

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

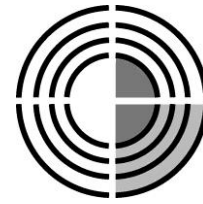
I hereby present the report on Asset Protection Executive Limitation 3.E in accordance with the schedule as set forth in Board policy. I certify the information in this report is true.

Signed: 

Date: April 26, 2022

Dr. Chris Fiedler

Superintendent, 27J Schools



Policy 3.E – ASSET PROTECTION

Date Adopted/Last Revised: September 26, 2017

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

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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

- | | |
|--------------------------------|-----------------------------|
| • Buildings and Values | • Facility Leasing |
| • School Sites | • Data Processing Equipment |
| • Capital Reserve Expenditures | • Vehicles |
| • Security | • Nutrition Services |

Reporting: Compliance

3. Operate without employing risk management practices to minimize exposure of the organization, its Board, or staff to claims of liability. Page 23

- Colorado Governmental Immunity Act Coverage
- Outstanding Claims

Reporting: Compliance

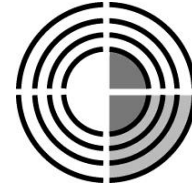
4. Allow any purchase wherein normally prudent protection has not been given against conflict of interest. Page 24

Reporting: Compliance

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. Page 24

Reporting: Compliance

6. Engage in design, construction or any other aspect related to development of real property without having obtained comparative prices. Page 26
- 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 27
- Reporting: Compliance
8. Fail to protect intellectual property, information, and files from loss, improper access, or significant damage. Page 28
- Reporting: Compliance
9. Receive, process, or disburse funds under controls insufficient to meet the Board-appointed auditor's standards. Page 30
- Reporting: 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 30
- 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 31
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Policy 3.E – ASSET PROTECTION

Date Adopted/Last Revised: September 26, 2017

Management Limitations

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 Rocky Mountain Risk Insurance Group includes 27J Schools, Adams 1 (Mapleton) and Adams 50. Premiums and claim payments are within industry standards for a district the size of 27J Schools. 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 insurance coverage, the District participates in a number of training opportunities provided by Rocky Mountain Risk Insurance Group to mitigate risks, improve risk management practices 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 and a Superintendent Representative and a MAC Representative from each district.

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 27J Schools, 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 that insures 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 are performed in order to measure compliance.

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

The District's physical assets vary in age and therefore the capital maintenance, repair and replacement schedule required to protect these assets is complex and never ending. Given these diverse and costly needs, it is highly unlikely that there will ever be a time that all assets are maintained within the high standard of the manufacturers recommended life cycle replacements. However, for the purposes of this report, the District's assets are deemed to be adequately maintained.

Conclusion: I report compliance.

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 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.

The Hierarchy of Coverage Chart below reflects three changes: 1.) The deductible for wind and hail increased from \$100,000 to \$250,000 due to increasing claims across the state therefore costing carriers more; 2.) Due to the dramatic increase in Cyber Crime, the excess coverage decreased from \$5,000,000 to \$3,000,000 and 3.) The carrier for Property, Auto, E&O and Liability changed in order to keep the district's costs as low as possible due to the preceding changes.

Rocky Mountain Risk Insurance Group

2021-2022

Hierarchy of Coverage By Line

	<u>Property</u> (Buildings, Vehicles, & Contents)	<u>Auto</u> Physical Damage	<u>E & O</u>	<u>Liability</u>	<u>Workers'</u> <u>Compensation</u>	<u>Boiler</u> & <u>Machinery</u>	<u>Employee</u> <u>Dishonesty</u> (Crime)	<u>Cyber</u> <u>Liability</u>
District Responsibility Building and Contents	\$0 - \$1,000	\$0 - \$5,000	\$0 - \$10,000	\$0	\$0	\$0 - \$5,000	\$0 - \$25,000	\$0 - \$100,000
Pool Retention	\$1,000 - \$100,000	\$5,000 - \$100,000	\$10,000 - \$150,000	\$0 - \$150,000	\$0 - \$550,000	None	None	None
Excess Coverage	\$100,000 to \$900,000 AMBRIDGE	\$100,00 to \$900,000 AMBRIDGE	\$150,000 to \$4,850,000 AMBRIDGE	\$150,000 to \$4,850,000 Auto Liability \$4,850,000 General Liability AMBRIDGE	\$550,000 Statutory Safety National	\$5,000 to \$100,000,000 Travelers	\$25,000 to \$1,000,000 Travelers	\$100,000 to \$1,000,000 - \$3,000,000 ACE
Deductible	3.0% per building for wind and hail only Minimum of \$250,000 per occurrence							
Additional Excess Coverage	\$1,000,000 to \$100,000,000 Liberty Mutual	\$1,000,000 \$2,000,000 Lloyds	\$5,000,000 \$5,000,000 Gemini	\$5,000,000 \$5,000,000 Gemini				

*Student Sexual Abuse has a sub-limit of \$5,000,000 under Educators Legal Liability and \$5,000,000 in the Excess Layer.
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:

Type	Number of Buildings	Square Footage	Value of Buildings	Value of Contents	Site Improvements	Total Value
School Facilities	24	2,236,276	\$499,494,800	\$43,607,500	\$27,625,100	\$570,727,400
Modulars	36	74,720	\$9,289,700	\$1,090,700	\$0	\$10,380,400
Other Buildings	23	163,709	\$21,300,200	\$5,952,600	\$776,100	\$28,028,900
Total	83	2,474,705	\$530,084,700	\$50,650,800	\$28,401,200	\$609,136,700

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 purpose each day of the past year.

The successful 2015 School Construction Bond has provided the financial resources necessary to build new schools, renovate and/or expand others, and make significant improvements to many deferred maintenance projects.

The following is a non-inclusive list of projects that either have been completed or are in progress, with the use of 2015 School Construction Bond funds:

New Schools	Year
Reunion Elementary	2017
Riverdale Ridge High	2018
Quist Middle	2020
Padilla Elementary	2020
Southlawn Elementary Phase I	2022
Renovations/Additions	Year
Brantner Elementary	2016
Brighton Heritage Academy-Phase I & II	2016/2017
Bromley East Charter School	2016
Eagle Ridge Academy	2016
Vikan Middle	2017
Brighton High	2017
Northeast Elementary	2019
Overland Trail Middle	2018
Prairie View High	2020
Roof Replacement/Repair	Year
Brighton Heritage Academy	2016
Brighton High	2017
Educational Service Center	2017
Overland Trail Middle	2017
South Elementary	2017
Indoor Pool	2017
Vikan Middle	2017
Network Operations Center (NOC)	2018
Southeast Elementary	2018
Sakata Education Campus	2021
Mechanical Systems Repairs/Upgrades	Year
Southeast Elementary chiller/water heater	2016
Second Creek Elementary controls	2016
Second Creek Elementary water heater	2016
Thimmig Elementary controls	2016
Stuart Middle boiler repair	2016
Brighton High heating coil and chiller	2016
Educational Service Center heating coil	2017
Asphalt/Concrete Repairs	Year
South Elementary	2016
Southeast Elementary	2016
Henderson Elementary	2016
West Ridge Elementary	2016
Overland Trail Middle	2016
Brighton High	2016
Prairie View Middle sidewalk	2016
Prairie View High	2016
Pennock Elementary	2017
North Elementary	2017
Nutrition Services Building parking lot	2017
Lighting Upgrades	Year
Henderson Elementary	2017
North Elementary	2017
Southeast Elementary	2017
Thimmig Elementary	2017

Pennock Elementary	2017
Second Creek Elementary	2017
Prairie View Middle	2017
Stuart Middle	2017
Artificial Turf Fields	Year
South Elementary	2016
Brighton High	2016
Prairie View High	2016
Stuart Middle	2020
Technology Repairs/Upgrades	Year
Transportation Building	2018
Fiber-District Wide	2019
North Elementary clocks & bells	2019
Miscellaneous Repairs	Year
Prairie View High bathroom repairs	2018
The Learning Center ADA upgrades	2018

The following projects are currently in progress with the use of 2021 Bond funds.

New School
Southlawn Elementary – Phase II
New K-8 (Willow Bend Subdivision)
Renovation/Addition
Brighton High - CTE/STEM Center and Renovation
Prairie View High – CTE/STEM Center and Renovation
Riverdale Ridge High – CTE/STEM Center
Artificial Surface
Overland Trail Middle
Vikan Middle
Prairie View Middle
HVAC Controls-Replacements*
Henderson Elementary
Northeast Elementary
Turnberry Elementary
West Ridge Elementary
Prairie View Middle
Overland Middle
Stuart Middle
Prairie View High
Asphalt Parking Lot Replacement
Natatorium (pool)

*currently in process of selecting contractor(s)

Other smaller and previously unidentified projects were remedied with the Capital Reserve Fund. Examples of these projects are as follows:

Site	Description	Amount
Brighton High	Hand Dryers	\$7,088
District Wide	Blizzard Snow Removal	\$20,454
District Wide	Filters	\$39,500
Educational Services Center	Fiber Optic Repairs	\$31,994

Facilities Building	Compressor	\$24,725
Prairie View High	Sod Replacement	\$22,485
Second Creek Elementary	Library Classroom Conversion	\$2,842
Stuart Middle	HVAC Repairs	\$2,900
Transportation	Zonar Upgrade	\$15,014
Transportation	Parking Lot Lights	\$2,205
Transportation	Bottle Fillers	\$2,501
Transportation	Propane Transfer System	\$4,745
Transportation	TraVersa Software Routing System	\$21,047
Vikan Middle	Teacher Desks	\$11,691
West Ridge Boiler repair	Boiler Repair	\$16,750

Indoor Pool Building

The District's Indoor Pool was designed and constructed in the 1970s. A dive pool was added in the 1990s. In the early years, the pool provided a venue for swimming instruction as part of the District's physical education curriculum across many grades, a home for the high school swim, dive and water polo teams, as well as the location for community recreation programs in conjunction with the City of Brighton.

Utilizing 2004 School Construction Bond funds, a variety of repairs were made to the pool in the 2008-2009 school year related to improvements and repairs to the building's structure and HVAC system. The pool itself was also resurfaced at this time. The roof on the building was replaced in the summer of 2017.

In 2004, the Colorado Community College System, acting on the authority of the Office of Civil Rights (OCR), conducted a study of many components of the Brighton High School Career and Technical Education programs including the physical accessibility of the facilities. Included within the findings were a number of accessibility violations at the Indoor Pool building, which must be met as Physical Education credits are required for graduation and swimming is part of the curriculum for those credits. Swimming is no longer part of the high school physical education curriculum and therefore is no longer required to meet OCR compliance. The estimated cost to bring the facility into compliance is estimated at approximately \$1,000,000. While the repairs would bring us into OCR compliance, they would not include any repairs required to extend the life of the building. Costs to extend the life of the building now are estimated to be in the \$5,000,000 range.

The maintenance strategy for the building since that time has been to conduct the necessary repairs to hopefully extend the life of the building 5 -10 years without undertaking larger and more expensive repairs that might be required.

The Indoor Pool's use is now limited to the high schools' unified boys and girls swim and dive teams and the community-based Bullfrogs competitive swim team. Over the past several years, participation by the two groups has grown from 50-60 students to 100-120 students per year.

Having accomplished the short-term goal of extending the life of the building for 5-10 years, the District is reevaluating the long-term strategy for the building. The facility is currently in need of improvements to the sand filtration system as well as other more comprehensive upgrades to the building.

Should the District's strategy evolve into preserving the building, the capital investment required would

likely require inclusion in a future school construction bond question for the community.

While the District has been involved in conversations with our local municipal partners to determine the financial viability of a jointly operated facility no such solutions have been identified.

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 many systems in place to protect people and assets, and the projects currently being implemented throughout the District with bond funding will greatly enhance school security and safety.

Security Personnel

School Resource Officers (SROs) are assigned to secondary schools through a variety of cost-sharing agreements with our local police departments. Through these agreements, Brighton Police Department provides one officer at each of the following schools: Brighton High School, Brighton Heritage Academy, Prairie View High School, Prairie View Middle School, Overland Trail Middle School and Vikan Middle School. Thornton Police Department provides one officer at Riverdale Ridge High School and one officer at Quist Middle School. As a result of staffing shortages, the Commerce City Police Department has withdrawn their SRO support at Stuart Middle School and other schools located within Commerce City for the entirety of the 2020-2021 and 2021-2022 school years. Future support of the SRO program for schools located in Commerce City remains in question and is the subject of discussion between the District and Commerce City. Unused funding made available by this decision has been reallocated to place an additional Campus Supervisor at Stuart Middle School and to provide additional SRO support at Prairie View Middle School.

During this period, Commerce City Police Department has continued to provide support as needed to all 27J schools located in the Commerce City municipality.

SROs are also provided to a number of charter schools in the District through separate contractual arrangements with those schools.

While the original goals of Police Youth Services programs were related to proactive work through community policing, SROs are trained to respond and assist schools in a variety of situations.

All three comprehensive District-managed high schools also employ Campus Supervisors, as do four of the District's five middle schools. Campus Supervisors are 27J employees who work as unarmed security monitors on their campuses.

School Emergency Response Team

Every school in 27J is responsible for creating a School Emergency Response Team (SERT) that responds during an on campus emergency. When an incident requires activation of the Standard Response Protocol (SRP), the SERT carries out the essential functions necessary to provide safety and security to students and staff.

Generally, based on the size of the school, SERTs consist of four to fifteen staff members. Across the district, 178 employees serve on these teams. Staff members on a SERT may include principals,

assistant principals, secretaries, custodians, counselors, and SROs.

To ensure schools comply with the Safe Schools Act of Colorado and safety plan best practices, each member of the SERT is required to complete the online, independent study course IS 100 Introduction to the Incident Command System (ICS 100). This free course teaches the basics of the Incident Command System, the national standard used by all levels of government, schools, and organizations, when responding to an emergency. It is offered by Emergency Management Institute (EMI) as part of the Federal Emergency Management Agency (FEMA).

All staff members involved in writing and revising Emergency Operations Plans (EOPs) will complete IS 362 Multi-hazard Planning for Schools, an additional online, independent study course. In this training, school leaders learn the fundamentals of writing and developing an EOP.

In addition to IS 100 and IS 362, the District's School Safety and Crisis Team will also work with school leaders to provide training and guidance on EOP revisions, SERT development, and ICS principles.

Threats and Hazards Drills and Exercises

In all 27J Schools, the process of preparation for safe schools for students, teachers and staff include planning of drills and exercises every month while students are learning in-person. Regardless of the recent COVID-19 pandemic, potential threats and hazards may still exist; therefore, it is extremely important to continue with the District-required guidance for Emergency Drills. In addition, all schools actively participate in the requirements set forth by the Colorado Department of Public Safety Division of Fire Prevention & Control on fire evacuation drills. Fire Code requires monthly fire evacuation drills for all schools and six All Hazard Drills per year, which include HOLD, SECURE (replaced LockOUT), LockDOWN, EVACUATE and SHELTER.

Personal Protective Equipment

In order to support the District's Layers of Protection response to COVID-19, two separate efforts were made to provide all staff with personal protective equipment (PPE) since the onset of the pandemic.

In the fall of 2020, all staff were provided with a \$50 personal stipend to purchase the specific PPE items they felt were necessary and were comfortable using. In total, nearly \$100,000 was spent in this effort.

In the second effort, the District, utilizing Coronavirus Aid, Relief and Economic Security (CARES) Act funding, purchased over \$950,000 in PPE and cleaning supplies in order to comply with local, state, and federal health and safety regulations. Multiple distributions of the supplies have been made to schools and departments over the past two school years. While distribution has temporarily been discontinued, the District maintains a reasonable supply of PPE should additional distributions be required.

Interoperable Radios

27J Schools provide SchoolSAFE communication radios to all of its campuses, which allows 911 Dispatchers to "bridge" radios at a single school or multiple schools, to public safety radios via a web-based process. All staff with a SchoolSAFE radio at a site may speak with others within the school and can bridge to other schools and district emergency operations staff.

The system allows 27J designated personnel (including district-level staff and at least three Safety Team members at each school designated by the principal) to bridge District level radios to individual schools or multiple schools for drills or an actual incident response. This capability is tested district-wide every month while school is in session with a bridging test of all schools (including the charter schools that are part of the system). Front Range Community College and the Adams County Head Start at the Brighton Learning and Resource Campus in Brighton (BLARC) have purchased compatible radios with the 27J BLARC channels and are included in the tests. They also have designated staff who can bridge to other 27J sites for tests or in an emergency. (District staff cannot bridge to public safety – that must be done by the 911-dispatch center.)

All communications bridging with police, fire or other public responders will be on the existing Adams County School Mutual Aid Channel. The only access to this channel is for testing, drills, or emergency communications.

School Resource Officers carry school radios in addition to their police radios.

Access Control

All schools have main entrances that require visitors to be screened prior to entry during school hours. 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.

All school sites have electronic key access for employees. First responders have access to key cards via secured lock boxes at school sites. Currently all schools are operating within an enterprise system that is implemented District-wide for staff badging and access control.

All 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 public record databases that will issue site-specific alerts for restraining orders and other security issues. Entrants receive a badge that includes their photo, date, and destination. Written procedures have been issued for the District to standardize school access controls.

Video Surveillance

All schools have video surveillance systems with continuous recording. The number of cameras varies by the size of the school. Dedicated servers are available for video recording for all sites, as well as a web-based video management system. A key feature of the system allows law enforcement direct access to cameras during an incident.

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.

Every bus used for student transportation is equipped with a functional camera and recording system.

After-Hours Security/Intrusion Detection

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 Services building, the Indoor Pool building, and the Main Transportation Terminal. Intrusion panels are being replaced throughout the District. They are managed with 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 HOLD, SECURE, LockDOWN (capitalization intentional), EVACUATE, or SHELTER for a tornado warning or outside hazardous material release. All 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. All schools have duress systems that include technologies for quick implementation and notification for LockDOWN actions.

Remodeled schools receive new door hardware with locksets that are keyed on both sides to facilitate LockDOWN.

Fire Protection

All schools have remotely monitored fire alarm panels to ensure rapid notification to emergency responders when alarm systems are triggered. Fire Code requires new schools to have systems with audible announcements. Fire protection systems include smoke detection, 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.

Effective in 2009, building codes require that all new schools and renovated schools install carbon monoxide (CO) detection devices. All schools covered by the aforementioned requirement are in compliance. As additional schools are renovated, carbon monoxide systems will be added and tied into the school's fire alarm panels to ensure that the appropriate personnel are notified.

Back-Up Power

Eleven 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. UPS battery backup is the sole source of backup power for 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.

Security and safety are key considerations in the design of the new 27J schools.

Protocols for operating new security technologies at each site are developed with initial installations. Capacity is being added to all security systems to accommodate growth and to provide a secure

operating environment.

It is important to recognize that physical security depends on vigorous implementation of consistent management systems in order to ensure school security.

Grounds

The District owns and maintains approximately 443 acres at 30 developed sites. The District also owns and maintains approximately 85 acres on seven parcels of vacant land for future school sites.

Although not presently deeded to the District, there are 15 parcels containing approximately 220 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
BLARC* - finished space	20,650 sqft	1850 Egbert St, Brighton
BLARC* - unfinished space	6,800 sqft	
Brantner PK-5	14.92	7800 E 133rd Ave, Thornton
Brighton Heritage Academy	3.6	830 E Bridge St, Brighton
Network Operations Center	↓	849 Bush St, Brighton
Brighton HS 9-12	27.978	270 S 8th Ave, Brighton
CLC	↓	360 S 8th Ave, Brighton
Nutrition Services Center	1	630 S 8th Ave, Brighton
Former Print Shop/Transportation Lot (Leased to City of Brighton)	11.9	S 8th Ave and Voiles St, Brighton
Educational Service Center	13.282	18551 E 160th Ave, Brighton
Henderson PK-5	14.52	12301 E 124th Ave, Henderson
Natatorium	3.1506	565 Southern St, Brighton
Northeast PK-5	9.437	1605 Longs Peak St, Brighton
Overland Trail MS 6-8	15	455 N 19th Ave, Brighton
Padilla PK-5	10	5505 Longspeak St, Brighton
Pennock PK-5	7.83	3707 Estrella St, Brighton
Prairie View HS 9-12	53.4874	12909 E 120th Ave, Henderson
Prairie View MS 6-8	22.6	12915 E 120th Ave, Henderson
Quist MS 6-8	23.4532	13451 Yosemite St, Thornton
Reunion PK-5	10.0016	11021 Landmark Ave, Commerce City
Riverdale Ridge HS 9-12	70.1312	13380 Yosemite St, Thornton
Sakata Education Campus	2.18	89 N 6th Ave, Brighton
Second Creek PK-5	14.7268	9950 Laredo Dr, Commerce City
South PK-5	3.67	305 S 5th Ave, Brighton
Southeast PK-5	11.58	1595 Southern St, Brighton

Southlawn PK-5	10.6142	10075 Walden St, Commerce City
Stuart MS 6-8	21.0009	15955 E 101st Way, Commerce City
Thimmig PK-5	6.4163	11453 Oswego St, Henderson
Transportation Facility	19.9	11701 Potomac St, Brighton
Turnberry PK-5	10.38	13069 E 106th Pl, Commerce City
Vikan MS 6-8	20.6	879 Jessup St, Brighton
West Ridge PK-5	10.091	13102 Monaco St, Thornton
Total Acres	443.4502	

*Condominiumized space purchased August 1, 2019.

SD27J FUTURE SCHOOL SITES – OWNED

Jur*	Site	Acres	Potential Usage
BR	Brighton East Farms Filing 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
AC	E 152nd Ave and Holly St	15.92	MS
BR	Mountain View Estates – N of Denver St, E of 27th Ave, W of Telluride St	10.0012	ES
TH	Talon Pointe – Monaco St & 156th Ave	11.1167	ES
TH	Willow Bend – W of Holly St, N of 144th Ave	10.1348	ES
	Total Acres	85.3527	
*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

Jur*	Site Location	Acres	Potential Usage
BR	Farmlore/Brighton Lakes – Between 136th Ave & 144th Ave; Sable Blvd & Buckley Rd	10	ES
BR	Prairie Center – ½ mi S of Bromley Ln, E of Buckley Rd, N of 144th Ave	9.6716	ES
BR	Prairie Center - SEC of Buckley Rd and Peregrine Dr	20	MS
CC	Buckley Crossing – ½ mi N of 112th Ave between Buckley Rd & Tower Rd	25	MS
CC	Legato - 96th Ave & Tower Rd	25	MS
CC	Reunion – NE of 96th Ave & Buckley Rd ¹	48.6	HS
CC	Reunion Ridge - 100th Ave & Potomac St	10	ES
CC	Anderson Ranch - W of Sable Blvd & S of 100th Ave	10	ES
CC	Second Creek Farm – W of Tower Rd, ½ mi S of 96th Ave	10	ES
CC	Third Creek - E of E470 between 96th Ave and 112th Ave	10	ES
CC	Third Creek - E of E470 between 96th Ave and 112th Ave	10	ES
TH	N of E 152nd Ave and Holly St	10	MS
TH	NEC of E 152nd Ave and Holly St	2	MS
TH	North End Station – N Hwy 7 between Holly St & Colorado Blvd	10	ES
TH	Parterre – S of E470, W of Quebec St	9.7	ES

Total Acres	219.9716
* The jurisdiction in which the property exists. AC = Adams County; BR = Brighton; CC = Commerce City; TH = Thornton ¹ The District approved a resolution requesting the transfer of this property to the District.	

The District is involved in land use conversations with the City of Commerce City and has identified the following unplatted properties as potential school sites.

SD27J FUTURE SCHOOL SITES – COMMERCE CITY FUTURE LAND USE

Jur*	Site Location	Acres	Potential Usage
CC	NE corner of 96th Ave and Himalaya	10	ES
CC	N of DIA; W of Hayesmount Rd between 128th Ave and 136th Ave	10	ES
CC	N of DIA; E of Hayesmount Rd between 128th Ave and 136th Ave	10	ES

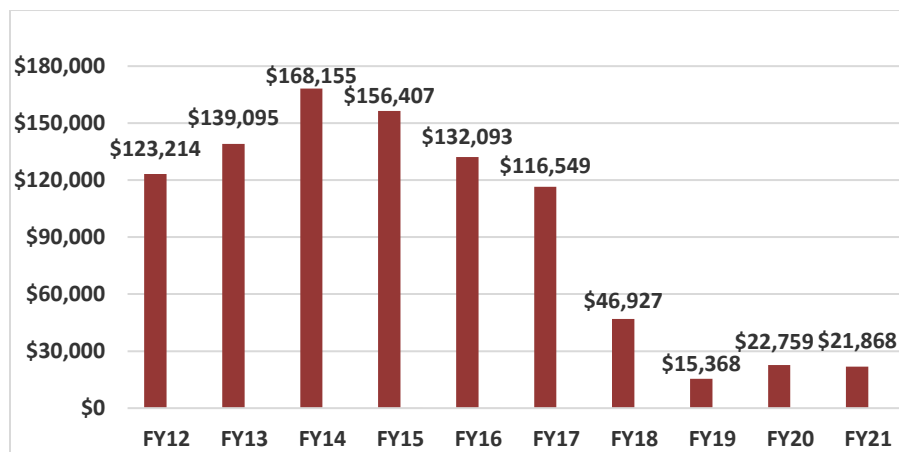
The District is also involved in private negotiations for other potential schools sites. Information regarding these negotiations are reported to the Board of Education on a case-by-case basis.

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 an intergovernmental agreement (IGA) executed by the parties. Users in this category are exempt from fees. IGAs regarding this issue are in place between the District and the City of Brighton and the City of Commerce City, respectively. There is no agreement in place with the City of Thornton.

The District also allows for the use of its facilities on a fee basis for other for 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 IGAs 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 slight increase during FY20 reflects the lease of facilities to one additional non-exempt group.

As a result of the COVID-19 pandemic, all schools were closed to use by external groups starting in March 2020 and remained closed until September 2021.

The significant 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 and/or community facilities are built opening additional opportunities for usage by non-exempt groups, or until the existing intergovernmental agreements are amended.

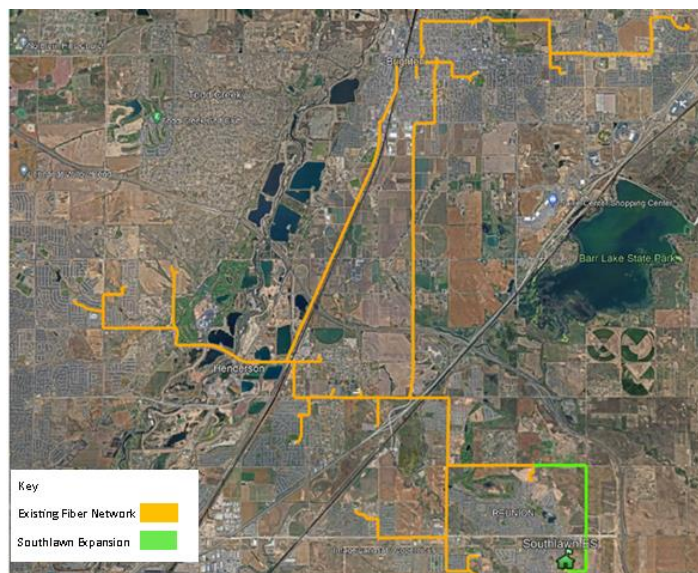
There are currently no charges associated with leasing District fields and other outdoor spaces. All uses of District fields and other outdoor spaces by entities external to the District were suspended from March 2020 through March 2021 due to the COVID-19 pandemic. The District is currently allowing the use of these facilities on a limited basis with priority given to District activities. Given the growing demand for the use of these spaces for high school related activities, the opportunity for use by external entities is increasingly limited and may soon exist primarily on middle school and elementary school sites.

Staff will continue to monitor revenues from the lease and use of District facilities and will work to maintain a balance between community use of facilities and the financial burden of such leases on the District and/or its instructional process.

Data Processing Equipment

The District operates a fiber-based switch network to provide broadband voice and data communications between facilities. An early initiative of the 2021 School Construction Bond was to map and inventory the fiber optic network. The inventory indicated that the current network contains approximately 47.5 miles of fiber. The extension of the line to Southlawn Elementary will add another 2.5 miles. Additional sections are in design for planned schools including the K-8 and middle school in the west plan area and the comprehensive high school and middle school in the south plan area.

Below is a map of the fiber located throughout the District.



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 48 phone switches, 362 data switches and 860 Wi-Fi access points.

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 99.1% average operational availability this year.

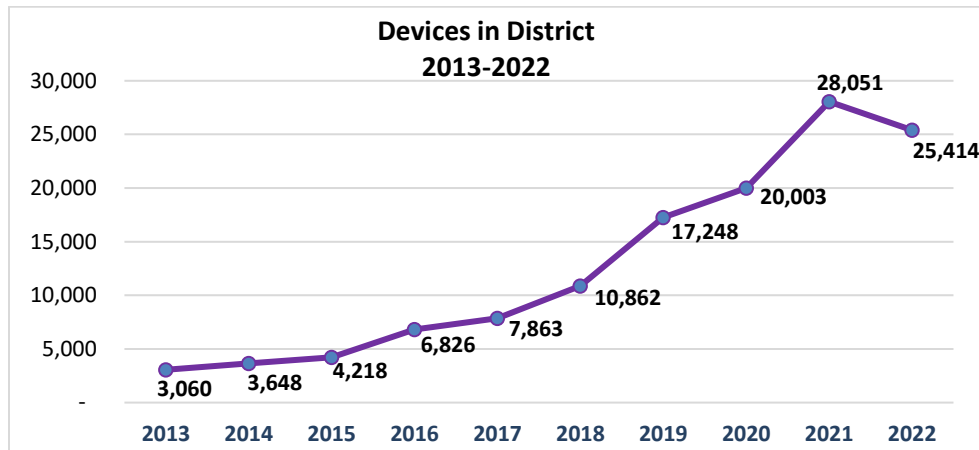
The District has maintenance contracts in place on the building level switches and phone equipment in. The District also keeps a parts inventory to be able to make repairs and replace damaged equipment in a timely manner.

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 25,414 devices within the District. The following chart illustrates the total number of computers within the District and their expected replacement dates.

Type of Device	Total	To Be Replaced in 2022	To Be Replaced in 2023	To Be Replaced in 2024	To Be Replaced in 2025	To Be Replaced in 2026
PC	1,062	465	47	226	200	124
Laptop	1,827	223	59	92	1,376	77
Surface	114	28	28	48	10	0
Chromebox	977	276	0	0	0	701
Chromebook	21,049	3,340	4,585	4,595	5,400	3,129
iPad	385	100	100	0	170	15
Total	25,414	4,432	4,819	4,961	7,156	4,046



This plan ensures that no computer within the District will exceed five years of age. This plan requires full and continuous implementation. Failure to do so may result in the loss of access to fully operable computers for students and staff.

Telephone Systems

Currently the District operates on one telephone system. This system continues to receive updates on a quarterly basis and is supported under current maintenance agreements.

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 white fleet and equipment consists of 111 pieces of motorized equipment including pickups, tractors, mowers, etc., and 125 transportation vehicles including full-size buses and Micro Birds. The District also maintains a bus for Bromley East Charter School and a bus for Belle Creek Charter School.

Maintenance services and inspections are performed on all vehicles by certified technicians at the Main Transportation Terminal.

A 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 2020-2021 school year, District vehicles traveled a total of 758,794 miles to support students. For the 2021-2022 school year, 10,731 students are eligible for busing services. Of those, 4,161 students have utilized transportation during the current year. Due to driver shortages, there are currently over 300 eligible secondary students on the waiting list due to driver shortages.

A current review of the mileage of the transportation fleet indicates that two of the buses have mileage that exceeds 300,000 miles, and zero buses have mileage in excess of 400,000 miles. An additional 31 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.

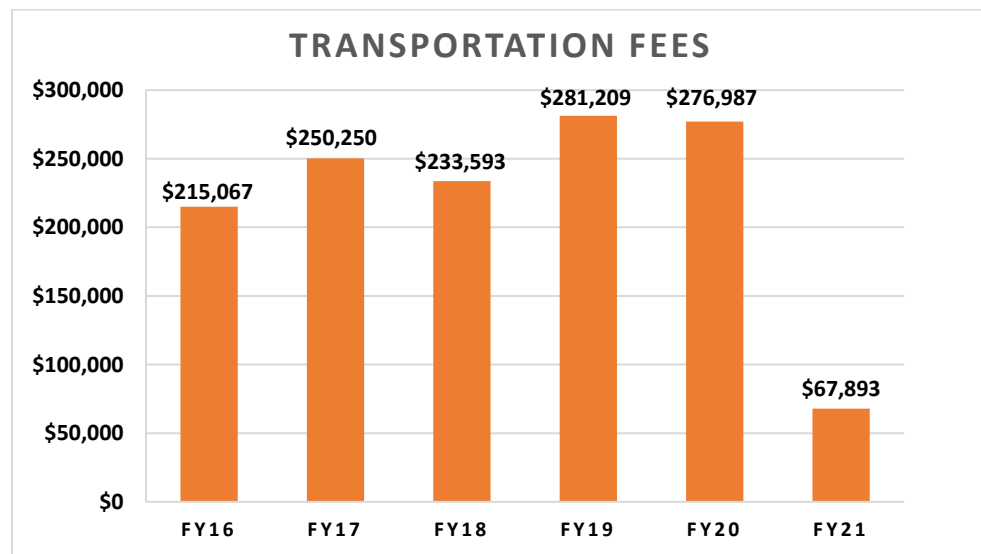
The State of Colorado does not have a standard bus replacement schedule based on the age of the vehicle due to the fact that Colorado is not considered a high rust state. Industry standards suggest replacement at 350,000 miles for a diesel engine due primarily to new emission standards, 250,000 miles for propane engines and 150,000 for gas engines.

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

	2018	2019	2020	2021	2022
Mileage	Number of Buses	Number of Buses	Number of Buses	Number of Buses	Number of Buses
400,000+	2	2	0	0	0
300,000-399,999	6	7	2	2	2
200,000-299,999	23	27	30	26	31
100,000-199,999	31	28	47	28	50
50,000-99,999	38	14	19	21	17
0-49,999	19	42	26	49	25
Total Number of Buses	119	120	124	126	125
Average Miles per Bus	138,753	131,758	128,984	127,965	138,753

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 continuously evaluates and creates service options and routing strategies to maximize efficiency.

The District initiated the collection of transportation fees in the fall of 2011. As illustrated by the chart below, the amount collected has remained relatively flat on a year-to-year basis. The funds collected are used to offset a portion of the Transportation department's operating costs.



The decrease in Transportation fees in FY21 is a reflection of the District reducing fees by fifty percent in the 2020-2021 school year to correspond with the fewer number of days students were attending school in person as the result of COVID social distancing measures. Given the uncertainty of the 2021-2022 schedule, fees remained at the \$10/month per student level. Fees are expected to return to the \$20/month per student level for the 2022-2023 school year.

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 technician 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 technician 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 technician must pass a written and hands-on performance test initially, and is re-tested every three years. Technicians participate in a variety of training opportunities to assist in their certification efforts. Documentation regarding technician 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 2020-2021 school year, 448,835 breakfast meals and 947,235 lunch meals were served free to all students.

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 and proper maintenance, and care is taken to maintain existing equipment to extend the life of equipment as long as possible. Staff is also trained on the proper upkeep and safe use of all equipment in our kitchens. The District owns and maintains the Nutrition Service equipment that exists in all District schools. 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. The Nutrition Services Department is part of a purchasing co-operative consisting of seven Districts across the Front Range. The co-operative is currently utilizing Gold Star Foods as their prime vendor. A request for proposals is currently in place to evaluate the cost of the services.

Nearly three-fourths 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. Increased food and supply costs, coupled with lower reimbursement rates and the likely reduction in meals served due to the expected expiration of the universal free meal program, may jeopardize the District's ability to operate this program without a General Fund subsidy. A significant price increase to students for meals will be required to continue to operate the program without such a subsidy.

Summary

The recently passed 2021 School Construction Bond provides for the construction of five new schools, three STEM/CTE centers, significant support for the renovation and construction of charter facilities, a new transportation terminal, safety and security and technology improvements. The 2021 School Construction Bond also will provide \$25.5 million for deferred maintenance projects.

The District's physical assets vary in age and therefore the capital maintenance, repair and replacement schedule required to protect these assets is complex and never ending. Given these diverse and costly needs, it is highly unlikely that there will ever be a time that all assets are maintained within the standard of the manufacturers recommended life cycle replacements.

As the insured value of the District's buildings now exceeds \$600 million, it is imperative that future school construction bond requests contain larger financial commitments for deferred maintenance projects in order to protect the physical assets of the District.

Conclusion: I report 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 January 31, 2022, there are nine claims outstanding against the District.

Claim Type	Status	Description	Date
Liability	Open	Bus Accident	September 2019
Liability	Open	Bus Accident-Student Claim	September 2019
Liability	Open	ADA Claim	April 2020
Property	Open	Snow Storm-Building Damage	March 2021
Property	Open	Wind Damage	July 2021
Liability	Open	Student Injury in School	August 2021
Property	Open	Fire Damage	October 2021
Property	Open	Water Damage	December 2021
Liability	Open	Student/Employee Incident	January 2022

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 14, 2021, 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

Purchase of Real Estate

There have been no purchases of real estate since the last report.

The District is however in receipt of the following properties dedicated for school sites:

Purpose	Location	Conveyed By
Elementary School Site	10075 Walden St, Commerce City	City of Commerce City
K-8 School Site	W of Holly St, N of 144th Ave	City of Thornton
MS #6	E 152nd Ave and Holly St	Hines Acquisition, LLC

The Board has received proper notification of the receipt of these properties.

Lease of Real Property or Real Property Rights

Typically, there are a number of leases of either real property or real property rights presented to the Board on an annual basis. Those leases fall into two major categories: oil and gas mineral rights and other property leases. Information regarding those types of leases are as follows:

Oil and Gas Mineral Rights

On Aug 4, 2021, an amendment to a previously executed lease with Great Western was executed, adding an additional 3.9999 acres at the Northeast school site that should have been included in original lease.

There have been no new requests for mineral leases since the last report.

To date the District has entered into 16 separate leases and received lease and bonus payments in the amount of \$873,639.10. Since the last report, the District has also received \$1,516,879.27 in royalty interest payments from those leases.

Other Property Leases

On April 28, 2020, the Board of Education authorized the execution of a temporary construction lease and permanent easement agreement between 27J Schools and Metro Wastewater Reclamation District for the construction of the Second Creek Pipeline. The District has received payment in the amount of \$188,669 for the lease and easement at Prairie View High School and the easement at Stuart Middle School. The remaining \$372 for the temporary construction lease at Stuart Middle School will be paid in full at the time of the lease activation as defined in the lease.

On August 24, 2021, the Board of Education authorized a two-year lease of approximately one acre of land located in the northernmost portion of the District's ESC property, with Greystar Development and Construction.

On January 25, 2022, the Board of Education authorized the lease back of the 15.92-acre west middle school site to Ruby Ferguson.

Disposal of Real Estate

There have been no disposals of real estate requested since the last report.

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 2021 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:

2022 Bid Services Report

Southlawn Phase I Owner's Representative RFP/Q	February 2021
Southlawn Elementary Phase I CMGC RFP/Q	February 2021
Brighton High CTE/STEM Center Owner's Representative RFP/Q	November 2021
Brighton CTE/STEM Center CM/GC RFP/Q	January 2022
Prairie View High School CTE Center Architectural Services RFP/Q	December 2021
Prairie View High School CTE Center Owner's Representative RFP/Q	December 2021
Prairie View High School CTE Center CM/GC RFP/Q	February 2022
Riverdale Ridge High School CTE Center Architectural Services RFP/Q	December 2021
Riverdale Ridge High School CTE Center Owner's Representative RFP/Q	December 2021
Riverdale Ridge High School CTE Center CM/GC RFP/Q	February 2022
Willow Bend School Owner's Representative RFP/Q	February 2022
Willow Bend School CM/GC RFP/Q	February 2022
Design Services Comprehensive HS #4	October 2021
North Terminal Transportation Building Design Services RFP/Q	December 2021
HVAC Controls Replacement RFP/Q	November 2021
27J Technical Standards Development RFP/Q	January 2022
Middle School Turf Projects RFP/Q	January 2022
Pool Parking Lot Asphalt Replacement	February 2022
South Fiber Plant Design RFP/Q	December 2021
Middle School #6 Land Annexation	January 2022.
Stuart Modular Units RFP/Q	November 2021

RFP/Q -Request for Proposal and Qualifications

CM/GC-Construction Manager/General Contractor

In addition, the Board granted waivers to this policy for the following projects:

- Brighton CTE/STEM Center Design Services - November 9, 2021
- Design Services for the school site located in Willow Bend - February 1, 2022

The appropriate departments maintain supporting documentation for the processes.

Conclusion: I report compliance.

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

1. On April 14, 2020, in an executive session, the Board of Education was provided information for discussion related to the temporary construction leases at Prairie View High School and Stuart Middle School as well as an agreement for a permanent easement at both schools. The Board of Education authorized the execution of both leases and agreements on April 28, 2020.
2. On January 12, 2021, the Board received information for discussion related to the dedication of the High School #4 site in the Reunion Subdivision. Staff remains in discussion with Commerce City, Oakwood Homes and the owner of the property as to the schedule and other details of the dedication pursuant to the formal October 15, 2020 request letter from the District.
3. On January 12, 2021, the Board was also provided information for discussion related to the relocation of the proposed National Heritage Academies Charter School to the Willow Bend subdivision in Thornton and the proposed location of the District-managed Elementary School #14 in the Reunion Southlawn subdivision in Commerce City. Based on these discussions, staff prepared and the Board acted on resolutions requesting the conveyance of these properties from the related municipalities on February 23, 2021. Both requests have been acted on and the properties have been conveyed to the District.
4. On August 24, 2021, the Board of Education received information regarding the request for the lease of property adjacent and north of the Educational Service Center by Greystar Development and Construction L.P., a residential development company. The property will be used as a material storage yard while Greystar Development is construction a multi-family residential project.

5. On December 14, 2021, in an executive session, the Board of Education was given information for discussion related to the potential dedication and purchase of land in Thornton to be used as a middle school site.
6. On January 25, 2022, the Board of Education accepted the 15.92 acre land dedication from HT Parterre Land LP aka Hines Acquisitions LLC and approved the lease back of the property to the previous owner.
7. On February 22, 2022, the Board of Education approved a resolution requesting the conveyance of property from Commerce City. This property will be used for the construction of Comprehensive High School #4.

The City of Commerce City has taken no action to convey properties requested by the District for the elementary to be located in Second Creek Farm (requested September 22, 2020), or the site for Comprehensive High School #4.

Based on recent conversations with District legal counsel, all future dedications from municipalities will be presented to the Board for acceptance.

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 configuration, 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 Network Operations Center.

The District also utilizes “Virtual Servers” to help lower operational cost and to help spread the data over multiple physical servers to ensure data is protected and easier to back-up 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 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 has received more attention. The District continues to take steps to remediate areas of concern in the form of increased detection and monitoring systems as well as staff and student awareness training. This year there have been no instances of improper access to the system. Two-factor authentication in mission critical areas has been implemented to detour improper access, which has reduced the number of unauthorized attempts to the system. Efforts continue to expand on this area during this and next school year to achieve two-factor authentication at the school building level.

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. Additionally, Multi-Factor authentication has been added to accounts that have sensitive data access such as HR, finance, and administrator roles in an effort to help curtail improper access.

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 2021 audit at the December 14, 2021 Board Meeting. Their management letter stated no audit findings.

Conclusion: I report 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 27J Schools 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 that 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 certificates 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.

Data Reported

Investments organized by investment instrument for funds consist of:

Investment	Amount at January 31, 2022	Interest Rate at January 31, 2022
ColoTrust	6,254,669	0.07%
CSAFE	1,344,774	0.04%

Wells Fargo Trust	32,896,471	0.00%
UMB Construction Escrow	1,142,490	0.01%
PFM : 2015 Issuance	7,475,522	0.02%
PFM : 2017 Issuance	10,016,302	0.02%
PFM : Bond Redemption	3,055,460	0.02%
PFM : TABOR	6,117,552	0.02%
Total Investment	\$ 68,303,240	

Investments by fund per type:

*To account for City of Thornton: retainage for completion of projects

As of January 31, 2022		
ColoTrust Agency & Trust Fund 72	42,974	
ColoTrust Activity Fund 23	-	
ColoTrust General Fund 10	6,089,999	
ColoTrust GO Bond 2016 Fund 41	-	
ColoTrust GO Bond 2017 Fund 41	-	
ColoTrust Impact Fund 26	65,763	
ColoTrust CRF-CARES Act	55,933	
ColoTrust Total	6,254,669	0.07%
CSAFE Pupil Activity Agency Fund 74	290,122	
CSAFE Nutrition Fund 21	1,054,652	
CSAFE Total	1,344,774	0.04%
Wells Fargo Trust Debt Fund 31 Total	32,896,471	0.00%
UMB Construction Escrow Fund 41*	1,142,490	0.01%
PFM : Series 2015 GO Bonds 41	7,475,522	0.02%
PFM : Series 2017 GO Bonds 41	10,016,302	0.02%
PFM : TABOR Fund 10	3,055,460	0.02%
PFM : Bond Redemption Fund 31	6,117,552	0.02%
PFM Asset Management Total	26,664,836	
Total Investment	68,303,240	

* To account for city of Thornton: retainage for completion of projects

Investments organized by investment instrument for funds within the Building Fund 41 consist of:

Fund	Amount
ColoTrust General Obligations Bond	
External Investment Pool	-
Subtotal	\$ -
UMB Construction Escrow Series 2016	
Money Market	1,142,490

Subtotal	\$ 1,142,490
PFM Asset Management: 2015 Issuance	
Government Select, Colorado Investments CSIP LGIP	7,475,522
Subtotal	\$ 7,475,522
PFM Asset Management: 2017 Issuance	
Federal Agency Bonds and Notes	\$ -
Corporate Notes	-
Money Market Mutual Funds CSIP LGIP	10,016,302
Certificates of Deposit	-
Subtotal	\$ 10,016,302
Total Building Fund 41	\$ 18,634,315
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

The protection of the District's public image and credibility as it relates to its ability to accomplish its goals is a responsibility shared by all of the Superintendent's staff. This report will focus primarily on the communication efforts made by staff to support and protect the District's public image as well as two surveys of the entities that assist in the development of District assets. 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.

Surveys

To ascertain private business', government officials' and/or community leaders' perception of the District's public image, credibility, and/or its ability to accomplish goals related to the protection and

development of the District's capital assets, two surveys were conducted. The confidential, on-line surveys were conducted under the auspices of the 2015 Bond Oversight Committee consistent with its charge to monitor and communicate to the general public the activities and expenditures of the 2015 School Construction Bond program. The information received through this survey will be reported to the Bond Oversight Committee directly and to the Board through this report.

The surveys were initiated on March 18, 2022 and potential respondents received three reminders to complete their respective survey. While the number of responses received was low and likely inconclusive, it does provide general information relative to the District's credibility and ability to meet its goals as it relates to the development of District assets.

The first survey was directed to private contractors who have submitted bids to perform services in a wide variety of construction projects. The second survey was e-mailed to governmental officials and/or community leaders to ascertain their knowledge of the 2015 School Construction Bond program.

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

Did you receive adequate notice to bid District projects?

Yes - 25 No - 0 N/A - 0

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

Yes - 24 No - 1 N/A - 0

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

Yes - 24 No - 1 N/A - 0

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

Yes - 23 No - 1 N/A - 1

Comments:

- No documents available during walk through
- As of March 25, 2022, still awaiting word on status

The second survey was sent to 43 government officials and/or community leaders. Nine responses were received. The survey questions and results are as follows:

Are you aware of the projects and progress made towards completing the projects related to the 2015 and/or 2021 Bond Program?

Yes - 6 No - 3 N/A - 0

If so, how did you receive information related to the 2015 and/or 2021 Bond Program?

- Received information through e-mails, website, school board - 3
- Received information through on-going correspondence with the city - 3
- Website – 1
- N/A - 2

Do you trust the District to accomplish the goals of the 2015 and/or 2021 Bond Program in an ethical manner?

Yes - 8 No - 1 N/A - 0

Does the District build positive relationships with your organization as it relates to the development of the District's capital assets?

Yes - 5 No - 1 N/A - 3

Communications

Communication's role protects the organization's image and accurately illustrates the District as a valuable community asset. Much of the communication strategic work is prioritized based on results from a comprehensive community-wide poll conducted in the fall of 2021 and follow-up focus groups.

Marketing

Great Grads Project

- Giant banners at each school highlight a successful graduate from that school.
- Online stories illustrate student success after graduation and schools' role in the accomplishments.
- Put a human face on the issue with a local young person recognizable to community members.
- Chief target audience: non-parents in local neighborhoods.

Crisis Communications

Emergency messaging

- Target messaging to parents and staff.
- Swift response that is reliable and predictable in times of crisis.
- Illustrates responsiveness, competent leadership, care for students, and respect for the role of parents particularly during crises.

School critical incidents

- Target messaging to parents and staff.
- Create and control the narrative by being proactive and credible.
- Messages and context illustrate transparency and competent leadership.

Features and Storytelling

- Uses specific targeted audiences based relevance of the story.
- Engages people's emotion as well as their need for information in relevant and interesting ways.

Media Relations

- Broad reach and 3rd party storytelling helps connect 27J's actions to community values.
- 27J controls its narrative through credible external communication source.

Website and Social Media Communications

- 27J provides context for information and controls its own narrative through this tool.
- Reaches broad audience including non-parents and community members.

Bond Communications

- Demonstrates financial responsibility, competent leadership, community engagement using transparency and open, honest communication.
- Content has broad interest to non-parents, senior citizens and general taxpayers.

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.

Conclusion: I report compliance.