

COMMUNITY COLLEGES

Footnotes

Appropriations, property taxes certified, contracts, agreements, and other obligations of area school deemed those of successor community college effective July 1, 1990; 90 Acts, ch 1253, § 125

260C.1 Statement of policy.

It is hereby declared to be the policy of the state of Iowa and the purpose of this chapter to provide for the establishment of not more than fifteen areas which shall include all of the area of the state and which may operate community colleges offering to the greatest extent possible, educational opportunities and services in each of the following, when applicable, but not necessarily limited to:

1. The first two years of college work including preprofessional education.
2. Vocational and technical training.
3. Programs for in-service training and retraining of workers.
4. Programs for high school completion for students of post-high school age.
5. Programs for all students of high school age who may best serve themselves by enrolling for vocational and technical training while also enrolled in a local high school, public or private.
6. Programs for students of high school age to provide advanced college placement courses not taught at a student's high school while the student is also enrolled in the high school.
7. Student personnel services.
8. Community services.
9. Vocational education for persons who have academic, socioeconomic, or other disabilities which prevent succeeding in regular vocational education programs.
10. Training, retraining, and all necessary preparation for productive employment of all citizens.
11. Vocational and technical training for persons who are not enrolled in a high school and who have not completed high school.
12. Developmental education for persons who are academically or personally underprepared to succeed in their program of study.

[C66, 71, 73, 75, 77, 79, 81, § 280A.1]

85 Acts, ch 212, §11; 90 Acts, ch 1253, § 26

C93, § 260C.1

93 Acts, ch 101, § 203; 96 Acts, ch 1129, § 113

260C.2 Definitions.

When used in this chapter, unless the context otherwise requires:

1. "*Community college*" means a publicly supported school which may offer programs of adult and continuing education, lifelong learning, community education, and up to two years of liberal arts, preprofessional, or occupational instruction partially fulfilling the requirements for a baccalaureate degree but confers no more than an associate degree; or which offers as the whole or as part of the curriculum up to two years of vocational or technical education, training, or retraining to persons who are preparing to enter the labor market.
2. "*Department*" means the department of education.
3. "*Director*" means the director of the department of education.
4. "*Instructional cost center*" means one of the following areas of course offerings of the community colleges:
 - a. Arts and sciences cost center.
 - b. Vocational-technical preparatory cost center.
 - c. Vocational-technical supplementary cost center.
 - d. Adult basic education and high school completion cost center.
 - e. Continuing and general education cost center.
5. "*Merged area*" means an area where two or more school systems or parts of school systems merge resources to operate a community college in the manner provided in this chapter.
6. "*State board*" means the state board of education.

[C66, 71, 73, 75, 77, 79, 81, § 280A.2]

85 Acts, ch 212, §21, 22; 90 Acts, ch 1253, § 27

C93, § 260C.2

96 Acts, ch 1215, §24; 2005 Acts, ch 169, §23

260C.3 State board for community colleges.

The state board of education shall constitute the state board for community colleges.

90 Acts, ch 1253, §33

C91, § 280A.22A

C93, § 260C.22A

C95, § 260C.3

260C.4 Duties of state board.

The state board for community colleges shall:

1. Adopt and establish policies for programs and services of the department which relate to community colleges.
2. Prescribe standards and procedures for the approval of practitioner preparation programs and professional development programs under section 256.7, subsection 3.
3. Review and make recommendations that relate to community colleges in the five-year plan for the achievement of educational goals.

90 Acts, ch 1253, §34

C91, § 280A.22B

C93, § 260C.22B

93 Acts, ch 82, § 2

C95, §260C.4

96 Acts, ch 1215, §25

260C.5 Duties of director.

The director shall:

1. Designate a community college as an "*area vocational education school*" within the meaning of, and for the purpose of administering, the Act of Congress designated the "*Vocational Education Act of 1963*". A community college shall not be so designated by the director of the department of education for the expenditure of funds under 20 U.S.C. §35c(a)(5), which has not been designated and classified as a community college by the state board.
2. Change boundaries of director districts in a merged area when the board fails to change boundaries as required by law.
3. Make changes in boundaries of merged areas with the approval of the board of directors of each merged area affected by the change. When the boundaries of a merged area are changed, the director of the department of education may authorize the board of directors of the merged area to levy additional taxes upon the property within the merged area, or any part of the merged area, and distribute the taxes so that all parts of the merged area are paying their share toward the support of the college.
4. Administer, allocate, and disburse federal or state funds made available to pay a portion of the cost of acquiring sites for and constructing, acquiring, or remodeling facilities for community colleges, and establish priorities for the use of such funds.
5. Administer, allocate, and disburse federal or state funds available to pay a portion of the operating costs of community colleges.
6. Propose administrative rules to carry out this chapter subject to approval of the state board.

7. Enter into contracts with local school boards within the area that have and maintain a technical or vocational high school and with private schools or colleges in the cooperative or merged areas to provide courses or programs of study in addition to or as a part of the curriculum made available in the community college.

8. Make arrangements with boards of merged areas and local school districts to permit students attending high school to participate in vocational-technical programs and advanced college placement courses and obtain credit for such participation for application toward the completion of a high school diploma. The granting of credit is subject to the approval of the director of the department of education.

9. Prescribe a uniform system of accounting for community colleges.

10. Ensure that community colleges that provide intercollegiate athletics as a part of their program comply with section 216.9.

[C66, 71, 73, 75, 77, 79, 81, § 280A.25; 82 Acts, ch 1136, § 11]

85 Acts, ch 212, § 12; 86 Acts, ch 1245, § 1470; 87 Acts, ch 115, §41; 87 Acts, ch 224, §57, 58; 90 Acts, ch 1253, § 36

C93, § 260C.25

93 Acts, ch 82, § 4

C95, §260C.5

2002 Acts, ch 1140, §13

260C.6 Community colleges division in department.

A community colleges division shall be established within the department of education. The division shall exercise the powers and perform the duties conferred by law upon the department with respect to community colleges.

[C66, 71, 73, 75, 77, 79, 81, § 280A.27]

90 Acts, ch 1253, §37

C93, § 260C.27

C95, § 260C.6

260C.7 through 260C.10 Reserved.

260C.11 Governing board.

The governing board of a merged area is a board of directors composed of one member elected from each director district in the area by the electors of the respective district. Members of the board shall be residents of the district from which elected. Successors shall be chosen at the annual school elections for members whose terms expire. The term of a member of the board of directors is three years and commences at the organization meeting. Vacancies on the board shall be filled at the next regular meeting of the board by appointment by the remaining members of the board. A member so chosen shall be a resident of the district in which the vacancy occurred and shall serve until a member is elected pursuant to section 69.12 to fill the

vacancy for the balance of the unexpired term. A vacancy is defined in section 277.29. A member shall not serve on the board of directors who is a member of a board of directors of a local school district or a member of an area education agency board.

Commencing with the regular school election in 1981, the governing board of a merged area shall consist of not less than five nor more than nine members.

Director districts shall be of approximately equal population within each merged area.

[C66, 71, 73, 75, § 280A.12; C77, § 280A.12, 280A.23(2); C79, 81, § 280A.12, 280A.28; 82 Acts, ch 1136, § 7]

C83, § 280A.11

84 Acts, ch 1219, § 15; 89 Acts, ch 136, §66

C93, § 260C.11

260C.12 Directors of merged area.

The board of directors of the merged area shall organize at the first regular meeting in October of each year. Organization of the board shall be effected by the election of a president and other officers from the board membership as board members determine. The board of directors shall appoint a secretary and a treasurer who shall each give bond as prescribed in section 291.2 and who shall each receive the salary determined by the board. The secretary and treasurer shall perform duties under chapter 291 and additional duties the board of directors deems necessary. However, the board may appoint one person to serve as the secretary and treasurer. If one person serves as the secretary and treasurer, only one bond is necessary for that person. The frequency of meetings other than organizational meetings shall be as determined by the board of directors but the president or a majority of the members may call a special meeting at any time.

Members of the board, other than the secretary and the treasurer, shall be allowed their actual expenses incurred in the performance of their duties and may be eligible to receive per diem compensation.

[C66, 71, 73, 75, 77, 79, 81, § 280A.13; 82 Acts, ch 1039, § 1, ch 1086, § 1]

C83, § 280A.12

90 Acts, ch 1253, §28

C93, § 260C.12

260C.13 Director districts.

1. The board of a merged area may change the number of directors on the board and shall make corresponding changes in the boundaries of director districts. Changes shall be completed not later than June 1 for the regular school election to be held the next following September. As soon as possible after adoption of the boundary changes, notice of changes in the director district boundaries shall be submitted by the merged area to the county commissioner of elections in all counties included in whole or in part in the merged area.

2. The board of the merged area shall redraw boundary lines of director districts in the merged area after each census to compensate for changes in population if changes in population have taken place.

3. Boundary lines of director districts shall be drawn according to the following standards:

a. All boundaries shall follow precinct boundaries or school director district boundaries unless a merged area director district boundary follows the boundary of a school district which divides one or more election precincts.

b. To the extent possible in order to comply with paragraph "a", all districts shall 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.

c. All districts shall be composed of contiguous territory as compact as practicable.

d. Consideration shall not be given to the addresses of incumbent officeholders, political affiliations of registered voters, previous election results, or demographic information other than population head counts, except as required by the Constitution and the laws of the United States.

e. Cities shall not be divided into two or more districts unless the population of the city is greater than the ideal size of a district. Cities shall be divided into the smallest number of districts possible.

4. If more than one incumbent officeholder resides in a district redrawn during reprecincting, their terms of office expire after the next regular school election.

[C66, 71, 73, 75, 77, § 280A.23(2); C79, § 280A.28, 280A.30; C81, § 280A.28, 280A.29; 82 Acts, ch 1136, § 9]

C83, § 280A.13

C93, § 260C.13

94 Acts, ch 1179, §14, 15

260C.14 Authority of directors.

The board of directors of each community college shall:

1. Determine the curriculum to be offered in such school or college subject to approval of the director and ensure that all vocational offerings are competency-based, provide any minimum competencies required by the department of education, comply with any applicable requirements in chapter 258, and are articulated with local school district vocational education programs. If an existing private educational or vocational institution within the merged area has facilities and curriculum of adequate size and quality which would duplicate the functions of the area school, the board of directors shall discuss with the institution the possibility of entering into contracts to have the existing institution offer facilities and curriculum to students of the merged area. The board of directors shall consider any proposals submitted by the private institution for providing such facilities and curriculum. The board of directors may enter into such contracts. In approving curriculum, the director shall ascertain that all courses and programs submitted for approval are needed and that the curriculum being offered by an area school does not duplicate programs provided by existing public or private facilities in the area. In determining whether duplication would actually exist, the director shall consider the needs of the area and consider whether the proposed programs are competitive as to size, quality, tuition, purposes, and area coverage with existing public and private educational or vocational institutions within the merged area. If the board of directors of the merged area chooses not to enter into contracts with private institutions under this subsection, the board shall submit a list of reasons why contracts to avoid duplication were not entered into and an economic impact statement relating to the board's decision.

2. Have authority to determine tuition rates for instruction. Tuition for residents of Iowa shall not exceed the lowest tuition rate per semester, or the equivalent, charged by an institution of higher education under the state board of regents for a full-time resident student. However, except for students enrolled under chapter 261C, if a local school district pays tuition for a resident pupil of high school age, the limitation on tuition for residents of Iowa shall not apply, the amount of tuition shall be determined by the board of directors of the community college with the consent of the local school board, and the pupil shall not be included in the full-time equivalent enrollment of the community college for the purpose of computing general aid to the community college. Tuition for nonresidents of Iowa shall not be less than the marginal cost of instruction of a student attending the college. A lower tuition for nonresidents may be permitted under a reciprocal tuition agreement between a merged area and an educational institution in another state, if the agreement is approved by the state board. The board may designate that a portion of the tuition moneys collected from students be used for student aid purposes.
3. Have the powers and duties with respect to community colleges, not otherwise provided in this chapter, which are prescribed for boards of directors of local school districts by chapter 279 except that the board of directors is not required to prohibit the use of tobacco and the use or possession of alcoholic liquor or beer by any student of legal age under the provisions of section 279.9.
4. Have the power to enter into contracts and take other necessary action to insure 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.
5. Establish policy and make rules, not inconsistent with law and administrative rules, regulations, and policies of the state board, 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.
6. Have authority to sell a student-constructed building and the property on which the student-constructed building is located or any article resulting from any vocational program or course offered at a community college by any procedure which may be adopted by the board. Governmental agencies and governmental subdivisions of the state within the merged areas shall be given preference in the purchase of such articles. All revenue received from the sale of any article shall be credited to the funds of the board of the merged area.
7. With the consent of the inventor, and in the discretion of the board, secure letters patent or copyright on inventions of students, instructors, and officials of any community college of the merged area, or take assignment of such letters patent or copyright and make all necessary expenditures in regard thereto. Letters patent or copyright on inventions when so secured shall be the property of the board of the merged area and the royalties and earnings thereon shall be credited to the funds of the board.
8. Set the salary of the area superintendent. In setting the salary, the board shall consider the salaries of administrators of educational institutions in the merged area and the enrollment of the community college.
9. At the request of an employee through contractual agreement the board may arrange for the purchase of group or individual annuity contracts for any of its employees, which annuity contracts are issued by a nonprofit corporation issuing retirement annuities exclusively for educational institutions and their employees or are purchased from any company the employee chooses that is authorized to do business in this state or through an Iowa-licensed salesperson that the employee selects, on a group or individual basis, for retirement or other purposes, and may make payroll deductions in accordance with the arrangements for the purpose of paying the entire premium due and to become due under the contract. The deductions shall be made in the manner which will qualify the annuity premiums for the benefits under section 403(b) of the Internal Revenue Code, as defined in section 422.3. The employee's rights under the annuity contract are nonforfeitable except for the failure to pay premiums. If an existing tax-sheltered annuity contract is to be replaced by a new contract, the agent or representative of the company shall submit a letter of intent by

registered mail to the company being replaced, to the insurance commissioner of the state of Iowa, and to the agent's or representative's own company at least thirty days prior to any action. This letter of intent shall contain the policy number and description of the contract being replaced and a description of the replacement contract. As used in this section, unless the context otherwise requires, "*annuity contract*" includes any custodial account which meets the requirements of section 403(b)(7) of the Internal Revenue Code, as defined in section 422.3.

10. 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. The rules may provide for the use of institutional roads, driveways, and grounds; registration of vehicles and bicycles; the designation of parking areas; the erection and maintenance of signs designating prohibitions or restrictions; the installation and maintenance of parking control devices except parking meters; and assessment, enforcement, and collection of reasonable penalties for the violation of the rules.

Rules made under this subsection may be enforced under procedures adopted by the board of directors. Penalties may be imposed upon students, faculty, and staff for violation of the rules, including, but not limited to, a reasonable monetary penalty which may be deducted from student deposits and faculty or staff salaries or other funds in possession of the community college or added to student tuition bills. The rules made under this subsection may also be enforced by the impoundment of vehicles and bicycles parked in violation of the rules, and a reasonable fee may be charged for the cost of impoundment and storage prior to the release of the vehicle or bicycle to the owner. Each community college shall establish procedures for the determination of controversies in connection with the imposition of penalties. The procedures shall require giving notice of the violation and the penalty prescribed and providing the opportunity for an administrative hearing.

11. Be authorized to issue to employees of community colleges school credit cards to use for payment of authorized expenditures incurred in the performance of work-related duties.

12. During the second week of August of each year, publish by one insertion in at least one newspaper published in the merged area a summarized statement verified by affidavit of the secretary of the board showing the receipts and disbursements of all funds of the community college for the preceding fiscal year. The statement of disbursements shall show the names of the persons, firms, or corporations, and the total amount paid to each during the fiscal year. The board is not required to make the publications and notices required under sections 279.35 and 279.36.

13. Adopt policies and procedures for the use of telecommunications as an instructional tool at the community college. The policies and procedures shall include but not be limited to policies and procedures relating to programs, educational policy, practices, staff development, use of pilot projects, and the instructional application of the technology.

14. In its discretion, adopt rules relating to the classification of students enrolled in the community college who are residents of Iowa's sister states as residents or nonresidents for tuition and fee purposes.

15. By July 1, 1991, develop a policy which requires oral communication competence of persons who provide instruction to students attending institutions under the control of the board. The policy shall include a student evaluation mechanism which requires student evaluation of persons providing instruction on at least an annual basis.

16. By July 1, 1991, develop a policy relating to the teaching proficiency of teaching assistants which provides a teaching proficiency standard, instructional assistance to, and evaluation of persons who provide instruction to students at the higher education institutions under the control of the board.

17. Provide for eligible alternative retirement benefits systems which shall be limited to the following:

a. An alternative retirement benefits system which is issued by or through a nonprofit corporation issuing retirement annuities exclusively to educational institutions and their employees for persons newly employed after July 1, 1990, and for persons employed by the community college who are members of the Iowa public employees' retirement system on July 1, 1994, and who elect coverage under that system pursuant to section 97B.42, in lieu of coverage under the Iowa public employees' retirement system.

b. An alternative retirement benefits system which is issued by or through an insurance company authorized to issue annuity contracts in this state, for persons newly employed on or after July 1, 1997, who are already members of the alternative retirement benefits system and who elect coverage under that system pursuant to section 97B.42, in lieu of coverage under the Iowa public employees' retirement system.

c. An alternative retirement benefits system offered through the community college, at the discretion of the board of directors of the community college, pursuant to this lettered paragraph which is issued by or through an insurance company authorized to issue annuity contracts in this state, for persons newly employed by that community college on or after July 1, 1998, who are not members of the alternative retirement benefits system and who elect coverage under that system pursuant to section 97B.42, in lieu of coverage under the Iowa public employees' retirement system. The board of directors of a community college may limit the number of providers of alternative retirement benefits systems offered pursuant to this lettered paragraph to no more than six. The selection by the board of directors of a community college of a provider of an alternative retirement benefits system pursuant to this lettered paragraph shall not constitute an endorsement of that provider by the community college.

However, the employer's annual contribution in dollars under an eligible alternative retirement benefits system described in this subsection shall not exceed the annual contribution in dollars which the employer would contribute if the employee had elected to remain an active member pursuant to the Iowa public employees' retirement system, as set forth in section 97B.11. For purposes of this subsection, "*alternative retirement benefits system*" means an employer-sponsored primary pension plan requiring mandatory employer contributions that meets the requirements of section 401(a), 403(a), or 403(b) of the Internal Revenue Code.

18. Develop and implement a written policy, which is disseminated during student registration or orientation, addressing the following four areas relating to sexual abuse:

a. Counseling.

b. Campus security.

c. Education, including prevention, protection, and the rights and duties of students and employees of the community college.

d. Facilitating the accurate and prompt reporting of sexual abuse to the duly constituted law enforcement authorities.

19. Provide, within a reasonable time, information as requested by the departments of management and education.

20. Adopt a policy to offer not less than the following options to a student who is a member of the Iowa national guard or reserve forces of the United States and who is ordered to state military service or federal service or duty:

a. Withdraw from the student's entire registration and receive a full refund of tuition and mandatory fees.

b. Make arrangements with the student's instructors for course grades, or for incompletes that shall be

completed by the student at a later date. If such arrangements are made, the student's registration shall remain intact and tuition and mandatory fees shall be assessed for the courses in full.

c. Make arrangements with only some of the student's instructors for course grades, or for incompletes that shall be completed by the student at a later date. If such arrangements are made, the registration for those courses shall remain intact and tuition and mandatory fees shall be assessed for those courses. Any course for which arrangements cannot be made for grades or incompletes shall be considered dropped and the tuition and mandatory fees for the course refunded.

[C66, 71, 73, 75, 77, 79, 81, § 280A.23]

84 Acts, ch 1315, § 36; 86 Acts, ch 1213, § 6; 86 Acts, ch 1246, § 134; 87 Acts, ch 207, §7; 87 Acts, ch 233, §478; 88 Acts, ch 1284, § 47; 89 Acts, ch 278, §6; 90 Acts, ch 1240, § 46; 90 Acts, ch 1253, § 35; 92 Acts, ch 1106, §3, 4

C93, § 260C.23

93 Acts, ch 82, § 3; 94 Acts, ch 1183, § 60, 61

C95, §260C.14

96 Acts, ch 1215, §26; 97 Acts, ch 14, §2, 3; 98 Acts, ch 1077, § 2, 3; 2001 Acts, ch 39, §1; 2002 Acts, ch 1140, §14; 2003 Acts, ch 108, §46; 2003 Acts, ch 179, §112; 2004 Acts, ch 1086, §54

260C.15 Conduct of elections.

1. Regular elections held annually by the merged area for the election of members of the board of directors as required by section 260C.11, for the renewal of the twenty and one-fourth cents per thousand dollars of assessed valuation levy authorized in section 260C.22, or for any other matter authorized by law and designated for election by the board of directors of the merged area, shall be held on the date of the school election as fixed by section 277.1. The election notice shall be made a part of the local school election notice published as provided in section 49.53 in each local school district where voting is to occur in the merged area election and the election shall be conducted by the county commissioner of elections pursuant to chapters 39 to 53 and section 277.20.
2. A candidate for member of the board of directors of a merged area shall be nominated by a petition signed by not less than fifty eligible electors of the director district from which the member is to be elected. The petition shall state the number of the director district from which the candidate seeks election, and the candidate's name and status as an eligible elector of the director district. Signers of the petition, in addition to signing their names, shall show their residence, including street and number if any, the school district in which they reside, and the date they signed the petition. A person may sign nomination petitions for more than one candidate for the same office, and the signature is not invalid solely because the person signed nomination petitions for one or more other candidates for the office. The petition shall include the affidavit of the candidate being nominated, stating the candidate's name and residence, and that the individual is a candidate, is eligible for the office sought, and if elected will qualify for the office.
3. Nomination papers in behalf of candidates for member of the board of directors of a merged area shall be filed with the secretary of the board not earlier than sixty-five days nor later than five o'clock p.m. on the fortieth day prior to the election at which members of the board are to be elected. The secretary shall deliver all nomination petitions so filed, together with the text of any public measure being submitted by the board of directors to the electorate, to the county commissioner of elections who is responsible under section 47.2 for conducting elections held for the merged area, not later than five o'clock p.m. on the day following the last day on which nomination petitions can be filed. That commissioner shall certify the names of candidates, and

the text and summary of any public measure being submitted to the electorate, to all county commissioners of elections in the merged area by the thirty-fifth day prior to the election.

4. The votes cast in the election shall be canvassed and abstracts of the votes cast shall be certified as required by section 277.20. In each county whose commissioner of elections is responsible under section 47.2 for conducting elections held for a merged area, the county board of supervisors shall convene on the last Monday in September or at the last regular board meeting in September, canvass the abstracts of votes cast and declare the results of the voting. The commissioner shall at once issue certificates of election to each person declared elected, and shall certify to the merged area board in substantially the manner prescribed by section 50.27 the result of the voting on any public question submitted to the voters of the merged area. Members elected to the board of directors of a merged area shall qualify by taking the oath of office prescribed in section 277.28.

[C66, 71, 73, 75, 77, 79, 81, § 280A.15]

88 Acts, ch 1119, § 34; 88 Acts, ch 1158, § 57; 89 Acts, ch 136, § 67

C93, § 260C.15

93 Acts, ch 35, § 1

260C.16 Status of merged area.

A merged area formed under the provisions of this chapter shall be a body politic as a school corporation for the purpose of exercising powers granted under this chapter, 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.

The boundary lines of a merged area may divide a school district.

[C66, 71, 73, 75, 77, 79, 81, § 280A.4, 280A.16; 82 Acts, ch 1136, § 8]

C93, § 260C.16

260C.17 Preparation and approval of budget tax.

The board of directors of each merged area shall prepare an annual budget designating the proposed expenditures for operation of the community college. The board shall further designate the amounts which are to be raised by local taxation and the amounts which are to be raised by other sources of revenue for the operation. The budget of each merged area shall be submitted to the state board no later than May 1 preceding the next fiscal year for approval. The state board shall review the proposed budget and shall, prior to June 1, either grant its approval or return the budget without approval with the comments of the state board attached to it. Any unapproved budget shall be resubmitted to the state board for final approval. Upon approval of the budget by the state board, the board of directors shall certify the amount to the respective county auditors and the boards of supervisors annually shall levy a tax of twenty and one-fourth cents per thousand dollars of assessed value on taxable property in a merged area for the operation of a community college. Taxes collected pursuant to the levy shall be paid by the respective county treasurers to the treasurer of the merged area as provided in section 331.552, subsection 29.

It is the policy of this state that the property tax for the operation of community colleges shall not in any event exceed twenty and one-fourth cents per thousand dollars of assessed value, and that the present and future costs of such operation in excess of the funds raised by such levy shall be the responsibility of the state and shall not be paid from property tax.

[C66, 71, 73, 75, 77, 79, 81, § 280A.17]

84 Acts, ch 1003, § 2; 90 Acts, ch 1253, § 29

C93, § 260C.17

260C.18 Other funds received.

In addition to revenue derived by tax levy, a board of directors of a merged area shall be authorized to receive and expend:

1. Federal funds made available and administered by the director of the department of education, for purposes provided by federal laws, rules, and regulations.
2. Other federal funds for such purposes as provided by federal law, subject to the approval of the director.
3. Tuition in accordance with section 260C.14, subsection 2.
4. State aid and supplemental state aid to be paid in accordance with the statutes which provide such aid.
5. State funds for sites and facilities made available and administered by the director.
6. Donations and gifts which may be accepted by the governing board and expended in accordance with the terms of the gift without compliance with the local budget law, chapter 24.
7. Student fees collected from students for activities, laboratory breakage, instructional materials, and other objects and purposes for which student fees other than tuition are customarily charged by colleges and universities, as provided in a schedule of fees adopted by the area board of directors. The expenditure of funds collected from students for activities shall be determined by the student government unit with administrative and board approval. Any increases in student fees for activities shall be determined by the student government unit with administrative and board approval.

[C66, 71, 73, 75, 77, 79, 81, § 280A.18]

86 Acts, ch 1245, § 1469

C93, § 260C.18

96 Acts, ch 1215, §27; 2004 Acts, ch 1086, §55

260C.18A Workforce training and economic development funds.

1. *a.* A workforce training and economic development fund is created for each community college. Moneys shall be deposited and expended from a fund as provided under this section.

b. Moneys in the funds shall consist of any moneys appropriated by the general assembly and any other moneys available to and obtained or accepted by the department of economic development from federal sources or private sources for placement in the funds. Notwithstanding section 8.33, moneys in the funds at the end of each fiscal year shall not revert to any other fund but shall remain in the funds for expenditure in subsequent fiscal years.

2. Moneys deposited in the funds and disbursed to community colleges for a fiscal year shall be expended for the following purposes, provided seventy percent of the moneys shall 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:

a. Projects in which an agreement between a community college and an employer located within the community college's merged area meet all of the requirements of the accelerated career education program under chapter 260G.

b. Projects in which an agreement between a community college and a business meet all the requirements of the Iowa jobs training Act under chapter 260F. However, projects funded by moneys provided by a local workforce training and economic development fund of a community college are not subject to the maximum advance or award limitations contained in section 260F.6, subsection 2, or the allocation limitations contained in section 260F.8, subsection 1.

c. 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. For purposes of this section, "*career academy*" means a program of study that combines a minimum of two years of secondary education with an associate degree, or the equivalent, career preparatory program in a nonduplicative, sequential course of study that is standards based, integrates academic and technical instruction, utilizes work-based and worksite learning where appropriate and available, utilizes an individual career planning process with parent involvement, and leads to an associate degree or postsecondary diploma or certificate in a career field that prepares an individual for entry and advancement in a high-skill and reward career field and further education. The department of economic development, in conjunction with the state board of education and the division of community colleges and workforce preparation of the department of education, shall adopt administrative rules for the development and implementation of such career academies pursuant to section 256.11, subsection 5, paragraph "h", section 260C.1, and Title II of Pub. L. No. 105-332, Carl D. Perkins Vocational and Technical Education Act of 1998.

d. Programs and courses that provide vocational and technical training, and programs for in-service training and retraining under section 260C.1, subsections 2 and 3.

e. Job retention projects under section 260F.9.

f. Training and retraining programs for targeted industries as authorized in section 15.343, subsection 2, paragraph "a".

3. The department of economic development shall allocate the moneys appropriated pursuant to this section to the community college workforce training and economic development funds utilizing the same distribution formula used for the allocation of state general aid to the community colleges.

4. Each community college shall do all of the following:

a. Adopt a two-year workforce training and economic development fund plan outlining the community college's proposed use of moneys appropriated under subsection 2.

b. Update the two-year plan annually.

c. Prepare an annual progress report on the two-year plan's implementation.

d. Annually submit the two-year plan and progress report to the department of economic development in a manner prescribed by rules adopted by the department pursuant to chapter 17A.

2003 Acts, 1st Ex, ch 2, §76, 209; 2004 Acts, ch 1175, §330, 331, 345, 370, 400; 2004 Acts, 1st Ex, ch 1002,

§813; 2005 Acts, ch 150, §3537

For future repeal of this section effective June 30, 2010, see 2003 Acts, 1st Ex, ch 2, §93

2004 amendments to this section made by 2004 Acts, 1st Ex, ch 1002, that struck Code and Session Law references to the grow Iowa values program in §15G.108 (stricken pursuant to *Rants v. Vilsack*, 684 N.W.2d 193) and that made other changes related to the strike of those provisions, take effect September 7, 2004, and apply retroactively to June 30, 2004; 2004 Acts, 1st Ex, ch 1002, §13

260C.18B Community college budget review.

1. A community college budget review procedure is established for the school budget review committee created in section 257.30. The school budget review committee, in addition to its duties under chapter 257, shall meet and hold hearings each year under this chapter to review unusual circumstances of community colleges, either upon the committee's motion or upon the request of a community college. 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.

Unusual circumstances shall include but not be limited to the following:

- a. An unusual increase or decrease in enrollment or contact hours.
- b. Natural disasters.
- c. Unusual staffing problems.
- d. Unusual necessity for additional funds to permit continuance of a course or program in an instructional cost center which provides substantial benefit to students.
- e. Unusual need for a new course or program in an instructional cost center which will provide substantial benefit to students, if the community college establishes the need and the amount of necessary increased cost.
- f. Unique problems of community colleges to include vandalism, civil disobedience, and other costs incurred by community colleges.

2. When the school budget review committee makes a decision under subsection 1, it shall provide written notice of its decision, including the amount of supplemental state aid approved, to the board of directors of the community college and to the department of education.

3. All decisions by the school budget review committee under this chapter shall be made in accordance with reasonable and uniform policies which shall be consistent with this chapter.

4. Failure by a community college to provide information or appear before the school budget review committee as requested for the accomplishment of review or hearing constitutes justification for the committee to instruct the department of administrative services to withhold supplemental state aid to that community college until the committee's inquiries are satisfied completely.

96 Acts, ch 1215, §29; 2003 Acts, ch 145, §286

260C.18C State aid distribution formula.

1. *Purpose.* A distribution plan for general state financial aid to Iowa's community colleges is established for the fiscal year commencing July 1, 2005, and succeeding fiscal years. Funds appropriated by the general

assembly to the department for general financial aid to community colleges shall be allocated to each community college in the manner provided under this section.

2. *Definitions.* As used in this section, unless the context otherwise requires:

a. "*Base funding allocation*" means the amount of general state financial aid all community colleges received in the base year.

b. "*Base year*" means the fiscal year immediately preceding the budget year.

c. "*Below-average support per FTEE*" for a community college means the state-average combined support per FTEE minus the combined support per FTEE for the community college if the community college's combined support per FTEE is less than the state-average combined support per FTEE.

d. "*Budget year*" means the fiscal year for which moneys are appropriated by the general assembly.

e. "*Combined support*" for a community college means the total amount of moneys the community college received in general state financial aid in the base year plus the community college's general fund property tax revenue, including utility replacement, for the base year.

f. "*Combined support per FTEE*" for a community college means the community college's combined support divided by its three-year rolling average full-time equivalent enrollment for the three years prior to the base year.

g. "*Contact hour*" for a noncredit course equals fifty minutes of contact between an instructor and students in a scheduled course offering for which students are registered.

h. "*Credit hour*", for purposes of community college funding distribution, shall be as defined by the department by rule.

i. "*Eligible credit courses*" means all credit courses that are eligible for general state financial aid which are part of a department-approved program of study. The department shall review and provide a determination should a question of eligibility occur.

j. "*Eligible growth support*" for a community college is the community college's below-average support per FTEE multiplied times its three-year rolling average full-time equivalent enrollment.

k. "*Eligible noncredit courses*" means all noncredit courses eligible for general state financial aid which fall under one of the eligible categories for noncredit courses as defined by rule of the department. The department shall review and provide a determination should a question of eligibility occur.

l. "*Eligible student*" means a student enrolled in eligible credit or eligible noncredit courses. The department shall review and provide a determination should a question of eligibility occur.

m. "*Fiscal year*" means the period of twelve months beginning on July 1 and ending on June 30.

n. One "*full-time equivalent enrollment (FTEE)*" equals twenty-four credit hours for credit courses or six hundred contact hours for noncredit courses generated by all eligible students enrolled in eligible courses.

o. "*General fund property tax revenue*" means the amount of moneys a community college raised or could have raised from a property tax of twenty and one-fourth cents per thousand dollars of assessed valuation on all taxable property in its merged area collected for the base year.

p. "General state financial aid" means the amount of general state financial aid the community college received from the general fund.

q. "Inflation adjustment amount" means the inflation rate minus two percentage points multiplied times the base funding allocation. The inflation adjustment amount shall not be less than zero.

r. "Inflation rate" means the average of the preceding twelve-month percentage change, which shall be computed on a monthly basis, in the consumer price index for all urban consumers, not seasonally adjusted, published by the United States department of labor, bureau of labor statistics, calculated for the calendar year ending six months after the beginning of the base year.

s. "State-average combined support per FTEE" means the average of the combined support per FTEE for all community colleges in the state in the base year.

t. "Three-year rolling average full-time equivalent enrollment" means the average of the audited full-time equivalent enrollment for a community college over the three fiscal years prior to the base year as determined by the department.

u. "Total growth support amount" means the sum of the eligible growth support for all the community colleges.

3. *Distribution formula.* Moneys appropriated by the general assembly from the general fund to the department for community college purposes for general state financial aid for a budget year shall be allocated to each community college by the department as follows:

a. If the inflation rate is equal to two percent or less:

(1) *Base funding allocation.* The moneys shall first be allocated in the amount of general state financial aid each community college received in the base year. If the appropriation is less than the total of the amount of general state financial aid each community college received in the base year, the moneys shall be allocated in the same proportion as the allocation of general state financial aid each community college received in the base year.

(2) *Marginal cost adjustment.* After the base funding has been allocated, each community college shall be allocated up to an additional two percent of its base funding allocation. The community college's allocation shall be in the same proportion as the allocation of general state financial aid each community college received in the base year.

(3) *Three-year rolling average of full-time equivalent enrollment.* If the increase in the total state general aid exceeds two percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(4) *Extraordinary growth adjustment.* If the increase in total state general aid exceeds three percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be distributed as follows:

(a) Forty percent of the moneys shall be allocated based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(b) Sixty percent of the moneys shall be allocated to community colleges that have eligible growth support. The allocation shall be based upon the proportional share that each community college's eligible growth support bears to the total growth support amount. Once the moneys allocated under this subparagraph

subdivision equal the total growth support amount, the remaining moneys allocated under this subparagraph shall be allocated as provided in subparagraph subdivision (a).

(5) *Additional three-year rolling average FTEE allocation.* If the increase in total state general aid exceeds four percent over the base funding allocation, all remaining moneys shall be distributed based upon each college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

b. If the inflation rate is greater than two percent but less than four percent:

(1) *Base funding allocation.* The moneys shall first be allocated in the amount of general state financial aid each community college received in the base year. If the appropriation is less than the total of the amount of general state financial aid each community college received in the base year, the moneys shall be allocated in the same proportion as the allocation of general state financial aid each community college received in the base year.

(2) *Marginal cost adjustment.* After the base funding has been allocated, each community college shall be allocated up to an additional two percent of its base funding allocation. The community college's allocation shall be in the same proportion as the allocation of general state financial aid each community college received in the base year.

(3) *Three-year rolling average of full-time equivalent enrollment.* If the increase in the total state general aid exceeds two percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(4) *Extraordinary growth adjustment.* If the increase in total state general aid exceeds three percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be based as follows:

(a) Forty percent of the moneys shall be allocated based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(b) Sixty percent of the moneys shall be allocated to community colleges that have eligible growth support. The allocation shall be based upon the proportional share that each community college's eligible growth support bears to the total growth support amount. Once the moneys allocated under this subparagraph subdivision equal the total growth support amount, the remaining moneys allocated under this subparagraph shall be allocated as provided in subparagraph subdivision (a).

(5) *Inflation adjustment.* If the increase in total state general aid exceeds four percent over the base funding allocation, an amount up to the inflation adjustment amount shall be distributed to each community college in the same proportion as the allocation of general state financial aid each community college received in the base year.

(6) *Additional three-year rolling average FTEE allocation.* If there are remaining moneys to be distributed under this paragraph after distributing moneys under subparagraph (5), all remaining moneys shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

c. If the inflation rate equals or exceeds four percent:

(1) *Base funding allocation.* The moneys shall first be allocated in the amount of general state financial aid each community college received in the base year. If the appropriation is less than the total of the amount of

general state financial aid each community college received in the base year, the moneys shall be allocated in the same proportion as the allocation of general state financial aid each community college received in the base year.

(2) *Marginal cost adjustment.* After the base funding has been allocated, each community college shall be allocated up to an additional two percent of its base funding allocation. The community college's allocation shall be in the same proportion as the allocation of general state financial aid each community college received in the base year.

(3) *Three-year rolling average of full-time equivalent enrollment.* If the increase in the total state general aid exceeds two percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(4) *Inflation adjustment.* If the increase in total state general aid exceeds three percent over the base funding allocation, an amount up to the inflation adjustment amount shall be distributed to each community college in the same proportion as the allocation of general state financial aid each community college received in the base year.

(5) *Extraordinary growth adjustment.* If there are remaining moneys to be distributed under this paragraph after distributing moneys under subparagraph (4), an amount up to an additional one percent of the base funding allocation shall be based as follows:

(a) Forty percent of the moneys shall be allocated based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(b) Sixty percent of the moneys shall be allocated to community colleges that have eligible growth support. The allocation shall be based upon the proportional share that each community college's eligible growth support bears to the total growth support amount. Once the moneys allocated under this subparagraph subdivision equal the total growth support amount, the remaining moneys allocated under this subparagraph shall be allocated as provided in subparagraph subdivision (a).

(6) *Additional three-year rolling average FTEE allocation.* If there are remaining moneys to be distributed under this paragraph after distributing moneys under subparagraph (5), all remaining moneys shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

4. Information supplied by colleges and adoption of rules.

a. Each community college shall provide information in the manner and form as determined by the department. If a community college fails to provide the information as requested, the department shall estimate the full-time equivalent enrollment of that college.

b. Each community college shall complete and submit an annual student enrollment audit to the department. Adjustments to community college state general aid allocations shall be made based on student enrollment audit outcomes.

c. The department shall adopt rules under chapter 17A as necessary for the allocation of general state financial aid.

2005 Acts, ch 169, §24

260C.19 Acquisition of sites and buildings.

Boards of directors of merged areas may acquire sites and erect and equip buildings for use by community colleges and may contract indebtedness and issue bonds to raise funds for such purposes.

[C66, 71, 73, 75, 77, 79, 81, § 280A.19]

90 Acts, ch 1253, §30

C93, § 260C.19

260C.19A Motor vehicles required to operate on alternative fuels.

1. A motor vehicle purchased by or used under the direction of the board of directors to provide services to a merged area shall not operate on gasoline other than gasoline blended with at least ten percent ethanol. The motor vehicle shall also be affixed with a brightly visible sticker which notifies the traveling public that the motor vehicle is being operated on gasoline blended with ethanol. However, the sticker is not required to be affixed to an unmarked vehicle used for purposes of providing law enforcement or security.

2. Of all new passenger vehicles and light pickup trucks purchased by or under the direction of the board of directors to provide services to a merged area, a minimum of ten percent of all such vehicles and trucks purchased shall be equipped with engines which utilize alternative methods of propulsion, including but not limited to any of the following:

a. A flexible fuel which is either of the following:

(1) A fuel blended with not more than fifteen percent gasoline and at least eighty-five percent ethanol.

(2) A fuel which is a mixture of diesel fuel and processed soybean oil. At least twenty percent of the mixed fuel by volume must be processed soybean oil.

(3) A renewable fuel approved by the office of renewable fuels and coproducts pursuant to section 159A.3.

b. Compressed or liquefied natural gas.

c. Propane gas.

d. Solar energy.

e. Electricity.

The provisions of this subsection do not apply to vehicles and trucks purchased and directly used for law enforcement or off-road maintenance work.

91 Acts, ch 254, §17

CS91, § 280A.19A

C93, § 260C.19A

93 Acts, ch 26, § 3; 94 Acts, ch 1119, §25

260C.19B Purchase of bio-based hydraulic fluids, greases, and other industrial lubricants.

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 shall be purchased in compliance with the preference requirements for purchasing bio-based hydraulic fluids, greases, and other industrial lubricants as provided pursuant to section 8A.316.

98 Acts, ch 1082, §4; 2000 Acts, ch 1109, §4; 2003 Acts, ch 145, §227

260C.20 Payment of bonds.

Taxes for the payment of bonds issued under section 260C.19 shall be levied in accordance with chapter 76. The bonds shall be payable from a fund created from the proceeds of the taxes in not more than twenty years and bear interest at a rate not exceeding the rate permitted by chapter 74A, and shall be of the form as the board issuing the bonds shall by resolution provide. Any indebtedness incurred shall not be considered an indebtedness incurred for general and ordinary purposes.

[C66, 71, 73, 75, 77, 79, 81, § 280A.20]

83 Acts, ch 188, § 2

C93, § 260C.20

260C.21 Election to incur indebtedness.

No indebtedness shall be incurred under section 260C.19 until authorized by an election. A proposition to incur indebtedness and issue bonds for community college purposes shall be deemed carried in a merged area if approved by a sixty percent majority of all voters voting on the proposition in the area. However, if the costs of utilities are paid by a community college with funds derived from the levy authorized under section 260C.22, the community college may use the general fund moneys that would have been used to pay the costs of utilities for capital expenditures, may invest the funds, or may incur indebtedness without an election, provided that the payments on the indebtedness incurred, and any interest on the indebtedness, can be made using general funds of the community college and the total payments on the principal and interest on the indebtedness do not exceed the amount of the costs of the utilities.

[C66, 71, 73, 75, 77, 79, 81, § 280A.21]

90 Acts, ch 1253, § 31

C93, § 260C.21

260C.22 Facilities levy by vote borrowing temporary cash reserve levy.

1. *a.* In addition to the tax authorized under section 260C.17, the voters in any merged area may at the annual school election vote a tax not exceeding twenty and one-fourth cents per thousand dollars of assessed value in any one year for a period not to exceed ten 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, and the acquisition of libraries, for the purpose of paying costs of utilities, and for the purpose of maintaining, remodeling, improving, or expanding the community college of the merged area. If the tax levy is approved under this section, the costs of utilities shall be paid from the proceeds of the levy. The tax shall be collected by the county treasurers and remitted to the treasurer of the merged area as provided in section 331.552, subsection 29. The proceeds of the tax shall be deposited in a separate and distinct fund to be known as the voted tax fund, to be paid out upon warrants drawn by the president and secretary of the board of directors of the merged area district for the payment of costs incurred in providing the school facilities for which the tax was voted.

b. In order to make immediately available to the merged area the proceeds of the voted tax hereinbefore authorized to be levied, the board of directors of any such merged area is hereby authorized, without the necessity for any further election, to borrow money and enter into loan agreements in anticipation of the collection of such tax, and such board shall, by resolution, provide for the levy of an annual tax, within the limits of the special voted tax hereinbefore authorized, sufficient to pay the amount of any such loan and the interest thereon to maturity as the same becomes due. A certified copy of this resolution shall be filed with the county auditors of the counties in which such merged area is located, and the filing thereof shall make it a duty of such auditors to enter annually this levy for collection until funds are realized to repay the loan and interest thereon in full. Said loan must mature within the number of years for which the tax has been voted and shall bear interest at a rate or rates not exceeding that permitted by chapter 74A. Any loan agreement entered into pursuant to authority herein contained shall be in such form as the board of directors shall by resolution provide and the loan shall be payable as to both principal and interest from the proceeds of the annual levy of the voted tax hereinbefore authorized, or so much thereof as will be sufficient to pay the loan and interest thereon. In furtherance of the foregoing the board of directors of such merged area may, with or without notice, negotiate and enter into a loan agreement or agreements with any bank, investment banker, trust company, insurance company or group thereof, whereunder the borrowing of the necessary funds may be assured and consummated. The proceeds of such loan shall be deposited in a special fund, to be kept separate and apart from all other funds of the merged area, and shall be paid out upon warrants drawn by the president and secretary of the board of directors to pay the cost of acquiring the school facilities for which the tax was voted.

c. If the boundary lines of a merged area are changed, the levy of the annual tax provided in this section sufficient to pay the amount due for a loan agreement and the interest on the loan agreement to maturity shall continue in any territory severed from the merged area until the loan with interest on the loan has been paid in full.

d. Nothing herein contained shall be construed to limit the authority of the board of directors to levy the full amount of the voted tax, but if and to whatever extent said tax is levied in any year in excess of the amount of principal and interest falling due in such year under any loan agreement, the first available proceeds thereof, to an amount sufficient to meet maturing installments of principal and interest under the loan agreement, shall be paid into the sinking fund for such loan before any of such taxes are otherwise made available to the merged area for other school purposes, and the amount required to be annually set aside to pay the principal of and interest on the money borrowed under such loan agreement shall constitute a first charge upon all of the proceeds of such annual special voted tax, which tax shall be pledged to pay said loan and the interest thereon.

e. This law shall be construed as supplemental and in addition to existing statutory authority and as providing an independent method of financing the cost of acquiring school facilities for which a tax has been voted under this section and for the borrowing of money and execution of loan agreements in connection therewith and shall not be construed as subject to the provisions of any other law. The fact that a merged area may have previously borrowed money and entered into loan agreements under authority herein contained shall not prevent such merged area from borrowing additional money and entering into further loan agreements provided that the aggregate of the amount payable under all of such loan agreements does not exceed the proceeds of the voted tax. All acts and proceedings heretofore taken by the board of directors or by any official of any merged area for the exercise of any of the powers granted by this section are hereby legalized and validated in all respects.

2. The proceeds of the tax voted under subsection 1, paragraph "a", prior to July 1, 1987 shall be used for the purposes for which it was approved by the voters and may be used for the purpose of paying the costs of utilities.

3. In addition to the tax authorized under section 260C.17, the board of directors of an area school may certify for levy by March 15, 1982 and March 15, 1983, a tax on taxable property in the merged area at rates

that will provide total revenues for the two years equal to five percent of the area school's general fund expenditures for the fiscal year ending June 30, 1980 in order to provide a cash reserve for that area school. As nearly as possible, one-half the revenue for the cash reserve fund shall be collected during each year.

The revenues derived from the levies shall be placed in a separate cash reserve fund. Moneys from the cash reserve fund shall only be used to alleviate temporary cash shortages. If moneys from the cash reserve fund are used to alleviate a temporary cash shortage, the cash reserve fund shall be reimbursed immediately from the general fund of the community college as funds in the general fund become available, but in no case later than June 30 of the current fiscal year, to repay the funds taken from the cash reserve fund.

4. The board of directors of any merged area that failed to certify for levy under subsection 3 by March 15, 1982, and March 15, 1983, may certify for levy by April 15, 1997, and April 15, 1998, a tax on taxable property in the merged area at rates that will provide total revenues for the two years equal to five percent of the area school's general fund expenditures for the fiscal year ending June 30, 1995, in order to provide a cash reserve for that area school. As nearly as possible, one-half the revenue for the cash reserve fund shall be collected during each year.

The revenues derived from the levies shall be placed in a separate cash reserve fund. Notwithstanding subsection 3, moneys from the cash reserve fund established by a merged area under subsection 3 or this subsection shall be used only to alleviate temporary cash shortages. If moneys from the cash reserve fund are used to alleviate a temporary cash shortage, the cash reserve fund shall be reimbursed immediately from the general fund of the community college as funds in the general fund become available, but in no case later than June 30 of the current fiscal year, to repay the funds taken from the cash reserve fund.

[C66, 71, 73, 75, 77, 79, 81, § 280A.22; 81 Acts, ch 88, § 1; 82 Acts, ch 1136, § 10]

84 Acts, ch 1003, § 3; 87 Acts, ch 233, § 476, 477; 90 Acts, ch 1253, § 32

C93, § 260C.22

96 Acts, ch 1215, §30

260C.22A State board for community colleges. Transferred to §260C.3.

260C.22B Duties of state board. Transferred to §260C.4.

260C.23 Authority of directors. Transferred to §260C.14.

260C.24 Payment of appropriations.

Payment of appropriations for distribution under this chapter, or of appropriations made in lieu of such appropriations, shall be made by the department of administrative services in monthly installments due on or about the fifteenth of each month of a budget year, and installments shall be as nearly equal as possible, as determined by the department of administrative services, taking into consideration the relative budget and cash position of the state resources.

95 Acts, ch 218, §18; 2003 Acts, ch 145, §286

260C.25 Duties of director. Transferred to §260C.5.

260C.26 Reserved.

260C.27 Community colleges division in department. Transferred to §260C.6.

260C.28 Tax for equipment replacement and program sharing.

1. Annually, the board of directors may certify for levy a tax on taxable property in the merged area at a rate not exceeding three cents per thousand dollars of assessed valuation for equipment replacement for the community college.
2. However, the board of directors may annually certify for levy a tax on taxable property in the merged area at a rate in excess of the three cents per thousand dollars of assessed valuation specified under subsection 1 if the excess tax levied does not cause the total rate certified to exceed a rate of nine cents per thousand dollars of assessed valuation, and the excess revenue generated is used for purposes of program sharing between community colleges or for the purchase of instructional equipment. Programs that are shared shall be designed to increase student access to community college programs and to achieve efficiencies in program delivery at the community colleges, including, but not limited to, the programs described under sections 260C.45 and 260C.46. Prior to expenditure of the excess revenues generated under this subsection, the board of directors shall obtain the approval of the director of the department of education.
3. If the board of directors wishes to certify for a levy under subsection 2, the board shall direct the county commissioner of elections to call an election to submit the question of such authorization for the board at a regular or special election. If a majority of those voting on the question at the election favors authorization of the board to make such a levy, the board may certify for a levy as provided under subsection 2 during each of the ten years following the election. If a majority of those voting on the question at the election does not favor authorization of the board to make a levy under subsection 2, the board shall not submit the question to the voters again until three hundred fifty-five days have elapsed from the election.

83 Acts, ch 180, § 1, 2

CS83, § 280A.28

87 Acts, ch 187, §1; 90 Acts, ch 1253, § 38; 92 Acts, ch 1246, §46

C93, § 260C.28

94 Acts, ch 1175, §4; 98 Acts, ch 1215, § 31

260C.29 Academic incentives for minorities program mission.

1. The mission of the academic incentives for minorities program established in this section is to encourage collaborative efforts by community colleges, the institutions of higher learning under the control of the state board of regents, 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.
2. An academic incentives for minorities program is established to be administered by a community college located in a county with a population in excess of three hundred thousand. The community college shall provide office space for the efficient operation of the program. The community college shall employ a director for the program. The director of the program shall employ necessary support staff. The director and staff shall be employees of the community college.
3. The director of the program shall do the following:
 - a. Direct the coordination of the program between the community college and the institutions of higher education under the control of the state board of regents.

- b. Propose rules to the state board of education as necessary to implement the program.
 - c. Recruit minority persons into the program.
 - d. Enlist the assistance and cooperation of leaders from business and industry to provide job placement services for students who are successfully completing the program.
 - e. Prepare and submit an annual report to the governor and the general assembly by January 15.
 - f. Contract with other community colleges to expand the availability of program services and increase the number of students served by the program.
 - g. Establish a separate account, which shall consist of all appropriations, grants, contributions, bequests, endowments, or other moneys or gifts received specifically for purposes of the program by the community college administering the program as provided in subsection 2. Not less than eighty percent of the funds received from state appropriations for purposes of the program shall be used for purposes of assistance to students as provided in subsection 5.
4. To be eligible for the program, a minority person shall be a resident of Iowa who is accepted for admission at or attends a community college or an institution of higher education under the control of the state board of regents. In addition, the person shall major in or achieve credit toward an associate degree, a bachelor's degree, or a master's degree in a field or subject area where minorities are underrepresented or underutilized.
5. The amount of assistance provided to a student under this section shall not exceed the cost of tuition, fees, and books required for the program in which the student is enrolled and attends. As used in this section, "books" may include book substitutes, including reusable workbooks, loose-leaf or bound manuals, and computer software materials used as book substitutes. A student who meets the qualifications of this section shall receive assistance under this section for not more than the equivalent of two full years of study.
6. For purposes of this section, "minority person" means a person who is Black, Hispanic, Asian, or a Pacific Islander, American Indian, or an Alaskan Native American.

95 Acts, ch 218, §19; 96 Acts, ch 1215, §31; 97 Acts, ch 212, §24

260C.30 Reserved.

260C.31 Auxiliary enterprises.

The board of directors may expend profits from auxiliary enterprises of community colleges for services and equipment which includes but is not limited to tutoring services, scholarships, grants, furniture, fixtures and equipment for noninstructional student use, and support of intramural and intercollegiate athletics.

For the purpose of this section:

1. "Auxiliary enterprises" means self-supporting services provided at the community college for which fees or charges are paid, and includes but is not limited to food services, college stores, student unions, institutionally operated vending services, recreational activities, faculty clubs, laundries, parking facilities, and intercollegiate athletics.
2. "Profits from auxiliary enterprises" means the difference between the total fees or charges collected for auxiliary enterprises and the expenditures by the community college for the auxiliary enterprises.

[C81, § 280A.31]

90 Acts, ch 1253, §39

C93, § 260C.31

260C.32 Trusts.

The board of a merged area may accept and administer trusts and may authorize nonprofit foundations acting solely for the support of the community college to accept and administer trusts deemed by the board to be beneficial to the operation of the community college. Notwithstanding section 633.63, the board and the nonprofit foundations may act as trustees in these instances. The board shall require that moneys belonging to a nonprofit foundation are audited annually.

[82 Acts, ch 1121, § 1]

C83, § 280A.32

90 Acts, ch 1253, §40

C93, § 260C.32

260C.33 Joint action with board of regents. Repealed by 93 Acts, ch 82, § 1012. See §260C.4.

260C.34 Uses of funds.

Funds obtained pursuant to section 260C.17; section 260C.18, subsections 3, 4, and 5; and sections 260C.18B, 260C.19, and 260C.22 shall not be used for the construction or maintenance of athletic buildings or grounds but may be used for a project under section 260C.56.

[C71, 73, 75, 77, 79, 81, § 280A.34]

91 Acts, ch 267, §241

C93, § 260C.34

96 Acts, ch 1215, §32; 96 Acts, ch 1215, §58

260C.35 Limitation on land.

A merged area shall not purchase land which will increase the aggregate of land owned by the merged area, excluding land acquired by donation or gift, to more than three hundred twenty acres without the approval of the director of the department of education. The limitation does not apply to a merged area owning more than three hundred twenty acres, excluding land acquired by donation or gift, prior to January 1, 1969.

With the approval of the director of the department of education, the board of directors of a merged area at any time may sell any land in excess of one hundred sixty acres owned by the merged area, and an election is not necessary in connection with the sale. The proceeds of the sale may be used for any of the purposes stated in section 260C.22. This paragraph is in addition to any authority under other provisions of law.

[C71, 73, 75, 77, 79, 81, § 280A.35]

83 Acts, ch 25, § 1; 86 Acts, ch 1245, § 1473; 92 Acts, ch 1037, §1

C93, § 260C.35

260C.36 Quality faculty plan.

1. By October 1, 2002, the college administration shall establish a committee consisting of instructors and administrators, equally representative of the arts and sciences faculty and the vocational-technical faculty, which has no more than a simple majority of members of the same gender. The faculty members shall be appointed by the certified employee organization if one exists and if not, by the college administration. The administrators shall be appointed by the college administration. The committee shall develop a plan for hiring and developing quality faculty that includes all of the following:

- a.* An implementation schedule for the plan.
- b.* Orientation for new faculty.
- c.* Continuing professional development for faculty.
- d.* Procedures for accurate recordkeeping and documentation for plan monitoring.
- e.* Consortium arrangements when appropriate, cost-effective, and mutually beneficial.
- f.* Specific activities that ensure faculty attain and demonstrate instructional competencies and knowledge in their subject or technical areas.
- g.* Procedures for collection and maintenance of records demonstrating that each faculty member has attained or documented progress toward attaining minimal competencies.
- h.* Compliance with the faculty accreditation standards of the north central association of colleges and schools and with faculty standards required under specific programs offered by the community college that are accredited by other accrediting agencies.

2. The committee shall submit the plan to the board of directors, which shall consider the plan and, once approved, submit the plan to the department of education and implement the plan not later than July 1, 2003.

3. Between July 1, 2003, and June 30, 2006, the department of education shall conduct on-site visits to ensure each community college's compliance and progress in implementing its plan. At a minimum, the department shall visit five colleges each year until the department has conducted on-site visits at each community college. By July 1, 2006, the department shall submit a report summarizing the department's findings to each community college and to the state accreditation team appointed pursuant to section 260C.47.

4. The administration of the college shall encourage the continued development of faculty potential by doing all of the following:

- a.* Regularly stimulating department chairpersons or heads to meet their responsibilities for the continued development of faculty potential.
- b.* Reducing the instructional loads of first-year instructors whose course preparation and in-service training demand a reduction.
- c.* Stimulating curricular evaluation.
- d.* Encouraging the development of an atmosphere in which the faculty brings a wide range of ideas and experiences to the students, each other, and the community.

[C71, 73, 75, 77, 79, 81, § 280A.36]

C93, § 260C.36

2002 Acts, ch 1047, §5

260C.37 Membership in association of school boards.

Boards of directors of community colleges may pay, out of funds available to them, reasonable annual dues to an Iowa association of school boards.

Membership in such an Iowa association of school boards shall be limited to those duly elected members of boards of directors of community colleges.

[C71, 73, 75, 77, 79, 81, § 280A.37]

90 Acts, ch 1253, §42

C93, § 260C.37

260C.38 Lease agreements for space.

The board of directors may enter into lease agreements, with or without purchase options, not to exceed twenty 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 funds acquired pursuant to section 260C.17, section 260C.18, and section 260C.22.

The agreements may include the leasing of existing buildings on public or private property, buildings to be constructed upon real estate owned by the community college, or buildings to be placed upon real estate owned by the community college.

Before entering into a lease agreement with a purchase option for a building to be constructed, or placed, upon real estate owned by the community college, the board shall first adopt plans and specifications for the proposed building which it considers suitable for the intended use, and the board shall also adopt the proposed terms of the lease agreement and purchase option. The board shall invite bids, by advertisement published once each week for two consecutive weeks in the county where the building is to be located. The lease agreement shall be awarded to the lowest responsible bidder, or the board may reject all bids and readvertise for new bids.

[C71, 73, 75, 77, 79, 81, § 280A.38; 82 Acts, ch 1230, § 1]

86 Acts, ch 1245, § 1474; 90 Acts, ch 1253, § 43

C93, § 260C.38

2002 Acts, ch 1140, §15

260C.39 Combining merged areas election.

Any merged area may combine with any adjacent merged area after a favorable vote by the electors of each of the areas involved. If the boards of directors of two or more merged areas agree to a combination, the question shall be submitted to the electors of each area at a special election to be held on the same day in each area. The special election shall not be held within thirty days of any general election. Prior to the special

election, the board of each merged area shall notify the county commissioner of elections of the county in which the greatest proportion of the merged area's taxable base is located who shall publish notice of the election according to section 49.53. The two respective county commissioners of elections shall conduct the election pursuant to the provisions of chapters 39 to 53. The votes cast in the election shall be canvassed by the county board of supervisors and the county commissioners of elections who conducted the election shall certify the results to the board of directors of each merged area.

If the vote is favorable in each merged area, the boards of each area shall proceed to transfer the assets, liabilities, and facilities of the areas to the combined merged area, and shall serve as the acting board of the combined merged area until a new board of directors is elected. The acting board shall submit to the director of the department of education a plan for redistricting the combined merged area, and upon receiving approval from the director, shall provide for the election of a director from each new district at the next regular school election. The directors elected from each new district shall determine their terms by lot so that the terms of one-third of the members, as nearly as may be, expire each year. Election of directors for the combined merged area shall follow the procedures established for election of directors of a merged area. A combined merged area is subject to all provisions of law and rules governing merged areas.

The terms of employment of personnel, for the academic year following the effective date of the agreement to combine the merged areas shall not be affected by the combination of the merged areas, except in accordance with the procedures under sections 279.15 to 279.18 and section 279.24, to the extent those procedures are applicable, or under the terms of the base bargaining agreement. The authority and responsibility to offer new contracts or to continue, modify, or terminate existing contracts pursuant to any applicable procedures under chapter 279, shall be transferred to the acting, and then to the new, board of the combined merged area upon certification of a favorable vote to each of the merged areas affected by the agreement. The collective bargaining agreement of the merged area receiving the greatest amount of general state aid shall serve as the base agreement for the combined merged area and the employees of the merged areas which combined to form the new combined merged area shall automatically be accreted to the bargaining unit from that former merged area for purposes of negotiating the contracts for the following years without further action by the public employment relations board. If only one collective bargaining agreement is in effect among the merged areas which are combining under this section, then that agreement shall serve as the base agreement, and the employees of the merged areas which are combining to form the new combined merged area shall automatically be accreted to the bargaining unit of that former merged area for purposes of negotiating the contracts for the following years without further action by the public employment relations board. The board of the combined merged area, using the base agreement as its existing contract, shall bargain with the combined employees of the merged areas that have agreed to combine for the academic year beginning with the effective date of the agreement to combine merged areas. The bargaining shall be completed by March 15 prior to the academic year in which the agreement to combine merged areas becomes effective or within one hundred eighty days after the organization of the acting board of the new combined merged area, whichever is later. If a bargaining agreement was already concluded in the former merged area which has the collective bargaining agreement that is serving as the base agreement for the new combined merged area, between the former merged area board and the employees of the former merged area, that agreement is void, unless the agreement contained multiyear provisions affecting academic years subsequent to the effective date of the agreement to form a combined merged area. If the base collective bargaining agreement contains multiyear provisions, the duration and effect of the agreement shall be controlled by the terms of the agreement. The provisions of the base agreement shall apply to the offering of new contracts, or the continuation, modification, or termination of existing contracts between the acting or new board of the combined merged area and the combined employees of the new combined merged area.

[C71, 73, 75, 77, 79, 81, § 280A.39]

86 Acts, ch 1245, § 1475; 90 Acts, ch 1168, § 40; 90 Acts, ch 1253, § 44; 91 Acts, ch 117, § 2

C93, § 260C.39

96 Acts, ch 1215, § 33; 97 Acts, ch 23, §27

260C.40 Prohibition of controlled substances.

Each merged area school shall adopt a policy that prohibits unlawful possession, use, or distribution of controlled substances by students and employees on property owned or leased by the merged area school or in conjunction with activities sponsored by a merged area school. Each merged area school shall provide information about the policy to all students and employees. The policy shall include a clear statement of sanctions for violation of the policy and information about available drug or alcohol counseling and rehabilitation programs. In carrying out this policy, the merged area school shall provide substance abuse prevention programs for students and employees.

91 Acts, ch 267, §242

CS91, § 280A.40

C93, § 260C.40

260C.41 Reserved.

260C.42 Payment of expenses.

The board of directors of a merged area shall audit and allow all just claims against the community college and an order shall not be drawn upon the treasury until the claim has been audited and allowed. However, the board of directors, by resolution, may authorize the secretary of the board, when the board is not in session, to issue payments for salaries pursuant to the terms of a written contract and to issue payments upon the receipt of verification filed with the secretary for all other general fund and plant fund expenses within limits established by resolution of the board; expenses involving auxiliary, agency, and scholarship and loan accounts; and refunds to students for tuition and fees. The secretary shall either deliver in person or mail the payments to the payees. A payment shall be made payable only to the person performing the service or furnishing the supplies for which the payment is issued. Payments issued prior to audit and allowance by the board shall be allowed by the board at the first meeting held after the issuance and shall be entered in the minutes of the meeting.

[82 Acts, ch 1058, § 1]

C83, § 280A.42

87 Acts, ch 233, §479; 88 Acts, ch 1061, § 1; 90 Acts, ch 1253, § 45

C93, § 260C.42

260C.43 Claims.

The board of directors of each merged area shall audit claims against the merged area to ensure proper and just payment of all claims. Each payment shall be made payable to the vendor entitled to receive the payment with appropriate justification to ensure that the payment is in accordance with generally accepted accounting principles and procedures and in accordance with the system prescribed under section 260C.5, subsection 9. The board may designate one or more members of the board or may employ a certified public accountant to perform and certify the audit to the board to comply with this section.

[82 Acts, ch 1059, § 1]

C83, § 280A.43

C93, § 260C.43

260C.44 Apprenticeship programs.

Each community college is authorized to establish or contract for the establishment of apprenticeship programs for apprenticeable occupations. Any apprenticeship program established under this section shall comply with requirements established by the United States department of labor, bureau of apprenticeship and training. Participation in an apprenticeship program or apprenticeship agreement by an apprenticeship sponsor shall be on a voluntary basis.

For purposes of this section, "*apprenticeship program*" means a plan, registered with the United States bureau of apprenticeship and training which contains the terms and conditions for the qualification, recruitment, selection, employment, and training of apprentices, including the requirement for a written apprenticeship agreement.

For purposes of this section, "*apprenticeship sponsor*" means a person operating an apprenticeship program or in whose name an apprenticeship program is being operated, registered, or approved.

For purposes of this section, "*apprenticeable occupation*" means an occupation approved for apprenticeship by the United States department of labor, bureau of apprenticeship and training.

For purposes of this section, "*apprentice*" means a person who is at least sixteen years of age, except where a higher minimum age is required by law, who is employed in an apprenticeable occupation, and is registered with the United States department of labor, bureau of apprenticeship and training.

90 Acts, ch 1253, §46

C91, § 280A.44

C93, § 260C.44

260C.45 Quality instructional centers.

A quality instructional centers program is established for the 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. The department of education shall establish criteria for the identification, approval, and review of programs for which an application for identification as a quality instructional center has been submitted.

A community college seeking to have a program identified as a quality instructional center shall submit an application to the department, describing the program, costs associated with program delivery, and current and projected student participation in the program. The department shall review each application, either accept or reject the application, and inform the applicant of the department's action on the application. Rejection of an application shall not preclude a community college from resubmitting the same or a different program for consideration as a candidate for identification as a quality instructional center.

The department shall provide assistance to community colleges to ensure that each community college is able to offer at least one program which meets the standards adopted for quality instructional centers.

A community college with an approved quality instructional center shall annually submit a report indicating

how funds received during the past year were spent and the projections of the next year's funding needs. The department shall review the reports to determine which centers will continue to be identified as quality instructional centers and the next year's funding levels for each approved center.

90 Acts, ch 1253, §47

C91, § 280A.45

C93, § 260C.45

97 Acts, ch 23, §28

260C.46 Program and administrative sharing.

By September 1, 1990, the department shall 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 board of regents. Guidelines established shall be designed to increase student access to programs, enhance educational program offerings throughout the state, and enhance interinstitutional cooperation in program offerings.

90 Acts, ch 1253, §48

C91, § 280A.46

C93, § 260C.46

97 Acts, ch 23, §29

260C.47 Accreditation of community college programs.

1. The state board of education shall establish an accreditation process for community college programs by July 1, 1997. The process shall be jointly developed and agreed upon by the department of education and the community colleges. The state accreditation process shall be integrated with the accreditation process of the north central association of colleges and schools, including the evaluation cycle, the self-study process, and the criteria for evaluation, which shall incorporate the standards for community colleges developed under section 260C.48; and shall identify and make provision for the needs of the state that are not met by the association's accreditation process. For the academic year commencing July 1, 1998, and in succeeding school years, the department of education shall use a two-component process for the continued accreditation of community college programs. Beginning July 1, 2006, the state accreditation process shall incorporate the standards developed pursuant to section 260C.48, subsection 4.

a. The first component consists of submission of required data by the community colleges and annual monitoring by the department of education of all community colleges for compliance with state program evaluation requirements adopted by the state board.

b. The second component consists of the use of an accreditation team appointed by the director of the department of education, 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. The number and composition of the accreditation team shall be determined by the director, but the team shall include members of the department of education staff and community college staff members from community

colleges other than the community college that conducts the programs being evaluated for accreditation. Beginning July 1, 2006, the accreditation team shall monitor the quality faculty plan implemented by each community college pursuant to section 260C.36.

c. Rules adopted by the state board shall include provisions for coordination of the accreditation process under this section with activities of accreditation associations, which are designed to avoid duplication in the accreditation process.

2. Prior to a visit to a community college, members of the accreditation team shall have access to the program audit report filed with the department for that community college. After a visit to a community college, the accreditation team shall determine whether the accreditation standards for a program have been met and shall make a report to the director and the state board, together with a recommendation as to whether the program of the community college should remain accredited. The accreditation team shall report strengths and weaknesses, if any, for each program standard and shall advise the community college of available resources and technical assistance to further enhance strengths and improve areas of weakness. A community college may respond to the accreditation team's report.

3. The state board shall determine whether a program of a community college shall remain accredited. If the state board determines that a program of a community college does not meet accreditation standards, the director of the department of education, in cooperation with the board of directors of the community college, shall establish a plan prescribing the procedures that must be taken to correct deficiencies in meeting the program standards, and shall establish a deadline date for correction of the deficiencies. The deadline for correction of deficiencies under a plan shall be no later than June 30 of the year following the on-site visit of the accreditation team. The plan is subject to approval of the state board. Plans shall include components which address meeting program deficiencies, sharing or merger options, discontinuance of specific programs or courses of study, and any other options proposed by the state board or the accreditation team to allow the college to meet the program standards.

4. During the time specified in the plan for its implementation, the community college program remains accredited. The accreditation team shall revisit the community college and shall determine whether the deficiencies in the standards for the program have been corrected and shall make a report and recommendation to the director and the state board. The state board shall review the report and recommendation, may request additional information, and shall determine whether the deficiencies in the program have been corrected.

5. If the deficiencies have not been corrected in a program of a community college, the community college board shall take one of the following actions within sixty days from removal of accreditation:

a. Merge the deficient program or programs with a program or programs from another accredited community college.

b. Contract with another educational institution for purposes of program delivery at the community college.

c. Discontinue the program or programs which have been identified as deficient.

6. The director of the department of education shall give a community college which has a program which fails to meet accreditation standards at least one year's notice prior to removal of accreditation of the program. The notice shall be given by certified mail or restricted certified mail addressed to the superintendent of the community college and shall specify the reasons for removal of accreditation of the program. The notice shall also be sent by ordinary mail to each member of the board of directors of the community college. Any good faith error or failure to comply with the notice requirements shall not affect the validity of any action by the director. If, during the year, the community college remedies the reasons for removal of accreditation of the program and satisfies the director that the community college will comply

with the accreditation standards for that program in the future, the director shall continue the accreditation of the program of the community college and shall transmit notice of the action to the community college by certified mail or restricted certified mail.

7. The action of the director to remove a community college's accreditation of the program may be appealed to the state board. At the hearing, the community college may be represented by counsel and may present evidence. The state board may provide for the hearing to be recorded or reported. If requested by the community college at least ten days before the hearing, the state board shall provide for the hearing to be recorded or reported at the expense of the community college, using any reasonable method specified by the community college. Within ten days after the hearing, the state board shall render a written decision, and shall affirm, modify, or vacate the action or proposed action to remove the college's accreditation of the program. Action by the state board is final agency action for purposes of chapter 17A.

90 Acts, ch 1253, §49; 90 Acts, ch 1254, § 2

C91, § 280A.47

92 Acts, ch 1040, §1

C93, § 260C.47

93 Acts, ch 82, § 5, 6, 11; 96 Acts, ch 1215, §34; 99 Acts, ch 114, §15; 2002 Acts, ch 1047, §6, 7, 20

260C.48 Standards for accrediting community college programs.

1. The state board shall develop standards and rules for the accreditation of community college programs. Except as provided in this subsection and subsection 4, standards developed shall be general in nature so as to apply to more than one specific program of instruction. With regard to community college-employed instructors, the standards adopted shall at a minimum require that full-time community college instructors meet the following requirements:

a. Instructors in the subject area of career and technical education shall be registered, certified, or licensed in the occupational area in which the state requires registration, certification, or licensure, and shall hold the appropriate registration, certificate, or license for the occupational area in which the instructor is teaching, and shall meet either of the following qualifications:

(1) A baccalaureate or graduate degree in the area or a related area of study or occupational area in which the instructor is teaching classes.

(2) Special training and at least six thousand hours of recent and relevant work experience in the occupational area or related occupational area in which the instructor teaches classes if the instructor possesses less than a baccalaureate degree.

b. Instructors in the subject area of arts and sciences shall meet either of the following qualifications:

(1) Possess a master's degree from a regionally accredited graduate school, and has successfully completed a minimum of twelve credit hours of graduate level courses in each field of instruction in which the instructor is teaching classes.

(2) Has two or more years of successful experience in a professional field or area in which the instructor is teaching classes and in which postbaccalaureate recognition or professional licensure is necessary for practice, including but not limited to the fields or areas of accounting, engineering, law, law enforcement, and medicine.

2. Standards developed shall include a provision that the standard academic workload for an instructor in arts and science courses shall be fifteen credit hours per school term, and the maximum academic workload for any instructor shall be sixteen credit hours per school term, for classes taught during the normal school day. In addition thereto, any faculty member may teach a course or courses at times other than the regular school week, involving total class instruction time equivalent to not more than a three-credit-hour course. The total workload for such instructors shall not exceed the equivalent of eighteen credit hours per school term.

3. Standards developed shall include provisions requiring equal access in recruitment, enrollment, and placement activities for students with special education needs. The provisions shall include a requirement that students with special education needs shall receive instruction in the least restrictive environment with access to the full range of program offerings at a college, through, but not limited to, adaptation of curriculum, instruction, equipment, facilities, career guidance, and counseling services.

4. Commencing July 1, 2006, standards relating to quality assurance of faculty and ongoing quality professional development shall be the accreditation standards of the north central association of colleges and schools and the faculty standards required under specific programs offered by the community college that are accredited by other accrediting agencies.

90 Acts, ch 1253, §50; 90 Acts, ch 1254, § 3

C91, § 280A.48

C93, § 260C.48

93 Acts, ch 82, § 7, 8; 2002 Acts, ch 1047, §8, 9, 20

260C.49 Rules.

The department of education shall adopt rules and definitions of terms necessary for the administration of this chapter. The school budget review committee shall adopt rules under chapter 17A to carry out section 260C.18B.

96 Acts, ch 1215, §35

260C.50 through 260C.55 Repealed by 93 Acts, ch 179, § 32.

260C.56 Definitions.

As used in this division:

1. "*Board*" means a board of directors of a community college.
2. "*Bonds or notes*" means revenue bonds or revenue notes which are payable solely from net rents, profits, and other income derived from the operation of residence halls, dormitories, incidental facilities, and additions.
3. "*Institution*" means a community college organized under this chapter.
4. "*Project*" means the acquisition by purchase, lease in accordance with section 260C.38, or construction of buildings for use as student residence halls and dormitories, including dining and other incidental facilities therefor, and additions to such buildings, the reconstruction, completion, equipment, improvement, repair or

remodeling of residence halls, dormitories, or additions or incidental facilities, and the acquisition of property of every kind and description, whether real, personal, or mixed, by gift, purchase, lease, condemnation, or otherwise and the improvement of the property.

90 Acts, ch 1253, §58; 90 Acts, ch 1254, § 4

C91, § 280A.56

91 Acts, ch 267, §243, 244

C93, § 260C.56

260C.57 Authorization contracts title.

Subject to and in accordance with the provisions of this division, the board of directors of each community college is hereby authorized to 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, including dining and other incidental facilities, and additions to such buildings at each of said institutions. All contracts for the construction, reconstruction, completion, equipment, improvement, repair or remodeling of any buildings, additions or facilities shall be let in accordance with the provisions of section 260C.19. The title to all real estate acquired under the provisions of this division and the improvements erected on the real estate shall be taken and held in the name of the merged area. The board is authorized to rent the rooms in such residence halls and dormitories to the students, officers, guests and employees of the institutions at such rates, fees or rentals as will provide a reasonable return upon the investment, but which will in any event produce net rents, profits and income sufficient to insure the payment of the principal of and interest on all bonds or notes issued to pay any part of the cost of any project and refunding bonds or notes issued pursuant to the provisions of this division and to insure that no property tax revenues will be needed to retire the bonds or notes.

90 Acts, ch 1253, §59

C91, § 280A.57

C93, § 260C.57

94 Acts, ch 1023, §94

260C.58 Bonds or notes.

To pay all or any part of the cost of carrying out any project at any institution the board is authorized to borrow money and to issue and sell negotiable bonds or notes and to refund and refinance bonds or notes issued for any project or for refunding purposes at a lower rate, the same rate, or a higher rate or rates of interest and from time to time as often as the board shall find it to be advisable and necessary so to do. Bonds or notes issued by the board for residence hall or dormitory purposes at any institution, including dining or other facilities and additions, or issued for refunding purposes, may either be sold in the manner specified for the selling of certificates under section 260E.6 and the proceeds applied to the payment of the obligations being refunded, or the refunding bonds or notes may be exchanged for and in payment and discharge of the obligations being refunded. A finding by the board in the resolution authorizing the issuance of the refunding bonds or notes, that the bonds or notes being refunded were issued for a purpose specified in this division and constitute binding obligations of the board, shall be conclusive and may be relied upon by any holder of any refunding bond or note issued under the provisions of this division. The refunding bonds or notes may be sold or exchanged in installments at different times or an entire issue or series may be sold or exchanged at one time. Any issue or series of refunding bonds or notes may be exchanged in part or sold in parts in

installments at different times or at one time. The refunding bonds or notes may be sold or exchanged at any time on, before, or after the maturity of any of the outstanding notes, bonds or other obligations to be refinanced thereby and may be issued for the purpose of refunding a like or greater principal amount of bonds or notes, except that the principal amount of the refunding bonds or notes may exceed the principal amount of the bonds or notes to be refunded to the extent necessary to pay any premium due on the call of the bonds or notes to be refunded, to fund interest in arrears or about to become due, or to allow for sufficient funding of the escrow account on the bonds to be refunded.

All bonds or notes issued under the provisions of this division shall be payable from and shall be secured by an irrevocable first lien pledge of a sufficient portion of the following: the net rents, profits and income derived from the operation of residence halls, dormitories, dining or other incidental facilities and additions, including necessary real and personal property, acquired or improved in whole or in part with the proceeds of such bonds or notes, regardless of the manner of such acquisition or improvement; and the net rents, profits and income not pledged for other purposes derived from the operation of any other residence halls or dormitories, including dining or other incidental facilities and additions, at the particular institution. In addition, the board may secure any bonds or notes issued by borrowing money, by mortgaging any real estate or improvements erected on real estate, or by pledging rents, profits, and income received from property for the discharge of mortgages. All bonds or notes issued under the provisions of this division shall have all the qualities of negotiable instruments under the laws of this state.

90 Acts, ch 1253, §60

C91, § 280A.58

91 Acts, ch 267, §245

C93, § 260C.58

260C.59 Rates and terms of bonds or notes.

The bonds or notes may bear a date or dates, may bear interest at such rate or rates, may mature at such time or times, may be in such form, carry such registration privileges, may be payable at such place or places, may be subject to such terms of redemption prior to maturity with or without premium, if so stated on the face of the bonds, and may contain any terms and covenants as may be provided by the resolution of the board authorizing the issuance of the bonds or notes. In addition to the estimated cost of construction, the cost of the project shall be deemed to include interest upon the bonds or notes during construction and for six months after the estimated completion date, the compensation of a fiscal agent or adviser, any underwriter discount, and engineering, administrative and legal expenses. The bonds or notes shall be executed by the president of the board of directors and attested by the secretary. Any bonds or notes bearing the signatures of officers in office on the date of the signing shall be valid and binding for all purposes, notwithstanding that before delivery of the bonds or notes any or all persons whose signatures appear on the bonds or notes shall have ceased to be officers. Each bond or note shall state upon its face the name of the institution on behalf of which it is issued, that it is payable solely and only from the net rents, profits and income derived from the operation of residence halls or dormitories, including dining and other incidental facilities, at the institution named, and that it does not constitute a charge against the state of Iowa within the meaning or application of any constitutional or statutory limitation or provision. The issuance of bonds or notes shall be recorded in the office of the treasurer of the institution on behalf of which the bonds or notes are issued, and a certificate by such treasurer to this effect shall be printed on the back of each such bond or note.

90 Acts, ch 1253, §61

C91, § 280A.59

91 Acts, ch 267, §246

C93, § 260C.59

94 Acts, ch 1023, §95

260C.60 Issuance resolution.

Upon the determination by the board to undertake and carry out any project or to refund outstanding bonds or notes, the board shall adopt a resolution generally describing the contemplated project and setting forth the estimated cost, or describing the obligations to be refunded, fixing the amount of bonds or notes to be issued, the maturity or maturities, the interest rate or rates and all details of the project. The resolution shall contain any covenants as may be determined by the board as to the issuance of additional bonds or notes that may be issued payable from the net rents, profits and income of the residence halls or dormitories, the amendment or modification of the resolution authorizing the issuance of any bonds or notes, the manner, terms and conditions and the amount or percentage of assenting bonds or notes necessary to effectuate the amendment or modification, and any other covenants as may be deemed necessary or desirable. In the discretion of the board any bonds or notes issued under the terms of this division may be secured by a trust indenture by and between the board and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the boundaries of the state of Iowa. The provisions of this division and of any resolution or other proceedings authorizing the issuance of bonds or notes and providing for the establishment and maintenance of adequate rates, fees or rentals and the application of the proceeds thereof shall constitute a contract with the holders of the bonds or notes.

90 Acts, ch 1253, §62

C91, § 280A.60

91 Acts, ch 267, §247

C93, § 260C.60

260C.61 Rates, fees, and rentals pledge.

If bonds or notes are issued by a board, the board shall establish, impose, and collect rates, fees or rentals for the use of and services provided by the residence halls and dormitories, including dining and other incidental facilities therefor, at the institution on behalf of which the bonds or notes are issued, shall adjust the rates, fees, or rentals from time to time, in order to always provide net amounts sufficient to pay the principal of and interest on the bonds or notes as they become due, and shall maintain a reserve. The board may pledge a sufficient amount of the net rents, profits and income derived from the operation of residence halls and dormitories, including dining and other facilities, at the institution for this purpose. Rates, fees, or rentals collected at one institution shall not be used to discharge bonds or notes issued for or on account of another institution. All bonds or notes issued under the terms of this division shall be exempt from taxation by the state of Iowa and the interest on the bonds or notes is exempt from the state income tax.

90 Acts, ch 1253, §63

C91, § 280A.61

C93, § 260C.61

260C.62 Accounts.

A certified copy of each resolution providing for the issuance of bonds or notes under this division shall be filed with the treasurer of the institution on behalf of which the bonds or notes are issued and the treasurer shall keep and maintain separate accounts for each issue of bonds or notes in accordance with the covenants and directions set out in the resolution providing for the issuance of the bonds or notes. All rates, fees, or rentals collected for the use of and services provided by the residence halls and dormitories, including dining and other incidental facilities, at each institution shall be held in trust by the treasurer, separate and apart from all other funds, to be used only for the purposes specified in this division and as may be required and provided for by the proceedings of the board authorizing the issuance of bonds or notes. The treasurer of each institution shall disburse funds from the proper account for the payment of the principal of and interest on the bonds or notes in accordance with the directions and covenants of the resolution authorizing the issuance of the bonds or notes.

If the amount of bonds or notes issued under this chapter exceeds the actual costs of the projects for which the bonds or notes were issued, the amount of the difference shall be used to pay the principal and interest due on bonds or notes issued under this chapter.

90 Acts, ch 1253, §64

C91, § 280A.62

C93, § 260C.62

260C.63 No obligation against state.

Under no circumstances shall any bonds or notes issued under the terms of this division be or become or be construed to constitute a charge against the state of Iowa within the purview of any constitutional or statutory limitation or provision. Taxes, appropriations, or other funds of the state of Iowa shall not be pledged for or used to pay for the bonds or notes or for the interest on the bonds or notes. Any principal and interest on bonds or notes issued under this division shall be payable only from the net rents, profits, and income derived from the operation of residence halls and dormitories, including dining and other incidental facilities, at the institutions of higher learning under the control of the board, and the sole remedy for any breach or default of the terms of any bonds or notes or proceedings for their issuance shall be a proceeding either in law or in equity by suit, action, or mandamus to enforce and compel performance of the duties required by this division and the terms of the resolution under which the bonds or notes are issued.

90 Acts, ch 1253, §65

C91, § 280A.63

C93, § 260C.63

260C.64 Who may invest.

All banks, trust companies, building and loan associations, savings and loan associations, investment companies, and other persons carrying on an investment business, all insurance companies, insurance associations, and other persons carrying on an insurance business, and all executors, administrators, guardians, trustees, and other fiduciaries may legally invest any sinking funds, moneys or other funds belonging to them or within their control in any bonds or notes issued pursuant to this division. However, this section shall not be construed as relieving any persons from any duty of exercising reasonable care in selecting securities for purchase or investment.

90 Acts, ch 1253, §66

C91, § 280A.64

C93, § 260C.64

260C.65 Federal or other aid accepted.

The board of directors of each community college may apply for and accept federal aid or nonfederal gifts or grants of funds, and may use the aid, gifts, or funds to pay all or any part of the cost of carrying out any project at any institution under the terms of this division or to pay any bonds and interest on the bonds issued for any of the purposes specified in this division.

90 Acts, ch 1253, §67

C91, § 280A.65

C93, § 260C.65

94 Acts, ch 1023, §96

260C.66 Reports to general assembly.

The board of directors of each community college shall determine, in consultation with the legislative services agency, the financial information to be included in line item budget information for projects funded by the issuance of bonds or notes under this chapter and shall submit the line item budget information to the general assembly as requested. The board of directors of each community college shall submit quarterly reports to the general assembly concerning the projects funded by the issuance of bonds or notes under this chapter as follows:

1. Identification of both undercharges and overcharges for line items of projects.
2. Identification of contracts in which any line item for a project exceeds the adopted budget for that line item by ten percent or more.
3. Identification of complaints received by an institution regarding the construction of a project.

If the board of directors of a community college approves a change in the amount of the line item of a budget for a project, the change shall be transmitted to the appropriations committees of the house of representatives and senate, while the general assembly is in session, and to the legislative council, when the general assembly is not in session, for review.

90 Acts, ch 1253, §68

C91, § 280A.66

C93, § 260C.66

94 Acts, ch 1023, §97; 2003 Acts, ch 35, §45, 49

260C.67 Alternative method.

This division shall be construed as providing an alternative and independent method for carrying out any project at any institution under the control of a community college board of directors, for the issuance and sale or exchange of bonds or notes in connection with a project and for refunding bonds or notes pertinent to

the project, without reference to any other statute, and shall not be construed as an amendment of or subject to the provisions of any other law, and no publication of any notice, whether under section 73A.12 or otherwise, and no other or further proceeding in respect to the issuance or sale or exchange of bonds or notes under this division, shall be required except as prescribed by this division, any provisions of other statutes of the state to the contrary notwithstanding.

90 Acts, ch 1253, §69

C91, § 280A.67

C93, § 260C.67

94 Acts, ch 1023, §98

260C.68 Prior action legalized.

All rights previously acquired in connection with the financing of any project at any institution are preserved and all acts and proceedings taken by the board preliminary to and in connection with the authorization and issuance of any previously issued and outstanding notes or other obligations for any project are hereby legalized, validated, and confirmed and the notes or obligations are hereby declared to be legal and to constitute valid and binding obligations of the board according to their terms and payable solely and only from the sources referred to in the notes or obligations.

90 Acts, ch 1253, §70

C91, § 280A.68

C93, § 260C.68

260C.69 Dormitory space priority.

Each community college which completes a project, as defined under section 260C.56, subsection 4, shall set aside a percentage of available dormitory space for the purposes of meeting the needs of the following students:

1. Students, with families, who are participating in specialized or intensive programs.
2. Students who are participating in specialized or intensive programs.
3. Child care arrangements for students, faculty, or staff.
4. Students whose residence is located too far from the community college to permit commuting to and from school, as determined by the board of directors of the merged area.
5. Students whose disabilities require special housing adaptations.

Once all priorities have been met, students shall be allotted rooms on a first come, first served basis.

90 Acts, ch 1253, §71

C91, § 280A.69

C93, § 260C.69

260C.70 Ten-year program and two-year bonding estimate submitted each year. Repealed by 2002 Acts, ch 1140, §44.

260C.71 Community college bond program definitions funding bonds and notes.

1. As used in this section and section 260C.72, unless the context otherwise requires:

a. "Authority" means the Iowa finance authority.

b. "Bonds" means revenue bonds which are payable solely as provided in this section and section 260C.72.

2. The authority shall cooperate with the state board for community colleges, individual community colleges, and private developers, acting in conjunction with a community college to build housing facilities in connection with the community college, in the creation, administration, and funding of a community college dormitory bond program to finance housing facilities, such as dormitories, in connection with a community college.

3. The authority may issue its bonds and notes for the purpose of funding the nonrecurring cost of acquiring, constructing, and equipping a community college related facility, such as a dormitory.

4. The authority may issue its bonds and notes for the purposes of this chapter and may enter into one or more lending agreements or purchase agreements with one or more bondholders or noteholders containing the terms and conditions of the repayment of and the security for the bonds or notes. The authority and the bondholders or noteholders or a trustee agent designated by the authority may enter into agreements to provide for any of the following:

a. That the proceeds of the bonds and notes and the investments of the proceeds may be received, held, and disbursed by the authority or by a trustee or agent designated by the authority.

b. That the bondholders or noteholders or a trustee or agent designated by the authority may collect, invest, and apply the amount payable under the loan agreements or any other instruments securing the debt obligations under the loan agreements.

c. That the bondholders or noteholders may enforce the remedies provided in the loan agreements or other instruments on their own behalf without the appointment or designation of a trustee. If there is a default in the principal of or interest on the bonds or notes or in the performance of any agreement contained in the loan agreements or other instruments, the payment or performance may be enforced in accordance with the loan agreement or other instrument.

d. Other terms and conditions as deemed necessary or appropriate by the authority.

5. The powers granted the authority under this section are in addition to other powers contained in chapter 16. All other provisions of chapter 16, except section 16.28, subsection 4, apply to bonds or notes issued and powers granted to the authority under this section, except to the extent they are inconsistent with this section.

6. All bonds or notes issued by the authority in connection with the program are exempt from taxation by this state and the interest on the bonds or notes is exempt from state income tax, both personal and corporate.

260C.72 Security reserve funds pledges nonliability.

1. The authority may provide in the resolution, trust agreement, or other instrument authorizing the issuance of its bonds or notes pursuant to section 260C.71 that the principal of, premium, and interest on the bonds or notes are payable from any of the following and may pledge the same to its bonds and notes:

- a.* From the net rents, profits, and income arising from the project or property pledged or mortgaged.
- b.* From the net rents, profits, and income which has not been pledged for other purposes arising from any similar housing facility under the control and management of the community college or state board for community colleges.
- c.* From the fees or charges established by the community college or state board for community colleges for students attending the institution who are living in the housing facility for which the obligation was incurred.
- d.* From the income derived from gifts and bequests made to the institutions under the control of the community college or state board for community colleges for such purposes.
- e.* From the amounts on deposit in the name of a community college or a private developer or operator of a community college facility, including but not limited to revenues from a purchase, rental, or lease agreement, loan agreement, or dormitory charges.
- f.* From the amounts payable to the authority, the community college board of directors, the state board for community colleges, or a private developer or operator, pursuant to a loan agreement, lease agreement, or sale agreement.
- g.* From the other funds or accounts established by the authority in connection with the program or the sale and issuance of its bonds or notes.

No obligation created hereunder shall ever be or become a charge against the state of Iowa but all such obligations, including principal and interest, shall be payable solely as provided in this section and section 260C.71.

2. The authority may establish reserve funds to secure one or more issues of its bonds or notes. The authority may deposit in a reserve fund established under this subsection, the proceeds of the sale of its bonds or notes and other money which is made available from any other source.

3. A pledge made in respect of bonds or notes is valid and binding from the time the pledge is made. The money or property so pledged and received after the pledge by the authority is immediately subject to the lien of the pledge without physical delivery or further act. The lien of the pledge is valid and binding as against all persons having claims of any kind in tort, contract, or otherwise against the authority whether or not the parties have notice of the lien. Neither the resolution, trust agreement, or any other instrument by which a pledge is created needs to be recorded, filed, or perfected under chapter 554, to be valid, binding, or effective against all persons.

4. The members of the authority or persons executing the bonds or notes are not personally liable on the bonds or notes and are not subject to personal liability or accountability by reason of the issuance of the bonds or notes.

5. The bonds or notes issued by the authority are not an indebtedness or other liability of the state or of a political subdivision of the state within the meaning of any constitutional or statutory debt limitations, but are

special obligations of the authority and are payable solely from the income and receipts or other funds or property of the community college or private developer, and the amounts on deposit in a community college bond fund, and the amounts payable to the authority under its loan agreements with a community college or private developer to the extent that the amounts are designated in the resolution, trust agreement, or other instrument of the authority authorizing the issuance of the bonds or notes as being available as security for the bonds or notes. The authority shall not pledge the faith or credit of the state or of a political subdivision of the state to the payment of any bonds or notes. The issuance of any bonds or notes by the authority does not directly, indirectly, or contingently obligate the state or a political subdivision of the state to apply money from, or levy, or pledge any form of taxation whatever to the payment of the bonds or notes.

90 Acts, ch 1253, § 77; 90 Acts, ch 1254, § 7, 8

C91, § 280A.72

C93, § 260C.72

260C.73 Rules.

The authority shall adopt rules pursuant to chapter 17A to implement sections 260C.71 and 260C.72.

90 Acts, ch 1253, § 78

C91, § 280A.73

C93, § 260C.73