

**Department of Higher Education
State of Colorado**

**Intra-Department Memorandum of Understanding Between
CollegeInvest and the Department of Higher Education**

This Memorandum of Understanding (the "MOU") sets forth the agreement entered into on the 30th day of June, 2010, between CollegeInvest and the Department of Higher Education ("DHE")

RECITALS

WHEREAS, on May 7, 2010 CollegeInvest sold their student loans receivable to Nelnet, Inc.;

WHEREAS, on June 6, 2010 Governor Bill Ritter Jr. signed House Bill 10-1428 into law.

WHEREAS, House Bill 10-1428 provides for the establishment of a financial need scholarships and grants fund (the "Financial Need Fund") to be created by CollegeInvest and DHE as a new fund within CollegeInvest.

WHEREAS, up to \$35 million of proceeds from the sale of CollegeInvest's student loan portfolio, plus gifts, grants or donations, or other moneys appropriated by the General Assembly shall be deposited in such Financial Need Fund.

WHEREAS, moneys deposited into the Financial Need Fund shall be used to pay direct and indirect costs associated with awarding scholarships or grants based on financial need.

NOW THEREFORE, it is agreed that:

1. The Colorado Commission on Higher Education shall determine how monies deposited in the Financial Need Fund shall be awarded to students attending college in Colorado.
2. Prior to September 1, of each year, DHE shall provide to CollegeInvest a total amount of scholarships or grants to be paid for the next fiscal year and an estimated timing of payments of such scholarships and grants. DHE shall bill CollegeInvest allowing a thirty day notice on an as needed basis.
3. On November 1, of each year, and quarterly thereafter, CollegeInvest shall provide DHE with an annual accounting of funds held in the Financial Need Fund, including any interest earned on such funds, and projected funds available for the next fiscal year.

ATTACHMENT A

4. This MOU may not be amended except by written agreement between CollegeInvest and DHE. This MOU will terminate upon disbursement of all of the funds within the Financial Need Fund.
5. All notices, requests, and inquiries made in connection with this MOU should be directed as follows:

For CollegeInvest:
Debra L DeMuth
1560 Broadway, Suite 1700
Denver, CO 80202

For DHE:
Rico Munn
1560 Broadway, Suite 1600
Denver, CO 80202

For CCHE:
Chairman
1560 Broadway, Suite 1600
Denver, CO 80202

IN WITNESS WHEREOF:

CollegeInvest:

By: Debra L DeMuth
Director

Colorado Commission on Higher Education:

By: Jim Polsfut
Chairman

Department of Higher Education:

By: Rico Munn
Executive Director