

Annual Report

2023-2024

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Letter from the Executive Director

Paul C. Hilton
Executive Director

CAPE COD COLLABORATIVE

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Our thirteenth Cape Cod Collaborative Annual Report is dedicated to the committed, capable, and highly valued Collaborative staff that maintains high-quality programming and services for the students, families, and districts of Cape Cod & Islands. This report and financial audit highlight some of the activities of the Collaborative during the 2023-2024 School (and fiscal) Year.

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 for many years and were instrumental in supporting the coordinated efforts of school districts through the Collaborative.

Several long-term staff departed the Collaborative after many years of dedicated service to the students and families served by the Collaborative, including:

Christina Caputo	Director of Special Education Programs	2018 – 2024
Kara Clyburn	Waypoint Academy Program Director	2020-2024
Robert Gaboury	School Bus Driver – Mashpee	2009-2024
Brenda Gaskill	Business Office & Transportation Support	2009-2016 & 2017-2024 <i>Retired</i>
Peggy Hamilton	School Bus Driver	2005-2023 <i>Retired</i>
Amy Hanlon	Waypoint Food Service	2019-2024

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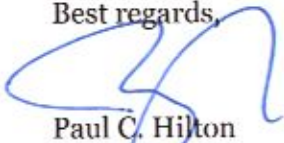
Jenny Kuhn	Waypoint Teacher	2019-2024
Thomas Klimm	Waypoint Academy Counselor & Facilities	2007-2012 & 2015-2024 (Retired)
Michael Walsh	Waypoint Academy Teacher & Specialist	2014-2024

The contributions of each of these individuals were valued by all at the Collaborative as well as by the students, families, and districts that they served. Their commitment and collegiality will be missed. 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 2023-2024 school year.

Thank you for your consideration and support of the Collaborative and those we serve.

Best regards,



Paul C. Hilton
Executive Director

Overview

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 comprised school committee representatives from the nineteen (19) Cape Cod and Islands school districts during the 2022-2023 school year.

Barnstable Public Schools	Nantucket Public Schools
Bourne Public Schools	Nauset Regional School District
Brewster Public Schools	Orleans Public Schools
Cape Cod Regional Vocational Technical School District	Provincetown Public Schools
Dennis-Yarmouth Regional School District	Sandwich Public Schools
Eastham Public Schools	Truro Public Schools
Falmouth Public Schools	Upper Cape Cod Regional Vocational Technical School District
Martha's Vineyard Regional	Wareham Public Schools
Mashpee Public Schools	Wellfleet Public Schools
Monomoy Regional School District	

Mission

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.

Purpose, Focus, Objectives

The Purpose of the Collaborative is:

- 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.
- To provide specialist and transportation services to support programs operated by the Collaborative and others on behalf of Member and Non-Member School Districts.
- To provide vocational, prevocational, behavioral intervention, developmental skill training, enrichment programs, and educational programs to students with and without disabilities; and
- 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 school services.
 - 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 regularly throughout the year and serve in an advisory capacity.

“The education collaborative shall be managed by a board of directors which shall be comprised of one (1) person appointed by each member school committee and (one) 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-five years.

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”).

Cape Cod Collaborative Board of Directors

Andre King	Barnstable Public Schools
Maureen Fuller	Bourne Public Schools
Casey Mecca	Brewster Public Schools
MaryRose Grady	Cape Cod Regional Technical
Phillip Morris	Dennis-Yarmouth Regional
Edgar Miranda	Eastham Public Schools
Terri Medeiros	Falmouth Public Schools
Roxanne Ackerman (June -)	Martha’s Vineyard Regional
Matthew Davis (through May)	Mashpee Public Schools
Kelly Robson (June -)	Monomoy Regional Schools
Jessica Rogers	Nantucket Public Schools
Laura Gallagher Byrne	Nauset Regional Schools
Cathryn Lonsdale	Orleans Public Schools
Ian Mack	Provincetown Public Schools
Ngina Lythcott	Sandwich Public Schools
Christine Brown	Truro Public Schools
Edwige Yingling (through May)	Upper Cape Cod Regional Technical
Robert Fichtenmayer	Wareham Public Schools
Brennan McKiernan	Wellfleet Public Schools
Jill Putnam	Treasurer
William Friel	

Administrative Board

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 the Board of Directors meetings by the Chairperson of the Administrative Board or her/his designee. The Executive Director shall provide the Administrative Board with necessary information (i.e., program and financial data).

Cape Cod & Islands Superintendents

Dr. Sara Ahern	Barnstable Public Schools
Dr. Kerri-Ann Quinlan-Zhou	Bourne Public Schools
Robert Sanborn	Cape Cod Regional Vocational Technical
Dr. Marc Smith	Dennis-Yarmouth Regional
Dr. Lori Deurr	Falmouth Public Schools
Dr. Richard Smith	Martha's Vineyard Regional
Patricia DeBoer	Mashpee Public Schools
Dr. Scott Carpenter	Monomoy Regional Schools
Dr. Elizabeth Hallett	Nantucket Public Schools
Dr. Brooke Clenchy	Nauset Regional (including Brewster, Eastham, Orleans, & Wellfleet)
Gerald Goyette	Provincetown Public Schools
Dr. Joseph Maruszczak	Sandwich Public Schools
Stephanie Costigan	Truro Public Schools
Roger Forget	Upper Cape Cod Regional Vocational Technical
Dr. Matthew D'Andrea	Wareham Public Schools

Cape Cod & Islands Special Education Directors

Eric Bruinooge (Secondary)	Barnstable Public Schools
Catherine Zinni (Primary/Elementary)	
Kristin Donahue	Bourne Public Schools
Kate Clemens	Cape Cod Regional Vocational Technical
Maria Lopes	
Brenda Burke, Assistant Director	Dennis-Yarmouth Regional
Dr. Joan Woodward	
Anne Barnes, Assistant Director	Falmouth Public Schools
Hope MacLeod	Martha's Vineyard Regional
Jaime Curley	Mashpee Public Schools
Melissa Maguire	Monomoy Regional
Debra Gately	Nantucket Public Schools
Matthew Kravitz	Nauset Regional (including Brewster, Eastham, Orleans, & Wellfleet)
Jeff Slater	Provincetown Public Schools
Bernard (BJ) McNamara	Sandwich Public Schools
Stephanic Costigan	Truro Public Schools
Leslie Sullivan	Upper Cape Cod Regional Vocational 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 who 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-	14 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 administrative team member brought a wealth of knowledge and experience to the Collaborative. Their service to the region through the Collaborative demonstrates the commitment of Collaborative employees to the students, families, and districts throughout the region.

Program Directors

Christina Caputo	Director of Special Education	6 years
Patrick Murphy	Business Manager	2 years
Amy Lipkind	Associate Business Manager	8 years
Anders Erikson	Operations Manager	5 years
Dr. Christopher Bogden	Special Projects	7 years
Lisa Stobbart	Transportation	10 years
Julia Bryant	STAR Program Director	18 years
Dr. Kara Peterson	Waypoint Program Director	4 years
James Andrews	Assistant Operations Manager	2 years

Strategic Planning

The Collaborative began a strategic planning process in FY2011 (2010-2011). Stakeholders formally recognized the mutual benefit and the necessity of interdependence in developing and operating programs that strengthen and support their district's education programming.

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

Mission: 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.

- 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 strives to serve the purposes for which the Collaborative was established by its Member School Committees and provides an array of services that support and strengthen the programming of its Member School Districts. 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 2022-2023 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.

Public Day School Programs

The Cape Cod Collaborative runs two public day schools: The STAR Program in Osterville and Waypoint Academy in South Yarmouth.

During the 2023-2024 school year, staff from both programs continued regularly to discuss how to embed trauma-informed practice into all programmatic efforts. The Collaborative continued to contract with a psychologist to work with and support clinical staff.

STAR Program - Osterville



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

STAR enrollment (September 2023) began at 53 students and increased to sixty-three (63) students (June 2024). The program added a 12th classroom in January 2024 to support students with multiple medical needs.

Enrichment programs, including art, music, and motor groups were offered. Sam Holmstock began drumming with each classroom. Sam obtained funding for these classes through the STARS Arts grant through the Mass Cultural Council. Community trips for older students were scheduled weekly. The students in our 18–22-year-old classroom participated in social activities at Cape Cod Villages on three (3) separate occasions. In November 2023, five (5) of the classrooms went to the Plimoth Patuxet Museum. In Spring 2024, eight (8) classrooms participated in the Special Olympics held at Monomoy High School.

Professional Learning Community (PLC) group consisted of teachers and therapists participating in training around the new IEP format which was due to be launched in the Fall of 2024. A group of teachers and therapists worked on transferring current IEPs into the new platform in June. The program directors, special education director and three teachers attended a training held with Allen Bloom regarding the new IEP format.

The STAR Program continued to work with Jacob Stapledon, Community Engagement and Education Coordinator at Children's Cove, with discussions on mandated reporting, abuse, and the increase in child exploitation. Amy Gordon of Second Nature Social Skills gave several professional development sessions on autism spectrum disorders to staff throughout the year. Staff participated in professional development with Jeanne Morrison from Amplify POC around cultural diversity, racism, and stereotyping.



Extended School Year Program

Staff continued to provide fun activities throughout the Summer 2023 Extended Year Program (Fiscal Year 2024), including many enriching activities for language, social, and motor opportunities for the forty-eight (48) students. Several assemblies were offered to all students: Rainforest Reptiles, Yoga ball, Drumming, and Bubbles with Punky, and a magician.

During the 2023-2024 school year Many staff and students participated in the “theme” days held throughout the school year, ending with the fourth annual “rainbow run” where students set goals for the number of laps completed, danced to music, and ran through bubbles created by a bubble machine while wearing brightly colored outfits.



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

Family Events

During the 2023-2024 school year, STAR staff were excited to re-introduce the annual luncheons. In November, the staff provided all the food for a family Thanksgiving dinner. The students presented poems, jokes, and songs on which they had worked. Artwork from all students was displayed all around the cafeteria. In March, the STAR program had a pasta



luncheon for the families. Students sang songs they had learned during the year.

Staff continued to coordinate a food (bank) program that provided staple food items for families. Through the generosity and facilitation of the Falmouth Service Center, staff helped to sort, assemble, and deliver bags to homes.

The STAR Program continued to share facilities and opportunities with the Cape Cod Challenger Club. This

organization has continued to be a great partner in serving the students/families.

The STAR program serves 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-three (63) students during the 2023-2024 school year.

The home districts of these students included:

Member Districts

- Barnstable
- Bourne
- Dennis-Yarmouth Regional
- Falmouth
- Mashpee
- Monomoy Regional
- Nauset Regional
 - Eastham
 - Wellfleet
- Sandwich
- Warcham
- Provincetown

Non-Member Districts

- Plymouth
- Dartmouth
- Pembroke

During the 2023-2024 School Year, thirty -six (36) referral/inquiries for programming were received for the STAR Program:

Enrolled in Collaborative	Supported in District(s)	Other
24 enrolled at STAR	1 maintained with added support (or other arrangements)	6 resulted in other placements
1 required a different level of care	3 "parent inquiry" directed back to district (IEP Process)	3 status unknown

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 2023-2024 School Year, seventeen (17) students transitioned out of the STAR Program. Two (2) of these students aged out during the school year, seven (7) students transitioned to other programming and eight (8) students returned to district programming.

Cost Effectiveness

The Osterville-STAR Program had a daily tuition rate of \$314 during the 2023-2024 school year. This rate had been developed considering the activities and enrollment of the previous year. The rate was approved by the Board of Directors with recognition of 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 tuition for various private school programs offers some perspective regarding the efficiency of the Program.

The Program serves School Districts through the offering of 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 serves students in a local/regional setting that prepares students and families for other settings if their needs become more significant than the Program might be able to address, or inversely, the Program assists and supports students and families 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. At the end of the 2022-2023 school year, two (2) students returned to their home districts.

The STAR Program tuition (\$314/day - \$56,465/year) for FY24 was considerably lower than other options, options often at a great distance (and transportation expense). Assuming other programs could provide similar and appropriate services, it may be noted that the STAR day-

rate (\$314/day) is considerably lower than an average (180 day) tuition of \$496/day (\$89,299/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	\$314	STAR	\$314	STAR	\$314
BC Campus	\$577	Walker	\$521	Higashi	\$446
Meeting Street	\$398	St. Vincent's	closed	May	\$622/\$625
Perkins	\$794 /\$1,033/\$1,192	Chamberlain	\$579	Cushing NECC	\$503/\$538 \$663

Waypoint Academy – South Yarmouth

Program Planning

Waypoint Academy, previously located at the Henry T. Wing School in Sandwich, moved to a new location at the start of the 2023-2024 school year.

Waypoint Academy continued to be approved by the Department of Elementary & Secondary Education as a Public Day School in South Yarmouth, MA.

In the summer of 2023, Waypoint Academy proudly opened its doors to a new location at 1175 Route 28, South Yarmouth. This idyllic and picturesque setting has proven to be beneficial, tranquil, and reposed for students. For instance, the outdoor campus provides opportunities for various social and physical activities that contribute to a sense of normalcy for students, helping them mitigate the impact of the trauma they experienced. The classrooms are spacious. Students also have access to the latest technology platforms and applications. The new Waypoint space serves as an opportunity for the program to function as a therapeutic student garden, planting the seeds for the next generation of leaders and innovators.



Waypoint enrollment (September 2023) began at forty-one (41) students and increased throughout the year as students transitioned into (and out) of the program. The program continued to offer an effective therapeutic, alternative special education program for students in a cost-efficient manner. Some students enrolled in the program are close enough to their “home district” to allow the opportunity for them to participate in sending

(home) school / district activities. Waypoint Academy is considered an extension of each of the “sending” school districts. Waypoint continues to encourage and support students in their transitions to (and from) their “home schools” as appropriate. Internships and dual enrollment were made available to our graduating seniors.

The programming and enrollment at Waypoint Academy supported more than sixty (60) students during the 2023-2024 school year. The home districts of Waypoint students included:

Member Districts

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

Non-Member Districts

Carver
Marshfield
Plymouth
Silver Lake Regional

During the 2023-2024 school year, twenty-four (21) students transitioned out of Waypoint Academy; three (3) dropped out of school, seven (7) returned to their home district, two (2) moved out of member / non-member districts, four (4) sought alternate placement, one (1) was emergency terminated, and three (3) graduated.

An Introduction to Waypoint Academy

Waypoint's foundational precepts center on implementing trauma-sensitive awareness within the classroom and instruction and cultivating a supportive learning environment. Preparing thoughtful global citizens is paramount to staff. This year, we are dedicated to enhancing human capital capacity, improving teaching, and learning methodologies/pedagogy, and developing therapeutic interventions for students using culturally competent practices.



Waypoint Student Profiles



Waypoint students contend with various social, emotional, and mood disorders. Additionally, some students have been diagnosed with anxiety disorders, depression, attention deficit disorder, oppositional defiant disorder, and trauma-related challenges. Consequently,



students often face a range of challenges that can adversely impact their academic performance, social interactions, behavioral regulation, and safety. These obstacles may impede their ability to participate in school and classroom

activities fully. At Waypoint, we create and foster an environment that empowers students to overcome the aforementioned challenges, enabling them to achieve self-actualization in their academics and emotional development(s).

Professional Development

Waypoint staff were given many opportunities for professional development within formal and informal learning cohorts. The program staff also met with Children's Cove staff in a professional development cohort, which worked toward a consistent and coordinated practice in response to trauma. A trauma-responsive practice assessment process was implemented, and safety planning continued. Clinicians met with Bay Cove staff to discuss their policies and protocol when evaluating students both in and out of school.



Academics & CTE Programs

Waypoint provides educational services for students on a rolling enrollment admission. Our programs are designed to equip students with the adaptive skills necessary for successful reintegration into their local school districts, enrollment in career and technical education programs (CTE), entry into the workforce, or, in some cases, military service. Trauma-sensitive practice(s) guide Waypoint's ecosystem. Adopting a therapeutic lens coupled with a cultural competence mindset, the Waypoint community embraces a multitude of pathways for interventions and academic support(s), recognizing the importance of adjusting approaches based on students' experiences/needs.



Waypoint Staff

Waypoint employs two full-time clinicians dedicated to supporting students' social-emotional growth, academics or, in some cases, vocational endeavors. Counselors focus on fostering



students' self-esteem, helping them take ownership of their choices and emotions. For instance, they served as co-facilitators for the collaborative course, where students learn, practice, and role-play effective strategies for interacting with their peers and adults, managing conflicts, and developing self-advocacy skills. Moreover, counselors chair weekly clinical meetings to discuss behavioral

interventions, new student referrals, peer-to-peer relationships, teacher-student interactions, and updates/modifications to students' behavioral IEP goals.

Waypoint houses eleven (11) academic teachers to support students in the classroom. Waypoint academic teachers have common planning time (CPT), which they use to discuss the following topics: 1) Content alignment, 2) Resources, 3) Curriculum, 4) High-quality instructional materials, 5) Shared-instructional interventions, and 6) Assessments. For the 2024-2025 School Year, the program will welcome a BCBA to the clinical team. This individual's expertise will be invaluable for supporting the students and the programming.

2023-2024 School Year

Dr. Kara Clyburn, the Waypoint Academy Program Director, supervised and evaluated



Waypoint programs; including includes students and staff with the realignment of students and staff across four (4) Middle School classrooms and four (4) High School classrooms and ensured that elective offerings were offered across grade levels. In this way, Waypoint students had access to Culinary Arts experiences (CTE) and physical education each day.

These opportunities exposed students to trained chef and culinary staff, engaged them in a comprehensive range of activities beyond mere cooking. As a result, students become exposed to a holistic view of the operational dynamics necessary for running a successful /professional kitchen or restaurant-style facility. In physical education classes, students participated daily

in a plethora of movement activities designed to cultivate student wellness.

Dr. (Peterson) Clyburn retired at the end of the 2023-2024 School Year.

Dr. Jahmal Mosely was appointed as the Waypoint Program Director for the 2024-2025 School Year. Dr. Mosely will build upon the foundation established by Dr. Clyburn at the program.

Waypoint Schedule

Middle school and high school students received instruction in English Language Arts (ELA), Math, History, and Science, followed by two elective courses: Culinary Arts and Physical Education. In addition to their academic studies, students participated in cognitive development activities that focused on social skills, teamwork, and time management. For some students, this time provided space to be vulnerable in the company of peers and adults. Waypoint's schedule ensured equity, providing students with equitable access to academics. Alongside the core courses mentioned, Waypoint Academy offered collaborative began implementation of problem-solving programs to complement the academic curriculum. A foundational belief for the Program is that academic successes and social-emotional learning (SEL) growth function synergistically.

Social Emotional Supports

Marc Hauser, Ph.D., has continued to provide consultation services to the administrative, clinical, and teaching staff at Waypoint. His efforts, research and technology platforms enhance the monitoring of interventions and data collection. Dr. Hauser collaborates with clinical staff to develop measurable IEP goals linked to existing data. His structured approach facilitates the tracking of behavioral interventions, student self-breaks, restraints, and IEP behavioral benchmarks.

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

Parent Advisory Group/Family Gatherings

For the 2024-2025 year, Waypoint staff plans to strategically schedule parent forums to foster a stronger family-school connectivity. For the 2023-2024 school year, the Thanksgiving Celebration held prior to the Thanksgiving Break was a great family event where many of our Waypoint families attended with alacrity. This event may be considered a springboard for future home-school events!

Extended School Year

Students designated as eligible for an Extended School Year Program through their IEPs who are enrolled in Waypoint Academy may participate in programmatic services during the months of July and August in the new MacArthur building in South Yarmouth.



Cost Effectiveness

Waypoint Academy operated during the 2023-2024 school year with a daily tuition rate of \$282/ \$308 and \$333 per day. The tuition rate is differentiated based upon projected enrollment. Member (and sometimes non-member) districts have purchased “committed” slots (\$282/day) and thereby own a portion of the program capacity. Districts that have a need to increase their allocation of space in the program may purchase additional “committed” slots at the program after the budget and resulting staffing have been planned (\$308/day). Other tuitions (non-committed slots at \$333/day) are associated with enrollment that may be less dependable and necessitates greater flexibility in maintaining resources to meet student needs. The rate structure was approved by the Board of Directors with particular attention to the projected enrollment and programmatic needs for the school year.

Although there is not a program that provides services identical to those provided for students served at Waypoint Academy, analysis regarding need and average tuitions for private school programs offers some perspective regarding the efficiency of Waypoint Academy. It is evident (in the review of the referrals, admissions, and discharges from the Academy) that Waypoint serves students in a local/regional setting that prepares students and families for other settings. Waypoint 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, Waypoint Academy’s tuition structure (\$282/\$308/\$333 per day, \$50,747 / \$55,409/ \$59,868 per year) for FY24 was considerably lower than options, which are often at great distance and transportation expense. Assuming the programs could provide the appropriate services, comparing Waypoint’s tuitions versus an average tuition of (\$496/day,

\$89,299/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	\$ 307 (average)
Saint Vincent's	CLOSED
Private Day Average	\$496
JRI Southeast Alternative / Anchor & Granite	\$374 (average)
Home for Little Wanderers	\$549 (average)
Franklin Perkins	\$422
Chamberlain	\$579

Therapy Services and Programmatic Consultation

Speech & Language Pathology, 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 FY2024 the Collaborative provided Speech and Language Therapy, Occupational Therapy and Physical Therapy to students in school districts and to students in Collaborative Programs.

Special Education Directors continued to identify the critical need for Speech and Language Pathologists in the upcoming years and the increased need for Occupational Therapists. The Collaborative added a full-time Speech and Language Pathologist at the end of the 2023-2024 School/Fiscal Year.

During FY2024, there continued to be an increased demand for therapy services throughout the region. To meet the increased demand, the Collaborative continued to seek additional capacity for Speech & Language Pathologists, Occupational Therapists, and Physical Therapists to meet the needs of the Collaborative programs and schools throughout the region.

Special Projects

The Collaborative supports member (and non-member) school districts through many Special Projects initiatives.

Advanced Studies & Leadership Program (ASLP)

The Advanced Studies and Leadership Program was developed in 2005 to enhance and enrich the education of high-achieving students.

Stephen Kelleher assumed the Directorship of the Program in Summer 2022 concurrent with his retirement as the Commandant at Massachusetts Maritime Academy. He had served as the Program Coordinator and Site Director in previous years while still serving the Academy. His leadership and commitment have been integral to the ongoing success of the program.

Students continue to be selected for this program based on qualifying MCAS scores and on recommendations from district teachers and administrators.

ASLP Objectives

- To support and stimulate the thinking of high-achieving students by providing a 2-week residential summer program that offers firsthand academic pursuit and interactive leadership activities within a collegial environment.
- To provide 31.5 hours of project-oriented study in Science, Technology, Engineering, and Math (STEM) related subject areas.
- To provide 22 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 residential program for Summer 2023 (Fiscal Year 2024) continued as a two-week program without a weekend break. The tuition for the program was reduced from \$1,400 to \$1,200 with support from a grant secured through the Massachusetts Department of Elementary & Secondary Education. This program was very successful, with exceptional reviews from participants and their families.

The Collaborative submitted a proposal (for a second year) and ultimately received a grant from the Commonwealth of Massachusetts, the Summer School Expansion and Engagement Grant, for \$100,000.

Throughout FY2023, planning occurred for the programming for the summer of 2023 (Fiscal Year 2024). Mr. Hilton and Mr. Kelleher met continuously with Massachusetts Maritime Academy administration.

ASLP and Massachusetts Maritime Academy

ASLP 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 have been integral to the continual success of this program.

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

The Academy increased the number of scholarships for ASLP2024 from two (2) to (20) twenty to recognize the twentieth planned summer for the ASLP Program.

All-Cape Professional Development Day

Dr. Chris Bogden organized the 2023 All-Cape Professional Development Day held in October. The professional development offerings were educator created and locally developed and offered in various formats. There were 973 workshop registrations (559 educators) participating in the All-Cape 2023.

Course Offerings	In-Person Delivery	Virtual Delivery
30	25	6

The All-Cape Day has continued to provide high-quality professional development opportunities at a minimal cost to districts.

Additional Professional Development Activities

Professional Development activities continue 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

The meetings of the region's Curriculum Administrators continued monthly. These meetings led to identifying professional development opportunities that effectively assist the region's teachers.

Other courses offered during FY2024 included:

- Collaborative Framework for Educator Evaluation (CoFFEE)
 - This regionally designed course is for new administrators and/or department heads who were responsible for supervision, observation, and/or evaluation. The course was designed specifically for Massachusetts and was anchored in the Mass model for educator evaluation. The focus was on teaching and learning through the lens of cultural proficiency. Twelve (12) administrators completed this program in the 2023-2024 School Year.
- SEI Teacher Endorsement Course
 - The SEI Endorsement Course focused on current theories and evidence-based instructional practices related to the teaching of English Language Learners.

- Research for Better Teaching's Studying Skillful Teaching
 - This course required and/or contractually mandated in many of the region's School Districts.
- Artificial Intelligence in Education: Teaching and Learning with Emerging Technologies
 - The Collaborative offered this workshop for the region's educators for a second time in January 2024.
- Through our website and social media presence, we continue to collaborate and promote the community outreach and training of several of the region's nonprofit groups, including: The Martin Luther King Education Task Force, Team Maureen, and the Enough Abuse Campaign.

Bridgewater State University (BSU)

Special Education Licensure Cohort

The Collaborative continued to offer coursework and guidance through BSU which supported the region's educators towards their licensure in Moderate or Severe Special Education. This includes a specific sequence of courses, as well as individual academic advisement and program development.

Emergency Licensure Support

The Collaborative partnered with Bridgewater State University to develop a proposal to support educators teaching with an Emergency Moderate Special Needs Teaching License in 2022-2023. This proposal was funded and resulted in the provision of coursework necessary for one-hundred (100) educators to receive their Provisional Teaching Licenses. There were fifty-two (52) individuals who successfully completed the required coursework (7-8 full graduate courses) and licensure tests during the year.

This initiative was refined and again funded as a Regional Support Center for the support of educators working with an Emergency License (or Waiver). This expanded opportunity has resulted in increasing participations throughout 2023-2024.

Virtual High School

Districts enrolled approximately 181 students for the 2023-2024 school year. Enrollment remained consistent with the previous year. Local districts receive significant savings on the cost of course enrollment through participation in a consortium coordinated by the Collaborative.

Transportation



The Collaborative formally began the provision and coordination of transportation as a service to the school districts in the 1980s. The Collaborative has continued to support and expand this service over the decades in response to expressed needs by school districts. 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 FY2024. She managed all Collaborative transportation services, including a team of drivers, monitors, dispatchers, and mechanics, in providing service to students and districts throughout the region.

The Transportation Department continued to become more tightly integrated with the Collaborative Business Operations throughout FY24. The continued growth in this area will continue to necessitate further cross-discipline coordination between the Transportation and Business Administration departments.

The Collaborative integrated a maintenance software program (Dossier) as well as GPS tracking software (Zonar) to ongoing operations. Zonar functionality enables the Collaborative to track electronic vehicle inspections and automatically downloads associated information into the maintenance program (Dossier) for real time reporting of vehicle issues to mechanics and management.

One of the most critical challenges in bus transportation has continued to be the (nationwide) shortage of drivers. The recruitment and retention of drivers during FY24 remained a top priority for the Collaborative. The increased use of social media and targeted (cable) television and radio advertising complemented the previous adjustment of standard hourly pay rates to better compete with employment opportunities in the region.

Despite the upward adjustment of hourly rates for drivers, the resulting Collaborative costs were consistently lower than the pricing received by districts from private vendors in the region. The Collaborative continued to work with district school administrators and school committees to refine their current transportation needs and discern their future needs.

Within the past five years, the Collaborative has become the largest provider of school transportation in the region. The creation of a support infrastructure through our processes, our people, and parking/ dispatch locations allows the Collaborative to develop and sustain responsive services and to assess and (where appropriate) assume additional transportation service requests from districts.

Large Buses

The Cape Cod Collaborative provides large bus services for the following school districts:

Bourne Public Schools
Monomoy Public Schools
Nauset Public Schools
Mashpee Public Schools
Nantucket Public Schools
Truro Public Schools



General education (large bus) service costs are based upon an algorithm that calculates costs based on routing and service requirements (specifications for service). The Collaborative cost methodology has evolved over time and is useful for determining the appropriate charges for the 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, the pooled cost of vehicles has dropped, resulting in cost benefits to member districts utilizing these services.

Out-of-district transportation services are provided for every district across the region as needed.

In July 2023, the Nauset Regional Schools (and Superintendent Union) executed an extension of their Memorandum of Agreement for transportation services with the Collaborative through June 30, 2028. A primary focus for Fiscal Years 2024 and FY2025 was and will be coordination and planning with the Nauset (All-Region) Transportation Subcommittee to ensure appropriate, efficient, and cost-effective fleet replacement for the future.

In March 2024, the Monomoy School District invited the Collaborative to participate in an “Invitation to Bid” for General and Special Education Transportation Services. The Collaborative prepared revised pricing in response to this invitation in April 2024. The Monomoy Regional School Committee chose the Collaborative to continue to provide Pupil Transportation Services for the District for a number of reasons; however, a most compelling reason was that the school bus drivers supporting the District had been consistent and dependable and the service had been excellent. The Collaborative was/is proud of the drivers and monitors who support Monomoy Schools as well as the Dispatch Office staff who act as liaisons with the School District staff. This Memorandum of Agreement is for the period of July 1, 2024 through June 30, 2028, renewable for two years through June 30, 2030.

As the Collaborative moves to refresh our fleet across all districts, the Collaborative, and indirectly the Districts, are challenged with significant increases in vehicle costs and financing costs. Although the Collaborative has demonstrable savings for Districts as the associated, initial “fleets” come off lease, the higher costs for equipment and for financing will be a challenge that will continue to require attention by the Collaborative and the Districts.

Business Operations

The Cape Cod Collaborative continues to operate as an extension of the member school districts and works to strengthen and support the various educational programs and services that we provide to our districts across the Cape Cod and Islands communities.

From July 1, 2023- June 30, 2024, the Collaborative’s business office saw significant personnel changes, including:

- **Patrick Murphy** had joined the Collaborative in September 2022. He continued to facilitate and support changes in the Collaborative’s Business Office staffing during fiscal year 2024.
- We were fortunate to have the previous business manager, **Amy Lipkind**, stay with the Collaborative to support these transitions. She continued to support the Business Office as the Associate Business Manager and Accounts Payable/Accounts Receivable Specialist.
- **Sean Rausch** had joined in October 2022 following the resignation of the previous individual who had served as the Payroll & Benefits Coordinator. Mr. Rausch assumed responsibilities in October 2022 following a resignation of an employee who had worked in the position only one year.
- Sabina Moldovan had joined as the Human Resources Manager in March 2023 with the pending retirement of Ms. Beth Deck. She left the Collaborative in September 2023 and Ms. **L. Troye Thompson** joined the Collaborative as the Human Resources Coordinator.
- **William Friel** continued as Treasurer throughout FY2024. Mr. Friel has continued to refine the efficiency of internal controls with Collaborative operations. He has also instituted a formal investment policy ultimately adopted by the Board of Directors in FY2018.

There were several personnel changes within the business office during FY24. The operational needs and essential tasks are continually evaluated to ensure accuracy and continuity for the Collaborative business operations.

Laurence A MacArthur Building – South Yarmouth



FY 2024 continued to be a busy year for the Collaborative as significant capital projects, which had been years in development, came to fruition. The \$4.3 million dollar building project at our new Yarmouth MacArthur campus became the new home of the Collaborative's Waypoint Academy in July 2023. The project costs had been partly funded through a \$3,000,000 bond/loan secured from TD Bank with coordination and support through Mass Development. The building renovation project costs exceeded the projected costs, which necessitated the use of the funds which had been committed for/to the Capital Reserve Fund in FY22. The financial terms for the bonding for this project will have the debt fully paid in August of 2031.

We appreciate the partnership efforts of the Town of Yarmouth and Bridgewater University to make this building renovation project and program site a reality. We were thrilled to be able to move the Waypoint Academy into the building just in time to start its 2023 Extended School Year Program.

During the previous year, the long-awaited children's playground was installed at the STAR program in Osterville. This \$300,000+ investment was specially designed to meet the unique needs of our students. The students (and staff) were thrilled with the resulting equipment.

Although two major capital projects were completed in FY23 for the Cape Cod Collaborative's programs, continues to be a real, urgent, and increasing need for statewide solutions to address the capital needs of (most) educational collaboratives across the Commonwealth. The Cape Cod Collaborative has identified over \$10,000,000 dollars in additional capital needs that should be completed over the next decade at the Cape Cod Collaborative's current program sites.

The Collaborative had benefited from and appreciated that we were one of nine collaboratives across the state to receive a one-time DESE reimbursable facility (HVAC) grant of \$100,000

initiated during the spring of 2023. This grant was used for a variety of smaller projects throughout the year to improve air quality in our programs' buildings, including ventilation repair and replacement of screens.

The Cape Cod Collaborative FY2024 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.

Despite the unpredictability of capital projects, the Collaborative finished FY24 with a 25.00% "cumulative surplus" which was only slightly higher than the FY23 "cumulative surplus" percentage of 24.93%.

During FY2024, the Collaborative continued to fund 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 June 30, 2024, was completed, which indicated that OPEB Trust Fund investments had rebounded and that the Fund was funded at 114 % of the necessary value for FY24 (from 114% in FY22 and 85% in FY23). Although these trends can change, this above-100% valuation is a remarkable achievement. This success is primarily due to the thoughtful stewardship of the Collaborative's Board and administrative team over the past decade.

Business Officials Group

Mr. Patrick Murphy facilitated hybrid meetings of the Collaborative's member districts' business officials during FY24. This job-a-like group discussed current challenges and best practices regarding transportation services, special education service delivery, facilities management, regional procurement, audits, finding and training the next generation of business office staff, as well as issues related to Elementary and Secondary School Emergency Relief Fund (ESSER) spending.

Facility Directors Group

Mr. Murphy coordinated and facilitated joint meetings with Business Officials and Facility Directors throughout the member districts early in FY2024.

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 monthly 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

District	Oct 2023 Enrollment	Waypoint Academy (2024)	STAR / Oosterville (8/24)	Itinerant Services (Therapies)	ASLP (Summer 2023)	Professional Development	Transportation (Large Bus)	Special Education Transportation	Virtual High School
Barnstable	4,817	10	11	Speech (as needed)	39 Summer 2023	Yes	2010-2011 Consultation	Some Out-of-District	Individual Purchase
Bourne	1,563	2	2	Physical - Stop FY18	14 Summer 2023	Yes	2012 Consultation; 2016-2017 MOK; FY18 Service Start; FY23 Renewal	Occasional	Individual Purchase
Cape Cod Tech	663	0	0	Occupational / Physical		Yes	2011 Pricing	As needed	Joint Consortium 2013
D-Y	2,941	10	8	Physical - FY22 Start again	25 Summer 2023	Yes	2010 Consultation; 2011 Consultation; 2013 Consultation; 2016 Consultation; 2018 Consultation	Out-of-District	50 Seats
Falmouth	2,892	8	7.5	Stop FY11	31 Summer 2023	Yes	2011 Pricing; 2017 Consultation	Occasional	
Kartha's Vineyard	2,155	1	0	Stop Speech & Occupational - FY20; Start Speech - FY20 - Stop FY22	9 Summer 2023	Yes	2005 Consultation		
Kaithpee	1,430	4.0	3	Stop FY15	9 Summer 2023	Yes	2009 Start; multiple renewals	n & Out-of-District	
Monomoy	1,746	1.7	5	Physical - Stop FY18; Speech - FY19 only	14 Summer 2023	Yes	2012 Consultation; 2018 Consultation; 2019 Start; FY24 Renewal	Occasional	Consultation
Nauset (6 Union)		4.0	4	Stop FY11		Yes	2010-2011 Consultation; 2015 Consultation; 2017 Consultation; 2018 MOK Development; 2018 Start; FY23 Renewal	n & Out-of-District	Individual
Brewster		0	1		18 Summer 2023	Yes			
Eastham	2,079	0	1			Yes			
Chatham		0	0			Yes			
Walloot		0	1			Yes			
Nantucket	1,693	0	0	Behavioral Consultation - Stop FY18	2 Summer 2023	Yes	1997 Start; Annual Renewals	n & Out-of-District	25 Seats 4
Provincetown	137	0	1	Occupational Supervision		Yes		Occasional Support	
Sandwich	2,129	1	2	Stop FY19	18 Summer 2023	Yes		Study - FY22	25 Seats
Taunton	91	0	0	Occupational; Physical		Yes	2008 Start; multiple renewals	n & Out-of-District	
Upper Cape Tech	826	0	0	Physical - as needed		Yes		As needed	Individual Purchase
Wareham	1,950	6.0	6.5	Stop FY10	18 Summer 2023	Yes	2010 Consultation	Occasional	Individual Purchase - Start 2016-2017

Key	No CCC Service	Stopped Service- CCC Consult
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Cape Cod Collaborative
418 Bumps River Road
Osterville, MA 02655



Paul C Hilton
Interim Executive
Director
508.420.6950 x 1111
Fax 508.420.6959

December 2024

ATT: Office of Regional Governance - Collaboratives
Massachusetts Department of Elementary & Secondary Education
135 Santilli Highway
Everett, MA 02149

The purpose of this letter is to address particular regulatory issues that are not independently addressed in the FY2024 Annual Report.

- **Progress Made Towards Achieving the Objectives and Purposes in the Collaborative Agreement**

The entirety of the FY2024 Annual Report reflects the progress made towards the achieving the objectives and purposes in the Collaborative Agreement.

The following narrative will reflect more particularly the progress towards achieving the objectives and purposes in the newly accepted Cape Cod Collaborative Articles of Agreement.

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.

The Cape Cod Collaborative continued to provide an array of programs and services that strengthened and supported school programs for students with and without special needs. The Collaborative continued to meet with advisory boards and continuously explored options for the establishment of new programming. The Collaborative has also continued to provide support services, including therapies and consultation to school districts as outlined in the chart of district participation that is included in the FY2024 Annual Report.

The coordinated communication, cooperative planning and sharing of expertise and resources has been critical to ensuring effective responses to increasing challenges in contemporary public education.

- 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.

The Collaborative has continued to support an increased demand for transportation services which support district and collaborative programming.

The increasing and critical need for recruitment, training and retention of drivers remains an ongoing focus for Collaborative support to districts and for Collaborative programming. In FY2024 the Collaborative continued to facilitate the sharing of expertise and resources. The Collaborative continually consults regarding the effectiveness and efficiency for the flexible delivery of transportation services for school districts throughout the region.

The Collaborative has regularly convened school districts throughout the region to discuss methods to address transportation challenges, including the (regional and nationwide) shortage of school bus drivers, training / support programming for school bus drivers and particularly ensuring safety for staff and students with implementation of transportation services during the pandemic period(s).

- C. To provide vocational, prevocational, behavioral intervention, developmental skill training, enrichment programs, and educational programs to students with and without disabilities; and

The Collaborative continued to provide support services within Collaborative programming.

The Collaborative Advanced Studies and Leadership (ASLP) Program was held in July 2023 in coordination with the Massachusetts Maritime Academy. This program was a two-week residential program after having become a “day” program for July 2021 and having been suspended for Summer 2020 due to the COVID pandemic. The program continued in a modified format as a continuous two-week program (through the weekend) after having been a three-week (weekdays only) program for over a decade. NOTE: This program had been a residential program on the Academy campus since 2004.

- 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

The Collaborative continued to coordinate and provide professional development activities for districts throughout the region including, but not limited to:

The All-Cape In-Service occurred in October 2023 with over 559 participants attending over 973 sessions (thirty offerings).

- *The Collaborative has continued to offer coursework, developed regionally, for new administrators (Collaborative Framework for Educator Evaluation - CoFFEE). This coursework is also approved for credit from*

Bridgewater State University (BSU). This programming provides high quality, locally relevant professional development in a very cost-efficient manner.

- *The Collaborative continued to deepen the formal, programmatic partnership with Bridgewater State University (BSU), increasing opportunities for Collaborative staff and district staff throughout the region, resulting in increased qualified, certified, licensed staff throughout the region. Through this partnership, the Collaborative coordinated two (2) proposal for grant funding to support educators working with Emergency Educator Licenses. These proposals (one in FY2023 and the second into FY2024) were funded through the Massachusetts Department of Elementary & Secondary Education and have supported educators throughout the state in progressing towards full licensure, including several employed at the Collaborative.*
- *The Collaborative secured bond financing to renovate a building that will be shared with BSU with Collaborative programming occurring during school hours and BSU offering occurring evenings and weekends.*
- *The Collaborative maintained the partnership to provide Sheltered English Immersion (SEI) endorsement coursework in the region in association with another educational collaborative.*

Please see Annual Report for more information.

- **Programming for gifted and talented students**

- *The Advanced Studies & Leadership Program (ASLP) operates annually in coordination with Massachusetts Maritime Academy. The ASLP Summer 2023 Program (FY2024) offered in continuous two-week residential format.*
- *Throughout FY2023, planning occurred for ASLP Summer 2023 (FY2024), a program which hosted over two-hundred middle school aged students.*

Please see Annual Report for more information.

- **After-school and summer programming**

- *The Collaborative continued to provide extended-year programming through the Approved Public Day Programs (Waypoint & STAR) as well as continuing to operate the aforementioned ASLP Program.*
- *The Collaborative transportation services supported school districts and programs through the continuous provision of transportation services to support summer program offerings.*

- **Professional consultation & assistance**

The Collaborative continued to facilitate “job-a-like” groups to focus the sharing of expertise and information among districts,

including expansion to the aforementioned Business Administrator and Transportation Manager groups. This continued to be extremely important for the sharing of strategies, expertise and resources throughout the year to address ongoing pandemic related issues.

- Assistance with employment searches
The Collaborative continued to develop proposals to assist with securing appropriate personnel through the Collaborative Center for Executive Search (CES). In FY2024, the Center (CES) did not develop further proposals to support a searches for Administrators.
- Educator Licensure assistance
The Collaborative continued to be a clearinghouse for information sharing with the Massachusetts Department of Elementary & Secondary Education. The Collaborative continued to provide coursework through the formal partnership with Bridgewater State University (BSU) to host coursework for licensure in Moderate and Severe Special Needs.

During Fiscal Year 2023, the Collaborative supported (with BSU) a grant funded initiative that provided coursework on an accelerated timeline for individuals with Moderate Special Needs Emergency Licensure that is necessary for these individuals to progress towards Initial Licensure. This proposal funded the support for approximately one hundred (100) individuals in a cohort model based upon the Collaborative/BSU Moderate Special Needs Cohort structure.

The initial Emergency License Support initiative was refined and expanded with grant funding through MA-DESE to support an increased number of individuals working with a variety of Emergency Educator Licenses or Waivers.

- Vocational/occupational exploratory and major trade/technical course concentrations in collaboration with Chapter 74 schools
Please see above regarding grant programming and partnership development to expand vocational opportunities.
- Procurement coordination and assistance
The Collaborative had previously provided limited procurement coordination and assistance with member school districts. The Collaborative also served as a resource for coordination/activities throughout the fiscal year as well as ongoing consultation regarding student transportation related issues.
- 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 (*continued to operate two approved public day programs*)
- Professional Development activities for educators (*please see above – ongoing and expanding provision of services*)
- Professional Development activities for staff providing services for schools (*The Collaborative continues to provide ongoing coordination of activities with regional entities to support facilities, and transportation staff. The Collaborative has continued to facilitate shared activities with facility directors throughout the region after establishing a regional job-a-like group.*)
- Professional Development activities for providers of early childhood services *The Collaborative has maintained coordinated professional development with an Early Learning Network. This group had been successful in previous years in securing a series of multi-year grants to provide strategic planning and professional development activities.*
- Job-a-like groups for professional development and regional coordination of activities
Please see the FY2024 Annual Report. The Collaborative continues to successfully (hybrid format) gather groups throughout the region to facilitate collegial affiliation, professional development and strategic planning.
- Procurement Coordination
Please see above
- Procurement Consultation
*There have continued to be opportunities actualized in the coordination of vehicle procurement and the sharing of specifications.
The Collaborative continued to serve as a consulting entity regarding procurement activities. The Collaborative continues to actively assist districts to ensure best practices and best value in procurement and service provision. During the 2023-2024 School Year, the Collaborative actively assisted districts in analyzing services to restructure costs with their procurements and bidding.*
- Administration Assistance
Through December 2022, the Collaborative assisted districts through a grant from the Peter & Elizabeth Tower Foundation which continues to support districts in the development and implementation of Multi-Tiered Systems of Support (MTSS). During this period grant funds and consultation were focused upon supporting district leadership.
- Employment Search and consultation services
The Collaborative Center for Executive Search did not consult regarding several searches during FY2024. The Collaborative did conduct internal searches for key personnel, including Special Education Director, Waypoint

Program Director and Human Resources Coordinator and began a Search Process for a new Collaborative Executive Director.

- **Transportation Services**
*The Collaborative continually refined the provision of transportation services and transportation consultation with member districts
Please see the FY2023 Annual Report.*
- **Facilities Management Services**
There are ongoing meetings with the Facility Directors in the region coordinated by and through the Collaborative. A partnership with the Massachusetts Facilities Administrators (MFAA) has supported increased collaboration. A significant amount or turnover of Facilities Directors in the region led to decreased coordination with/among districts through the Collaborative.
- **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.**
The Collaborative had facilitated opportunities for hosting students and administrators from other countries. The Collaborative has also continued to offer access (at greatly reduced rate) to Virtual High School throughout the region to develop shared programming that will support and strengthen the school programs in the districts.

The Objectives of the Cape Cod Collaborative are:

- A. To enhance and expand learning opportunities to meet the diverse needs of all students;
Please see FY2024 Annual Report and information above regarding progress towards the purpose of provision of public day programming for students with special needs as well as the Advanced Studies and Leadership Program. Previous Collaborative efforts focused upon international education, supporting MTSS in school districts, and universal access to preschool also expanded the capacity of the Collaborative and member districts to meet the needs of diverse learners.
- B. To enhance and expand professional development that meets and anticipates Member School Districts' needs;
*The Collaborative continued to develop professional development programming to meet the current and evolving needs of school districts. Activities include focused initiatives such as educator preparation coordination, teacher licensure support, MTSS related grant activities, support for remote/distance learning, targeted graduate coursework, early childhood provider activities and administrator institutes.
The Collaborative coordinated a regional educator development event in coordination with Cape Cod Community College and Bridgewater State University in February 2023.*

Additional activities include developing staff capacity to effectively meet the challenges of provision of services (administrative, operational and educational) during and post-pandemic.

- C. To strengthen our relationships and partnerships with Member and Non-Member School Districts; and
The ongoing relationships and discussions facilitated through the job-a-like groups continued to provide a forum for the development of shared activities including specialized programming as well as sharing of resources, which was of critical need to respond to the challenges of the pandemic.

The Curriculum Directors continued to meet with renewed focus upon developing and implementing programming and support for English Language Learners.

The focus of Facility Directors was upon critical facility issues, especially supporting re-engagement.

The meetings of the Directors of Special Education were also focused upon staffing programs, re-engagement of students and meeting the needs of students with special needs and ensuring the consistent delivery of services.

The focus of the Business Managers varied throughout the year, but focused upon sharing knowledge and resources to support their operational challenges and optimizing performance of key/core job functions.

- D. To maintain communication, governance structures, and practices that regularly assess needs of Member School Districts, provide collaborative solutions and monitor the effectiveness of those solutions.

The Collaborative governance structure facilitates input from all advisory groups. The ongoing assessment of needs is continuously refined to gather more insight into the needs of districts as well as opportunities for Collaboration.

Given the increased transiency in administrators and Board members throughout the region, as well as the significant impact of the pandemic upon all students, it remains necessary to re-initiate regional strategic planning to ensure a comprehensive assessment of needs and opportunities.

Please do not hesitate to contact me if you have further questions.

Best regards,



Paul C Hilton



CAPE COD COLLABORATIVE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024
(With Independent Auditors' Report Thereon)

CAPE COD COLLABORATIVE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Cape Cod Collaborative

Report on the Audit of the Financial Statements

Opinions

We have audited 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, 2024, and the related notes to the financial statements, which collectively comprise the Collaborative's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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, 2024, 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.

Basis for Opinions

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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Cape Cod Collaborative and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Collaborative's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Collaborative's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Collaborative's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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

Management is responsible for the other information included in this report. The other information comprises the required disclosures by the Massachusetts Department of Elementary and Secondary Education for Massachusetts Educational Collaboratives but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2024, on our consideration of the Cape Cod Collaborative's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the Collaborative's 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.

Marum LLP

Boston, MA
December 23, 2024

Management's Discussion and Analysis

Cape Cod Collaborative

Management's Discussion and Analysis

Year Ended June 30, 2024

As management of The Cape Cod Collaborative, we provide readers of these financial statements this narrative overview and analysis of the financial activities for the year ended June 30, 2024. The Collaborative complies with financial reporting requirements issued by the Government Accounting Standards Board (GASB). Management's Discussion and Analysis are part of these requirements. 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 STAR program in Osterville and Waypoint Academy in Yarmouth are tuition-based special education day programs of the Collaborative. The 2023 - 2024 school year enrollment met expectations in the STAR and Waypoint Programs.

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. At the same time, the Collaborative needs to remain competitive with the salary and benefits that we offer our staff. Given the Cape's cost of living, the specialized licensing needed by our staff and the unique challenges of our student populations it is vital that we are seen as a long-term place of employment by our current staff and any prospective staff. Salary table comparisons with our member districts identified that the Collaborative will need to make a multiyear effort to bring our salary table into closer alignment with our member districts. Given our long-term plans to keep programs located in Barnstable and Yarmouth, we may need to continue to make salary, wage, and benefits adjustments for the Collaborative's program staff using these districts as benchmarks.

The most significant long-term initiative undertaken by the Collaborative over the past years was the preparation for a permanent move of the Waypoint Academy program to the MacArthur building in Yarmouth. The Collaborative has entered into a long-term lease for virtually no cost (\$1 per year) with Bridgewater State University and the Town of Yarmouth. The Collaborative funded and completed the \$4,300,000 renovation of the property. A \$3,000,000 loan to be paid down by August of 2031 has added to the operating costs of this program. The Waypoint Academy program moved into the building in June of 2023.

Cape Cod Collaborative

Management's Discussion and Analysis

Year Ended June 30, 2024

School transportation services provided to our member districts accounts for approximately 60% of the Collaborative's revenues, expenses and overall staffing. The nationwide shortage of school bus drivers remains a serious problem across Cape Cod. The median age of the Cape's school transportation staff is 63 years old. Discussing this reality with our districts does confirm that driver recruitment and retention as well as consolidation of routes will need to be reviewed each year.

Looking at ways to gain efficiencies in general education and special education transportation management continue to be evaluated.

The acclaimed **Advanced Studies and Leadership Program (ASLP)**, a partnership with Massachusetts Maritime Academy, was held during the summers of 2023 and 2024 with enrollment leveling off this past summer. The program objectives for ASLP are:

- To support and stimulate high achieving students by providing a 2-week residential summer program that offers hands-on academic pursuit and interactive leadership activities within a collegial environment.
- To provide project-oriented study in science, technology, engineering and mathematics (STEM) related subject areas; to provide project-oriented study in humanities related subject areas.
- To provide an evening program of interactive leadership activities.
- To provide necessary media and library support to ensure success for each student.

Given that more than 30% of the Cape's student population are considered economically disadvantaged it will be imperative for the ASLP program to continue to offer scholarships to many of its students.

Professional Development offerings organized and facilitated by the Collaborative remain well attended. Whether they are Cape wide offerings delivered in person and online or cohorts of teachers taking courses throughout the year, the Collaborative is well regarded for our professional development offerings. The cohort of school staff already employed by our districts under emergency or provisional licenses will need to be an ongoing focus of our professional development efforts.

Investments in operations staff and technology tools to support ourselves as well as our member districts is an ongoing initiative. In fiscal year 2024 (FY24), we began cloud software upgrades to ensure student information systems were "current" and resilient. Efforts to local and wide area networks, and internet connections required an ongoing effort during the year. Identifying and onboarding new individuals to fill key positions within Collaborative Special Projects, Human Resources, Special Education (Director) and Waypoint Program (Director) were significant priorities for FY24.

The Board's commitment to funding the renovation of our Yarmouth location for the Waypoint Academy, supporting a long-term capital plan for all of our locations, and continued funding of the OPEB account has been integral during FY24. This commitment to building a solid financial foundation to serve our communities' students and our member districts for years to come has been vital to the Cape Cod Collaborative's success.

Cape Cod Collaborative

Management's Discussion and Analysis

Year Ended June 30, 2024

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 capital 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 detail concerning some significant transactions.

Other Information In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Collaborative's budgetary comparisons and its pension and other postemployment obligations, as well as *other information* as required by the Massachusetts Department of Elementary and Secondary Education (DESE).

Financial Highlights

- Governmental fund revenues increased \$1 million mainly from general fund revenues related to an increase in state on behalf payments for the two pension systems totaling \$753,000. Expenditures, excluding lease financing, decreased 10.5% or \$2.5 million over the prior year, which was due to fiscal year 2023, \$3.7 million of prior year capital expenditures related to the Waypoint building improvement project. This resulted in an overall decrease in fund balance of \$51,000.
- The general fund's actual revenue was under budget by \$417,000. Expenditures related to the above were under budget by \$121,000. Overall, there was a \$185,000 decrease in budgetary fund balance. This was anticipated as the fiscal year 2024 budget included use of prior year fund balance of \$372,000 for Waypoint project costs.
- The Collaborative has continued to make significant progress towards funding the long-term financial obligation associated with other post-employment benefits. The Collaborative had a funding ratio of 124.36% as of June 30, 2024 (up from 114.91% as of June 30, 2023). The successful funding of this obligation protects the financial stability of the Collaborative and ensures that revenues received for services are focused on current obligations. Please refer to Note 11 of the basic financial statements for further discussion of the other postemployment benefits liability/asset.

Cape Cod Collaborative
Management's Discussion and Analysis
Year Ended June 30, 2024

Government-wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$6.8 million at the close of 2024.

Net position of \$1.4 million reflects the Collaborative's net investment in capital assets (e.g., equipment, furniture and fixtures, right to use facilities, 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 \$811,000 represents resources that are subject to external restrictions on how they may be used (restricted for gifts and grants and other postemployment benefits). The remaining \$4.6 million portion of net position is unrestricted.

Key components of the Collaborative's governmental financial position are presented below:

	2024	2023
Assets:		
Current assets.....	\$ 7,383,670	\$ 7,065,879
Noncurrent assets (excluding capital).....	543,178	305,639
Capital assets, net of accumulated depreciation.....	6,508,676	7,860,130
Total assets.....	14,435,524	15,231,648
Deferred outflows of resources.....	210,799	341,612
Liabilities:		
Current liabilities (excluding debt).....	1,782,353	1,021,244
Noncurrent liabilities (excluding debt).....	31,784	22,618
Current debt.....	1,415,065	1,694,644
Noncurrent debt.....	3,690,638	4,995,343
Total liabilities.....	6,919,840	7,733,849
Deferred inflows of resources.....	929,677	1,371,829
Net position:		
Net investment in capital assets.....	1,402,973	1,170,143
Restricted.....	810,547	467,454
Unrestricted.....	4,583,286	4,829,985
Total net position.....	\$ 6,796,806	\$ 6,467,582

Cape Cod Collaborative
Management's Discussion and Analysis
Year Ended June 30, 2024

	2024	2023
Program Revenues:		
Charges for services.....	\$ 18,187,596	\$ 18,141,067
Operating grants and contributions.....	2,625,166	1,795,889
General Revenues:		
Unrestricted investment income.....	105,316	28,628
Other revenue.....	97,460	17,039
Total revenues.....	21,015,538	19,982,623
Expenses:		
Waypoint academy.....	3,255,042	3,430,484
STAR program.....	3,707,791	3,107,676
Itinerant services.....	672,554	667,649
Transportation.....	9,934,143	10,252,707
Professional development and executive search.....	199,531	244,277
Advance studies and leadership program.....	343,542	226,325
Interest.....	166,170	225,378
State funded pension benefits.....	2,407,541	1,654,505
Total expenses.....	20,686,314	19,809,001
Change in net position.....	329,224	173,622
Net position, beginning of year.....	6,467,582	6,293,960
Net position, end of year.....	\$ 6,796,806	\$ 6,467,582

The Collaborative's net position increased by \$329,000 in 2024 as compared to a \$174,000 increase in 2023. The increase in 2024 was primarily related to a net increase in the net OPEB asset and related deferred inflows and outflows of resources of \$194,000. Further, the fiscal year 2024 increase in net position was a result of debt service payments and new capital additions, exceeding current year depreciation by \$233,000.

Financial Analysis of the Governmental Funds

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

At the end of the current year, governmental funds reported combined ending fund balances of \$5.7 million. The general fund balance decreased by \$185,000, and the nonmajor governmental funds increased by \$134,000.

Cape Cod Collaborative
Management's Discussion and Analysis
Year Ended June 30, 2024

The general fund is the Collaborative's chief operating fund. At year end, fund balance in the general fund totaled \$5.4 million, which was consistent with the prior year as fund balance decreased \$185,000.

The nonmajor governmental funds, fund balance increased to \$360,000 by the end of fiscal year 2024 due to the timing difference between the receipt and expenditure of grant funds.

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 2024 approved budget for the general fund authorized \$18.8 million in appropriations. Total revenues came in under budget by \$417,000 as well as expenditures and encumbrances being under budget by \$121,000.

Capital Asset and Debt Administration

The Collaborative's net capital assets totaled \$6.5 million as of June 30, 2024. This included capital additions of \$343,000 related to the Waypoint building improvement and \$116,000 related to school buses. Depreciation expense in the amount of \$1.8 million was recorded.

At June 30, 2024, the Collaborative had \$4.6 million of long-term debt outstanding related to financing the Waypoint capital project and the purchase of school buses, in addition to \$490,000 of lease obligations for the right to use buildings.

Please refer to the Notes 4, 6 and 7 of the basic financial statements for further discussion of the capital asset and long-term 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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Cape Cod Collaborative

Statement of Net Position

June 30, 2024

	<i>Primary Government</i>
	Governmental Activities
ASSETS	
CURRENT:	
Cash and cash equivalents.....	\$ 5,381,607
Investments.....	1,078,130
Receivables, net of allowance for uncollectibles:	
Due from member communities.....	923,933
Total current assets.....	7,383,670
NONCURRENT:	
Capital assets, net of accumulated depreciation.....	6,508,676
Net other postemployment benefits asset.....	543,178
Total noncurrent assets.....	7,051,854
TOTAL ASSETS	14,435,524
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to other postemployment benefits.....	210,799
LIABILITIES	
CURRENT:	
Warrants payable.....	498,587
Accrued payroll.....	685,706
Other liabilities.....	62,453
Unearned revenue.....	408,472
Compensated absences.....	127,135
Lease obligations.....	83,067
Long-term debt.....	1,331,998
Total current liabilities.....	3,197,418
NONCURRENT:	
Compensated absences.....	31,784
Lease obligations.....	406,969
Long-term debt.....	3,283,669
Total noncurrent liabilities.....	3,722,422
TOTAL LIABILITIES	6,919,840
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to other postemployment benefits.....	929,677
NET POSITION	
Net investment in capital assets.....	1,402,973
Restricted for:	
Gifts and grants.....	267,369
Other postemployment benefits.....	543,178
Unrestricted.....	4,583,286
TOTAL NET POSITION	\$ 6,796,806

See notes to basic financial statements.

Cape Cod Collaborative

Statement of Activities

June 30, 2024

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Net (Expense) Revenue
Primary Government:				
<i>Governmental Activities:</i>				
Waypoint academy.....	\$ 3,255,042	\$ 2,811,828	\$ 1,370	\$ (441,844)
STAR program.....	3,707,791	3,669,359	36,012	(2,420)
Itincrant services.....	672,554	674,056	-	1,502
Transportation.....	9,934,143	10,575,403	-	641,260
Professional development and cxcutive search.....	199,531	198,393	80,243	79,105
Advanced studies and leadership program.....	343,542	258,557	100,000	15,015
State funded pension benefits.....	2,407,541	-	2,407,541	-
Interest.....	166,170	-	-	(166,170)
Total Governmental Activities.....	\$ 20,686,314	\$ 18,187,596	\$ 2,625,166	\$ 126,448

See notes to basic financial statements.

Cape Cod Collaborative
Statement of Activities (Continued)

June 30, 2024

	<u>Primary Government</u>
	<u>Governmental Activities</u>
Changes in net position:	
Net (expense) revenue from previous page.....	\$ <u>126,448</u>
<i>General revenues:</i>	
Miscellaneous revenue.....	97,460
Unrestricted investment income.....	<u>105,316</u>
Total general revenues.....	<u>202,776</u>
Change in net position.....	329,224
<i>Net position:</i>	
Beginning of year.....	<u>6,467,582</u>
End of year.....	\$ <u>6,796,806</u>

See notes to basic financial statements.

Cape Cod Collaborative
Governmental Funds Balance Sheet

June 30, 2024

	General	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents.....	\$ 5,017,460	\$ 364,147	\$ 5,381,607
Investments.....	1,078,130	-	1,078,130
Receivables, net of uncollectibles:			
Due from member communities.....	923,933	-	923,933
TOTAL ASSETS.....	\$ 7,019,523	\$ 364,147	\$ 7,383,670
LIABILITIES			
Warrants payable.....	\$ 494,714	\$ 3,873	\$ 498,587
Accrued payroll.....	685,706	-	685,706
Other liabilities.....	62,453	-	62,453
Unearned revenue.....	408,472	-	408,472
TOTAL LIABILITIES.....	1,651,345	3,873	1,655,218
FUND BALANCES			
Restricted.....	-	360,274	360,274
Assigned.....	796,178	-	796,178
Unassigned.....	4,572,000	-	4,572,000
TOTAL FUND BALANCES.....	5,368,178	360,274	5,728,452
TOTAL LIABILITIES AND FUND BALANCES....	\$ 7,019,523	\$ 364,147	\$ 7,383,670

See notes to basic financial statements.

Cape Cod Collaborative

**Reconciliation of the Governmental Funds Balance Sheet
Total Fund Balances to the Statement of Net Position**

June 30, 2024

Total governmental fund balances.....	\$ 5,728,452
Capital assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds.....	6,508,676
Net other postemployment benefits asset.....	543,178
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 reported.....	(718,878)
Long-term liabilities are not due and payable in the current period and, therefore are not reported in the governmental funds:	
Long-term debt.....	(4,615,667)
Lease obligations.....	(490,036)
Compensated absences.....	<u>(158,919)</u>
Net effect of reporting long-term liabilities.....	<u>(5,264,622)</u>
Net position of governmental activities.....	\$ <u>6,796,806</u>

See notes to basic financial statements.

Cape Cod Collaborative

**Governmental Funds - Statement of Revenues, Expenditures and
Changes in Fund Balances**

Year Ended June 30, 2024

	General	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:			
Tuition.....	\$ 6,404,009	\$ -	\$ 6,404,009
Service revenue.....	1,077,987	-	1,077,987
Transportation.....	10,575,403	-	10,575,403
Other departmental revenue.....	227,657	-	227,657
Intergovernmental.....	-	217,625	217,625
Intergovernmental - State provided pension benefits....	2,407,541	-	2,407,541
Investment income.....	105,316	-	105,316
	20,797,913	217,625	21,015,538
TOTAL REVENUES.....			
EXPENDITURES:			
Current:			
Waypoint academy.....	3,194,816	1,636	3,196,452
STAR program.....	3,672,126	7,622	3,679,748
Itinerant services.....	683,084	-	683,084
Transportation.....	8,802,057	-	8,802,057
Professional development and executive search.....	127,345	74,534	201,879
Advanced studies and leadership program.....	345,627	-	345,627
State funded pension benefits.....	2,407,541	-	2,407,541
Debt Service:			
Principal on leases.....	124,675	-	124,675
Interest on leases.....	17,295	-	17,295
Principal.....	1,575,942	-	1,575,942
Interest.....	148,875	-	148,875
	21,099,383	83,792	21,183,175
TOTAL EXPENDITURES.....			
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(301,470)	133,833	(167,637)
OTHER FINANCING SOURCES (USES):			
Lease financing.....	116,333	-	116,333
NET CHANGE IN FUND BALANCES.....	(185,137)	133,833	(51,304)
FUND BALANCES AT BEGINNING OF YEAR.....	5,553,315	226,441	5,779,756
FUND BALANCES AT END OF YEAR.....	\$ 5,368,178	\$ 360,274	\$ 5,728,452

See notes to basic financial statements.

Cape Cod Collaborative

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

Year Ended June 30, 2024

Net change in fund balances - total governmental funds.....	\$	(51,304)
<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.....	459,550	
Depreciation expense.....	<u>(1,811,004)</u>	
Net effect of reporting capital assets.....		(1,351,454)
<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>		
Debt service principal payments.....	1,575,942	
Debt service principal payment on leases.....	124,675	
Lease financing.....	<u>(116,333)</u>	
Net effect of reporting long-term debt.....		1,584,284
<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.....	(44,009)	
Net change in net other postemployment benefits asset.....	237,539	
Net change in compensated absences liability.....	<u>(45,832)</u>	
Net effect of recording long-term liabilities.....		<u>147,698</u>
Change in net position of governmental activities.....	\$	<u>329,224</u>

See notes to basic financial statements.

Cape Cod Collaborative

Fiduciary Funds - Statement of Fiduciary Net Position

June 30, 2024

	<u>Other Postemployment Benefit Trust Fund</u>
ASSETS	
Cash and cash equivalents.....	\$ 56,968
Investments:	
U.S. Treasury notes.....	227,243
Government sponsored enterprises.....	54,959
Equity securities.....	1,020,269
Equity mutual funds.....	542,191
Corporate bonds.....	186,541
Fixed income mutual funds.....	<u>685,162</u>
TOTAL ASSETS.....	\$ <u>2,773,333</u>
NET POSITION	
Restricted for other postemployment benefits.....	<u>\$ 2,773,333</u>

See notes to basic financial statements.

Cape Cod Collaborative

Fiduciary Funds - Statement of Changes in Fiduciary Net Position

Year Ended June 30, 2024

	<u>Other Postemployment Benefit Trust Fund</u>
<u>ADDITIONS:</u>	
Contributions:	
Employer contributions to the trust.....	\$ 180,000
Employer contributions for other postemployment benefit payments.....	<u>46,928</u>
Total contributions.....	<u>226,928</u>
Net investment income (loss):	
Investment income.....	248,720
Less: investment expense.....	<u>(11,136)</u>
Net investment income.....	<u>237,584</u>
TOTAL ADDITIONS.....	<u>464,512</u>
<u>DEDUCTIONS:</u>	
Other postemployment benefit payments.....	<u>46,928</u>
NET INCREASE IN NET POSITION.....	417,584
NET POSITION AT BEGINNING OF YEAR.....	<u>2,355,749</u>
NET POSITION AT END OF YEAR.....	<u>\$ 2,773,333</u>

See notes to basic financial statements.

Cape Cod Collaborative

Notes to Basic Financial Statements

Year Ended June 30, 2024

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, Warcham, and Wellfleet, and the regional school districts of Cape Cod Regional 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 Waypoint academy, the STAR program, Itinerant services, transportation, professional development and executive search, advanced studies and leadership program, state funded pension benefits, and interest. The Board and Executive Director are directly responsible for these activities.

Cape Cod Collaborative

Notes to Basic Financial Statements

Year Ended June 30, 2024

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 fund are at least 10 percent of the corresponding element (assets, liabilities, etc.) for all funds of that category or type (total governmental 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 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.

Cape Cod Collaborative

Notes to Basic Financial Statements

Year Ended June 30, 2024

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 (60 days). 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 fund is 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.

Cape Cod Collaborative

Notes to Basic Financial Statements

Year Ended June 30, 2024

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.

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

Fiduciary fund financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting. Fiduciary funds are used to account for assets held in a trustee capacity for others that cannot be used to support the governmental programs.

The following fiduciary fund type is 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. Fair value is the price that would be received to sell an asset or transfer a liability in an orderly transaction between market participations at the measurement date. 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.

Cape Cod Collaborative

Notes to Basic Financial Statements

Year Ended June 30, 2024

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.

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

Due from member communities consist of tuition payments receivable for special education services provided as well as a receivable for transportation services provided to members.

G. Capital Assets

Government-Wide Financial Statements

Capital assets, which include office equipment and furniture, leasehold improvements, school buses, and right to use facilities 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 value at the date of donation. Intangible right to use leased assets are recorded at the net present value of non-cancellable lease payments at inception.

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.

Cape Cod Collaborative

Notes to Basic Financial Statements

Year Ended June 30, 2024

Capital assets (except for construction in progress) 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>
Right to use - facilities.....	5-10
School buses.....	5-10
Leasehold improvements.....	10
Office equipment and furniture.....	5
Building improvements.....	10 - 20

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. Management regularly reviews long-lived assets and certain identifiable intangibles held and used for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. No impairments were noted the year under audit.

Governmental Fund Financial Statements

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

II. 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 assets 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 assets 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 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

Cape Cod Collaborative

Notes to Basic Financial Statements

Year Ended June 30, 2024

the revenue is not available and so will not be recognized as an inflow of resources (revenue) until it becomes available. The Collaborative did not have any elements that qualify for reporting in this category.

I. 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.

J. 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.

K. 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.

Cape Cod Collaborative

Notes to Basic Financial Statements

Year Ended June 30, 2024

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.

Net position has been restricted for "gifts and grants" which represents assets that have restrictions placed on them from outside parties.

Net position has been restricted for "Other postemployment benefits" which represents the portion of net position that is restricted for the payment of postemployment benefits other than pensions.

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 Collaborative'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

Cape Cod Collaborative

Notes to Basic Financial Statements

Year Ended June 30, 2024

balance classifications in the order of the aforementioned spending policy. The general fund and certain other funds may have more than one purpose.

L. 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.

M. Intangible Right to Use Lease Liability

Government-Wide Financial Statements

Intangible right to use lease liabilities are reported at the present value of their future minimum lease payments. Lease payments are reported as reductions of the lease liability and as interest expense during the lease term.

Governmental Fund Financial Statements

The present value of the future minimum lease payments are reported within the governmental funds as other financing sources and a capital expenditure. Lease payments are reported as debt service 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. Compensated Absences

Employees are granted vacation and sick leave in varying amounts based on collective bargaining agreements, state laws and executive policies. Sick leave owed to transportation employees is allowed to be carryforward and sold back to the Collaborative during certain periods of the year. The Collaborative records a liability for this unused sick time for these transportation employees. Sick and vacation for all

Cape Cod Collaborative

Notes to Basic Financial Statements

Year Ended June 30, 2024

other employees is required to be used during the year and is not allowed to be carryforward, therefore the Collaborative does not report a liability for the employees' sick and vacation time.

P. 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.

Q. 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.

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.

Cape Cod Collaborative

Notes to Basic Financial Statements

Year Ended June 30, 2024

At year-end, the carrying amount of deposits totaled \$5,369,811 and the bank balance totaled \$5,435,084. Of that amount \$500,000 was covered by Federal Depository Insurance and \$4,257,949 was collateralized. The remaining balance of \$677,135 was exposed to custodial risk because it was uninsured and uncollateralized.

Fair 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, 2024:

Investment Type	June 30, 2024	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>Debt securities:</u>				
U.S. treasury notes.....	\$ 1,277,951	\$ 1,277,951	\$ -	\$ -
Government sponsored enterprises.....	54,959	-	54,959	-
<u>Other investments:</u>				
Equity securities.....	\$ 1,047,691	\$ 1,047,691	\$ -	\$ -
Equity mutual funds.....	542,191	542,191	-	-
Fixed income mutual funds.....	685,162	685,162	-	-
Corporate bonds.....	186,541	-	186,541	-
Money market mutual funds.....	68,808	68,808	-	-
Total investments.....	\$ 3,863,303	\$ 3,621,803	\$ 241,500	\$ -

U.S. treasury notes, equity securities, fixed income mutual funds and money-market mutual funds, classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for these securities. Government sponsored enterprises and corporate bonds classified in Level 2 of the fair value hierarchy, are valued using significant other observable inputs.

The Collaborative's investments in Government Sponsored Enterprises had quality ratings of AA+.

Cape Cod Collaborative

Notes to Basic Financial Statements

Year Ended June 30, 2024

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 the equity securities and fixed income mutual funds 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, 2024, receivables for the general fund totaled \$923,933, and was related to tuition and transportation fees due from the member communities.

Cape Cod Collaborative
Notes to Basic Financial Statements
Year Ended June 30, 2024

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Capital assets being depreciated:</u>				
Right to use - facilities.....	\$ 852,775	\$ -	\$ -	\$ 852,775
School buses.....	15,572,853	116,333	(169,756)	15,519,430
Leaschold improvements.....	202,892	-	(202,892)	-
Office equipment and furniture.....	28,868	-	(28,868)	-
Building Improvements.....	4,372,128	343,217	-	4,715,345
Total capital assets being depreciated.....	<u>21,029,516</u>	<u>459,550</u>	<u>(401,516)</u>	<u>21,087,550</u>
<u>Less accumulated depreciation for:</u>				
Right to use - facilities.....	(256,098)	(128,049)	-	(384,147)
School buses.....	(12,259,241)	(1,246,427)	169,756	(13,335,912)
Leasehold improvements.....	(202,892)	-	202,892	-
Office equipment and furniture.....	(28,868)	-	28,868	-
Building Improvements.....	(422,287)	(436,528)	-	(858,815)
Total accumulated depreciation.....	<u>(13,169,386)</u>	<u>(1,811,004)</u>	<u>401,516</u>	<u>(14,578,874)</u>
Total capital assets being depreciated, net.....	<u>7,860,130</u>	<u>(1,351,454)</u>	<u>-</u>	<u>6,508,676</u>
Total capital assets, net.....	<u>\$ 7,860,130</u>	<u>\$ (1,351,454)</u>	<u>\$ -</u>	<u>\$ 6,508,676</u>

Depreciation expense was charged to the the Transportation functions of the primary government and the Waypoint program in the amounts of \$1,297,798 and \$436,528, respectively.

NOTE 5 – PREPAID TUITION

Member communities are allowed to prepay a portion of the next year's tuition. At June 30, 2024, the Collaborative had received \$408,472 of prepaid tuition from member communities.

Cape Cod Collaborative

Notes to Basic Financial Statements

Year Ended June 30, 2024

NOTE 6 – LONG-TERM DEBT

Under the provisions of Chapter 43 of the Acts of 2012, the board of directors of an education collaborative may borrow money, enter into long-term or short-term loan agreements or mortgages and apply for state, federal or corporate grants or contracts to obtain funds necessary to carry out the purpose for which such collaborative is established; provided, however, that the board of directors has determined that any borrowing, loan or mortgage is cost-effective and in the best interest of the collaborative and its member cities or towns and charter schools.

The borrowing, loans or mortgages shall be consistent with the written agreement and articles of incorporation of the education collaborative and shall be consistent with standard lending practices.

The Collaborative's agreements to finance the acquisition of buses have been reported as capital financing long-term debt.

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2024
Direct Borrowing:				
Massachusetts Development Bond.....	2032	\$ 3,000,000	3.10%	\$ <u>2,454,868</u>
Capital Purchase Financing related to buses:				
Capital Purchase Financing 2019.....	2026	2,662,834	3.37%	454,217
Capital Purchase Financing 2020.....	2027	2,565,011	2.56%	812,034
Capital Purchase Financing 2021.....	2028	547,314	2.83%	267,845
Capital Purchase Financing 2022.....	2029	866,648	1.47%	516,343
Capital Purchase Financing 2024.....	2031	116,333	4.38%	<u>110,360</u>
Total Capital Purchase Financing.....				<u>2,160,799</u>
Total Long-Term Debt.....				<u>\$ 4,615,667</u>

Cape Cod Collaborative

Notes to Basic Financial Statements

Year Ended June 30, 2024

Debt service requirements for principal and interest for the Collaborative's long-term debt in future years are as follows:

Year	Direct Borrowing			Capital Purchase Financing			Total
	Principal	Interest	Total	Principal	Interest	Total	
2025.....	\$ 310,742	\$ 71,720	\$ 382,462	\$ 1,021,256	\$ 43,056	\$ 1,064,312	\$ 1,446,774
2026.....	320,514	61,949	382,463	652,850	19,523	672,373	1,054,836
2027.....	330,592	51,870	382,462	261,197	8,240	269,437	651,899
2028.....	340,879	41,584	382,463	167,519	3,758	171,277	553,740
2029.....	351,706	30,757	382,463	28,464	1,726	30,190	412,653
2030-2032.....	800,435	28,234	828,669	29,513	1,089	30,602	859,271
Total.....	\$ 2,454,868	\$ 286,114	\$ 2,740,982	\$ 2,160,799	\$ 77,392	\$ 2,238,191	\$ 4,979,173

Changes in Long-term Liabilities

During the year ended June 30, 2024, the following changes occurred in long-term liabilities:

	Beginning Balance	Long Term Debt Issued	Long Term Debt Redeemed	Other Increases	Other Decreases	Ending Balance	Due Within One Year
Direct borrowing.....	\$ 2,755,925	\$ -	\$ (301,057)	\$ -	\$ -	\$ 2,454,868	\$ 310,742
Capital purchase financing.....	3,319,351	116,333	(1,274,885)	-	-	2,160,799	1,021,256
Total long-term debt.....	6,075,276	116,333	(1,575,942)	-	-	4,615,667	1,331,998
Lease obligations.....	614,711	-	-	-	(124,675)	490,036	83,067
Compensated absences.....	113,087	-	-	136,301	(90,469)	158,919	127,135
Total long-term liabilities....	\$ 6,803,074	\$ 116,333	\$ (1,575,942)	\$ 136,301	\$ (215,144)	\$ 5,264,622	\$ 1,542,200

NOTE 7 – RIGHT TO USE LEASES

The Collaborative has entered into facility lease agreements for the Osterville Campus and Dennisport maintenance facility. The cost of the lease for the year ended June 30, 2024, totaled \$141,970 and is reported as debt service in the general fund. A corresponding right to use lease building in the amount of the present value of the future lease payments has been added to capital assets.

Cape Cod Collaborative

Notes to Basic Financial Statements

Year Ended June 30, 2024

The following identifies the assets acquired through lease agreements:

	Governmental Activities
<u>Asset:</u>	
Right to use - facilities.....	\$ 852,775
Less: accumulated depreciation.....	(384,147)
Total.....	\$ 468,628

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2024, were as follows:

Years ending June 30:	Governmental Activities		
	Principal	Interest	Total
2025.....	\$ 83,067	\$ 13,903	\$ 96,970
2026.....	76,434	11,536	87,970
2027.....	78,836	9,134	87,970
2028.....	81,317	6,653	87,970
2029.....	83,872	4,098	87,970
Thereafter.....	86,510	1,460	87,970
Total minimum lease payments. \$	490,036	\$ 46,784	\$ 536,820

NOTE 8 – GOVERNMENTAL FUND BALANCE CLASSIFICATIONS

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

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

Cape Cod Collaborative

Notes to Basic Financial Statements

Year Ended June 30, 2024

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 Collaborative from its highest level of decision making authority.
- **Assigned:** fund balances that contain self-imposed constraints of the Collaborative 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:

	General	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balances:			
Restricted for:			
Art & Music.....	\$ -	\$ 4,656	\$ 4,656
Advanced Studies & Leadership Program...	-	92,905	92,905
Grants.....	-	262,713	262,713
Assigned to:			
Waypoint academy.....	110,771	-	110,771
Reserved for OPEB.....	360,000	-	360,000
Reserved for subsequent year expenditure...	325,407	-	325,407
Unassigned.....	4,572,000	-	4,572,000
Total Fund Balances.....	\$ 5,368,178	\$ 360,274	\$ 5,728,452

NOTE 9 – RISK FINANCING

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

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

Cape Cod Collaborative

Notes to Basic Financial Statements

Year Ended June 30, 2024

NOTE 10 – PENSION PLAN

Plan Descriptions

The Collaborative is a member of the Massachusetts State Employees' Retirement System (MSERS), a public employee retirement system that administers a cost-sharing multi-employer defined benefit plan covering substantially all employees of the Commonwealth and certain employees of the independent authorities and agencies. The MSERS covers all eligible noncertified teachers, that are part of MTRS, as described below. 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 <https://mtrs.state.ma.us/service/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, 2023. The Collaborative's portion of the collective pension expense, contributed by the Commonwealth, of \$878,645 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 \$9,410,338 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 6.1% 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

Cape Cod Collaborative

Notes to Basic Financial Statements

Year Ended June 30, 2024

Collaborative's required contribution to MSERS equaled its actual contribution for the year ended December 31, 2023 was \$339,127.

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, 2023. The Collaborative's portion of the collective pension expense, contributed by the Commonwealth, of \$1,528,896 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 \$12,876,969 as of the measurement date.

Benefits Provided

Both Systems provide retirement, disability, survivor and death benefits to plan members and beneficiaries. Massachusetts Contributory Retirement System benefits are, with certain minor exceptions, uniform from system to system. The System provides for retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation. For persons who became members on or after April 2, 2012, average salary is the average annual rate of regular compensation received during the five consecutive years that produce the highest average, or, if greater, during the last five years (whether or not consecutive) preceding retirement. Benefit payments are based upon a member's age, length of creditable service, level of compensation, and group classification. Members become vested after ten years of creditable service.

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

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

NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description

The Collaborative administers a single-employer defined benefit healthcare plan (the "Plan"). The Plan provides lifetime healthcare insurance for eligible retirees 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

Cape Cod Collaborative

Notes to Basic Financial Statements

Year Ended June 30, 2024

between the Collaborative and Collaborative employees and are renegotiated each bargaining period. The Plan does not issue a publicly available financial report.

Funding Policy

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. Plan members receiving benefits contribute the remaining portion of their premium costs. For 2024, the Collaborative contributed \$226,928 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 2024, 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, 2024, the balance in this fund totaled \$2,773,333. 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/(asset) to be measured as of the OPEB Plan's most recent fiscal year-end. Accordingly, the net OPEB liability/(asset) was measured as of June 30, 2024, and the total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of July 1, 2022.

Membership

The following represents the Plan's membership at June 30, 2024:

Active members.....	172
Inactive members currently receiving benefits.....	<u>11</u>
Total.....	<u>183</u>

Cape Cod Collaborative

Notes to Basic Financial Statements

Year Ended June 30, 2024

Components of OPEB Liability/(Asset)

Components of the other postemployment benefits asset as of June 30, 2024, were as follows:

Total OPEB liability.....	\$	2,230,155
Less: OPEB plan's fiduciary net position.....		<u>(2,773,333)</u>
Net OPEB liability/(asset).....	\$	<u>(543,178)</u>

The OPEB plan's fiduciary net position as a percentage of the total OPEB liability.	124.36%
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Significant Actuarial Assumption

The total other postemployment benefit liability in the July 1, 2022, actuarial valuation was determined using the following actuarial assumptions:

Valuation date.....	July 1, 2022
Actuarial cost method.....	Entry Age Normal Cost Method.
Inflation rate.....	2.5% per year
Discount rate.....	6.75%, net of investment expenses, including inflation.
Healthcare cost trend rate.....	8.00% for 2022, decreasing 0.50% per year to 6.00%, then grading down to an ultimate trend rate of 4.10%. Utilizing the Society of Actuaries Getzen Medical Trend Model. The ultimate medical trend rate is reached in 2075.
Pre-retirement mortality - general employees.	RP-2014 Healthy Annuitant Blue Collar Mortality Table, base year 2014, projected with generational mortality improvement using scale MP-2021 and set forward one year for females.
Healthy retiree mortality - general employees.	RP-2014 Healthy Annuitant Blue Collar Mortality Table, base year 2014, projected with generational mortality improvement using scale MP-2021 and set forward one year for females
Disabled retiree mortality - general employees	RP-2014 Healthy Annuitant Blue Collar Mortality Table, base year 2014, projected with generational mortality improvement using scale MP-2021 and set forward one year for males and two years for females.

Cape Cod Collaborative

Notes to Basic Financial Statements

Year Ended June 30, 2024

Pre-retirement mortality - teachers.....	PUB-2010 Teachers Headcount-Weighted Employee Mortality Table, base year 2010, projected generational mortality using scale MP-2021.
Healthy retiree mortality - teachers.....	PUB-2010 Teachers Headcount-Weighted Retiree Mortality Table, base year 2010, projected generational mortality using scale MP-2021.
Disabled mortality - teachers.....	PUB-2010 Teachers Headcount-Weighted Disabled Mortality Table, base year 2010, projected with generational mortality using scale MP-2021.

Rate of Return

The annual money-weighted rate of return on OPEB plan investments was 9.78%. 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 4.25% is added to the expected inflation of 2.50% to produce the long-term expected nominal rate of return of 6.75%. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2024, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity-large cap.....	38.00%	6.30%
Domestic equity-small/mid cap.....	4.00%	7.18%
International equity-developed market....	6.00%	5.79%
International equity-emerging market....	2.00%	7.22%
Domestic fixed income.....	35.00%	2.09%
High Yield fixed Income.....	4.00%	4.53%
International fixed income.....	2.00%	2.46%
Alternatives.....	6.00%	4.33%
Real Estate.....	2.00%	5.99%
Cash.....	1.00%	0.59%
Total.....	<u>100.00%</u>	

Cape Cod Collaborative

Notes to Basic Financial Statements

Year Ended June 30, 2024

Discount Rate

The discount rate used to measure the total OPEB liability/(asset) was 6.75% as of June 30, 2024 and 6.50% as of June 30, 2023. 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/(asset).

Sensitivity of the Net OPEB Liability/(Asset) to Changes in the Discount Rate

The table on the following page presents the net other postemployment benefit liability/(asset), calculated using the discount rate of 6.75%, as well as what the net other postemployment benefit liability/(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate.

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net OPEB liability/(asset).....	\$ <u>(176,109)</u>	\$ <u>(543,178)</u>	\$ <u>(839,030)</u>

Sensitivity of the Net OPEB Liability/(Asset) to Changes in the Healthcare Trend

The following presents the net other postemployment benefit liability/(asset), calculated the healthcare trend rate if it was 1-percentage-point lower or 1-percentage-point higher than the current rate of 8.00% year one decreasing 0.50% per year to an ultimate trend rate of 4.10%.

	1% Decrease	Current Trend	1% Increase
Net OPEB liability/(asset).....	\$ <u>(902,633)</u>	\$ <u>(543,178)</u>	\$ <u>(85,675)</u>

Cape Cod Collaborative

Notes to Basic Financial Statements

Year Ended June 30, 2024

Changes in Net OPEB Liability/(Asset)

	Increase (Decrease)		
	Total OPEB Liability/(Asset)	Plan	
		Fiduciary Net Position	Net OPEB Liability/(Asset)
	(a)	(b)	(a) - (b)
Balances at June 30, 2023.....	\$ 2,050,110	\$ 2,355,749	\$ (305,639)
Changes for the year:			
Service cost.....	168,622	-	168,622
Interest.....	142,692	-	142,692
Changes in assumptions.....	(84,341)	-	(84,341)
Benefit payments.....	(46,928)	(46,928)	-
Net investment income (loss).....	-	237,584	(237,584)
Contributions by employer.....	-	226,928	(226,928)
Net change.....	<u>180,045</u>	<u>417,584</u>	<u>(237,539)</u>
Balances at June 30, 2024.....	\$ <u>2,230,155</u>	\$ <u>2,773,333</u>	\$ <u>(543,178)</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2024, the Collaborative recognized OPEB expense of \$33,398. The Collaborative reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Deferred Category	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between expected and actual experience....	\$ -	\$ (837,301)	\$ (837,301)
Difference between projected and actual earnings, net....	-	(13,957)	(13,957)
Changes in assumptions.....	<u>210,799</u>	<u>(78,419)</u>	<u>132,380</u>
Total deferred outflows/(inflows) of resources.....	\$ <u>210,799</u>	\$ <u>(929,677)</u>	\$ <u>(718,878)</u>

Cape Cod Collaborative
Notes to Basic Financial Statements
Year Ended June 30, 2024

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Measurement date year ended June 30:</u>	
2025.....	\$ (130,211)
2026.....	(89,626)
2027.....	(153,277)
2028.....	(159,471)
2029.....	(107,256)
Thereafter.....	<u>(79,037)</u>
 Total.....	 \$ <u>(718,878)</u>

Changes in Assumptions – The discount rate increased from 6.50% to 6.75%.

Changes in Plan Provisions – None.

NOTE 12 – CONTINGENCIES

Various legal actions and claims are pending against the Collaborative. Litigation is subject to many uncertainties, and the outcome of individual litigated matters is not always predictable. Although the amount of liability, if any, at June 30, 2024 cannot be ascertained, management believes any resulting liability should not materially affect the financial position at June 30, 2024.

NOTE 13 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 23, 2024, which is the date the financial statements were available to be issued.

NOTE 14 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS

During 2024, the following GASB pronouncement was implemented:

- GASB Statement #100, *Accounting Changes and Error Corrections*. This pronouncement did not impact the Collaborative’s financial statements.

Cape Cod Collaborative

Notes to Basic Financial Statements

Year Ended June 30, 2024

The following GASB pronouncements will be implemented in the future:

- The GASB Issued Statement #101, *Compensated Absences*, which is required to be implemented in 2025.
- The GASB Issued Statement #102, *Certain Risk Disclosures*, which is required to be implemented in 2025.
- The GASB Issued Statement #103, *Financial Reporting Model Improvements*, which is required to be implemented in 2026.
- The GASB issued Statement #104, *Disclosure of Certain Capital Assets*, which is required to be implemented in 2026.

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.

Cape Cod Collaborative

**General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual**

Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
	Original Budget	Final Budget			
REVENUES:					
Tuition.....	\$ 6,997,739	\$ 6,997,739	\$ 6,404,009	\$ -	\$ (593,730)
Service revenue.....	1,142,954	1,142,954	1,077,987	-	(64,967)
Transportation.....	10,631,508	10,631,508	10,575,403	-	(56,105)
Other departmental revenue.....	35,000	35,000	227,657	-	192,657
Investment income.....	-	-	105,316	-	105,316
TOTAL REVENUES.....	18,807,201	18,807,201	18,390,372	-	(416,829)
EXPENDITURES:					
Current:					
Waypoint academy.....	3,934,366	3,934,366	3,576,523	110,771	247,072
STAR program.....	3,638,008	3,638,008	3,760,096	-	(122,088)
Itinerant services.....	697,353	697,353	683,084	-	14,269
Transportation.....	10,391,720	10,391,720	10,082,834	-	308,886
Professional development and executive search.....	239,250	239,250	127,345	-	111,905
Advanced studies and leadership program.....	278,504	278,504	345,627	-	(67,123)
TOTAL EXPENDITURES.....	19,179,201	19,179,201	18,575,509	110,771	492,921
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(372,000)	(372,000)	(185,137)	(110,771)	76,092
OTHER FINANCING SOURCES (USES):					
Use of prior year reserves.....	372,000	372,000	-	-	(372,000)
NET CHANGE IN FUND BALANCE.....	-	-	(185,137)	(110,771)	(295,908)
FUND BALANCES AT BEGINNING OF YEAR.....	5,553,315	5,553,315	5,553,315	-	-
FUND BALANCES AT END OF YEAR.....	\$ 5,553,315	\$ 5,553,315	\$ 5,368,178	\$ (110,771)	\$ (295,908)

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 for the Massachusetts State Employees Retirement System presents multi-year trend information on the Collaborative's required and actual contributions to the pension plan and related ratios.

Cape Cod Collaborative

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 6.1% 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
2024.....	\$ 12,876,969	\$ 1,528,896	70.71%
2023.....	11,730,910	922,074	71.05%
2022.....	7,398,742	451,872	77.54%
2021.....	12,785,584	1,908,684	62.48%
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%

See notes to required supplementary information.

Cape Cod Collaborative

Schedule of the 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
2024.....	\$ 9,410,338	\$ 878,645	54.48%
2023.....	8,903,877	732,431	57.75%
2022.....	8,679,765	696,515	62.03%
2021.....	11,233,579	1,387,508	50.67%
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%

See notes to required supplementary information.

Cape Cod Collaborative

Schedule of the Collaborative's 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 6.1% 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
2024.....	\$ 339,127	\$ 5,559,459	6.10%
2023.....	317,758	5,209,148	6.10%
2022.....	260,019	4,262,607	6.10%
2021.....	278,010	4,557,541	6.10%
2020.....	213,581	3,501,328	6.10%
2019.....	239,873	3,932,344	6.10%
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%

See notes to required supplementary information.

Other Postemployment Benefits Plan Schedules

The Schedule of Changes in the Collaborative's Net Other Postemployment Benefit Liability/(Asset) presents multi-year trend information on the School's net other postemployment benefit liability/(asset) and related ratios.

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

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.

Cape Cod Collaborative

Schedule of the Changes in the Collaborative's Net OPEB Liability/(Asset) and Related Ratios

Other Postemployment Benefit Plan

	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024
Total OPEB Liability								
Service Cost.....	\$ 91,399	\$ 95,055	\$ 98,857	\$ 133,758	\$ 151,562	\$ 164,713	\$ 169,797	\$ 158,622
Interest.....	97,457	108,953	121,288	140,501	157,992	145,545	160,856	142,692
Changes of benefit terms.....	-	-	-	(22,575)	-	-	159,339	-
Differences between expected and actual experience.....	-	-	(105,142)	-	(466,413)	-	(775,344)	-
Changes of assumptions.....	-	-	133,087	157,810	136,429	(8,189)	32,042	(84,341)
Benefit payments.....	(36,821)	(40,097)	(46,086)	(47,553)	(39,666)	(43,061)	(34,595)	(46,928)
Net change in total OPEB liability.....	150,043	163,893	222,004	361,941	(60,096)	257,008	(272,105)	180,045
Total OPEB liability - beginning.....	1,222,422	1,377,465	1,541,358	1,763,362	2,125,363	2,065,267	2,322,215	2,050,110
Total OPEB liability - ending (a).....	1,372,465	1,541,358	1,763,362	2,125,303	2,065,267	2,322,215	2,050,110	2,230,155
Plan fiduciary net position								
Employer contributions.....	\$ 218,813	\$ 180,000	\$ 226,086	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000
Employer contributions for OPEB payments.....	38,813	40,097	-	47,553	39,666	43,061	34,595	46,928
Net investment income (loss).....	31,908	24,300	93,150	48,741	332,055	(163,425)	181,629	237,584
Benefit payments.....	(38,813)	(40,097)	(46,086)	(47,553)	(39,666)	(43,061)	(34,595)	(46,928)
Net change in plan fiduciary net position.....	250,721	204,300	273,150	228,741	492,055	16,575	361,629	417,584
Plan fiduciary net position - beginning of year.....	567,391	779,299	963,599	1,256,749	1,485,490	1,977,545	1,994,120	2,355,749
Plan fiduciary net position - end of year (b).....	818,112	983,599	1,256,749	1,485,490	1,977,545	1,994,120	2,355,749	2,773,333
Net OPEB Liability/(asset) - ending (a)-(b).....	\$ 559,353	\$ 557,759	\$ 506,613	\$ 639,813	\$ 87,662	\$ 328,095	\$ (305,639)	\$ (543,178)
Plan fiduciary net position as a percentage of the total OPEB liability.....	59.39%	63.81%	71.27%	69.90%	95.76%	85.87%	114.91%	124.56%
Covered-employee payroll.....	\$ 6,423,123	\$ 6,517,602	\$ 6,754,577	\$ 7,544,325	\$ 7,066,127	\$ 7,733,467	\$ 7,926,297	\$ 8,148,868
Net OPEB liability/(asset) as a percentage of covered-employee payroll.....	8.71%	8.56%	7.50%	8.48%	1.24%	4.24%	-3.86%	-6.67%

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.

Cape Cod Collaborative

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, 2024.....	\$ 163,657	\$ (226,928)	\$ (63,271)	\$ 8,148,868	2.78%
June 30, 2023.....	197,929	(214,595)	(16,666)	7,926,297	2.71%
June 30, 2022.....	179,987	(223,061)	(43,074)	7,733,467	2.88%
June 30, 2021.....	197,642	(219,666)	(22,024)	7,066,127	3.11%
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.

Cape Cod Collaborative

Schedule of Investment Returns

Other Postemployment Benefit Plan

<u>Year</u>	<u>Annual money-weighted rate of return, net of investment expense</u>
June 30, 2024.....	9.78%
June 30, 2023.....	8.79%
June 30, 2022.....	-7.96%
June 30, 2021.....	20.05%
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.

Cape Cod Collaborative

Notes to Required Supplementary Information

Year Ended June 30, 2024

NOTE A – BUDGETARY BASIS OF ACCOUNTING

A. 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 2024 approved budget for the general fund authorized approximately \$18.8 million in appropriations. Revenues were \$417,000 below budget and expenditures below budget by \$232,000.

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, 2024, is presented below:

Net change in fund balance - budgetary basis.....	\$	(185,137)
<u>Basis of accounting differences:</u>		
Recognition of revenue for on-behalf payments.....		2,407,541
Recognition of expenditures for on-behalf payments.....		<u>(2,407,541)</u>
Net change in fund balance - GAAP basis.....	\$	<u>(185,137)</u>

Cape Cod Collaborative

Notes to Required Supplementary Information

Year Ended June 30, 2024

NOTE B – PENSION PLAN

A. Schedule of Collaborative's Contributions

A special funding situation was created by Massachusetts General Laws for all Educational Collaboratives in the Commonwealth. Collaboratives contribute amounts equal to the normal cost of non-teaching employees' benefits at a rate established by the Public Employees' Retirement Administration Commission (PERAC), currently 6.1% 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/(Asset) and Related Ratios

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

Cape Cod Collaborative

Notes to Required Supplementary Information

Year Ended June 30, 2024

Schedule of the Collaborative's 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 below:

Valuation date.....	July 1, 2022
Actuarial cost method.....	Entry Age Normal Cost Method.
Inflation rate.....	2.5% per year
Discount rate.....	6.75%, net of investment expenses, including inflation.
Healthcare cost trend rate.....	8.00% for 2022, decreasing 0.50% per year to 6.00%, then grading down to an ultimate trend rate of 4.10%. Utilizing the Society of Actuaries Getzen Medical Trend Model. The ultimate medical trend rate is reached in 2075.
Pre-retirement mortality - general employees.	RP-2014 Healthy Annuitant Blue Collar Mortality Table, base year 2014, projected with generational mortality improvement using scale MP-2021 and set forward one year for females.
Healthy retiree mortality - general employees.	RP-2014 Healthy Annuitant Blue Collar Mortality Table, base year 2014, projected with generational mortality improvement using scale MP-2021 and set forward one year for females
Disabled retiree mortality - general employees.	RP-2014 Healthy Annuitant Blue Collar Mortality Table, base year 2014, projected with generational mortality improvement using scale MP-2021 and set forward one year for males and two years for females.
Pre-retirement mortality - teachers.....	PUB-2010 Teachers Headcount-Weighted Employee Mortality Table, base year 2010, projected generational mortality using scale MP-2021.
Healthy retiree mortality - teachers.....	PUB-2010 Teachers Headcount-Weighted Retiree Mortality Table, base year 2010, projected generational mortality using scale MP-2021.
Disabled mortality - teachers.....	PUB-2010 Teachers Headcount-Weighted Disabled Mortality Table, base year 2010, projected with generational mortality using scale MP-2021.

Cape Cod Collaborative

Notes to Required Supplementary Information

Year Ended June 30, 2024

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 increased from 6.50% to 6.75%.

Changes in Plan Provisions

None.

Other Information

Cape Cod Collaborative

Other Information

Year Ended June 30, 2024

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 Collaborative has entered into facility right to use lease agreements for the Osterville Campus and the Dennisport maintenance facility. The cost of the leases for the year ended June 30, 2024, totaled \$141,970 and is reported as debt service on leases in the general fund. The corresponding right to use lease buildings have been added to the Collaborative's capital assets. Future minimum lease payments are provided in Note 7 to the financial statements.

The Collaborative has also entered into several agreements to finance the acquisition of buses and for building improvements, which have been recorded as capital purchase financing long-term debt. The cost of these financings for the year ended June 30, 2024, totaled \$1,343,110 and is reported as debt service in the general fund. Future minimum payments are reported in Note 6 to the financial statements.

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, 2024:

Names, duties and total compensation of the five most highly compensated employees:

Paul Hilton, Executive Director.....	\$ 188,514
Christina Caputo, Assistant Director of Special Education.....	140,797
R. Patrick Murphy, Business Manager.....	151,500
Julia Bryant, STAR Program Director.....	130,000
Kara Peterson, Waypoint Program Director.....	130,000

Cape Cod Collaborative

Other Information

Year Ended June 30, 2024

NOTE 4 – AMOUNTS EXPENDED ON ADMINISTRATION AND OVERHEAD

For the year ended June 30, 2024, the Collaborative expended \$884,755 and \$878,003 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, 2024, 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, 2024, 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.

Cape Cod Collaborative

Other Information

Year Ended June 30, 2024

The Board of Directors voted to approve and retain \$4,672,961 as the amount designated as Cumulative Surplus from the general funds remaining in the Collaborative's accounts as of June 30, 2024. This amount does not exceed the limit of 25% of general fund expenditures for the year as shown in the following table:

Surplus Calculation	Fiscal Year 2024	Enter values below	Page in FY2024
(A) Surplus as of June 30, 2023		\$ 4,518,497	(A) Prior Year FS
<i>(Breakdown of use of 2023 surplus)</i>			
B(1) used to support the FY25 budget ***	\$	(436,178)	
B(2) issued as credits to member districts	\$	-	
B(3) issued as a check(s) to member district(s)	\$	-	
B(4) deposited to a restricted account(s)	\$	-	
(B) Board voted uses of surplus funds during FY2024	<i>(total from B1-B4)</i>	\$ (436,178)	(B) p. 38
(C) Unexpended FY2024 General Funds **		\$ 849,681	(C) p. 18
(D) Cumulative Surplus as of June 30, 2024	(A) - (B) + (C) = (D)	\$ 4,932,000	(D) ****
(E) FY2024 Total General Fund Expenditures *		\$ 18,691,842	(E) p. 18
(F) Cumulative Surplus Percentage	(D) ÷ (E)	26.39%	(F) p. N/A
CUMULATIVE SURPLUS REDUCTION			
Allowable uses of surplus - in excess of the 25% limit			
(G) Cumulative Surplus as of June 30, 2024		\$ 4,932,000	
	25% limit (allowed)	\$ 4,672,961	
(H) Cumulative Surplus REDUCTIONS			
(H)1 Credited to member districts for tuition, services, et	\$	-	
(H)2 Deposited to an established trust and/or reserve fund	\$	259,040	
(H)3 Returned (check) to school districts/towns	\$	-	
	Total Reductions	\$ 259,040	
	FY2024 Cumulative Surplus Percentage after Reductions	25.00%	

* Net of intergovernmental on-behalf payments.

** Net income/loss, net of release of capital of \$1,034,818.

*** Reserve for encumbrances \$110,771, and reserve for subsequent year budget \$325,407.

**** See page 38, general fund unassigned fund balance plus reserved for OPER.

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

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

To the Board of Directors
Cape Cod Collaborative

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, 2024, 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 23, 2024.

Report on 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) as a basis for designing 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 Collaborative'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 or significant deficiencies may exist that were not identified.

Report on 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 financial statements. 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 Collaborative'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 Collaborative's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Marcum LLP

Boston, MA
December 23, 2024



Board of Directors

CAPE COD COLLABORATIVE

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December 2024

To whom it may concern:

At the December 11, 2024 meeting of the Cape Cod Collaborative Board of Directors, the Board discussed and affirmatively voted on the following:

- I. FY2024 Audited Financial Statements
 - a. FY2024 Audited Financial Statements – Unanimous Approval (roll-call)
Ms. Ngina Lythcott (Provincetown) made approve the FY2024 Audited financial Statements. This vote was seconded by Mr. Leibowitz (Brewster) - Unanimous Approval – roll call
 - b. Retaining FY2024 “Surplus” Funds - Unanimous Approval (roll-call)
Mr. Leibowitz (Brewster) made a motion that the Board vote to designate \$4,672,961 as the Fiscal Year 2024 cumulative surplus to be retained for future use to be determined by the Cape Cod Collaborative Board of Directors. This vote was seconded by Ms. Medeiros (Falmouth) - Unanimous Approval – roll-call
- II. FY2024 Annual Report - Unanimous Approval (roll-call)
Ms. Ngina Lythcott (Provincetown) made a motion that the Board approve the FY2024 Annual Report subject to final edits by Chairperson Maureen Fuller (Bourne). This vote was seconded by Ms. Medeiros (Falmouth School District) - Unanimous Approval – roll-call

Full information regarding discussion of these items will be included in the minutes of this meeting, which will be brought before the Board for approval at the Board’s January 8, 2025 meeting.

Maureen Fuller

Maureen Fuller (Bourne), Chair

12-13-2024

Date

