



Board of Trustees
Financial Affairs Committee

December 18, 2025

2:30 p.m.

Loughman Living Room, Scanlon Hall

Committee Members: Chair George Gilmer, Vice Chair Jason Queenin, Secretary Chris Montemayor, Barney Garcia, and Theresa Jasmin

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

- | | |
|--|-----------------------------|
| 1. Call to Order | Committee Chair Gilmer |
| 2. Approval of Minutes | Committee Chair Gilmer |
| a. October 21, 2025 | |
| 3. Items for Action | |
| a. Motion – Procurement Process Policy (0320) | Stephen Taksar/Gary Duggan |
| 4. Items for Discussion | |
| a. FY26 Budget Reporting Update | Stephen Taksar |
| b. University Cash Summary | Lisa Freeman |
| c. Capital Project Strategy | Stephen Taksar/Tom Therrien |
| d. Apartment Plumbing Project Update | Stephen Taksar/Tom Therrien |
| e. Financial Planning Overview | Stephen Taksar |
| ■ FY27 Planning & Five-Year Forecast | |
| f. Annual Debt Report and Ratios & NECHE Financial Screening | Lisa Freeman |
| 5. Items for Information | |
| a. Fixed Assets Inventory Progress Report | Steven Scibelli |
| b. Remote Access Policy (0620) | Alan Blair |
| c. Data Classification Policy (0630) | Alan Blair |
| 6. Adjournment | Committee Chair Gilmer |

Attachment(s):

- a. Minutes 10-21-25 (Draft)
- b. Motion – Procurement Process Policy (0320)
- c. Policy – Procurement Process (0320) SUMMARY

- d. Policy – Procurement Process (0320) TRACK CHANGES
- e. Policy – Procurement Process (0320) CLEAN
- f. FY26 Budget Reporting (YOY Actual Comparison)
- g. FY26 Budget Reporting (YOY Actuals)
- h. FY26 Budget Reporting (Dashboard)
- i. University Cash Summary
- j. Capital Project Strategy (Summary)
- k. Capital Project Strategy (HE Capital Working Group)
- l. Capital Project Strategy (Dashboard)
- m. Annual Debt Report and Ratios (Summary)
- n. Annual Debt Report and Ratios (Ratio Tables)
- o. Fixed Assets Inventory Progress Report
- p. Remote Access Policy (0620) TRACK CHANGES
- q. Data Classification Policy (0630) TRACK CHANGES



**Board of Trustees
Financial Affairs Committee
Minutes**

October 21, 2025, 1:45 p.m.
President's Boardroom, Horace Mann Center

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

Committee Members Present:, Committee Chair George Gilmer, Vice Chair Jason Queenin, Secretary Chris Montemayor, and Trustees Barney Garcia, Theresa Jasmin and Board Chair Ali Salehi, ex-officio.

Also present and participating were Westfield State University President, Dr. Linda Thompson; Vice President of Administration & Finance, Stephen Taksar; Associate Vice President of Financial Accounting, Lisa Freeman; Associate Vice President of Facilities & Capital Planning, Tomas Therrien; and Stephen Haines from Fund Evaluation Group.

Committee Vice Chair Queenin called the meeting to order at 1:55 p.m., did a roll call of attendees listed above, and stated the meeting was being livestreamed and recorded.

MOTION made by Trustee Jasmin and seconded by Trustee Montemayor, to approve the minutes of the June 11, 2025, meeting. There being no discussion, a roll call was taken, **motion passed unanimously**.

Rebalance Investment Funds

Stephen Haines from Fund Evaluation Group presented about the following:

- Public equities make up roughly 53% and fixed income 47%.
- The portfolio appreciated \$2.1 million in the third quarter, marking the second consecutive quarter of this growth.
- The account is up roughly \$4.2 million to the University's bottom line, and this number has increased month-to-date in October.
- US equities were up around 9% in the third quarter, international up 7%, and emerging markets up 18%.
- US markets outperformed, developed due to the dissipation of currency movements.
- US small-cap equities outperformed, up around 12% in the third quarter, and this has continued month-to-date.
- The fixed income allocation was up 1.2% in the third quarter.

Forward Investment Outlook

- The market is pricing in a roughly 95% chance that the Fed cuts rates in the next two meetings and two more cuts in 2026.
- Government shutdown: it could spur lower interest rates and reduce inflation.
- Strong quarter for mergers and acquisitions: There was about \$1.3 trillion in M&A activity, potentially driven by artificial intelligence.

- Leading indicators, credit spreads: Tight credit spreads signal bullishness for the broader marketplace.
- Strong economic tailwinds coming in February 2026: Tax rate changes and carve-outs could bring cash to consumers and benefit consumer discretionary stocks.

Performance Numbers

- The fixed income account was up 1.2% in the third quarter.
- The investment account, a mix of equities and fixed income, was up 6.8%.
- Since the account inception, the fixed income account is up 5.6% annualized.
- The investment account is up 14.4% annualized.
- The account is up 11.2% year to date.

Account Summary

- The University started the year at \$38.5 million. The net gain for the university is \$4,231,000.
- The estimated income for the forward 12 months is \$1.9 million.
- If rates start to come down, fixed income prices move inversely, leading to returns from total return rather than income.

Investor Behavior

- In early 2025, individual retail investors bought the dip, while institutions pulled money out.
- The St. Louis Fed website tracks the total amount of money market cash in the system.
- There's a record \$7.5 trillion sitting on the sidelines in cash.
- Universities were rebalancing in on the lows, watching credit spreads.

Portfolio Rebalancing and Market Conditions

- The biggest fear is June political conflict, which will be used to rebalance the portfolio.
- The asset allocation was 50% equities, 50% fixed income, but was asked to pause until there was more clarity.
- The investment policy statement has a target of 60% equities, 40% fixed income.

MOTION made by Trustee Jasmin and seconded by Trustee Queenin, the Financial Affairs Committee recommends approval to the full Board: to approve rebalancing the asset allocation mix, currently at 52.6% equities, 46.6% fixed income, and 0.8% cash and equivalents, to align with the goal in the Investment Policy (0430) of 60% equities, 39.5% fixed income, and 0.5% cash and equivalents. There being no discussion, a roll call was taken, **motion passed unanimously**.

FY24 to FY25 Budget Comparison

- FY25 pretty much broke even, but there were variations.
- There was an excess of projected income of about \$5 million due to increased enrollment.
 - Tuition fee revenues were up \$2.5 million.
 - Auxiliary revenue (Residence life and dining) also had \$2.5 million.
- Expenses were about \$11 million more than the prior year.
 - Increase in compensation due to collective bargaining assets.
 - Increase in debt service of about \$3.9 million.
 - Additional \$1.6 million invested in financial aid.

University Cash Reports

- Standard cash reports are now presented quarterly instead of monthly.
- Over the last 12 months, investments increased by \$3.9 million, but cash resources decreased by \$4.6 million.
- The University has a \$7 million operating account as of the end of the fiscal year for restrictive purposes, including capital.
- Investment returns are increasing, but the use of operating cash is increasing at a faster rate than the earnings.

Fiscal Year 26 Operating Budget

- The materials provided contain summarized information, with all the details available for review.
- The budget was balanced through a collective effort.
- Enrollment is calculated by including DGCE enrollment and full-time day management.
 - Last year's enrollment was 4,247, the digital budget projected 4501, and the current enrollment is 4301, about 200 students short.
 - The main reason for the deficit is the overestimation of returning student retention.
- The October budget was reset based on the best available information, projecting 2949 students for the year.

Enrollment Trends

- A five-year chart shows enrollment trends, indicating stabilization in recent years.
- Full-time undergraduate enrollment is hovering just below 3,000, while DGCE enrollment remains steady.
- Preliminary budget estimates can vary, sometimes resulting in surprises, but the two-step process allows for adjustments before formalization.
- Budget planning includes considering optimistic and pessimistic enrollment scenarios.
- The guiding principle for budget planning is to live within our means, ensuring revenues cover expenses.

Budgeting and Strategic Plan Alignment

- The budget still includes some limited use of reserves for previously approved projects.
 - There is some unspent strategic funding and unfinished capital projects.
- The strategic plan will form more of a basis as the university moves into the next fiscal year (2027).
 - The cabinet tried to align the budget with the strategic plan during the review process.
 - There will be a greater emphasis on aligning resource allocation with the strategic plan moving forward.

Budget Overview

- The cream-colored column in the budget document represents the final October budget.
- The budget is organized to show the difference between the 2025 actuals and the current October budget.
- The university had to find approximately \$4 million to balance the budget due to changes in revenues.
 - Revenues are down compared to the 2025 budget by about \$2 million.
 - Grants revenue has been removed from the operating budget and placed in a separate category.
 - Total resources are down by about \$4 million.

Budget Adjustments

- Adjustments were made in compensation fringe and the Department of Operations to balance the budget.
 - Right-sizing efforts are ongoing.
 - Utility costs were overstated, and the closure of Landers was factored in.
- The revenue budget without using reserves for capital investments is \$125 million.
 - Adding unfinished capital projects brings the total to \$129 million.

Collective Bargaining Agreements

- Auxiliary units (DGCE, residential life, and dining) pay for their own collective bargaining costs out of pocket.
- The state funding is insufficient to cover all collective bargaining costs, requiring prioritization and diversity in processing.
 - There is a shortfall, and top-side adjustments in the compensation line help cover some of it.
- The gap in funding versus collective bargaining is an annual issue.

- Agreements are negotiated over a multi-year period.
- Retro payments are funded in the year they are paid, ideally.
- State funding is unpredictable, making it difficult to determine the exact amount until it arrives.

Strategic Investments and Capital Projects

- Strategic investments related to previous applications from reserves have been pulled out of the 2026 budget view.
 - There is about \$1 million left in the strategic investment fund.
- Capital projects are funded by taking money out of the reserve.
- Major capital projects include:
 - Water main project: A multi-year investment to correct a failing water main.
 - Replacing the chemical used for refrigeration purposes.
- The University is working through infrastructure studies and partnering with DCAN to address critical infrastructure needs.

Budget and Finances

- Offsetting the loss in the residential life budget with gains in the operating budget to balance to zero.
- State has the legal authority to reduce appropriation dollar for dollar if debt is defaulted on in the residence life project.
- Debt will drop off by a couple million dollars in 2028 as old debt gets paid off and not reissued.
- Other revenue sources include foundation funds (\$114 million), conditions (enrollment student driven, about \$200,000), interest income (\$2.3 million), and innovation fund (\$400,000).

Balancing the Budget

- Aggressively managing vacant positions and instituting a short-term hiring pause of 90 days.
- Reducing utilities and operating budgets and reducing the capital budget.
- Assuming a 1% increase in the retention rate.
- Received a one-time refund from the NSCBA for about \$100,000 and swapped out financial aid for foundation funding.

MOTION made by Trustee Montemayor and seconded by Trustee Jasmin, the Financial Affairs Committee recommends approval to the full Board: To approve the FY26 campus budget, as presented, including, but not limited to the following elements: operating budget, capital budget, vehicle lease/purchase program and sponsorships (\$50,000). 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 taken, **motion passed unanimously**.

Travel Expenses of the President and the President's Direct Reports: July 1, 2024 – June 30, 2025

Not discussed.

Software and Hardware Acquisition and Usage Policy (0602)

Not discussed.

Information Security Passphrases Policy (0600)

Not discussed.

FY27 Budget Planning Assumptions

- The innovation budget will continue, but it was more modest this year.
- There are no plans to increase operating budgets, except for utility increases.
- Salary increases are assumed to be collective bargaining driven.

Capital Projects

- It's difficult to finish a capital project within a fiscal year, so there will always be some kind of unexpended allowance.
- A different approach to capital planning will be discussed in December.
- One-time strategic investment dollars for FY26 will be fully expended.
- There is no plan to use reserves for operations.

There being no further business,

MOTION made by Trustee Jasmin and seconded by Trustee Montemayor, to adjourn the meeting. There being no discussion, a roll call was conducted, **motion passed unanimously**.

Meeting adjourned at 2:49 p.m.

Materials:

- Minutes 6-11-25 (Draft)
- FY24 vs FY25 YOY Actual Comparison (Narrative)
- FY24 vs FY25 YOY Actual Comparison
- University Cash Summary
- Motion – Rebalance Investment Funds
- Rebalance Investment Funds (3Q Investment Performance)
- Motion – FY26 Operating Budget
- FY26 Operating Budget (Narrative)
- FY26 Operating Budget (Working Model)
- FY26 Operating Budget (Vehicles)
- FY26 Operating Budget (Supplemental Spending Schedule)
- FY26 Operating Budget (Capital Plan)
- FY26 Operating Budget (Enrollment Planning)
- FY25 vs FY26 YOY Actual Comparison (Narrative)
- FY25 vs FY26 YOY Actual Comparison
- Travel Expenses of the President and the President's Direct Reports
- Policy - Software and Hardware Acquisition and Usage (0602)
- Policy - Information Security Passphrases (0600)
- FY27 Budget Planning Assumptions and Timeline

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, Financial Affairs Committee meeting held on October 21, 2025.

Chris Montemayor, Secretary

Date



Board of Trustees

December 18, 2025

MOTION

The Financial Affairs Committee recommends approval to the full Board:

To approve the revised Procurement Process Policy (0320), as presented.

PROCUREMENT AND ADMINISTRATIVE SERVICES

MEMORANDUM

TO: Stephen Taksar, Vice President, Administration and Finance

FROM: Gary Duggan, Director, Procurement and Administrative Services

DATE: December 18, 2025

SUBJ: **Proposed Changes to the Procurement Process Policy**

The proposed changes to the Procurement Process Policy aims to clarify purchases from a vendor can total up to \$5,000 in a fiscal year, whether through a single purchase or multiple purchases, without requiring that the purchase(s) be made using a Contract for Services or No Bid, Sole Source Form. This change emphasizes the key factor is the \$5,000 limit, while the number of purchases to reach the limit is irrelevant.

The University has been evaluating changes to other procurement thresholds and in tandem with the recommendations from the recent internal audit on Accounts Payable, the University will increase the minimum threshold for a purchase order from \$200 to \$500 effective January 1, 2026. This should result in efficiencies in the procurement process and expedite transaction processing.

PROCUREMENT PROCESS

PURPOSE

To establish a competitive procurement process for the purchase of all goods and services in accordance with all applicable statutes, regulations, policies and procedures of the Commonwealth and the University. It is the policy of the University to have the acquisition of all goods and services be performed by its Procurement Department.

GUIDING PRINCIPLES

A procurement is considered in the best interest (providing best value) for the Commonwealth and the University when it balances the following guiding principles:

1. Supports the achievement of required performance outcomes by enabling the Procurement Department to focus on designing a process that obtains the desired results in the most efficient and effective manner.
2. Generates the best quality and economic value considering not only lowest cost but all relevant factors (e.g. replacement, repair, operations, disposal costs) when determining how to procure.
3. Is timely – achieving best value is defeated if the process is cumbersome and inefficient.
4. Minimizes the burden on administrative resources.
5. ~~Expedites simple, incidental purchases – less than \$5,000. This is a one-time procurement and strongly encourages~~ Facilitates incidental purchases up to \$5,000 annually from vendors, with a strong preference to use of Massachusetts Higher Education Consortium (MHEC) and state contracts.
6. Allows flexibility in developing alternative procurement and business relationships – leveraged buying; multi-year service contracts; shared contracting with other colleges.
7. Encourages competition among contractors and suppliers and results in enhanced choices for goods and services.
8. Encourages the participation of quality contractors by use of qualified small, minority and women owned businesses and use of environmentally friendly products and services.
9. Supports the Commonwealth and Operational Services Division (OSD) Procurement through open communications with OSD on the University's requirements to yield long term benefits for the Commonwealth.

PROCEDURES

A link to the Procurement Department procedures is available on the University's website [through myWestfield](#). The procedures provide detailed guidelines for the following process

Westfield State University

Policy concerning:

Section Administrative

Number 0320

Page 1 of 2

APPROVED: October 1996

REVIEWED: ~~December~~ June 20~~25~~14

requirements: requisition, contract for service, bid, blanket order and sole source, sole acceptable source/brand. Failure to comply with policies and procedures will lead to loss of purchasing authorization and may result in disciplinary action.

REVIEW

This policy will be reviewed annually by the Vice President for Administration and Finance.

PROCUREMENT PROCESS

PURPOSE

To establish a competitive procurement process for the purchase of all goods and services in accordance with all applicable statutes, regulations, policies and procedures of the Commonwealth and the University. It is the policy of the University to have the acquisition of all goods and services be performed by its Procurement Department.

GUIDING PRINCIPLES

A procurement is considered in the best interest (providing best value) for the Commonwealth and the University when it balances the following guiding principles:

1. Supports the achievement of required performance outcomes by enabling the Procurement Department to focus on designing a process that obtains the desired results in the most efficient and effective manner.
2. Generates the best quality and economic value considering not only lowest cost but all relevant factors (e.g. replacement, repair, operations, disposal costs) when determining how to procure.
3. Is timely – achieving best value is defeated if the process is cumbersome and inefficient.
4. Minimizes the burden on administrative resources.
5. Facilitates incidental purchases up to \$5,000 annually from vendors, with a strong preference to use Massachusetts Higher Education Consortium (MHEC) and state contracts.
6. Allows flexibility in developing alternative procurement and business relationships – leveraged buying; multi-year service contracts; shared contracting with other colleges.
7. Encourages competition among contractors and suppliers and results in enhanced choices for goods and services.
8. Encourages the participation of quality contractors by use of qualified small, minority and women owned businesses and use of environmentally friendly products and services.
9. Supports the Commonwealth and Operational Services Division (OSD) Procurement through open communications with OSD on the University's requirements to yield long term benefits for the Commonwealth.

PROCEDURES

A link to the Procurement Department procedures is available on the University's website through *myWestfield*. The procedures provide detailed guidelines for the following process requirements: requisition, contract for service, bid, blanket order and sole source, sole

Westfield State University

Policy concerning:

Section Administrative

Number 0320

Page 1 of 2

APPROVED: October 1996

REVIEWED: December 2025

acceptable source/brand. Failure to comply with policies and procedures will lead to loss of purchasing authorization and may result in disciplinary action.

REVIEW

This policy will be reviewed annually by the Vice President for Administration and Finance.

Westfield State University
Financial Affairs Committee

FY25 vs. FY26 Year-over-Year Actual Comparison
Key Variances and Highlights

December 18, 2025

Overview

This report is an unadjusted variance report based on actual transactions. At times, transactions are not always processed in the same month for various reasons, which can create a variance as noted below. While there are minor variances due to timing of the unadjusted report, there are no “red flags” that raise significant concerns at this point in the fiscal year. Nonetheless, variance explanations are noted below.

Revenue

\$2.5M above prior year’s revenues as follows:

- State appropriation is higher in FY26 by 747k.
- Total Tuition/Fee Revenue lower by (\$270k), this includes partial spring revenue; primary billing for spring charges will occur throughout December.
- Res Life, Dining, and DGCE revenues are higher by \$1.2M, this includes partial spring revenue, billing for spring charges will occur throughout December.
- Other Revenue lower by \$431k, primarily due to the Innovation being lower by \$400k in FY26.
- Grant revenues are also higher than last year by \$857k, in support of student success initiatives underway. Grant revenues are primarily reimbursables based on expenses incurred.

Expense

(\$202k) below prior year’s spending due to:

- \$542k in higher Compensation and Fringe in FY26 due to CBA increases.
- \$926k in higher Grant spending due to the Student Success Grant
- (\$251k) in lower Department Operations spending primarily due to (\$151k) less spending by Academic Affairs and (\$175k) lower spending by Finance so far in FY26.
- \$574k higher in Financial Aid over FY26 but 48% spent compared to budget.
- (\$150k) in lower spending in Dining Services on supplies and equipment.
- (\$187k) in lower spending on FEMA reimbursements, due to being fully depleted in FY25.
- (\$114K) in lower spending on Debt Service in FY26 due to timing issues.
- (\$1.4M) lower spending in Residential life in FY26 due to some timing issues and less spending on buildings and improvements for Lammers of \$704k. Unlikely to maintain this underspending for the full year.

Net Budget Variance

\$2.7M positive variance primarily due to higher State Appropriation, partial spring revenue not yet earned, and reduced spending in Department Operations, Capital, and Residential Life so far in FY26.

Westfield State University
FY25 vs FY26 Year over Year Actuals
Jul-Nov (11.30.25)

12/10/2025

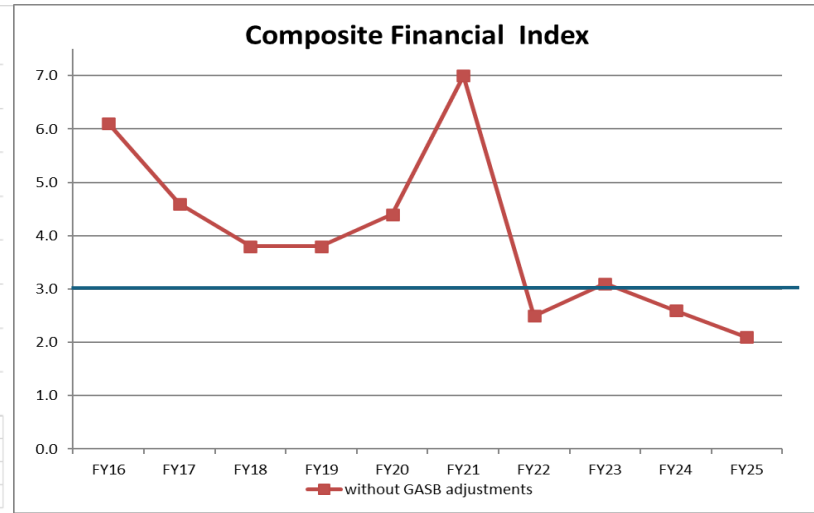
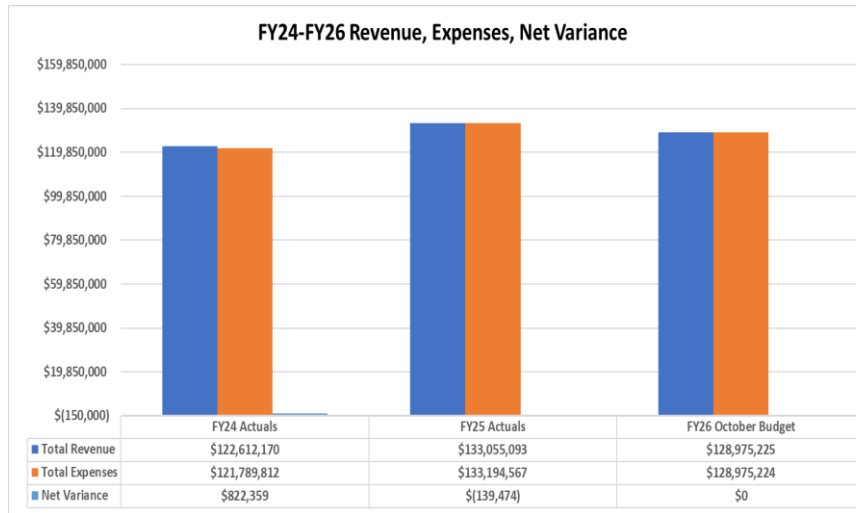
			July 2024 - June 2025 TxS	July 2024 - Nov 2024 TxS	July 2025 - Nov 2025 TxS		
	FY26 Provisional Budget	FY26 October Budget	FY25 Year End Actuals	FY25 Jul-Nov	FY26 Jul-Nov	Diff YoY Inc/(Dec)	Notes
Revenue:							
State Appropriation	42,750,329	42,750,329	41,593,810	39,637,534	40,384,332	746,798	Higher due to CBA increases.
Total Tuition/Fee Revenue	39,832,544	37,006,082	36,281,872	34,330,121	34,060,411	(269,710)	Includes partial spring revenue.
Foundation	1,388,500	1,388,500	828,973	1,046,600	1,474,420	427,819	
Grant Revenue	-	-	4,144,670	1,188,683	2,045,938	857,255	Success Grant
Other Revenue	3,543,840	3,510,304	5,363,917	2,955,628	2,524,363	(431,265)	Innovation fund lower by \$400k.
DGCE	14,095,020	14,095,020	13,537,237	11,053,564	11,190,482	136,918	Includes partial spring revenue.
Residential Life	16,510,911	16,476,587	15,776,394	15,903,096	16,360,355	457,259	Includes partial spring revenue.
Dining Services	10,849,629	10,703,940	10,413,792	10,059,846	10,646,631	586,785	Includes partial spring revenue.
Total Revenue	128,970,773	125,930,763	127,940,665	116,175,072	118,686,932	2,511,860	
Reserve Funding							
Strategic Investments	-		2,949,460				
Capital Investments	2,661,338	3,044,462	2,164,968				
Total Reserve Funding	2,661,338	3,044,462	5,114,428				
Total Resources	131,632,111	128,975,225	133,055,093	116,175,072	118,686,932	2,511,860	
Expense:							
Compensation & Fringe	54,856,470	53,947,428	51,406,596	19,049,200	19,591,358	542,157	Mainly due to CBA
Department Operations	17,085,776	15,925,086	19,399,352	8,236,489	7,985,061	(251,428)	Academic Affairs lower by \$151k (P/T Faculty lower by \$92k, ADA lower by \$39k) ; Finance lower by \$175k - lower spending on IT, Waste Removal, and Architects.
Utilities	3,100,094	2,875,094	2,944,269	807,283	820,814	13,532	
Financial Aid	8,282,709	8,282,709	6,748,447	3,429,700	4,003,418	573,718	Increased commitment to financial aid YoY
Debt Service	1,323,292	1,323,292	1,377,742	952,879	838,129	(114,751)	
Contingency	325,000	357,400	296,726	218,555	110,211	(108,345)	
Capital Investments	5,404,799	5,297,153	4,190,188	1,438,745	1,549,650	110,906	Timing of Project Completion
DGCE	10,876,608	10,876,608	9,994,285	3,545,738	3,400,918	(144,820)	
Residential Life	20,683,618	20,556,153	20,974,157	8,633,616	7,238,035	(1,395,581)	Res Life Debt Service lower by \$632k; Building & Improvements lower by \$704k
Dining Services	9,065,069	8,906,316	9,161,782	3,692,950	3,542,637	(150,313)	Lower spending on equipment, repair and supplies.
Strategic Investments	228,677	227,984	5,000	5,000	-	(5,000)	
All Other - Grants & OTF's	-		5,627,398	1,699,535	2,625,867	926,333	Success Grant
Innovation Fund	400,000	400,000	554,635	127,284	116,197	(11,087)	
FEMA Reimbursement Funds	-		513,991	187,387	-	(187,387)	No FEMA Funds available in FY26
Total Expense	131,632,111	128,975,224	133,194,567	52,024,360	51,822,294	(202,066)	
Revenue Over Expense	(0)	-	(139,474)	64,150,712	66,864,638	2,713,926	

Notes:

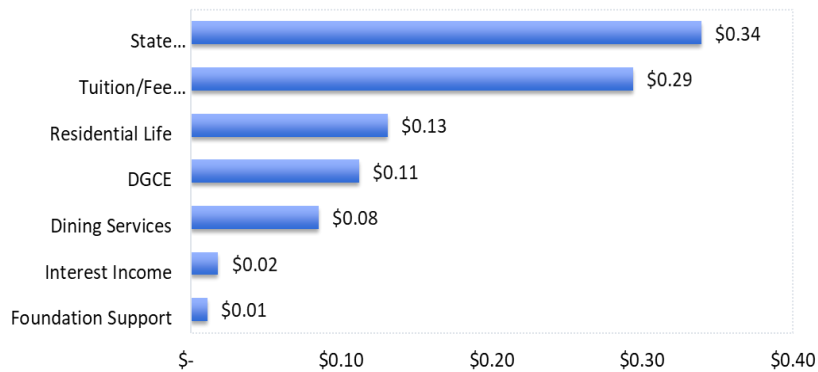
- 1) Banner Reporting cutoff is 11.30 for both fiscal years
- 2) Analysis prepared based on Activity Date in transaction history
- 3) Grant Revenue is recognized in the amount of YTD actual expense. (Excludes Direct Student Loans in Both Years).

Westfield State University

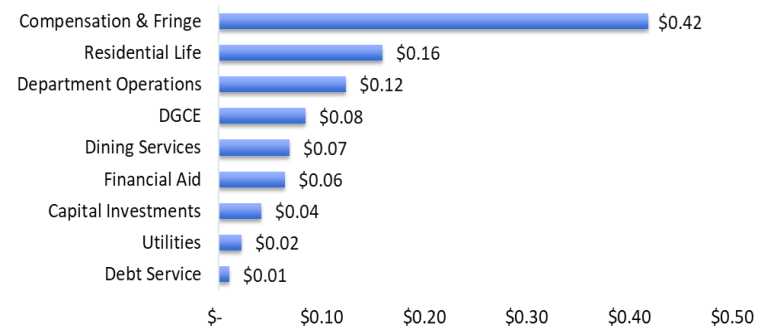
Dashboard - Revenue, Expenses, and CFI



FY26 Revenue Budget \$125.9M
Cents per \$1.00

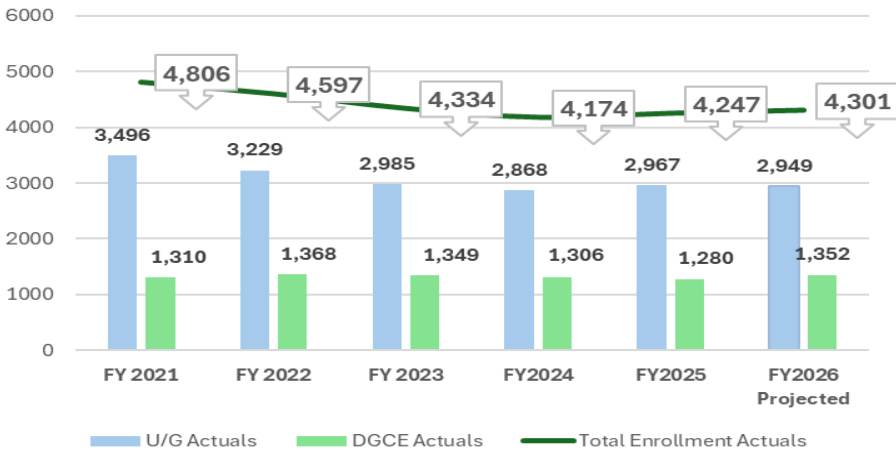


FY26 Expense Budget \$128.9M
Cents per Every \$1.00

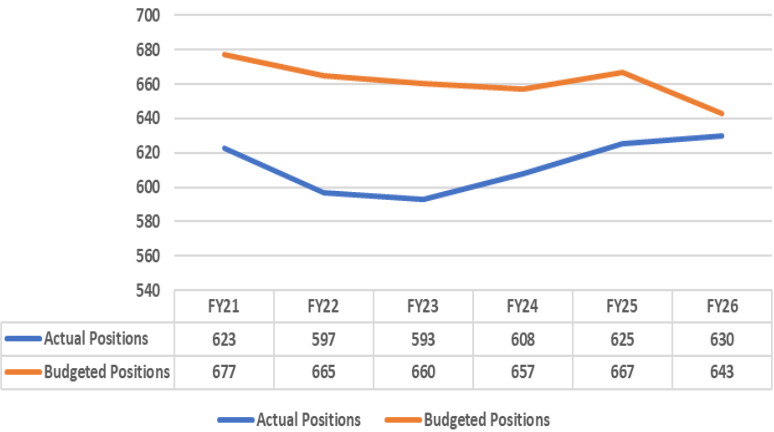


Westfield State University
Dashboard - Key Metrics

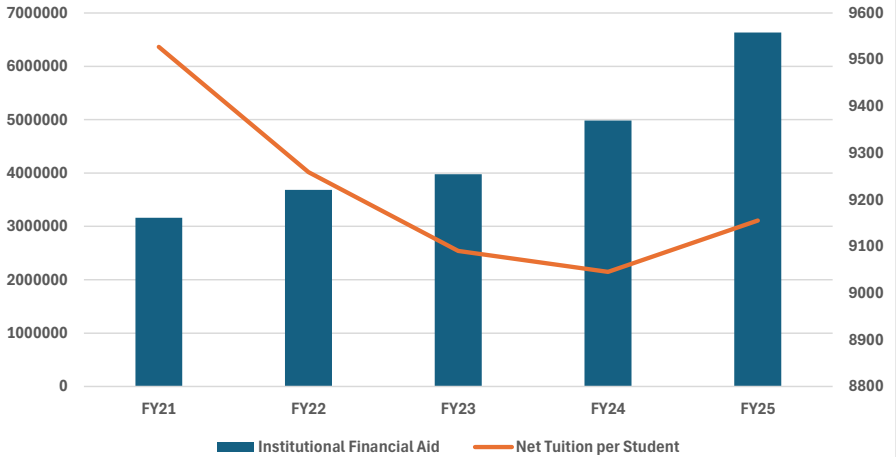
FY21 - FY26 Enrollment U/G & DGCE



Actual vs. Budgeted Positions FY21 - FY26



Financial Aid vs Net Tuition



NET TUITION PER STUDENT FY21 - FY25





Financial Affairs Committee

Board of Trustees Meeting

December 18, 2025

Steve Taksar

Vice President for Administration and Finance



Agenda

- FY26 vs FY25 YTD Actuals
- Financial Dashboards
- Cash Balance Reports
- Capital/Deferred Maintenance Overview
- FY27 Budget Planning
- 5 Year Forecast Assumptions/Model
- FY25 Ratio Analysis and Graphs

FY26 vs FY25 YTD Actuals - Revenue

July – November

		July 2024 - June 2025 TxS	July 2024 - Nov 2024 TxS	July 2025 - Nov 2025 TxS		
	FY26 October Budget	FY25 Year End Actuals	FY25 Jul-Nov	FY26 Jul-Nov	Diff YoY Inc/(Dec)	Notes
Revenue:						
State Appropriation	42,750,329	41,593,810	39,637,534	40,384,332	746,798	Higher due to CBA increases.
Total Tuition/Fee Revenue	37,006,082	36,281,872	34,330,121	34,060,411	(269,710)	Includes partial spring revenue.
Foundation	1,388,500	828,973	1,046,600	1,474,420	427,819	
Grant Revenue	-	4,144,670	1,188,683	2,045,938	857,255	Success Grant
Other Revenue	3,510,304	5,363,917	2,955,628	2,524,363	(431,265)	Innovation fund lower by \$400k.
DGCE	14,095,020	13,537,237	11,053,564	11,190,482	136,918	Includes partial spring revenue.
Residential Life	16,476,587	15,776,394	15,903,096	16,360,355	457,259	Includes partial spring revenue.
Dining Services	10,703,940	10,413,792	10,059,846	10,646,631	586,785	Includes partial spring revenue.
Total Revenue	125,930,763	127,940,665	116,175,072	118,686,932	2,511,860	
Reserve Funding						
Strategic Investments		2,949,460				
Capital Investments	3,044,462	2,164,968				
Total Reserve Funding	3,044,462	5,114,428				
Total Resources	128,975,225	133,055,093	116,175,072	118,686,932	2,511,860	

FY26 vs FY25 YTD Actuals - Expenses

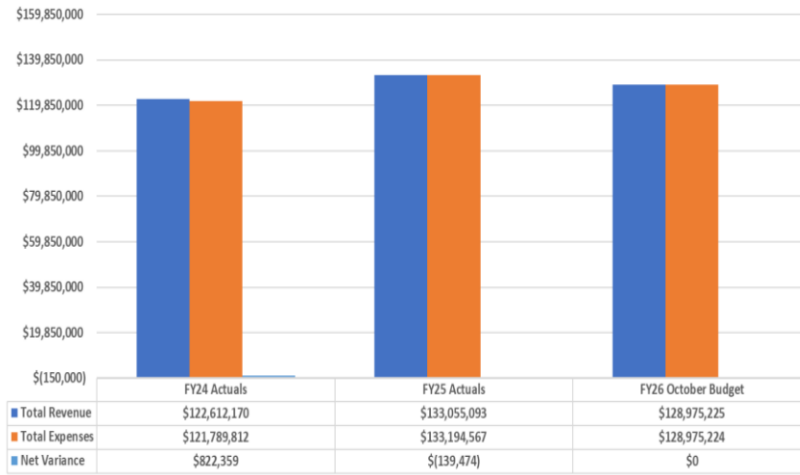
July - November

		July 2024 - June 2025 TxS	July 2024 - Nov 2024 TxS	July 2025 - Nov 2025 TxS		
	FY26 October Budget	FY25 Year End Actuals	FY25 Jul-Nov	FY26 Jul-Nov	Diff YoY Inc/(Dec)	Notes
Expense:						
Compensation & Fringe	53,947,428	51,406,596	19,049,200	19,591,358	542,157	Mainly due to CBA
Department Operations	15,925,086	19,399,352	8,236,489	7,985,061	(251,428)	Academic Affairs lower by \$151k (P/T Faculty lower by \$92k, ADA lower by \$39k) ; Finance lower by \$175k - lower spending on IT, Waste Removal, and Architects.
Utilities	2,875,094	2,944,269	807,283	820,814	13,532	
Financial Aid	8,282,709	6,748,447	3,429,700	4,003,418	573,718	Increased commitment to financial aid YoY
Debt Service	1,323,292	1,377,742	952,879	838,129	(114,751)	
Contingency	357,400	296,726	218,555	110,211	(108,345)	
Capital Investments	5,297,153	4,190,188	1,438,745	1,549,650	110,906	Timing of Project Completion
DGCE	10,876,608	9,994,285	3,545,738	3,400,918	(144,820)	
Residential Life	20,556,153	20,974,157	8,633,616	7,238,035	(1,395,581)	Res Life Debt Service lower by \$632k; Building & Improvements lower by \$704k
Dining Services	8,906,316	9,161,782	3,692,950	3,542,637	(150,313)	Lower spending on equipment, repair and supplies.
Strategic Investments	227,984	5,000	5,000	-	(5,000)	
All Other - Grants & OTF's		5,627,398	1,699,535	2,625,867	926,333	Success Grant
Innovation Fund	400,000	554,635	127,284	116,197	(11,087)	
FEMA Reimbursement Funds		513,991	187,387	-	(187,387)	No FEMA Funds available in FY26
					-	
Total Expense	128,975,224	133,194,567	52,024,360	51,822,294	(202,066)	
Revenue Over Expense	-	(139,474)	64,150,712	66,864,638	2,713,926	

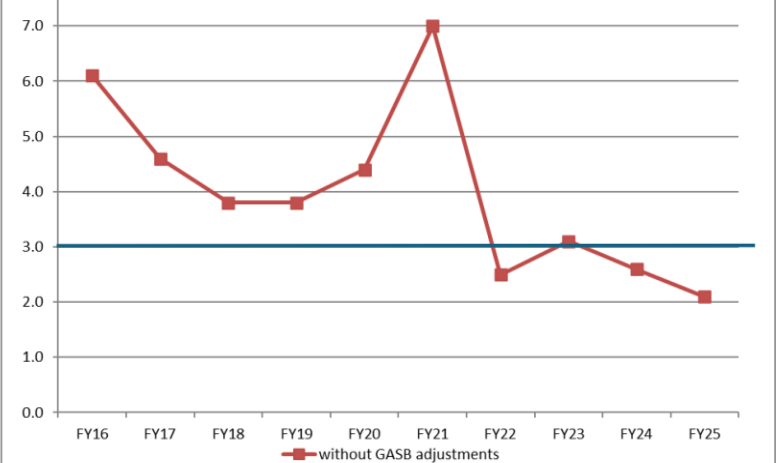
Westfield State University

Dashboard - Revenue, Expenses, and CFI

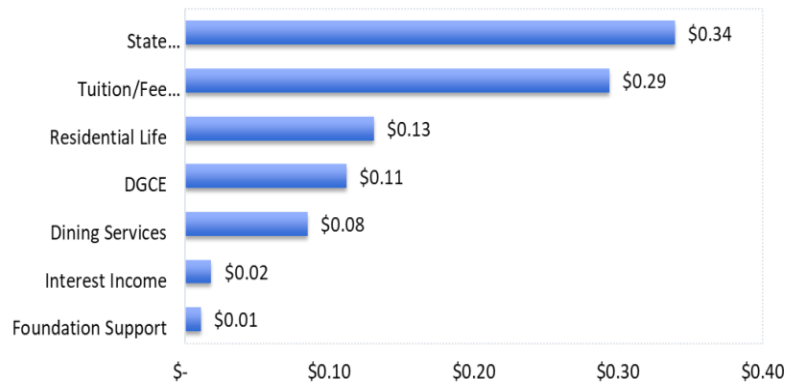
FY24-FY26 Revenue, Expenses, Net Variance



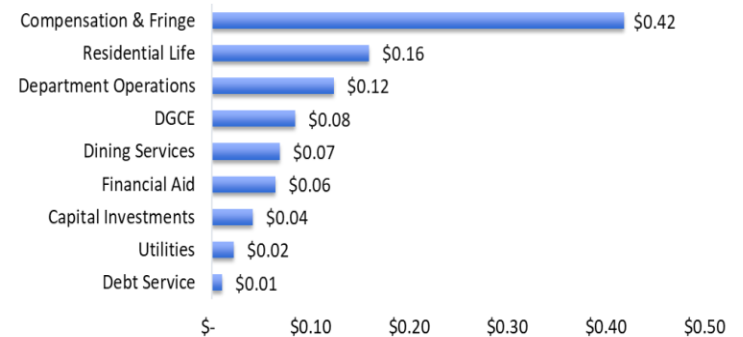
Composite Financial Index



FY26 Revenue Budget \$125.9M
Cents per \$1.00

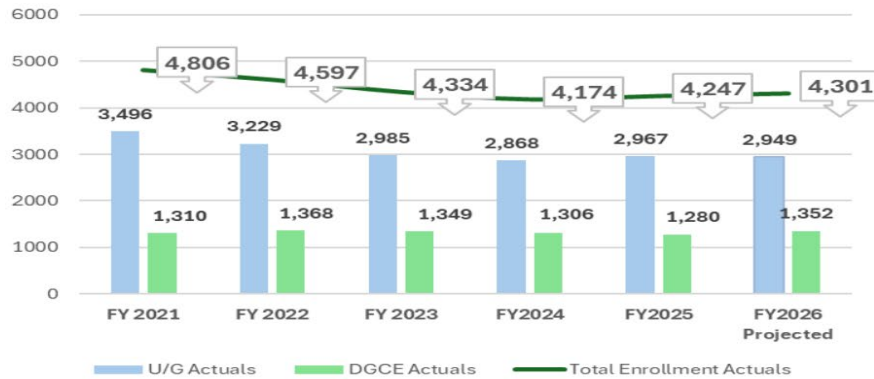


FY26 Expense Budget \$128.9M
Cents per Every \$1.00

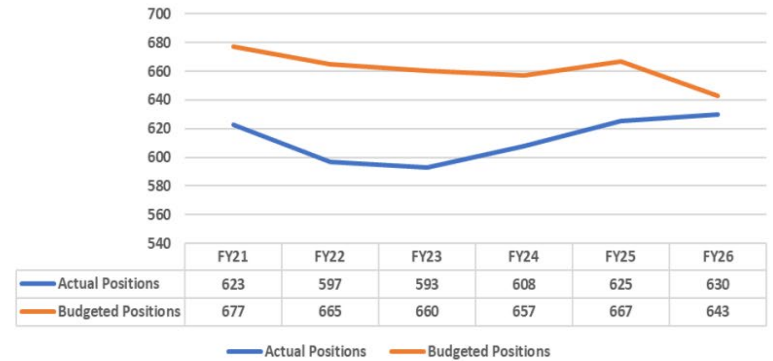


Westfield State University Dashboard - Key Metrics

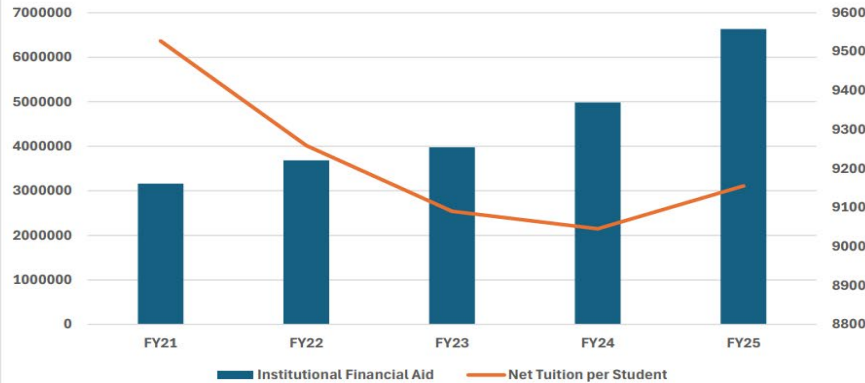
FY21 - FY26 Enrollment U/G & DGCE



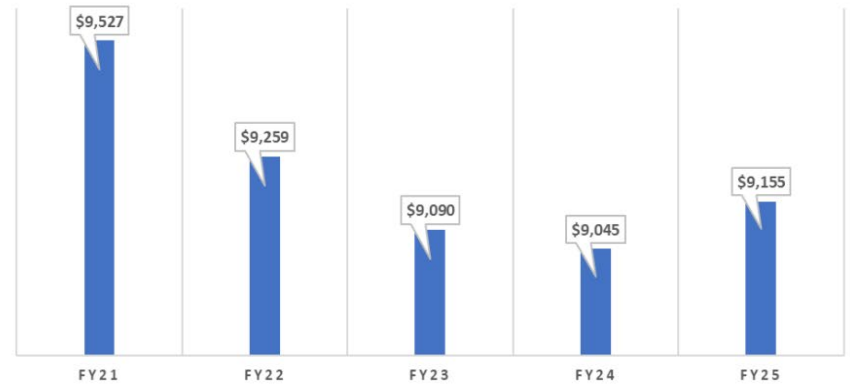
Actual vs. Budgeted Positions FY21 - FY26



Financial Aid vs Net Tuition



NET TUITION PER STUDENT FY21 - FY25



Cash/Investment Balances FY26 vs FY25

Westfield State University
Comparative Cash and Investment Balances
Month Ending November 30, 2025

<u>Source</u>	<u>2025 Balance</u>	<u>2024 Balance</u>	<u>Change Inc(dec)</u>
<u>Investments</u>			
Equities Portfolio	\$32,628,724	\$28,716,997	\$ 3,911,727
Bond Portfolio	10,817,374	10,310,245	507,129
Total Investments	<u>43,446,098</u>	<u>39,027,242</u>	<u>4,418,856</u>
<u>Cash Resources</u>			
MMDT	25,527,759	26,893,627	(1,365,868)
Working Capital	17,225,305	18,566,324	(1,341,019)
Total Cash Resources	<u>42,753,064</u>	<u>45,459,951</u>	<u>(2,706,887)</u>
Total Cash & Investments	<u>\$86,199,162</u>	<u>\$84,487,193</u>	<u>\$ 1,711,969</u>

Notes:

In February 2025, the University transferred \$2.5M from our MMDT account into working capital. Short-term cash resources are declining but are being offset by gains in our investments.

10 Year Cash Balance Summary

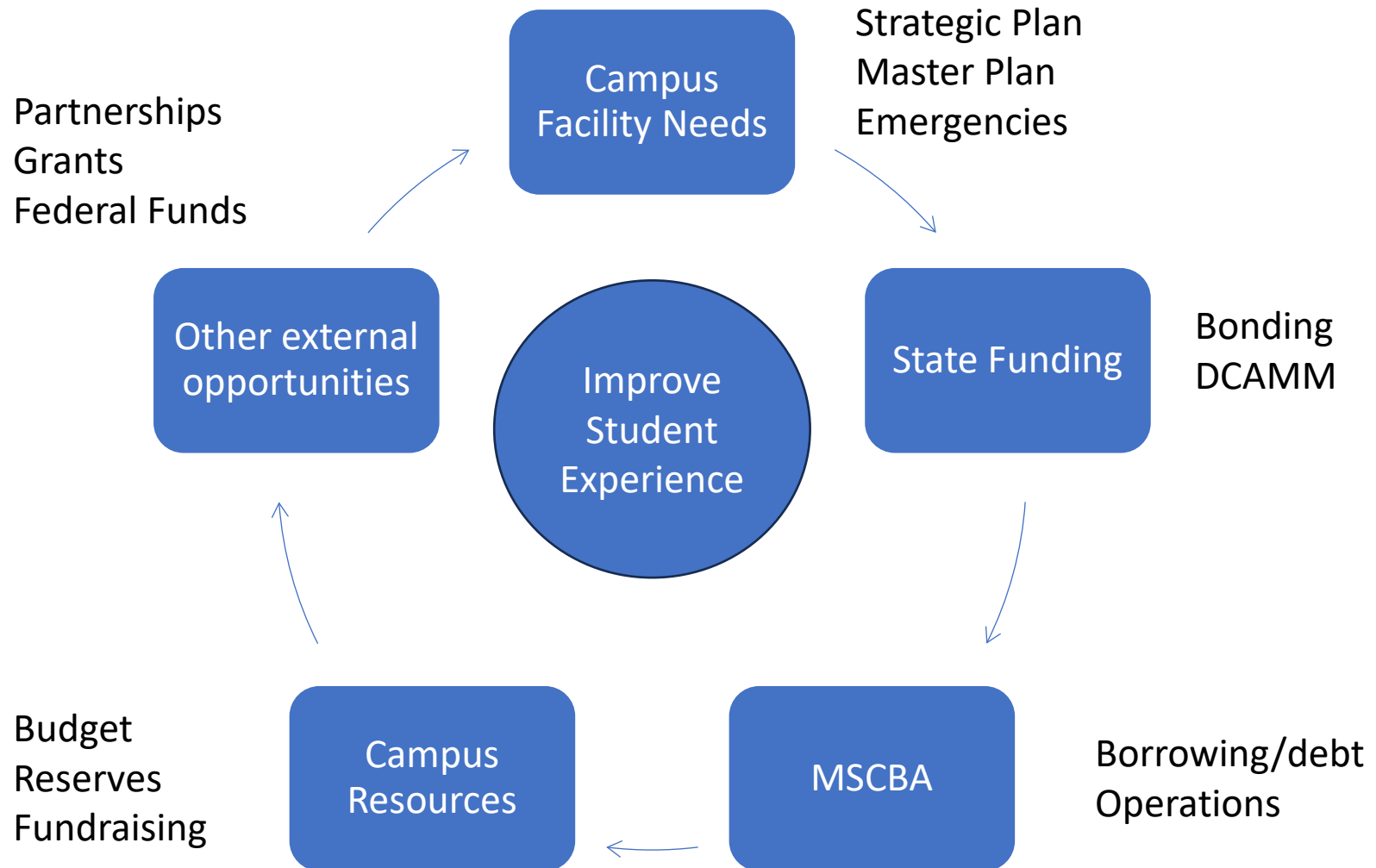
**Westfield State University
Cash Balances
Fiscal Year Ending June 30, 2017 - June 30, 2026**

Fiscal Year	Reserves/Investment s	Operating	Total	\$ Inc/(dec)	% Inc/(dec)
FY 2017	17,017,747.78	41,381,231.82	58,398,979.60	1,505,624.57	2.6%
FY 2018	17,258,477.00	44,091,165.41	61,349,642.41	2,950,662.81	5.1%
FY 2019	17,575,157.57	50,469,752.47	68,044,910.04	6,695,267.63	10.9%
FY 2020	62,846,184.51	3,714,652.82	66,560,837.33	(1,484,072.71)	-2.2%
FY 2021	67,655,941.62	6,185,802.00	73,841,743.62	7,280,906.29	10.9%
FY 2022	64,918,179.48	19,784,005.58	84,702,185.06	10,860,441.44	14.7%
FY 2023	73,052,167.70	4,461,775.15	77,513,942.85	(7,188,242.21)	-8.5%
FY 2024	78,351,864.62	5,556,007.76	83,907,872.38	6,393,929.53	8.2%
FY 2025	76,747,017.47	4,676,078.18	81,423,095.65	(2,484,776.73)	-3.0%
FY 2026	80,205,997.90	5,993,164.12	86,199,162.02	4,776,066.37	5.9%
			5 year \$ chg	12,357,418.40	
			5 year % chg	17%	

***Balances are as of 11/30/25**

Capital/Deferred Maintenance

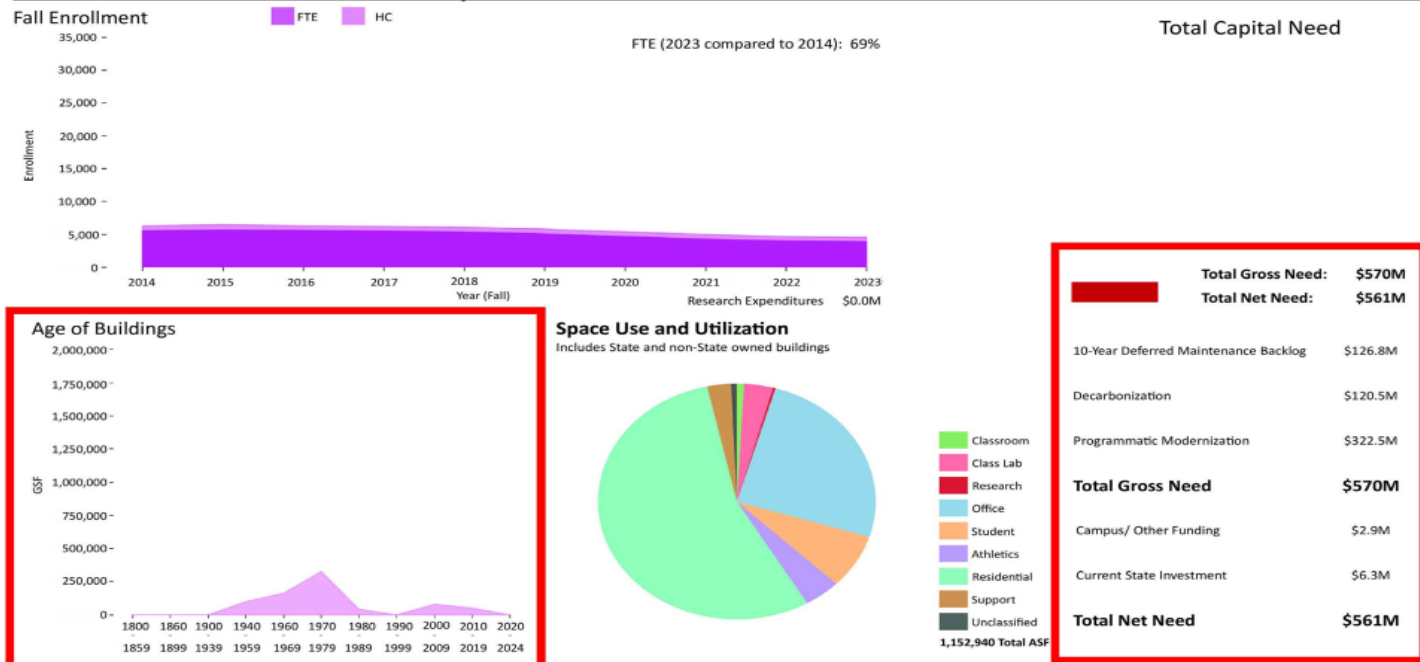
Factors Influencing Capital Investments



Overview of Capital/DM Needs

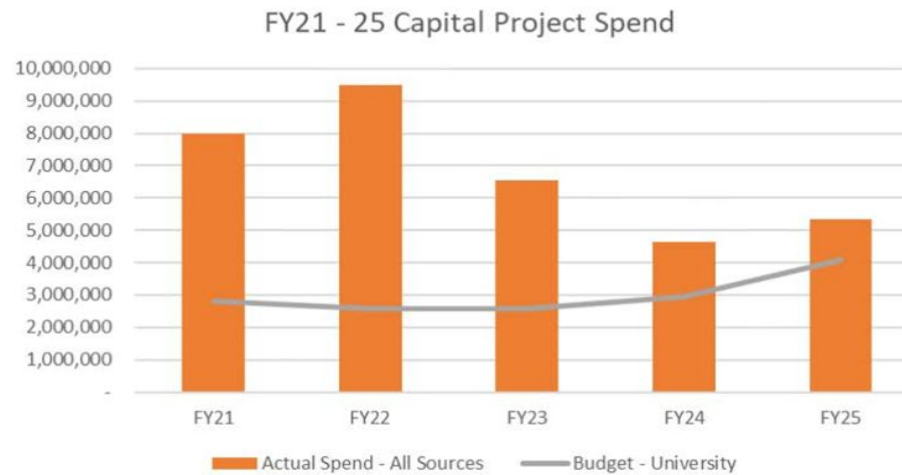
Higher Education Capital Working Group - Final Report - January 21, 2025

Westfield State University



Total Capital Spending vs Operating Budget Capital

Westfield State University Dashboard - Major Expenses



FY27 Budget Planning

- Current progress

- Fee setting process underway
 - cabinet, SGA
- Scenario modeling in process
- Financial Aid strategy determined
- Consult with Dept of Higher Ed on state budget plans

- Next steps

- Assess capital needs/funding
- Determine fee recommendations/revenue targets
- Strategic plan priorities/funding
- Detailed budget planning

5 Year Forecast Model – Key Assumptions/Variables

Planning Assumptions:	FY23 Actuals	FY24 Actuals	FY25 Actuals	FY26 October Budget	FY27 Provisional Budget - DRAFT	FY28	FY29	FY30	FY31
Revenue Assumptions									
First Year Freshman	796	703	833	864					
Transfers	213	200	232	196					
Billable Students	3,085	2,968	2,967	2,949					
Housing Students	1,780	1,742	1,740	1,784					
In-State Tuition and Fees Incr.	3.2%	4.0%	3.0%	2.5%					
Residential COA Incr. (weighted avg.)	3.4%	3.5%	3.2%	3%					
State Appropriation	11% Incr YoY	3% Incr YoY	10.7% Incr YoY	6% Incr YoY					
Expense Assumptions									
Strategic Investments (Budget & Reserve Funded)	\$ 983,332	\$ 856,178	\$ 2,046,669	\$ 1,387,782					
Financial Aid	3,979,164	5,112,963	6,748,447	8,282,709					
Capital Investment	\$ 3,855,111	\$ 5,322,913	\$ 4,190,188	\$ 2,404,282					
Overhead Contributions									
Dining Contribution	\$ 1,128,001	\$ 1,097,508	\$ 1,213,705	\$ 1,797,624					
CGCE Contribution	\$ 2,750,478	\$ 2,750,478	\$ 3,096,851	\$ 3,218,412					

- Key variables in forecast model
- Model will yield trend analysis over several years
- 3 years actuals, one year budget, 4 years forecast

5 Year Forecast Model Template - Financials

						Forecast			
	FY23 Actuals	FY24 Actuals	FY25 Actuals	FY26 October Budget	FY27 Provisional Budget - DRAFT	FY28	FY29	FY30	FY31
Revenue:									
State Appropriation	35,424,405	39,637,534	41,593,810	42,750,329					
Total Tuition/Fee Revenue	34,927,048	33,858,099	36,281,872	37,006,082					
DGCE	12,778,043	12,964,603	13,537,237	14,095,020					
Residential Life	14,863,320	14,059,519	15,776,394	16,476,587					
Dining Services	9,632,184	9,671,959	10,413,792	10,703,940					
Grants: HEERF/ARPA		2,193,719		-		-	-	-	-
All Other Revenue	7,578,961	10,226,736	10,337,560	4,898,804					
Total Revenue	\$ 115,203,962	\$ 122,612,170	\$ 127,940,665	\$ 125,930,763	\$ -	\$ -	\$ -	\$ -	\$ -
Total Reserve Funding - Rollovers & Timing	\$ -	\$ -	\$ 5,114,428	\$ 3,044,462	\$ -	\$ -	\$ -	\$ -	\$ -
Total Resources	\$ 115,203,962	\$ 122,612,170	\$ 133,055,093	\$ 128,975,225	\$ -	\$ -	\$ -	\$ -	\$ -
Expense:									
Compensation & Fringe	45,264,681	49,175,809	51,406,596	53,947,428					
Department Operations	14,436,959	15,910,204	19,399,352	15,925,086					
Utilities	2,884,665	2,885,348	2,944,269	2,875,094					
Financial Aid	3,979,164	5,112,963	6,748,447	8,282,709					
Capital Investments	3,855,111	5,322,913	4,190,188	5,297,153					
DGCE	7,974,911	9,426,159	9,994,285	10,876,608					
Residential Life	16,988,201	17,020,603	20,974,157	20,556,153					
Dining Services	8,422,600	8,650,011	9,161,782	8,906,316					
All Other Expenses	6,983,507	8,285,802	8,375,493	2,308,676					
Total Expense	\$ 110,789,799	\$ 121,789,812	\$ 133,194,567	\$ 128,975,224					
Net Surplus / (Loss)	\$ 4,414,163	\$ 822,359	\$ (139,474)	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -

Westfield State University – FY25 Ratio Summary

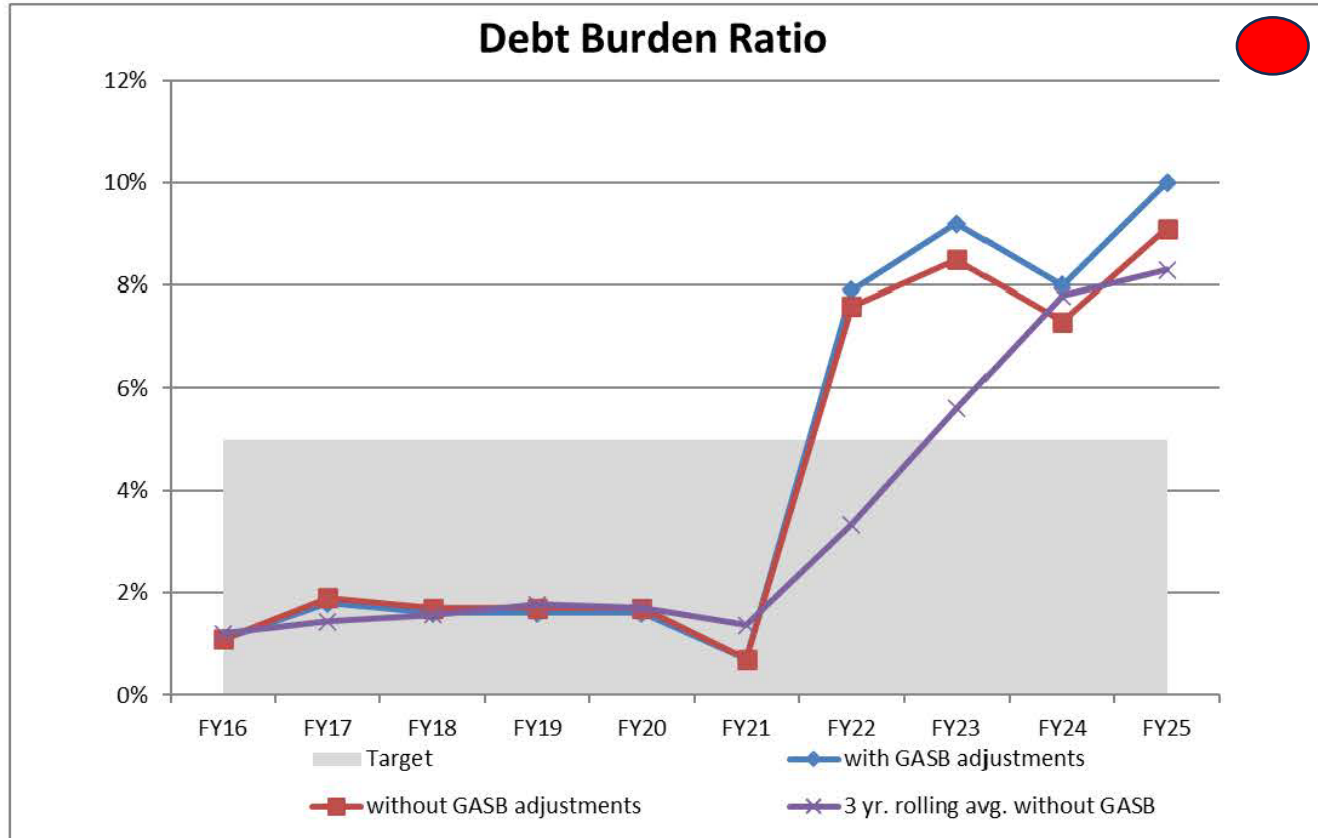


<u>Ratio *</u>	<u>FY 2025 with GASB 68 and GASB 75</u>	<u>FY 2025 without GASB 68 and GASB 75</u>	<u>Adjusted - FY 2025 without GASB 68, 75, 87, and Foundation</u>	<u>Target</u>
 Debt Burden Ratio	10.0%	9.1%	1.3%	< 5%
 Viability Ratio	0.2	0.8	3.6	>1
 Primary Reserve Ratio	11.3%	51.7%	41.9%	25%
 Return on Net Assets Ratio	13.3%	1.5%	-0.1%	>2%
 Net Operating Revenues Ratio	8.6%	-0.4%	-2.7%	>2%
 Composite Financial Index	2.4	2.1	3.9	3.0

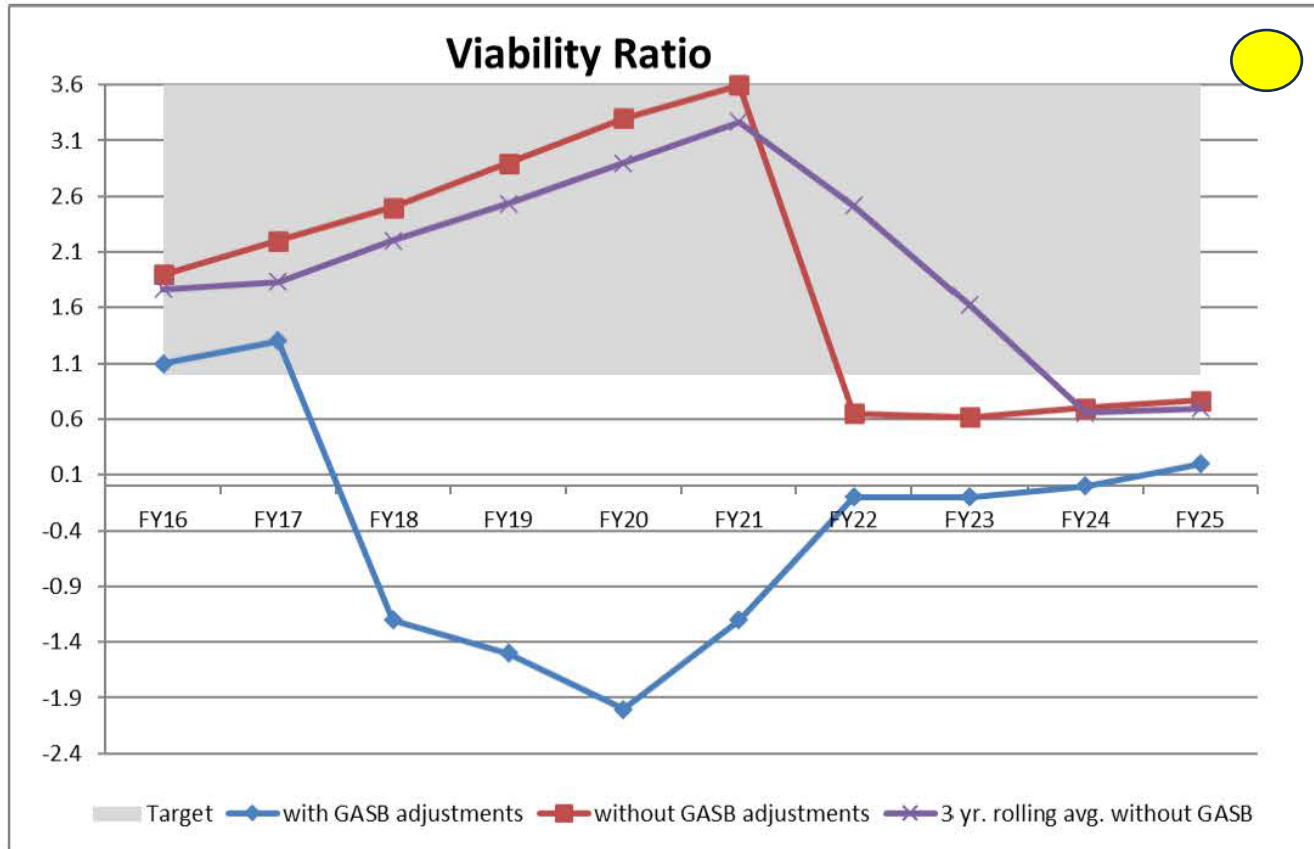
Note:

1. GASB 68 and 75 are pension and OPEB (state funded, not campus)
2. GASB 87 lease obligations for residence halls

Westfield State University – FY25 Financial Ratios



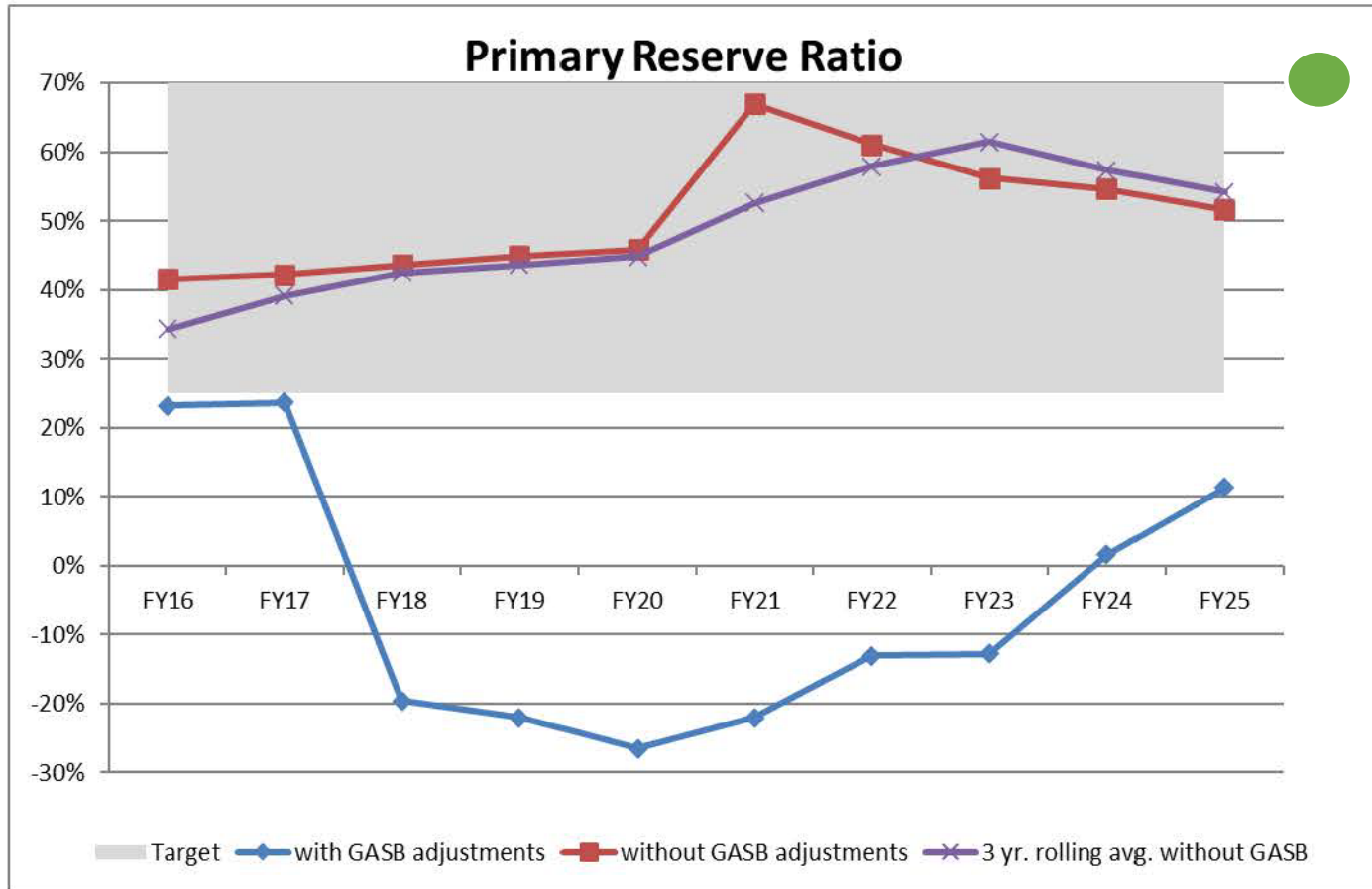
Westfield State University – FY25 Financial Ratios



This ratio measures the availability of expendable net assets to pay off long-term debt.

The target for this ratio is 1.0 or higher which means that the higher number, the better the result.

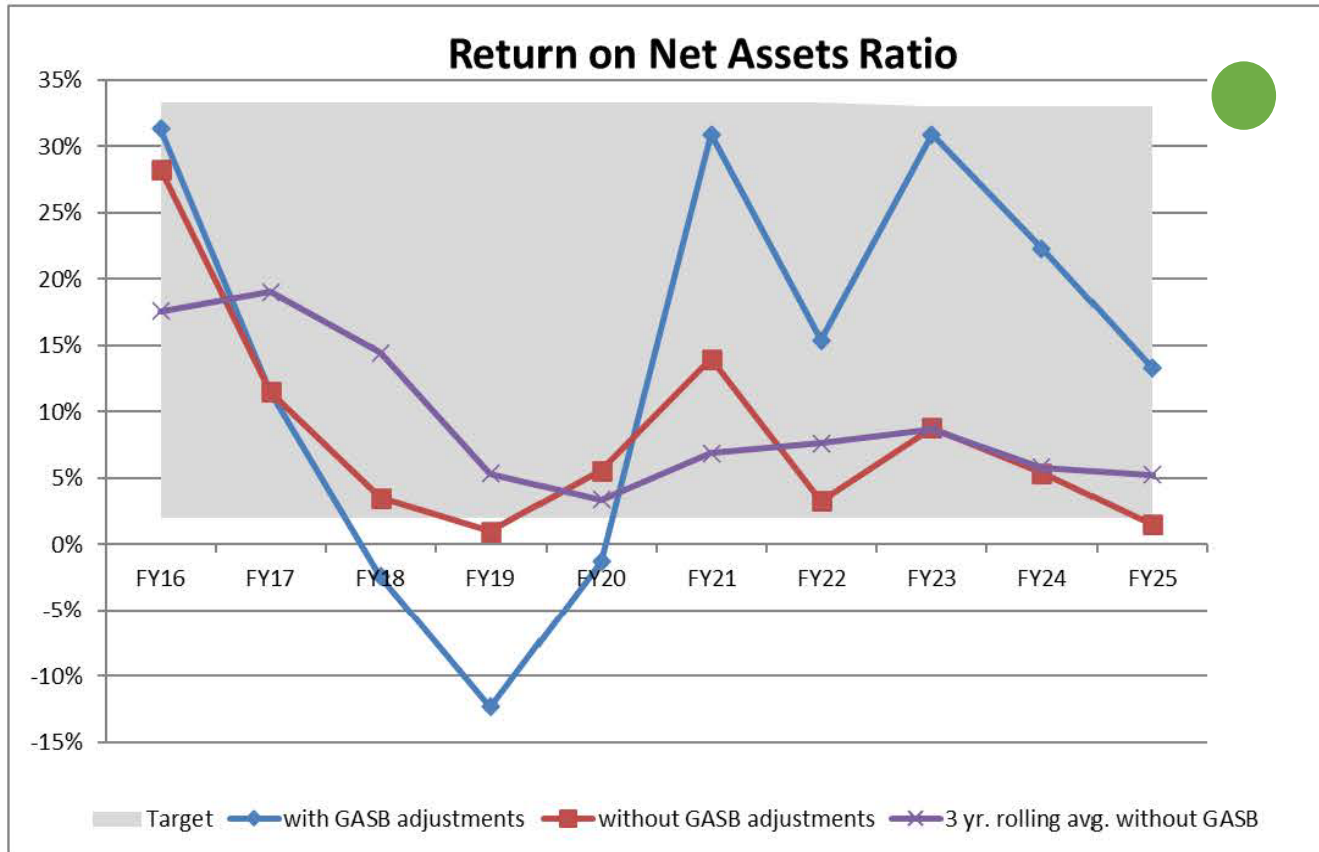
Westfield State University – FY25 Financial Ratios



This ratio provides a snapshot of the University's financial strength and flexibility.

The target for this ratio is 25% and a positive trend over time, which means that the higher the number, the better the result.

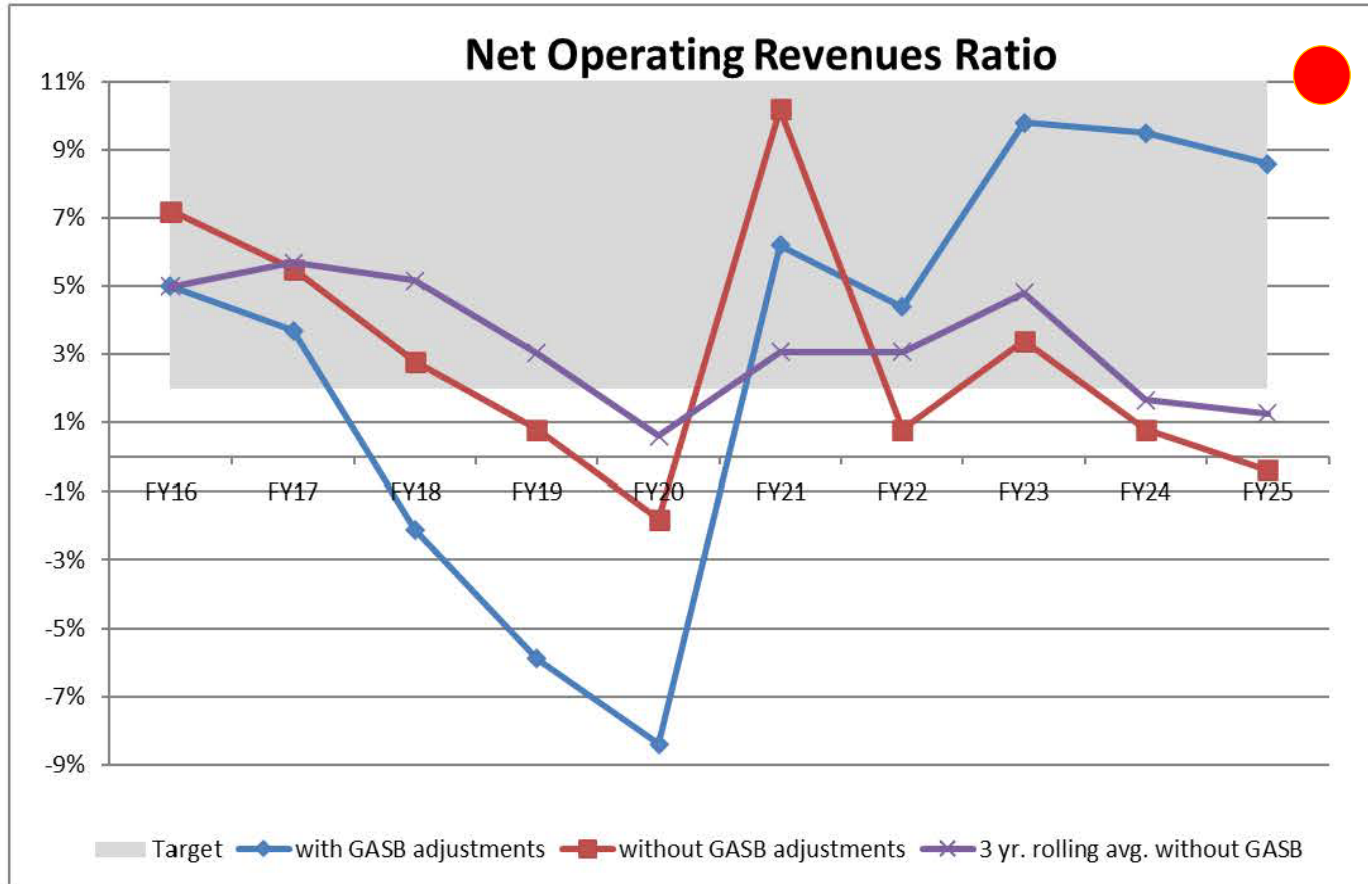
Westfield State University – FY25 Financial Ratios



This ratio reports whether university resources are growing and if it is financially better off than in previous years.

The target for this ratio is greater than 2% and a positive trend over time, which means that the higher the number, the better the result.

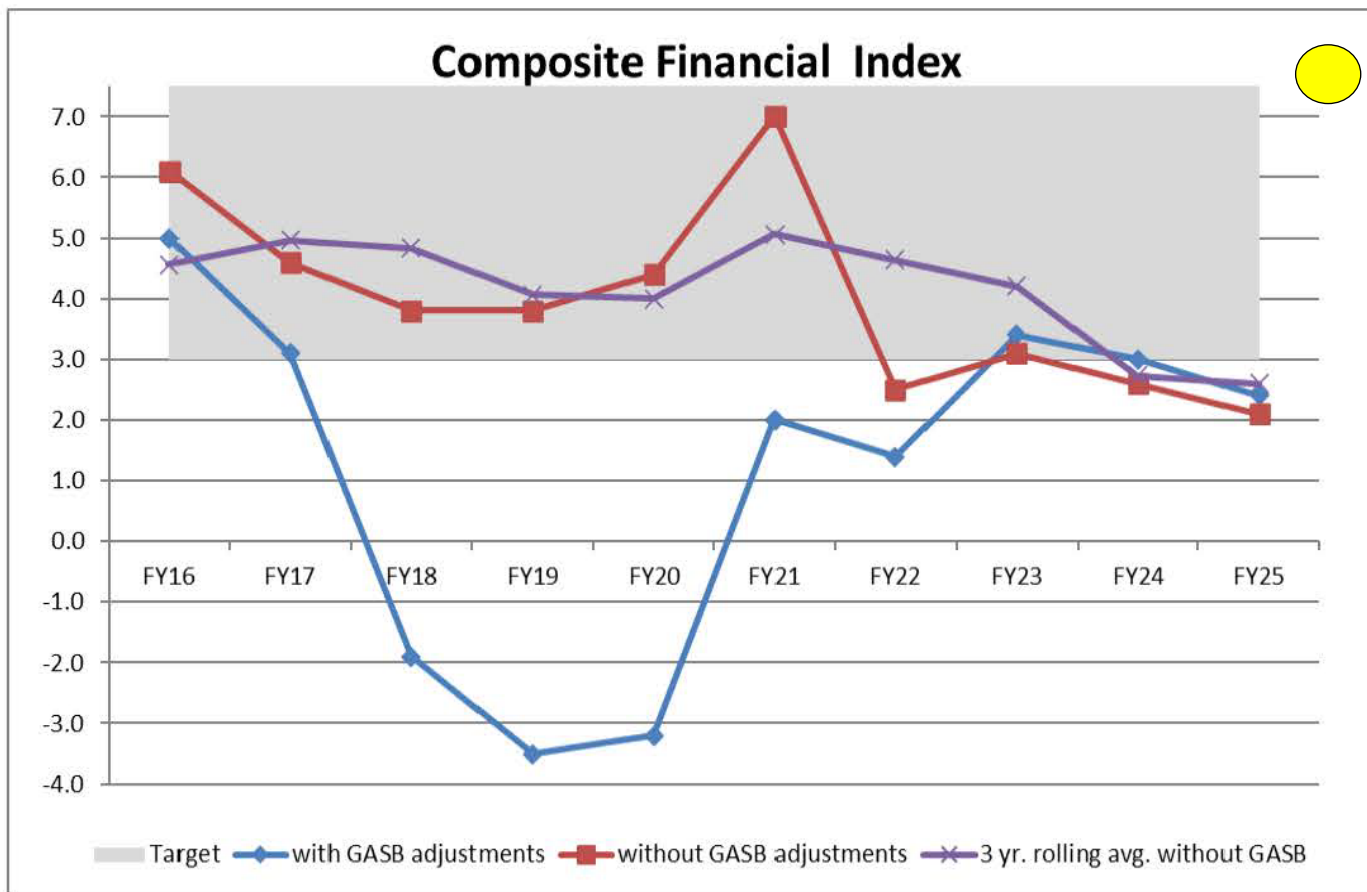
Westfield State University – FY25 Financial Ratios



This ratio indicates whether operating activities resulted in a surplus or deficit.

The target for this ratio is greater than 2% and a positive 5-year trend, which means that the higher the number, the better the result.

Westfield State University – FY25 Financial Ratios



This index provides a more complete picture of the University's financial health by combining into a single measure the strength of four of the ratios above.

The target for this ratio is greater than 3, which means that the higher the number, the better the result.

QUESTIONS & ANSWERS





Thank you

Westfield State University
Comparative Cash and Investment Balances
Month Ending November 30, 2025

<u>Source</u>	<u>2025 Balance</u>	<u>2024 Balance</u>	<u>Change Inc(dec)</u>
<u>Investments</u>			
Equities Portfolio	\$32,628,724	\$28,716,997	\$ 3,911,727
Bond Portfolio	10,817,374	10,310,245	507,129
Total Investments	<u>43,446,098</u>	<u>39,027,242</u>	<u>4,418,856</u>
<u>Cash Resources</u>			
MMDT	25,527,759	26,893,627	(1,365,868)
Working Capital	17,225,305	18,566,324	(1,341,019)
Total Cash Resources	<u>42,753,064</u>	<u>45,459,951</u>	<u>(2,706,887)</u>
Total Cash & Investments	<u>\$86,199,162</u>	<u>\$84,487,193</u>	<u>\$ 1,711,969</u>

Notes:

In February 2025, the University transferred \$2.5M from our MMDT account into working capital.
Short-term cash resources are declining but are being offset by gains in our investments.

Westfield State University
Cash Balances
Fiscal Year Ending June 30, 2017 - June 30, 2026

Fiscal Year	Reserves/Investments	Operating	Total	\$ Inc/(dec)	% Inc/(dec)
FY 2017	17,017,747.78	41,381,231.82	58,398,979.60	1,505,624.57	2.6%
FY 2018	17,258,477.00	44,091,165.41	61,349,642.41	2,950,662.81	5.1%
FY 2019	17,575,157.57	50,469,752.47	68,044,910.04	6,695,267.63	10.9%
FY 2020	62,846,184.51	3,714,652.82	66,560,837.33	(1,484,072.71)	-2.2%
FY 2021	67,655,941.62	6,185,802.00	73,841,743.62	7,280,906.29	10.9%
FY 2022	64,918,179.48	19,784,005.58	84,702,185.06	10,860,441.44	14.7%
FY 2023	73,052,167.70	4,461,775.15	77,513,942.85	(7,188,242.21)	-8.5%
FY 2024	78,351,864.62	5,556,007.76	83,907,872.38	6,393,929.53	8.2%
FY 2025	76,747,017.47	4,676,078.18	81,423,095.65	(2,484,776.73)	-3.0%
FY 2026	80,205,997.90	5,993,164.12	86,199,162.02	4,776,066.37	5.9%
			5 year \$ chg	12,357,418.40	
			5 year % chg	17%	

***Balances are as of 11/30/25**

Westfield State University

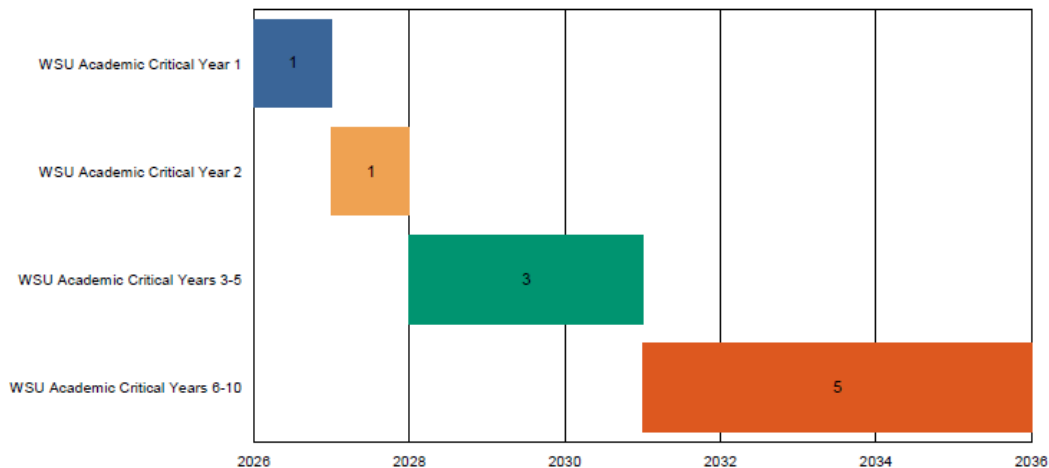
Financial Affairs Committee

Summary of Deferred Maintenance and Campus Improvements

December 18, 2025

The following data is an excerpt from the Facility Condition Assessment (FCI) database outlining the projected costs to eliminate deferred maintenance based on their criticality over the next 10 years. Very few campuses are able to fully address deferred maintenance and there are many approaches to address this issue. The intent of this document is to share the scope of the overall challenges and begin to shape potential solutions. The Bright Act will have a significant positive impact on deferred maintenance. The updated Campus Facilities Master Plan is a blueprint for how new or renovated facilities can support the academic and extracurricular needs of our students.

Name	Priority	Start	End	Construction Costs	Overhead Costs	Project Costs
WSU Academic Critical Year 1	1	2026	2027	\$68,593,276.00	\$27,437,310.00	\$96,030,586.00
WSU Academic Critical Year 2	2	2027	2028	\$342,967.00	\$152,620.00	\$495,587.00
WSU Academic Critical Years 3-5	3	2028	2031	\$28,862,551.00	\$15,619,435.00	\$44,481,986.00
WSU Academic Critical Years 6-10	4	2031	2036	\$10,427,456.00	\$6,738,034.00	\$17,165,490.00
				\$108,226,250.00	\$49,947,399.00	\$158,173,649.00



This value is not inclusive of road, sidewalk, landscape and wayfinding, or infrastructure needs improvements identified in recent campus studies raising the total campus need to over \$242 million.

Other Non-Deferred Maintenance Needs

Roads & Sidewalks	3,928,832
Landscape & Beautification	22,150,000
Wayfinding	1,344,000
Infrastructure Needs	56,628,195
Programmatic Modernization	322,500,000
Total	406,551,027

General facility upgrades and improvements, residence hall system needs (approximately \$36M), and required periodic regulatory testing are also excluded from these figures. Typically, these exceed funds available in the operating budget.

The current average annual facilities capital investment, including DCAMM critical repairs funding is approximately \$3.5M and is insufficient to keep pace with inflation and escalation. This leads to compounding deferred maintenance backlog and increased risk of equipment and infrastructure failure. The goal set in the 2025-2029 strategic plan is to reduce deferred maintenance by 20% by 2029. To address other strategic investments cited above and make progress toward campus master plan priorities, additional investment beyond this level is needed.

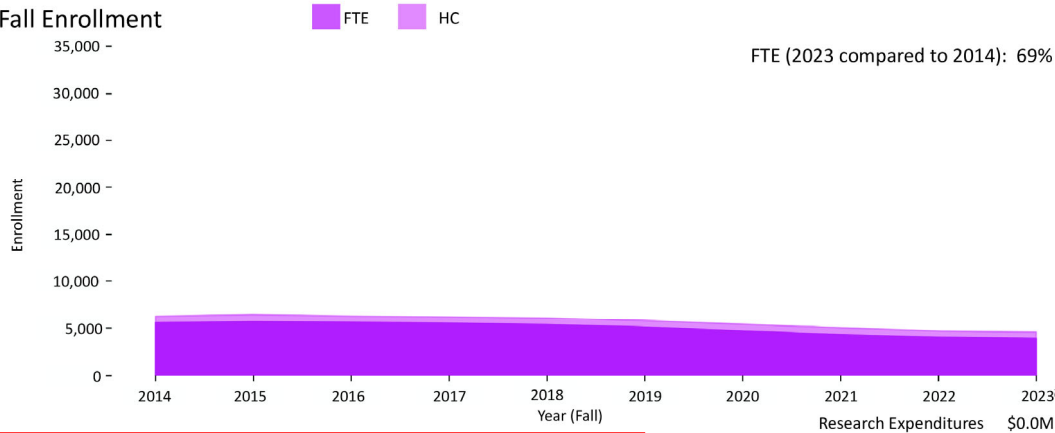
Potential Funding strategies to address this need include:

- **Campus Operating Funds** – Annual operating budget allocation, typically between \$2-\$3M to address critical facility needs, projects and emergency repairs.
- **DCAMM 5 Year Critical Repair Plan** – Allocated by the state to address major deferred maintenance needs. The current 5-year plan allocation is \$6.3M over 5 years with a required campus match of \$2.9M (included in the campus operating funds referenced above).
- **State Funding Opportunities** – Leveraging state funded capital and deferred maintenance needs through programs like the Bright Act and the DCAMM Major Capital Project allocation process provides potential opportunities for significant projects.
- **Federal Funding Opportunities** – Legislative earmarks which can address system improvements (not equipment) will help to reduce deferred maintenance.
- **MSCBA Projects for Residence Halls** – Annually, the university contributes to a deferred maintenance fund to the MSCBA who allocates funding on an annual basis for high priority projects across all campuses. Borrowing funds through bonding is also a possibility but is limited due to current debt service commitments.
- **Regional and Community Partnerships** – Leveraging local organizations and governmental entities to actively create collaborative partnerships for specific projects that could benefit the region and university.
- **Strategic Plan Priorities/Reserves** – As the University develops the financial plan to support the strategic plan, selective use of cash reserves for deferred maintenance may be considered. Using such funds provides an opportunity to target lower cost, high-impact improvements to the student experience.

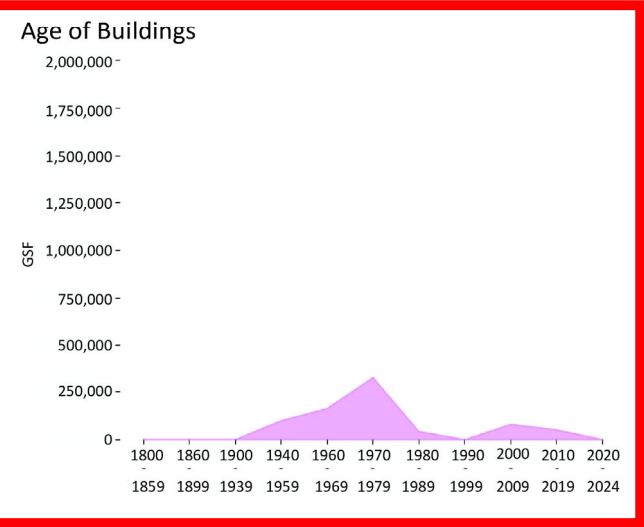
Summary

External funding sources will be necessary to support campus projects to reduce deferred maintenance. Eliminating or leveraging underutilized spaces is also a strategy, similar to the decision to remove Mod Hall (10,000 sq ft). The campus strategy will be integrated into the 5-year forecast model this year.

Westfield State University

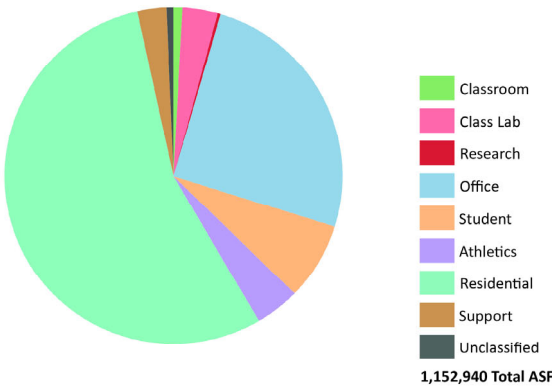


Total Capital Need



Space Use and Utilization

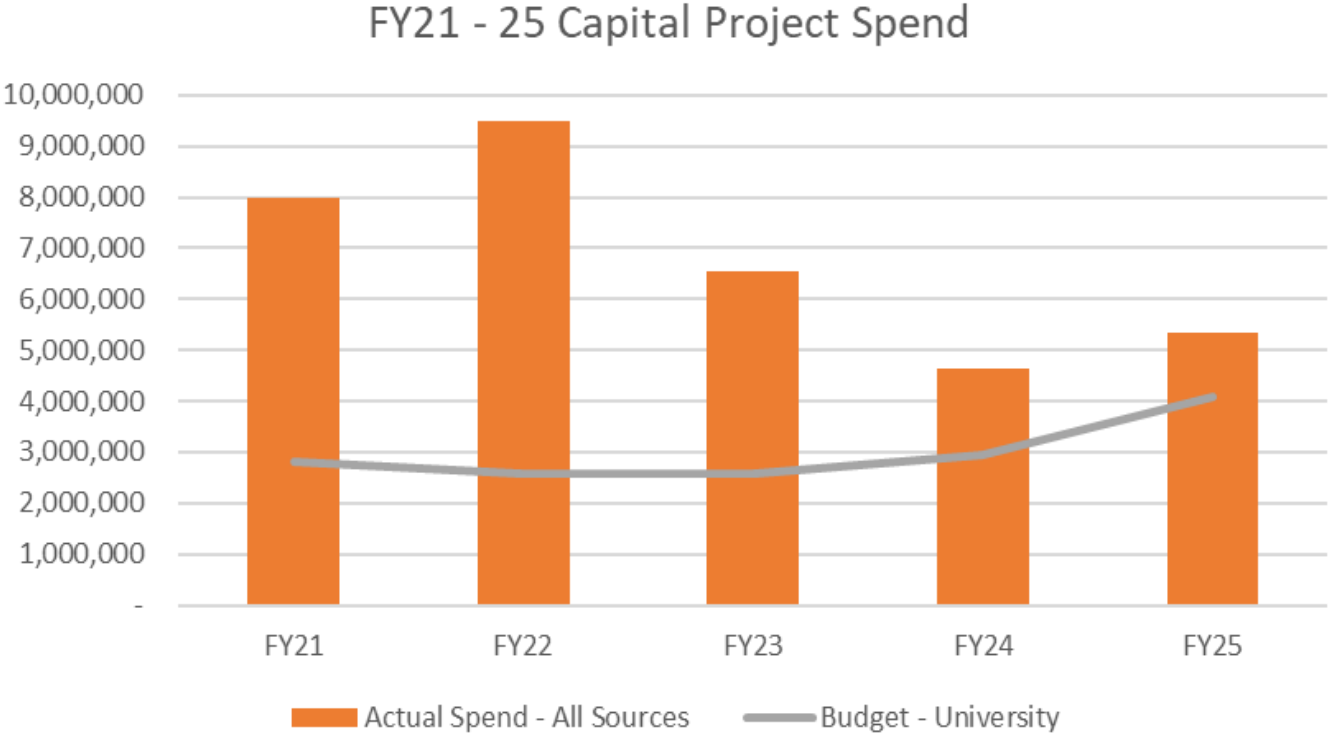
Includes State and non-State owned buildings



	Total Gross Need:	\$570M
	Total Net Need:	\$561M
10-Year Deferred Maintenance Backlog		\$126.8M
Decarbonization		\$120.5M
Programmatic Modernization		\$322.5M
Total Gross Need		\$570M
Campus/ Other Funding		\$2.9M
Current State Investment		\$6.3M
Total Net Need		\$561M



Westfield State University
Dashboard - Major Expenses



Westfield State University
Financial Affairs Committee

Annual Debt Report and Ratios
December 18, 2025

The information in this report is being provided to comply with the reporting requirement of the University's Debt Policy (0480). The performance ratios and debt information presented below demonstrates that the University is in compliance with the policy. The University does not currently have any debt covenants on our outstanding debt.

The University's future annual debt service payments (principal and interest) on bonds payable and lease liabilities are as follows:

<u>Fiscal Year</u>	<u>Campus</u>	<u>Residential Life</u>	<u>Total</u>
2026	\$ 2,361,436	\$ 10,369,632	\$ 12,731,068
2027	2,004,221	10,577,501	12,581,722
2028	1,787,157	10,580,546	12,367,703
2029	1,987,812	8,546,699	10,534,511
2030	1,977,650	8,332,479	10,310,129
2031-2035	6,355,502	35,219,433	41,574,935
2036-2040	4,324,023	30,565,762	34,889,785
2041-2044	<u>2,957,154</u>	<u>11,534,411</u>	<u>14,491,565</u>
Total Debt	<u>\$ 23,754,955</u>	<u>\$ 125,726,463</u>	<u>\$ 149,481,418</u>

The University's bonds payable balance was \$18,549,673 at June 30, 2025, and consisted of the following:

<u>Financing Source</u>	<u>Project</u>	<u>Balance</u>	<u>Maturity</u>
MSCBA	Stevens Science and Innovation Center	\$ 11,579,583	FY 2044
MSCBA	Ely Hall Renovation Project	\$ 3,863,578	FY 2044
Mass Development	Solar Array	\$ 26,596	FY 2027
MSCBA	Dining Hall Renovation Project	\$ 2,061,803	FY 2044
MSCBA	Dining Facility Equipment Replacement	\$ 1,018,113	FY 2032
Total Bonds Payable at 6/30/25		<u>\$ 18,549,673</u>	

Lease Liabilities related to MSCBA and equipment leases

The University implemented GASB 87 *Leases* during the fiscal year ended June 30, 2022. As a result of this accounting/reporting change, the University recorded additional debt on our books, mostly related to the leasing of the residence halls from the Massachusetts State College Building Authority. The University's lease liability balances at June 30, 2025, are as follows:

<u>Description</u>	<u>Lease Liability</u>
Equipment Leases	\$ 357,149
MSCBA 04A-New Hall	26,256,121
MSCBA 04A-Renewal	253,524
MSCBA 06A-Renewal (2006)	751,520
MSCBA 06A-Renewal (2007)	1,693,539
MSCBA 08A-Renewal (20)	299,102
MSCBA 08A-Renewal (30)	1,954,771
MSCBA 09A-Renewal	892,927
MSCBA 09C-Renewal	1,954,857
MSCBA 10B-Renewal	967,112
MSCBA12A-Renewal	1,227,019
MSCBA 12A-University Hall	42,344,075
MSCBA 12C-Renewal	2,037,271
MSCBA 14A-Davis	1,493,478
MSCBA 14C-Dickinson	3,163,981
MSCBA 15A-Davis	3,927,935
MSCBA 99A-Pooled Debt Service	1,605,891
Total	<u>\$ 91,180,272</u>

Remaining lease terms vary from 3 years to 19 years.

Financial Ratio Calculations (as of 6/30):

All ratios are calculated to include Westfield State University's Foundation as a component unit of the university, unless otherwise noted. The Department of Higher Education requires that each university include the foundation in their reported ratio analysis.

<u>Ratio *</u>	<u>FY 2025 with GASB 68 and GASB 75</u>	<u>FY 2025 without GASB 68 and GASB 75</u>	<u>Adjusted - FY 2025 without GASB 68, 75, 87, and Foundation</u>	<u>Target</u>
Debt Burden Ratio	10.0%	9.1%	1.3%	< 5%
Viability Ratio	0.2	0.8	3.6	>1
Primary Reserve Ratio	11.3%	51.7%	41.9%	25%
Return on Net Assets Ratio	13.3%	1.5%	-0.1%	>2%
Net Operating Revenues Ratio	8.6%	-0.4%	-2.7%	>2%
Composite Financial Index	2.4	2.1	3.9	3.0

*Green shading indicates the ratio is within the target while the red shading indicates the University did not meet the target

GASB 68 and GASB 75 relate to pension and OPEB activity while GASB 87 relates to Leases

The third column in the above chart was added for illustrative purposes to show the impact of significant one-time funding or single-year financial events which skew the standard ratio reporting format. Excluding all the GASB adjustments and the Foundation's financials from the ratio calculations presents a more accurate picture of the University's fiscal health at the end of fiscal year 2025. Without these adjustments, the interpretation of fiscal health may be misleading.

Debt Burden Ratio - This ratio expresses annual debt service payments as a percent of total annual expenses. It measures the University's ability to repay debt service on all outstanding debt and its impact on the University's overall budget. The standard is <5% debt burden of total expenses. The University has been well within the target until the implementation of GASB 87 and the recording of leases on the University's statement of net position. The effect is evidenced by referring to the third column above.

Viability Ratio - This ratio measures the availability of expendable net assets to pay off long-term debt. A ratio of 1.0 or higher indicates the University has sufficient net assets to satisfy debt requirements. The University (excluding GASB 68 and 75 adjustments) was well within the target until fiscal year 2022 when the University implemented GASB 87, leases. The effect is ongoing in fiscal year 2025 and is evidenced by referring to the third column above.

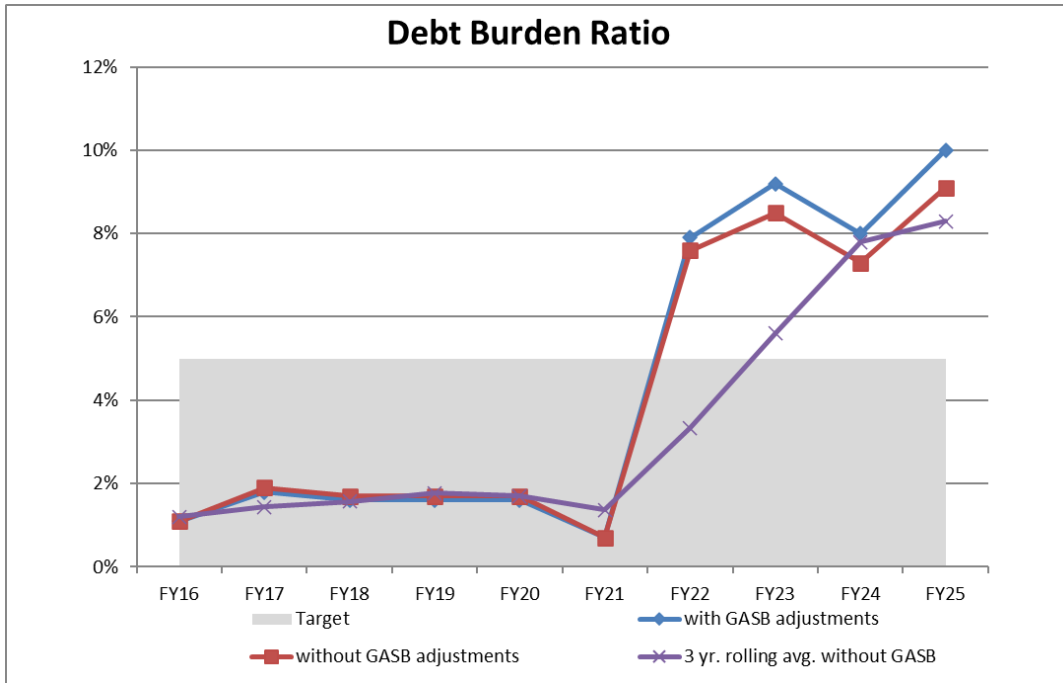
Primary Reserve Ratio – This ratio provides a snapshot of the University’s financial strength and flexibility. It indicates how long the University could operate using expendable reserves without relying on additional new assets generated by operations. Trend analysis indicates whether the University has increased its net worth in proportion to its rate of growth. The University has seen a positive trend over the years (excluding GASB 68 and 75 adjustments).

Return on Net Assets Ratio – This ratio reports whether university resources are growing and if it is financially better off than in previous years. A positive trend analysis would indicate an increase in net assets and an increased likelihood that the University is able to set aside financial resources to strengthen future flexibility. Single year events, like a significant state capital appropriation for example, can cause significant year-to-year volatility. The University has historically seen positive trends over the years (exclusive of GASB 68 and 75 adjustments) however, in FY25, the ratio is below the target.

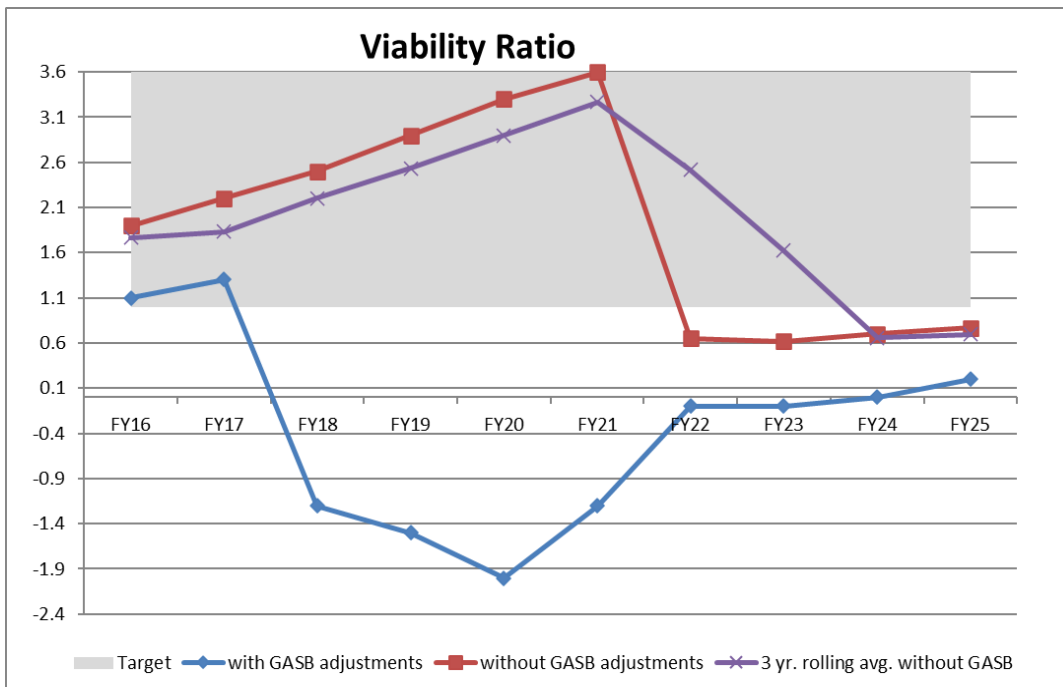
Net Operating Revenues Ratio – This ratio indicates whether operating activities resulted in a surplus or deficit. A positive ratio indicates the University experienced an operating surplus while a continuing decline or pattern of deficits indicates financial problems. The standard is a positive five-year trend. In FY24 the ratio, without GASB 68 and 75, decreased due to an increase in expenses outpacing an increase in revenues by \$3.3M and in FY25, the ratio decreased from FY24 due to an increase in expenses outpacing an increase in revenues by \$1.9M. This ratio was calculated at -0.4%, indicating an operating loss in FY25.

Composite Financial Index – This index provides a more complete picture of the University’s financial health by combining into a single measure the strength of four of the ratios mentioned above. This score offers a stable long-term view of financial performance, and it is less susceptible to year-to-year volatility. Generally, a CFI score of 3 is the threshold of institutional financial strength. The University’s CFI in FY25 (exclusive of GASB 68 and 75 adjustments) dropped below the threshold of 3.0 due to the decrease in the net operating revenues ratio as explained above.

Westfield State University
Ratio Analysis Comparing GASB Impact FY16-25
As of June 30, 2025



This ratio expresses annual debt service payments as a percent of total annual expenses.
 The target for this ratio is less than 5% which means that the lower the number, the better the result.



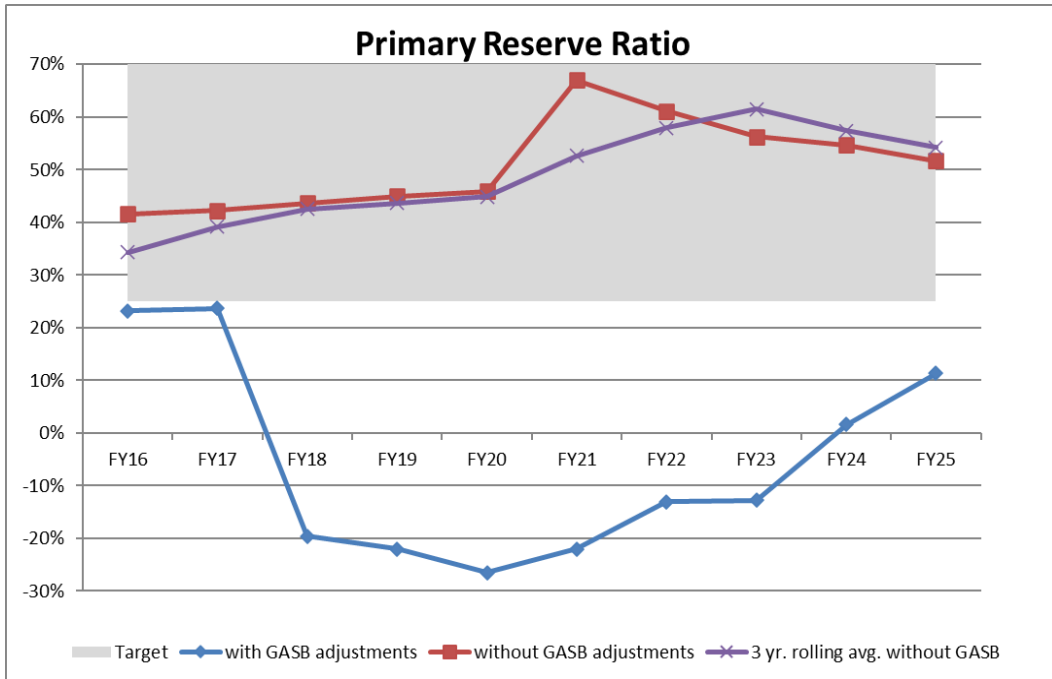
This ratio measures the availability of expendable net assets to pay off long-term debt.
 The target for this ratio is 1.0 or higher which means that the higher number, the better the result.

Notes:

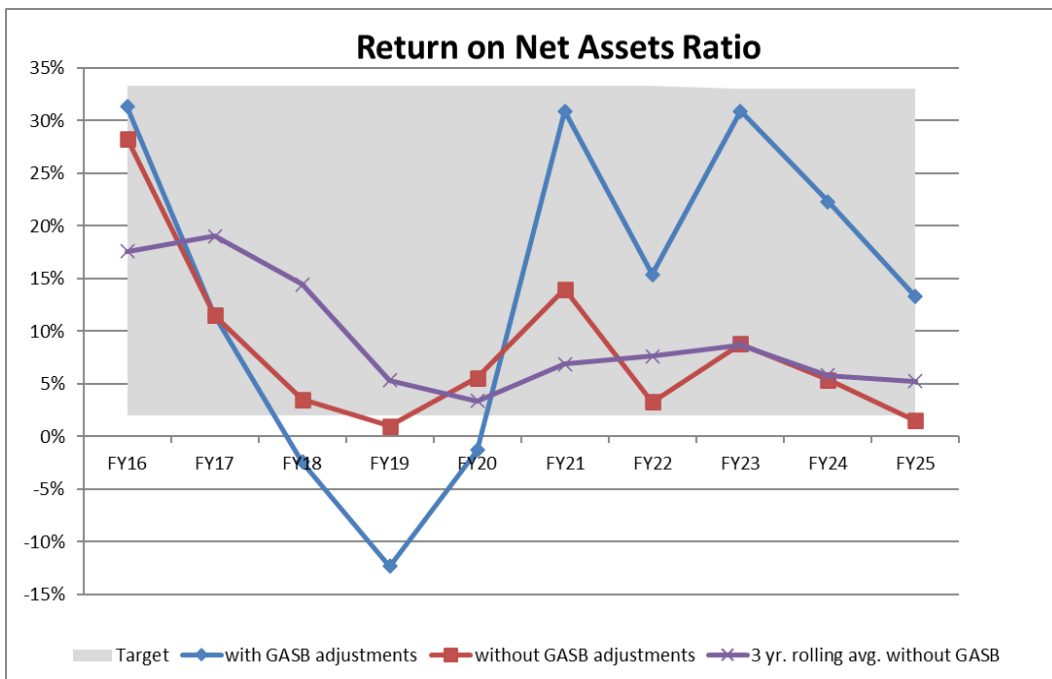
FY17-FY25 ratios include Westfield State Foundation, Inc.

The Department of Higher Education Metrics will now include Foundations in Ratios

Westfield State University
Ratio Analysis Comparing GASB Impact FY16-25
As of June 30, 2025



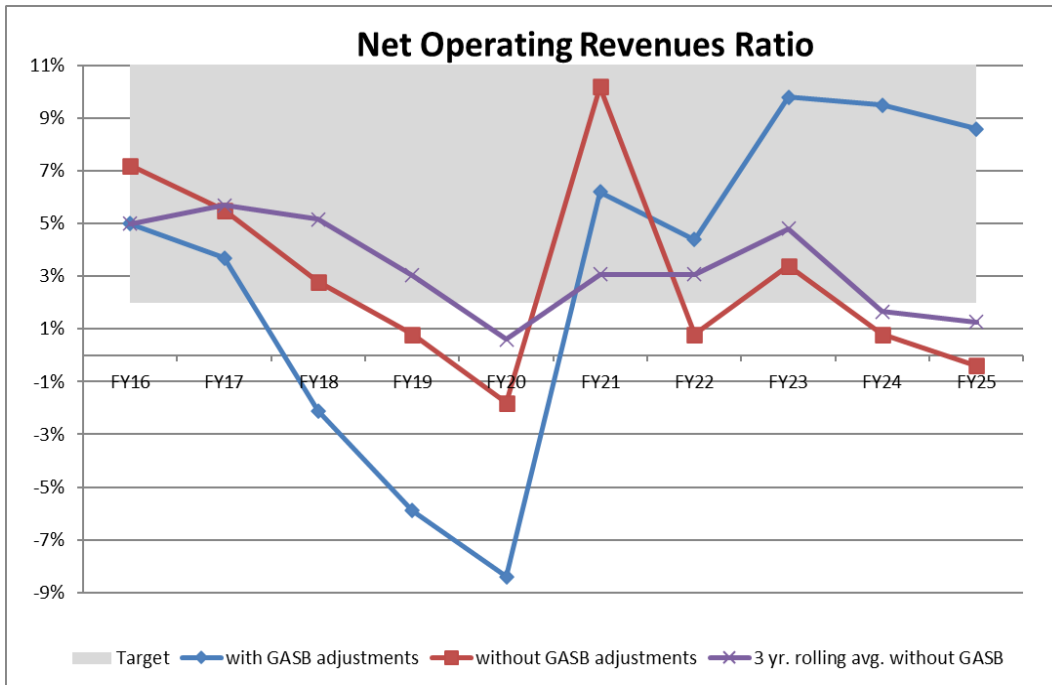
This ratio provides a snapshot of the University's financial strength and flexibility. The target for this ratio is 25% and a positive trend over time, which means that the higher the number, the better the result.



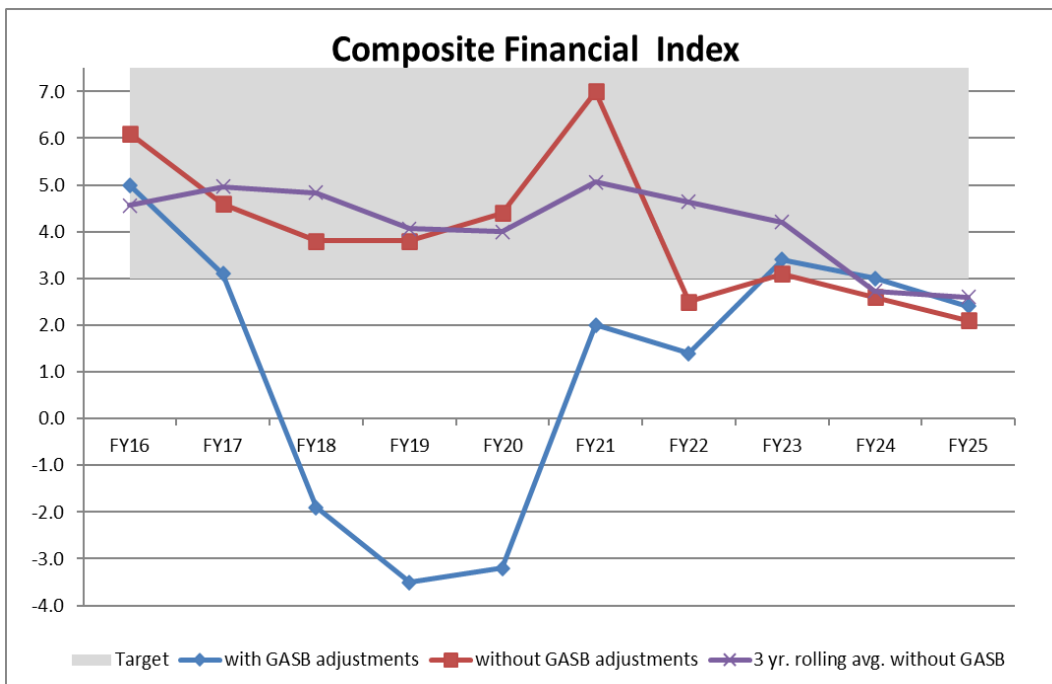
This ratio reports whether university resources are growing and if it is financially better off than in previous years. The target for this ratio is greater than 2% and a positive trend over time, which means that the higher the number, the better the result.

Notes:
FY17-FY25 ratios include Westfield State Foundation, Inc.
The Department of Higher Education Metrics will now include Foundations in Ratios

Westfield State University
Ratio Analysis Comparing GASB Impact FY16-25
As of June 30, 2025



This ratio indicates whether operating activities resulted in a surplus or deficit.
The target for this ratio is greater than 2% and a positive 5-year trend, which means that the higher the number, the better the result.



This index provides a more complete picture of the University's financial health by combining into a single measure the strength of four of the ratios above.
The target for this ratio is greater than 3, which means that the higher the number, the better the result.

Notes:
FY17-FY25 ratios include Westfield State Foundation, Inc.
The Department of Higher Education Metrics will now include Foundations in Ratios

Westfield State University
Financial Affairs Committee

Fixed Assets Inventory Progress Report

December 18, 2025

At the close of fiscal year 2025, Westfield State University held over 3,000 capitalized fixed assets on its books. Except for almost 500 items which cannot have a barcode physically attached (intangible items and comprehensive items such as building improvements), all assets on our records have a barcode sticker affixed for identification and inventory purposes. In addition to our capital assets, there are also 4,000 non-capitalized assets being tracked per state and university policy. The inventory control office is responsible for the tagging, recordkeeping, inventory, and disposal of all University capital assets and equipment.

The FY25 inventory report shows that 98.5% of our tagged assets have been physically inventoried during the year, an improvement from 97.8% completion in FY24. The most significant segments of inventory completed during the end of FY25 were the Information Technology and Facilities departments, where assets are scattered throughout the entire campus. For the upcoming year we have developed a draft planning grid to further refine our scheduling based on both buildings and departments.

FY25 and FY24 annual asset inventory (capitalized and un-capitalized)						
	FY25			FY24		
	Pct	Count	Cost/Value	Pct	Count	Cost/Value
Last inventoried in current FY	98.5%	6,452	\$25.1M	97.8%	6,567	\$19.4M
Last inventoried in prior FY	1.0%	64	\$277K	1.2%	78	\$114K
Last inventoried in more than two years	0.5%	35	\$73K	1.1%	72	\$117K
	100%	6,551	\$25.4M	100%	6,717	\$19.6M
Non-barcoded (buildings/improvements)		494	\$184M		499	\$184M
Total tracked assets		7,045	\$210M		7,216	\$204M

The completion of off-campus asset inventory increased from 95.4% in FY24 to 97.4% in FY25. Considerable effort continues to be expended to inventory this very small portion (5.9%) of overall university assets due to them being located off-campus or otherwise mobile. This has become even more challenging as our campus is deploying mostly mobile devices and very few new desktop computers.

Our efforts in FY25 to replace our homegrown inventory software/hardware were unsuccessful but we plan to solicit formal proposals from vendors in the coming months. Meanwhile, we were very successful with utilizing existing campus technology resources. An office webpage has been published as a repository of our inventory policies and procedures to provide employees with a great resource for awareness and compliance. More significantly, two online Microsoft 365 forms were developed which contain automation to route supervisor approvals when needed and send emails to our office and the submitting department with details on fixed asset updates. All paper forms have been eliminated.

Westfield State University

Policy concerning:

APPROVED: October 2017

Section	Administrative
Number	0620
Page	1 of 3

REVIEWED: October 2024⁴⁵

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.

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

Westfield State University

Policy concerning:

Section	Administrative
Number	0620
Page	2 of 3

APPROVED: October 2017

REVIEWED: October 2024⁴⁵

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 Chief 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

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.

Westfield State University

Policy concerning:

Section	Administrative
Number	0620
Page	3 of 3

APPROVED: October 2017

REVIEWED: October 2024⁴⁵

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.

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.

Westfield State University

Policy concerning:

Section	Administrative
Number	0630
Page	2 of 4

APPROVED: October 2017

REVIEWED: October 202~~5~~4

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

Westfield State University

Policy concerning:

Section	Administrative
Number	0630
Page	3 of 4

APPROVED: October 2017

REVIEWED: October 2025⁵⁴

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.

Westfield State University

Policy concerning:

Section Administrative

Number 0630

Page 4 of 4

APPROVED: October 2017

REVIEWED: October 202⁵⁴

*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.