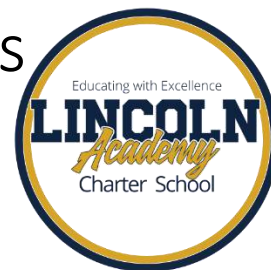


Lincoln Academy Board of Directors

Regular Meeting Minutes



Date: Monday, March 14, 2022 at 6:30 p.m.

Location: Lincoln Academy Charter School, 7180 Oak Street, Arvada, CO

Microsoft Teams Online Meeting Platform

Recording of Teams Meeting (available for 90 days after the meeting).

- (1) To comply with **current school considerations** the Lincoln Academy Board of Directors and other necessary personnel may attend in person. Everyone in attendance must follow all posted health and safety precautions. We will continue to offer on-line attendance via "Teams".
- (2) For **Public Comment**, you must sign up by 6:00 p.m. on the day of the meeting. (Sign up link [was] available [here](#)) Public Comment will be conducted in person. If you would like other considerations, please email Stephanie Trowbridge, President.

Mission & Vision

- The Mission of Lincoln Academy is to help students attain their highest social and academic potential through an academically rigorous, content-rich educational program in a safe, orderly, and caring environment.
- The Vision of Lincoln Academy is to prepare all students for their future endeavors by providing a comprehensive Core Knowledge® education

Meeting Minutes

1. Preliminaries

- A. Call to order @ 6:39 p.m.
- B. Roll call
 - a. Present: Stephanie Trowbridge (President), Micah Gilbreath (Vice President), Jeff Baucum (Treasurer), Lacy Cleveland (Secretary), Doug Neely (Governance Committee), Sarah Wasinger (SAC Committee), David Schoenhals (Executive Director)
 - b. Absent: None
 - c. Guest (2 in person; 8 online)
- C. Reading of Mission and Vision
- D. Welcome Guest
- E. Public Comment

2. Consent Agenda

- A. Regular Meeting Agenda for March 14, 2022
- B. Approval of Meeting Minutes from February 14, 2022

3. PTO Update (Melissa Veronesi)

- A. PTO Mini Grants
- B. Upcoming PTO Elections (Nominations will be held 3/15/2022)
- C. Dance Fit Fundraiser

D. Executive Director Report (David Schoenhals) @ 6:49 PM

- A. COVID Guidelines Reassessment
- B. 2022-2023 Academic Calendar

- a. **Motion 44-3-14:** Move to approve the March 28, 2022 “No Contact” day to the Lincoln Academy calendar for professional development and planning.

- i. Motion by Stephanie Trowbridge.
 - ii. Second by Micah Gilbeth.
 - iii. Votes: Jeff Baucum (Y), Lacy Cleveland (Y), Micah Gilbreath (Y), Doug Neely (Y), Stephanie Trowbridge (Y), Sarah Wasinger (Y)
 - iv. Motion is Passed, 6-0.

- b. **Motion 45-3-14:** Move to approve the Lincoln Academy 2022-2023 Academic Calendar as presented.

- i. Motion by Stephanie Trowbridge.
 - ii. Second by Jeff Baucum.
 - iii. Votes: Jeff Baucum (Y), Lacy Cleveland (Y), Micah Gilbreath (Y), Doug Neely (Y), Sarah Wasinger (Y), Stephanie Trowbridge (Y)
 - iv. Motion is Passed, 6-0.

- C. CMAS
- D. ESSER III Funds
- E. Administrative Restructuring
- F. Townhall Meeting

E. Committee Reports@ 7:31 p.m.

- A. Executive (Stephanie Trowbridge) – 7:31 p.m.
 - a. June 2nd, 6-9 p.m., Strategic Planning Meeting
- B. School Accountability (Sarah Wasinger) – 7:40 p.m.
- C. Facilities (Micah Gilbreath) – 8:04 p.m.

Break (8:07-8:12 p.m.)

- D. Finance (Jeff Baucum) – 8:12 p.m.
 - a. February Financials and ESSER III Funds Review
 - b. 2022-2023 Budget Proposal
 - c. 2021-2022 Staff Bonus Discussion

Motion was tabled at the 2-14-2022 meeting.

- a. **Motion 42-2-14:** Authorization of a one-time Bonus capped at \$2,000 per staff based on their FTE and who have been employed at Lincoln for at least one semester and remained employed until the end of the school year not to exceed \$190,000.
 - a. Motion by Jeff Baucum.
 - b. Second by Stephanie Trowbridge.

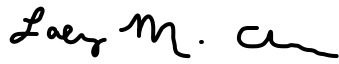
- c. Votes: Jeff Baucum (Y), Lacy Cleveland (Y), Micah Gilbreath (Y), Doug Neely (Y), Sarah Wasinger (Y), Stephanie Trowbridge (Y)
 - d. Motion is Passed, 6-0.
- a. **Motion 46-3-14:** Move to approve the purchase of 400 Chromebooks for \$65,000 in this year's budget.
 - i. Motion by Jeff Baucum.
 - ii. Second by Stephanie Trowbridge.
 - iii. Votes: Jeff Baucum (Y), Lacy Cleveland (Y), Micah Gilbreath (Y), Doug Neely (Y), Sarah Wasinger (Y), Stephanie Trowbridge (Y)
 - iv. Motion is Passed, 6-0.
- E. Development (none) – 10:12 p.m.
- F. Governance (Doug Neely) – 10:12 p.m.
 - a. **Motion 47-3-14:** Move that the board adopt policy 4.1.4 Board Elections as submitted.
 - i. Motion by Doug Neely.
 - ii. Second by Lacy Cleveland.
 - iii. Votes: Jeff Baucum (Y), Lacy Cleveland (Y), Doug Neely (Y), Micah Gilbreath (Y), Sarah Wasinger (Y), Stephanie Trowbridge (Y)
 - iv. Motion is Passed, 6-0.
 - b. **Motion 48-3-14:** Move that board elections are held April 18th – 21st. The election will be for two open positions. The membership of the election committee shall consist of Doug Neely (board member), Suzanne Fries, and Lori Woods.
 - i. Motion by Doug Neely.
 - ii. Second by Stephanie Trowbridge.
 - iii. Votes: Jeff Baucum (absent), Lacy Cleveland (Y), Micah Gilbreath (Y), Doug Neely (Y), Sarah Wasinger (Y), Stephanie Trowbridge (Y)
 - iv. Motion is Passed, 5-0.
 - c. **Motion 49-3-14:** Move to add to Policy 4.1.5 Board Meeting Procedure as item (6) "All voting at any meeting shall be by roll call. The names of the members shall be called alphabetically, and each member present shall orally vote "Aye" or "No" upon each question unless excused from voting by the board for good cause. Election of the president and vice-president may be by secret ballot."
 - i. Motion by Doug Neely.
 - ii. Second by Stephanie Trowbridge.
 - iii. Votes: Jeff Baucum (absent), Lacy Cleveland (Y), Micah Gilbreath (Y), Doug Neely (Y), Stephanie Trowbridge (Y), Sarah Wasinger (Y)
 - iv. Motion is Passed, 5-0.
- F. Board Training – Skipped Discussion due to time 10:31 p.m.
 - A. Data Driven Decision Making
 - B. Board Assessment
 - C. School Improvement
- G. Unfinished Business @ 10:31 p.m.
 - A. Building Corp – Follow-up discussion regarding both houses on LA property
- H. New Business @ 10:33 p.m.
 - A. Annual Charter Conference Review (Micah Gilbreath)

I. Announcements

J. Adjourned

A. Meeting adjourned at 10:34 p.m.

Respectfully Submitted by

A handwritten signature in black ink, appearing to read "Lacy M. Cleveland". The signature is fluid and cursive, with a long horizontal stroke at the end.

Lacy M. Cleveland

Secretary

Lincoln Academy Board of Directors

EXECUTIVE DIRECTOR



March 14, 2022

Lincoln Academy March Board Report

The mission of Lincoln Academy is to help all students attain their highest social and academic potential through an academically rigorous, content-rich educational program in a safe orderly, and caring environment.

Executive Director

LINCOLN ACADEMY MARCH BOARD REPORT

Enrollment Update for 2022-2023

Grade	Number Enrolled for 22-23	Projected Number	Number of openings	Suggested enrollment number	Number on the waitlist as of 3-3-22	Total Number of Applications Received for First Round 2022-2023	Total Number of Applications Received for First Round for 2021-2022
K Full Day	80	88	8	92	20	146	153
1	91	88	-3	92	10	22	21
2	79	84	5	80	0	11	20
3	86	84	-2	87	9	21	12
4	84	84	0	84	0	9	9
5	85	84	-1	87	2	18	12
6	87	84	-3	87	32	43	24
7	83	84	1	84	7	12	13
8	76	78	0	78	14	13	8
Total	751	758	5	771	94	295	272

Student/Family Movement after 10-1-2021

Reason	Number of students
Moved out of state	5
Moved out of district	3
Private School	1
Total	9 (1.3%)

Calendar Change Request

In December, the administration had conversations with teachers about how to better support them with their work through the rest of the school year. One of the top priorities identified by staff was additional planning time. Through further discussions, it was determined that having an extra day of planning around Spring Break would be quite helpful in providing teachers with the necessary time to meet the needs of their students during a quite difficult year due to the pandemic. Teachers chose March 28th as the date that made the most sense for this planning date as it backed to Spring Break.

In the December 17th edition of the Lincoln Loop, the change of March 28th to a teacher workday was first communicated to the community. Unbeknownst to me, this change was supposed to have gone to the Board of Directors before becoming official. Tonight, I ask that the Board approve this calendar change.

CMAS Testing

CMAS testing will take place between April 5th and April 13th (Makeups April 29th). Information around CMAS testing will be updated on the website and will be communicated in this week's Loop.

ESSER III Funds

ESSER (Elementary and Secondary School Emergency Relief): Purpose: ESSER must be used to address the impact COVID-19 has had and continues to have on elementary and secondary schools within the LEAs boundaries, including continuing educational services to students during school building closures and developing and implementing plans for the return to normal operations.

ARP ESSER III requires each school to set aside and use a minimum of 20% of allocated funds for interventions to address the academic impact of lost instructional time. These interventions must be evidence-based and designed to respond to students' social, emotional and academic needs with a specific focus on students who have been disproportionately impacted by the COVID-19 pandemic, including students from low-income families, students of color, English learners, children with disabilities, students experiencing homelessness, children and youth in foster care and migratory students.

Lincoln Academy is being provided with \$606,492.69 in ESSER III funds. Over the course of three years, the spending of this money can be adjusted as long as the overall spending meets the 20% requirement listed above.

Jobs (Salary Recovery – See Financial Presentation)	\$450,000	(≈ 74.2%)
Summer and/or Afterschool Core Class Catch Up/Enrichment	\$75,000	(≈ 12.4%)
Teacher Planning/Collaboration outside of contracted days	\$36,000	(≈ 5.9%)
CDE Reading Training (K-3)	\$36,000	(≈ 5.9%)
Social/Emotional and Mental Health Curriculum	\$10,000	(≈ 1.6%)

Administration Restructuring

Principal Hiring Process

February 15, 2022

Post and advertise the Principal position through March 4

February 15-22, 2022

LA Principal Interview Committee Application sent to staff. Application due on February 22. External Employee Relations Consultant will determine who will serve on the interview committee by February 25th

March 1, 2022

Interview committee meeting at 3:45

March 7-11, 2022

First round of interviews starting at 3:30 and ending before 7:30 (number of days based on number of applicants)

March 14 – 17, 2022

Finalist interviews from 3:30-6:00 (Number of days based on the number of finalists)

Assistant Principal Hiring Process

March 15, 2022

Post and advertise the Assistant Principal position through April 1

March 30, 2022

Interview committee meeting at 3:45

April 4-8, 2022

First round of interviews starting at 3:30 and ending before 7:30 (number of days based on number of applicants)

April 12, 2022

Finalist interviews from 3:30-6:00

Townhall Meeting

On Wednesday March 30th at 6:30 P.M. we will hold a townhall meeting to discuss the administrative restructuring and other related topics. More information will be communicated in this week's Loop.

Staff Bonus

The staff bonus discussion will take place during the finance portion of tonight's meeting. Below is information related to the motion during the February meeting.

Due to additional funding from federal grants, Lincoln Academy is estimating their projected operating margin for the 21-22 school year to be well over \$200,000 which will be significantly higher than originally budgeted for the year. Mr. Schoenhals and the finance council would like to propose a one-time bonus payment to staff members to say "thank you" for their work throughout the year.

Proposal: Bonus capped at \$2,000 per staff based on their FTE and who have been employed at Lincoln for at least one semester and remain employed until the end of the school year. (1.0 FTE - \$2,000; 0.67 FTE - \$1,340) Total Cost: ~\$185,000

Executive Team Report - March 2022

Stephanie Trowbridge, President

1. Executive Director Check-In

Stephanie and Micah touched base with David at the end of February to be updated by David. Stephanie and Jeff meet with David this week to review the agenda and calendar for March's meeting. We will receive the proposed budget for 2022-2023 as well as the plan for ESSAR 3 funds.

2. Agenda Planning

We will receive updates from the PTO and a staff member this month. We also will review the reason for the Board's approval for the academic calendar. There has been a calendar change for this March. This has sparked a deeper look into Board policy and process. We will discuss this further at our meeting. During our meeting, Stephanie will discuss the 2022-2023 Board meeting schedule in case any changes need to be made.

3. Strategic Planning

The reassessment of the Strategic Plan will happen in June per previous discussion. During our March meeting Stephanie would like to nail down a designated time. Please review these dates prior to the meeting:

May 28th 8-11 a.m. or 12-3 p.m.

June 2nd 6-9 p.m.

June 16th 6-9 p.m.

4. Board Playbook

If you have not done so, the next items needed for the playbook are committee and chair roles and officer roles. Please send the following on or by March 14th:

- i. Your committee's role in one paragraph (Facilities, I have yours from your report).
- ii. Your role as Chair in bullet points.
- iii. Annual timelines from your committees.
- iv. Anything else you think is important.

5. Board Training

As stated before, if anyone is curious about certain kinds of training, please email me so I can begin coordinating other training opportunities. We will have a finance workshop before this month's meeting. Stephanie will be recommending a brief on-boarding session in August for new board members.



SAC Minutes

Tuesday, February 22, 2022, 6:30pm
Meeting via Microsoft Teams

The Mission of Lincoln Academy is to help students attain their highest social and academic potential through an academically rigorous, content-rich education in a safe, orderly, and caring environment.

The Vision of Lincoln Academy is to prepare all students for their future endeavors by providing a comprehensive Core Knowledge Education.

I. Preliminaries

- a. SAC Chair, Sarah Wasinger, called the meeting to order at 6:32 pm.
- b. Attendance: Dawn Bennet (MS Teacher), Kristi Geisz (Community Member), Ami Paulsen (Parent), David Schoenhals (LA Executive Director), Sarah Wasinger (Chair, BoD Representative) and Gordon Wu (Parent) were present. Karen Dwyer (ALP Coordinator), Becky Furst (7th Grade Math Teacher) and Shannon Gantenbein (Parent) were excused.

II. Lincoln Academy Community Staff Survey

- a. Survey went out on Thursday, 2/17/22 and is due to close on Tuesday, 3/1/22.
- b. SAC will not see results. They will go directly to Mr. Schoenhals.
- c. 31 responses as of 2/22/22 (Update: Closed with 209 responses.)

III. Family Survey

- a. SAC reviewed survey responses.
- b. Overall, responses were positive and reflect that Lincoln's mission and vision are being maintained.
- c. SAC recommendations to the Board of Directors:
 - i. Review the school's Global Ends Policies. Add STEM if necessary and Communicate Policies to the community.
 - ii. Improve communication. Consider a new school website. Create a school social media policy.
 - iii. Monitor the level of rigor, study skills development, and core subject proficiency in grades 7/8 to ensure appropriate preparation for high school. The Alumni High School Readiness Survey is a recommended component of this effort.
- d. SAC will communicate to the community the survey results and which items the BoD chooses to address.

IV. Family Engagement Topics and Schedule

- a. Internet Safety: Ami will touch base with SRO, Adrienne Blackwood.
- b. Testing Townhall: Discussion was held regarding format and timing. Mr. Schoenhals will plan a presentation with Q&A. Optimal timing is perhaps 2 weeks prior to start of testing, which is 3/28.
- c. Growing and Changing Preview for Parents: Sarah will touch base with Mrs. Holmes.

V. SAC Homework

- a. Sarah will communicate Family Survey results and recommendations to BoD and community.
- b. Next (tentative) SAC meeting, Wednesday, March 30 at 6:30pm

VI. Meeting adjourned at 9:02 pm.

Kristi Geisz, Community Member

Facilities Committee Report March 2022

The facilities committee is responsible for providing guidance, oversight, and, when appropriate, specialized expertise to the operations team in order to create and maintain a safe, healthy, and functional campus. As needed, this committee will make recommendations to the Board of Directors in relation to Operational and Fiscal Planning.

Committee Members in attendance: Lori Woods (Operations Manager), Norm Miendl (Facilities Manager), David Schoenhals (Executive Director), & Micah Gilbreath (LA Board Chair)

Facilities meetings will typically occur the first Friday of every month. April meeting will be delayed one week to address City of Arvada's comments on 72nd expansion in coordination with interior drive line project at Lincoln Academy. **Next meeting April 8th (8:15-9:30 AM).**

Executive Summary

- 72nd Waterline Damage Update
- Schedule for Lincoln Internal sitework
- Facility's priority list review

72nd Waterline damage update:

- Indoor Restoration complete. Exterior restoration is scheduled for Spring Break (weather permitting)

Internal drive lane/parking lot design (Muller Engineering):

- Moving Facilities meeting a week to meet schedule of Muller receiving comments from the City of Arvada on the 72nd design plan set.
- 90% design package to begin in April
- Period of performance has been extended to October 31, 2023 for construction support

Facilities priority list review:

- Ongoing historical list has been updated and re-designed to reflect 2021 Deferred Maintenance vs 2021 Capital Deficiencies
- Vanir and Lincoln operation manager continue to update costing on priority list
- Most recent priority is the need to replace a portion of Building B's roof. Project expense is included in 2022-2023 proposed budget.
- Continual Upgrade of exterior Doors. Focus on Building B.
- Coordination of rental properties work/bids with Building Corp.

Proposed Motions: None

Additional Facilities Updates:

Action item for next Facilities Committee meeting: 72nd project schedule, Interior driveline design documents, Ongoing review of Draft Priority List and Dashboard data.

Next Facilities meeting at Lincoln Academy will be April 8th at 8:15 am – 9:30 am. Contact Micah Gilbreath if you would like to join this committee micahgilbreath@lincolnacademy.net

Facilities Committee goals for the 2021-2022 school year:

- **In progress:** Update our facilities priority list on a bi-annual basis. The list includes improvements and needs for campus buildings and grounds.
- **Completed:** boiler instillation on south end of building A
- **Completed:** two new exterior security doors.
- **In progress:** Continue to develop design and planning for interior infrastructure site improvements in coordination with the City of Arvada's 72nd project.
- **In progress (Summer of 2022 construction):** Design and install the HVAC for the three existing condensers serving building A office hallway as well as the ten units serving Building C.
- **Completed:** Discuss ATV pricing for snow removal and possible ways to fund

Facilities Committee goals for the 2022-2023 school year:

- **In progress:** Addition of facilities data/metrics to BoD internal dashboard
- **In progress:** Partial Roof replacement on Building B
- **In progress:** Exterior door updates on Building B
- **In progress:** Coordinate with PTO on further playground enhancements/buddy benches

Lincoln Academy Board of Directors 2022-23 Budget Forecast

March 2022

The Mission of Lincoln Academy is to help students attain their highest social and academic potential through an academically rigorous, content-rich educational program in a safe, orderly, and caring environment.



Finance Committee Members

- ▶ Jeff Baucum: BoD Treasurer, Parent Member
 - ▶ jeffbaucum@lincolnacademy.net
- ▶ David Schoenhals: Executive Director
- ▶ Lori Woods: Operations Lead
- ▶ Cindie Poulter: Business Manager
- ▶ Khila Stacey: Financial Secretary
- ▶ Amanda Corrion: Parent Member
- ▶ Travis Harrison: Parent Member
- ▶ Jeff Leniger: Parent Member

Purpose & Goals

▶ Purpose:

- ▶ To provide the Board of Directors a projected budget for the 2022-23 school year with a 5 year forecast for consideration.
- ▶ To provide a cash outlook that considers upcoming large scale capital projects as well as potential Building B savings goals.

▶ Goals:

- ▶ Provide high level fiscal metrics for assessment of strength of budget and financial stability.
- ▶ Match fiscal expenditures with Lincoln's mission and vision.

Budgeting Strategy

- ▶ Conservative revenue forecasts
- ▶ Returning to pre-COVID expenditures for non-salary budgets while maintaining conservative spending
- ▶ Prioritized “Return on Education”
 - ▶ Assigning resources directly towards student success
 - ▶ Prioritizing people
 - ▶ Maximized COLA increases within conservative revenue forecasts
 - ▶ Potential for increased COLAs with increased student head counts

Revenue Forecasts

- ▶ Student Enrollment: Conservatively budgeting for 747 students
 - ▶ Working to actively overfill classes to allow for summer attrition

Grade	Number Currently Enrolled for 22-23	Projected Number	Number of openings	overfill enrollment number	Number on the waitlist as of 3-9-22, after overfill offers
Kinder	80	88	8	92	20
1	91	88	-3	92	10
2	79	84	5	80	0
3	86	84	-2	87	9
4	84	84	0	84	0
5	85	84	-1	87	2
6	87	84	-3	87	32
7	83	84	1	84*	7
8	76	78	0	78*	14
Total	751	758	5	771	94

* Admin reviewing potential additions for upper grades

Revenue Forecasts cont'd

- ▶ Per Pupil Revenue (PPR)
 - ▶ Budgeting for a 6.4% increase
 - ▶ Governor's Proposed Budget Increases PPR to \$9,396 (8% increase)
 - ▶ Jeffco Projection on Purchased Services Agreement: \$9,272 (6.4% increase)
- ▶ Mill Levy Values
 - ▶ Budgeting for a 2.7% Decrease
 - ▶ Jeffco Projection on Purchased Services Agreement:
 - ▶ 95% for all FTE = \$1,722
 - ▶ 5% for only FRL FTE = \$583
- ▶ No other significant revenue changes

Expense Forecasts

▶ Materials and Purchased Services

- ▶ Individual budget line items increased to account for 21-22 actuals
- ▶ Returned some contingencies
- ▶ Added 5% on some contracted services
- ▶ Added \$50,000 capital outlay to cover general fund building improvements/maintenance items
- ▶ Added 125 replacement Chromebook purchases (\$45,000)
- ▶ Added projection of the cost of new math curriculum for 3 grades (\$35,000)

▶ Special Education Fees

- ▶ Budgeting for a 3.7% Increase in fees paid back to the District
 - ▶ Jeffco Projection on Purchased Services Agreement: \$20 for all FTE

Expense Forecasts cont'd

► Salaries and Benefits

- 5% COLA Increase to Teacher Scales
- Resultant 7.68% average increase across all teacher salaries
- Bachelor's Degree Scale
 - 88% - 100% of 21-22 District
 - 92% - 105% of Pinnacle
 - 102% - 114% of Excel
 - JA and WWA do not post scales that allow for similar comparisons
- Master's Degree Scale
 - 88% - 98% of 21-22 District
 - 93% - 115% of Pinnacle
 - 101% - 111% of Excel
 - JA and WWA do not post scales that allow for similar comparisons
- 20% Increase to Education Assistant Scale
 - 91% - 100% of 21-22 District
- 5% Increase or appropriate market adjustment to Support Staff
- 0.5% Increase to PERA Contributions (21.44% average)

2022-23 General Fund Margin Forecast

- ▶ Revenue: \$9,044,818
- ▶ Expenses: \$9,022,151
 - ▶ Salaries: \$5,043,919 (57%)
 - ▶ Benefits: \$1,535,246 (17.4%)
 - ▶ Purchased Services: \$1,487,030 (16.5%)
 - ▶ Debt Services: \$459,024 (5.1%)
 - ▶ Materials and Supplies: \$314,235 (3.5%)
 - ▶ Capital Outlay: \$50,000 (0.5%)
- ▶ Margin: \$22,666 (0.25%)
 - ▶ Planned ESSER 3 salary savings (second social worker, math interventionist)
 - ▶ Resultant General Fund Margin: \$155,363 (1.72%)

Cash Reserves Conversation

► Margin History

School Year	Final Margin	Notes:
2011-12	\$ 118,544	
2012-13	\$ 1,023,488	2013 Bond Closed - Project Funds Received
2013-14	\$ (436,705)	2013 Project Funds Spent (renovated kitchen, offices, science room and middle school bathrooms)
2014-15	\$ 421,966	Replaced Bldg B Boilers
2015-16	\$ 560,679	
2016-17	\$ 70,512	Purchased Bldg C Modulares
2017-18	\$ 241,627	
2018-19	\$ (2,450)	Added Bldg A Sprinklers and Fire Alarm
2019-20	\$ 285,920	COVID Shutdown (less expenditures)
		COVID revenue, staff cuts, all contingencies removed, No COLA but end of year \$2,000 bonus given.
2020-21	\$ 2,067,406	\$374,655 operating margin

Cash Reserves Conversation

Cash Carry Forward Projections		
2020-21 Ending Cash Balance	\$5,237,915	
Projected 2021-22 Margin as of March 2022	\$567,533	Includes Landsale, Boiler Replacement, HVAC Design Work, Committed Parking Lot Design Work
Approved HVAC Upgrades	-\$366,100	
2021-22 Projected Ending Cash Balance	\$5,439,348	
Bonus Proposal	-\$185,000	
Chromebook Purchase	-\$65,000	
2021-22 Revised Ending Cash Balance	\$5,189,348	
Proposed Infrastructure Project	-\$1,649,132	Currently Uncommitted Project Funds
Projected Cash Balance After Driveline Completion	\$3,540,216	Assumes no additional funds added to the project
Approximate Salary Recovery from ESSER3	\$280,000	Other ESSER3 initiatives are cash neutral
Restricted for Debt Services as of June 2021	-\$615,677	
Restricted for TABOR as of June 2021	-\$180,285	
Free Unrestricted Cash Balance	\$3,024,254	
Daily Operating Cost Based on FY23 Expenditures	\$24,657.53	Assumes \$9,000,000 yearly expenditures
Resultant Cash Days on Hand	123	
Resultant Cash Days on Hand (Unrestricted)	155	90 days is \$2.2M

Motion Discussion

- ▶ March Motion for 2021-22 Bonus Approval
- ▶ March Motion for 2021-22 Chromebook Purchase
- ▶ 2022-23 Budget Approval in April
 - ▶ Questions?

Governance Committee Report

Executive Summary

Here are updates to the strategic plan:

- Board Dashboard – Working on making the dashboard available to the board.
- Update policies and by-laws – Discuss proposed board election policy and review policy 4.1.2 Board Evaluation – No updates.
- Board Evaluation – No update – see current scoring
- Executive Director Evaluation – See proposed evaluation
- Board Training – List of modules to review for this month and next month.

Strategic Plan

Board Dashboard

Unfortunately, I was unable to get the board dashboard available this month. I will continue to work towards that goal.

I'm looking forward to working with each committee to add more details from each committee to the dashboard.

Update Policies and By-laws

Motion: Move that the board adopt policy 4.1.4 Board Elections as submitted.

4.1.4 Board Elections

(1) In March of each year, the Board will vote on the following in preparation for the April election:

- Dates for the upcoming election. Per the Bylaws, the election will take place after the April meeting and last for a minimum of four school (student contact) days).
- Number of open seats
- Membership of election committee – Membership should consist of the following:
 - One board member who is not up for election
 - Minimum of two eligible voters
 - One staff member as appointed by the Executive Director
- Refer any item to the community for a vote per Bylaw Section 5.3.

(2) The community will be notified of the upcoming election and given an opportunity to apply for the open positions. Applications must be received by 5 PM five days prior to the April board meeting.

(3) Candidates will be given the opportunity to speak at the April board meeting.

(4) The school office will provide a list of email addresses of eligible voters.

- Eligible voters are determined by Article 5.4 of the Bylaws.

(5) Balloting will be done by an electronic form. The form will contain the following:

- The number of open seats
- Names of the candidates in alphabetic order by last name

- Email address – used to verify eligibility of voters.
 - If possible, email addresses will be validated automatically and only valid votes will be submitted to the election committee.

(6) Each eligible voter may vote for one candidate for each board member position up for election. No votes will be counted from any ballot containing more votes than available seats.

(7) The election committee will gather to count the votes. Candidates with the most votes will be elected members of the board. Winners will be notified by the committee and official results will be announced at the May board meeting. Results will be recorded in the minutes and ballots will be destroyed 90 days after the election.

(8) Newly elected board members will be expected to attend the May board meeting where officers will be elected during the first meeting of the board. Official terms start on June 1st.

Motion: Move that board elections are held April 18th – 21st. The election will be for two open positions. The membership of the election committee shall consist of Doug Neely (board member) and

Motion: Move to add to Policy 4.1.5 Board Meeting Procedure as item (6) “All voting at any meeting shall be by roll call. The names of the members shall be called alphabetically, and each member present shall orally vote “Aye” or “No” upon each question unless excused from voting by the board for good cause. Election of the president and vice-president may be by secret ballot.”

The above is pulled directly from C.R.S. 22-32-108 (6).

Board Evaluation

No updates to the board evaluation for this month. See below for current scoring

Executive Director Evaluation

I apologize for not looking forward enough on the board calendar as we do have the full evaluation for our Executive Director scheduled for this month. We will plan on doing the evaluation next month.

I am submitting the proposed evaluation process to the board. It is based upon our Ends/Mean policy document. On the second tab, you will be able to see the board calendar and when various reports have been submitted so that you can reference those going back over time.

I am also adding a weight value to each of these as I feel like some of them have a higher priority for us as a board. Please look over the initial weights that I have given.

Board Training

Here is the list of training modules to review for the March meeting:

- Data Driven Decision Making
- Board Assessment
- School Improvement Plans and Needs Assessment

Here are the modules to review for April:

- Grant Writing
- Fundraising Resources
- Capital Improvements

Other Business

Next Meeting

To be determined

Board Evaluation Scoring for 2021 - 2022

Mtg Item To Board	Mtg Item Posted	Motion to Board	Motion Posted	Eval to Evaluator	Eval to Board	Reg Mtg On Time	Special Mtg On Time	Mtg Length	Committee Goal	Total	Total %
9	9	7	9	10	10	6		2	2	64	71%

A few notes:

- Our current on-time percentage is 62%.
- Our meeting length average is now 4:36
- Our motions to the board prior to a meeting is 71%, while our posting of motions is 86%.

**Lincoln Academy Charter School,
Colorado
Colorado Educational & Cultural
Facilities Authority; School State
Program**

Primary Credit Analyst:

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Credit Profile

Colorado Educl & Cultural Facs Auth, Colorado

Lincoln Acad Charter Sch, Colorado

Colorado Educl & Cultural Facs Auth (Lincoln Acad Charter Sch)

<i>Long Term Rating</i>	A+/Stable	Current
<i>Underlying Rating for Credit Program</i>	BBB-/Stable	Current

Rationale

S&P Global Ratings' underlying rating on the Colorado Educational & Cultural Facilities Authority's series 2021A and 2021B charter school revenue bonds issued for Lincoln Academy Charter School (LACS) is 'BBB-'. The outlook is stable.

The 'A+' long term rating reflects our view of LACS' inclusion in the Colorado Charter School Moral Obligation program. This report reflects only LACS' underlying creditworthiness and does not assess the enhancement program or the school's qualification under that program.

As of fiscal 2021, the school had about \$8.8 million in total debt outstanding, consisting solely of the series 2021 bonds. The bonds are secured by a mortgage and security interest in the school facilities and a debt service reserve fund. Maximum annual debt service (MADS) is about \$465,000 occurring in 2055. The liquidity and operating covenants require maintaining 40 days' cash on hand and 1.1x annual debt service coverage (DSC), respectively. The terms also include an additional bonds test (ABT) requiring at least 1.1x historical DSC and 1.1x pro forma MADS coverage. The school remains in compliance with all bond covenants.

LACS started the 2021-2022 school year in person and at full capacity, after intentionally maintaining small in-person class sizes during the 2020-2021 school year. The school lost some families in fall 2021 following an announcement of the countywide mask mandate but was still able to marginally grow enrollment in fall 2021 compared to the pandemic-induced loss of students in fall 2020. LACS no longer offers a remote-learning option.

The school reported extraordinary margins in both fiscal years 2020 and 2021 due to large expense cuts from the pandemic, as field trips and many extracurriculars were canceled. It also received a \$1.84 million one-time capital contribution from the district in fiscal 2020. It also recognized roughly \$362,000 in CARES Act funds in fiscal years 2020 and 2021, as well as \$351,000 in one-time funds between ESSER I, ESSER II, and the state's Childcare Sustainability Grant in fiscal years 2021 and 2022. LACS did not apply for a Paycheck Protection Program loan. We believe the school's operations will normalize in fiscal 2022, as its expense base has returned to pre-pandemic levels. However, we note that its \$606,492 in ESSER III dollars will provide it with additional flexibility at the current rating

level over the next few years.

Credit overview

We assessed LACS' enterprise profile as adequate, characterized by relatively steady demand for its programs, and enrollment, which is nearing facility capacity, healthy student retention, good academics, and a solid management team. We assessed LACS' financial profile as adequate, characterized by consistently positive margins, good days' cash on hand, a moderating debt burden and improved MADS coverage that is solid for the rating, despite some compression in the metrics from historical highs. We believe that, combined, these credit factors led to an anchor of 'bbb-' and a final rating of 'BBB-'.

The underlying rating reflects our opinion of LACS':

- Historically steady demand for the school's programs with the expectation for enrollment growth to pre-pandemic levels in fall 2022;
- Healthy reserves that are expected to grow, supported by federal relief funds;
- Good operating margins, with continued positive operations projected for fiscal 2022; and
- Supportive relationship with the authorizing district as reflected by a recent charter renewal for the maximum term, extending through June 2025.

The preceding credit strengths are partially offset, in our view, by LACS':

- Somewhat modest waitlist with a declining projected school aged population, and local competition in the area for students that has been exacerbated by the pandemic;
- Weaker days' cash on hand (excluding fiscal year 2020 and 2021 outliers) compared with peers at the rating; and
- The inherent uncertainty associated with charter renewals since the bonds' final maturity exceeds the existing charter.

The stable outlook reflects our view LACS will likely maintain enrollment as the school reaches its facility capacity, with sustained demand, positive operations, and good cash flow supporting financial metrics consistent with the rating level.

LACS is a grade K-8 public charter school in its 25th year of operations. In addition, the school operates a private prekindergarten program. It operates at one facility in Arvada.

Environmental, social, and governance

We view the risks posed by COVID-19 to public health and safety as an elevated social risk for the charter school sector under our environmental, social, and governance (ESG) factors due to potential effects on enrollment amid the emergence of COVID-19 variants and shifts in per-pupil funding beyond the near-term support provided by additional federal relief, which could affect school operations over time. For LACS, while state funding rebounded in fiscal 2022, and federal relief funding has generally offset the financial effects of the pandemic, the school experienced some enrollment pressure in fall 2021 due to families' demand for mask-free classes across the district, following a countywide mask mandate. We believe this reflects the uncertainty in enrollment levels caused by the pandemic.

Despite the elevated social risk, we believe the school's environmental and governance risks are in line with our view of the sector as a whole.

Stable Outlook

Upside scenario

We could consider a positive rating action if LACS improves its operating performance over time, supporting consistently healthier MADS coverage and liquidity growth that is in line with those of higher-rated peers.

Downside scenario

We could consider a negative rating action if the school's demand, operations, or unrestricted reserves were to weaken materially to levels no longer commensurate with those of peers at the current rating.

Credit Opinion

Enterprise Profile

Market position

We view LACS' enrollment and demand profile as sound, supported by relatively steady enrollment growth that reached the school's facility capacity of around 805 (including pre-K) in fall 2019. Though the school's waitlist and student retention dipped in fall 2021 due to the countywide mask mandate, these demand metrics have been stable and sufficient in recent years. Management expects enrollment to return to facility capacity in fall 2022, which seems attainable given the school's current open enrollment figures. However, we will continue to monitor how pandemic-related pressures will translate to long-term shifts in demand in the area.

LACS' academic performance is good, supporting the school's steady market position. LACS typically outperforms state averages, with mixed results relative to school district and peer schools on standardized testing. Despite the suspension of state testing over the past two school years, LACS has continued internal benchmark testing to limit student academic regression. Management indicates that its preliminary testing shows promise and does not anticipate material shifts in student academic outcomes when standardized testing starts in spring 2022. We expect no significant changes to the school's demand profile over the next few years.

Jefferson County School District No. R-1, the sponsor district, authorized LACS' initial charter in 1997. It has renewed the charter five times with the most recent renewal in 2020, extending through June 2025. We view this healthy, long-standing relationship positively, and understand that the school has continued to meet its authorizer's performance metrics each year.

Management and governance

LACS' board added a new executive director position in fall 2021 to help fulfill the school's strategic missions. The board reports that this addition allowed school principals to further focus on academic performance, teacher retention, and morale amid the pandemic. Aside from this change, LACS' senior management team remains stable.

We view the school's six-member board of directors as sufficient in size and diversity. The board plans to add a few more board positions over the next year, which we believe is achievable given the number of subcommittee members and external networks LACS generally can draw from in selecting members for its board. We view the management team's robust size and its ability to outperform financial projections, its plan for long-term capital projects, and its track record of paying down debt favorably. There are no notable management changes expected in the near term.

Financial Profile

We analyze the materiality, strategy, and funding of pension plans separately from our analysis of a school's long-term debt ratios or operating margin. Consequently, we could make certain adjustments to the calculation of debt ratios or operating margins for schools with substantial multiemployer, cost-sharing, defined-benefit pension plans to separate out the net pension liability or noncash expense accrual. In our view, these adjustments enhance analytical clarity from a credit perspective and result in more-comparable debt and operating metrics across accounting methods.

Financial performance

LACS' financial performance can be characterized by consistently positive operating margins. Fiscal years 2020 and 2021 were outliers in our view, as discussed above. We believe that fiscal 2022's excess income margin and MADS coverage will resemble fiscal 2019's results, as the school's extracurricular programs and their corresponding expenses return to pre-pandemic levels. Fiscal 2022's healthy operations and MADS coverage will be supported by a roughly 10% in per-pupil revenue, some ESSER III monies, and \$625,000 from the city of Arvada for the purchase of some of its land to expand the road adjacent to the school in the coming years.

Liquidity and financial flexibility

We believe the school's days' cash on hand is inflated in fiscal years 2020 and 2021 due to the reduction of its expense base during the height of the pandemic. However, we have observed consistent, incremental growth in LACS' unrestricted reserves annually, which was true in both fiscal years 2020 and 2021 after adjusting for one-time expenses. We expect unrestricted reserves to continue to grow over the outlook as ESSER III funds support operations, allowing management to bolster reserves.

Management may have to draw on some reserves in the summer of 2023 when construction on the school grounds is slated to begin. The project was financed with series 2021 bond proceeds. However, the project--which includes revamping the school's sidewalks, circle drive, and parking lots--depends on the city's corresponding plan to increase the highway adjacent to the school from two lanes to four. As the city's plan is delayed, management does not believe construction will begin until 2023. If the cost of labor or supplies rises significantly, management may need to use some reserves to cover these costs. We will continue to assess the effects of the project on the school's balance sheet over time, though we believe the school has flexibility at the current rating level to sustain some drawdowns. Management also maintains a goal to keep cash above 120 days on hand, which supports the current rating.

Debt burden

The school's total debt is about \$8.8 million, consisting solely of the 30-year fixed rate series 2021 bonds. LACS' debt-to-capitalization ratio shows significant debt on the school's balance sheet; for fiscal 2021, the ratio was 76.3%. However, the school's debt per student is in line with other Colorado peers. Overall, we expect LACS' debt ratios to

continue improving over time as the school has no upcoming debt plans.

LACS participates in the school division trust fund administered by the Public Employees Retirement Association of Colorado. Currently, the plan is underfunded at about 67% based on the Dec. 31, 2020, measurement date, which we view as an improvement from years prior, when the funded ratio was 57% (2018) and 44% (2017). The improvement reflected pension-reform legislation that reduced maximum pension cost-of-living adjustments, and phased in yearly limited increases in contributions, and supplemental payments if necessary, to amortize the unfunded liability over 30 years. Management continues to make 100% of its statutorily determined contributions, which historically are about 8%-10% of total expenses. We view this as manageable, currently. In addition, all employees of the school are also eligible to receive other postemployment benefits through a cost-sharing multiple-employer defined-benefit postemployment health care plan administered by the state for which the school's contribution was \$42,000 in fiscal 2021. We will continue to monitor the effects of the recently adopted measures on the school's financial profile.

Lincoln Academy Charter School, CO -- Enterprise And Financial Statistics						
	--Fiscal year ended June 30--					Medians for 'BBB'- rated charter schools
	2022	2021	2020	2019	2018	2020
Enrollment						
Total headcount	781	773	804	739	724	1,189
Total waiting list	50	265	274	325	360	MNR
Waiting list as % of enrollment	6.4	34.3	34.1	44.0	49.7	31.3
Financial performance						
Accounting standard	N.A.	GASB	GASB	GASB	GASB	N.A.
Total revenues (\$000s)	N.A.	7,746	10,035	7,714	6,885	13,500
Total expenses (\$000s)	N.A.	3,122	4,837	7,238	6,578	MNR
EBIDA (\$000s)	N.A.	5,031	5,889	1,225	1,069	MNR
EBIDA margin (%)	N.A.	64.9	58.7	15.9	15.5	16.1
Excess revenues over expenses (\$000s)	N.A.	4,624	5,198	476	307	MNR
Excess income margin (%)	N.A.	59.7	51.8	6.2	4.5	5.9
Operating lease expense (\$000)	N.A.	N.A.	N.A.	N.A.	N.A.	MNR
Pension/OPEB adjustments (\$000)	N.A.	(861)	(569)	318	(6,655)	MNR
Lease adjusted annual debt service (\$000)	N.A.	1,011	858	970	775	MNR
Lease-adjusted annual debt service coverage (x)	N.A.	4.98	6.86	1.26	1.38	MNR
Lease-adjusted annual debt service burden (% total revenues)	N.A.	13.1	8.6	12.6	11.3	MNR
Lease-adjusted MADS (\$000s)	N.A.	465	476	729	729	1,374
Lease-adjusted MADS coverage (x)	N.A.	10.82	12.37	1.68	1.47	1.60
Lease-adjusted MADS burden (% total revenues)	N.A.	6.0	4.7	9.5	10.6	10.3
Total revenue per student (\$)	N.A.	10,020.7	12,481.3	10,438.4	9,509.7	MNR
Balance sheet metrics						
Unrestricted reserves (\$000s)	N.A.	2,991.0	2,638.0	2,311.0	2,271.0	MNR

Lincoln Academy Charter School, CO -- Enterprise And Financial Statistics (cont.)

	--Fiscal year ended June 30--					Medians for 'BBB-' rated charter schools
	2022	2021	2020	2019	2018	2020
Days' cash on hand	N.A.	402.1	215.9	123.2	133.9	161.80
Total long-term debt (\$000s)	N.A.	8,835	6,645	7,190	7,803	MNR
Unrestricted reserves to debt (%)	N.A.	33.9	40.0	32.4	29.3	31.8
Unrestricted net assets as % of expenses	N.A.	100.8	39.4	21.1	24.7	40.9
Debt to capitalization (%)	N.A.	76.3	79.1	83.2	83.6	79
Debt per student (\$)	N.A.	11,429	8,265	9,729	10,778	13,582

N.A.--Not available. N/A--Not applicable. MNR--Median not reported. MADS--Maximum annual debt service. Operating lease expense--Annual amount paid in facilities/capital lease payments; excludes equipment/nonfacility lease payments and excludes payments related to principal and interest on bonds. Net revenue available for debt service = EBIDA+operating lease expense. Lease-adjusted MADS coverage = (Net revenue available for debt service + operating lease expense) / (Lease-adjusted MADS). Total expenses include pension and OPEB adjustments. Pension and OPEB adjustments= reconciling adjustments made to financial information to account for differences in GASB 68 and GASB75.

Related Research

- Through The ESG Lens 2.0: A Deeper Dive Into U.S. Public Finance Credit Factors, April 28, 2020

Ratings Detail (As Of March 2, 2022)

Colorado Educl & Cultural Facs Auth, Colorado

Lincoln Acad Charter Sch, Colorado

Colorado Educl & Cultural Facs Auth (Lincoln Acad Charter Sch)

Long Term Rating	NR	Current
Underlying Rating for Credit Program	NR	Current

Colorado Educl & Cultural Facs Auth (Lincoln Acad Charter Sch)

Long Term Rating	NR	Current
Underlying Rating for Credit Program	NR	Current

Colorado Educl & Cultural Facs Auth (Lincoln Acad Charter Sch)

Long Term Rating	A+/Stable	Current
Underlying Rating for Credit Program	BBB-/Stable	Current

Colorado Educl & Cultural Facs Auth (Lincoln Acad Charter Sch) (BAM) (SECMKT)

Unenhanced Rating	A+(SPUR)/Stable	Current
Underlying Rating for Credit Program	BBB-/Stable	Current

Many issues are enhanced by bond insurance.

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