



Board of Trustees Investment Subcommittee

February 9, 2024

2:00 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, Ali Salehi (ex-officio member).

Committee Members Excused: None.

Committee Chair Boudreau called the meeting to order at 2:00 p.m. Attendance taken by roll call. All committee members present.

Minutes – December 15, 2023

MOTION made and seconded, to approve the minutes of the December 15, 2023, Investment Subcommittee meeting. There being no discussion, **motion passed unanimously with all in favor by roll call vote.**

Fourth Quarter Portfolio Review & Index Fund Allocation

The fourth quarter portfolio and index fund allocation were reviewed. The stock market is strong and Westfield State's portfolio is doing well. The portfolio increased by 9% in the fourth quarter. For the 2023 calendar year, the portfolio was up by 15.3%. The cumulative portfolio return since inception is 26%. In December, the subcommittee decided to move to more passive equities. The third quarter ended with 25% in passive equities and that increased to 50% in passive equities by the end of the fourth quarter. Asset allocation by the end of the fourth quarter was 69% in equity and 31% in bonds and cash. The goal is to have 40% in bonds and 60% in equity. Corient is concerned the University is overweight in the magnificent seven. The University has passive and direct investments in the magnificent seven. At the April meeting, Corient will provide a more detailed breakdown of the University's investments in the magnificent seven to the subcommittee so conversations about possibly being to heavily weighted in the magnificent seven can continue and a decision be made. Corient is suggesting the University increase passive equities by another 25% bringing the total to 75%

in the first quarter. Currently the University is equally balanced between passive and active equity. The subcommittee unanimously agreed with Corient’s recommendation.

New Bond Portfolio Update

Already discussed.

Finalize Passive Investment Strategy

Already discussed.

Timeline/Request for Proposal for Investment Advisor

The contract with Corient expires on June 30, 2024. There are no more extensions. The University must go out to bid for investment services. The University would like a couple of Investment Subcommittee members to serve on the working group and participate in the bid process by reviewing bid proposals, ranking the proposals, and then making a collective decision for consideration by the subcommittee. Trustee Gilmer and Trustee Jasmin agreed to participate in the working group.

2022 NACUBO TIAA Study of Endowment Returns

NACUBO runs a study on university endowments across the country. Their yearly reports provide comparative data for the subcommittee based on different criteria. It would be helpful to periodically review this kind of data provided by the association. This is a good point of reference. It tells us how the University is doing when compared to other public institutions of similar size. It was asked for future investment advisors to include this comparative data in the fourth quarter report for another point of reference as to how other institutions are managing their portfolios.

The subcommittee requested a summary and breakdown of all cash to be provided consistently at future Investment Subcommittee meetings as a standing agenda item.

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 3:12 p.m.

Materials provided for this meeting: Minutes 12-15-23 (Draft); Fourth Quarter Portfolio Review; Timeline/Request for Proposal for Investment Advisor; and NACUBO TIAA Study of Endowment Returns.

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 February 9, 2024.

Theresa Jasmin, Secretary

Date