

Overview of Council Bill for Denver College Affordability Program

- Denver College Affordability Plan: A pay-for performance proposal that focuses on student completion.
- The decision for Council tonight is to send this to Denver voters for this November 2015 election, or not.
- Source of funds is a proposed 0.08 sales tax increase to generate \$10 million annually to support a City-Funded Non-Profit similar to the Denver Preschool Program.
- **Two components to the use of the funds:**

I. Scholarship Reimbursement Program

- Scholarship organizations may apply annually for reimbursement grants for scholarships they provide to Denver students who have successfully completed the prior academic year.
- The organization will provide a list of eligible students they helped, and how much money they spent for tuition and support services for each student—not on administration and operations.
 - The support services they can be reimburse for include: academic tutoring, course selection, financial aid guidance, and mentoring and academic counseling programs
- The ordinance describes that they can only be reimbursed on their privately-raised funds, and only up to a maximum 75% that they spent on each eligible student.
 - This ensures they actively fundraise, using the City program as leverage to develop their philanthropy.

II. Grants for Student Loan Debt Relief

- Not every student in need has a scholarship to support them. The Student Loan Debt Relief Program is designed to help lower cost barriers to get to and complete college.
- Eligible students apply for a grant to assist with student loan repayment.
- Based on a sliding scale, a Denver student can access up to \$4,000 per year through these two programs.
- The sliding scale will ensure the funds to go the neediest students who have the highest barriers to getting to and through college.

- Eligible students must prove Denver residency for at least 3 years; attend an accredited technical school, community college or university in Colorado; qualify for financial aid and meet household income criteria; and be no older than 25 years old.
- **Transparency & Accountability provisions**
 - The ordinance outlines the required annual reporting to the Mayor, City Council, Auditor and the public. These audited reports must include:
 - number of full-time and part-time students they are supporting; data on student graduating and on track to graduate; and over time, the long-term workforce impact.
 - The programs' records are public records, and can be audited by the City Auditor.
 - Seven-member Board appointed by Mayor and City Council.
 - No more than 10% of the funds can be spent on administrative costs.
 - The sales tax expires in 10 years.