

1 BY AUTHORITY

2 ORDINANCE NO. _____
3 SERIES OF 2023

COUNCIL BILL NO. 23-0428
COMMITTEE OF REFERENCE:
Safety, Housing, and Homelessness

6 A BILL

8 **For an ordinance amending article IV, chapter 11 of the revised municipal code,**
9 **regarding the Denver College Affordability Fund.**

11 **BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF DENVER:**

12 **Section 1.** That article IV, chapter 11, D.R.M.C. shall be amended by deleting the language
13 stricken and adding the language underlined, to read as follows:

15 **Sec. 11-32. - Spending limitations to be included in contract.**

16 Any contract between the city and the corporation for disbursement of the Denver College Affordability
17 tax revenues shall include the following provisions and requirements:

18 (4a) Any expenditure of Denver College Affordability tax revenues under the contract shall be
19 subject to annual appropriation by the city council.

20 (2b) No more than five (5) percent of the Denver College Affordability tax revenue received by
21 the corporation in any year shall be spent on administrative expenses ~~except that up to ten (10)~~
22 ~~percent of such revenue may be spent on administrative expenses during the first year of the~~
23 ~~corporation's existence.~~ For purposes of this limitation, "administrative expenses" shall mean salaries
24 and office expenses related to any staff or employees of the corporation; any fees or expenses paid to
25 third-party contractors or consultants to assist in the development or administration of the Denver
26 College Affordability Fund; ~~expenses associated with measurement of the performance of the Denver~~
27 ~~College Affordability Fund and scholarship recipients;~~ the preparation of reports to city officials and to
28 the public on the performance of the program; any expenses reimbursed to members of the board of
29 directors; routine business expenses such as insurance, accounting and legal expenses; and any
30 similar overhead expenses incurred by the corporation

31 (c) No more than five (5) percent of the Denver College Affordability tax revenue received by
32 the corporation in any year shall be spent on computer-based data management and evaluation
33 systems utilized to track eligible student support services, scholarships, post-secondary enrollment,
34 completion, employment after post-secondary education, and communication and outreach to

potential supported organizations for the purpose of increasing the number of organizations and eligible students served by the corporation.

(3d) At least ninety-five (95) percent of Denver College Affordability tax revenue received by the corporation in any year shall be used only for organization reimbursement grants administered in accordance with the requirements of sections 11-34 through 11-36, D.R.M.C. ~~except that in the first year of the corporation's existence only ninety (90) percent of tax revenue received is required to be used for such purposes.~~ No more than twenty (20) percent of funds under this section (d) shall be used to reimburse high school support services.

Sec. 11-33. - Student eligibility requirements.

(a) For an organization to be eligible for reimbursement from the Denver College Affordability Fund, the student benefitted ("eligible student"), if 25 years of age or under, must have graduated from a high school in Denver or lived in Denver for six (6) months prior to their first scheduled post-secondary class day; and if between 26 and 30 years of age must have lived in Denver for six (6) months prior to their first scheduled post-secondary class day. ~~continuously must have resided in Denver continuously for more than thirty-six (36) months prior to their first scheduled post-secondary class day. Any student whose first scheduled post-secondary class day is before January 1, 2021, who attended their last three (3) years of high school in Denver, and who meets the requirements of subsections (b) through (d) below shall be an eligible student. An otherwise eligible student will not lose eligibility because of a temporary absence, as may be allowed by the corporation's board of directors, from Denver after high school.~~

(b) Eligible students must have completed the Free Application for Federal Student Aid ("FAFSA"), Colorado Application for State Financial Aid, or a similar measure of financial need as determined by the corporation.

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

(d) Eligible students may not be older than ~~twenty-five (25)~~ thirty (30) years of age as of the final scheduled class day of the academic year for which a reimbursement grant is requested.

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

Sec. 11-34. - Organization reimbursement program.

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

~~(1a)~~ (4a) ~~Beginning January 1, 2020, e~~Organizations may apply twice annually for reimbursement grants from the corporation for eligible students supported by the organization in the prior academic year. The application must include a complete list of the eligible students assisted by the organization during the prior academic year; certification from each student's post-secondary institution that the student was in good standing as defined by the post-secondary institution at the end of the prior academic year; the amounts spent on account of each eligible student for scholarships and support services; and any other information reasonably required by the corporation.

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

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

(4d) Reimbursement for scholarships and support services shall be funded by the corporation on a sliding scale based on the federal Pell Grant program, 20 U.S.C. § 1070a et seq., or comparable need analysis as determined by the corporation for the student's first academic year of post-secondary education. Individual reimbursement rates shall be calculated based on the demonstrated financial need and expected family contribution of the eligible student, but in no case shall reimbursement be made for a student whose expected family contribution exceeds two and one-half (2½) times the maximum expected family contribution that would qualify for a federal Pell Grant or a similar measure of financial need as determined by the corporation.

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

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

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

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

(9i) In order to be qualified to receive payments from the Denver College Affordability Fund under this section, an organization shall meet the following minimum requirements:

(i1) The organization shall be in good standing with the Colorado Secretary of State's Office and approved by the Internal Revenue Service as a tax exempt, charitable organization.

(ii2) The organization shall have existed for not less than three (3) years, and shall operate independently as a financial and operational entity separate from any post-secondary institution.

(iii3) To remain in good standing and eligible to receive reimbursement from the Denver College Affordability Fund, organizations must submit a report each year to the corporation, the form and substance of such report to be as required by the corporation to the extent necessary to conduct a reasonable audit of the organization's use of tax dollars.

(iv4) Other requirements as may be established by the corporation's board of directors. An organization that does not meet these minimum requirements, as determined by the corporation in its reasonable discretion, shall not be eligible to receive payments under section 11-34.

Sec. 11-35. Organization reimbursement for high school support services .

Funding from the Denver College Affordability Fund may be paid, on a reimbursement basis, to organizations that meet the requirements of section 11-34(i) and that provide support services to students attending Denver high schools, in compliance with the following standards and requirements:

(a) An organization may be reimbursed for up to 75% of the cost of support services provided to students attending Denver high schools ("high school support services").

(b) High school support means services designed to increase college student enrollment, persistence and graduation, including, but not limited to, the following: academic tutoring; advice and assistance in college course selection; graduation coaching; services that assist with student financial aid, such as resources for locating scholarships and assistance in completing financial aid applications; education or counseling services designed to improve student financial and economic

literacy; assistance in applying for admission to, and financial assistance for, enrollment in post-secondary institutions; career and academic counseling; mentoring programs; and any other service the corporation's board of directors determines will aid students attending Denver high schools in applying and paying for post-secondary education. Whether a service or category of services is reimbursable as a support service under this section shall be determined by the corporation's board of directors.

(c) Organizations may apply twice annually for reimbursement(s) from the corporation for eligible high school support services expended in the prior academic year. The application must include a detailed description of all high school support services provided to students; a complete count of students who received high school support services from the organization during the prior academic year; the amount spent per student for high school support services; and any other information reasonably required by the corporation.

(d) Organizations are encouraged and expected to focus their high school support services programs on students whose expected family contribution falls below two and one-half (2½) times the maximum expected family contribution that would qualify for a federal Pell Grant or a similar measure of financial need as determined by the corporation. Organizations must provide, with any application for reimbursement of high school support services, analysis of the financial need of the student population receiving services. Programs that fail to demonstrate the financial need of student population receiving services may be denied reimbursement in the discretion of the corporation's board of directors.

Sec. 11-36. Organization reimbursement program for students in certificate programs.

Funding from the Denver College Affordability Fund may be paid to certificate training program providers that provide training and support services to students participating in a certificate training program who are eligible students as defined in section 11-33, excluding 11-33(c), on a reimbursement basis, in compliance with the following standards and requirements:

(a) Certificate training program providers may apply twice annually for reimbursement(s) from the corporation for students who participated in a certificate training program in the prior academic year. The application must include a complete list of the students assisted by the organization during the prior academic year for whom reimbursement is sought; certification that each student was in good standing as defined by the certificate training program provider at the end of the prior academic year or program period; the amounts spent on account of each student for the cost of training and support services; and any other information reasonably required by the corporation.

(b) "Cost of Training" means a student's costs of attendance or participation in a certificate

1 training program, including, but not limited to, tuition, fees, room and board, books and supplies.
2 Whether a particular cost or category of costs is reimbursable as a cost of training shall be determined
3 by the corporation's board of directors.

4 (c) "Evidence-based" means, with respect to demonstrated effects on economic and
5 workforce outcomes such as employment, earnings, or other related metrics, either a proven program
6 or practice as defined in C.R.S. § 2-3-210(2)(d), or an evidence-informed program or practice as
7 defined in C.R.S. § 2-3-210(2)(a).

8 (d) Reimbursement for the cost of training and support services shall be funded by the
9 corporation on a sliding scale based on the federal Pell Grant program, 20 U.S.C. § 1070a, et seq., or
10 comparable need analysis as determined by the corporation for the student's first academic year or
11 program period of training. Individual reimbursement rates shall be calculated based on the
12 demonstrated financial need and expected family contribution of the eligible student, but in no case
13 shall reimbursement be made for a student whose expected family contribution exceeds two and one-
14 half (2½) times the maximum expected family contribution that would qualify for a federal Pell Grant or
15 a similar measure of financial need as determined by the corporation.

16 (e) Reimbursement under this section shall not exceed seventy-five (75) percent of the
17 amount spent by the organization on the cost of training and support services for an eligible student.

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

22 (g) No reimbursement for the cost of training and support services shall be made for a
23 student that was not in good standing as determined by the certificate training program provider at the
24 end of the academic year or program period for which reimbursement is applied for.

25 (h) Other specific criteria and procedures for the disbursement of Denver College
26 Affordability tax revenue shall be determined by the corporation's board of directors.

27 (i) In order to be qualified to receive payments from the Denver College Affordability Fund
28 under this section, an organization shall meet the following minimum requirements:

29 (1) The organization shall be in good standing with the Colorado Secretary of State's Office
30 and approved by the Internal Revenue Service as a tax exempt, charitable organization.

31 (2) The organization shall have existed for not less than three (3) years.

32 (3) To remain in good standing and eligible to receive reimbursement from the Denver
33 College Affordability Fund, certificate training program providers must submit a report each year to the
34 corporation, the form and substance of such report to be as required by the corporation to the extent

1 necessary to conduct a reasonable audit of the organization's use of tax dollars.

2 (4) The certificate training program provider must meet at least one of the following criteria:

3 a. It must be a registered apprenticeship program certified by the U.S. Department of
4 Labor or Colorado Department of Labor and Employment (CDLE) or other authorized state agency; or

5 b. It must either prepare its graduates to pass a state licensure examination or an
6 alternative licensure program that offers a certified teaching credential recognized by CDLE or other
7 state agency that certifies students to teach in a public K-12 or publicly funded preschool or early
8 childhood center; or

9 c. It must meet all of the following criteria:

10 1. It must meet the requirements of 20 U.S. C. § 1001(a) paragraphs 1, 2 & 4
11 of the U.S. Higher Education Act, as amended; and

12 2. It must provide a program of training to prepare students for gainful
13 employment in a recognized occupation, and either grants or prepares the graduate to quickly earn an
14 industry-recognized credential in an employment sector where workers are in demand, as certified by
15 the corporation, and

16 3. The program is evidence-based.

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

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COMMITTEE APPROVAL DATE: April 19, 2023

MAYOR-COUNCIL DATE: April 25, 2023

PASSED BY THE COUNCIL _____

_____ - PRESIDENT

APPROVED: _____ - MAYOR _____

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

NOTICE PUBLISHED IN THE DAILY JOURNAL _____; _____

PREPARED BY: Anshul Bagga, Assistant Cit Attorney DATE: May 11, 2023

Pursuant to section 13-9, D.R.M.C., this proposed ordinance has been reviewed by the office of the City Attorney. We find no irregularity as to form and have no legal objection to the proposed ordinance. The proposed ordinance is not submitted to the City Council for approval pursuant to § 3.2.6 of the Charter.

Kerry Tipper, Denver City Attorney

BY: _____, Assistant City Attorney DATE: _____