

**BOARD OF HIGHER EDUCATION**  
**REQUEST FOR BOARD ACTION**

**NO.:** BHE 23-38

**EXECUTIVE COMMITTEE DATE:** March 20, 2023

**BOARD DATE:** March 28, 2023

**APPROVAL OF MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY  
REFUNDING REVENUE BONDS TO PROVIDE FISCAL RELIEF FROM FY 24 THROUGH  
FY 29**

**MOVED:** The Massachusetts State College Building Authority (the "Authority") is hereby authorized to issue refunding bonds for the purpose of refunding any bonds previously issued by the Authority to restructure its debt service payment obligations in a manner that provides fiscal relief to one or more State Universities in one or more fiscal years from fiscal year 2024 through fiscal year 2029 and otherwise satisfies the requirements of the vote of the Authority on March 9, 2023 authorizing such refunding bonds, and the Commissioner is hereby authorized and directed, in the name and on behalf of the Board of Higher Education, to approve in writing the issuance by said Authority of bonds for such refunding purpose and to do all acts and things and to execute and deliver any and all documents, certificates and other instruments necessary or desirable in connection with the issuance of such refunding bonds, including, without limitation, an amended and restated contract with the Authority and a continuing disclosure agreement with the Authority.

**VOTED:** Motion adopted and advanced to the full Board for approval by the Executive Committee 3/20/2023; and adopted by the BHE 3/28/2023.

**Authority:** Massachusetts General Laws Chapter 15A, Sections 4, 6, and 9; Chapter 703 of the Acts of 1963, sections 1-3, et seq., as amended.

**Contact:** Joe Wallerstein, Interim Deputy Commissioner of Administration & Finance

## **Background**

In 2020, the Authority issued the 2020A refunding bonds to restructure approximately \$50 million in debt service in FY 21 and \$25 million in debt service in FY 22. This provided budgetary relief related to the reduced revenue caused by the COVID pandemic. This current request is much smaller expected to be \$10 million or less.

Many campuses have seen some improvement in enrollment and occupancy since the decline due to COVID, but not all are back to the levels prior to March of 2020. Providing budgetary relief in FY 24 in the next few subsequent years will help campuses implement long term revenue strategies based on lower dormitory revenue, including new academic programs and alternative uses for residence halls.