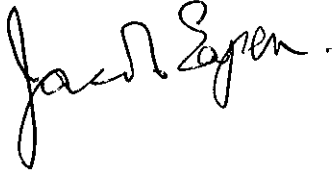


**MEETING OF THE BUSINESS AFFAIRS COMMITTEE
OF THE BOARD OF TRUSTEES
Community College of Philadelphia
Wednesday, March 23, 2016 – 10:00 A.M.**

TO: Business Affairs Committee of the Board of Trustees
FROM: Jacob Eapen 
DATE: March 22, 2016
SUBJECT: **Committee Meeting**

A meeting of the Business Affairs Committee of the Board of Trustees will be held on **Wednesday, March 23, 2016 at 10:00 A.M.** in the College's **Isadore A. Shrager Boardroom, M2-1**. For those members who are dialing into the meeting, the following is the conference bridge information: **DIAL-IN NUMBER: 1-888-675-6779; PARTICIPANT PASSCODE: 2050590#**

AGENDA – PUBLIC SESSION

(1) Information Security (Information Item):

With the rise in data breach events and increased awareness of information security issues, the College has implemented data security measures and taken on an awareness program for all faculty and staff. Ms. Jody Bauer, Chief Information Officer, will provide a presentation on Information Security. Please refer to Attachment A.

The focus of the presentation is to ensure an understanding of the measures implemented to prevent data loss and what next steps are being taken to continuously support this effort. The purpose of information security is to protect the information resources of the College from unauthorized access or damage.

(2) Resolution of Support for 2016-17 PDE Capital Applications (Action Item):

PDE requires that all capital applications submitted during the annual capital application process include a Board Resolution of Support for the Project with the application. For the FY 2016-17 process, and all subsequent cycles, PDE is requiring that previously submitted projects be submitted with new Resolutions. Items (A) through (H) are the capital projects that the Board had previously endorsed. Items (I) and (J) are new capital projects for which Board endorsement is requested. Please refer to Attachment B.

(3) Selection of Construction Manager for Biology Labs (Action Item):

Two years ago, the College began the process of evaluating and planning for an ideal learning environment and experience for students enrolled in our Biology programs. A WBE laboratory consultant was hired and throughout the last year interacted with Biology faculty, the Dean of Math, Science and Health Careers and Facilities staff to refine program definition to include current best practices and pedagogy to better align the College with other universities and colleges' four year degree programs. The consultant developed plans and phasing strategies for the College to use in the hiring of an Architect/Engineering and a Construction Management firm. The Architect (Spiezle Architectural Group) has been approved and is engaged.

As a result of the consultant's efforts, the College compiled requirements for the contracted services of a Construction Management firm and requested proposals. Using PennBid for the means to manage the process, more than ten (10) firms responded to our mandatory pre-bid meeting and of those, four (4) firms responded with formal proposals. They are as follows:

Firm	Base Bid
Hill International	\$249,000
Skanska	\$398,284
Reynolds	\$444,492
MBP	\$477,100

The top two (2) firms will be interviewed by staff members from Facilities, Procurement and Biology departments for clarity of scope and qualification. The results of these interviews will yield the most responsive proposal and will be recommended for award.

UPDATE:

The lowest cost response (Hill International) did not adequately address the expectation of the RFP. The primary and significant issue was the lack of full-time on-site support, which was the result of their misinterpretation of the RFP greatly affecting the cost. A second, also, significant issue was the lack of recent equivalent experiences of similar size and complexity to the CCP Biology project. A tertiary issue was the experience of the proposed team, especially the Project Manager who was unanimously considered not a good match for this project.

The second response (Skanska), was considered unanimously as the stronger technical candidate able to maximize the success of this project. Skanska offered strategies to achieve minority participation at or above the CCP goals and claimed that historically their organization has a documented

track record of 15-20% across their company. Their review of our proposed schedule yielded their opinion that it was readily "doable" as we had suggested, and although not all the team members were present, the expected program manager/superintendent, who was present, was unanimously considered as an effective selection for that role. The selection committee has determined within the provision of the RFP that Skanska is the most qualified firm and recommends that they are advanced for the Business Affairs Committee to review with expectations of awarding Skanska the contract.

(4) Garage Repairs – Phase Two (Action Item):

In 2012, the College commissioned a condition survey of the main parking garage by Carl Walker, Inc. The report made recommendations for some immediate repairs to the structure and a phased restoration/repair program for the facility to take place in five phases. The College completed the first phase of the program in 2014. Specifications were developed for the second phase and a pre-bid meeting was held on December 14, 2015. Twenty-two (22) firms attended the pre-bid. Bids were received on January 22, 2016 from seven firms. The bids ranged from \$241,340.00 to \$329,000.00. After review, staff is making the recommendation to accept the proposal of Quinn Construction, Inc. for \$241,340.

Quinn Construction, Inc.	\$241,340
Schnell Contracting Systems, LLC	\$253,211
Watts Restoration, Inc.	\$257,442
E.J.W. Restoration, Inc.	\$270,345
Mara Restoration	\$321,546
Joseph Dugan, Inc.	\$326,025
J.P.S. Construction Co, Inc.	\$329,000

(5) 2015-16 Budget Status Report (Information Item):

Staff will provide an overview of the College's budget status for fiscal year 2015-16. The implications of the key factors currently impacting on the budget will be discussed. Please refer to Attachment C.

(6) Reconciliation of 2008 Capital Project Funding. (Information Item):

Staff will provide a final reporting of the costs associated with the capital projects supported with the 2008 bond issue. These projects include the Northeast Regional Center expansion, Pavilion Building, renovations to the Bonnell, West, and Mint Building, and Landscaping efforts. The report will detail final costs and the sources of revenues that funded the costs.

(7) Workforce Development Activities (Information Item):

The attached report was sent to the Student Outcomes Committee by Ms. Carol de Fries, Vice President of Workforce and Economic Innovation (WEI) on March 4, 2016. Please refer to Attachment D. The WEI Division has been focusing its efforts over the last 4 months on several key goals to grow the Division moving forward, and the attached report delivers updates on activity related to the following three goals:

- Focused competencies and programs around strategic industry clusters that are reflective of the region's current growth industries, or those industries that are identified as strategic priorities of the State, City and region;
- Premiere provider of career and technical training programs to critical target populations that that help uplift those with limited employability options, and/or are repositioning their skill sets due to dislocation (Returning Citizens, ESL/DACE populations, Opportunity Youth, Dislocated workers, PHA, Wanamaker Scholars, etc.), or repositioning themselves professionally.
- Viewed as the leading provider of workforce and economic development solutions and corporate training in the City of Philadelphia by State, City, Corporate and Civic Leaders.

(8) Next Meeting Date

The next meeting of the Committee is scheduled for **Wednesday, April 20, 2016 at 10:00 A.M.** in the Isadore A. Shrager Boardroom, M2-1.

AGENDA – EXECUTIVE SESSION

Legal, budget and real estate issues were discussed.

JE/lm

c: Mr. Jeremiah J. White, Jr.
Dr. Donald Generals

Ms. Jody Bauer
Mr. Gregory Murphy
Mr. Todd Murphy
Mr. James P. Spiewak
Victoria L. Zellers, Esq.

BAC\0316AGENDA.DOCX

ATTACHMENT A

**INFORMATION SECURITY:
A CYBER-SECURITY DISCUSSION**

Information Security

A Cyber-Security Discussion

Information Security/Cyber-Security

- Developing a holistic, agile approach to information security to create a secure network, develop security policies, and reduce institutional exposure to information security threats.
- Security is invisible by default. Identifying legitimate attacks, let alone breaches, is challenging.
- Personally Identifiable Information (PII) - Confidential data may be held in a variety of places. Confidential or Personally Identifiable Data resides in systems, the Cloud, paper, electronic files stored on the network or mobile media.

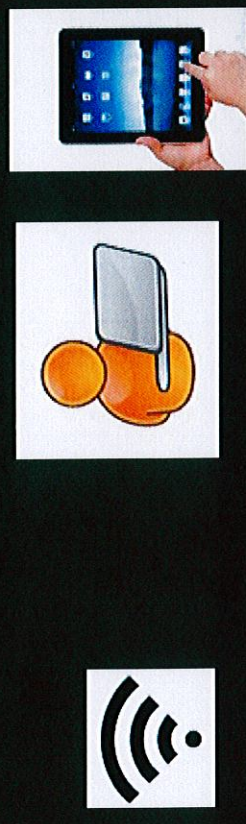
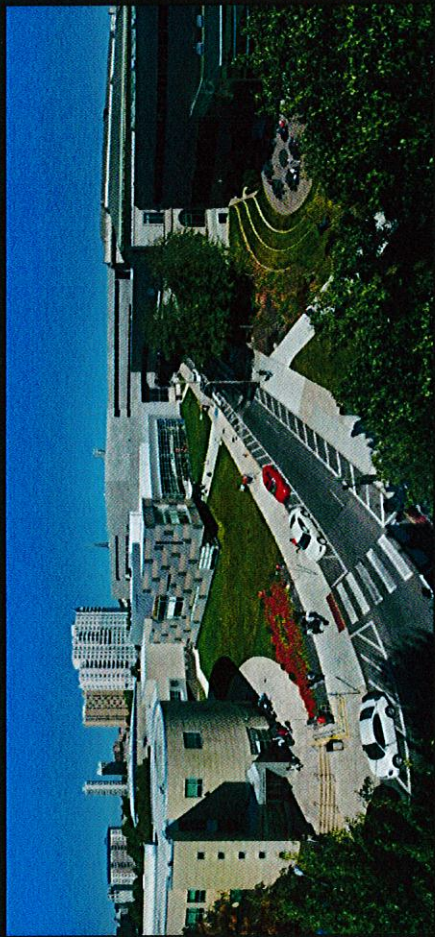
Information Security Assessment

Balancing security needs with usability.

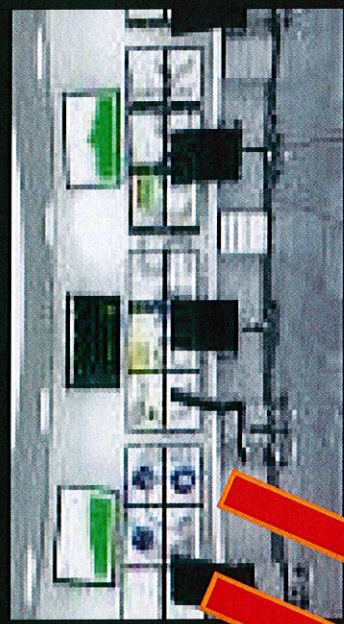
Trying to align a secure environment with an environment which promotes accessibility, and not stifling the "academic freedom" approach to learning/teaching.

Information Security Assessment Infrastructure

Firewall with Contracted External Monitoring
Service that is 24x7x365



60% of Cyber Attacks occur from inside



External Contracted 24x7x365 Monitoring Service



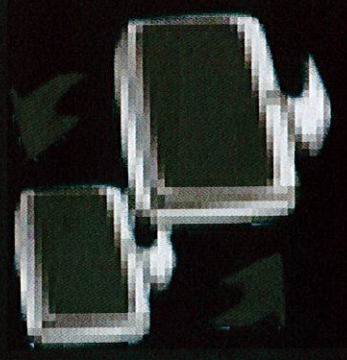
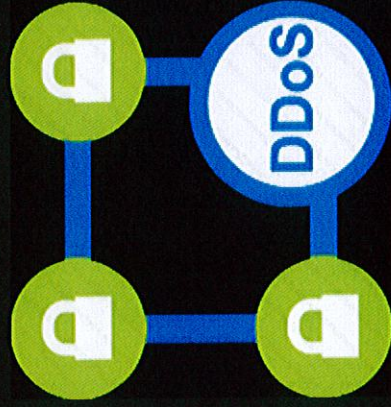
Firewall

How are we protecting our systems?

- Patch/Upgrade meetings bi-weekly – maintaining current patch levels on servers & systems – Key Risk Indicator (KRI) review
- Wi-Fi is public/guest only – No Access to the internal Wide-Area Network permitted
- Vulnerability Scans & Threat Reports monitored monthly
- SAS Team weekly “threat analysis” on all workstations

Vulnerability Protection CCP Attack Report

16,719,155 Attacks STOPPED in 2015
Denial of Service (DoS/DDoS), Virus threats, Malware, P2P



How are we protecting our systems?

Active Directory Controls

- Passwords are on a 45-day forced change cycle
- Auto-forwarding of all email in an account has been disabled
- 15 minute timeout period on desktop PC's – password required to access prior session
- Secure policies on workstations to (a) prevent key-logging ; (b) installation of applications; (c) changes to the system configuration; (d) anti-virus updates pushed
- Alerts to Network Team and Account Locked when more than 5 failed login attempts.

How are we protecting our systems?

Enterprise System

- Banner User Accounts are audited monthly by DBA/Security Team to ensure that security roles assigned to user are valid.
- Passwords are on a 45-day forced reset cycle.
- Alerts to DBA Team and Account Locked when more than 5 failed login attempts.
- Banner Patch Management is reviewed bi-weekly.
- Banner TESTING is conducted in a protected lower database instance.

How are we protecting our systems?

Other Methodology

- Education of the end-user community is ongoing
- A new initiative is a monthly email to the College Community entitled “Lessons on Internet Safety”
- ITS publishes “ITS ALERTS” on phishing schemes and warning of dangerous web-based sites
- Education of Data Stewards concerning PII protection
- Working to ensure that all data transferred into or out of our institution is encrypted.

Data Breach Committee

- Formed in the Spring of 2015
- Members: VP Business & Finance, CIO, Risk Manager, Internal Auditor, Assoc VP HR, Controller, Dean of Enrollment Management and 1 Faculty member
- Survey Data Stewards – What & Where PII data is being held? Paper and Electronic
- Mitigating Risk Factors

Information Security Issues Under Review by the Data Breach Committee

- Use of Secure/Encrypted file transfer
- Lockdown of USB devices
- BYOD Policy
- Ability to stop forwarding of data
- Controls over PII data requests
- Controls over 3rd-party systems in use
- Controls over Team-Viewer type applications

Information Security Policy

- Draft under review
- First Step is PREVENTION
 - Development of Practices
 - Monitoring is 24x7x365
- Second Step is the development of a Response Plan
 - In progress to ensure the College is ready just in case...

Next Steps

- Proficiency on the next generation of Firewall appliance recently procured by CCP.
- Continuing to enhance our presence in the Cyber-Security arena by hiring a new staff member specializing in this area.
- Developing new and revising exiting policies and procedures, relating to data integrity.
- Review of Cyber-Insurance policy.

Cyber Insurance Current Coverage

National Union Fire

\$1,000,000 Policy Aggregate Limit

Privacy Breach Response Services
(Event Management)

250,000 notified individuals – Notification & Credit
Monitoring Expenses
\$250,000 for Legal & Forensics

Premium: \$17,235

Retention

\$25,000 Per Claim, Except
\$0 Crisis Management
\$10,000 Event Management
250 Individuals – Notification
10 Hour Waiting Period for BI Losses

Current Program

- Policy Term – 7/1/15 to 7/1/16
- \$1M Security and Privacy Liability Aggregate Limit
- \$1M Regulatory Defense & Penalties Sub-Limit
- \$50K Reputation Guard
- \$250,000 Event Management Expense
- 250,000 Affected Persons
- \$1M Cyber Extortion Insurance
- \$1M Network Interruption
- Claims-Made & Reported Form (Retro Date 7/1/2011)
- Liability Retention - \$25,000
- Event Management Retention – \$10,000
- 250 Affected Persons for Privacy Breach Event
- Annual Premium - \$17,235

Coverage Descriptions: 1st PARTY COVERAGES

- **Privacy Breach Response Services:**

Covers expenses to retain a computer forensics firm to determine the scope of a breach, to comply with privacy regulations, to notify and provide credit monitoring services to affected individuals, and to obtain legal, public relations or crisis management services to restore the organization's reputation.

- **Reputation Guard:**

Proactive Consultative Costs incurred in connection with a Reputation Threat or the Response Costs (consultative and targeted communication costs) incurred specifically in response to a Reputation Attack

- **Cyber Extortion:**

Covers extortion monies and associated expenses arising out of a criminal threat to release sensitive information, or bring down a network.

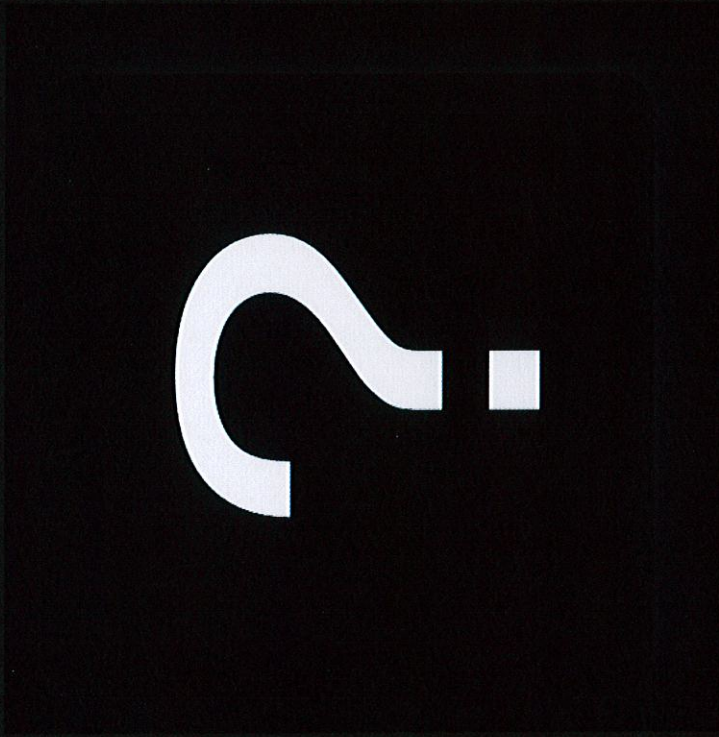
- **Network Interruption:**

Covers business income and extra expenses resulting from a breach that causes disruption or destruction to an organization's network, to such an extent that the organization is unable to conduct operations. Subject to a waiting period and retention.

Cyber Coverage Descriptions: 3rd Party COVERAGES

- **Privacy Liability:**
 - Covers loss arising out of the organization's failure to protect sensitive personal or corporate information in any format.
 - Provides coverage for regulatory proceedings brought by a governmental agency alleging the violation of any state, federal or foreign identity theft or privacy protection legislation. Coverage is provided at sub-limit of liability.

- **Network Security Liability:**
 - Covers liability of the organization arising out of the failure of network security, including unauthorized access or unauthorized use of corporate systems, a denial of service attack, or transmission of malicious code.



ATTACHMENT B

**RESOLUTION OF SUPPORT FOR
2016-17 PDE CAPITAL APPLICATIONS**

A. Mint Main Entrance Masonry Renewal

The main Mint Building entrance steps (on Spring Garden Street between 16th and 17th Streets) have deteriorated to the point that a comprehensive rebuild of the steps is required. The original 1904 steps do not appear to have been renovated since the Mint originally opened. A consultant has worked with the College to develop a comprehensive restoration plan for the steps. The expected cost for the project is \$425,000. (State share - \$212,500)

**Estimated Total Cost of Project \$425,000
Initially submitted for Fiscal Year 2010-11**

B. West Building Escalator Replacement

The West Building escalators were installed at the time the building was erected in 1981. Six escalators are in place connecting the four principal floors of the building. The escalators are at the end of their life cycle and continued repairs to them are no longer effective. Replacement with fixed stairs at a total cost of \$1,800,000 is now essential. (State share - \$900,000)

**Estimated Total Cost of Project \$1,800,000
Initially submitted for Fiscal Year 2010-11**

C. Overhaul/Replacement of Mint Building Freight Elevator

**Estimated Total Cost of Project \$300,000
Initially submitted for Fiscal Year 2014-15**

D. Overhaul/Replacement of Bonnell Building Freight Elevator

**Estimated Total Cost of Project \$225,000
Initially submitted for Fiscal Year 2014-15**

These projects involve the overall of existing freight elevators in the Mint and Bonnell Buildings. The elevators are extremely important for moving deliveries from the 16th Street receiving dock to their destination. They are also heavily used by the Facilities and Information Technology staffs in their daily operations. The Mint Building elevator has become increasingly unreliable and a safety concern. The Bonnell Building elevator is the only elevator from the original campus that has not been overhauled.

E. Conversion of Ten General-Purpose Classrooms to Smart Classrooms

This project is a continuation of the College's plan to convert ten general-purpose classrooms to smart classrooms per year. At the same time the basic technology is being introduced into the classroom, the overall classroom environment will be enhanced. This will include new flooring, new classroom furniture designed to support collaborative learning, and new lighting configurations to ensure optimal visibility for digital images.

**Estimated Total Cost of Project \$450,000
Initially submitted for Fiscal Year 2014-15**

F. Creation of a Learning Commons on the Main Campus by Consolidating and Redesigning Library and Learning Lab Spaces.

This project involves renovations to the Mint and Bonnell Buildings in order to accommodate a learning commons. This project requires consolidating the learning lab areas on the Main Campus to the Library area. Improved access, improved tutoring space, including break-out and seminar rooms, and enhanced technology systems will be incorporated into the design. This renovation work includes modifying the existing Library space, building supporting office spaces, adding state-of-the-art technology rich features, renovating vacated spaces to classrooms and offices, and building appropriate spaces for tutoring and related services. (Debt Project)

**Estimated Total Cost of Project \$9,000,000
Initially submitted for Fiscal Year 2015-16**

G. Redevelopment of Third Floor of Mint Building to accommodate administrative functions currently housed in leased facilities and the relocation of classrooms in accordance with the Facilities Master Plan.

This project is relocating the staff from the Offices of Human Resources, Development and Communications to the Main Campus. As part of this process, the third floor of the Mint Building will be renovated into office space. Currently this space is utilized for classrooms that are not of optimum space and configuration. Classrooms will be relocated to reclaimed or new spaces as identified in the Facilities Master Plan. (Debt Project)

**Estimated Total Cost of Project \$3,600,000
Initially submitted for Fiscal Year 2015-16**

H. Restorations and improvements to the historic Mint Building including exterior walls, lighting, way finding system, Rotunda murals and Boardroom.

This project is making improvements and restorations to both the exterior and interior of the Mint Building. The Mint exterior walls will be chemically cleaned, the historic lighting fixtures at the main entrance on Spring Garden Street will be restored and exterior lighting will be installed to brighten the area. Technology will be incorporated into the Boardroom, and the historic Rotunda will be restored including the murals. Additionally, a new way finding system will be incorporated. (Debt Project)

**Estimated Total Cost of Project \$1,200,000
Initially submitted for Fiscal Year 2015-16**

I. Conversion of Additional Ten General-Purpose Classrooms to Smart Classrooms

This project is a continuation of the College's plan to convert ten general-purpose classrooms to smart classrooms per year. At the same time the basic technology is being introduced into the classroom, the overall classroom environment will be enhanced. This will include new flooring, new classroom furniture designed to support collaborative learning, and new lighting configurations to ensure optimal visibility for digital images.

**Estimated Total Cost of Project \$450,000
New Application**

J. Expansion of West Regional Center Automotive Technologies Facility

This project involves the acquisition of additional property adjacent to the existing Automotive Technologies facility and the building of a new facility that will accommodate the existing programs and enable the department to create new programs related to diesel, electric and hybrid vehicles, among others. In addition to automotive bays and laboratory spaces, classrooms, storage space and student study space will be created. Additional parking capacity will also be added as part of the project.

**Estimated Total Cost of Project \$20,000,000
New Application**

ATTACHMENT C

**2015-16 BUDGET STATUS REPORT
(INCLUDING MAIN CAMPUS AND NORTHEAST
REGIONAL CENTER PROJECTS –
SOURCES AND USES OF FUNDS)**

Community College of Philadelphia
Enrollment Information (FTEs and Credit Hours)
Fiscal Year 2015-16

	Actual FTEs FY 14-15		Actual Credit Hours FY 14-15		Budgeted FTEs FY 15-16		Budgeted Credit Hours FY 15-16		Actual FTEs FY 15-16		Actual Credit Hours FY 15-16		Credit Hour Variance - Budgeted vs. Actual	
	FY 14-15	FY 14-15	FY 14-15	FY 14-15	FY 15-16	FY 15-16	FY 15-16	FY 15-16	FY 15-16	FY 15-16	FY 15-16	FY 15-16	Actual	% Variance
<u>CREDIT</u>														
Summer 2	1,716	20,591	1,717	20,609	1,730	20,763	154	0.7%						
Fall	12,859	158,471	12,976	159,625	12,964	160,215	590	0.4%						
Winter	46	546	50	600	47	558	(42)	-7.0%						
Spring	12,587	155,231	12,801	157,209	12,182	149,621	(7,588)	-4.8%						
Summer 1	2,494	29,926	2,550	30,600										
Credit Year-to-date Totals - Annual FTEs	<u>14,851</u>	<u>364,765</u>	<u>15,047</u>	<u>368,643</u>										

NONCREDIT

Summer 2	54	95	64
Fall	501	658	384
Spring	344	615	334
Summer 1	115	236	
Noncredit Year-to-date Totals - Annual FTEs	<u>507</u>	<u>802</u>	

Fiscal Year 2015-16

	<u>Original Budget</u>	<u>Current Projection as of March 23, 2016</u>
<u>REVENUES</u>		
Student Tuition and Fees	\$76,691,245	\$75,339,633
Commonwealth of Pennsylvania	30,621,805	28,641,805
City of Philadelphia	23,247,363	23,367,407
Other Income	<u>1,728,720</u>	<u>1,765,830</u>
TOTAL REVENUES	\$132,289,133	\$129,114,675
<u>EXPENSES *</u>		
Salaries, Net of Lapsed Funds	\$75,642,290	\$73,834,290
Fringe Benefits	34,124,000	33,385,738
Other Expenses	22,322,843	21,928,841
Student Financial Aid	<u>200,000</u>	<u>112,000</u>
TOTAL EXPENSES	\$132,289,133	\$129,260,869
EXCESS REVENUES (EXPENSES)	<u>(\$0)</u>	<u>(\$146,194)</u>

* Prior to impact of GASB 45 and 64 accruals

Notes:

Staff will employ strategy of paying off longer term leases if there are excess revenues in order to have additional flexibility in subsequent budget years.

Community College of Philadelphia
Operating Budget Projection
Fiscal Year 2015-16

	Original Budget	Current Projection as of March 23, 2016	Comment
<u>OPERATING REVENUES</u>			
State Funding	\$30,479,415	\$28,499,415	Projection assumes no increase in state funds from the amount received in FY14-15.
State Lease funding	142,390	142,390	
Total State Revenues	30,621,805	28,641,805	
Tuition - Credit Students , net of write-offs, discounts and other offsets	60,784,200	59,327,553	Based upon lower than budgeted credit hours for the Spring 2016 semester.
Technology Fee	10,631,700	10,445,582	Based upon lower than budgeted credit hours for the Spring 2016 semester.
Course Fees	3,591,490	3,676,068	
Net Contribution from: Contracted Noncredit Instruction; Other Noncredit Instruction; Adult Community Noncredit Instruction	506,500	531,500	
Student Regulatory Fees	1,177,355	1,358,930	
Total Student Tuition & Fees	76,691,245	75,339,633	
City Operating Funds	23,247,363	23,367,407	PDE approved 50% debt service funding for the 7 year loan that financed the West Building renovation projects. This translates into additional city funds available for operating budget purposes.
Investment Income	500,000	427,110	
Vocational Education Funding	200,000	275,000	
Indirect Costs, Administrative Allowances	300,000	350,000	
Parking Proceeds & Miscellaneous Income	728,720	713,720	
Total Other Income	1,728,720	1,765,830	
TOTAL OPERATING REVENUES	\$132,289,133	\$129,114,675	

Community College of Philadelphia
Operating Budget Projection
Fiscal Year 2015-16

	Original Budget	Current Projection as of March 23, 2016	Comment
<u>OPERATING EXPENSES *</u>			
<u>Salaries</u>			
Full-Time Administrative Salaries	17,137,300	17,137,300	
Less: Projected Lapsed Salaries	(900,000)	(1,450,000)	Higher than anticipated number of unfilled administrative positions during first half of fiscal year.
Net Full-Time Administrative Salaries	16,237,300	15,687,300	
Full-Time Faculty Salaries	29,086,904	29,086,904	
Less: Projected Lapsed Salaries	(150,000)	(800,000)	More lapsed funds than originally projected.
Net Full-Time Faculty Salaries	28,936,904	28,286,904	
Full-Time Classified Salaries	11,052,934	11,052,934	
Less: Projected Lapsed Salaries	(450,000)	(850,000)	Higher than anticipated number of unfilled classified and confidential positions during first half of fiscal year.
Net Full-Time Classified Salaries	10,602,934	10,202,934	
Subtotal - Full-Time Salaries	55,777,138	54,177,138	
Part-Time & Overload Credit Salaries	10,985,389	10,910,389	
Summer Credit Instruction	4,064,938	4,064,938	
Noncredit Instructional Salaries	424,310	424,310	
All Other Salaries	3,940,515	3,807,515	
Early Retirement Incentive Payments	450,000	450,000	
Subtotal - Other than Full-Time Salaries	19,865,152	19,657,152	
Total Salaries	75,642,290	73,834,290	

Community College of Philadelphia
Operating Budget Projection
Fiscal Year 2015-16

	Original Budget	Current Projection as of March 23, 2016	Comment
<u>Fringe Benefits</u>			
Medical Program	22,853,700	22,353,700	Lower than budgeted claims for first six months of year.
Retirement Contributions	5,893,500	5,793,500	Lower than budgeted due to higher than anticipated number of unfilled positions during first half of year.
FICA	3,108,700	3,068,700	Lower than budgeted due to higher than anticipated number of unfilled positions during first half of year.
Tuition Remission	650,000	650,000	
Group Life Insurance	482,200	470,000	
Unemployment Compensation	200,000	200,000	
Workers' Compensation Insurance	346,700	282,838	Lower than budgeted premiums for workers' compensation insurance.
Unused Vacation	100,000	100,000	
Disability Insurance	304,200	302,000	
Forgivable Education Loan	185,000	165,000	
Total Fringe Benefits	34,124,000	33,385,738	
<u>Facility Expenses</u>			
Utilities	2,004,341	2,027,710	
Contracted Security	1,700,000	1,750,000	
Contracted Cleaning	1,178,760	1,178,760	
All Other Facility Expenses	2,333,717	2,388,480	
Total Facility Expenses	7,216,818	7,344,950	

Community College of Philadelphia
Operating Budget Projection
Fiscal Year 2015-16

	Original Budget	Current Projection as of March 23, 2016	Comment
<u>All Other Expenses</u>			
Leased Equipment & Software	5,425,659	4,565,613	Buyout of longer-term leases - Phone Switch, Cisco Equipment, JC Guaranteed Energy Savings Project
Catalogs and Advertising	1,418,856	1,522,154	Additional costs associated with 50th Anniversary Events
Supplies-Pool	1,395,718	1,436,519	and Spring 2016 Enrollment advertising
Contracted Services	1,805,175	1,829,990	
Consulting	538,300	854,862	Additional costs for: Facility Master Plan, Margolis-Healy Security Review, Economic Impact Study, Public-Private Partnership RFP, Hanover Research
Maintenance & Repairs	576,006	591,955	
Postage	315,200	315,200	
Insurance	662,000	662,000	
Legal Fees	322,000	622,000	Additional costs for Burt Hill claim, real estate firm, arbitrations, and negotiations.
Other Expenses	2,647,111	2,183,598	Contingency funds transferred to other budget lines.
Total All Other Expenses	15,106,025	14,583,891	
Student Scholarships	200,000	112,000	
TOTAL OPERATING EXPENSES	\$132,289,133	\$129,260,869	
Excess Revenues (Expenses)	(\$0)	(\$146,194)	

* Prior to impact of GASB 45 and 64 accruals

^ Assumes no increase in state funds over the amount received for FY 14-15.

Staff will employ strategy of paying off longer term leases if there are excess revenues in order to have additional flexibility in subsequent budget years.

**Main Campus and Northeast Regional Center Projects
Sources and Uses of Funds**

	<u>Original Budget</u>	<u>Updated Status March 23, 2016</u>
SOURCES OF FUNDS		
Bond Proceeds	74,000,000	74,000,000
Bond Proceeds Interest Earnings	1,699,781	1,079,393
Use of Reserves	5,000,000	
Remaining Proceeds from Real Estate Transactions	374,724	305,000
Capital Campaign Proceeds		
EDA Grant	1,641,473	1,641,473
State Redevelopment Assistance Grant (RCAP)	1,000,000	992,500
Federal SBA Grant	282,000	282,000
Federal SBA Earmark - NERC		10,152
Barnes & Noble Contribution	1,000,000	1,000,000
Other Comprehensive Campaign Contributions	<u>3,076,527</u>	<u>2,343,167</u> *
Total - Capital Campaign	7,000,000	6,269,292
Financial Transactions related to 5-Star Settlement		491,657
Transfer of Operating Surplus to Plant Fund		3,500,000
Settlement from Subcontractors		800,000
Settlement from Burt Hill		<u>1,527,757</u>
TOTAL SOURCES OF FUNDS	<u>88,074,505</u>	<u>87,973,099</u>
COSTS		
Northeast Regional Center Expansion	31,649,627	28,481,541
Northeast Regional Center Existing Building Improvements		2,534,198
Pavilion Building	55,502,372	34,189,073
Bonnell/West/Mint Buildings Renovations	included in above	21,138,505
Public Art	included in above	250,000
Landscaping		<u>1,379,782</u>
TOTAL COSTS	<u>87,151,999</u>	<u>87,973,099</u>

* Includes pledges not yet received.

ATTACHMENT D

WORKFORCE DEVELOPMENT ACTIVITIES 2015-16

Corporate Solutions Client List FY15-16

June 2015 - February 2016 (8 Months)

Company Name	WEDnet PA	Corporate College	Contract Training
AACR			1
Agusta Westland	1		
Albert Einstein Medical Center		1	
Boathouse Sports Inc.	1		
Christoper Company LTD *	1		
Collegiate Consortium			1
Converters Inc. *	1		
David Michael and Co.	1		
Dietz and Watson Inc.*	1		
DIGSAU Architecture	1		
Environmental Construction Services	1		
Fleet Management			1
Global Submit	1		
Honor Foods	1		
Horizon House		1	
Howard McCray Refrigerator Company*	1		
Independence Blue Cross		1	
JEVS Human Services		1	
JRM and Associate, Inc. *	1		
Maternity Care Coalition*			1
Mercy Health System		1	
National Park Services*			1
Northeastern Hospital School of Nursing		1	
Penn Medicine Academy			1
Pennoni	1		
Philadelphia Gas Works		1	1
Philadelphia Housing Authority			1
Philadelphia Water Department			1
Probes Unlimited	1		
RCN Telecom Services*	1		
RevZilla.com	1		
RJ Metrics	1		
SEIU		1	
Scheerer Bearing	1		1
SouthEast Regional Key			1
Southwark Metal Manufacturing Company	1		
Superfit Inc *	1		
Tonic Design Co.*	1		
University of Pennsylvania Health System		1	
USDOL		1	
UPS		1	
Windle Mechanical Solutions Inc.*	1		
Total	22	11	11

As Compared to Last Year Activity

Total Unique Clients (clients that do not overlap programs)

42

93%

Total Clients

44

85%

* New Clients = 11

Workforce and Economic Innovation (WEI)
Student Outcomes Committee Report

3/4/16

Create focused competencies and programs around strategic industry clusters that are reflective of the region's current growth industries, or those industries that are identified as strategic priorities of the State, City and region; Current focus areas:

- Advanced Manufacturing, Energy & Construction Trades
 - Program Development with Welding, CNC, Industrial Maintenance; Partnership with School District of Philadelphia Ben Franklin High School's Center for Advanced Manufacturing and Engineering; JOIN Pre-Planning Grant;
 - Green HVAC jobs with ECA – Preliminary stages; in line with Council President Clarke's Green Jobs Plan; evaluating job market in this field.
- Health, Wellness, Education
 - Certified Nursing Assistant (CNA) – State approved our application on 2/4/16 and our first class began on 2/22/16 with 7 PHA clients; our second class will be open enrollment and begin in April;
 - Dental Assisting – We started our first class of this new program in Spring 2016 with 15 students, 13 remain enrolled;
 - CommunityWins Grant – Proposed expansion of CDA program in the Promise Zone and South Philadelphia; expansion from 6 to 9 credits and adaptation to online hybrid course (PA Early Learning Keys To Quality mini-grant); business improvement clinic for up to 10 daycare centers to assist with growth plan for new slots created by City and to improve quality.
- Technology
 - Bootcamps for java, and cybersecurity to be developed with Division of Business & Technology;
 - Comcast – Met with senior corporate executives from the Talent Acquisition group; interest in corporate college and potential for Customer Service and Call Center Training; also interested in specific activities that align with their Employee Resource Group (ERGs) including an initiative to hire 10,000 Veterans.
- Small Business and Entrepreneurship
 - Expansion of Offerings with the Center for Small Business Education, Growth and Training via the City of Philadelphia Business Technical Assistance Program (BTAP) Grant; \$50,000 grant to enhance entrepreneurs in the following three target areas aligned with administration priorities: child care centers, food entrepreneurs, and

young men of color; mentoring, workshops and trainings offered at all regional centers and Main Campus;

- Small Business Student Innovation Center Award and grant proposal for Community Foundation Grant for supplemental instruction and mentoring;
- 10KSB pre-program and mini10KSB for non-cohort businesses to be developed.

Serve as a premier provider of career and technical training programs to critical target populations that help uplift those with limited employability options, and/or are repositioning their skill sets due to dislocation (Returning Citizens, ESL/DACE populations, Opportunity Youth, Dislocated workers, PHA, Wanamaker Scholars, etc.), or repositioning themselves professionally.

- Pursue grant opportunities that link WEI to important initiatives within the State, region and City, while allowing CCP to develop important programs that have broader appeal. *In the last four months, WEI has submitted 8 separate grant applications to date.*
 - **Workforce Innovation Fund (WIF) / MicroCredentials** - \$670,000 awarded to Philadelphia from the Commonwealth of Pennsylvania for this four year program to pilot the use of micro-credentials among residents with barriers to employment. (\$500,000 to CCP and \$170,000 to Philadelphia Works) This project will test whether the use of micro-credentials for populations who have struggled with persistence and academic achievement, might improve outcomes of pursuing further post-secondary education and/or meaningful employment along a career pathway. CCP will target the College's Adult Basic Education, ESL and GED program, the developmental education program, and the Ex-offender program populations for this grant. All participants will receive the three basic work-ready micro-credentials in Phase I: Computer Literacy (may test out of this if already computer proficient), 21st Century Workplace Essentials, and 21st Century Core Communication Skills. Participants will then move into a three-hour Orientation to Careers, a venue for exploring the various career options prior to committing to a particular training path. Following the initial workplace skills micro-credentials, participants will move into the career area of interest, including new and existing certificate programs within Corporate Solutions.
 - **TechHire** – A \$100 million national grant competition available through the U.S. Department of Labor to support innovative approaches to moving lower skilled workers on the fastest paths to well-paying information technology and high growth jobs in industries like healthcare, advanced manufacturing, financial services, and other in-demand sectors. The City of Philadelphia and the City of Pittsburgh are preparing a joint proposal focused on information technology. The College proposed developing two 20-22 week boot camps: junior java developer

and cyber security in the first year based on alignment with Business & Technology offerings; five boot camps serving 12 individuals each will be run over a 2.5 year period for a total of 60 trained individuals. The proposal includes articulation of CCP's bootcamps for credit and review for credit of other Philadelphia bootcamp partners. The current total is approximately \$275,000 over a 4 year period. The grant is being coordinated by Philadelphia Works.

Recognized as the leading provider of workforce and economic development solutions and corporate training in the City of Philadelphia by State, City, Corporate and Civic Leaders;

- Series of Meetings with new City Administration leaders and City Council members:
 - Briefing with Otis Hackney, Chief Education Officer; Upcoming Briefing with Director of Commerce Harold Epps; Hosted Anne Gemmel, Director of Pre-K, at the Chamber's Mayoral Luncheon;
 - New City Council Member briefing hosted by Councilwoman Jannie Blackwell (Council members: Helen Gym, Alan Domb, Al Taubenberger, Derek Green, Chelle Parker);
- VP active member of the Talent Pipeline Initiative of the Chamber;
- Sponsor of Chamber's Roadmap for Growth in May on Workforce Development;
- Consistent WEI and CCP Senior Leadership representation at major events;
- Established Advanced Manufacturing Partnership Advisory Committee with representation from several major manufacturing companies in the Philadelphia region.

Employer Activity

WEI works with employers directly through its Corporate College, contract trainings, and through WEDNet PA. To date, WEI has worked with 42 unique clients, of which 11 are new. Last year, we worked with 45 unique clients. We have already reached 93% of last year's activity with 4 months left in the year. See attached list of 2015/16 clients.

Contract Training

- **National Park Service Northeast Regional Office (NERO)** - National Park Service is a bureau of the U.S. Department of the Interior. The Philadelphia regional office requested training with the purpose of providing newly promoted managers and high potential employees with several core leadership development needs that align with NPS' knowledge, skills and abilities expectation for managers. NPS requested a behavioral assessment for their employees as part of the Business Leadership course (the first course in the training program). Training started on February 23rd, 2016 and is expected to end in early July. The expected revenue from this training program is \$22,000.
- **Penn Medicine** is one of the world's leading academic medical centers, dedicated to the related missions of medical education, biomedical research, and excellence in patient care. It consists of the Raymond and Ruth Perelman School of Medicine at the University of Pennsylvania (founded in 1765 as the nation's first medical school) and the University of Pennsylvania Health System, which together form a \$4.3 billion enterprise. They are the largest private sector employer in Philadelphia with just over 24,000 employees. Our division completed a Business Writing Training for 20 staff in October 2015. This was a supplement to one of Penn Medicine's existing internal training program for its Patient Account Representative Academy. UPHS has asked us to run a 2nd class, and has said it is a good supplement to its program. The two trainings generated \$9000 in revenue. The Patient Account Representative program is scheduled to run at least three to four times a year due to the high turnover in their call center positions, so there is potential for additional revenue from this one class.
- **Maternity Care Coalition (MCC)**, founded in 1980, is a nonprofit organization with the mission to improve maternal and child health and well-being through the use of research, public policy initiatives and direct health services for families. MCC has assisted more than 100,000 families throughout Southeastern Pennsylvania since its founding, focusing particularly on neighborhoods with high rates of poverty, infant mortality, health disparities, and changing immigration patterns. Our first training with MCC in the January focused on Business Writing for 25 employees. Based on the success of this first training, MCC has requested a 2nd Business Writing training class. Training is scheduled to start on March 18th and training will be delivered over the course of two-days for 12-hours. Revenue from both trainings is \$9000.

- **Scheerer Bearing** is a third-generation, family-owned business, based in Willow Grove that produces and carries a full line of ball and roller bearings. They have approximately 200 employees. They are a WEDnetPA Client, receiving business communication training for Sheerer's large ESL staff contingent. The training was held in October and had 18 participants. We are running Team Building Training for a minimum of 11 participants. Revenue generated for these two training courses is \$10,000.
- **American Association of Cancer Research (AACR)**, founded in 1907, is a non-profit organization working toward the prevention and cure of cancer by promoting research, education, communication, and collaboration. The AACR is the oldest and largest scientific organization in the world focused on every aspect of high-quality, innovative cancer research. AACR has close to 200 employees, and requested training for their supervisors and administrative assistants in response to growing concerns about the team culture and a lack of professionalism when interacting with high profile donors and executives. AACR supervisor's participated in The Professional Supervisor training and administrative assistants participated in Skills for the Administrative Assistant. The revenue generated from these two trainings is \$6,250.

Pending Training Opportunities

- **Mastery Charter School, Simon Gratz Campus-** WEI is working with Mastery on the development of a Parent Leadership Training program. The primary purpose of this Parent Leadership Program is to help parents examine their school's external environment and take a personal inventory to determine how the parents could make meaningful, empowered choices to have an immediate impact on the school's outcomes and parent involvement. *(Update: This contract was signed on 3/3/16.)*
- **Barnes Foundation-** The Barnes Foundation is seeking Basic and Intermediate Microsoft Excel training. We are awaiting further details on number of employees and timeline.

Corporate College

Corporate College provides employers with the ability to deliver credit courses that lead to an Associate's degree or credit-based certificate for their employees either on-site, or via mainstream classes. CCP has 308 enrolled students through the program in the 2016 Spring Semester. Enrollment for the year to date is 766. Current clients who offer on-site classes: Einstein Health System (38 enrolled, 7 online); Northeastern Hospital (28 enrolled, program closing); Philadelphia Gas Works (12 enrolled); Horizon House (12 enrolled); Clients whose employees are mainstreamed into existing courses on campus or at our regional centers: University of Pennsylvania Health System (133 enrolled); UPS (53 enrolled); Independence Blue Cross (15 enrolled), SEIU (6 enrolled); JEVS (2 enrolled).

This semester Corporate College reinvigorated its program with PGW, which did not run classes in the summer and fall of 2015. Students are pursuing a Business degree and MGMT 121 is currently running on-site at the corporate headquarters. WEI staff have been meeting

with PGW to discuss ways to continue to grow this program for their employees; particularly its field force of 1600 located throughout the City.

WEDNetPA

Established in 1999, the Commonwealth of Pennsylvania's WEDnetPA grant, administered through its Department of Community and Economic Development, is the primary delivery system for Pennsylvania's incumbent workforce training to employers. The program is administered via 27 colleges through the state. The funding is targeted primarily to advanced manufacturing and technology companies for essential skills and advanced technology training. Companies may be reimbursed for internal training, third party training, or via partner training with CCP. CCP receives an 8% administrative fee, plus we are capped at 35% of the training potential.

Last year (2014-15), CCP received its highest review by the program's administrator having "exceeded standards" by invoicing 100% of its total allocation (\$219,188), plus increasing its allocation by 27%, an additional \$59,593, while invoicing 100% of the increase on time. Total for the year was \$278,781 for 25 companies, and 38 contracts. Three companies took advantage of partner training with CCP for a total of \$52,782 (19%).

Funding for 2015-16 was held due to the state budget delay. The state contract for funding was signed February 19th. The uncertainty around the funding impacted many clients interest in pursuing training either through CCP or third party vendors. Due to the condensed timeframe to disperse funds, overall allocations were decreased for the year. CCP's initial allocation for this year is \$186,285, with an additional allocation request of \$29,000 (16% increase) recently approved due to increased demand from employers. Nineteen companies, 76% of last year's total, have contracts against our new total allocation of \$215,285. We currently have three proposals out with employers for partner training that will exceed last year's value should we finalize these contract trainings. In addition, we anticipate additional overall allocation increases, and related potential partner trainings, as we continue aggressive outreach to eligible clients for the remainder of the year.

Funding for the State's program was recently increased by DCED from \$8 million to \$12 million, and we anticipate moving forward additional growth in our overall allocation once the uncertainty from state budget delays is eliminated.

WEI Outcomes

2015/16 Revenue Target:	\$ 1,306,500.00	
Net Revenue to Date:	\$ 1,011,526.00	(Gross: \$1,353,549 - \$338,287 Expenses)
% of Goal:	77%	(66% of year complete)
Enrollments To Date:	2115	(Corporate College, Contract trainings, Open Enrollment)
% of Goal:	62%*	*State funding delays for CDA program and WEDNetPA resulted in lower enrollments than normal.
Unique Clients Served To Date:	42	93% of Last Year's Number
# of Contract Trainings To Date:	37	
Contract Training Participant #s To Date:	511	

List of Strategic Partners for Workforce and Economic Innovation*:

1. City of Philadelphia – Mayor’s Office and Senior Administration including Mayor’s Office of Education, Department of Commerce, Office of Policy and Planning; Managing Director’s Office, Chief Administrative Officer
2. Greater Philadelphia Chamber of Commerce (includes Select Greater Philadelphia and CEO Council for Growth), Hispanic Chamber of Commerce, African American Chamber of Commerce, Asian Chamber of Commerce, Northeast Chamber of Commerce
3. Philadelphia Works
4. Industry Partnerships – Southeast Regional Advanced Materials Industry Partnership (Philadelphia Works); Healthcare (1199C); Philadelphia Academies
5. School District of Philadelphia
6. Philadelphia Industrial Development Corporation (PIDC)
7. Pennsylvania Economy League
8. Urban League of Philadelphia
9. Urban Affairs Coalition
10. SCORE Philadelphia
11. Commonwealth of Pennsylvania senior administration including Labor & Industry, Department of Community and Economic Development and its Partnership for Regional Economic Performance (PREP)
12. Philadelphia Job Opportunity Investment Network
13. Local Initiatives Support Corporation
14. Delaware Valley Industrial Resource Center (DVIRC); Manufacturing Alliance of Philadelphia (MAP); Mayor’s Advanced Manufacturing Taskforce
15. University City District; University City Science Center; Promise Zone Initiative
16. Collegiate Consortium
17. AACC, and PACC
18. Greater Philadelphia Talent Collaborative
19. University City Science Center
20. Philadelphia Society of Human Resources Management (SHRM)
21. Center City District

* This list is not meant to be all inclusive; with each program there will be certain key partners that play important and invaluable roles necessary for success.

Examples of Offerings that Speak to Employers’ Needs:

1. Our Advanced Manufacturing Program has several components built into it that reflect employers’ needs. First, we currently have several employers serving on our partnership committee. We are working with three employers on the EDSI job skilldex process that includes interviewing plant managers at each location to identify key skills necessary for the job, which will then be matched to our curriculum. This process will help identify those pieces of the curriculum that are essential, and areas where we will have gaps. In addition, we have built a survey to be sent to the employer membership of DVIRC and MAP to help

gain a better understanding of areas where we need to invest and grow within the program. Finally, because there are several existing partnership groups that cover this area, we have agreed to use both the Southeast Regional Advanced Materials Industry Partnership and the Philadelphia Academies/SDP manufacturing advisory group as vehicles for further programmatic feedback.

2. Green HVAC Technician – ECA has asked CCP to partner with them on the creation of this program. ECA convened a meeting of 30 employers (mostly small HVAC businesses) to discuss the program, and important elements of the curriculum, and the demand for the jobs. Since then, CCP convened a meeting with Philadelphia Works to discuss labor market data in this area, and overall market demand. Philadelphia Works will be pulling data to determine if there are jobs in this particular field. The team will also pursue pulling together larger employers to discuss their needs.
3. Certified Nursing Assistant (CNA) – The program includes a clinical agreement with Cliveden Nursing and Rehabilitation Center. As part of the process to get them on board, they met with CCP program development and coordination staff while the course was being created, reviewed the curriculum, came on site to see the facility, and recently the instructors and program coordinator met with them on-site at Cliveden. They have expressed a desire to hire our students who pass the certification process. We are going through the same process with St. Ignatius Nursing and Rehabilitation Center currently.
4. Workforce Innovation Fund/Micro-Credentials – The model for this program requires employer feedback on what skills are essential to receive a “micro-credential” within various fields. The joint grant with Philadelphia Works has Philadelphia Works taking the lead on convening employer partners to provide the necessary feedback and validation. We are just embarking on the start of this program. In addition, we have built into our model a Career Exploration event exposing participants to the fundamentals of what a job in each area entails. CCP will include employer participation in the Career Exploration day, which will include site visits to nearby employers in each industry sector.