

**Executive Limitation 3.E
Asset Protection**

To: Board of Education

From: Dr. Chris Fiedler, Superintendent of Schools

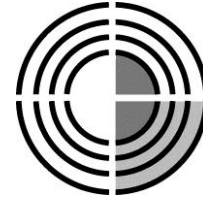
Re: Expectations of the Board – 3.E Asset Protection

I hereby present my report on our Asset Protection Executive Limitation 3.E in accordance with the schedule as set forth in Board policy. I certify the information in this report is true.



Signed: _____
Superintendent, School District 27J

Date: April 25, 2017



Policy 3.E – ASSET PROTECTION

Date Adopted/Last Revised: April 24, 2012

The Superintendent will not cause or allow corporate assets to be unprotected, inadequately maintained or unnecessarily risked.

Overview Page 4

The Superintendent will not:

1. Allow the organization to be uninsured. Page 5

- Hierarchy of Insurance Coverage

Reporting: Compliance

2. Subject facilities and equipment to improper wear and tear or insufficient maintenance. Page 7

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| • Buildings and Values | • Facility Leasing |
| • Items Past Their Useful Lives | • Data Processing Equipment |
| • Capital Reserve Expenditures | • Vehicles |
| • Security | • Nutrition Services |
| • School Sites | • Oil and Gas Mineral Rights |

Reporting: **Non-compliance**

3. Operate without employing risk management practices to minimize exposure of the organization, its Board, or staff to claims of liability. Page 18

- Colorado Governmental Immunity Act Coverage
- Outstanding Claims

Reporting: Compliance

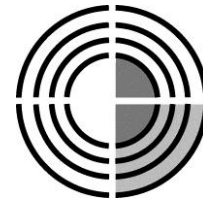
4. Allow any purchase wherein normally prudent protection has not been given against conflict of interest. Page 19

Reporting: Compliance

5. Allow a purchase of \$20,000 or more without having obtained comparative prices and quality. Page 19

Reporting: Compliance

6. Allow the purchase, disposal, or lease of real estate valued at more than \$20,000 without having obtained comparative prices. Page 20
- Reporting: Compliance
7. Allow the Board to be unaware of the acquisition, encumbrance, lease, or disposal of real estate valued at more than \$20,000 without providing the Board with information for discussion prior to a final decision being made. Page 21
- Reporting: Compliance
8. Fail to protect intellectual property, information, and files from loss, improper access, or significant damage. Page 21
- Reporting: Compliance
9. Receive, process, or disburse funds under controls insufficient to meet the Board-appointed auditor's standards. Page 23
- Reporting: **Non-Compliance**
10. Compromise the independence of the board's audit or other external monitors or advisors. Engaging parties already chosen by the board as consultants or advisors is not permitted. Page 23
- Reporting: Compliance
11. Invest or hold operating capital in unsecure instruments or in non-interest-bearing accounts except where necessary to facilitate ease in operational transaction. Page 24
- Investments
- Reporting: Compliance
12. Endanger the organization's public image, its credibility, or its ability to accomplish goals. Page 25
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- Reporting: Compliance
13. Change the organization's name or substantially alter its identity. Page 29
- Board-directed Unofficial Name Change
- Reporting: Compliance



Policy 3.E – ASSET PROTECTION

Date Adopted/Last Revised: April 24, 2012

The Superintendent will not cause or allow corporate assets to be unprotected, inadequately maintained or unnecessarily risked.

I interpret assets to represent physical and intellectual property of the District with a value greater than \$5,000.

I interpret unprotected as assets without insurance.

I interpret inadequately maintained as a lack of preventive maintenance, repair, or renovation which may cause an asset to deteriorate or experience an accelerated depreciation.

I interpret unnecessarily risked as exposure of assets to circumstances resulting in a higher likelihood of theft or otherwise being unavailable for the asset's intended purpose.

Data Reported

The data contained in this report will illustrate that the District's assets have been protected using insurance coverage amounts that meet or exceed industry standards and are similar to those utilized by members of the Rocky Mountain Risk Insurance Group, formerly known as the Adams County Board of Cooperative Educational Services (BOCES). The newly configured Rocky Mountain Risk Insurance Group includes the school districts of District 27J, Adams 1 (Mapleton), Adams 12, and Adams 50, however, Adams 12 has provided notification of their intent to withdraw from the group effective June 30, 2017. Premiums and claim payments are within industry standards for a district the size of School District 27J. Insurance contracts and policies are in place with the appropriate level of protection and all loss claims against the policies are recovered, less the deductible. Insurance costs for general liability, auto liability, and property protection indicate adequate coverage to protect District assets. The Colorado Group Insurance Association (CGIA) permits public entities to self-insure as well as to purchase commercial insurance subject to C.R.S. 24-10-115 and 29-13-101, 102 & 105.

In addition to insurances, the District participates in a number of training opportunities provided by the Rocky Mountain Risk Insurance Group to improve risk management practices, mitigate risks and reduce loss. Additional consultation is available through our insurance broker.

The Rocky Mountain Risk Insurance Group Management Advisory Council (MAC) is comprised of representatives from each district. This group meets monthly to discuss workers' compensation issues, review claims, and make recommendations to the Board of Directors regarding safety and loss control issues. The Board of Directors consists of a Board of Education member from each district, including a Superintendent Representative and a MAC Representative.

As a public agency, the processes by which a claimant can attempt to recover damages and/or losses as

well as the limits of how much a claimant can collect from School District 27J are regulated by the Colorado Governmental Immunity Act (CGIA). In very general terms, claimants may seek a waiver of this protection if the agency failed to act reasonably and/or allowed a known dangerous condition to exist that eventually caused harm. Even with governmental immunity, the claim must be investigated and a response put forward. Under the CGIA recoveries are limited to \$350,000 per person and \$990,000 per claim. Examples of claims that could be made against school districts include ice and snow on walkways, inadequate student supervision, and inadequate facility maintenance.

In 2004 the Insurance Pool added E&O (Errors and Omissions) coverage which insures the districts against wrongful acts committed by the districts. Employment practices liability and educators professional liability are also included in this coverage. Board members face these exposures and should be aware that claims presented to the Pool are not subject to the Colorado Governmental Immunity Act (CGIA) which limits the levels of recovery by claimants.

The District takes the necessary precautions to prevent unnecessarily risking the image of the District and to protect its assets through adherence to its policies and procedures. These policies and procedures address employee conflict of interest and purchasing. External audits have been performed to measure compliance with them.

Intellectual property, information, and files are backed up and protected from misuse, significant damage, or copyright infringement in accordance with accepted governmental standards.

In regards to facility maintenance, the state mandated set-aside for capital reserve funding was eliminated after the 2008-2009 school year. That statutory change in conjunction with declining District funding commencing in FY 2010 caused the District to realign many of its facility maintenance practices in an effort to remain compliant with the District's Global End of raising academic achievement. The allocation of resources to this end, while initially thought to be short term, continued for many years. The impact of this financial condition caused many facility maintenance items to be deferred until such time funds became available.

In November 2015 the District passed a school construction bond in the amount of \$248 million. In addition to the construction of new facilities, a minimum of \$10.5 million has been allocated to lengthen the life of existing educational facilities through the repairs and maintenance of items previously deferred. Renovation and expansion projects at Brantner Elementary School, Brighton Heritage Academy, Brighton High School, Northeast Elementary School, Overland Trail Middle School and Vikan Middle School will also include the remediation completion of a number of deferred maintenance items within those facilities. It is anticipated that the vast majority of projects identified within this bond will be completed by the summer of 2021.

The Superintendent will not:

- 1. Allow the organization to be uninsured:**
 - a) Against theft and casualty losses to at least 90% of replacement value;**
 - b) Against liability losses to Board members, staff and the organization itself in an amount equal to or greater than the average for comparable organizations; and**
 - c) Against employee theft and dishonesty.**

I interpret insured to be defined as appropriate policies shall be in place and all claims against

the policies are resolved.

Data Reported

State law mandates minimum automobile bodily injury coverage of \$25,000 and minimum property damage coverage of \$50,000 per incident. The District has in place insurance policies to cover acts of litigation, settlements, judgments and staff injuries resulting in financial remuneration by the District. The policies provide coverage for these acts to the extent available through insurance contracts. There are certain acts that are not insurable.

The District is a member with the aforementioned four Adams County school districts in the Rocky Mountain Risk Insurance Group (the Pool) which provides insurance coverage for all its members. The Pool’s Board of Directors consists of one member appointed by the Board of Education of each participating school district. All members of the Pool’s Board of Directors have an equal vote in the administration of the Pool’s activities, are responsible for selection of management, and have complete responsibility for all fiscal matters in the operation of the Pool.

The District pays annual premiums for property, liability, and workers’ compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds that the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

The Pool, which is subjected to actuarial review and annual audit, has various levels of self-insured retentions and purchases excess insurance for amounts above the retentions for liability, property, and workers’ compensation coverage.

Rocky Mountain Risk Insurance Group

2016-2017

Hierarchy of Coverage By Line

	<u>Property</u> (Buildings, Vehicles, & Contents)	<u>E & O</u>	<u>Liability</u>	<u>Workers’ Compensation</u>	<u>Boiler & Machinery</u>	<u>Employee Dishonesty (Crime)</u>	<u>Cyber Liability</u>
District Responsibility	\$0 - \$1,000	\$0 - \$10,000	\$0	\$0	\$0 - \$5,000	\$0 - \$25,000	\$0 - \$50,000
Pool Retention	\$1,000 - \$100,000	\$10,000 - \$150,000	\$0 - \$150,000	\$0 - \$550,000	None	None	None
Excess Coverage	\$100,000 to \$1,000,000 BRIT	\$150,000 to \$10,000,000 (*Abuse to \$5M) BRIT	\$150,000 to \$5,000,000 Auto Liability \$10,000,000 General Liability BRIT	\$550,000 Statutory Safety National	\$5,000 to \$100,000,000 Travelers	\$25,000 to \$1,000,000 Travelers	\$50,000 to 1,000,000 - 5,000,000 ACE
Additional Excess Coverage	\$1,000,000 to \$100,000,000 Travelers						

*Student Sexual Abuse has a sub-limit of \$5,000,000 under Educators Legal Liability.
Charter Schools are excluded from all lines of coverage.

This interpretation is reasonable because its intent meets industry standards for insurance as established

by the Rocky Mountain Risk Insurance Group Limits and Retentions.

Conclusion: I report compliance.

The Superintendent will not:

2. Subject facilities and equipment to improper wear and tear or insufficient maintenance.

I interpret facilities to comprise buildings and grounds owned or leased by the District.

I interpret equipment to mean tools, electronic data processing equipment, vehicles and machines that either alone or in combination comprise and/or support operating systems within these facilities with a value exceeding \$5,000 and a useful life greater than one year.

I interpret electronic data processing equipment to mean communications equipment used for essential operational activities. These pieces of equipment are building level switches, phone switching equipment, and fiber connections.

I interpret improper wear and tear as failure to sustain the integrity of the asset in a timely manner or protect the normal life of the asset for the asset's intended purpose within the funding capacities provided.

I interpret insufficient maintenance as not keeping up with preventive and corrective maintenance as recommended by the manufacturer or prevailing industry practice.

Data Reported

Buildings

The District owns and maintains a number of facilities. The following chart is a summary description of the facilities, the square footage, and the insurable values of the buildings and their contents as reported by the Rocky Mountain Risk Insurance Group:

	Number of Buildings	Square Footage	Value of Buildings	Value of Contents	Site Improvements	Total Value
School Facilities	19	1,554,945	\$279,855,261.02	\$26,503,100.00	\$3,145,837.00	\$309,504,198.02
Modulars	38	75,656	\$6,244,918.08	\$932,904.75	\$0.00	\$7,177,822.83
Other Facilities/Out Buildings	18	149,874	\$13,872,356.52	\$4,248,545.45	\$64,024.00	\$18,184,925.97
Grand Total	75	1,780,484	\$299,972,535.61	\$31,684,550.20	\$3,209,861.00	\$334,867,046.81

Through the exceptional effort of District staff, a 100% rating has been achieved for this year by keeping all facilities open and able to serve their intended service each day of the past year.

Prior to January 2016, limited funding availability forced the deferral of many routine maintenance and life expectancy replacements of District assets related to buildings and equipment. These deferred

actions caused the staff to claim non-compliance in this area for the past two years. The successful 2015 school construction bond has provided the financial resources necessary to make improvements in this area. A number of deferred maintenance projects will be completed in the coming years and it is anticipated staff will soon be able to claim compliance in this area.

The following chart is a non-inclusive list of some of the items deferred beyond their reasonable life expectancies that have been identified and are currently being scheduled for repair or replacement as part of the 2015 school construction bond program.

Building	Equipment Manufacture or Install Date	Specific Item of Concern	Useful Life	Past Useful Life?
Elementary Schools				
Henderson Elementary	1998	Carpet	7-12	yes
	1998	PA/Intercom System	15	yes
Southeast Elementary	1994	HVAC Controls	15	yes
	1994	PA/Intercom System	15	yes
	2009	Fire Detection Panel	15	
Northeast Elementary	1998	Carpet	15	yes
	1998	Fire Detection Devices	15	yes
	2007	Fire Detection Panel	15	
		Concrete / Asphalt	20	yes
North Elementary	1998	Resilient Flooring	7-12	yes
	1998	Fire Detection Panel	15	yes
South Elementary	1998	Roof	20	no but failing
Middle Schools				
Overland Trail Middle School	2001	North End Roof Tops	20	yes
		Roof	20	yes
	2005	Fire Detection Panel	15	
	1984 - 2000	Carpet	7-12	yes
Vikan Middle School	1987 to 2000	Roof Top Units	20	yes
		Resilient Flooring / Carpet	7-12	yes
		PA/Intercom	15	yes
	2002	Fire Detection Panel	15	yes
	1962	Domestic water piping	50	yes
High Schools				
Brighton High School	1991	Roof	20	yes
		Parking Lots	25	yes
Brighton Heritage Academy	1987	Boilers	25	yes
	1994	Roof	20	yes
Administration & Support				
ESC	1979	Roof	20	yes
Pool	1992	Roof	20	yes

The following items have been identified subsequent to the passage of the election and are currently being prioritized for inclusion in the bond program.

Building	Equipment Manufacture or Install Date	Specific Item of Concern	Useful Life	Past Useful Life?
Elementary Schools				
Henderson Elementary	1998	Fire Detection Devices	15	yes
	2007	Fire Detection Panel	15	
Southeast Elementary		Boiler	20	yes
		Resilient Flooring (VCT)	15	yes
		Roof	20	yes
Northeast Elementary	2007	Fire Detection Panel	15	
North Elementary	1998	PA/Intercom System	15	yes
South Elementary	1998	Fire Detection Panel	15	yes
	1998	PA/Intercom System	15	yes
Middle Schools				
Overland Trail Middle School	1984	Domestic Hot Water Boiler	15	yes
Vikan Middle School		Resilient Flooring / Carpet	7-12	yes
		PA/Intercom	15	yes
	2002	Fire Detection Panel	15	yes
	1962	Domestic water piping	50	yes
High Schools				
Brighton Heritage Academy	2002	Fire Detection Panel	15	yes
Administration & Support				
ESC	1979	Cooling Tower (west)	25	yes
	1979	Boiler (west)	20	yes
Technology	1998	Fire Detection System	15	yes
	???	Windows	20	yes
	1971	Roof	20	yes

Security of District Facilities

The site-specific school emergency plan for each school details the site’s physical security and fire protection systems in the Prevention/Mitigation section. The District has a number of systems in place to protect people and assets and the projects being implemented throughout the District with bond funding will greatly enhance school security and safety.

Access Control

All elementary and middle schools have main entrances that require visitors to be screened prior to entry during school hours. Most were installed during 2014 (Brantner, Prairie View Middle and Stuart Middle had similar systems installed during school construction). These systems allow staff to view and talk to entrants before remotely unlocking the access door. Second entry stations were added at a few schools where access from modular classrooms through another school entrance is controlled. Cafeterias at some sites have similar equipment that is used for after-hours childcare programs.

Currently, the following sites have electronic card key access systems for employees: Brantner Elementary, Brighton High School, Prairie View High School, Prairie View Middle School, Stuart Middle School, and the Network Operations Center. Bond funds will provide all other existing schools with electronic access control. This is also part of the security improvements being implemented at the Educational Services Center (ESC) as a new enterprise system is implemented district wide for staff badging and access, planned for completion at the start of the 2017-2018 school year.

All 18 District-managed schools use a visitor management and screening system licensed from Raptor Technologies. The Brighton and Commerce City charter schools use Raptor or a similar system. Visitors present their identification card, such as a driver's license, for scanning. The entrant is screened against a national sex offender database and site-specific alerts for restraining orders and other security issues that are customized by each school. Entrants receive a badge that includes their photo, date, and destination. Written procedures have been issued for the District to standardize school access controls, and schools were provided with a School District 27J User's Guide.

Video Surveillance

All schools have video surveillance systems with continuous recording. The number of cameras ranges from a minimum of six at most elementary schools to more than 30 at the high schools. Bond security funding is providing dedicated servers for video recording for all sites, as well as a web-based video management system. A key feature of the system will be to allow law enforcement direct access to cameras during an incident. This conversion will be complete at all locations before the new school year, and is complete at Brantner Elementary, South Elementary, Prairie View Middle School, Prairie View High School, the main Transportation terminal, Brighton High School, Heritage Academy, the Network Operations Center and the Swimming pool (we now have remote access to the pool cameras). The Educational Service Center will also be receiving video surveillance. A security project has been completed at Transportation to provide an additional camera covering the propane loading area. All schools are scheduled to receive additional cameras, and this is part of the remodeling projects underway at Vikan and Brighton High School. The Transportation Department has a separate video system on buses.

Proactive use of live video at schools on dedicated monitors in the office area is an important use of the cameras since it can help prevent or detect a security threat. Authorized personnel, including School Resource Officers, district staff, administrators and other school staff utilize video.

After-Hours Security

All school buildings have intrusion detection systems that include motion detection in the main corridors to provide after-hours protection from theft and vandalism. A number of other District buildings are also protected through intrusion detection, including the Network Operations Center, the Nutrition building, the Swimming Pool building, and the main transportation terminal. New technology to manage this system is being implemented District wide that has a web-based interface for users, and alarms are centrally monitored by a contracted firm for appropriate dispatching.

Emergency Actions

School safety depends on quickly implementing emergency protocols, such as Lockout and Lockdown or Shelter for a tornado warning or outside hazardous material release. Some sites have the capability to use electronic controls to quickly lock exterior doors, or shut interior corridor doors to restrict the

movement of an intruder. New and existing schools will be receiving duress systems that include technologies for quick implementation and notification for Lockdown actions if there is a threat inside the building. Several remodeled schools will have classroom door hardware replaced with hardware that is keyed on both sides, which also facilitates Lockdown.

Carbon monoxide detection is a new requirement, and bond funds will provide systems to detect a release should it occur, and notify personnel. Systems have been designed and are being installed in the new schools and are included in the scope of work for schools getting major remodels. A schedule will be determined for adding it to other sites.

Fire Protection

All schools have remotely monitored fire alarm panels to ensure rapid notification of emergency responders in case the system alarms. All the school systems include smoke detection, alerting pull stations, fire extinguishers, and emergency lighting. Modular classrooms also have these systems and include notification systems for the main office if there is an alarm. More than half of the schools are protected by full sprinkler systems. The Educational Service Center, the Network Operations Center and the Main Transportation Terminal also have remotely monitored fire protection systems.

Back-Up Power

Nine schools have emergency natural-gas generators to provide long-term back-up power for critical functions such as emergency lighting and fire panels. Short-term UPS battery backup prevents interruption in service while the generators automatically start during an outage. It is the sole-source of back-up power on critical systems at sites without generators. The generator at the Network Operations Center has the capacity to back up power for the entire technology building and protects District network services equipment in that building including the phone system, servers, and internet connectivity. The current school remodeling projects are including back-up generators in their scope of work. The District has identified goals for additional equipment that should be backed up by generators at sites and will implement those goals as funding allows.

Summary

A number of projects are awaiting funding that will physically improve security and safety at schools. It is important to recognize that physical security depends on vigorous implementation of management systems in order to ensure school security. Ongoing auditing by school administration and District staff could improve compliance with these systems.

Grounds

The District owns and maintains 22 developed sites containing approximately 322 acres. The District also owns eight parcels of vacant land or land with schools under construction consisting of approximately 187 acres for future school sites that must be maintained as well.

Although not presently deeded to the District, there are another 15 parcels containing approximately 217 acres that have been identified as future school sites that are in varying stages of municipal approval and/or dedication. District staff continuously monitors these processes and works closely with our governmental partners to ensure adequate school sites for future enrollment.

SD27J DEVELOPED SITES

Site	Acres	Address
Brantner PK-5	14.92	7800 E 133rd Ave, Thornton
Brighton Heritage Academy 8-12	3.6	830 E Bridge St, Brighton
Brighton High School 9-12	28.2	270 S 8th Ave, Brighton
CLC		360 S 8th Ave, Brighton
Educational Service Center	13.282	18551 E 160th Ave, Brighton
Technology Annex	14.06	630 S 8th Ave, Brighton
Henderson PK-5	14.52	12301 E 124th Ave, Henderson
North PK-5	2.18	89 N 6th Ave, Brighton
Northeast PK-6	9.437	1605 Longs Peak St, Brighton
Overland Trail 6-8	15.23	455 N 19th Ave, Brighton
Pennock K-5	7.83	3707 Estrella St, Brighton
Prairie View HS 9-12	55.594	12909 E 120th Ave, Henderson
Prairie View MS 6-8	22.6	12915 E 120th Ave, Henderson
Second Creek PK-5	14.7268	9950 Laredo Dr, Commerce City
South K-5	3.67	305 S 5th Ave, Brighton
Southeast K-5	11.5	1595 Southern St, Brighton
Stuart MS 6-8	22.094	15955 E 101st Way, Commerce City
Swimming Pool	3.1506	565 Southern St, Brighton
Thimmig PK-5	5.37	11453 Oswego St, Henderson
Transportation Facility	19.9	11701 Potomac St, Brighton
Turnberry K-5	10.38	13069 E 106th Pl, Commerce City
Vikan 6-8	19.68	879 Jessup St, Brighton
West Ridge PK-5	10.091	13102 Monaco St, Thornton
Total Acres	322.015	

SD27J FUTURE SCHOOL SITES – OWNED

Jur*	Site	Acres	Potential Usage
BR	Brighton East Farms Filing No. 2	15	ES
BR	ESC - 18551 E 160th Ave	10	ES
BR	Indigo Trails – 1/2 mi N of 144th Ave, W of 19th Ave alignment	13.18	ES
BR	Mountain View – N of Denver St, E of 27th Ave, W of Telluride St	10	ES
CC	Reunion – W of Tower Rd, N of 104th Ave	10.0016	ES
TH	Riverdale Peaks II - 136th Ave & Yosemite St	73.04	HS
TH	Talon Pointe – Monaco St & 156th Ave	11.12	ES
TH	Timberleaf - 136th Ave & Yosemite St	44.8474	MS
	Total Acres	187.189	

* The jurisdiction in which the property exists.

AC = Adams County; BR = Brighton; CC = Commerce City; TH = Thornton

SD27J FUTURE SCHOOL SITES – IN PROCESS OF ACQUISITION

SD27J FUTURE SCHOOL SITES - IN PROCESS OF ACQUISITION

Jur*	Site Location	Acres	Potential Usage
BR	Brighton Crossings Filing 2	10	ES
BR	Brighton Lakes – Between 136th Ave & 144th Ave; Sable Blvd & Buckley Rd	10.1	ES
BR	Prairie Center – ½ mi S of Bromley Ln, E of Buckley Rd, N of 144th Ave	10.02	ES
BR	Prairie Center - Sec 20 T1S, R66W	20.1	MS
CC	Buckley Crossing – ½ mi N of 112th Ave between Buckley Rd & Tower Rd	15	MS
CC	Reunion – NE of 96th Ave & Buckley Rd	48	HS
CC	Reunion – S of 104th Ave between Peoria St & Potomac St	15	ES
CC	Reunion – S of 104th Ave between Potomac St & Chambers Rd	8.63	ES
CC	Reunion – Southlawn – S of 104th Ave, E of Buckley Rd	10.6142	ES
CC	Second Creek Farm – W of Tower Rd, ½ mi S of 96th Ave	15	ES
CC	Villages at Buffalo Run East – E of Chambers Rd, ½ mi N of 112th Ave **	5.01	ES
TH	North End Station – N Hwy 7 between Holly St & Colorado Blvd	10	ES
TH	The Parterre – N of E470, E of Quebec St	20.29	MS
TH	The Parterre – S of E470, W of Quebec St	9.7	ES
TH	Willow Bend – W of Holly St, N of 144th Ave	10.13	ES
	Total Acres	217.5942	

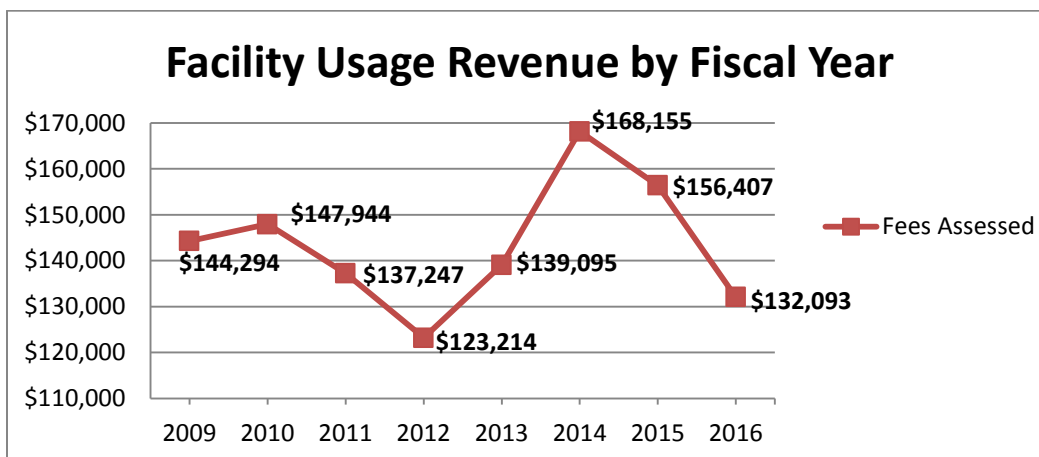
* The jurisdiction in which the property exists.
AC = Adams County; BR = Brighton; CC = Commerce City; TH = Thornton

** This property was dedicated as a school site by the developer, however, a clause in the PUD Zone document states that if a permanent elementary school facility has not been constructed by the latter of July 17, 2010 or a date that 80% or more single family units in Villages at Buffalo Run East and West have been sold, then the school site will revert to the developer. To date approximately 63% have been sold, and in all likelihood the property will revert to the developer.

Facility Leasing

District facilities are used by a number of entities for non-school purposes. The largest groups of users for non-school purposes are local municipalities. These uses are largely governed by intergovernmental agreements (IGA) executed by the parties. Users in this category are exempt from fees. The District also allows for the use of its facilities on a fee basis for other profit and not-for-profit organizations. A second category made up of non-governmental groups that serve District students was previously exempt from fees. Pursuant to a staff recommendation, the Board eliminated all exemptions except for those governed by existing IGA's and instituted a reduced fee for the previously exempt groups. The purpose of the change was to assist in the recovery of the costs of administering the building usage program.

The chart below illustrates the revenue assessed by fiscal year.



The continuing trend in the reduction of fees charged for the use of District facilities is a reflection of the increased use of the facilities by exempt groups and the growing lack of availability of these facilities for use by non-exempt groups. This trend is likely to continue until additional schools are built opening additional opportunities for usage by non-exempt groups.

Staff will continue to monitor revenues from the lease and use of District facilities and will work to maintain a balance between allowing community use of facilities without placing the financial burden of such leases on the District and/or its instructional process. Amendments to existing Memorandums of Understanding are being discussed between interested parties that could result in fees being charged for the municipal uses of our facilities.

There are currently no charges associated with the leasing of District fields and other outdoor spaces. Given the growing demand for these requests and the need to adequately monitor and maintain these facilities, this practice is being reviewed and may result in the charging of fees in the future for the use of these spaces.

Data Processing Equipment

The District owns and operates approximately 40 miles of a fiber-based switch network to provide broadband voice and data communications between facilities. Utilizing 2015 bond funds the network has been extended to Reunion Elementary and a major replacement of the fiber from the Technology Center to the District's schools in the west planning area, including High School #3 and Middle School #5, will be completed this summer. Future extensions will be needed to serve Elementary School #13 in the Brighton Crossings subdivision.

The District standard for fiber optic cable has been raised to 48 strand cable to allow for future expansions and/or leasing of external capacity.

The District also owns and operates an integrated telephone switching system that includes a primary District-wide phone switch with voice mail and individual sub-switches in school buildings. The District ensures protection of these systems through qualified vendor maintenance contracts. Contract specifications assure high availability of service and spare equipment to maintain 28 phone switches, and 252 data switches.

District staff monitors and is notified of any disruptions of these critical systems and has implemented the following support standard:

Maintain an operational availability (uptime) of 97.9% during the normal business hours of the District (7:00 AM - 4:30 PM, M-F).

All systems are currently being monitored, either via automation or manually, and have a 99.6% average operational availability this year.

The District has in place maintenance contracts on the building level switches and phone equipment installed in the District. The District also keeps a parts inventory to be able to make repairs and replace damaged equipment in a timely manner.

The District continues to monitor, correct, and protect the fiber network from any damage that may occur. Established relationships with multiple vendors expedite any repair work that may be needed.

Computers

There are approximately 7,863 devices within the District.

Four hundred student computers were replaced within the past year with another 400 scheduled for purchase in FY 2018. A similar number will be replaced in future years. This plan will ensure that no computer within the District will exceed five years of age. The newest computers will continuously be placed in high schools, and the older computers “cascaded” downward through the grades where less computing capability is required.

Teacher computers have been replaced with less expensive thin client computers. All costs for central administration replacements will be absorbed through building/departmental budgets.

This plan requires full and continuous implementation. Failure to do so may result in the loss of access to fully operable computers for our students and staff.

Telephone Systems

Currently the District operates on three telephone systems: one is 20 years old, one is 12 years old, and the other is 5 years old. The oldest system is at full capacity, cannot be expanded, and is rapidly becoming obsolete. An upgrade project utilizing components compatible with our current systems has been postponed due to lack of funding.

Technology Maintenance Schedule

Currently the District sets aside one weekend each month to perform preventive maintenance/updates on all hardware and software the District has in its production environment.

Vehicles

The District’s vehicle fleet consists of 95 motorized vehicles (pickups, tractors, and mowers) in the white fleet and 112 transportation vehicles including full size buses and Micro Birds. Maintenance services and inspections are performed by certified mechanics on all vehicles at the Main Transportation Terminal.

The vast majority of District owned vehicles are required to provide transportation services to students. According to reports filed with the Colorado Department of Education for the 2015-2016 school year, a total of 1,369,965 miles were traveled to support students. For the current school year, there are nearly 8,000 students eligible for transportation services by their home address or qualifying condition. Over 4,500 students have utilized transportation during the current year.

A current review of the mileage of the transportation fleet indicates that seven of the buses have mileage that exceeds 300,000 miles - three buses have mileage in excess of 400,000 miles. An additional 19 buses have mileage in excess of 200,000 miles. High mileage buses remain on the fleet to provide additional student capacity but are restricted to low mileage in-district routes.

The State of Colorado does not have a standard bus replacement schedule based on the age of the vehicle due to the fact that Colorado is not considered a high rust state. Industry standards suggest replacement at 350,000 miles on a diesel engine due primarily to new emission standards and 250,000

miles on propane engines.

The District has been attempting to keep pace with the demand for transportation services by making significant investments in this area over the past few years with the replacement of 11 buses and the addition of 18 buses in 2012, two buses in 2014, and eight buses in 2015. A Micro Bird was purchased utilizing FY 2016 Capital Reserve Funds and has been added to the fleet.

The chart below compares the mileage of the fleet over the past five years:

Mileage	2013 Number of Buses	2014 Number of Buses	2015 Number of Buses	2016 Number of Buses	February 2017 Number of Buses
400,000+	1	1	2	2	3
300,000- 399,999	11	11	11 (all 340,000+)	6 (four at 340,000+)	7
200,000- 299,999	7	7	11	17	23
100,000- 199,999	29	37	34	35	33
50,000-99,999	15	19	18	24	31
0-49,999	44	34	41	27	15
Total	107	109	119	111	112

Transportation reviews this data on a regular basis and compares it to their estimate of vehicles needed to maintain the current levels of service. Staff believes that current levels of service can be maintained with the current fleet through the end of the 2017- 2018 school year. Staff has recommended the purchase of eight general education buses, one specialized bus and two fifteen passenger buses to be ready for service at the outset of the 2018-2019 school year. This request is included within the proposed FY 2018 budget.

The increasing demand for transportation services caused by enrollment growth and increasing numbers of students requiring transportation as part of their Individualized Education Plans will require the District to continue its investment in transportation vehicles or consider reducing service levels. District staff is currently creating and evaluating service options for implementation in the 2017-2018 school year and beyond.

The District’s student transportation vehicles are regulated by the Colorado Minimum Standards Governing School Transportation Vehicles as developed by the Colorado Department of Education. The standards provide requirements for the annual inspection of vehicles used to transport students. The annual inspection requires a certified bus mechanic to follow an extensive checklist on the vehicle including damage to vehicles and brake and drive train inspections. If a vehicle fails inspection it cannot be used to transport students until repaired and re-inspected. After the re-inspection, the certified mechanic must sign a CDE required affidavit stating that the vehicle has been repaired, re-inspected, and is safe to transport students. This affidavit must be kept in the vehicle.

A maintenance and inspection record is established for each vehicle upon purchase and maintained until the vehicle is retired. A review of maintenance records indicates that all student transportation vehicles

have been adequately maintained according to state statute and CDE regulations. A similar review of the Preventive Maintenance Status report indicates that all white fleet vehicles have also been reasonably maintained.

A certified bus mechanic is required to have at least two years of maintenance experience on light, medium, and heavy-duty vehicles. The mechanic must pass a written and hands-on performance test initially, and is re-tested every three years. Mechanics participate in a variety of training opportunities to assist in their certification efforts. Documentation regarding mechanic certification is maintained at the Main Transportation Terminal.

Nutrition Services

The Nutrition Services department actively participates in asset protection in order to provide healthy, safe meals that are appealing and a value to students each year. During the 2015-2016 school year, 258,689 breakfast meals and 1,268,297 lunch meals were served. 60 percent of the meals were served to students who qualify for free and reduced meals.

Asset protection is an important element of Nutrition Services' business model, which includes factors such as proper procurement of food, supplies, and equipment, employee training, and the use of internal electronic and accounting controls.

Equipment is typically purchased and installed at new schools as part of the construction process. Replacement of food service equipment is funded by the Nutrition Services department, therefore, proper maintenance and care is taken to maintain existing equipment. Staff is also trained on the proper upkeep as well as safe use of all equipment in our kitchens. The District owns and maintains the Nutrition Service equipment that exists in all District schools with the exception of Brighton Heritage Academy. The Nutrition Services Department, via separate operating agreements, provides services to all of the District's charter schools and maintains the equipment in those facilities.

Food and other operating supplies are purchased following federal, state, and District procurement regulations. Nearly two thirds of the Nutrition Services revenues are tied to state and federal sources. The Nutrition Services Department operates without any revenue subsidy from the District's General Fund.

Oil and Gas Mineral Rights

Recent developments to oil and gas extraction technologies have made minerals under existing and future school sites accessible without any surface disruption to our school sites. The District owns many of these mineral rights. Staff is presently entertaining lease offers to lease these rights from a number of oil and gas development companies. Per Board of Education policy, leases will be presented to the Board for their approval.

In the coming year District staff will attempt to quantify the value of these leases and standardize the lease process to ensure the highest value and protection for the District.

Summary

The passage of the 2015 School Construction Bond has provided significant financial resources to support and expedite the maintenance District's facilities and equipment and move the District much

closer to achieving the much needed life cycle replacements for many of these items. While significant progress has been made in these areas there is still much work to be done. Based on the data provided, a report of non-compliance is warranted at this time.

Conclusion: I report non-compliance.

The Superintendent will not:

3. Operate without employing risk management practices to minimize exposure of the organization, its Board, or staff to claims of liability.

I interpret exposure as potential vulnerability to legal claims.

I interpret liability as legal judgments and costs. This is interpreted to mean that the Superintendent shall have in place reasonable processes, policies, and procedures with the intent of mitigating claims of liability against the District or its employees.

Data Reported

The District is protected under the statutes of the Colorado Governmental Immunity Act to a maximum of \$350,000 per individual and \$990,000 per occurrence for liability exposure.

As of April 1, 2017 there are eleven claims outstanding for the District.

Claim Type	Status	Description	Date
Liability	Open	Bus Accident	9/11/2016
Liability	Open	Bus Accident	4/18/2016
Liability	Open	Insured's vehicle rear-ended vehicle 1 into vehicle 2	3/18/2015
Liability	Open	Head hit seat in front of him	4/18/2016
Liability	Open	Insured's vehicle struck other vehicle from behind	4/2/2015
Liability	Open	Bus rear-ended other vehicle	4/18/2016
Property	Open	Bus ran over pavers/stone on curb	1/27/2017
Property	Open	Bus ran over rock or curb	2/14/2017
Property	Open	Bus driver backed into employee's car	3/15/2017
Property	Open	Bus rear-ended other vehicle	4/18/2016
Collision	Open	Head on collision with bus	9/22/2016

In addition to the information garnered from the annual financial audit, the District has in place numerous Superintendent policies designed to mitigate claims of liability against the District. These policies include, but are not limited to, the following examples:

- ACE-E1 Notice of Non-Discrimination
- BCB Board Member Conflict of Interest
- DJB-R Purchasing Procedures
- EBB Accident Prevention Safety
- GBAA Sexual Harassment
- JLIA Supervision of Students
- KDE Crisis Management
- LC Conducting Education Research

Conclusion: I report compliance.

The Superintendent will not:

- 4. Allow any purchase wherein normally prudent protection has not been given against conflict of interest.**

I interpret prudent as shrewd and cautious as applied to action or conduct.

I interpret protection as having reliable processes to prevent an undesirable end.

I interpret conflict of interest as a financial conflict between the private interests and the official responsibilities of a person in a position of trust.

Data Reported

In the Comprehensive Annual Financial Report presented to the Board on December 8, 2015, the auditors identified no conflicts of interest in their tests of data in the District. In addition to the information garnered from the annual audit, the District has in place Superintendent Policies designed to eliminate potential conflicts of interest. These policies include:

DJG Vendor Relations
GBEA/B Staff Conflicts of Interest and Ethics

Conclusion: I report compliance.

The Superintendent will not:

- 5. Allow the purchase, disposal, or lease of real estate or personal property valued at more than \$20,000 without having obtained comparative prices through a fair vendor bidding process with supporting documentation.**

I interpret having obtained to mean seeking and acquiring.

I interpret comparative prices and quality to mean two or more written bids on all single item or single service purchases.

Data Reported

The District purchased the following real estate parcels valued at more than \$20,000 during the preceding year. Both parcels were required for the construction of Middle School #5.

Property	Location	Size in Acres	Closing Date
Timberleaf Property	136th and Yosemite	21.3242	October 17, 2016
Vo Property	13561 Yosemite St.	2.199	March 10, 2017

The value of each of these properties was established by an independent appraisal.

Conclusion: I report compliance

The Superintendent will not:

- 6. Engage in design, construction, or any other aspect related to development of real property including financing or payment for such services, without obtaining comparative prices through a fair bidding process with supporting documentation.

I interpret comparative prices to mean two or more written bids.

Data Reported

In preparation for construction projects included in the 2015 School Construction Bond Election, staff conducted fair comparative bidding processes to select parties related to the financing, design and construction of facilities contained in the bond request.

A list of those processes is as follows:

FY 2017 Bid Services Report

Fiber Route to Reunion ES & HS#3 RFP	July 2016
Brighton High Renovation Architect Services RFQ/P	September 2016
Brighton High Renovations CM/GC RFQ/P	September 2016
Vikan Renovation Design/Build Firms RFQ/P	September 2016
OTMS Renovation Architect Services RFQ/P	September 2016
Northeast Renovation Architect Services RFQ/P	September 2016
Vikan Renovation Testing Services RFP	October 2016
OTMS Renovation CM/GC RFQ/P	November 2016
Northeast Renovation Architect Services RFQ/P	November 2016
Vikan Renovation Abatement Services RFP	February 2017
Vikan Renovation Move Services RFP	February 2017
Brighton High Renovation Testing Services RFP	February 2017
Middle School #5 Owner Rep Services RFQ/P	February 2017
Fiber Route to Reunion ES & HS#3 Re-Bid	February 2017

RFQ/P - Request for Qualifications & Proposal

CM/GC - Construction Manager/General Contractor

During the last year, the Board of Education waived this requirement following the recommendation by staff for the following services for construction of Middle School #5. It should be noted that Middle School #5 will be designed and constructed as a prototype school similar to Prairie View Middle School and Stuart Middle School. The architect and CM/GC contracted for the design and construction of Middle School #5 were the same firms related to the aforementioned prototypes.

Policy Waivers Granted

Middle School #5 Architect	October 25, 2016
Middle School #5 CM/GC	February 28, 2017

The appropriate departments maintain supporting documentation for the processes.

The Superintendent will not:

7. Allow the Board to be unaware of the acquisition, encumbrance, lease, or disposal of real estate valued at more than \$20,000 without providing the Board with information for discussion prior to a final decision being made.

I interpret providing the Board with information to mean distributing relative and pertinent facts to all board members through either verbal or written methods of communication.

I interpret for discussion prior to a final decision being made to mean the Board is in receipt of such information prior to the establishment of the next Board agenda.

Data Reported

The District purchased two real estate parcels valued at more than \$20,000 during the preceding year. Both parcels were required for the construction of Middle School #5. The Board of Education was provided information for discussion regarding these purchases at a study session held on April 2, 2016. The items were then scheduled for presentation and action at their April 25, 2016 Board of Education meeting.

There have been no other acquisitions, encumbrances, or disposal of real estate.

Conclusion: I report compliance.

The Superintendent will not:

8. Fail to protect intellectual property, information, and files from loss, improper access, or significant damage.

a) The Superintendent shall not fail to maintain records in a manner consistent with a Records Retention Schedule established in accordance with recommendations from legal counsel.

I interpret intellectual property, information, and files to mean the electronic data stored on the District servers and hardcopy records retained and used by the District for District administration and school site level purposes both original and not.

I interpret significant damage and loss as the inability to utilize the resource.

I interpret improper access as access to a resource that is not approved or allowed.

Data Reported

Significant Damage and Loss

File backups, including multi-site storage, are conducted on a daily basis. Backup logs show that the automated and manual backups are completed 99.9% of the time. These backups are regularly tested to

make sure that the data can be restored if needed in the future.

Industry best practice system redundancies, advanced Redundant Array of Inexpensive Disks (RAID), N+1 configurations, and replication of data have been implemented on all critical servers and systems. The District utilizes a Storage Area Network (SAN) device to protect the data at a rate of over ten times the normal protection of a standard server system and to support a disaster recovery model in case something catastrophic happens to the District data center.

The District also utilizes a system called “Virtual Servers” which helps lower the operational costs of these servers and to help spread the data out over multiple physical servers to make sure it is more protected and easier to backup and restore.

The District owns an emergency power generator at the data center to protect from power loss for an extended period of time. The generator is powered by natural gas, which requires less maintenance than a traditional diesel generator. The generator is tested weekly to confirm it is performing properly.

Improper Access

A firewall has been erected around the entire District data network to protect against damage due to unauthorized access. Regular review and compilation of security logs and automated alert systems notify staff of any unusual activity on the network so that it can be corrected immediately. This is an area that needs more attention; the District has started to take steps to identify recent areas of concern.

Internet content filters have been deployed to guard against misuse of District computer and network assets. These include standard web-based filters as well as network filters.

User IDs and passwords are required for access to the network and to assign security credentials for access to sensitive systems.

File Retention

The District’s established records retention schedule, based on the recommendation of District legal counsel, is to accept the current Colorado School District Records Management Manual as prepared by the Colorado State Archives on September 25, 2007.

The District has obtained approval from the Colorado State Archives to use this retention schedule. This schedule is based on federal and state laws.

The District records retention schedule includes multiple sections that are audited on a regular basis, both hardcopy and electronic, to make sure that the District is maintaining records according to this schedule. The District is currently in compliance with the records retention schedule.

The District also utilizes an industry best practice email archive system to make sure that all emails, both incoming and outgoing, sent through the District email system are stored for electronic discovery requests.

Conclusion: I report compliance.

The Superintendent will not:

9. Receive, process, or disburse funds under controls insufficient to meet the Board-appointed auditor's standards.

I interpret this to mean that the District manages money and money-related transactions using a system of internal controls, which provide for separation of duties, fraud protection, and an authorization process providing reasonable assurance that appropriate controls exist. This is reasonable because independent auditors review these controls on an annual basis and report their findings to District administration and the Board of Education.

Data Reported

The Local Government Audit Law (C.R.S. 29-1-601 et seq) requires the District to have an annual audit of its financial statements. The law states that the audit must be performed by an independent Certified Public Accountant (CPA) and be in accordance with generally accepted auditing standards. The Comprehensive Annual Financial Report (CAFR) is published to fulfill that requirement, and according to Section 29-1-606, C.R.S., financial statements must be approved, published, and submitted to the state auditor within six months of the close of each fiscal year. The District management assumes full responsibility for the completeness and reliability of the information contained in the CAFR, based upon a comprehensive framework of internal controls that it has established for this purpose. The independent CPA publishes a management letter providing additional information on internal control and suggestions for improvement.

The auditors presented their comments and observations of the FY 2016 audit at the December 13, 2016 Board Meeting. Their management letter included a finding surrounding internal controls pertaining to financial review and reconciliation. As stated by the auditors, the District implemented a new reporting and accounting system during FY 2016. System implementation created difficulty in the District's ability to perform the necessary reviews and reconciliations in a timely manner. The District is continuing in efforts to complete the system implementation during FY 2017. The District does not anticipate this finding to be recurring or an issue in the audit of FY 2017. In addition, the auditor's comment pertains to timeliness and financial review, not segregation of duties and internal controls related to authorization processes related to disbursement of funds. To maintain consistency with data reported in January 2017 in the 3.D Expectation of the Board Report, Financial Conditions; a conclusion of non-compliance at this time is reported.

Conclusion: I report non-compliance.

The Superintendent will not:

10. Compromise the independence of the Board's audit or other external monitors or advisors. Engaging parties already chosen by the Board as consultants or advisers is not permitted.

I interpret audit or other external monitors or advisers to mean entities which are independent of School District 27J who perform a professional service to the Board of Education in a contractual or informal manner.

I interpret engaging parties already chosen by the Board as consultants or advisers is not permitted to mean that the Superintendent or his designees are forbidden from entering into any relationship that would diminish the integrity of the Board's prerogative to independently seek input.

I interpret this to mean that the Superintendent of schools will put into place policies and protections that would prohibit internal processes which would directly or inferentially compromise the integrity of external information being presented to the Board of Education for the purposes of substantiation of presented data.

Data Reported

This past year the Board of Education of School District 27J entered into only one external contractual agreement. This agreement was with RubinBrown LLP for the District's annual audit. Staff did not engage RubinBrown LLP or any other consultants or advisers used by the Board of Education.

Conclusion: I report compliance.

The Superintendent will not:

11. Invest or deposit funds that do not comply with the District's Investment Policy and applicable State law.

I interpret this to mean that all District funds are invested or deposited according to the applicable Colorado Revised Statutes ("CRS") including:

- a. CRS 11-10.5-101, et. seq., Public Deposit Protection Act ("PDPA");*
- b. CRS 24-75-601, et. seq., Funds – Legal Investments;*
- c. CRS 24-75-603, Depositories;*
- d. CRS 24-75-701, et. seq., Local governments – authority to pool surplus funds.*

Data Reported

All funds are deposited or invested according to applicable state law. The District has adopted an Investment Policy which complies with state law but is more restrictive in diversification and credit exposure. Authorized investments include, but are not limited to:

- Obligations of the United States Treasury
- Agencies and Instrumentalities of the federal government
- Bank deposits collateralized according to PDPA
- AA or AAA rated corporate bonds
- A -1 or P – 1 rated commercial paper or negotiable certificated of deposit
- A, AA or AAA rated municipal bonds
- Money market mutual funds
- Local government investment pools ("LGIP")

All securities are held in a bank safekeeping or custodial account. Security transactions are executed on a delivery vs. payment basis. The District receives monthly statements on all investment accounts. Investments in local government investment pools (Colotrust and CSAFE) and money market mutual

funds (CSIP) shall be rated AAAM.

Investments organized by investment instrument for funds consist of:

Investment	Amount at February 28, 2017	Interest Rate at February 28, 2017
ColoTrust	\$ 13,532,269	0.92%
CSAFE	\$ 1,269,236	0.80%
Wells Fargo Trust	\$ 3,446,811	0.01%
PFM Asset Management	\$ 122,439,928	1.17%
Total Investment	\$ 140,688,244	
As of 2/28/17:		
ColoTrust Agency & Trust Fund 72		40,404
ColoTrust Activity Fund 23		1,150,037
ColoTrust Building Fund 41 Surety		1,001,920
ColoTrust General Fund 10		10,475,284
ColoTrust Building Fund 41 2016 GO Bonds		802,793
ColoTrust Impact Fund 26		61,831
ColoTrust Total		\$ 13,532,269 0.92%
CSAFE Pupil Activity Agency Fund 74		273,826
CSAFE Nutrition Fund 21		995,410
CSAFE Total		\$ 1,269,236 0.80%
Wells Fargo Trust Debt Fund 31 Total		\$ 3,446,811 0.01%
PFM Asset Management Building Fund 41 Total		\$122,439,928 1.17%

Investments organized by investment instrument for funds within the Construction Fund consist of:

Fund	Par Amount
ColoTrust Investment Pool	\$ 1,804,713
PFM Asset Management:	
Federal Agency Bonds and Notes	\$ 49,652,494
Commercial Paper	\$ 9,939,535
Certificates of Deposit	\$ 35,003,810
Government Select, Colorado Investments	\$ 27,844,089
Subtotal : PFM Asset Mgmt	\$ 122,439,928
Totals	\$ 124,244,641
Interest Rate	Varies by maturity date

Conclusion: I report compliance.

The Superintendent will not:

- 12. Endanger the organization's public image, its credibility, or its ability to accomplish goals.**

I interpret public image as inclusive of the opinions and perceptions of the taxpaying public at large, governmental entities, and private companies that assist in the development of District assets, including facilities and equipment.

I interpret credibility as maintaining high public trust as ethical stewards for the community.

I interpret to accomplish goals as meaning the District's image will not detract from the organization's ability to meet the goals.

Data Reported

Within the realm of Asset Protection, the entities that assist in the development of District assets enter the system primarily through Facilities, Construction Management, and Technology. There are many other entities that provide services or supplies to the District (curriculum, office supplies, consultants, etc.), that do not necessarily fall under Asset Protection. Information regarding the communication activities of the District are also included within this report. Other data related to the organization's public image, credibility, and ability to accomplish goals will be reported in Report 3.A – Treatment of Students/Public.

To ascertain private business and government officials' perception of the District's public image, credibility, and/or its ability to accomplish goals, a survey of each group was conducted. A confidential on-line survey service was used to survey private businesses, government officials, and other community leaders that may have had contact with our Facilities, Construction, and/or Technology Departments.

Sixty-eight surveys were e-mailed to private contractors who submitted bids to perform services in a variety of construction projects. Twenty-three responses were received. The survey questions and results are as follows:

Did you receive adequate notice to bid District projects?

Yes - 21 No - 2 N/A - 0

Was the bid information adequate enough for you to submit a bid/proposal?

Yes - 22 No - 1 N/A - 0

Did you receive timely and complete responses to questions about bid submittal information?

Yes - 21 No - 1 N/A - 1

Will your firm be bidding on future projects with School District 27J?

Yes - 22 No - 1 N/A - 0

Comments:

- Sometimes how projects are posted seems to vary. We have not heard anything for quite some time.
- Criteria and scoring matrix should be clear in request for architect/engineer scoring.
- We would like the opportunity to participate, but based on previous submittals and not being selected we did not receive any scoring or feedback from the District.
- A full debrief after the award from the responses would be greatly appreciated-including a winning proposal.

An email survey was sent to forty-four government officials and/or community leaders. Nineteen responses were received. The survey questions and results are as follows:

Does the District maintain a positive public image?

Yes -18 No - 1

Does the District build positive relationships with your organization?

Yes -18 No – 1

Comments:

- Absolutely! I enjoy working with the school District.
- I have been so impressed with the timeliness the Board of Education on conducting the Superintendent's performance evaluation. In addition, the Board of Education and administration have done such a wonderful job with capital updates. I really appreciate how inclusive the school District has been with groundbreaking and oversight committees. Great job.
- Always a pleasure to see Dr. Fiedler and the Board of Education members out and about. The school District has made tremendous strides to be an inclusive community partner.

Communications

The School District 27J Communications Department enhanced outreach this past school year to work with local and Denver area media to communicate general interest stories going on in schools and to provide District-wide information. Most notable were stories written about 27J bond projects in the *Denver Post's* Your Hub Newspaper in July 2016, and a bond update in *Local Color* magazine in August 2016. A recent bond update will publish this month in the *Brighton Standard Blade* Newspaper's special section called Profiles of Brighton. The enhanced communication with media outlets includes sending out a 27J calendar of events each week.

School District 27J was also recently featured on two different Channel 7 morning broadcasts for positive news. One broadcast in February 2017, showed the steel construction of High School No. 3 and another news segment in March 2017 highlighted the groundbreaking for Vikan Middle School's new classroom addition. Channel 7 also promoted the 27J job fair, held in April, on a morning broadcast.

The Communications Department has taken a larger role this past year to communicate school construction information and updates on bond projects. That includes coordinating printing for District bond signs at school construction sites, taking photographs on a regular basis of school construction, and in June 2016 creating a new one-page publication called a 27J Bond Update sheet to address the need for paper communication to residents who do not use email or search websites on a regular basis. The Bond Update sheet provides information on bond projects completed or in progress and is printed in English and Spanish.

This past school year has also been notable for the Communications Department ability to provide enhanced support of District departments including student achievement, career and technical education, gifted and talented, nutrition and transportation. That includes getting out their information to the media, featuring their department stories/photos in brochures and writing stories to highlight their department news.

The Communications Office staff was able to get to all District schools multiple times to be involved and engaged with covering student and school events during the school day and evening events. Weekend events were also attended including a Color Run at Prairie View High, the District's fun run sponsored by Nutrition Services and the 27J Job Fair, to name a few.

The Communications Department has spearheaded special event coordination for groundbreaking and ribbon cutting ceremonies at schools to mark bond project milestones. Since last summer, Communications staff has planned five community events attended by citizens, students, School District Board members and district leaderships as well as local mayors and other elected officials. Coming up, four more events will be scheduled this spring and fall. Following is a list of events that were organized related to bond projects:

- Groundbreaking ceremony for Reunion Elementary School, formerly Elementary School No. 12, was held in June 2016.
- Groundbreaking ceremony for High School No. 3 was held in July 2016.
- Ribbon Cutting ceremony for the completion of Brantner Elementary Expansion project was held in August 2016.
- Community Open House for Brighton Heritage Academy new windows was held in September 2016.
- Groundbreaking ceremony for Vikan Middle School Addition and Renovation was held in March 2017.
- Upcoming Bond District ceremonies are a Brighton High Renovation Open House scheduled for May 4, 2017; a groundbreaking for the renovation project at Northeast Elementary and Overland Trail Middle schools this fall, and a ribbon cutting ceremony for Reunion Elementary School in August.

The Communications Department has been working closely with the QSI 2.0 committee and Executive Leadership to formulate marketing and messaging for a possible Mill Levy Override Campaign. The Communications Department created a community survey that went out in April. The purpose of the survey is to gather community feedback on funding issues, District needs and support of a mill levy. As part of the spring District Educator, the Communications Department will include a 2-page District report card highlighting successes.

Ongoing communication and outreach efforts include:

- Regular news updates on the School District 27J website.
- The 27J Compass – a twice-a-month e-newsletter sent to 27J parents and a list of community subscribers. This has been on hold since February due to the staff transition, but will restart shortly as a monthly publication.
- The 27J Educator – a bi-annual publication, printed in English and Spanish, sent home with elementary and middle school students, emailed to District high school parents and distributed in the community.
- Active social media presence on Facebook and Twitter.
- The Silver Pass Program – a program where District residents, 55 and over, can receive a free reusable card that gives them access to District sporting and athletic events.

The passage of the 2015 school construction bond has brought an increased need for communication to keep community members aware of the status of bond projects and how bond money is being spent.

Bond communication efforts underway or in the process of being developed include:

- A dedicated bond program web page where community members can find project details, updates and progress reports.
- A live web cam at new High School No. 3 construction site where web users can monitor the progress of the school's construction. This project is in the process of going live by next month.
- The 27J Bond Update sheet is printed weekly in the summer and monthly during the school year. The Bond Update sheet is delivered and displayed for pick up at the Brighton Anythink Library, Eagleview Adult Center, Reunion Recreation Center, and posted on bulletin boards at two Starbucks and Jim's Shoes on Main Street in Brighton. This sheet is also sent out monthly to an email list.

Over the next year, we will continue to seek out opportunities to improve and expand communication with the goal of keeping the entire 27J school community informed.

Conclusion: I report compliance.

The Superintendent will not:

13. Change the organization's name or substantially alter its identity.

I interpret the organization's legal name to be Adams County School District 27J, Adams/Weld School District 27J, and Brighton School District 27J commonly referenced as School District 27J. I interpret this to mean that the Superintendent of Schools is prohibited from the initiation of any organizational process or the direction of any staff member to put into place any procedure that would substantively alter the District's common and/or legal name. I interpret this to mean the Superintendent shall not put into place or implement any strategy which would subsequently modify the historical or local identity of the school District as a public K-12 system within the state of Colorado.

Data Reported

During the past calendar year the Superintendent took no action to change the organization's name or alter its identity.

However, it should be noted that the Board of Education, on August 27, 2013, approved a resolution adopting School District 27J as the unofficial name of the District. The action was taken to provide clarity and consistency in publicly released reports, documents and in communication with its various communities.

This action was endorsed by the Superintendent, and it would be his further recommendation that any potential future initiatives to change the identity of the District remain within the purview the Board of Education and subject to an official vote of the Board of Education to avoid any report of non-compliance in this area.

Conclusion: I report compliance.