

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 24, 2024

Dr. Chris Fiedler

Superintendent, 27J Schools



Policy 3.E – ASSET PROTECTION

Date Adopted/Last Revised: August 23, 2023

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:

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| • Buildings and Values | • Facility Leasing |
| • School Sites | • Data Processing Equipment |
| • Capital Reserve Expenditures | • Vehicles |
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Reporting: Compliance

3. Operate without employing risk management practices to minimize exposure of the organization, its Board, or staff to claims of liability. Page 21

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Reporting: Compliance

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Reporting: Compliance



Policy 3.E – ASSET PROTECTION

Date Adopted/Last Revised: August 23, 2023

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. The Rocky Mountain Risk Insurance Group (the Pool) 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 amounts. 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.

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, including employment practices liability and educators' professional liability.

As the result of the escalated number of acts of violence towards schools, the Insurance Pool has added Malicious Attack insurance to its array of coverage. A more detailed description of this new coverage is discussed in Section 1 of this report.

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, subject 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.

Malicious Attack Coverage was added in 2023. The coverage provides financial protection for events that involve the use of a firearm, hand held weapon or a motor vehicle intended to harm another person or group of persons at a school site. The coverage insures against bodily injury and property damage resulting from a malicious attack, including damage done by law enforcement/security forces responding to the malicious attack. The coverage also provides for crisis management expenses as a result of a malicious attack.

Rocky Mountain Risk Insurance Group									
2023-2024									
Hierarchy of Coverage By Line									
	Property (Buildings, Vehicles, & Contents)	Auto Physical Damage	E & O	Liability	Workers' Compensation	Boiler & Machinery	Employee Dishonesty (Crime)	Cyber Liability	Malicious Attack
District Responsibility Building and Contents	\$0 - \$1,000	\$0 - \$5,000	\$0 - \$10,000	\$0	\$0	\$0 - \$5,000	\$0 - \$25,000	\$0 - \$150,000	\$0 - \$5,000
Pool Retention	\$1,000 - \$100,000	\$5,000 - \$100,000	\$10,000 - \$150,000	\$0 - \$150,000	\$0 - \$550,000	None	None	None	None
Excess Coverage	\$100,000 to \$900,000 AMBRIDGE	\$100,000 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	\$150,000 to \$3,000,000 ACE	\$5,000 to \$3,000,000 Lloyds of London
Deductible	2.0% 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 to \$2,000,000 Lloyds	\$5,000,000 to \$5,000,000 Gemini	\$5,000,000 to \$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.

The data presented supports a finding of compliance.

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 charts summarize 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	25	2,304,290	\$626,947,500	\$53,831,800	\$5,535,000	\$716,314,300
CTE Centers	3	149,282	\$42,824,000	\$0	\$0	\$42,824,000
Modulars	36	74,720	\$11,724,686	\$1,347,320	\$0	\$3,072,007
Other Buildings	23	163,709	\$26,947,185	\$7,348,709	\$998,400	\$35,294,294
Total	87	2,692,001	\$708,443,371	\$62,527,829	\$36,533,400	\$807,504,600

The District owns and maintains approximately 454 acres at 31 developed sites as described in the chart below:

SD27J DEVELOPED SITES

Site	Year Opened	Subsequent Renovations	Acres	Building Square Footage	Address
BLARC - finished space				20,650	1850 Egbert St, Brighton
BLARC - unfinished space				6,800	
Brantner PK-5	2012	2016	14.92	66,064	7800 E 133rd Ave, Thornton
Brighton Heritage Academy	1926	1955, 1965, 1970, 1994, 1998, 2000, 2001, 2002, 2008, 2016	3.6	43,125	830 E Bridge St, Brighton
Network Operations Center			↓	4,337	849 Bush St, Brighton

Brighton HS 9-12	1953	1961, 1967, 1981, 1992, 1994, 1999, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2009, 2013, 2017, 2023	27.978	280,020	270 S 8th Ave, Brighton
CLC	1973		↓		360 S 8th Ave, Brighton
Nutrition Services Center			1	8,240	630 S 8th Ave, Brighton
Leased Lot			11.9		S 8th Ave and Voiles St, Brighton
Educational Service Center	2005		13.282	26,605	18551 E 160th Ave, Brighton
Discovery Magnet School K-8	2023		10.1348	68,014	4949 E 147th Ave, Thornton
Henderson PK-5	1968	1973, 1998, 2000, 2002, 2007, 2009, 2018	14.52	56,338	12301 E 124th Ave, Henderson
Natatorium	1970		3.1506	16,517	565 Southern St, Brighton
Northeast PK-5	1968	1998, 2007, 2017	9.437	65,761	1605 Longs Peak St, Brighton
Overland Trail MS 6-8	1984	1988, 2000, 2001, 2005, 2008, 2009, 2012, 2018	15	58,714	455 N 19th Ave, Brighton
Padilla PK-5	2021		10	64,922	5505 Longspeak St, Brighton
Pennock PK-5	2003	2009	7.83	70,525	3707 Estrella St, Brighton
Prairie View HS 9-12 (incl. STEM/CTE)	2006	2007, 2008, 2009, 2020, 2023	53.4874	275,248	12909 E 120th Ave, Henderson
Prairie View MS 6-8	2008		22.6	135,803	12915 E 120th Ave, Henderson
Quist MS 6-8	2020		23.4532	140,556	13451 Yosemite St, Thornton
Reunion PK-5	2017		10.0016	68,952	11021 Landmark Ave, Commerce City
Riverdale Ridge HS 9-12 (incl. STEM/CTE)	2018	2023	70.1312	301,757	13380 Yosemite St, Thornton
Sakata Education Campus	1998		2.18	49,737	89 N 6th Ave, Brighton
Second Creek PK-5	2003	2008	14.7268	70,525	9950 Laredo Dr, Commerce City
South PK-5	1953	1973, 1998	3.67	53,049	305 S 5th Ave, Brighton
Southeast PK-5	1962	1994, 2005, 2009	11.58	68,125	1595 Southern St, Brighton
Southlawn PK-5	2022		10.6142	62,416	10075 Walden St, Commerce City

Stuart MS 6-8	2009	1994, 2005, 2009	21.0009	139,626	15955 E 101st Way, Commerce City
Thimmig PK-5	2002	2009	6.4163	70,525	11453 Oswego St, Henderson
Transportation Facility	2001		19.9	11,212	11701 Potomac St, Brighton
Turnberry PK-5	2008	2009	10.38	68,095	13069 E 106th Pl, Commerce City
Vikan MS 6-8	1962	1973, 1987, 2000, 2001, 2002, 2016	20.6	91,248	879 Jessup St, Brighton
West Ridge PK-5	2007		10.091	67,586	13102 Monaco St, Thornton
Total Acres			453.585		

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.

Using Deferred Maintenance Bond Funds or Capital Reserve Funds, the following projects have been completed since the last Report in order to maintain or repair facilities and/or equipment.

Project Location	Fund	Description
Pool Building	Capital Reserve	Monitoring Service
Brighton High	Bond	HVAC Controls Upgrade
Overland Trail Middle	Bond	HVAC Controls Upgrade
Stuart Middle	Bond	HVAC Controls Upgrade
Prairie View Middle	Bond	HVAC Controls Upgrade
Southeast Elementary	Bond	HVAC Controls Upgrade
Northeast Elementary	Bond	HVAC Controls Upgrade
Henderson Elementary	Bond	HVAC Controls Upgrade
Turnberry Elementary	Bond	HVAC Controls Upgrade
West Ridge Elementary	Bond	HVAC Controls Upgrade
Brantner Elementary	Bond	Asphalt Playground
Overland Trail Middle	Bond	Asphalt
South Elementary	Bond	Asphalt
Southeast Elementary	Bond	Asphalt
Transportation Building	Bond	Asphalt
Bob Sakata Education Campus	Bond	Concrete Repairs
Henderson Elementary	Bond	Fire Alarm Upgrade
Turnberry Elementary	Bond	Fire Alarm Upgrade
West Ridge Elementary	Bond	Fire Alarm Upgrade
Prairie View Middle	Bond	Fire Alarm Upgrade
Stuart Middle	Bond	Fire Alarm Upgrade
Brighton High	Bond	Fire Alarm Upgrade
Various School Locations	Capital Reserve	Mulch
Second Creek	Capital Reserve	Elevator Glides
Southeast	Capital Reserve	Sound System
Southeast	Capital Reserve	Marquee and Data Line
Prairie View Middle	Capital Reserve	Boiler Controls
Preschool	Capital Reserve	Move from BLARC to Sakata
Districtwide	Capital Reserve	Domestic Waterline Issues
Quist Middle School	Capital Reserve	Irrigation Repairs

Reunion Elementary	Capital Reserve	Amplifier Replacement
Southeast Elementary	Bond	Boiler Repairs
Stuart Middle	Bond	Boiler Replacement
Henderson Elementary	Bond	Sewer Repairs

Indoor Pool Building

The District's Indoor Pool was originally constructed in the 1970s. There have been numerous additions, renovations and repairs made to this facility since that time. The costs of additional repairs would likely exceed the useful value of the facility.

Swimming is no longer a part of the high school physical education curriculum. The facility is used only in conjunction with the high schools' boys and girls swim and dive teams and community-based competitive swim teams.

A recent analysis identified deteriorating structural elements caused by the long-term exposure to water and humidity typically associated with pools constructed in that era. A sophisticated monitoring system has been put in place to detect any minute structural movements that might endanger the safety or integrity of the building.

While continued efforts will be made to extend the life of the building, the eventual replacement of the facility is recommended.

The capital investment to replace the facility will be expensive and should be considered for inclusion in a future school construction bond question.

School Security

School Emergency Operations Plan

Each school has an individualized Emergency Operations Plan (EOP) designed and written for its specific use. The EOP provides guidance to school staff, district personnel, and partner agencies on the policies and procedures that guide the incident response for any emergency, threat, or hazard that may impact a school, its students and/or staff. It is updated regularly by all parties that have a role in emergency response for their school.

The primary purpose of actions taken during an emergency is to respond to the emergency and minimize its impact on life or property.

The EOP also serves as a legal shield for the District, utilizing best practices and providing a margin of protection against liability.

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 District currently has the following radios in inventory:

Type	Amount
XPR 7550/7550e	100
XPR R7	161
XPR 3500	748

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.

To increase the operating efficacy of emergency communication radios a portion of the Mill Levy Override funds was used to purchase 100 digital R7 Motorola radios. Each school in the District received 5-10 new radios to increase its overall inventory of digital radios to a minimum of 35 digital radios per building. The distribution of these new radios allowed the emergency communication system to move to an all-digital radio program, allowing for clear and consistent communication during regular and emergency usage. Each spring, radios are checked and maintained for effectiveness.

School Security Disbursement (SSD) Grant

The District is considering the implementation of a weapons detection system for the 2024-2025 school year in high school campuses. The system will be designed to detect and prevent firearms, explosive devices and other weapons from entering these schools.

To that end, the District applied for and received a \$369,562 grant from the State of Colorado's School Security Disbursement Fund.

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.

The District is currently designing security upgrades to entry vestibules at nine schools. Brighton High School's vestibule is already designed and is in process of hiring a firm to construct the project.

All school sites have electronic key access for employees and are operating within an enterprise system that is implemented District-wide for staff badging and access control.

First responders have access to key cards via secured lock boxes at school sites. Police lock boxes are in the process of being installed at Discovery Magnet, Padilla Elementary and the three STEM/CTE Centers.

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. There are 34 raptor systems spread throughout District facilities.

Video Surveillance

All schools have video surveillance systems with continuous recording. The District has 1,116 active cameras. 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 also equipped with a 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.

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 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

Fifteen schools have emergency natural-gas generators to provide long-term backup 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.

Grounds

In addition to the properties identified on pages 8-9, the District owns and maintains approximately 74 acres on six parcels of vacant land for future school sites.

SD27J FUTURE SCHOOL SITES – OWNED

Jur*	Site	Acres	Potential Usage
AC	E 152nd Ave and Holly St	15.92	MS
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
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	9.8855	ES
	Total Acres	73.9867	
*The jurisdiction in which the property exists. AC=Adams County; BR=Brighton; CC=Commerce City; TH=Thornton			

Although not presently deeded to the District, there are 14 parcels containing approximately 218 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 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 (Brown property)	10	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	217.9716	
<p>* The jurisdiction in which the property exists. AC = Adams County; BR = Brighton; CC = Commerce City; TH = Thornton ¹The District has issued a formal request to Commerce City to convey this parcel to the District.</p>			

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 school 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 is currently allowing the use of these facilities on a limited basis with priority given to District activities. The District also allows for the use of its facilities on a fee basis for other for-profit and not-for-profit organizations.

There are currently no charges associated with leasing District fields and other outdoor spaces.

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.

To assist in preserving this balance, the City of Brighton has agreed to assume the responsibility of maintaining District-owned facilities at Ron Cox Field and Rockies Field. These fields are located at South 10th Avenue and Southern Street in Brighton. The agreement will remain in place for one year and will be reevaluated at that time. The City of Brighton uses these two fields extensively during the summer months.

Commerce City had previously agreed to utilize \$500,000 from the Joint Use Tax Fund to make improvements to District-owned sports fields located at Second Creek Elementary School, Turnberry Elementary School and Stuart Middle School, all located within Commerce City.

Data Processing Equipment

The District IT Department operates a fiber-based switch network to provide broadband voice and data communications between facilities. The network currently contains approximately 55 miles of fiber, providing redundant voice and data to all buildings as well as delivering service to the Adams County Detention Center with a leased line, offering school age detainees access to instructional services.

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 55 phone switches, 503 data switches and 1,054 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 99.2% average operational availability this year.

The District has maintenance contracts in place on the building level switches and phone equipment. A parts inventory is also maintained in order to make repairs and replace damaged equipment in a timely manner.

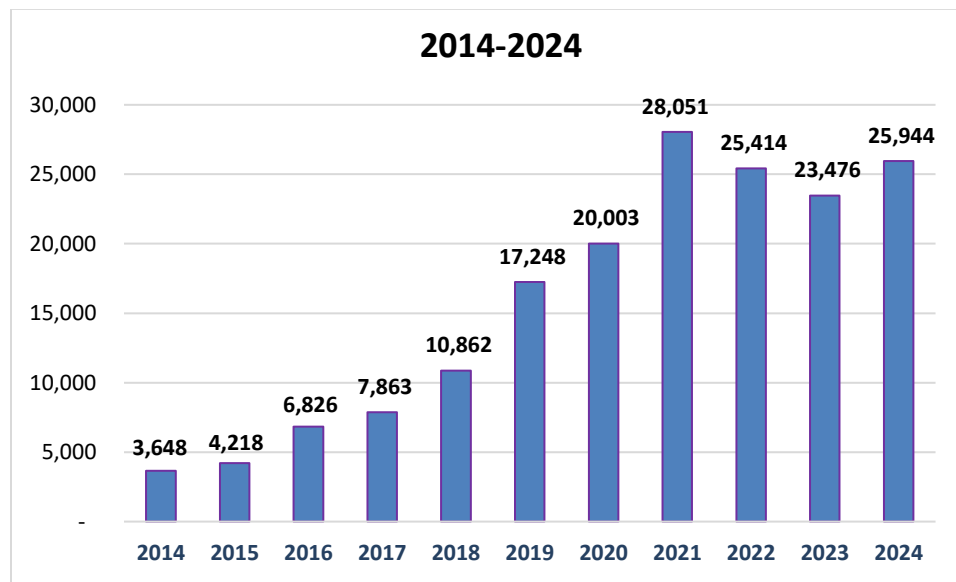
The District continues to monitor, correct, and protect the fiber network from any damage that may occur. Established relationships with multiple vendors expedite any repair work that may be needed.

Computers

There are 25,944 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 2024	To Be Replaced in 2025	To Be Replaced in 2026	To Be Replaced in 2027	To Be Replaced in 2028
PC	1,174	226	200	124	419	205
Laptop	1,847	92	1376	77	237	65
Surface	58	48	10	0	0	0
Chromebox	1,188	0	0	701	301	186
Chromebook	21,298	0	5,400	3,129	10,535	2,234
iPad	379	0	170	15	182	12
Total	25,944	366	7,156	4,046	11,674	2,702

Devices in District



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

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 145 pieces of motorized equipment, including pickups, tractors, mowers, etc., and 129 student 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, inspections and repairs are performed on all vehicles by certified technicians at the Main Transportation Terminal.

A current review of the mileage of the transportation fleet indicates that there are 44 buses have mileage in excess of 200,000 miles and two buses that have mileage that exceeds 300,000 miles. There are no buses that have mileage that exceeds 400,000 miles. High-mileage buses remain in 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 because Colorado is not considered a high rust state. However, according to the CDE Minimum Standards (CCR 301-25) Rule 7.12, it states that districts are discouraged from operating school buses older than 25 years of age. Currently, the fleet has three buses that meet the 25-year replacement recommendation.

Industry best practices suggest replacing a diesel engine at 350,000 miles, primarily due to new emission standards, 250,000 miles for propane engines and 150,000 miles for gas engines.

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

	2020	2021	2022	2023	2024
Mileage	Number of Buses	Number of Buses	Number of Buses	Number of Buses	Number of Buses
400,000+	0	0	0	0	0
300,000-399,999	2	2	2	2	2
200,000-299,999	30	26	31	34	44
100,000-199,999	47	28	50	41	46
50,000-99,999	19	21	17	15	24
0-49,999	26	49	25	22	13
Total Number of Buses	124	126	125	125	129
Average Miles per Bus	128,984	127,965	138,753	141,680	

The increasing demand for transportation services caused by enrollment growth and the increasing number of students requiring transportation as part of their Individualized Education Plans will require the District to continue investing in transportation vehicles or consider reducing service levels. Staff will continue to seek grant opportunities to replace older diesel buses with cleaner-burning energy alternatives.

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

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

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.

New equipment is typically purchased and installed at our new schools as part of the construction process. The replacement of food service equipment is primarily funded by the Nutrition Services Department. 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 kitchens. The District owns and maintains the Nutrition Service equipment that exists in all District schools. For example, there is an annual schedule followed for our steam equipment that tracks filter replacement and descaling efforts at each school. The Nutrition Services Department, via separate operating agreements, provides services to Belle Creek Charter School, Bromley East Charter School, Foundations Academy, Landmark Academy and Eagle Ridge Academy and maintains the equipment in those facilities.

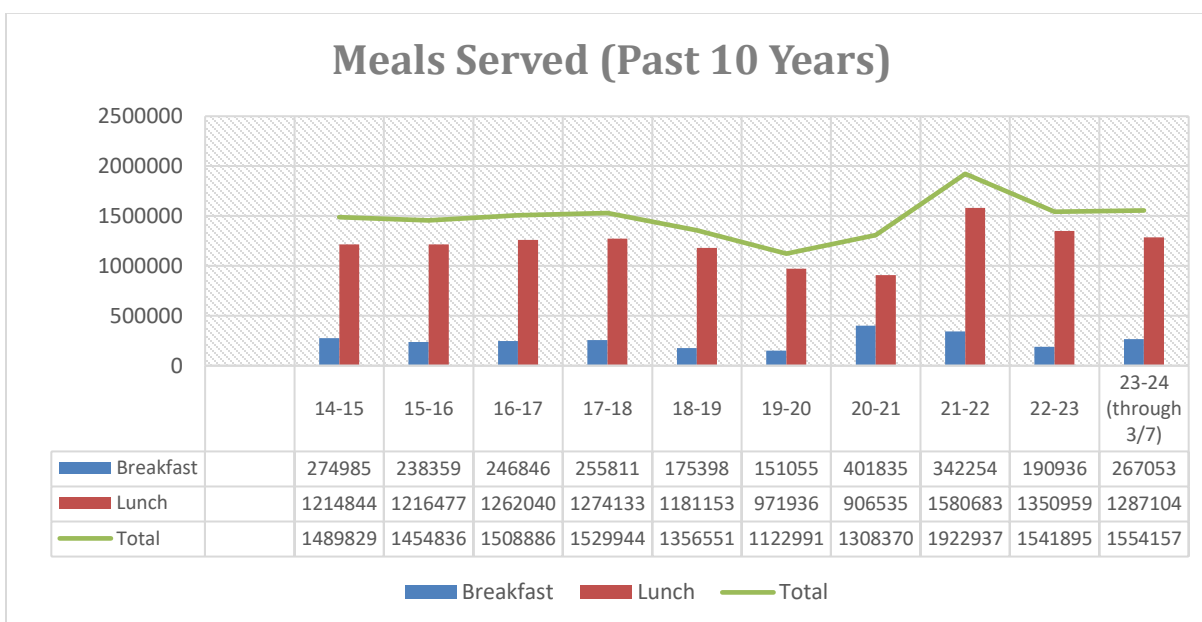
Food and other operating supplies are purchased following federal, state, and District procurement regulations. The Nutrition Services Department is part of a purchasing co-operative consisting of seven districts across the Front Range. The co-operative is currently utilizing US Foods as their prime vendor.

The Nutrition Services Department operates without any revenue subsidy from the District's General Fund. Nearly 90% of the Nutrition Services revenues are tied to state and federal sources. To ensure that the District continues to receive those revenues, strict rules regarding nutrition, procurement, free and reduced processing, and claiming must be followed. The program is subject to internal and state audits to assure that program regulations are followed. School kitchens are also subject to food safety inspections by the Adams County Health Department on an annual basis.

The recent pandemic and other issues have exposed flaws in the food and supply chain. Currently, one vendor supplies the vast majority of items that are delivered to schools. Vendors do not carry large inventories of food in their warehouses and have become more dependent on bringing in foods from manufacturers just-in- time (JIT) to send back out to their customer (our schools). When there are other

issues, such as a lack of truck drivers or employee disruptions at a manufacturing or distribution facility that produce and pack products on trucks, supplying schools becomes more challenging. Complicating this issue is that District schools only have enough storage space for approximately one week of food, leaving little flexibility when product deliveries are delayed. It is staff's recommendation that in the future, consideration be given for funding a District-owned warehouse for the nutrition services program via an up-coming bond election. Districts that own and distribute from their own warehouse can more easily absorb short-term distribution challenges by utilizing other foods that they already have in stock. A warehouse can also be used to more effectively procure and distribute locally produced items, which would allow the District to take advantage of additional facets of the Healthy School Meals For All program, as well as more effectively invest our financial resources back in to the local community.

Supplemental Information



Summary

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 unlikely that there will ever be a time that all assets are maintained within the standard of the manufacturers recommended life cycle replacements.

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 will also provide \$25.5 million for deferred maintenance projects.

However, as the insured value of the District's buildings now exceeds \$800 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.

Additionally, while previous bond funding has focused largely on creating additional student capacity, consideration regarding the renovation, repair, expansion and/or replacement of District support

facilities has been largely ignored. Specific consideration should be given to the replacement of the District Pool, Nutrition Center, Network Operations and upgrades to other District support facilities including the Educational Services Center and Facilities Building.

Planning and consideration for these items will assist in the continual support of the District's educational mission

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

In addition to the insurance coverages discussed in section one of this report 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.

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

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. A non-inclusive list of those training opportunities taken by District staff are as follows:

Training Name	Training Name
Adams County Crisis Response	Hazard Communication: Right to Understand (GHS)
Administrative Supervision of Students	Ladder Safety
Asbestos Awareness	Making Schools Safe and Inclusive for LGBTQ+ Students
Back Injury and Lifting	Making Schools Safe and Inclusive for Transgender Students

Bloodborne Pathogen Exposure Prevention	Online Safety: What Every Educator Needs to Know
Bullying: Recognition and Response	Playground Maintenance & Inspection
Chemical Spills Overview	Prescription Drug and Opioid Abuse: Impact on Students
Child Abuse: Identification & Intervention	Return to Learn Following a Concussion: Tier 1 Classroom Supports
Child Abuse: Mandatory Reporting	Science Laboratory Chemical Spills
Classroom Safety	Sexual Harassment: Staff-to-Staff
Communication Styles and Skills	Sexual Harassment: Student Issues & Response
Concussion Awareness: Athletics	Sexual Misconduct: Staff-to-Student
Conflict Management: Staff-to-Staff	Slips, Trips and Falls
Cultural Competence and Racial Bias	Special Education: Safety in the Classroom
Customer Service Overview	Sport Supervision and Safety
De-Escalation Strategies	Stress Management
Digital Citizenship for Secondary Teachers	Student Alcohol & Substance Misuse
Disruptive Student Behavior	Student Mental Health: Awareness, Intervention and Referral
Electrical Safety	Title IX Compliance Overview
General Ethics in the Workplace	Youth Suicide: Awareness, Prevention and Postvention

As of April 3, 2024 there are:

- 43 outstanding claims related to workers' compensation injuries
- 4 outstanding claims related to general liability

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 January 24, 2024, 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 acquisitions of real estate since the last report.

Disposal of Real Estate

The District has sold a small portion of property near the Educational Services Center located at 18551 E. 160th Avenue, to the City of Brighton for the Bridge Street Widening Project. The sale price was based on an appraisal utilizing comparable sales of like properties in the area.

The District has sold the 10-acre Second Creek Farm School site located at approximately 88th Avenue and Telluride Street in Commerce City to Performance Charter School Development, LLC, a Texas limited liability company. The sale price of the land was determined by the Board of Education to be the current cash-in-lieu of land dedication value. As a part of the Board's deliberations, staff presented a recent independent appraisal of the site.

A permanent Utility Easement was granted to United Power at no cost based on previous practices.

Outstanding Transactions

The District is considering a proposed Lease of Mineral Interests to Phoenix Capital Group Holdings, LLC for the mineral interests located under the Main Transportation Terminal located at 11701 Potomac Street.

The lease price was identified through a negotiated process conducted by the District's legal counsel for mineral extraction.

Supplemental Information

As reported in an April 1, 2024 Board Update, the District has received \$4,367,400 in bonus and royalty interests to date.

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 related to the financing, design and construction of facilities contained in the bond request.

In order to encourage vendors to work with the District, an open house was held at the Brighton Learning and Resource Campus (BLARC) to meet vendors and discuss how to do business with the District. The Communications Department assembled a flyer and sent it to vendors and various chambers of commerce.

Additionally, to encourage solicitations from diverse companies, staff put together a presentation for the Hispanic Contractors of Colorado highlighting the bond program's projects and how to do business with the District.

2024 Bid Services

Type	Location / Project	# of Bids / Proposals	Date
RFP	Middle School #6 Owner's Representative Services	5	April 2023
RFP	High School #4 Site Surveying Services	9	May 2023
RFP	Monitoring Services	2	May 2023
IFB	Printing / Mailing Services	3	May 2023
IFB	Southeast Elementary Storm Water Drainage Restoration	1	May 2023
RFP	High School #4 Traffic Study Services	4	June 2023
IFB	Districtwide Asphalt Parking/Playground Concrete Repair / Maintenance	5	June 2023
IFB	West Ridge Elementary Projector Install	3	June 2023
RFP	Geotechnical Subsurface Exploration - Middle School #6	6	June 2023
RFQ	Middle School #6 CM/GC	11	July 2023
IFB	Sakata Educational Campus Concrete Sidewalk Repairs	2	July 2023
RFP	Secure Entryway Vestibule Design Services	7	Oct. 2023
RFP	Geotechnical Subsurface Exploration - High School #4	7	Nov. 2023
RFP	Design Services for South Elementary	4	Dec. 2023
RFP	Geotechnical Subsurface Exploration - North Transportation Terminal	3	Dec. 2023
RFP	Roofing Consultant Services	8	Jan. 2024
RFP	North Transportation Terminal CM/GC	12	Jan. 2024

RFP	City of Thornton Punch List Closeout - Riverdale Ridge HS & Quist MS	1	Feb. 2024
RFP	Brighton High School & Prairie View High School ADA Ramps	4	Feb. 2024
RFP	High School #4 Owner's Representative Services	2	Feb. 2024
IFB	Districtwide Asphalt Parking/Playground Concrete Repair / Maintenance	8	Feb. 2024

For solicitations over \$20,000, the District publicly posts opportunities for all vendors and contractors to see available work on Rocky Mountain BidNet and the District website.

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

District staff keeps the Board informed of any potential acquisitions, leases or disposals of real property, providing the Board with information for discussion prior to a final decision.

This information is provided via Board Updates or information provided during Study Sessions, Executive Sessions and Regular Meetings.

A non-inclusive list of these notifications are as follows:

Date	Meeting Type	Subject	Status
April 26, 2023	Regular Meeting	City of Thornton IGA - Intent to Purchase Property - Middle School #6	Complete
	Executive Session	Notice to Acquire Land for High School #4	In Negotiations
	Executive Session	Notice to Acquire Land for Middle School #6	In Negotiations
	Executive Session	Sale of Talon Pointe Property	In Negotiations
	Executive Session	Sale of Second Creek Farm Property	In Negotiations
	Executive Session	Lease of Cell Tower Space for AT&T	In Negotiations / Unable to Reach Agreement
	Executive Session	Lease of Cell Tower Space for T-Mobile	In Negotiations
May 23, 2023	Study Session	School Site Dedication - Prairie Center	Notification
June 14, 2023	Executive Session	City of Brighton Right of Way / Bridge Street Widening	In Negotiations
	Executive Session	Lease of Cell Tower Space for T-Mobile	In Negotiations / Unable to Reach Agreement
	Executive Session	Sale of Talon Pointe Property	In Negotiations
	Executive Session	Sale of Second Creek Farm Property	In Negotiations
	Executive Session	Acquisition of Land for Middle School #6	In Negotiations
	Regular Session	School Site Dedication - Prairie Center	Accepted
August 9, 2023	Study Session	Sale of Talon Pointe Property	In Negotiations
	Study Session	Sale of Second Creek Farm Property	In Negotiations
August 23, 2023	Regular Session	City of Brighton Right of Way / Bridge Street Widening	Negotiations
September 27, 2023	Study Session	Sale of Talon Pointe Property	In Negotiations
	Study Session	Sale of Second Creek Farm Property	In Negotiations
November 8, 2023	Study Session	Sale of Talon Pointe Property	In Negotiations
	Study Session	Sale of Second Creek Farm Property	In Negotiations
December 13, 2023	Executive Session	City of Brighton - United Power Grant of Easement	Advisement
	Regular Session	City of Brighton - United Power Grant of Easement	Approved
	Regular Session	Second Creek Farm Land Dedication	Accepted
	Executive Session	Sale of Talon Pointe Property	In Negotiations
	Executive Session	Sale of Second Creek Farm Property	In Negotiations
January 24, 2024	Regular Session	Sale of Talon Pointe Property	Offered Contract-Contract Refused
	Regular Session	Sale of Second Creek Farm Property	Offered Contract-Closing Pending
March 14, 2024	Executive Session	Pawlowski Fields- Preliminary Discussion-Sale of District Property	In Negotiations
April, 1 2024	Board Update	Oil and Gas Lease	In Negotiations

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.

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. However, Illuminate Education, a third party data management platform that the District uses, was breached. The company sent out notifications to families that were affected. Two-factor authentication in mission critical areas has been implemented to deter improper access, which has reduced the number of unauthorized attempts to the system. Two-factor authentication at the school building level has been completed.

Internet content filters have been employed 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 Annual Comprehensive Financial Report (ACFR) 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 ACFR, 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 2023 audit at the January 24, 2024 Board Meeting. Their management letter stated one finding of material weakness in internal control over financial reporting of the Construction Retainage Payable Review and Reconciliation. A corrective action plan, acceptable to the auditor, was created and implemented.

There was no unauthorized disbursement of funds related to this finding.

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 27J Schools entered into one external contractual agreement with RubinBrown LLP was for the District's annual audit. Staff did not engage 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, 2024	Interest Rate at January 31, 2024
ColoTrust	30,394,193	5.56%
CSAFE	1,439,916	5.48%
Wells Fargo Trust	31,269,644	0.00%
UMB Construction Escrow	1,207,325	4.62%
PFM : 2015 Issuance	5,234,301	5.52%
PFM : 2017 Issuance	84,850	5.52%
PFM : 2022 Issuance	145,154,750	5.52%
PFM : Bond Redemption	6,585,172	5.52%
PFM : TABOR	3,289,016	5.52%
Total Investment	\$224,659,167	

Investments by fund per type:

January 31, 2024	Amount	
ColoTrust Agency & Trust Fund 72	46,060	
ColoTrust General Fund 10	26,697,232	
ColoTrust Nutrition Services	3,650,901	
ColoTrust Subtotal	\$ 30,394,193	5.56%
CSAFE Pupil Activity Agency Fund 74	310,648	
CSAFE Nutrition Fund 21	1,129,268	
CSAFE Subtotal	\$ 1,439,916	5.48%
Wells Fargo Trust Debt Fund 31 Total	\$ 31,269,644	0.00%
UMB Construction Escrow Fund 41 Total	\$ 1,207,325	4.62%
PFM : Series 2015 GO Bonds 41	5,234,301	5.52%
PFM : Series 2017 GO Bonds 41	84,850	5.52%
PFM : Series 2022 GO Bonds 41	145,154,750	5.52%
PFM : TABOR Fund 10	3,289,016	5.52%
PFM : Bond Redemption Fund 31	6,585,172	5.52%
PFM Asset Management Subtotal	\$160,348,089	
Total Investment	\$224,659,167	

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

Fund	Amount
UMB Construction Escrow Series 2016	
Money Market	1,207,325
Subtotal	\$ 1,207,325

PFM Asset Management: 2015 Issuance	
Government Select, Colorado Investments CSIP LGIP	5,234,301
Subtotal	\$ 5,234,301
PFM Asset Management: 2017 Issuance	
Money Market Mutual Funds CSIP LGIP	84,850
Subtotal	\$ 84,850
PFM Asset Management: 2021 Issuance	
Federal Agency Bonds and Notes	\$ 91,437,994
Money Market Mutual Funds CSIP LGIP	53,716,756
Subtotal	\$ 145,154,750
Total Building Fund 41	\$ 151,681,226
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 shared by all of the Superintendent’s staff. The data reported in this report will focus on surveys conducted with vendors and governmental officials related to the maintenance, protection and development of the District’s capital assets and efforts by the District’s Communications Department.

Surveys

Two confidential online surveys were conducted. The information received through these survey will be reported to the Bond Oversight Committee directly and to the Board through this report.

The first survey was initiated on March 8, 2024 and was directed to private contractors who have submitted bids to perform services in a wide variety of construction projects. Potential respondents

received three email reminders to complete their survey.

One-hundred and four surveys were e-mailed to private contractors who submitted bids to perform services in a variety of construction projects. Forty-six responses were received. The survey questions and results are as follows:

Did you receive adequate notice to bid District projects?

Yes - 40 No - 6 N/A - 0

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

Yes - 43 No - 3 N/A - 0

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

Yes - 42 No - 4 N/A - 0

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

Yes - 46 No - 0 N/A - 0

The second survey, initiated on March 8, 2024, was e-mailed to 33 governmental officials and/or community leaders to ascertain their knowledge of the 2021 School Construction Bond program. Potential respondents received three email reminders to complete the survey. Thirteen responses were received and 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 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 - 11 No - 2 N/A - 0

If so, how did you receive information related to the 2021 Bond Program?

- Received information through e-mails, website, school board - 8
- Received information through on-going correspondence with the city - 4
- Website – 3
- Did not receive information related to the 2015 and/or 2021 Bond Program - 2

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

Yes - 11 No - 0 N/A - 1

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

Yes - 11 No - 1 N/A – 1

Communications

The Communications Department regularly engages the community through polls, surveys, task forces, and focus groups to stay abreast of public opinion, detect changes in perceptions, and use that information to shape target audience behavior.

In 2024 focus groups, the community expressed a need for proactive, clear, accurate and timely information from the district. Participants said they want to be involved in some way in district decisions.

Academic Achievement, Financial Health, and Student Safety emerged as the most significant issues for the community.

Academic Achievement

The community requested better, synthesized information about testing, understandable information about student performance using a variety of measures, and comparisons to how 27J compares to Adams County peer districts.

This prompted the beginning of communication campaigns about student report card grading, state standardized tests, and CTE programs. Goals for the campaigns include parents gaining understanding of the district's new student skills report; increasing the participation rate on state assessments; and increasing the confidence ratings for use of bond/mill funds to support CTE. Preliminary results show:

- A reduction in the number of CMAS test opt-outs compared to the same time last year
- High parent approval ratings of initial explainer flyer for the skills report
- High approval ratings from community groups touring high school STEM/CTE centers

These communication and marketing campaigns are ongoing.

Financial Health

According to polls over the last three years, the 27J community gave the District low marks for its money management practices. When asked about those results, people did not have specific examples of financial mismanagement. Rather, they complained that they did not have quality financial information about the District. While the District complies with the Financial Transparency Act, and it earns financial operations awards each year, people want to have a general sense of how the District manages its money, where it spends its money and the outcomes those investments produce. People want that information in simple to understand terms and in places easily found by most people.

In response, the District will create high-level information about the anatomy of a school district budget. Infographics and clearer financial information will be crafted and distributed to targeted stakeholder groups. Data will be collected to determine the success of these tactics in meeting the goal of increasing the community's confidence in the District's financial management.

The same concepts apply to how the District uses bond and mill levy override funds. The public appreciates the community oversight of the spending, but it wants routine reports from those groups and facts they can examine for themselves. For the bond, the group wants to know how the District is

delivering on the projects in the ballot measure. This includes a financial accounting for all of the funds tied to specific projects and the timeline for completion. This information is readily available as it's been discussed by the Bond Oversight Committee many times.

Many voters are quite proud that their community approved a mill levy override and that teachers were able to have an increase in pay. However, they want more affirmation that the MLO funding is being used as promised. They want to know what difference the money has made by purchasing equipment, hiring people and overall organizational improvement given the infusion of cash.

These issues were recently addressed in the Community Investment Report that was distributed to parents and staff this spring. More communication on these topics is needed and in a variety of modalities to increase the community's confidence in the District's financial management.

Student and Staff Safety

The general public was glad to see additional safety officers hired to guard elementary schools. They also appreciate additional campus supervisors in all schools. However, they want to see the District's metrics of how this has changed student behaviors, the environment, and reduced threats to safety.

The safety and security department is examining the data it already collects and will develop evaluation mechanisms to address this concern.

Conclusion: I report compliance.

The Superintendent will not:

13. Allow the unauthorized use of the District's name or likeness in a manner that will endanger the organization's public image, its credibility, or its ability to accomplish goals.

I interpret will not allow as not providing permission without prior Board approval.

I interpret unauthorized use as any use by any external entity without prior Board approval.

I interpret the District's name as the District's legal or common names including Adams County School District 27J, Adams/Weld School District 27J, Brighton School District 27J, School District 27J or any other derivative of such names commonly used to identify the District.

I interpret the District's likeness as any image, logo or brand identification previously used and approved by the District to identify the District.

I interpret public image as inclusive of the opinions and perceptions of the taxpaying public at large, governmental entities, and private companies 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 goals.

Data Reported

This policy was adopted by the Board of Education on August 23, 2023.

Pursuant to the Superintendent's interpretations, there has been one instance of the unauthorized use of the District's name that would endanger the organization's public image, credibility or its ability to accomplish its goals.

In this particular case, a charter school authorized by the Charter School Institute, used District 27J within its name and marketing campaign.

After consultation with the District's legal counsel and negotiations with the charter school, the reference to District 27J within its name was removed.

Conclusion: I report compliance.

The Superintendent will not:

14. 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.