

CHABOT-LAS POSITAS COMMUNITY COLLEGE DISTRICT

August 21, 2012

Agenda Item: 5.4

Subject: Approval of Contract Renewal - Chancellor's Office, California Community Colleges, Chancellor's Office Tax Offset Program (COTOP)

Background: Legislation passed in 1982 permitting community colleges to contract with the Chancellor's Office for the collection of outstanding student financial aid obligations owed to the colleges. The Chancellor's Office, acting on behalf of the colleges, may contract with the State Franchise Tax Board for the collection of outstanding or defaulted loans and overpayment of grants from any refund of taxes by the state or from state lottery winnings. Also, legislation (AB 3929, Jones) was passed in 1991 which authorized the collection of proper non-financial aid obligations owed to the District. Annually, community colleges may enter into a contract with the Chancellor's Office and submit the names of students with outstanding obligations. The Chancellor's Office retains 25% of all collections to cover administrative costs of operating the collection program.

The contract will permit the District to continue to submit the names of students with outstanding obligations in order to permit collection of said obligations by the State Franchise Tax Board. This is a renewal of an annual contract with the Chancellor's Office, covering the period from October 1, 2012 through December 20, 2013.

Recommended Action: That the Board of Trustees approves the renewal of contract with the Chancellor's Office, California Community Colleges, for implementation of the Chancellor's Office Tax Offset Program for the period October 1, 2012 through December 20, 2013. It is further recommended that the Board authorize the Chancellor to execute the contract on behalf of the District.

Submitted: Lorenzo Legaspi/Date

Approved: Susan A. Cota/Date

_____ APPROVED

_____ DISAPPROVED

_____ TABLED