

Massachusetts School Building Authority

Deborah B. Goldberg, State Treasurer and Receiver-General

Chair

Mary L. Pichetti

Executive Director/Deputy CEO

James A. MacDonald
Chief Executive Officer



Board Meeting

December 13, 2024



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Project Votes



Invitation to Eligibility Period | **Vote**

District	School
Athol-Royalston Regional School District	Athol High School
Boston	John W. McCormack School
Dennis-Yarmouth Regional School District	Marguerite E. Small Elementary School
Duxbury	Alden School
Ipswich	Paul F. Doyon Memorial School
Lenox	Lenox Memorial High School
Medfield	Dale Street Elementary School
Milton	Cunningham School
Natick	Memorial Elementary School
Norwell	Norwell High School
Pioneer Valley Regional School District	Northfield Elementary School
Pittsfield	Crosby Elementary School
Plymouth	Hedge Elementary School



Invitation to Eligibility Period | Vote

District	School
Shawsheen Valley Regional Vocational Technical School District	Shawsheen Valley Regional Vocational Technical High School
Shrewsbury	Shrewsbury Senior High School
South Middlesex Regional Vocational Technical School District	Joseph P. Keefe Technical High School
Springfield	White Street Elementary School
Triton Regional School District	Triton Regional High School
Upper Cape Cod Regional Vocational Technical School District	Upper Cape Cod Regional Vocational Technical High School
West Boylston	West Boylston Junior/Senior High School
West Springfield	John Ashley Elementary School
Whittier Regional Vocational Technical School District	Whittier Regional Vocational Technical High School



Invitation to Feasibility Study | **Vote**

District	School
Chelmsford	Colonel Moses Parker Middle School
Manchester-Essex Regional School District	Essex Elementary School
Somerville	Winter Hill Community School
Springfield	German Gerena Elementary School



Preferred Schematic Design | **Vote**

District	School	Project Scope	Estimated Total Construction	Estimated Total Project Costs
North Attleborough	North Attleborough High School	New	\$226,542,354	\$289,974,213
Wilmington	Wildwood Elementary School	New	\$143,553,344	\$186,619,347
Total			\$370,095,698	\$476,593,560



Preferred Schematic Design | North Attleborough

North Attleborough High School

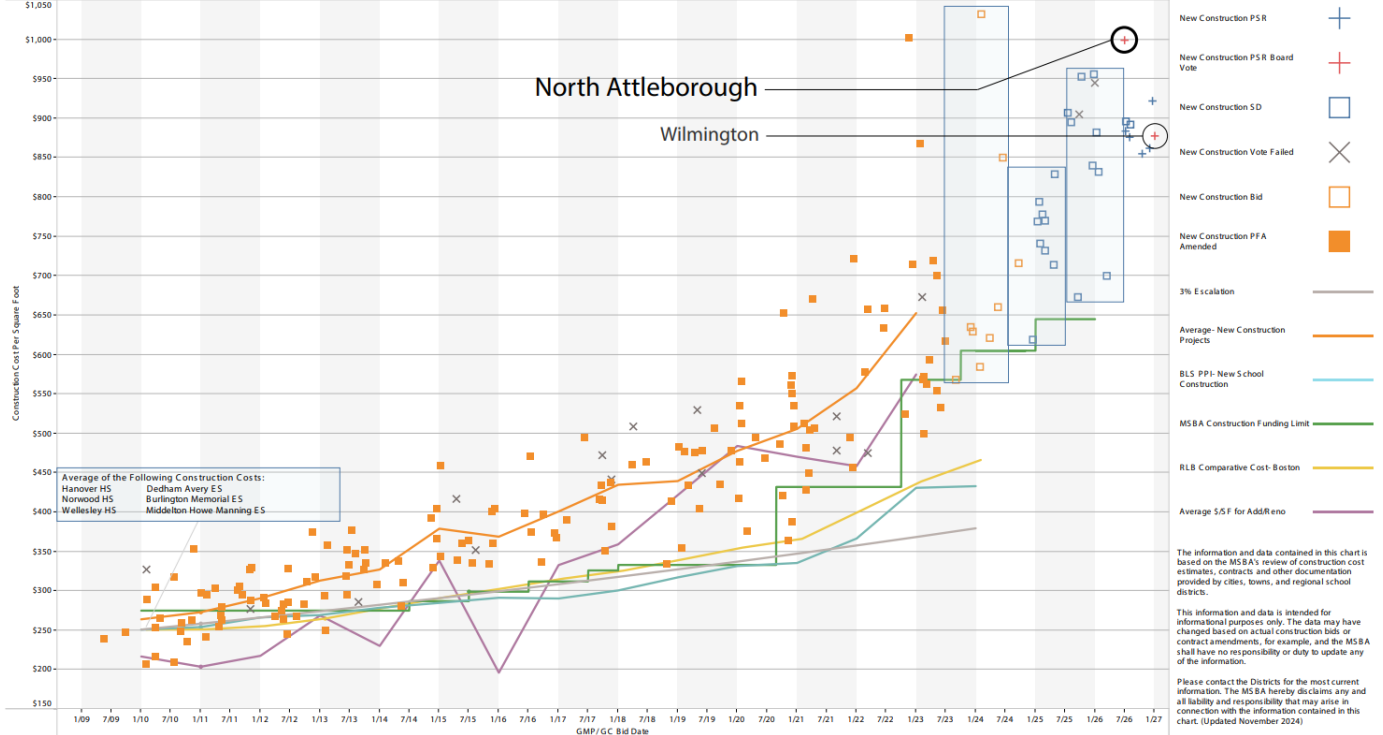
- Year Opened: 1973
- Current Grade Configuration: 9-12
- Agreed Upon Grade Configuration: 9-12
- Agreed Upon Enrollment: 1,025
- Proposed Scope of Project: New Construction
- Existing Square Footage: 174,714
- Proposed Square Footage: 226,740
- Estimated Total Construction Cost of Preferred Schematic: \$226,542,354



Preferred Schematic Design | North Attleborough

North Attleborough High School

New Construction Costs Compared to Common Economic Indicators | November 18, 2024



- New Construction PSR
- New Construction PSR Board Vote
- New Construction SD
- New Construction Vote Failed
- New Construction Bid
- New Construction PFA Amended
- 3% Escalation
- Average - New Construction Projects
- BLS PPI - New School Construction
- MSBA Construction Funding Limit
- RLB Comparative Cost - Boston
- Average \$/SF for Address

The information and data contained in this chart is based on the MSBA's review of construction cost estimates, contracts and other documentation provided by cities, towns, and regional school districts.

This information and data is intended for informational purposes only. The data may have changed based on actual construction bids or contract amendments, for example, and the MSBA shall have no responsibility or duty to update any of the information.

Please contact the Districts for the most current information. The MSBA hereby disclaims any and all liability and responsibility that may arise in connection with the information contained in this chart. (Updated November 2024)



Preferred Schematic Design | Wilmington

Wildwood Elementary School

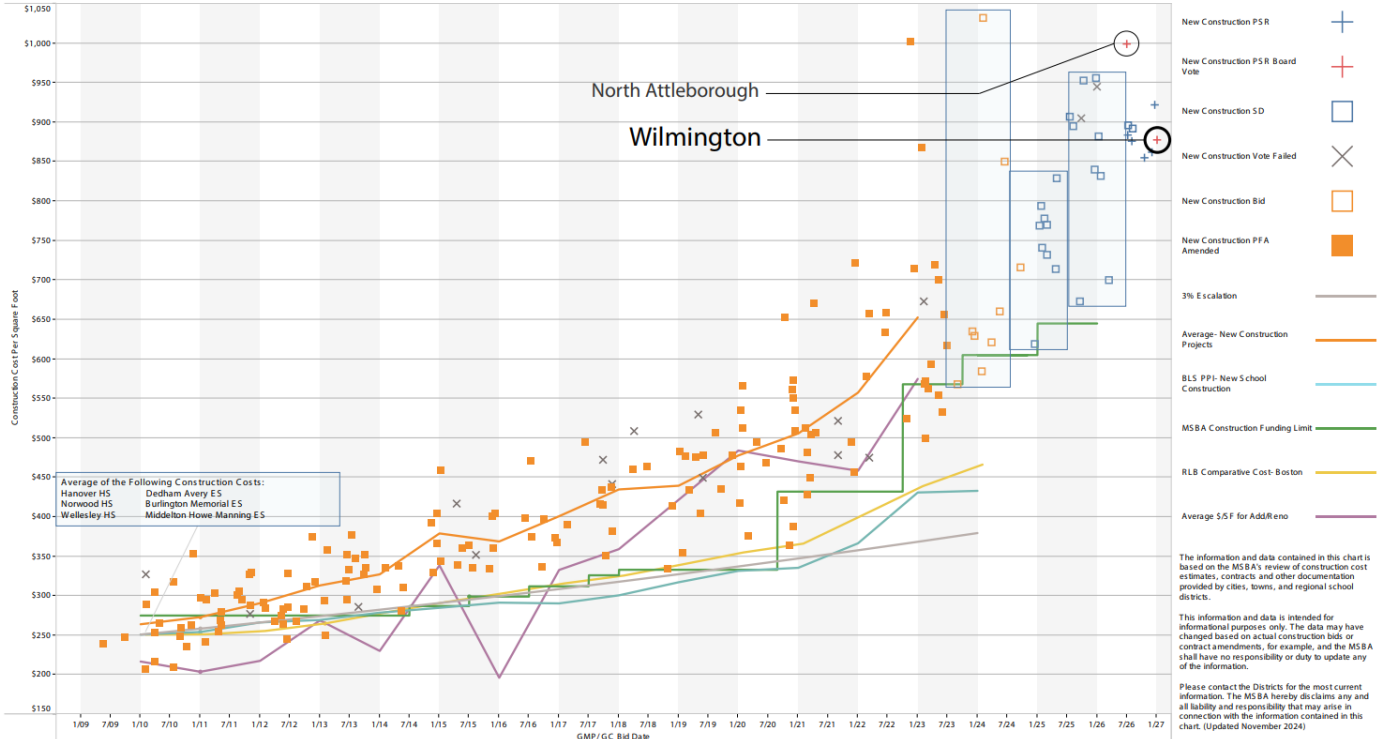
- Year Opened: 1955
- Current Grade Configuration: PK-K
- Agreed Upon Grade Configuration: K-5, also serving PK
- Agreed Upon Enrollment: 755
- Proposed Scope of Project: New Construction
- Existing Square Footage: 29,302
- Proposed Square Footage: 163,573
- Estimated Total Construction Cost of Preferred Schematic: \$143,553,344



Preferred Schematic Design | Wilmington

Wildwood Elementary School

New Construction Costs Compared to Common Economic Indicators | November 18, 2024





Audit Update



Audit Status Update

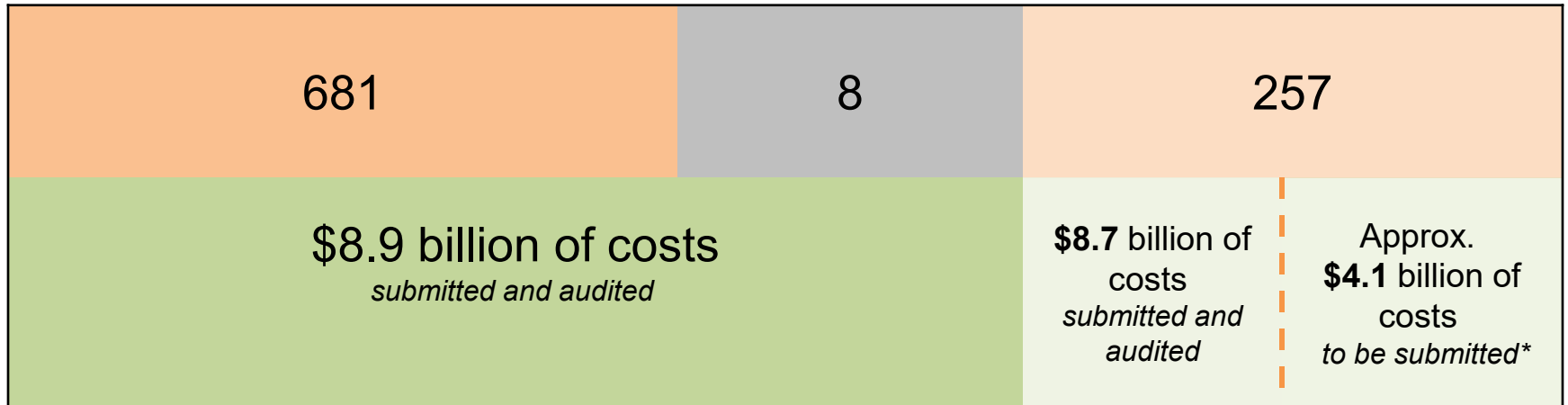
Capital Pipeline Program

■ Today's Vote

Completed Projects

Projects
Currently Have
Executed FSA
and PFA

Estimated Costs
Remaining

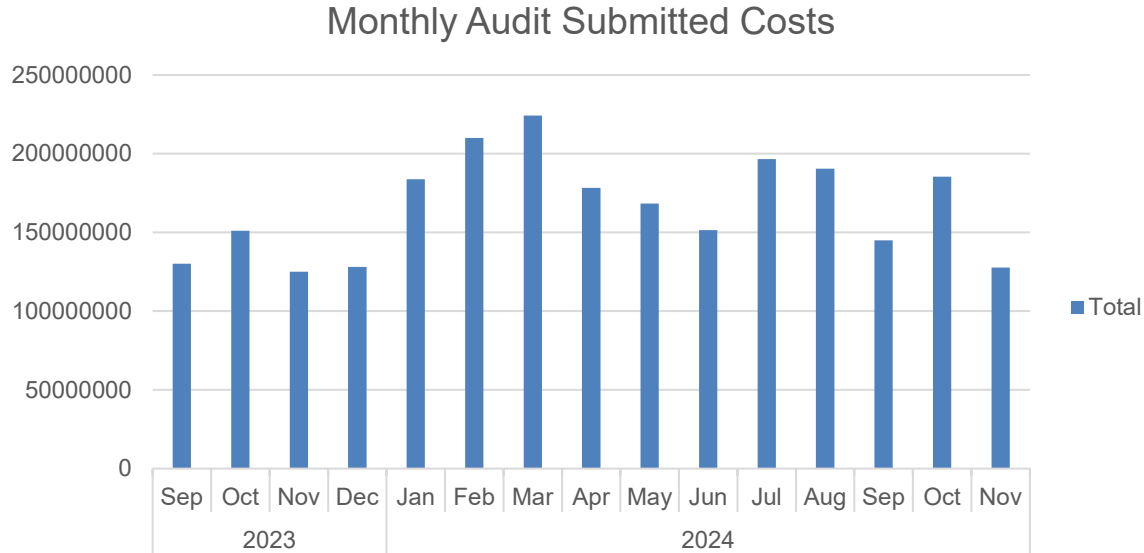


*Estimated based on Total Project Budgets from executed funding agreements and submitted costs as of December 2, 2024.



Capital Pipeline Program | Monthly Audited Project Costs

- Rolling 12 month submitted costs monthly average of \$174.2 million
- Total 12 Month Audited Costs = \$2.09 billion





Capital Pipeline Program | Closeout Audits

Today's Vote: December 13, 2024 Approval of Final Audits – Capital Pipeline Projects

	MSBA ID	District Name	School Name	Project Type	Project Scope	Reimb. Rate	Total Project Budget	Final Costs Submitted	Ineligible Costs	Basis for Final Total Facilities Grant	Final Total Facilities Grant	Grant Reconciliation FY	Additional Savings in Final Audit Grant for Cap Reconciliation
1	202001600050	Lowell	John J Shaughnessy	Accelerated Repair	Roof	78.95%	\$80,054	\$80,053	\$0	\$80,053	\$63,202	ARP FY25	\$0
2	201501980305	Natick	J F Kennedy Middle	Core Program	New Construction	48.21%	\$105,486,453	\$98,892,565	\$23,122,935	\$75,769,630	\$36,528,539	FY17 FSA/FY18 PS&B	\$785,185
3	201902580005	Salem	Bentley	Accelerated Repair	Boiler	75.37%	\$1,563,011	\$840,839	\$72,257	\$768,582	\$579,280	ARP FY20	\$549,290
4	201903480035	Worcester	Burncoat Street	Accelerated Repair	Roof	78.95%	\$1,017,713	\$1,084,708	\$175,339	\$909,369	\$717,947	ARP FY20	\$85,538
5	201903480160	Worcester	Lincoln Street	Accelerated Repair	Boiler	78.95%	\$1,346,274	\$978,512	\$96,278	\$882,234	\$696,524	ARP FY20	\$366,360
6	201903480230	Worcester	Tatnuck	Accelerated Repair	Roof	78.95%	\$2,025,697	\$1,230,532	\$26,998	\$1,203,534	\$950,190	ARP FY20	\$631,439
7	201903480280	Worcester	Vernon Hill	Accelerated Repair	Roof	78.95%	\$2,504,165	\$2,169,154	\$110,771	\$2,058,383	\$1,625,093	ARP FY20	\$339,670
8	201903480420	Worcester	Worcester East Middle	Accelerated Repair	Roof	78.95%	\$2,968,689	\$2,108,552	\$273,425	\$1,835,127	\$1,448,833	ARP FY20	\$848,629
						TOTAL	\$116,992,056	\$107,384,915	\$23,878,003	\$83,506,912	\$42,609,608		\$3,606,111



MSBA Updates

- **Executive Director's Report**
- Project Status Updates
 - Project Overview Report



Lookahead



Key	January	February	March	April	May	June
SOI 2025 – ARP Windows Roofs	ARP SOI 2025 Opens January 2025	ARP SOI 2025 Open	ARP SOI 2025 Closes Due Diligence Commences	Due Diligence Continues	Due Diligence Continues	Due Diligence Continues Site Visits Anticipated August 2025
SOI 2025 – Core Program	Core SOI 2025 Opens January 2025	Core SOI 2025 Open	Core SOI 2025 Open	Core SOI 2025 Closes April 2025	Due Diligence Commences	Due Diligence Continues Site Visits Anticipated August/September 2025
SOI 2025 – ARP Heat Pump Conversion	ARP Heat Pump Conversion SOI 2025 Opens January 2025	ARP Heat Pump Conversion SOI 2025 Open	ARP Heat Pump Conversion SOI 2025 Closes March 2025 Due Diligence Commences	Due Diligence Continues	Due Diligence Continues	Due Diligence Continues Site Visits Anticipated August 2025
School Survey (SS)	Conduct site visits through early April	Conduct site visits through early April	Conduct site visits through early April	Complete site visits. Complete QA/QC of collected data.	Complete QA/QC of collected data. Initiate draft report.	Develop dashboard of findings. Continue drafting report.
Office Lease	Award FFE contract	Award Low Voltage Contract Complete archiving	Complete contracts for all materials, moving vendor and disposition of surplus materials	Finalize move schedule	Prepare for move	Move June 2025



MSBA Updates

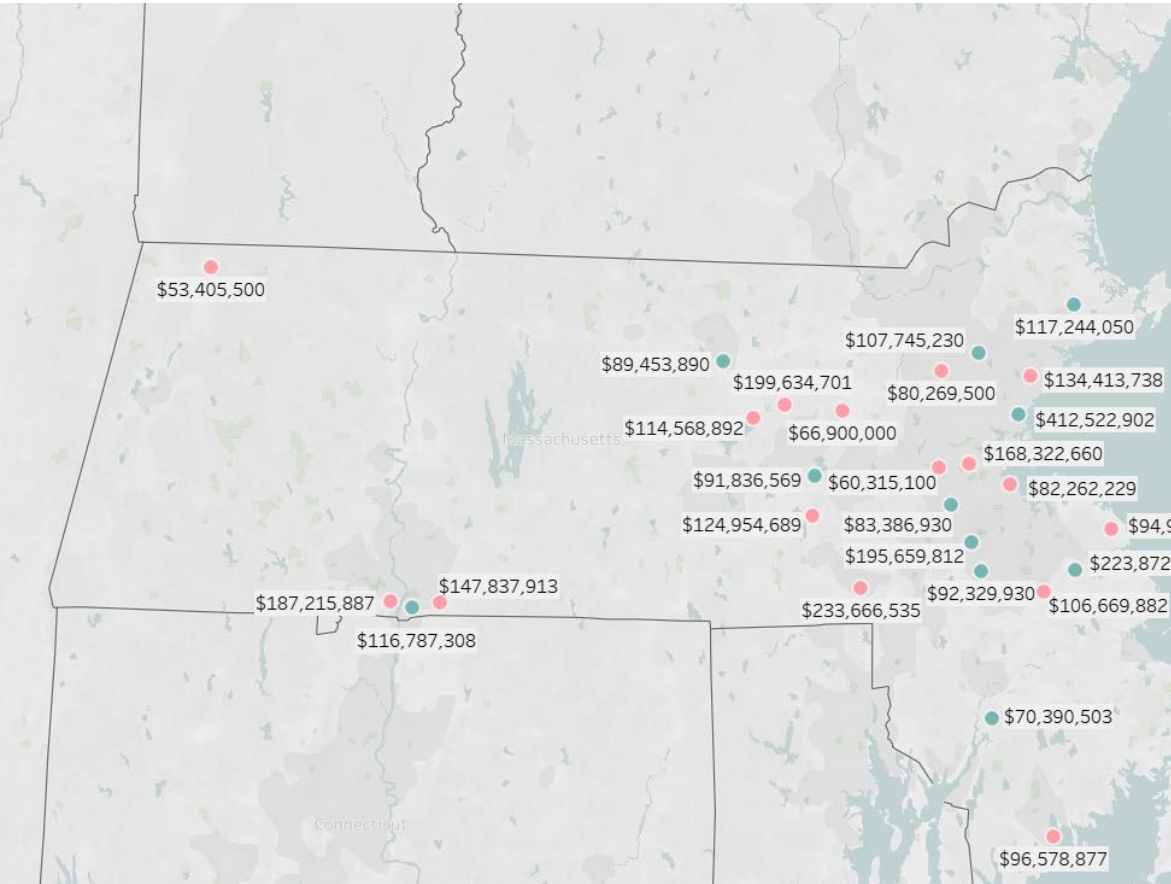
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 - **Project Overview Report**



Project Overview Report



Upcoming MSBA Bids



	Construction Budget	Number of Projects
2025	\$1,951,938,937	16
2026	\$1,601,229,751	11
Total	\$3,553,168,688	27

Bid Year

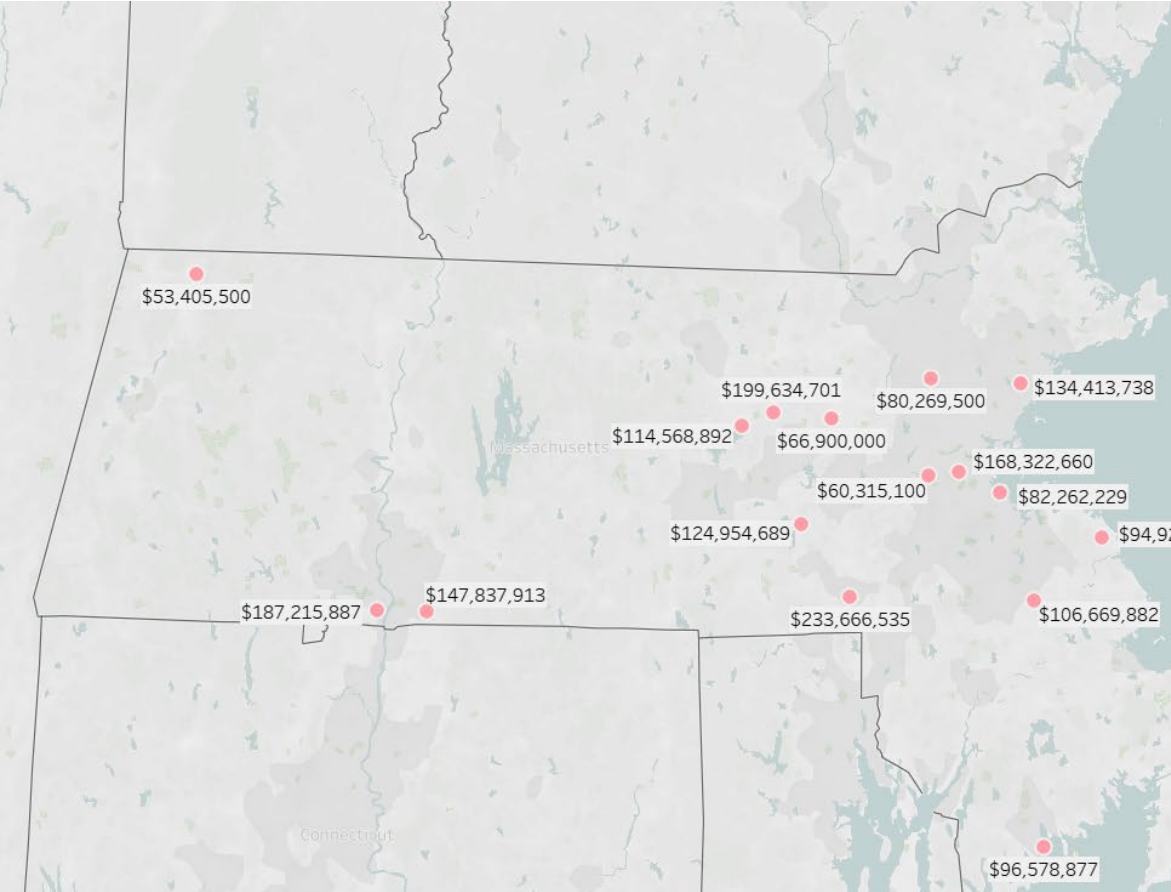
(All)

2025

2026



Upcoming MSBA Bids 2025



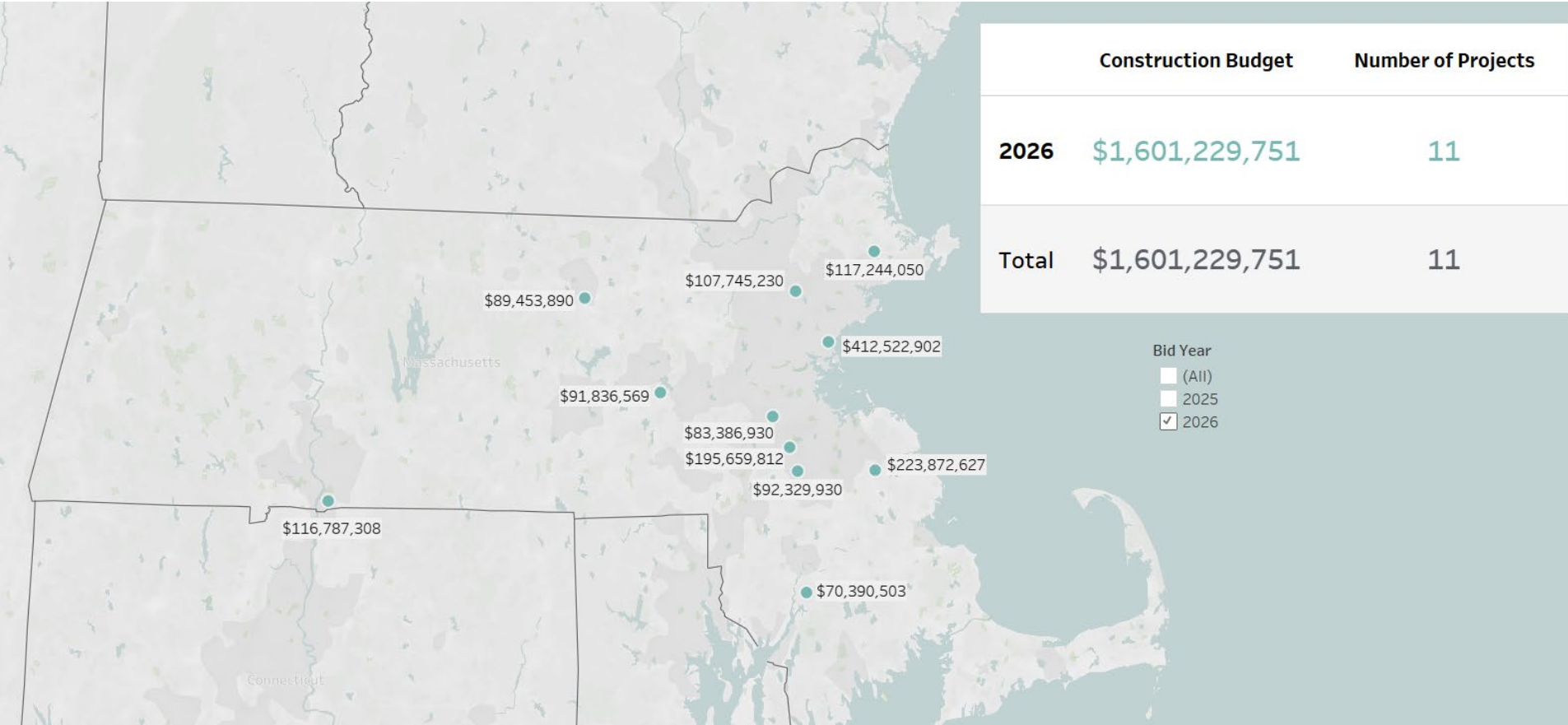
	Construction Budget	Number of Projects
2025	\$1,951,938,937	16
Total	\$1,951,938,937	16

Bid Year

- (All)
- 2025
- 2026



Upcoming MSBA Bids 2026





Core Program - Anticipated Bids

Anticipated Sub-Bids in January, February, and March:

- January – East Longmeadow (CMR), Lynn (CMR), Maynard (DBB), New Bedford (DBB), Newton (DBB)
- February – Brookline (CMR), Whitman-Hanson (DBB)
- March – Nashoba (CMR), Tri County (CMR)

Anticipated DBB Bids or GMP Executions in January, February, and March:

- January – East Longmeadow (CMR), Maynard (DBB), Newton (DBB)
- February – Brookline (CMR), Lynn (CMR), New Bedford (DBB), Whitman-Hanson (DBB)
- March – None



Core Program – Bid Results 2024

- 6 projects scheduled to receive sub-bids in 2024, 4 have reported DBB bids or CMR executions to date
- 4 reported bids came in under the estimated budget

District	School	Scope	Project Type	Bid Date	Construction Estimate *	Bid Amount *	Variance from Construction Estimate	Reim. Rate	Potential Grant Variance **
Webster	Bartlett JSJS	Add/Reno	DBB	1/17/2024	\$78,185,900	\$76,839,000	-\$1,346,900	80.00%	\$1,077,520
Holyoke	William R. Peck School	New	DBB	1/26/2024	\$70,580,780	\$62,813,000	-\$7,767,780	80.00%	\$6,214,224
Haverhill	Consentino MS	New	DBB	3/26/2024	\$125,097,100	\$113,750,000	-\$11,347,100	80.00%	\$9,077,680
Wakefield	Wakefield HS	New	CMR	6/27/2024	\$224,237,739	\$220,898,896	-\$3,338,843	53.14%	\$1,774,261
Total					\$498,101,519	\$474,300,896	-\$23,800,623	-	\$18,143,685

*The construction estimate and bid amount include pre-construction services and alternates.

**These numbers are based on preliminary information received from the district and are subject to further review and calculation.



Accelerated Repair – Bid Summary

2022 Accelerated Repair Program

- 19 of 20 reported projects bid within the estimated budget
- 7 projects remain from 27 approved projects



Finance Update

- **Sales Tax Collections Update**
- Grant Payments Update
- Investment Management Policy
- FY 2025 Budget Update
- FY 2025 Budget Amendment Recommendation
- Authorization for Furniture, Fixtures and Equipment Contracts
- FY2024 Audited Financial Statements – Update



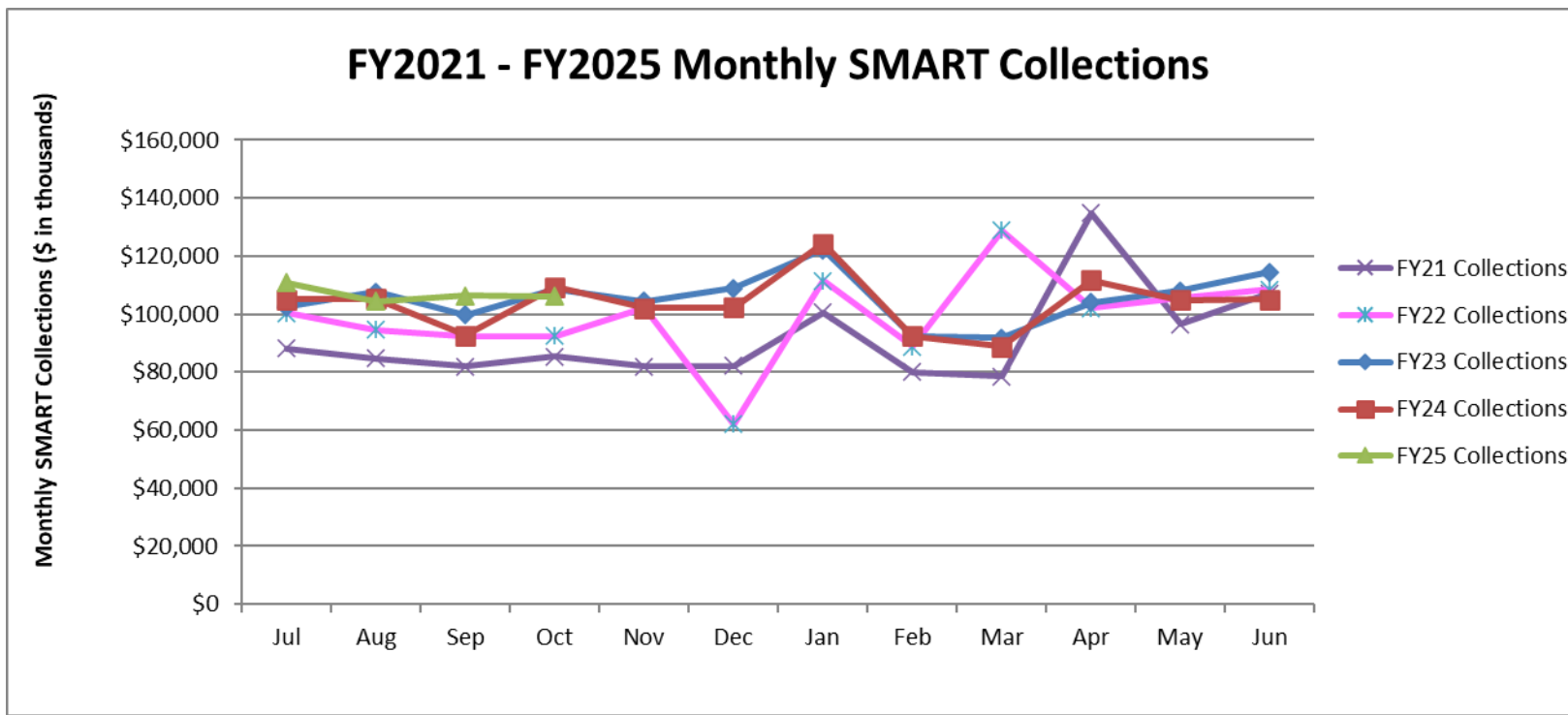
SMART Collections Update

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
FY24 Receipts	\$ 105,052	\$ 105,303	\$ 92,646	\$ 109,255	\$ 102,098	\$ 102,241	\$ 124,411	\$ 92,432	\$ 88,739	\$ 111,597	\$ 104,917	\$ 105,096	\$ 1,243,787
\$ Change vs. FY23	\$ 2,524	\$ (2,306)	\$ (6,984)	\$ 698	\$ (2,376)	\$ (6,618)	\$ 2,250	\$ 314	\$ (2,932)	\$ 7,711	\$ (3,146)	\$ (9,353)	\$ (20,217)
% Change vs. FY23	2.46%	-2.14%	-7.01%	0.64%	-2.27%	-6.08%	1.84%	0.34%	-3.20%	7.42%	-2.91%	-8.17%	-1.60%
FY25 Receipts	\$ 110,918	\$ 104,326	\$ 106,273	\$ 106,054									\$ 427,570
\$ Change vs. FY24	\$ 5,867	\$ (977)	\$ 13,627	\$ (3,201)									\$ 15,315
% Change vs. FY24	5.58%	-0.93%	14.71%	-2.93%									3.71%

- FY25 collections through October were \$15.3 million (3.71%) higher than the same period in FY24.

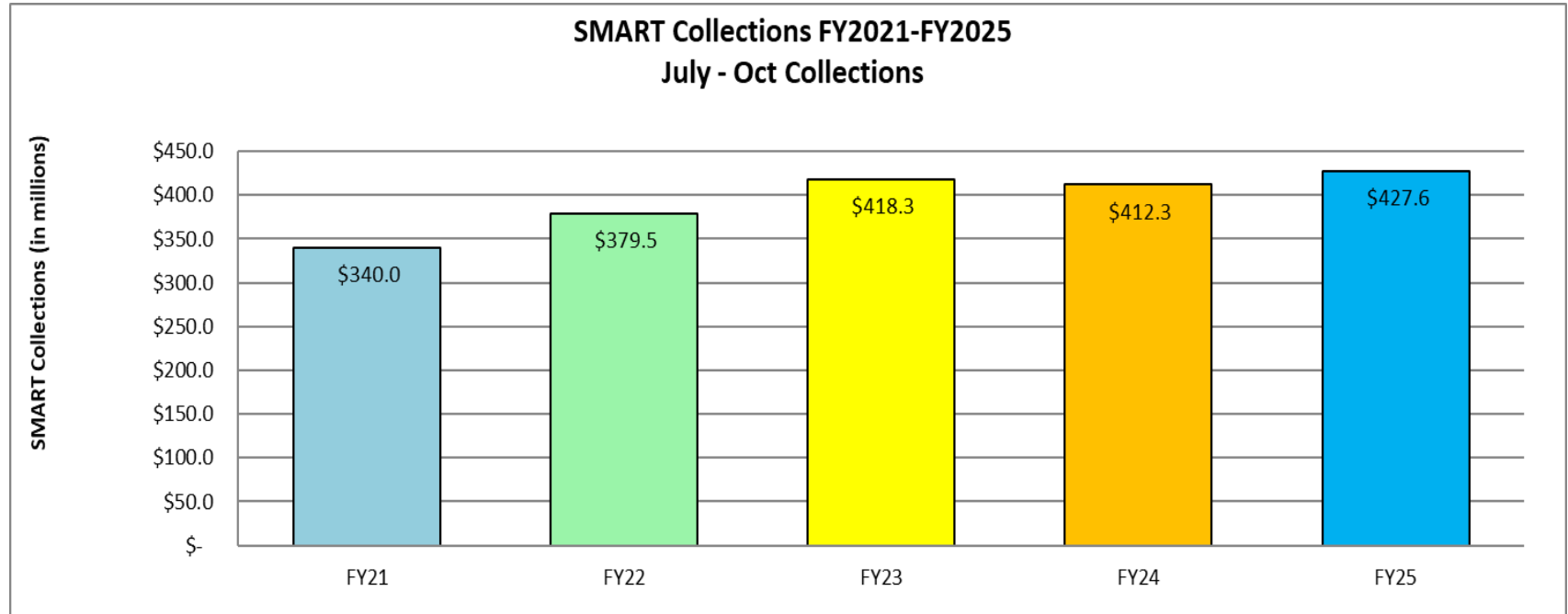


SMART Collections Update





SMART Collections Update





Finance Update

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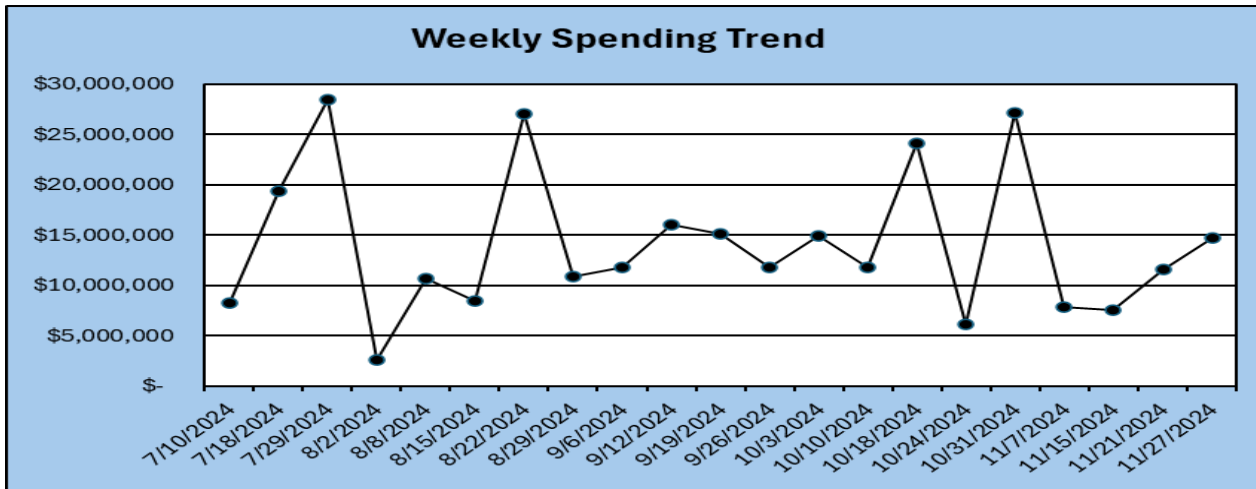


Grant Payments Update

FY25 YTD Grant Payments Summary*

Program	Amount	# Projects	# Districts
Core Program Projects	\$ 281,532,912	79	76
Accelerated Repair Projects	\$ 14,976,051	39	19
Total Capital Pipeline Spending	\$ 296,508,963	118	84

*Reflects grant payment data as of Nov. 27, 2024.



Average weekly spending to date is approximately \$14 million.



Finance Update

- Sales Tax Collections Update
- Grant Payments Update
- **Investment Management Policy**
- FY 2025 Budget Update
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Finance Update

Investment Management Policy

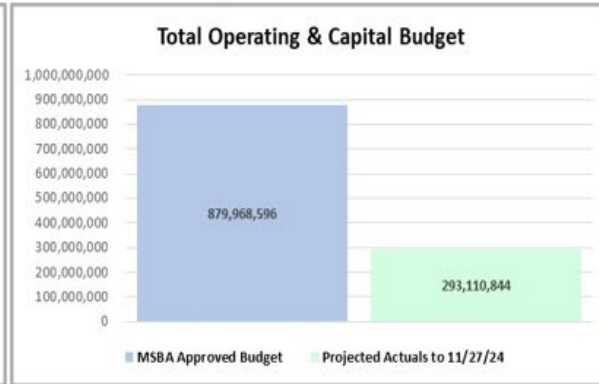
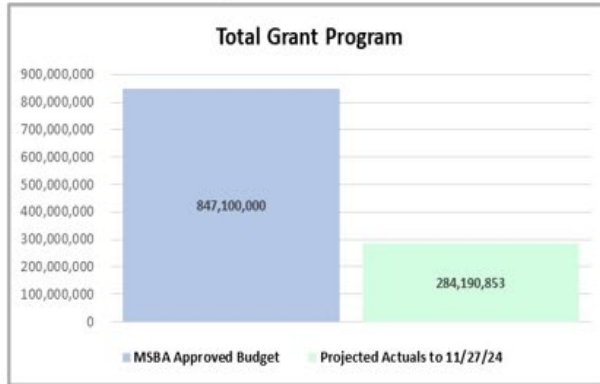
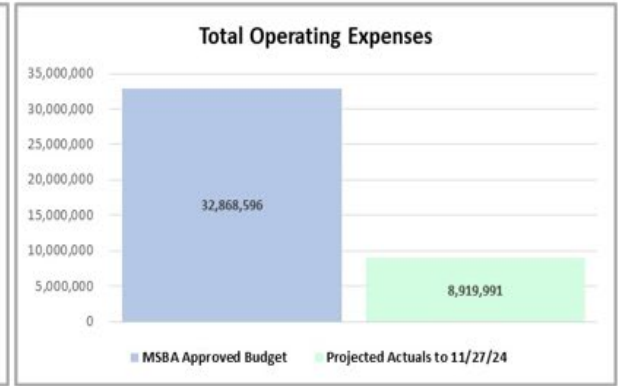
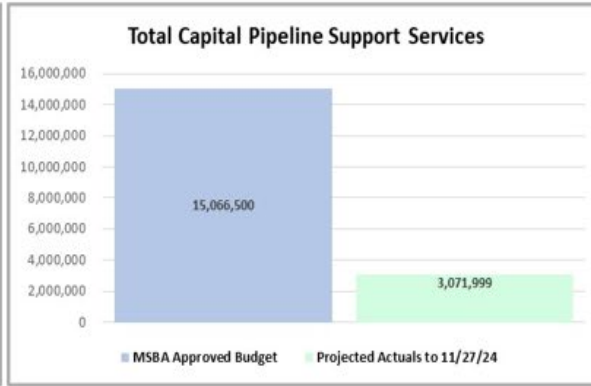


Finance Update

- Sales Tax Collections Update
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- **FY 2025 Budget Update**
- FY 2025 Budget Amendment Recommendation
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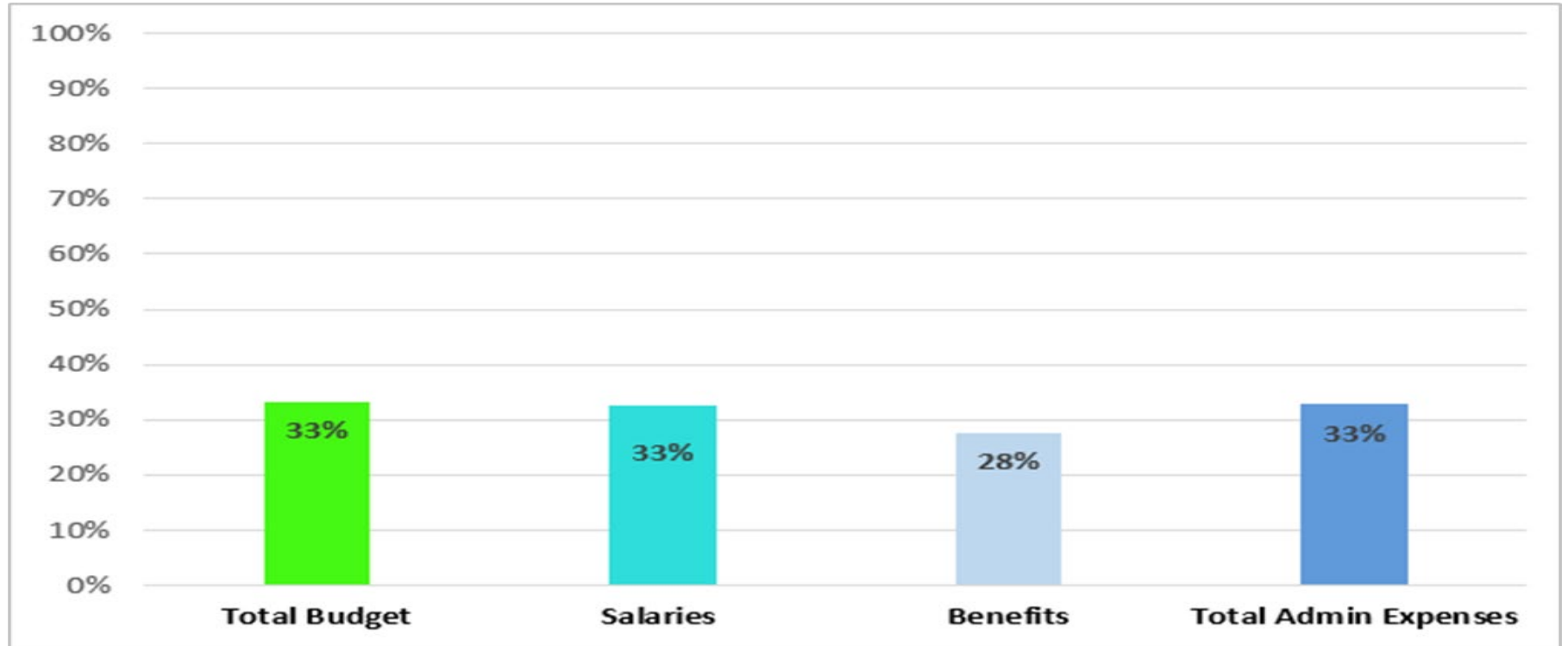


Fiscal Year 2025 Budget vs Actuals





Fiscal Year 2025 Spending





Finance Update

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- FY 2025 Budget Update
- **FY 2025 Budget Amendment Recommendation**
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Finance Update

FY 2025 Budget Amendment Recommendation



Finance Update

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Finance Update

Authorization for Furniture, Fixtures and Equipment Contracts



Finance Update

- Sales Tax Collections Update
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- Authorization for Furniture, Fixtures and Equipment Contracts
- **FY2024 Audited Financial Statements – Update**



FY2024 Audited Financial Statements

Auditors' Required Communications

Topic	Auditors' Response
Selection of accounting policies and practices	<ul style="list-style-type: none">No instance of alternative accounting treatment noted during FY24; current policies and practices viewed as preferable
Adoption of, or change in accounting policies	<ul style="list-style-type: none">GASB 99, Omnibus 2022GASB 100, Accounting Changes and Error Corrections
Significant or unusual transactions	<ul style="list-style-type: none">None identified
Significant accounting estimates	<ul style="list-style-type: none">Deemed as reasonable
Disagreements with management	<ul style="list-style-type: none">None
Consultations with other accountants	<ul style="list-style-type: none">None
Significant issues discussed with management	<ul style="list-style-type: none">Inadequate segregation of duties due to superuser access
Significant issues/difficulties in performing audit	<ul style="list-style-type: none">None identified
Significant written communications between MSBA and RSM	<ul style="list-style-type: none">Contained in Representation Letter and comments



FY2024 Audited Financial Statements

- As part of required communications in the audit process, RSM meets with A,O&F Subcommittee to discuss the audit and answer questions before the audit is presented to MSBA Board
- FY2024 financial statements present fairly, in all material respects, the financial position of government activities, each major fund, and the aggregate remaining fund information as of June 30, 2024
- No audit adjustments made to the original trial balance presented to RSM at commencement of FY24 audit process
- No uncorrected misstatements
- One audit finding of material weakness in internal controls due to superuser access in the Sparkrock ERP system identified



FY2024 Audited Financial Statements

Finding: Internal Control Matters; Inadequate Segregation of duties due to Superuser Access

- Superuser access in Sparkrock assigned to MSBA's CFO and Directors of Audit and Budget provides broad access to range of functions in the system
- Criteria: segregation of duties as internal control ensures no single individual has control over all aspects of a financial transaction.
- Cause: MSBA planned for dual role of Finance and IT to assign user access and profiles. IT provides access to MSBA systems, including Sparkrock, Finance assigns user permissions in Sparkrock, which requires superuser access in the system.
- Effect: Presence of management's superuser access poses significant risk to the integrity of system's internal controls.
- Recommendation: Restrict superuser access based on strict risk assessment, add compensating controls; detailed logs, dual authorization of critical transactions, monitoring of high-risk activities and regular training and updating for changing standards and activities.



FY2024 Audited Financial Statements

Management's response:

- Condition: during the implementation of the MSBA's ERP financial system the MSBA planned that assignment of new user accounts would be a shared responsibility of IT and Finance.
- IT assigns Microsoft license based on written request from Department manager in connection with onboarding process for new employees.
- Finance assigns user permissions in Sparkrock based on new employee's role and responsibilities and/or changes in an existing employee's roles and/or responsibilities. Two members of Finance grant access permissions associated with the request and employee's responsibilities.
- At the time of conversion, MSBA was informed by Sparkrock that superuser access required to grant and change access permissions in the system; based on this superuser access granted to Finance management personnel.



FY2024 Audited Financial Statements

Management's response (continued):

➤ Condition (continued):

➤ During the audit, MSBA submitted to the auditors the change log activity for the finance department superusers. Based on the auditor's sampling of the submitted materials, no unauthorized transactions, manipulation of financial records nor concealment of fraudulent activities were found.

➤ Plan of action:

- Further review and restrict superuser access to the Sparkrock system
- Evaluate/establish a formal system of compensating controls
- Implement regular monitoring of activities in the Sparkrock system
- Review and update policies and procedures