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Education Commissioner Outlines Plan for Implementing Non-Member Capital Fee

LEXINGTON – The Massachusetts Department of Elementary and Secondary Education has released new information on how it will implement a new capital construction fee on nonmember communities who send students to regional vocational schools with significant numbers of non-member students. The information was contained in a September 15, 2016, letter from Education Commissioner Mitchell D. Chester to Minuteman Superintendent Edward A. Bouquillon.

The new capital fee, described in Commissioner Chester's 4-page letter as a "capital construction and renovation increment", was authorized in new state vocational regulations passed by the Board of Elementary and Secondary Education in February of 2015. Since that time, several local officials have questioned whether DESE would actually implement the fee and, if it did, how the fee would be calculated.

"I am grateful to the Commissioner for providing this information and I hope it's helpful to town officials," said Dr. Bouquillon.

"I took away five main points," Dr. Bouquillon said. "One: the capital fee is very real and DESE has every intention of implementing it. Two: Minuteman is eligible for the fee. Three: The fee will stay in place for the life of the debt service payments. Four: DESE will be using the same methodology to calculate the fee as we have to project our numbers. Five: The capital fee per student for non-member towns with access to five or fewer vocational programs will be equal to the average capital cost per student for member towns."

According to Dr. Bouquillon, the formula laid out in the Commissioner's letter is consistent with the model that the District has been using to estimate the capital fee for non-member towns. The District had projected the fee to be roughly \$8,400 per student for non-member towns that offer five or fewer vocational programs. The DESE formula serves to validate that, he said.

Bouquillon noted that the assumptions used in the DESE illustration differ from those Minuteman has been using. For example, the DESE illustration used an annual debt service figure that was \$1.9 million lower than Minuteman's. Based on those different assumptions, DESE estimated the fee to be \$5,953 but cautioned the final number would likely to be different.

"...[T]his calculation will be based on the final borrowing costs for the project as well as the actual enrollment figures reported each year," wrote the Commissioner. "For this reason, I am unable to definitively say what the increment will be for your project."

"Readers will be cautioned that the final calculation will likely vary from this estimate after the project is completed," he added.

Commissioner Chester asked Bouquillon to forward copies of the letter to boards of selectmen in the Minuteman School District and to the Minuteman School Committee. Bouquillon did that on September 15, providing copies to boards of selectmen, town managers, the area's legislation delegation, the Minuteman School Committee, and the Minuteman School Building Committee. He shared the letter with the press and public on September 16.

On September 20, voters in the 16 towns in the Minuteman School District will vote on whether to approve bonding for construction of a new high school.

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