

**SERVICE AGREEMENT
BETWEEN
COLUMBIA GORGE COMMUNITY COLLEGE
AND
PORTLAND COMMUNITY COLLEGE**

THIS SERVICE AGREEMENT, as authorized by ORS 190.010, is effective as of July 1, 2011 (the "Effective Date"), between Columbia Gorge Community College, hereinafter referred to as "CGCC," and Portland Community College, hereinafter referred to as "PCC." As of the Effective Date, this Agreement replaces and entirely supersedes any agreement between the parties with respect to the subject matter of this Agreement.

WHEREAS, CGCC and PCC desire to cooperate in enabling CGCC to provide instructional and administrative services to patrons of the CGCC service area, and to do so without requiring PCC patrons to subsidize the operation of the CGCC district. The purpose of this contract is to set standards of cooperation as CGCC moves from candidate status toward the status of an independent, accredited institution with the Northwest Commission on Colleges and Universities, hereafter referred to as "NWCCU."

NOW THEREFORE, the parties agree as follows:

1. RESPONSIBILITIES OF CGCC. CGCC agrees to:

1.1 Adhere to and comply with all applicable federal and state laws, PCC Board policies, NWCCU accreditation standards, and PCC's academic policies and procedures and maintain compatibility and keep current with all technical, infrastructure and system changes that are required in order for CGCC to remain consistent with PCC;

1.2 Comply with all applicable Oregon and federal laws governing student and employment relationships including, but not limited to, the Americans with Disabilities Act, the Family Educational Rights and Privacy Act, the Family Medical Leave Acts, and the Fair Labor Standards Act;

1.3 Be solely responsible for hiring, employing, supervising, evaluating, and compensating its faculty and staff, including those providing instruction, student support, and administrative services. The recruitment and selection of faculty and staff at CGCC must be in compliance with the "Uniform Guidelines on Employee Selection Procedures" jointly adopted by the U.S. EEOC and the Office of Federal Contract Compliance;

1.4 Be solely responsible for (1) processing grievances filed by its students, administrators, faculty, and staff, (2) handling its discrimination and affirmative-action complaints, and (3) addressing any violation of any employment-related laws;

1.5 Follow PCC faculty hiring guidelines;

1.6 Use PCC course outcome guidelines for course content and student learning outcomes;

1.7 Provide full library and information services for CGCC students, faculty, and staff in accordance with NWCCU standards;

1.8 After reviewing and approving any proposed additions, modifications or deletions to curriculum, degrees, or certificates, but prior to implementing any such proposed changes, submit such proposed changes to PCC for its review/approval processes; and thereafter, submit such proposed changes to the Oregon Department of Community Colleges and Workforce Development using the Department's web forms processes;

1.9 Provide PCC, at the earliest possible opportunity, a copy of all contracts or consortium agreements being proposed or developed if such contract or agreement would result in the awarding of PCC credit, realignment or modification of the PCC/CGCC curriculum, degrees, or certificates or other academic or curriculum modifications; consult with PCC about any such contracts or agreements and cooperate with PCC to allow PCC faculty or administration to participate in the review, development, and /or revision of such contracts or agreements; and comply with the relevant processes recognized by NWCCU and accreditation standards; and

1.10 During the term of this Agreement, assume responsibilities and functions that PCC is performing for CGCC pursuant to the terms of this Agreement. The parties intend that at the end of the term of this Agreement, all functions NWCCU expects a college to perform to be a free standing, accredited institution ("Traditional College Functions") will be performed by CGCC and not PCC.

2. RESPONSIBILITIES OF PCC. PCC agrees to provide process review and consultation to CGCC in the transition of Traditional College Functions to CGCC and will do so in compliance with PCC Board policies and Northwest Association accreditation standards, on the terms of this Section.

2.1 Academic Services. If it is expected that PCC credit will be awarded to CGCC students, PCC agrees to:

2.1.1 Evaluate and, if appropriate, approve any additions, modifications, or deletions CGCC proposes to its curriculum, degrees, programs, or certificates;

2.1.2 Periodically review instructor files to evaluate whether the instructor is qualified to teach in the subject areas he/she teaches and to review implementation of the credit instructor approval policy as per NWCCU standards;

2.1.3 Provide course content guides, approved textbook and materials lists and other up-to-date curriculum information;

2.1.4 Provide opportunities for CGCC, upon mutual agreement of the parties, to confer with PCC faculty and administrators for the purpose of providing transitional consultation as CGCC establishes its own processes and policies;

2.1.5 Provide opportunities for CGCC staff to participate in Subject Area Committees (SAC), attend Educational Advisory Committee (EAC) meetings, and participate in other committees relevant to the purposes of this Agreement such as assessment of learning, program review, and accreditation; and

2.1.6 Evaluate and, if appropriate, approve any consortium agreements provided to PCC pursuant to §A.9 above.

2.2 Enrollment Services. PCC agrees to:

2.2.1 Consult with CGCC regarding CGCC class schedule entry;

2.2.2 Review and consult with CGCC in transition of CGCC registrar responsibilities to CGCC, with respect to (i) maintaining academic records for all CGCC students attempting credit/CEU classes, (ii) providing transcripts, (ii) assisting with student transfer articulation, (iii) financial aid responsibilities, and (iv) other related services;

2.2.3 Review and consult in transition of CGCC curriculum office responsibilities and reporting;

2.2.4 Provide Veterans Financial Services to eligible CGCC students;

2.2.5 Until any such service is fully transitioned to CGCC, provide the following services under the support of PCC's academic standards and practices:

2.2.5.1 Maintain academic records for all CGCC students attempting credit/CEU classes;

2.2.5.2 Provide transcripts for CGCC students;

2.2.5.3 Assist with CGCC student transfer articulation;

2.2.5.4 Electronically submit enrollment and degree verification for CGCC students via National Student Clearinghouse;

2.2.5.5 Process non-traditional credit requests for CGCC students;

2.2.5.6 Coordinate CGCC responses to government information requests such as subpoenas;

2.2.5.7 Process other CGCC student transactions such as grade changes, name changes, and major changes;

2.2.5.8 Troubleshoot CGCC high school programs enrollment and grading; and

2.2.5.9 Award degrees and certificates for any qualified CGCC student.

2.2.6 After CGCC has hired a registrar, PCC will provide quarterly training and ongoing consultation for all of the registrar responsibilities such as (but not limited to): record retention; government information requests such as subpoenas, FERPA and privacy laws, transcript processing and protocols, transfer articulation standards, electronic submission of enrollment and degree verification via National Student Clearinghouse, non-traditional credit protocols, transactions such as grade changes, name changes, major changes, etc.; high school programs procedures and protocols.

2.3 Institutional Research. PCC agrees to:

2.3.1 Provide financial aid and completions data, to the extent within PCC's possession or control, if needed, for CGCC to generate OCCURS, IPEDS, completions and STUDENTS RIGHT TO KNOW (SRTK) cohort data reports; and

2.3.2 Generate OCCURS and IPEDS data, to the extent within PCC's possession or control, to prepare the reports for CGCC.

3. ADDITIONAL SERVICES. Both parties may agree in writing that PCC will provide services not described in this Agreement. In such event, PCC will provide such additional services and the provision of such additional services will be treated as services provided to CGCC pursuant to this Agreement. To the extent reasonable, PCC and CGCC will agree on the charge to CGCC for such additional services before the service is provided.

4. EXCLUDED SERVICES. In no event will PCC:

4.1 Provide workers' compensation coverage for any of CGCC's employees;

4.2 Provide any library functions, or access to PCC library databases or collections to CGCC faculty, staff, or students.

4.3 Prepare Form 1098-T or compile data for such Form for any CGCC student or on behalf of CGCC;

4.4 Process Financial Aid refunds for any CGCC student or on behalf of CGCC; or

4.5 Provide any PCC Institutional Grants to CGCC students or allow CGCC students to charge books (using financial aid) at the PCC Bookstore.

5. COMPENSATION.

5.1 Base Payment. In exchange for the services provided by PCC pursuant to this Agreement, CGCC will pay PCC a fee equal to (a) five (5) percent of CGCC's payments for full-time and part-time faculty salary, wages, fringe benefits, and other compensation during the fiscal year in which PCC provides services, but in no event shall this calculation take into account payments for fringe benefits to the extent the payments exceed 29 percent of the total salary and wages for the fiscal year ("Five Percent Fee"), plus (b) eighteen (18) percent of the total Five Percent Fee for the fiscal year (collectively, the "Base Payment"). On or before the 15th

day following the end of each fiscal quarter, CGCC shall pay one quarter of the estimated Base Fee as set forth in CGCC's approved budget.

5.2 Additional Fees. CGCC shall pay PCC for any additional services described in Section 3 above.

5.3 Reimbursement. CGCC shall reimburse PCC for all of its direct-out-of-pocket costs incurred in providing services to CGCC under this Agreement, including, the cost of providing any dedicated resources or the cost of hiring additional personnel to help PCC meet its obligations under this Agreement.

5.4 Invoicing. In a timely matter following the completion of each fiscal quarter, the PCC Financial Services Office shall submit written invoices to CGCC billing CGCC for additional services and reimbursable expenses for the prior quarter. Such written invoices, shall include appropriate documentation to justify billings for all additional services and reimbursable expenses. The final billing for all additional services and reimbursable expenses for each fiscal year must be provided to CGCC no later than August 30 of the next fiscal year. CGCC must pay all invoices within 30 days after receipt of invoice.

5.5 Annual Budget. On or before May 1 of each year, CGCC shall submit to PCC a proposed budget for the contract payment for the forthcoming fiscal year to PCC.

5.6 Reconciliation. On or before August 30 of each year, CGCC shall provide PCC with a statement summarizing the actual payments CGCC made to full-time and part-time faculty during the prior fiscal year for salary, wages, fringe benefits, and other compensation. If the actual Base Payment owed for such fiscal year exceeds the amount of cumulative estimated Base Payments for that fiscal year, CGCC shall immediately pay the difference to PCC. If the cumulative estimated Base Payments for that fiscal year, exceed the actual Base Payment owed for such fiscal year, PCC shall within 30 days after receipt of CGCC's year-end statement, pay the difference to CGCC.

6. CONTRACT ADMINISTRATION. The Vice President for Academic and Student Affairs at PCC will have overall responsibility for administering this Agreement and designating other staff, as needed, to carry out the terms of this Agreement.

7. INDEMNIFICATION. CGCC shall indemnify, hold harmless, and defend PCC from and against any claim, loss, or liability arising out of or related (a) CGCC's failure to comply with all applicable laws, including, without limitation, employment-related laws, (b) acts or omissions of CGCC or its directors, officers, employees, agents, or contractors, or (c) this Agreement, except to the extent such claim, loss, or liability arose out of a grossly negligent act or omission of PCC or its directors, officers, employees, agents, or contractors. PCC shall indemnify, hold harmless, and defend CGCC from and against any claim, loss, or liability arising out of or related (a) PCC's failure to comply with all applicable laws, including, without limitation, employment-related laws, or (b) grossly negligent acts or omissions of PCC or its directors, officers, employers, agents, contractors. In all events, CGCC agrees that PCC shall have no liability, and CGCC shall indemnify, defend and hold harmless PCC, for any and all claim, loss, or liability

arising out of or as a result of any additional services PCC may be requested to provide and does provide with respect to processing grievances filed by CGCC students, administrators, faculty, or staff; CGCC discrimination or affirmative action complaints; or any violation by CGCC of law, including, any employment-related laws.

8. TERM OF AGREEMENT. This term of this Agreement commences on the date hereof and ends of August 15, 2013, unless this Agreement is sooner terminated as provided herein.

8.1 This Agreement shall automatically terminate on the date CGCC receives independent accreditation.

8.2 With at least six months advance written notice, either party may terminate this Agreement which termination will be effective on the last day of the current fiscal year.

8.3 If the parties cannot timely agree on the budget or on the cost to be charged for additional services, either party terminate this Agreement upon at least 180 day advanced written notice. During such 180-day period, this Agreement will remain in effect and the rates charged during the immediately preceding fiscal year will apply to the current period. In the event that no charge was made for such service in the immediately preceding fiscal year, the charge for the additional services will be the fair market value for such services.

8.4 If either party breaches this Agreement, the other may terminate the agreement upon ninety (90) days advance written notice to the breaching party. This right is in addition to any other rights hereunder or by law.

8.5 This Agreement may be terminated by mutual agreement of the parties with mutually agreeable timelines.

9. FAILURE TO OBTAIN INDEPENDENT ACCREDITATION. Should CGCC not obtain independent accreditation prior to the expiration date of this Agreement, the parties may, but have no obligation to, mutually agree to extend this Agreement or may negotiate a new agreement.

10. INTEREST. Any payment required under this Agreement shall, if not paid within 10 days after it is due, bear interest at the rate of 8 percent per annum (but not in any event at a rate greater than the maximum rate of interest permitted by law) from the due date until paid.

CGCC:

Columbia Gorge Community College

By: 

Dr. Frank Toda, President

Date: 4.22.2011

PCC:

Portland Community College

By: 

Dr. Preston Pulliams, President

Date: 4/22/2011