

FEE-FOR-SERVICE CONTRACT AMENDMENT

Amendment # 9	Original Contract CMS (CLIN) # 06-00007	Amendment CMS # 45134
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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 Colorado School of Mines ("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 #06-00007), the first Amendment (CLIN# 06-00018), the Second Amendment (CLIN #07-00010), the Third Amendment (CLIN #08-00006), the Fourth Amendment (CLIN #09-00003), the Fifth Amendment (CLIN #09-00019), the Sixth Amendment (CMS #3594), the Seventh Amendment (CMS #18195), and the Eighth Amendment (CMS #22742) 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 2010-11.
- c. 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. FY2010-11 adjustment and closeout

The Department will transfer an additional Two million, eighty thousand, three hundred three dollars (\$2,080,303). for a total contract amount of seventy-six million, two hundred five thousand, one hundred eighty-nine dollars (\$76,205,189) through the end of FY 2010-11 for the purchase of the higher education services set forth in **Exhibit A-**

9, attached hereto and incorporated by reference, under Fund Number 100, Appropriation Account FFS.

b. FY2011-12 allocation

The Department will transfer an additional eleven million, two hundred fifty-two thousand, seven hundred two dollars (\$11,252,702), for a total contract amount of eighty-seven million, four hundred fifty-seven thousand, eight hundred ninety-one dollars (\$87,457,891) through the end of FY 2011-12 for the purchase of the higher education services set forth in **Exhibit A-9, attached hereto and incorporated by reference,** under Fund Number 100, Appropriation Account FFS.

c. 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 its Effective Date.

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.

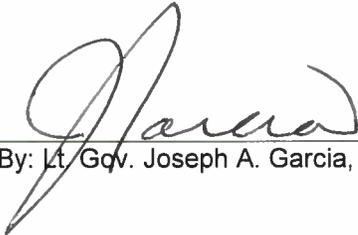
THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT

*** 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
Colorado School of Mines

STATE OF COLORADO
John Hickenlooper. GOVERNOR
Department of Higher Education

By: 
By: M.W. Scoggins
Title: President

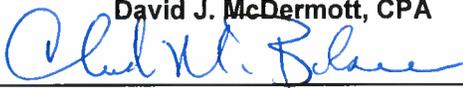
By: 
By: Lt. Gov. Joseph A. Garcia, Executive Director


By: James Spaanstra
Title: Chair, Board of Trustees

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: 
By: _____

Date: 6/13/12

EXHIBIT A-9
STATEMENT OF WORK
Colorado School of Mines

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.

Graduate and Other Educational Services

In order to purchase graduate educational services the Department/Institution has developed a cost model that identifies expenses incurred by this Institution in educating graduate students. Based upon this cost information, the department shall purchase services on a per credit hour basis. The per credit hour basis is a common method of determining costs and is easily identifiable and auditable under this contract.

Such services are purchased in order to provide advanced degrees in various fields of study. Each degree is designed to provide a specific field of knowledge to students that benefit the educational mission of the student and the state. A highly educated workforce attracts businesses and people to the state and helps create a diverse and robust economy. Further, these services allow citizens the opportunity to improve their educational knowledge and career opportunities by learning new skills. The Department finds that people who are highly trained and specialized in a field of study are more easily employed and desirable in the workplace, The Department therefore finds that the purchase of these services benefits all citizens and ensures the economic vitality of the state.

The Institution shall provide graduate and other educational services to the Department consistent with its statutory role and mission. Graduate services shall be purchased by the Department on a credit hour cost basis as identified in the cost model completed by the Department/Institution as set forth in **Exhibit C-9**.

Specialized Educational Services and Professional Degrees

The Department shall purchase specialized educational services for the area of engineering services and related undergraduate programs in the math and sciences. Such programs have a higher cost than many undergraduate programs because of smaller class sizes, more intensive instruction requirements, and additional costs associated with education labs where supplies are expensive and constantly required.

Purchase of Graduate and Specialized Educational Services – July 1, 2010 through June 30, 2011:

During the period of this agreement, the Department will purchase from the Institution the following units of graduate and other specialized educational services:

a. The Department shall purchase 3,317 credit hours for Graduate services. The rate at which such credit hours shall be purchased will be nine hundred, seventy-four dollars (\$974) per credit hour in accordance with costs identified in **Exhibit C-9** for a total of three million, two hundred thirty thousand, seven hundred fifty-eight dollars (\$3,230,758).

b. The Department shall purchase **19,244** credit hours of specialized educational services for high cost engineering, math, and sciences programs at the graduate and undergraduate levels. The rate at which such credit hours shall be purchased will be six hundred forty dollars (\$640) per credit hour in accordance with costs identified in **Exhibit C-9** for a total of twelve million, three hundred sixteen thousand, one hundred sixty dollars (\$12,316,160). The COF stipend amount of \$62 per credit hour is not included in this amount reimbursed through the FFS contract.

Purchase of Graduate and Specialized Educational Services – July 1, 2011 through June 30, 2012:

During the period of this agreement, the Department will purchase from the Institution the following units of graduate and other specialized educational services:

a. The Department shall purchase 2,755 credit hours for Graduate services. The rate at which such credit hours shall be purchased will be nine hundred fifty-five dollars (\$955) per credit hour in accordance with costs identified in **Exhibit C-9** for a total of two million, six hundred thirty-one thousand, twenty-five dollars (\$2,631,025).

b. The Department shall purchase **13,772** credit hours of specialized educational services for high cost engineering, math, and sciences programs at the graduate and undergraduate levels. The rate at which such credit hours shall be purchased will be six hundred twenty-six dollars (\$626) per credit hour in accordance with costs identified in **Exhibit C-9** for a total of eight million, six hundred twenty-one thousand, two hundred seventy-two dollars (\$8,621,272). The COF stipend amount of \$62 per credit hour is not included in this amount reimbursed through the FFS 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 notices and established by the Department, the number of student FTE served and credit hours provided. 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 Institution from enrolling students above and beyond the units contracted for under Other Educational Services.

Fiscal Year 2011 FFS Amendment		
Actual FY2009 NACUBO Cost of Education = \$21,049		
NACUBO COST / 30 Credit Hours = \$702	UG (less \$62 stipend)	full cost
Total Less Stipend	\$640.00	\$974.49
Credit Hours Used For Budgeting	81,269	14,002
Total State Support required for NACUBO cost	\$52,011,871	\$13,644,957
Total State Support Available	\$12,315,897	\$3,230,991
Post Secondary Enrollment Options	\$0	
TOTAL STATE SUPPORT	\$15,546,888	
Credit Hours Purchased		
Graduate Services		\$3,230,758
Funded Rate		\$974.00
Credit hours purchased		3,317
Specialized Engineering	\$12,316,160	
Funded rate	\$640.00	
Credit hours purchased	19,244	
Post Secondary Enrollment Options	\$0	
Funded rate (funded through COF stipends)	\$62	
Credit hours purchased	-	

Fiscal Year 2012 FFS		
Actual FY2010 NACUBO Cost of Education = \$20,631		
NACUBO COST / 30 Credit Hours = \$688	UG (less \$62 stipend)	full cost
Total Less Stipend	\$626	\$955
Credit Hours Used For Budgeting	80,670	16,137
Total State Support required for NACUBO cost	\$50,499,420	\$15,412,879
Total State Support Available	\$8,621,379	\$2,631,323
Post Secondary Enrollment Options	\$0	
TOTAL STATE SUPPORT	\$11,252,702	
Credit Hours Purchased		
Graduate Services		\$2,631,025
Funded Rate		\$955.00
Credit hours purchased		2,755
Specialized Engineering	\$8,621,272	
Funded rate	\$626.00	
Credit hours purchased	13,772	
Post Secondary Enrollment Options	\$0	
Funded rate (funded through COF stipends)	\$62	
Credit hours purchased	-	