



Annual Report 2019-2020

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 2019-2020 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

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 **2019-2020**

Barbara Dunn	Barnstable Public Schools
Christopher Hyldborg (July – August) Maureen Fuller (September -)	Bourne Public Schools
Jessica Larsen (July – August) Marie Enochty (September -)	Brewster Public Schools
Scott McGee	Cape Cod Regional Technical
Phillip Morris	Dennis-Yarmouth Regional
Judy Lindahl, Vice-Chair	Eastham Public Schools
John Furnari, Chair	Falmouth Public Schools
Lisa Reagan	Martha’s Vineyard Regional
George Schmidt	Mashpee Public Schools
Joseph Auciello	Monomoy Regional Schools
Dr. Timothy Lepore (July – August) Zona Tanner-Butler (September -)	Nantucket Public Schools
Robert Jacobus	Nauset Regional Schools
Hank Schumacher	Orleans Public Schools
No member appointed	Provincetown Public Schools
Sherri Erikson (July – August) Jim Dever (September - May) Kristen Bader (June -)	Sandwich Public Schools
Christine Roderick	Truro Public Schools
Robert Fichtenmayer	Upper Cape Cod Regional Technical
Michael Flaherty	Wareham Public Schools
Jill Putnam	Wellfleet Public Schools
Treasurer	William Friel

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.*

<u>Cape Cod & Islands Superintendents</u>	<u>2019-2020</u>
Dr. Meg Mayo-Brown	Barnstable Public Schools
Dr. Perry Davis (July – March) Dr. Kerri-Ann Quinlan-Zhou (March -)	Bourne Public Schools
Robert Sanborn	Cape Cod Regional Technical
Carol A Woodbury	Dennis-Yarmouth Regional
Dr. Lori Deurr	Falmouth Public Schools
Dr. Matthew D’Andrea	Martha’s Vineyard Regional
Patricia DeBoer	Mashpee Public Schools
Dr. Scott Carpenter	Monomoy Regional
W. Michael Cozort	Nantucket Public Schools
Thomas Conrad	Nauset Regional (including Brewster, Eastham, Orleans, & Wellfleet)
Suzanne Scallion	Provincetown Public Schools
Dr. Pamela Gould	Sandwich Public Schools
Michael Gradone	Truro Public Schools
Dr. Robert Dutch	Upper Cape Cod Technical
Dr. Kimberly Shaver-Hood	Wareham Public Schools

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Cape Cod & Islands Special Education Directors 2019-2020

Eric Bruinooge (Secondary) Catherine Zinni (Primary/Elementary)	Barnstable Public Schools
Craig Davidson, Interim	Bourne Public Schools
Kate Clemens	Cape Cod Regional Technical
Maria Lopes	Dennis-Yarmouth Regional
Dr. Joan Woodward	Falmouth Public Schools
Hope MacLeod (8-12) Nancy Dugan (PK-8)	Martha's Vineyard Regional
Jaime Curley	Mashpee Public Schools
Melissa Maguire	Monomoy Regional
Michele Brady	Nantucket Public Schools
Dr. Ann Caretti	Nauset Regional (including Brewster, Eastham, Orleans, & Wellfleet)
Jeff Slater	Provincetown Public Schools
Bernard (BJ) McNamara	Sandwich Public Schools
Stephanie Costigan	Truro Public Schools
Mark Dufresne	Upper Cape Cod Technical
Melissa Fay	Wareham Public Schools

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- (11 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.

2019-2020 Program Directors

- Dr. Anita Woods Director of Special Education Programs (2001)
- Christina Caputo Assist. Director of Special Education Programs (July 2018)
- Amy Lipkind Business Manager (2016)
- Anders Erikson Operations Manager (June 2019)
- Dr. Joseph Gilbert Special Projects (2003)
- Dr. Christopher Bogden Special Projects (2017)
- Lisa Stobbart Transportation (2014)
- Julia Bryant STAR Program Coordinator (2006)
- Kara Peterson Waypoint Program Coordinator (2020)



Paul C. Hilton
Executive Director

CAPE COD COLLABORATIVE

418 Bumps River Road • Osterville, MA 02655
(508) 420-6950 Ext. 1111 • Fax (508) 420-6959
paulhilton@capecodcollaborative.org • www.capecodcollaborative.org

December 2020

Our (ninth) 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 2019-2020 School (& Fiscal) Year.

Our FY20 annual report continued to remind us of our commitment to *collaboration and adaptation*.

Throughout the 2019-2020 Fiscal Year, the Collaborative facilitated discussions and hosted presentations regarding the changing demographics throughout the region. Peter Francese, an economic demographer, again facilitated discussion with stakeholders throughout the region, including legislators, at a Legislative Breakfast in February 2020. It is anticipated that these conversations will continue throughout the coming Fiscal/School Year and involve an increasing group of stakeholders.

The impact of the SARS-CoV-2 (COVID-19) pandemic has had a profound impact upon the operations of the Cape Cod Collaborative, starting in late February and March 2020. The ongoing impact of the pandemic is likely to be felt for a considerable period of time.

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. Specialized educational projects were developed and refined to meet the needs of districts in a changing educational environment.

Special acknowledgments are deserved for those who have served the Collaborative for many years and who were instrumental in supporting the coordinated efforts of school districts through the Collaborative.

- The passing of several individuals that have long been associated with the Collaborative, Peter Cannone, Dana Leach, Pauline DeBarros, Peter Jablon & Charlotte Branco and have had a profound impact upon many who worked with them throughout the years of their association with the Collaborative.
 - Peter had been the Superintendent of the Sandwich Public Schools for fourteen (14) years and worked for the Collaborative for a decade in his “retirement”.
 - Dana had provided physical therapy services through the Collaborative throughout the region for over two decades before passing in March 2020. Although he “bled purple” as a lifelong Bourne resident, he made each student he served, regardless of the school district, feel valued and important.

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- Pauline DeBarros was a long-time Transportation employee. She started working with the Collaborative in 2002 and continued until her passing in January 2020.
- Peter Jablon was a long-time school bus driver in the Nauset region who is fondly remembered by all who know him. He continued working as long as possible before his passing in January 2020.
- Charlotte Branco was also a long-time Transportation employee. She worked with the Collaborative for nearly a decade before her passing.
- Several long-term staff left the Collaborative after many years of dedicated service to the students and families served by the Collaborative include:
 - Melissa Goldstein – Waypoint Program Coordinator 2000-2020
 - Sheila Murray – Special Projects Administrative Assistant 2008-2020
 - Brian Eacobacci – Counselor at Waypoint from 2008 through 2020
 - Jacquelyn Anderson – Paraprofessional at STAR from 2012 through 2019
 - Catherine Dexter – School Bus Driver for Truro Public Schools 2008-2020
 - Deborah Lovell – School Bus Driver and Trainer 1997-2019

The contributions of each of these individuals were valued and appreciated by all at the Collaborative as well as the students, families and districts that they had served. Their commitment and collegiality will be missed by all. 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 having had the opportunity to serve during the 2019-2020 School Year.

Paul 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. 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 in September 2011 and was attended by representatives of Member School Committees, Member school district Superintendents, Special Education Administrators, School Business Administrators and Collaborative Administrators.

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 2019-2020 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).

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 2020 Fiscal/School Year.

Bridgewater State University Off Campus Programming

An agreement continued to allow the Collaborative to sponsor coursework towards Preliminary Licensure for Teachers of Students with Moderate Disabilities and Preliminary Licensure for Teachers of Students with Intensive Disabilities. These courses occurred over the course of two years (three fiscal years) and were available to Collaborative staff and to employees of member school districts at a reduced rate made possible by this agreement. The initial sessions of the second “cohort” were scheduled to occur in the Fall of 2020.

Development of a Partnership between Bridgewater State University and the Cape Cod Collaborative

The Cape Cod Collaborative entered into a Memorandum of Understanding with Bridgewater State University to formalize a partnership to “facilitate joint educational initiatives to improve teacher education and professional development opportunities on Cape Cod”. This agreement was formalized during an event on January 28, 2020 at the Bridgewater State University Cape Cod Campus in Yarmouth.



Annual Legislative Breakfast

The Tenth Annual Cape Cod Collaborative Legislative Breakfast occurred on January 31, 2020. This event was co-sponsored by the Massachusetts Association of School Committees Division VII. The focus of this Legislative Breakfast was regarding the demographic changes throughout the region. Collaborative Board Chairperson John Furnari moderated the event. Tom Scott, the Executive Director of the Massachusetts Association of School Superintendents, presented information regarding the recently passes “Student Opportunities Act”. Mr. Hilton presented regional information regarding demographics and various initiatives to the group for consideration in a coordinated activity among the groups present in preparation for the inclusion of legislators later in the meeting. Senator Cyr, Representative Hunt, Representative Peake, Representative Vieira, Representative Gifford, Representative Crocker and Representative Fernandes and representatives from the offices of Senator Cyr and Representative Whelan attended the event as well as Collaborative Board members, Superintendents and School Committee members from throughout the region. A vibrant discussion occurred regarding the challenges facing the region, especially in regards to education

Southeastern Massachusetts Regional Collaborative Organization

The Cape Cod Collaborative continued to be one of the eight 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 had 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).

Barnstable County Substance Abuse Council

Mr. Hilton continued to represent 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 continued to meet, although less often, to develop and discuss initiatives to meet the evolving (and increasing) need for coordinated efforts to address substance use disorder issues throughout the region.

***Massachusetts Department of Children & Families
Cape Cod & Islands Area Board***

Mr. Hilton has served on the MA-DCF Area Board since May 2017. The DCF Area Board works with the DCF Area Office to support and integrate initiatives and activities to support at-risk children and families in the area, as well as to advise the office regarding issues in the region.

***Massachusetts Legislative Working Group – Retirement Funding
Obligations Working Group***

Mr. Hilton was appointed to a legislative working group to study and make recommendations regarding the retirement funding obligations for “non-agency” organizations within the Massachusetts State Employees Retirement System (MSERS). This working group has been assigned the responsibility to recommend legislative solutions to meet the past, current and future unfunded liability “non-agency” participants in MSERS. Educational collaboratives (approximately 29) have been participants in MSERS since the late 1980s. There are seventeen (17) additional “non-agency” participant organizations, including vocational technical schools (9), planning agencies (7) and regional boards of health (1) within the MSERS. The Legislative Working Group met to investigate options and discuss solutions to meet the “unfunded liability” of the MSERS and will be submitting information for consideration for future legislation

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. This multi-year grant was secured for the Collaborative to coordinate the regional activities. The Collaborative coordinated the application to secure additional funding through the Peter & Elizabeth Tower Foundation to continue this work. The Collaborative was awarded over \$191,000 to continue this work throughout Calendar Years 2019, 2020 & 2021.

In the Spring of 2020, the work associated with this initiative was adapted to meet the challenges associated with the changing modalities of instruction that were necessary due to the challenges associated with the SARS-CoV-2 (COVID-19) pandemic. The Collaborative and the Tower Foundation agreed to adapt the activities associated with the grant for the provision of professional development and coordinated support across the region. Funds associated with the initiative supported multi-district initiatives with an organization (Modern Teacher) that provided professional development regarding the systems, instructional strategies and practices necessary to address the challenges of remote teaching and learning.

Plymouth Public Schools

The Plymouth Public Schools have consistently had a number of students enrolled in Collaborative programs and utilized Collaborative services. There was an inquiry

regarding “adjunct membership” status during the year and the School District’s commitment for five (5) committed slots in the Waypoint Academy program was recognized and approved by the Board of Directors.

Recruitment / Licensing Incentive for (New) School Bus Drivers

The challenge of recruiting, training and retaining school bus drivers is a growing challenge locally, regionally and nationally. The Collaborative developed an incentive program to recognize and honor the commitment of individuals who driver the students that are served by the Collaborative. This program was approved by the Board of Directors and implementation started in 2020. The first payments occurred at the start of the pandemic and were greatly appreciated by those that had received them.

Consulting School Physician

Dr. Mathew Baldasaro of Bass River Pediatrics in Yarmouth served as the consulting school physician for the Cape Cod Collaborative for the tenth year. Dr. Baldasaro’s guidance and direction have been invaluable throughout his tenure, especially with the impact of SARS-CoV-2 (COVID-19) and the associated coordination and adaptation of programming and services that were necessary. His continued services are greatly appreciated, especially as he has become increasingly involved with regional school health initiatives.

Waypoint Academy Program Planning

Waypoint Academy relocated to the Henry T Wing School in Sandwich in 2017. The Town of Sandwich elected to solicit proposals for the development of the property and ultimately approved a proposal that is anticipated to ultimately result in the construction of affordable, age-restricted apartments. The impact of this decision will be the need for the relocation of the Waypoint Academy program. The Collaborative solicited proposals for a location for the program in the Fall of 2019 and received two proposals, neither of which proved to be advantageous.

The Collaborative continues to pursue relocation options for the program while continuing to work closely with the Town of Sandwich and the developer regarding the timeline(s) for relocation.

Melissa Goldstein, the Program Director at Waypoint Academy, provided notice of her intent to leave her position at the end of the school/fiscal year. Ms. Goldstein was integral to the development and success of the program throughout her tenure, which included opening the program in 2000. A search for a Program Director occurred and resulted in the hiring of Dr. Kara Peterson. Dr. Peterson has a strong background in public education and deep familiarity with alternative education.

STAR - Osterville Program Planning

The STAR program continued to operate at the Osterville school building for its tenth year at the location. A second ten (10) year lease was negotiated and approved by the Town of Barnstable, the Barnstable School Committee and the Collaborative.

Transportation

The evolution of Student Transportation services through the Collaborative continued to evolve and expand throughout the 2019-2020 school/fiscal year. The Monomoy regional School elected to operate student transportation services through the Collaborative and the Bourne Public Schools added four (4) additional routes as they opened the Bourne Intermediate School. The transportation management/administration was enhanced

throughout the year, including the integration of Anders Erikson, the Collaborative Operations Manager.

The Transportation Manager, Lisa Stobbart, continued to ensure that quality services were delivered and that staff had appropriate resources for their work. Additional capacity was added to the maintenance/mechanical staff as the garage space transitioned to one location. The training programming for Collaborative transportation staff garnered attention from local and regional media with the inclusion of public health training regarding vaping.

The challenges associated with SARS-CoV-2 (COVID-19) created additional challenges for maintaining capacity for the resumption of in-person instruction as well as ensuring the support of staff that are integral and essential to school functioning. All Collaborative staff worked closely with the School Districts to ensure that transportation staff were considered and that costs for maintaining capacity were contained and managed. The Collaborative Board of Directors affirmed the Collaborative payment for “standard hours” for Collaborative drivers and monitors through and the pricing associated with Memoranda of Agreement/Understanding between the Collaborative and Member School Districts was revised to reduce costs where possible.

ASLP

The Advanced Studies and Leadership Program (ASLP) for the Summer of 2019 was the fifteenth session of ASLP. Steven Kelleher, the Vice-Commandant at Massachusetts Maritime Academy completed his first year as the ASLP Program Director, assisted by John Muldoon, who was completing his first year as the Assistant ASLP Program Director. Dr. Joseph Gilbert remained very involved with the program to ensure its success as the transition to the new administrative team. The ASLP Program benefited from the inclusion of students from the New Bedford Public School and the Dartmouth Public School during Summer 2019. Vineyard Wind, a local company that is developing wind power initiatives, funded scholarships for these students as well as additional students from the southeastern Massachusetts coast, including parts of Cape Cod). The development of the ASLP Summer 2020 Program continued to occur despite the impact of the pandemic. Although the residential program was ultimately not possible, planning occurred for alternative programming during the Winter of 2020-2021 for students that had been accepted to that program.

International Programming

The continuing evolution of international programs in the region occurred through the first half of the 2019-2020 school year. From July 7 to July 16, 2019 several Cape Cod educators participated in educational and professional development programming in Beijing, with educators from the Daxing district, including a summer camp for educators. Another group of Cape Cod educators visited the Daxing district in January 2020, returning on January 20, 2020 before the closure of travel to and from the area. There were a number of Spring 2020 visits of student groups from the Daxing districts to schools in the region that were ultimately canceled due to the impact of the pandemic. Boston Ivy organization facilitated many of these visits and donated a significant number of disposable face masks at the start of the quarantine in the United States. Ms. Wendy Wu of the Boston Ivy group also assisted with an arrangement for the manufacture and delivery of 250,000 disposable face masks for the Collaborative and the Member School Districts.

Grants and Appreciation

A number of grants and donations were received during the school year in addition to those noted independently. A *Comprehensive School Health Services* grant was received following coordination and submission form the Lead Collaborative Nurse, Murette Power, RN. Ms. Power had coordinated previous activities where the Collaborative benefited as a sub-recipient of other district's grants and had submitted independently for direct receipt of the funds for the 2019-2020 school year. A donation of \$2,000 was made from *Maria and Christopher Raber* to the STAR Osterville program in appreciation of a long relationship with the program. The *Shepley Foundation* donated \$4,000 to the Collaborative as a benefactor of their *Shepley Open Golf Tournament*. A special thanks is due to the Balboni family for that recognition.

All-Cape In-Service 2019

The All-Cape In-Service occurred on October 11, 2019. Four Hundred Eighty educators participated in twenty-eight (28) workshops. The educators from the Islands were not able to participate due to significantly inclement weather.

SARS-CoV-2 (COVID-19 Notes)

- The Board of Directors met in-person on March 11, 2020 prior to the quarantine of the state. The Board was able to begin group discussions regarding potential issues associated with the pandemic
- The Collaborative coordinated the purchase of Personal Protective Equipment (PPE) for several districts throughout the region as well as serving as a clearinghouse for information regarding PPE purchase, including coordination with Barnstable County.
- In May 2020, Memoranda of Understanding adjustments removed variable costs associated with fuel and mileage maintenance as well as costs for additional trips that had been included in annual pricing template. The pricing templates were also revised to reflect the standardization of hours for periods of remote learning during the COVID_19 building closures.
- The Collaborative completed an application for Paycheck Protection Program loan with the United States Small Business Administration (US-SBA) in May 2020. The application was approved for \$1,936,792.
- The Collaborative Special Education Day Schools resumed instructional programs after a short period of closure. The staff of the programs maintained close communication with students and families to support their educational and other needs during the period(s) of remote learning.
- Collaborative transportation staff assisted districts and Collaborative programs in the delivery of instructional materials and food throughout the period(s) of school building closure.

Cape Cod Collaborative Public Day School Programs 2019-2020



Cape Cod Collaborative runs two public day schools: The STAR Program in Osterville and Waypoint Academy in Sandwich. During the 2019-2020 school year, there was a pandemic. Dr. Woods and Ms. Caputo worked with Program Coordinators Julia Bryant (STAR) and Melissa Goldstein (Waypoint), together with all the amazing program staff, to transition all of our students to remote learning following the MA state closure of all schools in March 2020. The Team worked diligently to ensure that the learning continued and our students and families' needs were met even though we could not physically be present in the school buildings. Cape Cod Collaborative public day schools also began a Coordinated Program Review with the Department of Elementary and Secondary Education. Due to the pandemic, the Coordinated Program Review was suspended until the next school year.

STAR Program –Osterville Public Day Program 2019-2020

The Cape Cod Collaborative Osterville-STAR Program continued to operate as a Public Day School in Osterville for a tenth year. The STAR Program continued to be fully approved by the Department of Elementary & Secondary Education. The Goals for the Osterville-STAR Program during the 2019-2020 School Year continued to focus on key areas involving Student Learning, Data Assessment, Professional Culture, and Family & Community Engagement.

STAR enrollment (September 2019) began at 51 students and the year closed out at 55 students (June 2020). Focusing on student growth and independence, the staff at the STAR Program emphasize “embedded therapies” and creating an environment supporting social-emotional growth and behavior 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 serviced within their home community (local or regional) to the extent possible.

The programming and enrollment at the STAR Program supported sixty (60) students during the 2019-2020 school year. The home districts of these students included:

Member Districts
Barnstable
Dennis-Yarmouth Regional
Eastham
Falmouth

Non-Member Districts
Duxbury
Middleborough
Plymouth
Silver Lake Regional

Member Districts (Continued)

Mashpee
Monomoy Regional
Orleans
Sandwich
Truro
Wareham
Wellfleet

Non-Member Districts (Continued)

During the 2019-2020 School Year, forty-two (42) inquiries for programming were received for the STAR Program:

Enrolled in Collaborative

16 Enrolled at STAR

Supported in District(s)

11 Maintained with added support (or other arrangements)

1 “parent inquiry” directed back to district (IEP Process)

Other

3 Enrolled in other Collaboratives

An additional 11 referrals were left “pending” when school closed due to COVID in March 2020.

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

During the 2019-2020 School Year, six (6) students were transitioned out of the STAR Program. In June 2019, at the close of school, four (4) students transitioned to other programming and an additional two (2) students transitioned during the extended school year (ESY 2020).

During 2019-2020, STAR staff participated in training focused on understanding the effect of trauma and secondary trauma for those working with challenging students. All STAR staff participated in trainings with staff from Children’s Cove focused on understanding the effects of secondary trauma and developing self-care strategies. Prior to the school closure in March, STAR staff participated in a survey to gather information on staff perspective for future areas to focus support and training. In addition, some lead staff (teachers, administrators, speech therapist and social worker) participated in two graduate courses through Leslie University focused on working with trauma in school settings.

The STAR Friendship Garden continues to be an integrated experience for the students at the STAR Program at least through the Fall. With school closed, we were unable to have a Spring/Summer garden. Occupational and Physical therapies integrate goals through a functional approach to accessing natural environments and generalizing skills. The social and communicative experience allows for increasing vocabulary, problem solving and social cooperative endeavors. The multi-sensory experience allows for access to all students. In the summer, we use our harvest for salads for our Thursday lunches. The school has also participated in a composting program in collaboration with the Cape Cod Challenger Club. The 18-22 age classroom also grew pea shoots for the Cape Cod Challenger Club.

The **Long Pasture Audubon Program** continued their collaboration with the STAR Program providing our students with hands-on opportunities to enhance units associated with tidal flats, amphibians and vernal pools during the extended school year and regular school. The experience of “being scientists” and learning about Cape Cod’s environment are wonderful opportunities.

Extended School Year Program: The 2019 extended school year program provided many enriching activities for language, social and motor opportunities for **fifty (50) students**. Some of the various activities included Sail Cape Cod, an outing to “Dream Day” at Nickerson State Park in Brewster, a magic show, a music group, YMCA swim, and Thursday cook-outs with produce from the Friendship Garden.

During the 2019-2020 school year (up until March 2020 closures):

Students participated in weekly art classes led by a staff member. Students also participated in weekly Yoga classes conducted by staff from Yoga Neighborhood. Some students participated in the YMCA swim program up until school closure. Other students enjoyed walking programs and movement using the track behind the school.

The high school vocational groups did community outings to Stop & Shop, the Osterville Library, a local nursery, and out to practice social skills at local restaurants.

In collaboration with Waypoint Academy, students participated in helping to coordinate a food program providing free groceries to both families and staff. Through the generosity and facilitation of the Falmouth Service Center, students work to help sort, assemble, and deliver the bags to go home.

Dr. Marc Hauser continued to provide consultation and feedback to STAR administrative and teaching staff to enhance the reliability and consistency of data collection in order to better use evidence to assess student progress. The connection was a combination of student learning goals, professional learning goals, Individual Education Plan goals, and school-wide break, time-out, and restraint data. Additionally, staff had a Team goal that focused on the Early Warning Systems in which all staff chose individual student goals targeted for intervention, collected baseline data, implemented an intervention, and collected post data to track progress. Staff met weekly with Dr. Marc Hauser to review the data specific to their students.

The Cape Cod Collaborative STAR Program continues to utilize Safety-Care, a crisis prevention and intervention program through the QBS, Inc. (Quality Behavioral Solutions to Complex Behavioral Problems).

In March 2020, STAR staff quickly shifted to finding ways to provide remote instruction for students that have always been focused on hands-on learning. This was challenging for all staff and especially for families. Communication with families was ongoing as we worked to navigate this transition to virtual learning.

Family Events

Families are encouraged to participate in their child’s school experience. A Parent Advisory Group (PAG) is offered monthly to elicit input regarding programs and services. In October, an open house was held and families were invited to hear teachers’ goals and plans for the school year. In November, a student assembly and family luncheon was held on the Tuesday before Thanksgiving. This event continues to be the most attended event each year, with over 60% of students having a family member, friend or guardian attend. This year with staff, students and

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guests over 150 lunches were served. Due to the COVID school closure in March, no further family events were held this school year.

The STAR Program has continued to share facilities and opportunities with the Cape Cod Challenger Club. This organization has been a great partner.

Julia Bryant, the Program Coordinator, together with teachers, paraprofessionals, the program social worker, school nurse, therapists, custodial & cafeteria staff, and front desk staff continued to demonstrate their dedication and professionalism to all the students participating in the STAR Program and their families.

Cost Effectiveness – The Osterville-STAR Program had a daily tuition rate of \$272 during the 2019-2020 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 one individual comparable program that provides services identical to the students served at the STAR 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 services 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, admissions, and discharges from the STAR Program.

It may also be discerned that the Program service 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 entering school (district) settings as their needs and district support allow. This Program effectively and efficiently services the students in the least restrictive setting possible.

The Osterville-STAR Program tuition (\$272/day - \$48,935/year) for FY20 is considerably lower than other options, options often at a great distance (and transportation expense). Assuming other programs could provide the similar and appropriate services, it may be noted that the STAR day rate (\$272/day) is considerably lower than an average tuition of \$375/day (\$67,421/year) for Private Day Education Programs in Massachusetts. It is important to note that each district (and family) considers the particular needs of students 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 school setting.

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

Medical Fragile		Emotional Impairment		Autism & Intellectual	
STAR	\$272	STAR	\$272	STAR	\$272
BC Campus	\$471	Walker	\$424	Higashi	\$363
Meeting St / Schwartz	\$327	St. Vincent's	N/A	May	\$507/\$509
Perkins	\$327/\$714/\$718	Chamberlain	\$475	Cushing NECC	\$413/\$441 \$540

Cape Cod Collaborative Waypoint Academy Public Day Program 2019 – 2020



Waypoint Academy continued to be approved by the Department of Elementary & Secondary Education as a Public Day School in Sandwich, MA. The goals for Waypoint Academy during the 2019-2020 school year continued to focus on key areas involving Student Learning, Data and Assessment, Professional Culture, and Family & Community Engagement.

Waypoint accepts and provides services for students on a “rolling” or on-going basis. The principles of “*Trauma Sensitive Schools*” are integral to the practices of staff throughout the program. 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. 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 or enter the workforce.

Waypoint enrollment (September 2019) began at 48 students and ended (June 2020) at a count of 47 students. This program continues to offer an effective alternative education program for students in a cost-efficient manner. Some students attend close enough to their home district allowing 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.

During 2019-2020 school year, **11** students transitioned out of Waypoint Academy; one (1) student met graduation requirements in January 2019. In June 2019, **12** students transitioned at the close of school; six (6) of those met graduation requirements. Two (**2**) additional students were discharged at the close of ESY 2019.

The programming and the enrollment at Waypoint Academy supported sixty-eight (68) students during the 2019-2020 school year. The home districts of Waypoint students included:

Member Districts

Barnstable
Bourne
Dennis-Yarmouth
Falmouth
Mashpee
Monomoy
Nauset
Sandwich
Wareham

Non-member Districts

Boston
Chelsea
Dartmouth
Fall River
Plymouth

During the 2019-2020 School Year, fifty-five (55) inquiries* for alternative education programming were received by Waypoint Academy:

Enrolled in Collaborative	Supported in District(s)	Residential/Private
18 Enrolled at Waypoint	8 maintained with added support (or other arrangements made)	3
4 Enrolled at STAR	8 Enrolled in other Collaboratives	
1 FY21 start	1 Moved prior to placement	

***An additional 12 referrals were left “pending” when school closed due to COVID in March 2020.**

During the 2019-2020 school year, **twenty (20) students** transitioned out of Waypoint Academy. In June 2019, ten (10) students transitioned at the close of school; three (3) of these students met graduation requirements.

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 are often 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 has full-time clinicians on staff who promote interventions for building confidence, self-esteem, individual responsibility, social awareness, (executive function) organization and cognitive development. The highly specialized, intensely structured educational environment 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 their individual needs.

Technology: Technology is used at the Academy to not only support instruction but also to inform the program regarding changing student needs. Throughout the 2019-2020 school year databases regarding student achievement and progress were continually refined (and maintained). These databases assist to inform the program staff regarding student performance and behaviors, including both the individual and the group dynamics.

The program has continued to add technology to support the program’s specialized instructional needs, including additional computer workstations as well as Promethean Interactive Screens and Chromebooks.

During the 2019-2020 school year:

Dr. Marc Hauser continued to provide consultation and feedback to Waypoint administrative, clinical and teaching staff to enhance the reliability and consistency of data collection in order to better use evidence to assess student progress. Dr. Hauser worked with the clinical staff to enhance their summary reports with data being collected. He also worked with teaching staff on ways to improve the writing of measurable IEP goals and linking that to their data systems already in place at Waypoint. The connection was a combination of student learning goals, professional learning goals, Individual Education Plan goals and school-wide break, time-out,

and restraint data. Additionally, staff had a Team goal that focused on the Early Warning systems in which all staff chose individual student goals targeted for intervention, collected baseline data, implemented an intervention, and collected post data to track progress. Staff met weekly with Dr. Hauser to review the data specific to their students.

Waypoint Academy continues to utilize Safety-Care, a crisis prevention and intervention program through QBS, Inc. (Quality Behavioral Solutions to Complex Behavioral Problems).

Two educational mini-grants were received from the Cape Cod Five Foundation for projects related to STEM and CPR/First Aid.

Camp Burgess: The Camp Burgess classroom experience continued to be a source of motivation and investment for many of our students. Students participated in outings to Camp Burgess as an extension of classroom instruction. This setting also promotes applied learning of the academic and instructional content through participation in activities such as the integrated farm and forestry programming. Camp Burgess extended the “Camp Burgess classroom” experience for all students at the Academy through planned Field Days. These Field Days included programming with Camp Burgess Staff in developing leadership capacity, team building, and self-confidence for students.

Parent Advisory Group:

Waypoint Academy’s Parent Advisory Group meetings coincided with ongoing, planned school activities and celebrations. Parents were invited to participate in school wide events organized by the Clinical Team and the Student Council that were scheduled periodically throughout the school year.

Extended School Year: Students designated through their IEP who are enrolled in Waypoint Academy may participate in programmatic services during the months of July and August. Of the 30 students expected to attend the 2019 ESY program, 19 participated. The primary goal of these educational activities is to prevent regression of prior learning and promote social-cooperative learning.

Graduation: Waypoint Academy had three (3) students that met the graduation requirements from their home district. Due to COVID-19 the annual senior dinner did not occur. There was, however, a drive-by parade to honor all three of the graduating seniors. Ms. Goldstein, Waypoint Academy Program Coordinator, together with teachers, paraprofessionals, clinical staff, LPN, therapists, custodial & cafeteria staff, and staff at the front desk continued to demonstrate their dedication and professionalism to all the students and their families participating in Waypoint Academy.

It is with great gratitude that we wish Melissa Goldstein a happy transition. Ms. Goldstein is moving on after nineteen (19) years at the Collaborative. Due to COVID-19, the Collaborative was unable to provide her a gathering of colleagues and friends. She will be greatly missed.

Cost Effectiveness – Waypoint Academy operated during the 2019-2020 school year with a daily tuition rate of \$244 / \$267 and \$288 per day. The tuition rate is differentiated based upon projected enrollment. Member (and sometimes non-member) districts have purchased “committed” slots (\$244/day) 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 resulting staffing have been planned (\$267/day). The other tuitions (non-committed slots at \$288/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 of the school year.

Although there is not a program that provides services identical to those provided for students served at 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) 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 (\$244 / \$267 and \$288 per day - \$43,985 / \$48,206 and \$51,891 per year) for FY20 was considerably lower than options, which are often at great distance and transportation expense. Assuming the programs could provide the appropriate services, a comparison of Waypoint's tuitions versus an average tuition of \$375/day (\$67,421/year) for Private Day Education Programs in Massachusetts demonstrates the cost savings. Each district (and family) considers the needs of particular students when evaluating programs for consideration for student placement.

Waypoint Academy programming allows districts to pool resources and mitigate 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 (daily rates)	
Waypoint Academy	\$244/\$267 and \$288 (average \$266)
Saint Vincent's	N/A
Chamberlain	\$475
Franklin Perkins	\$346
Home for Little Wanderers	\$338/\$462
Southeast Alternative / Anchor	\$280
Private Day Average	\$375

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 FY20 the Collaborative provided Speech and Language Therapy, Occupational Therapy and Physical Therapy to students in 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. Some districts utilized Collaborative staff to supplement services in their districts, other districts utilized Collaborative staff as the primary service providers for certain types of services, especially in small districts.

The Collaborative has a cadre of highly skilled and competent clinicians that work with students, and districts, throughout the region. A significant benefit is realized by districts that are able to “share” the expertise and costs for highly capable and competent staff through their educational collaborative.

During FY20, the Collaborative therapy staff provided services in Barnstable, Cape Cod Technical High School, Martha’s Vineyard, and Truro. These services were provided at a rate of approximately \$90 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.

Special Projects

The Collaborative supports member (and non-member) school districts through “special project” initiatives. Dr. Joseph Gilbert and Dr. Christopher Bogden lead and coordinate many of the activities associated with these “special projects”.

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. 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 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.
- 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

The Advanced Studies and Leadership Program (ASLP) for the Summer of 2019 was the fifteenth session of ASLP. Steven Kelleher, the Vice-Commandant at Massachusetts Maritime Academy completed his first year as the ALSP Program Director, assisted by John Muldoon, who was completing his first year as the Assistant ASLP Program

Director. Dr. Joseph Gilbert remained very involved with the program to ensure its success as the transition to the new administrative team. The ASLP Program benefited from the inclusion of students from the New Bedford Public School and the Dartmouth Public School during Summer 2019. Vineyard Wind, a local company that is developing wind power initiatives, funded scholarships for these students as well as additional students from the southeastern Massachusetts south coast, including parts of Cape Cod. The development of the ASLP Summer 2020 Program continued to occur despite the impact of the pandemic. Although the residential program was ultimately not possible, planning occurred for alternative programming during the Winter of 2020-2021 for students that had been accepted to that 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 current President Rear Admiral Francis McDonald and Captain/ Vice President Elizabeth Simmons have been integral to the continual success of this program.

President Rear Admiral Dr. McDonald has been indispensable in the continuity of ASLP and was integral to the development of the program with Dr. Joseph Gilbert in 2005.

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. The graduation on July 14th was attended by hundreds of relatives and friends of the participants.

Professional Development

All-Cape In-Service

The Cape Cod Collaborative originally established a regionally coordinated professional development day in 2004. Each of the districts had held their own in-district professional development on this day and also promoted enrollment of district staff into workshops developed by the Collaborative that were particularly focused on 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 FY20 All-Cape In-Service Day occurred on October 11, 2019. Twenty-eight different workshops were offered, most hosted at Dennis-Yarmouth High School, one at Hundred Acre School in Sandwich, and one at the Mullen Hall and Falmouth Curling Club.

In 2019, the All-Cape In-Service Day saw a significant increase in registrations and attendance. Five hundred forty-six (546) registrations, representing four hundred sixty (460) educators were received. Registrants represented all of the Cape and Islands districts, a number of regional preschools, and a Charter School. The Collaborative contracted with workshop presenters and content coordinators, sharing these costs amongst the participating districts. **The average cost per member district participant for the October 2019 All-Cape In-Service was approximately \$53 (\$25 for non-district, early childhood participants).**

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

Through discussions with these groups, the need for Sheltered English Immersion (SEI) course development was identified. The Collaborative continued to offer "for cost" SEI Endorsement courses through a partnership with the South Shore Educational Collaborative. Additional courses were planned for the fall of 2019.

Summer 2019

The Collaborative offered and hosted a course entitled **Integrating Teaching Through the Arts: Instruction for Diverse Learners**.

October 2019

One section of Research for Better Teaching's **Studying Skillful Teaching: Promotion, Motivation, Learning, and Achievement (SST)** was offered beginning in October 2019 and ran through March of 2020. Educators who completed this course were awarded three (3) graduate credits through Fitchburg State University.

November 2019

A section of the **Sheltered English Immersion (SEI)** endorsement course was offered, beginning in November 2019 and ran through February 2020.

December 2019

One section of Research for Better Teaching's **Analyzing Teaching for Student Results (ATSR)** was offered beginning in December 2019 and ran through March of 2020. Educators who completed this course were awarded three (3) graduate credits through Fitchburg State University.

January 2020

The Collaborative elected to offer a second sequence of graduate courses in partnership with Bridgewater State University, designed to qualify successful enrollees for Preliminary Licensure as Teachers of Students with Moderate or Intensive Disabilities. The second **BSU Sped Licensure Cohort** includes educators from the Collaborative's Waypoint and STAR Programs, member Districts, and non-member districts. These courses will be offered over the course of two years (three fiscal years) and are available to Collaborative staff and to employees of member school districts at a reduced rate.

February 2020

The first two prerequisite courses began for the second **BSU Sped Licensure Cohort** and ran through May: **SPED 509: Teaching Reading to Students with Disabilities** and **SPED 510: Exceptional Children in Schools**.

A second section of the **Sheltered English Immersion (SEI)** endorsement course began in February and ran through June.

March 2020

COVID-19 hit. The monthly meetings of the region's Curriculum Administrators became weekly. Discussions, with regard to the challenges of teaching and learning remotely, lead to identifying professional development opportunities that would assist the region's teachers in overcoming these challenges. Ten (10) Cape and Islands districts elected to take advantage of a Tower Foundation Grant, working through the Cape Cod Collaborative, to jointly participate in training delivered by **Modern Teacher** that would begin in July of 2020.

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 for district positions. A team of capable professionals, coordinated by Dr. Christopher Bogden, supported districts accessing the Center for Executive Search. In FY20, the Center developed proposals for one Collaborative member district, Bourne, and one non-member district, Old Rochester Regional School District and Mass Superintendency Union #55.

Cape Cod Global Education Initiative CCGEI

Through the Collaborative's partnership with Boston Ivy, the opportunities for Cape and Islands educators and students continued to evolve. COVID-19 interrupted the availability of these opportunities in February 2020.

July 2019

Four educators from Dennis-Yarmouth, Sandwich and Mashpee went to China for twelve (12) days to conduct professional development activities for Chinese teachers and students.

January 2020

A group of Chinese elementary school students and their teachers visited their Mashpee sister school. Two teachers from Dennis-Yarmouth traveled to Beijing for ten (10) days to conduct professional development activities for Chinese teachers and students.

February 2020

With the global emergence of COVID-19, visits scheduled throughout the winter and spring, both from and to China, by Cape Cod and Chinese students and educators were cancelled.

Virtual High School

The Collaborative continued to coordinate a consortium of school districts for Virtual High School (VHS). In FY20, the nine (9) districts continued to provide expanded programming for students through accessing 250+ "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.

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 school 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.

Ms. Lisa Stobbart continued as the Transportation Manager throughout FY20. She managed all Collaborative transportation services, including a growing team of drivers, monitors, dispatchers and mechanics, in providing service to students and districts throughout the region.

The Transportation Department continued to become more closely integrated with the Collaborative Business Operations in FY20. The future (continued) growth in this area will necessitate further cross-discipline coordination between the Transportation and Business Administration departments. In June 2019, the Collaborative hired an Operations Manager, Anders Erikson, whose primary duties are to assist and oversee Transportation operations for managing continued growth and provision of services.

FY20 has been an extremely challenging year with the Covid-19 pandemic affecting all modes of transportation. The Collaborative immediately began sourcing PPE and disinfecting equipment to be sure we had the means to keep our staff safe and to keep our vehicles cleaned and disinfected. In total, the Collaborative invested over \$18,000 in disinfecting equipment and \$58,000 in a bulk mask purchase which included large orders from several of our member school districts. The Collaborative put together a program for disinfecting the vehicles based on DESE guidance and installed Purell dispensers on all small and large buses. We had several drivers and monitors who retired and/or took a leave of absence before the current school year for a variety of reasons (mostly Covid related), and it has been a tremendous challenge to fill these openings. We have been able to fill the majority of our open routes with current spare drivers, and we are continuously training new drivers and monitors to fill these open positions.

In August 2019, the Collaborative invited all transportation staff to our annual back to school meeting at the Resort and Conference Center in Hyannis. Kim Slade, a Program Specialist from the Barnstable County Department of Human Services, hosted a presentation on vaping. As vaping has become a hot topic and a public health crisis, our staff was extremely interested in this discussion. Ms. Slade offered examples of vaping devices as well as presenting the dangers of vaping. The presentation was attended by the Cape Cod Times, and the Collaborative was mentioned for being on the forefront of this issue.

FY20 also saw the integration of the maintenance department in the Dennisport shop, closing the Pocasset shop and moving all the mechanics into a single location. In addition, the Collaborative invested in a new maintenance software program (Dossier) as well as a new GPS tracking software with Zonar. Zonar enables the Collaborative to perform electronic vehicle inspections and automatically downloads the information into our maintenance program

(Dossier) for real time reporting of vehicle issues. Total investment for Dossier and Zonar in FY20 was \$148,000.00.

One of the most critical challenges in bus transportation nationwide is the shortage of drivers. In FY20, the Collaborative instituted a “new driver incentive” program to provide a bonus for current drivers as well as attract new drivers. To date, the Collaborative has invested \$116,000.00 in this program, and it has not only allowed us to keep our current staff, but to attract new drivers as well. In addition, we did increase our rates of pay across the board to compete with other transportation providers, although our wages remain slightly below our competitors. Our member districts showed their appreciation for our drivers by agreeing to pay our staff throughout the spring (April – June), which was well received by staff. The drivers and monitors provided services for the district including food distribution and deep cleaning of all vehicles to prepare them for the following school year. The Collaborative provided a credit to all of its member school districts for fuel, late runs, and field/sports trips from March – June 2020.

During FY20 the Collaborative continued to provide Special Needs and General Education Transportation cost proposals as part of the bidding process for member districts. The resulting Collaborative costs were consistently lower than the pricing received from most vendors (bid prices). While the Collaborative was not always asked to provide the service, the proposals gave district administration a benchmark for evaluating costs. The Collaborative continued to work with district school administrators and school committees to refine their current transportation needs and discern their future needs.

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 2007, the Mashpee Public Schools in 2009, and the Bourne Public Schools in 2017. Bourne added 4 new routes in FY20, moving from 18 – 22 routes overall. Nauset Public Schools began using the Collaborative for their large bus transportation in July 2018. Nauset’s District and Regional School committees elected to pursue the provision of Collaborative operated transportation services with anticipated savings of approximately \$200,000 as compared to renewal of their transportation contract(s). In FY20, the Collaborative obtained approval from the town of Orleans to build a propane filling station. Construction of this station was scheduled to begin in December 2020 and should be ready for service in FY21. In July 2019, the Collaborative began providing small and large bus transportation for the Monomoy Regional School District (21 buses purchased).

The Collaborative has provided this service to these six (6) districts (or nine districts, counting each of the Nauset town’s elementary school districts) throughout FY20. (The Nauset Regional consists of a regional middle and high school, with a superintendency union for four elementary school districts.) Discussions have continued with additional districts deliberating upon establishing a partnership with the Collaborative to meet their student transportation needs.



General education (large bus) service costs 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 of large buses has grown over time, the pooled cost of vehicles has dropped, resulting in cost-benefit to member districts utilizing these services.

The Collaborative continues to provide pricing for comparison with bids where there are existing vendors for bus services. The Collaborative estimates are consistently lower than the “bid costs”. In several consulting situations, there has been no expectation that the Collaborative would provide the service if pricing is reasonable, and that there is a good service record of the existing vendor.

Business Operations

The Cape Cod Collaborative continues to operate as an extension of the member school districts to strengthen and support educational programs. The 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.

Ms. Amy Lipkind started as the Business Manager in mid-July 2016. There have been additional staff changes within the Business Office during FY20, which necessitated greater focus and training in functional areas where new staff members assumed roles in the Business Office. Elizabeth Deck continued in her Human Resources role, and transitioned the payroll processing to a new hire in FY20. She assumed additional responsibility for accounts receivable during the year. In July 2019, Mary Lemos started in the Business Office as payroll clerk, and has taken on more responsibility for other duties such as accounts payable and receivable. In the spring of 2020, Kathleen Zawasky left in March 2020 and her position was eliminated at the end of FY20. The tasks of accounts payable and accounts receivable were distributed within the existing Business Office staff. The cross-training of business office staff has allowed for greater flexibility and coverage of the office. The COVID-19 pandemic created a challenging year for everyone. Business Operations continued during the pandemic period, both remotely and in-person. The Business Office staff continues to share information with each other as well as programmatic personnel to gain efficiencies.

William Friel continued as Treasurer throughout FY20. Mr. Friel has refined the efficiency of internal controls with Collaborative operations. He has also instituted a formal investment policy that was adopted by the Board of Directors in FY18.

The Cape Cod Collaborative FY20 Audit and Audited Financial Statements are appended to this Annual report for Review. The Collaborative operations succeeded in achieving operational, fiscal and programmatic goals throughout the year.

During FY20, for the sixth year in a row, the Collaborative funded a significant portion of its Other Post-Employment Benefit (OPEB) obligation in an irrevocable trust. This OPEB Trust Fund is anticipated to support the provision of benefits for retirees of the Collaborative in the future. An actuarial valuation as of July 1, 2018 was completed which indicated that the Collaborative’s liability has increased for the short-term.

Business Officials Group

Ms. Lipkind worked with the business officials throughout the region to facilitate three meetings of the Collaborative Member Districts Business Officials during FY20. This group discussed current challenges and “best practices” regarding transportation services, facilities management, regional procurement, and audits.

Facility Directors Group

Ms. Lipkind also coordinated and facilitated joint meetings with Business Officials and Facility Directors throughout the member districts in FY20.

COVID-19 Pandemic

The Collaborative worked with member school districts, as well as non-member districts, to ensure a continuity of services if/when any restrictions were lifted. This cooperative effort ensured that the Collaborative’s programs and services remained viable while the costs associated with maintaining program and service capacity were contained and reasonable.

The Collaborative sought, and was awarded a Paycheck Protection Program (PPP) loan to ensure the viability of the organization on behalf of the districts served. If this loan becomes a grant under the PPP, then the member school districts served will benefit from the funds received.

The Collaborative was instrumental in procuring disinfecting equipment, personal protective equipment, disinfecting products and hand sanitizer, and 250,000 protective disposable masks from the Shanghai Sanzenin Media Corporation. There was significant effort from the Business Operations staff to manage the necessary paperwork and tracking of all COVID-19 related purchasing. The masks were for use by not only our students and staff, but were also made available to other school districts. We worked directly with a supplier/exporter and a customs broker to ensure purchase and receipt of the 250,000 adult and child masks.

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*

Member District Participation (June 2020)

District	Oct 2019 Enrollment	Waypoint Academy (2020)	STAR / Osterville (6/20)	Itinerant Services (Therapies)	ASLP	Professional Development	Transportation (Large Bus)	Special Education Transportation	Virtual High School
Barnstable	5,041	10	7.5	Speech (as needed)	30 Summer 2019	Yes	2010-2011 Consultation	Occasional	25 Seats
Bourne	1,907	2	3	Physical - Stop FY18	16 Summer 2019	Yes	2012 Consultation; 2016-2017 MOA; FY18 Service Start	Occasional	Individual Purchase
Cape Cod Tech	616	0	0	Occupational		Yes	2011 Pricing	As needed	Joined Consortium 2013
D-Y	2,912	14	5	Occupational, Behavioral Consultation - Stop FY18	13 Summer 2019	Yes	2010 Consultation; 2011 Consultation; 2013 Consultation; 2016 Consultation;	Out-of-District	50 Seats
Falmouth	3,251	8	8.5	Stop FY11	33 Summer 2019	Yes	2011 Pricing; 2017 Consultation	Occasional	
Martha's Vineyard	2,198	0	0	Stop Speech & Occupational - FY19; Start Speech - FY20	11 Summer 2019	Yes	2005 Consultation		
Mashpee	1,563	3.2	3	Stop FY15	10 Summer 2019	Yes	2009 Start	In & Out-of-District	
Monomoy	1,876	3.2	3	Physical - Stop FY18; Speech - FY19 only	12 Summer 2019	Yes	2012 Consultation; 2018 Consultation; 2019 Start	Occasional	Consultation
Nauset (& Union)	2,447	4.9	4	Stop FY11	13 Summer 2019	Yes	2010-2011 Consultation; 2016 Consultation; 2017 Consultation; 2018 MOA Development' 2019 Start	In & Out-of-District	25 Seats
Brewster		0	0			Yes			
Eastham		0	1			Yes			
Orleans		0	2			Yes			
Wellfleet		0	1			Yes			
Nantucket	1,678	0	0	Behavioral Consultation - Stop FY18	9 Summer 2019	Yes	1997 Start	In & Out-of-District	25 Seats +
Provincetown	131	0	0	Stop FY19	2 Summer 2019	Yes			
Sandwich	2,466	1	4	Stop FY19	29 Summer 2019	Yes		Study - FY12	25 Seats
Truro	113	0	1	Occupational, Physical		Yes	2008 Start	In & Out-of-District	
Upper Cape Tech	706	0	0	Physical		Yes		As needed	Individual Purchase
Wareham	2,133	6.3	8	Stop (FY16)	13 Summer 2019	Yes	2010 Consultation	Occasional	Individual Purchase - Start 2016-2017

Key	No CCC Service	Stopped Service- CCC Consult
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CAPE COD COLLABORATIVE
REPORT ON EXAMINATION OF
BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

CAPE COD COLLABORATIVE

REPORT ON EXAMINATION OF BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

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100 Quannapowitt Parkway
Suite 101

Wakefield, MA 01880

T. 781-914-1700

F. 781-914-1701

www.powersandsullivan.com

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, 2020, 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, 2020, 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 December 9, 2020, 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.

Powers + Juliani, LLC

December 9, 2020

Management's Discussion and Analysis

Management's Discussion and Analysis

The 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, 2020. 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 the values for its services by allocating estimated costs based upon the projected service need(s) of its member districts. There may be variances between the projected and the actual service needs and the resulting estimated and actual costs. An excess or deficiency results to the extent that the actual needs are below or above initial estimates. When this occurs, and after providing for adequate operating capital, these variances (shared assets or liabilities) are passed on to the member districts as "future service" cost increases or reductions.

The Cape Cod Collaborative continues to expand and to develop its technology resources to meet our membership needs as well as the increased accountability and requirements of the MA-DESE. Hardware and software upgrades that were initiated in 2012 continued into 2020 which improve: financial reporting, teacher evaluation processes, student learning and progress, transportation tracking and routing, and network server access.

The STAR program in Osterville and Waypoint Academy in Sandwich are tuition-based special education day programs of the Collaborative. The 2019 -2020 enrollment met expectations in the STAR Program throughout the year. Waypoint Academy experienced a transitional period during 2019-20 with an enrollment slightly below what had been anticipated. Transportation service requests continued to increase with the addition of general education and in-district special education transportation services for the Monomoy Regional School District in 2019.

Our student programs' population is typically fluid throughout the year; a number of factors impact special education day placement enrollment such as: residential placement; students who attain the age of 22; and, students who return to their district or leave the area entirely. While a large percentage of our program enrollment is stable, these factors may contribute to variations from projections by as much as 20%, which is problematic without adequate budgetary safeguards. Consequently, many of our spending decisions (wages and other expenses) are predicated upon evolving enrollment, which allows the Collaborative to be efficient in the provision of services.

The restructuring of transportation administration, which began in 2014, added administrative support to support the expanded service delivery and the increased reliance upon continual refinement of databases to support transportation operations. The restructuring continued into 2019-2020 as dispatch services and administrative support were strengthened. General education and in-district special education transportation services were added for the Monomoy Regional School District (21 buses). This increase in services was accomplished smoothly. Further and future district needs for general education transportation for member school districts continue to be evaluated along with the capacity of the Collaborative to effectively support the provision of services. The Collaborative has continued to expand its capacity for the provision of these services as member districts face increased costs and receive diminished services from outside contractors. The Collaborative has continued to work closely with school districts to support insightful decision making for the procurement of transportation services, whether through the Collaborative or through private contractors. The adaptability and flexibility of the Collaborative model for the provision of services proved supportive for districts

as all were challenged due to the impact of the SARS-CoV-2 (COVID-19) pandemic. The Collaborative model was transparent and straightforward and allowed for participating districts to clearly understand and amend the variables in refining the service template to effectively adjust associated costs.

Special Education Transportation invoicing, while more transparent and efficient, continued to be complicated and cumbersome. The Collaborative continues to work with districts to refine their in-district costing templates, providing them with control over their services and costs, while yielding significant efficiencies for the Collaborative and cost savings for them (districts). The automation of the invoicing process has eliminated some redundancy as well as the intensity of manual manipulation that had been previously required. The invoicing process continued to be refined throughout 2019-2020 to provide time and distance data to support the costing process and to facilitate the cost allocation process. Further technology and recordkeeping procedures continue to be implemented and to be evaluated to ensure consistent and accurate determination of costs and invoicing for transportation services. Efficiencies in the invoicing process will continue to be refined and implemented, an ongoing initiative that will continue into the next fiscal year.

The 2020 Final Budget included Board of Directors authorized modifications. These modifications related to investments in operational activities and COVID-19 expenditures:

- Transportation Driver Incentives (\$116,013);
- Vehicle maintenance software and equipment (\$148,089);
- COVID-19 related personal protective equipment bulk mask purchase (\$58,801);
- COVID-19 related disinfecting equipment (\$18,645);
- Facilities upgrades (walkway paving and Air Conditioning installation (\$21,949);
- Final year of Pocasset vehicle shop – transition year to Dennisport shop (\$27,600).

Each of these items were approved by the Collaborative Board of Directors to be expended from the General Fund for a total of \$391,097.

The acclaimed Advanced Studies and Leadership Program (ASLP), a partnership with Massachusetts Maritime Academy, had another successful session during the Summer of 2019 with 212 students successfully completed the summer program. The program objectives were again accomplished during the Summer of 2019:

- 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.

The consistent demand for this program allowed expanded access to ASLP in 2019. In 2019, 250± students had applied for the summer program and 212 attended.

COVID-19 (SARS-CoV-2) Note

The Cape Cod Collaborative worked closely with member school districts throughout the period of the pandemic toward ensuring that services were prepared to resume if/when the restrictions associated with the pandemic were eased. The Member School Districts worked closely with the Collaborative administration to ensure that the programs and services remained viable while ensuring that the costs associated with maintaining program and service capacity were contained and reasonable.

The Collaborative sought and was awarded a Paycheck Protection Program (PPP) loan to ensure the viability of the organization on behalf of the districts served. The Collaborative reviewed all operational capacity and ensured cost containment measures were implemented that were targeted towards maintaining the capacity to effectively serve.

The result of the efforts of the Collaborative staff and administration, along with the support of those served by the Collaborative, resulted in the Collaborative completing the 2019-2020 Fiscal Year intact and prepared to effectively resume operations for the 2020-2021 Fiscal Year.

	Budgeted Amounts			Actual Budgetary Amounts	Variance to Final Budget
	Original Budget	Budget Modifications	Final Budget		
REVENUES:					
Tuition.....	\$ 6,090,252	\$ -	\$ 6,090,252	\$ 5,893,009	\$ (197,243)
Service revenue.....	1,262,375	-	1,262,375	1,080,981	(181,394)
Transportation.....	8,930,261	-	8,930,261	9,250,297	320,036
Other departmental revenue.....	50,000	-	50,000	52,496	2,496
Investment income.....	-	-	-	24,910	24,910
TOTAL REVENUES.....	16,332,888	-	16,332,888	16,301,693	(31,195)
EXPENDITURES:					
Current:					
Waypoint academy.....	2,930,344	11,018	2,941,362	2,681,126	260,236
STAR program.....	2,897,880	32,867	2,930,747	2,803,069	127,678
Itinerant services.....	920,901	2,876	923,777	703,379	220,398
Transportation.....	12,051,278	342,394	12,393,672	12,039,551	354,121
Professional development and executive search.....	309,985	968	310,953	268,245	42,708
Advanced studies and leadership program.....	311,854	974	312,828	273,603	39,225
TOTAL EXPENDITURES.....	19,422,242	391,097	19,813,339	18,768,973	1,044,366
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(3,089,354)	(391,097)	(3,480,451)	(2,467,280)	1,013,171
OTHER FINANCING SOURCES (USES):					
Board authorized fund balance transfers.....	-	391,097	391,097	-	(391,097)
Capital lease financing.....	3,089,354	-	3,089,354	2,565,011	(524,343)
TOTAL OTHER FINANCING SOURCES (USES).....	3,089,354	391,097	3,480,451	2,565,011	(915,440)
NET CHANGE IN FUND BALANCE.....	-	-	-	97,731	97,731
FUND BALANCES AT BEGINNING OF YEAR, as restated.....	3,766,428	-	3,766,428	3,766,428	-
FUND BALANCES AT END OF YEAR.....	\$ 3,766,428	\$ -	\$ 3,766,428	\$ 3,864,159	\$ 97,731

Using this Report

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

- **Management's Discussion and Analysis** introduces the basic financial statements and provides an analytical overview of the Collaborative's financial activities.
- **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.

- **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.

2020 Financial Highlights

- Governmental fund revenues increased 9.1% or \$1.6 million and expenditures increased 15.1% or \$2.5 million over the prior year (this excludes the \$2.6 million of capital lease financing). This resulted in an increase in fund balance of \$106,000.
- The general fund's actual revenue and other sources were under budget by \$31,000. Expenditures related to the above were less than budgeted by \$1,044,000. Overall, there was a \$98,000 increase in budgetary fund balance.
- During the year the Collaborative leased an additional \$2.6 million of school buses for regular and special education transportation.

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 \$3.6 million at the close of 2020. Key components of the Collaborative's governmental financial position are as follows:

	2020	2019 (As restated)
Assets:		
Current assets.....	\$ 8,437,182	\$ 5,448,807
Capital assets, net of accumulated depreciation....	6,539,643	5,473,347
Total assets.....	14,976,825	10,922,154
Deferred outflows of resources.....	303,578	147,994
Liabilities:		
Current liabilities (excluding debt).....	1,048,243	956,862
Noncurrent liabilities (excluding debt).....	639,813	506,613
Current debt.....	3,423,609	1,131,919
Noncurrent debt.....	5,029,873	4,261,981
Total liabilities.....	10,141,538	6,857,375
Deferred inflows of resources.....	1,541,481	700,489
Net position:		
Net investment in capital assets.....	22,953	79,447
Restricted.....	61,204	52,454
Unrestricted.....	3,513,227	3,380,383
Total net position.....	\$ 3,597,384	\$ 3,512,284

Net position of \$23,000 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 \$61,000 represents resources that are subject to external restrictions on how they may be used (restricted for gifts and grants).

The remaining \$3.5 million portion of net position is unrestricted.

	2020	2019
Program Revenues:		
Charges for services..... \$	16,221,496	\$ 15,212,845
Operating grants and contributions.....	2,962,987	2,219,773
Miscellaneous revenue.....	40,375	48,582
Investment income.....	24,910	36,038
Total revenues.....	19,249,768	17,517,238
Expenses:		
Waypoint Academy.....	2,674,908	2,799,129
STAR Program.....	2,795,995	2,670,216
Itinerant Services.....	701,287	714,434
Transportation.....	9,512,836	7,691,515
Professional development and executive search.....	317,375	295,925
Advance Studies and Leadership Program.....	273,437	246,933
State funded pension benefits.....	2,888,830	2,114,653
Total expenses.....	19,164,668	16,532,805
Change in net position.....	85,100	984,433
Net position, beginning of year, as restated.....	3,512,284	2,527,851
Net position, end of year..... \$	3,597,384	\$ 3,512,284

The Collaborative's net position increased by \$85,000 in 2020 as compared to a \$984,000 increase in 2019. The decrease is mainly attributable to the Collaborative's increase in transportation services expenses.

Beginning net position of governmental activities has been restated to reflect a change in the valuation of the Collaborative's accounts receivable balances.

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 \$4.0 million. The general fund balance increased by \$98,000. Nonmajor governmental funds increased by \$9,000.

Beginning fund balance of the general fund has been restated to reflect a change in the valuation of the Collaborative's accounts receivable balances.

The general fund is the Collaborative's chief operating fund. At year end, fund balance in the general fund totaled \$3.9 million. This represents 17.8% 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 2020 approved budget for the general fund authorized \$19.4 million in appropriations. During the year the Board approved additional appropriations totaling \$391,000 as previously discussed.

See financial highlights for additional information.

Capital Asset and Debt Administration

The Collaborative's net capital assets totaled \$6.5 million as of June 30, 2020. The Collaborative leased an additional \$2,565,000 of school buses during 2020. Depreciation expense in the amount of \$1.5 million was recorded.

The Collaborative has several capital leases liabilities outstanding at year end which totaled \$6.5 million. As noted previously, the Collaborative also obtained a Paycheck Protection Program Loan in the amount of \$1.9 million during the year.

Please refer to the Notes 4, 6 and 9 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 Collaborative'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.

Basic Financial Statements

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STATEMENT OF NET POSITION

JUNE 30, 2020

	<i>Primary Government</i>
	Governmental Activities
ASSETS	
CURRENT:	
Cash and cash equivalents.....	\$ 5,995,562
Investments.....	361,514
Receivables, net of allowance for uncollectibles:	
Due from member communities.....	2,028,009
Other assets.....	52,097
Total current assets.....	8,437,182
NONCURRENT:	
Capital assets, net of accumulated depreciation.....	6,539,643
TOTAL ASSETS.....	14,976,825
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to other postemployment benefits....	303,578
LIABILITIES	
CURRENT:	
Warrants payable.....	324,288
Accrued payroll.....	570,860
Other liabilities.....	153,095
Paycheck Protection Program Loan.....	1,936,792
Capital lease obligations.....	1,486,817
Total current liabilities.....	4,471,852
NONCURRENT:	
Capital lease obligations.....	5,029,873
Net other postemployment benefits liability.....	639,813
Total noncurrent liabilities.....	5,669,686
TOTAL LIABILITIES.....	10,141,538
DEFERRED INFLOWS OF RESOURCES	
Unearned revenue.....	1,461,797
Deferred outflows related to other postemployment benefits....	79,684
TOTAL DEFERRED INFLOWS OF RESOURCES.....	1,541,481
NET POSITION	
Net investment in capital assets.....	22,953
Restricted for:	
Gifts and grants.....	61,204
Unrestricted.....	3,513,227
TOTAL NET POSITION.....	\$ 3,597,384

See notes to basic financial statements.

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2020

<u>Functions/Programs</u>	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Net (Expense) Revenue
Primary Government:				
<i>Governmental Activities:</i>				
Waypoint academy.....	\$ 2,674,908	\$ 2,813,755	\$ -	\$ 138,847
STAR program.....	2,795,995	2,937,017	10,157	151,179
Itinerant services.....	701,287	666,368	-	(34,919)
Transportation.....	9,512,836	9,262,647	-	(250,189)
Professional development and executive search.	317,375	251,418	54,000	(11,957)
Advanced studies and leadership program.....	273,437	290,291	10,000	26,854
State funded pension benefits.....	<u>2,888,830</u>	<u>-</u>	<u>2,888,830</u>	<u>-</u>
 Total Governmental Activities.....	 <u>\$ 19,164,668</u>	 <u>\$ 16,221,496</u>	 <u>\$ 2,962,987</u>	 <u>\$ 19,815</u>

(Continued)

See notes to basic financial statements.

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2020

		<u>Primary Government</u>
		<u>Governmental Activities</u>
Changes in net position:		
Net (expense) revenue from previous page.....	\$	19,815
<i>General revenues:</i>		
Unrestricted investment income.....		24,910
Miscellaneous revenue.....		40,375
		<hr/>
Total general revenues.....		65,285
		<hr/>
Change in net position.....		85,100
 <i>Net position:</i>		
Beginning of year, as restated.....		3,512,284
		<hr/>
End of year.....	\$	3,597,384
		<hr/> <hr/>
		(Concluded)

See notes to basic financial statements.

GOVERNMENTAL FUNDS
BALANCE SHEET

JUNE 30, 2020

	General	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents.....	\$ 5,869,371	\$ 126,191	\$ 5,995,562
Investments.....	361,514	-	361,514
Receivables, net of uncollectibles:			
Due from member communities.....	2,028,009	-	2,028,009
Other assets.....	52,097	-	52,097
TOTAL ASSETS.....	\$ 8,310,991	\$ 126,191	\$ 8,437,182
LIABILITIES			
Warrants payable.....	\$ 324,288	\$ -	\$ 324,288
Accrued payroll.....	570,860	-	570,860
Other liabilities.....	153,095	-	153,095
Paycheck Protection Program Loan.....	1,936,792	-	1,936,792
TOTAL LIABILITIES.....	2,985,035	-	2,985,035
DEFERRED INFLOWS OF RESOURCES			
Unearned revenue.....	1,461,797	-	1,461,797
FUND BALANCES			
Restricted.....	-	126,191	126,191
Unassigned.....	3,864,159	-	3,864,159
TOTAL FUND BALANCES.....	3,864,159	126,191	3,990,350
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....	\$ 8,310,991	\$ 126,191	\$ 8,437,182

See notes to basic financial statements.

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

JUNE 30, 2020

Total governmental fund balances.....	\$	3,990,350
Capital assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds.....		6,539,643
The statement of net position includes certain deferred inflows of resources and deferred outflows of resources that will be amortized over future periods. In governmental funds, these amounts are not deferred.....		223,894
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Net other postemployment benefits liability.....	(639,813)	
Capital lease obligations.....	<u>(6,516,690)</u>	
Net effect of reporting long-term liabilities.....		<u>(7,156,503)</u>
Net position of governmental activities.....	\$	<u>3,597,384</u>

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2020

	General	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:			
Tuition.....	\$ 5,893,009	\$ -	\$ 5,893,009
Service revenue.....	1,080,981	-	1,080,981
Transportation.....	9,250,297	-	9,250,297
Other departmental revenue.....	52,496	-	52,496
Intergovernmental.....	-	59,245	59,245
Intergovernmental - State provided pension benefits.....	2,888,830	-	2,888,830
Investment income.....	24,910	-	24,910
TOTAL REVENUES.....	19,190,523	59,245	19,249,768
EXPENDITURES:			
Current:			
Waypoint academy.....	2,681,126	750	2,681,876
STAR program.....	2,803,069	162	2,803,231
Itinerant services.....	703,379	-	703,379
Transportation.....	12,039,551	-	12,039,551
Professional development and executive search.....	268,245	49,583	317,828
Advanced studies and leadership program.....	273,603	-	273,603
State funded pension benefits.....	2,888,830	-	2,888,830
TOTAL EXPENDITURES.....	21,657,803	50,495	21,708,298
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(2,467,280)	8,750	(2,458,530)
OTHER FINANCING SOURCES (USES):			
Capital lease financing.....	2,565,011	-	2,565,011
NET CHANGE IN FUND BALANCES.....	97,731	8,750	106,481
FUND BALANCES AT BEGINNING OF YEAR, as restated.....	3,766,428	117,441	3,883,869
FUND BALANCES AT END OF YEAR.....	\$ 3,864,159	\$ 126,191	\$ 3,990,350

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, 2020

Net change in fund balances - total governmental funds.....	\$	106,481
<p>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.</p>		
Capital outlay.....		2,565,011
Depreciation expense.....		<u>(1,498,715)</u>
Net effect of reporting capital assets.....		1,066,296
<p>The issuance of long-term debt 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 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 unavailable and amortized in the Statement of Activities.</p>		
Principal payments on capital leases.....		1,442,221
Capital lease financing.....		<u>(2,565,011)</u>
Net effect of reporting long-term debt.....		(1,122,790)
<p>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.</p>		
Net change in deferred outflow/(inflow) of resources related to other postemployment benefits...		168,313
Net change in net other postemployment benefits liability.....		<u>(133,200)</u>
Net effect of recording long-term liabilities.....		<u>35,113</u>
Change in net position of governmental activities.....	\$	<u><u>85,100</u></u>

See notes to basic financial statements.

FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2020

		Other Postemployment Benefit Trust Fund
ASSETS		
Cash and cash equivalents.....	\$	19,283
Investments.....		1,466,207
TOTAL ASSETS		1,485,490
NET POSITION		
Restricted for other postemployment benefits.....	\$	1,485,490

See notes to basic financial statements.

FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

YEAR ENDED JUNE 30, 2020

	Other Postemployment Benefit Trust Fund
<u>ADDITIONS:</u>	
Contributions:	
Employer contributions to the trust.....	\$ 180,000
Employer contributions for other postemployment benefit payments....	47,553
Total contributions.....	227,553
Net investment income:	
Investment income.....	52,509
Less: investment expense.....	(3,768)
Net investment income (loss).....	48,741
TOTAL ADDITIONS.....	276,294
<u>DEDUCTIONS:</u>	
Other postemployment benefit payments.....	47,553
NET INCREASE (DECREASE) IN NET POSITION.....	228,741
NET POSITION AT BEGINNING OF YEAR.....	1,256,749
NET POSITION AT END OF YEAR.....	\$ 1,485,490

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 also 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. It is comprised of *special revenue funds* which are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes.

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 following fiduciary fund types are reported:

The *other postemployment benefits trust fund* is used to accumulate resources to provide funding for future OPEB liabilities.

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.

Due from member communities

Departmental and other receivables consist tuition payments receivable for special education services provided as well as a receivable for transportation services provided to members.

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 (in years)</u>
Office equipment and furniture.....	5
Leasehold improvements.....	10
School buses.....	5 - 10

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 reported deferred outflows related to other postemployment benefits 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 reported deferred inflows related to other postemployment benefits and unearned revenue 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 reported unearned revenue 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. This time is required to be used during the school year and does not carryforward, therefore the Collaborative does not report a liability for any unused vacation or sick time.

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 has a formal policy for custodial credit risk that includes a review of the financial institutions financial statements and the background of the Advisor.

At year-end, the carrying amount of deposits totaled \$6,014,845 and the bank balance totaled \$6,154,393. Of that amount \$500,000 was covered by Federal Depository Insurance and \$4,896,063 was collateralized. The remaining balance of \$758,330 was exposed to custodial risk because it was uninsured and uncollateralized.

Fair Market Value of 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 Collaborative categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The following table presents the Collaborative fair value measurements on a recurring basis as of June 30, 2020:

Investment Type	June 30, 2020	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments measured at fair value:				
<u>Other investments:</u>				
Equity securities.....	\$ 14,251	\$ 14,251	\$ -	\$ -
Equity mutual funds.....	858,741	858,741	-	-
Fixed income.....	954,729	954,729	-	-
Total investments.....	\$ 1,827,721	\$ 1,827,721	\$ -	\$ -

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, \$1,827,721 of equity securities and fixed income securities are exposed to custodial credit risk because the related securities are uninsured, unregistered and held by the counterparty.

The Collaborative has a formal policy for custodial credit risk that includes a review of the financial institutions financial statements and the background of the Advisor.

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 adopted a formal policy related to Credit Risk by diversifying the investment portfolio so the impact of potential losses from any one type of security or issuer is minimized.

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, 2020, receivables for the individual major and non-major governmental funds in the aggregate are as follows:

	<u>Gross Amount</u>	<u>Allowance for Uncollectibles</u>	<u>Net Amount</u>
<u>Receivables:</u>			
Due from member communities.....	\$ 2,053,118	\$ (25,109)	\$ 2,028,009

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Capital assets being depreciated:</u>				
School Buses.....	11,646,835	2,565,011	-	14,211,846
Leasehold improvements.....	202,892	-	-	202,892
Office equipment and furniture.....	28,868	-	-	28,868
	<u>11,878,595</u>	<u>2,565,011</u>	<u>-</u>	<u>14,443,606</u>
<u>Less accumulated depreciation for:</u>				
School Buses.....	(6,198,039)	(1,474,164)	-	(7,672,203)
Leasehold improvements.....	(182,601)	(20,291)	-	(202,892)
Office equipment and furniture.....	(24,608)	(4,260)	-	(28,868)
	<u>(6,405,248)</u>	<u>(1,498,715)</u>	<u>-</u>	<u>(7,903,963)</u>
Total capital assets, net.....	<u>\$ 5,473,347</u>	<u>\$ 1,066,296</u>	<u>\$ -</u>	<u>\$ 6,539,643</u>

NOTE 5 – INTERFUND TRANSFERS

Interfund transfers can occur between the general fund and nonmajor funds. There were no such transfers in 2020.

NOTE 6 – PAYCHECK PROTECTION PROGRAM LOAN

On May 14, 2020, the Cape Cod Collaborative was granted a loan (the "loan") from TD Bank, N.A. in the aggregate amount of \$1,936,792, pursuant to the Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act, which was enacted on March 27, 2020.

The Loan, which is in the form of a Note dated May 14, 2020 issued by the Collaborative, matures on May 14, 2022 and bears interest at the rate of 1% per annum, payable monthly commencing on December 14, 2020. The Note may be prepaid by the Collaborative at any time prior to maturity with no prepayment penalties. Funds from the loan may only be used for payroll costs, costs used to continue health care benefits, mortgage payments, rent, utilities, and interest on other debt obligations incurred before February 15, 2020. The Collaborative intends to use the entire loan amount for qualifying expenses. Under the terms of the PPP, certain amounts of the loan may be forgiven if they are used for qualifying expenses as described in the CARES Act. While the Collaborative currently believes that its use of the loan proceeds will meet the conditions for forgiveness of the loan, there can be no currently known assurance that other conditions might cause the Collaborative to be ineligible for forgiveness of the loan, in whole or in part.

NOTE 7 – PREPAID TUITION

Member communities are allowed to prepay a portion of the next year's tuition. At June 30, 2020, the Collaborative had received \$1,461,797 of prepaid tuition from member communities.

NOTE 8 – FACILITY LEASES

The Collaborative has entered into operating lease agreements for the Osterville Campus, Waypoint Academy in Sandwich, Camp Burgess facility, Dennisport maintenance facility, Nauset Transportation office trailer, and Pocasset maintenance facility. The cost of these leases for the year ended June 30, 2020 totaled \$320,292.

Future minimum lease payments for these agreements are as follows:

<u>Years ending June 30:</u>	
2021.....	\$ 147,022
2022.....	96,970
2023.....	87,970
2024.....	87,970
2025.....	87,970
2026.....	87,970
2027.....	87,970
2028.....	87,970
2029.....	87,970
2030.....	<u>87,970</u>
 Total.....	 \$ <u>947,752</u>

NOTE 9 – CAPITAL LEASES

The Collaborative has entered into non-cancelable long-term lease agreements for the purchase of buses. 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>	<u>Governmental Activities</u>
School Buses.....	\$ 14,211,846
Less: accumulated depreciation...	<u>(7,672,203)</u>
 Total.....	 \$ <u>6,539,643</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2020 were as follows:

<u>Years ending June 30:</u>	<u>Governmental Activities</u>
2021.....	\$ 1,651,042
2022.....	1,556,633
2023.....	1,347,257
2024.....	1,118,339
2025.....	828,267
2026.....	436,329
2027.....	<u>33,391</u>
Total minimum lease payments.....	6,971,258
Less: amounts representing interest.....	<u>(454,568)</u>
Present value of minimum lease payments... \$	<u><u>6,516,690</u></u>

Related interest expense for the year ended June 30, 2020 was \$198,842.

Changes in Long-term Liabilities

During the year ended June 30, 2020, the following changes occurred in long-term liabilities:

	<u>Beginning Balance</u>	<u>Other Increases</u>	<u>Other Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Capital lease obligations.....	\$ 5,393,900	\$ 2,565,011	\$ (1,442,221)	\$ 6,516,690	\$ 1,486,817
Other postemployment benefits.....	<u>506,613</u>	<u>360,753</u>	<u>(227,553)</u>	<u>639,813</u>	<u>-</u>
Total long-term liabilities.....	<u><u>\$ 5,900,513</u></u>	<u><u>\$ 2,925,764</u></u>	<u><u>\$ (1,669,774)</u></u>	<u><u>\$ 7,156,503</u></u>	<u><u>\$ 1,486,817</u></u>

NOTE 10 – 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.

The Collaborative has classified its fund balances with the following hierarchy:

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund Balances:			
Restricted for:			
Art & Music.....	\$ -	\$ 6,139	\$ 6,139
Advanced Studies & Leadership Program.....	-	39,209	39,209
Grants.....	-	55,065	55,065
Garden Fund.....	-	488	488
Preschool Expansion.....	-	25,290	25,290
Unassigned.....	<u>3,864,159</u>	<u>-</u>	<u>3,864,159</u>
 Total Fund Balances.....	 <u>\$ 3,864,159</u>	 <u>\$ 126,191</u>	 <u>\$ 3,990,350</u>

NOTE 11 – 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 12 – 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, 2019. The Collaborative's portion of the collective pension expense, contributed by the Commonwealth, of \$1,175,063 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 \$9,689,850 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, 2019 was \$213,581.

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, 2019. The Collaborative's portion of the collective pension expense, contributed by the Commonwealth, of \$1,713,767 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 \$10,316,755 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 13 – 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 Collaborative employees and are renegotiated each bargaining period. The Plan does not issue a publicly available financial report.

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 2020, the Collaborative contributed approximately \$228,000 towards these benefits, including the pre-funded contribution discussed below.

The Commonwealth of Massachusetts passed special legislation that has allowed the Collaborative to establish a postemployment benefit trust fund and to enable the Collaborative to begin pre-funding its OPEB liabilities. During 2020, the Collaborative pre-funded future OPEB liabilities totaling \$180,000 by contributing funds to the Other Postemployment Benefit Fund in excess of the pay-as-you-go required contribution. These funds are reported within the Fiduciary Funds financial statements. As of June 30, 2020, the balance in this fund totaled \$1,485,490. The Trust is managed by the Board of Directors who are authorized to manage the Trust in accordance with the Trust Agreement.

Measurement Date – GASB #74 requires the net OPEB liability to be measured as of the OPEB Plan’s most recent fiscal year-end. Accordingly, the net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2018.

Membership - The following represents the Plan’s membership at June 30, 2020:

Active members.....	181
Inactive members currently receiving benefits.....	<u>10</u>
Total.....	<u><u>191</u></u>

Components of OPEB Liability – Components of the other postemployment benefits liability as of June 30, 2020, were as follows:

Total OPEB liability.....	\$	2,125,303
Less: OPEB plan's fiduciary net position.....		<u>(1,485,490)</u>
Net OPEB liability.....	\$	<u>639,813</u>
The OPEB plan's fiduciary net position		
as a percentage of the total OPEB liability.....		69.90%

Significant Actuarial Assumption – The total other postemployment benefit liability in the July 1, 2018, actuarial valuation was determined using the following actuarial assumptions:

Valuation date.....	July 1, 2018
Actuarial cost method.....	Entry Age Normal Cost Method.
Inflation rate.....	2.40%
Investment rate of return.....	7.00%, net of investment expenses, including inflation.
Healthcare cost trend rate.....	8 percent for 2018, decreasing .05 percent per year to 5.5 percent, then grading down to an ultimate trend rate of 3.9 percent.
Pre-retirement employees - general.....	RP-2014 Employees Blue Collar Mortality Table, base year 2014, projected with generational mortality improvement using scale MP-2016 and set forward one year for females
Post-retirement employees - general.....	RP-2014 Health Annuitant Blue Collar Mortality Table, base year 2014, projected with generational mortality improvement using scale MP-2016 and set forward one year for females
Pre-retirement employees - teachers.....	RP-2014 White Collar Mortality Table, base year 2014, projected with generational mortality improvement using scale MP-2016.
Post-retirement employees - teachers.....	RP-2014 White Collar Mortality Table, base year 2014, projected with generational mortality improvement using scale MP-2016.

Rate of return - The annual money-weighted rate of return on OPEB plan investments was 3.66%. The money-weighted rate of return expresses investment performance, net of OPEB plan investment expense, adjusted for the changing amounts actually invested.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real of returns (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return of by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The Plan's expected future real rate of return of 4.60% is

added to the expected inflation of 2.40% to produce the long-term expected nominal rate of return of 7.00%. Best estimates of geometric real rates of return for each major asset class included in the OPEB plan’s target asset allocation as of June 30, 2020 are summarized in the following table:

Asset Class	Long-Term Expected Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity-large cap.....	32.00%	7.67%
Domestic equity-small/mid cap.....	5.00%	9.43%
International equity-developed market....	5.00%	5.50%
International equity-emerging market.....	2.00%	8.06%
Domestic fixed income.....	37.00%	1.18%
International fixed income.....	4.00%	4.02%
Alternatives.....	9.00%	4.59%
Real Estate.....	5.00%	7.82%
Cash.....	1.00%	-0.25%
Total.....	100.00%	

Discount rate – The discount rate used to measure the total OPEB liability was 7.00% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that contributions will be made in accordance with the Plan’s funding policy. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the net OPEB liability to changes in the discount rate – The following presents the net other postemployment benefit liability, calculated using the discount rate of 7.00%, as well as what the net other postemployment benefit liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point (8.00%) than the current rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net OPEB liability.....	\$ 1,013,931	\$ 639,813	\$ 340,485

Sensitivity of the net OPEB liability to changes in the healthcare trend – The following presents the net other postemployment benefit liability, calculated the healthcare trend rate if it was 1-percentage-point lower or 1-percentage-point higher than the current rate of 8% year one decreasing to 3.9%.

	1% Decrease	Current Trend	1% Increase
Net OPEB liability.....	\$ 281,186	\$ 639,813	\$ 1,099,882

Changes in Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2019.....	\$ 1,763,362	\$ 1,256,749	\$ 506,613
Changes for the year:			
Service cost.....	133,758	-	133,758
Interest.....	140,501	-	140,501
Changes of benefit terms.....	(22,575)	-	(22,575)
Changes in assumptions.....	157,810	-	157,810
Benefit payments.....	(47,553)	(47,553)	-
Net investment income.....	-	48,741	(48,741)
Contributions by employer.....	-	227,553	(227,553)
Net change.....	<u>361,941</u>	<u>228,741</u>	<u>133,200</u>
Balances at June 30, 2020.....	<u>\$ 2,125,303</u>	<u>\$ 1,485,490</u>	<u>\$ 639,813</u>

Changes in assumptions - The discount rate changed from 7.50% as of June 30, 2019 to 7.00% as of June 30, 2020.

Changes in plan provisions – None

NOTE 14 – 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, 2020 cannot be ascertained, management believes any resulting liability should not materially affect the financial position at June 30, 2020.

NOTE 15 – COVID-19

On March 10, 2020, the Massachusetts Governor declared a state of emergency in response to the coronavirus outbreak. The World Health Organization officially declared the novel Coronavirus (COVID-19) a pandemic the following day. In an attempt to slow the spread of COVID-19, governments issued various stay at home orders that caused global economic shutdowns and substantial financial market impact. Starting in March 2020, the Governor continued to issue orders allowing governments to operate and carry out essential functions safely. These included modifying the state’s Open Meeting Law, issuing a stay-at-home order, and introducing a phased approach to reopening State businesses.

The Collaborative is considered an essential business and although it was closed to the public for a period of time, classes remained operational and most employees continued to perform their daily duties. The Collaborative has continued to support districts through the provision of special education and general education transportation services. The pandemic significantly impacted the provision of this service. Although the Collaborative worked closely with associated school districts, there was a significant impact to Collaborative revenues to support operational expenses in this area. Most districts supported the maintenance of transportation capital assets and transportation staff throughout the initial period of the pandemic.

The FY2021 school year has begun, all in-person, with an optional hybrid program for families electing this form of learning. FY2021 enrollment is down approximately 5-10% to start the new fiscal/school year. The Collaborative has incurred unanticipated costs, approaching several hundred thousand dollars, specifically related to the pandemic and currently plans to fund these expenditures using available reserves. It is anticipated that staffing for programmatic and transportation services will be challenging throughout the continuing pandemic potentially causing unpredictable fluctuations with both revenue and expenditures for FY21. The full extent of the financial impact cannot be determined as of the date of the financial statements.

NOTE 16 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 9, 2020 which is the date the financial statements were available to be issued.

NOTE 17 – RESTATEMENT OF NET POSITION AND FUND BALANCE PREVIOUSLY REPORTED

The beginning net position of governmental activities and beginning fund balance of the general fund have been restated to reflect a change in the valuation of the Collaborative’s accounts receivable balances.

	6/30/2019 Previously Reported Balances	Change in Valuation of Accounts Receivable	6/30/2019 Restated Balances
Government-Wide Financial Statements			
Governmental activities.....	\$ 3,638,677	\$ (126,393)	\$ 3,512,284
Governmental Funds Financial Statements			
General fund.....	\$ 3,892,821	(126,393)	3,766,428

NOTE 18 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS

During 2020, the following GASB pronouncement was implemented:

- GASB Statement #95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. This pronouncement postponed the effective dates of certain provisions in GASB Statements and Implementation Guides that first became effective or are scheduled to be effective for periods beginning after June 15, 2018 or later.

The following GASB pronouncements will be implemented in the future:

- The GASB issued Statement #84, *Fiduciary Activities*, which is required to be implemented in 2021.
- The GASB issued Statement #87, *Leases*, which is required to be implemented in 2022.

- The GASB issued Statement #89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which is required to be implemented in 2022.
- The GASB issued Statement #90, *Majority Equity Interests – an amendment of GASB Statements #14 and #61*, which is required to be implemented in 2021.
- The GASB issued Statement #91, *Conduit Debt Obligations*, which is required to be implemented in 2023.
- The GASB issued Statement #92, *Omnibus 2020*, which is required to be implemented in 2022.
- The GASB issued Statement #93, *Replacement of Interbank Offered Rates*, which is required to be implemented in 2022.
- The GASB issued Statement #94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, which is required to be implemented in 2023.
- The GASB issued Statement #96, *Subscription-Based Information Technology Arrangements*, which is required to be implemented in 2023.
- The GASB issued Statement #97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*, in which certain paragraphs are required to be implemented in 2021 and 2022.

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, 2020

	Budgeted Amounts			Actual Budgetary Amounts	Variance to Final Budget
	Original Budget	Budget Modifications	Final Budget		
REVENUES:					
Tuition.....	\$ 6,090,252	\$ -	\$ 6,090,252	\$ 5,893,009	\$ (197,243)
Service revenue.....	1,262,375	-	1,262,375	1,080,981	(181,394)
Transportation.....	8,930,261	-	8,930,261	9,250,297	320,036
Other departmental revenue.....	50,000	-	50,000	52,496	2,496
Investment income.....	-	-	-	24,910	24,910
TOTAL REVENUES.....	16,332,888	-	16,332,888	16,301,693	(31,195)
EXPENDITURES:					
Current:					
Waypoint academy.....	2,930,344	11,018	2,941,362	2,681,126	260,236
STAR program.....	2,897,880	32,867	2,930,747	2,803,069	127,678
Itinerant services.....	920,901	2,876	923,777	703,379	220,398
Transportation.....	12,051,278	342,394	12,393,672	12,039,551	354,121
Professional development and executive search.....	309,985	968	310,953	268,245	42,708
Advanced studies and leadership program.....	311,854	974	312,828	273,603	39,225
TOTAL EXPENDITURES.....	19,422,242	391,097	19,813,339	18,768,973	1,044,366
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(3,089,354)	(391,097)	(3,480,451)	(2,467,280)	1,013,171
OTHER FINANCING SOURCES (USES):					
Board authorized fund balance transfers.....	-	391,097	391,097	-	(391,097)
Capital lease financing.....	3,089,354	-	3,089,354	2,565,011	(524,343)
TOTAL OTHER FINANCING SOURCES (USES).....	3,089,354	391,097	3,480,451	2,565,011	(915,440)
NET CHANGE IN FUND BALANCE.....	-	-	-	97,731	97,731
FUND BALANCES AT BEGINNING OF YEAR, as restated.....	3,766,428	-	3,766,428	3,766,428	-
FUND BALANCES AT END OF YEAR.....	\$ 3,766,428	\$ -	\$ 3,766,428	\$ 3,864,159	\$ 97,731

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.

Year	Commonwealth's 100% Share of the Associated Net Pension Liability	Expense and Revenue Recognized for the Commonwealth's Support	Plan Fiduciary Net Position as a Percentage of the Total Liability
2020.....	\$ 10,316,755	\$ 1,713,767	66.28%
2019.....	8,840,685	1,164,697	67.91%
2018.....	8,227,737	1,064,611	67.21%
2017.....	8,185,506	1,136,788	63.48%
2016.....	6,641,623	741,921	55.38%
2015.....	4,442,707	315,923	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 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. Therefore, there is no net pension liability to recognize. This schedule discloses the Commonwealth's 100% share of the associated collective net pension liability; the portion of the collective pension expense as both a revenue and pension expense recognized; and the Plan's fiduciary net position as a percentage of the total liability.

Year	Commonwealth's 100% Share of the Associated Net Pension Liability	Expense and Revenue Recognized for the Commonwealth's Support	Plan Fiduciary Net Position as a Percentage of the Total Liability
2020.....	\$ 9,689,850	\$ 1,175,063	53.95%
2019.....	9,374,364	949,956	54.84%
2018.....	9,215,485	961,847	54.25%
2017.....	9,569,480	976,150	52.73%
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.

Year	Collaborative's Statutory Required and Actual Contribution for Normal Cost	Collaborative's Covered Payroll	Amount of Contributions Recognized by the Pension Plan in Relation to Covered Payroll
2020.....	\$ 213,581	\$ 3,813,946	5.60%
2019.....	239,873	4,283,446	5.60%
2018.....	209,060	3,733,214	5.60%
2017.....	185,163	3,306,482	5.60%
2016.....	186,458	3,329,607	5.60%
2015.....	177,775	3,174,554	5.60%

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 Changes in the Collaborative's Net Other Postemployment Benefit Liability presents multi-year trend information on the School's net other postemployment benefit liability and related ratios.

The Schedule of the School's Contributions presents multi-year trend information on the Collaborative's actual contributions to the other postemployment benefit plan and related ratios.

The Schedule of Investment Return presents multi-year trend information on the money-weighted investment return on other postemployment assets, net of investment expense.

**SCHEDULE OF CHANGES IN THE
COLLABORATIVE'S NET OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN**

	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020
Total OPEB Liability				
Service Cost.....	\$ 91,399	\$ 95,055	\$ 98,857	\$ 133,758
Interest.....	97,457	108,935	121,288	140,501
Changes of benefit terms.....	-	-	-	(22,575)
Differences between expected and actual experience....	-	-	(105,142)	-
Changes of assumptions.....	-	-	153,087	157,810
Benefit payments.....	<u>(38,813)</u>	<u>(40,097)</u>	<u>(46,086)</u>	<u>(47,553)</u>
Net change in total OPEB liability.....	150,043	163,893	222,004	361,941
Total OPEB liability - beginning.....	<u>1,227,422</u>	<u>1,377,465</u>	<u>1,541,358</u>	<u>1,763,362</u>
Total OPEB liability - ending (a).....	<u>\$ 1,377,465</u>	<u>\$ 1,541,358</u>	<u>\$ 1,763,362</u>	<u>\$ 2,125,303</u>
Plan fiduciary net position				
Employer contributions.....	\$ 218,813	\$ 180,000	\$ 226,086	\$ 180,000
Employer contributions for OPEB payments.....	38,813	40,097	-	47,553
Net investment income.....	31,908	24,300	93,150	48,741
Benefit payments.....	<u>(38,813)</u>	<u>(40,097)</u>	<u>(46,086)</u>	<u>(47,553)</u>
Net change in plan fiduciary net position.....	250,721	204,300	273,150	228,741
Plan fiduciary net position - beginning of year.....	<u>567,391</u>	<u>779,299</u>	<u>983,599</u>	<u>1,256,749</u>
Plan fiduciary net position - end of year (b).....	<u>\$ 818,112</u>	<u>\$ 983,599</u>	<u>\$ 1,256,749</u>	<u>\$ 1,485,490</u>
Net OPEB liability - ending (a)-(b).....	<u>\$ 559,353</u>	<u>\$ 557,759</u>	<u>\$ 506,613</u>	<u>\$ 639,813</u>
Plan fiduciary net position as a percentage of the total OPEB liability.....	59.39%	63.81%	71.27%	69.90%
Covered-employee payroll.....	\$ 6,423,123	\$ 6,517,602	\$ 6,754,577	\$ 7,544,325
Net OPEB liability as a percentage of covered-employee payroll.....	8.71%	8.56%	7.50%	8.48%

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 COLLABORATIVE'S CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFIT PLAN**

Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered- employee payroll	Contributions as a percentage of covered- employee payroll
June 30, 2020.....	\$ 173,616	\$ (227,553)	\$ (53,937)	7,544,325	3.02%
June 30, 2019.....	139,107	(226,086)	(86,979)	6,754,577	3.35%
June 30, 2018.....	135,433	(220,097)	(84,664)	6,517,602	3.38%
June 30, 2017.....	136,483	(218,813)	(82,330)	6,423,123	3.41%

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 INVESTMENT RETURNS
OTHER POSTEMPLOYMENT BENEFIT PLAN

Year	Annual money-weighted rate of return, net of investment expense
June 30, 2020.....	3.66%
June 30, 2019.....	8.81%
June 30, 2018.....	2.85%
June 30, 2017.....	5.09%

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.

NOTE A – BUDGETARY BASIS OF ACCOUNTINGA. Budgetary Information

The Collaborative adopts a balanced budget that is approved by the Collaborative’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 2020 approved budget for the general fund authorized approximately \$19.4 million in appropriations.

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, 2020, is presented below:

Net change in fund balance - budgetary basis.....	\$	97,731
<u>Basis of accounting differences:</u>		
Recognition of revenue for on-behalf payments.....		2,888,830
Recognition of expenditures for on-behalf payments.....		<u>(2,888,830)</u>
Net change in fund balance - GAAP basis.....	\$	<u>97,731</u>

NOTE B – PENSION PLANA. 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 ___% 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.

Schedule of Changes in the Net Other Postemployment Benefit Liability and Related Ratios

The Schedule of Changes in the Collaborative's Net Other Postemployment Benefit Liability and Related Ratios presents multi-year trend information on changes in the Plan's total OPEB liability, changes in the Plan's net position, and ending net OPEB liability. It also demonstrates the Plan's net position as a percentage of the total liability and the Plan's net other postemployment benefit liability as a percentage of covered-employee payroll.

Schedule of Contributions

The Schedule of the Collaborative's Contributions includes the Collaborative's annual required contribution to the Plan, along with the contribution made in relation to the actuarially determined contribution and the covered-employee payroll. The Collaborative is not required to fully fund this contribution. It also demonstrates the contributions as a percentage of covered payroll. The actuarially determined contribution rate is calculated as of June 30, two years prior to the end of the fiscal year in which the contributions are reported. Methods and assumptions used to determine contribution rates are shown on the following page.

Valuation date.....	July 1, 2018
Actuarial cost method.....	Entry Age Normal Cost Method.
Inflation rate.....	2.40%
Investment rate of return.....	7.00%, net of investment expenses, including inflation.
Healthcare cost trend rate.....	8 percent for 2018, decreasing .05 percent per year to 5.5 percent, then grading down to an ultimate trend rate of 3.9 percent.
Pre-retirement employees - general.....	RP-2014 Employees Blue Collar Mortality Table, base year 2014, projected with generational mortality improvement using scale MP-2016 and set forward one year for females
Post-retirement employees - general.....	RP-2014 Health Annuitant Blue Collar Mortality Table, base year 2014, projected with generational mortality improvement using scale MP-2016 and set forward one year for females
Pre-retirement employees - teachers.....	RP-2014 White Collar Mortality Table, base year 2014, projected with generational mortality improvement using scale MP-2016.
Post-retirement employees - teachers.....	RP-2014 White Collar Mortality Table, base year 2014, projected with generational mortality improvement using scale MP-2016.

Schedule of Investment Returns

The Schedule of Investment Return includes the money-weighted investment return on other postemployment assets, net of investment expense.

Changes in Assumptions

The discount rate changed from 7.50% as of June 30, 2019 to 7.00% as of June 30, 2020.

Changes in Plan Provisions

None.

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	\$ 87,970
Waypoint Academy - Town of Sandwich	105,670
Camp Burgess facility - South Shore YMCA	40,000
Pocasset maintenance facility - Chipper LLC	27,600
Office trailer Nauset Transportation - Williams Scotsman	5,052
Dennisport maintenance facility - Raymond Caterino	54,000
	<u>320,292</u>
	<u>\$ 320,292</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, 2020:

Paul Hilton, Executive Director	\$ 162,927
Anita Woods, Director of Special Education Programs	137,700
Christina Caputo, Waypoint Program Coordinator	122,400
Amy Lipkind, Business Manager	111,117
Linda Dillon, Occupational Therapist	102,000

NOTE 4 – AMOUNTS EXPENDED ON ADMINISTRATION AND OVERHEAD

For the year ended June 30, 2020, the Collaborative expended \$619,485 and \$309,963 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, 2020, 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, 2020, there were no expenditures that qualified for reporting in this category.

NOTE 7 – ANNUAL DETERMINATION AND DISCLOSURE OF 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.

The Board of Directors voted to approve and retain \$3,864,159 as the amount designated as Cumulative Surplus from the general funds remaining in the Collaborative’s accounts as of June 30, 2020. This amount does not exceed the limit of 25% of general fund expenditures for the year as shown in the following table:

(A)	Voted Cumulative Surplus as of June 30, 2019, as restated.....	\$ 3,766,428	(A)	<u>p. 18</u>
(B)	1. Amount of (A) used to support the FY20 budget....	\$ -		
	2. Amount of (A) returned to member districts.....	\$ <u> -</u>		
		<u>3,766,428</u>	(B)	
(C)	Unexpended FY20 General Funds.....	97,731	(C)	<u>p. 18</u>
(D)	Cumulative Surplus as of June 30, 2020.....	<u>3,864,159</u>	(D)	
(E)	FY20 Total General Fund Expenditures.....	<u>21,657,803</u>	(E)	<u>p. 18</u>
(F)	Cumulative Surplus Percentage.....	<u>17.84%</u>	(F)	<u>p. N/A</u>

***Report on Internal Control Over Financial
Reporting and on Compliance***



100 Quannapowitt Parkway
Suite 101
Wakefield, MA 01880
T. 781-914-1700
F. 781-914-1701
www.powersandsullivan.com

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, 2020, and the related notes to the financial statements, which collectively comprise the Collaborative's basic financial statements, and have issued our report thereon dated December 9, 2020.

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.

Powers + Juliani, LLC

December 9, 2020