

**MEETING OF THE BUSINESS AFFAIRS COMMITTEE
OF THE BOARD OF TRUSTEES
Community College of Philadelphia
Wednesday, May 18, 2022–9:00 A.M.**

TO: Members of the Business Affairs Committee of the Board of Trustees

FROM: Jacob Eapen

DATE: May 16, 2022

SUBJECT: **Committee Meeting**

A meeting of the Business Affairs Committee is scheduled for Wednesday, May 18, 2022 at 9:00 A.M. It will be held as a hybrid meeting. Participants and attendees may attend in person in the Isadore A. Shrager Boardroom, M2-1 or *via* Zoom.

PUBLIC SESSION
AGENDA

The Zoom information for the Public Session is as follows.

Topic: Business Affairs Committee Meeting – Public Session
Time: May 18, 2022 08:30 AM Eastern Time (US and Canada)
Join Zoom Meeting
<https://ccp.zoom.us/j/96422269532?pwd=ZDZZbHU3K2NFdzhhcjZanAyVUFwUT09>
Meeting ID: 964 2226 9532
Passcode: 8029
One tap mobile
+13126266799,,96422269532# US (Chicago)
+16465588656,,96422269532# US (New York)

Please note that Attachment A contains a spreadsheet that lists the vendor/consultant, the amount, and the source of funding (i.e., Capital Budget, Operating Budget, Perkins Grant, or Bond Proceeds) which College Administration is seeking approval.

(1) Award of Bid for Security Services (Action Item)

An RFP process was recently completed to develop and recommend a firm to provide the College's contract security services. Attachment B provides a description of the security RFP process and analysis of each firm who submitted a response and a justification for the recommended award to Allied Universal Security.

Allied Universal had \$166 million spend with their diversity partners in 2021. Allied Universal has partnered with Sovereign Security to meet the RFP 25% minority participation requirement. Sovereign was founded in 2004 by Mr. Richard Cottom. Mr. Cottom is the former Director of Safety & Security for CCP and former VP of Public Safety for Drexel University. Sovereign is an established MBE company and has been recognized as one of the "Philadelphia 100" fastest growing companies.

Based upon an average weekly guard use of 1,633 hours and 160 of account management, the first-year contract amounts were \$2,561,474 for Allied Universal Security (See comparison chart below).

Totals	First year	Year 2	Year 3
AUS	\$2,561,474	\$2,642,389	\$2,764,400
GardaWorld	\$2,751,443	\$2,852,831	\$2,960,731
Securitas	\$2,592,103	\$2,666,552	\$2,745,733
PPU	\$2,281,781	\$2,293,672	\$2,293,672

Staff request that the Business Affairs Committee recommend to the full Board the awarding of a 3-year initial contract with two (2) one-year options to Allied Universal Security Services effective July 1, 2022. The contract will be paid from the Operating Budget.

(2) Ernest Bock & Sons, Inc. Change Order Two for the Career & Advanced Technology Center Project (Action Item)

This change order is the result of design changes, added educational items, unforeseen conditions, and expediting the elevator installation. See breakdown of costs in Attachment C.

This change order two in the amount of \$112,698 will be in addition to change order one which brings the total change orders to \$318,937, thereby increasing the original contract amount of \$16,222,000 to \$16,540,937, an increase of 1.97%.

Staff request that the Business Affairs Committee recommend to the full Board the approval of the Ernest Bock & Sons, Inc. Change Order Two for the Career & Advanced Technology Center Project in the amount of \$112,698. The change order will be paid from the Bond Proceeds.

(3) Sponsorship of the 2022, Made in America Festival – September 3-4, 2022 (Action Item)

The country's most popular music festival, the annual Labor Day Weekend festival curated by Jay-Z features a diverse lineup of musicians in addition to cause-driven elements. In 2021, more than 60,000 people attended the concert each day, and media and digital coverage created an additional 4.2 billion impressions and 13 million viewers. For the 2022 festival, Community College of Philadelphia has the opportunity to be onsite in the festival's College Village in a 10' x 10' space. Digital elements of the sponsorship include branded image/video content on concert screens between acts, push notifications from the festival's app, banner ads on the app and website, and curated digital content leading up to the festival. The College will benefit from amplification and PR support through the festival's digital/social, paid media, local/national PR and talent. Additional elements negotiated include the following: 25 general admission tickets to the festival to use as

giveaways to students, faculty and staff; "spend a day" session for a student at Roc Nation's headquarters in NYC; College's admissions staff in College Village; and featuring of the College's garage as a preferred parking option for concertgoers. The total expenditures will be \$100,000 paid to Roc Nation.

Staff request that the Business Affairs Committee recommend to the full Board the approval of total expenditures in the amount of \$100,000 be paid to Roc Nation for the sponsorship of the 2022, Made in America Festival, September 3-4, 2022. The expenditures will be paid from the Operating Budget.

(4) Harmelin Media Summer/Fall Advertising (Action Item)

The final advertising push of the fiscal year is designed to promote enrollment for summer parts of term and the fall semester. It also includes campaigns for CATC, workforce programs and Power Up. The buy, which spans more than 40 individual payments through Harmelin Media, includes advertising on television and streaming media platforms, paid search and social, visibility marketing on transit and via out-of-home opportunities and through sponsorships. The total budgeted spend is approximately \$1.22 million.

Staff request that the Business Affairs Committee recommend to the full Board the approval of payments for summer/fall advertising through Harmelin Media in the amount of approximately \$1.22 million. This expense will be paid from the Operating Budget.

(5) Fiscal Year 2022-2023 Insurance Renewal (Action Item)

Attachment D contains the summary of the insurance premiums and coverages based upon the insurance renewal process conducted by Willis Towers Watson, the College's broker. The insurance premiums increased from \$1,058,142 in 2021-22 to an estimated \$1,091,091 in 2022-23, an increase of 3%.

Staff request that the Business Affairs Committee recommend to the full Board the approval of the 2022-23 insurance program, with a total cost of \$1,189,227 including the broker fee and CATC insurance coverage. Please refer to Attachment E. The 2022-2023 insurance will be paid from the Operating Budget.

(6) 2022-2023 College Budget (Action Item)

Mr. Eapen will review the highlights of the proposed 2022-2023 College Budget with the members of the Business Affairs Committee. The 2022-2023 Budget Summary will be presented at the meeting.

(7) Future Business Affairs Committee Meeting Dates (Information Item)

For your time and consideration, proposed meeting dates have been established for Business Affairs Committee meetings through December 2023. The Committee meetings will be on a 3rd or 4th Wednesday in a month depending on the number of weeks in a month (4 or 5) and holidays. Future meeting dates are included in Attachment F. Also included are the Business Affairs Committee as a Whole Meetings.

(8) Next Meeting (Information Item)

The next regularly scheduled meeting of the Business Affairs Committee is set for Wednesday, June 22, 2022 at 9:00 A.M.

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Attachments

**c: Mr. Jeremiah White
Dr. Donald Generals
Ms. Marsia Henley
Mr. Gim Lim
Dr. Shannon Rooney
Mr. Derrick Sawyer
Victoria Zellers, Esq.**

ATTACHMENT A
FUNDING FOR ACTIONS ITEMS

BUSINESS AFFAIRS COMMITTEE MEETING

AGENDA: May 18, 2022

Agenda No.	Vendor/Consultant	Amount	Source
1.	Allied Universal Security Services	Year 1 – \$2,561,474 Year 2 – \$2,642,389 Year 3 – \$2,764,400	Operating Budget
2.	Ernest Bock & Sons, Inc.	\$112,698	Bond Proceeds
3.	Roc Nation	\$100,000	Operating Budget
4.	Harmelin Media	Approximately \$1.22 million	Operating Budget
5.	Willis Towers Watson	\$1,189,227	Operating Budget

ATTACHMENT B

Award of Bid for Security Services

Award Justification Statement
RFP #10117 – Contracted Security Guard Services

Overview of Security Guard RFP Process:

Focus on Strategic Partnership/Customer Service

Until 2003, the College treated the hiring of a security firm as a commodity purchase, buying a specified amount of guard hours and supervision at an agreed-upon amount with the contractor's overhead costs factored into the rates. This put the College in the position of being compelled to look favorably on the lowest bidder because costs were emphasized. For the last three RFPs, the RFP was rewritten to emphasize a strategic partnership approach. The security program is a vital component in the delivery of comprehensive student services. The goal is to identify security firms that have the capacity to partner with the College to provide complete security services with a greater emphasis on college mission/values alignment and a commitment to actively working with college staff to ensure a safe environment for students and staff. In addition, the College has placed a greater emphasis on customer service and support for the total student experience. Also, a key goal in this RFP process was to identify a minority and/or woman-owned business either as a sole provider or having the successful firm partner with a minority firm for 25% of the annual contract value.

RFP Process

Invitations to bid on Community College of Philadelphia's contracted security services were sent via the online bid management system Penn-Bid, which solicits participation by NIGP categories. Companies ranged from local companies to nationally known firms. All were given the criteria to bid on the College's contract. Institutional experience was a requirement, higher educational experience was important as was the inclusion of MWDBE participation among other criteria.

A Pre-bid meeting was held on Wednesday, April 20, 2022. Seven (7) vendors attended the pre-bid meeting. At the pre-bid meeting, points pertaining to bid specifications were clarified, vendors' questions were addressed, and a tour of the College's facilities and regional facilities was given. Four (4) presented formal proposals.

A committee composed of staff members from the Events Management, Legal Counsel, Public Safety, and Purchasing interviewed the remaining proposals. The four firms who submitted proposals were interviewed on Wednesday, May 11, 2022. They were:

- Allied Universal Security Services
- GardaWorld Security

- Securitas Security
- Philadelphia Protection Unit (PPU)

Each firm was asked to present an overview of their proposals and the evaluation team drafted a list of questions to be used during the interviews to further garner insight into each firms' operations.

Philadelphia Protection Unit was interviewed but ultimately eliminated based on the Committee's evaluation of their proposal submission, failure to provide information and documentation of being a signatory to the collective bargaining agreement (CBA) with SEIU 32BJ which the security guards belong.

Garda Security was eliminated as their higher education experience was limited; local presence to the Philadelphia market was not consistent with the College's needs; the Committee felt that Garda security did not have a plan in place for fulfillment of a minority vendor participation as required by the RFP; and the Committee felt that the administrative and management structure of the firm was not currently capable of handling the needs of the College.

Securitas was eliminated based on the Committee's evaluation chiefly because of the limited higher education experience they have in the Philadelphia market; and the Committee felt that Securitas had a management staff that would not fulfill day to day operational support.

Allied Universal Security

One of Allied Universal's notable strengths is their training commitment for the higher education market. They have developed and utilized an entire training program for this market via their School of Higher Education Officer Training. A sampling of modules includes: diversity, Clery Act, FERPA, and Understanding Young Adult Behaviors. In addition, they require all employees to take the National Terrorists Training and offer incentives to employees for pursuing additional training such as their Master Security Officer training. The Allied Universal oral and written presentations were the best prepared and most comprehensive. Their upper management team who would be responsible for the account were all present. Programs and policies were in line with their Core Values: Communication, Professionalism, Competence, Care & Clarity of Role. A key new initiative proposed for the College by Allied Universal is the "White Glove Customer Service" training program which is intended to significantly increase the performances of the guards in delivering customer services customized to the needs and expectations of the client.

RFP Evaluation Criteria

This section contains an outline of the criteria used to assess the potential contracted security firms and an assessment of how well each firm meets the criteria. (Selection criteria are in bold type.)

A. Effectiveness of Guard Services

Demonstrates staffing patterns for contract security that reflect diversity of Community College of Philadelphia's students and staff including age, race and sex.

AUS met this criterion adequately. AUS provided a demographic profile of their current guard pool. In all cases, the guard pools reflected an acceptable population mix along age, sex, and ethnic/race lines.

Has an effective hiring process that encompasses a detailed background check and fitness to serve as part of Community College of Philadelphia's security staff.

AUS appear to have the most effective hiring process. An eight-hour pre-service training program is used by each firm after initial screening to further assess an applicant's potential capabilities as a guard and appropriateness for a particular account. No guard will be assigned to the College without acceptable results from a background check using college-defined criteria.

Note: During the COVID shut down the college requested a reduction of staff for the duration of the shutdown. AUS has proven to be flexible honoring the college request by re assigning officers to other sites and retaining employees so that when the college restarted, most of the officers re assigned where able to rejoin the account with no interruption in pay.

Has had successful experiences in managing higher education accounts. Local higher education experience is highly desirable.

AUS has higher educational accounts including are education hospitals, commercial accounts or occasional/special services accounts with some educational presence in New Jersey. Allied Universal Security has the largest share of higher educational accounts in the Philadelphia region and dominates this sector. Based upon its extensive higher education experience, Allied Universal Security is best positioned to understand and service the needs of the College.

Provides guards who are people-oriented and present a professional, cooperative, and neat appearance. References reflect a consistent pattern of good client relationships and responsiveness to client needs.

AUS has built into their screening process a personality/psychological component whereby questions are posed to potential employees to assess their strengths and/or weaknesses. This information is used proactively to place employees in positions or areas where they are more suited to excel.

The references for AUS indicate that staff is consistently neat in appearance and properly uniformed when on the site. All references confirm that contact with local management takes place on a consistent basis and requests for urgent and/or emerging needs of the client are handled reasonably well.

Provides effective training programs on a pre-service and in-service basis, covering both general security practice principles and site-specific information.

Allied Universal's training is handled in person at their Center City facility with extensive additional training available at its Conshohocken headquarters. Allied Universal had the strongest training commitment to higher education. They have developed an entire training module for the higher education market which has specific focus on issues affecting this segment of the market. Allied Universal delivers customized training throughout the year based upon the needs of guards at a point in time. The Committee was impressed with the thoroughness of Allied Universal's printed training and testing materials. The Committee was impressed with the AUS customer service training model and finding the right officer for the right job initiative through meticulous human resources screening, testing, and performance evaluations. AUS guards' training activities electronically tracked so that human resources can pool officer into specialized categories for best fit employment. Each employ full-time trainers to deliver their programs to new employees.

Maintains an acceptably low rate of employee turnover.

Allied Universal's annual turnover at the College is approximately 25%. Included in their calculation are categories for moved, school, personal, violations etc. The general industry standard is around 50%. The College's RFP specifications establish a formula to provide a small monetary gain if the contractor can maintain turnover at a low rate.

Has successful track record for dealing with a diverse population similar to that working and studying at Community College of Philadelphia.

Allied Universal Security meets this criterion and, as the incumbent supplier, has proved this capability with their on-site guard and account management staff.

B. Supervision of Account

Maintains a strong Philadelphia presence, providing immediate 24-hour access to firm's senior management for rapid problem-solving and timely resolution of emergency situations.

Allied Universal Security have continuously staffed command operations center. U.S. Security states that management staff is available for emergency response via electronic communications protocols. Allied Universal Security provides several field supervisors who are on the road 24 hours a day to perform unannounced site visits and respond to emergencies. AUS provide senior staff with cell phone/pagers for timely contact with the client. Allied Universal collaborates with the City of Philadelphia's Emergency Communication liaison system as well as with police and fire communications systems.

Account supervision will be able to respond in a timely fashion to the College's requests for special services, e.g., assistance in a criminal investigation, requests for account information, etc.

AUS provides additional services (e.g., background investigations, surveillance, covert camera placements).

Guard pool is adequate to meet Community College of Philadelphia's needs at peak-load times and to deal with last-moment needs for additional security staffing.

Allied Universal indicated that, given sufficient notice, special coverage can be accommodated. Each has depth of staff in the Philadelphia region and is positioned to react to emergency coverage requirements. Allied Universal Security, by virtue of its large regional higher education client-base, has by far the largest experienced guard pool familiar with college/university events. A key strength of Allied Universal has been their ability to provide full staffing for major events on short notice.

Maintains good relationships with local police and has ability to do police checks based upon established working relationships with police.

Allied Universal Security maintains an excellent relationship with the Philadelphia Police Department. They have contacts with local district supervision, as well as contacts within the Commissioner's Office. Allied is heavily involved with planning for the major events to the city.

C. Record Keeping and Costs

Demonstrates an acceptable reporting system for monitoring guard deployment, reporting incidents, and auditing account for payment purposes.

Allied Universal requires that guards report to their shift supervisors and/or sign log-in sheets both before and after their scheduled shifts. Allied Universal, at sites where a shift supervisor is not present, will have an electronic verification system to assure the guard is at their respective post on time. Both firms indicated that, based upon the size of the account, they would place a dedicated scheduling and billing computer at the College.

Cost for offering services.

The first-year contract amounts were \$2,561,474 for Allied Universal Security. In addition, approximately 36 officers would be entitled to the union Health and Welfare benefit package. The College would be billed monthly as a straight pass through of the cost of this package at \$640 per month per officer for an annual total of \$ 341,961. This cost is included in the total projected cost.

Totals	First year	Year 2	Year 3
AUS	\$2,561,474	\$2,642,389	\$2,764,400
Garda	\$2,751,443	\$2,852,831	\$2,960,731
Securitas	\$2,592,103	\$2,666,552	\$2,745,733
PPU	\$2,281,781	\$2,293,672	\$2,293,672

ATTACHMENT C

Breakdown of Costs

Ernest Bock & Sons, Inc. Change Order Two for the Career & Advanced Technology Center Project

COR	Description	Cost
5	Added Stainless Steel Counter Tops	\$ 2,125.00
20	Excavation Costs for MEP Underslab Utilities unforeseen condition	\$ 24,000.00
24	PR-03 - Signage and Bike Rack - LEED required	\$ 1,734.00
27	Added Insulation at roof per RFI 00126	\$ 564.00
28	ASI - 023 - Additional framing plan change	\$ 11,801.00
33	Lintel Added to replace Door G43A-1 Fire Damper	\$ 479.00
34	ASI GC-0026 - CL 1 Wood Blocking roof design	\$ 1,555.00
35	ASI GC-025 - Nosing for Stairs at Ludlow Street - safety add	\$ 1,686.00
38	T&M Framing Repair Work on 2nd and 3rd floors for duct changes	\$ 1,667.00
44	Bulletin #6 - Wood Blocking for classroom change	\$ 1,095.00
46	ASI GC-029 - Furniture and TV Blocking added screens	\$ 3,989.00
47	Genco - Conflicts on Wall Types	\$ 1,700.00
52	Drywall Soffit over IW10 & IW11 added	\$ 4,000.00
56	Patching for Ductwork Overcuts - T&M	\$ 2,084.00
59	Mid-Atlantic - Added Column Plates	\$ 1,524.00
60	K-13 Overspray Removal - T&M	\$ 1,550.00
61	R&R Ceilings - Added Axiom Trim	\$ 6,889.00
63	Philadelphia Carpentry T&M fire rating change	\$ 1,599.00
64	Schindler - Elevator Expedited Costs	\$ 31,199.00
65	Stenton - Prep Work Ceilings protection - 3rd Floor	\$ 4,340.00
68	Stenton - Prep Work Ceilings protection - 2nd Floor	\$ 7,118.00
	Total:	\$ 112,698.00

ATTACHMENT D

Fiscal Year 2022-2023 Insurance Renewal

Introduction

The College's insurance program is reviewed annually prior to the July 1 renewal with its insurance brokers, Willis Towers Watson (WTW) and Bradley & Bradley (herein after WTW). During the renewal strategy meeting held on February 22, 2022, it was decided that WTW would approach the incumbent insurance carriers with the intent of securing identical coverages at premiums as close to expiring as possible and approach other selective insurance carriers that offer equally comprehensive insurance coverages, terms and limits for the Higher Education Industry. The commercial insurance marketplace continues to show signs of distress, a combination of the following: increased property loss events, rising 3rd party liability actions and resulting increased liability awards and defense costs, and 1st party employee injuries with rising legal and medical costs coupled with poor underwriting results and carrier investment earnings. The marketplace over the last 3 years (renewal cycles) changed drastically with most of the Higher Education Industry seeing insurance premiums increase by an average of 30-50% over that time; however, CCP has weathered this difficult insurance period and avoided a negative impact to its insurance portfolio costs based on ongoing timely and effective marketing negotiations by WTW. With the marketplace continuing to struggle and the ongoing economic impact brought by the COVID-19 pandemic, the College anticipated and planned for higher than normal increases in premium cost. Following an aggressive marketing campaign on the lines of insurance representing the largest cost portions of the College's portfolio, we were successful in maintaining costs in line with our forecasted budget. At the time of this report, we have secured all of our insurance results with the exception to the College's cyber liability coverage which WTW is still negotiating. Absent the cyber line, the College's budgeted insurance premium costs (including the CATC Standalone coverage) were approximately \$1.22M and our renewal costs to date are \$1.18M. A highlight of the key results follows:

Property

The incumbent carrier, CM Regent, offered a renewal premium of \$280,940, which is \$48,372 or 21% higher than the expiring premium – however this was based on a very material change in exposure as well as the recent adverse claims history for the College. Over the last 2 years with CM Regents, incurred losses exceed paid premiums; generating a loss ratio of 106%. During FY22, the College's appraised property values were reviewed and, based on sound replacement cost values at current market rates (labor and material for like-minded purposes and structure) were increased 7% from \$496,560,452 to \$530,078,975. The rate per \$100 of Total Insured Values increased from \$0.4068 on the expiring policy to \$0.0530 for the renewal. The carrier also agreed to increase the College's asset protection by \$30 Million by converting the policy from a loss limit (\$500 Million) to a blanket limit \$530 Million) For Building and Content values and agreed to maintain a deductible of \$25,000 per loss; still one of the lowest deductible levels for similar sized institutions. This policy also provides \$7 million of business interruption insurance, which is separate from the Building and Contents blanket limit. By comparison, WTW explored alternative quotes with leading insurance carriers - the average pricing for similar coverage is between \$365,000 to \$425,000.

General Liability

The incumbent carrier, CM Regent offered a renewal premium of \$132,410 which is \$16,870 (11%) lower than the expiring policy. CM Regent offers a \$0 Deductible for this line of coverage. By comparison, WTW secured alternative terms from leading carrier, United Educators - UE proposed similar terms with a \$50,000 per occurrence deductible for approximately \$243,000; nearly twice the proposed pricing.

Automobile

The incumbent carrier, CM Regent offered a renewal rate of \$15,957, which is a small 1% (\$86) increase from the expiring policy. The automobile policy covers employees driving College-owned, rented, or hired vehicles as well as provides damage protection (collision and comprehensive coverage) for the College's current fleet of (8) vehicles. By comparison, the average pricing for similar risk in the marketplace is between an increase of 10-15%

Workers' Compensation

The incumbent carrier, PMA offered a renewal rate of \$317,106 which is \$31,285 or -9% lower than the expiring premium. This decrease is primary due to the reduction (5%) in wages and freezing of several vacant positions. The College's PA state loss experience modification factor (a measure of adjusting the premium) for the new year decreased from .946 to .906, a -4% decrease. PMA, in effort to retain the College's business, included a Sliding Scale Dividend which could provide CCP with the possibility of two dividend payments, applied to CCP's earned premium (not inclusive of Terrorism Premium) based on CCP's loss ratio over the next 30 months - the maximum return could be 18% or approximately \$56,000 with little to no loss activity. NOTE - dividends are based on the financial performance of PMA and are not guaranteed) 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 which automatically makes the College eligible for a 5% reduction in premium.

Umbrella & Excess Liability

The incumbents, CM Regent & Crum & Forster (C&F) offered their respective Umbrella & excess liability policies totaling \$25 million for addressing catastrophic risks and resulting liability for a combined premium of \$74,560; a reduction of \$4,142 (5%). By comparison, WTW secured an alternative quote from United Educators for the full \$25 Million limit for \$137,915; an increase of \$63,000 or nearly 85% over the renewal pricing.

Educator's Legal Liability (ELL)

The College's ELL policy has a limit of \$15 million and provides protection for both the College's and Foundation's Board of Trustees against professional management liability wrongful acts as well as Institutional protection for employment practices wrongful acts, employed lawyer's professional wrongful acts, and College educators (tenured and adjunct) professional wrongful acts. United Educators (UE), the longtime incumbent carrier, provided a renewal quote of \$200,145 or \$14,826 higher than the expiring premium. Despite the increase, the College's pricing correction is actually lower than similar institutions insured by UE. General Counsel continues to work closely with UE on actively managing the College's litigation matters.

Student Medical Malpractice

CNA quoted a premium of \$6,683 that is \$966 lower than the expiring premium. The number of students participating in clinical settings directly affects the cost of this insurance. Due to the decline in student enrollment, the number of students expected to be in clinical environments increased from 723 to 631. There has been no rate increase for this coverage over the past several years. This policy provides \$1 million in coverage per claim and \$5 million in the aggregate to the College and to students and faculty related to their activities in a clinical setting.

Crime

WTW secured a quote from CM Regent at a premium of \$4,113 or \$124 higher than expiring premium, however the policy only provides \$1 million in coverage. Given the College's need for additional protection, WTW continues to secure additional \$4 million of coverage from Travelers at a premium of \$10,213 bringing the total cost to \$14,326; a combined slight increase of \$586 (4%). This policy provides the College with protection against 1st party (employee) theft and 3rd

party theft and fraud for a limit of \$1 million. It also covers “social engineering fraud/ funds transfer” should an employee unwittingly transfer College assets to a fraudulent third party due to deceptive and fraudulent practices. The primary CM Regent policy provides \$500,000 in Social Engineering coverage, and the Travelers excess policy provides an additional \$500,000 in Social Engineering coverage that sits over the CM Regent limit. CM Regent has provided an option to increase the primary Social Engineering limit from \$500,000 to \$1,000,000 for a revised premium of \$4,236, or an additional \$123. WTW recommends that the College purchase this increased limit of insurance for an important protection for a minimal premium increase. In order to have General Liability and Umbrella coverage with CM Regent, they also require that a crime policy be purchased from them. By comparison, the average pricing for similar risk in the marketplace is between 20-25%

International Liability

This policy provides foreign-based general liability, automobile liability, and worker’s 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 premium for this coverage is \$2,936 or a \$436 increase (17%) from the expiring premium.

Fine Arts

This policy provides comprehensive loss or damage to the College’s identified Fine Arts collections with limits of \$275,000 while at named CCP locations, and \$100,000 at any other location, worldwide and \$100,000 while in transit, worldwide. Insured by Aspen, the renewal premium totaled \$1,174; a small premium increase of \$56 (5%). No material changes in terms and conditions.

Security and Privacy (Cyber Insurance) * - (Waiting on renewal terms– estimated on/about June 1st)

The incumbent carrier Chubb has early indications that the Cyber Insurance policy will increase by 100% over the current policy. Due to the current environment of the Cyber world, Cyber insurance carriers are not providing renewal quotes until 30 days prior to policy expiration. We are estimating that our Cyber policy will be around \$43,700 or an increase of \$21,850 (100%) from the expiring premium.

This insurance offers critical insurance 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 \$3 million and offers notification and credit monitoring services for up to 250,000 affected individuals in addition to \$1 million of coverage for reputational loss in the event of a data security breach.

CATC Insurance (CCP Development, LLC)

WTW solicited and received quotes from Zurich for a standalone insurance package placement for CCP Development, LLC providing Property, General Liability, Hired & Non-Owned Auto and \$3M Excess Liability coverage in order to remain in compliance with loan requirements. The total annual premium for all coverage is \$48,136.

Broker Fee

The brokerage services of WTW are captured under a multi-year (5-year term) agreement that incepted in 2021. The annual fee for 2022-23 remains at \$50,000 for their risk management and insurance brokerage services.

Recommendation

College staff recommends that the College procure insurance as detailed in [Attachment E](#).

ATTACHMENT E

**Fiscal Year 2022-2023 Insurance Renewal
Premium Chart**

Coverage	Carrier	Expiring (2021-22) Premium	Renewal (2022-23) Premium		
Property	CM Regent	\$232,568	\$280,940	21%	48,372
General Liability (\$1M)	CM Regent	149,280	132,410	-11%	(16,870)
Automobile	CM Regent	15,871	15,957	1%	86
Workers' Compensation	PMA	348,391	317,106	-9%	(31,285)
Umbrella (\$20M) - Excess Liability	CM Regent	78,702	74,560	-5%	(4,142)
International Liability	Hartford	2,500	2,936	17%	436
Crime (\$4M x \$1M) - Excess Crime	CM Regent	13,740	14,326	4%	586
Educators Legal Liability (\$15M)	UE	185,319	200,145	8%	14,826
Student Medical Professional Liability (\$1M)	CNA	7,649	6,683	-13%	(966)
Travel Accident	AIG	1,154	1,154	0%	-
Fine Art	Aspen	1,118	1,174	5%	56
Security & Privacy*	Chubb	21,850	43,700	100%	21,850
TOTAL INSURANCE PREMIUMS		1,058,142	1,091,091	3%	32,949
Broker Fee	WTW/B&B	\$ 50,000	\$ 50,000	0%	-
TOTAL WITH BROKER FEE		1,108,142	1,141,091	3%	32,949
CATC Coverage	Zurich	\$ 111,226	\$ 48,136	-57%	(63,090)
TOTAL INCLUDING CATC		1,219,368	1,189,227	-2%	(30,141)

ATTACHMENT F

FUTURE BUSINESS AFFAIRS COMMITTEE
MEETING DATES

JUNE 2022 THROUGH DECEMBER 2023
BUSINESS AFFAIRS COMMITTEE MEETING DATES
(Usually the 3rd or 4th Wednesday Depending on the Number of
Weeks in a Month and Taking into Consideration Holidays)

2022

- Wednesday, June 22, 2022 – 9:00 A.M.
- A July, 2022 meeting may be required re: Award of Bid for Contracted Cleaning Services **(Combined Business Affairs Committee and Executive Committee of the Board)**
- Wednesday, August 24, 2022 – 9:00 A.M. re: Stop Loss, Delta Dental, UCCI Dental & Life and Disability **(Combined Business Affairs Committee and Executive Committee of the Board)**
- Wednesday, September 21, 2022 – 9:00 A.M.
- **Thursday, October 6, 2022 – 9:00 A.M. (Business Affairs Committee - Committee as a Whole)**
- Wednesday, October 19, 2022 – 9:00 A.M.
- Wednesday, November 16, 2022 – 9:00 A.M.
- A date may need to be established in December 2022

2023

- Wednesday, January 18, 2023 – 9:00 A.M.
- Wednesday, February 15, 2023 – 9:00 A.M.
- Thursday, March 2, 2023 - **(Business Affairs Committee - Committee as a Whole)**
- Wednesday, March 22, 2023 – 9:00 A.M.
- Wednesday, April 19, 2023 – 9:00 A.M.
- Wednesday, May 24, 2023 – 9:00 A.M.
- Wednesday, June 21, 2023 – 9:00 A.M.
- No meeting in July 2023. May change.
- Wednesday, August 23, 2023 – 9:00 A.M.
- Wednesday, September 20, 2023 – 9:00 A.M.
- Thursday, October 5, 2023 - **(Business Affairs Committee - Committee as a Whole)**
- Wednesday, October 18, 2023 – 9:00 A.M.
- Wednesday, November 15, 2023 – 9:00 A.M.
- A date may need to be established in December 2023