A. This Intra-Agency Agreement is entered into among Minnesota State Community and Technical College (MSCTC) and Northland Community and Technical College (NCTC) and Northwest Technical College-Bemidji (NTC) and Alexandria Technical College (ATC).

The purpose of this Agreement is to clearly define the financial, academic, student services, and shared services office arrangements for courses delivered through the internet and offered through the regional distance consortium. The goal of this agreement is to establish shared distance services to implement specific responsibilities as outlined in this agreement and as further specified in the Handbook for Shared Distance Education Services. All parties to this agreement will operate according to the policies, procedures, processes, and principles outlined in the Handbook for Shared Distance Education Services. The Handbook for Shared Distance Education Services will be reviewed on a regular (semester) basis and revised as necessary.

B. The parties agree to the following arrangements.

**Fiscal Arrangements for Revenues**

1. For students who are taking courses both on campus and through internet delivery, tuition for the distance courses will be split with 10% of the tuition going to the course-provider institution and 90% going to the student’s institution.
2. For students with a declared internet major, tuition will be split with 10% of the tuition going to the course-provider institution and 90% going to the student’s degree-granting institution.
   - The expectation is that the degree-granting institution will provide services that the student would receive on a campus. For Practical Nursing internet majors only, the 90% will be split evenly between NCTC and NTC—Bemidji.
3. The institutions will agree to a common tuition rate.
4. All fees will be determined and retained by the degree-granting institution.
5. For students who are taking courses both on a campus and through internet delivery, state allocation for the distance courses will be split with 10% of the allocation going to the course-provider institution and 90% of the allocation going to the student’s institution.

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1 Course-provider institution is defined as the institution offering the course and responsible for its administration and quality.
2 Student’s institution is defined as the institution where the student has officially enrolled.
3 Degree-granting institution is defined as the institution awarding the degree for the program.
6. For students with a declared internet major, allocation will be split with 10% going to the course-provider institution and 90% going to the student’s degree-granting institution. The expectation is that the degree-granting institution will provide services that the student would receive on a campus. For Practical Nursing internet majors only, the 90% will be split evenly between NCTC and NTC—Bemidji.

7. Until the MnSCU allocation model is fully implemented an “average” allocation per FYE amount will be recommended by the participating college CFOs and set by the participating college Presidents.

8. Official enrollment numbers used to calculate both tuition and allocation will be locked in on the fifteenth day of the term.

Fiscal Arrangements for Expenditures

1. Faculty costs will be based on a prorated formula whereby the total salary and benefit cost for each class will be divided by the total number of students in the class. Each of the institutions with enrolled students in the class will be assessed its student percentage of the salary and benefit cost for the class.

2. Assessment percentages will be based on official enrollments on the fifteenth day of the term.

3. All non-personnel classroom costs (supplies, postage, travel, etc.) will be paid by the course-provider institution.

4. Equipment for the course will be paid for by the course-provider institution.

5. The expenditures of the shared service center will be paid as follows. Fifty percent of expenditures will be paid equally and 50% of the expenditures will be paid on a proportionate share based on distance FYE.

6. For purposes of this agreement, Minnesota State Community and Technical College will be the fiscal agent and ensure all financial allocations and reimbursements are completed.

Transitional Assistance

Because the changes to the agreed upon financial split of tuition and FYE has the potential to negatively impact any one of the four colleges, the colleges agree that for FY2006 only, there will be a transitional plan in place to offset the potential impact. The transitional plan will require that all “net profits” which will be defined as the amount remaining from distance tuition after direct instructional and regional service center costs are paid, shall be distributed so that no one institution’s net profit shall be reduced by more than 50% from FY2005.

For purposes of this clause, the institutions net profits for FY2005 were as follows: Northwest Technical College-Bemidji - $98,735.75, Minnesota State Community and Technical College-$36,269.88, Northland Community and Technical College-$18,496.59, and Alexandria Technical College-$59,493.55.

In the event that there is not enough net profit to ensure the transitional assistance, then the amount of net profit will be distributed to the institutions so as to come as close as possible to the 50% reduction outlined above. The Presidents of the four institutions would have the final approval of the transitional amounts in this situation.
Review of Fiscal Arrangements

The fiscal arrangements will be reviewed annually by the participating college CFO's to ensure they are equitable and providing proper financial allocation. The CFO's will report their findings and recommendations to the participating college CAO's and Presidents.

Clinical Sites

1. The CAO's will determine availability of clinical sites for those students living in the southern tier.

Materials and Book Arrangements

1. The course-provider institution will provide the student with course materials, quizzes, tests and other learning materials necessary for teaching and learning.
2. Each institution will set up a portal for students to receive their books and supplies through an on-line process. All revenues generated through book and supplies sales will be retained by the institution that sells or facilitates the book sale through the on-line process.

Participating Colleges Responsibilities

1. Align institutional actions with Essential Member Requirements as described in the Handbook for Shared Distance Education Services.
2. Implement college responsibilities as described in the Handbook for Shared Distance Education Services.
3. Provide shared services staff with timely, accurate, and appropriately formatted information.
4. Provide shared services staff with access rights as needed to implement shared services responsibilities.
5. Identify and commit institution staff to participate in coordinating process, planning, and policy groups such as councils, operations advising teams, and task forces.
6. Coordinate training activities to ensure faculty and staff readiness.
7. Actively participate in quality improvement planning processes and system.
8. Promote a climate conducive to cooperation and collegiality among institutions, employees, and students

Shared Services Office Responsibilities

1. Implement the consortium approach to serving internet and on-campus majors taking distance education.
2. Provide all services, as described in the Handbook for Shared Distance Education Services, to the satisfaction of participating colleges.

C. Unless the parties have agreed to a different method of dispute resolution, as attached to this Agreement, they shall submit the dispute to the Chancellor's Office for resolution.

6/25/04
D. This Agreement may be amended at any time with the mutual written consent of each of the participating colleges.

E. This Agreement will be effective on May 24, 2005, and will be renewed annually and automatically every July 1st until June 30, 2009. Participating colleges may terminate their participation by providing written notice to the other participating colleges and the Shared Services Office by August 10th, one-year in advance of their termination.

F. Contacts for this contract are:

Minnesota State Community and Technical College – Dr. Ken Peeders and Pat Nordick
Northland Community and Technical College – Dr. Orley Gunderson and Dennis Paesler
Northwest Technical College – Bemidji – Dr. Jon Quistgaard and Judy Rinkenberger
Alexandria Technical College – Dr. Kevin Kopischke and Dave Bjelland

APPROVED

6/25/04
1. Minnesota State Community and Technical College

By

Dr. Ken Peeders
President

Date 6/25/05

Northland Community and Technical College

By

Dr. Orley Gunderson
President

Date 7/12/05

Northwest Technical College--Bemidji

By

Dr. Jon Quistgaard
President

Date 5/12/05

Alexandria Technical College

By

Dr. Kevin Kopischke
President

Date 6/25/04

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