

**COMBINED MEETING OF THE BUSINESS AFFAIRS AND EXECUTIVE COMMITTEES
OF THE BOARD OF TRUSTEES
Community College of Philadelphia
Wednesday, June 21, 2017 – 10:00 A.M.**

Present from the Executive Committee: Mr. Jeremiah White (Chair), Ms. Suzanne Biemiller, Ms. Mary Horstmann (*via* Teleconference), Ms. Judith Rényi, and State Rep. James R. Roebuck, Jr. (*via* Teleconference)

Present from the Business Affairs Committee: Ms. Suzanne Biemiller (Chair), Steve Herzog, and Mr. Michael Soileau (*via* Teleconference).

Serves on Both Business Affairs & Executive Committees: Ms. Suzanne Biemiller

Present from the Administrative Staff: Dr. Donald Generals, Victoria Zellers, Esq., Mr. James P. Spiewak, Mr. Gim Lim and Mr. Gary Bixby

**BUSINESS AFFAIRS COMMITTEE
AGENDA – PUBLIC SESSION**

(1) Hobsons’ Starfish Student Degree Planning and Predictive Analytics Reporting (Action Item):

Discussion: Ms. Biemiller informed Committee members that the College is proposing to enter into a three-year agreement with Hobsons, Inc. for the services delivered through the Starfish software platform. This new agreement will include the existing early alert and student connection tools which the College uses as well as the expanded tools of degree planners, predictive analytics, intervention inventories, risk scores, case management, communications, calendars, referrals, and reporting. All of these integrated technology tools are necessary to support the Guided Pathways reform initiative. The Starfish platform license includes software, hosting, support, and maintenance for test and production licenses. The annual fee will be \$120,000 to be paid by the College and a one-time implementation fee of \$50,000 to be covered by a grant. The current vendor (Civitas) contract providing a predictive analytics tool at an annual budgeted fee of \$134,167 will be terminated. The College will have an annual savings of \$14,167 in license and maintenance fees and get a more robust tool.

Action: Mr. Herzog moved and Mr. White seconded the motion that the Business Affairs Committee recommend to the Executive Committee of the Board of Trustees that the College enter into a three-year agreement with Hobsons, Inc. for the services delivered through the Starfish software platform at an annual fee of \$120,000, and a one-time implementation fee of \$50,000 to be covered by a grant. The motion passed unanimously.

(2) RFP #9990 Mint Stair Replacement (Action Item):

Discussion: Ms. Biemiller informed the Committee that the U.S. Mint Monumental Stair Replacement, RFP #9990, was developed and specified by Preservation Design Partnership (PDP), an MWBE, architectural firm specializing in the restoration of historic buildings, to replace the failing entrance stairway going into the Mint Building on Spring Garden Street.

PDP had recommended five contractors who were qualified to perform this scope of work. Three of these five contractors came to the mandatory pre-bid meeting, one of which was a WBE firm. A single bid response was received from Knapp Masonry, LLC. The bidder was brought in for a scope and bid submission review and found to be fully compliant with the capabilities to meet the specifications as documented in the RFP #9990. Staff recommends awarding a contract for the full amount of \$685,250 to Knapp Masonry, LLC, a Magnolia, New Jersey firm. The Pennsylvania Department of Education is providing capital funds in the amount of \$212,500 for this project with the understanding that the construction will be completed by October, 2017.

Action: Mr. White moved and Mr. Herzog seconded the motion that the Business Affairs Committee recommend to the Executive Committee of the Board of Trustees that the College approve the awarding of a contract to Knapp Masonry, LLC in the amount of \$685,250 to replace the failing entrance stairway leading into the Mint Building on Spring Garden Street. The College will receive approximately \$212,500 from the Pennsylvania Department of Education with the understanding that the construction will be completed by October, 2017. The motion passed unanimously.

(3) RFP #9972 Security System Upgrades (Action Item):

Discussion: Mr. Spiewak stated that an RFP to upgrade the College's Security Systems was issued on April 24, 2017, with the objective of identifying a vendor who will partner with the College to install and support a Video Surveillance system that integrates with the currently installed CBORD® access and alarm management control system. The enhanced system will be an upgrade of the NICE system and will be implemented at all campus locations. Currently the Main Campus and the Northeast Regional Center are on the Nice System while the West and Northwest Regional Centers are using obsolete solutions that are beyond their life span. The desired solution will have a bidirectional integration of the CBORD® Access Control System with the NICE/Qognify. Additionally, the RFP sought long-term price protection of up to 5 years for maintenance and support of all equipment. Mr. Spiewak noted that this project is the end result of responding to an element of the Security Audit performed by Margolis Healy which was to: develop CCTV systems and equipment standards; select an integrator that can sell, install and maintain the CCTV systems; and add cameras to the CCTV system.

He stated that the RFP was structured in 4 phases to accommodate budget and resources.

The components of Phase 1 include items that are deemed to be the most critical and include:

- Replacing two servers and NVR storage equipment in the Security Operations Center which is connected to all existing cameras
- Enhancing the existing video wall and improving access to camera displays
- Migrating all existing cameras on the NICE system to the new Qognify system
- Integration to CBORD's alarm and video management system
- Acquiring network switches to support the POE needs of camera installs during Phase 2 (Not included in cost proposal)

The components of Phase 2 include:

- The installation of 106 additional cameras to high priority areas across all locations
- Integration to CBORD's alarm and video management system

Phases 3 & 4 will continue the installation of additional cameras in medium priority areas and integrate them to CBORD's alarm and video management system.

The evaluation criteria utilized for the RFP process included cost, proposed technology, vendor's experience and support levels (dispatch distance, maintenance plan, trained technicians, etc.). The evaluation was done on a weighted basis.

Three vendors submitted bids with one deemed to have submitted an unresponsive bid. The remaining 2 bidders, Access Systems Integration and Unlimited Technology Inc., were evaluated on the criteria above. Access Systems is recommended as they presented the lowest qualified response. College staff is currently seeking approval for Phases 1 & 2 at this time as these activities are viewed as being high essential to improving the College's video surveillance system.

Summary of Pricing:

Vendor Name	Phase 1 Capital Costs	Phase 1 Full Maintenance Years 2-5 ¹	Phase 2 Capital Costs	Phase 2 Full Maintenance years 2-5 ¹	Total 5 Year Cost
Access	\$122,789	\$86,748	\$112,440	\$91,243	\$413,220
Unlimited	\$253,572	\$246,630	\$168,598	\$166,930	\$835,730

Note: The activities associated with Phases 1 and 2 will require the installation of cabling and the purchase of Cisco switches which are not included in the Summary of Pricing above and will be procured separately. Staff estimates costs for switches at \$50,000 and cabling at \$30,000.

¹-Maintenance costs will be paid on an annual basis; the cost reflected in the Summary of Pricing represents 4 year costs. There will be no maintenance cost for the first year.

In response to Committee members' questions, staff noted that having additional cameras focused on the exterior of the campus would have assisted in investigating certain incidents that occurred over the past few years. Staff also commented that having additional cameras will enable security staff to focus on identified locations should an incident be in progress.

Mr. Spiewak stated that the dollar amounts reflected in the pricing summary could decrease slightly since discussions with Access Systems on the implementation plan could reveal some modifications to equipment needs.

Action: Mr. White moved and Mr. Herzog seconded the motion that the Business Affairs Committee recommend to the Executive Committee of the Board of Trustees that the College approve the awarding of a contract to Access Systems Integration in the amount of \$235,229 for capital costs for Phases 1 and 2 and \$177,991 for four years of maintenance costs for Phases 1 and 2 of the security system upgrades. The motion passed unanimously.

(4) RFP #9978 - ESS Library Suite; Winnet; Bursar Counter (Action Item):

Discussion: Ms. Biemiller explained that at the April 6, 2017 Board of Trustees meeting, the Board approved the contract with Torrado to undertake the renovations to the ESS Library Suite, the Winnet Building and Bursar Service Counter project at a cost of \$642,000. Subsequent to the approval, Torrado was not able to secure the performance bond. Therefore, staff is requesting to award the contract to the next lowest bidder, Smith Construction (WBE) for the full amount of \$644,084.

As part of a large-scale office relocation, required in large-part due to the Biology lab expansion and renovations, several areas required reconfiguration and outfitting as offices. Three areas were defined wherein this need could be addressed: Library; Winnet 3rd floor; and 1st floor of the West Building. The Educational Support Services (ESS) group would relocate to the Library open space area; The Trio and Upward Bound Gateway programs would relocate to the Winnet 3rd floor; the third portion of the combined project was a reconfiguration of the Bursar service counter (not related to the office relocation effort) required to provide suitable work spaces for each attendant at the window. The failure of awarding this contract, as scheduled, has impacted project costs through storage of delayed shipments and scheduling to have this project completed before the start of the Fall semester.

The original bid response values were:

Contractor	Proposed cost
Torrado Construction — MBE	\$642,000
Smith Construction WBE	\$644,084
Bittenender Construction, LP WBE	\$692,468

Action: Mr. Herzog moved and Mr. White seconded the motion that the Business Affairs Committee recommend to the Executive Committee of the Board of Trustees that the College

approve the awarding of the contract to Smith Construction, a WBE firm, in the amount of \$644,084 to undertake the renovations to the ESS Library Suite, the Winnet Building and Bursar Service Counter Project. The motion passed unanimously.

(5) RFP #9995 Telecommunications Service Provider (Action Item):

Mr. Spiewak reported that an RFP for the College's telecommunications services was issued on June 5, 2017 due to the pending end of our current vendor contract. The results of the bid are shown below. College staff recommend Data Network Solutions (DNS) be awarded the new three-year contract due to having the lowest cost and their ability to meet the College's tight timeline for porting of the current DID blocks. Verizon pricing for the PRI lines was 15% higher and their rate for local and long distance calls was more than double. Comcast failed to meet the RFP criteria by bidding a non-PRI* solution which was stated as unacceptable in the RFP and within the Addendum that were published on June 6, 2017.

*A non-PRI solution of SIP, is a VoIP streaming protocol which requires special equipment on our telecommunications equipment servers. This solution which was proposed by Comcast is not viable as our equipment is not setup for such service at this time. This was clearly defined in the RFP as well as post bid addenda.

*A PRI (Primary Rate Interface) line is a form of ISDN (Integrated Services Digital Network) line which is a telecommunication standard that enables traditional phone lines to carry voice, data and video traffic.

DNS has multiple education clients and provided all the information in a concise manner. The timeline for implementation meets our need for our exit from our existing provider; 7/1/17 Kick-off and 7/11/17-7/17/17 Porting of DID's from existing provider.

In response to Mr. Herzog's question on costs compared to current provider, Mr. Spiewak stated that the cost for the PRI lines is higher, most likely because the existing contract was put in place more than five years ago, but that savings are anticipated in local and long distance call costs.

Bidder	Local and Long distance Cost per call	Monthly reoccurring charge for 7 PRI lines and 1800 DID line extensions	Proposed Annual Cost
Data Network Solutions	\$0.01/min. Local \$0.020/min. Long Distance \$ 588 Estimated monthly cost	\$2,356 monthly fee	\$35,328
Verizon	\$0.036/min. Local \$0.048/min. Long distance \$1,726 Estimated monthly cost	\$3,210 monthly fee	\$59,232
Comcast	Free Local \$0.03/min. Long Distance after pooled allocation exceeded \$0 Estimated monthly Cost	\$3,452 NON-PRI solution monthly fee Fee for 1800 DID lines extensions was not provided	\$41,424

Please note that Mr. Michael Soileau recused himself from the discussion and vote of the Telecommunications service provider.

Action: Mr. Herzog moved and Mr. White seconded the motion that the Business Affairs Committee recommend to the Executive Committee of the Board of Trustees that the College approve the awarding of the contract to Data Network Solutions at a proposed annual cost of \$35,328 as the College’s telecommunications service provider. The motion passed unanimously with Mr. Soileau abstaining.

(6) Public Art Update (Information Item):

Staff provided the Committees with an update on Public Art. Mr. Spiewak stated that through the Philadelphia Redevelopment Authority Percent for Art program, the College is required to set aside one percent of a prescribed portion of the overall project costs for new construction, to be used exclusively for a work of art. This requirement applied to the projects of the Northeast Regional Center expansion and the Pavilion Building. Subsequent to reviewing and paying several stipends for individual artwork concepts, from multiple artists for each site, the decision was made to consolidate the efforts to a single piece to be placed in the higher visibility location of the Main Campus. Several artist concepts were again reviewed and a final selection was made in the fall of 2015 to Koryn Rolstad Studios, a Washington State firm for \$275,000.

The work selected has been titled *Illuminated Growth* using an array of panels reflecting and refracting colors of light appearing to originate in a pool of simulated water and “growing” into 30-foot-tall “trees.”

Ms. Rolstad has selected the site in front of the Pavilion and presented her design concept to the committee, consisting of administrators, staff, faculty from within the Art

Department and representatives from the Percent for Art Program, established by the College for the review and approvals of the Public Art. The designs and materials have been approved and the actual layout and foundations are being coordinated to finalize the final construction documents, avoiding underground utilities. The expectation is to have the artwork installed for the Fall term of 2017.

(7) 2017-18 Property and Casualty Insurance Renewal Package (Action Item):

Mr. Spiewak stated that the College insurance program is reviewed annually prior to the July 1 renewal with its broker, Willis Towers Watson (WTW). During the renewal strategy meeting held on February 28, 2017, it was decided that WTW would approach the incumbent carriers with the intent of securing identical coverages at premiums as close to expiring as possible since significant marketing was done last year. The state of the insurance market is stable but showing indications of moderate rate increases due to legal and medical cost inflation. This strategy was effective as all policies had stable premiums quoted with the exception of the general liability policy which has a 7% premium increase and the Educators Legal Liability policy which has a 5% premium increase. Excluding the workers' compensation policy, total policies increased by \$16,483 or 2.9%. Attachment A contains the detailed summary of the results of the insurance renewal process.

Mr. Spiewak explained that the incumbent workers' compensation carrier, Amerihealth, had recently been acquired by Amtrust and submitted a renewal quote that was 12% higher than expiring. WTW contacted three additional carriers and PMA and MEMIC submitted quotes after meeting with College staff that were significantly lower than Amerihealth, who subsequently revised their quote down slightly. Staff recommend placing the workers' compensation policy with PMA at a premium of \$255,739 or .3% above expiring. Attachment B is the revised listing of coverages with cost comparisons.

Action: Mr. Herzog moved and Mr. White seconded the motion that the Business Affairs Committee recommend to the Executive Committee of the Board of Trustees that the College approve the 2017-18 insurance program with a total cost of \$901,502, including broker fee of \$55,000. The motion passed unanimously.

(8) Next Meeting Date:

The next regularly scheduled meeting of the Committee will be held on Wednesday, August 23, 2017 at 10:00 A.M. in the Isadore A. Shrager Boardroom, M2-1.

Following the Public Session of the Business Affairs Committee, Mr. White opened the Executive Committee of the Board of Trustees meeting.

EXECUTIVE COMMITTEE OF THE BOARD OF TRUSTEES

Ms. Biemiller reviewed the six action items that were previously approved by the Business Affairs Committee prior to this meeting of the Executive Committee. The six action items were as follows:

- Hobsons' Starfish Student Degree Planning and Predictive Analytics Reporting
- RFP #9990 – Mint Stair Replacement
- RFP #9972 – Security System Upgrades
- RFP #9978 – ESS Library Suite; Winnet; Bursar Counter
- RFP #9995 – Telecommunications Service Provider
- 2017-18 Property and Casualty Insurance Renewal Package

Ms. Biemiller made a motion that the Executive Committee approve the six actions and the motion was seconded by Ms. Rényi. The motion passed unanimously.

EXECUTIVE SESSION OF THE BUSINESS AFFAIRS AND THE EXECUTIVE COMMITTEES OF THE BOARD OF TRUSTEES

There was a discussion of legal matters and labor negotiations.

ATTACHMENT A

2017-2018 Property and Casualty Insurance Renewal Program

2017-2018 Property and Casualty Insurance Renewal Program (Action Item):

Introduction

The College insurance program is reviewed annually prior to the July 1 renewal with its broker, Willis Towers Watson (WTW). During the renewal strategy meeting held on February 28, 2017, it was decided that WTW would approach the incumbent carriers with the intent of securing identical coverages at premiums as close to expiring as possible since significant marketing was done last year. The state of the insurance market is stable but showing indications of moderate rate increases due to legal and medical cost inflation. This strategy was effective as all policies had stable premiums quoted with the exception of the general liability policy which has a 7% premium increase and the Educators Legal Liability policy which has a 5% premium increase. Excluding the workers' compensation policy, total policies increased by \$16,483 or 2.9%.

General Liability

The College's general liability coverage has been with United Educators (UE) for the past sixteen years. Willis Towers Watson has opined that UE has the best General Liability (GL) policy form available in the higher education market offering the most comprehensive coverage. The College was anticipating a rate increase in the range of 8 to 12% based upon discussions WTW had with their underwriters but the renewal premium of \$193,144 came in \$12,374 higher than expiring or 7% no change to the deductibles (\$25,000 each occurrence; \$100,000 annual aggregate). The College was granted a 6% premium rate credit based upon certain risk management initiatives that were undertaken during the year. Additionally, the College is entitled to a dividend of \$13,384 from United Educators if at least one coverage line (GL or Umbrella) is renewed. This, in effect, makes the net cost to the College for fiscal year 2017-18 equal to \$179,760. United Educators is organized as a reciprocal risk retention group – owned by its members like CCP; this would be the sixth consecutive year that the College will have received a dividend.

Umbrella

The College's umbrella liability coverage (\$25 million for any one loss) has also been with United Educators for sixteen years. UE's policy form offers the most comprehensive coverage in the higher education market for umbrella/excess coverage according to Willis Towers Watson. United Educators offered a renewal rate of \$87,995 which is \$920 higher than the previous year's premium. This policy also sits on top of the \$1 million coverage for student medical malpractice insurance. It also provides excess general liability, automobile liability, employers' liability and foreign liability insurance. As with the general liability policy, the College was granted a 6 percent premium reduction based upon certain risk management initiatives that were undertaken during the year.

Workers' Compensation

Amerihealth, the incumbent carrier, which was recently acquired by Amtrust, initially offered a renewal rate of \$285,918 which is \$31,163 (12.2%) higher than the expiring premium. Because of this unexpected large increase, WTW marketed the policy to three additional workers' compensation insurance carriers. Two expressed an interest in the College's program (PMA and MEMIC) and staff met with a representative of each during the week of June 12, 2017 and are awaiting quotes from each company at this time. The Human Resources Office and the College's Safety Committee continue to review all work-related claims and offer recommendations and training efforts where needed. The College's Safety Committee again received re-certification from the PA Department of Labor; this automatically makes the College eligible for a 5 percent reduction in premium. The College's PA modification factor for the new year is expected to decrease again from .802 to .746.

Property

Affiliated FM quoted a rate of \$164,608 or \$1,946 lower than the expiring premium. The College will have a blanket limit of \$363,231,000 with a deductible of \$25,000. This policy also provides \$7 million of business interruption insurance. This is the second year of a two-year rate guarantee policy. The College's insured value decreased due to the building at 15th and Hamilton Streets being taken off coverage.

Educators Legal Liability

The ELL policy provides management liability protection (\$15 million limit with a \$75,000 retention) for the College's Board of Trustees and the Foundation's Board of Trustees, employment practices liability, employed lawyers liability and professional liability for faculty and staff. AIG, the incumbent carrier, provided a quote of \$90,950 that is \$4,746 or 5% higher than the expiring premium. The increase was driven by the recent claims activity. AIG's initial quote was 13% higher but after providing AIG with updated information on the claims, a lower rate increase was provided.

Automobile

The incumbent carrier, Philadelphia Insurance Co., offered a renewal rate of \$17,452 which is \$168 higher than the current year. The automobile policy covers employees driving College owned, rented or hired vehicles as well as providing collision and comprehensive coverage for the College's vehicles.

Student Medical Malpractice

CNA offered a quote of \$7,670 that is the same as the expiring premium. The College again received rate reductions for being a long-term client (4+ years) and for having no claims during the most recent four-year period. The number of students participating in clinical settings affects the cost of this insurance. This policy provides \$1 million in coverage to the College and to students and faculty related to their activities in a clinical setting.

Crime

Travelers, the incumbent carrier's, renewal rate is \$5,648, the same as expiring as this is year two of a three-year policy with constant rates. Travelers offered this rate last year based upon their opinion that the College had strong existing internal control features to

prevent employee theft. This policy provides the College with protection against 1st party (employee) theft and 3rd party theft and fraud for a limit of \$4 million. It also covers "social engineering fraud/ funds transfer" should an employee unwittingly transfer College assets to a fraudulent third party due to deceptive activities.

International Liability

This policy provides foreign-based general liability, automobile liability, and workers' compensation coverage as well as travel, medical and security assistance services for faculty and staff traveling abroad. This policy also includes kidnap and extortion coverage. The College purchased a three-year policy in fiscal year 2015-16 at a annual cost of \$3,324.

Security and Privacy (Cyber Insurance)

The College first secured this line of coverage for the 2011-2012 fiscal year with a policy limit of \$1 million which was increased to \$3 million in fiscal year 2016-2017. This insurance offers protection to the College if there were data security breaches or compromises of student and/or employee "private" information (as determined by federal and state jurisdiction). The carrier will provide forensic and legal assistance from a panel of experts to help determine the extent of the breach and the steps required to comply with applicable laws, include the following: notification to persons who must be notified under applicable law or on a voluntary basis; offer 12 months of 3-bureau credit monitoring to affected individuals; identify theft-related fraud resolution services for individuals enrolled in credit monitoring who become victims of identity theft; and extend coverage for theft, loss or unauthorized disclosure of information held by business associates as defined by HIPPA. First party benefits include protection for data recovery and business interruption, extortion threats and regulatory defense and penalties. The policy also protects the College against 3rd party legal action for damages arising from the alleged breach (including defense costs).

The College currently has a policy limit of \$1 million and offers notification and credit monitoring services for up to 250,000 affected individuals. The renewal rate is \$18,588 or \$221 higher than the expiring rate.

Broker Fee

The annual fee for 2017-18 is \$55,000 which is the same fee as the prior year.

ATTACHMENT B

**Revised Listing of Coverages with Cost Comparisons
2017-2018 Property and Casualty Insurance Renewal
Program**

**Attachment B
Recommendation**

College staff recommends that the College procure insurance as detailed below.

<u>Coverage</u>	<u>Carrier</u>	<u>Expiring (2016-17) Premium</u>	<u>Renewal (2017-18) Premium</u>
General Liability (\$1M)	United Educators	\$180,770	\$193,144
Umbrella (\$25M)	United Educators	87,075	87,995
Workers' Compensation	PMA	254,755	255,739
Property	Affiliated FM	166,554	164,608
Educators Legal Liability (\$15M)	AIG	86,204	90,950
Automobile	Phila. Insurance Co.	17,284	17,452
Student Medical Professional Liability (\$1M)	CNA	7,670	7,670
Crime (\$4M)	Travelers	5,648	5,648
International Liability	Navigators	3,324	3,324
Security & Privacy (\$3M for FY17)	Travelers	18,367	18,588
Travel Accident		1,384	1,384
TOTAL INSURANCE PREMIUMS		\$829,035	\$846,502
Broker Fee	Willis Towers Watson	\$ 55,000	\$ 55,000