

MINUTES OF THE MEETING HELD ON FRIDAY, FEBRUARY 1, 2011 AT 11:00 A.M.

FITCHBURG STATE UNIVERSITY BOARD OF TRUSTEES  
**Finance and Administration Committee Meeting**

**President's Conference Room**  
**300 Highland Avenue, Fitchburg, MA 01420**

Committee Members Present: David Mullaney, Carol Vittorioso, Gregg Lisciotti, ex-officio

Committee Members Absent: Martin F. Connors, Jr.

Trustees Present: Robert Pontbriand

Also Present: Robert V. Antonucci, Gail Doiron, Sheila Sykes, Michael Fiorentino, Jr., Michael Shanley

Upon a motion duly noted by Mr. Mullaney and seconded by Ms. Vittorioso it was

**Voted:** to approve the Finance and Administration minutes of the meeting held on  
**(3-0)** October 5, 2010 as presented.

President Antonucci explained that Mr. Lisciotti would chair the meeting in Mr. Connors absence due to investment discussions.

President Antonucci next discussed capital projects. The Board would discuss it further in Executive Session for there was a contract involved. We need to move funds to continue and complete on-going projects.

President Antonucci next discussed investments. He repeated why Mr. Connors would not participate in investment discussions. We may want to invest in Rollstone Bank & Trust where Mr. Connors is the CEO and President. He explained that the Foundation had money invested in the Commonfund and had taken a different strategy with investments in local institutions. We have decided to look at the university's strategy. He explained that an RFP was sent out in conjunction with other institutions to provide better service and efficiencies. The question today is do we want to keep our money with the Commonfund.

Ms. Sykes said that 12 institutions participated in the RFP that attracted high powered players. The schools still had individual choices. The amount we are looking to invest is \$12 million.

Mr. Mullaney asked what other schools were doing. President Antonucci responded that

some participated and they also went with local institutions. Ms. Sykes said all campuses are looking at diversifying. We would like to go with Eaton Vance and local institutions. President Antonucci said we go to local banks to help support the university but we haven't been giving them our investment business. He referenced the *sample of investment services' proposal for the university* sheet included in the packet.

There was a discussion on investments.

President Antonucci discussed the potential conflict with Rollstone Bank & Trust and that Mr. Connors had kept out of the process.

Mr. Mullaney spoke to Mr. Connor's character and what an upstanding and ethical person he is. He is assured that university management has done the research needed and all checks and balances are in place.

Mr. Lisciotti said he understands the importance of doing business locally but the key is the return on investment. The Board has a fiduciary responsibility to get the most money in return.

Ms. Vittorioso discussed the various attributes of the asset managers. Mr. Mullaney said the relationship the university has with investment managers is very important.

President Antonucci said he had interviewed each investment firm and they were all extremely professional and business like. He next explained some of the business we have had with local banks, which have all been public, and the banks have been very good to us.

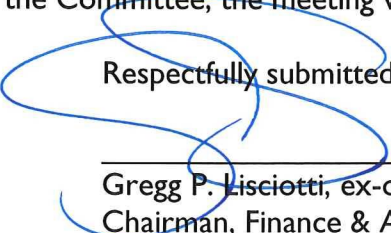
Mr. Pontbriand said the fiduciary responsibility of the Board is very important, but using local banking institutions makes sense.

President Antonucci asked if there was an interest to move the money from the Commonfund to perhaps three other institutions that we would interview. The consensus was to do a review and move forward with investing with other institutions. The committee will present recommendations at the full Board meeting.

President Antonucci said the budget is coming out this week. The university took a \$4 million cut from last year, one reason is we will not receive any stimulus money. It is early in the process and he thought the numbers would stay where they were.

With no further business before the Committee, the meeting was adjourned at 11:41 a.m.

Respectfully submitted,

  
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Gregg P. Lisciotti, ex-officio  
Chairman, Finance & Administration  
Board of Trustees