



Colorado State Board of Education

**TRANSCRIPT OF PROCEEDINGS
BEFORE THE
COLORADO DEPARTMENT OF EDUCATION COMMISSION
DENVER, COLORADO**

June 15, 2017 Meeting Transcript - PART 1

BE IT REMEMBERED THAT on June 15, 2017, the
above entitled meeting was conducted at the Colorado
Department of Education, before the following Board Members:

Angelika Schroeder (D), Chairman
Joyce Rankin (R), Vice Chairman
Steven Durham (R)
Valentina (Val) Flores (D)
Jane Goff (D)
Pam Mazanec (R)
Rebecca McClellan (D)



1 MADAM CHAIR: MS. Cordial, will you please
2 call the roll, and wake me up while you're at it.

3 MS. CORDIAL: Okay. Board Member Durham?

4 MR. DURHAM: Here.

5 MS. CORDIAL: Board Member Flores is not here
6 yet. Board Member Goff is not here yet. Board Member
7 Mazanec?

8 MS. MAZANEC: Here.

9 MS. CORDIAL: Board Member McClellan is not
10 here yet. Board Member Rankin?

11 MS. RANKIN: Yep.

12 MS. CORDIAL: Board Member Schroeder?

13 MADAM CHAIR: Here.

14 MS. CORDIAL: Okay.

15 MADAM CHAIR: Would you be kind enough to
16 call us into executive session?

17 MR. DURHAM: This quorum is present.

18 MS. CORDIAL: Thank you, Board Member Durham.
19 The quorum is present. An executive -- an executive session
20 has been noticed for today's State Board meeting in
21 conformance with 24-6-402 (3)(a) CRS to receive legal advice
22 on specific legal questions pursuant to 24-6-402 (3)(a)(III)
23 CRS, in matters required to be kept confidential by federal
24 law, or rules, or state statute pursuant to 24-6-402
25 (3)(a)(III) CRS.



1 (Pause)

2 MADAM CHAIR: Good morning, ladies and
3 gentlemen. We are back from our break. I'd like to
4 recognize that since roll call -- recognize the arrival of
5 MS. Goff, MS. McClellan, and Dr. Flores.

6 MR. DURHAM: Yeah.

7 MADAM CHAIR: And we'll proceed to item 4.01.
8 We're all ready? Staff is here?

9 MR. DURHAM: 3.01.

10 MADAM CHAIR: No. It's been changed to 4.01.
11 I've had a -- the literature.

12 MR. DURHAM: I've got it right here. 4.01,
13 I'm with you.

14 MADAM CHAIR: 4.01. The State Board will now
15 consider and adopt the final written determination for the
16 accountability recommendations concerning Aguilar School
17 District and Aguilar Junior-Senior High School, Case Number
18 17-AR-07. Public testimony will not be heard at this time.
19 however, department staff, district staff, and legal counsel
20 are available to only answer any final questions we may
21 have. Neither the department nor district may provide any
22 additional information unless requested by the State Board.
23 So welcome. I believe the district is in the ether(ph), on
24 the phone. Good morning.

25 UNIDENTIFIED VOICE: Yes, ma'am. We're here.



1 MADAM CHAIR: Hi, welcome. Colleagues,
2 questions for the order for Aguilar and Aguilar High School?
3 Going, going, gone.

4 MR. DURHAM: I move the adoption of the order
5 --

6 MADAM CHAIR: Board Member Durham, go ahead.

7 MR. DURHAM: Thank you, Madam Chair. I move
8 the adoption of the order in -- that is contained in our
9 materials. I'm, I'm trying to figure out how to reference
10 it.

11 MADAM CHAIR: The order.

12 MR. DURHAM: The order. Oh, well, I don't
13 have that. So I don't make -- so let's see here.

14 MADAM CHAIR: You have a bad agenda?

15 MR. DURHAM: I move to approve the final
16 written determination as proposed by the department and the
17 district to direct Aguilar School District and Senior and
18 Junior High School to implement its pathway proposal for its
19 external management pathway with Generation Schools Network
20 as filed with the State Board on April 14, 2017.

21 UNIDENTIFIED VOICE: I second.

22 MADAM CHAIR: Thank you. MS. Cordial, would
23 you be kind enough to call the roll?

24 MS. CORDIAL: Member Durham?

25 MADAM CHAIR: And if I can say something.



1 MS. CORDIAL: Oh.

2 MR. DURHAM: I'm sorry?

3 MADAM CHAIR: Can I say something?

4 MR. DURHAM: Okay.

5 MADAM CHAIR: One more thing. Within 30 days
6 of receiving a copy of the written final determination, the
7 district or institute shall agree to implement the directed
8 action pursuant to terms to be specified in a revised
9 version of the accreditation contract. Signed copies of the
10 revised contract will be made available to both parties.

11 MS. Cordial, now, would you be kind enough to read the vote?

12 MS. CORDIAL: Board Member Durham?

13 MR. DURHAM: Yes.

14 MS. CORDIAL: Board Member Flores?

15 MS. FLORES: Yes.

16 MS. CORDIAL: Board Member Goff?

17 MS. GOFF: Yes.

18 MS. CORDIAL: Board Member Mazanec?

19 MS. MAZANEC: Yes.

20 MS. CORDIAL: Board Member McClellan?

21 MS. MCCLELLAN: Yes.

22 MS. CORDIAL: Board Member Rankin?

23 MS. RANKIN: Yes.

24 MS. CORDIAL: Board Member Schroeder?



1 MADAM CHAIR: Yes. Thank you, folks, very
2 much, and good luck. Thank you. The next item is 4.02.
3 The State Board will now consider and adopt a final written
4 determination for the accountability recommendations
5 concerning Adams 14 School District and Adams City High
6 School, Case Number 17-AR-10. Public testimony will not be
7 heard this time. however, the department staff, district
8 staff, and legal counsel are available to only answer any
9 final questions we may have. Neither the department nor
10 district shall provide any additional information unless
11 requested by the State Board colleagues. Colleagues, do you
12 have any questions? Comments? Board Member Goff? Sorry.

13 MS. GOFF: Well, first of all, I'd like to
14 express appreciation for the work. Months, months, years
15 perhaps that has gone into devising the plan. I continue to
16 be pleased and privileged that I have the chance to interact
17 and represent Adams 14 schools, districts, and the
18 community, the district and the community. I am hopeful. I
19 am optimistic. I am very firm and forthright in my
20 confidence that this is a good plan, that you have taken all
21 the necessary steps to interact well and in new and
22 different ways with your communities. So I think that is
23 something that I trust you are focused on continuing and
24 picking up as well.



1 I always come back to where the real power
2 lies, and the real power is in the minds and hearts of
3 everybody involved. And in this case, I think the -- the
4 trust of that really does rest with your students. I think
5 they have been instrumental in guiding you through the past
6 several years and in setting the proper tone in the
7 atmosphere for continued leadership on everyone's part,
8 including those students themselves. So I wish you the best
9 of luck. I wish you hard work and dedication, and I know
10 that the State Board and the Department are both in your
11 corner as you proceed. So thank you.

12 MADAM CHAIR: Any other comments from
13 colleagues?

14 MS. RANKIN: I -- I just --

15 MADAM CHAIR: Board Member Rankin?

16 MS. RANKIN: Thank you. I -- I appreciate
17 what Board Member Goff has said, and I think a lot of the
18 success of students is dependent upon the leadership. And I
19 thought, when you presented, you showed great leadership,
20 and again I -- I wish you all the best of luck, because it
21 is the students come first.

22 MADAM CHAIR: So let me move forward then.
23 Within 30 days of receiving a copy of the written final
24 determination, the district shall agree to implement the
25 directed action pursuant to terms to be specified in a



1 revised version of the accreditation contract. Signed
2 copies of the revised contract will be made available to
3 both parties. As wishes(ph), may I have a motion please?
4 Board Member Rankin?

5 MS. RANKIN: I move to approve the final
6 written determination as proposed by the department,
7 district, and Beyond Textbooks to direct Adams 14 School
8 District, Adams City High School to implement its revised
9 pathway proposal for its external management pathway with
10 Beyond Textbooks as filed with the State Board of Education
11 on June 6, 2017.

12 MS. MAZANEC: Second.

13 MADAM CHAIR: MS. Cordial, would you please
14 call the roll?

15 MS. CORDIAL: Board Member Durham? Sorry, I
16 messed up. Board Member Durham?

17 MR. DURHAM: Yes.

18 MS. CORDIAL: Board Member Flores?

19 MS. FLORES: Yes.

20 MS. CORDIAL: Board Member Goff?

21 MS. GOFF: Yes.

22 MS. CORDIAL: Board Member Mazanec?

23 MS. MAZANEC: Yes.

24 MS. CORDIAL: Board Member McClellan?

25 MS. MCCLELLAN: Yes.



1 MS. CORDIAL: Board Member Rankin?

2 MS. RANKIN: Yes.

3 MS. CORDIAL: Board Member Schroeder?

4 MADAM CHAIR: Yes. Thank you very much.

5 Best wishes.

6 UNIDENTIFIED VOICE: Thank you so much for
7 your -- for allowing us to have this partnership, and we
8 hope to bring you great news in -- by the end of next year.

9 MADAM CHAIR: Fantastic.

10 MS. RANKIN: Looking forward to it.

11 MADAM CHAIR: Thank you.

12 MS. GOFF: Thank you.

13 MADAM CHAIR: Item 4.03, accountability
14 recommendations. The Board shall now consider and adopt
15 final written determination for the accountability
16 recommendations concerning Bessemer Elementary, Heroes
17 Middle School, and Risley International Academy of
18 Innovation, Case Number 17-AR-06. Provide me some input.
19 should we wait? Peter, I'm sorry. I can't hear you.

20 UNIDENTIFIED VOICE: She was -- she's on her
21 way here because they were planning for 10:00 based on the
22 conversation yesterday.

23 MADAM CHAIR: Right.



1 UNIDENTIFIED VOICE: So I think if -- if you
2 don't mind, can we try and see if we can get her on the
3 phone just so she can listen?

4 MADAM CHAIR: I -- is that okay? I'm happy
5 to wait until 10:00.

6 UNIDENTIFIED VOICE: Let's wait until 10:00.

7 MADAM CHAIR: Yep. So scratch that 4.03.

8 UNIDENTIFIED VOICE: Sure.

9 MADAM CHAIR: So every one of my numbers is
10 off today? Is that correct?

11 MS. CORDIAL: I have the revised -- a revised
12 copy for you.

13 MADAM CHAIR: I know, but that's already
14 taking a trip on my desk. So I'll just change all the
15 numbers.

16 UNIDENTIFIED VOICE: No lottery tickets for
17 you.

18 MADAM CHAIR: Okay then -- yeah, okay but I'm
19 -- I'm gonna move on. Thank you.

20 MS. CORDIAL: So those are all in there.

21 MADAM CHAIR: Oh, they're are all new --

22 MS. CORDIAL: Like I just reprinted
23 everything to (inaudible).

24 MADAM CHAIR: Okay. I'll figure this out.

25 MR. DURHAM: Which one we are doing?



1 MADAM CHAIR: I think staff.

2 MR. DURHAM: Oh, item 11.01.

3 UNIDENTIFIED VOICE: We might be able to do -

4 -

5 MADAM CHAIR: It's -- they've not -- they've

6 now all been renumbered, though, right?

7 MS. CORDIAL: Yes.

8 MADAM CHAIR: To the new...

9 MR. DURHAM: So its 11.

10 MS. CORDIAL: It's -- The revised agenda that

11 we placed in front of you this morning has the accurate

12 numbers.

13 MR. DURHAM: Yeah, but they're -- they're out

14 of kilter with the --

15 UNIDENTIFIED VOICE: Pueblo's parking right

16 now.

17 MS. CORDIAL: Pueblo's parking right now, so

18 we can just jump back to that item.

19 MR. DURHAM: So it will be Item 10?

20 MS. CORDIAL: Okay, should we take like a

21 five-minute break perhaps, Board Member -- or Madam Chair?

22 MADAM CHAIR: Sure.

23 MS. CORDIAL: Thank you.

24 MR. DURHAM: 10.1, what are we doing?

25 MADAM CHAIR: We are taking a short pause.



1 (Pause)

2 MADAM CHAIR: Sorry for the delay. We'll try
3 to be professional now. State Board will now consider and
4 adopt a final written determination for the accountability
5 recommendations concerning Bessemer Elementary, Heroes
6 Middle School, and Risley International Academy of
7 Innovation. Case Number 17-AR-06. Public testimony will
8 not be heard at this time. However, department staff,
9 district staff, and legal counsel are available to only
10 answer any final questions we may have. Neither the
11 department nor the district may provide any additional
12 information unless requested by State Board. Folks ,do you
13 have questions or comments, colleagues? And thank you for
14 coming. I'm feeling kind of bad about this, but thank you.
15 No one has any comments to make? All right, I'm going to
16 make the comment --

17 MR. DURHAM: We should have the motion first
18 and --

19 MADAM CHAIR: Do you want a motion first?
20 Well, first let me read the 30-day thing, thingamabob.

21 MR. DURHAM: All right.

22 MADAM CHAIR: Within 30 days of receiving a
23 copy of the written final determination, the district shall
24 agree to implement and -- the directed action pursuant to
25 terms to be specified in a revised version of the



1 accreditation contracts. Signed copies of the revised
2 contracts will be made available to both parties. I'm gonna
3 need three motions. Should we just do these one at a time?

4 UNIDENTIFIED VOICE: Yeah.

5 MR. DURHAM: Mm-hmm.

6 MADAM CHAIR: Board Member Rankin?

7 MS. RANKIN: I move to approve the final
8 written determination, Version B as prepared by counsel to
9 direct Pueblo School District to implement its innovation
10 plan with external management from the Achievement Network
11 for Bessemer Elementary.

12 MADAM CHAIR: That's -- thank you. So I
13 would like to make a comment or perhaps an explanation,
14 given the challenges that we have presented to Pueblo. When
15 you first came in April, your proposal was for at least two
16 of the schools to become Innovation Schools, and the third
17 one was to be an Innovation School. That, if I'm not
18 mistaken, that had been part of the State Review Panel's
19 recommendation, etc., and there were some discussions about
20 management.

21 We felt that you weren't far enough along on
22 the efforts to become Innovation Schools, and that was kind
23 of what we sent back the direction that we sent back, and we
24 were not as emphatic about the management piece, as you
25 heard us yesterday. And the reasoning is sort of the



1 realization that in your district, you seem to have a lot of
2 new principals, new teachers, etc. And one of the comments
3 that we had heard from the state review panel was the
4 expectation that its experienced staff that is ready to
5 engage in innovation alone. and it's for that reason that
6 the Board felt that we needed to sort of ramp up as -- and
7 you guys to some extent did as well -- to ramp up the input
8 from management so that you have that outside experience
9 available as well as what you have centrally. Because in
10 innovation, it's not really supposed to be all about central
11 administration. Innovation suggests a high level of
12 independence.

13 So I wanted to give you that explanation as
14 to where our minds wandered to in the hopes that that is
15 supportive of the work that you all did. You came forward
16 with an awful lot of work, and I don't want you to feel that
17 we dismissed that work. We just sort of were a little bit
18 concerned with the kind of level of turnover that you tend
19 to have anyway and that you certainly have had in these
20 three schools. just wanted to explain that. I'm ready for
21 you to please call the roll for Bessemer.

22 MS. CORDIAL: At -- may I -- may I have --

23 MADAM CHAIR: Do we not get a motions?

24 MS. CORDIAL: No.

25 MR. DURHAM: No.



1 MADAM CHAIR: Oh, MR. Durham.

2 MR. DURHAM: We didn't get a motion?

3 MS. MAZANEC: Yes, we did.

4 MADAM CHAIR: Yeah, we did.

5 MR. DURHAM: Yeah, we did. I just wanted to
6 just -- just comment.

7 MADAM CHAIR: Please do. we're commenting.

8 MR. DURHAM: Oh, thank you. I think -- I
9 think, you know, we're near the end of this process for all
10 the -- for all of the schools. I think this is the last
11 three that we're going to deal with in this cycle. And it's
12 -- I'm not certain whether any of these solutions that we
13 have tried to work with on various districts are going to be
14 successful. We certainly hope that they will be successful.
15 But I think I've concluded after spending a great deal of
16 time looking and hoping for some sort of secret sauce or
17 silver bullet to solve the problems in education. Dr.
18 Anthes has told me just stop looking because there isn't
19 one, and I think the reality is it's that the chances of
20 improving our education system really are -- really were
21 down to hard work and trying different innovative ideas.

22 But I think there's one other element that --
23 that in my 43 years of public service off and on that have I
24 ever observed about education -- and certainly it's not the
25 only area of public policy where this shows. Education and



1 education policy really should be about the wellbeing of
2 children. as a regular and practical matter it is anything
3 but. School boards have lobbyists that regularly prove they
4 have no interest in the welfare of children. School
5 executives have lobbyists that regularly prove that they
6 really don't care about the wellbeing of children, and
7 teachers unions have children who regularly democrat --
8 demonstrate that they also put the interests of their
9 members well ahead of the interests of -- of the children.

10 And I think until we have education policies
11 and people of goodwill in those positions who recognize that
12 their first duty is to put the interests of the children
13 first, and if they really are professionals, they recognize
14 that the definition of a professional is an individual that
15 puts the interests of their clients ahead of their own
16 personal interests. and that's what we don't see in
17 education, and I think that's why we fail to make progress.
18 And if there is any -- if there's any evidence of -- in the
19 last 50 years really of -- of education progress has been
20 from a measurable perspective in terms of test scores and
21 those obvious things, almost nonexistent. with all of the
22 resources, and all of the pain and suffering, and all of the
23 reforms, if you look at the result -- I know Dr. Schroeder
24 and I have disagreed about this. she thinks there is some



1 progress, but no one could characterize it as dramatic
2 improvement.

3 So I hope that -- that the one thing that
4 this process has done has been able to shine a light on
5 schools that need to do better and that I hope that they
6 will do better. I think it's been particularly
7 disappointing with Pueblo to look at some of the press
8 accounts and -- and really what I consider to be the defense
9 of the indefensible. I mean, the practical side of this is
10 that it's not gone well in Pueblo, and -- and somehow this
11 Board has come into some criticism for trying to do
12 something about that, and that's unfortunate because I do
13 think it really is a little bit like the 12-step program.
14 Step one is recognizing you have a problem, and I think, at
15 least based on press accounts and the editorial, there's a
16 clear lack of understanding of that.

17 So I'm going to vote for these three -- these
18 three solutions in the hopes that they will be implemented
19 by people of goodwill who really want to make a difference
20 for children thank you.

21 MADAM CHAIR: Thank you.

22 MS. FLORES: I want to say --

23 MADAM CHAIR: Board Member Flores.

24 MS. FLORES: I think you missed the colleges,
25 the colleges of education who train teachers, and I -- I



1 think they have a -- a part in this. And for some reason, I
2 think that, here in Colorado, we don't have them as much as
3 leaders as they should be. And I hope that they kind of
4 take the ages and -- and will rise up in this area and not
5 only have, you know, better programs, change programs, and
6 at the same time, recruit teachers, large volumes of
7 teachers that we so need in our -- in our state to teach our
8 children. And for that population, their -- I -- I -- their
9 client is not the student at that institution. and I've
10 heard that a lot of times from institutions of higher
11 education. Their client is the public school student.
12 Those little kids are -- should be the clients of the -- of
13 all those universities. Thank you, and thank you for your
14 work.

15 MADAM CHAIR: Thank you. Any additional
16 comments? Please note that these are the comments of us as
17 individuals. I will say that it's my belief that at this
18 table, we do try very hard to focus on the students. And we
19 sometimes have to remind each other. But now that we've
20 blasted everybody else, shall we take a vote?

21 MR. DURHAM: I -- I would just say one other
22 thing. I think, you know, we all have to look in the mirror
23 and see if we -- if we do that, and I'm sure there's plenty
24 of blame to go around including at this -- at this dais --

25 MS. RANKIN: Exactly.



1 MR. DURHAM: -- so I don't exempt myself
2 necessarily from the criticism.

3 MADAM CHAIR: MS. Cordial.

4 MS. CORDIAL: May I ask who seconded the
5 vote? Thank you. Board Member Durham.

6 MR. DURHAM: Yes.

7 MS. CORDIAL: Board Member Flores.

8 MS. FLORES: Yes.

9 MS. CORDIAL: Board Member Goff.

10 MS. GOFF: Yes.

11 MS. CORDIAL: Board Member Mazanec.

12 MS. MAZANEC: Yes.

13 MS. CORDIAL: Board Member McClellan.

14 MS. MCCLELLAN: Yes.

15 MS. CORDIAL: Board Member Rankin.

16 MS. RANKIN: Yes.

17 MS. CORDIAL: Board Member Schroeder.

18 MADAM CHAIR: Yes. So is there a motion on
19 the table for Heroes Middle School, please? Board Member
20 Rankin.

21 MS. RANKIN: I move to approve the written
22 final determination. Version B is prepared by counsel to
23 direct Pueblo school district to implement its innovation
24 plan with external management from the Achievement Network
25 for Heroes Middle School.



1 MADAM CHAIR: It's a proper motion.
2 MS. MCCLELLAN: Second.
3 MS. FLORES: Second by MS. McClellan. MS.
4 Cordial.
5 MS. CORDIAL: Board Member Durham.
6 MR. DURHAM: Yes.
7 MS. CORDIAL: Board Member Flores.
8 MS. FLORES: Yes.
9 MS. CORDIAL: Board Member Goff.
10 MS. GOFF: Yes.
11 MS. CORDIAL: Board Member Mazanec.
12 MS. MAZANEC: Yes.
13 MS. CORDIAL: Board Member McClellan.
14 MS. MCCLELLAN: Yes.
15 MS. CORDIAL: Board Member Rankin.
16 MS. RANKIN: Yes.
17 MS. CORDIAL: Board Member Schroeder.
18 MADAM CHAIR: Yes. Board Member Rankin, a --
19 a motion for Risley International.
20 MS. RANKIN: I move to approve the written
21 final determination, Version B, as prepared by counsel, to
22 direct Pueblo School District to continue its innovation
23 plan with external management from the Achievement Network
24 for Risley International Academy of Innovation.
25 UNIDENTIFIED VOICE: Second.



1 MADAM CHAIR: Thank you.

2 UNIDENTIFIED VOICE: Second.

3 MADAM CHAIR: Whoops, we have two seconds.

4 MS. MAZANEC: Did you want to say something?

5 MADAM CHAIR: MS. Cordial, would you call the
6 vote please?

7 MS. CORDIAL: Board Member Durham.

8 MR. DURHAM: Yes.

9 MS. CORDIAL: Board Member Flores.

10 MS. FLORES: Yes.

11 MS. CORDIAL: Board Member Goff.

12 MS. GOFF: Yes.

13 MS. CORDIAL: Board Member Mazanec.

14 MS. MAZANEC: Yes.

15 MS. CORDIAL: Board Member McClellan.

16 MS. MCCLELLAN: Yes.

17 MS. CORDIAL: Board Member Rankin.

18 MS. RANKIN: Yes.

19 MS. CORDIAL: Board Member Schroeder.

20 MADAM CHAIR: Yes. Thank you. Best wishes.
21 Godspeed. Are the Capital Construction folks here? Are we
22 ready to go on, folks? Item 5.01. Next item on our agenda
23 is an update from the Division of Capital Construction.
24 Commissioner?



1 COMMISSIONER ANTHERS: Thank you Madam Chair.
2 I in -- invite Tim Owens, the Director of the Division of
3 Capital Construction, to come up, and we'll also have some
4 Board Members from the BEST Program. Tim Reed, Chair, and
5 well, we have been -- it doesn't look like Tim and Roger.
6 Okay. Okay, Cindy, it looks like we have a little -- oh,
7 there we go, Cindy, from the Capital Construction Board.
8 I'll turn it over to you and Tim. Thank you.

9 MR. OWENS: Thank you very much. Madam
10 Chair, Members of the Board. Good morning, and thank you
11 for the opportunity to update you on the three programs
12 administered by CDE's Division of Capital Construction. I
13 do want to apologize, since we're running a bit early, that
14 our Chair, Tim Reed, is not -- has not arrived yet, but he
15 should shortly. And Tim also will have a role in presenting
16 the recommendations from the -- from the program. So as
17 soon as he does, I'll -- I'll recognize him.

18 But I'm also pleased to be joined by two
19 Board Members who are appointed by the State Board of
20 Education. Immediately to my left is Cindy Wright, and
21 Cindy has been a really significant member of the -- of the
22 Board and has reviewed several cycles including this last
23 one, and then next to her is Roger Good, one of our newer
24 Board Members, and both will be available to answer any



1 questions that you may have as we go through the
2 presentation.

3 There's also a third Board Member that's
4 appointed, Ken Haptonstall, who unfortunately, due to prior
5 commitments, was unable to attend this morning, but Ken is
6 the third member from the State Board. And of course, the
7 Board is rounded out by three other appointments by the
8 Governor's office and also three members appointed by the
9 General Assembly. So it's a nine-person board, and very,
10 very high-functioning, and very much involved in what I'm
11 going to present this morning and then what the
12 recommendations will be following this.

13 So I'd like to briefly walk you through the
14 program update and highlight, as I mentioned, the three
15 programs that we're actively involved in. In your Board
16 packets, I believe, you have a summary memo from me which
17 describes the programs and what I'll do is just quickly
18 highlight, through this PowerPoint, the -- the slides that
19 are also in the -- in the package that you have. So the
20 first program is the one that I think is the most well-
21 known, which is the BEST Program, the Building Excellent
22 Schools Today.

23 And I think most of you know that back in
24 2008, the General Assembly enacted and the Governor signed
25 House Bill 081335, which established a new program for



1 Building Excellent Schools Today, which, of course, they
2 shortened to BEST, to assess school districts, charter
3 schools, institute charter schools, BOCES, and the Colorado
4 School for the Deaf and Blind, with Capital improvements in
5 facilities.

6 Now, the program has really matured over that
7 period of time, and we've now entered the tenth year of the
8 program. This is actually the tenth cycle that we'll be
9 presenting relative to grant award recommendations.

10 This slide depicts the current assistance
11 cycle timeline, and as you can see, this is a fairly busy
12 slide and one that I think underscores how process-rich the
13 program is. A lot of statutory requirements, a lot of rule,
14 a lot of protocols that need to be understood and applied
15 and from the standpoint of ensuring that applications are
16 reviewed with fairness and equity, and resulting in
17 recommendations that go forward to the -- to the State Board
18 of Education.

19 There are a number of milestone requirements
20 that you'll note on the slide, which are particularly
21 important, several of which are -- are connected to two
22 statutes. For example, what we're doing here today is
23 making a recommendation to the State Board, which is
24 actually an accomplishment that's identified for June 20th.
25 And then in the event that a recommendation is made for



1 lease purchased award recommendations, those also have to go
2 forward to the Capital Development Committee. And we're
3 pleased to say we're also on track with the CDC. we're
4 presenting next Wednesday the 21st of June, so that's
5 exceeding the July 15th requirement that we have in -- in
6 statute.

7 The Next slide is, I think, depicts the --
8 some of the successes in the program since -- since
9 inception. When we look at the number of grants awarded and
10 funded, and this particular slide depicts progress in the
11 program through last year, through fiscal year '16 and '17,
12 and we'd certainly like to be able to add to that for this
13 year, but pretty significant contributions across the state.

14 And the next slide I'll show where in the
15 state we've been able to effect the words and help the
16 districts manage the work were very significant in terms of
17 ask. This cycle for '17 '18 was actually the largest ask
18 that we've seen from applicants since the program's
19 inception. And we'll talk a bit more in detail as we get
20 into the specific recommendations. Not only are we
21 enhancing learning environment for -- for the students and
22 staff, but we're also creating jobs in the state that are
23 involved in doing the improvement work and the new
24 construction that is so -- is so much needed in the -- in
25 the schools.



1 The next slide is a map of the state that
2 depicts where since 2008, the awards have taken place. And
3 again, this goes back to last year for fiscal year '16 and
4 '17, but you can see a pretty wide distribution. This
5 depicts the two types, the two primary types of grants that
6 are -- are awarded the -- the one that's more commonly used
7 is the cash grant, and those are in blue, and then in the
8 orange are the lease purchase, and then the combinations.
9 and you can see it's pretty pretty well spread across. I
10 would point out that, for what we're about to recommend to
11 you, that we would add seven additional school districts on
12 this map. So that's really good news. And we think in
13 terms of districts that have not previously participated in
14 the program, and yet have very significant needs that --
15 that stood out very strongly when the -- when the BEST Board
16 did their review on.

17 This slide depicts a very quick fashion some
18 of the projects and the allocation based on dollars. I
19 wasn't planning to go into a huge amount of detail on it.
20 After I'm complete, by the way, if there's any questions or
21 comments that you'd like to make, I'm happy to respond to
22 those, but this is indicative of the type of the work that
23 we're doing. The grants are broken into three different
24 priorities now. The first being the health safety,
25 security, and technology improvements that are needed in



1 schools. those are the ones that get the lion's share of
2 the attention. The second priority are for overcrowding
3 situations, where the capacity of the school is inadequate
4 for rapid growth, for example, in a district. And the third
5 is for other. And as you can imagine, given the significant
6 amount of needs and what we see in the way of applications,
7 we're really only able to focus on the priority ones. And
8 so the health -- so you'll hear me refer to the health
9 safety, security, technology as being the ones that are --
10 that are getting the most -- the most attention.

11 So a lot of the building system-type work
12 that relates to building life extension for roof systems.
13 heating, ventilation, air conditioning systems. building
14 envelope-type matters that principally connect to ensuring
15 that the building is -- is warm, safe, and dry for -- for
16 students and staff. That gets the -- the primary focus. In
17 many instances, the schools are in such a condition that
18 better replacement of the school is called for. So that
19 actually is considered a priority one project, and that's
20 why you see, when you look at the dollar allocation, you see
21 the -- the new schools, the replacements, the full
22 rehabilitation-type projects that are highlighted. But
23 that's not to say that the other work is not important
24 because roof tear offs and replacements are vital as we look
25 across -- as we look across the state.



1 I mentioned that the program is -- is pretty
2 rigorous when it comes to the application requirements, and
3 in order -- because it is a competitive grant program, it's
4 important for each of the applicants to differentiate
5 themselves to highlight the urgency, to highlight the needs,
6 to identify proposed solutions, to put together a budget
7 that is thought through. most of the districts actually
8 perform master planning activities that identify, almost in
9 a phased fashion, how they would approach doing the Capital
10 improvements at their schools and at their districts. And
11 so as we look at the requirements, these are some of the
12 broad categories of what is included in the application,
13 what gets reviewed by staff, and then what the BEST Board
14 reviews as they're contemplating the application, and then
15 ultimately scoring the applicationm and then recommending --
16 recommending further award activity.

17 I mentioned the types of grants that are
18 included in the program. The two principal ones are the
19 cash grants and then the -- the lease purchase grants. The
20 cash grants are the ones that are the most flexible, and
21 those are based on funding from the Public School Capital
22 Construction Assistance Fund. And as I think you know, the
23 state legislature appropriates, annually, an amount for cash
24 awards from the assistance funds. And so last year, for
25 example, it was \$70 million for cash grants. This year, the



1 one we're presenting, is also \$70 million, but these were
2 intended, initially, to be for the smaller projects: the --
3 building system, life extension projects, and so forth. but
4 they're not restricted to that and historically, cash grants
5 have also been used for larger projects like school
6 replacements, full rehabilitations, and the like.

7 The lease purchase grants are the grant type
8 that we have not used since 2013 in part because the state
9 borrowing authority had already been maximized. So with the
10 action last year by the state legislature to increase that
11 by \$10 million, we suddenly had opportunity to consider
12 these, and the BEST Board took that as an advisory and
13 decided to borrow about half of the additional increase
14 capacity. So I think it was a very prudent approach, and
15 what you'll see and the recommendations are five lease
16 purchase grants .and lease purchase grants are for the
17 larger projects, which is what they were traditionally used
18 for the new schools, replacements, the full rehabilitations.

19 The third type of grant, which doesn't get
20 too much use, because it's typically under very unusual
21 circumstances, the emergency grants. If a school, for
22 example, is unusable because of some significant event, some
23 catastrophe occurred, the roof has collapsed, so forth,
24 there is ability to do emergency grants. We don't have much
25 history in those, but that's the third type that we have.



1 Moving on to the second program, which is a
2 facility insight, this program is relatively new and it's
3 one that involves doing a statewide facility condition
4 assessment across the state. Early on, when the BEST Act
5 was enacted, there was a requirement to do an initial
6 assessment to look at the facilities across the state. That
7 was conducted back in 2009, but as we know, facility
8 conditions change over time, and we didn't have a mechanism
9 to update the assessment that had been completed, and so a
10 presentation was made starting with the JBC to present the
11 advantages of being able to develop the in-house capability
12 to actually go out and conduct these facility condition
13 assessments to collaborate with the school districts for all
14 the public schools across the state and to do this on a
15 three-year cycle.

16 So we began doing this last August, August of
17 2016, and it's turning out to be quite successful. We're
18 doing it in a hybrid manner. We're collaborating with a
19 nationally prominent consultant firm who is involved in
20 doing assessment work, and they've developed a lot of the
21 software tools and a lot of the protocols that are used to
22 ensure that the information is collected correctly and
23 accurately, and it gives insight, in terms of what -- what
24 the condition of the schools are.



1 Some background on the legislation that went
2 through. In terms of the benefits to the school districts,
3 I didn't mention, but in doing these assessments, there's no
4 cost to the district or to the charter school. It's
5 included -- it's done in collaboration with them. Many of
6 our larger districts actually maintain these databases, and
7 so we're working closely with them to import that
8 information to ensure that that we've captured that. The
9 information is used for a lot of different purposes. I know
10 a lot of the educator leaders are going to use information
11 to get a sense of the condition. These -- this information
12 is often used in -- in bomb programs. When you're
13 communicating with voters about the condition of your
14 facilities, there are a lot of photographs that are taken as
15 part of the assessment, and that information is very useful
16 when it's presented to underscore some of the deficiencies
17 in the schools. We also use the data, of course,
18 principally, in the program to -- to help with the scoring
19 and the ranking of the projects. Hey, I'll pause for a
20 moment and briefly introduce MR. Tim Reed, seated to my
21 right. Tim is the -- is the Chair of the -- of the BEST
22 Board.

23 MR. REED: Morning.



1 MADAM CHAIR: Good morning. MR. Owens, would
2 you like questions interspersed? Or would you prefer we let
3 you --

4 MR. OWENS: Your preference, Madam Chair.
5 Whatever you would like.

6 MADAM CHAIR: Go ahead.

7 MS. RANKIN: Good morning. I -- I have a
8 question about the assessments. So -- so the legislature
9 asked for this?

10 MR. OWENS: Initially, as staff identified
11 the need for it and it was presented to the -- to the JBC
12 with details around what resources would be required, what
13 the outcomes of the program will be.

14 MS. RANKIN: When you say staff, you mean
15 staff of the BEST Board?

16 MR. OWENS: Of -- of the -- the BEST Board
17 along with the Division of Capital Construction and CDE.

18 MS. RANKIN: And so when you do these
19 assessments, who -- who do you provide them to? Just to the
20 districts or to...?

21 MR. OWENS: The -- the information that is
22 collected is -- is being shared on a public web portal, and
23 it's information that's available to the public in general.
24 But it's also provided in conjunction with the assessment
25 process where the district actually has input into the



1 assessment. And so it's a very collaborative effort that
2 results in reports that are provided publicly.

3 MS. ANTHERS: Madam Chair, Ms. Okes in our
4 finance department may have something to add here. Thank
5 you.

6 MS. OKES: Just a quick clarification. So as
7 MR. Owens indicated, staff did present request to the Joint
8 Budget Committee. That was at the prompting of the
9 Legislative Audit Committee. We had a performance audit of
10 the BEST Program, and one of the recommendations from the
11 audit committee was that we update the assessment. So we
12 had a facility assessment conducted shortly after the 2008
13 creation of this. I think it was in 2009.

14 MR. OWENS: 2009.

15 MS. OKES: And the audit found that that was
16 out of date and should be updated. And so we had taken
17 steps to approach that in different ways and had presented
18 that to the Legislative Audit Committee that this would be
19 in our minds, the most efficient way to do it in-house
20 instead of relying on a periodic externally created, so to
21 keep it on a rotating basis. And that was the impetus for
22 us going forward with that request.

23 MS. RANKIN: Okay. But it's still not quite
24 clear to me. You -- you do this, but you -- you put the --
25 you say you work collaboratively with the districts on this,



1 and then it's presented to the public on your website. So
2 that's how -- that's how we would access it --

3 MR. OWENS: Right.

4 MADAM CHAIR: -- is from your website. It's
5 not something --

6 MR. OWENS: Through our web portal.

7 MS. RANKIN: -- present -- or it is not at
8 every single district. We can go there for every facility.

9 MR. OWENS: Mm-hmm.

10 MS. RANKIN: Okay, thanks.

11 MADAM CHAIR: Proceed please, MR. Owens. Is
12 that okay if we finish this?

13 UNIDENTIFIED VOICE: Sure.

14 MADAM CHAIR: Thank you.

15 MR. OWENS: So again, the -- the use of the
16 information is really important and I think will be very
17 beneficial to a number of different levels relative to the
18 condition of our schools in the state. Another component of
19 the Condition Assessment is a tool that we call the Adequacy
20 Survey. And the -- the adequacy survey was developed
21 through an effort that primarily involved staff and the BEST
22 Board to identify questions that relate to how does the --
23 how does the school facility support teaching and learning
24 activities. And so it's a fairly extensive questionnaire
25 that's developed while the assessor is physically present at



1 the school, and it's developed at the school level as well
2 at the district level. And it's a really great summary to
3 get from school leadership around how the facility is -- is
4 supporting the -- the teaching and learning activities, how
5 it support the kids. So it's one that is also being folded
6 into the web portal so that we can see the detailed facility
7 condition information around building systems and also get
8 information about the perspective from the school leadership
9 and district leadership around how the facility is doing
10 supporting it. And of course, that information is also used
11 by the -- by the BEST Board as they're evaluating
12 applications and it -- it's another tool to help
13 differentiate a need and urgency.

14 In terms of progress, moving along very
15 rapidly, we ended up hiring five state assessors and five
16 FTEs plus the supervisor. And so thus far since August,
17 we've gone through more than five and a half million gross
18 square feet of a school space, and the work continues in a
19 cyclical fashion. The intent is to complete our initial
20 effort by August of 2019, the end of that first three-year
21 cycle and then repeat that cycle, because as facility
22 conditions change, it's an opportunity to ensure that we're
23 identifying what's changed and making sure that that's
24 captured. So I think it's going to be extremely useful and



1 very beneficial, not only in the BEST Program but across the
2 state from any other -- other (inaudible) uses.

3 The web portal that's mentioned on the slide
4 is where the information is kept, and if you do have a
5 chance to look at it, I think you'll see kind of a -- a
6 sense of where in the state, what the condition issues are
7 at the state level, at the district level, all the way down
8 to the school level.

9 The last program to briefly touch on is our
10 Charter School Capital Construction program. This program
11 actually predates the -- the BEST Program and is not
12 technically under the auspices of -- of the BEST Board, but
13 it's a program that has made a huge difference in supporting
14 both the district and the institute charter schools. The
15 program is designed for the charter schools to identify
16 their needs and to be able to fund based on a -- a portion
17 of the state education fund and also a percentage of the
18 marijuana excise tax that's used in the BEST Program. So
19 this year, it's -- it's \$25 million that goes to support the
20 charter schools for capital needs in support of maintaining
21 their facilities. It is a pretty broad program that really
22 enables the charter schools to be able to help facilitate
23 their capital needs. And in addition, of course, all of the
24 charter schools are eligible for BEST Program participation
25 and -- and certainly do participate in that.



1 I'd like to close with a comment about some
2 of the reports that the -- that CDE provides for the BEST
3 Program and the Charter School Capital Construction program.
4 The requirement is to annually, by the 15th of February, to
5 put a report forward to the -- to yourselves as the State
6 Board of Education, to the Senate and House Education and
7 Finance committees, and also to the Capital Development
8 Committee. So there's a current copy of that up on the
9 website currently. Also on the 1st of February, we put a
10 report forward on the Charter School Capital Construction
11 program. So both of those reports are up on the websites,
12 and they're -- and they're current.

13 Okay. At this time, I would be happy to
14 entertain any questions or concerns that you may have, and
15 I'm -- and I'm also joined by Tim Reed and our other Board
16 Members, so please direct your questions as -- as
17 appropriate.

18 MADAM CHAIR: Thank you very much. Board
19 Member Flores.

20 MS. FLORES: Yes. I just wanted to comment
21 about some of the structure, the architectural nature of --
22 of schools and what I've noticed. I -- I find many schools,
23 and it may be just the, the area here, that look like penal
24 institutions. I mean, there's a lot of research that's been
25 done, especially lately on how plants, incorporating plants



1 in, in buildings. There's -- I'm also reading Jane Jacobs'
2 biography, and especially I -- in building and building for
3 -- for humanity, for humans to be surrounded by beauty, and
4 there's a lot of beauty that we're surrounded with in, in
5 Colorado, of course. But I -- I'm just thinking too about
6 the high school that I went to back in the '60s that I --
7 indeed incorporated plants, incorporated green things in, in
8 -- within the building, and I'm thinking this is not new. I
9 mean, the research whether, for instance, that kids do
10 learn, there is a significance in learning when they are
11 surrounded by green things. I think it's something like 25
12 percent where kids learn better.

13 MS. MAZANEC: Wait. Dr. Flores?

14 MS. FLORES: And why --

15 MS. MAZANEC: They don't -- they didn't --
16 they don't design the buildings. they just provide the
17 funding, right?

18 MS. FLORES: Well, but there is a section
19 where I'm looking.

20 MR. OWENS: Collaboratively as well with the
21 designers.

22 MS. MAZANEC: Oh, do you, do you do work with
23 the designers?

24 MS. FLORES: Yes. With the, with the design
25 --



1 MR. OWENS: We work --

2 MS. MAZANEC: With the architects.

3 MR. OWENS: We work with them in an indirect
4 fashion, but we work very closely with the school districts.
5 We have construction design guidelines, for example.

6 MS. FLORES: Right, and he mentioned that.

7 MS. MAZANEC: Oh. Oh okay, sorry.

8 MR. OWENS: And we have, we have staff who
9 have expertise in architecture and engineering.

10 MADAM CHAIR: Right.

11 MS. FLORES: And it -- it's just recently, I
12 think in the last month, that I read an article in The New
13 York Times about the greenery for hospitals. if, if
14 patients can see a green tree outside their window, that
15 they get, they get better 50 percent of the time and in
16 learning, which to me seemed incredible that if they see
17 greenery and nature 25 percent of the time, you know, they -
18 - it -- learning goes up. So that's significant to me. So
19 I'm, I'm sure that your architects probably know this, and,
20 and I'm hoping that that will be part of, of what they're
21 building.

22 MADAM CHAIR: So, so Board Member Flores, I
23 would suggest that you visit some schools. I didn't
24 remember in my report --

25 MS. FLORES: I have. I visited about four.



1 MADAM CHAIR: -- that I just had the
2 opportunity to visit Montezuma-Cortez School District in the
3 last month, and I did have the opportunity to visit with the
4 district and visit two of the schools, and one of them was a
5 BEST high school. and I have never -- my husband and I both
6 were literally speechless --

7 MS. FLORES: I must go there then.

8 MADAM CHAIR: -- at how beautiful --

9 MS. FLORES: Right.

10 MADAM CHAIR: -- how beautiful that building
11 is. how much they -- the windows captures the surroundings
12 of the area. It was -- it -- I don't want to say it was
13 fancy in any way. I think it was probably a very
14 utilitarian building, and it was absolutely spectacular.
15 And kudos to -- I mean, I can't speak to all, I'm just gonna
16 say I've only been in three or four of these schools ,and
17 they were not prisons. They were really gorgeous.

18 MS. FLORES: Well, and I was, I was mainly
19 speaking about the urban corridor that I'm more experienced
20 with and just thought that that research on surrounding and
21 surrounding with nature and green stuff was, was just
22 incredible.

23 MADAM CHAIR: Other questions or comments?

24 MR. OWENS: Well, thank you for your time MS.

25 --



1 MADAM CHAIR: Board Member Goff?

2 MS. GOFF: Well, I love that topic, but I'm
3 gonna just get boring right now. Sorry. Questions. First
4 of all memory, a memory question. Was there not a statewide
5 tour to get an early read on the condition of buildings
6 around the state? And I am thinking it was long time before
7 2008.

8 MADAM CHAIR: Donald Kay.

9 MS. GOFF: It seems like there was like, the
10 early 2000s. If -- even that --

11 MADAM CHAIR: Yeah. Yeah, Donald Kay did a
12 survey.

13 MR. OWENS: 2009.

14 MS. GOFF: Okay, so thank you. I just -- all
15 I needed was assurance that I wasn't imagining this. It was
16 during that time that we started to learn about what, what
17 really wasn't, but kind of got put across as a burgeoning
18 problem, and that was the asbestos and other effects that it
19 was having on such things. and I remember being, at that
20 time, I was in the southeast corner of the state and
21 literally saw the schools that were being propped up. The,
22 the cafeteria ceilings were propped up with gadgets in order
23 to keep as much asbestos from dribbling down on our kids all
24 day. It was, that's, that's when the State started moving
25 quicker on this and ever since then, the work that the BEST



1 Board and the construction assistance groups and, and
2 legislators and whoever has been contributing, appreciate
3 it.

4 The other question is kind of technical
5 though. You were talking about the fact that there are
6 seven new districts, who this past year took part? They
7 were, they did receive grants?

8 MR. OWENS: Correct. They -- well, they were
9 being recommended for grants as part of the cycle.

10 MS. GOFF: Right, and did -- is there
11 anything in here with that -- we haven't maybe touched on or
12 I missed about the fact, that the four -- the reasoning for
13 that and what made that possible was that in, in most cases,
14 was that a result of bonds passing in this last election, so
15 the match was better accessible? was it a matter of these,
16 these are districts that have made app -- applications
17 before but didn't meet criteria? I just was curious as to
18 how the -- and, and if, if it, if it's of import, how many
19 years have any of those seven ones, just narrow it to them?
20 How many times before have they applied, been denied, and
21 for what reason? is there a general pot of reasons, success
22 or not?

23 MR. OWENS: Thank you for that question and
24 comment, Board Member Goff. Relative to those applicants,
25 a, a, a little bit of all of what you just said. Several of



1 them had previously applied for grants, weren't successful.
2 I think for this cycle, several of these are actually being
3 recommended for lease purchase grants, and so we haven't
4 done those for several years, so they saw an opportunity --

5 MS. GOFF: The money --

6 MR. OWENS: -- to submit for that. Several
7 and some -- I'm looking at the list right now -- several of
8 them have had significant changes in their facility
9 conditions, some of which was revealed during some of the
10 onsite assessment work that was done. There is a lot of
11 collaboration between division staff and the districts
12 around these in terms of helping them frame the application
13 and providing advice on how successful that might be since
14 it is a competitive program, to see where that might fit
15 relative to some of the other applicants. So really,
16 several of those which certainly could do more analysis to
17 look at how many times they've applied previously. I don't
18 have all that handy in front of me.

19 MS. GOFF: Well, the last, the last really
20 quick one, the charter school construction assistance
21 funding had -- is that primarily for startups? Is that --
22 is the -- the startup pot, or is operation in general? I
23 mean, construction but startup construction?

24 MR. OWENS: Right. It's, it's actually --
25 and, and they're eligible for a number of different



1 categories for, for capital improvements, as well as for
2 work to maintain the facilities. They need to identify that
3 they have capital needs initially and to do that annually.
4 And then the allocation is then based on people count. So
5 there is an allocation that's made, they subsequently report
6 at the end of the year that the funds were used, but they
7 also have the ability to carry over the money. So when you
8 look across the charter schools in the state, there is a lot
9 of variation in terms of how they use the funding.

10 MS. GOFF: And -- and help me refresh my
11 memory on this, too. Is, is it true or not that the bulk of
12 that aid, that funding, is federal assistance or is it
13 state?

14 MR. OWENS: It's --

15 MS. GOFF: Is it allocated through our state
16 towards school finance?

17 MR. OWENS: \$20 million is from the state
18 education fund, and \$5 million is a portion of the marijuana
19 excise tax revenue that, that comes to the BEST Program. So
20 that's \$5 million. So the total of \$25 million, it's
21 allocated annually.

22 MS. GOFF: And so the current applicant pool
23 or -- and, and into the future, I assume, I hope that the
24 amount, the percentage of the marijuana money available for
25 this is increasing too across the Board. Are there more



1 schools that are qualifying for BEST because they actually
2 can get the marijuana system, marijuana tax system?

3 MR. OWENS: It's -- it's actually a
4 percentage. The BEST Program is capped at \$40 million
5 dollars a year from excise, so it's, it's 12 and a half
6 percent of that amount that results in the \$5 million.

7 MS. GOFF: Okay, thank you very much.

8 MADAM CHAIR: Board Member Rankin.

9 MS. RANKIN: MR. Owens, thank you very much
10 for that report. I know there are a lot of people out there
11 that are interested in this, and that the overhead is on the
12 CDE website, and I would refer a lot of our superintendents
13 to take a look at that. Could you just briefly -- and maybe
14 one of your other committee members would want to tackle
15 this one -- just go over the process. So if, if some
16 community member is listening what, what is the process of
17 application and the timeline within a year?

18 MR. OWENS: Would you like to take that or --

19 MR. REED: Good morning. Typically, the --
20 the application process opens up in January, and then we
21 encourage -- we being Tim and his staff, encourage the
22 various districts to work closely with the project managers,
23 which cover various regions within the state in the
24 preparation of the application. The application is usually
25 completed by the end of February? By the end of February,



1 and then it's packaged, and then the Board receives the
2 application in April. And usually, it's -- it's about this
3 thick. And we spend basically a month, and then we meet for
4 two days in May and review the applications and actually
5 vote on it. That's kind of it in a nutshell as far as what
6 the process is. I think that over -- this is my fourth year
7 on the Board, and I have seen a -- a steady progression in
8 the quality of the applications. So the message of getting
9 out, meeting with your project managers and really working
10 closely with the staff is, is starting to pay off. The
11 other side of that is it makes it more difficult for us when
12 it comes time to make decisions, because we are getting good
13 quality applications.

14 MS. WRIGHT: Thank you. Can I follow up?

15 MS. RANKIN: Go ahead.

16 MADAM CHAIR: I'm sorry. MS. Wright, would
17 you like to comment as well, please?

18 MS. WRIGHT: If you wouldn't mind, I'd like
19 to add to that. So in the process, well, it sounds simple
20 that they can begin in January. The process of let's say
21 you need to build a new school, that process starts well
22 before January, because the district is meeting with
23 experts. They're going over the assessment. they have a
24 master plan in place most of the time, which has taken place
25 one or two years prior to that. So there's a -- a thought



1 process of getting up to January so that you're ready for
2 that short turnaround of the grant, because there's so many
3 components that play into that.

4 MS. RANKIN: Thank you, MS. Wright I
5 appreciate that. And I assume that everyone that applies
6 has the same questions that they have to address in their
7 application, but it seems that -- I, I'm looking at my
8 congressional district, and I -- I see we've got nine, and
9 congressional district four has nine. The rural districts
10 seem to have the bulk of that, and then congressional
11 districts six and seven, I -- I don't see any there. Is it
12 just a matter of them not applying? How -- how does
13 that...?

14 MR. OWENS: So thank you for -- for the
15 question, Board Member Rankin. The process is a competitive
16 one where districts will look at their needs and how they
17 align with the statutory requirements of the program. So
18 the districts that, for example, have overcrowding
19 conditions recognize that they likely would not be
20 competitive, so they often don't apply at all. The ones
21 that have the most urgent needs, the priority one needs, the
22 health, safety, security, and technology, they will, based
23 on a number of factors, whether they've had sustainable bond
24 measures in place, whether they've done mill levy overrides,
25 whether they have the resources in place. The program



1 principally benefits the rural and the small rural school
2 districts in part because they historically aren't able to
3 sustain the bond program. DPS for example, is -- I'm sure
4 you know it is sustainable in the, in the bond arena.
5 That's not to say that DPS doesn't have the needs, it's just
6 they typically, in the larger districts, don't participate
7 as much in the program.

8 MS. RANKIN: Thank you. Thank you for that.
9 And -- and when you get the bulk of these applications, are
10 they divided up among your committee, or does the whole
11 committee receive all of them? How -- how does that work?

12 MR. OWENS: Staff tabulates all of the
13 information from the applications in a -- in a, a summary
14 book and provides information in a format that the Board
15 reviews. So fairly thick volume that they look at, but then
16 they have a scoring rubric that they use as they review the
17 applications, and then they score. And then subsequently at
18 the public meeting that MR. Reed referred to, they're
19 ranked. And then based on what the funding availability is,
20 then a line is drawn at how much can be supported, and then
21 -- and then we split -- we split the projects that way.

22 MS. RANKIN: Thank you. Thank you for that
23 explanation. One final question. We've been hearing a lot
24 in the news about the water in the schools being tested.



1 Does that come under your purview at all because it's health
2 and water?

3 MR. OWENS: The quality of water indoor, air
4 quality in general, is under the auspices of the program in
5 terms of application eligibility. And so a project to
6 replace deteriorated public water piping, for example, that
7 has a lead contaminant in it would be an eligible project
8 for -- for doing the project itself. The program doesn't
9 directly support the testing of the water in the building,
10 however. That's actually the subject of recent legislation
11 that the CDPHE are taking on to assess the school districts
12 and through a grant process to -- to start doing some more
13 testing.

14 MS. RANKIN: So they could in essence be
15 testing, and then all of a sudden, you get an inundation of,
16 of grants for water systems?

17 MR. OWENS: Yes.

18 MS. RANKIN: Okay. Thank you very much.

19 MR. OWENS: You're welcome.

20

21 MADAM CHAIR: Board Member Durham?

22 MR DURHAM: Thank you, Madam Chair. MR.
23 Owens, so does the staff -- staff reviews all the
24 applications, and then it -- do you have a process or a set
25 of criteria by which you rank these in -- or assign a score



1 in some way that would provide a ranking for the Board's
2 consideration? Is that how -- how it -- how it works?

3 MR. OWENS: Thank you for the question, Board
4 Member Durham. No. Actually, what staff's role is -- is to
5 collect the information. We do provide insight to the Board
6 Members around the application itself, but there is no
7 preliminary ranking or scoring that's done by staff. So
8 when the Board Members receive their summary books, then
9 when they look at the scoring rubric, there are sections for
10 staff to comment on each of the categories. For example,
11 overall facility condition, and staff comments will
12 typically center around clarification that was in the
13 application for the Board Members to look at. During the
14 presentations that the applicants make, the -- the BEST
15 Board Members are able to listen to a presentation and then
16 ask a series of questions, and there's a lot of back-and-
17 forth to clarify the project, but the staff itself to answer
18 the question doesn't -- doesn't actually score those.

19 MR DURHAM: So -- so you don't -- you, you
20 don't -- there's no -- no standard assessment criteria for
21 the grant? So the grants then could be -- the award of the
22 grants could be subject to various kinds of bias? Is that a
23 fair statement?

24 MR. OWENS: Staff will recommend what
25 priority it is, whether it's a one, two, or three. So



1 again, one is the health, safety, security, technology to
2 overcrowding --

3 MR DURHAM: Did you -- did you fund anything
4 beyond priority one this year?

5 MR. OWENS: We have not this year. No, sir.
6 In fact, it's typical not to fund or to award or to sign
7 anything.

8 MR DURHAM: So you -- you're generally in
9 health and safety?

10 MR. OWENS: Correct.

11 MR DURHAM: Which -- is my memory correct
12 that at, at least perhaps not in statutory language, but all
13 -- at least in some of the rhetoric that accompanied the
14 passage of this legislation that rural schools and
15 essentially school districts that had less financial
16 capability to, to do projects should be favored in some way
17 or is that -- my memory wrong?

18 MR. OWENS: There is a protocol built into a
19 statute that requires developing what the expected match
20 contribution would be, and it is dependent upon seven
21 statutory factors, most of which center around financial
22 capacity. So if a district, an applicant doesn't have that
23 out, doesn't have that ability to meet that, if you -- if
24 you will, the required match, there is a waiver process that
25 the BEST Board will use its discretion around based on



1 information that the applicant provides to determine whether
2 or not a waiver is approved. So the match could be -- the
3 match can be greater than what's asked for, or it could be
4 less than. If it's less, there's a -- there's a waiver
5 process that we follow.

6 MR DURHAM: So for better or for lack of a
7 better comparison, the Board could or should consider how
8 much money a mill raises per pupil in its making its final
9 determination, particularly its final determination on match
10 requirement?

11 MR. OWENS: Yes, sir. That's correct.

12 MR DURHAM: And in your judgment, do they do
13 that?

14 MR. OWENS: Yes, they do.

15 MR DURHAM: So I would share MS. Rankin's
16 observation that in most of these, or there's a large number
17 that are rural, and you know, I look at I guess Jefferson
18 County has had some to, which, you know, they strike me as a
19 district that's capable of paying for school buildings.

20 MS. FLORES: But they can never pass mills.

21 MR. OWENS: If I could comment on that.

22 MR. DURHAM: Well, the difference between not
23 being able to pass them and not having the tax capacity to
24 pass them, Dr. Flores, are two entirely different things.

25 MS. FLORES: Thank you.



1 UNIDENTIFIED VOICE: If I could comment on
2 that. I'm the executive director of facilities for
3 Jefferson County schools. It's what I do sort of during the
4 day. For -- our match is 76 percent of the overall amount
5 just based on again on the financial --

6 MR DURHAM: Your match being, who's match?

7 UNIDENTIFIED VOICE: The match -- the
8 district's match of the percentage of the grant would be --
9 is 76 percent. that's what it was this year. So we would
10 have to put up 76 percent of the money that's being
11 requested. For us, it one, it takes away from our other
12 schools because of the size of the match, and two when --
13 where we have critical needs, we have the resources that it
14 takes to address these, or some of the smaller districts
15 that -- that really have to choose between educational funds
16 and capital funds don't really have that -- have that
17 option.

18 MR. DURHAM: So say that, I'm sorry. No, I
19 don't want to be confused here. The -- the grant you
20 received this year in Jefferson County.

21 UNIDENTIFIED VOICE: We did not receive a
22 grant this year. We did not apply for -- we have not
23 applied for a grant in several years, actually.



1 MR. DURHAM: So okay. And that -- that makes
2 -- and if you did apply, you believe that you would be
3 required to match 50, 70 percent of the amount.

4 UNIDENTIFIED VOICE: 76 percent would be, if
5 we wanted to actually match the whole thing, we would -- we
6 probably would not go in for a waiver as other districts
7 might do.

8 MR. DURHAM: What -- what's the, I guess,
9 what's the standard? Maybe it's question I should've asked
10 first. What's the standard percentage match that you, where
11 -- what was the starting point? Somebody comes in, it
12 doesn't even matter who it is, what -- what do you
13 anticipate seeing that you start -- where do you start
14 considering waivers?

15 MR. OWENS: It varies.

16 MR. DURHAM: From what level?

17 MR. OWENS: It varies all over. I'm just
18 going off memory now. I believe it goes down to the lowest
19 is probably about 25 percent. And it will go up as high as
20 75 to 80 percent. Typically, for all of the districts --
21 and we, we calculate all this prior to the application
22 process started. So all of the potential applicants know
23 what their match is, and it changes from year to year based
24 on a number of -- of factors related to financial capacity.
25 But overall, when you look at all of the state, something a



1 little under 50 percent, about 47 I think, as I recall on
2 it.

3 MR. DURHAM: So all right, then, are there
4 different criteria, or does the law allow leased facilities
5 to be considered for grants as opposed to owned facilities?

6 MR. OWENS: To -- to be considered for
7 financial assistance under the BEST Program, the applicant
8 has to either own the facility or have right to ownership at
9 some point in the future. We do a very extensive review
10 around that.

11 MR. DURHAM: Right, right to ownership
12 meaning an option?

13 MR. OWENS: A right to ownership at some
14 point in the future based on a lease purchase accord that
15 they might have.

16 MR. DURHAM: So does this -- and that's in
17 the law you say?

18 MR. OWENS: Yes, sir.

19 MR. DURHAM: Does that criteria tend to
20 discriminate against charter schools which tend to have
21 leased facilities or a large measure of leased facilities?

22 MR. OWENS: I -- I don't believe so. The
23 charter of schools, and depending on whether it's a district
24 charter or a instituted charter, or some variation, many of
25 the district charters for example, are in facilities that



1 are owned by the parent district, and the interpretation of
2 statute is that qualifies for owning the facility. There is
3 a concern about perversion of the facility if the charter
4 school doesn't proceed and so the ownership aspect is -- is
5 fully addressed. The -- the institute charter school is
6 under CSI. We look at closely in terms of the ownership
7 structure they have to ensure that they're eligible for it.
8 So the particular list that we're -- we're recommending
9 today, we've vetted all of them and all have, all have met
10 the criteria for ownership.

11 MR. DURHAM: Is -- is my understanding
12 correct that in this year's grants, some of them were
13 submitted to the attorney general to determine el -- legal
14 eligibility on that point.

15 MR. OWENS: We routinely worked very closely
16 with the AG's office and questions that we have about
17 interpretation of the statute, and we did, in one instance,
18 ask for interpretation of one of the applicants to ensure
19 that we were reading it correctly.

20 MR. DURHAM: And is that applicant -- has
21 that applicant been awarded? Are they on this list?

22 MR. OWENS: It's on the list. It's the
23 Colorado Schools --

24 MR. DURHAM: Which one -- I'm sorry --



1 MR. OWENS: It's Colorado Springs Early
2 Colleges. It's on the list, and it was -- it's the one CSI
3 applicant that we're recommending for award on.

4 MR. DURHAM: And have you -- and do you have
5 that ruling?

6 MR. OWENS: Yes sir, we do.

7 MR. DURHAM: And the ruling was?

8 MR. OWENS: That it meets the criteria for
9 financial assistance as being owned by the charter school.

10 MR. DURHAM: That did, okay. So then out of
11 these -- so out of all of the awards of the -- the \$70
12 million of the cash awards, how many of those are charters?
13 I tried to count through them , and I see two. I maybe
14 missing some. Am I missing some work?

15 MR. OWENS: We're going to -- we'll shortly
16 go into more detail around that but to quickly respond,
17 there were -- out of the 48 applications that were reviewed
18 by the BEST Board, 8 of the applications were from charter
19 schools, both the institute and the one CSI, or rather the
20 district and the institute. And then, three of those are
21 being recommended for award with an additional school being
22 recommended for backup project.

23 MR. DURHAM: So and you awarded to how many,
24 I haven't counted them, I guess I can do.



1 MR. OWENS: So we're recommending 23 cash
2 grant awards with 3 backup projects and 5 lease purchase
3 award recommendations with two backup projects.

4 MR. DURHAM: So you have 20 -- 20
5 traditionals and 3 charters then on the grants, so of the
6 \$70 million, can you give -- can you break that down? How
7 much of it is charter, and how much of it is not? Ms.
8 Okes, do you have that (inaudible).

9 MR. OKES: No, I don't have it, but I can
10 recalcuate that and give that to you (inaudible), if that
11 would be acceptable, since we don't have that calculation
12 right now.

13 MADAM CHAIR: Do you have more questions?

14 MR. DURHAM: I'm not quite -- yeah, I'm not
15 quite finished. Thank You. So then, let's see. MR. Reed,
16 you're appointed by whom and your specific slots you fill on
17 the Board is what?

18 MR. REED: I'm appointed by the governor, and
19 I fulfill the construction management slot.

20 MR. DURHAM: Okay, and you're employed by
21 Jefferson County?

22 MR. REED: I employed by Jefferson County as
23 their Executive Director of facilities and construction
24 management.



1 MR. DURHAM: And MS. Wright, you're appointed
2 by this Board, and you, you specifically represent...

3

4 MS. WRIGHT: Facility management and
5 planning.

6 MR. DURHAM: And you are employed by?

7 MS. WRIGHT: Sheridan School District, and I
8 oversee facilities, transportation, and safety.

9 MR. DURHAM: Okay. And MR. Good, you're
10 appointed by this Board, and --

11 MR. GOOD: Correct.

12 MR. DURHAM: And you represent school boards
13 as I recall?

14 MR. GOOD: Correct.

15 MR. DURHAM: And school boards get what, one
16 position?

17 MR. GOOD: Yes.

18 MR. DURHAM: On the, on this. Okay. And are
19 there any representatives of charter schools on the CSI
20 board? I'm sorry. On the BEST Board. Excuse me.

21 MR. OWENS: No, the requirement for the nine-
22 person board does not include criteria around charter
23 representation.

24 MR. DURHAM: That it doesn't require, but it
25 wouldn't necessarily exclude.



1 MR. OWENS: Correct.

2 MR. DURHAM: That's a fair statement. So is
3 -- is there -- I mean, I've, I've had -- I've had complaints
4 from charter schools about a feeling of being treated less
5 than fairly by this Board. MR. Owens, in your opinion, have
6 you detected any of that bias in your supervision of this?

7 MR. OWENS: No, we have done analysis around
8 the distribution of applicants, and looking at the statutory
9 criteria. When you look at the program cumulative impact
10 across all applicants, the charter schools actually are
11 fairly given that they, this cycle for example, they
12 represented about 17 percent of the applications, and
13 cumulatively, there were about 17 percent, maybe a little
14 bit less. But they have represented cumulatively about that
15 appropriate percentage. So depending on how you look at
16 the, the statistics, the numbers as I've looked at it over
17 the past year, I believe that there is an equitable process,
18 certainly the criteria that's used in evaluating them is
19 very much a level playing field, and the charters
20 participate in that.

21 MR. DURHAM: So it's 17 percent of the
22 applicants. Were they 17 percent of the awardees?

23 MR. OWENS: They came in a little under that.
24 I think it was about 13 to 14 percent.



1 MR. DURHAM: And that's in terms of number --
2 well, let's say 3 of 20 would be, 3 of 23 would be? Okay.
3 Close to -- yeah. Okay, so it's over, it's certainly over
4 10 percent 3 of 23. So it's a little over 10. Yeah, about
5 13 percent. So we have 11 percent of the students in
6 Colorado in charter schools, and so then, then the dollar
7 amount I guess we need to determine whether that is
8 representative. I guess I could do it in my head here.

9 UNIDENTIFIED VOICE: I believe Ms. Okes was
10 working on that behind you or (inaudible).

11 MR. DURHAM: Now let me see if I can figure
12 it out here. So we've got 698 -- 700,000 for early
13 colleges, 49,000, so that's 750. And what was the -- which
14 -- which one of these others is charter? What's the third
15 one?

16 MR. OWENS: Well, the charter schools...

17 MR. DURHAM: It's El Paso Community Prep and
18 CSI. And what's the one I'm missing?

19 UNIDENTIFIED VOICE: (Inaudible).

20 MR. DURHAM: It doesn't.

21 MR. OWENS: Colorado High School.

22 MR. DURHAM: Colorado High School. Is that
23 Denver?

24 MR. OWENS: Correct. Denver is the
25 authorizing authority.



1 MR. DURHAM: And so that's 400, so it's about
2 a million. We're looking at a million one of 70 million.
3 Didn't quite hit -- it looked like we quite hit 10 percent.
4 Anything wrong with my math?

5 MR. OWENS: I think if we could have a moment
6 to pull those numbers together, we could share those with
7 you.

8 MR. DURHAM: Well, you get 698. You have
9 49,000, and you have 408, so 700. It's a million one, a
10 million, less than a million two. Math was always hard for
11 me, but I did get some addition so.

12 MS. OKES: Your, your math is correct. It's
13 1.156, so -- and that's 1.65 percent.

14 MR. DURHAM: So significantly less than the
15 10 percent of the student body that charters represent in
16 Colorado. You find that troubling, Mr. Reed?

17 MR. REED: And so having, like I said, I've
18 been on the Board for four years, and each year, we've tried
19 to make the process more and more objective, and I think
20 we've been succeeding in that. As far as -- as we look at,
21 as we as a Board look at each individual application, we
22 look upon it as it's -- on its merits, and I think that's
23 the appropriate way to do that. We don't really have a slot
24 in there to discount for the fact that it might be a charter
25 or not. I think that the -- the evaluation that we as a



1 Board do is fair, and it's, and it's equitable, and it's
2 reasonable to all the applicants. And the same thing when
3 we go through the waiver process. They're reviewed
4 basically on similar criteria, and a fair and equitable
5 fashion. So I -- I feel that, if the mission of the Board
6 is to fund the most needy, then I think the process is
7 successful in doing that.

8 MADAM CHAIR: Excuse me.

9 MR. DURHAM: I'll yield to MS. Mazanec, if
10 that's okay with you.

11 MADAM CHAIR: Don't I get to talk?

12 MR. DURHAM: Not yet. Yeah, it's up to you.

13 MS. MAZANEC: Not yet.

14 MADAM CHAIR: It seems to me we are taking
15 turns? Yes.

16 MS. MAZANEC: We'll let you will know when
17 it's your turn.

18 MADAM CHAIR: Thank you, folks. Board Member
19 McLellan, I don't think you had a shot at it. (Inaudible),
20 too.

21 MADAM CHAIR: Thank you, Madam Chair. As I
22 look at the report, I'm noticing, well my colleague MS.
23 Rankin did a good job of touching on the regional
24 representation within the list. And I'm just trying to get
25 a feel for whether we need to do a better job communicating



1 the availability of grants to districts like the sixth and
2 the seventh, or if maybe the communication is fine and what
3 we're seeing is more a function of the BEST grant being best
4 applied to those schools where the economics seem to fit
5 better with the rural model. And if that's the case then I
6 -- I will kind of relax knowing that my district is a bit
7 more urban and suburban in nature. So I -- I certainly do
8 have communities of need within my district, but they tend
9 to be densely populated like Aurora Public Schools. We've
10 seen a lot of growth in areas like Brighton. So can you
11 speak to that? Do I have work to do communicating the
12 availability to districts in the Sixth Congressional, or
13 should I just recognize that perhaps the BEST grant is best
14 applied perhaps in the rural model? That would help -- that
15 insight would help me.

16 MR. OWENS: Okay. That's -- that's great
17 question, thank you. The process that staff uses and the --
18 and the BEST Board is to present at a number of different
19 forums to promote the program, to highlight the advantages
20 of it, we present at a number of different forums. we also
21 have among our staff four regional program managers who
22 geographically work in quadrants of the state, and they
23 reach out to every single school district. Every single
24 cycle maintain a relationship with them around needs, around
25 expectations for future grant cycles. So I think from a --



1 from a staff standpoint, we have a pretty good handle on
2 one, the needs and two what the interest level is for the
3 district in coming forward with the BEST grant.

4 MS. MCCLELLAN: Thank you very much, that's -
5 - that's a comfort to me so and I was remiss in not starting
6 with thanking each of you for your service on this Board.
7 It's very much appreciated -- and for your comprehensive
8 report.

9 UNIDENTIFIED VOICE: Thank you.

10 MADAM CHAIR: Board Member Goff?

11 MS. GOFF: Well, following up a little bit on
12 that, I mean, I -- MR. Reed, hello. I very much empathize
13 and follow carefully of course what happens in Jefferson
14 County in all the conversations, and especially this last
15 year. It's been pretty dramatic. In relation to BEST
16 funding I mean -- I would -- I guess I would ask, not that
17 all of you have your I know -- I know a little bit about MR.
18 Good's area, too. But each -- each one of you -- as do we
19 here -- represent a pretty unique context no matter how you
20 look at it. What -- how have you found communicating with
21 your school communities about how BEST works? And have the
22 questions from, let's take Jefferson County as an example.

23 I would think that the questions still
24 persist not only in regard to facilities but just the whole
25 place, the role, the purpose, the way it looks in -- in --



1 in real time in districts, the marijuana money. How do you
2 -- have you come to a key, a tool kit? How do you
3 communicate with the public about having them get --
4 understand how that works, that it's not what it's meant
5 for? And I would think that with Jefferson County's
6 community there would be some need for explanation about why
7 we don't we -- why the district does not necessarily qualify
8 right out of the shoe? There are lots of factors that are
9 considered to make it impossible. But how do you talk to
10 people who have faced more than one bond and/or mill defeat
11 over several years? And there are needs, as -- as the work
12 of the department in Jeffco surely clarifies brilliantly.
13 How do you talk to people about that?

14 And then unrelated but maybe not necessarily
15 totally -- when was the last time that any of the emergency
16 grants were employed statewide? Didn't -- did we not have
17 some emergency situations after the floods in 2013? And
18 then every time we have a hail storm like we experienced in
19 May, you know, when you've got these buildings that are not
20 in very good shape anyway, and there are unexpected
21 incidents, how do -- how -- do people -- I just -- how do
22 you handle that? Does the Board sort of come together on
23 call once in a while and make some decisions that are like
24 that -- of that nature on the spot?



1 MR. OWENS: Probably the easiest one to
2 address immediately would be the hail issue and -- and what
3 we're doing about that, because that's a fairly localized
4 condition pretty much hit us. And basically what our
5 department has done is gone through, we've made sure all of
6 the buildings are -- are -- are dry, and because of when it
7 occurred in the construction season, it's almost impossible
8 to get the kind of contractors that we want in to do our
9 work. So basically, we will carry our work through -- our
10 maintenance work through until next summer. In the
11 meantime, we'll be developing our -- our plan.

12 Right now, we're probably just out the maybe
13 \$10 million worth of -- of roof damage so far, and then we
14 will get these packages out next year to -- to do what it
15 does, but there's a lot of analysis and everything else.
16 The severity of the storm is such that with our own
17 resources, we are able to -- to take care of -- of -- of
18 that particular need in terms of securing the buildings, and
19 -- and the fact that it occurred a week before school was
20 out helped too, because that allows us to get in on the
21 maintenance side and really do that work.

22 Regarding the -- the emergency grants of --
23 of three or four years ago, a lot of that occurred up north
24 in the Thompson School District in St. Beran(ph) where they
25 really had were significantly impacted by the floods. We



1 only had one site that was impacted. It was one of our
2 mountain outdoor lab schools, and we applied for and
3 received FEMA money for that, for the work.

4 Your other question about -- I can't tell you
5 the number of public meetings that I've been to where people
6 have come up to me and said, "Well, where's all this
7 marijuana money that we're supposed to be getting?" And I
8 tried to explain to them one about the program, and -- and
9 about the fact that it is -- it's a voluntary program that
10 you have to actually apply for the money. It's not
11 something that's just distributed across all the districts
12 in the -- in the state. Obviously, \$40 million just
13 wouldn't really go very far in addressing the needs. So
14 what -- you know, what I try to do is just educate the
15 people, as -- as far as how the program works, what benefits
16 it has -- it is to us, and not -- and as I mentioned
17 earlier because of our high match, we really have to be
18 careful in terms of what we might pursue.

19 About six years ago, we received a grant to
20 install a -- a sewer system to -- to connect our conifer
21 schools, and you know this was kind of -- it was a safety
22 type of thing, and we were getting a lot of pressure from
23 CDPHE on the methodology that was being used. So it seemed
24 like a good opportunity to put forth a grant application
25 ,and we were fortunate enough to receive it, and -- and it



1 went very well, and we certainly appreciate the help that we
2 received.

3 MS. MCCLELLAN: Thank you.

4 MADAM CHAIR: So if I may ask a couple of
5 questions, first of all, does -- do you all also grant the
6 \$25 million to charters, or is that a different system?

7 MR. OWENS: It -- through the Charter School
8 Of Capital Construction Program, the individual charter
9 schools come forward with a request --

10 MADAM CHAIR: To you?

11 MR. OWENS: -- based on their need to the --
12 to the staff. Correct.

13 MADAM CHAIR: Okay.

14 MR. OWENS: And then that --

15 MADAM CHAIR: So it's actually part of the 70
16 million small amount?

17 MR. OWENS: Yes. Separate, entirely separate
18 from the BEST.

19 MADAM CHAIR: Right. But it's -- but in
20 terms of how much money charters get next year, it's \$25
21 million, plus the one point. So they are getting --

22 MR. OWENS: Right. It's initially...

23 MADAM CHAIR: Nobody ever gets what they
24 want, but --



1 MR. OWENS: It's initially based on a
2 projected pupil count and then it gets trued-up during the
3 year as the information gets refined. So the allocation,
4 and then, as you can imagine, virtually every -- I think
5 there is one exception, has capital needs that they
6 explicitly identify.

7 MADAM CHAIR: Yes.

8 MR. OWENS: So with that identification, we
9 go about the process of identifying the number of students
10 they actually project, and then the allocation is initially
11 made. The payments are made on a monthly basis and then it
12 gets --

13 MADAM CHAIR: And is that included in your
14 consideration for the charter applications for the \$70
15 million?

16 MR. OWENS: It is not.

17 MADAM CHAIR: How much are they're going to
18 get from the -- per student?

19 MR. OWENS: The amount that is allocated
20 under the Charter School Capital Construction Program is not
21 a statutory factor that's used in evaluating the BEST Grant
22 applications.

23 MADAM CHAIR: If I am not mistaken, the
24 legislature passed a change in the BEST Act, which is going
25 to allow for technology. That will be next year. So your



1 grant applications are also going to include applications
2 for technology funds?

3 MR. OWENS: Correct. Thank you for the
4 question, Madam Chair. The legislature did, approve and the
5 governor signed a House Bill that incorporates, into the
6 BEST Program, use of BEST dollars for Instructional
7 Technology.

8 MADAM CHAIR: Okay.

9 MR. OWENS: It's -- we're in the process of
10 developing some of the thinking around how the rulemaking
11 will have to take place. The BEST Program has been around
12 capital improvements.

13 MADAM CHAIR: Right.

14 MR. OWENS: So this is a little different
15 model that we're still evaluating. And we haven't entirely
16 determined exactly how it's going to work. It is being
17 viewed as a parallel program to BEST that will be --

18 MADAM CHAIR: Was there more funding added to
19 that legislation?

20 MR. OWENS: There was not, as I -- and I'm
21 not entirely versed on exactly the final forum of the
22 legislation. But I understand it's -- will be drawn from
23 some of the Marijuana Excise Tax Funds that's already in the
24 pro -- in the BEST Program. So we still need to sort out



1 the details around it, and we'll be doing that over the next
2 several months.

3 MADAM CHAIR: Explain to me, on the lease
4 purchase system, how many years are those agreements?

5 MR. OWENS: So they're -- all of the projects
6 from -- from the planning, through the design, through the
7 construction, are expected to be completed within a three-
8 year time frame. But with the debt service and the long
9 term aspect of the program is -- it is for 20 years. So
10 it's --

11 MADAM CHAIR: So it's another ten years
12 before any of that money will end up being freed up for
13 other projects?

14 MR. OWENS: Right. We have a -- we have a
15 detailed debt service schedule. There is an appropriation
16 for the amount that is used annually. We're going through
17 that process currently to determine, as a result of the
18 borrowing cap increase, what that impact is on, on debt
19 service.

20 MADAM CHAIR: Finally, Board Member Goff was
21 referring to an earlier state. There was a study prior to
22 BEST, that was privately done, that was done by a non-
23 profit. I believe it was Donald Kay. If I am not mistaken,
24 the amount was six billion of need, building needs around
25 the State. I'm curious whether you've added up, based on



1 the updating that you're doing to the need study. Do you
2 have a running total?

3 MR. OWENS: I don't currently have that
4 information. I know that there was work done earlier to
5 identify the overall backlog across the State. I heard
6 those numbers, but I don't have those currently up. I don't
7 know what that number is. As a result of the work we're
8 doing, at the end of this three-year cycle, we'll have a --
9 a very good sense of that. So it was some -- it was
10 something I believe in excess of \$6 billion, but I would
11 have to look more closely at it.

12 MADAM CHAIR: So we're not getting ahead of
13 the curve on this one?

14 MR. OWENS: Yeah, we're not.

15 MADAM CHAIR: Ms Okes?

16 MS OKES: The results of the 2009 assessment
17 that was conducted by the BEST Team was 18 point -- it was -
18 - at the time I think it was 13.9, if I recall correctly,
19 but projected to current time, it was 18.1 billion. So the
20 six has increased dramatically, and then we haven't, as MR.
21 Owens indicated, updated that. So the 18 billion is
22 probably incorrect, as it was projected forward because
23 there's been other BEST, you know, investments through that.
24 I think we have invested 1.2 billion-something in that need
25 that has dropped that. Other districts have made other



1 improvements, but then there's also been deterioration. So
2 --

3 MADAM CHAIR: Plus, once you start adding
4 technology needs, you're gonna bump those numbers up quite -
5 - quite dramatically I will say. I will say that the
6 process that you're using for identifying needs sounds
7 incredibly familiar to what the large districts also do on
8 an ongoing -- Jeffco, maybe, but so -- so do the other large
9 districts.

10 I guess the other thing that I would say
11 about the charter needs, and the fact that we're
12 distributing around the State, most -- most of that charter
13 schools are in the Front Range System. So we hope that
14 districts are also providing in their bond programs
15 addressing the needs, as they're addressing the needs for
16 their own schools, that they are also included in the
17 charter school. I don't think that was part of the
18 legislation that we had this year. But I think that -- I
19 know that one of my districts, certainly, always includes
20 the charter needs. And I don't know what that level of
21 participation is, but that helps to even that out for the
22 kids. Board Member Mazanec?

23 MS. MAZANEC: I too have heard complaints.
24 One of my frustrations is you come and tell us what you do,
25 you know, which schools you -- and you are working for.



1 What we don't know is who applied, and -- and didn't. Is
2 there any way for this Board to be informed of all of the
3 applications? Who is -- who is approved, and who wasn't?

4 MR. OWENS: Thank, thank you for the
5 question. Yes. We have that information. It's publicly
6 available. It's on our website.

7 MS. MAZANEC: It is? Okay.

8 MADAM CHAIR: We got it last year.

9 MS. MAZANEC: That's what I was thinking, and
10 I wasn't finding it here. So --

11 MR. OWENS: We had a -- we had a total of 50
12 applications initially, two were -- were withdrawn, 48 were
13 reviewed and --

14 MS. MAZANEC: You say some were withdrawn?

15 MR. OWENS: Two were withdrawn --

16 MS. MAZANEC: Oh, two were withdrawn.

17 MR. OWENS: -- prior to the BEST Board
18 actually reviewing them. Then, as we go through the ranking
19 process, what you received in your Board packets were the
20 recommendations, and then the backup recommendations. We
21 certainly can -- happy to provide you with information
22 around the other applicants that were not -- that are not
23 being recommended.

24 MADAM CHAIR: Okay. Thank you.



1 MADAM CHAIR: Do you have any comments or
2 questions?

3 MR. DURHAM: Thank you, thank you Madam
4 Chair, I'm just getting warmed up.

5 MADAM CHAIR: Sure. Okay.

6 MR. DURHAM: Thank you.

7 UNIDENTIFIED VOICE: You probably have to
8 bring more food.

9 MR. DURHAM: So you know.

10 MS. MAZANEC: Oh, oh wait. I'm sorry. I did
11 have one other question, which not quite clear to me on the,
12 the matching. It seems like it used to be 50 percent that
13 every, for a new construction, they always had to come up
14 with the mill of, you know, their own financing at 50
15 percent of the cost. Are you saying that it's now, it
16 depends from project to project? And how is that
17 determined?

18 MR. GOOD: Right. If, if you want to talk
19 about how it's determined, I think I can probably give you
20 some examples from my part of the, the state. So you know,
21 Tim, if you want to talk about that, let me just jump ahead
22 while Tim's lolking. There's a, there's a, a fairly
23 detailed process that I've become aware of in the last years
24 since you guys have point of views. So thanks for that.
25 But let me just use Steamboat as an example. There are



1 three districts in Routt County. If Steamboat were to apply
2 for a grant, we would have to raise 80 percent of the money
3 whether it was for --

4 MS. MAZANEC: No matter what it's for.

5 MR. GOOD: -- a roof or a new building. As,
6 as Jim said, Jeffco is at 76 percent. There are two
7 adjacent districts, one of which you guys helped out with
8 some emergency funds this past year, South Routt. Their
9 matching percentage is 43 percent. The socioeconomics of
10 South Routt are far different than that of Steamboat's, so
11 their matching percentage is substantially lower. The third
12 district up in my neighborhood is Hayden. Their matching
13 percentage is 56 percent. They were one of the public
14 schools that applied this year that didn't make the cut, but
15 they would have to raise 56 percent of, of the funds. So it
16 depends a lot on the, as Jim talked about the -- the wealth
17 --

18 MS. MAZANEC: Who sets those numbers, though?
19 Do you decide?

20 MR. GOOD: No. It's a formula like --

21 MS. MAZANEC: Okay.

22 MR. GOOD: -- no, no. It's a formula like
23 approach that Jim can probably go through the details.

24 MS. MAZANEC: Based on their capacity.

25 MR. GOOD: Right. Correct.



1 MR. OWENS: So let me add to MR. Good's
2 comments. I -- I had mentioned previously there are seven
3 criteria that are filed, and these are in statute around how
4 you establish, what the match contribution expectations are.
5 And the seven-hour per pupil assessed evaluation, the
6 district's median household income, percentage of pupils
7 eligible for free or reduced cost lunch, current bond mill
8 lobby, unreserved general fund balance, current bond
9 capacity remaining, and then bond election failures and
10 successes in the last 10 years. All of that information is
11 collected and is laid out in an algorithm that then results
12 in a calculation of percentage. It runs anywhere from about
13 25 percent to about 75 percent.

14 MS. MAZANEC: It's interesting to know how
15 that last, last part of the formula. I just figured it
16 would, anyway, thank you.

17 MADAM CHAIR: MR. Durham.

18 MR. DURHAM: Thank you Madam Chair. The,
19 just a couple of comments. One is, I try not to be too
20 critical of the legislature, but I think it's a --

21 UNIDENTIFIED VOICE: How do you know?

22 MR. DURHAM: No, no, I do. I try, I try.
23 But it -- it's always easy to have a sexy new item and not
24 fund it, like technology. And I hope this, the Board would
25 just keep in mind that leaky roofs are a lot more important



1 to repair than buying shiny new computers, although you
2 won't get near the credit for doing it. It's no reason to
3 buy something that's going to get, going to get damaged by
4 water leakage. It just, and I would hope you would kind of
5 keep some of the basic tenets in mind. I'm sure, it, it
6 doesn't have the sex appeal and public support probably, but
7 I, I think basic maintenance is a lot more important than
8 bells and whistles. And I look at technology as being a
9 bell and whistle.

10 Secondly, if I have my numbers correct, in
11 the last five years and MR. Reed, you've been on the Board
12 most of that time, charter schools have gotten 2.6 million
13 and non-charters 411 million. Well, you do get to a level
14 of disparity, presuming I have my number right, I might, I
15 might not, but you get to a level of disparity that I think
16 has to raise the question of, you know, are we really
17 getting an equitable consideration? Notwithstanding, I
18 think that the absolute correct observation that most of
19 these charters are in the urban areas. But keeping in mind
20 that they're probably funded at less than 70 percent per, on
21 a per pupil basis of comparable schools in the district, as
22 kind of as a general rule or could be less. But I think
23 that's fairly close on a per pupil, per pupil basis, so you
24 might just find a way to form -- from a formula standpoint,



1 plug that into your, into your thinking because I think that
2 -- that may, that may change some things.

3 And I think, I think also I think as MS.
4 McClellan noted, I mean I, in my district, I certainly, I
5 certainly hope Cheyenne Mountain will not apply on a need
6 basis. It doesn't make any sense. I don't think Cherry
7 Creek, you know, getting an award would make any real sense
8 that hopefully this money is designed really to help
9 districts that simply have the, lack the tax capacity to, to
10 do the basic maintenance. And so if you focus on basic
11 maintenance and tax capacity, I think you'll make a very
12 sensible allocation. And I think when you consider charge,
13 you need to look at the fact that not all revenues are
14 shared equally. And I think that, that if you plug that
15 into your formulas, MR. Owens, you might find you can get a
16 little bit different result.

17 So I, I'm not, I'm still not comfortable,
18 while I understand the explanation, I'm still not
19 comfortable with the result. It just, when you get to some
20 of these numbers, you, you just, they just raise questions
21 that I don't think, I don't think you can answer. So I'll
22 leave it at that. But I would, would hope that all of you
23 would work toward an equitable distribution, and I will say,
24 I mean, I have been -- a few years ago -- I don't know how
25 many years ago you made a grant to Edison, which is in the



1 Fifth District, and it was a very substantial grant, as are,
2 I think, which are gonna have a groundbreaking or a ribbon
3 cutting, I think, sometime this fall. And that's quite a
4 facility in a very poor district in El Paso County? So you
5 have to, you know, from, from my perspective, you have to
6 look at stuff like that and say there's clearly a benefit to
7 what you all are doing and how you've done it, but you do
8 need to add in one tiny consideration. Thank you, Madam
9 Chair.

10 MADAM CHAIR: Board Member Flores.

11 MR. REED: If I could just for, for one
12 moment.

13 MADAM CHAIR: Oh, please go ahead MR. Owens -
14 - MR. Reed, sorry.

15 MR. REED: You know, one of the schools,
16 we're very proud of district-wise is Rocky Mount Deaf
17 School, which was funded by the BEST Program for
18 significantly more than \$2 millions. I don't, I know that
19 it was a, it -- it's, it's a very successful and a, and a
20 facility that we're very proud of and a school that we're
21 very proud of as charter.

22 MR. DURHAM: Is that in Jeffco?

23 MR. REED: Yes, it is.

24 MR. DURHAM: I think Edison was four -- I
25 don't want to say its 14 million, but it's, it's quite a



1 facility, and I hope to see you all at the ground breaking
2 or at the ribbon cutting.

3 MADAM CHAIR: Board Member Flores.

4 MS. FLORES: I just want to thank you. And I
5 also want to just put this idea out. I know that your
6 purview is not building housing for teachers in rural areas,
7 but you do represent, meaning, you've come from districts
8 and other institutions that do have some power. And I would
9 suggest that maybe with urban renewal or somehow, we get
10 into the area of building apartments or for -- for teachers
11 because I think that is a big need and why many teachers may
12 not go to rural areas. And I think we need to, you know,
13 spend the money. Spend the moneys for the money wanna, I
14 know. I have some ideas of how to spend it. And I would be
15 a very useful way of spending monies.

16 MR. REED: Thank you.

17 MS. FLORES: Thank You.

18 MADAM CHAIR: Thank you very much to all of
19 you. I'm not sure whether we should let you go or not. I
20 need to ask my colleagues. It's ten after 11:00. you've
21 not had a break. Is that okay? Do you wanna go to a lunch
22 or?

23 MS. MAZANEC: Do we need the vote?

24 MADAM CHAIR: We're -- we don't have a vote
25 yet.



1 MR. REED: But my point is that we do have a
2 second agenda item. I don't think --

3 MADAM CHAIR: I, I -- exactly. That's why
4 I'm asking. Let's just plow on, okay, folks?

5 MS. FLORES: Yeah.

6 MADAM CHAIR: Thank you very much. So.

7 MS. ANTHES: Thanks, Madam Chair, can I just
8 --

9 MADAM CHAIR: Yes.

10 MS. ANTHES: Just wanted you to know that you
11 guys did -- you were so inundated with paper at this time,
12 but we did create the big binders for you with all these
13 grants, and it did have the list of all that -- all the
14 applicants as well as the ones that were funded, and then
15 Bizzy(ph) just sent out that link again. So it was probably
16 just from the sheer overwhelming nature.

17 MS. RANKIN: Did you say you did have a big
18 binder?

19 MS. CORDIAL: There's -- there's a few,
20 actually, left over still on the table over here that I
21 could --

22 MS. RANKIN: So but we were supposed to pick
23 them up there?

24 MS. CORDIAL: There -- yeah, it was in May I
25 think but you had --



1 MADAM CHAIR: Are you serious?

2 MS. CORDIAL: -- five Pueblo binders and six -

3 -

4 MS. ANTHES: Yeah, you had so many binders.

5 MS. CORDIAL: -- Greeley binders. I don't --

6 I think --

7 MADAM CHAIR: So go forth.

8 MS. ANTHES: If you wanna see them, you can

9 take your binder with you. Yes.

10 MS. CORDIAL: Yes. And I did send you the

11 link.

12 MADAM CHAIR: So our next --

13 MS. FLORES: If you recall, there's a --

14 MADAM CHAIR: The next item on the agenda is

15 consideration of fiscal year '17 - '18 recommended BEST

16 project for award. Commissioner, is staff prepared to

17 provide an overview?

18 MS. ANTHES: Yes. I believe I'm turning it

19 right back over to Jim Owens. Thank you.

20 MR. OWENS: Thank you, Commissioner Anthes.

21 If you will, I'll turn this over to MR. Reed, who's planning

22 to present the recommendation --

23 MADAM CHAIR: Do you have anyone we can turn

24 over to?



1 MR. OWENS: And I'll assist him in the
2 delivery.

3 MR. REED: I'll be brief.

4 MADAM CHAIR: You've got colleagues down
5 there. You can just pass the buck.

6 MR. REED: Madam Chair, Members of the Board,
7 Commisioner Anthes, on behalf of the Board, the BEST Board,
8 I want to thank you for the opportunity to present this
9 overview of our work this year. The -- obviously, you've
10 met our two members that are here. Also MR. Haptonstall had
11 planned to at least participate via telephone, but he was
12 unable to. I also want to acknowledge other members of the
13 Board and the districts that they represent. Marty Ammans
14 is a Coordinating Architect with Adams 12. Denise Pearson
15 is a superintendent for Elbert County School District C2.
16 Scott Stevens -- Stevens is the Director of Facilities for
17 El Paso School District 8. And Kathy Gebhardt participated
18 in this year's review. She's a member of the Boulder Board
19 of Education, and her term has expired.

20 I want to thank you sincerely for your
21 continuing support of this program. The BEST Board serves
22 as the vehicle that many school districts rely upon to make
23 critical capital needs. Without the program, the choice is
24 a funding tug of war between educational needs and capital



1 improvements. I think we can all agree that a warm, safe,
2 and dry learning environment is key to educational success.

3 On May 17th and 18th, the BEST Board met and
4 reviewed 48 projects from 37 school districts and 30
5 counties. There were eight charter applications from
6 southern counties and one from the Charter School Institute.
7 The BEST Board is recommending 23 projects to be funded, 19
8 through cash grants and 4 as lease purchase. There were
9 seven projects whose matched portion is contingent upon 2017
10 bond election. As a result, we have seven backup projects.
11 five are cash grants and two are lease purchase and one of
12 the backup projects is also contingent upon a 2017 bond
13 passage. That being said, I'm gonna turn it back over to
14 Jim, and he can go on to the detail, okay?

15 MR. OWENS: Thank you, MR. Reed. And I think
16 the opportunity to work with such a high energy BEST Board
17 has been a real privilege over this past year. And as we
18 look back over the -- over the program's duration, it really
19 is a great opportunity to collaborate with appointed members
20 who are all volunteers, who bring expertise in to a variety
21 of different areas that is really, really results in a fair
22 and equitable process that allows a very deliberate approach
23 to making award recommendations that -- that you're seeing
24 here in front of you.



1 In your Board packets, I would remind the
2 Board that there are narrative summaries of each of the
3 projects. So you can read a little more detail about each
4 of the projects that's being recommended in addition to the
5 summary spreadsheet that you, of course, have received.
6 There's also a congressional list, a table, and a map that
7 shows by congressional district which of the -- which are
8 the applicants are being recommended. And we put both the
9 ones that are being recommended as well as the backup
10 projects on in part because historically, if they -- we've
11 had this occur a number of times if an -- a primary
12 applicant is unable to produce its match, well, then we need
13 to go into the back up list. So having three backup
14 applicants for lease purchase is important because there is
15 a very detailed due diligence process that we've already
16 begun. And so we need to verify that we would be able to
17 use the funds that are being allocated. And then for the
18 cash grants, we have additional backups as well again, for
19 the same reason, if the primary applicant is unable to
20 produce its -- its matching -- its matching amount.

21 So with these recommendations, we would be
22 happy to answer any questions that you would have around
23 them. I think in terms of where we go from here, I think I
24 mentioned this earlier, for the cash grants, the State Board
25 of Education is the final authority for the -- for the cash



1 recommendations for the lease purchase. The next step is to
2 present these to the -- to the Capital Development
3 Committee, and that's scheduled for next Wednesday,
4 September 21st, down in Colorado Springs. So we'll be
5 making the presentation to them around the lease purchase
6 recommendations, and then we'll have the -- that'll be the
7 final determination on all of the FY '17-'18 cycle. I'm
8 happy to entertain any questions that you may have at this
9 point.

10 MADAM CHAIR: Colleagues, any more questions?
11 Or do I have a motion? Board Member McClellan?

12 MS. MCCLELLAN: Just wanted to thank you once
13 again, each of you for your service. And with that, I move
14 to approve the fiscal year 2017-2018 BEST Grant
15 recommendations made by the Capital Construction Assistance
16 Board as set forth in the published agenda.

17 MS. RANKIN: I second that.

18 MADAM CHAIR: That's a proper motion. Thank
19 you for the second. Any more discussion? Call the vote
20 please, MS. Cordial.

21 MS. CORDIAL: Board Member Durham.

22 MR. DURHAM: Yes.

23 MS. CORDIAL: Board Member Durham.

24 MR. DURHAM: Yes.



1 MS. CORDIAL: Of course. Board Member
2 Flores.

3 MS. FLORES: Yes

4 MS. CORDIAL: Board Member Goff.

5 MS. GOFF: Yes.

6 MS. CORDIAL: Board Member Mazanec.

7 MR. DURHAM: Yes.

8 MS. CORDIAL: Board Member McClellan.

9 MS. MCCLELLAN: Yes.

10 MS. CORDIAL: Board Member Rankin.

11 MS. RANKIN: Yes.

12 MS. CORDIAL: Board Member Schroeder.

13 MADAM CHAIR: Yes.

14 MS. CORDIAL: My microphone was out.

15 MADAM CHAIR: And I'll (inaudible) with my
16 colleagues comments. Thank you very much for your hard
17 work. I had done this at a local level, and it ain't easy.
18 So thank you so much for your work.

19 MR. OWENS: Thank you.

20 MR. REED: Thank you.

21 MADAM CHAIR: Colleagues, surprisingly we are
22 now ahead of schedule.

23 UNIDENTIFIED VOICE: Oh, good. So we can get
24 to the rest room.



1 MADAM CHAIR: No, we don't allow that. So
2 let me just say we have these, we have exec session
3 scheduled from 12:00 to 1:00. We can go into exec session
4 now. We can put that off for a while and just breathe.

5 UNIDENTIFIED VOICE: Let's go into exec
6 session.

7 MADAM CHAIR: Let's go into exec session?
8 Okay.

9 UNIDENTIFIED VOICE: We agree.

10 MADAM CHAIR: Could I have a motion then,
11 please.

12 UNIDENTIFIED VOICE: Would you? Rich isn't
13 here yet.

14 MS. CORDIAL: Madam Chair?

15 MADAM CHAIR: Wait. I thought you just said
16 you want to go to exec session now?

17 UNIDENTIFIED VOICE: I think we need to go
18 the rest room.

19 MS. CORDIAL: Madam Chair?

20 MADAM CHAIR: Please.

21 MS. CORDIAL: There is -- one of the
22 attorneys that is coming for executive session isn't
23 planning to come until noon. We can see if she can come
24 early



1 MADAM CHAIR: That's okay. We're just gonna
2 go into exec session brief.

3 MS. CORDIAL: Okay. And then take it at
4 noon?

5 MADAM CHAIR: That'd be fine.

6 MS. CORDIAL: Okay.

7 MADAM CHAIR: For exec session, do we have to
8 stay?

9 MS. MCCLELLAN: We could -- maybe we should
10 just take a break and then --

11 MADAM CHAIR: Let's just take a break.

12 MS. MCCLELLAN: -- convene at noon.

13 MADAM CHAIR: That'd be be fine.

14 MS. MCCLELLAN: Okay.

15 UNIDENTIFIED VOICE: Robin, Robin went to get
16 something that I...

17 (Pause)

18 MADAM CHAIR: The next item --

19 UNIDENTIFIED VOICE: Don't put it down.

20 MADAM CHAIR: -- is a consideration of the
21 Title I multi-district --

22 UNIDENTIFIED VOICE: Oh, sure. It's okay
23 when you were over there talking, but it's not okay --

24 MADAM CHAIR: Yeah, we'll, we'll be back
25 here.



1 UNIDENTIFIED VOICE: Oh, you wanna stay 'til
2 6:00.

3 MADAM CHAIR: Yes. Online School District
4 allocation pilot program. Commissioner, is staff prepared
5 to provide a brief overview?

6 MS. COMMISIONER: Yes Madam Chair, I'll turn
7 this over to Leanne Emm.

8 MS. EMM: Thank you Madam Chair, Leanne Emm.

9 MADAM CHAIR: We did have this last time.

10 MS. EMM: Yes.

11 MADAM CHAIR: And we held it over for Board
12 Members to consider, to have time to consider.

13 MS. EMM: Yes.

14 MADAM CHAIR: Because I don't like to push
15 things.

16 MS. EMM: Yes.

17 MADAM CHAIR: So you don't have to make a
18 very long presentation because --

19 MS. EMM: Nope.

20 MADAM CHAIR: Unless colleagues have
21 questions. Did you all consider this?

22 UNIDENTIFIED VOICE: Yes.

23 UNIDENTIFIED VOICE: Yes, I did.

24 MR. DURHAM: Yes.

25 UNIDENTIFIED VOICE: It's funny about --



1 MADAM CHAIR: MS. Mazanec.

2 MS. MAZANEC: I, I was wondering about some
3 of the requirements. Like how -- how will the schools meet
4 the attendance requirements, the, you know log in
5 requirements? How do they prove all of that?

6 MS. EMM: Thank you. Madam Chair, so that
7 process doesn't have anything to do with the multi-district
8 online pilot --

9 MS. MAZANEC: It doesn't?

10 MS. EMM: No. Absolutely totally different
11 process to establish funding for the school finance side.
12 The multi-district online Pilot for Title I is totally
13 different.

14 MS. MAZANEC: So we don't have to consider
15 any of them. The, the only question is whether we extend it
16 to all multi-district online schools as opposed to just the
17 pilot.

18 MS. EMM: Yes.

19 MADAM CHAIR: So we no longer have a pilot
20 that we just --

21 MS. EMM: Yes. And it's, it just goes
22 through our normal system that we would use.

23 MADAM CHAIR: Okay. And we now have a system
24 that makes this a reasonable effort to do the allocation.
25 Sort of a mass programming.



1 MS. EMM: Yes. It would follow -- it would
2 follow the same process that we use for CSI and the School
3 for the Deaf and Blind. So we've already got those
4 processes in place in order to do those, and we -- so we
5 would build this into that same kind of process for the
6 multi-district online schools, which actually makes it more
7 efficient and simpler for staff because we are not running
8 it through a pilot project system. It just becomes part of
9 the normal process.

10 MS. MAZANEC: So in that case --

11 MADAM CHAIR: MS. Mazanec.

12 MS. MAZANEC: I move to continue, no. I move
13 to discontinue the pilot project and incorporate all multi-
14 district online schools into the title funding allocation
15 process on a permanent basis statewide.

16 MR. DURHAM: Second.

17 MADAM CHAIR: Thank you. Any other comments
18 or questions? Call the vote, please.

19 MS. CORDIAL: Board Member Durham.

20 MR. DURHAM: Yes.

21 MS. CORDIAL: The Board Member Flores.

22 MS. FLORES: Yes.

23 MS. CORDIAL: Board Member Goff.

24 MS. GOFF: Yes.

25 MS. CORDIAL: Board Member Mazanec.



1 MS. MAZANEC: Yes. I would just like to say
2 by the way that I really thank the department for making
3 this happen. It is the right thing to do for kids. That
4 these Title I monies follow them to the school they are
5 being served at. Yes.

6 MS. CORDIAL: Board Member McClellan.

7 MS. MCCLELLAN: Yes.

8 MS. CORDIAL: Board Member Rankin.

9 MS. RANKIN: Yes.

10 MS. CORDIAL: Board Member Schroeder.

11 MADAM CHAIR: Yes.

12 MS. CORDIAL: And just to make sure, that was
13 for the -- to discontinue the pilot? Is that correct?

14 UNIDENTIFIED VOICE: Yes.

15 UNIDENTIFIED VOICE: Discontinue what?

16 UNIDENTIFIED VOICE: It's to discontinue.

17 MADAM CHAIR: To discontinue, correct. Make
18 it real.

19 UNIDENTIFIED VOICE: Permanent.

20 MS. EMM: Thank you so much.

21 MADAM CHAIR: So colleagues, what's the
22 second one you wanted to do before lunch? I was absent when
23 these decisions were made.



1 MS. CORDIAL: I believe it's the financial
2 transparency website update and subcommittee recognition
3 that you would like to take next.

4 MADAM CHAIR: And that is item?

5 MS. CORDIAL: Now item 12.01. It, it was
6 11.01 until we added the morning exec session.

7 MADAM CHAIR: No, 12.01 is the standards
8 review.

9 MS. RANKIN: She still have --

10 MADAM CHAIR: No, I changed them all.

11 MS. RANKIN: You got 'em changed?

12 MADAM CHAIR: It's 15 maybe? Is it 14?

13 MS. CORDIAL: Oh, I'm looking at the redline.
14 It is 11.01.

15 MADAM CHAIR: Yes, 14.01.

16 MS. FLORES: No, it is 11.01. The standard?

17 MS. ANTHES: I have the revised. I have
18 14.01.

19 MR. DURHAM: Anyway, that's not what we were
20 doing.

21 MS. CORDIAL: Oh, I'm sorry. I was looking
22 at -- yep, 14.

23 MR. DURHAM: We're doing 14, which was 13
24 yesterday.

25 MADAM CHAIR: That's gonna be 25 tomorrow.



1 MR. DURHAM: Go to 13. It might be what
2 tomorrow?

3 MADAM CHAIR: 25.

4 MS. RANKIN: Somebody introduce it, and I'll
5 figure out which topic we're on.

6 MR. DURHAM: I don't think so.

7 MADAM CHAIR: The next item on the agenda is
8 an update on the financial transparency website in
9 recognition of the subcommittee. Commissioner?

10 MS. ANTHES: Yes, thank you Madam Chair. I'm
11 going to turn this over to Jennifer Okes, executive director
12 of our school finance department.

13 MS. OKES: Great, thank you. So as you might
14 recall back in January several months ago -- so it's very
15 fuzzy in my brain. But we did a little presentation for you
16 all to -- to sort of introduce to you that this is coming.
17 And now that we are getting close, we wanted to just take a
18 few minutes to let you know that yup, this financial
19 transparency website is here, and it will go live to the
20 public on June 30th. This website came about because of
21 legislation during the 2014 session that basically asked for
22 a website for a layperson who's not conversant in financial
23 information, to be able to compare information on
24 expenditures for school districts and schools and BOCES.



1 And so we've developed -- we've partnered
2 with Bright Lights to develop this website. And one of the
3 things that we wanted is for you all to recognize the
4 wonderful work of the district, so the legislation asked for
5 the Financial Policies and Procedures Committee to work with
6 us to design this and implement it. And we had some just
7 tremendous support from districts during not only a
8 subcommittee to work on this but several pilot districts,
9 and we wanted to recognize the work because we could not
10 have done this without the -- their efforts and their
11 countless hours, but their expertise and their insight, and
12 so they deserve some kudos. But then we're hoping.

13 MADAM CHAIR: They didn't come?

14 MS. OKES: They did not because they're
15 coming from all over. And so we did not ask them all to
16 come here. But, but I know that they will be touched by --
17 by your recognition of them. So this is not an easy time of
18 the year for finance folks to get out of the district.

19 MR. DURHAM: Are we sending them a letter or
20 --

21 MS. OKES: Yes.

22 MR. DURHAM: -- signed by the Chair?

23 MS. OKES: We have a --

24 MR. DURHAM: Or a certificate?



1 MS. OKES: -- certificates,
2 yeah.

3 MR. DURHAM: Good. I move we honor them
4 inabsentia.

5 MS. OKES: I'm not sure if I have the names
6 because I'm not as organized. I brought up staff.

7 MADAM CHAIR: I have them. I have the names.
8 Go.

9 MS. OKES: I'm sorry.

10 MR. DURHAM: Want me to read them?

11 MADAM CHAIR: Yes, please.

12 MR. DURHAM: Yes, ma'am. Those to be thank -
13 - thanked are Tracy John Academy School District 20, Millie
14 Livermore; Adams 12 Five Star Schools, Gina Lanner; Adams-
15 Arapahoe 28J, Terry Boswell; Centennial BOCES, Brad Arnold;
16 Cherry Creek 5, Christine -- it looks like Gathara(ph);
17 Cherry Creek Five, Stephen Clawson; Denver, Jeff Zolwinsky;
18 Denver, Jenna Schlesinger; Douglas County RE1, Joanne
19 Vernst; Fountain 8, Melanie Baeck; the Governor's Office of
20 State Planning and Budget, Kathleen Ascolson; Jefferson
21 County, Sean Connor; Jefferson County, Suzanne Corbeau;
22 Jefferson County, Denise Pearson; Kiowa C2, Jonahson
23 Levinthal -- Levenquest; Littleton 6, Donna Villamor;
24 Littleton 6, Michael Evertz; Mapleton 1, Kara Boldamere.

25 MADAM CHAIR: Boldamente.



1 MR. DURHAM: Boldamente. Thank you. Podre
2 RE1, Jane Frederick -- Poudre RE1, I'm sorry. Jane
3 Frederick, Saint Vrain; and Kerry or Terry Kimber -- Terry
4 Kimber, Whitefield 3.

5 MADAM CHAIR: Thank you.

6 MS. FLORES: And that was Stephanie Corbeau
7 in Jefferson County, not Suzanne. Stephanie Corbeau.

8 MR. DURHAM: Stephanie, I'm sorry. Thank
9 you.

10 MADAM CHAIR: Our thanks to all of them, and
11 we are looking forward to a demonstration.

12 MS. OKES: And then, so right now, we're in a
13 preview period for the districts, and so the financial
14 officers have seen the data. They posted the data on their
15 website. The vendor pulled it up into the system to make it
16 visible, and so now it's a preview that what it will look
17 like to the public. So the districts can go in, do one last
18 final check of their data, so -- and to make any corrections
19 if there's necessary, and then the vendor's also making any
20 last tweaks in these last two weeks. So the system, there -
21 - there's a few little tweaks that they're still working on,
22 so please bear with, but then I believe you all have that
23 preview window as well so that you can go in at your leisure
24 and look at through this. I'm happy to sit with you or walk



1 you through that individually as well. So we'll do quick
2 one today.

3 MADAM CHAIR: So I've a question. Based on
4 what you just said, this has gone out to the districts.
5 will this be on district websites?

6 MS. OKES: Great question.

7 MADAM CHAIR: As well as centrally or --

8 MS. OKES: Yeah. So on each district website
9 there is a financial transparency link to financial
10 transparency website for the district, and that is -- has a
11 required -- a number of statutorily required items. This is
12 a link to -- that's one of the items. So for each district,
13 you can click on that. it'll go to their district view but
14 then you can also launch into the -- the statewide view from
15 there. So --

16 MADAM CHAIR: From there?

17 MS. OKES: From there.

18 MADAM CHAIR: Okay.

19 MS. OKES: So you can either come centrally
20 off of a link of our CDE page, or you can go from every
21 single district or BOCES home -- or financial transparency
22 page.

23 MS. RANKIN: So it's a two way street then?

24 MS. OKES: Yeah.



1 MADAM CHAIR: That's great. Makes it a
2 little bit easier for us to access.

3 MS. OKES: Yeah and --

4 MADAM CHAIR: Board Member Goff? Do you
5 have a comment?

6 MS. GOFF: Finnish your sentence.

7 MS. OKES: Nope, go ahead.

8 MS. GOFF: Does, does CSI have an entry point
9 in here, or is it, is it done by --

10 MS. OKES: It is.

11 MS. GOFF: Them or by school? Or --

12 MS. OKES: So it is through CSI districts.

13 So this -- the charter schools would also have a financial
14 transparency website and could link to this, but CSI would
15 have the link for their schools and so -- and we'll show
16 this. You can get to once you're on this page, you can
17 either jump in directly to a school, or you can go to a
18 district and then jump down to the schools. So it's meant
19 to be flexible.

20 MS. GOFF: Well, does Jeffco for example have
21 a -- a direct link to a CSI link that then takes you -- how
22 is the interplay? If CSI is in some district, how do --

23 MS. OKES: So --

24 MS. GOFF: Are they even required -- are the
25 statutory -- I haven't -- I haven't looked at this. I



1 thought about it, but I have thought about it very well
2 since January, I'll admit, but I just got to thinking about
3 it the other day.

4 MS. OKES: Yup, so each -- the audit or the
5 legislation requires each local education provider and
6 define that to be districts including CSI, BOCES, and
7 charter schools, and charter collaboratives. So each of
8 them has to post their financial data, and so they would
9 also have that link to this centralized website. And so if
10 I'm to start with a charter school, a CSI charter school,
11 there would be a link to get me to this bigger site, and we
12 haven't tested does that bring you to the school? Or does
13 it bring you to CSI? So I don't know that detail, but it
14 would bring you -- that link would bring you to this
15 location and then again, I can move quite easily from
16 district to school back to district and navigate that way.

17 MS. GOFF: So if a district had -- had prior
18 pages that had been established anyway that deal with
19 whether it's their budget or their, you know, like a live,
20 real-time dynamic whatever website that shows line item
21 changes, whatever, they make that, does this -- is that --
22 any of that superceded by this? Can districts still choose
23 to put this part of their financial transparency picture as
24 many pages as they want or reduce as they see fit?



1 MS. OKES: Yeah. So one of the -- the
2 legislation requires a number of things to be posted your
3 budget, the district's audited financial statements, check
4 registers, investment reports. And then the statute also
5 removes some of those, like the check register and the
6 investment reports, thinking that this site will replace
7 that. It doesn't mean that the districts can't continue,
8 and we've heard from some districts that they want to
9 continue that. The financial policies and procedures
10 committee thought that we would take an opportunity, and
11 they voted to standardize the financial transparency
12 website. So number one, make it easily visible on the
13 homepage, and there's a little icon or the words financial
14 transparency that brings you, and then now it's a standard
15 template. and so it should have the same look and feel from
16 district to district to district. And so there's required
17 elements, but then one of the optional thing is optional
18 district financial information, so they can add as many
19 additional links as they would like to other information.

20 MS. GOFF: Great.

21 MS. OKES: Yeah.

22 MS. MAZANEC: On this department website,
23 they can add as many as they want, or are there -- it gets
24 confusing when they're both ways, huh?



1 MS. OKES: Yes. Yeah. So it -- it is a
2 financial transparency template that each district uses, and
3 so on that district it will, you know, I don't have the
4 order memorized, but I have audited financials.

5 MS. MAZANEC: So if I'm, I'm in Douglas
6 Counties, and I push on the financial transparency...

7 MS. OKES: It should show audited financial
8 statements, budget, and then this link to this website, and
9 then other district information.

10 MS. MAZANEC: To the department's website.

11 MS. OKES: There's a link to the department's
12 website. So one of the required links is to bring us -- the
13 user back to this financial transparency website, but then
14 they can have as many other links for additional financial
15 information that they want to post at the district site.

16 MS. MAZANEC: Okay, that's what I was trying
17 to do.

18 MS. OKES: At the district site.

19 UNIDENTIFIED VOICE: I wanna just show
20 something.

21 MADAM CHAIR: Oh, okay.

22 UNIDENTIFIED VOICE: So like they all kinda
23 look like that.



1 UNIDENTIFIED VOICE: So like here's Jeffco's,
2 Jeffco's hoepage. And so up here, if you were to scroll
3 down on Jeffco's -- and I'm just trying (inaudible).

4 MS. OKES: I know.

5 UNIDENTIFIED VOICE: So on Jeffco's website,
6 they have a financial transparency page here.

7 MS. MAZANEC: Okay.

8 UNIDENTIFIED VOICE: They would go to this,
9 and then each district would be required to have this
10 information here on the financial posted on their website.
11 And then from here what would happen is there is this icon
12 here for financial transparency. When you click that, it
13 goes to this new developed website that has been developed
14 for the state. And so from here, you can then start
15 drilling down. And I asked Board Member Durham to pick a
16 district, and he chose Cheyenne Mountain. So we can come
17 down down here to Cheyenne Mountain. You see an overview of
18 the district, and then you can start seeing what is
19 happening in that district, spending per pupil. It breaks
20 it down into learning environment versus operations. You
21 can do break-downs here. You can see what their total
22 spending is here, construction, this kind of thing. You can
23 see what the local versus state is versus federal, and you
24 can start seeing more information on each area like this.
25 What I do wanna kind of point out here -- okay, and then



1 what I would like to also point out, which I thought was
2 super. When I started poking around on this, I was like,
3 oh, this is kinda cool. Let's do a comparison between
4 Cheyenne Mountain and maybe Colorado Springs. Colorado
5 Springs -- oh, how about Academy 20. Is that okay?

6 MADAM CHAIR: Yeah.

7 UNIDENTIFIED VOICE: And so were gonna
8 compare these two, and then we can come down, and we see
9 that one district is much larger. They have 36 schools. We
10 can see that their total spending is relatively similar and
11 that -- but it is lower than the state average.

12 MADAM CHAIR: And that spending includes
13 whatever they spend money on whether it's gifts, grants,
14 donations, overrides.

15 UNIDENTIFIED VOICE: Yes.

16 MADAM CHAIR: Federal grants.

17 UNIDENTIFIED VOICE: Yes, and you can -- but
18 it does break out the construction debt and other, so that
19 it's not included this pie chart up here, because some
20 districts will be -- if they get a bond --

21 MADAM CHAIR: It would be huge.

22 UNIDENTIFIED VOICE: -- and they spend it all
23 over that one year, it's going to increase that expenditure
24 quite a bit, so that's why that is broken out down here.

25 You can see what the local versus state versus federal is.



1 MADAM CHAIR: Can you do you do a search for
2 the bigger --

3 UNIDENTIFIED VOICE: So it's very similar.

4 MR. DURHAM: Those two numbers don't match.

5 UNIDENTIFIED VOICE: Well, this is -- over
6 here is Cheyenne Mountain, and this is Academy.

7 MR. DURHAM: No, but I mean, if you go back
8 Cheyenne Mountain, they say they are spending \$8,000 per
9 pupil.

10 UNIDENTIFIED VOICE: Oh, and then the funding
11 site...

12 MR. DURHAM: And the funding site is over
13 \$10,000 per pupil. It doesn't match. So why doesn't it
14 match?

15 MS. OKES: So that -- so that could be in
16 terms of if they're building back fund balance so that they
17 are spending less than they're bringing in. So when a
18 district is trying to build back in the fund balance, or it
19 could be the opposite, that they could have brought in less
20 than what they're spending, and that's they're drawing down
21 fund balance.

22 MADAM CHAIR: And that does happen, for
23 example, in the year of an override. You actually get an
24 extra year's worth of that override, and different districts



1 have different policies on how they can spend that money.
2 This is -- it's a one time kick in the budget.

3 MS. OKES: And one of the things that
4 districts are working on now during this preview period is a
5 narrative. So there's an optional narrative that they can
6 use to provide context for it, and many of the districts
7 have not yet drafted their narrative because they were
8 waiting to be able to compare it to their neighbors or see
9 the data and how it looked before crafting that. So
10 districts are working on that now, and that would be a great
11 place for them to say why. You know, why they're spending
12 down fund balance, or why they are under spending so that
13 they can build that up, if, if that's of importance to them.

14 MADAM CHAIR: Is there a way to do a search
15 that says which district has the highest per pupil spending?

16 MS. OKES: There -- there is not a search for
17 that specific. It's the search is based upon either
18 district name or school name or address. There's also a
19 search by the map. So if I don't know the name of the
20 school but I know -- or the district I can go through the
21 map as well.

22 MS. FLORES: What about -- this would be
23 neat. If it had a section comparing administration costs
24 per district.

25 MS. OKES: It does.



1 MS. FLORES: It does?

2 MS. OKES: It does.

3 MS. FLORES: Oh, that would be great.

4 MS. OKES: If we -- so what we did is --

5 MR. DURHAM: Ask and you shall receive.

6 MS. OKES: -- we came over here to the
7 spending tab to compare these two districts, and again, it
8 kind of shows us this overview. And then if you continue to
9 scroll down, you'll see that under the total spending, you
10 can see the breakdown between, you know, salaries and
11 benefits versus all of the other stuff. But then you can
12 continue to drill down here, and so in the learning
13 environments, you would see that in, in the learning
14 environment if we said, "Well, what is that?" then we can
15 click on this little I and that explains kind of what that
16 learning environment is. And then you can see that that is
17 further broken down into instruction versus activities,
18 student supports, and all of that. So then, if you keep
19 going down, and you'll see that school administration for
20 each of them is about seven percent. District
21 administration is a little tiny bit higher in Cheyenne, but
22 that makes sense because it's a smaller district.
23 Therefore, their economies of scale are not at the same
24 level. What -- then you could continue to come down, and
25 you can see that we wanted to continue to go down. Cheyenne



1 is spending a little more per student than Academy on
2 athletics. We look at the school support, and then if I
3 remember correctly, oh yes, here it is.

4 MS. FLORES: Yeah, and go up. Go, go up a
5 little bit. Go up a little bit. There was a school
6 administration too.

7 MS. OKES: So school administration here, 498
8 per student in Cheyenne versus 512 in Academy. And then if
9 you continue to scroll down, you'll get down to where you
10 will see, I believe, oh help me out. Do we have the
11 printouts of the --

12 UNIDENTIFIED VOICE: Gifts, grants?

13 MS. OKES: No, the salaries versus spendings.

14 UNIDENTIFIED VOICE: Yeah. I'm not sure if
15 you can see that in the comparison, but if you go back to
16 just one district, then you can see that.

17 MS. OKES: And you can see it here in the
18 learning environment here, and then you can compare
19 operations, operations being food, transportation,
20 maintenance, that kind of thing, to do those kind of
21 comparisons. Transportation is interesting. Look at
22 Cheyenne's \$76 versus Academy's \$354, but that's based on
23 the area. So it's lots of very interesting information, and
24 you can even, if you are a parent in the school district
25 that wanted to see this kind of information, you could



1 compare schools. You could compare a school in Cherry Creek
2 to a school in Jeffco. You could compare a Denver school to
3 one in Englewood. So you could really start seeing some
4 interesting information that's -- that is captured in this.

5 MADAM CHAIR: Given the assumption that each
6 district in each school allocates -- allocated costs in the
7 same way, and that's a huge -- I mean, it's the same problem
8 we have in any kind of accounting type of information.

9 Board Member Rankin, do you have question?

10 MS. RANKIN: I do. Thank you. Leanne, could
11 you go back up to where it says student per -- per student
12 spending. Just pick one or the other. I'm in Boulder
13 Valley right now just because Angelika told me to go in
14 there.

15 MS. EMM: So in the two and Boulder Valley?

16 MS. RANKIN: No, you don't have to compare.
17 I'm just taking one at a time.

18 MS. OKES: So you just want to go to one
19 district?

20 MS. RANKIN: Yeah. And go to the per pupil
21 spending per student.

22 MS. EMM: Okay, hang on a second

23 MS. RANKIN: Okay sure.

24 MS. EMM: I'm not -- I'm not as web-based, so
25 I think a little (inaudible)?



1 MS. RANKIN: Yeah, we got an email.

2 MS. OKES: You might want to go back and pick
3 -- so get out of the compare and go back up and start by
4 picking a District again.

5 MS. EMM: Yeah, start kind of over.

6 MS. OKES: Because when you're not comparing
7 districts, you get a little bit more information.

8 MS. RANKIN: Yes.

9 MS. OKES: When you compare --

10 MS. RANKIN: Yes.

11 MS. OKES: -- it's a little bit higher level
12 information. Just real estate on the page.

13 MS. EMM: And here's -- I mean, here's an
14 interesting thing too where you can download data. So if
15 I'm a researcher, I can find all the data I want.

16 MS. RANKIN: Okay, scroll down where it says
17 per pupil spending. Okay, and then go to your little "I"
18 and click on that. And then at the last thing it says
19 "learn more," click on that. Okay, so as I'm scrolling
20 down, I look at local sources, and I'm particularly looking
21 for mill levy override. And that's gonna really vary. And
22 I -- I can't seem to find it, but then I go down to this
23 thing, exclusions, 1170 to 1174, what -- what is that stuff?

24 MS. OKES: So what the exclusions are is to -
25 - to avoid overlap or duplication. So when for example



1 there is -- it happens a lot with charter schools, so if a
2 district gets the money in and then provides it to the
3 charter school so that it would be revenue --

4 MS. RANKIN: Subtract it from the district?

5 MS. OKES: Yeah, so we don't want to double
6 count information to count it twice at the district and the
7 charter school.

8 MS. RANKIN: Got it.

9 MS. OKES: And so we worked quite extensively
10 with the FPP Committee to exclude things so we are not
11 double counting.

12 MS. RANKIN: Okay. So where -- where do I
13 find the mill levy override?

14 MS. OKES: So this -- this has been one of
15 the questions that we've gotten a lot as we got feedback
16 from other groups, is can we identify the mill levy override
17 specifically? And right now, our chart of accounts does not
18 allow for that to be broken out. It's all local sources is
19 combined currently. And so you cannot pull that out. So
20 that's been a question.

21 MS. RANKIN: You can not pull it out, but it
22 is contained in there, correct?

23 MS. OKES: It is part of that, but it is not
24 coded separately and distinctly.

25 MADAM CHAIR: Are we working on that or...?



1 MS. OKES: That was one of the items that has
2 come up again in our discussions, and so it's an item that
3 we've said let's bring it back to the FPP Committee, to see
4 if we should change -- make any changes for, you know, a
5 version two or version three. So that's --

6 MADAM CHAIR: So when -- when that gets
7 brought back, could you also include where the district is
8 on the limits for override. I'm not sure I said that the
9 right way. But there's a certain limit to how much a
10 district can go for in overrides. And I believe it's like
11 25 -- 25 percent of something.

12 MS. EMM: And -- and we do. I -- I will put
13 that down on our list. There is a mill levy override report
14 that we have, that's separate and distinct from this, but --

15 MS. RANKIN: Okay.

16 MS. EMM: So you can get some of that
17 information now, but --

18 MADAM CHAIR: If I wanted to bother you for
19 it, okie doke. Oh, please.

20 MS. RANKIN: Are there -- what were the other
21 questions that you said came up besides mill levy override?

22 MS. OKES: Oh, you're putting me on the spot.
23 Well, one of the questions that came up during and was part
24 of the legislation was gifts, grants, and donations. And so
25 that is something that we do have the ability. We came



1 before you all. The FPC recommendation is no changes are
2 necessary to gifts, grants, and donations coding because we
3 already have that ability to code to it. But because of the
4 -- that being spelled out in legislation, you can come here,
5 and gifts, grants, and donations is one of those pullouts
6 that you can look at.

7 MS. RANKIN: And that does vary in, in the --
8 who's responsible? Because it varies among the districts
9 are putting in, the District or the CDE? Who puts that in?

10 MS. OKES: That is a District decision of how
11 --

12 MS. RANKIN: Okay.

13 MS. OKES: --they code and do they code it in
14 the district level, or do they code it at the school level?

15 MS. RANKIN: So -- so Ms. Okes, I, I hate to
16 -- I have a bazillion questions, and this is going to be my
17 last one for now. But how do we, if we add all this up or
18 I'm looking -- I went around here, and I think it's fabulous
19 for people that understand. I just want to make sure all
20 the correct information is there. If you compare that to
21 what we've been told is the per pupil spending and how low
22 we are in all 60 states or whatever it is, how do these
23 numbers total, tally compared?

24 MS. OKES: Yeah, well --



1 MS. RANKIN: You know where I'm going with
2 this.

3 MS. OKES: -- that was -- you've sort of
4 answered your own question. That was another one of the
5 issues, is how do we bring up or do we bring up that -- the
6 national, you know, how do we compare on the funding and on
7 -- and should that be something that's built into that. So
8 that's one of those items. Like we have the statewide
9 average, should we have a national average. And so there is
10 discussions on that. And so that is another thing that's,
11 you know, to be discussed further and how do we bring that
12 up.

13 MS. RANKIN: Okay, let me bring it -- let me
14 bring it up another way. I don't really care if it's on
15 here or not, but I'm sure Leanne Emm can tell us where we
16 rate.

17 MS. EMM: It depends on which data you're
18 looking at. But I do want to point out one thing that we --
19 we are kind of on the bleeding edge of this from the State
20 perspective. And in August, we are going to be doing a
21 presentation in Washington D.C. for the National Center for
22 Educational Statistics, to all of the other state agencies,
23 about what Colorado has done in this regard. And it will be
24 a very interesting discussion to see what some of those
25 questions are and how this can be also utilized to meet the



1 ESSA requirements, around some of that reporting. So a lot
2 of work. We're on the bleeding edge. This is version one.
3 It's not gonna be perfect. And they're -- what we're
4 anticipating is that we'll get lots of feedback about what
5 additional things would be interesting. What can we also
6 provide, and so.

7 MS. FLORES: And how do you get invited? Was
8 it because of the visibility that Colorado has in -- in
9 being in the forefront of this?

10 MS. EMM: We said, you know, NCES, you might
11 be interested in this. And so we submitted a proposal to
12 present it, and they said yes, we are interested in this.
13 And we are a member on the -- what is that -- what is that
14 thing called?

15 MS. OKES: It's the Fiscal Coordinators
16 Roundtable, the --

17 MS. EMM: Oh the FTWG. So with the --

18 UNIDENTIFIED VOICE: The what wig?

19 MS. OKES: The financial transparency working
20 group. And so that is in terms of the ESSA regulations and
21 implementing that. We're a participant in this FTWG, the
22 Financial Transparency Working Group. And if presented to
23 that group, this information and because of all of the
24 information that we have with this, we were able to be one
25 of the early presenters to say, well, here is what we could



1 do with the data that we have and -- and helping to work on
2 how do we comply with those ESSA regulations. And this has
3 set us up very well, so that we can comply with that. And
4 going back to the exclusions, that was part of some of our
5 guiding discussions about how do we exclude things, is that
6 we look to what do we exclude for those NCES on the national
7 comparisons, and we adopted that same methodology. So when
8 we are compared to the national or to other States, that
9 it's a -- it's consistent with the methodology that's used
10 to build those national data.

11 MS. RANKIN: So they don't duplicate.

12 MS. OKES: So it's apples and apples as much
13 as you can.

14 MADAM CHAIR: Does every State have a chart
15 of accounts that's identical? Is there a national one?

16 MS. OKES: There is a national chart of
17 accounts. And ours is -- we modeled the ours after that.
18 And so when they make changes, we make changes accordingly.

19 MADAM CHAIR: Okay.

20 MS. OKES: Other States do it to some degree.
21 Ours may be more aligned than others, but ours is quite
22 aligned with the Federal.

23 MADAM CHAIR: Do you have some more
24 questions, Board Member Rankin?



1 MS. RANKIN: I just have one. I mean the
2 next thing that came to my mind, and I know this is just way
3 far above what we can do is, Alyssa I -- I really would like
4 to see the frameworks lined up next to this.

5 MS. OKES: So would a lot of people.

6 MR. DURHAM: Frameworks.

7 MS. RANKIN: You mean put in the
8 accountability from \$14,000 per student but no
9 accountability? I'd like to see that.

10 MS. OKES: One thing -- one -- one thing that
11 we are still lacking, and it is -- it is no fault of ours,
12 it is part of the legislation. That we do not have the
13 authority to tell districts, "We'll collect your data for
14 you and populate this for you. They have to post the
15 information on their websites, and then the company goes and
16 gets it.

17 MS. RANKIN: But it's uniform the way they
18 all post it so --

19 MS. OKES: It's uniform the way they post it
20 --

21 MS. RANKIN: Okay.

22 MS. OKES: --but it would be so much more
23 efficient for them and for us, if we had that capability.

24 MADAM CHAIR: But then we need the \$5 million
25 to update our system.



1 MS. OKES: No --

2 MADAM CHAIR: For --

3 MS. OKES: --actually we don't.

4 MADAM CHAIR: -- security.

5 MS. OKES: This is totally separate. They
6 could just do it through their normal processes. But that's
7 another topic for another day.

8 MS. RANKIN: This is outrageously good.

9 Thank you.

10 MADAM CHAIR: Board Member Goff?

11 MS. GOFF: When does -- when does this go
12 public? What's the target date?

13 MS. OKES: June 30th, Friday. So the
14 legislation has it July 1st, but Saturday is not necessarily
15 the best day. So it will be turned on, on the 30th.

16 UNIDENTIFIED VOICE: And all the other states
17 are in here, too?

18 MADAM CHAIR: Who is -- well, they don't have
19 this requirement.

20 MS. GOFF: Is this committee -- is this like
21 the, The Hub, so to speak? Who's gonna do the trainings or
22 whatever? I don't -- I don't -- I don't wanna be
23 pessimistic, but I'm -- I'm looking on the real side here.
24 If this literally goes public, so you got everyone, anyone,
25 community members who pay attention to this stuff and who



1 have questions, and they don't know how to answer them which
2 why is -- why do we have a message out there that our
3 students are, whatever, 6 maybe, \$1,000 each funded with
4 that, and then we see a district here that -- do we -- we
5 see an 11, we see a 9, you know. I'm just concerned about
6 this getting out of control with a lot of questions that
7 don't have an immediate place to go for a clear answer. I'd
8 have you know I've -- I would've soon to have, but --

9 MADAM CHAIR: Yes.

10 MS. GOFF: So who's helping everybody with
11 that? The media, the public --

12 MS. OKES: So --

13 MS. GOFF: -- the public relations messaging
14 behind this? Where do they go for help? Who's -- who in
15 the -- each district whether it's these pilot people or not.
16 Who do you go to get the clear answers from?

17 MADAM CHAIR: Go for it.

18 MS. OKES: So we have a -- it's a layered
19 approach and we've -- we've thought a lot about that --
20 that. So on that template of the "financial transparency,"
21 there's a contact information so that you have a person and
22 a phone number and an email that you can contact in each
23 district, right below this link. There's also the vendor --
24 right by -- it has a help desk. That's one of their
25 requirements, and it is staffed to answer questions and help



1 users with the system, but they also have been working with
2 the data for some time. So they can answer basic questions,
3 but then they all have the contacts of how to get back,
4 because the districts are those best suited to answer the
5 district data questions. So we have the sort of on the
6 escalation, the system side, a whole helpdesk arena to help
7 users directly and then get them back to the right contact
8 that the district to answer the district data questions.
9 And so -- and then we're also in the process of developing a
10 user, finalizing a user guide that will help. You know,
11 we've -- we've worked to make sure that it's user friendly
12 and that you can get in without any training and so forth,
13 but we're -- we're also creating and refining a user guide
14 so that that will be out there for some self-help type
15 things as well. So we've sort of taken a layered approach
16 to that.

17 MADAM CHAIR: Board Member McClellan.

18 MS. MCCLELLAN: This is a question -- thank
19 you so much for this. This is so great. I asked a question
20 during an earlier update on this topic, and I just wanted to
21 confirm my understanding. Where you would have significant
22 fundraising done by, say a PTCO, that doesn't appear here,
23 does it? Or is it once -- once the school spends those
24 dollars, would that then be incorporated or is that, kind
25 of, invisible?



1 MS. OKES: So as with many of the questions,
2 it depends. The answer depends, and so it depends on how
3 the, the district treats those. And so many of the PTCO
4 type organizations are external foundations that are
5 external, and so that they receive money and spend money,
6 and that would not be in here because that is by a separate
7 organization. Some of the districts -- some smaller may be
8 part of that, and so the district would have that accounting
9 and be part of that. If, say one of those foundations or
10 PTCO's gives funding to the district and the district then
11 spends it, it would be in here, and it would be in the
12 gifts, grants, and donations so you could see it called out
13 there, what they receive and which school it was charged to
14 or spent by if -- if that's appropriate. So in all of the
15 spending, regardless of source of a district, will be
16 captured here, and all of their funding will be captured
17 here. But if it's an external body that does things on
18 behalf of, then it would not.

19 MADAM CHAIR: Like the Foundations, which in
20 fact the Golden Foundation(ph), no, the Golden
21 Foundation(ph) gives money both to schools and probably
22 spends some money outside. The PTAs or Os or whatever they
23 are, raise money in tithe. So they actually give a certain
24 percentage of the money that they raise to the --

25 MS. FLORES: Did you say in tithe?



1 MADAM CHAIR: Yeah. To the extent that they
2 spend their own money on teachers are then required to give
3 ten percent of that to schools that can't afford -- thank
4 you, Jane -- they can't afford to raise money. So the we --
5 we have to be careful about -- in terms of what we say these
6 districts or schools actually have, because there are lots
7 of combinations, permutations, decisions that are made at
8 the district level and possibly at the school level that
9 could maybe significantly or maybe not significantly change
10 the spending money.

11 MS. MCCLELLAN: If I may, I should just --
12 I've got a quick follow up. Just to give me a clue, so that
13 when I'm talking with constituents about this issue to --
14 and just some for my own edification. If a PTCO is working
15 directly with the principal for particular needs at a
16 particular campus, in the event that that doesn't filter
17 through the district level, there's a good chance I'm not
18 gonna see it here. Am I -- am I on the right track?

19 MS. OKES: Yes.

20 MS. MCCLELLAN: Okay. Thank you. That helps
21 my understanding. Thanks.

22 UNIDENTIFIED VOICE: Yeah. Now we're late.

23 UNIDENTIFIED VOICE: Sorry.

24 MS. GOFF: I have another quickie technical
25 question, sorry.



1 MADAM CHAIR: Board Member Goff?

2 MS. GOFF: Yeah. It's that I -- when I get
3 up, and when I actually looked at the website, my computer
4 is silly. I'm having tech challenges today. I love this
5 one. Personal problem. Anyway, is this website, is through
6 CDE? Is CDE even a major conduit or is it -- is this
7 connected to the state of Colorado?

8 MS. EMM: This is a vendor. So CDE, the
9 legislation specifically had CDE contract with a vendor, and
10 so this is on their website. We will link to the vendor's
11 website, but it is not a CDE host. And we didn't develop it
12 specifically based on the legislation, but contracted, so
13 CDE was a facilitator for this work.

14 MS. GOFF: So you know, the -- so on the
15 30th, do we go to CDE and then find this?

16 MS. EMM: It will -- it will be linked off of
17 our website.

18 MS. GOFF: Oh, good.

19 MS. EMM: Yesterday in the budget
20 presentation I talked about capital expenditures for IMS and
21 operating expenditures for IMS. This is a perfect example
22 that the legislature appropriated capital dollars to us to
23 implement this system. Then they also, in the fiscal note,
24 included ongoing maintenance costs for us through the year
25 so that we will be able to continue to license with this



1 company and maintain this system in an ongoing -- in ongoing
2 years. So perfect example of what we were talking about
3 yesterday in IMS when we're -- when we need to build big,
4 big projects and systems, that's what that capital is for.
5 And it might be a one-time cost. It might be over multiple
6 years to do that, but then we were -- we were able to also
7 tell them and demonstrate we are going to need ongoing
8 maintenance for this also.

9 MS. RANKIN: Is this -- is this link that we
10 got that goes live, can we still use that ourselves with --
11 with the password ongoing? And then is there any way
12 besides comparing you can do the whole thing of the whole
13 state?

14 MS. EMM: I don't know how, but I think you
15 can.

16 MS. OKES: Yeah. So Leanne had brought up --
17 you see in Boulder Valley, you can download the data from
18 Boulder Valley.

19 UNIDENTIFIED VOICE: Yes.

20 MS. OKES: There will be a link. It's not
21 live yet, but it will be there by June 30th. So at the
22 front page that you can download the whole state --

23 MS. RANKIN: Okay.

24 MS. OKES: -- and look at the data, you know,
25 that's the very detailed spreadsheet data.



1 MS. RANKIN: Is it in Excel format or?

2 MS. OKES: It's in Excel format. And then
3 there are some high level statewide statistics, not to that
4 level of detail for each district, but some high level
5 stuff, and they're refining that. We just looked at it
6 yesterday and approved, so they're -- they're busy working
7 on that right now. So that will be one of those new things
8 that will come in. And then just to clarify, on June 30th,
9 there will no longer be a need for a password. So this is
10 just this preview period, so it's district personnel can
11 look at it and you all, on June 30th, it will just be a
12 link, and it'll go live.

13 UNIDENTIFIED VOICE: Thank you very, very
14 much.

15 MS. RANKIN: Thank you.

16 MS. GOFF: Are you sure the chart out the --
17 be sure to sure the chart out their districts haven't --
18 came from Colorado.

19 MADAM CHAIR: MS. Cordial, would you be kind
20 enough to call an exec session? Thank you.

21 MS. CORDIAL: Yes. I would love to. An
22 executive session has been noticed for today's State Board
23 meeting in conformance with 24-6-402(3)(a) CRS to receive
24 legal advice on specific legal questions pursuant to 24-6-
25 402(3)(a)(II) CRS. The matters required to be kept



1 confidential by federal law or rules or state statutes
2 pursuant to 246402(3)(a)(III) CRS. I know. I know. I was
3 like trying to --

4 MADAM CHAIR: Yeah, channel Rebecca.

5 MS. CORDIAL: Yeah, thank you. Channel
6 Rebecca, and I couldn't.

7 UNIDENTIFIED VOICE: (Inaudible).

8 UNIDENTIFIED VOICE: Oh, right on.

9 MS. CORDIAL: I know.

10 UNIDENTIFIED VOICE: Happy to assist.

11 MADAM CHAIR: Could I have a motion please to
12 go into exec session?

13 MR. DURHAM: So --

14 UNIDENTIFIED VOICE: I thought we already had
15 one.

16 MS. RANKIN: I'm sorry. I move that we go
17 into to the executive session.

18 (Meeting adjourned)

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1 C E R T I F I C A T E

2 I, Kimberly C. McCright, Certified Vendor and
3 Notary, do hereby certify that the above-mentioned matter
4 occurred as hereinbefore set out.

5 I FURTHER CERTIFY THAT the proceedings of such
6 were reported by me or under my supervision, later reduced
7 to typewritten form under my supervision and control and
8 that the foregoing pages are a full, true and correct
9 transcription of the original notes.

10 IN WITNESS WHEREOF, I have hereunto set my hand
11 and seal this 25th day of October, 2018.

12

13 /s/ Kimberly C. McCright

14 Kimberly C. McCright

15 Certified Vendor and Notary Public

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