

LEGISLATIVE GUIDE TO COMMUNITY COLLEGES



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I. Introduction.

The purpose of this Legislative Guide is to provide an overview of the community college system in the State of Iowa, including its history, mission, governance structure, and scope. Citations to Iowa law within this memorandum are to the 2003 Iowa Code and 2003 Iowa Code Supplement.

II. Overview.

Given that "Iowa's 15 community colleges provide education and training for over 400,000 Iowans each year," and that "one in seven Iowa residents have received instruction at an Iowa community college," chances are good that a member of almost every Iowa family has attended one of Iowa's 15 community colleges.¹ By accepting "virtually everyone who applies," Iowa's community college system is the most egalitarian of Iowa's postsecondary educational programs.² Iowa residents in FY 2002 made up 94.54 percent of the students enrolling in community colleges for credit.³ In a given year, Iowa's community colleges will serve nearly as many students as Iowa's three regents' universities and its private colleges combined, and enrollment, even with sizeable recent tuition hikes, is growing — as much as 7.5 percent in Fall 2002.⁴

The system provides adult education, vocational and technical, and associate of arts and sciences programs for Iowa's traditional and nontraditional students alike. Community colleges collaborate with Iowa's high schools to provide advanced educational opportunities for Iowa's high school students; reach articulation agreements with postsecondary institutions within and outside of Iowa to provide better access to students; and enter into agreements with local businesses to provide employee training and professional development opportunities.

The national community college movement had its experimental beginnings in Illinois in 1901 and by 1918 Iowa's first community college was established by the Mason City School District. In 1949, the state began providing supplemental state aid to Iowa's community colleges. In 1965, the General Assembly established the diverse, yet reliably familiar system that today covers all of the state's 99 counties and is divided into 15 regions. In that first year of the modern community college system, legal ties to school districts were severed (though community college instructors were still required to maintain teaching licenses), elections for boards of directors were provided for, and those boards were given the same powers as school boards. Community colleges have the legal status of school corporations and may determine tuition rates, issue bonds, and levy taxes.

Though each of Iowa's community colleges has established its own mission statement, the universal mission for the system can be found in the policy statement in section 260C.1 of the Iowa Code, which directs community colleges to offer, to the greatest extent possible, the following: educational opportunities and services for the first two years of

¹ *Iowa's Community Colleges Unite for Workforce and Business Training: New Corporate Training Institute will Provide Skill-Building in "Seamless Manner,"* Des Moines Area Community College, January 30, 2002, <http://www.dmacc.cc.ia.us/news/013002news.htm>.

² *Condition of Iowa Community Colleges: 2002*, Iowa Department of Education, Bureau of Community Colleges, February 6, 2003, p. vii.

³ *Id.* at 7.

⁴ *Id.* at 1 and 21.



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college work; vocational and technical training; programs for in-service training and retraining of workers; programs for high school completion; vocational and technical training for those still enrolled in high school as well as those who never completed high school; advanced college placement courses if such courses are not taught at a high school student's high school; student personnel services, community services; vocational education for persons who have disabilities which prevent succeeding in regular vocational education programs; training and retraining for productive employment of all citizens; and developmental education for persons who are academically or personally underprepared to succeed in their program of study.

Given this mission, community colleges provide a stable core of opportunities, yet must be responsive to the changing nature of local, technological, and global communities. It would be easier to list what community colleges are not involved in than what educational and economic development services and programs they offer. A number of community colleges have articulation agreements with other colleges and universities within and outside of the state; have contracts and agreements with small and large businesses for assessments and educational services, and are working with schools, colleges and universities to provide the state with a seamless prekindergarten through grade 16 (P-16) educational system.



Quick Facts:

Community Colleges	2001	2002
Number	15	15
Counties served	99	99
Credit Students	2000-01	2001-02
Total enrollment (unduplicated)	98,602	105,719
% female	57.13	57.32
Average age	25	25
% Iowa residents	94.1	94.5
% who stay in Iowa		84
Total Credit Student Awards	12,131	12,764
Associate of Arts	3,809	3,916
Associate of Science	940	936
Associate of General Studies	33	53
Associate of Applied Arts	82	64
Associate of Applied Science	3,511	3,832
Diploma	2,779	2,891
Certificate	912	982
Other	65	90
Noncredit Students	2000-01	2001-02
Total enrollment (unduplicated)	347,578	331,948
Total contact hours	12,022,353	11,660,434
Adult Basic Education/Literacy (ABE) students	11,792	11,255
English-as-a-Second-Language (ESL) students	NA	4,997
Adult Secondary Education (ASE) students	NA	3,115
Residency	2000-01	2001-02
Iowa	93,211	100,314
Non-Iowa	3,944	4,101
Foreign	1,873	1,696
Staff	2000-01	2001-02
Total instructional staff	6,814	7,096
Tuition	2001-02	2002-03
Average annual full-time resident	\$2,162	\$2,378
Average resident tuition per credit hour	\$72.05	\$79.27
Average annual full-time fees	\$260.52	\$264.53 ⁵

III. History and Mission.

A. Overview.

The nation's first community college, Joliet Junior College of Joliet, Illinois, was established in 1901 as an experimental program designed to permit students to remain in their community while earning their college degrees.⁶ The experiment was validated in 1917, when the North Central Association of Colleges and Schools accredited the college.⁷ Iowa's first community college, Mason City Junior College, was established in 1918 by the

⁵ Id. at 7.

⁶ *Significant Historical Events in the Development of the Public Community College*, American Association of Community Colleges (AACC), <http://www.aacc.nche.edu/allaboutcc/historicevents.htm> (2001).

⁷ *History of Joliet Junior College*, Joliet Junior College. <http://www.jjc.edu/admin/history.html>, modified Monday, July 22, 2002.



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Mason City School District.⁸ By 1919, it too was accredited by the North Central Association of Colleges and Schools.⁹ Over the next 35 years, Iowa's school districts would establish 34 more public junior colleges.¹⁰

B. State Aid.

The Iowa General Assembly in 1949 established the precedent of providing state aid to community colleges "by approving the payment of 25 cents per day of attendance for each student enrolled for 12 or more hours."¹¹ By 1965, the number of colleges operated by school districts had dwindled to 16. The Iowa junior colleges offered liberal arts programs, with few offering occupational programs until 1958, when Congress passed Title VIII of the National Defense Education Act, making "federal funds available to states on a matching basis to develop area vocational programs."¹²

C. Statewide System.

In 1965, the Iowa General Assembly enacted Senate File 550, which established the parameters for a statewide system of merged area vocational schools and merged area community colleges. The Iowa Code defines "merged area" as "an area where two or more school systems or parts of school systems merge resources to operate a community college...."¹³ Each community college "serves a multi-county merged area which may vary in size from four to twelve counties; all of Iowa's 99 counties are included in one of these merged areas. Senate File 550 provided for the conversion of school district-owned and district-operated community or junior colleges to area vocational schools or area community colleges; required that school districts be compensated for the schools or colleges being converted; provided for the election and organization of a board of directors for each merged area and gave the boards the same powers held by school boards, including the authority to issue bonds and to designate the amounts to be raised by local taxation; permitted the boards to receive and expend federal funds, state aid, tuition, and nonpublic funds and to acquire sites and erect and equip buildings; and required the State Board of Public Instruction and the State Board of Regents to establish standards for the merged area schools."¹⁴ Currently, 15 area community colleges exist in the state to provide liberal arts (or college parallel), vocational and technical, and basic adult education programs.

D. Mission.

The terms "junior college" and "area community college" are used interchangeably in this Guide. The term junior college sparked a debate in the 1920s and 1930s that continues into the 21st century — is a community college, or junior college, an extension of

⁸ *Overview History of Iowa's Community Colleges*, Bureau of Community Colleges, Iowa Department of Education, August 19, 1998, p. 1.

⁹ *Significant Historical Events in the Development of the Public Community College*, American Association of Community Colleges (AACC), <http://www.aacc.nche.edu/allaboutcc/historicevents.htm>.

¹⁰ Id.

¹¹ *Overview History of Iowa's Community Colleges*, Bureau of Community Colleges, Iowa Department of Education, August 19, 1998, p. 1.

¹² Id.

¹³ Iowa Code § 260C.2.

¹⁴ 1995 Iowa Acts ch. 247, pp. 386-397.

the secondary school system or is it an institution of higher learning, a university affiliate?¹⁵ A corresponding debate enduring for nearly as long is whether the focus of a community college should be on industrial and vocational arts or liberal arts. Iowa's community colleges attempt to serve both needs.

While states and private interests supported universities, states and school districts supported junior colleges. Since 1925, the mission of junior colleges has been to "develop a ... curriculum suited to the larger and ever-changing civic, social, religious, and vocational needs of the entire community in which the college is located."¹⁶ By the late 1940s the term "community college" made its appearance and by the 1970s it was the most common term used to describe public two-year postsecondary institutions.¹⁷

During the 1990s education leaders identified a need to promote a vision of education as an ongoing, lifelong process, and to suggest that citizens consider support for a seamless educational system that provides individuals with public-funded prekindergarten through grade 16 (P-16) instructional services. High school students are making greater use of postsecondary enrollment options to gain both high school and college credit for the same coursework,¹⁸ with the school district paying a portion of the students' postsecondary enrollment costs if the district does not offer a comparable course.¹⁹ The state universities, community colleges, and accredited private institutions are eligible institutions under the Postsecondary Enrollment Options Act, but in 2000-2001, 83 percent of the juniors and seniors taking postsecondary enrollment options courses took the courses at community colleges.²⁰

More collaborative efforts are likely between community colleges and regional academies established by multiple school districts. In 2002, the Iowa General Assembly began offering supplemental weighting for students attending regional academies, which are required to provide advanced-level courses, and may offer vocational-technical programs, to students in grades 7 through 12.²¹ Community colleges are in a position to assist school districts in these efforts.

E. One Source Training.

One Source Training is a new collaborative effort initiated by Iowa's community colleges that fits well within the community college system's mission. Businesses, agencies, industry groups, and unions wishing training assistance consult with a One Source representative who develops a training plan tailored to the needs of the particular entity and arranges for the training throughout the state. The training is provided by certified instructors when and where it is convenient to the entity — before work, during lunch, in the evening, or on weekends; on-site or at a community college facility. The

¹⁵ Brawer, Florence B., and Cohen, Arthur M. *The American Community College*, 1989, p. 8.

¹⁶ Id. at 4–5.

¹⁷ Id. at 4 F; AACC (www.aacc.nche.edu/Content/NavigationMenu/AboutCommunityColleges/HistoricalInformation/SignificantEvents/SignificantEvents.htm).

¹⁸ Iowa Department of Education. *Postsecondary Enrollment Options*, November 2001, *The Annual Condition of Education*, p. 194.

¹⁹ Iowa Code § 261C.4.

²⁰ Iowa Department of Education. *Postsecondary Enrollment Options*, November 2001, *The Annual Condition of Education*, p. 196.

²¹ Iowa Code § 257.11.



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program began with each community college submitting an equal amount of funding to start the program, with the intent that the program quickly become self-sufficient.²²

IV. Iowa Statutory Provisions.

A. Governance.

1. Governing Board.

Per statute, a community college governing board is a board of directors composed of one member elected by the voters of each director district in the area served by the community college. Boards can change the number of members, sometimes referred to as "trustees," but the number cannot be less than five or more than nine. Members serve three-year terms and must be residents of the district from which they are elected. A school board member or member of an area education agency board cannot serve as a trustee.²³ Members of the board are allowed their actual expenses incurred in the performance of their duties and may be eligible to receive per diem compensation.²⁴

2. Board of Directors – Authority.

Code section 260C.14 confers authority and places certain responsibilities on the board of directors of each community college, including determining curriculum, establishing tuition rates, entering into contracts, adopting rules, approving budgets and expenditures, and performing many other policy and administrative functions. By statute, the board of directors of each community college shall:

- **Curriculum.** Determine the curriculum to be offered subject to approval of the Director of the Department of Education; ensure that all vocational offerings are competency-based and provide any minimum competencies required by the department, comply with state law, and are articulated with local school district vocational education programs; and ascertain that all courses and programs are needed and do not duplicate programs provided by existing public or private facilities in the area.
- **Tuition.** Determine tuition rates.
- **General Powers.** Have the powers and duties with respect to community colleges prescribed by law for boards of directors of local school districts, except that the board is not required to prohibit the use of tobacco, alcoholic liquor, or beer by any student of legal age. However, Code section 260C.40 requires that each community college adopt a policy that prohibits unlawful possession, use, or distribution of controlled substances by students and employees on property owned or leased by the community college or in conjunction with sponsored activities.

²² One Source Training brochure and October 31, 2003, telephone conversation with Dr. R. Gene Gardner, Executive Director, Iowa Association of Community College Trustees.

²³ Iowa Code § 260C.11.

²⁴ Iowa Code § 260C.12.



- **Contracts — Operations.** Have the power to enter into contracts and take other necessary action to ensure a sufficient curriculum and efficient operation and management of the college and maintain and protect the physical plant, equipment, and other property of the college.
- **Policies.** Establish policy and make rules, not inconsistent with law and administrative rules, regulations, and policies of the State Board of Education, for its own government and that of the administrative, teaching, and other personnel, and the students of the college, and aid in the enforcement of such laws, rules, and regulations.
- **Traffic and Parking.** Make necessary rules to provide for the policing, control, and regulation of traffic and parking of vehicles and bicycles on the property of the community college. Penalties may be imposed for violation of the rules.
- **Credit Cards.** Be authorized to issue school credit cards to employees of community colleges to use for payment of authorized expenditures incurred in the performance of work-related duties.
- **Financial Statement.** Publish annually in at least one area newspaper a summarized statement showing the receipts and disbursements of all funds of the community college for the preceding fiscal year.
- **Faculty Competence.** Maintain policies related to oral communication competence of instructors and teaching proficiency and evaluation of teaching assistants.
- **Sexual Abuse Policy — Reporting.** Develop, implement, and disseminate a written policy addressing sexual abuse issues, including counseling, campus security, prevention, protection, and the rights and duties of students and employees of the community college. Facilitate the accurate and prompt reporting of sexual abuse to duly constituted law enforcement authorities.
- **State Reporting.** Provide, within a reasonable time, information as requested by the departments of Management and Education.²⁵
- **Military Service.** Adopt a policy to offer options to receive a refund for, or withdraw from or receive an incomplete for, a course to members of the National Guard or military reserves who are called to active state or federal duty.
- **Use of Funding.** Receive and expend federal funds made available, administered by, and subject to the approval of the director; tuition; state aid; and donations and gifts accepted by the governing board and expended in accordance with the terms of the gift without compliance with the local budget law; and student fees. However, any increase or expenditure of funds collected from students for activities are determined by the student government unit with administrative and board approval.²⁶

²⁵ Iowa Code § 260C.14.

²⁶ Iowa Code § 260C.18.



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The board of directors of a community college may, by statute, do the following:

- **Audits.** Audit and allow all just claims against the community college.²⁷
- **Student Residences.** Undertake and carry out any project at a community college under the board's control and to operate, control, maintain, and manage student residence halls and dormitories. Proceeds from the rent of the facilities are to be set at a rate that will allow the board to insure the payment of the principal of and interest on all bonds or notes issued to pay for the cost of the facilities and to insure that no property tax revenues will be needed to retire the debt.²⁸
- **Capital Projects.** Acquire sites and erect and equip buildings for use by community colleges and contract indebtedness and issue bonds to raise funds for such purposes.²⁹
- **Additional Income.** Expend profits from auxiliary enterprises of community colleges for services and equipment, including tutoring services, scholarships, grants, furniture, fixtures and equipment for noninstructional student use, and support of intramural and intercollegiate athletics.³⁰
- **Leases.** Enter into lease agreements, with or without purchase options, not to exceed 20 years in duration, for the leasing or rental of buildings for use basically as classrooms, laboratories, shops, libraries, and study halls for community college purposes, and pay for the leasing or rental with revenues, or other funds available to the community college such as federal and state funds, donations, and student tuition and fees.³¹
- **Apprentice Programs.** Voluntarily establish or contract for the establishment of apprenticeship programs for apprenticeable occupations, though any apprenticeship program established must comply with requirements established by the U.S. Department of Labor, Bureau of Apprenticeship and Training.³²

3. Director Districts.

The board may make and adopt changes in the boundaries of the director districts within the community college's area. The board is required to redraw boundary lines after each decennial census to compensate for changes in population.

When the board redraws boundaries, certain standards must be followed, including the following: All boundaries must follow precinct boundaries or school director district boundaries unless a boundary would divide one or more election precincts and, to the extent possible, all districts must be as nearly equal as practicable to the ideal population for the districts as determined by dividing the number of districts to be established into the population of the merged area, and cities

²⁷ Iowa Code §§ 260C.42 and 260C.43.

²⁸ Iowa Code § 260C.57.

²⁹ Iowa Code § 260C.19.

³⁰ Iowa Code § 260C.31.

³¹ Iowa Code § 260C.38.

³² Iowa Code § 260C.44.



cannot be divided into two or more districts unless the population of the city is greater than the ideal size of a district.³³ The boundary lines of a community college may divide a school district.³⁴ Current boundaries and the names and addresses of the community colleges are as attached in the appendix.

4. Conduct of Elections.

Board member candidates are nominated by petition. A petition must be signed by not less than 50 eligible electors of the director district from which the member is to be elected. Regular annual elections for the election of members of the board of directors, for the renewal of the facilities or cash reserve levies, or for any other matter authorized by law and designated for election by the board of directors shall be held on the date of the school election, which is the second Tuesday in September.³⁵

5. Combining Merged Areas.

Any community college may combine with any adjacent community college after a favorable vote by the electors of each of the merged areas involved.³⁶

6. Legal Status.

A community college formed under Iowa law is a body politic as a school corporation for the purpose of exercising powers granted under Code chapter 260C, and as such may sue and be sued, hold property, and exercise all the powers granted by law and such other powers as are incident to public corporations of like character and are not inconsistent with the laws of the state.³⁷

7. Community College Budget Review.

Code section 260C.18B establishes a community college budget review procedure to be administered by the School Budget Review Committee. The committee consists of the directors of the departments of Education and Management and three members knowledgeable in the areas of Iowa school finance or public finance issues.³⁸ The committee is directed to meet and hold hearings each year to review the unusual circumstances of community colleges, either upon the committee's motion or upon the request of a community college. The section specifies the circumstances which qualify as "unusual," such as abnormal enrollment increases or decreases. The committee may grant supplemental state aid to the community college from funds appropriated to the Department of Education for community college budget review purposes.³⁹

Failure by a community college to provide information to or appear before the committee as requested for a review or hearing constitutes justification for the

³³ Iowa Code § 260C.13(3).

³⁴ Iowa Code § 260C.16 (unnumbered paragraph 2).

³⁵ Iowa Code § 260C.15.

³⁶ Iowa Code § 260C.39.

³⁷ Iowa Code § 260C.16.

³⁸ Iowa Code § 257.30.

³⁹ Iowa Code § 260C.18B(1).



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committee to instruct the Department of Revenue to withhold supplemental state aid to that community college until the committee's inquiries are satisfied completely.⁴⁰

8. State Agency Oversight — Accreditation.

In 1997, the Department of Education established, as directed by the Iowa General Assembly, an accreditation process for community colleges.⁴¹ The process, jointly developed and agreed upon by the department and the community colleges, is required to be integrated with the accreditation process of the North Central Association of Colleges and Schools (NCACS), including the evaluation cycle, the self-study process, and the criteria for evaluation, which incorporate the standards for community colleges developed by the State Board of Education in accordance with Code section 260C.48. However, commencing July 1, 2006, standards relating to quality assurance of faculty and ongoing quality professional development must be the accreditation standards of the NCACS and the faculty standards required under specific programs offered by the community college that are accredited by other accrediting agencies.⁴²

The law requires the department to use a two-component process for the continued accreditation of community college programs. The first component consists of submission of required data by the community colleges and annual monitoring by the department for compliance with state program evaluation requirements adopted by the state board. The second component consists of the use of an accreditation team appointed by the director of the department, to conduct an evaluation, including an on-site visit of each community college, with a comprehensive evaluation to occur during the same year as the evaluation by the North Central Association of Colleges and Schools, and an interim evaluation midway between comprehensive evaluations.

If the state board determines that a program does not meet accreditation standards, the director, in cooperation with the community college board and subject to the approval of the state board, must establish a plan prescribing procedures to correct the deficiencies in meeting the program standards, and establish a deadline date for correction of the deficiencies.

The accreditation team must revisit the community college, determine whether the deficiencies in the standards for the program have been corrected, and make a report and recommendation to the director and the state board. If the deficiencies have not been corrected, the community college board must take one of the following actions within 60 days from removal of accreditation:

- Merge the deficient program or programs with a program or programs from another accredited community college.
- Contract with another educational institution for purposes of program delivery at the community college.
- Discontinue the program or programs which have been identified as deficient.

⁴⁰ Iowa Code § 260C.18B(4).

⁴¹ Iowa Code § 260C.47.

⁴² Iowa Code § 260C.48.



The director must give a community college that has a program which fails to meet accreditation standards at least one year's notice prior to removal of accreditation. If, during the year, the community college remedies the situation and satisfies the director that the community college will comply with the accreditation standards for that program in the future, the director must continue the accreditation of the program of the community college. Action by the director to remove a community college's accreditation of a program may be appealed to the state board.⁴³

Since the establishment of this accreditation system and to date, accreditation teams have submitted reports noting certain deficiencies at a few individual community colleges, but the community colleges have used the reports to rectify their deficiencies, making the next step, determination by the state board that a program does not meet accreditation standards, unnecessary.

9. Development of Faculty Potential.

The Iowa Code requires each community college's administration to encourage the continued development of faculty potential by regularly stimulating community college department chairpersons or heads to meet their responsibilities for the development of faculty potential, reduce instructional loads for first-year instructors, stimulate curricular evaluation, and encourage an atmosphere in which the faculty brings a wide range of ideas and experiences to students, each other, and the community.⁴⁴

10. Faculty Licensure.

In past years Iowa was the only state that required its full-time community college instructors to be licensed by a state licensing board — the Board of Educational Examiners (BOEE). The licensure requirement can be traced to the time when school districts operating junior colleges often employed the junior college faculty to teach at the local high school as well.⁴⁵ The General Assembly, in 2002, enacted House File 2394, which eliminated licensure of community college faculty by the BOEE effective July 1, 2003.

However, the 2002 Act required each community college administration to appoint a committee to develop a quality faculty plan, which must be submitted to and approved by each board of directors, then submitted to the Department of Education and implemented by July 1, 2003. The Act requires the department to conduct on-site visits at community colleges between July 1, 2003, and June 30, 2006, to ensure that each community college is making progress in implementing its plan. The Act provides for minimum standards for faculty and professional development. Beginning July 1, 2006, the department's accreditation team must monitor the implementation of each community college's quality faculty plan.

⁴³ Iowa Code § 260C.47.

⁴⁴ Iowa Code § 260C.36.

⁴⁵ *Overview History of Iowa's Community Colleges*, Bureau of Community Colleges, Iowa Department of Education, August 19, 1998, p. 1.



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B. Finance.

1. Preparation and Approval of Budget — Operations Levy.

The board of directors of each community college is required to prepare an annual budget designating the proposed expenditures for operation of the community college, and to designate the amounts to be raised by local taxation and through other sources of revenue for the community college's operation. The budget must be submitted to the State Board of Education for approval no later than May 1 preceding the next fiscal year. The state board reviews the proposed budget and can either grant its approval or return the unapproved budget with its comments attached. Any unapproved budget must be resubmitted to the state board for final approval.

Upon approval of the budget by the state board, the board of directors must certify the amount to the respective county auditors and the counties annually shall levy a tax of not more than 20.25 cents per \$1,000 of assessed value on taxable property in a community college's merged area for the operation of the community college.⁴⁶

2. Election to Incur Indebtedness.

Indebtedness shall not be incurred to acquire sites and erect and equip buildings for use by community colleges unless authorized by an election and approval by 60 percent of the voters voting on the proposition.⁴⁷

3. Facilities Levy.

In addition to the tax authorized for community college operations, the voters may at the annual school election approve a tax not exceeding 20.25 cents per \$1,000 of assessed value in any one year for a period not to exceed 10 years for the purchase of grounds, construction of buildings, payment of debts contracted for the construction of buildings, purchase of buildings and equipment for buildings, the acquisition of libraries, for paying utilities costs, and for maintaining, remodeling, improving, or expanding the community college. To make revenues resulting from this facilities levy immediately available, the board may borrow money and enter into loan agreements in anticipation of the collection of the tax, and must, by resolution, provide for the levy of an annual tax, within the limits of the special voted tax authorized, sufficient to pay the principal and interest of the loan, which must mature within the number of years for which the tax has been voted.⁴⁸

4. Tax for Equipment Replacement and Program Sharing.

The board of directors may annually certify for levy a tax on taxable property in the community college's (merged) area at a rate not exceeding 3 cents per \$1,000 of assessed valuation for equipment replacement.

However, the board may exceed this amount if the excess tax levied does not cause the total rate certified to exceed a rate of 9 cents per \$1,000 of assessed valuation, and the excess revenue generated is used for purposes of program sharing

⁴⁶ Iowa Code § 260C.17.

⁴⁷ Iowa Code § 260C.21.

⁴⁸ Iowa Code § 260C.22.



between community colleges or for the purchase of instructional equipment. To certify for the excess amount, the board must submit the question to the voters at a regular or special election. Authorization requires the approval of a simple majority of those voting on the question at the election. If authorized, the board may certify a levy for the excess amount during each of the 10 years following the election. If the election measure fails, the board cannot submit the question to the voters again until 355 days have elapsed from the election. Prior to expenditure of the excess revenues generated, the board must obtain the approval of the Director of the Department of Education.⁴⁹

5. Levy Fund Use Limitations.

Revenues resulting from community college levies cannot be used for the construction or maintenance of athletic buildings or grounds, but may be used for residence hall or dormitory projects.⁵⁰

⁴⁹ Iowa Code § 260C.28.

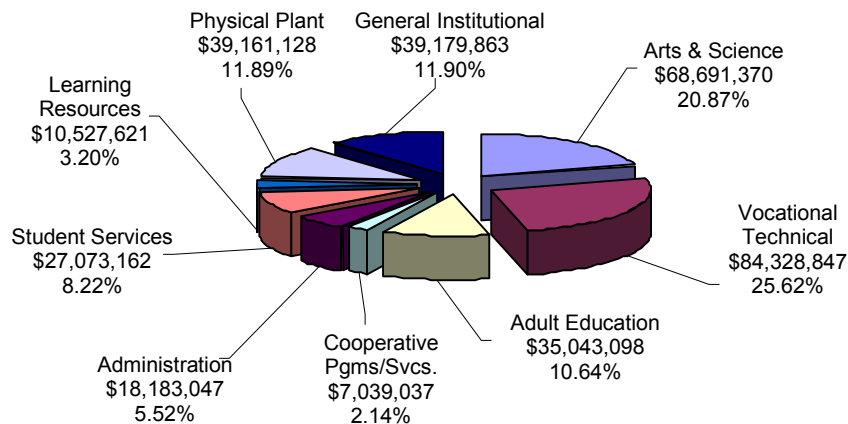
⁵⁰ Iowa Code § 260C.34.



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6. Quick Facts:

Iowa Community College Expenditures by Function Unrestricted General Operating Fund Fiscal Year 2002⁵¹



Education Funding for Iowa Students in FY 2003⁵²

	Note	Iowa Pupils	Property Tax	Property Tax Per Pupil	State Funding	State Funding Per Pupil	Total Funding Per Pupil
K-12							
Public Schools	1	489,523	\$1,017,313,968	\$2,078	\$1,783,962,243	\$3,644	\$5,722
School for the Deaf	2	122			\$7,698,218	\$63,100	\$63,100
Iowa Braille and Sight Saving School	2	39			\$4,314,658	\$110,632	\$110,632
Higher Education							
Community Colleges	3	69,564	19,164,847	\$275	\$138,585,680	\$1,992	\$2,268
State Universities	4	51,481			\$505,334,219	\$9,816	\$9,816
Private Colleges	5	15,912			\$46,117,964	\$2,898	\$2,898

Numbers may not total due to rounding.

Notes:

- 1 Includes only property tax generated by the school aid formula and included in combined district cost.
State funding includes General Fund, Economic Emergency Fund, and wagering tax revenue monies.
- 2 Enrollment includes all full-time campus students (Iowa residents and nonresidents).
- 3 Property tax for community colleges includes only the estimated proceeds from the 20.25 cent operating levy.
- 4 Includes Board of Regents office operation, tuition replacement, and general university line-items. (Does not include research, hospitals, or other line-items).
Tuition replacement and salary adjustment were provided from other state funds, not the General Fund.
- 5 Pupils include recipients of tuition grants as reported by the College Student Aid Commission.
Enrollment numbers at state universities and community colleges are total Iowa degree credit students (headcount) from a report prepared by the Registrar at the University of Iowa for the Iowa Coordinating Council on Post-High School Education.

⁵¹ Iowa Community Colleges Fiscal Year 2002, Year End Report Summary, Iowa Department of Education, January 2003, p. 7.

⁵² Legislative Services Agency, Fiscal Services Division,
http://staffweb.legis.state.ia.us/lfb/subcom/ed_sub/docs_reports/per_pupil_03_final.pdf.



C. State Program and Operating Requirements.

1. Workforce Training and Economic Development Fund.

In 2003, the General Assembly passed House File 683, creating a Workforce Training and Economic Development Fund for each community college. The Act appropriates moneys from the Grow Iowa Values Fund to the Department of Economic Development (IDED) for each year of a three-year fiscal period beginning July 1, 2003, for deposit in the fund, to be used for job retention projects. However, the Act requires that 70 percent of the moneys be used on projects in the areas of advanced manufacturing, information technology and insurance, and life sciences which include the areas of biotechnology, health care technology, and nursing care technology. Projects implemented under the Iowa Industrial New Jobs Training and the Iowa Jobs Training Acts are eligible for funding. Moneys may also be used for the development and implementation of career academies designed to provide new career preparation opportunities for high school students that are formally linked with postsecondary career and technical education programs, and for programs and courses that provide vocational and technical training and in-service training and retraining.⁵³

2. Iowa Industrial New Jobs Training Act.

This Act, enacted in 1983, establishes a program coordinated by IDED in consultation with the Department of Education. Rules adopted by the IDED are to be used by a community college in developing projects with new and expanding industrial new jobs training proposals. Under the program, a community college may enter into an agreement with a business to establish a project.⁵⁴ Costs of the project may be paid from one or a combination of the following sources:

- Incremental property taxes to be received or derived from an employer's business property where new jobs are created as a result of the project.
- New jobs credit from withholding to be received or derived from new employment resulting from the project.
- Tuition, student fees, or special charges fixed by the board of directors to defray program costs in whole or in part.
- Guarantee of payments to be received under the above.⁵⁵

3. Iowa Jobs Training Act.

This Act, enacted in 1985, directs the IDED, in consultation with the Department of Education and the Department of Workforce Development, to coordinate the Jobs Training Program.⁵⁶ Under the Act, the IDED and the community colleges are authorized to fund business network training projects, high-technology apprenticeship programs, and entrepreneur development and support activities. A business network

⁵³ Iowa Code Supplement § 260C.18A.

⁵⁴ Iowa Code § 260E.3.

⁵⁵ Iowa Code § 260E.3.

⁵⁶ Iowa Code § 260F.7.



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training project must include five or more businesses and be located in two or more community college districts.⁵⁷

Also in House File 683 were provisions creating a Job Retention Program to allow a community college and the IDED to enter into a job retention agreement for projects designed to train employees in return for a commitment by the participating employer to not move business operations outside the state for a period of at least 10 years. Each community college that enters into such an agreement must submit a written report to the Grow Iowa Values Board providing information regarding how the agreement affects the achievement of goals and performance measures specified in Code section 15G.106.⁵⁸

4. Accelerated Career Education Program Act.

The Accelerated Career Education Program Act (ACE), enacted in 1999, permits an ACE program to be developed by an employer, a community college, and any employee of an employer who represents a program job and, if a bargaining agreement is in place, a representative of the employee bargaining unit. Community college programs that are eligible for designation and approval as an ACE program include credit career, credit equivalent career, vocational, or technical educational programs that result in a certificate, diploma, associate of science degree, or associate of applied science degree or consists of not less than 540 contact hours of classroom and laboratory instruction that results in the conferring of a certificate or other recognized competency-based credential.

Any agreement entered into by a community college must specify the funding sources that will be used to pay for the program costs, which may include program job credits from withholding, cash or in-kind contributions by the employer, and tuition, fees, or special charges fixed by the community college. The employer must agree to interview graduating participants in the program and provide future hiring preferences. If an employer has more than four sponsored participants in the program, the employer must agree to offer a program job position to at least 25 percent of those participants who successfully complete the program. The Act requires an agreement to provide for a wage level of no less than 200 percent of the federal poverty level for a family of two.

The employer and community college must certify to the Department of Revenue that the program job credits from withholding are in accordance with the program agreement. The Department of Economic Development administers the statewide allocation of program job credits, collects data related to the programs, and submits an annual report detailing program activities to the Governor and the General Assembly.⁵⁹

5. Alternative Fuels Requirement.

All motor vehicles purchased by or used under the direction of the board of directors to provide services to a community college are required to operate on gasoline blended with at least 10 percent ethanol. In addition, 10 percent of all new

⁵⁷ Iowa Code §§ 260F.6, 260F.6A, and 260F.6B.

⁵⁸ Iowa Code Supplement §§ 260F.9 and 260F.10.

⁵⁹ Iowa Code ch. 260G.

passenger vehicles and light pickup trucks must be equipped with engines which utilize alternative methods of propulsion. These provisions do not apply to vehicles and trucks purchased and directly used for law enforcement or off-road maintenance work.⁶⁰

6. Bio-Based Hydraulic Fluids Requirement.

Hydraulic fluids, greases, and other industrial lubricants purchased by or used under the direction of the board of directors to provide services to a merged area must be purchased in compliance with preference requirements for purchasing bio-based hydraulic fluids, greases, and other industrial lubricants as provided in the Iowa Code.⁶¹

7. Limitation on Land Purchase.

A community college shall not purchase land that increases the aggregate of land it owns, excluding land acquired by donation or gift, to more than 320 acres without the approval of the Director of the Department of Education. With the approval of the director, the board of directors may at any time sell any land in excess of 160 acres, and an election is not necessary in connection with the sale.⁶²

V. Legislative Studies and Responses.

A. 1989 Peat Marwick Report.

The Steering Committee of the Iowa Postsecondary Education Study Committee commissioned Peat Marwick Main and Company to submit a final report to the committee regarding overarching public policy issues facing postsecondary education in the State of Iowa.

B. 1989 Legislative Task Force and General Assembly Response.

1. Overview.

According to the Final Report of the Legislative Higher Education Task Force, it was suggested that a separate board be created to "govern community colleges within the Department of Education."⁶³ The report recommended increasing the State Board of Education's resources "to enable its members to better carry out their extensive duties, particularly with respect to the governance of community colleges."⁶⁴

The report further recommended that the Department of Education "make initial and subsequent periodic evaluation of each community college to: ensure the presence of a common minimal range of educational offerings in each; continually review the number of administrative units and recommend changes to reflect

⁶⁰ Iowa Code § 260C.19A.

⁶¹ Iowa Code § 260C.19B.

⁶² Iowa Code § 260C.35.

⁶³ *Issue Review: Community College Funding*, Legislative Fiscal Bureau, September 25, 2001.

⁶⁴ *Overarching Public Policy Issues Facing Postsecondary Education in the State of Iowa: A Final Report*, by Peat Marwick. Submitted to the Members of the Steering Committee, Iowa Postsecondary Education Study, January 1989 (iii-1).



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demographic changes and service needs, including, if appropriate, the realignment of borders based on providing complete and consistent services for the areas served."⁶⁵

2. General Assembly Response to Task Force Recommendations.

In the 1990 Legislative Session, immediately following publication of the task force's report, the General Assembly passed 1990 Iowa Acts, chapter 1253 (S.F. 2410), an Act which responded to many of the task force's concerns and recommendations, including the following:

- **Coordination Between Secondary and Postsecondary Institutions.** The Act required the Director of the Department of Education to explore the need for coordination between school districts, area education agencies, regents institutions, and community colleges for purposes of delivery of courses, use of telecommunications, transportation, and possibly for purposes of coordination of calendars, programs, schedules, or telecommunications emissions.⁶⁶
- **Quality Instructional Centers.** The Act established a Quality Instructional Centers Program for community colleges to promote the creation or enhancement of high-quality, unique, high-cost, capital-intensive, or highly specialized vocational-technical and occupational programs, which cannot be practically or economically offered at more than a few community colleges. However, the program has not been funded.⁶⁷
- **Program and Administrative Sharing.** The Act directed the Department of Education to establish guidelines and an approval process for program sharing agreements and for administrative sharing agreements entered into by two or more community colleges or by a community college and a higher education institution under the control of the State Board of Regents.⁶⁸
Community College Council. The Act also provided for the establishment of the Community College Council to assist the State Board of Education with substantial issues which are directly related to the community college system.⁶⁹
- **State Board for Community Colleges.** The Act created a State Board for Community Colleges, but provided that the State Board of Education constitutes the State Board for Community Colleges. The Act set out the duties of the new state board, including that the board adopt and establish policies for programs and services of the Department of Education which relate to community colleges, prescribe standards and procedures for the approval of practitioner preparation programs and professional development

⁶⁵ Id. at 3.

⁶⁶ Iowa Code § 256.9(41).

⁶⁷ Iowa Code § 260C.45.

⁶⁸ Iowa Code § 260C.46.

⁶⁹ Iowa Code § 256.31.

programs, and review and make recommendations that relate to community colleges in the five-year plan for the achievement of educational goals.⁷⁰

- **Higher Education Strategic Planning Council.** The 1990 Act established a Higher Education Strategic Planning Council to develop strategic plans for the advancement of higher education institutions in Iowa, but the provision was repealed effective July 1, 1995.

C. 1995 Collaborative Effort.

The mission of the Academic Incentives for Minorities Program (originally the "Career Opportunity Program"), created in 1995, is to encourage collaborative efforts by community colleges, regents institutions, and business and industry to enhance educational opportunities and provide for job creation and career advancement for Iowa's minorities by providing assistance to minorities who major in fields or subject areas where minorities are currently underrepresented or underutilized. The program, created in 1995, was administered by the Des Moines Area Community College, but is currently unfunded.⁷¹

D. 1999 Community College Governance System Study Committee and General Assembly Response.

The Legislative Council in 1999 established the Community College Governance System Study Committee and charged it with identifying and studying options for restructuring the community college governance system.⁷² The committee heard testimony warning that the community college system was facing increasing financial concerns — that most increases in community college revenue resulted from tuition increases and that enrollment was increasing faster than at four-year regents institutions — situations that continued in 2003.

1. Committee Recommendations. The committee recommended that the General Assembly do the following:

a. Community College Council. Direct the Community College Council to develop a statewide strategic plan for Iowa's community colleges.

b. Department of Education. Direct the Department of Education to do the following:

i. Provide a comparison of the data collected by the Basic Educational Data Survey for K-12 schools to the data being collected by the management information system for community colleges to the chairpersons and ranking members of the Joint Appropriations Subcommittee on Education by January 15, 2000.

ii. Submit an update on the progress toward implementation of the management information system to the chairpersons and ranking members of the

⁷⁰ Iowa Code § 260C.4.

⁷¹ Iowa Code § 260C.29.

⁷² <http://www.legis.state.ia.us/GA/78GA/Interim/1999/comminfo/ccollege.htm>.



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House and Senate standing Education Committees and the Joint Appropriations Subcommittee on Education by January 15, 2000.

iii. Provide, from the most recent fiscal year, data collected by the management information service to the House and Senate standing Education Committees and the Joint Appropriations Subcommittee on Education by December 1 of each year.

iv. Set data criteria uniformly for submission by the community colleges via the management information system.

v. Develop and implement a certified annual report to be submitted by the community colleges. The data shall be submitted in a uniform and consistent manner and by a specific date.

vi. Reconcile, with the assistance of the community colleges, audited financial statements with the financial data submitted to the department. The data shall be broken down by fund.

c. **K-16 Incentives.** Consider offering incentives to K-16 institutions to encourage the institutions to partner in order to share the costs of providing vocational-technical programs.

d. **Deadlines.** Push statutory budgetary deadlines for community colleges back to a date that follows the final decision making of the General Assembly's appropriations process.

2. General Assembly Response.

In 2000, the General Assembly enacted House File 2433, which carried out the intent of the committee with regard to recommendations 1a and 1b:

a. The Community College Council was required to prepare a five-year statewide strategic plan at least once every five years. The initial plan was, by July 1, 2001, approved and adopted by the state board and implemented.⁷³

b. Community colleges were required to submit data uniformly to the Division of Community Colleges and Workforce Preparation of the Department of Education via the division's management information system.⁷⁴

c. The Director of the Department of Education was required to provide the following:

i. To the General Assembly by January 15, 2001, a comparison of the data elements collected by the basic educational data elements survey for K-12 schools to the data being collected by the management information system for community colleges.

ii. To the Legislative Fiscal Bureau and Department of Management by June 30, 2000, and the General Assembly by January 15, 2001, a report and an update, respectively, on the progress toward implementation of the management information system.

⁷³ Iowa Code § 256.31(4).

⁷⁴ Iowa Code § 256.7(23).

iii. A plan to improve sharing of data on student academic performance and career planning between school districts and community colleges.

iv. To the General Assembly by January 15, 2001, a report on strategic planning.⁷⁵

House File 2433 did not address recommendations 1c and 1d.

In an issue review published December 3, 2003, the Fiscal Services Division of the Legislative Services Agency (LSA) reports that the Department of Education has made studies in the consistency and comparability of its data and notes the department continues to improve the timeliness of its data reporting. However, the LSA also suggests that further improvements can be made in timeliness by publishing data when available, rather than publishing the data in conjunction with State Board of Education meeting agendas. The LSA also proposes that the department develop a system for projections and trend analysis for the community college system. LSA further proposes that the department expand its year-end financial report to request financial data on restricted funds from the community colleges.⁷⁶

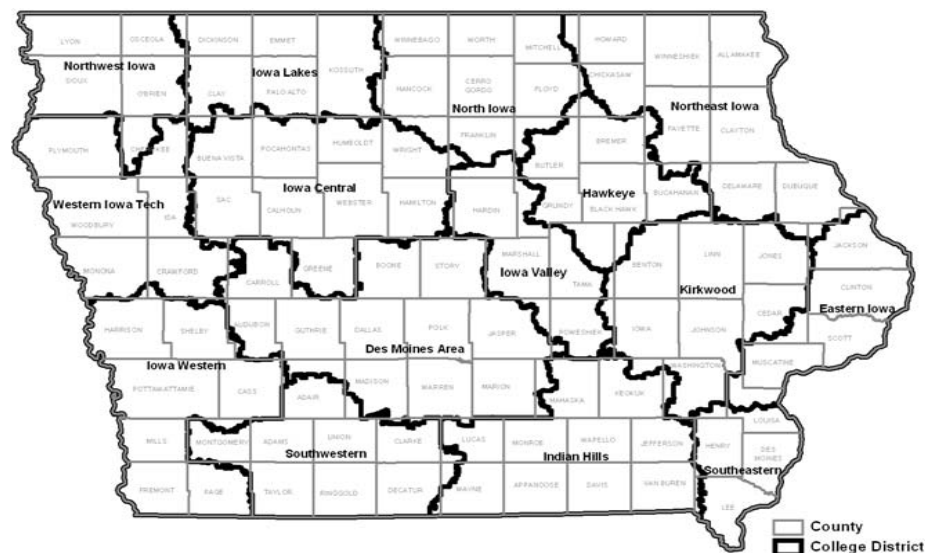
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⁷⁵ 2000 Iowa Acts ch. 1226, § 4.

⁷⁶ Legislative Services Agency, Fiscal Services Division. *Issue Review: Community College Management Information System*, December 3, 2003.

Appendix

Iowa Community College Districts



Des Moines Area Community College
2006 South Ankeny Boulevard
Ankeny, IA 50021
(515)964-6200

Eastern Iowa Community College District
306 West River Drive
Davenport, IA 52801
(563)336-3304

Hawkeye Community College
1501 East Orange Road
PO Box 8015
Waterloo, IA 50704-8015
(319)296-2320

Indian Hills Community College
525 Grandview
Ottumwa, IA 52501
(641)683-5111

Iowa Central Community College
330 Avenue M
Fort Dodge, IA 50501
(515)576-7201

Iowa Lakes Community College
19 South 7th Street
Estherville, IA 51334
(712)362-0435

Iowa Valley Community College District
3702 South Center Street
Marshalltown, IA 50158
(641)752-4643

Iowa Western Community College
Box 4-C
2700 College Road
Council Bluffs, IA 51502
(712)325-3200

Kirkwood Community College
PO Box 2068
6301 Kirkwood Boulevard SW
Cedar Rapids, IA 52406
(319)398-5501

Northeast Iowa Community College
PO Box 400
Calmar, IA 52132
(563)562-3263

North Iowa Area Community College
500 College Drive
Mason City, IA 50401
(641)423-1264

Northwest Iowa Community College
603 West Park Street
Sheldon, IA 51201
(712)324-5066

Southeastern Community College
PO Box 180
1500 West Agency Road
West Burlington, IA 52655-0180
(319)752-2731

Southwestern Community College
1501 West Townline Street
Creston, IA 50801
(641)782-7081

Western Iowa Tech Community College
PO Box 5199
4647 Stone Avenue
Sioux City, IA 51102-5199
(712)274-6400