



Board of Trustees
Financial Affairs Committee

April 22, 2025

1:45 p.m.

President's Boardroom, Horace Mann Center

Committee Members: Chair George Gilmer, Vice Chair Jason Queenin, Secretary Chris Montemayor, Daniel Currier, and Theresa Jasmin

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 Vice Chair Queenin

2. Approval of Minutes

Committee Vice Chair Queenin

- a. February 20, 2025

Finance

1. Items for Discussion

- a. FY25 3rd Quarter Update
b. FY26 Budget Discussion
c. University Cash Summary

Stephen Taksar
Stephen Taksar
Lisa Freeman

2. Items for Action

- a. Motion – Travel Policy (0390)
b. Motion – FY26 Vehicle Lease/Purchase
c. Motion – FY26 Preliminary Capital Budget

Stephen Taksar
Stephen Taksar
Stephen Taksar/Thomas Therrien

Investments

1. Items for Action

- a. Motion – Investment Policy (0430)

Fund Evaluation Group

2. Items for Discussion

- a. 1st Quarter Review

Fund Evaluation Group

3. Adjournment

Committee Vice Chair Queenin

Attachment(s):

- a. Minutes 2-20-25 (Draft)
- b. Finance Committee PPT Presentation
- c. FY25 3Q Update (Narrative)
- d. FY25 3Q Update (Consolidated Report)
- e. FY25 3Q Update (YOY Narrative)
- f. FY25 3Q Update (YOY Actuals)
- g. Cash Summary (Graph)
- h. Cash Summary (Balance)
- i. Motion – Travel Policy (0390)
- j. Policy – Travel (0390) CLEAN
- k. Policy – Travel (0390) TRACK CHANGES
- l. Motion – FY26 Vehicle Lease/Purchase
- m. FY26 Vehicle Lease/Purchase (Leases)
- n. FY26 Vehicle Lease/Purchase
- o. FY26 Vehicle Lease/Purchase (Public Safety)
- p. Motion – FY26 Preliminary Capital Budget
- q. FY26 Preliminary Capital Budget (Narrative)
- r. FY26 Preliminary Capital Budget (Capital Plan)
- s. FY26 Preliminary Capital Budget (Water Main)
- t. Motion – Investment Policy (0430)
- u. Policy – Investment (0430) CLEAN
- v. Policy – Investment (0430) TRACK CHANGES
- w. First Quarter Review (Investments)



Board of Trustees
Financial Affairs Committee
February 20, 2025
3:00 PM – 3:30 PM

Owl's Nest, Ely Campus Center

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

Committee Members Present: Committee Chair George Gilmer, Vice Chair Jason Queenin, Secretary Chris Montemayor, and Trustees Daniel Currier, and Board Chair Ali Salehi, ex-officio.

Trustees Participating Remotely: Trustee Theresa Jasmin

Also present and participating were Westfield State University President, Dr. Linda Thompson; Vice President of Administration & Finance, Stephen Taksar; Associate Vice President of Financial Accounting, Lisa Freeman; and Mr. Nolan Bean and Stephen Haines from Fund Evaluation Group.

Committee Chair Gilmer called the meeting to order at 2:01 PM, did a roll call of attendees listed above, and stated the meeting was being livestreamed and recorded.

MOTION made by Trustee Currier and seconded by Trustee Montemayor, to approve the minutes of the December 2, 2024 meeting. A roll call was taken and there being no discussion, **motion passed unanimously.**

FY25 Second Quarter Update / Spending Plan

- Dashboard created to highlight key financial indicators.
- Annual undergraduate enrollment (full-time) is up by about 35 students.
- Division of Graduate and Continuing Education (DGCE) revenue is also up due to increased enrollment.
- Expenses are increasing slightly beyond initial assumptions.

Strategic Investments and Cash Reserves

- Spending on strategic investments and capital is slower than anticipated; about halfway spent of the \$6 million strategic investment pool.
- Universal cash reserves are dipping due to increased spending and timing issues with federal fund drawdown.
- Cash tracking shows a larger dip in 2023 related to a \$15 million payout for the Parenzo Hall project.

Enrollment Details

- DGCE is about flat.
- Overall grad enrollments are up, undergrad enrollments are down.
- Total annual enrollment (full-time undergrad + DGCE) is tracking slightly ahead of budget (4305 vs. 4270 budgeted).

Spending Plan Update

- Spending plan is about 75% complete.
- Members of the Cabinet reviewed spending plans, focusing on strategic investments and rollovers.
- Deep dive on capital budget regarding project status and actual spending.
- Remaining steps: Validate adjustments submitted by vice presidents, finance staff review, and deep dive into larger expense categories (e.g., compensation, department expenses).
- Trend analysis will be finished in about a month.

FY25 Status

- Revenues are solid, expected to hit the revenue budget.
 - Caveat: Uncertainty regarding federal grants; several million dollars of grants on the table (reimbursable expenses).
 - Estimated spending might reach \$138 million, about \$6 million over the approved budget.
 - "There's still a lot of moving pieces in this analysis."
 - Potential impact on cash reserves: Additional \$6 million use, on top of the already assumed \$6 million.
- Year-over-Year Comparison
- Compensation is tracking higher due to collective bargaining increases and new positions.
 - Department of Operations is tracking higher, largely due to increased adjunct costs (estimated to exceed budget by close to \$2 million).
 - Previous \$10 million rollover budget up until last December.

Spending and Assessment

- Strategic investments were made beyond the use of cash, and position funding was reallocated to strategic institutional priorities, yielding \$2.5 million to \$3 million.
- Financial aid increased substantially last year, about \$1.7 million, and a separate report is produced for this.

Q2 Report

- The Q2 year-to-date report is a financial statement report that adjusts for timing issues, showing a positive \$60 million difference between revenues and expenses.
- The Q2 report is adjusted for timing issues, unlike the transaction-based year-to-date report.
 - Spring bills are sent out in November/December, and revenue is calculated when those bills are sent out.
- Cash investment balances are down by about \$5 million so far, partly due to timing, with a significant drawdown of federal financial aid expected next week.
- The university typically spends more in the second half of the year because the summer months are less active.
- Spending starts slowly in the first six months and picks up in the last six months, with less than 50% of the budget spent in the first half.

Board Discussion

- The University is generating \$125 million in revenue with a spending projection of \$138 million, meaning \$12 million to \$13 million will come from the cash reserve.
 - This equates to spending 15% of the cash reserve in one year.
- There is a need to ensure value for strategic investments in enrollment, marketing, and data collection.
- The 2026 budget needs to calculate the top-line revenue number accurately and have an expense plan agreed upon by the cabinet.
- Stephen Taksar hopes the \$138 million spending projection will decrease by year end.

Grant Revenue and Spending Patterns

- Grant revenue is budgeted at about \$5 million, with concerns about the impact of potential federal funding cuts.

- If federal grant revenue were to disappear, it could compound financial issues.
- The current spending pattern of \$138 million is outsized compared to the University's historical spending of \$115 million to \$120 million over the past five years.
- There is a need to understand how the incremental spending is being invested and whether the University is getting value for it.

Budgeting Process

- The University cannot afford to spend 15% of its reserves to cover deficits and must live within its means.
- There is an ongoing effort to change the budgeting process to review actual spending versus budget projections.
- The goal is to continue reviewing budgets against actual spending and to work with the cabinet to control costs.
- There is hope that the year-end spending will be closer to \$125 million to \$128 million, rather than \$138 million.
- Stephen Taksar sees the following financial elements: \$3.9 million in one-time backlogs, \$60,000 in additional financial aid, \$1.8 million in batch on the rollovers, and \$800,000 in compensation.
- There is hope that the \$138 million reserve will not be fully utilized.
- The focus should be on FY26, while minimizing damage in FY25.
- Stephen Taksar didn't want the Board to be surprised in two months with a number that far down the line, so they are providing a worst-case number.
- The Board appreciates the candor and wants them to continue providing accurate numbers.
- There is a need to ensure the organization lives within its means going forward.
- The Board is aiming for a capital revenue style moving forward for FY26, with a budget that has upside potential beyond break-even.

University Cash Summary

- There are two cash reports in the packet: a flex report and a year-over-year cash report.
- The cash report compares the beginning of the fiscal year to the end of January.
- The components of the report are important for understanding the story behind the bottom line.

Investment and Working Capital

- Investments are up, primarily driven by the equities portfolio.
- The Money Market Fund is still performing positively at around 4.5%.
- The working capital account has decreased by about \$8 million, starting the year at around \$20 million.
- A major drawdown in federal financial aid is expected next week, which will significantly change the cash number.
- The MSCB agreement occurred in January this year, while last year it was in February, impacting the drawdown of federal funds.

Cash Reserve Impact

- If the university comes in at \$125 million, as opposed to \$138 million, it would not have to use the cash reserve.
- The \$8 million difference is a timing issue due to funding coming in February.
- The University will be negative in cash for every dollar over \$125 million, and if they end up at \$138 million, that would be \$13 million out of the cash reserve.
- The estimated number based on historical data is that in two to three weeks, the account will be at \$8 million.
- Historically, the University has spent 118 million to 125 million, but there are some new variables that may result in a negative outcome.
- The University will track expenses versus cash flow every month.

- There is an expectation of around \$17 million coming in, but cash collection decreases later in the year when student accounts are paid.
- The University has been fortunate to generate cash reserves in the last 10 years, but this flexibility is evaporating.
- \$2.5 million to \$3 million has been reallocated within the base budget for strategic investments.

FY26 Budget Update

- The budget will be restructured based on best practices, and reports will be reformatted.
- There is a desire to remove specialized funding, such as grants, from the operating budget and report on them separately.
- A hard look will be taken at rollovers.
- Guiding principles for 2026 will be spending within means.

Strategic Plan and Tuition Fees

- Reserves should be limited to specific approved projects, such as capital projects.
- The strategic plan initiatives need to be connected with resource allocation.
- Approval to confirm tuition fees for 2026 is needed so that individual aid can be packaged and sent out.
- Projections are being followed to align with projections for next year.

Acceptable Use of Information Technology Resources Policy

- The policy changes point towards areas where the State will hold less accountability in future audits.
- The State made a wholesale change to the format of the internal control questionnaire, oversimplifying it.
- Westfield State University operates a completely independent network with a different firewall than the State's.
- The policy change has a direct impact on the merchant risk management plan and will help solidify changes related to cyber risk.

MOTION made by Trustee Currier and seconded by Trustee Montemayor. The Financial Affairs Committee recommends to the full board to approve the revised Acceptable Use of Information Technology Resources policy. A roll call was taken and there being no discussion, **motion passed unanimously**.

FY26 Tuition and Fee Schedule

- The State controls tuition, while universities control fee settings.
- Westfield State University is in the middle of the pack compared to other state universities in terms of cost.
- Last year, tuition and fees increased by 3%.
- The recommendation is a 3.6% tuition and fee increase, including an optional fitness center fee.

Fitness Center Fee

- Currently, students who opt into the fitness center pay \$185 per year.
- If the fitness center fee is applied to all students, it would be \$156, included in the 3.6% tuition fees.
- Most schools do not charge a separate fee for access to the fitness center.

Dining and Residential Life

- Efficiencies in dining operations means no increase is envisioned for next year.
- Residential Life costs will increase by about 2.5%, less than inflation.

Overall Cost Increase

- The 3.6% increase is a \$437 increase to all students.
- Adding in other costs, the net increase for a residential student will be \$657, equal to a 2.5% increase.

- The recommendation was supported by the cabinet and presented to the Student Government Association SGA twice.
- The SGA is agreeable to the concept of shared sacrifice.
- Dining services not increasing fees was well-received.
- The tuition fee increases are gross numbers, not net costs.
 - The discount rate doubled from the prior year.
 - Financial aid grants would offset the sticker price cost.
 - The current financial aid model has a discount rate of around 30%.

MOTION made by Trustee Currier and seconded by Trustee Queenin. The Financial Affairs Committee recommends approval to the full Board: To approve the FY26 tuition and fee schedule, as presented. A roll call was taken and there being no discussion, **motion passed unanimously**.

Investment Portfolio Update: Fund Evaluation Group

- The Investment subcommittee was combined with the Finance subcommittee.
- Investment assets as of December 31st were roughly \$38.5 million, up from \$37.2 million at the end of June (2024).
 - In January, the accounts were up about \$730,000.
 - There's been roughly \$2 million in appreciation since the account inception.
- The asset mix is approximately 51% in equities, 48% in fixed income, and 1% in cash.
- For fixed income, the biggest driver of returns was the movement in yield.
 - The 10-year treasury moved from around 4.5% down to 3.7-3.8% and then back up 74 basis points in the fourth quarter.
 - The portfolio has been conservative with the fixed income portfolio and emphasized the short end of the yield curve.
- U.S. equities dominated global equity returns.
 - The strength of the U.S. dollar proved to be detrimental for international and emerging market performance in the fourth quarter.
 - As the dollar has weakened year-to-date, international and emerging markets are driving returns higher in January and February.

Market Overview: January and February

- Despite negative headlines (AI, Nvidia pullback, California fires, D.C. tariffs), the market has overcome them.
 - The S&P is up almost 3% in January and over 4% year-to-date.
- The viewpoint is "cautiously optimistic," with expectations of choppiness and pullbacks.
- Earnings have exceeded Wall Street's expectations.
- The market is up despite tariff concerns.
- Tariffs and inflation:
 - Tariffs could spur inflation, which contradicts President Trump's focus on lowering inflation.
 - President Trump measures his success by the stock market's performance.
- The market reacts as if tariff rhetoric is unlikely to threaten it materially.
- It is encouraged to not get caught up in the rhetoric.
- ISM Manufacturing activity:
 - The ISM number moved up over 50 in January, indicating expansion after 26 months of contraction. This suggests the economy is gaining momentum and confidence.
 - The ISM is a leading indicator for earnings growth for smaller and mid-cap companies.
- Earnings reports:
 - 79% of S&P companies have outperformed in Q4 earnings.
 - Outperforming companies exceeded expectations by 6% on average, while underperforming companies missed by 3%.
 - Earnings growth is driving the market higher.

- The market perceives inflation in specific areas (car insurance, shelter) as positive.
 - The Magnificent Seven (MAG7) businesses are generally wonderful but have slightly frothy valuations.
 - The portfolio owns a lot of MAG7 stocks, but slightly less than the benchmark weight.
 - Nvidia is underweighted by about 0.5%.
 - A strong dollar has impacted tech stocks, with some MAG7 names trailing due to revenue generated outside the U.S.
 - Amazon said that FX could create a \$2 billion headwind for their earnings.
 - Apple said 2.5% of revenue could be curtailed by FX.
 - Bitcoin is not owned in the portfolio.
 - There's a small chance it becomes ubiquitous, but a higher probability it flounders.
 - Bitcoin doesn't generate cash flow and is considered "digital gold," falling more into speculation than investing. It's not ready for institutional pools of capital.
- Investment Policy Statement (IPS) Recommendations
- Adjust objectives to reflect UP MIFA standards, focusing on returns, diversification, and a long-term perspective.
 - Adjust asset allocation to better reflect the University's spending and purchasing power.
 - The current allocation is roughly 50% equity, 50% fixed income.
 - The IPS has a target of 60:40.
 - The larger account is around 70% equities, 30% fixed income.
 - The goal is to move the portfolio to a 60:40 or 70:30 allocation.
 - Recommendation to move the policy closer to 60:40 allocation.

Investment Policy (0430) Review

- The proposed changes are for consideration, with a review period before approval at the next meeting.
- The changes aim to clean up outdated parts of the policy due to the change in investment advisor.
- The Board is required to review the investment policy annually.

Further Discussion

Tuition and Fee Recommendations

- Stephen Taksar further explained tuition and fee schedules:
- The Division of Continuing Graduate Education (DCGE) fee recommendations are also part of the approval, with increases in the range of 2-3%.
- Undergraduate fee increase: 3%.
- RN and BSN: 2%.
- Graduate general fee increase: 3%.
- Graduate fee for social work: 3%.
- Physician's assistant exam fee: no change.
- Physician's assistant fee increase: 2%.

Motion Amendment / Materials Discussions

- Trustee Jasmine questioned if a motion was needed on the updates to the investment policy statement.
 - It was found to just be a discussion point today and will be approved at the next meeting.
- There was a suggestion to amend the motion to include details about the tuition adjustments for DCGE.
 - The current motion supplied incorporated all fees, therefore motion adjustment is not needed.
- Discussion around the PowerPoint presentation utilized in a public meeting will be available to the public.

There being no further business,

MOTION made by Trustee Currier and seconded by Trustee Queenin, to adjourn the meeting. There being no discussion, **motion passed unanimously**. Meeting adjourned at 3:23 PM.

Materials:

- a. Minutes 12-2-24 (Draft)
- b. FY25 Second Quarter Update/Spending Plan
- c. Motion - Acceptable Use of Information Technology Resources Policy (0380)
- d. Policy – Acceptable Use of Information Technology Resources (0380) NARRATIVE
- e. Policy – Acceptable Use of Information Technology Resources (0380) CLEAN
- f. Policy – Acceptable Use of Information Technology Resources (0380) TRACK CHANGES
- g. Motion – FY26 Tuition and Fee Schedule
- h. FY26 Tuition and Fee Schedule
- i. University Cash Summary
- j. Travel Expenses for the President and the President’s Direct Reports
- k. 4Q Review (Investments)
- l. Policy – Investment (0430) TRACK CHANGES

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, Financial Affairs Committee meeting held on February 20, 2025.

Chris Montemayor, Secretary

Date



Financial Affairs Committee

FY26 Budget Update

April 22, 2025



FY26 Budget Planning Update

Guiding Principles (February)

- Spend within our means (not more than revenues)
- Limit reserves to previously approved projects (facilities, strategic investments)
- Strategic Plan as basis for resource allocation (still in process)

FY26 Budget Planning Update

- Completed Tasks

- ✓ Budget parameters approved by BOT in December 2024
- ✓ Tuition and Fees approved by BOT in February 2025
- ✓ Fall enrollment projection (update in May 2025)
 - ✓ Currently assuming flat with FY25, re-evaluate in May)
- ✓ Implemented financial aid discounting plan (year 2)
- ✓ Eliminated rollovers from budget
- ✓ Implemented framework for student success program

FY26 Budget Planning Update

- In Process

- ☐ Review and update revenue assumptions
 - ☐ Currently projected to be \$126M (without grants)
- ☐ Separated grants from Operating Budget reporting
- ☐ Detailed review of capital budget underway
 - ☐ Critical path items today
 - ☐ Full review of all capital and IT needs
- ☐ Detailed review of all expense categories
- ☐ Reviewing Innovation Fund proposals
- ☐ Monitoring investment fund performance (cash reserves)

FY26 Budget Planning Update

Budget Timeline:

- April- Approve partial Capital Project Budget
- Ongoing – Monitor state and federal legislative funding process and adjust budget
- Ongoing – Align strategic plan goals
- June – Submit FY26 Provisional Budget
- July – Confirm/update state funding allocations
- Sept – Adjust Provisional Budget if needed
- Oct – BOT approves final FY26 Budget

QUESTIONS & ANSWERS





Thank you

Westfield State University
Financial Affairs Committee

FY25 Third Quarter Update (Comparison to FY24)

Third Quarter (Q3) Ending March 31, 2025

April 22, 2025

Revenue

The University's total FY25 3rd quarter revenue is approximately \$4.5M (or 3.8%) higher as compared to FY24 3rd quarter. Explanations for the increase are as follows:

- The increase in tuition and fee revenue in the amount of \$2.4M is mostly due to the increase in enrollment of approximately 100 full-time undergraduate students combined with the impact of the FY25 fee increases. State appropriation revenue increased by \$1.2M due to collective bargaining, grant revenue decreased by \$2.2M due to the loss of one-time ARPA grant funding, and other revenue increased by \$0.1M. DGCE revenue increased by \$0.6M.
- Dining Services and Residential Life combined revenue increased by \$2.4M also due to the increase in students and yearly fee increases.

Expenses

The University's total FY25 3rd quarter expenses are approximately \$10.1M (or 10.8%) higher as compared to the FY24 3rd quarter expenses. Some of the most significant expense increases are:

- Compensation (salary, wages and fringe) increased by \$2.4M (or 4.6%) over the FY24 3rd quarter mostly due to contractual increases and increased part-time faculty expenses.
- Due to the change to a higher tuition discount model in FY25, Financial Aid expenses increased by \$1.7M.
- Debt expense increased by \$3.5M in FY25 due to the savings from a one-time adjustment in FY24 related to the MSCBA debt refunding.
- Strategic investments, including spending of special funds such as 'reinvestment funds' and 'economic progress funds' were higher in FY25 by \$1.4M.

Net Variance

While the university is net positive at this time, most of the revenue has been received and the last quarter spending will offset current net revenue.

- Residential life debt is \$3.0M higher than last year due to one-time bond refinancing.
- University/SGA net variance is \$1.7M lower than last year due to increased compensation.
- CGCE and Dining Services are tracking approximately close to prior year.

This report confirms lower net surplus by \$5.5M compared to last year at the same time.



Fiscal Year : July 1st - June 30th
Financial Report (Consolidated)
Quarters Ending March 31, 2024 and 2025

	FY25			
	FY24 3rd Qtr Actual	3rd Qtr Actuals	3rd Qtr Adjustments	3rd Qtr Actual (adjusted)
<u>Revenue</u>				
University/SGA	\$ 84,014,342	\$ 85,431,801	\$ 132,907	\$ 85,564,708
CGCE	11,383,313	13,938,221	(1,948,091)	11,990,130
Residential Life	13,887,586	15,510,942	-	15,510,942
Dining Services	9,344,288	10,095,260	-	10,095,260
Total Revenue	\$ 118,629,529	\$ 124,976,224	\$ (1,815,184)	\$ 123,161,040
<u>Expenses/Transfers</u>				
University/SGA	\$ 62,733,238	\$ 65,502,823	\$ 510,160	\$ 66,012,983
CGCE	8,894,348	9,301,135	137,600	9,438,735
Residential Life	13,509,603	18,851,695	291,519	19,143,214
Dining Services	7,800,534	8,323,843	91,986	8,415,829
Total Expenses/Transfers	\$ 92,937,723	\$ 101,979,496	\$ 1,031,265	\$ 103,010,761
<u>Net</u>				
University/SGA	\$ 21,281,104	\$ 19,928,978	\$ (377,253)	\$ 19,551,725
CGCE	2,488,965	4,637,086	(2,085,691)	2,551,395
Residential Life	377,983	(3,340,753)	(291,519)	(3,632,272)
Dining Services	1,543,754	1,771,417	(91,986)	1,679,431
Total	\$ 25,691,806	\$ 22,996,728	\$ (2,846,449)	\$ 20,150,279

Notes:

- (1) This report provides a internally compiled summary of the revenues and expenses of Westfield State University for the subject period.
This information is unaudited and is for internal management purposes only. FY25 actuals are as of 4/2/25.
- (2) For purposes of this report, the University recognizes revenue as follows:
 Tuition and fee revenues (including room rent and board revenue) 100% of recorded fall, spring and winter semester revenue.
 State Appropriation revenue 100% of total state appropriation revenue received to date.
 Non financial aid grant revenue is recognized in the amount of YTD actual grant expenses.
 All other revenues are recognized as YTD actuals.
- (3) For purposes of this report, the University reports scholarship expense at 100% of the fall and spring semesters.
Financial aid grant scholarships such as PELL and various MA state grants are reported as contra-revenue, not as expense.
- (4) Quarterly expenses are often adjusted based on timing of transactions and are indicated in a separate column above.
The following are examples of expense and revenue adjustments made:
 March fringe expense \$0.55M March interest income \$0.13M
 March Utilities \$0.48M Summer Revenue -100% (\$1.95M)
- (5) Actuals are adjusted to exclude non-budgeted items such as; state capital appropriation revenues and expenses, investment account appreciation.

Westfield State University
Financial Affairs Committee

FY24 vs. FY25 Yea-over-Year Actuals
(Unadjusted – As of 3/31/25)

4/22/2025

Overview

The year-over-year unadjusted comparison, while informative, needs some explanation to better understand this report. The report is generated based on actual transaction dates with no adjustments. Timing issues as to when transactions are processed, will impact the report as no adjustments have been made (unlike the 3rd quarter report which does adjust for timing and revenue recognition). Nonetheless, there is value in comparing revenues and expenses year-over-year to determine trends and major variances which impact the bottom line.

This report focuses solely on the year-to-date comparison. Other information is included for additional comparisons; FY24 Year-End Actuals, FY25 Approved December Budget and the FY25 Spending Plan Projection.

Revenues

- State Appropriation increase; funding to cover compensation/collective bargaining.
- Tuition & Fee Revenue increases due to higher enrollment and approved FY25 fee increases; \$1.0M Spring Tuition Retention recorded in FY25, not recorded at the same point in time as last year.
- Auxiliary revenues increase; higher enrollment and related impact on occupancy in residence halls combined with yearly fee increases.

Expenses

- Compensation and Fringe – increase mainly due to collective bargaining and funding new positions.
- Department Operations – increase due to spending related to strategic investments, increased part-time faculty expense.
- Financial Aid increase in tuition discounting for first year students.
- Residential Life; lower debt in FY24 and investments in Lammers.

Revenue over Expense

Most of the campus revenue has been received for the year while expenses will continue to increase in the last three months of the fiscal year, especially with capital project work. Expenses are currently tracking \$9.5M over last year for the reasons listed above. Directionally, the University will be spending above the current budget of \$132M but unlikely to spend the full \$138.3M projected this year. The last quarter of the year usually captures a higher rate of spending than the earlier part of the fiscal year.

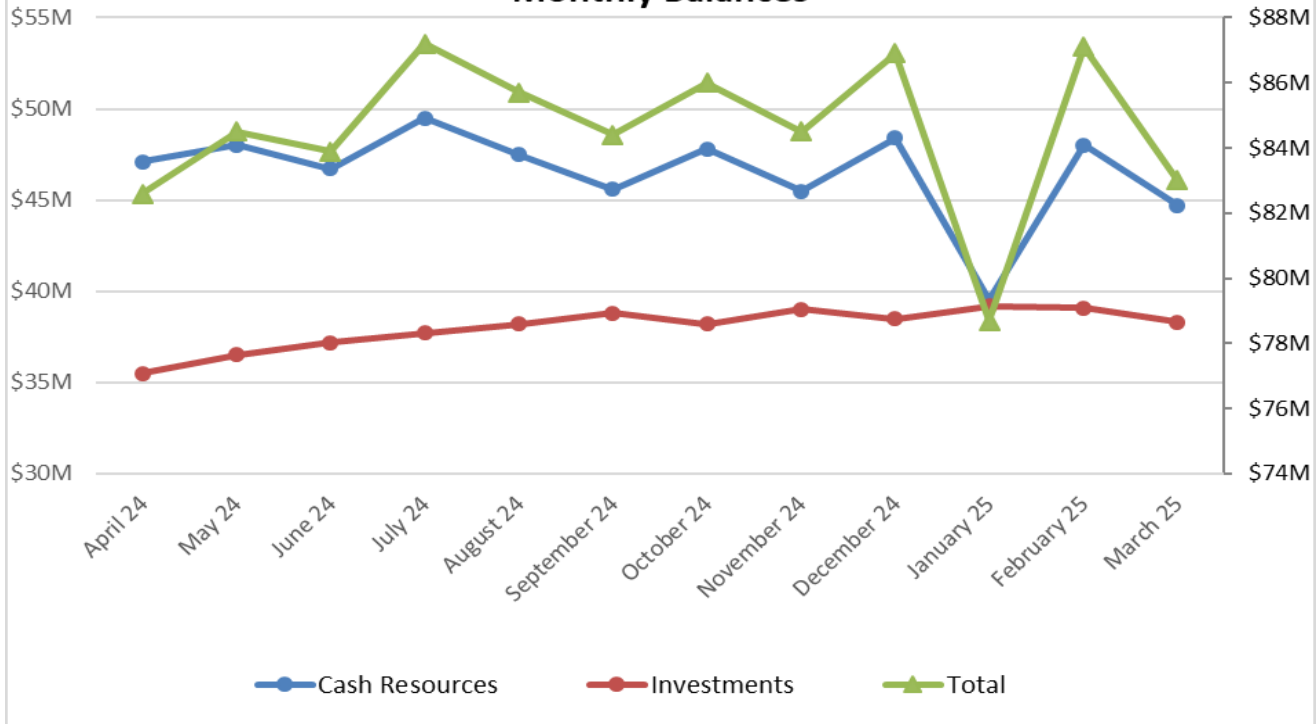
Westfield State University
FY24 vs FY25 Year over Year Actuals
Jul-Mar (3.31.25)

4/11/2025

			July 2023 -Mar 2024 Tx\$	July 2024 - Mar 2025 Tx\$			
	FY24 Year End Actuals	FY25 Approved Dec. Budget	FY25 Spending Plan	FY24 Jul-Mar	FY25 Jul-Mar	Diff YoY	Notes
Revenue:							
State Appropriation	39,637,534	40,520,761	40,520,761	39,637,534	40,847,012	1,209,478	CBA Funding received in Feb
Total Tuition/Fee Revenue	33,858,099	35,546,835	35,754,835	33,170,568	36,273,983	3,103,416	
Foundation	1,112,890	1,213,500	1,213,500	1,190,507	1,329,684	139,177	
Grant Revenue	3,724,395	5,103,333	5,103,333	2,062,130	2,660,494	598,364	
Other Revenue	5,389,452	3,732,194	4,959,015	4,204,580	4,036,503	(168,076)	
DGCE	12,964,603	13,410,276	13,410,276	13,258,017	13,833,370	575,352	Includes summer revenue (unearned as of 3.31.25)
Residential Life	14,059,519	15,420,590	15,420,590	13,626,957	15,511,502	1,884,545	
Dining Services	9,671,959	10,806,937	10,806,937	9,286,659	10,039,468	752,809	
Grants: HEERF/ARPA	2,193,719	-	-	2,193,719	-	(2,193,719)	
Total Revenue	122,612,170	125,754,425	127,189,246	118,630,671	124,532,016	5,901,346	
Reserve Funding							
Strategic Investments		3,086,796	3,086,796			-	
Capital Investments		3,000,000	3,000,000			-	
Total Reserve Funding		6,086,796	6,086,796			-	
Total Resources	122,612,170	131,841,221	133,276,042	118,630,671	124,532,016	5,901,346	
Expense:							
Compensation & Fringe	49,175,809	50,858,318	51,500,138	34,067,306	35,398,583	1,331,277	
Department Operations	15,910,204	16,534,771	19,037,279	12,022,735	14,309,960	2,287,225	Strategic Investments, Rollovers, Increased Adjunct expense
Utilities	2,885,348	3,103,383	3,403,383	1,982,919	2,068,600	85,680	
Financial Aid	5,112,963	6,826,425	6,826,425	5,040,569	6,434,566	1,393,997	Increased Financial Aid allocation
Debt Service	1,061,706	1,513,984	1,513,984	811,065	1,237,328	426,263	Lower debt in FY24 due to restructuring/refinancing
Contingency	613,942	650,000	650,000	460,394	272,022	(188,372)	
Capital Investments	5,322,913	5,926,201	6,141,036	3,834,065	2,710,724	(1,123,341)	
DGCE	9,426,159	10,313,425	10,413,425	6,282,167	6,685,390	403,224	
Residential Life	17,020,603	21,236,358	21,526,022	14,341,262	18,779,530	4,438,267	Lower debt in FY24 and critical Lammers maintenance.
Dining Services	8,650,011	9,424,483	9,624,483	6,725,404	6,956,423	231,019	Serving more students due to higher enrollment
Strategic Investments	177,165	328,677	161,570	114,274	5,000	(109,274)	
All Other - Grants & OTF's	5,149,560	4,425,197	6,091,072	3,087,457	3,564,050	476,593	Increased Grant activity
Innovation Fund	406,647	700,000	856,191	216,886	277,198	60,312	
FEMA Reimbursement Funds	876,782	-	522,746	542,336	347,774	(194,561)	
Total Expense	121,789,812	131,841,221	138,267,753	89,528,839	99,047,149	9,518,310	
Revenue Over Expense	822,359	0	(4,991,711)	29,101,832	25,484,867	(3,616,964)	

- Notes:
- 1) Banner Reporting cutoff is March 31st for both fiscal years
 - 2) Analysis prepared based on Activity Date in transaction history
 - 3) Innovation Fund Revenue loaded at the beginning of the fiscal year
 - 4) Grant Revenue is recognized in the amount of YTD actual expense. (Excludes Direct Student Loans in Both Years)

Westfield State University - Cash Resources and Investment Monthly Balances



Westfield State University
Cash Balances
Fiscal Year Ending June 30, 2014 - June 30, 2025

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	78,351,864.62	5,556,007.76	83,907,872.38	6,393,929.53	8.2%
FY 2025**	74,074,456.28	8,921,245.13	82,995,701.41	(912,170.97)	-1.1%
			5 year \$ chg	16,434,864.08	
			5 year % chg	25%	

**** FY 2025 balances are as of 3/31/25**

Westfield State University
Cash and Investment Balances 4/30/24-3/31/25

<u>Source</u>	<u>3/31/2025</u> <u>Balance</u>	<u>2/28/2025</u> <u>Balance</u>	<u>1/31/2025</u> <u>Balance</u>	<u>12/31/2024</u> <u>Balance</u>	<u>11/30/2024</u> <u>Balance</u>	<u>10/31/2024</u> <u>Balance</u>	<u>9/30/2024</u> <u>Balance</u>	<u>8/31/2024</u> <u>Balance</u>	<u>7/31/2024</u> <u>Balance</u>	<u>6/30/2024</u> <u>Balance</u>	<u>5/31/2024</u> <u>Balance</u>	<u>4/30/2024</u> <u>Balance</u>
<u>Investments</u>												
Equities Portfolio	\$27,834,831	\$28,671,886	\$28,852,157	\$28,169,159	\$28,716,997	\$27,901,289	\$28,460,990	\$27,929,953	\$27,544,261	\$27,143,381	\$26,562,296	\$25,724,931
Bond Portfolio	10,490,766	10,450,871	10,376,610	10,328,923	10,310,245	10,268,931	10,334,226	10,254,789	10,172,366	10,015,780	9,894,822	9,770,255
Total Investments	<u>38,325,597</u>	<u>39,122,757</u>	<u>39,228,767</u>	<u>38,498,082</u>	<u>39,027,242</u>	<u>38,170,219</u>	<u>38,795,216</u>	<u>38,184,742</u>	<u>37,716,627</u>	<u>37,159,161</u>	<u>36,457,118</u>	<u>35,495,186</u>
<u>Cash Resources</u>												
MMDT	24,789,740	24,695,141	27,106,390	27,001,505	26,893,627	26,786,641	26,672,942	26,556,637	26,433,418	26,310,630	26,192,352	26,070,617
Working Capital	19,880,364	23,338,446	12,391,191	21,400,747	18,566,324	20,998,166	18,953,816	20,992,565	23,104,858	20,438,082	21,836,313	21,046,009
Total Cash Resources	<u>44,670,104</u>	<u>48,033,587</u>	<u>39,497,581</u>	<u>48,402,252</u>	<u>45,459,951</u>	<u>47,784,807</u>	<u>45,626,758</u>	<u>47,549,202</u>	<u>49,538,276</u>	<u>46,748,712</u>	<u>48,028,665</u>	<u>47,116,626</u>
Total Cash & Investments	<u>\$ 82,995,701</u>	<u>\$ 87,156,344</u>	<u>\$ 78,726,348</u>	<u>\$ 86,900,334</u>	<u>\$ 84,487,193</u>	<u>\$ 85,955,027</u>	<u>\$ 84,421,974</u>	<u>\$ 85,733,944</u>	<u>\$ 87,254,904</u>	<u>\$ 83,907,872</u>	<u>\$ 84,485,783</u>	<u>\$ 82,611,812</u>

* MSCBA debt payment of \$8,076,445.39 was made on 1/31/25.



Board of Trustees

April 22, 2025

MOTION

The Financial Affairs Committee recommends approval to the full Board:

To approve the revised Travel Policy (0390), as presented.

Westfield State University

Policy concerning:

APPROVED: October 1999

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TRAVEL

PURPOSE

To define the Westfield State University guidelines to be undertaken when University related travel expenses are incurred. To provide guidance regarding reimbursable travel related expenses.

POLICY

All travel by University employees and/or students ("University Traveler(s)") is to be funded according to Commonwealth of Massachusetts laws and regulations, University policies and procedures, and the applicable collective bargaining agreements. The traveler is responsible for ensuring adherence to applicable travel policies and procedures. All travel is contingent on available funds.

GUIDELINES

1. All travel funds will be allocated on an annual basis by the Vice President of Administration and Finance to the appropriate department cost center under the approval of the Division Vice President. Departmental travel expenses are limited to and shall not exceed the amount budgeted and allocated.
2. In determining the use of travel funds, departmental and administrative area supervisors and Division Vice Presidents shall consider the extent to which participating in the travel or activity requested will primarily benefit the University.
3. Reimbursements for travel related expenses must follow all University policies and procedures, Commonwealth laws and regulations, and the applicable collective bargaining agreements regardless of the source of funds. Travel procedures ("Travel Procedures") and forms can be found on myWestfield > Documents & Policies > Administration and Finance > Travel Information.
4. Prior to any travel, travel funds must be pre-approved and encumbered on a Request to Travel Form using the travel procedures.
5. The University shall not reimburse any expenses for non-University persons accompanying an employee on a trip (i.e. spouse, child, guest, pet, etc.).
6. Student travel is restricted to students registered with the University and must be approved in advance by the President or Division Vice President. Such travel must contribute directly to the student's education or benefit the University (refer to the Student Travel Policy (4040)).
7. When combining University business with personal travel, the University will reimburse the University business portion of a trip that is combined with personal travel. Documentation must be provided to support the University business portion of the trip in

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addition to a detailed allocation of the expenses that are University business related. The traveler should obtain a quote at the time of booking to document the personal expense incremental cost and include it with the Request to Travel Form. Reimbursement will be at the lesser of actual paid or would have paid had the University travel not been combined with personal travel.

8. The University may reimburse for expenses for non-personal travel before and after University business activity, such as hotels and meals, at the discretion and approval of the Department Head Signature Authority and the Director of Procurement and Administrative Services.
9. In accordance with the Massachusetts Conflict of Interest Law (G.L. c.268A), University Travelers are prohibited from earning personal frequent flier miles, hotel rewards, and other rewards or points during state or University funded travel.

NON-REIMBURSABLE EXPENSES

Expenses of a personal nature, unreasonable or excessive expenditures, and those not specifically related to the conduct of University business are not reimbursable. Types of expenses that will not be reimbursed include, but are not limited to:

1. Alcohol; *
2. Excessive or extravagant costs (e.g. exclusive restaurants and hotels);
3. Personal entertainment;
4. Travel insurance;
5. Traffic, toll, or parking violations;
6. Insurance for a personally owned or rental car;
7. Articles stolen from a personal or rental car;
8. Briefcase and luggage purchases;
9. First class airline tickets;
10. Expenses incurred in connection with personal business or activities;
11. The University shall not reimburse any expenses for non-University approved persons accompanying an employee on a trip (i.e. spouse, child, guest, pets, etc.);
12. Non-business related conference activities such as tours or tickets to local attractions;

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13. Hotel amenities (i.e. phone calls, in room movies, room service, spa/fitness fees, etc.);
14. Charges caused by failure to cancel guaranteed reservations; and
15. Any unexplained expenses.

* Alcohol is an allowable, reimbursable expense when traveling for business purposes for the benefit of the University, providing the expense is incurred in the recruitment of employees, donor cultivation, or other comparable activities. Only the President and Institutional Advancement staff, as authorized by the Vice President of Institutional Advancement, are permitted to purchase or seek reimbursement for alcohol. The preferred method of payment is with the procurement card (P- Card), but reimbursement of expenses incurred on a personal credit card is also allowable. Refer to the University Business Expense Policy (0300) and the Procurement Card and Use Policy (0560).

PRESIDENT'S TRAVEL AND RELATED EXPENDITURES

The Board recognizes the duties of the President require that he/she travel. All official travel should be prudently planned so the best interests of the University are served at the most reasonable cost. This may include economy plus seats and direct routes to forgo unreasonable layovers that would not be an efficient use of time. When traveling, the President will be reimbursed for meals using the US General Services Administration (GSA) per diem rates for breakfast, lunch, and dinner based on geographic distance.

The following internal controls are in place:

1. The Board of Trustees, through the Chair or designee (Chair of the Financial Affairs Committee), will review and approve all travel requests for the President prior to the approval of the Vice President of Administration and Finance. The Vice President of Administration and Finance will approve all related travel expenditures against the President's pre-approved travel request.
2. The Presidents approved blanket in-state request to travel can be used for overnight accommodations, in-state, that includes the benefit to the University.

REPORTING

The Vice President of Administration and Finance will submit a biannual summary to the Financial Affairs Committee of all travel expenses incurred by the President and all direct reports to the President. The first summary will be provided in February for travel from July through December. A second summary will be provided in October for travel from July through June. The summary shall include the following information for each trip: dates, duration, University purpose, location, and the cost of airfare, lodging, all other expenses and the total cost of travel.

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TRAVEL ARRANGEMENTS AND TRAINING

All University travel shall be arranged through the University's Travel Manager or through the University's designated travel agency. This includes but is not limited to airfare, hotels, car rentals, conference registrations, etc.

The Travel Manager will provide training on all travel related policies and procedures, upon request. Travelers should contact the Travel Manager with any questions about travel, related policies and procedures.

ENFORCEMENT

This Policy applies uniformly to all University Travelers. The Vice President of Administration and Finance will be responsible for consistently enforcing all travel policies, P- Card policies, and any related policies. Failure to comply with all University policies and procedures may result in disciplinary action up to and including suspension and/or termination.

EXCEPTIONS

Exceptions to the Travel Policy may be limited but nevertheless may be necessary in unanticipated or very unusual circumstances. All exceptions must be reasonable, both as to arrangements and amounts, and must be approved by the Department Head Signature Authority and the Director of Procurement and Administrative Services. Once the decision has been rendered it is considered final.

REVIEW

This policy will be reviewed as needed by the Vice President of Administration and Finance and the Financial Affairs Committee of the Board of Trustees.

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TRAVEL

PURPOSE

To define the Westfield State University guidelines to be undertaken when University related travel expenses are incurred. To provide guidance regarding reimbursable travel related expenses.

POLICY

All travel by University employees and/or students ("University Traveler(s)") is to be funded according to Commonwealth of Massachusetts ~~(state)~~ laws and regulations, University policies and procedures, and the applicable collective bargaining agreements. The traveler is responsible for ensuring adherence to applicable travel policies and procedures. All travel is contingent on available funds.

GUIDELINES

1. All travel funds will be allocated on an annual basis by the Vice President ~~offer~~ Administration and Finance to the appropriate department cost center under the approval of the ~~Division~~area Vice President ~~on an annual basis~~. Departmental travel expenses are limited to and shall not exceed the amount budgeted and allocated.
2. In determining the use of travel funds, departmental and administrative area supervisors and Vice Presidents shall consider the extent to which participating in the travel or activity requested will primarily benefit the University.
3. Reimbursements for travel related expenses must follow all University policies and procedures, ~~state~~Commonwealth laws and regulations, and the applicable collective bargaining agreements regardless of the source of funds. Travel procedures ("Travel Procedures") and forms can be found on myWestfield > Documents & Policies > Administration and Finance > Travel Information.
4. Prior to any travel, Travel ~~f~~Funds must be pre-approved and encumbered on a Request to Travel Form using the travel procedures.
5. The University shall not reimburse any expenses for non-University persons accompanying an employee on a trip (i.e. spouse, child, guest, pet, etc.).
6. Student travel is restricted to students registered with the University and must be approved in advance by the President or a Vice President. Such travel must contribute directly to the student's education or benefit the University- (~~See~~ refer to the Student Travel Policy (4040)).

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7. When combining University business with personal travel, the University will reimburse the University business portion of a trip that is combined with personal travel. Documentation must be provided to support the University business portion of the trip in addition to a detailed allocation of the expenses that are University business related. The traveler should obtain a quote at the time of booking to document the personal expense incremental cost ~~that is a personal expense~~ and include it with the Request to Travel Form. Reimbursement will be at the lesser of actual paid or would have paid had the University travel not been combined with personal travel.
8. The University may reimburse for expenses for non-personal travel before and after University business activity, such as hotels and meals, at the discretion and approval of the Department Head Signature Authority and the Director ~~of~~, Procurement ~~and~~ Administrative Services.
9. In accordance with the Massachusetts Conflict of Interest Law (G.L. c.268A), University Travelers~~employees~~ are prohibited from earning personal frequent flier miles, hotel rewards, and other rewards or points during state or University funded travel.

~~TRAVEL ARRANGEMENTS~~

~~All University travel shall be arranged through the Campus Travel Manager to include, but not limited to airfare, hotels, car rentals and conference registrations.~~

NON-REIMBURSABLE EXPENSES

Expenses of a personal nature, unreasonable or excessive expenditures, and those not specifically related to the conduct of University business are not reimbursable. Types of expenses that will not be reimbursed include, but are not limited to:

1. Alcohol; *
2. Excessive or extravagant costs (e.g. exclusive restaurants and hotels);
3. Personal entertainment;
4. Travel insurance;
5. Traffic, toll, or parking violations;
6. Insurance for a personally owned or rental car;
7. Articles stolen from a personal or rental car;
8. Briefcase and luggage purchases;

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9. First class airline tickets;
10. Expenses incurred in connection with personal business or activities;
11. The University shall not reimburse any expenses for non-University approved persons accompanying an employee on a trip (i.e. spouse, child, guest, pets, etc.);
12. Non-business related conference activities such as tours or tickets to local attractions;
13. Hotel amenities (i.e. phone calls, in room movies, room service, spa/fitness fees, etc.);
14. Charges caused by failure to cancel guaranteed reservations; and
15. Any unexplained expenses.

* Alcohol is an allowable, reimbursable expense when traveling for business purposes for the benefit of the University, providing the expense is incurred in the recruitment of employees, donor cultivation, or other comparable activities. Only the President and Institutional Advancement staff, as authorized by the Vice President of Institutional Advancement, are permitted to purchase or seek reimbursement for alcohol. The preferred method of payment is with the procurement card (P- Card), but reimbursement of expenses incurred on a personal credit card is also allowable. Refer to the University Business Expense Policy (0300) and the Procurement Card and Use Policy (0560).

PRESIDENT'S TRAVEL AND RELATED EXPENDITURES

The Board recognizes the duties of the President require that he/she travel. All official travel should be prudently planned so the best interests of the University are served at the most reasonable cost. This may include economy plus seats and direct routes to forgo unreasonable layovers that would not be an efficient use of time. When traveling, the President will be reimbursed for meals using the US General Services Administration (GSA) per diem rates for breakfast, lunch, and dinner based on geographic distance.

The following internal controls are in place:

1. The Board of Trustees, through the Chair or designee (Chair of the Financial Affairs Committee), will review and approve all travel requests ~~and related expenditures~~ for the President prior to the approval of the Vice President of Administration and Finance. The Vice President of Administration and Finance will approve all related travel expenditures against the President's pre-approved travel request.

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~~1.~~

2. The Presidents approved blanket in-state request to travel can be used for overnight accommodations, in-state, that includes the benefit to the University.

~~3. The President is directed to submit a report for Travel and Related Expenditures to the Chair of the Board or designee no less than once every semester.~~

REPORTING

~~The Vice President of Administration & Finance will submit to the Chair of the Board of Trustees by July 31 (for the period from January 1 to June 30) and by January 31 (for the period from July 1 to December 31) of each year a matrix summary of the travel of the President, all Vice Presidents, and all direct reports to the President. This summary shall include the following information for each trip: the dates, duration, University purpose, location, and the cost of airfare, lodging and all other expenses and the total cost.~~
The Vice President of Administration and Finance will submit a biannual summary to the Financial Affairs Committee of all travel expenses incurred by the President and all direct reports to the President. The first summary will be provided in February for travel from July through December. A second summary will be provided in October for travel from July through June. The summary shall include the following information for each trip: dates, duration, University purpose, location, and the cost of airfare, lodging, all other expenses and the total cost of travel.

TRAVEL ARRANGEMENTS AND TRAINING

All University travel shall be arranged through the University's Travel Manager or through the University's designated travel agency. This includes but is not limited to airfare, hotels, car rentals, conference registrations, etc.

The Travel Manager Finance Division will ~~offer in person and virtual~~provide training ~~programs in complying with~~on all travel related policies and procedures, upon request. ~~These training sessions will be offered at least once annually.~~ Travelers should contact the Travel Manager Finance Division with any questions about travel, ~~and~~ related policies and procedures.

ENFORCEMENT

This ~~p~~Policy applies uniformly to all University ~~Travelers~~employees. The Vice President ~~offer~~Administration ~~and~~& Finance will be responsible for consistently enforcing all travel policies, P- Card policies, and any related policies. Failure to comply with all University policies and procedures may result in disciplinary action up to and including suspension and/or termination.

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EXCEPTIONS

Exceptions to the ~~is~~ ~~I~~travel ~~P~~policy may be limited but nevertheless may be necessary in unanticipated or very unusual circumstances. All exceptions must be reasonable, both as to arrangements and amounts, and must be approved by the Department Head Signature Authority and the Director ~~of~~ Procurement ~~and~~ Administrative Services. Once the decision has been rendered it is considered final.

REVIEW

This policy will be reviewed ~~annually as needed~~ by the Vice President ~~offer~~ Administration ~~and~~ Finance and the ~~Finance & Capital Assets~~ Financial Affairs Committee of the Board of Trustees.



Board of Trustees

April 22, 2025

MOTION

The Financial Affairs Committee recommends approval to the full Board:

Motor Vehicle Acquisitions and Replacements Policy (0280) requires that any new or replacement vehicle is approved by the board of trustees. Early approvals are requested for the procurement of seven replacement vehicles to allow the university to place the orders now for delivery in FY26 due to the long lead time and potential cost increases. This motion is to approve the replacement of six university vehicles and include those vehicles in the leasing program. No additional funds are requested as existing savings in the vehicle leasing budget will cover these expenses as described in the supporting details. Further, to approve the purchase of a replacement police cruiser as requested by the Chief of University Police and approved by the Vice President for Enrollment Management and Student Affairs. The estimated purchase price for a new police cruiser with escalation is \$70,991.00. Funding source for this vehicle is from parking fines revenue.

Westfield

STATE UNIVERSITY

April 9, 2025

Dear Steve,

I am submitting a request to replace six vehicles that are in our fleet of vehicles at WSU. I would like to lease six new vehicles through Enterprise to replace these vehicles.

Regarding the vehicles that I want to replace, three of them are in such poor shape that they can no longer pass the Massachusetts vehicle inspection process. Two of the other vehicles must be replaced in order for us to comply with our Motor Vehicle Acquisitions & Replacement Policy. The final vehicle, which is the box truck that we use in our Receiving Department has deteriorated to the point that we can no longer securely place items in the truck.

The good news about replacing these vehicles is that we do not have to request any additional funding to lease the six new vehicles. Back in 2023 we took advantage of a sale that Ford offered to reduce their inventory of vans. We were able to replace twelve of our vehicles through this sale and reduce our monthly lease payments. As a result, we are able to use the savings that we realized from that sale to fund these six new vehicles. In addition, by replacing these old vehicles, we should be able to reduce our repair and maintenance expenses on our vehicles.

Let me know if you need any additional details regarding this request.

Regards,



Gary Duggan
Director of Procurement and Administrative Services



Financial Affairs Committee
FY26 Vehicle Lease/Purchase

This is a request to lease six new vehicles which are shown below. We are not requesting funding for these leases. The funding for these leases will be covered by the savings that we realized as a result of the new vehicles that we began leasing in 2023.

Number of Vehicles	New Leased Vehicle	Vehicle Being Replaced	Quoted Monthly Leased Amount For New Vehicle	Reason For Request
1	2025 Isuzu NPR 18ft Box	2012 Ford E-350 Box Truck	\$1,334	The Box truck is used by our Receiving Department five days a week to make deliveries. The box has deteriorated to the point that we can't securely place items in it and we are having problems with the tailgate on this truck.
1	2024 Ford Transit 350 Passenger Van	2017 Ford Transit 250 Passenger Van	\$1,509	We need to replace this van in order to comply with our Motor Vehicle Acquisitions & Replacement Policy which requires us to replace Mini-Passenger Vans every 3-5 years. This van is used by our Public Safety Dept. to transport students. Mileage on the current van is 74,848
1	2024 Ford Transit 350 Passenger Van	2018 Ford Transit 250 Passenger Van	\$1,509	We need to replace this van in order to comply with our Motor Vehicle Acquisitions & Replacement Policy which requires us to replace Mini-Passenger Vans every 3-5 years. This van is used by our Public Safety Dept. to transport students. Mileage on the current van is 93,119
1	2025 Ford Transit 250 High Roof Cargo Van	2006 Ford E-150	\$982	This vehicle is used daily by our Facilities Department (Environmental Services) to distribute supplies and deliver tables for events. The current vehicle has severe frame and body rust preventing it from passing MA inspection.
1	2025 Ford F150 XL Regular Cab 8ft Bed	2012 Ford E-150	\$786	This vehicle is used daily by our Facilities Department (Environmental Services) to distribute supplies and deliver tables for events. The current vehicle has severe frame and body rust preventing it from passing MA inspection.
1	2025 Ford Transit 250 Cargo Van	2009 Ford Ranger	\$1,016	This vehicle is used daily by our Facilities Department (Plumbing). The current vehicle has severe frame and body rust preventing it from passing MA inspection. Repair shops are refusing to work on it.

February 25, 2025

To: Dr. Kevin Hearn, Vice President of Enrollment Management and Student Affairs

From: Tony Casciano, Director/Chief, University Police 

Re: Request for Cruiser Replacement

I am writing to respectfully request approval for the replacement of our current police cruiser (2017 model), which is well overdue for replacement according to Westfield State University Policy Number 0280: *Motor Vehicle Acquisitions and Replacements*. As per the policy, police cruisers are to be replaced every 4 years with approval by you and the Board of Trustees.

Given that our 2017 cruiser has surpassed its replacement timeline, I propose we replace it with a 2025 model. I have attached a quote for the new cruiser, which totals \$64,538.80 but would like to request a 10% cushion of \$6,453 for any price increase at the time of ordering the vehicle. My total request will be \$70,991 with the understanding that any unused money will be returned.

In accordance with the policy, I am requesting that the necessary funds for the vehicle replacement be transferred from the reserved account to the equipment account, as outlined in the policy.

Thank you for your consideration of this request. Please let me know if further information or documentation is needed to proceed with this approval.



Board of Trustees

April 22, 2025

MOTION

The Financial Affairs Committee recommends approval to the full Board:

To approve a preliminary and partial capital projects budget of \$ 976,500.00, which will enable the University to begin the procurement process to bid the proposed work for this summer. The projects are listed on the FY26 Preliminary Capital Budget Plan with a brief description. Early approval of these specific projects is critical to solicit competitive bids and award these projects as soon as possible. The full capital budget, including all projects and Information Technology requests, will be provided in June 2025 with the FY26 Provisional Campus Budget.

Westfield State University
Financial Affairs Committee

FY26 Preliminary Capital Budget Approval

April 22, 2025

Overview

The University is submitting an early capital budget request to solicit and bid a variety of projects now, for a summer start. State procurement laws and regulations requires that projects are publicly bid and awarded. This process may take 3-6 months before a contract is fully executed. In order to begin our summer projects, the University is seeking approval on the projects listed below so work can begin as soon as possible.

This is only a preliminary capital project listing. The full list of requests will be provided at the June 2025 Board of Trustees meeting, once capital projects have been reviewed and prioritized.

Projects Requiring Early Approval

1. Water Main Replacement – Water system piping must be replaced as it is original to the campus. The total estimated cost is \$1.4M. The campus has completed a study and is moving forward with phase 1. The new funding needed for FY26 is \$300,000. Refer to attached write up for more specific details.
2. Horace Mann Boilers – Boilers in Horace Mann have been failing and emergency repairs have been made to keep systems operational. One boiler has already been replaced this year, and the second one is scheduled for this summer. Estimated cost for the second boiler is \$400,000.
3. Fire Damper Study and Testing – This is an ongoing project. Study and initial funding of \$100,000 in FY25 was spent. Another \$55,000 is requested for the ongoing annual code requires testing and inspections.
4. Woodward Field House Lighting Phase 1 – Gymnasium lighting is failing and is original to the building and must be replaced or the field house cannot be used for safety reasons. The cost for this phase of the project is \$180,000.
5. Scanlon Hall 2nd Floor Phase 2 Renovation – The University has been repurposing Scanlon Hall for administrative use since the end of the Parenzo Hall project. This phase will provide a light renovation (carpet, paint, furniture) on the 2nd floor, consistent with the office renovations already completed. These moves are critical in order to vacate Lammers Hall and move other student support offices into Scanlon Hall. Estimated cost is \$53,500. The campus will dedicate \$12,000 in FY25 for furniture upgrades with the net FY26 cost of \$41,500.

		Deferred Maintenance	Funding Source					Total	
			Campus	Rollover <i>Incomplete FY24 Projects</i>	Campus <i>Funded from Use of Reserves</i>	DCAMM	MSCBA Debt Release Funds		MSCBA
Physical Plant Projects									
1	Water Main Replacement		300,000						300,000
2	Horace Mann Boilers		400,000						400,000
3	Fire Damper Study and Testing		55,000						55,000
4	Woodward Field House Lighting - Phase 1		180,000						180,000
5	Scanlon Hall 2nd Floor Phase 2		41,500						41,500
6									-
7									-
8									-
9									-
10									-
11									-
12									-
13									-
14									-
15									-
16									-
Sub-total			976,500	-	-	-	-	-	976,500
Information Technology									
17									-
18									-
19									-
20									-
21									-
22									-
23									-
Sub-total			-	-	-	-	-	-	-
Total			976,500	-	-	-	-	-	976,500
Projects Funded via Rollover									
24	Rollover Facility Projects								-
25	Rollover for DCAMM Projects								-
26									-
27									-
28									-
Subtotal - Rollovers for FY24 Projects			-	-	-	-	-	-	-
Other - Use of Cash Reserves									
29	Ely Pool Restoration								-
30	Switchgear Testing & Repairs								-
Sub-total			-	-	-	-	-	-	-
Grand Total			976,500	-	-	-	-	-	976,500

Notes:

1) MSCBA Projects are not yet known at the time of planning and may change as final decisions are made

Facilities & Capital Planning

2025 Water Main Assessment and Funding Strategy

Overview

Water Main Age Range:

- 3,000 LF of water main. Critical Need- 71 years old (WSU).
- 8,543 LF of water main. Moderate Priority (DCAMM).

Immediate needs:

- **Phase 1 Water Main Replacement- Scanlon Hall Loop**
- 71 years old water line, 1,000 LF of most critical water line.
- Enables replacement of critical roadway/sidewalks. No conflict with Decarbonization pathways.

Financial Summary

<u>Phase 1 Water Main Replacement</u>	
Funding Description	Projected Costs
Funding Plan-WSU Capital	
Fiscal Year 25 (Prior Approval)	\$400,000
Fiscal Year 26 (New Approval)	\$300,000
Fiscal Year 27 (New Approval)	\$300,000
DCAMM 5- Year DM Funds FY26 & FY27	\$400,000
Total Project Cost:	\$1,400,000

Project Schedule- Phase 1

July 2025	Complete Design
September 2025	Bid Project
November 2025	Complete Bid Process
March 2026	Construction Start

Future Phases:

- DCAMM support is needed to complete Phase 2, 3, and 4.
- Water main replacement projects should be combined with replacement of steam infrastructure and decarbonization infrastructure.
- Critical infrastructure pathways- Need to replace all utilities at the same time.

Phase 2 (DCAMM Support Required)

West infrastructure

- Ely Campus Center Loop Water Main –Est. \$1M

Phase 3 (DCAMM Support Required)

East Infrastructure

- East portion of Campus Water Main - Est. \$1M

Phase 4 (DCAMM Support Required)

- Replacement of the remainder of campus utilities should be completed with installation of decarbonization loop piping.



Board of Trustees

April 22, 2025

MOTION

The Financial Affairs Committee recommends approval to the full Board:

To approve the 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 Prudent Management of Institutional Funds Law (UPMIFA). This Investment Policy is intended to serve as a basis for actions of University management in carrying out its investment duties, and for the Trustees in monitoring 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 Advisor(s)) to carry out the University's investment activities. The basic responsibility of the Investment Advisor(s) will be to keep University management 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 Advisor(s) shall be approved by the Board of Trustees as part of this policy. University management may delegate authority to the Investment Advisor(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.

DEFINITION OF DUTIES

Board of Trustees - The governing body of the University (the "Board") is established in accordance with the Bylaws of the University. The Board is the ultimate fiduciary of the University with authority over the Assets.

Responsibilities of the Board include:

- Establish and adopt, including this Investment Policy (as amended from time to time), governing the investment and management of the University Assets;
- Delegate implementation and oversight responsibility to the Financial Affairs Committee, which will report directly to the Board;
- Inform the Financial Affairs Committee of the financial requirements of the University so that the Financial Affairs Committee may appropriately direct the investment allocation of the Assets; and,
- Engage an Investment Advisor to advise the Financial Affairs Committee and the University with respect to these duties.

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Financial Affairs Committee - The Financial Affairs Committee, as established by the Board, will (i) adhere to the applicable provisions of this Investment Policy, (ii) review this Investment Policy at least annually, and (iii) propose any changes to this Investment Policy for the Board's approval.

Additional responsibilities of the Financial Affairs Committee include:

- Monitor performance of the investment portfolio, allocation, and Investment Advisor on a periodic basis;
- Report to the Board on a periodic basis regarding the status of the Assets;
- Recommend the selection, monitoring, and termination of the Investment Advisor to the Board;
- Possess sufficient knowledge about the portfolio and its Investment Advisor so as to be reasonably assured of their compliance with this Investment Policy; and,
- Appoint and terminate the custodian.

Management - The Financial Affairs Committee delegates responsibility for executing policies and procedures as outlined in this Investment Policy to the Vice President of Administration and Finance. The Vice President will serve as the primary contact for the Investment Advisor. The Vice President acts on the recommendations of the Financial Affairs Committee and the Board of Trustees.

Investment Advisor - The Investment Advisor is responsible for managing the University's Assets consistent with this Investment Policy.

Responsibilities of the Investment Advisor include:

- Implement and monitor the overall investment strategy, including asset allocation and the selection and termination of the University's holdings;
- Have full investment discretion regarding product selection within this Investment Policy's guidelines;
- Have full discretion to establish, maintain, and modify benchmark(s) that are aligned with the strategic targets;
- Provide the Financial Affairs Committee with quarterly performance reports;
- Assist the Financial Affairs Committee periodically with a review of this Investment Policy, including an assessment of investment objectives, asset allocation ranges, and illiquidity targets if needed;
- Supply the Financial Affairs Committee with other reports or information as reasonably requested;
- Notify the Financial Affairs Committee in writing of any material changes in the investment outlook, portfolio structure, ownership or senior personnel; and,
- Vote proxies and share tenders in a manner that is in the best interest of the University.

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 this Investment Policy are:

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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 reasonable 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. Return on Investment - Investment returns are an integral part of the University's annual budget and long-term viability. The portfolio of Westfield State University shall be designed to attain a rate of return that reflects the University spending policy plus inflation to protect purchasing power.
- c. Diversification – Give prudence to diversification in portfolio management.
- d. Time Horizon – Investment decisions should be made with a long-term perspective.

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 Financial Affairs Committee and with specific responsibilities assigned to the Vice President of Administration and Finance. 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 asset allocation will be the single most important determinate of the portfolio's investment performance. Therefore, diversification of investments across multiple asset classes that are not similarly affected by economic, political, or social developments is desirable.

Asset allocation of the University portfolio should be equivalent to approximately 60% in equities, 40% in fixed income and 0% in cash. The asset allocation mix should be calculated by aggregating balances across University investment accounts as needed. 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%	40 – 80%
Fixed Income	40%	25 -65%
Alternative Investments	---	---
Cash	0%	0-10%

Any asset allocation not within these ranges should be communicated by the Investment Advisor 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 Advisor will actively manage the assets on an ongoing basis but seek to remain within ranges at all times. Cash flows may also prompt the Investment Advisor to rebalance the portfolio within noted strategic ranges. Should any category move out of acceptable range due to market fluctuations, the Investment Advisor will use prudence in rebalancing the portfolio in a timely fashion. The Investment Advisor is expected to rebalance the portfolio no less than annually.

Rebalancing discussions will be part of the ongoing dialogue between the Investment Advisor, the Financial Affairs Committee, and the Board of Trustees.

DELEGATION OF AUTHORITY

Oversight responsibility for the investment program is delegated to the Financial Affairs 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 Financial Affairs Committee. The University's investments shall be secured through third party custody and safekeeping procedures. Bearer instruments shall be held only through third party institutions (i.e. a custodian or a trustee).

Roles and Responsibilities

The Vice President of Administration and Finance, with oversight from the Financial Affairs Committee, shall have the overall responsibility for implementing the management of this Investment Policy. The Associate Vice President of Finance shall have the responsibility of implementing the investment program, including executing the related transactions, accounting and reporting of the activity. The Financial Affairs Committee will appoint the Investment Advisor in consultation with management. Further, the procurement of the Investment Advisor will follow all state and University procurement laws and policies. This 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 Financial Affairs Committee.

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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, shall consist of three major categories of financial investments: (1) fixed income - short and long term (bonds); (2) equity (stocks/managed funds); and (3) cash or cash equivalents.

Total fees (advisory and expenses) for the Investment Advisor will be limited to 100 basis points unless approved by the Financial Affairs 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 an aggregate investment grade rating of Baa3/BBB- or better at the time of purchase. If a bond is downgraded below Baa3/BBB-, the advisor shall sell as soon as prudently reasonable.

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- c. Mutual funds or exchange traded funds (ETFs) consisting of individual securities that meet the above characteristics in aggregate
- d. Mutual funds or ETFs holding broadly diversified portfolios of bonds with credit ratings above Baa3/BBB- in aggregate 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- in aggregate 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 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 Advisor. 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 Aggregate Bond Index	Fixed Income	35%
BofAML 0-3 Month US T-Bill Index	Cash	5%
Fixed Income		40%
MSCI All Country World IMI Index	Global All Cap	60%
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.

4. Prohibited Investments:

Investment in derivative securities, forwards, swaps, futures of any type are explicitly prohibited via direct investment under this policy. Commingled vehicles like mutual funds may implement derivatives in accordance with their fund documents and prudent investment management principles.

5. Fossil Fuel and Alternative Investment Strategy:

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

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

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SPENDING POLICY

The Westfield State University has adopted the following spending policy, which will apply to the University's 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%, the Investment Advisor shall calculate the new percentage and provide the calculation for review and/or approval to the Financial Affairs Committee for an exception to the 4% threshold. The amount for the upcoming fiscal year is to be calculated quarterly. The final spending calculation and allocation will be provided as soon as practicable, following June 30th and will be reviewed and approved annually by the Financial Affairs 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 and/or changes in this spending policy shall only be made by approval of the Board of Trustees based on recommendations from the Financial Affairs Committee.

REVIEW

This policy shall be reviewed annually by the Vice President of Administration and Finance with changes approved by the Financial Affairs Committee and Board of Trustees.

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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 Prudent Management of Institutional Funds Law (UPMIFA). This Investment Policy is intended to serve as a basis for actions of University 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/Advisor(s)) to carry out the University's investment activities. The basic responsibility of the Investment Manager/Advisor(s) will be to keep University 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/Investment Policy. The Investment Manager/Advisor(s) shall be approved by the Board of Trustees as part of this policy. University management may delegate authority to the Investment Manager/Advisor(s) to act within the boundaries of this policy.

Suggest defining "management" where highlighted above as it isn't clear

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-DEFINITION OF DUTIES (example language used)

BOARD OF TRUSTEES

The governing body of the University (the "Board") is established in accordance with the Bylaws of the University. The Board is the ultimate fiduciary of the University with authority over the Assets.

Responsibilities of the Board include:

· Establish and adopt, including this ~~IPS~~Investment Policy (as amended from time to time), governing the investment and management of the University Assets;

· Delegate implementation and oversight responsibility to the Financial Affairsance and Capital Asset Committee, which will report directly to the Board;

· Inform the Financial Affairsance and Capital Asset Committee of the financial requirements of the University so that the Financial Affairsee and Capital Asset Committee may appropriately direct the investment allocation of the Assets; and,

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. Engage an Investment Advisor to advise the Financial Affairs Committee and the University with respect to these duties.

FINANCIAL AFFAIRS/ FINANCE COMMITTEE

The Financial Affairs/ Finance Committee, as established by the Board, will (i) adhere to the applicable provisions of this IPS Investment Policy, (ii) review the IPS Investment Policy at least annually, and (iii) propose any changes to the IPS Investment Policy for the Board's approval.

Additional responsibilities of the Financial Affairs/ Finance Committee include:

- . Monitor performance of the investment portfolio, allocation, and Investment Advisor on a periodic basis;
- . Report to the Board on a periodic basis regarding the status of the Assets;
- . Recommend the selection, monitoring, and termination of the Investment Advisor to the Board;
- . Possess sufficient knowledge about the portfolio and its Investment Advisor so as to be reasonably assured of their compliance with the IPS Investment Policy; and,
- . Appoint and terminate the custodian.

MANAGEMENT STAFF

The Financial Affairs/ Finance Committee delegates responsibility for executing policies and procedures as outlined in this IPS Investment Policy to the Vice President of Administration and Finance. The Vice President will serve as the primary contact for the Investment Advisor.

The Vice President of Administration and Finance acts on the recommendations of the Board of Trustees and the Financial Affairs/ Finance Committee.

INVESTMENT ADVISOR

The Investment Advisor is responsible for managing the University's Assets consistent with this IPS INVESTMENT POLICY. Responsibilities of the Investment Advisor include:

- . Implement and monitor the overall investment strategy, including asset allocation and the selection and termination of the University's holdings;
- . Have full investment discretion regarding product selection within IPS Investment Policy guidelines;
- . Have full discretion to establish, maintain, and modify benchmark(s) that are aligned with the strategic targets;
- . Provide the Financial Affairs/ Finance Committee with quarterly performance reports;
- . Assist the Financial Affairs/ Finance Committee periodically with a review of the IPS Investment Policy, including an assessment of investment objectives, asset allocation ranges, and

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illiquidity targets if needed;

· Supply the Financial Affairs/finance Committee with other reports or information as reasonably requested;

· Notify the Financial Affairs/finance Committee in writing of any material changes in the investment outlook, portfolio structure, ownership or senior personnel; and,

· Vote proxies and share tenders in a manner that is in the best interest of the University

~~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:

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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 reasonable 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). ((FEG NOTE: we would recommend deleting this reference. How do you define wide price volatility? It could include most equity investments, or most bonds in periods similar to 2022))~~
- ~~c. Return on Investment - Investment ~~income~~ returns are is an integral part of the University's annual budget and ~~long-term~~ long-term viability. The portfolio of Westfield State University shall be designed to attain a an optimal rate of return that reflects the University spending policy plus inflation to protect purchasing power under shifting economic conditions and investment cycles.~~
- ~~b. Diversification – Give prudence to diversification in portfolio management.~~
- ~~c. Time Horizon – Investment decisions should be made with a long-term perspective.~~

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 ~~Finan~~ Financial Affairs ~~see and Capital Asset~~ Committee ~~with recommendations from the Investment Subcommittee~~ and with specific responsibilities assigned to the Vice President ~~offor~~ 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 asset allocation ~~between the equity and fixed income allocation~~ will be the single most important determinate of the portfolio's investment performance. Therefore, diversification of investments across multiple asset classes that are not similarly affected by economic, political, or social developments is desirable.

Asset allocation of the University portfolio should be equivalent to approximately 60% in equities, 40% in fixed income and 0% in cash. The asset allocation mix should be calculated by aggregating balances across University investment accounts as needed. 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% <u>40 – 80%</u>
Fixed Income	40%	30-60% <u>25 -65%</u>
Alternative Investments	---	---

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Cash

0%

0-10%

Any asset allocation not within these ranges should be communicated by the Investment ~~Manager~~ Advisor(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. The Investment Manager Advisor will actively manage the assets on an ongoing basis but seek to remain within ranges at all times. Cash flows may also prompt the Investment Manager Advisor to rebalance the portfolio within noted strategic ranges. Should any category move out of acceptable range due to market fluctuations, the Investment Manager Advisor will use prudence in rebalancing the portfolio in a timely fashion. The Investment Manager Advisor(s) is expected to rebalance the portfolio no less than at least annually.~~

Rebalancing ~~recommendation~~ discussions will be part of the ongoing dialogue between the investment ~~manager~~ Advisor and the ~~investment~~ Financial Affairs e Committee and Board of Trustees. ~~Rebalancing is allowed if it is within the acceptable range.~~

PROHIBITED INVESTMENTS ((FEG NOTE: Prohibited Investments listed on page 7 already))

~~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~~ Financial Affairs 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 ~~Financial Affairs~~ 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 ~~offer~~ Administration and Finance (VPAF), with oversight from the ~~Financial Affairs~~ Finance and Capital Assets Committee, shall have the overall responsibility for implementing the management of the Investment Policy. The Associate Vice President ~~offer~~ Finance shall have the responsibility of implementing the investment program, including executing the related transactions, accounting and reporting of the activity. The ~~Financial Affairs~~ Finance and Capital Assets Committee, ~~upon recommendation by the Investment Subcommittee and University Management~~, will appoint the investment advisor ~~manager~~ in consultation with management. Further, that the procurement of the investment advisor will follow all state and campus procurement laws and policies. 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

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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 Financial Affairs ~~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 Financial Affairs ~~see 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~~ 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 an aggregate investment grade 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 ~~advisor~~ manager shall sell as soon as prudently ~~possible~~ reasonable.

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- c. Mutual funds or exchange traded funds (ETFs) consisting of individual securities that meet the above characteristics in aggregate
- d. Mutual funds or ETFs holding broadly diversified portfolios of bonds with credit ratings above Baa3/BBB- in aggregate 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~~ 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~~ 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- in aggregate 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 Advisor ~~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 Aggregate Bond Index	Fixed Income	35%
BofAML 0-3 Month US T-Bill Index	Cash	5%
Fixed Income		40%
MSCI All Country World IMI Index S&P 500	Global All Cap Large-Cap	60% 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 ~~investment or indirect involvement~~ under this policy. Commingled vehicles like mutual funds may implement derivatives in accordance with their fund documents and prudent investment management principles.

5. Fossil Fuel and Alternative Investment Strategy:

The university’s investment advisors are instructed to consider further divestment

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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~~ may 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 Investment Advisor~~ University shall calculate the new percentage and provide the calculation for review and/or seek approval ~~to~~ from the Financial Affairs and Capital Assets ~~Committee~~ Committee for an exception to the 4% threshold. The amount for the upcoming fiscal year is to be calculated quarterly. The final spending calculation and allocation will be provided as soon as practicable, following each June 30th and will be reviewed and approved annually by the Financial Affairs and Capital Assets ~~Committee~~ 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 Financial Affairs and Capital Assets ~~Committee~~ Committee, ~~(and the Investment Subcommittee).~~

REVIEW

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This policy shall be reviewed annually by the Vice President ~~of~~ Administration and Finance ~~and the Investment Subcommittee~~ with changes approved by the Financial ~~Affairs~~ ~~and Capital Assets~~ Committee ~~and Board of Trustees~~.



F·E·G[®]
investment advisors

Westfield State University

April 22, 2025

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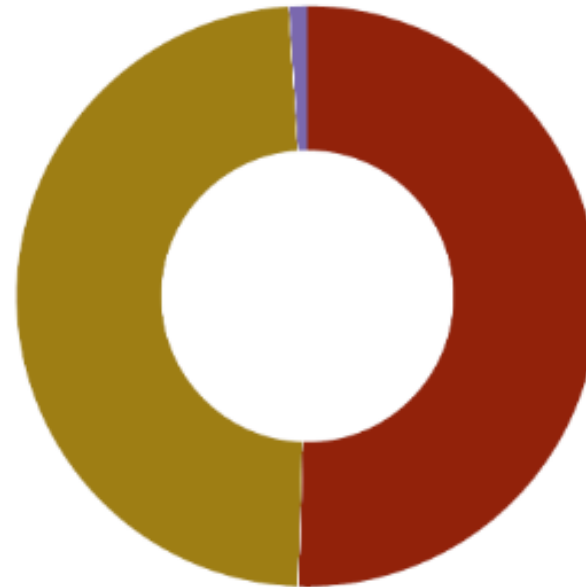
Stephen Haines, Vice President / Advisor

Connor Dervin, Senior Institutional Portfolio Analyst



ASSET ALLOCATION

Current Allocation



■ Public Equity 50.5%
 ■ Public Fixed Income 48.5%
 ■ Cash & Equivalents 1.0%

	Allocation	Ending Value	Target	Target Value	Market Value Difference	Allocation Difference
Westfield State University						
■ Public Equity	50.5%	19,356,450	60.0%	22,995,358	-3,638,909	-9.5%
■ Public Fixed Income	48.5%	18,580,515	40.0%	15,330,239	3,250,277	8.5%
■ Cash & Equivalents	1.0%	388,632	0.0%	0	388,632	1.0%
	100.0%	38,325,597	100.0%			



PERFORMANCE SUMMARY

Beginning Value	38,498,082
Net Additions	0
Contributions	0
Withdrawals	0
Ending Value	38,325,597
Net Gain	-172,485

Income is an annualized estimate based on current yields and values:

	Ending Value	Allocation	Yield	Income
Westfield State University				
■ Public Equity	19,356,450	50.5%	1.5%	730,574
■ Public Fixed Income	18,580,515	48.5%	4.6%	645,444
■ Cash & Equivalents	388,632	1.0%	2.2%	8,070
	38,325,597	100.0%	3.0%	1,384,088

<u>Summary by Quarter Period</u>		
	WSU	Index
Q3 Ending September 30, 2024		
Fixed Income Account	2.7%	2.9%
Investment 70/30 Account	4.8%	5.5%
Q4 Ending December 31, 2024		
Fixed Income Account	0.0%	-0.1%
Investment 70/30 Account	-0.9%	-0.7%
Q1 Ending March 31, 2025		
Fixed Income Account	1.6%	1.6%
Investment 70/30 Account	-1.2%	-0.6%
<u>Since Inception Ending March 31, 2025</u>		
Fixed Income	4.4%	4.5%
Investment 70/30 Account	2.8%	4.2%

Fixed Income Index: ICE BofA 1-3 Year Treasury Index

Investment Account Index: 30.0% Bloomberg 1-3 Yr Aggregate Index and 70.0% MSCI ACWI IMI

Growth vs Value

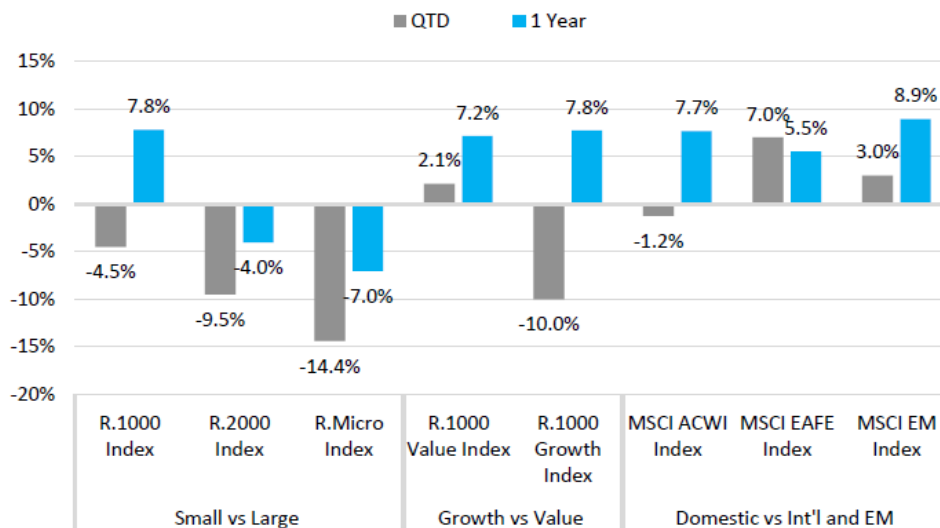
- Value outperformed growth

Small vs Large

- Large caps outperformed small caps

Domestic vs International & Emerging Markets

- The S&P 500 recorded its worst quarterly performance since the third quarter of 2022
- Largest outperformance of the MSCI EAFE Index, as compared to the MSCI USA Index, since June 2002



Benchmarks		MTD	QTD	YTD	1 Year	3 Years	5 Years	10 Years
Broad Market Benchmarks	Russell 3000 Index	-5.8%	-4.7%	-4.7%	7.2%	8.2%	18.2%	11.8%
	Russell 1000 Index	-5.8%	-4.5%	-4.5%	7.8%	8.7%	18.5%	12.2%
	Russell 2000 Index	-6.8%	-9.5%	-9.5%	-4.0%	0.5%	13.3%	6.3%
	Russell Microcap Index	-9.6%	-14.4%	-14.4%	-7.0%	-3.5%	12.0%	4.8%
Value Benchmarks	Russell 3000 Value Index	-2.9%	1.6%	1.6%	6.7%	6.3%	16.1%	8.6%
	Russell 1000 Value Index	-2.8%	2.1%	2.1%	7.2%	6.6%	16.2%	8.8%
	Russell 2000 Value Index	-6.0%	-7.7%	-7.7%	-3.1%	0.1%	15.3%	6.1%
	Russell Microcap Value Index	-8.6%	-12.3%	-12.3%	-7.6%	-3.5%	14.3%	6.0%
Growth Benchmarks	Russell 3000 Growth Index	-8.4%	-10.0%	-10.0%	7.2%	9.6%	19.6%	14.6%
	Russell 1000 Growth Index	-8.4%	-10.0%	-10.0%	7.8%	10.1%	20.1%	15.1%
	Russell 2000 Growth Index	-7.6%	-11.1%	-11.1%	-4.9%	0.8%	10.8%	6.1%
	Russell Microcap Growth Index	-11.2%	-17.8%	-17.8%	-5.9%	-3.8%	8.2%	2.7%
Global Benchmarks	MSCI ACWI Index	-3.9%	-1.2%	-1.2%	7.7%	8.6%	16.2%	9.9%
	MSCI EAFE Index	-0.3%	7.0%	7.0%	5.5%	9.3%	13.8%	6.9%
	MSCI Emerging Markets Index	0.7%	3.0%	3.0%	8.9%	5.2%	10.1%	6.2%

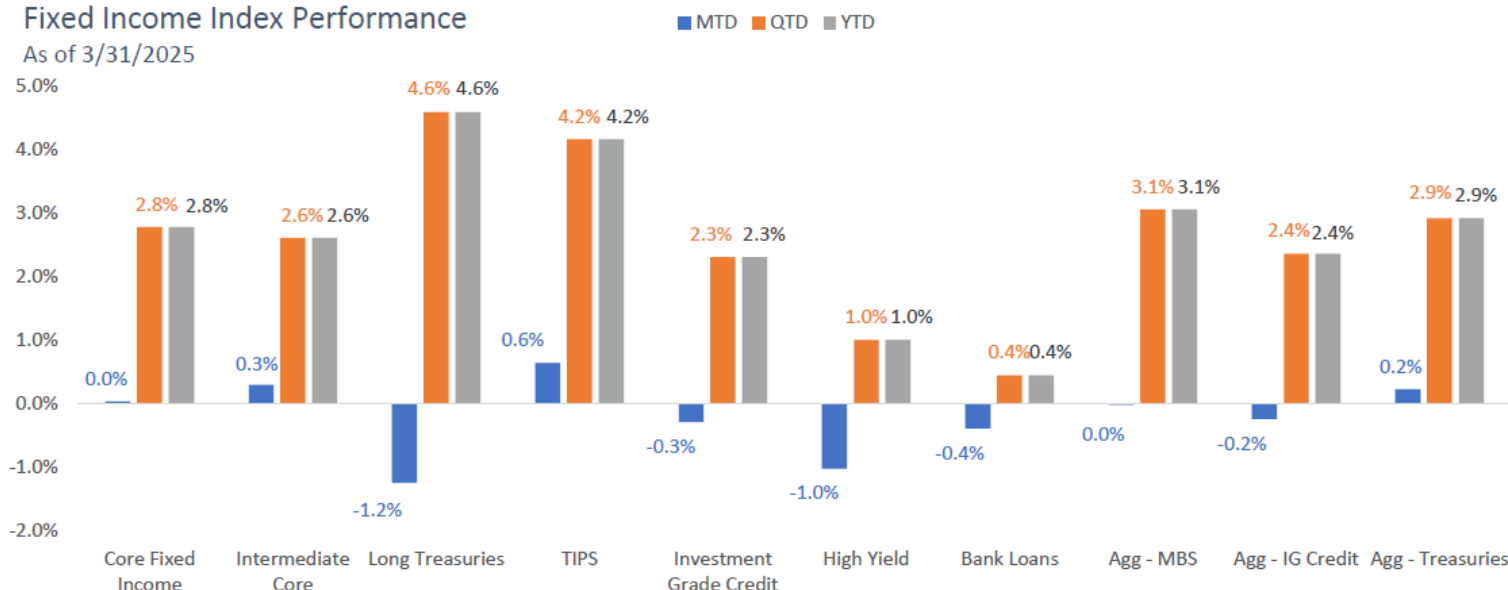
- **Rates Down:** The 10-year Treasury yield, while volatile, ended the quarter up 3bps. Following quarter end, the 10-year rallied following further tariff announcements.
- **Growth Scare:** Bonds rallied as equities sold off through the quarter. Weaker consumer spending and sentiment data coupled with ongoing policy uncertainty from the Trump administration contributed to a general risk-off environment.
- **Defaults Rise:** Alongside growth concerns, High Yield spreads rose as defaults and liability management exercises continued to rise. Refinancing will become more challenging as markets remain volatile, likely resulting in higher spreads in new issuance markets

FIXED INCOME MARKET INDICATORS

Indicator	Quarter End	Change - QTD
10-Year Treasury Yields	4.24%	+3 bps
10-Year Breakeven Inflation	2.38%	+4 bps
10/2 Spread	0.34%	+11 bps
High Yield OAS	3.55%	+68 bps
IG OAS	0.97%	+12 bps

Fixed Income Index Performance

As of 3/31/2025





WESTFIELD STATE UNIVERSITY PERFORMANCE

Westfield State University
Summary of Investment Performance
 Report for Periods Ending March 31, 2025

	Qtr	FYTD	Since Inception	Date	Market Value
<u>Total Composite</u>	-0.4%	1.8%	3.2%	6/24	\$38,325,597
Blended Index ¹	0.0	2.6	4.3		
<u>Domestic Equity Composite</u>	-4.7	1.0	2.4	6/24	14,965,006
<u>Large Cap Equity Composite</u>	-4.2	1.5	2.5	6/24	13,496,337
iShares S&P 500 ETF	-4.3	2.5	3.8	6/24	6,278,671
S&P 500 Index	-4.3	2.6	3.8		
Schwab U.S. Large Cap Growth ETF	-10.1	0.6	-0.4	6/24	2,779,440
DJ U.S. LCG Total Stock Market Index	-10.1	0.6	-0.3		
GMO Quality Fund	-1.0	1.3	2.5	6/24	2,189,206
S&P 500 Index	-4.3	2.6	3.8		
Russell 1000 Value Index	2.1	4.2	9.6		
PIMCO RAE U.S. Fund	-0.2	-2.1	0.9	6/24	2,249,020
Russell 1000 Value Index	2.1	4.2	9.6		
S&P 500 Index	-4.3	2.6	3.8		
<u>Small Cap Equity Composite</u>	-8.9	-4.0	2.5	6/24	841,974
Hartford Small Cap Value Fund	-	-	-	3/25	841,973
Russell 2000 Value Index	-	-	-		
Russell 2000 Index	-	-	-		
<u>Micro Cap Composite</u>	-	-	-	3/25	626,695
DrieHaus Micro Cap Growth Fund	-	-	-	3/25	626,695
Russell Microcap Index	-	-	-		
Russell Microcap Growth Index	-	-	-		

Westfield State University
Summary of Investment Performance
 Report for Periods Ending March 31, 2025

	Qtr	FYTD	Since Inception	Date	Market Value
<u>International Equity Composite</u>	5.2%	0.5%	3.8%	6/24	\$3,122,229
iShares Core MSCI Total Int'l Stock ETF	5.7	-	5.7	12/24	830,879
MSCI ACWI ex-U.S. IMI Index	4.6	-	4.6		
J O Hambro International Select Fund	1.2	-4.1	-2.2	6/24	1,145,945
MSCI EAFE Index	6.9	2.3	5.3		
MSCI EAFE Growth Index	2.1	-3.1	-1.9		
PIMCO RAE International Fund	8.6	4.2	9.3	6/24	1,145,405
MSCI EAFE Value Index	11.6	7.8	12.8		
MSCI EAFE Index	6.9	2.3	5.3		
<u>Emerging Markets Composite</u>	7.4	4.0	3.7	6/24	1,269,218
Redwheel Global Emerging Markets Fund	6.6	1.7	1.0	6/24	629,972
MSCI Emerging Markets Index	2.9	2.6	2.9		
MSCI Emerging Markets Growth Index	1.7	3.4	3.4		
Oaktree Emerging Markets Fund	8.1	6.2	6.3	6/24	639,246
MSCI Emerging Markets Index	2.9	2.6	2.9		
<u>Fixed Income Composite</u>	1.7	3.3	4.4	6/24	18,580,516
iShares Short Treasury Bond ETF	1.0	3.1	3.6	6/24	2,256,146
ICE BofA 1-3 Year Treasury Index	1.6	3.3	4.5		
Bloomberg 1-3 Yr Treasury Index	1.6	3.3	4.5		
PIMCO Low Duration Fund	1.7	3.6	4.9	6/24	2,303,039
ICE BofA 1-3 Year Treasury Index	1.6	3.3	4.5		
DoubleLine Low Duration Fund	1.6	3.3	4.2	6/24	4,692,686
ICE BofA 1-3 Year Treasury Index	1.6	3.3	4.5		
Vanguard Short-Term Treasury Fund	1.9	3.3	4.6	6/24	9,328,645
ICE BofA 1-5 Year Treasury Index	2.0	3.1	4.7		
Bloomberg 1-5 YR Treasury Index	2.0	3.1	4.7		
<u>Cash & Equivalents</u>	0.5	2.0	2.1	6/24	388,632
Cash & Equivalents	0.5	2.0	2.1	6/24	388,632
U.S. 91-Day Treasury Bills	1.0	2.9	3.4		

Westfield State University Summary of Investment Performance Report for Periods Ending March 31, 2025

Footnotes:

- * Performance returns are net of investment management fees.
 - * Calculated returns may differ from the manager's due to differences in security pricing and/or cash flows.
 - * Manager and index data represent the most current available at the time of report publication.
 - * For managers and indices that report returns on a lag, 0.0% is utilized for the most recent time period until the actual return data are reported.
 - * The fiscal year ends in July.
- ¹ Blended Index is comprised of: 50.0% Bloomberg 1-3 Yr Aggregate Index and 50.0% MSCI ACWI IMI Index.

Westfield State University - Investment Account

Summary of Investment Performance

Report for Periods Ending March 31, 2025

	Qtr	FYTD	Since Inception	Date	Market Value
<u>Total Composite</u>	-1.2%	1.3%	2.8%	6/24	\$27,834,835
Blended Index ¹	-0.6	2.6	4.2		
<u>Domestic Equity Composite</u>	-4.7	1.0	2.4	6/24	14,965,006
<u>Large Cap Equity Composite</u>	-4.2	1.5	2.5	6/24	13,496,337
iShares S&P 500 ETF	-4.3	2.5	3.8	6/24	6,278,671
S&P 500 Index	-4.3	2.6	3.8		
Schwab U.S. Large Cap Growth ETF	-10.1	0.6	-0.4	6/24	2,779,440
DJ U.S. LCG Total Stock Market Index	-10.1	0.6	-0.3		
GMO Quality Fund	-1.0	1.3	2.5	6/24	2,189,206
S&P 500 Index	-4.3	2.6	3.8		
Russell 1000 Value Index	2.1	4.2	9.6		
PIMCO RAE U.S. Fund	-0.2	-2.1	0.9	6/24	2,249,020
Russell 1000 Value Index	2.1	4.2	9.6		
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Hartford Small Cap Value Fund	-	-	-	3/25	841,973
Russell 2000 Value Index	-	-	-		
Russell 2000 Index	-	-	-		
<u>Micro Cap Composite</u>	-	-	-	3/25	626,695
Driehaus Micro Cap Growth Fund	-	-	-	3/25	626,695
Russell Microcap Index	-	-	-		
Russell Microcap Growth Index	-	-	-		

Westfield State University - Investment Account

Summary of Investment Performance

Report for Periods Ending March 31, 2025

	Qtr	FYTD	Since Inception	Date	Market Value
<u>International Equity Composite</u>	5.2%	0.5%	3.8%	6/24	\$3,122,229
iShares Core MSCI Total Int'l Stock ETF	5.7	-	5.7	12/24	830,879
MSCI ACWI ex-U.S. IMI Index	4.6	-	4.6		
J O Hambro International Select Fund	1.2	-4.1	-2.2	6/24	1,145,945
MSCI EAFE Index	6.9	2.3	5.3		
MSCI EAFE Growth Index	2.1	-3.1	-1.9		
PIMCO RAE International Fund	8.6	4.2	9.3	6/24	1,145,405
MSCI EAFE Value Index	11.6	7.8	12.8		
MSCI EAFE Index	6.9	2.3	5.3		
<u>Emerging Markets Composite</u>	7.4	4.0	3.7	6/24	1,269,218
Redwheel Global Emerging Markets Fund	6.6	1.7	1.0	6/24	629,972
MSCI Emerging Markets Index	2.9	2.6	2.9		
MSCI Emerging Markets Growth Index	1.7	3.4	3.4		
Oaktree Emerging Markets Fund	8.1	6.2	6.3	6/24	639,246
MSCI Emerging Markets Index	2.9	2.6	2.9		
<u>Fixed Income Composite</u>	1.7	3.3	4.4	6/24	8,349,156
iShares Short Treasury Bond ETF	1.0	3.1	3.6	6/24	1,041,086
ICE BofA 1-3 Year Treasury Index	1.6	3.3	4.5		
PIMCO Low Duration Fund	1.7	3.6	4.9	6/24	1,044,014
ICE BofA 1-3 Year Treasury Index	1.6	3.3	4.5		
DoubleLine Low Duration Fund	1.6	3.3	4.2	6/24	2,084,022
ICE BofA 1-3 Year Treasury Index	1.6	3.3	4.5		
Vanguard Short-Term Treasury Fund	1.9	3.3	4.6	6/24	4,180,034
ICE BofA 1-5 Year Treasury Index	2.0	3.1	4.7		
<u>Cash & Equivalents</u>	0.0	0.1	0.3	6/24	129,226
Cash & Equivalents	0.0	0.1	0.3	6/24	129,226
U.S. 91-Day Treasury Bills	1.0	2.9	3.4		

Westfield State University - Investment Account

Summary of Investment Performance

Report for Periods Ending March 31, 2025

Footnotes:

- * Performance returns are net of investment management fees.
- * Calculated returns may differ from the manager's due to differences in security pricing and/or cash flows.
- * Manager and index data represent the most current available at the time of report publication.
- * For managers and indices that report returns on a lag, 0.0% is utilized for the most recent time period until the actual return data are reported.
- * The fiscal year ends in July.
- ¹ Blended Index is currently comprised of: 30.0% Bloomberg 1-3 Yr Aggregate Index and 70.0% MSCI ACWI IMI Index. Please see Appendix for benchmark history.

Westfield State University - Fixed Income Account

Summary of Investment Performance

Report for Periods Ending March 31, 2025

	Qtr	FYTD	Since Inception	Date	Market Value
<u>Total Composite</u>	1.6%	3.3%	4.4%	6/24	\$10,490,766
<u>Fixed Income Composite</u>	1.7	3.3	4.4	6/24	10,231,360
DoubleLine Low Duration Fund	1.6	3.3	4.2	6/24	2,608,664
ICE BofA 1-3 Year Treasury Index	1.6	3.3	4.5		
PIMCO Low Duration Fund	1.7	3.6	4.9	6/24	1,259,025
ICE BofA 1-3 Year Treasury Index	1.6	3.3	4.5		
Vanguard Short Term Treasury Fund	1.9	3.3	4.6	6/24	5,148,611
ICE BofA 1-5 Treasury Index	2.0	3.1	4.7		
iShares Short Treasury Bond ETF	1.0	3.1	3.6	6/24	1,215,060
ICE BofA 1-3 Year Treasury Index	1.6	3.3	4.5		
<u>Cash & Equivalents</u>	0.6	2.6	2.6	7/24	259,406
Cash & Equivalents	0.6	2.6	2.6	7/24	259,406
U.S. 91-Day Treasury Bills	1.0	2.9	2.9		

Footnotes:

* Performance returns are net of investment management fees.

* Calculated returns may differ from the manager's due to differences in security pricing and/or cash flows.

* Manager and index data represent the most current available at the time of report publication.

* For managers and indices that report returns on a lag, 0.0% is utilized for the most recent time period until the actual return data are reported.

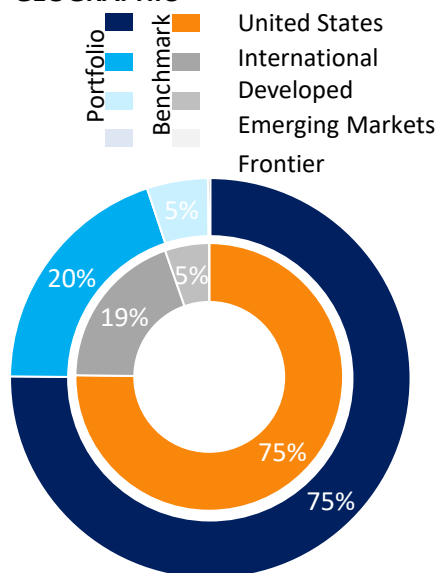
* The fiscal year ends in July.



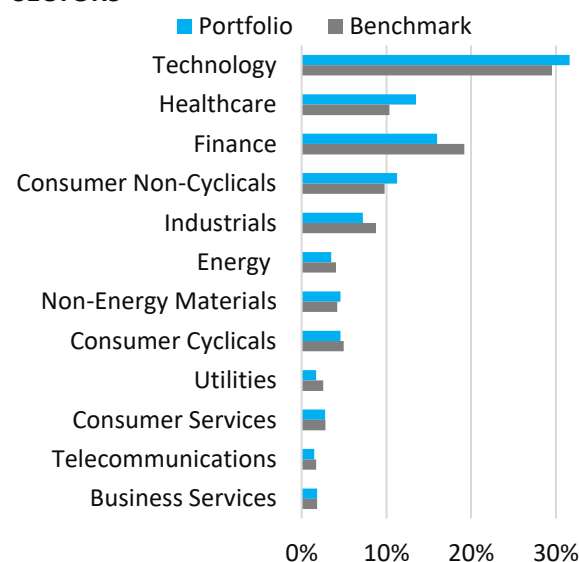
EQUITY CHARACTERISTICS

EXPOSURES

GEOGRAPHIC

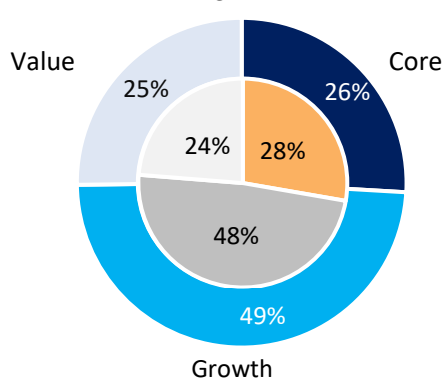


SECTORS

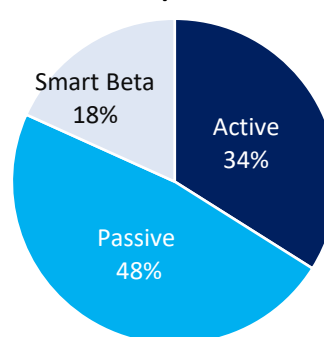


PORTFOLIO ALLOCATION

STYLE



ACTIVE / PASSIVE



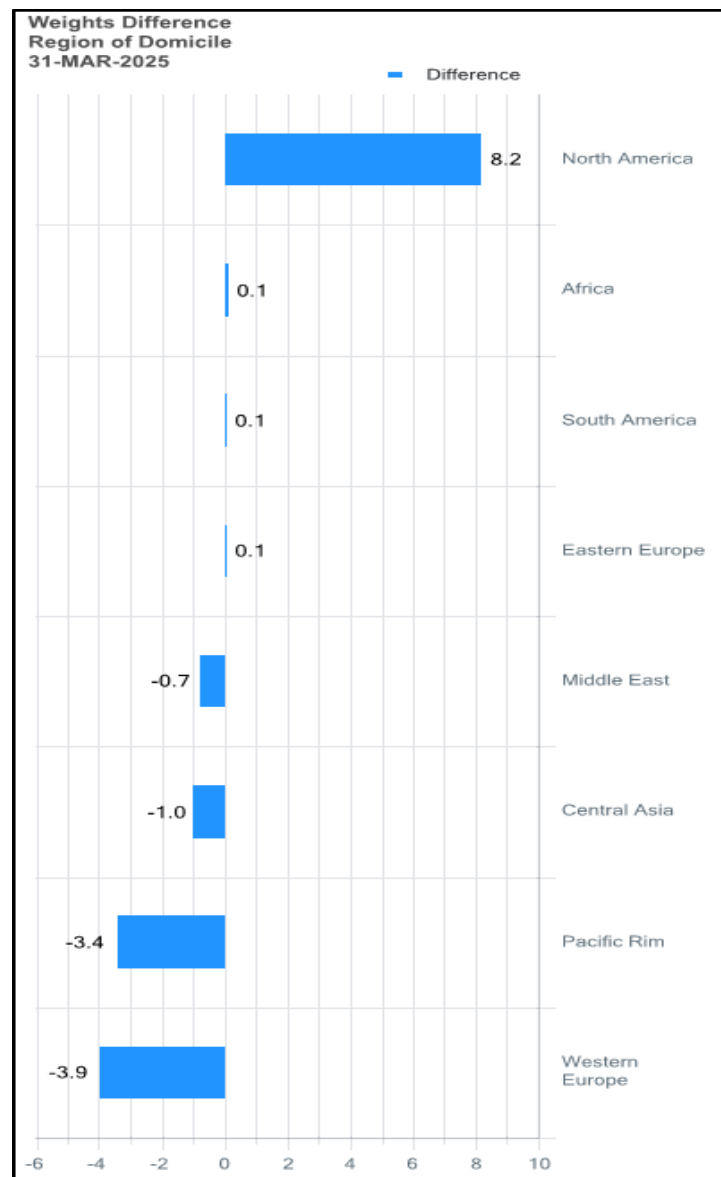
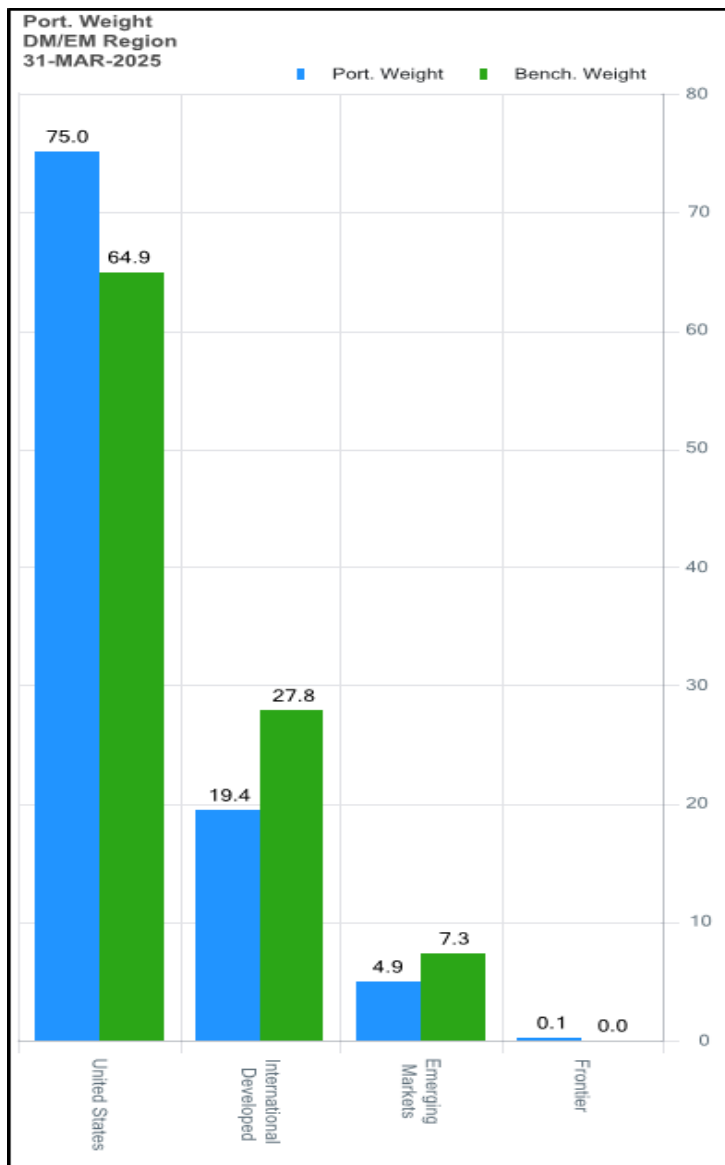
HOLDINGS

RAE US	JO Hambro
IVV	Redwheel
Schwab LC Growth	Oaktree
Hartford SC Value	GMO Quality
RAE Intl	Driehaus Microcap
IXUS	

Data shown for the hypothetical OCIO Domestic Heritage Portfolio Model. May not be indicative of actual client portfolio or holdings. Data sources: FEG, Manager data. Data as of 03/31/2025. Benchmark comprised of 75% MSCI USA IMI & 25% MSCI ACWI ex U.S IMI.

Regional Exposure vs MSCI ACWI

As of March 31, 2025

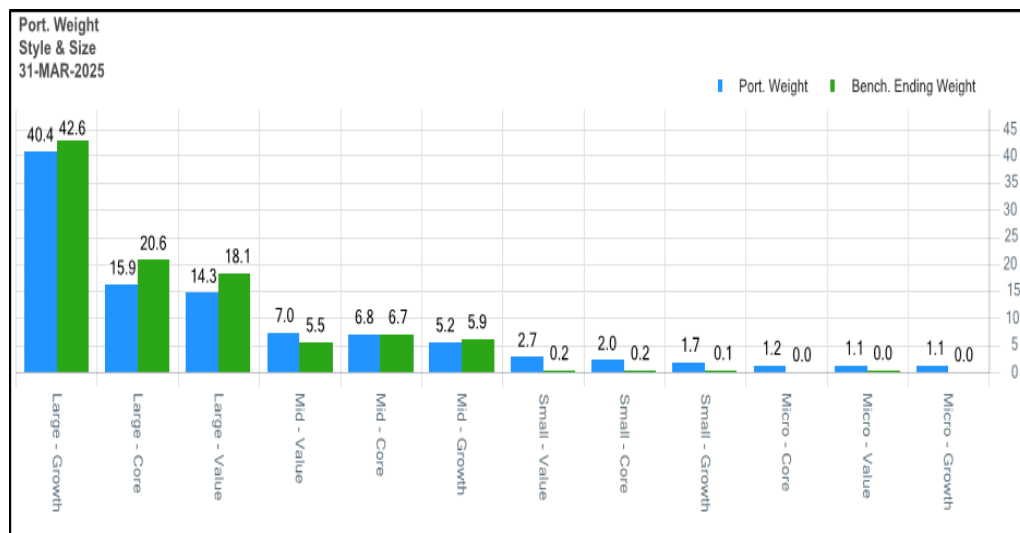
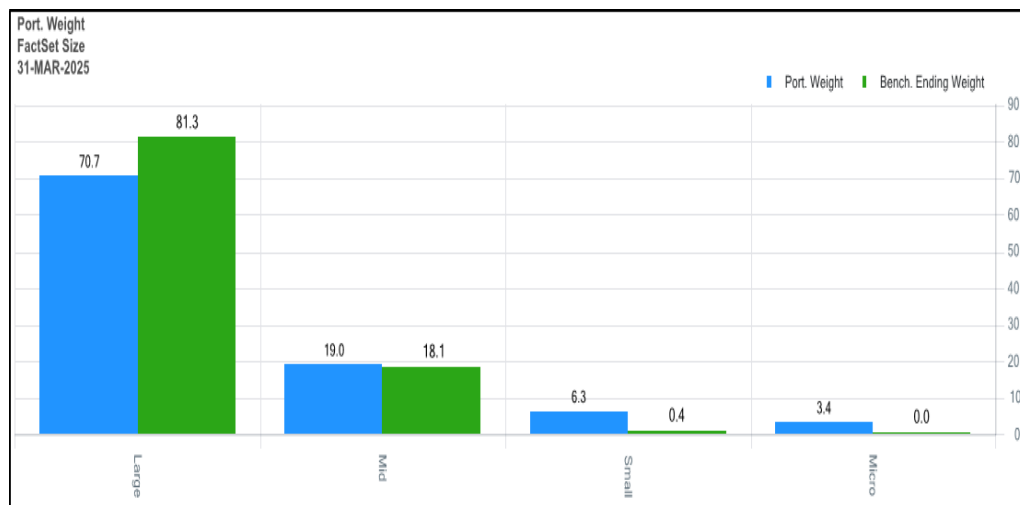


Size & Style Exposure vs MSCI ACWI

20

As of March 31, 2025

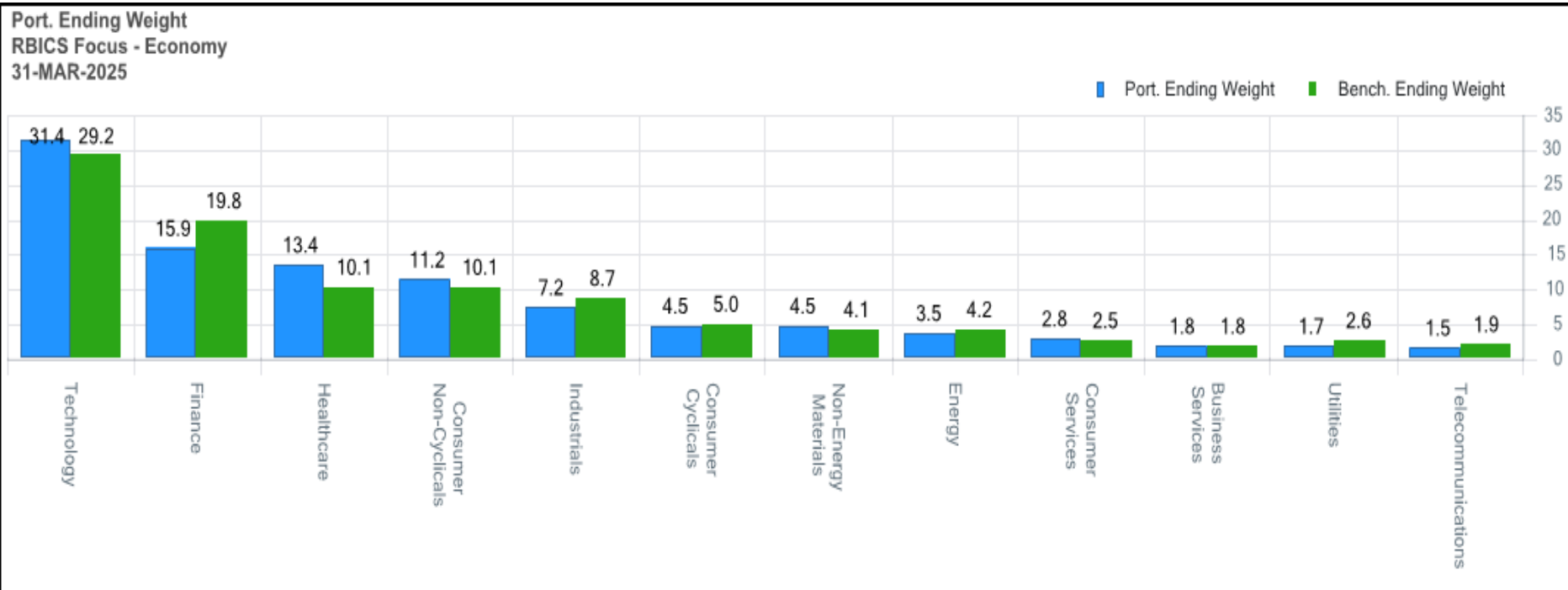
	Port. Weight	Bench. Weight	Difference
Total	100.00	100.00	--
United States	75.03	64.89	10.13
Growth	37.67	34.29	3.38
Core	19.00	16.33	2.67
Value	18.36	14.27	4.09
International Developed	19.40	27.78	-8.38
Growth	8.50	10.99	-2.49
Core	5.52	8.97	-3.45
Value	5.34	7.77	-2.43
Emerging Markets	4.90	7.32	-2.42
Growth	2.22	3.34	-1.12
Value	1.43	1.71	-0.28
Core	1.19	2.18	-0.99
Frontier	0.12	--	0.12



Sector Weights vs MSCI ACWI

21

As of March 31, 2025

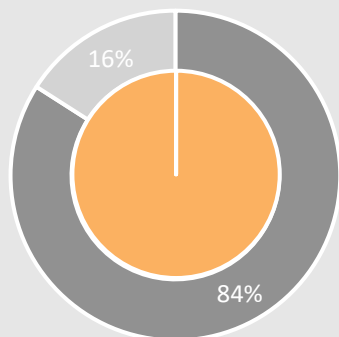
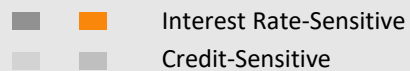




FIXED INCOME CHARACTERISTICS

PORTFOLIO ALLOCATION

STYLE

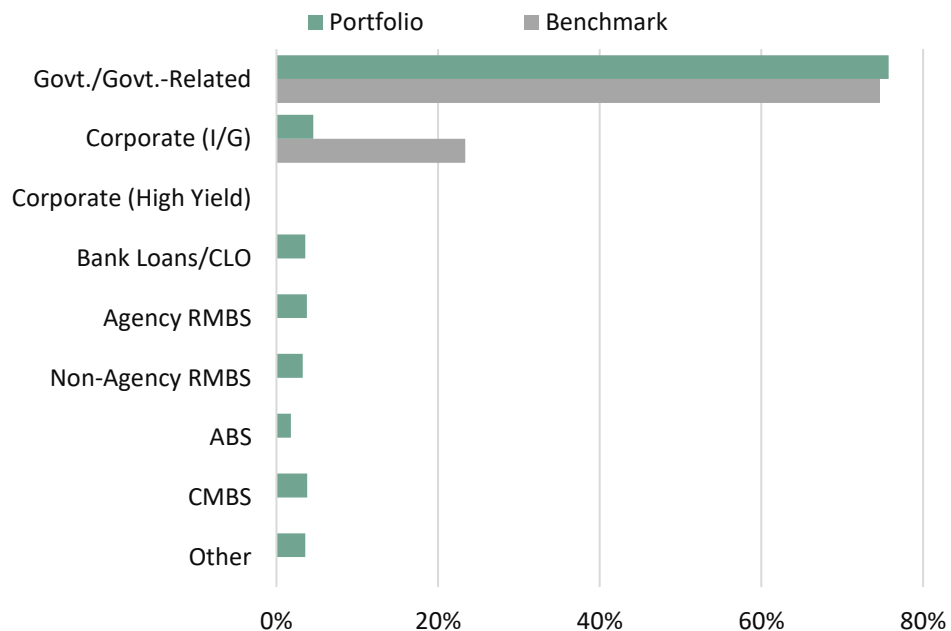


HOLDINGS

DoubleLine Low Duration
iShares Short Treasury Bond ETF
PIMCO Low Duration
Vanguard Short-Term Treasury

EXPOSURES

SECTORS



Data sources: FEG, Manager data. Sector exposure data as of 12/31/2024.

Westfield State University - Fixed Income Account

DoubleLine Low Duration Fund

Summary of Performance and Statistics

Report For Periods Ending March 31, 2025

Performance Results	Qtr	FYTD	Since Inception	Inception Date
DoubleLine Low Duration Fund	1.6%	3.3%	4.2%	6/24
ICE BofA 1-3 Year Treasury Index	1.6	3.3	4.5	

Portfolio Statistics	Effective Duration	Wtd Avg Maturity	Wtd Avg Credit	Yield to Worst	FI Annl Turnover
DoubleLine Low Duration Fund	1.6 yrs	2.8 yrs	AA-	5.2%	76.0%
ICE BofA 1-3 Year Treasury Index	1.8	1.9	AA	3.9	--

Asset Growth Summary (in thousands)	Qtr	FYTD
Beginning Market Value	\$ 2,568	\$ 2,524
Net Contributions/(Distributions)	\$ 0	\$ 0
Market Appreciation/(Depreciation)	\$ 41	\$ 85
Ending Market Value	\$ 2,609	\$ 2,609

Westfield State University - Fixed Income Account

PIMCO Low Duration Fund

Summary of Performance and Statistics

Report For Periods Ending March 31, 2025

Performance Results	Qtr	FYTD	Since Inception	Inception Date
PIMCO Low Duration Fund	1.7%	3.6%	4.9%	6/24
ICE BofA 1-3 Year Treasury Index	1.6	3.3	4.5	

Portfolio Statistics	Effective Duration	Wtd Avg Maturity	Wtd Avg Credit	Yield to Worst	FI Annl Turnover
PIMCO Low Duration Fund	2.3yrs	0.8yrs	AA+	4.9%	45.0%
ICE BofA 1-3 Year Treasury Index	1.8	1.9	AA	3.9	--

Asset Growth Summary (in thousands)	Qtr	FYTD
Beginning Market Value	\$ 1,238	\$ 1,215
Net Contributions/(Distributions)	\$ 0	\$ 0
Market Appreciation/(Depreciation)	\$ 21	\$ 44
Ending Market Value	\$ 1,259	\$ 1,259

Westfield State University - Fixed Income Account

Vanguard Short Term Treasury Fund

Summary of Performance and Statistics

Report For Periods Ending March 31, 2025

Performance Results	Qtr	FYTD	Since Inception	Inception Date
Vanguard Short Term Treasury Fund	1.9%	3.3%	4.6%	6/24
ICE BofA 1-5 Treasury Index	2.0	3.1	4.7	

Portfolio Statistics	Effective Duration	Wtd Avg Maturity	Wtd Avg Credit	Yield to Worst	FI Annl Turnover
Vanguard Short Term Treasury Fund	2.3yrs	2.5yrs	AA+	4.3%	314.5%
ICE BofA 1-5 Treasury Index	2.6	2.7	AA	3.9	--

Asset Growth Summary (in thousands)	Qtr	FYTD
Beginning Market Value	\$ 5,054	\$ 4,961
Net Contributions/(Distributions)	\$ 0	\$ 26
Market Appreciation/(Depreciation)	\$ 95	\$ 162
Ending Market Value	\$ 5,149	\$ 5,149

Westfield State University - Fixed Income Account

iShares Short Treasury Bond ETF

Summary of Performance and Statistics

Report For Periods Ending March 31, 2025

Performance Results	Qtr	FYTD	Since Inception	Inception Date
iShares Short Treasury Bond ETF	1.0%	3.1%	3.6%	6/24
ICE BofA 1-3 Year Treasury Index	1.6	3.3	4.5	

Portfolio Statistics	Effective Duration	Wtd Avg Maturity	Wtd Avg Credit	Yield to Worst	FI Annl Turnover
iShares Short Treasury Bond ETF	0.2 yrs	0.3 yrs	AAA	1.2%	--%
ICE BofA 1-3 Year Treasury Index	1.8	1.9	AA	3.9	--

Asset Growth Summary (in thousands)	Qtr	FYTD
Beginning Market Value	\$ 1,211	\$ 1,216
Net Contributions/(Distributions)	\$ (8)	\$ (38)
Market Appreciation/(Depreciation)	\$ 12	\$ 37
Ending Market Value	\$ 1,215	\$ 1,215



FEE ANALYSIS ESTIMATES

		Manager					
		Market Value	% of Portfolio	Expense Ratio	*FEG Advisory Fee**	Total Annual Fee %	Total Annual Fee \$
Cash		\$ 163,631	0.43%	-	-	0.00%	\$ -
Schwab Government Money Ultra	SGUXX	\$ 225,001	0.59%	0.19%	-	0.00%	\$ 428
iShares Core S&P 500 ETF	IVV	\$ 6,278,671	16.38%	0.03%	0.30%	0.05%	\$ 20,720
Schwab US Large Cap Growth ETF	SCHG	\$ 2,779,440	7.25%	0.04%	0.30%	0.02%	\$ 9,450
PIMCO RAE US Institutional	PKAIX	\$ 2,249,020	5.87%	0.40%	0.30%	0.04%	\$ 15,743
GMO Quality	GQLIX	\$ 2,189,206	5.71%	0.59%	0.30%	0.05%	\$ 19,484
Hartford Small Cap Value	HSMYX	\$ 841,973	2.20%	0.85%	0.30%	0.03%	\$ 9,683
Driehaus Micro Cap Growth	DMCRX	\$ 626,695	1.64%	1.33%	0.30%	0.03%	\$ 10,215
iShares Core MSCI Total Int'l Stock	IXUS	\$ 830,879	2.17%	0.07%	0.30%	0.01%	\$ 3,074
JOHCM International Select	JOHIX	\$ 1,145,945	2.99%	0.98%	0.30%	0.04%	\$ 14,668
PIMCO RAE International	PPYIX	\$ 1,145,405	2.99%	0.51%	0.30%	0.02%	\$ 9,278
RedWheel Global Emerging Markets	RWCIX	\$ 629,972	1.64%	1.36%	0.30%	0.03%	\$ 10,458
OakTree Emerging Markets	OEQIX	\$ 639,246	1.67%	1.10%	0.30%	0.02%	\$ 8,949
iShares Short Treasury Bond	SHV	\$ 2,256,146	5.89%	0.15%	0.30%	0.03%	\$ 10,153
PIMCO Low Duration	PTLDX	\$ 2,303,039	6.01%	0.46%	0.30%	0.05%	\$ 17,503
DoubleLine Low Duration	DBLSX	\$ 4,692,686	12.24%	0.43%	0.30%	0.09%	\$ 34,257
Vanguard Short-Term Treasury	VFIRX	\$ 9,328,645	24.34%	0.10%	0.30%	0.10%	\$ 37,315
Total Portfolio		\$ 38,325,597		\$116,399	\$ 114,977	0.60%	\$ 231,376

*Expense ratio estimate: includes fees embedded in Mutual Funds and ETF vehicles; not paid directly by Westfield

**FEG Advisory Fee estimate: includes 0.30% advisory fee

DISTRIBUTION CALCULATION

June 2025 value is estimated at Westfield's request using April 9th account values

Quarter	Market Value
Sep-22	\$ 20,936,513.87
Dec-22	\$ 21,826,500.00
Mar-23	\$ 22,685,875.00
Jun-23	\$ 23,698,220.00
Sep-23	\$ 23,079,092.00
Dec-23	\$ 35,139,575.89
Mar-24	\$ 36,345,249.63
Jun-24	\$ 37,159,160.60
Sep-24	\$ 38,795,215.12
Dec-24	\$ 38,498,082.16
Mar-25	\$ 38,325,597.00
Jun-25	* \$ 37,416,611.42
Average of the last 12 Quarters	\$ 31,158,807.72
4% distribution	\$ 1,246,352.31

*The Jun-25 Value is estimated using the market value as of 4/09/2025

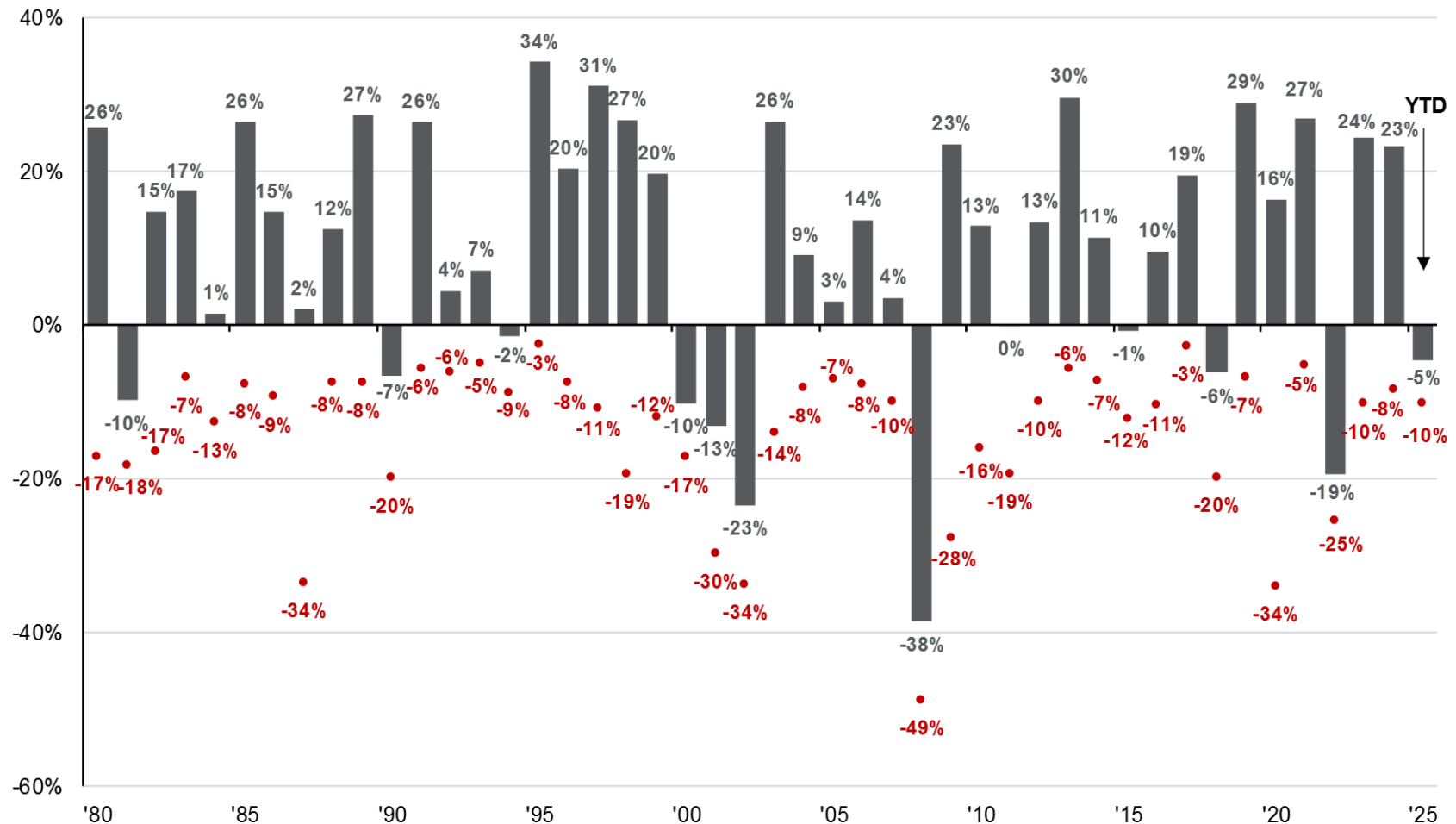


UPDATE ON MARKETS

S&P intra-year declines vs. calendar year returns

Despite average intra-year drops of 14.1%, annual returns were positive in 34 of 45 years

• Intra-year drop % on S&P



Source: FactSet, Standard & Poor's, J.P. Morgan Asset Management.

Returns are based on price index only and do not include dividends. Intra-year drops refers to the largest market drops from a peak to a trough during the year. For illustrative purposes only. Returns shown are calendar year returns from 1980 to 2024, over which the average annual return was 10.6%.

Guide to the Markets – U.S. Data are as of March 31, 2025.

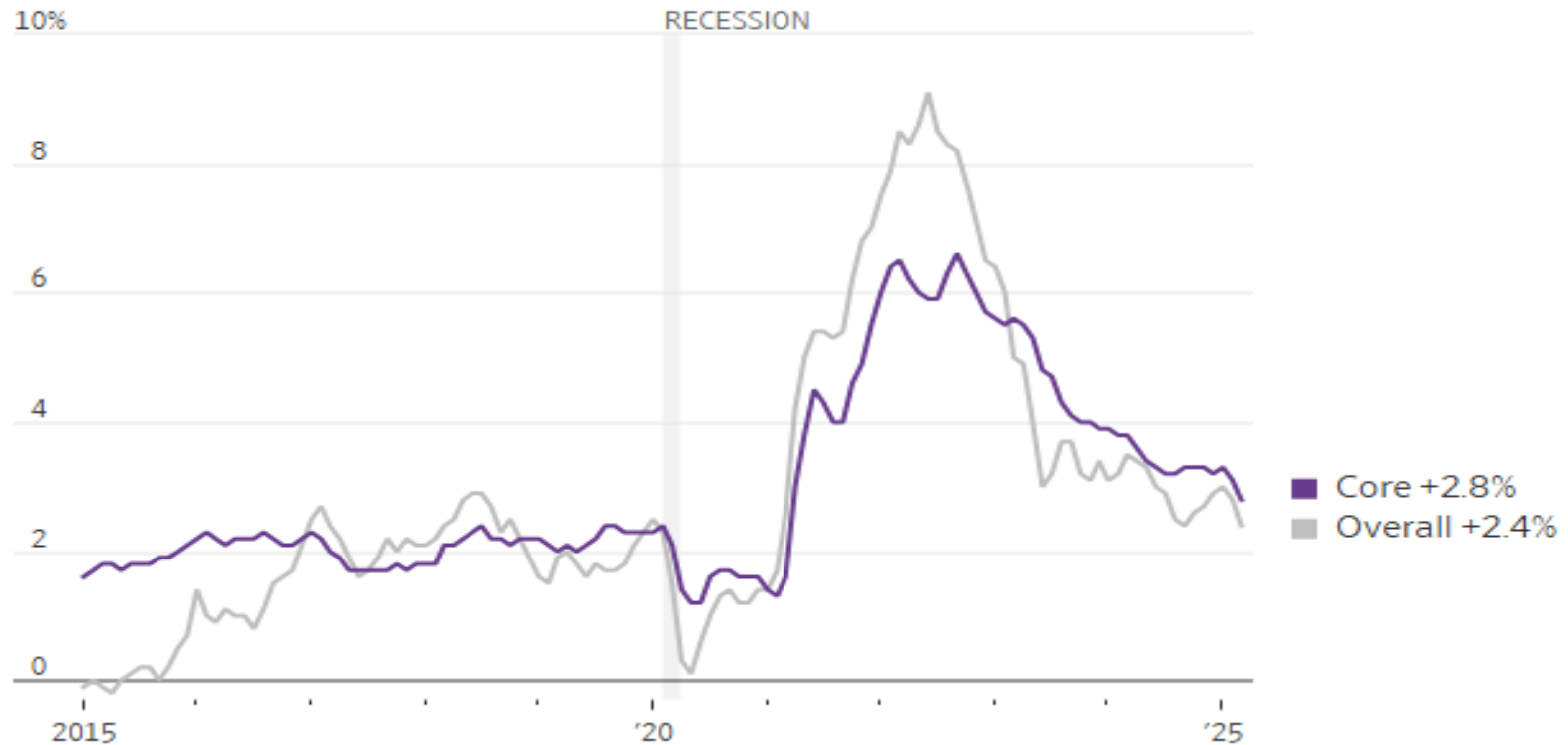
Treasury Yield Spreads Have Moved Higher in Reaction to Tariff Pressures



Source: Factset

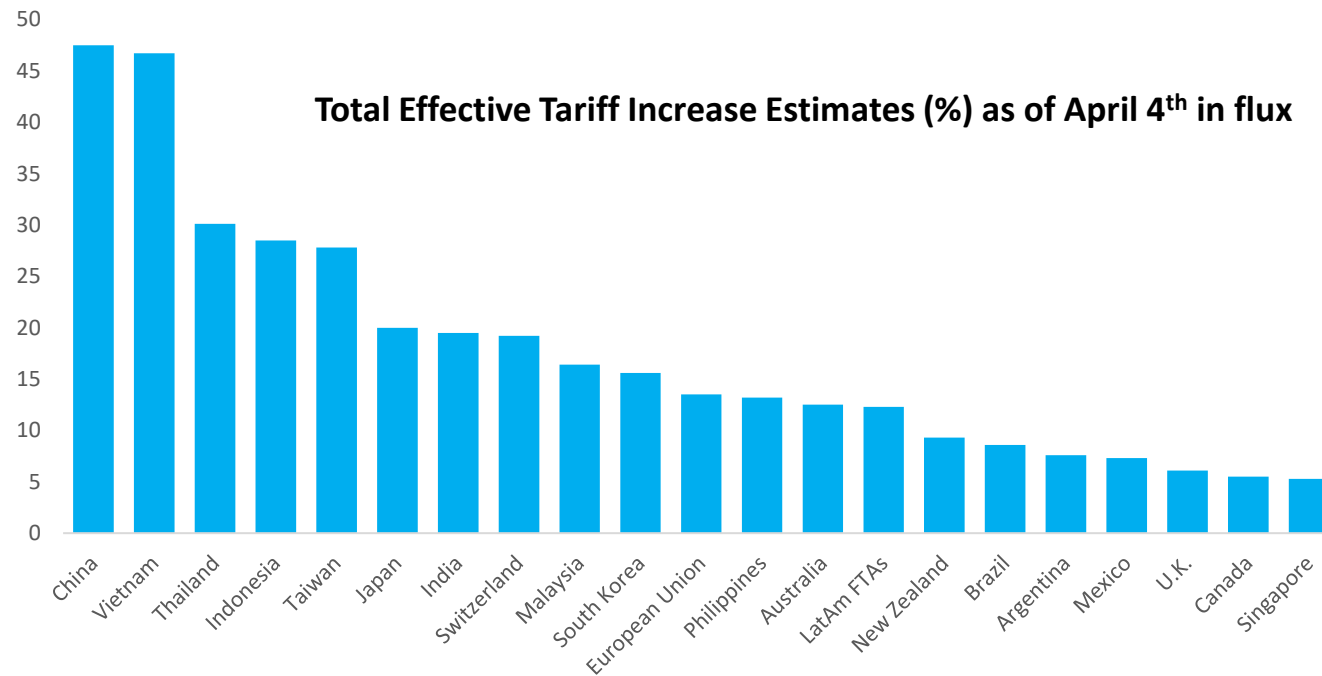
Tariff Uncertainty Remains Threat for Pricing Pressure – Inflation Trend Lower is Positive

Consumer-price index, change from a year earlier

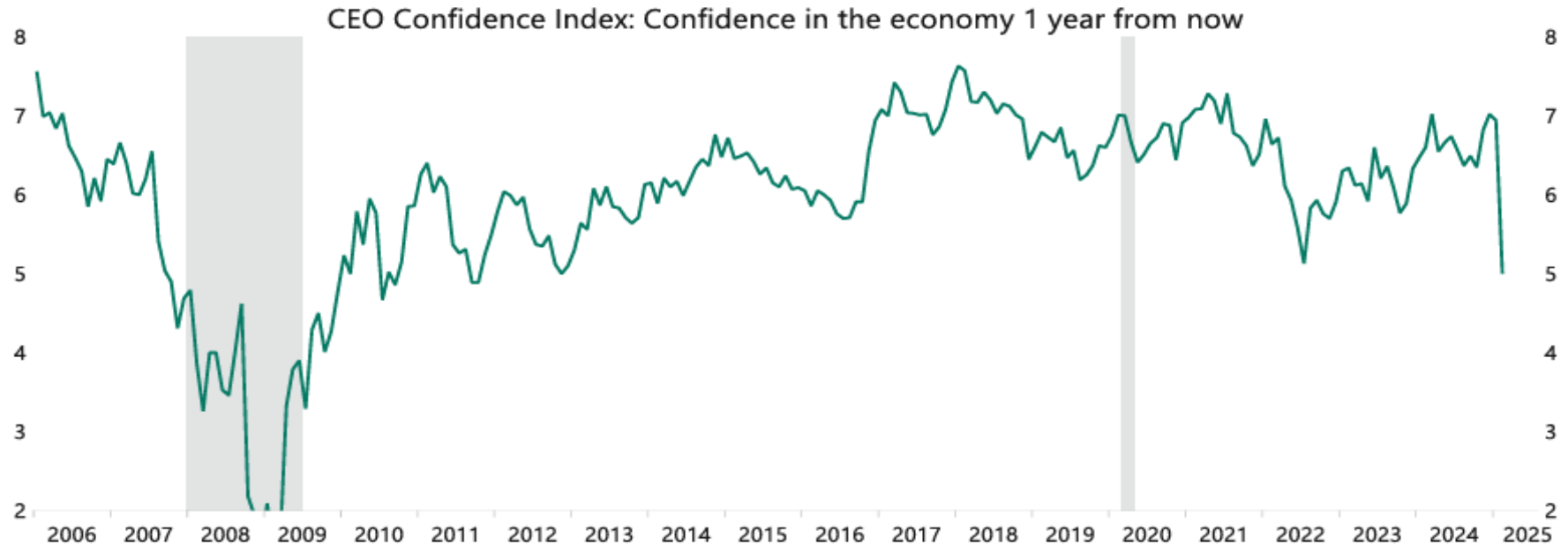
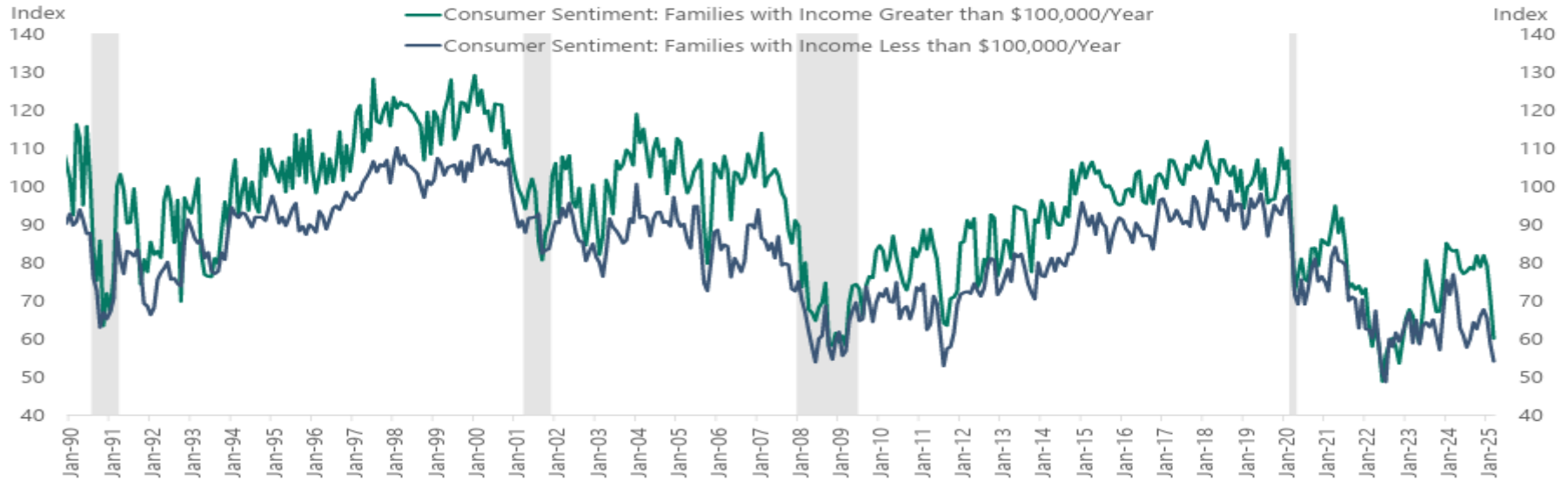


Source: Department of Labor through March 2025

- Consumer and Corporate confidence is challenged
- Impact of tariffs on corporate earnings and GDP is unknown without more implementation facts
- Potential retaliation response is uncertain
- Carve out exceptions remain fluid: Copper, Lumber, Semiconductors, and Bullion
- Markets prefer certainty and fluid changes to policy tariff rates challenge capital flows



Source: Apollo; Data as of April 4, 2025

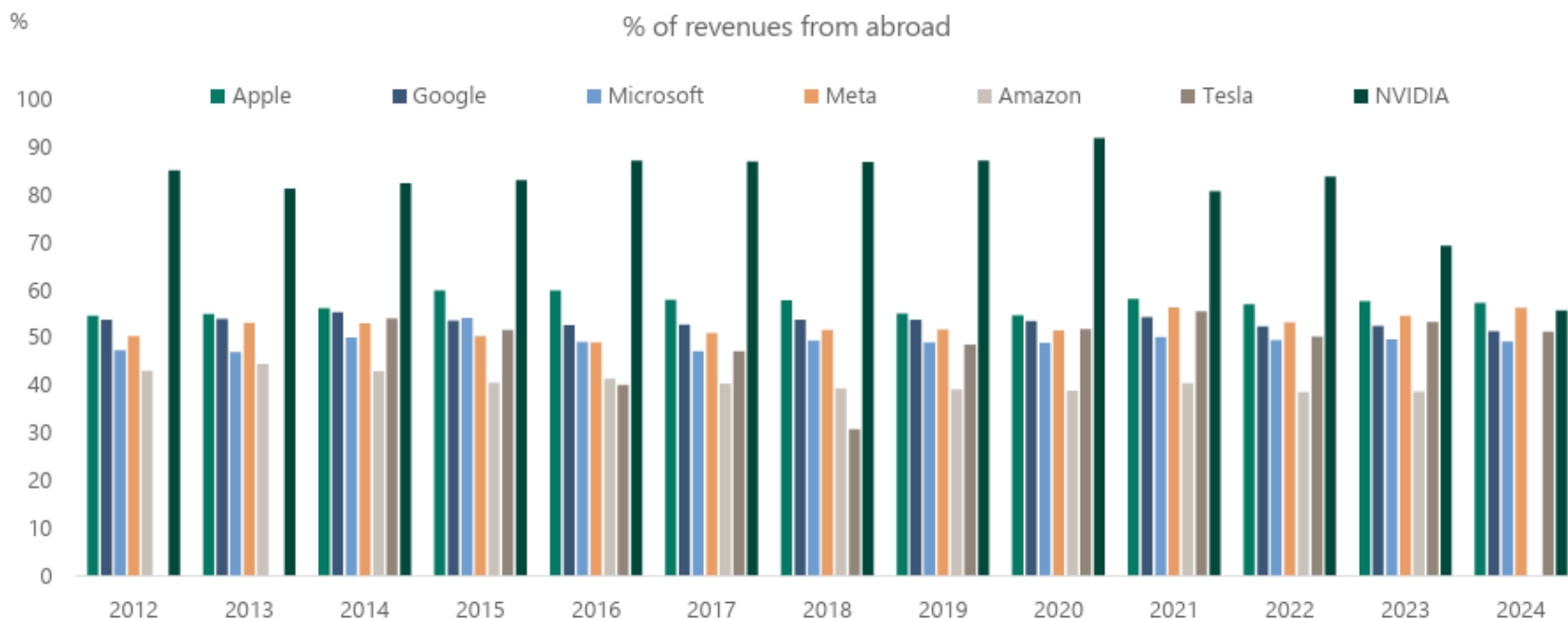


Source: Chief Executive Magazine, Bloomberg, Macrobond, Apollo Chief Economist; Data as of April 4, 2025

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Tariff tax rate uncertainty has challenged companies with meaningful overseas revenues
Headwinds could reverse quickly with more policy clarity



Source: Apollo; Data as of December 31, 2024

Headwinds:

- Supply chain disruptions could be pervasive. Example: iphone components & costs
- Current supply chains could be stranded and require CAPEX spending
- The how and when of tariff tax implementation → details are in flux
- New tariff taxes challenge earnings, margins and sentiment if implemented
- Recent threats of additional tariff rates, as well as raised counter tariffs

Tailwinds:

- Earnings fundamentals and jobs reports have been strong
- De-escalation potential on tariffs has path forward and could spur markets higher
- Countries have expressed openness to free trade & zero tariff exchange
- Negative language towards our neighbor countries has disappeared
- Prolonged equity and bond weakness may decrease negotiating leverage; spur incentive to make compromises
- Upcoming policy support for markets may include some iterations of the below:
 - Tax relief (tips, social security, overtime)
 - Deregulation support
 - Lower gas prices



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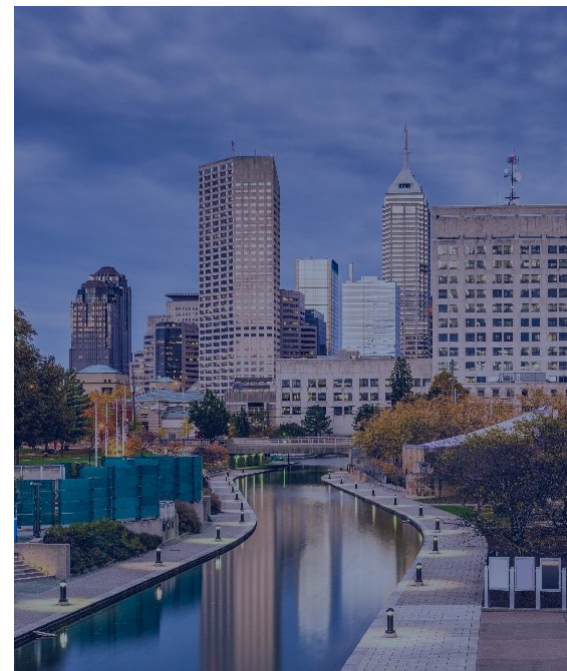
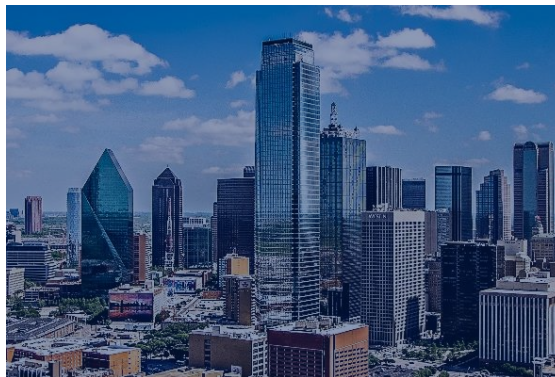
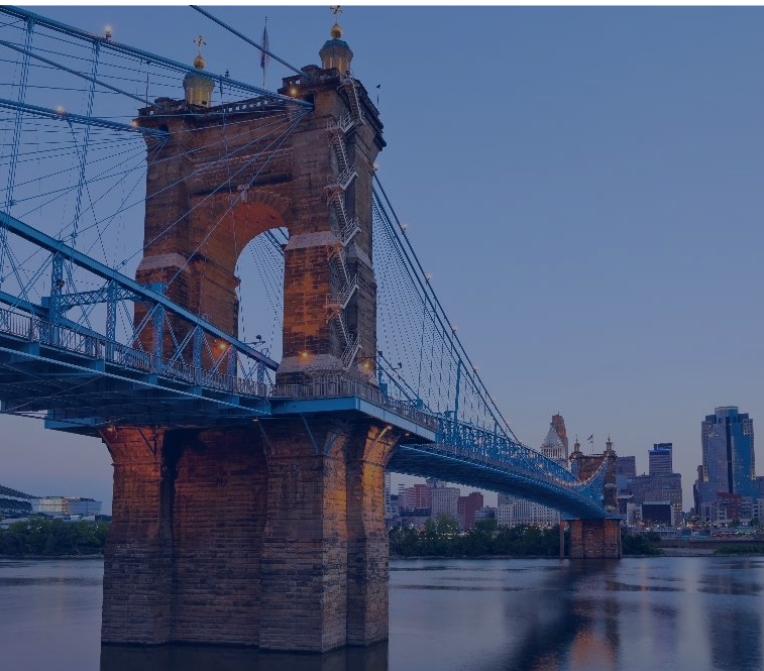
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