

To: Board of Directors, Massachusetts School Building Authority
From: James A. MacDonald, First Deputy Treasurer, Interim Chief Executive Officer
John K. McCarthy, Executive Director, Deputy Chief Executive Officer
Date: June 21, 2017
Subject: Review and Recommendations for Eligibility Period

Pursuant to discussions at the September and November 2011 Board of Directors (the “Board”) meetings, the Massachusetts School Building Authority (the “MSBA”) formalized and streamlined the beginning of its grant process with the establishment of the Eligibility Period in January 2012. The Eligibility Period includes a definitive schedule with which the district can identify needs for planning and budgeting and the MSBA can more efficiently manage its financial resources by identifying early in the process whether a district is ready to manage and fund a capital project.

Review of Eligibility Period

MSBA staff reviewed the performance of districts between January 2012 and March 2015 in completing the requirements within the 270-day timeframe established for the Eligibility Period.

As part of this analysis, staff reviewed the Eligibility Period process for the 52 districts who received an invitation into Eligibility Period between January 18, 2012 and March 25, 2015, with 46 district Statements of Interest active in the grant program¹ (Attachment 1). The Board authorized the removal of six Statements of Interest for reasons associated with community readiness.

Findings and Recommendations for Eligibility Period

The establishment of Eligibility Period has been successful and has accomplished the objectives set forward in January 2012. The Eligibility Period provides a) a roadmap for districts to understand the planning and budgeting needs necessary to proceed and b) a tool which enables the MSBA to manage financial resources by promptly identifying each district’s readiness to proceed.

Staff have reviewed the experience of the 46 districts during Eligibility Period and found that the organizational and financial readiness indicators, which emerged during the Eligibility Period, provided necessary guidance for the six districts that elected to remove a Statement of Interest from the grant program. Meanwhile, the planning and budgeting needs were realized and committed during Eligibility Period by those districts with an active Statement of Interest in the grant program. It should be noted that a very limited number of districts struggled to complete all the requirements within 270 days because of late enrollment changes and/or delayed local funding authorizations. As part of its review, staff are recommending an administrative process for the Executive Director to extend Eligibility Period up to an additional 30 days to accommodate such circumstances.

¹ The seven districts that received a vote to re-categorize an active Statement of Interest from Local Clearance to Eligibility Period on January 18, 2012, are not part of the 52 districts examined.

Staff's review indicates that districts are able to advance through Eligibility Period at the timeframe allowed for and informed by local actions and approvals; that the interim target timelines are adequate for the majority of districts; that the interim target timelines provide staff the guidance required to work with districts to ensure they successfully complete the requirements within 270 days; and that, although not guaranteed an additional invitation into Eligibility Period, a district who removes itself from Eligibility Period can successfully complete all of the requirements upon receiving an additional invitation.

To ensure that districts can be successful in Eligibility Period, staff have made modifications to the parameters of Eligibility Period since 2012. This memo and the ensuing recommendations memorialize the changes made to and recommended for the Eligibility Period including:

- a. Introduction of a sequential approach to enrollment in January 2013, providing two target dates to facilitate the district's submittal of the information needed by the MSBA to engage and conclude on enrollment;
- b. Introduction of the Educational Profile Questionnaire in January 2014;
- c. Introduction of the prompt to develop a Feasibility Study Agreement as the final Eligibility Period requirement, which allows the issuance of the document and its return and finalization to occur as soon as possible and before a district can proceed with actions in Module Two, Forming the Project Team²; and,
- d. Introduction of a staged invitation process, which was introduced in January 2016 and is based upon in-depth discussions with the districts, prior to Eligibility Period commencement, regarding their timeline to secure funds.

Based on this review, MSBA staff recommend the following: (see Attachment 2, which compares the current Eligibility Period process to the proposed Eligibility Period process):

- 1) The overall duration for Eligibility Period remain at 270 days;
- 2) The quantity of the deliverables and the targeted timelines remain required within the 270 days, with staff continuing to work with districts to balance their requests for additional time to complete deliverables within the overall 270-day duration³;
- 3) Staff will update the outline of deliverables and targeted timelines to reflect the current practices including:
 - a. A sequential approach to enrollment providing two target dates (90 days to submit enrollment information and 180 days total to first meeting with the MSBA) to facilitate the district's ability to engage and conclude on an agreed-upon enrollment with the MSBA;

² The "prompt" is internal confirmation to the MSBA Legal Department that all Eligibility Period requirements needed for the preparation and execution of a Feasibility Study Agreement have been completed by a District, including local authorization of Funding and Appropriation for a Feasibility Study.

³ Each District is urged to provide all Deliverables as quickly as possible and to proceed, simultaneously, to complete any Deliverables that are not sequential.

- b. The prompt to develop a Feasibility Study Agreement will continue as a requirement occurring within the 270-day period of time, with the issuance of the document, its return, and finalization, possibly occurring beyond the 270-day period. However, it shall occur no later than a district proceeding with actions in Module Two, Forming the Project Team; and,
 - c. The continuation of a staged invitation process, which was introduced in 2016 based upon in-depth discussions with the districts prior to Eligibility Period commencement regarding their timeline to secure feasibility study/schematic design funds. The timeline will continue to be discussed during Eligibility Period and will be monitored by staff as the dates of appropriations are finalized.
- 4) MSBA staff will develop an administrative process that allows the Executive Director to extend Eligibility Period up to an additional 30 days, to accommodate confirmation between the MSBA and the district of the agreed upon enrollment due to changes in local discussions, or for finalizing the feasibility study/schematic design funding authorization. To be eligible for an extension, the district must have completed all other required deliverables.

Attachments:

Attachment 1

Eligibility Period Statement of Interest Invitations: January 18, 2012 – March 25, 2015

Attachment 2

Current Eligibility Period process to the proposed Eligibility Period process Comparison

Attachment 1

Eligibility Period Statement of Interest Invitations: January 18, 2012 – March 25, 2015¹

| District | School Name | Invitation | March 2017 Status |
|-----------------|-------------------------------------|-------------------|--------------------------|
| Bellingham | Clara Macy Elementary School | 1/25/2012 | SOI Removed 11/14/12 |
| Haverhill | Hunking Middle School | 1/25/2012 | Building Complete |
| Milford | Woodland Elementary School | 1/25/2012 | Building Complete |
| Newton | A. E. Angier Elementary School | 1/25/2012 | Building Complete |
| Northborough | Lincoln Street Elementary School | 1/25/2012 | Building Complete |
| North Middlesex | Regional High School | 1/25/2012 | Construction |
| Swampscott | Hadley Elementary School | 1/25/2012 | SOI Removed 1/28/14 |
| Wareham | Minot Forest Elementary School | 1/25/2012 | SOI Removed 10/3/12 |
| Brookline | Edward Devotion School | 3/28/2012 | Construction |
| Worcester | Nelson Place School | 6/6/2012 | Construction |
| Plymouth | South High School | 7/25/2012 | Construction |
| Georgetown | Georgetown Middle/High School | 10/3/2012 | Closed Out |
| Scituate | Gates Elementary School | 11/14/2012 | Construction |
| Woburn | Wyman Elementary School | 11/14/2012 | Construction |
| Holyoke | McMahon Elementary School | 11/14/2012 | SOI Removed 5/10/17 |
| Dedham | Dedham Early Childhood Center | 1/30/2013 | Design Development |
| Granby | West Street School | 1/30/2013 | Construction |
| Beverly | Briscoe Middle School | 10/2/2013 | Construction |
| Mount Greylock | Mount Greylock Regional High School | 10/2/2013 | Construction |
| Newton | Cabot Elementary School | 11/20/2013 | Design Development |
| Amherst | Wildwood Elementary School | 11/20/2013 | Project Funding |
| Braintree | East Middle School | 11/20/2013 | Schematic Design |
| Hopkinton | Center Elementary School | 11/20/2013 | Construction |
| Needham | Hillside Elementary School | 11/20/2013 | Design Development |
| Billerica | Billerica Memorial High School | 1/29/2014 | Design Development |
| Carver | Carver Elementary School | 1/29/2014 | Construction |
| Hanover | Sylvester Elementary School | 1/29/2014 | Design Development |
| Provincetown | Provincetown School | 1/29/2014 | Building Complete |
| Quincy | Reay E. Sterling Middle School | 1/29/2014 | Design Development |
| Somerville | Somerville High School | 1/29/2014 | Project Funding |
| Stoughton | Stoughton High School | 1/29/2014 | Design Development |
| Orange | Dexter Park Elementary School | 3/26/2014 | SOI Removed 3/25/15 |
| Shrewsbury | Beal Early Childhood Center | 3/26/2014 | SOI Removed 6/4/14 |
| Bourne | Peebles Elementary School | 6/4/2014 | Design Development |
| Ipswich | Winthrop Elementary School | 6/4/2014 | Schematic Design |
| Millis | Clyde Brown Elementary School | 6/4/2014 | Schematic Design |
| Boston | Boston Arts Academy High School | 11/19/2014 | Feasibility Study |
| Bristol County | Regional Agricultural High School | 1/14/2015 | Feasibility Study |

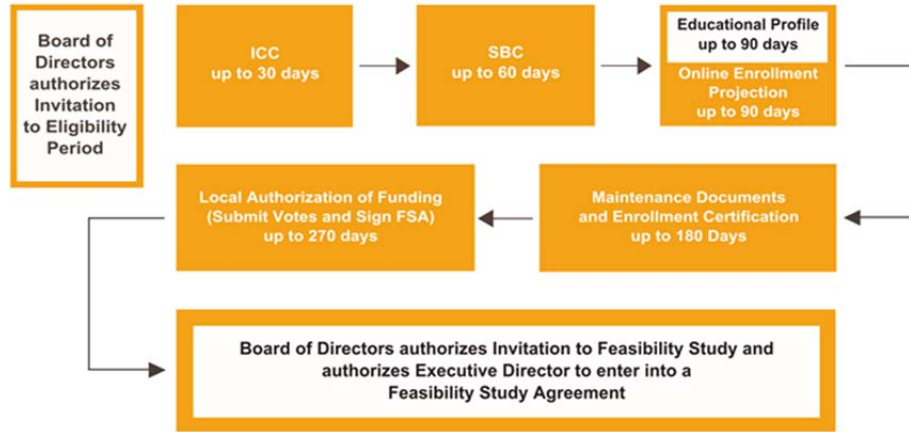
| District | School Name | Invitation | March 2017 Status |
|-----------------|----------------------------------|-------------------|--------------------------|
| Clarksburg | K-8 School | 1/14/2015 | Feasibility Study |
| Fall River | Comprehensive High School | 1/14/2015 | Feasibility Study |
| Middleborough | Middleborough High School | 1/14/2015 | Feasibility Study |
| Attleboro | Comprehensive High School | 1/14/2015 | Feasibility Study |
| Taunton | Mulcahey Elementary School | 1/14/2015 | Feasibility Study |
| Worcester | South Community High School | 1/14/2015 | Feasibility Study |
| Cape Cod | Vocational Technical High School | 1/14/2015 | Schematic Design |
| Lynn | Pickering Middle School | 1/14/2015 | Project Funding |
| Westport | Westport Middle School | 1/14/2015 | Schematic Design |
| Waltham | Comprehensive High School | 1/14/2015 | Feasibility Study |
| Saugus | Saugus High School | 1/14/2015 | Schematic Design |
| Lowell | Comprehensive High School | 3/1/2015 | Feasibility Study |
| Easthampton | Maple Elementary School | 3/1/2015 | Feasibility Study |
| Everett | Keverian K-8 School | 3/1/2015 | Feasibility Study |

¹ The seven districts that received a vote to re-categorize an active SOI from Local Clearance to Eligibility Period in January 18, 2012 are not part of the 52 Districts examined.

Attachment 2

Current Eligibility Period Process and Proposed Eligibility Period Process

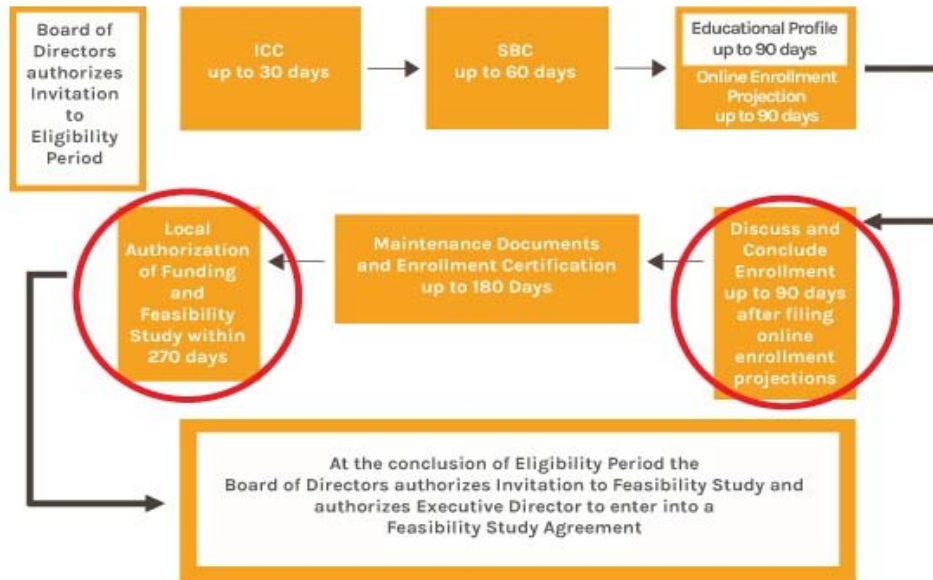
Eligibility Period Up to 270 Days



Upon Invite to Eligibility Period, Districts complete defined requirements within the timeframes listed above

Current Eligibility Period Process

Eligibility Period Up to 270 Days



Upon Invite to Eligibility Period, Districts complete defined requirements within the timeframes listed above

Proposed Eligibility Period Process