

Cape Cod Collaborative

Annual Report

2015-2016



Cape Cod Collaborative

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Annual Report 2015-2016

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 2015-2016 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 School
Wellfleet Public Schools



Cape Cod Collaborative

Articles of Agreement (Excerpt)

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.

- 4.2 *Each Member School District shall annually appoint one (1) person from its school committee or charter school board to serve as its representative on the Board of Directors (“appointed representative”).*



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Cape Cod Collaborative Board of Directors **2015-2016**



Terri Medeiros– Co-Chairperson	Falmouth Public Schools
Robert Fichtenmayer – Co-Chairperson	Upper Cape Cod Regional Technical
Chris Joyce (July-March)	Barnstable Public Schools
Michael Judge (March-)	
Heather DiPaolo (July-May)	Bourne Public Schools
Christopher Hyldborg (June-)	
Jessica Larsen	Brewster Public Schools
Phillip Morris	Dennis-Yarmouth Regional
Ann Williams	Cape Cod Regional Technical
Mary Louise Sette	Eastham Public Schools
Kate Devane	Martha’s Vineyard Regional
Geoffrey Gorman (July - November)	Mashpee Public Schools
Scott McGee (December-)	
Brian Widegren	Monomoy Regional Schools
Dr. Timothy Lepore	Nantucket Public Schools
Christopher Easley (July - September)	Nauset Regional Schools
Deborah Beal (October -)	
Hank Schumacher	Orleans Public Schools
Anthony Brackett	Provincetown Public Schools
Beth Cummings	Sandwich Public Schools
Drew Locke	Truro Public Schools
Melvin Lazarus (July-April)	Wareham Public Schools
Mary Morgan (May-)	
Jill Putnam	Wellfleet Public Schools

Administrative Representative

Michael Gradone, Superintendent – Truro

Administrative Board

- 6.1 *The Administrative Board (a professional advisory council composed of a Superintendent or designee from each Member School District) shall meet as called, and may make recommendations to the Board of Directors concerning any aspect of the Collaborative's operation. The Administrative Board may be represented at Board of Directors' meetings by the Chairperson of the Administrative Board or her/his designee. The Executive Director shall be responsible for providing necessary information (i.e., program and financial data) to the Administrative Board.*

Cape Cod & Islands Superintendents

2015-2016



William Butler, Esq.	Barnstable Public Schools
Steven Lamarche	Bourne Public Schools
Robert Sanborn	Cape Cod Regional Technical
Carol Woodbury	Dennis-Yarmouth Regional
Nancy Taylor	Falmouth Public Schools
Dr. Matthew D'Andrea	Martha's Vineyard Regional
Brian Hyde	Mashpee Public Schools
Patricia DeBoer	
Scott Carpenter	Monomoy Regional
Dr. W. Michael Cozort	Nantucket Public Schools
Thomas Conrad	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

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Cape Cod & Islands Special Education Directors 2015-2016

Dr. Jane Jezard (Special Education) Dr. Gina Hurley (Pupil Personnel)	Barnstable Public Schools
Christina Stuart	Bourne Public Schools
Kate Clemens	Cape Cod Regional Technical
Jaime Curley	Dennis-Yarmouth Regional
Charles Joidoin	Falmouth Public Schools
Hope MacLeod	Martha's Vineyard Regional
Michele 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
Beverly Shea	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- | (7 years +) |

The Cape Cod Collaborative has continued to benefit 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.

2015-2016 Program Directors

- | | |
|----------------------|---|
| • Laurence Carroll | Waypoint (2000 – 15 years+) |
| • Dr. Anita Woods | S.T.A.R. Program (2001 – 15 years) |
| • Jim Brown | Business Operations (2005 – 10 years +) <i>retired at close of year</i> |
| • Dr. Joseph Gilbert | Special Projects (2004 – 11 years +) |
| • Lisa Stobbart | Transportation (newly appointed 2 years) |

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Cape Cod Collaborative
418 Bumps River Road
Osterville, MA 02655



Paul C Hilton
Executive Director
508.420.6950
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December 2016

Our (fifth) 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 2015-2016 School (& Fiscal) Year.

Our FY2016 annual report continued to remind us of our commitment to *collaboration and adaptation*.

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.

During this past year, we have especially appreciated the guidance and support of Bill Butler, the Superintendent of the Barnstable Public Schools. Mr. Butler passed away shortly after the close of the school/fiscal year as he assisted the new superintendent in her transition and prepared for his well-deserved retirement. Bill will be greatly missed by all who knew him.

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.

- Jim Brown, the Collaborative Business Manager, retired after eleven years of dedicated service. His dedication and diligence helped to guide the Collaborative to a stable financial status. Mr. Brown has agreed to assist in guiding the organization in a consulting capacity.
- Elaine Warren, who retired after worked tirelessly in our STAR Program for 14 years.
- Jennifer Stevenson and Jennifer Pomocka-Coyner, teachers at the Osterville STAR program left the organization after many years of dedicated service.
- David Sillars, a teacher at Waypoint Academy, left service at the end of the year. Mr. Sillars had been with the school since its establishment in 2005.
- Corinne Savery, a leader in our Transportation area, again moved from full time (+) to part-time work at the end of the year as she prepared to retire for the third time. Ms. Savery's commitment to the students, staff and families has been integral to ensuring success and stability for the organization.
- Other long term staff who left the Collaborative after many years of dedicated service to the students and families served by the Collaborative include: Dana Roderick (7 years); Gail Manning (14 years); Karen Pineau (15 years); Molly Flynn; Amanda Rice; and Joseph Augusta.

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 2015-2016 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. The Articles of Agreement were reviewed and revisions proposed by the Board of Directors in February 2011. These revisions were tabled shortly thereafter as the Massachusetts legislature enacted statutory and regulatory changes that required a resubmission and re-approval of the “collaborative agreement”. The Cape Cod Collaborative Articles of Agreement were revised and submitted for approval by the Massachusetts Department of Elementary & Secondary Education and each Member School Committee. The process for the final approval was formally completed (MA-DESE) on March 25, 2016.
- 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 the increasing mandates and initiatives requiring increased time and resources from district administrators and staff. It is expected that the Collaborative Summits will commence once again as the Articles of Agreement have been accepted and the cacophony of new state and federal mandates and for school districts have subsided.

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 2015-2016 School (& Fiscal) Year.

It will be evident through this discourse, 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 2015-2016:

The Cape Cod Collaborative staff and/or representatives from the Collaborative administration were deeply involved with planning, developing and implementing activities throughout the region throughout the 2015 Fiscal/School Year.

July 2015

The Collaborative Advanced Studies and Leadership Program (ASLP) graduated students from its eleventh session at Massachusetts Maritime Academy. This annual, residential program brings together students from throughout the region for high quality Science, Technology, Engineering and Math (STEM) focused academic activities embedded in an outstanding three-week residential program. The participation in ASLP for Summer 2015 (FY2016) represented students from throughout the entire region.

The Collaborative facilitated the Annual Administrator retreat at Ocean Edge Resort in Brewster. The focus of this region-wide conference was Multi-Tiered Systems of Support (MTSS). The primary facilitator of the event was Dr. Stevan Kukic of the National Center for Learning Disabilities. The districts throughout the region prepared to participate in a multi-year project funded through the Elizabeth and Peter Tower Foundation.

The Collaborative also commenced the first cooperative Superintendent Search through a partnership between the Collaborative Center for Executive Search and the Massachusetts Association of School Committees. Mr. Hilton worked closely with Mr. Glenn Koocher in the development of Barnstable School Superintendent Search activities.

August 2015

The Collaborative continued to explore international educational opportunities. Mr. Hilton worked closely with Dr. Chris Bogden, of the Inspiritas organization, to initiate discussions with various entities to promote international educational programming and partnerships. Further activities were pursued throughout the year, including the opportunity for visiting teacher programming with the Confucius Institute, visits of administrators and students to Cape & Islands region schools through the Boston Ivy organization, and administrator visits to various Cape districts facilitated through the Qindao Damei Educational Consulting organization.

September 2015

Mr. Hilton continued active participation with the Old Colony Superintendents roundtable and the Cape Cod & Islands Superintendents meetings. These groups meet monthly to discuss and develop opportunities and to share information relevant to districts.

Mr. Hilton continued to participate in the Cape Cod Youth Action Plan development through Cape Cod Foundation throughout the fall. This initiative promotes the interaction and cooperative efforts in planning and service delivery for youth throughout the region. Mr. Hilton also met with school committees and school administrators throughout the region on an ongoing basis throughout the year to discuss Collaborative activities and the process of approval of the Articles of Agreement. Mr. Hilton also continued to serve on the advisory board for the electrical program at Plymouth South High School throughout the school year.

October 2015

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 9, 2015. The activities coordinated by the Collaborative included over 720 registrants in workshops that were developed by the Collaborative for district (and Collaborative) staff on that day.

Mr. Hilton continued to serve on regional committees including the Barnstable County Regional Substance Abuse Council and also served as the President of the Cape Cod Center for graduate Education.

November 2015

Mr. Hilton continued to work with to promote a deeper understanding of Collaborative programming and services. Mr. Hilton facilitated tours of Collaborative programs by the principals of the Dennis-Yarmouth Regional High School and Barnstable High School. Mr. Kenneth Jenks and Mr. Patrick Clark met with students in Collaborative programs to gain a deeper understanding of the supports that the Collaborative programs provided for students from their towns.

Collaborative staff also continued to meet with Inclusive Concurrent Enrollment (ICE) program staff to support the programming offered through the Cape Cod Community College in coordination with the school districts throughout the region. Mr. Hilton facilitated the planning of the ICE programming in FY14, and the programming has grown each year to increasingly support students.

Collaborative staff (Mr. Brown and Mr. Hilton) also facilitated the review and modeling of Collaborative transportation services for administrators from South Coast Educational Collaborative (SCWC). This collaborative was/is seeking to better support their districts through the coordinated provision of quality transportation services.

December 2015

The administrators from the Collaborative (Mr. Carroll, Dr. Woods and Mr. Hilton) were invited to present at a national conference regarding initiatives and programming. The presentation at the Association of Educational Service Agencies (AESA), held in New Orleans, was entitled *"Reflection on Practice Positively Impacting Team-Building and Student Outcomes"*. The presentation was facilitated by Dr. Marc Hauser, included Mr. Hilton, Dr. Woods and Ms. Bouchard, and was co-presented with staff from the South Coast Educational Collaborative. Mr. Hilton met with the John F Kennedy Museum staff to plan regional professional development activities and also facilitated a tour of educators from China to school districts on the Cape through Inspiritas.

An early childhood education conference was held on December 10, 2015. This was the culminating event associated with a region-wide strategic planning grant that was facilitated through the Collaborative and served as the basis for a subsequent grant to support further early childhood planning in the region.

January 2016

Transportation Consulting

Mr. Hilton and Mr. Brown met with the Nauset School Committee Transportation SubCommittee to discuss and analyze the transportation needs of the district. The planning began in January 2016 and continued throughout the year and will continue for the future as the district discerns their needs.

Mutli-Tiered Systems of Support

Mr. Hilton also met throughout the fiscal year with representatives from the National Center for Learning Disabilities (NCLD) and the Peter and Elizabeth Tower Foundation to develop a grant proposal to provide regional support to districts in Multi-Tiered Systems of Support (MTSS). The Collaborative agreed to coordinate activities with the districts throughout the region and the National Center for Learning Disabilities. The grant is targeted to build a regional system to support districts with their MTSS work through the Collaborative. Ultimately the grant was funded for an eighteen month period for approximately \$291,000.

Waypoint Academy Relocation

Mr. Hilton also continued to work with representatives of the Board and advisory groups to seek a future site for Waypoint Academy. Mr. Hilton worked closely with the advisory group and with representatives from Upper Cape Cod Regional Technical School to identify potential sites for the relocation in proximity to their school.

Special Needs Teacher Licensure Development

Mr. Hilton initiated discussions with Bridgewater State University to develop and host a regional opportunity for educators in the region, especially Collaborative staff, to complete core requirements for licensure as Special Educators.

February 2016

Annual Legislative Breakfast

The Fourth Annual Collaborative Legislative Breakfast occurred on February 12, 2016. This event was again co-sponsored by MASC Division VII. The event was well attended and included vibrant discussion between regional legislators and regional education stakeholders regarding pertinent issues that impact the Cape Cod & Islands region, as well as a presentation by Eric Heiser of Sturgis Charter School. Representatives Hunt, Mannal, Peake and Whelan attended the breakfast, as did Senators Wolf and DeMacedo. The event was attended by legislators, school committee representatives and local school administrators.

Educators from the Qingdao International School in Qingdao, Shandong Province, China visited the Collaborative and attended the closing of the Legislative Breakfast. This group participated in conversations to develop opportunities for educational exchanges with Cape districts.

MTSS Grant

Mr. Hilton worked closely with National Center for Learning Disabilities consultants to identify and interview candidates to work with school districts throughout the region in support of their MTSS work. Dr. Magdalene Giffune, a retired superintendent and part-time MA-DESE consultant was ultimately identified as the appropriate person to provide this support.

International Programming

Mr. Hilton met with representatives from Qingdao Grand International School following the Legislative Breakfast to discuss opportunities for educational exchanges. It was agreed that further conversations would occur to explore opportunities. Mr. Hilton also met with Jason Hiruo of ACES International in New Haven Connecticut. ACES (Area Cooperative for Educational Services) International is a municipal entity similar to an educational collaborative. Mr. Hiruo and Mr. Hilton discussed opportunities to that may be explore to promote opportunities for global education.

PreSchool Expansion Grant

The Collaborative, through Dr. Joseph Gilbert, facilitated a grant proposal with the towns of Chatham, Dennis, Harwich and Yarmouth (Dennis-Yarmouth and Monomoy Regional school districts) to explore opportunities and develop a strategic plan for the implementation of preschool expansion in the region through a mixed delivery system (public and private). This cooperative grant was funded for \$39,000 and utilized the expertise of a group that specializes in early childhood education issues, *Strategies for Children*.

March 2016

International Education

Mr. Hilton continued to work with school districts, Ispiritas and with ACES International regarding opportunities to promote global educational opportunities. An offer was extended from three groups in China to visit schools in China and to discuss opportunities for educational partnerships. Mr. Hilton worked with school administrators throughout the region to identify potential visitors. Ultimately, Mr. Hilton committed to participate in the visits. Many of the interested administrators in the region were unable to participate due to other obligations during the April Vacation.

Duffy Health Center

Mr. Hilton met with administrators at the Duffy Health Center in Hyannis to discuss common initiatives and to explore the potential for cooperation in programming.

April 2016

Early Learning Network

The activities associated with the PreSchool Expansion Grant continued throughout the spring. Additionally, the early childhood educational professionals throughout the region developed a job-a-like professional group that meets at and through the Collaborative. This group formed following the initial strategic planning grant to continue to share resources and best-practices among professionals.

Language Based Classroom Development

Mr. Hilton worked closely with special education administrators throughout the mid-Cape region to discuss the needs, costs and potential location(s) for classrooms that serve students with language based learning disabilities. A number of students were identified in need of this service and a location was ultimately determined; however, by early summer there was not sufficient commitment to develop this regional classroom and educational opportunity.

International Education - China

Mr. Hilton visited various areas of China throughout the April vacation period. He discussed options and opportunities for the development educational exchanges with various schools that he visited.

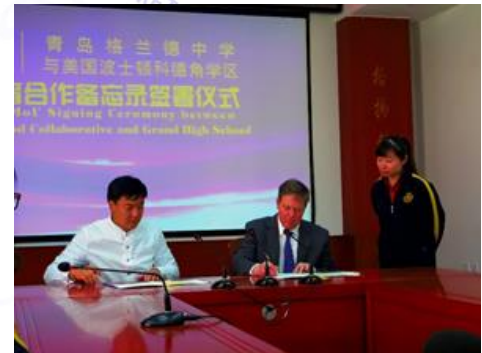
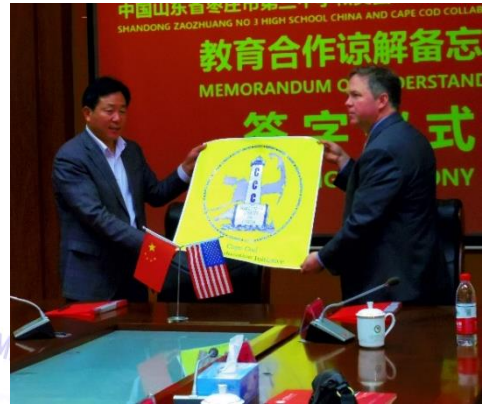
Mr. Hilton, accompanied by Dr. Christopher Bogden from Inspiratas, visited schools in coordination with Qingdao Damei Educational Consulting, Qingdao Grand International School and Boston Ivy. Mr. Hilton visited a school in Daxing, an area of Beijing that was hosting elementary students, parents, teachers, a principal, the superintendent of schools and various town officials from Needham, Massachusetts on the first “home stay” elementary exchange (USA to China) after several years of cooperative programming.

Mr. Hilton met with students, educators and administrators from ten schools as well as local officials in



the various areas visited. Mr. Hilton committed with each of the schools to maintain discussion to explore opportunities for educational exchange on behalf of the districts of the Cape & Islands region.

The Cape Cod Global Education Initiative (CCGEI) met before and after the trip to discuss planned opportunities and committed to ongoing discussion regarding further opportunities.



May 2016

Regional Career & Vocational Education Grant Opportunity

Mr. Hilton worked closely with the school districts throughout the region to facilitate a planning grant proposal with and through the Upper Cape Cod Regional Technical School. This proposal, which was ultimately funded, sought to increase access to Career and Technical Education opportunities for students utilizing existing resources. The development of a partnership committed to working together was a key aspect of this grant proposal.

Waypoint Site Relocation

A feasibility study was conducted on a parcel of land that is adjacent to the Upper Cape Cod Regional Technical School in Bourne. The feasibility study indicated that the property was a feasible location for locating the school building that would be proposed. A property appraisal was conducted for the property and an offer was made for the purchase. The offer was ultimately not accepted and other properties were identified for review.

June 2016

Regional Child Psychiatrist Meeting

Mr. Hilton accompanied Dr. Hauser to a meeting of Child Psychiatrists throughout the Cape Cod region. Dr. Hauser spoke with the group regarding programmatic systems that support students with mental health issues, with particular discussion regarding innovative programming at Waypoint Academy.

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). Many school districts have met and developed plans for further implementation of Multi-Tiered Systems of Support in their 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. Mr. Hilton also participated in a Virtual Education Subcommittee that was formed to explore and implement additional virtual learning opportunities that may be utilized for students in the region. This initiative has resulted in several new online courses being offered each year throughout the Southeastern Massachusetts region (not inclusive of the 200+ courses being offered through the Cape Cod Virtual High School consortium).

MCAS Alternate Assessment

Dr. 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. Dr. Woods also continued to be an invited “scorer” for the MCAS Alternate Assessment.

Court Improvement Program: Educational Stability & Success Task Force

Although this group had not convened throughout the year, Mr. Hilton continued to be available for service as an appointed 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 continues to represent the perspective of educational collaborative leaders as well as the particular challenges evident in the Cape Cod (and Islands) region.

Barnstable County Substance Abuse Council

Mr. Hilton continued to represent 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 had previously 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) and has served on the SAPC committee throughout the year.

Cape Cod Foundation Youth Action Plan

Mr. Hilton continued to participate 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 continued to facilitate community resource sharing.

Partnership for Youth with Disabilities

Mr. Hilton continued efforts with the Partnership for Youth with Disabilities (PYD) to secure funding and opportunities 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. The YEP program was successfully funded for the summer of 2015 through the regional Massachusetts Rehabilitation Commission office (although not through the Collaborative grant).

Cape Cod Global Education Initiative

The Cape Cod Global Education Initiative continued to meet throughout FY2016. There were several visits of students, educators and local officials from various schools, especially in China, to schools throughout the Cape Cod region.

As indicated earlier, Mr. Hilton has continued meeting with various entities to explore opportunities on behalf of the school districts throughout the region. There continues to be increasing interest by school districts in the region to collaborate regarding opportunities to develop strong partnerships with each other, and internationally, to support a growing student interest in global education opportunities.

Multi-Tiered Systems of Support Grant

The Collaborative coordinated the participation of districts throughout the region in a grant funded opportunity to share resources in building capacity to support their efforts with Multi-Tiered Systems of Support in their districts.

A 2 1/2 year grant was secured for the Collaborative to coordinate the regional activities through the National Center for Learning Disabilities (NCLD). As indicated in other areas of this report, this \$291,000 provides funding for staffing and consultation to the school districts throughout the region. The grant was funded through the Peter and Elizabeth Tower Foundation and the proposal was submitted through the National Center for Learning Disabilities.

The Barnstable and Mashpee Public Schools has secured Tower Foundation supported assistance from the NCLD in previous years for similar support programming from national consultants through NCLD.

Mr. Hilton developed an interview process and facilitated the interviews, which resulted in the hiring of a project consultant. Dr. Magdalene Giffune was hired in the Spring of 2016 and the support activities associated with the grant began immediately.

Dr. Giffune and Mr. Hilton met with administrative teams throughout the region in the Spring to re-introduce and further discuss the opportunities associated with this grant funded assistance. Dr. Giffune continued to meet with several school districts teams throughout the spring and summer to develop processes and plans for the 2016-2017 school year.

Dr. Giffune and Dr. Stevan Kukic from NCLD worked with Mr. Hilton to develop the Summer Institute for administrators throughout the region for July 2016.

CVTE Partnership Planning Grant

Mr. Hilton worked with Dr. Robert Dutch of Upper Cape Cod Regional Technical School to develop a proposal for a planning grant to support career and technical education opportunities for students throughout the region. Mr. Hilton facilitated the commitment of school, business, professional and higher education partners to this grant proposal. The proposal (eventually funded) allowed for the exploration and discussion regarding the feasibility and need for programming at the Upper Cape Cod Tech site outside of school hours, as well as the development of additional Career and Vocational Education (CVTE) opportunities that could be more accessible for students at the Collaborative Waypoint Academy program and students within the comprehensive high schools in the region.

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). One most notable was a \$39,000 grant project that developed a two district (Monomoy Regional and D/Y Regional) strategic plan for future implementation of partnered early childhood programs between private schools/agencies and public school districts.



Cape Cod Collaborative

Cape Cod Collaborative STAR Program –Osterville Public Day Program 2015-2016

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

STAR enrollment began at 55 and the year closed out at 65. Focusing on student growth and independence, the staff at the STAR Program emphasize “embedded therapies” and 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 2015-2016 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

During the 2015-2016 School Year, **53 inquiries** for programming were received for the STAR-Osterville Program:

Enrolled in Collaborative	Supported in District(s)	More Restrictive Setting
21 enrolled @ STAR	17 maintained with added support (or other arrangements)	1 Residential
3 to Waypoint	4 “parent inquiries” directed back to district (IEP Process)	
2 for STAR Summer only		
3 considered STAR for Sept 2016		

The programs of the Cape Cod Collaborative reflect the specialized and individualized needs of 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 delivers an opportunity for districts to provide 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 2015-2016 School Year, **6** students were transitioned/discharged from the STAR-Osterville Program; in June 2016, at the close of school, **14** students were transitioned. Of those 20 students:

Enrolled in Collaborative
5 to Waypoint Academy

Returned to District Programming
7 Students

Enrolled in another Day Program
4 Students

More Restrictive (Residential) Setting
1 Student

To Adult Services at age 22
2 Students

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

The Goals for the Osterville-STAR Program during the 2015-2016 School Year were focused upon a key areas including:

- *Social-Emotional Regulation Skills Development:* The Program continued a school-wide Second Step Curriculum focused upon social skills instruction and the “Circles” curriculum focused on social boundaries and levels of relationships. “Zones of Regulation” supplement social skills instruction with integration of social pragmatics, emotional/sensory regulation, and levels of emotions. Peggy Brooks, SW and Beth Kerr, CODA also conducted a specialized (tier 2) social skills groups for targeted students on topics such as anger management and a special “girls group” for dealing with social-emotional regulation.

- *School Community / Culture:* Social-Emotional Learning and Trauma-Sensitive environments create a foundation of embedded supports. Utilizing Positive Behavior Supports aides in consistency and positive reinforcement for all students. All staff (Teachers, Therapists, Paraprofessionals, Nurse, Social Worker, BCBA) participate in ongoing child study meetings creating professional learning communities focused on student growth and development. School culture also works to create supportive and learning environments for staff charged with working with challenging student behavior.
- *Data Management:* The STAR Program continued work with the Risk-Eraser group in developing and utilizing the EDUCATA and Goal Seeker data systems working towards effective use of data. Student outcomes are data driven and all staff are involved in collection and analysis of data to inform instruction and improve student learning. *Professional Learning Communities* (PLCs) were continued throughout the Program with continued focus upon lesson planning and collaboration. Child study meetings support interdisciplinary practices and improved communication to support the individualized needs of STAR students.
 - Data management systems were supportive in responding to the new restraint and seclusion MA regulations that went into effect in January 2016. Data on any restraints are now required to be shared annually with DESE.
- *De-Escalation/Restraint program:* STAR program added a specialized training program, Physical & Psychological Management Training (PMT). PMT offers a continued focus on specialized interventions for working with challenging and unsafe behaviors. Creating safe environments and equipping staff with training on awareness and planning for proactive strategies and responses is key. Planning for crisis management for unsafe situations is also critical in training. Ongoing training for staff works towards decreasing restraints as staff are able to expand their repertoire of responses available to them. It has also been instrumental in helping staff learn to recognize their own management and learning styles.



The **CCC STAR Friendship Garden** continues to be an integral component of the student experience at the STAR Osterville Program and grows each year. In addition to natural opportunities for social, communication, motor and academic skills, sensory components were enhanced in the Friendship Garden this school year. Different textured areas were added for students learning motor movements and exploration. A water wheel provides a visual and textural exploration. Sound tubes create auditory exploration. The herb section, along with flowers also incorporate an olfactory sense. Several of the students put their math and social skills to work to create an area for table and chairs. The Friendship Garden continues to produce sufficiently to supplement the cafeteria 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.

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

The **Long Pasture Audubon Program** continued their collaboration with the STAR Program provided our students with hands-on opportunities to enhance units associated with tidal flats, amphibians and vernal pools.

Students participated in weekly **art classes** lead by a staff member. Students also participate in weekly **Yoga classes** conducted by staff from Yoga Neighborhood. Some students participate in the **YMCA swim program**. Other students enjoy walking programs and movement using our track out in the back of the school.

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



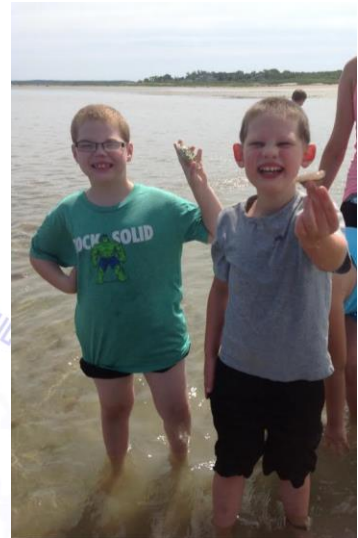
traveled to **Barnstable High School** for weekly

outings. A group of 4th & 5th graders also participated in the **Cape-wide Youth Concert** sponsored by the Cape Cod Symphony in November. We also took a school-wide field trip to Buttonwood Zoo in June.

Families are encouraged to participate in their child's school experience. A **Parent Advisory Group (PAG)** is held monthly for input to programs and services. October was our open house and teachers presented their classroom focus and goals. November was our very popular family luncheon with over 50% of having a family member present. December there was a school-

wide wreath decorating event and wreaths were raffled for students to take home for the holiday. Staff and the PAG also donated items for a "holiday store" where students could *shop* for gifts to give their family members. In May, students and families attended the Special Olympics held at Dennis-Yarmouth Regional High School. In June, our annual family day was held which allows families time to socialize with other families and with staff and students. Additional family support this year included a collaboration with Waypoint Academy to provide a food pantry for families (and for staff) with monthly or bi-monthly food bags.

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.



Dr. Woods continued to demonstrate her dedication and attention to the students, families, districts and staff throughout FY2016. Dr. Woods also continues to serve on the DESE MCAS Alternate Assessment Advisory Council and participates in scoring MCAS Alternate Assessment for MA with Measured Progress. In December 2015, Dr. Woods presented at the Association of Educational Service Agencies (AEE) national conference held in New Orleans as part of a Collaborative team on evidence-based practices within our school settings. In March 2016, Dr. Woods received her doctorate in Educational Leadership from Northeastern University. In April, Dr. Woods coordinated with DDS, MRC, CORD, DMH and other local agencies to coordinate and host a cape-wide Transition Fair.

Cost Effectiveness –The Osterville-STAR Program had a daily tuition rate of \$244 during the 2015-2016 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 an individual 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 (\$244/day – \$43,950/year) for FY2016 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 (\$244/day) is considerably lower than an average tuition of \$322.84/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	\$244	STAR	\$244	STAR	\$244
BC Campus	\$399	Walker	\$390	Higashi	\$334
Schwartz	\$240	St. Vincent's	\$259	May	\$382/\$456/\$474
Perkins	\$518/\$677/\$654	Chamberlain	\$265	Cushing	\$332/\$334
				NECC	\$447

Cape Cod Collaborative Waypoint Academy Public Day Program 2015 – 2016



Waypoint Academy continues to be 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.

This 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) in 1999-2000. The goal of this Committee was to provide programming to educate students who could not be maintained appropriately in the district public school settings, thus requiring a substantially separate educational program. The program was initially only an Alternative High School for students in grades 9-12 and expanded to serve Middle School students (Grades 5-8) in 2003

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.

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 integral to the success of the students (and program) as many, if not most, of our students are affected by significant social emotional issues that may impact their functional ability.

This program continues to offer an effective alternative program for students in a cost-efficient manner and maintains students in programming close to their home district and allows for 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. Although it is not possible, and/or appropriate, for every student to return to their home district, the Academy continues to maintain goals to support each student in this process. The skills that are gained by students while enrolled in this program may be adjusted and generalized to promote success in home and community as well as in the school environment.

Cape Cod Collaborative
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The programming and the enrollment at Waypoint Academy supported **84 students** during the 2015-2016 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
Fall River
Middleboro
New Bedford
Old Rochester Regional
Plymouth
Stoughton
Westport
Weymouth

During 2015.2016 School Year, **35** students were transitioned from the Waypoint Academy Program:

Other	Supported in District(s)	More Restrictive Setting
5 Graduated from Waypoint, earning a <u>diploma</u> from their district	7 transitioned to district programming with added support	5 transitioned to residential settings
6 moved from the region	6 Transferred districts	1 transferred to another program
5 Withdrew from school		

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

District	Enrolled	Un-enrolled
Barnstable	13	5
Boston	1	1
Bourne	7	3
Brockton	1	0
Carver	2	1
Dartmouth	1	0
Dennis-Yarmouth	16	8
Falmouth	12	4
Martha's Vineyard	1	0
Middleboro	1	1
Monomoy	5	2
Mashpee	1	0
Nauset	5	1
New Bedford	1	0
Old Rochester	3	1
Plymouth	4	3
Sandwich	0	0
Stoughton	1	1
Upper Cape Tech	0	0
Wareham	8	5
Weymouth	1	1
Totals	84	37



Waypoint Academy serves the needs of students who are experiencing 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 the program regarding changing student needs. Throughout the 2015-2016 School (and Fiscal) Year databases regarding student achievement and progress were continually refined (and maintained). These databases assist in and inform the program staff regarding student performance and behaviors, including both the individual and the 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 *netbooks*, *Promethean Interactive Screens* and additional iPads. The addition of Promethean interactive boards and interactive software have increased the school's ability to engage students in remote learning activities that promote easier access to the curriculum and online access to class instruction. 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. Dr. Hauser has continued to be integral in developing staff capacity to analyze and apply the data that has been gathered and to assist in the development of interventions to improve student and program performance.

Several programmatic data tracking systems were developed and maintained throughout the past five school years. 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 and decision making regarding student needs. These discussions lead to the ongoing refinement of the manner, and form, of the staff interventions to working with the students (plan interventions) as well as informing instruction /interventions with data (reflective practice).

Program staff continued to focus a considerable amount of their work with Dr. Hauser (and Risk-Eraser) upon the refinement of DDM's (District Determined Measures). These 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 continues to be refined, enhancing the capacity of staff to maintain reflective practices in developing interventions that effectively promote student learning. The program utilizes the Goal Seeker software, which enables faculty immediately access all student goal information in programmatic and social-emotional (personal) goal areas and progress data. The progress in all goal areas is able to be analyzed and presented for student conferences, IEP meetings and planning.

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 continues to have a 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 continued to participate in 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*.

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 Camp Burgess follow an established curriculum with classroom teachers for the associated content areas.



Each week, two groups of five to seven students alternate weeks during which they participated in programming at Camp Burgess. This experience has continued to allow students to actively participate in social skills and 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 integrated farm and forestry programming.

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 “Camp Burgess classroom” 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.



Parent Advisory Group:

Waypoint Parent Advisory Group meetings coincide with ongoing, planned school activities and celebrations. Parents are invited to participate in school wide events organized by the Clinical Team and the Student Council that are scheduled quarterly. Parents have additional opportunities to spend time with their child during school activities and events,

to meet with faculty, to participate in informational activities aimed at improving parent/school relationships, to be included in school planning activities, as well as to participate in skill building and resource sharing. This commitment to school/parent interactions has raised the level of participation of parents and continues to be a valuable source of parent/school sharing and engagement.

Extended School Year: Students enrolled in the Waypoint Academy Program participate in programmatic services from the Academy faculty during the months of July and August. During the summer of 2015, 31 students participated in summer programming. The primary goal of these educational activities is to prevent regression of prior learning and help increase the likelihood that the identified students' make progress during the coming school year.

Cost Effectiveness –Waypoint Academy operated during the 2015-2016 School Year with a daily tuition rate of \$219/\$240 &\$259 per day. The tuition rate is differentiated based upon projected enrollment. Member (and sometimes non-member) districts have purchased “committed” slots (\$219) 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 (\$239/day). The other tuitions (non-committed slots @ \$259/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 evident (in review of the referrals, admission and discharges from the Academy Program) that the Academy serves the Districts effectively 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, or (re)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 (\$219/\$240 &\$259 per day – \$39,500, \$43,130 & 46,600/year) for FY2016 was considerably lower than options, (which are often at great distance and transportation expense). Assuming the Private Day Programs could provide the appropriate services, compare costs of a Waypoint day versus an average tuition of \$322.84/day (\$64,861/year) for Private Day Education Programs in Massachusetts. Each district (and family) considers the needs of the particular students when evaluating each program 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	\$219/\$240 & \$259 (<i>average of \$239</i>)
St. Vincent's	\$259
Chamberlain	\$265
Franklin Perkins	\$291
Southeast Alternative	\$259
Private Day Average	\$322

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 FY2016 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 (including another collaborative) utilized Collaborative staff to supplement services in their districts. Others, especially in small districts, utilize Collaborative staff as the primary service providers for certain types of services. 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 FY2016, the Collaborative therapy staff provided services in Barnstable, Bourne, Cape Cod Technical High School, Dennis-Yarmouth Regional, Martha’s Vineyard, Monomoy Regional, Pilgrim Area Collaborative, Provincetown, Sandwich, Truro and Upper Cape Cod Technical High School. These services were provided at a rate of approximately \$80 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 \$80 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. The Collaborative ceased the provision of “home services” in FY2016 due to a lack of consistent interest and lack of cost efficiency. 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: Cape Cod Tech, Dennis-Yarmouth Regional Schools, Plymouth Public Schools, Nantucket Public Schools, and Truro 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.*

Ms. Pineau accepted a position as a full-time Board Certified Behavior Analyst in a local school district at the close of the 2015-2016 School Year. Her expertise will be a valuable asset for that school system. The Collaborative explored the continued service need and potential for sustainability for service provision for BCBA consultation and determined that it would not continue to be cost effective or cost efficient to continue to offer this service as the demand and commitment for sustained use of the service had decreased. The Collaborative worked with districts that had previously shared her services to prepare for her departure.

Special Projects

The Collaborative supports member (and non-member) school districts through “special project” initiatives. Dr. Joseph Gilbert, a retired Superintendent, leads and 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 FY2016 All-Cape In-Service occurred on October 9, 2015. Most workshops were hosted on the campuses of the Dennis-Yarmouth and Mashpee High Schools.

Over 645 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 2015 All-Cape In-Service (FY2016) was also the fourth All-Cape professional development activity where Member School Districts registered through a shared online platform *SmartPD*, which continues to allow for inter-district sharing of professional development activities on this day and throughout the year.

The average cost per participant for the October 2015 All-Cape In-Service was approximately \$25 including the annual cost of the SmartPD platform for professional development coordination.

The All Cape In-Service Day was expanded 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. On October 9, 2015 approximately 150 early childhood professionals attended 7 sessions of instruction related professional development that was substantially supported with grant funds.

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 2015-2016 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 continues to evolve as a significant focus as the Collaborative continues to coordinate *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 (ELN)**, an active association of early childhood service providers and early childhood educators, have worked with the Collaborative to develop a **Cape-based strategic plan** for coordination of professional development activities associated with early childhood education and services.
- A Department of Early Education & Care (DEEC) grant was secured for strategic planning in FY2013.
- A subsequent grant proposal was developed by Collaborative in coordination with the Cape Cod ELN.
 - The purpose of the FY2015-FY2016 grant was the alignment of pre K-Grade 3 professional development & the strengthening of strengthening Cape area family intervention services.
 - The 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 focus of grant activities were 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*
- *Hosting a May 2015 Conference – “Building Bridges”*
- The culminating activity for this (FY2015-FY2016) grant was a conference in December 2015: “Collaborating for Early Childhood Education & Services with Mixed Delivery Systems”. The conference occurred at the Cape Codder Resort in Hyannis and included participation by local and state representatives, including the Commissioner of Early Education & Care.
- In October of 2015, Special Projects staff, in coordination with the ELN, submitted a \$39,000 Preschool Expansion Grant Proposal to the Department of Early Education and Care (DEEC). This grant was subsequently fully funded. The Project which involved the development of an early childhood education strategic plan for the towns of Chatham, Dennis, Harwich & Yarmouth (including the school districts of Dennis-Yarmouth Regional and Monomoy Regional). Consultants Janice Rotella (lead) and Julie Hall were contracted to develop a strategic plan as part brought together representatives from private preschools/agencies with public school primary level teachers and administrators. After numerous meetings, and a forum that was held in June 2016 that was attended by approximately 60 people, a seminal document outlining the need and methods for expanding preschool within a mixed delivery system of public and private providers was produced and distributed to school districts and agencies across the State. This document was well received by DEEC and widely excerpted in a summary of “promising practices” produced by the Collaborative.

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 continues to be integral to the array of Collaborative coordinated services. The program had typically served 160 high achieving students from Cape Cod Collaborative districts. In Summer 2014 (FY2015) the program enrollment increased approximately 30%, when 208 students participated in the ASLP Program.



Students continue to be selected for this program based on qualifying scores on MCAS or PARCC and recommendations from district teachers and administrators. Feedback from parents and students has been extremely positive.

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.

Cape Cod Collaborative
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- 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

National Grid Scholarships – Summer 2015 (FY2016)

In the Summer of 2011 (early FY2012), one thousand dollar (\$1,000) scholarship grants funded by National Grid were awarded to seventeen (17) students on Cape Cod.

For the Summer of 2015 (FY2016), National Grid expanded their commitment to ASLP with a(nother) donation of \$40,000. Massachusetts Maritime Academy has ensured that the scholarships are funded annually regardless of the National Grid commitment. The National Grid scholarships have been noted by families to be 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. Other students tested the remotely operated vehicles that they designed and constructed in the campus swimming pool. Some students collected marine plankton and analyzed their findings in a lab. Other 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 exceptional, a program in which each of the districts takes great pride. Mr. Gil Newton (Science Teacher, Sandwich) and Mr. Rodney Weston (a retired Science Teacher, Bourne) 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.

Massachusetts Maritime Academy



This program would not be possible without the support, dedication and guidance from the staff and administration of the Massachusetts Maritime Academy. The past, and current, commitment to ASLP of the (now) retired President Admiral Gurnon, the recently appointed President Admiral Francis McDonald and Captain/ Vice President Elizabeth Stevenson have been integral to the success of this program.

President Rear Admiral Dr. McDonald has indispensable and integral to the development establishment of the program with Dr. Joseph Gilbert since its inception in 2005.

The aforementioned grants from National Grid are possible because of the commitment and coordination of Massachusetts Maritime Academy staff.

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

In the previous fiscal year, 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 focused upon supporting these students in accessing opportunities at the Cape Cod Community College.

Mr. Hilton coordinated the development of the 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 FY2016 an increasing number of students from member districts actively participated in Inclusive Concurrent programming at Cape Cod Community College.

Dr. Woods and Mr. Hilton continue to be involved in the coordination and planning of activities associated with the programming.

Center for Executive Search

The Cape Cod Collaborative Center for Executive Search continues to assist and support school districts in their searches for key administrators in their districts. A team of capable professionals is coordinated by Dr. Joseph Gilbert in supporting districts accessing the Center for Executive Search.

In FY2016, Mr. Hilton developed a partnership with the Massachusetts Association of School Committees (MASC) to more effectively and efficiently share resources to meet the

increasing needs for search consultation and coordination with school districts. A successful proposal was developed utilizing the partnership model to assist the Barnstable Public School Committee with the superintendent search (Welcome, *Meg Mayo-Brown*).

Cape Cod Center for Graduate Education

Mr. Hilton was elected President of this Board in 2015 as the board embarked on strategic planning for future endeavors. This group continues to consist of representatives from the public school districts in the region, professionals from the community and representatives from Cape Cod Community College.

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 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 had been 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 collect tuition. A Steering Committee met several times 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 April 2016, Mr. Hilton traveled to China and met with educators, administrators and local officials associated with nine (9) schools in various areas of northeastern China. Mr. Hilton discussed the potential for sharing educational opportunities between the school in the Cape Cod & Islands region and their programs.

There have been increasing numbers students and educators visiting from these school and interest continues to grow regarding the benefits of global education and cultural exchange.

Virtual High School

The Collaborative continued to coordinate a consortium of school districts for Virtual High School (VHS). In FY2016, there were nine (9) districts accessing 425+ “seats” within this highly lauded program. The continued collaboration of the districts provides significant opportunities for quality educational programming along with significant savings and efficiencies for the participating districts.

Facility Directors Group

Mr. Hilton continued to facilitate meetings of Facility Directors from throughout the region in FY2016. This group continues to be invaluable to facility professionals for the sharing of ideas and opportunities regarding their vocation. The group continued to

serve as a regional group of the MFAA, a professional organization of Facility Administrators.

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

Cape Cod Collaborative Transportation



The Cape Cod Collaborative has continued to provide assistance and consultation to school districts regarding their transportation needs since the establishment of the Collaborative in 1975. The Collaborative formally began the provision and coordination of transportation as a service to the school districts in the 1980s. The Collaborative has expanded this service area significantly over the decades in response to expressed district needs. The

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

The staff, led by Lisa Stobbart and Corinne Savery, managed all Collaborative transportation services. Wendy Pennini was hired in September 2015 to provide additional support. 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. The operational issues and the financial issues continue to be very closely intertwined.

Each Winter presents significant weather challenges. The Transportation staff continue to be exceptional in their dedication and commitment to provision of exceptional service in difficult circumstances. The commitment of the staff throughout each winter of are demonstrative 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 FY2016. Discussions have continued with two (2) additional districts that are considering partnership with the Collaborative in the future to meet their student transportation needs.

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, 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 existing vendor pricing is reasonable, and that there is a good service record with the existing vendor.

During FY2016 the Collaborative continued 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 also consistently lower than the pricing received from vendors (bid prices). While the Collaborative was not always asked to provide the service, the proposals give district administration a benchmark for evaluating costs. The Collaborative continues to work with district school administrators and school committees to refine their current transportation needs and discern their future needs.

In FY2016, the Collaborative worked with a member school district to analyze their current transportation services for current and future costs. There were potential efficiencies identified as well as the potential for hundreds of thousands of dollars in savings if they moved to Collaborative provision of their transportation. Another large member District had solicited bids for their General Education transportation yielding only one respondent (the existing vendor) whose bid reflected a 33% cost increase for the first year (of 5 years). This contract would have meant a major budget revision with devastating results in the District. The Collaborative was asked by the District to provide a service and cost analysis for comparison purposes. The District utilized the analysis as a basis to renegotiate the bid submission and reduced 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 FY2016 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 are continually refined to reflect districts’ preferences for the allocation of costs for the cost-sharing of each specific route.

In FY2016, the Collaborative continued the ongoing 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 continued to work with the Collaborative to manage their transportation needs on a “cost plus 10% program administration” fee basis. This 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. The utilization of 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.

Business Manager

Mr. Jim Brown continued as the Business Manager for the Cape Cod Collaborative throughout FY2016. Mr. Brown elected (and deserved) to retire at the close of FY2016. Mr. Brown has agreed to continue to consult with the Collaborative to assist the new Business Manager and to support the Transportation area.

A replacement for Mr. Brown was identified after an in-depth search process. A candidate was selected and accepted an appointment from the Board of Directors in April 2016. Unfortunately, the appointee chose to resign from the position days before his official start date in May 2016. Ms. Amy Lipkind was selected and appointed as the Collaborative Business Manager and started in mid-July 2016.

Mr. Brown's contributions towards enhancing and refining the business operations to ensure transparency, accountability and efficiency in operations were greatly valued.

Accounting Management System

The Collaborative completed the transition to a full accounting management system (AccuFund) in FY2014. Particular attention was required throughout FY2015 to convert data and to eliminate duplication of activity. In FY2016, the Collaborative began to utilize AccuFund for payroll. Continued refinements and improvements to the processes are ongoing.

Business Office Operations Review

In the Spring of 2016, the Collaborative procured a Business Office Operations review to develop a clearer understanding of potential operational issues and to identify areas that may need to be refined, especially with the transition of staff within the Business Office. 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.

Spending Plan

The FY2016 Collaborative Spending Plan was amended throughout the year in coordination with the Board of Directors as enrollment projections were refined, resulting in the need for revenue (and expenditure) modifications.

FY16 Audit and Audited Financial Statements

The Cape Cod Collaborative FY2016 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.

The Collaborative continued to remain in a solid financial position at the end of FY2016.

During FY2016, 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.

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 2015 Enrollment	Waypoint Academy (6/16)		STAR / Osterville (6/16)	Itinerant Services (Therapies)	ASLP	Professional Development	Transportation (Large Bus)	Special Education Transportation	Virtual High School
		Latency / Middle	High							
Barnstable	4,914	1	6	9	Speech, Behavioral Consultation	37	Yes	2010-2011 Consultation	Occasional	25 Seats
Bourne	1,926	1	5	1	Physical	12	Yes	2012 Consultation	Occasional	Individual Purchase
Cape Cod Tech	616	0	0	0	Behavioral Consultation, Occupational, Physical		Yes	2011 Pricing	As needed	Joined Consortium 2013
D-Y	3,084	6	5	13	Occupational, Behavioral Consultation	14	Yes	2010 Consultation; 2011 Consultation; 2013 Consultation;	Out-of-District	50 Seats
Falmouth	3,515	2	5	9		32	Yes	2011 Pricing	Occasional	
Martha's Vineyard	2,135	0	1	0	Speech	12	Yes	2005 Consultation		
Mashpee	1,629	0	1	7	Stop FY15	13	Yes	2009 Start	In & Out-of-District	
Monomoy	1,931	1	2	3	Stop FY15	14	Yes	2012 - Monomoy Consultation	Occasional Out-of-District	25 Seats
Nauset (& Union)	2,499	1	4	5	Stop FY11	18	Yes	2010-2011 Consultation; 2016 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	1,567	0	0	0	Behavioral Consultation	8	Yes	1997 Start	In & Out-of-District	25 Seats
Provincetown	118	0	0	0	Occupational, Physical	0	Yes			
Sandwich	2,773	0	0	4	Physical	24	Yes		Study - FY12	25 Seats
Truro	118	0	0	1	Occupational, Physical, Behavioral Consultation		Yes	2008 Start	In & Out-of-District	
Upper Cape Tech	702	0	0	0	Occupational, Physical		Yes		As needed	Individual Purchase
Wareham	2,506	1	1	8	Stop (FY16)	16	Yes	2010 Consultation	Occasional	

Key	No CCC Service	Stopped Service- CCC Consult	Active CCC Service
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Cape Cod Collaborative

CAPE COD COLLABORATIVE
REPORT ON EXAMINATION OF
BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2016

CAPE COD COLLABORATIVE
REPORT ON EXAMINATION OF BASIC FINANCIAL STATEMENTS

JUNE 30, 2016

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Independent Auditor's Report

To the Board of Directors
Cape Cod Collaborative
Osterville, Massachusetts

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Cape Cod Collaborative (the "Collaborative"), as of and for the year ended June 30, 2016, 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, 2016, and the respective changes in financial position thereof 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 the required supplementary information, as listed in the table of contents, 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 the Collaborative's basic financial statements. The other information, as listed in the table of contents, is presented for the purpose of additional analysis and is not a required part of the financial statements.

The other information has 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 it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2016, on our consideration of the Collaborative's internal control over financial reporting and our tests of its compliance with certain provisions of laws, 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 the 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 the Collaborative's internal control over financial reporting and compliance.

A handwritten signature in black ink, reading "Powers & Sullivan LLC". The signature is written in a cursive, flowing style.

November 11, 2016

Management's Discussion and Analysis

Management's Discussion and Analysis

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, 2016. We encourage readers to consider this information in conjunction with the Collaborative's financial statements, which follow.

Nature of the Organization

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 determines values for 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.

The Cape Cod Collaborative continues to expand and develop its technology resources to meet member needs and increased requirements of the DESE. Hardware and software upgrades initiated in 2012 continued into 2016 and improving: financial reporting, teacher evaluation processes, student learning, transportation tracking and network server access.

The STAR program in Osterville, and Waypoint Academy on Joint Base Cape Cod in Bourne are Collaborative tuition programs. 2016 enrollment exceeded expectations through the year due to changing student populations, and transportation service requests increased slightly over a very strong 2015. Our student population is typically 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 as much as 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 2016 where a new Manager was appointed in Transportation and Dispatch services were strengthened. The aligned with the Business Office continues 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 a having resulted in an increase in the transportation services we provide to members. We see this area of the Collaborative expanding as members face increased costs and diminished services from outside contractors.

Transportation invoicing, while more transparent and efficient, was 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 continued into 2016 with the addition of GPS/AVL services to provide time and distance data to feed the costing process and facilitate the cost allocation process. While the full implementation has been slower than anticipated we continue to move toward completion in 2017.

The acclaimed Advanced Studies and Leadership Program (ASLP), in partnership with Massachusetts Maritime Academy, had another successful session. 206 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 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 allowed us to expand access to ASLP in 2016. 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 2016, for the third year in a row, 240± students had applied for the summer program and 208 attended.

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 **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.
- 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.
- **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. Legislation also requires the Collaborative to provide other data as mandated by the Massachusetts Department of Elementary and Secondary Education.

2016 Financial Highlights

- Governmental fund revenues increased 11.1% or \$1,307,157, and expenditures increased by 11.0% or \$1,238,984 over the prior year which excludes state pension contributions referred to above. The resulting excess of revenues over expenditures for 2016 of \$549,085 is attributable to increased transportation and tuition services.
- The Governmental Funds actual revenue and other sources exceeded budgeted revenue, after reversing the effect of the pension contributions, by \$371,014. Expenditures related to the above were less than budgeted amounts by \$906,633. The net excess of expenditures over revenues exceeded the budgeted amount by \$535,639 largely due to the resulting efficiencies from increased service requests.

- Governmental activities revenues increased 5.5%, or \$684,674 from fiscal year 2015, while total expenditures increased by 4.1%, or \$499,696, resulting in an increase in net position of \$535,619.
- 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 2015 the Collaborative Board reserved \$180,000 in General Funds for Other Post Retirement Employee Benefits. In fiscal 2016 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 2016 General Fund as a current expenditure.
- We were 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%; \$180,548 in 2016)) 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.

At year end the Collaborative was committed to purchase fourteen buses and vans for approximately \$800,000 to replace and improve the existing fleet.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Assets exceeded liabilities by \$1.2 million at the close of 2016. Key components of the Collaborative's governmental financial position are as follows.

	<u>2016</u>	<u>2015</u>
Assets:		
Current assets.....	\$ 4,209,708	\$ 3,237,059
Capital assets.....	1,445,091	1,093,546
Total assets.....	<u>5,654,799</u>	<u>4,330,605</u>
Liabilities:		
Current liabilities (excluding debt).....	1,435,055	1,089,444
Noncurrent liabilities (excluding debt).....	1,696,234	1,598,723
Current debt.....	381,653	321,054
Noncurrent debt.....	987,802	702,948
Total liabilities.....	<u>4,500,744</u>	<u>3,712,169</u>
Net Position:		
Net investment in capital assets.....	75,636	69,545
Unrestricted.....	1,078,419	548,891
Total net position.....	<u>\$ 1,154,055</u>	<u>\$ 618,436</u>

Net position of \$75,636 reflects the Collaborative's net investment in capital assets (e.g., equipment, furniture and fixtures, and vehicles); less any related debt used to acquire those assets that is still outstanding. The

Collaborative uses these capital assets to provide services to pupils; consequently, these assets are *not* available for future spending. Although the investment in capital assets is reported net of its related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Net position of \$75,636 represents resources that are subject to external restrictions on how they may be used (restricted for gifts and grants). The remaining balance of unrestricted net position resulted in a \$1.1 million surplus.

	2016	2015
Program revenues:		
Charges for services.....	\$ 12,237,933	\$ 12,226,212
Operating grants and contributions.....	1,555,843	209,087
Other revenue.....	58,980	-
Investment income.....	9,138	-
Total revenues.....	13,861,894	12,435,299
Expenses:		
Waypoint Academy.....	2,655,128	2,490,668
STAR Program.....	2,743,364	2,491,992
Interant Services.....	1,194,601	1,062,697
Transportation.....	4,760,165	4,606,678
Executive Search.....	277,145	312,774
Advance Studies and Leadership Program.....	239,164	283,157
State funded pension benefits.....	1,456,708	836,692
Total expenses.....	13,326,275	12,084,658
Change in net position.....	535,619	350,641
Net position - beginning.....	618,436	267,795
Net position - ending.....	\$ 1,154,055	\$ 618,436

The Collaborative's net position increased by \$536,000 in 2016 as compared to a \$351,000 increase in 2015. The increase is mainly relate to the positive results at Waypoint Academy, the STAR Program and Transportation. This is despite an increase in the OPEB liability of \$97,000.

Financial Analysis of the Governmental Funds

The focus of *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of the Collaborative's net resources available for spending at the end of the year.

At the end of the current year, governmental funds reported combined ending fund balances of \$2.8 million. The general fund balance increased by \$549,000 due to capital lease financing. Nonmajor governmental funds broke even.

The general fund is the Collaborative's chief operating fund. At year end, fund balance in the general fund totaled \$2.8 million. This represents 20.9% of total general fund expenditures.

See financial highlights for additional information.

General Fund Budgetary Highlights

The Collaborative adopts an annual budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The original year 2016 approved budget for the general fund authorized \$11.7 million in appropriations. During the year, the original budget was increased by approximately \$968,000.

See financial highlights for additional information.

Capital Asset and Debt Administration

The Collaborative's net capital assets totaled approximately \$1.45 million as of June 30, 2016. The Collaborative capital purchases consisted of several new school busses and some office equipment. Depreciation expense in the amount of \$452,000 was recorded.

The Collaborative has several capital leases liabilities outstanding at year end, which totaled approximately \$1.4 million.

Please refer to the Notes 4 and 7 of the basic financial statements for further discussion of the capital asset and debt activity.

Requests for Information

This financial report is designed to provide a general overview of the Cape Cod Collaborative's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Administrator, Cape Cod Collaborative, 418 Bumps River Road, Osterville, Massachusetts 02655.

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Basic Financial Statements

STATEMENT OF NET POSITION

JUNE 30, 2016

	Governmental Activities
ASSETS	
CURRENT:	
Cash and cash equivalents.....	\$ 3,056,010
Investments.....	340,111
Receivables, net of allowance for uncollectibles:	
Departmental and other.....	787,773
Intergovernmental.....	25,814
NONCURRENT:	
Capital assets, net of accumulated depreciation.....	1,445,091
TOTAL ASSETS.....	5,654,799
LIABILITIES	
CURRENT:	
Accounts payable.....	326,593
Accrued liabilities.....	234,692
Accrued payroll.....	373,499
Unearned revenue.....	500,271
Capital lease obligations.....	381,653
NONCURRENT:	
Capital lease obligations.....	987,802
Other postemployment benefits.....	1,696,234
TOTAL LIABILITIES.....	4,500,744
NET POSITION	
Net investment in capital assets.....	75,636
Unrestricted.....	1,078,419
TOTAL NET POSITION.....	\$ 1,154,055

See notes to basic financial statements.

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2016

		Program Revenues			
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Net (Expense) Revenue	
Primary Government:					
Governmental Activities:					
Waypoint Academy.....	\$ 2,655,128	\$ 2,834,501	\$ -	\$ 179,373	
STAR Program.....	2,743,364	2,997,533	523	254,692	
Itinerant Services.....	1,194,601	1,112,500	-	(82,101)	
Transportation.....	4,760,165	4,905,554	-	145,389	
Professional Development & Executive Search.....	277,145	181,610	89,612	(5,923)	
Advanced Studies & Leadership Program.....	239,164	206,235	9,000	(23,929)	
State funded pension benefits.....	1,456,708	-	1,456,708	-	
Total Governmental Activities.....	\$ 13,326,275	\$ 12,237,933	\$ 1,555,843	\$ 467,501	

See notes to basic financial statements.

(Continued)

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2016

	Primary Government
	Governmental Activities
Changes in net position:	
Net (expense) revenue from previous page.....	\$ 467,501
<i>General revenues:</i>	
Other revenue.....	58,980
Unrestricted investment income.....	9,138
Total general revenues.....	68,118
Change in net position.....	535,619
<i>Net Position:</i>	
Beginning of year.....	618,436
End of year.....	\$ 1,154,055

(Concluded)

**GOVERNMENTAL FUNDS
BALANCE SHEET**

JUNE 30, 2016

	General	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS:			
Cash and cash equivalents.....	\$ 3,019,094	\$ 36,916	\$ 3,056,010
Investments.....	340,111	-	340,111
Receivables, net of uncollectibles:			
Departmental and other.....	787,773	-	787,773
Intergovernmental.....	25,814	-	25,814
TOTAL ASSETS.....	\$ 4,172,792	\$ 36,916	\$ 4,209,708
LIABILITIES:			
Accounts payable.....	\$ 317,758	\$ 8,835	\$ 326,593
Accrued liabilities.....	234,692	-	234,692
Other accrued expenses.....	373,499	-	373,499
Unearned revenue.....	472,190	28,081	500,271
TOTAL LIABILITIES.....	1,398,139	36,916	1,435,055
FUND BALANCES:			
Unassigned.....	2,774,653	-	2,774,653
TOTAL LIABILITIES AND FUND BALANCE.....	\$ 4,172,792	\$ 36,916	\$ 4,209,708

See notes to basic financial statements.

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TOTAL FUND BALANCES TO THE STATEMENT OF NET POSITION**

JUNE 30, 2016

Total governmental fund balances.....	\$ 2,774,653
Capital assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds.....	1,445,091
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
Capital lease obligations.....	(1,369,455)
Other postemployment benefits.....	<u>(1,696,234)</u>
Net effect of reporting long-term liabilities.....	<u>(3,065,689)</u>
Net position of governmental activities.....	<u>\$ 1,154,055</u>

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2016

	General	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:			
Tuition.....	\$ 5,954,972	\$ -	\$ 5,954,972
Service revenue.....	1,390,065	-	1,390,065
Transportation.....	4,892,534	-	4,892,534
Other.....	68,442	-	68,442
Intergovernmental - State provided pension benefits.....	1,456,708	90,035	1,546,743
Investment income.....	9,138	-	9,138
TOTAL REVENUES.....	13,771,859	90,035	13,861,894
EXPENDITURES:			
Current:			
Waypoint Academy.....	2,632,024	1,342	2,633,366
STAR Program.....	2,712,865	431	2,713,296
Itinerant Services.....	1,181,687	-	1,181,687
Transportation.....	5,594,691	-	5,594,691
Professional Development & Executive Search.....	188,000	88,262	276,262
Advanced Studies & Leadership Program.....	239,164	-	239,164
State funded pension benefits.....	1,456,708	-	1,456,708
TOTAL EXPENDITURES.....	14,005,139	90,035	14,095,174
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(233,280)	-	(233,280)
OTHER FINANCING SOURCES (USES):			
Capital lease financing.....	782,365	-	782,365
NET CHANGE IN FUND BALANCES.....	549,085	-	549,085
FUND BALANCES AT BEGINNING OF YEAR.....	2,225,568	-	2,225,568
FUND BALANCES AT END OF YEAR.....	\$ 2,774,653	\$ -	\$ 2,774,653

See notes to basic financial statements.

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**

YEAR ENDED JUNE 30, 2016

Net change in fund balances - total governmental funds.....	\$	549,085
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay.....	881,628	
Depreciation expense.....	(452,130)	
Net effect of reporting capital assets.....		429,498

The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

Capital lease financing.....	(782,365)	
Capital lease principal payments.....	436,912	
Net effect of reporting long-term debt.....		(345,453)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Net change in other postemployment benefits accrual.....		(97,511)
Change in net position of governmental activities.....	\$	535,619

See notes to basic financial statements.

FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2016

	Other Postemployment Benefit Trust Fund
ASSETS	
CURRENT:	
Cash and cash equivalents.....	\$ 9,457
Investments.....	557,933
TOTAL ASSETS.....	567,390
 LIABILITIES	
Warrants payable.....	41,064
 NET POSITION	
Held in trust for other postemployment benefits and other purposes.....	\$ 526,326

See notes to basic financial statements.

FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

YEAR ENDED JUNE 30, 2016

	Other Postemployment Benefit Trust Fund
<u>ADDITIONS:</u>	
Contributions:	
Employer.....	\$ 180,000
Net investment income:	
Interest.....	22,997
TOTAL ADDITIONS.....	202,997
<u>DEDUCTIONS:</u>	
Administration.....	2,963
CHANGE IN NET ASSETS.....	200,034
NET POSITION AT BEGINNING OF YEAR.....	326,292
NET POSITION AT END OF YEAR.....	\$ 526,326

See notes to basic financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 development skills to the low incidence special needs population.

Governance of the Collaborative is vested in a 19 member Board of Directors (the “Board”) composed of one representative appointed by each member school committee. The Board appoints an Executive Director who is the chief operating official for the Collaborative and who reports directly to the Board.

The accompanying basic financial statements of the Collaborative have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the recognized standard-setting body for establishing governmental accounting and financial reporting principles. The significant Collaborative accounting policies are described herein.

A. Reporting Entity

For financial reporting purposes, the Collaborative has included all funds, organizations, agencies, boards, commissions, and institutions. The Collaborative has also considered all potential component units for which it is financially accountable as well as other organizations for which the nature and significance of their relationship with the Collaborative are such that exclusion would cause the basic financial statements to be misleading or incomplete. As required by GAAP, these basic financial statements present the Collaborative (the primary government) and its component units. The Collaborative has no component units that require inclusion in these basic financial statements.

The primary government consists of all funds and departments which provide various services including special education, occupational education, supplemental services, professional development and administrative. The Board and Executive Director are directly responsible for these activities.

B. Government-Wide and Fund Financial Statements***Government-Wide Financial Statements***

The government-wide financial statements (i.e., statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the primary government and its component units. *Governmental activities* are primarily supported by member assessments and intergovernmental revenue.

Fund Financial Statements

Separate financial statements are provided for governmental funds and fiduciary funds, even though fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and displayed in a single column.

Major Fund Criteria

Major funds must be reported if the following criteria are met:

- If the total assets and deferred outflows, liabilities and deferred inflows, revenues, or expenditures/expenses of an individual governmental or enterprise fund are at least 10 percent of the corresponding element (assets, liabilities, etc.) for all funds of that category or type (total governmental or total enterprise funds), *and*
- If the total assets and deferred outflows, liabilities and deferred inflows, revenues, or expenditures/expenses of the individual governmental fund are at least 5 percent of the corresponding element for all governmental and enterprise funds combined.

Additionally, any other governmental fund that management believes is particularly significant to the basic financial statements may be reported as a major fund.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation*Government-Wide Financial Statements*

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when the liabilities are incurred. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The statement of activities demonstrates the degree to which the direct expenses of a particular function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include the following:

- Charges to recipients who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment.
- Grants and contributions that are restricted to meeting the operational requirements of a particular function or segment.
- Grants and contributions that are restricted to meeting the capital requirements of a particular function or segment.

Other items not identifiable as program revenues are reported as general revenues.

The effect of interfund activity has been removed from the government-wide financial statements.

Fund Financial Statements

Governmental fund financial statements are reported using the flow of 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 unmatured 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.

Investment income is susceptible to accrual. Other receipts and revenues become measurable and available when the cash is received and are recognized as revenue at that time.

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.

The following major governmental funds are reported:

The *general fund* is the primary operating fund. It is used to account for all financial resources, except those that are required to be accounted for in another fund.

The *nonmajor governmental funds* consist of other special revenue funds that are aggregated and presented in the *nonmajor governmental funds* column on the governmental funds financial statements. The following describes the general use of these fund types:

The *special revenue fund* is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than permanent funds or capital projects.

Fiduciary fund financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting. Fiduciary funds are used to account for assets held in a trustee capacity for others that cannot be used to support the governmental programs. The Collaborative does not currently have any funds that are required to be reported as fiduciary funds.

D. Cash and Investments*Government-Wide and Fund Financial Statements*

Cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with an original maturity of three months or less from the date of acquisition. Investments are carried at fair value.

E. Fair Value Measurements

The Collaborative reports required types of financial instruments in accordance with the fair value standards. These standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or valuation techniques) to determine fair value. Fair value standards also require the government to classify these financial instruments into a three-level hierarchy, based on the priority of inputs to the valuation technique or in accordance with net asset value practical expedient rules, which allow for either Level 2 or Level 3 depending on lock up and notice periods associated with the underlying funds.

Instruments measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 – Quoted prices are available in active markets for identical instruments as of the reporting date. Instruments, which are generally included in this category, include actively traded equity and debt securities, U.S. government obligations, and mutual funds with quoted market prices in active markets.

Level 2 – Pricing inputs are other than quoted in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. Certain fixed income securities, primarily corporate bonds, are classified as Level 2 because fair values are estimated using pricing models, matrix pricing, or discounted cash flows.

Level 3 – Pricing inputs are unobservable for the instrument and include situations where there is little, if any, market activity for the instrument. The inputs into the determination of fair value require significant management judgment or estimation.

In some instances the inputs used to measure fair value may fall into different levels of the fair value hierarchy and is based on the lowest level of input that is significant to the fair value measurement.

Market price is affected by a number of factors, including the type of instrument and the characteristics specific to the instrument. Instruments with readily available active quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value. It is reasonably possible that change in values of these instruments will occur in the near term and that such changes could materially affect amounts reported in these financial statements. For more information on the fair value of the Collaborative's financial instruments, see Note 2 – Cash and Investments.

F. Accounts Receivable

Government-Wide and Fund Financial Statements

The recognition of revenue related to accounts receivable reported in the government-wide financial statements and fiduciary funds financial statements are reported under the accrual basis of accounting. The recognition of revenue related to accounts receivable reported in the governmental funds financial statements are reported under the modified accrual basis of accounting.

Departmental and Other

Departmental and other receivables consist of various benefit payments which are under agreement with current and former employees to reimburse the Collaborative and tuition payments receivable from other Collaborative's for special education services provided.

Intergovernmental

Various federal and state grants for operating and capital purposes are applied for and received annually. For non-expenditure driven grants, receivables are recorded as soon as all eligibility requirements imposed by the provider have been met. For expenditure driven grants, receivables are recorded when the qualifying expenditures are incurred and all other grant requirements are met.

These receivables are considered 100% collectible and therefore do not report an allowance for uncollectibles.

G. Inventories*Government-Wide and Fund Financial Statements*

Inventories are recorded as expenditures at the time of purchase. Such inventories are not material in total to the government-wide and fund financial statements, and therefore are not reported.

H. Capital Assets*Government-Wide Financial Statements*

Capital assets, which include equipment, furniture and fixtures, and vehicles, are reported in the government-wide financial statements. Capital assets are recorded at historical cost, or at estimated historical cost, if actual historical cost is not available. Donated capital assets are recorded at the estimated fair market value at the date of donation.

All purchases and construction costs in excess of \$5,000 are capitalized at the date of acquisition or construction, respectively, with expected useful lives of greater than one year.

Capital assets are depreciated on a straight-line basis. The estimated useful lives of capital assets are as follows:

<u>Capital Asset Type</u>	<u>Estimated Useful Life</u>
Office equipment and furniture.....	5 years
Leasehold improvements.....	10 years
School buses.....	3-7 years

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized and are treated as expenses when incurred. Improvements are capitalized.

Governmental Fund Financial Statements

Capital asset costs are recorded as expenditures in the acquiring fund in the year of the purchase.

I. Deferred Outflows/Inflows of Resources*Government-Wide Financial Statements (Net Position)*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The Collaborative did not have any elements that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Collaborative did not have any elements that qualify for reporting in this category.

Government Fund Financial Statements

In addition to liabilities, the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents amounts that have been recorded in the governmental fund financial statements but the revenue is not available and so will not be recognized as an inflow of resources (revenue) until it becomes available. The Collaborative did not have any items that qualify for reporting in this category.

J. Interfund Receivables and Payables

During the course of its operations, transactions occur between and within individual funds that may result in amounts owed between funds.

Fund Financial Statements

Transactions of a buyer/seller nature between and within funds are not eliminated from the individual fund statements. Receivables and payables resulting from these transactions are classified as "Due from other funds" or "Due to other funds" on the balance sheet.

Government-Wide Financial Statements

Transactions of a buyer/seller nature between and within governmental funds are eliminated from the governmental activities in the statement of net position.

K. Interfund Transfers

During the course of its operations, resources are permanently reallocated between and within funds. These transactions are reported as transfers in and transfers out.

Government-Wide Financial Statements

Transfers within governmental funds are eliminated from the governmental activities in the statement of activities.

Fund Financial Statements

Transfers between and within funds are *not* eliminated from the individual fund statements and are reported as transfers in and transfers out.

L. Net Position and Fund Equity*Government-Wide Financial Statements (Net Position)*

Net position reported as "net investment in capital assets" includes capital assets, net of accumulated depreciation, less the principal balance of outstanding debt used to acquire capital assets. Unspent proceeds of capital related debt are not considered to be capital assets.

Net position is reported as restricted when amounts are not available for appropriation or are legally restricted by outside parties for a specific future use.

Sometimes the Collaborative will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Collaborative's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund Financial Statements (Fund Balances)

Governmental fund balances are classified as nonspendable, restricted, committed, assigned, or unassigned based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The governmental fund balance classifications are as follows:

“Nonspendable” fund balance includes amounts that cannot be spent because they are either not in spendable form or they are legally or contractually required to be maintained intact.

“Restricted” fund balance includes amounts subject to constraints placed on the use of resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or that are imposed by law through constitutional provisions or enabling legislation.

“Committed” fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority.

“Assigned” fund balance includes amounts that are constrained by the Collaborative's intent to be used for specific purposes, but are neither restricted nor committed.

“Unassigned” fund balance includes the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

The Collaborative's spending policy is to spend restricted fund balance first, followed by committed, assigned and unassigned fund balance. Most governmental funds are designated for one purpose at the time of their creation. Therefore, any expenditure from the fund will be allocated to the applicable fund balance classifications in the order of the aforementioned spending policy. The general fund and certain other funds may have more than one purpose.

M. Long-term debt

Government-Wide Financial Statements

Long-term debt is reported as liabilities in the government-wide statement of net position. Material bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

Governmental Fund Financial Statements

The face amount of governmental funds long-term debt is reported as other financing sources. Bond premiums and discounts, as well as issuance costs, are recognized in the current period. Bond premiums are reported as other financing sources and bond discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual bond proceeds received, are reported as administrative expenditures.

N. Investment Income

Investment income derived from major and nonmajor governmental funds is legally assigned to the general fund unless otherwise directed by Massachusetts General Law (MGL).

O. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of both the Massachusetts State Employee Retirement System and the Massachusetts Teachers Retirement System and additions to/deductions from the Systems fiduciary net position have been determined on the same basis as they are reported by the Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

P. Compensated Absences

Employees are granted vacation and sick leave in varying amounts based on collective bargaining agreements, state laws and executive policies.

Government-Wide Financial Statements

Vested or accumulated vacation and sick leave are reported as liabilities and expensed as incurred.

Governmental Fund Financial Statements

Vested or accumulated vacation and sick leave, which will be liquidated with expendable available financial resources, are reported as expenditures and fund liabilities upon maturity of the liability.

Q. Use of Estimates*Government-Wide and Fund Financial Statements*

The preparation of basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure for contingent assets and liabilities at the date of the basic financial statements and the reported amounts of the revenues and expenditures/expenses during the year. Actual results could vary from estimates that were used.

R. Total Column*Government-Wide Financial Statements*

The total column presented on the government-wide financial statements represents consolidated financial information.

Fund Financial Statements

The total column on the fund financial statements is presented only to facilitate financial analysis. Data in this column is not the equivalent of consolidated financial information.

NOTE 2 – CASH AND INVESTMENTS

A cash and investment pool is maintained that is available for use by all funds. Each fund type's portion of this pool is displayed on the balance sheet as "Cash and Cash Equivalents". The deposits and investments of trust funds are held separately from those of other funds.

Statutes authorize the investment in obligations of the U.S. Treasury, agencies, and instrumentalities, certificates of deposit, repurchase agreements, money market accounts, bank deposits and the State Treasurer's Investment Pool (Pool). In addition, there are various restrictions limiting the amount and length of deposits and investments.

The Pool meets the criteria of an external investment pool. The Pool is administered by the Massachusetts Municipal Depository Trust (MMDT), which was established by the Treasurer of the Commonwealth who serves as Trustee. The fair value of the position in the Pool is valued at amortized cost.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Collaborative's deposits may not be returned to it. The Collaborative does not have a formal deposit policy for custodial credit risk.

At year-end, the carrying amount of deposits totaled \$257,711 and the bank balance totaled \$278,434. The total bank balance of \$278,434 was covered by Federal Depository Insurance.

Investments

The Collaborative holds investments that are measured at fair value on a recurring basis. Because investing is not a core part of the Collaborative's mission, the Collaborative determines that the disclosures related to these investments only need to be disaggregated by major type. The Collaborative chooses a tabular format for disclosing the levels within the fair value hierarchy.

The following table presents financial assets at June 30, 2016, that the Collaborative measures fair value on a recurring basis, by level, within the fair value hierarchy:

Investment Type	June 30, 2016	Fair Value Measurements Using		
		Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>Other investments:</u>				
Equity Securities.....	\$ 898,044	\$ 898,044	\$ -	\$ -
Money Market Mutual Funds.....	<u>2,807,756</u>	<u>2,807,756</u>	<u>-</u>	<u>-</u>
Total other investments.....	<u>3,705,800</u>	<u>3,705,800</u>	<u>-</u>	<u>-</u>
Total investments measured at fair value.....	\$ 3,705,800	\$ 3,705,800	\$ -	\$ -

Equity securities and Money Market Mutual Funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of a failure by the counterparty, the entity will not be able to recover the value of its investments or collateral security that are in the possession of an outside party. Of the Collaborative's investments, \$898,044 of equity securities are exposed to custodial credit risk because the relates securities are uninsured, unregistered and held by the counterparty.

The money market mutual funds of \$2,807,756 are fully collateralized.

The Collaborative does not have a formal investment policy for custodial credit risk.

Interest Rate Risk

Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect the fair value of the Collaboratives' investments. The Collaborative does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The Collaborative has not adopted a formal policy related to Credit Risk.

Concentration of Credit Risk

The Collaborative places no limit on the amount the government may invest in any one issuer

NOTE 3 – RECEIVABLES

At June 30, 2016, receivables for the individual major and non-major governmental funds in the aggregate are as follows:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
Departmental and other.....	\$ 787,773	\$ -	\$ 787,773
Intergovernmental.....	25,814	-	25,814
Total.....	<u>\$ 813,587</u>	<u>\$ -</u>	<u>\$ 813,587</u>

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2016 was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
<u>Capital assets being depreciated:</u>				
School buses.....	\$ 4,550,204	\$ 782,365	\$ -	\$ 5,332,569
Leasehold improvements.....	202,892	-	-	202,892
Office equipment and furniture.....	7,568	21,300	-	28,868
Total capital assets being depreciated.....	<u>4,760,664</u>	<u>803,665</u>	<u>-</u>	<u>5,564,329</u>
<u>Less accumulated depreciation for:</u>				
School buses.....	(3,563,150)	(425,058)	-	(3,988,208)
Leasehold improvements.....	(101,445)	(20,289)	-	(121,734)
Office equipment and furniture.....	(2,523)	(6,783)	-	(9,306)
Total accumulated depreciation.....	<u>(3,667,118)</u>	<u>(452,130)</u>	<u>-</u>	<u>(4,119,248)</u>
Total capital assets being depreciated, net.....	<u>\$ 1,093,546</u>	<u>\$ 351,535</u>	<u>\$ -</u>	<u>\$ 1,445,081</u>

Unallocated depreciation expense totaled \$351,535 for the year ended June 30, 2016.

NOTE 5 – INTERFUND TRANSFERS

Inter-fund transfers can occur between the general fund and nonmajor funds. There were no such transfers in 2016.

NOTE 6 – PREPAID TUITION

Member communities are allowed to prepay a portion of the next year's tuition. At June 30, 2016, the Collaborative had received \$472,190 of prepaid tuition from member communities.

NOTE 7 – CAPITAL LEASES

The Collaborative has entered into non-cancelable long-term lease agreements for the purchase of busses. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The following identifies the assets acquired through capital lease agreements:

<u>Asset:</u>	
School buses.....	\$ 5,332,569
Less: accumulated depreciation.....	<u>(3,988,208)</u>
Total.....	<u>\$ 1,344,361</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2015 were as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017.....	\$ 381,653	\$ 25,980	\$ 407,633
2018.....	265,020	19,093	284,113
2019.....	200,864	11,675	212,539
2020.....	196,192	9,742	205,934
2022.....	177,028	5,492	182,521
2023.....	129,449	1,881	131,330
2024.....	19,249	54	19,302
	<u>\$ 1,369,455</u>	<u>\$ 73,917</u>	<u>\$ 1,443,372</u>

Related interest expense for the year ended June 30, 2016 was \$29,847.

Changes in Long-term Liabilities

During the year ended June 30, 2016, the following changes occurred in long-term liabilities:

	<u>Balance June 30, 2015</u>	<u>Additions</u>	<u>Retirements and Other</u>	<u>Balance June 30, 2016</u>	<u>Current Portion</u>
Capital Lease Obligation.....	\$ 1,024,002	\$ 782,365	\$ (436,912)	\$ 1,369,455	\$ 381,653
Other Postemployment Benefits.....	1,598,723	342,465	(244,954)	1,696,234	-
Total.....	<u>\$ 2,622,725</u>	<u>\$ 1,124,830</u>	<u>\$ (681,866)</u>	<u>\$ 3,065,689</u>	<u>\$ 381,653</u>

NOTE 8 – GOVERNMENTAL FUND BALANCE CLASSIFICATIONS

The Collaborative has adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The intention of the GASB is to provide a more structured classification of fund balance and to improve the usefulness of fund balance reporting to the users of the Collaborative's financial statements. The reporting standard establishes a hierarchy for fund balance classifications and the constraints imposed on the uses of those resources.

GASB 54 provides for two major types of fund balances, which are nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund.

In addition to the nonspendable fund balance, GASB 54 has provided a hierarchy of spendable fund balances, based on a hierarchy of spending constraints.

- Restricted: fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.
- Committed: fund balances that contain self-imposed constraints of the government from its highest level of decision making authority.
- Assigned: fund balances that contain self-imposed constraints of the government to be used for a particular purpose.
- Unassigned: fund balance of the general fund that is not constrained for any particular purpose.

As of June 30, 2016, the governmental fund balance of \$2,774,653, consisting of the general fund, was all unassigned.

NOTE 9 – RISK FINANCING

The Collaborative is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Collaborative carries commercial insurance. Settlement claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

The Collaborative participates in premium-based health care plans for its employees and retirees.

NOTE 10 – PENSION PLAN*Plan Descriptions*

The Collaborative is a member of the Massachusetts State Employees' Retirement System (MSERS), a public employee retirement system that administers a cost-sharing multi-employer defined benefit plan covering substantially all employees of the Commonwealth and certain employees of the independent authorities and agencies. The MSERS is part of the Commonwealth's reporting entity and the audited financial report may be obtained by visiting <http://www.mass.gov/osc/publications-and-reports/financial-reports/>.

The Collaborative is also a member of the Massachusetts Teachers' Retirement System (MTRS), a cost-sharing multi-employer defined benefit plan. MTRS is managed by the Commonwealth of Massachusetts (Commonwealth) on behalf of municipal teachers and municipal teacher retirees. The Commonwealth is a nonemployer contributor and is responsible for 100% of the 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 the audited financial report may be obtained by visiting <http://www.mass.gov/osc/publications-and-reports/financial-reports/>.

Special Funding Situations

The Commonwealth is a nonemployer contributor and is required by statute to make 100% of all actuarially determined employer contributions on behalf of the Collaborative's teachers and retired teachers to the MTRS. Therefore, the Collaborative is considered to be in a special funding situation as defined by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and the Commonwealth is a nonemployer contributor in MTRS. Since the Collaborative does not contribute directly to MTRS, the Collaborative does not have a net pension liability. The total of the Commonwealth provided contributions have been allocated based on each employer's covered payroll to the total covered payroll of employers in MTRS as of the measurement date of June 30, 2015. The Collaborative's portion of the collective pension expense, contributed by the Commonwealth, of \$714,787 is reported in the general fund as intergovernmental revenue and pension expense in the current fiscal year. The portion of the Commonwealth's collective net pension liability associated with the Collaborative is \$8,812,686 as of the measurement date.

A special funding situation was created by Massachusetts General Laws for all educational collaboratives in the Commonwealth. Collaboratives contribute amounts equal to the normal cost of non-teaching employees' benefits at a rate established by the Public Employees' Retirement Administration Commission (PERAC), currently 5.6% of covered payroll. Legally, the 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 of the Collaboratives. Therefore, the Collaborative does not have a net pension liability. The Collaborative's required contribution to MSERS equaled its actual contribution for the year ended December 31, 2015 was \$186,458.

The Commonwealth as a nonemployer is legally responsible for the entire past service cost related to the non-teaching employees' of the Collaboratives and therefore has a 100% special funding situation. The total of the Commonwealth provided contributions are allocated based on each employer's covered payroll to the total covered payroll of employers in MSERS as of the measurement date of June 30, 2015. The Collaborative's portion of the collective pension expense, contributed by the Commonwealth, of \$741,921 is reported as intergovernmental revenue and pension expense in the current fiscal year. The portion of the Commonwealth's collective net pension liability associated with the Collaborative is \$6,641,623 as of the measurement date.

Benefits Provided

Both Systems provide retirement, disability, survivor and death benefits to plan members and beneficiaries. Massachusetts Contributory Retirement System benefits are, with certain minor exceptions, uniform from system to system. The System provides for retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation. For persons who became members on or after

April 2, 2012, average salary is the average annual rate of regular compensation received during the five consecutive years that produce the highest average, or, if greater, during the last five years (whether or not consecutive) preceding retirement. Benefit payments are based upon a member's age, length of creditable service, level of compensation, and group classification. Members become vested after ten years of creditable service.

Employees who resign from service and who are not eligible to receive a retirement allowance or are under the age of 55 are entitled to request a refund of their accumulated total deductions. Survivor benefits are extended to eligible beneficiaries of members whose death occurs prior to or following retirement.

Cost-of-living adjustments granted between 1981 and 1997 and any increase in other benefits imposed by the Commonwealth's state law during those years are borne by the Commonwealth and are deposited into the pension fund. Cost-of-living adjustments granted after 1997 must be approved by the Board and are borne by the System.

NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description – The Collaborative administers a single-employer defined benefit healthcare plan (the "Plan"). The Plan provides lifetime healthcare insurance for eligible retirees and their spouses through the Collaborative's group health insurance plan, which covers both active and retired members. Chapter 32B of the MGL assigns authority to establish and amend benefit provisions of the plan. Benefit provisions are negotiated between the Collaborative and the unions representing Collaborative employees and are renegotiated each bargaining period. The Plan does not issue a publicly available financial report.

At July 1, 2014, (the date of the actuarial valuation), the Plan's membership consisted of the following:

Current retirees, beneficiaries, and dependents...	6
Current active members.....	<u>149</u>
Total.....	<u><u>155</u></u>

Funding Policy – Contribution requirements are also negotiated between the Collaborative and union representatives. The required contribution is based on a pay-as-you-go financing requirement. The Collaborative contributes 50 percent of the cost of only medical insurance premiums for eligible retired plan members and their spouses. Plan members receiving benefits contribute the remaining portion of their premium costs. For 2016, the Collaborative contributed approximately \$69,000 towards these benefits.

Annual OPEB Cost and Net OPEB Obligation – 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 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The components of the Collaborative's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Collaborative's net OPEB obligation are summarized in the following table:

Annual required contribution.....	\$ 319,242
Interest on existing net OPEB obligation.....	75,485
Adjustments to annual required contribution.....	<u>(52,262)</u>
Annual OPEB cost/expense.....	342,465
Contributions made.....	<u>(244,954)</u>
Increase/(Decrease) in net OPEB obligation.....	97,511
Net OPEB obligation - beginning of year.....	<u>1,598,723</u>
Net OPEB obligation - end of year.....	<u>\$ 1,696,234</u>

The Collaborative's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2016 and the previous year are as follows:

Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2016	\$ 342,465	71.5%	\$ 1,696,234
6/30/2015	327,738	54.9%	1,598,723
6/30/2014	359,632	50.1%	1,450,985

Funded Status and Funding Progress – The funded status of the Plan as of the most recent actuarial valuation date, July 1, 2014, is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) Entry Age Normal (B)	Unfunded AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/C)
7/1/2014	\$ 187,356	\$ 2,449,018	\$ 2,261,662	7.65%	\$ 5,918,408	38.2%
7/1/2011	-	1,724,811	1,724,811	0%	6,001,866	28.7%

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 trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer 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 as required supplementary information following the notes to 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.

Actuarial Methods and Assumptions – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the 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 employer 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.

The following additional information is provided as of the latest actuarial valuation:

Actuarial Methods:

Valuation date.....	July 1, 2014
Actuarial cost method.....	Projected Unit Credit
Amortization method.....	Amortization payments increasing at 4.0%
Remaining amortization period.....	24 years as of July 1, 2015, closed
Asset valuation method.....	Market Value

Actuarial Assumptions:

Investment rate of return.....	4.0% per annum
Inflation rate.....	2.50% per annum
Projected salary increases.....	3.0% per annum
Medical/drug cost trend rate.....	11% graded to 5% over 8 years

NOTE 12 – CONTINGENCIES

Various legal actions and claims are pending against the Collaborative. Litigation is subject to many uncertainties, and the outcome of individual litigated matters is not always predictable. Although the amount of liability, if any, at June 30, 2016 cannot be ascertained, management believes any resulting liability should not materially affect the financial position at June 30, 2016.

NOTE 13 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 11, 2016, which is the date the financial statements were available to be issued.

NOTE 14 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS

During 2016, the following GASB pronouncements were implemented:

- GASB Statement #72, *Fair Value Measurement and Application*. Notes to the basic financial statements were changed to provide additional disclosure on fair value measurement.
- GASB Statement #73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. The provisions of this Statement are effective for 2016—except those provisions that address employers and governmental non-employer contributing entities for pensions that are not within the scope of Statement 68, which is required to be implemented in 2017.

- GASB Statement #76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. This pronouncement did not impact the basic financial statements.
- GASB Statement #79, *Certain External Investment Pools and Pool Participants*. This pronouncement did not impact the basic financial statements

The following GASB pronouncements will be implemented in the future:

- The GASB issued Statement #74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, which is required to be implemented in 2017.
- The GASB issued Statement #75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which is required to be implemented in 2018.
- The GASB issued Statement #77, *Tax Abatement Disclosures*, which is required to be implemented in 2017.
- The GASB issued Statement #78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, which is required to be implemented in 2017.
- The GASB issued Statement #79, *Certain External Investment Pools and Pool Participants*, which is required to be implemented in 2016 with certain provisions to be implemented in 2017.
- The GASB issued Statement #80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement #14*, which is required to be implemented in 2017.
- The GASB issued Statement #81, *Irrevocable Split-Interest Agreements*, which is required to be implemented in 2018.
- The GASB issued Statement #82, *Pension Issues – an amendment of GASB Statements #67, #68, and #73*, which is required to be implemented in 2018.

Management is currently assessing the impact the implementation of these pronouncements will have on the basic financial statements.

Required Supplementary Information

General Fund Budgetary Comparison Schedule

The General Fund is the general operating fund of the Collaborative. It is used to account for all the financial resources, except those required to be accounted for in another fund.

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2016

	Original Budget	Final Budget	Actual Budgetary Amounts	Variance to Final Budget
REVENUES:				
Tuition.....	\$ 5,514,721	\$ 5,673,665	\$ 5,954,972	\$ 281,307
Service revenue.....	1,332,815	1,395,000	1,390,065	(4,935)
Transportation.....	4,820,485	5,617,500	4,892,534	(724,966)
Other.....	50,000	-	68,442	68,442
Investment income.....	-	-	9,138	9,138
TOTAL REVENUES.....	11,718,021	12,686,165	12,315,151	(371,014)
EXPENDITURES:				
Waypoint Academy.....	2,682,329	2,682,500	2,653,786	28,714
STAR Program.....	2,633,860	2,744,165	2,742,933	1,232
Itinerant Services.....	1,082,178	1,194,500	1,194,601	(101)
Transportation.....	4,820,485	5,617,500	4,758,998	858,502
Professional Development & Executive Search.....	232,858	200,500	188,883	11,617
Advanced Studies & Leadership Program.....	266,311	247,000	240,331	6,669
TOTAL EXPENDITURES.....	11,718,021	12,686,165	11,779,532	906,633
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	-	-	535,619	535,619
FUND BALANCES AT BEGINNING OF YEAR.....	618,436	618,436	618,436	-
FUND BALANCES AT END OF YEAR.....	\$ 618,436	\$ 618,436	\$ 1,154,055	\$ 535,619

See notes to required supplementary information.

Collaborative Pension Plan Schedules

The Schedule of the Special Funding Amounts of the Net Pension Liability for the Massachusetts State Employees Retirement System presents multi-year trend information on the liability and expense assumed by the Commonwealth of Massachusetts on behalf of the Collaborative along with related ratios.

The Schedule of the Special Funding Amounts of the Net Pension Liability for the Massachusetts Teachers Retirement System presents multi-year trend information on the liability and expense assumed by the Commonwealth of Massachusetts on behalf of the Collaborative along with related ratios.

The Schedule of Collaborative's Contributions presents multi-year trend information on the Collaborative's required and actual contributions to the pension plan and related ratios.

These schedules are intended to present information for ten years. Until a ten year trend is compiled, information is presented for those years for which information is available.

**SCHEDULE OF THE SPECIAL FUNDING AMOUNTS
OF THE NET PENSION LIABILITY
MASSACHUSETTS STATE EMPLOYEES' RETIREMENT SYSTEM**

The Collaborative's teachers and retired teachers pensions are covered under the Massachusetts Teachers Retirement System while all other employees and retirees are covered under the Massachusetts State Employees Retirement System. This schedule only reports on the nonteacher employees and retirees covered under the Massachusetts State Employees Retirement System.

A special funding situation was created by Massachusetts General Laws for all educational collaboratives in the Commonwealth. Collaboratives contribute amounts equal to the normal cost of employees' benefits at a rate established by PERAC, currently 5.6% of covered payroll. Legally, the 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 of the collaboratives. The Commonwealth as a nonemployer is legally responsible for the entire past service cost related to the collaboratives and therefore has a 100% special funding situation. Since the collaborative does not contribute directly to MSERS for the past service cost, there is no net pension liability to recognize. This schedule discloses the Commonwealth's 100% share of the collective net pension liability that is associated with the collaborative; the portion of the collective pension expense as both a revenue and pension expense recognized by the collaborative; and the Plan's fiduciary net position as a percentage of the total liability.

<u>Fiscal Year</u>	<u>Commonwealth's 100% Share of the Net Pension Liability Associated with CCC</u>	<u>CCC's Expense and Revenue Recognized for the Commonwealth's Support</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Liability</u>
2016..... \$	6,641,623	\$ 741,921	67.87%
2015.....	4,442,707	315,923	76.32%

Note: this schedule is intended to present information for 10 years.
Until a 10-year trend is compiled, information is presented for those years for which information is available.

See notes to required supplementary information.

**SCHEDULE OF THE SPECIAL FUNDING AMOUNTS
OF THE NET PENSION LIABILITY
MASSACHUSETTS TEACHERS' RETIREMENT SYSTEM**

The Collaborative's teachers and retired teachers pensions are covered under the Massachusetts Teachers Retirement System while all other employees and retirees are covered under the Massachusetts State Employees Retirement System. This schedule only reports on the teacher and retired teachers covered under the Massachusetts Teachers' Retirement System.

The Commonwealth of Massachusetts is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of the member employers which creates a special funding situation. Since the collaborative does not contribute directly to MTRS, there is no net pension liability to recognize. This schedule discloses the Commonwealth's 100% share of the collective net pension liability that is associated with the collaborative; the portion of the collective pension expense as both a revenue and pension expense recognized by the collaborative; and the Plan's fiduciary net position as a percentage of the total liability.

<u>Fiscal Year</u>		<u>Commonwealth's 100% Share of the Net Pension Liability Associated with the CCC</u>	<u>CCC's Expense and Revenue Recognized for the Commonwealth's Support</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Liability</u>
2016.....	\$	8,812,686	\$ 714,787	55.38%
2015.....		7,495,802	520,769	61.64%

Note: this schedule is intended to present information for 10 years.
Until a 10-year trend is compiled, information is presented for those years for which information is available.

See notes to required supplementary information.

SCHEDULE OF CONTRIBUTIONS
MASSACHUSETTS STATE EMPLOYEES' RETIREMENT SYSTEM

A special funding situation was created by Massachusetts General Laws for all educational collaboratives in the Commonwealth. Collaboratives contribute amounts equal to the normal cost of employees' benefits at a rate established by PERAC, currently 5.6% of covered payroll. Legally, the 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 of the collaboratives. The Commonwealth as a nonemployer is legally responsible for the entire past service cost related to the collaboratives and therefore has a 100% special funding situation. Since the collaborative does not contribute directly to MSERS for the past service cost, there is no net pension liability to recognize. This schedule discloses the collaborative's required and actual contribution for the normal cost; covered payroll; and contributions recognized by the pension plan in relation to the covered payroll.

<u>Fiscal Year</u>	<u>CCC's Statutory Required and Actual Contribution for Normal Cost</u>	<u>CCC's Covered Payroll</u>	<u>The Amount of Contributions Recognized by the Pension Plan in Relation to the Covered Payroll</u>
2016.....	\$ 186,458	\$ N/A	N/A
2015.....	177,775	N/A	N/A

Note: this schedule is intended to present information for 10 years.
Until a 10-year trend is compiled, information is presented for those years for which information is available.

See notes to required supplementary information.

Other Postemployment Benefits Plan Schedules

The Schedule of Funding progress compares, over time, the actuarial accrued liability for benefits with the actuarial value of accumulated plan assets.

The Schedule of Employer Contributions compares, overtime, the annual required contributions to the actual contributions made.

The Schedule of Actuarial Methods and Assumptions presents factors that significantly affect the identification of trends in the amounts reported.

OTHER POSTEMPLOYMENT BENEFIT PLAN
SCHEDULE OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS

JUNE 30, 2016

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) Entry Age Normal (B)	Unfunded AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/C)
7/1/2014	\$ 187,356	\$ 2,449,018	\$ 2,261,662	7.65%	\$ 5,918,408	38.2%
7/1/2011	-	1,724,811	1,724,811	0%	6,001,866	28.7%
7/1/2009	-	1,726,831	1,726,831	0%	6,614,918	26.1%

Schedule of Employer Contributions

Year Ended	Annual Required Contribution	Actual Contributions Made	Percentage Contributed
6/30/2016	\$ 319,242	\$ 244,954	76.7%
6/30/2015	327,738	180,000	54.9%
6/30/2014	359,632	180,000	50.1%

See notes to required supplementary information.

OTHER POSTEMPLOYMENT BENEFIT PLAN
ACTUARIAL METHODS AND ASSUMPTIONS

YEAR ENDED JUNE 30, 2016

Actuarial Methods:

Valuation date.....	July 1, 2014
Actuarial cost method.....	Projected Unit Credit
Amortization method.....	Amortization payments increasing at 4.0%
Remaining amortization period.....	24 years as of July 1, 2015, closed
Asset valuation method.....	Market Value

Actuarial Assumptions:

Investment rate of return.....	4.0% per annum
Inflation rate.....	2.50% per annum
Projected salary increases.....	3.0% per annum
Medical/drug cost trend rate.....	11% graded to 5% over 8 years

Plan Membership:

Current retirees, beneficiaries, and dependents..	6
Current active members.....	<u>149</u>
Total.....	<u><u>155</u></u>

See notes to required supplementary information.

NOTE A – BUDGETARY BASIS OF ACCOUNTING**A. Budgetary Information**

The Collaborative adopts a balanced budget that is approved by the District's Board of Directors. The Business Administrator presents an annual budget to the Board, which includes estimates of revenues and other financing sources and recommendations of expenditures and other financing uses. The Board, which has the full authority to amend and/or reject the budget or any line item, adopts the expenditure budget by majority vote. Increases to the budget subsequent to the approval of the annual budget require majority Board approval.

The majority of appropriations are non-continuing which lapse at the end of each year. Others are continuing appropriations for which the governing body has authorized that an unspent balance from a prior year be carried forward and made available for spending in the current year. These carry forwards are included as part of the subsequent year's original budget.

The Collaborative adopts an annual budget for the general fund in conformity with the guidelines described above. The original 2016 approved budget for the general fund authorized approximately \$11.7 million in appropriations. During 2016, the original budget was increased by approximately \$960,000, primarily for transportation, STAR program, and Itinerant services.

The Business Administrator has the responsibility to ensure that budgetary control is maintained. Budgetary control is exercised through the accounting system.

B. Budgetary - GAAP Reconciliation

For budgetary financial reporting purposes, a budgetary basis of accounting is followed, which differs from the GAAP basis of accounting. A reconciliation of budgetary-basis to GAAP-basis results for the general fund for the year ended June 30, 2016, is presented below:

Net change in fund balance, budgetary basis.....	\$	535,619
<u>Basis of accounting differences:</u>		
Recognition of revenue for on-behalf pension payments.....		714,787
Recognition of expenditures for on-behalf pension payments.....		(714,787)
Recognition of revenue for capital leases.....		782,365
Recognition of expenditures for capital leases.....		(782,365)
Net change in recording accrued expenditures.....		<u>13,466</u>
Net change in fund balance, GAAP basis.....	\$	<u><u>549,085</u></u>

NOTE B – PENSION PLAN***Pension Plan Schedules*****A. Schedule of Collaborative's Contributions**

A special funding situation was created by Massachusetts General Laws for all Educational Collaboratives in the Commonwealth. Collaboratives contribute amounts equal to the normal cost of non-teaching employees' benefits at a rate established by the Public Employees' Retirement Administration Commission (PERAC), currently 5.6% of covered payroll. Legally, the 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 of the Collaboratives.

B. Schedules of the Special Funding Amounts of the Net Pension Liabilities

The Commonwealth of Massachusetts is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of the Collaborative which create two special funding situations.

- The MSERS schedule discloses the Commonwealth's 100% share of the collective net pension liability that is associated with the Collaborative; the portion of the collective pension expense as both revenue and pension expense recognized by the Collaborative; and the Plan's fiduciary net position as a percentage of the total liability.
- The MTRS schedule discloses the Commonwealth's 100% share of the collective net pension liability that is associated with the Collaborative; the portion of the collective pension expense as both revenue and pension expense recognized by the Collaborative; and the Plan's fiduciary net position as a percentage of the total liability.

NOTE C – OTHER POSTEMPLOYMENT BENEFITS

The Collaborative administers a single-employer defined benefit healthcare plan (the "Other Postemployment Benefit Plan"). The plan provides lifetime healthcare for eligible retirees through the Collaborative's health insurance plan, which covers both active and retired members.

The Collaborative currently finances its other postemployment benefits (OPEB) on a pay-as-you-go basis. As a result, the funded ratio (actuarial value of assets expressed as a percentage of the actuarial accrued liability) is 0%. In accordance with Governmental Accounting Standards, the Collaborative has recorded its OPEB cost equal to the actuarial determined annual required contribution (ARC) which includes the normal cost of providing benefits for the year and a component for the amortization of the total unfunded actuarial accrued liability of the plan.

The Schedule of Funding Progress presents multi-year trend information which compares, over time, the actuarial accrued liability for benefits with the actuarial value of accumulated plan assets.

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer 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.

The Schedule of Actuarial Methods and Assumptions presents factors that significantly affect the identification of trends in the amounts reported.

Other Information

REQUIRED DISCLOSURES FOR MASSACHUSETTS EDUCATIONAL COLLABORATIVES

The following information is provided to conform with the requirements of the Massachusetts Session Law, Chapter 43 of the Acts of 2012: An Act Relative to Improving Accountability and Oversight of Education Collaboratives. This law was adopted in March of 2012 and constitutes a comprehensive amendment Massachusetts General Law, Chapter 40, Section 4E which establishes the requirements for the formation and administration of Educational Collaboratives in Massachusetts.

NOTE 1 – TRANSACTIONS BETWEEN THE EDUCATIONAL COLLABORATIVE AND ANY RELATED FOR-PROFIT OR NON-PROFIT ORGANIZATION

There are no related organizations that the Collaborative is associated with and therefore no transactions to report.

NOTE 2 – TRANSACTIONS OR CONTRACTS RELATED TO THE PURCHASE, SALE, RENTAL, OR LEASE OF REAL PROPERTY

The following are transactions that qualify for reporting in this category:

Osterville Campus - Town of Barnstable.....	\$	79,000
Bourne Campus - Town of Bourne.....		118,500
Camp Burgess facility - South Shore YMCA.....		60,000
Pocasset maintenance facility - Chipper LLC.....		<u>11,400</u>
	\$	<u><u>268,900</u></u>

NOTE 3 – NAMES, DUTIES, AND TOTAL COMPENSATION OF THE FIVE MOST HIGHLY COMPENSATED EMPLOYEES

The following employees were the five highest compensated employees for the period ended June 30, 2016:

<u>Name</u>	<u>Employee Position</u>	<u>Salary</u>
Paul Hilton	Executive Director	\$ 142,020
Lawrence Carroll	Director of Waypoint Academy	109,488
Anita Woods	Director of STAR Program	100,213
Jim Brown	Business Manager	100,538
Linda Dillon	Occupational Therapist	84,259

NOTE 4 – AMOUNTS EXPENDED ON ADMINISTRATION AND OVERHEAD

For the year ended June 30, 2016, the Collaborative expended \$330,907 and \$348,131 for amounts related to administration and overhead, respectively.

NOTE 5 – ACCOUNTS HELD BY THE COLLABORATIVE THAT MAY BE SPENT AT THE DISCRETION OF ANOTHER PERSON OR ENTITY

At June 30, 2016, there were no accounts that qualified for reporting in this category.

NOTE 6 – AMOUNTS EXPENDED ON SERVICES FOR INDIVIDUALS WITH DISABILITIES, 22 YEARS OF AGE OR OLDER

At June 30, 2016, there were no expenditures that qualified for reporting in this category.

NOTE 7 – CERTIFIED CUMULATIVE SURPLUS

Certified Cumulative Surplus is defined as the amount of general fund surplus in the collaborative accounts, as certified through an independent audit. Cumulative surplus is derived from a collaborative's unexpended general funds over a number of fiscal years. General funds are for the most part, the funds that a collaborative receives from school districts for tuitions, dues, fees for service, surcharges and related interest, as well as indirect costs allowed under certain grant awards not earmarked under the conditions of the funding for a specific purpose.

As of June 30, 2016, the Collaborative's general fund unassigned fund balance totaled \$2,774,653. This amount does not exceed the limit of 25% of general fund expenditures for the year.

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Report on Internal Control Over Financial Reporting and on Compliance



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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

Independent Auditor's Report

To the Board of 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 the Cape Cod Collaborative (the Collaborative), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Collaborative's basic financial statements, and have issued our report thereon dated November 11, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 the Collaborative's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 the 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 black ink that reads "Powers & Sullivan LLC". The signature is written in a cursive, flowing style.

November 11, 2016