

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

Minutes of the June 9, 2021 Investment Committee meeting –  
Webex Meeting – Facebook Livestream at massbay.edu

**Committee members participating:** Matthew Kahn, Chair; Dune Thorne.  
Lili Silva was unable to attend.

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

**Call to Order and Approval of Prior Meeting Minutes** –Committee Chair Kahn confirmed quorum and called the meeting to order at 3:00 p.m.

**MOTION:** To approve the Minutes of the May 7, 2021 Investment Committee Meeting.  
Dune Thorne moved, Matthew Kahn seconded the motion.

ROLL CALL: Dune Thorne, YES; Matthew Kahn, YES  
Motion approved.

### **CASH MODEL**

Mr. Kahn noted that the cash model has not changed since the previous meeting and, would like the consultant's input on the model used to invest the cash.

The Committee discussed how much of the reserve may be needed to cover potential commitments and how much would be available to invest. The fiscal team will send the final cash model by June 18<sup>th</sup> (including updates to Cares funds), noting how much could be a reserve amount and how much would be potentially required for a worst-case scenario.

A discussion followed regarding how the MassBay Foundation manages investments. It was noted that the Foundation seems to be actively managing their money on a macro level, even though they are working with Vanguard.

A suggestion to combine the Investment Committee of the Foundation and the College was put forth. It was noted the funds could not be co-mingled, but the goals should be aligned. They are separate from a governance and fiduciary point of view, but both are for the purpose of supporting the College. Guidance from counsel can be sought.

Options for how to invest the funds will be discussed with the consultant. The Investment Policy should outline the role that the Investment Committee plays.

An annual draw from the quasi-endowment of 3.5-5% could support the Mission on the College. There is a fiduciary responsibility to use the funds to further the Mission and purpose. This would also help diversify the revenue stream. The Finance Committee should set the parameters.

### **CONSULTANT UPDATE**

Dune Thorne worked with Lauren Curley to develop the Scope of Work. The document will be sent to all five of the recommended companies with the MassBay Quoting Template which includes language detailing the deadline to submit (June 25, 2021); how to submit (electronically), and the proposed cost.

### **NEXT STEPS**

An Investment Committee Meeting will be called for the week of June 27<sup>th</sup>. This will allow the quotes to be reviewed and discussion of the cash model.

The Finance Committee should lead the discussion on how to use the funds, and present to the full Board. Use of the money is of paramount importance. A suggestion was to have the Finance Committee determine the amount of the draw, and have management determine the best use of the funds. Similarly, the President receives a discretionary allocation from the Foundation. A suggestion was put forth for a Trustee's Fund where the CFO proposes options that fall outside the budget each year, things that the budget can't cover but would add real value for the school. The Finance Committee would discuss, and it would go to the Board for a final vote. A discussion of how to determine the structure and process of the quasi-endowment would be part of the Investment Policy. This would be a separate discussion from the Finance Committee discussion.

A request will be extended for an Agenda Item to discuss the parameters of the quasi-endowment at the next Finance Committee Meeting. It was noted the next Finance Committee Meeting is not scheduled until August 31, 2021, therefore, an emergency meeting may be necessary. The consultant will need that information. Trustee Kahn will reach out to Diane Schmalensee, Chair of the Finance, Compliance, Personnel, & Audit Committee.

### **ADJOURNMENT**

**MOTION:** Dune Thorne moved to adjourn the meeting, Matthew Kahn seconded

**ROLL CALL:** Dune Thorne, YES; Matthew Kahn, YES

Chair Kahn adjourned the meeting at 3:45 p.m.



Matthew Kahn  
Committee Chair  
Board of Trustees

Date

12-21-2022