CHAPTER 307

EDUCATION - UNIVERSITIES AND COLLEGES

HOUSE BILL 02-1165

BY REPRESENTATIVE(S) Chavez, Berry, Groff, Lawrence, Marshall, Scott, Smith, Snook, Spence, Vigil, and Williams S.; also SENATOR(S) Tate, Fitz-Gerald, Hagedorn, Hanna, Hernandez, Nichol, Pascoe, Tupa, and Windels.

AN ACT

CONCERNING THE ESTABLISHMENT OF AN INDEPENDENT GOVERNING BOARD FOR METROPOLITAN STATE COLLEGE OF DENVER.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Legislative declaration. (1) The general assembly hereby finds, determines, and declares that:

(a) Metropolitan state college of Denver, Adams state college in Alamosa, Mesa state college in Grand Junction, and Western state college of Colorado in Gunnison are valuable state assets that are critical cultural and economic foundations of their respective communities; and

(b) The roles and missions of Colorado institutions located in rural settings, particularly Adams state college, Mesa state college, and Western state college of Colorado should be guided less by their status as "state colleges" and more by a designation as "regional or community higher education provider";

(c) For purposes of strategic planning, Colorado should emphasize mission flexibility and program relevance suited to the needs of the areas served by the providers; and

(d) A balance of resources will be required to effectively ensure that Metropolitan state college of Denver, Adams state college, Mesa state college, and Western state college of Colorado are able to appropriately carry out their respective roles and missions.

(2) The general assembly therefore finds and declares that the general fund allocation for fiscal year 2002-03 should be divided on the basis of the current
distribution formula, and the allocation to Metropolitan state college of Denver will then serve as its base budget for future funding.

SECTION 2. Article 54 of title 23, Colorado Revised Statutes, is REPEALED AND REENACTED, WITH AMENDMENTS, to read:

ARTICLE 54
Metropolitan State College of Denver

23-54-101. College established - role and mission - governance. There is hereby established a college at Denver, to be known as Metropolitan State College of Denver, which shall be a comprehensive baccalaureate institution with modified open admission standards; except that nontraditional students who are at least twenty years of age shall only have as an admission requirement a high school diploma, a GED high school equivalency certificate, or the equivalent thereof. Metropolitan State College of Denver shall offer a variety of liberal arts and science, technical, and educational programs. The college may offer a limited number of professional programs. Metropolitan State College of Denver shall not offer graduate programs.

23-54-102. Board of trustees - creation - members - powers - duties. (1) (a) Effective July 1, 2002, there is established the board of trustees for Metropolitan State College of Denver, referred to in this article as the "board of trustees", which shall consist of nine members and shall be the governing authority for Metropolitan State College of Denver. The board of trustees created by this subsection (1) shall be, and is hereby declared to be, a body corporate and, as such and by the names designated in this section, may:

(I) Acquire and hold property for the use of Metropolitan State College of Denver;

(II) Be a party to all suits and contracts; and

(III) Do all things necessary to carry out the provisions of this article in like manner as municipal corporations of this state, including but not limited to the power to demand, receive, hold, and use for the best interests of Metropolitan State College of Denver such money, lands, or other property as may be donated or devised to or for the college.

(b) The trustees and their successors shall have perpetual succession, shall have a seal, may make bylaws and regulations for the well-ordering and government of Metropolitan State College of Denver, and may conduct the business of said college in a manner not repugnant to the constitution and laws of this state. The board of trustees shall elect from the appointed members a chairperson, a secretary, and a treasurer, whose duties and responsibilities shall be prescribed in the duly adopted bylaws of the board of trustees. The staff of Metropolitan State College of Denver shall provide staff support for the board of trustees.
(2) The governor shall appoint, with the consent of the senate, seven members of the board of trustees. The members first appointed to said board shall take office on July 1, 2002. The terms of appointed members of the board of trustees shall be four years; except that, of the members first appointed, the governor shall select two members who shall serve one-year terms, two members who shall serve two-year terms, and three members who shall serve four-year terms. All appointed members shall serve until their successors are appointed and qualified.

(3) A full-time junior or senior student at Metropolitan State College of Denver, elected by the student body at large, shall fill the eighth office as a member of the board of trustees. The term of said office shall be one year, beginning July 1, 2002, and beginning July 1 each year thereafter. The elected student office shall be advisory, without the right to vote and without the right to attend executive sessions of the board of trustees, as provided by section 24-6-402, C.R.S. The elected student member of the board of trustees shall have resided in the state of Colorado not fewer than three years immediately prior to election. As used in this subsection (3), "full-time student" shall have the same definition as "full-time equivalent student" used by the joint budget committee of the general assembly.

(4) A full-time member of the teaching faculty at large of Metropolitan State College of Denver, elected by the faculty at large, shall fill the ninth office as a member of the board of trustees. The term of said office shall be one year, beginning July 1, 2002, and beginning July 1 each year thereafter. The elected faculty member of the board of trustees shall have the right to vote but shall be without the right to attend executive sessions of the board of trustees, as provided by section 24-6-402, C.R.S.

(5) Any vacancy in the office of an appointed member of the board of trustees shall be filled by appointment by the governor for the unexpired term. Any vacancy in either of the elected offices on the board of trustees shall be filled by reelection for the unexpired term. Each trustee shall take and subscribe to the oath of office prescribed by the constitution of this state before entering upon the duties of the office, which oath shall be placed and kept on file in the office of the secretary of state.

(6) Except as otherwise provided in this subsection (6), the powers, duties, and functions formerly performed by the trustees of the state colleges in Colorado with respect to Metropolitan State College of Denver are hereby transferred to the board of trustees. Policies, procedures, and agreements previously approved by the trustees of the state colleges and applicable to Metropolitan State College of Denver shall remain in force and effect unless and until changed by the board of trustees.

23-54-103. Board of trustees for Metropolitan state college of Denver fund - creation - control - use. (1) Effective July 1, 2002, there is created in the
STATE TREASURY - THE BOARD OF TRUSTEES FOR METROPOLITAN STATE COLLEGE OF DENVER FUND, REFERRED TO IN THIS SECTION AS THE "FUND", WHICH SHALL BE UNDER THE CONTROL OF AND ADMINISTERED BY THE BOARD OF TRUSTEES IN ACCORDANCE WITH THE PROVISIONS OF THIS ARTICLE. EXCEPT AS OTHERWISE ALLOWED BY STATE LAW, INCLUDING BUT NOT LIMITED TO SECTION 24-36-103 (2), C.R.S., ALL MONEYS RECEIVED OR ACQUIRED BY THE BOARD OF TRUSTEES OR BY METROPOLITAN STATE COLLEGE OF DENVER SHALL BE DEPOSITED IN THE FUND, WHETHER RECEIVED BY APPROPRIATION, GRANT, CONTRACT, OR GIFT, OR BY SALE OR LEASE OF SURPLUS REAL OR PERSONAL PROPERTY, OR BY ANY OTHER MEANS, WHOSE DISPOSITION IS NOT OTHERWISE PROVIDED FOR BY LAW. ALL INTEREST DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEYS IN THE FUND SHALL BE CREDITED TO THE FUND. THE MONEYS IN THE FUND ARE HEREBY CONTINUOUSLY APPROPRIATED TO THE BOARD OF TRUSTEES AND SHALL REMAIN IN THE FUND AND SHALL NOT BE TRANSFERRED OR REVERT TO THE GENERAL FUND OF THE STATE AT THE END OF ANY FISCAL YEAR.

(2) THE MONEYS IN THE FUND SHALL REMAIN UNDER THE CONTROL OF THE BOARD OF TRUSTEES AND SHALL BE USED FOR THE PAYMENT OF SALARIES AND OPERATING EXPENSES OF THE BOARD OF TRUSTEES AND OF METROPOLITAN STATE COLLEGE OF DENVER AND FOR THE PAYMENT OF ANY OTHER EXPENSES INCURRED BY THE BOARD OF TRUSTEES IN CARRYING OUT ITS POWERS AND DUTIES.

(3) MONEYS IN THE FUND WHICH ARE NOT NEEDED FOR USE BY THE BOARD OF TRUSTEES MAY BE INVESTED BY THE STATE TREASURER IN INVESTMENTS AUTHORIZED BY SECTIONS 24-36-109, 24-36-112, AND 24-36-113, C.R.S. THE BOARD OF TRUSTEES SHALL DETERMINE THE AMOUNT OF MONEYS IN THE FUND THAT MAY BE SO INVESTED AND SHALL NOTIFY THE STATE TREASURER IN WRITING OF SUCH AMOUNT.


(2) INTEREST EARNED ON MONEYS IN THE ENRICHMENT FUND SHALL BE USED TO FUND PROGRAMS TO ADVANCE AND ENRICH UNDERGRADUATE EDUCATION AT METROPOLITAN STATE COLLEGE OF DENVER, AWARDS FOR SUCH PURPOSES SHALL BE GRANTED BY THE BOARD OF TRUSTEES WITHIN ONE YEAR AFTER THE DATE ANY MONEYS ARE CREDITED TO THE FUND AND SHALL BE ANNUALLY GRANTED THEREAFTER. THE BOARD OF TRUSTEES SHALL PROMULGATE RULES ESTABLISHING
THE CRITERIA TO BE USED IN GRANTING SUCH ANNUAL AWARDS.

SECTION 3. Article 50 of title 23, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

23-50-114. Regional education providers - designation - criteria. (1) THE GENERAL ASSEMBLY FINDS, DETERMINES, AND DECLARES THAT:

(a) THE TRUSTEES OF THE STATE COLLEGES IN COLORADO CAN BETTER SERVE THE CITIZENS OF THIS STATE BY PROVIDING OVERSIGHT AND DIRECTION FOR THE PROVISION OF REGIONAL EDUCATION AT ADAMS STATE COLLEGE, MESA STATE COLLEGE, AND WESTERN STATE COLLEGE OF COLORADO; AND

(b) AS REGIONAL EDUCATION PROVIDERS, ADAMS STATE COLLEGE, MESA STATE COLLEGE, AND WESTERN STATE COLLEGE OF COLORADO SHALL HAVE AS THEIR PRIMARY GOAL THE ASSESSMENT OF REGIONAL EDUCATIONAL NEEDS AND, IN CONSULTATION WITH THE COLORADO COMMISSION ON HIGHER EDUCATION, THE ALLOCATION OF RESOURCES FOR THE PURPOSES OF MEETING THOSE NEEDS.

(2) A REGIONAL EDUCATION PROVIDER MAY INCLUDE, AMONG ITS INITIATIVES TO MEET ITS REGIONAL NEEDS, BUT NEED NOT BE LIMITED TO THE FOLLOWING:

(a) EXTENSION OF EXISTING PROGRAMS;

(b) CREATION OF NEW UNDERGRADUATE PROGRAMS;

(c) DEVELOPMENT OF PARTNERSHIPS WITH TWO-YEAR INSTITUTIONS; AND

(d) FACILITATION OF THE DELIVERY OF GRADUATE EDUCATION THROUGH EXISTING GRADUATE INSTITUTIONS.

(3) THE COLORADO COMMISSION ON HIGHER EDUCATION SHALL, IN CONSULTATION WITH THE TRUSTEES OF THE STATE COLLEGES, ESTABLISH THE CRITERIA FOR DESIGNATION AS A REGIONAL EDUCATION PROVIDER.

SECTION 4. 23-1-104, Colorado Revised Statutes, is amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to read:

23-1-104. Financing the system of postsecondary education - repeal. (4) (a) THE GENERAL ASSEMBLY HEREBY FINDS THAT, FOR FISCAL YEARS BEGINNING PRIOR TO JULY 1, 2002, THE ALLOCATION OF APPROPRIATED GENERAL FUND MONEYS AND TUITION REVENUE AMONG THE INSTITUTIONS GOVERNED BY THE TRUSTEES OF THE STATE COLLEGES IN COLORADO HAS BEEN BASED ON A DIFFERENTIAL FUNDING FORMULA ESTABLISHED BY SAID TRUSTEES.

(b) (I) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT, FOR THE FISCAL YEAR BEGINNING JULY 1, 2002, FUNDS FOR METROPOLITAN STATE COLLEGE OF DENVER SHALL BE APPROPRIATED TO THE TRUSTEES OF STATE COLLEGES IN COLORADO, AND ALLOCATED BY SAID TRUSTEES AS DESCRIBED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (b).
(II) Effective July 1, 2002, the Trustees of State Colleges in Colorado shall transfer from the Trustees of the State Colleges in Colorado Fund, created in section 23-50-103.5, to the Board of Trustees for Metropolitan State College of Denver Fund, created in section 23-54-103, the following moneys:

(A) A dollar amount equal to the fiscal year 2001-02 general fund moneys received by Metropolitan State College of Denver pursuant to allocations for fiscal year 2001-02 made by the Trustees of the State Colleges in Colorado, less Metropolitan State College of Denver’s share of fiscal year 2001-02 budget rescissions;

(B) A dollar amount equal to the share of new performance funds received by the Trustees of the State Colleges in Colorado for fiscal year 2002-03 and allocated to Metropolitan State College of Denver pursuant to the state colleges performance funding formula for the fiscal year 2001-02;

(C) A dollar amount equal to Metropolitan State College of Denver’s share of any new full-time equivalent student enrollment funding received by the Trustees of the State Colleges in Colorado for the fiscal year 2002-03, allocated in accordance with the methodology established by the Trustees of the State Colleges in Colorado for the fiscal year 2001-02; and

(D) Forty percent of any unexpended and unencumbered moneys remaining in the fund balance of the Trustees of the State Colleges in Colorado Fund, as of June 30, 2002, other than the earmarked fund balances of the Western Colorado Graduate Center, created in section 23-53-116, and the Office of State Colleges; and

(E) A dollar amount equal to Metropolitan State College of Denver’s percentage share of the statewide indirect cost assessment for fiscal year 2002-03.

(c) The budget allocations for Adams State College of Colorado, Mesa State College, and Western State College of Colorado for the 2002-03 fiscal year shall be used to establish a new average per-student funding figure to be applied by the Trustees of the State Colleges in Colorado.

(d) This subsection (4) is repealed, effective July 1, 2003.

(5) For fiscal years beginning on or after July 1, 2003, budget allocations for:

(a) Metropolitan State College of Denver shall be directly appropriated to the Board of Trustees for Metropolitan State College of Denver; and

(b) Adams State College of Colorado, Mesa State College, and Western State College of Colorado shall be directly appropriated to the Trustees
(6) (a) **On or before July 1, 2002, the Trustees of the State Colleges in Colorado shall conduct a cost study which analyzes the cost of operating a small, four-year college in Alamosa, Grand Junction, and Gunnison, Colorado, recognizing that these smaller institutions do not have the budgetary flexibility that comes from economies of scale or downsizing when enrollment is slow or stagnant and the expenses associated with fleet management and travel and compensation schedules for classified personnel.**

(b) The Commission, in collaboration with the Trustees of the State Colleges, shall utilize the cost study described in paragraph (a) of this subsection (6) to establish a minimum level of funding for Adams State College, Mesa State College, and Western State College of Colorado which lessens the effect of enrollment fluctuations.

(c) For the 2003-04 fiscal year, the General Assembly shall appropriate from the general fund to the Trustees of the State Colleges an amount adequate to fund the minimum level of funding established pursuant to paragraph (b) of this subsection (6). Except as otherwise provided in paragraph (d) of this subsection (6), the minimum level of funding shall serve as the base for future funding of the Trustees of the State Colleges.

(d) The minimum level of funding established pursuant to this subsection (6) shall not apply in any fiscal year in which there is an overall reduction in the level of general fund appropriations for the state-supported institutions of higher education.

**SECTION 5.** 23-1-113.5 (2), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

23-1-113.5. Commission directive - resident admissions. (2) (c) **After one hundred percent of all qualified Colorado applicants have been accepted by Adams State College, Mesa State College, and Western State College of Colorado, the provisions of subsection (1) of this section regarding the fraction of students who are in-state students shall cease to apply to said three colleges.**

**SECTION 6.** 23-50-101 (1) (a), Colorado Revised Statutes, is amended to read:

23-50-101. Governing board for state colleges. (1) (a) Metropolitan State College of Denver, Mesa State College, Western State College of Colorado, and Adams State College of Colorado shall be under the control of a board of nine trustees. The board is hereby declared a body corporate by the name and title of the "trustees of the state colleges in Colorado" and, as such and by its said name, may designate each such institution as a part of the state colleges in Colorado, may hold property for the use of said colleges, may be a party to all suits and contracts, and may do all things thereto lawfully appertaining in like manner as municipal corporations of this state. The trustees and their successors in office shall have perpetual succession, shall have a common seal, and may make bylaws and regulations for the well-ordering and
government of the colleges and their business not repugnant to the constitution and laws of this state.

SECTION 7. Repeal. 23-50-113, Colorado Revised Statutes, is repealed.

SECTION 8. 23-70-102 (1) (b) (II), Colorado Revised Statutes, is amended to read:

23-70-102. Auraria board - membership - terms - oaths - voting. (1) Effective July 1, 1989, there is hereby created a new board of directors of the Auraria higher education center, referred to in this article as the "Auraria board", which shall consist of nine members and two ex officio nonvoting members. The members of the Auraria board shall be chosen in the following manner:

(b) (II) Three members, one appointed by, and from among the members of, each of the following boards: The state board for community colleges and occupational education, the trustees of the state colleges in Colorado, THE BOARD OF TRUSTEES FOR METROPOLITAN STATE COLLEGE OF DENVER, and the regents of the university of Colorado, each such member to serve at the pleasure of the appointing board so long as he or she is a member of the appointing board.

SECTION 9. Effective date. This act shall take effect July 1, 2002.

SECTION 10. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: June 7, 2002