

## **MASSACHUSETTS BAY COMMUNITY COLLEGE BOARD OF TRUSTEES**

Minutes of the April 27, 2021, Investment Committee meeting –  
Webex Meeting – Facebook Livestream at massbay.edu

**Committee members participating:** Matt Kahn, Chair; Tom Peisch (ex-officio); Dune Thorne.

Lili Silva was unable to attend the meeting.

**Staff members participating:** Neil Buckley, Vice President for Finance & Administration; Marcus Edward, Assistant Vice President for Finance & Administration; Steve Baccari, Controller; Lauren Curley, Director of Business Operations; Liz Cooper, Assistant Director for Institutional Advancement, Marketing, and Communications; Deborah Georgopoulos, Executive Assistant for Finance & Administration.

**Call to Order and Approval of Prior Meeting Minutes** –Committee Chair Matt Kahn confirmed quorum and called the meeting to order at 8:32 a.m.

**MOTION:** To approve the Minutes of the April 15, 2021 Investment Committee Meeting.  
Matt Kahn moved, Dune Thorne seconded the motion.

ROLL CALL: Dune Thorne, YES, Matt Kahn, YES  
Motion approved

### **Chair Update:**

#### **Foundation**

Committee Chair Matt Kahn reported that he spoke with the Foundation Chair regarding the process used for investing Foundation funds. Vanguard, which is the investment advisor for the Foundation, has a group dedicated to doing endowments for colleges and non-profits. Vanguard explained to Mr. Kahn the fees which include advisory, exchange traded funds (ETF), monthly reporting, analysis, etc. Mr. Kahn also noted there is no additional benefit to having Vanguard manage both the Foundation and the College as they are two separate legal entities.

A conversation with Fidelity revealed that they specifically do not work with Massachusetts institutions. It was noted that managing money for the state limits the ability to make political contributions.

#### **State Oversight**

A conversation with College Counsel Ken Tashjy revealed that the state does not require any reporting. These are funds the College has earned and are not donor designated for a specific purpose. The only requirement is the Trustees' roles as fiduciaries in being prudent and doing the right thing.

### **Follow Up:**

Mr. Kahn explained that a two-step process would be undertaken, 1) to review and update investment policy statement, and 2) help us lead the RFP process and the advisor selection process for a \$15 - \$20M quasi-endowment. Dune Thorne will reach out to AldenBrook Advisors whom she has worked with in the past and develop a list of advisors who may be interested in working with MassBay.

Director of Operations Lauren Curley, explained that for proposals over \$10K, a Statement of Work could be developed and quotes would be required. For proposals over \$50K, a formal bid process would be required.

The Finance Team is developing a long-range forecast of cash flow and projected needs of the College. A discussion followed regarding the goals and strategies for investing. It was suggested that consideration should be given to drawing down a certain amount to spend back to the community through scholarships, program enhancements or other projects. With the declining tuition and fees, a yearly draw down would help diversify our income stream and could also help support financial aid which in turn would help with the Diversity, Equity, Inclusion, and Justice (DEIJ) directive for MassBay. The Committee recognizes this is a much larger conversation that requires more Committee input.

It was noted that over the last five years, prudent financial leadership has resulted in the College increasing reserves between \$1.8M and \$2.6M per year. The model that is developed should ensure funds are expended appropriately and not defaulting to reserves. The concern will be for 2023 when CARES ACT money is no longer available.

It is not anticipated the process for selecting an advisor to help with the selection process would require a formal bid process. Neil Buckley, Marcus Edward, Steve Baccari and Lauren Curley will put together a list of questions that will help develop a Statement of Work.

At the next meeting, the Committee will review:

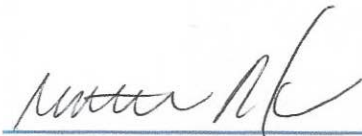
- Long Range Forecast Model
- List of advisors to solicit quotes from
- Scope of Work for an advisor to assist with the selection process

Next meeting will be scheduled for May 7, 2021, at 3:00 p.m.

**Adjournment:**

**MOTION:** Trustee Kahn moved to adjourn the meeting, seconded by Trustee Thorne.

ROLL CALL: Tom Peisch, YES; Dune Thorne, YES, Matt Kahn, YES  
Chair Kahn adjourned the meeting at 9:22 a.m.



Matt Kahn  
Committee Chair  
Board of Trustees

8/20/21  
Date