Community College of Philadelphia

Meeting of the Board of Trustees, Thursday, October 7, 2021, 3:00 p.m.

AGENDA

The Goals for the October meeting in addition to routine matters are:

• Ensure the Board is up-to-date on the Middle States Self-Study progress

• Ensure the Board has current information about the opening of the College

(1) Meeting Called to Order

(2) Public Comment

(3) Report of the President

(a) Middle States Self-Study

(b) Opening of College

(c) Update on the Career and Advanced Technology Center

(d) Philadelphia Housing Authority Signing Ceremony

(e) Foundation Report - Dr. Mellissia Zanjani & Dr. Ellyn Jo Waller

(4) Student Outcomes Committee, September 2, 2021

(5) Business Affairs Committee, September 22, 2021

(6) Audit Committee, September 27, 2021

(a) 2020-2021 Fiscal Year Audit (A)

(7) Consent Agenda

(a) Proceedings & Minutes of Decisions & Resolutions, Meeting of September 2, 2021

(b) Gifts and Grants

(c) Academic Program Reviews: Facilities Management, A.A.S. Degree; Construction Management, A.A.S. Degree; Respiratory Care Technology, A.A.S. Degree

(d) Northwest Regional Center Oil Tank Replacement Project (RFP 10151)

(e) Renewal of Contract with Cozen O'Connor Public Strategies

(f) Approval of Change Order Two-McGoldrick Electric, Inc. for the Library & Learning Commons

(g) Approval of New Age Development Group Change Order Six for the Library & Learning Commons

(8) Report of the Chair

(9) New Business

(10) Next Meeting: November 4, 2021

(11) Executive Session

Future Committee Meetings

Business Affairs Committee Thursday, October 7 and Wednesday, October 20, 2021 - 9:00 a.m.

Student Outcomes Committee Thursday, October 7 and November 4, 2021 1:00 p.m.

Workforce Subcommittee Thursday, October 7 and Friday, November 19, 2021 - 10:00 a.m.

Upcoming Events

ACCT Leadership Congress, October 13-16, 2021
Manchester Grand Hyatt Hotel
San Diego, CA

Philadelphia Housing Authority Ribbon Cutting, Thursday, October 28, 2021,11:00 a.m. – 544 N. 10th Street

STUDENT OUTCOMES COMMITTEE OF THE
BOARD OF TRUSTEES

MINUTES

Thursday, September 2, 2021
1:00 p.m.
Zoom

Presiding: Ms. Posoff

Committee Members: Ms. Ireland, Ms. McPherson

Board Participants: Mr. Dubow, Mr. Herzog

College Members: Ms. de Fries, Dr. Generals, Dr. Hirsch, Ms. Liautaud-Watkins, Dr. Roberts, Dr. Rooney, Dr. Thomas

Cabinet Members: Dr. Zanjani

Guests: Ms. Behrens, Mr. Bertram, Ms. Fielding, Ms. Gordon, Dr. Lewis, Dr. Shah, Ms. Sloan, Dr. Sweet

(1) Executive Session

There were no agenda items for the Executive Session.

(2) Public Session

(a) Approval of the Minutes of June 3, 2021

The minutes were approved unanimously.

(b) Academic Program Reviews

Facilities Management (A.A.S. Degree)

Ms. Gordon, from the Office of Assessment and Evaluation, explained that until Fall 2019, there were two programs for Facilities Management: one with a design option, the other with a construction option. In Fall 2019, they were combined into one umbrella program with two concentrations. The program is in the department of Architecture, Design, and Construction. Program enrollment has fluctuated. One reason might be that in Fall 2019, two programs in the department, Architecture and

Interior Design, became non-select; Facilities Management might have been the holding program for students interested in the select programs. With students entering those two programs directly, there was a higher percentage of Facilities Management students returning to a different program. Overall, the program has more Black students than the College average. It also has a fairly high proportion of transfer students for an AAS degree; the program has an articulation agreement with Temple. The program has a scholarship; this semester $1000 is being awarded to three students.

There are three recommendations from the review: the program should monitor enrollment and retention; complete a full cycle of assessment for all program learning outcomes (PLOs); and pay special attention to the action plan when benchmarks are not met.

Ms. Behrens, Coordinator for Facilities Management, provided additional information. A recommendation from the last review suggested a merger with the Construction Management program. Both the faculty and the advisory committee had concerns about this as the two programs are distinct; as such, the programs were not merged. When the program was revised for Fall 2019, faculty revised the PLOs. There is a core group of five PLOs for both concentrations, with an additional PLO for each concentration. Outcomes have been mapped in AEFIS. Ms. McPherson asked about the relationship the program has with minority vendors and contractors, since the program has more Black males than the College average. She noted that people of color have not traditionally been welcomed in these fields, and the City has a lot of opportunities. Ms. Behrens responded that while the program does not have connections with minority vendors, it does have relationships with the City, including having City employees on the advisory committee. This could positively impact internship opportunities, which were stalled because of COVID-19 and which the program expects to pursue. Ms. Ireland asked about the jobs for which students with the AAS degree are eligible. Ms. Behrens noted that program students are getting jobs. There are entry-level positions within facility management professional offices. While some students do pursue a Bachelor's, it is not necessary because this is a career program. Students will have to keep learning as the field becomes more professionalized. The program does alert students to the Facilities Management certification.

Construction Management (A.A.S. Degree)
Ms. Gordon noted that the Construction Management program is also part of the Architecture, Design, and Construction department. Enrollment has been relatively steady, with decreases due to COVID-19 lower than the College average. There is a higher proportion of Black males and of males across all categories compared to the College. There is also a higher percent of transfers for an AAS program, although there is no articulation agreement (a draft is being pursued with Jefferson University). There is overlap with other programs in the department, including courses; AEFIS will help with collecting assessment data. The recommendations from the review are that the program complete a cycle of assessment for the new PLOs and that after the

program revision is completed, the program should assess the effect of the revision, including to enrollment, workforce, etc. Mr. Bertram, Department Head for Architecture, Design and Construction, explained that effective 2019, the PLOs were revised as part of the program revisions, including revising seven courses (with three still to be done). The program will have a capstone course in which students will have a fictitious construction company and must complete a bid, with other courses leading up to project. The program also completed 15 course-level assessments. The program used the course-level and program-level assessments and input from the advisory board to develop its revisions. In 2020, the program mapped out all outcomes in AEFIS which will facilitate assessing effects of the revision. New courses have been offered and were well received by students.

In response to a question from Ms. Posoff about the field, Mr. Bertram discussed that if there are a lot of cranes on the horizon, then there are fewer students in Construction Management programs. Right now contractors in the City are busy. As such, marketing is important. Construction Management students who are older and have families and full-time jobs have responded well to remote learning, which will be considered when things "normalize." Ms. Ireland remarked that with the upcoming federal infrastructure bill, workforce needs will increase now and there is not enough skilled labor to do what is planned. The program might therefore be in a positon to recruit students with information about the pipeline to employment. Ms. de Fries added that the Workforce and Economic Innovation division can be a resource for connections to employers. Dr. Thomas highlighted as a pipeline the partnerships with YouthBuild Philly Charter, Dobbins High School, and Randolph Skills Center.

Respiratory Care Technology (A.A.S. Degree)
Ms. Gordon explained that the Respiratory Care Technology program is part of the Allied Health department. The program has had to deal with COVID-19 related challenges because much of the pedagogy is hands on and not adaptable for online. This is the only two-year program in the area, which helps students enter the workforce faster. She noted that one in five people in the field in the Delaware Valley comes from this program. It is recommended that the program pay special attention to enrollment since they could not enroll a new class in Fall 2020. Dr. Shah, Dean of the Math, Science, and Health Careers division, noted that the combined retention/graduation rate is over 25%; he attributes this to the faculty. Dr. Lewis, Department Head of Allied Health, said that the program does have 23 students starting this fall (limit for a new class is 24). The program has established a transfer agreement with the University of Cincinnati, enabling students to go on to a four-year degree with this online option. The next program accreditation is 2027.

Ms. Fielding, coordinator of the Respiratory Care Technology program, explained in response to a question from Ms. Ireland that a program graduate becomes a registered respiratory therapist once they pass the boards. The field is moving towards Bachelor and Master's degrees. While the program would like to expand, it is not possible now with social distancing guidelines in place and because a new class did not start last fall. The foundations of respiratory are difficult to teach online, especially when working with equipment. The accrediting agency allows for 36 students in a class; the program usually has 30+ students in a class. If the program wanted more students, it would have to request another lab and more instructors. Dr. Hirsch added that because the health care job market is so strong in the area, it can be challenging to recruit faculty from the higher paid positions in the field. The College has been fortunate to find individuals who do want to teach.

Action: The Student Outcomes Committee unanimously recommended that the Board of Trustees accept the program reviews for the Facilities Management A.A.S, the Construction Management A.A.S, and the Respiratory Care Technology A.A.S. programs with approval for five years.

(c) New Business
There was no new business.

Next Meeting
The next meeting of the Student Outcomes Committee of the Board is scheduled for October 7th at 1:00 p.m. via Zoom.

Attachments:
Minutes of June 3, 2021 meeting
Academic Program Review: Facilities Management
Academic Program Review: Construction Management
Academic Program Review: Respiratory Care Technology

STUDENT OUTCOMES COMMITTEE OF THE BOARD OF TRUSTEES

MINUTES

Thursday, June 3, 2021
1:00 p.m.
Zoom

Presiding: Ms. Posoff

Committee Members: Mr. Clancy, Ms. Ireland, Ms. McPherson

College Members: Dr. Generals, Dr. Hirsch, Dr. Roberts, Dr. Thomas

Cabinet Members: Ms. Witherspoon, Dr. Zanjani, Ms. Zellers

Guests: Mr. Acosta-Morales, Mr. Geissinger, Ms. Gordon, Mr. Joyce, Dr. Sanders, Dr. Sinnott, Dr. Voltz

(1) Executive Session

There were no agenda items for the Executive Session.

(2) Public Session

(a) Approval of the Minutes of May 6, 2021

The minutes were approved unanimously.

(b) Academic Program Reviews

Liberal Arts – Social/Behavioral Science (A.A. Degree)

Dr. Sinnott, from the Office of Assessment and Evaluation, highlighted the program's retention rate and growing number of graduates. In part due to Mr. Joyce's efforts to ensure a smooth path and that credits will transfer, students are transferring to four-year institutions. FYE 101, the first-year experience course required by the program, was implemented in Fall 2016; assessment of student learning is an integral part of continuous improvements for this course and the program in general. It is recommended that the program explore opportunities to partner with colleges and local Philadelphia organizations to raise awareness in the community about career opportunities and professions. Mr. Joyce, the program coordinator and Associate Professor of English, noted that increases coincided with the College's Guided

Pathways efforts, including wrap-around services and curriculum redesign. There are five advisors assigned to the program's students who are aware of the differences in related programs and transfer institutions and guide students appropriately. Primarily, students want to work in social work and in the city. Enrollments have been steady and students are career-aged (23-29). The College should provide messaging to the city that there are students who can fulfill the needs of the city in line with Mayor Kenney's budget. Moreover, the College could show young men in the city who are de facto social workers in their communities that this program is an option.

Mr. Joyce has met with the Director of Student Transition Success Programs who oversees the Center for Male Engagement to discuss programming for the next year, including a panel of alumni who continued their studies and now work in the field. He will also meet with the Associate Director of the Catto Scholarship to alert Catto scholars to the program and being a social worker in the city. Ms. McPherson said she would be willing to facilitate introductions between the program and Black social work organizations in the city.

Music Performance (A.A. Degree); Sound Recording and Music Technology (A.A.S. Degree)

Dr. Sinnott explained that the Music Performance program evolved from the closure of another program, which was a recommendation from the prior audit. The department developed an enhanced music performance program and transitioned students seamlessly to the new program. It is an expensive program, but its contributions are significant. Highly qualified faculty meet with students individually; it is the only program at the College that offers this kind of instruction. Students often go into music therapy and education fields, as well as performance. The program prepares students to audition for baccalaureate programs. Transfer opportunities have expanded, including with Kutztown University, Rowan University, and Berklee College of Music Online, with expected agreements with Temple University and University of the Arts.

Regarding assessment of student learning, the department has been a leader in moving to digital assessment (in Canvas) and analysis (using AEFIS for all assessment reporting) and is on track to assess each program learning outcome each semester. Mr. Geissinger, the department head, noted that Music Performance is a select program. These students know they want to pursue music, but many do not have the skill set coming into the College. The program made curriculum changes to keep students on their path, to move them through the course sequence, and encourage them to complete their degree before transferring. The department examines various ways to get students into the program, including offering options that are not offered elsewhere, such as the Piano Technician Proficiency Certificate (which is akin to a workforce development program within the degree).

With the Sound Recording and Music Technology A.A.S degree, the department reaches out to area high schools with similar programs to show how the program is a pipeline for their students and can help them save money. The program developed two new business music courses to contribute to career planning. The College has almost completed developing a world-class recording studio on campus, which can be used to host events and invite industry representatives to campus. Dr. Sinnott added that students have completed internships at local recording studios, post-productions facilities, etc.

Assessment for the Sound Recording and Music Technology program is similar to that of Music Performance; both have raised their benchmarks for their assessments. A recommendation from the review is for the program to address the low persistence rate and student academic standing; factors impeding student progress and barriers to student success need to be identified and understood. Mr. Geissinger plans to leverage extra-curricular activities associated with Spring Garden Records to increase retention. He is also considering programs for DJ studies and music for video games. Mr. Geissinger wants the College to be on the cutting edge and have students come out with the skills for expanding fields.

While the program has high costs, it has access to the Perkins Local Plan grant for career-technical education programs. The program is strategic with purchases to bring in boutique items they will use in the studio to supply students with the smartest tools in the classroom that are essential to preparing students for employment.

Action: The Student Outcomes Committee unanimously recommended that the Board of Trustees accept the program reviews for the Liberal Arts – Social/Behavioral Science A.A., the Music Performance A.A., and the Sound Recording and Music Technology A.A.S. programs with approval for five years.

(c) Catto Scholarship Update

Dr. Thomas presented end-of-semester data for the inaugural semester of the Catto Scholarship, lessons learned, and plans for moving forward. The program has developed a robust dashboard which includes information on the 132 scholars related to area zips codes, average expected family contribution, age, and race. The racial breakdown of the scholars mirrors that of the city and the high school district. Dr. Thomas also provided data on placement in English (most students placed at college-level with a linked developmental course) and math (those who placed too low were able to take an accelerated course).

Regarding academic progress, 16 students earned a 4.0 GPA, 32 earned honors, and the "rising stars" group was comprised of 92 students with an average GPA of 2.5. For course pass rates, Catto students had an average course pass rate of 63%, compared to non-Catto students at 70%. It is expected that Catto students should over time be able to perform at or outperform non-Catto students. While students were still registering for the next semester, Catto students had a higher point-in-time retention rate than non-Catto students and the program expects a higher retention rate as registration goes on.

For developmental English courses, Catto students outperformed the baseline; for highest level of developmental English, they were on par with non-Catto students but below non-Catto students for the lower level. With developmental math, Catto students performed below both the baseline and non-Catto students. The program is working on support options for these students. Success coaches met with all Catto students in the spring semester, for a total of 490 meetings. To address basic needs, 111 Catto scholars completed Single Stop profiles and were directed to appropriate benefits. The program did survey students regarding the stipends provided by the city. Because of COVID, stipends were distributed in cash and the majority of students used the funds for food for themselves or their families and utilities/internet/cell service. In the future with in-person learning, funds will be distributed differently, such as with Lion cards.

Based on a review of data, the program will implement a first-semester foundational course sequence to include math, English, and a first-year experience course. This will provide students with an effective foundation for their studies. Dr. Thomas noted the importance of academic advising and of data collection and analysis. The program will also build on best practices the College already has implemented based on data. Ongoing updates are provided to the city and the Mayor's office, which in turn provides information to the city council. Dr. Voltz, the Executive Director of the Catto Scholarship, explained that they have bridge programs for upcoming cohorts to engage those scholars early and retention efforts planned for current scholars.

(d) Update on Academic Program Review Recommendations: Liberal Arts: Honors and Behavioral Health/ Human Services

Dr. Hirsch explained that the Liberal Art: Honors program has made progress in their redesign. With the Behavioral Health/ Human Services program, the faculty have been resistant to making changes. Future status of the programs will be addressed at the October Committee meeting.

(e) New Business

There was no new business.

Next Meeting

The next meeting of the Student Outcomes Committee of the Board is scheduled for September 2 at 1:00 p.m.

Attachments:

Minutes of May 6, 2021 meeting
Academic Program Review: Liberal Arts: Social-Behavioral Science

Academic Program Review: Music Performance
Academic Program Review: Sound Recording and Music Technology
Catto Presentation
Update on Academic Program Review Recommendations: Liberal Arts: Honors
Update on Academic Program Review Recommendations: Behavioral Health/ Human Services

Community College of Philadelphia

Academic Program Review: Facilities Management A.A.S.

Authors:

Paula J. Behrens, Elizabeth Gordon

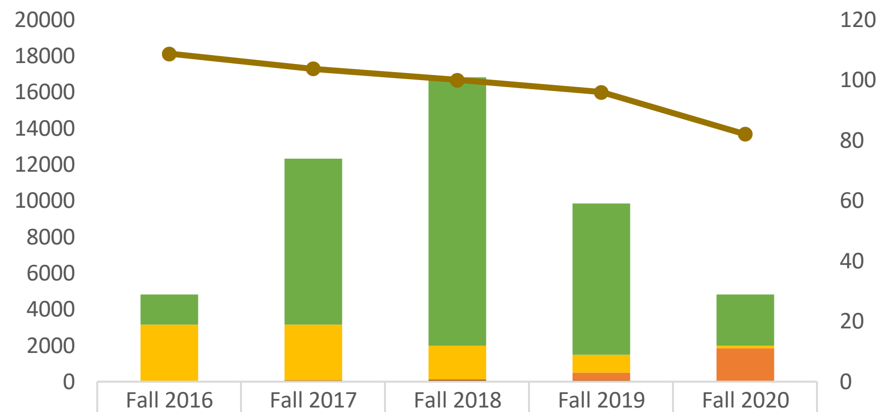
Fall 2021

1. Executive Summary

A. Key Findings

Enrollment and Demographics

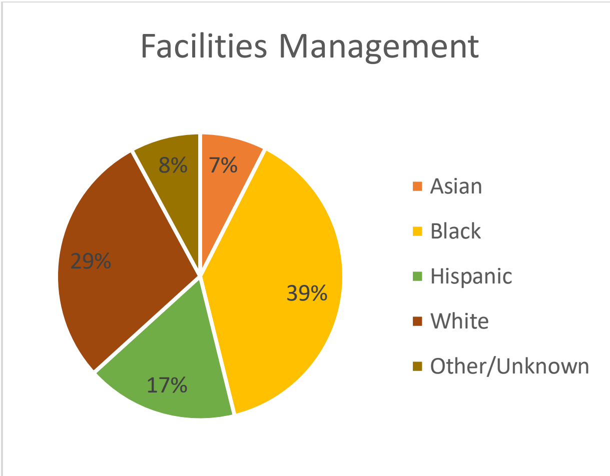
1. Over the period studied, Program enrollment rose from 29 in Fall 2016 to a high of 101 in Fall 2018, and then declined again to 29 in Fall 2020.

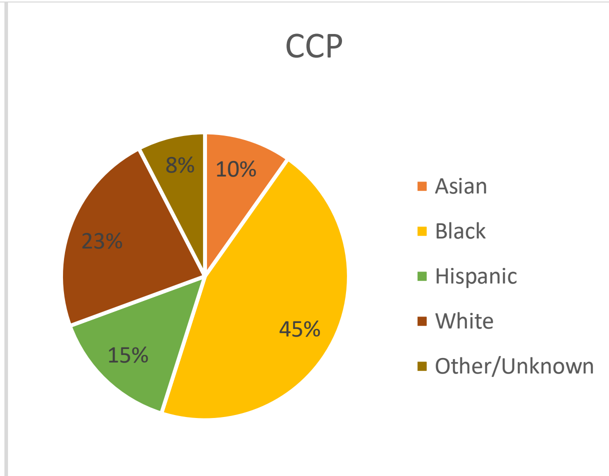


	Fall 2016	Fall 2017	Fall 2018	Fall 2019	Fall 2020
Facility Management - Design Option*	10	55	89	50	17
Facility Management - Construction Option*	19	19	12	6	1
Facilities Management				3	11
Total FM Enrollment	29	74	101	59	29
CCP	18125	17296	16671	15996	13673

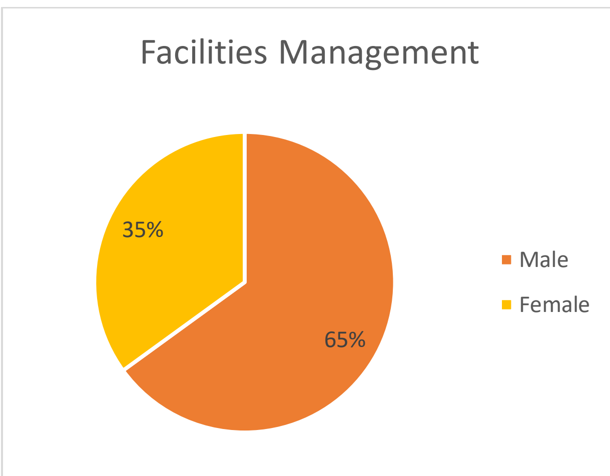
*Two different degree programs (Facility Management – Design Option and Facility Management – Construction Option) were merged, effective Fall 2019, to create a single Program (Facilities Management) with 2 concentrations (Design and Construction).

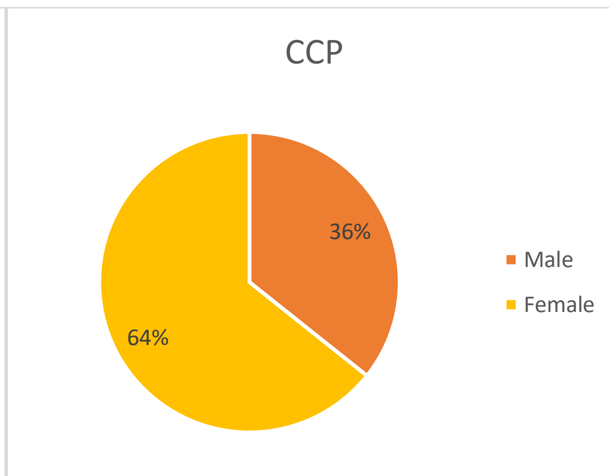
2. Two other programs within the Architecture, Design, and Construction (ADC) department, Interior Design and Architecture, were revised to have non-select admissions effective Fall 2019. Facilities Management saw a decrease in enrollment following this shift, as it had been used as a “holding program” for students intending to apply to the department’s select programs from 2017 to 2019.
3. The Program enrolled a higher proportion of students identifying as White (28.8%) than did the College overall (23.0%), and a lower proportion of students identifying as Black (38.6%) than the College’s overall (45.1%).





4. The Program enrolled a higher proportion of students identifying as Male (65.0%) than did the College overall (35.8%), and a higher proportion of students identifying as Black Male (27.1%) than did the College overall (14.4%).





5. The Program enrolled a larger proportion of students over the age of 30 (31.3%) than did the College overall (25%).

Retention

6. Fall to Spring, the Program averaged a lower proportion of students who persisted within the same program (54.1%) and a higher proportion of students who returned to a different program (10.6%) and who graduated (5.1%) than did the College overall (64.4%, 4.8%, and 2.9%, respectively).[1]
7. Fall to Fall, the Program averaged a lower proportion of students who returned to the same program (31.7%) and students who graduated (7.4%) than did the College overall (33.6% and 9.7%, respectively).
8. Over the period studied, the Program averaged a smaller proportion of students who had earned 24 credits or more (44.7%) than did the College overall (45.7%), and a larger

[1] Retention proportions were also affected by the departmental changes described in Key Finding 2.

proportion of students who had earned zero credits (14.9%) than the College overall (10.5%).

Success and Graduation

9. Over the period studied, the Program awarded 34 A.A.S. degrees.
10. A lower proportion of Program graduates transferred to another institution (42.9%) than graduates of the College overall (48.3%). Two Program graduates also graduated from their transfer institution (28.6%), compared with 11.7% of graduates of the College overall.
11. A transfer agreement to the Bachelor of Science Facility Management program at Temple University, Tyler School of Art became effective Fall 2017.
12. The Program averaged a higher proportion of students who were on Academic Probation on either full-time or part-time status (8.4%) than did the College overall (7.4%).

Advisory Committee

13. The Program has an active advisory committee that meets annually.
14. Members include representatives from local transfer institutions including Temple University and the Tyler School of Art at Temple University, as well as representatives from local industry firms including Mennonite Home Communities, the City of Philadelphia's Office of Housing and Urban Development, ARAMARK Corporation, and SMG.
15. Industry representatives on the committee regularly gave feedback concerning the desirability of graduates with A.A.S. degrees in the job market as well as broader industry trends.

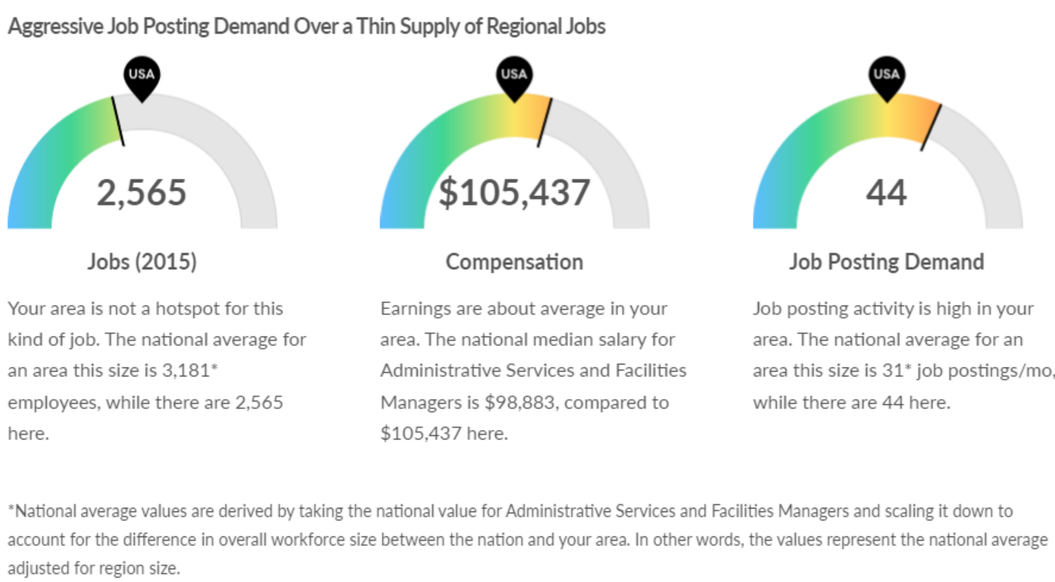
Assessment

16. Program Assessment was conducted at the course level within the Architecture, Design, and Construction department and reviewed by department faculty at monthly faculty meetings.
17. The Program has four Program Learning Outcomes (PLOs), and each concentration option has one additional PLO.
18. During the period studied, assessment at the Program level was documented for three of the five PLOs associated with the Construction Concentration, and for all five of the PLOs associated with the Design Concentration, indicating that students met the threshold for mastery in one of the five Design Concentration PLOs.
19. Courses mapped to all PLOs associated with the both concentrations were assessed and documented. The Program successfully mapped Course Learning Outcomes (CLOs) to its PLOs within the AEFIS system and has been piloting the use of AEFIS for course assessment since Fall 2020; the Program will begin using AEFIS for all Program assessment as of Fall 2021.
20. Primarily direct assessment methods were employed, including performance on quizzes, projects, and in-class activities, and multiple methods were used to assess nearly all Course Learning Outcomes (CLOs).
21. Action plans concerning course pedagogy and materials were reflected in some course assessment documentation. Course and program revision documents indicate that student learning assessment data and discussions thereof informed revisions.

22. Program revisions were based on both student learning data and input from the Program's Advisory Committee.

Workforce Development

23. The department funds an International Facilities Management Association (IFMA) membership for the Coordinator, and she attends at least five of their events yearly, organizes student volunteers for their major events, and encourages students to attend the Holiday Party in December. Faculty promote student memberships so that students have more opportunities to network with the membership.
24. In 2016, the local Greater Philadelphia chapter of IFMA established a scholarship exclusively for FM students at CCP. The scholarship has been awarded to three students every year since then. It began as a total of $800, increased to $1,000, and last year, was raised to $3,000. This means that this year three students will be awarded $1000 each.
25. Graduates from the Bachelor of Science Facility Management program at the Tyler School of Art at Temple University, with which the Program has an articulated transfer agreement, graduate with a 100% job placement rate. Program graduates have been employed at University of Pennsylvania, Comcast, PECO, Boeing, Cushman and Wakefield, among others.



[2]

Cost

26. Over the period studied, the Program ran between 10 and 15 sections of its required courses each semester, which were enrolled at 55.9% capacity on average.

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[2] Employment figures are for the US Bureau of Labor Statistics SOC code 11-3011 (Administrative Services and Facilities Managers) and include employees who have earned credentials beyond the Associates level.

27. Program students benefit from a scholarship fund established in 2016 by the Greater Philadelphia chapter of the IFMA, which is awarded to 3 CCP students in the Facilities Management Program each year.

B. Prior Audit

Recommendations from Prior Audit and Program Response:

1. The department should create a program to accommodate students from the Construction Management, Facilities Management Design, Facilities Management Construction, and Computer Assisted Design students (and possibly Building Science).

The programs within the department have major overlaps in jobs, courses, and outcomes. In a survey of programs at the two and four year level, many schools had programs in one of these areas, but none had as many as CCP. Additionally, in many of these programs at the four year level; the first two years were largely the same courses. The markets (education and employment) do not appear to need the fine-grained divisions among disciplines at the two year level. While those with more education and/or experience may find, eventually, that there are specializations within the field; these divisions do not exist at the undergraduate level. A single AAS program would suffice, perhaps with options presented for students based on their interests, in a model similar to the Justice Program. The program should determine the value of accreditation, and if this has any bearing on the combined program. The above is only one proposal; the department may wish to present an alternative plan for consolidation.

Provide Alternative Plan
Timeline: June 2015
Persons Responsible: Department Head

Program Created to Accommodate other ADC Students
Timeline: Fall 2015
Persons Responsible: Department Head, Program Faculty, Dean of Liberal Studies

Program Response:
The two programs were consolidated into a single program with 2 concentrations in 2018. The program, Facilities Management, replaced the two Facility Management programs. The options were renamed concentrations, Construction and Design. In agreement with the administration and the Advisory Committee, the programs were not combined with Construction Management.

2. Improvements in Assessment.

The department needs to further examine its assessment practice. Standards for student success are quite low (65%), some outcomes are not accounted for in the curriculum maps and others are being assessed by courses not indicated on the map at all. In almost all instances students are achieving outcomes and there is no plan for continuous improvement. Closing the loop activities (changes to teaching, courses, or

programs based on student performance data) must be completed and uploaded to SharePoint. Timeline for assessment must be updated.

Timeline: Summer 2015
Responsible Persons: Program Faculty

Assessment has been addressed by the Department with focus and timeliness. We are up-to-date with current Assessment schedule and expectations. The department faculty has been working assiduously on improving and completing all of the required assessments. They have been completed yearly according to the schedule. Standards for student success have been raised (from 65% to 85%), all outcomes are accounted for in the curriculum maps, and plans for continuous improvement are being developed and implemented. Closing the loop activities (changes to teaching, courses, or programs based on student performance data) were completed, uploaded to SharePoint (2018), and a full shift to AEFIS has been underway since Fall 2020.

B. Action Items

The Office of Assessment and Evaluation makes the following recommendations for the Program.

Enrollment and Demographics

1. Increase Enrollment as follows:

	Fall 2020 (Benchmark)	Fall 2021		Fall 2023		Fall 2025	
Headcount	29*	32	10.3% increase in headcount	35	9.4% increase in headcount	39	11.4% increase in headcount
		# of students by category	% of students by category	# of students by category	% of students by category	# of students by category	% of students by category
Returned to Same Program	32.2%	11	34.4%	13	37.1%	15	38.5%
Returned to Different Program	10.2%	2	6.3%	2	5.7%	2	5.1%
Graduated	0.0%	2	6.3%	2	5.7%	3	7.7%
Did Not Persist	57.6%	17	53.1%	18	51.4%	19	48.7%

*Combined Facilities Management + remainder of students enrolled under the 2 discontinued programs, Facility Management: Design Option and Facility Management: Construction Option

Persons Responsible: Department Head, Program Coordinator, Enrollment Management
Timeline: Fall 2025

2. Program should continue to monitor retention and graduation rates after the degree program merge to determine patterns and implement interventions as indicated.
   Persons Responsible: Program Coordinator
   Timeline: Fall 2023 to monitor and determine appropriate interventions, Fall 2025 to implement and assess effects of interventions

Assessment

3. In the two years since the present structure of the Program, including its PLOs, was established, there has not been sufficient time for a complete cycle of PLO assessment. Program should document and discuss Program-level assessment specific to Facilities Management and complete a cycle of assessment for all six of the Program Learning Outcomes, highlighting action plans for PLOs where benchmarks were not met.
   Persons Responsible: Program Coordinator and Faculty
   Timeline: Fall 2024

Success and Graduation

4. The Facilities Management Program enjoys strong ties with both local industry groups and transfer institutions. Given recent trends in the field, Program should continue to build on those relationships and pursue additional connections, including articulation agreements, program guides, and industry networking, to facilitate successful transfers and alumni transition into the workforce.
   Persons Responsible: Program Coordinator, Department Head, Advisory Committee, Director of Articulation and Transfer
   Timeline: Fall 2024

C. Narrative

Facilities Management is a rapidly professionalizing field. This program offers an opportunity to enter a field that has diverse employment opportunities for those interested in design and construction. As the COVID-19 pandemic highlighted, buildings and physical spaces are vital to the functioning of society – at the individual and community level.

The FM field focuses on managing the physical environment, and that involves decisions that are sensitive and responsive to the people using those environments. Sustainability, efficiency, and managing physical environments to be well-designed, well-built and operationally superior requires a wide-ranging set of knowledge and capabilities.

Overall, the field of facilities management has been even more significant because of the COVID pandemic. Cleaning, air circulation and physical distancing are only some of the areas that have become crucial aspects in the slowing of the spread of the virus, and these all involve the expertise, planning and execution of those involved in facilities. This heightened awareness of the physical environment (even the invisible parts – the air, digital cloud, etc., and all the aspects that happen behind the scenes) means that the importance of this field has also been highlighted. In the future, this heightened awareness of the field will only create more interest in this as a professional path and increase the prestige of those involved.

Academic degrees in FM are increasing. Temple University has added their Bachelor of Science degree. With two FM programs in Philadelphia, the availability of academic degrees is high compared to most other cities.

Community College of Philadelphia

Academic Program Review: Construction Management A.A.S.

Authors:

David Bertram, Elizabeth Gordon

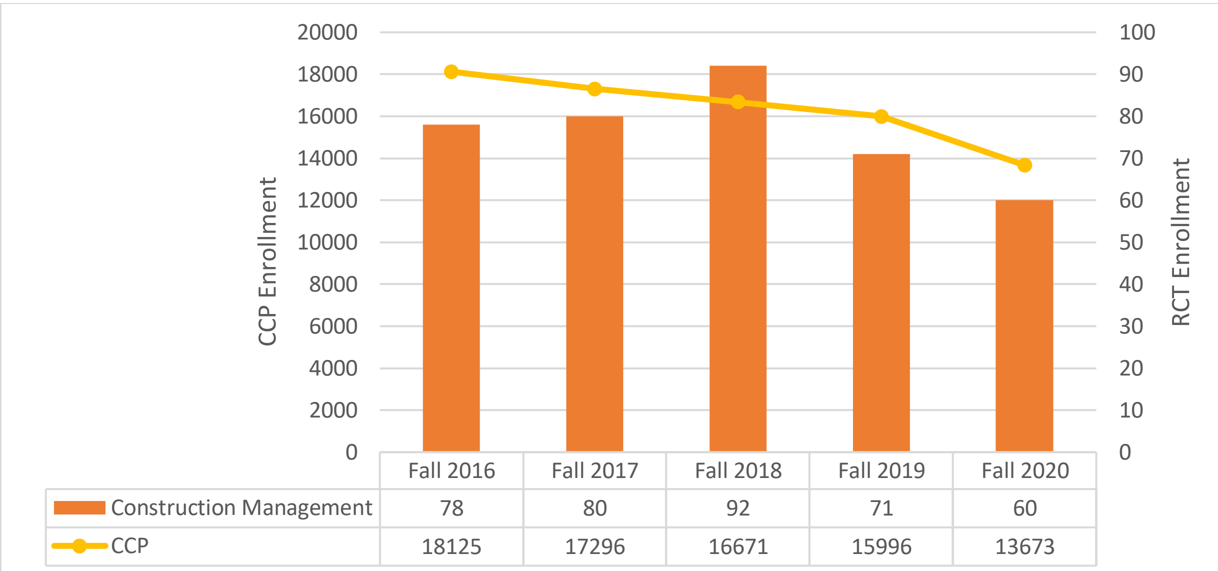
Fall 2021

1. Executive Summary

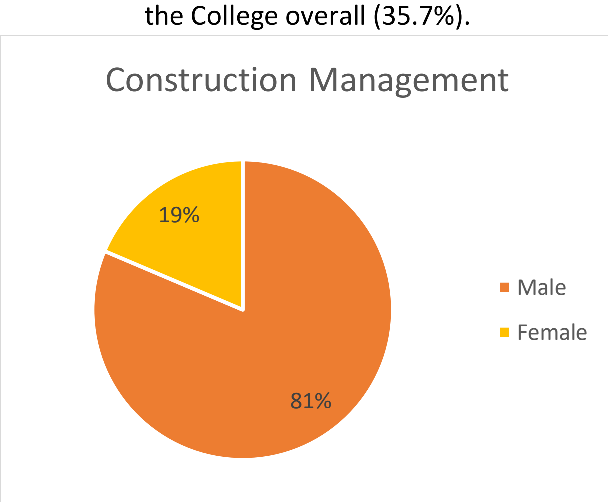
A. Key Findings

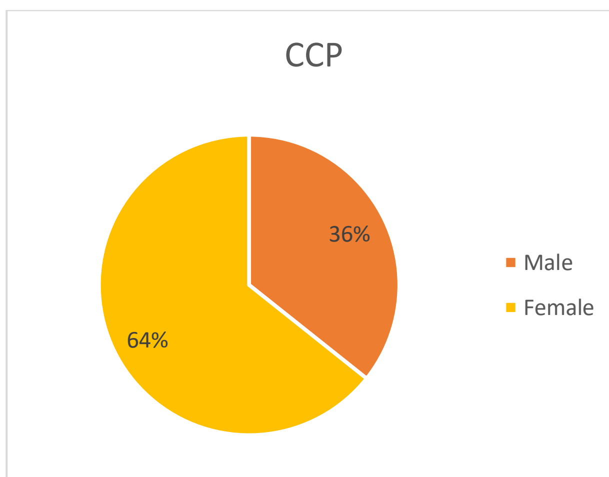
Enrollment and Demographics

1. Program enrollment rose from 78 in Fall 2016 to 92 in Fall 2018, and then declined again to 60 in Fall 2020.

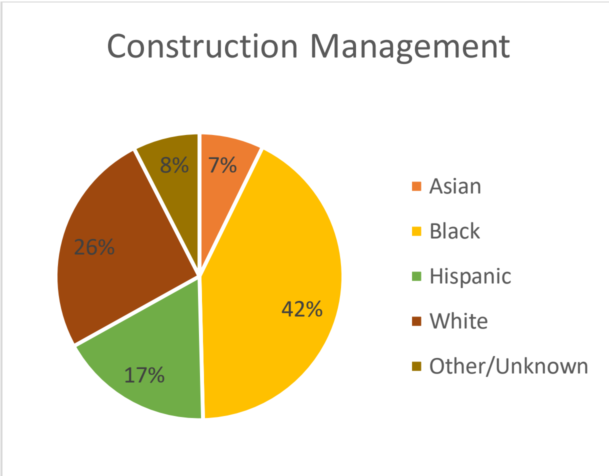


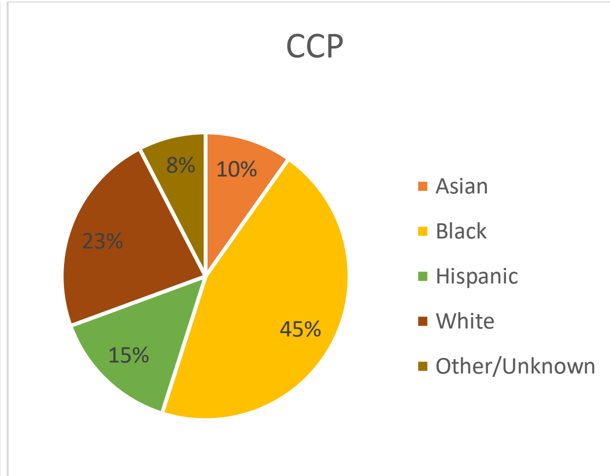
2. Proportions of students enrolled part-time and full-time mirrored those of the College.
3. The Program averaged a larger proportion of students who had earned 24 credits or more (49.6%) than did the College overall (45.7%), and a larger proportion of students who had earned zero credits (13.3%) than the College overall (10.5%).
4. The Program enrolled a higher proportion of students identifying as Male (83.1%) than did the College overall (35.7%).





5. The Program's proportions of students identifying within each of the IPEDS ethnicity categories mirrored those of the College overall.
6. The Program averaged a higher proportion of students identifying as Black Males (34.7%) than did the College overall (14.4%).





7. The Program enrolled a larger proportion of students over the age of 30 (40.6%) than did the College overall (25%).

Retention

8. Fall to Spring, the Program averaged a higher proportion of students who persisted within the same program (67.4%) and of students who did not persist (28.3%) than did the College overall (64.4% and 27.9%, respectively).
9. Fall to Fall, the Program averaged a higher proportion of students who returned to the same program (37.0%) and students who graduated (11.7%) than did the College overall (33.6% and 9.7%, respectively).

Success and Graduation

10. Over the period studied, the Program awarded 43 A.A.S. degrees.
11. The Program averaged a higher proportion of students who were dropped due to insufficient progress or poor scholarship (2.8%) than did the College overall (0.7%).
12. Over the period studied, a higher proportion of Program graduates transferred to another institution (57.1%) than graduates of the College overall (48.3%).
13. The Program does not have any complete program to program articulation agreements. It does have a draft agreement with Jefferson University that awards CCP students full credit for all the program's required courses.

Advisory Committee

14. Members of the advisory committee include representatives from common transfer institutions including Drexel University College of Engineering and the College of Architecture and the Built Environment at Thomas Jefferson University, as well as representatives from the local construction management industry including General Building Contractors Associated, Hill International, IMC Construction, Bittenbender Construction, Inc., the Philadelphia Water Department, and Turner Construction Company.
15. Discussions at the two most recent meetings centered on retention and graduation rates, as well as strengthening connections between the Program and employment opportunities for graduating students.

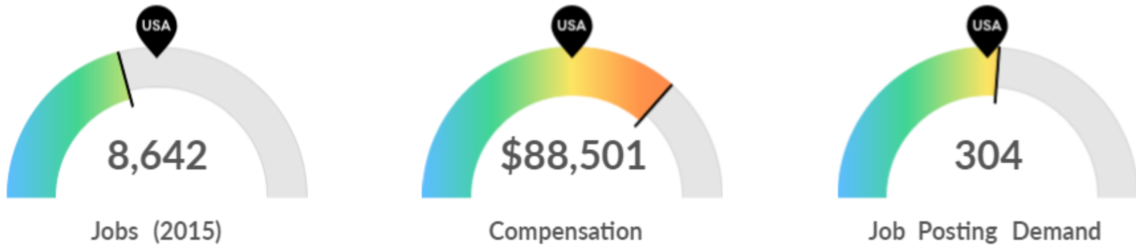
Assessment

16. The Program has four Program Learning Outcomes (PLOs).
17. Program Assessment was conducted at the course level within the Architecture, Design, and Construction department and reviewed by department faculty at monthly meetings.
18. Between the Program revision in 2018 and Spring 2020, Program assessment specific to Construction Management was not documented. Courses mapped to each of the four PLOs were assessed, documented, and reviewed by department faculty, but the specific connections between Course and Program Learning Outcomes were not articulated.
19. The Program successfully mapped Course Learning Outcomes (CLOs) to its PLOs within the AEFIS system and has been piloting the use of AEFIS for course assessment since Fall 2020; according to the Program, it will continue using AEFIS for all Program assessment beginning in Fall 2021.
20. AEFIS program assessment reports are available for three of the Program's four PLOs, indicating that students met the threshold for mastery for two of those three.
21. Primarily direct assessment methods were employed, including performance on quizzes, projects, and in-class activities, and multiple methods were used to assess nearly all CLOs.
22. An extensive Program Revision is currently underway; both implemented and planned changes to courses and the Program were based on direct and indirect assessment data.

Workforce Development

23. Changes and ever-evolving trends in the field includes digital project management technology and software, green building, and due to Covid19, remote worksites and mobile access for workers.
24. Project simulations and exposure to industry professionals and actual construction projects are two of the most effective and exciting means of preparing students for the industry.
25. Students in ADC 101: Introduction to Design and Construction often visit design and construction firms and are assigned the task of interviewing an industry professional and providing a report.

Average Job Posting Demand Over a Thin Supply of Regional Jobs



Your area is not a hotspot for this kind of job. The national average for an area this size is 11,120* employees, while there are 8,642 here.

Earnings are high in your area. The national median salary for your occupations is $73,583, compared to $88,501 here.

Job posting activity is about average in your area. The national average for an area this size is 283* job postings/mo, while there are 304 here.

*National average values are derived by taking the national value for your occupations and scaling it down to account for the difference in overall workforce size between the nation and your area. In other words, the values represent the national average adjusted for region size.

Cost

26. Over the period studied, the Program ran between 12 and 15 sections of its required courses each semester, which were enrolled at 57.1% capacity on average.

B. Prior Audit

Recommendations from Prior Audit and Program Response:

1. **Contact all students from Construction Technology into Construction Management**
   In 2006, the Construction Technology Program closed and the Construction Management Program opened. Ideally, all students in the Construction Technology program were supposed to complete the CT Degree or transfer to the Construction Management Program. All new students were supposed to enroll in Construction Management. Seven students are enrolled in courses this semester as Construction Technology students. These students must complete a change of major form this semester. The Office of Assessment and Evaluation can provide the Department with a list of students enrolled in Construction Technology.
   Timeline: Spring 2015
   Responsible Persons: Program Faculty

   Program Response: At this time, two students remain in the CT program. One recently contacted the Department Head regarding graduating.

2. **Assessment**
   The curriculum map identifies 10 areas in which program level outcomes are assessed. While it is clear that assessment is occurring, the documents in SharePoint indicate that

half the student learning outcomes are assessed in different courses than indicated on the curriculum map. Overall, the Program must increase transparency in the assessment process, including posting rubrics, clearly outlining which assignments from the courses feed into the outcomes and how the scores are calculated, and using independent measures for each outcome. Additionally, the Program needs to evaluate the benchmarks and create closing the loop activities.

Timeline: Summer 2015
Responsible Persons: Program Faculty

Program Response: The Construction Management Program Level Outcomes and associated Curriculum map were revised in 2017-18. In 2020-2021 the Department worked with the College's assessment team to review and improve curriculum maps, rubrics, benchmarks, and closing the loop activities. The Department faculty works continuously on improving its assessment processes and associated documents and has begun assessment in AEFIS.

3. **The department should create a program to accommodate students from the Construction Management, Facilities Management Design, Facilities Management Construction, and Computer Assisted Design students (and possibly Building Science).** The programs within the department have major overlaps in jobs, courses, and outcomes. In a survey of programs at the two and four year level, many schools had programs in one of these areas, but none had as many as CCP. Additionally, in many of these programs at the four year level; the first two years were largely the same courses. The markets (education and employment) do not appear to need the fine-grained divisions among disciplines at the two year level offered here. While those with more education and/or experience may find, eventually, that there are specializations within the field; these divisions do not exist at the undergraduate level. A single AAS program would suffice, perhaps with options presented for students based on their interests, in a model similar to the Justice Program. The above is only one proposal; the department may wish to present an alternative plan for consolidation.

Provide Alternative Plan
Timeline: June 2015
Persons Responsible: Department Head

Program Created to Accommodate other ADC Students
Timeline: Fall 2015
Persons Responsible: Department Head, Program Faculty, Dean of Liberal Studies

Program Response: The Building Science and CAD programs have been discontinued. The Facility Management degrees have been consolidated in a single degree with two concentrations. As Facility Management and Construction Management are two distinct academic and career paths, it has been concluded that they will remain distinct degrees at CCP.

4. **Create a program management plan**

Once the department has agreed upon a solution to recommendation 3 (above), they must develop a program management plan that address low course enrollment, the disproportionate rate of sophomores' progression through the program, and high operating costs. Currently the Construction Management Program is composed of a high proportion of older students with strong outcomes while the Facilities Management programs are composed of a high proportion of younger students with weaker outcomes. The program management plan must provide a framework for combing these programs and achieving results in these two populations.

Timeline: Spring 2016
Persons Responsible: Program Faculty, Department Head

Program Response: Each program in the ADC Department has a Program Coordinator, who with the Department Head, manages the issues listed above. Enrollment remains an ongoing concern that is addressed explicitly by our Division Dean and in our annual goal report. The COVID-19 pandemic poses new enrollment challenges that are addressed in the current 21-22 enrollment plan.

C. Action Items

The Office of Assessment and Evaluation makes the following recommendations for the Program.

1. Increase Enrollment as follows:

	Fall 2020 (Benchmark)	Fall 2021		Fall 2023		Fall 2025	
Headcount	60	67	11.7% increase in headcount	74	9.5% increase in headcount	81	8.6% increase in headcount
		# of students by category	% of students by category	# of students by category	% of students by category	# of students by category	% of students by category
Returned to Same Program	32.4%	23	34.3%	27	36.5%	31	38.3%
Returned to Different Program	2.8%	1	1.5%	1	1.3%	1	1.2%
Graduated	18.3%	13	19.4%	15	20.3%	17	20.9%
Did Not Persist	46.5%	30	44.8%	31	41.9%	32	39.5%

Persons Responsible: Department Head, Program Coordinator, Enrollment Management
Timeline: Fall 2025

Assessment

2. Program should document and discuss Program-level assessment specific to Construction Management and complete a cycle of assessment for all four of the new Program Learning Outcomes.

Persons Responsible: Program Coordinator and Faculty
Timeline: Fall 2023

3. Program should assess whether Program revisions and curricular changes being implemented are (1) increasing enrollment, (2) better preparing students for the workforce, and (3) enhancing student learning.
   Persons Responsible: Program Coordinator and Faculty
   Timeline: Topics should be addressed at least annually through Fall 2023

Success and Graduation

4. Despite being an A.A.S. Program, the Construction Management Program has a higher proportion of students who transfer to four-year institutions after graduation than the College does overall. The Program should consider pursuing articulation agreements or program guides to facilitate successful transfers.
   Persons Responsible: Program Coordinator, Department Head, Advisory Committee, Director of Articulation and Transfer
   Timeline: Fall 2026

D. Narrative

The Construction Management degree covers topics and skills related to the built environment. The program requires capabilities both in 2D drawing and 3D computer modeling, public speaking and presentations, knowledge of building materials and processes, safety and code compliance, construction supervision and business practices, and building sustainability. The students also must understand construction documents (both drawings and specifications), project management and scheduling. The Construction Management Program prepares graduates to enter a variety of careers in the construction industry and related fields, including jobs as estimators, project managers and schedulers, surveyors, specifiers, quality control supervisors, construction materials and equipment salespersons, owners' representatives, and site inspectors.

Students are exposed to a very wide scope of technical information in the program. Students are taught to think critically about the many decisions that are necessary when working with the built environment. First-year classes introduce students to basic skills such as reading construction drawings and AutoCAD as well as a great deal of information regarding building materials and project workflow. With this foundation, second year students delve into most advanced project simulations that require material quantity take-offs, cost estimating, and project scheduling.

Often, classes host guest speakers and/or panels that relate to design, construction, and facility management. During the 2020-2021 year, this included Zoom presentations that were then available as recordings through the Department CANVAS page. Interviews were also done and recorded with graduates who had transferred, addressing transfer challenges, scholarship searching, and tips for success from former CCP students.

Changes and ever-evolving trends in the field includes digital project management technology and software, green building, and due to Covid19, remote worksites and mobile access for workers. A significant revision to the program is currently underway. An important hierarchy will be structured, through the use of prerequisites, which is intended to provide a greater sense of continuity and academic progression for students. The goals of the program revision are to create a more engaging curriculum that will improve retention and graduation rates, create better alignment for transfer, and better focus on key skills for the workforce. The revision will touch approximately half the program's requirements.

Community College of Philadelphia

Academic Program Review: Respiratory Care Technology A.A.S.

Authors:

Lisa Fielding, Dr. Cathy Blaine, Dr. Jocelyn Lewis, and Elizabeth Gordon

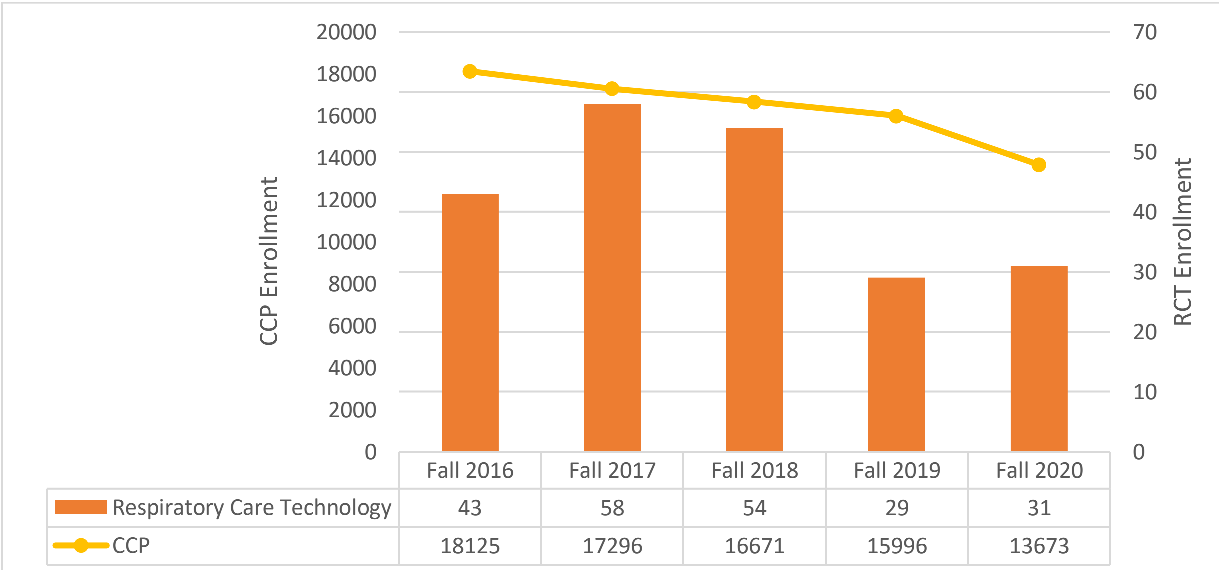
Spring 2021

1. Executive Summary

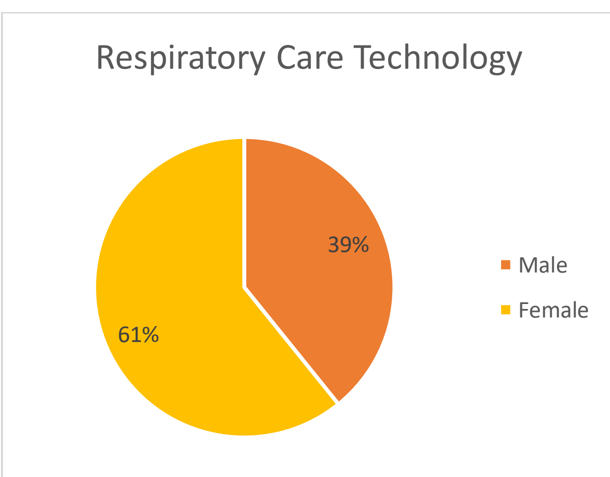
A. Key Findings

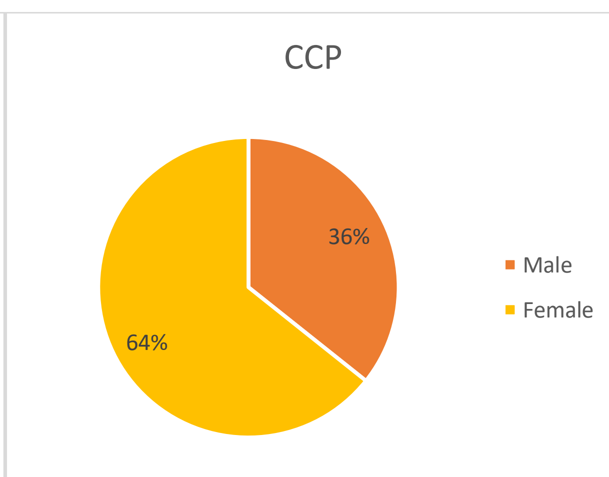
Enrollment and Demographics

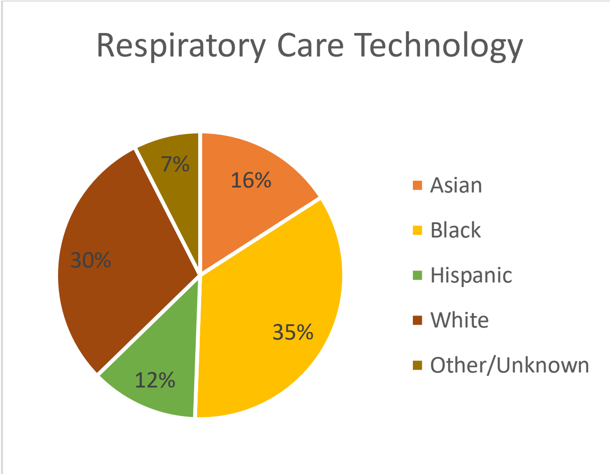
1. Over the period studied, Program enrollment increased from 43 students in Fall 2016 to a high of 58 students in Fall 2017, then declined back to 31 students in Fall 2020.

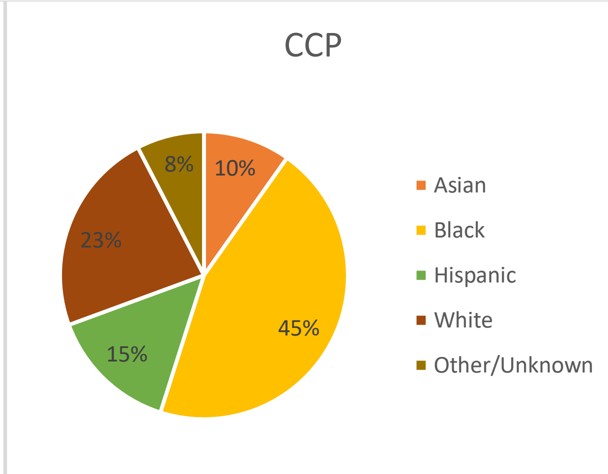


2. The Program did not admit a new cohort in Fall 2020 due to social distancing-based class limits; Program admitted class of 24 students for Fall 2021.
3. On average, the Program enrolled a lower proportion of full-time students (11.6%) than did the College overall (27.9%).
4. The Program enrolled a higher proportion of students identifying as Asian or Pacific Islander (16.5%) than did the College overall (9.8%), a lower proportion of students identifying as Black (36.0%) than the College's overall (45.1%), and a higher proportion of students identifying as Male (39.2%) than did the College overall (35.7%).









Retention

5. Fall to Spring, the Program averaged a higher proportion of students who persisted within the same program (86.8%) and a lower proportion of students who did not persist (11.6%) than did the College overall (64.4% and 27.9%, respectively).
6. Fall to Fall, the Program averaged a higher proportion of students who returned to the same program (46.4%) and students who graduated (23.1%) than did the College overall (33.6% and 9.7%, respectively).

Success and Graduation

7. Over the period studied, the Program awarded 72 A.A.S. degrees.
8. Because of minimum admission and performance standards determined by the Program's national accrediting body, nearly all Program students (99.8%) remained in Good Academic Standing during the period studied.

Transfer

9. Over the period studied, a lower proportion of Program graduates transferred to another institution (36.0%) than graduates of the College overall (48.3%).
10. A lower proportion of Program graduates also graduated from their transfer institution (8.0%) than did graduates of the College overall (11.7%).

Advisory Committee

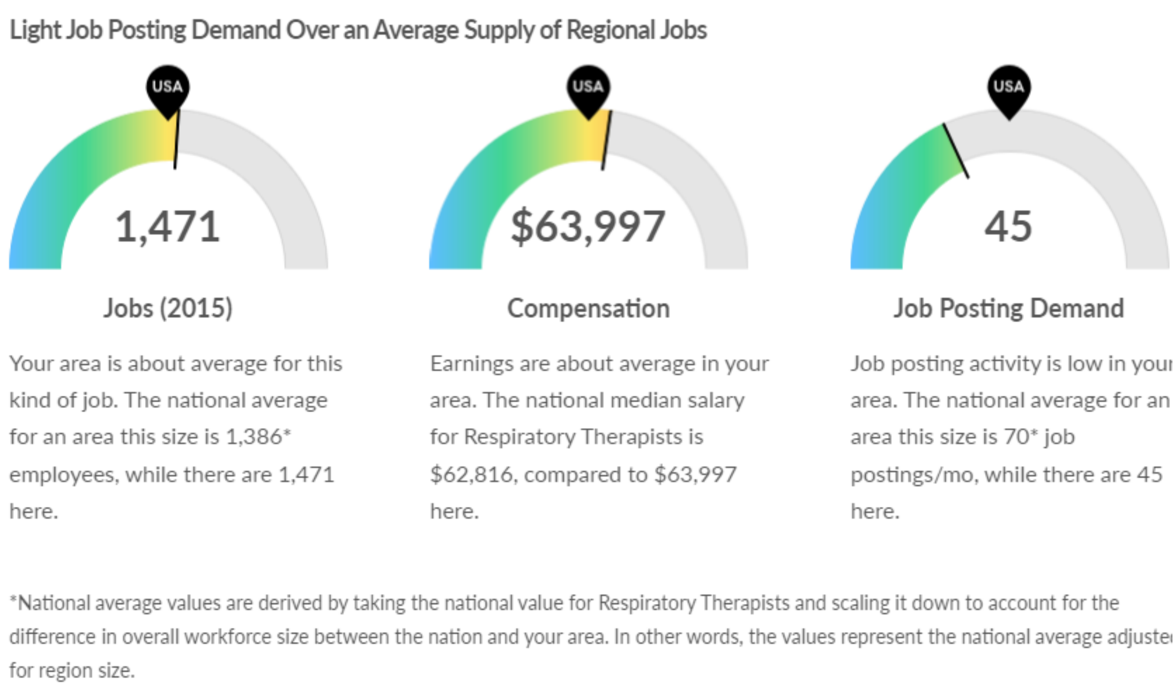
11. Members of the Program's advisory committee include individuals from Temple University, Albert Einstein Medical Center, Penn Presbyterian Medical Center, Thomas Jefferson University Medical Center, Hospital of the University of Pennsylvania, Cooper University Hospital, and CHOP.
12. The November 2020 meeting of the advisory committee, held via Zoom due to the COVID-19 pandemic, focused discussion on enrollment and graduation rates, including COVID-related caps on admissions and other limitations, a tentative articulation agreement with the University of Cincinnati, and ways to encourage students to sit for Board exams.

Assessment

13. The Program is accredited by the Commission on Accreditation for Respiratory Care (CoARC), the accrediting body of its professional organization, the American Association for Respiratory Care (AARC).
14. The Program has four Program Learning Outcomes (PLOs), which are assessed annually and were developed to reflect curriculum content requirements set by CoARC.
15. The Program primarily employed direct assessment methods, including performance on quizzes, exams, and in-class activities. Assessment in courses that include field work is primarily done through clinical preceptor and instructor ratings on clinical evaluation forms.
16. The Program made changes to course content, exams, learning software, student support in clinical rotations, pedagogy, and course materials as a result of assessment data.
17. The Program was required to establish an action plan for any element of its annual accreditation report that fell below the minimum threshold set by CoARC. This annual reporting has resulted in robust documentation of continuous improvement by the Program.

Workforce Development

18. Faculty connect with industry leaders every week through clinical rotations, and yearly at professional meetings and the advisory committee meeting.
19. Program alumni won the highest clinical award given at CHOP for demonstrating outstanding clinical skills and professional behaviors in 2016 and 2018.
20. There has been a 24.4% increase in demand for respiratory therapists since 2015, a position which pays a median annual salary of $64,000 in the Philadelphia metro area.



Cost

21. The Program incurs a number of specialized costs, including disposable equipment used in practical instruction each year as well as larger pieces of equipment such as ventilators, spirometers, and training simulators.
22. Over the period studied, the Program ran between 3 and 4 sections of its required courses each semester, which were enrolled at 62.2% capacity on average.

B. Prior Audit

Recommendations from Prior Audit and Program Response:

1. *Update assessment and Complete Course Revisions*

The Program should determine if there is a need to update its program learning outcomes, redesign assessment materials, and complete the seven course revisions. Once these areas are evaluated, the Program should determine if a program revision is necessary.

The Program needs to evaluate their Program Learning Outcomes and determine whether they meet the needs of the Program. Outcomes must align with specific learning that happens during the course of the program. They need to be measureable, action oriented, results based, and time oriented. Quality assessment involves using both direct and indirect measures to assess outcomes. While both direct and indirect outcomes are beneficial, programs should use at least one direct measure of assessment. The Program Learning Outcomes in Respiratory Care measure achievements or accomplishments that occur after the students leave the program and can only be measured using indirect measures. The curriculum map does not identify where outcomes are being introduced, reinforced, mastered, or assessed. Rather, the map merely identifies that one of these activities is occurring with an 'X'. There is no clear evidence to indicate that the SLOs align with the PLOs. The Program should perform a comprehensive evaluation of their assessment tools and refine the assessment process.

Program faculty have started seven course revisions which have been on hold since 2012. Faculty need to review the documents, make any necessary changes, and continue the process of getting the revisions approved.

Timeline: Spring 2017
Persons Responsible: Department Head and Program Coordinator

Program Response: A complete Curriculum revision of all courses was completed in 2018 and 2019 through the Curriculum Office via Amy Birge. The Faculty wrote and rewrote several versions of both the Student Learning Outcomes (SLOs) and the Program Learning Outcomes (PLOs) working with the Dean and Department head. We are pleased to report that the PLOs have been simplified and look forward to integrating the program into AEFIS.

2. *Review the guidelines of the advisory committee*

Over the past three years the advisory committee has met annually to discuss the strengths and challenges in the Program and gain insight from people working in the field. The Program holds these meetings off campus and has been inconsistent in recording advisory committee meeting minutes. The Advisory Committee Meeting Guidelines state that 'the Division Dean, the

Department Head, full-time faculty members, and students, if appropriate, should attend the meetings, and that the committees should meet on campus at least once a year.' The Advisory Committee Meetings must be held on campus in order to give these parties the opportunity to attend. Meeting minutes must be kept for each meeting. The Advisory Committee should review the Guidelines and adhere to all requirements. Additionally, Program faculty should consider including student members.

Timeline: Fall 2016

Persons Responsible: Department Head and Program Coordinator

Program Response: Possible Additions: Student member in 2016, 2018 meeting. Zoom Meeting, Fall, 2019, another Zoom will take place this fall.

3. *Encourage graduates to take the RRT exam as soon as possible after graduation*

The most recent Annual Report of Current Status and Resource Assessment Matrix was submitted by Program faculty to CoARC in 2015. In this report Program faculty state 'that program graduates continue to delay taking the RRT exam despite faculty and employer recommendations that these exams be taken as soon as possible after graduation.' The Program faculty needs to discuss ways to encourage students to take the RRT exams upon graduation.

Timeline: Fall 2016

Persons Responsible: Department Head and Program Coordinator

Note: This recommendation has been completed.

Program Response: Students attended a three-day Kettering Review in person from 2016-2019 at Bryn Mawr Hospital, 2021 All faculty and students attended 2021 3day zoom for Kettering. Students are required to take 2 practice simulation exams from software purchased by CCP from C and S Solutions. Students must also take a Self-Assessment Exam purchased from the National Board of Respiratory Care testing center. Clinical Instructors have also been enlisted to re-enforce taking the RRT exam asap after graduation.

C. Action Items

The Office of Assessment and Evaluation makes the following recommendations for the Program.

Enrollment and Demographics

1. Increase Enrollment as follows:

	Fall 2021		Fall 2022		Fall 2025	
New student enrollment (cohort)**	24*		32		36	
Fall-to-Fall return to same program	20	83.3%	27	84.4%	31	86.1%
Projected graduation (within IPEDS 150% of time-to-degree limit)	18	75%	26	81.3%	29	80.6%

*Social distancing-based class limits in effect starting Fall 2020; Program admitted class of 24 students for Fall 2021. It is expected that enrollment will return to pre-pandemic levels as space limitations are lifted.
**Due to Program not admitting a new class of students in Fall 2020, and due to Program's cohort-based admissions model, enrollment here is projected per cohort, not using total enrollment figures as in the retention models used elsewhere in this Academic Program Review.
Persons Responsible: Department Head, Program Coordinator, Enrollment Management
Timeline: Fall 2025

D. Narrative

The Community College of Philadelphia's Respiratory Care Technology Program is the only Respiratory Technology Program in Philadelphia. The Program is 22 consecutive months and is fully accredited by the Commission on Accreditation for Respiratory Care. Most Program students are hired by Philadelphia Hospitals, but as Registered Respiratory Therapists, they are qualified to work anywhere in the United States, and in some International locations. The Program offers classroom and hands on clinical experience in Philadelphia and Cooper Hospital in New Jersey. It is a challenging Program that provides students with an exciting career working with physicians, nurses, and state of the art ventilators to help save people's lives in all areas of the hospital. Respiratory Therapists are part of the healthcare team that responds to all emergencies, including traumas, can be part of a flight team, and can work with newborn premature infants to geriatric patients. Currently, approximately 1 in every 5 professional in the field within Delaware Valley is a graduate of the program.

The fundamental intellectual question of the program is: how can respiratory physiology, anatomy, and disease states that produce life-threatening illnesses be treated in a variety of clinical settings during the clinical skills, equipment and academic material taught during the Cardiorespiratory Program? The teaching and learning that takes place in this program is all directed in answering this question. The Program's faculty and clinical instructors are all involved in student assessment and success. For example, part-time faculty are responsible for pre-clinical laboratory competencies to make sure students are knowledgeable about clinical equipment and skill before they go to area hospitals. Clinical instructors have clinical objectives, patient cases studies and clinical behavioral evaluations they do to make sure students have the professional and clinical skills necessary to be successful.

Faculty connect with industry leaders every week through clinical rotations, and yearly at professional meetings and the advisory committee meeting. Presently, the Program has in place articulation agreements to complete a bachelor's degree with Gwynedd Mercy University in Respiratory Care, and with West Chester University for a bachelor's in health care administration.

The changes in technology and the increased demand for Respiratory Therapists has been highlighted by COVID-19. There is astronomical demand in the field for new therapists who have the critical thinking skills to survive in ICU and learn new technologies and therapies daily. One of the few good moments during the COVID-19 pandemic was when a Program alumnus, a Vice President of Administration at the Temple Health system, called asking if they could borrow all of the Program’s ventilators, as they desperately needed them for critically ill patients. Program Director Lisa Fielding was instrumental working with College lawyers in twice lending them to Temple to meet patient needs.

MEETING OF THE BUSINESS AFFAIRS COMMITTEE
OF THE BOARD OF TRUSTEES
Community College of Philadelphia
Wednesday, September 22, 2021 – 9:00 A.M.

Present for the Business Affairs Committee: Mr. Rob Dubow and Lydia Hernández Vélez, Esq.

Present for the Administration: Dr. Donald Guy Generals, Mr. Jacob Eapen, Ms. Marsia Henley, Jessica Hurst, Esq., Danielle Liautaud-Watkins, Esq., Mr. Gim Lim, Mr. Derrick Sawyer, Mr. John Wiggins, Ms. Mikecia Witherspoon, and Victoria Zellers, Esq.

Ms. Hernández Vélez called the Business Affairs Committee meeting to order at 9:03 A.M.

AGENDA – PUBLIC SESSION

(1) Northwest Regional Center Oil Tank Replacement Project (RFP 10151) (Action Item)

Discussion: Mr. Eapen stated that the current fuel tank at the Northwest Regional Center (NWRC) is at end of life. This replacement includes, labor, material, and equipment removal, disposing of remaining oil & existing oil tank, design, and materials to install a new 6000-gallon double-walled, coated, above-ground storage tank. Installation includes new piping, modification of tank supports, fuel delivery system for an emergency generator and dual-fuel heating.

RFP #10151 was issued on July 15th through Penn Bid. A Pre-bid meeting was held on July 22nd with six (6) bidders attended:

- RJ Walsh, Assoc
- TTI Environmental
- Bluestone Environmental
- General Civil Co.
- Bhaumik Engineers
- DeWitt Heating & Air Conditioning

Ms. Henley addressed the demographics. She stated that General Civil Co. is located in Aston, PA (Delaware County) and has 11 employees, none of which are diverse. Ms. Henley pointed out that out of the 6 companies who attended the pre-bid meeting, only two bids were received: General Civil Co. for $137,890; the other from RJ Walsh, Assoc. for $194,630.

Ms. Hernández Vélez asked if General Civil Co. was family-owned or a small company. Ms. Henley responded that General Civil Co. is a small company with only 11 employees.

Action: Ms. Hernández Vélez moved and Mr. Dubow seconded the motion that the Committee recommend to the full Board that the College enter into a contract with the lowest responsible bidder, General Civil Co., for the Northwest Regional Center Oil Tank Replacement Project in the amount of $137,890. The motion passed unanimously.

(2) Renewal of Contract with Cozen O'Connor Public Strategies (Action Item)

Discussion: Mr. Eapen stated that in Summer of 2019, the College conducted an RFP for local, state and federal lobbying services. He stated that the College selected two firms: Cozen O'Connor Public Strategies ("Cozen") for local and federal lobbying services and Pugliese and Associates for state lobbying services.

Cozen was selected for local and federal lobbying services at $5,000 per month for local and $5,000 per month for federal with a not to exceed contract at $120,0000 per year. The contract approved by the Board was a one-year contract with a one-year extension option, 10/1/2019 - 9/30/2020 and 10/1/2020 - 9/30/2021. The College first renewed the local and federal services for 6 months only due to a change in the College's Government Relations Officer from 10/1/2020 - 3/30/2021. For the next six months, after review by the new Government Relations Officer, the College awarded Cozen local, federal, and state at $15,000 per month from 4/1/21-9/30/21. The College increased Cozen's contract to include state because it was not satisfied with the performance of the state lobbyist, Pugliese and Associates, and they were billing $6,500 per month. Cozen offered to handle state for $5,000 per month on top of their $10,000 for local and federal.

Ms. Witherspoon stated that the College is very satisfied with Cozen's services. She explained that Cozen is diverse with its lead lobbyist a minority male. The Cozen team has 2 minorities and 3 women on the proposed team. Ms. Witherspoon stated that Cozen has had strong results for the College and she outlined Cozen's attributes found in Attachment A.

Mr. Eapen stated that the College would like to renew Cozen for local, state, and federal lobbying at their current rates of $5,000 each per month for local, state and federal lobbying services for a total of $15,000 per month and not to exceed $180,000 per year. Cozen also subcontracts 25% of the Agreement to an MBE firm, Maven, Inc.

Ms. Henley reported on the demographics. She stated that Cozen is 27.2% diverse and the team for the College, which consists of 5 individuals, is 50% diverse. Ms. Hernández Vélez stated that she served with Ms. Melonease Shaw in an "employment job development" area. She stated that Maven is a minority firm, and that Ms. Shaw is African-American.

Mr. Dubow asked who was the principal at Cozen O'Connor Public Strategies. Ms. Witherspoon responded that Mr. Joe Hill is the Senior Principal.

Action: Ms. Hernández Vélez moved and Mr. Dubow seconded the motion that the Business Affairs Committee recommend to the full Board a one-year lobbying services agreement with Cozen O'Connor Public Strategies at $15,000 per month for a total not to exceed of $180,000 per year. The motion passed unanimously.

Discussion: Mr. Eapen stated that the third and fourth agenda items are related to the completion of the Library & Learning Commons. He stated that the total dollars for the LLC project is $17.5 million. The College underwent a bond issue in the amount of $16 million. Mr. Eapen stated that the $1.5 million shortfall will be funded from the Multi-Year Capital Project. He stated that the LLC Project is 95% completed and that the last section of the project will be the curtain wall which entrance is on 17th Street.

Mr. Wiggins addressed the change orders for McGoldrick Electric, Inc. and New Age Development Group. He stated that these change orders consisted of life-safety issues, and the building being 120 years old. With regard to McGoldrick, Mr. Wiggins stated that the change order predominantly consists of unforeseen conditions, a new transformer for the future Café, and life safety improvements to the emergency circuits and fire alarm system to meet current code. With respect to New Age Development Group, Mr. Wiggins stated that the change order is the result of unforeseen conditions, primarily due to unique structural conditions, fireproofing of steel, and the need to bring existing riser shafts and other wall and ceiling openings up to fire code. Overall, Mr. Wiggins stated that the issues stemmed from life-safe issues and unforeseen conditions.

Mr. Eapen mentioned that Licenses and Inspection has been very accommodating and will return to the campus on October 15th and 16th to do another walkthrough. He mentioned that the College is still negotiating with Saxby's and hopefully this item will be resolved and can be taken to the October 7th, Business Affairs Committee (Committee as a Whole) meeting. Mr. Eapen stated that there will be construction in that area and is totally separate from the LLC project. The funds will not be coming out of the Capital Budget Plan.

Mr. Dubow asked what type of contingency is built into the projects. Mr. Wiggins stated that 10% to 15% contingency is usually built into the projects.

(3) Approval of Change Order Two – McGoldrick Electric, Inc. for the Library & Learning Commons (Action Item)

Background Information: Our electrical contractor for the LLC project, McGoldrick Electric, has encountered some changes in Phases 3 of the LLC project construction. The change order predominantly consists of unforeseen conditions, a new transformer for the future Café, and life safety improvements to the emergency circuits and fire alarm system to meet current code.

This Change Order Two in the amount of $179,000 will be in addition to Change Order One totaling $116,963 which will increase the original contract amount of $3,097,013 to $3,392,976. Please refer to Attachment B.

Action: Mr. Dubow moved and Ms. Hernández Vélez seconded the motion that the Business Affairs Committee recommend to the full Board the approval of the McGoldrick Electric, Inc. Change Order Two for the Library & Learning Commons Project in the amount of $179,000. The motion passed unanimously.

(4) Approval of New Age Development Group Change Order Six for the Library & Learning Commons Project (Action Item)

Background Information: This change order is the result of unforeseen conditions, primarily due to unique structural conditions, fireproofing of steel, and the need to bring existing riser shafts and other wall and ceiling openings up to fire code. The staff, design team, and contractor continue to address these problems presented by the 120-year-old building. This Change Order Six in the amount of $221,000 will be in addition to Change Orders 1, 2, 3, 4 & 5, totaling $946,912 which will increase the original contract amount of $7,693,491 to $8,861,403. Please refer to Attachment C.

Action: Mr. Dubow moved and Ms. Hernández Vélez seconded the motion that the Business Affairs Committee recommend to the full Board the approval of the New Age Development Group Change Order Six for the Library & Learning Commons Project in the amount of $221,000. The motion passed unanimously.

New Business

Mr. Eapen stated that the 2021-2022 detailed budget has been posted on the Board Portal. He pointed out that a change order for JMT, the construction manager for the LLC project, will be presented at the October 20th, Business Affairs Committee meeting. He also stated that every change order is negotiated and weekly meetings are held on site.

(5) Next Meeting Date:

The Business Affairs Committee (Committee as a Whole) meeting is scheduled for Thursday, October 7, 2021 at 9:00 A.M.

The next regularly scheduled meeting of the Business Affairs Committee meeting is scheduled for Wednesday, October 20th at 9:00 A.M.

The meeting adjourned at 9:17 A.M.

JE/lm
Attachments

Attachment A
Attributes: Cozen O'Connor Public Strategies

- Organizing an introductory meeting with First Lady Dr. Jill Biden's Policy Office to discuss free community college and CCP's Catto Scholars Program;

- Lobbying for 2021 RACP proposal resulting in support from Sen. Saval, Sen. Tartaglione, Sen. Street and Rep. Harris;

- Cementing our participation in the House Labor & Industry Committee Roundtable on pre-apprenticeship programs, where CCP was the only community college present;

- Organizing significant meetings with our members of Congress during ACCT Lobbying Day; and

- Helping to maintain capital and operational funds in the FY2021 budget and working with City Council and Mayor Kenney's administration to secure over $4 million from the City of Philadelphia to support the Octavius Scholarship program.

Attachment B

McGoldrick Activities for Change Order Two

Remove and reinstall existing electric under curtain wall for steel	$	9,679.86
CCD 003 secure existing electrical at soffit in Rotunda corridor	$	22,000.00
New 400A feeder and disconnect per ASI 38	$	19,113.56
Provide 4 Type C-3A fixtures instead of GC1s.	$	10,399.48
Install 30 GFCI for Thread per ASI # 37	$	9,332.52
Add 12 Legrand Pop Up Receptacles per RFI-09	$	3,182.02
Add Four Type C-3A Fixtures in bridge ceiling per ASI #36	$	3,612.44
Add two exit signs per ASI 37	$	1,145.02
Provide one SF fixture.	$	4,978.52
Rack mounting for Type H track lighting fixtures - $32,956.77	$	22,042.84
Door holders and smoke detectors from Honeywell	$	17,433.65
Café Feeders	$	28,011.47
Add Cube power connections	$	28,012.47
Total	$	178,943.85

Attachment C
NADG Activities Detail Change Order Six

CCD 06 Floor levelling - NTE issued 1/19/21 - Areas 1, 2, 3		$ 44,299.10
Add rated wall in Janitor closet per ASI 32		$ 3,620.10
Install Access Panel to Existing Shaft		$ 902.00
Misc. Marble Repairs in Corridors		$ 8,790.49
Glass Rail Supports at Stairs		$ 6,296.40
Furnish and Install Flat Plates at Study Carrels		$ 3,616.80
Remove and replace center wall in 16th St Riser Shaft		$ 8,252.20
Furnish and Install Courtyard Gate support per RFI 146		$ 7,700.00
Curtainwall Support Per ASI 40, SSK-14		$ 5,588.00
Add tube steel posts in 16th shaft per ASI 39, SSK-15		$ 7,451.40
Additional GWB and fire caulking in 16th St riser shaft		$ 3,216.84
Access panel Rotunda Corridor LR-C02		$ 533.50
Painter's Cost Escalation		$ 30,544.14
Rotunda Ceiling		$ 3,858.80
ASI 43 Floor Finish - Additional LVT		$ 3,801.60
Change in Waterproofing specification and square footage - 17th St		$ 5,588.00
Study Carrel exposed ceiling RFI 84 beam wrap and fireproofing		$ 30,000.00
Repair finished work due to electrical $7,488.80		$ 18,949.77
Fur Out Wall LR-C02		$ 6,160.77
Paint hallway Upper Level at the Atrium Stairs		$ 6,404.88
Modify Study Carrels		$ 6,808.00
Solid Surface Wall Caps Rotunda Level - $4,567.2		$ 4,152.00
Soffits in the Touch Down and Tutor Faculty rooms		$ 3,229.60
Add wood blocking to seating in the Library		$ 605.90

$ 220,370.29

MEETING OF AUDIT COMMITTEE
Community College of Philadelphia
Monday, September 27, 2021 – 10:00 a.m.

Present: Mr. Anthony J. Simonetta, Mr. Jeremiah White (via Zoom), Mr. Steve Herzog (via Zoom), Donald Generals, Ed.D., Mr. Jacob Eapen, Victoria Zellers, Esq. (via Zoom), Mr. Gim Lim, Mr. Robert Lucas (via Zoom), and representing Grant Thornton: Ms. Angelica Roiz and Mr. Alex Ney

Absent: Ms. Lydia Hernández Vélez & Mr. Derrick Sawyer

AGENDA – PUBLIC SESSION

The Audit Committee meeting was held on-campus for the first time since the last pre-pandemic meeting in September 2019. Zoom continued to be available for those who could not attend on-campus. Mr. Jacob Eapen informed Mr. Anthony Simonetta that Mr. Michael Soileau is the new Chair of the Business Affairs Committee and he will be attending future Audit Committee meetings.

1. Approve Minutes of Audit Committee Meeting on June 15, 2021 (Action Item):

Action: Mr. Simonetta asked whether anybody has corrections or changes to the minutes. Hearing no changes, Mr. Simonetta asked for a motion to recommend acceptance of the June 15, 2021 Audit Committee meeting minutes (Attachment A). Mr. Steve Herzog made the motion. Mr. Jeremiah White seconded the motion. The motion passed unanimously.

2. 2020-21 Fiscal Year Audit Report (Action Item):

Ms. Angelica Roiz presented the results of the 2020-2021 audit results (Attachment B). She informed the Committee that the short form report of the June 30, 2021 Financial Statements (Attachment C) was due to the City by the end of the month but was informed that the City has provided an automatic extension because of the pandemic. She noted that the College is a component unit of the City.

Ms. Roiz reported that the audit was completed with the full cooperation from management consistent with the timeline shared with the Audit Committee at its June 2021 meeting. Ms. Roiz reported that the audit went smoothly and they have completed their procedures and testing. The report issuance will be sometime this week. They will be back in the fall to perform the Uniform Guidance audit which will be reported to the Audit Committee next March 2022. The Uniform Guidance audit will take a deeper look at the impact of various federal relief programs.

Mr. Alex Ney then reported there were no adjustments or findings to this year's audit. He proceeded to overview the areas of significant audit focus. Ms. Roiz added that within federal awards and state grants, anytime there is a potential of management override of controls, they have to presume fraud risk and therefore consider it as an area of significant audit focus. Other areas of significant audit focus were investments, tuition revenues, appropriations, OPEB and new for this year were New Market Tax Credit and CCP Development, LLC. Ms. Roiz reported that technology support was part of the audit process. Their technology specialists performed a review of the financial aid module, tested administrator access and conducted password testing.

Ms. Roiz concluded her presentation by providing an industry update. She reported that S&P's 2021 outlook for the Higher Education sector remains 'negative' primarily due to declining enrollment. However, public colleges are expected to fare better than private non-profits and for profit schools. Ms. Roiz reported that approximately $69 billion of COVID relief funding has gone mostly to public colleges. Mr. Eapen added that Moody's Investors Service has kept the College's credit rating the same with a stable outlook. Mr. Simonetta noted that on COVID relief funding (Attachment B – Page 22), the amount Received was greater than the Eligible amount for the For-Profit sector. Ms. Roiz agreed that it was probably transposed and will follow-up on it.

Ms. Roiz thanked Management for all of their hard work and cooperation during the audit.

Action: Mr. Simonetta asked for a motion to recommend acceptance of the June 30, 2021 Financial Statement Audit report. Mr. White made a motion to accept the June 30, 2021 Financial Statement Audit. Mr. Herzog seconded the motion. The motion passed unanimously.

3. Internal Audit Committee/Internal Audit Plan (Information Item):

Mr. Robert Lucas provided an update on the 2020-2022 Internal Audit Plan (Attachment D). He provided a summary report of activities since the last Audit Committee meeting and a spreadsheet of the Internal Audit Plan by email in advance of the meeting. Mr. Lucas stated that, since the last Audit Committee meeting, two audits had been completed with draft audit reports issued to management, two other reports are still being discussed with management, and three audits are in various stages of progress.

Mr. Lucas also reviewed the 2020-2022 Internal Audit Plan in Excel format showing what stages the FY21-22 audits were at based on the codes shown on the plan.

Lastly, Mr. Lucas reviewed with the Committee the Internal Audit Follow Up Matrix on which the audit comments, recommendations, and management's action plans are tracked. The matrix had also been distributed to the Committee members by email in advance of the meeting. He reviewed the status of the audit comments for which management action plans are not yet fully addressed. He reviewed these comments with Committee members based on the color coding used on the spreadsheet to denote the status of management's actions plans. Mr. Lucas noted a number of action plans remain which are in progress (highlighted in yellow), or for which more than a year has passed since the original target date for the agreed upon actions (highlighted in red). Mr. Lucas noted that he expected some of the actions to have more attention now that the return-to-campus activities have been accomplished.

4. March 2022 Meeting Date (Information Item):

The next meeting will be to discuss the results of the College's Uniform Guidance Audit. Typically, this meeting is scheduled for the month of March, since the deadline to submit the results to the Department of Education is March 31st of each year.

EXECUTIVE SESSION

An Executive session of the Audit Committee was held with Grant Thornton and the College staff.

GSL/lh
Attachments

cc: Dr. Donald Generals, Jr.
Mr. Jacob Eapen
Ms. Victoria Zellers, Esq.
Mr. Robert Lucas
Mr. Derrick Sawyer
Representing Grant Thornton: Ms. Angelica Roiz
Representing Grant Thornton: Mr. Alex Ney

ATTACHMENT A

MINUTES FROM JUNE 15, 2021
AUDIT COMMITTEE MEETING

MEETING OF AUDIT COMMITTEE
Community College of Philadelphia
Tuesday, June 15, 2021 – 09:00 a.m.

Present: Mr. Anthony J. Simonetta, Mr. Jeremiah White, Ms. Lydia Hernández Vélez, Esq., Mr. Steve Herzog, Mr. Jacob Eapen, Victoria Zellers Esq., Mr. Derrick Sawyer, Mr. Gim S. Lim, Mr. Robert Lucas, and representing Grant Thornton: Ms. Angelica Roiz and Mr. Alex Ney

Not Present: Dr. Donald Generals, Jr.

AGENDA – PUBLIC SESSION

(1) Approve Minutes of Audit Committee Meeting on March 23, 2021 (Action Item):

Action: Mr. Anthony Simonetta asked for a motion to recommend approval of the March 23, 2021 Audit Committee meeting minutes (Attachment A). Ms. Lydia Hernández Vélez made the motion and Mr. Steve Herzog seconded the motion. The motion passed unanimously.

(2) 2020-2021 Audit Process (Information Item):

Attachment B contains the formal presentation made by Ms. Angelica Roiz, Engagement Partner from Grant Thornton and Mr. Alex Ney. Ms. Roiz began her presentation by reviewing the audit plan and areas of focus. She reminded the Committee members that the College, as a component unit of the City, has a September 30th deadline. For Uniform Guidance testing of financial aid and the Education Stabilization Funds, she expects additional delays with the issuance of the Compliance Supplement that governs testing due to additional stimulus programs being awarded. However, since Uniform Guidance work is planned for late in the year, she does not expect the delays to be an issue. Mr. Ney then reviewed the areas of significant risks and focus. Ms. Roiz added that the College received additional HEERF funding in December of 2020. The institutional portion under CRRSAA also known as HEERF II is larger and she noted that the terms and conditions for these additional funds continue to evolve. Grant Thornton will be testing the revenue and expense recognition for the financial audit and performing the compliance testing on these funds later in the year under Uniform Guidance. Ms. Roiz then briefly overviewed the audit procedures from the handout.

From a technology support perspective, Ms. Roiz mentioned they reviewed the financial aid module, administrator access and password testing. They had no issues in the past but they do provide recommendations based on their review. Under technical updates, Ms. Roiz highlighted GASB 84, GASB 87 and GASB 89 and the effective dates for each. GASB 84 requires the College to review and disclose any existing fiduciary funds. GASB 87 requires operating leases to be capitalized and GASB 89 requires interest during construction to be expensed.

Ms. Roiz then provided a brief industry update. She reported that Moody's revised their 2021 outlook for Higher Education sector from 'negative' to 'stable'. Mr. Jeremiah White asked Ms. Roiz to comment on the impact of declining enrollments. Ms. Roiz reported that colleges are addressing declining enrollments by increasing their financial aid and also offering more attractive aid packages, causing some smaller colleges with limited resources to close or merge. She explained that public colleges fared better because of stimulus funding that extends through 2022. She reported that Colleges are also investing in IT infrastructure, making improvements to existing spaces, and focusing on programs that are performing well and closing others.

On the subject of 2021 Top IT Issues, Mr. Simonetta commented on the recent cyberattacks and asked Ms. Roiz to comment on her clients' IT strategy relating to cybersecurity. Ms. Roiz noted that more clients are designating a cybersecurity person or team, hiring third parties to assist with cybersecurity and doing more frequent vulnerability or penetrating testing. Mr. Jacob Eapen added that the College is preparing a presentation on cybersecurity for the Business Affairs Committee. Mr. Simonetta expressed interest in the presentation.

Ms. Roiz concluded her presentation by reminding the Committee of the many available resources from Grant Thornton.

(3) 2021-2022 Budget Highlights (Information Item):

Mr. Eapen provided a brief overview of the 2021–2022 budget which included a no tuition increase with 80 percent of the total budget for salaries and benefits and 20 percent for all other expenses. The 2021-2022 budget was again developed to support the College's eight-year strategic plan centered on student success. There are several key areas of focus, namely student experience, workforce development, community relations, world-class facilities, and fiscal stability and sustainability. A new pillar to support diversity, equity and inclusion was included this year. The budget process took this into consideration for allocating resources.

In prior years, the College had one of the highest tuition and fees among the 14 community colleges in Pennsylvania. However, with just one tuition increase in the past nine years, the College is now in the middle of the group in terms of tuition and fees.

Other highlights of the 2021-2022 budget are provided in Attachment C.

(4) Internal Audit Update (Information Item:

Mr. Lucas provided an update on the 2020-2022 Internal Audit Plan. He provided a summary report of activities since the last Audit Committee meeting and a spreadsheet of the Internal Audit Plan by email in advance of the meeting (Attachment D). Mr. Lucas stated that, since the last Audit Committee meeting, two audit reports had been finalized and issued to management, two other reports have been drafted and issued to management, and that three audits are in various stages of progress and are expected to be completed in next month or so.

Mr. Lucas also reviewed the 2020-2022 Internal Audit Plan in Excel format showing what stages the FY21 audits were at based on the codes shown on the plan. He noted that all of the FY21 audits were completed or in progress and that the remaining audits on the plan were scheduled to be performed in FY22.

Lastly, Mr. Lucas reviewed with the Committee the Internal Audit Follow Up Matrix on which the audit comments, recommendations, and management's action plans are tracked. The matrix had also been distributed to the Committee members by email in advance of the meeting. He reminded the Committee members of the color coding used on the spreadsheet to denote the status of management's actions plans. Mr. Lucas noted a number of action plans remain in progress (highlighted in yellow), or for which more than a year has passed since the original target date for the agreed upon actions (highlighted in red).

(5) Next Meeting:

The next meeting of the Audit Committee will be in September, 2021.

EXECUTIVE SESSION

GSM/lmh
Attachments

cc: Dr. Donald Generals, Jr.
Mr. Jacob Eapen
Mr. Robert Lucas
Mr. Derrick Sawyer II
Victoria Zellers, Esq.
Representing Grant Thornton: Ms. Angelica Roiz and Mr. Alex Ney

Grant Thornton

PRESENTATION TO THOSE CHARGED WITH GOVERNANCE

2021 Annual Audit Results Presentation

Community College of Philadelphia

September 27, 2021

This communication is intended solely for the information and use of management and those charged with governance of the Community College of Philadelphia and is not intended to be and should not be used by anyone other than these specified parties.

Audit timeline & scope

April – May 2021	Client continuance	• Client continuance • Issue engagement letters • Conduct internal client service planning meeting, including coordination with audit support teams
June 2021	Planning	• Meet with management to confirm expectations and discuss business risks • Discuss scope of work and timetable as well as identify current year audit issues • Initial Audit Committee communications
June – July 2021	Preliminary risk assessment procedures	• Develop an audit plan that addresses risk areas • Update understanding of internal control environment • Coordinate planning with management and develop work calendar
July 2021	Walkthroughs	• Perform walkthroughs of business processes and controls
August – September 2021	Final fieldwork (short form financial statements)	• Perform final phase of audit and year-end fieldwork procedures • Meet with management to discuss results, including review of draft financial statements, misstatements (if any) and completeness/accuracy of disclosures • Present results to the Audit Committee (short-form financial statements)
Report issuance date	Deliverables	• Financial Statements (short-form in September and Uniform Guidance in March) • Listing of unrecorded misstatements and omitted disclosures (if any)

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Significant risks and other areas of focus

The following provides an overview of the areas of significant audit focus based on our risk assessments.

Significant risk	Results
State and federal grants & contracts	• Reviewed contract documents to obtain understanding of the terms. • Compared revenues and recorded expenses to determine that amounts are being recorded appropriately based upon the terms of the contracts. • Reviewed any deferred amounts for reasonableness. • Agreed any subsequent collections to year-end receivable balances. • Reviewed propriety of financial statement presentation and disclosures.
Management override of controls – *(presumed fraud risk and therefore significant risk in all audits)*	• Considered the design and implementation of entity-level controls, including information technology controls, designed to prevent/detect fraud. • Assessed the ability of the College to segregate duties in its financial reporting, information technology, and at the activity-level. • Conducted interviews of individuals involved in the financial reporting process to understand (1) whether they were requested to make unusual entries during the period and (2) whether they are aware of the possibility of accounting misstatements resulting from adjusting or other entries made during the period. • Performed risk assessment for journal entries and detail test a sample of journal entries based on our risk assessments to ensure propriety of the entries.

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Significant risks and other areas of focus (continued)

The following provides an overview of the areas of significant audit focus based on our risk assessments.

Area of focus	Results
Valuation of investments	• Obtained independent investment valuation and monitoring reports from investment managers. • Confirmed existence of investment holdings directly with custodians. • Tested reasonableness of investment-related income, including unrealized appreciation/(depreciation) in fair values. • Obtained most recent independent auditors' reports for all non-marketable alternative investment positions. Reviewed auditors' reports to assess quality of financial reporting and type of opinion received. • Obtained SSAE16 reports from investment custodians. • Evaluated prioritization of inputs used to determine fair value investment assets is reasonable and in accordance with GASB 72, *Fair Value Measurement and Application*, and reviewed related disclosures.
Tuition revenue, auxiliary enterprises and related receivables/deferred revenue	• Performed reasonableness test on tuition and fees, student aid and auxiliary revenue amounts. • Performed detailed testing of a sample of transactions, agreeing to source documentation. • Performed deferred revenue testing to determine proper cut-off. • Assessed management's analysis of allowances for doubtful accounts for reasonableness, consistency with methodology and accuracy of inputs.

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Significant risks and other areas of focus (continued)

The following provides an overview of the areas of significant audit focus based on our risk assessments.

Area of focus	Results
Appropriations revenue	• Obtained detail of appropriations received for the fiscal year. • Confirmed amounts, agreed to revenue recorded in the general ledger. • Reviewed receivable balances, reconciled the cash received to amounts outstanding, as applicable.
GASB 75, *Accounting and Financial Reporting for Postretirement Benefits Other Than Pensions*	• Reviewed the analysis of accrued postretirement benefit obligations. • Assessed the reasonableness of actuarial assumptions: discount factor, trend rates and cash flows, amongst others. • Tested participant census data.
New Market Tax Credit (NMTC) and CCP Development, LLC	• Reviewed agreements to determine propriety of accounting treatment and financial statement disclosures. • Confirmed outstanding balances of notes payable and loan receivable as of year end. • Tested a sample of construction in process transactions related to the Career and Advanced Technology Center (CATC).

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Significant risks and other areas of focus (continued)

The following provides an overview of the areas of significant audit focus based on our risk assessments.

Area of focus	Results
Accounting estimates	The preparation of the College's financial statements requires management to make multiple estimates and assumptions that affect the reported amounts of assets and liabilities as well as the amounts presented in certain required disclosures in the notes to those financial statements. The most significant estimates relate to the allowance for doubtful accounts, valuation of level 2 investments based on NAV per share, and actuarial estimates for the College's post-retirement plan (OPEB) under GASB 75. Our procedures have been designed in part, to review these estimates and evaluate their reasonableness.
Financial statement disclosures	Our procedures also include an assessment as to the adequacy of the College's financial statement disclosures to ensure they are complete, accurate and appropriately describe the significant accounting policies employed in the preparation of the financial statements and provide a detail of all significant commitments, estimates and concentrations of risk, amongst other relevant disclosures required by US GAAP.

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Technology support as part of the audit process

Phase 1: Understand and document business processes material to the audit

Phase 2: Assess IT risks

Phase 3: Identify IT controls that support audit objectives

Phase 4: Design effectiveness of technology- related controls

An important component of our audit approach is to understand how IT is used and deployed in supporting business operations and producing financial reports. Our technology specialists place particular emphasis on the risks relating to the use of technology and its associated controls, processes and practices.

Our general controls review evaluates the design of controls that mitigate risk in areas such as organization and operations, protection of physical assets, application systems development and maintenance, access controls and computer operations.

<u>In-scope Application: Banner</u>

1. Financial aid module review
2. Administrator Access & Password Testing

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COVID-19 pandemic

Accounting considerations

1. **Asset impairment** – Material assets subject to possible impairment or devaluation. Colleges and Universities need to carefully identify the appropriate impairment model and consider whether the pandemic effects whether an impairment should be recognized and, if so, to what extent. This could impact fixed assets, investments, and other assets.
2. **Impact of various federal relief programs** – Colleges and Universities continue to be eligible to participate in certain federal government relief programs to mitigate the financial impacts of the pandemic. The appropriate accounting and financial reporting (presentation) of the various relief programs such as Higher Education Emergency Relief, CRRSAA, etc. continues to be a consideration.
3. **Uniform Guidance compliance** – Colleges and Universities should evaluate nature and amounts of funding received under Federal COVID-19 awards that may trigger the need for presentation on the SEFA as well as new Federal programs subject to audit.
4. **Reserves for uncollectible accounts** – Because of the significant economic impact of the pandemic, Colleges and Universities may need to re-evaluate the basis for reserves on certain accounts such as student accounts, contributions and loans receivable, as well as other reserves.
5. **Disclosures of risks and uncertainties** – Disclosure of risks and uncertainties related to operations/activities, accounting estimates, and vulnerabilities should be considered when preparing the financial statement footnotes.

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Summary of misstatements

Description	Assets	Liabilities	Net Position	Change in Net Position
	Increase (Decrease) to:			
Material, corrected misstatements				
None Noted				
Net impact	$ -	$ -	$ -	$ -
Uncorrected misstatements				
None Noted				
Net impact	$ -	$ -	$ -	$ -

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Other required communications

Professional standards require that we communicate the following matters to you, as applicable.

- Going concern matters
- Fraud and noncompliance with laws and regulations
- Significant deficiencies and material weaknesses in internal control over financial reporting
- Use of other auditors
- Use of internal audit
- Related parties and related party transactions
- Significant unusual transactions
- Disagreements with management
- Management's consultations with other accountants
- Significant issues discussed with management
- Significant difficulties encountered during the audit
- Other significant findings or issues that are relevant to you and your oversight responsibilities
- Modifications to the auditor's report
- Other information in documents containing audited financial statements

Quality of accounting practices

Accounting policies	Accounting policies are consistently applied and appropriate.
Accounting estimates	Accounting estimates are reasonable and disclosed in the financial statements.
Disclosures	Financial statement disclosures are complete and accurate.
Other related matters	None noted.

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Commitment to promote ethical and professional excellence

We are committed to promoting ethical and professional excellence. To advance this commitment, we have put in place a phone and internet-based hotline system.

The Ethics Hotline (1.866.739.4134) provides individuals a means to call and report ethical concerns.

The EthicsPoint URL link can be accessed from our external website or through this link:

https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=15191

Disclaimer: EthicsPoint is not intended to act as a substitute for a company's "whistleblower" obligations.

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Technical updates - GASB

Selected pronouncements effective for the year ending June 30, 2021, or subsequent periods - GASB

Title	Effective date
GASB 87 – Leases	Periods beginning after June 15, 2021** **Year ending June 30, 2022, for CCP.**

** Reflective of effective date deferrals under GASB 95.

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GASB Statement 87, *Leases*

Summary

- The GASB issued guidance which resembles the FASB guidance on leases
- To determine whether a lease exists, a government should assess whether it has both:
  1) The right to obtain the present service capacity from use of the underlying asset as specified in the contract, and
  2) The right to determine the nature and manner of use of the underlying asset as specified in the contract
- For Lessees:
  - In general, all leases will be reported on the statement of net position (the distinction between operating and capital leases is no longer relevant) as a "right of use" intangible asset and a corresponding lease liability within long term debt
  - On the statement of changes, rent expense will be replaced by amortization expense of the right-of-use asset as well as interest expense on the lease liability (thus accelerating expenses in the beginning years of the lease term)
  - There is an exemption for short term leases (those with a term of 12 months or less, including extension options) as well as leases that transfer ownership at the end of the term
  - Disclosures regarding matters such as total leased assets by major class of underlying assets and related accumulated amortization (in total), principal and interest payments for each of the five subsequent fiscal years and in five-year increments thereafter and commitments under leases before a lease commencement period, among other items

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GASB Statement 87, *Leases (continued)*

Summary, continued

- For Lessors:
  - Record a lease receivable and a deferred inflow of resources equal to the present value of future lease payments (which should generally equal the amount recorded as a liability by the lessee), and continue to report the leased asset
  - The receivable will be reduced as cash is received, the asset will be depreciated (generally) and the deferred inflow will be recognized over the lease term
  - Disclosures include matters such as general description of leasing arrangements, total amount of inflows of resources, and those related to variable payments, residual guarantees, etc., and the existence, terms and conditions of options by the lessee to terminate the lease or abate payments in certain circumstances, among other disclosures
- Effective for periods beginning after June 15, 2021, with early adoption encouraged. Existing leases will be adjusted based on the remaining lease payments as of the beginning of the period of adoption or beginning of any earlier periods restated (for example, for June 30 year ends, adoption is June 15, 2022, so the beginning period is July 1, 2021).

Potential Impact

- For those universities which use operating leases to finance certain capital activities, this standard could have a significant impact on the financial statements of the University upon adoption. Management should consider the impact on financial covenants, as well as ensuring a complete inventory of existing leases that will be subject to the new accounting and disclosures.

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Industry updates

Current higher education environment

Institutions of higher education are considering how the tenets of ESG will impact operations, delivery of mission and governance structures.

Flexibility in terms of working remotely will be critical to retaining employees looking for hybrid options.

Long-term strategic plans drafted in a pre-COVID world are being reviewed to ensure relevancy in a changing world.

The propensity of donors to give endured (and grew).

One stark reality of the pandemic is that it has significantly affected the mental well-being of students and employees.

Now is the time for all institutions to earnestly re-evaluate the "completeness" of their ERM risk registers.

We believe institutions will always operate best as a community of in-person students and faculty learning and collaborating in immersive campus environments. These changing times require that institutions be introspective to ensure they are adapting to the evolving expectations of stakeholders.

A greater emphasis should be placed on process re-engineering and innovation to drive economies of scale.

An increased focus on student retention combined with creating different channels to attract new student cohorts is crucial.

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S&P's 2021* outlook for the Higher Education sector remains "negative"

S&P Global Ratings

"'Back To School' Will Take On New Meaning This Fall"

- COVID-19 led to unprecedented drops in college and university enrollment numbers
- However, impact varied widely with public universities faring better than private universities in general in fall 2020 and spring 2021
- Freshman classes decreased 2.7% overall at private universities as the most selective schools admitted fewer freshman year over year to keep acceptance rates very competitive
- Institutions anticipate that increased rate of vaccinations will reduce the spread of COVID-19 and ultimately help enrollments going forward
- Gaps in credit quality between higher rated and lower rated institutions continues to expand

*** Outlook as of May 2021**

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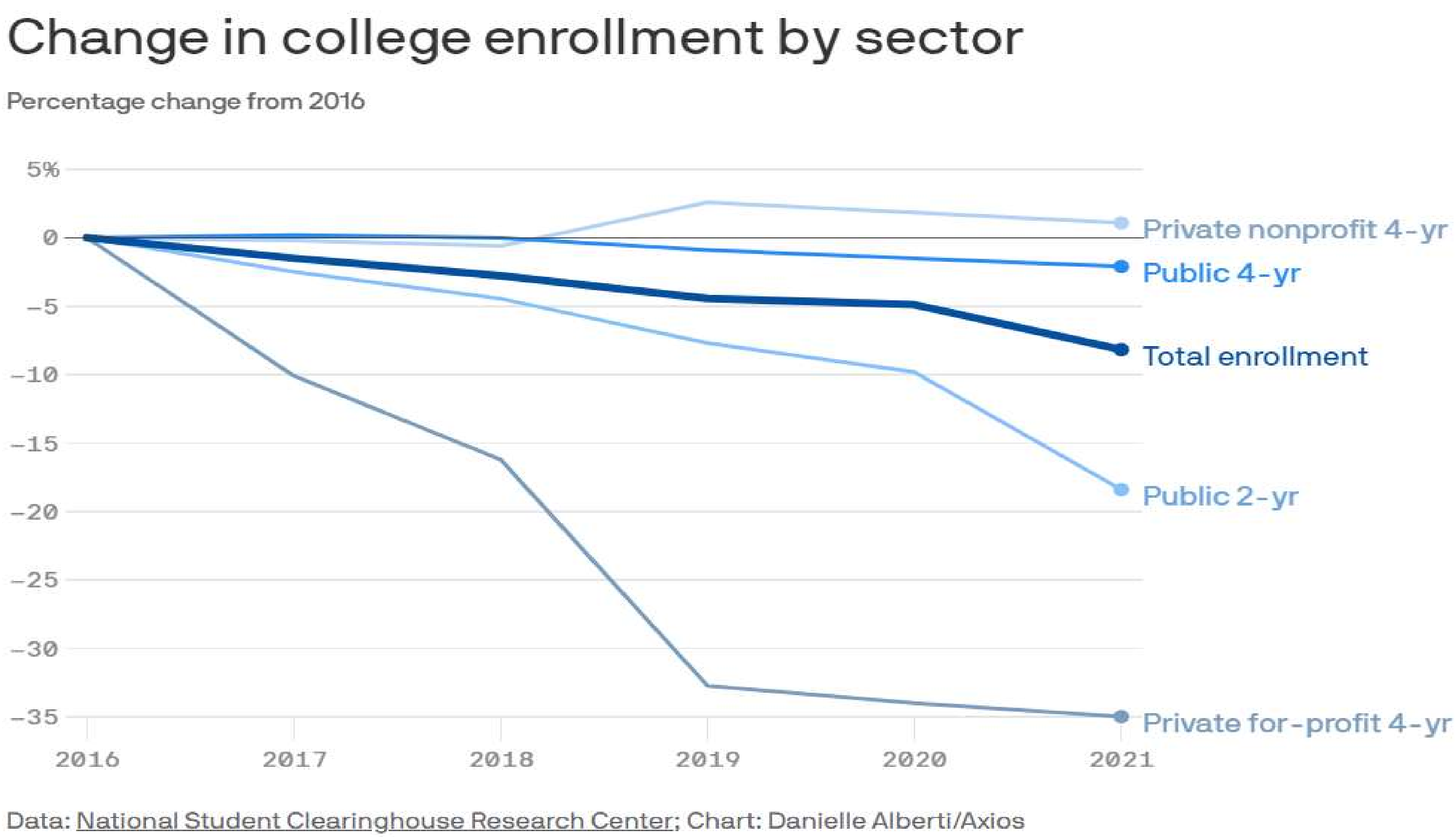
Enrollment Changes – by sector

While total enrollment has decreased by 8% since 2016, the biggest impact has been felt by public 2-year and for-profit private 4-year institutions



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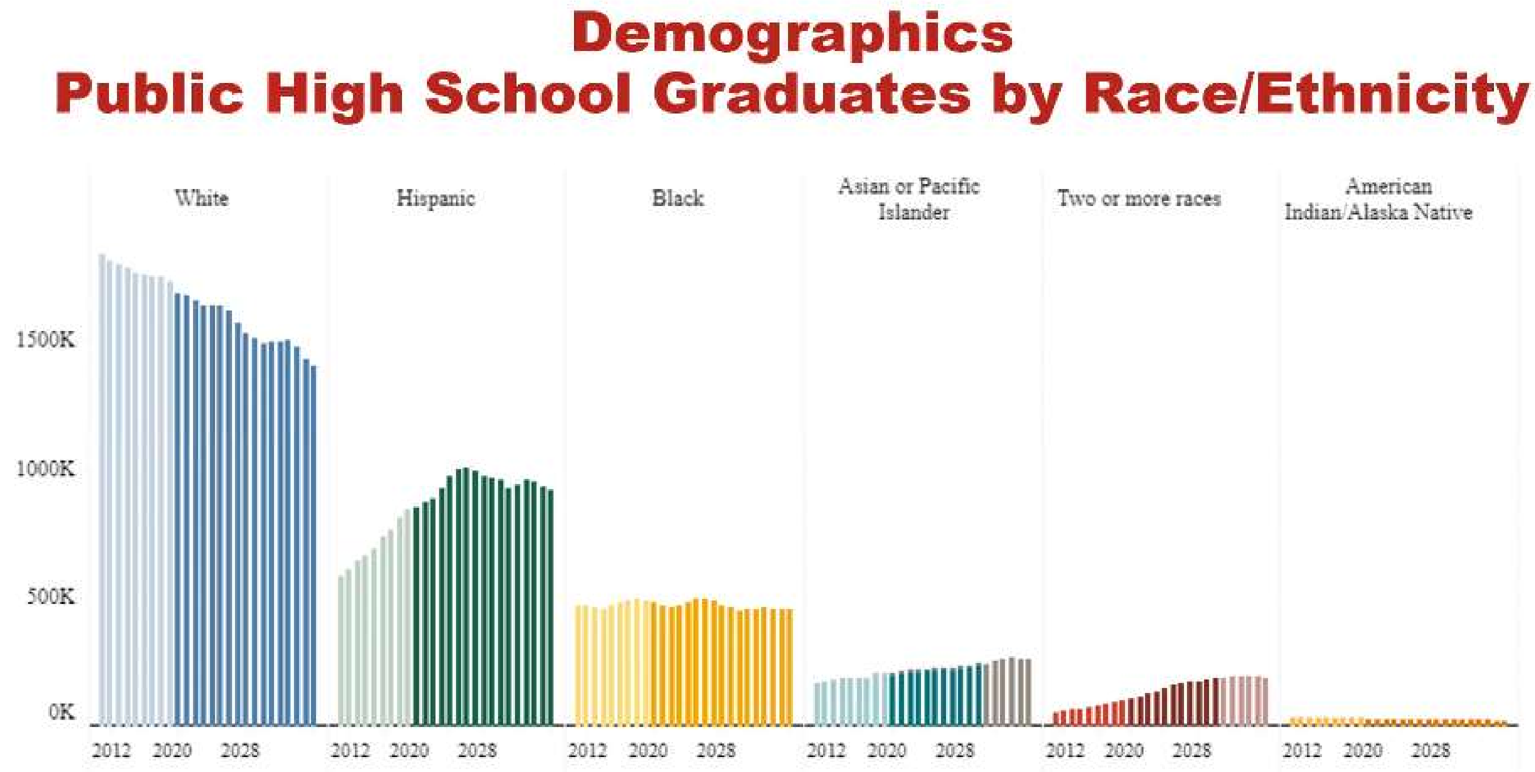
Enrollment Changes – by high school demographics

Total high school graduates continues to decline and as shown via the racial demographics small increases in Hispanic graduates will not offset the large declines in white high school graduates with projections shown through 2036



Pale columns are actuals, darker columns are projections.

Source: Western Interstate Commission for Higher Education, Knocking at the Door, 10th edition.

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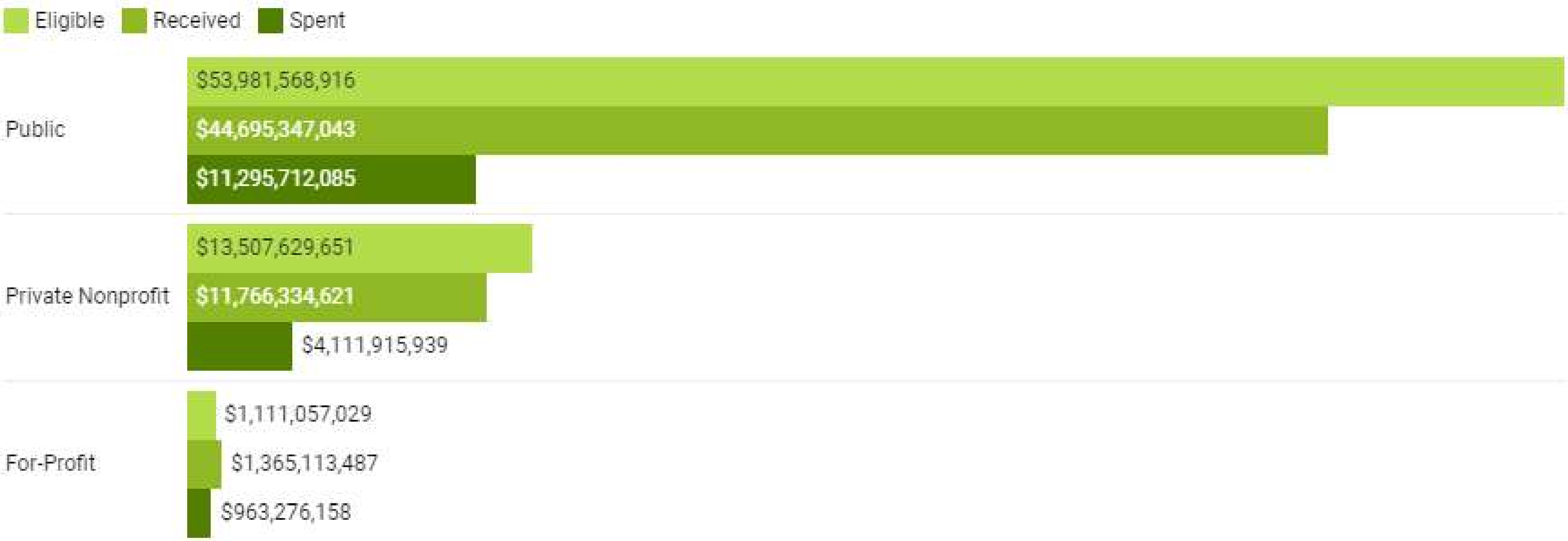
Washington Update

Approximately $69 billion of COVID relief funding has gone mostly to public colleges and universities, though vast amounts of funding have also gone to private non-profit and for-profit schools ($11 billion and $1.3 billion, respectively).

National: Covid aid colleges are eligible for, have received and spent by sector



Source: US Department of Education • Created with Datawrapper

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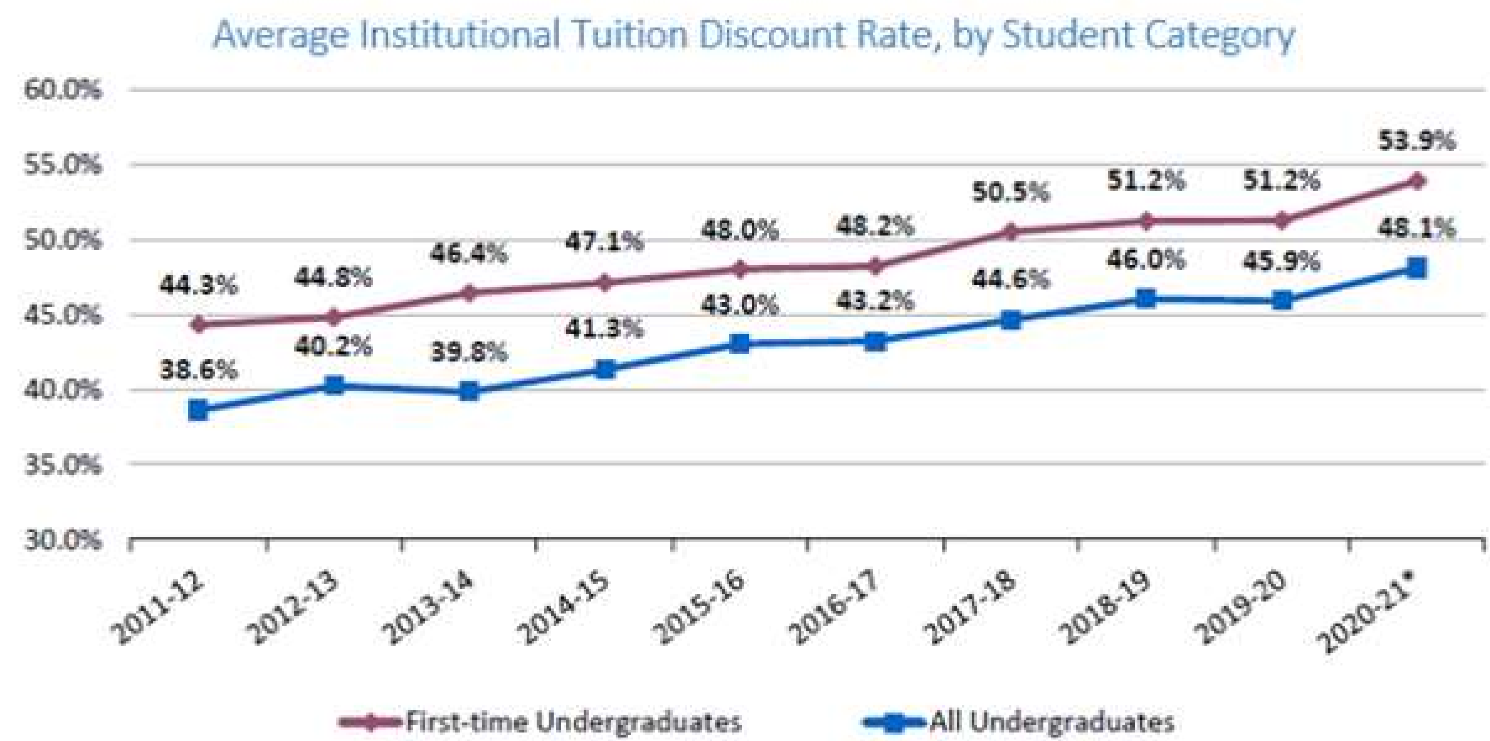
Trends in tuition discounting

Discount rates continue their steady climb to record highs projected for 2020-21



Source: NACUBO Tuition Discounting Study, data as of May 2021.
*Preliminary estimates.

NACUBO

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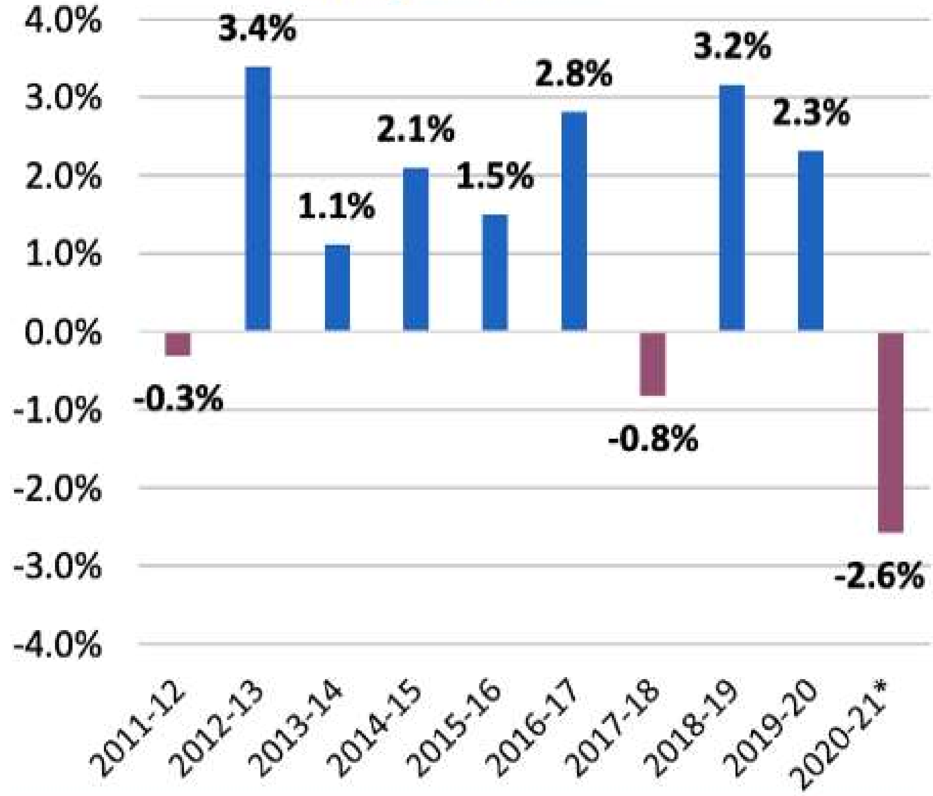
Trends in net tuition

2020-2021 preliminarily estimates show 2.6% decrease in net tuition revenue from first-time undergraduates.

This is the largest decline over the past 10 years and 7 of the past 10 years have shown net tuition increases.

The 2020-2021 decrease represents a combination of lower enrollment and higher discounting.

Figure 6: Annual Change in Net Tuition Revenue From First-time Undergraduates



Source: NACUBO Tuition Discounting Study, data as of May 2021. *Preliminary estimates.

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What presidents are saying:

"Confident my institution will be financially **stable**"

Over five years…

82%

All institutions "agree” or "strongly agree"

80%

Public universities "agree” or "strongly agree"

83%

Nonprofit private colleges "agree” or "strongly agree"

Over ten years…

79%

All institutions "agree” or "strongly agree"

77%

Public universities "agree” or "strongly agree"

82%

Nonprofit private colleges "agree” or "strongly agree"

This most recent survey was completed in **March 2021**

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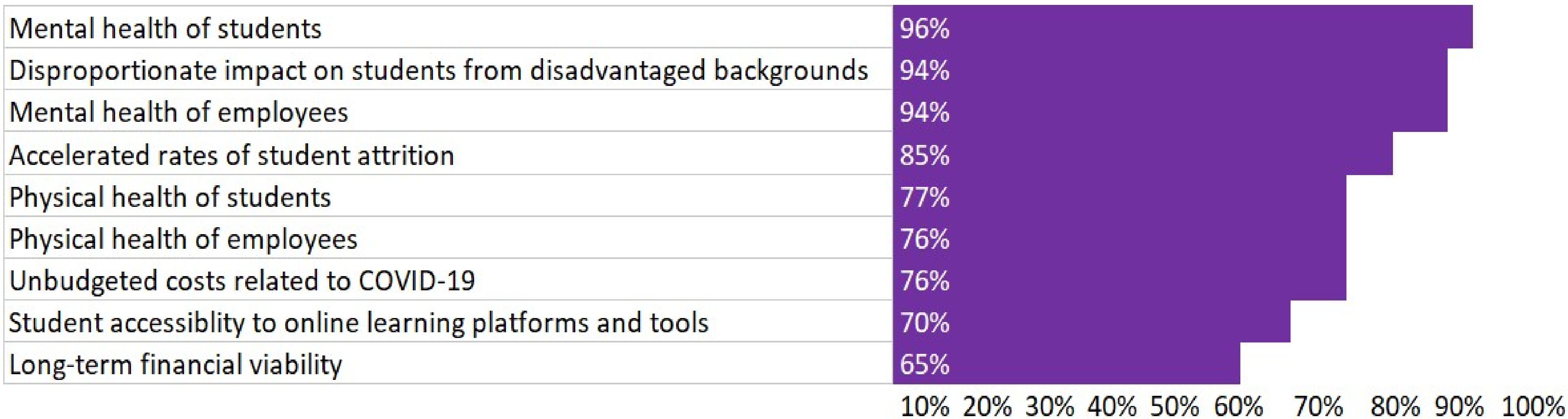
How would you rate your current level of concern related to the following issues in regard to COVID-19 (% reflects those responding “very concerned” + “somewhat concerned”)



- The top 3 concerns of President’s surveyed, and 5 of the top 6, relate to wellbeing of students and employees.
- Still over 65% surveyed are “somewhat” to “very” concerned about long-term financial viability

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Which of the following outcomes most closely reflect your view of how your institution will respond to the COVID19 pandemic and economic recession?

INSIDE HIGHER ED

2021 Survey of

College and University Presidents

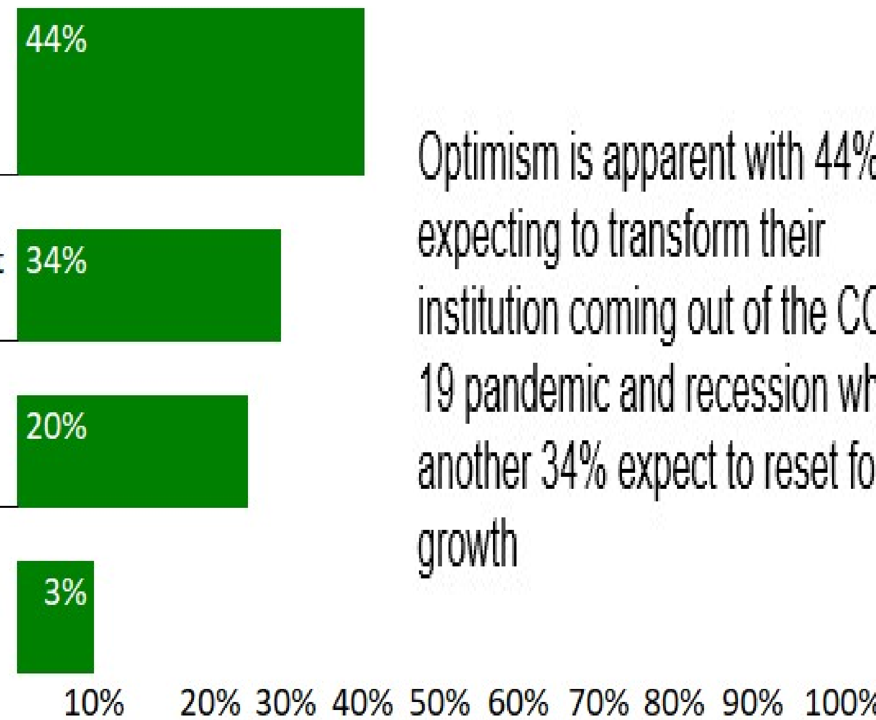
A STUDY BY *INSIDE HIGHER ED* AND HANOVER RESEARCH

Transform institution:
My institution should use this period to make difficult but transformative changes in its core structure and operations to better position itself for long-term sustainability

Reset for growth:
My institution should use this period to focus more on what it does best so it can invest and grow in those areas once the recession ends

Return to normal:
My institution can ride out the current difficulties and return more or less to normal operations within 12-18 months

Shrink institution:
My institution should use this period to tighten its focus to come out of the recession smaller but better



Optimism is apparent with 44% expecting to transform their institution coming out of the COVID-19 pandemic and recession while another 34% expect to reset for growth

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What chief business officers say overall:

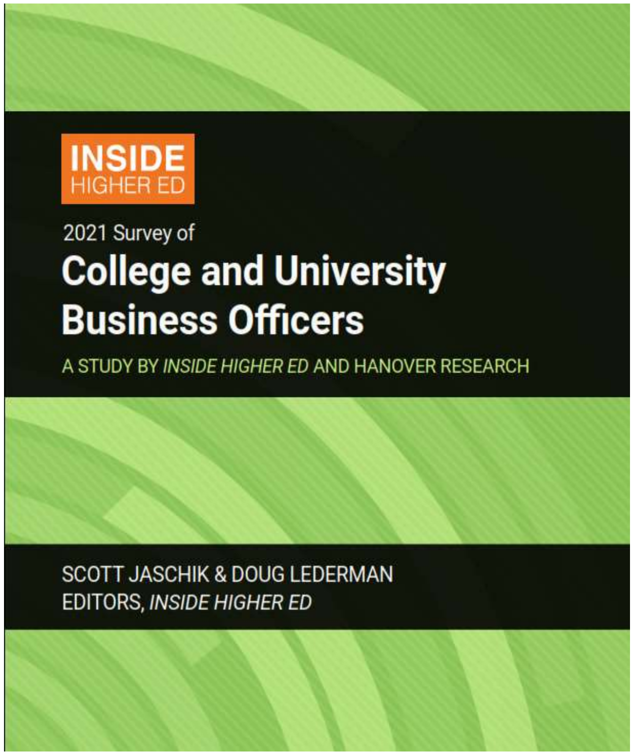
"Confident my institution will be financially **stable over ten years**"

73%
in 2021

53%
in 2020

50%
in 2019

Confidence has increased with a growing split between public (79%) and private (68%) with private baccalaureate colleges having the least ten year confidence at 65% while public doctoral is the highest at 88%.



This most recent survey was completed in **July 2021**

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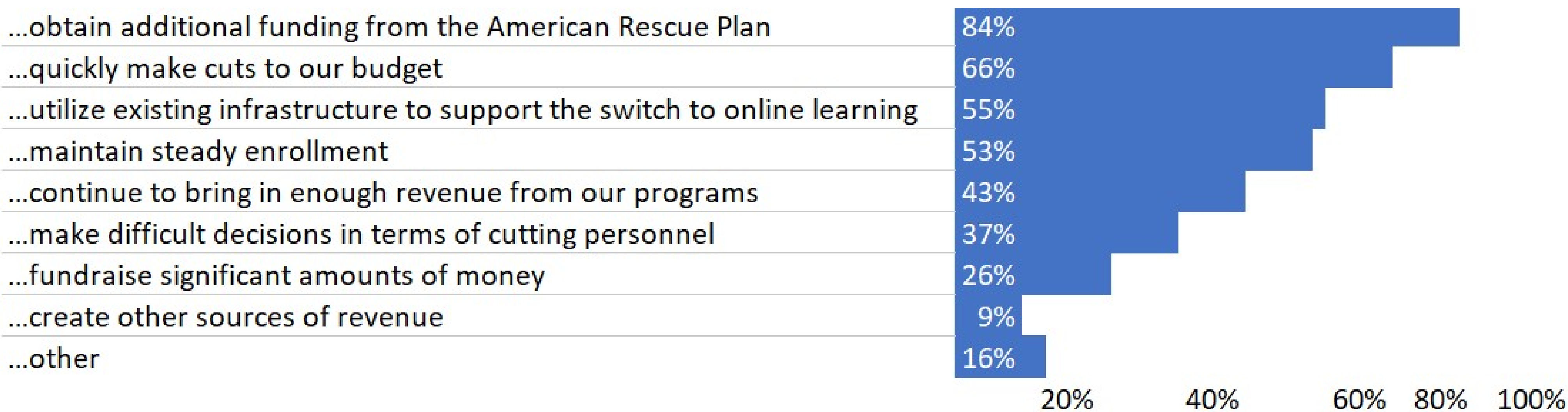
INSIDE HIGHER ED
2021 Survey of
College and University Business Officers

What chief business officers say overall:

Why do you feel that your institution is in better financial shape now than it was a year ago?

My institution is in better financial shape now than a year ago because it was able to….



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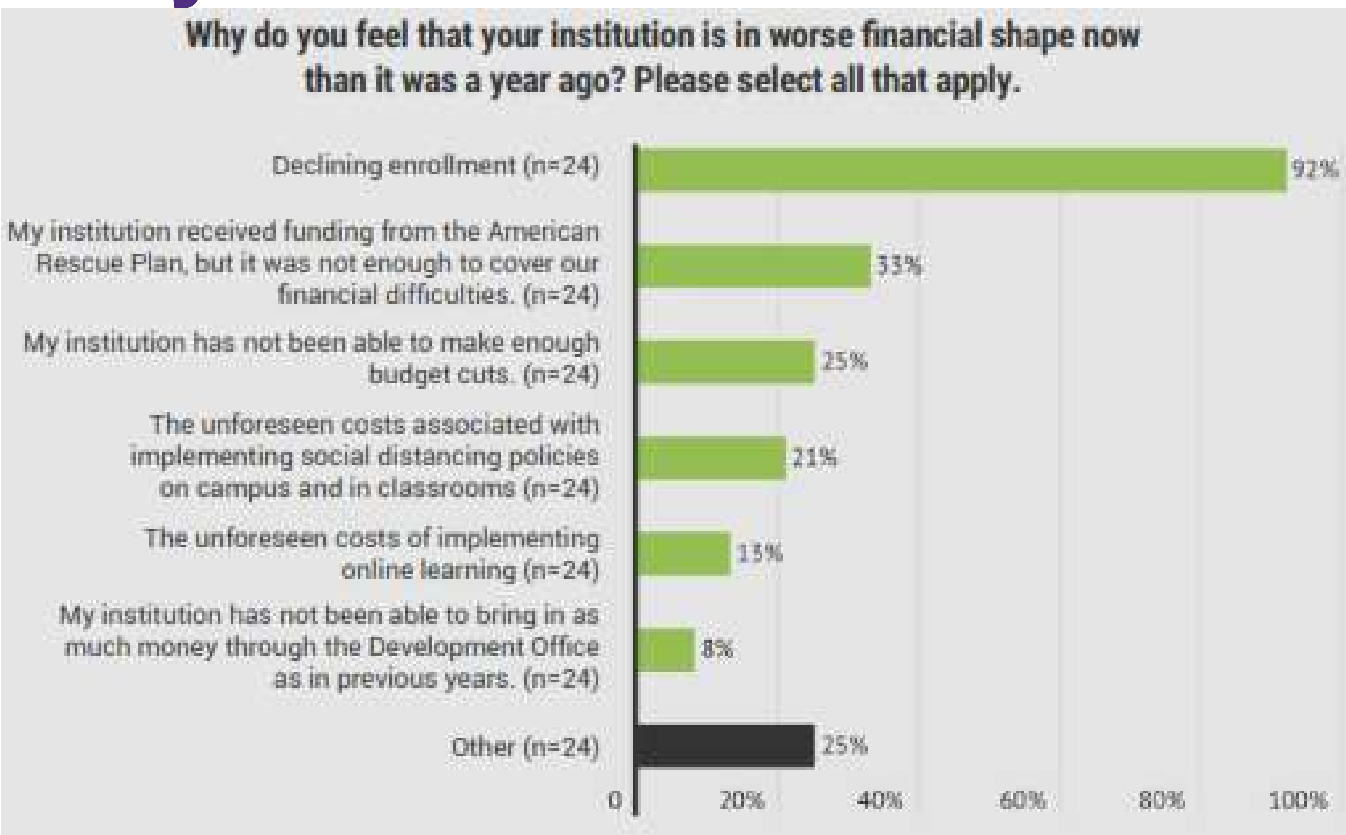
What chief business officers say overall:

INSIDE HIGHER ED
2021 Survey of
College and University Business Officers



Note only 26% of respondents who disagreed that their institution is in better financial shape received this question to respond to.

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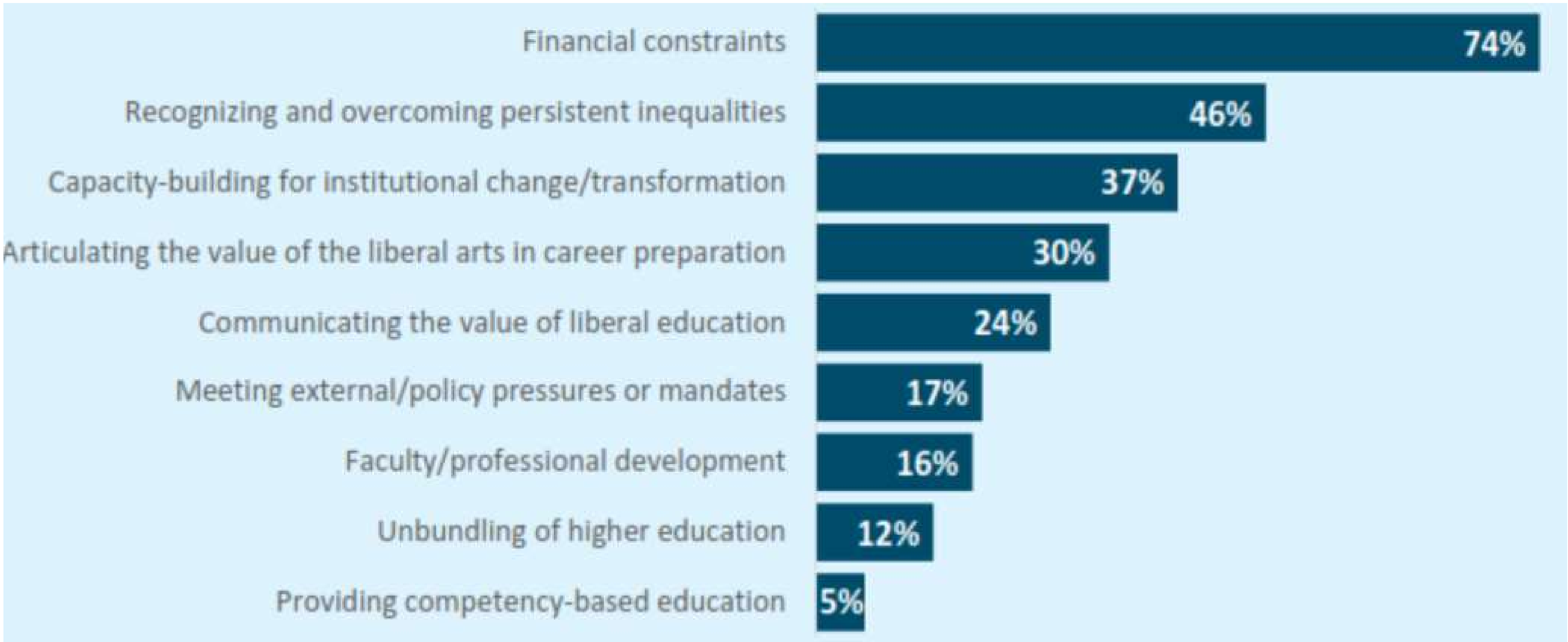
Top campus challenges



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Survey of over 700 campus stakeholders administered by AAC&U in Fall 2020

Top strategic priorities

Improving student retention and completion	59%
Improving campus diversity, equity and inclusion	57%
Fostering a sense of belonging and inclusion on campus	36%
Increasing faculty diversity	34%
Expanding civic engagement/community-based learning	30%
Implementing and scaling high-impact practices	28%
Preparing students for long-term career success	26%
Implementing online learning technologies	26%
Ensuring equity in student outcomes	22%
Addressing campus climate issues	21%
Supporting student well-being	21%
Using assessment to improve teaching, learning and student success	21%
Fostering global learning	20%
Promoting effective teaching with technology	19%
Reforming general education	14%
Expanding faculty/professional development opportunities	13%
Integrating the liberal arts with STEM disciplines	7%
Reforming undergraduate STEM education	4%

Association of American Colleges and Universities

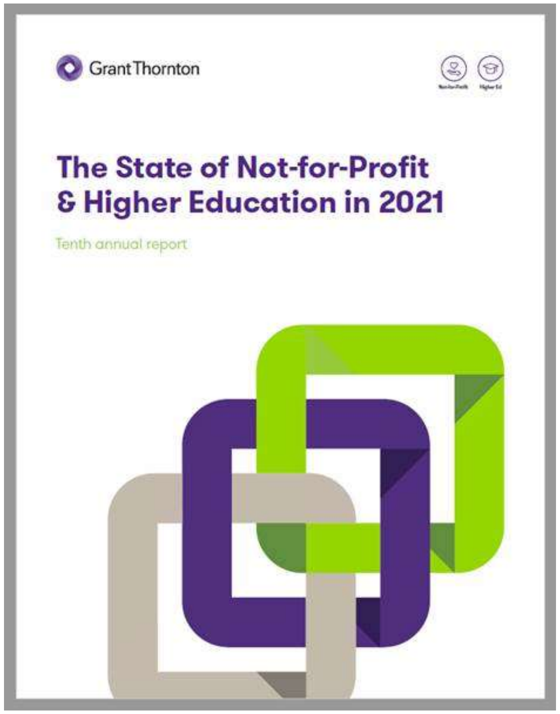
Grant Thornton

Survey of over 700 campus stakeholders administered by AAC&U in Fall 2020

Guidance on important emerging developments and challenges

Articles in our 2021 report:

- Navigating the IRS during COVID
- The case for agility in times of turmoil
- Cultural transformation in higher education
- Something old, something new, something borrowed, and something blue
- Social media trends and strategies in the digital age
- New challenges, new solutions: Innovative funding in the private foundation space
- Tomorrow's working world: Envisioning remote work after COVID
- Driving value creation for nonprofit stakeholders
- Budgeting transformation in higher education
- Caution ahead: The future for higher education administrators, students and faculty
- Is online program management right for your institution?



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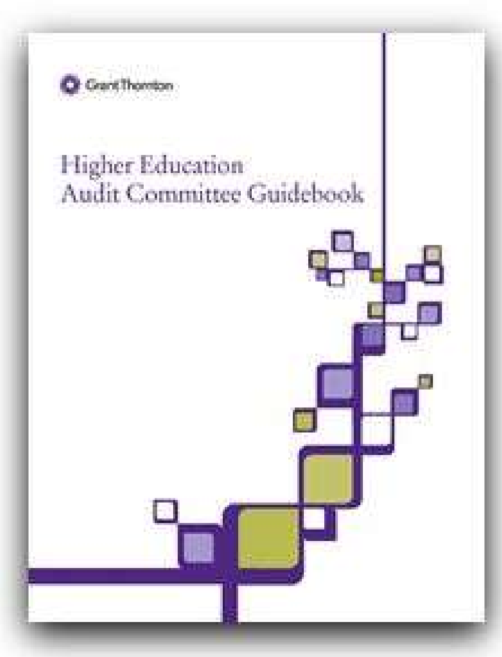
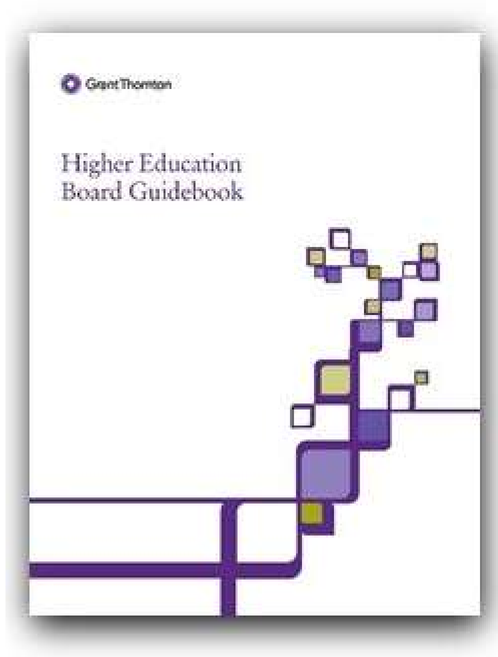
Additional resources





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2021 Webcast series

Each year, leaders from Grant Thornton LLP's Not-for-Profit and Higher Education Practices provide learning opportunities through our webcast series. These sessions cover a wide variety of trending topics and regulatory updates relevant to not-for-profit and higher education management and trustees. We welcome you to visit grantthornton.com/nfp "Upcoming webcasts and events" for more information on upcoming webcasts or to access past webcasts, which are archived for one year.

FEB 17 — Attracting diverse candidates to board and senior leadership positions

MAR 24 — State of the not-for-profit and higher education sectors

MAY 19 — The future of ERM in not-for-profit organizations

AUG 11 — Nonprofit accounting, regulatory and Uniform Guidance update

NOV 17 — Applying a customer lens to measure your nonprofit's performance

All webcasts are from 1:00-2:30 p.m. CT.

Registration link: https://www.grantthornton.com/events/NFP/2021/NFP-Webcast-Series-2021.aspx

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ATTACHMENT D
2020-2022 Internal Audit Plan Status

COMMUNITY COLLEGE OF PHILADELPHIA

Date: September 23, 2021
To: Audit Committee Members
From: Robert Lucas, Internal Auditor
Subject: Internal Audit – Plan Status and Other Information
Copies: Donald Generals, Jacob Eapen, Victoria Zellers

Since the last Audit Committee meeting, the following audit work has been performed:

- Draft reports in discussion with management:
    - 50th Anniversary Scholars Program
    - Send Word Now
    - CAN-SPAM Act
    - Social Media Accounts

- Audits in progress:
    - PC Lending Program
    - Part-Time Faculty Medical Benefits
    - Veterans' Resource Center

- Updated the Internal Audit Follow Up Matrix based on responses and target dates from senior management.

- Internal Audit Committee meeting are scheduled quarterly and continue to occur via Zoom chaired by the Internal Auditor.

* * * * * * *

Community College of Philadelphia
Internal Audit Plan - July 1, 2020 to June 30, 2022

Functional Area	Risk Rating	Risk Explanation / Reason for Audit	Fiscal Year	Stage	Planned Quarter
Financial Audits					
Check Requests - Vendors	L	Verify controls for payments to vendors	2021	7	2
Check Requests - Employees	L	Verify controls for reimbursements to employees	2021	7	2
403(b) Transactions *	L	Determine controls over payments to retirement savings vendors	2022		2
Operational Audits					
403(b) Administration *	L	Determine controls over employee requests related to retirement savings	2022		2
Part-Time Faculty Medical Benefits	L	Determine controls and accuracy of medical coverage paid by staff	2021	4	4
Veterans' Resource Center	M	Compliance with Veterans' Education Benefits Laws	2022	3	1
Compliance					
Catto Scholarship	M	Determine compliance with requirements	2022		3
Right to Know Requests	L	Compliance with related laws	2022		3
State Recruiting Regulations	M	Determine compliance with regulations / restrictions	2022		1
Family Medical Leave Act	L	Determine compliance with policies, procedures and regulations	2022		4
Vendor Management	L	Determine the controls, procedures and risk management in place to ensure vendors are meeting their stated levels of goods, services, timing and pricing.	2022		4
Forgivable Loans	L	Compliance with procedures and controls for such loans	2021	7	1
IT Audits					
Network Security	L	Determine adequacy of controls for systems access via review of external audit work	2021	7	1
Send Word Now	M	Determine adequacy of administration controls (roles and responsibilites; database; testing)	2021	6	3

Community College of Philadelphia
Internal Audit Plan - July 1, 2020 to June 30, 2022

Functional Area	Risk Rating	Risk Explanation / Reason for Audit	Fiscal Year	Stage	Planned Quarter
CAN-SPAM Act (Email Solicitations)	L	Determine adequacy of controls for access and posting to College social media accounts and for email solicitations	2021	5	3
Social Media Accounts	L	Determine adequacy of controls for access and posting to College social media accounts and for email solicitations	2021	5	3
IT PC Lending Programs	M	Determine adequacy of procedures and controls related to lending laptops and other IT equipment to employees and students	2021	4	4
Alternate Audits					
Other Accounts Receivable	L	Determine adequacy of procedures and controls over A/R other than tuition			
Computer Loans	L	Determine adequacy of procedures and controls related to employees loans for computer purchases			
Lion Card	L	Determine controls over prepaid card program			
Paid Time Off Recordkeeping	L	Determine adequacy of procedures and controls over PTO recordkeeping			
Administrative					
Follow Up on Prior Issues			Ongoing		Ongoing
Committee Meetings (Grants, Data Breach, EMT, external audits/reviews)			Ongoing		Ongoing

Stage:

Risk Assessment / Planning	1
Announcement / Contact	2
Opening Meeting Held	3
Fieldwork	4
Draft Report Issued	5
Closing Meeting Held	6
Final Report Issued	7

Risk Ratings are Low (L), Medium (M), or High (H) based on a compilation of individually-rated risk factors including: financial statement impact; transaction volume; public relations/reputation; student satisfaction; legal/regulatory compliance; corporative initiatives; significant changes; known problems/issues; staff/faculty satisfaction; and executive override.

	Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
59	5/25/2016	ITS Physical Security John Wiggins	ITS and Facilities management should take appropriate steps and plans to reduce the risks associated with connectivity rooms left wide open.	6/30/17 6/30/18 9/15/18 (Status Update) 5/31/22	ITS management noted that a plan to move the connectivity hardware to a separate room. ITS management states that the project has again been included and approved in the capital budget for the 2016-2017 fiscal year although they do not know when construction will begin. The project has been re-scheduled for the Spring/Summer of 2018. The current IT Closet has been locked down at the WERC campus and is no longer used by custodians or others. An alternative space for this ITS connectivity room has been included in a larger project for this regional center. Consequently, the project has been re-scheduled for the fall semester of 2018. The college will be building the Career And Advanced Technology Center @ the WRC campus . An IT closet will be in the new building and all equipment will be moved from the current closet to the new closet. The projected completion for the new building will be August 2021.
63	5/25/2016	ITS Physical Security John Wiggins Vijay Sonty	Management should consider installing additional gaseous systems in rooms which have significant risk of business and classroom interruption based on the type of equipment in the connectivity rooms.	6/30/17 (Update of Progress) 4/30/18 9/15/18 (Status Update) 5/31/19 6/30/21	Management has decided to upgrade the fire suppression systems from sprinklers to gaseous systems in three rooms deemed critical due to the nature and value of electronic equipment in those rooms. Specifically, upgrades in rooms B2-39, MG-6A and W1-E1 have been included in the budget for the 2016-2017 fiscal year and, as such, should be completed by June 30, 2017. Update as of 12/21/2016: Phase One: The 3 CRITICAL Closets (MG-6A, B2-39, W1-E1) are pending the release of the RFP for installation of the FM200 fire suppression systems. Phase 2: Time and funding permitting the regional center IDFs will be addressed later for gaseous fire suppression. The scope of work for this project was completed. RFP is expected to be posted by 10/4/17 with work to be completed by 4/30/18. RFPs have been issued. Work is expected to be performed over the summer 2018 and completed by the start of the fall semester. Fire Suppression will be installed for MG-6A and W1-E1 and work will be done on ceiling installations to support the fire suppression equipment. B2-39 no longer needs this upgrade as critical equipment housed in that space has been moved to a protected room. Several RFPs have been issued but costs were prohibitive vs the risk. Work was expected to be performed over the summer 2018 and completed by the start of the fall semester. Fire Suppression preparations for MG-6A and W1-E1 was completed on ceilings and rooms to support the fire suppression equipment. Facilities/IT engaged a Data Center consultant through Dell and it was determined that an alternative Rack Mount enclosures with Fire Supression and containment would possibly be a more cost effective solution. Quotes were obtained and discussions with consultants, Facilities/IT Staff determined that a data center study should be considered to further evaluate all IDF/MDF's at each campus. Rack Mount enclosures with Fire Suppression have been procured. They will be installed in 2-3 months once all electrical work is completed. The long-term goal is to move to Data Center to the cloud in 3-5 years.

Community College of Philadelphia
Internal Audit Follow Up Matrix

	Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
75	5/24/2018	Disaster Recovery and Response Plan Vijay Sonty	Substantive testing of the DRRP should be documented. Issues and resolutions should be tracked and documented until completed. Table-top exercises should also be performed periodically using a variety of scenarios and timing.	6/30/18 5/31/21 8/31/21	Testing procedures and results will be documented and maintained moving forward. Tabletop exercises will be added to the monthly DR meetings held in ITS. These procedures will also be documented in the DRRP within the next 90 days (no later than June 30, 2018). Will address this in the new Technology Plan which has been been drafted. Waiting to review will all College-wide committees to seek approval. Will be completed by end-of-May 2021.
77	5/24/2018	Disaster Recovery and Response Plan Vijay Sonty	Cyber Breach Committee should meet quarterly to determine the status of data which may not be sufficiently secured. The CIO should be empowered to direct actions to be taken to secure this data. Senior management should be informed of risk areas not secured in a timely manner.	9/30/18 5/31/21 8/31/21	Data Breach Committee will begin meeting again prior to the end of the spring 2018 term. (Meeting was held on May 2.) The committee charge will be reviewed and refined during the first meeting. A meeting schedule will be presented to setup quarterly meetings. A survey for College units, similar to the 2016 survey, will be performed to determine the state of our PII data and the locations of such data. Will address this in the new Technology Plan which has been been drafted. Waiting to review will all College-wide committees to seek approval. Will be completed by end-of-May 2021.
80	5/24/2018	ITS Physical Security John Wiggins Vijay Sonty	Several critical server rooms had sprinklers systems for fire suppression which would cause water damage to the equipment they are designed to prevent damage from fire. This concern was included in the ITS physical security audit report and management has established actions plans to replace the sprinkler systems in these rooms with gaseous fire suppression systems.	9/15/18 5/31/19 6/30/21	See Management Response / Follow Up for item # 63 above.
84C	6/19/2018	Emergency Operations Plan Randolph Merced	In order to enhance the value of the Send Word Now program to the College, Internal Audit recommends the following: Verify that all members of the emergency related groups received the test messages due to the importance of these groups receiving real emergency messages.	11/30/19	Receipt of the test message will be confirmed with each member of these groups. The target date for confirming all have received a test message is November 30, 2019.
85	6/19/2018	Emergency Operations Plan Randolph Merced Allan Kopernick	In order to help ensure that students are aware of the EOP and other posted safety information, Internal Audit recommends that staff from the Public Safety Department participate in all student orientations to help ensure that appropriate safety information is provided to attending students including references to the College's EOP on the website.	1/21/2020 4/30/21 8/31/21	It is envisioned by the orientation planners that producing videos may be a way to effectively maximize its communication with new students. Public Safety is available to speak at the student orientation as desired by Student Affairs. Public Safety will produce several safety-related videos for new students as a means to help promote a safety culture as well as give valuable information to students on emergency preparedness. The target date to make videos available for the public January 21, 2020. The script for the video has been approved and production should begin in February / March 2021.
86	6/19/2018	Emergency Operations Plan Randolph Merced	Internal Audit recommends that the EOP be amended to include appropriate references to the DRRP. During an actual event, ITS management should be informed of all updates to help them prepare and respond in a timely manner to scenarios which will impact IT operations.	01/20/20	The DRRP mentions and points to the EOP in its preamble statement. Further, the crafters of the DRRP and EOP have worked together to ensure cohesion in processes and protocols in the event of an emergency. A review of both documents will be added to the EOP agenda as a standing item going forward with respect to incursions which both plans may be called into service. This bifurcated model will ensure there is no overlap, duplication or obstructive response from the Emergency response administrators. The Target date for a comprehensive review of these documents is January 20, 2020.

Community College of Philadelphia
Internal Audit Follow Up Matrix

	Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
87	6/19/2018	Emergency Operations Plan Randolph Merced	Internal Audit understands that the Director of Public Safety is initiating a process for the EOP to be reviewed, and updated as necessary, in the near future. Please confirm this understanding and provide the date of expected completion. Future reviews should be scheduled at least annually.	9/30/2019 8/31/21	The EOP is reviewed by the members of the Emergency Management Team throughout the year and, on an annual basis, the EMT chair reviews the agenda, recommendations, notes and commentary throughout the year and does a comprehensive review of the plan. The updated plan and its revisions are place in the Public Safety Website for public consumption. The target date for completion of the current revision of the EOP is September 30, 2019. The Director of Public safety has assigned a working group form in the summer months to review and update the EOP. The data from the year, recommendations and revisions will be documented at that time. If there are no changes then the working group will advance the current report with an updated date reviewed signature on the Document's signature page.
88	6/19/2018	Emergency Operations Plan Robert Lucas	Internal Audit recommends recovery activities should be prioritized as approved by senior management with outlines of specific actions and activities. In addition, a list of current vendors, and vendors whose services may be needed (e.g. hazardous materials clean up, water and smoke damage services, etc.) should be maintained within the EOP for quick reference.	5/15/2020 4/30/21 8/31/21	The Chief of Staff will recommend that the Cabinet direct all divisions to review existing, or develop new, disaster response and recovery plans that comply with the decentralization of recovery activities and detailed in the EOP. The target date for verifying that all divisions have such plans in place is May 15, 2020. The Cabinet will direct management to review and update these division plans on an annual basis. The Chief of Staff accepted responsibility for working with the Cabinet to ensure recovery plans were in place where needed through the College. Disaster Recevery Plans were developed in late 2019/early 2020 by all functional areas deemed to be critical by the division VP. Annual updates will be performed each year. The 2020 consolidated plan will be distributed by April 30, 2020.
92A	6/19/2018	Emergency Operations Plan Randolph Merced	Internal Audit recommends that media contacts be designated and documented in the EOP and they should be the same persons designated in the DRRP.	09/30/19	The Media Contacts will be included in the EOP which is currently undergoing the 2019 review and update process. The target revisions date for the 2019 update of the EOP is September 30, 2019 which will include the designated media contacts.
92B	6/19/2018	Emergency Operations Plan Shannon Rooney	Internal Audit recommends that media contacts be designated and documented in the EOP and they should be the same persons designated in the DRRP.	12/31/2019 5/28/21 8/31/21	The Critical Communications Plan is being revised and will be distributed to appropriate College managers. Target date for revision is December 31, 2019. The Critical Communications Plan will include designated media contacts and their contact information. The plan is expected to be completed by May 28, 2021.
93A	9/7/2018	Non-ITS Administered Programs Vijay Sonty	Internal Audit recommends that the Cyber Breach Group establish goals and timetables to address education of department owners related to PII, as well as the security of PII within the College's physical areas and systems.	TBD 5/31/21 8/31/21	A search for a new AVP of Information & Technology is in progress. As facilitator of the Cyber Breach Group, that person will be responsible for following up on any information still needed from the users departments of the SaaS programs based on the most recent survey. The new AVP will schedule another meeting of the Cyber Breach Group within 90 of his/her start date to review progress and next steps for this action. Cyber Breach Committee will be established and timetble and goals will be addressed in the next 90 days.
93B	9/7/2018	Non-ITS Administered Programs Victoria Zellers	Internal Audit recommends that the Cyber Breach Group establish goals and timetables to address education of department owners related to PII, as well as the security of PII within the College's physical areas and systems.	10/31/2019 5/31/21 8/31/21	The Office of the General Counsel is also expected to recommend procedures related to paper documents with PII held by various departments throughout the College. The target date for these recommendations to be made to Division management is October 31, 2019. Cyber Breach Committee will be established and timetble and goals will be addressed in the next 90 days.

Community College of Philadelphia
Internal Audit Follow Up Matrix

	Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
94	9/7/2018	Non-ITS Administered Programs Vijay Sonty	Internal Audit recommends that the CIO and/or Purchasing Department management determine what contracts reference data storage in the cloud by vendors which may be evergreen or automatic renewal terms which may prevent the new review control from occurring. Such contracts should be reviewed against the new questionnaire and management should consider executing amendments to these contracts which address any cloud-related risks or internal control weaknesses of the vendor.	TBD 5/31/21 8/31/21	The new AVP of Information & Technology, when hired, will be tasked with developing a plan to identify existing contracts which could bypass new controls related to cloud storage due to auto-renewal or extension options. This person with work with management to take appropriate actions to ensure cloud controls for new contracts are implemented by the next renewal or extension. The target date for identifying contracts which have not completed a cloud questionnaire is 120 days after the start date of the new AVP. CIO will review contracts with purchasing in the next 90 days.
95	9/7/2018	Non-ITS Administered Programs Vijay Sonty	Internal Audit recommends that each program owner be required to designate a backup administrator. The CIO should follow up on the current PII survey and obtain such designated persons for each program.	TBD 5/31/21 8/31/21	The new AVP, when hired, will review the latest SaaS survey at the next Cyber Breach Group meeting and develop recommendations to Division management or the Cabinet to help ensure all user department have designated such backup administrators. The target date for developing the recommendations is 90 days after the start date of the new AVP. This recommendation will be followed up after the Cyber Breach Group has been established.
96	9/7/2018	Non-ITS Administered Programs Vijay Sonty	Internal Audit recommends that ITS review the programs listed in the PII survey and determine if there are time sensitive programs for which downtime for any reason could interfere with the functionality required by staff to perform their duties and provide services to both staff, faculty and students. Since ITS is well versed in continuity planning for the programs they manage, it would be prudent for ITS to assist departments with time sensitive programs in developing procedures related to such downtime.	TBD 5/31/21 8/31/21	The new AVP, when hired, will solicit management's input for each of the programs to determine if any are considered critical to the mission and work of the College, both academic and as a business, such that downtime will quickly be problematic. For any such programs, ITS will offer to consult with management to help ensure that the department and/or vendor is sufficiently prepared to address interrupted access promptly. The target date to solicit this information from management is 120 days after the start date of the new AVP.
97	9/7/2018	Non-ITS Administered Programs Vijay Sonty	Internal Audit requests that ITS confirm that it has access right to each program currently in use throughout the College.	TBD 5/31/21 8/31/21	The new AVP, when hired, will be tasked with developing recommendations to senior management related to the decentralization of these SaaS programs throughout the College and whether the AVP of Information & Technology should have access to these programs as well. The target date for making these recommendations to management is 90 days after the start date of the new AVP.
120	1/29/2020	Residency Verification Shannon Rooney	Internal Audit recommends that management consider that the procedures related to residency verification for students as currently documented and available in various areas, are not the procedures which are currently in practice during the application and admission processes.	06/30/21	The College will update the Residency policy. The College's admissions office will document the procedures that they currently use to verify residency in an internal facing procedures manual by June 30, 2021.
122	9/30/2020	Network Security Review Vijay Sonty	Internal Audit recommends that management consider revising the policy to include audits and reviews such as this one which may not fall under the current defined scope of those which are the subject of the policy. This would ensure that the results of audits and reviews are presented to the Board including the findings, recommendations and action plans. The Board should be informed of the status of any such action plans until they are completed.	02/08/21	Management agrees with the recommendation to revise the current policy to ensure that the results of such reviews which include recommendations to create or strengthen internal controls, will be reported to the Audit Committee including progress updates related to recommended actions until they are completed. The Internal Audit Committee agreed on, and proposed suggested language to the Cabinet, to be included in a revision of this policy. The revised policy was approved by the Cabinet and the policy was posted on the College's website on February 8, 2021.

Community College of Philadelphia
Internal Audit Follow Up Matrix

	Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
130	12/30/2020	Forgivable Loans Victoria Zellers	Internal Audit recommends that management establish controls to require school documentation of the successful completion of courses for which loans were provided. Such controls should help ensure the legitimacy of information submitted by participants at the time the loans are requested.	06/30/21	Management will work on adding more controls to verify coursework and payment information including: (1) employee must submit an accurate copy of the invoice and a FERPA waiver to allow the College's representatives to call the institution and verify the enrollment, course registration, and payment amounts; and (2) employee must provide proof of payment. Although the FERPA Waiver will permit verification by the Controller's Department, HR, supervisors, and Divisional Vice Presidents or his/her designee, at this time it is intended that it will be the responsibility of each Vice President to designate someone in their area to verify the request for each semester in order to have a loan request approved. Management will update policy application by June 30, 2021.
131	9/23/2020	Forgivable Loans Victoria Zellers	The current policy governing forgivable loans, Policy #206 (dated 2010) should be reviewed for potential revisions after management has considered all of the comments and recommendations in this report.	06/30/21	The policy will be reviewed and changed to be consistent with the CBAs and College practice. Policy will be updated by June 30, 2021
132A	9/23/2020	Forgivable Loans Victoria Zellers	Internal Audit recommends that management enhance the documented procedures to help ensure that other staff can perform all of the necessary tasks in the absence of the primary staff. The procedures should also address the necessary interactions with Human Resources, the President's Office, the Bursar's office and the Payroll group, as well as those to establish repayment agreements, to help ensure all of the related tasks of those groups are performed when needed.	06/30/21	Management will update the controls and verification process and has and will continue to seek opportunities to cross train employees. Policy and application will be updated by June 30, 2021.
132B	9/23/2020	Forgivable Loans Gim Lim	See 132A	07/31/21	Management will update the controls and verification process and has and will continue to seek opportunities to cross train employees. Controllers procedures based on the new application will be updated by July 31, 2021.
132C	9/23/2020	Forgivable Loans Gim Lim	See 132A	08/31/21	Management will update the controls and verification process and has and will continue to seek opportunities to cross train employees. Supervisors will be trained on new application and procedures over August 31, 2021.
133	9/23/2020	Forgivable Loans Victoria Zellers	Management should consider the financial benefits to both the employees and the College under this type of EAP. Internal Audit understands that this is a negotiated benefit in the CBA of both full-time faculty and classified/confidential employees but the tax benefits may be appreciated by the Federation before or during the next negotiation period.	06/30/21	Management will work on adding more controls to verify coursework and payment information including: (1) employee must submit an accurate copy of the invoice and a FERPA waiver to allow the College's representatives to call the institution and verify the enrollment, course registration, and payment amounts; and (2) employee must provide proof of payment. Although the FERPA Waiver will permit verification by the Controller's Department, HR, supervisors, and Divisional Vice Presidents or his/her designee, at this time it is intended that it will be the responsibility of each Vice President to designate someone in their area to verify the request for each semester in order to have a loan request approved. Management will update policy application by June 30, 2021.
135	9/23/2020	Forgivable Loans Lisa Hutcherson	Internal Audit recommends that all documentation and web pages related to the Forgivable Loan program be reviewed and updated as necessary to ensure the information provided by all sources is accurate and consistent.	07/31/21	The Classified CBA states that the Forgivable Loans are continued under "its current forgivable loan policy" which means that the employee has to pay 50% of the tuition. The forgivable loan policy was last revised in 2010 and needs to be updated to reflect changes from the 2012-2016 CBAs. HR web pages will be updated to refer to the Policy by July 31, 2021. The provision on being eligible at 90 days or 1 year (as stated in the CBAs) is the College's choice. The College may have a policy that is more generous than required in the CBAs, but should not change the CBAs because it is then locked into that change.

Community College of Philadelphia
Internal Audit Follow Up Matrix

	Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
136	9/23/2020	Forgivable Loans Gim Lim	Internal Audit ecommends the documentation requirements for the loan program be strengthened to help the funds are being used as intended and to minimize the risk of fraudulent transactions.	08/31/21	Management will revise the Application to include a FERPA Waiver to allow the College to verify the courses selected, and invoices. Supervisor or staff designated by VP will verify application, courses selected and invoices for each loan. Management disagrees that the employee has to pay and be reimbursed as some employees may not be able to front the costs. Management agrees to require proof of payment and will incorporate this into its processes by August 31, 2021.
138	9/23/2020	Forgivable Loans Gim Lim	Internal Audit recommends that management review the classes taken relative to the degree or program requirements originally approved. Management should consider strengthening or creating controls.	TBD	Management does retain discretion to not approve a loan to the extent it is different from the original approved program of study and will build in such a procedure to the semester by semester application to determine if further study is needed for the program originally approved.

Action plans are complete and will be moved to the Completed Items Tab

Actions plans are in progress

Action plans are over 1 year past the original target date; limited progress has been made; and/or no update was received

Actions plans are expected to be reviewed with the new Internal Audit Committee

Financial Statements and Report of Independent Certified Public Accountants

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

June 30, 2021 and 2020

Contents

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Trustees
Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

Report on the financial statements

We have audited the accompanying financial statements of the business-type activities and the discretely presented component units of the Community College of Philadelphia (the "College") as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's responsibility for the financial statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the College's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component units of the Community College of Philadelphia as of

Grant Thornton

June 30, 2021 and 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other matters

Required supplementary information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis included on pages 5 through 13 and the required supplementary information on pages 54 through 56 be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. This required supplementary information is the responsibility of management. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America. These limited procedures consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other information

The statistical section, demographic statistics, and component unit combining information on pages 58 through 69 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other reporting required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report, dated September 28, 2021, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Grant Thornton LLP

Philadelphia, Pennsylvania
September 28, 2021

INTRODUCTION

This Management's Discussion and Analysis (MD&A) is based upon facts, decisions, and conditions known as of the date of the audit report. The MD&A should be read in conjunction with the financial statements and accompanying notes that follow this section.

Community College of Philadelphia (the College) has prepared its financial statements in accordance with Governmental Accounting Standards Board (GASB) principles, which establish standards for external financial reporting for public colleges and universities and require the financial statements presented to focus on the College as a whole. These statements include the statistical reporting section in accordance with GASB Statement 44.

The financial results of the Community College of Philadelphia Foundation (the Foundation) and CCP Development, LLC are reported as discrete component units. CCP Development, LLC was organized as a qualified active low-income community business (QALICB) to secure new market tax credit funding for the construction of the College's Career and Advanced Technology Center at 4750 Market Street, Philadelphia, Pennsylvania.

Financial and Institutional Highlights

- COVID-19 caused unprecedented disruptions to the College's operations. All on-campus credit coursework was suspended effective March 16, 2020 and resumed online beginning March 30, 2020. A laptop lending program was immediately implemented to provide students in need of the technology to complete their studies online. Free or discounted internet access was also made available to eligible students. A virtual student support center was established so students may access services including academic advising, tutoring, library services and financial aid online. The college campus and regional centers remained closed except for a very limited amount of coursework where students require practicum, including Dental Hygiene, Phlebotomy, Clinical Microbiology and others. New fully online workforce and professional development programs were created or converted for summer and fall 2020 terms. However, many vocational skills training programs, especially those requiring face to face instructions for effective learning or required by licensing bodies, were canceled or suspended in spring 2020 due to COVID-19.

- In October 2020, the College made the decision that the Spring 2021 semester would continue in a remote fashion except for those courses requiring student hands-on experiences or the use of specialized equipment, such as Dental Hygiene, Phlebotomy, Clinical Microbiology, and a few others.

- In April 2021, the College was awarded $31.8 million from the Department of Education (DOE) through the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA). Of the $31.8 million awarded, $8.05 million was allocated to emergency financial aid grants to students and the remaining $23.75 million was allocated to the College to defray expenses associated with COVID-19 (including lost revenue, reimbursement for expenses already incurred, technology costs associated with a transition to distance education, faculty and staff trainings, and payroll) and to make additional financial grants to students. As of June 30, 2021, the College had drawn down and disbursed $4 million of the emergency Financial Aid Grants to students and these amounts are included within student aid expenses in the statements of revenues, expenses, and changes in net position. As of June 30, 2021, the College had drawn-down and spent $23.3 million of the institutional portion under the grant to replace lost revenue from academic sources (tuition, auxiliary, fees) and to provide additional emergency financial aid grants to students by way of discharging $2.7 million of student account balances due to the College. Of the $23.3 million in institutional award expenditures, $18.7 million was recorded as federal grants and contracts in the statements of revenues, expenses, and changes in net position and the remaining $4.6 million is recorded as unearned revenue in the statements of net position and represents the portion of the revenue to which the College was not entitled based on the pro-rata portion of emergency financial aid grants to students which had not yet been disbursed to students at year-end.

- During 2021, the College has continued to address the unprecedented disruptions caused by the COVID-19 pandemic. Discharged (forgave) in excess of $2.75 million of debt from 3,776 student account balances.
- Provided more than $12 million of Higher Education Emergency Relief (HEERF) funds from the United States Department of Education directly to students as emergency aid.
- Provided loaner laptops to students in need of technology to participate in distance education.
- Accelerated the deployment of more technology during fiscal year 2021 to expand support of distance learning and remote work from home for employees. The College implemented the use of desktop capture, live streaming, enabled student-produced content, provided centrally managed video lessons for a wide variety of courses, and expanded on-demand resources. All in-person student services were converted to a virtual format, and a Virtual Student Support Services website was established to provide students access to the required services and support.
- The College also upgraded its Data Center Network Infrastructure to support the increasing demand on its IT resources.

- Below are highlights of the College's response to the COVID-19 disruptions:

- The City of Philadelphia committed more than $60 million over five years, from January 2021 through December 2026, to the College for the Catto Scholarship Program. The Catto Scholarship is an anti-poverty initiative of the Mayor that not only provides students with free tuition, but also funding for food, transportation to the College, and books via a monthly stipend. The commitment also includes a team of dedicated advisors and counselors to support the scholarship recipients. The Catto Scholarship's first cohort of seventy-four students began classes in January 2021. The cohort has since grown to 132 students. In 2021, the College received $2.3 million in Catto Scholarship funding.

- Several new workforce and career programs were added through the College's online partnership with Condensed Curriculum International, a national workforce education provider that works exclusively with over 500 public colleges, universities and employers across the country. These offerings included EKG Technician, Pharmacy Technician, Phlebotomy Technician, Clinical Medical Assisting, HVAC, Logistics and Distribution Management, and Electronic Health Record.

- The City and the College were selected by the National League of Cities and the Kresge Foundation as one of 7 cities to pilot technical assistance in supporting Cities, Workforce Boards and Economic Development Partners, and Community Colleges to address student basic needs.

- The College continued to be supported by the Goldman Sachs 10,000 Small Businesses Program grant, which serves 90 businesses annually, and has over 600 alumni who have completed the program over the last 7 years.

- The College continued to expand the Career Connections department. Three new positions were created to increase experiential learning, apprenticeships and career counseling.

- The College continued to hold its tuition and fees at previous years' levels. Tuition and fees have not increased since the 2017-2018 academic year. In addition, the general college fee which supports student activities was waived and the College utilized HEERF funding during 2021 to relieve students of these distance learning course fees.

- The College is more affordable than ever for the 2021-2022 academic year with no increase in tuition and fees, a significant increase in available financial aid, and Catto Scholarship.

- Total enrollment declined 13.1% from 22,160 students in 2019-2020 to 19,266 students in 2020-2021.

- Several maintenance and repair projects suspended during the beginning of the COVID-19 pandemic including structural repairs to the CBI garage, Learning Commons Phase I and II, Mint elevator upgrade, music lab, and the DMI lab, were all completed. In addition, the College invested heavily to improve the air quality in its buildings. This included cleaning the air ducts, conducting air flow testing, and replacing or repairing the HVAC systems to ensure it meets the industry standards for reducing airborne infectious aerosol exposure.

- On December 8, 2020 the College issued $14,580,000 of Series 2020 taxable bonds. On December 9, 2020 the College closed on a New Market Tax Credit (NMTC) deal. The availability of NMTCs has enabled the newly formed discretely presented component unit, CCP Development, LLC, to borrow $24.9 million to construct the Career and Advanced Technology Center. Both financing arrangements were in addition to the $9.2 million Series A 2019 bond issued on May 1, 2019, proceeds of which also went towards financing the Career and Advanced Technology Center. The $33.5 million project consists of the construction of a new 3-story 75,000 square-foot building on the corner of 48th Street and Market Streets in Philadelphia, Pennsylvania. Construction started in Fall of 2020. Projected completion is late Spring 2022. Additional funding required for the project will be from the City of Philadelphia, Redevelopment Assistance Capital Program (RACP) grants, New Market Tax Credits, private gifts and loans, or bonds.

- The College purchased a new electronic time and attendance system to replace its paper intensive processes. Phase One was implemented for exempt employees in July 2021. Hourly employees are scheduled to start using the new system later.

Overview of Financial Statements

The College's financial statements focus on the College as a whole, rather than upon individual funds or activities. The GASB reporting model is designed to provide readers with a broad overview of the College's finances and is comprised of three basic statements:

- The *Statement of Net Position* presents information on the College's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets serve as one indicator of how the financial position of the College is changing.

- The *Statement of Revenues, Expenses and Changes in Net Position* presents information showing how the College's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

- The *Statement of Cash Flows* is reported using the direct method. The direct method of cash flow reporting portrays net cash flows from operations, financing, and investing receipts and disbursements.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes contain details on both the accounting policies and procedures that the College has adopted, as well as additional information about amounts reported in the financial statements.

Net Position

At June 30, 2021, the College's net position was a negative $28.4 million, with liabilities of $294.7 million and assets of $290.8 million. Net position increased by $73.8 million in 2021 prior to recording the impact of the post-employment benefit liability. Unrestricted net position increased from a negative $175.4 million to a negative $150.8 million. Absent the cumulative impact of the post-employment benefit liability (GASB 75 and 68) reporting requirements, unrestricted net position would currently be at a level of positive $29.7 million. The other factor contributing to the change in the unrestricted net position value was unfunded depreciation expense for 2021 in the amount of $7.5 million.

Summary of Net Position
June 30,

	2021	2020	2019
Assets:			
Current assets	$ 75.4	$ 51.5	$ 48.4
Noncurrent assets:			
Loan receivable	19.9	-	-
Bond proceeds available for campus construction	9.8	20.0	26.5
Other long-term investments	18.5	18.4	17.2
Investment in CCP Development, LLC	5.0	-	-
Capital assets, net	162.2	158.6	159.1
Total assets	$ 290.8	$ 248.5	$ 251.2
Deferred outflows of resources	$ 29.2	$ 5.9	$ 6.6
Liabilities:			
Current liabilities	$ 36.6	$ 29.1	$ 32.8
Noncurrent liabilities	258.1	215.1	260.3
Total liabilities	$ 294.7	$ 244.2	$ 293.1
Deferred inflows of resources	$ 53.7	$ 75.5	$ 63.5
Net position:			
Net investment in capital assets	$ 116.7	$ 104.7	$ 103.9
Restricted: Expendable	5.7	5.4	5.3
Expendable	(150.8)	(175.4)	(208.0)
Total net position	$ (28.4)	$ (65.3)	$ (98.8)

Assets

Current assets increased by $23.9 million during 2021. Short-term investments, receivable from government agencies, accrued interest receivable, other assets and cash and cash equivalent increased, while net accounts receivable decreased.

Noncurrent assets increased by $18.4 million. Bond proceeds available for campus construction decreased as construction of the Library and Learning Commons progressed towards completion and expenses started to accrue related to the Center for Advanced Technology as design and planning got underway. The College's capital assets as of June 30, 2021 net of accumulated depreciation were $162.2 million, an increase of $3.6 million over the amount reported for 2020 of $158.6 million. The increase in the net value of capital assets is related to the increase in the value of capital additions exceeding the accumulated depreciation. Total current liabilities increased by $7.5 million in 2021. Payables to government agencies increased by $0.2 million primarily due to timing in processing PHEAA state grants student aid. Accounts payable and accrued liabilities increased by $3.5 million primarily due to timing.

The College self-insures its employee medical plan. The College purchases stop loss insurance with a limit of $250,000 to cap institutional financial exposure for individuals with extraordinarily large claims in a policy year.

The College's outstanding long-term debt was $69.5 million as of June 30, 2021, an increase of $7.0 million from June 2020. This increase is due to the issuance of the Series 2020 bonds to partially finance the construction of the Career and Advanced Technology Center. The pension liability amount for 2021 also includes $4.2 million related to GASB 68, which requires the College to record its relative proportion of the net funded status of certain state cost sharing pension plans. The cumulative estimated value for the accrued other post-employment benefit liability in 2021, 2020, and 2019 was $180.5 million, $143.6 million, $180.3 million, respectively. Absent this reporting requirement, the College's net assets as of June 30, 2021 would have been at a level of $152.1 million.

Capital lease obligations include mainly technology associated with academic and administrative computing.

Statements of Revenues, Expenses and Changes in Net Position

The change in net position for 2021, 2020, and 2019 was a positive $36.9 million, $33.5 million, and $10.6 million, respectively. The following table quantifies the changes:

	Revenues, Expenses and Changes in Net Position Year ended June 30,		
	2021	2020	2019
		(In millions)	
Operating revenues:			
Net tuition and fees	$ 28.4	$ 30.5	$ 32.8
Auxiliary enterprises and other sources	0.4	1.5	1.6
Total	28.8	32.0	34.4
Operating expenses	143.0	133.0	145.7
Operating loss	(114.2)	(101.0)	(111.3)
Net nonoperating revenues	138.0	122.5	110.1
Change in net assets before other revenues	23.8	21.5	(1.2)
Capital appropriations	13.0	12.0	11.8
Total change in net position	$ 36.8	$ $33.5	$ $10.6

Operating Revenues

The largest sources of operating revenue for the College are student tuition and fees and auxiliary enterprises revenues. In both 2021 and 2020, the tuition charge was $159 per credit. The Technology Fee, General College Fee, and Course Fee also remained unchanged from prior year. While the General College Fee was assessed on students, the College decided during the year to apply HEERF grant funding from the DOE to reimburse the General College Fee for students. The College charges course fees for selected high-cost courses. Course fees range from $85 to $345. Average total tuition and fee revenue per credit for 2021 was $224.

Tuition and fee revenue totaled $62,067,832 in 2021 and $69,907,462 in 2020, a decline of 11.2%. Total enrolled credit headcount declined 13.1% for the same period.

Scholarship allowance amounts for 2021 and 2020 totaled $33,644,235 and $39,371,389, respectively. The scholarship allowance represents tuition and fee payments made using public and private grants and scholarships. The decrease in scholarship allowance amounts between 2021 and 2020 is reflective of the 13.1% decrease in overall credit enrollment. While the maximum Pell award increased from $6,195 in 2019-2020 to $6,345 in 2020-2021, it did not contribute to any increase in scholarship allowance due to a significant decrease in Pell eligible students attending the College.

Gift revenue from the Community College of Philadelphia Foundation (the Foundation) in the amount of $12,100 was received in 2021 and is reported in the statement of revenues, expenses and changes in net position. This gift was used to partially pay the College's cost for its partnership with Single Stop USA. Single Stop USA is a nonprofit organization that delivers services to families nationwide by connecting students to state and federal financial resources and local community services. The aim is to help students overcome economic barriers, continue with their education and move toward economic mobility.

Nonoperating Revenues

Commonwealth appropriations in 2021, excluding capital appropriations, totaled $32,388,574, a decrease of $19,442 (0.1%) over the $32,408,016 received in 2020.

Total 2021 City funding was $41,628,751, a $5.6 million increase (15.5%) over the amount received in 2020. Of the funding appropriation, $33,954,253 was used for operating budget purposes in 2021 and $2,319,544 was used for CATTO Scholarships. In 2020, $29,846,548 of the total appropriation was used for operating purposes. Net investment income was $450,829 in 2021 and $1,691,135 in 2020.

As mentioned above, non-operating revenues increased by 12.7% from $122.5 million in 2019-2020 to $138.1 million in 2020-2021. This included the impact of $24.7 million in additional grant funding received from the DOE through the Coronavirus Aid, Relief, and Economic Security (CARES) and Coronavirus Response and Relief Supplemental Appropriations (CRRSAA) Acts during the year of which $6.7 million was spent on student aid and $18 million was spent on laptops, PPE, software services and converting on-campus courses to online format, as well as lost tuition, fee, and auxiliary revenues as a result of COVID-19.

Capital Appropriations

The Commonwealth provided capital funding for debt service and capital purchases in the amounts of $5,812,136 and $5,819,210 for 2021 and 2020, respectively. The College used $7,177,918 of the total City of Philadelphia appropriation of $41,628,751 in 2021 for debt service and capital purchases. In 2020, City of Philadelphia appropriations used for debt service and capital purchases were $6,212,659.

	Expenses by Function Year ended June 30,		
	2021	2020	2019
Instruction	$ 50,332,840	$ 49,333,338	$ 56,714,890
Public service	37,525	104,057	97,457
Academic support	14,762,587	13,749,022	16,404,900
Student services	18,891,473	16,672,597	20,529,207
Institutional support	28,427,722	19,176,012	22,639,568
Physical plant operations	10,105,154	13,444,993	14,423,723
Depreciation	7,463,771	7,782,553	7,939,447
Student aid	12,644,020	12,052,409	6,250,428
Auxiliary enterprises	341,777	658,373	684,534
Total operating expenses	$ 143,006,869	$ 132,973,354	$ 145,684,154

Exclusive of student aid and depreciation expenses, the College's operating expenses totaled $122,899,078 in 2021 and $113,138,392 in 2020. The College's five-year Collective Bargaining Agreement with Faculty and Classified employee unions that was ratified in September 2013 expired August 2016. On April 3, 2019, the College and the members of Unions reached a tentative agreement and entered into certain Memorandum of Agreements to amend the terms and conditions of the respective Collective Bargaining Agreements. The Board of Trustees of the College and the membership of the Unions approved the Memorandum of Agreements on April 4, 2019 and April 11, 2019, respectively, which, among other things, extended the term of the Collective Bargaining Agreements to August 31, 2022.

In 2018, the College adopted GASB 75, Accounting and Financial Reporting for Postemployment Benefits other than Pensions (OPEB). Under GASB 75, the College reports the Net OPEB Liability (NOL) on the statement of net position. Changes to the NOL are recognized either in the OPEB Expense and/or as deferred inflows/outflows. The value of the expense for 2021, 2020, and 2019 was a credit of $8,754,336, $24,859,895, and $5,802,354, respectively.

	Expenses by Natural Classification Year ended June 30,		
	2021	2020	2019
Salaries	$ 74,041	$ 77,819	$ 77,462
Benefits	32,570	34,790	34,979
Contracted services	9,247	9,276	8,045
Supplies	5,564	4,467	3,059
Depreciation	7,464	7,783	7,939
Student aid	12,644	12,052	6,250
Other post-employment benefits	(8,754)	(24,590)	(5,426)
Other	10,231	11,376	13,376
Total operating expenses	143,007	132,973	145,684
Interest on capital asset-related debt service	3,882	3,604	3,602
Total nonoperating expenses	3,882	3,604	3,602
Total expenses	$ 146,889	$ 136,577	$ 149,286

The COVID-19 pandemic has significantly impacted the financial and educational planning during the fiscal year 2020-21. While the College's budget was initially designed to reopen the campus Spring 2021, that did not occur. The main campus and regional center sites remained closed to most students and staff during the 2020-2021 fiscal year, resulting in the College spending approximately $20.5 million less than budgeted. In addition, the College received approximately $12.9 million in HEERF Funds from the DOE to offset lost tuition, auxiliary, and fees revenue.

The College incurred lower than budgeted expenses in the following categories: supplies, contracted services (security, cleaning, interrupters), maintenance & repairs, travel, and hospitality. Overall, the College spent approximately $7.5 million less than budgeted for non-personnel-related expenses. In addition, the College received HEERF funds from the DOE that were used to reimburse several related COVID-19 expenditures associated with remote learning, work and to prepare for a safe reopening of its campuses.

A significant number of vacant positions, voluntary furlough, coupled with offering a lower number of academic sections which required limited use of part-time staff resulted in total salaries being $5.8 million less than budget. The College also spent $7.2 million less for staff benefits than budgeted as many elective procedures were postponed or delayed.

Schedule of Fund Balances

The following chart shows fund balances in the four fund groups: Unrestricted, Restricted, Endowment and Plant. The 2021, 2020 and 2019 amounts reported for unrestricted operations funds were reduced by the impact of accrued expense liability for post-employment benefits. The impact of GASB 75 reporting in 2021 was a negative $176,276,116, while the impact of GASB 68 reporting was $4,210,037. The negative unrestricted plant fund balance reflects the cumulative impact of unfunded depreciation expense.

	June 30,		
	2021	2020	2019
Total unrestricted fund	$(128,209,481)	$(166,121,744)	$(200,606,226)
Endowment fund:			
Quasi-endowment (unrestricted)	238,533	1,090,992	1,308,208
Total endowment	238,533	1,090,992	1,308,208
Plant fund:			
Net investment in capital assets	116,734,123	104,725,788	103,868,972
Restricted expendable - capital projects	5,726,658	5,438,941	5,285,060
Unrestricted	(22,857,712)	(10,401,053)	(8,662,532)
Total plant fund	99,603,070	99,763,676	100,491,500
Total net position	$ (28,367,879)	$ (65,267,076)	$ (98,806,518)

Community College of Philadelphia Foundation

The Foundation was established in 1985. Total assets for 2021 and 2020 were $19.0 million and $15.2 million, respectively. Total unrestricted net position for 2021 and 2020 for the Foundation was $1.9 million and $1.7 million, respectively. The remaining net position is restricted based upon donor intent.

CCP Development, LLC

CCP Development, LLC, is a Pennsylvania limited liability company established in 2020 for purposes of obtaining New Market Tax Credit (NMTC) financing for the construction of the Career and Advanced Technology Center at 4750 Market Street, Philadelphia, Pennsylvania. Total assets for 2021 were $34.2 million and total net position was $5.0 million.

Future Impacts

For 2022, City of Philadelphia funding to the College was increased by $4.0 million over the amount received for 2021 of which $4.0 million is reserved for a new scholarship program. However, there was no increase in the Commonwealth appropriation received during the first quarter of 2022, and no increase is expected for the remaining quarters of the year. The College's Board voted not to increase student tuition and fees for 2021 and 2022. Credit hour enrollments for the Fall 2021 semester are trending 13.5% below enrollments of Fall 2020. The total credit hours generated by the late summer session, a 2022 term, were 18% higher than the previous year.

In May 2021, the College was awarded $54.9 million from the DOE through the American Rescue Plan (ARP). No amounts were spent or drawn down under the ARP award as of June 30, 2021.

The remaining balance from the CRRSAA and ARP grant funding will be drawn down and spent in 2022 and 2023. While the disruptions from COVID-19 are currently expected to be temporary, there is uncertainty around the duration. Therefore, while the College expects this matter to continue to negatively impact its financial position for 2022, the related financial impact cannot be reasonably estimated at this time.

Requests for information

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Controller's Office, Community College of Philadelphia, 1700 Spring Garden Street, M1-7, Philadelphia, PA 19130.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATEMENTS OF NET POSITION

June 30,

	Business-Type Activities The Community College of Philadelphia		Component Unit The Community College of Philadelphia Foundation		Component Unit CCP Development, LLC
	2021	2020	2021	2020	2021
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents (Note B)	$ 21,645,501	$ 19,589,705	$ 1,452,851	$ 1,622,503	$ 557,226
Short-term investments (Note B)	31,630,541	22,557,016	1,880,952	858,020	-
Debt proceeds available for CATC construction (Note M)	-	-	-	-	22,394,729
Accounts receivable, net (Note C)	3,539,956	5,575,165	80,072	308,190	-
Receivable from government agencies (Note G)	16,544,129	2,712,287	-	-	-
Other assets	1,996,296	1,056,784	7,854	5,758	-
Total current assets	75,356,423	51,490,957	3,421,729	2,794,471	22,951,955
NON-CURRENT ASSETS					
Endowment investments (Note B)	-	-	15,562,198	12,369,001	-
Accounts receivable, net (Note C)	-	-	-	41,701	-
Loan receivable (Note M)	19,880,421	-	-	-	-
Bond proceeds available for campus construction	9,779,803	19,978,506	-	-	-
Other long-term investments (Note B)	18,523,865	18,399,026	-	-	-
Investment in CCP Development, LLC	5,023,069	-	-	-	-
Capital assets, net (Note D)	162,282,106	158,579,658	-	-	11,273,412
Total non-current assets	215,489,264	196,957,190	15,562,198	12,410,702	11,273,412
Total assets	$ 290,845,687	$ 248,448,147	$ 18,983,927	$ 15,205,173	$ 34,225,367
Deferred outflows of resources:					
Deferred outflows	$ 29,242,720	$ 5,936,366	$ -	$ -	$ -

The accompanying notes are an integral part of these financial statements.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATEMENTS OF NET POSITION - CONTINUED

June 30,

	Business-Type Activities The Community College of Philadelphia		Component Unit The Community College of Philadelphia Foundation		Component Unit CCP Development, LLC
	2021	2020	2021	2020	2021
LIABILITIES AND NET POSITION					
CURRENT LIABILITIES					
Accounts payable and accrued liabilities (Note E)	$ 21,293,765	$ 17,762,425	$ 869,020	$ 838,980	$ 3,257,298
Payable to government agencies (Note G)	423,268	269,549	-	-	-
Deposits	277,805	238,612	1,931	4,156	-
Unearned revenue	5,927,233	2,080,764	356,577	280,063	-
Current portion of capital lease obligation (Note F)	378,638	468,149	-	-	-
Current portion of long-term debt (Note F)	7,600,000	7,557,284	-	-	-
Unamortized bond premium	728,918	728,918	-	-	-
Total current liabilities	36,629,627	29,105,701	1,227,528	1,123,199	3,257,298
NON-CURRENT LIABILITIES					
Accrued liabilities (Note E)	$ 1,777,837	$ 1,554,638	$ -	$ -	$ -
Annuity payable	-	-	37,812	12,516	-
Deposits	310,000	250,000	-	-	-
Capital lease obligation (Note F)	71,477	450,114	-	-	-
Long-term debt (Note F)	69,480,000	62,500,000	-	-	-
Notes payable (Note M)	-	-	-	-	25,945,000
Unamortized bond premium	5,982,825	6,711,743	-	-	-
Other post-employment benefits liability (Note H)	180,486,153	143,624,506	-	-	-
Total non-current liabilities	258,108,292	215,091,001	37,812	12,516	25,945,000
Total liabilities	$ 294,737,919	$ 244,196,702	$ 1,265,340	$ 1,135,715	$ 29,202,298
Deferred inflows of resources:					
Deferred inflows	$ 53,718,367	$ 75,454,887	$ 6,162	$ -	$ -
Net position:					
Net investment in capital assets	116,734,123	104,725,788	-	-	-
Restricted:					
Nonexpendable:					
Scholarships, awards and faculty chair	-	-	13,244,521	10,137,142	-
Annuities	-	-	7,504	2,997	-
Expendable:					
Scholarships, awards and faculty chair	-	-	2,323,305	2,168,423	-
Capital projects	5,726,658	5,438,941	202,829	77,511	5,023,069
Unrestricted	(150,828,660)	(175,431,805)	1,934,266	1,683,385	-
Total net position	$ (28,367,879)	$ (65,267,076)	$ 17,712,425	$ 14,069,458	$ 5,023,069

The accompanying notes are an integral part of these financial statements.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Years ended June 30,

	Business-Type Activities The Community College of Philadelphia		Component Unit The Community College of Philadelphia Foundation		Component Unit CCP Development, LLC
	2021	**2020**	**2021**	**2020**	**2021**
Operating revenues:					
Student tuition	$ 46,586,217	$ 52,897,863	$ -	$ -	$ -
Student fees	15,481,615	17,009,599	-	-	-
Less: scholarship allowance	(33,644,235)	(39,371,389)	-	-	-
Net student tuition and fees	28,423,597	30,536,073	-	-	-
Auxiliary enterprises	407,546	1,412,855	-	-	-
Gifts	-	-	1,948,496	1,465,461	-
Other sources	23,291	37,591	-	-	-
Total operating revenues	28,854,434	31,986,519	1,948,496	1,465,461	-
Operating expenses (Note J):					
Educational and general:					
Instruction	50,332,840	49,333,338	155,625	109,062	-
Public service	37,525	104,057	-	-	-
Academic support	14,762,587	13,749,022	1,056,158	1,159,053	-
Student services	18,891,473	16,672,597	221,416	184,634	-
Institutional support	28,427,722	19,176,012	304,956	642,882	-
Physical plant operations	10,105,154	13,444,993	-	-	-
Depreciation	7,463,771	7,782,553	-	-	-
Student aid	12,644,020	12,052,409	1,114,726	791,771	-
Auxiliary enterprises	341,777	658,373	-	-	-
Total operating expenses	143,006,869	132,973,354	2,852,881	2,887,402	-
Operating loss	$ (114,152,435)	$ (100,986,835)	$ (904,385)	$ (1,421,941)	$ -

The accompanying notes are an integral part of these financial statements.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - CONTINUED

Years ended June 30,

	Business-Type Activities The Community College of Philadelphia		Component Unit The Community College of Philadelphia Foundation		Component Unit CCP Development, LLC
	2021	2020	2021	2020	2021
Non-operating revenues (expenses):					
Commonwealth appropriations (Note K)	$ 32,388,574	$ 32,408,016	$ -	$ -	$ -
City appropriations (Note K)	34,450,833	29,846,548	-	-	-
Federal grants and contracts	65,187,493	52,337,221	-	-	-
Gifts from the Community College of Philadelphia Foundation	12,100	95,000	(12,100)	(95,000)	-
Commonwealth grants and contracts	6,060,615	6,620,870	-	-	-
Nongovernmental grants and contracts	2,884,361	2,521,738	1,391,006	1,713,173	-
Net investment income	450,829	1,691,135	3,168,446	486,556	-
Interest on capital asset-related debt service	(3,882,024)	(3,604,374)	-	-	-
Other nonoperating revenues	508,799	578,254	-	-	-
Net non-operating revenues	138,061,580	122,494,408	4,547,352	2,104,729	-
Gain before other revenues, expenses, gains or losses	23,909,145	21,507,573	3,642,967	682,788	-
Capital appropriations	12,990,052	12,031,869	-	-	-
Increase in net position	36,899,197	33,539,442	3,642,967	682,788	-
Net position, beginning	(65,267,076)	(98,806,518)	14,069,458	13,386,670	-
Net position, ending	$ (28,367,879)	$ (65,267,076)	$ 17,712,425	$ 14,069,458	$ -

The accompanying notes are an integral part of these financial statements.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATEMENTS OF CASH FLOWS

Years ended June 30,

(Business-Type Activities - College Only)

	2021	2020
Cash flows from operating activities:		
Tuition and fees	$ 21,012,450	$ 29,438,274
Payments to suppliers	(24,977,819)	(23,986,594)
Payments to employees	(72,959,440)	(77,609,032)
Payments for employee benefits	(31,503,410)	(35,601,697)
Payments for student aid	(12,644,021)	(12,052,409)
Auxiliary enterprises	407,546	1,432,674
Other cash receipts	42,722	(67,470)
Net cash used in operating activities	(120,621,972)	(118,446,254)
Cash flows from non-capital financing activities:		
Commonwealth appropriations	32,416,078	32,453,515
City appropriations	34,450,833	29,846,548
Gifts and grants	74,270,784	57,576,382
Other nonoperating	607,992	467,698
Net cash provided by non-capital financing activities	141,745,687	120,344,143
Cash flows from capital and related financing activities:		
Commonwealth capital appropriations	5,812,136	5,819,210
City capital appropriations	7,177,918	6,212,659
Capital contributions to CCP Development, LLC	(5,023,069)	-
Proceeds from long-term debt	14,580,000	-
Decrease in bond proceeds available for campus construction	10,198,703	6,468,349
Purchases of capital assets	(11,166,218)	(7,236,601)
Principal payments on long-term debt and amortization of capital leases	(8,025,433)	(7,714,266)
Interest payments on long-term debt and capital leases	(3,993,998)	(3,778,257)
Net cash provided by (used in) capital and related financing activities	9,560,039	(228,906)
Cash flows from investing activities:		
Proceeds from sales and maturities of investments	37,007,297	58,567,715
Loan receivable	(19,880,421)	-
Purchases of investments	(46,205,663)	(64,535,718)
Interest on investments	450,829	1,763,370
Net cash used in investing activities	(28,627,958)	(4,204,633)
INCREASE (DECREASE) IN CASH	2,055,796	(2,535,650)
Cash and cash equivalents, beginning	19,589,705	22,125,355
Cash and cash equivalents, ending	$ 21,645,501	$ 19,589,705

The accompanying notes are an integral part of these financial statements.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATEMENTS OF CASH FLOWS - CONTINUED

Years ended June 30,

(Business-Type Activities - College Only)

	2021	2020
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	$ (114,152,435)	$ (100,986,835)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	7,463,771	7,782,553
Changes in assets and liabilities:		
Accounts receivable	(11,867,534)	(1,448,323)
Other assets	(939,512)	480,872
Loans to students and employees	70,900	71,814
Accounts payable and accrued liabilities	8,172,172	395,448
Unearned revenue	(614,999)	(152,135)
Other post-employment benefits	(8,754,336)	(24,589,648)
Net cash used in operating activities	$ (120,621,972)	$ (118,446,254)

See accompanying notes to financial statements.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Community College of Philadelphia (the College) operates in accordance with the provisions of Commonwealth of Pennsylvania (the Commonwealth) legislation and through the sponsorship of the City of Philadelphia (the City). For financial reporting purposes, the College has been determined to be a component unit of the City, and, as such, has adopted the applicable provisions of the Governmental Accounting Standards Board (GASB).

Component Units

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 61, The Financial Reporting Entity: Omnibus - an Amendment of GASB Statements No. 14 and No. 34, GASB Statement No. 39, Determining Whether Certain Organizations Are Component Units - an Amendment of GASB Statement No. 14, GASB Statement No. 80, Blending Requirements for Certain Component Units – an Amendment of GASB Statement No. 14, and GASB Statement No. 14, The Financial Reporting Entity, the College has determined that the Community College of Philadelphia Foundation (the Foundation) and CCP Development LLC should be included in the College's financial statements as discretely presented component units. A component unit is a legally separate organization for which the primary institution is financially accountable or to which the primary institution is closely related.

The Foundation was established to serve as an organization responsible for college fund raising activities. The bylaws of the Foundation give the College's board of trustees the authority to amend the Articles of Incorporation of the Foundation at any time. Although the College does not control the timing or amount of receipts from the Foundation, the resources, or income thereon, the Foundation holds investments that are used exclusively for the benefit, support, and promotion of the College for its educational activities. Because these resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College and is discretely presented in the College's financial statements.

CCP Development LLC was established on October 20, 2020 under the Limited Liability Company Law of the Commonwealth of Pennsylvania and organized as a Qualified Active Low Income Community Business (QALICB) to secure New Market Tax Credits (NMTC) to finance the construction of a career-based education and training facility at 4750 Market Street, Philadelphia, Pennsylvania. The facility will create jobs and provide training for the low-income community where it is located. CCP Development LLC is 90% owned by the College and 10% owned by Career and Advanced Technology Center, Inc., a 501(c)3 corporation. Because of its relationship with the College, CCP Development LLC is considered a component unit of the College and is discretely presented in the College's financial statements.

Measurement Focus, Basis of Accounting, and Basis of Presentation

The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), as prescribed by the GASB. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

The College has determined that it functions as a Business-Type Activity, as defined by the GASB. The effect of interfund activity has been eliminated from these financial statements.

The College's policy is to define operating activities in the statements of revenues, expenses and changes in net position as those that generally result from exchange transactions such as the payment received for services and payment made for the purchase of goods and services. Certain other transactions are reported as non-operating activities. These non-operating activities include the College's operating and capital appropriations from the Commonwealth and the City; federal, Commonwealth, and private grants; net investment income; gifts; interest expense; and gains/losses on disposals of capital assets.

Government Appropriations

Revenue from the Commonwealth and the City is recognized in the fiscal year during which the funds are appropriated to the College. The College is fiscally dependent upon these appropriations. Specific accounting policies with regard to government appropriations are as follows:

Commonwealth of Pennsylvania

General Commonwealth legislation establishing community colleges provides for the reimbursement of certain college expenses from Commonwealth funds appropriated for this purpose. Act 46 enacted in July 2005 changed the original basis of allocating operating funds to Commonwealth community colleges from a formula approach based upon full-time equivalent (FTE) students taught in the current fiscal year to a Commonwealth-wide community college appropriation. Under Act 46, the Commonwealth-wide operating budget appropriation for community colleges is to be distributed among each of the 14 colleges in 3 parts: base funding, growth funding and high-priority (economic development) program funding. The provisions of Act 46 are intended to ensure that base operating funding for each college will at least equal the amount of funds received in the prior year. Annually, 25% of any new dollars in the operating funding granted community colleges is to be distributed proportionally among the colleges experiencing growth in the prior year based upon their share of the FTE growth. Colleges whose enrollments are stable, or decline do not receive any increase from the growth funding.

The other significant operating funding change as a result of Act 46 was the establishment of Economic Development (high priority) program funding. High-priority program funding is based upon prior year enrollments in program areas defined by the Commonwealth to contribute to trained worker growth in critical employment areas. Using prior year FTE enrollments in targeted programs as the allocation mechanism, each college is to receive a proportionate share of the available funds allocated to high-priority programs.

For 2021 and 2020, the provisions of Act 46 were not followed in allocating operational funds to Pennsylvania community colleges.

Under the provisions of Act 46, a separate revolving pool was established for community college capital funding. Capital funding, which may include major equipment and furniture purchases, capital improvements to buildings and grounds, debt service on major capital projects, and net rental costs for eligible capital leases, is reimbursed at the rate of 50%. Capital costs not previously approved for annual funding are subject to a competitive application process, with the allocation of available funds made by the Pennsylvania Department of Education using Commonwealth-wide criteria.

Any excesses or deficiencies between provisional payments and the final annual reimbursement calculation of annual Commonwealth funding are reflected as a payable or receivable from the Commonwealth.

Net Position

The College classifies its net position into the following four net position categories:

> *Net investment in capital assets*: Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, repair, or improvement of those assets.

Restricted - nonexpendable: Net position subject to externally imposed conditions that the College must maintain them in perpetuity.

Restricted - expendable: Net position whose use is subject to externally imposed conditions that can be fulfilled by the actions of the College or by the passage of time.

Unrestricted: All other categories of net position. Unrestricted net position may be designated by actions of the College's Board of Trustees.

The College has adopted a policy of generally utilizing restricted - expendable funds, when available, prior to unrestricted funds.

Cash and Cash Equivalents

The College considers all cash accounts and demand deposits with financial banking institutions to be cash. The College considers all short-term investments (primarily certificates of deposit) with a maturity of 90 days or less to be cash equivalents.

Investments

Investments in marketable securities are stated at fair value. Valuations for non-marketable securities are provided by external investment managers and are based upon net asset value (NAV) as provided by investment managers.

Dividends, interest and net gains or losses on investments of endowments and similar funds are reported in the statements of revenues, expenses and changes in net position. Any net earnings not expended are included in net position categories as follows:

1. As increases in restricted - nonexpendable net position if the terms of the gift require that they be added to the principal of a permanent endowment fund;

2. As increases in restricted - expendable net position if the terms of the gift or the College's interpretation of relevant Commonwealth law impose restrictions on the current use of the income or net gains; and

3. As increases in unrestricted net position in all other cases.

The College policy permits investments in obligations of the U.S. Treasury, certificates of deposit, commercial paper rated A1 by Standard and Poor's Corporation or P1 by Moody's Commercial Paper Record, bankers' acceptances, repurchase agreements, and the Commonfund's Intermediate Term Fund and Multi-Strategy Bond Fund, and specifically approved fixed income securities. The investment practice of the Foundation includes the use of PFM Asset Management as its outsourced chief investment officer. The Foundation also uses Bryn Mawr Trust as its custodian of endowment funds. The Foundation transitioned to Vanguard Institutional Advisory Services as its outsourced Chief Investment Officer in November 2019.

Capital Assets

Real estate assets, including improvements, are generally stated at cost. Furnishings and equipment are stated at cost at date of acquisition or, in the case of gifts, at fair value at date of donation.

Assets are depreciated using the straight-line method. The range of estimated useful lives by asset categories is summarized as follows:

Asset Category	Years
Buildings and improvements	10 to 50
Equipment and furniture	3 to 10
Library books	10
Microforms	5
Software	3
System software	10

The costs of normal maintenance and repairs that do not increase the value of the asset or materially extend assets' lives are not capitalized.

Compensated Absences

Employees earn the right to be compensated during absences for vacation leave and sick leave. Accrued vacation is the amount earned by all eligible employees through the statement of net position date. Upon retirement, these employees are entitled to receive payment for this accrued balance as defined in the College policy and collective bargaining agreements.

Deposits and Unearned Revenue

Deposits and advance payments received for tuition and fees related to certain summer programs and tuition received for the following academic year are deferred and are recorded as revenues when instruction is provided.

Student Fees

Included in student fees for the year ended June 30, 2020 are general college fees of $1,162,740, which have been designated for use by the various student organizations and activities. General college fees in the amount of $1,483,086 were waived for students for the year ended June 30, 2021, and the College charged the waived fees to its Higher Education Emergency Relief Fund (HEERF) grant from the United States Department of Education (DOE), which is recorded within federal grants and contracts within the statements of revenues, expenses and changes in net position.

Tax Status

The College generally is exempt from federal and Commonwealth taxes due to its status as an unincorporated association established by the Pennsylvania Community College Act of 1963 (the Act). Under the Act, community colleges are activities of the Commonwealth.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the allowance for doubtful accounts, useful lives of capital assets, assumptions related to self-insurance reserves, and assumptions related to pension and other post-employment benefit accruals. Actual results could differ from those estimates.

Scholarship Discounts and Allowances

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the statements of revenues, expenses and changes in net position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the College and the amount that is paid by students and/or third parties making payments on students' behalf. Certain governmental grants are recorded as either operating or non-operating revenues in the College's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the College has recorded a scholarship discount and allowance.

Self-Insurance

The College participates in a self-insurance medical plan with a reinsurance limit of $250,000 is in place to limit institutional financial exposure for individuals with extraordinarily large claims in a policy year. The College has established a self-insurance accrued liability account for incurred claims, as well as an estimate of claims incurred but not reported. The College's self-insurance liability at June 30, 2021 and 2020 was $1,323,300 and $1,510,300, respectively, based upon an actuarial calculation based upon historical claim experience.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of net position include a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources until that time. In addition to liabilities, the statements of net position include a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of a net position that applies to future periods and will not be recognized as an inflow of resources until that time. The College's deferred outflow/inflow relates to amounts recorded in connection with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* (GASB 68), amounts recorded in connection with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions* (GASB 75), as well as the advance refunding of the 2008 Series Community College Revenue Bonds in September 2015.

Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the State Employees Retirement System (SERS) and the Pennsylvania Public School Employees Retirement System (PSERS) and additions to/deductions from the SERS' and PSERS' fiduciary net position have been determined on the same basis as they are reported by SERS/PSERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Recently Issued Accounting Pronouncements

In June 2017, the GASB issued Statement No. 87, *Leases*. This statement provides guidance for lease contracts for nonfinancial assets - including vehicles, heavy equipment and buildings - but excludes non-exchange transactions, including donated assets, and leases of intangible assets (such as patents and software licenses). The lease definition now focuses on a contract that conveys control of the right to use another entity's nonfinancial assets, which is referred to in the new Statement No. 87 as the underlying asset. Under Statement No. 87, a lessee government is required to recognize (1) a lease liability and (2) an intangible asset representing the lessee's right to use the leased asset. A lessor government is required to recognize (1) a lease receivable and (2) a deferred inflow of resources. A lessor will continue to report the leased asset in its financial statements. The requirements of Statement No. 87, as amended, are effective for reporting periods beginning after June 15, 2021. The College is still assessing the impact of Statement No. 87 on its financial statements.

COVID-19 Disruptions

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic, which continues to spread throughout the United States. As a result, a COVID-19 Exposure Prevention, Preparedness, and Response Plan was implemented by the College. A COVID-19 Safety Team was established to monitor the developing public health situation and ensure the College is in compliance with public health guidance from agencies such as the U.S. Center for Disease Control and Prevention, the Pennsylvania Department of Health, the Department of Public Health for the City of Philadelphia, and the Pennsylvania Department of Education, in order to safeguard the health of its students, employees and community members.

COVID-19 caused unprecedented disruptions to the College's operations. All on-campus credit coursework was suspended effective March 16, 2020 and resumed online beginning March 30, 2020. A laptop lending program was immediately implemented to provide students in need of the technology to complete their studies online. Free or discounted internet access was also made available to eligible students. A virtual student support center was established so students may access services including academic advising, tutoring, library services and financial aid online. The college campus and regional centers remained closed except for a very limited amount of coursework where students require practicum, including Dental Hygiene, Phlebotomy, Clinical Microbiology and others. New fully online workforce and professional development programs were created or converted for summer and fall 2020 terms. However, many vocational skills training programs, especially those requiring face to face instructions for effective learning or required by licensing bodies, were canceled or suspended in spring 2020 due to COVID-19. Some of these programs resumed on campus during the year ended June 30, 2021, including ServSafe Food Protection, Electrical Wiring, Massage Therapy, and others.

In October 2020, the College was awarded $963,525 from the Commonwealth through the Governor's Emergency Education Relief Fund (GEER), all of which was applied during the year ended June 30, 2021 to defray costs related to COVD-19 which were incurred from March 13, 2020 to September 30, 2021. The amount is recorded as federal grants and contracts non-operating revenues on the statement of revenues, expenses and changes in net position.

In April 2020, the College was awarded $16.1 million from the DOE through the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Of the $16.1 million awarded, $8.05 million was allocated to emergency financial aid grants to students and the remaining $8.05 million was allocated to the College to cover any costs associated with significant changes to the delivery of instruction due to COVID-19. During the years ended June 30, 2021 and 2020, the College had drawn down and disbursed $2.65 million and $5.4 million, respectively, of the emergency financial aid grants to students and these amounts are included within student aid expenses in the statements of revenues, expenses, and changes in net position. As of June 30, 2021 and 2020, the College had drawn-down and spent $6.85 million and $1.2 million, respectively, of the institutional portion under the grant to purchase laptops for students, expand remote access and distance education software licensing, purchase personal protective equipment, for converting on-campus courses to remote learning, and reimbursement for online distance fees which were waived for students during the year ended June 30, 2021. The amounts are recorded as federal grants and contracts non-operating revenues on the statement of revenues, expenses and changes in net position.

The College was awarded an additional $5.7 million from the CARES Minority Serving Institutions (MSI) grant of which $2.4 million and $145,000, respectively, was applied during the years ended June 30, 2021 and 2020 to offset the cost of closing the parking garage as well as lost tuition and fees revenue. The amounts are recorded as federal grants and contracts non-operating revenues on the statement of revenues, expenses and changes in net position.

In April 2021, the College was awarded $31.8 million from the DOE through the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA). Of the $31.8 million awarded, $8.05 million was allocated to emergency financial aid grants to students and the remaining $23.75 million was allocated to the College to defray expenses associated with COVID-19 (including lost revenue, reimbursement for expenses already incurred, technology costs associated with a transition to distance education, faculty and staff trainings, and payroll) and to make additional financial grants to students. As of June 30, 2021, the College had drawn down and disbursed $4 million of the emergency Financial Aid Grants to students and these amounts are included within student aid expenses in the statements of revenues, expenses, and changes in net position. As of June 30, 2021, the College had drawn-down and spent $23.3 million of the institutional portion under the grant to replace lost revenue from academic sources (tuition, auxiliary, fees) and to provide additional emergency financial aid grants to students by way of discharging $2.7 million of student account balances due to the College. Of the $23.3 million in institutional award expenditures, $18.7 million was recorded as federal grants and contracts in the statements of revenues, expenses, and changes in net position and the remaining $4.6 million is recorded as unearned revenue in the statements of net position and represents the portion of the revenue to which the College was not entitled based on the pro-rata portion of emergency financial aid grants to students which had not yet been disbursed to students at year-end.

In May 2021, the College was awarded $54.9 million from the DOE through the American Rescue Plan (ARP). No amounts were spent or drawn down under the ARP award as of June 30, 2021.

The remaining balance from the CRRSAA and ARP grant funding will be drawn down and spent in 2022 and 2023. While the disruptions from COVID-19 are currently expected to be temporary, there is uncertainty around the duration. Therefore, while the College expects this matter to continue to negatively impact its financial position for 2022, the related financial impact cannot be reasonably estimated at this time.

NOTE B - DEPOSITS AND INVESTMENTS

The College invests its funds in accordance with the Board of Trustees’ investment policy, which authorizes the College to invest in cash equivalents which consist of treasury bills, money market funds, commercial paper, bankers’ acceptances, repurchase agreements and certificates of deposit; fixed income securities including U.S. government and agency securities, corporate notes and bonds, asset-backed bonds, floating rate securities and Yankee notes and bonds; and mutual funds including the Commonfund Multi-Strategy Bond Fund and Commonfund Intermediate Fund. Regardless of fund classifications, certain general tenets apply. Investments in all classifications seek to maintain significant liquidity and maximize annual income for the College while avoiding excessive risk. Specific objectives include maintaining sufficient liquidity to meet anticipated cash needs and the preservation of principal. The College recognizes that it may be necessary to forego opportunities for potential large gains to achieve a reasonable risk posture. Certain investments are prohibited, including equity securities, commodities and futures contracts, private placements, options, limited partnerships, venture capital, tangible personal property, direct real estate, short-selling, margin transactions and certain derivative instruments. Diversification, insofar as it reduces portfolio risk, is required. At least annually, the Board of Trustees will review the investment policy and performance to determine any appropriate revisions.

Operating funds may be invested only in corporate bonds rated at a minimum A- by Standard and Poor's or A3 by Moody's Investors Service, Inc. (Moody's) that are of U.S. dollar denomination. Investments in asset-backed and mortgage-backed bonds are limited to those rated AAA/Aaa. Investments in commercial paper must be rated A1/P1 or better. The maximum percentage of investments in any one sector is limited to 100% for U.S. government and agency, 25% for asset-backed bonds, 40% for corporate notes and bonds, and 25% for mortgage-backed bonds.

Deposits are comprised of demand deposit accounts with financial institutions. At both June 30, 2021 and 2020, cash on hand was $4,000. At June 30, 2021 and 2020, the carrying amount of deposits was $21,641,501 and $19,585,705 and the bank balance was $22,529,949 and $20,692,394, respectively. The differences were caused primarily by items in transit.

The following is the fair value of deposits and investments at June 30, 2021:

	College	Component Unit Foundation	CCP Development, LLC
Deposits:			
Demand deposits	$ 21,645,501	$ 1,452,851	$ 557,226
Investments:			
U.S. Treasury obligations	4,273,802	-	-
U.S. government agency obligations	5,901,940	-	-
Corporate and foreign bonds	1,944,765	-	-
Intermediate fixed income mutual fund	5,574,146	5,256,080	-
Investment in subsidiary			
Equity mutual fund	-	10,255,861	-
Multi-strategy bond mutual fund	5,614,981	-	-
Money market mutual funds	26,844,772	1,927,110	-
Private real estate fund	-	4,099	-
	$ 71,799,907	$ 18,896,001	$ 557,226

The following is the fair value of deposits and investments at June 30, 2020:

	College	Component Unit Foundation
Deposits:		
Demand deposits	$ 19,585,705	$ 1,622,503
Investments:		
U.S. Treasury obligations	5,181,943	-
U.S. government agency obligations	5,332,734	-
Corporate and foreign bonds	1,776,056	-
Intermediate fixed income mutual fund	5,531,337	4,488,182
Equity mutual fund	-	7,825,563
Multi-strategy bond mutual fund	5,449,926	-
Money market mutual funds	17,684,046	858,020
Private real estate fund	-	55,256

	$ 60,541,747	$ 14,849,524

In addition to the deposits and investments listed above, the College also has bond proceeds available for campus construction held by State Public School Building Authority, and the Bank of New York (the trustees), under the terms of various bond indentures. Bond proceeds available for campus construction are carried in the financial statements at fair value and consist of short-term investments and government securities. As of June 30, 2021 and 2020, bond proceeds available for campus construction include the following:

	2021	2020
Construction funds	$ 9,779,803	$ 19,978,506

As of June 30, 2021, CCP Development, LLC (has debt proceeds available for CATC construction of $22,394,729. See Note M for additional details. The College's investments are subject to various risks. Among these risks are custodial credit risk, credit risk, and interest rate risk. Each one of these risks is discussed in more detail below.

Custodial credit risk is the risk that in the event of a bank failure, the College's deposits may not be returned to the College. The College does not have a deposit policy for custodial credit risk. Commonwealth of Pennsylvania Act 72 of 1971, as amended, allows banking institutions to satisfy the collateralization requirement by pooling eligible investments to cover total public funds on deposit in excess of federal insurance. Such pooled collateral is pledged with the financial institutions' trust departments.

At June 30, 2021 and 2020, the College's bank balance was exposed to custodial credit risk as follows:

	2021	2020
Uninsured and collateral held by pledging bank's trust department not in the College's name	$ 21,641,501	$ 19,585,705

The College participates in the Certificate of Deposit Account Registry Service (CDARS) for its certificates of deposit and Insured Cash Sweep (ICS). CDARS and ICS allow the College to access Federal Deposit Insurance Corporation insurance on multi-million-dollar certificates of deposit and money market deposit accounts to earn rates that compare favorably to treasuries and money market mutual funds. Custodial credit risk has been eliminated for the College's certificates of deposit as a result of its participation in the CDARS program.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The credit risk of a debt instrument is measured by nationally recognized statistical rating agencies such as Moody's.

The multi-strategy bond mutual fund and the intermediate fixed income mutual fund are mutual funds managed by the Commonfund. The credit quality of the investments that comprise these funds are:

	June 30, 2021	
	Multi-Strategy Bond	Intermediate Fixed Income
Government	15%	24%
Agency	24	23
AAA	12	21
AA	3	4
A	10	16
BBB	20	10
Below BBB	13	2
Non-rated/other	3	-
	100%	100%

	June 30, 2020	
	Multi-Strategy Bond	Intermediate Fixed Income
Government	11%	22%
Agency	24	25
AAA	11	22
AA	4	5
A	13	14
BBB	23	10
Below BBB	10	2
Non-rated/other	4	-
	100%	100%

The credit quality of the fixed income investments in which the College directly invests, including U.S. Treasury obligations, U.S. government agency obligations and corporate and foreign bonds, is as follows:

	June 30, 2021	June 30, 2020
	Fixed Income Investments	Fixed Income Investments
Aaa	50%	54%
Aa	3	6
A	34	32
Baa	13	8
	100%	100%

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of fixed income investments. The College's investment policy does not specifically address limitations in the maturities of investments. The weighted average maturities of the College's fixed income investments at June 30, 2021 and 2020 are as follows:

	June 30, 2021	June 30, 2020
	Weighted-Average Maturity (Years)	Weighted-Average Maturity (Years)
U.S. Treasury obligations	3.75	4.27
U.S. government agency obligations	4.02	3.79
Corporate and foreign bonds	4.52	4.92

The College categorizes its fair value measurements within the fair value hierarchy established by U.S. GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs.

The College has the following recurring fair value measurements as of June 30, 2021:

Demand deposits, U.S. Treasury obligations, U.S. government agency obligations, and money market mutual funds of $58,662,015 are valued using quoted market prices (Level 1 inputs).

Corporate and foreign bonds of $1,944,765 are valued using a matrix pricing model (Level 2 inputs), while the intermediate fixed income mutual fund and the multi-strategy bond mutual fund totaling $11,189,127 are valued at the NAV per share (or its equivalent) of the investments (Level 2 inputs).

The Foundation has the following recurring fair value measurements as of June 30, 2021:

Demand deposits, equity mutual fund, and money market mutual funds of $13,635,822 are valued using quoted market prices (Level 1 inputs).

The intermediate fixed income mutual fund of $5,256,080 is valued at the NAV per share (or its equivalent) of the investments (Level 2 inputs).

The private real estate fund of $4,099 is valued at the NAV per share (or its equivalent) of the investments (Level 3 inputs).

CCP Development, LLC has the following recurring fair value measurements as of June 30, 2021:

Demand deposits $557,226 are valued using quoted market prices (Level 1 inputs).

The College has the following recurring fair value measurements as of June 30, 2020:

Demand deposits, U.S. Treasury obligations, U.S. government agency obligations, and money market mutual funds of $47,784,428 are valued using quoted market prices (Level 1 inputs).

Corporate and foreign bonds of $1,776,056 are valued using a matrix pricing model (Level 2 inputs), while the intermediate fixed income mutual fund and the multi-strategy bond mutual fund totaling $10,981,263 are valued at the NAV per share (or its equivalent) of the investments (Level 2 inputs).

The Foundation has the following recurring fair value measurements as of June 30, 2020:

Demand deposits, equity mutual fund, and money market mutual funds of $10,306,086 are valued using quoted market prices (Level 1 inputs).

The intermediate fixed income mutual fund of $4,488,182 is valued at the NAV per share (or its equivalent) of the investments (Level 2 inputs).

The private real estate fund of $55,256 is valued at the NAV per share (or its equivalent) of the investments (Level 3 inputs).

The valuation method for investments measured at the NAV per share (or its equivalent) are presented in the following tables:

June 30, 2021 Investments Measured at NAV ($ in millions)

	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Intermediate fixed income mutual fund (1)	$ 10.8	-	Monthly	30 days
Multi-strategy bond mutual fund (2)	5.6	-	Weekly	7 days
Private real estate fund (3)	0.1	-	N/A	N/A
Total investments measured at NAV	$ 16.5			

June 30, 2020 Investments Measured at NAV ($ in millions)

	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Intermediate fixed income mutual fund (1)	$ 10.0	-	Monthly	30 days
Multi-strategy bond mutual fund (2)	5.4	-	Weekly	7 days
Private real estate fund (3)	0.1	-	N/A	N/A
Total investments measured at NAV	$ 15.5			

(1) *Intermediate Fixed Income Mutual Fund*. The investment objective of the Multi-Strategy Bond Fund is to offer an actively managed, multi-manager investment program that will provide broad exposure to global debt markets. The fund seeks to add value above the return of the broad U.S. bond market as measured by the Barclays Capital U.S. Aggregate Bond Index, net of fees, and to provide competitive returns relative to the Russell U.S. Core Plus Fixed Income Universe. The fund's risk characteristics will vary from those of the index due to its diversified exposures to sectors outside of the index, including below investment grade debt and international bond and currency markets. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the investments.

(2) *Multi-Strategy Bond Mutual Fund*. The investment objective of the Intermediate Term Fund is to produce a total return in excess of its benchmark, the Bank of America Merrill Lynch 1-3 Year Treasury Index, but attaches greater emphasis to its goal of generating a higher current yield than short-term money market investments in a manner that mitigates the chances of a negative total return over any 12-month period. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the investments.

(3) *Private Real Estate Fund*. Equus Capital Partners' Fund X (Equus) seeks to acquire value-add properties across all major real estate segments throughout the U.S. It is a sole-acquirer that takes equity positions and does not partner with regional owner-operators through joint ventures that can be dilutive to equity upside profits. The fund aims to be fully diversified across all major property types and across all U.S. property markets. Equus runs a vertically integrated platform, from deal sourcing, through acquisition to portfolio management, property management, renovation, repositioning and exit. The fund includes moderate leverage on its acquisitions, with no debt recourse to the fund level. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the investments.

NOTE C - ACCOUNTS RECEIVABLE

Accounts receivable include the following at June 30, 2021 and 2020:

	2021		2020	
	College	Component Unit Foundation	College	Component Unit Foundation
Tuition and fee receivables	$ 2,396,454	$ -	$ 6,780,999	$ -
Grants receivable	-	25,892	-	207,067
Other receivables	1,691,802	-	1,253,479	-
Pledges receivable	-	58,891	-	109,942
Receivable from Foundation	791,262	-	701,664	-
	4,879,518	84,783		
	-	-	8,736,142	317,009
Less: allowance for doubtful accounts	(1,339,562)	(4,711)	(3,160,977)	(8,819)
Total	$ 3,539,956	$ 80,072	$ 5,575,165	$ 308,190

The College anticipates that all of its net accounts receivable will be collected within one year.

Accounts receivable, tuition and fees and other are reported as net realizable value. Accounts are written off when they are determined to be uncollectible based upon management's assessment of individual accounts. The allowance for doubtful accounts is estimated based on the College's historical losses and periodic review of individual accounts. The allowance was $1,339,562 and $3,160,977 at June 30, 2021 and 2020, respectively. All of the Foundation's pledges receivable are expected to be collected subsequent to June 30, 2021, generally on a five-year payment schedule.

NOTE D - CAPITAL ASSETS

The College's capital assets consist of the following at June 30, 2021:

	Balance July 1, 2020	Additions	Retirements and Adjustments	Balance June 30, 2021
Capital assets not depreciated:				
Land and improvements	$ 31,094,976	$ -	$ -	$ 31,094,976
Construction in progress	7,194,834	10,120,356	(874,935)	16,440,255
Works of art	902,620	-	-	902,620
	39,192,430	10,120,356	(874,935)	48,437,851
Capital assets being depreciated:				
Buildings and improvements	243,381,379	1,420,441	-	244,801,820
Equipment and furniture	43,965,988	387,778	(46,013)	44,307,753
Library books	5,762,054	116,814	-	5,878,868
Microforms	1,669,832	-	-	1,669,832
Software	4,038,895	-	-	4,038,895
System software	6,911,878	-	-	6,911,878
Total before depreciation	305,730,026	1,925,033	(46,013)	307,609,046
	$ 344,922,456	$ 12,045,389	$ (920,948)	$ 356,046,897

Accumulated depreciation by asset categories is summarized as follows:

	Balance July 1, 2020	Additions	Retirements and Adjustments	Balance June 30, 2021
Buildings and improvements	$ 130,164,842	$ 5,601,370	$ -	$ 135,766,212
Equipment and furniture	38,616,024	1,699,112	(41,778)	40,273,358
Library books	5,013,880	140,519	-	5,154,399
Microforms	1,669,832	-	-	1,669,832
Software	4,038,895	-	-	4,038,895
System software	6,839,325	22,770	-	6,862,095
Total before depreciation	$ 186,342,798	$ 7,463,771	$ (41,778)	$ 193,764,791
Net capital assets				$ 162,282,106

CCP Development, LLC's capital assets consist of construction in progress in the amount of $11,273,412 at June 30, 2021.

The College's capital assets consist of the following at June 30, 2020:

	Balance July 1, 2019	Additions	Retirements and Adjustments	Balance June 30, 2020
Capital assets not depreciated:				
Land and improvements	$ 31,094,976	$ -	$ -	$ 31,094,976
Construction in progress	1,013,521	6,295,754	(114,441)	7,194,834
Works of art	787,708	114,912	-	902,620
	32,896,205	6,410,666	(114,441)	39,192,430
Capital assets being depreciated:				
Buildings and improvements	243,056,366	325,013	-	243,381,379
Equipment and furniture	43,466,500	515,253	(15,765)	43,965,988
Library books	5,660,902	101,152	-	5,762,054
Microforms	1,669,832	-	-	1,669,832
Software	4,038,895	-	-	4,038,895
System software	6,911,878	-	-	6,911,878
Total before depreciation	304,804,373	941,418	(15,765)	305,730,026
	$ 337,700,578	$ 7,352,084	$ (130,206)	$ 344,922,456

Accumulated depreciation by asset categories is summarized as follows:

	Balance July 1, 2019	Additions	Retirements and Adjustments	Balance June 30, 2020
Buildings and improvements	$ 124,274,650	$ 5,890,191	$ -	$ 130,164,841
Equipment and furniture	36,897,941	1,732,805	(14,721)	38,616,025
Library books	4,885,042	128,838	-	5,013,880
Microforms	1,669,832	-	-	1,669,832
Software	4,038,895	-	-	4,038,895
System software	6,808,606	30,719	-	6,839,325
Total	$ 178,574,966	$ 7,782,553	(14,721)	$ 186,342,798
Net capital assets				$ 158,579,658

NOTE E - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consisted of the following at June 30, 2021:

	College	Component Unit Foundation	Component Unit CCP Development LLC
Category:			
Vendors and others	$ 10,360,342	$ 855,179	$ 3,257,298
Accrued salaries	4,817,322	13,841	
Accrued benefits	2,229,854	-	-
Compensated absences	1,428,234	-	-
Retirement incentive payments	4,013,211	-	-
Accrued interest	222,639	-	
Total	$ 23,071,602	$ 869,020	$ 3,257,298

Accounts payable and accrued liabilities consisted of the following at June 30, 2020:

	College	Component Unit Foundation
Category:		
Vendors and others	$ 8,234,349	$ 803,216
Accrued salaries	3,784,561	35,764
Accrued benefits	2,053,313	-
Compensated absences	3,420,896	-
Retirement incentive payments	1,130,713	-
Payroll withholding taxes	514,427	-
Accrued interest	178,804	-
Total	$ 19,317,063	$ 838,980

Long-term liability activity for the year ended June 30, 2021 was as follows:

	Beginning Balance July 1, 2020	Additions	Deductions	Total Ending Balance June 30, 2021	Current Portion
Long-term liabilities:					
Accounts payable and accrued liabilities	$ 19,317,063	$ 3,754,539	$ -	$ 23,071,602	$ 21,293,765
Payable to government agencies	269,549	423,268	(269,549)	423,268	423,268
Capital lease obligation	918,263	-	(468,148)	450,115	378,638
Long-term debt	70,057,284	14,580,000	(7,557,284)	77,080,000	7,600,000
Unamortized bond premium	7,440,661	-	(728,918)	6,711,743	728,918
Other post-employment benefits	143,624,506	36,861,647	-	180,486,153	-
	$ 241,627,326	$ 55,619,454	$ (9,023,899)	$ 288,222,881	$ 30,424,589

Long term liability activity for the year ended June 30, 2020 was as follows:

	Beginning Balance July 1, 2019	Additions	Deductions	Total Ending Balance June 30, 2020	Current Portion
Long-term liabilities:					
Accounts payable and accrued liabilities	$ 18,953,625	$ 544,222	$ (180,784)	$ 19,317,063	$ 17,762,425
Payable to government agencies	4,222,497	-	(3,952,948)	269,549	269,549
Capital lease obligation	1,391,712	-	(473,449)	918,263	468,149
Long-term debt	77,298,101	-	(7,240,817)	70,057,284	7,557,284
Unamortized bond premium	8,169,579	-	(728,918)	7,440,661	728,918
Other post-employment benefits	180,264,083	1,610,577	(38,250,154)	143,624,506	-
	$ 290,299,597	$ 2,154,799	$ (50,827,070)	$ 241,627,326	$ 26,786,325

NOTE F - DEBT

The College's debt financing is primarily provided through Community College Revenue Bonds issued by the Hospitals and Higher Education Facilities Authority and the State Public School Building Authority.

Debt consisted of the following at June 30, 2021:

	Balance July 1, 2020	Additions	Principal Payments	Balance June 30, 2021	Current Portion
2015 Series	$ 41,155,000	$ -	$ (4,595,000)	$ 36,560,000	$ 4,830,000
2018 Series	19,705,000	-	(2,345,000)	17,360,000	2,460,000
2019 Series	8,875,000	-	(295,000)	8,580,000	310,000
2020 Series	-	14,580,000	-	14,580,000	-
SPSBA Loan	322,284	-	(322,284)	-	-
	$ 70,057,284	$ 14,580,000	$ (7,557,284)	$ 77,080,000	$ 7,600,000

Debt consisted of the following at June 30, 2020:

	Balance July 1, 2019	Additions	Principal Payments	Balance June 30, 2020	Current Portion
2015 Series	$ 45,535,000	$ -	$ (4,380,000)	$ 41,155,000	$ 4,595,000
2018 Series	21,970,000	-	(2,265,000)	19,705,000	2,345,000
2019 Series	9,155,000	-	(280,000)	8,875,000	295,000
SPSBA Loan	638,101	-	(315,817)	322,284	322,284
	$ 77,298,101	$ -	$ (7,240,817)	$ 70,057,284	$ 7,557,284

Future annual principal and interest payments at June 30, 2021 are as follows:

	Principal	Interest	Total
June 30:			
2022	$ 7,600,000	$ 3,457,284	$ 11,057,284
2023	7,975,000	3,077,284	11,052,284
2024	6,240,000	2,678,534	8,918,534
2025	6,550,000	2,366,534	8,916,534
2026	6,000,000	2,039,034	8,039,034
2027	6,305,000	1,739,034	8,044,034
2028	7,565,000	1,423,784	8,988,784
2029	2,135,000	1,071,450	3,206,450
2030	2,220,000	990,192	3,210,192
2031	2,305,000	903,848	3,208,848
2032	2,395,000	812,343	3,207,343
2033	2,495,000	715,876	3,210,876
2034	2,595,000	614,002	3,209,002
2035	2,705,000	506,661	3,211,661
2036	2,805,000	405,660	3,210,660
2037	2,900,000	310,502	3,210,502
2038	3,000,000	212,120	3,212,120
2039	1,950,000	108,950	2,058,950
2040	1,340,000	45,413	1,385,413
	$ 77,080,000	$ 23,478,505	$ 100,558,505

2015 Series

Under a loan agreement dated September 10, 2015 between the Authority and the College, the College borrowed $52,075,000 of 2015 Series Community College Revenue Bonds to advance refund a portion of the Authority's Community College Revenue Bonds (Community College of Philadelphia Project), Series of 2008 and additional 2015 Capital Projects. The 2015 Capital Projects consist of the following: (1) renovating the College's biology labs; (2) replacing certain escalators located in the College's West Building; and (3) various other renovations, repairs and capital improvements. All of the foregoing components of the 2015 Capital Projects will be used in connection with the College's operation of its community college buildings in furtherance of its educational mission. The 2015 Series Bonds are payable over 12½ years at rates from 2.00% to 5.00%, with an average debt service payment of $4,166,000. The unrefunded Series of 2008 were payable over three years, with an average debt service payment of $2,415,000.

Remaining principal payments for the 2015 Series Bonds required by the loan agreement are as follows:

	Principal
2022	$ 4,830,000
2023	5,070,000
2024	5,325,000
2025	5,590,000
2026	4,995,000
2027-2039	10,750,000
	$ 36,560,000

2018 Series

Under a loan agreement dated May 1, 2018 between the Authority and the College, the College borrowed $24,155,000 of 2018 Series Community College Revenue Bonds to refund the outstanding Authority's Community College Revenue Bonds (Community College of Philadelphia Project), Series of 2017 and the additional 2018 Capital Projects. The 2018 Capital Projects consist of the renovation and improvements of the Library Learning Commons facility at the main campus. All of the foregoing components of the 2018 Capital Projects will be used in connection with the College's operation of its community college buildings in furtherance of its educational mission. The 2018 Series Bonds are payable over 20½ years at rates from 3.63% to 5.00%, with average debt service payments of $3,291,851 through 2023 and $1,148,381 from 2024 through 2038.

	Principal
2022	$ 2,460,000
2023	2,580,000
2024	575,000
2025	600,000
2026	630,000
2027-2038	10,515,000
	$ 17,360,000

2019 Series

Under a loan agreement dated May 2019 between the Authority and the College, the College borrowed $9,155,000 College Revenue Bonds (Community College of Philadelphia Project), Series A of 2019. The 2019 Capital Projects consist of (a) the development, construction, improvement, furnishing, equipping and outfitting of a new, approximately 75,000 square foot, building on land owned by the College in West Philadelphia, with a facility that will be used to house the College's Career and Advanced Technology Center, (b) the demolition of an existing building on such site, and (c) other miscellaneous capital improvements at such site including parking, landscaping and related improvements. All of the foregoing components of the 2019 Capital Projects will be used in connection with the College's operation of its community college buildings in furtherance of its educational mission. The 2019 Series A Bonds are payable over 20 years at rates from 3.00% to 5.00%, with average debt service payments of $675,589 from 2020 through 2039.

Principal payments required by the loan agreement are as follows:

	Principal
2022	$ 310,000
2023	325,000
2024	340,000
2025	360,000
2026	375,000
2027	395,000
2028-2039	6,475,000
	$ 8,580,000

2020 Series

Under a loan agreement dated December 8, 2020 between the Authority and the College, the College borrowed $14,580,000 College Revenue Bonds (Community College of Philadelphia Project), Series of 2020 (Federally Taxable). The 2020 Capital Project is completion funding for the 2019 Capital Project and consists of:

(a) the development, construction, improvement, furnishing, equipping and outfitting of a new, approximately 75,000 square foot building on land owned by the College in West Philadelphia, which facility will be used to house the College's Career and Advanced Technology Center, and

(b) other miscellaneous capital improvements at such site, including parking, landscaping and related improvements.

The 2020 Series Bonds were issued prior to the closing of the new market tax credit transaction which occurred on December 9, 2020. A portion of the proceeds of the 2020 Series Bonds was used as a leveraged loan to an investment fund which in turn, through three community development entities, lent such proceeds to CCP Development, LLC, which is 90% owned by the College and 10% owned by Career and Advanced Technology Center, Inc., a 501(c)(3) tax-exempt nonprofit corporation. CCP Development, LLC will use the proceeds and net new market tax credit equity received to construct the Career and Advanced Technology Center. The loan to CCP Development, LLC is secured by a first priority mortgage and lien on the Career and Advanced Technology Center. All of the foregoing components of the 2020 Capital Project will be used in conjunction with College's operation of its community college buildings in furtherance of its educational mission. Refer to Note M for additional details.

Remaining principal payments required by the loan agreement are as follows:

	Principal
2028	$ 950,000
2029	970,000
2030	995,000
2031	1,020,000
2032	1,045,000
2033	1,075,000
2034-2040	8,525,000
	$ 14,580,000

Operating Leases

The College leases certain equipment and property under operating lease arrangements that expire through 2025. Rental expense for operating leases was $537,832 and $513,212 for the years ended June 30, 2021 and 2020, respectively.

Future minimum lease payments required under operating leases are as follows:

2022	$ 433,970
2023	310,274
2024	272,845
2025	278,311
	$ 1,295,400

Capital Leases

The College leases certain equipment under capital lease arrangements that expire through 2023. These leases are recorded at the lower of cost or present value and amounted to $450,115 and $918,263 at June 30, 2021 and 2020, respectively. Amortization charges of capital leases were $1,050,961 and $1,106,227 for the years ended June 30, 2021 and 2020, respectively.

Future minimum lease payments under capital leases are as follows:

	Principal	Interest	Total
2022	$ 378,638	$ 14,031	$ 392,669
2023	71,477	1,121	72,598
	$ 450,115	$ 15,152	$ 465,267

NOTE G - (PAYABLE TO) RECEIVABLE FROM GOVERNMENT AGENCIES

(Payable to) receivable from government agencies includes the following at June 30, 2021 and 2020:

	2021		2020	
	(Payable)	Receivable	(Payable)	Receivable
Commonwealth of Pennsylvania:				
Provision for potential audit findings and reimbursement calculation	$ (75,503)	$ -	$ (47,999)	$ -
Grants and special projects	-	885,772	-	1,148,570
PHEAA for grants	(347,765)	-	(221,550)	-
	(423,268)	885,772	(269,549)	1,148,570
City of Philadelphia grants receivable	-	2,660,008	-	497,511
Federal:				
Financial aid programs	-	13,979	-	2,644
Grants and special projects	-	12,984,370	-	1,063,562
	-	15,658,357	-	1,563,717
Total	$ (423,268)	$ 16,544,129	$ (269,549)	$ 2,712,287

NOTE H - EMPLOYEE BENEFITS

Retirement benefits are provided for substantially all employees through payments to one of the board authorized retirement programs. Although the College does not offer participation in the Pennsylvania State Employees' Retirement System (SERS) or the Public School Employees' Retirement System (PSERS), it has grandfathered continued participation for those employees currently enrolled. The College has 12 employees participating in the SERS and 22 employees in the PSERS.

Defined Benefit Plans

The PSERS and SERS are cost-sharing multiple employer-defined benefit plans and are administered by the Commonwealth as established under legislative authority. The financial statements for PSERS and SERS can be obtained from the following: Commonwealth of Pennsylvania, Public School Employees' Retirement System, 5 North Fifth Street, P.O. Box 125, Harrisburg, PA 17108 0125; and Commonwealth of Pennsylvania, State Employees' Retirement System, 30 North Third Street, P.O. Box 1147, Harrisburg, PA 17108 1147.

Benefits Provided

PSERS and SERS provide retirement, disability, and death benefits. For PSERS, retirement benefits are determined as 2.00% or 2.50% (depending on membership class), of the individual's final average salary multiplied by the number of years of credited service. After completion of five years of service, an individual's right to defined benefits is vested, and early retirement may be elected. Individuals are eligible for disability retirement benefits after completion of five years of credited service. Such disability benefits are generally equal to 2.00% to 2.50% (depending on membership class) of the member's final average salary multiplied by the number of years of credited service, but not less than one-third of such salary nor greater than the benefit the member would have had at normal retirement age. Death benefits are payable upon the death of an active member who has reached age 62 with at least one year of credited service. Such benefits are actuarially equivalent to the benefit that would have been effective if the member had retired on the day before death.

For SERS, retirement benefits are determined at 2.00% or 2.50% (depending on membership date) of the highest three-year average salary times the number of years of service. The vesting period is either 5 or 10 years (depending on membership date) of credited service.

Contributions

For PSERS, the contribution policy is set by Commonwealth statutes and requires contributions by active members, employers and the Commonwealth of Pennsylvania. Funding percentages are determined by the plan in accordance with actuarial calculations and are based on covered payroll. Currently, for full time faculty, administrators and other staff, the College contributes 16.72% of all earnings as long as contributions are adequate to accumulate assets to pay retirement benefits when due. Employee contributions are 6.50% of all earnings for members prior to July 22, 1983 and 7.50% of all earnings for members after July 22, 1983.

For SERS, the contribution policy is set by Commonwealth statutes and requires contributions by active members, employers and the Commonwealth of Pennsylvania. Funding percentages are determined by the plan in accordance with actuarial calculations and are based on covered payroll. Currently, for full-time faculty, administrators and other staff, the College contributes 23.94% and 34.63% of all earnings as long as contributions are adequate to accumulate assets to pay retirement benefits when due. Employee contributions are 6.25% of all earnings.

Pension Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources

At June 30, 2021, the College reported a liability of $1,379,000 and $2,831,037, within other post-employment benefits liability on the statements of net position, for its proportional share of the net pension liability for PSERS and SERS, respectively. The net pension liability was measured as of June 30, 2020 for PSERS and December 31, 2020 for SERS, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The College's proportion of the net pension liability is based on a projection of the College's long-term share of contributions to the pension plan relative to the projected contributions of all participating institutions, actuarially determined. At June 30, 2021 and December 31, 2021, respectively, the College's proportion of PSERS and SERS was 0.0028% and 0.0155%.

For the year ended June 30, 2021, the College recognized proportional pension expense for PSERS and SERS of $87,000 and $343,277 respectively, as provided by the plans' actuarial schedules. At June 30, 2021, the College reported deferred outflows and inflows of resources related to pensions from the following sources:

PSERS

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 4,000	$ 33,000
Net difference between projected and actual earnings on pension plan investments	61,000	-
Changes in proportion and differences between College contributions and proportionate share of contributions	-	175,000
Total	$ 65,000	$ 208,000

SERS

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 26,579	$ 3,175
Changes in assumptions	314,798	-
Net difference between projected and actual earnings on pension plan investments	-	362,218
Changes in proportion	167,724	85,683
Changes in proportion and differences between College contributions and proportionate share of contributions	-	190,308
Total	$ 509,101	$ 641,384

At June 30, 2020, the College reported a liability of $1,403,000 and $2,710,432, within other post-employment benefits liability on the statements of net position, for its proportional share of the net pension liability for PSERS and SERS, respectively. The net pension liability was measured as of June 30, 2019 for PSERS and December 31, 2019 for SERS, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The College's proportion of the net pension liability is based on a projection of the College's long-term share of contributions to the pension plan relative to the projected contributions of all participating institutions, actuarially determined. At June 30, 2020 and December 31, 2020, respectively, the College's proportion of PSERS and SERS was 0.0030% and 0.0149%.

For the year ended June 30, 2020, the College recognized proportional pension expense for PSERS and SERS of $176,000 and $441,641, respectively, as provided by the plans' actuarial schedules. At June 30, 2020, the College reported deferred outflows and inflows of resources related to pensions from the following sources:

PSERS

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 8,000	$ 46,500
Changes in assumptions	13,000	-
Net difference between projected and actual earnings on pension plan investments	-	4,000
Changes in proportion and differences between College contributions and proportionate share of contributions	26,000	159,500
Total	$ 47,000	$ 210,000

SERS

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 33,795	$ 18,359
Changes in assumptions	104,446	-
Net difference between projected and actual earnings on pension plan investments	-	193,303
Changes in proportion	236,770	128,584
Changes in proportion and differences between College contributions and proportionate share of contributions	-	188,529
Total	$ 375,011	$ 528,775

Actuarial Assumptions

The following methods and assumptions were used in the actuarial valuations for both years ended June 30, 2021 and 2020, unless otherwise stated. These methods and assumptions were applied to all periods included in the measurement:

PSERS

Actuarial cost method	entry age normal level % of pay
Investment rate of return	7.25%, includes inflation at 2.75%

Salary increases	effective average of 5.00%, which reflects an allowance for inflation of 2.75%, real wage growth of 2.25% and merit of seniority increases.
Mortality rates	Mortality rates were based on the RP-2014 Mortality Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 Mortality Improvement Scale.

<u>SERS</u>

Actuarial cost method	entry age
Amortization method	straight-line amortization of investments over five years and amortization of assumption changes and noninvestment gains/losses over the average expected remaining service lives of all employees that are provided benefits
Investment rate of return	7.00% and 7.125%, net of manager fees including inflation as of June 30, 2021 and 2020, respectively
Projected salary increases	average of 4.60% with range of 3.30% - 6.95% including inflation
Inflation	2.50%
Mortality rate	projected RP-2000 Mortality Tables adjusted for actual plan experience and future improvement
Cost of living adjustments	none (ad hoc)

<u>PSERS</u>

The long-term expected real rate of return on pension investments is determined using a building-block method in which best estimates of ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of real rates of return are summarized in the following table:

Asset Class	Target Allocation	June 30, 2021 Long-Term Expected Rate of Return	June 30, 2020 Long-Term Expected Rate of Return
Global Public Equity	15.00%	5.20%	5.60%
Private Equity	15.00%	7.20%	0.00%
Fixed Income	36.00%	1.10%	1.90%
Commodities	8.00%	1.80%	2.70%
Absolute Return	10.00%	2.50%	3.40%
Infrastructure/MLPs	6.00%	5.70%	5.50%
Real Estate	10.00%	5.50%	4.10%
Risk Parity	8.00%	3.30%	4.10%
Cash	6.00%	-1.00%	0.30%
Financing (LIBOR)	-14.00%	-0.70%	0.70%
	100.00%		

SERS

Some of the methods and assumptions mentioned above are based on the 17th Investigation of Actuarial Experience, which was published in January 2011 and analyzed experience from 2006 through 2010. The long-term expected real rate of return on pension investments is determined using a building-block method in which best estimates of ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of real rates of return are summarized in the following table:

Asset Class	Total Allocation June 30, 2021	Total Allocation June 30, 2020	Long-Term Expected Rate of Return June 30, 2021	Long-Term Expected Rate of Return June 30, 2020
Private equity	14.00%	16.00%	6.25%	7.25%
Global Public equity	0.00%	48.00%	0.00%	5.15%
Private Credit	4.00%	0.00%	4.25%	0.00%
Real Estate	8.00%	12.00%	5.60%	5.26%
Multi-Strategy	0.00%	10.00%	0.00%	4.44%
US Equity	25.00%	0.00%	4.90%	0.00%
Int’l Developed Markets Equity	13.00%	0.00%	4.75%	0.00%
Emerging Markets Equity	4.00%	0.00%	5.00%	0.00%
Fixed Income - Core	22.00%	11.00%	1.50%	1.26%
Fixed Income - Opportunistic	4.00%	0.00%	3.00%	0.00%
Inflation Protection (TIPS)	4.00%	0.00%	1.50%	0.00%
Cash	2.00%	3.00%	0.25%	0.00%
Total	100.00%	100.00%		

For PSERS and SERS, the discount rate used to measure total pension liability was 7.25% and 7.125%, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plans’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Position Liability

For PSERS, the College’s net pension liability at June 30, 2021 is $1,379,000 using a 7.25% discount rate. The College’s net pension liability would have been $1,706,000 assuming a 1%-point decrease (6.25%) in the discount rate and would have been $1,102,000 assuming a 1%-point increase (8.25%) in the discount rate.

For SERS, the College’s net pension liability at June 30, 2021 is $2,831,037 using a 7% discount rate. The College’s net pension liability would have been $3,751,215 assuming a 1%-point decrease (6%) in the discount rate and would have been $2,042,136 assuming a 1%-point increase (8%) in the discount rate.

Defined Contribution Plans

The College also sponsors one defined contribution plan, and as such, benefits depend solely on amounts contributed to the plan plus investment earnings. Full-time faculty and administrative employees are eligible to participate from the date of employment, and clerical employees have a one year waiting period. Participation is mandatory for full-time faculty and administrative employees upon reaching the age of 30 or after two years of employment, whichever is the later date. Participation is mandatory for full-time classified and confidential employees upon reaching the age of 30 or after four years of employment, whichever is the later date. Part-time faculty may participate after earning four seniority units, as defined in the collective bargaining agreement. College policy and collective bargaining agreements require that both the employee and the College contribute amounts, as set forth below, based on the employee's earnings.

The College's contributions for each employee (and interest allocated to the employee's accounts) are fully vested. Death benefits for value of accumulation are provided to the beneficiary of a participant who dies prior to retirement. Various payment options are available. The College has 1,056 employees participating in this program.

The payroll for employees covered by the three plans was $58,696,317 and $61,929,131, and the College's total payroll is $74,041,097 and $78,816,030 at June 30, 2021 and 2020, respectively. Contributions made by the College for the years ended June 30, 2021 and 2020 totaled $5,367,470 and $5,965,352, respectively, representing 9.14% and 9.63%, respectively, of covered payroll. College employees contributed $4,414,574 and $4,833,935, respectively, for the years ended June 30, 2021 and 2020.

A summary of retirement benefits follows:

Type of Employee	
Full-time faculty	10% of base contract
Visiting lecturers	5% of base contract
Part-time faculty	5% of all earnings
Administrators and other staff	10% of base contract
Others	10% of annual salary
Employee contribution	5% of base salary

Post-Employment Benefits (OPEB)

Program Description

The College provides post-employment benefits other than pensions (OPEB) to eligible retirees of the College and their spouses. Health benefits include medical, prescription drug and dental coverage. Retirees and spouses are eligible to continue coverage for life as long as the retiree premium rates are paid. Life insurance benefit continues until age 65. Spouses are not covered. Life insurance benefit is determined as follows: Administrators = 2.5 times last annual salary, rounded up to next $1,000; Faculty, Classified, Confidential = 2 times last annual salary, rounded up to next $1,000; Faculty on Pre-Retirement Half-Time Workload Option = 4 times last annual salary, rounded up to next $1,000. These healthcare benefits are funded by a single employer plan.

Eligibility

Participants must be at least age 62 with 10 years of full-time service and have attained age plus service being greater than or equal to 77.

Funding Policy

Post-employment benefits other than pensions stem from the College's three collective bargaining agreements. For the years ended June 30, 2021 and 2020, the College paid $243,357 and $800,000, respectively, on behalf of the retirees and spouses. The College pays 100% of the premium for coverage for retirees until the end of the contract year in which the retiree attains age 65. Thereafter, the retiree pays 50% of the total premium, less the Medicare Part B premium. Pre-65 and post-65 retirees pay 50% of active medical benefits for pre-65 spouses. Post-65 retirees pay 50% of the premium for the coverage of post-65 spouses, less their Medicare Part B premium. Pre-65 retirees pay 0% of the premium for the coverage of post-65 spouses (the College pays 100% of their premium). Surviving spouses must pay 100% of the premium for coverage without getting reimbursed for Medicare Part B premium if over 65. Retirees on Medicare disability are given the Medicare Part B reimbursement regardless of age. The College pays 100% of the premium for retired post-65 part-time teachers and their spouses.

Employees/Retirees/Beneficiaries	Number of Participants as of July 1, 2020	Number of Participants as of July 1, 2019
Actives	497	833
In-actives currently receiving benefit payments	210	594
Total	707	1,427

The following table provides a summary of the changes in the College's total OPEB liability for fiscal years ended June 30, 2021 and 2020. The valuation dates were July 1, 2020 and 2019, and the measurement dates were June 30, 2021 and 2020.

Change in Total OPEB Liability (TOL)	July 1, 2020	July 1, 2019
TOL, beginning of year	$ 139,511,074	$ 175,548,288
Service cost	3,923,045	5,862,664
Interest	4,952,399	6,925,232
Change in benefit terms	-	(11,026,241)
Difference between expected and actual experience	-	(33,487,521)
Benefits paid	(3,874,038)	(4,928,779)
Changes in assumptions	31,763,636	617,431
TOL, end of year	$ 176,276,116	$ 139,511,074

The following summarizes the development of benefit for the years ended June 30, 2021 and 2020:

	2021	2020
Service cost	$ 3,923,045	$ 5,862,664
Interest	4,952,399	6,925,232
Changes in assumptions	7,940,909	154,358
Amortization of:		
Total OPEB liability and assumption gain	(21,692,711)	(32,873,370)
Total benefit	$ (4,876,358)	$ (19,931,116)
Weighted-average assumptions to determine expense:		
Actual benefit payments	$ 3,874,038	$ 4,928,779
Discount rate	2.21%	3.50%
Expected return on assets	N/A	N/A
Salary scale	3.00%	3.00%
Current rate	6.50%	6.50%
Ultimate rate/year reached	4.50%/2041	4.50%/2040

Deferred inflows of resources reported by the College at June 30, are as follows:

Date Amortization Base Set	Net Amount at June 30,	Amortization Period Remaining at June 30,
2020	$ 74,716,112	4.00
2021	$ 52,868,983	4.00

Deferred outflows of resources reported by the College at June 30, are as follows:

Date Amortization Base Set	Net Amount at June 30,	Amortization Period Remaining at June 30,
2020	$ 463,073	4.00
2021	$ 24,131,442	4.00

Deferred Inflows Projection

Amounts reported as deferred inflows of resources will be recognized in expense as follows:

Years Ending June 30:	
2022	$ 13,751,861
2023	11,271,748
2024	3,713,932

Actuarial Assumptions - 2021

Mortality Table: The Pub-2010 Public Retirement Plans Teachers mortality table projected generationally with Scale MP-2020 for faculty participants and Pub-2010 Public Retirement Plans General mortality projected generationally with Scale MP-2020 for all other participants.

Discount Rate: 2.21% for determining June 30, 2021 disclosure and estimated 2022 expense; 3.50% for determining June 30, 2020 disclosure and estimated 2021 expense.

Discount Rate Determination Method: Under GASB 75, the discount rate for unfunded plans must be based on a yield or index rate for a 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. Rates were taken from the Bond Buyer 20-Bond Go index as of the measurement dates.

A one-percentage point change in the discount rate and assumed health care cost trend rates would have the following impact on the liability for post-employment benefits obligations at June 30, 2021:

Discount Rate Change	1% Decrease	1% Increase
Net OPEB Liability	$ 280,254,743	$ 150,807,751
Net OPEB Liability Healthcare Trend Rate	$ 148,368,874	$ 211,921,975

Actuarial Assumptions - 2020

Mortality Table: The Pub-2010 Public Retirement Plans Teachers mortality table projected generationally with Scale MP-2019 for faculty participants and Pub-2010 Public Retirement Plans General mortality projected generationally with Scale MP-2019 for all other participants.

Discount Rate: 3.50% for determining June 30, 2020 disclosure and estimated 2021 expense; 3.87% for determining June 30, 2019 disclosure and estimated 2020 expense.

Discount Rate Determination Method: Under GASB 75, the discount rate for unfunded plans must be based on a yield or index rate for a 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. Rates were taken from the S&P municipal bond 20-year high grade rate index as of the measurement dates.

A one-percentage point change in the discount rate and assumed health care cost trend rates would have the following impact on the liability for post-employment benefits obligations at June 30, 2020:

Discount Rate Change	1% Decrease	1% Increase
Net OPEB Liability	$ 163,386,229	$ 120,394,965
Net OPEB Liability Healthcare Trend Rate	$ 119,665,431	$ 164,490,831

Retirement Incentive Program

Effective September 1, 2014, the collective bargaining agreement provides for a retirement incentive for full-time employees at age 63, 64 or 65 with at least 20 years of service. The incentive payment is a percentage of final pay based on years of service. Forty employees will receive the incentive payment during fiscal years 2020-2021 and 2021-22. The present value of these payments is $634,824 and $958,145, respectively.

NOTE I - COMMITMENTS AND CONTINGENCIES

The use of grant monies received is subject to compliance audits by the disbursing governmental agency. The College believes it is in compliance with all significant grant requirements.

The nature of the educational industry is such that, from time to time, the College is exposed to various risks of loss related to torts; alleged negligence; acts of discrimination; breach of contract; labor disputes; disagreements arising from the interpretation of laws or regulations; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. While some of these claims may be for substantial amounts, they are not unusual in the ordinary course of providing educational services. The College addresses these risks by purchasing commercial insurance. The College's retention of risk is limited to the deductibles on its insurance policies, which range from $0 to $150,000 per claim depending on the nature of the claim.

There have been no significant reductions in insurance coverage from the prior year. There have been no instances where a settlement amount exceeded the insurance coverage for each of the last three years. It is not expected that the resolution of any outstanding claims and litigation will have a material adverse effect on the accompanying financial statements.

The College's five-year Collective Bargaining Agreement with Faculty and Classified employee unions expires on August 31, 2022.

NOTE J - OPERATING EXPENSES

The College's and component unit Foundation's operating expenses, on a natural-classification basis, were comprised of the following for the years ended June 30, 2021 and 2020:

	2021		2020	
	College	Component Unit Foundation	College	Component Unit Foundation
Salaries	$ 74,041,097	$ 907,137	$ 77,819,073	$ 996,955
Benefits	32,569,787	363,398	34,789,946	406,056
Contracted services	9,247,101	59,286	9,247,101	91,285
Supplies	5,564,083	82,627	4,466,810	62,181
Depreciation	7,463,771	-	7,782,553	-
Student aid	12,644,020	1,114,726	12,052,409	791,771
Other post-retirement benefits	(8,754,336)	-	(24,589,650)	-
Other	10,231,345	325,707	11,376,200	539,154
Total	$ 143,006,868	$ 2,852,881	$ 132,973,354	$ 2,887,402

NOTE K - CITY AND COMMONWEALTH APPROPRIATIONS

Appropriations from the Commonwealth and the City for the years ending June 30, 2021 and 2020 are as follows:

	2021		2020	
	Operations	Capital	Operations	Capital
Commonwealth of Pennsylvania	$ 32,388,574	$ 5,812,134	$ 32,408,016	$ 5,819,210
City of Philadelphia	34,450,833	7,177,918	29,846,548	6,212,659
Total appropriations	$ 66,839,407	$ 12,990,052	$ 62,254,564	$ 12,031,869

NOTE L - PASS-THROUGH GRANTS

The College distributed $15,184,845 and $21,245,772 for the years ended June 30, 2021 and 2020, respectively, for student loans through the U.S. Department of Education Federal Direct Loan Program. These distributions and related funding sources are not included as expenses and revenues, nor as cash disbursements and cash receipts in the accompanying financial statements.

NOTE M - NEW MARKET TAX CREDITS (CAREER AND ADVANCED TECHNOLOGY CENTER PROJECT)

On April 5, 2018, the Board of Trustees of the College approved a Resolution authorizing the West Regional Center Expansion. The West Regional Center Expansion is a capital project consisting of the development, construction, improvement, furnishing, equipping and fit out of a new building of approximately 75,000 square foot on land owned by the College in West Philadelphia. The building is being referred to as the Career and Advanced Technology Center (the CATC).

The construction of CATC will be supported by several mechanisms that include tax-exempt and taxable municipal bonds, Pennsylvania Department of Education capital funding, Redevelopment Assistance Capital Program (RACP) grants and New Market Tax Credits (NMTC).

On August 15, 2018, the Pennsylvania Department of Education approved the College’s application for State assistance for the construction of community college facilities to expand the West Regional Center. The Department provided $10,000,000 towards the capital expense of this Project in the form of debt service for the Series 2019 bonds, with the remainder to be financed by local sponsorship and other sources.

On May 8, 2019, the College successfully issued $9,155,000 Series 2019 bonds with a premium of $1,028,784 for total proceeds of $10,183,784. The Series 2019 bonds were issued to assist with the construction of the CATC.

For additional funding of the CATC, the College utilized NMTC by which investors provide capital to community development entities (CDEs), and in exchange are awarded credits against their federal tax obligations. The NMTC program offers credits against federal income taxes over a 7-year period for Qualified Equity Investments in designated CDEs pursuant to Section 45D of the Internal Revenue Code in order to assist eligible businesses in making investments in certain low-income communities.

The CATC is located at 4750 Market Street, Philadelphia, Pennsylvania, within a census tract that constitutes a “low-income community” and therefore qualified for the NMTC program. CCP Development, LLC (the LLC) was established as a qualified active low-income community business (QALICB) and serves as the leveraged loan lender for the NMTC transaction. The LLC was allocated $25,945,000 of NMTC's from three separate CDEs which invested in the CATC.

As part of the NMTC transaction, an investment fund (the Fund) was established and funded through an investment of NMTC equity from an investor (Fund Investor). The Fund invested in the three CDEs which made loans to the LLC on December 9, 2020 in the aggregate amount of $25,945,000.

Upon completion of the construction of the CATC building, the LLC will lease the building to the College. The College will be responsible for all operating and maintenance costs of the CATC upon completion, which is expected to be in 2022.

Interest on the three loans is paid by the LLC, commencing on February 5, 2021, at 1.836% per annum. The notes all mature on November 1, 2050 with interest only payments through October 31, 2028 and principal and interest payments from February 5, 2029 and continuing each annual payment date thereafter through and including August 5, 2050. The College provided a limited payment guaranty and completion guaranty to the CDEs to secure the loans.

The loan receivable and related interest receivable from the Fund to the College are recorded as a loan receivable within the statements of net position. The LLC recorded the three loan obligations owed to the CDEs as notes payable within the statements of net position. Because there is no right of offset between the loan receivable due to the College and the notes payable by the LLC, the loan receivable and notes payable are presented separately in the statements of net position for the year ending June 30, 2021.

The leveraged loans mature on August 1, 2046, and the Fund will pay the College interest only at a rate of 2.197% per annum for the outstanding balance commencing December 9, 2020. Amortization begins February 1, 2029 with the first amortizing payment due February 15, 2029. At the end of the 7-year tax credit investment period, and for the following six months (Put Option Period), between December 9, 2027 and May 9, 2028, the Fund Investor has an option, but not an obligation, to sell to the College the Fund Investor's interest in the Fund for a put exercise price of $1,000. If the put is not exercised, then the College has the right and option, at any time during the 6-month period following the Put Option Period, to elect to purchase the Fund Investor's interest in the Fund, at an amount equal to the fair market value at the time of exercise.

Interest expense related to the outstanding notes payable for the year ended June 30, 2021 was $271,216. Interest income related to the loan receivable for the year ended June 30, 2021 was $245,078.

As of the date of issuance of the financial statements, the LLC has $22,951,955 available for the completion of the CATC project.

NOTE N - SUBSEQUENT EVENTS

The College has evaluated subsequent events through September 28, 2021, noting no items which would require disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

SCHEDULES OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS - LAST 10 YEARS* (UNAUDITED)

Years ended June 30

(Amounts are in thousands)

	2021	2020	2019	2018
Total OPEB Liability				
Service cost	$ 3,923	$ 5,863	$ 6,425	$ 10,624
Interest cost	4,952	6,925	5,696	6,234
Actual and expected experience difference	-	(33,487)	-	(47,379)
Changes in assumptions	31,764	617	-	(19,251)
Changes in benefit terms	-	$ (11,026)	$ (9,920)	$ -
Benefit payments	(3,874)	(4,929)	(4,449)	(4,934)
Net change in total OPEB liability	36,765	(36,037)	(2,248)	(54,706)
Total OPEB liability - beginning	139,511	175,548	177,796	232,502
Total OPEB liability - ending (a)	$ 176,276	$ 139,511	$ 175,548	$ 177,796
Plan Fiduciary Net Position				
Contribution - employer	$ 3,874	$ 4,929	$ 4,449	$ 4,934
Benefit payments	(3,874)	(4,929)	(4,449)	(4,934)
Net change in plan fiduciary net position	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-
Plan fiduciary net position - ending (b)	$ -	$ -	$ -	$ -
Net OPEB liability - ending (a)-(b)	$ 176,276	$ 139,511	$ 175,548	$ 177,796
Covered-employee payroll	55,279	53,434	51,546	54,241
Total OPEB liability as a percentage of covered-employee payroll	319%	261%	341%	328%

**This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

See accompanying report of independent certified public accountants.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

SCHEDULES OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - LAST 10 YEARS* (UNAUDITED)

Years ended June 30,

	2021	2020	2019	2018	2018	2017	2016	2015
PSERS								
College's proportion of the net pension liability	0.0028%	0.0030%	0.0034%	0.0034%	0.0034%	0.0035%	0.0032%	0.0026%
College's proportionate share of the net pension liability	$ 1,379,000	$1,403,000	$1,632,000	$1,679,000	$1,679,000	$1,734,000	$1,386,000	$1,030,000
College's covered employee payroll	$ 244,157	$ 407,745	$ 456,911	$ 455,779	$ 455,779	$ 454,763	$ 413,104	$ 335,800
Plan fiduciary net position as a percentage of the total pension liability	54.32%	55.66%	54.00%	51.84%	51.84%	50.14%	54.36%	57.24%
SERS								
College's proportion of the net pension liability	0.0155%	0.0149%	0.0148%	0.0160%	0.0160%	0.0147%	0.0110%	0.0120%
College's proportionate share of the net pension liability	$ 2,831,037	$2,710,432	$3,083,795	$2,758,923	$2,758,923	$2,827,306	$1,998,201	$1,784,684
College's covered employee payroll	$ 1,021,917	$ 958,066	$ 930,394	$ 979,992	$ 979,992	$ 894,293	$ 653,759	$ 692,779
Plan fiduciary net position as a percentage of the total pension liability	67.00%	63.10%	56.40%	63.00%	63.00%	57.80%	58.90%	64.80%

**This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

See accompanying report of independent certified public accountants.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

SCHEDULES OF EMPLOYER CONTRIBUTIONS - LAST 10 YEARS* (UNAUDITED)

Years ended June 30,

	2021	2020	2019	2018	2018	2017	2016	2015
PSERS								
Contractually required contribution	$ 175,000	$ 134,000	$ 144,000	$ 130,000	$ 130,000	$ 111,000	$ 83,000	$ 52,000
Contribution in relation to the contractually required contribution	175,000	134,000	144,000	130,000	130,000	111,000	83,000	52,000
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered employee payroll	$ 244,157	$ 407,745	$ 456,911	$ 455,779	$ 455,779	$ 454,763	$ 413,104	$ 335,800
Contributions as a % of covered employee payroll	71.6752%	32.8637%	31.5160%	28.5226%	28.5226%	24.4083%	20.0918%	15.4854%
SERS								
Contractually required contribution	$ 352,495	$ 334,491	$ 323,944	$ 325,667	$ 325,667	$ 301,735	$ 202,576	$ 98,248
Contribution in relation to the contractually required contribution	352,495	334,491	323,944	325,667	325,667	301,735	202,576	98,248
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered employee payroll	$ 1,021,917	$ 958,066	$ 930,394	$ 979,992	$ 979,992	$ 894,293	$ 653,759	$ 692,779
Contributions as a % of covered employee payroll	34.4935%	34.9131%	34.8179%	33.2316%	33.2316%	33.7401%	30.9863%	14.1817%

**This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

See accompanying report of independent certified public accountants.

OTHER INFORMATION (UNAUDITED)

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATISTICAL SECTION - SCHEDULE OF REVENUES BY SOURCE (UNAUDITED)

Year ended June 30,

(Amounts expressed in thousands)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Revenues:										
Student tuition and fees (net of scholarship allowances)	$ 28,424	$ 30,536	$ 32,753	$ 33,234	$ 32,992	$ 31,643	$ 31,973	$ 35,338	$ 32,003	$ 30,181
Sales of auxiliary enterprises	408	1,413	1,599	1,523	1,737	1,740	1,786	1,671	1,776	1,827
Other operating revenues	23	38	42	46	62	87	196	166	158	168
Total operating revenues	28,855	31,987	34,394	34,803	34,791	33,470	33,955	37,175	33,937	32,176
City appropriations	34,451	29,847	25,549	23,310	24,189	23,272	21,271	18,346	18,064	17,652
State appropriations	32,389	32,408	31,820	30,892	30,868	30,128	28,632	28,179	28,240	28,229
Federal grants and contracts	65,187	52,337	46,098	49,026	48,888	53,551	57,871	58,796	58,715	56,839
State grants and contracts	6,061	6,621	5,989	7,953	8,126	8,278	7,343	6,591	7,191	6,495
Gifts from the Community College of Philadelphia Foundation	12	95	160	242	835	225	141	100	2,809	-
Nongovernmental grants and contracts	2,884	2,522	2,115	1,582	1,528	1,456	1,521	1,704	1,119	1,014
Net investment income	451	1,691	1,577	36	75	815	365	695	333	1,098
Other nonoperating revenue	509	578	410	399	378	2,579	1,087	324	379	540
Total nonoperating revenues	141,944	126,099	113,718	113,440	114,887	120,304	118,231	114,735	116,850	111,867
Capital appropriations	12,990	12,032	11,797	12,450	11,050	12,354	10,859	13,969	13,730	14,084
Total revenues	$ 183,789	$ 170,118	$ 159,909	$160,693	$160,728	$166,128	$163,045	$165,879	$164,517	$158,127

See accompanying report of independent certified public accountants.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATISTICAL SECTION - SCHEDULE OF REVENUES BY SOURCE (UNAUDITED) - CONTINUED

Year ended June 30,

(Amounts expressed in percentages)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Revenues:										
Student tuition and fees (net of scholarship allowances)	15.47%	17.95%	20.48%	20.68%	20.53%	19.05%	19.61%	21.30%	19.45%	19.09%
Sales of auxiliary enterprises	0.22	0.83	1.00	0.95	1.08	1.05	1.10	1.01	1.08	1.16
Other operating revenues	0.01	0.02	0.03	0.03	0.04	0.05	0.12	0.10	0.10	0.11
Total operating revenues	15.70	18.80	21.51	21.66	21.65	20.15	20.83	22.41	20.63	20.36
City appropriations	18.74	17.54	15.98	14.51	15.04	14.01	13.05	11.06	10.98	11.16
State appropriations	17.62	19.05	19.90	19.22	19.21	18.14	17.56	16.99	17.17	17.85
Federal grants and contracts	35.47	30.77	28.83	30.51	30.42	32.23	35.49	35.45	35.69	35.95
State grants and contracts	3.30	3.89	3.75	4.95	5.06	4.98	4.50	3.97	4.37	4.11
Gifts from the Community College of Philadelphia Foundation	0.01	0.06	0.10	0.15	0.52	0.14	0.09	0.06	1.7	-
Nongovernmental grants and contracts	1.57	1.48	1.32	0.98	0.95	0.88	0.93	1.02	0.68	0.64
Net investment income	0.25	0.99	0.99	0.02	0.05	0.49	0.22	0.42	0.20	0.69
Other nonoperating revenue	0.28	0.34	0.25	0.25	0.24	1.55	0.67	0.20	0.23	0.33
Total nonoperating revenues	77.24	74.12	71.12	70.59	71.49	72.42	72.51	69.17	71.02	70.73
Capital appropriations	7.06	7.08	7.37	7.75	6.86	7.43	6.66	8.42	8.35	8.91
Total revenues	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

See accompanying report of independent certified public accountants.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATISTICAL SECTION - SCHEDULE OF EXPENSES BY USE (UNAUDITED)

Year ended June 30,

(Amounts expressed in thousands)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Expenses:										
Salaries	$ 74,041	$ 77,819	$ 77,462	$ 76,986	$ 78,629	$ 77,931	$ 77,161	$ 75,438	$ 76,015	$ 76,796
Benefits	32,570	34,790	34,979	36,259	36,417	36,978	36,140	35,885	34,247	32,062
Contracted services	9,247	9,276	8,045	7,859	6,512	6,458	8,331	9,697	11,373	6,057
Supplies	5,564	4,467	3,060	3,549	3,376	3,857	3,073	3,232	3,636	2,760
Depreciation	7,464	7,783	7,939	8,133	8,204	8,861	9,698	10,490	10,423	9,764
Student aid	12,644	12,052	6,250	7,213	8,770	8,739	8,211	10,459	8,328	10,015
Other	10,231	11,376	13,375	12,092	12,959	13,167	12,815	12,314	11,468	11,895
GASB 75 (Other post-employment benefits) accrual	(8,754)	(24,590)	(5,426)	12,309	11,703	11,686	8,016	8,641	8,530	7,611
Total operating expenses	143,007	132,973	145,684	164,400	166,570	167,677	163,445	166,156	164,020	156,960
Interest on capital asset-related debt service	3,882	3,604	3,602	3,413	3,263	3,315	4,225	4,258	4,689	3,927
Total nonoperating expenses	3,882	3,604	3,602	3,413	3,263	3,315	4,225	4,258	4,689	3,927
Total expenses	$ 146,889	$ 136,577	$ 149,286	$ 167,813	$ 169,833	$ 170,992	$ 167,670	$ 170,414	$ 168,709	$ 160,887

See accompanying report of independent certified public accountants.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATISTICAL SECTION - SCHEDULE OF EXPENSES BY USE (UNAUDITED) - CONTINUED

Year ended June 30,

(Amounts expressed in percentages)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Expenses:										
Salaries	50.41%	56.98%	51.89%	45.88%	46.30%	45.57%	46.02%	44.27%	45.06%	47.73%
Benefits	22.17	25.47	23.43	21.61	21.44	21.63	21.55	21.04	20.28	19.93
Contracted services	6.30	6.79	5.39	4.68	3.83	3.78	4.97	5.69	6.74	3.77
Supplies	3.79	3.27	2.05	2.11	1.99	2.26	1.83	1.90	2.16	1.72
Depreciation	5.08	5.70	5.32	4.85	4.83	5.18	5.78	6.16	6.18	6.07
Student aid	8.61	8.82	4.19	4.30	5.16	5.11	4.90	6.14	4.94	6.22
Other	6.97	8.33	8.96	7.21	7.63	7.70	7.64	7.23	6.80	7.39
GASB 75 (Other post-employment benefits) accrual	(5.96)	(18.00)	(3.63)	7.33	6.89	6.83	4.78	5.07	5.06	4.73
Total operating expenses	97.37	97.36	97.60	97.97	98.07	98.06	97.47	97.50	97.22	97.56
Interest on capital asset-related debt service	2.63	2.64	2.40	2.03	1.93	1.94	2.53	2.50	2.78	2.44
Total nonoperating expenses	2.63	2.64	2.40	2.03	1.93	1.94	2.53	2.50	2.78	2.44
Total expenses	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

See accompanying report of independent certified public accountants.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATISTICAL SECTION - SCHEDULE OF EXPENSES BY FUNCTION (UNAUDITED)

Year ended June 30,

(Amounts expressed in thousands)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Expenses by function:										
Instruction	$ 50,333	$ 49,333	$ 56,715	$ 64,578	$ 65,509	$ 66,018	$ 65,046	$ 66,210	$ 66,436	$ 62,162
Public service	38	104	97	145	124	183	86	109	156	63
Academic support	14,763	13,749	16,405	19,182	18,880	18,824	18,372	17,492	17,247	17,723
Student services	18,891	16,673	20,529	24,212	24,405	25,142	23,494	22,811	21,913	21,075
Institutional support	28,428	19,176	22,640	25,111	24,854	24,429	24,371	25,229	26,216	23,281
Operation and maintenance of plant	10,105	13,445	14,424	15,093	15,013	14,913	13,336	12,586	12,742	12,244
Depreciation	7,464	7,783	7,939	8,133	8,204	8,861	9,698	10,490	10,423	9,764
Student aid	12,644	12,052	6,250	7,213	8,770	8,739	8,211	10,459	8,328	10,015
Auxiliary enterprises	342	658	685	733	811	567	831	770	559	633
Interest on capital debt	3,882	3,604	3,602	3,413	3,263	3,315	4,225	4,258	4,689	3,927
Total expenses by function	$ 146,890	$ 136,577	$ 149,286	$ 167,813	$ 169,833	$ 170,991	$ 167,670	$ 170,414	$ 168,709	$ 160,887

(Amounts expressed in percentages)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Expenses by function:										
Instruction	34.27%	36.12%	37.99%	38.48%	38.57%	38.61%	38.79%	38.85%	39.38%	38.64%
Public service	0.03	0.08	0.06	0.09	0.07	0.11	0.05	0.06	0.09	0.04
Academic support	10.05	10.07	10.99	11.43	11.12	11.01	10.96	10.26	10.22	11.02
Student services	12.86	12.21	13.75	14.43	14.37	14.70	14.01	13.39	12.99	13.10
Institutional support	19.35	14.04	15.17	14.96	14.63	14.29	14.54	14.80	15.54	14.47
Operation and maintenance of plant	6.88	9.84	9.66	8.99	8.84	8.72	7.95	7.39	7.55	7.61
Depreciation	5.08	5.70	5.32	4.85	4.83	5.18	5.78	6.16	6.18	6.07
Student aid	8.61	8.82	4.19	4.30	5.16	5.11	4.90	6.14	4.94	6.22
Auxiliary enterprises	0.23	0.48	0.46	0.44	0.48	0.33	0.50	0.45	0.33	0.39
Interest on capital debt	2.64	2.64	2.41	2.03	1.92	1.94	2.52	2.50	2.78	2.44
Total expenses by function	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

See accompanying report of independent certified public accountants.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATISTICAL SECTION - SCHEDULE OF NET POSITION AND CHANGES IN NET POSITION (UNAUDITED)

Year ended June 30,

(Amounts expressed in thousands)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Total revenues (from schedule of revenues by source less capital appropriations)	$ 170,798	$ 158,085	$ 148,112	$ 148,423	$ 149,678	$ 153,776	$ 152,186	$ 151,910	$ 150,786	$ 144,042
Total operating expenses (from schedule of expenses by use)	146,889	136,578	149,286	167,813	169,833	170,992	167,670	170,414	168,709	160,887
Total changes in net position	23,909	21,507	(1,174)	(19,390)	(20,155)	(17,216)	(15,484)	(18,504)	(17,923)	(16,845)
Net position, beginning	(65,267)	(98,807)	(109,429)	51,951	61,057	65,919	72,538	77,072	81,265	85,903
Net position, ending	$ (41,358)	$ (77,300)	$ (110,603)	$ 32,561	$ 40,902	$ 48,703	$ 57,054	$ 58,568	$ 63,342	$ 69,058
Net investment in capital assets	$ 116,734	$ 104,726	$ 103,869	$ 102,005	$ 99,772	$ 98,776	$ 96,979	$ 93,771	$ 89,660	$ 86,331
Restricted - expendable	5,727	5,439	5,284	5,101	4,939	4,912	4,742	4,742	2,740	1,364
Unrestricted	(150,829)	(175,432)	(207,960)	(216,535)	(52,760)	(42,631)	(35,802)	(25,975)	(15,328)	(4,553)
Total net position	$ (28,368)	$ (65,267)	$ (98,807)	$ (109,429)	$ 51,951	$ 61,057	$ 65,919	$ 72,538	$ 77,072	$ 83,142

Source: Audited financial statements.

See accompanying report of independent certified public accountants.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATISTICAL SECTION - FISCAL YEAR ENROLLMENT AND DEGREE STATISTICS (UNAUDITED)

Year ended June 30,

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Enrollments and student demographics:										
Credit FTE	10,608	12,331	12,740	13,596	13,659	14,481	14,851	15,051	15,116	15,769
Unduplicated Credit Headcount	19,266	22,160	23,139	24,443	25,571	26,837	27,942	28,096	28,264	29,094
Percentage - Men	31.2%	34.7%	36.3%	36.3%	37.1%	37.8%	37.7%	37.7%	36.9%	35.5%
Percentage - Women	68.4	65.3	63.7	63.7	62.9	62.2	62.3	62.3	63.1	64.5
Percentage - Black	41.7	41.9	43.1	48.1	48.8	49.4	50.7	50.2	49.7	49.9
Percentage - White	24.4	22.9	23.2	23.5	24.0	23.8	23.9	24.3	25.1	24.6
Percentage - Asian	10.4	11.8	11.4	9.8	9.4	8.9	8.4	8.2	7.7	7.3
Percentage - Hispanic	15.7	15.9	14.9	14.0	13.0	12.8	11.8	11.4	10.6	4.9
Percentage - American Indian/other	4.0	3.9	4.0	0.3	0.3	0.3	0.4	0.4	0.4	0.5
Percentage - Unknown	3.8	3.6	3.4	4.3	4.5	4.8	4.8	5.6	6.5	12.9
Degrees awarded:										
Associate	1,954	1,761	1,770	1,731	1,794	1,880	1,916	1,857	1,712	1,828
Certificate	178	225	331	495	471	475	446	338	167	180

Source: Department of Institutional Research.

See accompanying report of independent certified public accountants.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATISTICAL SECTION - FACULTY AND STAFF STATISTICS (UNAUDITED)

For Fall Term in Year

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Faculty:										
Part-time	297	452	567	543	548	676	635	643	734	757
Full-time	310	336	438	443	467	400	395	407	412	418
Percentage tenured	77.7%	77.7%	67.1%	65.2%	61.8%	74.0%	81.7%	79.9%	80.6%	83.0%
Administrative and support staff:										
Part-time	55	82	76	40	38	18	11	12	20	22
Full-time	503	506	474	470	466	445	453	441	447	472
Total employees:										
Part-time	352	534	643	583	586	694	646	655	754	779
Full-time	813	842	912	913	933	845	848	848	859	890
Students per full-time staff:										
Number credit students	13,672	15,996	16,672	17,296	18,126	18,099	19,119	19,066	18,692	19,751
Faculty	44	48	38	39	39	45	47	47	46	47
Administrative and support staff	27	32	35	37	39	41	42	43	42	42
Average annual faculty salary	$ 66,597	$ 65,300	$ 75,020	$ 67,883	$ 69,196	$ 63,789	$ 65,212	$ 64,059	$ 66,137	$ 66,236

Source: Institutional Human Resource Records.

GROSS SQUARE FEET OF COLLEGE BUILDINGS (UNAUDITED)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Main Campus - Buildings	911,051	911,051	911,051	911,051	911,051	911,051	911,051	900,613	900,613	852,445
Main Campus - 17 Street Garage	230,360	230,360	230,360	230,360	230,360	230,360	230,360	230,360	230,660	230,660
Main Campus Recreation Deck	62,600	62,600	62,600	62,600	62,600	62,600	62,600	62,600	62,600	62,600
Main Campus - CBI Garage	74,902	74,902	74,902	74,902	74,902	74,902	74,902	74,902	74,902	74,902
Main Campus - 434 North 15th Street	88,500	88,500	88,500	88,500	88,500	88,500	88,500	88,500	88,500	-
Northeast Regional Center	109,075	109,075	109,075	109,075	109,075	109,075	109,075	109,075	109,075	109,075
West Regional Center	39,394	39,394	39,394	39,394	39,394	39,394	39,394	39,394	32,090	32,090
Northwest Regional Center	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Total gross square feet	1,605,882	1,605,882	1,605,882	1,605,882	1,605,882	1,605,882	1,605,882	1,595,444	1,588,440	1,451,772

Source: Institutional Physical Plant Records.

See accompanying report of independent certified public accountants.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

DEMOGRAPHIC STATISTICS (UNAUDITED)

City of Philadelphia Last Ten Calendar Years

	Population as of June 30	Average annual unemployment rate
Year:		
2011 – 12	1,536,471	10.8
2012 – 13	1,547,607	10.5
2013 – 14	1,553,165	7.8
2014 – 15	1,560,297	7.4
2015 – 16	1,567,442	6.9
2016 – 17	1,567,872	5.9
2017 – 18	1,580,863	5.7
2018 – 19	1,584,138	5.1
2019 – 20	1,584,064	7.8
2010 – 21	1,587,232	9.4

Sources: United States Census Bureau and Bureau of Labor Statistics

See accompanying report of independent certified public accountants.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

COMPONENT UNIT SCHEDULE OF NET POSITION (UNAUDITED)

Year ended June 30, 2021

(In thousands)

	The Community College of Philadelphia Foundation	CCP Development, LLC
Cash on deposit and on hand	$ 23,098	$ 557
Investments	72,621	-
Accounts receivable	24,497	-
Allowance for doubtful accounts	(1,344)	-
Due from other governments	16,544	-
Restricted assets	3,068	22,395
Other assets	2,004	-
Property, plant and equipment	162,282	11,273
Total assets	$ 302,770	$ 34,225
Deferred outflows of resources:		
Deferred outflows	29,243	-
Liabilities:		
Vouchers and accounts payable	$ 17,332	$ 3,257
Salaries and wages payable	4,831	-
Accrued expenses	1,778	-
Funds held in escrow	280	-
Due to other governments	423	-
Deferred revenue	6,284	-
Current portion of long-term obligations	7,979	-
Noncurrent portion of long-term obligations	69,551	-
Notes payable	-	25,945
Other post-employment benefits (GASB 75)	180,486	-
Total liabilities	$ 288,944	$ 29,202
Deferred inflows of resources:		
Deferred inflows	53,725	-
Net position:		
Net investment in capital assets	$ 116,734	$ -
Restricted for:		
Capital projects	5,929	5,023
Tuition stabilization and scholarships	15,575	-
Unrestricted (deficit)	(148,894)	-
Total net position	$ (10,656)	$ 5,023

See accompanying report of independent certified public accountants.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

COMPONENT UNIT SCHEDULE OF ACTIVITIES (UNAUDITED)

Year ended June 30, 2021

(In thousands)

		Program Revenues			Net Expense and Changes in Net Position
	Expenses	Charge for Services	Operating Grants and Contributions	Capital Grants and Contributions	Education Activities
Community college services	$ 149,741	$ 28,831	$ 75,524	$ -	$ 45,386
				General revenues:	
				Grants and contributions*	79,829
				Interest and investment earnings	3,618
				Miscellaneous	2,481
				Total general revenues	85,928
				Change in net assets	40,542
				Net position - beginning	(51,198)
				Net position - ending	$ (10,656)

** Includes Commonwealth appropriations of $38,200,708 and City of Philadelphia appropriations of $41,628,751.*

See accompanying report of independent certified public accountants.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

COMPONENT UNIT CAPITAL ASSET FORMAT (UNAUDITED)

Year ended June 30, 2021

	Beginning balance	Increases	Decreases	Ending balance
Business-type activities:				
Capital assets not being depreciated:				
Land	$ 31,094,976	$ -	$ -	$ 31,094,976
Works of art	902,620	-	-	902,620
Construction in process	7,194,834	21,393,768	(874,935)	27,713,667
Total capital assets not being depreciated	39,192,430	21,393,768	(874,935)	59,711,263
Capital assets being depreciated:				
Buildings	243,182,148	1,420,441	-	244,602,589
Other improvements	18,382,659	116,814	-	18,499,473
Equipment	42,613,136	372,779	(46,013)	42,939,902
Furniture	1,352,851	14,999	-	1,367,850
Leasehold improvements	199,232	-	-	199,232
Total capital assets being depreciated	305,730,026	1,925,033	(46,013)	307,609,046
Less accumulated depreciation for:				
Buildings	129,981,146	5,599,064	-	135,580,210
Other improvements	17,561,933	163,289	-	17,725,222
Equipment	37,481,798	1,656,173	(41,778)	39,096,193
Furniture	1,134,226	42,939	-	1,177,165
Leasehold improvements	183,695	2,306	-	186,001
Total accumulated depreciation	186,342,798	7,463,771	(41,778)	193,764,791
Total capital assets being depreciated, net	119,387,228	(5,538,738)	(4,235)	113,844,255
Business-type activities capital assets, net	$158,579,658	$ 15,855,030	$ (879,170)	$173,555,518

See accompanying report of independent certified public accountants.

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Board of Trustees
Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component units, the Community College of Philadelphia (the "College") as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated September 28, 2021.

Internal control over financial reporting

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the College's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in the College's internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Grant Thornton

Compliance and other matters
As part of obtaining reasonable assurance about whether the College's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Intended purpose
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Grant Thornton LLP

Philadelphia, Pennsylvania
September 28, 2021

COMMUNITY COLLEGE OF PHILADELPHIA
Proceedings of the Meeting of the Board of Trustees
Thursday, September 2, 2021 – 3:00 p.m.

Present: Mr. White, presiding; Mr. Clancy, Mr. Dubow, Ms. Gamble, Ms. Hernández Vélez, Mr. Herzog, Ms. Ireland, Ms. Posoff, Ms. Jean-Baptiste, Mr. Soileau, Dr. Generals, Dr. Rooney, Ms. Di Gregorio, Dr. Gay, Mr. Eapen, Dr. Hirsch, Ms. Liautaud-Watkins, Ms. Witherspoon, Dr. Zanjani, Ms. de Fries, Ms. Hurst, Ms. Hutcherson, and Mr. Sawyer

(1) Meeting Called to Order

Mr. White called the meeting to order and reviewed the goals for the meeting.

(2) Public Comment

There were no requests for public comment.

(3) Report of the President

Dr. Generals introduced Ms. Danielle Liautaud-Watkins, Special Assistant to the President; Dr. Vishal Shah, Dean, Math, Sciences, and Health Careers; and Dr. Darren Lipscomb, Associate Vice President, Enrollment Management.

On behalf of the Board of Trustees, Mr. White welcomed Ms. Liautaud Watkins, Dr. Shah, and Mr. Lipscomb and wished them well in their new positions.

(3a) Reopening Plans

Dr. Generals reported that online classes are scheduled to begin on September 7, 2021, along with some hybrid and in-person classes. He stated that students will continue their courses in-person beginning on October 18, 2021. Dr. Generals stated that the current mandate for higher education is that classes will be virtual through October 15.

Dr. Generals reported that $12.4 million had been disbursed to students in aid. He stated that $2.75 million of College HEERF dollars were given to students to relieve them of their outstanding balances. Dr. Generals stated that $5 million was spent on safety measures such as barriers for offices, cleaning of ducts and air vents, HVAC upgrades, touchless faucets, and signage.

Dr. Generals stated that he was impressed with the work that Mr. Eapen and his staff have done on-campus to ensure the health and safety of faculty, staff, and students. He thanked Mr. Eapen, Mr. Wiggins, security, and the housekeeping staff for their hard work.

Dr. Generals reported that on-campus testing began on September 1, 2021. At the request of Dr. Generals, Ms. Hutcherson provided a detailed presentation (see **Attachment A**) on testing on campus and the Regional Centers by DOCS Health. Ms. Hutcherson also provided details on the number of staff and students who have been vaccinated as well as COVID testing logistics and vaccination card verification.

In response to a question regarding vaccination verification for Board members, Ms. Hutcherson stated that members of the Board can show their vaccination card to security when entering College buildings. She stated Board members who are not vaccinated will be directed to the testing site on campus.

Dr. Generals thanked Ms. Hutcherson and her staff for their work in organizing the testing site on campus.

Dr. Generals stated that the College was providing an incentive program to encourage students to get vaccinated. At the request of Dr. Generals, Mr. Sawyer provided a detailed presentation (**see Attachment B**) of incentives that the College was implementing to get students vaccinated.

Dr. Generals stated that staff are communicating to the College community on a daily basis regarding the fall reopening. He noted that the College has increased security and housekeeping staff to ensure the health and safety of students, faculty, and staff. Dr. Generals stated that he will keep the Board posted as the semester progresses.

(3b) <u>ACCT Conference: Panel on City-College Partnership</u>

Dr. Generals reported that the Association of Community College Trustees Leadership Congress is scheduled October 13-16, 2021 at the Manchester Grand Hyatt Hotel in San Diego, California. He stated that the College is scheduled to do a presentation on *A Model City-College Partnership*. He stated that he, Jeremiah White, Deana Gamble, and Mayor Kenney will participate in the presentation.

Dr. Generals reported that Dr. Debonair Oates-Primus, Faculty, English Department, has been selected for the ACCT Faculty Award for the Northeast Region.

(3c) <u>Foundation Report</u>

At the request of Dr. Generals, Dr. Zanjani called attention to the list of gifts and grants that was part of the Board materials. She highlighted the following gifts and grants:

- $375,000 from the U.S. Department of Education for year four of Child Care Access Means Parents in School (CCAMPIS). The grant period is 10/1/21 – 9/30/22;

- $250,000 from the Pennsylvania Department of Labor and Industry through their Schools to Work Grant in support of the College's Pipeline to Advanced Manufacturing Careers project (PAMC). The grant period is 6/1/2021 – 12/31/2023;

- $45,000 from Spring Point to help with equipment for College facilities; and

- $250,000 over 10 years from Hilco for student scholarships. Dr. Zanjani thanked Ms. Sessoms for her work in securing the contribution.

Regarding the Black and Gold Gala, Dr. Zanjani stated that the Foundation exceeded its goal. To date, $401,000 was raised for the Gala. Dr. Zanjani thanked Mr. Soileau for his fundraising efforts for the Gala.

Dr. Zanjani reported that she is presently working on a Foundation Board orientation with Dr. Gay. Additionally, an RFP for the capital campaign consultant has been circulated. She stated that that thus far, several individuals have already responded to the RFP.

Dr. Generals reported that Senator Casey is scheduled to visit the Career Advanced Technology Center (CATC) on Tuesday, September 7, 2021. He stated that the College will provide an update on the project as well as a tour of the site.

Dr. Generals stated that our thoughts and prayers are with Dr. Ellyn Jo Waller and her family on the passing of her father.

(4) Board Elections

(4a) Nominating Committee for Board Officers

Mr. Herzog, Chair of the Nominating Committee for Board Officers, presented the following slate of officers for 2021-2022:

Jeremiah White	Chair
Harold Epps	Vice Chair
Rosalyn McPherson	Vice Chair
Chekemma Fulmore-Townsend	Secretary

Mr. White asked whether there were any other nominations for Board officers. Hearing none, the nominations were closed.

Mr. Herzog moved, with Ms. Hernández-Velez seconding, that the Board approve the slate of Board Officers for 2021-2022. The motion carried unanimously.

Mr. White congratulated the Board Officers on their election.

Mr. White reported that he had participated in a meeting on August 24, 2021 with Mr. Dubow, Dr. Generals, and Ms. Gamble regarding a list of possible candidates the City had recommended for the Community College of Philadelphia Board of Trustees. Mr. White stated that Board members whose terms expired will serve on the Board of Trustees until they are replaced or reappointed.

(5) Committee Chair Appointments

Mr. White appointed Mr. Soileau chair of the Business Affairs Committee. He stated that Ms. Hernández Vélez had done a tremendous job as chair of the Business Affairs Committee and as a member of the Board of Trustees. Mr. White stated that Ms. Hernández Vélez will remain on the Board until her replacement, and will continue to serve as a member of the Business Affairs Committee.

Mr. White stated that Ms. Fulmore-Townsend will continue as chair of the Student Outcomes Committee, and that Ms. Ireland will continue as chair of the Workforce Subcommittee. Mr. White stated that Mr. Simonetta will continue as chair of the Audit Committee; and that Mr. Epps will chair the President's Evaluation Committee.

Representative Roebuck stated that he would like to stay on the Board of Trustees. He noted that he has been a member of the Board for many years, and is very supportive of education and the College.

(6) Meeting of the Student Outcomes Committee

Ms. Posoff reported that the Student Outcomes Committee met on June 3, 2021 and reviewed and discussed the following academic program reviews: Liberal Arts – Social/Behavioral Science (A.A. Degree); Music Performance (A.A. Degree); Sound Recording and Music Technology (A.A.S. Degree).

Ms. Posoff stated that the Student Outcomes Committee was very appreciative of the work done by faculty. She stated that the Liberal Arts – Social Behavioral Science (A.A. Degree) program has a good retention rate and a growing number of graduates. Ms. Posoff stated that there are a large number of females in the program and that the College needs to make male students more aware of the program. Ms. Posoff stated that the College should provide messaging to the city that there are students who can fulfill the needs of the city in line with Mayor Kenney's social behavioral workers demand.

Ms. Posoff stated that the Music Performance (A.A. Degree) and Sound Recording and Music Technology (A.A.S. Degree) programs were revised in the fall of 2018. She stated that Mr. Geissinger shared his enthusiasm about the program. Ms. Posoff stated that highly qualified faculty meet with students individually; it is the only program at the College that offers this kind of instruction. She stated that students often go into music therapy and education fields, as well as performance. Ms. Posoff stated that the program needs to work on the students' ability to transfer. Ms. Posoff stated that a recommendation from the review is for the program to address the low persistence rate and student academic standing. She stated that Mr. Geissinger plans to leverage extra-curricular activities associated with Spring Garden Records to increase retention.

Ms. Posoff stated that the Committee also reviewed and discussed a presentation by Dr. Thomas on end-of-semester data for the inaugural semester of the Catto Scholarship, lessons learned, and future plans.

(7) Report of the Business Affairs Committee

Ms. Hernández Vélez reported that Combined meetings of the Business and Executive Committees had taken place on July 7 and August 18, 2021. She stated that the items discussed and approved by the Business Affairs and Executive Committees focused on providing a healthy and safe campus environment for faculty, staff, and students, and are part of the Consent Agenda for Board approval.

Mr. Hernández Vélez reported that the Committees had approved the Resolution (see **Attachment C**) on the relief of student debt owed to the College incurred between spring 2022 and spring 2021 for credit students who were enrolled between March 13, 2020 and spring 2021. The Resolution is part of the Consent Agenda for Board approval.

(7a) Resolution for Wage Increases for Administrators, Grant Administrators Confidential Employees and Raise and /or Stipend for Vice Presidents, General Counsel, and Government Relations Officer

Mr. White stated that the Executive Committee had approved the Resolution for Wage Increases for Administrators, Grant Administrators, Confidential Employees and Raise and/or Stipend for Vice Presidents, Generals Counsel, and Government Relations Officer (see **Attachment D)**. Mr. White stated that the Board must approve and ratify the Resolution.

Ms. Hernández moved, with Ms. Posoff seconding, that the Board approve and ratify the Resolution. The motion carried unanimously.

(8) Consent Agenda

Mr. White requested approval of the following Consent Agenda:

(a) Proceedings and Minutes of Decisions and Resolutions
Meeting of June 3, 2021
(b) Gifts and Grants
(c) Liberal Arts-Social/Behavioral Science, A.A., the Music Performance A.A., And the Sound Recording and Music Technology A.A.S. Programs
(d) Resolution on the Relief of Student Debt owed to the College, incurred between Spring 2020 and Spring 2021 for credit students who were enrolled between March 13, 2020 and Spring 2021
(e) Contract with Pennoni Associates
(f) Amendment to the Contract with Pennoni Associates, Inc. to Include the College's Regional Centers
(g) Contract with DeWitt Mechanical
(h) Contract with Paradigm Mechanical
(i) Stop Loss
(j) Stormwater Management for NERC Project
(k) Contract with Dentrust, P.C. (DOCS Health)

Ms. Hernández moved, with Mr. Clancy seconding, that the Board approve the Consent Agenda. The motion carried unanimously.

(9) Workforce Subcommittee

Ms. Ireland reported that the Workforce Subcommittee had not met. She stated that members of the Subcommittee had received a summer 2021 update of the Workforce and Economic Innovation Division activities.

Ms. Ireland summarized highlights of the activities of the Workforce and Economic Innovation Division. She stated that the update was aligned with the three strategic plan priorities of the College's Strategic Plan Workforce Pillar.

(10) Report of the Chair

(10a) CCP Trustee Emerita/Emeritus Policy

Mr. White called attention to the Trustee Emerita/Emeritus Policy (see **Attachment E**) and requested Board approval of the Policy.

After discussion, Mr. Soileau moved, with Ms. Posoff seconding, that the Board approve the Emerita/Emeritus Trustee Policy. The motion carried unanimously.

(11) Investment Policy

At the request of Mr. White, Ms. Posoff stated that she has been working with Mr. Eapen and Mr. Lim on reviewing the College's investment policy in an effort to update and refresh the language. Ms. Posoff stated that it was agreed that the College would be better served if she, Mr. Eapen, and Mr. Lim met with the College's financial consultants, TIAA and the Commonfund. Ms. Posoff stated that the meeting had taken place and that great thoughts emerged from the discussion with the consultants about how to refresh the policy. Ms. Posoff stated that a draft of the policy will be ready by mid-October, and a working draft will be available in November for discussion with the appropriate Board members. Ms. Posoff stated that a more robust conversation can take place with the College's financial consultants once the policy has been updated. Ms. Posoff stated that Mr. Eapen and Mr. Lim had done a wonderful job on this issue.

(11a) Change in Board Appointment to the College's Middle States Steering Committee

Mr. White thanked Mr. Clancy for agreeing to serve as the Board representative on the College's Middle States Steering Committee.

(11b) Acknowledgements of Board Member Service

Mr. White stated that Ms. Hernández Vélez and Ms. Jean-Baptiste will be leaving the Board of Trustees. He stated that between now and their departure, the Board will take the time to thank them for the value they brought to the Board. Mr. White stated that Ms. Hernández Vélez and Ms. Jean-Baptiste will be missed.

Dr. Generals expressed his thanks and appreciation to Ms. Hernández Vélez and Ms. Jean-Baptiste. He stated that he looked forward to the opportunity to thank them at an appropriate event.

(12) New Business

There was no new business discussed.

(13) Next Meeting

Mr. White stated that the next meeting of the Board of Trustees will be in the Committee of the Whole format on October 6-7, 2021.

The meeting adjourned at 4:30 p.m.

Attachment A

Community College of Philadelphia

COVID-19 Testing Program

Overview | Fall 2021

CCP COVID-19 Testing Logistics Overview

Location/Time

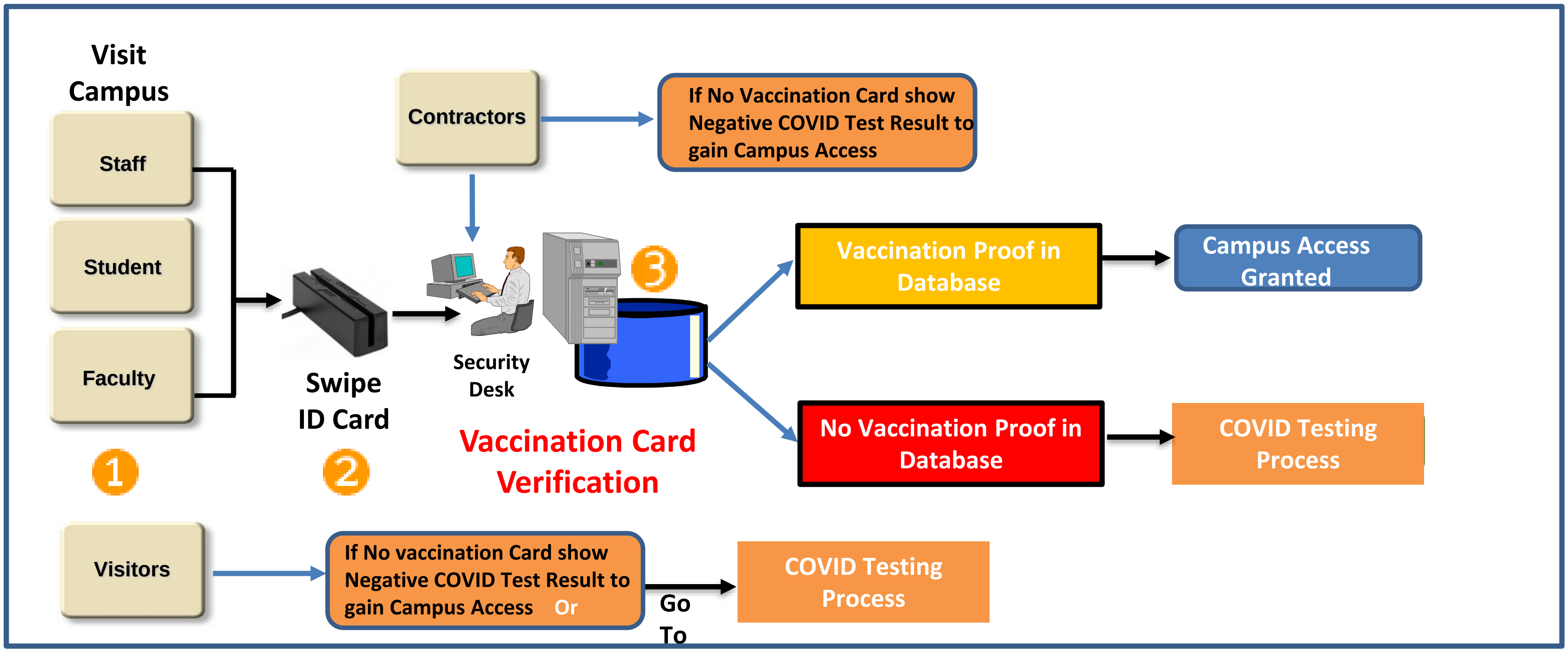
All testing will be conducted on CCP campuses: **Main**, **Northwest, West**, and **Northeast** campuses M-F between the hours of 7:30am – 5pm. Partnership with Vybe Urgent Care for after-hours testing.

Process

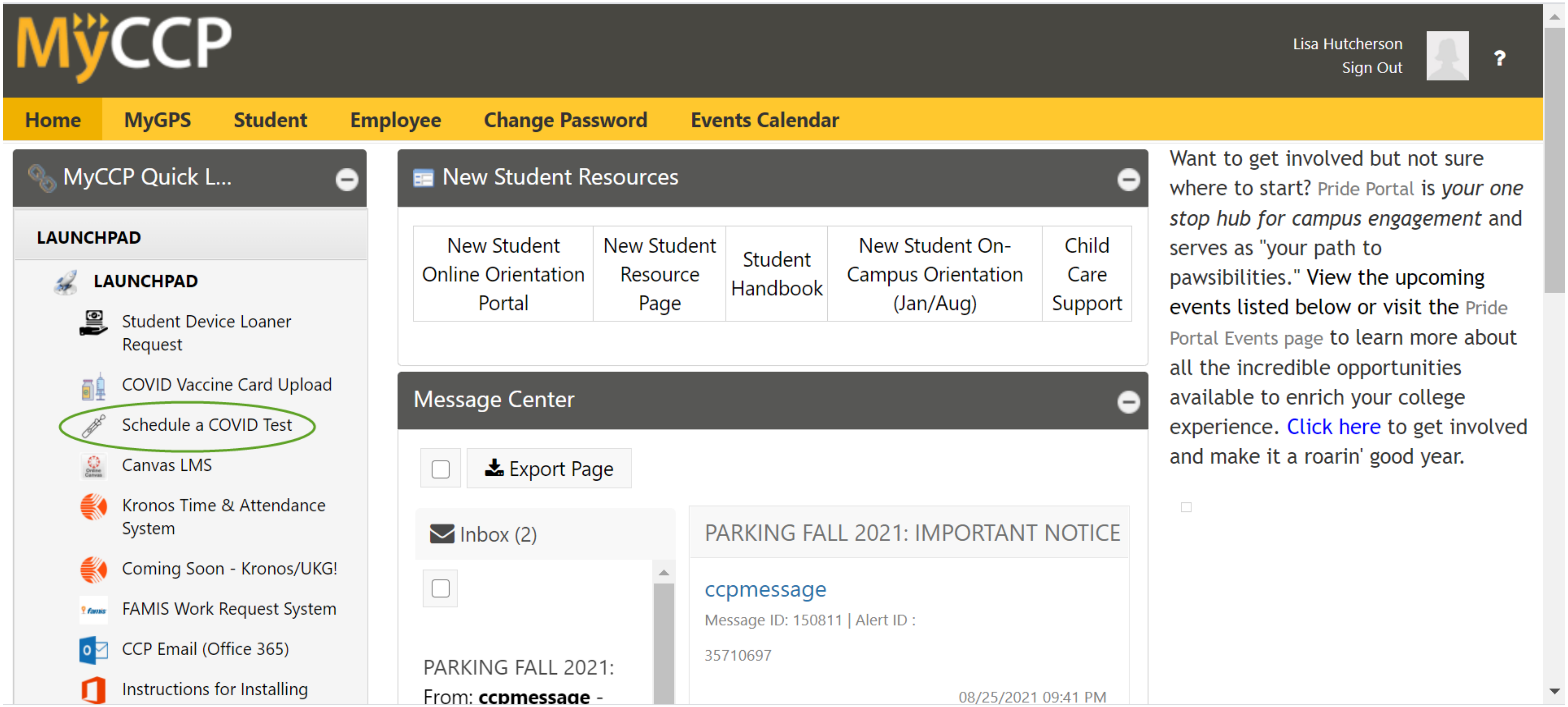
All individuals being tested must register, obtain a QR code, and schedule an appointment. Registration information and links to schedule can be found on CCP internal portal.

Community College of Philadelphia
www.ccp.edu

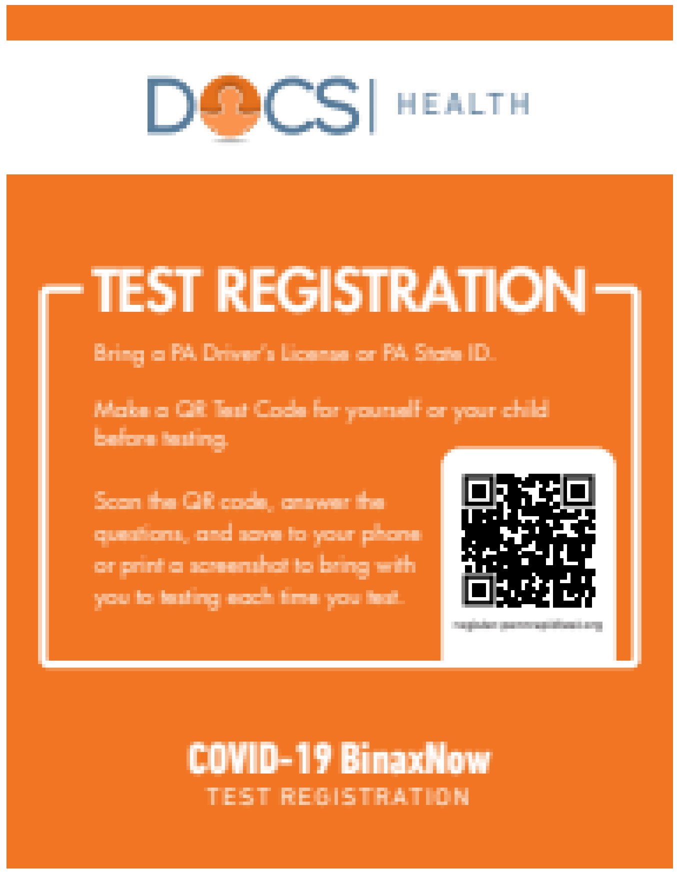
CCP Vaccination Card Verification Process Flow Chart



Employee/Student
COVID TESTING REGISTRATION

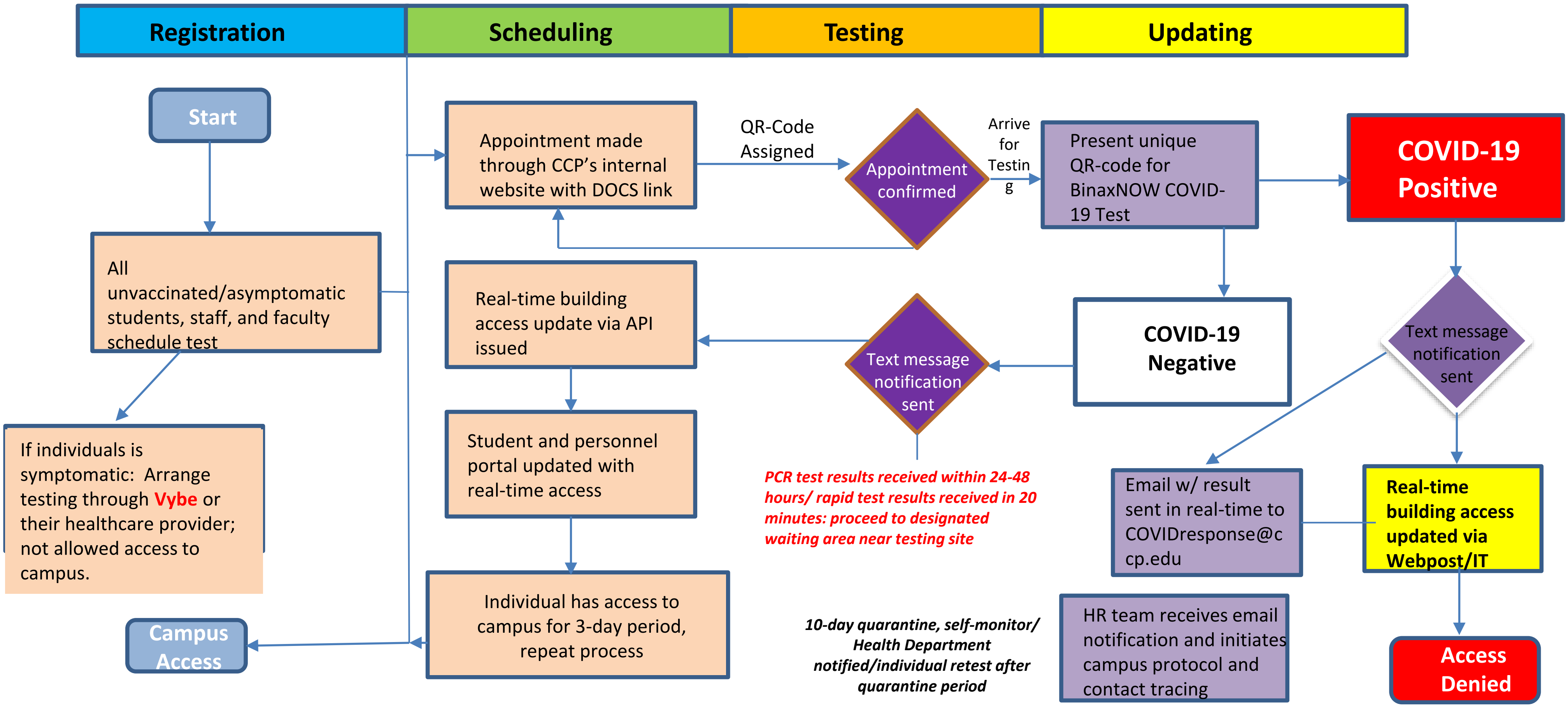


Visitor Registration



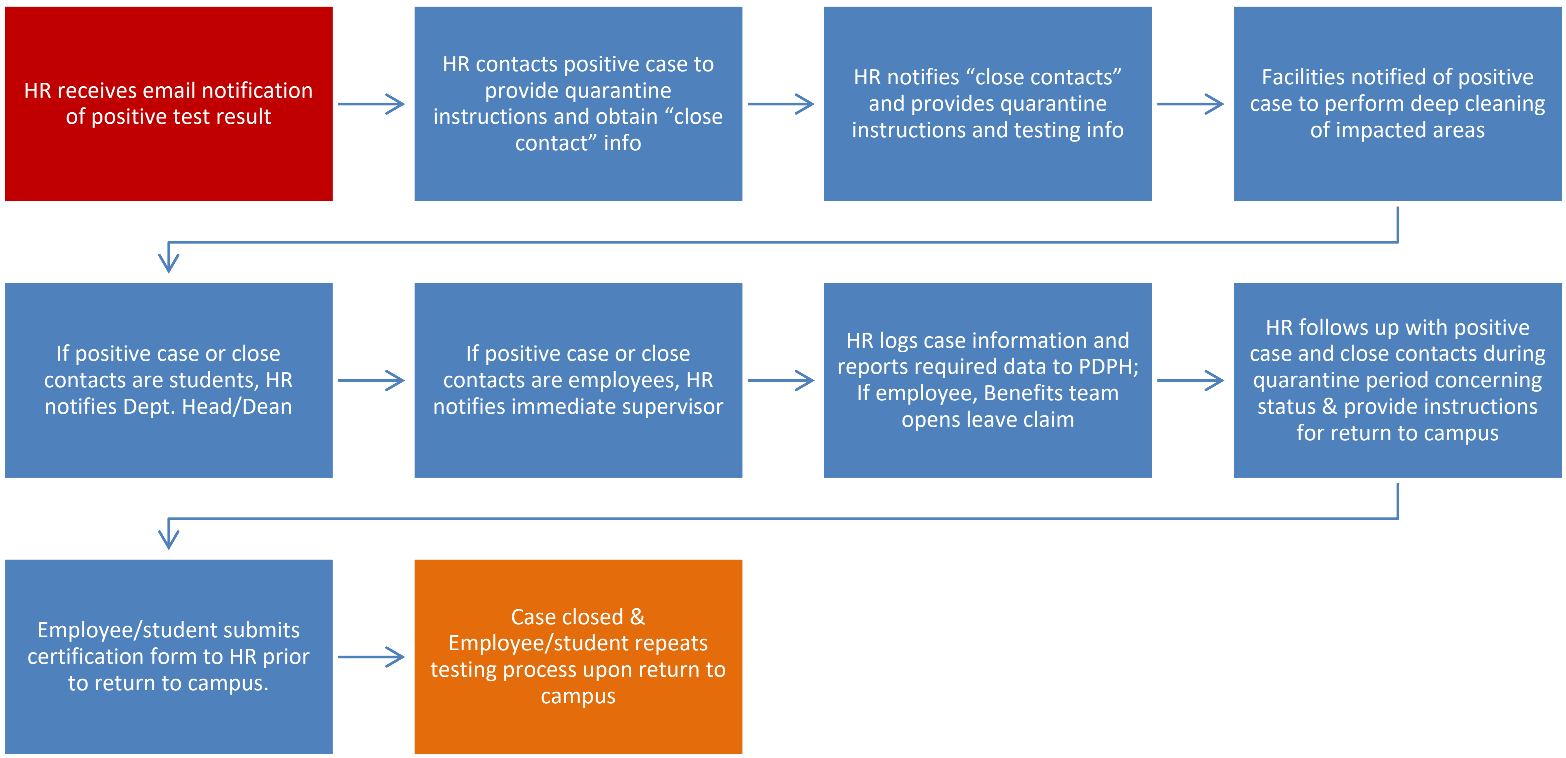
COVID TESTING SCHEDULING

COVID Testing Process Flow Chart



Community College of Philadelphia
www.ccp.edu

Process for Positive COVID-19 Test Result

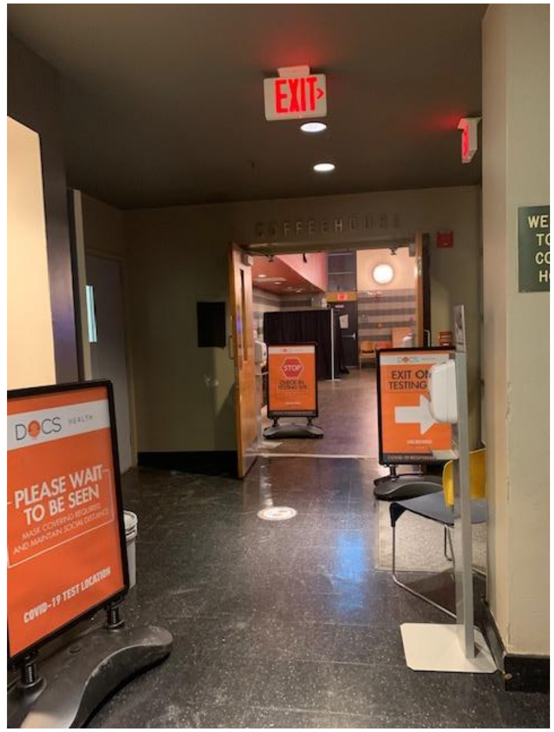


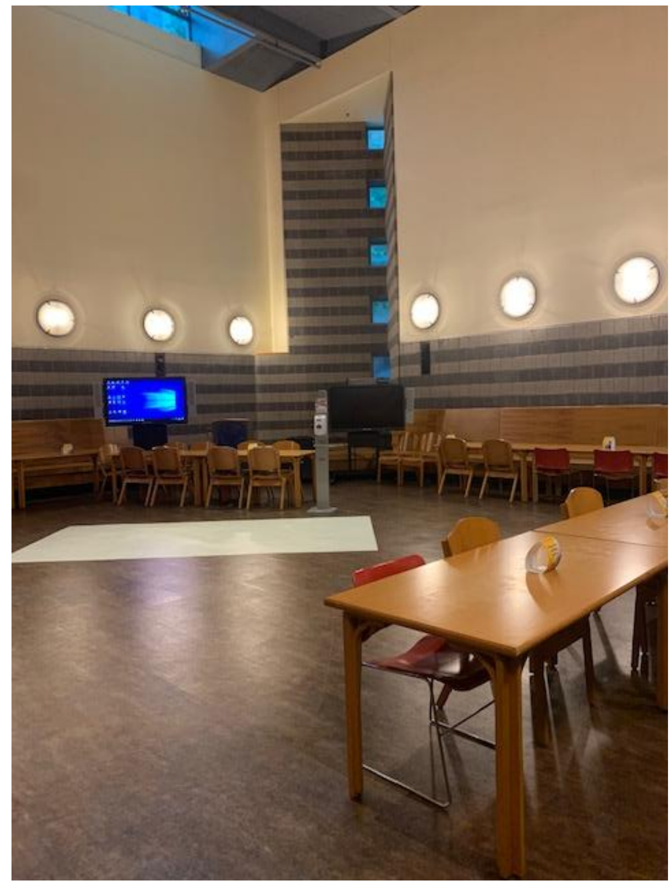
Main Campus

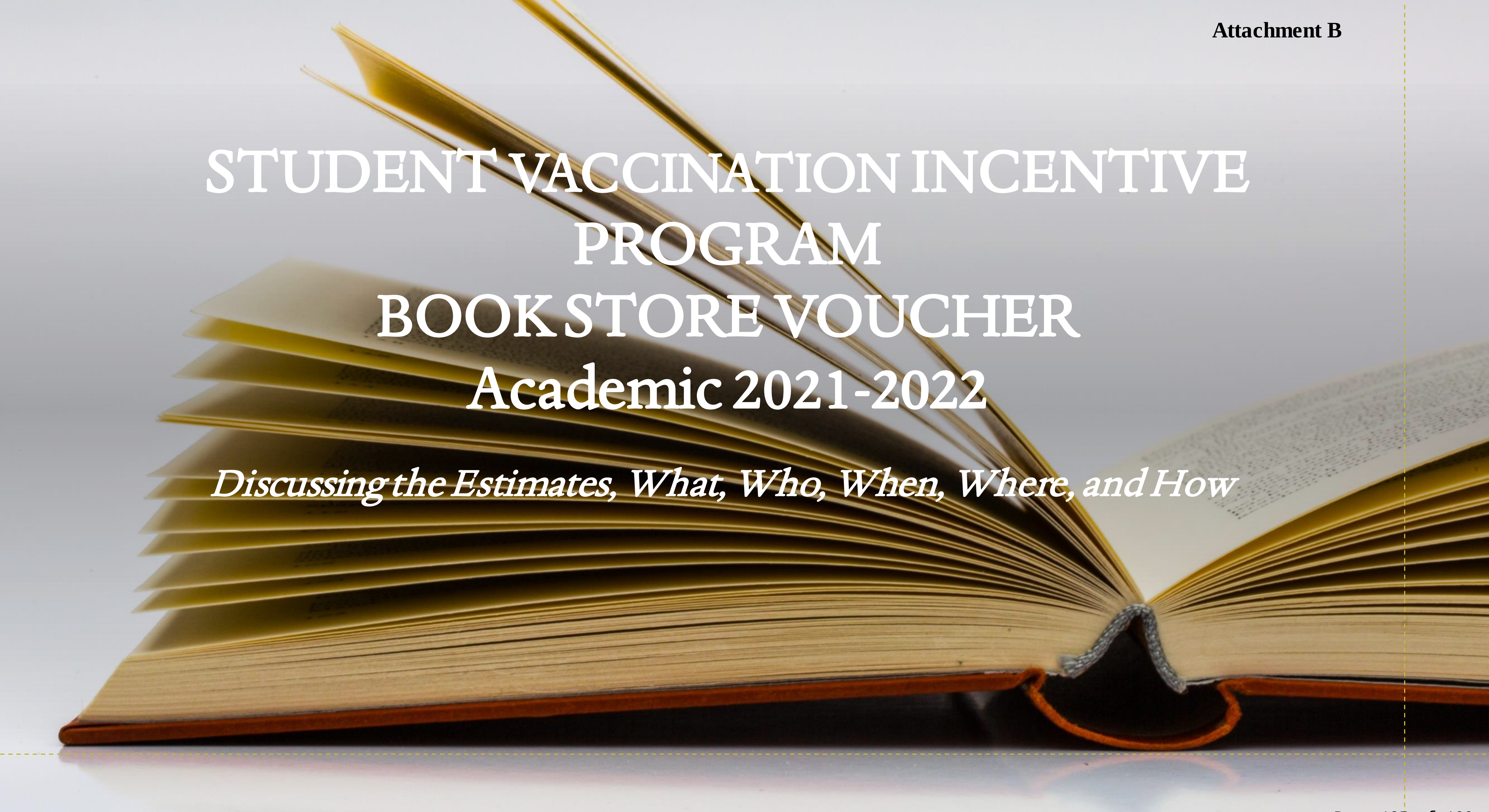
Testing Area

Waiting Area Tent

Community College of Philadelphia
www.ccp.edu

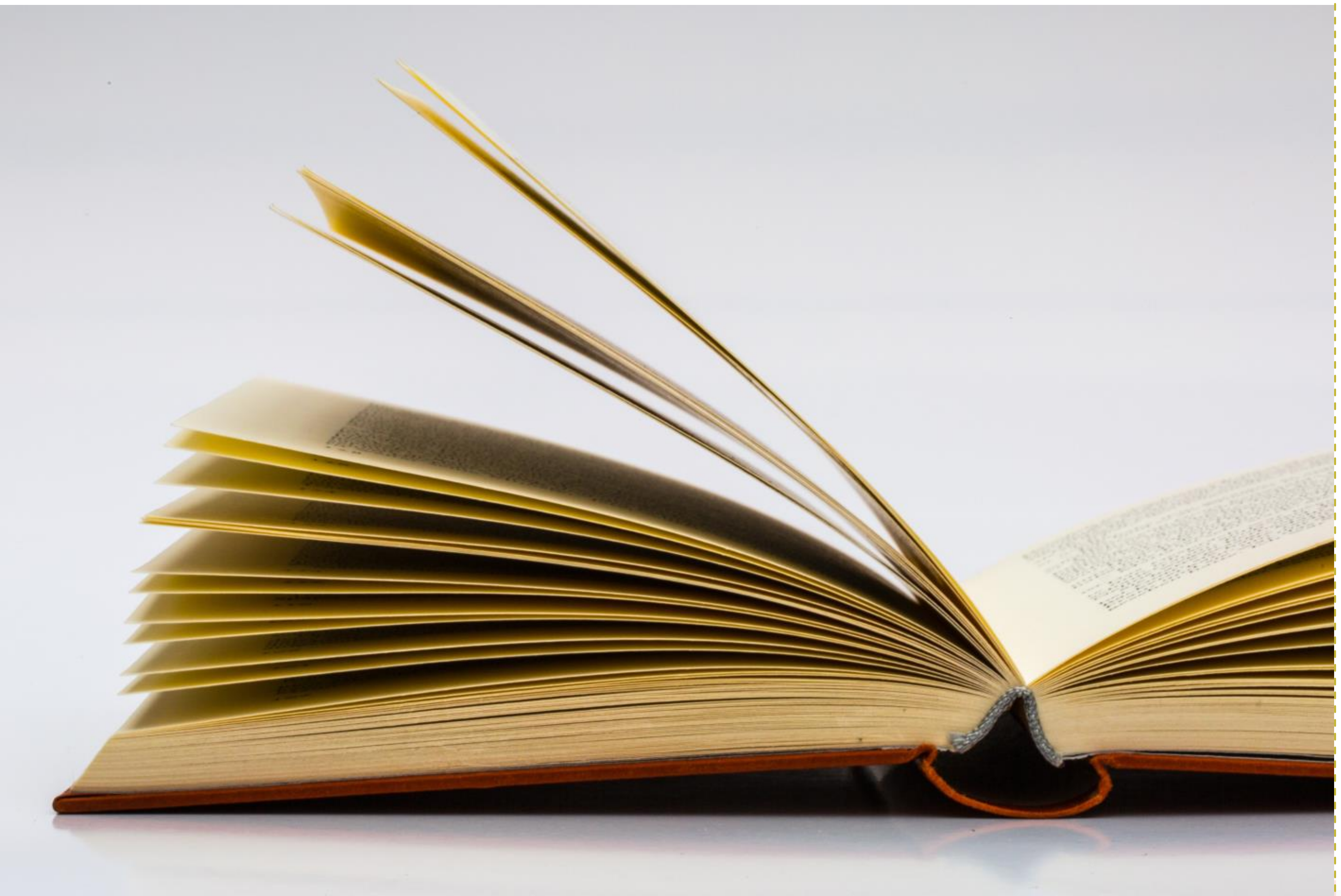





STUDENT VACCINATION INCENTIVE PROGRAM
BOOK STORE VOUCHER
Academic 2021-2022
Discussing the Estimates, What, Who, When, Where, and How

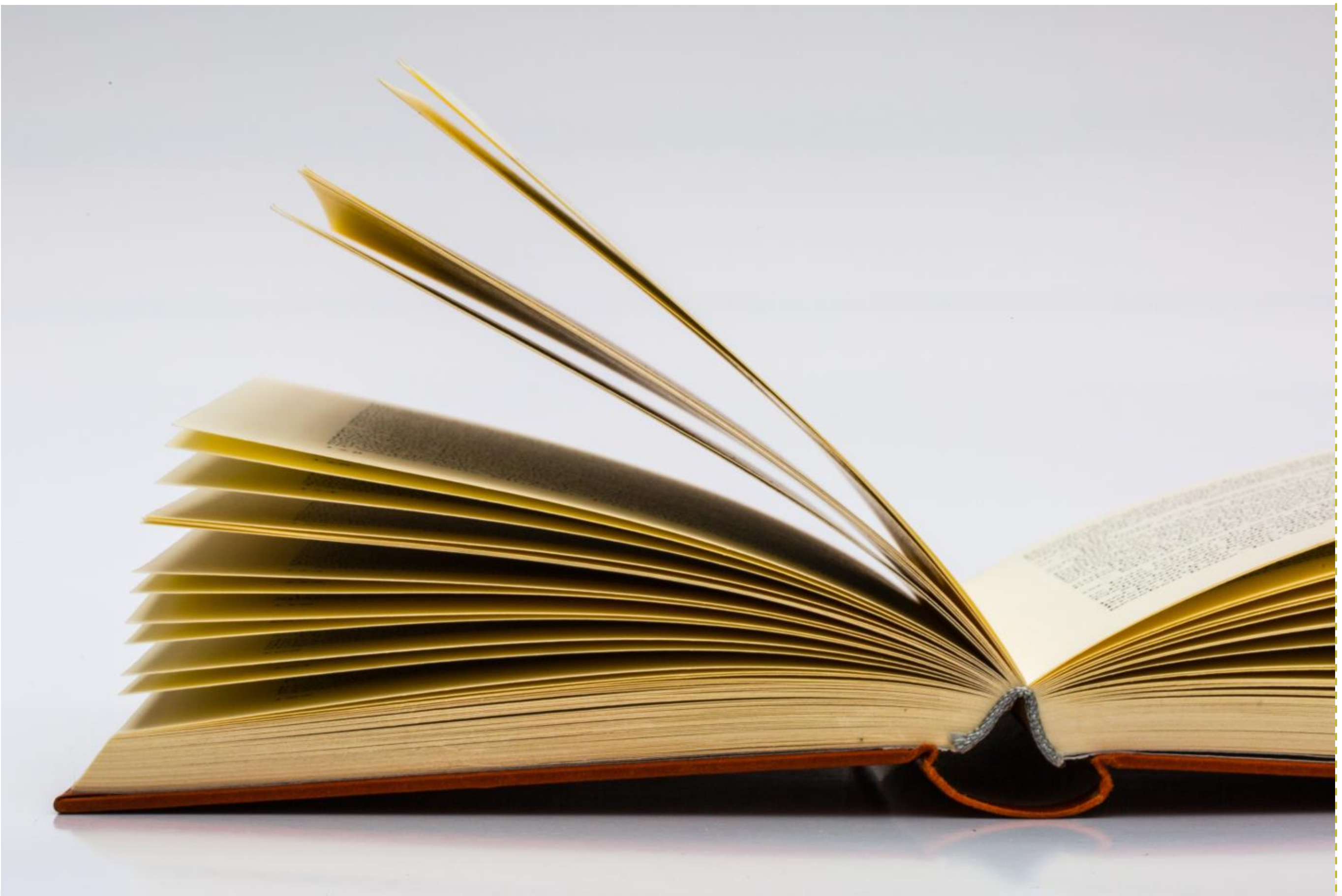
THE WHAT

- $250 Book Store Voucher
    - Must be used at the bookstore prior to the end of Spring semester 2022
    - Returns (any returned items will receive gift card/store credit)
    - No cash value (Student's will not receive a refund check for unused funds)
    - No restrictions on what the voucher can be used on in the bookstore



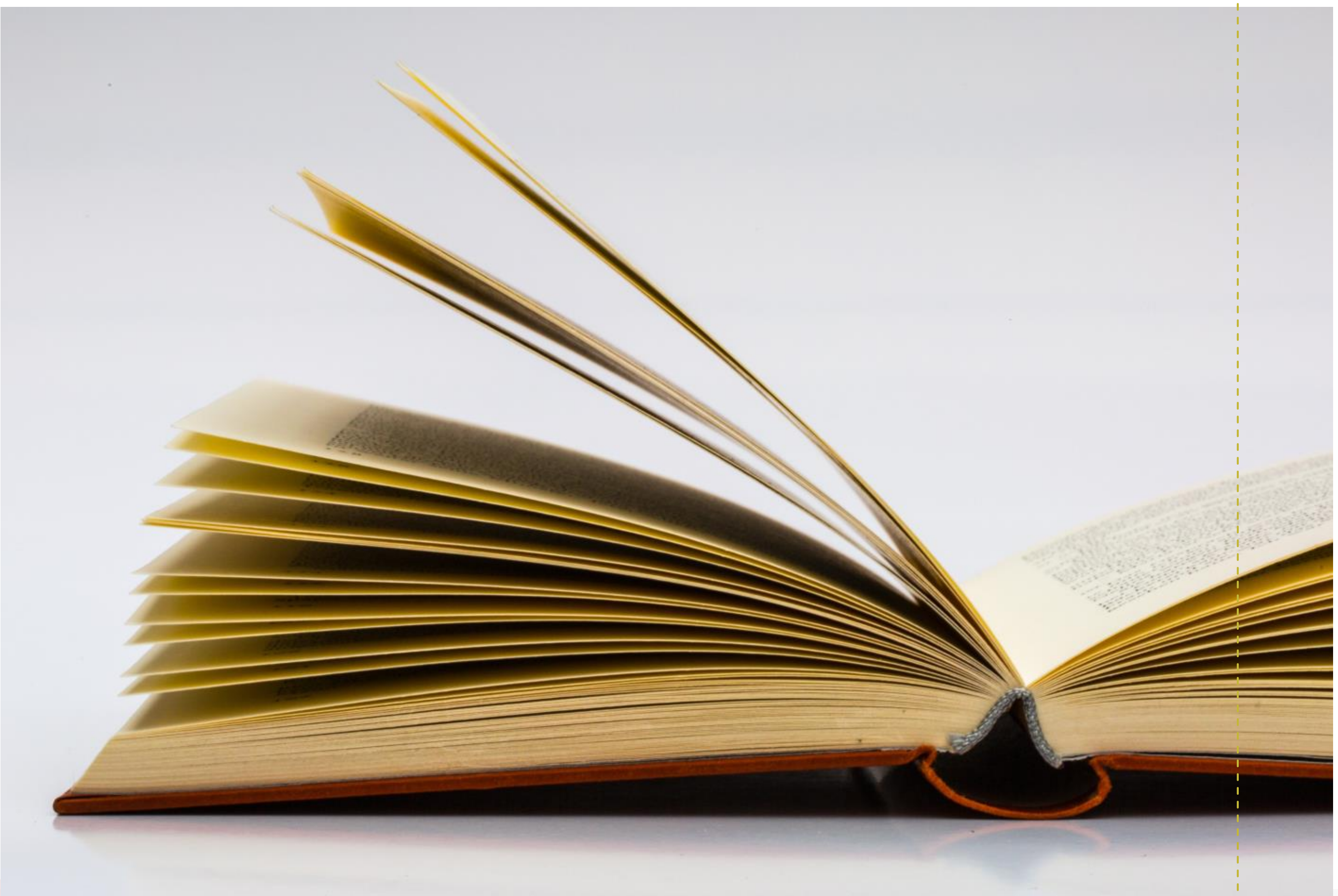
THE WHO

- Currently enrolled/registered students (FT/PT)
  - Credit/Non-Credit/Dual-Enrollment
  - Staff taking courses excluded! (Tuition remission)
- Fully Vaccinated
- Validation of cards (Human Resources)
  - Dates
  - Over 2,000 students have uploaded their vaccine cards (approx. 1,000 since 08/19/2021)



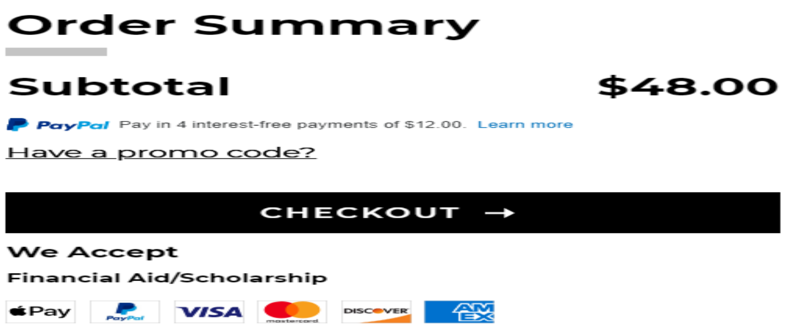
THE WHEN

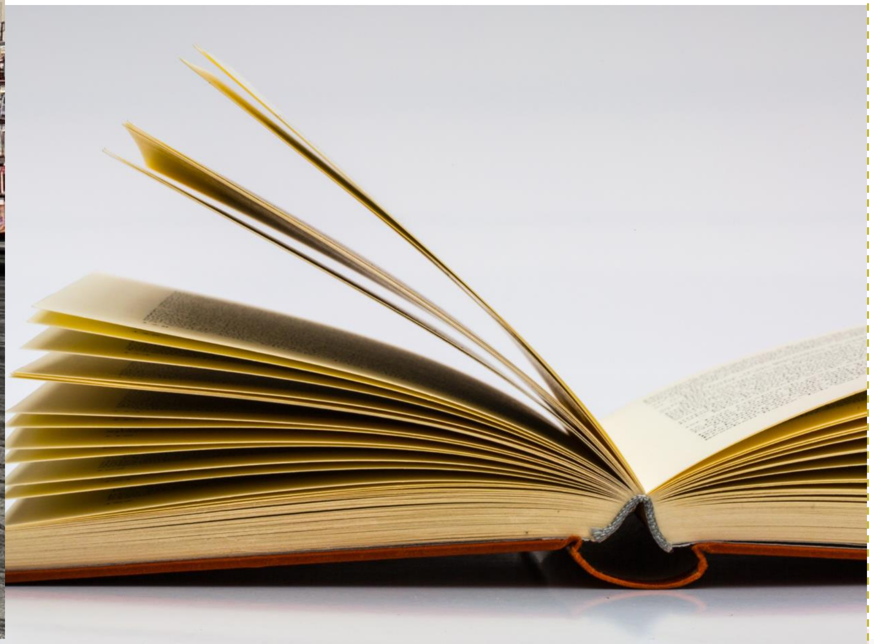
- Must **receive** vaccination between **08/19/2021-10/01/2021**
- Must **upload** cards between 08/19/2021-10-01/2021
  - Retroactive incentives are not something that the College can use HEERF Institutional funds for.
- Vouchers will be issued 10 days following the start :
  - 15-Week semester (09/17/2021)
  - 10- Week semester (10/15/2021)



THE WHERE

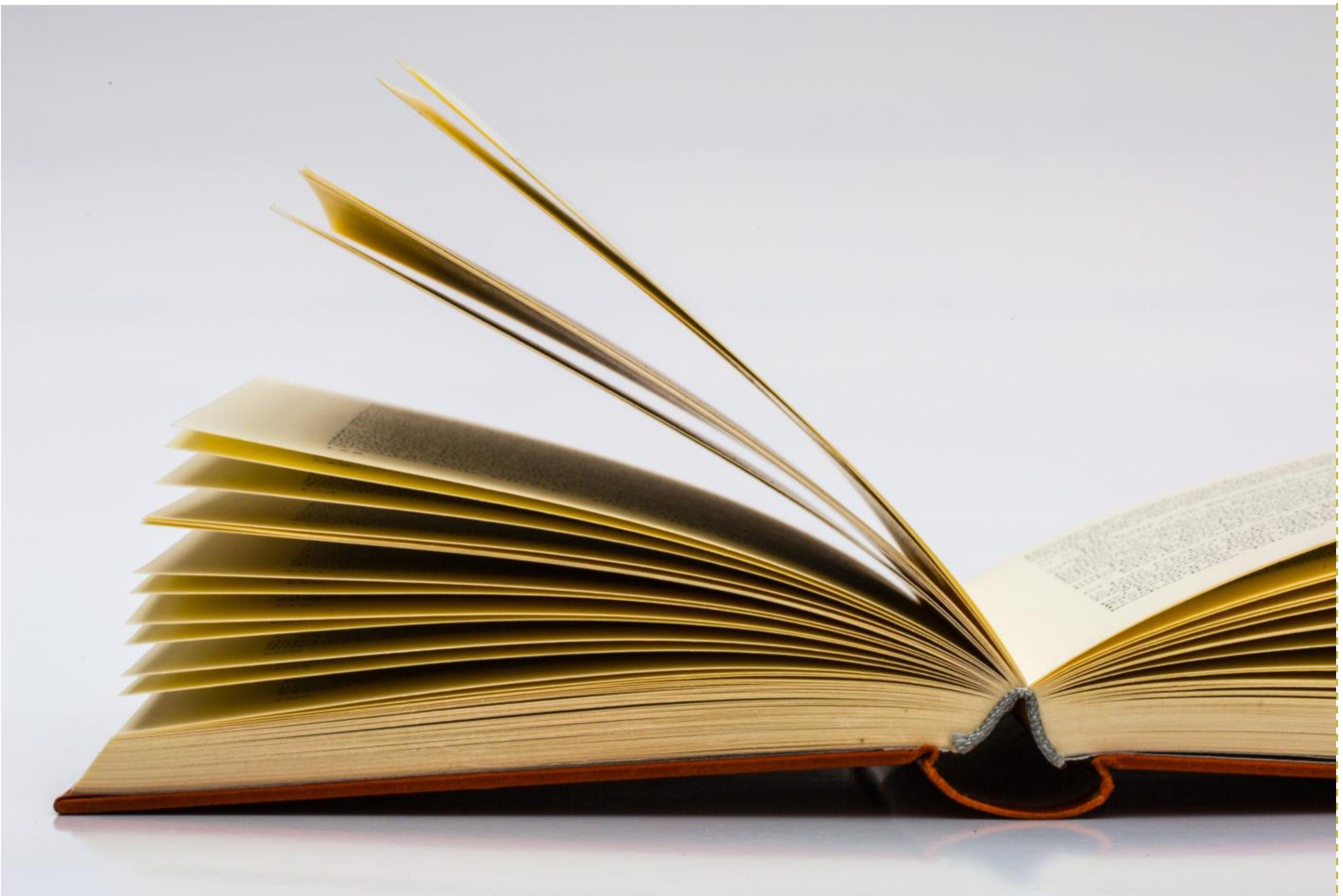
- The voucher can be used in person or on-line





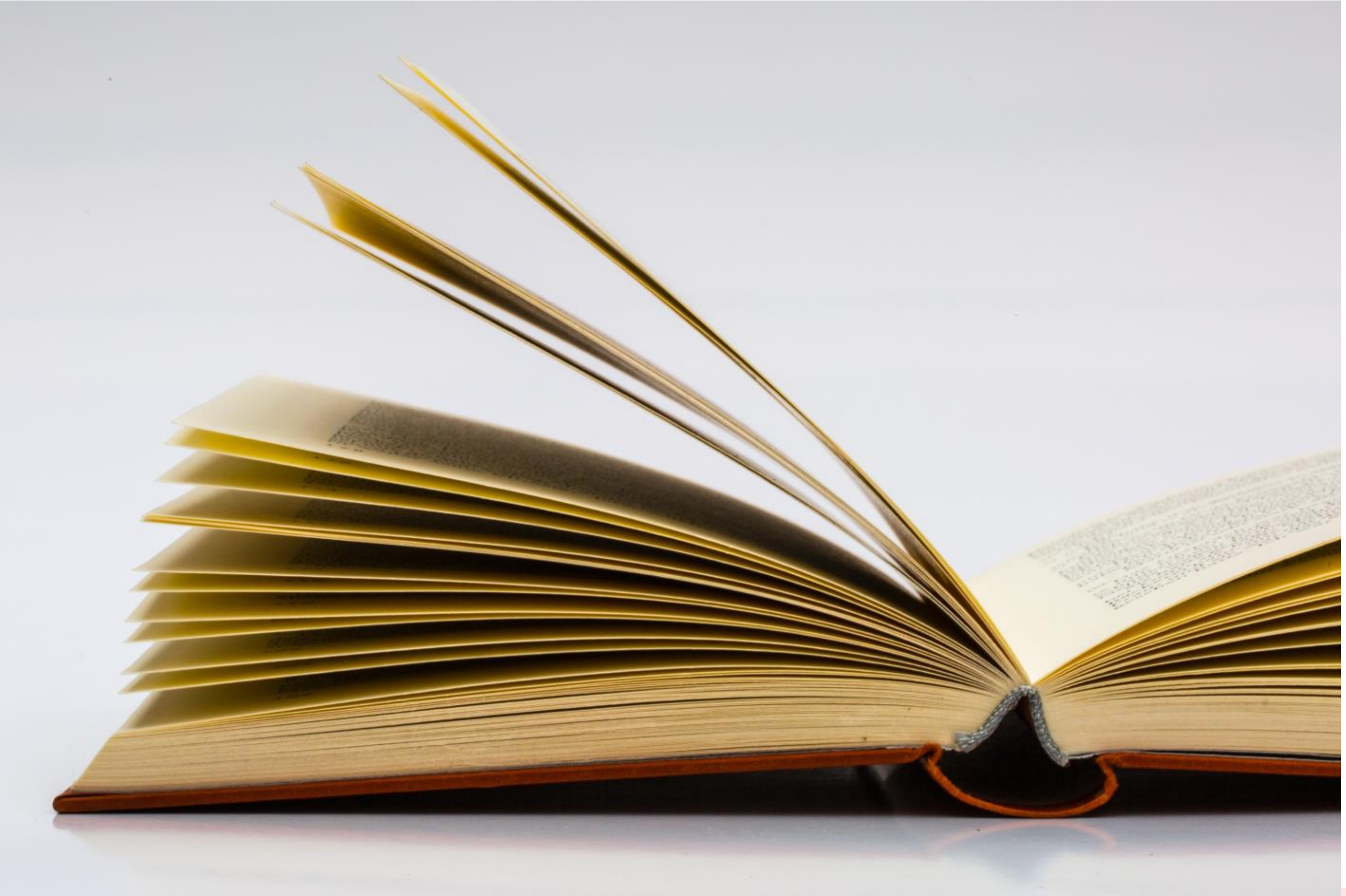
THE HOW

- Per DOE, incentives must be paid out only through HEERF institutional funds and not HEERF student funds
- Process:
    - Major account will be setup with the bookstore (Declining Balance)



THE ESTIMATES

Financial Impact (HEERF Institutional Funds)	
Count	Cost
1,000	$250,000
2,000	$500,000
3,000	$750,000
4,000	$1,000,000
5,000	$1,250,000



Resolution on the Relief of Student Debt, Owed to The College, Incurred Between Spring 2020 and Spring 2021 for Credit Students Who Were Enrolled Between March 13, 2020 and Spring 2021

WHEREAS, the College has received $31,849,546 under the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), HEERF II funds, $23,798,330 of which are designated as institutional funds;

WHEREAS, the College may discharge student debt incurred as a result of the COVID-19 Pandemic for students enrolled between March 13, 2020 and the present as lost revenue and reimburse itself through HEERF grants;

NOW THEREFORE, on this 1st day of July, 2021, the Executive Committee of the Board of Trustees for the Community College of Philadelphia, hereby authorizes the relief of student debt owed to the College for tuition, fees, and other expenses permitted to be relieved under HEERF grants (excluding fees assessed for damaged or lost laptops & equipment) for students enrolled in credit courses between March 13, 2020 and Spring 2021 for debt incurred between Spring 2020 and Spring 2021. This debt relief does not apply to student debt that is contracted to be paid by third parties.

<u>Attachment D</u>

<u>BOARD RESOLUTION SEPTEMBER 2, 2021</u>

<u>Resolution for Wage Increases for Administrators, Grant Administrators, Confidential Employees and Raise and/or Stipend for Vice Presidents, General Counsel, and Government Relations Officer</u>

Whereas on August 18, 2021, the Business Affairs Committee of the Board of Trustees approved a motion recommending that the College's Board of Trustees approve a Resolution as outlined below:

Now, therefore, on this 2nd day of September, 2021, the Board of Trustees approves the following:

> Subject to satisfactory evaluation and performance, College Administrators, Grant Administrators, and Confidential Staff (excluding the Vice Presidents, General Counsel, and Government Relations Officer) are eligible to receive a raise up to 3.5% retroactive to September 1, 2021; provided however that the percentage of the raise shall be pro-rated for any employee who was not employed for the preceding fiscal year in accordance with College practice.
>
> Subject to satisfactory evaluation and performance, the Vice Presidents, General Counsel, and Government Relations Officer are eligible to receive a raise and/or stipend of up to 3.5% retroactive to September 1, 2021; provided however that the percentage of the raise and/or stipend shall be pro-rated for any employee who was not employed for the preceding fiscal year in accordance with College practice.

ATTACHMENT E

Community College of Philadelphia: Trustee Emerita/Emeritus Policy

- Objective:
  - To confer Trustee Emerita/Emeritus status to former Trustees in recognition of their past extensive and exemplary contributions to the Community College of Philadelphia (CCP) and as a means of keeping them affiliated with CCP, maintaining a special relationship with them and expressing gratitude for their service to CCP.

- Criteria for Selection:
  - The Board of Trustees; on recommendation from the Executive Committee; shall vote to grant the status of Trustee Emerita/Emeritus to retiring or former members of the Board of Trustees who have served as a Trustee with distinction, demonstrated strong CCP support and consistently and willingly fulfilled the full spectrum of Board responsibilities.

    - Quantifications to include but not limited to:
      - Committee Chair on one or more committees
      - Participation as member of one or more committees
      - Executive committee member
      - Attendance at Board meetings and other CCP/Community events
      - Participation (as appropriate) in institutional advancements efforts on behalf of CCP
      - Commitment of time well beyond the quarterly meetings
      - Other initiatives demonstrating a commitment to CCP

  - The designation of Trustee Emerita/Emeritus will be awarded on an individual basis and the award will be conferred within one year of the Trustee's leaving the Board.
  - The designation of Trustee Emerita/Emeritus will be announced in the form of a Board of Trustees resolution

- Emerita/Emeritus Honors:
  - Recognition by a Board resolution of Trustee Emerita/Emeritus status with a presentation of a framed resolution
  - Invitation to CCP Commencement activities and CCP Foundation special events with special seating (as available) and recognition
  - Receipt, upon request, of select campus publications

- Requirement
  - Post retirement, as able, Trustee shall maintain a willingness to express enthusiasm and support for CCP's mission, vision and activities. The Board of Trustees reserves the right to withdraw the Emerita/Emeritus status at any time.

July 2021

COMMUNITY COLLEGE OF PHILADELPHIA
Meeting of the Board of Trustees
Thursday, September 2, 2021 – 3:00 p.m.
MINUTES OF THE DECISIONS AND RESOLUTIONS

Present: Mr. White, presiding; Mr. Clancy, Mr. Dubow, Ms. Gamble, Ms. Hernández Vélez, Mr. Herzog, Ms. Ireland, Ms. Posoff, Ms. Jean-Baptiste, Mr. Soileau, Dr. Generals, Dr. Rooney, Ms. Di Gregorio, Dr. Gay, Mr. Eapen, Dr. Hirsch, Ms. Liautaud-Watkins, Ms. Witherspoon, Dr. Zanjani, Ms. de Fries, Ms. Hurst, Ms. Hutcherson, and Mr. Sawyer

(1) Meeting Called to Order

Mr. White called the meeting to order.

(2) Public Comment

There were no requests for public comment.

(3) Report of the President

The Board welcomed Ms. Danielle Liautaud-Watkins, Special Assistant to the President; Dr. Vishal Shah, Dean, Math, Sciences, and Health Careers; and Dr. Darren Lipscomb, Associate Vice President, Enrollment Management.

(3a) Reopening Plans

The Board was provided with an update on fall reopening plans. Online classes are scheduled to begin on September 7, 2021, along with some hybrid and in-person classes. Students will continue their courses in-person beginning on October 18, 2021.

The Board was provided with a detailed presentation on testing on campus and at the Regional Centers. The Board was also updated on the incentive program the College was implementing to encourage students to get vaccinated.

(3b) ACCT Conference: Panel on City-College Partnership

The Association of Community College Trustees Leadership Congress is scheduled October 13-16, 2021 at the Manchester Grand Hyatt Hotel in San Diego, California. He stated that the College is scheduled to do a presentation on *A Model City-College Partnership*.

(3c) Foundation Report

The Board was provided with highlights of the list of gifts and grants received during the month of August. The Board was also informed that the Foundation exceeded its goal for the Black and Gold Gala.

(4) Board Elections

(4a) Nominating Committee for Board Officers

The Board approved the following slate of Board Officers for 2021-2022:

Jeremiah White	Chair
Harold Epps	Vice Chair
Rosalyn McPherson	Vice Chair
Chekemma Fulmore-Townsend	Secretary

(5) Committee Chair Appointments

Mr. White appointed the following Board members as Committee Chairs:

- Mr. Soileau, Business Affairs Committee;
- Ms. Fulmore-Townsend, Student Outcomes Committee;
- Ms. Ireland, Workforce Subcommittee;
- Mr. Simonetta, Audit Committee; and
- Mr. Epps, President's Evaluation Committee

(6) Meeting of the Student Outcomes Committee

The Student Outcomes Committee met on June 3, 2021 and reviewed and discussed the following academic program reviews: Liberal Arts – Social/Behavioral Science (A.A. Degree); Music Performance (A.A. Degree); Sound Recording and Music Technology (A.A.S. Degree).

(7) Report of the Business Affairs Committee

Combined meetings of the Business and Executive Committees took place on July 7 and August 18, 2021. Items discussed and approved by the Business Affairs and Executive Committees focused on providing a healthy and safe campus environment for faculty, staff, and students, and are part of the Consent Agenda for Board approval.

(7a) Resolution for Wage Increases for Administrators, Grant Administrators Confidential Employees and Raise and/or Stipend for Vice Presidents, General Counsel, and Government Relations Officer

The Board approved and ratified the Resolution for Wage Increases for Administrators, Grant Administrators, Confidential Employees and Raise and/or Stipend for Vice Presidents, General Counsel, and Government Relations Officer.

(8) Consent Agenda

The Board approved the following Consent Agenda:

(a) Proceedings and Minutes of Decisions and Resolutions Meeting of June 3, 2021
(b) Gifts and Grants
(c) Liberal Arts-Social/Behavioral Science, A.A., the Music Performance A.A., And the Sound Recording and Music Technology A.A.S. Programs
(d) Resolution on the Relief of Student Debt owed to the College, incurred between Spring 2020 and Spring 2021 for credit students who were enrolled between March 13, 2020 and Spring 2021
(e) Contract with Pennoni Associates
(f) Amendment to the Contract with Pennoni Associates, Inc. to Include the College's Regional Centers
(g) Contract with DeWitt Mechanical
(h) Contract with Paradigm Mechanical
(i) Stop Loss
(j) Stormwater Management for NERC Project
(k) Contract with Dentrust, P.C. (DOCS Health)

(9) Workforce Subcommittee

The Subcommittee did not meet. The Board was provided with a summary of highlights of the activities of the Workforce and Economic Innovation Division.

(10) Report of the Chair

(10a) CCP Trustee Emerita/Emeritus Policy

The Board approved the Emerita/Emeritus Trustee Policy.

(11) Investment Policy

The Board was provided with an update on efforts underway to review and update the College's investment policy.

(11a) Change in Board Appointment to the College's Middle States Steering Committee

Mr. Clancy agreed to serve as the Board representative on the College's Middle States Steering Committee.

(11b) Acknowledgements of Board Member Service

Mr. White and Dr. Generals expressed their thanks and appreciation to Ms. Hernández Vélez and Ms. Jean-Baptiste for their service as members of the Board of Trustees. An appropriate event to recognize Ms. Hernández Vélez and Ms. Jean-Baptiste will be scheduled in the near future.

(12) New Business

There was no new business discussed.

(13) Next Meeting

Mr. White stated that the next meeting of the Board of Trustees will be in the Committee of the Whole format on October 6-7, 2021.

The meeting adjourned at 4:30 p.m.

Community College of Philadelphia
Office of Institutional Advancement
Record of Grants and Gifts
October 7, 2021 Meeting of the Board of Trustees

Summary by Source:

	FY 2022	
Held by College	**8/16/21 - 9/15/21**	**Fiscal Year to Date 7/1/21 - 9/15/21**
Federal	$ 306,037	$ 3,989,652
State	$ -	$ -
Local	$ -	$ -
Public Total	**$ 306,037**	$ 3,989,652
Held by Foundation	**8/16/21 - 9/15/21**	**Fiscal Year to Date 7/1/21 - 9/15/21**
Corporation	$ 11,000	$ 35,000
Foundation	$ 106,451	$ 541,897
Individual	$ 71,261	$ 134,938
Organization	$ 11,645	$ 20,243
Private Total	**$ 200,357**	$ 732,078
TOTAL	**$ 506,394**	**$ 4,721,730**

PUBLIC GRANTS SUMMARY
Since Meeting of September 2, 2021

FEDERAL

U.S. Department of Education awarded $306,037 for year two of a five-year grant for TRIO Student Support Services (SSS). The grant period is 9/1/2021 – 8/31/2022. The College's TRIO SSS program goal is to serve 225 eligible students annually by providing the support services necessary for persistence and completion of postsecondary education. The focus of the project will be on increasing retention, good academic standing, graduation and/or facilitating transfer from an associate degree-granting institution to a four-year college or university, and maintaining an institutional climate supportive of the needs of participants.