FEE-FOR-SERVICE CONTRACT AMENDMENT

Amendment #	Original Contract CMS (CLIN) #	Amendment CMS #
11	06-00005	45142

1) PARTIES

This Amendment to the above-referenced Original Contract ("Contract") is entered into by and between the Governing Board for the University of Northern Colorado ("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 with a made date of June 1, 2005 (CLIN #06-00005), the first Amendment (CLIN #06-00014), the Second Amendment (CLIN #07-00008), the Third Amendment (CLIN #08-00009), the Fourth Amendment (CLIN #09-00008), the Fifth Amendment (CMS #3486), the Sixth Amendment (CMS #3488), the Seventh Amendment (CMS #18194), the Eighth Amendment (CMS #24681), the Ninth Amendment (CMS #33709), and the Tenth Amendment (CMS #33992) for the purchase of higher educational services.

b. Fewer funds have been budgeted, appropriated and otherwise made available for the purchase of fewer 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 sixty-eight thousand, eight hundred dollars ($68,820) less for a total contract amount of one hundred nineteen million, one hundred twenty-six thousand, three hundred sixty-one dollars ($119,126,361) through the end of FY 2011-12 for the purchase of the higher education services set forth in **Exhibit A-11, attached hereto and incorporated by reference,** under Fund Number **100**, Appropriation Account **FFS**. Upon the commencement of the Eleventh Amendment, the Department

Department will transfer this amount in monthly payments (1/12 of total) within the first week of each month of the term of the contract.

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 University of Northern Colorado	STATE OF COLORADO John Hickenlooper, GOVERNOR Department of Higher Education
By: _____ By: Kay Norton Title: President By: _____ By: Dick Monfort Title: Chair, Board of Trustees	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: 8/20/12

EXHIBIT A-11
STATEMENT OF WORK
UNIVERSITY OF NORTHERN COLORADO

The General Assembly has found that some services that 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;
(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 and programs that address identified state or national priorities.

Graduate and Other Educational Services

In order to purchase graduate and other educational services the Department 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 and degrees in areas of state or national priorities. 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, Shortages of nurses, teachers of math and science, teachers trained in delivering special education and teachers trained to teach those individuals that use English as a Second Language have all been documented at both the state and national level. The associated Classification of Instructional Program (CIP) codes for these courses are listed in **Exhibit D-11**. The Department therefore finds that the purchase of these services benefits all citizens and ensures the economic vitality of the state.

The System 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 developed by the Department and Institution as set forth in **Exhibit C-11**.

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

a. The Department shall purchase 10,000 credit hours for Graduate I (Master level) services. The rate at which such credit hours shall be purchased will be six hundred eighty four dollars ($684) per credit hour for a total of six million eight hundred forty thousand dollars ($6,840,000).

b. The Department shall purchase 1,703 credit hours for Graduate II (Doctorate level) services. The rate at which such credit hours shall be purchased will be seven hundred dollars ($700) per credit hour for a total of one million one hundred ninety two thousand one hundred dollars ($1,192,100).

c. The Department shall purchase 30,627 credit hours of specialized educational services for programs that address identified state or national needs at differential rates according to costs (less stipend of sixty two dollars ($62) per credit hour for a total nine million seven hundred sixty nine thousand eight hundred eighty six dollars ($9,769,886).

In order to ensure that such services are provided in a reasonable and fiscally responsible manner, the System shall report annually, through the Student Data 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 verifying 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.

Exhibit C-11-1
University of Northern Colorado

Service	CIP Code	A1 Cost Per Credit	A2 Stipend per Credit	B Credits Purchased by CCHE	(A1-A2)*B=C FY 2008-09 Fee-for-Service	*Reference Only* Resident 11-12 Actual Credits
Grad I		$684		**10,000**	**$6,840,000**	19,366
Grad II		$700		**1,703**	**$1,192,100**	3,566
Specialized Undergraduate Services of State and National Priority						
Ethnic/Gender/Cultural	05.xxxx	$381	$62	**2,000**	$638,000	4,737
Special Education	13.1001	$381	$62	**1,900**	$606,100	4,960
Foreign Language	16.xxxx	$381	$62	**3,300**	$1,052,700	7,777
Biology	26.xxxx	$381	$62	**6,285**	$2,004,919	15,590
Mathematics	27.xxxx	$381	$62	**5,900**	$1,882,100	13,472
Science	40.xxxx	$381	$62	**7,700**	$2,456,300	17,736
Nursing	51.xxxx	$381	$62	**3,542**	$1,129,767	8,583
Total Specialized Undergraduate Services of State and				**30,627**	**$9,769,886**	72,855

Total FFS Purchase	**$17,801,986**

Exhibit C-11-2

The Colorado Commission on Higher Education
Undergraduate/Graduate Cost Study

University of Northern Colorado

FY 2011 (Est) Data

Source: Budget Data Book

Student and Faculty FTE

	FTE Student		FTE Faculty		Student to Faculty Ratio
Undergraduate	9,077.20	91.3%	345.70	81.1%	26.26
Graduate I	547.30	5.5%	50.20	11.8%	10.90
Graduate II	320.50	3.2%	30.30	7.1%	10.58
Total	**9,945.00**	**100%**	**426.20**	**100%**	**23.33**

FTE Source: Format 40 Budget Data Book

Student FTE	Faculty FTE
91.27%	81.11%
5.50%	11.78%
3.22%	7.11%

E&G Expenditures

		E&G Expenditures
Instruction	$	54,001,800
Research	$	873,647
Public Service	$	244,170
Academic Support	$	18,256,956
Student Services	$	9,572,652
Institutional Support	$	13,049,855
O&M of Plant	$	12,190,488
Scholarships and Fellowships	$	12,964,276
Hospitals	$	-
Transfers	$	475,083
Total	**$**	**121,628,927**

Source: Format 20

Undergraduate vs. Graduate Costs Per FTE

Fixed Costs

Methodology: Sum of (Research, Public Service, Student Services, Institutional Support, O&M, Scholarships and Fellowships, Hospitals Expenditures, and Transfers) / Total Student FTE

Undergraduate	$	4,964
Graduate I	$	4,964
Graduate II	$	4,964

Variable Costs

Methodology: ((Instruction+Academic Support) * Faculty FTE)/Student FTE

Undergraduate	$	6,457
Graduate I	$	15,551
Graduate II	$	16,028

Total Costs

Methodology: Fixed Costs + Variable Costs

			Per credit hour	Minus Stipend
Undergraduate	$	11,421	381	319
Graduate I	$	20,515	684	
Graduate II	$	20,993	700	

Exhibit D-11
University of Northern Colorado
Undergraduate Programs of State and National Priority
Specialized Educational Services

CIP	Courses
05.xxxx	Bilingual Bicultural Education
13.10001	Special Education
16.xxxx	Foreign Lanuage
26.xxxx	Biology
27.xxxx	Mathematics
40.xxxx	Science
51.xxxx	Nursing