



Educational Collaboration in Berkshire County: Obstacles and Opportunities

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April 2012



Acknowledgements

We would like to express our sincere appreciation to the Berkshire Readiness Center's Mary Nash for her efforts in helping us schedule and organize the interviews and focus groups conducted for this project. Special thanks are also due to Maguire and Associates' Executive Vice President Jessica McWade for her expert assistance in facilitating our two focus groups.

In addition, we would also like to thank the Berkshire County School Superintendents and other regional stakeholders who took the time out of their very busy schedules to provide us with their insight and perspective. Without their candid input, this report would not have been possible.

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Introduction and Background

Purpose

The Berkshire Readiness Center, a state funded regional collaborative led by the Massachusetts College of Liberal Arts (MCLA), the Berkshire Compact for Education and Berkshire Community College (BCC), commissioned a regional needs analysis to inform its development of programs designed to build partnerships with local, regional, and state stakeholders; provide professional development and instructional services to educators; and convene stakeholders to address key education priorities.

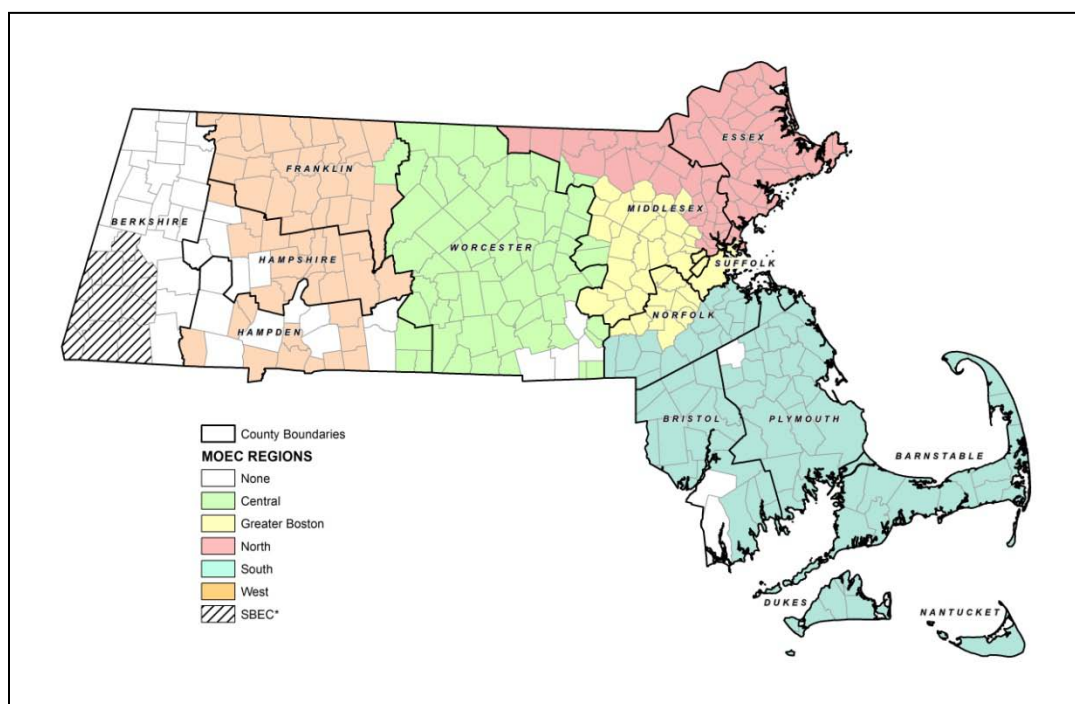
The primary goal of this analysis is to identify areas where there is a clear regional need, willingness, and the institutional capacity to develop collaborative solutions to a range of issues including but not necessarily limited to Special Educational services, transportation and professional development.

Background: Educational Collaboratives in Massachusetts

Massachusetts school districts have had the ability to coordinate efforts through educational collaboratives for over four decades. Broad legislation opened the doors for nearly 30 collaboratives to be formed across the state, many having begun after Chapter 766 was passed in 1974 requiring school districts to provide free and appropriate special education services to students regardless of disability. Educational collaboratives are meant to help districts provide high quality and cost-effective services that otherwise would be too cost-prohibitive to undertake, by facilitating coordination among districts and leveraging funding more effectively.

Limited state capacity to provide adequate services or funding to districts to help them meet the increasing obligations demanded by state and federal regulations is another reason why many Massachusetts school districts have elected to join collaboratives. Today, of the 361 school districts in the state approximately 300 belong to at least one regional collaborative, if not more than one. These collaboratives have tackled a variety of costly issues for school districts, primarily special education services, professional development, and student transportation. In 2009, the Massachusetts Organization of Education Collaboratives (MOEC) estimated that 28 education collaboratives, with budgets exceeding \$305 million and total staff of 4,200, saved an estimated \$113 million for their member districts.¹

¹ Massachusetts Organization of Educational Collaboratives, *Stretching Education Dollars through Economies-of-Scale: 2009 Annual Report*. http://moecnet.org/wp-content/uploads/2009/01/Annual_Report_2009.pdf, pp. 9, 11.

Figure 1: Map of Municipalities Participating in Educational Collaboratives

Source:

Massachusetts Organization of Economic Collaboratives (MOEC), UMDI

*Note: The Southern Berkshire Educational Collaborative's (SBEC) future is currently in question as the organization is currently without an executive director.

Although a new law has recently been enacted which seeks to clarify the structure of collaboratives and mandate additional state oversight of them, to date, educational collaboratives in Massachusetts are typically overseen by boards of advisors that are made up of representatives from member district school committees. This reflects the desire to avoid regional government while still being regionally governed, and reflects the strong history of local rule across the Commonwealth. The collaboratives do not receive any direct state appropriations and are primarily funded by member district tuition and fees collected for services rendered to member and non-member districts. This is unlike other states where “pass-through funding” of regular state funds, for example for professional development, can be directed to the collaborative, rather than directly to the districts, in order to maximize the effectiveness of the funding. In some states, local taxes directly support collaboratives. Without these sources of stable funding, it can be difficult for smaller collaboratives to gain traction and retain the flexibility to respond adequately to member district needs. Successful and established collaboratives in Massachusetts tend to have large staffs (75+) and multi-million dollar budgets. Strong collaboratives in other states are able to receive and effectively maximize or leverage funding from state sources, district fees for service, and state and federal grants.²

Several studies, including a report by the Pioneer Institute (2005) and a Special Commission report (2011), suggest that Massachusetts’ history of uneven direct involvement with collaboratives has limited both their success and accountability. These reports found that the state laws governing collaboratives are too broad and gives little direction on how an educational collaborative should operate. This lack of clarity in the law has led to unevenness and inconsistency across collaboratives regarding their service offerings. Up until very recently, the Massachusetts Department of Elementary and Secondary Education (DESE) has not been empowered to regulate or engage meaningfully with collaboratives,

² M. Craig Stanley, “Massachusetts Collaboratives: Making the Most of Education Dollars.” Pioneer Institute for Public Policy Research White Paper No. 23, June 2005. <http://www.pioneerinstitute.org/pdf/wp23.pdf>, p.20.

since the prevailing law at the time provided for only a vague role for the state as ex-officio member on collaborative boards. Without a clear role for state involvement, collaboratives have been left out of many state initiatives and programs. In addition, the lack of stable funding, including access to state-administered grant funds, and lack of a clearly defined financial structure have proven challenging to collaboratives in the state. Other challenges have included:

- lack of a formal accountability system and performance standards for monitoring and evaluating collaborative success;
- uncertainty over which state laws, regulations and policies apply to collaboratives;
- uncertainty over the types of services that collaboratives are authorized to provide;
- varying familiarity across districts about the programs, services and cost-sharing opportunities available through collaboratives; and
- lack of adequate internal controls over collaborative activities.³

The Special Commission Report had two main findings:

- 1) Incentives work better than mandates in promoting school district collaboration and regionalization at the state level.
- 2) Given the complex affiliations and diverse configurations of school districts across the Commonwealth, prescribing a “one-size-fits-all” approach to collaboration and regionalization is impractical.⁴

The Commission also made four recommendations to advance inter-district collaboration across the state:

- 1) enact legislation to improve the governance, structure, accountability and oversight of educational collaboratives;
- 2) provide necessary incentives for inter-district collaboration;
- 3) centralize resources and information on collaborative programs and services ; and
- 3) provide resources to DESE to support and promote collaboration.⁵

One state educational collaborative director submitted testimony to the Commission indicating, among other things, that collaboratives should gain local education agency (LEA) designation, a designation that has been granted to Bay State charter schools. This would give collaboratives the ability to receive state education funding and grants that they could help to administer and distribute across districts. They would also be able to help districts more efficiently manage the grant writing and reporting process.⁶

³ Special Commission on School District Collaboration & Regionalization, "Report to the Legislature," August 2011. <http://finance1.doe.mass.edu/regional/>, pp.32-33.

⁴ Ibid, p.9.

⁵ Ibid, p. 33.

⁶ Ibid, p. 56.

A discussion of the new law and the former law can be found on page 22, and the current law in its entirety can be found in the Appendix.

Collaboratives in the Berkshires have had a difficult time gaining momentum. In June 2007, Public Management Associates developed a report entitled *Feasibility Study: Berkshire Area Collaborative*. This report, funded by DESE, recommended expanding the South Berkshire Educational Collaborative (SBEC) to include all school districts in the region. This county-wide collaborative would have three sub-regional steering subcommittees to help maintain and foster regional program and service delivery. This recommendation included an exhaustive list of program areas that such a collaborative could support and that reflected shared areas of need across the districts. Priorities identified among program areas included school transportation, special education, and itinerant services (therapists and specialists). Nevertheless, nearly five years after this report was issued, the SBEC has become effectively defunct and a countywide collaborative has not been established.

Methodology

Literature review

The authors began this effort with a review of literature, reports, and policies to better understand the evolution of educational collaboration in Massachusetts and its implications for Berkshire County. A list of key resources consulted by the authors can be found in the bibliography.

Data analysis

At the outset of this project, the authors undertook an analysis of publicly available data from the DESE on Berkshire County's school district budgets to examine whether relationships between district size and spending exist⁷ and to examine amounts being spent in several focus areas (professional development, transportation, and special education in particular).

Table 1: Berkshire County District Per Pupil Expenditures, FY 2010

District Name	Total Pupils (FTE)	Total Expenditures Per Pupil
Massachusetts	986,207.9	\$13,047.32
Total/Average for Berkshire County	19,583.7	\$13,518.10
Pittsfield	6,589.3	\$12,474.04
Central Berkshire	2,176.6	\$12,328.94
North Adams	1,752.8	\$14,349.44
Adams-Cheshire	1,655.7	\$11,455.45
Berkshire Hills	1,508.1	\$14,544.74
Southern Berkshire	1,062.0	\$13,804.23
Lee	913.9	\$13,275.85
Lenox	868.8	\$14,226.35
Mount Greylock	666.3	\$15,673.16
Northern Berkshire Regional Vocational Technical	502.7	\$17,257.44
Williamstown	434.5	\$13,727.80
Lanesborough	305.0	\$13,547.11
Farmington River	300.8	\$13,151.03
Richmond	257.5	\$13,939.09
Clarksburg	247.5	\$13,543.01
Florida	128.8	\$12,207.34
Hancock	116.9	\$11,310.68
Savoy	96.5	\$12,510.13

Source: MA DESE. <http://finance1.doe.mass.edu/statistics/ppx10.html>.

Total Berkshire County calculations by authors.

⁷ A discussion regarding correlation calculations can be found in Appendix B.

Interviews and focus groups

While the research team reviewed data and secondary sources to develop this report, qualitative data was essential in helping determine whether and how collaboration could address the needs of educational stakeholders in Berkshire County. Such data were developed through interviews with representatives from school districts and higher education institutions as well as two professionally facilitated focus groups with Berkshire County superintendents.

In total, sixteen individuals provided feedback through three interviews and two focus groups held between late January and early February 2012. Focus group participants were divided into two sessions: the first was conducted at McCann Technical High School in North Adams and included superintendents who were largely representative of northern Berkshire County, while the second included superintendents from the southern portion of the county and was held at the administrative offices of Berkshire Hills Regional School District.

Interview and focus group sessions explored collaboration in both general and specific terms, emphasizing key areas that included professional development, transportation, special education, and compliance.

Findings

Background on collaboration in Berkshire County

Informal collaboration has long been a mainstay of the regional culture when it comes to public education in Berkshire County. Superintendents gather for a monthly roundtable meeting that occasionally includes representatives from MCLA and BCC, and there is consensus that the network of county superintendents is high-functioning and built on positive relationships. Longevity is a strong contributor to these relationships: many of the county's superintendents have served in their current capacities or in other administrative roles for over a decade, so they have deep roots with one another and their respective communities.

Focus group and interview participants shared a few examples of ways that districts have collaborated informally. Pittsfield, which operates its own fleet of school buses, has provided services to adjacent districts when possible and practical. A number of districts share knowledge and expertise on an informal basis. Because the county's urban districts have higher concentrations of students in subgroups like special education or English Language Learners (ELL) their staff often share information and examples of successful intervention strategies with smaller districts that have fewer specialized staff. For example, one superintendent remarked that when he comes across a need for a particular service provider, he knows which superintendents he can call for a referral to a qualified individual. Participating superintendents also described informally connecting their teachers to facilitate the sharing of ideas on presenting specific topics or using technology in the classroom. These connections are facilitated by close working relationships across districts and a good understanding of one another's areas of strength.

Another way Berkshire County districts share resources is by sharing administrative staff. For example, the districts of Clarksburg, Florida, and Savoy all share a superintendent as members of the Northern Berkshire School Union. Meanwhile, the same individual serves as superintendent for the districts of Williamstown, Lanesborough, and Mount Greylock.

While these kinds of collaboration are commonplace in Berkshire County, establishing a formal educational collaborative has proven challenging. The Southern Berkshire Educational Collaborative's future is currently in question as the organization is currently without an executive director, and a strategy for creating a county-wide collaboration that was described in detail in the 2007 Feasibility Study was never implemented.

While none of the stakeholders engaged by this report were able to provide us with a definitive explanation of why these efforts have not been successful to date -- although some suggested that high startup costs were a major barrier -- it is clear that there is still an appetite for exploring opportunities to collaborate and share costs, capacity, and ideas.

Potential opportunities for collaboration

Interviews and focus groups included broad-based discussions of historical collaborations as well as the participant's interest in and assessment of the feasibility of potential future collaborative efforts. These groups also explored specific subject areas that included professional development, transportation, special education, and compliance.

Professional development

Professional development (PD) is an area of particular interest to both Berkshire County school districts and the region's institutions of higher education. Some formal and informal collaboration in this area is already happening, but there is consensus that this area presents a significant opportunity for inter-district collaboration.

Data analysis. The research team examined Berkshire County school district budgets for FY10 (the most recent year available) in order to compare per-pupil expenditures for professional development and to determine whether there appeared to be “economies of scale” that would make inter-district collaboration financially attractive by assessing whether relationships exist between district size and spending in Berkshire County.⁸ The authors did not see a strong connection between district size and spending on PD.

From FY 1996-2003, districts were required to spend a minimum amount on professional development per pupil (\$25 in FY 1996 up to \$125 in FY 2003). In FY 2004, this requirement was eliminated and districts are now free to spend what they want on this category.⁹

Table 2: Berkshire County District Professional Development Per Pupil Expenditures, FY 2010

District Name	Total Pupils (FTE)	Total Expenditures Per Pupil	Professional Development Expenditures Per Pupil	Professional Development PPE % of Total PPE
Massachusetts	986,207.9	\$13,047.32	\$225.89	1.7%
Total/Average Berkshire County	19,583.7	\$13,518.10	\$175.11	1.3%
Pittsfield	6,589.3	\$12,474.04	\$210.57	1.7%
Central Berkshire	2,176.6	\$12,328.94	\$217.26	1.8%
North Adams	1,752.8	\$14,349.44	\$17.30	0.1%
Adams-Cheshire	1,655.7	\$11,455.45	\$94.37	0.8%
Berkshire Hills	1,508.1	\$14,544.74	\$17.71	0.1%
Southern Berkshire	1,062.0	\$13,804.23	\$233.74	1.7%
Lee	913.9	\$13,275.85	\$243.51	1.8%
Lenox	868.8	\$14,226.35	\$273.11	1.9%
Mount Greylock	666.3	\$15,673.16	\$62.86	0.4%
Northern Berkshire Regional Vocational Technical	502.7	\$17,257.44	\$277.94	1.6%
Williamstown	434.5	\$13,727.80	\$458.22	3.3%
Lanesborough	305.0	\$13,547.11	\$59.35	0.4%
Farmington River	300.8	\$13,151.03	\$137.41	1.0%
Richmond	257.5	\$13,939.09	\$73.04	0.5%
Clarksburg	247.5	\$13,543.01	\$550.71	4.1%
Florida	128.8	\$12,207.34	\$89.91	0.7%
Hancock	116.9	\$11,310.68	\$127.22	1.1%
Savoy	96.5	\$12,510.13	\$7.71	0.1%

Source: MA DESE. <http://finance1.doe.mass.edu/statistics/ppx10.html>.

Total Berkshire County calculations by authors.

⁸ For some background on this topic see, Tyler J. Bowles and Ryan Bosworth. "Scale Economies in Public Education: Evidence from School Level Data." *Journal of Education Finance* Vol. 28, No. 2 (Fall 2002), pp. 285-299.

⁹ Luc Shuster, "Cutting Class: Underfunding the Foundation Budget's Core Education Program," Massachusetts Budget and Policy Center, November 27, 2011. http://www.massbudget.org/report_window.php?loc=Cutting_Class.html, p.39.

Past/current collaboration. Present collaboration around professional development (PD) is happening formally on a limited basis. The Berkshire Readiness Center, established by MCLA and BCC through the Massachusetts Executive Office of Education, offers a number of PD workshops throughout the year. The Readiness Center also maintains a database of PD opportunities available through individual school districts in Berkshire County who choose to make their programming available.¹⁰

On a larger scale, MCLA—and then the Readiness Center—has convened several county-wide professional development days. For example, one was held in October 2010, and based on its success, a similar event was agreed to by superintendents and offered the following fall. The October 2011 event included sessions for specialists in academic and non-academic subject areas, along with sessions on Common Core standards for pre-K-12. While some of the specialist sessions were reportedly very well received, content related to the Common Core was not. At the request of DESE, the Readiness Center held another day-long PD event on the new K-12 frameworks in April 2012. According to MCLA, the organizers took seriously the issues raised about the quality of the October 2011 event to plan this PD differently and with an eye toward improvement. While this event took place after the conclusion of the research team's focus groups and interviews, preliminary feedback gathered by the Readiness Center reportedly suggests that this event has helped participants understand and implement the new frameworks. Overall, there is a sense that recent large-scale PD events have been of uneven quality, which in turn has affected perceptions about the capacity of the region's higher educational institutions to deliver the kind of high-quality, well coordinated PD opportunities needed by school districts countywide.

Professional licensure is another area of PD that was discussed in the context of existing collaboration with higher education institutions. Some districts reported working with institutions beyond Berkshire County (including Lesley University and the Hampshire Educational Collaborative) because these providers are perceived to be more flexible, more cost effective, and more responsive to district needs.

The District and School Assistance Center (DSAC), which is a service of the Massachusetts Department of Elementary and Secondary Education is another notable regional service provider. Stakeholders reported that Berkshire County's DSAC provides a number of PD opportunities for the region's public schools in the areas of math, literacy, and ELL instruction.

Needs and opportunities. Interviews and focus group participants made it clear that collaboration around PD is needed and desired in Berkshire County. District superintendents highlighted the following areas as prime targets of collaborative opportunity in professional development.

- Build capacity to provide high-quality, specialized training, particularly in order to better meet the needs of subgroups like ELL students and those with specific special education needs;
- Encourage a more streamlined curriculum across the county (to help reduce the impact of the high rate of student mobility across districts);
- Support the implementation of the state's new educator evaluation system;
- Credential paraprofessionals and train them to provide content-area classroom support;
- Address the needs of specialized staff—including counselors, physical and occupational therapists, and speech therapists—who work to mitigate students' non-academic challenges;

¹⁰ Database is currently available at <http://www.mcla.edu/readiness/uploads/textWidget/3496.00002/documents/pddatabase.pdf>.

- Help districts coordinate efforts to understand and adapt to state and federal-level initiatives and mandates;
- Support teachers' PD needs in content areas like social studies and science with content-specific training; and
- Promote effective integration of technology in the classroom.

Focus group and interview participants suggested some specific ways that these opportunities could be implemented through collaboration. Qualified teachers or staff in Berkshire County can conduct some of this PD in-house, and some type of collaboration could be the mechanism used to identify qualified individuals and coordinate offerings county-wide. Other areas of need present opportunities to partner with higher education institutions, particularly meeting the need to credential paraprofessionals (which a relevant Associate's degree program at BCC could offer) and providing content area workshops (which in principle could be delivered by faculty at BCC and MCLA).

More broadly, the district superintendents who were interviewed and who participated in the focus groups consistently described the need for a collaborative mechanism that could work as a clearinghouse for needs, opportunities, and best practices being implemented within and outside of Berkshire County. While superintendents are already making these connections with one another on an ad hoc basis, they reported having limited time and resources to take full advantage of collaborative opportunities and there was a consensus among key stakeholders that spoke with our research team that collaboration had the potential to provide significant gains to teachers and staff—and ultimately, the students of Berkshire County.

Obstacles. We heard repeatedly in both interviews and focus groups that one of the most significant challenges to collaborating on PD across Berkshire County is geography. The distance between school districts is not insignificant, and this has historically affected participation rates in regional PD efforts. Travel time also adds to the costs and serves to limit participation in collaborative activities. The Readiness Center's central location in Pittsfield has mitigated some of these challenges, but several respondents suggested that the best solution to this obstacle would be to offer PD through an asynchronous online platform. While broadband service is not yet available in every corner of Berkshire County, a number of respondents expressed confidence that infrastructure present in county school facilities would make online service delivery a feasible option. Both BCC and MCLA report using online learning systems, so the development of such programming could potentially be facilitated in partnership with those institutions. An alternative is that a regional collaborative organization could procure such services from a private vendor and offer them district-wide.

Another challenge is presented by the tendency of PD to reflect, as one respondent termed it, the "flavor of the month." Respondents emphasized that a successful collaborative effort will need to acknowledge the day-to-day experiences and needs of teachers and staff and determine a strategic course with which to give priority and be responsive to those needs. Several superintendents suggested that collaboration could help districts develop a shared set of values and a common framework for linking these values to PD in the long term but it was clear that there currently no consensus around what this framework should look like.

Finally, some concerns were raised about the ability of a collaborative effort to offer PD that could meet the widely varied needs and interests of individual districts. Because most districts are taking very different approaches to offering PD now, it will be challenging to streamline offerings in a way that can effectively and efficiently meet the varied needs of the individual districts.

Special education

Special education is a common area of focus for collaboratives in Massachusetts and elsewhere because of the ever-growing costs of meeting complex student needs. Based on the results of a county-wide survey and the amounts districts were then spending on special education, the 2007 Feasibility Study identified this as a priority area for any future educational collaborative.

Data analysis. The growing costs of providing special education services have been outpacing the funding provided by the State since FY 1993. While the number of children with individualized education plans (IEPs) has remained relatively stable over the past twenty years, the level of need of these students and the cost of providing these services has increased significantly. A Massachusetts Budget and Policy Center Report recently found that all types of districts, regardless of wealth, are spending significantly more than the foundation budgets used to allocate state resources assume are required.¹¹ The table below illustrates the variation in a conservative¹² estimate of special education spending on special education students served directly by districts in Berkshire County.

Table 3: Berkshire County District Special Education In-District Instruction Per Pupil Expenditures, FY 2010

District Name	In-District Instruction Expenditures		# Special Education Students In-District	Special Education PPE for Instruction In-District
	Teaching	Other Instruction		
Total Berkshire County	\$21,071,438	\$4,394,444	2,788	\$9,134
Pittsfield	\$7,564,490	\$1,408,567	959	\$9,357
North Adams	\$1,539,902	\$353,450	386	\$4,905
Central Berkshire	\$1,919,572	\$362,957	305	\$7,484
Adams-Cheshire	\$1,314,296	\$369,498	242	\$6,958
Berkshire Hills	\$1,971,695	\$419,051	196	\$12,198
Southern Berkshire	\$1,113,306	\$358,393	138	\$10,664
Lee	\$1,438,491	\$141,208	105	\$15,045
Mount Greylock	\$868,703	\$208,882	91	\$11,842
Northern Berkshire Regional Vocational Technical	\$170,556	\$13,956	87	\$2,121
Lenox	\$975,531	\$163,978	82	\$13,896
Williamstown	\$739,207	\$158,019	46	\$19,505
Lanesborough	\$364,774	\$111,499	45	\$10,584
Clarksburg	\$226,400	\$50,101	33	\$8,379
Florida	\$126,325	\$24,230	27	\$5,576
Farmington River	\$192,819	\$108,290	25	\$12,044
Richmond	\$437,097	\$117,351	15	\$36,963
Hancock	\$52,938	\$7,847	4	\$15,196
Savoy	\$55,336	\$17,167	2	\$36,252

Sources: MA DESE. <http://finance1.doe.mass.edu/statistics/>; Special Education Expenditure Trends, Special Education Direct Expenditure Trends (2001-2010). <http://www.doe.mass.edu/apa/dart/>; Calculation of PPE: In-District Instruction (Teaching + Other Instruction) / # Special Education Students In-District; Total Berkshire County calculations by authors.

¹¹ Luc Shuster, *Cutting Class: Underfunding the Foundation Budget's Core Education Program*, Massachusetts Budget and Policy Center, November 27, 2011. http://www.massbudget.org/report_window.php?loc=Cutting_Class.html, p. 17.

¹² The aforementioned study (*Cutting Class*) found that special education expenditures are embedded throughout district budgets. This analysis may not be inclusive of all special education expenditures, but should serve as a general illustration.

Past/current collaboration. In 2008, using Special Education Transportation Pilot funds from DESE, a transportation coordinator was hired and routing software was purchased by the South Berkshire Education Collaborative for a county-wide effort at reducing special education transportation costs.¹³ At the time, there was an agreement in process with the largest special education transportation provider in the region to ensure that a 0% increase in rates would be set for FY 09 and would allow for split billing amongst districts. However, we found no evidence to indicate that these efforts have been sustained.

Limited collaboration is currently happening in the area of special education. Because Pittsfield has the capacity to offer more alternative options than the county's smaller districts, the district serves a number of students from other communities. In addition, Pittsfield is currently exploring the possibility of creating an additional alternative school that would offer therapeutic and/or residential services to students that would otherwise be placed at private institutions outside the district. Reportedly, a number of Berkshire County districts have expressed interest in participating in that site's services through letters of support.

Needs and opportunities. Notably, one of the most significant opportunities for collaboration in special education voiced by focus group participants was in the area of professional development for special educators and paraprofessionals. Participants highlighted the need for a collaborative clearinghouse, where districts could share best practices and resources for addressing particular special education needs. This would be particularly useful in the case of low-incidence, high-need students whose individual districts may not have the capacity to provide specialized services. In a number of these cases, capacity may exist either elsewhere in the county or could be provided by a collaborative that could offer such services county-wide.

One superintendent provided a hypothetical example where one district could have capacity to offer high-quality services to students with autism, but no capacity to address the needs of students who are visually impaired. In that case, that district could work with other districts to provide support and direction for teachers working with students with autism while receiving support and direction from another district doing high-quality work with students who are visually impaired. This could potentially entail very few costs, but would require coordination and the kind of support that other regions of the state receive from educational collaboratives.

Another district leader suggested another area of collaborative opportunity to work regionally on special education was in the identification and writing of grants to bring more resources to Berkshire County students. Few districts in the county have staff that can be dedicated exclusively to identifying and pursuing these opportunities, but focus group participants felt that this was an important opportunity that will continue to be missed absent collaboration. It was suggested that the area of grant research and writing might also present an opportunity to collaborate with the region's higher educational institutions.

A third area of discussion focused on providing services for older students with special education needs. Not only are resources reportedly dwindling in this area, but there is also an unmet need for supporting these students with career readiness services. Participants noted that this could not only present an opportunity to work with an institution like BCC, but it could also encourage strategic county-wide collaboration with social service providers and workforce development agencies in the region. While the new law governing educational collaboratives in Massachusetts will be discussed later in this report, it is worth noting that it includes a stipulation that new collaboratives are prohibited from serving adults over the age of 22.

¹³ UMass Donahue Institute, *A Review of the Outcomes to Date of the Special Education Transportation Pilot Program*, August 2008. <http://www.massbenchmarks.org/publications/studies/pdf/speced08.pdf>.

Obstacles. One of the greatest challenges to providing an alternative school in Pittsfield has been finding a suitable and affordable building. Reportedly, this challenge has contributed to much of the delay in launching this project. On a regional level, in order to provide more cost-effective special education services, it will be necessary to coordinate priorities and find ways to overcome the distance between districts. Geographic hurdles will clearly make it difficult to centralize special education programs that serve the entire county. Finding a way to work across large and small districts in a financially equitable way has also been a long-term challenge. Large districts like Pittsfield have much more capacity to help with special education service offerings, but so far it has not been easy to find a way to leverage this capacity in a way that is mutually beneficial, a logical and necessary precondition for collaboration with larger school districts.

Transportation

Like special education, transportation is an area that has long been identified as an opportunity for collaboration, and it was identified as a priority for the collaborative proposed in the 2007 Feasibility Study. However, we heard consistently in both interviews and focus groups that this is not currently an area in which the districts feel a collaborative would be successful. While the limited number of regional transportation providers suggests that significant savings could result from a regional procurement of these services, respondents felt strongly that the opposition of these services providers and the strong local political support for the status quo would make collaborative procurement a very difficult proposition in Berkshire County. They also cited a number of logistical challenges that would make collaboration in this area very challenging.

Data analysis. Berkshire County school districts can include towns that are not easy to serve efficiently for student transportation. Distance and lack of major roadways are some of the factors that make it difficult to provide efficient and cost-effective transportation services across districts. As the table below indicates, although Pittsfield is the largest district in terms of number of students, it has the lowest per pupil in-district transportation costs. Some of the districts with the highest costs for in-district transportation include Farmington River Regional School District, Florida and Southern Berkshire Regional School District. Lanesborough spends the highest amount on out-of-district transportation in the county.

Table 4: Berkshire County District Transportation Per Pupil Expenditures, FY 2010

District Name	Total Pupils (FTE)	Total Expenditures Per Pupil	In-District Transportation Expenditures Per Pupil	Out-of-District Transportation Expenditures Per Pupil	In-District Transportation PPE as % of Total PPE	Out-of-District Transportation PPE as % of Total PPE
Massachusetts	986,207.9	\$13,047.32	\$453.13	\$1,891.17	3.5%	14.5%
Total/Average Berkshire County	19,583.7	\$13,518.10	\$770.25	\$455.15	5.7%	3.4%
Pittsfield	6,589.3	\$12,474.04	\$229.82	\$75.62	1.8%	0.6%
Central Berkshire	2,176.6	\$12,328.94	\$844.55	\$235.75	6.9%	1.9%
North Adams	1,752.8	\$14,349.44	\$493.92	\$0.00	3.4%	0.0%
Adams-Cheshire	1,655.7	\$11,455.45	\$410.39	\$477.12	3.6%	4.2%
Berkshire Hills	1,508.1	\$14,544.74	\$919.95	\$79.71	6.3%	0.5%
Southern Berkshire	1,062.0	\$13,804.23	\$1,006.60	\$355.84	7.3%	2.6%
Lee	913.9	\$13,275.85	\$343.97	\$225.32	2.6%	1.7%
Lenox	868.8	\$14,226.35	\$316.02	\$262.19	2.2%	1.8%
Mount Greylock	666.3	\$15,673.16	\$767.40	\$572.44	4.9%	3.7%
Northern Berkshire Regional Vocational Technical	502.7	\$17,257.44	\$673.10	\$0.00	3.9%	0.0%
Williamstown	434.5	\$13,727.80	\$347.29	\$0.00	2.5%	0.0%
Lanesborough	305.0	\$13,547.11	\$632.38	\$1,569.51	4.7%	11.6%
Farmington River	300.8	\$13,151.03	\$2,182.96	\$145.23	16.6%	1.1%
Richmond	257.5	\$13,939.09	\$702.30	\$937.86	5.0%	6.7%
Clarksburg	247.5	\$13,543.01	\$687.51	\$779.24	5.1%	5.8%
Florida	128.8	\$12,207.34	\$1,106.51	\$997.56	9.1%	8.2%
Hancock	116.9	\$11,310.68	\$843.46	\$467.11	7.5%	4.1%
Savoy	96.5	\$12,510.13	\$1,356.42	\$1,012.11	10.8%	8.1%

Source: MA DESE. <http://finance1.doe.mass.edu/statistics/ppx10.html>.

Total Berkshire County calculations by authors.

Past/current collaboration. Beyond Pittsfield's informal arrangements to provide some transportation services to adjacent communities, we were unable to identify any other active collaborative efforts in the area of student transportation in Berkshire County. A prior attempt to coordinate transportation in the northern portion of the county reportedly fell through because of inconsistency among participating districts' contracts and providers, and the distance between districts exacerbated these challenges. One area of successful collaboration has been in transportation routing software sharing. Recently, the Southern Berkshire Educational Collaborative has provided some districts with access to transportation routing software, reportedly with positive results. For example, one district reported using this software, which they indicated would be too cost-prohibitive for them to have purchased on their own, to eliminate the need for four buses and improve the efficiency of their overall route planning.

Needs and opportunities. Superintendents who participated in this study reported being largely satisfied with current transportation arrangements. Three to four contractors have historically met the county's busing needs, while Pittsfield owns and operates its own fleet and reportedly has additional capacity suggesting that, in principle at least, a collaborative effort could help make that excess capacity available to meet the transportation needs of adjacent communities.

Because the sharing of routing software helped districts make important gains and is expensive to do alone, several superintendents identified this as a promising area an area for future collaboration.

Obstacles. As noted previously, student transportation presents some political challenges for school districts in Berkshire County that exist outside the realm of school administration. Several bus service contractors are small businesses with deep roots in the community, and there is reportedly little political appetite for introducing more competition into the bidding process. In addition, districts have different standards and expectations for the level of service that should be provided (for example, they vary in policies regarding the maximum distance between students' homes and bus stops). Finally, it was repeatedly suggested that in order for any type of collaborative to succeed, it would need to demonstrate an early positive impact. Focus group participants did not see the potential for big, early wins in this area, making it a topic that participating superintendents felt would only merit consideration after a collaborative demonstrated its long-term viability.

Compliance

For the purposes of this report, compliance refers to a district's ability to comply with Massachusetts regulations through teacher/staff training and certification. Examples include regulations regarding hazing, bullying, civil rights, and physical restraint.

Needs and opportunities. Needs in the area of compliance were identified by interview and focus group participants as involving the need to both train and certify teachers and staff and subsequently to monitor the degree to which certifications are current and in compliance with ever-changing state and federal regulations.

Feedback suggests that this is an important area of collaborative opportunity, because few districts have the resources to train and monitor all teachers and staff sufficiently. Moreover, because new guidelines are issued frequently, there is an ongoing need for support in staying current with requirements.

There was some consensus that a collaborative approach could help with developing a shared online system for districts to track their own compliance and identify certification needs. It was also suggested that these needs could be met through intra-district resource sharing that could be managed collectively.

For example, instead of paying for teacher or staff recertification on a per-person basis, which is reportedly very costly, the districts could work together on sharing the cost to hire their own trainer to recertify teachers and staff at no additional cost (beyond the shared cost of compensating that individual). This presents a potential opportunity for significant cost-savings, and superintendents agreed that this was a promising potential solution to meeting their evolving needs to comply with state and federal requirements.

Obstacles. Coordinating a county-wide effort that focuses on this would take some up-front investment in both staff and technology resources. Participants were clear that the district costs of participation would have to be clear and that regional school committees expect that these costs would almost immediately be funded by the savings generated by these joint efforts.

Other opportunities for collaboration

In addition to the four aforementioned categories, focus group and interview participants identified some other areas where collaboration could promote efficacy and efficiency.

Virtual high school programming was discussed based on the challenge it presents to districts already struggling to keep students in-district, a challenge that is particularly acute in larger districts whose students have options that include charter and parochial schools. BCC already offers dual enrollment for students in Pittsfield and North Adams through an online platform, so there could be an opportunity for expanding this effort county-wide. Yet while interest was widely expressed, a number of obstacles were also identified that raised questions about this possibility. Those obstacles included limited capacity to deliver online services, the high cost associated with working with a private vendor, and even potential labor relations issues.

Joint purchasing of equipment and supplies was also mentioned as a natural area for collaboration based on the success of other collaboratives in Massachusetts. According to the 2007 Feasibility Study, some districts, particularly in the southern end of the County have a history of collaborating in this area with groups like the Lower Pioneer Valley Educational Collaborative and the Hampshire Educational Collaborative.

Structure and governance

Another area explored in depth during interviews and focus groups was what a county-wide collaborative might look like. Given the major challenges that collaborative efforts in the Berkshires have faced historically, it is not surprising respondents evinced a limited appetite for adopting a formally structured entity that would resemble other collaboratives across the state. Some focus group participants voiced an aversion to the kind of fiefdoms that can result when a formal collaborative structure is created. Another stated concern about the establishment of a formal collaborative was the high cost of overhead, especially for Collaborative staff.

Because of the relatively high startup costs associated with adopting a formal collaborative structure, there was consensus among those superintendents who granted us interviews and participated in our focus groups that collaboration in any form will be difficult for individual districts to sell to their own school committees without identifying near-term cost savings large enough to make participation virtually cost-free for individual districts. While there was consensus that cross-district collaboration must be focused on providing higher quality and more cost-effective services for the county's students, superintendents made it clear that any type of collaborative effort must be self sufficient from day one. They also emphasized that in order to succeed a collaborative would need to deliver very positive results in the very near-term.

Absent a third party source of funding, these requirements make the establishment of a formal collaborative structure highly unlikely. Accordingly, we asked the superintendents what they envisioned as the most likely mechanism for collaborating on the targets of opportunity they identified given the lack of will and resources required to establish a traditional collaborative organization. Notably, at each focus group a similar point was repeatedly made: in order to have a high short-term impact at a sufficiently low cost, a collaborative effort could take a nontraditional approach by sharing in the cost of hiring a single person whose job would be to leverage existing resources toward meeting county-wide needs. If this person came to the position with an already deep understanding for the needs and opportunities across Berkshire County and strong relationships with superintendents, a number of superintendents claimed it would be possible to deliver the "big wins" needed to justify future collaborative opportunities. They also made it clear that in order for this scenario to deliver results, the county's superintendents would first need to develop a clearly defined strategic plan with a set of specific, measurable goals that this individual would be expected to achieve.

While this nontraditional collaborative model would provide an alternative to what they perceive as the prohibitively high startup costs associated with a traditional educational collaborative's organizational structure and financing model—particularly if the collaborative point-person was hired on a part-time basis—financing this effort still presents some challenges. Significantly, the superintendents were unable to identify or reach consensus on an approach to funding even this modest effort.

While some participants suggested a funding model based on district size, it is clear that devising a fee structure based on size will almost certainly eliminate Pittsfield and North Adams by creating a clear financial disincentive for their participation. Other participants suggested the effort be funded primarily through fee-for-service arrangements.

The superintendents from Southern Berkshire County suggested one other alternative: to join existing educational collaboratives in adjacent regions. For example, the Lower Pioneer Valley Educational Collaborative and the Hampshire Educational Collaborative are high-functioning, well-established collaboratives that are not terribly distant from districts in Berkshire County, and some superintendents

feel that there may be opportunities to access those organizations' services without having to create something new.

Regardless of how the region elects to proceed, the structure and governance of any collaborative organization will have to comply with the recently changed state law governing Collaboratives and forthcoming regulations from the Department of Elementary and Secondary Education (DESE), which are discussed in the following section.

Review of Past and Present Education Collaborative Legislation

Following reports of mismanagement at the Merrimack Valley educational collaborative,¹⁴ the Patrick Administration submitted and the Massachusetts legislature reviewed and approved significant changes in the legislation governing educational collaboratives in Massachusetts. On March 5, 2012 Governor Deval Patrick signed this legislation into law. This legislation incorporated many of the recommendations contained in the August 2011 report by the Special Commission on Educational Collaboratives.¹⁵ While the new law does not directly address the need for incentives to promote collaboration between districts or provide financial resources to support enhanced collaboration and oversight, it does provide clear guidance on how collaboratives are to be organized and governed. It also clarifies the roles and responsibilities of collaborative boards of directors and DESE. For the complete text of the new law governing educational collaboratives in Massachusetts, see the Appendix.

The new legislation creates an expanded role for DESE. The Commissioner of Elementary and Secondary Education will appoint one voting member to every collaborative's board of directors, and DESE now has direct responsibility for ensuring that collaboratives comply with a number of new requirements. Specifically, educational collaboratives must now maintain websites that include the names of all board members, copies of collaborative agreements and amendments, and annual reports. Independently audited financial statements must be provided annually to DESE, the state auditor, and member school committees. Annual reports must also be filed with member school committees and DESE and made publicly available on collaborative websites.

In addition, collaborative boards must meet regularly and submit annual reports to member school committees. DESE is now empowered to place a collaborative on probation or nullify its collaborative agreement if they determine it is being mismanaged or out of compliance with the new law. Notably, the law also includes several provisions designed to eliminate conflicts of interest and self-dealing. These provisions include a prohibition on collaborative board members and staff from being employed by related for-profit or non-profit organizations. It also mandates DESE training for all board and staff members to ensure that they understand their roles and responsibilities of their office under the new law. DESE is responsible for developing and providing this training.¹⁶

The new law applies to all collaboratives, including those that are already established. Existing collaboratives must revise their collaborative agreements to bring them in compliance with the new law and resubmit for approval within a year of the law taking effect. In general, there are no provisions for “grandfathering” these collaboratives from any of the new law’s requirements. The one exception is in an allowance for programs and services for individuals over 22 years of age. New collaboratives will not be allowed to provide services to individuals over 22.

Another Special Commission has also been formed under the law to further examine the role of educational collaboratives in the state.

¹⁴ Colleen Quinn, “Senate adopts checks on education groups,” Boston Globe, January 11, 2012.

¹⁵ Special Commission on School District Collaboration & Regionalization, “Report to the Legislature,” August 2011. <http://finance1.doe.mass.edu/regional/>, p. 33.

¹⁶ Senate Bill 2105 (2012), An Act relative to improving accountability and oversight of education collaboratives. <http://www.malegislature.gov/Bills/187/Senate/S02105>. For more information, see Appendix.

Concluding Thoughts

There is substantial evidence to suggest that educational collaboration can offer many rewards to school districts in Berkshire County, including more effective services for students and staff as well as cost savings resulting from increased efficiency. Nevertheless, there are several not insignificant hurdles that stakeholders must overcome before those benefits can be realized through the establishment of an educational collaborative.

First, there is general consensus among superintendents that a formal collaborative structure is not presently viable. This perception is influenced by history—a 2007 effort to form a county-wide collaborative failed to reach fruition, while the region's only collaborative (SBEC) is now defunct—as well as the prohibitively high cost of launching and staffing a successful effort, a cost that could prove difficult to share among the diverse districts of Berkshire County. Securing the support of school committees could present another stumbling block, because while they are reportedly likely to support collaborative activities that immediately pay off, it is unlikely that there are enough of these opportunities to sustain financially a large and formally structured educational collaborative.

Second, the recently passed legislation regarding educational collaboratives in Massachusetts presents further barriers to the formation of such an entity. Requirements for new and existing collaboratives are far more stringent than they were when the Berkshire Area Collaborative feasibility study was conducted in 2007, including a higher degree of state oversight and many more guidelines governing collaborative boards and activities.

Given the limited will among stakeholders and the obvious obstacles to the formation of a formal educational collaborative in Berkshire County, careful consideration should be given to the concept suggested by several superintendents in our focus groups: instead of trying once again to develop a formally structured, county-wide collaborative, districts might pool resources to hire a single individual to coordinate and manage collaborative opportunities that enhance services and provide cost savings across the region. Superintendents stressed that this person should have experience in school administration, established relationships with stakeholders across Berkshire County, and the demonstrated entrepreneurial skills required to make such an effort a success. They also emphasized the need for such a course of action to be guided by a clearly defined plan outlining goals and expectations with which to hold this individual accountable and measure success.

It is possible that such an approach could build the trust and track record that would be needed if a larger and more formal collaborative enterprise were to be established in Berkshire County. At the same time, caution is advised: another failed attempt at regional collaboration would make future efforts that much more difficult.

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Appendix A: Senate Bill No. 02105

xxxxx – 01/12/2012

SENATE No. 02105

The Commonwealth of Massachusetts

In the Year Two Thousand Twelve. _____

An Act relative to improving accountability and oversight of education collaboratives.

Whereas, the deferred operation of this act would tend to defeat its purpose, which is to improve forthwith the accountability and oversight of education collaboratives, therefore, it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Chapter 40 of the General Laws is hereby amended by striking out section 4E, as appearing in the 2010 Official Edition, and inserting in place thereof the following section:

Section 4E. (a) As used in this section the following words shall, unless the context clearly requires otherwise, have the following meanings:-

“Charter school”, commonwealth charter schools and Horace Mann charter schools unless specifically stated otherwise.

“Charter school board”, the board of trustees of a charter school established under section 89 of chapter 71.

“Commissioner”, the commissioner of elementary and secondary education.

“Department”, the department of elementary and secondary education.

"District", or "school district", the school department of a city, town, regional school district or county agricultural school.

"Related for-profit or non-profit organization", a for-profit or non-profit organization established under the laws of the commonwealth or any other state: (i) that, on average over a 3-year period, receives more than 50 per cent of its funding from 1 or more education collaboratives; or (ii) a primary purpose of which is to benefit or further the purposes of an education collaborative and which engages in business transactions or business arrangements, including pledges or assignments of collateral and loan guarantees or other contracts of suretyship, with the education collaborative.

"Superintendent", the superintendent of the district.

(b) Two or more school committees of cities, towns and regional school districts and boards of trustees of charter schools may enter into a written agreement to provide shared programs and services, including instructional, administrative, facility, community or any other services; provided that a primary purpose of such programs and services shall be to complement the educational programs of member school committees and charter schools in a cost-effective manner. The association of school committees and charter school boards which is formed to deliver the programs and services shall be known as an education collaborative.

(c) The education collaborative shall be managed by a board of directors which shall be comprised of 1 person appointed annually by each member school committee or member charter school board. All appointed persons shall be either a school committee member, the superintendent of schools or a member of the charter school board. The commissioner shall appoint an individual to serve as a voting member of the education collaborative board of directors; provided that, to the extent feasible, the commissioner shall appoint an individual who has expertise in 1 or more of the following areas: educational programming and services, finance, budgeting and management oversight. Each member of the board of directors shall be entitled to a vote. No member of the board of directors shall receive an additional salary or stipend for their service as a board member. No member of the board of directors of an education collaborative shall serve as a member of a board of directors or as an officer or employee of any related for-profit or non-profit organization. The board of directors shall elect a chairperson from its members and provide for such other officers as it may determine are necessary, and may establish advisory committees as desired. Each collaborative board shall meet not fewer than 6 times annually.

Each collaborative board member shall complete training on the roles and responsibilities of the member's office within 60 days of the member's appointment. Said training shall include, but not be limited to, a review of the open meeting law, public records law, conflict of interest law, special education law, the budgetary process and the fiduciary and management oversight responsibilities of board members. The department shall develop and provide the training with input from relevant stakeholders. The department shall promulgate regulations relative to the certification of completion of said training.

The written agreement which shall form the basis of the education collaborative shall set forth the following: (1) the mission, purpose and focus of the collaborative; (2) the program or service to be offered by the collaborative; (3) the financial terms and conditions of membership of the education collaborative, including a limit on the amount of cumulative surplus revenue that may be held by the collaborative at the end of a fiscal year; (4) the detailed procedure for the preparation and adoption of an annual budget; (5) the method of termination of the education collaborative and of the withdrawal of member school committees and charter school boards; (6) the procedure for admitting new members and for amending the collaborative agreement; (7) the powers and duties of the board of directors of the education collaborative to operate and manage the education collaborative; and (8) any other matter not incompatible with law which the member school committees and charter school boards consider advisable. No agreement nor subsequent amendments shall take effect unless approved by the member school committees and member charter school boards and by the board of elementary and secondary education upon the recommendation of the commissioner. A member school committee or member charter school board shall not delegate the authority to approve amendments to the collaborative agreement to any other person or entity. Each education collaborative, each member school committee or member charter school board and the department shall maintain a copy of the collaborative agreement, including any amendments to the agreement.

The board of directors of the education collaborative shall establish and manage a fund, to be known as an education collaborative fund, and each such fund shall be designated by an appropriate name. All monies contributed by the member municipalities and charter schools and all grants or gifts from the federal government, state government, charitable foundations, private corporations or any other source shall be paid to the board of directors of the education collaborative and deposited in the fund.

The board of directors of the education collaborative shall appoint a treasurer who may be a treasurer of a city, town or regional school district belonging to the collaborative. The treasurer may, subject to the direction of the board of directors of the education collaborative, receive and disburse all money belonging to the collaborative without further appropriation. The treasurer shall give bond annually for the faithful performance of duties as collaborative treasurer in a form approved by the department of revenue and in a sum not less than the amount established by the department, as shall be fixed by the board of directors of the education collaborative. The board of directors of the education collaborative may pay reasonable compensation to the treasurer for services rendered. No member of the board of directors or employee of the education collaborative shall be eligible to serve as treasurer of the collaborative. The treasurer of the education collaborative board of directors may make appropriate investments of the money of the collaborative consistent with section 55B of chapter 44. A business manager or employee of the education collaborative with responsibilities similar to those of a town accountant shall be subject to section 52 of chapter 41 and shall not be eligible to hold the office of treasurer of the collaborative.

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 municipalities 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 board of directors of an education collaborative shall notify each member school committee and charter school board within 30 calendar days of applying for real estate mortgages.

(d) Each education collaborative shall adopt and maintain a financial accounting system, in accordance with generally accepted accounting principles as prescribed by the governmental accounting standards board and any supplemental requirements prescribed jointly by the commissioner of elementary and secondary education and the commissioner of revenue, in consultation with the state auditor. Each collaborative shall maintain books of original entry, general and subsidiary ledgers, related accounting records and as appropriate, memorandum records, work sheets, supporting cost allocations and computations, payroll and expenditure warrants, written contracts, staff logs, appointment books, evidence of teaching credentials or approval by programs, teaching schedules, canceled checks and paid invoices. The department, the state auditor and the department of revenue may review or audit any part of an education collaborative's records to ascertain whether the student, personnel and financial data reported by a collaborative are accurate, to ensure that the collaborative is complying with the applicable laws and regulations and to determine whether the collaborative is maintaining effective controls over revenues, expenditures, assets and liabilities. The department may enter into an interdepartmental service agreement with the operational services division to assist in reviewing collaborative finances.

Each board of directors of an education collaborative shall annually prepare financial statements, including: (1) a statement of net assets; (2) a statement of revenues, expenditures and changes in net assets; and (3) such supplemental statements and schedules as may be required by regulation. Each board of directors of an education collaborative shall annually cause an independent audit to be made of its financial statements consistent with generally accepted governmental auditing standards and shall discuss and vote to accept the audit report at an open meeting of the board. Each board of directors shall file such audit report and any related management letters annually on or before January 1 for the previous fiscal year with the department and the state auditor, and shall transmit a copy of such audit report and any related management letters to each member school committee and charter school board. The purchase by a government unit of social service programs, as defined in section 22N of chapter 7, from a collaborative, shall also require the collaborative to adhere to the uniform system of financial accounting, allocation, reporting and auditing requirements of the bureau of purchased services of the operational services division, in accordance with the requirements of said section 22N of said chapter 7. The audited financial statements, accompanying notes and supplemental schedules shall disclose: (1) transactions between the education collaborative and any related for-profit or non-profit organization; (2) transactions or contracts related to the purchase, sale, rental or lease of real property; (3) the names, duties and total compensation of the 5 most highly compensated employees; (4) the amounts expended on administration and overhead; (5) any accounts held by the collaborative that may be spent at the

discretion of another person or entity; (6) the amounts expended on services for individuals age 22 and older; and (7) any other items as may be required by regulation.

The department shall also be responsible for making information from the audits publicly available online, in human readable and machine readable formats; provided, however, that the department may designate the state agency with whom the department enters into an interdepartmental service agreement as the party responsible for making such information publicly available online.

(e) Each education collaborative shall submit an annual report, not later than January 1 for the previous fiscal year, to the commissioner, to each member school committee and to each member charter school board. The annual report shall be in such form as may be prescribed by the board of elementary and secondary education and shall include, but not be limited to: (1) information on the programs and services provided by the education collaborative, including discussion of the cost-effectiveness of such programs and services and progress made towards achieving the objectives and purposes set forth in the collaborative agreement; and (2) audited financial statements and the independent auditor's report, as described in subsection (d). Each education collaborative shall publish such annual report on its internet website and shall provide a printed hard copy of the most recent annual report to members of the public upon request. The executive director of each education collaborative shall annually present the annual report and its budget to each member school committee in a school committee meeting or charter school board of trustees, and accept questions regarding the report and budget; provided, however, that an education collaborative with more than 10 school districts may make the presentation in regional presentations to not more than 5 member school committees at a time; provided, further, that a school committee or charter school board of trustees may waive its right to such a presentation. Two or more school committees of cities, towns and regional school districts and boards of trustees of charter schools may receive such a presentation in a joint meeting.

(f) The board of directors of the education collaborative may employ an executive officer who shall serve under the general direction of the board and who shall be responsible for the care and supervision of the education collaborative. Said executive officer shall not serve as a board member, officer or employee of any related for-profit or non-profit organization.

The board of directors of the education collaborative shall be considered to be a public employer and may employ personnel, including teachers, to carry out the purposes and functions of the education collaborative. No person shall be eligible for employment by the education collaborative in a position that is covered by section 38G of chapter 71 unless the person has been granted a certificate by the commissioner under said section 38G of said chapter 71 or an approval under the regulations promulgated by the board of elementary and secondary education under chapter 74 with respect to the type of position for which the person seeks employment; provided, however, that nothing in this subsection shall be construed to prevent a board of directors of an education collaborative from prescribing additional qualifications. A board of directors of an education collaborative may, upon its request, be exempted by the commissioner for any 1 school year from the requirements of this section to employ certified or approved personnel when compliance with this subsection would in the opinion of the commissioner constitute a great hardship. No employee of an education collaborative shall be employed at any related for-profit or non-profit organization. The board of the directors of an education collaborative shall appoint 1 or more registered nurses, subject to certification as a school nurse under said section 38G of said chapter 71, and shall provide such school nurse with all proper facilities for the performance of the school nurse's duties. The education collaborative shall consider and meet the staffing level required to address the specific health care needs of the students enrolled

in the education collaborative. Nothing in this section shall prohibit a member of the board of directors or employee of an education collaborative from providing volunteer services to a related for-profit or nonprofit organization.

(g) The trustee, trustees or governing board of any related for-profit or non-profit organization shall file a copy of the annual written report for the preceding fiscal year as required under section 8F of chapter 12, including all attachments and schedules, with the commissioner within 10 days of filing said report with the attorney general; provided that any related for-profit or non-profit organization not required to submit a complete audited financial statement under section 8F of chapter 12 shall file a copy of said statement with the commissioner by January 1 for the preceding fiscal year. The audited financial statement shall be prepared and examined by an independent certified public accountant in accordance with generally accepted auditing standards for the purpose of expressing an opinion on the audited financial statement.

(h) The education collaborative shall be considered to be a public entity and shall have standing to sue and be sued to the same extent as a city, town or regional school district. An education collaborative, acting through its board of directors, may, subject to chapter 30B, enter into contracts for the purchase of supplies, materials and services and for the purchase or leasing of land, buildings and equipment as considered necessary by the board of directors. A school committee of a city, town or regional school district or charter school board may authorize the prepayment of monies for an educational program or service of the education collaborative to the treasurer of an education collaborative, and the city, town or regional school district or charter school treasurer shall be required to approve and pay the monies in accordance with the authorization of such school committee or charter school board.

(i) Each education collaborative shall establish and maintain an internet website that allows the public at no cost to search for and obtain: (1) a list of the members of the board of directors of the education collaborative; (2) copies of the minutes of open meetings held by the board of directors, which shall be posted within 30 days after the board has approved such minutes; (3) a copy of the written agreement and any subsequent amendments to the agreement; and (4) a copy of the annual report required under subsection (e).

(j) The department shall annually furnish a supplemental report on the Massachusetts Comprehensive Assessment System performance results of students served by each education collaborative.

(k) The department shall, at least once every 6 years, review and evaluate the programs and services provided by each education collaborative. Such review shall, at a minimum, assess compliance with the written agreement and any conditions imposed by the board of elementary and secondary education, and with the requirements of this section and any other applicable state and federal laws and regulations.

(l) Upon receipt of information regarding an education collaborative which, in the opinion of the commissioner, indicates the presence of circumstances at the collaborative that impede its viability or demonstrate deficiencies in programmatic quality or significant malfeasance, financial or otherwise, by any board member or employee of the collaborative, the commissioner may place such collaborative on probationary status to allow the implementation of a remedial plan. If such plan is unsuccessful, the commissioner may direct school districts and charter schools to withhold payments of public funds to the collaborative, and may, in consultation with the secretary of administration and finance, withhold state funds being directed to the collaborative; provided further that the board of elementary and secondary education may suspend or revoke for cause the written agreement of an education collaborative upon the recommendation of the commissioner. Any withholding of funds that occurs under this paragraph shall conclude when the commissioner finds and communicates in writing to the member school committees and member charter school boards that sufficient corrective

actions are being taken by the collaborative to address the concerns that resulted in the withholding of funds.

(m) The board of elementary and secondary education shall promulgate, amend and rescind rules and regulations as may be necessary to carry out this section. At a minimum, the board shall promulgate regulations which prescribe (1) requirements and standards for the amount of cumulative surplus revenue that may be held by an education collaborative at the end of a fiscal year and (2) requirements and guidelines for administrative proceedings conducted under subsection (l).

SECTION 2. The department of elementary and secondary education shall develop a model collaborative agreement that addresses the requirements and standards for approval within 6 months of the effective date of this act. The model agreement, which may be used by existing or future education collaboratives formed under section 4E of chapter 40 of the General Laws, shall be made available on the department's website.

SECTION 3. Any education collaborative formed under section 4E of chapter 40 of the General Laws prior to the effective date of this act shall revise its agreement to conform to said section 4E, as amended by this act, and shall resubmit such revised agreement to member school committees, member charter school boards of trustees and the board of elementary and secondary education for approval within 12 months of the effective date of this act.

SECTION 4. An education collaborative formed under section 4E of chapter 40 of the General Laws shall not provide services to individuals over the age of 22; provided, however, that an education collaborative or a related for-profit or non-profit organization providing services to individuals over the age of 22 prior to the effective date of this act may continue the provision of such services; provided further, that a related for-profit or non-profit organization providing services to individuals over the age of 22 prior to the effective date of this act, may transfer the provision of such services to the education collaborative to which it is related and the education collaborative may continue the provision of such services after such transfer.

SECTION 4A. The department of elementary and secondary education shall study the feasibility of conducting, at least once every 5 years, a review of chapter 766 approved in-state schools and programs that serve publicly-funded special education students; provided, that the review would include, but not be limited to, a consideration of the tuition and funding for chapter 766-approved in-state schools and the salaries paid by these schools in relation to the salaries paid to special education staff in public schools, including education collaboratives. The department shall report its findings not later than June 1, 2012, to the clerks of the senate and house of representatives.

SECTION 5. There shall be a special commission to study the role of education collaboratives. The commission shall consist of 13 members: the house and senate chairs of the joint committee on education, or designees, who shall serve as co-chairs of the commission; the senate minority leader, or designee; the house minority leader, or designee; the secretary of education, or designee; the commissioner of elementary and secondary education, or designee; the secretary of health and human services, or designee; a representative of the Federation for Children with Special Needs, Inc.; a representative of Massachusetts Administrators for Special Education; 1 representative from the Massachusetts Association of 766 Approved Private; and 3 persons to be appointed by the secretary

of education, 1 of whom shall be selected from a list of 3 persons nominated by the Massachusetts Association of School Superintendents, Inc., 1 of whom shall be selected from a list of 3 persons nominated by the Massachusetts Association of School Committees, Inc. and 1 of whom shall be selected from a list of 3 persons nominated by the Massachusetts Organization of Educational Collaboratives.

The commission shall examine, report and make recommendations on topics including, but not limited to: (1) whether a statewide network of education collaboratives should be established to implement new programs and provide technical assistance in partnership with the department of elementary and secondary education, and if so, how such network should be organized and funded; (2) whether education collaboratives are appropriate settings for providing programs and services to developmentally disabled adults over the age of 22, and if so, what measures should be taken to ensure proper accounting of, and funding for, all services provided by education collaboratives and related for-profit and non-profit organizations, as that term is defined in section 4E of chapter 40 of the General Laws, for individuals not enrolled in or employed by elementary or secondary schools in the commonwealth; (3) how to maximize the efficiency and capacity of existing education collaboratives; (4) the appropriate role and relationship, if any, between education collaboratives and related for-profit and non-profit organizations; (5) appropriate compensation levels and authority of collaborative management employees; (6) the merits of merging or consolidating existing education collaboratives, including the effect on collective bargaining agreements, staff, operational systems and debt obligations and whether districts and students would benefit from the merger of existing education collaboratives; (7) the provision of non-education related services by education collaboratives to other government entities and the appropriateness and effect of those provisions on the core mission and purpose of the collaborative; (8) the efficiency and effectiveness of the special education programs at education collaboratives as compared to other public schools as well as approved private special educational schools that serve publicly funded special education students, with additional focus on the establishing tuition and funding provided to approved private special educational schools that serve publicly funded public education students, comparing funding of private special educational schools that serve publicly funded special education students with other public school funding, including consideration of the salary of employees at approved private special educational schools in relation to the salaries paid to special education staff in the commonwealth's public schools; and (9) a methodology to assess applicable pension liability to, and determine the funding obligations of, education collaboratives related to their employees' membership in the State Employees' Retirement System and Teachers Retirement System developed in consultation with the State Retirement Board, the State Teachers' Retirement Board and the public employee retirement administration commission.

The commission shall consult with and solicit input from various persons and groups, including, but not limited to: the attorney general; the state auditor; the inspector general; the department of developmental services; the division of local services; the executive directors of education collaboratives of varying size and scope in the commonwealth; the chairs of the joint committee on children, families and persons with disabilities; organizations representing individuals with developmental disabilities, including the Arc of Massachusetts and the Association of

Developmental Disabilities Providers, Inc.; organizations representing children with disabilities and their parents; and associations representing special education administrators and other educational administrators, school business officers, municipal officials and charter schools.

The first meeting of the commission shall take place within 45 days after the effective date of this act. The commission shall file a report containing its recommendations, including legislation and regulations necessary to carry out its recommendations, with the clerks of the house and senate not later than 12 months following the first meeting of the commission.

SECTION 6. Section 1 of this act shall take effect 90 days after the effective date of this act.

Appendix B: Correlations of District Size and Spending

The authors conducted correlation tests on the district expenditure data in order to examine whether relationships existed between district size (as measured by the number of students in a district) and expenditures per pupil in several areas of interest (overall PPE, professional development, special education and student transportation). The correlations corresponding to these data are below.

Absolute value .00 - .19: no relationship

Absolute value .20 - .29: weak relationship

Absolute value .30 - .39: moderate relationship

Absolute value .40 - .69: strong relationship

Absolute value .70 – 1: very strong relationship

Page 7: #students in district and total per pupil expenditures: $r = -.17^{***}$

Page 10: #students in district and total professional development expenditures per pupil: $r = -.01^{****}$

Page 13: #special education students in-district and in-district special education instruction expenditures per pupil: $r = -.31^{**}$

Page 16: #in-district students and in-district transportation expenditures per pupil: $r = -.40^{*}$

#out-of-district students and out-of-district transportation expenditures per pupil: $r = -.37^{**}$ (p-value .13)

*Indicates significance at the .10 level.

**Indicates significance at the .20 level.¹⁷

***Indicates significance at the .50 level.

****Indicates significance at the .99 level.

¹⁷ Higher-than-conventional significance levels are for informational purposes only.