

Title: Institutional Debt	Number: 7.14	Page 1 of 1
	Related Procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Legal Citation (if Applicable) 23-71-122 CRS	Board Approval/Revision: June 27, 2018	

The purpose of this policy is to provide a structure within which CMC can manage and monitor its institutional debt. This policy shall apply to all forms of institutional debt including revenue bonds, certificates of participation, and general obligation bonds. Short-term operational liabilities or payables are not subject to this policy.

Importantly, Colorado Mountain College is a local district college with taxing authority. The college owns and maintains assets on behalf of the college district apart from the State of Colorado. Moreover, CMC does not participate in state-level (i.e., Colorado Commission on Higher Education) capital development and funding processes and is not eligible to participate in the state treasurer’s debt intercept program.

Not less often than once annually, and prior to every instance of the college’s consideration of the issuance of new debt or the refinancing of existing debt, the college’s Debt Manager shall prepare a report for the Board of Trustees regarding the college’s compliance with this policy. The Board of Trustees charges the College President with developing and implementing procedures to enact this policy. These procedures must be developed and/or updated in consultation with the Board of Trustees.

These procedures should (i) establish a framework for guiding decisions regarding the use and management of debt, (ii) ensure that an appropriate mix and type of funding sources are considered when funding capital projects, and that the College’s debt capacity is allocated according to strategic goals, (iii) ensure financial discipline to service existing and proposed debt, (iv) maintain leverage within an acceptable risk tolerance while investing in priority capital projects, (v) maintain a strong financial profile to ensure a competitive position relative to CMC peers, and (vi) maintain the budgetary and liquidity capacity to invest in strategic initiatives.