

FEE-FOR-SERVICE CONTRACT AMENDMENT

Amendment # 12	Original Contract CMS (CLIN) # 06-00002	Amendment CMS # 45128
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1) PARTIES

This Amendment to the above-referenced Original Contract ("Contract") is entered into by and between the Governing Board for the Community College System ("Institution"), and the STATE OF COLORADO ("State") acting by and through the Department of Higher Education ("Department").

2) EFFECTIVE DATE

This Amendment shall not be effective or enforceable until it is approved and signed by the Colorado State Controller or designee (hereinafter called the "Effective Date").

3) FACTUAL RECITALS

a. The parties entered into the Contract dated July 1, 2005 (CLIN #06-00002), the First Amendment (CLIN# 06-00016), the Second Amendment (CLIN #06-00022), the Third Amendment (CLIN #07-00001), the Fourth Amendment (CLIN #08-00002), the Fifth Amendment (CLIN #09-00002), the Sixth Amendment (CLIN #09-00018), the Seventh Amendment (CLIN #10-00002), the Eighth Amendment (CMS #17403), the Ninth Amendment (CMS #20017), the Tenth Amendment (CMS #33700), and the Eleventh Amendment (CMS #33759) for the purchase of higher educational services.

b. Additional funds have been budgeted, appropriated and otherwise made available for the purchase of additional higher education services for the residents of the state of Colorado for FY 2011-12.

4) CONSIDERATION-CONTINGENCY

The Parties acknowledge that the mutual promises and covenants contained herein and other good and valuable consideration are sufficient and adequate to support this Amendment. The funding of this Contract is contingent upon the Department's funding from the Joint Budget Committee of the Colorado General Assembly (JBC). The JBC reserves the right to adjust the funding amount of the Contract in accordance with changes in student enrollment at the Institution.

5) LIMITS OF EFFECT

This Amendment is incorporated by reference into the Contract, and the Contract and all prior amendments thereto, if any, remain in full force and effect except as specifically modified herein.

6) MODIFICATIONS

a. FY 2011-12 adjustment

The Department will transfer an additional four million, four hundred thirty-seven thousand, nine hundred sixty dollars (\$4,437,960) for a total contract amount of one hundred forty-seven million, five hundred fifty-two thousand, one hundred thirty-five dollars (\$147,552,135) through the end of FY 2011-12 for the purchase of the higher education services set forth in **Exhibit A-12, attached hereto and incorporated by reference**, under Fund Number **100**, Appropriation Account **FFS**.

b. Intercept Program

In accordance with SB08-245, if the Institution participates in the Intercept program the Institution is required to notify the Department of the Treasury (hereinafter referred to as the "Treasury") when the Institution is unable to make a required bond payment. The Treasury will make the required payment on behalf of the Institution and the Treasury is authorized to intercept the System's Fee-For-Service payment to recoup expended funds. Any payments made under the Contract (even if intercepted by a third party) are considered to be payments made to the Institution for services provided under the terms of the Contract.

7) START DATE

This Amendment shall take effect on the later of its Effective Date or July 1, 2011.

8) ORDER OF PRECEDENCE

In the event of any conflict, inconsistency, variance, or contradiction between the provisions of this Amendment and any of the provisions of the Contract, the provisions of this Amendment shall in all respects supersede, govern, and control.

9) AVAILABLE FUNDS

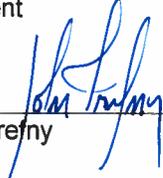
FINANCIAL OBLIGATIONS OF THE STATE PAYABLE AFTER THE CURRENT FISCAL YEAR ARE CONTINGENT UPON FUNDS FOR THAT PURPOSE BEING APPROPRIATED, BUDGETED, AND OTHERWISE MADE AVAILABLE.

THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT

*** Persons signing for Contractor hereby swear and affirm that they are authorized to act on Contractor's behalf and acknowledge that the State is relying on their representations to that effect.**

CONTRACTOR
Community College System

By: 
By: Nancy McCallin
Title: President

By: 
By: John Trefny
Title: Chair

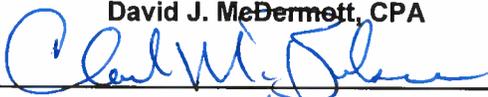
STATE OF COLORADO
John Hickenlooper. GOVERNOR
Department of Higher Education

By: 
By: Lt. Gov. Joseph A. Garcia, Executive Director

ALL CONTRACTS REQUIRE APPROVAL BY THE STATE CONTROLLER

CRS §24-30-202 requires the State Controller to approve all State Contracts. This Contract is not valid until signed and dated below by the State Controller or delegate. Contractor is not authorized to begin performance until such time. If Contractor begins performing prior thereto, the State of Colorado is not obligated to pay Contractor for such performance or for any goods and/or services provided hereunder.

STATE CONTROLLER
David J. McDermott, CPA

By: 

Date: 7/20/12

EXHIBIT A-12
STATEMENT OF WORK
Community College System

The General Assembly has found that some services which are offered by institutions of higher education go beyond the scope of undergraduate services and are not part of the College Opportunity Fund stipend program. Instead, the General Assembly has determined that it is in the best interests of the state of Colorado for the Department to purchase these selected educational services for the benefit of students. In accordance with 23-1-109.7, Colorado Revised Statutes (C.R.S.) these services may include, but need not be limited to:

- (a) Educational services in rural areas or communities in which the cost of delivering the educational services is not sustained by the amount received in student tuition;
- (b) to (d) Repealed;
- (e) Educational services required of the commission to meet its obligations under reciprocal agreements pursuant to section 23-1-112, C.R.S.;
- (f) Graduate school services;
- (g) Educational services that may increase economic development opportunities in the state, including courses to assist students in career development and retraining; and
- (h) Specialized educational services and professional degrees, including but not limited to the areas of dentistry, medicine, veterinary medicine, nursing, law, forestry, and engineering.

Vestibule Labs

The Department finds that students may need preparatory guidance to help get them to the level of work expected at a postsecondary institution and to gain the necessary skills to obtain a degree. Vestibule labs allow students the opportunity to fully participate in the educational experience by preparing them to perform in such an environment. Without such services, some students would have a lack of proper skills in areas important to degree completion and career development. The Department shall purchase these services from the Institution in order to ensure the availability of these services to students.

Reciprocal Agreements

In accordance with 23-1-113 (1) (b) (I) (B) Colorado Revised Statutes, the Department "shall identify those circumstances where the waiving of the nonresident differential in tuition rates, on a reciprocal basis with other states, would enhance educational opportunities for Colorado residents. The Department shall purchase services from the Institution in order to ensure the availability of these services in accordance with Colorado Commission on Higher Education policy authorizing this service. The purpose for purchasing such services shall be to ensure educational opportunities for Colorado residents in other states in order that they have access to unique programs and offering at institutions outside of Colorado.

Rural Educational Services

The Commission is responsible for ensuring the provision of educational services in rural areas or communities in which the cost of delivering the educational services is not sustained by the amount received in student tuition. The Department shall purchase these services from the Institution in order to ensure the provision of these services to students in rural areas. Such services shall be purchased by the Department in accordance with the cost model set forth in **Exhibit C-12**.

During the period of this agreement, the Department will purchase from the System the following units of other educational services:

- a. The Department shall purchase 30,300 credit hours of other educational services for Vestibule labs at the rate of ninety-two dollars (**\$92**) per credit hour for a total of two million seven hundred eighty seven thousand and six hundred dollars (**\$2,787,600**).
- b. The Department shall purchase 2,100 credit hours of other educational services for Reciprocal programs at the rate of ninety-two dollars (**\$92**) per credit hour for a total of one hundred ninety three thousand and two hundred dollars (**\$193,200**).
- c. The Department shall purchase 19,846.78 credit hours of educational services in rural areas or communities at a rate of three hundred seventy dollars and forty cents (**\$370.40**) for a total of seven million three hundred fifty-one thousand two hundred and forty six dollars (**\$7,351,246**). See Cost Model in **Exhibit C-12**. The COF stipend amount of \$62 per credit hour is not included in the per credit hour amount reimbursed through the fee-for-service contract.

In order to ensure that such services are provided in a reasonable and fiscally responsible manner, the Institution shall report annually, through the Student Unit Reporting Data System (SURDS), and the Final Student Enrollment Report, or by other means noticed and established by the Department, the number of student FTE served and credit hours provided by each category listed in this exhibit. If such reporting shows an amount of credit hours lower than is purchased herein, the Department shall adjust the payments under this contract accordingly. Further, the Department may audit such services periodically to ensure contract and statutory compliance including, but not necessarily limited to ensuring that the number of credit hours purchased has been provided.

Nothing in this section shall prevent the System from enrolling students above and beyond the units contracted for under Other Educational Services.

Exhibit C-12.1

FY11-12 credit hours estimate			
	SFTE	Credit Hours	Purchase price
Vestibule Labs*	1,010.00	30,300	2,787,600
Reciprocal*	70.00	2,100	193,200
Total	1,080.00	32,400	2,980,800
*Source: Based on FY 10 actuals plus enrollment forecast			
Total Vestibule Lab and Reciprocal			\$2,980,800

Credit Hours Per SFTE 30
 Rate per Credit Hour \$92

