

Cape Cod Collaborative

Annual Report

2014-2015

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Cape Cod Collaborative

The Cape Cod Collaborative was established in 1975 to provide high quality services to low-incident special student populations whose needs could be best addressed through multi-district efforts.

The Cape Cod Collaborative Board of Directors was comprised of school committee representatives from the nineteen (19) Cape Cod and Islands school districts during the 2014-2015 school year.

Barnstable Public Schools
Bourne Public Schools
Brewster Public Schools
Cape Cod Regional Technical High
Dennis-Yarmouth Regional
Eastham Public Schools
Falmouth Public Schools
Martha's Vineyard Regional
Mashpee Public Schools
Monomoy Regional

Nantucket Public Schools
Nauset Regional
Orleans Public Schools
Provincetown Public Schools
Sandwich Public Schools
Truro Public Schools
Upper Cape Cod Technical High
Wareham Public Schools
Wellfleet Public Schools

Cape Cod Collaborative

Articles of Agreement (Excerpt)

Please note that the Cape Cod Collaborative Articles of Agreement are currently being reconsidered and rewritten as required by recent state legislation and regulation

Mission, Purpose, Focus, Objectives

2.1 The Mission of the Cape Cod Collaborative is to provide, as an interdependent collaboration of Member School Districts, a flexible, evolving range of high quality, cost-effective programs and services.

2.2 The Purpose of the Collaborative is:

- A. To conduct joint educational programs and services which permit the Member School Districts to supplement and strengthen school programs for students with or without special needs.*
- B. To provide specialist services and transportation services to support programs operated by the Collaborative and to other programs on behalf of Member and Non-Member School Districts.*
- C. To provide vocational, prevocational, behavioral intervention, developmental skill training, enrichment programs, and educational programs to students with and without disabilities; and*
- D. To provide services, consistent with applicable laws and regulations, to Member and Non-Member School Districts that strengthen and supplement the educational programming and educational opportunities of the communities including, but not restricted to:*
 - Professional development activities for staff*
 - Programming for gifted and talented students*
 - After-school and summer programming*
 - Professional consultation & assistance*
 - Assistance with employment searches*
 - Educator Licensure assistance*
 - Procurement coordination and assistance*
 - Regional coordination of educational activities, programming and services supportive of school districts, including, but not limited to:*
 - Public day school programs and services for students with low-incidence disabilities*
 - Professional Development activities for educators*
 - Professional Development activities for staff providing services for schools*
 - Professional Development activities for providers of early childhood services*
 - Job-a-like groups for professional development and regional coordination of activities*
 - Procurement coordination*
 - Procurement consultation*
 - Administration Assistance*
 - Employment Search and consultation services*
 - Transportation Services*
 - Facilities Management Services*
 - Any other programs and services that may be provided and/or coordinated on behalf of the Member School Districts as may be permitted by statute.*

Governance:

The Cape Cod Collaborative has been formed by the School Committees of its member districts. It is governed by a Board of Directors that is comprised of an elected School Committee representative from each member school district. In addition to the Board of Directors, there are Advisory Boards composed of the Superintendents and Special Education Directors of the member districts that meet on a regular basis throughout the year and serve in an advisory capacity

Board of Directors

“The education collaborative shall be managed by a board of directors which shall be comprised of 1 person appointed by each member school committee and 1 person appointed by each member charter board of trustees. All appointed persons shall be either a school committee member or his designee, the superintendent of schools or his designee or a member of the charter board of trustees.” (MGL, Ch.40, Sec.4e)

The Cape Cod Collaborative Board of Directors has been comprised of School Committee Representatives from the Member Districts for over forty years.

“Each Member School District shall appoint one (1) person from its school committee to serve as its representative on the Board of Directors.”(CCC Articles of Agreement)



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Cape Cod Collaborative Board of Directors

2014-2015

Dr. Robert Tankard – Co-Chairperson

Terri Medeiros– Co-Chairperson

Ann Williams

Chris Joyce (September-June)

Dr. Fran MacDonald (July- September)

Heather DiPaolo

Marie Enochty (March – June)

Trish Hill (July-January)

Phillip Morris

Mary Louise Sette

Scott McGee

Brian Widegren

Dr. Timothy Lepore (February-June)

Melissa Bonvini-Murphy (July-January)

Christopher Easley

Hank Schumacher (January – June)

Edward Rohmer (July-December)

Anthony Brackett

Beth Cummings (May-June)

Travis Andrade (July – April)

Drew Locke

Robert Fichtenmayer

Melvin Lazarus

Jill Putnam

Martha's Vineyard Regional

Falmouth Public Schools

Cape Cod Regional Technical

Barnstable Public Schools

Bourne Public Schools

Brewster Public Schools

Dennis-Yarmouth Regional

Eastham Public Schools

Mashpee Public Schools

Monomoy Regional Schools

Nantucket Public Schools

Nauset Regional Schools

Orleans Public Schools

Provincetown Public Schools

Sandwich Public Schools

Truro Public Schools

Upper Cape Cod Technical

Wareham Public Schools

Wellfleet Public Schools

Administrative Representative

Michael Gradone, Superintendent – Truro

Administrative Board

- 7.2 *The Administrative Board (a professional advisory council composed of a Superintendent or designee from each Member School District) shall meet monthly, or as called, and shall make recommendations to the Board of Directors concerning any aspect of the Collaborative's operation. The Administrative Board shall be represented on the Board of Directors by the Chairperson of the Administrative Board or her/his designee (CCC Articles of Agreement, 2006)*

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Cape Cod & Islands Superintendents

2014-2015

Dr. Mary Czajkowski

Barnstable Public Schools

Steven Lamarche

Bourne Public Schools

Robert Sanborn

Cape Cod Regional Technical

Carol Woodbury

Dennis-Yarmouth Regional

Dr. Bonny Gifford

Falmouth Public Schools

Dr. James Weiss

Martha's Vineyard Regional

Brian Hyde

Mashpee Public Schools

Scott Carpenter

Monomoy Regional

Dr. W. Michael Cozort

Nantucket Public Schools

Dr. Richard Hoffmann

Nauset Regional
(including Brewster, Eastham, Orleans, & Wellfleet)

Dr. Beth Singer

Provincetown Public Schools

Dr. Richard Canfield

Sandwich Public Schools

Michael Gradone

Truro Public Schools

Robert Dutch

Upper Cape Cod Technical

Dr. Kimberly Shaver-Hood

Wareham Public Schools



Cape Cod Collaborative

Cape Cod & Islands Special Education Directors 2014-2015

Dr. Jane Jezard (Special Education)
Dr. Gina Hurley (Pupil Personnel)

Barnstable Public Schools

Christina Stuart

Bourne Public Schools

Kate Clemens

Cape Cod Regional Technical

Judith Dion

Dennis-Yarmouth Regional

Nancy Taylor

Falmouth Public Schools

Philip Campbell

Martha's Vineyard Regional

Michelle Brady

Mashpee Public Schools

Joan Goggin

Monomoy Regional

Nancy Miller

Nantucket Public Schools

Dr. Ann Caretti

Nauset Regional
(including Brewster, Eastham, Orleans, & Wellfleet)

Dr. Beth Singer

Provincetown Public Schools

Matthew Bridges

Sandwich Public Schools

Stephanie Costigan

Truro Public Schools

Mark Dufresne

Upper Cape Cod Technical

Dr. Sue Anne Marks

Wareham Public Schools

Cape Cod Collaborative

Cape Cod Collaborative Administrative Continuity

The supervision and oversight of Collaborative operations is the responsibility of the Executive Director, Paul Hilton, who reports to the Board of Directors. The Cape Cod Collaborative has benefitted from administrative continuity throughout its existence. Mr. Hilton follows (only) six Executive Directors that have served the Board in this capacity since 1975.

Executive Directors

- | | | |
|---------------------|-----------|-------------|
| • Joseph Wert | 1975-1978 | (3 years) |
| • Ian Stewart | 1978-1979 | (1 year) |
| • F. Randall Powers | 1979-1980 | (1 year) |
| • Robert Filbin | 1980-1982 | (2 years) |
| • Brian Davis | 1982-1986 | (4 years) |
| • Walter Healey | 1986-2009 | (23 years) |
| • Paul Hilton | 2009- | (6 years +) |

The Cape Cod Collaborative has also benefitted from the dedication and commitment of a management team that has served the region consistently for many years. Each member of this administrative team brought a wealth of knowledge and experience to the Collaborative. Their service to the region through the Collaborative is demonstrative of the commitment of Collaborative employees to the students, families and districts throughout the region.

2014-2015 Program Directors

- | | |
|----------------------|---|
| • Laurence Carroll | Waypoint (2000 – 14 years+) |
| • Anita Woods | S.T.A.R. Program (2001 – 12 years+) |
| • Jim Brown | Business Operations (2005 – 9 years +) |
| • Dr. Joseph Gilbert | Special Projects (2004 –10 years +) |
| • Patricia Pawloski | Transportation Manager (1992 –2014) <i>left during the school year</i> |

Cape Cod Collaborative

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Cape Cod Collaborative
418 Bumps River Road
Osterville, MA 02655



Paul C Hilton
Executive Director
508.420.6950
Fax 508.420.6959

December 2015

Our (fourth) Cape Cod Collaborative Annual Report is dedicated to the committed, capable and highly valued Collaborative staff that create and maintain high quality programming for the students, families and districts of Cape Cod and the Islands. This report, and associated financial audit, highlight some of the activities of the Collaborative during the 2014-2015 School (& Fiscal) Year.

Our FY2015 annual report reminds us of our commitment to *collaboration and adaptation*. This school /fiscal year was productive for the Cape Cod Collaborative as the organization continued to evolve in response to changing regional needs and external influences.

We remain committed to fostering collaboration among our member districts, families and communities to meet the evolving needs of this region. As in the previous school year, our educational programs adapted and evolved to meet the changing needs of school districts and specialized educational projects were developed and refined to meet the needs of districts in a changing educational environment.

Special commendations this year are deserved for those who have served the Collaborative for many years and who have been instrumental in supporting coordinated efforts of school districts through the Collaborative.

- Dr. Bob Tankard stepped down as a Board member, and Board Chairperson, at the close of the 2014-2015 school year after nine (9) years of leadership on the Collaborative Board. His contributions have been highly valued and his presence and guidance at Board meetings will be greatly missed.
- Physical Therapist Dr. Jim Abbott retired after over thirty (30+) years of dedicated service to students and families in the region. His relentless advocacy and diligence on behalf of students and families is difficult to replace.
- Nurse Sue Blaha, RN retired after twenty-five (25) years of dedicated service to those served by the Collaborative. She was instrumental in developing measures to ensure the proper care of our students and staff.
- Transportation Manager Patricia Pawloski relocated after over twenty (20) years of committed service. Her tireless leadership in ensuring the needs of students and families were honored during their transport to and from school will be missed.
- Other long term staff who left the Collaborative after many years of dedicated service to the students and families served by the Collaborative include: Nancy Anjo (11 years); Sandra Baldini (20 years); Suzanne Collins (10 years); Matthew Kravitz (14 years); Marilyn Lewis (20 years); and Jayne Peters (15 years).

Thank you on behalf of the entire Collaborative community.

We look forward to continued service to the students, families and districts of the region and are thankful for the opportunity to serve during the 2014-2015 School Year.

Paul C. Hilton

Strategic Planning

The Collaborative had embarked upon a strategic planning process in FY2011 (2010-2011). Stakeholders from the member districts met throughout the fall and winter of 2010-2011 and recommitted to their collaboration. These stakeholders formally recognized the mutual benefit of their (necessary) interdependence in developing and operating programs that strengthen and support their district education programming.

Through this process the Board of Directors, and the stakeholders within the member districts, developed a mission and vision that recognized this celebrated this interdependence and collaboration:

Mission

The Mission of the Cape Cod Collaborative is to provide, as an interdependent collaboration of public school communities, a flexible, evolving range of high quality, cost-effective programs and services.

Vision

To ensure its success, the Collaborative will establish and maintain communication, governance structures, and practices that regularly assess needs, provide collaborative solutions, and monitor effectiveness.

Two subcommittees were formed in the strategic planning process. These groups met throughout the remainder of the calendar year and into the following year.

- The Articles of Agreement (Governance) subcommittee proposed changes to the Articles of Agreement that are currently being considered by the Board of Directors. The Articles of Agreement were reviewed and revisions proposed by the Board of Directors in February 2011. These revisions are currently pending as the Massachusetts Department of Elementary and Secondary Education (DESE) would not consider approval to educational collaborative agreements while the state auditor and legislature investigated educational collaborative oversight.
- The Financial Subcommittee made several recommendations regarding changes to Collaborative financial reporting and operations, as well as recommending the development of an annual forum for all stakeholders to discuss Collaborative issues – the **Collaborative Summit**. The first Collaborative Summit was held on September 20, 2011 and attended by representatives of Member School Committees, Member school district Superintendents, Special Education Administrators, School Business Administrators and Collaborative Administrators. Subsequent Collaborative Summits were suspended due to increasing mandates and initiatives requiring increased time and resources from district administrators and staff.

The Cape Cod Collaborative continues to strive to serve the purposes for which the Collaborative was established by its Member School Committees. The Collaborative continues to provide an array of services that support and strengthen the programming of its Member School Districts in an effective and efficient manner. A brief reflection regarding the effectiveness (and efficiency) of these collaborative services follows a description of each of the various activities that occurred through the Cape Cod Collaborative during the 2014-2015 School (& Fiscal) Year. It will be evident that the Collaborative, through the guidance of the Collaborative Board of Directors and Advisory Boards, provides effective and efficient services that strengthen and support the programming of the Member School Districts (and others).

Regional Collaborative Activities 2014-2015:

The Cape Cod Collaborative staff and/or representatives from the Collaborative administration were very involved with regional planning activities associated with education throughout the region.

July 2014

The Collaborative Advanced Studies and Leadership Program (ASLP) graduates students from its tenth session at Massachusetts Maritime Academy. This annual, residential program brings together students from throughout the region. The participation in ASLP for Summer 2014 (FY2015) represented an increase of over 33%, from approximately 150 to 208.

The Collaborative also coordinated a meeting of the Cape & Islands Facility Directors at Massachusetts Maritime Academy (MMA) during the summer. The meeting included a tour of the Facility with MMA Facility Director, Paul O'Keefe and also included a presentation regarding cost-saving opportunities available to school districts through the Massachusetts Higher Education Consortium (MHEC).

August 2014

The Collaborative embarked upon a one year professional development opportunity with the districts of Wareham and Plymouth. These districts committed considerable grant resources to fund full-year Wilson Language Training for staff. The Collaborative coordinated the contracting to enable considerable cost savings (based upon participation) and also created more efficiency through engaging additional districts in the training.

During August 2014, the regional program for international student exchanges suffered a setback as the Educational Bureau of Anhui Province (China) officially halted all student recruitment and enrollment activities for Huide High School's International Program. This notification effectively postponed the opening the joint activities with the Cape Cod Global Education Consortium for at least one year. The Director for the (Chinese) international program was unable to file a timely application for the necessary authorizations required for an international program, or the hiring of western teachers. Further activities were pursued throughout the year, including the development visiting teacher programming with the Confucius Institute.

September 2014

Mr. Hilton began active participation with the Old Colony Superintendents roundtable. This group meets monthly and develops opportunities and shares information relevant to districts throughout south coastal Massachusetts (including Cape Cod & Islands).

Mr. Hilton also continued to serve on the advisory board for the electrical program at Plymouth South High School throughout the school year.

October 2014

All-Cape In-Service Day

The Collaborative coordinated activities for the eleventh annual All-Cape In-Service Day. The All-Cape In-Service Day was October 10, 2014. The activities coordinated by the Collaborative included over 600 registrants for the nineteen (19) workshops that were developed by the Collaborative for district staff on that day.

January 2015

JFK Museum

The Collaborative was connected with the JFK Museum through Kevin Turner, an administrator with the Mashpee Public Schools. Mr. Hilton began meeting with staff at the museum to discuss opportunities for shared programming as opportunities develop. A strong interest has developed in offering professional development opportunities at the site for school staff and learning experiences for students throughout the region.

February 2015

Annual Legislative Breakfast

The Fourth Annual Collaborative Legislative Breakfast occurred on February 6, 2015. This event was co-sponsored by MASC Division VII. The event was well attended and included discussion between regional legislators and regional education stakeholders regarding pertinent issues that impact the Cape Cod & Islands region. Representatives Hunt, Mannal, Peake and Whelan attended the breakfast, as did Senators Wolf and DeMacedo. The event was attended by legislators, school committee representatives, local school administrators and the incoming President of Bridgewater State University, Fred Clark.

March 2015

Mr. Hilton was invited to present and train administrative staff at South Coast Educational Collaborative in Swansea, Massachusetts regarding the MA-DESE Coordinated Program Review (CPR) process. The Cape Cod Collaborative had been engaged in a Coordinated Program Review (CPR)

May 2015

May 7 –Early Learning Network conference

The Collaborative, led by Dr. Gilbert and the Early Childhood Program Facilitators, hosted a grant funded conference. The “Building Bridges” conference held on May 7th included ten (10) teams of eight (8) members, each including both school district and early childhood provider personnel, participated from throughout the region. The conference was followed by early childhood professional development opportunities which occurred over 2 days during the summer.

May 22 – MASC co-sponsored PARCC & Educator Evaluation Session

The Collaborative hosted a presentation in coordination with MASC Division VII regarding PARCC testing and educator preparation. The session was attended by school administrators and school committee members throughout the region. Presentations were made by DESE’s Manager of Educator Evaluation, Ron Noble regarding the status of the new educator evaluation system, district determined measures (DDMs), student growth measures and student surveys, and by University of Massachusetts/Dartmouth Assistant Professor, Dr. Chandra Orrill

regarding the new educator curriculum, preparation, and accreditation as well as the development of STEM educators.

May/June 2014

Multi-Tiered Systems of Support / National Center for Learning Disabilities

Mr. Hilton worked with the Cape & Islands Superintendents as well as the National Center for Learning Disabilities to develop a Summer Institute for school administrators throughout the region. This workshop focused upon *Schools that Work / Multi-Tiered Systems of Support (MTSS)* measures being implemented in schools to improve student outcomes. The Tower Foundation funded opportunities for implementation with the Barnstable and Mashpee Public Schools in coordination with the National Center for Learning Disabilities (NCLD). The school districts throughout the region have subsequently sought to replicate some of the work that has been done in the Barnstable and Mashpee Public Schools.

Full Year Initiatives

Southeastern Massachusetts Regional Collaborative Organization

The Cape Cod Collaborative continued to be one of the nine educational collaboratives in southeastern Massachusetts that coordinates activities to maximize efficiency and effectiveness of programming wherever, and whenever, appropriate. The Cape Cod Collaborative continued to provide support to the entire southeastern region of the Commonwealth directly through grants/contracts that provided staffing for data analysis. Mr. Hilton also participated in a Virtual Education Subcommittee that was formed to explore virtual learning opportunities that may be utilized for students in the region. This initiative resulted in several new online courses being offered throughout the Southeastern Massachusetts region (not inclusive of the 200+ courses being offered through the Cape Cod Virtual High School consortium).

MCAS Alternate Assessment

Ms. Anita Woods, the STAR - Osterville Program Director, continued to participate as a member of the Massachusetts Department of Elementary & Secondary Education (MA-DESE) MCAS-Alternate Assessment Advisory Group. Ms. Woods also continued to be an invited “scorer” for the MCAS Alternate Assessment.

Court Improvement Program: Educational Stability & Success Task Force

Mr. Hilton was invited to be a member of the *Educational Stability & Success Task Force*. This group has been convened as a statewide group to study and make recommendations regarding promotion of educational stability for youth involved with the court system(s). Other members of this group include judges, representatives from state agencies and a convener associated with the Massachusetts Supreme Judicial Court. Mr. Hilton represented the perspective of educational collaborative leaders as well as the particular challenges evident in the Cape Cod (and Islands) region.

Committee of Practitioners

Mr. Hilton continued participation on the statewide Title I Committee of Practitioners. This group was established to represent perspectives from the field in meetings with the Massachusetts Department of Elementary & Secondary Education (MA-DESE) as statewide initiatives are planned in regards to federal Title I funding.

Barnstable County Substance Abuse Council

Mr. Hilton represented the school districts throughout the region as a member of the Barnstable County Substance Abuse Council (<http://www.bchumanservices.net/community-partners/regional-substance-abuse-council/>).

The Council coordinated and submitted applications for two major grants to address issues associated with substance abuse throughout the region. The Massachusetts Opioid Abuse Prevention Collaborative for Barnstable County (MOAPC) and the Barnstable County Substance Abuse Collaborative (SAPC) grants were pursued by the Council with differing “lead” municipalities. Mr. Hilton coordinated efforts to involve schools in the SAPC grant (and activities).

The Council also prepared and published a report “Analysis of Substance Abuse on Cape Cod: A Report to the Community” in March 2015 (www.bchumanservices.net/library/2015/03/RSAC-Baseline-Report-FULL-REPORT-3-11-15-Final.pdf).

Cape Cod Foundation Youth Action Plan

Mr. Hilton participated in activities throughout the year with the Cape Cod Foundation in the development of A Cape Cod Youth Action Plan (www.capecodfoundation.org/learn/cape-wide-youth-action-plan/). This group facilitated the development of a community resource sharing (and development) web portal, *Connect Cape Cod* (<http://nccsweb.urban.org/communityplatform/capecod>) currently a “beta” site as it is still in development.

National Institute for School Leadership (NISL)

Mr. Hilton worked with districts throughout the region to create opportunities for students and staff throughout the year. The Collaborative worked with the National Institute for School Leadership (NISL) to develop a cohort for regional staff participation; however, there was not sufficient interest to launch the initiative in FY2015 (www.nisl.net).

Partnership for Youth with Disabilities

Mr. Hilton also worked with the Partnership for Youth with Disabilities (PYD) to secure funding and opportunity for programming to assist secondary students with learning disabilities in developing businesses, the PYD Young Entrepreneurs Project (YEP), www.pyd.org/young-entrepreneurs-project.php. Although grant proposals were submitted through the Collaborative, the initiative was not successful (through the schools) in FY2015. The program was successfully funded for the summer of 2015 through the regional Massachusetts Rehabilitation Commission office.

Davenport Companies

The Collaborative continued to receive generous support through equipment donations by the Davenport Companies. Mr. Michael Hatch reached out to the Collaborative throughout the year to make equipment available to the Collaborative as it was no longer needed within the Davenport Companies.

Early Learning Network

Dr. Gilbert continued to lead activities associated with the Cape & Islands Early Learning Network (ELN). The ELN activities included regular meetings of district and early childhood program staff throughout the region. There were also numerous, grant-funded professional development activities offered throughout the year coordinated by (part-time staff that worked tirelessly developing and supporting the ELN with Dr. Gilbert (Thank you Jan Rotella and Julie Hall).

Cape Cod Collaborative STAR Program –Osterville Public Day Program 2014-2015



The Cape Cod Collaborative Osterville-STAR Program continued to operate as a Public Day Program in Osterville for a fifth year. The Osterville-STAR Program continued to be fully approved by the Department of Elementary & Secondary Education.

STAR enrollment has fluctuated during the year, starting at 51 and ending at 58. The staff continued their commitment to work collaboratively to provide a high quality program focused upon student growth and independence. The program continued to emphasize “embedded therapies”; as well as creating an environment supporting social-emotional growth and behavioral regulation.

This program continues to serve the students, families and districts throughout the region through the provision of a local (regional) program that provides high quality and intensive services. The provision of the services offered through this program might otherwise necessitate extraordinary commutes to non-local educational placements or placements of students in residential school settings to access the same (or similar) level of benefit. This program provides effective and efficient high quality programming that ensures students are appropriately served within their home community (local or regional) to the extent possible.

The programming and the enrollment at the STAR-Osterville program supported **62 students** during the 2014-2015 school year. The home districts of these students included:

Member Districts

Barnstable
Bourne
Dennis-Yarmouth
Falmouth
Mashpee
Monomoy
Nauset
Sandwich
Truro
Wareham

Non-member districts

Duxbury
Plymouth &
Silver Lake

During the 2014-2015 School Year, **48 inquiries** for programming were received for the STAR-Osterville Program:

Enrolled in Collaborative

11 enrolled @ STAR
4 to Waypoint
4 for STAR Summer only
7 considered
STAR for Sept 2015

Supported in District(s)

14 maintained with added
support (or other
arrangements)
8 “parent inquiries”
directed back to district
(IEP Process)

More Restrictive Setting

Unknown

The programs of the Cape Cod Collaborative reflect the needs expressed by the students, families and districts throughout the region. The STAR-Osterville Program provides exceptional services for many students as a Public Day Program. The program effectively supports the students, families and districts. Students progress through a continuum of services provided by school districts, by the Collaborative, and by other providers as needs become more significant, necessitating more restrictive settings.

During 2014-2015 School Year, **11** students were transitioned from the STAR-Osterville Program:

Enrolled in Collaborative
1 to Waypoint Academy

Supported in District(s)
6 transitioned to district programming with added support

More Restrictive Setting
1 transitioned to “adult service providers”
2 transitioned to residential settings

& 1 student moved off-Cape and/or out of state

The Goals for the Osterville-STAR Program during the 2014-2015 School Year were focused upon a key areas including:

- **Social Skills Development:** The Program continued a school-wide “Second Step” curriculum focused upon social skills instruction and the “Circles” curriculum focused upon social boundaries and levels of relationships. “Zones of Regulation” supplemented social skills instruction with integration of social pragmatics, emotional/sensory regulation, and levels of emotions. Creating a safe and successful environment for students is a primary focus of programming at Osterville.
 - Peggy Brooks, SW and Beth Kerr, COTA also conducted a “Chillaxation” group focused on anger management and peer relationships.
 - A special girls group finished the year with a tea party to celebrate the groups’ success.
- **Behavioral Management:** The STAR Program focuses upon “positive behavior supports” with a strong foundation of Applied Behavior Analysis and utilizes Crisis Prevention Intervention (CPI) techniques. The continued and continuous integration of these practices combine to create a culture that supports successful student learning and staff collaboration. Creating and maintaining safe environments in the Program provides a critical link to the maintenance of positive social-emotional learning environments. The result is the development of optimal practices for supporting student learning.
- **Data Management:** The STAR Program continued work with the Risk-Eraser organization in developing and utilizing the “-EDUCATA-” and *Goal Seeker* data systems. The Program progressed significantly in the effective use of data. Student outcomes in the STAR Program are data driven and all staff are involved in collection and analysis of data to inform instruction and improve student learning.



- *Professional Learning Communities:* Professional learning communities (PLCs) continued throughout the year with continued focus upon lesson planning and collaboration. “Child Study” meetings were held weekly to promote and support interdisciplinary practices and to continually improve communication to support the individualized needs of STAR students.

| The **CCC STAR Friendship Garden** continues to be an integral component of the student



experience at the STAR Osterville Program. The students at the Program apply much of their (classroom) learning in their work in the Friendship Garden. The Friendship Garden produced sufficient products to supplement the food service in the Program, creating a successful “farm to table” program. The students (and staff) enjoyed weekly salads prepared using garden products throughout the summer program and into the fall. Social skills, communication

skills, and motor skills all were strengthened through the curriculum and activities associated with the Friendship Garden.

Some students also participate at the Camp Burgess Farm in Sandwich to build skills and participate in community support.



STAR-Osterville continued with the “**MusicWorks! Everyday**” program through the generosity of the Cape Cod Symphony Orchestra. This program is designed to help develop focused listening skills, and to encourage a life-long interest in listening to music. Some of our students also participated in a Cape-wide concert held in Barnstable. Some of our fourth and fifth grade students were also able to participate in the All Cape Youth concert held at the Barnstable Center for Performing Arts in November.



The **Long Pasture Audubon Program** provided our students with hands-on opportunities to enhance units associated with tidal flats, animal tracking and vernal pools.

Students also participated in weekly art classes lead by a staff member, as well as weekly Yoga classes conducted by staff from Yoga Neighborhood.

Best Buddies dances held in Harwich and Falmouth gave some high school students an opportunity to participate with other students Cape-wide in social opportunities. Some students also traveled to Barnstable High School for weekly outings.

Families are encouraged to participate in their child’s school experience. A **Parent Advisory Group (PAG)** is held weekly for input to programs and services. In November, a family luncheon is held; this past year we had more than half of students have a family member attend. In May, students and families attended the Special Olympics held at Dennis-Yarmouth regional High School. In June, our annual family day is held which allows families time to socialize with other families and with staff and students.

The STAR-Osterville Program has continued to share facilities and opportunities with the Cape Cod Challenger Club. The continued generosity of the Challenger Club in improvements and

maintenance of the facility has provided continued benefit the program students as well as the Challenger Club participants.

Ms. Woods continued to demonstrate her dedication and attention to the students, families, districts and staff throughout FY2015.

Cost Effectiveness –The Osterville-STAR Program had a daily tuition rate of \$236 during the 2014-2015 School Year. This rate was developed with consideration of the activities and enrollment of the previous year. The rate was approved by the Board of Directors with recognition regarding the projected enrollment and programmatic needs for the school year. , There is not a single comparable program that provides services identical to the students served at the STAR-Osterville Program. An analysis regarding the student needs and average tuitions for various private school programs offers some perspective regarding the efficiency of the Program. The Program serves the Districts by offering a substantially separate educational program that is neither as restrictive as Private Day School Programming nor Residential School Programming. The efficiency with which the Program operates may be noted in review of the referrals, admission and discharges from the Osterville-STAR Program.

It may also be discerned that the Program serves students in a local/regional setting that prepares students and families for other settings if their needs become more significant than the Program might be able to address, or inversely, the program assists and supports students and families in entering a school (district) settings as their needs and District supports allow. This Program effectively and efficiently serves the students, families and districts in broadening the continuum of services to effectively support students in the least restrictive setting possible.

The Osterville-STAR Program Tuition (\$236/day – \$42,550/year) for FY2015 is considerably lower than other options, options often at great distance (and transportation expense). Assuming that other programs could provide the similar and appropriate services, it may be noted that the Osterville-STAR day rate (\$236/day) is considerably lower than an average tuition of \$310.55/day (\$64,861/year) for Private Day Education Programs in Massachusetts. It is important to note that each district (and family) considers the needs of particular students and their particular needs when evaluating each program for consideration for student placement.

The Osterville-STAR Program allows districts to pool resources, and mitigate the cost risk while optimizing quality and cost effective services within a day setting.

Tuition Rates by student population type, for analytical reference only (rates per MA-Operational Services Division)

Medically Fragile:		Emotional Impairment:		Autism & Intellectual:	
STAR	\$236	STAR	\$236	STAR	\$236
BC Campus	\$382	Walker	\$385	Higashi	\$330
Schwartz	\$236	St. Vincent's	\$255	May	\$347/433/\$479
Perkins	\$518/677/634	Chamberlain	\$261	Cushing	\$326/\$329
				NECC	\$330/442

Cape Cod Collaborative Waypoint Academy

Public Day Program 2014 – 2015



Waypoint Academy is approved by the Department of Elementary and Secondary Education as a Public Day School Program. The Program Director, Laurence Carroll, M.Ed. has been the Program Director since the inception of the Program in 2000.

The program was developed as an Alternative High School through a combined committee of Cape Cod Districts Superintendents and Special Education Directors along with the Collaborative Executive Director(s). The goal of this Committee was to provide a means to educate students that could not be maintained appropriately in the district public school settings, thus requiring a substantially separate educational program. This program began as an Alternative High School for students in grades 9-12 and expanded to serve Middle School students (Grades 5-8) in 2003

The principles of “*Trauma Sensitive Schools*” are integral to the practices of staff throughout the program. The fundamental design of the therapeutic milieu is based on the principles of the *Trauma and Learning Policy Initiative*, 2005 as developed (and published) through by the Massachusetts Advocates for Children. Programmatic adherence to these principles is necessary as many, if not most, of our students are affected by significant social emotional disturbances that may impact their ability to function on a daily basis.

This program was developed to offer an effective alternative for students in a cost-efficient manner. An added benefit of maintaining students in programming close to their home district was (is) the capacity for students to participate in (home) school/district activities. Waypoint Academy is considered to be an extension of each of the “sending” School Districts. The Academy encourages and supports students in their transitions to (and from) their home schools as appropriate. A primary focus of the program is assisting in the development of the adaptive skills necessary for students to successfully return to their local school and district on terms of their academic and socio-emotional abilities. The local/regional location allows for programming that facilitates gradual transitions for reintegration of students back to their (home) schools. While it is not possible for every student to return to their home district, the Academy continues to maintain goals to support each student in this process, as the skills can be adjusted and generalized to promote success in home and community as well as in the school environment.

The Academy accepts and provides services for students on a “rolling” or on-going basis. This process for admission eliminates lengthy wait-lists and wait times for admissions, thus decreasing, or eliminating, prolonged periods that students are out of school. This is especially important as many students are “at-risk” and in significant need of additional services and support quickly.

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The programming and the enrollment at Waypoint Academy supported **80 students** during the 2014-2015 school year. The home districts of these students included:

Member Districts

Barnstable
Bourne
Cape Cod Technical
Dennis-Yarmouth
Falmouth
Mashpee
Monomoy
Nauset
Sandwich
Upper Cape Cod Technical
Wareham

Non-member districts

Boston
Brockton
Dartmouth
New Bedford
Old Rochester Regional
Plymouth
Stoughton
Westport

During 2014-2015 School Year, **37** students were transitioned from the Waypoint Academy Program:

Other
12 Graduated from
Waypoint, earning a
diploma from their district
3 moved from the region
5 Withdrew from school

Supported in
District(s)
8 transitioned to district
programming with added
support
4 Transferred districts

More Restrictive
Setting
4 transitioned to
residential settings
1 transferred to another
program

Enrollment Activity by District (not inclusive of continued students that completed the school year):

	Enrolled	Un-enrolled
Barnstable	18	14
Boston	1	0
Bourne	6	2
Brockton	1	0
Cape Cod Tech	0	0
Dartmouth	1	0
Dennis/Yarmouth	16	5
Falmouth	14	7
Monomoy	1	0
Mashpee	4	4
Nauset	7	2
Old Rochester	1	0
Plymouth	4	0
Sandwich	1	1
Stoughton	1	1
Upper Cape Tech	0	0
Wareham	3	0
TOTALS	80	37

Waypoint Academy serves the needs of students who are experiencing significant difficulty in their home schools' and districts' educational programs. Many of the students attending the Program experience social, emotional and mood disorders, including but not limited to: anxiety disorders; depression; attention deficit disorder; oppositional defiant disorder and trauma related issues. These students often are at-risk for failure in one or more of the following areas: academic achievement; meeting social expectations; regulation of behavior; maintaining safety, and/or other issues that inhibit their participation in school/class activities.

Waypoint Academy provides students with clinical interventions and counseling services which are intentionally designed to promote confidence, self-esteem, individual responsibility, social awareness, (executive function) organization and cognitive development. The Academy offers a highly specialized, intensely structured educational environment which emphasizes safety and security through the development and implementation of individualized educational and behavioral plans. Each student participates in an appropriate, grade level academic curriculum as well as a variety of services (and accommodations) distinct to and each individual student's needs.

Effective programming for students with emotional and/or behavioral disorders requires broad-based and intensive work with families, providers and other supports systems in our student's lives. Inclusion of the various parties in each student's lives is important to develop appropriate and strong supports for students' for: regulating their emotions and behavior; achieving success in academic and social skills; and aiding them in experiencing a more normalized educational process. The aim of the Academy is to increase teaching and learning time and reduce the time students spend on non-productive behaviors. In addition to an educational and therapeutic milieu, students access clinical support (four full-time Licensed Mental Health Counselors on staff) at the Academy. The work of the clinical staff is tailored to the individual needs of students through participation in individual and group counseling to learn develop conflict resolution skills, experience effective team building, develop communication skills, develop transition skills, participate in social skill assessment and training, and develop affective regulation skills.

Technology: Technology is used at the Academy to not only support instruction but also to inform regarding student needs. Throughout the 2014-2015 School (&Fiscal) Year previously developed data bases continued to be refined and maintained. These databases assisted in and informed the program staff regarding student performance and behaviors, including both individual and group dynamics. The refinement, maintenance and use of databases have increased the capacity of staff to assess students (academically and socially/behaviorally), to analyze the information, and to develop appropriate (reflective) interventions and practices that are focused upon improving results for students.



The program has continued to add technology to support the program's specialized instructional needs, including additional computer workstations as well as *Interactive White-Boards / Smart Boards*. The Academy also continues to integrate technology with curriculum supports in academic areas, as well as with executive function improvement programs such including *ThinkIt* and *Lumosity*.

Programmatic Updates: Dr. Marc Hauser, a former college professor and researcher, became affiliated with the program in 2011. He became further involved with the Academy as an Educational Specialist for the 2012-2013 School Year. Dr. Hauser consulted with the Academy throughout the 2014-2015 School Year while expanding his consulting practice to work with other collaboratives' programs as well as private programs that serve at risk student populations. He has contributed to the evolution and the use of the many databases the Academy is utilizing to support the efforts to serve the students. Dr. Hauser has continued to be integral in developing staff capacity to analyze and apply the data that has been gathered to develop interventions that may improve student and program performance. He effectively supported the staff transition in the program's evidence-based systems from primarily "paper and pencil" recording to digital record-keeping, thereby greatly improving both the efficiency and effectiveness of using the data to guide assessments of student growth.

Several programmatic data tracking systems were developed and maintained throughout the 2014-2015 School Year. These databases were developed with Dr. Hauser and his associated company, Risk-Eraser. These data systems include: student *time on learning*; individual *student performance in the milieu* (effort, observing school rules, completion of task, respect and attitude); *Point / Level System*; *Daily Emotional-Level* check-in; "How Are You Feeling?"; *Social-Emotional IEP Goal Progress*; *Goal Seeker IEP Goal Progress Tracking*; *Teacher Evaluation Walkthrough Software* and *Teacher Evaluation Response*. The analysis of information (data) gathered through this "evidence collection" (data gathering) has continued to support discussion regarding student needs, leading to ongoing refinement of the manner and form of the staff interventions to working with the students (plan interventions) and to informing their instruction /interventions with data (reflective practice).

Program staff focused a considerable amount of their work with Dr. Hauser (and Risk-Eraser) upon the refinement of DDM's (District Determined Measures). The program measures are aimed at ensuring that common terminology and accurate/consistent measures are maintained in tracking student progress on their milieu goals as well as their (student specific) social-emotional IEP goals. This work is continuously refined, enhancing the capacity of staff to maintaining reflective practices in developing interventions that effectively promote student learning.

The program administration continues to facilitate structured discussions with staff in the development of "reflective practices". The organization of data for appropriate maintenance and analysis has had school wide impact resulting in interventions (programming) that have demonstrably improved student behavior, including classroom participation, academic performance and attitude.

Professional Learning Community: Academy teachers have maintained a Professional Learning Community (PLC) dedicated to *improved teacher performance* and *learning from best practices*. A strong emphasis continues to be placed by the staff (and the administration) upon *cross-curricular planning* and *project based lesson planning* for student *motivation and involvement*. These focal areas have also been considered among the performance indicators for teachers in the new Educator Evaluation.

Camp Burgess: The Camp Burgess classroom experience continued to be a source of motivation and investment for many of our students. Students that participate in classwork at the Camp Burgess site follow established curriculum of the classroom teachers for their content areas. Each week, two groups of five (5) students continued to alternate weeks during which they participated in programming at the classroom located at Camp Burgess. This experience continued to allow students to actively participate in social skills & adventure based groups as well as applied academic experiences. This setting also promotes applied learning of the academic and instructional content through participation in activities such as the farm and forestry programs. Indicators demonstrate elevated academic performance scores for students (albeit slight) during the Burgess Classroom week, programmatic stability for the students, and significant social and emotional regulation improvements for both groups throughout the year (including non-Burgess weeks).



Camp Burgess extends the experience for all students at the Academy through planned Field Days. These Field Days include programming with Camp Burgess Staff in developing leadership capacity, team-building, and self-confidence for students.



Waypoint has modified the Parent Advisory Group meetings to coincide with ongoing school activities. Parents are invited to participate in school wide events that are scheduled quarterly. Organized by the Clinical Team and the Student Council, parents have an opportunity to spend some time with their child during school operations, meet with faculty and participate in informational and planning activities aimed at improving parent/school relationships and understanding, as well as skill building and resource sharing. This practice has raised the level of

participation of parents and continues to be a valuable source of parent/school sharing and engagement.

Students enrolled in the Waypoint Academy Program that have **extended school year services** recommended by their TEAM and indicated on their Individual Education Plans receive services from the Academy faculty during the months of July and August. During the Summer of 2014, **33 students** received these services. The primary goal of these services is to help prevent regression of prior learning and help increase the likelihood that the identified students' make additional progress during the coming school year.

Cost Effectiveness –Waypoint Academy operated during the 2014-2015 School Year with a daily tuition rate of \$212/\$232 &\$251 per day. The tuition rate is differentiated based upon projected enrollment. Member (and sometimes non-member) districts have purchased “committed” slots (\$212) and own a portion of the program capacity. Districts may need to increase their allocation of space in the program and may purchase additional “committed” slots at the program after the budget and resultant staffing have been planned (\$232/day). The other tuitions (non-committed slots @ \$251/day) are associated with enrollment that may be less

dependable and necessitates greater flexibility in maintaining resources to meet student needs. The rate structure was approved by the Board of Directors with particular attention to the projected enrollment and programmatic needs for the school year.

Although there is not a program that provides services identical to the students served at the Waypoint Academy, analysis regarding need and average tuitions for private school programs offer some perspective regarding the efficiency of the Academy. It is obvious (in review of the referrals, admission and discharges from the Academy Program) that the Academy serves the Districts by offering a substantially separate educational program that is neither as restrictive as Private Day School Programming nor Residential School Programming. It may also be discerned that the Academy serves students in a local/regional setting that prepares students and families for other settings if their needs become more significant than the Academy might address. It may also be discerned that the Academy assists and supports the students and families in entering a school (district) setting as their needs and District supports allow. The Academy effectively and efficiently serves the students, families and districts in broadening the continuum of services to effectively support students in the least restrictive setting possible.

In consideration of *cost efficiency*, the Waypoint Academy Tuition structure (\$212/\$232 & \$251 per day – \$38,200, \$41,750 & 45,100/year) for FY2015 was considerably lower than options, (which are often at great distance and transportation expense). Assuming the programs could provide the appropriate services then things such as: Waypoint day versus an average tuition of \$310.55/day (\$64,861/year) for Private Day Education Programs in Massachusetts. Each district (and family) considers the needs of particular students and their particular needs when evaluating each program for consideration for student placement.

Waypoint Academy programming allows districts to pool resources, and mitigate the cost risk while optimizing quality and cost effective services within a day setting.

Tuition Rates by student population type, for analytical reference only (rates per MA-Operational Services Division)

Tuition Comparison	
Waypoint	\$212/\$232 & \$251(average of \$232)
St. Vincent's	\$255
Chamberlain	\$261
Franklin Perkins	\$287
Southeast Alternative	\$255
Private Day Average	\$311

Therapy Services and Programmatic Consultation

Speech & Language Pathologists, Occupational Therapy, Physical Therapy

The Collaborative has provided therapy services to students in Collaborative programs and in school district programs since the establishment of the Collaborative in 1975. In FY2015 the Collaborative provided Speech and Language Therapy, Occupational Therapy and Physical Therapy to school districts and to students in Collaborative Programs.

The Collaborative staff have continued to provide the related services necessary to strengthen and support the quality programming of the districts throughout the region. Many districts utilize Collaborative staff to supplement services in their districts, others utilize Collaborative staff as the primary service providers for certain types of services, especially in small districts. The Collaborative has a cadre of highly skilled and competent clinicians that work with students, and districts, throughout the region. A significant benefit is realized by districts that are able to “share” the expertise and costs for highly capable and competent staff through their educational collaborative. During FY2014, the Collaborative therapy staff provided services in Barnstable, Bourne, Cape Cod Technical High School, Dennis-Yarmouth Regional, Monomoy Regional, Provincetown, Sandwich, Truro and Upper Cape Cod Technical High School. These services were provided at a rate of approximately \$78 per hour in the districts. This provided significant cost efficiency for school districts that would be contracting with private providers at rates of \$100 per hour more.

Assistive & Augmentative Technology Assistance and Evaluation

The Collaborative secured the services of a capable and competent professional to assist districts in addressing students’ needs associated with Assistive and Augmentative Technology. Keith Woodbury is a certified Speech and Language Pathologist with considerable expertise in the development and use of assistive and augmentative technology. Mr. Woodbury provided assistance throughout the year as a contracted employee/consultant through the Collaborative. Several districts utilized his expertise in the provision of training for staff as well as evaluation of student needs. The services in this area were contracted by districts on an hourly basis at the rate of \$78 *per hour*. Private providers often charge \$100-\$150 *per hour* for similar services.

Behavior Consultation and Home Services

The Collaborative also provided consultation services for the various districts and students throughout the year. This area is overseen by Board Certified Behavior Analysts (BCBAs) Karen Pineau and Julia Bryant, and is coordinated by Ms. Anita Woods. Ms. Bryant provides and coordinated behavioral programming at the STAR-Osterville Program as well as coordination of much of the home-services. Ms. Karen Pineau provided consultation to districts as a Board Certified Behavior Specialist (BCBA) to assist the districts in strengthening their programs and supporting students in the most appropriate settings. Ms. Pineau consulted with several districts for various amounts of (weekly) time throughout the year. The districts utilizing this service included: the Barnstable Public Schools, the Dennis-Yarmouth Regional Schools, the Monomoy Regional Schools, the Nantucket Public Schools, the Truro Public Schools and the Wareham Public Schools. The capacity for these districts to share Ms. Pineau’s expertise through the Collaborative allowed for considerable cost savings. The contracting cost for this service through

the Collaborative was approximately \$80/hour for districts. The cost efficiency in sharing staff such as BCBA Consultants is evident, where private contracting for similarly certified staff with private agencies is \$100-\$135 per hour.

The Collaborative also arranged and supported several districts and families with BCBA supervised home programming (Applied Behavior Analysis- ABA Home Services). The Collaborative has limited the capacity for number of students, families and districts that it serves. The Collaborative did provide these services to students/families in several districts during FY2015 including: Barnstable, Dennis-Yarmouth, Falmouth, Mashpee, and Nantucket. These services have been provided by staff with differing certifications and responsibilities at rates from \$38, \$70 and \$100 per hour where private providers offer similar services at rates comparing at \$60/\$75/\$100 per hour and often much more.

Special Projects

The Collaborative supports member (and non-member) school districts through “special project” initiatives. Dr. Joseph Gilbert, a retired Superintendent, coordinates many of the activities associated with these “special projects”.

All-Cape In-Service

- The Cape Cod Collaborative established a regionally coordinated professional development day in 2004. Each of the districts have held their in-district professional development on this day and also promoted enrollment of district staff into workshops developed by the Collaborative that were particularly focused upon lower incidence subject areas or specializations. The date of the All-Cape In-Service occurs each October (November in Presidential election years) to allow for integration of activities into instructional practices early in the school year. The FY2015 All-Cape In-Service occurred on October 10, 2014. Most workshops were hosted on the campus of the Dennis-Yarmouth High School and the campus of Mashpee High School.

Over 630 educators participated in Collaborative (inter-district) offerings during the All-Cape In-Service. The Collaborative contracted with presenters and facilitates, sharing these costs amongst the participating districts. The popularity of this event has grown over the years. The October 2014 All-Cape In-Service (FY2015) was also the third All-Cape professional development activity where Member School Districts registered through the shared online platform *SmartPD*, which continues to allow for inter-district sharing of professional development activities throughout the year. *The average cost per participant for the October 2014 All-Cape In-Service was approximately \$26 including the annual cost of the SmartPD platform for professional development coordination.*

The All Cape In-Service Day was augmented in 2014 by the inclusion of early childhood workshops which were attended by a mix of primary level public school staff and private non-profit pre-school staff. Approximately 175 early childhood professionals attended 8 sessions of instruction related professional development.

Other Professional Development

- Professional Development activities, including the All Cape In-Service Day, continued to be guided by input from the Collaborative's job-alike groups including:
 - Superintendents
 - Curriculum Administrators
 - Administrators' of Special Education
 - School Business Managers
 - Early Learning Network
- Additional groups offering input regarding planning of activities for educators in the region include:
 - Cape Music Educators;
 - Cape Cod Art Educators,
 - Cape Physical Education/Health Educators;
 - Work Force Investment Board and
 - School Facilities Managers

Individual seminars on targeted topics continued to be a priority. A major thrust in PD during 2014-2015 continued to be the provision of data coaching courses (*"Unleashing the Power of Data through Collaborative Inquiry"*) and staff evaluation courses (*"Observing Analyzing Teaching"*).

Professional Development for early childhood personnel is becoming a significant priority as the Collaborative continues to provide/host *Early Childhood focused trainings* through the Collaborative professional development portal (<http://www.capecodcollaborative.org/index.cfm/prof-develop/>).

Cape Cod Early Learning Network (ELN)

- The **Cape Cod Early Learning Network**, an active association of early childhood service providers and early childhood educators, requested assistance from the Collaborative to develop a **Cape-based strategic plan** for coordination of professional development activities associated with early childhood education and services. The ELN had made significant progress since being established ten years earlier in facilitating, structuring and sharing early childhood trainings professional development. The ELN expressed a desire and need to develop a more strategic approach to the functioning of their network.
- Following an initial FY2013 EEC grant that had been secured for strategic planning, a second grant was written by CCC in consort with the Cape Cod ELN.
 - The purpose of this grant was/is the alignment of pre K-Grade 3 professional development & the strengthening of strengthening Cape area family intervention services.
 - This grant was funded through the Department of Early Education & Care in the amount of \$188,000 for the period April 2014-December 30, 2015.
 - The Collaborative subsequently recruited and hired three grant funded consultants to work with Dr. Joe Gilbert in performing the work associated with this initiative. Providers of early childhood services from throughout the region began to gather regularly to discuss activities and implement components of the Strategic Plan. The thrust of grant activities were/are associated with planning for the following :

- *Strengthening existing collaborative networks while developing new networks including a Cape Cod “Elementary Principals and Early Childhood Administrators Committee”*
- *Building “first-time” systems to support and strengthen the fusion of professional development for Pre K-Grade 3 educators within a mixed delivery environment*
- *Engaging families to help them support children's health and educational progress*
- *Insuring enhanced family intervention by developing a “standards based” model for use throughout Cape Cod*
- *May 2015 Conference – “Building Bridges”*

Advanced Studies & Leadership Program (ASLP)

The Advanced Studies and Leadership Program is a program developed (2005) to enhance and enrich the education of high achieving students. This program has been an exciting addition to the schedule of Collaborative services. The program typically serves approximately 160 high achieving students from Cape Cod Collaborative districts. In Summer 2014 (FY2015) there were 208 students participating in the ASLP Program.



Students continue to be selected for this program based on qualifying scores on MCAS and recommendations from district teachers and administrators. Feedback from parents and students has been extremely positive. Significant planning occurred prior to Summer 2014 (FY2015) and the program was expanded to include 208 students when the program's tenth year of ASLP commenced in June 2014.

ASLP Objectives

- To support and stimulate the thinking of high achieving students by providing a 3-week summer program that offers hands-on academic pursuit and interactive leadership activities within a collegial environment.
- To provide a total of 48 hours of project-oriented study in Science, Technology, Engineering and Math (STEM) related subject areas.
- To provide a total of 24 hours of project-oriented study in humanities related subject areas.
- To provide evening programming of interactive leadership activities.
- To provide necessary media and library support to ensure the success of each student

Expansion of ASLP – Summer 2014 (FY2015)

The ASLP student body was expanded from 155 (Summer 2013) students to 208 students (Summer 2014). The expansion of the program was appreciated by students, families and districts. The planning for the expansion occurred throughout the 2013-2014 School Year (FY2014) and began concurrently with the ASLP graduation in July 2013. An additional STEM Pathway was added to the curriculum as were two Humanities courses. The expansion of the Program also entailed the use of 2 dormitories rather than one. This allowed for a male and female dormitory which was conducive to more freedom of movement by students in each dormitory.

National Grid Scholarships – Summer 2014 (FY2015)

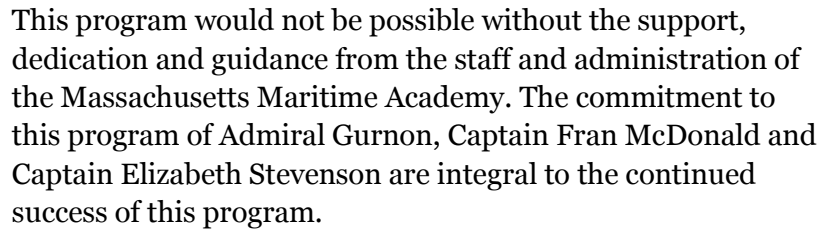
In the Summer of 2011 (early FY2012), one thousand dollar (\$1,000) scholarship grants funded by National Grid were awarded to fifteen (15) students on Cape Cod. For the Summer of 2014 (FY2015), National Grid expanded their commitment to ASLP with a donation of \$40,000. Massachusetts Maritime Academy insured that the scholarships were funded regardless of National grid commitment. These scholarship grants have provided the opportunity for many students to attend the Advanced Studies and Leadership Program at the Massachusetts Maritime Academy. These National Grid scholarships are a “lifeline” to families with high achieving students who are in serious financial need.

ASLP Programming

During the past summer students again designed and built small wind turbines and solar cookers. Some students tested the remotely operated vehicles they designed and constructed in the campus swimming pool. Other students collected marine plankton and analyzed their findings in a lab. Some classes navigated and steered a simulated ship into Boston Harbor using the campus bridge simulator. All students were very active with the recreational and leadership aspects of the program, which included the opportunity to participate in an “improv” theatre class, a student talent night, rock climbing, sailing, and the publication of an ASLP yearbook. Throughout the Summer of 2015 the ALSP band continued to receive rave reviews.

ASLP Staff Support

The ASLP Program continues to be an exceptional program, a program in which each of the districts takes great pride. Mr. Rodney Weston (a retired Science Teacher, Bourne) and Mr. Gil Newton (Science Teacher, Sandwich) have been the backbone of this three-week residential program hosted by the Massachusetts Maritime Academy since the program began in 2005. The dedication and diligence of these individuals, as well as the facilitation and coordination by Dr. Joseph Gilbert are at the heart of this program.



Each summer, at the end of the ASLP session, the Academy awards a full college tuition scholarship to the Academy to one male and one female participant from the program.



Inclusive Concurrent Enrollment

Mr. Hilton met with Superintendents, Special Education Directors, State Agency staff, Adult Service provider staff and Cape Cod Community College staff to develop a proposal (on behalf of Cape Cod Community College) that would support “Inclusive Concurrent Enrollment” for young adults (ages eighteen to twenty-two, 18-22) with significant disabilities. This grant proposal was/is targeted at supporting these students in accessing opportunities at the Cape Cod Community College.

Mr. Hilton coordinated the development of this grant proposal with school districts, families and community partners. This grant was submitted on behalf of, and through, the Cape Cod Community College. This planning grant was funded in January 2014 and served as the catalyst for a subsequent implementation grant submitted by the Community College that was funded for FY2015.

During FY2015 several students from member districts began their active participation in this programming at Cape Cod Community College.

Center for Executive Search

The Cape Cod Collaborative continues to assist and support school districts in their searches for key administrators in their districts. The Center for Executive Search has assisted districts in with advertising, interviewing and hiring superintendents, business managers, principals, special education directors, and a Collaborative Executive Director. A team of capable professionals is coordinated by Dr. Joseph Gilbert in supporting districts accessing the Center for Executive Search.

In FY2015, the Center for Executive Search assisted the Nauset Public Schools in their search for a *Superintendent of Schools* (Welcome, *Thomas Conrad*). The Collaborative Center for Executive Search was selected by this district to assist in their search after each district had considered other options and determined that the Collaborative proposal was the most advantageous for the district.

Cape Cod Center for Graduate Education

Mr. Hilton continued to serve as a member of the Center for Graduate Education Board for the region. Mr. Hilton was elected President of this Board in 2015 as the board embarked on strategic planning for future endeavors. This group consists of representatives from the public school districts in the region, professionals from the community and representatives from Cape Cod Community College. Mr. Hilton continued to participate on an Advisory Committee for Bridgewater State University as they strategized regarding programming as they developed their Yarmouth site (former MacArthur Elementary School).

International Student Hosting Initiative

Mr. Hilton and Dr. Christopher Bogden, an educational consultant that has worked extensively in development of international school programs, continued to facilitate discussions with the Superintendents and Board Members throughout the region regarding the a regional approach for hosting international students who are studying in the United States through the “Student and Exchange Visitor Program” (SEVP).

This initiative has been developed to concurrently address the increasing (international) desire for a “western” education, and to expand the desire to include global education

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options in local schools. Foreign students may currently enroll in public schools in the United States for one year on an F-1 visa. Four districts were approved to host international students through US Homeland Security during FY2014 (Barnstable, Dennis-Yarmouth, Mashpee & Sandwich).

The potential benefits of enrolling foreign students for local school districts include increasing the ethnic and cultural diversity within a district as well as the capacity to set and collect tuition. A Steering Committee met throughout the year to guide this initiative and formed the Cape Cod Global Education Initiative (CCGEI) which partnered with Dr. Bogden's company, Inspiritas.

In October 2013, the Sandwich Public Schools hosted a contingent of school administrators visiting from China. Representatives from An'quing Huide High School of Susong Anhui Province, China visited the four districts mentioned above in March 2014 and signed partnership agreements to promote student exchanges that were to start in November 2014.

Unfortunately, the partnership with the An'quing Huide High School experienced setbacks in FY2015 associated with permitting issues in China. The partnership with Inspiritas continued as further opportunities for international education were explored.

Virtual High School

The Collaborative continued to coordinate a consortium of school districts for Virtual High School (VHS). In FY2015, there were nine (9) districts accessing 425+ "seats" each semester for this highly lauded program. The continued collaboration of the districts provides significant opportunities for savings and efficiencies for the participating districts

Facility Directors Group

Mr. Hilton continued to facilitate meetings of Facility Directors from throughout the region in FY2015. The group has continued to expand to include members from the additional Town Departments and members of the Massachusetts Facility Administrators Association (MFAA). This group became invaluable to facility professionals in sharing ideas and opportunities for improving their work. The group continued to serve as a regional group of the MFAA, a professional organization of Facility Administrators.

This group continued to meet monthly at the Collaborative with ambitious agendas and has gained in credibility with local municipal groups, contractors and professional groups.

Grant Funded Programming

The Collaborative also continued to successfully serve the districts through collaborative grant proposals and projects:

Cape Cod 5 - Teacher Grants

- Collaborative teachers again received five (5) grants for classroom based programming funded, or enhanced, through this grant funding

- Data Specialist Grant/Contract
 - The Collaborative continued to serve as the “lead agency” for the Southeastern Massachusetts Collaborative Regional Organization (S-CRO) in seeking, and receiving funds to support districts throughout southeastern Massachusetts in continuing to staff and support the “data specialist” position for the MA-DESE District Support & Assistance Center (DSAC). Collaborative Data Specialists, Ms. Laura Tilton and Ms. Jane Daly, were replaced by Ms. Leslie Blaney during the year. Ms. Blaney continued to effectively supported districts through the DSAC.

Cape Cod Collaborative Transportation



The Cape Cod Collaborative has assisted school districts in meeting or coordinating their transportation needs in some manner since the establishment of the Collaborative in 1975. The Collaborative formally provided coordination of transportation as a service to the school districts in the 1980s. In response to requests from school districts, the Collaborative expanded this service area significantly over the decades. The coordination and

operation of (district) transportation services through the Collaborative allows districts to gain efficiencies while controlling the quality of their service.

Long-time Transportation Manager Patricia Pawloski left the Collaborative at the start of FY2015. The staff, led by “unretired” (again) Corinne Savery and Lisa Stobbart (a new, but extremely valued addition) managed all Collaborative transportation services. They led a team of drivers, monitors, dispatchers and mechanics in providing exceptional service to students and districts throughout the region.

The Transportation Department has continued to become more closely supported by, and integrated with, the Collaborative Business Operations, as the operational issues and the financial issues are very closely intertwined. To support this integration both Transportation and Business Operations together now occupy the modular offices that were refurbished early in the year and features new communications and technology equipment as well as a functional and pleasant operating environment.



The Winter of 2014-2015 presented significant weather issues. The Transportation staff was exceptional in their dedication and commitment to provision of exceptional service in dire circumstances. The commitment of the staff throughout the winter of 2014-2015 is a prime example of the dedication of the Collaborative staff to the students, families and districts served by the Collaborative.

Large Buses

The Cape Cod Collaborative has provided large bus services on behalf of the Nantucket Public Schools since 1997. The Collaborative started operating large buses on behalf of the Truro Public schools in 2008, and the Mashpee Public Schools in 2009. The Collaborative continued to provide this service to these three (3) districts through FY2015.

The Collaborative continued to assist districts in developing district-based services as well as providing consultation to districts in addressing procurement, capacity, service and operational issues. The Collaborative transported thousands of school children in the region on a daily basis throughout FY2015.

While special needs transportation service costs are shared based the each student's relative share of vehicle costs, general education (large bus) services are based upon an algorithm that calculates costs based upon routing and service requirements (specifications for service). The Collaborative cost-methodology has evolved over time and is useful for determining the appropriate charges for provision of services, as well as for providing member districts with an (estimated) price for comparison with vendors as part of a "bid" process. As the Collaborative "fleet" has grown over time the pooled cost of vehicles has dropped significantly, resulting in cost-benefit to member districts utilizing these services.

In situations where the Collaborative has been asked to provide "pricing" for comparison with "bids" where there is an existing vendor, Collaborative costs are consistently lower than the "bid costs". In several consulting situations, there has been no expectation that the Collaborative would provide the service if pricing is reasonable and there is a good service record of the existing vendor. This does not preclude the capacity for the Collaborative to provide the service in the future.

During FY2015 the Collaborative was asked to provide Special Needs and General Education Transportation cost proposals as part of the bidding process for several member districts. The resulting Collaborative costs are consistently lower than the pricing received from vendors (bid prices). While the Collaborative was not asked to provide the service, the proposals give district administration a benchmark for evaluating costs. Recently a large member District solicited bids for their General Education transportation which yielded only one respondent (the existing vendor) whose bid reflected a 33% cost increase per year for 5 years that would have meant a major budget revision with devastating results in the District. The Collaborative was asked by the District to provide a service analysis for comparison purposes. The District used the analysis as a basis to renegotiate the bid submission reducing the annual increase from more than \$300,000 annually to just over \$50,000 for the 5 year term of the contract.

Special Education Transportation

The Collaborative continued to provide “in-district” special education transportation services in FY2015 to four (4) districts: Nantucket, Nauset Regional (including Brewster, Eastham, Orleans and Wellfleet), Mashpee, and Truro (as needed). The Collaborative also provided “out-of-district” special education transportation (at some level) to most of the districts in the region. Each of these districts has solicited pricing for this service and found the Collaborative pricing (and service) to be the most advantageous, and least expensive, option for the provision of this service.

The Collaborative rates for “out-of-district” special education transportation were refined during FY2013 to reflect districts’ preferences for the allocation of costs for the cost-sharing of each specific route.

In FY2015, the Collaborative continued the process of refining the cost-sharing methodology for transportation services. The methodology continues to be based upon actual costs for each route with “route costs” allocated based on each student’s shared usage of the service. Transportation Costs are segmented into Vehicle Costs, Labor Costs, Mileage Costs, Dispatch Costs and Overhead. The result of the refinement and restructuring of the rates has been an increased trust in, and a deeper understanding of, the service delivery by participating districts. The clear delineation of costs (and the impacts of changes delineated in the rate structure) continue to provide a basis for the Collaborative (and participating districts) to achieve cost efficiencies while maintaining quality services.

Transportation as Consulting & Management

One member district has contracted the Collaborative to manage their transportation needs on a “cost plus 10% program administration” fee basis where the district assists with the purchase of vehicles and is responsible for fuel, while the Collaborative provides the labor, maintenance and dispatch supervision. This arrangement has continued to allow for the sharing of expertise and cost savings by the Collaborative (as well as that district), and for the shared costs of administering the transportation programming.

Transportation Consulting

Maintaining transportation expertise is especially important in a region with an era of declining enrollment and population shifts. These population shifts are due to a variety of factors including: the impact(s) of school choice; district regionalization; changes in school start times; innovative educational programming; and school building closures. Each of these issues has necessitated ongoing attention and flexibility in support services. Utilizing Collaborative transportation expertise allows member districts to plan and to procure services in a cost effective and cost efficient manner.

Business Operations

The Cape Cod Collaborative continues to operate as an extension of the member school districts to strengthen and support educational programs. The business acumen of the Business Office is integral to the success of the Collaborative in providing services in an effective and efficient manner for the students, families and districts in the region.

Mr. Jim Brown has continued as the Business Manager for the Cape Cod Collaborative throughout FY2015. He continues to enhance and refine the business operation to ensure transparency, accountability and efficiency in operations. The Collaborative had completed the transition to a full accounting management system (AccuFund) in FY2014. The transition did necessitate particular attention throughout FY2015 to converted data to eliminate duplication of activity.

Mr. Brown and Mr. Hilton met with the Board of Directors and the Board's Finance Subcommittee throughout the fiscal year to ensure that the business and operational issues were clearly communicated and explained throughout the year. The FY2015 Collaborative Spending Plan was amended throughout the year in coordination with the Board, as enrollment projections were refined, resulting in the need for revenue (and expenditure) modifications.

The Cape Cod Collaborative FY2015 Audit and Audited Financial Statements are appended to this Annual report for Review. The Cape Cod Collaborative has continued to provide effective and efficient programs throughout the year. Each area of the Collaborative operations succeeded in achieving operational, fiscal and programmatic goals throughout the year.

The Collaborative remains in a solid financial footing at the end of FY2015.

During FY2015, for the second year in a row, the Collaborative funded a significant portion of the "Other Post Retirement Benefit" (OPEB) obligation in an irrevocable trust. This Trust Fund will support the provision of benefits for retirees of the Collaborative in the future.

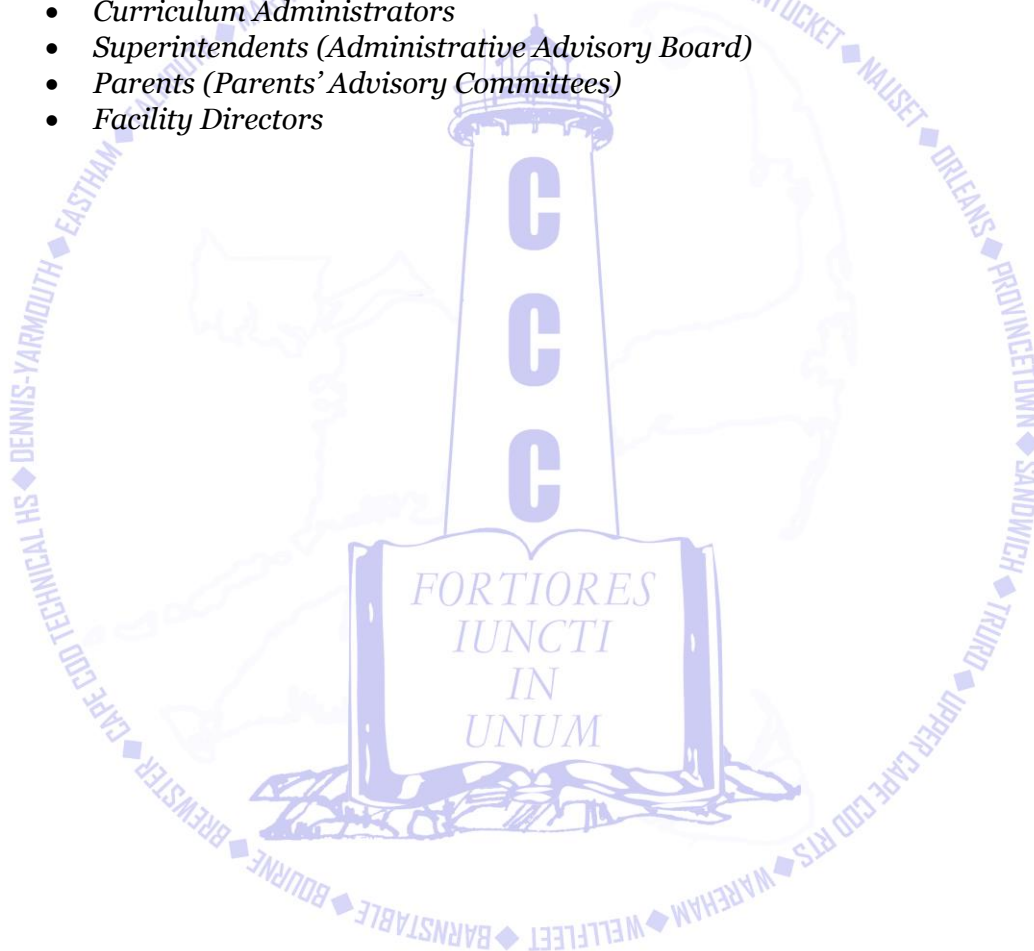


Cape Cod Collaborative

Thank You for Your Support

The advice and guidance of the various constituencies of the Collaborative are integral to the success of the Collaborative programs as well as those served by the Collaborative. Most of these groups meet on a monthly basis and offer guidance and advice to enhance and develop strong, effective, efficient programs. Deep gratitude is due to each of these groups for their consideration and attention.

- *Cape Cod Collaborative Board of Directors*
- *Special Education Directors (Advisory)*
- *Business Managers*
- *Curriculum Administrators*
- *Superintendents (Administrative Advisory Board)*
- *Parents (Parents' Advisory Committees)*
- *Facility Directors*



Cape Cod Collaborative

Member District Participation (June 2015)

District	Oct 2014 Enrollment	Alternative Education Program (6/14)		STAR / Osterville (6/14)	Itinerant Services (Therapies)	ASLP	Professional Development	Transportation (Large Bus)	Special Education Transportation	Virtual High School
		Latency / Middle	High							
Barnstable	5,086	4	10	4	Speech, Behavioral Consultation	36 (2014) / 33 (2015)	Yes	2010-2011 Consultation	Occasional	25 Seats
Bourne	1,999	1	4	1		12 (2014) / 10 (2015)	Yes	2012 Consultation	Occasional	Individual Purchase
Cape Cod Tech	654	0	0	0	Behavioral Consultation, Occupational, Physical		Yes	2011 Pricing	As needed	Joined Consortium 2013
D-Y	2,969	5	8	14	Occupational, Behavioral Consultation	13 (2014) / 13 (2015)	Yes	2010 Consultation; 2011 Consultation; 2013 Consultation	Out-of-District	75 Seats
Falmouth	3,429	2	7	10		30 (2014) / 28 (2015)	Yes	2011 Pricing	Occasional	
Martha's Vineyard	2,061	0	0	0	Speech	10 (2014) / 12 (2015)	Yes	2005 Consultation		
Mashpee	1,606	0	0	7	Stop FY15	11 (2014) / 13 (2015)	Yes	2009 Start	In & Out-of-District	
Monomoy	1,794	0	1	5	Stop FY15	13 (2014) / 12 (2015)	Yes	2012 - Monomoy Consultation	As needed Out-of-District	25 Seats
Nauset (& Union)	2,555	4	2	2	Stop FY11	15 (2014) / 17 (2015)	Yes	2010-2011 Consultation	In & Out-of-District	25 Seats
Brewster		0	0	0			Yes			
Eastham		0	0	0			Yes			
Orleans		0	0	0			Yes			
Wellfleet		0	0	0			Yes			
Nantucket	1,459	0	0	0	Behavioral Consultation	9 (2014) / 9 (2015)	Yes	1997 Start	In & Out-of-District	25 Seats
Provincetown	81	0	0	1	Occupational, Physical	2 (2014) / 2 (2015)	Yes			
Sandwich	2,953	0	0	4	Physical	16 (2014) / 23 (2015)	Yes		Study - FY12	25 Seats
Truro	119	0	0	1	Occupational, Physical, Behavioral Consultation		Yes	2008 Start	In & Out-of-District	
Upper Cape Tech	677	0	0	0	Occupational, Physical		Yes		As needed	Individual Purchase
Wareham	2,656	1	2	6	Behavioral Consultation	12 (2014) / 16 (2015)	Yes	2010 Consultation		

Key	No CCC Service	Stopped Service- CCC Consult	Active CCC Service
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CAPE COD COLLABORATIVE
INDEPENDENT AUDITOR'S REPORTS
BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2015

CAPE COD COLLABORATIVE
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CAPE COD COLLABORATIVE
OFFICIALS
FOR THE YEAR ENDED JUNE 30, 2015

Name	Title
Ms. Terri Medeiros	Co-Chairperson
Dr. Robert Tankard	Co-Chairperson
Mr. Paul Hilton	Executive Director
Ms. Judith FitzGerald	Treasurer
Ms. Elizabeth Deck	Secretary
Mr. Travis Andrade	Board of Directors
Mr. Anthony Brackett	Board of Directors
Ms. Beth Cummings	Board of Directors
Ms. Heather DiPaolo	Board of Directors
Mr. Chris Easley	Board of Directors
Ms. Marie Enochy	Board of Directors
Mr. Robert Fichtenmayer	Board of Directors
Ms. Trish Hill	Board of Directors
Mr. Chris Joyce	Board of Directors
Dr. Fran MacDonald	Board of Directors
Mr. Melvin Lazarus	Board of Directors
Dr. Timothy Lepore	Board of Directors
Mr. Drew Locke	Board of Directors
Mr. Scott McGee	Board of Directors
Ms. Terri Medeiros	Board of Directors
Mr. Phillip Morris	Board of Directors
Ms. Melissa Bonvini Murphy	Board of Directors
Ms. Jill Putnam	Board of Directors
Mr. Edward Rohmer	Board of Directors
Mr. Hank Schumacher	Board of Directors
Ms. Mary Louise Sette	Board of Directors
Dr. Robert Tankard	Board of Directors
Mr. Brian Widegren	Board of Directors
Ms. Ann Williams	Board of Directors

INDEPENDENT AUDITOR'S REPORT

To the Directors of Cape Cod Collaborative
Osterville, Massachusetts:

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Cape Cod Collaborative as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Collaborative's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Cape Cod Collaborative, as of June 30, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

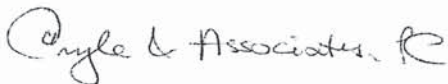
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 6 – 11 and 37 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Cape Cod Collaborative's basic financial statements. The other information and components presented, in accordance with Massachusetts General Law, Chapter 40, sec. 4E, and regulations 603 CMR 50.00, on page 38 is presented for additional analysis and is not a required part of the basic financial statements. These components have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November, 17, 2015, on our consideration of Cape Cod Collaborative's internal control over financial reporting and our tests of its compliance with certain provisions of law, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Cape Cod Collaborative's internal control over financial reporting and compliance.



November 17, 2015

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT
AUDITING STANDARDS**

To the Board Directors
Cape Cod Collaborative

Osterville, Massachusetts

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Cape Cod Collaborative, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Cape Cod Collaborative's basic financial statements, and have issued our report thereon dated November 17, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Cape Cod Collaborative's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Cape Cod Collaborative's internal control. Accordingly, we do not express an opinion on the effectiveness of Cape Cod Collaborative's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Cape Cod Collaborative's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Conyle & Associates, PC". The signature is written in dark ink and is located below the "Purpose of this Report" section.

November 17, 2015

CAPE COD COLLABORATIVE
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015

Cape Cod Collaborative provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2015. We encourage readers to consider this information in conjunction with the Collaborative's financial statements, which follow.

The Cape Cod Collaborative is an agent of its members (school districts); a governmental subdivision of its members. Unlike a Municipality or a School District, the Collaborative values its services by allocating estimated costs based on the projected service needs of its member districts. Inevitably there are variances between projected and actual service needs and estimated and actual costs. An excess or deficiency results to the extent that actual needs fall short of or exceed estimates. When this occurs, and after providing for adequate operating capital, these variances (shared assets or liabilities) are passed on to member districts as future service cost increases or reductions.

Legislation enacted during 2012 (Chapter 43 of the Acts of 2012 - "An Act Relative to Improving Accountability and Oversight of Educational Collaboratives") has had an evolving impact upon educational collaboratives in Massachusetts, especially with the increased administrative burden associated with increased accountability requirements. The Cape Cod Collaborative is in a good position to adapt to this increasing demand, and continues to expand and develop its technology resources to meet these requirements. Several significant hardware and software upgrades initiated in 2012 will continue into 2016 and will improve: financial reporting, teacher evaluation processes, student learning and network server access.

The STAR program in Osterville, and Waypoint Academy (previously the Alternative Education Program) on Joint Base Cape Cod in Bourne are Collaborative tuition programs. 2015 enrollment increased through the year due to changing student populations, and transportation service requests increased by nearly 20% over the prior period. Our student population is typically very fluid throughout the year; a number of factors impact enrollment such as: residential placement, students who attain the age of 22, students who return to their district or leave the area entirely. While a large percentage of our enrollment is stable these other factors can fluctuate from projections by 20%, which can be problematic without budgetary safeguards. Consequently, many of our spending decisions (wages and other expenses) are predicated on evolving enrollment, which allows us to be quite efficient at providing services.

The restructuring of transportation administration which began in 2014 added administrative support and increased reliance on database improvement. This continued into 2015 where Transportation was closely aligned with the Business Office in order to provide administrative and technology support. We continue to work with districts to refine the in-district costing templates, providing them with control over their services and costs, and yielding significant efficiencies for us and cost savings for them. We continue to see this as having resulted in an increase in the transportation services we provide to members. Transportation invoicing, while more transparent and efficient, is still complicated and cumbersome. The alignment with the Business Office has allowed us to work quickly to automate the process, eliminate the redundancy and intensity of manual manipulation that was previously required. The automation will continue into 2016 with the addition of GPS/AVL services that will provide time and distance data to feed the costing process and facilitate the cost allocation process.

The acclaimed Advanced Studies and Leadership Program (ASLP), in partnership with Massachusetts Maritime Academy, had another successful session. 203 enrolled students successfully completed the summer program. The following program objectives were accomplished: To support and stimulate high achieving students by providing a 3-week summer program that offers hands-on academic pursuit and interactive leadership activities within a collegial environment; To provide a total of 48 hours of project-oriented study in STEM related subject areas; To provide a total of 24 hours of project-oriented study in a humanities related subject area; To provide an evening program of interactive leadership activities; To oriented study in STEM related subject areas; To provide a total of 24 hours of project-oriented study in a

CAPE COD COLLABORATIVE
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2015

humanities related subject area; To provide an evening program of interactive leadership activities; To provide necessary media and library support to ensure success for each student. Three additional STEM courses and 2 humanities course were added to the curriculum. Demand for this program has allowed us to expand access to ASLP in 2015. A team of Collaborative Board members and Collaborative and Academy staff developed a plan that could double participation from 2013 levels, phased in, over the next few years. In 2015, for the second year in a row, more than 240 students had applied for the summer 2016 program and 206 attended.

The renovated modular unit was placed into service in the August 2014 to house our Transportation Department and the Business Office. The close proximity of those two services has paid dividends in productivity and communications.

Other Post-retirement Employee Benefits (OPEB) in the Governmental Activities portion of the financial statements represent the unfunded portion of this liability and continues to be a reconciling item between Governmental Activities and the Governmental Funds. In 2014, the Collaborative Board reserved \$180,000 in General Funds for Other Post Retirement Employee Benefits. In fiscal 2015 the Board voted to transfer \$180,000 of previously reserved funds into the irrevocable OPEB Trust that was created to manage these deposits. This transfer is recorded in the 2015 General Fund as a current expenditure.

We are required to implement GASB 68, Accounting and Financial Reporting for Pensions beginning with our 2015 fiscal year. The GASB requires disclosures related to our proportional share of pension costs and liabilities unless you are in a Special Funding situation, such as we are, where the Commonwealth of Massachusetts is responsible to pay for our past service costs and has assumed our pension liabilities. However, we are still responsible to pay the annual normal cost (currently 5.6%; \$178,624 in 2015) and to disclose our proportional share of pensions costs in both MTRS and MSERS. In addition, we must record those proportional pension costs and the Commonwealth's contribution as pension revenue in the financial statements. In 2015 it had the effect of grossing up both revenue and expenses by \$836,692 with no net impact on our fund balance and net position.

At year end the Collaborative was committed to purchase thirteen buses and vans for approximately \$750,467 to replace and improve the existing fleet.

CAPE COD COLLABORATIVE
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2015

2015 FINANCIAL HIGHLIGHTS

- Governmental fund revenues increased 14.6% or \$1,604,852, and expenditures increased by 8.7% or \$973,235 over the prior year which includes the \$836,692 state pension contributions noted above. The resulting excess of revenues over expenditures for 2015 of \$480,912 is attributable to a number of factors, primarily increased in transportation and tuition services.

The Governmental Funds budgeted revenue and other sources exceeded actual revenue, after reversing the effect of the pension contributions, by \$228,068. Expenditures related to the above were less than budgeted amounts by \$216,886. The net excess of expenditures over revenues exceeded the budgeted amount by \$444,954 largely due to the efficiencies of successfully managing expenditures related to increased service requests.

Governmental Funds Budgetary Comparison			
	Modified Budget	Revised Actual	Over (Under)
Revenues and other sources:			
Operations and Special Revenue	\$ 10,981,452	\$ 11,389,520	\$ 408,068
Proceeds from long term debt	400,839	400,839	-
Transfer to OPEB Trust	180,000	-	(180,000)
Total revenue and other sources	<u>\$ 11,562,291</u>	<u>\$ 11,790,359</u>	<u>\$ 228,068</u>
Expenditures and other uses:			
Transportation	\$ 4,518,868	\$ 4,668,163	\$ 149,295
Waypoint Academy	2,710,316	2,489,327	(220,989)
STAR Program	2,602,166	2,493,332	(108,834)
Itinerant Services	1,106,739	1,062,695	(44,044)
Professional Development and Executive Search	325,501	312,773	(12,728)
Advanced Student Leadership Program	262,743	283,157	20,414
Total expenditures and other uses	<u>\$ 11,526,333</u>	<u>\$ 11,309,447</u>	<u>\$ (216,886)</u>
Excess (deficiency) of revenue and other sources over expenditures and other uses	<u>\$ 35,958</u>	<u>\$ 480,912</u>	<u>\$ 444,954</u>

CAPE COD COLLABORATIVE
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2015

- Governmental activities revenues increased 16.7%, or \$1,782,196 from fiscal year 2014, while total expenditures increased by 11.8%, or \$1,272,180, resulting in an increase in net position of \$350,641.

	Primary Government Government Activities			△
	June 30, 2015	June 30, 2014		
Current assets	\$ 3,187,271	\$ 2,886,157	10.4%	\$ 301,114
Capital assets	1,093,546	1,103,545	-0.9%	(9,999)
Total assets	4,280,817	3,989,702	7.3%	291,115
Current liabilities	1,405,783	1,652,168	-14.9%	(246,385)
Non-current liabilities	2,301,671	2,114,812	8.8%	186,859
Total liabilities	3,707,454	3,766,980	-1.6%	(59,526)
Net position	573,363	222,722	157.4%	350,641
Total liabilities and net position	\$ 4,280,817	\$ 3,989,702	7.3%	\$ 291,115
	June 30, 2015	June 30, 2014		
Revenues				
Tuition and therapy revenue	\$ 6,903,409	\$ 6,198,320	11.4%	\$ 705,089
Other charges for services	5,322,803	4,326,161	23.0%	996,642
Operating Grants	209,087	128,622	62.6%	80,465
Total revenues	12,435,299	10,653,103	16.7%	1,782,196
Expenditures				
Student Instructional Services	6,809,019	6,379,923	6.7%	429,096
Student Transportation Services	4,495,166	3,990,540	12.6%	504,626
Professional Development and Executive Search	496,258	330,318	50.2%	165,940
Advanced Studies Leadership Program	284,215	111,698	154.4%	172,517
Total Expenditures	12,084,658	10,812,479	11.8%	1,272,180
Change in net position	\$ 350,641	\$ (159,376)	320.0%	\$ 510,017
Net position - beginning	222,722	382,098		
Net position - ending	\$ 573,363	\$ 222,722		

CAPE COD COLLABORATIVE
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2015

USING THIS ANNUAL REPORT

The annual report consists of a series of financial statements and other information, as follows:

- **Management's Discussion and Analysis** introduces the basic financial statements and provides an analytical overview of the Collaborative's financial activities.
- The **Fund Financial Statements** tell how governmental services were financed in the short term as well as what remains for future spending. The Collaborative's Budget follows Governmental Funds reporting. Fund financial statements report operations in more detail than the Government-wide Statements by providing information about the most significant funds.
- The **Government-wide Financial Statements** consist of a *Statement of Net Position* and a *Statement of Activities*. These provide information about the activities of the Collaborative as a whole and present an overall view of the Collaborative's finances including Fixed Assets, Depreciation, Long Term Debt and Other Post-retirement Employee Benefits.
- **Notes to Financial Statements** provide additional information essential to a full understanding of the data provided in the basic financial statements. It is here that you will find a reconciliation of the Statement of Net Position to the Funds Balance Sheet as well as detail concerning some significant major transactions.
- **Required Supplementary Information** further explains and supports the financial statements with a comparison to the Collaborative's Governmental Fund budget for the year. This year the new legislation also requires the Collaborative to provide other data as mandated by the Massachusetts Department of Elementary and Secondary Education.

REPORTING THE COLLABORATIVE'S FINANCIAL ACTIVITIES

Government-wide Financial Statements

One of the most important questions asked about the Collaborative's finances is, "Is the Collaborative as a whole better off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information which helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting and the economic resources measurement focus, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account, regardless of when cash is received or paid.

The Statement of Net Position presents all of the Collaborative's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in the Collaborative's net position may serve as a useful indicator of whether the financial position of the Collaborative is improving or deteriorating.

The Statement of Activities presents information showing how the Collaborative's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods.

The Collaborative's activities are presented in the Statement of Net Position and the Statement of Activities.

CAPE COD COLLABORATIVE
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2015

Fund Financial Statements

The Collaborative has one kind of fund:

Governmental funds account for most of the Collaborative's basic services. These statements focus upon how money flows into and out of those funds, and the resulting balances that remain at year-end that are available for spending. These funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund financial statements provide a detailed, short-term view of the Collaborative's general governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Collaborative's programs.

The required financial statements for governmental funds include a balance sheet, a statement of revenues and expenditures and a statement of changes in fund balances.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of financial position. Cape Cod Collaborative's combined net position was higher than a year ago, increasing from \$222,722 to \$573,363 primarily due to increased transportation and tuition services mentioned in "financial highlights" above.

CONTACTING THE COLLABORATIVE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our member districts, member communities, and creditors with a general overview of Cape Cod Collaborative's finances and to show the Collaborative's accountability for the money it receives. If you have any questions about this report or need additional financial information, please contact Cape Cod Collaborative's business office at 418 Bumps River Road, Osterville, MA 02655. The business office can be contacted by telephone at (508) 420-6950 extension 13.

BASIC FINANCIAL STATEMENTS

CAPE COD COLLABORATIVE
STATEMENT OF NET POSITION
JUNE 30, 2015

	Primary Government Total Governmental Activities / Totals
Assets	
Cash and Cash Equivalents	\$ 438,079
Investments	1,997,689
Accounts Receivable	751,503
Capital Assets net of Accumulated	1,093,546
Total Assets	<u>\$ 4,280,817</u>
Liabilities:	
Accounts Payable	\$ 246,320
Current Portion of Capital Lease Obligations	321,054
Accrued Expenses	585,310
Deferred Revenue	253,099
Total Current Liabilities	<u>1,405,783</u>
Capital Lease Obligations	702,948
Other Post Retirement Employee Benefits	1,598,723
Total Non-current Liabilities	<u>2,301,671</u>
Net Position	
Investments in Capital Assets, net of related Debt	69,545
Unrestricted	503,820
Total Net Position	<u>573,363</u>
Total Liabilities and Net Position	<u>\$ 4,280,817</u>

CAPE COD COLLABORATIVE
STATEMENT OF ACTIVITIES
JUNE 30, 2015

	Expenses	Program Revenues		Net Revenue (Expense) and Change in Net Position
		Charges for Services	Operating Grants	
Student Instructional Services	\$ 6,809,019	\$ 6,903,409	\$ 35,248	\$ 129,638
Student Transportation Services	4,495,166	4,688,212	-	193,046
Professional Development and Executive Search	496,258	350,376	173,839	27,957
Advanced Studies and Leadership Program	284,215	284,215	-	-
Total Primary Government	\$ 12,084,658	\$ 12,226,212	\$ 209,087	\$ 350,641
			Change in Net Position	\$ 350,641
			Net Position - Beginning	222,722
			Net Position - Ending	\$ 573,363

See notes to financial statements

CAPE COD COLLABORATIVE
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	General Funds	Special Revenue Funds	Total Governmental Fund Types
Assets			
Cash and Cash Equivalents	\$ 438,079	\$ -	\$ 438,079
Investments	1,997,689	-	1,997,689
Accounts Receivable	751,504	49,787	801,291
Total Assets	<u>\$ 3,187,272</u>	<u>\$ 49,787</u>	<u>\$ 3,237,059</u>
Liabilities:			
Accounts Payable	\$ 246,320	\$ 4,715	\$ 251,035
Accrued Expenses	462,285	45,072	507,357
Deferred Revenue	253,099	-	253,099
Total Liabilities	<u>961,704</u>	<u>49,787</u>	<u>1,011,491</u>
Equity - Fund Balances			
Committed	180,000	-	180,000
Unassigned	2,045,568	-	2,045,568
Total Equity - Fund Balance June 30, 2015	<u>2,225,568</u>	<u>-</u>	<u>2,225,568</u>
Total Liabilities and Equity - Fund Balance	<u>\$ 3,187,272</u>	<u>\$ 49,787</u>	<u>\$ 3,237,059</u>

CAPE COD COLLABORATIVE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

JUNE 30, 2015

	General Fund	Special Revenue Funds	TOTAL
Revenue			
Tuition	\$ 5,558,669	\$ -	\$ 5,558,669
Service Revenue	5,661,091	-	5,661,091
Grant Revenue	-	196,303	196,303
Other Revenue	169,760	12,783	182,543
Proceeds from Long Term Debt	400,839	-	400,839
State Contributions to Retirement Plans	836,692	-	836,692
Total Revenue	12,627,051	209,086	12,836,137
Expenditures			
Transportation	\$ 4,864,087	\$ -	\$ 4,864,087
Waypoint Academy	2,741,335	33,395	2,774,730
STAR Program	2,723,325	1,852	2,725,177
Itinerant Services	1,213,760	-	1,213,760
Professional Development & Executive Search	320,475	173,839	494,313
Advanced Studies & Leadership Program	283,157	-	283,157
Total Expenditures	12,146,139	209,086	12,355,225
Excess of Revenues Over Expenditures	\$ 480,912	\$ -	\$ 480,912

CAPE COD COLLABORATIVE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

JUNE 30, 2015

	General Fund	Special Revenue Funds	TOTAL
Revenue			
Tuition	\$ 5,558,669	\$ -	\$ 5,558,669
Service Revenue	5,661,091	-	5,661,091
Grant Revenue	-	196,303	196,303
Other Revenue	169,760	12,783	182,543
Proceeds from Long Term Debt	400,839	-	400,839
State Contributions to Retirement Plans	836,692	-	836,692
Total Revenue	12,627,051	209,086	12,836,137
Expenditures			
Transportation	\$ 4,864,087	\$ -	\$ 4,864,087
Waypoint Academy	2,741,335	33,395	2,774,730
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Professional Development & Executive Search	320,475	173,839	494,313
Advanced Studies & Leadership Program	283,157	-	283,157
Total Expenditures	12,146,139	209,086	12,355,225
Excess of Revenues Over Expenditures	\$ 480,912	\$ -	\$ 480,912

CAPE COD COLLABORATIVE
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

Total fund balances - governmental funds	\$ 2,225,568
Amounts reported for governmental activities in the statement of net position are different because:	
Capital Assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$4,760,664 and the accumulated depreciation/amortization is \$3,667,118.	1,093,546
Capitalized lease obligations are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(1,024,002)
Other Obligations not due and payable in the current period and therefore are not reported as liabilities in the funds.	(123,026)
Other Post Employment Benefits (OPEB) which are reported as expenses in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds. (see Note 13)	(1,598,723)
Net Position of Governmental Activities in Statement of Net Position	<u>\$ 573,363</u>

CAPE COD COLLABORATIVE
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

Total net change in fund balance of governmental funds	\$ 480,912
Amount of the OPEB annual required contribution in excess of transfers to the OPEB Trust that are not general fund expenditures of the current period (see Note 13).	(147,738)
Governmental fund expenditures in the current period that were paid from accrued expenses in the statement of governmental activities.	40,000
Addition of Capital Assets in the statement of net position that are treated as expenditures of the current period in governmental funds.	408,407
Addition of Capital Obligations in the statement of net position that are treated as proceeds of the current period in governmental funds.	(400,839)
The amount by which depreciation and interest in the statement of activities exceeds capital outlays in governmental funds during the current period.	(30,101)
Change in net position of governmental activities	<hr/> \$ 350,641

CAPE COD COLLABORATIVE
STATEMENT OF FIDUCIARY NET POSITION
RETIREES' HEALTH INSURANCE TRUST
FOR THE YEAR ENDED JUNE 30, 2015

	<u>2015</u>
Assets	
Cash and cash equivalents	\$ -
Investments	<u>367,356</u>
Total Assets	<u><u>367,356</u></u>
Liabilities	
Due to Governmental Funds	<u>41,064</u>
Total Liabilities	<u><u>41,064</u></u>
Net position	
Restricted for:	
Other post-retirement benefits	<u>326,292</u>
Total net position held in trust	<u><u>326,292</u></u>
Total liabilities and net position	<u><u>\$ 367,356</u></u>

CAPE COD COLLABORATIVE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
RETIREES' HEALTH INSURANCE TRUST
FOR THE YEAR ENDED JUNE 30, 2015

	<u>2015</u>
Additions:	
Contributions	\$ 180,000
Income and change in market value	<u>-</u>
Total additions	<u>180,000</u>
Deductions:	
Retiree health insurance expense	17,100
Fees	<u>-</u>
Total deductions	<u>17,100</u>
Change in net position	162,900
Net position - beginning of year	<u>-</u>
Net position - end of year	<u><u>\$ 162,900</u></u>

CAPE COD COLLABORATIVE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 1 NATURE OF BUSINESS

The Cape Cod Collaborative(the "Collaborative") was formed by an agreement between the communities of Barnstable, Bourne, Brewster, Chatham, Eastham, Falmouth, Harwich, Mashpee, Nantucket, Orleans, Provincetown, Sandwich, Truro, Wareham, and Wellfleet, and the regional school districts of Cape Cod Tech, Dennis Yarmouth, Martha's Vineyard, Nauset and Upper Cape Cod Tech, dated March 1, 1975, as amended April 20, 1993. The objectives of the Collaborative include jointly conducting educational programs which shall supplement and strengthen school programs for special needs students offered by the participating communities.

The Collaborative provides specialized services to its own programs and to programs operated directly by its members. In addition, it provides vocational, prevocational, behavioral intervention and developmental skills to the low incidence special needs population.

The Collaborative is a municipal entity, and as such, is exempt from federal income tax. In addition, the Collaborative is designated a Section 501(c) (3) organization under the Internal Revenue Code.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The Collaborative's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America "(GAAP)". The Governmental Accounting Standards Board "(GASB)" is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the Collaborative has the option to apply FASB pronouncements issued after that date to any business-type activities and enterprise funds, the Collaborative has chosen not to do so. The more significant accounting policies established in GAAP and used by the Collaborative are discussed below.

The Collaborative's basic financial statements include both government-wide (reporting the Collaborative as a whole) and fund financial statements (reporting the Collaborative's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. Governmental activities are generally financed through intergovernmental assessments or other non-exchange transactions. The Collaborative does not have any activities classified as business type activities.

In accordance with the general practices of municipal government units and the requirements of the Bureau of Accounts of the Commonwealth of Massachusetts, the accompanying financial statements include the transactions of the Collaborative reported on a modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when they are measurable and available for use by the Collaborative to fund its current school year's operations and, expenditures are recognized as the related liabilities are incurred.

The statement of revenues and expenditures is a statement of financial activities of the funds related to the current reporting period. It does not purport to present the results of operations nor the net income or loss for the period.

CAPE COD COLLABORATIVE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of accounting - continued

Indirect expenses are allocated to programs in the statement of activities based on their relative portion of salaries & wages to total salaries & wages.

Capital Assets

Capital Assets used in governmental activities are stated at cost, less accumulated depreciation. Donated assets are recorded at estimated fair market value at the date of the gift. The Collaborative provides for depreciation using the straight-line method over the assets' estimated useful lives as follows:

<u>Asset Classification</u>	<u>Estimated Useful Life</u>
Office equipment and furniture	5 years
Leasehold Improvements	10 years
School buses	3-7 years

Reclassifications

Certain reclassifications have been made to the June 30, 2014 financial statements in order to conform to the June 30, 2015 financial statements presentation. Such reclassifications have had no effect on the income previously reported.

Fund accounting

The Collaborative follows fund accounting procedures whereby, for accounting and reporting purposes, resources for various purposes are classified in a self-balancing set of accounts for recording the assets, liabilities, fund balances and changes in the fund balances in accordance with the limitations imposed by the funding agency. The Collaborative's fund balances and account groups consist of:

Governmental fund types

General fund

The general fund balance represents the cumulative balance resulting from all financial transactions relating to the administration, instruction and maintenance activities of the Collaborative.

Restricted Fund

Restricted fund relates primarily to Federal, state and private grants, the purposes of which are to develop or to purchase equipment or other materials, with the overall goal of fulfilling a wide range of needs of the Collaborative.

Fiduciary Fund

The Retirees' Health Insurance Trust fund accounts for resources the Collaborative is accumulating for future other post-employment health insurance benefits to be provided to eligible retirees.

Fund Balance Disclosures

The commitment or assignment of fund balance is the responsibility of the Collaborative Board of Directors, and a modification or rescission of a commitment or assignment similarly must be approved by a vote of that body. The Collaborative's policy is to use restricted funds for the intended purpose even though unrestricted funds are available.

CAPE COD COLLABORATIVE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Disclosures - continued

In accordance with Government Accounting Standards Board 54, Fund Balance reporting and Governmental Fund Type Definitions, the Collaborative classifies governmental fund balances as follows:

- Non-spendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.
- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
- Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the Collaborative through formal action of the Board of Directors and does not lapse at year-end.
- Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Board of Directors.
- Unassigned includes positive fund balances within the General Fund which have not been classified within the above mentioned categories and negative fund balances in other governmental funds.

The non-spendable fund balance is comprised of prepaid expenses. The Collaborative uses restricted/committed amounts to be spent first when both restricted and unrestricted fund balances are available unless there are legal documents/contracts that prohibit doing this, such as a grant agreement requiring dollar for dollar spending. Additionally, the Collaborative would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made. The Collaborative does not have a formal minimum fund balance policy.

Government-wide statements

In the government-wide Statement of Net Position, governmental columns are presented on a consolidated basis and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Collaborative's Net Position is reported in three parts: investments in capital assets, net of related debt; restricted; and unrestricted. The Collaborative first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the sources and uses of funds received by the Collaborative.

The government-wide focus is more on the sustainability of the Collaborative as an entity and the change in the Collaborative's net position resulting from the current year's activities.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

CAPE COD COLLABORATIVE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting - continued

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for un-matured interest on general long-term debt which is recognized when due, and certain compensated absences, claims and judgments which are recognized when the obligations are expected to be liquidated with current expendable available resources.

Entitlements and shared revenues are recorded at the time of receipt, or earlier, if the susceptible to accrual criteria is met. Expenditure driven grants recognize revenue when the qualifying expenditures are incurred and all other grant requirements are met.

NOTE 3 TUITION CHARGES TO PARTICIPATING COMMUNITIES

Under the terms of the agreement establishing the Collaborative, the Collaborative's costs are apportioned and tuition charges are levied against the communities forming the Collaborative. The Collaborative's costs are apportioned based on the enrollments from the respective communities in the Collaborative. These charges may be reduced by budgeted credits from other sources, or a portion of any surplus revenue as determined by the Board of Directors.

NOTE 4 RETIREMENT PLANS AND PENSION COSTS

Massachusetts Teachers Retirement System (MTRS)

The Massachusetts Teachers' Retirement System (MTRS) is a public employee retirement system (PERS) that administers a cost-sharing multi-employer defined benefit plan, as defined in Governmental Accounting Standards Board (GASB) Statement No. 67, Financial Reporting for Pension Plans. MTRS is managed by the Commonwealth of Massachusetts ("Commonwealth") on behalf of municipal teachers and municipal teacher retirees. The Commonwealth is a non-employer contributor and is responsible for all contributions and future benefit requirements of the MTRS. The MTRS covers certified teachers in cities (except Boston), towns, regional school districts, charter schools, educational collaboratives and Quincy College. The MTRS is part of the Commonwealth's reporting entity and does not issue a stand-alone audited financial report.

Financial information of the MTRS' Pension Trust fund financial statements are contained in the Commonwealth's Comprehensive Annual Financial Report (CAFR), including the Plan's fiduciary net position. A copy of the Commonwealth's CAFR may be obtained by contacting the Comptroller's office at One Ashburton Place #919, Boston, MA 02108.

Management of MTRS is vested in the Massachusetts Teachers' Retirement Board (MTRB), which consists of seven members-two elected by the MTRS members, one who is chosen by the six other MTRB members, the State Treasurer (or their designee), the State Auditor (or their designee), a member appointed by the Governor, and the Commissioner of Education (or their designee), who serves ex-officio as the Chairman of the MTRB.

CAPE COD COLLABORATIVE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 4 RETIREMENT PLANS AND PENSION COSTS (CONTINUED)

Benefits provided

MTRS provides retirement, disability, survivor and death benefits to members and their beneficiaries. Massachusetts General Laws (MGL) establishes uniform benefit and contribution requirements for all contributory PERS. These requirements provide for superannuation retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation. For employees hired after April 1, 2012, retirement allowances are calculated on the basis of the last five years or any five consecutive years, whichever is greater in terms of compensation. Benefit payments are based upon a member's age, length of creditable service, and group creditable service, and group classification. The authority for amending these provisions rests with the Legislature.

Members become vested after ten years of creditable service. A superannuation retirement allowance may be received upon the completion of twenty years of creditable service or upon reaching the age of 55 with ten years of service. Normal retirement for most employees occurs at age 65. Most employees who joined the system after April 1, 2012 cannot retire prior to age 60.

The MTRS' funding policies have been established by Chapter 32 of the MGL. The Legislature has the authority to amend these policies. The annuity portion of the MTRS retirement allowance is funded by employees, who contribute a percentage of their regular compensation. Costs of administering the plan are funded out of plan assets.

Member contributions for MTRS vary depending on the most recent date of membership:

<u>Hire Date</u>	<u>% of Compensation</u>
Prior to 1975	5% of regular compensation
1975 -1983	7% of regular compensation
1984 to 6/30/1996	8% of regular compensation
7/1/1996 to 6/30/2001	9% of regular compensation
7/1/2001 to present	11% of regular compensation (for teachers hired after 7/1/01 and those accepting provisions of Chapter 114 of the Acts of 2000)
1979 to present	An additional 2% of regular compensation in excess of \$30,000

Educational collaboratives

The Collaborative is in a special funding situation and is required to recognize pension expense and revenue for the support provided by the non-employer contributing entity (the Commonwealth). All employers in MTRS are special funding situations with employer contributions paid by the Commonwealth. The amount reported as the Collaborative's Pension Expense and Revenue for Commonwealth Support is calculated by multiplying the collective pension expense by the allocation percentage as shown in the MTRS Supplemental Schedule of Employer Allocations of Special Funding Amounts.

CAPE COD COLLABORATIVE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 4 RETIREMENT PLANS AND PENSION COSTS (CONTINUED)

The Supplemental Schedule of Employer Allocations of Special Funding Amounts shows the total Commonwealth support provided to the employers for the year ending June 30, 2014. The total of Commonwealth provided contributions has been allocated based on the ratio of each employer's covered payroll to the total covered payroll (approximately \$6,131,494,000) of employers in MTRS as of the measurement date of June 30, 2014. As of that date, the Collaborative's proportionate share of the net pension liability was .047154%, or \$7,495,802. This allocation percentage was determined through an actuarial allocation methodology determined by the MTRS. The Collaborative has recorded revenue and expense of \$520,769 related to the Commonwealth's support for June 30, 2015.

Actuarial Assumptions

The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of January 1, 2014 rolled forward to June 30, 2014. This valuation used the following assumptions:

- 1) 8.0% investment rate of return, (b) 3.5% interest rate credited to the annuity savings fund and (c) 3.0% cost of living increase per year.
- 2) Salary increases are based on analyses of past experience but range from 4.0% to 7.5% depending on length of service.
- 3) Mortality rates were as follows:
 - a) Pre-retirement- reflects RP-2000 Employees table adjusted for "white-collar" employment projected 22 years with Scale AA (gender distinct)
 - b) Post-retirement- reflects RP-2000 Healthy Annuitant table adjusted for large annuity amounts and projected 17 years with Scale AA (gender distinct)
 - c) Disability- reflects RP-2000 Healthy Annuitant table adjusted for large annuity amounts and projected 17 years with Scale AA (gender distinct) set forward 3 years for males.

Investment assets of the MTRS are with the Pension Reserves Investment Trust (PRIT) Fund. The long term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage. Best estimates of geometric rates of return for each major asset class included in the PRIT Fund's target asset allocation as of June 30, 2014 are summarized in the following table:

CAPE COD COLLABORATIVE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 4 RETIREMENT PLANS AND PENSION COSTS (CONTINUED)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
		<u>2014</u>
Global Equity	43.00%	7.20%
Core Fixed Income	13.00%	2.50%
Hedge Funds	10.00%	5.50%
Private Equity	10.00%	8.80%
Real Estate	10.00%	6.30%
Value Added Fixed Income	10.00%	6.30%
Timber/Natural Resources	4.00%	5.00%
Total	<u>100.00%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 8.0%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and the Commonwealth's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rates. Based on those assumptions, the net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity Analysis

The following illustrates the sensitivity of the collective net pension liability to changes in the discount rate. In particular, the table presents the MTRS collective net pension liability assuming it was calculated using a single discount rate that is one-percentage-point lower or one-percentage-point higher than the current discount rate (amounts in thousands):

<u>Fiscal Year Ended</u>	<u>1% Decrease to 7%</u>	<u>Current Discount Rate 8%</u>	<u>1% Increase to 9%</u>
June 30, 2014	\$ 20,247,000	\$ 15,896,000	\$12,200,000

Massachusetts State Employees Retirement System (MSERS)

The Massachusetts State Employees' Retirement System (MSERS) is a public employee retirement system (PERS), that administers a cost-sharing multi-employer defined benefit plan as defined by Governmental Accounting Standards Board (GASB) Statement No. 67, Financial Reporting for Pension Plans, covering substantially all employees of the Commonwealth and certain employees of the independent authorities and agencies..

Management of MSERS is vested in the Massachusetts State Retirement Board (the MSRB) which consists of five members—two elected by current and active MSERS members, one by the remaining members of the MSRB, one who is appointed by the State Treasurer and the State Treasurer, who serves as ex-officio and is the Chair of the MSRB.

CAPE COD COLLABORATIVE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 4 RETIREMENT PLANS AND PENSION COSTS (CONTINUED)

Benefits provided

MSERS provides retirement, disability, survivor and death benefits to members and their beneficiaries. Massachusetts General Laws (MGL) establishes uniform benefit and contribution requirements for all contributory PERS. These requirements provide for superannuation retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation. For employees hired after April 1, 2012, retirement allowances are calculated on the basis of the last five years or any five consecutive years, whichever is greater in terms of compensation. Benefit payments are based upon a member's age, length of creditable service, and group creditable service, and group classification. The authority for amending these provisions rests with the Legislature.

Members become vested after ten years of creditable service. A superannuation retirement allowance may be received upon the completion of twenty years of creditable service or upon reaching the age of 55 with ten years of service. Normal retirement for most employees occurs at age 65; for certain hazardous duty and public safety positions, normal retirement is at age 55. Most employees who joined the system after April 1, 2012 cannot retire prior to age 60.

The MSERS' funding policies have been established by Chapter 32 of the MGL. The Legislature has the authority to amend these policies. The annuity portion of the MSERS retirement allowance is funded by employees, who contribute a percentage of their regular compensation. Costs of administering the plan are funded out of plan assets.

Member contributions for MSERS vary depending on the most recent date of membership:

<u>Hire Date</u>	<u>% of Compensation</u>
Prior to 1975	5% of regular compensation
1975 – 1983	7% of regular compensation
1984 to 6/30/1996	8% of regular compensation
1996 to present	9% of regular compensation
1979 to present	An additional 2% of regular compensation in excess of \$30,000

Educational collaboratives

Collaboratives contribute amounts equal to the "normal cost" of employees' benefits at a rate established by the Public Employees' Retirement Administration Commission (PERAC), currently 5.6% of covered payroll. Legally, collaboratives are only responsible for contributing the annual "normal cost" of their employees' benefits (i.e., the present value of the benefits earned by those employees in any given year) and are not legally responsible for the past service cost attributable to those employees or previously retired employees. In addition, as educational collaboratives are considered 100% special funding situations, the Commonwealth as a non-employer contributor would be legally responsible for the entire past service cost.

As the Collaborative is considered to be in a 100% special funding situation and therefore there is no net pension liability; however, that portion of the Commonwealth's total proportionate share of the net pension liability, \$7,424,105,000, relating to the Collaborative was .05984% or \$4,442,707. The Collaborative contributed 5.6% of applicable payrolls, annual "normal cost", to MSERS, \$178,624, which is recorded as pension expense as of June 30, 2015.

CAPE COD COLLABORATIVE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 4 RETIREMENT PLANS AND PENSION COSTS (CONTINUED)

In addition, according to the apportionment schedule of MSERS net pension liability, the Commonwealth as a non-employer contributed \$315,923, which is recorded by the Collaborative as both revenue and pension expense as of June 30, 2015.

Actuarial Assumptions

The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of January 1, 2014 rolled forward to June 30, 2014. This valuation used the following assumptions:

- 1) (a) 8.0% investment rate of return, (b) 3.5% interest rate credited to the annuity savings fund and (c) 3.0% cost of living increase per year.
- 2) Salary increases are based on analyses of past experience but range from 3.5% to 9.0% depending on group and length of service.
- 3) Mortality rates were as follows:
 - a) Pre-retirement - reflects RP-2000 Employees table projected 20 years with Scale AA (gender distinct)
 - b) Post-retirement - reflects Healthy Annuitant table projected 15 years with Scale AA (gender distinct)
 - c) Disability - the mortality rate is assumed to be in accordance with the RP-2000 Table projected 5 years with Scale AA (gender distinct) set forward 3 years for males.

Investment assets of MSERS are with the Pension Reserves Investment Trust (PRIT) Fund. See MTRS section above for the long-term expected rate of return on pension plan investments and the target asset allocation percentage.

Discount Rate

The discount rate used to measure the total pension liability was the same as described in the MTRS section above.

Sensitivity Analysis

The following illustrates the sensitivity of the collective net pension liability to changes in the discount rate. In particular, the table presents the MSERS collective net pension liability assuming it was calculated using a single discount rate that is one-percentage-point lower or one-percentage-point higher than the current discount rate (amounts in thousands):

<u>Fiscal Year Ended</u>	<u>1% Decrease to 7%</u>	<u>Current Discount Rate 8%</u>	<u>1% Increase to 9%</u>
June 30, 2014	\$10,748,000	\$7,424,105	\$4,571,000

Collaborative contributions to MSERS for the years June 30, 2015, June 30, 2014 and June 30, 2013 were \$178,624, \$179,016 and \$168,821, respectively which represents normal cost (5.6% of eligible payroll). Active Collaborative employees contribute between 5% and 9% (depending upon the date of employment) of their annual compensation, up to \$30,000, and 2% additionally thereafter, as defined.

CAPE COD COLLABORATIVE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 5 CASH AND INVESTMENTS

The Collaborative typically invests cash in excess of the federally insured value in U. S. Treasury securities or other investments on the Massachusetts list of approved investments for municipalities. These investments are recorded on the financial statement at their market value as of year end.

The Collaborative maintains its cash deposits in regional commercial banks. Occasionally the Collaborative maintains balances in excess of federally insured limits. At June 30, 2015 deposits totaled \$438,079, leaving \$188,079, above the FDIC \$250,000 limit, exposed to custodial credit risk, because it was uninsured and uncollateralized. Money Market funds of \$1,977,209, held for investment, are insured at double the FDIC rate, the balance is collateralized by Rockland Trust. The difference between deposit amounts and carrying amounts generally represents outstanding checks and deposits in transit.

In addition, the Collaborative owns 234 shares of Prudential stock which was obtained when that company demutualized around 2001.

Investment Type	<u>Total</u>	<u>Maturity</u>	
		<u>12 months or less</u>	<u>13 to 24 months</u>
Money Market (insured deposit account)	\$ <u>1,977,209</u>	\$ <u>1,977,209</u>	\$ <u> -</u>
Total government funds	<u>1,977,209</u>	<u>\$ 1,977,209</u>	<u> -</u>
Prudential stock (common)	<u>20,480</u>		
Total investments	<u>\$ 1,997,689</u>		

Custodial credit risk for investments is the risk that, in the event of the failure of the counter party to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Collaborative does not have an investment policy covering custodial credit risk. Of the investments listed above, up to \$500,000 in each of the governmental and fiduciary funds is covered by Securities Investor Protection Corporation (SIPC) and the balance is collateralized.

Interest rate risk is the risk that changes in market interest rates that will adversely affect the fair market value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair market value to changes in market interest rates. The Collaborative does not have a formal investment policy which limits investment maturities as a means of managing its exposure to fair value losses arising from changes in interest rates.

The approximate maturities of the Collaborative's debt investments are disclosed in the above table.

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization. Obligations of the U.S. Government and certain of its agencies are not considered to have credit risk and therefore no rating is disclosed in the above table. Equity securities and equity mutual funds are not rated as to credit risk.

Concentration of credit risk – The Collaborative does not have an investment policy which limits the amount that can be invested in anyone issuer or security.

CAPE COD COLLABORATIVE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 6 ACCOUNTS RECEIVABLE

The Collaborative records its accounts receivable at cost less on allowance for billing adjustments. On a periodic basis, the Collaborative evaluates its accounts receivable and this allowance when necessary. The experience and estimation of management indicates that an allowance for adjustments of \$50,000 was necessary at June 30, 2015.

NOTE 7 CONCENTRATIONS OF RISK

Substantially all of the Collaborative's revenues are derived from services offered directly or indirectly to its twenty member towns and regional school districts. For the year ended June 30, 2015, the Collaborative had four member districts which comprised approximately 53% of total annual revenue or approximately \$7,595,978. Accounts receivable potentially expose the Collaborative to a concentration of credit risk. Four member districts accounted for approximately \$367,831 or 53% of the accounts receivable balance at June 30, 2015.

The Collaborative routinely reviews the fiscal viability of its members and, as a consequence, believes that its receivable credit risk is limited.

NOTE 8 LINE OF CREDIT

At June 30, 2015, the Collaborative had a Revolving Demand Note arrangement with a bank which provided for borrowings of up to \$450,000. The arrangement states that the note is secured by all assets of the Collaborative. The note is required to be paid in full for at least thirty (30) consecutive days each year. Interest accrues at a rate of one and one-quarter (1.25%) above the Wall Street Journal prime rate indicator which was 4.5% at June 30, 2015. There was no interest expense related to the Line of Credit in 2015. At June 30, 2015, there was no balance against this note.

NOTE 9 USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

CAPE COD COLLABORATIVE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 10 CAPITAL ASSETS

At June 30, 2015, Capital Assets used in governmental activities consisted of the following:

	<u>2014</u>	<u>Increases (Decreases)</u>	<u>2015</u>
Capital Assets: being depreciated:			
School buses	\$ 4,199,365	\$ 350,839	\$ 4,550,204
Leasehold Improvements	202,892	-	202,892
Furniture & Fixtures	-	7,568	7,568
Office equipment and furniture	<u>25,817</u>	<u>(25,817)</u>	<u>-</u>
Sub-total	<u>4,428,074</u>	<u>332,590</u>	<u>4,760,664</u>
Less accumulated depreciation:			
School buses	3,217,556	345,594	3,563,150
Leasehold Improvements	81,156	20,289	101,445
Furniture & Fixtures	-	2,523	2,523
Office equipment and furniture	<u>25,817</u>	<u>(25,817)</u>	<u>-</u>
Sub-total	<u>\$ 3,324,529</u>	<u>342,589</u>	<u>3,667,118</u>
Governmental capital assets, net	<u>\$ 1,103,545</u>	<u>\$ (9,999)</u>	<u>\$ 1,093,546</u>

Depreciation and amortization expense for the year ended June 30, 2015, June 30, 2014 and June 30 2013 was \$418,406, \$441,644 and \$467,478, respectively.

NOTE 11 COMMITMENTS

The Collaborative leases various office and transportation equipment. Lease payments for these items amounted to \$12,238 during the fiscal year ended June 30, 2015. The Collaborative rented classroom space and office space from various member districts, where it provided program services, and for administrative needs. Rent expense under these agreements amounted to \$261,750 and \$254,500 during the fiscal year ended June 30, 2015 and June 30, 2014 respectively.

In 2011, the Collaborative consolidated several of its STAR programs into a facility located in Osterville, Massachusetts and leases that facility from the Town of Barnstable for a period of 10 years with an option for renewal. The lease amount is based on two committed slots in the Waypoint Academy program, which is currently valued at \$39,500 each. In addition, the Waypoint Academy program consolidated the Latency and Adolescent programs from two buildings into one. This facility is leased from the Town of Bourne for a period of 3 years and is based on the value of three committed slots.

Future Lease Commitments (at the current value):

2016	\$ 268,250
2017	149,750
2018	79,000
2019	79,000
2020	79,000

At year end the Collaborative committed \$180,000 for the payment of Other Post-Employment Benefits. The Collaborative was also committed to finance the purchase of thirteen buses and vans for approximately \$750,457 to replace and improve a portion of the existing bus fleet.

CAPE COD COLLABORATIVE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 12 CAPITAL LEASE OBLIGATIONS

Certain long-term lease transactions relating to the financing of vehicles are accounted for as capital leases in the government wide financial statements. Capital lease obligations reflect the present value of future rental payments, less an interest amount implicit in the lease.

A corresponding amount is capitalized as property and equipment, and amortized over the individual asset's estimated useful life. Amortization of assets under capital lease obligations is included in depreciation expense in reporting Governmental Activities.

At June 30, 2015 capital lease obligations consisted of the following:

	<u>2015</u>	<u>2014</u>
Capital Leases— All in 1 Capital, payable in monthly installments of \$7,059, including interest at 4.37%, final payment due June 2015, collateralized by vehicles	\$ -	\$ 7,026
Capital Leases— Comerica, payable in monthly installments of \$7,047, including interest at 4.29%, final payment due September 2015, collateralized by vehicles	21,003	102,990
Capital Leases— Comerica, payable in monthly installments of \$14,432, including interest at 3.94%, final payment due July 2015, collateralized by vehicles	9,725	36,313
Capital Leases— TD Equipment Finance, payable in monthly installments of \$12,035, including interest at 1.96%, final payment due July 2017, collateralized by vehicles	306,784	444,651
Capital Leases— TD Equipment Finance, payable in monthly installments of \$4,476, including interest at 1.66%, final payment due August 2018, collateralized by vehicles	166,027	216,353
Capital Leases— TD Equipment Finance, payable in monthly installments of \$2,315, including interest at 1.36%, final payment due August 2020, collateralized by vehicles	137,948	163,074
Capital Leases— TD Equipment Finance, payable in monthly installments of \$1,603, including interest at 1.96%, final payment due July 2016, collateralized by vehicles	22,258	41,060
Capital Leases— SunTrust Equipment Finance and Leasing Corp., payable in monthly installments of \$5,168, including interest at 2.338%, final payment due September 2021, collateralized by vehicles	360,257	-
	1,024,002	1,011,467
Less Current Portion	321,054	347,640
	<u>\$ 702,948</u>	<u>\$ 663,827</u>

CAPE COD COLLABORATIVE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 12 CAPITAL LEASE OBLIGATIONS (CONTINUED)

Vehicles and equipment under capital leases included in Capital Assets (net of accumulated depreciation) on the Statement of Net Position totaled \$1,093,546, \$1,103,545 and \$1,047,468 at June 30, 2015, June 30, 2014 and June 30, 2013, respectively.

MATURITIES OF LONG-TERM DEBT

Maturities of long-term debt are as follows:

Year Ending June 30,	Principal	Interest	Capital Leases Total
2016	321,053	17,740	338,793
2017	279,726	12,080	291,806
2018	160,784	7,502	168,286
2019	94,267	4,859	99,126
2020	87,180	2,927	90,107
2021	65,548	1,146	66,694
2022	<u>15,444</u>	<u>60</u>	<u>15,504</u>
	<u>\$ 1,024,002</u>	<u>\$ 46,315</u>	<u>\$ 1,070,316</u>

Related interest expense for the year ended June 30, 2015, June 30, 2014 and June 30, 2013 was \$23,364, \$24,959 and \$54,781 respectively.

NOTE 13 OTHER POST EMPLOYMENT EXPENSES

In addition to the pension benefits described in Note 4, the Collaborative provides health insurance benefits to retirees, their dependents, and beneficiaries in accordance with Chapter 32B of MGL under a sole employer benefit plan. Contributions for funding of these benefits are through the Collaborative's current operations.

The Collaborative adopted and implemented GASB 45 ("Accounting and Financial Reporting by employers for Postemployment Benefits other than Pensions") effective for the fiscal year ending June 30, 2010. As part of this implementation, the Collaborative must recognize the Actuarial Accrued Liability for past service.

The Collaborative's annual other postemployment benefit ("OPEB") cost (expense) is calculated based on the annual required contribution of the employer ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty (30) years. The following table shows the components of the Collaborative's annual OPEB costs for the fiscal year, the amount actually contributed to the plan and changes in the Collaborative's net OPEB obligation to the plan:

CAPE COD COLLABORATIVE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 13 OTHER POST EMPLOYMENT EXPENSES (CONTINUED)

Annual Required Contribution (ARC) for FYE 2015:

Normal Cost	\$ 230,443
Amortization of UAL	75,389
Interest	<u>12,233</u>
Total	318,065
Interest on Net OPEB Obligation	58,039
Adjustment to annual required contribution	<u>(48,366)</u>
Annual OPEB cost (expense)	\$ 327,738
OPEB Trust Contributions made	<u>(180,000)</u>
Increase in net OPEB obligation	\$ 147,738
Net OPEB Obligation – beginning of year	<u>1,450,985</u>
Net OPEB Obligation – end of year	<u>\$ 1,598,723</u>

The Collaborative's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation for the 2015 fiscal year and the two preceding years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Payments	Increase in OPEB Obligation
6/30/2013	\$ 326,805	7,823	318,982
6/30/2014	359,632	\$ 180,000	\$ 179,632
6/30/2015	327,738	\$ 180,000	\$ 147,738

FUNDED STATUS AND FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
07/01/2014	187,356	2,449,018	2,261,662	7.65%	5,918,408	38.2%
07/01/2011	\$0	1,724,811	1,724,811	0.0%	6,001,866	28.7%
07/01/2009	\$0	1,726,831	1,726,831	0.0%	6,614,918	26.1%

As of July 1, 2014, the most recent valuation date, the plan was 7.65% funded. The actuarial liability for benefits was \$2,449,018, and the actuarial value of assets was \$187,356, resulting in an unfunded actuarial accrued liability ("UAAL") of \$2,261,662. The covered payroll (annual payroll of active employees covered by the plan) was \$5,918,408 and the ratio of the UAAL to the covered payroll was 38.2%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contribution of the Collaborative are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented in the required supplementary information following the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

CAPE COD COLLABORATIVE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 13 OTHER POST EMPLOYMENT EXPENSES (CONTINUED)

ACTUARIAL METHODS AND ASSUMPTIONS

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the Collaborative and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the Collaborative and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Valuation Date:	July 1, 2014
Discount Rates:	4.0% partial pre-funding 7.5% full pre-funding
Amortization Method:	Increasing at 4% per year over 30 years on an open amortization period for partial pre-funding. Increasing at 4% per year over 30 years on a closed Amortization period for full pre-funding.

Health Care Cost Trend Rates:	<u>Year</u>	<u>Current</u>	<u>Prior</u>
	1	8.0%	11%
	2	7.5%	10%
	3	7.0%	9%
	4	6.5%	8%
	5	6.0%	7%
	6	5.5%	6%
	7	5.0%	5%
	Ultimate	5.0%	5%

Consumer Price Index (CPI): 3% per year

ACTUARIAL METHODS AND ASSUMPTIONS (CONTINUED)

Medical Plan Participation:	30% of eligible non-teachers and 50% of teachers will elect medical coverage upon retirement.
Dependent Status:	Male spouses are assumed to be three years older and female spouses are assumed to be three years younger than the retired employee. 50% of employees are assumed to retire with a covered spouse. For current retirees, the actual census information provided is used.

CAPE COD COLLABORATIVE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 14 IMPLEMENTATION OF, AND RECENTLY ISSUED ACCOUNTING STANDARDS

The following recent GASB Statements have been implemented and have not had a significant impact on the basic financial statements.

- Statement No. 71 Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68 - Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68
- Statement No. 72 Fair Value Measurement and Application
This Statement addresses accounting and financial reporting issues related to fair value measurements.
- Statement No. 74 Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans after June 15, 2016 - The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability.
- Statement No. 75 Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions after June 15, 2017 - The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB).
- Statement No. 76 after June 15, 2015 - The objective of this Statement is to identify – in the context of the current governmental financial reporting environment – the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles.

NOTE 15 SUBSEQUENT EVENTS

The Collaborative has evaluated all subsequent events through November 17, 2015, the date the financial statements were available to be issued. A \$750,467 lease for the purchase of new buses was executed as of August 18, 2015.

REQUIRED SUPPLEMENTARY INFORMATION

CAPE COD COLLABORATIVE
BUDGETARY COMPARISON OF RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

Governmental Funds Budgetary Comparison							
	Original Budget	Modifications	Modified Budget	Actual	Reverse Intergovernmental Transactions GASB 68	Revised Actual	Over (Under)
Revenues and other sources:							
Operations and Special Revenue	\$ 10,981,452		\$ 10,981,452	\$ 11,389,520		\$ 11,389,520	\$ 408,068
Proceeds from long term debt		400,839	400,839	400,839		400,839	-
State Contributions to Retirement Plans				836,692	(836,692)	-	-
Uses of fund balance:							
Transfer to OPEB Trust		180,000	180,000			-	(180,000)
Total revenue and other sources	\$ 10,981,452	\$ 580,839	\$ 11,562,291	\$ 12,627,051	\$ (836,692)	\$ 11,790,359	\$ 228,068
Expenditures and other uses:							
Transportation	\$ 4,057,992	\$ 460,876	\$ 4,518,868	\$ 4,864,087	\$ (195,924)	\$ 4,668,163	\$ 149,295
Waypoint Academy	2,662,546	47,770	2,710,316	2,741,335	(252,008)	2,489,327	(220,989)
STAR Program	2,554,626	47,540	2,602,166	2,723,325	(229,993)	2,493,332	(108,834)
Itinerant Services	1,083,869	22,870	1,106,739	1,213,760	(151,065)	1,062,695	(44,044)
Professional Development and Executive Search	323,782	1,719	325,501	320,475	(7,702)	312,773	(12,728)
Advanced Student Leadership Program	262,678	65	262,743	283,157		283,157	20,414
Total expenditures and other uses	\$ 10,945,493	\$ 580,839	\$ 11,526,332	\$ 12,146,139	\$ (836,692)	\$ 11,309,447	\$ (216,885)
Excess (deficiency) of revenue and other sources over expenditures and other uses	\$ 35,959	-	\$ 35,959	\$ 480,912	-	\$ 480,912	\$ 444,953

CAPE COD COLLABORATIVE
MASSACHUSETTS DEPARTMENT OF ELEMENTARY AND
SECONDARY EDUCATION REQUIRED INFORMATION
FOR THE YEAR ENDED JUNE 30, 2015

1. Transactions between the Collaborative and any related for-profit or non-profit organizations:	None
2. Transactions related to the purchase, sale, rental or lease of real property:	
Osterville Campus - Town of Barnstable	\$ 76,400
Bourne Campus - Town of Bourne	114,600
Camp Burgess facility - South Shore YMCA	60,000
Pocasset maintenance facility - Chipper LLC	<u>10,750</u>
	<u>261,750</u>
3. Names, duties and total compensation of the five most highly compensated employees:	
Paul Hilton, Executive Director	146,193
Lawrence Carroll, Director of Waypoint Academy	110,939
Anita Woods, Director of STAR Program	107,847
Jim Brown, Business Manager	100,043
Suzanne Greenberg-Carroll, Speech and Language Pathologist	91,715
Amounts expended on administration and overhead:	
Administrative wages and benefits	482,039
Administrative overhead	<u>236,238</u>
	<u>\$ 718,277</u>
4. Accounts held by the Collaborative that may be spent at the discretion of another person or entity:	None
5. Amounts expended on services for individuals age 22 and older:	None

