



Board of Trustees Investment Subcommittee

May 13, 2024

4:00 p.m.

Via Zoom

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

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

Committee Members Present: Paul Boudreau (Chair), George Gilmer (Vice Chair), Theresa Jasmin (Secretary), Chris Montemayor, Daniel Currier.

Committee Members Excused: None.

Committee Chair Boudreau called the meeting to order at 4:00 p.m. Attendance taken by roll call. All committee members present.

Minutes – February 9, 2024

MOTION made and seconded, to approve the minutes of the February 9, 2024, Investment Subcommittee meeting. There being no discussion, **motion passed unanimously with all in favor by roll call vote.**

First Quarter Portfolio Review & Index Fund Allocation

The first quarter portfolio and index fund allocation were reviewed. The portfolio increased 5.1% in the first quarter versus a benchmark return of 4.6% and increased 16.9% over the past 12 months versus a benchmark return of 14.3%. The portfolio has outperformed the benchmark in all periods including year-to-date, one-year, two-years, and three-years. The cumulative portfolio return since inception has been 32%. The asset allocation as of March 31, 2024, was 71% equities and 29% bonds and cash. The equity allocation is 9% higher than the allocation in December 2022. Equities increased 23.1% over the past 12 months. The equity allocation includes 75% of total equities invested in passive index funds. Corient provided a more detailed breakdown of the University's investments in the magnificent seven. The University is overweighted in the magnificent seven. Of the seven, there are two that are overweight: Microsoft and Amazon. Corient recommends that no changes are made. The overweight is due to performance and both companies are minimally overweight.

New Bond Portfolio Update

Already discussed.

Spending Policy Recommendation (Cash Investments)

A separate spending policy is recommended for the bond portfolio, to continue to utilize this revenue stream to support the University’s operating budget. If there is consensus by the subcommittee on the proposed drawdown plan for the bond portfolio, a motion and policy change will be proposed at the next quarterly meeting to allow further development of the University’s FY25 budget.

Proposal for Investment Advisor

The RFP for investment management services has been released. Vendor responses are due by May 17, 2024. The working group will identify the top three vendors to be interviewed. The bid will be awarded by June 14, 2024. Thirty-seven organizations have downloaded the RFP to-date. The contract with Corient ends on June 30, 2024.

University Cash Summary

The investment and cash balances as of April 30, 2024, were reviewed.

Annual Charter Review

The new charters require annual review. Please notify the subcommittee should any changes be needed.

There being no further business, **MOTION** made and seconded, to adjourn the meeting. There being no discussion, **motion passed unanimously will all in favor by roll call vote.** Meeting adjourned at 4:57 p.m.

Materials provided for this meeting: Minutes 2-9-24 (Draft); First Quarter Portfolio Review; Spending Policy Recommendation; Proposal for Investment Advisor; University Cash Summary; and Annual Charter Review.

Secretary’s Certificate

I hereby certify that the foregoing is a true and correct copy of the approved minutes of the Westfield State University Board of Trustees, Investment Subcommittee meeting held on May 13, 2024.

Theresa Jasmin, Secretary

Date