



**Board of Trustees
Investment Subcommittee**

December 15, 2023

3:00 p.m.

President's Boardroom, The 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>

- | | |
|--------------------------------------|-----------------------------|
| 1. Call to Order | Committee Chair Boudreau |
| 2. Approval of Minutes | |
| a. October 20, 2023 | Committee Chair Boudreau |
| 3. Items for Action | |
| a. Motion – Investment Policy (0430) | Committee Chair Boudreau |
| 4. Items for Discussion | |
| a. Index Fund Allocation | Corient |
| b. Money Market vs. Bond Investing | Corient |
| 5. Items for Information | |
| a. University Cash Summary | Stephen Taksar/Lisa Freeman |

Attachment(s):

- a. Minutes 10-20-23 (Draft)
- b. Motion – Investment Policy
- c. Investment Policy (Track Changes)
- d. Investment Policy (Clean)
- e. Investment Policy (Memo)
- f. Index Fund Allocation
- g. University Cash Summary (Graph)
- h. University Cash Summary



BOARD OF TRUSTEES

Investment Subcommittee

October 20, 2023

Minutes

President's Boardroom, Horace Mann Center

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

MEMBERS PRESENT: Committee Chair Paul Boudreau and Trustee Daniel Currier

MEMBERS PARTICIPATING REMOTELY: Vice Chair George Gilmer, Secretary Theresa Jasminⁱ, Trustee Chris Montemayor, and Board Chair Ali Salehiⁱⁱ, ex-officio member

Also present and participating from Westfield State University were President Dr. Linda Thompson, President, Vice President for Administration and Finance Stephen Taksar, and Corient representatives Robert Quinn and Duke Laflamme.

Committee Chair Boudreau called the meeting to order at 1:30 PM.

MOTION made by Trustee Gilmer, seconded by Trustee Montemayor, to approve the minutes of the July 28, 2023, Investment Subcommittee meeting.

There being no discussion, **ROLL CALL VOTE** passed motion unanimously with Trustees voting in the affirmative: Gilmer, Montemayor, Currier, and Boudreauⁱⁱⁱ

It was announced that the meeting was being livestreamed and recorded, and all committee members and guests participating were announced as listed above.

Subcommittee Workplan.

- Committee Chair Boudreau and Mr. Taksar developed the workplan for issues that make the most sense in sequence for discussion, review, and decision making.

Short-Term vs. Long-Term Investment Strategy.

- This past year the University leveraged short-term cash investments and shifted cash assets at local banks to Federated Hermes/Massachusetts Municipal Depository Trust (MMDT) through a competitive procurement process. The subcommittee discussed rebalancing funds from the short-term investment accounts to the long-term investment account. Currently, 71% of cash assets are in money market funds and 29% are in long-term investments with Corient.
- The FY24 budget relies on the income stream (currently 4%) from long-term investments for the innovation fund and short-term investments for campus operations (\$1.8M).
- The committee requested a summary of total cash position prior to every meeting.

- Mr. Taksar will prepare documents showing the history and quarterly summary of current cash and cash flows over the last few years for the committee to determine timing for drawing funds that will not affect campus operations. Total cash available should be reviewed by the committee on a quarterly schedule.

Third Quarter Update and Market Review. Corient representatives summarized the third quarter report based on the current asset allocation.

- The range of asset allocation from the investment policy was reviewed with the goal allocation in fixed income and equity as of September 30. The benchmark guides decisions for the portfolio.
- It was requested that for future reports, Corient add CPI for the benchmark to measure whether the portfolio is beating CPI, since that would indicate whether purchasing power is preserved.
- The S&P was up double digits, which brings back the conversation about index funds versus actively managed funds. The portfolio is far behind the return it would have received if indexed. It is not always accurate to compare Westfield's return with the S&P 500.
- The guidelines from the policy provide the range for equities and Corient determines the allocation within those guidelines.

Alternative Investment Strategies Analysis.

- Illustrations of risk and reward for rolling five-year annualized returns were highlighted.
- The long-term investment account is treated as an endowment to grow with minor risk, using only a percentage of the interest (currently 4%).
- Moving from active management to an index fund may generate higher returns, more volatility and potentially less fees.
- The investment advisor contract will be going to bid in the spring. Placing a higher percentage into an index fund could be done before the request for proposals (RFP) to bid. The fees would not change if the type of fund changed but moving more into an S&P index fund may generate better returns. The asset allocation and subcomponents of assets in each class could also be changed.

FY25 Projected Quarterly Calculations on Investment Income Withdrawal. The quarterly calculation to maintain the income withdrawals was provided for information. It was noted that if the investment structure and allocation between short- and long-term investment funds change, the drawdown calculations will need to be reviewed to maintain consistency between investment strategies.

Investment Subcommittee Charter. The subcommittee charter was approved at the July meeting and the final copy was provided for information showing the revisions made.

The committee will meet in December to review the University's cash needs and discuss the investment policy, adjusting the percentage of funds in short- and long-term investments, and investing in index funds versus actively managed funds.

There being no further business,

MOTION made by Trustee Currier, seconded by Trustee Jasmin, to adjourn. **ROLL CALL VOTE** passed motion unanimously with Trustees voting in the affirmative: Gilmer, Jasmin, Montemayor, Currier, and Boudreau

The meeting adjourned at 3:15 PM.

Attachment(s):

- a. Draft Minutes of July 28, 2023
- b. Subcommittee Workplan

Draft Minutes Pending Approval

- c. Third Quarter Update and Market Review
- d. Alternative Investment Strategies Analysis
- e. FY25 Projected Quarterly Calculations on Investment Income Withdrawal
- f. Investment Subcommittee Charter (Revised)
- g. Investment Subcommittee Charter (Clean)

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 Investment Subcommittee of the Financial Affairs Committee meeting held on October 20, 2023.

Theresa Jasmin, Secretary

Date

DRAFT

ⁱ Trustee Jasmin joined the meeting at 1:40 PM

ⁱⁱ Board Chair Salehi joined the meeting at 1:35 and left at 2:27 PM

ⁱⁱⁱ Trustee Jasmin and Board Chair Salehi had not yet joined the meeting



Board of Trustees

December 15, 2023

MOTION

The Investment Subcommittee of the Financial Affairs Committee recommends approval to the full Board:

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

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:

Westfield State University

Policy concerning:

APPROVED: February 2003

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- 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~~³⁸% in fixed income and ~~0~~²% in cash. Managed funds that include both equity and fixed income underlying investments shall be distributed to the appropriate portfolio category for the purpose of reviewing asset allocation. Recognizing that from time-to-time during the course of business it is not realistic to expect complete compliance with this guideline, an acceptable range follows:

	<u>Goal</u>	<u>Acceptable Range</u>
Equities	60%	45- 75 ⁵⁰ %
Fixed Income	40 ³⁸ %	30-60%
Alternative Investments	---	---
Cash	0 ² %	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.

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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.

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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.

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- 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.

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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

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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.

INVESTMENT POLICY

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- b. Minimizing Price Volatility – This Investment Policy prohibits investments in securities with the potential for wide price volatility. (See Prohibited Investments).
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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:

	<u>Goal</u>	<u>Acceptable Range</u>
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.

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DELEGATION OF AUTHORITY

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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.

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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.

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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

Westfield State University

Policy concerning:

APPROVED: February 2003

Section Administrative

Number 0430

Page 7 of 7

REVIEWED: December 2023

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.

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.

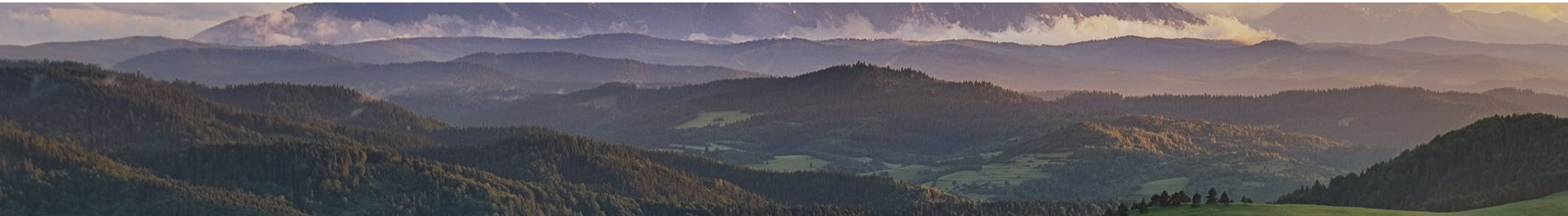


December 15, 2023

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

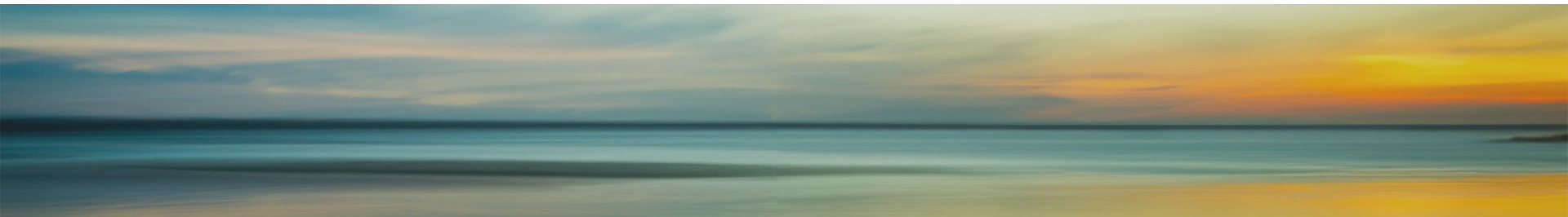
II. Fixed Income Cash Reinvestment

III. WSU Passive Equity Investment

IV. Current WSU Portfolio

V. Fee Reduction

I. Investment Philosophy and Process



Team Model Designed to Deliver Optimal Outcomes

Westfield State University

CORIENT INVESTMENT COMMITTEE

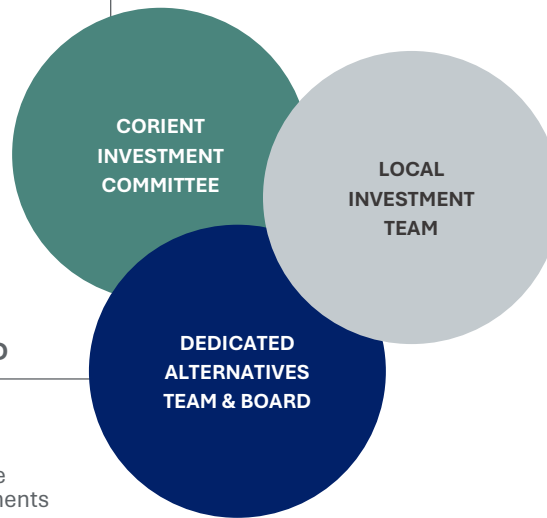
- Identifying compelling investment strategies across the spectrum
- Analyzing markets for risks and opportunities
- Maximizing cost-efficiency by leveraging our scale

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



Our Comprehensive Investment Platform

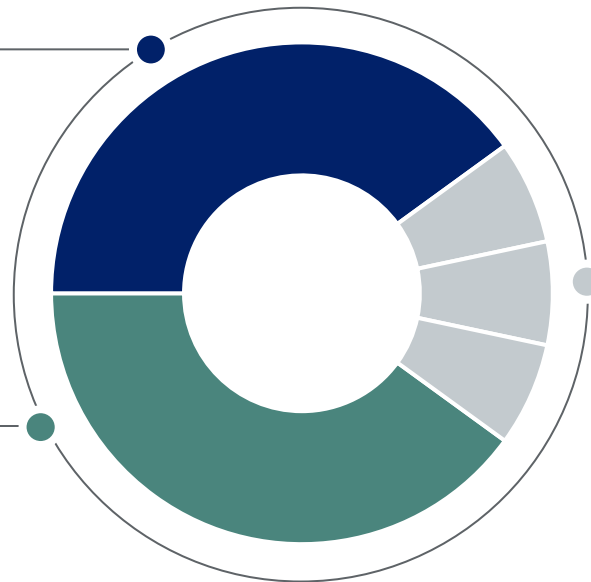
Westfield State University

FIXED INCOME

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

EQUITIES

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



ALTERNATIVE ASSETS

Provide diversifying exposures seeking to enhance risk-adjusted returns

- Growth Potential
- Income Generating
- Diversifying Exposures

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.

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



Ongoing Management Process

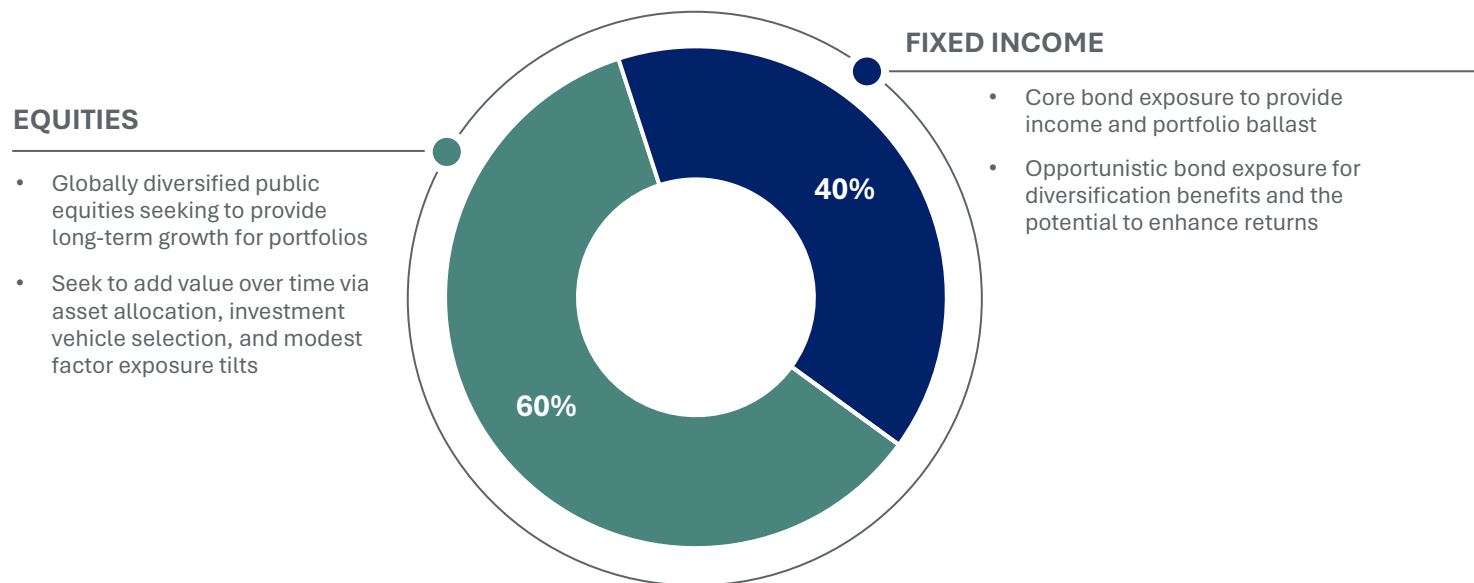
RISK MANAGEMENT

- 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



Allocation shown is for illustrative purposes only.

Fixed Income: A Core Satellite Approach

Westfield State University

CORE FIXED INCOME

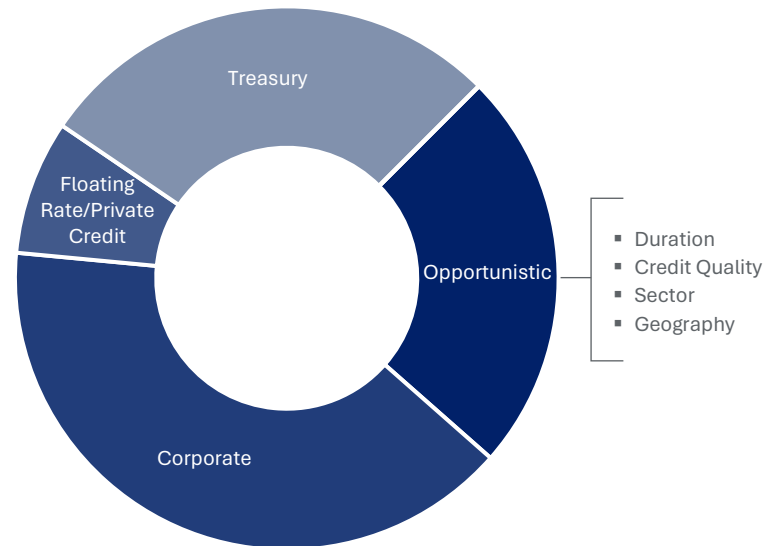
Build out the core portion of the portfolio utilizing individual bonds managed by Corient

- 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



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 is 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 ladder 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.

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 $\frac{1}{2}$ 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.

III. WSU Passive Equity Allocation



Equity: A Thoughtful Passive Approach

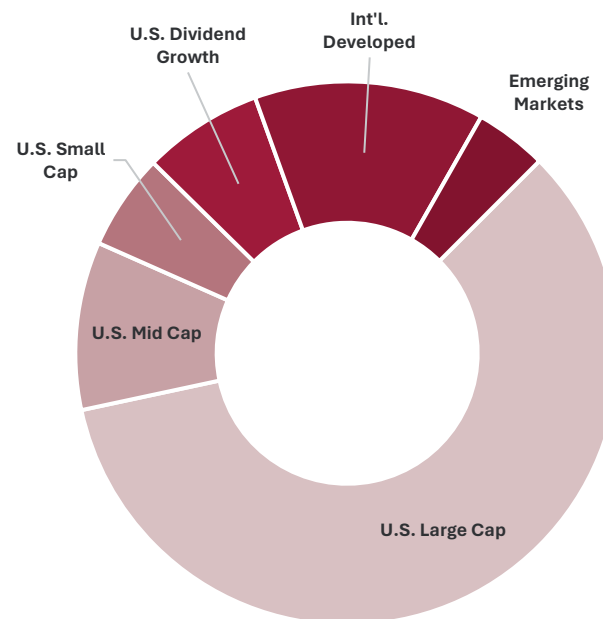
CORE EQUITIES

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 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

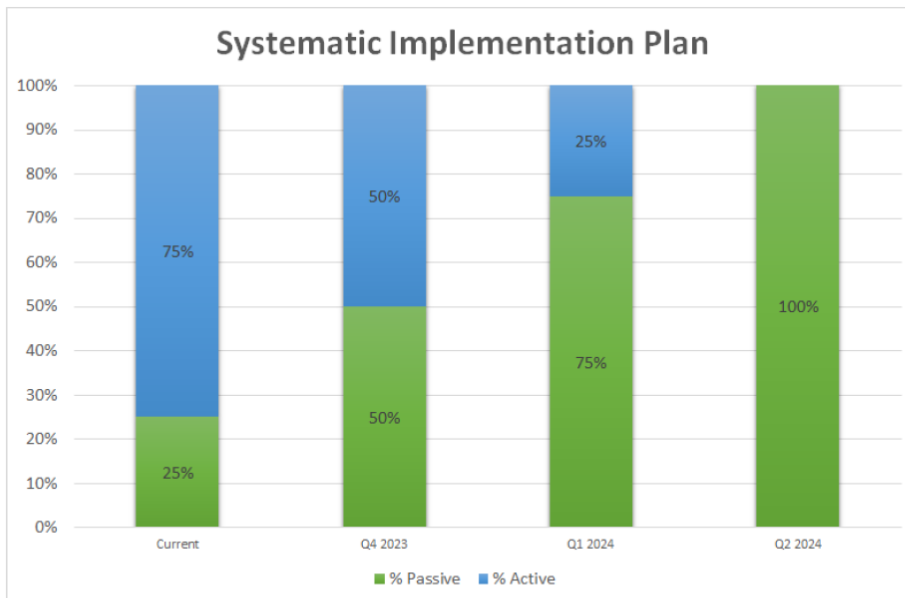
Asset Class	Classification	Ticker	% Total	Expense					
				Ratio	1 Yr	3 Yr	5 Yr	10 Yr	
Fixed Income	Core Bonds	DVI	38%	0.00%	-8.3	-1.5	0.5	0.9	Individual Securities
Money Market	Cash	BIL	2%	0.14%	1.4	0.6	1.1	0.6	Government MMF
Fixed Income			40%						
S&P 500 (IVV)	U.S. Equity	IVV	30%	0.03%	-18.2	7.7	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 illustrative purposes only. WSU's actual asset allocation will differ

CORIENT

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.

IV. WSU Portfolio November 30 2023



Westfield State University: Recommended Portfolio Allocation

CORIENT

WESTFIELD STATE UNIVERSITY

Account Portfolio Summary

2859536

October 1, 2019 to November 30, 2023

Portfolio Summary

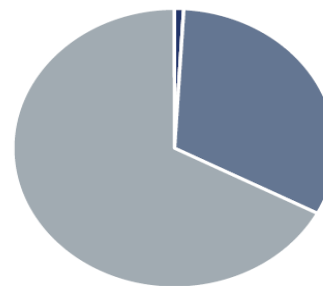
Change in Value	10/1/2019 - 11/30/2023	Year to Date
Beginning Market Value	\$19,893,939	\$21,826,500
Additions	\$7,358	\$0
Withdrawals	(\$294,043)	(\$78,712)
Income Received	\$1,793,515	\$351,177
Change in Investment Value	\$2,771,226	\$2,073,029
Ending Market Value	\$24,171,994	\$24,171,994

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 %

CORIENT

November 30, 2023

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

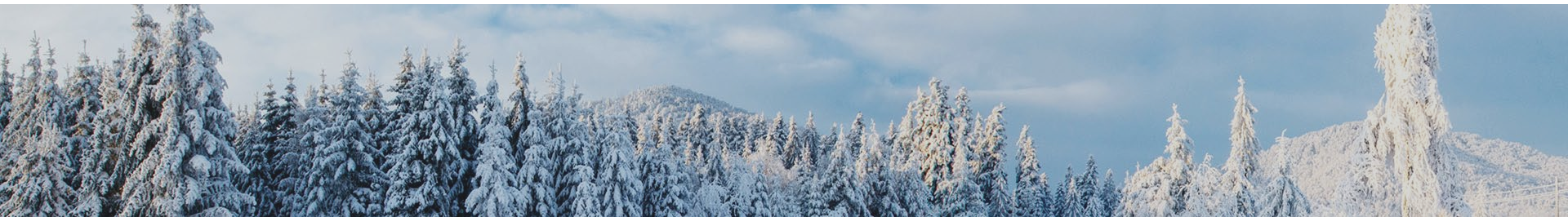
Index Comparison

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.

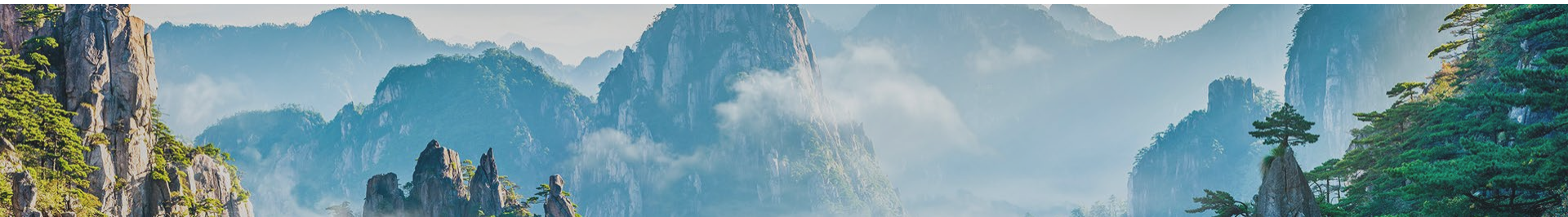
Preliminary

V. Fee Reduction



Short Term Cash Reserve Investment 0.15%

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



CORIENT

Thank You



CONTENT DISCLOSURE

This information is for educational purposes and is not intended to provide, and should not be relied upon for, accounting, legal, tax, insurance, or investment advice. This does not constitute an offer to provide any services, nor a solicitation to purchase securities. The contents are not intended to be advice tailored to any particular person or situation. We believe the information provided is accurate and reliable, but do not warrant it as to completeness or accuracy. This information may include opinions or forecasts, including investment strategies and economic and market conditions; however, there is no guarantee that such opinions or forecasts will prove to be correct, and they also may change without notice. We encourage you to speak with a qualified professional regarding your scenario and the then-current applicable laws and rules.

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Westfield State University
Cash Balances
Fiscal Year Ending June 30, 2021 - June 30, 2024

Fiscal Year	Reserves/Investments	Operating	Total	\$ Inc/(dec)	% Inc/(dec)
FY 2014	16,433,581.47	26,894,679.32	43,328,260.79	5,407,044.83	14.3%
FY 2015	16,620,901.12	31,318,198.58	47,939,099.70	4,610,838.91	10.6%
FY 2016	16,821,033.21	40,072,321.82	56,893,355.03	8,954,255.33	18.7%
FY 2017	17,017,747.78	41,381,231.82	58,398,979.60	1,505,624.57	2.6%
FY 2018	17,258,477.00	44,091,165.41	61,349,642.41	2,950,662.81	5.1%
FY 2019	17,575,157.57	50,469,752.47	68,044,910.04	6,695,267.63	10.9%
FY 2020	62,846,184.51	3,714,652.82	66,560,837.33	(1,484,072.71)	-2.2%
FY 2021	67,655,941.62	6,185,802.00	73,841,743.62	7,280,906.29	10.9%
FY 2022	64,918,179.48	19,784,005.58	84,702,185.06	10,860,441.44	14.7%
FY 2023	73,052,167.70	4,461,775.15	77,513,942.85	(7,188,242.21)	-8.5%
FY 2024	74,246,322.56	6,621,345.01	80,867,667.57	3,353,724.72	4.3%
			5 year \$ chg	12,822,757.53	
			5 year % chg	19%	

** FY2024 balances are as of November 30, 2023

Westfield State University
Cash and Investment Balances as of November 30, 2023

<u>Bank</u>	<u>Account Type</u>	<u>Balance</u>	<u>Current interest rate</u>
Westfield Bank	Government Banking Money Market Account	\$ 6,755,237.43	3.75% APY
Westfield Bank	Government Banking Money Market Account	6,624,491.75	3.75% APY
MMDT	Cash Portfolio	25,473,654.26	30 day net yield 5.62%
Berkshire Bank	Money Market	11,220,979.84	1.52% APY
*Berkshire Bank	NOW Checking Account	6,620,996.57	.76% APY
Berkshire Bank	Business Checking 500	348.44	.03% APY
	Total	56,695,708.29	
Eaton Vance investment Account Balance is:		24,171,959.28	
	Grand Total	\$ 80,867,667.57	

Notes:

Parenzo project payments were paid as follows:

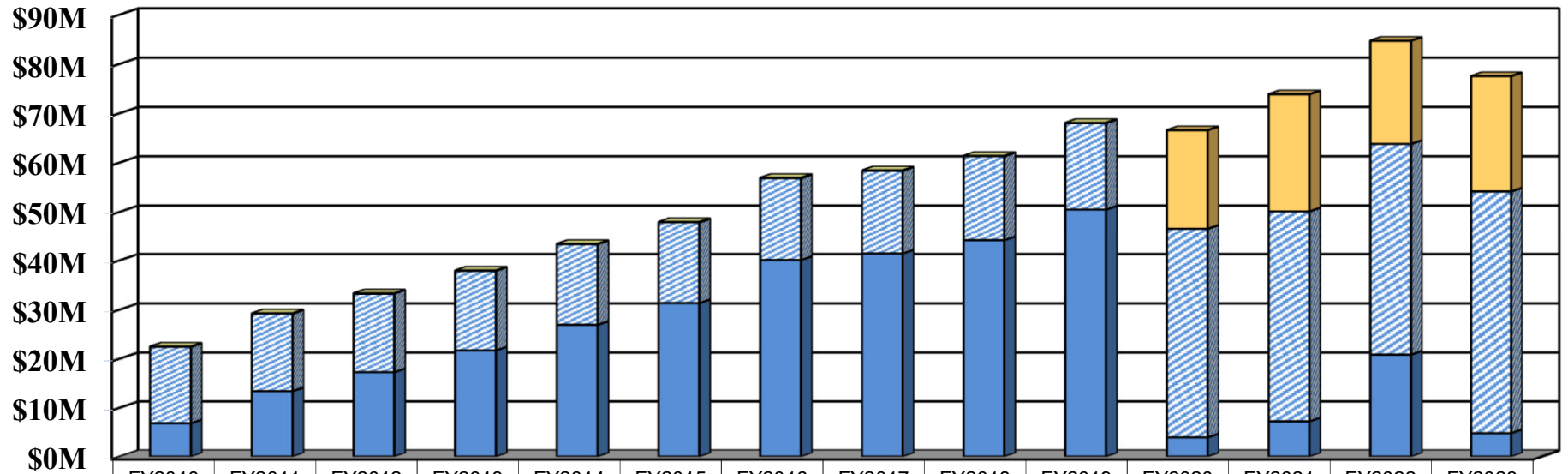
\$4.0M due 7/15/21 (paid)

\$15.514M due 7/15/22 (paid)

\$.5M due 7/15/23 (paid)

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

Westfield State University-Cash and Investment Balances June 30, 2023



	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Investments-long term	\$0.05	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.07	\$20.00	\$23.76	\$20.93	\$23.39
Investments-short term	\$15.59	\$15.80	\$16.00	\$16.19	\$16.37	\$16.56	\$16.76	\$16.96	\$17.20	\$17.51	\$42.61	\$42.88	\$42.96	\$49.31
Cash	\$6.82	\$13.38	\$17.24	\$21.68	\$26.89	\$31.32	\$40.07	\$41.38	\$44.09	\$50.47	\$3.95	\$7.21	\$20.82	\$4.81

FY 23 is as of 6/30/23

Parenzo project payments: \$4.0M paid 7/15/21 (FY22), \$15.514M paid 7/15/22 (FY23), \$.5M due 7/15/23 (FY24)

HEERF funds of approximately \$3.0M remained unspent at the end of FY22 thereby adding to the University's cash balance

Westfield State University
Investment Subcommittee
University Cash Summary
December 15, 2023

The University's cash and investment balances as of June 30, 2023, are depicted in the graph as follows:

Investments long-term - This category contains the investment portfolio managed by CORIENT (formerly CI Eaton Private Wealth) and consists of fixed income and equities (orange shaded area).

Investments short-term - This category contains bank balances in money market accounts and CD's (light blue shaded area).

Cash - Cash consists of the University's operating checking account balances and Schwab's Bank Sweep Account in our investment portfolio (dark blue shaded area).

During fiscal years 2022, 2023, and 2024, the University made payments in the amounts of \$4.0 million, \$15.514 million and \$0.5 million, respectively toward the renovation of Parenzo Hall.

HEERF federal funds of approximately \$3.0 million remained unspent at the end of fiscal year 2022 and were added to the University's cash balance.