



Commonwealth of Massachusetts
Office of the State Auditor
Suzanne M. Bump

Making government work better

Official Audit Report – Issued July 22, 2021

Collaborative for Educational Services

For the period July 1, 2017 through March 31, 2019





Commonwealth of Massachusetts
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Suzanne M. Bump

Making government work better

July 22, 2021

Ms. Karen Reuter, Interim Executive Director
Collaborative for Educational Services
97 Hawley Street
Northampton, MA 01060

Dear Ms. Reuter:

I am pleased to provide this performance audit of the Collaborative for Educational Services. This report details the audit objectives, scope, methodology, findings, and recommendations for the audit period, July 1, 2017 through March 31, 2019. My audit staff discussed the contents of this report with management of the agency, whose comments are reflected in this report.

I would also like to express my appreciation to the Collaborative for Educational Services for the cooperation and assistance provided to my staff during the audit.

Sincerely,

A handwritten signature in blue ink, appearing to read "SMB", written over a light blue circular watermark.

Suzanne M. Bump
Auditor of the Commonwealth

cc: Mr. Daniel Hayes, Board Chair, Collaborative for Educational Services
Mr. Jeffrey Riley, Commissioner, Department of Elementary and Secondary Education
Mr. Peter Forbes, Commissioner, Department of Youth Services
Ms. Christine Abrams, President and Chief Executive Officer, Commonwealth Corporation
Mr. Gary Lambert, Assistant Secretary, Operational Services Division

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LIST OF ABBREVIATIONS

CES	Collaborative for Educational Services
CFR	Code of Federal Regulations
CMR	Code of Massachusetts Regulations
DESE	Department of Elementary and Secondary Education
DYS	Department of Youth Services
EEC	Department of Early Education and Care
ELAR	Educator Licensure and Renewal
EPIMS	Education Personnel Information Management System
FAPE	free and appropriate public education
POS	purchase of service
SEIS	Special Education in Institutional Settings

EXECUTIVE SUMMARY

In accordance with Section 12 of Chapter 11 of the Massachusetts General Laws, the Office of the State Auditor has conducted a performance audit of the Collaborative for Educational Services (CES) for the period July 1, 2017 through March 31, 2019. In this performance audit, we determined whether CES educators were properly licensed, whether they were properly credentialed for the positions for which they were hired, and whether CES conducted evaluations of educators in accordance with applicable state regulations and other requirements.

Below is a summary of our findings and recommendations, with links to each page listed.

Finding 1 Page 11	Some CES educators were not properly licensed to teach the subjects for which they were employed.
Recommendations Page 13	<ol style="list-style-type: none">1. CES should develop internal controls to ensure that its educators have the required licenses or waivers to work in the positions for which they are hired.2. CES should implement policies and procedures regarding documenting consistent details and requirements in its employment contracts and letters of employment.3. CES should develop internal controls to ensure that its educators' credentials correspond to their teaching assignment information in the Education Personnel Information Management System.
Finding 2 Page 16	CES educators conducted evaluations without the appropriate license, waiver, or authorization.
Recommendation Page 16	CES should develop internal controls to ensure that all primary evaluators have the required licenses or waivers and that teaching coordinators conducting evaluations have written authorization from their supervisors.
Finding 3 Page 17	CES did not ensure that its educators and evaluators completed all required evaluation activities during the 2017–2018 school year.
Recommendations Page 19	<ol style="list-style-type: none">1. CES should develop internal controls to ensure that all phases of the annual evaluation process are completed for all educators.2. CES should develop and implement an evaluation system for administrators and ensure that it meets the requirements of Section 35 of Title 603 of the Code of Massachusetts Regulations.

OVERVIEW OF AUDITED ENTITY

The Collaborative for Educational Services (CES), located in Northampton, is a nonprofit organization that provides educational services, pursuant to Section 4E of Chapter 40 of the Massachusetts General Laws, to 36 member school districts across Franklin and Hampshire Counties (see [Appendix](#)). Chapter 40 allows cities, towns, regional school districts, and charter schools, with the approval of the Commonwealth’s Department of Elementary and Secondary Education (DESE), to enter into partnerships known as educational collaboratives, which are created by written agreements to provide shared programs and services. According to this law, the primary purpose of an educational collaborative is “to complement the educational programs of member school committees and charter schools in a cost-effective manner.” Historically, educational collaboratives have primarily provided services for special education students, but they may also provide other services, such as professional development, technology and consultation services, student transportation, and collective purchasing of goods and services for use by participating districts.

Founded in 1974 as the Hampshire Educational Collaborative, CES is one of 25 such educational collaboratives operating across the state. Each collaborative is governed by a board of directors, the members of which are designated by the school committees of the districts that are part of the collaborative. During our audit period, CES was governed by a board of directors consisting of one representative each from 33 of its 36 member districts; the remaining 3 districts did not appoint individuals to serve on the board.

During our audit period, CES had a total of 977 full- and part-time employees and had the following revenue according to the financial reports it filed with the state’s Operational Services Division.¹

Revenue Source	Fiscal Year 2018	Fiscal Year 2019
Purchase of Service (POS) Subcontract	\$ 17,183,727	\$ 16,981,792
DESE	10,945,893	10,946,443
Other Revenue	3,290,208	3,434,432
Private Client Third-Party/Other Offsets	2,942,420	3,359,354

1. Under Operational Services Division regulations (Section 1 of Title 808 of the Code of Massachusetts Regulations), any contractor or subcontractor that has been awarded a contract in excess of \$100,000 to provide human and/or social services from a Commonwealth agency is required to file a properly completed Uniform Financial Statement and Independent Auditor’s Report annually. These reports contain contractual and financial information prescribed by the Operational Services Division, including audited basic financial statements.

Revenue Source	Fiscal Year 2018	Fiscal Year 2019
Private Client Fees (Excluding Third-Party)	1,459,599	1,787,743
Released Net Assets—Program	1,342,911	1,682,204
Department of Early Education and Care (EEC)—Contract	1,112,456	1,027,446
Massachusetts Local Government/ Quasi-Government Entities	297,824	126,284
Direct Federal Grants/Contracts	134,663	285,775
Department of Public Health	100,000	100,000
Other Massachusetts State Agency POS	–	80,294
Other Grants (Excluding Federal Direct)	74,257	39,757
Contributions, Gifts, Legacies, Bequests	45,653	585
Massachusetts State Agency Non-POS	6,417	25,868
Investment Revenue	491	941
Total	<u>\$ 38,936,519</u>	<u>\$ 39,878,917*</u>

* Discrepancies in totals are due to rounding. Reported revenue in CES’s Uniform Financial Statement and Independent Auditor’s Report is \$39,878,916.75.

CES Contracted Services

In addition to providing services to its member school districts, during our audit period CES had contracts with various state agencies to provide educational services to different groups. During our audit period, according to its fiscal year 2018 annual report, “CES received or managed 64 . . . local, state, federal, private, and foundation grants and contracts” from sources such as DESE, EEC, the Department of Youth Services (DYS), and the United States Department of Education.

CES’s Partnership with DHS and DESE

CES’s website provides the following details on CES’s partnership with DHS and DESE’s Special Education in Institutional Settings (SEIS) Program.

The Comprehensive Education Partnership (CEP) was designed by DHS to support the effort to improve the quality of education delivered to youth detained and committed to its care.

The Collaborative for Educational Services (CES) and its partner, the Commonwealth Corporation (CommCorp), work together with the leadership of education staff at DHS and the Massachusetts Department of Elementary and Secondary Education (DESE), and six other DHS non-profit education service providers to give support and direction to innovative teaching and learning in

DYS residential programs and effective educational services for DYS clients residing in the community. . . .

The Department of Youth Services and DESE’s Special Education in Institutional Settings (SEIS) unit have worked together since July 2008 to increase and improve the delivery of special education services for students with disabilities in the DYS system. . . .

As the Contracted Education Provider for the SEIS Program, CES recruits, hires and trains special education teachers; collaborates with host agency leaders in educational program improvement; designs and implements a statewide web-based student information system; supports coordinated technology development and curriculum integration; and monitors compliance with federal and state special education regulations.

The table below lists CES’s contract information for fiscal year 2019.

Contract	Maximum Obligation	Scope of Services Provided by CES
DYS—Direct	\$15,973,476	Provide educational, career development, and transition services to DYS youths
DYS—Title I	\$757,748	Improve education quality in facilities for neglected and delinquent youths under the age of 21 who have yet to obtain their high school diploma
SEIS Program	\$8,962,591	Provide special education services to students living in state facilities

Educator and Teacher Licensure

Section 1B of Chapter 69 of the General Laws directs DESE to establish certification requirements for teachers and other education professionals in the Commonwealth’s elementary and secondary education systems. DESE regulations refer to the required certifications as licenses. In addition, laws such as the Individuals with Disabilities Education Act and federal regulations implementing such acts (e.g., Parts 300 and 301 of Title 34 of the Code of Federal Regulations) have established federal licensure requirements related to teacher certifications, qualifications, and experience with special-needs students. Numerous studies and reports have asserted the effect of educator qualifications on educational outcomes.

For academic grades pre-kindergarten through 12, educators, including teachers, administrators, teacher specialists, and support personnel, are required to hold licenses issued by DESE to be eligible to teach in Massachusetts public schools. Section 4E of Chapter 40 of the General Laws further applies those requirements to individuals employed by educational collaboratives.

DESE's Office of Educator Licensure offers four categories of license: teacher, administrator, teacher specialist, and professional support employee. Each category is further broken down into specific fields (e.g., special education, biology, or English), grade levels (e.g., elementary, or kindergarten through 12th grade), and types (provisional, initial, professional, and temporary).

DESE regulations also provide for the waiver of licensure requirements for educators when approved by DESE. The superintendent of a school district, or an individual with similar authority at an educational collaborative, may request a waiver from DESE for an educator and certify that all applicable waiver requirements have been met, including the educator's satisfactory progress toward licensure as defined by DESE; efforts to find licensed applicants to fill the position without the need for a waiver; and documentation of compliance with these requirements.

The process for obtaining a license from DESE depends on a number of variables, such as an individual's educational background, experience, and license/s already held, as well as whether the individual has taken and passed all required Massachusetts Tests for Educator Licensure.

Educator Evaluation Process

According to DESE's website,

The Massachusetts Educator Evaluation Framework, adopted by the Board of Elementary and Secondary Education in 2011, is designed to promote student learning, growth, and achievement by providing educators with feedback for improvement, enhanced opportunities for professional growth, and clear structures for accountability.

There are six key features of the Educator Evaluation Framework:

- *Standards of Effective Practice*
- *Rubrics*
- *Three Categories of Evidence*
- *Performance Ratings*
- *Educator Plans*
- *Five-Step Evaluation Cycle*

According to Section 35 of Title 603 of the Code of Massachusetts Regulations (CMR), school committees are required to adopt the Educator Evaluation Framework or use a locally developed evaluation system that is consistent with this framework's principles. The evaluation system used by a

school district needs to include the evaluation cycle detailed in 603 CMR 35.06, which has specific components such as a self-assessment, proposed goals, and the development of an educator plan. CES has adopted an educator evaluation process that, according to CES's *Teacher Evaluation System* guide, includes the following phases:

PHASE 1: Self-assessment . . .

In the first eight (8) weeks of school, all teachers and teaching coordinators [i.e., supervisory roles] will review the four Standards and Indicators of Effective Teaching and use the self-assessment tool for this purpose. . . .

PHASE 2: Goal Setting and Plan Development . . .

All educator plans shall include one goal for each of the Standards and Indicators of Effective Teaching for a total of three (3) goals. . . .

PHASE 3: Implementation of an Educator Plan

Throughout the year, all educators and teaching coordinators will maintain a portfolio demonstrating evidence of their progress towards their Educator Plan goals. . . . Furthermore, Educators and Evaluators should use the TeachPoint system [an electronic system used by CES to enter teacher evaluation information] for storing selected artifacts that demonstrate evidence of your progress, in addition to your hard copy portfolio.

PHASE 4: Formative Assessments and Evaluations . . .

Evaluators are expected to conduct at least four (4) mini observations throughout the year. . . .

PHASE 5: Summative Evaluation . . .

*Educators on a two-year **Self-Directed Plan** will have a summative evaluation every other year, pending ongoing performance ratings at the Exemplary or Proficient level.*

Educator evaluations are conducted annually. Individuals who conduct the evaluations must have certain qualifications, and evaluation results must be documented in educators' personnel files.

AUDIT OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with Section 12 of Chapter 11 of the Massachusetts General Laws, the Office of the State Auditor has conducted a performance audit of certain activities of the Collaborative for Educational Services (CES) for the period July 1, 2017 through March 31, 2019. Our testing of CES’s educator evaluation process covered the period September 1, 2017 through August 31, 2018 (the 2017–2018 school year), because that was the only complete evaluation cycle that occurred during our audit period.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Below is a list of our audit objectives, indicating each question we intended our audit to answer; the conclusion we reached regarding each objective; and where each objective is discussed in the audit findings.

Objective	Conclusion
1. Did CES educators and teachers have licenses issued by the Department of Elementary and Secondary Education (DESE) as required by Section 4E of Chapter 40 of the General Laws?	No; see Finding 1
2. Did CES educators’ and teachers’ credentials correspond to their contracts, or positions, as required by Section 4E of Chapter 40 of the General Laws and Section 7.15(9)(a) of Title 603 of the Code of Massachusetts Regulations (CMR)?	No; see Finding 1
3. Were evaluations conducted in accordance with 603 CMR 35, CES’s <i>Teacher Evaluation System</i> guide, and Article 15 of the collective bargaining agreement between CES and the Service Employees International Union / American Federation of Labor and Congress of Industrial Organizations Local 509?	No; see Findings 2 and 3

To achieve our objectives, we gained an understanding of CES’s internal control environment related to the objectives by reviewing applicable agency policies and procedures, as well as conducting inquiries with CES management and personnel.

In addition, we performed the following audit procedures to obtain sufficient audit evidence to address our audit objectives.

Educator Licenses

We obtained from CES a payroll report generated from Infinite Visions² that included the names, job titles, and positions of all 971 individuals who worked for the agency during the audit period. We reviewed this list and, based on each individual's position and job title (e.g., special education teacher), filtered the population to identify the 399 CES educators whom we expected to have educator licenses. We then selected a random, nonstatistical sample of 60 of these 399 employees for our substantive testing. We requested and obtained from CES the Educator Licensure and Renewal (ELAR)³ Inquiry—Account Summary page for each educator in our sample. We determined the dates each educator in our sample was employed at CES using a supplementary report provided by CES that detailed dates of employment. We compared the license information on the ELAR Inquiry—Account Summary page (such as activity; credentials; and application, issue, and expiration dates) to the information in the supplementary report and determined whether the educators in our sample had licenses or had received waivers that were valid during the audit period.

Educator Qualifications

We obtained the Education Personnel Information Management System⁴ reports submitted by CES to DESE during the audit period and reviewed the reported information for the same 60 CES employees we had randomly selected for our audit testing related to teacher licensure. We also reviewed the employment contracts of educators who had employment contracts, as well as their licensure information as it appeared on the ELAR Inquiry—Account Summary page. We reviewed the qualifications listed on the job descriptions for positions held by employees who did not have employment contracts. We compared educators' employment contracts and/or job descriptions to their educator licenses to determine whether they had the appropriate licenses for the positions for which they were hired.

In addition, to obtain an understanding of the amount of time CES educators might teach subjects for which they might not be fully qualified (referred to as out-of-field teaching), we conducted an online survey of 159 educators who were employed by CES at the time the survey was conducted. We received

2. Infinite Visions is a third-party database owned by Tyler Technologies that CES uses to record human resources and financial data.
3. The ELAR Portal is DESE's online educator licensure system, which lists educators' licenses and waivers, as well as the status of each.
4. According to DESE's website, this system "collects demographic data and work assignment information on individual public school educators." This information is provided by schools.

responses from 124. We reviewed and analyzed the survey results, which we discuss in the “Other Matters” section of this report.

Educator Evaluations

We obtained the population of educators in TeachPoint and identified the 277 educators we determined were required to receive evaluations during the 2017–2018 school year. We selected a random, nonstatistical sample of 60 educators. We reviewed the evaluation forms in TeachPoint for each sampled educator to identify the primary evaluators, and/or their designees, who conducted the evaluations. We obtained and reviewed the ELAR Inquiry—Account Summary page for each primary evaluator identified to determine whether each one had the required administrator license to perform such evaluations.

We reviewed all evaluation forms in TeachPoint for each sampled educator to determine whether all required fields in each form were correctly completed; whether the completion dates corresponded to when the fields were to be completed; and that each evaluation was reviewed or signed by the educator, the evaluator, or both, as applicable.

We obtained and reviewed copies of the written authorizations from the appropriate supervisors to determine whether the teaching coordinators we identified as having performed evaluation activities (e.g., performing observations, reviewing goals, and writing evaluations) for the 60 sampled individuals had received the required authorization to do so. We also reviewed the educator plan assigned to each teaching coordinator who conducted teacher evaluations to determine whether the teaching coordinator was identified as being on an improvement plan.⁵ If a teaching coordinator was identified as being on an improvement plan, we requested the written authorization from the appropriate contract administrator for the teaching coordinator to conduct evaluation activities.

We used nonstatistical sampling methods and therefore did not project the results of our testing to the population.

5 According to CES’s *Teacher Evaluation System* guide, an improvement plan is “a plan of at least 30 days and no more than one school year, for educators who are rated *Unsatisfactory* or *Needs Improvement* in any Standard or indicator, or overall, as determined by the Evaluator, developed by the Evaluator with goals specific to improving the educator’s *Unsatisfactory* performance. An Evaluator may place an educator on an *Improvement Plan* at any time.”

Data Reliability Assessment

We assessed the reliability of the data obtained by (1) performing electronic testing by reviewing the data for blank fields, duplicate entries, and values outside the audit period; (2) reviewing CES policies and system controls; and (3) interviewing CES employees who were knowledgeable about the data. Additionally, we traced a random sample of 60 employees' data from Infinite Visions to TeachPoint and traced a random sample of 60 employees' data from TeachPoint to Infinite Visions. We determined that the data were sufficiently reliable for the purposes of this report.

DETAILED AUDIT FINDINGS WITH AUDITEE’S RESPONSE

1. Some Collaborative for Educational Services educators were not properly licensed to teach the subjects for which they were employed.

During our audit period, 4 of the 60 educators in our sample did not have licenses or waivers from the Department of Elementary and Secondary Education (DESE) while employed by the Collaborative for Educational Services (CES). Two of these 4 individuals did not receive approved waivers before beginning their employment, and 2 did not have either a license or a waiver for the duration of their employment. Additionally, CES did not ensure that all its educators had the required licenses or waivers to teach the subjects for which they were hired. Educators assigned to grades and/or subjects for which they do not have appropriate licenses or waivers may not be qualified to teach those grades and/or subjects. This may result in the students receiving a lesser quality of education than they would receive from educators with licenses or waivers.

Specifically, 18 of the 60 CES educators in our sample did not have licenses or waivers issued by DESE for the subjects and/or grades for which they were employed, according to their employment contracts and letters of employment. This occurred for periods of 55 to 507 days, as shown below. In some instances, the employment contracts lacked sufficient details and requirements related to the educators’ contracted positions or assignments.

Educators’ Time without Licenses/Waivers

Number of Days	Number of Educators	Percentage of Audit Period Spent Teaching without a License or Waiver
55	1	9%
76	1	12%
160	1	25%
195	1	31%
216	1	34%
269	1	42%
285	2	45%
289	1	45%
291	1	46%
496	1	78%

Number of Days	Number of Educators	Percentage of Audit Period Spent Teaching without a License or Waiver
498	3	78%
503	3	79%
507	1	79%

Additionally, the credentials (licenses or waivers) of 13 educators from our sample of 60 did not correspond to the teaching assignment information reported to DESE by CES in the Education Personnel Information Management System (EPIMS). This included instances where CES recorded educators’ assignment information (position, subject, and/or grade) incorrectly in EPIMS and this information did not accurately reflect their actual teaching assignments. There were also instances where CES correctly recorded educators’ assignment information, but they did not have a license or waiver issued by DESE for the subjects and/or grades for which they were employed, according to the assignment information in EPIMS.

DESE uses EPIMS data to make policy and program decisions, and because CES incorrectly recorded some educators’ credentials incorrectly in EPIMS, DESE may not have accurate information about CES’s educators. Additionally, because CES assigned educators to grades or subjects for which they did not possess the appropriate license or waiver, students may have received a lower quality of education than they would have received from educators with the appropriate licenses or waivers.

Authoritative Guidance

According to Section 4E of Chapter 40 of the Massachusetts General Laws,

No person shall be eligible for employment by the education collaborative . . . unless the person has been granted a [license] by the commissioner . . . or an approval . . . by the board of elementary and secondary education . . . with respect to the type of position for which the person seeks employment.

In addition, Section 38G of Chapter 71 of the General Laws requires each license to be for the type of position in which the license-holder is employed.

Section 7.15(13)(a) of Title 603 of the Code of Massachusetts Regulations (CMR) allows for a temporary waiver of the licensing requirement:

The Commissioner may exempt a district for any one school year from the requirement to employ licensed or certified personnel in accordance with M.G.L. c. 71, § 38G. The Commissioner may deem a district to have a great hardship in securing licensed or certified personnel for the purposes of M.G.L. c. 71, § 38G upon request of a superintendent and demonstration to the Commissioner that the district has made a good-faith effort to hire licensed or certified personnel, and has been unable to find a licensed or certified candidate who is qualified for the position.

Reasons for Issues

CES does not have internal controls to ensure that the educators it hires have valid licenses or waivers to work in the positions for which they are hired. CES also does not have policies and procedures regarding consistently documenting all details and requirements in its employment contracts and letters of employment. It also lacks controls to ensure that educators' credentials correspond to their teaching assignment information in EPIMS.

Recommendations

1. CES should develop internal controls to ensure that its educators have the required licenses or waivers to work in the positions for which they are hired.
2. CES should implement policies and procedures regarding documenting consistent details and requirements in its employment contracts and letters of employment.
3. CES should develop internal controls to ensure that its educators' credentials correspond to their teaching assignment information in EPIMS.

Auditee's Response

Many of the CES educators included in the Auditor's sample work in institutional settings, where teaching "out-of-field" is both unrestricted as the Auditor indicates, and part of the therapeutic design of the setting. In these settings, teachers provide instruction to very small groups of youth (class sizes of 4 on average) in various grades (including postsecondary), ages, and stages of their educational progress in one classroom in therapeutic treatment programs that generally house up to 10 youth at any given time. CES therefore seeks to hire teachers who hold a proper license or waiver within at least one of the subject areas and grade spans they will be assigned to teach and provides extensive ongoing training and curricular resources to support its educators to successfully teach "out-of-field." This is consistent with the DYS and DESE interpretations of the requirements for this program.

Because CES and the state agencies who contract with us for these services recognize that teaching "out-of-field" is an integral part of the design of educational programming for institutional settings, CES and its funders have established a robust professional development system that includes up to 7 days of professional development each year, two of which are content focused and thereby intended to support teachers in teaching outside of their field, and an instructional coaching model that provides immersive on-the-job training and mentoring for

teachers to be successful in and outside of their field and in these unique therapeutic learning environments. CES provides both rotational coaching and coaching residencies, and coaches also facilitate multiple content based learning teams each year. Teachers also access extensive curricular materials to support teaching, aligned with the most current Massachusetts State Curriculum Frameworks, and foundational instructional guides support teachers' planning in each core content area.

CES has historically provided notification of these additional teaching duties to its educators through its contracts and/or employment offers. The collective bargaining agreement outlines the required language for use in employment contracts.

CES will review and revise in its employment contracts and letters of employment to ensure they do not imply a specific license is required, and that they document consistent details and requirements.

With regard to the Education Personnel Information Management System (EPIMS): in May of 2017, CES sought and followed guidance from [DESE's] Data Collection Department on changes to state reporting requirements for educational collaboratives. We acted in accordance with this guidance and utilized classification codes approved by [DESE] for Collaboratives when documenting in EPIMS.

CES will seek additional guidance from [DESE] on how to appropriately code our workforce and share the auditor's concerns in an effort to finalize the correct coding for employees working in special education institutional settings contracted under state contracts with different restrictions and implement internal controls necessary to comply with the guidance provided.

CES Human Resources Department will coordinate a review and identify uniform procedures and internal controls for monitoring required licenses, application for waivers, and EPIMS data.

Post-Audit Period Actions for Finding 1

Waivers: CES has worked with [DESE] to streamline the waiver process for teachers working in institutional settings, and we will not extend a contract for a permanent teaching position to an unlicensed teacher until we have an approved waiver on file. CES will build on this process across the agency for our other programs.

Auditor's Reply

As noted above, Section 4E of Chapter 40 of the General Laws prohibits collaboratives from hiring individuals to teach if they have not been granted a license or temporary waiver by the Board of Elementary and Secondary Education. Further, the "Professional Standards for Teachers" section of CES's *Employee Handbook* states,

All teachers employed by CES are subject to the same professional standards, approval criteria, and licensure/re-licensure requirements as teachers employed by a local school system. All CES teachers must be highly qualified in the subjects they are teaching.

Despite this, during our audit period, CES hired at least four educators who did not possess a license or approved waiver when they were hired. Two of them were unlicensed and received a waiver after they were hired by CES, and two did not possess a license or obtain an approved waiver at any time while employed by CES. None of these four individuals should have been hired by CES.

Additionally, we found numerous instances where CES educators taught in positions for which they were not hired and did not possess the appropriate licensure for the subject/s. As detailed above, 18 of the 60 CES educators in our sample did not have licenses or waivers issued by DESE for the subjects and/or grades for which they were employed. We acknowledge that DESE's regulations for out-of-field teaching do not apply to CES. However, these regulations recognize that teaching out of field may negatively affect the quality of education; therefore, they limit the percentage of an educator's time that the educator can teach out of field. For this reason, we believe that regardless of the teaching model CES uses, the collaborative should take whatever measures it can take to minimize out-of-field teaching and ensure that its educators teach the subjects for which they were hired and are properly licensed. Although we believe that it is a good business practice for CES to provide ongoing training and support to educators who teach out of field, we do not believe this ensures that CES's students will receive the same quality of educational services that properly licensed educators can provide.

In its response, CES states,

CES . . . followed guidance from [DESE's] Data Collection Department on changes to state reporting requirements for educational collaboratives. We acted in accordance with this guidance and utilized classification codes approved by [DESE] for Collaboratives when documenting in EPIMS.

However, as noted above, we found a number of errors in the information CES recorded in EPIMS. For example, the credentials (licenses or waivers) of 13 educators from our sample of 60 did not correspond to the teaching assignment information that CES reported to DESE in EPIMS. This included instances where CES recorded educators' assignment information (position, subject, and/or grade) incorrectly in EPIMS and this information did not accurately reflect their actual teaching assignments. Therefore, CES needs to improve its internal controls over this activity to ensure that its educators' credentials correspond to their teaching assignment information in EPIMS.

Based on its response, CES is taking measures to address our concerns on this matter.

2. CES educators conducted evaluations without the appropriate license, waiver, or authorization.

Seven CES employees conducted evaluations of the 60 educators in our sample without the appropriate license, waiver, or authorization to do so. Six of the seven employees were teaching coordinators and did not receive written authorization from their supervisors to conduct evaluations. One was a primary evaluator but did not have an administrator license or waiver. As a result, CES educators may not receive proper feedback on their performance.

Authoritative Guidance

Article 15 of the collective bargaining agreement between CES and Service Employees International Union / American Federation of Labor and Congress of Industrial Organizations Local 509 requires CES to ensure that each primary evaluator has either an administrator license or a waiver to conduct evaluations. Additionally, the CES *Teacher Evaluation System* guide requires teaching coordinators to have written authorization from their supervisors to conduct evaluations.

Reasons for Issue

CES does not have internal controls to ensure that all primary evaluators have administrator licenses or waivers and that teaching coordinators conducting evaluations have received written authorization from their supervisors.

Recommendation

CES should develop internal controls to ensure that all primary evaluators have the required licenses or waivers and that teaching coordinators conducting evaluations have written authorization from their supervisors.

Auditee's Response

During the period covered by the Audit, CES was in the first year of implementation of a new online evaluation information system product used by many districts across the Commonwealth for the purposes of evaluating a group of non-instructional staff. Due to technical features built into this product, the Primary Evaluator was not accurately identified [by CES]. However, with respect to the actual implementation of the summative evaluations for these employees, CES does and will continue to ensure that the Primary Evaluator was and remains an appropriately licensed administrator, and holds an appropriate license or waiver.

CES will undergo a thorough review of this online system and the forms used within it, to configure them so that potential user errors are mitigated, its features are leveraged to support our internal control systems, and it reflects intended practice.

CES will implement a uniform method for notifying educators of their Primary Evaluator, notifying educators of their Primary Evaluator at the beginning of each academic year; and will review the licensure status of each Primary Evaluator prior to issuing such notification.

Post-Audit Period Actions for Finding 2

Teaching Coordinators are no longer required to carry out formalized evaluation activities of the special education staff assigned to work in their programs, this expectation has been removed, and therefore, there is no need for written authorization.

CES has reviewed all Primary Evaluators and confirmed they hold an appropriate license or waiver.

Both during and subsequent to the audit period, CES has made a number of modifications to the online evaluation system to adapt it to the needs of and structure of the respective programs and services.

Auditor's Reply

In performing our testing in this area, we confirmed with CES officials that we had properly identified all the primary evaluators for the evaluations in question before we completed our analysis. As noted above, our analysis found that seven CES employees conducted evaluations of the 60 educators in our sample without the appropriate license, waiver, or authorization to do so. Further, our review of educator evaluation documentation included all phases of the evaluation process, not simply the summative evaluation.

Based on its response, CES is taking measures to address our concerns on this matter.

3. CES did not ensure that its educators and evaluators completed all required evaluation activities during the 2017–2018 school year.

During the 2017–2018 school year, CES did not ensure that its educators and evaluators completed all required activities for the annual evaluation cycle for 30 of the 60 educators⁶ in our sample. Specifically, 8 educators did not complete self-assessments, 6 educators did not complete goal-setting forms, 18 educators did not maintain directories of evidence documenting progress toward their goals, evaluators did not observe 20 educators at least four times during the school year, evaluators did not complete

6. Some educators had more than one instance of noncompliance.

formative assessments for 16 educators, and evaluators did not complete summative evaluations for 4 educators. Additionally, CES did not have an evaluation system for administrators.

As a result, CES cannot effectively assess educator performance, provide meaningful feedback to its educators, or promptly identify and address underperformance.

Authoritative Guidance

The regulation 603 CMR 35.06(2) specifies that the evaluation cycle must include self-assessment; 603 CMR 35.06(3) specifies that the evaluation cycle must include goal setting and development of an educator plan; 603 CMR 35.06(5) specifies that the evaluation cycle must include a formative assessment; 603 CMR 35.07(1)(c) specifies that observations must be used as evidence in evaluations; and 603 CMR 35.06(6) specifies that the evaluation cycle must include a summative evaluation.

CES's *Teacher Evaluation System* guide refines the requirements of 603 CMR 35 by establishing the following requirements for each phase of the evaluation cycle.

PHASE 1: Self-assessment . . .

In the first eight (8) weeks of school, all teachers and teaching coordinators will review the four Standards and Indicators of Effective Teaching and use the self-assessment tool for this purpose. . . .

PHASE 2: Goal Setting and Plan Development . . .

All educator plans shall include one goal for each of the Standards and Indicators of Effective Teaching for a total of three (3) goals. . . .

PHASE 3: Implementation of Educator Plan

Throughout the year, all educators and teaching coordinators will maintain a portfolio demonstrating evidence of their progress towards their Educator Plan goals. . . . Furthermore, Educators and Evaluators should use the TeachPoint system for storing selected artifacts that demonstrate evidence of your progress, in addition to your hard copy portfolio.

PHASE 4: Formative Assessments and Evaluations . . .

Evaluators are expected to conduct at least four (4) mini observations throughout the year. . . .

PHASE 5: Summative Evaluation . . .

*Educators on a two-year **Self-Directed Plan** will have a summative evaluation every other year, pending ongoing performance ratings at the Exemplary or Proficient level.*

For educators on any of the other plans, the evaluator will provide a comprehensive summative evaluation at the end of the year of the educator's performance in each of the Standards and indicators and overall.

For the evaluation of administrators, 603 CMR 35.04 states,

School committees [including educational collaborative boards] shall establish evaluation systems and performance standards for the evaluation of administrators that include all of the principles of evaluation, set forth in 603 CMR 35.00. School committees may supplement the standards and indicators in 603 CMR 35.04 with additional measurable performance standards consistent with state law and collective bargaining agreements where applicable. The district shall adapt the indicators based on the role of the administrator to reflect and allow for significant differences in assignment and responsibilities. The district shall share the performance standards with all administrators.

Reasons for Issue

CES does not have internal controls to ensure that all aspects of the annual evaluation process are completed for all educators. CES did not provide a reason it does not have an evaluation system for administrators.

Recommendations

1. CES should develop internal controls to ensure that all phases of the annual evaluation process are completed for all educators.
2. CES should develop and implement an evaluation system for administrators and ensure that it meets the requirements of 603 CMR 35.

Auditee's Response

The extensive suite of performance evaluation activities we carry out with our educator workforce together with the complications endemic to the use of a new online evaluation information system requires we undergo a thorough review of this product to ensure it is configured such that potential user errors are mitigated, its features are leveraged to support our internal control systems, and it reflects intended practice.

CES will review the CES evaluation system for administrators, and create a guide documenting procedures for its current practices as is required by Section 35 of Title 603 of the Code of Massachusetts Regulations, and implement corresponding internal controls going forward, clarifying consistent expectations for all CES programs.

CES will be reviewing these materials, forms, and tools across all CES programs where such evaluation is required for consistency of application and implementation.

Post-Audit Period Actions for Finding 3

Within the DYS program, we have drafted standards and indicators aligned to the evaluation system outlined by [DESE] tailored to the varied expectations of administrators working under this contract.

Additionally, we have made refinements to the forms included in the new online evaluation information system we use, in order to align with intended practice.

CES has drafted a guide to better document and articulate the administrator evaluation system going forward.

Auditor's Reply

Based on its response, CES is taking measures to address our concerns on this matter. We again urge CES to implement our recommendation to develop internal controls to ensure that all phases of the annual evaluation process are completed for all educators.

OTHER MATTERS

The Department of Elementary and Secondary Education’s contract with the Collaborative for Educational Services for general and special education services lacks required provisions.

Federal regulations require states to implement the requirements of the Individuals with Disabilities Education Act, which, among other things, guarantees the right of every student with a disability to receive free and appropriate public education (FAPE).⁷ However, during our review of the most recent contracts between the Department of Youth Services (DYS) and the Collaborative for Educational Services (CES) for CES to provide general education services, and the contracts between the Department of Elementary and Secondary Education (DESE) and CES for CES to provide special education services, to children in institutional settings, we noted that the contracts lacked certain required provisions.

According to Section 300.154(a) of Title 34 of the Code of Federal Regulations (CFR), the chief executive officer of a state’s Department of Education, or his/her designee, must make sure that there is an agreement between each noneducational public agency (such as DYS, the Department of Mental Health, or county houses of correction) and the state educational agency, which in the Commonwealth is DESE, to ensure that all required services associated with FAPE are provided.

Despite these requirements, we found that there was no agreement between DESE and DYS and that CES’s contracts with DESE and DYS did not include any provision or other responsibilities on the part of these agencies to ensure the timely and appropriate delivery of services associated with FAPE.

The Office of the State Auditor believes that DESE, DYS, and CES should collaborate and ensure that all contracts for general and special education services meet all of the requirements of 34 CFR.

Auditee’s Response

The Department of Youth Services [contracts] with the Commonwealth Corporation to provide general education and vocational services in accordance with DYS statutory mandate to provide general education to youth in its care and custody. G. L. c. 18A, §2. The Commonwealth Corporation subcontracts with CES to provide general educational services as well as transitional services.

7. Section 300.101(a) of the Code of Federal Regulations states that FAPE must be provided for all children with disabilities “residing in the State between the ages of 3 and 21, inclusive, including children with disabilities who have been suspended or expelled from school.”

DESE has opined that DYS is not [a local education agency] subject to the licensure requirements of 603 CMR 7.00 that dictate that teachers teach "out of field" no more than [20%] of the time. Our positions are consistent with DYS and DESE's interpretation of the law and regulations and those two agencies have the right and authority to interpret their own legislation and their own regulations.

Further, there is no evidence to suggest that the educational outcomes of DYS youth are negatively affected by the educational structure in DYS programs.

The [Office of the State Auditor] cites that DYS and DESE need to enter into an agreement to ensure certain services are provided in accordance with CFR 300.154(a). This Regulation provides that the requirements of (a) can be met through a statute or regulations. Since DESE has statutory authority as well as regulations governing its requirement to provide special education in institutional settings 603 CMR 28.06(9), the requirements of (a) are arguably met.

Auditor's Reply

As noted above, the contracts between CES, DESE, and DYS that were in effect during our audit period did not contain certain provisions required by 34 CFR 300.154(a) that are related to ensuring that all required services associated with FAPE are provided. Although DESE may have the authority to implement these requirements for institutional settings through its regulations, it has not done so; therefore, we urge DESE, DYS, and CES to collaborate and ensure that all contracts for general and special education services meet all of the requirements of 34 CFR.

CES does not effectively monitor its educators' out-of-field teaching.

CES does not effectively monitor the extent to which its educators teach subjects for which they were not hired or do not have the appropriate license. (Teaching in a field for which one is not licensed is referred to as out-of-field teaching.) Out-of-field teaching is not uncommon and is sometimes necessary if there is a staffing shortage.

DESE has issued guidance governing out-of-field teaching for instances when it is unavoidable. DESE requires that educators spend no more than 20% of their time teaching out of field in a school district (e.g., in public, charter, technical, or vocational schools). However, educators who are not employed in a school district, such as those who teach at DYS facilities, are not subject to this requirement. Most of CES's students are served under contracts with state agencies, such as DYS, and are exempt from this requirement; however, the quality of education that students receive can be negatively affected if too much of their instruction is out-of-field teaching.

In its *Employee Handbook*, CES recognizes the importance of ensuring that all its students receive their instruction from only licensed educators:

All teachers employed by CES are subject to the same professional standards, approval criteria, and licensure/re-licensure requirements as teachers employed by a local school system. All CES teachers must be highly qualified in the subjects they are teaching.

CES uses several management systems to hire educators, evaluate them, place them in classrooms, and monitor their attendance. However, CES does not have a central system it can use to determine the percentage of time its educators teach subjects for which they were not hired and/or are not appropriately licensed (or “highly qualified” according to the *Employee Handbook*). Because CES requires each educator to have a license and has contracts with educators to teach certain subjects, we expected that educators would primarily be assigned to teach subjects for which they were licensed. Since CES does not have a central system, CES could only provide us with a report from the Education Personnel Information Management System (EPIMS) to show evidence of teaching assignments during the audit period, and we used this report to perform audit testing that was related to our objective regarding whether CES educators’ and teachers’ credentials corresponded to their contracts or positions. However, as discussed in [Finding 1](#), CES did not always accurately report data in EPIMS, and EPIMS is not a system CES can use to track teaching assignments during the school year.

During our audit, we conducted an online survey of 159 CES educators from our audit period and received responses from 124. One of the survey’s goals was to obtain an understanding of the extent to which educators taught subjects for which they had not been hired and/or taught out of field. Forty-three of 124 respondents indicated that they spent 30% or more of their average workweeks teaching subjects for which they did not have the appropriate licenses. Additionally, 71 respondents stated that they had been asked to teach a subject for which they did not have a license at least five times while they were employed at CES.

Based on these results, we recommend that CES develop an information system that would allow it to track which classes its educators teach and quantify the extent to which they teach out of field. CES should use this information to ensure compliance with its *Employee Handbook*, which requires all of its students to receive as much classroom instruction as possible from educators who are “highly qualified in the subjects they are teaching.”

Auditee's Response

As acknowledged by the Auditor, CES educators working in institutional settings are not subject to the requirements restricting the time an educator may teach "out-of-field." Therefore, monitoring an [educator's] out-of-field teaching in these settings is not required.

For all other CES programs, CES will review its current monitoring of "out-of-field" teaching internal controls and make any required changes and improvements, including those that may be needed to the employee handbook.

Auditor's Reply

We acknowledge that according to DESE regulations, CES educators working in institutional settings belonging to DYS are not subject to DESE's limitations on out-of-field teaching. However, as mentioned throughout this report, DESE recognizes that to better ensure that students receive quality educational services, the percentage of time teachers can teach out of field must be limited, monitored, and managed. Therefore, we believe that CES should develop an information system that would allow it to track which classes its educators teach and quantify the extent to which they teach out of field. CES can use this information to ensure compliance with its *Employee Handbook*, which requires all of its students to receive as much classroom instruction as possible from educators who are "highly qualified in the subjects they are teaching."

APPENDIX

Massachusetts Educational Collaboratives

