

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

Present for the Business Affairs Committee: Mr. Michael Soileau, presiding; and Mr. Rob Dubow. Ms. Mindy Posoff participated in the Zoom meeting after item 4.

Present for the Administration: Dr. Donald Guy Generals, Mr. Jacob Eapen, Ms. Kris Henk, Ms. Marsia Henley, Mr. Gim Lim, Mr. Randolph Merced, Dr. Shannon Rooney, Mr. Derrick Sawyer, Mr. Vijay Sonty, Mr. John Wiggins, and Victoria Zellers, Esq.

Guest: Ms. Sabrina Maynard, City of Philadelphia, Office of Finance

PUBLIC SESSION
AGENDA

Mr. Soileau called the meeting to order at 9:00 A.M. and briefly outlined the agenda items. He stated that the first item is re-contracting with our vendor, Allied Universal Security, for Security Services; the second agenda item represents another change order for the Career & Advanced Technology Center (CATC); the third and fourth agenda items deal with our Marketing team (a) in sponsorship with the 2022 Made in America Festival to ensure how the College's brand will be noticed especially side by side with Temple, Drexel, and a few others, and (b) continuing the engagement of Harmelin Media who does the College's media buys; the fifth agenda item deals with the College's insurance renewal program; the sixth agenda item deals with the College's 2022-2023 College Budget; and agenda item seven deals with future Business Affairs Committee meetings.

Before Mr. Eapen started with the first agenda item, Mr. Dubow and Mr. Soileau requested that, in addition to identifying what is in the budget, if an issue is driving a variance, for Mr. Eapen to "call it out" before the Committee votes.

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

Background: 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 (AUS). 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 goal. 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.

Discussion: Mr. Eapen stated that Allied Universal is the College's current vendor. He stated that the College underwent an RFP and that seven vendors attended the pre-bid meeting. Four presented formal proposals: He stated that College staff did extensive meetings with the four finalists: AUS, GardaWorld, Securitas and Philadelphia Protection Unit (PPU).

Mr. Merced stated that the evaluation committee ensured that the bidders were in alignment with the College’s goals and Strategic Plan. He highlighted the areas of the criteria used to evaluate the firms including the effectiveness of guard services; ensuring the diversity of the College, including students and staff, was recognized and supported and having its own staff be diverse; having a comprehensive hiring process; experience in the higher education market; customer service; and recordkeeping which covers keeping costs in line. Mr. Merced stated that Allied Universal provided the most flexibility in their proposal. He stated that Allied Universal was very responsive during the pandemic; provided the best cost of services; and possessed notable strength of partnering with Sovereign Security to meet the RFP 25% minority participation goal.

Totals	First year	Year 2	Year 3
AUS	\$2,250,000	\$2,370,000	\$2,485,000
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

Ms. Henley provided the demographics for Allied Universal. She stated that the firm has a local office in Philadelphia which has 4,900 employees, of which 90% are minority employees. Ms. Henley stated that at the College, there are 68 rotating Allied Universal employees, of which 94% are minority employees.

Mr. Eapen emphasized that Allied Security is in partnership with Sovereign Security, which is a minority-owned firm, based in Philadelphia. He stated that the contract will give Sovereign Security 25% of the purchase order. Mr. Eapen stated that the actual order will be slightly lower than what was bid. He stated the following not-to-exceed amounts: Year 1 - \$2,250,000; Year 2 - \$2,370,000; and Year 3 - \$2,485,000.

Mr. Eapen stated that given that the Northwest Regional Center will be managed differently and College staff can make some personnel changes, College staff feel that they can lower the amount that was bid to the amount listed above. He stated that the bid is actually based on the hours of service, thereby giving the College the flexibility to determine the amount.

Mr. Dubow asked what is the amount of the contract with Allied for this year. Mr. Eapen responded approximately \$2.2 million. Mr. Dubow asked to get the lower price, where will that reduction be. Mr. Eapen stated that classes at the Northwest Regional Center have been paused and that the staff at the Northwest Regional Center will be moved to the Main Campus along with the shift account manager. He stated that Mr. Merced will align the security officers differently in order to get to the number we want ensuring that the College is safe which is the College’s number one priority.

Note: Based on discussions, the bid amounts for Allied Universal Services (AUS) for Year 1, Year 2 and Year 3 have been changed in the above chart and in Attachments A and B to reflect the following not-to-exceed amounts:

Year 1 \$ 2,250,000
Year 2 \$ 2,370,000
Year 3 \$ 2,485,000

Action: Mr. Dubow moved and Mr. Soileau seconded the motion that the Business Affairs Committee recommend to the full Board the awarding of a 3-year initial contract not to exceed the following amounts: Year 1 - \$2,250,000; Year 2 - \$2,370,000; and Year 3 - \$2,485,000 with two (2) one-year options to Allied Universal Security Services effective July 1, 2022. The contract will be paid from the Operating Budget. The motion passed unanimously.

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

Discussion: Mr. Eapen stated that this change order 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 roughly 2% (1.97%).

Mr. Wiggins stated that this change order is the result of design changes, added educational items, unforeseen conditions, and expediting the elevator installation to stay on track for the College's fall opening in September. See breakdown of costs in Attachment C.

Mr. Eapen wanted the Committee to be aware that change orders for McGoldrick and Ernest Bock will be presented at a future Business Affairs Committee meeting.

Action: Mr. Dubow moved and Mr. Soileau seconded the motion 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. The motion passed unanimously.

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

Discussion: Dr. Rooney stated that in addition to having community elements, the Made in America Festival is essentially an opportunity to advertise the College's brand ensuring that the College is alongside the other four-year institutions that will also be present.

Dr. Rooney stated that the country's most popular music 3-day festival, the annual Labor Day Weekend festival curated by Jay-Z features a diverse lineup of musicians along the Benjamin Franklin Parkway. Dr. Rooney mentioned that 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.

Dr. Rooney stated that Marketing was very excited when asked to join a new component for the Made in America Festival. She stated that 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. She stated that 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.

Dr. Rooney stated that the College will benefit from amplification and PR support through the festival's digital/social, paid media, local/national PR and talent. She stated that Ms. Erica Harrison and Ms. Kris Henk, in addition to negotiating 25 general admission tickets to the festival to use as giveaways to students, faculty and staff; they are negotiating a "spend a day" session for a student at Roc Nation's headquarters in NYC which will give the student a "great moment" for career development as well as a social media for the College.

Dr. Rooney stated that for the first time, we will be featuring the College's garage as a preferred parking option for concertgoers. She stated that Mr. Eapen, Mr. Sawyer and Ms. Harrison worked to find a rate landing us at a rate of \$10,000 for folks who are going to the festival and who would prefer to pay our rate (and not the Art Museum's rate) and walk over to the festival from the College's parking garage.

In addition, Dr. Rooney stated that a few issues are still being worked out with Roc Nation, mostly where can we place the College's van. She stated that if we are unable to put the College van inside the festival's College Village, we will place the College van near the College's parking garage as use that as a "satellite" spot for additional admissions recruitment. Dr. Rooney stated that staff is also working with Roc Nation to involve the College's Spring Garden Records and establishing a scholarship in the amount of \$5,000.

Mr. Soileau asked if there is a possibility to get a local celebrity, and for staff and the 25 students who will be participating in the festival to have branded shirts. Dr. General mentioned perhaps there is a possibility to get QuestLove, a drummer and alumni of the College. Mr. Soileau asked about a connection point with Spring Garden Records. Dr. Rooney stated that staff would like to have a Spring Garden Records artist performing during the festival; however, it was clear that any SGR artist will not be able to perform on stage but perhaps on festival grounds or stationed by the College's parking garage. Mr. Soileau stated that this can be served as a model for the College to use the garage for future festivals in the City.

Dr. Rooney stated that the total expenditures will be \$100,000 paid to Roc Nation and it is already budgeted. She additionally mentioned that staff will be receiving a report from Roc Nation regarding the digital media work involved which will enable staff to give a follow-up report in terms of what the College got out of the festival.

Mr. Soileau added that NBC will be covering the event and if there is an opportunity for Dr. General and Dr. Rooney to be interviewed. Mr. Dubow asked if the \$100,000 was the standard rate for colleges. Dr. Rooney answered in the affirmative. She stated that is the rate all the colleges will be paying at College Village.

Action: Mr. Dubow moved and Mr. Soileau seconded the motion 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. The motion passed unanimously.

(4) Harmelin Media Fiscal 2023 (Action Item)

Discussion: Harmelin Media is the College's professional media buyer and pass-through agent for numerous media buys throughout the year. Mr. Eapen stated that Harmelin Media's approval of payments for the summer/fall advertising will start on July 1, 2022 and additional advertising will continue through June 30, 2023. The final advertising push of the fiscal year is designed to promote enrollment for summer parts of term and the fall semester. Mr. Eapen stated that he and Dr. Rooney have met to clarify the dollar amount for Fiscal 2023 and it is \$1.7 million. Mr. Soileau asked for clarification on how the \$1.7 million will be spent. Mr. Eapen stated that the total purchase orders made through Harmelin Media for the entire fiscal year 2023 will not exceed \$1.7 million and the funds will be paid from the Operating Budget. Mr. Dubow pointed out that the agenda stated \$1.22 million. Mr. Eapen stated that through his conversations with Dr. Rooney, the amount needed to be corrected and is accurately reflected in the fiscal year 2023 budget. Mr. Dubow asked what change caused the increase in the amount. Mr. Eapen stated that College staff wanted to go with the total annual amount of \$1.7 million which is in the budget. Mr. Soileau requested that the total amount be changed in the meeting minutes.

Dr. Rooney stated that the Marketing team is looking at awareness and visibility advertising which gives us a foundation for making the rest of the buy work. She stated that in addition to the awareness and visibility advertising, staff are also "carving out" funds to promote campaigns for CATC, workforce programs, Power Up., specific credit programs, open houses and other events on campus. Dr. Rooney stated that breaking down the \$1.7 million, 15% or \$255,000 will be spent on TV (local network and cable). In addition, another 15% or \$255,000 will be spent on out-of-home advertising, e.g., billboards. Dr. Rooney provided another example. Pizza boxes are being distributed throughout the City, marketing "Your Future Is Delivered Here." She stated that 20% or \$340,000 will be spent on transit, e.g., SEPTA buses and trains. Dr. Rooney added that 10% or \$170,000 will be on streaming and 40% or \$680,000 on digital. The total budgeted spend is approximately \$1.7 million. Harmelin Media receives a small percentage of the media buys based on its negotiated rates with the different vendors.

Dr. Rooney provided background on Harmelin Media. She stated that Harmelin Media is national but has a local office based in Bala Cynwyd, PA. Harmelin Media is women-owned and led (CEO, president, EVPs); a certified Women's Business Enterprise, with 61% female; 53% white and 47% non-white.

Note: Workforce demographics for Harmelin are as follows: 9% African American or Black; 7% Asian/Pacific Islander; 2% Hispanic; 3% multi-racial; 79% white. Numbers shared in the meeting listing the Harmelin workforce as 53% white and 47% non-white (of the 47% non-white: 46% Asian, 29% Black, 13% multi, 8% Hispanic and 4% other) were related to 2021 new hires only and demonstrate the firm's commitment to diversifying a traditionally white industry.

Mr. Soileau asked how Harmelin Media interacts with all of the work around the new website and the new brand. Dr. Rooney responded she believes the new website will be delivered in the fall, and the College, along with Harmelin Media, will be building out specific pages and sites around enrollment, workforce and CATC. She added that Harmelin will be helpful in what messaging will be impactful for the demographics that the College is looking to serve.

Mr. Soileau asked if there was an out clause in the event the College was not satisfied with Harmelin Media's performance. Dr. Rooney stated that there is no year-long agreement in place with Harmelin Media. Rather, the College places a series of purchase orders through Harmelin Media for each buy. If the College isn't satisfied with Harmelin, it can end the arrangement at any time and find a new media buyer for future placements. Mr. Dubow asked about the performance indicators and how they are traced back to the specific spend. Ms. Henk stated that the Marketing team is looking at television, including household ratings; and outdoor route locations based on traffic and volume of vehicles. She stated that on the digital side, the College is currently running on social media over 300 leads and receiving names, phone numbers and email addresses from people who sell our ads. Ms. Henk stated that the summer campaign is almost equal in the leads that they are generating. She added Marketing is featuring entrepreneurship, Sound Recording Music Technology Program and the new public health degree program which is falling behind. However, Ms. Henk stated she will be changing the creative on the program to generate more interest. She stated that TikTok is off to a great start generating nearly 4,000 click throughs in May. Mr. Dubow asked if the spend will be changed depending upon what is working and what is not. Ms. Henk answered in the affirmative.

Note: Please note that in the agenda, the original ask was \$1.22 million. However, after a meeting with Mr. Eapen and Dr. Rooney, the ask is now to approve Harmelin Media as the College's media buyer and the approval of a series of purchase orders for various media buys not to exceed \$1.7 million for the 2023 fiscal year consistent with the College's operating budget.

Action: Mr. Dubow moved and Mr. Soileau seconded the motion that the Business Affairs Committee recommend to the full Board the approval of Harmelin Media as the College's media buyer and the approval of a series of purchase orders for various media buys not to exceed \$1.7 million for the 2023 fiscal year. This expense will be paid from the Operating Budget. The motion passed unanimously.

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

Discussion: Mr. Sawyer stated that the College's annual insurance will expire on June 30, 2022 and the new renewal will be effective July 1, 2022. 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%.

Mr. Sawyer highlighted the following. The 2022-2023 insurance renewal came in at \$1.18 million as we wait for our final cyber renewal. He stated that the property insurance came in at 21% higher than last year's premium due to material change in exposure as well as the recent adverse claims history for the College; a decrease in the College's Workers' Compensation of 9% mainly due to our budget by freezing certain positions; and the College's cyber renewal of a projected cost of \$40,034.

Mr. Soileau asked if Willis Towers Watson, the College's broker, is keeping the same underwriters for each of the policies. Mr. Sawyer stated that the College is keeping the carrier, CM Regent for several policies, and all policies are succinctly attached. Mr. Eapen added that the best deal is to maintain CM Regent for several of the insurance lines.

Action: Mr. Dubow moved and Mr. Soileau seconded the motion 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)

Discussion: Mr. Eapen reviewed the highlights of the proposed 2022-2023 College Budget with the members of the Business Affairs Committee. The 2022-2023 Budget Summary was presented at the meeting. Please refer to Attachment F. Mr. Eapen stated that at the last Board meeting, there were two major impacts: (1) Summer 1 enrollments, which is part of the current 2021-2022 year, is lower than anticipated (-\$500,000); and (2) the market value of the College investments has a reduction value of \$1.8 million. He stated that as we approach June 30th, staff will get a better feel for the market value.

Mr. Dubow asked about the status of enrollments for Summer 2. Dr. Shannon answered that the College is slightly better, 17% down. Mr. Dubow then asked if this adds into the negative \$500,000. Mr. Eapen stated in the affirmative, that it would add to the \$500,000 cap. He stated that Dr. General's would like to go with -3% as to what we are experiencing the current year. Mr. Dubow asked if Summer 2 enrollments come in at -17% and if fall and spring numbers are lower than anticipated, how is the budget adjusted. Mr. Eapen stated that at the advice of the Committee, the budget has been reduced by \$8.7 million including reducing vacancy positions. He stated that on the expense side, staff have reduced security, cleaning services, and other line items, a reduction of approximately \$2.1 million. Mr. Eapen stated that staff may have to look into reserves in order to capture the loss revenue. Mr. Dubow asked if staff will be dipping deeper into reserves this year until we receive the results of the two consultant reports and hoping for substantial changes for the longer term. Mr. Eapen stated that staff will be working on the RFP for the Asset Review Consultant Engagement.

Mr. Eapen reviewed the summary of the 2022-2023 budget (Attachment F) highlighting the operating, capital, and Catto Scholarship Program. He stated that the total current operating revenues for operating was \$130.9 million; for capital, \$10.5 million; and for the Catto Scholarship Program, \$10.7 million. He pointed out the Total Sources of Funds - \$132.9 million in operating; \$11.1 million in capital; \$10.7 million in Catto Scholarship Program, totaling \$154.8 million. Mr. Eapen addressed the Application of Funds in the chart. He stated that the 2022-2023 budget is reduced by \$7.8 million from the current 2021-2022 budget.

Mr. Eapen mentioned that Dr. General's will be doing a formal presentation to the Board showing highlights of the budget. Mr. Soileau requested that College staff discuss next steps for the actual 3-year budget at the Board meeting. Mr. Dubow concurred with this approach.

Action: Mr. Dubow moved and Mr. Soileau seconded the motion that the Business Affairs Committee recommend to the full Board the approval of the 2022-23 College Budget. The motion passed unanimously.

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

Mr. Soileau stated that there is a list of Business Affairs Committee dates for future meetings. Future meeting dates are included in Attachment G. Also included are the Business Affairs Committee as a Whole Meetings.

(8) Next Meeting (Information Item)

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

The meeting adjourned at 10:00 A.M.

Im
Attachments

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 (AUS)	Year 1 – Not to exceed \$2,250,000 Year 2 – Not to exceed \$2,370,000 Year 3 – Not to exceed \$2,485,000	Operating Budget
2.	Ernest Bock & Sons, Inc.	\$112,698	Bond Proceeds
3.	Roc Nation	\$100,000	Operating Budget
4.	Harmelin Media	Approximately \$1.7 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	\$2,250,000	\$2,370,000	\$2,485,000
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

TABLE I
BUDGET SUMMARY
FUNDING SOURCES AND APPLICATION OF FUNDS
FOR THE FISCAL YEAR JULY 1, 2022 - JUNE 30, 2023

TABLE I

**BUDGET SUMMARY - FUNDING SOURCES AND APPLICATION OF FUNDS
FOR THE FISCAL YEAR JULY 1, 2022 - JUNE 30, 2023**

FUNDING SOURCES	Operating	Capital	Catto Scholarship Program	Total
Student Tuition	\$39,544,257			\$39,544,257
Student Technology Fee	6,832,624			6,832,624
Credit Course Fee	2,575,545			2,575,545
Distance Education Fee	2,079,059			2,079,059
Adult Literacy Program Fee	42,907			42,907
Senior Citizen Fee	5,437			5,437
Other Non-Instructional Fees	639,361			639,361
City of Philadelphia	34,146,392	5,162,815	\$10,797,446	50,106,653
Commonwealth of Pennsylvania	34,512,263	5,339,470		39,851,733
Interest Income	194,742			194,742
Indirect Cost Allowances	301,558			301,558
Vocational Education Support Funds	350,000			350,000
Miscellaneous Income	994,774			994,774
Use of HEERF - Reserves	\$8,700,090			8,700,090
Total Current Operating Revenues	130,919,009	10,502,284	10,797,446	152,218,739
Student General, and Other Fees	1,480,655	234,740		1,715,395
Grant Capital Revenues		400,000		400,000
Total Educational and General Revenues	132,399,664	11,137,024	10,797,446	143,197,110
Auxiliary Enterprises	563,606			563,606
TOTAL SOURCES OF FUNDS	<u>\$132,963,270</u>	<u>\$11,137,024</u>	<u>\$10,797,446</u>	<u>\$154,897,740</u>
APPLICATION OF FUNDS				
Operating Budget Salary Expenses	\$71,807,697			\$71,807,697
Operating Budget Staff Benefits Expenses	34,075,412			34,075,412
All Other Operating Budget Expenses	24,235,900			24,235,900
PowerUp Your Business	800,000			800,000
Catto Scholarship Program Expenses			\$10,797,446	10,797,446
Reduced Current Operating Expenses	130,919,009		10,797,446	141,716,455
Student Activities & Commencement	1,685,618			1,685,618
Total Educational and General Expenditures	132,604,627		10,797,446	143,402,073
Auxiliary Enterprises	358,643			358,643
Capital Acquisitions		\$634,740		634,740
Debt Service		10,502,284		10,502,284
TOTAL USES OF FUNDS	132,963,270	11,137,024	10,797,446	154,897,740
TOTAL APPLICATION OF FUNDS	<u>\$132,963,270</u>	<u>\$11,137,024</u>	<u>\$10,797,446</u>	<u>\$154,897,740</u>

ATTACHMENT G

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