

**BOARD Meeting Activity**  
**May 29, 2019**

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**GOOD THINGS**

**Mitchell JROTC Receives the Distinguished Unit Award**

The Mitchell High School JROTC program received the Distinguished Unit Award for the academic year 2018-19. This is the highest organizational award that an Air Force JROTC unit can receive. This is the seventh straight year and eleventh time overall Mitchell JROTC has won this prestigious award.

**Two Mitchell Students Headed to National Competition**

Congratulations to Adam Bedell and Alijah Walters. They recently competed in “Video Game Design” at the State Technology Student Association (TSA) Conference, taking second place and qualifying to compete at the National Conference this summer.

Over 2,000 students attend the State conference to compete in over 100 state and national qualifying events. Students who place in the top three of each national qualifying event, qualify to attend and compete at the National Conference.

**Mitchell Students Excel at State HOSA Conference**

In February, Mitchell’s Health Occupations Students of America (HOSA) went to the State Leadership Conference in Denver. Alex Fleming, Katelynn Carver, Kris Bermudez, Miranda Baumgarten, and Desiree Estampador placed in the top three in each of their events and received an automatic invitation to compete at the International Leadership Conference in Orlando, FL in June. Christopher Pildner, Burgess Tolliver, George Sanchez, Lana Khoshnaw, and Jartiza Ayala placed in the top 10 and, due to a “bump up,” were offered a chance to compete at the International Conference.

HOSA is an international student organization recognized by the U.S. Department of Education and the Health Science Education (HSE) Division of ACTE. HOSA's two-fold mission is to promote career opportunities in the health care industry and to enhance the delivery of quality health care to all people.

**Two Doherty Students Headed to Future Business Leaders of America (FBLA) Nationals**

Recently, Doherty FBLA scholars competed at the FBLA State Conference. Competing with 3700 students from around the state, Jordan Edner and Gabbi Liles qualified for a trip to the

National FBLA Conference this summer. These ladies spent a great deal of time studying on their own to make this opportunity possible.

### **Doherty Students Win at Skills USA Colorado State Competition**

Doherty students Joey Barry and Evan Carney placed first and third, respectively, at the Skills USA Colorado State Competition. At the competition, contestants demonstrated their ability to perform jobs and skills based on the task list outlined by the National Institute for Automotive Service Excellence and the National Automotive Technicians Education Foundation. Workstations consisted of on-vehicle, simulations, bench and component testing, and a written test. Contestants are judged on technical competency, accuracy, quality, safety, and ability to follow directions.

Joey and Ian will be representing Colorado, competing against 98 top students from across the country at the National SKILLS USA competition this June in Louisville, Kentucky.

7:00 p.m. Public Hearing on:

- 2000 Mill Levy Override Plan Amendment
- Proposed FY 2019-2020 Budget

## **SPECIAL REPORTS**

### Board Member Reports

Board members reported on their various activities.

### Superintendent's Report - Audit Advisory Committee Annual Report to the Board of Education

The Audit Advisory Committee presented the Annual Report to the Board of Education explaining the committee's work for Fiscal Year 2018-2019. Each year the District's independent audit committee acts as a review and recommending committee to the Board of Education on financial matters.

## **CONSENT ITEMS**

### Approval of Board Meeting Minutes

Certified copies of the Board of Education's official minutes may be obtained from the Records Management Center. Cost of copying will be borne by the requester, per Board Policy BEDG.

The Board of Education approved the minutes of the May 8, 2019, regular board meeting. All minutes are available in BoardDocs through the Board of Education District website, after approval by the Board of Education.

### Personnel Recommendations

The Board of Education approved the May 29, 2019, Personnel Recommendations, as submitted by the administration.

### Policy EHC, Technology Resources and Internet Safety Responsible Use Policy

The Board of Education repealed Policy EHC, Technology Resources and Internet Safety Responsible Use Policy, adopt GBEE, Technology Resources and Internet Safety Responsible Use for Staff, and adopted JS, Technology Resources and Internet Safety Responsible Use for Students.

Policy ECAC, Vandalism

The Board of Education adopted the revised version of ECAC, Vandalism.

Policy JICF, Gang Activity

The Board of Education adopted the revised version of Policy JICF, Gang Activity.

Policy GCKB, Executive/Professional Employee Assignments and Transfers

The Board adopted the revised policy GCKB, Executive/Professional Employee Assignments and Transfers.

Policy GCEC, Posting and Advertising of Professional/Executive Vacancies

The Board of Education adopted the revised version of GCEC, Posting and Advertising of Professional/Executive Vacancies.

Policy GCR, Nonschool Employment of Professional Staff

The Board of Education repealed Policy GCR, Nonschool Employment of Professional Staff.

### **ACTION ITEMS**

Contract Award - Upgrade Domestic Chilled Water Piping throughout Roy J Wasson Academic Campus (RJWAC)

Executive Director of Procurement and Contracting Kris Odom provided the following information:

In 2017 it was identified that the chilled domestic water at Roy J Wasson Academic Campus tested positive for lead and copper. It was determined that the solder used in the original 1959 plumbing system is the cause of the water quality concerns. All deteriorating fixtures and associated nearby piping and solder joints were replaced as an immediate action to the water quality findings. Water was retested in these areas and was deemed within acceptable levels. All water supply fixtures were then tested between May 10, 2017 and July 14, 2018 and found in several locations results showed higher levels of both lead and copper. This project will correct these issues.

A competitive request for proposal process was completed in May 2019. Best-value evaluation process identified Heating & Plumbing Engineers, Inc. as the top-ranked proposal.

This contract will provide for a phased performance schedule for the replacement of the domestic water supply piping throughout the building: (1) replace boilers and storage tanks; (2) hot and cold water supply lines to the kitchen; (3) cold water piping in the tunnels which supply water to the fixtures throughout the campus (drinking fountains, sinks, etc.); (4) replace the main water supply line from the city water main to the building entrance; and (5) subject to grant funding, the replacement of hot water and recirculation piping.

Hot water lines upgrades are subject to funding availability through the Best Grant. This line item (003) is estimated at \$880,935.

Summary schedule:

- Replace boilers and storage tanks (Summer 2019)
- Replace water supply piping and fixtures in the kitchen (Summer 2020)
- Cold water supply mains in the tunnels (June 2019 - July 2021)
- Tie-ins and demo of old piping (Summer 2021)
- Replace cold water supply piping in tunnels (Summer 2021)
- Replace all drinking fountains and piping (Summer 2021)
- Replace cold water supply to pool (Summer 2021)

The contract performance will begin in a non-disruptive manner to school operations. However, next summer (2020) and the summer of 2021, the water will be shut down extensively and arrangements will have to be made for kitchen services at another location to support summer programs. The school will not be able to support summer programs during these periods either. All major work will be complete by July 31, 2021, with punch-list items through August 2021.

The Board of Education approved contract C2019-1036 to Heating & Plumbing Engineers, Inc. in the amount of \$2,035,363 for line items 001 and 002. Additionally approved line item 003, if the District is awarded the Best Grant funding. The contract has a phased performance period beginning June 01, 2019 and will end July 31, 2021.

#### Budget Transfers, Appropriations, and FTE Authorizations

On April 24, 2019, the Board of Education approved a special, one-time incentive buyout program to its employees. There was a financial maximum for this incentive program, accepting participants on a first come, first served basis, with a firm end date to the offer. The timeline has concluded and the financial analysis completed within the maximum amount approved. The requested funding from the general fund contingency account will provide the financing for the program.

The Board of Education approved the financial requirements of the Board approved incentive buyout program.

#### Budget Transfers, Appropriations, and FTE Authorizations

Due to the unprecedented success in dual credit and concurrent enrollment, growth in Odyssey ECCO, and successful implementation of career and technical education curriculum, funds are needed to cover increased certification costs to keep pace with accelerated certification programs. These funds will cover current invoicing for students who are already enrolled in college coursework.

The Board of Education approved the general fund contingency transfer request for the growing post-secondary education programs.

#### 2000 Mill Levy Override Plan Amendment

Deputy Superintendent and Chief Financial Officer Mr. Glenn Gustafson presented the following information:

House Bill HB 19-1262 was introduced and passed in the spring of 2019 and was signed by the governor. This legislation funds full-day kindergarten in Colorado and has been incorporated into the School Finance Act. The District's 2000 mill levy override (MLO) includes item 14, which funds full-day kindergarten in District 11. This funding is no longer needed since the state will now fully fund this item.

The District would like to re-purpose the funds in 2000 MLO item 14 in two phases. The first phase would implement immediately with this plan amendment into 2000 MLO item 2B, class size reduction. This would allow ten teachers to be added in FY 2019-20 only (non-recurring). The second phase of the MLO plan amendment will come at a later date, once more information is known. The plan amendment still keeps the District in full compliance with class size ratio targets, but these additional ten teachers will help address unusual variations and hot spots for the start of the coming school year as a result of budget cuts and enrollment fluctuations.

The Board was reminded that the plan amendment process calls for plan amendment approval from the District's administration, the Mill Levy Override Oversight Committee, the District Accountability Committee, and a two-thirds majority vote from the Board of Education.

The Board of Education approved the 2000 mill levy override plan amendment.

### **NON-ACTION ITEMS**

#### **Resolution 2019-43 Authorizing the Execution of Lease Financing for two District Authorized Charter Schools to Remodel District owned Buildings**

The District has two authorized charter schools currently operating in District owned school buildings that have requested to remodel and upgrade their respective building. The charter schools plan to use their appropriated share of Mill Levy Override (MLO) funding to make their annual debt service payments. Both charter schools' boards have approved the expansions and remodel upgrades as well as the corresponding financing. Both remodel efforts are for updating existing infrastructure and address expansion needs. Roosevelt Charter School would be replacing existing portables with an 8 classroom building expansion. Academy ACL charter needs the additional classroom space and a gymnasium remodel to support growth. In order for the remodel efforts to begin construction, a lease financing debt service instrument will have to be approved by the District Board.

Upon approval by the District Board, a resolution will come forward for Board approval to modify the charter school contracts such that this debt be allowed and incorporate payment schedules and term parameters. The District is ultimately liable for this debt if the charter school defaults on payment or if their contract is terminated by the District Board of Education.

The total construction budget for the project at the Roosevelt Charter School site is approximately \$6 million and for the Academy ACL site is approximately \$9 million.

Both charter schools are purchasing buyback services from the District for the procurement and

project management of both the design and construction efforts. Each charter school will pay for the financial services contract fees accordingly.

This transaction is a lease transaction and the collateral for the transaction will be the school building itself. It is anticipated that the lease term will be a not to exceed a term of 15 years with a shorter term call provision. Payment of the annual lease payments will be made solely by the charter school using their allocated MLO funding.

The District has to issue the debt on behalf of the charter schools since the District owns both buildings. The District will "own" this debt which means the debt is in the District's name. However, the debt service (principal and interest) will be paid by the charters using their Mill Levy override allocations. In the event of a charter school defaults on the debt service, the District would terminate the charter school contract, take possession of the building (since the buildings will be collateral on this financing) and then have to make a decision on the continuation of the charter school as either a district school or a different charter school.

The Board of Education agreed to move this item to the Action agenda on June 12, 2019, regular board meeting.

#### Policy AD, School District Vision, Mission and Strategic Planning

Policy AD, School District Vision, Mission and Strategic Planning, defines the vision, mission, beliefs, goals, and the strategic planning process of Colorado Springs School District 11.

Policy AD is recommended for the following revisions:

1. A revised mission statement, "We dare to empower the whole student to profoundly impact our world." The word "dare" is a push or a challenge. The whole student addresses not only academics but social/emotional wellness as well. We know our students are going to make an impact. They are encouraged to be profound in what they do.
2. A revised vision statement, "We are a dynamic, collaborative community of energized educators, engaged students, and supportive partners with a passion for continuous learning." We use data to improve practices and decisions, and all of that is about becoming a better district. We are collaborative in our spirit of working together.
3. A revised "Beliefs" section, now called "Values." The list of values is at the core of how our actions are observed. Equitable is not equal. Every school may need something slightly different. We need to be able to differentiate to meet student needs, facility needs, transportation challenges, etcetera. We can't have a one size fits all approach. Diversity - we need to be culturally responsive. Trust is assessed around competency, reliability, and sincerity.
4. Replaced "Goals" with "Mission Impacts" and what we want to see students achieve.
5. A new section called "Strategies" and how we are to accomplish our mission and mission impacts.
6. A new section called "Strategic Delimiters" and what bad habits the District needs to eliminate.
7. A revised "Strategic Planning Process" section. Added statement that the Strategic Plan is designed to execute the overall mission impacts of the District.

The Board's Policy Committee recommended that the Board adopt the revised Policy AD,

School District Vision, Mission, and Strategic Planning.

The Board of Education agreed to move this item to the Consent agenda on June 12, 2019, regular board meeting.

Resolution 2019-37 Use of Portion of Beginning Fund Balance

Colorado Revised Statutes, 22-44-105(1.5)(a) states that a duly adopted budget shall not provide for expenditures, interfund transfers, or reserves in excess of available revenues and beginning fund balance. This resolution authorizes the use of beginning fund balance as a means to balance revenues and expenditures.

The Board of Education determines that the beginning fund balance in the general fund and other funds are sufficient to allow for the funding of one-time expenditures. This resolution is based on state statute that requires the Board of Education to specifically authorize the use, or expenditure, of fund balance (non-recurring) funds. The purpose of this resolution is to ensure full disclosure of the use of beginning fund balance to balance the expenditure budget.

The Board of Education should be satisfied with the use of beginning reserves as a means to accomplish the District's business plan. The use of beginning fund balance should represent a reasonable match of recurring and non-recurring sources and uses.

The Board of Education agreed to move this item to the Action agenda on June 12, 2019, regular board meeting.

Resolution 2019-38 Appropriation of the FY19/20 Budget

Colorado Revised Statute 22-44-110(4) requires that the Board of Education adopts a budget with an appropriation resolution, by fund, for the next fiscal year. The appropriation resolution sets the maximum level of expenditures, subject to re-appropriation, for each fund for the entire 2019-2020 fiscal year.

One of the first documents in the front of the budget document was the appropriation resolution. By approving the appropriation resolution, the Board of Education in fact adopts the budget. The District uses a budget consideration process that utilizes a heavy amount of staff and community participation and involvement. In addition to the countless hours of discussion and debate at multiple levels of the organization, including employee group input, the District enjoys a strong relationship with the District Accountability Committee's (DAC) Budget Subcommittee. The DAC Budget Subcommittee plays a key role in bringing community input into resourcing of the District mission.

The objectives of the budget adoption process are to best resource the District's business/strategic plan, reflect the priorities of the District 11 Board of Education, comply with all regulatory requirements, and provide a sound financial plan with adequate contingencies for the stewardship of taxpayer resources.

The Board of Education agreed to move this item to the Action agenda on June 12, 2019, regular board meeting.

#### Resolution 2019-39 Designation of Fund Balance

Governmental accounting allows for the designation of fund balance in order to restrict and designate the availability of unspent funds at the end of a fiscal year.

Required by the Governmental Accounting Standards Board, this resolution allows the Board of Education to designate certain unspent budgets (mostly school budgets) to carry forward to the following fiscal year. This resolution is especially important in designating resources for specific purposes. The management of reserves is a critical financial planning tool.

The Board of Education should be satisfied that the designation of reserves adequately plans for the District's future. Any modification or alteration of the reserve levels should take place at this time.

The Board of Education agreed to move this item to the Action agenda on June 12, 2019, regular board meeting.

#### Resolution 2019-40 TABOR Reserves and Designations

Article X, Section 20 of the Colorado Constitution defines "fiscal year spending" as all district expenditures and reserve increases, except as to both; those for refunds made in the current or next fiscal year, or those from gifts, federal funds, collections from another government, pension contributions by employees and pension fund earnings, reserve transfers or expenditures, damage awards, or property taxes.

This resolution designates spending of various reserves, ultimately reconciled to the District audit, in accordance with Article X, Section 20 (TABOR) of the Colorado Constitution.

Colorado Springs School District 11 has not "de-TABOR-ed" as most other school districts and is therefore required to adhere to the regulations in Article X, Section 20 of the Colorado Constitution.

The Board of Education agreed to move this item to the Action agenda on June 12, 2019, regular board meeting.

#### Resolution 2019-41 Interfund Borrowing

Colorado Revised Statute 22-44-113 authorizes the Board of Education to borrow unencumbered monies from one fund for use by another fund. Monies borrowed from a fund pursuant to applicable laws must be repaid to said fund when needed to meet obligations of the fund and any such loan shall be repaid no later than three months after the beginning of the following budget year. In the event monies are not forthcoming from the designated sources, an amount equal to the outstanding liability shall be expended from the general fund and used to repay the loan.

This resolution authorizes the District to borrow between funds, up to authorized limits, to meet cash flow and expenditure requirements. The District uses pooled cash banking mechanisms that automatically create interfund borrowing on a daily basis.

The Board of Education should be comfortable with the borrowing levels of each fund and satisfied the "borrower funds" are prudently managing receipt and disbursement activity in order to minimize interfund borrowing.

The Board of Education agreed to move this item to the Action agenda on June 12, 2019, regular board meeting.

#### Resolution 2019-42 Student Fees, Fines, and Charges

Board of Education Policy JQ calls for a fair mechanism by which students pay reasonable fees to help defray the cost of such programs, activities, and amenities to the school district without making them prohibitively expensive.

This resolution sets the student and parent fees and charges for the 2019-2020 fiscal year. Pursuant to Colorado Revised Statute 22-32-117 Miscellaneous Fees, a list of fees collected shall be approved by the Board of Education in resolution authorizing the collection of such fees. Each year the schools are asked to update the list of fees collected at their sites. The resolution allows the fee schedule to be updated during the year and any revisions will be presented with the following year's fee schedule for Board of Education approval.

The Board of Education should be satisfied that the fees, fines, and charges are adequate and equitable for district customers and that the fees, fines, and charges are fairly authorized and enforced.

Key staff updating the fees, fines, and charges included all District 11 principals; K-12 executive directors John Keane, Sherry Kalbach, Cynthia Martinez, and Daniel Hoff; Director of Food and Nutrition Services Kent Wehri; Director of Athletics Chris Noll; Deputy Superintendent David Engstrom; and Assistant Superintendent Phoebe Bailey.

The Board of Education agreed to move this item to the Action agenda on June 12, 2019, regular board meeting.

#### **FUTURE MEETING/WORK SESSIONS**

A Board of Education Work Session is scheduled for Wednesday, June 5, 2019, 4:00 p.m., at the administration building, 1115 N. El Paso St., in the boardroom.

#### **ADJOURNMENT**

The meeting was adjourned at 10:30 p.m.