INFORMATION

JUNE 30, 2023

DRAFT

WESTFIELD STATE UNIVERSITY
(an Agency of the Commonwealth of Massachusetts)

Independent Auditor's Reports as Required by the Uniform Guidance and *Government Auditing Standards* and Related Information

June 30, 2023

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DRAFT

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Trustees of
Westfield State University
Westfield, Massachusetts:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Westfield State University's (an Agency of the Commonwealth of Massachusetts) (the "University") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the University's major federal programs for the year ended June 30, 2023. The University's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the University's complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the University's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the University's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the University's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in

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accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the University's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the University's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the University's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis.

A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the University, as of and for the year ended June 30, 2023. We issued our report thereon dated October 11, 2023, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

UPDATE DATE
(except for the Schedule of Expenditures of Federal Awards, for which the date is October 11, 2023)

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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

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 the business-type activities of Westfield State University (the "University"), and its discretely presented major component unit, as of and for the year ended June 30, 2023, 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 11, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the University's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the University'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 audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report of 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit 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*.

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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.

October 11, 2023

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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WESTFIELD STATE UNIVERSITY
(an Agency of the Commonwealth of Massachusetts)

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

	Assistance Listing Number	Pass-Through Entity	Pass-Through Entity Award Number	Federal Expenditures	Through to Subrecipients
STUDENT FINANCIAL ASSISTANCE CLUSTER					
U.S. Department of Education:					
Direct Awards:					
Federal Supplemental Educational Opportunity Grant	84.007	N/A	N/A	$ 351,052	$ -
Federal Work-Study Program	84.033	N/A	N/A	342,602	-
Federal Pell Grant Program	84.063	N/A	N/A	6,566,351	-
Federal Perkins Loan Program (beginning of year)	84.038	N/A	N/A	178,934	-
Federal Perkins Loan Program (current year expenditures)	84.038	N/A	N/A	4,931	-
Federal Direct Student Loans (Note 4)	84.268	N/A	N/A	25,151,702	-
Total Student Financial Assistance Cluster				32,590,641	-
TRIO CLUSTER					
U.S. Department of Education:					
Direct Awards:					
TRIO Student Support Services	84.042	N/A	N/A	285,154	-
RESEARCH AND DEVELOPMENT CLUSTER					
National Science Foundation:					
Direct Awards:					
STEM Education	47.076	N/A	N/A	9,920	-
Pass-through Awards:					
STEM Education	47.076	Idaho State University	23-0159B-RMTH04	6,977	-
Total Research and Development Cluster				16,897	-
NON-CLUSTER					
U.S. Department of Health and Human Services					
Direct Awards:					
Mental and Behavioral Health Education and Training Grants	93.732	N/A	N/A	347,997	-
U.S. Department of the Interior					
Direct Awards:					
National Wild and Scenic Rivers System	15.962	N/A	N/A	255,676	-
U.S. Department of Homeland Security					
Disaster Grants - Public Assistance	97.036	Massachusetts Emergency Mgt Agency	CTFEMA4496WESSU01294	377,637	-
National Endowment for the Arts					
Direct Awards:					
Promotion of the Arts Grants to Organizations and Individuals	45.024	N/A	N/A	9,064	-
U.S. Department of Justice					
Direct Awards:					
Grants to reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on campus	16.525	N/A	N/A	8,631	-
Total Non-Cluster				999,005	-
Total Federal Funds				$ 33,891,697	$ -

See accompanying notes to the Schedule of Expenditures of Federal Awards.

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WESTFIELD STATE UNIVERSITY
(an Agency of the Commonwealth of Massachusetts)

Notes to the Schedule of Expenditures and Federal Awards

Year Ended June 30, 2023

Note 1 - **Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of Westfield State University (the "University") under programs of the Federal Government for the year ended June 30, 2023. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the University, it is not intended to and does not present the financial position, changes in net position or cash flows of the University.

Note 2 - **Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance.

Note 3 - **Indirect Cost Rate**

The University has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 4 - **Federal Student Loan Programs**

Perkins Loan Program
The Federal Perkins Loan Program ("Perkins") is administered directly by the University and balances and transactions relating to this program are included in the University's basic financial statements. During the year ended June 30, 2023, there were no loans advanced under the Perkins program. During the year ended June 30, 2023, $4,931 of administrative costs were incurred. As of June 30, 2023, loan balances receivable, net under Perkins was $121,248.

There was no federal capital contribution or match by the University during the current year.

Direct Student Loans
The University disbursed $25,151,702 of loans under the Federal Direct Student Loans program, which include Stafford Subsidized and Unsubsidized Loans and Parent Plus Loans. It is not practical to determine the balances of the loans outstanding to students of the University under the program as of June 30, 2023. The University is only responsible for the performance of certain administrative duties and, accordingly, these loans are not included in the University's financial statements.

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WESTFIELD STATE UNIVERSITY
(an Agency of the Commonwealth of Massachusetts)

Schedule of Findings and Questioned Costs

Year Ended June 30, 2023

Section I – Summary of Auditor's Results:

Financial Statements

Type of auditor's report issued:	Unmodified	
Internal control over financial reporting:		
• Material weaknesses identified?	____ yes	__x__ no
• Significant deficiencies identified that are not considered to be material weaknesses?	____ yes	__x__ no
Noncompliance material to the financial statements noted?	____ yes	__x__ no

Federal Awards

Type of auditor's report issued on compliance for major programs:	Unmodified	
Internal control over major programs:		
• Material weaknesses identified?	____ yes	__x__ no
• Significant deficiencies identified that are not considered to be material weaknesses?	____ yes	__x__ no
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	____ yes	__x__ no

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WESTFIELD STATE UNIVERSITY
(an Agency of the Commonwealth of Massachusetts)

Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2023

Identification of Major Programs

Name of Federal Program or Cluster	Assistance Listing Number
Student Financial Assistance Cluster:	
Federal Supplemental Educational Opportunity Grant	**84.007**
Federal Work-Study Program	**84.033**
Federal Perkins Loan Program	**84.038**
Federal Pell Grant Program	**84.063**
Federal Direct Student Loans	**84.268**
Non-Cluster:	
National Wild & Scenic Rivers System	**15.962**

Dollar threshold used to distinguish between type A and type B programs: $750,000

Auditee qualified as a low-risk auditee? __x__ yes _____ no

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WESTFIELD STATE UNIVERSITY
(an Agency of the Commonwealth of Massachusetts)

Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2023

Section II – Financial Statement Findings:

None

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WESTFIELD STATE UNIVERSITY
(an Agency of the Commonwealth of Massachusetts)

Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2023

Section III – Federal Award Findings and Questioned Costs:

None.

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ADMINISTRATION AND FINANCE

Management's Summary Schedule of Prior Audit Finding

Year Ended June 30, 2022

Section IV – Management's Summary Schedule of Prior Audit Findings:

None.

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(413) 572-5610 (f)
westfield.ma.edu

Westfield
STATE UNIVERSITY

Board of Trustees

February 8, 2024

MOTION

To ratify the actions of the Executive Committee on December 22, 2023 to authorize the administration to transfer $10-$15 million to a new account with Corient after evaluating the University's current cash and money market accounts.

Ali R. Salehi, Chair

Date

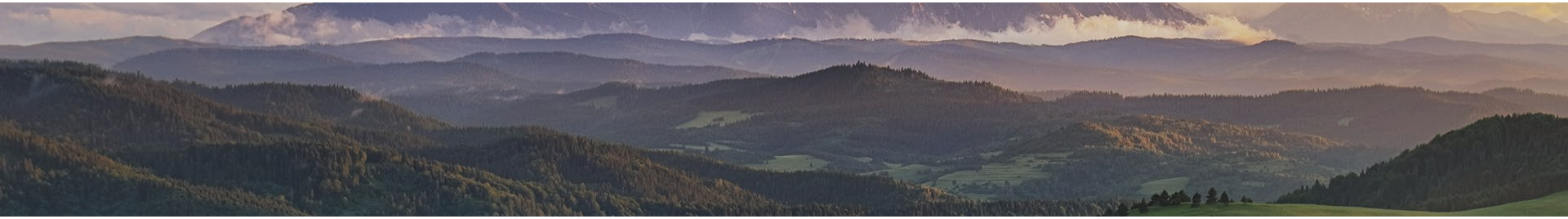
Westfield
STATE UNIVERSITY

December 15, 2023

PRESENTED BY:

Robert C. Quinn, CFA®, CFP® ■ Partner, Wealth Advisor ■ robert.quinn@corient.com ■ (781) 896-7857

Dule Laflamme, CFA® ■ Partner, Portfolio Manager ■ duke.laflamme@corient.com ■ (781) 896-7702



CORIENT

Agenda

I. Investment Philosophy and Process

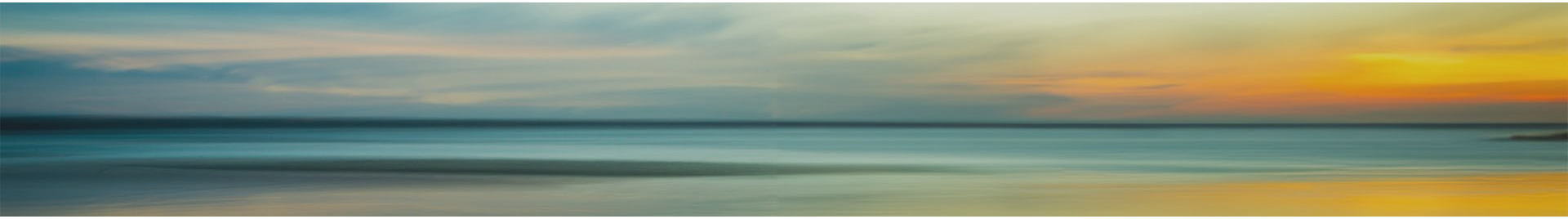
II. Fixed Income Cash Reinvestment

III. WSU Passive Equity Investment

IV. Current WSU Portfolio

V. Fee Reduction

I. Investment Philosophy and Process



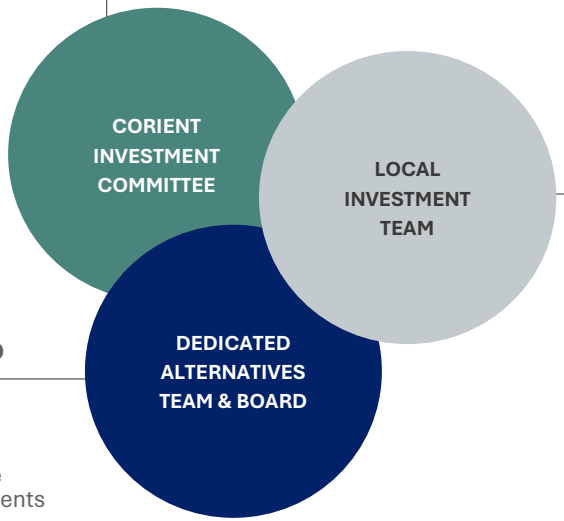
CORIENT

Team Model Designed to Deliver Optimal Outcomes

Westfield State University

CORIENT INVESTMENT COMMITTEE

- Identifying compelling investment strategies across the spectrum
- Analyzing markets for risks and opportunities
- Maximizing cost-efficiency by leveraging our scale



LOCAL INVESTMENT TEAM

- Corient Boston has a dedicated team of investment professionals that works collaboratively with our Wealth Advisors
- Leveraging our collective expertise to design a customized portfolio for you
- Evaluating portfolios to enhance client outcomes

ALTERNATIVE INVESTMENTS TEAM & BOARD

- Identifying and accessing attractive alternative investments
- Providing strategic direction and oversight on the sizing and implementation of alternative investments
- Building compelling alternative portfolios

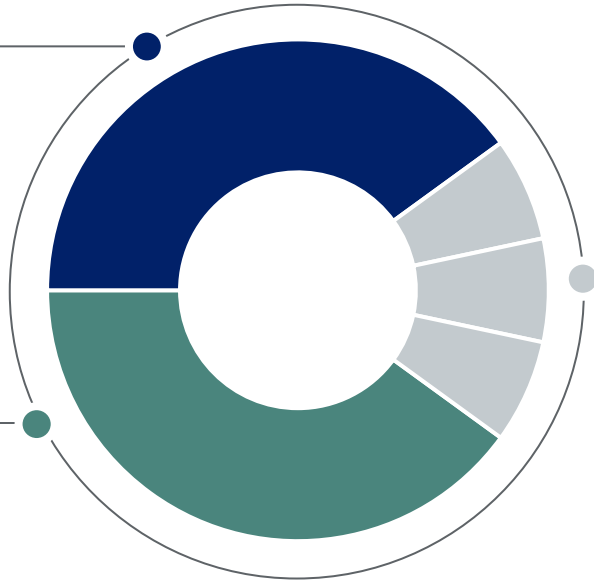
CORIENT

Our Comprehensive Investment Platform

Westfield State University

FIXED INCOME

Core bond exposure balancing client tax circumstances, diversification, and the broad fixed income opportunity set



ALTERNATIVE ASSETS

Provide diversifying exposures seeking to enhance risk-adjusted returns

- Growth Potential
- Income Generating
- Diversifying Exposures

EQUITIES

Globally diversified public equities seeking to provide long-term growth for portfolios

Allocation shown is for illustrative purposes only.

CORIENT

Our Comprehensive Investment Platform

Westfield State University

Asset Allocation Drives Returns

We believe the targeted mix between **equities** and **fixed income** will be the primary driver of long-term portfolio results

This mix will vary due to client circumstances and risk tolerance

We are careful to consider client objectives and personal preferences when designing the optimal portfolio



CORIENT

Our Goal is to Deliver the Best Results

Westfield State University

TAILORED	▪ **Client First** As fiduciaries, we always put our clients' interests before our own ▪ **Goals Focused** We build portfolios based on our clients' unique goals, risk tolerance, and time horizon ▪ **Outcome Oriented** Our entire system seeks to deliver the financial growth and security that our clients demand
STRATEGIC	▪ **Long-Term** Our approach seeks to succeed through business cycles with custom asset allocation and investment strategies ▪ **Opportunistic** We are targeted in identifying opportunities emerging from market inefficiencies and nimble in our ability to take advantage of them ▪ **Focused** Our team of seasoned experts are dedicated to navigating markets and delivering results
RIGOROUS	▪ **Risk Managed** We utilize balanced, diversified portfolios to mitigate concentrated risks in markets and investments ▪ **Data-Driven** We ground our decisions in thorough analysis, positioning ourselves to make informed decisions ▪ **Adaptive** As markets evolve, so do we, adapting our approach to incorporate new tools and innovative strategies
DISCIPLINED	▪ **Rational** We follow time-tested processes to avoid investment mistakes based on irrationality or emotion ▪ **Cost-Conscious** We seek to lower investment costs to deliver higher net returns to clients ▪ **Tax-Conscious** We employ strategies to help avoid unnecessary tax obligations for our clients

Tax strategies are employed for planning purposes only and are not intended to replace professional tax, legal or accounting advice.
Please consult your tax, legal and accounting professionals to discuss your unique tax circumstances.

CORIENT

Our Process to Drive Success

Westfield State University



Our Process to Drive Success

Westfield State University

MONITORING

- Regular portfolio management meetings
- Look-through exposures and risks
- Stress test against adverse market environments

REPORTING

- Transparent performance and fees
- Measured against objectives and goals



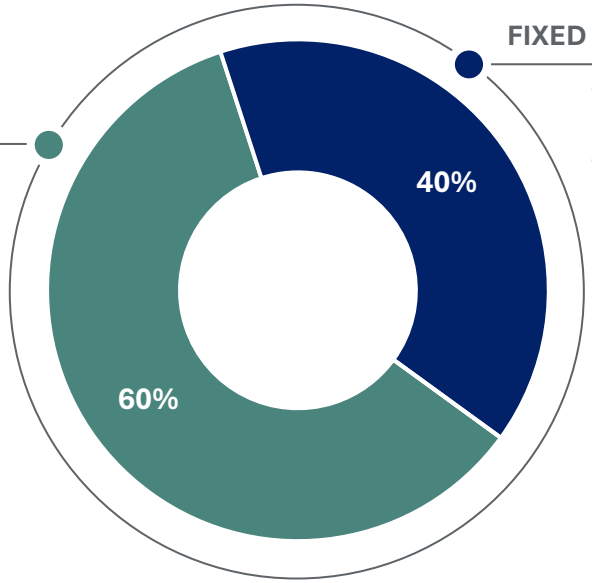
RISK MANAGEMENT

- Emphasis on risk/volatility contribution
- Awareness of correlation properties
- Designed to weather economic cycle shifts

TRADING

- Rebalance as needed
- Tax loss harvest as opportunities arise
- Implement global opportunistic tilts
- Efficiently execute manager changes

Westfield State University: Benchmark Allocation



EQUITIES

- Globally diversified public equities seeking to provide long-term growth for portfolios
- Seek to add value over time via asset allocation, investment vehicle selection, and modest factor exposure tilts

FIXED INCOME

- Core bond exposure to provide income and portfolio ballast
- Opportunistic bond exposure for diversification benefits and the potential to enhance returns

Allocation shown is for illustrative purposes only.

CORIENT

Fixed Income: A Core Satellite Approach

Westfield State University

CORE FIXED INCOME

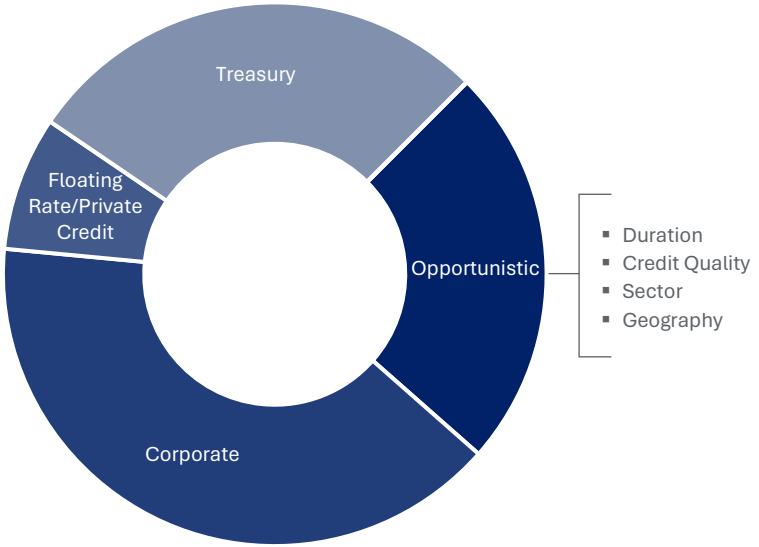
Build out the core portion of the portfolio utilizing individual bonds managed by Corient

- Seek to balance interest rate and credit risk based on market conditions.
- Focus on investment grade rated securities.
- Primarily constructed of corporate bonds and U.S. Government obligations.
- Flexibility to allocate to municipal bonds when attractive.
- Customized portfolio tailored to Colby-Sawyer.

OPPORTUNISTIC FIXED INCOME

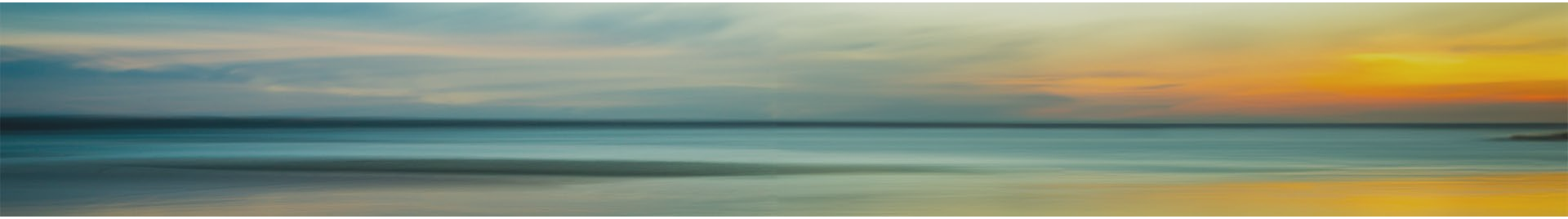
Provide wide flexibility for highly active managers to opportunistically shift capital across the fixed income spectrum

- Unconstrained mandates across global fixed income sectors.
- Managers will often deviate substantially from benchmark weights, asset classes, credit quality, and duration characteristics.
- We recommend an allocation to private credit and/or floating rate loans to protect against rising interest rates and take advantage of high current income.



The strategies presented are for illustrative purposes only and may not be utilized in all circumstances. Alternate strategies may be recommended based on the client's unique financial circumstances. Allocation shown is for illustrative purposes only.

II. Fixed Income Cash Reinvestment



CORIENT

Money Market to Corporate Bond Ladder

Westfield State University

The rationale for moving from a money market fund to a portfolio of 3–6-year corporate bonds is to lock in today's higher rates for a longer period. This opportunity assumes that the Federal Reserve (Fed) is near the end of its current rate tightening cycle and will at some point in 2024 begin to cut the Fed Funds Rate.

Current Investment – MMDT Cash Portfolio – Current Yield 5.62%

The MMDT Cash Portfolio a diversified portfolio of high-quality money market instruments that seeks to obtain the highest possible level of current income consistent with preservation of capital and liquidity. The portfolio holds high-quality securities issued by banks, special purpose vehicles, financial and non-financial commercial paper, and other miscellaneous instruments. The securities have very short maturities, ranging from 1-180 days, with a weighted average maturity of 37 days. The short maturity profile is designed to minimize the interest rate risk in the portfolio however it does lead to another risk. In an environment where short-term interest rates are declining, the maturity profile leads to reinvestment risk. In simple terms, as securities mature, they are reinvested into lower yielding securities, which puts downward pressure on the yield that investors will earn.

Money Market to Corporate Bond Ladder

Westfield State University

Example of Falling Rates Impact on MMDT Fund Yield

If the fund is currently paying a yield of 5.62% and interest rates dropped by 1.0% in a day (a drop of this magnitude would likely occur over a longer time period), in 37 days, the fund's yield will have decreased by 1.0% to 4.62%.

Reinvestment risk

Given current market expectation, reinvestment risk is one that should be considered when determining the suitability of holding a money market fund. As of November 20th, the market was pricing in expectations of just under 4 rate cuts totaling about 1% through year-end 2024.

Proposed Investment – 3-6 Year Corporate Bond Portfolio – Current Yield 4.85%

Building a laddered portfolio of high-quality (A-Rated or better) bonds with maturities of 3-6 years provides the opportunity to lock in today's higher rates for a longer period than will likely be available in the MMDT Cash Portfolio. While the portfolio does have more interest rate risk, the high likelihood that the bonds will be held to maturity eliminates this risk.

CORIENT

Money Market to Corporate Bond Ladder

Westfield State University

Example of Falling Rates Impact on Corporate Bond Portfolio

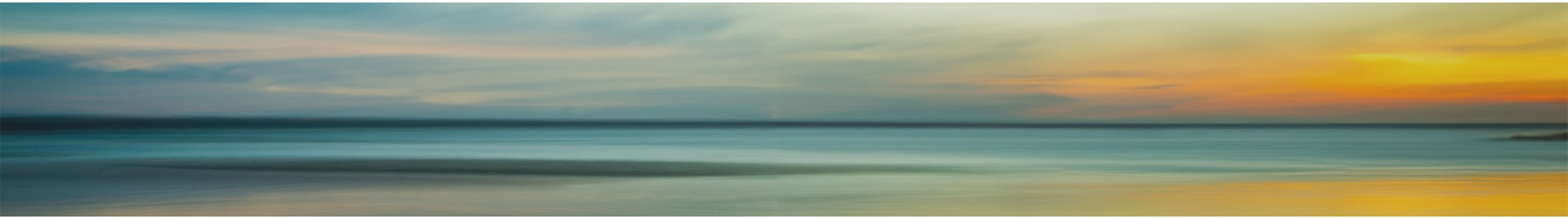
If the portfolio is currently paying a yield of 4.85% and interest rates dropped by 1.0%, there would be no impact on the yield earned in the portfolio until bond maturities occurred in three years.

Recommendation

Sell ½ of the current money market holdings and reinvest the proceeds into a 3–6-year corporate bond portfolio. The proposed change would decrease the current yield from 5.62% to 4.85%, a reduction of roughly $39,000 for the remainder of the fiscal year. In return for this near-term reduction in income, the portfolio will continue to earn 4.85% on half of the portfolio for at least the next three years. The half that remains in the money market fund will be available for any liquidity needs and can be resized as those needs become clear in the coming years.

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III. WSU Passive Equity Allocation



CORIENT

Equity: A Thoughtful Passive Approach

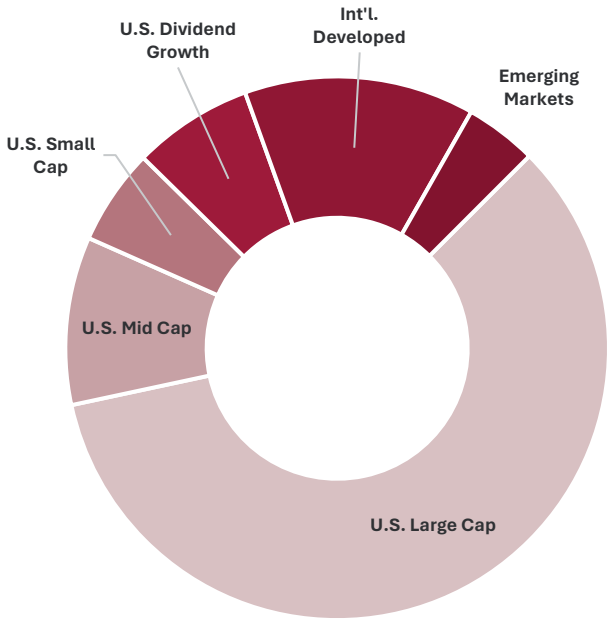
CORE EQUITIES

Achieve highly efficient, low-cost exposure to majority of the investable stock universe

- Customizable
- ETF strategies
- Direct Index separate accounts
- According to data compiled by S&P Global, broad market indices tend to outperform the majority of actively managed funds, mainly over medium- to long-term investment horizons.

OTHER CONSIDERATIONS

- Focus on low-cost vehicles that provide efficient broad market exposure
- Seek to add value over time via asset allocation, investment vehicle selection, and and modest factor exposure tilts
- Favor S&P index construction methodology to screen out non-earners
- May Incorporate an allocation to U.S. Dividend Growth equities over time which we believe may offer superior risk-adjusted returns through the cycle



The strategies presented are for illustrative purposes only and may not be utilized in all circumstances. Alternate strategies may be recommended based on the client's unique financial circumstances. Allocation shown is for illustrative purposes only.

Westfield State University: Benchmark Portfolio Allocation

12/31/22 Returns

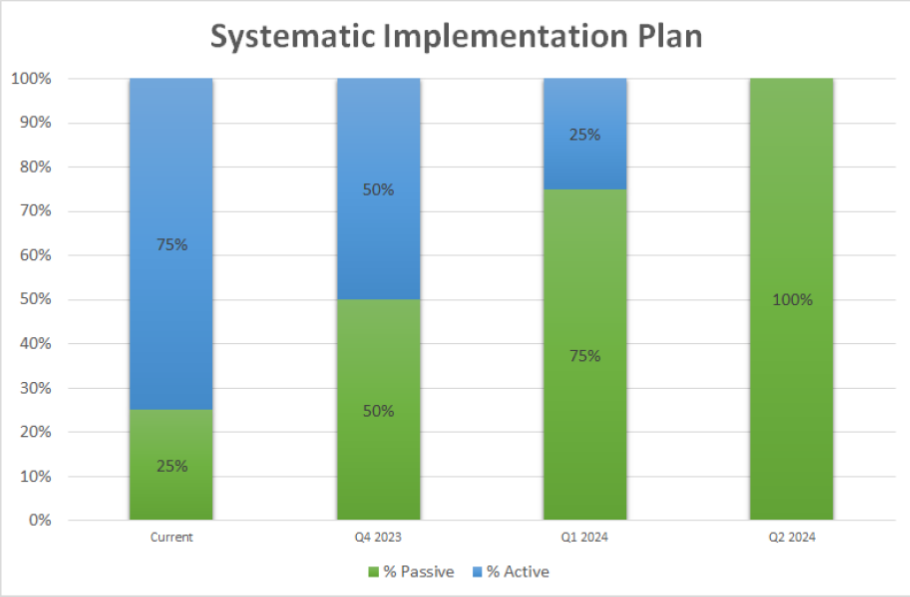
Asset Class	Classification	Ticker	% Total	Expense Ratio	1 Yr	3 Yr	5 Yr	10 Yr	
Fixed Income	Core Bonds	DVI	38%	0.00%	-8.3	-1.5	0.5	0.9	Individual Securities
Money Market	Cash	BIL	2%	0.14%	1.4	0.6	1.1	0.6	Government MMF
Fixed Income			**40%**						
S&P 500 (IVV)	U.S. Equity	IVV	30%	0.03%	-18.2	7.7	9.4	12.5	Passive
US Mid Cap (IJH)	U.S. Equity	IJH	4%	0.05%	-13.1	7.2	6.6	10.7	Passive
US Small Cap (IJR)	U.S. Equity	IJR	5%	0.06%	-16.2	5.7	5.8	10.8	Passive
International Developed (VEA)	International Developed	VEA	15%	0.04%	-15.4	1.2	1.6	4.9	Passive
Emerging Market (VWO)	Emerging Market	VWO	6%	0.05%	-18.2	-1.5	-0.3	1.5	Passive
Equity			**60%**	**0.02%**	**-13.3%**	**2.4%**	**3.8%**	**5.9%**	Passive

Source Factset. Returns annualize for over 1 yr. Past Performance is not indicative of future performance
For Illustraive purposes only. WSU's actual asset allocation will differ

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Passive Equity Implementation Timeline – December 2023

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



Implementation Notes:

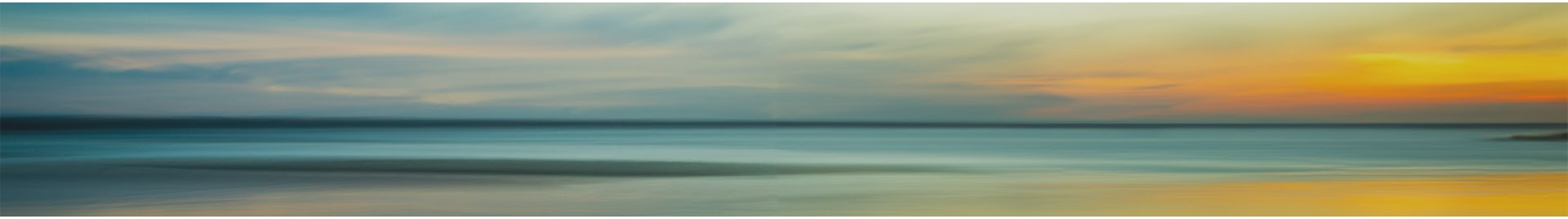
Incremental invest each quarter to reach strategic allocation by Q2 2024

- Increase passive Investments from 25% to 50% beginning in the Fourth quarter of 2023, moving in 25% increments until passive investments equals 100% in Q2 24

Corient One-On-One Purposes Only. Not for Outside Distribution.

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IV. WSU Portfolio November 30 2023



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Westfield State University: Recommended Portfolio Allocation

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WESTFIELD STATE UNIVERSITY

2859536

Account Portfolio Summary

October 1, 2019 to November 30, 2023

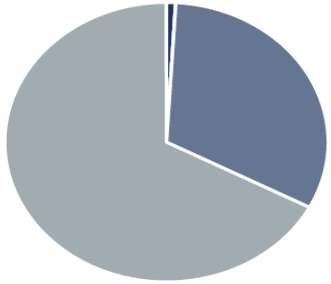
Portfolio Summary

Change in Value	10/1/2019 - 11/30/2023	Year to Date
Beginning Market Value	**$19,893,939**	**$21,826,500**
Additions	$7,358	$0
Withdrawals	($294,043)	($78,712)
Income Received	$1,793,515	$351,177
Change in Investment Value	$2,771,226	$2,073,029
Ending Market Value	**$24,171,994**	**$24,171,994**

Realized Gains/Losses	10/1/2019 - 11/30/2023	Year to Date
Short Term	($210,992)	$64,618
Long Term	$533,097	$99,473
Total Realized Gain/Loss	**$322,105**	**$164,091**

Estimated Annual Income	
Taxable	$429,652
Total	**$429,652**

Portfolio Allocation as of 11/30/2023



Asset Class	Market Value	% of Assets	Est. Income	Current Yield
Cash & Equivalents	$222,425	0.92 %	$9,867	4.44 %
Fixed Income	$7,690,639	31.82 %	$196,486	2.55 %
Equity	$16,258,931	67.26 %	$223,298	1.38 %
Total Portfolio	**$24,171,994**	**100.00 %**	**$429,652**	**1.77 %**

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Total Return*

Asset Class	Market Value	Year to Date	Rolling 1-Year	Rolling 2-Year	Rolling 3-Year	Rolling 5-Year	Annualized Since 7/1/2023	Annualized Inception to Date	Inception Date
Cash & Equivalents	$222,425	2.10 %	2.15 %	1.15 %	0.77 %	-	1.23 %		10/1/2019
Fixed Income	$7,690,639	4.32 %	4.60 %	1.19 %	0.77 %	-	2.55 %		
Equity	$16,258,931	15.51 %	9.23 %	-3.78 %	4.05 %	-	2.17 %		10/1/2019
Domestic Large Cap	$10,723,578	19.25 %	11.85 %	-4.25 %	5.67 %	-	3.50 %		10/1/2019
Domestic Mid Cap	$1,475,439	16.34 %	10.56 %	3.14 %	2.85 %	-	2.28 %		0/1/2019
Domestic Small Cap	$1,009,430	2.91 %	-1.64 %	-1.12 %	7.80 %	-	-2.19 %		10/1/2019
International Developed	$1,816,396	8.61 %	4.59 %	-5.44 %	0.14 %	-	-2.23 %		10/1/2019
International Emerging	$1,234,087	6.78 %	4.27 %	-5.95 %	-2.34 %	-	0.71 %		10/1/2019
Total Portfolio	$24,171,994	10.84 %	7.11 %	-2.24 %	2.67 %	-	2.07 %		10/1/2019

Index Comparison

Benchmark	Year to Date	Rolling 1-Year	Rolling 2-Year	Rolling 3-Year	Rolling 5-Year	Annualized Since 7/1/2023	Annualized Inception to Date (10/1/2019)
Westfield State University Custom Benchmark	10.02 %	7.34 %	-1.09 %	2.89 %	-	1.45 %	
60% ACWI / 40 % Intermediate US Gov/Credit	11.07 %	8.37 %	-1.18 %	2.67 %	-	1.99 %	
MSCI EM (Emerging Markets) Growth (TR Net)	3.18 %	1.84 %	-11.27 %	-8.61 %	-	-0.14 %	
Russell 2000	4.20 %	-2.57 %	-7.94 %	1.13 %	-	-3.60 %	
Russell 2500	6.06 %	-0.25 %	-5.44 %	3.26 %	-	-2.51 %	
Bloomberg Intermediate US Aggregate	2.15 %	1.88 %	-3.91 %	-2.94 %	-	0.52 %	-
Bloomberg Intermediate US Gov/Credit Bond	2.86 %	2.67 %	-2.91 %	-2.31 %	-	1.34 %	
Bloomberg 1-3 Month T-Bill	4.65 %	5.02 %	3.08 %	2.06 %	-	2.27 %	
S&P 500 (Base 1936)	20.80 %	13.84 %	1.66 %	9.76 %	-	3.34 %	
MSCI EAFE (TR Net)	12.27 %	12.36 %	0.48 %	3.80 %	-	0.54 %	
S&P 500 Energy Sector	-1.31 %	-4.21 %	29.86 %	38.25 %	-	4.46 %	

* All periods ending 11/30/2023. Rates of return Net of Fees. Excludes unmanaged assets. Returns annualized for periods greater than one year.

Preliminary

V. Fee Reduction



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Short Term Cash Reserve Investment 0.15%

Long-term portfolio at 50% discount resulting in an annualized fee of 0.32%



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Thank You



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CONTENT DISCLOSURE

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Westfield State University

Executive Committee

Investment Strategy

December 22, 2023

Summary

The Investment Subcommittee of the Board of Trustees recommended changes to our current investment strategy regarding cash reserves, given shifting economic conditions. The intent is to optimize short-term cash investment options, lock in predictable returns, and ensure liquidity utilizing short-term corporate bond investments.

The recommendation is to shift underperforming money market funds to higher performing bond funds managed by our current investment advisor, Corient.

A new account at Corient is required to segregate current investments from the new cash investments. The strategy is to separate long-term investments and payouts from short-term investments and payouts, to better align annual income distributions. The Trust Fund Management Policy (#604) requires Board approval to set up new accounts holding University funds.

Investment Details

The University maintains several money market funds at multiple institutions with varying rates. The current money market rates vary from 1.52% to 5.62%. The recommendation is to shift a total of $10M from two accounts at our local banks to the Corporate Bond Portfolio as recommended by our investment advisors. At current rates, the bond portfolio is yielding 4.34% for at least the next three years. Fees associated with the bond portfolio are .15%, reducing the net yield to 4.19%.

The primary advantage of this approach is to lock in fixed returns as a hedge against interest rate risk, as predictions indicate the federal government is likely to reduce interest rates next year. This strategy also provides liquidity if cash is required for any unplanned events.

The University would maintain current money market funds that exceed the projected yield on the bond portfolio and re-evaluate this position early next year to determine if additional funds should be invested in the bond portfolio.

The goal is to be able to transfer the $10M ($7M from BB, $3M WB) by the end of the calendar year. As you know, markets are changing daily and swift action is required to be able to lock in current bond yields as described above. The complete analysis on this strategy is included in Corient's December 15, 2023, report to the Investment Subcommittee (pages 13-15).

Recommendation

Approve the motion allowing the University to set up a new account with Corient as described and shift $10M in underperforming money market funds to the new bond portfolio fund.