

## FEE-FOR-SERVICE CONTRACT AMENDMENT

<b>Amendment #</b> 12	<b>Original Contract CMS (CLIN) #</b> 06-00005	<b>Amendment CMS #</b> 48052
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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 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), the Tenth Amendment (CMS #33992), and the Eleventh Amendment (CMS #45142) 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.

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 2012-13.

**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 closeout**

The Department will transfer an additional three hundred fourteen thousand, seven hundred twenty eight dollars (\$314,728) for a total contract amount of one hundred nineteen million, four hundred forty one thousand, eight nine dollars (\$119,441,089)

through the end of FY 2011-12. This adjusted the earlier agreement by 987 credit hours of courses that assist students in specialized educational services at a FY 2011-12 rate of \$319 per credit hour.

**b. FY 2012-13 allocation**

The Department will transfer an additional sixteen million, eight hundred eighty-five thousand, nine hundred fifty-five dollars (\$16,885,955) for a total contract amount of one hundred thirty six million, three hundred twenty seven thousand, forty four dollars (\$136,327,044) through the end of FY 2012-13 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**. Upon the commencement of the Twelfth Amendment, the 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.

**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 the later of its Effective Date or July 1, 2012.

**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**

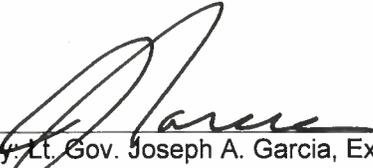
**\* Persons signing for Contractor hereby swear and affirm that they are authorized to act on Contractor's behalf and acknowledge that the State is relying on their representations to that effect.**

**CONTRACTOR**  
**University of Northern Colorado**

By:   
By: Kay Norton  
Title: President

  
By: Dick Monfort  
Title: Chair, Board of Trustees

**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: 8/20/12

**EXHIBIT A-12**  
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-12**. 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-12**.

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 9,000 credit hours for Graduate I (Master level) services. The rate at which such credit hours shall be purchased will be seven hundred twenty eight (\$728) per credit hour for a total of six million five hundred fifty two thousand dollars (\$6,552,000).

b. The Department shall purchase 1,701 credit hours for Graduate II (Doctorate level) services. The rate at which such credit hours shall be purchased will be seven hundred thirty four dollars (\$734) per credit hour for a total of one million two hundred forty eight thousand five hundred thirty four dollars (\$1,248,534).

c. The Department shall purchase 28,571 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 eighty five thousand four hundred twenty one dollars (\$9,085,421).

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-12-1**  
**University of Northern Colorado**

<b>Service</b>	<b>CIP Code</b>	<b>A1 Cost Per Credit</b>	<b>A2 Stipend per Credit</b>	<b>B Credits Purchased by CCHE</b>	<b>(A1-A2)*B=C FY 2008-09 Fee- for-Service</b>	<i>Reference Only</i> <b>Resident 12-13 Estimated Credits</b>
<b>Grad I</b>		<b>\$728</b>		<b>9,000</b>	<b>\$6,552,000</b>	19,366
<b>Grad II</b>		<b>\$734</b>		<b>1,701</b>	<b>\$1,248,534</b>	3,566
<b>Specialized Undergraduate Services of State and National Priority</b>						
Ethnic/Gender/Cultural	05.xxxx	\$380	\$62	2,000	\$636,000	4,737
Special Education	13.1001	\$380	\$62	1,900	\$604,200	4,960
Foreign Language	16.xxxx	\$380	\$62	3,200	\$1,017,600	7,777
Biology	26.xxxx	\$380	\$62	5,500	\$1,748,973	15,590
Mathematics	27.xxxx	\$380	\$62	5,800	\$1,844,400	13,472
Science	40.xxxx	\$380	\$62	6,629	\$2,108,022	17,736
Nursing	51.xxxx	\$380	\$62	3,542	\$1,126,226	8,583
<b>Total Specialized Undergraduate Services of State and</b>				<b>28,571</b>	<b>\$9,085,421</b>	72,855

<b>Total FFS Purchase</b>	<b>\$16,885,955</b>
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# The Colorado Commission on Higher Education Undergraduate/Graduate Cost Study

University of Northern Colorado

FY 2012 (Est) Data

Source: Budget Data Book

## Student and Faculty FTE

	FTE Student		FTE Faculty		Student to Faculty Ratio
Undergraduate	9,142.75	91.1%	391.69	79.6%	23.34
Graduate I	568.17	5.7%	63.28	12.9%	8.98
Graduate II	329.35	3.3%	37.09	7.5%	8.88
<b>Total</b>	<b>10,040.27</b>	<b>100%</b>	<b>492.06</b>	<b>100%</b>	<b>20.40</b>

FTE Source: Format 40 Budget Data Book

## E&G Expenditures

	E&G Expenditures
Instruction	\$ 56,463,861
Research	\$ 867,060
Public Service	\$ 263,581
Academic Support	\$ 18,554,144
Student Services	\$ 9,771,992
Institutional Support	\$ 13,356,906
O&M of Plant	\$ 11,293,935
Scholarships and Fellowships	\$ 15,396,276
Hospitals	\$ -
Transfers	\$ (2,174,335)
<b>Total</b>	<b>\$ 123,793,420</b>

Source: Format 20

Student FTE	Faculty FTE
91.06%	79.60%
5.66%	12.86%
3.28%	7.54%

## 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	\$ 4,858
Graduate I	\$ 4,858
Graduate II	\$ 4,858

### Variable Costs

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

Undergraduate	\$ 6,532
Graduate I	\$ 16,980
Graduate II	\$ 17,169

### Total Costs

Methodology: Fixed Costs + Variable Costs

		Per credit hour	Minus Stipend
Undergraduate	\$ 11,389	380	318
Graduate I	\$ 21,838	728	
Graduate II	\$ 22,027	734	

**Exhibit D-12**  
**University of Northern Colorado**  
**Undergraduate Programs of State and National Priority**  
**Specialized Educational Services**

<u>CIP</u>	<u>Courses</u>
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