

FEE-FOR-SERVICE CONTRACT AMENDMENT

Amendment # 10	Original Contract CMS (CLIN) # 06-00004	Amendment CMS # 33994
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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 Western State College of 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 dated July 1, 2005 (CLIN #06-00004), the first Amendment (CLIN #06-00015), the Second Amendment (CLIN #07-00003), the Third Amendment (CLIN #08-00007), the Fourth Amendment (CLIN #09-00010), the Fifth Amendment (CLIN #09-00023), the Sixth Amendment (CMS #3363), the Seventh Amendment (CMS #20320), the Eighth Amendment (CMS #24703), and the Ninth Amendment (CMS #33710) 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. FY 2010-11 close out

The Department has adjusted the FY 2010-11 amount by an additional four thousand, sixteen dollars (\$4,016) for a total contract amount of forty million, twelve thousand, six hundred eight dollars (\$40,012,608) through the end of FY 2010-11. This adjusted the earlier agreement by approximately 10 credit hours of courses that assist students in

career development, retraining, and specialized high cost education at FY 2010-11 rates.

b. FY 2011-12 allocation

The Department will transfer an additional six million, eight hundred forty-six thousand, two hundred sixty seven dollars (\$6,846,267) for a total contract amount of forty-six million, eight hundred fifty-eight thousand, eight hundred seventy-five dollars (\$46,858,875) through the end of FY 2011-12 for the purchase of the higher education services set forth in **Exhibit A-10, attached hereto and incorporated by reference**, under Fund Number **1EX**, Appropriation Account **FFS**. Upon the commencement of the Ninth 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, 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

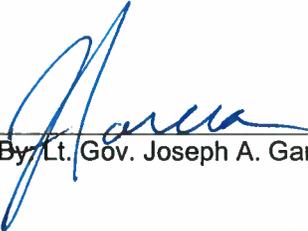
*** Persons signing for Contractor hereby swear and affirm that they are authorized to act on Contractor's behalf and acknowledge that the State is relying on their representations to that effect.**

CONTRACTOR
Western State College of Colorado

By: 
By: Jay Helman
Title: President


By: Stephanie Foote
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: 10-17-11

EXHIBIT A-10
STATEMENT OF WORK
Western State College of Colorado

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;
- (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.

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.

Career Development, Retraining, and Specialized Education

The Department shall purchase career development, retraining and specialized education programs that provide focused educational training for students improving or changing careers. Additionally, the department shall purchase specialized education programs in which job retraining and career development opportunities provided by the institution require smaller class sizes with increased costs. The purpose for purchasing such services is to aid in providing a workforce that possesses the skill set necessary to meet the employment demands of state and local businesses. Such 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-10**.

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 0 credit hours of other educational services for Reciprocal program at the rate of sixty-two dollars (\$62.00) per credit hour for a total of zero dollars (\$0.00).

b. The Department shall purchase 16,973 credit hours for courses that assist students in career development, retraining, and specialized high cost education. The rate at which such credit hours are purchased varies and is detailed in **Exhibit C-10**. The total amount of high cost program support purchased is six million, eight hundred forty-six thousand, two hundred sixty-seven dollars (\$6,846,267).

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.

WESTERN STATE COLLEGE OF COLORADO

High Cost Programs for 2009-10 (over 100% of the average cost)

High Cost Programs	CIP ID	Actual Credits Generated	Total Instructional Cost Per Credit	Total All Other Costs Per Credit	Total Cost Per Credit	Estimated Resident Credits	Estimated Total Resident Student Cost	COF Reimbursement at \$44 per Credit	FFS High Cost Allocation	Prorate Credits to Fund Availability (41.0%)	Prorate Allocation to Fund Availability (41.0%)
Communications	09	2,513	\$ 186	\$ 261	\$ 447	1,930	\$ 863,497	\$ (84,920)	\$ 778,577	792	\$ 319,517
Computer and Information Sciences	11	647	\$ 263	\$ 261	\$ 524	497	\$ 260,519	\$ (21,868)	\$ 238,651	204	\$ 97,939
Education	13	942	\$ 438	\$ 261	\$ 700	724	\$ 506,662	\$ (31,856)	\$ 474,806	297	\$ 194,854
Foreign Languages and Literature	16	675	\$ 294	\$ 261	\$ 556	519	\$ 288,332	\$ (22,836)	\$ 265,496	213	\$ 108,966
English Language & Literature/Letters	23	3,594	\$ 168	\$ 261	\$ 430	2,761	\$ 1,186,238	\$ (121,484)	\$ 1,064,754	1,133	\$ 436,960
Liberal Arts & Science, Gen Studies & Humanities	24	39	\$ 341	\$ 261	\$ 602	30	\$ 18,059	\$ (1,320)	\$ 16,739	12	\$ 6,870
Biological Sciences/Life Sciences	26	3,482	\$ 191	\$ 261	\$ 453	2,675	\$ 1,211,326	\$ (117,700)	\$ 1,093,626	1,098	\$ 448,809
Biology and Physical Sciences	30	550	\$ 221	\$ 261	\$ 483	423	\$ 204,212	\$ (18,612)	\$ 185,600	174	\$ 76,168
Physical Sciences	40	4,353	\$ 214	\$ 261	\$ 475	3,344	\$ 1,589,236	\$ (147,136)	\$ 1,442,100	1,372	\$ 591,818
Visual and Performing Arts	50	6,387	\$ 205	\$ 261	\$ 467	4,906	\$ 2,288,867	\$ (215,864)	\$ 2,073,003	2,013	\$ 850,732
Business Management and Admin Services	52	7,353	\$ 178	\$ 261	\$ 439	5,649	\$ 2,481,158	\$ (248,556)	\$ 2,232,602	2,318	\$ 916,229
Total Credit Hours		30,535				23,458	\$ 10,898,107	\$ (1,032,152)	\$ 9,865,955	9,627	\$ 4,048,862
						76.8%			Number of high cost credits not purchased	13,831	

High Cost Program Projection for 2010-11 (Estimated)

High Cost Programs	CIP ID	Estimated Credits Generated /1	Est. Total Instructional Cost Per Credit	Est. Total All Other Costs Per Credit	Est. Total Cost Per Credit	Estimated Resident Credits	Estimated Total Resident Student Cost	COF Reimbursement at \$62 per Credit	Estimated Net Resident Student Cost	Prorate Credits to Fund Availability (94.8%)	Prorate Allocation to Fund Availability (94.8%)
Communications	09	2,518	\$ 178	\$ 251	\$ 429	1,896	\$ 812,666	\$ (117,552)	\$ 695,114	1,798	\$ 659,192
Computer and Information Sciences	11	648	\$ 251	\$ 251	\$ 502	488	\$ 244,966	\$ (30,256)	\$ 214,710	463	\$ 203,614
Education	13	944	\$ 419	\$ 251	\$ 670	711	\$ 478,219	\$ (44,082)	\$ 432,137	674	\$ 409,805
Foreign Languages and Literature	16	676	\$ 281	\$ 251	\$ 532	509	\$ 270,764	\$ (31,558)	\$ 239,206	483	\$ 226,844
English Language & Literature/Letters	23	3,601	\$ 161	\$ 251	\$ 412	2,712	\$ 1,116,380	\$ (168,144)	\$ 948,236	2,572	\$ 899,233
Liberal Arts & Science, Gen Studies & Humanities	24	39	\$ 325	\$ 251	\$ 576	29	\$ 16,713	\$ (1,798)	\$ 14,915	28	\$ 14,144
Biological Sciences/Life Sciences	26	3,488	\$ 183	\$ 251	\$ 434	2,627	\$ 1,139,603	\$ (162,874)	\$ 976,729	2,491	\$ 926,254
Biology and Physical Sciences	30	551	\$ 211	\$ 251	\$ 462	415	\$ 191,900	\$ (25,730)	\$ 166,170	394	\$ 157,583
Physical Sciences	40	4,361	\$ 204	\$ 251	\$ 455	3,284	\$ 1,494,955	\$ (203,608)	\$ 1,291,347	3,114	\$ 1,224,613
Visual and Performing Arts	50	6,399	\$ 196	\$ 251	\$ 447	4,819	\$ 2,153,639	\$ (298,778)	\$ 1,854,861	4,570	\$ 1,759,005
Business Management and Admin Services	52	7,367	\$ 170	\$ 251	\$ 421	5,648	\$ 2,334,589	\$ (343,976)	\$ 1,990,613	5,261	\$ 1,887,742
Total Credit Hours		30,591				23,038	\$ 10,252,394	\$ (1,428,356)	\$ 8,824,038	21,847	\$ 8,368,029
						75.3%			Number of high cost credits not purchased	1,191	

/1 Estimated credits per discipline based on proportionate change in overall FTE.

High Cost Program Projection for 2011-12 (over 100% of the average cost)

High Cost Programs	CIP ID	Estimated Credits Generated	Est. Total Instructional Cost Per Credit	Est. Total All Other Costs Per Credit	Est. Total Cost Per Credit	Estimated Resident Credits	Estimated Total Resident Student Cost	COF Reimbursement at \$62 per Credit	Estimated Net Resident Student Cost	Prorate Credits to Fund Availability (73.7%)	Prorate Allocation to Fund Availability (73.7%)
Communications	09	2,518	\$ 180	\$ 258	\$ 448	1,896	\$ 849,127	\$ (117,552)	\$ 731,575	1,397	\$ 538,974
Computer and Information Sciences	11	648	\$ 268	\$ 258	\$ 526	488	\$ 256,785	\$ (30,256)	\$ 226,529	360	\$ 166,891
Education	13	944	\$ 447	\$ 258	\$ 705	711	\$ 501,553	\$ (44,082)	\$ 457,471	524	\$ 337,033
Foreign Languages and Literature	16	676	\$ 300	\$ 258	\$ 558	509	\$ 284,129	\$ (31,558)	\$ 252,571	375	\$ 186,077
English Language & Literature/Letters	23	3,601	\$ 172	\$ 258	\$ 430	2,712	\$ 1,165,403	\$ (168,144)	\$ 997,259	1,998	\$ 734,711
Liberal Arts & Science, Gen Studies & Humanities	24	39	\$ 348	\$ 258	\$ 606	29	\$ 17,562	\$ (1,798)	\$ 15,764	21	\$ 11,614
Biological Sciences/Life Sciences	26	3,488	\$ 195	\$ 258	\$ 453	2,627	\$ 1,191,048	\$ (162,874)	\$ 1,028,174	1,955	\$ 757,487
Biology and Physical Sciences	30	551	\$ 226	\$ 258	\$ 484	415	\$ 200,835	\$ (25,730)	\$ 175,105	306	\$ 129,005
Physical Sciences	40	4,361	\$ 218	\$ 258	\$ 476	3,284	\$ 1,564,050	\$ (203,608)	\$ 1,360,442	2,419	\$ 1,002,279
Visual and Performing Arts	50	6,399	\$ 209	\$ 258	\$ 467	4,819	\$ 2,252,303	\$ (298,778)	\$ 1,953,525	3,550	\$ 1,439,222
Business Management and Admin Services	52	7,367	\$ 181	\$ 258	\$ 439	5,648	\$ 2,438,329	\$ (343,976)	\$ 2,094,353	4,087	\$ 1,542,974
Total Credit Hours		30,591				23,038	\$ 10,721,123	\$ (1,428,356)	\$ 9,292,767	16,973	\$ 6,846,267
						75.3%			Number of high cost credits not purchased	6,065	

Exhibit C-10: FY2009-10 Year End Actual Detail (2)

ALLOCATION OF INSTRUCTIONAL COSTS: FY2009-10 Actual

ACADEMIC DEPARTMENT	DEPARTMENT CODE	FACULTY FTE	TOTAL FACULTY COMPENSATION	AVERAGE COMPENSATION PER FACULTY FTE	STUDENT FTE	OTHER INSTRUCTIONAL COSTS /1	TOTAL INSTRUCTIONAL COSTS PER STUDENT FTE
Art and Music	ART	15.7	\$ 1,056,949	\$ 67,243	212.9	\$ 253,138	\$ 6,154
Behavior and Social Sciences	BASS	22.5	\$ 1,234,630	\$ 54,868	464.7	\$ 107,495	\$ 2,888
Business, Accounting, & Economics	BAE	13.9	\$ 1,188,692	\$ 85,784	245.1	\$ 118,628	\$ 5,334
Communication Arts, Languages, and Literature	CALL	19.3	\$ 1,234,644	\$ 63,901	243.7	\$ 107,213	\$ 5,507
Education	EDUC	4.9	\$ 348,524	\$ 70,416	31.4	\$ 64,433	\$ 13,151
Environmental Studies	ENVS	2.4	\$ 103,414	\$ 43,616	48.4	\$ 22,957	\$ 2,609
Honors Program /2	HONOR	0.0	\$ 2,528	\$ 68,315	1.3	\$ 10,754	\$ 10,216
Mathematics and Computer Information Sciences	MCIS	8.8	\$ 621,461	\$ 70,266	138.2	\$ 48,382	\$ 4,846
Natural and Environmental Sciences	NES	17.6	\$ 1,312,595	\$ 74,575	279.5	\$ 406,393	\$ 6,150
Recreation and Exercise Sports Sciences	RESS	10.8	\$ 654,521	\$ 60,427	186.4	\$ 182,639	\$ 4,492
		116.0	\$ 7,757,956	\$ 66,860	1,851.6	\$ 1,322,033	\$ 4,904

/1 Other instructional costs include support assistants, student work-study, capital, travel, and other current expenses (OCE).

/2 The Honors program is an interdisciplinary program with no faculty directly assigned to the department. The faculty FTE reflected represent the allocation of faculty from other programs who taught Honors courses.

ALLOCATION OF OTHER E&G COSTS: FY2009-10 Actual

NACUBO CATEGORY	TOTAL COST	AVERAGE COST PER STUDENT FTE (1,851.6)	AVERAGE COST PER CREDIT
Public Service	\$ 43,098	\$ 23	\$ 1
Academic Support	\$ 1,521,803	\$ 822	\$ 27
Student Services	\$ 3,421,932	\$ 1,848	\$ 62
Institutional Support	\$ 3,291,728	\$ 1,778	\$ 59
O&M of Plant	\$ 1,990,387	\$ 1,075	\$ 36
Scholarships	\$ 1,107,759	\$ 598	\$ 20
Depreciation /1	\$ 2,332,938	\$ 1,260	\$ 42
Transfers	\$ 811,820	\$ 438	\$ 15
	\$ 14,521,465	\$ 7,843	\$ 261

/1 Depreciation of GF facilities, equipment and library materials only.