

**MEETING OF THE BUSINESS AFFAIRS COMMITTEE
OF THE BOARD OF TRUSTEES
Community College of Philadelphia
Wednesday, October 23, 2019 – 9:00 A.M.**

TO: Business Affairs Committee of the Board of Trustees
FROM: Jacob Eapen 
DATE: October 18, 2019
SUBJECT: **Committee Meeting**

A meeting of the Business Affairs Committee of the Board of Trustees will be held on **Wednesday, October 23rd at 9:00 A.M. in the Isadore A. Shrager Boardroom, M2-1.** For those members who are using Zoom, please note the following information:

You may join this meeting with any of the following methods:

- (1) Via the Zoom app which can be downloaded at <https://zoom.us/download>. Once downloaded, launch the app and JOIN meeting 250539183.
- (2) Use this URL in any browser to connect <https://ccp.zoom.us/j/250539183>
- (3) Dial in via the phone with no video with +1 646 558 8656 and Meeting ID 250539183

AGENDA

PUBLIC SESSION

(1) Bookstore Management RFP (Action Item):

The College's contract with the current bookstore provider, Barnes & Noble College expires December 31, 2019. An RFP was developed and was issued on August 29, 2019 requesting proposals for a five (5) year contract with two (2) one (1) year extension options to operate the College's Bookstores at all four locations effective January 1, 2020.

Due to the state of the current bookstore market, only two firms - Barnes & Noble College and Follett Higher Education were invited to participate in this effort and proposals from both firms were received. An evaluation team consisting of members from Budgets & Financial Services and Academic and Student Success (two deans and two department chairs) reviewed the proposals and participated in the presentations made by both firms. The College also utilized the services of Duvall Consulting during this process. Staff also

contacted references of Follett's clients for insight. It was the opinion of the evaluation team that both firms have the resources required to successfully manage the bookstore operations for the College. The financial considerations did not vary significantly and policies concerning pricing of books, buyback opportunities, refunds, price matching were comparable. Both firms had the necessary technology to integrate with the College's financial aid credit program and for faculty to place their textbook adoptions.

Attachment A contains the Follett and Barnes & Noble Comparative Financial Proposal. Attachment A also contains a comparative review of services of the two firms.

Recommendation

After considering all aspects relating to the bookstore management, College staff recommend that a five-year contract with two (2) one (1) year extension options be awarded to Follett Higher Education effective January 1, 2020.

(2) 2019 Financial Performance Indicators (Information Item):

The annual financial performance indicators were developed in collaboration with the Board to provide a snapshot of the College's current financial operating characteristics. Staff will present the 2019 Financial Performance Indicators. (See Attachment B.) These indicators incorporate the financial results for the 2018-19 fiscal year and include preliminary projections for the current year.

(3) Financing for the Career & Advanced Technology Center (Information Item):

The projected cost for the Career and Advanced Technology Center is secured at \$38M. Funding to date is \$14.250M. Attachment C contains the estimated funding and projected costs.

(4) Request to Update the Commonfund Resolution (Action Item):

The Commonfund is requesting that the College provide an updated Resolution. The original Resolution that was established provided authorization for Jacob Eapen and Gim Lim on the Commonfund's old Treasury platform administered through Bancorp. The Commonfund discontinued that program and those accounts have been closed, so the authorizations are no longer valid. The Commonfund is still in need of an updated approval for the Commonfund specific accounts in which the College is currently invested. This will be relevant for placing transactions into and out of the funds, as well as providing approval when signatures are required (such as signing a non-disclosure agreement to release the SSAE16 reports from State Street). Attachment D contains the Resolution and the Commonfund Application.

Staff is requesting that the Committee recommend to the full Board that the Resolution be executed at the November 7th, Board of Trustees meeting.

(5) Naming Rights for the Library and Learning Commons (Information Item):

Attachment E contains suggested giving levels for the Library and Learning Commons. The gift level was determined by 50% of the cost of the space and a subjective assessment of how appealing each space might be for a donor and based on the College's prospect pool. Attachment E also contains the Naming Policy effective March 2, 2017.

(6) Next Meeting

The next regularly scheduled meeting of the Committee will be held on **Wednesday, November 20th at 9:00 A.M.** in the Isadore A. Shrager Boardroom, M2-1.

JE/lm

Attachments

cc: Mr. Jeremiah White
Dr. Donald Generals
Mr. Gim Lim
Mr. James P. Spiewak
Victoria Zellers, Esq.

BAC\October 23, 2019AGENDA.DOC

ATTACHMENT A

**Follett and Barnes & Noble Comparative
Financial Proposal**

	Follett	Barnes & Noble
Buyback Program	Follett will purchase used textbooks year-round. Follett will purchase textbooks adopted for the next academic term in quantities sufficient to meet course requirements at not less than 50% of the student's purchase price rounded to the nearest quarter. Follett will purchase used books not adopted for the next academic term or in excess of course requirements at wholesale prices prevailing in Community College of Philadelphia's locality rounded to the nearest quarter.	Barnes & Noble will purchase used textbooks at 50% of the customer's purchase price, if the campus store has been notified that the book will be used the following term and if the store is not overstocked. In the absence of such notification, or if the book will not be used for the following term or is to be replaced shortly by a revised edition according to an announcement of the publisher, at the wholesale price
Custom Publishing Programs	BryteWave Publishing program - enables faculty and administrators to easily turn their copyrighted content into digital books. These digital books are available for sale at the campus store, both in-store and online. XanEdu - course pack program is provided to the faculty and department at no cost. All copyright fees and printing/binding costs are included in the price of the packets. We will obtain permission and pay any royalty fees required by the copyright holder through XanEdu.	Barnes & Noble's partnership with XanEdu provides a complete custom solution for Community College of Philadelphia faculty, including printing solutions, access to OER, and copyright clearance for over 8 million pieces of content, including Harvard University Press and many other University Presses.
Financial Aid Integration	Integrates with the Colleges Campus Card (CBORD)	Integrates with the Colleges Campus Card (CBORD)
Inclusive Access Program	Follett Access, fee-based course materials model launched in 2011. This program ensures that all students will have course-required materials in-hand on or before the first day of class.	Barnes & Noble First Day™ and First Day™ Complete inclusive access programs powered by VitalSource's technology, required learning materials for a course — or an entire department, program, or each and every student — can be included in the cost of tuition at a much lower cost.
Online General Merchandise Stores	Custom Online Store for Student, Faculty, Staff, Alumni	N/A
Open Educational Resources (OER)	Courseware, Open Courseware, Lumen Learning	Lumen Learning, OER+ (60-courses available)

Service Comparative Review

<p>Price Match</p>	<p>The Follett Price Match program is for textbooks (new, used and rental) that are currently in-stock at your Follett campus store as well as at competing retailers. Retailers include: a local bookstore, Amazon (excluding its Marketplace) or Barnes & Noble. Follett supports the SEPTA Key program and would offer to sell SEPTA Key Cards at no markup or fee.</p>	<p>Price Match Program matches the advertised price on textbooks offered from local brick-and-mortar campus stores or online retailers (i.e. Amazon or bn.com) but excludes online marketplaces like "other sellers" on Amazon and BN.com Marketplace as well as peer-to-peer pricing. Barnes & Noble does not currently support the SEPTA Key Card Program</p>
<p>Septa Key</p>	<p>Shop by Student ID, the student simply enters their student ID and a pre-populated shopping list is created that includes all of the required and recommended course materials for the courses they are enrolled in. From there they simply select the desired format (new, used, digital, rental), the form of payment that may include Financial Aid, and the shipping method.</p>	<p>N/A</p>
<p>Shop by Student ID</p>	<p>Relocation of Northwest Regional Center store from basement level to 1st Floor. Also, updates to Main Campus & Northeast Regional Center Bookstore</p>	<p>Funds available as part of the Signing Bonus to be used at the discretion of Community College of Philadelphia as Capital Investment</p>
<p>Store Outfitting</p>	<p>Follett Discover is a comprehensive set of tools that enables hassle-free access for instructors and students to all things course materials. Instructors can use the tool to research, discover and adopt course materials with ease – while students are better prepared for class when course materials are easier to purchase, quicker to access and more effective to manage. <u>CourseTracks</u> is a state-of-the-art, proprietary merchandise management software created by Follett to streamline store operations and deliver the best service to students, faculty and administrators. Follett has also invested in a multimillion-dollar planning and allocation system, which works in tandem with CourseTracks, to ensure the right books are available at the right times for customers.</p>	<p>Currently using FacultyEnlight Online textbook adoption solution. Insights Portal an advanced course-management tool will be available in the future</p>
<p>Textbook Adoption</p>		

Service Comparative Review

<p>Other</p>	<p>N/A</p>	<p>Free access to Bartleby Learn (online homework support for over 20 subject areas) and Bartleby Write (24/7 virtual writing center) for one full academic year. Bartleby Tutor, powered by Tutor.com provides students with access to live one-on-one tutoring and homework help. Bartleby Learn \$9.99 per month & Bartleby Write \$14.99 per month after year one.</p>
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ATTACHMENT B

2019 Financial Performance Indicators

**2019 FINANCIAL PERFORMANCE REPORT
OCTOBER 23, 2019**

Current Evidence of Financial Viability

- Through successful operational efficiencies and cost containment strategies, the College has finished the fiscal year with slight operating budget surpluses in each of the last fifteen fiscal years
- Strong liquidity. Average daily cash and investment balances in excess of \$50.9 million.
- Audits are consistently unqualified with no control weakness findings.

Current Financial Challenges

- Levels of financial support from City and State.
- Large dependence on student tuition and fee revenues and associated federal aid to sustain College budgets.
- Revenue pressures from declining enrollment will continue to challenge operating performance.
- Elevated exposure to collective bargaining units limits expense flexibility.
- Growing vulnerability to shifts in Federal Financial Aid (Pell) policies.
- Under GASB 75, the College will be required to accrue the full amount of the OPEB liability beginning 2018-2019. The actuarial estimated full amount of the OPEB liability is \$175.5 million.
- Capital resources are needed to implement the Facilities Master Plan.

FIGURE II

Fiscal Year End Current Asset to Current Liability Ratio

	As Reported in Financial Statements	Including the Value of Liquid Long-Term Investments
2004-05	1.22	1.22
2005-06	1.29	1.29
2006-07	1.57	1.57
2007-08	1.47	1.65
2008-09	1.54	1.70
2009-10	1.50	1.65
2010-11	1.11*	1.66
2011-12	1.08*	1.61
2012-13	1.02*	1.52
2013-14	1.10*	1.65
2014-15	1.16*	1.61
2015-16	1.32*	1.97
2016-17	1.40*	2.01
2017-18	1.55*	2.17
2018-19	1.48*	2.00

* Current assets reduced by movement of some operating cash to long-term investments.

Comment: A positive trend in this ratio is indicative of a growing capacity to handle current debt obligations. Beginning in 2011, the nominal value for the current ratios was reduced by the movement of some core cash into liquid long-term investments. Long-term liquid investments in 2019 totaled \$17.2 million. Including these funds, the College's current ratio is 2.00. Because the longer-term fixed-income investments can be liquidated without penalty, the longer-term investment strategy did not create any significant operational risk for the College. The above chart shows the current ratio without and with the inclusion of liquid long-term investments.

Target: Ratio: 1.2 or higher

Current Status: No major change in this ratio is expected to occur.

FIGURE III

Total Debt Payments Made Using City Dollars as a Percentage of Unrestricted Operating Revenue

	Total Debt Payments Made from City Dollars	Debt Payments Made from City Dollars as Percent of Total Operating Revenue
2004-05	\$3,378,206	3.56%
2005-06	\$3,378,259	3.46%
2006-07	\$3,469,762	3.37%
2007-08	\$3,848,690	3.57%
2008-09	\$6,819,821	6.25%
2009-10	\$6,183,563	5.20%
2010-11	\$6,471,559	5.32%
2011-12	\$6,576,665	5.49%
2012-13	\$6,822,960	5.64%
2013-14	\$6,785,455	5.43%
2014-15	\$5,316,296	4.15%
2015-16	\$5,541,800	4.25%
2016-17	\$5,144,174	4.02%
2017-18	\$5,018,379	3.93%
2018-19	\$5,374,645	4.13%

Comment: The portion of the College debt paid by the State is funded separately by the State and, as a result, growth in State-funded debt payments does not impact on the College's operating revenues. However, debt payments made using City revenues directly impact on dollars which are available for College operating purposes. Act 484 requires that local sponsor revenues be used to fund the local sponsor share of capital costs prior to applying funds to operating expenditures. A decline in the percentage of operating revenues required for debt payments is a positive indication of financial flexibility.

Target: The accepted standard for private colleges and universities is to keep this ratio below 7%.

Current Status: In fiscal year 2017-18, the College borrowed \$16 million to fund the Library and Learning Commons Project; the State is currently funding 28.13% of the debt service in fiscal year 2018-19; the College submitted an additional capital request that would bring the State funding level to 46.9%. A bond offering of \$10 million occurred in the Spring of 2019 as phase I of the financing for the expansion of the West Regional Center. The debt service on this bond issue is being paid 100% with State funds. The College anticipates issuing an additional \$20.2 million in bonds during the winter of 2019 which will be initially funded entirely from City appropriations and the annual debt service will approximate \$1.65 million. The College has submitted a capital project request to PDE, that if approved, would result in \$480,000 of this debt being funded by PDE in future years.

FIGURE I
Reported Value of Unrestricted (Carry-Over) Fund Balances
Including Quasi Endowment Funds
with the Impact of Other Post-Employment Benefits Accrual

Fiscal Year	Cumulative Value of OPEB Annual Accrual	Reported Value of Unrestricted Carry-Over Funds Including Quasi- Endowment Funds with OPEB Accrual
2004-05	0	\$9,692,958
2005-06	0	\$11,682,218
2006-07	0	\$17,051,787
2007-08	\$5,194,673	\$17,154,757
2008-09	\$10,367,219	\$14,553,315
2009-10	\$16,575,690	\$14,588,450
2010-11	\$22,614,325	\$9,352,894
2011-12	\$30,225,327	\$2,014,736
2012-13	\$38,755,360	(\$6,437,761)
2013-14	\$47,396,561	(\$14,906,416)
2014-15	\$58,227,563	(\$25,320,183)
2015-16	\$70,428,317	(\$36,372,774)
2016-17	\$82,801,420	(\$44,715,047)
2017-18	\$182,233,779	(\$208,445,629)
2018-19	\$180,264,083	(\$199,298,018)

Comment: Beginning 2017-2018, the College was required to implement GASB 75. Under GASB 75, during 2018-19, the College accrued the full amount of the OPEB liability and the proportionate share of PSERS/SERS liabilities for a total of \$180.3 million. The post-employment health benefit accrual reduces the amount reported for unrestricted funds but has no impact on the College's cash position. The above data shows the cumulative value of the accrual which reduces both the value reported for unrestricted net assets and the College's reported net position.

Current Status: GASB 75 requires the College to accrue the full amount of the OPEB liability as employees earn the benefits. The actuarial estimated full amount of the OPEB health benefits liability is \$175.8 million.

FIGURE IV
Revenue Dispersion - Operating Budget Revenues by Source

Operating Revenue by Source	FY 15-16	% of Total	FY 16-17	% of Total	FY 17-18	% of Total	FY 18-19	% of Total
State Appropriation	\$29,963,712		\$30,732,457		\$30,732,457		\$31,653,624	
State Lease Appropriation	164,616		135,845		159,154		163,393	
TOTAL STATE	30,128,328	23.10%	30,868,302	24.13%	30,891,611	24.18%	31,817,017	24.43%
City Operating Appropriation	23,367,407	17.91%	23,830,493	18.63%	22,569,958	17.66%	256,179,395	19.72%
Student Tuition & Course-related Fees	73,359,959		70,522,593		71,353,463		68,399,447	
Student Regulatory Fees	1,287,923		1,202,303		1,198,833		1,154,815	
TOTAL STUDENT	74,647,882	57.23%	71,724,896	56.08%	72,552,296	56.78%	69,554,262	53.41%
Other	2,296,953	1.76%	1,484,975	1.16%	1,768,613	1.38%	3,166,610	2.43%
GRAND TOTAL	\$130,440,570		\$127,908,666		\$127,782,479		\$130,217,284	

Comment: The State operating appropriation for fiscal year 2018-19 increased by \$921,000 over the previous year. The City operating appropriation represents dollars remaining from the total City allocation after all City capital obligations are met. The total City appropriation was \$2 million more than fiscal year 2017-18. The College used \$711,000 to fund the PowerUp Your Business program. Other income includes investment income, Federal Perkins operating budget support for career programs, and other miscellaneous income. Revenue dispersion, lack of overdependence on one revenue source, is viewed as an important indicator of financial stability. The growth in College dependence on student revenues over the past few years, and indirectly on State and Federal Student aid programs (see Figure VI), is a concern.

Target: To reduce operating budget dependence on student revenues over time.

Current

Status: The State budget contained an increase of \$.634 million for the Operating Budget. The City provided a \$3.5 million increase in appropriations.

FIGURE V

Trends in Student Revenue Dependency, Percent of Tuition and Fees Paid by Grant Aid, and Operating Budget Dependency on Student Financial Aid Programs

Year	Annual Tuition and Fee Revenues (in \$000)	Percent of Operating Revenues Dependent Upon Student Tuition and Fees	Percent of Student Revenues Paid by Federal and State Aid Grants	Percent of Operating Budget Dependent on Federal and State Aid Programs
2004-05	\$45,811	48.4%	45.3%	21.9%
2005-06	\$45,330	47.6%	45.0%	21.4%
2006-07	\$48,944	49.8%	47.3%	23.6%
2007-08	\$54,020	49.6%	47.3%	23.5%
2008-09	\$56,844	52.3%	46.5%	24.3%
2009-10	\$65,308	55.0%	56.2%	30.9%
2010-11	\$69,701	57.3%	61.1%	34.9%
2011-12	\$71,641	59.8%	60.0%	35.9%
2012 -13	\$73,206	60.5%	58.3%	35.3%
2013-14	\$76,686	61.3%	56.6%	35.3%
2014-15	\$76,400	59.7%	60.9%	36.4%
2015-16	\$74,648	57.2%	60.5%	34.6%
2016-17	\$71,724	56.1%	55.6%	31.6%
2017-18	\$72,552	56.8%	55.7%	32.7%
2018-19	\$69,554	53.6%	54.4%	29.5%

Comment: Over the last two decades, the College has become increasingly dependent on student-generated revenues as the largest source of operating revenues for the College. In fiscal 2019, 54.4 percent of revenues were generated by students. The maximum Pell award was increased by \$175 in 2019. However, the number of students eligible for Pell grants and state grants declined in fiscal 2019 due to the improving local economy. This resulted in a small decrease from 32.7 percent of College operating revenues coming from federal and State (primarily Pell) aid awards in 2018 to 29.5 percent in 2019. Levels of funding and eligibility standards for Pell awards are subject to a political environment in Washington which is frequently less supportive of higher education funding. The College is increasingly dependent on a revenue stream with growing unpredictability.

Target: To reduce dependency on student-generated revenues as the largest single source of operating funds and reduce the College's exposure to the funding uncertainties associated with federal financial aid programs.

Current Status: The distribution of operating revenues by source is not expected to change significantly for the 2019-20 year.

FIGURE VI

Tuition and Fee Changes

	<u>2011-12⁽³⁾</u>	<u>2012-13⁽³⁾</u>	<u>2013-14⁽³⁾</u>	<u>2014-15⁽³⁾</u>	<u>2015-16⁽³⁾</u>	<u>2016-17⁽³⁾</u>	<u>2017-18⁽³⁾</u>	<u>2018-19⁽³⁾</u>	<u>2019-20⁽³⁾</u>
Tuition ⁽¹⁾	\$138 per cr. hr.	\$148 per cr. hr.	\$153 per cr. hr.	\$153 per cr. hr.	\$153 per cr. hr.	\$153 per cr. hr.	\$159 per cr. hr.	\$159 per cr. hr.	\$159 per cr. hr.
General College Fee	\$4.00 per cr. hr.	\$4.00 per cr. hr.	\$4.00 per cr. hr.	\$4.00 per cr. hr.	\$4.00 per cr. hr.	\$4.00 per cr. hr.	\$4.00 per cr. hr.	\$4.00 per cr. hr.	\$4.00 per cr. hr.
Technology Fee	\$28.00 per cr. hr.	\$28.00 per cr. hr.	\$28.00 per cr. hr.	\$28.00 per cr. hr.	\$28.00 per cr. hr.	\$30.00 per cr. hr.	\$30.00 per cr. hr.	\$30.00 per cr. hr.	\$30.00 per cr. hr.
Average Course Fee	\$7.15 per cr. hr.	\$7.66 per cr. hr.	\$7.68 per cr. hr.	\$7.66 per cr. hr.	\$8.08 per cr. hr.	\$9.71 per cr. hr.	\$10.05 per cr. hr.	\$10.46 per cr. hr.	\$10.22 per cr. hr.
Average Total Annual Costs for Full-Time Study ⁽²⁾	\$4,263	\$4,504	\$4,624	\$4,624	\$4,634	\$4,721	\$4,873	\$4,883	\$4,877

Source: The College.

- (1) Per credit hour for Philadelphia residents. Other Pennsylvania residents pay double tuition and out-of-state students pay triple tuition.
- (2) Assumes full-time enrollment (12 credits in fall and spring terms). Amount includes: tuition, student activity fee, technology fee, and average course fees.
- (3) The College charges course fees in high cost course areas such as allied health and laboratory sciences. Course fees range from \$85 to \$345 per course.

Comment: Course fees are charged in disciplines where instructional delivery costs are above average based upon factors such as class size constraints, faculty workloads, and instructional materials costs. As a result, full-time student charges vary by program of study. The lowest possible charge for a full-time student in the 2018-19 fiscal year is \$4,632.

Target: To keep tuition and fee increases per year at the lowest feasible level.

Current Status: Tuition for 2019-20 remained the same at \$159; there were no changes to fees. The College has only raised tuition once in the past five years.

FIGURE VII

Total Credit Enrollments and Operating Cost Per FTE Credit Student

	Total Credit FTEs	Percent Increase/Decrease in Enrollment	Total Operating Cost Per FTE Credit Student⁽¹⁾	Percent Increase/Decrease in Cost Per FTE	Change in Philadelphia All Urban CPI Increase**
2005-06	13,629		\$6,668		
2006-07	13,569	-0.40%	\$7,020	5.30%	1.60%
2007-08 ⁽¹⁾	13,942	2.80%	\$7,113	1.30%	5.10%
2008-09 ⁽¹⁾	14,208	1.90%	\$7,198	1.20%	-2.00%
2009-10 ⁽¹⁾	15,808	11.30%	\$6,779	-5.50%	1.90%
2010-11 ⁽¹⁾	16,091	1.80%	\$7,166	5.40%	2.80%
2011-12 ⁽¹⁾	15,796	-1.80%	\$7,355	2.60%	1.30%
2012-13 ⁽¹⁾	15,115	-4.30%	\$7,707	4.80%	1.50%
2013-14 ⁽¹⁾	15,051	-0.40%	\$7,918	2.70%	1.80%
2014-15 ⁽¹⁾	14,851	-1.30%	\$8,145	2.90%	0.20%
2015-16	14,505	-2.30%	\$8,452	3.77%	0.10%
2016-17	13,657	-5.85%	\$8,923	5.88%	0.70%
2017-18	13,354	-2.17%	\$8,951*	.30%	1.90%

(1) Excludes the impact of GASB 45 and GASB 68 post-retirement expense accrual.

* Estimated.

** Percent change from 12 months prior - June

Comment: This chart reports total institutional operating cost per full-time equivalent (FTE) credit students. Because many of the College's costs are relatively fixed, a significant increase or decrease in enrollments will have a major impact on costs per FTE student. The drop in cost per FTE in 2009-10 is explained by the large enrollment increase. Similarly the relatively large increase in cost per FTE for 2012-13 and again in 2016-17 and 2017-18 reflects the drop in credit enrollments which occurred for the year. The costs per FTE shown in this chart do not include the future expense accrual for post-employment benefit (GASB 45 and GASB 68) expenses. The value of this accrual for 2017-18 was \$12.279 million or \$919 per credit FTE.

Target: Over time to keep the average annual increase in cost per credit FTE at or below the Philadelphia Consumer Price Index increase.

Current Status: The currently projected decrease in enrollments will result in an increase to the cost per FTE for the 2018-19 year.

FIGURE VIII

**Average Annual Salary and
Annual Percentage Increase in Average Salary**

	Fall 2013	Fall 2014	Fall 2015	Fall 2016	Fall 2017	Fall 2018	Fall 2019
Faculty and Lab Aides							
Average Salary	\$66,862	\$66,878	\$66,980	\$68,583	\$67,244	\$69,607	\$73,407
Percent Increase	+1.10%	0%	0%	+2.40%	-1.95%	3.51%	5.46%
Administrators							
Average Salary	\$74,804	\$75,630	\$78,572	\$79,017	\$80,338	\$82,051	\$82,884
Percent Increase	-1.20%	+1.10%	+3.90%	+1.60%	+1.67%	2.13%	1.02%
Classified/Confidential							
Average Salary	\$41,322	\$41,312	\$42,194	\$43,408	\$42,353	\$43,308	\$43,950
Percent Increase	+1.80%	0%	+2.10%	+2.90%	-2.43%	2.25%	1.48%

Comment: Data for each year are points-in-time values as of the middle of the fall term based upon all full-time filled positions as of that date. Vacant position budgets are not included in the computation.

Target: All faculty and classified employees' salaries are set by collective bargaining agreements. Through the opportunities provided by employee turnover and retirement, the goal is to keep overall average salary increases below the percentage increases granted to continuing employees over the five-year contract period.

Current Status: The College and the Federation reached agreement on a contract through August 31,2022. Included in the Agreement were the following salary/wage changes:

9/1/16 – 8/31/17	0%
9/1/17 – 8/31/18	0%
9/1/18 – 8/31/19	5%
9/1/19 – 8/31/20	3%
9/1/20 – 8/31/21	3%
9/1/21 – 8/31/22	3.5%

The Agreement also included changes related to full-time faculty teaching loads and changes to base salary for faculty choosing a 27-hour or 30-hour academic teaching load. The increase in average annual salary for faculty reflects this change as 65 faculty are now teaching a 27- or 30-hour teaching load at a higher base salary.

ATTACHMENT C

**Financing for the Career & Advanced
Technology Center**

BUDGET COST ANALYSIS - TOTAL PROJECT

NEW CAREER AND ADVANCED TECHNOLOGY CENTER

Community College of Philadelphia
48th and Market Streets
Philadelphia, PA

new construction

Project Phase: DESIGN DEVELOPMENT

8/14/2019
Update: 10/10/19

AREA

New Construction 75,393 s.f.
Total Building Area 75,393 s.f.

CONSTRUCTION

NEW BUILDING CONSTRUCTION

	area	cost/s.f.	total
1 Total New Construction Budget Estimate	75,393	s.f. \$ 349.23	\$26,329,541.01
2 Design Contingency	4.00%		\$ 1,053,182
3		\$363.20	\$ 27,382,723
4 Contractors OH&P	5%		\$ 1,369,136.13
5		\$381.36	\$ 28,751,859
6 Escalation @	5.00%		\$ 1,437,593
7 Total New Construction		\$400.43 s.f.	\$ 30,189,452

DEMOLITION AND SITE CONSTRUCTION

	area	cost/s.f.	total
8 Total Site Construction Budget Estimate	75,393	s.f. \$ -	\$0.00
9 Design Contingency	4.00%		\$ -
10		\$0.00	\$ -
11 Contractors OH&P	5%		\$ -
12		\$0.00	\$ -
13 Escalation @	5.00%		\$ -
14 Total Site Construction		\$0.00 s.f.	\$ -
15 TOTAL NEW BUILDING AND SITE CONSTRUCTION		\$400.43 s.f.	\$ 30,189,452

EQUIPMENT/FURNITURE AND TECHNOLOGY COSTS

16 Equipment	\$ 2,356,911
17 Furniture	\$ 537,000
18 Audiovisual	\$ 255,000
19 Total Other Costs	\$ 3,148,911

DESIGN AND CONSULTING COSTS

20 A/E Consultant Design Fee @	\$ 1,999,372	
21 Construction Management	\$ 719,240	Includes Commissioning
22 Geotechnical Investigation	\$ 3,800	
23 Land Survey Services	\$ 21,000	
24 Inspection/ Testing Services	\$ 110,000	
25 Asbestos Design Services	\$ 30,000	
26 Expenses	\$ 10,000	
27 Total Design Services	\$ 2,893,412	

PERMITTING COSTS

28 Zoning Fees	\$ 3,000	
29 County Conservation District	\$ 1,500	
30 Demolition Permit @ (\$20 per 100 s.f. or \$40,000 max)	\$ 2,000	10,000 s.f.
31 Building Permit @	\$ 50,000	Per fee schedule
32 Other Approvals	\$ 5,000	
33 Total Design Services	\$ 61,500	

PROJECT CONTINGENCY (FROM PROJECT COST WORKSHEET)

34 Project Contingency	\$ 1,666,918
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TOTAL PROGRAM LEVEL BUDGET ESTIMATE

\$ 37,960,193

Career and Advanced Technology Center

Estimated Project Cost	\$38,000,000
PDE Approved Debt Service (\$20M)	\$10,000,000
RACP	<u>4,250,000</u>
Additional Financing Needed	\$23,750,000

Potential Additional Funding:

- RACP
- PDE
- Private Foundation Donors
- New Market Tax Credits (NMTC)

The Path to Possibilities

Community College of Philadelphia
www.ccp.edu

ATTACHMENT D

The Commonfund Resolution

Membership Application and Certification

Membership Requirements

The Common Fund for Nonprofit Organizations ("Commonfund") is exempt from federal taxation. In order to retain our tax exempt status, we must impose several requirements for Membership in Commonfund.

First, the assets we will manage must belong exclusively to the institution (see "Title to Assets").

Next, applicants must have Section 501(c)(3) status as nonproprietary and nonprofit organizations, organized and operated exclusively for educational, charitable or scientific purposes, or must instead be instrumentalities of states or other public bodies, the income of which is exempt from taxation under Section 115.

Finally, the institution must be of a kind described in one of two sections of the Internal Revenue Code, 170(b)(1)(A)(ii) or 170(b)(1)(A)(iv).

Preamble

The undersigned institution (the "Institution") from time to time may transfer assets (the "Assets") to Commonfund for investment in one or more investment fund(s) (the "Funds") established and maintained by Commonfund for the benefit of participating institutions.

The Institution Certifies to Commonfund:

1 TITLE TO ASSETS

The Assets shall be, at the time of transfer to any Fund, exclusively the property of the Institution as to which the Institution has the immediate, sole and exclusive use, benefit and enjoyment; none of the Assets will be attributable to a retirement plan that provides for employee contributions or variable benefits and none will be subject to any interest of any donor by way of rights to income or promises of fixed or variable benefits.

2 NO VIOLATION OF LAW

The Institution has full power and authority to contribute the Assets to participate in one or more Fund(s) designated by it; such contribution does not and will not contravene any law or restriction applicable to investment of the Assets.

3 FEES

A current schedule of the fees is printed in *Information for Members*.

4 ELIGIBILITY

The Institution must select the description that pertains to it under *both* sections (A) and (B) below.

(A) THE INSTITUTION IS EITHER:

- (i) An organization that is tax exempt under Section 501(c)(3) of the Code; **or**
- (ii) An agency or instrumentality of Commonwealth of Pennsylvania (please fill in space: must indicate a state, territory or possession of the United States, or a political subdivision of one of the foregoing), organized and operated exclusively for public purposes, the income of which is exempt from taxation under Section 115 of the Code.

(B) THE INSTITUTION IS EITHER:

- (i) A university, college, school or other educational institution of the type described in section 170(b)(1)(A)(ii) of the Internal Revenue Code of 1986 (the "Code"); **or**
- (ii) An organization of the type described in Section 170(b)(1)(A)(iv) of the Code

(continued)

Instructions

(1) *Providing Copy Of Your Exemption Ruling.* You must provide a copy of your Institution's tax exemption ruling(s) under (a) Section 501(c)(3) of the Code and (b) either Section 170(b)(1)(A)(ii) or Section 170(b)(1)(A)(iv) of the Code, unless:

—Your Institution is a state agency or instrumentality that checked box (A)(ii) above—please proceed to instruction (2); or

—Your Institution is a church-affiliated educational organization—please contact your Commonfund Relationship Officer concerning alternative methods of providing proof of tax-exempt status under Section 170(b)(1)(A)(ii) of the Code.

(2) *State Educational Organizations.* If your Institution checked box (A)(ii) above, because it is an agency or instrumentality of a state (or other governmental entity described in (A)(ii)), you must provide a copy of your tax exemption ruling under Section 115 of the Code. If your Institution does not have such a ruling, please contact your Commonfund Relationship Officer concerning alternative methods of providing proof of tax-exempt status. In determining whether your Institution is an educational institution "of the type described in Code Section 170(b)(1)(A)(ii)" for purposes of responding to question (B)(i) above, it is not necessary that your Institution have received a tax exemption ruling or other official determination under that Code section. The Institution may itself certify whether it is a university, college, school or other educational institution of the type described in Section 170(b)(1)(A)(ii). To assist you in making that certification, we have provided below an excerpt from the regulation issued by the Internal Revenue Service under Code Section 170(b)(1)(A)(ii), which focuses on whether the

"...primary function [of the qualifying educational organization] is the presentation of formal instruction and it normally maintains a regular faculty and curriculum and normally has a regularly enrolled body of pupils or students in attendance at the place where its educational activities are regularly carried on. The term [educational organization] includes institutions such as primary, secondary, preparatory, or high schools, and colleges and universities. It includes Federal, State, and other public-supported schools which otherwise come within the definition. It does not include organizations engaged in both educational and noneducational activities unless the latter are merely incidental to the educational activities." —Treasury Regulation 170A-9(b)(1).

5 AUTHORITY**November 7, 2019**

At a meeting held on _____

DATE

the Board of Trustees or Governing Body of the Institution adopted the following resolution or the substantive equivalent thereof which is in full force and effect on the date hereof:

- (i) The Institution shall become a Member of The Common Fund for Nonprofit Organizations ("Commonfund"), a New York Membership corporation, pursuant to the Constitution, By-laws and Rules of Commonfund, thereby becoming entitled to invest in the various investment funds established and maintained or sponsored by Commonfund.

(continued)

- (ii) Representatives holding the following offices in the Institution (insert title(s) of one or more officers; the person signing this Membership Application and Certification must be listed here) each referred to herein as an Authorized Representative is hereby authorized to act on behalf of and in the name of the Institution in matters relating to Commonfund and, in particular, to specify to Commonfund the investment fund(s) of Commonfund in which Assets of the Institution should be invested or to which they should be transferred, to specify the distribution options or options applicable to such investment, to withdraw all or any portion of the Assets from any one or more of the investment fund(s) for deposit for the account of the Institution, to make representations and warranties and to extend covenants binding upon the Institution, and generally to conduct affairs with Commonfund on behalf of the Institution.

Authorized Officers

Jim Lim Assistant Vice President for Accounting & Controller

NAME *Print*

OFFICE/TITLE

Jacob Eapen Vice President for Business & Finance

NAME *Print*

OFFICE/TITLE

NAME *Print*

OFFICE/TITLE

- (iii) Each of the officers authorized in paragraph (ii) is hereby authorized (a) to designate one or more additional persons who may or may not be officers of the Institution, to act for and on behalf of the Institution as if directly authorized pursuant to paragraph (ii) hereof and (b) to certify to Commonfund the identity and the authenticity of the signatures of the persons so designated.
- (iv) This resolution shall supercede prior resolutions concerning the subject matter hereof to the extent inconsistent herewith and shall continue in full force and effect until written notice of any amendment or rescission hereof has been received by Commonfund.
- (v) The Secretary of the Institution or any one of the Authorized Representatives designated herein or pursuant hereto may certify to Commonfund and to any affiliate thereof, as to the adoption of this resolution and the text hereof and as to the identity and authenticity of the signatures of each Authorized Representative in paragraph (ii). Commonfund shall be entitled as against the Institution or presume conclusively that the persons so certified shall continue to be authorized to act on behalf of the Institution until otherwise notified in writing by an Authorized Representative.

Signature

The undersigned hereby executes and delivers this instrument on behalf of the Institution identified below, intending that it be bound hereby.

SIGNATURE *Must be an Authorized Officer specified in paragraph (ii) above*

DATE

Chekemma Townsend

Secretary of the Board of Trustees

NAME *Print*

OFFICE/TITLE

Community College of Philadelphia

NAME OF INSTITUTION

For Business Affairs Committee to Review and Recommend to full Board:

Commonfund Authorized Officers Resolution:

Whereas the Community College of Philadelphia is a member of the Commonfund for Nonprofit Organizations (“Commonfund”), a New York corporation, thereby entitling the College to invest in various investment funds established and maintained or sponsored by the Commonfund;

Whereas the Board of Trustees for the College previously authorized then Controller, Todd Murphy, to be an Authorized Officer to act on behalf of the College;

Whereas Mr. Murphy is no longer employed by the College, and Gim Lim is currently serving as the Assistant Vice President of Accounting and Controller and the College desires to substitute Gim Lim as an Authorized Officer to act on behalf of the College,

Now, therefore, on this 7th day of November 2019, the Board of Trustees of Community College of Philadelphia adopts the following resolution as set forth in Section 5 of the attached Membership Application and Certification and as set forth below:

- (i) The Institution shall continue its status as a Member of the Commonfund for Nonprofit Organizations (“Commonfund”), a New Membership corporation, pursuant to the Constitution, By-laws and Rules of Commonfund, thereby becoming entitled to invest in the various investment funds established and maintained or sponsored by Commonfund.
- (ii) Representatives holding the following offices in the Institution (Jacob Eapen, Vice President Business & Finance & Treasurer, Gim Lim, Vice President, Accounting and Controller) each referred to herein as an Authorized Representative is hereby authorized to act on behalf of and in the name of the Institution in matters relating to Commonfund and, in particular, to specify to Commonfund the investment fund(s) of Commonfund in which Assets of the Institution should be invested or to which they should be transferred, to specify the distribution options or options applicable to such investment, to withdraw all or any portion of the Assets from any one or more of the investment fund(s) for deposit for the account of the Institution, to make representations and warranties and to extend covenants binding upon the Institution, and general to conduct affairs with Commonfund on behalf of the Institution.

Authorized Officers:

Jacob Eapen, Vice President Business & Finance and Treasurer
Gim Lim, Assistant Vice President, Accounting & Controller

- (iii) Each of the officers authorized in paragraph (ii) is hereby authorized (a) to designate one or more additional persons who may or may not be officers of the Institution, to act for and on behalf of the Institution as if directly authorized pursuant to paragraph (ii) hereof and (b) to certify to Commonfund the identity and the authenticity of the signatures of the persons so designated.
- (iv) This resolution shall supersede prior resolutions concerning the subject matter hereof to the extent inconsistent herewith and shall continue in full force and effect until written notice of any amendment or rescission hereof has been received by Commonfund
- (v) The Secretary of the Institution or any one of the Authorized Representatives designated herein or pursuant hereto may certify to Commonfund and to any affiliate thereof, as to the adoption of this resolution and the text hereof and as to the identify and authenticity of the signatures of each Authorized Representative in paragraph (ii). Commonfund shall be entitled as against the Institution or presume conclusively that the persons so certified shall continue to be authorized to act on behalf of the Institution until otherwise notified in writing by an Authorized Representative.

ATTACHMENT E

Naming Rights for the Library & Learning Commons

NAMING POLICY

Naming Policy #315

Effective March 2, 2017

1. GENERAL

Community College of Philadelphia seeks to recognize individuals, corporations or foundations who have supported the College or the Foundation through substantial financial contributions or through distinguished service by naming facilities and funds in their honor. This policy governs the procedure for such naming. Facilities and Funds encompassed by the Naming Policy include:

- Buildings or parts of buildings, such as wings, where the identification focuses on the external feature;
- Parts of buildings, such as laboratories or classrooms, where the identification deals with an internal feature;
- Other facilities as recommended for naming; and
- Endowments (endowed chairs and scholarships).

For purposes of this policy, the benefactor is defined as any individual, corporation, foundation, or other entity who has made a substantial financial or other contribution to the College.

When recognition is the result of a financial donation, the facility may be named directly after the benefactor, or it may retain or be given a functional title, and the benefactor will be recorded as its sponsor. In the case of distinguished service, the facility may be named directly after the honoree.

College assets and facilities may be named after exceptional individuals, living or deceased; corporations; foundations; or any other entity, provided due regard is given to the College's identity and philosophy. The College's Board of Trustees has the right to deny a request for naming if the request is deemed inappropriate, i.e., if the mission and vision of the benefactor is not consistent with the mission and vision of the College, or if such naming could be construed as promoting a particular political, economic, or moral issue inconsistent with the College's mission. Likewise, the College may rescind the use of a name awarded hereunder in the event that circumstances cause the College to reasonably believe that continued use of such name is inappropriate.

2. GUIDELINES FOR NAMING

2.1 Buildings

The College will consider the naming of new buildings in recognition of individuals, corporations, or foundations according to the following guidelines:

- The benefactor contributes 50 percent or more of the capital cost of the building; or
- The benefactor supports the College, faculty or other divisions through the establishment of a gift exceeding \$10 million.

The College will consider naming existing structures or parts of existing structures according to the following guidelines:

- An existing building may be named for a gift or endowment equal to a minimum of 20% of the current market value of the structure, with additional considerations taken into account (e.g., prominence of the building, historical profile of the structure, etc.) that might increase the value of the naming opportunity. The Board of Trustees will make the final determination.

2.2 Classrooms, Auditoriums, Laboratories

The College will consider naming parts of buildings in recognition of a benefactor who contributes the following amounts:

Classroom

\$50,000 to \$200,000

Computer Class/Lab	\$250,000 to \$1,000,000
Small Auditorium	\$300,000 to \$500,000
Large Auditorium	\$500,000 to \$1,000,000
Gymnasium	\$1,000,000 to \$2,500,000
Library	\$1,000,000 to \$2,500,000

2.3 Capital Campaign Naming Opportunities

In the event of a capital campaign, additional naming opportunities may become available. These additional opportunities will follow the same approval process identified in Section 3. Buildings and parts of a building will be “valued” as a naming opportunity on the “base value of each unit of space.” Typically, this is accomplished by dividing the campaign fundraising goal by the total square feet available for naming. The base value may be increased or decreased depending on the following: location and physical prominence (visibility) of the space; utilization and function of space; and unusual costs for space (i.e., interior design finishes, outfitting, etc.). Using the above criteria, naming opportunities will be identified and minimum levels of contributions for the naming right for each space established.

2.4 Regional Center, Departments and Other Units

The College will consider naming a regional center, department or unit in recognition of a gift if the gift enables transformational change to take place in the unit, meaning the gift allows the unit to undertake a well-defined set of program improvements that will elevate the unit within its group of peer institutions. Any proposal for naming should be consonant with the reputation and aspirations of the unit. The background, character and reputation of the namesake benefactor should be consistent with the reputation of the College.

2.5 Endowments (endowed chairs and scholarships)

The College will consider the naming of chairs or scholarships after a benefactor who contributes the following amounts:

Endowment (Scholarship)	\$10,000 (minimum)
Endowment (Chair)	\$1,000,000 - \$5,000,000

2.6 Honoring of an Individual for Distinguished Service

- In exceptional cases, the College may seek to recognize individuals who have supported Community College of Philadelphia through distinguished service by naming facilities or endowments in their honor.
- Naming a building in honor of a person who has given extraordinary service to the College will not normally be considered until after that individual's substantive formal relationship with the College has concluded.

2.7 General Guidelines

- Naming rights will not be considered binding until at least 50 percent of the benefactor's pledge has been paid.
- Naming rights for benefactors will normally remain in place for the life of the building, classroom, auditorium, laboratory, etc.
- In the event that ongoing payments on a pledged donation cease before the agreed dollar amount is achieved, the Board of Trustees may discontinue the use of the benefactor's name for an endowment, scholarship, chair, etc.
- Nothing herein shall be deemed to prevent the College from improving, renovating or replacing any structure named hereunder in the normal course of its business. Naming rights shall not survive the replacement of any such structure and shall not be deemed to prevent naming any new structure resulting from any such improvement (e.g., naming an addition to the original structure).

3. PROCESS

- Negotiations with a benefactor or other interested party for the naming rights for a particular facility may be initiated by the Office of Institutional Advancement or by the President.
- Proposals for naming facilities should be submitted to the Office of Institutional Advancement and should contain specific information in support of naming. Proposals will be forwarded to the College President for endorsement. If endorsed by the President, the proposal will be forwarded to the College's Board of Trustees, which will make the final determination for approval. When a proposal involves the use of the name of a living person, the Board of Trustees' approval is contingent on the agreement of that person or that person's legal representative.
- When a proposal involves the use of the name of a deceased person, the Board of Trustees' approval is contingent on the agreement of that person's legal representative.
- If an individual or organization, after whom a facility has been named, comes into disrepute in the College or in the community-at-large, the Board of Trustees may discontinue the use of the name as set forth in section 1.
- The formal and final authority to name assets and facilities (and discontinue the use of a name for assets and facilities) resides with the College's Board of Trustees.
- The College's Board of Trustees shall use this Naming Policy as a guide but may, in its discretion, make exceptions to any provision contained in this policy.

Approved by Board of Trustees (May 1, 2003)

Revision Approved by Board of Trustees (December 4, 2008)

Revisions submitted to CCP Foundation's Finance & Investment Committee (January 6, 2016)

Submitted to CCP Foundation Board for comment (January 14, 2016)

Submitted to CCP Business Affairs Committee for approval (January 20, 2016)

Approved by Board of Trustees (March 2, 2017)

DRAFT

COMMUNITY COLLEGE OF PHILADELPHIA LIBRARY AND LEARNING COMMONS

This document serves as a draft of suggested giving levels for the Library and Learning Commons. The suggested giving levels were determined by considering 50% of the cost of the space and a subjective assessment of how appealing each space might be for a donor and based on the College's prospect pool. The cost listed is rounded for ease of reading.

SPACE	AREA (SF)	COST	GIFT LEVEL
LIBRARY AND LEARNING COMMONS		\$16,517,382	\$2,500,000 - \$3,000,000
LEARNING LAB	5,704	\$2,100,000	\$500,000
CENTRAL HUB	2,855	\$1,000,000	\$500,000
CAFE	2,396	\$900,000	\$400,000
OPEN STUDY	3,376	\$1,200,000	\$400,000
ART GALLERY	1,603	\$600,000	\$300,000
LEARNING LAB	1,915	\$720,000	\$275,000
QUIET STUDY ROOM	2,038	\$770,000	\$250,000
REFERENCE	1,257	\$474,000	\$200,000
LEARNING LAB	1,492	\$563,000	\$200,000
ENTRY LOBBY	705	\$266,000	\$150,000
OPEN STUDY	806	\$300,000	\$150,000
LIBRARY CLASSROOM	1,173	\$440,000	\$150,000
COURTYARD	2,322	\$205,000	\$100,000
LEARNING LAB CLASSROOM (2)	760	\$290,000	\$100,000
LIBRARY CLASSROOM	746	\$280,000	\$100,000
LEARNING LAB CLASSROOM	828	\$310,000	\$100,000
OPEN STUDY	639	\$240,000	\$100,000
MAIN STACKS	5,022	\$1,800,000	\$100,000
RECEPTION	373	\$140,000	\$100,000
CONFERENCE	404	\$150,000	\$75,000
STUDY CARRELS	402	\$150,000	\$75,000
MAKER SPACE	188	\$70,000	\$50,000
CAFÉ STAIR		\$160,000	\$50,000
ATRIUM STAIR		\$240,000	\$50,000
STUDY ALCOVE	211	\$80,000	\$40,000
GROUP STUDY	227	\$85,000	\$40,000
ONE BUTTON STUDIO	206	\$80,000	\$40,000
GROUP STUDY	162	\$60,000	\$30,000
STUDY CARRELS AREA	153	\$60,000	\$30,000
GROUP STUDY (7)	97 - 117	\$36,000 - \$44,000	\$25,000
COURTYARD BENCHES (tbd)			\$2,000
NAMES ETCHED IN WALL (MANY)			\$500
INDIVIDUAL STACKS (76)			\$250