

**JAMES IRWIN CHARTER SCHOOLS  
Colorado Springs, CO**

~\$26,414,793\* EFF Financing / Expected Closing: August 31, 2019\* / Expected Final Maturity: September 1, 2049\*

*This loan has not closed as of the date of this Official Statement. The Revolving Fund’s intention is to close this loan as soon as possible; however, there is no guarantee that this will close, and therefore there is no guarantee that this will be a part of the loan portfolio which secures the Bonds.*

**Obligor Overview**

James Irwin Charter Schools (“JICS”) is a charter school network founded in 1999 with an enrollment of approximately 1,982 students in grades K – 12 in the 2018-2019 academic year. The network comprises five different schools located on three campuses across Colorado Springs, Colorado. JICS leases all properties from the James Irwin Foundation.

JICS’ mission is to “help guide students in the development of their character and academic potential through academically rigorous, content-rich educational programs.”

**Charter Contract**

JICS’ five schools operate under five distinct charter contracts with its respective authorizers: Harrison District 2, Charter School Institute, and Falcon District 49.

School Name	Authorizer	Year of initial charter	Year of most recent renewal
James Irwin Charter High School (JICHS)	Harrison School District 2	2000	All 3 Harrison schools renewed 4/29/04; extended to 4/29/34
James Irwin Charter Middle School (JICMS)		2003	All 3 Harrison schools renewed 4/29/04; extended to 4/29/34
James Irwin Charter Elementary School (JICES)		2005	All 3 Harrison schools renewed 4/29/04; extended to 4/29/34
James Irwin Charter Academy (JICA)	Charter School Institute	2013	Renewed 7/1/18; extended to 7/1/23
Power Technical Early College	Falcon School District 49	2015	N/A; initial charter to 7/1/21

**Management & Governance**

JICS is governed by a Board of Directors (the “JICS Board”) with no fewer than five and up to seven persons pursuant to its bylaws. JICS has seven board members and one adjunct member. The JICS Board has a formal conflict of interest policy and no JICS Board member or senior staff is considered a related party. Biographies of Board members are included on the network’s website.†

Senior staff includes a CEO who has led JICS since 2007 and was a founding member of JICHS. Senior management includes a CFO, a Principal for each school, Director of Transportation and Maintenance, Director of Advancement, Director of Admissions and Academic Advising, and a Business Manager.

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\* Preliminary, subject to change.

† Information contained on the JICS website **shall not** be construed as being incorporated herein by reference nor should any decisions relating to the Bonds be made in reliance upon any information from the website.

**Enrollment & Student Information**

JICS’ daily average attendance student count for the past four fiscal years is as follows:

**James Irwin Charter Schools  
Historical Student Enrollment  
FY16 – FY19**

FY16	FY17	FY18	FY19
1,722	1,900	1,983	1,982

As the PTEC campus continues to grow, the network expects its enrollment to grow to 2,201 (or 11%) by academic year 2023-2024. For the past two years, student retention has been in the 87% to 90% range and waitlists have been in the 800 to 816 student range, representing approximately 40% of total enrollment.

JICS students come from 15 different school districts throughout El Paso County, Colorado. Academic Year 2018-2019 students were approximately 41% Caucasian, 41% Hispanic, 7% Black, 3% Asian, 1% Native American and 7% two or more ethnicities. JICS’ free and reduced lunch and special education student populations are approximately 39% and 5%, respectively.

**Academic Program & Results**

JICS believes that key aspects of its program include providing students and parents with a high-quality educational choice, based on rigorous academics, and development of noble character. Additionally, the school believes that through a sound curriculum based on the great ideas and values of our western heritage, students will be prepared to become active and responsible members of the community.

Based on the Colorado Measures of Academic Success (CMAS) standardized testing, academic achievement is measured by the percentage of students that meet or exceed expectations in certain subjects, including ELA and math. The JICES, JICMS, and JICHS schools were either on par or exceeded their respective host district as well as Colorado averages for both ELA and math subjects for the last two years. JICA also exceeded its host district and Colorado averages in ELA and math for the last two years. PTEC, the newest campus, places an emphasis on preparing students to enter the workforce in trade. Given its limited years of operations and focus on technical and trade courses, PTEC did not exceed its host district nor Colorado averages in any CMAS subject.

**The Project**

JICS operates across the following three campuses:

Campus Name	School(s) that are part of the Campus	Address	Building Size (Square Feet)	Appraisal Date	Market Value
Astrozon	JICES, JICMS, JICHS	5525 Astrozon Blvd, Colorado Springs, CO 80916	208,927 sq. ft. (on a 45.06-acre site)	6/9/2015	\$24,000,000
JICA	JICA	1801 Howard Ave, Colorado Springs, CO 80909	32,820 sq. f.t (on a 10.53-acre site)	6/9/2015	\$3,880,000
PTEC	PTEC	2525 Canada Drive, Colorado Springs, CO 80922	33,269 sq. ft. (on a 8.74-acre site)	4/6/2016	\$7,400,000 (upon completion of construction)

The EFF financing was completed for the purpose of refinancing the 2015 and 2016 bank notes held by Sunflower Bank. The 2015 bank note was used to: 1) to acquire the JICA campus; and 2) to consolidate all debt for all the campuses through an advance refunding of the Series 2007 Bonds which were used to: 1) construct JICES and renovate JICMS and 2) to advance refund the Series 2004 bonds, originally used to acquire and expand the Astrozon campus. The 2016 bank note served as a \$3 million supplement to the 2015 bank note; use of funds were tied to the acquisition and construction of the Power Tech campus. James Irwin Educational Foundation is the Borrower under the EFF financing and leases the campuses to JICS.

**Financial Information**

Certain historical financial information for JICS is listed below. These metrics will be updated and included in ESRF’s continuing disclosure annual report.

**James Irwin Charter Schools  
Historical Financial Information**

Metric	FY16	FY17	FY18
Total Revenue (TR)	\$13,178,153	\$15,423,127	\$16,465,827
DS Coverage Ratio	1.66x	1.81x	1.68x
Debt Burden (% of TR)	7.8%	9.8%	9.9%
Days Cash on Hand	197.9	207.9	217.0

**Rating:** S&P: BBB

**Website:** <https://jamesirwin.org>\*

**JICS and James Irwin Foundation  
Security and Loan Covenants**

Security	Pledged of James Irwin Educational Foundation revenues and a first lien mortgage on the land and real estate on all three campuses, such lien runs to the master trustee under the master indenture
Lease Payment Coverage Covenant Ratio	1.10x for JICS
Additional Bonds Test	Consolidated Base Rent Coverage Ratio of 1.20x for James Irwin Educational Foundation
Liquidity Covenant	60 days cash on hand of JICS
Academic Covenant	In process
Enrollment Covenant	In process

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