

**MEETING OF THE BUSINESS AFFAIRS COMMITTEE
OF THE BOARD OF TRUSTEES
Community College of Philadelphia
Wednesday, May 22, 2013 – 9:00 A.M.**

TO: Business Affairs Committee of the Board of Trustees
FROM: Thomas R. Hawk *TRA*
DATE: May 16, 2013
SUBJECT: **Committee Meeting**

A meeting of the Business Affairs Committee of the Board of Trustees will be held on **Wednesday, May 22, 2013 at 9:00 A.M.** in the College's **Isadore A. Shrager Board Room, M2-1.**

AGENDA – PUBLIC SESSION

(1) 2012-13 Budget Update (Information Item):

Dr. Hawk and Mr. Spiewak will provide an overview of the College's budget status for fiscal year 2012-13. The implications of key factors currently impacting on the budget will be discussed. The originally projected use of carry-over funds for the 2012-13 year was \$1,950,173. As a result of successful cost containment efforts over the course of the fiscal year, the shortfall has been eliminated and a small operating budget surplus of \$32,802 is projected.

(2) 2013-14 College Budget (Action Item):

Attached separately to the agenda is the proposed 2013-14 budget. The 2013-14 budget plan maintains the cost-containment strategies that were put in place for the 2012-13 year and introduces additional strategies to control expenditures. The 2013-14 Budget includes a range of new and continuing initiatives addressing current strategic plan priorities.

The expenditure plan totals \$140,631,495. The recommended educational and general budget operating expense (including student activities and auxiliaries) is \$126,583,936, and the capital budget expense is \$14,047,529. The budget includes a planned use of the prior years' carryover funds in the amount of \$1,647,495. Staff will review the 2013-14 budget plan and ask for Committee recommendation of the proposed budget to the full Board.

(3) Adoption of Sandy Hook Principles (Action Item):

The College has received a request from the City to adopt the Sandy Hook Principles which define steps that "must be taken to reduce gun violence." Attachment A contains the letter received from the Mayor and a copy of the Sandy Hook Principles. The Principles are similar to the Sullivan Principles on South African Investments which the College followed for many years until the international sanctions against South Africa were lifted.

Adopting the Sandy Hook Principles by the College will require staff to ensure that the College's operating cash investment portfolio is not invested with firms who have not adopted the Sandy Hook Principles. The College's current investment management partners have indicated their willingness and ability to confirm that the College does not have investments placed in instruments issued by arms industry firms who have not adopted the Sandy Hook Principles.

Staff request that the Committee recommend adoption of the Sandy Hook Principles to the full Board.

(4) Proposed 2013-14 Business Affairs Committee Meeting Dates (Information Item):

In order to facilitate Board calendar planning, Committees are asked to establish a meeting calendar for the year. Proposed meeting dates for 2013-14 are as follows:

Wednesday, September 25, 2013 – 9:00 A.M.
Wednesday, October 23, 2013 – 9:00 A.M.
Wednesday, November 20, 2013 – 9:00 A.M.
No Meeting in December, 2013
Wednesday, January 22, 2014 – 9:00 A.M.
No Meeting in February, 2014
Wednesday, March 20, 2014 – 9:00 A.M.
Wednesday, April 23, 2014 – 9:00 A.M.
Wednesday, May 21, 2014 – 9:00 A.M.
Wednesday, June 18, 2014 – 9:00 A.M.

(5) Next Meeting Date:

The next regularly scheduled meeting of the Committee will occur on
Wednesday, June 19, 2013 at 9:00 A.M.

TRH/lm

Attachments

c: Mr. Matthew Bergheiser
Dr. Stephen M. Curtis
Ms. Jody Bauer
Dr. Judith Gay
Dr. Samuel Hirsch
Mr. Todd Murphy
Mr. James P. Spiewak
Jill Garfinkle Weitz, Esq.

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ATTACHMENT A

- **Letter Dated March 13, 2013 from Mayor Nutter Regarding Sandy Hook Principles**
- **Sandy Hook Principles**



CITY OF PHILADELPHIA

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MICHAEL A. NUTTER
Mayor

March 13, 2013

Dr. Stephen M. Curtis
President
Community College of Philadelphia
1700 Spring Garden Street
Philadelphia, PA 19130

Dear President ^{Steve} Curtis:

As Mayor of the City of Philadelphia and President of the United States Conference of Mayors, I have dedicated myself to reducing the excessive gun violence that plagues cities and towns all across America. In January, I, along with other mayors, sent a letter to the President and Congress urging them to take immediate and meaningful action against this harrowing crisis.

We must do more for our children, and I am confident that if we work together we can achieve far greater progress than any one person or organization alone. It is for this reason that I am urging you and your Board of Trustees to adopt the enclosed Sandy Hook Principles as part of Community College of Philadelphia's investment policy.

The Sandy Hook Principles are an expression of America's core values. In these Principles we affirm the steps that must be taken to reduce gun violence; we call on the gun industry to be a part of the solution by taking action to keep firearms out of the wrong hands, and make guns and ammunition safer for authorized users.

History demonstrates that our approach can effect meaningful change. In the late 1970s and 1980s, the apartheid regime in South Africa was dismantled, in part, due to the widespread adoption of the Sullivan Principles by higher education institutions across the country.

On January 24, 2013, we took the first step when Philadelphia's Pension Board adopted the Sandy Hook Principles, choosing to divest itself of companies who reject our vision for what America can, and should, be. Today, the Sinking Fund Commission, which controls the investment of the Philadelphia Gas Works' pension fund adopted them as well. I strongly encourage you and your board to do the same.

Together we can do this. Please join me.

Sincerely,

Michael A. Nutter
Mayor

SANDY HOOK PRINCIPLES

THE CONTEXT

In solemn remembrance of the 20 children and 6 adults whose lives were taken during the tragic shooting massacre of December 14, 2012, at Sandy Hook Elementary School, and in remembrance of too many others who have lost their lives to gun violence before and since, the Sandy Hook Principles are hereby established as one idea that can help make America safer. These Principles are a call to action for corporations to heed the basic core values of American citizens in promoting the health, safety and well-being of our communities.

THE PREAMBLE

The objective of the Sandy Hook Principles is to encourage positive corporate behavior by gun and ammunition manufacturers, distributors and retailers by establishing a baseline standard for responsible conduct and business practices to help ensure maximum safety for our citizens. Accordingly, the Principles promote progressive actions by these companies towards eliminating the substantial and unjustified risk to human health and life associated with inadequately regulated firearm use. The Principles address five specific categories of reform in terms of procedures, coordination, management, safety and technology.

These Principles are created in an effort to work proactively with the gun industry to seek commonsense solutions in response to the proliferation of gun violence in America that has caused immeasurable harm to our citizens. Implicit in these Principles lies the belief that adjustments and changes in certain business practices, policies or conduct by the gun industry can improve the health, safety and well-being of our communities. In these Principles, the gun industry is being called upon to be part of the solution to the public safety and public health challenges we face in cities and towns across the nation and presents an opportunity for significant progress towards the imperative objectives of keeping firearms out of the wrong hands, and making guns and ammunition safer for authorized users.

It is hereby affirmed that the overwhelming majority of gun owners in America are responsible, law abiding and safety-conscious citizens. Through the widespread adoption of these Principles, an appropriate balance is sought between protecting the rights of gun ownership and the rights of our citizens to be safe and secure. These rights must complement each other.

The Principles apply to gun and ammunition manufacturers, distributors and retailers, with an exception for the production and sale of guns or ammunition to local, state and federal law enforcement agencies and all U.S. military forces for use in conducting their official duties. Local and state governments, colleges and universities, hedge funds, pension funds, venture capital funds and all other organizations that have a financial relationship with private corporations may request that companies affiliated with the gun industry review and adopt the Sandy Hook Principles. In the event an affiliated company does not adopt the Principles, organizations may choose to reexamine that financial relationship.

THE PRINCIPLES

As a company which endorses the Sandy Hook Principles we will respect the law, and as a responsible corporate member of society we will apply these Principles with integrity consistent with the legitimate role of business. We will develop and implement company policies, procedures, training and internal reporting structures to ensure commitment to these Principles throughout

our organization. We believe the application of these Principles will improve the health, safety and well-being of communities across America.

Accordingly, we will:

- Support and promote restrictions on firearm and ammunition sales, transfers and possession to keep guns out of the hands of children (unless authorized), persons with mental illness or mental health challenges (unless authorized), criminals, domestic or international terrorists and anyone else prohibited from possessing them under federal law.
- Conduct background checks on all gun and ammunition sales or transfers and support the establishment of a federal universal background check system for every such transaction.
- Reevaluate policies regarding the sale, production, design or conversion of military style assault weapons for use by civilians, including the distribution of any materials/information that may be used to assist in such conversion.
- Ensure that all business clients, including gun show operators or gun dealers, conduct background checks for every sale or transfer of guns or ammunition.
- Make a commitment to develop, share and implement technology-enhanced safety measures for guns and ammunition.
- Support and promote the creation of a federal gun trafficking statute to ensure strict punishment for individuals engaging in the trade of selling firearms to anyone prohibited from possessing them under federal law.
- Support and promote sharing of background check and gun sale data for law enforcement purposes.
- Support and promote gun safety education at the point of sale and in the communities in which we conduct business operations.

We will be transparent in our implementation of these principles and provide information which demonstrates publicly our commitment to them.

The Sandy Hook Principles are modeled after the Global Sullivan Principles – a human rights and equal opportunity code of conduct for companies which was originally developed by the legendary Reverend Dr. Leon H. Sullivan of Philadelphia's Opportunities Industrialization Centers (OIC) of America, in order to promote desegregation and equal rights during the apartheid regime in South Africa.