

**SERVICE AGREEMENT
BETWEEN
TILLAMOOK BAY COMMUNITY COLLEGE
AND
PORTLAND COMMUNITY COLLEGE**

THIS INTERGOVERNMENTAL AGREEMENT, as authorized by ORS 190.010, is effective as of the date of last signature below, between Tillamook Bay Community College, hereinafter referred to as "TBCC," and Portland Community College, hereinafter referred to as "PCC."

WHEREAS, TBCC and PCC desire to cooperate in enabling TBCC to provide instructional and administrative services to patrons of the TBCC service area, and to do so without requiring PCC patrons to subsidize the operation of the TBCC district. The purpose of this contract is to set standards of cooperation as TBCC 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 TBCC.** TBCC agrees to:

1.1 Adhere to and comply with all applicable federal, state, and local laws, PCC Board policies, NWCCU accreditation standards, and PCC's academic policies and procedures;

1.2 Maintain compatibility of its technology and infrastructure with PCC's technology and infrastructure and any changes implemented by PCC and keep its technology and infrastructure current;

1.3 Comply with all applicable federal, state, and local laws applicable to TBCC's relationship with its employees including, but not limited to, FERPA, HIPAA, the Americans with Disabilities Act, the Family Medical Leave Acts, and the Fair Labor Standards Act.

1.4 Be solely responsible for hiring, employing, supervising, evaluating, and compensating TBCC faculty and staff and providing all TBCC instruction, student support, and administrative services. The recruitment and selection of faculty and staff at TBCC 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;

1.5 Be solely responsible for (1) processing grievances filed by its students, administrators, faculty, and staff, for (2) handling discrimination and affirmative action complaints received by TBCC, and (3) addressing violations of any laws;

1.6 Follow PCC faculty hiring guidelines;

1.7 Use PCC course outcome guidelines for the purpose of course content and student learning outcomes for each course;

1.8 Use PCC degree, certificate and core outcomes for student learning, assessment and completion purposes as it relates to degrees and certificates;

1.9 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 and approval; and thereafter, submit the PCC-approved proposed changes to the Oregon Department of Community Colleges and Workforce Development using the Department's web forms processes;

1.10 Provide PCC, as soon as reasonably practical, 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/TBCC 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 revision of such contracts or agreements; and comply with the relevant processes recognized by NWCCU and accreditation standards; and

1.11 During the term of this Agreement, assume responsibilities and functions that PCC is performing for TBCC 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 TBCC and not PCC.

2. **RESPONSIBILITIES OF PCC.** PCC agrees to provide significant levels of college services in accordance with the terms of this Section, with the intention that TBCC will begin to fully transition into performing Traditional College Functions. When TBCC begins the process of assuming these functions, in compliance with PCC Board policies and NWCCU accreditation standards, PCC agrees to consult with TBCC with respect to these services and TBCC's processes and policies.

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

2.1.1 Evaluate and, if appropriate, approve any additions, modifications, or deletions TBCC 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 TBCC, upon mutual agreement of the parties, to confer with PCC faculty and administrators for the purpose of providing transitional consultation as TBCC establishes its own processes and policies;

2.1.5 Consult with TBCC in connection with the transition of TBCC's curriculum office responsibilities and reporting to TBCC;

2.1.6 Provide opportunities for TBCC 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

2.1.7 Evaluate and, if appropriate, approve any consortium agreements provided to PCC pursuant to Section 1.10 above.

2.2 **Enrollment Services.** Until any such service is fully transitioned to TBCC, PCC agrees to provide the following services under the support of PCC's academic standards and practices:

2.2.1 Provide class schedule entry support;

2.2.2 Maintain academic records for all TBCC students attempting credit/CEU classes;

2.2.3 Provide transcript, transfer articulation, electronic submission of enrollment and degree verification via National Student Clearinghouse, process non-traditional credit requests, respond to government information requests such as subpoenas, process other transactions such as grade changes, name changes, major changes, troubleshoot high school programs enrollment and grading, and award degrees and certificates for any qualified TBCC student, and related services;

2.2.4 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, protocols; and

2.2.5 Provide financial aid services to TBCC as described in the Financial Aid Addendum to this Agreement

2.3 **Financial Services.** PCC agrees to:

2.3.1 Compile Form 1098-T data for TBCC for educational tax credits for TBCC Students; and

2.3.2 Process Financial Aid refunds for TBCC.

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 TBCC pursuant to this Agreement. To the extent reasonable, PCC and TBCC will agree on the charge to TBCC 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 TBCC's employees;

4.2 Provide any Institutional Effectiveness/Research reporting to the State of Oregon;

4.3 Prepare Form 1098-T for any TBCC student or transmit 1098-T data to the Internal Revenue Service on behalf of TBCC; or

4.4 Provide any PCC Institutional Grants to TBCC students or allow TBCC students to charge books (using financial aid) at the PCC Bookstore;

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

5. **COMPENSATION.**

5.1 **Base Payment.** In exchange for the services provided by PCC pursuant to this Agreement, TBCC will pay PCC a fee equal to (a) ten (10) percent of TBCC'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 (the "Percent Fee"), plus (b) eighteen (18) percent of the total Percent Fee for the fiscal year (collectively, the "Base Payment"). The Base Payment for the 2011-2012 fiscal year shall not be prorated even if this Agreement does not commence on the first day of the fiscal year. On or before the 15th day following the end of each fiscal quarter, TBCC shall pay one quarter of the estimated Base fee as set forth in TBCC approved budget without the need of a PCC invoice.

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

5.3 **Reimbursement.** TBCC shall reimburse PCC for all of its direct-out-of-pocket costs incurred in providing services to TBCC 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 manner following the completion of each fiscal quarter, the PCC Financial Services Office shall submit written invoices to TBCC billing TBCC 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 TBCC no later than August 30 of the next fiscal year. TBCC must pay all invoices within 30 days after receipt of invoice.

5.5 **Annual Budget.** On or before May 1 of each year, TBCC shall provide 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, TBCC shall provide PCC with a statement summarizing the actual payments TBCC 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 the fiscal year, TBCC 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 TBCC's year-end statement, pay the difference to TBCC.

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.** TBCC shall indemnify, hold harmless, and defend PCC from and against any claim, loss, or liability arising out of or related (a) TBCC's failure to comply with all applicable laws, including, without limitation, employment-related laws, (b) acts or omissions of TBCC or its directors, officers, employees, agents, or contractors, (c) any breach of this Agreement by TBCC or its directors, officers, employees, agents, or contractors, including, without limitation, the obligations of TBCC under Section 1 of this Agreement, or (d) 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 TBCC 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, TBCC agrees that PCC shall have no liability, and TBCC 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 TBCC students, administrators, faculty, or staff; TBCC discrimination or affirmative action complaints; or any violation by TBCC of law, including, any employment-related laws.

8. **TERM OF AGREEMENT.** This term of this Agreement commences on the date hereof and ends June 30, 2014, unless this Agreement is sooner terminated as provide herein.

8.1 This Agreement shall automatically terminate on the date that TBCC 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 may 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 TBCC 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 a 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.

TBCC:
Tillamook Bay Community College

By: 
Dr. Connie Green, President

Date: 9-2-11

PCC:
Portland Community College

By: 
Dr. Preston Pulliams, President

Date: 8/24/11

FINANCIAL AID ADDENDUM

PCC and TBCC agree to the following, all of which shall be done in compliance with all applicable laws and NWCCU standards:

PCC agrees to:

1. Provide Veterans Financial Services to TBCC students.
2. Provide all Direct Lending services to TBCC students.
3. Establish and maintain all official financial aid records for TBCC students.
4. Develop, print, and supply all financial aid related forms and documents to TBCC.
5. Process all financial aid applications and related forms for TBCC students or TBCC prospective students.
6. Perform file evaluation and analysis (needs analysis, data verification, student eligibility determination, professional judgment decisions) for all TBCC aid applicants.
7. Determine award eligibility and award amounts for all TBCC aid applicants.
8. Disburse financial aid for TBCC students which funds shall be delivered to TBCC via an electronic funds transfer twice weekly beginning the second week of the term (except first-time Stafford Loan borrowers who must wait 30 days per federal regulations) until all TBCC financial aid received by PCC has been disbursed to PCC each term.
9. Perform all federal refund/repayment calculations for TBCC students who withdraw or stop attending classes.
10. Bill TBCC for federal refunds.
11. Review and, if appropriate, approve all Federal Work-Study contracts (PCC is the designated institution).
12. Review and, if appropriate, approve all consortium agreements with other institutions (PCC is designated as the home institution) for purposes of awarding TBCC financial aid for concurrent enrollment.
13. Monitor satisfactory academic progress for all TBCC financial aid students and advise TBCC of TBCC financial aid students failing to maintain satisfactory academic progress in a timely manner.

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14. Adjudicate all satisfactory academic progress, time frame, and financial aid appeals for TBCC students.
15. Provide financial aid advising/counseling by phone or e-mail for TBCC students.
16. Provide TBCC with copies of all appropriate financial aid policies, procedures, and related documentation.
17. Provide financial aid training to TBCC staff.
18. Provide access to appropriate Banner financial aid screens to TBCC financial services staff.

Note: TBCC students are not eligible for PCC Institutional Grants, nor are they eligible to charge books (using financial aid) at the PCC Bookstore.

TBCC agrees to:

1. Disseminate financial aid information and forms to TBCC students and distribute financial aid checks to TBCC students.
2. Act as liaison between TBCC students and financial aid advisors at PCC.
3. Assist TBCC students in completing financial aid forms.
4. Maintain logging system to track all forms and documents submitted to PCC by TBCC students.
5. Conduct loan counseling (entrance and exit interviews) for all TBCC students who submit loan applications, in accordance with PCC policies and applicable laws.
6. Conduct Federal Work-Study orientation sessions and make job referrals for TBCC students in accordance with PCC policies and procedures.
7. Provide attendance verification and tuition account information to PCC for TBCC financial aid students who withdraw or stop attending classes by timely submitting to PCC the last date of attendance for each such student.
8. Access Banner financial aid screens through data link to assist TBCC students in determining financial aid status.
9. Timely return all financial aid checks (aid canceled, student withdrawal, aid revision, etc.) to PCC in accordance with PCC policies and all applicable laws, including federal cash management regulations.

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10. Conduct financial aid workshops for TBCC students and parents according to PCC policies and procedures.
11. Cause appropriate TBCC staff to attend OASFAA/OSAC financial aid training workshops.
12. Cause appropriate TBCC staff to attend PCC financial aid training sessions.