



REVISED ANNOUNCEMENT/NOTICE
BOARD OF EDUCATION ANNUAL PEAK PLANNING WORKSHOP
January 28, 2017
9:00 a.m. – 3:00 p.m.
Creekside Success Center - Excellence Lab

PURPOSE:

1. REMPEX Feedback/Strategic Plan/Cultural Compass Review - Peak Planning (30 minutes)
2. Performance Excellence Update/Review and Direction (30 minutes)
3. Board Committees, Liaisons and Student Board of Representatives (10 minutes)
4. BOE Evaluation - Action Plan/Board Goal Setting (30 minutes)
5. Discussion of Land Use and District Real Property (20 minutes)
6. Board Outreach to Stakeholders (20 minutes)
7. Stakeholder Grievance Procedure Review and Direction (30 minutes)
8. Process Improvement around Chief Officer Evaluations (20 minutes)
9. Board's Role in Director District Election (15 minutes)
10. Review BOE Annual Action Calendar (5 minutes)
11. Policy Process Performance Report (5 minutes)
12. Other Business (10 minutes)

DATE OF POSTING: January 26, 2017

Donna Richer
Executive Assistant to the Board of Education



Understanding Continuous Improvement Toward Performance Excellence

WHO

are the residents
and communities
that make up
District 49?

District 49 is the most expansive and fastest-growing school district in the Pikes Peak region. Serving over 21,000 students, their parents, and the citizens of dozens of communities, District 49 unites neighborhoods and development from the eastern half of Colorado Springs and El Paso County. District 49 includes the Powers corridor, encompasses Banning Lewis Ranch, extends through Falcon and continues north to the Black Forest.

WHY

do we commit to
continually
improving how we
learn, work and
lead?

The Best Choice To Learn, Work & Lead

It is our **vision** that District 49 become the best choice for anyone who is choosing a school district for any reason.

It is our **mission** that everyone in District 49 is continuously learning, working and leading us to be the best

HOW

do we learn, work
and lead together?

The inner ring of our cultural compass reflects our commitment for how we treat each other.

HOW

do we learn, work
and lead with
excellence?

The outer ring reflects our commitment to how we treat our work.

Every strategy, priority, initiative and plan must uphold our culture.



WHAT

priorities align
with our mission
across the
district?

The Big Rocks are the strategic priorities that make up our critical mission to learn, work, and lead. Priorities may change, but they must always fulfill our mission and honor our cultural commitments.



Key Themes

Process Strengths

District 49 effectively collects data and uses that data to drive performance. Using their comprehensive budgeting system, workforce plans of action that support strategic objectives are created at the zone, building and department levels. Results of a cultural compass survey are integrated with other feedback from VOC methods to support meeting customer requirements. Performance measures that align with the Big Rocks and the strategic objectives are tracked and identified using the UIP process. Findings from performance reviews are used to determine progress toward improving key performance measures and accomplishing strategic initiatives. Continued collection and use of data may accelerate accomplishment of the vision of the Big Rocks.

District 49 utilizes a systematic approach when listening to its customers. This includes multiple feedback channels such as secure chat, survey responses, board meetings and school committees. Not only does District 49 listen to current customers, but potential and past customers as well. This information is then used to create action plans, which helps support higher level UIPs. Continuing to utilize the voice of their customers may allow District 49 to better serve their customers and achieve their mission of being the best choice to Learn, Work and Lead.

District 49 has several processes that support their workforce. Employees are provided with training opportunities, which support the capability needs of the organization and are encouraged to participate in several committees throughout the district. District 49 also does a great job of focusing on the safety and security of their workforce by using designated crisis leaders who are trained to handle emergency situations. As a result, District 49 may be able to continue meeting their customer expectations for providing a good organizational culture.

District 49's values to innovate and be creative are supported by a systematic approach for stimulating innovation and determining intelligent risks. Proposals for intelligent risk are introduced to the Board of Education during both the annual retreat and during meetings/work sessions throughout the year. Performance reviews are used to determine progress toward improving key performance measures and accomplishing strategic initiatives which are converted into opportunities for innovation. Examples such as the launch of the Power Technical School, the creation of a brand identity kit, and the Bronto email system that was improved in 2015, are results of the SCCI innovation phase. Schools and Zones are involved in these processes and they use storyboarding and other methods to determine Innovation Plans that define innovations and intelligent risks. A systematic approach that includes staff and community input may assist District 49 to fulfill their mission to Learn, Work and Lead.

Process Opportunities for Improvement

Deployment of some processes is inconsistent across D49s workforce and among key suppliers and partners. Deployment was inconsistent across the workforce concerning the learning management system as some employees were not aware of the system and some that were familiar with it assumed that they received communication and training consistently, but were not certain. Many employees were also not aware of D49s mission, vision and values. Similarly, deployment is lacking for key suppliers and partners being aware of the mission, vision and values; the approaches for disaster and emergency preparedness; and how suppliers' performance is evaluated. Applying these approaches more broadly may assist D49 in meeting its strategic challenges.

Systematic approaches to several criteria requirements are missing. The approach to strategic planning is not consistently understood, leading to multiple sets of strategic objectives. Senior leader communication with volunteers is missing. There is no systematic assessment of workforce engagement. Promoting ethical behavior by the workforce may not be effective if training is only provided during new hire training. Development of effective, repeatable processes for these activities assist in achievement of its mission learn, work and lead.

D49 does not perform systematic evaluation for many processes. Examples where learning opportunities are missing include processes for governance and societal responsibility; for strategic action plan deployment, and for performance measurement, analysis and improvement. More comprehensive use of its SCCI process may accelerate progress toward becoming the best choice.

Key Themes

Results Strengths

District 49 demonstrates beneficial trends on a wide variety of results. Elementary School Literacy Proficiency rates show increases from between 50-60% in SY2011-12 to over 80% in SY2015-16. D49 gained about 5000 students over the past four years. Facebook interactions show increases in reactions, comments and shares. General Obligation Debt and Bond Debt Per Student show beneficial trends from 2011 through 2015. Continued beneficial results may help District 49 address its strategic challenge of taxpayer distrust and funding support.

D49 demonstrates some favorable comparisons to competitors. For example, in using social media, D49 receives approximately 55 Facebook likes per 100 students which is approximately 15 more likes than its closest competitor, D11. Additionally, using an ACT Score Efficiency calculation as a measure of financial efficiency against the market, D49 outperforms D11 and D20. Achievement of these results may support achievement of the vision to be the best choice.

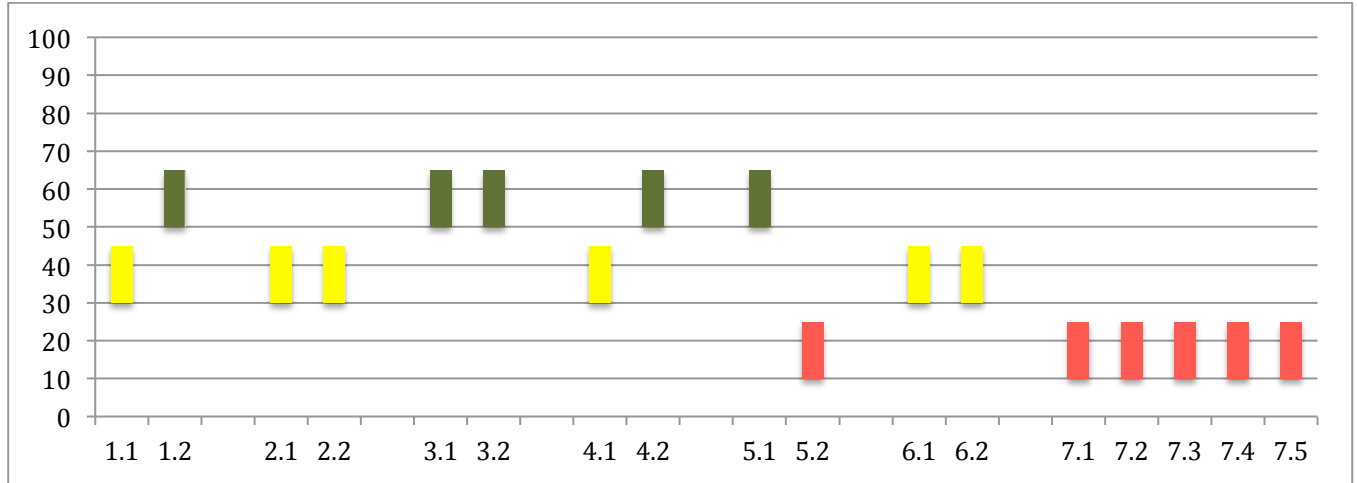
Results Opportunities for Improvement

Unfavorable trends are observed for some results. State Assessment Percentile Rank figures show all elementary school and 1 of 3 middle school results to have dropped from 2015 to 2016. Figure 7.1-19 shows 4 of 5 high schools reporting lower ICAP completion rates in Q4 vs. Q3 and 2 high schools show Q4 rates lower than Q1 rates. No improvement is observed for My Teacher Cares. Days to fill a position (Figure 7.3-2) indicate an adverse trend with 3 of the 4 categories. These unfavorable trends may indicate a need for identification of correction action.

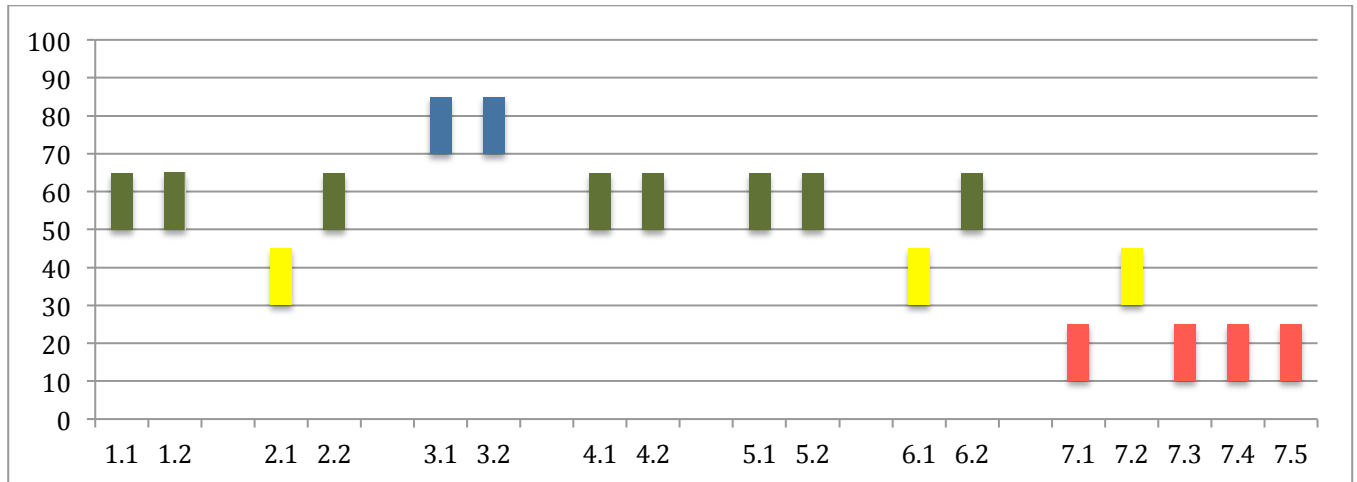
District 49 does not provide performance results for several areas of importance to leadership, workforce, market, financial and process requirements. Results are not presented for strengthening District 49's ethics and intelligent risk, or for student and other customer service processes. No results are provided for Business Office processes of Budgeting and Purchasing, Education Office processes of programming and instruction, Operations Office processes of Nutrition processes. With respect to the workforce, D49 reports limited workforce capacity, security, and course completion rates. Budgetary, Financial, and Market results that differ by market segments, students and other customers are also missing. To reinforce its culture of values displayed on the Compass, D49 may benefit from tracking and managing performance results in these areas.

RMPEx High Level Results for Peak Planning

RMPEx Results 2015



RMPEx Results 2016



Process Change Year over Year

Category	1.1	1.2	2.1	2.2	3.1	3.2	4.1	4.2	5.1	5.2	6.1	6.2
Year over Year Δ	20	0	0	20	20	20	20	0	0	40	0	20

Results Change Year over Year

Category	7.1	7.2	7.3	7.4	7.5
Year over Year Δ	0	20	0	0	0

Executive summary: Strengths to celebrate

Development and Growth

- Employees voice having good opportunities for learning and development, the chance to do interesting and challenging work, and to meet their career objectives by staying at District 49. They are also likely to recommend District 49 as a great place to learn.

1

Innovation and Creativity

- Relative to other clients we work with, employees consider District 49 as innovative in using new technologies and using creative approaches.

2

Employee Retention

- Over 2/3's of the organization plans to stay at District 49 for at least the next 5 years (or until retirement), which is well above our averages. Employees are also more likely to recommend District 49 as a good place to work and feel proud to work at District 49.

3

Benefits

- Satisfaction ratings of the Benefits package is well above our Education norm. Within the public sector, sufficient benefits are a key driver of satisfaction.

4



Executive summary: Key opportunities

District/Zone strategy

- Many employees have mixed opinions about the quality of the services being provided to students and parents. Is the District provide a firm foundation for all students?

1

Pay and Performance

- Employees feel a disconnect between their rate of pay and the pay rate of the external market. They also see a lack of pay disparity between different levels of performance.

2

Leadership Roles and Communication

- Lack of confidence in senior leaders. Employees are unsure about the new leadership roles and how they connect to strategy. Communication is not seen as transparent between leadership and employees.

3

Empowerment

- Employees don't have the opportunity to have ideas adopted and put into use. They are also indicating that decisions are not made at the appropriate levels.

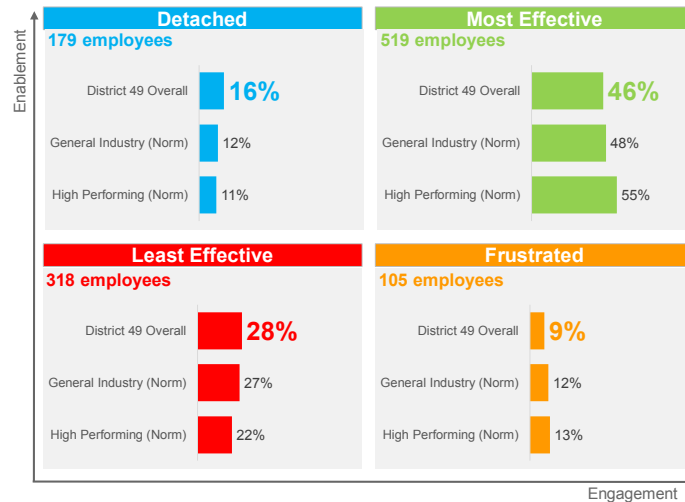
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District 49's Effectiveness profile

Relative to other organizations we work with in education and public sector, the weight of the graph is to the left of the quadrant. Employees are struggling more with engagement than enablement.

- Engagement and enablement are both closely tied to employee performance.
- Organizations are unlikely to achieve and sustain engagement without enablement—and vice versa.
- Frustrated employees will disengage or leave the organization unless they can break through barriers to productivity.
- Detached employees, although not engaged, stay with the organization but perform at less than full capacity

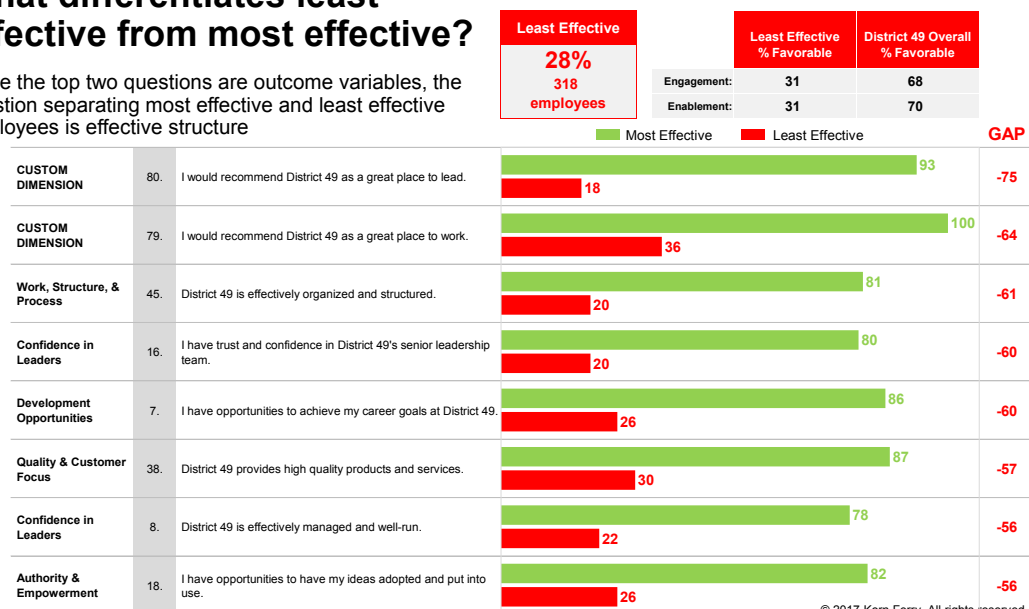


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What differentiates least effective from most effective?

While the top two questions are outcome variables, the question separating most effective and least effective employees is effective structure

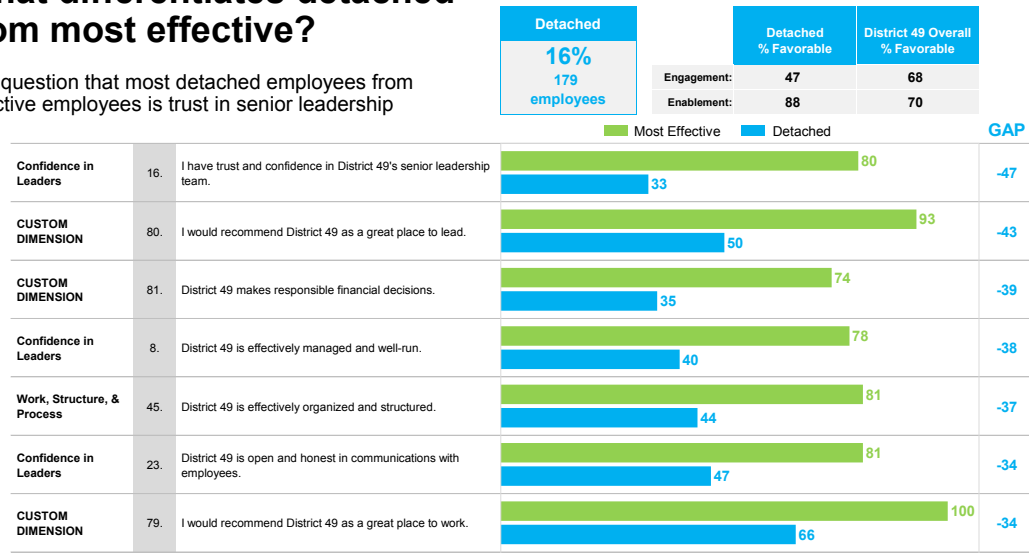


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What differentiates detached from most effective?

The question that most detached employees from effective employees is trust in senior leadership

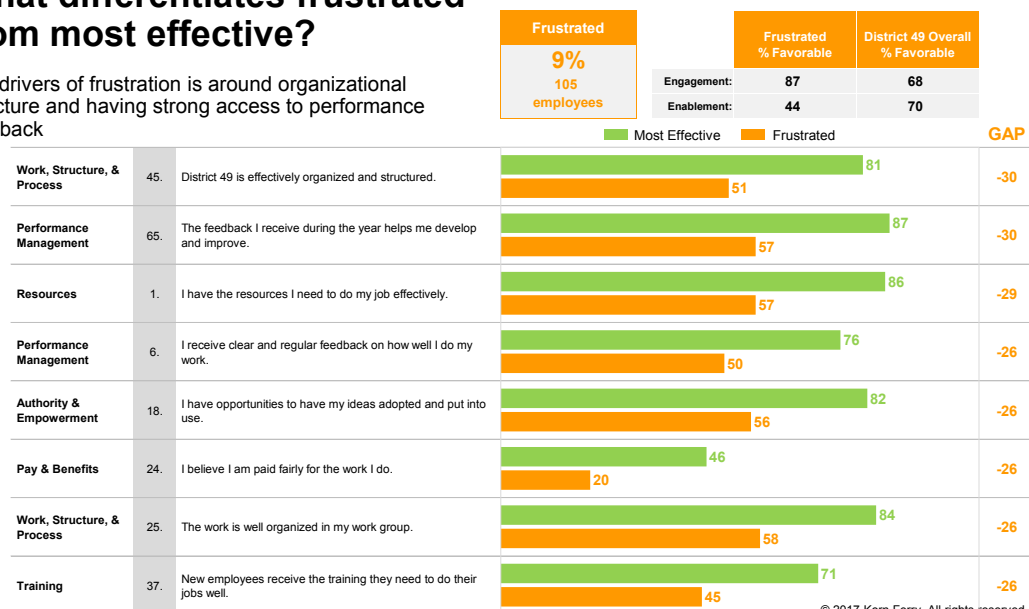


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What differentiates frustrated from most effective?

Top drivers of frustration is around organizational structure and having strong access to performance feedback








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Peak Planning 2017

Item	Inputs	Recommendation
Vision	RMPEX Report VoW Annual Report Cultural Compass Survey Executive Summary Zone-Specific Surveys (HRS and Studer)	Maintain the language of “The Best Choice” Increase the display of our vision Increase use of our vision on D49 materials Develop key measures for “choice” Drive deployment of the vision through SI #1
Mission	RMPEX Report VoW Annual Report Cultural Compass Surveys Zone-Specific Surveys (HRS and Studer)	Maintain the language of “Learn, Work, and Lead” Increase the display of our mission Increase use of our mission on D49 materials Develop key measures for each element Drive deployment of the vision through SI #1
Cultural Priorities	VoW Annual Report Cultural Compass Surveys	Calibrate the language of the compass with community input Implement district initiatives for each cultural priority
Strategic Priorities	RMPEX Report VoW Annual Report Annual Financial Audit or Consolidated Annual Financial Report Chief Officer Evaluations OO (School Dude) performance reports	Maintain the language of “Learn, Work, and Lead” Implement district initiatives for each strategic priority

Peak Initiatives	Major Action Steps	Key Measures and Targets
CI #1 Community Care 	<ul style="list-style-type: none"> Formalize a Director of Community Care Coordinate care efforts across district and community 	<ul style="list-style-type: none"> Create baseline measures for CRT
CI #2 Equip and Encourage 	<ul style="list-style-type: none"> Recognize and reinforce performance Cultivate systematic innovation Expand Restorative Practices Execute the BRIGHT Initiative 	<ul style="list-style-type: none"> Increase VoW engagement scores by 5% Increase VoW enablement scores by 3%
SI #1 Keep the Peak in View 	<ul style="list-style-type: none"> Deploy Vision, Mission, Culture, and Strategy (VMCS) to all schools and other units Install interactive performance displays Incorporate VMCS in vendor contracts Propose Change in District Identity to Pikes Peak D49 Enhance capacity with an Internal Communications Coordinator 	<ul style="list-style-type: none"> RMPEX Category 1.1, 2.2, 7.2, and 7.4 VoW Engagement Scores
SI #2 Climb with Community 	<ul style="list-style-type: none"> Peak Partners Leadership Academy—Class II BOE Evaluation Process BOE Director District Election 2016 3B Investment Tracking 	<ul style="list-style-type: none"> BOE Evaluation Results BOE Candidate Identification Election Participation
SI #1 Portfolio Performance 	<ul style="list-style-type: none"> Plan to earn at least performance level on all SPF's Conduct Annual Performance Reviews for all charter schools Align Accreditation and Accountability processes with VMCS 	<ul style="list-style-type: none"> District Performance Framework School Performance Frameworks RMPEX Category 7.1
SI #4 Primary Proficiency 	<ul style="list-style-type: none"> Consolidate Primary Literacy Gains Launch Academy for Literacy Innovation and Excellence Continue math curriculum evaluation and selection 	<ul style="list-style-type: none"> Primary Literacy Achievement (DIBELS) Primary Literacy Percentile Rank (DIBELS & PARCC) Establish Primary Mathematics Baseline Scores RMPEX Category 7.1

<div>SI #5 49 Pathways</div> <div></div>	<ul style="list-style-type: none">• Transition iCAPs to pathway plans• Develop Capstone Guidebooks• Integrate pathway planning into eSchool Plus• Transition to new graduation guidelines• Track and report augmented matriculation data	<ul style="list-style-type: none">• Postsecondary Workforce Readiness• Secondary Matriculation• Secondary Graduation• RMPEx Category 7.1
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2016 District 49 Engagement Survey Outcomes

Executive Presentation and Action Strategy Session

Presented by: Katie Pellecchia & Robert Abramo

January 17, 2017



Agenda

- 1 ABOUT US AND ABOUT YOU (5 MIN)
- 2 SETTING THE STAGE FOR SUCCESS (5 MIN)
- 3 ENGAGEMENT RESULTS (45 MIN)
- 4 PRIORITIZING RESULTS (60 MIN)
- 5 INITIAL ACTION PLANNING (30 MIN)
- 6 PLAN MOVING FORWARD AND NEXT STEPS (30 MIN)



Introductions



Katie Pellecchia
Consultant
Philadelphia, PA



Robert Abramo
Associate
Washington D.C.



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About Korn Ferry Hay Group—helping organizations work

- Korn Ferry Hay Group is a global management consulting firm specializing in **helping people work**. Our expertise includes:
 - Building Effective Organizations
 - Leadership Development
 - Talent and Performance Management
 - Compensation and Benefits
 - Board Solutions
 - Employee Engagement and Culture



Roots dating back to 1943	7,000 colleagues	100,000 people developed in our leadership programs each month
Engagement data on 6M professionals	Assessment data on 3M professionals	Reward data on 20M professionals
Management data on 114 countries	50+ books published	Partner to 93% of FORTUNE 100



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Why are we here?

- Gain agreement that employee engagement is a way to improve District 49
- Identify and commit to 2–3 district-wide priorities for action
- Begin to work on action plans for addressing priority areas
- Discuss value proposition to be shared with principles and the Board



2

Setting the stage for success



Learning from successful organizations

- Use survey as a management tool: It should be integrated into performance plans and help leaders achieve business results rather than putting more work on their plates.
- Clear accountability is established early: Senior leadership needs to drive change throughout the organization and hold others accountable
- Keep it simple: Concentrating on 2–3 issues exceptionally well is much more effective than attempting to tackle too many things at once.
- Ensure adequate resources: Identify and train those who will oversee and support the action planning process and provide them with the time they need.
- Senior leadership is an active participant: By committing to change their own behavior and being open to feedback from others.
- Involve employees in the action planning process: Successful organizations use focus groups to identify “root causes” and solutions.
- Integrate action planning with other initiatives going on in the organization.
- Provide regular updates on progress. Promote the good work being done in response to the survey and “connect the dots” for employees.



Leadership's role in driving change

1.) Lead the district-wide change effort

- Identify 2–3 priorities for action and demonstrate support
- The leadership team needs to be on “the same page”
- Actively participate in developing and implementing action plans to address priority areas
- Keep employees informed about actions planned, taken, and progress made
- Act in ways that demonstrate you care about employee engagement
- Monitor action planning efforts

2.) Lead change effort within own zones/schools

- Oversee action planning for broader zone/school issues
- Support managers in the department action planning process and hold them accountable for taking action



3

District 49 results



Background to the Survey



Key facts about the survey



▪ October 24th - November 7th



- 13 reporting dimensions
- 57 closed-ended questions
- 4 open-ended questions



▪ 1,122 colleague voices



- Your results compared to Education norm*
- 14 questions significantly above
- 11 questions in-line with norm
- 12 questions significantly below

*not all questions have normative data



▪ 68% response rate



Executive summary



Executive summary: Strengths to celebrate

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Engaged Performance™



Our perspective on high performing work environments



Engagement is the “want to” of work

- Are employees **committed** to the organization, and are they willing to put in **extra effort** for the good of the organization?

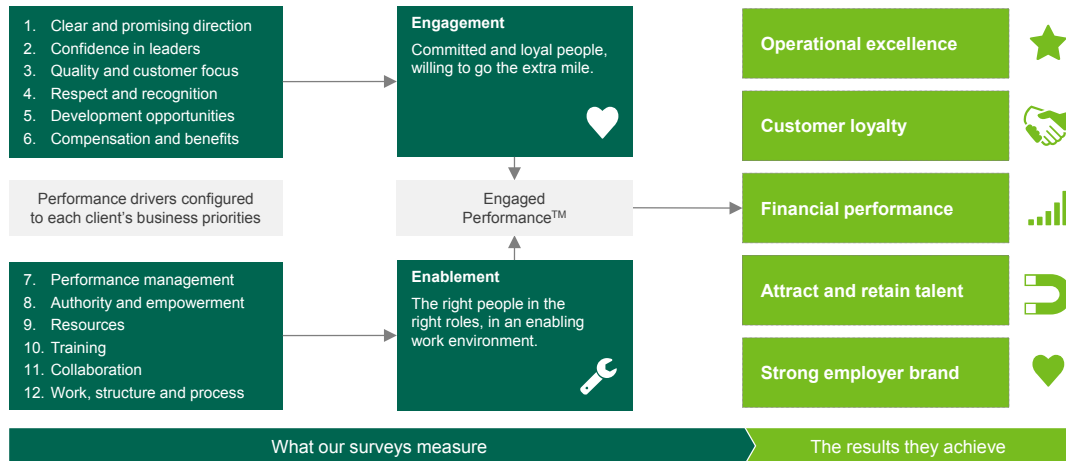


Enablement is the “can do” of work

- Are employee **skills and abilities** fully utilized in their roles, and does the organizational **environment** support them in getting work done?



Introducing the Engaged Performance™ Framework



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Engagement details

While extrinsic motivation is below the benchmark, engagement overall is above the global average and the education norm

Item	Valid N	In Order of Percent Favorable			vs. General Industry (Norm)	vs. Education (Norm)
		% Favorable	% Neutral	% Unfavorable		
◇ Employee Engagement		68	20	12	0	4 *
43. I feel proud to work for District 49.	1,121	78	18	4	-1	1
36. I would recommend District 49 as a good place to work.	1,121	77	18	6	7 *	9 *
40. I feel motivated to do more than is required of me.	1,118	71	17	12	0	1
49. Given your choice, how long would you plan to continue working for District 49? *	983	68	18	15	8 *	17 *
14. District 49 motivates me to do more than is required.	1,119	48	31	21	-12 *	-7 *

* A favorable score for this question is > 5 years, and an unfavorable score is 2 years or less.



 District 49 % favorable score significantly higher than comparator
 District 49 % favorable score significantly lower than comparator

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Enablement details

Employees voice strong levels of job fit and development, but note there are still significant barriers to performing their jobs well.

Item	Valid N	In Order of Percent Favorable			vs. General Industry (Norm)	vs. Education (Norm)
		% Favorable	% Neutral	% Unfavorable		
◇ Employee Enablement		70	15	16	2	3 *
39. My job provides opportunities to do challenging and interesting work.	1,118	81	13	6	7 *	3 *
44. My job makes good use of my skills and abilities.	1,119	80	9	10	6 *	5 *
48. Conditions in my job allow me to be about as productive as I can be.	1,119	64	16	20	1	4 *
27. There are no significant barriers at work to doing my job well.	1,120	53	20	27	-6 *	-3 *



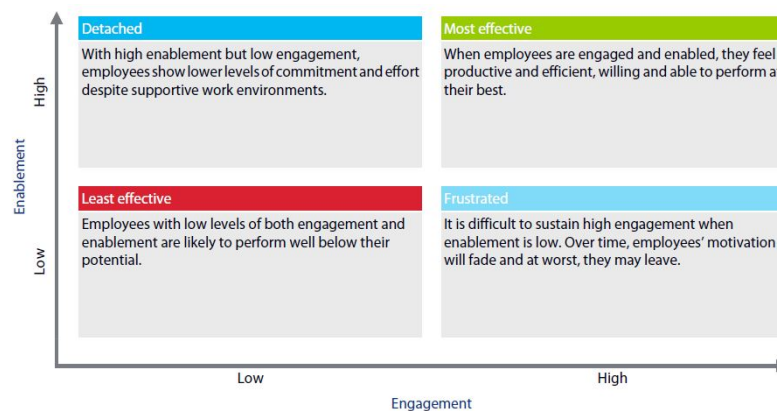
■ District 49 % favorable score significantly higher than comparator
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Employee effectiveness overview

- Based on engagement and enablement scores across the organization, we are able to categorize people into the following segments:



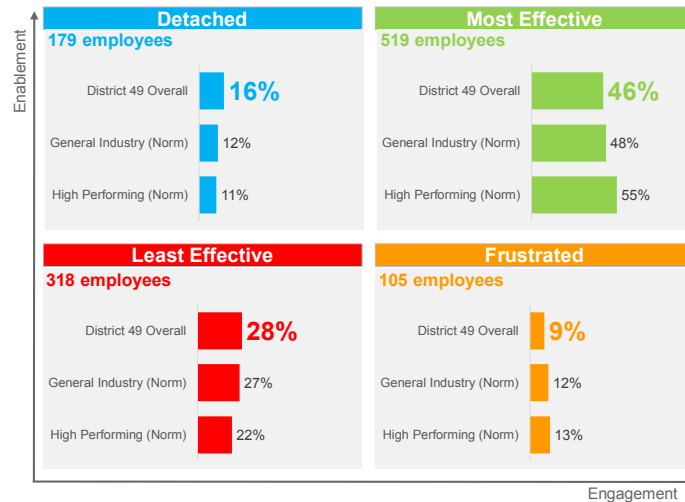
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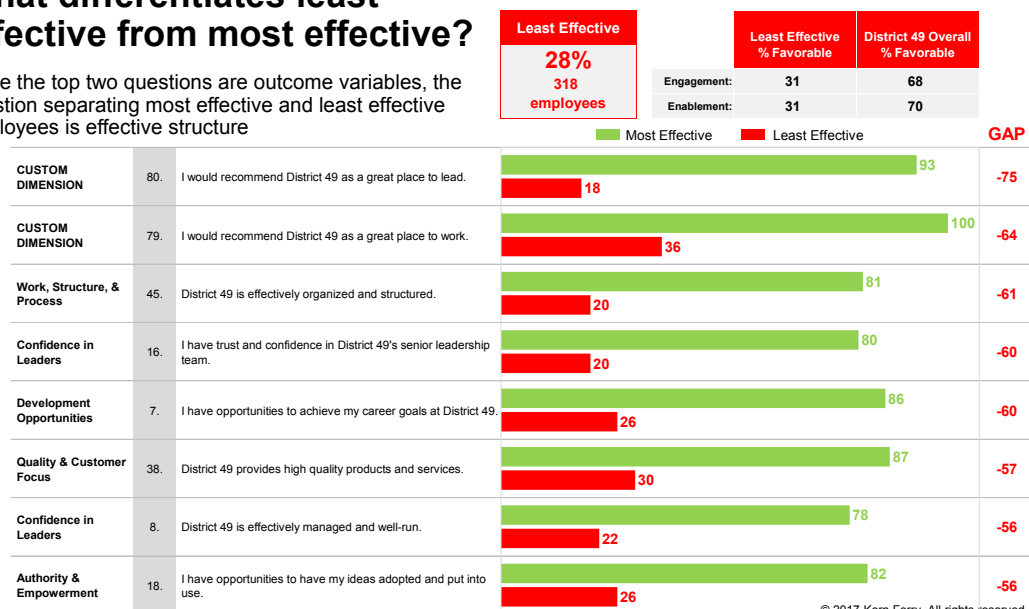


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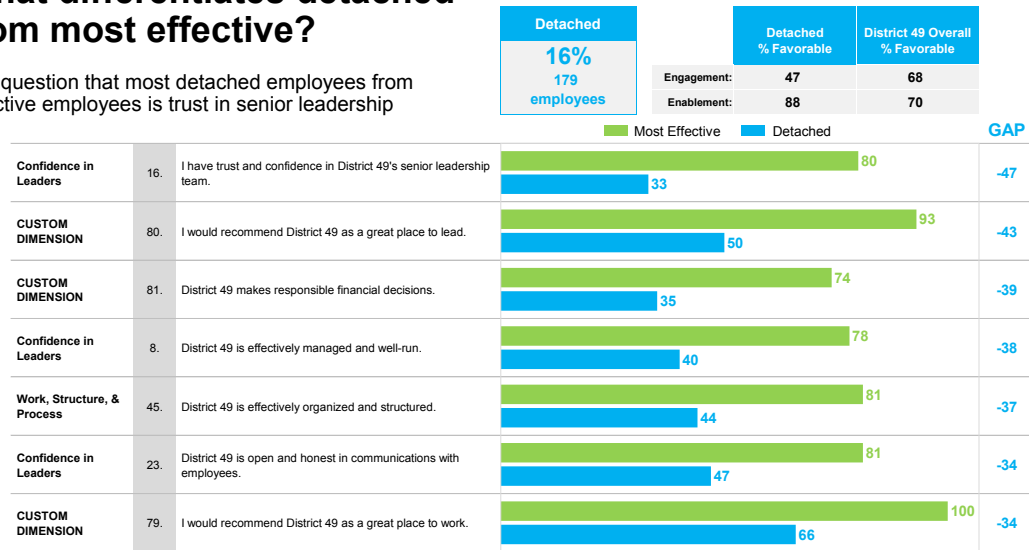


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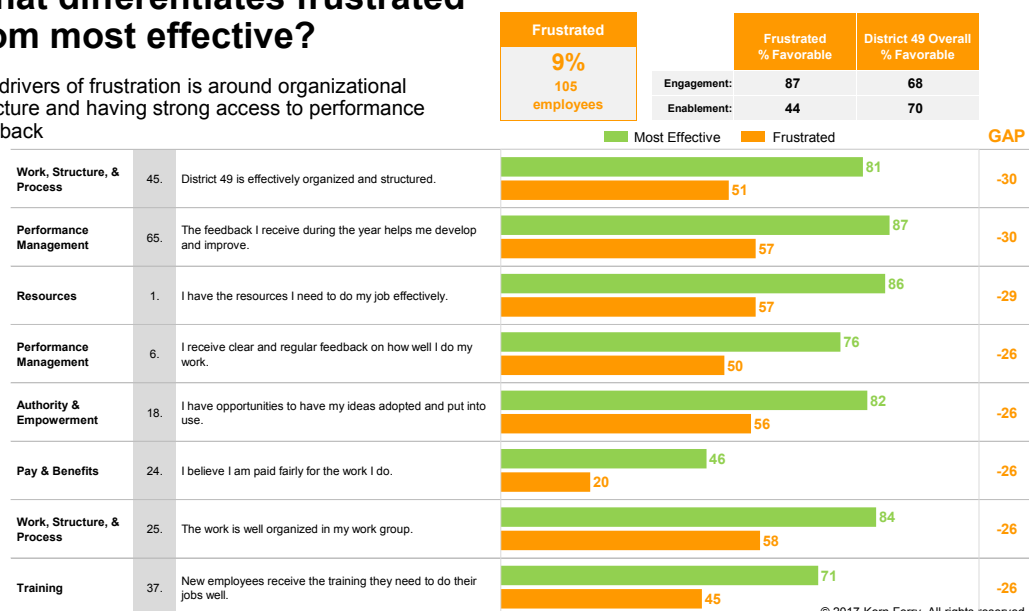


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What differentiates frustrated from most effective?

Top drivers of frustration is around organizational structure and having strong access to performance feedback



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Overview of results

Dimension summary

On average, District 49 lags behind most organizations we work with, but is overall in line with other education institutions

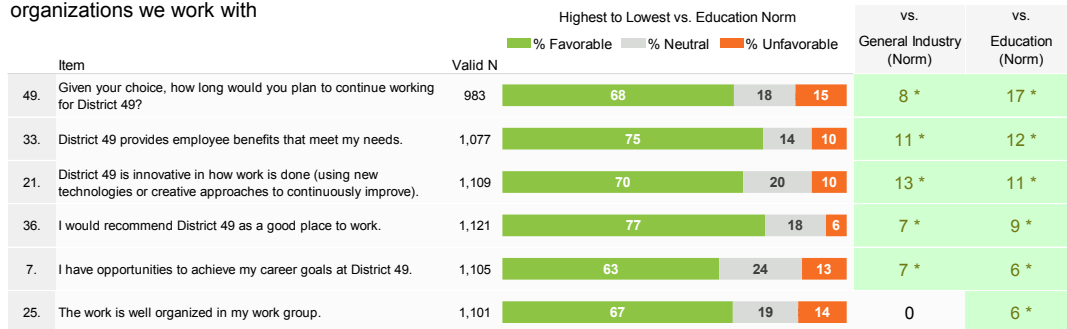
Dimension				% Fav vs Comparator		
	% Fav	% Neu	% Unf	General Industry (Norm)	High Performing (Norm)	Education (Norm)
Employee Engagement	68	20	12	0	-5 *	4 *
Employee Enablement	70	15	16	2	-2	3 *
Authority & Empowerment	61	22	17	-7 *	-11 *	-
Clear & Promising Direction	71	19	9	-5 *	-10 *	-2
Collaboration	63	21	17	-5 *	-8 *	-3 *
Confidence in Leaders	55	27	17	-7 *	-13 *	-2
Development Opportunities	67	21	13	9 *	3 *	6 *
Pay & Benefits	45	17	37	-7 *	-14 *	-6 *
Performance Management	47	22	31	-10 *	-	-
Quality & Customer Focus	66	27	7	-11 *	-17 *	-7 *
Resources	72	14	15	2	-4 *	4 *
Respect & Recognition	68	19	13	-5 *	-10 *	-
Training	59	21	21	-3 *	-7 *	0
Work, Structure, & Process	64	22	14	4 *	-1	6 *



■ District 49 % favorable score significantly higher than comparator
■ District 49 % favorable score significantly lower than comparator

Most favorable compared to education benchmark

Intent to stay for the long term and employee benefits are the strongest results related to other education organizations we work with



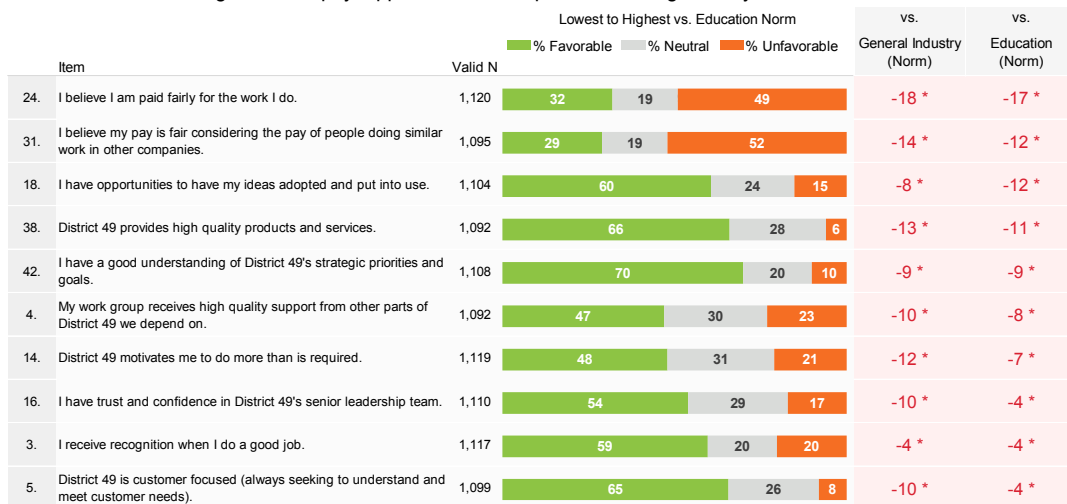
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Least favorable compared to education benchmark

Frustration tends to linger around pay, opportunities for input, and strategic clarity



■ District 49 % favorable score significantly higher than comparator
■ District 49 % favorable score significantly lower than comparator


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Results compared to education benchmark

Average difference = 0 percentage points

 **30%**
(11 of 37 items)
above by $\geq +4$
points

 **43%**
16 of 37 items)
little to no
difference
(± 3 points)

 **27%**
(10 of 37 items)
below by ≤ -4
points



+17	Given your choice, how long would you plan to continue working for District 49?
+12	District 49 provides employee benefits that meet my needs.
+11	District 49 is innovative in how work is done (using new technologies or creative approaches to continuously improve).
+9	I would recommend District 49 as a good place to work.
+3	I have the resources I need to do my job effectively.
+3	There is good cooperation and teamwork within my work group.
+3	My job provides opportunities to do challenging and interesting work.
-3	New employees receive the training they need to do their jobs well.
-3	There are no significant barriers at work to doing my job well.
-3	I receive clear and regular feedback on how well I do my work.
-12	I believe my pay is fair considering the pay of people doing similar work in other companies.
-12	I have opportunities to have my ideas adopted and put into use.
-17	I believe I am paid fairly for the work I do.

Opportunities
in detail



Employees see the zone concept standing in the way of unity, decision-making, and resource allocation

- Unity
 - About half of employees see District 49 as effectively organized at structured (-8 GI)
- Decision-Making
 - Only 1/3 of employees at District 49 agree that decisions are generally being made at the lowest level appropriate (-28 GI)
 - Less than 2/3 of employees feel they have the opportunity to have their ideas heard and adopted (-8GI, -12 EDU)
- Resource allocation
 - About half of employees see District 49 as making responsible financial decisions

- *One thing I would change about D49 is the different zones throughout the district. I feel that it decides the district and we need to be united as one.*
- *The zones are confusing and create too many supervisory positions where that money could more directly benefit students.*
- *The thing that I would change would be to reduce the number of people at Central Office. Numbers have tripled since we became an Innovation Zone.*
- *Competitive nature of Zones*
- *I think the Zone idea is nice, but it creates a divide in the district, and can have a negative impact on students who move to different zones.*
- *The zone concept - it fractured the total community feel of D49; C.O. is once again too top heavy; the amount of money spent on stupid positions*



There's confusion around the strategic direction of District 49, as well as whether today's strategy is the right one

- About 2/3 of the organization has a good understanding of District 49's strategy and goals (-9 GI, -9 EDU)
- Many of the verbatim comments centered around one of three themes:
 - Innovation for the sake of innovation
 - Too many projects
 - Curriculum alignment
 - Not enough autonomy
 - Too much autonomy
 - Lack of alignment
 - Lack of direction
 - Disconnect in communication
 - Between zones
 - From the top down

- *I wish D49 would realize that constant change is not a good thing; new initiatives distract from good teaching, and the ability of teachers to focus on their job- being in the classroom. One year our new initiative was "no more initiatives;" promptly followed by the new program*
- *I wish the curriculum was more consistent. It is very challenging working in varying schools among the zone/district and the students do not receive the same instruction. As they move or feed into the middle school, their background knowledge and skill sets are very different.*
- *Administration (at the district level) needs to be on the same page and communicate better those known, collaborative decisions down to building Admin, then down to Teachers and staff at the building. There seems to be a huge disconnect and non-cohesiveness within District Administrative decisions (on curriculum in particular) and building Admin.*

Pause for thought Are the 5 Rocks right for us?
(Trust, Community, Schools, Foundation, and Students)



There's confusion and distrust regarding leadership at District 49 and their approach to communication

About half of all employees have trust and confidence in District 49's senior leadership team

Less confusing Zone leadership.

That District leadership would be more transparent and less heavy handed. Decisions are made without input from people in the buildings.

Working in my building is a blessing; however, the leadership outside of my building is looked at as untrustworthy by my colleagues and myself.

I would change the entire top leadership including the Board. Funds are NOT put to good use paying for a CEO, four assistant superintendents and all their assistants. Information regarding 3B is not being put out there properly. The district has failed to be honest with the community that the money will go to building administrative offices at Creekside and SCHS.

The expectation of clear communication at all leadership levels is not the same emphasis; for example from some of the departments that operate rather exclusive of schools, tend to communicate less and with less urgency.

I would get rid of the Zones and Zone leaders.



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Pause for thought

Is this an accurate picture of the District today?

Any other district-wide areas of opportunity?

Do you need any overlap between the strategic rocks and the opportunities from the engagement survey?



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Identifying priorities for action



Prioritizing organization-wide areas for action



- Take a few minutes to identify what you think are the District's top 2 or 3 priorities for action and write them down
- What areas would have the biggest impact on the District's success?
- Present your top 2 or 3 priorities for action and why you selected them
- Note: Hay Group will keep track of the frequency with which each opportunity is selected
- Group discusses and agrees to the final priorities for action
- Note: Hay Group checks to ensure that everyone is on board with the priorities



Priorities for Action

Workforce Strategic Clarity

Workforce Cultural Clarity

How are these opportunities manifesting themselves in the District?



5

Determining
specific action to
address priority
areas



Setting the vision

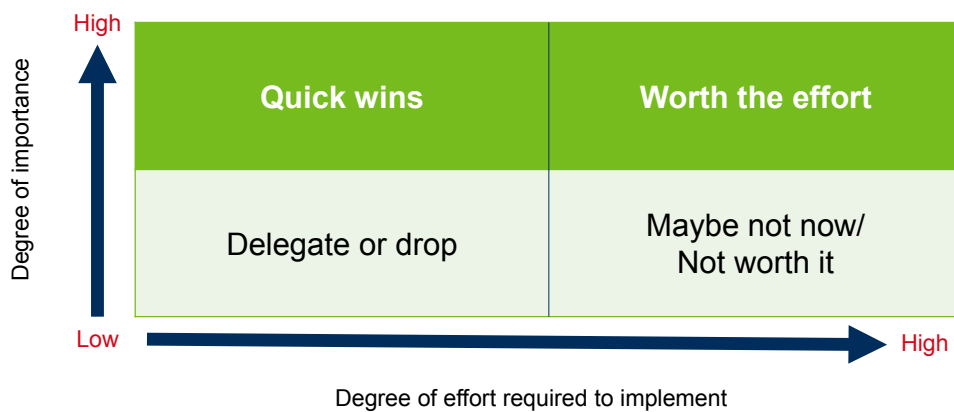


Group discussion

- What would it look like if there were favorable scores in your priority areas?
- What would it mean for the leadership team?
- How would the leadership team be perceived by others?



Priorities matrix: where to focus



Initial action planning: Breakout groups

- Break into small groups based on your interest in working on a specific priority area now and in the future
- Discuss a plan for moving forward, including:
 - What would it look like if there were favorable scores in this area?
 - What can the leadership team do now to address the issue and improve the workplace environment?
 - What other initiatives are going on in the District that can be leveraged to address the issue?
 - What initial suggestions do you have for longer-term change?
 - What additional information and resources do you need to develop a specific action plan around the issue?
 - What are some potential barriers to addressing the issue?
- Prepare a brief overview of your plan for the full group



Priorities in action

	Keep	Stop	Start
Action #1			
Action #2			
Action #3			



6

Plan moving forward and next steps



Survey objectives and process

- The survey process is designed to provide the information and resources needed to promote engagement and drive performance
- The goal is not only to measure the level of engagement and enablement, but also promote actions at all levels as part of an ongoing process



Next steps: district-wide action planning

Activity	Date
Leadership team to implements “quick wins” to address priority areas	
Communicate priority areas and next steps to employees	
Conduct focus groups (formal or informal) to involve employees in the action planning process	
Leadership team develops specific action plans	
Leadership team presents action plans to full management team for feedback and approval	
Implement organization-wide action plans	
Bi-monthly updates to leadership team on action plan progress	
Regular progress updates to employees	



Typical recommended follow-up process and next steps

Communicate the overall survey results

- Survey participants have high expectations that change will result
- Initial communications should be high-level, but subsequent messages should be specific

Take time to review the survey results in more detail before taking action

- Consider focus groups to probe some of the key issues outlined by the survey to better understand root causes

Determine action planning process for addressing priority issues

- Involve employees in the change process
- Identify 2-3 priorities for action and execute well
- Establish a clear timeframe for implementing actions
- Identify the person(s) responsible for implementation and document action plan



Typical recommended follow-up process and next steps (continued)

Determine the level at which actions will be taken

- Determine if there are shared priorities that can be addressed centrally
- Identify the resources necessary to successfully implement action plan
- Communicate actions taken, differed and not taken
- **Link actions taken to the survey results**
- Define a method for measuring the success of actions (re-survey is one method)
- Don't forget to celebrate successes along the way!



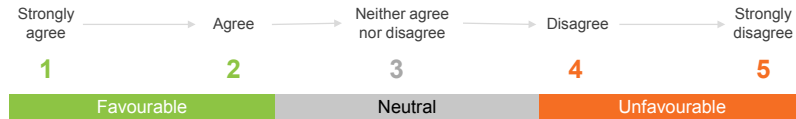
Appendix

Questions by dimension



How to read the results

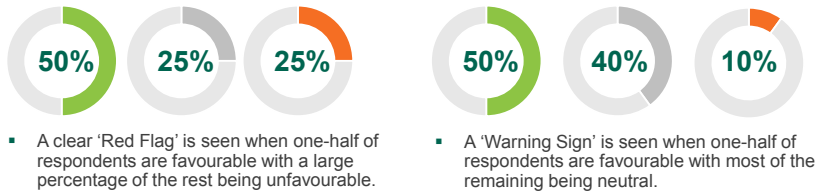
- The five point scale is classified into favourable, neutral and unfavourable.



- Some rough guidelines on absolute scores.

Clear strength	>80% favourable
Moderate strength	65-80% favourable
Warning sign	<60% favourable or >20% unfavourable
Red flag	<50% favourable or >30% unfavourable

- But make sure you look at the distribution of responses.



Survey dimension definitions

Dimension	Definition
Employee engagement	Engagement is the result organizations achieve when they stimulate employees' enthusiasm for their work and direct it toward organizational success. It includes: <ul style="list-style-type: none"> Commitment. Employees are proud to work for the organization, would recommend it as a place to work and express an intention to stay. Discretionary effort. Employees are willing to 'go the extra mile' to help the organization succeed.
Clear and promising direction	Successful companies rally their employees around strategy and common goals that have three things in common: they are easy to understand, measurable, and relevant to the work of employees at all levels. Most employees want to contribute to something larger than themselves, and to make a difference. Appealing to this sense of purpose by connecting employees to the big picture is the essence of transformational leadership. It is critical to promoting high levels of employee engagement.
Confidence in leaders	Performance depends largely on the quality of leaders, at all levels. Leadership influences the way employees perceive the organization as a whole. It plays a critical role in exhibiting and reinforcing the organization's strategy and goals. Effective leaders deliver key organization messages and share important information with employees in a concise, relevant, and timely manner.
Quality and customer focus	Quality is critical for business success. To deliver it, companies must meet or exceed customer expectations while using internal resources efficiently. True customer focus is only possible if employees work together towards a common purpose. This requires a climate that encourages and supports teamwork and promotes innovation and continuous improvement.
Respect and recognition	Continued growth and innovation is founded on respect for individuals and recognition of their efforts. The degree to which managers care for their people – and apply policies and procedures fairly – influences employees' emotional ties to an organization. It is an important aspect of employee engagement.
Development opportunities	Employees are increasingly aware that they are responsible for managing their own careers and that their futures depend on continuous enhancement of their skills. Failure to do this means they cannot perform at their full potential, and they risk compromising their employability within their current organization or elsewhere. Opportunities for growth and development are among the most consistent predictors of employee engagement and enablement.
Pay and benefits	A good pay and benefits program encourages outstanding performers to remain with the organization, maintain their high performance standards, and motivate others to achieve higher levels of performance. While most managers do not directly control policies that relate to pay, benefits, and advancement opportunities, they can play a role in influencing these policies, communicating them to employees, and applying them in a consistent manner.



Survey dimension definitions

Dimension	Definition
Employee enablement	Employees are 'enabled' when jobs and work environments support them to channel their enthusiasm into productive action. Enablement includes: <ul style="list-style-type: none"> Optimized roles. Jobs make good use of skills and abilities and work is challenging and interesting. Supportive environments. The workplace is free from significant barriers to getting the job done and employees feel as productive as they can be.
Performance management	When managers use performance management tools to clarify expectations and set goals, individuals, teams, and the organization overall perform better. Clear personal goals and priorities improve performance because they allow employees to focus their efforts on essential, value-added tasks. Likewise, by continually 'raising the bar,' ongoing performance monitoring and feedback helps ensure that employees skill are developed and used to best effect.
Authority and empowerment	Where employees have appropriate autonomy and discretion, they can work more effectively, and by managing how they work, employees are more likely to find opportunities to use their skills and abilities to the full.
Resources	A supportive work environment is essential if the commitment and discretionary effort of motivated employees is not to be wasted. People can only work at their best if they have the necessary information, training and resources (e.g., tools, technology, equipment, supplies) needed to do their jobs effectively.
Training	People need the right skills and tools to perform to their best. Well-trained employees are more likely to be enthusiastic and positive towards their work, and to show higher levels of commitment to the organization. In assessing the training and development needs within your area, consider the skills employees need to help the organization achieve its objectives.
Collaboration	Good cooperation and teamwork helps organizations work better and react faster to customers and competitors. Collaboration is an important skill for managers and teams. Connections to fellow team members and project teams are the ties that bind and motivate. Where employees feel personal as well as professional obligations to each other, leaving a job or failing to deliver a full effort is likely to spark concerns about letting team members down.
Work, structure, and process	When employees are being asked to work hard, they want to feel that they are working 'smart' as well. Many organizations employ people who are 'with the program' and enthusiastic about making a difference, but are nonetheless held back by jobs that do not suit them or work environments that get in their way.



Authority and empowerment

Item	Valid N	In Order of Percent Favorable			vs. General Industry (Norm)	vs. Education (Norm)
		% Favorable	% Neutral	% Unfavorable		
◇ Authority & Empowerment		61	22	17	-7 *	-
2. I have enough authority to do my job well.	1,118	75	12	13	3 *	-1
26. I am encouraged to come up with new or better ways of doing things.	1,118	73	17	10	3 *	-1
18. I have opportunities to have my ideas adopted and put into use.	1,104	60	24	15	-8 *	-12 *
51. In District 49, decisions are generally made at the lowest level appropriate.	1,001	34	36	31	-28 *	-



District 49 % favorable score significantly higher than comparator
 District 49 % favorable score significantly lower than comparator

Clear and promising direction

Item	Valid N	In Order of Percent Favorable			vs.	vs.
		% Favorable	% Neutral	% Unfavorable	General Industry (Norm)	Education (Norm)
◊ Clear & Promising Direction		71	19	9	-5 *	-2
41. I understand how my job contributes to District 49's strategic priorities and goals.	1,109	77	16	7	-4 *	2
42. I have a good understanding of District 49's strategic priorities and goals.	1,108	70	20	10	-9 *	-9 *
12. I believe that District 49 has the right strategic priorities and goals.	1,105	67	22	10	-2	2
◊ Collaboration		63	21	17	-5 *	-3 *



■ District 49 % favorable score significantly higher than comparator
■ District 49 % favorable score significantly lower than comparator

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Collaboration

Item	Valid N	In Order of Percent Favorable			vs.	vs.
		% Favorable	% Neutral	% Unfavorable	General Industry (Norm)	Education (Norm)
◊ Collaboration		63	21	17	-5 *	-3 *
30. There is good cooperation and teamwork within my work group.	1,115	79	11	10	0	3 *
4. My work group receives high quality support from other parts of District 49 we depend on.	1,092	47	30	23	-10 *	-8 *



■ District 49 % favorable score significantly higher than comparator
■ District 49 % favorable score significantly lower than comparator

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Confidence in leaders

Item	Valid N	In Order of Percent Favorable			vs.	vs.
		% Favorable	% Neutral	% Unfavorable	General Industry (Norm)	Education (Norm)
◇ Confidence in Leaders		55	27	17	-7 *	-2
23. District 49 is open and honest in communications with employees.	1,110	58	25	17	0	0
16. I have trust and confidence in District 49's senior leadership team.	1,110	54	29	17	-10 *	-4 *
8. District 49 is effectively managed and well-run.	1,104	54	28	17	-9 *	-2



■ District 49 % favorable score significantly higher than comparator
■ District 49 % favorable score significantly lower than comparator

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Development opportunities

Item	Valid N	In Order of Percent Favorable			vs.	vs.
		% Favorable	% Neutral	% Unfavorable	General Industry (Norm)	Education (Norm)
◇ Development Opportunities		67	21	13	9 *	6 *
29. I have good opportunities for learning and development at District 49.	1,113	70	18	12	10 *	5 *
7. I have opportunities to achieve my career goals at District 49.	1,105	63	24	13	7 *	6 *



■ District 49 % favorable score significantly higher than comparator
■ District 49 % favorable score significantly lower than comparator

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Pay and benefits

Item	Valid N	In Order of Percent Favorable			vs.	vs.
		% Favorable	% Neutral	% Unfavorable	General Industry (Norm)	Education (Norm)
◇ Pay & Benefits		45	17	37	-7 *	-6 *
33. District 49 provides employee benefits that meet my needs.	1,077	75	14	10	11 *	12 *
24. I believe I am paid fairly for the work I do.	1,120	32	19	49	-18 *	-17 *
31. I believe my pay is fair considering the pay of people doing similar work in other companies.	1,095	29	19	52	-14 *	-12 *



■ District 49 % favorable score significantly higher than comparator
■ District 49 % favorable score significantly lower than comparator

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Performance management

Item	Valid N	In Order of Percent Favorable			vs.	vs.
		% Favorable	% Neutral	% Unfavorable	General Industry (Norm)	Education (Norm)
◇ Performance Management		47	22	31	-10 *	-
65. The feedback I receive during the year helps me develop and improve.	1,102	66	20	14	3 *	-
6. I receive clear and regular feedback on how well I do my work.	1,117	57	19	24	-6 *	-3 *
22. There is a clear link between my performance and my compensation.	1,101	19	26	55	-26 *	-



■ District 49 % favorable score significantly higher than comparator
■ District 49 % favorable score significantly lower than comparator

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Quality and customer focus

Item	Valid N	In Order of Percent Favorable			vs.	vs.
		% Favorable	% Neutral	% Unfavorable	General Industry (Norm)	Education (Norm)
◇ Quality & Customer Focus		66	27	7	-11 *	-7 *
38. District 49 provides high quality products and services.	1,092	66	28	6	-13 *	-11 *
5. District 49 is customer focused (always seeking to understand and meet customer needs).	1,099	65	26	8	-10 *	-4 *



■ District 49 % favorable score significantly higher than comparator
■ District 49 % favorable score significantly lower than comparator

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Resources

Item	Valid N	In Order of Percent Favorable			vs.	vs.
		% Favorable	% Neutral	% Unfavorable	General Industry (Norm)	Education (Norm)
◇ Resources		72	14	15	2	4 *
1. I have the resources I need to do my job effectively.	1,120	68	12	20	0	3 *
32. I have the information I need to do my job well.	1,119	76	15	9	4 *	5 *



■ District 49 % favorable score significantly higher than comparator
■ District 49 % favorable score significantly lower than comparator

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Respect and recognition

Item	Valid N	In Order of Percent Favorable			vs. General Industry (Norm)	vs. Education (Norm)
		% Favorable	% Neutral	% Unfavorable		
◇ Respect & Recognition		68	19	13	-5 *	-
20. I am treated with respect as an individual.	1,121	81	10	9	2	5 *
70. District 49 values and promotes employee diversity.	1,081	65	26	9	-12 *	-
3. I receive recognition when I do a good job.	1,117	59	20	20	-4 *	-4 *



■ District 49 % favorable score significantly higher than comparator
■ District 49 % favorable score significantly lower than comparator

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Training

Item	Valid N	In Order of Percent Favorable			vs. General Industry (Norm)	vs. Education (Norm)
		% Favorable	% Neutral	% Unfavorable		
◇ Training		59	21	21	-3 *	0
17. District 49 provides training so that I can perform my present job well.	1,117	65	17	19	2	2
37. New employees receive the training they need to do their jobs well.	1,064	52	24	23	-9 *	-3



■ District 49 % favorable score significantly higher than comparator
■ District 49 % favorable score significantly lower than comparator

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Work, structure, and process

Item	Valid N	In Order of Percent Favorable			vs. General Industry (Norm)	vs. Education (Norm)
		% Favorable	% Neutral	% Unfavorable		
◇ Work, Structure, & Process		64	22	14	4 *	6 *
21. District 49 is innovative in how work is done (using new technologies or creative approaches to continuously improve)	1,109	70	20	10	13 *	11 *
25. The work is well organized in my work group.	1,101	67	19	14	0	6 *
45. District 49 is effectively organized and structured.	1,103	55	27	18	0	2



■ District 49 % favorable score significantly higher than comparator
■ District 49 % favorable score significantly lower than comparator

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Custom dimension

Item	Valid N	In Order of Percent Favorable			vs. General Industry (Norm)	vs. Education (Norm)
		% Favorable	% Neutral	% Unfavorable		
◇ CUSTOM DIMENSION		-	-	-	-	-
78. I would recommend District 49 as a great place to learn.	1,114	76	19	6	-	-
75. My last performance review was effective in letting me know how I'm doing and how to improve my performance.	1,041	76	11	12	-	-
79. I would recommend District 49 as a great place to work.	1,120	75	19	6	-	-
76. In my work environment, everyone is treated fairly regardless of personal background or characteristics.	1,114	72	11	17	-	-
80. I would recommend District 49 as a great place to lead.	1,088	63	26	11	-	-
81. District 49 makes responsible financial decisions.	1,032	52	31	18	-	-



■ District 49 % favorable score significantly higher than comparator
■ District 49 % favorable score significantly lower than comparator

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Thank you



EL PASO COUNTY SCHOOL DISTRICT 49



COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2016

10850 East Woodmen Road

Peyton, Colorado 80831

www.d49.org

Comprehensive Annual Financial Report

El Paso County School District 49

El Paso County, Colorado



For the fiscal year ended
June 30, 2016

Prepared by:

Brett Ridgway

Chief Business Officer

Ryan Johanson, CPA

Accounting Group Manager

Introductory Section

The

Best District

to Learn, Work and Lead

Our Coordinated Schools

Falcon Zone	Sand Creek Zone	Vista Ridge Zone	iConnect Zone
 <p>Falcon Elementary</p>	 <p>Evans International Elementary</p>	 <p>Ridgeview Elementary</p>	 <p>Patriot High School</p>
 <p>Meridian Ranch Elementary</p>	 <p>Remington Elementary</p>	 <p>Stetson Elementary</p>	 <p>Springs Studio for Academic Excellence</p>
 <p>Woodmen Hills Elementary</p>	 <p>Springs Ranch Elementary</p>	 <p>Odyssey Elementary</p>	 <p>Falcon Home School</p>
 <p>Falcon Middle</p>	 <p>Horizon Middle</p>	 <p>Skyview Middle</p>	
 <p>Falcon High School</p>	 <p>Sand Creek High School</p>	 <p>Vista Ridge High School</p>	

Our Charter Schools



Banning Lewis Ranch Academy



Pikes Peak School of Expeditionary Learning



G.O.A.L. Academy



Rocky Mountain Classical Academy



Imagine Classical Academy

Our Cultural Compass



The heart of the compass rose guides our actions in how we relate to and treat each other.

Respectful – We respect others for their abilities, qualities and achievements.

Transparent – We build positive relationships through honesty and openness with all stakeholders.

Caring – We provide a safe and caring environment for students and staff.

Accountable – We hold ourselves accountable for our actions.

The outer face of the compass rose guides us in how we treat our work.

Strategic – We ensure all decisions align with the 'Five Rocks'.

Innovative – We encourage risk taking by supporting exploration of new ideas and strategies.

Creative – We embrace creativity at all levels.

Life-long learning – We model continuous learning to encourage life-long learners.

**El Paso County School District 49
Board of Education**

Chief Education Officer

Chief Business Officer

Chief Operations Officer

OFFICE

OF

THE

SUPERINTENDENT

SCHOOLS, WITH AUTONOMY

Falcon Zone Leader

POWER Zone Leader

Sand Creek Zone Leader

iConnect Zone Leader

Individualized Education

Learning Services

CTE/Concurrent Enrollment

Culture & Services

CENTRAL SUPPORT

Finance & Accounting

Strategic & Project Planning

Risk Management

Purchasing & Contracts

Human Resources

Nutrition Services

Transportation Services

Facilities Maintenance

Ground Management

Safety & Security

Communications

WIDE
ACCOUNTABILITY
GROUP

Information Technology (*Outsourced*)

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To the Citizens and Members of the Board of Education of El Paso County School District 49:

Colorado State Law requires that school districts publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. In accordance with this requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of El Paso County School District 49 for the fiscal year ended June 30, 2016.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft or misuse, and to compile sufficient reliable information to prepare financial statements. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide, reasonable, rather than absolute assurance that the financial statements will be free from material misstatement.

The District's financial statements have been audited by Hoelting & Company, Inc., a firm of licensed certified public accountants based in Colorado Springs. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District, for the fiscal year ended June 30, 2016, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluation the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2016 are fairly presented in conformity with generally accepted accounting principles. The independent auditor's report is presented as the first component of the financial section of this report.

In addition to the annual independent audit of the financial statements, the District is federally mandated to undergo a "Single Audit" due to the amount of federal funds received. This audit is designed to meet the needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis involving the administration of federal awards. The results of the District's single

audit for the period ending June 30, 2016 provided no instances of material weakness in internal controls over compliance or material violations of applicable laws, regulations, contracts and grants. This report is found compliance section of this document.



Generally accepted accounting principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements, in the form of a Management's Discussion and Analysis (MD&A) report. This transmittal letter is designed to complement the Management's Discussion and Analysis, and should be read in conjunction with it. The District's MD&A can be found immediately following the Independent Auditor's Report.

PROFILE OF THE DISTRICT

The District was organized in 1888 and spans 133 square miles in eastern El Paso County, Colorado. Approximately 19% of the District is within the boundary of Colorado Springs and the remaining 81% is located in an unincorporated area of El Paso County known as Falcon. The District is the third largest district in El Paso County and the 14th largest in Colorado. The District has a resident population of 80,008 based on 2013 census data.

The District operates nine elementary schools, three middle schools, and three high schools, in its coordinated school portfolio; five charter schools (four K-8's and one high school), two online programs, one alternative school program, one home school program, and three student support facilities. These schools service 20,571 students. They provide a full range of programs and services authorized by Colorado statute. This includes: pre-kindergarten, elementary, and secondary curriculum at the general, college preparatory and vocational levels. The District also provides the chance for high school students to take college classes and receive college credit during the high school years.

The District's charter schools' financial position are included in the financials as component units. The charter schools are: Banning Lewis Ranch Academy, G.O.A.L Academy, Imagine Classical Academy, Pikes Peak School of Expeditionary Learning, and Rocky Mountain Classical Academy. Each charter school has been approved by the District Board of Education, and authorized by the State of Colorado, to provide education alternatives for students and parents. These schools have separate governing boards and are funded by the State of Colorado and local property tax funds, with revenues passing through the district. The District also provides some support services to the charter schools. Parent Teacher Organization, Athletic and Music Booster Groups and Colorado Digital Board of Cooperative Education Services (CDBOCES) do not meet the criteria for being component units and are accordingly excluded from this report.

The District is governed by a five member Board of Education (the Board). Board members are elected to four year terms by registered voters of the District, unless filling a seat vacated mid-term, which may occasionally result in a two-year term. As of 2015, the District is divided into five representative areas and board members must live in the area they represent and are limited to two terms according to Colorado Law. Biennial school district elections are held in November of odd-numbered years. The Board elects its officers following each election and when mid-term vacancies necessitate a new election of one or more officer positions. The Board is a policy making body whose primary

functions are to establish policies for the District, provide for the general operation and personnel of the District and oversee the property, facilities and financial affairs of the District. Members of the Board serve without receiving compensation.



The Board employs a Chief Education Officer, a Chief Business Officer and a Chief Operations Officer to run day to day operations of the District. This structure deviates from the traditional Superintendent model. Each chief officer focuses on their area of expertise to make this District the best place to learn, work and lead.

The table below outlines the schools, age and enrollment in full-time equivalents (FTE) as of the official count date in October 2015 and the estimated FTE for the 2016-17 school year.

School	Date Placed in Service	October 2015 Student FTE	Projected 2016 Student FTE
Evans International Elementary	1976	617.78	667.78
Falcon Elementary	1982	292.26	276.59
Falcon Middle	1976	908.00	940.00
Falcon High School	2007	1,234.50	1,247.50
Home School Academy	2001	104.28	131.28
Horizon Middle	1985	650.50	716.48
Meridian Ranch Elementary	2003	675.22	674.31
Odyssey Elementary	2006	508.00	495.56
Patriot Learning Center	1952	200.50	161.13
Remington Elementary	1997	528.10	520.86
Ridgeview Elementary	2002	685.62	719.36
Sand Creek High School	1997	1,266.50	1,230.75
Skyview Middle	2000	1,127.00	1,110.00
Springs Ranch Elementary	2002	512.06	509.00
Springs Studio for Academic Excellence	2012	517.06	655.77
Stetson Elementary	1987	508.52	510.02
Vista Ridge High School	2008	1,403.00	1,449.00
Wooden Hills Elementary	2000	656.36	691.52
Charter Schools			
Pikes Peak School of Expeditionary Learning	2008	393.86	394.00
GOAL Academy	N/A	4,065.00	3,750.00
Banning Lewis Ranch Academy	2008	717.56	716.00
Rocky Mountain Classical Academy	2015	1,237.60	1343.10
Imagine Indigo Ranch Academy	2010	723.86	735.00
Total		19,533.14	19,645.01

The District Budget Process



The District uses a decentralized SBFM (Student based financial management) process for both reporting actual results and preparing budgets. Approximately 80% of the district's expense budget is distributed directly to our schools where Zone Leaders and Building Principals have direct input into how money is best spent for their individual location. Working with the Finance department, these schools develop staffing models (Personnel Spend) and programmatic models (Implementation Spend) based on anticipated revenue driven by projected student count numbers. Once the actual count of students is performed in October, the budgets are amended and approved, and the process starts again to develop proposed budgets for the upcoming school year.

Budgets are prepared annually for all funds of the District. The Board of Education is required to adopt a budget for the fiscal year prior to the July 1 start of the fiscal year, and is allowed to amend that budget any time prior to January 31 of the same fiscal year. Supplemental Budgets may be adopted after January 31 for any fund, if the supplemental change is related to new spends driven by the presence of new, non-tax, revenue in that fund.

ECONOMIC CONDITION

Local Economy

The District is located on the northeast side of Colorado Springs and continues to the east to the unincorporated area known as Falcon. Colorado Springs is the second most populous city in the state, behind Denver. The main employment sectors in El Paso County are: Retail and wholesale trade, health and social services, and accommodation and food services. The military is also an important part of the community with four major bases in the Colorado Springs area. About 14% of the students are connected to the military either through military families or civilian parents employed on federal property.

The local economy shows signs of being strong. Building of new homes continues to increase. There has been a significant increase since 2010 in the number of single family building permits. Property valuations continue to increase within the District. Unemployment continues to stay low at 3.9% compared to the national average of 4.9%. Which also results in higher sales and use tax receipts and new vehicle registration increases.

Long-term Financial Planning

The District will continue to grow into the foreseeable future due to expected continued growth of Colorado Springs, along with the addition of new housing developments within the District's boundaries. It is estimated that within the next 20 years and additional 13,000 students will be added due to new housing developments being built. That will potentially create the need for fourteen elementary schools, four middle schools and two high schools.

The District maintains a low general fund obligation debt. The District expects to have paid off all outstanding bonds paid off by 2017. This will leave the District with the needed borrowing capacity to build schools as the need arises, and as the constituency allows.



Financial Policies

Detailed descriptions of the District's accounting policies are contained in the Notes for the Financial Statements on pages 25 to 54 of this report. These policies describe the basis of accounting, funds and accounts used, valuation policies for investments, capital assets and other significant accounting information.

The District maintains a number of budgetary controls. The objective of budgetary controls are to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the board. Budgetary control is established at the fund level.

The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unencumbered amounts lapse at end of the fiscal year but are normally allowed to be rebudgeted by the original unit in the subsequent fiscal year.

Major Initiatives

The District has begun a process to pursue 'Performance Excellence' using the Baldrige criteria for Performance Excellence framework. In 2016, the District was given the Foothills Performance Award from the regional level organization (Rocky Mountain Performance Excellence, aka RMPex) and will continue to seek additional awards for organizational excellence in order to facilitate ever-improving operations and processes within the District

In the 2016-17 school year, the District will add one new charter school to its portfolio. The Power Technical Early College (PTEC – operated by James Irwin Charter Schools) is designed to serve grades 6-12 with the option of staying with PTEC after the 12th grade to obtain a free Associates Degree from Pikes Peak Community College: The PTEC curriculum will focus on machining technology, architectural engineer/construction management, welding, computer aided drafting, electronics technology, and heating, air conditioning and refrigeration. Students will also have the opportunity to earn industry recognized certifications during their lab courses that will make them able to obtain professional employment immediately upon certification if they so desire.

In November 2016 the District asked voters to approve a new mill levy override to fund high school remodel/additions, renovate and refresh the current facilities, provide more competitive teacher salaries and build two new elementary schools. This mill levy override will replace the bond levy to previously authorized to repay general obligation (bonded) debt, when the debt is fully repaid in 2017. This measure was passed with a resounding 65% approval rate.

ACKNOWLEDGEMENTS



We would like to thank the Board of Education for their leadership and support to the students, staff and community. We appreciate their support in planning and conducting the financial operations of the District to their highest potential. We would also like to thank our independent auditors from Hoelting & Company Inc., for their professional and helpful approach in creating this Comprehensive Annual Financial Report. Their assistance was invaluable in creating this report. Finally, we would like to thank the accounting and payroll staff who play an integral role in the financial success of District 49 on a daily basis.

Respectfully submitted,

Brett Ridgway
Chief Business Officer

Ryan Johanson, CPA
Accounting Group Manager

El Paso County School District 49

Elected Officials Board of Education

Marie LaVere-Wright
David Moore
Tammy Harold
Kevin Butcher
John Graham

President
Vice President
Secretary
Treasurer
Director

Administrative Officials

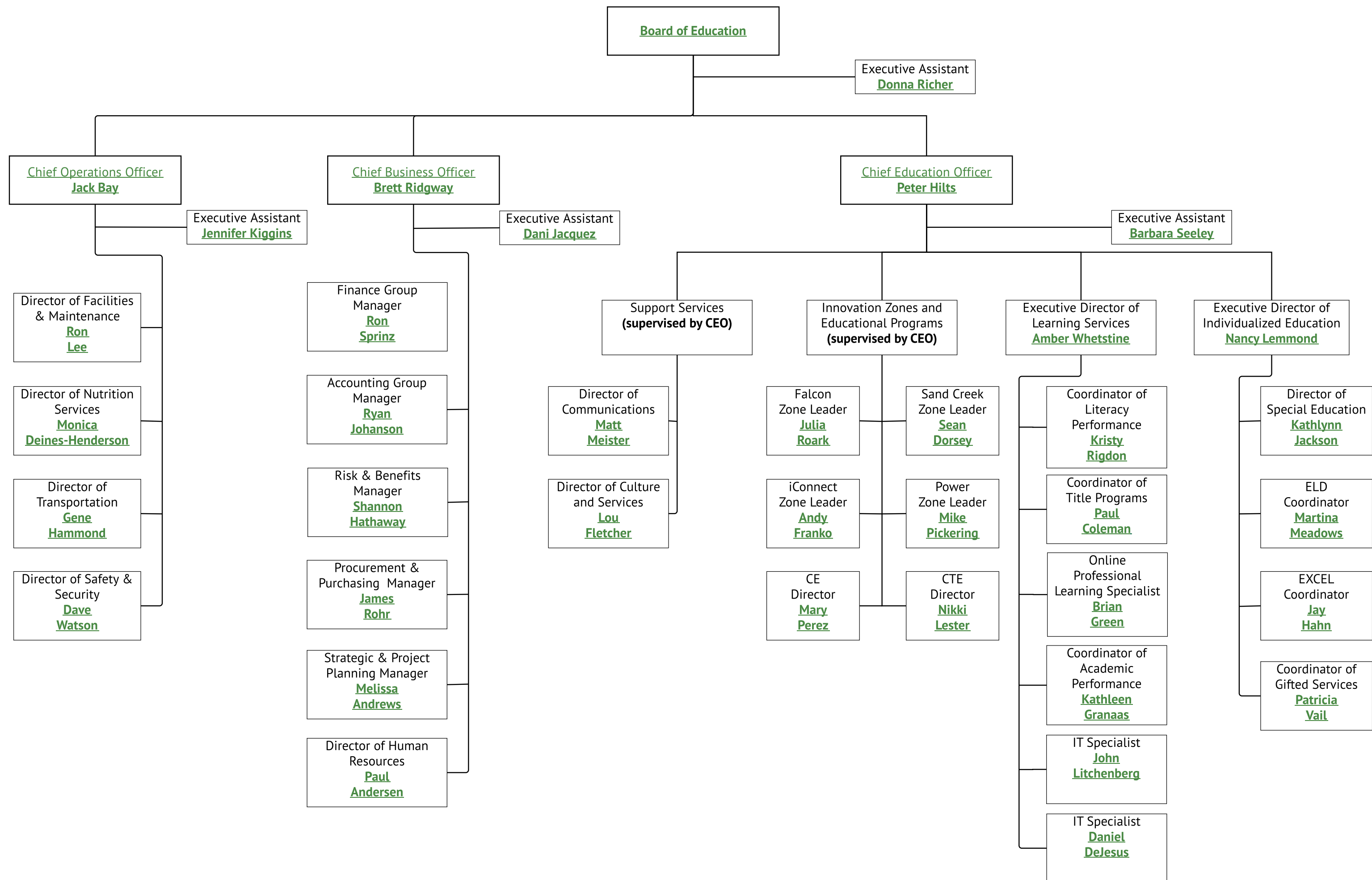
Peter Hilts
Brett Ridgway

Jack Bay
Julia Roark
Sean Dorsey
Mike Pickering
Andy Franko
Amber Whetstine

Zach Craddock

Paul Andersen
Gene Hammond
Monica Deines-Henderson
Matt Meister
Donna Richer

Chief Education Officer
Chief Business Officer & Assistant
Treasurer
Chief Operations Officer
Falcon Zone Leader
Sand Creek Zone Leader
Power Zone Leader
iConnect Zone Leader
Executive Director of Learning
Services
Executive Director of
Individualized Education
Director of Human Resources
Director of Transportation
Director of Nutrition Services
Director of Communications
Secretary to the Board of Education



Financial Section





INDEPENDENT AUDITORS' REPORT

To the Board of Education
El Paso County School District 49

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of El Paso County School District 49, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Pikes Peak School of Expeditionary Learning, and Imagine Charter School at Indigo Ranch which represent 14.0 percent, 21.0 percent, and 16.0 percent respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as those reports relate to the amounts included for Pikes Peak School of Expeditionary Learning and Imagine Charter School at Indigo Ranch is based on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the discretely presented component units were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the El Paso County School District 49, as of June 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the El Paso County School District 49's basic financial statements. The introductory section and combining and individual fund financial statements and schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2016, on our consideration of the El Paso County School District 49's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering El Paso County School District 49's internal control over financial reporting and compliance.

Hoelting & Company Inc.

Colorado Springs, Colorado
December 7, 2016

EL PASO COUNTY SCHOOL DISTRICT 49
MANAGEMENT DISCUSSION & ANALYSIS
JUNE 30, 2016

As management of El Paso County (aka Falcon) School District 49, we offer readers of the School District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2016.

Financial Highlights

- The Governmental Activities of District 49 had a deficit Net Position of \$-82,122,256 at the end of the current fiscal year, a decrease of \$4,480,437 from the prior year. This is due to the PERA pension liability of \$201,734,357 being pushed to the school district level. Excluding the PERA liability the Net Position would be \$119,612,101, an increase from the prior year of \$19,955,197.
- General Revenues for the Governmental Activities of the District totaled \$103,514,087, or 77.3% of all revenues. Program specific revenues in the form of charges for services and grants and contributions received accounted for \$30,320,583, or 22.7% of total revenues of \$133,834,670.
- The ending fund balance of total General Funds was \$36,209,607. The General Fund portion maintained a fund balance to District Adjusted Gross Revenue (DAGR) ratio above 10% (11.5%), which is required by District 49 Board of Education Policy.
- General Funds' Revenue, including the Component Unit share (Charter Schools – net of services), totaled \$155,481,414 which was up \$14,349,586; (10.2%) from the prior year.
- Total student count in the District increased 9.0% from the prior year, while the corresponding funded student count increased by 5.0% (932 student FTE).
- The Nutritional Service Fund reported a ending fund balance of \$1,431,315, an increase of \$188,229 from the prior year, and \$123,109 better than budgeted due higher revenue.

Effective July 1, 2014, the District, as required, implemented GASB Statement No. 68, Accounting and Financial Reporting for Pensions. This resulted in a new liability amount on the District's financial reports totaling \$201,734,357. While the intentions of GASB 68 where appropriate for private sector pension programs, its utility for a public sector entity, like D49, is limited and in fact may be more confusing for readers of the financial statements than without. To see more relevant comparability, users may want to adjust the totals presented for this amount.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The Falcon School District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information about all the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

EL PASO COUNTY SCHOOL DISTRICT 49
MANAGEMENT DISCUSSION & ANALYSIS
JUNE 30, 2016

The *Statement of Activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the District include instruction, instructional support, general and school administration, business and central services, maintenance and operations, and transportation. The business-type activity of the District includes food service.

The government-wide financial statements include not only the District itself (known as the primary government), but also legally separate charter schools. Financial information for the charter schools are presented separately because the charter schools are financially accountable to the District and provide services to the District's students.

Fund Financial Statements. A *fund* is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Falcon School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: government funds, proprietary funds, and fiduciary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide fund financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

District 49 maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, and the bond redemption fund because all are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

District 49 adopts an annual appropriated budget for each of the governmental funds. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget.

Proprietary Funds. District 49 maintains one proprietary fund. Internal service funds are used to accumulate and allocate costs internally among the district's various functions. The district uses internal service funds to account for employee benefit programs for health insurance. Because these services predominate ly benefit

EL PASO COUNTY SCHOOL DISTRICT 49
MANAGEMENT DISCUSSION & ANALYSIS
JUNE 30, 2016

governmental rather than business-type functions, they have been included with governmental activities in the government-wide financial statements

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Falcon School District's own programs. The two fiduciary funds utilized by the District are the Falcon Scholarship Fund and the Pupil Activity Fund. The accounting for fiduciary funds is much like that used for proprietary funds.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District.

The combining statements referred to earlier in connection with non-major governmental funds are presented after the notes to the required supplementary information.

Discretely Presented Component Units. These are operations for which the District has financial accountability, but they have certain independent qualities as well. All are considered major component units.

The District's five component units are:

- Pikes Peak School of Expeditionary Learning
- Banning Lewis Ranch Academy
- Rocky Mountain Classical Academy
- Imagine Indigo Ranch
- G.O.A.L. Academy

Complete financial statements of the individual component units can be obtained from their respective administrative offices as well as their individual websites. Addresses and other information about the District's component units are presented in the notes to the financial statements.

EL PASO COUNTY SCHOOL DISTRICT 49
MANAGEMENT DISCUSSION & ANALYSIS
JUNE 30, 2016

Government-wide Financial Analysis

As noted earlier, net position may serve as a useful indicator of changes in a government's financial position over time. In the case of Falcon School District, Primary Government Liabilities exceeded Assets by \$82,122,256 at the close of the most recent fiscal year. This is due to \$201,734,357 of the PERA liability being assigned to the school district. Excluding this liability Falcon School District Primary Government Liabilities exceeded Assets by \$119,612,101.

Of that amount, \$62,586,946 of net position is invested in capital assets net of accumulated depreciation and related outstanding debt used to acquire those assets. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

\$19,023,043 of the District's net position represents resources that are subject to external restriction on how they may be used.

FALCON SCHOOL DISTRICT 49 NET POSITION

	Governmental Activities	
	2016	2015
ASSETS		
Current assets	\$ 46,287,176	\$ 54,251,520
Capital assets, net of depreciation	147,212,998	152,239,880
Total assets	<u>193,500,174</u>	<u>206,491,400</u>
DEFERRED OUTFLOWS OF RESOURCES		
Total deferred outflows of resources	<u>33,941,526</u>	<u>14,851,421</u>
LIABILITIES		
Current liabilities	22,330,032	12,651,757
Long-term liabilities	284,183,587	285,972,883
Total liabilities	<u>306,513,619</u>	<u>298,624,640</u>
DEFERRED OUTFLOWS OF RESOURCES		
Total deferred outflows of resources	<u>3,050,337</u>	<u>-</u>
NET POSITION		
Net Investment in Capital Assets	62,586,946	51,041,127
Restricted for:		
TABOR	3,320,000	3,200,000
Debt Service	15,630,174	23,415,052
Preschool	72,869	92,644
Unrestricted	(163,732,245)	(155,030,642)
TOTAL NET POSITION	<u>\$ (82,122,256)</u>	<u>\$ (77,281,819)</u>

EL PASO COUNTY SCHOOL DISTRICT 49
MANAGEMENT DISCUSSION & ANALYSIS
JUNE 30, 2016

Governmental activities decreased the net position of the District by \$6,563,377. Program revenues included \$14,025,571 in charges for services, and \$15,591,007 in operating grants and contributions. Over \$100.3 million was received in general revenues consisting of local property taxes, specific ownership taxes, and school finance act revenue. The majority of expenses were for instructional purposes which totaled \$73,810,829 out of a total of \$140,398,047.

Program revenues for Nutritional Services included \$1,570,844 in charges for services and \$2,068,071 in operating grants and contributions. Expenditures of \$3,450,686 were for food services.

FALCON SCHOOL DISTRICT 49 - Changes in Net Position

	Governmental Activities	
	2016	2015
PROGRAM REVENUES		
Charges for service	\$ 14,025,571	\$ 13,475,370
Operating Grants & contributions	15,591,007	14,378,042
Capital Grants & contributions	704,005	2,835,468
GENERAL REVENUES		
Property Taxes	33,364,551	25,822,318
Specific ownership taxes	3,676,411	2,762,983
State equalization	65,914,912	71,655,103
Investment earnings	84,202	36,042
Miscellaneous revenues & transfers	474,011	414,377
TOTAL REVENUES	133,834,670	131,379,703
EXPENSES		
Instruction	73,810,829	69,436,074
Supporting Services	55,862,491	51,860,340
Community Services	3,110	2,309
Facilities Acquisition & Construction	2,313,108	1,555,578
Interest on long-term debt	3,450,685	5,940,860
Food Service	4,957,824	3,563,638
TOTAL EXPENSES	140,398,047	132,358,799
Change in Net Position	(6,563,377)	(979,096)
Beginning Net Position	(77,281,819)	80,022,481
Prior Period Adjustment	1,722,940	(156,325,204)
TOTAL NET POSITION	\$ (82,122,256)	\$ (77,281,819)

EL PASO COUNTY SCHOOL DISTRICT 49
MANAGEMENT DISCUSSION & ANALYSIS
JUNE 30, 2016

Financial Analysis of the Governmental Funds

As stated earlier, the Falcon School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$30,876,271.

The general fund is the chief operating fund of the District. At the end of the current fiscal year committed and unassigned fund balance of the general fund was \$9,646,242 while total fund balance is \$20,764,521. As a measure of the general fund's liquidity, it may be useful to compare both contingent/unassigned fund balance and total fund balance to total fund expenditures. Excluding Charter School remittances, nominally committed and unassigned fund balance represents 10.3% of total general fund expenditures, while total fund balance represents 22.1% of that same amount.

The Bond Redemption Fund remains in strong financial condition. The fund has an ample fund balance to make the December 1st principal and interest payments on the District's voter approved debt. The fund balance as of June 30, 2016 is \$7,904,764, which is entirely restricted for debt service.

In 2015-16, Falcon School District expended \$5,129,118 of local, state and federal grant funds, excluding charter school grant expenditures. Of these expenditures, \$744,891 represent funds yet to be received from the individual granting authorities prior to the close of the fiscal year; and are scheduled for receipt early in the 2016-17 fiscal year.

General Fund Budgetary Highlights

The District approves the original budget in June based on enrollment projections for the following school year. In October, after a better estimate of enrollment can be made, adjustments are made to the budget. The rapid growth the District experienced for most of 2000's has moderated in the last few years. The 2014-15 to 2015-2016 expected growth was 3.2%

Some significant budget highlights include:

- The final (Amended) budget showed increased expenditures by \$5,962,915 from the original (Adopted) budget. The increase was due to debt refinancing (\$3,193,087) and a general increase to bring down fund balance to board approved levels.
- Actual General Fund results for the 2015-16 fiscal year showed revenues in excess of expenses by \$285,361, which was \$6,234,724 better than the final budget. The improvement came from improved categorical revenue and lower expenditures.

EL PASO COUNTY SCHOOL DISTRICT 49
MANAGEMENT DISCUSSION & ANALYSIS
JUNE 30, 2016

Capital Assets and Debt Administration

Capital assets. The Falcon School District's investment in capital assets for governmental activities as of June 30, 2016 amounts to \$147,212,998 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery, equipment, and vehicles. The total decrease in the District's investment in capital assets for the current fiscal year was due to the depreciation of existing assets.

Investments in Capital Assets

	Balance @ 6/30/2016	Balance @ 6/30/2015
Governmental Activities		
Land and Site Improvements	15,765,500	15,765,500
Buildings & Improvements	127,507,136	132,746,528
Equipment	3,054,328	3,161,785
Construction in Progress	886,034	566,067
Total capital assets, net	<u>147,212,998</u>	<u>152,239,880</u>

Additional information on the District's capital assets can be found in the notes to the financial statements.

Long-Term Debt. At the end of the current fiscal year, the District's total outstanding long-term debt was \$91,862,431. Of this amount, \$12,346,754 is general obligation bonds for which there is a mill levy assessment to pay the debt, \$4,049,924 for capital leases, and \$68,345,000 in certificates of participation.

In November 2005, the taxpayers approved a mill levy override to pay for the construction of new facilities and additions to current facilities. The District sold the aforementioned Certificates of Participation in July 2006 and July 2007 to finance this construction and will pay the certificates back with the approved mill levy override tax revenue.

State Statutes limit the amount of the District's general obligation bonded debt to 20% of the assessed value of the District, or 6% of the retail value of the District. At the end of the current fiscal year, the District had total general obligation bonded debt of \$12,305,000 or 1.6% of assessed value, or 0.2% of retail value. The district's legal debt limit and debt margin is \$150,394,494 and \$138,089,494 respectively relative to the assessed value measures.

Additional information on the District's long-term debt can be found in the notes to the financial statements.

EL PASO COUNTY SCHOOL DISTRICT 49
MANAGEMENT DISCUSSION & ANALYSIS
JUNE 30, 2016

Economic Factors and 2016-2017 Budget

- The local, state, and federal economies are recovering. This was seen in the change in the District's assessed property value, which increased by 9.03% in 2015 from the prior year to a total of \$751,972,470. This change was recognized in a non-reassessment cycle. It is normal for there to be a lag in recognizing changes in assessed valuations relative to market values.
- The District must continue to work proactively with developers, the City of Colorado Springs, and El Paso County to confront the enrollment growth issue. Falcon School District has been one of the fastest growing school districts in the state, based on enrollment - on a percentage basis, for the last several years.
- The District continues to work with charter schools. The District had five charter schools during the current fiscal year after taking over authorizing responsibility for the state's largest multi-district online charter school on July 1, 2013; and adding another charter school and approving a charter high school.
- The District ended the 2015-16 school year with more than a 10% revenue to fund balance ratio (excluding PERA liability), as mandated by School Board Policy. The 10% target equates to approximately one month of expenditures and is necessary to handle the District's annual cash flow cycle that is present due to the seasonal nature of property tax receipts.

Requests for Information

The financial report is designed to provide a general overview of Falcon School District's finances for those with an interest in the District. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Finance Department, Falcon School District 49, 10850 E. Woodmen Road, Falcon, CO 80831

BASIC FINANCIAL STATEMENTS

EL PASO COUNTY SCHOOL DISTRICT 49
STATEMENT OF NET POSITION
JUNE 30, 2016

	Primary Government Governmental Activities	Component Units
ASSETS		
Cash and cash equivalents	\$ 26,932,423	\$ 17,338,140
Restricted cash and cash equivalents	16,399,950	1,072,051
Investments	-	5,060,675
Accounts receivable	316,955	345,418
Grants receivable	1,250,305	-
Taxes receivable	1,077,291	-
Intergovernmental receivables	-	174,923
Receivable from fiduciary funds	127,090	-
Prepaid expenses	-	572,156
Deposits	-	83,407
Inventories	183,162	-
Capital assets, not being depreciated	16,651,534	2,280,506
Capital assets, net of depreciation	130,561,464	32,997,815
Total assets	193,500,174	59,925,091
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charge on refunding	6,134,791	864,319
Deferred pension outflows	27,806,735	7,021,837
Total deferred outflows of resources	33,941,526	7,886,156
LIABILITIES		
Accounts payable and other current liabilities	1,970,486	1,311,319
Accrued salaries and benefits	9,922,342	955,829
Compensated absences	139,568	
Accrued interest	135,946	766,721
Unearned revenues	888,057	203,128
Long-term liabilities		
Due within one year	9,273,633	535,988
Due in more than one year	82,449,230	40,026,550
Net pension liability	201,734,357	49,427,436
Total liabilities	306,513,619	93,226,971
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue	-	321,463
Deferred pension inflows	3,050,337	2,174,888
Total deferred inflows of resources	3,050,337	2,496,351
NET POSITION		
Net investment in capital assets	62,586,946	(4,675,528)
Restricted for:		
Emergency reserve (TABOR)	3,320,000	1,608,200
Debt service	15,630,174	3,302,082
Preschool	72,869	-
Repairs and replacement	-	226,875
Unrestricted	(163,732,245)	(28,373,704)
Total net position	\$ (82,122,256)	\$ (27,912,075)

The accompanying notes are an integral part of these financial statements.

EL PASO COUNTY SCHOOL DISTRICT 49
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities	Component Units Charter Schools
Primary government						
Governmental activities						
Instruction	\$ 73,810,829	\$ 2,996,028	\$ 12,159,925	\$ 704,005	\$ (57,950,871)	\$ -
Supporting services	55,862,491	9,458,699	1,363,011	-	(45,040,781)	-
Community services	3,110	-	-	-	(3,110)	-
Facilities acquisition & construction	2,313,108	-	-	-	(2,313,108)	-
Food Service	3,450,685	1,570,844	2,068,071	-	188,230	-
Interest and fiscal charges	4,957,824	-	-	-	(4,957,824)	-
Total governmental activities	<u>\$ 140,398,047</u>	<u>\$ 14,025,571</u>	<u>\$ 15,591,007</u>	<u>\$ 704,005</u>	<u>(110,077,464)</u>	<u>-</u>
Component units						
Charter schools	<u>\$ 52,265,472</u>	<u>\$ 3,354,688</u>	<u>\$ 1,815,875</u>	<u>\$ 697,410</u>		<u>(46,397,499)</u>
General revenues:						
Property taxes					33,364,551	90,907
Specific ownership taxes					3,676,411	-
State equalization					65,914,912	-
Per pupil revenue					-	50,915,353
Investment earnings					84,202	81,731
Miscellaneous					474,011	1,059,352
Total general revenues					<u>103,514,087</u>	<u>52,147,343</u>
Change in net position					(6,563,377)	5,749,844
Net position - beginning, as restated					<u>(75,558,879)</u>	<u>(33,661,919)</u>
Net position - ending					<u>\$ (82,122,256)</u>	<u>\$ (27,912,075)</u>

The accompanying notes are an integral part of these financial statements.

EL PASO COUNTY SCHOOL DISTRICT 49
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2016

	General Fund	Bond Redemption Fund	Total Nonmajor Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 25,472,501	\$ -	\$ 334,028	\$ 25,806,529
Restricted cash and cash equivalents	8,505,234	7,894,716	-	16,399,950
Accounts receivable	290,362	-	26,593	316,955
Grants receivable	-	-	1,250,305	1,250,305
Taxes receivable	902,632	174,659	-	1,077,291
Receivable from fiduciary funds	938,481	-	-	938,481
Due from other funds	100,397	-	2,685,162	2,785,559
Inventories	-	-	183,162	183,162
	<u>-</u>	<u>-</u>	<u>183,162</u>	<u>183,162</u>
Total assets	<u>\$ 36,209,607</u>	<u>\$ 8,069,375</u>	<u>\$ 4,479,250</u>	<u>\$ 48,758,232</u>
LIABILITIES				
Accounts payable and other accrued liabilities	\$ 1,025,083	\$ -	\$ 425,933	\$ 1,451,016
Accrued salaries and benefits	9,668,340	-	254,002	9,922,342
Compensated absences	137,145	-	2,423	139,568
Payable to fiduciary funds	1,022	-	810,369	811,391
Due to other funds	4,134,353	65,751	34,646	4,234,750
Unearned revenue	143,166	-	744,891	888,057
	<u>15,109,109</u>	<u>65,751</u>	<u>2,272,264</u>	<u>17,447,124</u>
Total liabilities	<u>15,109,109</u>	<u>65,751</u>	<u>2,272,264</u>	<u>17,447,124</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue-property taxes	<u>335,977</u>	<u>98,860</u>	<u>-</u>	<u>434,837</u>
Total deferred inflows of resources	<u>335,977</u>	<u>98,860</u>	<u>-</u>	<u>434,837</u>
FUND BALANCES				
Nonspendable	-	-	183,162	183,162
Restricted for:				
Emergency reserve (TABOR)	3,320,000	-	-	3,320,000
Debt service	7,725,410	7,904,764	-	15,630,174
Preschool	72,869	-	-	72,869
Committed for:				
Risk management	380,653	-	-	380,653
Capital projects	1,286,850	-	419,545	1,706,395
Contingencies	5,972,414	-	-	5,972,414
Assigned for:				
Food Services	-	-	1,248,153	1,248,153
Pupil activities	-	-	356,126	356,126
Unassigned	<u>2,006,325</u>	<u>-</u>	<u>-</u>	<u>2,006,325</u>
Total fund balances	<u>20,764,521</u>	<u>7,904,764</u>	<u>2,206,986</u>	<u>30,876,271</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 36,209,607</u>	<u>\$ 8,069,375</u>	<u>\$ 4,479,250</u>	<u>\$ 48,758,232</u>

The accompanying notes are an integral part of these financial statements.

EL PASO COUNTY SCHOOL DISTRICT 49
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
JUNE 30, 2016

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balance - governmental funds	\$ 30,876,271
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds, but are reported in the governmental activities of the statement of net position.	147,212,998
Property tax receivable is not available to pay current period expenditures and therefore is not reported in this fund financial statement, but is reported in the governmental activities of the statement of net position.	434,837
Deferred charges on refunding are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the statement of net position.	6,134,791
Internal service funds are used by the District's management to charge the cost of certain activities to individual funds. The assets and liabilities of the internal service funds are included with governmental activities in the statement of net position.	2,055,615
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as deferred outflows of resources.	27,806,735
Accrued interest is not due and payable in the current period, and therefore is not reported as a liability in the funds.	(135,946)
Net pension liability is not due and payable in the current period and, therefore, are not reported in the funds.	(201,734,357)
Other long-term liabilities are not due and payable in the current period and, therefore, are reported as deferred inflows of resources.	(3,050,337)
Long-term liabilities, including bonds payable, are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the statement of net position.	<u>(91,722,863)</u>
Net position of governmental activities	<u><u>\$ (82,122,256)</u></u>

The accompanying notes are an integral part of these financial statements.

EL PASO COUNTY SCHOOL DISTRICT 49
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	General Fund	Bond Redemption Fund	Total Nonmajor Funds	Total Governmental Funds
REVENUES				
Local sources	\$ 33,957,632	\$ 7,607,170	\$ 3,786,268	\$ 45,351,070
State sources	72,949,704	-	579,454	73,529,158
Federal sources	476,349	-	6,865,190	7,341,539
Total revenues	107,383,685	7,607,170	11,230,912	126,221,767
EXPENDITURES				
Instruction	57,972,601	-	4,606,336	62,578,937
Supporting services	40,691,327	-	2,929,415	43,620,742
Community services	1,846	-	1,264	3,110
Facilities acquisition and construction	2,292,721	-	-	2,292,721
Food Service	-	-	3,450,686	3,450,686
Debt service	6,139,829	4,787,504	-	10,927,333
Total expenditures	107,098,324	4,787,504	10,987,701	122,873,529
Excess (deficiency) of revenues over expenditures	285,361	2,819,666	243,211	3,348,238
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	(420,844)	-	420,844	-
Refunding bond proceeds	-	8,780,000	-	8,780,000
Payment to refunded bond escrow agent	-	(19,472,793)	-	(19,472,793)
Total other financing sources (uses)	(420,844)	(10,692,793)	420,844	(10,692,793)
Net change in fund balances	(135,483)	(7,873,127)	664,055	(7,344,555)
Fund balances - beginning, as restated	20,900,004	15,777,891	1,542,931	38,220,826
Fund balances - ending	\$ 20,764,521	\$ 7,904,764	\$ 2,206,986	\$ 30,876,271

The accompanying notes are an integral part of these financial statements.

EL PASO COUNTY SCHOOL DISTRICT 49
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds:	\$ (7,344,555)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.	(5,026,882)
Governmental funds do not present property tax revenues that are not available to pay current obligations. In contrast, such revenues are reported in the statement of activities when earned.	(35,437)
Internal service funds are used by the District to charge the cost of certain activities to individual funds. The net revenue of the internal service funds are reported with governmental activities.	(266,015)
Interest expense is reported when incurred in the statement of activities but is not reported in the funds until paid.	87,391
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	16,572,701
Governmental funds measure compensated absences by the amount of financial resources used, whereas these expenses are reported in the statement of activities based on the amounts incurred during the year.	13,395
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	<u>(10,563,975)</u>
Change in net position of governmental activities	<u><u>\$ (6,563,377)</u></u>

The accompanying notes are an integral part of these financial statements.

EL PASO COUNTY SCHOOL DISTRICT 49
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2016

	Governmental Activities Internal Service Fund
ASSETS	
Current assets	
Cash and cash equivalents	\$ 1,125,894
Due from other funds	<u>1,449,191</u>
Total current assets	<u>2,575,085</u>
LIABILITIES	
Current liabilities	
Accounts payable	<u>519,470</u>
Total current liabilities	<u>519,470</u>
NET POSITION	
Unrestricted	<u>2,055,615</u>
Total net position	<u><u>\$ 2,055,615</u></u>

The accompanying notes are an integral part of these financial statements.

EL PASO COUNTY SCHOOL DISTRICT 49
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Governmental Activities Internal Service Fund</u>
OPERATING REVENUES	
Charges for services	\$ 8,433,819
Total operating revenues	<u>8,433,819</u>
OPERATING EXPENSES	
Purchased services	<u>8,705,066</u>
Total operating expenses	<u>8,705,066</u>
Operating income (loss)	<u>(271,247)</u>
NON-OPERATING REVENUES (EXPENSES)	
Interest and investment revenue	<u>5,232</u>
Total non-operating revenue (expenses)	<u>5,232</u>
Change in net position	(266,015)
Net position - beginning	<u>2,321,630</u>
Net position - ending	<u><u>\$ 2,055,615</u></u>

The accompanying notes are an integral part of these financial statements.

EL PASO COUNTY SCHOOL DISTRICT 49
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Governmental Activities Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers and users	\$ 9,074,500
Cash payments to suppliers	<u>(8,632,469)</u>
Net cash provided (used) by operating activities	<u>442,031</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	<u>5,232</u>
Net cash provided (used) by investing activities	<u>5,232</u>
Net increase (decrease) in cash and cash equivalents	447,263
Cash and cash equivalents - beginning	<u>678,631</u>
Cash and cash equivalents - ending	<u><u>\$ 1,125,894</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	<u>\$ (271,247)</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Change in assets and liabilities:	
(Increase) decrease in:	
Due from other funds	243,784
Increase (decrease) in:	
Accounts payable	72,596
Interfund payable	<u>396,898</u>
Total adjustments	<u>713,278</u>
Net cash provided (used) by operating activities	<u><u>\$ 442,031</u></u>

The accompanying notes are an integral part of these financial statements.

EL PASO COUNTY SCHOOL DISTRICT 49
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2016

	Private- Purpose Trust Fund	Agency Fund
ASSETS		
Cash and cash equivalents	\$ 5,111	\$ 859,041
Receivable from primary government	1,022	-
	<hr/>	<hr/>
Total assets	6,133	859,041
	<hr/>	<hr/>
LIABILITIES		
Accounts payable	-	11,985
Payable to primary government	-	128,112
Due to student organizations	-	718,944
	<hr/>	<hr/>
Total liabilities	-	\$ 859,041
	<hr/>	<hr/>
NET POSITION		
Held in trust for scholarship recipients	6,133	
	<hr/>	
Total net position	\$ 6,133	
	<hr/>	

The accompanying notes are an integral part of these financial statements.

EL PASO COUNTY SCHOOL DISTRICT 49
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE, 30 2016

	Private- Purpose Trust Fund
ADDITIONS	
Fundraising activities	\$ 23
Total additions	<u>23</u>
DEDUCTIONS	
Scholarship awards	<u>1,000</u>
Total deductions	<u>1,000</u>
Change in net position	(977)
Net position - beginning	<u>7,110</u>
Net position - ending	<u><u>\$ 6,133</u></u>

The accompanying notes are an integral part of these financial statements.

COMPONENT UNITS

EL PASO COUNTY SCHOOL DISTRICT 49
COMPONENT UNITS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2016

	Pikes Peak School of Expeditionary Learning	Banning Lewis Ranch Academy	Rocky Mountain Classical Academy	The Imagine Classical Academy	GOAL Academy	Total
ASSETS						
Cash and cash equivalents	\$ 1,785,373	\$ 2,015,920	\$ 1,676,681	\$ 1,448,907	\$ 10,411,259	\$ 17,338,140
Restricted cash and cash equivalents	109,047	963,004	-	-	-	1,072,051
Investments	-	-	5,060,675	-	-	5,060,675
Receivables	-	-	22,214	-	323,204	345,418
Prepaid expenses	-	30,747	215,158	-	326,251	572,156
Deposits	-	-	16,210	-	67,197	83,407
Intergovernmental receivables	-	27,217	-	-	147,706	174,923
Capital assets, not being depreciated	548,380	-	1,693,591	-	38,535	2,280,506
Capital assets, net of depreciation	4,353,655	5,554,510	20,951,678	-	2,137,972	32,997,815
Total assets	6,796,455	8,591,398	29,636,207	1,448,907	13,452,124	59,925,091
DEFERRED OUTFLOWS OF RESOURCES						
Loss on Debt Refunding, Net of Accumulated Depreciation	864,319	-	-	-	-	864,319
Deferred pension outflows	526,632	-	1,224,821	1,200,301	4,070,083	7,021,837
Total deferred outflows of resources	1,390,951	-	1,224,821	1,200,301	4,070,083	7,886,156
LIABILITIES						
Accounts payable and other current liabilities	32,905	332,140	139,146	1,926	805,202	1,311,319
Accrued salaries and benefits	113,495	153,109	207,776	-	481,449	955,829
Accrued interest	18,052	17,458	731,211	-	-	766,721
Unearned revenues	1,185	-	199,053	2,890	-	203,128
Long-term liabilities						
Due within one year	155,988	170,000	210,000	-	-	535,988
Due in more than one year	6,033,148	6,785,000	27,208,402	-	-	40,026,550
Net Pension Liability	3,739,405	-	8,078,614	6,537,298	31,072,119	49,427,436
Total liabilities	10,094,178	7,457,707	36,774,202	6,542,114	32,358,770	93,226,971
DEFERRED INFLOWS OF RESOURCES						
Deferred pension inflows	57,465	-	442,466	92,656	1,582,301	2,174,888
Unavailable revenue - Summit Settlement	-	-	-	-	321,463	321,463
Total deferred inflows of resources	57,465	-	442,466	92,656	1,903,764	2,496,351
NET POSITION						
Net investment in capital assets	(422,782)	(1,730,100)	(4,699,153)	-	2,176,507	(4,675,528)
Restricted for:						
Emergency reserve - TABOR	91,000	165,000	284,500	173,000	894,700	1,608,200
Repairs and replacement	-	226,875	-	-	-	226,875
Debt service	90,995	656,091	2,554,996	-	-	3,302,082
Unrestricted	(1,723,450)	1,815,825	(4,495,983)	(4,158,562)	(19,811,534)	(28,373,704)
Total net position	\$ (1,964,237)	\$ 1,133,691	\$ (6,355,640)	\$ (3,985,562)	\$ (16,740,327)	\$ (27,912,075)

The accompanying notes are an integral part of these financial statements.

EL PASO COUNTY SCHOOL DISTRICT 49
COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016

	Pikes Peak School of Expeditionary Learning	Banning Lewis Ranch Academy	Rocky Mountain Classical Academy	The Imagine Classical Academy	GOAL Academy	Total
EXPENSES						
Instruction	\$ 1,799,609	\$ 2,599,865	\$ 4,337,031	\$ 2,795,166	\$ 13,701,001	\$ 25,232,672
Supporting services	591,447	2,743,921	4,807,246	3,574,342	11,401,752	23,118,708
Interest and fiscal charges	667,818	565,455	2,680,819	-	-	3,914,092
Total expenses	3,058,874	5,909,241	11,825,096	6,369,508	25,102,753	52,265,472
PROGRAM REVENUES						
Charges for services	148,603	83,039	2,711,730	411,316	-	3,354,688
Operating grants and contributions	16,306	36,218	169,164	80,635	1,513,552	1,815,875
Capital grants and contributions	-	185,493	315,437	195,643	837	697,410
Total program revenues	164,909	304,750	3,196,331	687,594	1,514,389	5,867,973
Net expense (revenue)	(2,893,965)	(5,604,491)	(8,628,765)	(5,681,914)	(23,588,364)	(46,397,499)
GENERAL REVENUES						
Property Tax	-	90,907	-	-	-	90,907
Per pupil operating revenue	2,799,013	5,099,426	8,794,869	5,333,635	28,888,410	50,915,353
Investment earnings	4,275	2,483	74,973	-	-	81,731
Miscellaneous	173,037	597,149	118,690	12,796	157,680	1,059,352
Total general revenues	2,976,325	5,789,965	8,988,532	5,346,431	29,046,090	52,147,343
Change in net position	82,360	185,474	359,767	(335,483)	5,457,726	5,749,844
Net position - beginning, as restated	(2,046,597)	948,217	(6,715,407)	(3,650,079)	(22,198,053)	(33,661,919)
Net position - ending	\$ (1,964,237)	\$ 1,133,691	\$ (6,355,640)	\$ (3,985,562)	\$ (16,740,327)	\$ (27,912,075)

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of El Paso County School District 49 (the District) have been prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the District are discussed below.

A. DESCRIPTION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

B. REPORTING ENTITY

El Paso County School District 49 was organized by a vote of qualified electorate during 1889, under the provisions of Colorado Law. The legislative power of the District is vested in the Board of Education, consisting of five members who are elected for staggered four-year terms. Over the years there have been 6 different name variations used for the District, including Falcon School District 49. On February 25, 2015 the Board passed a resolution that recognized that the six different names are one in the same entity. Going forward the District will use El Paso County School District 49 for reporting purposes. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Aggregate discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the district. The District has presented the following component units:

Discretely Presented Component Units

The Board of Education approved five charter schools for operation. Pikes Peak School of Expeditionary Learning, Banning Lewis Ranch Academy, Rocky Mountain Classical Academy, The Imagine Classical Academy, and Guided Online Academic Learning (GOAL) Academy charter schools were formed in accordance with state statute as District charter schools. The charter schools are deemed to be fiscally dependent on the District since the District provides the majority of support to each charter school in the form of per pupil revenue. In addition, the nature and significance of the charter schools' relationship with the District is such that exclusion would cause the District's financial statements to be incomplete.

The amount of per pupil revenue allotted to each charter school during the year ended June 30, 2016 is as follows:

<u>Charter School</u>	<u>Amount</u>
Pikes Peak School of Expeditionary Learning	\$ 2,799,138
Banning Lewis Ranch Academy	5,099,543
Rocky Mountain Classical Academy	8,797,009
The Imagine Classical Academy	5,145,335
GOAL Academy	<u>28,888,410</u>
	<u>\$ 50,729,435</u>

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. REPORTING ENTITY (CONTINUED)

Discretely Presented Component Units (continued)

The members of each charter school's governing board are appointed separately from the District. These charter schools have been deemed to be separate legal entities based on the formation of the schools in accordance with state statutes. Separately issued financial statements for the charter schools may be obtained by writing to the following:

Pikes Peak School of Expeditionary Learning
11925 Antlers Ridge Drive
Falcon, Colorado 80831

Banning Lewis Ranch Academy
7094 Cottonwood Tree Drive
Colorado Springs, Colorado 80927

Rocky Mountain Classical Academy
4620 Antelope Ridge Drive
Colorado Springs, CO 80922

The Imagine Classical Academy
6464 Peterson Road
Colorado Springs, CO 80923

GOAL Academy
107 W. 11th Street
Pueblo, CO 80204

C. BASIS OF PRESENTATION—GOVERNMENT-WIDE FINANCIAL STATEMENTS

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

The statement of activities demonstrates the degree to which direct expenses of given functions or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities.

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. BASIS OF PRESENTATION—FUND FINANCIAL STATEMENTS

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. A fund is an independent fiscal accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained by the District is consistent with legal and managerial requirements.

The emphasis of fund financial statements is on major governmental and enterprise funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

The District reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Bond Redemption Fund* is used to account for the accumulation of resources for and the payment of principal, interest, and related expenses on long-term general obligation debt.

Additionally, the District reports the following fund types:

Special Revenue Funds account for revenue sources that are legally restricted to expenditure for specific purposes (not including major capital projects).

The *Food Service Fund* accounts for the District's food service program. This fund is required to account for USDA school breakfast and lunch money received by the District.

The *Governmental Designated-Purpose Grants Fund* is used to record financial transactions for grants received for designated programs funded by federal, state or local governments.

The *Pupil Activity Fund* is used to account for the revenues and expenditures related to school sponsored student intrascholastic and interscholastic athletic and other related activities.

The *Transportation Fund* is used to account for revenues from a tax levied or a fee imposed for the purpose of paying excess transportation costs.

The *Kids Corner Fund* is used to account for revenues and expenditures related to the before and after school care program for students that attend the Sand Creek Zone.

The *Capital Projects Fund* is used to account for the purposes of acquisition of sites, buildings, equipment, and vehicles.

Internal Service Funds account for operations that provide services to other departments or agencies of the government on a cost-reimbursement basis.

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. BASIS OF PRESENTATION—FUND FINANCIAL STATEMENTS (CONTINUED)

Fiduciary Funds account for assets held by the government in a trustee capacity or as an agent on behalf of others. Trust funds account for assets held by the government under the terms of a formal trust agreement.

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

E. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flow. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue in the fiscal year in which all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are *measurable* when the amount of the transaction can be determined and are considered to be *available* when they are collectible within the period or soon enough thereafter to pay liabilities of the current fiscal period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Those revenues susceptible to accrual are property taxes, and interest associated with the current fiscal year. Specific ownership taxes collected and held by the county at year-end on behalf of the District are also recognized as revenue. Other revenues, such as transportation, vocational and special education, are not susceptible to accrual because, generally, they are not measurable until received in cash. Expenditure-driven grants recognize revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary fund is reported using the *economic resources measurement focus* and the *accrual basis of accounting*. The agency fund has no measurement focus but utilizes the *accrual basis of accounting* for reporting its assets and liabilities.

*F. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND
NET POSITION/FUND BALANCE*

Cash and cash equivalents

The District pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the cash account is available to meet current operating requirements. Surplus or temporary surplus money in each separate fund may be invested, but no mixing between funds is allowed. Cash and cash equivalents include cash on hand and in the bank and short-term investments with original maturities of three months or less from the date of acquisition.

Restricted cash and cash equivalents

The use of certain cash and cash equivalents of the District may be restricted. These cash items are classified as restricted assets on the balance sheet because they are maintained in separate accounts and their use is limited by debt agreements.

Investments

Investments are stated at fair value.

Accounts receivable

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Inventories and prepaid items

Inventory is valued at the lower of cost or market using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

*F. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND
NET POSITION/FUND BALANCE (CONTINUED)*

Inventories and prepaid items (continued)

In the Food Service Fund, commodity inventories are stated at USDA's assigned values, which approximate fair value at the date of receipt. Expenses for food items are recorded when used. The federal government donates surplus commodities to supplement the national school lunch programs.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets

Capital assets, which include land, buildings and improvements, equipment, and construction in progress, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. The capitalization threshold is \$5,000 in all funds. Donated capital assets are valued at their estimated fair market value on the date received. Major outlays for capital assets and improvements are capitalized as projects are constructed. The District does not capitalize interest on the construction of capital assets in governmental funds. However, the District does capitalize interest on the construction of capital assets in proprietary funds.

The costs of normal maintenance and repairs that do not add to the value of the asset, or materially extend asset lives, are not capitalized. Improvements are capitalized and are depreciated over the remaining useful lives of the related capital assets, as applicable.

Buildings, building improvements, and equipment of the government are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Building improvements	20
Equipment – office	10
Equipment – technology	5
Equipment – vehicles	10

Depreciation of all capital assets is charged as an expense against operations in the government-wide and proprietary fund financial statements.

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

*F. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND
NET POSITION/FUND BALANCE (CONTINUED)*

Pensions

El Paso County School District 49 participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado (PERA). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SCHDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Long-term liabilities

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the debt using the straight-line method. Bonds payable are reported net of the applicable premium or discount.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net position flow assumption

The District may fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted—net position and unrestricted—net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted—net position to have been depleted before unrestricted—net position is applied.

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

*F. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND
NET POSITION/FUND BALANCE (CONTINUED)*

Fund balance flow assumption

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund balance classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications available to be used in the governmental fund financial statements are as follows:

Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action that was used when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – This classification includes amounts that are constrained by the School's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to management through the budgetary process. This classification also includes the remaining positive fund balance for any governmental funds except for the General Fund.

Unassigned – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The District would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. REVENUES AND EXPENDITURES/EXPENSES

Program revenues

Amounts reported as *program revenues* include 1) charges to customers for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as programs revenues. Likewise, general revenues include all taxes.

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on December 31 and are payable in full by April 30, or are payable in two equal installments due February 28 and June 15. The county treasurer bills and collects the District's property tax. District property tax revenues are recognized when levied to the extent they result in current receivables.

The District is permitted to levy taxes on the assessed valuation for general governmental services and for the payment of principal and interest on long-term debt. The tax rate for the year ended December 31, 2016 is 34.476 mills for general operating expenses and 10.159 mills for the payment of long-term debt. The District's assessed valuation for the collection year 2016 is \$751,972,470.

Specific Ownership Taxes

Specific ownership taxes are collected by the county treasurer for motor vehicle and other personal property registered in the District's assessment area. The tax receipts collected by the county treasurer are remitted to the District in the subsequent month. Specific ownership taxes are recorded as revenue when collected by the county.

Compensated Absences

Sick Leave Payable: Employees accrue 10-12 days of sick leave each year dependent upon their contract basis. Sick leave may be accumulated up to a maximum of 120 days. An employee will be reimbursed one-half of the current substitute rate or one-half of his/her base daily pay per classification of any unused sick leave days beyond the 120 days annually.

Upon retirement (15 years of more in the District or eligible for PERA retirement with at least 5 years of services in the District) an employee will be reimbursed at the current substitute rate of pay for their classification, up to a maximum of 120 days.

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. REVENUES AND EXPENDITURES/EXPENSES (CONTINUED)

Compensated Absences (continued)

Vacation Payable: Under the District's policies certain employees earn vacation pay of 10-20 days, based on longevity of service. All unused/accrued vacation is vested at June 30, each year.

Personal Leave: A teacher or an employee who works 30 hours or more per week may be absent for two days per year for the purpose of personal leave. Personal days which are not used during the school year may be added to the employee's sick leave days or be reimbursed at the current substitute rate of pay.

The compensated absences balance is reported in the government-wide financial statements. For the governmental fund financial statements, the recognition of this liability is limited to the amount expected to be paid using expendable available resources.

Proprietary Funds Operating and Non-operating Revenues and Expenses

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's enterprise fund are charges for services. Operating expenses for enterprise funds include cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

H. ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of certain differences between the governmental funds balance sheet and the government-wide statement of net position:

The governmental funds balance sheet includes reconciliation between *total fund balances—governmental funds* and *total net position—governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the fund financial statements”. The details of this difference are as follows:

Non-depreciable assets	\$ 16,651,534
Net depreciable assets	<u>130,561,464</u>
Net adjustment to <i>total fund balances—governmental funds</i> to arrive at <i>total net position—governmental activities</i>	<u>\$ 147,212,998</u>

Another element of that reconciliation explains that “long-term liabilities are not due and payable in the current period and, therefore, are not included in the fund financial statements.” The details of this difference are as follows:

Bonds payable	\$ (12,305,000)
Unamortized bond premium	(41,754)
Certificates of Participation	(68,345,000)
COP Premium	(6,019,165)
Capital Lease Obligations	(4,049,924)
Compensated Absences	<u>(962,020)</u>
Net adjustment to <i>total fund balances—governmental funds</i> to arrive at <i>net position—governmental activities</i>	<u>\$ (91,722,863)</u>

Explanation of certain differences between the governmental funds statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities:

The governmental funds statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net change in fund balances—governmental funds* and *change in net position—governmental activities* as reported in the government-wide statement of activities. One element of the reconciliation states that “governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense”. The details of this difference are as follows:

Depreciation	\$ (7,153,962)
Capital outlays	<u>2,127,080</u>
Net adjustment to <i>net change in fund balances—governmental funds</i> to arrive at <i>change in net position—governmental activities</i>	<u>\$ (5,026,882)</u>

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

**NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
(CONTINUED)**

Another element of the reconciliation states that “the issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities”. The details of this difference are as follows:

Payment to refunded bond escrow agent	\$ 19,472,793
Bond proceeds	(8,780,000)
General obligation bonds principal payments	4,155,000
Certificates of participation principal payments	2,230,000
Capital Lease principal payments	471,505
Amortization of deferred on refunding	(985,416)
Accretion of bond and COP premiums	412,180
Interest paid by refunding proceeds	<u>(403,361)</u>
Net adjustment to <i>net change in fund balances—governmental funds</i> to arrive at <i>change in net position—governmental activities</i>	<u>\$ 16,572,701</u>

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to June 1, management submits to the Board of Education, a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public notices are released to obtain taxpayers comments.
3. Prior to June 30, the budget is legally enacted through passage of a resolution.
4. The Chief Education Officer is authorized to transfer budgeted amounts between categories within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education.
5. Formal budgetary integration is employed as a management control device during the year for all funds.
6. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP), except for proprietary funds which are budgeted on the cash basis. Budgeted amounts in this report are as originally adopted or amended.
7. All original and supplemental appropriations for all funds lapse at the end of the fiscal year.

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 4 – DEPOSITS AND INVESTMENTS

At June 30, 2016, the District had the following cash and investments:

Cash on Hand	\$ 500
Deposits	1,821,855
Investments	<u>42,374,170</u>
	<u>\$ 44,196,525</u>

Cash and investments are reported in the financial statements as follows:

Cash and Cash Equivalents	\$ 26,932,423
Restricted Cash and Cash Equivalents	16,399,950
Fiduciary Funds	<u>864,152</u>
	<u>\$ 44,196,525</u>

Cash deposits with financial institutions

Custodial Credit Risk: Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits might not be recovered. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

The carrying amount of the District's deposits at June 30, 2016 was \$1,821,855 and the bank balances were \$2,477,954. Of the bank balances, \$1,250,000 was covered by federal deposit insurance and the balance was uninsured but collateralized in accordance with the provisions of the PDPA.

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 4 – DEPOSITS AND INVESTMENTS (CONTINUED)

Investments

The District is authorized by Colorado statutes to invest in the following:

- ◆ Obligations of the United States and certain U.S. government agencies' securities;
- ◆ Certain international agencies' securities;
- ◆ General obligation and revenue bonds of U.S. local government entities;
- ◆ Bankers' acceptances of certain banks;
- ◆ Certain commercial paper;
- ◆ Local government investment pools;
- ◆ Written repurchase agreements collateralized by certain authorized securities;
- ◆ Certain money market fund;
- ◆ Guaranteed investment contracts.

At June 30, 2016 the District's investment balances were as follows:

<u>Investments</u>	<u>Maturities</u>	<u>Fair Value</u>
Local Government Investment Pool (COLOTRUST)	Less than 60 days	\$ 32,933,412
Fidelity Investments Government Portfolio Fund	Less than 60 days	1,918,207
JP Morgan US Govt Money Market	Less than 60 days	7,120,607
Commercial Paper	Less than 60 days	<u>401,944</u>
		<u>\$ 42,374,170</u>

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment or deposit. State law and District investment policy limit investment maturities to five years or less as a means of management exposure to fair value loss resulting from increasing interest rates. The District does not have a formal policy that limits investment maturities as a means of managing its exposure to interest rate risk. However, almost all investments of the District have maturities less than six months. As such, due to the short-term nature of the District's investments, interest rate risk is minimized.

Credit Risk: Credit risk involves the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments to those described above. The District does not have a formal investment policy that would further limit its investment choices. As of June 30, 2016 all of the District's investments in COLOTRUST and money markets were rated AAAm by Standard & Poor's, the corporate discount notes were rated A1 by Standard & Poor's, and the other investments were not rated.

The District has invested in the Colorado Government Liquid Asset Trust (COLOTRUST). COLOTRUST is an investment vehicle established for local government entities in Colorado pursuant to Part 7 of Article 75 of Title 24 of the Colorado Revised Statutes, to pool surplus funds for investment purposes. This investment vehicle operates similarly to money market funds and each share is equal in value to \$1.00. The fair value of the position in the pool is the same as the value of the pool shares.

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 4 – DEPOSITS AND INVESTMENTS (CONTINUED)

The designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal function of COLOTRUST. Substantially all securities owned by COLOTRUST are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by COLOTRUST. Investments of COLOTRUST consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury Notes. However, the District does not categorize investments with COLOTRUST because they are not evidenced by securities that exist in physical or book entry form.

Restricted cash and investments

Cash and investments of \$16,399,951 representing reserves for debt service of \$7,894,716 in the Bond Redemption fund, and mill levy override funds of \$8,460,734, and other reserves of \$44,501 have been restricted for pre-school activities in the General fund.

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Receivables and Payables

Interfund receivables and payables are created in conjunction with the District's pooled cash and investment portfolios. Balances are routinely cleared as a matter of practice.

The composition of interfund balances at June 30, 2016 is as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 100,397	\$ 4,134,353
Bond Redemption Fund	-	65,751
Food Service Fund	997,221	-
Governmental Designated Purpose Grants Fund	287,836	-
Pupil Activity Fund	1,151,937	-
Transportation Fund	-	30,977
Kids Corner Fund	-	3,669
Capital Projects Fund	248,168	-
Risk Management – Health Insurance Fund	<u>1,449,191</u>	<u>-</u>
	<u>\$ 4,234,750</u>	<u>\$ 4,234,750</u>

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

Interfund transfers

Interfund transfer activity for the year ended June 30, 2016 is as follows:

	<u>Transfers From Other Funds</u>	<u>Transfers To Other Funds</u>
General Fund	\$ -	\$ 420,844
Pupil Activity Fund	125,191	-
Transporation Fund	<u>295,653</u>	<u>-</u>
	<u>\$ 420,844</u>	<u>\$ 420,844</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations and (3) move capital assets from one fund to another fund when the fund using the capital assets changes.

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2016 was as follows:

	<u>Balance 06/30/15</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance 06/30/16</u>
<u>Governmental activities</u>				
Capital assets not being depreciated:				
Land	\$ 15,765,500	\$ -	\$ -	\$ 15,765,500
Construction in progress	<u>566,067</u>	<u>377,517</u>	<u>(57,550)</u>	<u>886,034</u>
Total capital assets not being depreciated	<u>16,331,567</u>	<u>377,517</u>	<u>(57,550)</u>	<u>16,651,534</u>
Capital assets being depreciated:				
Buildings and improvements	196,929,734	794,412	-	197,724,146
Equipment	<u>20,029,768</u>	<u>1,012,701</u>	<u>-</u>	<u>21,042,469</u>
Total capital assets being depreciated	<u>216,959,502</u>	<u>1,807,113</u>	<u>-</u>	<u>218,766,615</u>
Less accumulated depreciation for:				
Buildings and improvements	(64,183,206)	(6,033,804)	-	(70,217,010)
Equipment	<u>(16,867,983)</u>	<u>(1,120,158)</u>	<u>-</u>	<u>(17,988,141)</u>
Total accumulated depreciation	<u>(81,051,189)</u>	<u>(7,153,962)</u>	<u>-</u>	<u>(88,205,151)</u>
Total capital assets being depreciated, net	<u>135,908,313</u>	<u>(5,346,849)</u>	<u>-</u>	<u>130,561,464</u>
Governmental activities capital assets, net	<u>\$ 152,239,880</u>	<u>\$ (4,969,332)</u>	<u>\$ (57,550)</u>	<u>\$ 147,212,998</u>

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 6 - CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities

Instruction	\$ 6,249,025
General Administration	497,986
Operation and Maintenance	47,804
Student Transportation	337,658
Central Services	<u>21,489</u>
	<u>\$ 7,153,962</u>

NOTE 7 – ACCRUED SALARIES AND BENEFITS

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve-month period from September to August, but are earned during a school year of approximately ten months. The salaries and benefits earned, but unpaid, as of June 30, 2016, are \$9,922,342. Accordingly, the accrued compensation is reflected as a liability in the accompanying Government-Wide Statement of Net Position.

NOTE 8 - LONG-TERM LIABILITIES

General Obligation Bonds

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. All general obligation bonds have been issued for governmental activities.

General Obligation bonds payable at June 30, 2016 are as follows:

	<u>Principal Balance</u>
\$12,675,000 of general obligation refunding bonds series 2006B; interest due semi-annually with rates ranging from 4.0% to 5.0%, principal due annually through 2017 in payments of \$1,195,000 to \$1,820,000. Proceeds were used to advance refund a portion of 1999A series bonds.	\$ 1,675,000
\$23,315,000 of general obligation refunding bonds series 2006; interest due semi-annually with rates ranging from 3.55% to 5.0%, principal due annually through 2017 in payments of \$1,800,000 to \$2,855,000. Proceeds were used to advance refund a portion of 2002 series bonds.	2,250,000
\$8,780,000 of general obligation refunding bonds series 2015; interest due semi-annually with rates ranging from 0.655% to 1.308%; principal due annually through 2018 in payments of \$400,000 to \$4,960,000. Proceeds were used to advance refund a portion of 2006 and 2006B series bonds.	<u>8,380,000</u>
	<u>\$ 12,305,000</u>

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 8 - LONG-TERM LIABILITIES (CONTINUED)

Annual debt service requirements to maturity for general obligation bonds are as follows:

Fiscal Year Ending June 30	Governmental Activities	
	Principal	Interest
2017	\$ 7,345,000	\$ 175,172
2018	<u>4,960,000</u>	<u>32,438</u>
Total	<u>\$ 12,305,000</u>	<u>\$ 207,610</u>

Legal Debt Margin

Assessed valuation	<u>\$ 751,972,470</u>
Debt limit – 20% of assessed valuation	150,394,494
General obligation debt	<u>12,305,000</u>
	<u>\$ 138,089,494</u>

Certificates of Participation

In February 2015, the District issued \$70,575,000 in Refunding Certificates of Participation, Series 2015. Principal payments are due annually on December 15 and interest payments are due on June 15 and December 15, through December 2039. Interest accrues at rates ranging from 2.00% to 5.00%. Proceeds of the Certificates were used to advance refund Certificates of Participation, Series 2006 and 2007A.

Future debt service requirements of the Certificates of Participation are as follows:

Fiscal Year Ending June 30	Principal	Interest
2017	\$ 1,705,000	\$ 2,878,287
2018	1,740,000	2,826,438
2019	1,810,000	2,755,437
2020	1,880,000	2,672,238
2021	1,975,000	2,575,862
2022-2026	11,165,000	11,590,375
2027-2031	14,100,000	8,574,813
2032-2036	17,495,000	5,150,006
2037-2040	<u>16,475,000</u>	<u>1,567,488</u>
Total	<u>\$ 68,345,000</u>	<u>\$ 40,590,944</u>

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 8 - LONG-TERM LIABILITIES (CONTINUED)

Advance Refunding

The District issued \$8,780,000 in Refunding Bonds, Series 2015 with interest rates ranging from .655% to 1.308%. The proceeds plus \$11,000,000 of existing cash reserves were used to advance refund \$13,909,532 of outstanding 2006 Bonds which had interest rates ranging from 3.55% to 5.0%, \$3,789,947 of outstanding 2006B Bonds which had interest rates ranging from 4.0% to 5.0%, and \$1,773,314 of outstanding 2013 Bonds which had interest rates ranging from 2.0% to 4.0%. The net proceeds of \$19,780,000 (including \$11,000,000 funds on hand, and after payment of \$307,207 in underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded Bonds. As a result, the 2006, 2006B and 2013 Bonds are considered defeased and the liability for those Bonds has been removed from the statement of net position.

The reacquisition price exceeded the net carrying amount of the old debt by \$1,284,334. This amount is being amortized over the remaining life of the refunding debt. The government advance refunded the 2006, 2006B, and 2013 Bonds to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,148,803.

Prior Year Defeasance of Debt

In prior years, the District has defeased various bond and certificate of participation issues by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. government securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the District's government-wide financial statements. As of June 30, 2016, the amount of defeased debt outstanding amounted to \$115,070,000.

Capital Leases

The District has entered into capital lease agreements to purchase property, portable buildings, and equipment. The lease terms range from five to fifteen years with annual interest rates from 4.0% to 8.5%. Capital assets of \$13,115,955 have been capitalized under these leases.

Assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>
Buildings and improvements	\$ 11,649,071
Equipment	1,466,884
Less: Accumulated depreciation	<u>(6,218,827)</u>
Total	<u>\$ 6,897,128</u>

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 8 - LONG-TERM LIABILITIES (CONTINUED)

Capital Leases (Continued)

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2016, were as follows

<u>Year Ending June 30</u>	
2017	\$ 443,834
2018	443,834
2019	443,834
2020	443,834
2021	443,834
2022 – 2026	2,219,170
2027 – 2030	<u>1,266,876</u>
Total minimum lease payments	5,705,216
Less: amount representing interest	<u>(1,655,292)</u>
Present value of minimum lease payments	<u>\$ 4,049,924</u>

Changes in Long-Term Liabilities

The following is a summary of long-term liabilities of the District for the year ended June 30, 2016:

	<u>Balance</u> <u>06/30/15</u>	<u>Debt Issued</u> <u>And Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>06/30/16</u>	<u>Due Within</u> <u>One year</u>
<i>Governmental Activities</i>					
General obligation bonds	\$ 26,020,000	\$ 8,780,000	\$ 22,495,000	\$ 12,305,000	\$ 7,345,000
Bond premiums	<u>672,351</u>	<u>-</u>	<u>630,597</u>	<u>41,754</u>	<u>-</u>
Total bonds payable	26,692,351	8,780,000	23,125,597	12,346,754	7,345,000
Certificates of participation	70,575,000	-	2,230,000	68,345,000	1,705,000
COP premium	6,269,965	-	250,800	6,019,165	-
Capital lease obligations	4,521,429	-	471,505	4,049,924	223,633
Compensated absences	<u>975,415</u>	<u>1,825,831</u>	<u>1,699,658</u>	<u>1,101,588</u>	<u>139,568</u>
<i>Total Governmental Activities</i>	<u>\$ 109,034,160</u>	<u>\$ 10,605,831</u>	<u>\$ 27,777,560</u>	<u>\$ 91,862,431</u>	<u>\$ 9,413,201</u>

Payments on the general obligation bonds are made by the Bond Redemption fund with property taxes. Certificates of participation and capital lease obligations are serviced by the General fund. The compensated absences liabilities are paid by the fund for which the employee worked.

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 9 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or acts of God. The District accounts for and finances its risk activities in the General and Health Insurance Internal Service Funds.

The District purchases commercial insurance for property, liability and worker's compensation risks of loss. Under the District's employee health plan, the District provides coverage for up to a maximum of \$250,000 per employee for each calendar year. Settlements have not exceeded premiums for each of the past three fiscal years.

Claims liabilities are reported in the government-wide financial statements and the internal service fund if information available prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the claims liability for the year ended June 30, 2016 are as follows:

Net claims payable as of 6/30/2015	\$ 446,873
Claims presented	7,135,897
Claims paid	<u>(7,063,300)</u>
Net claims payable as of 6/30/2016	<u>\$ 519,470</u>

NOTE 10 – JOINTLY GOVERNED ORGANIZATION

COLORADO DIGITAL BOARD OF COOPERATIVE EDUCATIONAL SERVICES

The District in conjunction with other surrounding districts created the Colorado Digital Board of Cooperative Educational Services (BOCES). The BOCES is an organization that utilizes research based learning and technology applications to provide an innovative model of public school education adapted to the needs of elementary, middle and high school students throughout the State of Colorado. The District does not have an ongoing financial interest in or responsibility for the BOCES. Financial statements for the BOCES can be obtained from their office at 4035 Tutt Blvd, Colorado Springs, 80922.

NOTE 11 - DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan description. Eligible employees of the El Paso County School District 49 are provided with pensions through the School Division Trust Fund (SCHDTF) – a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 11 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Benefits provided. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. §24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA Benefit Structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100 percent of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

Benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all benefit recipients of the DPS benefit structure receive an annual increase of 2 percent, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 2 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the prior calendar year. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 receive an annual increase of the lesser of 2 percent or the average CPI-W for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the SCHDTF.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the retirement benefit formula shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 11 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Contributions. Eligible employees and El Paso County School District 49 are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. §24-51-401, *et seq.* Eligible employees are required to contribute 8 percent of their PERA-includable salary. The employer contribution requirements are summarized in the table below:

	For the Year Ended December 31, 2015	For the Year Ended December 31, 2016
Employer Contribution Rate	10.15%	10.15%
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in C.R.S. §24-51-208(1)(f)	(1.02)%	(1.02)%
Amount Apportioned to the SCHDTF	9.13%	9.13%
Amortization Equalization Disbursement (AED) as specified in C.R.S. §24-51-411	4.20%	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. §24-51-411	4.00%	4.50%
Total Employer Contribution Rate to the SCHDTF	17.33%	18.13%

Rates are expressed as a percentage of salary as defined in C.R.S. §24-51-101(42)

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the El Paso County School District 49 is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from El Paso County School District 49 were \$10,567,570 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2016, the El Paso County School District 49 reported a liability of \$201,734,357 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014. Standard update procedures were used to roll forward the total pension liability to December 31, 2015. The El Paso County School District 49 proportion of the net pension liability was based on El Paso County School District 49 contributions to the SCHDTF for the calendar year 2015 relative to the total contributions of participating employers to the SCHDTF.

At December 31, 2015, the El Paso County School District 49's proportion was 1.3190171248 percent, which was an increase of 0.0135199159 percent from its proportion measured as of December 31, 2014.

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 11 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

For the year ended June 30, 2016, the El Paso County School District 49 recognized pension expense of \$21,131,544. At June 30, 2016, the El Paso County School District 49 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 2,663,927	\$ 8,402
Changes of assumptions or other inputs	-	2,850,858
Net difference between projected and actual earnings on pension plan investments	17,153,079	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	2,493,820	191,077
Contributions subsequent to the measurement date	5,495,909	-
Total	\$ 27,806,735	\$ 3,050,337

\$5,495,909 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ 5,549,916
2018	\$ 5,375,974
2019	\$ 4,817,149
2020	\$ 3,517,450

Actuarial assumptions. The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.80 percent
Real wage growth	1.10 percent
Wage inflation	3.90 percent
Salary increases, including wage inflation	3.90 – 10.10 percent
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.50 percent
Future post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07; And DPS Benefit Structure (automatic)	2.00 percent
PERA Benefit Structure hired after 12/31/06; (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 11 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on a projection of Scale AA to 2020 with Males set back 1 year, and Females set back 2 years.

The actuarial assumptions used in the December 31, 2014 valuation were based on the results of an actuarial experience study for the period January 1, 2008 through December 31, 2011, adopted by PERA's Board on November 13, 2012, and an economic assumption study, adopted by PERA's Board on November 15, 2013 and January 17, 2014.

Changes to assumptions or other inputs since the December 31, 2013 actuarial valuation as follows:

- The following programming changes were made:
 - Valuation of the full survivor benefit without any reduction for possible remarriage.
 - Reflection of the employer match on separation benefits for all eligible years.
 - Reflection of one year of service eligibility for survivor annuity benefit.
 - Refinement of the 18 month annual increase timing.
 - Refinements to directly value certain and life, modified cash refund and pop-up benefit forms.
- The following methodology changes were made:
 - Recognition of merit salary increases in the first projection year.
 - Elimination of the assumption that 35% of future disabled members elect to receive a refund.
 - Removal of the negative value adjustment for liabilities associated with refunds of future terminating members.
 - Adjustments to the timing of the normal cost and unfunded actuarial accrued liability payment calculations to reflect contributions throughout the year.

The SCHDTF's long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 11 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

As of the November 15, 2013 adoption of the long-term expected rate of return by the PERA Board, the target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	10 Year Expected Geometric Real Rate of Return
U.S. Equity – Large Cap	26.76%	5.00%
U.S. Equity – Small Cap	4.40%	5.19%
Non U.S. Equity – Developed	22.06%	5.29%
Non U.S. Equity – Emerging	6.24%	6.76%
Core Fixed Income	24.05%	0.98%
High Yield	1.53%	2.64%
Long Duration Gov't/Credit	0.53%	1.57%
Emerging Market Bonds	0.43%	3.04%
Real Estate	7.00%	5.09%
Private Equity	7.00%	7.15%
Total	100.00%	

*In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.50%.

Discount rate. The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.90%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law, including current and estimated future AED and SAED, until the Actuarial Value Funding Ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 11 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. As the ad hoc post-retirement benefit increases financed by the AIR are defined to have a present value at the long-term expected rate of return on plan investments equal to the amount transferred for their future payment, AIR transfers to the fiduciary net position and the subsequent AIR benefit payments have no impact on the Single Equivalent Interest Rate (SEIR) determination process when the timing of AIR cash flows is not a factor (i.e., the plan's fiduciary net position is not projected to be depleted). When AIR cash flow timing is a factor in the SEIR determination process (i.e., the plan's fiduciary net position is projected to be depleted), AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the end of the month.

Based on the above actuarial cost method and assumptions, the SCHDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the Municipal Bond Index Rate. There was no change in the discount rate from the prior measurement date.

Sensitivity of the El Paso County School District 49 proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.50 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of the net pension liability	\$261,506,686	\$201,734,357	\$152,014,930

Pension plan fiduciary net position. Detailed information about the SCHDTF's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

NOTE 12 – POST-EMPLOYMENT HEALTHCARE BENEFITS

Health Care Trust Fund

Plan description. The El Paso County School District 49 contributes to the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer healthcare trust administered by PERA. The HCTF benefit provides a health care premium subsidy and health care programs (known as PERACare) to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the C.R.S., as amended, establishes the HCTF and sets forth a framework that grants authority to the PERA Board to contract, self-insure and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of health care subsidies. PERA issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for the HCTF. That report can be obtained at www.copera.org/investments/pera-financial-reports.

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 12 – POST-EMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

Funding policy. The El Paso County School District 49 is required to contribute at a rate of 1.02 percent of PERA-includable salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the El Paso County School District 49 are established under Title 24, Article 51, Part 4 of the C.R.S., as amended. The apportionment of the contributions to the HCTF is established under Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended. For the years ending June 30, 2016, 2015, and 2014 the El Paso County School District 49 contributions to the HCTF were \$609,948, \$565,956, and \$543,706 respectively, equal to their required contributions for each year.

NOTE 13 – FORWARD AND DELIVERY INVESTMENT AGREEMENT

In December 2002, the District's General fund received payment of \$1,240,000 pursuant to a forward delivery agreement. In exchange for this amount, the District agreed to make payments into a bank trust account (Bank One Trust Company) from its Debt Service Fund revenue for subsequent purchases of investment securities from a third party (JP Morgan Chase Bank). The securities mature at such times as are required for meeting the District's debt service payment obligations over the fourteen-year contract period. Should the District terminate the agreement, it would be obligated to repay a portion of the \$1,240,000 received to compensate for loss of economic benefits based on market conditions existent at the time the agreement is dissolved.

The amount received under this agreement is being amortized over the term of the agreement for GAAP purposes, rather than in full in the fiscal year ended June 30, 2003, with the unamortized balance reflected as unearned revenue. The following GAAP-basis schedule shows the amounts of revenue recognized and the remaining balance treated as unearned revenue as of and for the year ended June 30, 2016:

	<u>Revenue Recognized</u>	<u>Unearned Revenue</u>
Fiscal Year Ending June 30, 2016	<u>\$ 88,571</u>	<u>\$ -</u>

NOTE 14 – COMMITMENTS AND CONTINGENCIES

Grants

The District has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to a request for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. District management believes disallowances, if any, will be immaterial.

Legal

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the District.

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 15 - TAX, SPENDING, AND DEBT LIMITATIONS

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations including revenue raising, spending abilities and other specific requirements of state and local governments.

The District's financial activity provides the basis for calculation of limitations adjusted for allowable increases tied to inflation and local growth.

The amendment excludes Enterprises from its provisions. Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of its annual revenue in grants from all state and local governments combined, are excluded from the provisions of the Amendment.

Fiscal year spending and revenue limits are determined based on the prior years' spending adjusted for inflation and local growth. Revenue in excess of the limit must be refunded unless the voters approve retention of such revenue.

The Amendment requires, with certain exceptions, voter approval prior to imposing new taxes, increasing tax rate, increasing a mill levy above that for the prior year, extending an expiring tax, or implementing a tax policy change directly causing a net tax revenue gain to any local government.

On November 7, 2001, the registered voters approved a ballot resolution authorizing the District to collect, retain and expend all revenues from any source provided that no property tax mill levy be increased or any new tax be imposed.

Except for bond refinancing at lower interest rates or adding employees to existing pension plans, the Amendment specifically prohibits the creation of multiple-fiscal year debt or other financial obligations without voter approval or irrevocable pledging present cash reserves for all future payments.

The Amendment requires Emergency Reserves to be established. These reserves must be 3 percent of Fiscal Year Spending. The District is not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls or salary or benefit increases. As of June 30, 2016 the District reserved \$3,320,000 in the General Fund for this purpose.

The Amendment is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of the amendment. However, the District has made certain interpretations of the amendment's language in order to determine its compliance.

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 16 – PRIOR PERIOD ADJUSTMENTS

During the year, it was determined that pension contributions subsequent to the measurement date and other pension outflows and inflows totaling \$2,533,310 were not included in the statement of net position.

During the year, it was determined that when the Pupil Activity (special revenue) fund was split from the Pupil Activity (agency fund), equity was not correctly apportioned between the two funds.

The above restatements had the following impact on previously reported balances:

<u>Statement of Activities</u>	<u>Governmental Activities</u>
Net position, July 1, 2015, as previously stated	\$ (77,281,819)
Restatement for net pension liability	2,533,310
Restatement for Pupil Activity Fund	<u>(810,370)</u>
Net position, July 1, 2015, as restated	<u>\$ (75,558,879)</u>
<u>Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds</u>	<u>Amount</u>
Fund balances, July 1, 2015, as previously stated	\$ 39,031,196
Restatement for Pupil Activity Fund	<u>(810,370)</u>
Fund balances, July 1, 2015, as restated	<u>\$ 38,220,826</u>

NOTE 16 – SUBSEQUENT EVENT

On November 8, 2016, registered voters of the District approved a ballot resolution authorizing the District to collect up to \$3,300,000 in property taxes in 2017 and such additional amounts generated annually thereafter by continuing to collect such 10.159 mills to be used for General Fund purposes including rental payments on lease-purchase financings and for other capital improvements and operational priorities.

REQUIRED SUPPLEMENTARY INFORMATION

EL PASO COUNTY SCHOOL DISTRICT 49
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY AND COVERED PAYROLL
JUNE 30, 2016

	<u>2013</u>	<u>2014</u>	<u>2015</u>
District's proportion of the net pension liability (asset)	1.2885339442%	1.3054972089%	1.3190171248%
District's proportionate share of the net pension liability (asset)	\$ 164,352,157	\$ 176,938,723	\$ 201,734,357
District's covered-employee payroll	\$ 51,944,906	\$ 54,690,968	\$ 57,482,464
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	316.40%	323.52%	350.95%
Plan fiduciary net position as a percentage of the total pension liability	64.1%	62.8%	59.2%

* The amounts presented for each fiscal year were determined as of 12/31.

* Complete 10-year information to be presented in future years as it becomes available.

See the accompanying independent auditors' report.

EL PASO COUNTY SCHOOL DISTRICT 49
SCHEDULE OF EMPLOYER'S STATUTORY PAYROLL CONTRIBUTIONS AND COVERED PAYROLL
JUNE 30, 2016

	<u>2013</u>	<u>2014</u>	<u>2015</u>
Contractually required contribution	\$ 8,067,044	\$ 8,985,726	\$ 9,961,711
Contributions in relation to the contractually required contribution	<u>(8,067,044)</u>	<u>(8,985,726)</u>	<u>(9,961,711)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 51,944,906	\$ 54,690,968	\$ 57,482,464
Contributions as a percentage of covered-employee payroll	15.53%	16.43%	17.33%

* The amounts presented for each fiscal year were determined as of 12/31.

* Complete 10-year information to be presented in future years as it becomes available.

See the accompanying independent auditors' report.

EL PASO COUNTY SCHOOL DISTRICT 49
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Property taxes	\$ 24,018,105	\$ 25,068,472	\$ 25,855,310	\$ 786,838
Specific ownership taxes	3,311,325	3,122,730	3,676,411	553,681
State sources	73,769,802	72,821,581	72,949,704	128,123
Federal sources	1,067,940	1,067,940	476,349	(591,591)
Other local revenue	2,814,329	2,914,330	4,425,911	1,511,581
Total revenues	104,981,501	104,995,053	107,383,685	2,388,632
EXPENDITURES				
Instruction	54,846,710	55,974,296	57,972,601	(1,998,305)
Supporting services				
Student support	5,867,718	6,156,058	6,285,407	(129,349)
Instructional staff	4,211,394	4,574,349	4,425,473	148,876
General administration	1,128,964	1,138,346	790,075	348,271
School administration	8,272,756	8,589,755	9,216,875	(627,120)
Business services	1,431,849	1,352,547	1,348,998	3,549
Operations and maintenance	9,084,929	9,436,783	10,088,134	(651,351)
Student transportation	2,202,078	2,165,157	2,499,002	(333,845)
Central support service	4,485,981	4,674,067	6,036,033	(1,361,966)
Other support services	1,676,791	1,846,543	1,330	1,845,213
Community services	-	-	1,846	(1,846)
Facilities acquisition & construction	3,670,518	4,894,394	2,292,721	2,601,673
Debt service	7,400,487	10,593,565	6,139,829	4,453,736
Contingency reserves	701,326	(451,444)	-	(451,444)
Total expenditures	104,981,501	110,944,416	107,098,324	3,846,092
Excess (deficiency) of revenues over expenditures	-	(5,949,363)	285,361	6,234,724
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	-	-	(420,844)	(420,844)
Total other financing sources (uses)	-	-	(420,844)	(420,844)
Net change in fund balance	-	(5,949,363)	(135,483)	5,813,880
Fund balance - beginning	5,376,542	9,116,195	20,900,004	11,783,809
Fund balance - ending	\$ 5,376,542	\$ 3,166,832	\$ 20,764,521	\$ 17,597,689

See the accompanying independent auditors' report.

**COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES**

BOND REDEMPTION FUND

This fund is used to account for the accumulation of resources for and the payment of principal, interest, and related expenses on long-term general obligation debt or long-term voter-approved lease-purchase debt.

The Bond Redemption Fund is deemed to be a major fund for financial reporting purposes.

EL PASO COUNTY SCHOOL DISTRICT 49
BOND REDEMPTION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Property taxes	\$ 7,639,288	\$ 7,608,090	\$ (31,198)
Interest	18,000	(920)	(18,920)
Total revenues	7,657,288	7,607,170	(50,118)
EXPENDITURES			
Debt Service			
Principal retirement	4,155,000	4,155,000	-
Interest and fiscal charges	436,686	329,419	107,267
Other debt service	308,520	303,085	5,435
Total expenditures	4,900,206	4,787,504	112,702
Excess (deficiency) of revenues over expenditures	2,757,082	2,819,666	62,584
OTHER FINANCING SOURCES (USES)			
Refunding bond proceeds	1,206,424	8,780,000	7,573,576
Payment to refunded bond escrow agent	(19,222,793)	(19,472,793)	(250,000)
Total other financing sources and (uses)	(18,016,369)	(10,692,793)	7,323,576
Net change in fund balance	(15,259,287)	(7,873,127)	7,386,160
Fund balance - beginning	15,777,891	15,777,891	-
Fund balance - ending	\$ 518,604	\$ 7,904,764	\$ 7,386,160

See the accompanying independent auditors' report.

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for specified purposes. The District has the following Special Revenue Funds:

Food Service Fund

This fund accounts for all financial activities associated with the District's school lunch program.

Governmental Designated-Purpose Grant Fund

This fund is used to record financial transactions for grants received for designated programs funded by the federal government.

Pupil Activity Fund

This fund is used to record financial transactions related to school-sponsored pupil intra-scholastic and interscholastic athletic and related events. These activities are supported by revenues from pupils, gate receipts and other fund-raising activities.

Transportation Fund

This fund is used to account for revenues from a tax levied or a fee imposed for the purpose of paying excess transportation costs pursuant to the provisions of Sections 22-40-102(1.7)(a) or 22-32-113(5)(a), C.R.S., respectively.

Kids Corner Fund

This fund is a pupil activity fund. It is used to record financial transactions related to the Kids Corner program.

Capital Projects Fund

This fund is used to account for the purposes and limitations specified by Section 22-45-103(1)(c), C.R.S., including the acquisition of sites, buildings, equipment, and vehicles.

EL PASO COUNTY SCHOOL DISTRICT 49
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

	Food Service Fund	Governmental Designated- Purpose Grants Fund	Pupil Activity Fund	Transportation Fund	Kids Corner Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 50,479	\$ -	\$ -	\$ 65,595	\$ 46,577	\$ 171,377	\$ 334,028
Accounts receivable	-	-	-	26,593	-	-	26,593
Grants receivable	408,689	841,616	-	-	-	-	1,250,305
Due from other funds	997,221	287,836	1,151,937	-	-	248,168	2,685,162
Inventories	183,162	-	-	-	-	-	183,162
Total assets	<u>\$ 1,639,551</u>	<u>\$ 1,129,452</u>	<u>\$ 1,151,937</u>	<u>\$ 92,188</u>	<u>\$ 46,577</u>	<u>\$ 419,545</u>	<u>\$ 4,479,250</u>
LIABILITIES							
Accounts payable and other accrued liabilities	\$ 156,734	\$ 259,827	\$ 8,319	\$ 763	\$ 290	\$ -	\$ 425,933
Accrued salaries and benefits	51,185	124,734	-	58,342	19,741	-	254,002
Compenstated absences	317	-	-	2,106	-	-	2,423
Payable to fiduciary funds	-	-	810,369	-	-	-	810,369
Due to other funds	-	-	-	30,977	3,669	-	34,646
Unearned revenue	-	744,891	-	-	-	-	744,891
Total liabilities	<u>208,236</u>	<u>1,129,452</u>	<u>818,688</u>	<u>92,188</u>	<u>23,700</u>	<u>-</u>	<u>2,272,264</u>
FUND BALANCES							
Nonspendable	183,162	-	-	-	-	-	183,162
Committed for:							
Capital Projects	-	-	-	-	-	419,545	419,545
Assigned:							
Food Services	1,248,153	-	-	-	-	-	1,248,153
Pupil activities	-	-	333,249	-	-	-	333,249
Kids Corner	-	-	-	-	22,877	-	22,877
Total fund balances	<u>1,431,315</u>	<u>-</u>	<u>333,249</u>	<u>-</u>	<u>22,877</u>	<u>419,545</u>	<u>2,206,986</u>
Total liabilities and fund balances	<u>\$ 1,639,551</u>	<u>\$ 1,129,452</u>	<u>\$ 1,151,937</u>	<u>\$ 92,188</u>	<u>\$ 46,577</u>	<u>\$ 419,545</u>	<u>\$ 4,479,250</u>

See the accompanying independent auditors' report.

EL PASO COUNTY SCHOOL DISTRICT 49
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Food Service Fund	Governmental Designated- Purpose Grants Fund	Pupil Activity Fund	Transportation Fund	Kids Corner Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
REVENUES							
Local sources	\$ 1,570,844	\$ 267,759	\$ 993,078	\$ 364,619	\$ 330,443	\$ 259,525	\$ 3,786,268
State sources	64,240	-	-	515,214	-	-	579,454
Federal sources	2,003,831	4,861,359	-	-	-	-	6,865,190
Total revenues	3,638,915	5,129,118	993,078	879,833	330,443	259,525	11,230,912
EXPENDITURES							
Instruction	-	3,462,751	886,688	-	256,897	-	4,606,336
Supporting services	-	1,665,103	38,157	1,175,486	50,669	-	2,929,415
Community services	-	1,264	-	-	-	-	1,264
Food Service	3,450,686	-	-	-	-	-	3,450,686
Total expenditures	3,450,686	5,129,118	924,845	1,175,486	307,566	-	10,987,701
Excess (deficiency) of revenues over expenditures	188,229	-	68,233	(295,653)	22,877	259,525	243,211
OTHER FINANCING SOURCES (USES)							
Transfers in (out)	-	-	125,191	295,653	-	-	420,844
Net change in fund balances	188,229	-	193,424	-	22,877	259,525	664,055
Fund balances - beginning, as restated	1,243,086	-	139,825	-	-	160,020	1,542,931
Fund balances - ending	<u>\$ 1,431,315</u>	<u>\$ -</u>	<u>\$ 333,249</u>	<u>\$ -</u>	<u>\$ 22,877</u>	<u>\$ 419,545</u>	<u>\$ 2,206,986</u>

See the accompanying independent auditors' report.

EL PASO COUNTY SCHOOL DISTRICT 49
FOOD SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Local sources	\$ 1,793,637	\$ 1,570,844	\$ (222,793)
State sources	-	64,240	64,240
Federal sources	1,665,508	2,003,831	338,323
	<hr/>	<hr/>	<hr/>
Total revenues	3,459,145	3,638,915	179,770
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Salaries	1,034,431	1,126,795	(92,364)
Employee benefits	366,468	337,402	29,066
Purchased services	138,384	208,037	(69,653)
Supplies	1,571,016	1,704,996	(133,980)
Equipment	780	4,690	(3,910)
Other	123,296	18,766	104,530
Indirect costs	91,395	50,000	41,395
Contingency reserve	133,375	-	133,375
	<hr/>	<hr/>	<hr/>
Total expenditures	3,459,145	3,450,686	8,459
	<hr/>	<hr/>	<hr/>
Net change in fund balances	-	188,229	188,229
	<hr/>	<hr/>	<hr/>
Fund balances - beginning	1,308,206	1,243,086	(65,120)
	<hr/>	<hr/>	<hr/>
Fund balances - ending	<u>\$ 1,308,206</u>	<u>\$ 1,431,315</u>	<u>\$ 123,109</u>

See the accompanying independent auditor's report

EL PASO COUNTY SCHOOL DISTRICT 49
GOVERNMENTAL DESIGNATED-PURPOSE GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Local sources	\$ 239,620	\$ 267,759	\$ 28,139
Federal sources	6,360,778	4,861,359	(1,499,419)
	<u>6,600,398</u>	<u>5,129,118</u>	<u>(1,471,280)</u>
Total revenues	<u>6,600,398</u>	<u>5,129,118</u>	<u>(1,471,280)</u>
EXPENDITURES			
Salaries	3,008,198	2,264,360	743,838
Benefits	1,092,505	647,620	444,885
Purchased Services	1,432,761	1,477,601	(44,840)
Supplies	489,020	393,204	95,816
Property and Equipment	332,381	306,696	25,685
Other	245,533	39,637	205,896
	<u>6,600,398</u>	<u>5,129,118</u>	<u>1,471,280</u>
Total expenditures	<u>6,600,398</u>	<u>5,129,118</u>	<u>1,471,280</u>
Net change in fund balance	-	-	-
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See the accompanying independent auditor's report

EL PASO COUNTY SCHOOL DISTRICT 49
PUPIL ACTIVITY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Local sources	\$ 1,053,491	\$ 993,078	\$ (60,413)
Total revenues	1,053,491	993,078	(60,413)
EXPENDITURES			
Instruction	1,384,544	886,688	497,856
Supporting services			
Student support	43,576	27,907	15,669
Instructional staff	-	10,250	(10,250)
Total expenditures	1,428,120	924,845	503,275
Excess (deficiency) in revenues over expenditures	(374,629)	68,233	442,862
OTHER FINANCING SOURCES (USES)			
Transfers in (out)	-	125,191	125,191
Net change in fund balance	(374,629)	193,424	568,053
Fund balance - beginning, as restated	374,629	139,825	(234,804)
Fund balance - ending	\$ -	\$ 333,249	\$ 333,249

See the accompanying independent auditors' report.

EL PASO COUNTY SCHOOL DISTRICT 49
TRANSPORTATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Charges for services	\$ 254,500	\$ 364,380	\$ 109,880
State revenue	515,215	515,214	(1)
Interest	-	239	239
	<u>769,715</u>	<u>879,833</u>	<u>110,118</u>
EXPENDITURES			
Salaries	620,228	676,596	(56,368)
Employee benefits	391,714	366,224	25,490
Purchased services	6,000	193	5,807
Fuel charges	157,544	104,697	52,847
Other expenses	-	27,776	(27,776)
	<u>1,175,486</u>	<u>1,175,486</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(405,771)</u>	<u>(295,653)</u>	<u>110,118</u>
OTHER FINANCING SOURCES (USES)			
Transfers in (out)	<u>405,771</u>	<u>295,653</u>	<u>(110,118)</u>
Net change in fund balance	-	-	-
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See the accompanying independent auditors' report.

EL PASO COUNTY SCHOOL DISTRICT 49
KIDS CORNER FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Local sources	\$ 307,688	\$ 330,443	\$ 22,755
Total revenues	307,688	330,443	22,755
EXPENDITURES			
Instruction	256,999	256,897	102
Supporting services			
School administration	12,532	12,527	5
Business services	2,679	2,678	1
Operations and maintenance	34,497	34,483	14
Central	981	981	0
Total expenditures	307,688	307,566	122
Excess (deficiency) in revenues over expenditures	-	22,877	22,877
OTHER FINANCING SOURCES (USES)			
Transfers in (out)	-	-	-
Net change in fund balance	-	22,877	22,877
Fund balance - beginning	-	-	-
Fund balance - ending	\$ -	\$ 22,877	\$ 22,877

See the accompanying independent auditor's report

EL PASO COUNTY SCHOOL DISTRICT 49
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Other local revenue	\$ 75,000	\$ 259,525	\$ 184,525
Total revenues	75,000	259,525	184,525
EXPENDITURES			
Facilities acquisition & construction	75,000	-	75,000
Total expenditures	75,000	-	75,000
Net change in fund balance	-	259,525	259,525
Fund balance - beginning	160,020	160,020	-
Fund balance - ending	\$ 160,020	\$ 419,545	\$ 259,525

See the accompanying independent auditors' report.

INTERNAL SERVICE FUND

Internal service funds account for operations that provide services to other departments or agencies of the government on a cost-reimbursement basis.

Risk Management Fund

This fund accounts for the Health Insurance Fund risk management activities of the District.

EL PASO COUNTY SCHOOL DISTRICT 49
RISK MANAGEMENT - HEALTH INSURANCE FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Final Budget	Actual	Variance Favorable (Unfavorable)
OPERATING REVENUES			
Premiums & employer contributions	\$ 8,115,300	\$ 8,215,779	\$ 100,479
Refunds & other revenue	80,200	218,040	137,840
Total operating revenues	8,195,500	8,433,819	238,319
OPERATING EXPENSES			
Purchased medical services & supplies	6,375,927	7,063,931	(688,004)
Purchased management services	1,719,173	1,641,135	78,038
Contingency reserve	102,100	-	102,100
Total operating expenses	8,197,200	8,705,066	(507,866)
Operating income (loss)	(1,700)	(271,247)	(269,547)
NON-OPERATING REVENUES (EXPENSES)			
Interest and investment revenue	1,700	5,232	3,532
Total non-operating revenue (expenses)	1,700	5,232	3,532
Change in net position	-	(266,015)	(266,015)
Net position - beginning	2,481,630	2,321,630	(160,000)
Net position - ending	\$ 2,481,630	\$ 2,055,615	\$ (426,015)

See the accompanying independent auditors' report.

FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private and student groups. The District has the following Fiduciary Funds:

Private-Purpose Trust Fund

Scholarship Fund: This fund is used to record financial transactions where both the principal and revenues earned on that principal may be expended for purposes designated by the trust agreement.

Agency Fund

Pupil Activity Fund: This fund was created to act as custodian for various student groups and activity funds.

**EL PASO COUNTY SCHOOL DISTRICT 49
PRIVATE-PURPOSE TRUST FUND - SCHOLARSHIP FUND
SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30,2016**

	Final Budget	Actual	Variance Favorable (Unfavorable)
ADDITIONS			
Fundraising activities	\$ 200	\$ 23	\$ (177)
Total additions	200	23	(177)
DEDUCTIONS			
Scholarships awarded	1,000	1,000	-
Total deductions	1,000	1,000	-
Change in net position	(800)	(977)	(177)
Net position - beginning	7,110	7,110	-
Net position - ending	\$ 6,310	\$ 6,133	\$ (177)

See the accompanying independent auditors' report.

EL PASO COUNTY SCHOOL DISTRICT 49
AGENCY FUND - PUPIL ACTIVITY
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2016

	Balance 06/30/15	Additions/ Revenues	Deletions/ Expenditures	Balance 06/30/16
ASSETS				
Cash and cash equivalents	\$ 644,652	\$ 2,076,951	\$ 1,862,562	\$ 859,041
Receivable from primary government	<u>166,418</u>	<u>-</u>	<u>166,418</u>	<u>-</u>
Total assets	<u><u>\$ 811,070</u></u>	<u><u>\$ 2,076,951</u></u>	<u><u>\$ 2,028,980</u></u>	<u><u>\$ 859,041</u></u>
LIABILITIES				
Accounts payable	\$ 28,796	\$ 11,985	\$ 28,796	\$ 11,985
Payable to primary government	-	128,112	-	128,112
Due to student organizations	<u>782,274</u>	<u>1,936,854</u>	<u>2,000,184</u>	<u>718,944</u>
Total liabilities	<u><u>\$ 811,070</u></u>	<u><u>\$ 2,076,951</u></u>	<u><u>\$ 2,028,980</u></u>	<u><u>\$ 859,041</u></u>

See the accompanying independent auditors' report.

EL PASO COUNTY SCHOOL DISTRICT 49
AGENCY FUND - PUPIL ACTIVITY
SCHEDULE OF CHANGES IN DUE TO STUDENT ORGANIZATIONS
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Final Budget	Actual	Variance Favorable/ (Unfavorable)
ADDITIONS			
Pupil Activities	\$ 2,446,509	\$ 1,936,854	\$ (509,655)
DEDUCTIONS			
Pupil Activities	3,139,247	2,000,184	1,139,063
Change in Due to Student Organizations	(692,738)	(63,330)	629,408
Due to student organizations - beginning, restated	692,738	782,274	89,536
Due to student organizations - ending	\$ -	\$ 718,944	\$ 718,944

See the accompanying independent auditors' report.

Statistical Section



Financial Trends - The schedules on pages 71-78 contain financial trend information to help the reader understand how the District's financial condition has changed over time.

Revenue Capacity - Pages 79-83 contain information to help the reader assess the District's most significant local revenue source, property taxes.

Debt Capacity - Pages 84-90 present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information - Pages 91-92 offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information - Pages 93-106 contain service data to help the reader understand how the information in the Districts' financial report relates to the services the District provides and the activities it performs.

EL PASO COUNTY SCHOOL DISTRICT 49
NET POSITION BY COMPONENT
Last Ten Fiscal Years

	2016	2015	2014	2013
Governmental activities				
Net investment in capital assets	\$ 62,586,945	\$ 51,041,127	\$ 37,296,989	\$ 35,029,181
Restricted	19,023,043	26,707,696	33,118,602	31,302,846
Unrestricted	<u>(163,732,245)</u>	<u>(155,030,642)</u>	<u>9,606,890</u>	<u>9,883,219</u>
Total governmental activities net position	<u><u>(82,122,257)</u></u>	<u><u>(77,281,819)</u></u>	<u><u>80,022,481</u></u>	<u><u>76,215,246</u></u>
Business-type activities				
Net investment in capital assets	-	-	103,691	121,007
Unrestricted	<u>-</u>	<u>-</u>	<u>1,126,991</u>	<u>1,061,370</u>
Total business-type activities in net position	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>1,230,682</u></u>	<u><u>1,182,377</u></u>
Primary government				
Net investment in capital assets	62,586,945	51,041,127	37,400,680	35,150,188
Restricted	19,023,043	26,707,696	33,118,602	31,302,846
Unrestricted	<u>(163,732,245)</u>	<u>(155,030,642)</u>	<u>10,733,881</u>	<u>10,944,589</u>
Total primary government net position	<u><u>\$ (82,122,257)</u></u>	<u><u>\$ (77,281,819)</u></u>	<u><u>\$ 81,253,163</u></u>	<u><u>\$ 77,397,623</u></u>

Source: District Financial Records

2012	2011	2010	2009	2008	2007	2006
\$ 32,761,303	\$ 30,964,957	\$ 28,864,346	\$ 29,971,517	\$ 29,439,037	\$ 9,590,013	\$ 19,921,205
29,538,781	27,481,494	26,765,444	23,249,963	20,342,432	16,671,291	15,837,549
14,306,890	11,552,181	9,402,720	9,897,606	11,542,753	14,748,236	(7,780,327)
<u>76,606,974</u>	<u>69,998,631</u>	<u>65,032,510</u>	<u>63,119,086</u>	<u>61,324,222</u>	<u>41,009,540</u>	<u>27,978,427</u>
280,820	342,141	378,298	420,224	406,816	426,076	454,241
956,988	664,202	799,412	862,500	977,269	964,274	819,277
<u>1,237,808</u>	<u>1,006,343</u>	<u>1,177,710</u>	<u>1,282,724</u>	<u>1,384,085</u>	<u>1,390,350</u>	<u>1,273,518</u>
33,042,123	31,307,098	29,242,644	30,391,741	29,845,853	10,016,089	20,375,446
29,538,781	27,481,494	26,765,444	23,249,963	20,342,432	16,671,291	15,837,549
15,263,878	12,216,383	10,202,132	10,760,106	12,520,022	15,712,510	(6,961,050)
<u>\$ 77,844,782</u>	<u>\$ 71,004,974</u>	<u>\$ 66,210,220</u>	<u>\$ 64,401,810</u>	<u>\$ 62,708,307</u>	<u>\$ 42,399,890</u>	<u>\$ 29,251,945</u>

EL PASO COUNTY SCHOOL DISTRICT 49
Changes in Net Position
Last Ten Fiscal Years

	2016	2015	2014	2013
Expenses				
Governmental activities				
Instruction	\$ 73,810,829	\$ 69,436,074	\$ 60,020,821	\$ 54,910,864
Supporting services	55,862,491	51,860,340	44,941,313	39,933,659
Community services	3,110	2,309	558	5,230
Facilitates acquisition & construction	2,313,108	1,555,578	956,249	3,921,201
Food services	3,450,685	3,563,638	-	-
Interest on long-term debt	4,957,824	5,940,860	5,711,616	6,124,842
Total governmental activities expenses	140,398,047	132,358,799	111,630,557	104,895,796
Business -type activities:				
Food services	-	-	3,544,264	3,545,394
Total business-type expenses	-	-	3,544,264	3,545,394
Total primary government expenses		132,358,799	115,174,821	108,441,190
Program revenues				
Governmental activities				
Charges for services: Instruction	2,996,028	2,687,910	3,426,721	1,643,086
Charges for services: Other	11,029,543	10,787,460	7,605,632	7,488,191
Operating grants and contributions	15,591,007	14,378,042	10,912,740	9,750,503
Capital grants and contributions	704,005	2,835,468	175,389	69,801
Total governmental activities program revenues	30,320,583	30,688,880	22,120,482	18,951,581
Business -type activities				
Food services				
Charges for services	-	-	1,783,467	1,912,878
Operating grants and contributions	-	-	1,804,446	1,712,285
Total business-type activities program revenues	-	-	3,587,913	3,625,163
Total primary government program revenues	30,320,583	30,688,880	25,708,395	22,576,744
Net (expense) revenue				
Governmental activities	(110,077,464)	(101,669,919)	(89,510,075)	(85,944,215)
Business -type activities	-	-	43,649	79,769
Total primary government net (expense)revenue	(110,077,464)	(101,669,919)	(89,466,426)	(85,864,446)
General revenues				
Governmental activities				
Property taxes	33,364,551	25,822,318	27,517,073	27,217,408
Specific ownership taxes	3,676,411	2,762,983	2,737,200	2,447,418
State equalization	65,914,912	71,655,103	61,879,292	58,587,096
Investment earnings	84,202	36,042	43,126	76,283
Miscellaneous revenues	474,011	414,377	475,430	349,305
Total governmental activities	103,514,087	100,690,823	92,652,121	88,677,510
Business-type activities				
Investment earnings	-	-	4,656	6,406
Miscellaneous revenues	-	-	-	-
Total business-type activities	-	-	4,656	6,406
Total primary government	103,514,087	100,690,823	92,656,777	88,683,916
Transfers				
Governmental activities	-	-	665,189	-
Business-type activities	-	-	-	-
Changes in net position				
Governmental activities	(3,563,377)	(979,096)	3,807,235	2,733,295
Prior period adjustment	-	-	-	(3,266,628)
Business-type activities	-	-	48,305	86,175
Total primary government	\$ (3,563,377)	\$ (979,096)	\$ 3,855,540	\$ (447,158)

Source: District Financial Records

2012	2011	2010	2009	2008	2007	2006
\$ 51,047,331	\$ 55,647,733	\$ 56,308,429	\$ 54,279,772	\$ 48,416,643	\$ 42,710,638	\$ 38,277,390
35,074,259	37,538,903	39,980,941	45,913,039	39,198,688	31,188,705	25,207,458
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
6,477,776	6,723,785	6,966,032	8,620,387	8,154,209	4,724,907	3,411,318
92,599,366	99,910,421	103,255,402	108,813,198	95,769,540	78,624,250	66,896,166
3,315,431	3,622,951	3,295,282	3,190,818	2,778,049	2,369,402	2,129,435
3,315,431	3,622,951	3,295,282	3,190,818	2,778,049	2,369,402	2,129,435
95,914,797	103,533,372	106,550,684	112,004,016	98,547,589	80,993,652	69,025,601
641,917	641,917	641,918	621,648	689,330	1,168,310	411,842
2,417,556	2,358,910	2,253,656	1,655,446	1,213,647	774,902	961,052
8,056,987	13,020,420	9,319,463	7,596,128	6,102,382	5,804,921	5,304,522
55,152	52,088	121,411	-	9,192,240	-	-
11,171,612	16,073,335	12,336,448	9,873,222	17,197,599	7,748,133	6,677,416
2,004,711	2,007,984	1,920,802	1,955,016	1,950,550	1,774,399	1,742,099
1,535,564	1,435,405	1,252,180	1,097,657	821,234	711,835	607,738
3,540,275	3,443,389	3,172,982	3,052,673	2,771,784	2,486,234	2,349,837
14,711,887	19,516,724	15,509,430	12,925,895	19,969,383	10,234,367	9,027,253
(81,427,754)	(83,837,086)	(90,918,954)	(98,939,976)	(78,571,941)	(70,876,117)	(60,218,750)
224,844	(179,562)	(122,300)	(138,145)	(6,265)	116,832	220,402
(81,202,910)	(84,016,648)	(91,041,254)	(99,078,121)	(78,578,206)	(70,759,285)	(59,998,348)
27,181,450	28,713,973	28,958,125	29,881,835	28,359,508	22,854,256	21,056,256
2,476,004	2,467,992	2,607,142	3,115,704	3,169,869	3,001,112	2,746,886
57,265,290	55,421,452	60,892,967	66,905,895	59,948,169	55,487,866	45,807,614
63,377	71,399	105,569	513,820	2,269,789	2,322,942	398,143
1,049,976	2,128,391	289,318	317,586	1,901,364	241,054	558,102
88,036,097	88,803,207	92,853,121	100,734,840	95,648,699	83,907,230	70,567,001
6,621	8,194	17,287	36,784	-	-	-
-	-	-	-	-	-	-
6,621	8,194	17,287	36,784	-	-	-
88,042,718	88,811,401	92,870,408	100,771,624	95,648,699	83,907,230	70,567,001
-	-	-	-	-	-	-
-	-	-	-	-	-	-
6,608,343	4,966,121	1,934,167	1,794,864	17,076,758	13,031,113	10,348,251
-	-	(20,743)	-	-	-	-
231,465	(171,368)	(105,013)	(101,361)	(6,265)	116,832	220,402
\$ 6,839,808	\$ 4,794,753	\$ 1,808,411	\$ 1,693,503	\$ 17,070,493	\$ 13,147,945	\$ 10,568,653

EL PASO COUNTY SCHOOL DISTRICT 49
Fund Balances, Governmental Funds
Last Ten Fiscal Years

	2016	2015	2014	2013
General Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	11,118,279	10,929,805	18,477,589	17,511,950
Unrestricted	-	-	-	-
Assigned	-	-	-	-
Reserved	7,639,917	7,311,636	5,926,591	7,059,744
Unreserved	2,006,325	2,658,563	1,442,415	968,551
Total general fund	<u>20,764,521</u>	<u>20,900,004</u>	<u>25,846,595</u>	<u>25,540,245</u>
All other governmental funds				
Nonspendable	183,162	196,826	-	-
Restricted	7,904,764	15,777,891	14,641,013	13,790,896
Unrestricted	-	-	-	-
Assigned	1,604,279	1,996,455	792,753	393,797
Reserved	419,545	160,020	112,581	-
Unreserved	-	-	-	-
Total all other governmental funds	<u>10,111,750</u>	<u>18,131,192</u>	<u>15,546,347</u>	<u>14,184,693</u>
Total governmental funds	<u>30,876,271</u>	<u>39,031,196</u>	<u>41,392,942</u>	<u>39,724,938</u>

Source: District Financial Records

2012	2011	2010	2009	2008	2007
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16,593,550	15,476,154	13,953,894	12,723,986	11,139,954	9,191,894
-	-	-	-	-	-
-	-	-	-	-	-
7,088,293	5,447,032	186,246	-	-	-
4,850,061	4,291,762	7,424,523	9,432,871	12,076,994	15,337,111
<u>28,531,904</u>	<u>25,214,948</u>	<u>21,564,663</u>	<u>22,156,857</u>	<u>23,216,948</u>	<u>24,529,005</u>
-	-	-	-	-	-
12,945,231	12,005,340	12,625,304	14,372,047	17,711,456	9,921,666
-	-	-	-	-	-
357,732	688,309	-	-	-	-
-	-	-	-	-	-
-	-	1,006,106	-	-	-
<u>13,302,963</u>	<u>12,693,649</u>	<u>13,631,410</u>	<u>14,372,047</u>	<u>17,711,456</u>	<u>9,921,666</u>
<u>41,834,867</u>	<u>37,908,597</u>	<u>35,196,073</u>	<u>36,528,904</u>	<u>40,928,404</u>	<u>34,450,671</u>

EL PASO COUNTY SCHOOL DISTRICT 49
Fund Balances, Governmental Funds
Last Ten Fiscal Years

	2016	2015	2014
Revenues			
Local sources	\$ 45,351,070	\$ 35,283,456	\$ 35,954,331
State sources	73,529,158	78,220,600	67,010,620
Federal sources	7,341,539	6,920,031	5,010,456
Tuition	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>126,221,767</u>	<u>120,424,087</u>	<u>107,975,407</u>
Expenditures			
Instruction	62,578,937	57,030,514	54,269,244
Supporting services	43,620,742	39,810,635	38,253,961
Community services	3,110	2,309	1,501
Facilities acquisition and construction	2,292,721	5,182,557	1,023,064
Food service	3,450,686	3,563,638	-
Charter schools	-	-	-
Debt service	10,927,333	13,830,071	13,722,953
Total expenditures	<u>122,873,529</u>	<u>119,419,724</u>	<u>107,270,723</u>
Excess of revenues over (under) expenditures	3,348,238	1,004,363	704,684
Other financing sources (uses)			
Transfers in	(420,884)	-	-
Transfers out	420,844	-	902,055
Capital lease proceeds	-	-	-
Proceeds from sale of capital assets	-	-	-
Payment to refunded bond escrow agent	(19,472,793)	-	-
Payments to escrow agent	-	(85,197,394)	(3,592,625)
Refunding bonds issued	8,780,000	74,313,571	3,470,000
Premium on bond issued	-	6,353,565	183,890
Total other financing sources (uses)	<u>(10,692,833)</u>	<u>(4,530,258)</u>	<u>963,320</u>
Net change in fund balances	<u>\$ (7,344,595)</u>	<u>\$ (3,525,895)</u>	<u>\$ 1,668,004</u>
Debt services as a percentage of noncapital expenditures	9.1%	12.1%	12.9%

Source: District Financial Records

2013	2012	2011	2010	2009	2008	2007
\$ 33,884,059	\$ 34,392,745	\$ 36,760,783	\$ 35,100,024	\$ 33,321,188	\$ 31,079,537	\$ 25,820,125
62,636,526	60,826,416	58,862,469	64,461,633	74,502,023	68,320,340	63,615,729
4,429,055	4,317,990	9,371,883	5,697,502	2,594,680	3,804,341	2,184,266
<u>100,949,640</u>	<u>99,537,151</u>	<u>104,995,135</u>	<u>105,259,159</u>	<u>110,417,891</u>	<u>103,204,218</u>	<u>91,620,120</u>
48,919,131	47,413,220	49,557,020	51,246,285	48,430,943	45,696,300	39,322,697
36,411,011	33,502,268	36,258,829	37,884,658	34,480,640	31,307,588	25,080,328
1,066	-	-	-	-	-	-
3,962,620	1,841,777	2,520,500	2,903,022	6,703,289	39,322,887	38,094,192
-	-	-	-	-	-	-
-	-	-	-	10,317,341	7,656,621	5,718,529
13,765,741	13,952,248	14,364,714	14,276,686	14,885,178	13,578,861	12,347,448
<u>103,059,569</u>	<u>96,709,513</u>	<u>102,701,063</u>	<u>106,310,651</u>	<u>114,817,391</u>	<u>137,562,257</u>	<u>120,563,194</u>
(2,109,929)	2,827,638	2,294,072	(1,051,492)	(4,399,500)	(34,358,039)	(28,943,074)
	567,738	605,662	2,722,344	2,715,782	2,571,002	3,111,388
	(1,200,299)	(605,662)	(2,722,344)	(2,715,782)	(2,571,002)	(3,111,388)
	1,731,193	418,452				
						(14,257,116)
					39,725,000	67,462,217
					1,110,772	1,645,599
<u>-</u>	<u>1,098,632</u>	<u>418,452</u>	<u>-</u>	<u>-</u>	<u>40,835,772</u>	<u>54,850,700</u>
<u>\$ (2,109,929)</u>	<u>\$ 3,926,270</u>	<u>\$ 2,712,524</u>	<u>\$ (1,051,492)</u>	<u>\$ (4,399,500)</u>	<u>\$ 6,477,733</u>	<u>\$ 25,907,626</u>
13.9%	14.7%	14.3%	13.8%	13.8%	13.8%	15.0%

EL PASO COUNTY SCHOOL DISTRICT 49
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Assessment Year	Collection Year	Residential Property	Commercial Property	Industrial, Agricultural, And Natural Resources	State Assessed, Vacant Land, and Other	Total Taxable Assessed Value
2015	2016	518,510,430	157,253,610	11,800,340	64,408,090	751,972,470
2014	2015	462,675,840	152,800,100	11,201,630	63,046,990	689,724,560
2013	2014	442,234,860	147,150,700	11,405,580	63,806,180	664,597,320
2012	2013	442,006,450	147,353,840	10,877,810	63,479,710	663,717,810
2011	2012	432,478,460	147,318,740	11,351,400	67,345,580	658,494,180
2010	2011	461,396,340	154,956,330	12,102,310	75,483,300	703,938,280
2009	2010	453,376,890	154,508,260	12,519,520	79,205,910	699,610,580
2008	2009	431,314,820	132,287,440	12,953,120	79,969,530	656,524,910
2007	2008	412,599,750	116,095,780	11,106,720	80,226,220	620,028,470
2006	2007	341,637,650	88,972,890	9,649,590	64,263,120	504,523,250

Source: El Paso County Treasurer's office

Total Direct Tax Rate	Estimated Actual Taxable Value	Assessment Rates		
		Taxable Assessed Value as a Percentage of Actual Value	Residential	All others
44.635	7,318,389,792	10.28%	7.96%	29.00%
45.796	6,594,766,136	10.46%	7.96%	29.00%
45.617	6,321,813,966	10.51%	7.96%	29.00%
45.585	6,317,740,713	10.51%	7.96%	29.00%
45.842	6,212,889,184	10.60%	7.96%	29.00%
45.792	6,632,924,756	10.61%	7.96%	29.00%
45.572	6,544,920,650	10.69%	7.96%	29.00%
45.674	6,195,485,589	10.60%	7.96%	29.00%
45.795	5,899,026,417	10.51%	7.96%	29.00%
45.547	4,853,147,177	10.40%	7.96%	29.00%

EL PASO COUNTY SCHOOL DISTRICT 49
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Taxing Authority	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
El Paso County School District 49										
General Fund	24.459	24.784	24.459	24.459	24.459	24.459	24.459	24.459	24.459	24.459
Mill Levy Override	9.800	9.800	9.800	9.800	9.800	9.800	9.800	9.800	9.800	9.800
Abatement ⁽¹⁾	0.217	0.325	0.146	0.114	0.371	0.321	0.101	0.203	0.324	0.076
Bond Fund	10.159	11.212	11.212	11.212	11.212	11.212	11.212	11.212	11.212	11.212
Total for El Paso Count School District 49	44.635	45.796	45.617	45.585	45.842	45.792	45.572	45.674	45.795	45.547
City Of Colorado Springs	4.279	4.279	4.279	4.279	4.279	4.279	4.944	4.944	4.944	4.944
El Paso County	7.791	7.714	7.663	7.762	7.882	7.531	7.748	7.514	7.710	7.673
Fire Districts										
Black Forest	10.237	10.356	10.382	10.379	10.406	6.275	6.322	6.444	6.600	7.287
Cimarron Hills	15.286	15.290	14.390	11.390	12.150	11.110	11.110	11.082	11.110	10.780
Falcon	8.612	8.612	8.612	8.612	8.612	5.712	5.712	5.712	5.712	5.712
Elbert	8.500	4.575	4.575	4.575	4.575	4.575	4.575	4.575	4.575	4.575
Ellicott	9.760	10.220	10.290	10.168	9.999	9.319	9.374	9.116	4.354	4.481
Water Districts										
Up Blk Sqrll GW	1.057	1.082	1.082	1.082	1.082	1.082	0.682	0.682	0.682	0.706
Sanitation water districts										
Westmoor SWD	34.943	41.288	34.956	37.471	35.508	30.986	29.055	33.07	31.423	31.84
Special Districts										
Barnes & Pow N BID	50.000	47.000	45.000	43.000	41.000	36.000	41.000	51.000	51.000	1.000
Barnes & Pow S BID	21.000	21.000	21.000	21.000	21.000	21.000	28.336	28.336	28.336	1.000
EPC PID #2	10.000	10.000	10.000							
First & Main BID	51.000	51.000	51.000	51.000	51.000	51.000	51.000	51.000	1.000	1.000
First & Main BID #2	51.000	51.000	51.000	51.000	51.000	51.000	51.000			
First & Main North BID	40.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000	36.000	45.000
Stetson Hills SIMD	3.858	3.858	3.858	3.858	3.858	3.858	3.858	3.858	3.858	3.858
Metropolitan Districts										
4-Way Ranch #1	45.000	45.000	45.000	45.000	45.000	45.000	45.000	45.000	45.000	45.000
Ban Lewis Ranch #2	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000	40.000	40.000
Ban Lewis Ranch #3	50.000	50.000	50.000							
Ban Lewis Ranch Reg	10.000	10.000	10.000	10.000	10.000					
Bent Grass	35.000	30.000	30.000	10.000	10.000	40.000	40.000	40.000		
Bobcat Meadows	11.430	11.430	11.430	11.430	11.430	11.430	11.430	11.464	11.464	11.464
Central Marksheffel	30.000	30.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000	40.000
Constitution Heights MD	25.000	25.000	25.000	25.000	25.000	25.000	25.000	25.000	25.000	25.000
Dublin North #2	40.000	40.000	40.000	40.000						
Falcon Highlands	35.000	35.000	35.000	35.216	35.000	35.000	35.000	35.000	35.000	37.500
Latigo Creek	5.000	5.000	5.000	5.000	5.000	5.000	5.000	40.000		
Meridian Ranch	25.000	25.000	25.000	25.000	25.000	25.000	25.000	25.000	25.000	25.000
Paintbrush Hills	22.107	22.107	22.107	22.107	22.107	22.107	22.408	22.408	22.408	22.573
Sterling Ranch #1	50.000									
Sterling Ranch #2	50.000	60.000								
Sterling Ranch #3	50.000	60.000								
Stetson Ridge #2	24.472	24.472	24.472	24.472	24.472	24.472	24.472	32.114	24.472	22.400
Stetson Ridge #3	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000	
Woodmen Heights #2	42.000	42.000	42.000	42.000	40.000	40.000	40.000	40.000	40.000	35.000
Woodmen Heights #3	42.000	42.000	42.000	42.000	40.000	40.000	40.000	40.000	40.000	35.000
Woodmen Road	10.800	10.800	10.800	10.800	10.800	10.800	10.800	10.800	10.800	10.800

Source: El Paso County Abstract of Assessments

Notes:

⁽¹⁾ Colorado Revised Statutes Require that districts shall levy, in the next fiscal year, the mill levy that is necessary to recoup property tax abatements granted after the mill levy is certified for the fiscal year.

Overlapping rates are those of local and county governments that apply to property owners within El Paso County School District 49.

Not all overlapping rates apply to all District property owners. The rates for special districts apply only to the proportion of the government's property owners whose property is located.

EL PASO COUNTY SCHOOL DISTRICT 49
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2016			2007		
	Assessed Valuation	Rank	% of Total Valuation	Assessed Valuation	Rank	% of Total Valuation
FIRST & MAIN LLC	12,617,060	1	1.68%	9,141,820	1	1.81%
MOUNTAIN VIEW ELEC ASSN INC	7,589,430	2	1.01%			
BARNES & POWERS NORTH NO 1 LLC	5,660,010	3	0.75%			
ST FRANCIS LAND COMPANY LLC	5,249,960	4	0.70%			
FIRST AND MAIN NORTH NO 1 LLC	4,756,660	5	0.63%	2,597,250	4	0.51%
HR BRIARGATE LLC	4,093,640	6	0.54%			
FIRST & MAIN SOUTH NO 1 LLC	4,073,430	7	0.54%	3,984,860	2	0.79%
PUBLIC SERVICE CO OF COLO A/K/A	3,990,810	8	0.53%			
COSTCO WHOLESALE CORP	3,761,160	9	0.50%			
WAL-MART REAL ESTATE	3,222,680	10	0.43%			
TARGET CORP				3,360,350	3	0.67%
LOWES HIW INC (1099)				2,376,880	5	0.47%
SRPC NO 1 LLC				2,144,720	6	0.43%
CATHOLIC HEALTH INITIATIVES D/B/A				1,882,610	7	0.37%
DILLON COMPANIES INC				1,800,520	8	0.36%
STETSON RIDGE ASSOCIATES LTD				1,546,270	9	0.31%
WOODFORD MANUFACTURING CO				1,416,600	10	0.28%
Totals	<u>\$ 55,014,840</u>		7.32%	<u>\$ 30,251,880</u>		6.00%
Total Assessed Valuation	\$ 751,972,470			\$ 504,523,250		

Source: El Paso County Assessor's Office

EL PASO COUNTY SCHOOL DISTRICT 49
Property Tax Levies and Collections
Last Ten Fiscal Years

Assessment Year	Collection Year	Current Tax Levy	Collected within the Calendar Year of the Levy		Collections in Subsequent Years	Total Collection to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2015	2016	33,564,299	33,322,961	99.3%	(131,285)	33,191,676	98.9%
2014	2015	31,586,636	31,467,474	99.6%	(1,404)	31,466,070	99.6%
2013	2014	30,316,945	30,226,286	99.7%	(88,023)	30,138,263	99.4%
2012	2013	30,255,576	30,209,654	99.8%	(45,554)	30,164,100	99.7%
2011	2012	30,186,698	30,111,476	99.8%	9,213	30,120,689	99.8%
2010	2011	32,234,742	32,114,254	99.6%	9,213	32,123,467	99.7%
2009	2010	31,882,655	31,621,374	99.2%	10,499	31,631,873	99.2%
2008	2009	29,986,124	29,861,565	99.6%	44,120	29,905,686	99.7%
2007	2008	28,394,203	28,264,468	99.5%	(20,023)	28,244,445	99.5%
2006	2007	22,979,518	22,938,055	99.8%	(170,077)	22,767,978	99.1%

Source: El Paso Country Treasurer's Office

2016 collections are from January 1 to September 30. Additional taxes will be collected from October 1 to December 31.

Collections in Subsequent years includes delinquent tax collections, interest, penalties and abatements.

EL PASO COUNTY SCHOOL DISTRICT 49

Legal Debt Margin

Last Ten Fiscal Years

	2016	2015	2014	2013
Assessed valuation	751,972,470	689,724,560	664,597,320	663,717,810
Debt Limit	150,394,494	137,944,912	132,919,464	132,743,562
Total net debt applicable to limit	12,305,000	26,020,000	31,300,002	36,430,000
Legal debt margin	138,089,494	111,924,912	101,619,462	96,313,562
Total net debt applicable to the limit as a percentage of debt limit	8.18%	18.86%	23.55%	27.44%

Source: El Paso County Assessor's Office, District Financial Records

2012	2011	2010	2009	2008	2007
658,494,180	703,938,280	699,610,580	656,524,910	620,028,470	504,523,250
131,698,836	140,787,656	139,922,116	131,304,982	124,005,694	100,904,650
41,085,000	45,085,000	47,935,000	50,630,000	53,150,000	55,305,000
90,613,836	95,702,656	91,987,116	80,674,982	70,855,694	45,599,650
31.20%	32.02%	34.26%	38.56%	42.86%	54.81%

EL PASO COUNTY SCHOOL DISTRICT 49
Ratio of General Bonded Debt to Estimated Actual Taxable Value and Bonded Debt Per Capita
Last Ten Fiscal Years

Assessment Year	Collection Year	Estimated Actual Taxable Value	General Bonded Debt	Ratio of General Bonded Debt to Estimated Actual Taxable Value	Population	Net Bonded Debt per Capita
2015	2016	7,318,389,792	12,305,000	0.17%	85,144	145
2014	2015	6,594,766,136	26,020,000	0.39%	82,536	315
2013	2014	6,321,813,966	31,300,002	0.50%	80,008	391
2012	2013	6,317,740,713	36,430,000	0.58%	77,006	473
2011	2012	6,212,889,184	41,085,000	0.66%	72,955	563
2010	2011	6,632,924,756	45,085,000	0.68%	81,868	551
2009	2010	6,544,920,650	47,935,000	0.73%	75,517	635
2008	2009	6,195,485,589	50,630,000	0.82%	75,323	672
2007	2008	5,899,026,417	53,150,000	0.90%	69,116	769
2006	2007	4,853,147,177	55,305,000	1.14%	65,268	847

Sources: El Paso County Assessor's Office and Department of Local Affairs, Demography Section,
Housing and Households

Note: The population number for 2015 and 2016 are estimated based on prior years growth.

EL PASO COUNTY SCHOOL DISTRICT 49
Ratio of Annual Debt Service Expenditures for General Bonded Debt to General Fund Expenditures
Last Ten Fiscal Years

Fiscal Year	Annual Debt Service Expenditures for General Bonded Debt	Total General Fund Expenditures	Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Fund Expenditures
2016	4,787,504	107,098,324	4.5%
2015	6,593,584	102,261,369	6.4%
2014	6,616,242	92,931,241	7.1%
2013	6,571,172	91,726,364	7.2%
2012	6,513,976	85,058,389	7.7%
2011	6,466,879	89,249,494	7.2%
2010	6,387,174	89,626,080	7.1%
2009	6,276,634	97,308,429	6.5%
2008	5,668,136	88,884,590	6.4%
2007	5,776,100	70,668,163	8.2%

Source: District Financial Records

EL PASO COUNTY SCHOOL DISTRICT 49
Ratio of Outstanding Debt By Type
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Certificates of Participation	Capital Leases	Total Primary Government	Population	Per Capita	Aggregate Income	Percentage of Aggregate Income	Funded Pupil Count	Total Debt per Pupil
2016	12,305,000	68,345,000	4,049,924	84,699,924	85,144	995	2,443,871,861	3.47%	21,839	3,878
2015	26,020,000	70,575,000	4,521,429	101,116,429	82,536	1,225	2,405,385,690	4.20%	20,223	5,000
2014	31,300,002	79,945,000	1,751,960	112,996,962	80,008	1,412	2,367,505,600	4.77%	18,279	6,182
2013	36,430,000	82,170,000	2,341,188	120,941,188	77,006	1,571	2,347,809,100	5.15%	14,573	8,299
2012	41,085,000	84,215,000	3,333,903	128,633,903	72,955	1,763	2,086,545,800	6.16%	14,284	9,006
2011	45,085,000	86,090,000	2,791,410	133,966,410	81,868	1,636	2,281,557,700	5.87%	14,028	9,550
2010	47,935,000	87,835,000	4,056,903	139,826,903	75,517	1,852	2,091,957,100	6.68%	13,698	10,208
2009	50,630,000	89,465,000	5,560,259	145,655,259	75,323	1,934	2,058,004,400	7.08%	12,984	11,218
2008	53,150,000	90,960,000	5,827,355	149,937,355	69,116	2,169	1,949,998,200	7.69%	12,222	12,268
2007	55,305,000	52,600,000	7,161,392	115,066,392	65,268	1,763	1,817,646,100	6.33%	11,581	9,936

Source: Department of Local Affairs

Note: The population and aggregate income numbers for 2015 and 2016 are estimated based on prior years growth.

EL PASO COUNTY SCHOOL DISTRICT 49
Estimation of Direct and Overlapping Debt
As of June 30, 2016

	2016 Assessed Valuation	Entity's Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Direct Debt:				
El Paso County School District 49	751,972,470	12,305,000	100.00%	12,305,000
Overlapping Debt:				
City Of Colorado Springs	4,985,581,710	53,151,000	13.17%	7,001,349
El Paso County	6,852,654,340	157,498,974	6.18%	9,728,150
Fire Districts				
Black Forest	141,335,670	998,575	8.08%	80,684
Cimarron Hills	124,750,120	-	49.56%	-
Falcon	321,445,960	-	81.27%	-
Elbert	5,776,280	-	19.74%	-
Ellicott	25,993,190	N/A	0.24%	-
Water Districts				
Up Blk Sqrll GW	264,022,550	-	20.08%	-
Sanitation water districts				
Westmoor SWD	59,240	-	100.00%	-
Special Districts				
Barnes & Pow N BID	19,249,140	8,410	100.00%	8,410
Barnes & Pow S BID	18,950,660	-	100.00%	-
EPC PID #2	9,616,220	-	43.05%	-
First & Main BID	3,260,570	1,495,000	100.00%	1,495,000
First & Main BID #2	10,391,320	7,570,000	100.00%	7,570,000
First & Main North BID	4,091,470	1,688,505	100.00%	1,688,505
Stetson Hills SIMD	71,390,210	-	100.00%	-
Metropolitan Districts				
4-Way Ranch #1	1,472,370	2,975,000	100.00%	2,975,000
Ban Lewis Ranch #2	19,249,140	10,920,000	100.00%	10,920,000
Ban Lewis Ranch #3	2,066,940	8,455,000	100.00%	8,455,000
Ban Lewis Ranch Reg	24,733,390	-	45.71%	-
Bent Grass	1,555,450	800,000	100.00%	800,000
Bobcat Meadows	2,526,550	-	100.00%	-
Central Marksheffel	24,260,500	11,880,000	82.01%	9,742,357
Constitution Heights MD	8,435,940	4,330,000	100.00%	4,330,000
Dublin North #2	4,135,430	4,415,916	100.00%	4,415,916
Falcon Highlands	18,365,360	19,461,507	100.00%	19,461,507
Latigo Creek	527,670	-	100.00%	-
Meridian Ranch	40,482,280	41,995,000	100.00%	41,995,000
Paintbrush Hills	16,488,770	-	100.00%	-
Sterling Ranch #1	10	-	100.00%	-
Sterling Ranch #2	113,290	9,062,406	55.49%	5,028,706
Sterling Ranch #3	20,230	-	49.45%	-

	2016 Assessed	Entity's Debt	Estimated	Estimated Share of
Direct Debt:	Valuation	Outstanding	Percentage	Overlapping Debt
			Applicable	
Stetson Ridge #2	32,603,020	1,740,000	100.00%	1,740,000
Stetson Ridge #3	3,943,970	4,990,000	100.00%	4,990,000
Woodmen Heights #2	23,351,820	-	78.59%	-
Woodmen Heights #3	1,706,300	-	82.54%	-
Woodmen Road	125,884,470	16,685,000	97.13%	16,205,413

Sources: El Paso County Assessor's Office and from individual entities.

Note: We were unable to get information on Ellicot Fire Districts outstanding debt.

EL PASO COUNTY SCHOOL DISTRICT 49
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population	Total Personal Income	Per Capital Personal Income	School Enrollment	Unemployment rate
2016	85,144	2,443,871,861	28,703	20,561	3.9%
2015	82,536	2,405,385,690	29,143	19,552	4.1%
2014	80,008	2,367,505,600	29,591	18,880	4.5%
2013	77,006	2,347,809,100	30,489	15,478	7.1%
2012	72,955	2,086,545,800	28,600	15,063	8.8%
2011	81,868	2,281,557,700	27,869	14,708	10.4%
2010	75,517	2,091,957,100	27,702	14,398	6.7%
2009	75,323	2,058,004,400	27,322	13,616	6.7%
2008	69,116	1,949,998,200	28,213	12,783	3.4%
2007	65,268	1,817,646,100	27,849	12,256	5.4%

Source: Department of Local Affairs, District records

Note: The population and aggregate income numbers for 2015 and 2016 are estimated based on prior years growth.

EL PASO COUNTY SCHOOL DISTRICT 49
Principal Employers for the Pikes Peak Region
Current Year and Nine Years Ago

Employer	Rank	Percentage of Total County Employment	Rank	Percentage of Total County Employment
		2016		2005
Fort Carson Army Post	1	10.22%	1	8.70%
Peterson Air Force Base	2	4.17%	2	6.10%
United States Air Force Academy	3	3.13%	3	2.83%
Colorado Springs School District #11	4	2.21%	5	1.54%
Academy School District #20	5	1.25%	9	1.04%
Memorial Hospital - UC Health	6	1.22%	6	1.46%
Penrose-St. Francis Health Services	7	1.09%	8	1.20%
Schriever Air Force Base ²	8	1.08%	4	1.95%
City of Colorado Springs ¹	9	0.89%	7	1.22%
El Paso County	10	0.81%	-	0.82%
Lockheed Martin	-	0.52%	10	0.85%

Source: https://coloradosprings.gov/sites/default/files/2015_final_cafr.pdf p.262

2015 is the most current CAFR available from City of Colorado Springs, the City's Fiscal Year is from January to December.

¹ City of Colorado Springs includes the total of all full-time equivalent employees (FTE's) in all funds and enterprises except Colorado Springs Utilities and Memorial Health System.

² Schriever Air Force Base previously known as Falcon Air Force Base.

EL PASO COUNTY SCHOOL DISTRICT 49
Full-Time Equivalent Employees by Functional Program
Last Ten Fiscal Years

	2016	2015	2014	2013	2012
Classroom Instruction	933	920	914	817	787
Teaching Assistants	300	251	209	119	149
General Office Support	102	100	113	96	77
Instructional Support	75	72	60	53	51
Facility Workers	66	69	69	64	61
Other Assistants	61	79	64	82	56
Man.Dir.Sup. Coord.	60	39	24	8	8
Principals/Asst/Assoc	53	50	64	48	42
Bus Drivers	47	49	46	47	44
Other Paraprofessionals	41	43	64	41	13
Special Service Providers	41	42	34	33	30
Food Services	35	39	46	42	43
Professionals Support	33	17	16	14	11
Foreman/Lead Workers	29	31	33	33	37
Coord./Supr.	18	13	11	8	6
Office Manager/Supervisor	18	36	31	12	14
Security	11	12	12	12	10
Supt/Asst Supt/BOCES Director	9	9	9	6	6
Computer Technology	6	4	12	5	9
Vehicle Drivers/Workers	4	4	3	4	5
Total	1,942	1,879	1,834	1,543	1,459

Source: District Financial Records

2007-2009 data does not include charter school information.

2011	2010	2009	2008	2007
818	850	719	700	649
190	229	193	175	162
76	76	78	73	73
65	60	57	49	50
84	79	104	93	79
47	41	73	77	81
14	15	28	22	21
45	50	42	37	36
51	53	80	87	72
11	11	32	31	33
40	42	35	39	38
44	36	57	53	58
20	18	12	12	17
38	38	33	30	30
6	7	8	7	3
15	16	10	9	7
12	12	10	7	8
3	3	2	2	2
14	12	13	13	12
5	5	5	4	5
1,598	1,653	1,591	1,520	1,436

EL PASO COUNTY SCHOOL DISTRICT 49
School Building Capacity and Population
Last Ten Fiscal Years

	2016	2015	2014	2013
Elementary Schools				
Falcon (1982)				
Building Square feet	38,561	38,561	38,561	38,561
Modular Square feet	5,640	5,640	5,640	5,640
Core Capacity (building)	425	425	425	425
Total Capacity (w/modulars)	575	575	575	575
Enrollment	319	317	324	319
Meridian Ranch (2003)				
Building Square feet	55,731	55,731	55,731	55,731
Modular Square feet	1,440	1,440	1,440	1,440
Core Capacity (building)	650	650	650	650
Total Capacity (w/modulars)	700	700	700	700
Enrollment	727	748	698	638
Woodmen Hills (2000)				
Building Square feet	51,603	51,603	51,603	51,603
Modular Square feet	11,039	11,039	11,039	11,039
Core Capacity (building)	600	600	600	600
Total Capacity (w/modulars)	900	900	900	900
Enrollment	738	744	743	729
Evans (1976)				
Building Square feet	53,101	53,101	53,101	53,101
Modular Square feet	11,296	11,296	11,296	11,296
Core Capacity (building)	550	550	550	550
Total Capacity (w/modulars)	850	850	850	850
Enrollment	684	678	666	722
Remington (1997)				
Building Square feet	49,784	49,784	49,784	49,784
Modular Square feet	2,880	2,880	2,880	2,880
Core Capacity (building)	600	600	600	600
Total Capacity (w/modulars)	700	700	700	700
Enrollment	580	565	571	560
Springs Ranch (2002)				
Building Square feet	56,914	56,914	56,914	56,914
Modular Square feet	2,880	2,880	2,880	2,880
Core Capacity (building)	650	650	650	650
Total Capacity (w/modular)	750	750	750	750
Enrollment	573	592	654	666
Ridgeview (2002)				
Building Square feet	57,362	57,362	57,362	57,362
Modular Square feet	5,760	5,760	5,760	5,760
Core Capacity (building)	600	600	600	600

2012	2011	2010	2009	2008	2007
38,561	38,561	38,561	38,561	38,561	38,561
5,640	5,640	5,640	5,640	5,640	5,640
425	425	425	425	425	425
575	575	575	575	575	575
341	339	326	368	433	417
55,731	55,731	55,731	55,731	55,731	55,731
1,440	1,440	1,440	1,440	1,440	1,440
650	650	650	650	650	650
700	700	700	700	700	700
607	595	595	628	669	647
51,603	51,603	51,603	51,603	51,603	51,603
11,039	11,039	11,039	11,039	11,039	12,533
600	600	600	600	600	600
900	900	900	900	900	950
714	727	726	748	863	867
53,101	53,101	53,101	53,101	53,101	53,101
7,760	7,760	7,760	7,760	7,760	7,760
550	550	550	550	550	550
825	825	825	825	825	825
679	652	666	650	643	694
49,784	49,784	49,784	49,784	49,784	49,784
2,880	2,880	2,880	2,880	2,880	2,880
600	600	600	600	600	600
700	700	700	700	700	700
593	624	586	538	508	546
56,914	56,914	56,914	56,914	56,914	45,979
2,880	2,880	2,880	2,880	2,880	2,880
650	650	650	650	650	450
750	750	750	750	750	550
702	676	663	625	635	661
57,362	57,362	57,362	57,362	57,362	57,362
5,760	5,760	5,760	5,760	5,760	5,760
600	600	600	600	600	600

	2016	2015	2014	2013
Total Capacity (w/modulars)	800	800	800	800
Enrollment	760	916	720	692
Stetson Elementary (1987)				
Building Square feet	50,223	50,223	50,223	50,223
Modular Square feet	12,120	12,120	12,120	12,120
Core Capacity (building)	525	525	525	525
Total Capacity (w/modulars)	875	875	875	875
Enrollment	568	619	613	625
Odyssey Elementary (2006)				
Building Square feet	44,505	44,505	44,505	44,505
Modular Square feet	5,760	5,760	5,760	5,760
Core Capacity (building)	450	450	450	450
Total Capacity (w/modulars)	650	650	650	650
Enrollment	550	579	572	571
Middle Schools				
Falcon Middle (1976)				
Building Square feet	92,421	92,421	92,421	92,421
Modular Square feet	5,640	5,640	5,640	5,640
Core Capacity (building)	800	800	800	800
Total Capacity (w/modulars)	1,000	1,000	1,000	1,000
Enrollment	907	934	902	918
Horizon Middle (1985)				
Building Square feet	66,380	66,380	66,380	66,380
Modular Square feet	43,488	7,200	7,200	7,200
Core Capacity (building)	625	625	625	625
Total Capacity (w/modulars)	1,175	800	800	800
Enrollment	650	626	610	623
Skyview Middle (2000)				
Building Square feet	122,317	122,317	122,317	122,317
Modular Square feet	14,760	14,760	14,760	14,760
Core Capacity (building)	900	900	900	900
Total Capacity (w/modulars)	1,350	1,350	1,350	1,350
Enrollment	1,127	1,144	1,022	1,028
High Schools				
Falcon High (2007)				
Building Square feet	176,352	176,352	176,352	176,352
Modular Square feet	-	-	-	-
Core Capacity (building)	1,200	1,200	1,200	1,200
Total Capacity (w/modulars)	1,200	1,200	1,200	1,200
Enrollment	1,238	1,275	1,242	1,291
Sand Creek High (1997)				
Building Square feet	189,866	189,866	189,866	189,866
Modular Square feet	8,640	8,640	8,640	11,520
Core Capacity (building)	1,600	1,600	1,600	1,600
Total Capacity (w/modulars)	1,900	1,900	1,900	1,950
Enrollment	1,274	1,245	1,238	1,184

2012	2011	2010	2009	2008	2007
800	800	800	800	800	800
701	684	718	735	700	748
50,223	50,223	50,223	50,223	50,223	50,223
12,120	12,120	12,120	12,120	12,120	12,120
525	525	525	525	525	525
875	875	875	875	875	875
624	630	680	733	718	716
44,505	44,505	44,505	44,505	44,505	44,505
5,760	5,760	5,760	5,760	5,760	5,760
450	450	450	450	450	450
650	650	650	650	650	450
564	544	548	573	572	554
92,421	92,421	92,421	92,421	92,421	41,929
5,640	5,640	5,640	4,200	4,200	10,572
800	800	800	800	800	425
1,000	1,000	1,000	1,000	1,000	775
911	908	903	942	622	551
66,380	66,380	66,380	66,380	66,380	66,380
9,500	9,500	9,500	9,500	9,500	9,500
625	625	625	625	625	625
875	875	875	875	875	875
615	652	672	662	696	691
122,317	122,317	122,317	122,317	122,317	85,257
14,760	7,200	7,200	7,200	7,200	7,200
900	900	900	900	900	525
1,150	1,150	1,150	1,150	1,150	775
1,024	1,081	1,178	1,129	1,147	1,038
176,352	176,352	176,352	176,352	176,352	92,421
-	-	-	-	-	4,200
1,200	1,200	1,200	1,200	1,200	800
1,200	1,200	1,200	1,200	1,200	1,000
1,239	1,298	1,287	1,236	1,157	1,039
189,866	189,866	189,866	189,866	189,866	189,866
11,520	19,080	18,080	18,080	16,640	15,200
1,600	1,600	1,600	1,600	1,600	1,600
2,200	2,200	2,200	2,200	2,150	2,100
1,175	1,162	1,296	1,535	2,084	2,054

	2016	2015	2014	2013
Vista Ridge High (2008)				
Building Square feet	166,617	166,617	166,617	166,617
Modular Square feet	-	-	-	-
Core Capacity (building)	1,200	1,200	1,200	1,200
Total Capacity (w/modulars)	1,200	1,200	1,200	1,200
Enrollment	1,437	1,338	1,230	1,195
Charter Schools				
Imagine Classical Academy (2010)				
Building Square feet	48,000	48,000	48,000	48,000
Modular Square feet	1,440	1,440	-	-
Core Capacity (building)	800	800	800	800
Total Capacity (w/modulars)	850	850	800	800
Enrollment	773	743	831	858
Pikes Peak School of Expeditionary Learning (2008)				
Building Square feet	28,967	28,967	28,967	28,967
Modular Square feet	-	-	-	-
Core Capacity (building)	475	475	475	475
Total Capacity (w/modulars)	475	475	475	475
Enrollment	439	408	384	397
Rocky Mountain Classical Academy (2015)				
Building Square feet	93,000	35,000	35,000	35,000
Modular Square feet	-	36,288	36,288	36,288
Core Capacity (building)	1,200	475	475	475
Total Capacity (w/modulars)	1,200	1,075	1,075	1,075
Enrollment	1,467	1,300	746	675
Banning Lewis Ranch Academy (2008)				
Building Square feet	57,000	57,000	57,000	57,000
Modular Square feet	1,440	1,440	1,440	1,440
Core Capacity (building)	675	675	675	675
Total Capacity (w/modulars)	725	725	725	725
Enrollment	752	749	750	737
GOAL Academy				
Building Square feet	185,278			
Modular Square feet	-			
Capacity (students)	N/A	N/A	N/A	
Enrollment	4,070	3,259	3,149	-
Other Buildings				
Springs Studio for Academic Excellence (2012)				
Building Square feet	20,000	20,000	20,000	20,000
Modular Square feet	-	-	-	-
Capacity (students)	600	600	600	600
Enrollment	521	321	496	421
Patriot Learning Center (1952)				
Building Square feet (plus butler & art)	41,929	41,929	41,929	41,929
Modular Square feet	10,572	10,572	10,572	10,572
Core Capacity (building)	125	125	125	125

2012	2011	2010	2009	2008	2007
159,787	159,787	159,787	159,787		
-	-	-	-	-	-
1,200	1,200	1,200	1,200		
1,200	1,200	1,200	1,200		
1,147	1,105	896	602	-	-
48,000	48,000	-	-	-	-
-	-	20,160	20,160	-	-
800	800	350	350	-	-
800	800	350	350	-	-
802	687	592	197	-	-
28,967	28,967	28,967	28,967	3,997	3,997
-	-	-	-	7,404	7,404
475	475	475	475	200	200
475	475	475	475	200	200
396	383	345	248	193	161
35,000	35,000	35,000	35,000	-	-
36,288	36,288	36,288	36,288	36,288	36,288
475	475	475	475	0	-
1,075	1,075	1,075	1,075	600	600
892	924	824	679	544	376
57,000	57,000	57,000	57,000	-	-
1,440	-	-	-	-	-
675	675	675	675		
725	-	-	-	-	-
742	712	697	601	599	496
-	-	-	-	-	-
7,000	7,000				
225	225	-	-	-	-
362	105	-	-	-	-
41,929	41,929	41,929	41,929		
10,572	10,572	10,572	10,572		
125	125	125	125		

	2016	2015	2014	2013
Total Capacity (w/modulars)	325	325	325	325
Enrollment	201	258	249	244
Homeschool (2001)				
Building Square feet	7,000	7,000	7,000	7,000
Modular Square feet	-	-	-	-
Capacity (students)	225	225	225	225
Enrollment	206	194	470	385
Administration Buildings				
Central Office (1981)				
Building Square feet	6,134	6,134	6,134	6,134
Modular Square feet	7,212	7,212	7,884	8,076
Transportation/Nutrition Services (2002)				
Building Square feet	25,800	25,800	25,800	25,800
Modular Square feet	1,440	1,440	1,440	1,440
Creekside (2008)				
Building Square feet	35,806			
Modular Square feet	-			
Total Student Population	20,561	19,552	18,880	15,478

* GOAL Academy joined the district in 2013/2014 school year. Their enrollment prior to joining the district is not included.

GOAL Academy is primarily an online school. With various small satellite sites for students to visit for additional learning. These sites change periodically based on need. Prior years were not available. The Creekside building was purchased in 2015

2012	2011	2010	2009	2008	2007
325	325	325	325		
233	220	200	187		
				-	-
-	-	-	-	-	-
-	-	-	-	-	-
6,134	6,134	6,134	6,134	6,134	6,134
8,076	8,076	8,076	8,076	8,076	8,076
25,800	25,800	25,800	25,800	25,800	25,800
1,440	1,440	1,440	1,440	1,440	
15,063	14,708	14,398	13,616	12,783	12,256

EL PASO COUNTY SCHOOL DISTRICT 49
Capital Assets by Function/Program
Last Ten Fiscal Years

Governmental Activities	2016	2015	2014	2013
Instruction	211,624,573	210,439,589	206,271,659	205,341,762
General Administration	12,593,392	12,313,675	8,622,325	7,121,798
Operation and Maintenance	464,480	326,569	276,762	91,930
Student Transportation	8,773,770	8,249,302	7,694,696	7,424,696
Technology	1,916,705	1,916,705	1,916,705	1,916,705
Business	45,229	45,229	45,229	45,229
Business-type Activities				
Food Service	-	-	1,101,957	1,101,956
Total	235,418,150	233,291,069	225,929,333	223,044,076

Source: District Financial Records

2012	2011	2010	2009	2008	2007
201,779,181	197,631,047	196,365,203	196,984,706	191,367,260	141,420,892
7,021,798	6,950,027	6,778,232	5,802,432	5,604,270	4,697,904
48,394	48,394	48,394	48,394	48,394	48,394
7,424,696	7,371,620	6,761,030	6,517,820	6,168,661	6,073,123
1,879,589	1,879,589	1,838,890	852,318	460,045	84,380
45,229	45,229	45,229	12,589	12,589	12,589
1,101,956	1,101,956	1,070,696	1,043,007	956,916	911,111
219,300,843	215,027,862	212,907,674	211,261,265	204,618,134	153,248,394

EL PASO COUNTY SCHOOL DISTRICT 49
Operating Statistics
Last Ten Fiscal Years

	2016	2015	2014	2013
Primary Government Expenses	140,398,047	132,358,799	115,174,821	108,441,190
Enrollment, Oct 1 count	20,561	19,552	18,880	15,478
Funded Pupil Count (FPC)	21,839.3	20,222.5	18,279.3	14,572.9
Cost per FPC	6,428.69	6,545.13	6,300.83	7,441.29
Per Pupil Funding After Negative Factor	6,977.57	6,688.52	6,303.45	6,139.43
Students Qualified for Federal Assistance:				
Free Lunch Program	5,560	4,961	4,267	2,316
Reduced Lunch Program	1,556	1,345	1,404	959
ACT Average Composite score				
Falcon Virtual Academy	19.6	19.1	19.9	21.0
Falcon HS	20.2	20.1	19.9	20.0
Sand Creek HS	19.8	19.4	19.8	19.9
Vista Ridge HS	20.3	19.6	18.8	19.1
Patriot Learning Center	15.4	14.7	16.3	16.7
Goal Academy	15.4	16.1	16.3	-
Colorado Average	20.4	20.1	20.3	20.1
Dropout Rate	TBD	5.9	4.6	0.6
Graduation Rates				
Falcon Virtual Academy	TBD	91.9%	91.2%	92.3%
Falcon High School	TBD	92.1%	96.3%	94.4%
Goal Academy	TBD	30.2%	31.5%	
Patriot Learning Center	TBD	42.0%	57.4%	64.1%
Sand Creek High School	TBD	89.0%	89.8%	88.7%
Vista Ridge High School	TBD	88.1%	92.1%	94.6%
CO state	TBD	77.3%	77.3%	76.9%

2012	2011	2010	2009	2008	2007
95,914,797	103,533,372	106,550,684	112,004,016	98,547,589	80,993,652
15,063	14,708	14,398	13,616	12,783	12,256
14,283.7	14,027.8	13,698.0	12,984.3	12,221.5	11,580.5
6,714.98	7,380.59	7,778.56	8,626.11	8,063.46	6,993.97
6,137.57	6,202.47	6,872.52	6,529.78	6,279.02	5,981.42
2,145	1,813	1,827	1,314	1,176	1,019
1,027	909	887	974	808	678
-	-	-	-	-	-
19.9	20.0	20.4	19.5	19.08	19.4
18.6	18.7	19.0	18.6	19.28	18.6
19.2	19.2	19.8	-	-	-
15.8	15.0	15.7	15.3	-	-
-	-	-	-	-	-
20.0	19.9	19.4	19.6	19.4	19.1
0.7	0.9				
85.7%	66.7				
92.6%	94.7	88.8	84.7	84.2	83.9
62.4%	55.4	56.2	50.0		
91.4%	86.6	86.2	80.8	77.5	82.9
95.3%	89.1				
75.4%	73.9	72.4	74.6	73.9	75.0

COMPLIANCE SECTION

SINGLE AUDIT

EL PASO COUNTY SCHOOL DISTRICT 49
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Agriculture				
<i>Child Nutrition Cluster</i>				
Passed Through Colorado Department of Education				
School Breakfast Program	10.553	4553	\$ -	\$ 207,585
National School Lunch Program	10.555	4555		1,496,328
Summer Food Service Program for Children	10.559	4559		473
Passed Through Colorado Department of Human Services				
National School Lunch Program	10.555	4555		299,445
<i>Total Child Nutrition Cluster</i>				<u>2,003,831</u>
Total U.S. Department of Agriculture				<u>2,003,831</u>
U.S. Department of Defense				
Direct Programs				
Reserve Officer Training Corps (ROTC)	12.Unknown			<u>152,915</u>
Total Department of Defense				<u>152,915</u>
U.S. Department of Education				
Direct Programs				
Impact Aid	84.041		69,095	<u>392,529</u>
Passed Through Colorado Department of Education				
<i>Special Education Cluster</i>				
Special Education: Grants to States IDEA Part B	84.027	4027, 5027		2,465,911
Special Education: Preschool Grants	84.173	4173		<u>30,423</u>
<i>Total SPED Cluster</i>				<u>2,496,334</u>
No Child Left Behind, Title I, Part A	84.010	4010, 8010		1,197,670
Charter Schools	84.282	5282		209,936
English Language Learners, Title III, Part A	84.365	4365, 6365, 7365		67,457
Quality Teacher, Title II, Part A	84.367	4367		137,372
Race to the Top	84.412	5412		8,700
Passed through Colorado Community College System				
Vocational Education - Carl Perkins	84.048	4048		<u>66,594</u>
Total U.S. Department of Education			<u>69,095</u>	<u>4,576,592</u>
Total Federal Awards			<u>\$ 69,095</u>	<u>\$ 6,733,338</u>

See the accompanying independent auditors' report.

EL PASO COUNTY SCHOOL DISTRICT 49
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of El Paso County School District 49 under programs of the federal government for the year ended June 30, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of El Paso County School District 49, it is not intended to and does not present the financial position, changes in net assets, or cash flows of El Paso County School District 49.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in Office of Management and Budget Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Pass-through entity identifying numbers are presented where available. ROTC does not have a CFDA number, so the Federal CFDA number on the Schedule of Expenditures of Federal Awards identifies the Department followed by "Unknown".

NOTE 3 – INDIRECT COST RATE

El Paso County School District 49 has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4 – NON-CASH ASSISTANCE

During the year end June 30, 2016, El Paso County School District 49 received \$299,445 in non-cash assistance in the form of food commodities.



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Education
El Paso County School District 49

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of El Paso County School District 49, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise El Paso County School District 49's basic financial statements, and have issued our report thereon dated December 7, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered El Paso County School District 49's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of El Paso County School District 49's internal control. Accordingly, we do not express an opinion on the effectiveness of El Paso County School District 49's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency: 2016-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether El Paso County School District 49's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hoelting & Company Inc.

Colorado Springs, Colorado
December 7, 2016



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Education
El Paso County School District 49

Report on Compliance for Each Major Federal Program

We have audited El Paso County School District 49's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of El Paso County School District 49's major federal programs for the year ended June 30, 2016. El Paso County School District 49's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of El Paso County School District 49's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about El Paso County School District 49's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of El Paso County School District 49's compliance.

Opinion on Each Major Federal Program

In our opinion, El Paso County School District 49, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report on Internal Control Over Compliance

Management of El Paso County School District 49 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered El Paso County School District 49's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of El Paso County School District 49's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

El Paso County School District 49's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. El Paso County School District 49's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Hoelting & Company Inc.

Colorado Springs, Colorado
December 7, 2016

**EL PASO COUNTY SCHOOL DISTRICT 49
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016**

Section I—Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified? ☒ yes ☐ none reported

Noncompliance material to financial statements noted?

☐ yes ☒ no

Federal Awards

Internal control over major programs?

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified? ☐ yes ☒ none reported

Type of auditors' report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

☐ yes ☒ no

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

CFDA 10.553, 10.555 and 10.559
CFDA 84.010
CFDA 84.041

Child Nutrition Cluster
Title I, Part A
Impact Aid

Dollar threshold used to distinguish between type A and type B programs?

\$750,000

Auditee qualified as low-risk auditee?

☐ yes ☒ no

EL PASO COUNTY SCHOOL DISTRICT 49
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016

Section II—Financial Statement Findings

2016-001 Segregation of Duties – Wire Transfers

Criteria: Segregation of duties should be implemented throughout the accounting department. There should be proper segregation of duties ensuring that no one person has the ability to initiate, authorize and record financial transactions.

Condition: The chief business officer has the ability to initiate, authorize, and record wire transfers.

Context: This was noted during substantive testing of various cash and investment accounts.

Effect: Risk of misstatements due to error or fraud exists under this condition.

Cause: Some control procedures over segregation of duties were not implemented.

Recommendation: Management should implement proper segregation of duties by having different individuals perform authorization, initiation and recording of transactions.

Management response: Management concurs with the identified weakness in internal controls but further recognizes it as the last remnant of an old internal control style that has been continuously improved each of the last few years. The control item described herein has been adjusted as of June 2016. While the Chief Business Officer retains wire transfer rights for District accounts on bank systems, it is now only exercised when normal personnel are not available due to their absence from the work place.

Section III—Findings and Questioned Costs for Federal Awards

No findings reported.

EL PASO COUNTY SCHOOL DISTRICT 49
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2016

The Summary Schedule of Prior Audit Findings (the Summary) summarizes the status of the audit findings reported in the El Paso County School District 49 Schedule of Findings and Questioned Costs for the year ended June 30, 2015. If the prior audit finding was fully addressed, the Summary indicates that the corrective action described in the prior audit report was taken or that corrective action is no longer needed. Otherwise, the Summary references the page number of the June 30, 2016 single audit report where a repeat recommendation, description of the planned corrective action, or reason for not implementing the recommendation is presented.

<u>Finding Number</u>	<u>CFDA Number</u>	<u>Program/ Cluster Title</u>	<u>Finding</u>	<u>Status of Finding</u>
2013-001	N/A	N/A	Bank Reconciliation Procedures	Corrected
2013-002	N/A	N/A	Segregation of Duties— Journal Entries	Corrected
2014-001	N/A	N/A	Review, Reconciliation, and Closing Procedures	Corrected
2014-002	N/A	N/A	Recording non-cash transactions	Corrected

**COLORADO SCHOOL DISTRICT/BOCES AUDITORS'
DATA INTEGRITY REPORT**



**INDEPENDENT AUDITORS' REPORT ON
COLORADO SCHOOL DISTRICT/BOCES
AUDITOR'S INTEGRITY REPORT**

To the Board of Education
El Paso County School District 49

We have audited the financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of El Paso County School District 49, as of and for the year ended June 30, 2016, which collectively comprise El Paso County School District 49's basic financial statements, and our report thereon dated December 7, 2016, which expressed an unmodified opinion on those financial statement, appears as listed in the table of contents.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the El Paso County School District 49's financial statements. The accompanying *Colorado School District/BOCES, Auditor's Integrity Report* is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Hoelting & Company Inc.

Colorado Springs, Colorado
December 7, 2016



Colorado Department of Education
Auditors Integrity Report
District: 1110 - FALCON 49
Fiscal Year 2015-16
Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type &Number	Beg Fund Balance & Prior Per Adj (6880*)	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental	+		-	=
10 General Fund	20,544,958	105,648,800	105,882,759	20,311,000
18 Risk Mgmt Sub-Fund of General Fund	262,402	868,027	749,776	380,653
19 Colorado Preschool Program Fund	92,644	446,014	465,789	72,869
Sub- Total	20,900,004	106,962,842	107,098,324	20,764,521
11 Charter School Fund	10,132,033	54,734,928	47,051,977	17,814,984
20,26-29 Special Revenue Fund	0	330,443	307,566	22,877
21 Food Service Spec Revenue Fund	1,243,086	3,638,915	3,450,685	1,431,315
22 Govt Designated-Purpose Grants Fund	0	5,129,118	5,129,118	0
23 Pupil Activity Special Revenue Fund	139,825	1,118,269	924,846	333,249
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	1,175,486	1,175,486	0
31 Bond Redemption Fund	15,777,891	16,387,170	24,260,297	7,904,764
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	0	0	0	0
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	160,020	259,525	0	419,545
Totals	48,352,860	189,736,696	189,398,300	48,691,256
Proprietary				
50 Other Enterprise Funds	-3,425,004	340,569	503,295	-3,587,730
64 (63) Risk-Related Activity Fund	2,321,630	2,736,414	3,002,429	2,055,615
60,65-69 Other Internal Service Funds	0	0	0	0
Totals	-1,103,374	3,076,983	3,505,724	-1,532,115
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	7,110	23	1,000	6,133
74 Pupil Activity Agency Fund	879,125	2,053,041	2,092,341	839,825
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	886,235	2,053,064	2,093,341	845,958

FINAL

*If you have a prior period adjustment in any fund (Balance Sheet 6880), the amount of your priorperiod adjustment is added into both your ending and beginning fund balances on this report.



Cultural Compass Survey: Scope and Impact

The Cultural Compass Survey has a distinct lineage to Colorado House Bill 1254, which recommends; 1) The biennial administration of surveys to determine students' impressions of the severity of bullying in their schools, 2) Character building, 3) Designation of a team to advise the school administration concerning the severity and frequency of bullying incidents at the school, 3) Appropriate disciplinary consequences for students who bully and for those who take retaliatory action against someone who reports in good faith. The Cultural Compass Survey began as the district's HB 1254 climate survey, but demographic items and questions on harassment and discrimination were added in 2014 to honor the tenets of the Department of Justice contract. Demographic information facilitates the disaggregation of data, which reveals trends for sub-groups that might otherwise get buried by aggregated analysis.

The outcomes for the Cultural Compass Survey are relevant at building, zone, district, and state levels. The results for the cultural compass revealed that students were not sufficiently aware of the safe-to-tell program, which allows them to anonymously report unsafe situations in their schools. The latter data inspired District Security and Safety to redouble its efforts to ensure that every student in the district was aware of how to use safe-to-tell. Building staffs and administrators were critical to the district-wide safe-to-tell effort. The results also revealed the prevalence of bullying in schools, which gives the building staffs and administrators the opportunity to implement interventions that build character and decrease the bullying behavior. The survey's climate assessment for harassment and discrimination gives building administrators an opportunity to decide whether to add the outcome as a factor in the Unified Improvement Plan (UIP). The Zone Leaders receive an aggregated zone report as well as reports for their individual schools, which allows them to shape zone level intervention strategies with respect to observed trends. The Cultural Compass Survey also continues to fulfill the state's biennial requirement under HB 1254.

The 2016-17 version of the Cultural Compass Survey includes pathway items to assess student and parent preferences for current and prospective curricular offerings. These questions solicit the voices of the students and parents to assess engagement with current district portfolio offerings, which is a factor in student success and the desire to stay in school. The data could be used to validate current curricular offerings and/or to nominate new offerings for future implementation. If this data is deemed useful by district stakeholders, it will be retained for future survey administrations.

The Cultural Compass Survey was an artifact in the semi-annual and the two annual reports to the Department of Justice. The results of survey indicate the district's desire to understand and engage with the manifestations of climate. The survey demonstrates the district's desire for transparency in the light of the honoring the 2014 DOJ-D49 contract. Furthermore, an integral aspect of improving culture is the longitudinal characterization of trends and changes in climate.

Maintenance Executive Overview Briefing

Falcon School District #49

2016-12

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Categories

What will these Key Performance Indicators (KPIs) allow me to do?



maintenance

Increase maintenance staff efficiency and overall productivity, streamline workflows, improve customer engagement and satisfaction, capture and show productivity gains, and track overall health of your maintenance program



preventive

Determine success of your preventive maintenance program, transition to being more proactive, reduce backlogged work, increase life expectancy of equipment, and decrease catastrophic failures

Time Frame

Key Performance Indicators (KPIs): Past 12 Months

Trends: Past 3 Years

Total Number of Work Orders

of WOs

10,213

Total Corrective Maintenance (CM)	Total Planned Maintenance (PM)
6,773	3,440

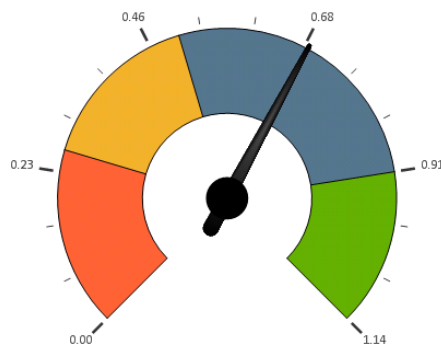
This reflects how many repairs and jobs were captured in the 12 month rolling window.



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WO's Per Enrollment Per Year

WOs Per Enrollment



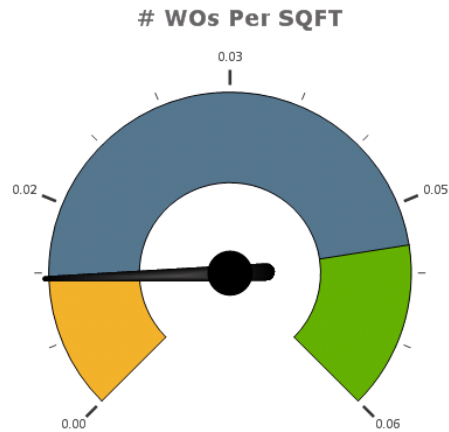
Enroll	# WOs	Your Value	Peer Category	Low 20%	Median	Top 20%
14708	10213	0.69	Public K-12	0.26	0.50	0.91

This metric is an indicator of how much work is being captured and also serves as a measurement of software utilization. Far below average can indicate you are not capturing all work being performed. Far above the average may be a sign of trying to capture too much at the risk of becoming inefficient. This metric is important because the more work is captured, cases can be stronger for justifying resources. (rolling 12 Months)



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WO's Per SQFT



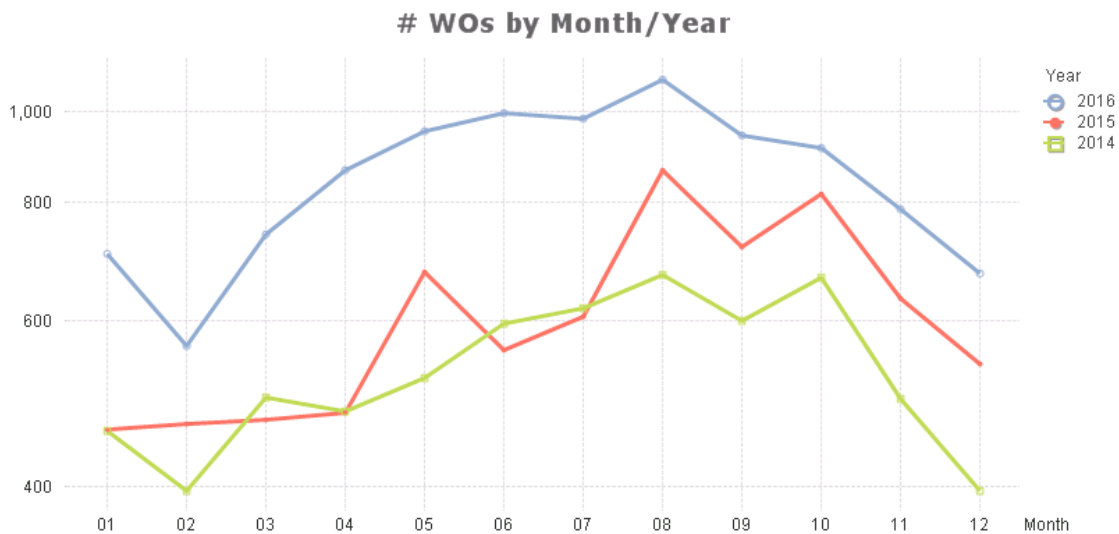
SQFT	# WOs	Your Value	Peer Category	Low 20%	Median	Top 20%
1674800	10213	0.01	Public K-12	0.01	0.01	0.05

total count of work orders for a 12 month rolling window (*this month – last 12 months*) divided by the total sum of square footage.



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Total # of WO's by Month/Year

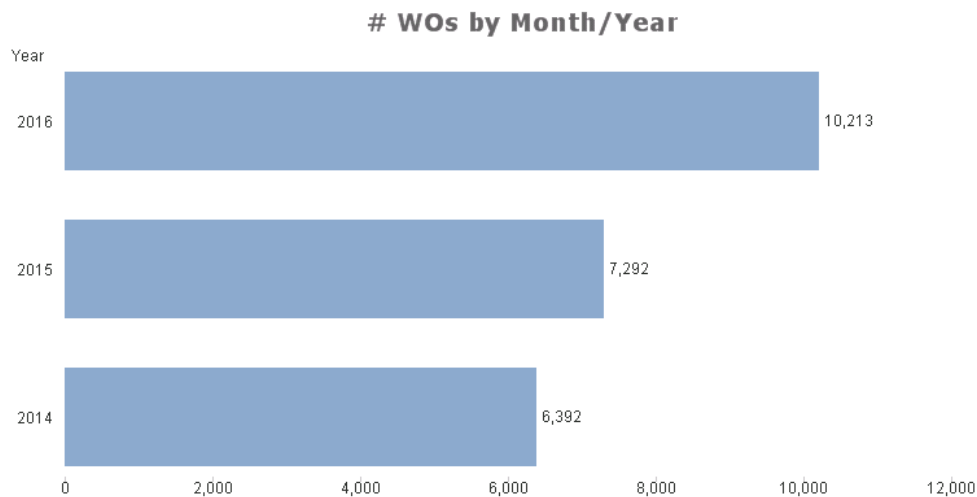


Trend: Past 3 Years based on Created Date



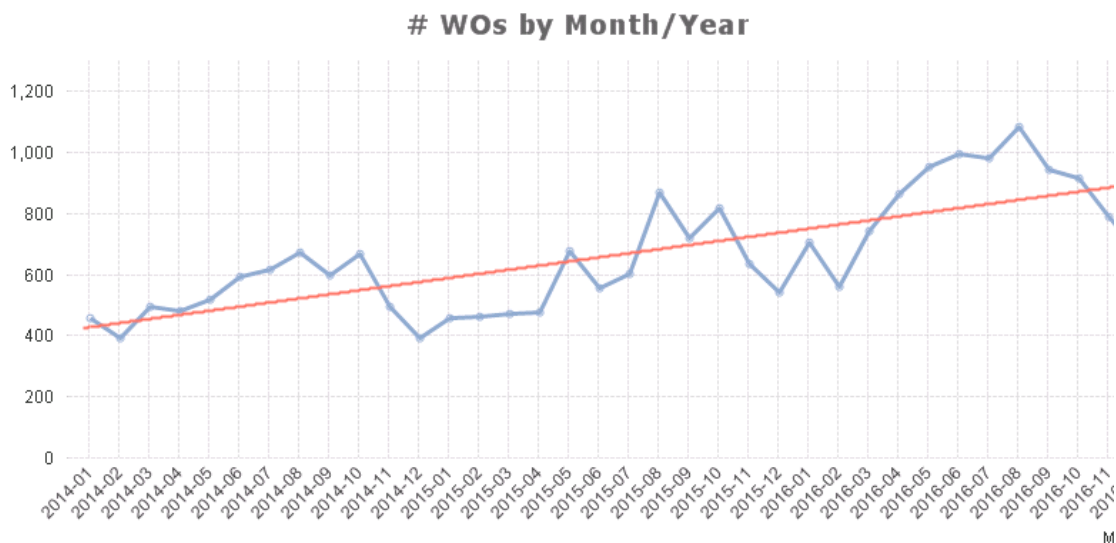
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Total # of WO's by Year



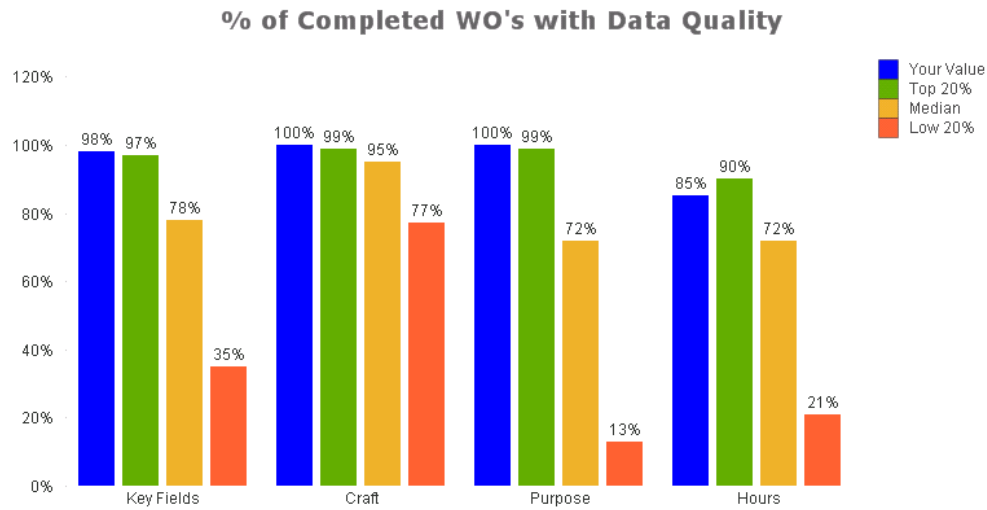
Trend: Past 3 Years based on Created Date

Total # of WO's by Year



Trend: Past 3 Years based on Created Date

% of Completed Work with Data Quality

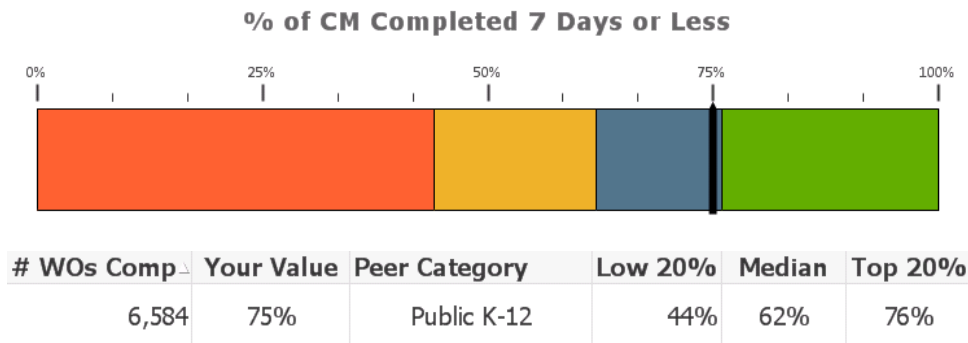


Key Fields: WO has to have 6 or the following 8 conditions: Valid Location, Valid Area/Room#, Valid Craft, Valid Purpose, Valid Assigned To, Description of at least 20 characters, Action Taken of at least 10 characters and Either Labor Hours or WO Costs. (Rolling 12 Months)



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% of WO's Completed in Less than a Week

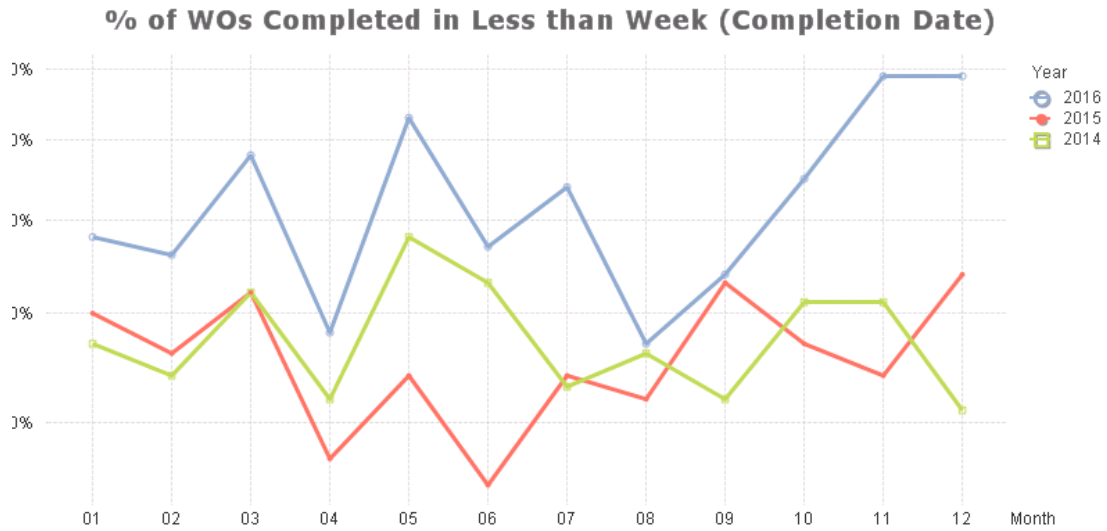


This KPI indicates of how much work an institution is able to complete in 7 calendar days. Below the national average suggests potential process improvements for managing and completing work. Above the national average could be a sign you have embraced mobile, your staff completes their own work assignments online and/or have reduced (or eliminated) paper in your processes. This compares Completion Date – Start Date (uses Request Date State Date is not used) for WO's with a Priority of Low, Med or High & ignores PM's to see what % of PM WO's are completed in 7 Days or Less. (Rolling 12 Months)



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% WO's Completed in a Week by Month/Year

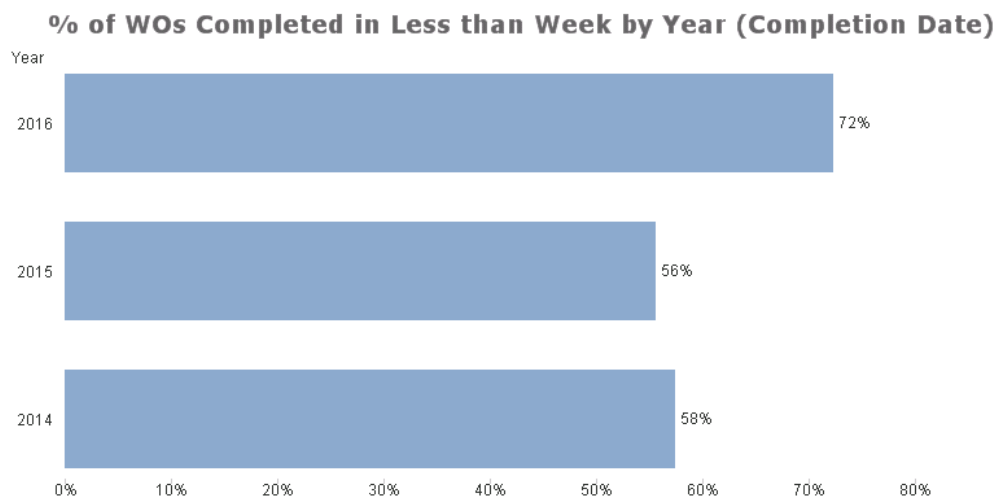


This compares Completion Date – Start Date (uses Request Date if State Date is not used) for WO's with a Priority of Low, Med or High & ignores PM's to see what % of PM WO's are completed in 7 Days or Less. (Trend: Past 3 Years based on Completion Date)



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% WO's Completed in a Week by Year

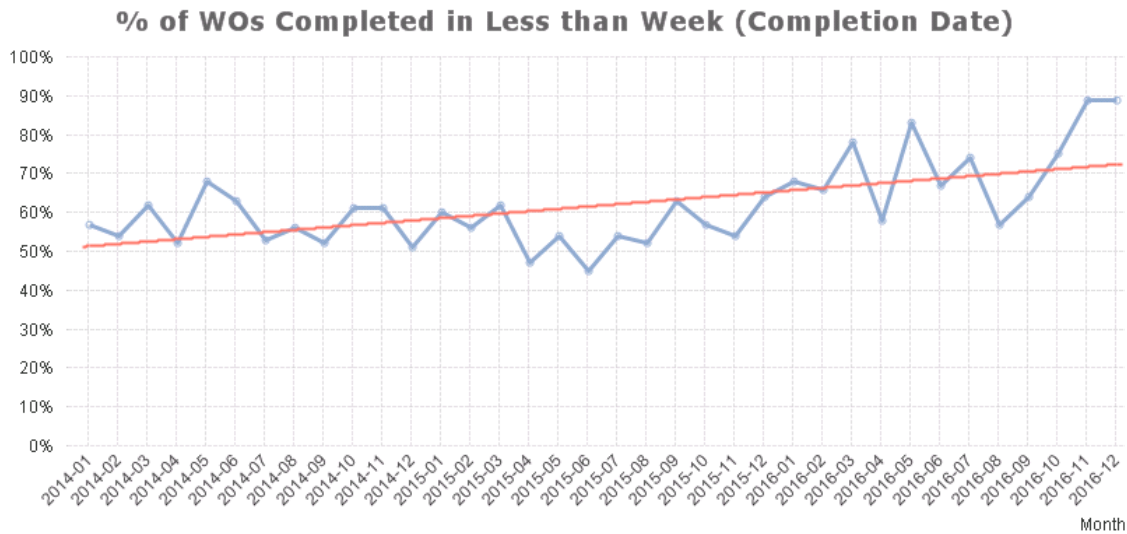


Trend: Past 3 Years based on Completion Date



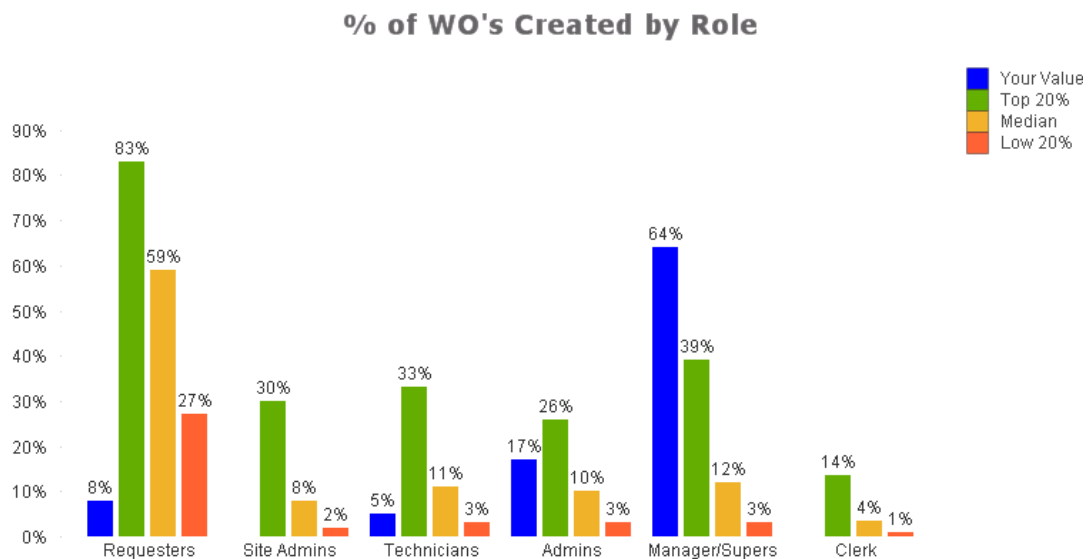
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% WO's Completed in a Week by Year



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Who Creates Work Orders?

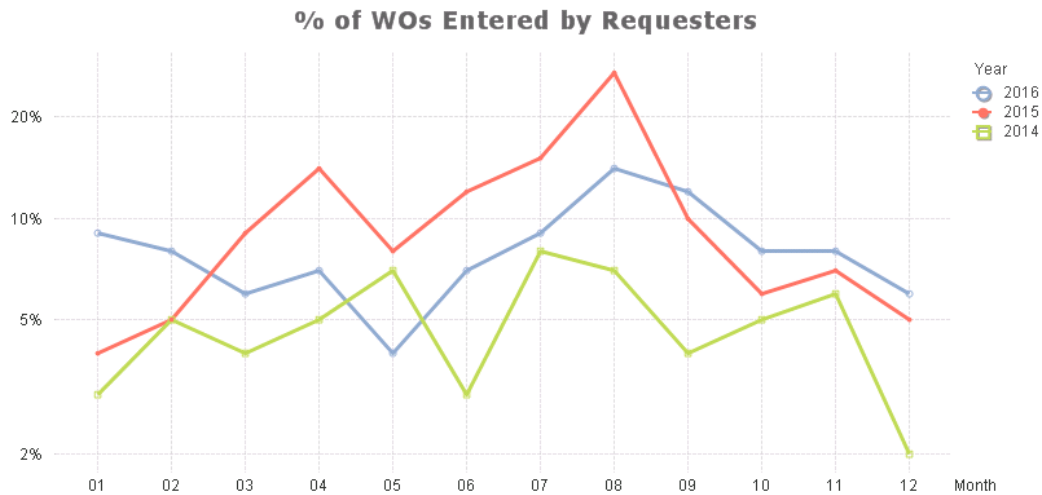


KPI: Rolling 12 Months



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% of WO's from Request Portal

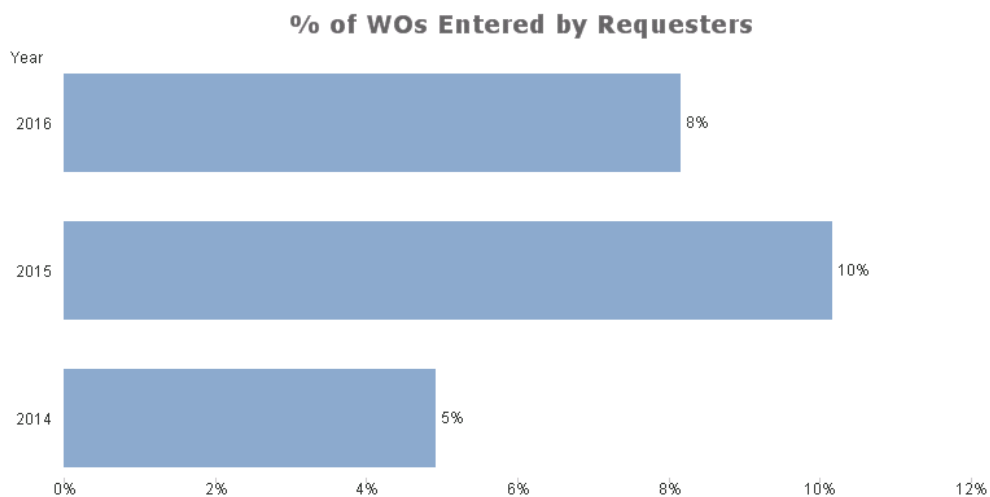


This metric measures how well you're getting your customers involved in the Request process. When customers are involved in the request to completion process with automatic email updates, customer satisfaction improves. When the requester portal is leveraged you are enhancing communication, increasing transparency, and giving customers more ownership of the process. There are also typically productivity gains as a result of streamlined work flow, decrease in cost on the admin staff and reduction in phone calls. (Trend: Past 3 Years based on Created Date)



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% of WO's from Request Portal

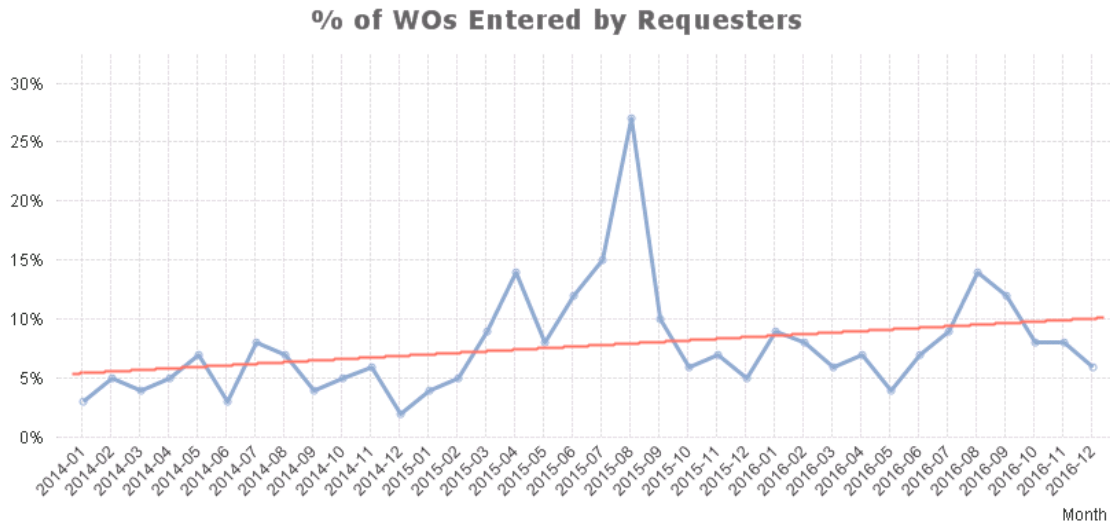


Trend: Past 3 Years based on Created Date



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% of WO's from Request Portal

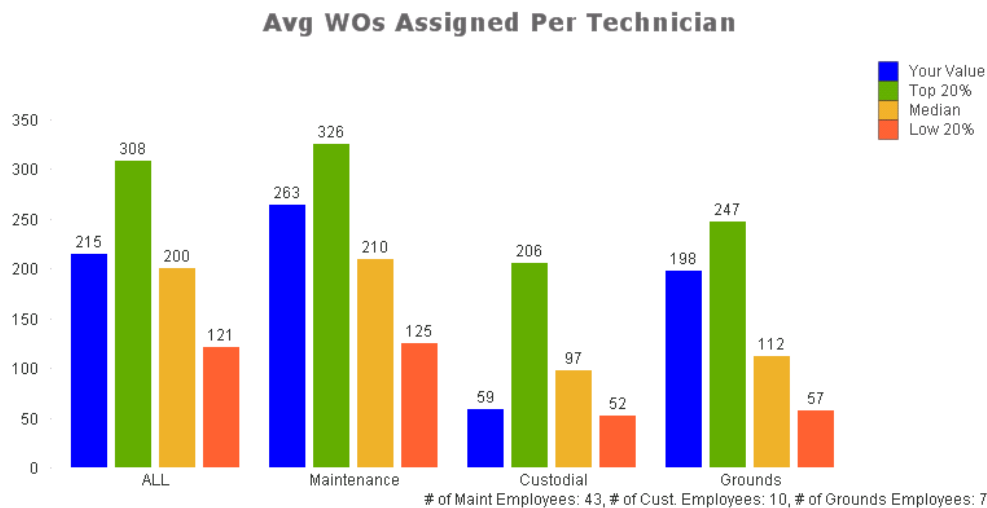


Trend: Past 3 Years based on Created Date



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Average Count of Work Orders Per Employee Per Year

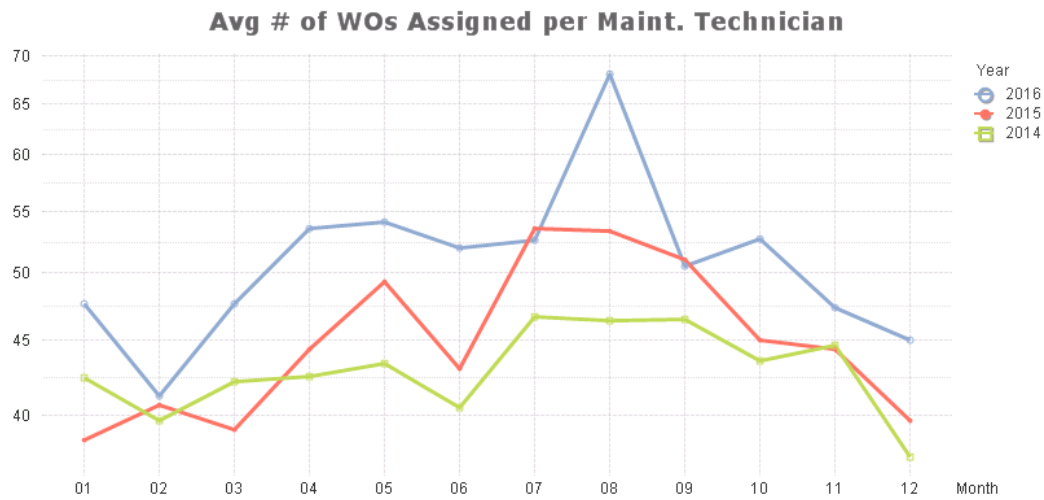


This metric gives you a direct comparison of your staff's productivity compared to peer institutions. Employees are users who have been assigned more than 30 work orders, but less than 2,000 in a rolling 12 month window.



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Avg WO's Per Technician by Month

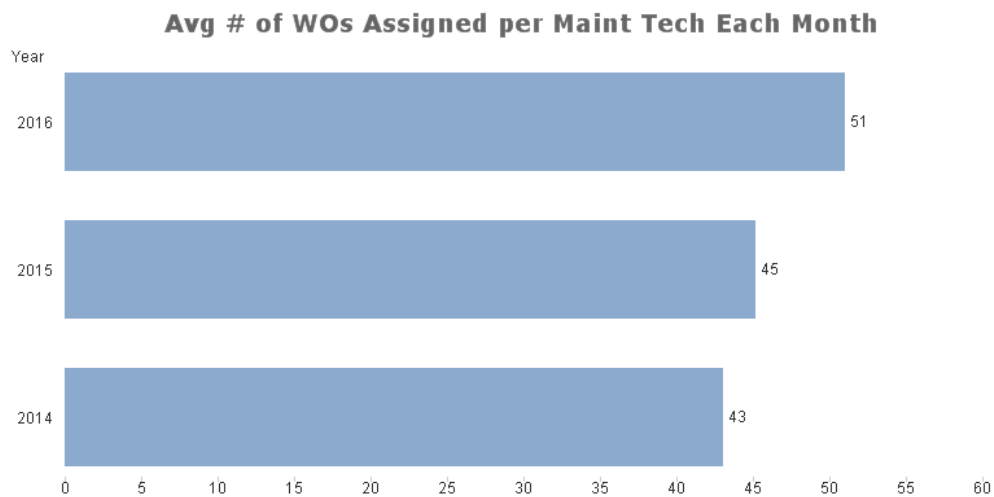


Trend: Past 3 Years based on Created Date



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Avg WO's Per Technician by Year

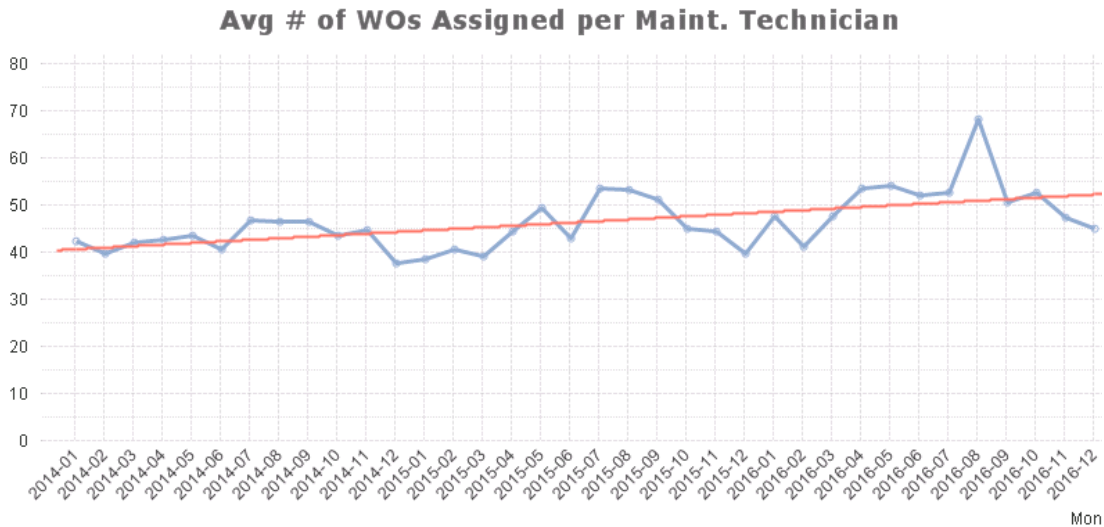


Trend: Past 3 Years based on Created Date



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Avg WO's Per Technician by Year

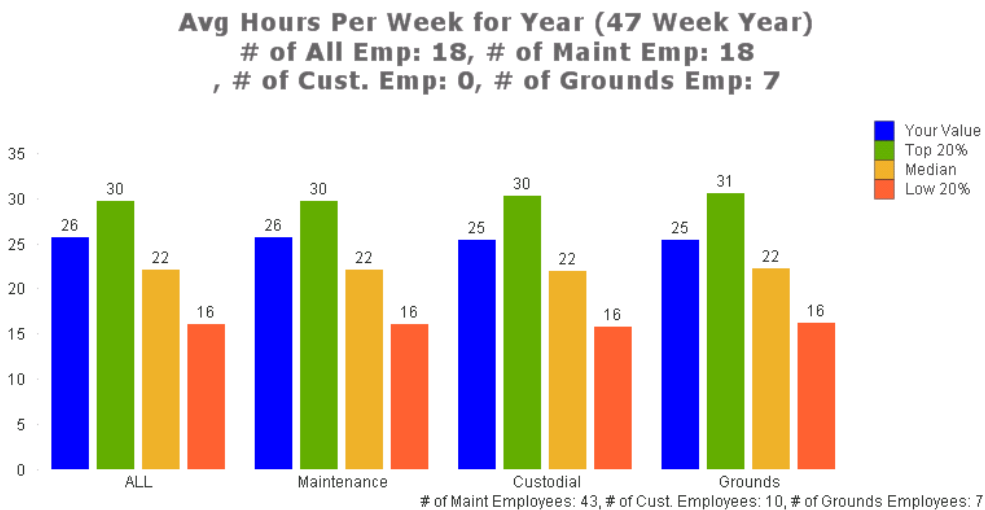


Trend: Past 3 Years based on Created Date



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Average Hours Per Employee Per Week



This metric reflects how well you are capturing labor transaction data along with the productivity of your staff. The hours captured in this metric are "wrench turning" hours that are performed on the actual work order. Institutions that implement productivity strategies increase wrench turning time up to four hours per week. That's the equivalent of saving more than a month of productive time per year. Employees are users with more than 500 hours, but less than 1000 in a rolling 12 months window.



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Total Number of PM Work Orders Generated over past 12 Months

PM WOs

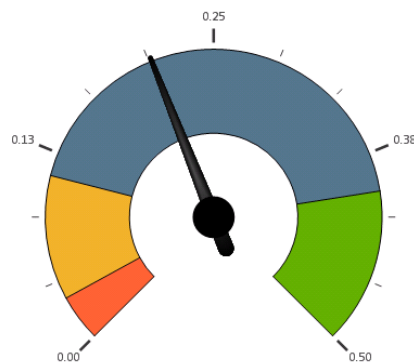
3,440



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PM WO's Per Enrollment

PM WOs Per Enrollment



Enroll	# Comp PM WOs	Your Value	Peer Category	Low 20%	Median	Top 20%
14708	3146	0.21	Public K-12	0.03	0.11	0.40

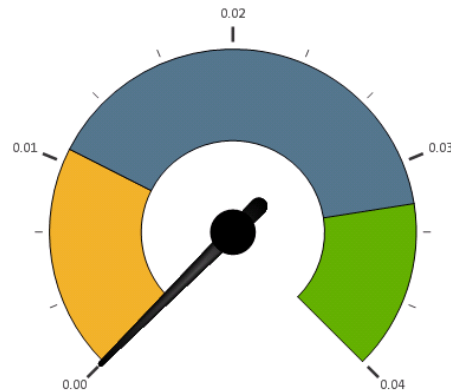
This metric is used along with the PM/WO ratio to gauge the strength of your PM program. Implementing a strong PM program typically has an ROI within 1-2 years by reducing system failures and emergencies, extending equipment life and decreasing energy consumption. Increasing PM work can also help make workers' schedules more predictable as organizations performing more PM work end see reductions in reactive work over time. (Rolling 12 Months)



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PM WO's Per SQFT

Comp. PM WOs Per SQFT



# Comp PM WOs	SQFT	Your Value	Peer Category	Low 20%	Median	Top 20%
0	1674800	0.00	Public K-12	0.01	0.01	0.03

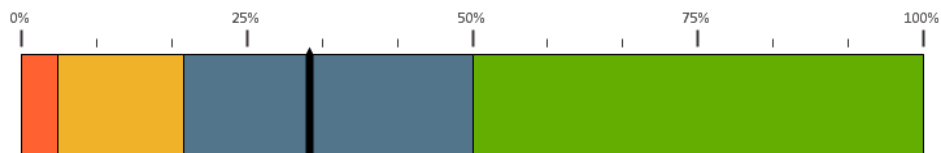
KPI: Rolling 12 Months



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Ratio of PM Work Orders to Work Orders

Ratio of Planned to Corrective Maintenance



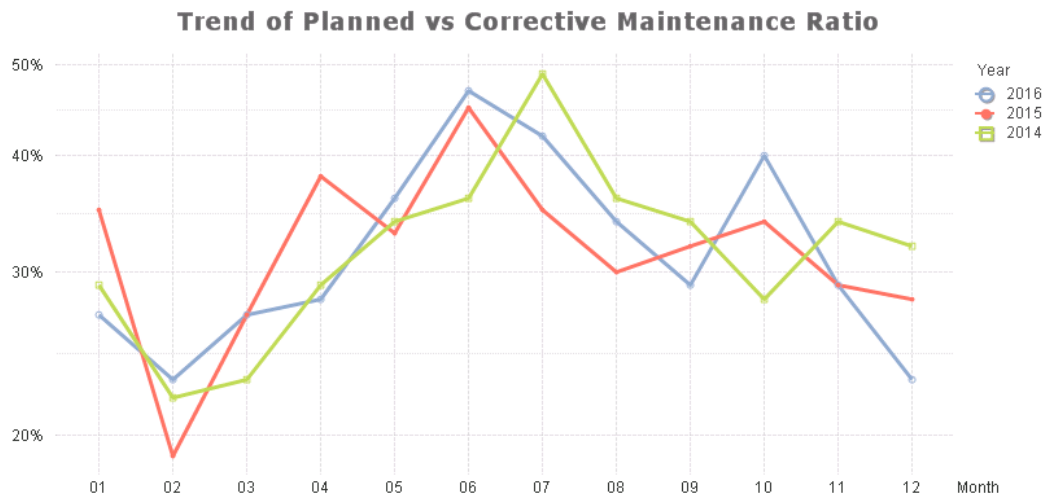
# CM WOs Comp	# PM WOs Comp	Your Value	Peer Category	Low 20%	Median	Top 20%
6584	3,146	32%	Public K-12	4%	18%	50%

This metric lets you evaluate how successful your institution has been at transitioning from a reactive to a proactive mindset and indicates how much of your M&O resources are dedicated to PM vs Reactive work. As more time is invested into PMs, you should see a decrease in reactive work, an increase in cycle times and an improved learning environment. (Rolling 12 Months)



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Ratio of PM to CM by Month

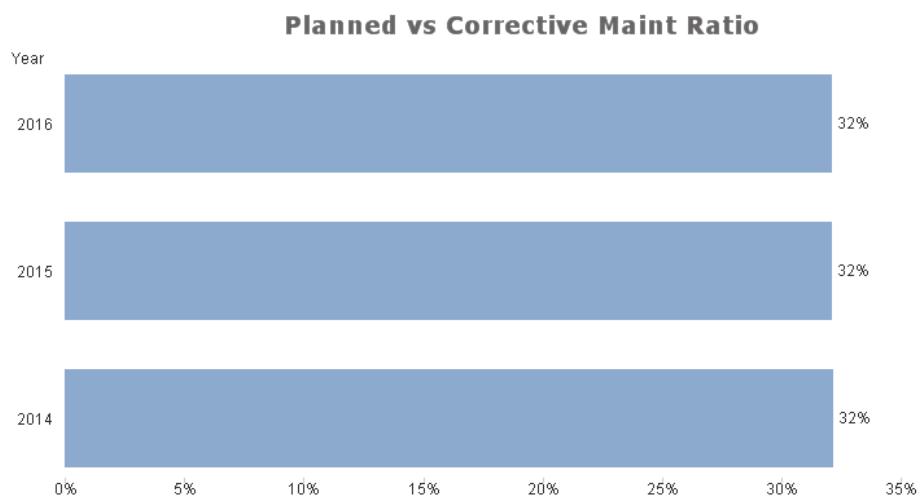


Trend: Past 3 Years based on Created Date



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Ratio of PM to CM by Year

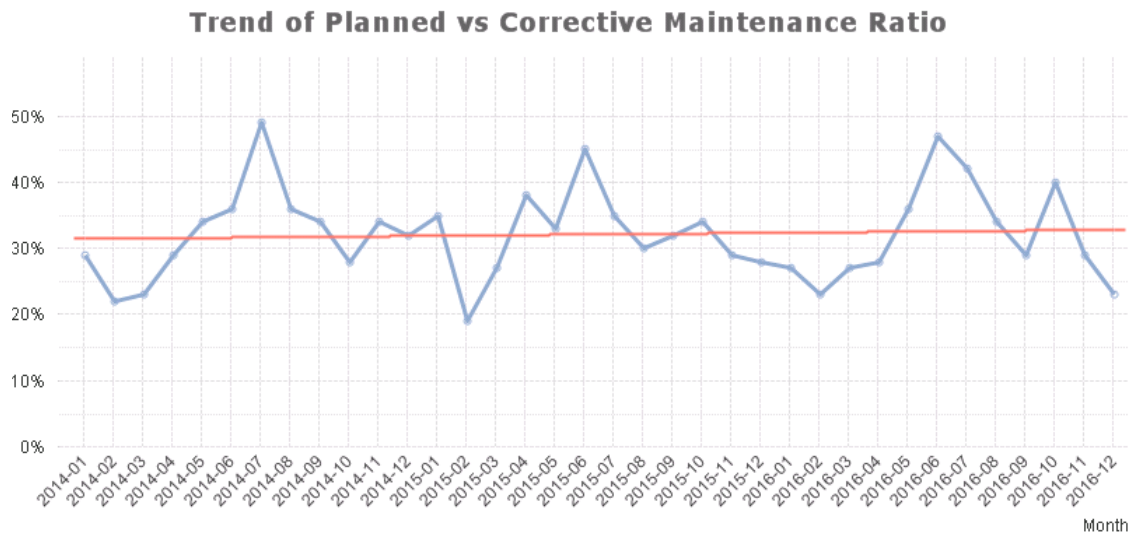


Trend: Past 3 Years based on Created Date



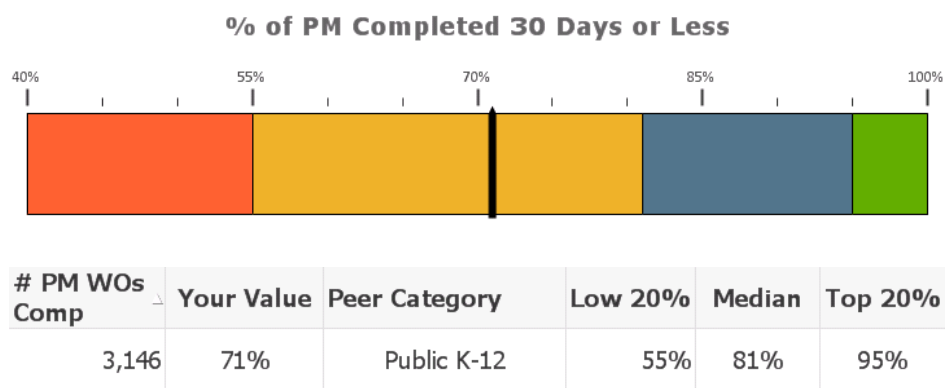
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Ratio of PM to CM by Year



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Percentage of PM WOs Completed in a Month or Less

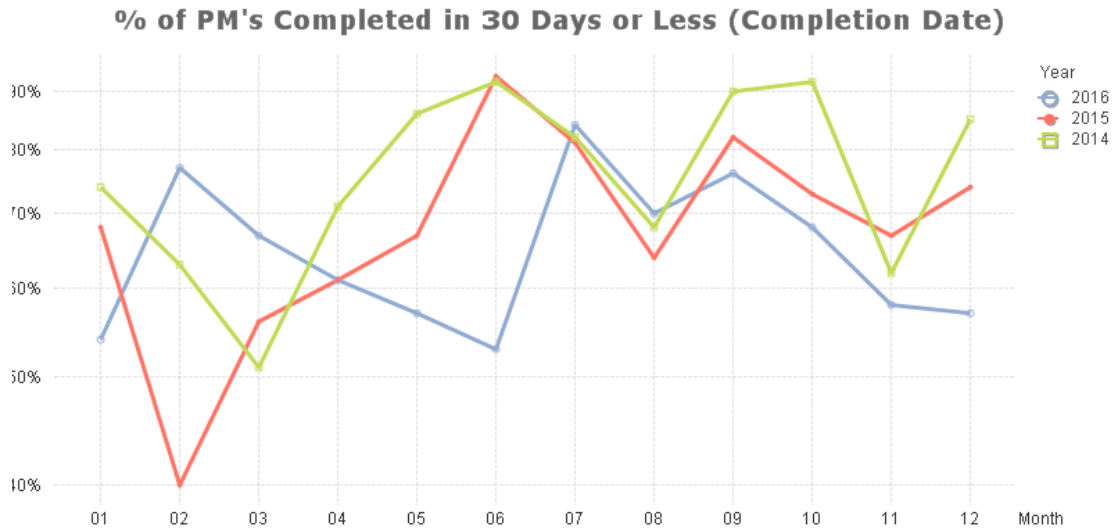


This metric is a measurement of the responsiveness of proactive work. An above average measurement here leads to higher productivity and a decrease in backlog. This compares Completion Date – Start Date (uses Request Date if State Date is not used) to see what % of PM WO's are completed in 30 Days or Less. (Rolling 12 Months)



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% of PM's Completed 30 Days or Less by Month



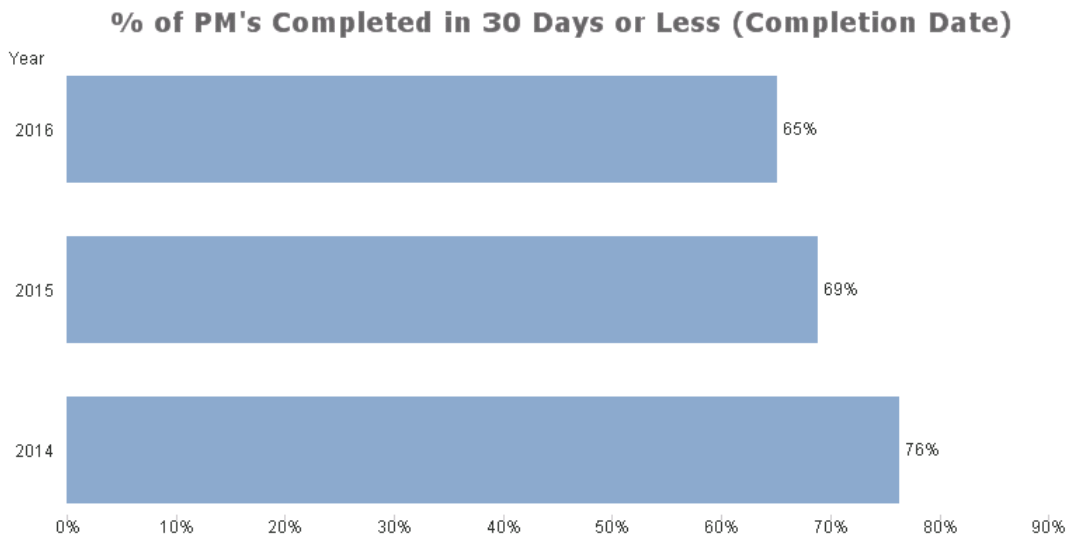
This compares Completion Date – Start Date (uses Request Date if State Date is not used) to see what % of PM WO's are completed in 30 Days or Less.

Trend: Past 3 Years based on Completion Date



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% of PM's Completed 30 Days or Less by Year

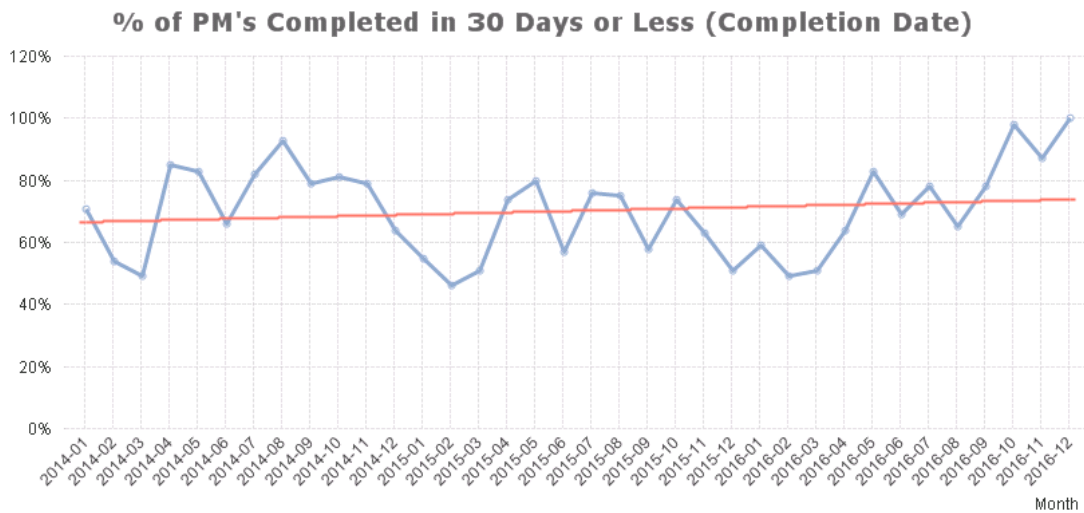


Trend: Past 3 Years based on Completion Date



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% of PM's Completed 30 Days or Less by Year



Trend: Past 3 Years based on Completion Date



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Labor Hours Spent on PM Schedules for Last Year

PM WOs

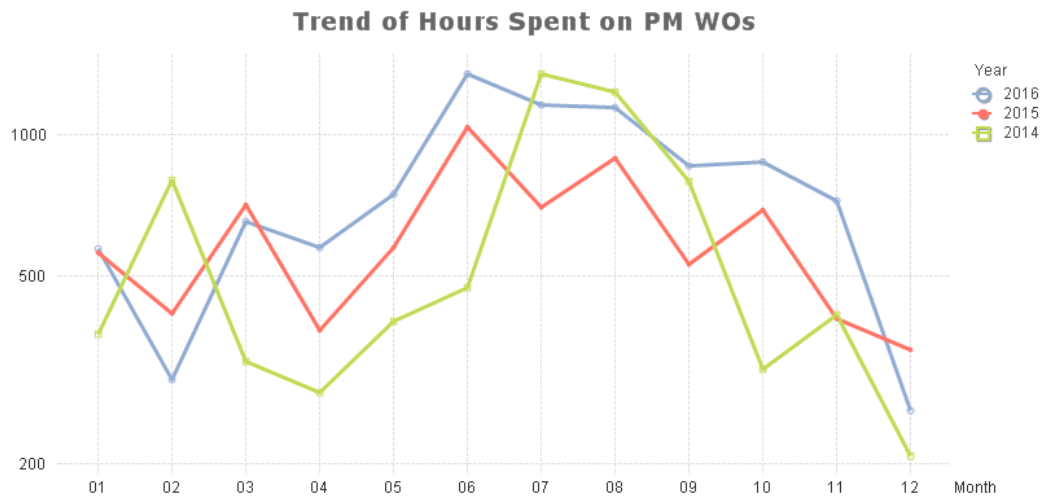
8,544

Total preventive maintenance hours spent on PM work orders over the past 12 months



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Hours Spent on PM by Month

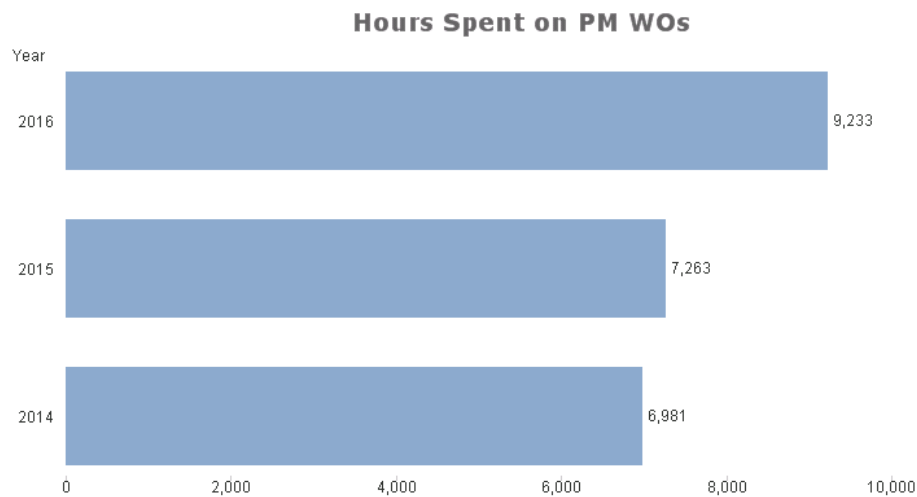


Trend: Past 3 Years based on Created Date



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Hours Spent on PM by Year

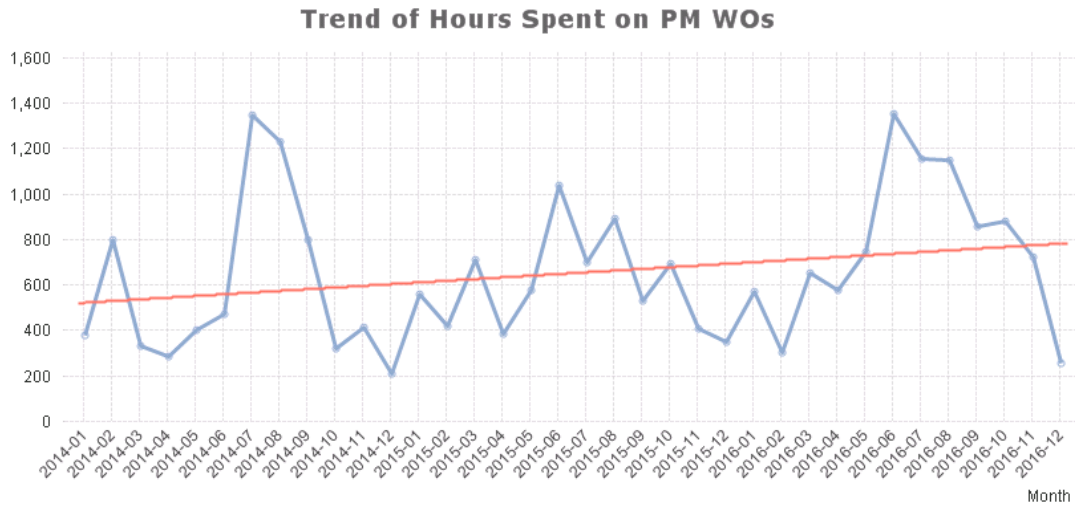


Trend: Past 3 Years based on Created Date



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Hours Spent on PM by Year



Trend: Past 3 Years based on Created Date



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PM's for Next Year

PM Schedules

Future PMs

1,693

PM Labor Hours

Future PM Hrs

984

KPI: Next 12 Months



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El Paso County School District 49 Peak Feedback Report Education Criteria

December, 2016

El Paso County School District 49

Peak Feedback Report

El Paso County School District 49's application scored in the range of 261–320 out of a possible 550 for Process Items (1.1-6.2). Organizations scoring in this range are generally described as follows:

The organization demonstrates effective, systematic approaches responsive to the overall requirements of the Criteria, but deployment may vary in some areas or work units. Key processes benefit from fact-based evaluation and improvement, and approaches are being aligned with overall organizational needs.

El Paso County School District 49's application scored in the range of 0–125 out of a possible 450 for Results Items (7.1-7.5). Organizations scoring in this range are generally described as follows:

A few results are reported responsive to the basic Criteria requirements, but they generally lack trend and comparative data.

INTRODUCTION

Congratulations for taking the RMPEX challenge! We commend you for your commitment to performance excellence and applying for the Rocky Mountain Performance Excellence Peak Award. This feedback report was prepared for your organization, following the process described in the Appendix, by members of the Board of Examiners in response to your application. This report contains the Examiners' findings: a summary of key themes of the application evaluation, a detailed listing of strengths and opportunities for improvement, and scoring information. The report contains the Examiners' observations about your organization, although it is not intended to prescribe a specific course of action. Please refer to "Preparing to Read Your Feedback Report" for further details about how to use the information contained in your feedback report.

We are eager to ensure that the comments in the report are clear to you so that you can incorporate the feedback into your planning process to continue to improve your organization. After your review of this feedback report, you may request a meeting with the team lead and RMPEX to discuss the findings. Contact RMPEX if you would like to schedule this meeting.

Thank you for your participation in the RMPEX Award process. Best wishes for continued success with your performance excellence journey.

Sincerely,
Rocky Mountain Performance Excellence

Jim Walker
Managing Director
303 893 2739

Preparing to read your feedback report . . .

Your feedback report contains RMPEX Examiners' observations based on their understanding of your organization. The Examiner team has provided comments on your organization's strengths and opportunities for improvement relative to the RMPEX Criteria. The feedback is not intended to be comprehensive or prescriptive. It will tell you where Examiners think you have important strengths to celebrate and where they think key improvement opportunities exist. The feedback will not necessarily cover every requirement of the Criteria, nor will it say specifically how you should address these opportunities. You will decide what is most important to your organization and how best to address the opportunities.

Applicant organizations understand and respond to feedback comments in different ways. To make the feedback most useful to you, we've gathered the following tips and practices from prior applicants for you to consider.

- Take a deep breath and approach your RMPEX feedback with an open mind. You applied to get the feedback. Read it, take time to digest it, and read it again.
- Especially note comments in **boldface type**. These comments indicate observations that the Examiner team found particularly important—strengths or opportunities for improvement that the team felt had substantial impact on your organization's performance practices, capabilities, or results and, therefore, had more influence on the team's scoring of that particular Item.
- You know your organization better than the Examiners know it. If the Examiners have misread your application or misunderstood information contained in the application, don't discount the whole feedback report. Consider the other comments, and focus on the most important ones.
- Celebrate your strengths and build on them to achieve world-class performance and a competitive advantage. You've worked hard and should congratulate yourselves.
- Use your strength comments as a foundation to improve the things you do well. Sharing those things you do well with the rest of your organization can speed organizational learning.
- Prioritize your opportunities for improvement. You can't do everything at once. Think about what's most important for your organization at this time, and decide which things to work on first.
- Use the feedback as input to your strategic planning process. Focus on the strengths and opportunities for improvement that have an impact on your strategic goals and objectives.

Key Themes

Process Strengths

District 49 effectively collects data and uses that data to drive performance. Using their comprehensive budgeting system, workforce plans of action that support strategic objectives are created at the zone, building and department levels. Results of a cultural compass survey are integrated with other feedback from VOC methods to support meeting customer requirements. Performance measures that align with the Big Rocks and the strategic objectives are tracked and identified using the UIP process. Findings from performance reviews are used to determine progress toward improving key performance measures and accomplishing strategic initiatives. Continued collection and use of data may accelerate accomplishment of the vision of the Big Rocks.

District 49 utilizes a systematic approach when listening to its customers. This includes multiple feedback channels such as secure chat, survey responses, board meetings and school committees. Not only does District 49 listen to current customers, but potential and past customers as well. This information is then used to create action plans, which helps support higher level UIPs. Continuing to utilize the voice of their customers may allow District 49 to better serve their customers and achieve their mission of being the best choice to Learn, Work and Lead.

District 49 has several processes that support their workforce. Employees are provided with training opportunities, which support the capability needs of the organization and are encouraged to participate in several committees throughout the district. District 49 also does a great job of focusing on the safety and security of their workforce by using designated crisis leaders who are trained to handle emergency situations. As a result, District 49 may be able to continue meeting their customer expectations for providing a good organizational culture.

District 49's values to innovate and be creative are supported by a systematic approach for stimulating innovation and determining intelligent risks. Proposals for intelligent risk are introduced to the Board of Education during both the annual retreat and during meetings/work sessions throughout the year. Performance reviews are used to determine progress toward improving key performance measures and accomplishing strategic initiatives which are converted into opportunities for innovation. Examples such as the launch of the Power Technical School, the creation of a brand identity kit, and the Bronto email system that was improved in 2015, are results of the SCCI innovation phase. Schools and Zones are involved in these processes and they use storyboarding and other methods to determine Innovation Plans that define innovations and intelligent risks. A systematic approach that includes staff and community input may assist District 49 to fulfill their mission to Learn, Work and Lead.

Process Opportunities for Improvement

Deployment of some processes is inconsistent across D49s workforce and among key suppliers and partners. Deployment was inconsistent across the workforce concerning the learning management system as some employees were not aware of the system and some that were familiar with it assumed that they received communication and training consistently, but were not certain. Many employees were also not aware of D49s mission, vision and values. Similarly, deployment is lacking for key suppliers and partners being aware of the mission, vision and values; the approaches for disaster and emergency preparedness; and how suppliers' performance is evaluated. Applying these approaches more broadly may assist D49 in meeting its strategic challenges.

Systematic approaches to several criteria requirements are missing. The approach to strategic planning is not consistently understood, leading to multiple sets of strategic objectives. Senior leader communication with volunteers is missing. There is no systematic assessment of workforce engagement. Promoting ethical behavior by the workforce may not be effective if training is only provided during new hire training. Development of effective, repeatable processes for these activities assist in achievement of its mission learn, work and lead.

D49 does not perform systematic evaluation for many processes. Examples where learning opportunities are missing include processes for governance and societal responsibility; for strategic action plan deployment, and for performance measurement, analysis and improvement. More comprehensive use of its SCCI process may accelerate progress toward becoming the best choice.

Key Themes

Results Strengths

District 49 demonstrates beneficial trends on a wide variety of results. Elementary School Literacy Proficiency rates show increases from between 50-60% in SY2011-12 to over 80% in SY2015-16. D49 gained about 5000 students over the past four years. Facebook interactions show increases in reactions, comments and shares. General Obligation Debt and Bond Debt Per Student show beneficial trends from 2011 through 2015. Continued beneficial results may help District 49 address its strategic challenge of taxpayer distrust and funding support.

D49 demonstrates some favorable comparisons to competitors. For example, in using social media, D49 receives approximately 55 Facebook likes per 100 students which is approximately 15 more likes than its closest competitor, D11. Additionally, using an ACT Score Efficiency calculation as a measure of financial efficiency against the market, D49 outperforms D11 and D20. Achievement of these results may support achievement of the vision to be the best choice.

Results Opportunities for Improvement

Unfavorable trends are observed for some results. State Assessment Percentile Rank figures show all elementary school and 1 of 3 middle school results to have dropped from 2015 to 2016. Figure 7.1-19 shows 4 of 5 high schools reporting lower ICAP completion rates in Q4 vs. Q3 and 2 high schools show Q4 rates lower than Q1 rates. No improvement is observed for My Teacher Cares. Days to fill a position (Figure 7.3-2) indicate an adverse trend with 3 of the 4 categories. These unfavorable trends may indicate a need for identification of correction action.

District 49 does not provide performance results for several areas of importance to leadership, workforce, market, financial and process requirements. Results are not presented for strengthening District 49's ethics and intelligent risk, or for student and other customer service processes. No results are provided for Business Office processes of Budgeting and Purchasing, Education Office processes of programming and instruction, Operations Office processes of Nutrition processes. With respect to the workforce, D49 reports limited workforce capacity, security, and course completion rates. Budgetary, Financial, and Market results that differ by market segments, students and other customers are also missing. To reinforce its culture of values displayed on the Compass, D49 may benefit from tracking and managing performance results in these areas.

Item 1.1 Senior Leadership		Score Range: 50-65%
Strengths		
Item Ref.	Comment	
1.1a(1)	Senior leaders set D49's vision and values through personal involvement and observable commitments to continuous improvement. As part of the SPP, Senior leaders re-present the VMV each January for community and board review. VMV development may help establish the direction for the entire organization	
1.1b(1)	Senior leaders have a well deployed, integrated approach to communicate with and engage students and key customers by video recording and archiving all Board meetings. As part of the annual cycle of continuous improvement, D49 submits materials and communication campaigns for external review by the Colorado Association of School Public Relations. D49's communication processes may lead to transparency, one of D49's values.	
1.1b(1)	Senior leaders have a well deployed approach to encourage frank, two-way communication. Communication is cascaded from senior leader meetings to zone leader meetings to building meetings. D49 has also adopted a principle of "transparency over image" as comments are not filtered or curated in service of D49's mission and culture. These communication methods may help D49 leverage its APEx team leadership.	
1.1a(3)	Senior leaders have a well-developed approach for their actions that build a successful organization now and in the future. Senior leaders have developed the APEX leadership model and in 2016 senior leaders assembled the entire workforce to share and celebrate D49's vision. These approaches may ensure that D49 can remain focused on its vision to be the best choice.	

Opportunities for Improvement		
Item Ref.	Comment	
1.1a(1)	The approach for deploying D49's vision and values to the workforce, key suppliers and partners, students, other customers and other stakeholders has not been fully developed. These groups know D49 has a compass but are not able to articulate the vision and values. Completion of this process may enable D49 to achieve its strategic objectives and goals.	
1.1b(1)	Senior leaders do not have an approach to communicate with the volunteer segment of the workforce. Senior leaders may want to improve their engagement with the volunteers by communicating with this segment.	

Item 1.2 Governance and Societal Responsibilities		Score Range: 50-65%
Strengths		
Item Ref.	Comment	
1.2a (1)	D49 has a systematic and well-deployed approach to its governance system. Board documents are available in advance online, the bi-monthly Board meetings are streamed live, Board members are elected for 4 year terms with a 2-term limit and an external independent audit is completed annually. These responsibilities may assist D49 to achieve its value of transparency.	
1.2a (2)	Performance evaluations for senior leaders are effective and well-deployed. All the chief officers have annual evaluations with the BOE and all the senior leaders have annual evaluations with their respective chief officer that are aligned with goals and objectives. D49's approach and deployment of these evaluations may assist in achieving the core value of accountability.	
1.2c (2)	D49 has a systematic approach for actively supporting and strengthening its key communities. D49 identifies and partners with key communities with their DAACs and SAACs. Boy and Girl Scout Troops hold meetings in D49 schools to promote leadership, community service and citizenship. D49 emphasizes outreach to military communities through programs such as Student-to-Student. These approaches may help D49 sustain its reputation for societal responsibility.	

Opportunities for Improvement		
Item Ref.	Comment	
1.2a, 1.2b, 1.2c	D49 does not describe cycles of learning for governance and societal responsibility processes. Improving these processes may increase D49's overall engagement.	
1.2b (2)	D49 does not have an effective approach for enabling and monitoring ethical behavior in all interactions with the workforce. Systematic ethical training occurs only for new hires. A more systematic approach may promote improvement in the strategic challenge of citizen and voter distrust.	
1.2a (2)	D49 does not evaluate the performance of the BOE. Evaluation of the BOE may increase their effectiveness.	

Item 2.1 Strategy Development		Score Range: 30-45%
Strengths		
Item Ref.	Comment	
2.1a (2)	District 49 utilizes a systematic approach for stimulating innovation and determining intelligent risks. Proposals for intelligent risk are introduced at the BOE annual planning retreat, or during BOE work sessions for consideration as demonstrated through the proposal, approval, and launch of the Power Technical School. Schools and Zones are involved in the process and they use storyboarding and other methods to determine Innovation Plans that define innovations and intelligent risks. A systematic approach that includes staff and community input may assist District 49 to fulfill their value to Innovate.	
2.1b (1)	District 49 has identified strategic objectives that are integrated into the strategic planning process. The BOE and Chiefs review and update the strategic objectives at the APR, and there is a timetable for achieving them. This approach enables District 49 to leverage their core competencies of Primary Literacy Programming and Individualized Pathways in Secondary Education.	
2.1a (4)	D49 has identified key work systems. The Business, Education and Operations Offices facilitate the accomplishment of their strategic objectives through multiple communication and collaboration methods. This unique leadership model may assist District 49 to fulfill their mission to Learn, Work and Lead.	

Opportunities for Improvement		
Item Ref.	Comment	
2.1a, 2.1a (1)	D49 does not have a well-ordered approach for strategic planning. There is not a consistent understanding of the process among senior leaders. Strategic objectives listed in Figure 2.1b(1)-2 are generated at the Annual Planning Retreat while the Chief Officers use "Plans on a Page" to generate another set of unlisted strategic objectives. A well-ordered strategic planning process may promote achievement of their vision to be The Best Choice.	
2.1a (4)	D49 does not consider core competencies when developing strategic objectives. Additionally, there is not an approach for determining future organizational core competencies and work systems. Without these approaches, District 49 may not leverage their core competency of APEx Leadership.	
2.1a (3)	Although D49 uses data from multiple sources throughout the year, there is not an approach for how this data is used in strategic planning at the APR. District 49 uses the RMPEX feedback report, but other sources of data such as budget information from the Student Based Financial Management (SBFM), Alpine Achievement Systems (AAS), Primary Literacy initiative and 49 Pathways are not used as strategic considerations. Utilizing relevant data for strategy development may assist District 49 to support their vision to be "The Best Choice".	

Item 2.2 Strategy Implementation		Score Range: 50-65%
Strengths		
Item Ref.	Comment	
2.2a, 2.2a (1)	To ensure the accomplishment of the vision of the Big Rocks, District 49 develops and deploys key action plans through Plans on a Page, UIPs and department actions plans. They utilize surveys, focus groups and both the District and School Accountability Advisory Committees to begin development of actions plans. Zone, building and department leaders develop localized strategies and short term action plans. Effective action planning may assist District 49 to archive their vision to become The Best Choice.	
2.2a (4)	District 49 provides an annual process to review workforce structures through their comprehensive budgeting system. Workforce plans of action that support strategic objectives are created at the zone, building and department levels. An effective approach for workforce plans deployed close to the operations, and integrated with the strategic objective of "building professional capability" may support their efforts in APEx Team Leadership.	
2.2a (5)	Performance measures are tracked and identified using the UIP process. The Business, Operations and Education Offices, along with the BOE track a variety of measures that align with the Big Rocks and the strategic objectives [Figure 2.1b(1)-2]. Departments meet with Chief Officers to evaluate progress and determine necessary changes. An approach to track achievements that is visible to the public may assist District 49 to meet their strategic challenges of "Taxpayer distrust and funding support and inferior reputation".	
2.2b	Senior leaders, zone leaders and building principals establish and implement modified action plans. The Business, Education and Operations Offices provide reports of modified action plans to the BOD several times per year. A systematic approach to implement the rapid execution of new plans may assist District 49 to meet their strategic advantage of investing in systems to amplify and attend to the voice of the customer.	

Opportunities for Improvement		
Item Ref.	Comment	
2.2a (3)	There is not a systematic approach to manage risks associated with the strategic action plans to ensure financial viability. District 49 has a comprehensive budgeting system intended to make financial resources responsive to the expectations of students and other customers, but fails to address a process for managing risks associated with those plans. An effective, systematic process for management of risks associated with action plans may assist District 49 in achievement of their initiatives and objectives for strategic improvement.	
2.2a, 2.2b	D49 does not have an approach for evaluating the effectiveness of action plan development and deployment processes including action plan development and implementation, resource allocation, workforce plans or action plan modification. An approach to systematically evaluate these key processes may assist District 49s' commitment to their 2016 performance excellence strategic planning priority.	

Item 3.1 Voice of the Customer		Score Range: 70-85%
Strengths		
Item Ref.	Comment	
3.1a (1)	D49 has a systematic process for listening to, interacting with, and observing students and other customers to obtain actionable information. Communication methods are listed in Figure 3.1a(1). Students interact more through Twitter while parents and other adult customers interact more through phone, email, community meetings, and live chat. The communications department trains all D49 staff on use of the communication tools/methods. The communication methods integrate well with the strategic challenge of mitigating community distrust. Active listening may assist D49 with amplifying and attend to the voice of the customer.	
3.1a (2)	D49 has an effective process for listening to potential students and other customers to obtain actionable information through Live Chat service, via the D49.org website. This allows D49 to reach out to potential students and their parents who may be considering D49. Improvements to the website and Live Chat are made by D49's IT as requested by users. The Live Chat service may strengthen D49's presence with its four key customers and provide a strategic advantage in amplifying the voice of potential customers.	
3.1b (1)	D49 has a systematic process for determining the satisfaction, dissatisfaction and engagement of students and other customers. The primary approach uses a Cultural Compass survey to solicit the dissatisfaction of all student segments. Complaints and Grievances are managed through KE, KEA and KEC processes. The survey is reviewed annually and KE, KEA, KEC processes are reviewed for effectiveness after each case. The cultural compass survey outputs are integrated with other feedback from summative assessments (SA), direct conversations, meetings, focus groups, online forums, open forum at BOE meetings and monthly SAC/DAAC meetings all of which are important to D49's listening/learning. Surveys and formal complaint/grievance processes may help ensure customer requirements are being met.	
3.1b (2)	D49 demonstrates a systematic process for obtaining information on students and other customer's satisfaction relative to other organizations/competitors. D49s uses enrollment trends between themselves and their competitors to gain insights into customer satisfaction. D49 uses social media trends to gage satisfaction between school districts with trends being reported monthly to the SLT/ELT. Exit interview information is tracked in the student information system. Choice enrollment measures may provide an indication of perceived value of their service offerings.	

Opportunities for Improvement		
Item Ref.	Comment	
3.1a (2)	There is not a systematic approach to listen to students and parents who leave D49. A systematic process may help identify improvement opportunities for key service offerings, KF and customer requirements.	

Item 3.2 Customer Engagement		Score Range: 70-85%
Strengths		
Item Ref.	Comment	
3.2a (1)	D49 has a systematic process to determine customer and market requirements for educational program and service offerings. The program and service offerings survey uses a method called "branching" to capture segmentation and trends. D49 also uses demographic data to project enrollment trends for the district. The information is reviewed by the BOE and other key leadership of D49 to help facilitate integration in future strategic planning and decisions for the district. This survey process may strengthen D49's image with the four key customer groups through listening to their requirements.	
3.2a (2)	D49 has a systematic approach to enable and support information sharing through key communication mechanisms. Information is initially shared during the enrollment process; school program information is shared via D49.org, newsletters, teacher webpages, teacher emails; district support program and policy information is shared with students and other customer segments through the Bronto email system. The Bronto email system was improved in 2015 as a result of an SCCI innovation phase providing more targeted email content (BOE votes and policies) to help drive more "click-through" rates by recipients. These methods help D49 focus on its four key customer segments and may strengthen D49's strategic advantage of transparency.	
3.2a (3)	D49 has an effective process to segment students according to their choice of programs, learning characteristics, interventions they require and mode by which they access programs and services. The 49 Pathways model is the primary approach for providing an individualized learning process for students. The Pathbuilders team reviews the effectiveness of 49Pathways through monthly meetings and forums with teachers, parents and other customers of D49. This individualized approach to service delivery and learning is a strategic initiative for D49 which allows the district to be highly innovative and flexible in program and service offerings. This may support the Big Rocks of a Portfolio of Schools and Every Student.	
3.2b (1)	D49 has an effective process for managing and enhancing its brand. The primary improvement to D49's brand came from an SCCI innovation phase in 2014 that resulted in the creation of a brand identity kit being delivered to the D49 staff. This kit standardized the school's colors, logos, fonts, nomenclature and style guides for writing, photos, and references. Given the rapid growth of D49, standardizing the brand through an identity kit may help ensure D49 presents itself internally and externally in a consistent manner strengthening D49 efforts to cultivate a positive relationship with the media, students, and other customers.	
3.2b (2)	D49 has a systematic process for grievances (KEA) and complaints (KE) from students, parents, teachers and other customers. The process is managed by the Office of Culture and Services and the HR Department. D49 has processes for managing grievances and complaints to ensure timely resolution. D49's stakeholder grievance process may strengthen D49's strategic advantage of being committed to transparency and customer requirements.	

Opportunities for Improvement	
Item Ref.	Comment
3.2b (1)	There is not a systematic process to manage the alignment of the D49 brand with zone and school branding. This may help enhance the management of the Portfolio of Schools by elevating the overall image of the district, zones and schools with students, other customers and the community.

Item 4.1 Measurement, Analysis, and Improvement of Organizational Performance		Score Range: 50-65%
Strengths		
Item Ref.	Comment	
4.1a (1)	District 49 demonstrates well-developed processes for using data and information to track daily operations and overall organizational performance. Key performance measures are created at all levels of the organization and data is collected to measure performance. This may allow District 49 to leverage its strategic advantages.	
4.1a (2)	District 49 has a systematic process for selecting and effectively using comparative data and information. An effective approach is in place for determining comparison districts in addition to its two competitor districts. District 49 also utilizes various databases across its industry for comparative data. Data and information is shared across the district in various meetings, correspondences and on its website. This may help District 49 improve its competitive position and meet its strategic challenges.	
4.1a (3)	District 49 has a systematic approach for using voice of the customer and market data and information. Actions plans to improve student-focused culture based upon survey and reporting data were incorporated into the Unified Improvement Plan in SY 14-15. This may help District 49 satisfy the regulatory requirements of having an effective UIP.	
4.1b	District 49 possesses a systematic approach for reviewing the organizations performance and capabilities. The BOE, SLT and each of the three offices hold monthly meetings to review performance and are responsible for cascading other meetings through the organization to review performance. This may help sustain and leverage its value of approaching work strategically.	
4.1c (3)	District 49 demonstrates a systematic process for using findings from performance reviews to develop opportunities for innovation. Findings from performance reviews are used to determine progress toward improving key performance measures and accomplishing strategic initiatives. These are then converted into opportunities for innovation when deemed appropriate. This may allow the district to leverage its strategic advantage of having a commitment to excellence in innovation and transformation.	

Opportunities for Improvement		
Item Ref.	Comment	
4.1	District 49 does not demonstrate systematic evaluation of its processes for performance measurement. analysis and improvement. Developing systematic evaluations may help District 49 achieve its mission.	

Item 4.2 Knowledge Management, Information and Information Technology		Score Range: 50-65%
Strengths		
Item Ref.	Comment	
4.2b (1)	D49 uses a systematic process for verifying and ensuring the quality of organizational data and information. Data checks and audits are regularly conducted by internal experts, external consultants and various government agencies. Continued use may help District 49 sustain its values of transparency and accountability.	
4.2b (2)	District 49 possesses a systematic process for ensuring the security of sensitive or privileged data and information. Regular training is provided about policies and regulations for the use of sensitive data with an expectation placed on staff to comply. All district devices are password protected and four hardware devices dedicated to network security operate in pairs for redundancy. Access to data is managed by SSMs and if provided to individuals on a need to know basis correlating to their role. This may allow District 49 to maintain compliance with its required regulations and drive customer engagement.	
4.2b (3)	District 49 has an effective process for ensuring the availability of organizational data and information. The district and all schools maintain websites and various social media platforms for use by internal and external stakeholders. Other approaches include making customers aware of data housed on the CDE website allowing public access for a variety of data for each district, and making available district performance data by request to comply with CORA. This may assist District 49 in meeting its strategic challenges.	

Opportunities for Improvement		
Item Ref.	Comment	
4.2	Evaluation and improvement is missing from most processes for managing organizational knowledge assets, information and information technology infrastructure. Without systematic evaluation of these processes District 49 may not be able to fulfill its mission.	
4.2a (1)	An approach is missing for assembling and transferring relevant knowledge for use in District 49's strategic planning process. While the use of the RMPEX feedback report may be a valuable input, D49 may consider introducing more comprehensive organizational knowledge into the planning process, as well. This missing approach may prevent District 49 from living up to its stated value of approaching work strategically.	
4.2a (1)	An approach is missing for blending and correlating data from different sources to build new knowledge. This may limit District 49's ability to leverage the precise resource management competency.	

Item 5.1 Workforce Environment		Score Range: 50-65%
Strengths		
Item Ref.	Comment	
5.1a (1)	District 49 has a well-developed approach for assessing workforce capability and capacity. This assessment occurs on an annual basis and includes zone and school leaders. The assessments focus on the skills, abilities and competencies of staff, as well as the number of employees who will be leaving a role or beginning a new role. This allows the organization to appropriately budget for changes that may be needed. In doing this, District 49 may be able to continue serving their four key customer segments appropriately.	
5.1a (2)	District 49 has a well-developed system for recruiting new employees and creating a diverse workforce. They have experienced success recruiting applicants from several states in the Mid-West and they attend local job fairs. They understand which positions are considered hard to fill and are creative in their methods for overcoming this obstacle. These methods include alternative licensure, the Troops to Teachers program and the Teacher in Residence program. By continuing these practices, they may be able to identify highly trained individuals who will help them better serve their customers.	
5.1a (4)	District 49 has a clear approach for deploying changes to their workforce in regards to capability and capacity needs. They utilize the strategic planning and budgeting process, along with detailed enrollment projections that are updated frequently to anticipate changes to the workforce. As a change, they now use budget conservatively so that when a new position or need is identified, there are funds available. This approach may allow District 49 to consistently serve their customer segments.	
5.1b (1)	District 49 has a well-developed approach to ensuring the workplace remains safe and secure. Measures are present at the school level as well as the district level. There is support from full time security employees and school resource officers as well as the District Safety Committee. The incorporation of mental health into their security assessments has provided an additional safety measure to students, staff and community members. These actions may help District 49 meet their customer expectations of a safe learning environment.	
5.1b (2)	District 49 has a well-defined approach for providing services and benefits to their staff. The benefits available to staff are affordable and designed to meet the needs of staff. Feedback is sought out directly from staff and there is a focus on remaining competitive in the regional market. When changes to the plan or carrier are needed, they utilize historical data in comparison to teacher's salaries to ensure they remain priced appropriately. These actions may allow District 49 to better achieve their mission of being the best choice to work.	

Opportunities for Improvement		
Item Ref.	Comment	
5.1a (3)	District 49 does not have a systematic approach for managing the workforce to exceed performance expectations. This is evidenced by the fact that some employees state they have not had an evaluation, and by the fact that evaluations performed by HR are not always in alignment with the evaluations that are delivered by an employee's direct supervisor. Without a more consistent approach, this may prevent District 49 from delivering on their customer requirements for staff as far as providing a productive workplace with clear expectations and necessary resources.	

Item 5.2 Workforce Engagement		Score Range: 50-65%
Strengths		
Item Ref.	Comment	
5.2a (1)	District 49 has a well-deployed organizational culture that encourages open communication, high performance and an engaged workforce. They have involved employees, parents, the BOE and the community in multiple meetings and groups and they use social contracts to ensure the cultural expectations are understood. By creating this type of work environment, District 49 may be able to better achieve their mission of being the best choice to work.	
5.2a (4)	District 49 has effectively evaluated and improved their workforce compensation, reward, recognition and incentive practices. They utilized a Teacher Compensation Task Force, which included representation from each school, to revise compensation and they provide recognition at the school level for longevity and a job well done. Continuing to have a focus on this area may allow District 49 to achieve their mission of being the best choice to work.	
5.2b (1)	District 49 has a well-developed approach for meeting the organization's needs and personal development in regards to their workforce. Each course that is considered is vetted to ensure it is valuable and meeting a need of the organization. District 49 also offers workshops to their staff and additional training that is offered both face to face and online. In doing so, District 49 may be able to better serve their students.	
5.2b (2)	District 49 has a well-developed approach for evaluating the effectiveness and efficiency of their learning and development system. Upon the completion of a course, a survey is sent to participants and the instructor to gauge their level of satisfaction. Changes are made using this feedback as well as data such as enrollment and completion rates. A cycle of learning was also identified by implementing a fee for some classes in order to improve completion rates. These actions may allow District 49 to achieve their vision of being the best choice to learn, work and lead.	

Opportunities for Improvement		
Item Ref.	Comment	
5.2a (3)	District 49 does not have a systematic approach to assess workforce engagement. Engagement has been measured in some departments in previous years, but not all. As a result, District 49 may have difficulty maintaining high levels of workforce engagement.	
5.2b (1)	District 49 has not fully deployed the learning management system to its workforce. Several employees were not familiar with the Aha! Network and had never used it personally. When training courses are communicated to staff, it may not reach everyone in the intended audience. As a result, District 49 may have difficulty gauging whether or not their learning system is effective and will meet their capability needs. This may prevent District 49 from meeting their customer requirements for staff to provide a productive workplace with clear expectations and necessary resources.	

6.1 Work Processes		Score Range: 30-45%
Strengths		
Item Ref.	Comment	
6.1a (1)	D49 has identified key work processes for each of the three offices in its organizational structure. For example, the business office includes planning and budgeting, the education office includes instruction, and the operations office includes transportation. Finding consensus on which are the most important internal value-creation processes, may allow for collaboration among leadership, the rest of the workforce, partners, and customers to identify factors for consideration in work process design and achieve the mission to be The Best Choice.	
6.1b (2)	D49 has identified key support processes. For example, data analysis, performance reviews, and professional development are listed. Finding consensus across the breadth and depth of the organization on which processes support the value-creation processes, may allow for collaboration among leadership, the rest of the workforce, and partners to both identify internal requirements and coordinate such so as to ensure efficient and effective linkage and performance.	

Opportunities for Improvement		
Item Ref.	Comment	
6.1a (1)	D49 does not have a systematic approach to determine work process requirements as the methods and measures for this discovery are not well-defined. For example, teachers express frustration that changes are made to programming and/or assessment without their input and due consideration of impacts. Maturing the repeatability and data reliability of the first step in designing the most important internal value-creation processes may ensure that they leverage core competencies and deliver success relative to competitors.	
6.1a (2)	D49 has the beginning of a systematic approach to design work processes to meet requirements in its outline of the Plan-on-a-Page method. Defining when and how to use this method as well as measures for such may mature linking stakeholders to requirements and leveraging organizational knowledge with the outcome of re-enforcing the value of taking creative and innovative risks.	
6.1b (2)	D49 does not have a systematic approach to determine key support processes. For example, some stakeholders believe that any process that doesn't create a direct interface with students is a support process while others feel that each office, direct student interfaces notwithstanding, has key work processes in addition to support processes. Clearly defining those methods and measures to identify the key processes which align in support of work processes may reinforce the value each workforce member contributes, strengthening the Culture Compass.	
6.1b (3)	D49s deployment of its approach to improve work processes with its introduction of the SCCI as a process improvement tool similar to PDSA methodology is incomplete. Clearly documenting and widely disseminating the methods and measures of this approach may reduce variability in student learning results and strengthen workforce operationalizing the mission to learn-work-lead.	

Item 6.2 Operational Effectiveness		Score Range: 50-65%
Strengths		
Item Ref.	Comment	
6.2b	District 49 has a systematic approach to manage the supply chain. The use of a qualification-based selection matrix process to select strategic partners, competitive bids, key requirements placed in supplier contracts, and performance reviews are repeatable activities. Since this approach is based on reliable data, it may enable maintaining effective work systems to produce programs and services, deliver them to students, and succeed in your market.	
6.2c (1)	District 49 has a systematic approach to provide a safe operating environment. The use of a District Safety Committee, specified disaster and threat procedures, the Safe2Tell model, a safety and compliance officer, facility visitor and staff access controls, a surveillance camera program, and front office panic buttons are well-defined, repeatable activities. Having this mix of strategic and tactical pieces to the approach may boost capabilities to measure and analyze the organizations safety performance.	

Opportunities for Improvement		
Item Ref.	Comment	
6.2a	D49 does not have a systematic process to incorporate efficiency and effectiveness factors into work processes. Adding financial performance indicators that include cycle time and productivity across all organizational units and at all organizational levels may boost workforce engagement via transparency and thereby strengthen the precise resource management core competency.	
6.2b	D49's deployment of its approach to measure and evaluate suppliers' performance and provide feedback to help them improve is incomplete. While there is two-way communication with partners like CDE, Pikes Peak Community College, and Schoology, there is not the same with all Charter Schools, Falcon Education Foundation, or myON. Applying these approaches more broadly may improve strategic decision-making about work systems.	
6.2c (1)	D49s safety system does not have a systematic approach to address root-cause analysis of failures. While after the emergency has been mitigated, the building-level School Safety Team is reconvened to discuss OFIs, this evaluation method is not applied to safety failures. Applying this approach more broadly and deeply may communicate clearly that the organization strongly values people recognizing that an engaged workforce must have a safe and trusting environment.	
6.2c (2)	District 49's deployment of its approach to ensure that it is prepared for disasters or emergencies is incomplete. The preparedness system does not take into account the organizations reliance on suppliers and partners including nutrition and transportation services. Incorporating critical suppliers into the identified planning, testing, and analysis may result in more comprehensively managing uncertainty across the entire supply chain environment, thereby ensuring optimal continuity of operations and recovery.	

Item 7.1 Student Learning and Process Results		Score Range: 10-25%
Strengths		
Item Ref.	Comment	
7.1a	Favorable trends are observed for some student learning outcomes. Elementary School Literacy Proficiency rates (Figures 7.1-1, 7.1-2, and additional DIBELS graphs) show increases in beginning of year scores in SY2016-17 for all grades except 3rd. Career Technical enrollment and completion rates (Figures 7.1-9 and -10) have increased over the past four years. Continued improvement in these outcomes may contribute to attainment of the vision to be best choice.	
7.1b (1)	Short term favorable trends are observed for some work process effectiveness results. Work Order Completion (Figure 7.1-21) shows work orders completed in less than one week to have increased over the past 6 months. Average number of days for nutrition service ticket resolution has decreased from over 4 to less than 3 between 2/16 and 7/16. Continued improvement in work process effectiveness may sustain the core competence of precise resource management.	

Opportunities for Improvement		
Item Ref.	Comment	
7.1a	Most student learning outcomes show unfavorable trends. For example, State Assessment Percentile Rank graphs (Figures 7.1-3 through 7.1-8) show all elementary school and 1 of 3 middle school results to have dropped from 2015 to 2016. Additionally, Dropout Rates have increased from 2014 to 2015 and Graduation Rates (Figures 7.1-13, 7.1.-14) have fallen over the same time period. Improved performance in the early grades may improve dropout and graduation rates to promote correction of the strategic challenge of graduate readiness.	
7.1a	Work process effectiveness outcomes for the high school segment show unfavorable trends. Figure 7.1-19 shows 4 of 5 high schools reporting lower ICAP completion rates in Q4 vs. Q3 and 2 high schools show Q4 rates having fallen below their Q1 rates. Improved completion rates may correct the strategic challenge of divergent academic expectation.	
7.1a, 7.1b (1)	No results are provided for student and other customer service processes. Additionally, no results are provided for Business Office processes of Budgeting and Purchasing, Education Office processes of programming and instruction, Operations Office processes of Nutrition processes. Measuring such services may inform the organization on how responsiveness to students' and other customers' expectations.	
7.1a	For across the board student learning outcomes, as represented by State Assessment graphs (Figures 7.1-3 through 7.1-8), D49 is performing below one of two competitors (D20) as well as in most figures performing in the middle or bottom half of the comparator range (ComDex). Improved competitive positioning may mitigate a net loss of students to D20.	

Item 7.2 Customer-Focused Results		Score Range: 30-45%
Strengths		
Item Ref.	Comment	
7.2a (1), 7.2a (2)	Favorable trends are demonstrated for some student satisfaction and dissatisfaction results. D49's choice enrollment (Figure 7.2-2) has had a favorable trend, even when the effect of adding Goal Academy in SY13-14 is discounted. Dissatisfaction with communication has decreased (Figures 7.2-4, -5, and -6) between 2014 and 2016. Further improvement in customer satisfaction and dissatisfaction may promote achievement of the vision to be the best choice.	
7.2a (1), 7.2a (2)	Favorable trends are demonstrated for some engagement results. Trends for Figure 7.2-11 have shown breakthrough results for total use of the D49.org website. Trends for Figure 7.2-12, Facebook interactions, indicate favorable breakthrough trends for the reactions, comments and shares. D49 receives approximately 55 Facebook likes per 100 students which is approximately 15 more likes than its closest competitor, D11. These measures may support D49's objective to provide enhanced forms of communications.	

Opportunities for Improvement		
Item Ref.	Comment	
7.2a (1), 7.2a (2)	D49 does not provide segmentation data for several of its results. Examples are figures 7.2-2, 7.2-4, 7.2-5, 7.2-6. Segmented data may identify opportunities for improvement.	
7.2a (1), 7.2a (2)	An unfavorable flat trend is observed my Teacher Cares in Figure 7.2-7. This could have an adverse impact on the strategic priority of Customer Relations and learning atmosphere.	
7.2a (1)	D49 does not provide measurements of its engagement measures of event participation and truancy rates. Regular reporting of these measures, segmented by educational program and service offerings, student and other customer groups, and market segments may identify opportunities for engagement improvement.	
7.2a (1)	D49 does not provide outcomes of several of its satisfaction/dissatisfaction measurement processes. Examples include the stakeholder grievance process, informal reports (social media) of satisfaction, LiveChat information, and Safe2Tell. Aggregating and reviewing information from these various sources may assist in improving customer satisfaction.	

Item 7.3 Workforce-Focused Results		Score Range: 10-25%
Strengths		
Item Ref.	Comment	
7.3a (3)	Results in Figure 7.3-5 show a beneficial trend over the last 3 years in regards to being a great place to learn. As a result, this may allow District 49 to better serve one of their key customers and achieve part of their mission.	
7.3a (1)	Figure 7.3-1 shows good levels being reported and sustained for workforce capability. Ensuring teachers are highly qualified may help District 49 maintain or improve the educational demographics of their workforce.	

Opportunities for Improvement		
Item Ref.	Comment	
7.3a (1)	Figure 7.3-2 shows the results for days to fill a position. These results indicate an adverse trend with 3 of the 4 categories. Having a lengthy time to fill may prevent District 49 from offering key educational programs and service offerings in a consistent manner.	
7.3a (1)	The results for average length of service (Figure 7.3-4) appears to have a relatively flat or unsteady trend. Allowing the trend to continue or decrease may prevent District 49 from achieving their mission of being the best choice to work.	
7.3a (3)	Although District 49 provides results for workforce longevity, there are no results indicating emotional and intellectual commitment in regards to engagement. This may prevent District 49 from being competitive in their market.	
7.3a	Results are missing for the areas of workforce capacity, security, and course completion rates. Results that are present are not segmented to include diversity. Providing results for these additional areas may help District 49 better achieve their mission.	

Item 7.4 Leadership and Governance Results		Score Range: 10-25%
Strengths		
Item Ref.	Comment	100
7.4a (1)	The trend for click-thru rate has been favorable since 2013 as shown in Figure 7.4-1. These results may help increase D49s strategic advantage of a community of collaboration.	

Opportunities for Improvement		
Item Ref.	Comment	
7.4a (3)	Results are not presented for meeting and surpassing legal and regulatory requirements. Measurements of these factors may assist in minimizing strategic challenges such as community disengagement.	
7.4a (1)	Results in Figures 7.4-2, 7.4-3 and 7.4-4 are mixed. Results are below target but show one year of a beneficial trend. More beneficial results may identify opportunities to strengthen D49s mission, vision and values.	
7.4b	Results are missing for taking intelligent risks. Measurements of these factors may provide opportunities for D49 to support its value and strategic advantage of innovation.	
7.4a (4)	Results are missing for ethical behavior. Measurements of these factors may provide opportunities for D49 to address their strategic challenge of citizen and voter distrust.	

Item 7.5 Budgetary, Financial and Market Results		Score Range: 10-25%
Strengths		
Item Ref.	Comment	
7.5a (1)	Financial results (Figure 7.5-1) indicate District 49 is addressing its strategic advantage of fiscal efficiency. The five-point financial performance melded rate is 98.82 percent which is .43 percent off the precision window midpoint. For the last two years, all five points hit within the window, and show a positive trend. Excellent financial results may promote D49 sustainability.	
7.5a (1)	Figures 7.5-2 (General Obligation Debt) and 7.5-3(Bond Debt Per Student) show positive trends from 2011 through 2015. D49 is also outperforming their competitors which may assist them to meet the strategic challenge of Taxpayer distrust and funding support.	
7.5a (2)	Market performance, through ACT Score Efficiency, indicates progress towards their strategic advantage to "invest in systems that amplify and attend the voice of the customer". District 49 outperforms D11 and D20, and shows a positive trend over the past two years (Figure 7.5-4).	

Opportunities for Improvement		
Item Ref.	Comment	
7.5a	District 49 is missing cost containment results; and Budgetary, Financial, and Market results that differ by market segments, students and other customers. Key financial results may assist D49 in navigating as the fastest-growing district in Colorado with an enrollment of nearly 21,000 students ranks third largest in El Paso County (EPC) and 13th in Colorado.	
7.5a (2)	Results for market share or position, market share growth, and new markets entered are missing. Results that demonstrate marketplace achievements may enable District 49 to support their strategic priority of a "Firm Foundation".	

Appendix: Evaluation Process

APPLICATION REVIEW

Stage 1—Independent Review

The application evaluation process begins with Stage 1, the independent review, in which members of the Board of Examiners are assigned to each of the applications. Assignments are made according to the Examiners' areas of expertise and to avoid potential conflicts of interest. Each application is evaluated independently by Examiners who identify the applicant's strengths and opportunities for improvement by determining how well the applicant's responses address the criteria requirements and the applicant's key factors. A scoring system is used to assign a numeric value for the results of this evaluation.

Stage 2—Consensus Review

In this stage, the Examiners, led by a Team Leader, conduct a series of conference calls or meetings to reach consensus on comments that capture the team's collective view of the applicant's strengths and opportunities for improvement. Additionally, the team decides on a score for each Item and identifies the issues to clarify and verify at a site visit. The team documents its comments, scores, and site visit issues in a consensus scorebook.

Stage 3—Site Visit Review

A site visit is conducted to clarify any uncertainty or confusion the Examiners had regarding the written application and to verify that the information in the application is correct. After the site visit is completed, the team of Examiners prepares a final site visit scorebook.







JUDGING PROCESS







Applications, consensus scorebooks, and site visit scorebooks for all applicants are forwarded to the Panel of Judges, which makes final recommendations on which applicants should receive an Award. The Judges' decision is based on a documented RMPEX standard concerning the overall excellence of the applicant and the appropriateness of the applicant as a regional role model.

Judges do not participate in discussions or vote on applications in which they have a competing or conflicting interest or in which they have a private or special interest. All conflicts are reviewed and discussed so that Judges are aware of their own and others' limitations on access to information and participation in discussions and voting.

SCORING

The scoring system used to score each Item is designed to facilitate feedback. The Scoring Guidelines are based on (1) evidence that effective approaches are in place, (2) the depth and breadth of deployment, (3) evidence of evaluation and improvement of approaches, and (4) the alignment and integration of the approaches.

SCORE	PROCESS (For use with categories 1–6)
<p>90-100%</p>  <p>Peak Performance</p>	<ul style="list-style-type: none"> • An EFFECTIVE, SYSTEMATIC APPROACH, fully responsive to the MULTIPLE REQUIREMENTS of the item, is evident. (A) • The APPROACH is fully DEPLOYED without significant weaknesses or gaps in any areas or work units. (D) • Fact-based, SYSTEMATIC evaluation and improvement and organizational LEARNING through INNOVATION are KEY organization-wide tools; refinement and INNOVATION, backed by ANALYSIS and sharing, are evident throughout the organization. (L) • The APPROACH is well INTEGRATED with your current and future organizational needs as identified in response to the Organizational Profile and other process items. (I)
<p>70-85%</p>  <p>Mixed Timberline and Peak Performance</p>	<ul style="list-style-type: none"> • An EFFECTIVE, SYSTEMATIC APPROACH, responsive to the MULTIPLE REQUIREMENTS of the item, is evident. (A) • The APPROACH is well DEPLOYED, with no significant gaps. (D) • Fact-based, SYSTEMATIC evaluation and improvement and organizational LEARNING, including INNOVATION, are KEY management tools; there is clear evidence of refinement as a result of organizational-level ANALYSIS and sharing. (L) • The APPROACH is INTEGRATED with your current and future organizational needs as identified in response to the Organizational Profile and other process items. (I)
<p>50-65%</p>  <p>Timberline Performance</p>	<ul style="list-style-type: none"> • An EFFECTIVE, SYSTEMATIC APPROACH, responsive to the OVERALL REQUIREMENTS of the item, is evident. (A) • The APPROACH is well DEPLOYED, although DEPLOYMENT may vary in some areas or work units. (D) • A fact-based, SYSTEMATIC evaluation and improvement PROCESS and some organizational LEARNING, including INNOVATION, are in place for improving the efficiency and EFFECTIVENESS of KEY PROCESSES. (L) • The APPROACH is ALIGNED with your overall organizational needs as identified in response to the Organizational Profile and other process items. (I)
<p>30-45%</p>  <p>Mixed Foothills and Timberline Performance</p>	<ul style="list-style-type: none"> • An EFFECTIVE, SYSTEMATIC APPROACH, responsive to the BASIC REQUIREMENTS of the item, is evident. (A) • The APPROACH is DEPLOYED, although some areas or work units are in early stages of DEPLOYMENT. (D) • The beginning of a SYSTEMATIC APPROACH to evaluation and improvement of KEY PROCESSES is evident. (L) • The APPROACH is in the early stages of ALIGNMENT with the basic organizational needs identified in response to the Organizational Profile and other process items. (I)
<p>10-25%</p>  <p>Mixed Flatland and Foothills Performance</p>	<ul style="list-style-type: none"> • The beginning of a SYSTEMATIC APPROACH to the BASIC REQUIREMENTS of the item is evident. (A) • The APPROACH is in the early stages of DEPLOYMENT in most areas or work units, inhibiting progress in achieving the BASIC REQUIREMENTS of the item. (D) • Early stages of a transition from reacting to problems to a general improvement orientation are evident. (L) • The APPROACH is ALIGNED with other areas or work units largely through joint problem solving. (I)
<p>0-5%</p>  <p>Flatland Performance</p>	<ul style="list-style-type: none"> • No SYSTEMATIC APPROACH to item requirements is evident; information is ANECDOTAL. (A) • Little or no DEPLOYMENT of any SYSTEMATIC APPROACH is evident. (D) • An improvement orientation is not evident; improvement is achieved by reacting to problems. (L) • No organizational ALIGNMENT is evident; individual areas or work units operate independently. (I)

SCORE	RESULTS (For use with category 7)
<p>90-100%</p>  <p>Peak Performance</p>	<ul style="list-style-type: none"> Excellent organizational PERFORMANCE LEVELS are reported that are fully responsive to the MULTIPLE REQUIREMENTS of the item. (Le) Beneficial TRENDS have been sustained over time in all areas of importance to the accomplishment of your organization's MISSION. (T) Industry and BENCHMARK leadership is demonstrated in many areas. (C) Organizational PERFORMANCE RESULTS and PROJECTIONS are reported for most KEY CUSTOMER, market, PROCESS, and ACTION PLAN requirements. (I)
<p>70-85%</p>  <p>Mixed Timberline and Peak Performance</p>	<ul style="list-style-type: none"> Good to excellent organizational PERFORMANCE LEVELS are reported, responsive to the MULTIPLE REQUIREMENTS of the item. (Le) Beneficial TRENDS have been sustained over time in most areas of importance to the accomplishment of your organization's MISSION. (T) Many to most TRENDS and current PERFORMANCE LEVELS have been evaluated against relevant comparisons and/or BENCHMARKS and show areas of leadership and very good relative PERFORMANCE. (C) Organizational PERFORMANCE RESULTS are reported for most KEY CUSTOMER, market, PROCESS, and ACTION PLAN requirements. (I)
<p>50-65%</p>  <p>Timberline Performance</p>	<ul style="list-style-type: none"> Good organizational PERFORMANCE LEVELS are reported, responsive to the OVERALL REQUIREMENTS of the item. (Le) Beneficial TRENDS are evident in areas of importance to the accomplishment of your organization's MISSION. (T) Some current PERFORMANCE LEVELS have been evaluated against relevant comparisons and/or BENCHMARKS and show areas of good relative PERFORMANCE. (C) Organizational PERFORMANCE RESULTS are reported for most KEY CUSTOMER, market, and PROCESS requirements. (I)
<p>30-45%</p>  <p>Mixed Foothills and Timberline Performance</p>	<ul style="list-style-type: none"> Good organizational PERFORMANCE LEVELS are reported, responsive to the BASIC REQUIREMENTS of the item. (Le) Some TREND data are reported, and most of the TRENDS presented are beneficial. (T) Early stages of obtaining comparative information are evident. (C) RESULTS are reported for many areas of importance to the accomplishment of your organization's MISSION. (I)
<p>10-25%</p>  <p>Mixed Flatland and Foothills Performance</p>	<ul style="list-style-type: none"> A few organizational PERFORMANCE RESULTS are reported, responsive to the BASIC REQUIREMENTS of the item, and early good PERFORMANCE LEVELS are evident. (Le) Some TREND data are reported, with some adverse TRENDS evident. (T) Little or no comparative information is reported. (C) RESULTS are reported for a few areas of importance to the accomplishment of your organization's MISSION. (I)
<p>0-5%</p>  <p>Flatland Performance</p>	<ul style="list-style-type: none"> There are no organizational PERFORMANCE RESULTS or the RESULTS reported are poor. (Le) TREND data either are not reported or show mainly adverse TRENDS. (T) Comparative information is not reported. (C) RESULTS are not reported for any areas of importance to the accomplishment of your organization's MISSION. (I)

FALCON SCHOOL DISTRICT 49

BOARD COMMITTEES & LIASONS				
	PRIMARY	SECONDARY	FREQUENCY	TIME
DAAC	Butcher	Harold	monthly	6:00 p.m
CASB Legislative Assembly, Region 6	LaVere-Wright	Graham	Fall	daytime - delegate assembly
CD BOCES	LaVere-Wright		bi-monthly	4:00 p.m.
Falcon Community Builders (FCBC)	Butcher		quarterly	1:00-2:00 p.m.
SEAC and ADA Compliance	Moore	Graham	monthly	6:00 p.m.
Student Board of Representatives	Harold	Moore	monthly	during school day
Wellness	Harold		3 times/year	daytime - 3 hour meetings
Liaisons to Chief Officers				
Bay	Graham			
Hilts	Moore			
Ridgway	Butcher			



Multi-Rater Feedback Report Board of Education

December 13, 2016

About Your Report

Presented on the following pages are the results of the multi-rater feedback process completed by you and your raters. The use of multiple raters increases the reliability and validity of the conclusions of this report. This report can help you to:

- Encourage candid and honest communication between you and your colleagues
- Help you identify your professional strengths and developmental opportunities
- Give you the opportunity to improve your skills by being more aware of others' perceptions and observations of your performance
- Guide your conversations with your colleagues to ensure you remain informed of their observations and suggestions

Your Respondents

The following respondents were invited to participate in your multi-rater feedback process.

Total Respondents	25
Board Members	5
District Staff	20

Rating Scale

This assessment used the following rating scale when raters provided their feedback.

Strongly Disagree	1
Disagree	2
Neither Agree nor Disagree	3
Agree	4
Strongly Agree	5
Not Applicable	

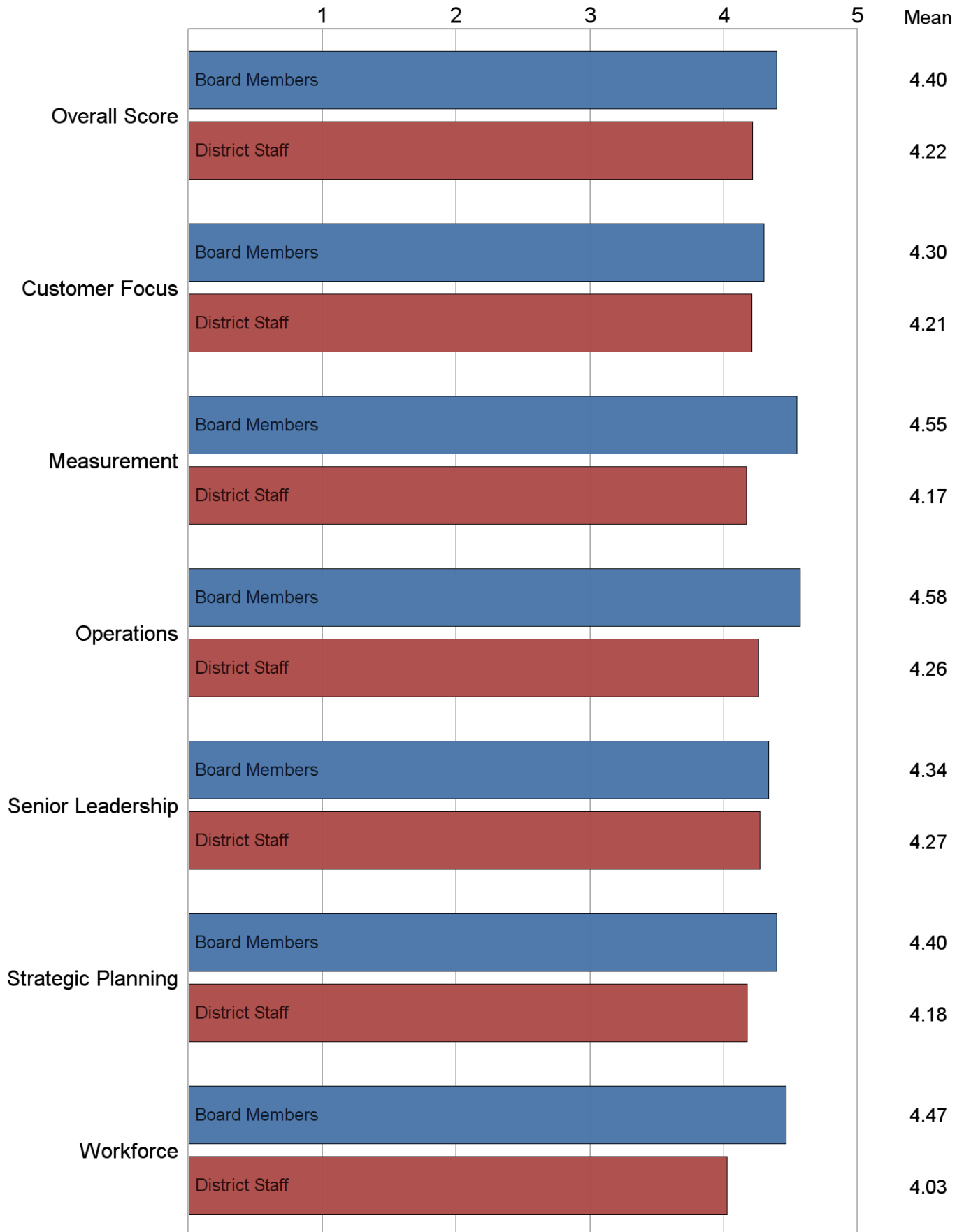


Scoring Radar

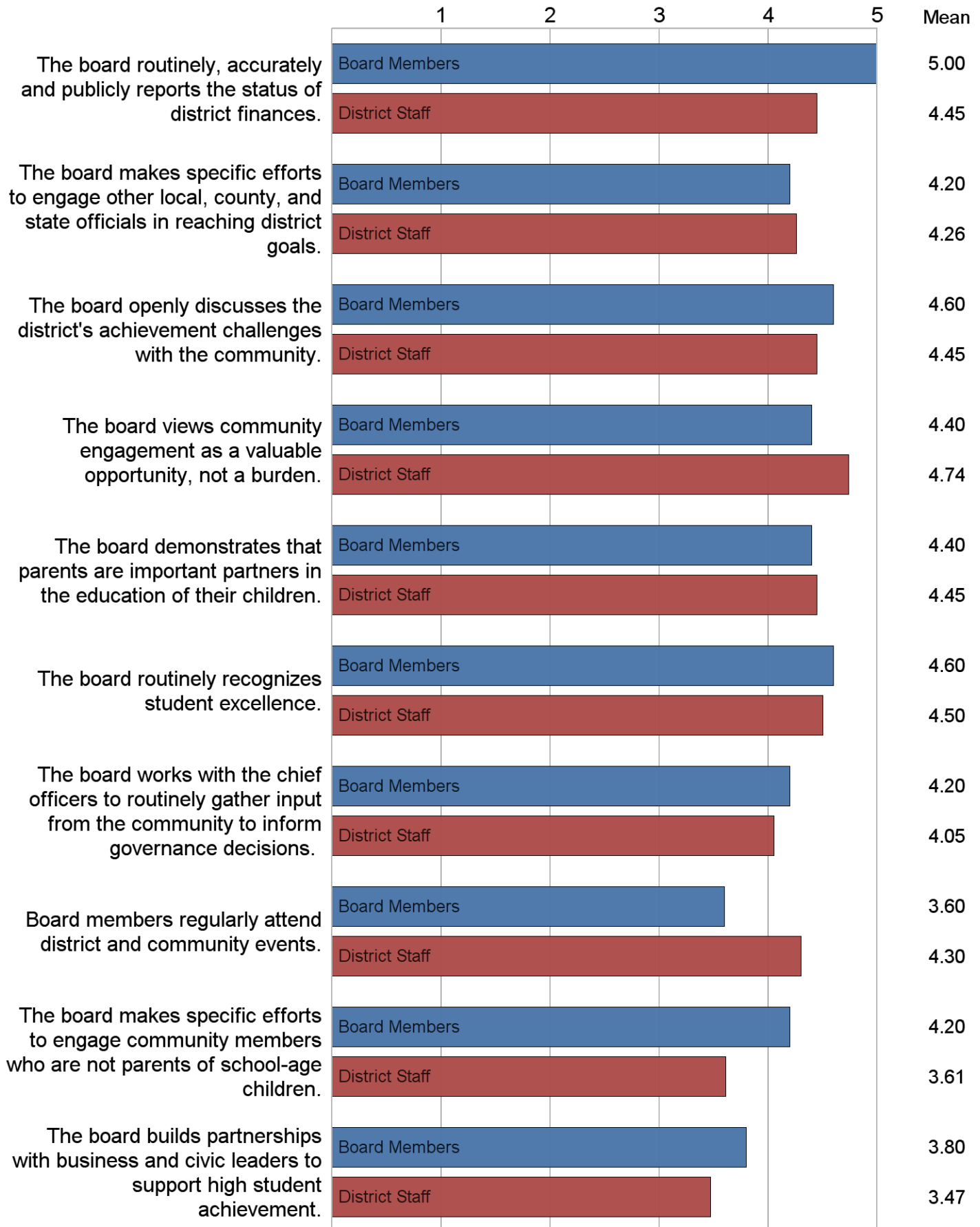
■ Board Members ■ District Staff



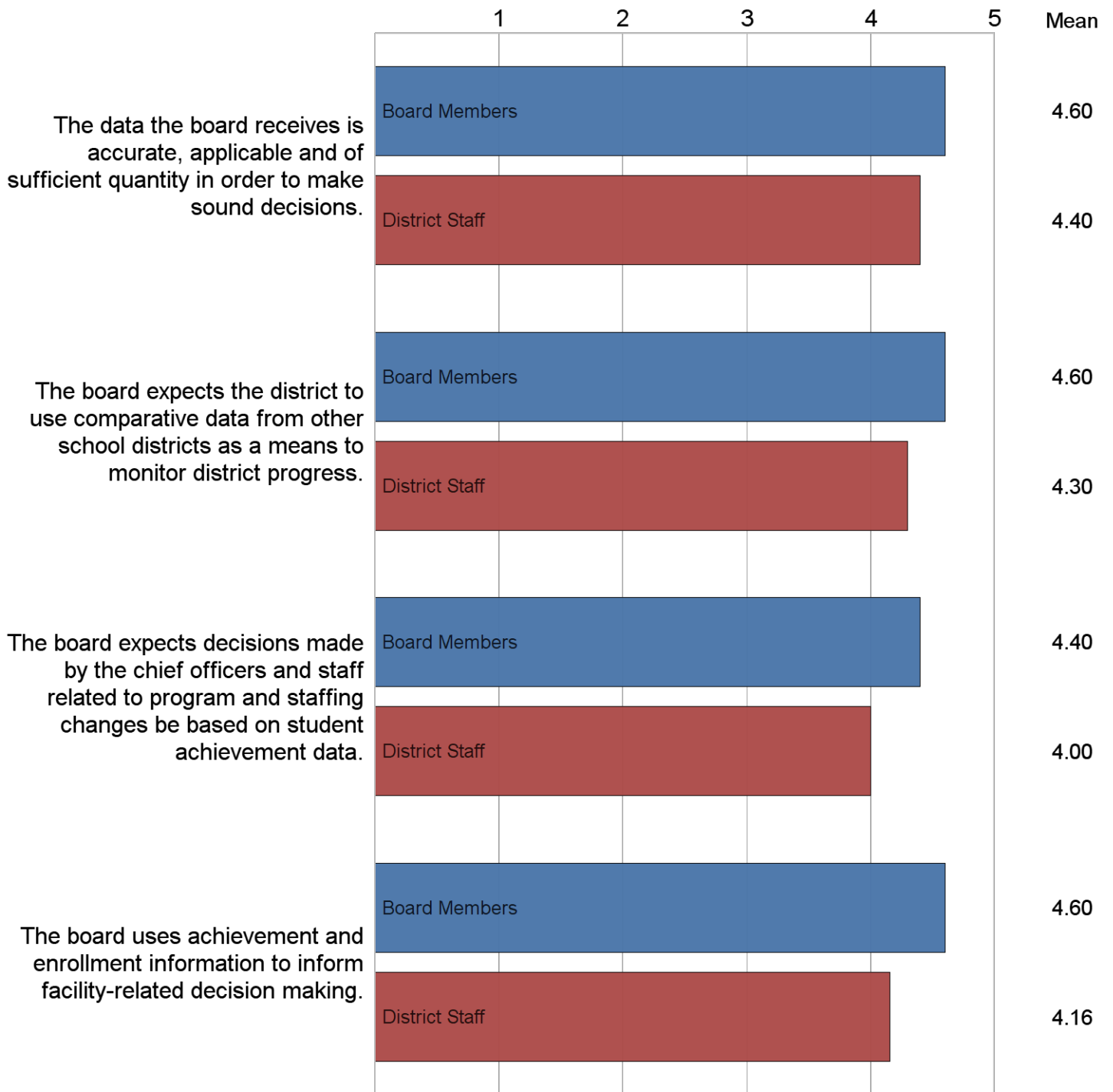
Scoring Overview



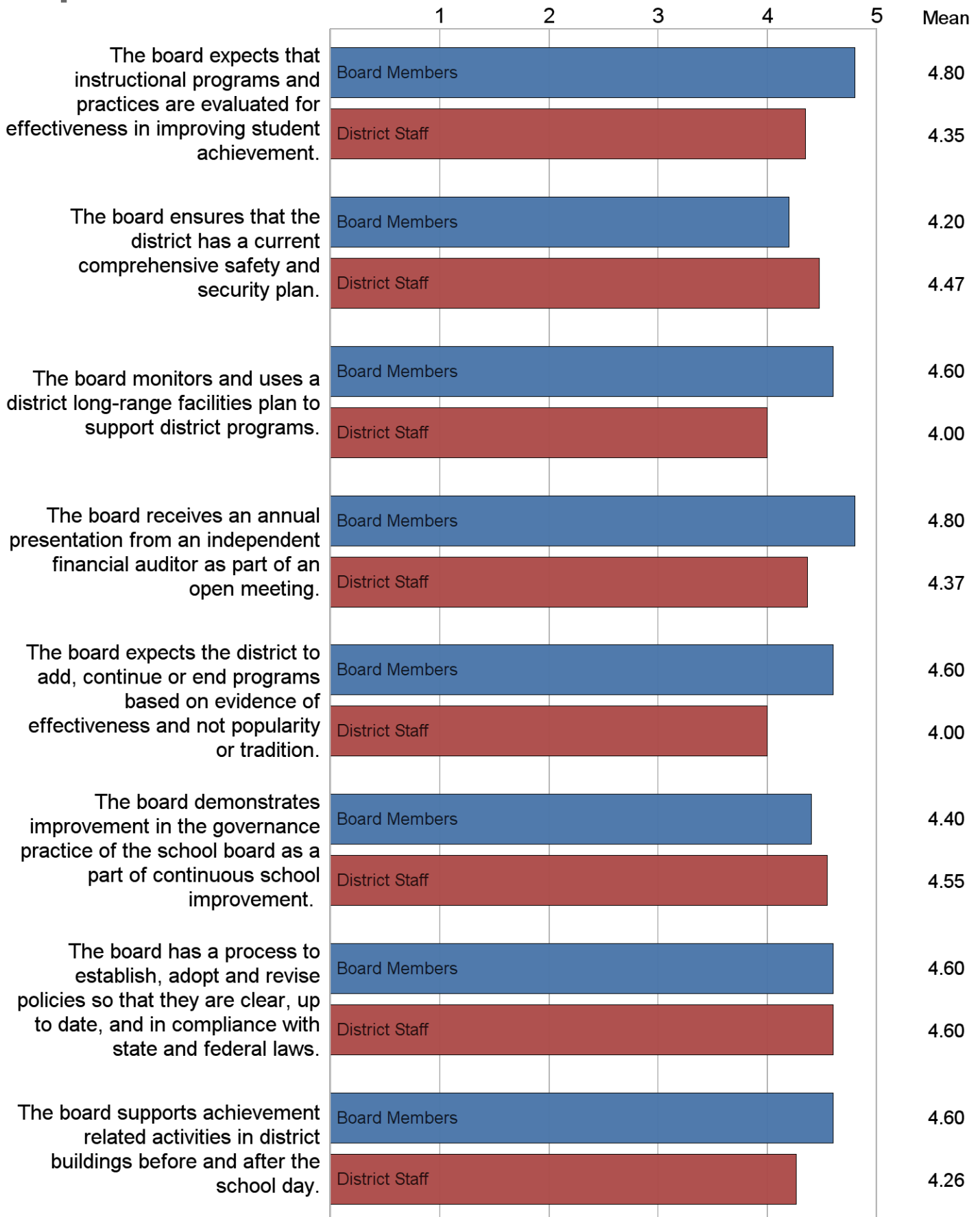
Customer Focus



Measurement

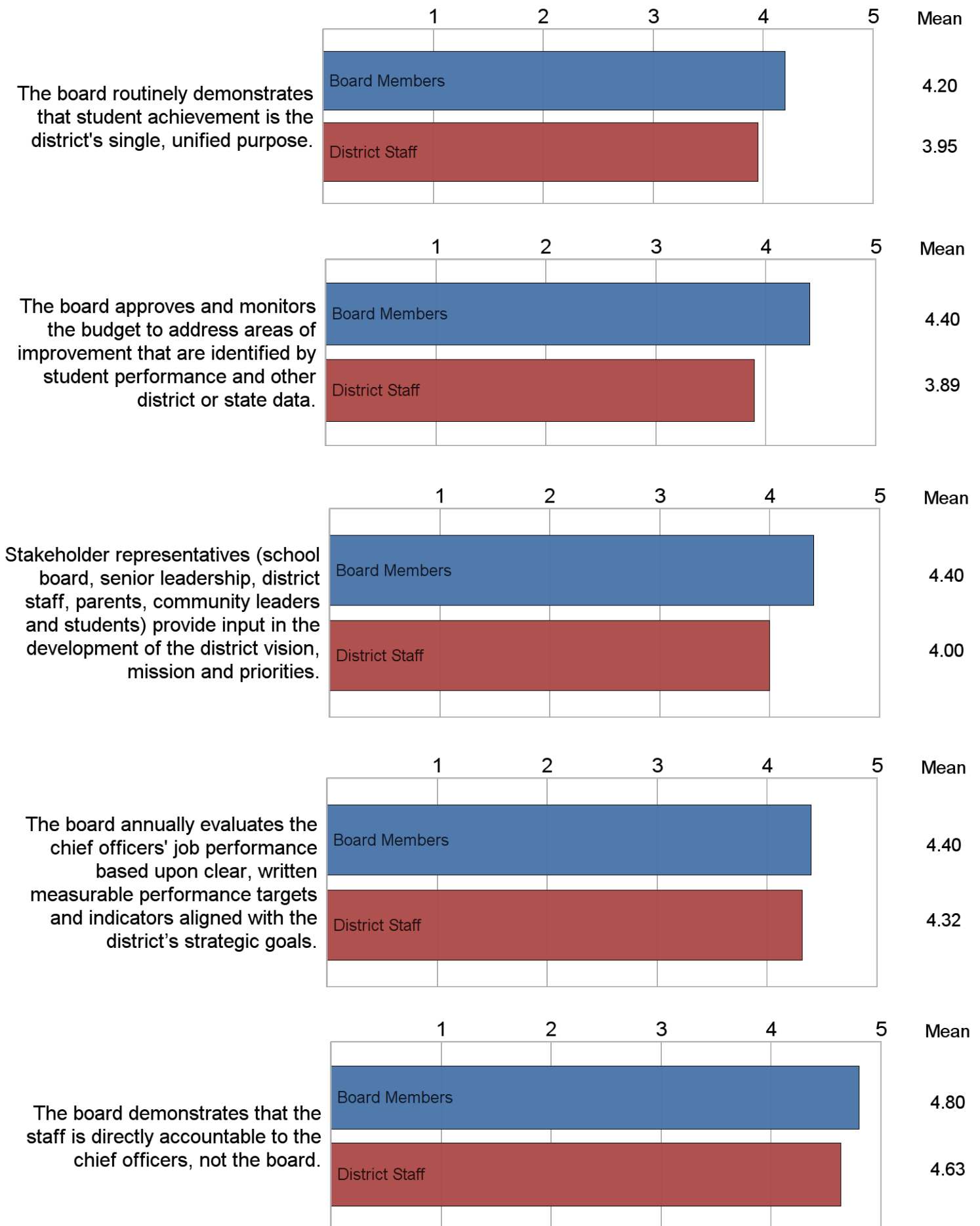


Operations



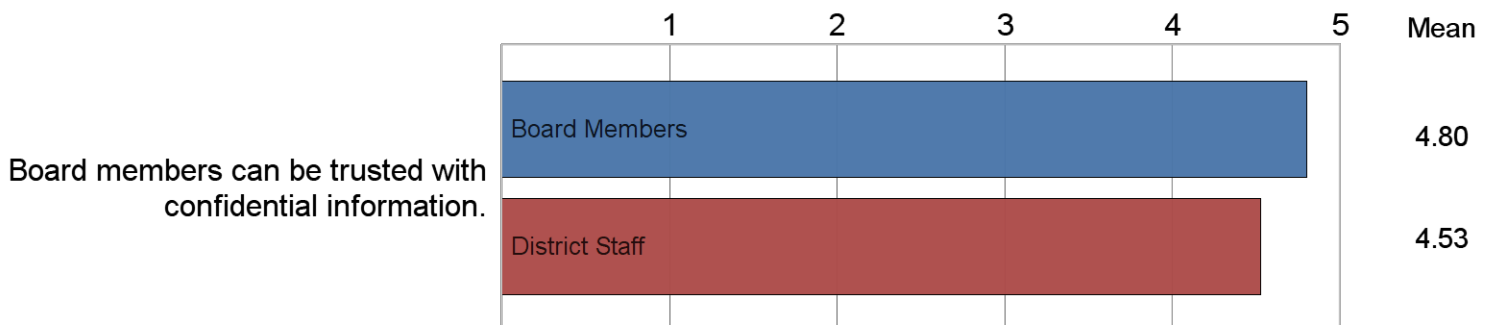
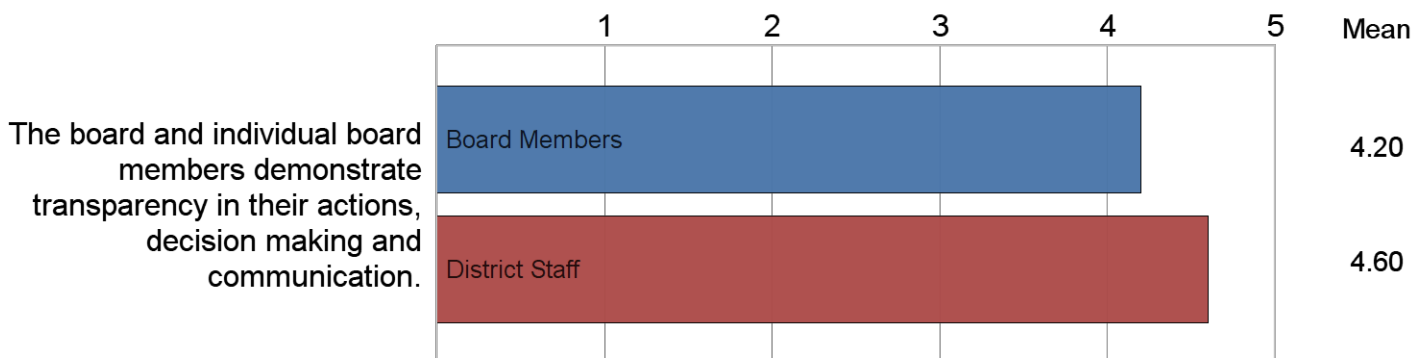
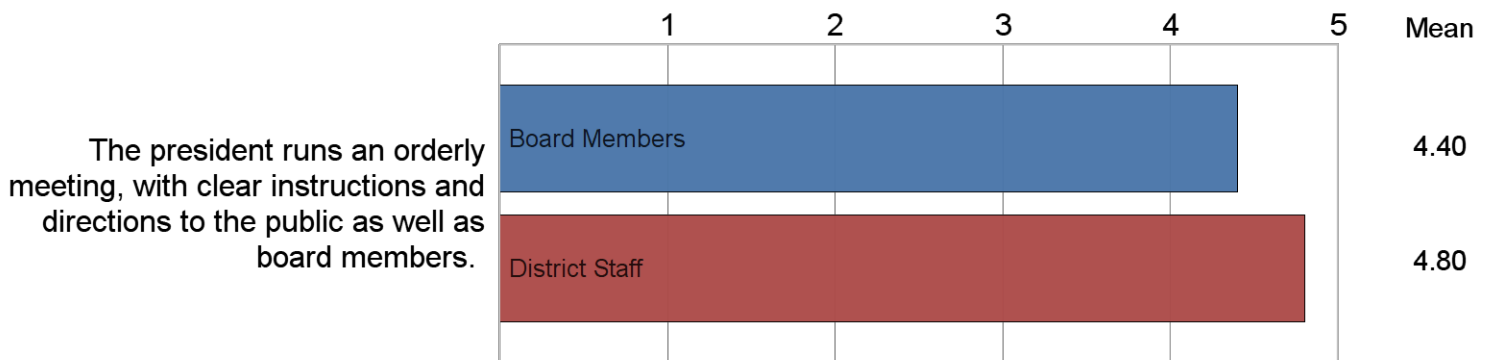
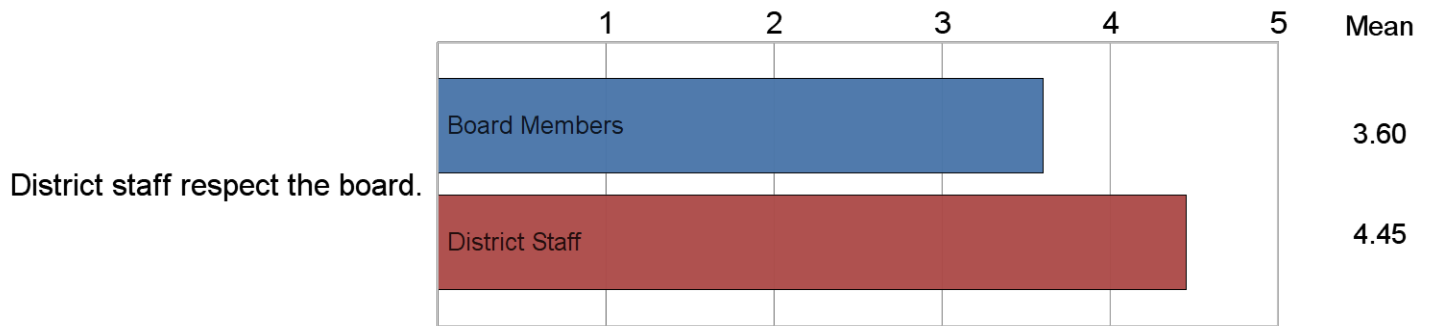
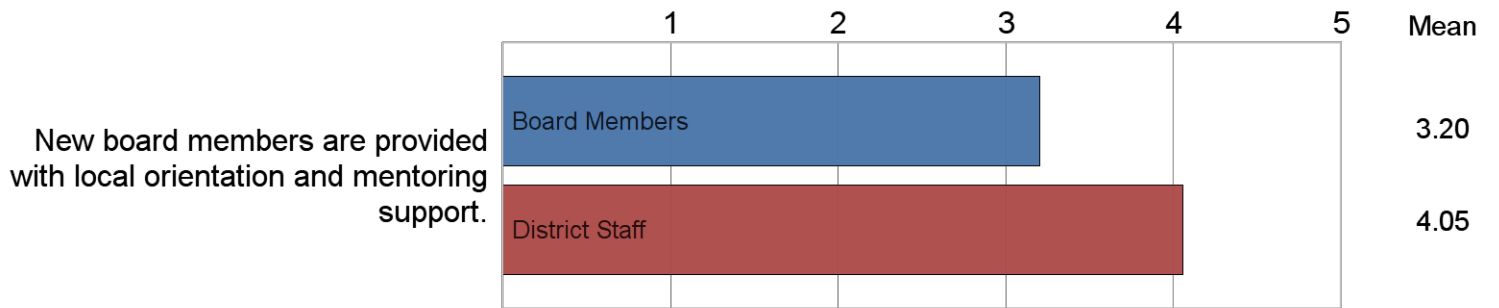
Senior Leadership

Board of Education, December 13, 2016



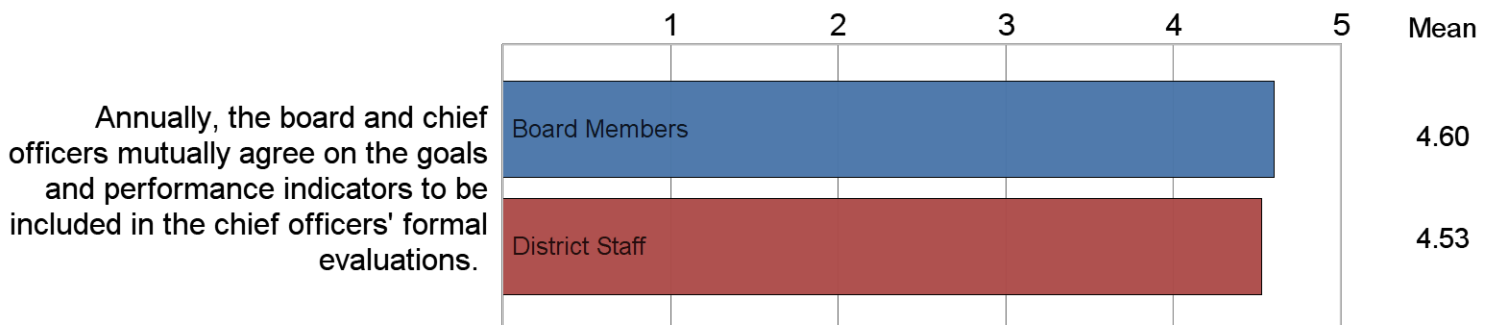
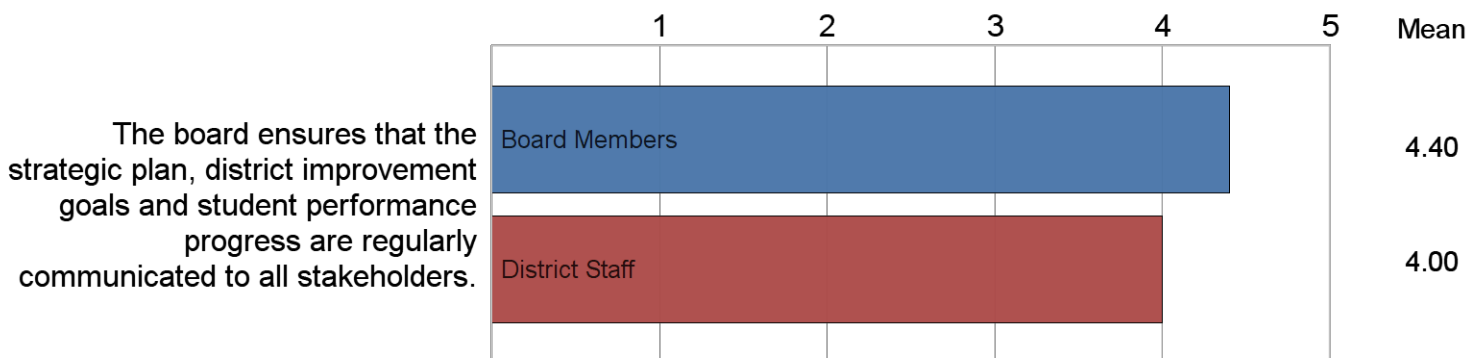
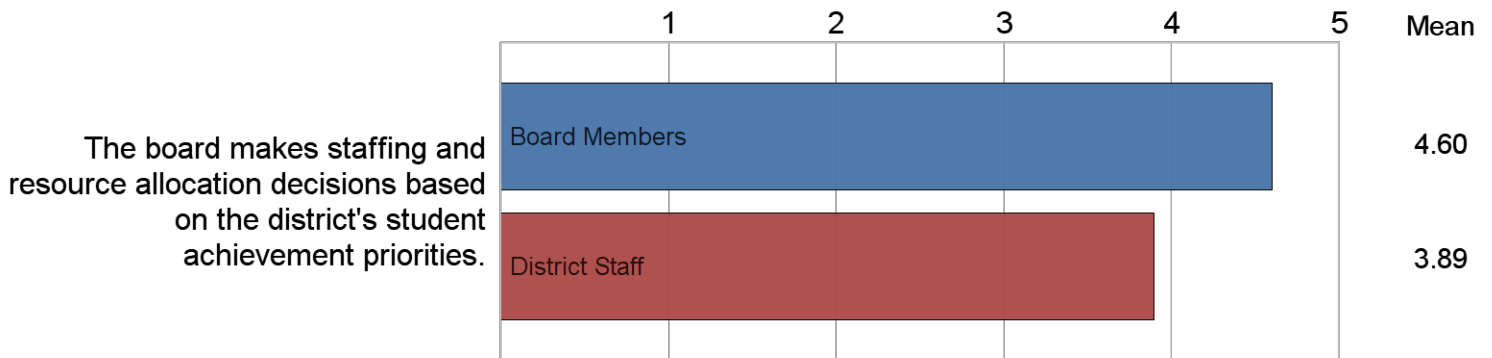
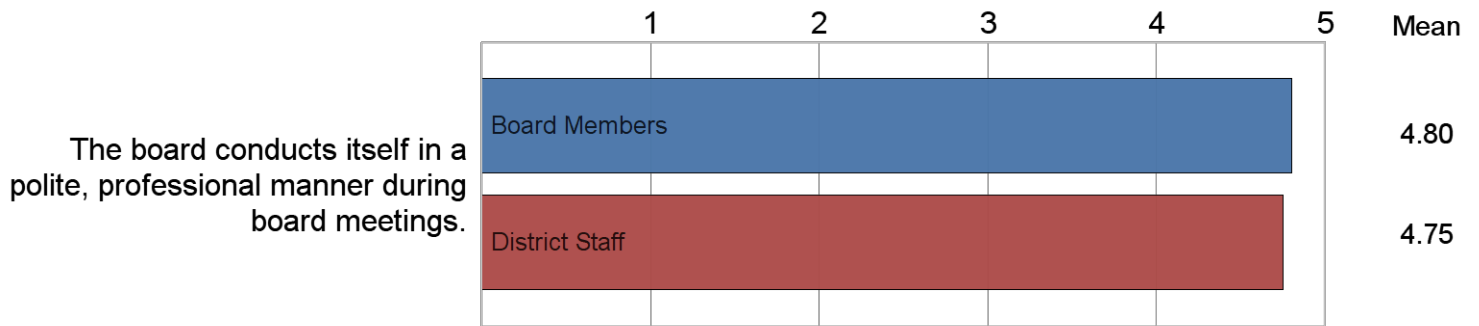
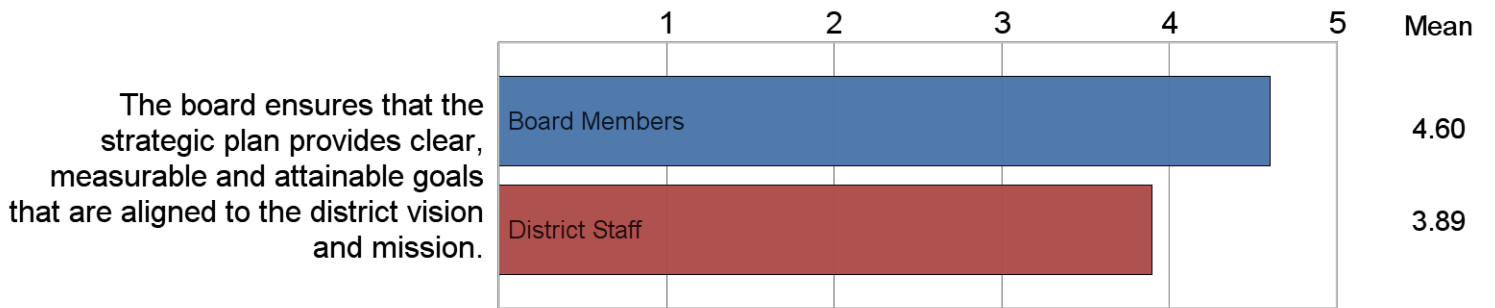
Senior Leadership (continued)

Board of Education, December 13, 2016



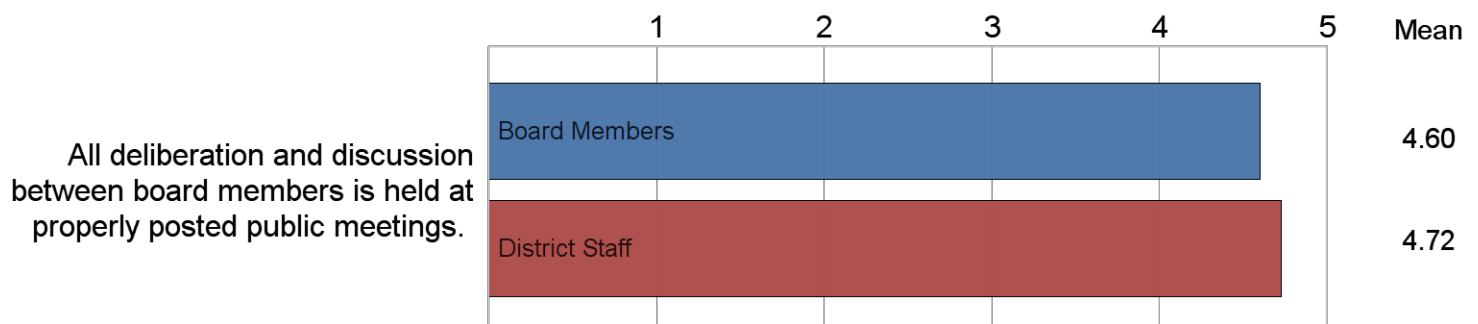
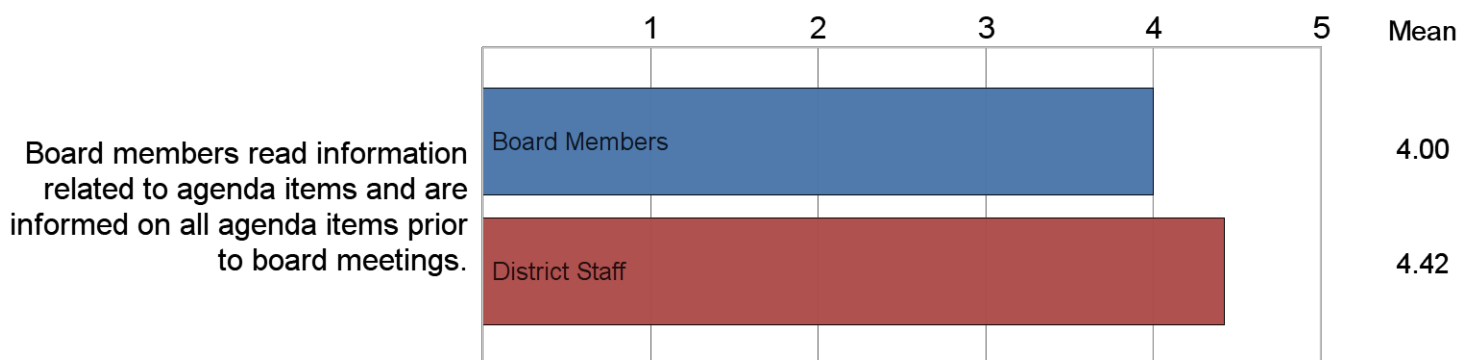
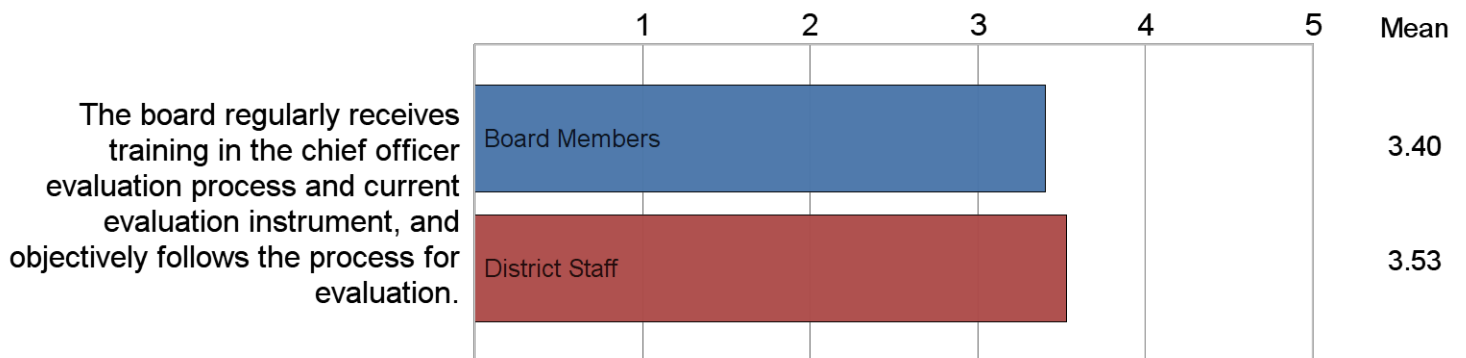
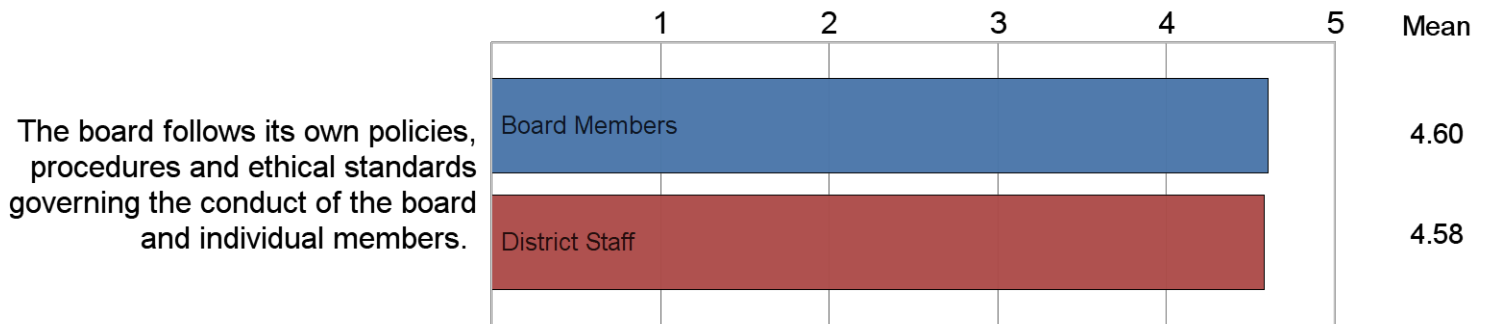
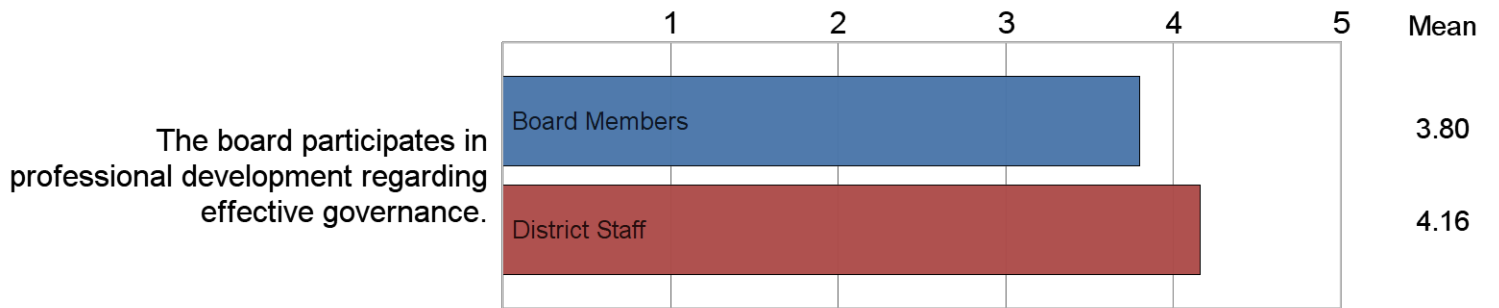
Senior Leadership (continued)

Board of Education, December 13, 2016



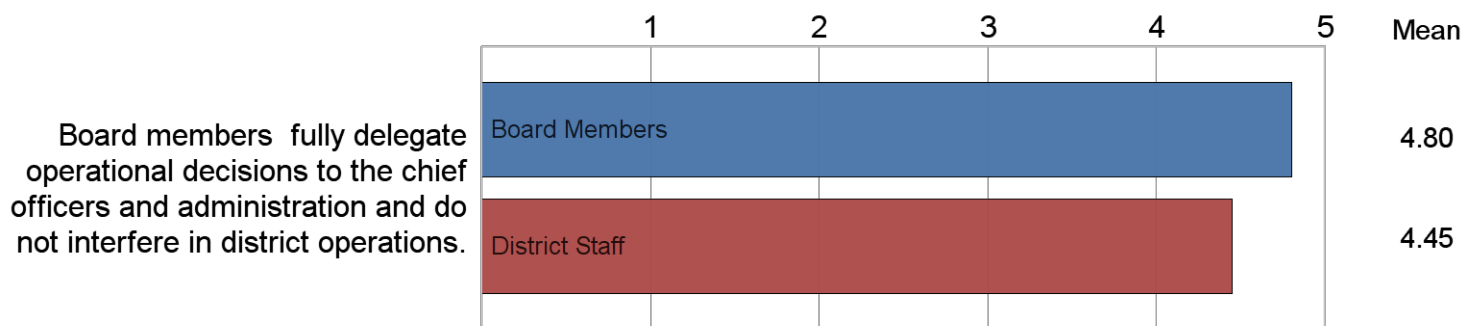
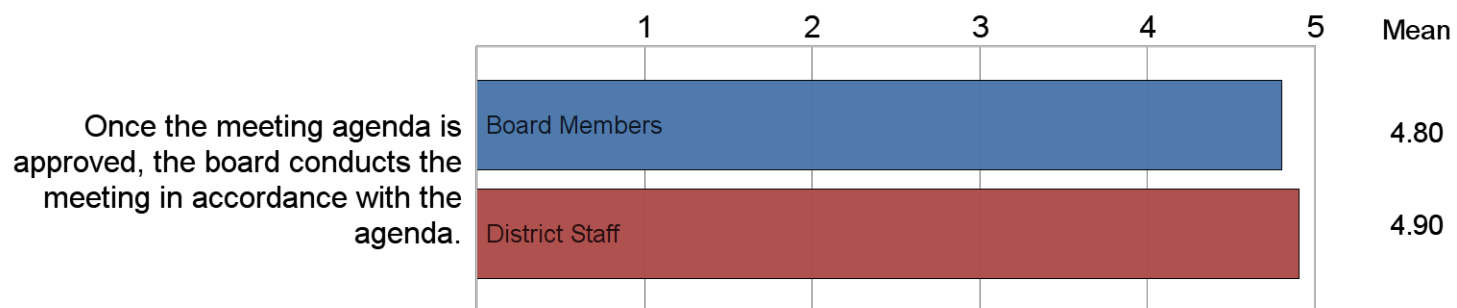
Senior Leadership (continued)

Board of Education, December 13, 2016

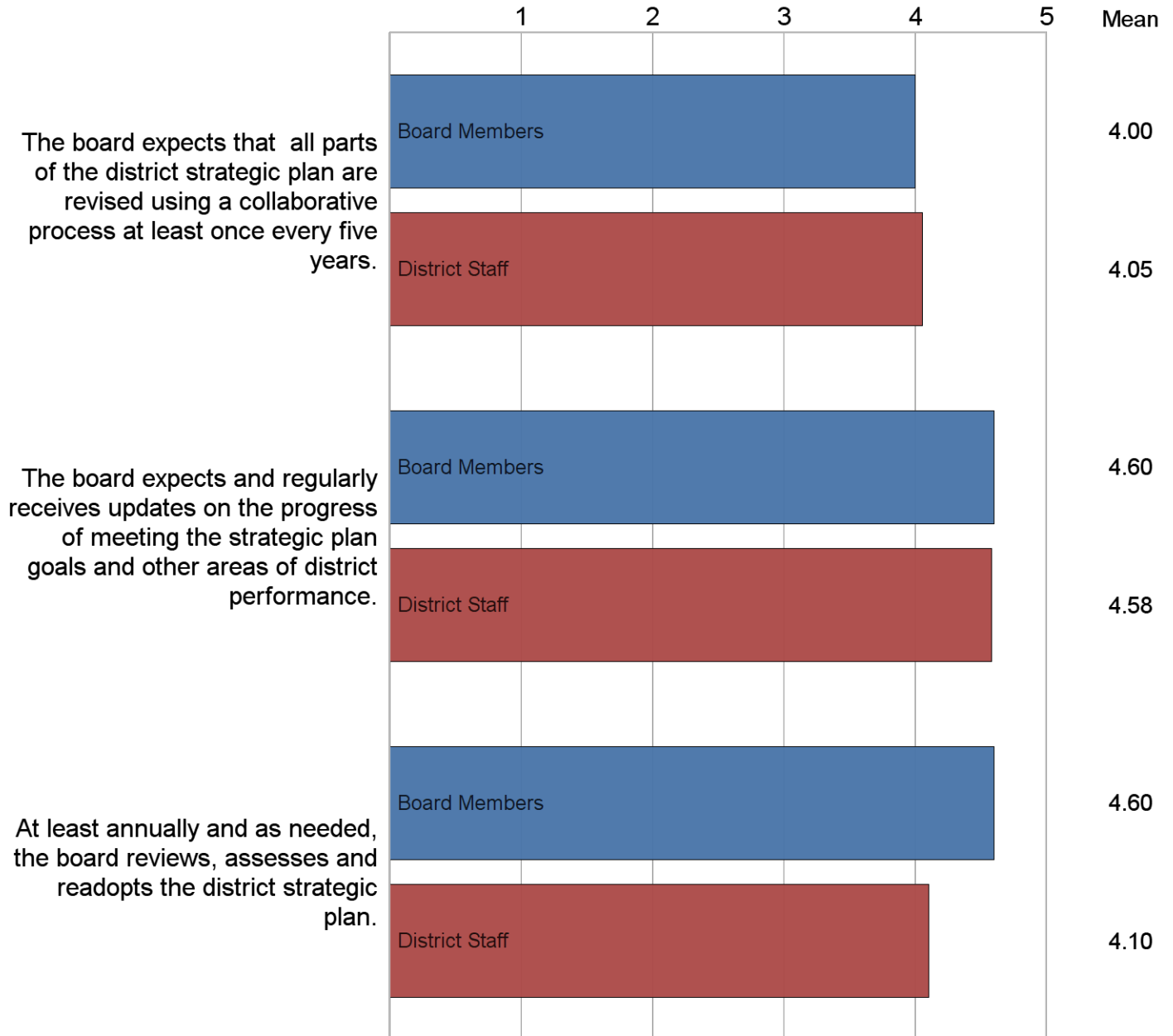


Senior Leadership (continued)

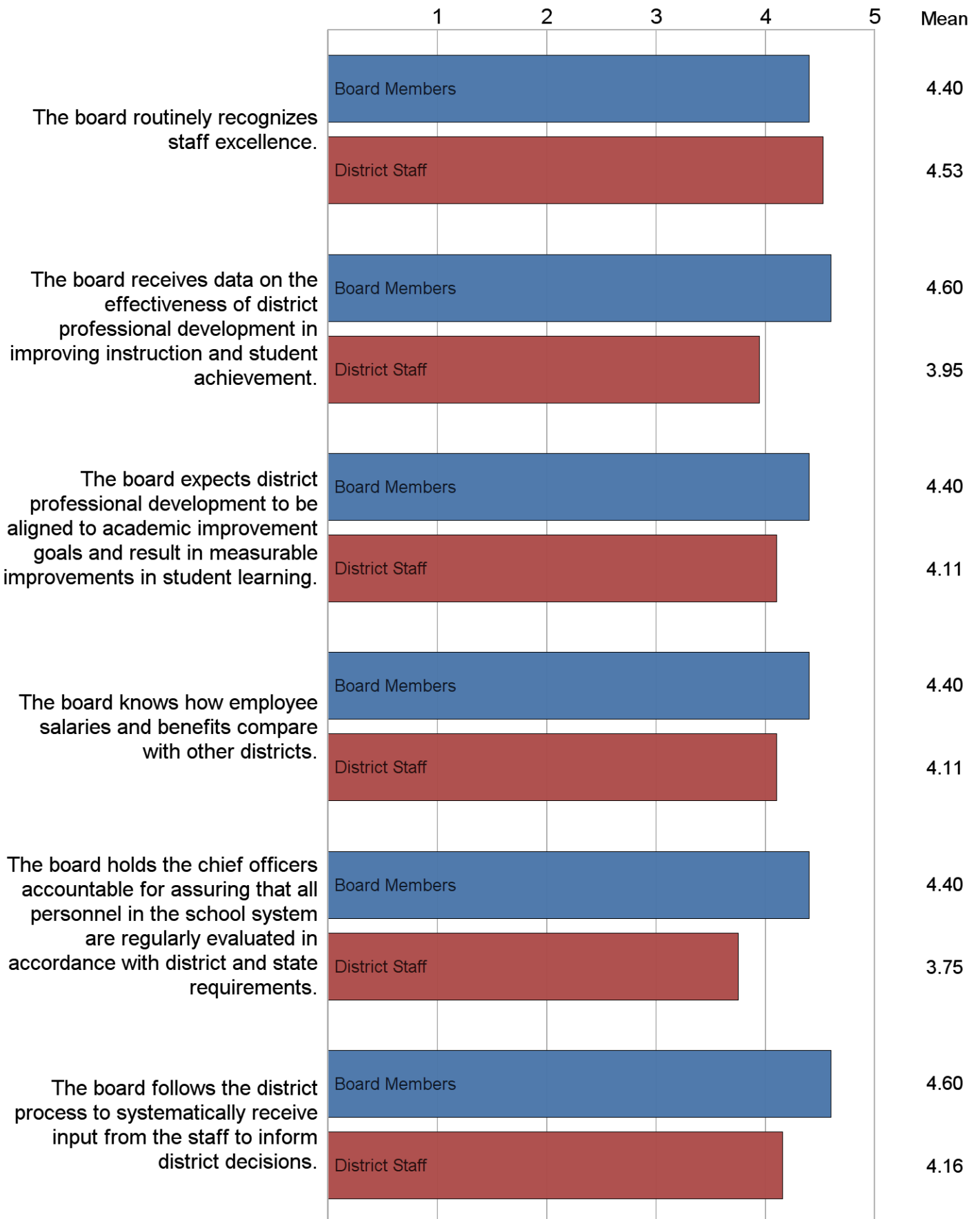
Board of Education, December 13, 2016



Strategic Planning



Workforce



Development Planning Preparation

After reviewing your multi-rater feedback report, use the following general guidelines to help you identify and prioritize steps toward improvement.

Improvement may come from building on your areas of strength, working on your opportunity for improvement areas, or focusing on high gap or difference scores identified in particular competency areas.

Reflect on the Data

What is my reaction to these ratings? Do I agree with them? What specific items are of greatest concern?

What specific behaviors might lead raters to rate me this way?

Consider the Implications

What might be the consequences if I don't address the gaps and opportunities for improvement? (short and long-term)

What might be the impact if I am able to improve in these areas? (Consider the impact on staff/department and career.)

How important are these gaps to my personal and professional goals?

How important are these gaps to the organization?

How can I build on my identified strengths?

Assess the Potential for Success

What are some other possible development options?

What obstacles (internal and external) am I likely to encounter as I try to improve in any of these areas? How will I overcome those obstacles?

What support is available to me? (e.g. people, resources, etc.)

How will I know if I'm making progress? How will I measure success?

Determine What Action to Take

Considering my answers to the questions above, what do I want to do?

Why do I want to do it?

What will I do and when will I start?

The following allows you to identify your strengths and opportunities for improvement as indicated by your 360 degree feedback. Based on these strengths and development areas, use the form on the next page to create an action plan. Once your plan is developed, please share it with your manager/supervisor so it becomes part of your overall development planning.

Strengths:

Areas for Improvement:

Questions/Areas Needing Further Clarification:

Action Plan for Development

Use the chart below to plan for your development. Use the information from your report along with other feedback, information and knowledge you have about your skills and competencies. Note any key skills/knowledge you would like to gain, along with options for accomplishing the learning. Establish plans that balance the needs and resources of the organization with your personal goals. Share the completed plan with your manager/supervisor.

Development Goals (Skills/Knowledge I Plan to Improve or Develop)	Action Plan and Timeframe (e.g. on-the-job training, job rotation/cross-training, committee or project work, formal training and education, conferences, self-study, job shadowing, mentoring, job enlargement, customer/client visits, talking with employees in desired position(s), etc.)	Resources and/or Support Needed for Success (e.g., money, people, time)	Measures of Progress or Success

Personal Leadership

Data Source	The board routinely, accurately and	The board makes specific efforts to engage other	The board openly discusses the district's	The board views community engagement	The board demonstrates that parents are important	The board routinely	The board works with the chief officers to routinely gather	Board members regularly	1
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Strategic Leadership

Data Source	The data the board receives is accurate, applicable and of sufficient quantity in order to make sound decisions.	The board expects the district to use comparative data from other school districts as a means to monitor district progress.	The board expects decisions made by the chief officers and staff related to program and staffing changes be based on student achievement data.	The board uses achievement and enrollment information to inform facility-related decision making.	-
Self	-	-	-	-	-

Leadership Development

Data Source	The board expects that instructional programs and practices are	The board ensures that the district has a current	The board monitors and uses a district long-range	The board receives an annual presentation from an independent	The board expects the district to add, continue or end programs	The board demonstrates improvement in the governance practice of the school	The board has a process to establish, adopt and revise policies so that they	The superintendent achieves relative
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Cultural Leadership

Data Source	The board routinely demonstrates that student achievement	The board approves and monitors the budget to address areas of	Stakeholder representatives (school board, senior leadership, district staff, parents, community	The board annually evaluates the chief officers' job performance based upon clear,	The board demonstrates that the staff is directly	New board members are provided	District staff	The president runs an orderly meeting with clear instructions
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Leadership through Communications

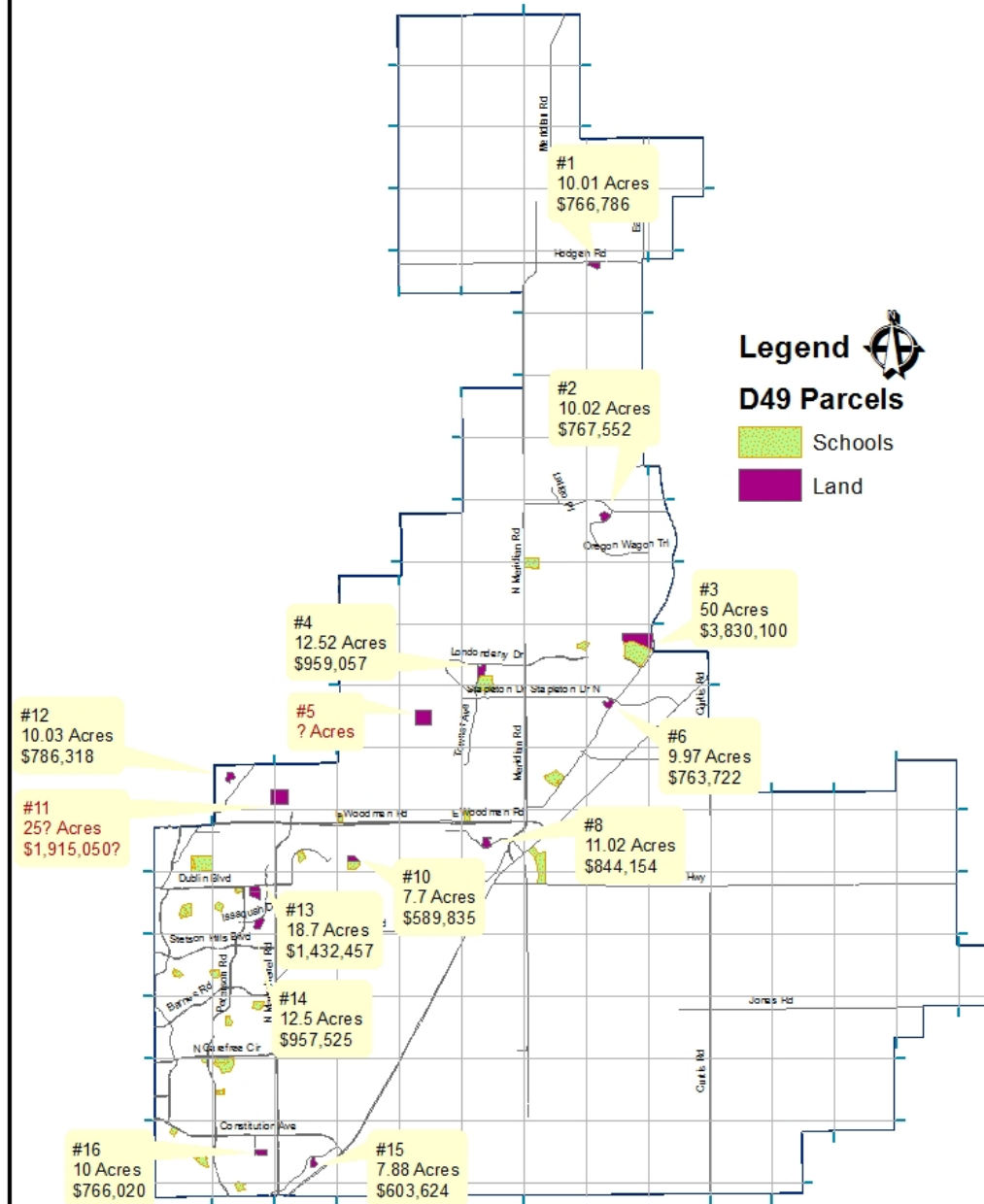
Data Source	The board expects that all parts of the district strategic plan are revised using a collaborative process at least once every five years.	The board expects and regularly receives updates on the progress of meeting the strategic plan goals and other areas of district performance.	At least annually and as needed, the board reviews, assesses and readopts the district strategic plan.
Self	-	-	-

Leadership through Personnel Management

Data Source	The board routinely recognizes staff excellence	The board receives data on the effectiveness of district professional development	The board expects district professional development to be aligned to academic improvement goals and	The board knows how employee salaries and benefits compare	The board holds the chief officers accountable for assuring that all personnel in the school system are	The board follows the district process to systematically receive input from the staff to
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	Location	Acres		Held by	Negotiable	May consider	Not negotiable	Notes
	Value per acre		\$ 76,602.00		8%	5%		
1	12875 North Cliff Rd	10.01	\$ 766,786.02	D49	1			
2	1245 Oregon Wagon Trail	10.02	\$ 767,552.04	County		1		
3	Lambert/Eastonville	50	\$ 3,830,100.00	Developer				elementary/Middle site
4	11243 Londonderry Dr	12.52	\$ 959,057.04	Developer			1	Proposed build 2016 Mill
5	Proposed Elkhorn site	?	#VALUE!	Developer				Once proposed, not solidified
6	9473 Portmarnock Ct	9.97	\$ 763,721.94	County	1			
7	8308 Del Rio Rd	31	\$ 2,374,662.00	D49			1	Attached to Woodmen Hills Elementary
8	7274 Antelope Meadows Cir	11.02	\$ 844,154.04	County		1		
9	Vista Del Pico	14	\$ 1,072,428.00	D49			1	Proposed Charter High School
10	Vista Del Pico	7.7	\$ 589,835.40	Developer			1	Proposed build 2016 Mill
11	Forest Meadows	25	\$ 1,915,050.00	Developer		1		Estimated acreage
12	Cowpoke	10.03	\$ 768,318.06	Developer		1		
13	Mustang Rim	18.7	\$ 1,432,457.40	Developer		1		
14	Issaquah Dr	12.5	\$ 957,525.00	Developer	1			
15	2103 Meadwobrook Parkway	7.88	\$ 603,623.76	County		1		
16	Hannah Ridge?	10	\$ 766,020.00	County	1			Previous negotiations with developer - may take back

Land and School Sites





BOARD-APPROVED POLICY OF DISTRICT 49

Title	Stakeholder Grievance <u>Resolution</u>
Designation	KEA
Office/Custodian	Business and Education/Director of Human Resources and Director of Culture & Services

District 49 values all its stakeholders, including students, parents, staff and community members, and endeavors to earn their trust. The dDistrict seeks to serve all stakeholders with fairness and respect.

The dDistrict recognizes that there will be times when stakeholders disagree with a classroom or administrative decision and sincerely desires to partner with stakeholders in resolving issues, concerns or grievances. To that end, the Board of Education has established this stakeholder grievance policy as a formal process by which stakeholders may present and seek resolution to problems, issues, or concerns (generally referred to in this policy and procedure as “grievances”) related to matters of policy.

This policy does not modify, delegate, limit, or extend the rights of the school board to act or make decisions under applicable state and federal law.

Access to the grievance policy

The grievance process is available to parents or those with custodial rights of district ~~District 49~~ students, to residents of the d~~District 49~~ and to full-time-district ~~employees of District 49~~, who will be referred to as a “stakeholder~~concerned party~~” for purposes of this policy and its associated regulations.

What may be grieved

The Board established this grievance policy for resolution of grievances that involve one or more Board policies. It does not exist to resolve simple disagreements, personality differences or disputes over a classroom teacher’s or an administrator’s legitimate decision or actions. Staff may not use the grievance process to dispute a performance evaluation or corrective action.

In bringing a grievance forward for resolution, the stakeholder will be required to specify the policy in question and whether s/he:

1. Alleges the policy was violated; or
2. Alleges that the policy was misapplied or inequitably applied; or
3. Is requesting that the policy be changed; or
4. Is requesting that an exception to policy be made.

In the event that a board policy doesn’t already exist, the stakeholder may assert that the district should consider adding a policy to cover the matter.

Regulations and exhibits

District administration will maintain regulations that~~develop regulations to implement this policy. The regulations~~ will strive to accomplish the following goals:

- Encourage resolution at the lowest possible level.
- Ensure a well-documented process.
- Specify time frames for the filing of and responding to grievances.
- Provide a clear process for appealing a decision to the next level of review.
- Provide general guidelines for the grounds upon which a person might base an appeal.

District administration shall provide a feedback form to be completed by the stakeholder once there is complete

resolution at any level to a grievance. The results of these feedback forms will be used to inform improvements to the policy and regulations. ~~tracked. The Chief Education Officer will provide a report to the Board of Education on a semi-annual basis.~~

The staff, administrators and Board will not entertain complaints about staff members that have not been formally addressed using the appropriate grievance forms and appeals procedures. In order to satisfactorily address each grievance and to avoid convoluting the issues, stakeholders must address them separately in writing, beginning with the appropriate grievance form. If, while working through the grievance process, a stakeholder becomes concerned with the behavior or conduct of a dDistrict staff member, that concern then becomes a new matter for resolution, which must be addressed as a completely separate grievance.

The regulations, exhibits and forms associated with this policy shall be made available on the dDistrict website or in paper format upon request.

Urgent matters

While the grievance procedures designate timelines and sequence for raising concerns and receiving feedback, if a concern involves imminent danger to a student, staff member, or other member of our community, or if there is an urgent need for immediate resolution to the matter, the stakeholder is expected to immediately notify a dDistrict administrator regarding the matter and request a review by a chief officer or his designee.

If the chief officer or his designee determines that the concern does not involve imminent danger, the stakeholder will be directed back to the procedures described herein.

Timelines

The dDistrict desires to respond to grievances in a timely manner. The timelines established in the associated regulations and exhibit, at the discretion of the staff member designated at each level, may be altered to allow for an appropriately thorough review of the grievance or to allow for an outside investigation, (e.g. Office of Civil Rights, Law Enforcement, etc.). Any needed time extensions should be communicated to the concerned party as soon as practicable.

Independent review mechanism

At the outset of a grievance, a process leader will be assigned to facilitate the process ~~when needed.~~ Normally, w~~When~~ an employee files a grievance, the Director of Culture & Services will serve as the process ~~facilitator~~leader. Normally, w~~When~~ the grievance is initiated by any other stakeholder, the Director of Human Resources will serve as the process ~~leader~~facilitator. In assigning the facilitator, the district will review and attempt to mitigate potential conflicts of interest resulting from the facilitators' relationship to the parties and the situation in question.

A chief officer or the Board of Education may request an internal review of a grievance. When this happens, the Chief Education Officer will direct either the Director of Human Resources or the Director of Culture & Services to perform a review of the particular grievance matter and provide a report to the requestor.

Recordkeeping

The dDistrict shall maintain records associated with grievance proceedings for a minimum of three (3) years.

Good faith efforts

It is inevitable that conflicts will occur. How the parties handle conflict plays a major role in defining the culture of our district. When adults work together to resolve conflicts with civility, they model skills for students that will enable them to effectively resolve conflict.

The [dDistrict](#) expects all stakeholders to treat others with respect and courtesy, and to strive for the following with regard to grievance resolution:

1. Seek to address issues at the appropriate level. For example, a concern about the classroom should be addressed first with the teacher. School-wide issues should be addressed with the school principal.
2. While the [dDistrict](#) seeks to support and assist individual families, recognize that all decisions must factor in the impact on other students and staff.
3. Understand that the [dDistrict](#) expects school administrators to make judgment calls. Generally speaking, judgment calls will not be overturned at a higher level unless there are compelling grounds based on policy issues.
4. Accept that privacy laws or other confidentiality requirements may expressly prohibit the administration from disclosing discipline measures taken with staff or with other students. The [dDistrict](#) recognizes that this limitation on open communication can be very frustrating for both parents and administrators.

- Adopted: October 9, 2014
- Revised: September 10, 2015



BOARD-APPROVED POLICY OF DISTRICT 49

Title	Stakeholder Grievance <u>Resolution</u>
Designation	KEA-R
Office/Custodian	Business and Education/Director of Human Resources and Director of Culture & Services

The ~~conflict resolution grievance~~ procedures contained herein are intended to provide a clear, well-defined means of articulating and bringing forth concerns.

Classroom Level Procedure

If you have a concern, you should set up a meeting with the ~~staff member classroom teacher or appropriate individual~~ with whom you have the concern, with the goal of resolving the matter informally. Communication is essential to resolving concerns and conflicts. It is important that the ~~staff member classroom teacher or appropriate individual~~ understands your concern so they may fully address and resolve it. It is important to explain your concerns, the resolution you are seeking and your suggested remedy.

~~If you inform the staff member that your concern is being brought to him or her as a grievance under this procedure, the staff member classroom teacher or appropriate individual with whom you have the concern shall~~ must provide you with ~~his or her~~ their decision within three working days of ~~your meeting being notified that there is a concern if a response is possible within that time frame~~. This may occur over the phone, face to face or via email. If more time is needed to appropriately address the concern, the concerned party will be notified of the needed extension as soon as practicable.

Admin Level I: School Administrator

If the concern is not resolved to your satisfaction, you may submit a Stakeholder Grievance Form (found online at www.d49.org/grievance) ~~Resolution Request (GRR) Form~~ within ~~five ten~~ working days of receipt of the original Classroom Level decision. ~~The GRR can be accessed on the District web site.~~ Fill out the form thoroughly. Your submitted form will be sent to the district administrators designated as grievance facilitators, one of whom will be assigned to facilitate your grievance. The assigned facilitator will contact you to confirm receipt and review the grievance process.

Admin Level I: School Administrator

The school administrator or his/her designee will review the Stakeholder Grievance Form ~~GRR~~ and contact you within three working days to arrange a meeting. The purpose of this meeting is to gain a full understanding of the situation. The staff member ~~who provided the original decision at the Classroom Level~~ will be invited to attend the meeting. The staff member may opt to not attend.

~~The school administrator or his/her designee will contact you within three business days to schedule a meeting.~~ Within ~~5 five~~ working days after the meeting the administrator shall communicate the decision in writing. This decision shall include the school administrator's findings, conclusions, and recommendations.

Admin Level II: Zone Leader/Executive Director Level Procedure

If you are not satisfied after receiving the School Administrator's written decision, you may appeal the matter to the ~~Zone Leader/Executive Director Level~~ Zone Leader/Executive Director Level. To do this, you will need to initiate an appeal using the online Stakeholder Grievance Form. Because new or expanded concerns will not be considered in an appeal, your appeal should simply specify that you are appealing the decision made at the previous level. ~~GRR form.~~

The ~~Zone Leader/Executive Director~~ Zone Leader/Executive Director or his/her designee will contact you within three business working

days to schedule a meeting. The purpose of this meeting is to gain a full understanding of the situation. The staff members involved in the previous levels will be invited to attend this meeting. The staff members may opt not to attend.

Within five working days after the meeting, the zZone lLeader/eExecutive dDirector or his/her designee shall communicate to you his/her written decision. This decision shall include the zZone lLeader's/eExecutive dDirector's findings, conclusions, and recommendations.

Admin Level III: Chief Officer Level Procedure

If you are not satisfied after receiving the zZone lLeader's/eExecutive dDirector's decision, you may appeal the matter to the cChief oOfficer level. To do this, you will need to initiate a new online Stakeholder Grievance Form. Because new or expanded concerns will not be considered in an appeal, your appeal should simply specify that you are appealing the decision made at the previous level. The chief officer may choose to select a designee to hear the matter.

~~GRR. The appeal shall include the decisions from all previous levels. The Chief Officer may choose select a designee to hear the matter.~~

After an appropriate review of the Stakeholder Grievance Form~~GRR~~ and previous decisions, the cChief oOfficer or his/her designee will within ten working days of receipt of the appeal contact you to arrange a meeting.

The meeting will include the staff members who provided the decisions at the previous levels (unless they opt not to attend) and the cChief oOfficer or his/her designee. The meeting shall be limited to those grounds specified in the written concern signed-submitted by the stakeholder.

Within ten working days of the hearing meeting, the cChief oOfficer or his/her designee shall communicate his/her decision to you in writing. The decision shall include the findings and conclusions of the cChief oOfficer or his/her designee.

Board Level Procedure

If you are not satisfied with the decision at the cChief oOfficer lLevel, you may, within five working days, submit an appeal using the online Stakeholder Grievance Form~~GRR~~ to request a hearing before the Board. Because new or expanded concerns will not be considered in an appeal, your appeal should simply specify that you are appealing the decision made at the previous level.

~~In considering whether to hear the grievance, the Board as a body will consider:~~

- a. Whether a board policy is implicated;in question
- b. The facts and findings at the earlier levels;
- c. Whether a board policy was possibly violated, misapplied, or inequitably applied;
—Whether a new board policy may be needed or an existing policy needs to be changed or have an exception made; and
- d.
- e. Whether the policy and regulations were followed in the previous levels.

At his/her discretion, tThe Board president or his/her designee may attempt to work directly with you to resolve the conflict prior to an official appeal to the entire Board of Education.

The Board shall respond to the request for a hearing no later than its next regularly scheduled meeting. If the board does not agree to hear the appeal, the Board will communicate its decision to you in writing within five days of its decision.

~~, provided it has received the request at least five working days prior to such meeting.~~

If the Board agrees to hear the appeal, the hearing shall be held by the end of the calendar month following the

month in which the appeal is submitted. ~~no later than the next regularly scheduled meeting.~~ [PAA1]

The hearing will include the staff members who provided decisions at any previous levels (unless a staff member opts to not attend). The hearing will be open to the public, unless there is a lawful reason to hold the hearing in executive session. The meeting shall be limited to those grounds specified in the your original, first level Stakeholder Grievance Form. ~~written concern signed by the stakeholder.~~

The Board shall render its written decision not later than fifteen working days after hearing the appeal. The Board's decision shall be final and is not subject to any further appeals. The Board may agree not to hear the appeal. In such instances, the decision from the ~~c~~Chief ~~o~~fficer ~~l~~Level shall be final.

Constraints Imposed During School Breaks and Between School Years

If a grievance is filed when school is not in session or spans a period when school will not be in session, then a reasonable effort will be made to honor timelines established by this regulation. However, the availability of persons of interest or witnesses could protract the resolution process, which does not invalidate the resolution process or indicate a lack of intensity by the investigator.

Timeliness

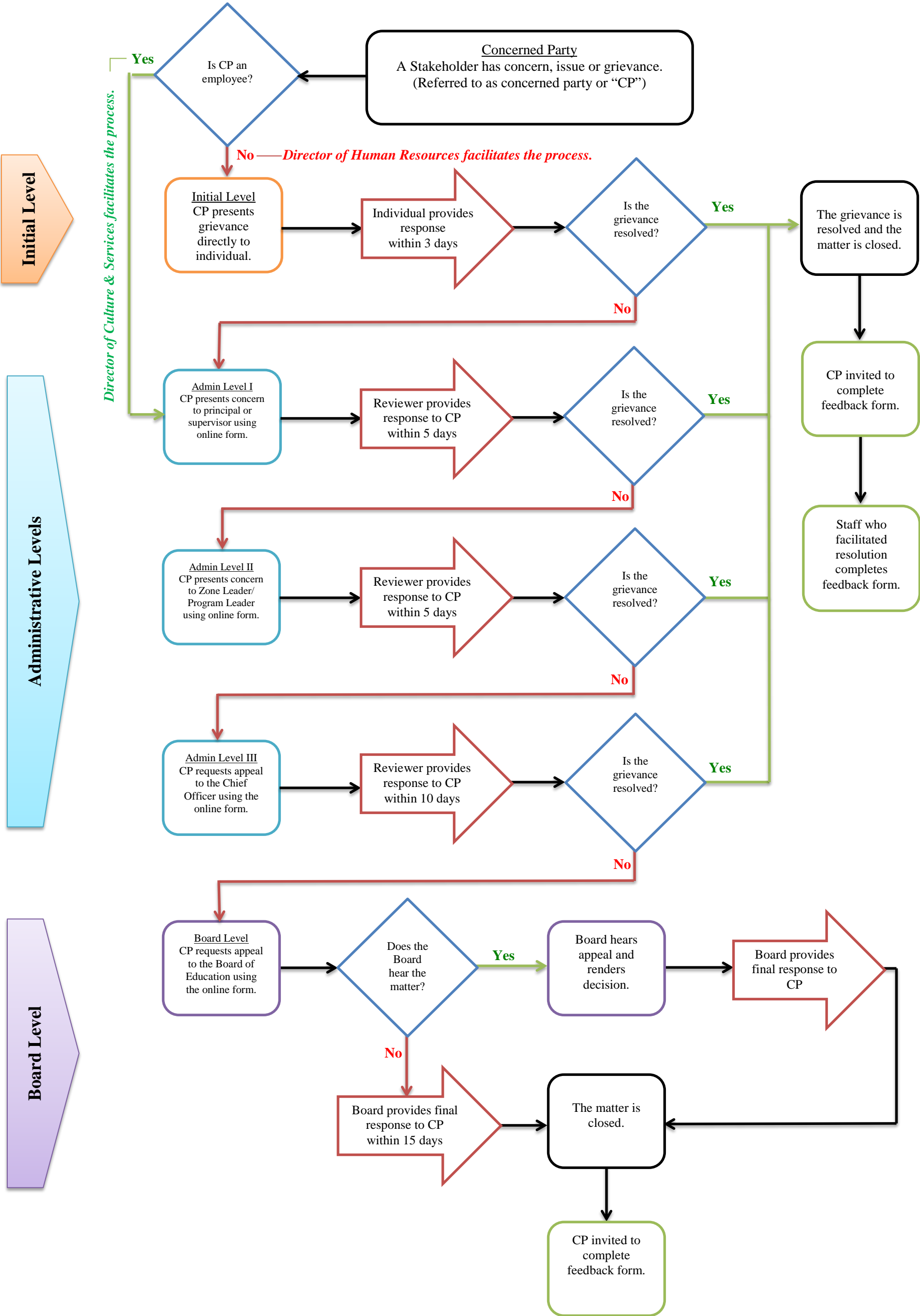
The accuracy of the investigation is directly proportional to the investigator's ability to conduct interviews with persons of interest and/or witnesses; therefore, incidents should be addressed at the appropriate level without delay. Incidents that are over 6 months old would require special circumstance to be initially heard as grievances at any level; however, please bring the incidents forward to allow the appropriate official to use their discretion to decide if special circumstances exist. In the case of ongoing or recent harassment and discrimination to include Title IX violations it would be best if reports were made immediately; however, reports of this nature will routinely be accepted beyond 6 months.

Appellate Timelines

It is the complainant's right to appeal the decision of each level until the process terminates with the Board of Education (BOE). There are 20 school days allowable between each level to file the next appeal. If no appeal is filed during that timeframe and no reasonable extension is requested, then a letter will be filed indicating that the grievance is considered closed. The complainant may request a copy of the closure letter ~~for~~ their personal records.

- Adopted: October 9, 2014

Stakeholder Grievance Policy
Designation: KEA-E
Office/Custodian: Education/Director of Human Resources, Director of Culture & Services



Stakeholder Grievance Resolution

Designation: KEA-E-2

Office/Custodian: Education/Director of Human Resources, Director of Culture & Services

Initial Grievance - Staff Member	Contact Staff Member to bring concern as grievance under KEA-R.	Decision rendered within 3 working day of meeting.		
Appeal Level I - School Administrator	Submit Stakeholder Grievance Form online.	Contacted within 3 working days to arrange a meeting.	Decision rendered in writing within 5 working days after meeting.	
Appeal Level II - Zone Leader/ Executive Director	Using Stakeholder Grievance Form, state decision to appeal online.	Contacted within 3 working days to arrange a meeting.	Decision rendered in writing within 5 working days after meeting.	
Appeal Level III - Chief Officer	Using Stakeholder Grievance Form, state decision to appeal online.	Contacted within 10 working days to arrange a meeting.	Decision rendered in writing within 10 working days after meeting.	
Appeal Board Level	Within 5 working days of Level III decision, using stakeholder grievance form, state decision to appeal to the next level online.	Board to decide whether to hold hearing no later than next regularly scheduled meeting.	Hearing would be held by end of calendar month following month of appeal submission.	Decision rendered within 15 days after hearing appeal.

Adopted:

Board of Education Annual Peak Planning Workshop
January 28, 2017
Item 8: Process Improvement around Chief Officer Evaluations

The Board of Education has made significant progress in building and using a more effective performance evaluation process for the chief officers.

Consistent with the Board's commitment to establishing a strategy and culture of continuous improvement, this cycle of learning discussion will center around what is working and what can work better in the chief officer evaluation policy and process.

The discussion will be framed in the following "three T's":

1. **Timing:** Discussion will include ideas around sequence of evaluation process steps relative to the planning and business cycles of the district. Alternative timelines will be presented for review.
2. **Tools:** Here we will discuss the sources of input, goals process and the evaluation form.
3. **Training:** What would help board members give stronger evaluations that guide development and give meaningful, actionable feedback?

Title	Evaluation of Chief Officers
Designation	CBI
Office/Custodian	Board of Education/Executive Assistant to BOE

	Activity	Responsibility	Deliverable(s)	Timeframe
Quantitative Performance Targets	Identify key performance domains from the Chief job description and the CDE administrator domains.	The Chiefs will propose. The Board will revise and approve.	An overview chart that identifies, prioritizes, and describes multiple performance domains.	The Chiefs will propose a set of performance domains at the April BOE work session. The Board will affirm the domains at the May regular meeting.
	Identify performance targets in each domain.	The Chiefs will propose measurable performance targets in each domain. The Board will endorse at least one measurable target in each domain.	A table of performance targets identifying standards of performance and acceptable evidence for each target.	The Chiefs will propose targets, standards and evidence at the April work session. The Board will vote to affirm the targets, standards, and evidence at the May regular meeting.
	Confirm acceptable evidence for each performance target.	The Chiefs will propose and the Board will affirm acceptable evidence for each performance target.		
	Assess the Chief's performance on a "target to actual" basis for each target.	The Chiefs will provide a self-assessment. The board will generate a board assessment.	Each party will provide a written assessment of each performance target. The Chiefs will provide a portfolio (body of evidence) for each target.	The Board will present their assessments and receive the Chief Officer's assessment at the September, October, or November BOE work session according to the review cycle.
Qualitative Multi-rater Feedback	Identify a set of evaluative questions (or statements) in each of the performance domains.	The Chiefs, in consultation with the Director of Human Resources, will develop question sets.	The Director of Human Resources will coordinate online surveys based on the question sets. The surveys will elicit numeric and narrative responses.	The survey will be available by Sept. 1 (COO) or Oct. 1 (CEO, CBO).
	Identify a team of reviewers for the 360 review.	The Chiefs will propose a team of raters. The Director of Human Resources will affirm or modify the rater team.	The Chief Officer or Director of Human Resources will invite raters to complete the survey.	Invitations will be sent by September 1 (COO) or October 1 (CEO, CBO).
	Administer the survey.	The Director of Human Resources will coordinate the administration of the survey.	The Chiefs will receive and review their survey report. The Chiefs will provide a summary to the Board.	The Chief Officers will submit their respective summaries to the Board in September, October, or November according to the review cycle.

Consolidated Review	Finalize the performance review.	The Board will create a final review document incorporating the performance targets and survey results.	The Board will present the final evaluation to the Chief Officer.	The Board will present the final evaluation at the regular meeting in October, November or December, according to the Chief Officer review cycle.
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CDE Standards

- I. Strategic Leadership
- II. Instructional Leadership
- III. [School/Department] Culture and Equity Leadership
- IV. Human Resource Leadership
- V. Managerial Leadership
- VI. External Development Leadership
- VII. [Academic/Department] Performance and Growth

- Adopted: September 11, 2014

LEGAL REFS:

- 22-9-101, Licensed Personnel Evaluations

CROSS REFS:

- BDFA, District Personnel Performance Evaluation Council
- CBA/CBC, Qualifications/Powers and Responsibilities of Chief Officers
- GCOE, Evaluation of Evaluators

Title	Evaluation of Chief Officers
Designation	CBI-R
Office/Custodian	Board of Education/Executive Assistant to BOE

PERFORMANCE REVIEW METRICS FOR THE CHIEF BUSINESS OFFICER

ANNUAL PERFORMANCE REVIEW CYCLE FOR CHIEF BUSINESS OFFICER:

Performance time frame November – October, Completion: November

When evaluating a senior executive, it is important to align leadership activity with the district's strategic plan. Since the strategic plan is operational, it is helpful to use a portfolio review model where the reviewers may examine leadership behavior in the context of daily and long-term activity and accomplishments.

The first six sections organize leadership performance into manageable, observable patterns (i.e. Performance Domains from established standards from CDE). For each section, additional insights might be gleaned from existing surveys and feedback systems or the pursuit of new collections related to a particular performance measure.

The final section lists targets and standards that will provide the quantitative measurements of leadership related to the performance domains.

BUSINESS LEADERSHIP

The CBO shall direct a comprehensive and coordinated program that leads to systematic and measurable achievement of Business and Financial Goals.

The CBO shall submit a portfolio of acceptable evidence of *Business Leadership* that may include:

- Routine data analyses to identify areas of strong practices and programs as well as opportunities for improvement.
- Intentional abandonment and/or reengineering of failing practices and programs.
- Recognition and promotion of Business Office team members.

Members of the Board of Education and interested district stakeholders may submit additional evidence of *Business Leadership* from their direct experience and interactions with the CBO or from their personal experiences in and around the district.

STRATEGIC LEADERSHIP

The CBO shall promote and embed the district's strategic priorities and initiatives into all decisions and actions.

The CBO shall submit a portfolio of acceptable evidence of *Strategic Leadership* that may include:

- Documents, decisions, or other artifacts from strategic planning sessions or implementation activities.

- Concrete examples (narratives) of activities where the CBO emphasized the strategic plan and caused other stakeholders to support and prioritize strategic initiatives.
- Specific proposals, projects, routines, or other activity that leads to a measurable improvement in any of the five strategic priorities.

Members of the Board of Education and interested district stakeholders may submit additional evidence of *Cultural Leadership* from their direct experience and interactions with the CBO or from their personal experiences in and around the district.

LEADERSHIP DEVELOPMENT

The CBO shall establish and improve a culture of leadership development that leads to increased clarity, accountability, and performance of Business Office leaders.

The CBO shall submit a portfolio of acceptable evidence of *Leadership Development* that may include:

- Direct participation in professional development sessions to improve leaders' capacity.
- Identification of leadership strengths and leadership deficits for Business Office leaders.
- Active support for Business Office leaders to improve leadership practices in their areas of responsibility.

Members of the Board of Education, leaders within the Education Office, and interested district stakeholders may submit additional evidence of *Leadership Development* from their direct experience and interactions with the CBO, Education Office leaders, or district stakeholders.

CULTURAL LEADERSHIP

The CBO shall identify and implement cultural practices that foster an invitational and welcoming atmosphere in Business Office departments, and at district events and programs.

The CBO shall submit a portfolio of acceptable evidence of *Cultural Leadership* that may include:

- Identifying current practices that invite and welcome individuals of many backgrounds, abilities, and perspectives to learn work and lead.
- Identifying barriers or deficits that inhibit individuals from diverse backgrounds from learning, working, or leading to their best potential.
- Participating in activities, events, and/or programs related to cultural awareness.

Members of the Board of Education and interested district stakeholders may submit additional evidence of *Cultural Leadership* from their direct experience and interactions with the CBO or from their personal experiences in and around the district.

LEADERSHIP THROUGH COMMUNICATION:

The CBO shall lead the district's business strategy by communicating clearly, regularly, and effectively to a variety of audiences through an assortment of methods and media.

The CBO shall submit a portfolio of acceptable evidence of *Leadership through Communication* that may include:

- Direct messages to district staff, parents, and other stakeholders.
- Written messages, personal presentations, and multimedia content.
- Specific feedback from recipients, including surveys, comments, and responses.

Members of the Board of Education and interested district stakeholders may submit additional evidence of *Leadership through Communication* from their direct experience and interactions with the CBO or district stakeholders.

LEADERSHIP THROUGH PERSONNEL MANAGEMENT:

The CBO shall lead by developing and unifying a strong team of learners, workers, and leaders through high expectations, supportive supervision, and fair evaluation.

The CBO shall submit a portfolio of acceptable evidence of *Leadership through Personnel Management* that may include:

- Activities to identify and unify leadership teams around high standards and strategic priorities.
- Supportive communications that affirm excellent performance and support for our strategic plan and social contract.
- Corrective communications that identify and correct performance that violates district values, policy, or strategy.
- Initiatives to optimize the workforce through clarified job descriptions, reporting relationships, and recruiting new talent to the district.

Members of the Board of Education and interested district stakeholders may submit additional evidence of *Leadership through Personnel Management* from their direct experience and interactions with the CBO or district stakeholders.

MEASURABLE PERFORMANCE TARGETS AND STANDARDS THAT WILL SUPPORT ONE OR MORE OF THE LEADERSHIP PERFORMANCE CATEGORIES PREVIOUSLY DESCRIBED:

The portfolio of evidence submitted by the CBO should include a list of results for specifically measured items approved annually by the Board. It is intended that these measurements would provide the bulk of, if not all of, the Quantitative Performance Targets portion of the performance review.

PERFORMANCE REVIEW METRICS FOR THE CHIEF OPERATIONS OFFICER

ANNUAL PERFORMANCE REVIEW CYCLE FOR CHIEF OPERATIONS OFFICER:

Performance time frame October - September, Completion: October

When evaluating a senior executive, it is important to align leadership activity with the district's strategic plan. Since the strategic plan is operational, it is helpful to use a portfolio review model where the reviewers may examine leadership behavior in the context of daily and long-term activity and accomplishments.

The first six sections organize leadership performance into manageable, observable patterns (i.e. Performance Domains from established standards from CDE). For each section, additional insights might be gleaned from existing surveys and feedback systems or the pursuit of new collections related to a particular performance measure.

The final section lists targets and standards that will provide the quantitative measurements of leadership related to the performance domains.

FACILITIES, OPERATIONS & MAINTENANCE LEADERSHIP

The COO shall direct the facilities, ground, transportation and nutrition services in a comprehensive and coordinated manner with procedures and methods that lead to systematic and measurable achievement of Operational and Financial Goals.

The COO shall submit a portfolio of acceptable evidence of *Facilities, Operations and Maintenance Leadership* that may include:

- Periodic data analyses of operating key performance indicators to identify areas of strong performance, practices and programs as well as opportunities for improvement.
- Intentional restructuring and/or reengineering of failing operating practices and or procedures.
- Proactive processes, procedures and/or facilities alterations/improvements that lead to improved operating and/or financial performance of the district's facilities.
- Recognition and promotion of Facilities, Operations and Maintenance Office team members'.

Members of the Board of Education and interested district stakeholders may submit additional evidence of *Operations Leadership* from their direct experience and interactions with the COO or from their personal experiences in and around the district.

STRATEGIC LEADERSHIP

The COO shall promote and embed the district's strategic priorities and initiatives into all decisions and actions.

The COO shall submit a portfolio of acceptable evidence of *Strategic Leadership* that may include:

- Documents, decisions, or other artifacts from strategic planning sessions or implementation activities.
- Concrete examples (narratives) of activities where the COO emphasized the strategic plan and caused other stakeholders to support and prioritize strategic initiatives.
- Specific proposals, projects, routines, or other activity that leads to a measurable improvement in any of the five strategic priorities.

Members of the Board of Education and interested district stakeholders may submit additional evidence of *Cultural Leadership* from their direct experience and interactions with the COO or from their personal experiences in and around the district.

LEADERSHIP DEVELOPMENT

The COO shall establish and improve a culture of leadership development that leads to increased clarity, accountability, and performance of Business Office leaders.

The COO shall submit a portfolio of acceptable evidence of *Leadership Development* that may include:

- Direct participation in professional development sessions to improve leaders' capacity.
- Identification of leadership strengths and leadership deficits for Business Office leaders.
- Active support for Business Office leaders to improve leadership practices in their areas of responsibility.
- Improved ratings on staff or stakeholder surveys and or reports related to Facilities, Operations and Maintenance Departments.

Members of the Board of Education, leaders within the Education Office, and interested district stakeholders may submit additional evidence of *Leadership Development* from their direct experience and interactions with the COO, Education Office leaders, or district stakeholders.

CULTURAL LEADERSHIP

The COO shall identify and implement cultural practices that foster an invitational and welcoming atmosphere in Facilities, Operations and Maintenance Office departments, and at district events and programs.

The COO shall submit a portfolio of acceptable evidence of *Cultural Leadership* that may include:

- Identifying current practices that invite and welcome individuals of many backgrounds, abilities, and perspectives to learn work and lead.
- Identifying barriers or deficits that inhibit individuals from diverse backgrounds from learning, working, or leading to their best potential.
- Participating in activities, events, and/or programs related to cultural awareness.

Members of the Board of Education and interested district stakeholders may submit additional evidence of *Cultural Leadership* from their direct experience and interactions with the COO or from their personal experiences in and around the district.

LEADERSHIP THROUGH COMMUNICATION:

The COO shall lead the district's operational strategy by communicating clearly, regularly, and effectively to a variety of audiences through an assortment of methods and media.

The COO shall submit a portfolio of acceptable evidence of *Leadership through Communication* that may include:

- Direct messages to district staff, parents, and other stakeholders.
- Written messages, personal presentations, and multimedia content.
- Specific feedback from recipients, including surveys, comments, and responses.

Members of the Board of Education and interested district stakeholders may submit additional evidence of *Leadership through Communication* from their direct experience and interactions with the COO or district stakeholders.

LEADERSHIP THROUGH PERSONNEL MANAGEMENT:

The COO shall lead by developing and unifying a strong team of learners, workers, and leaders through high expectations, supportive supervision, and fair evaluation.

The COO shall submit a portfolio of acceptable evidence of *Leadership through Personnel Management* that may include:

- Activities to identify and unify leadership teams around high standards and strategic priorities.
- Supportive communications that affirm excellent performance and support for our strategic plan and social contract.
- Corrective communications that identify and correct performance that violates district values, policy, or strategy.
- Initiatives to optimize the workforce through clarified job descriptions, reporting relationships, and recruiting new talent to the district.

Members of the Board of Education and interested district stakeholders may submit additional evidence of *Leadership through Personnel Management* from their direct experience and interactions with the COO or district stakeholders.

MEASURABLE PERFORMANCE TARGETS AND STANDARDS THAT WILL SUPPORT ONE OR MORE OF THE LEADERSHIP PERFORMANCE CATEGORIES PREVIOUSLY DESCRIBED:

The portfolio of evidence submitted by the COO should include a list of results for specifically measured items approved annually by the Board. It is intended that these measurements would provide the bulk of, if not all of, the Quantitative Performance Targets portion of the performance review.

PERFORMANCE REVIEW METRICS FOR THE CHIEF EDUCATION OFFICER

ANNUAL PERFORMANCE REVIEW CYCLE FOR CHIEF EDUCATION OFFICER:

Performance time frame December - November, Completion: December

When evaluating a senior executive, it is important to align leadership activity with the district's strategic plan. Since the strategic plan is operational, it is helpful to use a portfolio review model where the reviewers may examine leadership behavior in the context of daily and long-term activity and accomplishments.

The first six sections organize leadership performance into manageable, observable patterns (i.e. Performance Domains from established standards from CDE). For each section, additional insights might be gleaned from existing surveys and feedback systems or the pursuit of new collections related to a particular performance measure.

The final section lists targets and standards that will provide the quantitative measurements of leadership related to the performance domains.

EDUCATIONAL LEADERSHIP

The CEO shall direct a comprehensive and coordinated program that leads to systematic and measurable improvement in academic achievement for all learners.

The CEO shall submit a portfolio of acceptable evidence of *Educational Leadership* that may include:

- Data analyses to identify areas of strong practices as well as needed improvement.
- Intentional abandonment of failing practices and programs.
- Transparent reporting about formative assessment results, as well as summative and program assessments.
- Recognition and promotion of educational excellence by students, teachers, and members of our community.
- Advocacy and personal involvement to improve equity and access to academic excellence for students with all levels of ability, capacity, and unknown potential.

Members of the Board of Education and interested district stakeholders may submit additional evidence of *Educational Leadership* from their direct experience and interactions with the CEO or from their personal experiences in and around the district.

STRATEGIC LEADERSHIP

The CEO shall promote and embed the district's strategic priorities and initiatives into all decisions and actions.

The CEO shall submit a portfolio of acceptable evidence of *Strategic Leadership* that may include:

- Documents, decisions, or other artifacts from strategic planning sessions or implementation activities.
- Concrete examples (narratives) of activities where the CEO emphasized the strategic plan and caused other stakeholders to support and prioritize strategic initiatives.

- Specific proposals, projects, routines, or other activity that leads to a measurable improvement in any of the five strategic priorities.

Members of the Board of Education and interested district stakeholders may submit additional evidence of *Cultural Leadership* from their direct experience and interactions with the CEO or from their personal experiences in and around the district.

LEADERSHIP DEVELOPMENT

The CEO shall establish and improve a culture of leadership development that leads to increased clarity, accountability, and performance of district, zone, school, and classroom leaders.

The CEO shall submit a portfolio of acceptable evidence of *Leadership Development* that may include:

- Direct participation in professional development sessions to improve leaders' capacity.
- Identification of leadership strengths and leadership deficits for district and zone leaders.
- Active support for District and Zone leaders to improve leadership practices in their areas of responsibility.
- Improving ratings on surveys, standards-based evaluations, and anecdotal reports related to the CEO and other leaders within the Education Office.

Members of the Board of Education, leaders within the Education Office, and interested district stakeholders may submit additional evidence of *Leadership Development* from their direct experience and interactions with the CEO, Education Office leaders, or district stakeholders.

CULTURAL LEADERSHIP

The CEO shall identify and implement cultural practices that foster an invitational and welcoming atmosphere in district schools, workplaces, and at district events and programs.

The CEO shall submit a portfolio of acceptable evidence of *Cultural Leadership* that may include:

- Identifying current practices that invite and welcome individuals of many backgrounds, abilities, and perspectives to learn work and lead.
- Identifying barriers or deficits that inhibit individuals from diverse backgrounds from learning, working, or leading to their best potential.

Members of the Board of Education and interested district stakeholders may submit additional evidence of *Cultural Leadership* from their direct experience and interactions with the CEO or from their personal experiences in and around the district.

LEADERSHIP THROUGH COMMUNICATION:

The CEO shall lead the district's educational strategy by communicating clearly, regularly, and effectively to a variety of audiences through an assortment of methods and media.

The CEO shall submit a portfolio of acceptable evidence of *Leadership through Communication* that may include:

- Direct messages to district staff, parents, and other stakeholders.
- Written messages, personal presentations, and multimedia content.
- Specific feedback from recipients, including surveys, comments, and responses.

Members of the Board of Education and interested district stakeholders may submit additional evidence of *Leadership through Communication* from their direct experience and interactions with the CEO or district stakeholders.

LEADERSHIP THROUGH PERSONNEL MANAGEMENT:

The CEO shall lead by developing and unifying a strong team of learners, workers, and leaders through high expectations, supportive supervision, and fair evaluation.

The CEO shall submit a portfolio of acceptable evidence of *Leadership through Personnel Management* that may include:

- Activities to identify and unify leadership teams around high standards and strategic priorities.
- Supportive communications that affirm excellent performance and support for our strategic plan and social contract.
- Corrective communications that identify and correct performance that violates district values, policy, or strategy.
- Initiatives to optimize the workforce through clarified job descriptions, reporting relationships, and recruiting new talent to the district.

Members of the Board of Education and interested district stakeholders may submit additional evidence of *Leadership through Personnel Management* from their direct experience and interactions with the CEO or district stakeholders.

MEASURABLE PERFORMANCE TARGETS AND STANDARDS THAT WILL SUPPORT ONE OR MORE OF THE LEADERSHIP PERFORMANCE CATEGORIES PREVIOUSLY DESCRIBED:

The portfolio of evidence submitted by the CEO should include a list of results for specifically measured items approved annually by the Board. It is intended that these measurements would provide the bulk of, if not all of, the Quantitative Performance Targets portion of the performance review.

- Adopted: September 11, 2014

DELIVERABLE	Apr W/S	May Mtg	Aug W/S	Sept Mtg	Sept W/S	Oct Mtg	Oct W/S	Nov Mtg	Nov W/S	Dec Mtg	Jan Reg	Jan Spec	Jan W/S	Jan Annual	Feb Reg
<i>Alternative 2</i>															
Administer 360-provide summary to BOE			COO												
COO performance presentation to BOE			COO												
BOE review/discussion Executive Session without COO															
COO executive session w/BOE				COO											
Administer 360-provide summary to BOE					CEO										
CEO performance presentation to BOE					CEO										
BOE review/discussion Executive Session without CEO															
CEO executive session w/BOE						CEO									
Administer 360-provide summary to BOE							CBO								
CBO performance presentation to BOE							CBO								
BOE review/discussion Executive Session without COO															
CBO executive session w/BOE								CBO							
Approve chief officer measurable performance goals											Chiefs				
<i>Alternative 3</i>															
Administer 360-provide summary to BOE						All 3 CO's									
CBO/CEO/COO performance presentation to BOE						All 3 CO's									
BOE review/discussion Executive Session without CBO/CEO/COO							BOE								
CBO/CEO/COO executive session with BOE/approve chief officers' measurable performance goals								All 3 CO's							

RESOLUTION OF THE FALCON SCHOOL DISTRICT 49 BOARD OF EDUCATION
TO SUBMIT A PROPOSAL TO CHANGE THE PLAN OF REPRESENTATION AND ELECTION
TO THE ELIGIBLE ELECTORS OF THE SCHOOL DISTRICT

WHEREAS, the Falcon School District 49 ("District") Board of Education ("Board") determines that having a Board composition that is more representative of the District is in the best interests of the students and community it serves;

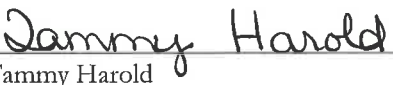
THEREFORE, BE IT RESOLVED that pursuant to C.R.S. 22-31-105(6.5) the Board submits to the eligible electors of the District at the 2015 biennial election a change to the Plan of Representation and Election (together, "the Plan") that is attached to this Resolution.

THEREFORE, the Board directs the Chief Education Officer to mail a copy of this Resolution to the proper election officials and coordinate the inclusion of the Plan for adoption or rejection on the ballot for the 2015 regular biennial election.

THEREFORE, pursuant to subsection 22-31-105(6.5)(f), the ballot language shall include the words "For the proposed election of directors by the electors of a director district" and "Against the proposed election of directors by the electors of a director district," as well as additional ballot language needed to clarify the ballot question.

THEREFORE, pursuant to subsection 22-31-105(6.5)(d), the Board directs the secretary to the Board to make the Plan available for public inspection during reasonable hours at the District offices. The Board further directs the secretary to the Board to cause notice to be given in at least one newspaper of general circulation in El Paso County on the question of whether the existing plan of representation shall be replaced by the Plan. This notice shall also inform constituents of the location and times that the Plan is available for public inspection. Additionally, such notice shall include the date of the election, the addresses of and hours during which the polling locations and mail ballot drop-off locations will be open, and the complete ballot question content. The secretary to the Board shall also mail a copy of said notice to the El Paso County Clerk, who shall post the notice at the office of the Clerk no less than ten days before the election and until at least two days after the election.

ADOPTED AND APPROVED this 16th day of July 2015.



Tammy Harold
President, Board of Education

(SEAL)

ATTEST:



Marie LaVere-Wright
Secretary, Board of Education

[DISTRICT SEAL]

**Ballot Language for the Adoption of a New Falcon School District 49 School
Board Director Plan of Representation**

It is proposed that a new plan of representation for the election of school board directors for Falcon School District 49 be adopted. The new plan of representation will create five director districts that are contiguous, compact, as nearly equal in population as possible, and composed of existing voter precincts. The new plan of representation proposes that, starting with the school board director elections in the year 2017, school board director candidates will be required to reside in the director district that the candidate plans to represent. In addition, the new plan of election proposes that voters will only vote for a candidate running to represent the director district in which the voter resides.

For the proposed election of directors by the electors of a director district

Against the proposed election of directors by the electors of a director district

Falcon School District No. 49

El Paso County Election Precincts



EL PASO COUNTY

District 49 Boundary

Precincts Completely Inside District

Precincts Partially Inside District

Roads

N

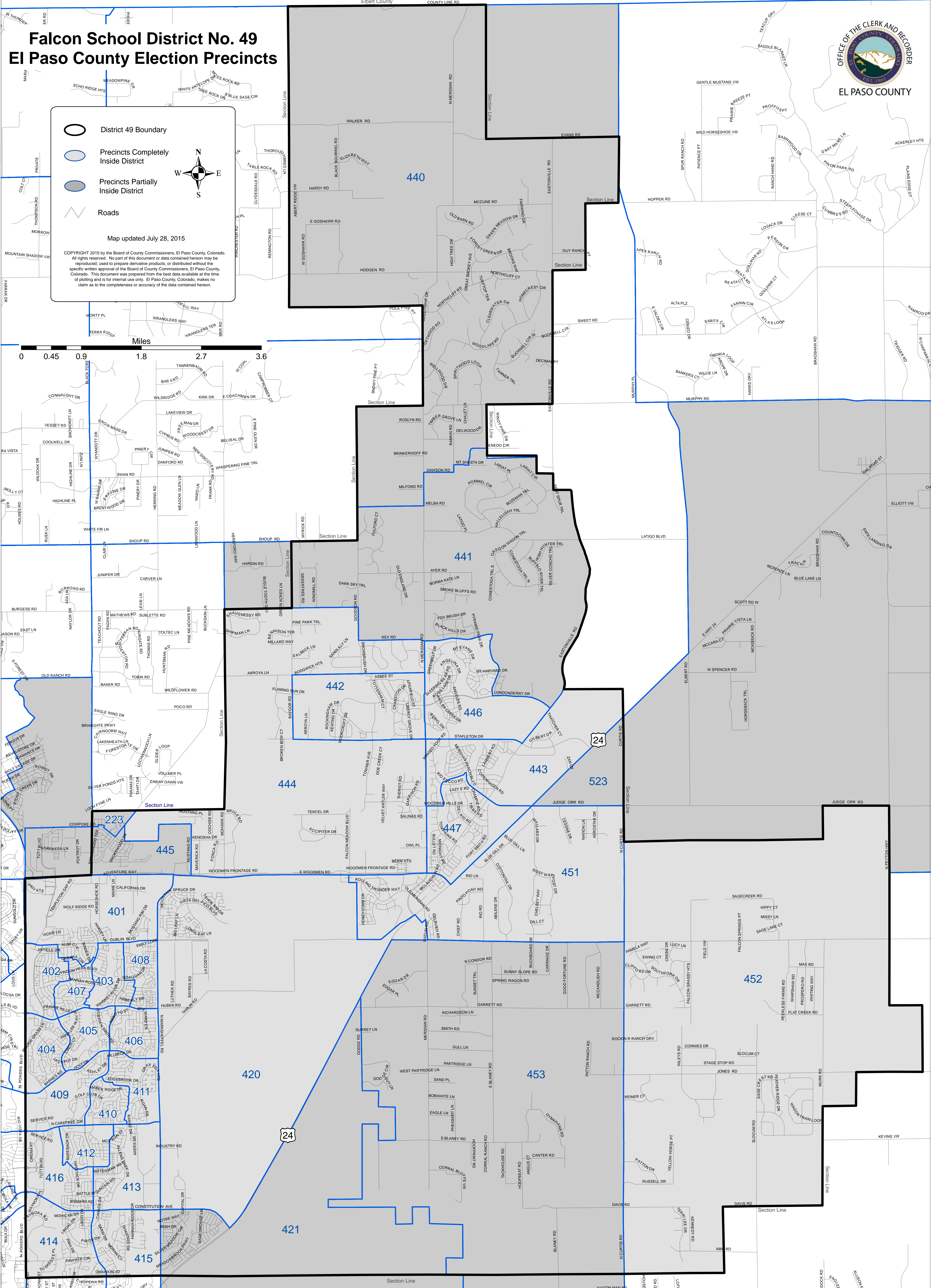
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S

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Map updated July 28, 2015

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Proposed Plan of Representation and Election for Falcon School District 49

The following is the proposed Plan of Representation and Election (together, “the Plan”) for the Falcon School District 49 (the “District”) Board of Education (“Board”), to be adopted or rejected by the eligible electors of the District at the 2015 regular biennial election.

Proposed Director Districts

It is proposed that the Plan will consist of five director districts, and the Board will not exceed five directors. Pursuant to C.R.S. 22-31-109(2), the proposed director districts are designed to be as nearly equal in population as possible, contiguous, compact, and composed of existing voter precincts.

The following are the proposed boundaries for the director districts (a visual map of the geographic boundaries is attached as Exhibit A):

Director District 1

Voting Precincts 223, 401, 403, 405, 406, 408, 445

Director District 2

Voting Precincts 410, 411, 412, 413, 420, 444

Director District 3

Voting Precincts 440, 441, 442, 443, 446, 447, 451, 523, 525

Director District 4

Voting Precincts 414, 415, 421, 452, 453

Director District 5

Voting Precincts 402, 404, 407, 409, 416

Implementation of the Proposed Plan

Pursuant to C.R.S. 22-31-105(6.5)(f) the current term of any presently elected director (or a director elected during the 2015 regular biennial election) will not be terminated early as a result of the adoption of the Plan.

If two or more directors reside in the same director district as a result of the adoption of the Plan and, subsequently, one of those directors vacates his or her seat, then the appointment to fill the vacancy will be of an eligible individual residing in a director district that does not yet have a director on the Board.

Plan of Election

Under the Plan, only eligible electors who reside within the boundaries of a director district will be permitted to cast a vote for a candidate running in an election to represent that particular director district.

Future Elections

Under the Plan, the number of directors on the board will not exceed five. As the four year terms of directors elected during and prior to the regular biennial election of 2015 expire, the order of election for director districts at future elections will first be for director districts that do not have a director on the Board. If there are more director districts without a director on the Board than seats becoming open due to expiring terms, then the seats will be filled in the order of their numbering, starting with director district 1 and ending with director district 5.

The eligible electors of each of the five director districts will have the opportunity to elect a director to represent their director district for a four-year term at either the next regular biennial election in year 2017 or the subsequent regular biennial election in year 2019.

The Board seats in director districts that elect a director during the year 2017 election will elect or re-elect a director in year 2021, and every fourth year thereafter, during the regular biennial election.

The Board seats in director districts that elect a director during the year 2019 election will elect or re-elect a director in year 2023, and every fourth year thereafter, during the regular biennial election.

Redistricting

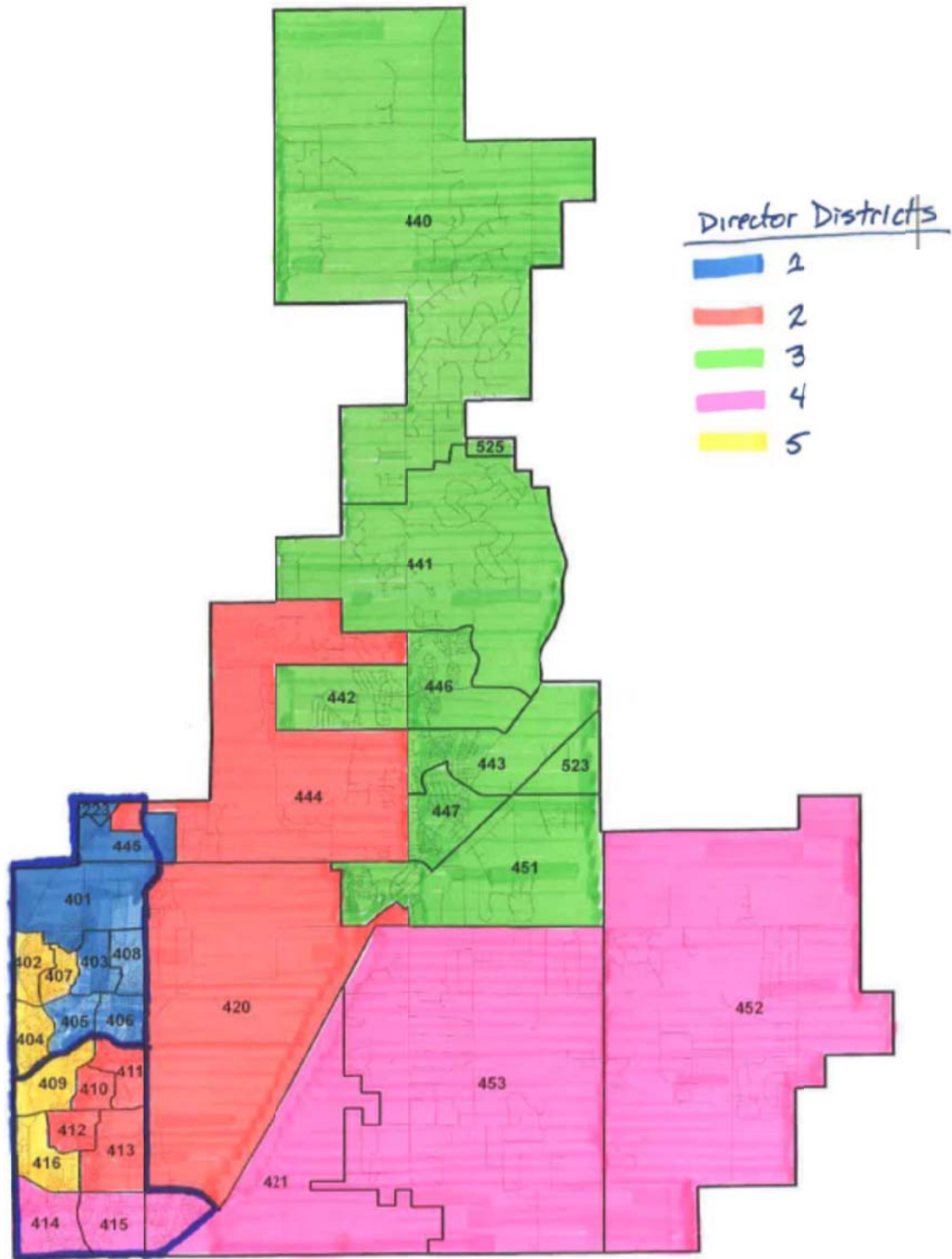
Pursuant to C.R.S. 22-31-110(1)(b)(II), if the Plan is adopted, then not later than March 1 of 2016, then again on March 1 2022 and the March 1 of each tenth year thereafter, the Board will use the most recent information from the federal United States census to determine the population in each director district and if each director district does not contain substantially the same number of persons as each of the other director districts, then it will be the duty of the Board adopt a resolution to redistrict the director district boundaries to conform to applicable law.

Pursuant to C.R.S. 22-31-110(2) the term of any elected director shall not terminate early as the result of redistricting. If two or more directors reside in the same director district as a result of redistricting and, subsequently, one of those directors vacates his or her seat, then the appointment to fill the vacancy will be of an eligible individual residing in a director district that does not have a director on the Board.

If, as a result of redistricting, one or more director districts do not have a director, then as the four year terms of directors elected prior to the redistricting expire, the election for directors at future elections will first be for director districts that do not have a director on the Board. If there are more director districts without a director on the Board than seats becoming open due to expiring terms, then the seats will be filled in the order of their numbering, starting with director district 1 and ending with director district 5.

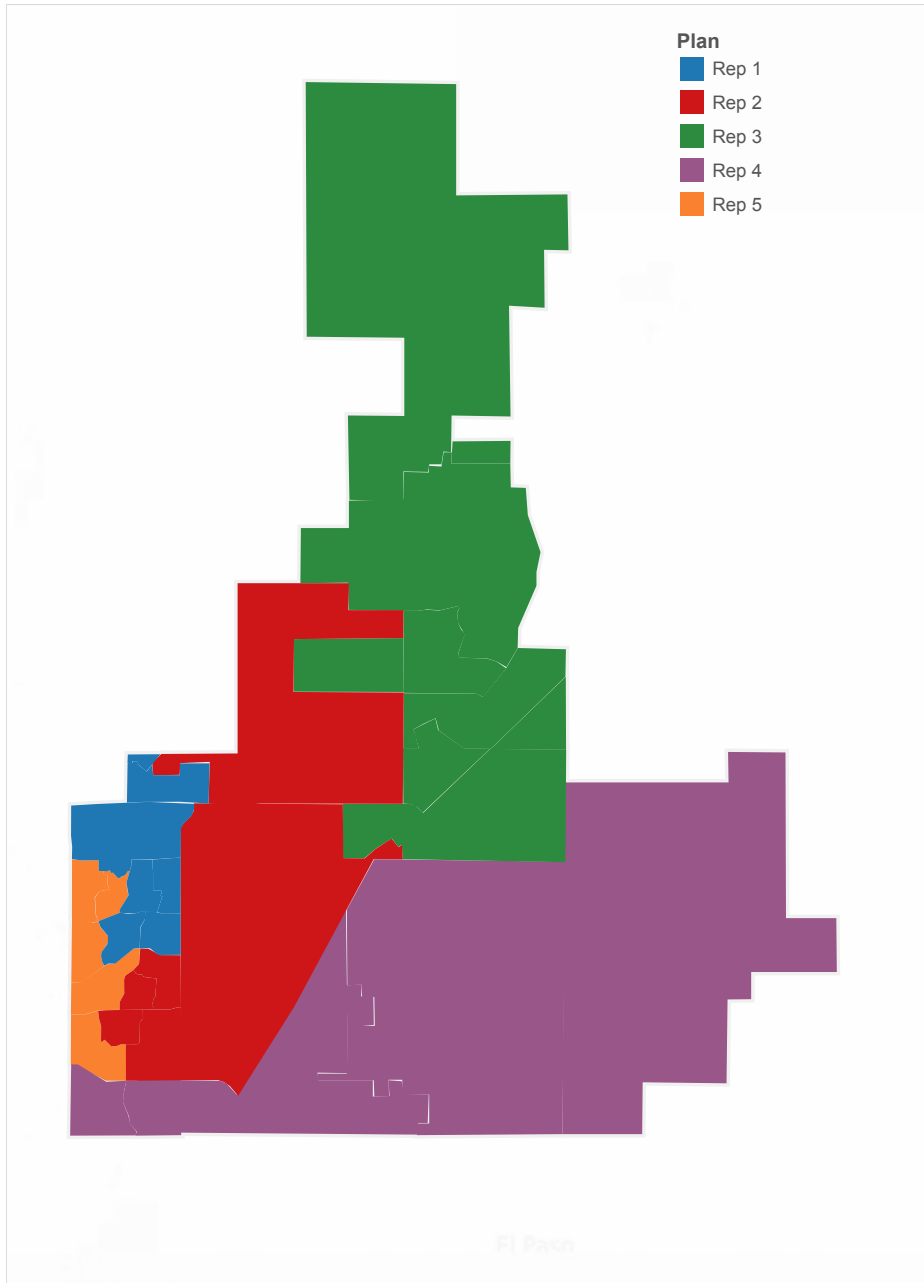
Exhibit A

MAPS OF PROPOSED DIRECTOR DISTRICT BOUNDARIES



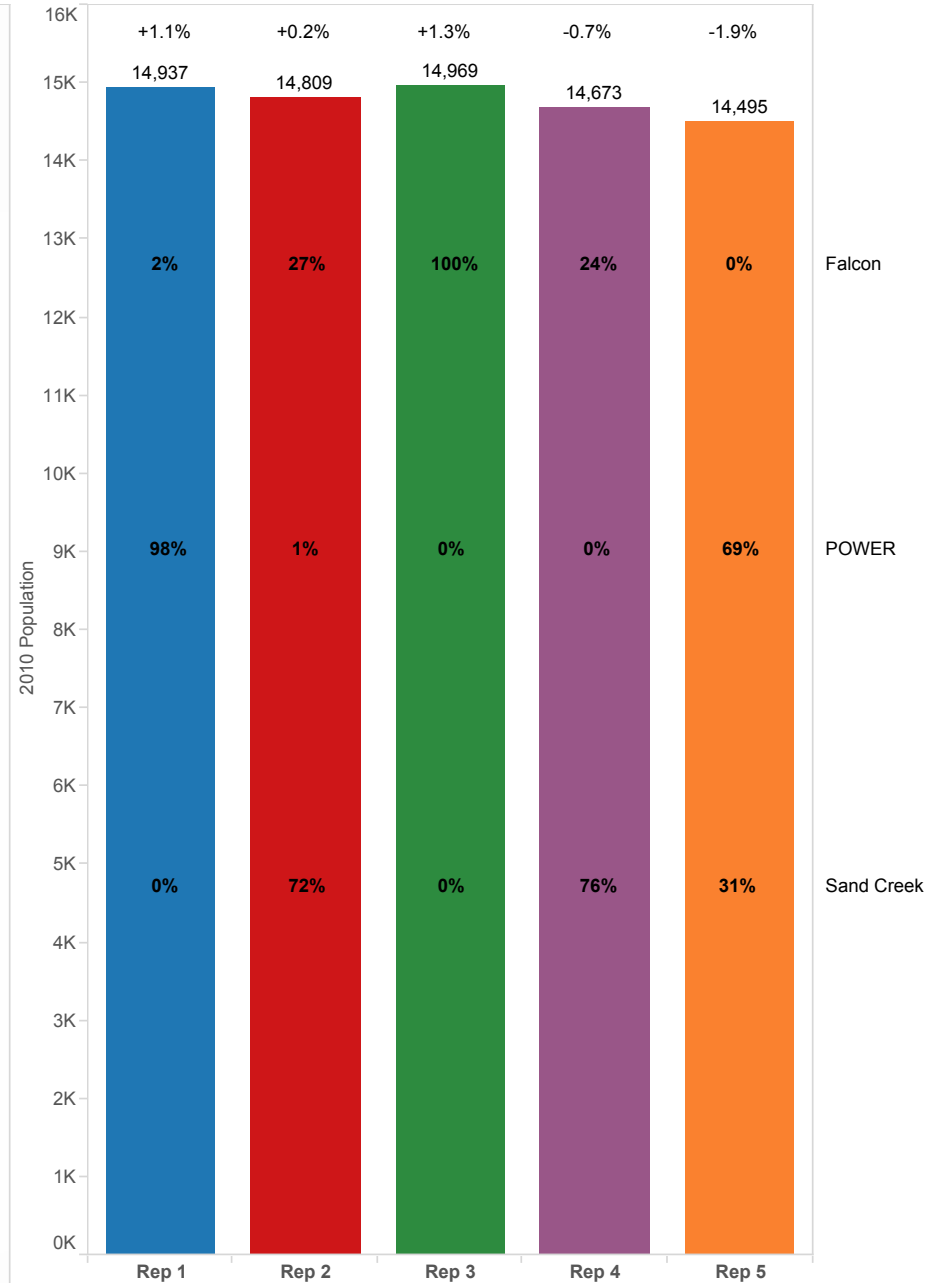
Representative Districts Plan 3.1

District Map



Population

Total Population = 73,883
5 District Mean = 14,776.6



Board of Education Annual Action Calendar

	Presenter	Notes
JULY - Regular Meeting - NO FANTASTIC 49		
Appointment of Designated Election Official	EA to BOE	election year
Approval of Memorandum of Understanding with CD BOCES	Legal Counsel	
Approval of Resolution for Call for Nominations for Candidates	EA to BOE	election year
Approval of Resolution for Intent to Participate in Coordinated Election	EA to BOE	election year
BOE Resolutions for CASB	BOE CASB Rep	discussion
Charter School Application-Public Hearing/Spring Cycle	iConnect ZL	
Concurrent Enrollment Performance Report	Dir CE	1-time only 7-17
School Finance Campaign Ballot Language	Chiefs	election year
JULY - Special Meeting (if necessary)		
Action on Charter School Applications/Spring Cycle	iConnect ZL	
AUGUST - Regular Meeting		
Fantastic 49 - SBOR		
Appoint Board Representative to Attend CASB Delegate Assembly	BOE	
Approval of Intergovernmental Agreement for November Election	EA to BOE	election year
District Resolutions for CASB	BOE CASB Rep	
Reauthorization of the Pikes Peak Board of Cooperative Educational Services Contract	Dir Spec Ed	
AUGUST - Work Session		
CMAS Science and Social Studies Results	Coord CIA	
Cultural Compass Review	Chiefs	
Enrollment Update	Mgr Finance Group	
PARCC Test Results	Coord CIA	
School Finance Campaign Ballot Language	CBO	election year
SEPTEMBER - Regular Meeting		
Approval of Resolution for Constitution Day	CEO	
Enrollment Update	CBO	
iConnect Zone Performance Report	iConnect ZL	
Performance Excellence Self-Assessment	Chiefs/BOE	
Proposed CASB Resolutions and Direction to Board Delegate	BOE/EA to BOE	
SEPTEMBER - Work Session		
Accreditation of Schools	EDLS/CEO	
Charter School Annual Performance Report	iConnect ZL	
Charter School Application Presentation-Public Hearing/Fall Cycle	iConnect ZL	
COO Performance Review-Assessments/Reports	COO/BOE	
Cultural Capacity and Department of Justice Update	Dir Culture	
Falcon Zone Performance Report	Falcon ZL	

Board of Education Annual Action Calendar

	Presenter	Notes
Operations Performance Report		
a. Nutrition Services	Director Nutrition	
b. Transportation	Dir Transportation	
Primary Literacy Performance Report	Coord of CIA	
Resolution in Support of Bond Measure	CEO	election year
SAT-PSAT Results	Coord of Acad Perf	
OCTOBER - Regular Meeting		
Action on Resolution in Support of Bond Measure	CEO	election year
Approval of Accreditation of Schools	EDLS	
Approval of District Benefit Plan	Risk Benefit Mgr/CBO	
Approval of Official Survey Date for Impact Aid	CBO	
COO Final Evaluation	BOE	
DAAC Annual Report	DAAC Representative	
Operations Performance Report		
a. Information Technology	CCS President	
b. Facilities	Dir Facilities	
Sand Creek Performance Report	Sand Creek ZL	
Update to Students Fees	CBO	
OCTOBER - Work Session		
CBO Performance Review-Assessments/Reports	CBO/BOE	
Individualized Education Performance Report	EDIE	annual
Recommendation from Charter Application Review Team	iConnect ZL	
Review of Post-Election Scheduling	EA to BOE	election year
School Health Improvement Plans Update	Wellness Coord	
Unified Improvement Plan Update	EDLS	
NOVEMBER - Regular Meeting		
Fantastic 49: Falcon Education Foundation Mini Grants Awarded	Dir Communications	
Action on Charter School Applications	iConnect ZL	
Amended Budget & Student Count Update	Acct Group Mgr	
Approval of American Education Week Resolution	CEO	
Approval of Graduation Dates and Times (current year)	CEO	
CBO Final Evaluation	BOE	
CEO Performance Review-Assessments/Reports	CEO/BOE	Board election yr
Communications Department Performance Report	Dir Communications	
Motor Coach Rental Resolution	Dir Transp	
POWER Zone Performance Report	POWER ZL	
Sand Creek Leadership Team Update	Assoc Principals	Audra Lane
NOVEMBER - Work Session/Special Meeting		

Board of Education Annual Action Calendar

	Presenter	Notes
Administrative Staffing Calibration Report	Dir HR	
BOE Meeting Dates	EA to BOE	biennial
Board Organizational Meeting	EA to BOE	BOE election yr
CEO Performance Review-Assessments/Reports	CEO/BOE	non-election yr
CEO Final Evaluation	BOE	Board election yr
Course Proposals-New/Revised	Various	
District Calendars	EDLS/CEO	biennial
Job Descriptions - New/Revised	Various	
Student Count Update/Amended Budget	Acct Group Mgr	
DECEMBER - Regular Meeting		
Amended Budget	Acct Group Mgr	
Approval of BOE Meeting Dates	EA to BOE	biennial
Approval of Course Proposals	Various	
Approval of District Calendars	EDLS/CEO	biennial
Approval of Job Descriptions	Various	
Board Annual Planning Workshop Agenda	BOE/Chiefs	
CEO Final Evaluation	BOE	non-election year
Certification of Mill Levies for Property Tax Year ____	CBO	
Election Planning	Chiefs/Dir Comm	
Financial Audit Results	CBO/Fin Gr Mgr	
DECEMBER - No work session		
JANUARY - Regular Meeting		
Amended Budget	Acct Group Mgr	
Approval of Charter Contracts Fall Cycle	iConnect ZL	
Charter School Amended Budgets	Acct Group Mgr	
Review of District Legal Representation	Chiefs	
School Accountability Committee (SAC) Performance Report	CEO	
Unified Improvement Plans Update	EDLS	
JANUARY - Work Session/Special Meeting		
Approval of Amended Budget	Acct Group Mgr	
Approval of Charter School Amended Budgets	Acct Group Mgr	
Charter School Contract Renewals	iConnect ZL	BLRA-PPSEL 2017; IIR-RMCA- GOAL 2018
Election Planning	Chiefs/Dir Comm	election year
Human Resources Performance Report	Dir HR	
Strategic Plan Review	Chiefs	every 3 years

Board of Education Annual Action Calendar

	Presenter	Notes
JANUARY Annual Planning Workshop		
Performance Excellence Update/Review & Direction	Board/Chiefs	
Review and Direction on District Mission, Vision & Values	Board/Chiefs	
Strategic Plan Review and Direction	Chief Officers	
Cultural Compass Review and Direction	Chief Officers	
Board Committees, Liaisons and SBOR	EA to BOE/Board	
Election Planning-Board's Role in Director District	CBO/Dir Comm	
Review BOE Annual Action Calendar	Chiefs/EA to BOE	
FEBRUARY - Regular Meeting		
REMINDER - Complete Review for Executive Assistant	BOE and Chiefs	
Action on Charter School Contract Renewals	iConnect ZL	2017; IIR-RMCA-
Administration Contract Renewals	Dir HR	
Approval of Adm Personnel Rec-Dept/Prog Leaders	Dir HR	
Approval of Adm Personnel Recommendations - Building Leaders	Dir HR	
Approval of Administrative Personnel Rec - Chief Officers	Dir HR	
Approval of Administrative Personnel Recommendations - Zone Leaders	Dir HR	
Approval of Resolution for Capital Planning Campaign	CEO/CBO	election year
Capital Campaign Events & Strategies	COO/CEO/CBO	election year
Election Planning	Chiefs/Dir Comm	election year
Falcon Zone Performance Report	Falcon ZL	
FEBRUARY - Work Session		
Budget and Legislative Update-Next Fiscal Year	Fin Group Mgr	
Capital Campaign Events & Strategies	COO/CEO/CBO	election year
Chief Officers' Goals	Chief Officers	
DAAC By Law Revisions	Dir Culture	biennial
Information Technology Contract Recommendation	CBO	
Instructional Technology Performance Report	Instruct Tech Coord	
New Courses - New/Revised	Principals/ZLs	
Primary Literacy Performance Report	Coord CIA	
Strategic Plan Review	Chief Officers	every 3-5 years
MARCH - Regular Meeting		
Approval of DAAC By Law Revisions	CEO	biennial
Approval of Information Technology Contract	CBO	1 yr ext 2-2016
Approval of Matters Relating to Specialized Services Professionals	HR Manager	
Budget Focus-Next Fiscal Year	Fin Acct Mgr	
Department of Justice Update	Dir Culture	
Falcon Zone Org Chart and Plan for Additional Elementary School	Falcon ZL	1-time add
iConnect Zone Performance Report	iConnect ZL	

Board of Education Annual Action Calendar

	Presenter	Notes
MARCH - Work Session		
Chief Officer Evaluation Review	BOE Liaisons to Chiefs	
Cultural Compass Review	Chiefs	
District Budget and Legislative Update	CBO	
Individualized Education Performance Report	EDIE	1-time check w/NL
Policy ADF revision	Health/Wellness Coord	1-time add
School Health and Wellness Plans Update	Coord Heath	
Unified Improvement Plan Update	EDLS	
APRIL - Regular Meeting		
Approval of Food Service for BLRA, IIR, PPSEL	Dir Nutrition	
Approval of Teacher Appreciation Week Resolution	BOE	
Approval of Unified Improvement Plans	EDLS	
Budget Focus - next fiscal year	Fin Acct Mgr	
Capital Needs Update	COO/District Planner	
Career and Technology Education Performance Report	CTE Director	
Communications Department Performance Report	Dir Communications	
Policy ADF revision	Health/Wellness Coord	1-time add
Sand Creek Performance Report	Sand Creek ZL	
APRIL - Work Session		
Charter School Application Presentation	iConnect ZL	
Chief Officer Performance Review-proposed set of performance domains, targets, standards and evidence	Chiefs	
Compensation Schedule Review	CBO	
District Budget and Legislative Update-Next Fiscal Year	CBO/Fin Acct Mgr	
Information Technology Performance Report	CCS President	
Job Descriptions - New/Revised	Chiefs/ZL's	
Operations Performance Report		
a. Nutrition Services	Director Nutrition	
b. Transportation	Dir Transportation	
May - Regular Meeting		
Affirmation of Chief Officer Performance Domains, Targets, Standards and Evidence	COO/CEO/CBO	
Approval of Changes to Compensation Schedules:	CBO	
a. Licensed	CBO	
b. Educational Support Personnel	CBO	
c. Professional/Technical	CBO	
d. Administrative	CBO	
Approval of Fees:		

Board of Education Annual Action Calendar

	Presenter	Notes
a. Transportation Fee for Services	Dir Transportation	
b. School Fees	CBO	
Approval of Job Descriptions	Chiefs/ZL's	Facilities-1 time
Approval of Matters Relating to Non-Renewal of Probationary Teachers	HR Mgr	
Budget Discussion and Legislative Update-Next Fiscal Year	Fin Group Mgr	
POWER Zone Performance Report	POWER ZL	
May - No work session		
JUNE - Regular Meeting - Fantastic 49 Teachers of the Year		
Approval of Charter School Budgets	CBO	
Approval of District Budget	CBO	
Concurrent Enrollment Performance Report	Director of CE	
DAAC Review of District Budget	DAAC	
Legislative Update	Amy Atwood	
Reauthorization of CPCD/Head Start Contract	EDIE	
Renewal of Champions Contract	COO	
Safety & Security Performance Report	Dir Safety	
NOTE: SIGN CONTRACTS FOR ZL'S AND CO'S	HR/BOE	
JUNE - Special Meeting/Work Session		
Charter School Application-Public Hearing/Spring Cycle	iConnect ZL	
iConnect Zone Performance Report	iConnect ZL	
Primary Literacy Performance Review	Coord of CIA	
Professional Development Performance Review	EDLS	
Review of Student Handbooks	Dir Culture	
Monthly Consent Items		
Approval of Matters Relating to Administrative Personnel	Dir HR	
Approval of Matters Relating to Professional Technical Personnel	HR Mgr	
Approval of Matters Relating to Licensed Personnel	HR Mgr	
Approval of Matters Relating to Educational Support Personnel	HR Mgr	
Approval of Matters Relating to Schedule B Personnel	HR Mgr	
Approval of DAAC Membership	EA to CEO	
Approval of Minutes from Previous BOE Meetings	EA to BOE	
Monthly Information Items		
Process Improvement Update	EA to BOE	
Student Study Trips	EA to CEO	
Expulsion Information	Dir Culture	
Work Session Items		

Board of Education Annual Action Calendar

	Presenter	Notes
49 Pathways Update	Chiefs	
Performance Excellence Update	Chiefs	
Policy and Procedure Review	Chiefs/EA to BOE	
Monthly Financial Report	Fin Group Mgr	
Monthly Chief Reports	COO/CEO/CBO	
2016 3B Projects Update	COO /CBO	
Strategic Plan - revised every 3-5 years (approved 3-14-13)	Chiefs	
Innovation Plans - Review every 3 years	Principals/ZL's	



Policy Update

January 28, 2017

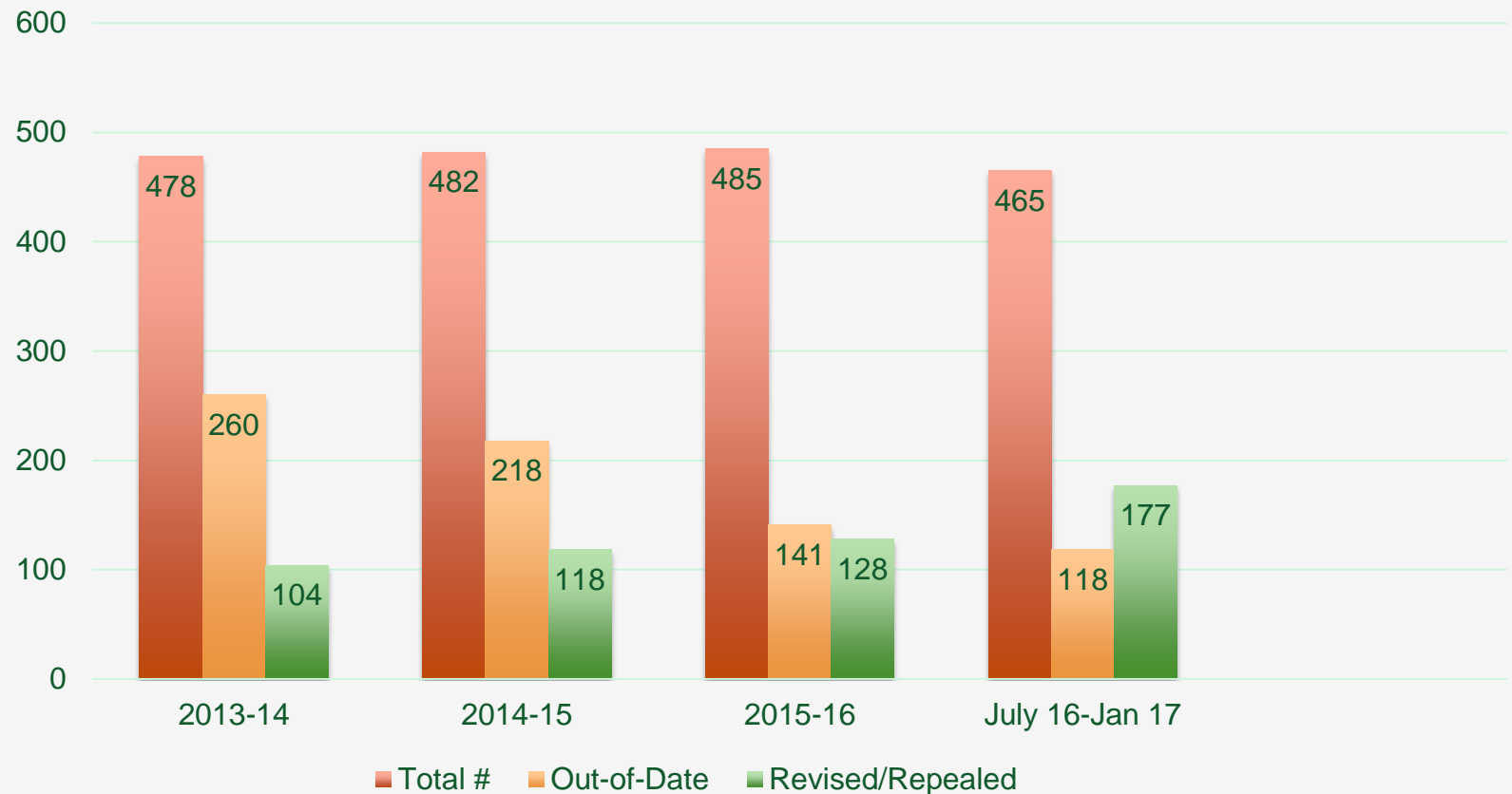
Donna Richer

Executive Assistant to the BOE

Policy & Regulation Manual



By the Numbers



Policy Details



- 25% of policies, regulations and exhibits are currently out-of-date.
- Notifications about policy changes causing significant changes to operations are being publishing monthly.
- Chiefs' Assistants are helping to streamline process.