

The Commonwealth of Massachusetts

Office of the Inspector General

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November 16, 2009

Katherine P. Craven Executive Director Massachusetts School Building Authority 40 Broad Street, Suite 500 Boston, MA 02109

Dear Ms. Craven:

As you know, on Oct. 19, 2009 a Special Town Meeting of the Town of Brewster voted to sell its current town hall to the Cape Cod Lighthouse Charter School for \$3.3 million.

The Town Meeting also approved spending \$2.5 million for constructing an addition to the 33-year-old Stony Brook Elementary School. Brewster plans to stop using the 12-year-old Eddy Elementary School as an educational facility, move its entire pre-school through fourth grade program to the expanded Stony Brook Elementary School and, following renovations, convert the Eddy School into municipal offices.

Since the Eddy Elementary School was built with assistance from the Massachusetts School Building Authority, these plans trigger M.G.L. Ch. 70B § 15(b), which requires the MSBA to recover the state's investment in any facility that is no longer being used as a K-12 facility. M.G.L. Ch. 70B § 15(b) allows the MSBA to waive such a recovery if the municipality and the MSBA can agree on a plan to reuse the assisted facility as a schoolhouse within two years.

Since 1998, the state has paid Brewster some \$5.3 million towards the cost of constructing the Eddy School. Over the next several years, the MSBA is scheduled to pay another \$3.3 million to Brewster to aid with debt service on Eddy.

In my capacity as the Inspector General and as a member of the Massachusetts School Building Authority's School Building Advisory Board, I strongly urge you to use your full authority under M.G.L. Ch. 70B § 15 to recover the state's investment in any facility that is no longer being used as a K-12 facility.

I also point out that M.G.L. Ch. 70B § 15(c) bars any municipality that has removed a schoolhouse from service from applying for a grant to replace that facility for 10 years.

M.G.L. Ch. 70B was not designed to assist with the construction of municipal office buildings.

Given the current economy, the drop in sales tax revenue and the overwhelming demand for MSBA funds, I would strongly recommend that the MSBA cancel future payments and recoup the funds it has already invested.

I hope my comments are helpful. If you have any questions, please feel free to call me at 617-722-8800.

Sincerely,

Gregory W. Sullivan Inspector General

Gregory W. Sullivan

cc: Timothy P. Cahill