

BY AUTHORITY

ORDINANCE NO. _____
SERIES OF 2020

COUNCIL BILL NO. 20-0207
DIRECT FILE - BLACK

A BILL

For an ordinance amending the Denver College Affordability Fund Article, Article IV, Chapter 11 of the Revised Municipal Code to clarify operations related to the Fund.

WHEREAS, the purpose of the Denver College Affordability Fund (the “Fund”), approved by Denver voters in 2018, is to “increase the post-secondary institution enrollment and completion for Denver residents” by dedicating revenue generated through a sales and use tax increase to the Fund to reimburse eligible nonprofit organizations for scholarships and support services;

WHEREAS, the Denver College Success Corporation (“DCSC”) is a nonprofit organization created to administer the Fund;

WHEREAS, after working with eligible nonprofit organizations, the DCSC board has identified the following changes as necessary for the efficient administration of the Fund; and

WHEREAS, DCSC worked with the Office of Children’s Affairs and the City Attorney’s Office to collaborate on the following changes.

NOW, BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF DENVER:

Section 1. Section 11-31(b)(6), D.R.M.C., is amended by removing the strike-through language and adding the language underlined to read:

Sec. 11-31. – Expenditures of Denver college affordability tax to be made by contract with non-profit corporation.

(6) In administering the Denver College Affordability Fund, or expending any monies derived from the Denver College Affordability tax, the corporation shall not discriminate against any person on the basis of race, color, religion, national origin, gender, age (except as to age of students eligible for tuition-scholarship or support services reimbursement), military status, sexual orientation, gender ~~variance~~ identity or gender expression, marital status, or physical or mental disability.

Section 2. Section 11-33, D.R.M.C., is amended by removing the strike-through language and adding the language underlined to read:

Sec. 11-33. – Student eligibility requirements.

(a) For an organization ~~To~~ to be eligible for funding-reimbursement from the Denver College Affordability Fund, the student benefitted (“eligible student”) must have resided in Denver continuously for more than thirty-six (36) months prior to their first scheduled post-secondary class

1 day. Any student whose first scheduled post-secondary class day is before January 1, 2021, who
2 attended their last three years of high school in Denver, and who meets the requirements of
3 subsections (b) through (d) below shall be an eligible student., and otherwise meet all criteria for in-
4 state tuition. An otherwise eligible student will not lose eligibility because of a temporary absence,
5 as may be allowed by the corporation's board of directors, from Denver after high school.

6 (b) Eligible students must have completed the free application for federal student aid or a
7 similar measure of financial need as determined by the corporation.

8 (c) Eligible students must attend a nationally or regionally accredited non-profit or public
9 post-secondary institution located in Colorado, and certified to be in good standing at said institution,
10 as demonstrated by the institution's determination that the student has achieved "satisfactory
11 academic progress."

12 (d) Eligible students may not be older than twenty-five (25) years of age as of the final
13 scheduled class day of the academic year for which a reimbursement grant is requested.

14 (e) Non-profit post-secondary institution as used in this section means a post-secondary
15 institution that has been continuously recognized by the federal Internal Revenue Service as a non-
16 profit organization since January 1, 2007.

17 **Section 3.** Section 11-34, D.R.M.C., is amended by removing the strike-through language
18 and adding the language underlined to read:

19 **Sec. 11-34. – Organization reimbursement program.**

20 Funding from the Denver College Affordability Fund may be paid to non-profit organizations
21 ("organizations") that provide ~~tuition grants~~ scholarships and support services to eligible students,
22 on a reimbursement basis, in compliance with the following standards and requirements:

23 (1) Beginning January 1, 2020, organizations may apply twice annually for reimbursement
24 grants from the corporation for eligible students supported by the organization during the prior
25 academic year; certification from each student's post-secondary institution that the student was in
26 good standing as defined by the post-secondary institution at the end of the prior academic year; the
27 amounts spent on account of each eligible student for ~~tuition~~ scholarships and support services; and
28 any other information reasonably required by the corporation.

29 (2) "Scholarship" means a payment or payments from an organization to a student or post-
30 secondary institution to defray a student's costs of attendance, including but not limited to tuition,
31 fees, room and board, books and supplies. Whether a particular cost or category of costs is
32 reimbursable as a scholarship shall be determined by the corporation's board of directors.

33 ~~(3)(2)~~ "Support services" means services designed to increase college student persistence

1 and graduation, including but not limited to the following: academic tutoring; advice and assistance
2 in college course selection; graduation coaching; services that assist with student financial aid, such
3 as resources for locating scholarships and assistance in completing financial aid applications;
4 education or counseling services designed to improve student financial and economic literacy;
5 assistance for students enrolled in certificate and two-year programs in applying for admission to,
6 and financial assistance for, enrollment in two-year and four-year programs; career and academic
7 counseling; and mentoring programs. Whether a service or category of services is reimbursable as
8 a support service shall be determined by the corporation's board of directors.

9 ~~(4)(3)~~ Reimbursement for ~~tuition~~ scholarships and support services shall be funded by the
10 corporation on a sliding scale based on the federal Pell Grant program, 20 U.S.C. § 1070a et seq.,
11 or comparable need analysis as determined by the corporation for the student's first academic year
12 of post-secondary education. Individual reimbursement rates shall be calculated based on the
13 demonstrated financial need and expected family contribution of the eligible student, but in no case
14 shall reimbursement be made for a student whose expected family contribution exceeds two and
15 one half (2 ½) times the maximum expected family contribution that would qualify for a federal Pell
16 Grant or a similar measure of financial need as determined by the corporation ~~for a given academic~~
17 ~~year~~.

18 ~~(5)(4)~~ Reimbursement under this section shall not exceed seventy-five (75) percent of the
19 amount spent by the organization on ~~tuition~~ scholarships and support services for an eligible student.

20 ~~(6)(5)~~ Reimbursement for support services shall not exceed a stated percentage of the total
21 amount reimbursed for an eligible student, such percentage to be established annually by the
22 corporation's board of directors. An organization need not provide support services to be eligible
23 under this section.

24 ~~(7)(6)~~ No reimbursement for ~~tuition~~ scholarships and support services shall be made for a
25 student that was not in good standing ~~as defined in section 11-33(c) of this article~~) at the end of the
26 academic year for which reimbursement is applied for.

27 ~~(8)(7)~~ Other specific criteria and procedures for the disbursement of Denver College
28 Affordability tax revenue shall be determined by the corporation's board of directors.

29 ~~(9)(8)~~ In order to be qualified to receive payments from the Denver College Affordability Fund,
30 an organization shall meet the following minimum requirements:

- 31 (i) The organization shall be ~~duly incorporated and in good standing under the~~
32 ~~Colorado revised Nonprofit Corporation Act~~, in good standing with the Colorado
33 Secretary of State's Office and approved by the Internal Revenue Service as a

1 tax exempt, charitable organization.

2 (ii) The organization shall have existed for not less than three (3) years, and shall
3 operate independently as a financial and operational entity separate from any
4 post-secondary institution, ~~school district, or charter school management~~
5 ~~organization.~~

6 (iii) To remain in good standing and eligible to receive reimbursement from the
7 Denver College Affordability Fund, organizations must submit a report each
8 year to the corporation, the form and substance of such report to be as required
9 by the corporation to the extent necessary to conduct a reasonable audit of the
10 organization's use of tax dollars.

11 (iv) Other requirement as may be established by the corporation's board of
12 directors. An organization that does not meet these minimum requirements, as
13 determined by the corporation in its reasonable discretion, shall not be eligible
14 to receive payments under section 11-34.

15 **Section 4. Effective date.** This bill takes effect _____, 2020.

16
17 COMMITTEE APPROVAL DATE: N/A

18 MAYOR-COUNCIL DATE: N/A

19 PASSED BY THE COUNCIL: _____

20 _____ - PRESIDENT

21 APPROVED: _____ - MAYOR _____

22 ATTEST: _____ - CLERK AND RECORDER,
23 EX-OFFICIO CLERK OF THE
24 CITY AND COUNTY OF DENVER

25 NOTICE PUBLISHED IN THE DAILY JOURNAL: _____; _____

26 PREPARED BY: Jo Ann Weinstein, Assistant City Attorney DATE: May 7, 2020

27 Pursuant to section 13-12, D.R.M.C., this proposed ordinance has been reviewed by the office of
28 the City Attorney. We find no irregularity as to form and have no legal objection to the proposed
29 ordinance. The proposed ordinance **is not** submitted to the City Council for approval pursuant to §
30 3.2.6 of the Charter.
31

32 Kristin M. Bronson, Denver City Attorney

33 BY:  _____, Assistant City Attorney

34 DATE: May 7, 2020