BOARD OF TRUSTEES

June 20, 2024
Minutes

Conference Rooms A & B, University Hall

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

MEMBERS PRESENT: Chair Ali Salehi, Vice Chair Melissa Alvarado, Secretary Dr. Gloria Williams, and Trustees, Paul Boudreau, Daniel Currier, George Gilmer (via Zoom), Tessa Lucey, Chris Montemayor, and William Reichelt

MEMBERS EXCUSED: Theresa Jasmin, and Madeline Landrau

Also present were Westfield State University President Dr. Linda Thompson, and cabinet members Provost Dr. David Caruso, Chief of Staff Dr. Michael Freeman, Director of Athletics Richard Lenfest Jr., Lisa McMahon, and Stephen Taksar.

Chair Salehi called the meeting to order at 3:25 PM and announced the meeting was being livestreamed and recorded.

Chair Salehi introduced Trustee Lucey and new Provost William Salka. He recognized former Trustee Robert Martin who's ten-year term came to an end on March 1, 2024. He was presented with his official picture, resolution, and chair.

> **MOTION** made by Trustee Reichelt seconded by Trustee Currier, to approve the minutes of the April 25, 2024 meeting. There being no discussion, **motion passed unanimously.**

President's Report. Dr. Thompson's presentation started with our successful commencement, Presidential Medal of Achievement, keynote speaker, new Trustee Tessa Lucey, Presidents' Innovation fund, and Smith Cup. She discussed the strategic plan with inviting Dr. Freeland, former Commissioner of Higher Education to the Cabinets and Boards retreats. She wanted to recognize Lyndsey Nunes who won the Debra Heart Award. Dr. Thompson expressed gratitude towards federal and state funding grant of 5 million dollars to fund behavioral sciences here on campus.

Director of Athletics Richard Lenfest introduced two student-athletes and talked about the Smith Cup. A video was presented to the Board.

Student Trustee Report. Trustee Currier opened his presentation congratulating the graduates of class of 2024. The Student Government Association (SGA), which Trustee Currier is on, sent a letter to Legislator Leaders requesting more funds towards funding for

capital improvements. The SGA also have various ongoing projects which were described in depth.

Governance and Nomination Committee. Committee Chair Melissa Alvarado updated the Board on it's upcoming self-assessment and welcomed Trustee Lucey. With Trustee Martin retiring, his place on the Executive Committee would need to be appointed. Chair Salehi appointed Trustee Theresa Jasmin for the position. Officers of the Board were discussed. It was decided all officers would stay the same.

> **MOTION** made by Trustee Reichelt seconded by Trustee Boudreau, to elect the following slate of Officers for the 2024-2025 academic year.
>
> Ali Salehi, Chair
> Melissa Alvarado, Vice Chair
> Dr. Gloria Williams, Secretary
>
> There being no discussion, roll call was made, **motion passed unanimously.**

Chair Salehi explained to the Board that this year he will be doing a comprehensive review of President Thompson as she has been with Westfield State University for 3 years.

Academic Affairs Committee. Committee Vice Chair Dr. Gloria Williams updated the Board on discussions held in the committee meeting and presented the following Motions approved by the committee.

> **MOTION** made by Trustee Reichelt, seconded by Trustee Currier, to approve the Master's in Business Administration.
>
> There being no discussion or abstentions, a roll call was completed, **motion passed unanimously.**
>
> **MOTION** made by Trustee Reichelt, seconded by Trustee Montemayor, to approve the Master of Psychiatric Mental Health Nurse Practitioner.
>
> There being no discussion, a roll call was completed, **motion passed unanimously.**

Enrollment Management and Student Affairs Committee. Committee Chair William Reichelt updated the Board on discussions held in the committee meeting on April 16, 2024.

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

Financial Affairs and Advancement Committee. Committee Chair George Gilmer updated the Board on discussions held in the committee meeting with third quarter FY23-24 budget with being 2-3 million for operating budget. The following Motions approved by the committee;

> **MOTION** made by Trustee Reichelt Gilmer, seconded by Trustee Gilmer, to approve the

revised Outstanding Debts Policy (0150), as presented. The policy was revised due to a U.S. Department of Education regulation prohibiting withholding of transcripts in specific situations.

There being no discussion, a roll call was completed, **Motion passed unanimously.**

MOTION made by Trustee Reichelt seconded by Trustee Gilmer to transfer management of the University's investment funds, held by Charles Schwab, in-kind to Fund Evaluation Group LLC before June 30, 2024. Westfield State University's new investment advisors.

There being no discussion, a roll call was completed, **Motion passed unanimously.**

MOTION made by Trustee Currier, seconded by Trustee Montemayor to approve the FY25 provisional campus budget, as presented, including, but not limited to the following elements: operating budget, capital budget, vehicle lease/purchase program and sponsorships. Further, to authorize the President and/or the Vice President for Administration and Finance to make budget adjustments to these funds as allowed in the Trust Fund Management Policy (0604).

There being no discussion, a roll call was completed, **Motion passed unanimously.**

Audit Committee. Committee Vice Chair William Reichelt updated the Board on discussions held in the committee meeting which included an in-person final Grants Office audit by Boston Consortium and a remote presentation by WithumSmith, PC. The committee presented the following Motions approved by the committee.

MOTION made by Trustee Reichelt, seconded by Trustee Gilmer to recommend the University continue with an agreement with the Boston Consortium for internal audit services. All University procurement procedures and policies will be followed in executing said agreement.

There being no discussion, a roll call was completed, **Motion passed unanimously.**

There being no further business,

MOTION made by Trustee Reichelt, and seconded by Trustee Currier, to adjourn a roll call was completed, **Motion passed unanimously.**

Meeting adjourned at 5:00 PM.

Attachments:

a. Draft Minutes of April 25, 2024
b. President's Presentation
c. Student Trustee Presentation
    i. SGA Letter to MA Legislature Re Capital Funding

2. Enrollment Management & Student Affairs

a. Minutes April 16, 2024
b. VP Report PowerPoint Presentation

3. **Advancement, Marketing, & External Relations Committee:**
   a. Draft Minutes of April 25, 2024
   b. 185th Anniversary Rack Card
   c. Save the Date-Blue Diamond Ball
   d. Alumni Update
   e. Q4 Dashboard to 6-12-24
   f. WSU Campaign Presentation
   g. RIDE Rack Card (1)
   h. RIDE Rack Card (2)
   i. RIDE Annual Report 2023-24
   j. MarComm BoT June 24
4. **Academic Affairs Committee:**
   a. Draft Minutes of April 25, 2024
   b. Letter of Intent. MBA
   c. Motion - Master of Business Administration (MBA)
   d. Letter of Intent. Psychiatric Mental Health Nurse Practitioner
   e. Motion – Master of Psychiatric Mental Health Nurse Practitioner
5. **Financial Affairs Committee:**
   a. Minutes 4-25-24 (Draft)
   b. Motion – Outstanding Debts Policy (0150)
   c. Outstanding Debts Policy (Clean)
   d. Outstanding Debts Policy (Track Changes)
   e. Motion – New Investment Accounts
   f. Motion – FY25 Provisional Operating Budget
   g. FY25 Provisional Operating Budget
   h. Strategic Investments
   i. FY24 Sponsorships
   j. Annual Charter Review
6. **Audit Committee:**
   a. Minutes 4-25-24 (Draft)
   b. Financial Audit Services for FY24 (Planning Presentation)
   c. Internal Audit Report (Grants Office)
   d. Motion – Internal Audit Services
   e. FY25 Internal Audit(s)
   f. 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 meeting held on June 20, 2024.

_____ _____

Dr. Gloria Williams, Secretary Date

Board of Trustees

Special Meeting

August 9, 2024
8:00 am – 5:00 pm

The Starting Gate at Greathorse
128 Wilbraham Road, Hampden, Massachusetts

Board Members Present: Board Chair Ali Salehi, Vice Chair Melissa Alvarado, Secretary Dr. Gloria Williams, Members Paul Boudreau, Daniel Currier, Theresa Jasmin and George Gilmer.

Members Excused: Madeline Landrau, Tessa Lucey, Chris Montemayor, and William Reichelt.

Also present were Westfield State University President Dr. Linda Thompson, Provost Dr. William Salka, Dean of the School of Health, Natural Sciences and Human Services, Dr. Ziblim Abukari; Institutional Advancement Vice President Ms. Lisa McMahon; Vice President of Enrollment Management & Student Affairs, Dr. Kevin Hearn; Vice President of Administration & Finance Stephen Taksar; Chief of Staff and Special Assistant to the President on University Strategies, Dr. Michael Freeman; Director of Athletics, Richard Lenfest; Special Assistant to the President for Community and Governmental Affairs, Timothy Rooke; Dean of Division of Graduate and Continuing Education, Dr. Nora Padykula and special guest, Dr. Richard Freeland.

Board Chair Ali Salehi called the meeting to order at 8:45 AM and welcomed all in attendance. He provided those in attendance with updates as to the ongoing work the Trustees are conducting including Dr. Thompson's Presidential evaluation, and the Board's status on empty seats.

Dr. Thompson introduced special guest and presenter, Dr. Richard Freeland and the retreat's main topic of discussion, strategic planning, where are we now?

Dr. Michael Freeman presented the Board with background of the Strategic Planning Committee 2025-2030, who was on the committee, utilizing SME Strategy Management Consulting, and a session overview.

Dr. Kevin Hearn addressed the Board of Trustees by elaborating on the planning committee meetings. There were nine (9) in-person meetings open to the public called "caffeinated conversations" and three (3) through zoom. He dissected how the meetings progressed in forming four (4) strategic goals.

Dr. Thompson then educated the Board on the three (3) contexts for planning; report of Strategic Planning Committee, requirements of NECHE Reaccreditation, requirements of Department of Higher Education. She then explained in depth the four (4) strategic planning goals.

The final presentation by special guest Dr. Richard Freeland, focused on NECHE. What is NECHE, and timeline for their assessments. He also discussed the Massachusetts Department of Higher Education, performance measuring system, and four (4) key challenges; enrollment planning, financial planning, assessment, and workforce development planning.

All guests present separated in to four (4) groups and were assigned topics; enrollment planning, financial planning, assessment, and workforce development planning.

Each group discussed the following;

<u>Assessment</u>

- The four (4) areas NECHE is concerned
- Major accredited programs
- Tracking student success
- CARE Center
- Cost free retention ideas
- Six (6) cost free student retention ideas
    1. Dual Advising program
    2. Starfish Program – focuses on struggling students
    3. CARE center underutilized – moving into Parenzo
    4. WSU 360
    5. Westfield in Four – course planning for first-year students
    6. Training on Student Support Offices for all Administrative Assistants

<u>Enrollment Planning</u>

- Admissions rates
- Career focus
- Partnerships with businesses
- Survey students more often
- Marketing more
- Detailed website

<u>Financial Planning</u>

- Need multi-year plan
- Revamped allocation
- Cultivate financial stewardship
- Refinance budget to today's standards
- Deferred maintenance
- Unspent dollars reallocated
- Transparency of financial resources

<u>Workforce Planning</u>

- 5X more likely to move out of poverty with a Bachelor's degree
- A degree is an investment
- DCGE pathways towards skipping a Bachelor's degree for Master's degree

- Co-op
- Workforce experience for credits

There being no further business, **MOTION** made to adjourn the meeting. There being no discussion, **motion passed unanimously**. Meeting adjourned at 3:45 p.m.

Attachment(s):

a. Strategic Plan Update Presentation
b. Dr. Freeland's Presentation
c. Strategic Plan Goal Setting
d. Strategic Plan Executive Summary
e. SPC Master Document
f. Economic Impact Analysis

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, Audit Committee meeting held on April 25, 2024.

_____ _____

Wiliam Reichelt, Vice Chair Date

Dr. Linda Thompson

President

Board of Trustees, October 23, 2024

Westfield
STATE UNIVERSITY

A Successful Homecoming!



Thanks to the Homecoming Committee and everyone involved in making this one of the best Homecoming celebrations at

Westfield State.

New member of Board of Trustees



Welcome,

Michael O’Rourke to the Westfield State University Board of Trustees.

Strategic Plan

The vice presidents, after review
from the Board of Trustees
are working with these themes
that will ultimately comprise the plan.

- Foster and Celebrate a Campus Culture of Belonging and Pride;
- Optimize Value for All;
- Cultivate Financial Stewardship and;
- Enhance a Dynamic Community of Engaged Scholars who use Scholarship for Applied Research, Creative Activity and Innovation.

In January, we will report on four areas of improvement outlined by the NECHE visiting team.

- Continuing to create a comprehensive approach to assessment with particular emphasis on program review and closing achievement gaps;
- Connecting strategic planning with resource allocation;
- Implementing plans to achieve enrollment goals; and
- Implementing a revised general education core.



What Makes Our General Education Special?







W – Westfield's
I – Integrative
S – Student
E – Experience



Growing our Honors Program



Dr. Hillary Sackett-Taylor elected vice president of Northeast Regional Honors Council.

‘Swiftology’ arrives at Westfield State





Dr. Christopher Gullen interviewed on MassAppeal.

Showcasing our Knowledge



Dr. H. Zahra Caldwell participated in

"Celebration: A Black Revolutionary Artist and All That it Implies," at the Brooklyn Museum

Inclusive Postsecondary Education

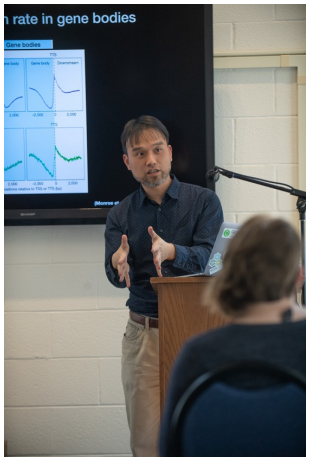


Dr. Lyndsey Nunes has been awarded the Debra Hard Award for Inclusive Higher Education Advocacy.








rate in gene bodies




CLOSING REMARKS
LINE OF LEGACY
Westfield

Is Pursing Actuarial Science Risky?

Not for Austin Lourake, a senior and an honor student with a double major in math and economics.

Austin already has a job lined up after graduation.



Dedicated to Leadership, Accounting



Daniel Currier is Student Representative on the Board of Trustees and has worked as an intern at the Office of the Comptroller of the Commonwealth.



The ever-changing landscape of higher education

By embracing trends, accepting change, and offering a 21st century educational product, we can reach more and more students who are driven to find their niche in the world.








eld State University






WESTFIELD STATE UNIVERSITY
FOUNDED 1839 BARRE, MASSACHUSETTS

Thank you

Student Trustee Report

October 23, 2024

Trustee Daniel Currier '25

Westfield
STATE UNIVERSITY

Campus Life Update



- Welcoming the Class of 2028
  - Successful NSO & Welcome Week events
- Club & Involvement Fair
  - 50+ registered student organizations
  - 20+ organizations in pipeline for recognition
- Strong Showing in Athletics
- Positive Feedback on Dining



Remembering 9/11

- Organized by the Office of Veteran & Military Services and the Student Government Association.
- Moments of silence held along with opportunities to write tributes.
- Community members climbed the equivalent of over 600 flights of stairs in honor of the victims.





A Focus on Civic Engagement

- Voter Registration Events
  - Underway This Week!
- Legislative Breakfast
  - Planning In-Progress
  - Aim to use this opportunity to underscore the need to address deferred maintenance to lawmakers.
- Collaboration w/ Student Advisory Council



SGA Projects

- Common Hour Policy
  - New proposal being submitted prior to November 1st governance meeting.
- A Focus on Accessibility
  - Working with students and Facilities on physical accessibility improvements.
- Constitutional Review
  - Reviewing changes to our Constitution that will improve processes and align with current practices.








Westfield
STATE UNIVERSITY

COMMONWEALTH HONORS PROGRAM

AT WESTFIELD STATE UNIVERSITY

LEARNERS. LEADERS. CHANGE-MAKERS.

NATIONALLY RECOGNIZED

Honors education ignites passion for lifelong learning and encourages student creativity, collaboration, and leadership in the classroom and beyond. It is characterized by in-class and extracurricular activities that are measurably **broader, deeper, or more complex** than comparable learning experiences typically found at institutions of higher education. Honors curriculum serves as a **laboratory for inventive and experiential education** that can be implemented in the traditional classroom. Honors experiences include a **distinctive learner-directed environment and philosophy,** provide opportunities that are appropriately tailored to fit the institution's culture and mission, and frequently occur within a **close community of students and faculty.**



NATIONAL COLLEGIATE HONORS COUNCIL



NORTHEAST REGIONAL HONORS COUNCIL



COMMONWEALTH HONORS COUNCIL

LEADERSHIP TIMELINE

2018 — **HONORS PROGRAM FACULTY FELLOW**

- developed the Honors Peer Mentoring Program

2019 - 2021 — **HONORS PROGRAM ASSISTANT DIRECTOR**

- created HNRS course prefix
- developed and taught HNRS0101: Honors Discovery Seminar and HNRS0201: Commonwealth Honors Project Seminar
- expanded community service partnerships

2022 - PRESENT — **HONORS PROGRAM DIRECTOR**

- defined Honors Program Value Pillars and revised admissions criteria/process
- designed and facilitated Annual Honors Spring Symposium (academic conference)
- collaborated across units to diversify Honors Advisory Committee membership to include alumni, support staff, and Residential Life (Honors LLC) Director
- secured a President's Innovation Grant to expand curricular and co-curricular programming, including the creation of Honors Alternative Spring Break

HONORS PROGRAM VALUE PILLARS



We strive for academic excellence, promote intellectual curiosity, and empower students to become lifelong learners.

We promote positive change in our communities, embrace collaboration, and leave an impact through service.

We value diversity in all its forms and create a welcoming community that promotes equity and social justice.



PROGRAM BENEFITS

The Commonwealth Honors Program at Westfield State University supports students who are motivated to get more out of their college experience by providing **academic and professional enhancement** opportunities.



SCHOLARSHIP

Honors students in good standing receive an annually renewable scholarship beginning at $750. Students can earn increases to their Honors scholarship by engaging with Honors programming outside of the classroom!



PRIORITY ADVISING & REGISTRATION

Honors students in good standing have first access to advising and course registration every semester. Honors students should be able to get their ideal class schedule, making room for other academic enhancements!



HONORS CLASSES

Honors classes are smaller, giving each student more 1:1 access to the professor. Smaller classes also enable the professor to utilize more hands-on, student-centered approaches that are often project-based!



PROFESSIONAL DEVELOPMENT

The Honors Program hosts guest speakers, facilitates workshops, and takes students to conferences. Students have the opportunity to build their resume with professional development and network with people in their field.



HONORS COMMUNITY

Honors residential students can apply to live in the Honors Living and Learning Community in University Hall. Students enjoy suite-style living arrangements, receive academic mentoring, and participate in guided study groups. The Student Honors Association (SHA) plans social events and field trips.

GPA REQUIREMENTS

3.3

GOOD STANDING

Students must maintain an overall GPA of 3.30 or higher to have good standing in the program and continue receiving all of the program benefits.

3.0

HONORS PROBATION

Students with an overall GPA between 3.0 and 3.30 are on Honors probation. Students on Honors probation are required to meet with the Program Director for additional advising.

BELOW 3.0

NO LONGER ELIGIBLE

Students with an overall GPA below a 3.0 are no longer eligible to receive Honors program benefits. If the student gets their GPA back up, they can apply for readmission.

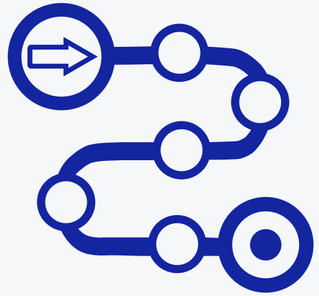
ACADEMIC PROGRAM REQUIREMENTS

24 CREDITS OF HONORS EXPERIENCES



HONORS SEMINARS

(6 CREDITS)



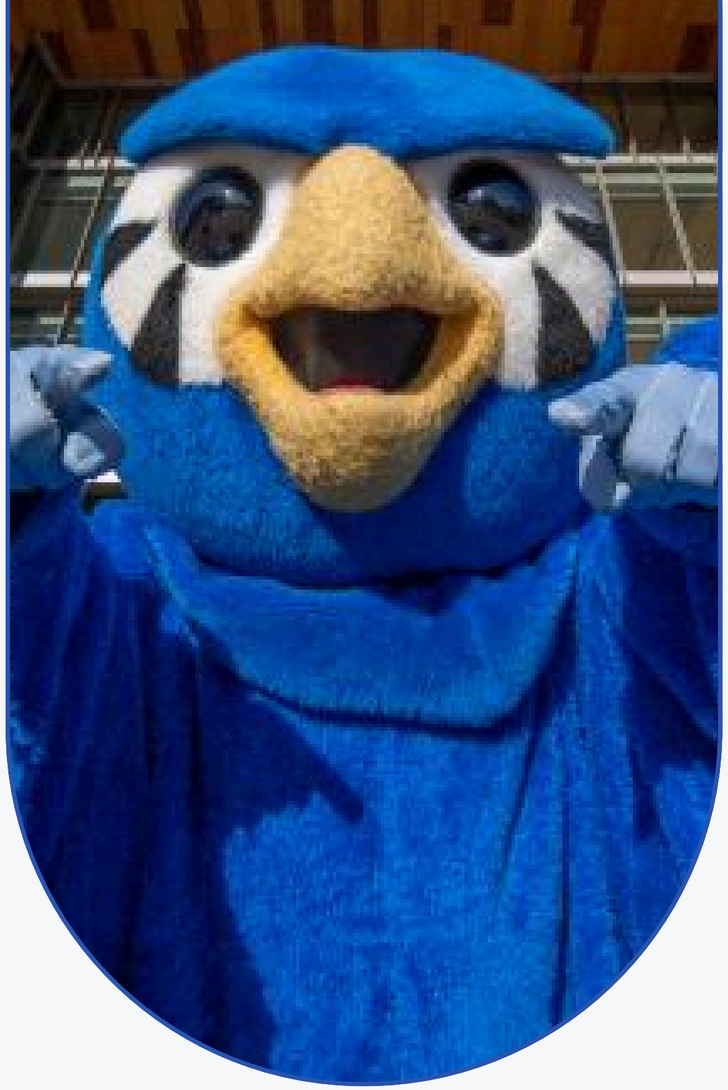
COMMONWEALTH HONORS PROJECT

(6 CREDITS)



HONORS LEARNING EXPERIENCES

(12 CREDITS)



HONORS SEMINARS

Students in the Commonwealth Honors Program are required to complete three Honors seminars, totaling 6 academic credits.

HNRS 0101 - HONORS DISCOVERY SEMINAR

- The Honors Discovery Seminar is taken by all Honors students in the first semester in the program. This course orients students to the program value pillars and supports their academic and professional success.

HNRS 0201 - COMMONWEALTH HONORS PROJECT SEMINAR

- The Commonwealth Honors Project Seminar is taken by all Honors students in their second or third year, depending on their project timeline. This course orients students to the Commonwealth Honors Project manual and supports the development of their project topic and logistical requirements.

HNRS 0301 - HONORS EXPLORING COMPLEX ISSUES

- The Honors Exploring Complex Issues Seminar is taken by all Honors students in their second, third, or fourth year. These courses vary thematically from semester to semester and also carry credits in General Education.





COMMONWEALTH HONORS PROJECT

All Honors students complete a **two-semester research or creative project under the direct mentorship of a faculty member of their choice.** The Commonwealth Honors Project provides a unique opportunity for the student to take a **deep dive into a topic they are passionate about.** Upon completion of the project, all students present their work at our **on-campus Honors Conference** (Fall Forum or Spring Symposium). Many students will also present their work at disciplinary conferences, or work with their faculty mentor to publish their work.

HONORS LEARNING EXPERIENCES

01 HONORS SECTIONS IN GENERAL EDUCATION

02 HONORS COURSE BY CONTRACT

03 HONORS COMMUNITY ENGAGEMENT & LEADERSHIP

04 HONORS ALTERNATIVE SPRING BREAK







HONORS COMMUNITY ENGAGEMENT AND LEADERSHIP



PEER MENTOR*



LLC ACADEMIC ADVISOR*

NEWSLETTER EDITOR



SOCIAL MEDIA MANAGER*



COMMUNITY SERVICE COORDINATOR*

HONORS ALTERNATIVE SPRING BREAK

MARCH 9 - 15, 2025

ENVIRONMENTAL SUSTAINABILITY NEW ORLEANS

HNRS0390: Honors Alternative Spring Break
(3 credits) Hybrid semester course taught by Dr. Sackett-Taylor



Who is Eligible?
All Honors students in good standing

What Does It Cost?
$3,000 program fee; includes:

- Airfare
- Housing (Hostel)
- Meals
- Local Transportation
- Service Project Materials
- Cultural Excursions
- Free Time to Explore!



How Can I Pay?

- Payment Plan
- Financial Aid*
- Scholarships Available!



When is the Deadline to Apply?

- October 1st

President's Innovation Grant

AY 2024-2025



ADDRESSING RESOURCES

In 2021 the Honors operating budget was cut from $21K to $9K. Our external program review team noted that WSU's Honors Program now has the lowest per student budget in the state system ($27/student).

GRANT ALLOCATION

- **Professional Development**
  - NCHC Strategic Planning and Program Review
  - Annual NCHC Conference (Kansas City, MO)
- **Recruitment and Retention**
  - Brand new website design (summer contract)
  - Collaboration with Enrollment Management
- **Enhanced Student Experience**
  - Honors Orientation (City as Text)
  - Expert-led Workshops
  - Guest Speakers
  - Community Service Activities

VISION FOR THE FUTURE

The Commonwealth Honors Program at Westfield State University strives to be a leader in honors education by creating a positive learning environment that promotes academic growth, personal development, and social responsibility. We offer an exceptional educational experience and encourage student empowerment and transformation, leading our graduates to successful careers in industries critical to the prosperity of the Commonwealth of Massachusetts and the Northeast Region.

- Raise the profile of the Commonwealth Honors Program at Westfield State University, leveraging our strengths, to meet enrollment and retention goals.
- Secure resources to sustain curricular and co-curricular initiatives which enhance the student experience and the reputation of our program in the region.
- Align the organizational structure to strengthen synergies between programs which promote academic excellence, exceptional achievement, and leadership.

Follow us on Social Media!









Westfield STATE UNIVERSITY

Board of Trustees

October 23, 2024

MOTION

To approve the revised University Business Expenses and Petty Cash Funds Policy (0300), as presented.

Ali R. Salehi, Chair

Date

UNIVERSITY BUSINESS EXPENSES

PURPOSE

To define Westfield State University business expenses not pertaining to travel, provide a policy for timely reimbursement of expenses incurred on behalf of the University, and to meet auditing requirements.

DEFINITIONS

"University business expenses" refers to expenditures made on behalf of the University for reasonable business purposes.

"Reimbursable University business expenses" refers to expenditures made on behalf of the University for which the individual is entitled to reimbursement.

"Petty Cash Funds" refers to reimbursable expenditures made from an approved University cash-on-hand account that is maintained specifically to cover allowable, small dollar amount expenditures where reimbursement is made to make the petty cash account whole.

"Allowable" refers to those expenditures allowed under University policies.

POLICY

A. Statement

1. University business expenses must comply with all applicable statutes, regulations, policies, and procedures which include, but are not limited to, the Board of Higher Education – Standards for the Expenditures of Trust Funds.
    a. The purchase of gift cards is specifically prohibited.

2. It is University policy to make payment/reimbursements for allowable expenses incurred on behalf of the University documented by original, itemized receipts. An **original** itemized receipt identifying the vendor, what was obtained, date, detailed cost, and purpose of expense, is required.

3. To request reimbursement, the **Authorization-to-Pay form** must be submitted with the **original** receipts attached. (Reimbursement for travel-related expenses requires a **Travel Reimbursement form** and cannot be charged to any petty cash funds.)

4. The University is exempt from paying sales tax and sales tax on meals and therefore does not normally reimburse for this component of an expense. Employees and students making purchases on behalf of the University must make every reasonable effort to avoid paying sales tax and sales tax on meals by presenting our Form ST-2 Certificate of Exemption to each vendor. This certificate is widely available – it is given to all campus constituents who request use of University retailer-specific procurement cards, and it is also available in the Documents site on myWestfield. This tax-exempt certificate must only be used for University business purposes. Any other use is considered fraudulent.

B. Controls

1. Reimbursement Timeliness:

a. Requests for reimbursement must be received by the Financial Accounting office within 45 calendar days of the expense with one exception for year-end expenditures. Expenses not submitted with proper documentation within 45 days of incurrence will not be reimbursed by the University.

b. Fiscal year-end (June) expenditures must be submitted no later than the third week of July as announced by Financial Accounting each year, in order to guarantee reimbursement. To avoid problems with year-end reimbursements, expenditures should be planned well in advance of the year-end deadline.

c. The Accounts Payable office will process reimbursements within 10 business days of receipt.

2. Business Meals:

a. Meals are considered a business expense only when they are part of a meeting or activity with a non-University associate and when a clear and specific business discussion takes place. An example of a business meal is taking a candidate for employment to dinner during the interview process. A **Business Meals form**, found on the Documents site of myWestfield, is required for each meal. An **original** itemized receipt is required. Gratuities are limited to 20%.

b. A reasonable cost of meals for official University-sponsored events may be permitted based on moderate limits established by the Board of Trustees. All such expenditures must include the purpose and number of attendees.

c. Food and/or beverages for on and off-campus department meetings, retirement gatherings or similar expenses are not permitted.

d. Alcohol is an allowable expense in limited situations 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 for Institutional Advancement are authorized to purchase 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.

3. Equipment

Any equipment purchase made directly by an employee or student cannot be reimbursed. A purchase order must be issued to the vendor for equipment purchases to ensure proper inventory control. This is consistent with the Fixed Assets, Capitalization, and Inventory Control Policy (0601).

4. Contractor/Vendor Business Expenses

Contractors, vendors, and suppliers will only be reimbursed for pre-approved travel and other business expenses in accordance with their signed Contract for Services and all University policies and procedures.

ENFORCEMENT

This policy applies uniformly to all University employees. The Vice President for Administration and Finance will be responsible for consistently enforcing all travel, expense reimbursement, P-Card, and related expense policies.

TRAINING AND COMMUNICATION

The Administration and Finance Division will offer training documents for complying with expense payment policies as needed. Individual, department, or university-wide training sessions will be offered based on demand. Additionally, this policy will be communicated with the campus via email no less than two times per calendar year.

REVIEW

This policy will be reviewed every three years by the Associate Vice President of Finance.

UNIVERSITY BUSINESS EXPENSES ~~AND PETTY CASH FUNDS~~

Commented [A1]: Petty cash is insignificant to this policy and does not need to be included in the name.

PURPOSE

To define Westfield State University business expenses not pertaining to travel, provide a policy for timely reimbursement of expenses incurred on behalf of the University, and to meet auditing requirements.

DEFINITIONS

"University business expenses" refers to expenditures made on behalf of the University for ~~R~~reasonable ~~B~~business ~~P~~purposes.

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"Petty Cash Funds" refers to reimbursable expenditures made from an approved University cash-on-hand account that is maintained specifically to cover allowable, small dollar amount expenditures where reimbursement is made to make the petty cash account whole.

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1. University business expenses must comply with all applicable statutes, regulations, policies, and procedures which include, but are not limited to, the Board of Higher Education – Standards for the Expenditures of Trust Funds.
   ~~1.~~a. The purchase of gift cards is specifically prohibited.

Commented [A2]: Already on the P-Card policy and Taxation policy. This was strongly recommended by our auditors around 2016.

2. It is University policy to make payment/reimbursements for allowable expenses incurred on behalf of the University documented by original, itemized receipts. An **original** itemized receipt identifying the vendor, what was obtained, date, detailed cost, and purpose of expense, is required.

3. To request reimbursement, the **Authorization-to-Pay form** must be submitted with the **original** receipts attached. (Reimbursement for travel-

related expenses requires a **Travel Reimbursement form** and cannot be charged to any petty cash funds.)

4. The University is exempt from paying sales tax and sales tax on meals and therefore does not normally reimburse for this component of an expense. Employees and students making purchases on behalf of the University must make every reasonable effort to avoid paying sales tax and sales tax on meals by presenting our Form ST-2 Certificate of Exemption to each vendor. This certificate is widely available – it is given to all campus constituents who request use of University retailer-specific procurement cards, and it is also available in the Documents site on myWestfield. This tax-exempt certificate must only be used for University business purposes. Any other use is considered fraudulent.

B. Controls

1. Reimbursement Timeliness:

a. Requests for reimbursement must be received by the Financial Accounting office within 45 calendar days of the expense with one exception for year-end expenditures. Expenses not submitted with proper documentation within 45 days of incurrence will not be reimbursed by the University.

b. Fiscal year-end (June) expenditures must be submitted no later than ~~July 15th~~the third week of July as announced by Financial Accounting each year, in order to guarantee reimbursement. To avoid problems with year-end reimbursements, expenditures should be planned well in advance of the year-end deadline.

c. The Accounts Payable office will process reimbursements within ~~30~~ 10 business days of receipt.

2. Business Meals:

a. Meals are considered a business expense only when they are part of a meeting or activity with a non-University associate and when a clear and specific business discussion takes place. An example of a business meal is taking a candidate for employment to dinner during the interview process. A **Business Meals form**, found on the Documents site of myWestfield, is required for each meal. An **original** itemized receipt is required. Gratuities are limited to 20%~~.~~.

b. A reasonable cost of meals for official University-sponsored events may be permitted based on moderate limits established by the Board of

Trustees. All such expenditures must include the purpose and number of attendees.

c. Food and/or beverages for on and off-campus department meetings, retirement gatherings or similar expenses are not permitted.

d. Alcohol is an allowable expense in limited situations 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 for Institutional Advancement ~~and Major Gift Officers~~ are authorized to purchase 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.

Commented [A3]: Updated to mirror the Travel policy.

3. Equipment

Any equipment purchase made directly by an employee or student cannot be reimbursed. A purchase order must be issued to the vendor for equipment purchases to ensure proper inventory control. This is consistent with the Fixed Assets, Capitalization, and Inventory Control Policy (0601).

4. Contractor/Vendor Business Expenses

Contractors, vendors, and suppliers will only be reimbursed for pre-approved travel and other business expenses in accordance with their signed Contract for Services and all University policies and procedures.

ENFORCEMENT

This policy applies uniformly to all University employees. The Vice President for Administration and Finance will be responsible for consistently enforcing all travel, expense reimbursement, P-Card, and related expense policies.

TRAINING AND COMMUNICATION

The Administration and Finance Division will offer training documents for complying with expense payment policies as needed. Individual, department, or university-wide training sessions will be offered based on demand. Additionally, this policy will be communicated with the campus via email no less than two times per

calendar year.

Commented [A4]: This would make the most sense to occur at the start of each semester, and then more often if necessary.

REVIEW

This policy will be reviewed ~~bi-annually~~every three years by the Associate Vice President of Finance.

Westfield STATE UNIVERSITY

Board of Trustees

October 23, 2024

MOTION

To approve the revised Administration and Control of Petty Cash and Cash Receipts Policy (0400), as presented.

Ali R. Salehi, Chair

Date

PETTY CASH FUNDS AND CASH RECEIPTS

PURPOSE

The purpose of this policy is for Westfield State University to establish controls concerning the use of petty cash funds, and overall handling of cash by all departments; communicate expectations; and encourage ethical practices, socially responsible behavior, and overall fiscal responsibility.

POLICY

The petty cash system is only to be used for small, urgent purchases or reimbursements of such purchases. Petty cash may also be authorized for use as a change fund, where a department is collecting cash receipts on a regular basis. Departments requiring the use of petty cash funds must request funds from the Financial Accounting department. The Associate Vice President of Finance will review all relevant information and at their discretion, approve or deny each request. The Financial Accounting department must provide justification for denial in writing.

In accordance with M.G.L. c. 30 § 27, as well as the Cash Recognition and Reconciliation policy of the Commonwealth of Massachusetts, all cash must be deposited on the next business day following receipt.

INAPPROPRIATE USAGE

Petty cash must never be used for:

1. Employee travel;
2. Payment of invoices made out to Westfield State University or to reimburse an individual who has paid such an invoice;
3. Wages, stipends, or honoraria;
4. Purchases costing over $200; or
5. Instances where the department has an established account at a business; the purchase should be charged on that account rather than using petty cash.

PROCEDURES

I. PETTY CASH

A. REQUEST AND ESTABLISHMENT

1. Departments requiring the use of petty cash funds must complete the **Petty Cash Request Form** for submission to the Associate Vice President of

Finance. The form must include all relevant details including the name of the benefitted employee who will be the official custodian and administrator of the funds, the amount required, and a detailed explanation of the necessity for petty cash and examples of use. The form must be signed by the department head and approved by the appropriate division vice president or Department Head Signatory Authority (DHSA). Signatures also acknowledge agreement and adherence to this policy.

2. If the request is approved, a copy of the form will be returned to the department head marked as such. The department must then submit an authorization-to-pay form (ATP) to the Accounts Payable office signed by the department head and DHSA. Custodian name and amount requested must match the Petty Cash request. A check will then be issued to the custodian. All checks must be cashed immediately. Once cashed, funds must be secured on campus within the same business day.

B. REPLENISHMENT

At all times, the sum of receipts and cash-on-hand must equal the original amount of the department's petty cash fund. All requests for fund replenishment must be accompanied by original itemized receipts and an ATP form within forty-five (45) days of incurrence of the expense(s). ATP forms must include the proper account code(s) and amount(s) to be charged. In addition, budgets must be checked to ensure that there are sufficient funds for replenishment. Personal and petty cash purchases must never be co-mingled on the same receipt. Replenishment checks are made out to the official custodian on record with Financial Accounting. All checks must be cashed immediately. Once cashed, funds must be secured on campus within the same business day. To be secured, funds must be kept within a locked box enclosed in a locked cabinet, or a similar but equally secure method. Access must be restricted to authorized employees.

C. ANNUAL RECALL

Prior to the end of the fiscal year, the Financial Accounting department will contact applicable custodians to recall petty cash funds. All cash-on-hand must be turned in accompanied by original itemized receipts and a listing of amounts to be charged to account codes. Departments whose business needs do not allow them to be without petty cash during the approximately four-week closing period can make other arrangements by contacting the Associate Vice President of Finance.

D. RE-ESTABLISHMENT

Once the new fiscal year has commenced, the department must submit to the

Associate Vice President of Finance an Authorization-to-Pay form showing the dollar amount, the petty cash custodian's name and the date the check is needed; this form must be approved by the department head and the DHSA.

II. CASH HANDLING

A. SECURITY AND RECONCILIATION

All funds must be secured (locked up) at all times when not in use. While in use, cash must be kept reasonably secure. Examples of reasonable security include the use of a locking cash box or cash register machine. All departments must keep a log of transactions which must be reconciled daily. Whenever feasible, cash duties must be separated. Tasks including collecting cash, making deposits, and reconciliations cannot be performed by a single employee. At minimum, a supervisor must review all tasks and approve all reconciliations. All variances must be immediately reported to the Financial Accounting department, per Policy 0490: Unaccounted for Variances, Losses, Shortage or Theft of Funds or Property Reporting.

B. DEPOSITS

Departments must never retain excess cash (or checks). All funds in excess of authorized petty cash amounts must be deposited at the department of Student Accounts within one business day of collection, per Commonwealth policy.

C. MAKING CHANGE FROM LARGER BILLS

When necessary, departments can make change to obtain smaller bills and coins in their petty cash funds, only utilizing the following methods:

1. By placing a change request in their locked, daily deposit bag; or
2. From a local banking institution.

In all cases, funds must be kept secure at all times, and change-making transactions must be completed during a single business day. All change-making transactions must be logged and documented so that the sum of receipts and cash-on-hand equals the original amount of the department's petty cash fund at all times.

INTERNAL CONTROL

The Financial Accounting department will maintain a list of departments and amounts of petty cash funds in their care. Financial Accounting staff will regularly audit petty cash funds on a quarterly basis or more often if necessary. The Financial Accounting

department reserves the right to additionally audit any petty cash funds without prior notice and/or to revoke petty cash funds due to inappropriate use or procedural violation.

TRAINING AND COMMUNICATION

The Financial Accounting department will offer training documents for complying with this policy and procedures as needed. Individual, department, or university-wide training sessions will be offered based on demand. Additionally, this policy will be communicated with the campus via email no less than two times per calendar year.

REVIEW

This policy will be reviewed every three years by the Associate Vice President of Finance.

APPROVED: September 1999 REVIEWED: ~~December 2015~~October 2024

~~ADMINISTRATION AND CONTROL OF~~ PETTY CASH FUNDS AND CASH RECEIPTS

Commented [SS1]: Name is too lengthy in my opinion which can be confusing to departments. Administration and control are implied by it being a policy.

PURPOSE

The purpose of this policy is for Westfield State University to establish controls concerning the use of petty cash funds, and overall handling of cash by all departments; communicate expectations; and encourage ethical practices, socially responsible behavior, and overall fiscal responsibility.

POLICY

The petty cash system is only to be used for small, urgent purchases or reimbursements of such purchases. Petty cash may also be authorized for use as a change fund, where a department is collecting cash receipts on a regular basis. Departments requiring the use of petty cash funds must request funds from the Financial Accounting ~~office~~department. The Associate Vice President of Finance will review all relevant information and at their discretion, approve or deny each request. The Financial Accounting ~~office~~ department must provide justification for denial in writing.

In accordance with M.G.L. c. 30 § 27, as well as the Cash Recognition and Reconciliation policy of the Commonwealth of Massachusetts, all cash must be deposited on the next business day following receipt.

INAPPROPRIATE USAGE

Petty cash must never be used for:

1. Employee travel;
2. Payment of invoices made out to Westfield State University or to reimburse an individual who has paid such an invoice;
3. Wages, stipends, or honoraria;
4. Purchases costing over $200; or
5. Instances where the department has an established account at a business; the purchase should be charged on that account rather than using petty cash.

PROCEDURES

I. PETTY CASH

A. REQUEST AND ESTABLISHMENT

1. Departments requiring the use of petty cash funds must complete the **Petty Cash Request Form** for submission to the ~~Financial Accounting office~~Associate Vice President of Finance. The form must include all relevant details including the name of the benefitted employee who will be the official custodian and administrator of the funds, the amount required, and a detailed explanation of the necessity for petty cash and examples of use. The form must be signed by the department head and approved by the appropriate division vice president or Department Head Signatory Authority (DHSA). Signatures also acknowledge agreement and adherence to this policy.

2. If the request is approved, a copy of the form will be returned to the department head marked as such. The department must then submit an authorization-to-pay form (ATP) to the Accounts Payable office signed by the department head and ~~division vice president~~DHSA. Custodian name and amount requested must match the Petty Cash request. A check will then be issued to the custodian. All checks must be cashed immediately. Once cashed, funds must be secured on campus within the same business day.

B. REPLENISHMENT

At all times, the sum of receipts and cash-on-hand must equal the original amount of the department's petty cash fund. All requests for fund replenishment must be accompanied by original itemized receipts and an ATP form within forty-five (45) days of incurrence of the expense(s). ATP forms must include the proper account code(s) and amount(s) to be charged. In addition, budgets must be checked to ensure that there are sufficient funds for replenishment. Personal and petty cash purchases must never be co-mingled on the same receipt. Replenishment checks are made out to the official custodian on record with Financial Accounting. All checks must be cashed immediately. Once cashed, funds must be secured on campus within the same business day. To be secured, funds must be kept within a locked box enclosed in a locked cabinet, or a similar but equally secure method. Access must be restricted to authorized employees.

C. ANNUAL RECALL

Prior to the end of the fiscal year, the ~~Associate Vice President of Finance will issue a memo~~Financial Accounting department will contact applicable custodians to recall~~ing~~ petty cash funds. All cash-on-hand must be turned in accompanied by original itemized receipts and a listing of amounts to be charged to account codes. Departments whose business needs do not allow them to be without petty cash during the approximately four-week closing period can make other arrangements by contacting the Associate Vice President of Finance. ~~If it is determined that the department cannot be without petty cash during the closing period, Financial Accounting staff will perform a random audit of the department's petty cash fund.~~

Commented [SS2]: This is redundant as we already audit quarterly including in May or June right before most departments turn in their cash.

D. RE-ESTABLISHMENT

Once the new fiscal year has commenced, the department must submit to the Associate Vice President of Finance an Authorization-to-Pay form showing the dollar amount, the petty cash custodian's name and the date the check is needed; this form must be approved by the department head and the ~~division vice president~~DHSA.

II. CASH HANDLING

A. SECURITY AND RECONCILIATION

All funds must be secured (locked up) at all times when not in use. While in use, cash must be kept reasonably secure. Examples of reasonable security include the use of a locking cash box or cash register machine. All departments must keep a log of transactions which must be reconciled daily. Whenever feasible, cash duties must be separated. Tasks including collecting cash, making deposits, and reconciliations cannot be performed by a single employee. At minimum, a supervisor must review all tasks and approve all reconciliations. All variances must be immediately reported to the Financial Accounting ~~office~~department, per Policy 0490: Unaccounted for Variances, Losses, Shortage or Theft of Funds or Property Reporting.

B. DEPOSITS

Departments must never retain excess cash (or checks). All funds in excess of authorized petty cash amounts must be deposited at the ~~office~~ department of Student Accounts within one business day of collection, per Commonwealth policy.

C. MAKING CHANGE FROM LARGER BILLS

When necessary, departments can make change to obtain smaller bills and coins in their petty cash funds, only utilizing the following methods:

1. By placing a change request in their locked, daily deposit bag; or
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INTERNAL CONTROL

The ~~Associate Vice President of Finance~~Financial Accounting department will maintain a list of departments and amounts of petty cash funds in their care. Financial Accounting staff will regularly audit petty cash funds on a quarterly basis or more often if necessary. The Financial Accounting ~~office~~ department reserves the right to additionally audit any petty cash funds without prior notice and/or to revoke petty cash funds due to inappropriate use or procedural violation.

Commented [SS3]: This is the current practice.

TRAINING AND COMMUNICATION

The Financial Accounting department will offer training documents for complying with this policy and procedures as needed. Individual, department, or university-wide training sessions will be offered based on demand. Additionally, this policy will be communicated with the campus via email no less than two times per calendar year.

Commented [SS4]: Added to mirror Policy 0300 Business Expenses

Commented [A5]: This would make the most sense to occur at the start of each semester, and then more often if necessary.

REVIEW

This policy will be reviewed ~~annually~~ every three years by the Associate Vice President of ~~Administration and~~ Finance.

Commented [SS6]: Removed petty cash request form as we have done with other policies.

Westfield STATE UNIVERSITY

Board of Trustees

October 23, 2024

MOTION

To approve the revised Unaccounted for Variances, Losses, Shortage or Theft of Funds or Property Reporting Policy (0490), as presented.

Ali R. Salehi, Chair

Date

UNACCOUNTED FOR VARIANCES, LOSSES, SHORTAGE OR THEFT OF FUNDS OR PROPERTY REPORTING

PURPOSE

Internal control procedures within state agencies are governed by Chapter 647 of the Acts of 1989. The law established the minimum level of quality acceptable for internal control systems for state agencies of the Commonwealth.

This law also requires that all unaccounted variances, losses, shortage or thefts of funds or property be immediately reported to the Office of the State Auditor.

POLICY

To ensure that all departments are in compliance with the requirement for reporting unaccounted variances, losses, shortage or thefts of funds or property to the Office of the State Auditor.

PROCEDURES

A. Supervisor Responsibilities

All supervisors are to report any unaccounted for variances, losses, shortages or thefts of property to their respective division vice president on the proper form. In turn, the division vice president will forward the form with any accompanying reports to the Office of the Vice President for Administration and Finance which will complete and submit the online form at the Office of the State Auditor webpage.

B. Form – Report on Unaccounted Variances, Losses, Shortages, or Thefts of Funds or Property.

The official university form to report such occurrences is entitled **Policy 0490 Reporting Form**. It can be found on the myWestfield Documents and Policies SharePoint.

C. Internal Control Resources

Internal controls are in place to prevent variances, losses, shortages, and thefts, and are monitored by using various university computerized accounting and student systems, such as Banner. The university also maintains Internal Control Plans, both University-wide and department-

specific. These plans are available on the myWestfield Documents and Policies SharePoint.

TRAINING AND COMMUNICATION

The Financial Accounting department will offer training documents for complying with this policy as needed. Individual, department, or university-wide training sessions will be offered based on demand. Additionally, this policy will be communicated with the campus via email no less than two times per calendar year.

REVIEW

This policy shall be reviewed every three years by the Associate Vice President of Finance.

APPROVED: May 1995
~~2016~~October 2024

REVIEWED: ~~April~~

UNACCOUNTED FOR VARIANCES, LOSSES, SHORTAGE OR THEFT OF FUNDS OR PROPERTY REPORTING

PURPOSE

Internal control procedures within state agencies are governed by Chapter 647 of the Acts of 1989. The law established the minimum level of quality acceptable for internal control systems for state agencies of the Commonwealth.

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B. Form – Report on Unaccounted Variances, Losses, Shortages, or Thefts of Funds or Property.

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Internal controls are in place to prevent variances, losses, shortages, and

thefts, and are monitored by using various university computerized accounting and student systems, such as Banner. The university also maintains Internal Control Plans, both University-wide and department-specific. These plans are available ~~at the Documents section of~~on the myWestfield Documents and Policies SharePoint.

TRAINING AND COMMUNICATION

The Financial Accounting department will offer training documents for complying with this policy as needed. Individual, department, or university-wide training sessions will be offered based on demand. Additionally, this policy will be communicated with the campus via email no less than two times per calendar year.

Commented [A1]: This would make the most sense to occur at the start of each semester, and then more often if necessary.

REVIEW

This policy shall be reviewed ~~annually~~ every three years by the Associate Vice President ~~for Administration and~~of Finance.

Westfield
STATE UNIVERSITY

Board of Trustees

October 23, 2024

MOTION

To approve the revised Taxation of Gifts, Prizes, and Awards Policy (0603), as presented.

Ali R. Salehi, Chair

Date

Westfield State University
Policy concerning

APPROVED: February 2016

REVIEWED: October 2024

TAXATION OF GIFTS, PRIZES, AND AWARDS

PURPOSE

The purpose of this policy is to ensure that Westfield State University complies with all applicable laws and regulations, communicates expectations, and encourages ethical practices, socially responsible behavior, and fiscal responsibility with regard to the procurement and issuance of university funded gifts, prizes, and awards.

POLICY

Payments made from university funds, or items of value given to employees, are considered compensation subject to federal, state and employment tax withholding, and reporting on Form W-2, unless a specific exemption applies. Payments made or items of value given to students and non-employees are considered gross income to the recipients reportable on Form 1099-MISC, unless a specific exemption applies. Departments are required to provide the Financial Accounting office with identifying information for all recipients of gifts, prizes, and awards.

DEFINITIONS

Employee – Any individual currently performing services at the university which are compensated through the payroll office and receiving a Form W-2 at the conclusion of a calendar year.

Student – Any individual enrolled in a minimum of one course for credit at the time in which a gift, prize, or award is issued.

Non-employee – Any individual not defined as an employee and/or student as described above.

> In the case where an individual defined as a student is also defined as an employee, and vice versa, the circumstances of why a gift, prize, or award was issued will determine the prevailing role for taxation purposes.

Gift – A cash or non-cash item given as a gesture of goodwill or appreciation, or in recognition of, or in connection with a holiday season, or some other purpose not specifically related to regular job performance. Examples may include holiday or birthday gifts.

Award – A cash or non-cash item given to show thanks, support, goodwill, or recognition of an outstanding accomplishment. Examples include achievement in teaching, research, retirement, or other job performance related activity.

Prize – A cash or non-cash item given at random or as a result of chance, not directly related to job or academic performance. Examples include random door prizes and raffles at university sponsored events.

De minimis – A threshold or maximum amount for single item, single event gifts, prizes, and awards where tracking for tax purposes is unreasonable and administratively impractical. The de minimis principle applies only for non-cash or cash equivalent gifts, prizes, and awards which are only given on an occasional basis.

> *Non-functional item* – Any gift, prize, or award which is personalized or engraved, making it unable to be re-sold or used. Such items are deemed only to have sentimental value and no market value; therefore these items qualify as de minimis. Examples of valid items include engraved plaques and floral arrangements. Items composed of valuable metals or materials (e.g. gold or silver) do not qualify as resale is still possible after engraving or personalization.

Single item – A single gift, prize, or award granted to a single individual for a single distinct purpose at a single defined event.

Event – For the purposes of this policy, an event is considered to either be any occasion taking place during one day or a specifically defined occasion that may take place over multiple days.

NON-TAXABLE ITEMS

1. De minimis gifts, prizes, and awards are items valued below $50 and meeting all requirements of the definitions of *de minimis*, *single item*, and *event* stated above.

2. Employee recognition awards given only for length-of-service or safety are not taxable when meeting the following criteria:

    a. They are awarded in a meaningful presentation that emphasizes the purpose of the award.
    b. The value of the award funded by the University may not exceed $400 per year per employee.
    c. Must not be cash or a cash equivalent.
    d. For length-of-service, they must not be granted more frequently than every 5 years.
    e. For safety, they cannot be given to greater than 10% of eligible employees during a calendar year, and managers, administrators, clerical, and professional staff are ineligible for the award.

3. Other items may not be taxable. If there is any question on whether a gift, prize, or award is taxable or not, the department must request that a determination be made by the Associate Vice President of Finance.

PROCEDURES

A. PROCUREMENT

1. Gifts, prizes, and awards are allowed to the extent the expense is reasonable and necessary to carry out the mission of the University. They may not be lavish or extravagant and must comply with any funding source restrictions. This is in accordance with the Trust Fund Guidelines of the Massachusetts Board of Higher Education and of Westfield State University.

2. Proper classification of payments is necessary to differentiate between awards, gifts, prizes, or any other items.

3. All procurement policies and procedures must be followed.

4. The purchase of gift cards/certificates is strictly prohibited.

5. Gifts and awards for student-athletes are additionally governed by NCAA policies. Departments must be in compliance with these policies when completing requisitions to purchase items of this nature.

B. ISSUANCE

1. Gifts, prizes, and awards must not be issued without first collecting identifying information on all recipients.

2. Information must be documented on the **Gift/Prize/Award Reporting Form**. The form is located on the myWestfield Documents and Policies SharePoint. For large quantities of recipients in a single event, a spreadsheet may be attached.

3. All recipients must sign the Gift/Prize/Award form or a log sheet to certify that they received an item.

C. PAYMENT

1. All Gift/Prize/Award forms must be included when submitting Authorization-to-Pay (ATP) forms for purchased gifts, prizes, and awards.

Westfield State University

Policy concerning

APPROVED: February 2016

REVIEWED: October 2024

2. Financial Accounting staff will determine taxability and person status based on the information provided on Gift/Prize/Award forms. Employee information will be forwarded to the Payroll office for entry onto the individual's next paycheck; tax and FICA withholdings will be made. Students and non-employees' information will be entered into the 1099-MISC database of the Banner accounting system. Form 1099-MISC is only issued to individuals with a calendar year total income of at least $600.

EMPLOYEE ACCEPTANCE OF GIFTS

All employees of the University (benefitted and non-benefitted) are considered state employees for the purposes of the Massachusetts Conflict of Interest Law (MGL c. 268A). In accordance with this law, employees may not accept gifts and gratuities valued at $50 or more given to influence their official actions or because of their official position. Exemptions for MGL c. 268A are included in Massachusetts regulations 930 CMR 5.00.

ENFORCEMENT

Identifying information must be provided to the Financial Accounting department so that tax reporting can occur in compliance with the Internal Revenue Code and any state regulations. Violations of this policy will result in a written warning being issued to the department head. Repeated warnings will result in the department having all non-essential purchases frozen for a period of time as determined by the Vice President of Administration and Finance.

TRAINING AND COMMUNICATION

The Financial Accounting department will offer training documents for complying with this policy as needed. Individual, department, or university-wide training sessions will be offered based on demand. Additionally, this policy will be communicated with the campus via email no less than two times per calendar year.

REVIEW

This policy shall be reviewed every three years by the Associate Vice President of Finance.

Westfield State University
Policy concerning

APPROVED: February 2016

REVIEWED: ~~March 2023~~October 2024

TAXATION OF GIFTS, PRIZES, AND AWARDS

PURPOSE

The purpose of this policy is to ensure that Westfield State University complies with all applicable laws and regulations, communicates expectations, and encourages ethical practices, socially responsible behavior, and fiscal responsibility with regard to the procurement and issuance of university funded gifts, prizes, and awards.

POLICY

Payments made from university funds, or items of value given to employees, are considered compensation subject to federal, state and employment tax withholding, and reporting on Form W-2, unless a specific exemption applies. Payments made or items of value given to students and non-employees are considered gross income to the recipients reportable on Form 1099-MISC, unless a specific exemption applies. Departments are required to provide the Financial Accounting office with identifying information for all recipients of gifts, prizes, and awards.

DEFINITIONS

Employee – Any individual currently performing services at the university which are compensated through the payroll office and receiving a Form W-2 at the conclusion of a calendar year.

Student – Any individual enrolled in a minimum of one course for credit at the time in which a gift, prize, or award is issued.

Non-employee – Any individual not defined as an employee and/or student as described above.

> In the case where an individual defined as a student is also defined as an employee, and vice versa, the circumstances of why a gift, prize, or award was issued will determine the prevailing role for taxation purposes.

Gift – A cash or non-cash item given as a gesture of goodwill or appreciation, or in recognition of, or in connection with a holiday season, or some other purpose not specifically related to regular job performance. Examples may include holiday or birthday gifts.

Award – A cash or non-cash item given to show thanks, support, goodwill, or recognition of an outstanding accomplishment. Examples include achievement in

teaching, research, retirement, or other job performance related activity.

Prize – A cash or non-cash item given at random or as a result of chance, not directly related to job or academic performance. Examples include random door prizes and raffles at university sponsored events.

De minimis – A threshold or maximum amount for single item, single event gifts, prizes, and awards where tracking for tax purposes is unreasonable and administratively impractical. The de minimis principle applies only for non-cash or cash equivalent gifts, prizes, and awards which are only given on an occasional basis.

> *Non-functional item* – Any gift, prize, or award which is personalized or engraved, making it unable to be re-sold or used. Such items are deemed only to have sentimental value and no market value; therefore these items qualify as de minimis. Examples of valid items include engraved plaques and floral arrangements. Items composed of valuable metals or materials (e.g. gold or silver) do not qualify as resale is still possible after engraving or personalization.

Single item – A single gift, prize, or award granted to a single individual for a single distinct purpose at a single defined event.

Event – For the purposes of this policy, an event is considered to either be any occasion taking place during one day or a specifically defined occasion that may take place over multiple days.

NON-TAXABLE ITEMS

1. De minimis gifts, prizes, and awards are items valued below $50 and meeting all requirements of the definitions of *de minimis*, *single item*, and *event* stated above.

2. Employee recognition awards given only for length-of-service or safety are not taxable when meeting the following criteria:

    a. They are awarded in a meaningful presentation that emphasizes the purpose of the award.
    b. The value of the award funded by the University may not exceed $400 per year per employee.
    c. Must not be cash or a cash equivalent.
    d. For length-of-service, they must not be granted more frequently than every 5 years.
    e. For safety, they cannot be given to greater than 10% of eligible employees during a calendar year, and managers, administrators, clerical, and

professional staff are ineligible for the award.

3. Other items may not be taxable. If there is any question on whether a gift, prize, or award is taxable or not, the department must request that a determination be made by the Associate Vice President of Finance.

PROCEDURES

A. PROCUREMENT

~~1.~~ Gifts, prizes, and awards are allowed to the extent the expense is reasonable and necessary to carry out the mission of the University. They may not be lavish or ~~extravagant, and~~extravagant and must comply with any funding source restrictions. This is in

1. accordance with the Trust Fund Guidelines of the Massachusetts Board of Higher Education and of Westfield State University.

2. Proper classification of payments is necessary to differentiate between awards, gifts, prizes, or any other items.

3. All procurement policies and procedures must be followed.

4. The purchase of gift cards/certificates is strictly prohibited.

5. Gifts and awards for student-athletes are additionally governed by NCAA policies. Departments must be in compliance with these policies when completing requisitions to purchase items of this nature.

B. ISSUANCE

1. Gifts, prizes, and awards must not be issued without first collecting identifying information on all recipients.

2. Information must be documented on the **Gift/Prize/Award Reporting Form**. The form is located on the ~~Documents site of~~ myWestfield~~: Administration and Finance > Financial Accounting Misc. Forms and Documents~~ Documents and Policies SharePoint. For large quantities of recipients in a single event, a spreadsheet may be attached.

3. All recipients must sign the Gift/Prize/Award form or a log sheet to certify that they received an item.

C. PAYMENT

1. All Gift/Prize/Award forms must be included when submitting Authorization-to-Pay (ATP) forms for purchased gifts, prizes, and awards.

2. Financial Accounting staff will determine taxability and person status based on the information provided on Gift/Prize/Award forms. Employee information will be forwarded to the Payroll office for entry onto the individual's next paycheck; tax and FICA withholdings will be made. Students and non-employees' information will be entered into the 1099-MISC database of the Banner accounting system. Form 1099-MISC is only issued to individuals with a calendar year total income of at least $600.

EMPLOYEE ACCEPTANCE OF GIFTS

All employees of the University (benefitted and non-benefitted) are considered state employees for the purposes of the Massachusetts Conflict of Interest Law (MGL c. 268A). In accordance with this law, employees may not accept gifts and gratuities valued at $50 or more given to influence their official actions or because of their official position. Exemptions for MGL c. 268A are included in Massachusetts regulations 930 CMR 5.00.

ENFORCEMENT

Identifying information must be provided to the Financial Accounting ~~office~~ department so that tax reporting can occur in compliance with the Internal Revenue Code and any state regulations. Violations of this policy will result in a written warning being issued to the department head. Repeated warnings will result in the department having all non-essential purchases frozen for a period of time as determined by the Vice President of Administration and Finance.

TRAINING AND COMMUNICATION

The Financial Accounting department will offer training documents for complying with this policy as needed. Individual, department, or university-wide training sessions will be offered based on demand. Additionally, this policy will be communicated with the campus via email no less than two times per calendar year.

Commented [A1]: This would make the most sense to occur at the start of each semester, and then more often if necessary.

Westfield State University
Policy concerning

APPROVED: February 2016

REVIEWED: ~~March 2023~~October 2024

REVIEW

This policy shall be reviewed every three years by the Associate Vice President of ~~Administration and~~ Finance.

Westfield STATE UNIVERSITY

Board of Trustees

October 23, 2024

MOTION

To approve the FY25 campus budget, as presented, including, but not limited to the following elements: operating budget, capital budget, vehicle lease/purchase program and sponsorships. Further, to authorize the President and/or the Vice President for Administration and Finance to make budget adjustments to these funds as allowed in the Trust Fund Management Policy (0604).

Ali R. Salehi, Chair

Date

Westfield State University
Financial Affairs Committee

FY25 Operating Budget
October 23, 2024

Executive Summary

The University utilizes a Provisional FY25 Budget approach to allow more time for better information on key metrics such as enrollment, occupancy, and meal plan participation as well as state appropriation. The Provisional FY25 budget projected a budget imbalance of $3.7M, with a commitment to provide a final balanced budget at the October Board of Trustees meeting. The campus is now seeking final approval for the FY25 October Budget with the accompanying budget balancing strategies. The focus of this document is to provide a written context on key revenue and expense changes and major variances from the FY24 Budget to the FY25 October Budget.

The campus was able to present a balanced FY25 October Budget due to following balancing strategies:

- Glidepath Use of Reserves (Year 3) - $1.6M
- Additional DGCE Contribution - $0.2M
- A 1% Retention Improvement Target - $0.4M
- Enrollment Related Revenue Recognition - $0.4M
- Vacancy Savings - $0.3M
- Release of Prior Year Unspent Innovation Funds - $0.4M

Review of FY24 Year End

- Revenue was up by $4.9M over budget primarily due to $3M in unbudgeted state appropriation and higher than budgeted grant revenue (1.1M).
- Expenses were under budget by $5.1M primarily due to savings on Residential Life debt refinancing ($3.1M), unspent rollovers ($2.6M), and general underspending in utilities, dining, and debt service. This was offset by overspending in the adjunct budget and financial aid.
- Major budget variances in FY24 were analyzed prior to establishing a baseline FY25 budget. Top budget variances were unspent rollover funds/underspending and financial losses in Residence Life due to lower than breakeven occupancy at 63%.

FY25 Budget Planning Process

The FY25 Budget Planning Process was centered on making strategic investments thereby aligning financial resources toward progress on the presidential goals of Enrollment, Culture, and Financial Health through reallocation; $6.1M of resources were allocated as follows:

- Culture - $0.1M
- Economic Health - $1.5M
- Enrollment - $0.5M
- One-time Investments in Capital & IT - $4.1M

Additional position investments were made in academic affairs in the Grants Office and Institutional Research after most of the budget allocations were made.

Enrollment

The campus is estimating an additional 126 entering class student increase which has been factored into the October budget. Overall, the annual average full time undergraduate enrollment of billable students is anticipated to be 2,932, which is 72 students higher than the prior year budget of 2,860, a 2.5% increase. The campus is experiencing enrollment growth mainly due to the higher discount rate of 30% for first year students, versus the previous rate of 13%. The additional enrollment is expected to have a positive impact on residential hall occupancy and dining program participation rates. The campus utilizes an average annual enrollment by semester and factors in historical average declines from fall to spring to arrive at an annual projected total. The DGCE enrollment budget is projected to remain relatively flat with no major adjustments to the enrollment assumptions. Any growth realized will most likely be attributed to graduate enrollment, with a minor expectation of a 17-student increase over the prior year.

Revenue

Revenue has increased significantly from the FY24 Budget to the FY25 October budget by $9.2M, mainly due to the following:

- $4.0M of state appropriation for collective bargaining
- $4.0M of tuition and fee revenue for the day division as well as housing and dining; based on a 72 student FTE gain over prior year and approved fee increases.
- $2.5M of additional grant revenue
- $1.2M of DGCE revenue, now recognizing fee increases and minor enrollment gains in the graduate segment.
- ($2.2M) of revenue from FY24 was ARPA funds, which are not available in FY25
- ($0.4M) lower bookstore commissions and other trust fund revenues

Expenses

Expenses have increased from the FY24 Budget to the FY25 October budget by $15M. Major changes are as follows:

- $2.9M increase in Compensation and Fringe related collective bargaining; offset by lower fringe costs due to increase in state appropriation (typically, state appropriation allocations are not known at the time budgets are prepared).

- $5.4M increase to department operations due to $1.2M strategic investments made during the FY25 Budget Planning Process, most are net neutral by way of repurposing existing funds; and $3.5M of rollovers from prior year unspent special funds, Economic Progress, Reinvestment Fund, Innovation Fund, etc.
- $2.4M increase to Financial Aid due to the 30% tuition discount model that was put in place in FY25.
- $1.3M of additional capital projects; $1M is funded by the use of reserves for deferred maintenance.
- DGCE $0.9M as FY25 expenses include collective bargaining, a $200k investment in marketing, and an additional $300k contribution to the campus to support the two-college structure.
- $2.1M Residential Life includes CBA; Lammers renovation projects; and MSCBA debt.
- $0.6M Dining capital investment to upgrade Tim & Jeanne's, collective bargaining, and a rollover of unspent prior year capital funds due to timing.
- $1.0M Grants, net neutral to the bottom line, no impact on the operating budget.
- (0.9M) represents FEMA spending progress.

Reserves

The overall campus use of planned cash reserves has increased from the FY24 Budget by $2.4M as follows:

- $2.8M capital projects - $1M for deferred maintenance; $1M Ely pool restoration; $0.8M Switchgear project
- $1.7M Residential Life use of reserves to resolve their funding gap
- ($2.0M) Lower use of glidepath use of reserves due to budget balancing activities, higher enrollment, and the use of residential life reserves instead of operating funds.

Total budgeted rollover requests equal $9.1M vs $8.9M in FY24.

Total planned use of cash reserves equal $6.1M vs $3.7M in FY24.

Summary

Revenue growth through enrollment and alternative revenue sources continues to be one of the highest campus priorities as the industry prepares for the future enrollment cliff, which projects a 15% decline in graduating high school seniors between 2025 and 2029. The financial aid discounting strategy has been paramount to our recent success in increasing enrollment year over year. Developing a successful retention strategy is crucial to enrollment stabilization as enrollment has a compounding effect through several fiscal years.

Financial challenges of ongoing rollovers and campus underspending creates a complexity to resource planning and communication. The campus must evaluate the entire rollover process and migrate to a limited rollover approach and a new reporting strategy.

Many campus activities to increase enrollment are underway focusing on enrollment, retention, alternative revenue streams such as summer conference revenue and fundraising. Grants have also increased, though most have minimal impact to the bottom line (grant expenses offset grant revenue), but instead focus on affordability, student enrichment, and student outcomes.

The strategic planning process is underway, which leadership and multiple groups are now fine tuning the recommendations for each goal. The results of the strategic planning process is expected to sharpen our focus on opportunities for growth and investments over the next five years.

Westfield
STATE UNIVERSITY

Board of Trustees

October 23, 2024

MOTION

The Financial Affairs Committee recommends approval to the full Board:

To approve the FY25 campus budget, as presented, including, but not limited to the following elements: operating budget, capital budget, vehicle lease/purchase program and sponsorships. Further, to authorize the President and/or the Vice President for Administration and Finance to make budget adjustments to these funds as allowed in the Trust Fund Management Policy (0604).

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Westfield State University **9/18/2024**

FY25 Enrollment Target

	FY24 October Budget	FY24 Actual	FY25 October Budget	Variance YoY
	a		*b*	*= b-a*
New Freshman	704	703	830	126
Transfers	200	200	208	8
Returning	2,212	2,221	2,101	(111)
Total Fall	**3,116**	**3,124**	**3,139**	**23**
Spring Melt Rate 10%	2,804	2,812	2,825	20
Average Billable	**2,960**	**2,968**	**2,982**	**22**
Less: XRG	(100)	(100)	(50)	50
Adjustment: Other				
Full Year Average Billable Students	**2,860**	**2,868**	**2,932**	**72**

Enrollment (FTE)	FY24 October Budget	FY24 Actual	FY25 October Budget	Variance YoY
	a		*b*	*= b-a*
Graduate	612	654	628	17
PA	60	61	58	(2)
Undergraduate	652	592	651	(1)
Total CGCE Student FTE Conversion	**1,323**	**1,306**	**1,338**	**14**
Total UG & CGCE FTE	**4,184**	**4,174**	**4,269**	**86**

Notes:

1. DGCE provided credit hours which were converted into billable students. Received UG Day division freshmen and transfers from Admissions
2. Backed into total returning students using estimated 10% melt rate, and avg and XRG estimates.

Westfield State University
FY25 Preliminary October Budget Balancing

	Preliminary October	Notes
FY25 October Budget Imbalance (estimated)	**$ 3,273,000**	Factors new enrollment projection of 2,904; increase of 83, & $500k unresolved allocation at FY25 Budget Process
Budget Balancing Recommendations:		
Glidepath	$ 1,636,500	50% reserves
Additional DGCE Contribution	$ 200,000	Inflationary impacts have not been passed on to DGCE overhead charge
1% improvement to retention	$ 388,125	Impacts to operating budget, dining, and res life calcuated
Revenue Recognition	$ 350,000	Achieved by additional enrollment
Temporary Hiring Pause	$ 298,375	
Innovation Fund - Release to fund reallocations	$ 400,000	Current unallocated is $1.3M
Total Budget Balancing Actions	**$ 3,273,000**	
Remaining to Solve	**$ -**	

Note:
Vacancy Savings topside of $3.7M was removed from the FY25 October Budget Model
FY25 October Budget Deficit reflects an increase to enrollment of 83 from the Provisional Budget
Dining and Residential Life Additional Revenue are factored into the FY25 October Budget Deficit w high level calculations

Westfield State University
FY25 October Budget
Use of Reserves / Rollovers

FY24 Preliminary Reserve Assumptions	Existing Budgeted Funds *Smoothes Timing Issues*	Draw from Cash Reserves *Reduces Liquidity*	Total
Capital Rollover	$ 2,038,822	$ 2,788,135	$ 4,826,957
Other Trust Fund Rollover	$ 372,638		$ 372,638
Operations Rollover	$ 3,734,241		$ 3,734,241
CURCA	$ 48,950		$ 48,950
CGCE Marketing Rollover	$ 200,000		$ 200,000
FEMA Rollover	$ 549,547		$ 549,547
Dining Equipment Replacement	$ 300,000		$ 300,000
Innovation Fund Rollover	$ 953,329		$ 953,329
Lammers Project - Rollover	$ 983,109		
Residential Life Reserves to cover the deficit and partial 5% reserve minimum		$ 1,662,160	$ 1,662,160
Glide Path Strategy 50% Split		$ 1,636,500	$ 1,636,500
Total	**$ 9,180,635**	**$ 6,086,795**	**$ 15,267,430**

Westfield State University **9/19/2024**

FY25 Base Funded Strategic Investments

Ref	Strategic Goal	Key Initiative	Request Amount
IA-14	Culture	RIDE Coordinator Into Permanent Funding Source - Position #00325201	$ 84,569
	Culture Total		**$ 84,569**
A&F-3	Economic Health	Facilites Contractual Increases and Compliance Requirements	$ 425,000
A&F-4	Economic Health	Information Technology Contractual Increases for Software, Hardware and Campus Network.	$ 518,150
A&F-7	Economic Health	Hire 3 New FT IT staff: LMS Training Specialist, Plato Admin Support Specialist, Technologist for Lab Suppo	$ 275,000
Athl.-6	Economic Health	Team Physician	$ 10,000
Athl.-7	Economic Health	Contractual Increases	$ 10,445
EMSA-13	Economic Health	Electronic Medical Record	$ 24,000
EMSA-15	Economic Health	Removal of staff positions from SGA programming fund	$ 180,000
IA-8	Economic Health	Advancement Services Coordinator	$ 71,680
	Economic Health Total		**$ 1,514,275**
Athl.-2	Enrollment	Meal Replacement	$ 10,000
Athl.-3	Enrollment	Part Time Head Coaches	$ 13,110
Athl.-4	Enrollment	Student Athlete Per Diem	$ 36,000
EMSA-1	Enrollment	GA Transfer Recruiter	$ 4,500
EMSA-2	Enrollment	Marketing/CRM Specialist	$ 94,276
EMSA-3	Enrollment	Multicultural recruiter	$ 65,000
EMSA-4	Enrollment	Additional tour/campus events	$ 34,000
EMSA-5	Enrollment	additional UG/TR admissions travel	$ 16,000
EMSA-6	Enrollment	College Board Subscription	$ 48,000
EMSA-7	Enrollment	Common App subscription	$ 38,000
EMSA-8	Enrollment	Niche subscription	$ 24,000
EMSA-10	Enrollment	Campus Work Initiative	$ 20,000
EMSA-11	Enrollment	Extension of counseling hours and psy services	$ 25,000
EMSA - NEW	Enrollment	EAB Base Funding for Admissions	$ 65,000
	Enrollment Total		**$ 492,886**
	Grand Total		**$ 2,091,730** **a**

Ref	Strategic Goal	Key Initiative	Request Amount	
A&F-1	Economic Health	Annual Facilities Capital Allocation	$ 2,894,000	
A&F-2	Economic Health	Information Technology Annual Capital Allocation & Lifecycle Replacements	$ 1,181,000	
	Total One Time Investments Capital & IT		**$ 4,075,000**	**b**
	Total Base Funded and One Time Strategic Investments Through the FY25 Budget Process		**$ 6,166,730**	**a + b** **c**

Academic Affairs Investments (Includes Fringe at 45.05%)	Incremental Amount Only*	
Faculty Positions	$ 722,437	
Two College Structure	$ 146,373	
Academic Affairs Additional Positions (Grants, Inst. Research, Faculty Center)	$ 456,908	
Total Academic Affairs Investments - additive to the base budget	**$ 1,325,718**	**d**
Grand Total - All Funding Allocations	**$ 7,492,448**	**= c + d**

Westfield State University
FY25 October Budget

	a	b	c	d = b + c	d - a		
	FY24 Final October Budget	FY25 October Budget (Excl. Rollovers/Timing)	FY25 Rollovers	FY25 October Budget	Budget Variance YoY B/(W)	% Change YoY	Budget Variance YoY Commentary
Revenue:							
State Appropriation	36,610,982	40,520,761		40,520,761	3,909,779	11%	CBA & minor formula funding increase
Total Tuition/Fee Revenue	33,731,605	35,546,835	208,000	35,754,835	2,023,229	6%	Enrollment incr. YoY 72 students & Fee increases
Foundation	1,195,500	1,213,500		1,213,500	18,000	2%	
Grant Revenue	2,632,937	5,103,333		5,103,333	2,470,396	94%	Mass Grant Plus Expansion $2M; Federal Grants $400k
Other Revenue	5,347,103	3,732,194	1,226,821	4,959,015	(388,088)	-7%	Lower Bookstore Commissions & OTF Rollover Revenue
DGCE	12,140,783	13,410,276		13,410,276	1,269,493	10%	Previously held steady state, now reflects spending plan under new leadership
Residential Life	14,541,806	15,420,590		15,420,590	878,784	6%	Impact of enrollment & fee Increases
Dining Services	9,618,608	10,806,937		10,806,937	1,188,329	12%	Impact of enrollment increase & Fee Increases
Grants: ARPA	2,193,719	-		-	(2,193,719)	-100%	ARPA Grant exhausted
Total Revenue	**$ 118,013,042**	**$ 125,754,425**	**$ 1,434,821**	**$ 127,189,246**	**$ 9,176,204**	**8%**	
Reserve Funding - Rollovers & Timing							
Planned Use of Reserves	3,031,451			7,141,813	4,110,363	136%	Innovation Fund, Lammers Project, and Economic Progress Fund Rollover
Capital Rollover	1,819,618			2,038,822	219,204	12%	
FEMA Rollover for Capital Projects	377,637				(377,637)	-100%	Represents spending progress
Total Reserve Funding - Rollovers & Timin	**$ 5,228,705**	**$ -**	**$ -**	**$ 9,180,635**	**$ 3,951,930**	**76%**	
Total Resources	**$ 123,241,748**	**$ 125,754,425**	**$ 1,434,821**	**$ 136,369,881**	**$ 13,128,134**	**11%**	
Expense:							
Compensation & Fringe	48,658,439	51,421,383	78,755	51,500,138	2,841,700	6%	Mainly CBA
Department Operations	14,862,763	16,534,771	3,734,241	20,269,011	5,406,249	36%	FY25 Approvals $1.2M; Rollovers $3.5M
Utilities	3,403,383	3,403,383		3,403,383	-	0%	
Financial Aid	4,443,151	6,826,425		6,826,425	2,383,274	54%	30% Tuition Discount for 1st years
Debt Service	1,488,098	1,513,984		1,513,984	25,886	2%	
Contingency	650,000	650,000		650,000	-	0%	
Capital Investments	6,127,946	5,363,135	2,038,822	7,401,957	1,274,011	21%	$1M added in FY25 for deferred maintenance; Lammers Project
DGCE	9,590,305	10,313,425	200,000	10,513,425	923,120	10%	Additional Contribution $200k, $146k to solve for 2 college structure
Residential Life	20,133,499	21,236,358	983,109	22,219,467	2,085,968	10%	Capital Projects & CBA; Lammers IT was spent in FY24 instead of FY25
Dining Services	9,170,507	9,424,483	300,000	9,724,483	553,976	6%	Increase to capital contingency
Strategic Investments	351,581	328,677		328,677	(22,904)	-7%	Moved to fund FY25 Strategic Requests
All Other - Grants & OTF's	5,220,463	4,425,197	1,777,654	6,202,850	982,387	19%	
Innovation Fund	1,359,976	400,000	953,329	1,353,329	(6,647)	0%	
FEMA Reimbursement Funds	1,459,972	-	549,547	549,547	(910,425)	-62%	Reflects spending progress
Total Expense	**$ 126,920,081**	**$ 131,841,221**	**$ 10,615,456**	**$ 142,456,676**	**$ 15,536,595**	**12%**	
Net Result Fav/(Unfav)	**$ (3,678,333)**	**$ (6,086,795)**	**$ (9,180,635)**	**$ (6,086,795)**	**$ (2,408,462)**	**65%**	
Use of Reserves - Cash							
Capital Projects		**$ 2,788,135**		**$ 2,788,135**	**$ 2,788,135**		
Residential Life - Reserves		**$ 1,662,160**		**$ 1,662,160**	**$ 1,662,160**		
Glide Path Use of Reserves	**$ 3,678,333**	**$ 1,636,500**		**$ 1,636,500**	**$ (2,041,833)**	**-56%**	Lower due to campus balancing strategy
Total Use of Reserves - Cash	**3,678,333**	**6,086,795**	**-**	**6,086,795**	**2,408,463**	**65%**	
Difference Incr/(Decr)	**-**	**-**	**(9,180,635)**		**-**		

Westfield State University
FY25 Detailed Budget by Trust Fund
FY25 October Budget

	Operating Budget	FEMA Fund	Innovation Fund	Grants	Capital Project Fund	DGCE	Residential Life	Dining Services	Other Trust Funds	FY25 Provisional Budget
Revenue										
Scholarship Allowance				(14,660,448)						(14,660,448)
Tuition and Fees	35,754,835					13,410,276			208,000	49,373,111
Federal Grants and Contracts				10,803,781						10,803,781
State Grants and Contracts				8,565,000						8,565,000
Private Grants and Contracts				395,000					-	395,000
Residence Fees							15,148,864			15,148,864
Dining Fees								10,806,937		10,806,937
Other Operating Revenues	595,085						249,726		1,226,821	2,071,632
Commissions	214,109						22,000			236,109
State General Appropriations	40,520,761									40,520,761
Foundation Support	1,213,500									1,213,500
Innovation Fund			800,000							800,000
Investment Income	1,915,000									1,915,000
Total Revenue	**80,213,290**		**800,000**	**5,103,333**	**-**	**13,410,276**	**15,420,590**	**10,806,937**	**1,434,821**	**127,189,246**
Planned Use of Reserves	3,734,241	549,547	953,329	48,950		200,000	983,109	300,000	372,638	7,141,813
Capital - Rollover / Timing					1,538,822		500,000			2,038,822
Total Rollovers / Timing	**3,734,241**	**549,547**	**953,329**	**48,950**	**1,538,822**	**200,000**	**1,483,109**	**300,000**	**372,638**	**9,180,635**
Total Resources	**83,947,530**	**549,547**	**1,753,329**	**5,152,283**	**1,538,822**	**13,610,276**	**16,903,699**	**11,106,937**	**1,807,459**	**136,369,881**
Expenses										
Personnel	47,737,639			336,000		4,496,028	2,674,720	2,530,243	53,466	57,828,095
Fringe Benefits	3,762,500			152,587		1,977,898	1,204,961	1,159,533	25,289	8,282,768
Operations	19,719,464			3,889,746		3,964,499	3,249,717	5,446,375	1,728,705	37,998,505
Strategic Investments	328,677									328,677
Utilities	3,403,383						2,320,729			5,724,112
Debt Payments	1,513,984							540,685		2,054,669
FEMA Reimb. Spending Plan		549,547								549,547
Operating Contingency	650,000							47,647	-	697,647
Capital Projects					7,243,562			-		7,243,562
Scholarships	6,826,425			725,000		75,000	465,721	-	-	8,092,146
Transfers	(1,011,649)		400,000	48,950	(3,916,605)	3,096,851	-	1,382,454		-
MSCBA Assessment							12,303,619			12,303,619
Innovation Fund Expenditures			1,353,329							1,353,329
Total Expense and Transfers	**82,930,422**	**549,547**	**1,753,329**	**5,152,283**	**3,326,957**	**13,610,276**	**22,219,467**	**11,106,937**	**1,807,459**	**142,456,676**
Net Revenue over Expense	**1,017,108**	**-**	**-**	**-**	**(1,788,135)**	**-**	**(5,315,768)**	**-**	**-**	**(6,086,795)**
Capital - Use of Cash Reserves	1,000,000				1,788,135					2,788,135
Residential Life Reserves							1,662,160			1,662,160
Glide Path - Cash Reserves	1,636,500									1,636,500
Total Use of Reserves	**2,636,500**	**-**	**-**	**-**	**1,788,135**	**-**	**1,662,160**	**-**	**-**	**6,086,795**
Net Surplus/(Loss)	**3,653,608**	**-**	**-**	**-**	**-**	**-**	**(3,653,608)**	**-**	**-**	**-**

Notes:

1. Other Operating Revenues consist of parking, application fees, phone fee, non-credit program revenue and other miscellaneous fees
2. Transfers represent the movement of cash from one trust fund to another

Westfield State University **8/29/2024**

FY25 October Capital Plan

			Funding Source						
		Deferred Maintenance	Campus	Rollover *Incomplete FY24 Projects*	Campus *Funded from Use of Reserves*	DCAMM	MSCBA Debt Release Funds	MSCBA	Total
Physical Plant Projects									
1	Deferred Maintenance & Project Mgmt	Y	685,019			4,016,334		T.B.D.	4,701,353
2	Water Main Repairs/Replacement	Y	400,000						400,000
3	Scanlon Hall 3rd Floor Partial Renovation	Y	300,000						300,000
4	Replacement Fire Reporting System / City of Westfield	Y	250,000						250,000
5	Critical Repair Contingency	Y	140,000						140,000
6	Critical Equipment Repair		93,981						93,981
7	Facilities Planned Equipment Replacement	Y	150,000						150,000
8	CODE- Sprinkler Heads & Escutcheon	Y	125,000						125,000
9	Facilities Master Plan	Y	100,000						100,000
10	Emergency Equipment Failure	Y	100,000						100,000
11	Emergency Infrastructure Failure	Y	100,000						100,000
12	CODE- Fire Damper Study & Testing	Y	100,000						100,000
13	Steam Lime Emergency repairs	Y	100,000						100,000
14	Central Feed Water Pump Replacement	Y	100,000						100,000
15	CODE -Storm Water Mgt Plan, Testing & Repair	Y	50,000						50,000
16	Ely Library Certified Study	Y	50,000						50,000
17	Facilities Studies		50,000						50,000
Sub-total			**2,894,000**	**-**	**-**	**4,016,334**	**-**	**-**	**6,910,334**
Information Technology									
18	ODA Hardware Replacement		350,000						350,000
19	LMS Upgrade		225,000						225,000
20	Faculty Staff Lifecycle		200,000						200,000
21	Classroom Technology Lifecycle		150,000						150,000
22	Campus Computer Labs Lifecycle		125,000						125,000
23	Science Wing Network Upgrades		76,000						76,000
24	Banner Upgrades		55,000						55,000
Sub-total		-	**1,181,000**	**-**	**-**	**-**	**-**	**-**	**1,181,000**
Total			**4,075,000**	**-**	**-**	**4,016,334**	**-**	**-**	**8,091,334**
Projects Funded via Rollover									
25	Rollover Facility Projects	Y		895,444					895,444
26	Rollover for DCAMM Projects	Y		578,798					578,798
27	Rollover for IT Projects			64,579					64,579
28	Rollover for Dining Services								-
29	Rollover - Lammers (Hot water, Dryer)						500,000		500,000
Subtotal - Rollovers for FY24 Projects			**-**	**1,538,822**	**-**	**-**	**500,000**	**-**	**2,038,822**
Other - Use of Cash Reserves									
30	Ely Pool Restoration				1,000,000				1,000,000
31	Switchgear Testing & Repairs				788,135				788,135
Sub-total			**-**	**-**	**1,788,135**	**-**	**-**	**-**	**1,788,135**
Grand Total			**4,075,000**	**1,538,822**	**1,788,135**	**4,016,334**	**500,000**	**-**	**11,918,291**

Notes:

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

Westfield State University **6/12/2024**

FY25 October Capital Budget - Institutional Projects; Facilities & Non-Facilities

Item	Type	Project	Estimated Construction Cost / Match	Description
1	F&O	Ely Pool Restoration (DCAMM)	3,701,097	General pool renovations, safety & code upgrades and HVAC replacement
2	F&O	Facility Emergencies (DCAMM)	250,000	Match placeholder for emergency projects added to the DCAMM plan
3	F&O	R22 Replacement (DCAMM)	1,421,609	Replacement of equipment and coolant
4	F&O	Match Relief (DCAMM)	158,395	Match relief allowed by DCAMM. Funds the Project manager
5	F&O	Parenzo Paving & Banacos Offset (DCAMM)	350,000	Paving done as change order to project that WSU reimburses for
6	F&O	Water Main Repairs/Replacement	400,000	Water main is failing, funds to repair and replace. Multi year plan
7	F&O	Scanlon Hall 3rd Floor Partial Renovation	300,000	Refresh for the occupants of Mod Hall closure
8	F&O	Replacement Fire Reporting System / City of Westfield	250,000	City is no longer supporting the existing fire monitoring on campus
9	F&O	Critical Repair Contingency	140,000	
10	F&O	Critical Equipment Repair	93,981	
11	F&O	Facilities Planned Equipment Replacement	150,000	Planned replacement of failing/obsolete equipment
12	F&O	CODE- Sprinkler Heads & Escutcheon	125,000	Code - replacement of the fire system sprinkler heads and escutcheons
13	F&O	Facilities Master Plan	100,000	Additional funds needed to complete the Facilities Master Plan
14	F&O	Emergency Equipment Failure	100,000	Emergency repairs to equipment interior and exterior
15	F&O	Emergency Infrastructure Failure	100,000	Emergency Infrastructure repair
16	F&O	CODE- Fire Damper Study & Testing	100,000	Code required testing on the Fire system
17	F&O	Steam Lime Emergency repairs	100,000	Continued Steam line repairs (multi year)
18	F&O	Central Feed Water Pump Replacement	100,000	Feed Water pump for the boiler room needs to be replaced
19	F&O	CODE -Storm Water Mgt Plan, Testing & Repair	50,000	Code required testing and repair
20	F&O	Ely Library Certified Study	50,000	Study to look at dehumidification in the Library
21	F&O	Facilities Studies	50,000	House Doctor studies
22	F&O	Switchgear Testing & Repairs	788,135	Study of Electrical Systems and Testing
		Total Facilities Projects	**$ 8,878,216**	

1	Non F&O	ODA Hardware Replacement	350,000	Hardware Banner Suite resides on is end of life/end of support (EOL/EOS)
2	Non F&O	LMS Upgrade	225,000	Migrating to a new LMS as the curretn version is EOL/EOS before end of FY25
3	Non F&O	Faculty Staff Lifecycle	200,000	Lifecycle Computers for Faculty and Staff
4	Non F&O	Classroom Technology Lifecycle	150,000	Lifecycle for Class Technology Replacements
5	Non F&O	Campus Computer Labs Lifecycle	125,000	Lifecycle for Computer Lab Replacements
6	Non F&O	Science Wing Network Upgrades	76,000	Wired/Wireless netwrok gear is EOL/EOS
7	Non F&O	Banner Upgrades	55,000	Degree Works Upgrade, Oracle Patching (security updates for Banner database), Argos Prof Services (report develepment and migration)
		Total Non-Facilities Projects	**$ 1,181,000**	

Total FY25 Project Cost		10,059,216
Less: DCAMM Funding		*-4,016,334*
Less: FY24 Rollover for DCAMM Funding		*-179,747*
Total Campus Funding	**$**	**5,863,135**
Less: FY24 Approved Reserve Funding	**$**	**(1,788,135)**
Ely Pool & SwitchGear		
FY25 Net Campus Funding	**$**	**4,075,000**

Note:

1. Funding may be from multiple sources; DCAMM, rollover funding from prior year, FY25 Campus Capital Budget
2. Amounts represented above are estimates
3. FY24 Reserve Funding of $1.78M was approved for Ely Pool Repair and Switch Gear Upgrades

Westfield State University 6/11/2024

FY25 Lease and Motor Vehicle Schedule

Existing Vehicle Summary	Quantity	Cost/ Month	Annual Cost
Existing Lease Commitments:			
Facilities, Public Safety, Media Services, Mail Services, Catering, Information Technology	25	$ 14,200	$ 170,400
5% Escalation			$ 8,520
Program Service fee			$ 8,082
Vehicle Lease Contingency			$ 27,621
FY25 Lease Schedule			**$ 214,623**

FY24 Vehicle Lease Schedule	$ 214,623
FY25 Vehicle Lease Schedule	$ 214,623
Difference	**$ -**

Notes:

1. The annual budget amount for leased vehicles is $225k.

2. The Reduction in leased vehicle costs is a result of a 1-time offer from Ford to replace 15 of the vehicles that we lease at a lower cost. As of June 2024, we have received 12 of the 15 vehicles that we ordered through this program.

Westfield STATE UNIVERSITY

Facilities & Capital Planning

Capital Spending/Deferred Maintenance Summary

FY2020 – FY2024

October 21, 2024

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	TOTAL
Deferred Maintenance Spending	2,851,188	3,591,386	3,632,423	3,509,701	2,572,595	16,157,292
Non-DM Capital	500,727	345,730	687,278	908,018	688,223	3,129,977
ARPA Funding				810,290	1,740,796	2,551,086
DM Sub-total	**3,351,915**	**3,937,116**	**4,319,701**	**5,228,009**	**5,001,614**	**21,838,355**
Parenzo Hall DM	397,612		2,994,280	10,779,408	1,197,712	15,369,012
DM Total with Parenzo Hall	**3,749,527**	**3,937,116**	**7,313,981**	**16,007,417**	**6,199,326**	**37,207,367**

Note:

a. Deferred Maintenance Spending includes DCAMM and University funds
b. Non-DM Capital – Related expenses but not considered deferred maintenance (FF&E, consultants)
c. Parenzo Hall DM – is an estimate based only on construction costs; total project cost was $43M

Westfield
STATE UNIVERSITY

Board of Trustees

October 23, 2024

MOTION

To approve the minor edits made to the following policies, as presented:

1. Information Security Policy (0580)
2. Information Security Passphrases Policy (0600)
3. Software and Hardware Acquisition and Usage Policy (0602)
4. Remote Access Policy (0620)
5. Data Classification Policy (0630)

Ali R. Salehi, Chair

Date

Westfield State University
Policy concerning

APPROVED: October 2014

REVIEWED: August 2024

INFORMATION SECURITY

PURPOSE

The purpose of this policy is to establish a standardized, system-wide approach to managing the protection of information and Information Technology Resources to support core business needs and the provision of continuity and privacy at Westfield State University ("University") and establish sanctions for violations of this policy. This policy is intended to protect the users of the University's Information Technology Resources by ensuring a reliable and secure technology environment that supports the educational mission of the University. These resources are provided as a privilege to all Westfield State University employees, students, and authorized guests. The University seeks to ensure the integrity of Information Technology Resources made available to the user community, as such, to ensure these resources are secure from unauthorized access for those that utilize them. This policy is not intended to inhibit the culture of intellectual inquiry, discourse, academic freedom, or pedagogy. In general, the same ethical conduct that applies to the use of all University resources and facilities applies to the use of the University's Information Technology Resources.

SCOPE

This policy applies to all students, faculty, staff, volunteers, vendors, consultants, contractors, or others (herein afterwards referred to as "constituents") who use or have authorized access to University Information Technology Resources. This policy is supplemented by the policies of those networks to which the University is interconnected, including, but not limited to, the University of Massachusetts Information Technology Systems group, the Commonwealth of Massachusetts' Information Technology Division, UMass Online, etc. It covers all University information whether in hardcopy or electronic form and any systems which access, process, or have custody of business data. This policy also applies to any and all information, in any form and in any medium, network, internet, intranet, computing environments, as well as the creation, communication, distribution, storage and disposal of information.

For the purposes of this policy, "Information Technology Resources" means all computer, applications and communication facilities, services, data, and equipment that are owned, managed, maintained, leased, or otherwise provided by the University. Area Security Officials shall be the supervisor of each department or program with the authority to grant access to Information Technology Resources.

The use of the University's Information Technology Resources constitutes an understanding of, and agreement to abide by this policy. Additionally, all constituents must protect, and if necessary, intervene to assure that others protect the confidentiality, integrity, and security of all Information Technology Resources.

Westfield State University

Policy concerning

APPROVED: October 2014 REVIEWED: August 2024

USER OWNERSHIP AND RESPONSIBILITIES

It is the responsibility of any person using the University's Information Technology Resources to read, understand, and follow this policy. In addition, all users are expected to exercise reasonable judgment in interpreting this policy, and in making decisions about the use of Information Technology Resources. Any person with questions regarding the application or meaning of this policy should seek clarification from his or her supervisor, or from the Information Security Officer. The University owns and maintains the information stored in its Information Technology Resources and limits access to its Information Technology Resources to authorized users. Users of Information Technology Resources have a responsibility to properly use and protect these resources, respect the rights of other users, and behave in a manner consistent with any local, state, and federal laws and regulations, as well as all University policies, procedures, and guidelines. Information technology resources, including Internet bandwidth, are shared among the community, and users must utilize these resources with this understanding.

Users must respect all intellectual property rights, including any licensing agreements applicable to information and resources made available by the University to its community.

Information Technology Resources are provided to support the mission of teaching and learning and to conduct official University business. Therefore, the University bears no responsibility for the loss of any personal data or files stored or located on any system.

POLICY

Westfield State University's Information Security Officer will establish security program that will be based upon the best practices recommended in the SANS Critical Security Controls for Effective Cyber Defense - Version 5. The components defined by these System Administration Networking and Security Institutes (SANS) Critical Security Controls are a subset of the National Institute of Standards and Technology (NIST) SP 800-53, prioritizing the controls that will provide a measurable security program, appropriately adopted to meet the specific needs of Westfield State University. This program will also incorporate applicable regulations and laws, such as, but not limited to, the Gramm-Leach-Billey Act (GLBA), the Health Insurance Portability and Accountability Act (HIPPA), Family Educational Rights and Privacy Act (FERPA), and the Commonwealth of Massachusetts Information Technology Department (ITD) and Office of Consumer Affairs and Business Regulations. Additional organizations, such as EDUCAUSE and the International Organization for Standardization and the International Electrotechnical Commission (ISO/IEC 27005:2011) will be utilized as resources for additional security practices.

PROCEDURES

The SANS Critical Controls for Effective Cyber Defense – Version 5 and other noted sources in the above policy statement will be utilized to guide, develop, and enhance any additional Information Technology policies, procedures and guidelines as needed to address the security needs of Westfield State University.

REVIEW

This policy shall be reviewed annually by the Chief Information Security Officer.

Frameworks

Name	Reference
NIST	AC-1 Access Control Policy and Procedures AC-2 Account Management AC-3 Access Enforcement AC-8 System Use Notification AC-14 Permitted Actions Without Identification or Authentication AC-16 Security Attributes AC-19 Access Control for Mobile Devices AC-21 Information Sharing AC-22 Publicly Accessible Content MP-3 Media Marking RA-2 Security Categorization AU-9 Protection of Audit Information CM-5 Access Restrictions for Change IA-1 Identification and Authentication Policy and Procedures IA-2 Identification and Authentication (Organizational Users) IA-4 Identifier Management IA-5 Authenticator Management PE-2 Physical Access Authorizations PE-3 Physical Access Control PS-1 Personnel Security Policy and Procedures PS-4 Personnel Termination PS-5 Personnel Transfer

Regulations and Requirements

Name	Reference
PCI DSS 4.0	Requirement 9 Requirement 12

Supporting Standards and Procedures

Westfield State University
Policy concerning

APPROVED: October 2014 REVIEWED: August 2024~~3~~

INFORMATION SECURITY

PURPOSE

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SCOPE

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Westfield State University

Policy concerning

APPROVED: October 2014 REVIEWED: August 2024~~3~~

USER OWNERSHIP AND RESPONSIBILITIES

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POLICY

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Westfield State University

Policy concerning

APPROVED: October 2014

REVIEWED: August 2024~~3~~

PROCEDURES

The SANS Critical Controls for Effective Cyber Defense – Version 5 and other noted sources in the above policy statement will be utilized to guide, develop, and enhance any additional Information Technology policies, procedures and guidelines as needed to address the security needs of Westfield State University.

REVIEW

This policy shall be reviewed annually by the Chief Information Security Officer.

Frameworks	**Name**	**Reference**
	NIST	AC-1 Access Control Policy and Procedures AC-2 Account Management AC-3 Access Enforcement AC-8 System Use Notification AC-14 Permitted Actions Without Identification or Authentication AC-16 Security Attributes AC-19 Access Control for Mobile Devices AC-21 Information Sharing AC-22 Publicly Accessible Content MP-3 Media Marking RA-2 Security Categorization AU-9 Protection of Audit Information CM-5 Access Restrictions for Change IA-1 Identification and Authentication Policy and Procedures IA-2 Identification and Authentication (Organizational Users) IA-4 Identifier Management IA-5 Authenticator Management PE-2 Physical Access Authorizations PE-3 Physical Access Control PS-1 Personnel Security Policy and Procedures PS-4 Personnel Termination PS-5 Personnel Transfer
Regulations and Requirements	**Name**	**Reference**
	PCI DSS 4.0	Requirement 9 Requirement 12
Supporting Standards and Procedures		

Westfield State University
Policy concerning

APPROVED: April 2015 REVIEWED: August 2024

INFORMATION SECURITY PASSPHRASES

PURPOSE

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SCOPE

This policy applies to all students, faculty, staff, volunteers, vendors, consultants, contractors, or others (herein afterwards referred to as "constituents") who use or have authorized access to University Information Technology Resources. This policy is supplemented by the policies of those networks to which the University is interconnected, including, but not limited to, the University of Massachusetts Information Technology Systems group, the Commonwealth of Massachusetts' Information Technology Division, UMass Online, etc. It covers all University information whether in hardcopy or electronic form and any systems which access, process, or have custody of business data. This policy also applies to any and all information, in any form and in any medium, network, internet, intranet, computing environments, as well as the creation, communication, distribution, storage and disposal of information.

For the purposes of this policy, "Information Technology Resources" means all computer, applications and communication facilities, services, data and equipment that are owned, managed, maintained, leased or otherwise provided by the University and the Office of Information and Instructional Technology (OIT) Area Security Officials (ASO) shall be the supervisor of each department or program with the authority to grant access to Information Technology Resources.

The use of the University's Information Technology Resources constitutes an

understanding of, and agreement to abide by this policy. Additionally, all constituents must protect, and if necessary, intervene to assure that others protect the confidentiality, integrity, and security of all Information Technology Resources.

USER OWNERSHIP AND RESPONSIBILITIES

It is the responsibility of any person using the University's Information Technology Resources to read, understand, and follow this policy. In addition, all users are expected to exercise reasonable judgment in interpreting this policy and in making decisions about the use of Information Technology Resources. Any person with questions regarding the application or meaning of this policy should seek clarification from his or her supervisor or from the Information Security Officer. The University owns and maintains the information stored in its Information Technology Resources and limits access to its Information Technology Resources to authorized users. Users of Information Technology Resources have a responsibility to properly use and protect these resources, respect the rights of other users, and behave in a manner consistent with any local, state, federal laws, and regulations, as well as all University policies, procedures, and guidelines. Information Technology Resources, including Internet bandwidth, are shared among the community and users must utilize these resources with this understanding.

Users must respect all intellectual property rights, including any licensing agreements applicable to information and resources made available by the University to its community.

Information Technology Resources are provided to support the mission of teaching and learning and to conduct official University business. Therefore, the University bears no responsibility for the loss of any personal data or files stored or located on any system.

POLICY

All constituents are responsible for taking the appropriate steps to select and secure their passwords in compliance with the Information Security Policy, the OIT Access Control Guidelines and the OIT Password Creation, Protection and Administration Guidelines. Passwords are an important aspect of information security. A poorly chosen password may result in unauthorized access and/or exploitation of Information Technology Resources.

Westfield State University

Policy concerning

APPROVED: April 2015 REVIEWED: August 2024

PROCEDURE

All passwords must conform to the OIT Password Creation, Protection and Administration Guidelines and the OIT Access Control Guidelines, including but not limited to:

- Establishing a standardized passphrase creation guideline
- Utilizing different passphrase for various access needs
- Establishing an automated, time-based passphrase change requirement
- Educate all constituents on how to protect their passphrases.
- Establishing a guideline for changing forgotten or lost passphrases
- Establishing procedures for the authorization and termination of access to Information Technology Resources

REVIEW

This policy will be reviewed annually by the Chief Information Security Officer.

Frameworks

Name	Reference
NIST	AC-4 Information Flow Enforcement AC-11 Session Lock AC-18 Wireless Access AC-19 Access Control for Mobile Devices AU-8 Time Stamps CM-1 Configuration Management Policy and Procedures CM-2 Baseline Configuration CM-6 Configuration Settings CM-7 Least Functionality CM-9 Configuration Management Plan SA-10 Developer Configuration Management SC-10 Network Disconnect SC-15 Collaborative Computing Devices

Regulations and Requirements

Name	Reference
PCI DSS 4.0	Requirement 8

Supporting Standards and Procedures

Westfield State University
Policy concerning

APPROVED: April 2015 REVIEWED: August 2024

INFORMATION SECURITY PASSPHRASES

PURPOSE

The purpose of this policy is to establish a standardized, system-wide approach to managing the protection of information and Information Technology Resources to support core business needs and the provision of continuity and privacy at Westfield State University ("University") and establish sanctions for violations of this policy. This policy is intended to protect the users of the University's Information Technology Resources by ensuring a reliable and secure technology environment that supports the educational mission of the University. These resources are provided as a privilege to all Westfield State University employees, students, and authorized guests. The University seeks to ensure the integrity of Information Technology Resources made available to the user community, as such, to ensure these resources are secure from unauthorized access for those that utilize them. This policy is not intended to inhibit the culture of intellectual inquiry, discourse, academic freedom or pedagogy. In general, the same ethical conduct that applies to the use of all University resources and facilities applies to the use of the University's Information Technology Resources.

SCOPE

This policy applies to all students, faculty, staff, volunteers, vendors, consultants, contractors, or others (herein afterwards referred to as "constituents") who use or have authorized access to University Information Technology Resources. This policy is supplemented by the policies of those networks to which the University is interconnected, including, but not limited to, the University of Massachusetts Information Technology Systems group, the Commonwealth of Massachusetts' Information Technology Division, UMass Online, etc. It covers all University information whether in hardcopy or electronic form and any systems which access, process, or have custody of business data. This policy also applies to any and all information, in any form and in any medium, network, internet, intranet, computing environments, as well as the creation, communication, distribution, storage and disposal of information.

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Westfield State University

Policy concerning

APPROVED: April 2015 REVIEWED: August 2024

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Supporting Standards and Procedures

Westfield State University
Policy concerning:

APPROVED: June 2015 REVIEWED: June 2024

SOFTWARE AND HARDWARE ACQUISITION AND USAGE

PURPOSE

The purpose of this policy is to provide compatibility and control of software and hardware utilized at the University. This policy shall be enforced in conformity with all applicable local, state, and federal regulations and laws.

SCOPE

This policy applies to all students, faculty, staff, volunteers, vendors, consultants, contractors, or others (herein afterwards referred to as "constituents") who use or have authorized access to University Information Technology Resources. This policy is supplemented by the policies of those networks to which the University is interconnected, including, but not limited to, the University of Massachusetts Information Technology Systems group, the Commonwealth of Massachusetts' Information Technology Division, UMass Online, etc. It covers all University information whether in hardcopy or electronic form and any systems which access, process, or have custody of business data. This policy also applies to all information, in any form and in any medium, network, internet, intranet, computing environments, as well as the creation, communication, distribution, storage and disposal of information.

For the purposes of this policy, "Information Technology Resources" means all computer and communication facilities, services, data, and equipment that are owned, managed, maintained, leased or otherwise provided by the University. Information Technology Services (ITS) refers to authorized personnel currently assigned to Infrastructure Services and Administrative Systems. Area Security Officials shall be the supervisor of each department or program with the authority to grant access to Information Technology Resources. The Information Technology Resource Hardware and Software Review Committee refers to members of the Security Policy Committee that will ensure compatibility, functionality, and feasibility in order that the request meets the needs of the business operation it is intended to support. This includes, but is not limited to, ensuring that hardware and software does not currently exist to meet the needs of the business operation.

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The University does not systematically monitor communications or files. Users must be aware of, and responsible for, material which community members may post, send, or publish using its network, servers and other resources including the internet.

PROCEDURES

A list of currently approved software and hardware is available by contacting AISSD or the Chief Information Security Officer.

1. Software and Hardware Acquisition

    a) Requests for software and hardware must have the approval of the Information Technology Resource Hardware and Software Review Committee, including, but not limited to, the future support of the software and/or hardware.

    b) Software and hardware, including those that are externally hosted, are required to follow this acquisition and usage process, even if it is at no cost.

    c) Purchase or installation of any software or hardware that has not been approved by the Information Technology Resource Hardware and Software Review Committee is strictly prohibited.

    d) After approval, it is the responsibility of the requestor to:

        1. Have the funds available in their appropriate budget including a future financial plan.

        2. Coordinate with the Information Technology Resource Hardware and Software Review Committee to ensure dependencies for the future operations of the software and/or hardware.

e) All requests for software and hardware acquisition must follow the approved University Procurement Process policy (Administrative Policy #320) and be in compliance with all local, state, and federal laws and regulations, as well as any other applicable University policies.

f) The University shall honor and respect all software copyright(s) and adhere to the terms of all software licenses to which the University is a part of:

1. Software, hardware, and its associated documentation may not be duplicated for use on University Information Technology Resources or elsewhere unless expressly authorized by fair use or agreement.

2. Software and/or hardware may be utilized on local area networks or multiple machines in accordance with applicable licensing agreements.

g) This policy is also inclusive of software as a service (SaaS).

2. Software and Hardware Installation and Maintenance:

a) All hardware and software assets, regardless of the funding source, remain the property of the University and must be in compliance with The Fixed Assets, Capitalization, and Inventory Control Policy (Administrative Policy # 601).

b) University Information Technology Resources must be kept both virus and malware free and in compliance with licensing agreements.

c) All installations of approved software and/or hardware must be coordinated through the appropriate Information Technology Department.

d) Generally, the purchase of a single copy of any software entitles the owner to use the software on one (1) device.

e) Before installing any approved University software on any home or personal machines, please check with the Technology Support Services department (TSS).

f) Installation of any software or hardware not approved is strictly prohibited. Any unapproved software and/or hardware found to be installed on University Information Technology Resources shall be considered a security incident and shall be reported and acted upon in accordance with the Information Security Incident Response Policy.

g) Software and hardware may be purchased with maintenance and upgrade options. Unless otherwise agreed upon by the appropriate Information Technology Department, the requestor is responsible for budgeting for any and all future maintenance and upgrade costs.

3. Server related software and hardware shall follow the same procedures and be approved by the Director of Administrative Systems and/or the Director of Infrastructure Services and be in compliance with all University polices and its procedures and guidelines.

4. Computer Lab software and/or hardware shall follow the same procedures and is managed by the TSS and utilizes Deep Freeze to restore the image to original configuration on log off or restart.

5. Any exceptions to this policy must be approved in writing by the Chief Information Security Officer.

6. Failure to comply with these guidelines and their supporting policies may be subject to disciplinary action.

REVIEW

This policy shall be reviewed annually by the Chief Information Security Officer and the Director of Technology Support Services.

Westfield State University
Policy concerning:

APPROVED: June 2015

REVIEWED: June 2024~~22~~

SOFTWARE AND HARDWARE ACQUISITION AND USAGE

PURPOSE

The purpose of this policy is to provide compatibility and control of software and hardware utilized at the University. This policy shall be enforced in conformity with all applicable local, state, and federal regulations and laws.

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    c) Purchase or installation of any software or hardware that has not been approved by the Information Technology Resource Hardware and Software Review Committee is strictly prohibited.

    d) After approval, it is the responsibility of the requestor to:

        1. Have the funds available in their appropriate budget including a future financial plan.

2. Coordinate with the Information Technology Resource Hardware and Software Review Committee to ensure dependencies for the future operations of the software and/or hardware.

e) All requests for software and hardware acquisition must follow the approved University Procurement Process policy (Administrative Policy #320) and be in compliance with all local, state, and federal laws and regulations, as well as any other applicable University policies.

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5. Any exceptions to this policy must be approved in writing by the Chief Information Security Officer.

6. Failure to comply with these guidelines and their supporting policies may be subject to disciplinary action.

REVIEW

This policy shall be reviewed annually by the Chief Information Security Officer and the Director of Technology Support Services.

REMOTE ACCESS

PURPOSE

The purpose of this policy is to define the requirements for connecting to the Westfield State University network from any remote system. These requirements are designed to minimize the potential exposure to damages, which may result from unauthorized use of University resources. Damages include the breach of confidential, sensitive, or organizational information and intellectual property, damage to public image, damage to critical internal systems, the compromise of system availability, or the corruption of information integrity.

SCOPE

This policy applies to all students, faculty, staff, volunteers, vendors, consultants, contractors, or others (herein afterwards referred to as “constituents”) who use or have authorized access to University Information Technology Resources. This policy is supplemented by the policies of those networks to which the University is interconnected, including, but not limited to, the University of Massachusetts Information Technology Systems group, the Commonwealth of Massachusetts’ Information Technology Division, UMass Online, etc. It covers all University information whether in hardcopy or electronic form and any systems which access, process, or have custody of business data. This policy also applies to all information, in any form and in any medium, network, internet, intranet, computing environments, as well as the creation, communication, distribution, storage and disposal of information.

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Users must respect all intellectual property rights, including any licensing agreements, applicable to information and resources made available by the University to its community.

Information Technology Resources are provided to support the mission of teaching and learning and to conduct official University business. Therefore, the University bears no responsibility for the loss of any personal data or files stored or located on any system.

The University does not systematically monitor all communications or files. Users must be aware of, and responsible for, material which they send or publish using its network, servers, and other resources, including the Internet.

PROCEDURES

1. All remote access to university applications, systems and hardware shall be authorized and approved through the Office of Information and Instructional Technology.

2. Any access not explicitly authorized and approved is forbidden.

3. Remote access to specific applications, systems, components, and technology infrastructure shall only be granted to users with a legitimate business need.

4. The level of access granted, and privileges assigned shall be limited to the minimum required to perform assigned duties.

5. Employees and third parties authorized to utilize remote connections shall ensure that unauthorized users are not allowed access to the University internal network utilizing these connections.

6. All individuals and machines, while accessing the network, including company-owned and personal equipment, are considered an extension of the University 's network.

7. All devices, including personally owned computers, that are connected to the network via remote access technologies must;

    i. Employ up-to-date anti-virus software, and be up to date on available patches,

    ii. Employ security patches for installed operating systems (with auto-update, enabled), web browsers, and common applications shall be applied,

    iii. A firewall must be enabled on each applicable device.

8. Remote access may only be used to conduct business-related work. Personal, private, or commercial use of any service available remotely is not permitted.

9. Users agree to protect University information assets from unauthorized access, viewing, disclosure, alteration, loss, damage, or destruction.

10. Remote access to data or services may not be used to copy private or personal information, such as that residing on a privately owned computer, to company file shares, or other university owned information systems.

11. Remote access to data or services may not be used to store University information on a personal system, file share or other non-university owned system without prior approval from the Chief Information Security Officer.

12. Any constituent found to have violated this policy, intentionally or unintentionally, may be subject to disciplinary action, up to and including termination of access or employment (if applicable).

REVIEW

This policy shall be reviewed annually the Chief Information Security Officer.

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12. Any constituent found to have violated this policy, intentionally or unintentionally, may be subject to disciplinary action, up to and including termination of access or employment (if applicable).

REVIEW

This policy shall be reviewed annually the Chief Information Security Officer.

DATA CLASSIFICATION

PURPOSE

The purpose of this policy is to provide a framework for securing data from risks, including but not limited to, unauthorized destruction, modification, disclosure, access, use and removal. This policy shall be enforced in conformity with all applicable local, state, and federal regulations and laws.

SCOPE

This policy applies to all students, faculty, staff, volunteers, vendors, consultants, contractors, or others (herein afterwards referred to as "constituents") who use or have authorized access to University Information Technology Resources. This policy is supplemented by the policies of those networks to which the University is interconnected, including, but not limited to, the University of Massachusetts Information Technology Systems group, the Commonwealth of Massachusetts' Information Technology Division, UMass Online, etc. It covers all University information whether in hardcopy or electronic form and any systems which access, process, or have custody of business data. This policy also applies to all information, in any form and in any medium, network, internet, intranet, computing environments, as well as the creation, communication, distribution, storage and disposal of information.

For the purposes of this policy, "Information Technology Resources" means all computer and communication facilities, services, data, and equipment that are owned, managed, maintained, leased, or otherwise provided by the University. The Office of Information and Instructional Technology (OIT) refers to authorized personnel currently assigned to Infrastructure Services, Media Services, the Center for Instructional Technology (CIT), Technology Support Services (TSS) and Enterprise Systems. Area Security Officials shall be the supervisor of each department or program with the authority to grant access to Information Technology Resources.

The use of the University's Information Technology Resources constitutes an understanding of, and agreement to, abide by this policy. Additionally, all constituents must protect, and if necessary, intervene to assure that others protect the confidentiality, integrity, and security of all Information Technology Resources.

USER OWNERSHIP AND RESPONSIBILITIES

It is the responsibility of any person using the University's Information Technology Resources to read, understand, and follow this policy. In addition, all users are expected to exercise reasonable judgment in interpreting this policy, and in making decisions about the use of Information Technology Resources. Any person with questions

regarding the application or meaning of this policy should seek clarification from his or her supervisor, or from the Information Security Officer.

The University owns and maintains the information stored in its Information Technology Resources, and it limits access to its Information Technology Resources to authorized users. Users of Information Technology Resources have a responsibility to properly use and protect these resources, respect the rights of other users, and behave in a manner consistent with any local, state, and federal laws and regulations, as well as all University policies. Information Technology Resources, including Internet bandwidth, are shared among the community, and users must utilize these resources with this understanding.

Users must respect all intellectual property rights, including any licensing agreements applicable to information and resources made available by the University to its community.

Information technology resources are provided to support the mission of teaching and learning and to conduct official University business. Therefore, the University bears no responsibility for the loss of any personal data or files stored or located on any system.

The University does not systematically monitor all communications or files. Users must be aware of, and responsible for, material which they send or publish using its network, servers, and other resources, including the Internet.

PROCEDURES

Data must be maintained in a secure, accurate and reliable manner and be readily available for authorized use. Data security measures will be implemented commensurate with data value, sensitivity, and risk. To implement these security measures and establish guidelines and procedures for compliance, data will be classified in one of the following categories:

A. **Confidential** – sensitive data, information, materials, and other assets that are confidential to the organization, whether by law, by contract, or otherwise. This classification includes organizational performance (pricing, costs, sales, revenue, profit, etc.), strategic planning, proprietary information, contractual agreements, security issues, financial Information, and personal information (PI). This information, if made public or even shared around the organization, could seriously damage the organization, the employees or the customers and could potentially be non-compliant with the Payment Card Industry Data Security Standard and applicable state or federal laws and regulations such as Massachusetts Privacy Law (201 CMR 17.00). This category includes, but is not limited to, Personally Identifiable Information (PII)*.

B. **Sensitive** – sensitive data, information, materials, and other assets that support the WSU's organizational operations and therefore must be guarded due to proprietary,

ethical, contractual obligations or privacy considerations, and must be protected from unauthorized access, modification, transmission, storage, or other use. This information is not intended for public use and its unauthorized disclosure could adversely impact the company, customers, or employees.

C. **Public** – Data which there is no expectation of privacy or confidentiality (data, materials, and other assets) that is intended for public circulation. This information may be freely disseminated without potential harm. Information includes event schedules, Internet content, completed press releases, publication-oriented personnel biographies and photos, publication archives, published materials, etc. Constituents that have a legal or regulatory requirement for the non-disclosure of their public information are required to notify the Human Resources Department.

1. Confidential and Sensitive data will require security measures appropriate with the impact of such loss or corruption of the data will impact the operating functions of WSU, result in financial loss or violate policy, contract, or law.

2. Security measures shall be set by the Chief Information Security Officer in collaboration with the Information Security Policy Team, and the Office of Information and Instructional Technology (OIT).

3. All suspected violations of this policy should be immediately reported to the Chief Information Security Officer. Reports of any/all violations will be considered Sensitive Data until otherwise classified by the Chief Information Security Officer or the Information Security Policy Team.

4. The Chief Information Security Officer will investigate and document all suspected violations and make recommendations for further actions.

5. A combination of any of the data items in Sensitive or Public may result in a reclassification requiring a higher level of security measures.

6. All data shall be retained in accordance with the current Massachusetts Statewide Records Retention Schedule and any breaches of this data shall be reported in accordance with MGL CH93H.

7. Nothing in this policy shall prevent the distribution of public records as defined by the Massachusetts Public Records Law, G. L. c. 4, § 7(26). Under the law, every record that is made or received by a government entity or employee is presumed to be a public record unless a specific statutory exemption permits or requires it to be withheld in whole or in part.

8. A table of classification criteria shall be provided in the OIT Data Classification Guideline and shall serve as examples of each classification and is not to be considered an all-inclusive list.

*Personally Identifiable Information (PII) – any information that can potentially be used to uniquely identify an individual

REVIEW

This policy shall be reviewed annually by the Chief Information Security Officer.

DATA CLASSIFICATION

PURPOSE

The purpose of this policy is to provide a framework for securing data from risks, including but not limited to, unauthorized destruction, modification, disclosure, access, use and removal. This policy shall be enforced in conformity with all applicable local, state, and federal regulations and laws.

SCOPE

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*Personally Identifiable Information (PII) – any information that can potentially be used to uniquely identify an individual

REVIEW

This policy shall be reviewed annually by the Chief Information Security Officer.

Board of Trustees

October 21, 2024

MOTION

To accept the annual report for fiscal year ending June 30, 2024, as prepared by the university's Administration and Finance Division and to authorize the submission of this report to the State Comptroller's Office, the Massachusetts Department of Higher Education, and the State Auditor's Office, as required by the Massachusetts Department of Higher Education. This annual report includes the Westfield State University FY24 Financial Statements, audited by WithumSmith and Brown, P.C.

Ali R. Salehi, Chair

Date

WESTFIELD STATE UNIVERSITY

(an agency of the Commonwealth of Massachusetts)

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FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024 AND 2023

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

Financial Statements and Management's Discussion and Analysis

June 30, 2024 and 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Westfield State University:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component unit, Westfield State University (an agency of the Commonwealth of Massachusetts) (the "University"), as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial statements of the University and its discretely presented component unit as of June 30, 2024 and 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the University, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the other required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the University's basic financial statements. The supplemental schedules listed in the accompanying table of contents, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2024, on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

October 23, 2024

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

Management's Discussion and Analysis (Unaudited)

June 30, 2024 and 2023

Introduction

The following discussion and analysis provides an overview of the financial position and results of operations of Westfield State University (the "University") for the fiscal year ended June 30, 2024 with comparative information for the year ended June 30, 2023. This discussion has been prepared by management along with the financial statements and footnotes. Since this analysis is designed to focus on current activities, resulting changes and currently known facts, it should be read in conjunction with the basic financial statements and notes thereto. The financial statements, footnotes and this discussion are the responsibility of management.

Westfield State University is a comprehensive public institution of higher learning with approximately 4,000 full time equivalent combined day and evening students. The campus is located in Westfield, Massachusetts and offers undergraduate majors in both the traditional arts and sciences and in professional fields with multiple options for discipline-specific or interdisciplinary minors and concentrations. The University also offers several graduate-level degree and certificate programs. This broad range of graduate programs and undergraduate majors, minors, and concentrations reflect the commitment of Westfield State University to providing quality educational programs.

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Financial Highlights

- The University's financial position increased significantly during the fiscal year ended June 30, 2024, with a $20.0 million or 23.4% increase in total net position. Net position, which represents the residual interest in the University's assets and deferred outflows after liabilities and deferred inflows of resources are deducted, increased to $105.1 million from $85.1 million in 2023. The increase was largely related to two factors; the recognition of state capital appropriation revenue in the amount of $8.3 million for the Parenzo renovation project and $12.7 million in pension and OPEB expense reductions. **If not for these two factors, the University would have incurred a net loss of $1.0 million.**

- Expenses incurred during fiscal year 2024 totaled $130.6 million. Revenues from tuition and fees, state capital support and appropriations, grants, and other sources totaled $150.6 million resulting in an increase in net position of $20.0 million.

GASB No. 68 – Accounting and Financial Reporting For Pensions and GASB No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions

GASB Statement No. 68, Accounting and Financial Reporting for Pensions, established standards for how governmental employers (and other entities) that contribute to state and local pension plans report liabilities and plan details on their financial statements. GASB 68 and its required disclosures were implemented in fiscal year 2015. GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions established standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense related to OPEB. The tables below show the financial statement impact of GASB 68 and GASB 75 in fiscal years 2024 and 2023:

2024	Pension	OPEB	Total
Statement of Net Position (Balance Sheet)			
Deferred outflows (like an Asset)	$ 3,989,316	$ 3,004,548	$ 6,993,864
Net liability (Non-Current Liability)	(20,731,627)	(22,049,796)	(42,781,423)
Deferred inflows (like a Liability)	(9,630,948)	(31,814,846)	(41,445,794)
Net position	$ (26,373,259)	$ (50,860,094)	$ (77,233,353)
Statement of Revenues and Expenses			
Pension expense, net of subsequent contributions	$ (3,559,994)	$ -	$ (3,559,994)
OPEB expense, net of subsequent contributions	-	(9,124,385)	(9,124,385)
Total	$ (3,559,994)	$ (9,124,385)	$ (12,684,379)

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GASB No. 68 – Accounting and Financial Reporting For Pensions and GASB No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions - Continued

2023	Pension	OPEB	Total
Statement of Net Position (Balance Sheet)			
Deferred outflows (like an Asset)	$ 3,507,319	$ 5,079,631	$ 8,586,950
Net liability (Non-Current Liability)	(22,479,727)	(28,290,524)	(50,770,251)
Deferred inflows (like a Liability)	(10,960,845)	(36,773,586)	(47,734,431)
Net position	$ (29,933,253)	$ (59,984,479)	$ (89,917,732)
Statement of Revenues and Expenses			
Pension expense, net of subsequent contributions	$ (2,896,521)	$ -	$ (2,896,521)
OPEB expense, net of subsequent contributions	-	(5,903,572)	(5,903,572)
Total	$ (2,896,521)	$ (5,903,572)	$ (8,800,093)

The required reporting of the pension and OPEB liability on the financial statements of the University reduced the unrestricted net position as follows:

Effect of GASB 68 and GASB 75 on Unrestricted Net Position

	Without Pension/OPEB	Pension/ OPEB Adjustment	With Pension/OPEB
Unrestricted net position, June 30, 2022	$ 72,865,390	$ (98,717,825)	$ (25,852,435)
Change in unrestricted net position for 2023	(11,440,984)	8,800,093	(2,640,891)
Unrestricted net position, June 30, 2023	$ 61,424,406	$ (89,917,732)	$ (28,493,326)
Change in unrestricted net position for 2024	3,085,926	12,684,379	15,770,305
Unrestricted net position, June 30, 2024	$ 64,510,332	$ (77,233,353)	$ (12,723,021)

The combined impact of the pension and OPEB liabilities for fiscal year 2024 and 2023 is a reduction in unrestricted net position of $77.2 million and $89.9 million, respectively.

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Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the University's basic financial statements. Westfield State University's basic financial statements are comprised of two components: 1) the financial statements and 2) the notes to the financial statements.

The Financial Statements

The financial statements are designed to provide readers with a broad overview of Westfield State University's finances in a manner similar to a private-sector university. The University's financial report includes three financial statements: the *Statements of Net Position*, the *Statements of Revenues, Expenses and Changes in Net Position* and the *Statements of Cash Flows*.

These statements have been prepared in accordance with Government Accounting Standards Board (GASB) principles. These principles establish standards for external financial reporting for public colleges and universities and require that financial statements be presented on a consolidated basis to focus on the institution. A description of the financials is as follows:

The Westfield State Foundation, Inc. (the 'Foundation'), a component unit of the University, is an independent not-for-profit corporation operated exclusively for charitable, scientific, and educational purposes for the benefit of the University. The financial information of the Foundation has been discretely presented and included within these financial statements because of the nature and significance of its relationship with the University. Complete financial statements for the Foundation can be obtained from its administrative office in Westfield, Massachusetts.

The *Statements of Net Position* presents the financial position of the University at the end of the fiscal year and include all assets and deferred outflows of resources less liabilities and deferred inflows of resources of the University. The difference between these amounts, net position, is one indicator of the current financial position of the University, while the change in net position serves as a useful indicator of whether the financial position of the University is improving or deteriorating.

The *Statements of Revenues, Expenses & Changes in Net Position* presents the University's results of operations and other non-operating revenues, and how the University's net position changed during the most recent fiscal year.

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Overview of the Financial Statements - Continued

The *Statements of Cash Flows* provides additional information about the University's financial results by reporting the major sources and uses of cash. Government Accounting Standards Board (GASB) Statements 34 and 35 require that the direct method be used to prepare this statement. The direct method of cash flow reporting portrays the net cash flow from operations by major categories of operating receipts and disbursements.

The financial statements can be found on pages 21-25 of this financial report.

Notes to the Financial Statements

The footnotes provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found on pages 26-59 of this financial report.

Other Information

In addition to the financial statements and accompanying footnotes, this financial report also contains certain required supplementary information concerning the University's Building Authority trust fund. This supplementary information can be found on pages 69-70 of this financial report.

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Financial Analysis of the University

The University's total net position increased by $20.0 million or 23.4% in fiscal year 2024 and increased by $22.2 million or 35.3% in fiscal year 2023. A summary of the University's assets, deferred outflows, liabilities, deferred inflows and net position as of June 30, is presented below:

Financial Analysis of the University – Continued

Assets	**2024**	2023	2022*
Current Assets	**$ 91,852,045**	$ 82,218,821	$ 90,956,152
Capital Assets, net	**238,220,426**	236,148,647	218,664,968
Other Non-current assets	**531,636**	4,802,668	5,454,399
Total Assets	**330,604,107**	323,170,136	315,075,519
Deferred Outflows of Resources	**8,426,470**	10,699,369	18,100,939
Total Assets and Deferred Outflows	**$ 339,030,577**	$ 333,869,505	$ 333,176,458
Liabilities			
Current Liabilities	**$ 29,373,569**	$ 25,945,437	$ 24,710,995
Non-current Liabilities	**157,129,883**	174,519,017	190,359,602
Total Liabilities	**186,503,452**	200,464,454	215,070,597
Deferred Inflows of Resources	**47,449,882**	48,283,616	55,170,277
Net Position			
Investment in Capital Assets, net	**115,993,423**	110,809,699	87,635,910
Restriced: Expendable	**1,806,841**	2,805,062	1,152,109
Unrestricted	**(12,723,021)**	(28,493,326)	(25,852,435)
Total Net Position	**105,077,243**	85,121,435	62,935,584
Total Liabilities, Deferred Inflows and Net Position	**$ 339,030,577**	$ 333,869,505	$ 333,176,458

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** The assets and deferred outflows of resources, liabilities and deferred inflows of resources, and net assets for the year ended June 30, 2022 do not reflect the implementation of GASB 96, Subscription-Based Information Technology Arrangements (SBITAs), which was adopted as of July 1, 2022.*

Financial Analysis of the University – Continued

Total assets in fiscal year 2024 increased by $7.4 million or 2.3% over the prior year due to a decrease in accounts receivable ($1.3 million), a decrease in cash and equivalents ($6.6 million) and a decrease in other assets ($0.2 million). Offsetting these decreases was an increase in investments ($13.4 million), and an increase in capital assets ($2.1 million). During fiscal year 2024, the university transferred $10.0 million in cash and equivalents to investments.

Total liabilities in fiscal year 2024 decreased by $14.0 million or 7.0% over the prior year due to a decrease in net pension and OPEB liabilities ($8.0 million), a decrease in lease liability as a result of the Massachusetts State College Building Authority ("MSCBA") debt refunding ($8.2 million), and a decrease in bonds payable ($1.4 million) offset by increases in accrued salaries, workers' compensation and compensated absences ($1.8 million), unearned revenue ($1.5 million) and other current liabilities ($0.3 million). Deferred outflows of resources decreased by $2.3 million as a result of pension and OPEB activity ($1.6 million) and a decrease in bond-related outflows ($0.7 million). Deferred inflows of resources decreased by $0.8 million due to the adjustments related to the fiscal year 2024 pension and OPEB activity ($6.3 million) offset by an increase in bond-related inflows ($5.5 million) due to the MSCBA debt refunding.

Total assets in fiscal year 2023 increased by $8.1 million or 2.6% over the prior year due to an increase in capital assets ($17.5 million) and investments ($2.5 million) offset by decreases in cash and equivalents ($11.7 million) and other assets ($0.2 million).

Total liabilities in fiscal year 2023 decreased by $14.6 million or 6.8% over the prior year due to a decrease in net pension and net OPEB liabilities ($9.3 million), net decreases in notes and bonds payable and lease liabilities ($6.7 million) offset by an increase in other liabilities of $0.6 million and an increases in SBITA (GASB 96) liability of $0.8 million. The $7.4 million decrease in deferred outflows of resources and the $6.9 million decrease in deferred inflows of resources was mainly due to the adjustments related to the fiscal year 2023 pension and OPEB activity.

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Financial Analysis of the University – Continued

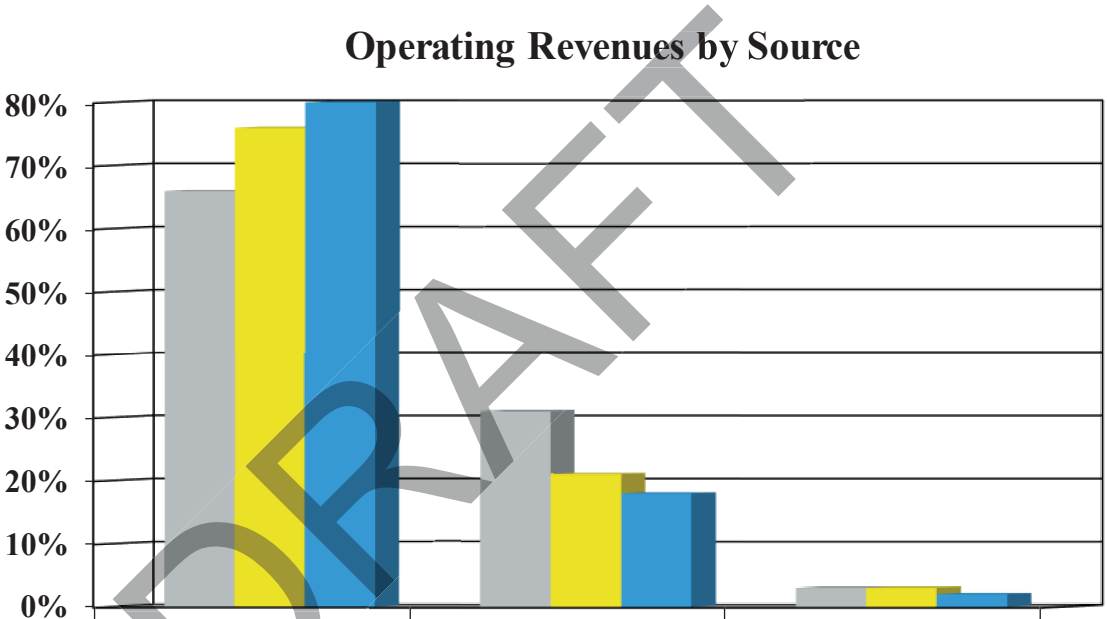
A condensed summary of the Statements of Revenues and Expenses for the years ended June 30 is as follows:

Operating Revenues	**2024**	2023	2022*
Tuition and fees	**$ 48,620,207**	$ 49,258,184	$ 49,972,964
Residence and dining fees	**22,817,978**	23,811,504	21,508,596
Less: scholarships and fellowships	**(18,402,400)**	(12,706,931)	(10,975,319)
Federal, state, and private grants	**24,806,059**	17,080,596	13,299,863
Other sources	**2,575,082**	2,314,064	1,808,703
Total Operating Revenues	**80,416,926**	79,757,417	75,614,807
Operating Expenses			
Compensation and benefits	**92,375,575**	80,303,871	80,820,501
Supplies and services	**27,824,836**	27,021,456	23,531,943
Depreciation	**12,206,825**	12,013,067	11,208,763
Scholarships	**5,116,597**	4,799,701	10,875,532
GASB 68 pension expense, net of subsequent contributions	**(3,559,994)**	(2,896,521)	(2,055,384)
GASB 75 OPEB expense, net of subsequent contributions	**(9,124,385)**	(5,903,572)	(2,839,986)
Total Operating Expenses	**124,839,454**	115,338,002	121,541,369
Non-Operating Revenues (Expenses):			
State appropriations, net	**$ 55,470,355**	$ 48,107,868	$ 46,984,608
Federal grants	**-**	377,637	15,049,297
Other revenue - MSCBA	**169,648**	2,119,553	610,518
Net investment income	**5,390,449**	2,227,388	(2,718,759)
Loss on disposal of assets	**(36,814)**	(9,033)	(10,275)
Interest expense	**(5,781,649)**	(6,075,873)	(6,184,496)
Total Net Non-Operating Revenues	**55,211,989**	46,747,540	53,730,893
State capital appropriations	**9,166,347**	11,018,896	4,552,867
Increase in net position	**$ 19,955,808**	$ 22,185,851	$ 12,357,198

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Financial Analysis of the University - Continued

The following is a graphic illustration of operating revenues by source, as a percent of total operating revenue, which were used to fund the University's operating activities for the years ended June 30, 2024, 2023 and 2022.



	Tuition and fees, residence and dining fees, net	Federal, state and private gifts, grants and contracts	Other sources
2024	66%	31%	3%
2023	76%	21%	3%
2022	80%	18%	2%

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The University's operating revenues consist primarily of tuition and fee revenues and residence and dining fee revenues. Tuition and fees revenue decreased $0.6 million or 1.3% during the fiscal year ended June 30, 2024 and decreased $0.7 million or 1.4% during the fiscal year ended June 30, 2023. The decrease in fiscal year 2024 was due to an enrollment decline of 122 students ($1.4 million impact) offset by an increase in graduate and continuing education tuition and fees ($0.3 million), an increase in fee revenue generated from mandatory fee increases ($1.1 million) and a decrease in out of state tuition of $0.6 million. The decrease in fiscal year 2023 was due to an enrollment decline of 233 students ($2.5 million impact) offset by an increase in graduate and continuing education tuition and fees ($0.4 million), an increase in other fee revenue ($0.3 million) and an increase in fee revenue generated from mandatory fee increases ($1.1 million).

Financial Analysis of the University – Continued

Residence and dining fee revenue generated by the auxiliary operations of the University's food service and building authority trust funds was $22.8 million, $23.8 million and $21.5 million, for the years ended June 30, 2024, 2023 and 2022, respectively. The $1.0 million or 4.2% decrease in revenues for the year ended June 30, 2024 was the result of a decrease in resident students (approximately 127) and dining participants (approximately 150), a $1.7 million impact, offset by revenues generated from residence and dining fee increases of $0.7 million. At June 30, 2023, residence and dining fee revenue increased $2.3 million or 10.7% as a result of the yearly increase in residence and dining fees.

The significant increase in federal, state and private grants of $7.7 million or 45.2% during the fiscal year ended June 30, 2024 was due to an increase in state and federal student financial aid of $5.7 million and an increase in non-financial aid grants of $2.0 million.

Tuition and fees received by the University include the following at June 30:

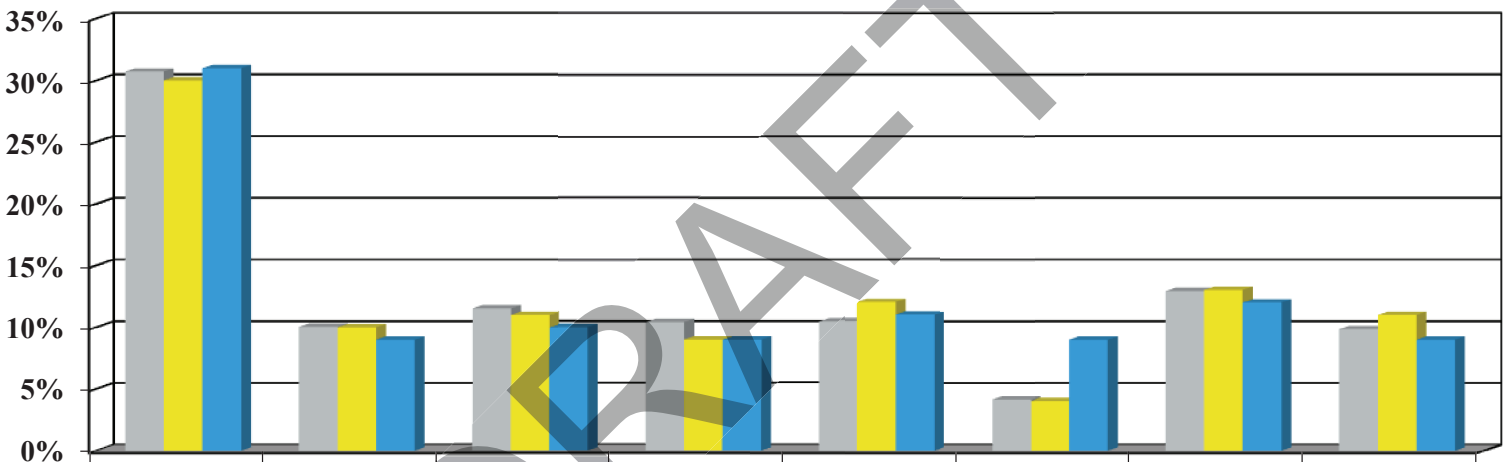
	2024	2023	2022
Tuition	**$16,090,073**	$ 16,435,145	$16,147,861
Student Fees:			
General fees	**28,384,970**	28,458,857	29,649,610
Student activity fees	**1,362,498**	1,387,919	1,019,677
Capital improvement fees	**286,070**	298,290	321,620
Technology fees	**2,278,481**	2,379,164	2,550,116
Miscellaneous fees	**218,115**	298,809	284,080
Total	**$48,620,207**	$ 49,258,184	$49,972,964

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Financial Analysis of the University - Continued

The following is a graphic illustration of operating expenses by function, shown as a percent of total operating expense, for the years ended June 30, 2024, 2023 and 2022.

Operating Expenses by Function



	Instruction	Academic support	Student services	Institutional support	Operation and maintenance of plant	Scholarships	Auxiliary operations	Depreciation
2024	31%	10%	12%	10%	10%	4%	13%	10%
2023	30%	10%	11%	9%	12%	4%	13%	11%
2022	31%	9%	10%	9%	11%	9%	12%	9%

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A summary of the University's expenses by functional classification for the years ended June 30, 2024, 2023 and 2022 is as follows:

	2024	2023	2022*
Instruction	**$ 38,076,249**	$ 34,868,104	$ 37,241,933
Public service	**849,659**	542,662	314,857
Academic support	**12,446,029**	11,152,822	10,664,859
Student services	**14,284,541**	12,792,533	12,754,482
Institutional support	**12,889,464**	10,665,658	10,327,307
Operation and maintenance of plant	**12,962,945**	13,164,934	13,609,893
Scholarships and fellowships	**5,116,597**	4,799,701	10,875,532
Auxiliary operations	**16,007,145**	15,338,521	14,543,743
Depreciation and amortization	**12,206,825**	12,013,067	11,208,763
Total	**$ 124,839,454**	$ 115,338,002	$ 121,541,369

Financial Analysis of the University - Continued

The University's total operating expenses increased by $9.5 million or 8.2% as compared to a $6.2 million or 5.1% decrease for the fiscal year ended June 30, 2023. The increase in fiscal year 2024 is primarily a result of compensation and fringe expense increases of $10.8 million due to collective bargaining increases ($3.4 million), increased fringe costs due to collective bargaining and an increase in the fringe rate ($4.5 million), filling of vacant positions, adjunct cost increases and other compensation expenses, offset by a decrease in OPEB and pension expense of $3.9 million. Other factors contributing to the increase are; an increase in grant expenses of $0.8 million, consulting expenses of $0.8 million, strategic investments related to advertising costs of $0.5 million, an increase in other operating costs of $0.3 million and an increase in depreciation expense of $0.2 million.

The decrease in fiscal year 2023 is attributable to several factors, the most significant of which are: a scholarship expense decrease of $6.1 million mostly from Federal HEERF funds which were not available in fiscal year 2023, compensation and fringe net decrease of $0.5 million and an OPEB and pension expense decrease of $3.9 million, offset by an increase in depreciation and amortization expense of $0.8 million, a $0.3 million increase in utilities, a $0.6 million increase in food and beverage costs from dining operations, an increase in grant expenses of $2.0 million and a $0.6 million increase in other operating expenses.

A condensed summary of the Statements of Cash Flows for years ended June 30, is as follows:

	2024	2023	2022
Cash received from operating activities	**$ 80,897,863**	$ 80,467,968	$ 72,121,799
Cash expenses for operating activities	**(106,589,948)**	(99,509,387)	(99,660,108)
Net cash applied to operating activities	**(25,692,085)**	(19,041,419)	(27,538,309)
Net cash provided by non-capital financing activities	**38,705,664**	35,652,808	52,868,725
Net cash applied to capital financing activities	**(11,582,740)**	(28,109,060)	(12,884,565)
Net cash (applied to) provided by investing activities	**(7,995,086)**	(237,807)	109,350
Net (decrease) increase in cash and equivalents	**(6,564,247)**	(11,735,478)	12,555,201
Cash and equivalents - beginning of year	**60,398,102**	72,133,580	59,578,379
Cash and equivalents - end of year	**$ 53,833,855**	$ 60,398,102	$ 72,133,580

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Financial Analysis of the University - Continued

The University's liquidity decreased during the year ended June 30, 2024 with a $6.6 million decrease in cash and equivalents. The following discussion further amplifies the overview of cash flows presented above.

During the year ended June 30, 2024, the University's net cash applied to operating activities increased by $6.7 million over the prior year. This was due to an increase in cash received of $0.4 million offset by an increase in payments made of $7.1 million. The increase in payments made was mostly related to compensation and fringe expenses. Net cash provided by non-capital financing activities increased by $3.0 million due to a net increase in state appropriation of $3.9 million and a decrease in federal FEMA grant funding of $0.9 million. Net cash applied to capital financing activities decreased by $16.5 million due to a decrease in purchases of capital assets of $13.5 million, an increase in state capital appropriation of $2.0 million, and a decrease in debt payments of $1.0 million. The $7.8 million increase in net cash applied to investing activities was due to an increase in the net change in proceeds and purchases of investments of $9.4 million offset by an increase in interest income of $1.6 million. In December 2023, the University transferred $10.0 million from cash into an investment account.

The University's liquidity decreased during the year ended June 30, 2023 with an $11.7 million decrease in cash and equivalents. The following discussion further amplifies the overview of cash flows presented above.

During the year ended June 30, 2023, the University's net cash applied to operating activities decreased by $8.5 million over the prior year. This was due to an increase in cash received of $8.3 million and a decrease in payments made of $0.2 million. Net cash provided by non-capital financing activities decreased by $17.2 million due to a decrease in federal grant funding (HEERF and FEMA) of $17.5 million and an increase in state appropriation of $0.3 million. Net cash applied to capital financing activities increased by $15.2 million due to an increase in purchases of capital assets of $12.2 million (the University's fiscal year 2023 payment for Parenzo Hall was $15.5 million), a decrease in state capital appropriation of $0.4 million, a decrease in proceeds from sale of bonds of $1.4 million and an increase in debt payments of $1.2 million. The $0.3 million decrease in net cash provided by investing activities was due to an increase in purchase of investments of $2.4 million offset by an increase in proceeds from the sales of investments of $1.8 million and an increase in interest income of $0.3 million.

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Loss from Operations

The following table presents the University's incurred losses from operations and its net non-operating revenues for the fiscal years ended June 30, 2024, 2023, and 2022.

	2024	2023	2022*
Operating revenues, net	**$ 80,416,926**	$ 79,757,417	$ 75,614,807
Operating expenses	**(124,839,454)**	(115,338,002)	(121,541,369)
Operating loss	**(44,422,528)**	(35,580,585)	(45,926,562)
Commonwealth direct appropriation, fringe benefits for Commonwealth employees, net of tuition remitted to the Commonwealth	**55,470,355**	48,107,868	46,984,608
Net investment income	**5,390,449**	2,227,388	(2,718,759)
Loss on disposal of assets	**(36,814)**	(9,033)	(10,275)
Other revenues	**169,648**	2,497,190	15,659,815
Other expenses	**(5,781,649)**	(6,075,873)	(6,184,496)
Capital appropriations	**9,166,347**	11,018,896	4,552,867
Net non-operating revenues	**64,378,336**	57,766,436	58,283,760
Increase in net position	**$ 19,955,808**	$ 22,185,851	$ 12,357,198

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Due to the nature of accounting for appropriations as non-operating revenues in accordance with GASB principles, the University incurred a loss from operations. The Commonwealth's Department of Higher Education establishes tuition rates while the University sets fees and other charges. The University, with the purpose of balancing educational and operational needs with tuition and fee revenue, approves budgets to mitigate losses after Commonwealth appropriations.

The $6.6 million increase in net non-operating revenues during fiscal year 2024 is attributable to an increase in net investment income of $3.2 million combined with an increase in net state appropriation of $7.4 million offset by a decrease in state capital appropriation of $1.9 million, and a combined decrease in other revenues and other expenses of $2.1 million.

The $0.5 million decrease in net non-operating revenues during fiscal year 2023 is attributable to an increase in net investment income of $5.0 million combined with an increase in net state appropriation of $1.1 million and an increase in state capital appropriation of $6.5 million offset by a decrease in other revenues of $13.2 million (mainly HEERF funding) and a decrease in other expenses of $0.1 million.

Capital Assets

A summarized comparison of the University's capital asset categories at June 30, 2024, 2023 and 2022 is as follows:

	2024	2023	2022 (Restated)
Land and improvements	**$ 7,982,420**	$ 7,982,420	$ 7,982,420
Construction-in-progress	**46,221,187**	35,604,547	22,926,166
Building and improvements	**153,874,358**	151,208,698	147,234,241
Infrastructure improvements	**11,552,831**	11,552,831	-
Software arrangements	**1,882,152**	1,155,428	756,767
Equipment and furnishings	**22,933,032**	23,986,325	24,801,954
Library books	**7,526,921**	7,500,672	7,472,985
Vehicles	**902,334**	1,085,396	1,085,396
Leased equipment	**1,096,451**	1,096,451	1,096,451
Leased real estate	**112,402,898**	112,402,898	112,402,898
Total	**366,374,584**	353,575,666	325,759,278
Less: accumulated depreciation	**(128,154,158)**	(117,427,019)	(106,337,543)
Capital assets, net	**$ 238,220,426**	$ 236,148,647	$ 219,421,735

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As of June 30, 2024, 2023 and 2022, the University's investment in capital assets, net of accumulated depreciation and amortization, was $238.2 million, $236.1 million and $219.4 million, respectively. Investment in capital assets includes land, land improvements, buildings and improvements, infrastructure improvements, furnishings and equipment, construction in progress, library books, software arrangements, and right of use leased equipment and real estate. Net capital assets increased by $2.1 million or 0.9% during fiscal year ended June 30, 2024 and increased by $16.7 million or 7.6% during fiscal year ended June 30, 2023. The increase in fiscal years 2024 and 2023 was the result of capital additions outpacing depreciation expense.

Capital additions during fiscal year ended June 30, 2024 amounted to $14.3 million as compared to $28.7 million for the year ended June 30, 2023.

Major additions during fiscal year 2024 include $9.5 million in construction in progress for the renovation of Parenzo Hall, $0.9 million for upgrades in the dining commons and $0.7 million for other construction projects, $1.7 million for hot water tanks and circulation pumps in Ely Hall, $0.7 million in GASB96 software arrangement assets, $0.5 million in other building upgrades, and $0.3 million in capitalized equipment purchases.

Capital Assets – Continued

Major additions during fiscal year 2023 include $25.3 million in construction in progress for the renovation of Parenzo Hall and the installation of sprinklers in Wilson Hall of $1.6 million. Other additions include $0.6 million for replacement of the dishwasher in the dining commons, $0.6 million in other building upgrades, $0.3 million in HVAC upgrades and $0.3 million in GASB96 software arrangement assets.

Looking Ahead

The President has carried forward the major goals in the current campus strategic plan and reports on progress regularly with the Board of Trustees at each quarterly meeting. The University is also moving forward with new initiatives to support revenue growth and to foster new ideas and strategies to move the campus forward. The development of the next strategic plan (FY25-29) is underway and should be completed in FY25.

Institutional priorities for FY25 are Culture/Belonging, Enrollment and Fiscal Sustainability. Enrollment remains an ongoing challenge at the University and the ability to adapt to changing enrollment patterns will be critical for Westfield's success. Preliminary fall 2024 enrollment indicates an increase in the entering class over prior year. It is expected that new investments in recruitment and marketing will be made to support various enrollment and retention initiatives moving forward.

Campus facilities master planning process will begin in fall 2024 to chart out a blueprint aligning facilities to academic program needs. Deferred maintenance remains a significant challenge in partnership with DCAMM and MSCBA. Average age of campus buildings is 47 years and many building systems are beyond their useful life. Significant state support is needed to begin to close the gap on deferred maintenance. DCAMM is also moving forward with a statewide decarbonization plan as required by executive order to be carbon neutral by 2050 and linking all state capital funding to this initiative.

The 10-year accreditation process is completed with a final report from NECHE received last year successfully extending Westfield's accreditation for another 10 years.

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Requests for Information

This financial report is designed to provide a general overview of Westfield State University's finances for all those with an interest in the University's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Vice President of Administration and Finance, 333 Western Avenue, Westfield, Massachusetts 01085.

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WESTFIELD STATE UNIVERSITY

(an agency of the Commonwealth of Massachusetts)

Statements of Net Position

June 30, 2024 and 2023

Assets and Deferred Outflow of Resources

	Westfield State University		Component Unit	
	2024 University	2023 University	**2024 Foundation**	2023 Foundation
Current Assets:				
Cash and equivalents	**$ 47,180,506**	$ 54,124,627	**$ 3,034,268**	$ 2,252,897
Cash held by State Treasurer	**4,663,117**	2,958,043	**-**	-
Deposits held by State Treasurer	**1,990,232**	2,685,015	**-**	-
Deposits held by MSCBA	**-**	630,417	**-**	-
Short-term investments	**36,779,713**	19,263,540	**-**	-
Accounts receivable, net	**1,124,526**	2,394,510	**264,270**	150,134
Perkins loans receivable, net	**35,177**	51,273	**-**	-
Other current assets	**78,774**	111,396	**12,065**	32,542
Total Current Assets	**91,852,045**	82,218,821	**3,310,603**	2,435,573
Non-Current Assets:				
Debt service reserve	**468,904**	602,055	**-**	-
Investments	**-**	**4,130,638**	**18,108,003**	15,860,334
Perkins loans receivable, net	**62,732**	69,975	**-**	-
Capital assets, net	**238,220,426**	236,148,647	**387,912**	397,666
Total Non-Current Assets	**238,752,062**	240,951,315	**18,495,915**	16,258,000
Total Assets	**330,604,107**	323,170,136	**21,806,518**	18,693,573
Deferred Outflows of Resources:				
Loss on bond refunding	**1,432,606**	2,112,419	**-**	-
Pension related	**3,989,316**	3,507,319	**-**	-
OPEB related	**3,004,548**	5,079,631	**-**	-
Total Deferred Outflows of Resources	**8,426,470**	10,699,369	**-**	-
Total Assets and Deferred Outflows of Resources	**$ 339,030,577**	$ 333,869,505	**$ 21,806,518**	$ 18,693,573

The accompanying notes are an integral part of the financial statements.

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WESTFIELD STATE UNIVERSITY

(an agency of the Commonwealth of Massachusetts)

Statements of Net Position

June 30, 2024 and 2023

Liabilities, Deferred Inflows of Resources and Net Position

	Westfield State University		Component Unit	
	2024 University	2023 University	**2024 Foundation**	2023 Foundation
Current Liabilities:				
Accounts payable and accrued liabilities	**$ 3,424,349**	$ 3,143,603	**$ 7,767**	$ 1,882
Accrued salaries, wages and benefits	**6,835,752**	5,734,033	**-**	-
Compensated absences	**5,076,180**	4,765,008	**-**	-
Accrued workers' compensation	**230,518**	202,412	**-**	-
Student deposits and unearned revenue	**5,369,246**	3,826,503	**27,765**	25,545
Current portion of notes payable	**88,098**	85,300	**-**	-
Current portion of bonds payable	**1,326,565**	1,345,795	**-**	-
Current portion of SBITA liability	**517,569**	385,965	**-**	-
Current portion of lease liability	**5,470,920**	5,588,663	**-**	-
Other liabilities	**1,034,372**	868,155	**279,328**	298,791
Total Current Liabilities	**29,373,569**	**25,945,437**	**314,860**	326,218
Non-Current Liabilities:				
Compensated absences, net of current portion	**2,463,250**	2,175,962	**-**	-
Accrued workers' compensation, net of current portion	**1,623,603**	1,520,618	**-**	-
Grants refundable	**133,397**	171,489	**-**	-
Notes payable, net of current portion	**-**	88,098	**-**	-
Bonds payable, net of current portion	**18,549,673**	19,927,320	**-**	-
SBITA liability, net of current portion	**398,265**	449,039	**-**	-
Lease liability, net of current portion	**91,180,272**	99,416,240	**-**	-
Net pension liability	**20,731,627**	22,479,727	**-**	-
Net OPEB liability	**22,049,796**	28,290,524	**-**	-
Total Non-Current Liabilities	**157,129,883**	174,519,017	**-**	-
Total Liabilities	**186,503,452**	200,464,454	**314,860**	326,218
Deferred Inflows of Resources:				
Gain on bond refunding	**578,474**	195,326	**-**	-
Gain on lease modification	**5,425,614**	353,859	**-**	-
Pension related	**9,630,948**	10,960,845	**-**	-
OPEB related	**31,814,846**	36,773,586	**-**	-
Total Deferred Inflows of Resources	**47,449,882**	48,283,616	**-**	-
Net Position:				
Net investment in capital assets	**115,993,423**	110,809,699	**387,912**	397,666
Restricted for:				
Expendable	**1,806,841**	2,805,062	**12,778,095**	9,787,857
Non-expendable	**-**	-	**8,018,284**	7,970,867
Unrestricted	**(12,723,021)**	(28,493,326)	**307,367**	210,965
Total Net Position	**105,077,243**	85,121,435	**21,491,658**	18,367,355
Total Liabilities, Deferred Inflows of Resources and Net Position	**$ 339,030,577**	$ 333,869,505	**$ 21,806,518**	$ 18,693,573

The accompanying notes are an integral part of the financial statements.

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WESTFIELD STATE UNIVERSITY

(an agency of the Commonwealth of Massachusetts)

Statements of Revenues, Expenses and Changes in Net Position

For the Years Ended June 30, 2024 and 2023

	2024 Westfield State University	2023 Westfield State University	**2024 Component Unit Foundation**	2023 Component Unit Foundation
Operating Revenues:				
Tuition and fees	**$ 48,620,207**	$ 49,258,184	**$ -**	$ -
Residence and dining fees	**22,817,978**	23,811,504	**-**	-
Less: scholarships and fellowships	**(18,402,400)**	(12,706,931)	**-**	-
Net tuition and fees	**53,035,785**	60,362,757	**-**	-
Federal grants and contracts	**8,913,464**	8,183,422	**-**	-
State grants and contracts	**13,931,201**	7,740,921	**-**	-
Private grants and contracts	**1,961,394**	1,156,253	**2,748,270**	2,200,302
Public service	**976,345**	562,076	**-**	-
Other sources	**1,598,737**	1,751,988	**14,500**	55,782
Total Operating Revenues	**80,416,926**	79,757,417	**2,762,770**	2,256,084
Operating Expenses:				
Instruction	**38,076,249**	34,868,104	**-**	-
Public service	**849,659**	542,662	**-**	-
Academic support	**12,446,029**	11,152,822	**62,652**	36,068
Student services	**14,284,541**	12,792,533	**-**	-
Institutional support	**12,889,464**	10,665,658	**920,182**	727,987
Operation and maintenance of plant	**12,962,945**	13,164,934	**-**	-
Scholarships and fellowships	**5,116,597**	4,799,701	**948,517**	844,365
Auxiliary operations	**16,007,145**	15,338,521	**-**	-
Depreciation and amortization	**12,206,825**	12,013,067	**9,754**	9,755
Total Operating Expenses	**124,839,454**	115,338,002	**1,941,105**	1,618,175
Operating (Loss) Income	**(44,422,528)**	(35,580,585)	**821,665**	637,909
Non-Operating Revenues (Expenses):				
State appropriations, net	**55,470,355**	48,107,868	**-**	-
Federal grants	**-**	377,637	**-**	-
Other revenue - MSCBA	**169,648**	2,119,553	**-**	-
Loss on disposal of capital assets	**(36,814)**	(9,033)	**-**	-
Investment income, net of expenses	**5,390,449**	2,227,388	**2,302,638**	1,616,644
Interest expense	**(5,781,649)**	(6,075,873)	**-**	-
Net Non-Operating Revenues	**55,211,989**	46,747,540	**2,302,638**	1,616,644
Increase in Net Position Before Other Revenues	**10,789,461**	11,166,955	**3,124,303**	2,254,553
Capital appropriations	**9,166,347**	11,018,896	**-**	-
Increase in Net Position	**19,955,808**	22,185,851	**3,124,303**	2,254,553
Net Position, at Beginning of Year	**85,121,435**	62,935,584	**18,367,355**	16,112,802
Net Position, at End of Year	**$ 105,077,243**	$ 85,121,435	**$ 21,491,658**	$ 18,367,355

The accompanying notes are an integral part of the financial statements.

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

Statements of Cash Flows

For the Years Ended June 30, 2024 and 2023

	Westfield State University	
	2024	2023
Cash Flows from Operating Activities:		
Tuition and fees	**$ 36,784,014**	$ 41,753,600
Residence and dining fees	**16,441,786**	19,181,913
Grants and contracts	**24,795,427**	17,398,179
Payments to suppliers	**(28,461,959)**	(28,400,133)
Payments to employees	**(73,011,392)**	(66,309,553)
Payments to students	**(5,116,597)**	(4,799,701)
Collections of loans to students	**35,178**	51,274
Other receipts	**2,841,458**	2,083,002
Net Cash Applied to Operating Activities	**(25,692,085)**	(19,041,419)
Cash Flows from Non-Capital Financing Activities:		
State appropriation	**39,637,534**	35,424,405
Tuition remitted to state	**(1,309,507)**	(1,040,829)
Federal grants	**377,637**	1,269,232
Net Cash Provided by Non-Capital Financing Activities	**38,705,664**	35,652,808
Cash Flows from Capital Financing Activities:		
Capital appropriations	**2,831,890**	843,835
Purchases of capital assets	**(4,588,714)**	(18,136,418)
Principal paid on notes payable	**(85,300)**	(82,590)
Interest paid on notes payable	**(5,689)**	(8,398)
Principal paid on SBITA liability	**(645,894)**	(320,424)
Interest paid on SBITA liability	**(19,966)**	(34,846)
Principal paid on bonds payable and lease liability	**(3,262,727)**	(4,408,348)
Interest paid on bonds payable and lease liability	**(5,939,491)**	(6,081,692)
Receipts from debt service reserve	**133,151**	119,821
Net Cash Applied to Capital Financing Activities	**(11,582,740)**	(28,109,060)
Cash Flows from Investing Activity:		
Proceeds from sales of investments	**58,796,562**	8,049,223
Purchase of investments	**(69,313,138)**	(9,190,857)
Interest income	**2,521,490**	903,827
Net Cash Applied to Investing Activities	**(7,995,086)**	(237,807)
Net Decrease in Cash and Equivalents	**(6,564,247)**	(11,735,478)
Cash and Equivalents, Beginning of Year	**60,398,102**	72,133,580
Cash and Equivalents, End of Year	**$ 53,833,855**	$ 60,398,102

The accompanying notes are an integral part of the financial statements.

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

Statements of Cash Flows - Continued

For the Years Ended June 30, 2024 and 2023

	Westfield State University	
	2024	2023
Reconciliation of Net Operating Loss to Net Cash Applied to Operating Activities:		
Operating loss	**$ (44,422,528)**	$ (35,580,585)
Adjustments to Reconcile Net Operating Loss to Net Cash Applied to Operating Activities:		
Depreciation	**12,206,825**	12,013,067
Fringe benefits provided by the State	**17,142,328**	13,724,292
Bad debts (recoveries)	**(25,163)**	26,710
Changes in Assets and Liabilities:		
Accounts receivable	**902,628**	(949,599)
Perkins loans receivable	**38,221**	88,069
Other current assets	**32,622**	(57,817)
Accounts payable and accrued liabilities	**(312,317)**	(1,151,914)
Accrued salaries, wages and benefits	**1,101,719**	(353,241)
Compensated absences	**598,460**	403,369
Accrued workers' compensation	**131,091**	(412)
Student deposits and unearned revenue	**(529,717)**	1,564,698
Grants refundable	**(38,092)**	(95,906)
Other liabilities	**166,217**	127,943
Net pension activity	**(3,559,994)**	(2,896,521)
Net OPEB activity	**(9,124,385)**	(5,903,572)
Net Cash Applied to Operating Activities	**$ (25,692,085)**	$ (19,041,419)
Non-Cash Transactions:		
Fringe benefits paid by State	**$ 17,142,328**	$ 13,724,292
Capital improvements provided by capital appropriations	**$ 8,406,917**	$ 9,365,699
Capital additions acquired through SBITAs	**$ 726,724**	$ 398,661
Construction in progress included in accounts payable and accrued liabilities	**$ 593,063**	$ 848,234
Change in deferred revenue related to capital appropriations	**$ (2,072,460)**	$ 809,362
MSCBA lease payments paid through grants	**$ 169,648**	$ 2,119,553
Bond refunding	**$ 481,595**	$ -
Investment income from amortization of deferred inflows of lease modification	**$ 5,071,755**	$ (36,924)
Cash and Equivalents, End of Year:		
Cash and equivalents	**$ 47,180,506**	$ 54,124,627
Cash held by State Treasurer	**4,663,117**	2,958,043
Deposits held by State Treasurer	**1,990,232**	2,685,015
Deposits held by MSCBA	**-**	630,417
Total	**$ 53,833,855**	$ 60,398,102

The accompanying notes are an integral part of the financial statements.

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Note 1 - **Summary of Significant Accounting Policies**

Organization
Westfield State University (the "University") is a public, state-supported university located in Westfield, Massachusetts and governed by a local Board of Trustees under the direction of the Massachusetts Department of Higher Education. The University is empowered to award baccalaureate and post-graduate degrees in education, business, and arts and sciences, as well as conduct programs of continuing education. The University is accredited by the New England Commission of Higher Education.

Basis of Presentation
The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, as prescribed by the *Governmental Accounting Standards Board* ("GASB").

Westfield State Foundation, Inc. (the "Foundation") is a related tax-exempt organization founded to foster and promote the growth, progress and general welfare of the University. The Foundation is included in the University's financial statements and is reported in a separate column from the University to emphasize that it is a Massachusetts not-for-profit organization legally separate from the University. Because of the significance of its financial relationship with the University, the Foundation is included in the University's financial statements. Complete financial statements can be obtained from the Foundation's administrative office in Westfield, Massachusetts.

Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. The University's policy for defining operating activities in the statement of revenues, expenses are those that generally result from exchange transactions such as the payment received for services and payment made for the purchase of goods and services. Certain other transactions are reported as non-operating activities. These non-operating activities include the University's operating and capital appropriations from the Commonwealth of Massachusetts (the "Commonwealth"), net investment income, gifts and interest expense.

The University has determined that it functions as a business-type activity, as defined by GASB. The effect of inter-fund activity has been eliminated from these financial statements. The basic financial statements and required supplementary information for general-purpose governments consist of management's discussion and analysis, basic financial statements and required supplementary information. The University presents statements of net position, revenues and expenses, changes in net position, and cash flows on a combined University-wide basis.

Net Position
Resources are classified for accounting purposes into the following four net asset categories:

Net Investment in capital assets: Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, repair or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

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Restricted - nonexpendable: Net position subject to externally imposed conditions or by law such that the University must maintain the funds in perpetuity.

Restricted - expendable: Net position whose use is subject to externally imposed conditions or by law that can be fulfilled by the actions of the University or the passage of time.

Unrestricted: Net position that is not subject to externally imposed stipulations or categorized as net investment in capital assets. Unrestricted net assets may be designated for specific purposes by action of management or the Board of Trustees or may otherwise be limited by contractual agreements with outside parties.

The University has adopted a policy of generally utilizing restricted - expendable funds, when available, prior to unrestricted funds.

Use of Estimates
The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies at the dates of the financial statements and revenues and expenses recognized during the reporting periods. The University's significant estimates include the accrual for employee compensated absences, the accrual for workers' compensation liability, net pension and OPEB liabilities, the allowance for doubtful accounts, and the useful lives of capital assets. Actual results could differ from those estimates.

Trust Funds
In accordance with the requirements of the Commonwealth of Massachusetts, the University's operations are accounted for in several trust funds. All trust funds have been consolidated and are included in the accompanying financial statements.

Cash and Equivalents
The University's cash and equivalents are cash on hand, cash and deposits held with the Commonwealth's Treasurer and Massachusetts State College Building Authority ("MSCBA"), which are short-term, highly liquid investments with original maturities of three months or less from the date of acquisition.

Allowance for Doubtful Accounts
Accounts and pledges receivable are periodically evaluated for collectability. Provisions for losses on receivables are determined on the basis of loss experience, known and inherent risks in the loan portfolio, the estimated value of underlying collateral and current economic conditions.

Investments
Investments in marketable securities are stated at fair value.

Dividends, interest, and net gains or losses on investments of endowments and similar funds are reported in the statements of revenues, expenses and changes in net position. Any net earnings not expended are included in net position categories as follows:

A) as increases in restricted – nonexpendable net position if the terms of the gift require that they be added to the principal of a permanent endowment fund;

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B) as increases in temporarily restricted – expendable net position if the terms of the gift or the University's interpretation of relevant state law impose restrictions on the current use of the income or net gains. The University has relied upon the Attorney General's interpretation of state law that unappropriated endowment gains should generally be classified as restricted - expendable; and

C) as increases in unrestricted net position in all other cases.

Capital Assets

Real estate assets, including improvements, are generally stated at cost. Furnishings, equipment, and collection items are stated at cost at date of acquisition or, in the case of gifts, at fair value at date of donation. In accordance with the state's capitalization policy, only those items with a unit cost of more than $50,000 are capitalized. Library materials are generally expenses during the year. University capital assets, with the exception of land and construction in progress, are depreciated on a straight-line basis over their estimated useful lives, which range from 3 to 40 years. Leased and subscription-based information technology arrangement assets are amortized over the shorter of the lease/subscription term or useful life of the underlying asset. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Amortization of leasehold improvements and leased assets is included within depreciation expense.

Restricted Gifts

The University recognizes restricted gifts as revenues or receivables when all applicable eligibility requirements, including time requirements, are met.

Grants and Contracts

The University receives monies from the federal and state government and other private agencies under grants and contracts. The costs, both direct and indirect, charged to these grants and contracts are subject to audit by the granting agency. The University administration believes that any audit adjustments would not have a material adverse effect on the University's financial position, its revenues, expenses and changes in net position, or its cash flows.

Compensated Absences

Employees earn the right to be compensated during absences for vacation and sick leave or when using compensatory time. Accrued vacation and compensatory time is the amount earned by all eligible employees through June 30, 2024 and 2023. The accrued sick leave balance represents 20% of amounts earned by those employees with ten or more years of state service at June 30, 2024 and 2023. Upon retirement, those employees are entitled to receive payment for this accrued balance. Funding of these amounts is anticipated to be part of the future annual appropriation process from the Commonwealth of Massachusetts.

Deposits and Unearned Revenue

Deposits and advance payments received for tuition and fees related to certain summer programs and tuition received for the following academic year are deferred. Funds received in advance from various grants and contracts are deferred. Deposits and unearned revenue are recorded as revenue when earned.

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Deposits Held by State Treasurer
Deposits held represents funds accessible by the University held by the Commonwealth of Massachusetts for payments on payroll.

Deposits Held by MSCBA
Deposits held represents funds accessible by the Massachusetts State College Building Authority for specific projects.

Pensions
For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Massachusetts State Employees' Retirement System plan ("SERS") and the additions to/deductions from SERS' fiduciary net position have been determined on the same basis as they are reported by SERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Post-employment Benefits Other Than Pensions ("OPEB")
For purposes of measuring the University's net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the State Retirees' Benefit Trust ("SRBT") and additions to/deductions from SRBT's fiduciary net position have been determined on the same basis as they are reported by SRBT. For this purpose, SRBT recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Student Fees
Student tuition and other fees are presented net of scholarships and fellowships applied to students' accounts. Certain other scholarship amounts paid directly to, or refunded to, the student are generally reflected as expenses.

Fringe Benefits
The University participates in the Commonwealth's fringe benefit programs, including health insurance, unemployment, pension, and workers' compensation benefits. Health insurance, unemployment and pension costs are billed through a fringe benefit rate charged to the University. Workers' compensation costs are assessed separately based on the University's actual experience. The Commonwealth requires the University to record, as a liability, its portion of the future estimated workers' compensation benefits to be paid.

Income Tax Status
The University is a component unit of the Commonwealth of Massachusetts and is exempt from federal income taxes under Section 115 of the Internal Revenue Code. The Foundation is also exempt from income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code.

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Future Governmental Accounting Pronouncements

GASB Statement 101 – Compensated Absences is effective for reporting periods beginning after December 15, 2023. The objective of this statement is to update the recognition and measurement for compensated absences.

GASB Statement 102 – Certain Risk Discloses is effective for reporting periods beginning after June 15, 2024. The objective of this statement is to update the required disclosures for risks that could negatively impact state and local governments.

GASB Statement 103 – Financial Reporting Model Improvements is effective for reporting periods beginning after June 15, 2025. The objective of this statement is to improve the financial reporting model to enhance decision making by the organization and assessing a government's accountability.

Management has not completed its review of the requirements of these standards and their applicability.

Note 2 - Implementation of Newly Effective Accounting Standard

As of July 1, 2022, the College implemented GASB Statement 100 – Accounting Changes and Error Corrections, an amendment of GASB 62. The objective of this statement is to provide consistency for changes in accounting principles, accounting estimates, and the reporting entity and corrections of errors. The adoption of this statement did not have a material impact to the financial statements.

Note 3 - Cash and Equivalents

The carrying amount of the University's bank deposits and deposits in trust depositories is $47,180,506 and $54,124,627 as compared to bank balances of $47,729,122 and $55,256,191 at June 30, 2024 and 2023, respectively. The differences between the carrying amount and the bank balances were attributed to deposits in transit and outstanding checks.

In addition to Federal Deposit Insurance Corporation insurance, the University has deposits insured through collateralization in a pool of eligible securities held by Berkshire Bank's Asset Management/Trust Group as custodian totaling $10,126,302 and $41,473,406 at June 30, 2024 and 2023, respectively. Amounts remaining that are exposed to custodial risk at June 30, 2024 and 2023 were $36,852,820 and $13,032,785, respectively.

Note 4 - Cash and Deposits Held by the State Treasurer

Accounts payable, accrued salaries, wages and withholdings to be funded from state-appropriated funds totaled $4,663,117 and $2,958,043 at June 30, 2024 and 2023, respectively. The University has recorded a comparable dollar amount of cash held by the State Treasurer for the benefit of the University, which was subsequently used to pay for such liabilities.

Cash forwarded by the University and held by the State Treasurer for payment of so called "non-appropriated" liabilities through Massachusetts Management Accounting Reporting System ("MMARS") totaled $1,990,232 and $2,685,015 at June 30, 2024 and 2023, respectively.

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Note 5 - **Investments**

University

Short-term investments are categorized according to the level of risk assumed by the University. At June 30, 2024 and 2023, the entire balance of investments are held in trust depository accounts in the name of the University and are uninsured. At June 30, 2024 and 2023, the investments are stated at fair value.

The fair value of the University's investments in debt securities by contractual maturities as of June 30, is as follows:

June 30, 2024 Investment Maturity in Years

Investment Type:	Fair Value	Less than 1	1-5
Mutual funds			
Short-term U.S. Treasuries	$ 2,226,575	$ 2,226,575	$ -
Short-term bonds	15,402,337	15,402,337	-
U.S. Treasuries	200,000	200,000	-
Total	17,828,912	$ 17,828,912	$ -
Mutual funds and exchange traded funds	18,950,801		
Total investments	$ 36,779,713		

June 30, 2023 Investment Maturity in Years

Investment Type:	Fair Value	Less than 1	1-5
Corporate bonds	$ 4,483,185	$ 1,225,532	$ 3,257,653
U.S. Treasuries	1,948,126	1,075,142	872,984
Short-term bonds	176,544	176,544	-
Total fixed income	6,607,855	$ 2,477,218	$ 4,130,638
Equity securities	16,786,323		
Total investments	$ 23,394,178		

At June 30, 2024, the University's Short-term U.S. Treasury and Short-term bonds credit quality ratings are as follows:

		Quality Ratings							
	Fair Value	Below B	B	BB	BBB	A	AA	AAA	Not Rated
Mutual Funds:									
Short-term U.S. Treasuries	$ 2,226,575	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,226,575	$ -
Short-term bonds	15,402,337	9,103	13,685	232,983	658,083	442,257	317,561	13,186,842	541,823
U.S. Treasuries	200,000	-	-	-	-	-	-	200,000	-
Totals	$ 17,828,912	$ 9,103	$ 13,685	$ 232,983	$ 658,083	$ 442,257	$ 317,561	$ 15,613,417	$ 541,823

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At June 30, 2023, the University's U.S. Treasury Notes and Government Securities and corporate debt securities credit quality ratings are as follows:

		Quality Ratings						
	Fair Value	BBB-	BBB	BBB+	A-	A	A+	AAA
Corporate bonds	$ 4,483,185	$ 185,963	$ 1,267,173	$ 1,351,879	$ 946,941	$ 498,778	$ 232,452	$ -
U.S. Treasuries	1,948,126	-	-	-	-	-	-	1,948,126
Government Agencies	176,544	-	-	-	-	-	-	176,544
Totals	$ 6,607,855	$ 185,963	$ 1,267,173	$ 1,351,879	$ 946,941	$ 498,778	$ 232,452	$ 2,124,670

Fair Value Hierarchy

The fair value hierarchy categorizes inputs to valuation techniques used to measure fair value into three levels. Level 1 inputs are quoted market prices for identical assets or liabilities in active markets that a government can access at the measurement date.

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for an asset or liability, directly or indirectly. Level 3 inputs are unobservable inputs. The highest priority is assigned to Level 1 inputs and the lowest to Level 3 inputs. If the fair value is measured using inputs from more than one level of the hierarchy, the measurement is considered to be based on the lowest priority input level that is significant to the entire measurement. Valuation techniques used should maximize the use of the observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2024 and 2023.

Mutual funds, exchange traded funds, and common stock are valued at daily closing prices as reported by the fund and are deemed to be actively traded. U.S. Treasuries and U.S. Government obligations are valued using quoted prices, documented trade history in the security, and pricing models maximizing the use of observable inputs. These securities are classified as Level 1.

Corporate bonds are valued either by using pricing models maximizing the use of observable inputs for similar securities or valued by the investment manager. These securities are classified as level 2.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the University believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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June 30, 2024

	Level 1	Level 2	Level 3	Total
Mutual funds				
International equities	$ 4,112,087	$ -	$ -	$ 4,112,087
U.S. equities	13,169,508	-	-	13,169,508
Short-term bonds	15,402,337	-	-	15,402,337
Short-term U.S. treasuries	2,226,575	-	-	2,226,575
Diversified emerging markets	1,669,206	-	-	1,669,206
Total mutual funds	36,579,713	-	-	36,579,713
U.S. Treasuries	-	200,000	-	200,000
Total investments	$ 36,579,713	$ 200,000	$ -	$ 36,779,713

Foundation

Investments of the Foundation are categorized as Level 1 investments and are valued at quoted prices of the shares held in an active market at June 30:

	2024	2023
Stock market index fund	**7,771,020**	7,348,176
Bond market index fund	**5,384,732**	4,341,270
International stock market index fund	**4,952,251**	4,170,888
	$ 18,108,003	$ 15,860,334

Note 6 - **Accounts Receivable**

The composition of the University's accounts receivable at June 30, 2024 and 2023 is summarized as follows:

	2024	2023
Student accounts receivable	**$ 2,589,868**	$ 2,674,875
Grants receivable	**518,750**	1,515,528
Other receivables	**128,686**	327,166
	3,237,304	4,517,569
Less: allowance for doubtful accounts	**(2,112,778)**	(2,123,059)
	$ 1,124,526	$ 2,394,510

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Note 7 - **Perkins Loans Receivable and Grants Refundable**

Loans receivable consist of the Federal Perkins Loan Program ("Perkins"). The Federal Government provides the majority of the funds to support this program. The portion of the Perkins program provided by the Federal Government, identified as grants refundable on the statements of net position, is refundable to the Federal Government upon the termination of the University's participation in the program.

Loans receivable include the following at June 30:

	2024	2023
Perkins loans receivable	**$ 104,143**	$ 142,364
Less: allowance for doubtful accounts	**(6,234)**	(21,116)
Total loans receivable, net	**97,909**	121,248
Less: amount due in one year	**(35,177)**	**(51,273)**
Long term loans receivable	**$ 62,732**	$ 69,975

The Federal Perkins Loan Program Extension Act of 2015 (the "Extension Act"), enacted on December 18, 2015, extended the Perkins Loan Program through September 30, 2017. The Extension Act states that new Perkins Loans cannot be disbursed to students after September 30, 2017. No further extensions were granted for the program as of the date of issuance of these financial statements.

Note 8 - **Related Party Transactions**

University
The University provides certain personnel and payroll services to the Foundation at no charge.

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Note 9 - **Capital Assets**

The University's capital asset activity for the year ended June 30, 2024 is summarized as follows:

	June 30, 2024					
	Estimated lives (in years)	Beginning Balance	Additions	Retirements	Reclassifications	Ending Balance
Capital assets, not depreciable:						
Land	-	$ 1,223,862	$ -	$ -	$ -	$ 1,223,862
Construction-in-progress	-	35,604,547	11,075,180	-	(458,540)	46,221,187
Total		36,828,409	11,075,180	-	(458,540)	47,445,049
Depreciable:						
Buildings, including improvements	20-40	150,937,615	2,207,120	-	458,540	153,603,275
Infrastructure improvements	40	11,552,831	-	-	-	11,552,831
Land improvements	20	6,758,558	-	-	-	6,758,558
Leasehold improvements	5	271,083	-	-	-	271,083
Equipment and furnishings	3-10	23,986,325	280,145	1,333,438	-	22,933,032
Library books	5	7,500,672	26,249	-	-	7,526,921
Vehicles	5	1,085,396	-	183,062	-	902,334
Software arrangements	3-5	1,155,428	726,724	-	-	1,882,152
Leased equipment	5-7	1,096,451	-	-	-	1,096,451
Leased real estate	8-24	112,402,898	-	-	-	112,402,898
Total		316,747,257	3,240,238	1,516,500	458,540	318,929,535
Less accumulated depreciation:						
Buildings, including improvements		73,371,656	4,344,167	-	-	77,715,823
Infrastructure improvements		288,821	288,821	-	-	577,642
Land improvements		2,671,885	224,976	-	-	2,896,861
Leasehold improvements		271,083	-	-	-	271,083
Equipment and furnishings		19,950,203	708,615	1,290,458	-	19,368,360
Library books		7,454,365	25,694	-	-	7,480,059
Vehicles		1,082,375	9,187	189,228	-	902,334
Software arrangements		298,382	570,113	-	-	868,495
Leased equipment		329,325	219,290	-	-	548,615
Leased real estate		11,708,924	5,815,962	-	-	17,524,886
Total accumulated depreciation		117,427,019	12,206,825	1,479,686	-	128,154,158
Capital Assets, Net		$ 236,148,647	$ 2,108,593	$ 36,814	$ -	$ 238,220,426

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The University's capital asset activity for the year ended June 30, 2023 is summarized as follows:

	June 30, 2023					
	Estimated lives (in years)	(Restated) Beginning Balance	Additions	Retirements	Reclassifications	Ending Balance
Capital assets, not depreciable:						
Land	-	$ 1,223,862	$ -	$ -	$ -	$ 1,223,862
Construction-in-progress	-	22,926,166	26,099,836	-	(13,421,455)	35,604,547
Total		24,150,028	26,099,836	-	(13,421,455)	36,828,409
Depreciable:						
Buildings, including improvements	20-40	146,963,158	2,058,115	-	1,916,342	150,937,615
Infrastructure improvements	40	-	47,718	-	11,505,113	11,552,831
Land improvements	20	6,758,558	-	-	-	6,758,558
Leasehold improvements	5	271,083	-	-	-	271,083
Equipment and furnishings	3-10	24,801,954	116,995	932,624	-	23,986,325
Library books	5	7,472,985	27,687	-	-	7,500,672
Vehicles	5	1,085,396	-	-	-	1,085,396
Software arrangements	3-5	756,767	398,661	-	-	1,155,428
Leased equipment	5-7	1,096,451	-	-	-	1,096,451
Leased real estate	8-24	112,402,898	-	-	-	112,402,898
Total		301,609,250	2,649,176	932,624	13,421,455	316,747,257
Less accumulated depreciation:						
Buildings, including improvements		69,160,773	4,210,883	-	-	73,371,656
Infrastructure improvements		-	288,821	-	-	288,821
Land improvements		2,389,337	282,548	-	-	2,671,885
Leasehold improvements		271,083	-	-	-	271,083
Equipment and furnishings		20,066,592	807,202	923,591	-	19,950,203
Library books		7,423,705	30,660	-	-	7,454,365
Vehicles		1,061,556	20,819	-	-	1,082,375
Software arrangements		-	298,382	-	-	298,382
Leased equipment		110,035	219,290	-	-	329,325
Leased real estate		5,854,462	5,854,462	-	-	11,708,924
Total accumulated depreciation		106,337,543	12,013,067	923,591	-	117,427,019
Capital Assets, Net		$ 219,421,735	$ 16,735,945	$ 9,033	$ -	$ 236,148,647

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Note 10 - **Student Deposits and Unearned Revenue**

Student deposits and unearned revenue includes tuition received in advance from students for summer courses commencing after June 30, the subsequent fall semester, state capital appropriations, and grant funds received in advance. Student deposits and unearned revenue of the University include the following as of June 30:

	2024	2023
Tuition and fees	$ 1,982,050	$ 1,881,994
State capital appropriations	2,448,061	375,601
Grants	939,135	1,568,908
Total student deposits and unearned revenue	$ 5,369,246	$ 3,826,503

Note 11 - **Line of Credit**

The Foundation has a demand line of credit allowing maximum borrowings of $500,000. Interest on the note is charged at the prime rate minus 0.5% (8.00% at June 30, 2024 and 7.75% at June 30, 2023, respectively). There were no borrowings outstanding on the line of credit at June 30, 2024 and 2023.

Note 12 - **Long-Term Liabilities**

Leases, SBITA, notes and bond payables at June 30, 2024 consist of:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Leases notes and bonds payable:					
Notes payable	$ 173,398	$ -	$ 85,300	$ 88,098	$ 88,098
SBITA liability	835,004	726,724	645,894	915,834	517,569
Lease liability	105,004,903	-	8,353,711	96,651,192	5,470,920
Bonds payable	20,963,855	4,609,439	6,287,795	19,285,499	1,251,995
Bonds premium	309,260	449,938	168,459	590,739	74,570
Total leases notes and bonds payable	127,286,420	5,786,101	15,541,159	117,531,362	7,403,152
Other long-term liabilities:					
Compensated absences	6,940,970	598,460	-	7,539,430	5,076,180
Workers' compensation	1,723,030	131,091	-	1,854,121	230,518
Grants refundable	171,489	-	38,092	133,397	-
Net pension liability	22,479,727	-	1,748,100	20,731,627	-
Net OPEB liability	28,290,524	-	6,240,728	22,049,796	-
Total other long-term liabilities	59,605,740	729,551	8,026,920	52,308,371	5,306,698
Total	$ 186,892,160	$ 6,515,652	$ 23,568,079	$ 169,839,733	$ 12,709,850

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Leases, SBITA, notes and bond payables at June 30, 2023 consist of:

	(Restated) Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Leases notes and bonds payable:					
Notes payable	$ 255,988	$ -	$ 82,590	$ 173,398	$ 85,300
SBITA liability	756,767	398,661	320,424	835,004	385,965
Lease liability	110,464,139	-	5,459,236	105,004,903	5,588,663
Bonds payable	22,032,520	-	1,068,665	20,963,855	1,272,170
Bonds premium	400,286	-	91,026	309,260	73,625
Total leases notes and bonds payable	133,909,700	398,661	7,021,941	127,286,420	7,405,723
Other long-term liabilities:					
Compensated absences	6,537,601	403,369	-	6,940,970	4,765,008
Workers' compensation	1,723,442	-	412	1,723,030	202,412
Grants refundable	267,395	-	95,906	171,489	-
Net pension liability	21,788,225	691,502	-	22,479,727	-
Net OPEB liability	38,255,065	-	9,964,541	28,290,524	-
Total other long-term liabilities	68,571,728	1,094,871	10,060,859	59,605,740	4,967,420
Total	$ 202,481,428	$ 1,493,532	$ 17,082,800	$ 186,892,160	$ 12,373,143

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MSCBA Bonds Payable

On February 1, 2024, the University's MSCBA Series 2014A, 2014C, and 2020A were refunded, and Series 2019C bonds were partially refunded as part of the MSCBA's Refunding Revenue Bonds Series 2024A. The purpose of the issuance was to provide budgetary relief to the University. This was a non-cash producing transaction to restructure the University's debt schedule and interest payments and resulted in an economic benefit of approximately $900,000 and deferred gain on refunding of approximately $450,000. Through its agreement with the MSCBA, the University repays this debt in semi-annual installments, starting on May 1, 2024 and ending at various dates through 2044, at an annual variable rate of 5%. A debt service fund is not required under this financing agreement. At June 30, 2024 and 2023 the outstanding amounts related to all MSCBA bond series was $19,836,344 and $21,219,923, respectively and is included in the project related bond payable amounts described below.

Science Center Building:

In December 2014, the University entered into a financing agreement with the MSCBA for partial funding of a new Science Center building. The source of financing for the project is based on the issuance of Project Revenue Bonds issued by MSCBA on behalf of the University (Series 2014B and 2020A). Through its agreements with MSCBA, the University will repay this debt in semi-annual installments, starting November 1, 2015 and ending May 1, 2044, at an annual variable coupon rate averaging 5.0%. MSCBA requires that the University maintain a debt service reserve which totaled $374,210 and $499,440 for the years ended June 30, 2024 and 2023, respectively. At June 30, 2024 and 2023, the balance on these bonds related to this project was $11,702,029 and $12,255,977, respectively.

Ely Hall:
In November 2011, the University entered into a financing agreement with the MSCBA for an expansion of the wellness center, and the relocation of the food services and other student areas in Ely Hall. The source of financing for the project is based on the issuance of Project Revenue Bonds issued by MSCBA on behalf of the University (Series 2012A, 2019C, 2020A, and 2024A). In fiscal year 2020 the 2012A bond was partially refunded with the Series 2019C bonds resulting in an economic gain of $414,303 and a deferred gain of $260,434. As disclosed above, in July 2020 both the Series 2012A and 2019C bonds were partially refunded with the Series 2020A bonds. Through its agreements with MSCBA, the University is to repay this debt in semi-annual installments, starting May 1, 2020 and ending May 1, 2044, at an annual variable coupon rate averaging 2.2%. A debt service reserve fund is not required under this financing arrangement. At June 30, 2024 and 2023, the balance on these bonds related to this project was $4,653,738 and $5,055,888, respectively.

Dining Facility:
In December 2010, the University entered into a financing agreement with the MSCBA for an expansion of a dining facility. The source of financing for the project is based on the issuance of Project Revenue Bonds issued by MSCBA on behalf of the University (Series 2010A, 2010B, 2020A, and 2024A). As disclosed above, in July 2020 the Series 2010A and 2010B bonds were partially refunded with the Series 2020A bonds. Through its agreements with MSCBA, the University will repay this debt in semi-annual installments, starting May 1, 2011 and ending May 1, 2044, at an annual variable coupon rate averaging 5.5%. MSCBA requires that the University maintain a debt service reserve which totaled $94,694 and $102,615 for the years ended June 30, 2024 and 2023, respectively. At June 30, 2024 and 2023, the balance on these bonds was $2,324,742 and $2,616,163, respectively.

Dining Facility Equipment Replacement and Installation:
In February 2022, the University entered into a financing agreement with the MSCBA for the replacement of equipment in the dining facility. The source of financing for the project is based on the issuance of Project Revenue Bonds issued by MSCBA on behalf of the University (Series 2022A and 2024A). Through its agreements with MSCBA, the University will repay this debt in semi-annual installments, starting November 1, 2022 and ending May 1, 2032, at an annual coupon rate of 5.0%. MSCBA does not require that the University maintain a debt service reserve. At June 30, 2024 and 2023, the balance on these bonds was $1,155,835 and $1,291,895, respectively.

Other Bonds Payable
During November 2010, the University borrowed $226,065 in clean renewable energy bonds issue Series 2010A-14 with the Massachusetts Development Finance Agency (“MDFA”). The Series 2010A-14 bonds are payable in annual principal installments of $13,298 through fiscal year 2027. Interest is payable semiannually at a fixed interest rate of 3.5%. MDFA requires no debt reserve. At June 30, 2024 and 2023, the balance on these bonds was $39,894 and $53,192, respectively.

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Future Maturities of Bonds Payable

Maturities of the bonds payable subsequent to June 30, 2024 are as follows:

Years Ended June 30,	Principal	Amortization of Bond Premium	Total Principal	Interest	Total
2025	$ 1,251,995	$ 74,570	$ 1,326,565	$ 675,423	$ 2,001,988
2026	1,313,890	71,090	1,384,980	276,153	1,661,133
2027	1,377,280	67,437	1,444,717	592,619	2,037,336
2028	1,218,926	63,600	1,282,526	211,924	1,494,450
2029	1,476,382	57,314	1,533,696	477,409	2,011,105
2030-2034	5,515,802	176,221	5,692,023	891,472	6,583,495
2035-2039	3,718,034	68,743	3,786,777	873,507	4,660,284
2040-2044	3,413,190	11,764	3,424,954	440,078	3,865,032
2045-2049	-	-	-	518,607	518,607
2050-2053	-	-	-	253,500	253,500
	$ 19,285,499	$ 590,739	$ 19,876,238	$ 5,210,692	$ 25,086,930

Future Maturities of Notes Payable

The following schedule summarizes future minimum annual payments under non-cancelable notes payable as of June 30, 2024:

Years Ended June 30,	Principal	Interest	Total
2025	$ 88,098	$ 2,890	$ 90,988

The University entered into finance purchase agreements for equipment. The notes payable require annual payments ranging from $20,737 to $70,250 with interest rates ranging from 3.19% to 3.53%

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Note 13 - **Lease Liability**

A summary of the University's leases at June 30, 2024 is as follows:

Description	Expiration Date	Payment Amount	Rate Type	Interest Rate	Lease Liability
Equipment Leases	Various	$5,112 - $10,337	IBR	5.00%	$ 581,467
MSCBA-04A-New Hall	5/1/2043	Varies	Implicit Rate	3.55%	26,696,051
MSCBA-04A-Renewal	5/1/2041	Varies	Implicit Rate	2.63%	359,147
MSCBA-06A-Renewal (2006)	11/1/2040	Varies	Implicit Rate	4.40%	805,711
MSCBA-06A-Renewal (2007)	5/1/2033	Varies	Implicit Rate	3.47%	1,800,082
MSCBA-08A-Renewal (20)	5/1/2042	Varies	Implicit Rate	3.81%	370,460
MSCBA-08A-Renewal (30)	5/1/2042	Varies	Implicit Rate	3.34%	2,109,648
MSCBA-09A-Renewal	5/1/2042	Varies	Implicit Rate	3.89%	1,061,311
MSCBA-09C-Renewal	5/1/2041	Varies	Implicit Rate	4.99%	2,252,309
MSCBA-10B-Renewal	5/1/2041	Varies	Implicit Rate	5.20%	1,108,761
MSCBA-12A-Renewal	5/1/2041	Varies	Implicit Rate	3.73%	1,277,234
MSCBA-12A-University Hall	5/1/0244	Varies	Implicit Rate	4.18%	45,533,639
MSCBA-12C-Renewal	11/1/2034	Varies	Implicit Rate	4.22%	2,214,710
MSCBA-14A-Davis	5/1/2043	Varies	Implicit Rate	3.26%	1,503,810
MSCBA-14C-Dickinson	11/1/2042	Varies	Implicit Rate	4.70%	3,169,750
MSCBA-15A-Davis	5/1/2036	Varies	Implicit Rate	4.78%	4,144,744
MSCBA-99A-Pooled Debt Service	5/1/2028	Varies	Implicit Rate	73.65%	1,662,358
					$ 96,651,192

A summary of the University's leases at June 30, 2023 is as follows:

Description	Expiration Date	Payment Amount	Rate Type	Interest Rate	Lease Liability
Equipment Leases	Various	$5,112 - $10,337	IBR	5.00%	$ 794,866
MSCBA-04A-New Hall	5/1/2043	Varies	Implicit Rate	3.11%	28,498,199
MSCBA-04A-Renewal	5/1/2041	Varies	Implicit Rate	2.86%	366,418
MSCBA-06A-Renewal (2006)	5/1/2033	Varies	Implicit Rate	2.10%	888,406
MSCBA-06A-Renewal (2007)	5/1/2033	Varies	Implicit Rate	2.21%	1,894,575
MSCBA-08A-Renewal (20)	5/1/2042	Varies	Implicit Rate	3.64%	442,032
MSCBA-08A-Renewal (30)	5/1/2042	Varies	Implicit Rate	3.10%	2,314,283
MSCBA-09A-Renewal	5/1/2042	Varies	Implicit Rate	3.71%	1,230,691
MSCBA-09C-Renewal	5/1/2041	Varies	Implicit Rate	5.01%	2,530,247
MSCBA-10B-Renewal	5/1/2041	Varies	Implicit Rate	5.22%	1,239,975
MSCBA-12A-Renewal	5/1/2041	Varies	Implicit Rate	2.49%	1,349,653
MSCBA-12A-University Hall	5/1/2044	Varies	Implicit Rate	4.01%	46,863,645
MSCBA-12C-Renewal	5/1/2032	Varies	Implicit Rate	4.25%	2,379,028
MSCBA-14A-Davis	5/1/2043	Varies	Implicit Rate	3.17%	1,546,787
MSCBA-14C-Dickinson	5/1/2039	Varies	Implicit Rate	4.75%	4,880,420
MSCBA-15A-Davis	5/1/2036	Varies	Implicit Rate	4.46%	4,441,949
MSCBA-99A-Pooled Debt Service	5/1/2028	Varies	Implicit Rate	35.61%	3,343,729
					$ 105,004,903

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Equipment Leases
In July 2019, the University entered into a seven-year lease agreement for equipment. Payments of $5,243 are due monthly. There are no options to renew the lease or purchase the leased equipment. The University did not make payments for the lease other than the monthly payments for the years ended June 30, 2024 and 2023.

In January 2022, the University entered into a five-year lease agreement for equipment. Payments of $5,112 are due monthly. There are no options to renew the lease or purchase the leased equipment. The University did not make payments for the lease other than the monthly payments for the years ended June 30, 2024 and 2023.

In April 2022, the University entered into a five-year lease agreement for equipment. Payments of $10,337 are due monthly. There are no options to renew the lease or purchase the leased equipment. The University did not make payments for the lease other than the monthly payments for the years ended June 30, 2024 and 2023.

The University's incremental borrowing rate ("IBR") for a transaction with similar attributes was used to discount the lease payments to recognize the intangible right to use this asset and the associated lease liability.

MSCBA
The land on which the residence hall resides is leased by the Massachusetts State College Building Authority ("MSCBA") from the Commonwealth of Massachusetts. MSCBA has issued bonds to construct and refurbish the University's residence halls. The residence halls and the associated liabilities are reflected on the financial statements of MSCBA. MSCBA leases the residence halls to the University.

According to an agreement between the Commonwealth of Massachusetts and the University, the University is responsible for reimbursing MSCBA for debt service payments of the bonds that MSCBA has issued for the residence halls and operating costs for the residence halls incurred by MSCBA.

The lease terms are completed when the final bond payment is made. Final payment for all bonds is scheduled for May 2044. If MSCBA refunds the bonds, any cost savings are passed through to the University. During the year ended June 30, 2024, $5.7 million of the bonds were refunded. The difference in the lease liability due to the refunding was recognized as deferred outflow of resources.

Payments to MSCBA are due in semi-annual installments that coincide with the fall and spring academic semesters. For the year ended June 30, 2024 and 2023, debt service payments related to leases paid by the University was $7,742,167 and $10,654,685, respectively, and other payments of $1,733,085 and $1,591,106, respectively.

The total amount of the right of use lease assets was $113,499,349 as of June 30, 2024 and 2023. Total amount of the accumulated amortization for leases were $18,073,501 and $12,038,249 as of June 30, 2024 and 2023, respectively.

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Annual requirements to amortize the lease liability and related interest subsequent to June 30, 2024 are as follows:

Years Ended June 30,	Principal	Interest	Total
2025	$ 5,470,920	$ 5,272,449	$ 10,743,369
2026	5,729,719	4,997,062	10,726,781
2027	5,923,395	4,654,106	10,577,501
2028	6,466,833	4,113,713	10,580,546
2029	5,673,644	2,873,055	8,546,699
2030-2034	26,307,457	10,956,190	37,263,647
2035-2039	24,855,336	6,037,221	30,892,557
2040-2044	16,223,888	1,271,993	17,495,881
	$ 96,651,192	$ 40,175,789	$ 136,826,981

Note 14 - **Subscription-Based Information Technology Arrangements**

The University has entered into subscription-based information technology arrangements (SBITAs) for various software products which were initiated in fiscal years ended ranging from June 30, 2021 to 2024. These agreements have expiration dates ranging from June 2025 to March 2028 and have annual payments ranging from $17,847 to $127,270. An IBR of 5% was used to discount all SBITA arrangement payments to recognize the intangible right to use this asset and the associated SBITA liability. There were no payments made for additional services not included in the annual SBITA payments. The University has no options to renew these agreements and there is no option to purchase the software products.

At June 30, 2024 and 2023, the total amount of the SBITA right of use assets was $1,882,152 and $1,155,428, respectively and at June 30, 2024 and 2023, accumulated amortization for SBITAs was $868,495 and $298,382, respectively.

Annual requirements to amortize the SBITA liability and related interest subsequent to June 30, 2024 are as follows:

Years Ended June 30,	Principal	Interest	Total
2025	$ 455,390	$ 45,183	$ 500,573
2026	395,592	23,557	419,149
2027	64,852	3,318	68,170
	$ 915,834	$ 72,058	$ 987,892

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Note 15 - **Pension**

Defined Benefit Plan Description
Certain employees of the University participate in a cost-sharing multiple-employer defined benefit pension plan - the Massachusetts State Employees' Retirement System - administered by the Massachusetts State Board of Retirement (the "Board"), which is a public employee retirement system ("PERS"). Under a cost-sharing plan, pension obligations for employees of all employers are pooled and plan assets are available to pay the benefits through the plan, regardless of the status of the employers' payment of its pension obligations to the plan. The plan provides retirement and disability benefits and death benefits to plan members and beneficiaries.

The Massachusetts State Employees' Retirement System does not issue stand-alone financial statements. Additional information regarding the Plan is contained in the Commonwealth's financial statements, which is available on-line from the Office of State Comptroller's website.

Benefit Provisions
SERS provides retirement, disability, survivor and death benefits to members and their beneficiaries. Massachusetts General Laws ("MGL") establishes uniform benefit and contribution requirements for all contributory PERS. These requirements provide for superannuation retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation. For employees hired after April 1, 2012, retirement allowances are calculated based on the last five years or any five consecutive years, whichever is greater in terms of compensation. Benefit payments are based upon a member's age, length of creditable service, group creditable service, and group classification. The authority for amending these provisions rests with the Massachusetts State Legislature (the "Legislature").

Members become vested after ten years of creditable service. A superannuation retirement allowance may be received upon the completion of twenty years of service or upon reaching the age of 55 with ten years of service. Normal retirement for most employees occurs at age 65; for certain hazardous duty and public safety positions, normal retirement is at age 55. Most employees who joined the system after April 1, 2012 are not eligible for retirement until they have reached age 60.

Contributions
The SERS' funding policies have been established by Chapter 32 of the MGL. The Legislature has the authority to amend these policies. The annuity portion of the SERS retirement allowance is funded by employees, who contribute a percentage of their regular compensation. Costs of administering the plan are funded out of plan assets.

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Member contributions for SERS vary depending on the most recent date of membership:

Hire Date	Percent of Compensation
Prior to 1975	5% of regular compensation
1975 - 1983	7% of regular compensation
1984 to 6/30/1996	8% of regular compensation
7/1/1996 to present	9% of regular compensation except for State Police which is 12% of regular compensation
7/1/2001 to present	11% of regular compensation (for teacher hired after 7/1/01 and those accepting provisions of Chapter 114 of the Acts of 2000)
1979 to present	An additional 2% of regular compensation in excess of $30,000 except for teachers subject to Chapter 114 of the Acts of 2000

The Commonwealth does not require the University to contribute funding from its local trust funds for employees paid by state appropriations. Pension funding for employees paid from state appropriations are made through a benefit charge assessed by the Commonwealth. Such pension contributions amounted to approximately $6,623,000, $5,802,000 and $5,556,000 for the years ended June 30, 2024, 2023 and 2022, respectively.

For employees covered by SERS but not paid from state appropriations, the University is required to contribute at an actuarially determined rate. The rate was 16.69%, 16.70% and 16.11% of annual covered payroll for the years ended June 30, 2024, 2023 and 2022, respectively. The University contributed $2,270,182, $2,086,906 and $ 2,274,638 for the years ended June 30, 2024, 2023 and 2022, respectively, equal to 100% of the required contributions for each year. Annual covered payroll was approximately 88%, 91% and 89% of total related payroll for the years ended 2024, 2023 and 2022, respectively.

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2024 and 2023, the University reported a liability of $20,731,627 and $22,479,727, respectively for its proportionate share of the net pension liability related to its participation in SERS. The net pension liability as of June 30, 2024, the reporting date, was measured as of June 30, 2023, the measurement date, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023 rolled forward to June 30, 2023. The net pension liability as of June 30, 2023, the reporting date, was measured as of June 30, 2022, the measurement date, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022 rolled forward to June 30, 2022.

The University's proportion of the net pension liability was based on its share of the Commonwealth of Massachusetts' collective pension amounts allocated on the basis of actual fringe benefit charges assessed to the University for the fiscal years 2024 and 2023. The Commonwealth's proportionate share was based on actual employer contributions to the SERS for fiscal years 2024 and 2023 relative to total contributions of all participating employers for the fiscal year. At June 30, 2024 and 2023, the University's proportion was 0.142% and 0.162%, respectively.

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For the years ended June 30, 2024 and 2023, the University recognized a pension benefit of $1,289,812 and $809,615, respectively. The University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources at June 30:

	2024	2023
Deferred Outflows of Resources Related to Pension		
Contributions subsequent to the measurement date	**$ 2,270,182**	$ 2,086,906
Differences between expected and actual experience	**736,449**	559,192
Changes in proportion from Commonwealth	**171**	1,538
Change in plan actuarial assumptions	**348,430**	618,903
Changes in proportion due to internal allocation	**76,134**	240,780
Differences between projected and actual earnings on pension plan investments	**557,950**	-
Total	**$ 3,989,316**	$ 3,507,319
Deferred Inflows of Resources Related to Pension		
Changes in proportion due to internal allocation	**$ 8,960,292**	$ 9,902,806
Changes in proportion from Commonwealth	**158,380**	60,807
Differences between expected and actual experience	**512,276**	877,391
Differences between projected and actual earnings on pension plan investments	**-**	119,841
Total	**$ 9,630,948**	$ 10,960,845

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The University's contributions of $2,270,182 and $2,086,906 made during the years ended June 30, 2024 and 2023, respectively, subsequent to the measurement date, will be recognized as a reduction of the net pension liability in each of the succeeding years. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as increases (decreases) in pension expense as follows:

Years Ending June 30,	
2025	$ (379,343)
2026	3,950,836
2027	(9,742,827)
2028	(1,740,480)
	$ (7,911,814)

Actuarial Assumptions

The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	2024	2023
Measurement date	June 30, 2023	June 30, 2022
Inflation	2.50%	2.50%
Salary increases	4.00% to 9.00%	4.00% to 9.00%
Investment rate of return	7.00%	7.00%
Interest rate credited to annuity savings fund	3.50%	3.50%
Cost of living increase	3.00%	3.00%

For measurement date June 30, 2023, mortality rates were based on:

- Pre-retirement - reflects RP-2014 Blue Collar Employees table projected generationally with Scale MP-2021 set forward 1 year for females.
- Post-retirement - reflects RP-2014 Blue Collar Healthy Annuitant table projected generationally with Scale MP-2021 set forward 1 year for females.
- Disability - reflects the post-retirement mortality described above, set forward 1 year.

For measurement date June 30, 2022, mortality rates were based on:

- Pre-retirement - reflects RP-2014 Blue Collar Employees table projected generationally with Scale MP-2020 set forward 1 year for females.
- Post-retirement - reflects RP-2014 Blue Collar Healthy Annuitant table projected generationally with Scale MP-2020 set forward 1 year for females.
- Disability - reflects the post-retirement mortality described above, set forward 1 year.

Experience studies were performed as follows:

- Dated February 27, 2014 and encompasses the period January 1, 2006 to December 31, 2011, updated to reflect actual experience from 2012 through 2020 for post-retirement mortality.

The 2024 pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of January 1, 2023 and rolled forward to June 30, 2023.

The 2023 pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of January 1, 2022 and rolled forward to June 30, 2022.

Investment assets of SERS are with the Pension Reserves Investment Trust (“PRIT”) Fund. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future rates of return by the target asset allocation percentage.

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Best estimates of geometric rates of return for each major asset class included in the PRIT Fund's target asset allocation are summarized in the following table:

	2024		2023	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	37.0%	4.9%	38.0%	4.2%
Portfolio Completion Strategies	10.0%	3.8%	10.0%	2.7%
Core Fixed Income	15.0%	1.9%	15.0%	0.5%
Private Equity	16.0%	7.4%	15.0%	7.3%
Real Estate	10.0%	3.0%	10.0%	3.3%
Value Added Fixed Income	8.0%	5.1%	8.0%	3.7%
Timber/Natural Resources	4.0%	4.3%	4.0%	3.9%
Total	100.0%		100.0%	

Discount Rate

The discount rate used to measure the total pension liability was 7.00% at June 30, 2024 and 20232024. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and the Commonwealth's contributions will be made at rates equal to the difference between actuarially determined contributions rates and the member rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following table illustrates the sensitivity of the net pension liability calculated using the discount rate as well as what the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate.

June 30, 2024		
1.00% Decrease (6.00%)	Current Discount Rate (7.00%)	1.00% Increase (8.00)%
$ 28,492,826	$ 20,731,627	$ 14,163,614

June 30, 2023		
1.00% Decrease (6.00%)	Current Discount Rate (7.00%)	1.00% Increase (8.00)%
$ 31,004,661	$ 22,479,727	$ 15,266,394

Note 16 - **OPEB**

Plan Description

As an agency of the Commonwealth, certain employees of the University participate in the Commonwealth's single-employer defined benefit-OPEB plan - the State Retirees' Benefit Trust ("SRBT"). Benefits are managed by the Group Insurance Commission ("GIC") and investments are managed by the Pension Reserves Investment Management ("PRIM") Board. The GIC has representation on the Board of Trustees of the State Retirees' Benefits Trust ("Trustees").

The SRBT is set up solely to pay for OPEB benefits and the cost to administer those benefits. It can only be revoked when all such health care and other non-pension benefits, current and future, have been paid or defeased. The GIC administers benefit payments, while the Trustees are responsible for investment decisions.

Management of the SRBT is vested with the Trustees, which consists of seven members including the Secretary of Administration and Finance (or their designee), the Executive Director of the GIC (or their designee), the Executive Director of PERAC (or their designee), the State Treasurer (or their designee), the Comptroller (or a designee), one person appointed by the Governor, and one person appointed by the State Treasurer. These members elect one person to serve as chair of the board.

The SRBT does not issue stand-alone audited financial statements but is reflected as a fiduciary fund in the Commonwealth's audited financial statements.

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Benefits Provided

Under Chapter 32A of the Massachusetts General Laws, the Commonwealth is required to provide certain health care and life insurance benefits for retired employees of the Commonwealth, housing authorities, redevelopment authorities and certain other governmental agencies. Substantially all of the Commonwealth's employees may become eligible for these benefits if they reach retirement age while working for the Commonwealth. Eligible retirees are required to contribute a specified percentage of the health care / benefit costs, which are comparable to contributions required from employees. Dental and vision coverage may be purchased by these groups with no subsidy from the Commonwealth.

Contributions

Employer and employee contribution rates are set by MGL. The Commonwealth recognizes its share of the costs on an actuarial basis. As of June 30, 2024 and 2023 and as of the valuation date (January 1, 2023 and 2022), participants contributed 10% to 20% of premium costs, depending on the date of hire and whether the participants' status is active, retired, or survivor. As part of the fiscal year 2010 General Appropriation Act, all active employees pay an additional 5% of premium costs. The Massachusetts General Laws governing employer contributions to SRBT determine whether entities are billed for OPEB costs. Consequently, SRBT developed an effective contribution methodology which allocates total actual contributions amongst the employers in a consistent manner (based on an employer's share of total covered payroll). The University is required to contribute based on Massachusetts General Laws; the rate was 7.83% and 7.28% of annual covered payroll for the fiscal years ended June 30, 2024 and 2023, respectively.

The University contributed $1,064,969 and $909,454 for the fiscal years ended June 30, 2024 and 2023, respectively, equal to 100% of the required contribution for the year.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2024 and 2023, the University reported a liability of $22,049,796 and $28,290,524, respectively, for its proportionate share of the net OPEB liability related to its participation in SRBT. The net OPEB liability as of June 30, 2024, was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2023. The net OPEB liability as of June 30, 2023, was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2022. The University's proportion of the net OPEB liability was based on its share of the Commonwealth's collective OPEB amounts allocated on the basis of an effective contribution methodology which allocates total actual contributions amongst the employers in a consistent manner based on the University's share of total covered payroll for the fiscal years 2023 and 2022. The University's proportionate share was based on the actual employer contributions to the SRBT for fiscal years 2023 and 2022 relative to total contributions of all participating employers for the fiscal year. At June 30, 2024 and 2023, the University's proportion was 0.157% and 0.212%, respectively.

For the years ended June 30, 2024 and 2023, the University recognized an OPEB benefit of $8,059,416 and $4,657,096, respectively.

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The University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources at June 30:

	2024	2023
Deferred Outflows of Resources Related to OPEB		
Contributions subsequent to the measurement date	**$ 1,064,969**	$ 909,454
Changes in proportion from Commonwealth	**2,020**	12,998
Differences between expected and actual experience	**896,828**	520,792
Changes of assumptions	**968,660**	2,083,690
Changes in proportion due to internal allocation	**-**	1,509,692
Net differences between projected and actual earnings on OPEB plan investments	**72,071**	43,005
Total deferred outflows related to OPEB	**$ 3,004,548**	$ 5,079,631
Deferred Inflows of Resources Related to OPEB		
Differences between expected and actual experience	**$ 2,476,740**	$ 4,683,803
Changes in proportion from Commonwealth	**210,993**	139,713
Changes in proportion due to internal allocation	**23,439,677**	21,711,130
Changes in OPEB plan actuarial assumptions	**5,687,436**	10,238,940
Total deferred inflows related to OPEB	**$ 31,814,846**	$ 36,773,586

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The University's contributions of $1,064,969 and $909,454 made during the fiscal years ending 2024 and 2023, respectively, reported as deferred outflows of resources related to OPEB resulting from University contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in each of the succeeding years.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as increases (decreases) in OPEB expense as follows:

Years Ending June 30,	
2025	$ (7,543,422)
2026	(7,423,810)
2027	(7,284,099)
2028	(6,044,674)
2029	(1,579,262)
	$ (29,875,267)

Actuarial Assumptions
The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Measurement date	June 30, 2023	June 30, 2022
Inflation	2.50%	2.50%
Salary increases	4.0% per year	4.0% per year
Investment rate of return	7.00%, net of OPEB plan investment expense, including inflation	7.00%, net of OPEB plan investment expense, including inflation
Health care cost trend rates	Developed based on the most recent published GAO-Getzen trend rate model, version 2023_1f. Medicare and non-medicare benefits range from 3.94% to 8.59%	Developed based on the most recent published GAO-Getzen trend rate model, version 2022_f4. Medicare and non-medicare benefits range from 3.94% to 9.11%

For measurement date June 30, 2023, the mortality rate was in accordance with RP 2014 Blue Collar Mortality Table projected with scale MP-2021 with females set forward one year. For measurement date June 30, 2022, the mortality rate was in accordance with RP 2014 Blue Collar Mortality Table projected with scale MP-2020 with females set forward one year.

The participation rates are actuarially assumed as below:

- 100% of all retirees who currently have health care coverage are assumed to elect coverage at retirement.
- Retirees who currently elect to waive their coverage are assumed to remain uncovered in the future.
- 35% of employees currently opting out of active employee health coverage are assumed to elect to enroll in retiree coverage.
- 85% of current and future vested terminated participants will elect health care benefits at age 55, or current age if later.
- 100% of spouses are assumed to elect to continue coverage after the retiree's death.
- Actives, upon retirement, take coverage, and are assumed to have the following coverage:

	2024 Retirement Age				2023 Retirement Age	
	Under 65		Age 65+		Under 65	Age 65+
Indemnity	27.0%	Medicare Supplement	96.0%	Indemnity	28.0%	96.0%
POS/PPO	63.0%	Medicare Advantage	4.0%	POS/PPO	62.0%	0.0%
HMO	10.0%			HMO	10.0%	4.0%

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The actuarial assumptions used in the January 1, 2023 and 2022 valuations were based on the results of an actuarial experience study for the periods ranging July 1, 2021 and 2020 through December 31, 2022 and 2021, depending upon the criteria being evaluated.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage. The SRBT is required to invest in the PRIT Fund. Consequently, information about SRBT's target asset allocation and long-term expected real rate of return as of June 30, 2024 and 2023 are the same as discussed in the pension footnote, and are summarized as follows:

	2024		2023	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	37.0%	4.9%	38.0%	4.2%
Portfolio Completion Strategies	10.0%	3.8%	10.0%	2.7%
Core Fixed Income	15.0%	1.9%	15.0%	0.5%
Private Equity	16.0%	7.4%	15.0%	7.3%
Real Estate	10.0%	3.0%	10.0%	3.3%
Value Added Fixed Income	8.0%	5.1%	8.0%	3.7%
Timber/Natural Resources	4.0%	4.3%	4.0%	3.9%
Total	100.0%		100.0%	

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Discount Rate

The discount rate used to measure the total OPEB liability for 2024 and 2023 was 4.34% and 4.30%, respectively. These rates were based on a blend of the Bond Buyer Index rate (3.65% at June 30, 2023 and 3.54% as of June 30, 2022) as of the measurement date and the expected rates of return. The OPEB plan's fiduciary net position was not projected to be available to make all projected future benefit payments for current plan members. Based on the stated assumptions and the projection of cash flows, the Plan's Fiduciary Net Position and future contributions were not sufficient to finance the future benefit payments of the current plan members. Therefore, the long-term expected rate of return on OPEB plan investments of 7.00% was applied to projected benefit payments through year 2042 and the municipal bond rate was applied to all remaining future years to determine the total OPEB liability.

Sensitivity of the University's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the University's proportionate share of the net OPEB liability, as well as what the University's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	June 30, 2024		
	1.00% Decrease 3.34%	Current Discount Rate 4.34%	1.00% Increase 5.34%
Net OPEB Liability	$ 25,763,022	$ 22,049,796	$ 19,002,881

	June 30, 2023		
	1.00% Decrease 3.30%	Current Discount Rate 4.30%	1.00% Increase 5.30%
Net OPEB Liability	$ 33,003,949	$ 28,290,524	$ 24,418,789

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Sensitivity of the University's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the University's proportionate share of the net OPEB liability, as well as what the University's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

June 30, 2024		
1.00% Decrease (B)	Current Healthcare Cost Trend Rate (A)	1.00% Increase (C)
$ 18,476,055	$ 22,049,796	$ 26,570,358

June 30, 2023		
1.00% Decrease (B)	Current Healthcare Cost Trend Rate (A)	1.00% Increase (C)
$ 23,715,557	$ 28,290,524	$ 34,081,883

(A) - Current healthcare cost trend rate, as disclosed in the actuarial assumptions

(B) - 1-percentage decrease in current healthcare cost trend rate, as disclosed in the acturial assumptions

(C) - 1-percentage increase in current healthcare cost trend rate, as disclosed in the acturial assumptions

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Note 17 - Net Position

Restricted Net Position

The University is the recipient of funds that are subject to various external constraints upon their use, either as to purpose or time. These funds are comprised of the following at June 30:

	2024	2023
Restricted - expendable:		
Scholarships and fellowships	**$ 868,810**	$ 988,612
Loans	**15,095**	15,095
Capital projects	**118,870**	118,870
Grants	**804,066**	1,682,485
	$ 1,806,841	$ 2,805,062

The Foundation's restricted - nonexpendable and expendable net position consists of investments to be utilized for various scholarships and program support as of June 30, 2024 and 2023.

Note 18 - Operating Expenses

The University's operating expenses, on a natural classification basis, are comprised of the following at June 30:

	2024	2023
Compensation and benefits	$ 79,691,196	$ 71,503,778
Supplies and services	27,824,836	27,021,456
Depreciation and amortization	12,206,825	12,013,067
Scholarships and fellowships	5,116,597	4,799,701
	$ 124,839,454	$ 115,338,002

Note 19 - Other Fringe Benefits

The University participates in the Commonwealth's Fringe Benefit programs, including active employee and postemployment health insurance, unemployment, pension and workers' compensation benefits. Health insurance for active employees and retirees is paid through a fringe benefit rate charged to the University by the Commonwealth.

Group Insurance Commission
The Commonwealth's Group Insurance Commission ("GIC") was established by the Legislature in 1955 to provide and administer health insurance and other benefits to the Commonwealth's employees and retirees, and their dependents and survivors.

GIC also covers housing and redevelopment authorities' personnel, certain authorities and other offline agencies, retired municipal teachers from certain cities and towns, and a small number of municipalities as an agent multiple-employer program, accounted for as an agency fund activity of the Commonwealth, not the University.

The GIC is a quasi-independent state agency governed by an eleven-member body (the "Commission") appointed by the Governor. The GIC is located administratively within the Executive Office of Administration and Finance, and it is responsible for providing health insurance and other benefits to the Commonwealth's employees and retirees and their survivors and dependents. During the fiscal years ended June 30, 2024 and 2023, the GIC provided health insurance for its members through indemnity, PPO, and HMO plans. The GIC also administers carve-outs for pharmacy, mental health, and substance abuse benefits for certain health plans. In addition to health insurance, the GIC sponsors life insurance, long-term disability insurance (for active employees only), dental and vision coverage (for employees not covered by collective bargaining), retiree discount vision and dental plans, and a pretax health care spending account and dependent care assistance program (for active employees only).

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Other Retirement Plans
The employees of the University can elect to participate in two defined contribution plans offered and administered by the Massachusetts Department of Higher Education – an IRC 403(b) Tax-Deferred Annuity Plan and an IRC 457 Deferred Compensation SMART Plan. Employees can contribute by payroll deduction a portion of before-tax salary into these plans up to certain limits. The University has no obligation to contribute to these plans and no obligation for any future payout.

Note 20 - Commitments and Contingencies

The University is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, and natural disasters for which the Commonwealth is self-insured.

Various lawsuits are pending or threatened against the University, which arise in the ordinary course of operations. In the opinion of management, no litigation is now pending or threatened that would materially affect the University's financial position.

The University receives significant financial assistance from federal and state agencies in the form of grants. Expenditures of funds under these programs require compliance with the grant agreements and are subject to audit. Any disallowed expenditure resulting from such audits become a liability of the University. In the opinion of management, such adjustments, if any, are not expected to materially affect the financial condition of the University.

The University participates in the Massachusetts College Savings Prepaid Tuition Program (the "Program"). This Program allows individuals to pay in advance for the future tuition, at the cost of tuition at the time of election to participate, increased by changes in the Consumer Price Index plus 2%. The University is obligated to accept as payment of tuition the amount determined by this Program without regard to the standard tuition rate in effect at the time of the individual's enrollment at the University. The effect of the Program cannot be determined as it is contingent on future tuition increases and the Program participants who attend the University.

The University participates in the various programs administered by the Commonwealth for property, general liability, automobile liability, and workers' compensation. The Commonwealth is self-insured for employees' workers' compensation, casualty, theft, tort claims, and other losses. Such losses, including estimates of amounts incurred but not reported, are obligations of the Commonwealth. For workers' compensation, the Commonwealth assumes the full risk of claims filed under a program managed by the Human Resources Division. For personal injury or property damages, Massachusetts General Laws limit the risk assumed by the Commonwealth to $100,000 per occurrence, in most circumstances.

Note 21 - Massachusetts Management Accounting and Reporting System

Section 15C of Chapter 15A of the Massachusetts General Laws requires Commonwealth Colleges and Universities to report activity of campus-based funds to the Comptroller of the Commonwealth on the Commonwealth's Statewide Accounting System, Massachusetts Management Accounting and Reporting System, ("MMARS") on the statutory basis of accounting. The statutory basis of accounting is a modified accrual basis of accounting and differs from the information included in these financial statements. Management believes the

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amounts reported on MMARS meet the guidelines of the Comptroller's *Guide for Higher Education Audited Financial Statements*.

The University's state appropriations are composed of the following at June 30:

	2024	2023
Direct unrestricted appropriations	**$ 39,637,534**	$ 35,424,405
Add: Fringe benefits for benefited employees on the state payroll	**17,142,328**	13,724,292
Less: Day school tuition remitted to the state and included in tuition and fee revenue	**(1,309,507)**	(1,040,829)
Total unrestricted appropriations	**55,470,355**	48,107,868
Capital appropriations	**9,166,347**	11,018,896
Total appropriations	**$ 64,636,702**	$ 59,126,764

No timing differences occurred where the University had additional revenue that was reported to MMARS for the years ended June 30, 2024 and 2023 (unaudited).

Note 22 - **Pass-Through Grants**

The University distributed $23,912,551 and $25,151,702 as of June 30, 2024 and 2023, respectively for student loans through the U.S. Department of Education Federal Direct Lending Program. These distributions and related funding sources are not included as expenses and revenues, or as cash disbursements and cash receipts in the accompanying financial statements.

Note 23 - **Massachusetts State College Building Authority**

MSCBA was created pursuant to Chapter 703 of the Act of 1963 of the Commonwealth as a public instrumentality for the general purpose of providing residence halls and other facilities for use by students of the state universities of the Commonwealth, as well as major construction projects on their campuses.

The University is charged a semi-annual revenue assessment that is based on a certified occupancy report, the current rent schedule and the design capacity for each of the residence halls, as well as debt service on instruments issued by MSCBA for dormitory and other major construction projects for the University. This revenue assessment is used by MSCBA to pay principal and interest due on its long-term debt obligations and certain MSCBA operating costs.

These obligations may include the costs of periodic renovations and improvements to the residence halls, as well as other major construction performed on campus, which has included athletic field construction and repair.

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The portions of the semi-annual Revenue Assessments paid to the MSCBA by the University for building leases mainly for residence halls, related maintenance, insurance, other costs, historical pooled obligations and other major renovations and improvements for the University for the year ended June 30, 2024 and 2023 was $9,475,252 and $10,503,483, respectively net of release of debt service reserve funds of $1,742,308 in fiscal year 2023. The debt portion of these payments for building leases are accounted for under GASB 87 and are included within these financial statements within capital assets as right to use assets, net of amortization and offset by a lease liability.

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REQUIRED SUPPLEMENTARY INFORMATION

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

Schedule of Proportionate Share of Net Pension Liability (Unaudited)

Massachusetts State Employees' Retirement System

Year ended	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Measurement date	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Valuation date	January 1, 2023	January 1, 2022	January 1, 2021	January 1, 2019	January 1, 2019	January 1, 2018	January 1, 2017	January 1, 2016	January 1, 2015	January 1, 2014
Proportion of the collective net pension liability	0.142%	0.162%	0.209%	0.257%	0.256%	0.265%	0.249%	0.240%	0.289%	0.218%
Proportionate share of the collective net pension liability	$ 20,731,627	$ 22,479,727	$ 21,788,225	$ 44,175,215	$ 37,463,840	$ 35,031,695	$ 31,945,217	$ 30,460,744	$ 30,111,590	$ 16,195,411
University's covered payroll	$ 12,496,443	$ 14,119,417	$ 16,940,771	$ 19,760,703	$ 21,138,607	$ 20,555,229	$ 19,572,020	$ 16,780,213	$ 15,939,654	$ 16,181,450
University's proportionate share of the net pension liability as a percentage of its covered payroll	165.90%	159.21%	128.61%	223.55%	177.23%	170.43%	163.22%	181.53%	188.91%	100.09%
Plan fiduciary net position as a percentage of the total pension liability	71.05%	71.05%	77.54%	62.48%	66.28%	67.91%	67.21%	63.48%	67.87%	76.32%

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See accompanying notes to the required supplementary information.

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

Schedule of Contributions - Pension (Unaudited)

Massachusetts State Employees' Retirement System

For the Years Ended June 30,

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	$ 2,270,182	$ 2,086,906	$ 2,274,638	$ 2,483,517	$ 2,782,307	$ 2,549,316	$ 2,421,406	$ 1,947,416	$ 1,586,274	$ 1,656,130
Contributions in relation to the statutorily required contribution	(2,270,182)	(2,086,906)	(2,274,638)	(2,483,517)	(2,782,307)	(2,549,316)	(2,421,406)	(1,947,416)	(1,586,274)	(1,656,130)
Contribution (excess)/deficit	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
University's covered payroll	$ 13,602,049	$ 12,496,443	$ 14,119,417	$ 16,940,771	$ 19,760,703	$ 21,138,607	$ 20,555,229	$ 19,572,020	$ 16,780,213	$ 15,939,654
Contribution as a percentage of covered payroll	16.69%	16.70%	16.11%	14.66%	14.08%	12.06%	11.78%	9.95%	9.45%	10.39%

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Note:

Employers participating in the Massachusetts State Employees' Retirement System are required by MA General Laws, Section 32, to contribute an actuarially determined contribution rate each year.

See accompanying notes to the required supplementary information.

Note 1 - **Change in Plan Actuarial and Assumptions**

Measurement date – June 30, 2023
The mortality rates were changed as follows:

- Pre-retirement mortality reflects RP-2014 Blue Collar Employees table projected generationally with Scale MP-2021, set forward 1 year for females
- Post-retirement mortality reflects RP-2014 Blue Collar Healthy Annuitant table projected generationally with Scale MP-2021, set forward 1 year for females
- For disabled retirees, mortality reflects the post-retirement mortality described above, set forward 1 year.

Measurement date – June 30, 2022
The inflation rate of return changed from 3.00% to 2.50%.

Measurement date – June 30, 2021
The investment rate of return changed from 7.15% to 7.00%. In conjunction with the investment rate of return changing, the discount rate was also changed to mirror the new investment rate of return.

The mortality rates were changed as follows:

- Pre-retirement mortality reflects RP-2014 Blue Collar Employees table projected generationally with Scale MP-2020, set forward 1 year for females
- Post-retirement mortality reflects RP-2014 Blue Collar Healthy Annuitant table projected generationally with Scale MP-2020, set forward 1 year for females
- For disabled retirees, mortality reflects the post-retirement mortality described above, set forward 1 year.

Measurement Date – June 30, 2020
The investment rate of return changed from 7.25% to 7.15%. In conjunction with the investment rate of return changing, the discount rate was also changed to mirror the new investment rate of return.

Measurement Date – June 30, 2019
The investment rate of return changed from 7.35% to 7.25%. In conjunction with the investment rate of return changing, the discount rate was also changed to mirror the new investment rate of return.

Measurement date – June 30, 2018
The investment rate of return changed from 7.50% to 7.35%. In conjunction with the investment rate of return changing, the discount rate was also changed to mirror the new investment rate of return.

The mortality rate assumptions were changed as follows:

- Disabled members – the amount reflects the same assumptions as for superannuation retirees, but with an age set forward of one year

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Measurement date – June 30, 2017
The mortality rates were changed as follows:

- Pre-retirement – was changed from RP-2000 Employees table projected generationally with Scale BB and a base year of 2009 (gender distinct) to RP-2014 Blue Collar Employees Table projected generationally with Scale MP-2016 and set forward 1 year for females
- Post-retirement – was changed from RP-2000 Healthy Annuitant table projected generationally with Scale BB and a base year of 2009 (gender distinct) to RP-2014 Blue Collar Healthy Annuitant Table projected generationally with Scale MP-2016 and set forward 1 year for females
- Disability – did not change

Measurement date – June 30, 2016
The assumption for salary increases changed from a range of 3.5% to 9.0% depending on group and length of service to a range of 4.0% to 9.0% depending on group and length of service.

Chapter 176 of the Acts of 2011 created a one-time election for eligible members of the Optional Retirement Plan ("ORP") to transfer to the SERS and purchase service for the period while members of the ORP. As a result, the total pension liability of SERS increased by approximately 400 million as of June 30, 2016.

Measurement date – June 30, 2015
The discount rate to calculate the pension liability decreased from 8.0% to 7.5%

In May 2015, Chapter 19 of the Acts of 2015 created an Early Retirement Incentive ("ERI") for certain members of SERS who upon election of the ERI retired effective June 30, 2015. As a result, the total pension liability of SERS increased by approximately $230 million as of June 30, 2015.

The mortality rates were changed as follows:

- Pre-retirement – was changed from RP-2000 Employees table projected 20 years with Scale AA (gender distinct) to RP-2000 Employees table projected generationally with Scale BB and a base year of 2009 (gender distinct)
- Post-retirement – was changed from RP-2000 Healthy Annuitant table projected 15 years with Scale AA (gender distinct) to RP-2000 Healthy Annuitant table projected generationally with Scale BB and a base year of 2009 (gender distinct)
- Disability – was changed from RP-2000 table projected 5 years with Scale AA (gender distinct) set forward three years for males to RP-2000 Healthy Annuitant table projected generationally with Scale BB and a base year of 2015 (gender distinct)

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WESTFIELD STATE UNIVERSITY

(an agency of the Commonwealth of Massachusetts)

Schedule of Proportionate Share of Net OPEB Liability (Unaudited)

Massachusetts State Retirees' Benefit Trust

Year ended	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Measurement date	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Valuation date	January 1, 2023	January 1, 2022	January 1, 2021	January 1, 2020	January 1, 2019	January 1, 2018	January 1, 2017
Proportion of the collective net OPEB liability	0.157%	0.212%	0.239%	0.275%	0.404%	0.433%	0.373%
Proportionate share of the collective net OPEB liability	$ 22,049,796	$ 28,290,524	$ 38,255,065	$ 56,843,150	$ 70,625,670	$ 76,656,042	$ 62,133,611
University's covered payroll	$ 12,496,443	$ 14,119,417	$ 16,940,771	$ 19,760,703	$ 21,138,607	$ 20,555,229	$ 19,572,020
University's proportionate share of the net OPEB liability as a percentage of its covered payroll	176.45%	200.37%	225.82%	287.66%	334.11%	372.93%	317.46%
Plan fiduciary net position as a percentage of the total OPEB liability	13.80%	13.00%	10.70%	6.40%	6.96%	6.01%	5.39%

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Notes:

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2017 and is intended to provide data for the most recent ten years.

See accompanying notes to the required supplementary information.

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

Schedule of Contributions - OPEB (Unaudited)

Massachusetts State Retirees' Benefit Trust

For the Years Ended June 30,

	2024	2023	2022	2021	2020	2019	2018
Statutorily required contribution	$ 1,064,969	$ 909,454	$ 1,080,253	$ 1,304,124	$ 1,441,304	$ 1,858,947	$ 1,833,293
Contributions in relation to the statutorily required contribution	(1,064,969)	(909,454)	(1,080,253)	(1,304,124)	(1,441,304)	(1,858,947)	(1,833,293)
Contribution (excess)/deficit	$ -	$ -	$ -	$ -	$ -	$ -	$ -
University's covered payroll	$ 13,602,049	$ 12,496,443	$ 14,119,417	$ 16,940,771	$ 19,760,703	$ 21,138,607	$ 20,555,240
Contribution as a percentage of covered payroll	7.83%	7.28%	7.65%	7.70%	7.29%	8.79%	8.92%

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Notes:

Employers participating in the Massachusetts State Retirees' Benefit Trust are required by MA General Laws, Section 32, to contribute an actuarially determined contribution rate each year.

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2017 and is intended to provide data for the most recent ten years.

See accompanying notes to the required supplementary information.

Note 1 - **Change in Plan Assumptions**

Fiscal year June 30, 2024

Assumptions:
Change in per capita claims costs
Per capita claims costs were updated based on the changes in the underlying claims and benefit provisions.

Change in medical trend rates
The medical trend rates were updated based on the SOA-Getzen trend rate model version 2023_1f. The healthcare trend rates were updated to reflect short-term expectations based on a review of the Commonwealth's historical trend rates.

Change in Discount Rate
The discount rate was increased to 4.34% (based upon a blend of the Bond Buyer Index rate (3.65%) as of the measurement date as required by GASB Statement 74.

Fiscal year June 30, 2023

Assumptions:
Change in per capita claims costs
Per capita claims costs were updated based on the changes in the underlying claims and benefit provisions.

Change in medical trend rates
The medical trend rates were updated based on the SOA-Getzen trend rate model version 2022_f4. The healthcare trend rates were updated to reflect short-term expectations based on a review of the Commonwealth's historical trend rates.

Change in Discount Rate
The discount rate was increased to 4.30% (based upon a blend of the Bond Buyer Index rate (3.54%) as of the measurement date as required by GASB Statement 74.

Fiscal year June 30, 2022

Assumptions:
Change in per capita claims costs
Per capita claims costs were updated reflect lower-than-expected FY22 rates, driven primarily by an increase in expected Pharmacy Benefits Manager rebates.

Change in medical trend rates
The medical trend rates were updated based on the SOA-Getzen trend rate model version 2021_b. The healthcare trend rates were updated to reflect short-term expectations based on a review of the Commonwealth's historical trend rates.

Change in Investment Rate
The investment rate of return decreased from 7.15% to 7.00%.

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Change in Mortality Rates
The mortality projection scale was updated from MP-2016 to MP-2020.

Change in Discount Rate
The discount rate was increased to 2.77% (based upon a blend of the Bond Buyer Index rate (2.16%) as of the measurement date as required by GASB Statement 74.

Fiscal year June 30, 2021

Assumptions:
Change in per capita claims costs
Per capita claims costs were updated based on the changes in the underlying claims and benefit provisions.

Change in medical trend rates
The medical trend rates were updated based on the SOA-Getzen trend rate model version 20920_b, the impact of the discontinuation of the ACA Health Insurer Fee and Excise Tax.
Change in Investment Rate
The investment rate of return decreased from 7.25% to 7.15%.

Change in Salary Scale
The salary scale assumption was updated from a constant 4% assumption to rates that vary by years of service and group classification, consistent with SERS.

Change in Discount Rate
The discount rate was decreased to 2.28% (based upon a blend of the Bond Buyer Index rate (2.21%) as of the measurement date as required by GASB Statement 74.
Fiscal year June 30, 2020

Fiscal year June 30, 2020

Assumptions:
Change in Inflation
The inflation rate decreased from 3.0% to 2.5%.

Change in Salary Assumptions
Salary decreased from 4.5% to 4.0%.

Change in Investment Rate
The investment rate of return decreased from 7.35% to 7.25%.

Change in Trend on Future Costs
The healthcare trend rate decreased from 8.0% to 7.5%, which affects the high-cost excise tax.

Change in Discount Rate
The discount rate was decreased to 3.63% (based upon a blend of the Bond Buyer Index rate (3.51%) as of the measurement date as required by GASB Statement 74.

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Fiscal year June 30, 2019

Assumptions:
Change in Trend on Future Costs
The original healthcare trend rate decreased from 8.5% to 8.0%, which impact the high cost excise tax.

Change in Mortality Rates
The following mortality assumption changes were made in the January 1, 2018 Actuarial Valuation:

- Disabled members – would reflect the same assumptions as for superannuation retirees, but with an age set forward of one year

Change in Discount Rate
The discount rate was increased to 3.95% (based upon a blend of the Bond Buyer Index rate (3.87%) as of the measurement date as required by GASB Statement 74.

Fiscal year June 30, 2018

Assumptions:
Change in Discount Rate
The discount rate was increased to 3.63% (based upon a blend of the Bond Buyer Index rate (3.58%) as of the measurement date as required by GASB Statement 74. The June 30, 2016 discount rate was calculated to be 2.80%.

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SUPPLEMENTARY INFORMATION

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

Schedules of Net Position
Dormitory Trust Fund Report (Unaudited)

As of June 30, 2024 and 2023

Assets

	2024	2023
Current Assets:		
Cash and equivalents	**$ 8,255,731**	$ 5,419,444
Accounts receivable, net	**28,454**	17,269
Deposits held by State Treasurer	**246,649**	265,640
Other current assets	**270**	624
Total Assets	**$ 8,531,104**	$ 5,702,977

Liabilities and Net Position

Current Liabilities:		
Accounts payable and accrued liabilities	**$ 487,692**	$ 174,216
Accrued employee compensation and benefits	**409,184**	364,051
Deposits held for others	**-**	1,851
Total Current Liabilities	**896,876**	540,118
Noncurrent Liability:		
Accrued liability for employee compensation and benefits	**40,287**	36,104
Total Liabilities	**937,163**	576,222
Net Position:		
Unrestricted	**7,593,941**	5,126,755
Total Liabilities and Net Position	**$ 8,531,104**	$ 5,702,977

See Independent Auditor's Report.

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WESTFIELD STATE UNIVERSITY

(an agency of the Commonwealth of Massachusetts)

Schedules of Revenues, Expenses and Changes in Net Position
Dormitory Trust Fund Report (Unaudited)

For the Years Ended June 30, 2024 and 2023

	2024	2023
Operating Revenues:		
Room rent	**$ 14,375,603**	$ 15,136,469
Less: Resident Assistant room waivers	**(456,171)**	(415,000)
Other sources	**50,254**	38,730
Deposits forfeited	**48,580**	72,800
Commissions - vending	**18,611**	22,032
Total Operating Revenues	**14,036,877**	14,855,031
Operating Expenses:		
Employee compensation	**2,284,652**	1,957,145
Energy costs	**1,962,248**	1,906,512
Pension and insurance	**960,031**	774,773
Special employees	**153,237**	55,292
Operational services	**412,933**	414,775
Scholarships and Resident Assistant board waivers	**761,835**	722,905
Repairs and maintenance	**52,916**	11,454
Facility operations supplies	**230,730**	203,503
Administrative	**82,337**	87,286
Equipment purchase	**111,755**	44,426
Equipment lease, rental and maintenance	**144,323**	154,229
Consultant services	**24,948**	6,079
Employee related	**7,725**	5,812
Information technology expenses	**355,680**	136,391
Annual payment to the Massachusetts State College Building Authority, net of debt service reserve applied of $1,742,308 in 2023	**9,475,252**	10,503,483
Total Operating Expenses	**17,020,602**	16,984,065
Excess of Expenses over Revenues Before Transfers	**(2,983,725)**	(2,129,034)
Operating Transfers In:		
University support	**5,450,911**	2,129,034
Increase in Net Position	**2,467,186**	**-**
Net Position, Beginning of Year	**5,126,755**	5,126,755
Net Position, End of Year	**$ 7,593,941**	$ 5,126,755

See Independent Auditor's Report.

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees of
Westfield State University:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the business-type activities of Westfield State University (the "University"), and its discretely presented major component unit, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the University's basic financial statements and have issued our report thereon dated October 23, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the University's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, we do not express an opinion on the effectiveness of the University's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the University's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

October 23, 2024

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Westfield State University

October 21, 2024

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ADVISORY TAX AUDIT

WE ARE AN INDEPENDENT MEMBER OF
THE GLOBAL ADVISORY AND ACCOUNTING NETWORK

Required Communications

AUDITOR'S RESPONSIBILITY UNDER GAAS

We have a responsibility to conduct our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

In carrying out this responsibility, we planned and performed the audit to obtain reasonable – not absolute – assurance about whether the basic financial statements are free of material misstatement, whether caused by error or fraud.

- We issued an unmodified opinion on the financial statements.

An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, we express no such opinion.

- No material weaknesses/significant deficiencies were noted within the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters

Required Communications - Continued

AUDITORS' RESPONSIBILITY UNDER GAAS - continued

We are responsible for communicating significant matters related to the financial statement audit that are, in our professional judgement, relevant to the responsibilities of those charged with governance.

We applied certain limited procedures (such as inquiry of management and comparing for consistency) to the Required Supplementary Information that supplements the financial statements.

Required Communications - Continued

INDEPENDENCE

We are aware of a relationship between Daniel Currier, a Withum intern from June to August 2024, and the University where Daniel is a Student Trustee.

- Upon knowledge of the relationship, Withum and Daniel discussed with the State Ethics Commission who advised that Daniel abstain from any voting matters relating to the audit
- Ethics Commission noted that no additional disclosure is required
- While at Withum, Daniel did not work on any aspects of the University or Westfield State Foundation audits

Based on the factors above, we are independent with respect to the University within the meaning of the pronouncements of the Independence Standards Board, Government Auditing Standards, and under Rule 101 of the AICPA Code of Professional Conduct.

Required Communications - Continued

INDEPENDENCE – continued

No management advisory services were performed by Withum.

Withum assisted in the non-attest services noted below, however, these activities do not impact our independence. These non-attest services were supervised and approved by Lisa Freeman, AVP of Finance

- Assistance with the preparation of the financial statements
- Assistance with the maintenance and calculation of GASB 87, *Leases,* right of use assets and liabilities
- Assistance with the maintenance and calculation of GASB 96, *SBITA,* right of use assets and liabilities
- Related to the single audit which is in process:
  - Assistance with preparation of the financial statements and SEFA
  - Assistance with the preparation of the Data Collection Form

Required Communications - Continued

MANAGEMENT'S RESPONSIBILITY

Selection and use of appropriate accounting policies – Significant policies are found in Note 1

- Application of existing policies were not changed during the current year

Selection and use of appropriate accounting estimates – Based on management's knowledge and experience about past and current events and assumptions about future events

- Allowance for doubtful accounts
- Estimating depreciation and depreciable lives of capital assets
- Useful lives of right of use assets and liabilities relating to Leases and SBITAs
- Accrued expenses
- Determining net pension and OPEB liabilities

Required Communications - Continued

MANAGEMENT'S RESPONSIBILITY – continued

Accounting for significant and unusual transactions – unusual or significant transactions reported in the current year include:

- In February 2024, there was a partial refunding of MSCBA owned buildings which the University leases
- The value of the leased assets remained the same, the liabilities were reduced in conjunction with the change in payment terms, offset by a deferred inflow (deferred gain) rounded to nearest thousand:

MSCBA Liability - Pre-refunding	(105,323,000)
Deferred inflow gain	5,668,000
MSCBA Liability - Post refunding	(99,655,000)
Deferred inflow from refunding	(5,668,000)
FY24 Amortization of gain	242,000
Ending Balance	(5,426,000)

No transactions entered into during the year for which there is a lack of authoritative guidance or consensus

All significant transactions have been recognized in the financial statements in the proper period

Required Communications - Continued

SIGNIFICANT COMMUNICATIONS, FINDINGS OR ISSUES

There were **NO**:

- Disagreements with management
- Major issues discussed with management prior to retention
- Difficulties encountered in performing the audit
- Audit adjustments or uncorrected misstatements
- Other findings or issues that are significant or relevant to be communicated to those charged with governance

Consultations with other accountants/auditors:

- Consulted with the auditors for the Massachusetts State Employee's Retirement Plan and State Retiree's Benefit Trust

Significant written communications between the auditor and management include:

- Engagement letter
- Management representation letter – to be signed following Board approval

Required Communications - Continued

FINANCIAL STATEMENT FRAUD RISKS

No pervasive financial statement fraud risks were identified

Specific Risks Presumed by Auditing Standards

- Risk of misstatement relating to revenue recognition
- Risk of management override of controls
  - Journal entries and adjustments
  - Significant accounting estimates

Organization specific risks

- Management's ability to make significant accounting estimates and the assumptions included in those estimates

Other Matters

Discussion of Financial Statements

Board of Trustees

October 21, 2024

MOTION

To approve the Internal Audit Service (Boston Consortium) area of focus for the fall semester 2024-2025 be key control & security (Building Access) and Accounts Payable in the Spring of 2025.

Ali R. Salehi, Chair

Date