



Board of Directors Meeting

November 18, 2021 • 2:00pm – 5:00pm MST

Aurora Science & Tech
2540 N Scranton Street, Aurora, CO 80045

Our Core Values

Responsibility: *We acknowledge that our actions and choices impact ourselves and our community. We take ownership for what we do and how we choose to do it.*

Curiosity: *We are eager to learn, question, and explore. We have a thirst for knowledge, a love of investigation, and a desire to learn about ourselves, our community, and our world.*

Integrity: *We act and speak with honesty, fairness, and thoughtfulness. We consistently align our words and actions.*

Doing Your Best: *We put our best effort into everything we do. We know that individual and collective effort are required for our community to thrive.*

Courage: *We possess the confidence and resolve to take risks, push ourselves, and persevere in the face of pressure, adversity or unfamiliar circumstances.*

Respect: *We appreciate each person and their story through our words, actions, and attitudes. We value their unique perspective and treat others with dignity.*

DSST Board Meeting Schedule 2021-2022

Date	Time	Location
Thursday, September 23	2:00-5:00pm	DSST: Elevate Northeast HS
Thursday, October 14	8:00am-4:00pm	Lowry Conference Center
Thursday, November 18	2:00-5:00pm	Aurora Science & Tech
Thursday, January 20	2:00-5:00pm	DSST: College View HS
Thursday, March 17	2:00-5:00pm	DSST: Conservatory Green MS
Thursday, May 19	2:00-5:00pm	DSST: Cole HS
Thursday, June 16	2:00-5:00pm	Home Office

Table of Contents

I. Welcome	4
• Agenda	5
II. Approval Items	6
• Minutes from the September 23, 2021 Board Meeting	7
• Minutes from the October 14, 2021 Board Retreat	9
• Minutes from the October 14, 2021 Board Meeting	11
IV. Discussion	-
V. Reports	13
• CEO	15
• Programmatic Shifts & Network Priorities	16
• DSST By The Numbers	17
• Executive Committee	18
• Audit Committee	19
• Finance & Operations Committee	20
VI. Appendices	43
• School Reports	44



I. Welcome

DSST PUBLIC SCHOOLS

Board of Directors Meeting – November 18, 2021

<u>I. Welcome (40)</u> <ul style="list-style-type: none"> Board Chair Welcome (15) Public Comment (10) School Leader Repot (15) 		Check In	Peter	2:00 - 2:40
<u>II. Approval Items (5)</u> <ul style="list-style-type: none"> Minutes (5) 	Pgs. 7, 9, 11	Approval	Peter	2:40 - 2:45
<u>III. Discussion (70)</u> <ul style="list-style-type: none"> Current status on schools and reset plan, and academic results (40) School Board Election Update (30) 		Information/Discussion Information/Discussion	Bill/Christine Bill	2:45 - 3:55
<u>IV. Reports (40)</u> <ul style="list-style-type: none"> CEO Report. (40) Executive Committee Academic & SEL Committee Finance & Operations Committee Audit Committee Advancement Committee Nominating and Governance New Business 	Pg. 15 Pg. 18 Pg. 20 Pg. 19	Information Information/Approval Information Information Information Information Information	Bill Gloria Alyssa Glenn Pat Scott Billy	3:55 - 4:35
<u>V. Executive Session</u> <ul style="list-style-type: none"> Compensation Matters (25) 		Information	Bill	4:35 - 5:00
<u>VI. Adjourn Regular Meeting</u>			Peter	5:00



IV. Approval Items

- **Minutes from the September 23, 2021 DSST Public Schools Board Meeting**

MINUTES

DSST Public Schools Board Meeting

September 23, 2021

DSST: Elevate Northeast High School, Room 103

Meeting Called to Order: 2:03p.m.

Board Members Present:

Alyssa Whitehead-Bust
Barbara Brohl (phone)
Billy Brown
Brenda J. Allen
David Greenberg
George Sparks
Gloria Zamora
Janet Lopez
Jean Kutner
Justin Jaschke (phone)
Patrick O'Rourke (phone)
Peter Fritzinger
Scott Arthur
Teresa Berryman

Parent Present: None

Board Members Absent: Andrew Sinclair, Glenn Russo, Jeff Tarr

DSST Staff Present: Andy Mendrop, Bill Kurtz, Catherine Otto, Christine Nelson, Heather Lamm, Katie Glenn, Nick Plantan

DPS Staff Present: Ryan Kockler, Matt Meyer

Others Present: None

Public Comment: None

Welcome:

Ms. Zamora welcomed everyone to the meeting and introduced Jean Kutner, one of DSST's newest board members. Ms. Zamora also introduced Ms. Berryman. Ms. Berryman is coming back to the DSST board. Following introductions, the board participated in an icebreaker. After the icebreaker, Mr. Kurtz introduced Travonda Favorite, DSST Elevate Northeast's School Director. Ms. Favorite shared a brief overview of the school and then engaged in a Q&A with the board. Following the School Director Q&A, Mr. Kurtz recognized Heather Lamm for her work and support of DSST for the past several years.

Approval Items:

Motion to approve previous board meeting minutes, Fritzinger

Second: Greenberg

Vote: Unanimous approval

*Ms. Berryman and Ms. Kutner abstained. They were not on the board for the June board meeting.

Discussion: DSST's Senior Leadership Team (SLT) presented a PPT on how the beginning of the year is going for DSST as well as a PPT on DSST's Network Report Card.

Reports:

CEO: Mr. Kurtz shared with the board an update on the Senior Team open positions. Following his update, Mr. Kurtz introduced Andy Mendrop who is DSST's new Director of Development.

Nominating & Governance: Ms. Zamora informed the board that the Board Self-Evaluation Survey will be sent out tomorrow (September 24th) from Ms. Glenn.

Executive: Ms. Zamora shared with the board that the CEO Evaluation will also be sent out in the coming days. Ms. Zamora also asked committee chairs to look back at their charters and see where they landed with their goals last year, review and update their charters for this year, and to get committee meetings on calendars.

New Business: None

Motion to adjourn board meeting, Arthur

Second: Fritzinger

Vote: Unanimous approval

Respectfully Submitted,

Katie Glenn (note-taker), Secretary

- **Minutes from the October 14, 2021 DSST Public Schools Board Retreat**

MINUTES

DSST Public Schools Board Meeting
October 14, 2021
Lowry Conference Center, Room 200A

Retreat Called to Order: 8:09a.m.

Board Members Present:

Andrew Sinclair
Billy Brown
Barbara Brohl
Brenda J. Allen
David Greenberg
George Sparks
Glenn Russo
Gloria Zamora
Jean Kutner
Jeff Tarr
Patrick O'Rourke
Peter Fritzinger
Scott Arthur
Teresa Berryman (phone)

Parent Present: None

Board Members Absent: Alyssa Whitehead-Bust, Janet Lopez, Justin Jaschke

DSST Staff Present: Andy Mendrop, Bill Kurtz, Catherine Otto, Christine Nelson, Katie Glenn, Nick Plantan

DPS Staff Present: None

Others Present: Rebecca Holmes, Van Schoales

Public Comment: None

Welcome:

- Board Governance Road Map (PPT) – Presented by Gloria Zamora
- Setting the Stage for the Day – Bill Kurtz

Denver and Colorado Landscape:

- Q&A with Rebecca Holmes and Van Schoales – Facilitated by Bill Kurtz

Long Term Forecast:

- Long Term Forecast PPT – Presented by Glenn Russo and Nick Plantan

Strategic Options:

- Whole group and small group discussion – Facilitated by Bill Kurtz

Wrap Up

Respectfully Submitted,

Katie Glenn (note-taker), Secretary

- **Minutes from the October 14, 2021 DSST Public Schools Board Meeting**

MINUTES

DSST Public Schools Board Meeting
October 14, 2021
Lowry Conference Center, Room 200A

Board meeting called to order: 2:15p.m.

Board Members Present:

Andrew Sinclair
Billy Brown
Barbara Brohl
Brenda J. Allen
David Greenberg (phone)
Glenn Russo
Gloria Zamora
Jean Kutner
Jeff Tarr
Patrick O'Rourke
Peter Fritzinger
Scott Arthur
Teresa Berryman (phone)

Parent Present: None

Board Members Absent: Alyssa Whitehead-Bust, George Sparks, Janet Lopez, Justin Jaschke

DSST Staff Present: None (DSST Staff was excused at this time)

DPS Staff Present: None

Others Present: None

Public Comment: None

Welcome: Ms. Zamora welcomed everyone to the board meeting.

Discussion: Mr. O'Rourke presented a PPT on the Board Self-Evaluation Survey results as well as shared areas the board should discuss in the future.

Executive Session

Ms. Zamora stated, "I would entertain a motion to go into Executive Session as permitted by the Colorado Open Meetings Act for the purpose of considering the following matters:

(2) Pursuant to Colorado Revised Statute 24-6-402

- (4) (f) personnel matters

Motion to go into Executive Session, Fritzinger

Second: Kutner

Vote: Unanimous approval

Motion to adjourn Executive Session, Fritzinger

Second: Kutner

Vote: Unanimous approval

Motion to adjourn board meeting, Fritzinger

Second: Kutner

Vote: Unanimous approval

Respectfully Submitted,

Katie Glenn (note-taker), Secretary



IV. Reports



Senior Leadership Team (SLT) Update

The recent DPS and APS School Board Elections yielded several risks and opportunities for DSST. The major takeaway from the DPS Board Election is that the teachers union built on its majority and now hold a 7-0 majority. Union-backed candidates toned down their criticisms of charter schools during the campaign but will still present challenges for charter issues. On the opportunity side, Director-Elect Scott Esserman is a DSST: Montview MS parent and speaks highly of the network. Furthermore, DSST staff have established strong relationships with recently reelected Board President Director Carrie Olson and Director-Elect Michell Quattlebaum, in addition to Director-Elect Esserman. More analysis can be found [here](#).

The Aurora (APS) Board Election elected 3 teachers union supported candidates out of the 4 total elected candidates. The new board is 5-2 union-backed which represents a net increase of 1 seat for charter supporters from the previous board. The biggest challenge will be the new board's interaction with Superintendent Munn, who has been an ally of DSST. Two of the elected candidates (Dr. Anne Keke and Tramaine Duncan) are current/recent charter teachers and have established strong relationships with DSST staff. Additional information can be found [here](#).

Our biggest priority is focusing on how we best serve our students and communities during this time. Six weeks ago, we pivoted our areas of focus based on experience, trends, and data, because of this we are elevating staff wellness to be even more central to our work in order for us to be able to accomplish our mission.

We are adjusting our priorities to better support student and teacher success, asking families for help and accomplishing our mission as best we can in the current circumstances. We need our staff to experience and achieve success in their classrooms. In order to achieve this, our focus needs to be on coverage, our Back to Basics Network Priority and our School Culture and Student Experience Network Priority. Our work on Back to Basics is trending upwards in i-Ready and we have seen good results in ANet. We are making progress towards proficiency in all subjects except for Math 6, which is a huge focus area for our Teaching and Learning team.

Our goal has been to have better responses to concerns about wellness and staffing. While we are improving, there is still some work to be done. In order to help on those efforts, our team is creating a second opt-in pool of substitutes, we gave our entire team a wellness day and are responding in-person to staff (on campus listening). We have also worked to assign one full-time Teaching Nomad sub to every school. We are working on refocusing our academic energy on learning how to support students in our new in-person environment, developing culture leaders and responding to on-the-ground needs and student experience.

We are currently educating and aligning with families around challenges and encouraging them to partner with our schools more. We are encouraged by the progress we are making and are working to continue with small, steady, incremental progress, but we acknowledge that staying steady and flat in some areas will be wins this year, specifically in staff retention. At our Home Office staff meeting, we charged the team with continuing to do their work at the highest level of excellence, take care of themselves and others, stay positive and energized, and always to remember our students. We are ready to tackle the coming weeks until winter break!

Programmatic Shift | **STEM & Creative Core**

Become a district leader in STEM. Expand and strengthen our STEM and Creative Core offerings to provide strong whole child education, cultivating lifelong student interests and meeting student and family desires for greater electives and choice. Provide equitable access to STEM and Creative Core programming.

Programmatic Shift | **Community Engagement**

Foster true partnerships with our families and communities to better appreciate, value, and support the social, emotional, and wellness needs of our students, build collaborative and authentic regional connections and support the neighborhoods surrounding our schools

Network Priority | **“Back to Basics”**

High Quality Instructional Core

Recommit to core instructional practices that drive student achievement and reduce equity gaps, especially instructional planning and accompanying data cycles. Address unfinished learning in a non-punitive way by returning to “back to basics” to ensure baseline, high-quality instructional practices for every student, in every classroom, at every campus.

Network Priority | **School Culture & Student Experience**

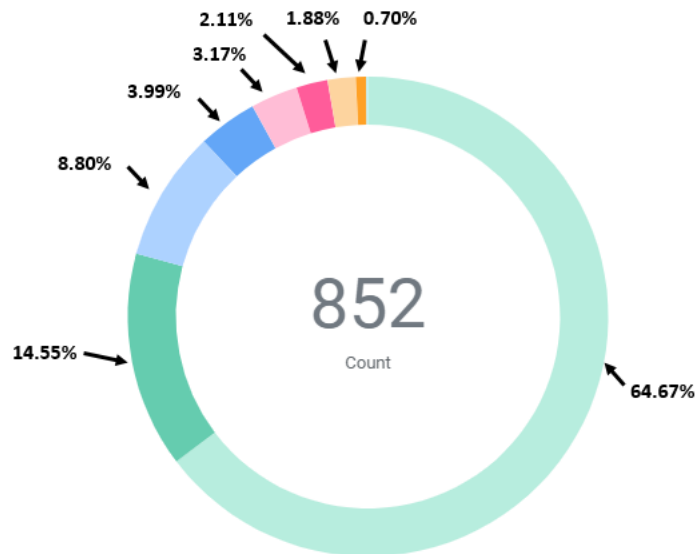
Develop, and maintain a joyful, engaging, inclusive, and safe student culture where students can become the best versions of themselves.

DSST By The Numbers

Student Demographics



Staff Demographics





Executive Committee

DSST Executive Committee Report November 2021

The DSST Executive Committee met via video conference on November 11, 2021.

The committee reviewed and agreed on the November Board meeting agenda.

Bill Kurtz provided an update on the current challenges faced by DSST and school districts in Colorado. He provided insight into the actions being taken to address the issues.

Executive Committee Members who participated in the meeting included Peter Fritzinger, Billy Brown, Pat O'Rourke, Glenn Russo and Gloria Zamora.

Home Office Liaison: Bill Kurtz

Respectfully submitted,

Gloria Zamora

Gloria Zamora
Board Chair



Audit Committee

Audit Committee Update November 2021

2020-2021 Financial Audit Update

The financial audit for the 2020-2021 school year is completed and approved by both Denver Public Schools and Aurora Public Schools. It has been posted on the Financial Transparency page of the DSST website which can be found at www.dsstpublicschools.org/financial-transparency and clicking the appropriate link under the Charter School Financial Audit heading.

Financial Transparency Documents

Charter School Adopted Budget - Including Uniform Budget Summary (current and prior two years)

- 2021-2022
 - DSST CDE Summary Annual Budget DPS (PDF) (Excel)
 - 2020-2021 DSST CDE Summary Annual Budget (APS) (PDF) (Excel)
 - 2020-2021 DSST School Adopted Budget (Including APS) (PDF) (Excel)
- 2020-2021
 - DSST CDE Summary Annual Budget DPS (PDF) (Excel)
 - 2020-2021 DSST CDE Summary Annual Budget (AST) (PDF) (Excel)
 - 2020-2021 DSST School Adopted Budget (Including AST) (PDF) (Excel)
- 2019-2020
 - DSST CDE Summary Annual Budget (PDF) (Excel)
 - 2019-2020 DSST CDE Summary Annual Budget (AST) (PDF) (Excel)
 - 2019-20 DSST School Adopted Budget (including AST) (PDF) (Excel)
- 2018-2019
 - DSST CDE Summary Annual Budget (PDF) (Excel)
 - 2018-19 DSST School Adopted Budget (including AST) (PDF) (Excel)

Charter School Financial Audit (current and prior two years)

- **2021 Financial Audit (7/1/2020 to 6/30/2021)**
- 2020 Financial Audit (7/1/2019 to 6/30/2020)
- 2019 Financial Audit (7/1/2018 to 6/30/2019)
- 2018 Financial Audit (7/1/2017 to 6/30/2018)

Please direct any questions regarding the audit to either:

Patrick O'Rourke – Audit Committee Chair – Patrick.orourke@cu.edu

Tony Eberspacher – Senior Manager of Accounting – DSST Management Liaison to the Audit Committee – Anthony.eberspacher@scienceandtech.org



Finance & Operations Committee

F&O Meeting Minutes & Financial Highlights

Finance & Operations Committee Meeting Minutes November 4, 2021

Attendees

Peter Fritzing, Committee Member
Glenn Russo, Committee Member
Barbara Brohl, Committee Member
Teresa Berryman, Committee Member

Nick Plantan, Director of Finance
Anthony Eberspacher, Finance Manager
Shawn Bryant, DSST IT

FY21-22 Financial Results

The committee reviewed the Financial Dashboard on year-to-date financial results. While it is still early in the school year, we anticipate being slightly favorable to budget for the year. Several programs have been introduced targeted at improved staff recruiting and retention as well as managing staffing shortfalls with a more robust Substitute teacher program. These programs will be funded from higher PPR revenue and lower direct staff costs due to unfilled positions. The committee discussed several improvements to the Financial Dashboard which will become our primary means of reviewing interim results and communicating with the full DSST Board. The Finance team will be restating the Budget to reflect changes to how we will account for Capital Purchases going forward but result in the same net cash flow for the year.

Enrollment

Overall, DSST will exceed its enrollment target by at least 34 students with a total general education enrollment of 6,780 students (this is being reviewed for potential minor additions). High School exceeded enrollment budget by 53 students while Middle School was 19 students below target. While these results are positive in an environment of overall declining enrollment in DPS, the shortfall in Middle School may have implications for future year enrollment. Cole Middle School enrollment is 260 (vs 270 forecast) which continues well below the Middle School target of 450 students.

Long Term Forecast

The Long Term Forecast is being updated to reflect the current view of funding, compensation, programs and staffing challenges. Several potential changes were discussed with the DSST Board at the last meeting. The committee recommended that the staff review the compensation proposal (potential ~\$1M per year impact) and the resulting LTF update with the F&O committee so that we can share our perspective as part of a broader DSST Board update.

IT Infrastructure Review

Shawn Bryan provided an update on the current IT Infrastructure as part of the committee's annual review. Overall, Shawn felt our systems were appropriately secured and have natural "firewalls" given the independence of each school and the segregation between student and administrative applications. He anticipates spending at about the same level as the last several years with a regular

replacement cycle in place and no major upgrades needed. DSST has been able to maintain a relatively flat cost of student laptops thanks to a long term contract although there is some risk of increased prices due to underlying inflation, near term supply chain issues and expiration of our current contract. The committee appreciated the update and did not have any follow up actions.

DSST and DSST Foundation Policy Review

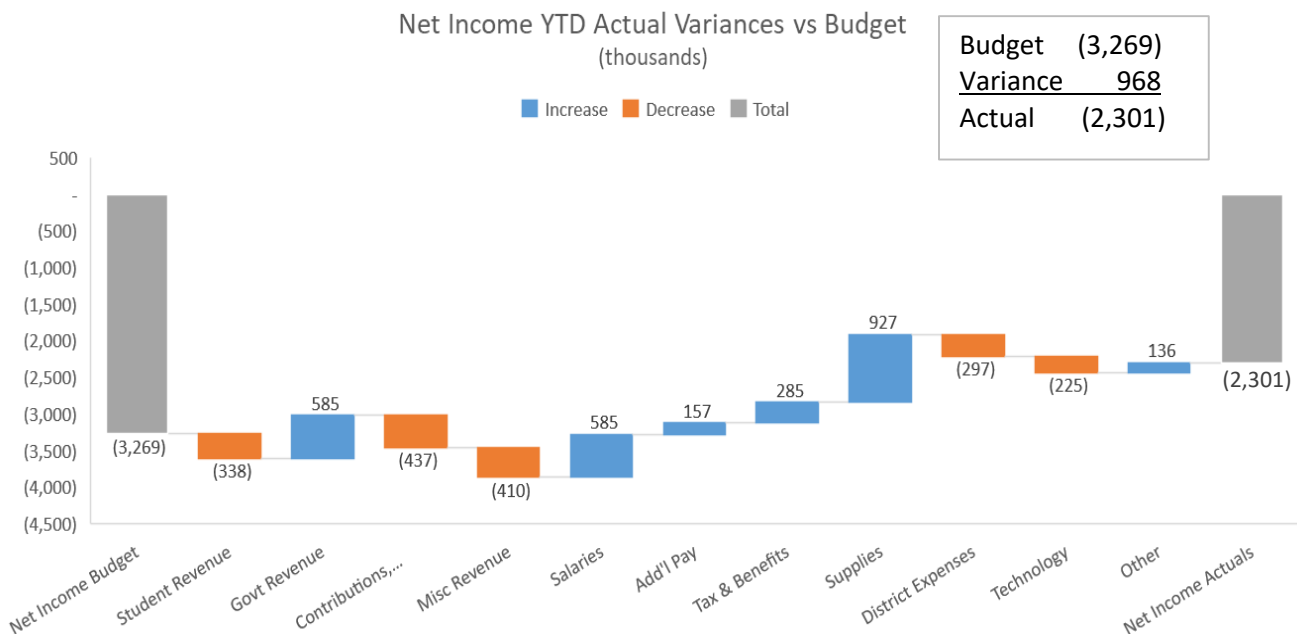
The committee reviewed the accounting and investment policies for DSST and the DSST Foundation. The staff made several updates to reflect recent accounting and reporting changes as well as the addition of Elevate and the associated Building Corporation. The committee provided comments which the staff will incorporate.

I. Current Year Financials –YTD vs Budget (September)

*All Financials in the Dashboard are inclusive of DSST, Inc, the DSST Foundation, and the DSST Building Corporation

YTD Financial Highlights:

- Overall positive variance vs. budget of nearly \$1m, on pace for \$3m positive variance projected in summer forecast
- Key drivers include additional Per Pupil Revenue funding, Salary vacancy savings, and STEM Priority supply savings



Material Variance Summary: YTD Actuals vs Budget

Revenue

1. STUDENT REVENUE negative variance is driven by lower collection fee rate to start the year. Planning a coordinated push with Ops, front office, and School Directors around conferences.
2. GOVERNMENTAL REVENUE is better to budget primarily due to the reweighting of Per Pupil Revenue to increase funding for Free and Reduced Lunch students as well as English Language Learners. The DPS mill levy approved last year is also contributing to this variance as we budgeted the mill as a Facility Use Fee offset, but we are fully recognizing the revenue.
3. CONTRIBUTIONS & GRANTS negative variance is due to lower than expected grant funding YTD.
4. MISC REVENUE shortfall is a result of low investment returns due to poor market conditions in September.

Expenses

5. SALARIES savings is due to vacancies across the network.
6. ADDITIONAL PAY positive variance is driven by multiple line items. Some are captured savings (e.g. Summer School +38k) while others are driven by timing (e.g. Substitutes +46k).
7. SUPPLIES positive variance is due to savings in the supply allocations to support the STEM & Creative Core priority. Much of the savings will be pushed into FY23 spending.

8. DISTRICT EXPENSE variance is due to fully recognizing Facility Use Fees versus the budget which reduced the fee by the amount of 2020 mill revenue.
9. TECHNOLOGY overage is a result of timing differences between actuals and budget. Expect to hit budget by end of year.

I. Current Year Financials – Annual Budget vs. Forecast

	Original Budget	Summer Forecast	
Shifts		Per Pupil Revenue (PPR) Re-weighting	\$1,600
		Vacant Positions	\$1,000
		Elevate Debt Payments	\$275
Net Income	\$112	\$3,000	

*Forecast waterfall will be available after Fall Forecast is complete in November.

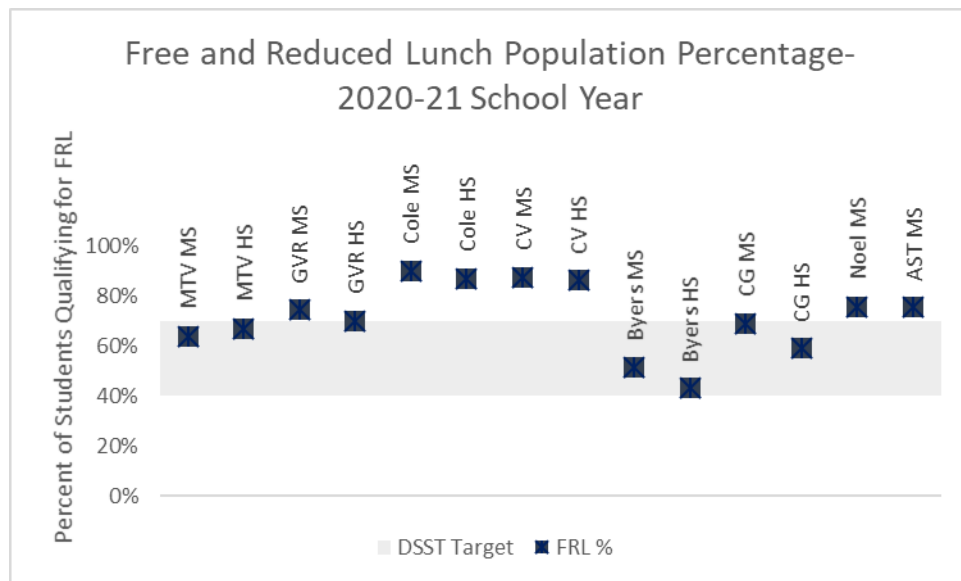
I. Current Year Financials –Enrollment (October)

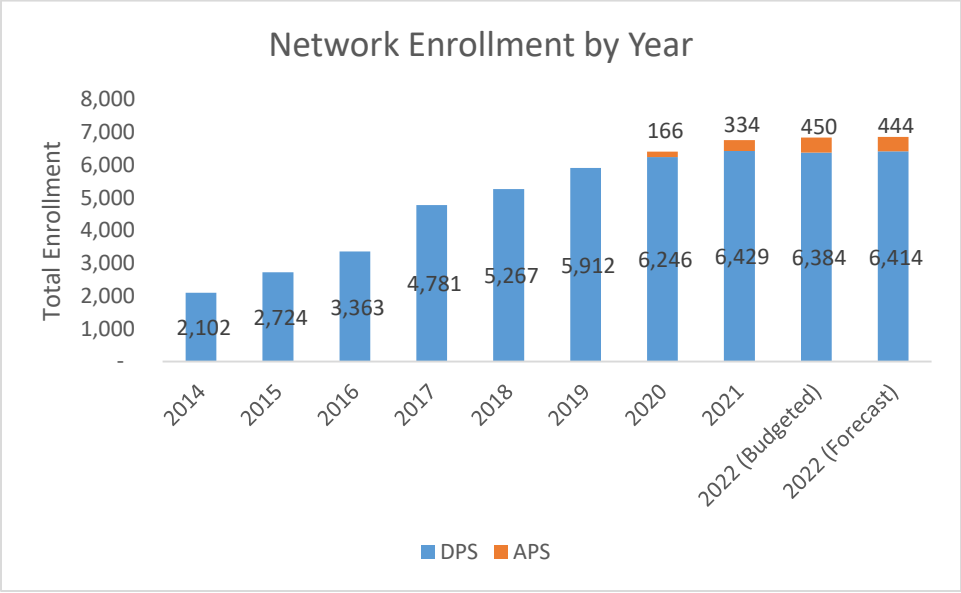
Budget vs Forecasted Enrollment and Net Income by School

		Enrollment		Net Income		Notes
		Budget	Forecast	Budget	Forecast	
Montview Campus	Middle School	460	463	844,351		Forecast Net Income will be provided after Fall Forecast meetings with School Directors are complete
	High School	555	559	660,497		
Green Valley Ranch Campus	Middle School	470	472	876,954		
	High School	539	541	653,641		
Cole Campus	Middle School	270	260	226,791		
	High School	338	347	240,918		
College View Campus	Middle School	483	483	709,147		
	High School	567	575	720,344		
Byers Campus	Middle School	470	470	610,491		
	High School	544	546	431,945		
Conservatory Green Campus	Middle School	441	437	825,040		
	High School	544	565	390,604		
Noel Elevate	Middle School	460	455	536,903		
	High School	155	160	(3,348,607)		
Aurora Science & Tech	Middle School	450	444	221,262		
Total	All Schools	6,746	6,777	4,600,282	-	

*Green/Red Variance: Enrollment +/- 10 students vs. budget, Net Income +/- \$50k vs. budget

*Targeted enrollment is 525 for a fully-built high school and 450 for a fully-built middle school; this correlates with our target school model for class size and staffing. Budgeted enrollment is set using forecasting from the enrollment team and school choice data in the spring with input from School Directors





I. Current Year Financials

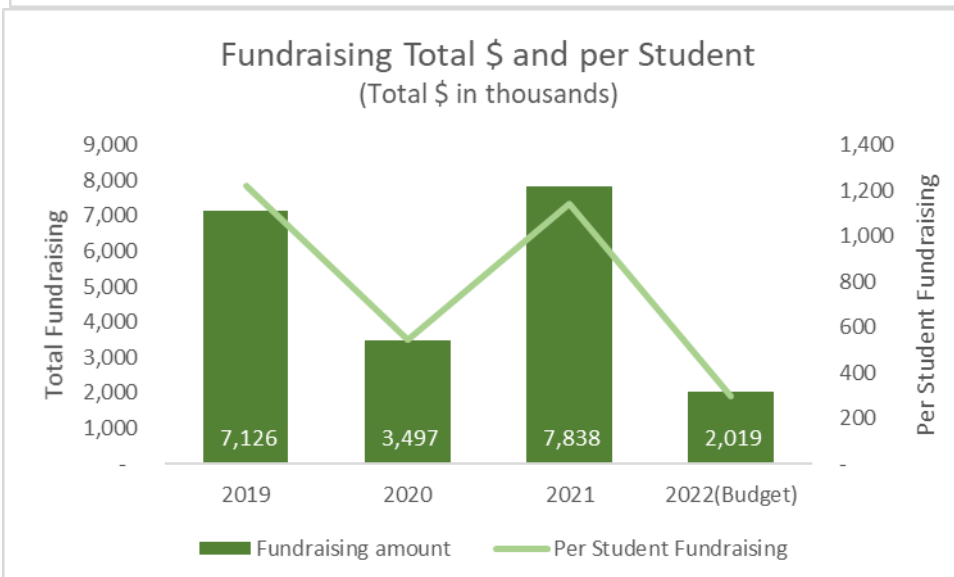
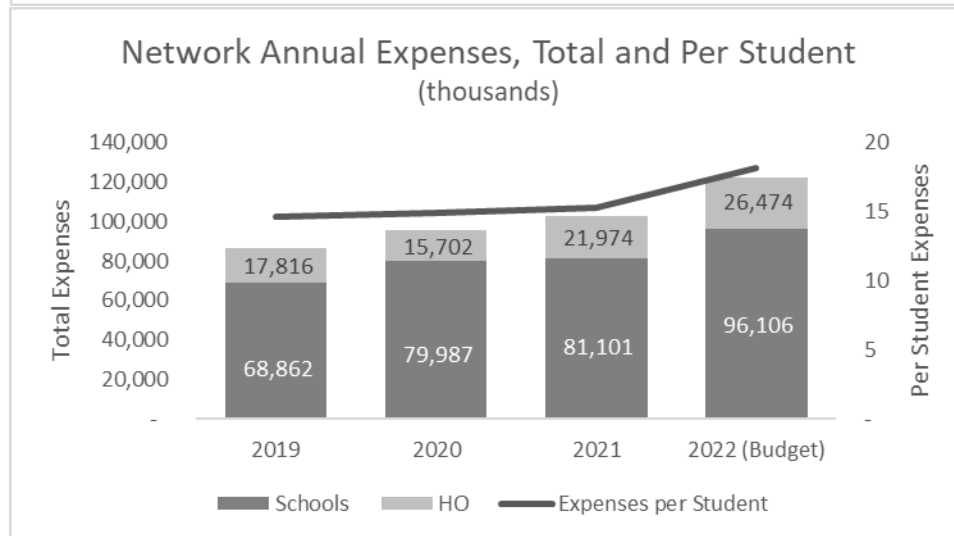
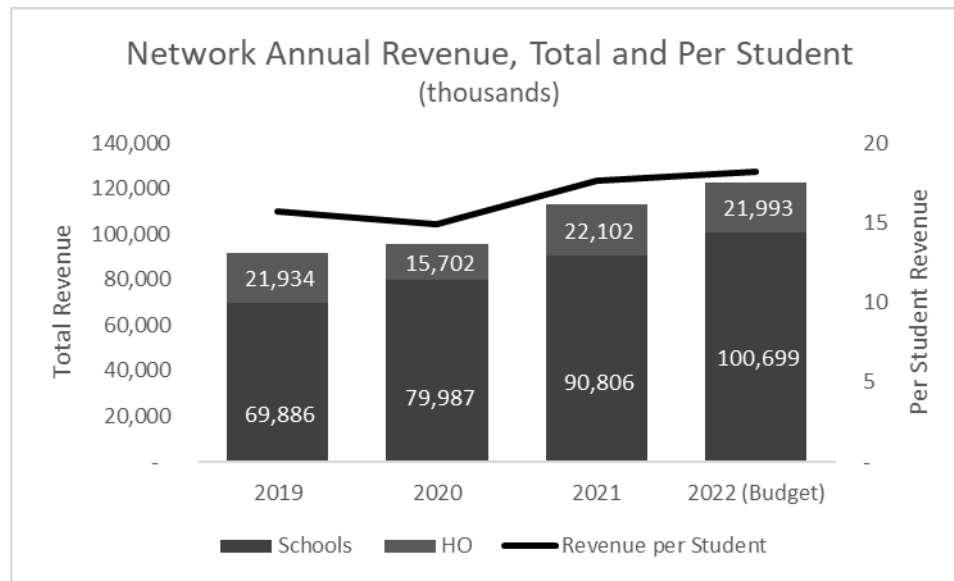
Balance Sheet

	September 30, 2021	June 30, 2021
<i>ASSETS</i>		
Current Assets		
Cash and Cash Equivalents	\$ 16,257	\$ 23,041
Cash Held By Fiscal Agents (Bond Fund)	18,046	20,016
Short Term Investments	-	-
Receivable from DSST Foundation	17,323	17,323
Accounts Receivable	1,727	3,127
Prepaid PCOPs Credits	2,948	2,948
Short Term Grants Receivable	124	124
Prepaid Items	230	190
Total Current Assets	56,655	66,770
Investments	28,234	24,899
Long Term Grants Receivable	4,073	4,073
Capital Assets Net of Accumulated Depreciation	14,306	12,814
Beneficial Interest in Assets Held by Outside Foundation	239	230
Total Assets	\$ 103,507	\$ 108,787
<i>LIABILITIES AND EQUITY</i>		
Liabilities		
Accounts Payable	2,543	4,363
Deferred Revenue	-	-
Payable to DSST From Foundation	17,323	17,323
Bond Payable	19,496	19,496
PCOPS Liability	415	1,574
Total Liabilities	39,777	42,755
Equity	63,730	66,032
Total Equity	63,730	66,032
Total Liabilities and Equity	\$ 103,507	\$ 108,787

Cash Flow Statement

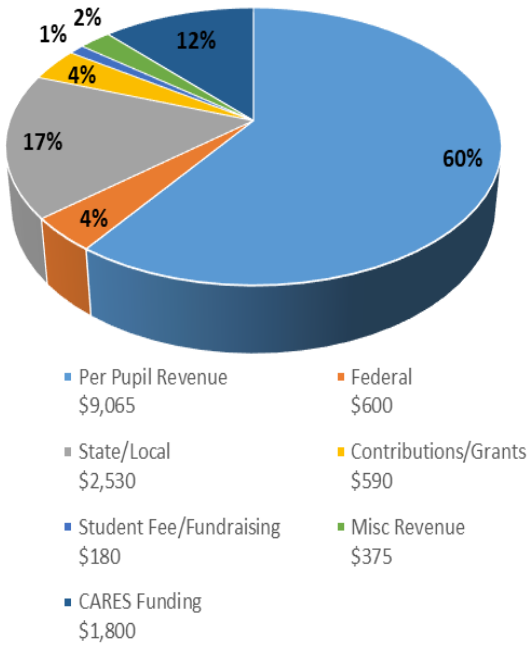
	September 30, 2021
<i>OPERATING ACTIVITIES</i>	
Net Income	-\$2,301
Changes in Operating Assets and Liabilities	
Accounts Receivable	\$1,400
Prepaid Expenses	-\$40
Purchase of Property & Equipment	-\$1,491
Promises to Give	\$0
Accounts Payable	-\$1,820
Bond Project Fund	\$1,970
Deferred Revenue	\$0
PCOPs Liability	-\$1,158
Cash Provided by Operations	<u>-\$3,441</u>
<i>INVESTING ACTIVITIES</i>	
Investments	<u>-\$3,344</u>
Cash Provided by Investing	<u>-\$3,344</u>
Change in Cash and Cash Equivalents	-\$6,785
Cash and Cash Equivalents, Beginning of Year	<u>\$23,041</u>
Cash and Cash Equivalents, End of Period	<u>\$16,257</u>

I. Annual Trends and Metrics – Revenue / Expense

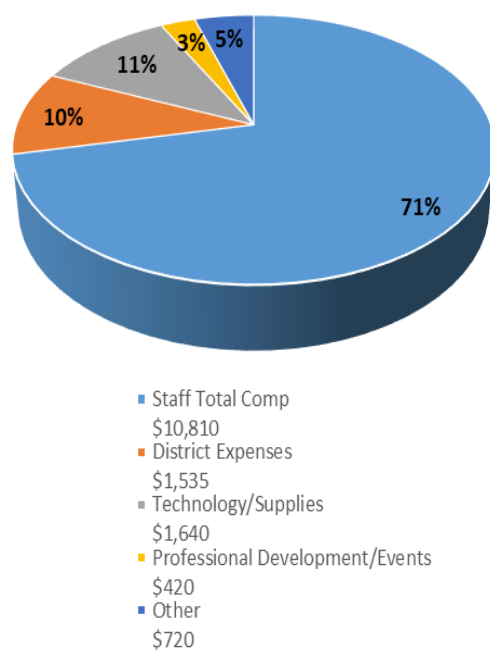


I. Annual Trends and Metrics – Revenue / Expense

FY22 Budgeted Revenue/Student
Total = 15,137



FY22 Budgeted Expense/Student
Total = 15,121



II. Long Term Forecast Summary

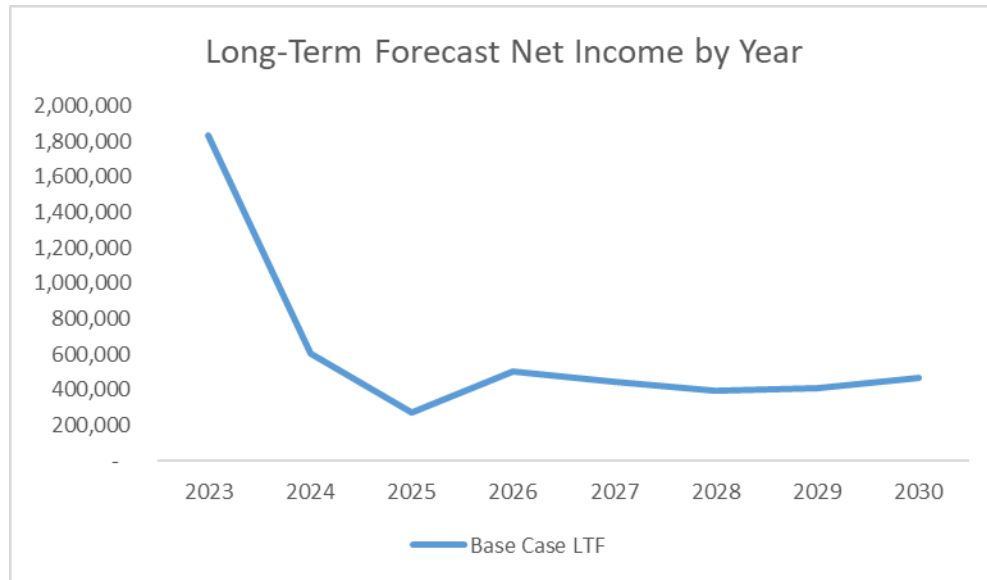
Network Growth

Opening in the Fall of Fiscal Year...

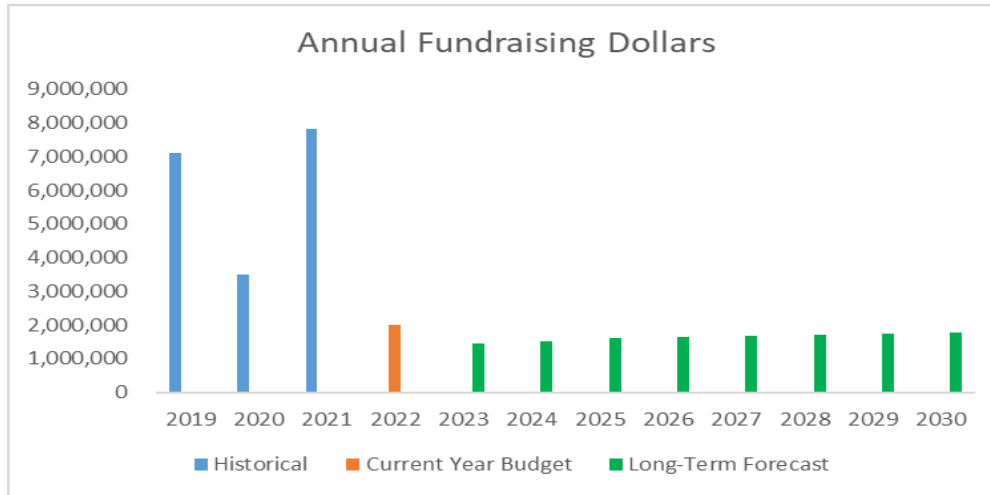
New School	2022	2023	2024	2025	2026	2027	2028	2029	2030
AST HS		X							
APS 2 MS			X						
APS 2 HS						X			

	2022	2023	2024	2025	2026	2027	2028	2029	2030
Schools Operating	15	16	17	17	18	18	18	18	18
Enrollment	6,834	7,220	7,658	8,052	8,298	8,457	8,605	8,724	8,825

Financial Projections



Fundraising Assumptions



F&O Committee

11/4/2021



Respect – Integrity – Doing Your Best – Responsibility – Courage – Curiosity

1

Agenda

- YTD Financial Dashboard (30 mins)
- Budget Restatement (10)
- Enrollment Update (10)
- IT Infrastructure Update (20)
- DSST Inc, and Foundation Policies (20)

Respect – Integrity – Doing Your Best – Responsibility – Courage – Curiosity

2

FY22 Year to Date Financial Dashboard

Respect – Integrity – Doing Your Best – Responsibility – Courage – Curiosity

3

Financial Review

- Dashboard attached

Respect – Integrity – Doing Your Best – Responsibility – Courage – Curiosity

4

Summer Forecast Positive Variance vs. Budget

(numbers in thousands)

	Original Budget	Summer Forecast	
Shifts		Per Pupil Revenue (PPR) Re-weighting	\$1,600
		Vacant Positions	\$1,000
		Elevate Debt Payments	\$275
Net Income	\$112	\$3,000	

- PPR re-weighted by the state to include Reduced Lunch students and English Language learners. Average increase of \$230 per student.
- Vacant positions net of substitute pay or other offsetting costs

Respect – Integrity – Doing Your Best – Responsibility – Courage – Curiosity

5

Summer Forecast Planned Reallocations

<u>21-22 Expense Reallocation</u>	<u>Dollar Funding (thousands)</u>	<u>Notes</u>
Manager of Inclusion (TA)	80	Hired
Staff Mental Health Pilot	140	Hired (looking for grant funding)
Network Sub Investment	400	1 sub per building through Teaching Nomad
internal Sub Pay Increase	80	Increase internal coverage rate from \$25 to \$35
CXO Search	80	\$100,000 total, \$20,000 paid in FY21
Development Consult	54	Zim consulting
Math Tutoring Pilot	40	Funding HS math pilots
Staff Compensation	920	Add to available dollars for FY23 raise pool
Hiring LT Subs - Pool of 10?	150	10 network level LT subs cost-shared with schools who buy in
StepMojo Pilot	44	80 students at 550 per class
Valuing Staff	20	Increasing giving and cheer budget, holiday gift or other staff appreciation option
Talent Acquisition Team	90	Teacher/Leader Recruiter
Enrollment Recruiter	70	Adams 14 Recruiter
Pipeline Development	50	SPED or Career Changer
Leader of Color Leader Recruiting	100	Hiring a search firm to find SDs LoFC
iReady Licenses	50	Additional licenses for HS
Curriculum Training	200	Training for MS teachers in AF and RR
Total	2,568	

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6

Long-Term Forecast: \$5.5m Available to Spend

- Management Proposal:
 - Balance needs of current staff and students with ability to respond to future opportunities by investing a portion of assets above target
 - Projection in 2030 - \$17.5m assets above reserve target
 - Hold \$12m above reserves → \$2m for new district + \$10m for new facility
 - \$17.5m - \$12m → \$5.5m available
- Priority Needs:
 - Real Estate (AST phase 2 and Elevate phase 2 investments)
 - Compensation

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7

Budget Restatement

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8

Restatement Overview

- Previously, income statement reflected cash flow picture
 - Did not include depreciation and treated capital expenses as operating expenses
- With addition of Elevate, depreciation and capital have more significant impact on financials
- As a result, management recommended during FY22 budget planning that we adjust income statement presentation after budget approval

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9

Restated Financials

Board Approved FY2021-22 Budget		Changes	Board Approved FY2021-22 Budget	
REVENUE			REVENUE	
Total Revenue	122,692		Total Revenue	122,692
EXPENSES			EXPENSES	
Salaries	53,890		Salaries	53,890
Additional Pay	3,071		Additional Pay	3,071
Payroll Taxes and Benefits	16,920		Payroll Taxes and Benefits	16,920
Professional Development	913		Professional Development	913
Events	642		Events	642
Supplies	3,544		Supplies	3,544
Student Activities	1,298		Student Activities	1,298
District Expenses	10,485		District Expenses	10,485
Professional Services	2,084		Professional Services	2,084
Fee to CMO	11,593		Fee to CMO	11,593
Reimbursements to CMO	3,097		Reimbursements to CMO	3,097
Operating Leases	1,473		Operating Leases	1,473
Facilities	3,657	Capital Investments (2,298)	Facilities	1,359
Technology	4,008		Technology	4,008
Misc Expenses	1,349	Depreciation 634	Misc Expenses	1,983
Transfers	4,556		Transfers	4,556
Total Expenses	122,580		Total Expenses	120,916
NET INCOME	112		NET INCOME	1,776

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10

FY22 Capital Projects Plan

	2021 Actuals	2021 Budget	Variance	2022 Budget	YTD Actuals
Buildings	12,670	-	(12,670)	21,830	1,242
Facility Improvements*	-	-	-	-	-
IT Infrastructure	-	-	-	445	-
Vehicles	-	-	-	23	2
Total Capital Projects	12,670	-	(12,670)	22,298	1,244

- \$22.3m in capital project expenses for FY22, primarily driven by Elevate remodel costs
- \$2m in Elevate costs built into FY22 income statement, remainder coming from assets already in BC or in bond trustee account
- * Capitalized facility improvements are reimbursed by DPS, not included in the budget but added to our financial plan upon approval by the district.

FY22 Enrollment Update

Enrollment Overview

- Overall, exceeded budgeted net income by 34 students
- DPS enrollment projections for this year assumed FY21 enrollment losses would return to the district. That did not happen. Overall the district missed the projection (-1,150 students) and an additional overall loss of 0.7% from last year's enrollment loss.
- 6th grade DSST enrollment shows greater loss than DPS 6th grade enrollment. Concerning trend that may have multi-year impact.

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13

School Enrollment Detail

School	Budgeted Enrollment	Current Funding	Projected Enrollment Variance	Total \$ Impact of Enrollment	EVR Usage	FY22 Budget Impact
Aurora Science & Tech MS	450	444	-6	(\$43,800)	(\$30,660)	(\$13,140)
DSST Middle School at Noel Campus	460	455	-5	(\$36,500)	(\$25,550)	(\$10,950)
DSST: Byers MS	470	469	-1	(\$7,300)	\$0	(\$7,300)
DSST: Byers HS	544	545	1	\$8,000	\$0	\$8,000
DSST: Cole MS	270	260	-10	\$0	\$0	\$0
DSST: Cole HS	338	348	10	\$7,000	\$0	\$7,000
DSST: College View MS	483	483	0	\$0	\$0	\$0
DSST: College View HS	567	575	8	\$64,000	\$0	\$64,000
DSST: Conservatory Green MS	441	438	-3	(\$21,900)	(\$15,330)	(\$6,570)
DSST: Conservatory Green HS	544	567	23	\$184,000	\$0	\$184,000
DSST: Elevate NE	155	160	5	\$40,000	\$0	\$40,000
DSST: Green Valley Ranch MS	470	472	2	\$14,600	\$0	\$14,600
DSST: Green Valley Ranch HS	539	541	2	\$16,000	\$0	\$16,000
DSST: Montview MS	460	464	4	\$29,200	\$0	\$29,200
DSST: Montview HS	555	559	4	\$32,000	\$0	\$32,000
DSST + AST	6746	6780	34	\$285,300	(\$71,540)	\$356,840

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14

IT Infrastructure Update

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15

Security/risk assessment

- DSST continues to use a outside threat scanner to look for known issues as well as internal controls.
- Largest real threat remains phishing scams, we put controls in place to limit damage but this remains a major risk for everyone in the education space.

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16

Planned investments, risks of unbudgeted needs

- We continue to work on a 5 year replacement cycle for key infrastructure. Costs associated with this have gone up over the 6 months but we managing within current budget with early buying.
- Largest risk today is around student and staff laptops. We have maintained the same pricing levels for the last 8 years. Due to our lack of growth as a network our buying power story no longer holds and we may become subjected to market prices. These prices have increased of 30% in the last 12 months.

DSST and Foundation Policies

Summary of Key Changes - Accounting

Policy	Change	Driver
Balance Sheet Definitions	Revised and added new definitions from recent audit	Debt issuance, PERA, general clean up
Cash Receipts	Updated to current process	No longer using Quickbase system
Cash Disbursements	Shift from using iVisions to using Quickbase for invoice processing	iVisions not user friendly enough for adoption

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19

Summary of Key Changes - Finance

Policy	Change	Driver
Need Based Budgeting (NBB)	Social/Emotional funding methodology	New factors used to determine social/emotional needs
ELL Reserve	Removed ELL Reserve	DSST is no longer receiving ELPA excellence funding
Funding NBB	Added explanation that APS does not participate in NBB	APS opened after NBB policy developed, clarification needed
HO Carryover	Removed HO Carryover policy	HO has adopted a zero based budgeting approach instead

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20

Summary of Key Changes - Foundation

- No updates to Foundation Policies for FY22 at this point
- Will be reviewed by Foundation board at 11/16/21 meeting



Appendices



School Reports

DSST Public Schools – Network Overview

Middle School

Total Enrollment	3,509
Things That are Working Well	<ul style="list-style-type: none"> • Staff morale • Staff relationships with their managers • School culture • Shifts in student culture support • Classroom culture • Student engagement • Strong relationships with students • Positive student experience survey results • Increasing student and staff check-ins • Having a long term sub in the building • Implemented intentional culture shifts • High attendance and involvement in extracurriculars • Strong and aligned focus areas for Tri 2 in culture and instruction • Adjustments to behavior interventions
Top Challenges	<ul style="list-style-type: none"> • Staffing • Developing substitutes to excel in the classroom • Staff morale • School culture • Student conflicts and healthy conflict resolution • Behavioral issues • Supporting students mental health

High School

Total Enrollment	3,405
Things That are Working Well	<ul style="list-style-type: none"> • Staff culture • Student culture • Implemented intentional culture shifts • Using alumni to provide coverage as substitutes • Clear focus for Tri 2 around scaffolding and attendance

	<ul style="list-style-type: none"> • Postive movement and momentum from a challenging October • Team is fully hired • Addition of building substitute
Top Challenges	<ul style="list-style-type: none"> • Attendance • Staffing and staff retention • Staff morale • Culture • Responding to incidents in a timely fashion with bandwidth being stretched

***Attendance is complicated and is going smoother at some schools compared to others which is why it falls under both buckets of things working well and challenges.*

School Name	Aurora Science & Tech	
School Director	Becca Bloch	
Grades Served	6 - 8	
Enrollment Update	6 th	135
	7 th	148
	8 th	162
	Total Enrollment	445
Brief Summary of Academic Results	<ul style="list-style-type: none"> We are proud that the majority our student GPAs are averaging a 3.0 or higher. iReady and ANet data is concerning and reveal large student gaps. 	
Top Two Things That are Working Well	<ul style="list-style-type: none"> Staff morale seems to be on the upswing after a hard start to the year. Having a long term sub in the building has helped a lot. 	
Top Two Challenges	<ul style="list-style-type: none"> Staffing in 7th grade math - we have one teacher who has been out since early September on medical leave and another who we hired a few days before the school year (he was a social studies candidate but we didn't have roles and he said he'd give math a try) who needed to step down. We have moved an apprentice teacher to fill one role and are still working on how to staff the long term leave absence. Behavioral issues remain - in 6th grade we have a lot of students who have a lot of needs and in all grades we are dealing with escalated student behaviors (from a small group of students who are very high needs). 	

School Name	DSST: Byers Middle School & High School	
School Director	Elin Curry	
Grades Served	6 – 12	
Enrollment Update- Middle	6 th	152
	7 th	159
	8 th	161
	Total Enrollment	472
Enrollment update- High	9 th	142
	10 th	148
	11 th	143
	12 th	130
	Total Enrollment	563
Brief Summary of Academic Results	<p>MS: We are close to our targets for ELA in grades 6-8 and see strong potential for our Math outcomes with many students 'on the bubble'. Our GPAs in MS look strong overall although we are seeing gaps for our MLL, SWD and SOC. Our largest gap in academic outcomes data currently is for our students in Special Education, and we expect this to get better as we continue to find the best supports for students coming out of the pandemic year.</p> <p>HS: Decent showing on Fall PSAT, will know more when we get Winter data and can see growth. GPAs in high school are low and are not currently accounting for Honors/AP weighting so we are hopeful will look better once those are accounted for and we are working with teachers individually to audit and improve gradebooks. 17% of our seniors have completed an application for a STEAM certificate to date, and we're feeling on track for 38% (our target) getting there this year.</p>	

<p>Top Two Things That are Working Well</p>	<ol style="list-style-type: none"> 1. Across MS and HS we have implemented some intentional culture shifts to 'turn up the heat' including tightening policies and consequences for mask, cell phones and tardies. We have seen this increase the quality of our overall school culture. 2. Using alumni to provide coverage as substitutes has been invaluable- we have significantly higher fill rates for absences and feel like we are doing our best to address a major energy drain on our team - internal coverage.
<p>Top Two Challenges</p>	<ol style="list-style-type: none"> 1. Staffing changes continue to be challenging - we are averaging one resignation a week- and these shifts are creating a strain on our leadership team as well as teaching teams as we stretch to cover, re-hire, and ensure quality for staff and students alike. 2. Responding to incidents in a timely fashion continues to be a struggle as our bandwidth is stretched tighter than ever before - the intensity and complexity of our Title IX process and the number of Title IX incidents taking place on a weekly basis in addition to other crisis incidents and our Critical Incident response system is overloading our culture and leadership team.

School Name	DSST: Cole Middle School & High School	
School Director	Grant Erwin and Misha Hudak	
Grades Served	6 – 12	
Enrollment Update- Middle	6 th	80
	7 th	97
	8 th	89
	Total Enrollment	266
Enrollment update- High	9 th	96
	10 th	88
	11 th	95
	12 th	84
	Total Enrollment	363
Brief Summary of Academic Results	<ul style="list-style-type: none"> iReady, CMAS, PSAT indicate that we have concerning gaps in proficiency levels for students 	
Top Two Things That are Working Well	<ul style="list-style-type: none"> School Culture is improving since the start of the year Strong engagement in the majority of classrooms 	
Top Two Challenges	<ul style="list-style-type: none"> Staffing for FMLA absences. We have multiple people out on FMLA for a variety of reasons. It has been difficult to cover for both of those positions and cover for regular absences. Staff morale given the 	

School Name	DSST: College View Middle School	
School Director	Graham Wynings	
Grades Served	6 – 8	
Enrollment Update	6 th	150
	7 th	164
	8 th	169
	Total Enrollment	483
Brief Summary of Academic Results	<ul style="list-style-type: none"> - Strong results on ANET 1 in Math across all grades - Results show there is a large disparity between the performance of our MLLs in literacy compared to other students. We are doubling down on our language supports and look forward to seeing progress here 	
Top Two Things That are Working Well	<ul style="list-style-type: none"> - Classroom and school culture - High attendance and involvement of students in extracurriculars 	
Top Two Challenges	<ul style="list-style-type: none"> - Supporting students' mental health - Staffing and developing substitutes to excel in the classroom 	

School Name	DSST: College View High School	
School Director	Bill Knous	
Grades Served	9 – 12	
Enrollment Update	9 th	164
	10 th	149
	11 th	147
	12 th	149
	Total Enrollment	609
Brief Summary of Academic Results	<p>GPA's still historically high in 9th and 10th - we anticipate a significant increase of .2 by End of Tri.</p> <p>Leading the network on College Apps, FAFSAs and Acceptances so far.</p>	
Top Two Things That are Working Well	<p>Clear focus for Tri 2 around scaffolding and attendance which will support our goals</p> <p>Positive movement and momentum from the staffing challenges we experienced in October</p>	
Top Two Challenges	<p>Staff morale and retention an ongoing concern - potentially high leadership team turnover</p> <p>Attendance has dropped by almost 10% in last month, and a number of students are either tardy or absent in the morning or afternoons.</p>	

School Name	DSST: Conservatory Green Middle School	
School Director	Jennifer Trainer	
Grades Served	6 – 8	
Enrollment Update	6 th	127
	7 th	153
	8 th	161
	Total Enrollment	441
Brief Summary of Academic Results	<ul style="list-style-type: none"> • Our average GPA is 3.40, with 8th grade having the highest average at 3.52 and 81% of students with a 3.0 or higher • Our ELA data on Anet looked strong across all grades, in particular in 7th grade with over 50% above benchmark.. • Our ANet Math data reflects a need to deepen the focus on planning and teacher internalization to create and monitor strong student outcomes. 	
Top Two Things That are Working Well	<ul style="list-style-type: none"> • During our recent school visit, a celebration was the engagement of students during class. Our students are completing the assigned work and classes showed high engagement and strong ratio. Students were participating. • Our student survey also reflects that our students are feeling supported by their teachers at a high level. The strong relationships with students is a highlight shared by teachers too. 	
Top Two Challenges	<ul style="list-style-type: none"> • Staff coverage continues to be a challenge. The building guest teacher has been a huge support in this regard, however we often have multiple teachers out in a day. We have to ask teachers daily to use their plan time to cover other classes which is impacting staff capacity and morale. • Student conflicts and healthy conflict resolution. Our students are engaging in negative ways with one another on social media and are therefore resorting to 	

	arguing or even fighting frequently. We are working with our students on conflict resolution and coping strategies as they interact with one another in person.
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School Name	DSST: Conservatory Green High School	
School Director	Meghan Janci	
Grades Served	9 – 12	
Enrollment update	9 th	138
	10 th	167
	11 th	144
	12 th	131
	Total Enrollment	
Brief Summary of Academic Results	<ul style="list-style-type: none"> • Our GPA average is a 3.18, with grades 9-11 especially strong. • iReady and PSAT data indicates we have proficiency gaps to fill at each grade level. • Final exams in 3 weeks will be our next big piece of academic data. 	
Top Two Things That are Working Well	<ul style="list-style-type: none"> • We are finally fully hired and the addition of a building sub has helped reduce the coverage load for teachers in the building. • Student engagement was identified as a strength in our recent school visit, with students actively focused in classes and able to articulate the importance of their work. 	
Top Two Challenges	<ul style="list-style-type: none"> • Culture continues to be a challenge, especially in our 9th grade. We are currently spending more time responding to challenges (such as students out of class without permission) than proactively planning joy for our community. • Morale continues to be low for our special education team, who are supporting a large number of exceptionally high needs students. 	

School Name	DSST Middle School @ Noel Campus	
School Director	Nico De Vries	
Grades Served	6 – 8	
Enrollment Update	6th	158
	7th	152
	8th	143
	Total Enrollment	453
Brief Summary of Academic Results	<p>ANET Data:</p> <p>ELA 6 35% of students hit a strong score on ANet ELA 7 45% of students hit a strong score on ANet ELA 8 38% of students hit a strong score on ANet Across all 6 tests, MLL gaps by PB were under 10% (from -3% to +2%) depending on the test 8th ELA- second in the network</p> <p>When factoring in PB, there was no Math 6 gap between MLL and non-MLL students Math 7 had 10% students on grade level on Fall i-Ready. However, 22% of students hit strong score on ANet PB1a students on Math 8 averaged a 24%, highest in the network</p> <p>6th GPA: 2.74 7th GPA: 2.26 8th GPA 2.70</p>	
Top Two Things That are Working Well	<p>For the last week and a half, we have instituted some shifts in student culture support that resulted in positive student outcomes. For example, we increased adult hallway presence and bathroom monitoring which has cut down on overuse of the bathroom, idle time in the hallway and increased bathroom cleanliness. We also are increasing our student/teacher & staff check-ins with students, especially when these conversations are needed to</p>	

	<p>support classroom learning. These initiatives have resulted in an increase in restorative conversations with staff and students, as well an increase in parent communication.</p>
Top Two Challenges	<p>Whole school culture:</p> <ul style="list-style-type: none"> -We need to continue to work on refining whole school moments such as morning meeting, lunch and recess to ensure student spaces are productive, safe and joyful -Student academic culture: We are working with our instructional leaders and deans to support teachers in their development of making classroom culture more positive and productive. <p>Staffing:</p> <ul style="list-style-type: none"> -We are still working to hire a music teacher (interviewed yesterday), an ELA 8 teacher and a Math 8 teacher. Our two long term substitutes have helped, but they require a high amount of Admin support and management. -Staff Wellness: To respond to our staff wellness data, we instituted a listening tour and responded to teacher feedback. However, teachers continue to report feeling overwhelmed. Daily teacher absences put a strain on staff as we work to fill vacancies and durites.

School Name	DSST: Elevate Northeast High School	
School Director	Travonda Favorite	
Grades Served	9	
Enrollment Update	9 th	159
	Total Enrollment	159
Brief Summary of Academic Results	Our founding class of students are excelling in GPA and has one of the largest percentages of students in the 3.5 or higher range.	
Top Two Things That are Working Well	<p>One thing that is working well is our staff culture. Our team has consistently scored high on the Network pulse survey each month and are genuinely a happy team. Everyone is always ready to support and be "all hands on deck" when needed for one another and students.</p> <p>Our students are also in a good place overall. Teachers as well as students have been open to restorative justice conversations and resolving issues in a timely and healthy manner that allows our school to continue to function in a positive way. Even with a recent event, we were able to come together during morning meeting; "family meeting" style to address things and talk about how we move forward as a community!</p>	
Top Two Challenges	<p>One of our biggest challenges is being stretched thin some days when it comes to school culture incidents. As an admin team, we wear multiple hats (as expected as a smaller campus) but there have been incidents and conversations that need support beyond our one culture leader.</p> <p>Our next challenge is having a predominantly young staff who need extra support and development. This is another area that can sometimes require a lot of our attention as a smaller team.</p>	

School Name	DSST: Green Valley Ranch Middle School	
School Director	Caroline Gaudiani	
Grades Served	6 – 8	
Enrollment Update	6 th	161
	7 th	159
	8 th	159
	Total Enrollment	479
Brief Summary of Academic Results	<ul style="list-style-type: none"> • Our school GPA average is 3.1 and we are 10% over our goal for how many students are maintaining GPA of 3.0 or higher • Our recent ANet assessments showed promising progress in our Lit space, with no gaps for our MLL's • Our recent ANet assessments showed very concerning results in math, and it will be where we are focusing moving forward 	
Top Two Things That are Working Well	<ul style="list-style-type: none"> • Our Student Experience Survey shows that we are holding steady and at the top of the network for %Positive and %Neutral/Positive responses. We specifically went up in "I feel sense of pride in being a student at my school" • We have strong and aligned focus areas for Tri 2 across culture and instruction. We feel very hopeful about the difference it will make in Tri 2 	
Top Two Challenges	<ul style="list-style-type: none"> • Staff is utterly exhausted and it is very clear that mental health is in a tough place - people are easily elevated by situations that would have been much smaller in the past • Same is true for many of our students in the mental health and behavior development space. We need more infrastructure behind our innovation to support clearer expectations, boundaries, and accountability 	

School Name	DSST: Montview Middle School	
School Director	John Clark	
Grades Served	6 – 8	
Enrollment Update	6 th	164
	7 th	154
	8 th	152
	Total Enrollment	470
Brief Summary of Academic Results	<ul style="list-style-type: none"> • Our ANet results were a mixed bag. We were happy to see comparatively good results in 6th and 8th grade math. ANet English continues to be a problem • We are currently meeting our GPA goal and we hope to keep that going through the end of the trimester 	
Top Two Things That are Working Well	<ul style="list-style-type: none"> • Folks relationships with their managers continue to be strong and is something we have emphasized keeping a strength even during challenging times. • Our adjustments to behavior interventions seem to be the right ones. While we have had increased behaviors from kids we have managed to not have them escalate too often as I think our restorative approach has helped 	
Top Two Challenges	<ul style="list-style-type: none"> • Personnel and staffing - We have been short in our English department and recently had to let go of a recent hire who was significantly underperforming. This has meant our in house sub has had to be committed to this role each day. (We do have two new hires starting soon which we hope can help.) • Student behaviors - This is certainly tied to the personnel concerns but we are having constant response to student behaviors throughout the day. Many are only tier 2 but they are quite consistent and take time to correct with our restorative approach to mediation. 	