



MEETING OF THE BOARD OF TRUSTEES  
Thursday, October 5, 2017 – 3:00 p.m.  
Isadore A. Shrager Boardroom

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MEETING OF THE BOARD OF TRUSTEES  
AGENDA  
Thursday, October 5, 2017 – 3:00 p.m.  
Isadore A. Shrager Boardroom, M2-1

- (1) Meeting Called to Order
- (2) Public Comment
- (3) Report of the Student Outcomes Committee
- (4) Report of the Real Estate Committee
  - (a) Facilities Master Plan (A)
- (5) Report of the Business Affairs Committee
- (6) Report of the Audit Committee
  - (a) 2016-17 Financial Statements (A)
- (7) Consent Agenda
  - (a) Proceedings and Minutes of Decisions and Resolutions  
Meeting of September 7, 2017
  - (b) Gifts and Grants
  - (c) Photographic Imaging Program Audit
- (8) Report of the Chair
- (9) Foundation Report
- (10) Report of the President
- (11) New Business
- (12) Next Meeting: Thursday, November 2, 2017 – 3:00 p.m.  
Isadore A. Shrager Boardroom, M2-1
- (13) Executive Session

Future Committee Meetings:

Student Outcomes:

Thursday, November 2, 2017  
1:30 p.m. – M2-34

Business Affairs:

Wednesday, October 18, 2017  
10:00 a.m. – Isadore A. Shrager Boardroom

Upcoming Events

Board of Trustees Retreat

Friday, November 17, 2017  
8:00 a.m. – 2:30 p.m.  
Center for Business and Industry Building  
1735 Callowhill Streets  
Room C2-5

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COMMUNITY COLLEGE OF PHILADELPHIA  
Proceedings of the Meeting of the Board of Trustees  
Thursday, September 7, 2017– 3:00 p.m.

Present: Mr. White, presiding; Mr. Armbrister, Mr. Bergheiser, Ms. Biemiller, Ms. Fulmore-Townsend, Ms. Hernández Vélez, Ms. Horstmann, Mr. Martz, Ms. McPherson, Dr. Rényi, Representative Roebuck, Ms. Sidhu, Mr. Soileau, Ms. Tsai, Dr. Generals, Ms. de Fries, Ms. Di Gregorio, Mr. Eapen, Dr. Gay, Dr. Hirsch, Ms. Hurst, Mr. Murphy, and Ms. Zellers

(1) Executive Session

The Executive Session was devoted to a discussion of labor, legal matters and personnel matters.

(2) Meeting Called to Order

Mr. White called the meeting to order.

(3) Report of the Business Affairs Committee

Ms. Biemiller reported that the Business Affairs Committee had met on August 23, 2017. She noted that a number of capital projects were approved as well as the Revised College Policies and Procedures Memorandum No. 201 – Purchases and Contracts Requiring Specific Board Authorization. Ms. Biemiller stated that the initial impetus for the change was an internal audit related to contracts that require Board approval. She stated that staff suggested changes to better clarify approval procedures, including for contract extensions and renewals. Ms. Biemiller stated that the Committee had suggested that staff also increase the value of purchases requiring Board approval.

(3a) Resolution on One-Time Retirement Incentive

Ms. Biemiller presented the following Resolution on One-Time Retirement Incentive. She noted a change that had been made to the Resolution which had been sent with the Board packet to clarify that employees are only eligible for one retirement incentive from the College:

**WHEREAS**, on August 23, 2017, the Business Affairs Committee of the Board of Trustees approved on a one-time basis a retirement incentive to be offered to full-time employees, including full-time faculty, classified staff, confidential staff, and administrators, who as of January 1, 2018 attained fifteen years of full-time service and sixty-five (65) years of age;

**WHEREAS**, after consideration of various issues related to the date of attainment of the age and years of service requirement and after representatives from the College met with the Faculty & Staff Federation of the Community College of Philadelphia who represent faculty and classified employees who would be eligible for the retirement incentive, the Business Affairs Committee proposed to revise the retirement incentive to offer the retirement incentive to full-time faculty who as of August 31, 2018 have attained fifteen years of full-time service and sixty-five (65) years of age, and to administrators, classified, and confidential staff who as of June 30, 2018 have attained fifteen years of full-time service and sixty-five (65) years of age;

**NOW THEREFORE**, on this 7th day of September, 2017, the Board of Trustees hereby approves the following one-time retirement incentive:

The College will offer the following, on a one-time basis, separate and distinct from the retirement incentive provided in Article XIII, A., (11) (a) in the Full-time Faculty Collective Bargaining Agreement: (a) full-time faculty who, by the end of the 2017-18 academic year (i.e. August 31, 2018), will reach sixty-five (65) years of age, with fifteen (15) years of full-time service at the College (as a full-time faculty member, visiting lecturer, or as a classified, confidential, or administrative employee, including years on unpaid leave or on long-term disability), may give notice by January 31, 2018 to retire effective August 31, 2018; (b) the Board agrees to pay a retirement incentive to all such full-time faculty who elect this option; (c) the incentive will be 25% of the Employee's full annual base salary, with an additional bonus of \$5,000 if the option is selected by October 31, 2017, a bonus of \$4,000 if the option is selected by November 30, 2017, a bonus of \$3,000 if the option is selected by December 31, 2017, or a bonus of \$2,000 if the option is selected by January 31, 2018; (d) the College may request a postponement of an full-time faculty's retirement under the terms of this provision until after the end of the Fall 2018 semester if the retirement would unreasonably interfere with a specific College program; and

The College will offer, on a one-time basis, the following separate and distinct from the retirement incentive provided in Article XV, 5. (a). in the classified collective bargaining agreement and/or any other retirement incentive available to administrators and confidential employees: (a) a full-time administrator, full-time confidential employee, or full-time classified employee who, by June 30, 2018 will reach sixty-five (65) years of age, with fifteen (15) years of full-time service at the College (as a full-time faculty member, visiting lecturer, or as a classified, confidential, or administrative employee, including years on unpaid leave or on long-term disability), may give notice by January 31, 2018 to retire no later than June 30, 2018 (provided however, the employee must attain sixty-five (65) years of age and fifteen years of full-time service by his/her effective retirement date); (b) the Board agrees to pay a retirement incentive to all such employees who elect the option; (c) the incentive will be 25% of the Employee's full annualized base compensation, with an additional bonus of \$5,000 if the option is selected by October 31, 2017, a bonus of \$4,000 if the option is selected by November 30, 2017, a bonus of \$3,000 if the option is selected by December 31, 2017, or a bonus of \$2,000 if the option is selected by January 31, 2018; (d) the College may request a postponement of an Employee's

retirement under the terms of this provision until December 31, 2018 if the retirement would unreasonably interfere with a specific College program.

By way of clarification, all such employees are only eligible for one retirement incentive offer from the College.

Ms. Biemiller moved, with Mr. Martz seconding, that the Board approve the above Resolution on the One-Time Retirement Incentive. The motion carried unanimously.

(4) Report of the Student Outcomes Committee

Dr. Rényi reported that the Committee reviewed and approved the Photographic Imaging Program Audit. She stated that the Audit will be presented for Board approval at the October 5, 2017 Board meeting.

Dr. Rényi reported that Dr. Gay had provided an excellent presentation on the achievements of the Strategic Initiatives area with particular emphasis on the Middle College.

Dr. Rényi reported that the Committee had also discussed the PASSHE report conducted by the National Center on Higher Education Management Systems. She stated that the Committee hoped to support the College and other community colleges across the State by taking a much more proactive approach to the importance of economic development.

(5) Consent Agenda

Mr. White presented the following Consent Agenda for Board approval:

- (a) Proceedings and Minutes of Decisions and Resolutions  
Meeting of June 1, 2017
- (b) Gifts and Grants
- (c) Academic Program Review-Liberal Arts A.A. Degree
- (d) Hobsons' Starfish Student Degree Planning and Predictive Analytics Reporting
- (e) RFP #9990 Mint Stair Replacement
- (f) RFP #9972 Security System Upgrades
- (g) RFP #9978 ESS Library Suite; Winnet, Bursar Counter
- (h) RFP #9995 Telecommunications Service Provider
- (i) 2017-18 Property and Casualty Insurance Renewal Package
- (j) Revised College Policies and Procedures Memorandum No. 202 – Purchases  
and Contracts Requiring Specific Board Authorization

Ms. Hernández Vélez moved, with Mr. Armbrister seconding, that the Board approve the Consent Agenda. The motion carried unanimously.

(6) Report of the Nominating Committee for Board Officers

Ms. Hernández Vélez, chair of the Nominating Committee for Board Officers, reported that the Committee had met and was recommending the following slate of Board Officers for 2017-18:

Mr. Jeremiah White	Chair
Ms. Suzanne Biemiller	Vice Chair
Representative James Roebuck	Vice Chair
Ms. Mary Horstmann	Secretary

Mr. White asked if there were any additional nominations the Board wished to make. There being none, Mr. Armbrister moved, with Judge Tsai, seconding, that nominations be closed. The motion carried unanimously.

After discussion, Ms. Hernández moved, with Mr. Armbrister seconding, that the Board approve the above slate of Board Officers for 2017-18. The motion carried unanimously.

Mr. White thanked the Board for their confidence in reappointing him as Chair of the Board.

(7) Report of the Chair

On behalf of the Board of Trustees, Mr. White expressed condolences to Ms. McPherson on the passing of her sister, Jeanne.

Mr. White reported that he, Dr. General, and Ms. McPherson are scheduled to attend the Association of Community College Trustees Leadership Congress September 25-28, 2017 in Las Vegas, Nevada. He stated that he is scheduled to do a workshop on Board relations at the Congress.

Mr. White thanked Ms. Hernández Vélez for delivering greetings on behalf of the Board at the opening session of Professional Development Week on August 28, 2017.

Mr. White reminded members of the Board of the Commission for Community Colleges Southeast Regional Trustees meeting scheduled for Thursday, November 16, 2017, 5:30 p.m. – 8:00 p.m. at Montgomery County Community College. Dr. Rényi stated that she is planning to attend the meeting.

(8) Foundation Report

Mr. Murphy reported that the following two gifts were received by the Foundation after the Gifts and Grants report was sent to the Board with their Board meeting packet:

- An estate gift of \$400,000 for scholarships from a donor who supported Early Childhood Education scholarships at the College during his lifetime; and
- A gift of \$240,000 in support of an LGBTQ Center that is the subject of the below Resolution. Mr. Murphy noted that the principals for this gift wish to remain anonymous.

(8a) Resolution on MarcDavid LGBTQ Center

Mr. Murphy presented the following Resolution for Board approval:

**WHEREAS**, on August 29, 2017, the MarcDavid Foundation entered a Gift Agreement with the Community College of Philadelphia Foundation and the Community College of Philadelphia (the “College”) providing that the MarcDavid Foundation will make a donation in the amount of \$240,000 to allow the College to establish a LGBTQ Center with the objective of supporting students who identify as Lesbian, Gay, Bisexual, Transgender, or who may be experiencing fluidity in gender identity and prefer to be recognized as Queer or Questioning, and their allies and to provide a safe space for all members of the College community;

**WHEREAS**, in accordance with the College’s Naming Policy and the terms of the Gift Agreement, the College desires to properly recognize the generosity of the MarcDavid Foundation;

**NOW THEREFORE**, on this 7th day of September, 2017, the Board of Trustees hereby resolves that in accordance with the terms of the Gift Agreement the College shall name the LGBTQ Center, “The MarcDavid LGBTQ Center.”

Ms. Hernández moved, with Ms. Biemiller seconding, that the Board approve the above Resolution. The motion carried unanimously.

(9) Report of the President

Dr. Generals called attention to his memorandum in the Board folder regarding his activities during the months of June, July, and August and summarized the highlights.

On behalf of the College family, Dr. Generals expressed his condolences to Ms. McPherson on the passing of her sister Jeanne.

(9a) Enrollment

Dr. Generals reported the first day of class for the fall semester was September 5. He stated that fall enrollment is down. Dr. Generals stated that staff are working hard to market the 10-week session.



(9b) Washington Monthly Article

Dr. Generals called the Board's attention to an article on innovative colleges for adult learners in the *Washington Monthly*. He stated that CCP's Apprenticeship Program in Early Childhood Education with Local 1199C had been cited as a national model.

(9c) Meetings with Comcast

Dr. Generals thanked Mr. Soileau for his help in connecting the College with Comcast by scheduling a number of meetings and follow up with key offices at Comcast. He stated that this is the beginning of a solid relationship with Comcast and wanted to thank Mr. Soileau publicly for facilitating the meetings.

(9d) Strategic Plan

Dr. Generals called the Board's attention to a copy of the *Strategic Plan* in their Board folder. He stated that the goals and objectives of the Plan will be revisited and discussed at the November 17, 2017 Board Retreat.

(9e) College Events

Dr. Generals called attention to a list of College events scheduled during the month of September. Dr. Generals reminded members of the Board of the Demolition Party for The Hamilton scheduled for Tuesday, September 12, 2017 at 10:00 a.m.

(10) New Business

There was no new business discussed.

(11) Public Comment

Ms. Marissa Johnson Valenzuela, faculty member in the English department, presented her concerns regarding contract negotiations and proposals.

(12) Next Meeting

The next meeting of the Board of Trustees is scheduled for Thursday, October 5, 2017 at 3:00 p.m. in the Isadore A. Shrager Boardroom.

The meeting adjourned at 4:25 p.m.

COMMUNITY COLLEGE OF PHILADELPHIA  
Meeting of the Board of Trustees  
Thursday, September 7, 2017– 3:00 p.m.  
MINUTES OF DECISIONS AND RESOLUTIONS

Present: Mr. White, presiding; Mr. Armbrister, Mr. Bergheiser, Ms. Biemiller, Ms. Fulmore-Townsend, Ms. Hernández Vélez, Ms. Horstmann, Mr. Martz, Ms. McPherson, Dr. Rényi, Representative Roebuck, Ms. Sidhu, Mr. Soileau, Ms. Tsai, Dr. Generals, Ms. de Fries, Ms. Di Gregorio, Mr. Eapen, Dr. Gay, Dr. Hirsch, Ms. Hurst, Mr. Murphy, and Ms. Zellers

(1) Executive Session

The Executive Session was devoted to a discussion of labor, legal matters and personnel matters.

(2) Meeting Called to Order

Mr. White called the meeting to order.

(3) Report of the Business Affairs Committee

The Business Affairs Committee met on August 23, 2017.

(3a) Resolution on One-Time Retirement Incentive

The Board approved the One-Time Retirement Incentive Resolution.

(4) Report of the Student Outcomes Committee

The Committee approved the Photographic Imaging Program Audit. The Audit will be presented for Board approval at the October 5, 2017 Board meeting.

The Committee discussed the PASSHE report conducted by the National Center on Higher Education Management Systems.

(5) Consent Agenda

The Board approved the following Consent Agenda:

- (a) Proceedings and Minutes of Decisions and Resolutions  
Meeting of June 1, 2017
- (b) Gifts and Grants

- (c) Academic Program Review-Liberal Arts A.A. Degree
- (d) Hobsons' Starfish Student Degree Planning and Predictive Analytics Reporting
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- (h) RFP #9995 Telecommunications Service Provider
- (i) 2017-18 Property and Casualty Insurance Renewal Package
- (j) Revised College Policies and Procedures Memorandum No. 202 – Purchases and contracts Requiring Specific Board Authorization

(6) Report of the Nominating Committee for Board Officers

The Board approved the following slate of Board Officers for 2017-18:

Jeremiah White	Chair
Suzanne Biemiller	Vice Chair
Representative James Roebuck	Vice Chair
Mary Horstmann	Secretary

(7) Report of the Chair

The Board expressed their condolences to Ms. McPherson on the passing of her sister, Jeanne.

Dr. Generals, Mr. White, and Ms. McPherson are scheduled to attend the Association of Community College Trustees Leadership Congress September 25-28, 2017 in Las Vegas, Nevada.

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- A gift of \$240,000 in support of an LGBTQ Center that is the subject of the below Resolution. Mr. Murphy noted that the principals for this gift wish to remain anonymous.

(8a) Resolution on MarcDavid LGBTQ Center

The Board approved the Resolution the naming of The MarcDavid LGBTQ Center.

(9) Report of the President

Dr. Generals called attention to his memorandum in the Board folder regarding his activities during the months of June, July, and August and summarized the highlights.

On behalf of the College family, Dr. Generals expressed his condolences to Ms. McPherson on the passing of her sister, Jeanne.

(9a) Enrollment

The fall semester began on September 5. Fall enrollment is down. Staff are working hard to market the 10-week session.

(9b) Washington Monthly Article

Dr. Generals called the Board's attention to an article in their Board folder from the *Washington Monthly* on innovative colleges for adult learners.

(9c) Meeting with Comcast

Dr. Generals thanked Mr. Soileau for his help in connecting the College with Comcast by scheduling a number of meetings and follow ups with key offices at Comcast.

(9d) Strategic Plan

Dr. Generals called the Board's attention to a copy of the *Strategic Plan* in their Board folder. He stated that the goals and objectives of the Plan will be revisited and discussed at the November 17, 2017 Board Retreat.

(9e) College Events

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Dr. Generals reminded members of the Board of the Demolition Party for The Hamilton scheduled for Tuesday, September 12, 2017 at 10:00 a.m.

(10) New Business

There was no new business discussed.

(11) Public Comment

Ms. Marissa Johnson Valenzuela, faculty member in the English Department, presented her concerns regarding contract negotiations and proposals.

(12) Next Meeting

The next meeting of the Board of Trustees is scheduled for Thursday, October 5, 2017 at 3:00 p.m. in the Isadore A. Shrager Boardroom.

The meeting adjourned at 4:25 p.m.

**Community College of Philadelphia  
Office of Institutional Advancement  
Record of Grants and Gifts  
for the October 2017 Meeting of the Board of Trustees**

**GRANTS**

**Summary by Grant Type:**

	9/1/17-9/30/17	2018 FY Year-to-Date
<b>Government/Public Grants</b>		
Federal	\$39,424	\$1,905,533
State		
Local		\$1,040,000
<b>Private Grants</b>		
Corporation		
Foundation		\$5,377
Organization		
<b>Other Grants</b>		
<b>Grant Total</b>	<b>\$39,424</b>	<b>\$2,950,910</b>

**GIFTS**

**Summary by Gift Type:**

Gifts to the Foundation (\$5,000+)	Amount	Purpose
Anonymous (Private Foundation)	\$240,000	Student Programs
<b>Gifts In-Kind (estimated value \$200+)</b>		

**COMMUNITY COLLEGE OF PHILADELPHIA  
Office of Institutional Advancement  
Monthly Summary of Grants and Gifts  
for the October 2017  
Meeting of the Board of Trustees**

**Federal Grants**

The National Science Foundation, subcontracted through the University of Pennsylvania, has funded year two of the four-year NNCI: Mid-Atlantic Nanotechnology Hub (MANTH) for Research, Education & Innovation grant for \$39,424. As a subcontractor on this project, the College will conduct a feasibility study to determine the need for and content of a nanotechnology technician program. Once a need is determined, the College will work with the Singh Center for Nanotechnology at Penn to develop and deliver this curriculum. (NNCI = National Nanotechnology Coordinated Infrastructure.)

**STUDENT OUTCOMES COMMITTEE OF THE  
BOARD OF TRUSTEES**

**MINUTES**

**Thursday, September 7, 2017**

**1:30 p.m.**

**Conference Room M2-34**

**Presiding:** Dr. Rényi

**Present:** Mr. Armbrister, Ms. Fulmore-Townsend, Ms. de Fries, Dr. Gay, Dr. Generals,  
Ms. Hernadnez Velez, Dr. Hirsch, Ms. McPherson, Dr. Roberts, Ms. Zellers

**Guest:** Dr. Sweet

**(1) Executive Session**

A personnel matter was discussed.

**(2) Public Session**

**(a) Approval of the Minutes of June 1, 2017**

The minutes were accepted unanimously.

**(b) Photographic Imaging Program Audit Follow-Up Decision**

Drs. Generals and Hirsch had conferred on the Photographic Imaging program audit follow up. A concern had been the capital budget; the budget was able to be adjusted so that it was affordable while meeting students' needs. The program has made progress and continues to serve multiple student populations.

**Action: The Student Outcomes Committee unanimously recommends that the Board approve the program for five years and encourage the expansion of internships and partnering with businesses to help defray the costs of equipment.**

**(c) Office of Strategic Initiatives and Chief of Staff Report**

Dr. Gay provided the Committee with a condensed report of 2016-17 activities and accomplishments. The following were highlighted:

- Launched affordable learning materials initiative (including OER materials)
- Moved early/middle college concept beyond pilot status
- P-TECH proposal submitted to Commonwealth



- Lenfest proposal
- Increased faculty use of Canvas to more than 90%
- Launched Institute for Community Engagement & Civic Leadership with more than 200 student volunteers; over 30 community partners; over 30 community events
- Preliminary work for record label
- Diversity Fellowship revised and Diversity Innovation Lab developed
- Accessibility Plan approved; new Diversity Plan drafted, new policies
- Technology upgrades with over 70% of classrooms technology enabled
- Created & started assessment of three active learning classrooms
- Online enrollment up over 7%
- Increased dual enrollment by 10%
- Represented College in absence of President

Dr. Rényi asked what role the Student Outcomes Committee could play in relation to innovation, middle college, etc. Dr. Gay indicated that support is helpful.

#### **(d) Pennsylvania State System of Higher Education Strategic System Review**

The Committee discussed the report from the National Center for Higher Education Management Systems (NCHEMS). Dr. Rényi noted that NCHEMS recommended comprehensive oversight of all public higher education across the Commonwealth. It is recommended that this include community colleges (although these were not included in interviews done by the group). It is also noteworthy that adult students were cited as the biggest untapped resource, especially those with some or no college. This is an important population for the College. A possible next step is for the group to create a white paper to be taken to the legislature. This would help garner support for the idea that community colleges are part of the answer, especially in regard to the underserved adult student population. The PA Commission for Community Colleges is meeting in November; Dr. Rényi would like to attend. Dr. Generals said that having trustees advocate the College as being part of the solution is helpful. The College will know more after the November meeting about how the Committee can provide support.

#### **(e) New Business**

There were no new business topics to discuss.

#### **Next Meeting**

The next meeting of the Student Outcomes Committee of the Board is scheduled for October 5, 2017 at 1:30 p.m. in Conference Room M2-34.

**Attachments:**

Minutes of June 1, 2017

Program Audit Follow-Up Report: Photographic Imaging Curriculum

Office of Strategic Initiatives and Chief of Staff Report

Pennsylvania State System of Higher Education Strategic System Review

**STUDENT OUTCOMES COMMITTEE OF THE  
BOARD OF TRUSTEES**

**MINUTES**

**Thursday, June 1, 2017**

**1:30 p.m.**

**Conference Room M2-34**

**Presiding:** Dr. Rényi

**Present:** Mr. Armbrister, Ms. de Fries, Ms. Fulmore-Townsend (via phone), Dr. Gay, Dr. Generals, Dr. Hirsch, Ms. McPherson, Dr. Roberts

**Guests:** Mr. Acosta-Morales, Ms. Dunston, Mr. Spielberg, Dr. Sweet

**(1) Executive Session**

There were no agenda items for the Executive Session.

**(2) Public Session**

**(a) Approval of the Minutes of May 4, 2017**

The minutes were accepted unanimously.

**(b) Academic Program Review: Liberal Arts A.A. Degree**

Ms. Dunston addressed the findings from the Liberal Arts A.A. academic program review. One finding related to retention. Currently 40% of Liberal Arts students leave with fewer than 12 credits or a GPA lower than 2.0. To address this, the program will decide on a measure to track students and learn why they move into and out of the program. The program is undergoing change. There are currently about 2,500 students, down 40% from five years ago. The enrollment drop is partly due to new program availability, such as English and Psychology. Students entering those new programs formerly would have enrolled in Liberal Arts. Additionally, the College's enrollment has declined in general. The program will evaluate examining the effect on enrollment and retention of the new First Year Experience (FYE) course. In FYE 101 students articulate their goals and create an educational plan, activities designed to improve retention.

Two other findings concerned increasing faculty engagement and improving assessment. The program's curriculum revisions have already stimulated changes in its assessments. The program will present a full cycle of assessment, including looking at faculty engagement, technology, and new course requirements.

Mr. Acosta-Morales, the Department Head of History, Philosophy, and Religious Studies, which houses the Liberal Arts program, described how the program is already addressing the findings, especially as a result of increased faculty engagement leads to more thorough and effective assessment. Mr. Acosta-Morales reported that the faculty are looking forward to the data from the new FYE course. In general, the Guided Pathways work should improve retention. Proactive advisement of students, taking the FYE course within the first 12 credits, and helping students determine their academic goals earlier (in the FYE course) should significantly improve retention. The program recently refined the courses that are recommended. This not only provides guidance to students, but also enables them to see connections between courses and how the recommended courses help them progress.

Mr. Armbrister asked about the broad array of concentrations on the curriculum map. Mr. Acosta-Morales explained that Liberal Arts is a general major, which should allow students to have experiences with courses that fit an array of different interests. Advisors guide student choices. Dr. Rényi commented that this major stems from General Studies and asked if all courses would be accepted as liberal arts requirements upon transfer. Mr. Acosta-Morales could not say that all courses are accepted at every institution as having fulfilled liberal education requirements. Dr. Generals added that schools will probably accept the credits and that the role the credits fill might vary; PASSCHE schools generally do accept them for liberal education requirements. An attempt was made to structure the program so that if students complete the degree, they should fulfill the general education distribution at a transfer institution. Ms. Dunston explained that the requirements of the top transfer institutions were reviewed and they did vary. Dr. Rényi noted the importance of advising to help students determine early to which institution they will transfer; Dr. Generals attested to the advisors' ability to do so. Dr. Sweet explained that a student learning outcome of the FYE course is for students to complete academic and career plans; they therefore consider transfer institutions and course sequencing as part of this. As a consequence, some students might find a more specific major to meet their goals. Dr. Hirsch described how within the blocks in the curriculum, students do have some flexibility with courses so they can take into account transfer requirements. Mr. Acosta-Morales said this was part of the ongoing curriculum revision process. .

Dr. Sweet commented that only since last summer has the program resided in the History, Philosophy, and Religious Studies department and that Mr. Acosta-Morales' input has been beneficial to the program.

**Action: The Student Outcomes Committee unanimously recommends that the Board of Trustees accept the program review with approval for five years. The program should submit a follow-up report to the Committee within one year to address the evaluation of the FYE course and its effect on retention, the developmental education map, and retention outcomes.**

### **(c) Program Audit Follow up Report – Photographic Imaging**

At the Student Outcomes Committee meeting in September 2016, the Committee requested that the Photographic Imaging A.A.S. program submit an update report to provide more data regarding student outcomes. Dr. Sweet described how the program has initiated many new activities to increase enrollment, such as streamlining the curriculum (from 63 to 60 credits), adding new courses, and renewing focus on enrolling students in the proficiency certificate program. As a result, 35 students have signed up for the Digital Imaging PC program. There were six graduates from the Photographic Imaging program in 2016, with 5 in 2017; and fewer in the Digital Imaging PC program.

The program has made enhancements to the student experience. Faculty have been doing as much as they can to increase the program's profile and encourage students to seek out this option. Mr. Spielberg explained how the College has had photography courses since it was founded. The program focuses on commercial photography, with the goal of preparing students for a career. Since video is part of photography training, both photography and video are taught in the program. If students are especially proficient in video, they are encouraged to explore the Digital Video Production program. Faculty also encourage students who would not be able to make a living as photographers to find a different program in which they can be successful. These discussions typically occur in lower-level courses, which results in a high attrition rate from these lower-level classes.

Dr. Rényi commented that the internship with the *Inquirer* is fabulous. Mr. Spielberg said that the *Inquirer* and local TV stations used to only take a Community College of Philadelphia student every 3-4 years, but now internship positions regularly go to our students. Dr. Rényi noted that the committee is very impressed with what the program has accomplished.

**Action: The Student Outcomes Committee agreed to defer action of the Program until the September Committee meeting at which time Drs. General and Hirsch will provide more information.**

### **(d) New Business**

There were no new business topics to discuss

### **Next Meeting**

The next meeting of the Student Outcomes Committee of the Board is scheduled for September 7, 2017 at 1:30 p.m. in Conference Room M2-34.

**Attachments:**

Minutes of May 4, 2017

Academic Program Review: Liberal Arts A.A. Degree

Program Audit Follow-Up Report: Photographic Imaging Curriculum

Liberal Arts Curriculum Map

Academic Pathways

**Photographic Imaging Program, AAS  
Audit Update  
June 1, 2017**

**Student Outcomes:**

1. Enrollment averaged 54 majors for 2016-2017.
2. Graduates: 5 Photographic Imaging AAS and 4 Digital Imaging PC.
3. Course assessment shows increased student success at final portfolio presentation for PHOT 299. Faculty have raised the benchmark from 70% to 75%.

Enrollment	Fall 2011	Spring 2012	Fall 2012	Spring 2013	Fall 2013	Spring 2014	Fall 2014	Spring 2015	Fall 2015	Spring 2016	Fall 2016
Photographic Imaging	75	76	78	68	83	78	69	66	52	58	50
Digital Imaging			1	1	1	2	2	2	2	1	1

Graduation	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Photographic Imaging	6	3	6	5	4	3	4	3	6	5
Digital Imaging					1	6	29	5	13	4

Program Name	F15 New Students	Returning Students	All Students	F16 New Students	Returning Students	All Students
Photographic Imaging	18	34	52	16	34	50
Digital Image Prof. Cert	0	1	1	0	1	1

**Program Enhancements to Improve Retention, Progression, and Graduation**

1. Revised Photographic Imaging curriculum:
  - Lowered required credits from 63 to 60 credits;
  - Aligned with Guided Pathways for electives;
  - Eliminated some pre-requisites to increase retention;
  - Created 2 new courses, PHOT 105 Intro Digital Photo and PHOT 113 Digital Technology, Art, and Culture for Fall 17.

2. Increased recruitment through Veterans Resource Center by having PHOT211 students create a public service promo video for the center.
3. Increased number of students in Photo Imaging Proficiency Certificate through persistent promotion in classrooms to 35 (2017).
4. Increased the number of students receiving sponsored Academic Awards from 6 (2016) to 12 (2017).
5. In discussion with University of the Arts and Temple to develop transfer agreements.
6. Created internship program within PHOT 217 Digital Photojournalism, and with the cooperation of Advisory Board members. Students are mentored by photographers at The Philadelphia Inquirer. Four graduates have been invited to join the staff call list.
7. Student response to department questionnaire shows high degree of satisfaction with course content and expected skills. Area of concern: offering more sections in different time slots to accommodate student work schedules.

### **Enhancing the Student Experience**

- Annual Photo Student Show in the Rotunda in March.
- Student Photo Print Sale in Bonnell Lobby set for December.
- Off campus Photo Friday monthly group shoot.
- Presentations by professional photographers, filmmakers and equipment vendors.
- Professionals provide student mock job interviews at final Advisory Board meeting.
- PHOT 211 requires group community service through photo and video services.
- Extensive student work on permanent display in administrative offices in the Mint and Bonnell Buildings.

### **Assessment**

- A FT faculty member has been designated as assessment liaison.
- Revised assessment plan in place to examine different PLOs each semester.
- Assessment progress discussion now included in all faculty meetings.

### **Accreditation**

The Department of Photographic Imaging meets all ASMP (American Society of Media Photographers) and NPPA (National Press Photographers of America) standards for image quality, marketing and ethics training.



**Community College of Philadelphia**  
**Office of Strategic Initiatives and Chief of Staff**  
**2016 - 2017**

**Goal I: Completed College Strategic Plan and initiated Institutional Effectiveness Committee for integrated planning**

**Goal II: Provided support for the Strategic Plan Pillars**

1. Student Success
  - Launched affordable learning materials initiative
  - Increase faculty use of Canvas to >90%
  - Provided research support for student success initiatives
  - Moved early/middle college concept beyond pilot status
  - Early Scholar program initiated
  - P-TECH proposal submitted to Commonwealth
  - Lenfest proposal
2. Workforce development
  - Collaborated to support hybrid CDA
  - Hosted City of Philadelphia job fair
  - Research support for National Community College Benchmark Project's Workforce Training Benchmark Survey
3. Internal/External Relations
  - Launched Institute for Community Engagement & Civic Leadership with > 200 student volunteers; > 30 community partners; > 30 community events
  - Introduced 3 new CCPTV programs
  - Preliminary work for record label
  - Diversity Fellowship revised and Diversity Innovation Lab developed
  - Creation of Diversity Certificate
  - Accessibility Plan approved; new Diversity Plan drafted, new policies
4. World-class Facilities
  - Technology upgrades >70% of classrooms technology enabled.
  - Created & started assessment of 3 active learning classrooms
5. Fiscal Sustainability
  - Added programs available online: Psychology, Liberal Arts, Liberal Arts-Social Behavioral Science, Geographic Information Systems proficiency certificate, Accounting Paraprofessional proficiency certificate (online enrollment up >7%)
  - Increased dual enrollment > 10%

### **Goal III: Worked to ensure compliance with external standards**

1. Completed 100% of external reports on time

#### **Additional activities:**

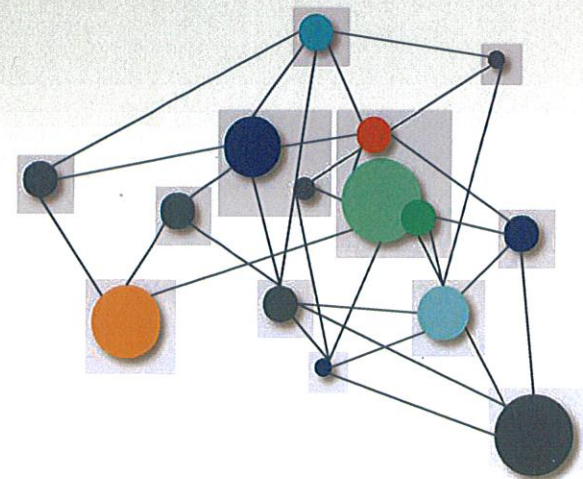
1. Represented College in absence of President
  - Goldman Sachs 10KSB graduation August 2016 – Congratulatory comments
  - Voter Registration Event, September 2016 – Welcome & Comments
  - Latino/a Heritage Luncheon, October 2016 - Welcome
  - School District of Philadelphia FAFSA launch, October 2016 - Comments
  - Testimony before City Council (CTE), October 2016 and February 2017
  - Department of Education ITT conference call, October 2016
  - PA Commission for Community Colleges Southeast Regional Trustees Meeting, Delaware County Community College, November 2016
  - Nursing Student Development Day, November 2016 - Welcome
  - PA Department of Education – ESSA Forum, January 2017 – Welcome
2. College support
  - Designed and co-facilitated extended cabinet retreat on 4DX (August 2016)
  - Facilitated Extended Cabinet meeting in absence of President
  - Back-up for EthicsPoint, public comment at Board meetings
  - Chair for 10KSB executive director search
  - Wrote & submitted successful nomination for Diversity Award for David Thomas
  - Liaison for Middle States Commission on Higher Education
3. Community Engagement
  - Dissertation Committee, East Stroudsburg University
  - Running Start Committee – City of Philadelphia (Co-Chair)
  - Interim House (Chair)
  - Philadelphia Academies Inc. Board (Executive Committee)
  - Philadelphia Education Fund Board
  - Public Health Management Corporation Board
  - Chestnut Hill College Academic Advisory Committee
  - PA ACE Women’s Network – Executive Committee

# Pennsylvania State System of Higher Education Strategic System Review Findings and Recommendations

July 12, 2017



[nciems.org](http://nciems.org) • [higheredinfo.org](http://higheredinfo.org)

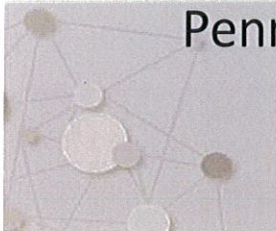


# System Review Charge

## From the RFP

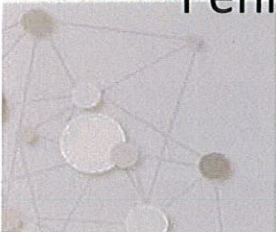
The System Review “requires an in-depth assessment of both organization and operations – at the system and university level – and requires the development of options for change...”

- Examine long-term sustainability
  - Funding streams
  - Student enrollment
- Evaluate Act 188 and capacity to respond to challenges
- Review
  - Office of the Chancellor
  - Individual institutions
- Make recommendations consistent with the context of Pennsylvania’s higher education landscape



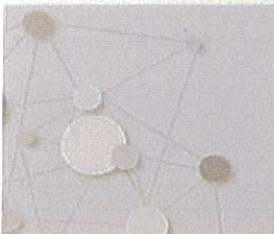
# Process

- Environmental scan/data analysis
- Document review
- Stakeholder engagement (over 120 meetings)
  - The Office of the Chancellor
  - Tour of State System Universities (leadership, students, faculty shared governance, local unions, community & local business leaders, Councils of Trustees)
  - Statewide Council of Trustees conference
  - Legislators and executive branch
  - Statewide collective bargaining units
  - Others (PA Commission for Community Colleges, AICUP)
  - Public website to gather feedback
- Draw on extensive experience in other states facing challenges of sustainability and governance
- No prior vetting of findings or recommendations with anyone in Pennsylvania



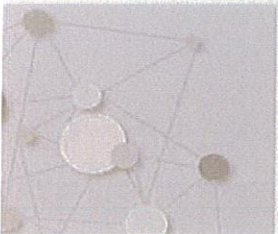
# Principles

- Give priority to the needs of Pennsylvania's students and communities
- Ensure access to high-quality, affordable education in all parts of the state, aligned with the needs of each community/region
- Promote an effective system that:
  - Recognizes substantial differences among institutions and the circumstances they face
  - Leverages the collective educational assets effectively
- Respect the role of collective bargaining and the need to promote trust, mutual respect, and transparency

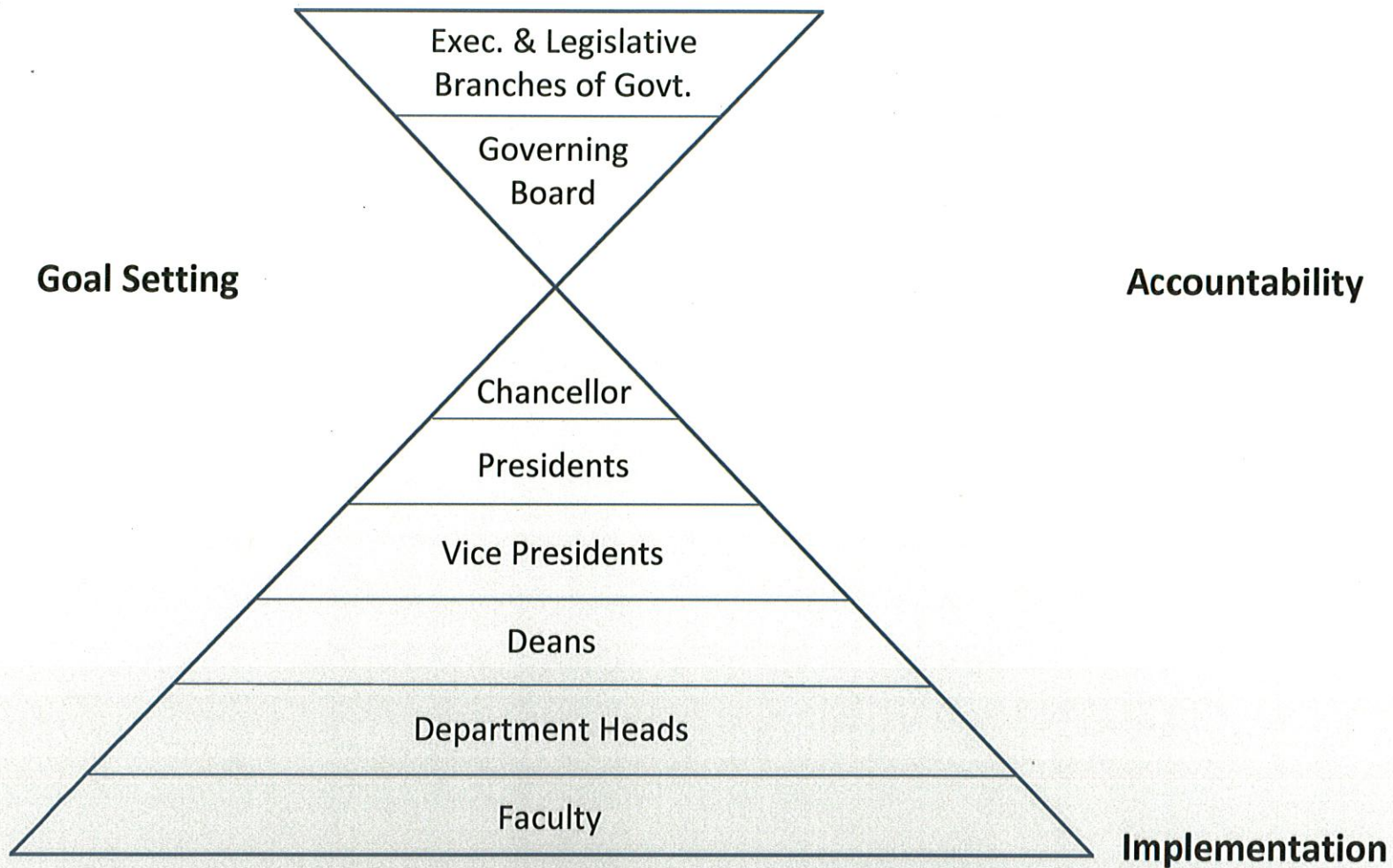


## Two Truths

1. All parties have had a hand in digging the hole that the State System is in.
2. All parties will have to work together to dig their way back out.



# The Hierarchical Realities

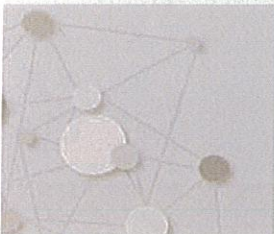




The system [education] is *bottom heavy* and *loosely coupled*. It is bottom heavy because the closer we get to the bottom of the pyramid, the closer we get to the factors that have the greatest effect on the program's success or failure. The system is loosely coupled because the ability of one level to control the behavior of another is weak and largely negative...

The skillful use of delegated control is central to making implementation work in bottom-heavy, loosely controlled systems. ***When it becomes necessary to rely mainly on hierarchical control, regulation, and compliance to achieve results, the game is essentially lost.***

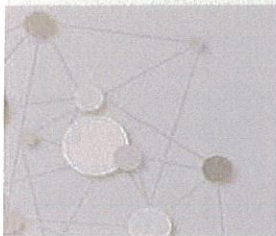
Richard F. Elmore, *Complexity and Control: What Legislators and Administrators Can Do About Implementing Public Policy*



**THE STATE SYSTEM &  
POSTSECONDARY EDUCATION IN  
PENNSYLVANIA**

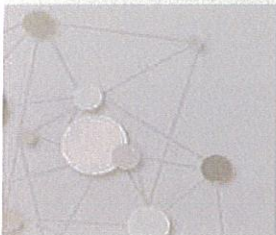
## Pennsylvania's State Postsecondary Education Goal

- 60 percent of 25-64 year olds will have a postsecondary credential by 2025
  - A stretch goal
  - Cannot be reached without enrolling and graduating many more adult learners

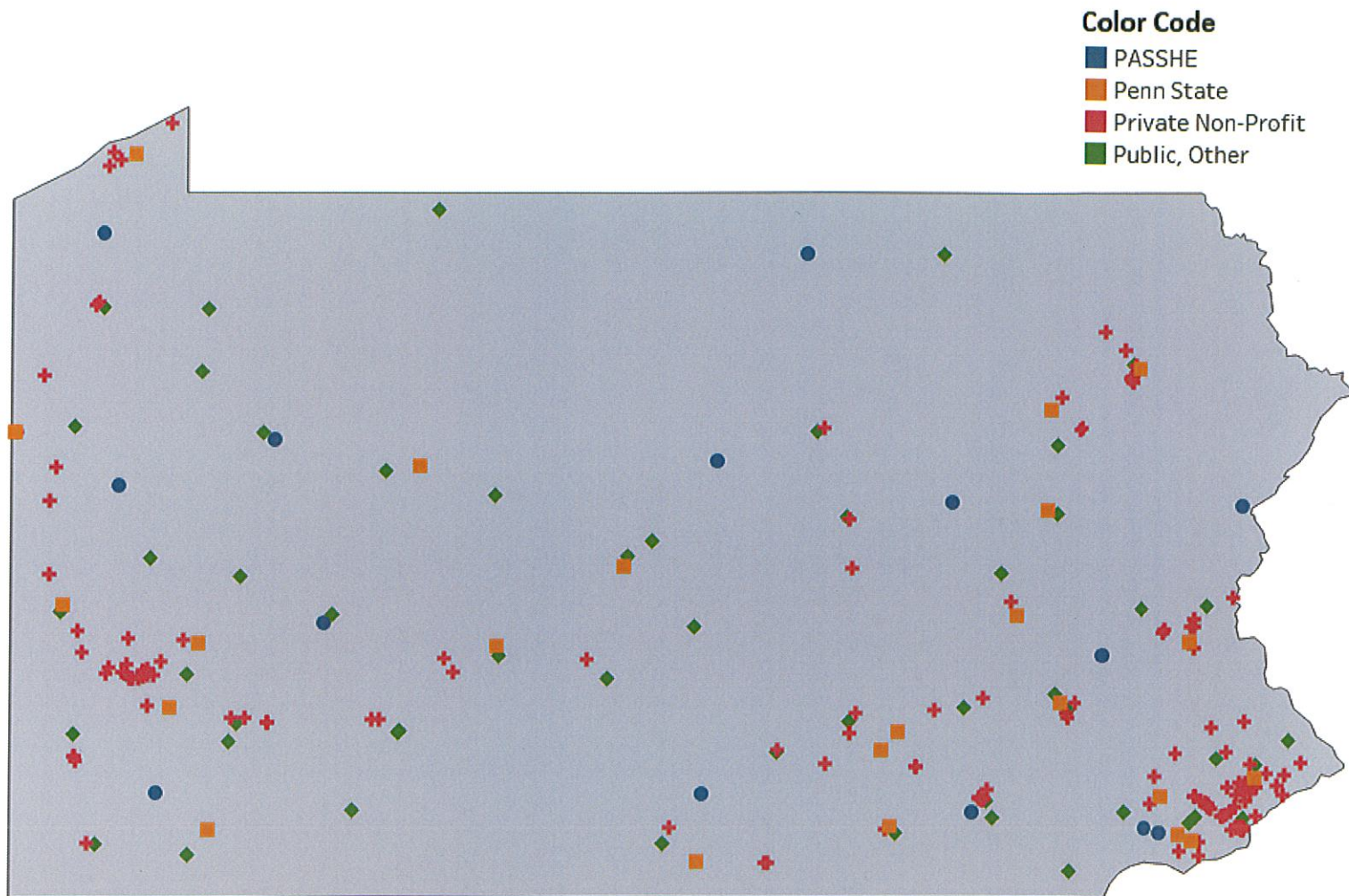


## Summary of Conditions

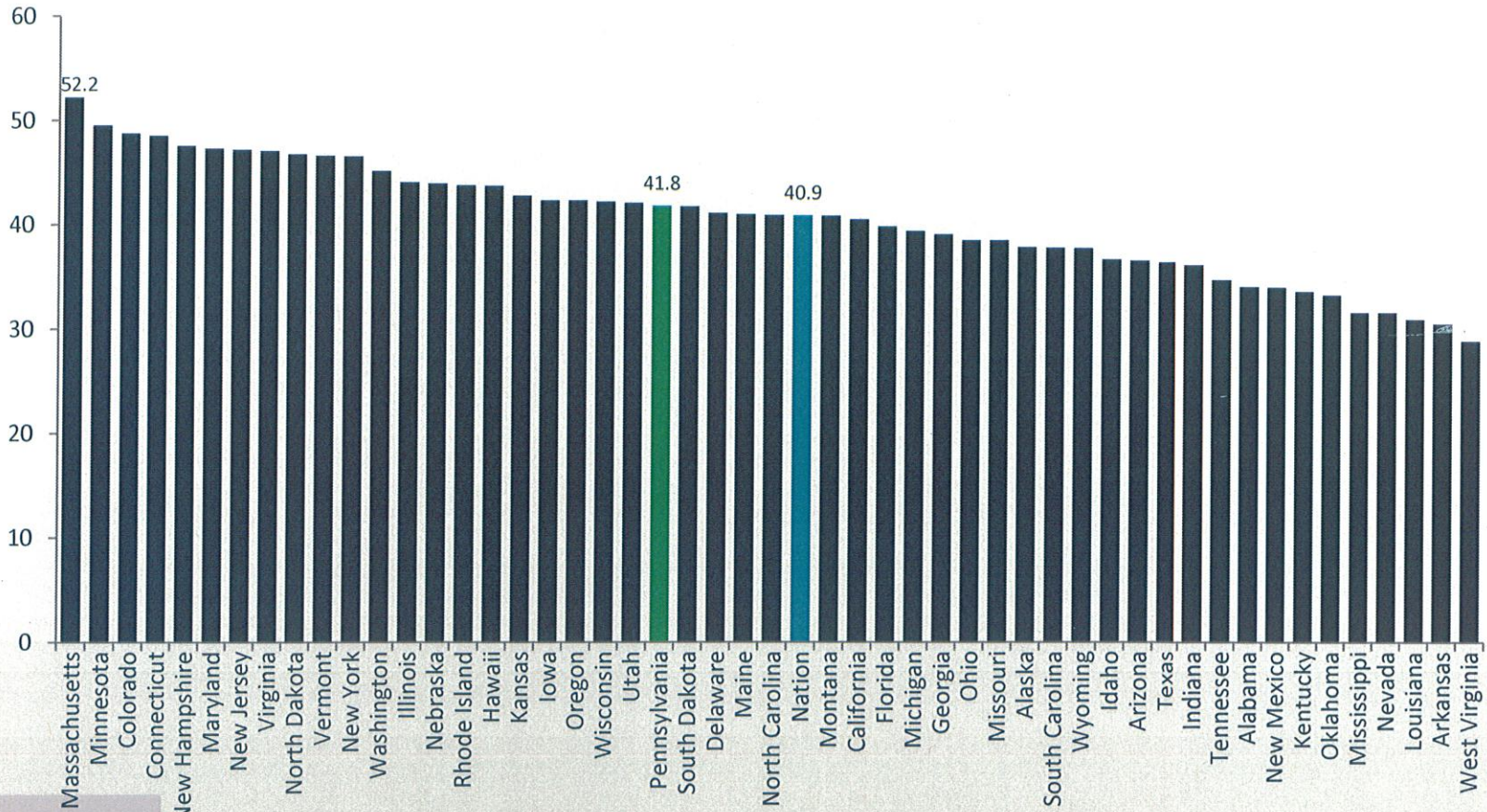
- Hyper-competitive market
- Shrinking pool of high school graduates
- Long-term decreasing state support
- Student ability to pay is reaching limits
- Gaps in service for adults and the northern tier
- Limited maneuverability
- Costs outpacing revenue
- Limited capacity to link state policy to goals



# A Crowded Postsecondary Market



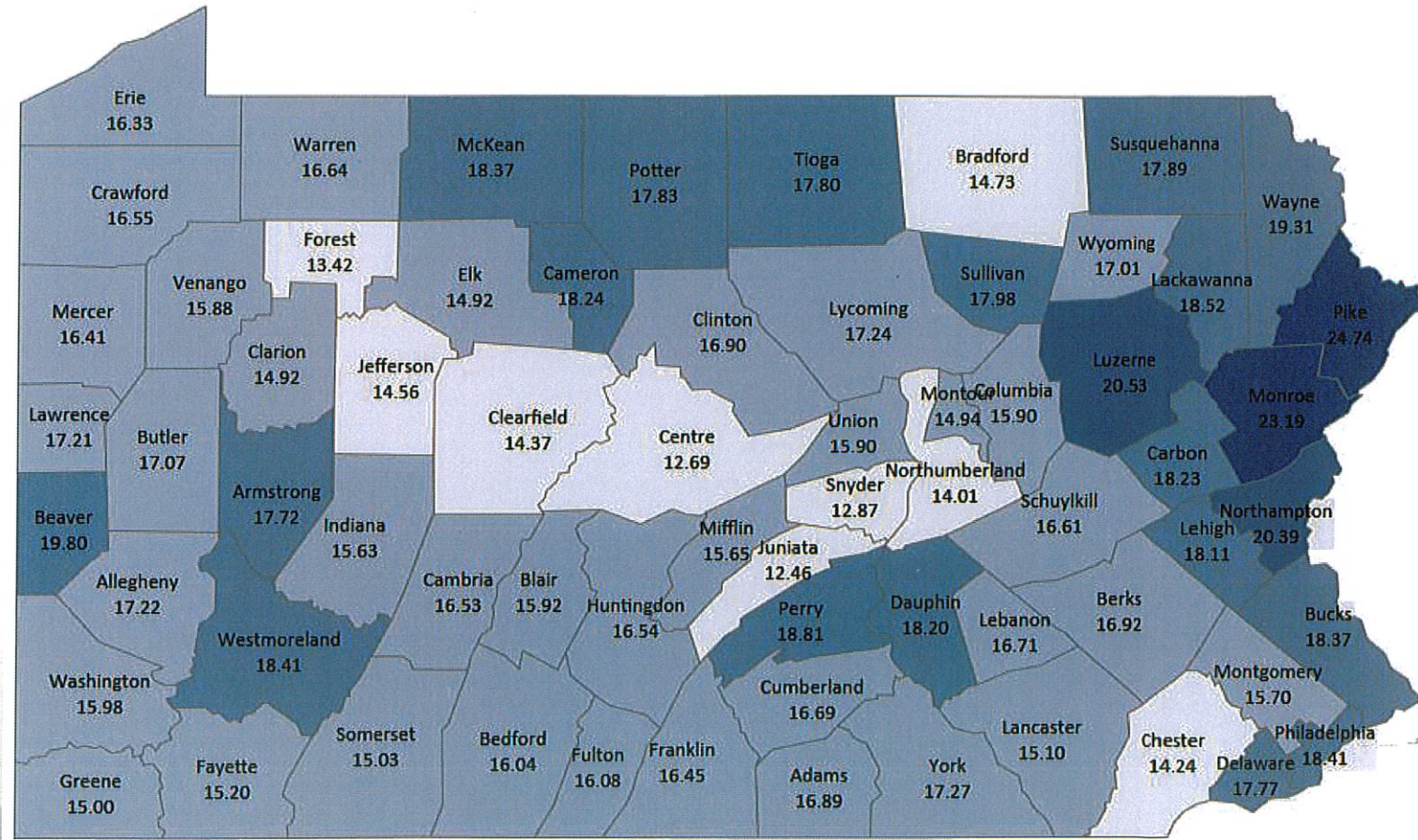
# Percent of Adults Aged 25-64 with an Associate's Degree or Higher, by State, 2015



Source: U.S. Census Bureau, 2015 American Community Survey; Table B15001



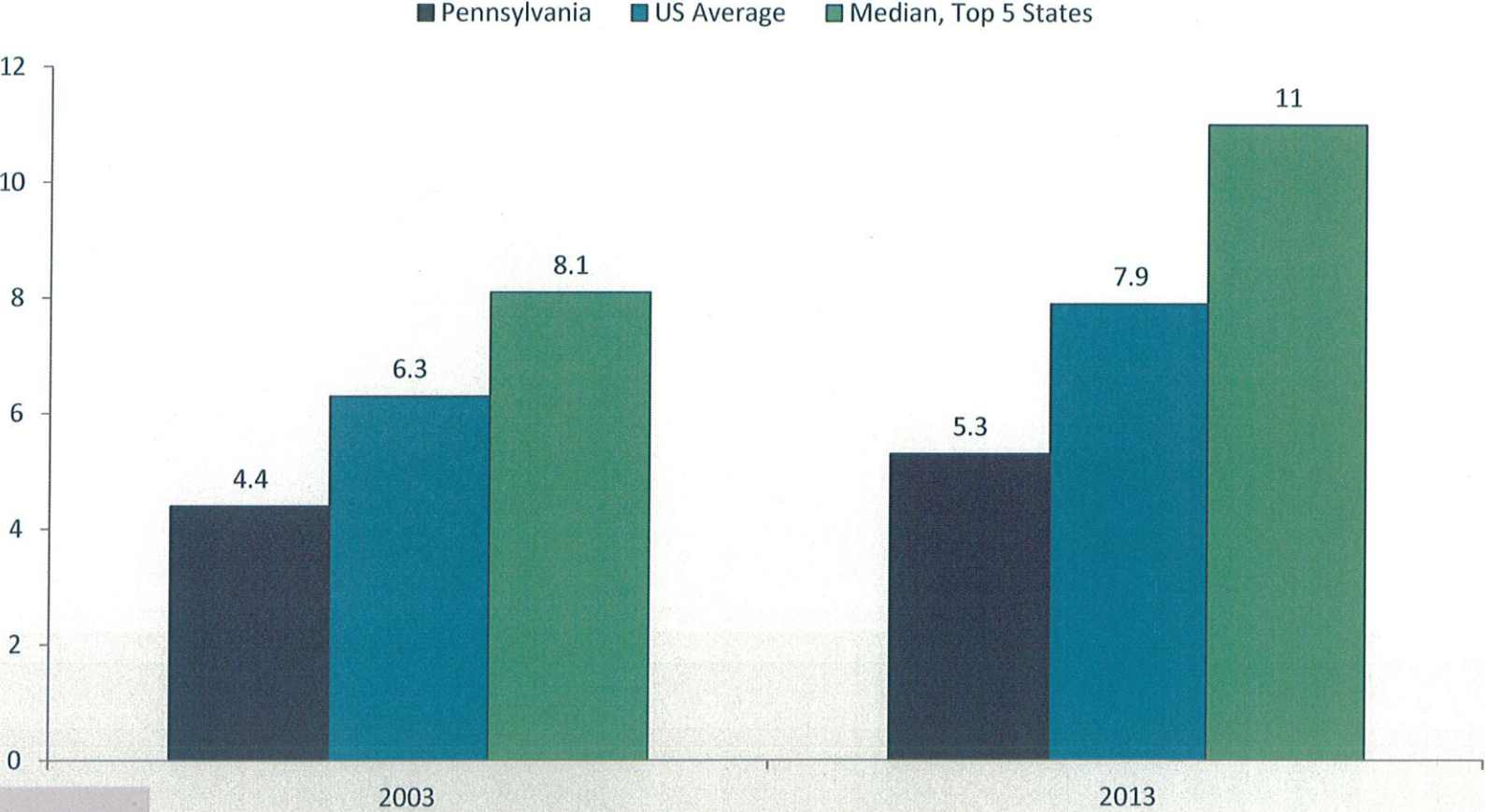
# Percent of Adults 25-64 with Some College, No Degree, 2011-15



Source: U.S. Census Bureau American Community Survey



# Undergraduate Enrollment Relative to Population With Less Than an Associate's Degree, 25-49 Years Old

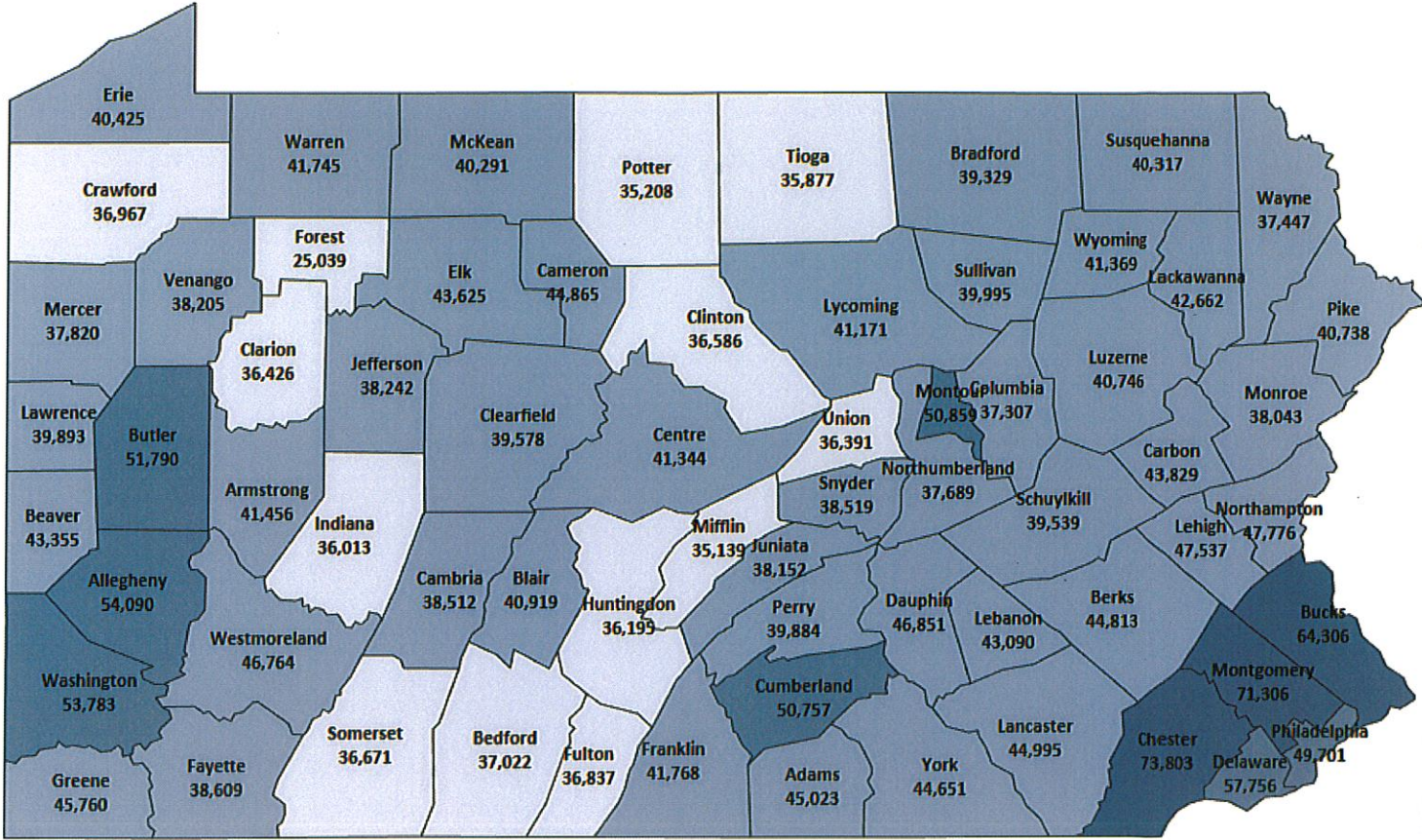


Source: U.S. Census Bureau American Community Survey, NCES IPEDS.





# Per Capita Income by County, 2015

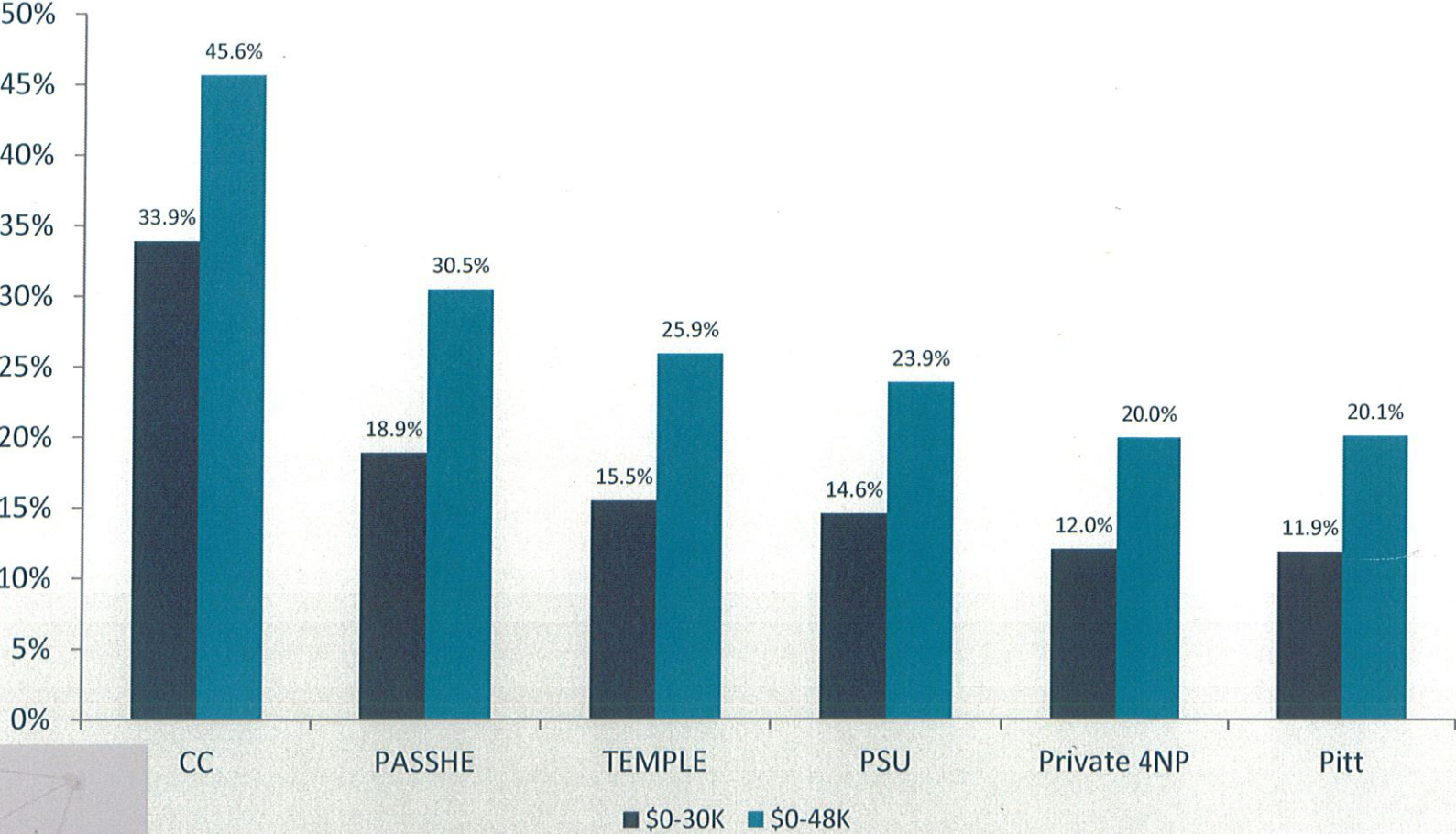


Per capita personal income (dollars)  
 25,039 ————— 73,803

Source: U.S. Census Bureau American Community Survey



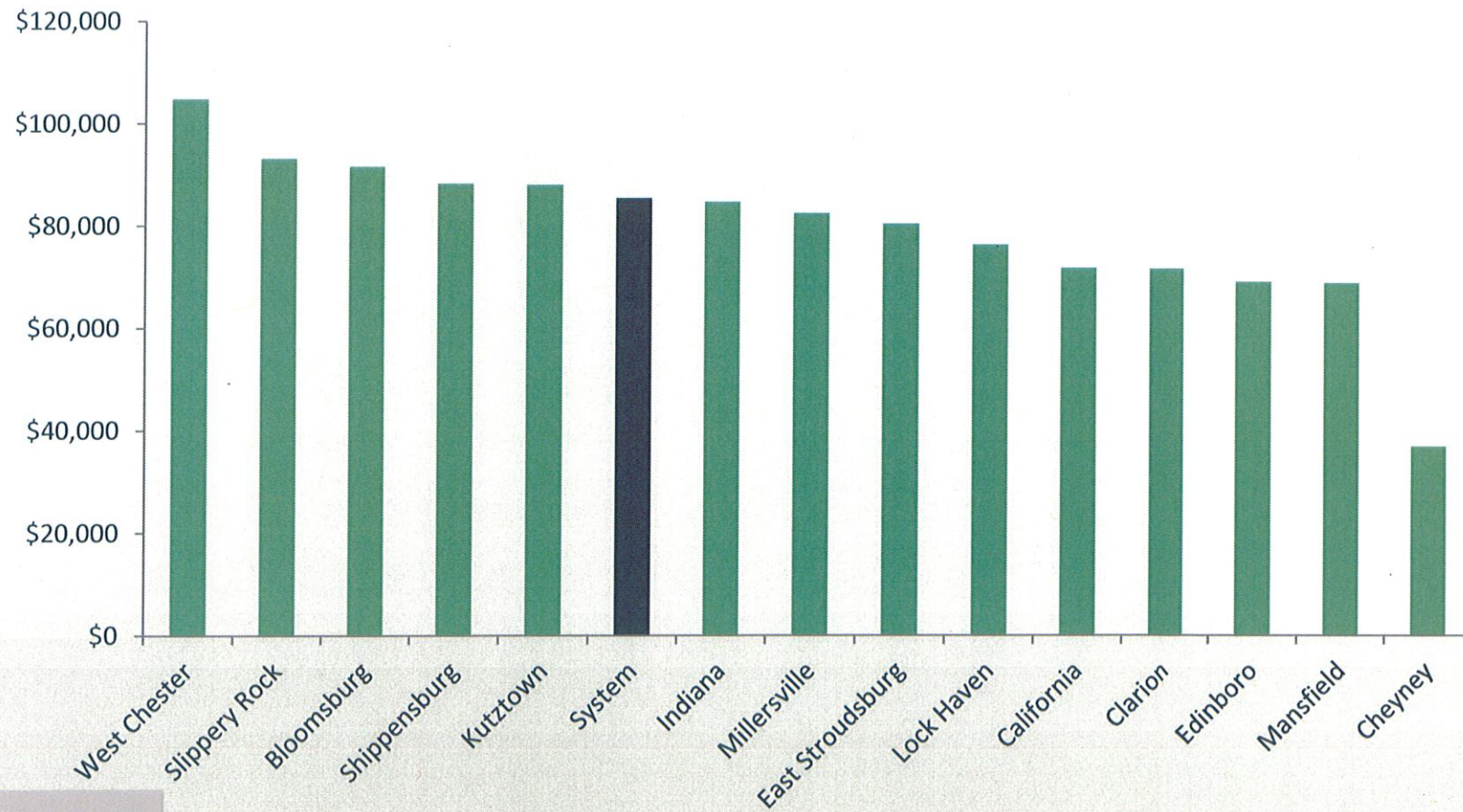
# Proportion of Entering Class by Income Category, 2014-15



Source: NCES IPEDS.



# Average Income of Fall 2015 Undergraduates

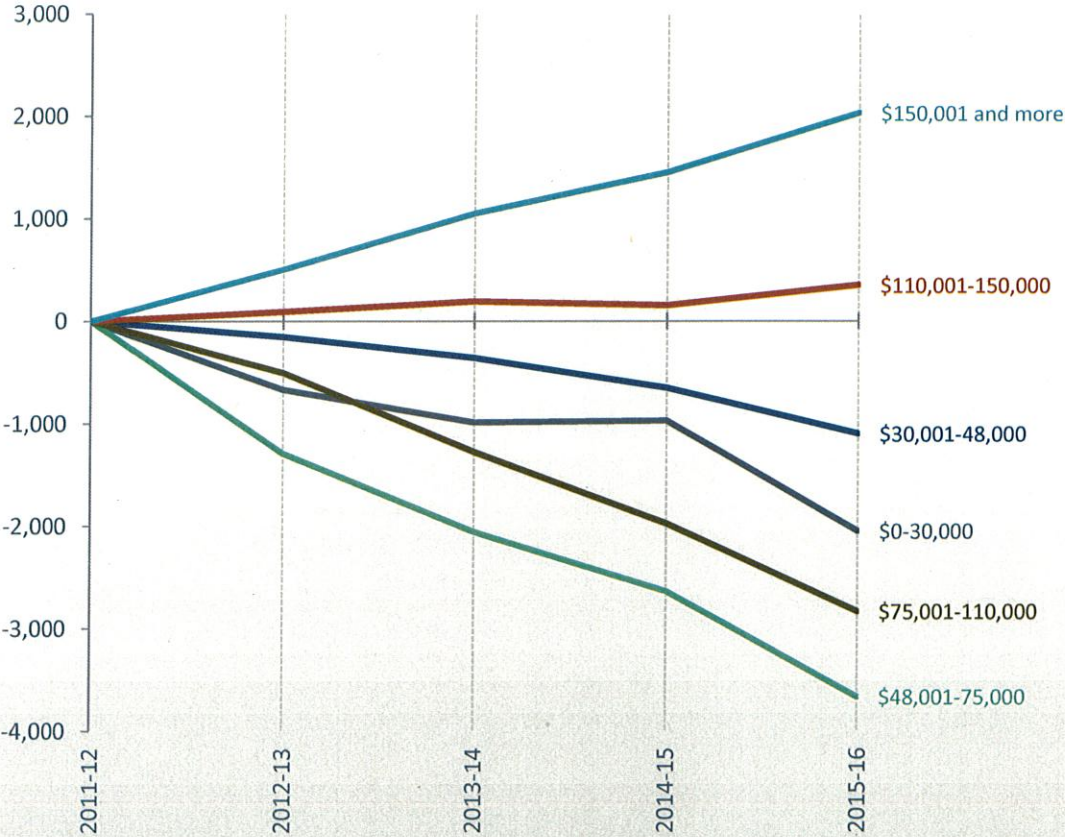


Source: Pennsylvania State System of Higher Education Office of the Chancellor. Data are for FAFSA Filers Only.

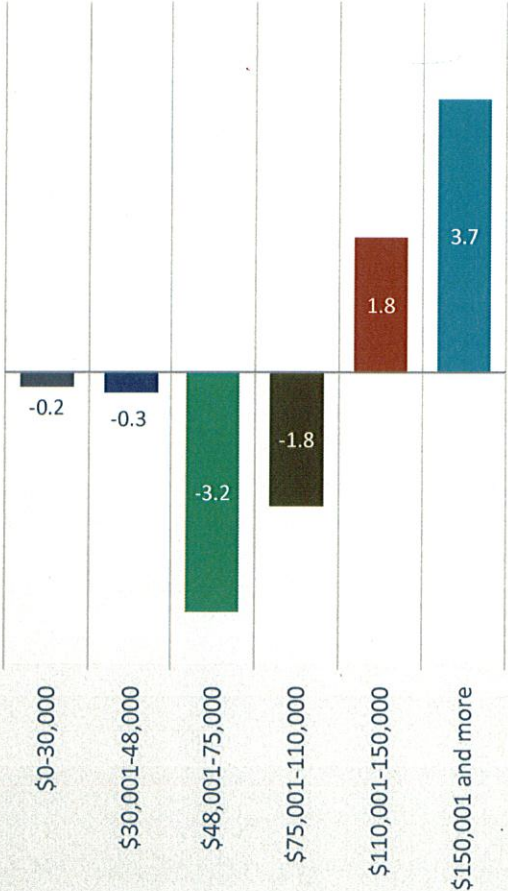


# Change in Enrollment of In-State Undergraduates by Income, 2011-12 to 2015-16

Change in Headcount



Change in Percentage Points

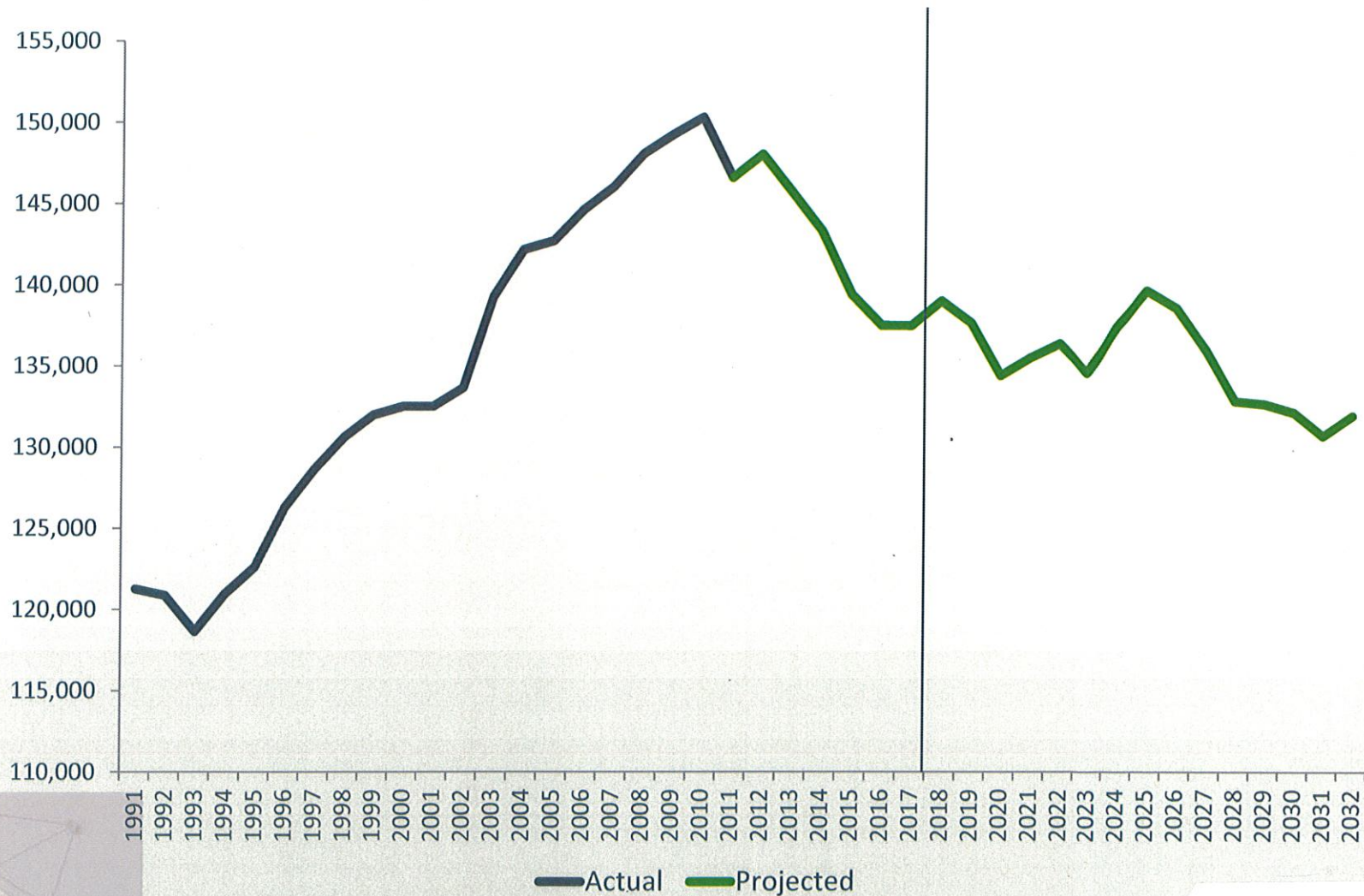


Source: Pennsylvania State System of Higher Education Office of the Chancellor. Data are for FAFSA Filers Only.



# CONVERGING PRESSURES

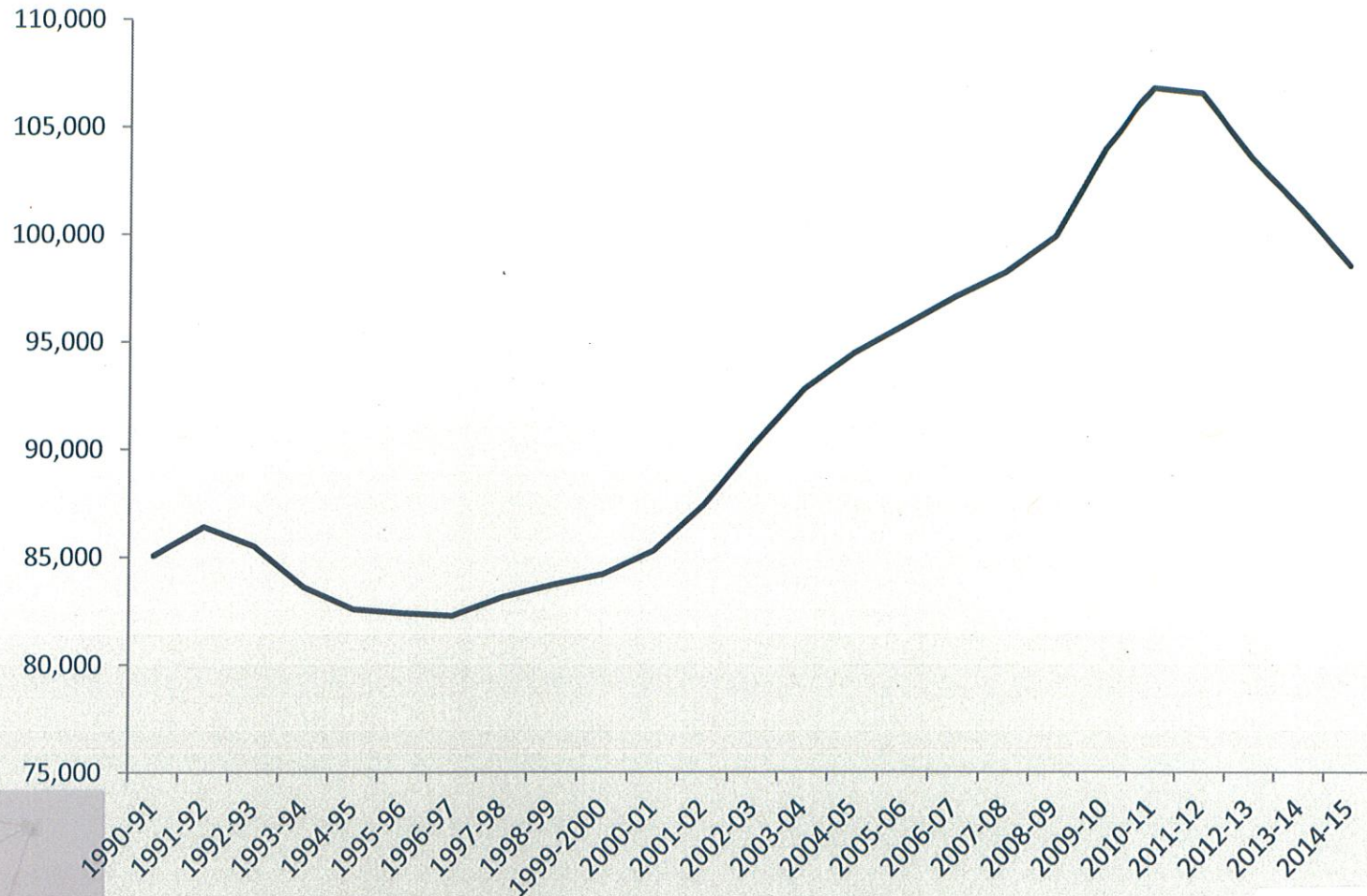
# Actual and Projected High School Graduates in Pennsylvania



Source: WICHE, *Knocking at the College Door*.



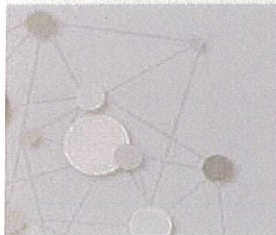
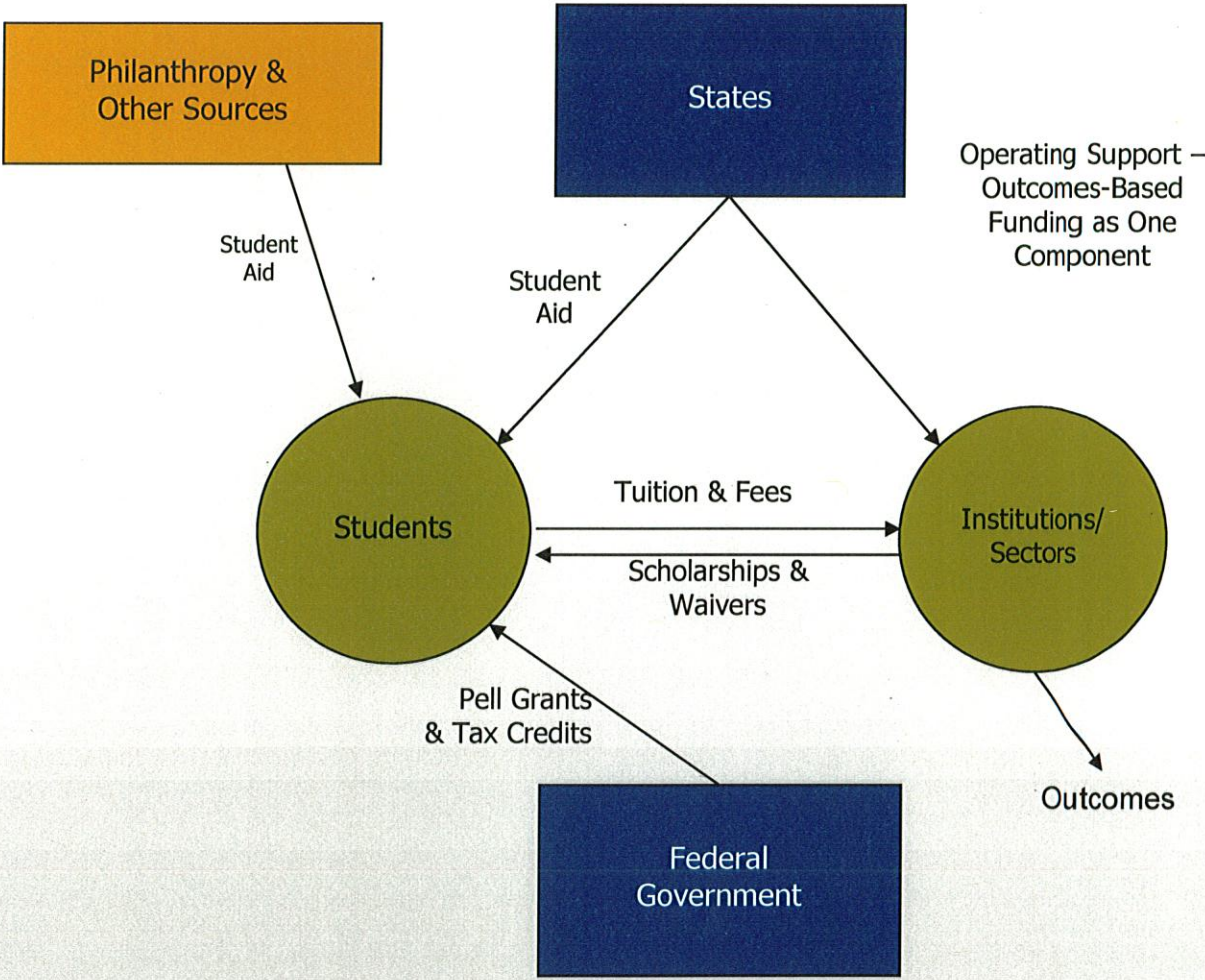
# FTE Enrollment at State System Institutions, 1990-2015



Source: NCES IPEDS

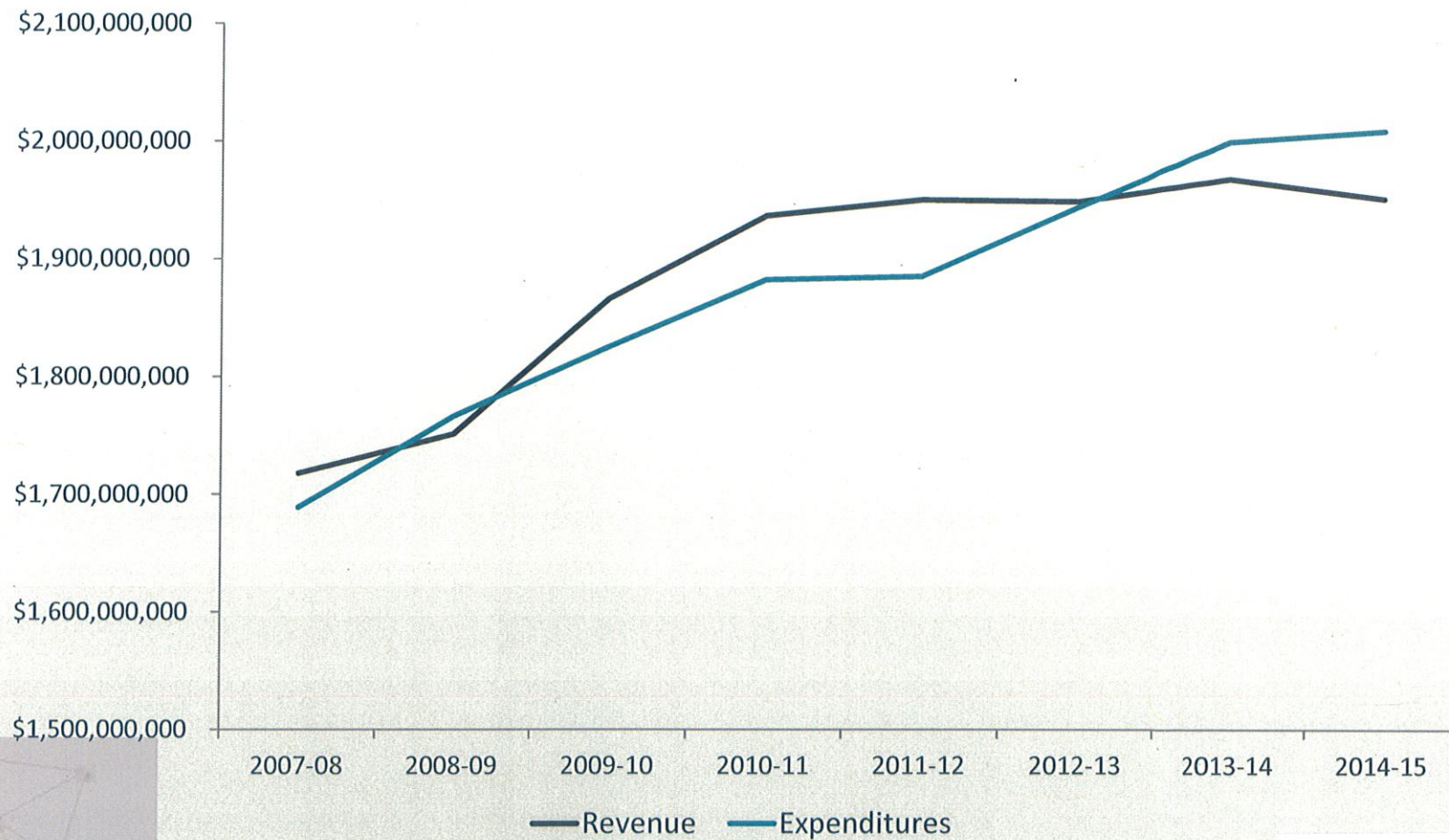


# The Flow of Funds





# Revenue and Expenditures for State System Institutions, 2007-08 to 2014-15

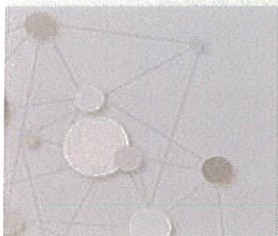


Source: NCES IPEDS

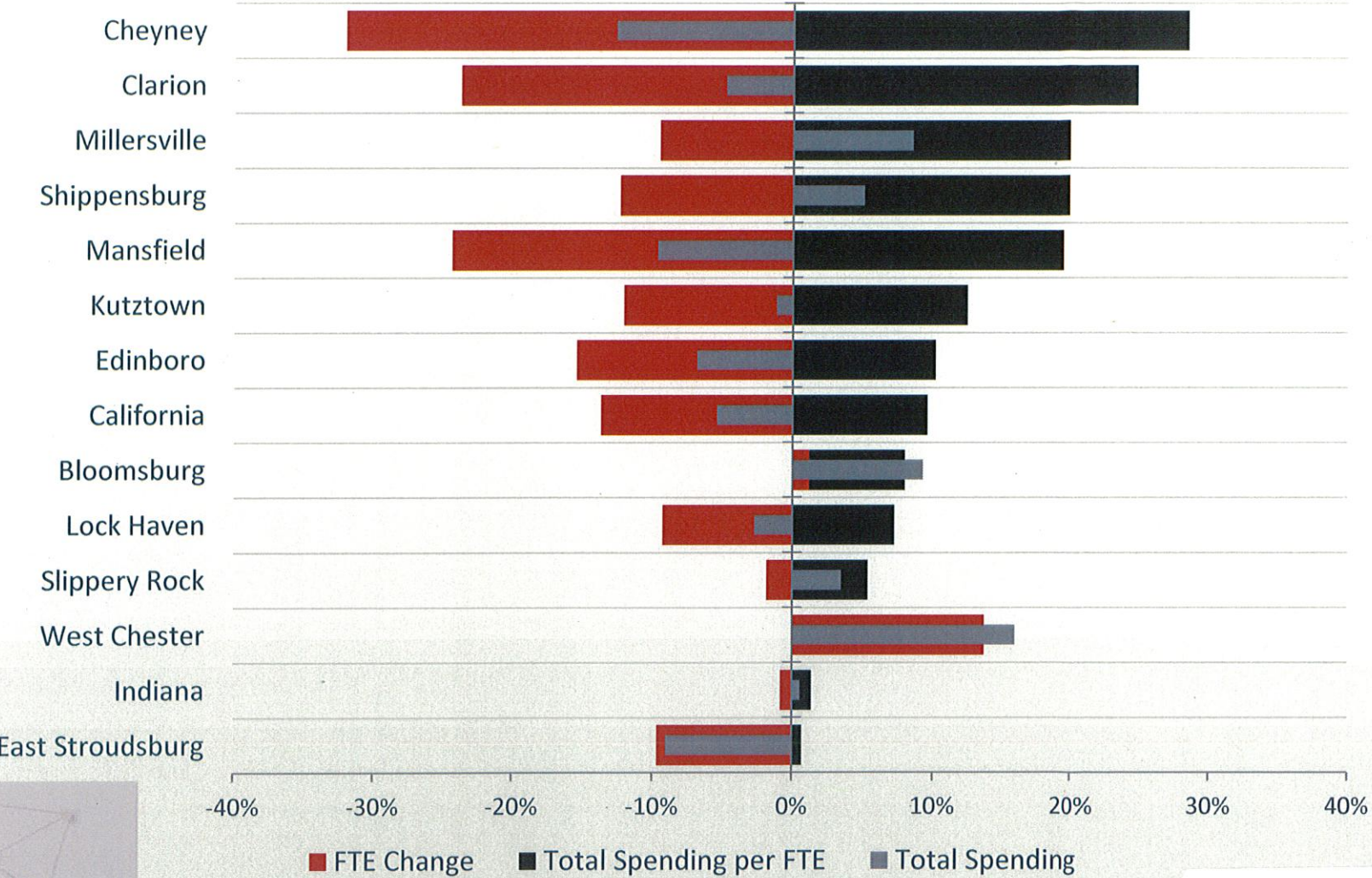


## Costs at All Institutions Have Grown

- All State System institutions are more expensive in 2014-15 than in 2009-10: changes in expenditures have not kept pace with changes in enrollment
  - Even when institutions have reduced total spending, enrollment has declined faster, leading to more spending per student
  - Institutions with enrollment growth have increased spending even faster, leading to more spending per student
- Different stories at different institutions



# Percent Change in Spending and FTE Enrollment, 2009-10 to 2014-15



Source: NCES IPEDS. Data are adjusted for inflation using CPI.

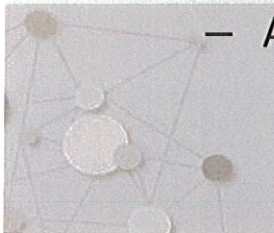


## The State System's Options for Increasing Revenue

- Garner additional state appropriations, but...
  - Pennsylvania ranks 46<sup>th</sup> in funding higher education
  - Pie unlikely to grow
  - Shifting shares among sectors
- Increase revenue from tuition and fees
  - New enrollments
    - Intensifying marketing for traditional students
    - Reaching new populations
  - Raise prices

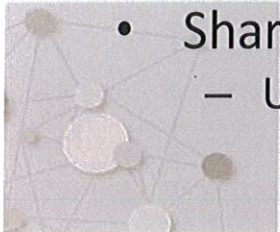
*But...*

- Competition for limited pool of traditional age students
- Major changes in delivery to serve adults
- Ability to pay
- Intensify philanthropic efforts, but...
  - A major difference-maker only for elite institutions



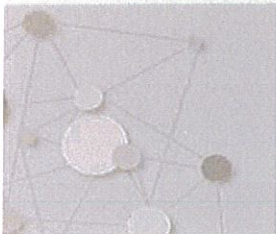
# The State System's Options for Reducing Costs

- Closures, but...
  - Obligations linger
  - Costs to regions in jobs and opportunities
- Mergers, but...
  - Costs likely rise in short term
  - Longer-term savings are not necessarily significant, especially in comparison to shared services
  - Impact on local identity
- Elimination of system office, but...
  - Further erosion of capacity to link state assets to state and regional future
  - Loss of economies of scale
  - Destructive competition
  - Weakened advocacy
  - Increased costs of local governance
- Changes in staffing levels
- Shared services, but...
  - Unlikely to be sufficient



## Campuses Have Limited Ability to Adapt

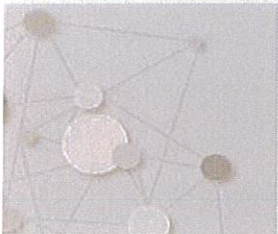
- Policies and regulations that fail to recognize the differences among institutions and the regions they serve
  - State regulations
  - Board policy
  - Collective bargaining agreements
  - Pricing
- State allocation mechanism that exacerbates competition
- Time-consuming, multi-layered academic review process
- High turnover in leadership



# CONCLUSIONS

## Governance Not Up to the Current Challenges

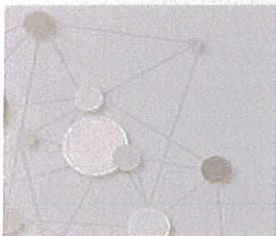
- Governance has not changed with the times
- Ambiguity in allocation of decision authority in Act 188
- Capacity to exercise proper fiduciary responsibility
  - Approval of a collective bargaining agreement with no realistic plan to cover costs
  - Lack of urgency to address fiscal problems before they reach a crisis
  - Not exercising management responsibilities consistently
- Inadequate support for campus leaders facing difficult problems





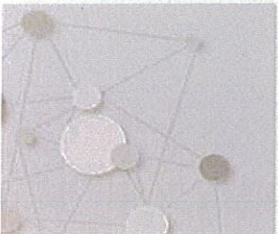
## Resulting Conditions

- Limited tools for chancellor to lead the system strategically, especially with respect to his relationship to presidents
- Compliance and regulatory mindset orientation at the Office of the Chancellor
- “Distance” between Office of the Chancellor and institutions
- Competition vs. collaboration within the system

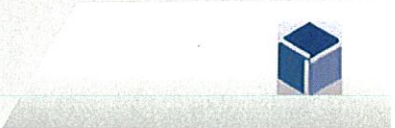
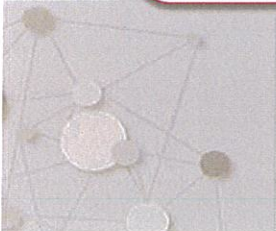
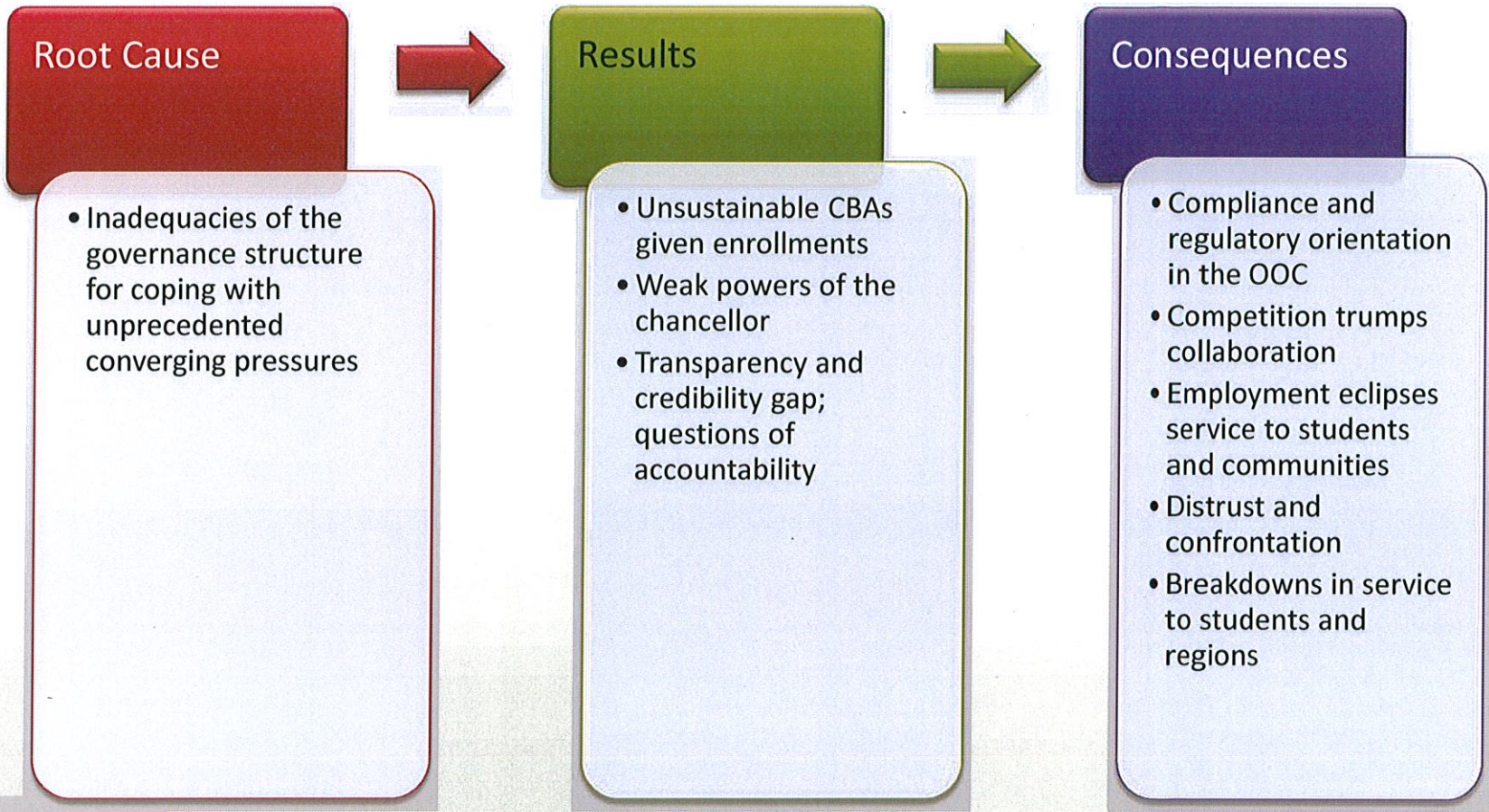


## Resulting Conditions

- Universities as employers
- Climate of confrontation and distrust → Transparency and credibility gaps
- Tendency to centralize rather than find local solutions
- Distortion in academic policymaking leading to the management of the system according to the APSCUF agreement rather than leadership guided by Act 188



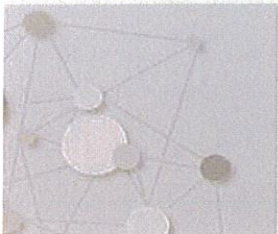
# The Bottom Line



# RECOMMENDATIONS

## What Not to Do

- The system and the Office of the Chancellor should not be eliminated.
- No university should be closed.
- No universities should be merged.
- No university should be separated from the system.
- There should be no attempt to undermine the collective bargaining process.



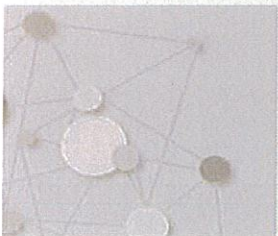
# Fundamental Change Needed

## FROM

- An emphasis on institutions as employers first and providers of services to students and communities second

## TO

- A dynamic system and constituent institutions that are focused on the needs of students and regions



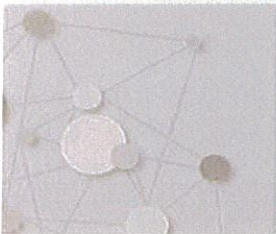
# Fundamental Change Needed

## FROM

- A climate of distrust, non-transparency, confrontation and competition

## TO

- A climate of trust, transparency, and collaboration at and between every level of the system



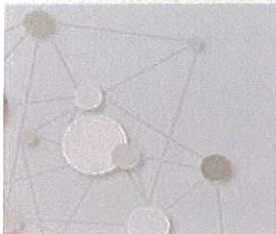
# Fundamental Change Needed

## FROM

- Weak leadership capacity at every level (imposed in part by a byzantine set of layers of authority)

## TO

- Better streamlined and unambiguous layers of authority to be exercised in addressing issues at the most appropriate level (statewide or local), supported by robust consultative and advisory roles





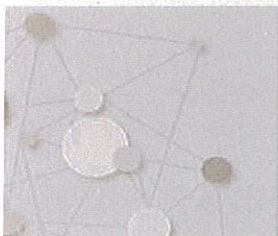
# Fundamental Change Needed

## FROM

- Decision-making that is more heavily influenced by politics and interests rather than policy leadership on behalf of students and communities

## TO

- Strategic leadership capacity to make decisions in the best interests of students and regions



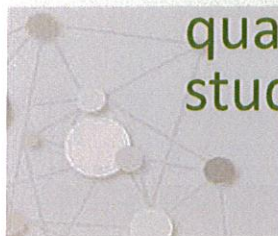
# Fundamental Change Needed

## FROM

- Governance and management that is driven more by the provisions of collective bargaining agreements than by the exercise of leadership and authorities granted under Act 188 (and Act 195 that specifies the limits of collective bargaining agreements in relationship to management responsibilities)

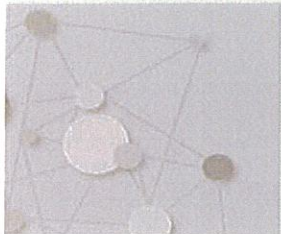
## TO

- Respect for the historic and appropriate role of unions and collective bargaining agreements to defend employee rights and privileges, while balancing that with the responsibilities of system and institutional leadership to manage the system to ensure the sustainability of high-quality, affordable postsecondary education options for students



## Recommendation #1

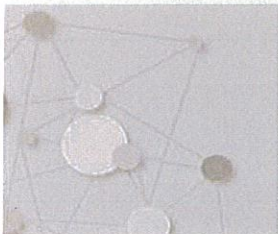
Retain and ensure sustainability of the State System's capacity in every region to carry out its historic mission to serve students and communities with high-quality, affordable postsecondary opportunities for working-class families.



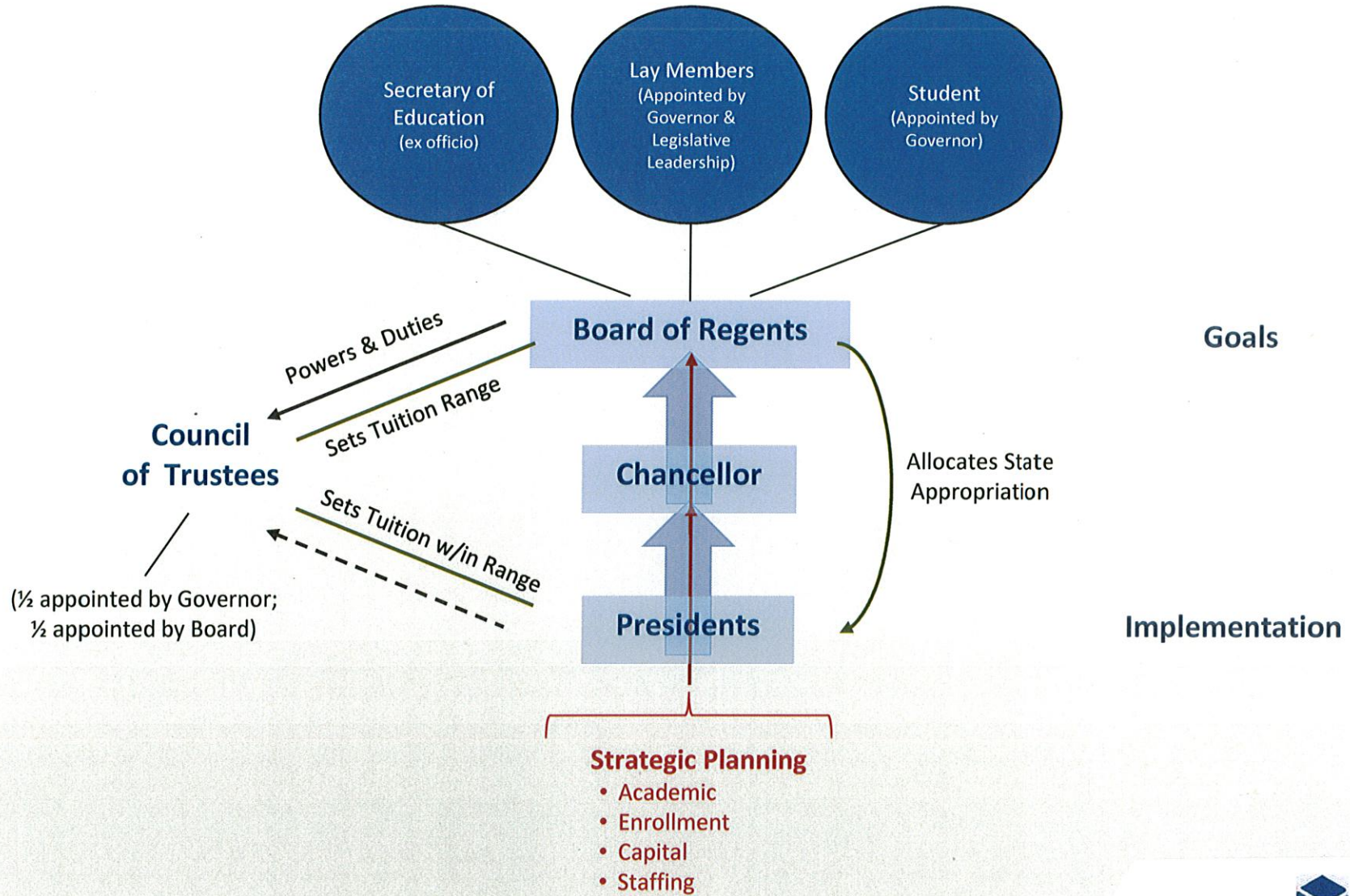
## Recommendation #2

Amend Act 188 to:

- Replace the current Board of Governors with a Board of Regents made up of lay members.
- Clarify the distribution of authority among the Board, the Chancellor, the institutional Presidents, and the Councils of Trustees.



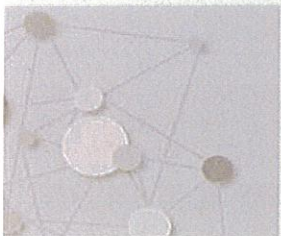
# Recommended Governance Structure



## Recommendation #3

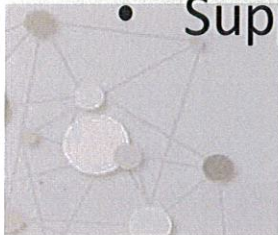
Reorient the State System's Board and its Office of the Chancellor toward:

- Greater responsibility for policy leadership.
- Reduced emphasis on management and compliance activities.
- Provide support and assistance to institutional leadership.



# Chancellor's Office

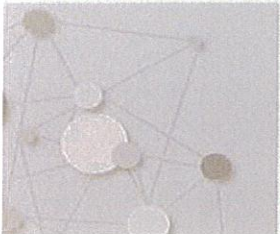
- Ensure that institutions are well led.
  - Presidential selection and evaluation
  - Support for presidential leadership
  - Orientation and professional development of institutional leaders (president, cabinet, Trustees)
- Consultation and transparency in developing:
  - Clear institutional missions
  - Staffing plans
- Leadership for regional and system-wide multi-campus partnerships
  - Academic collaboration
  - Shared services
- Support for data and research capacity



## Recommendation #4

Reconfigure institutions facing the most severe sustainability challenges as universities

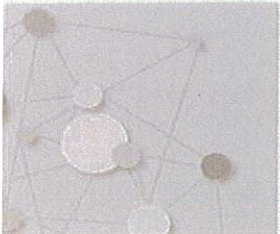
- Retain their unique character and core programs
- Leverage system-wide and regional resources to:
  - Deliver programming.
  - Share administrative functions more efficiently.



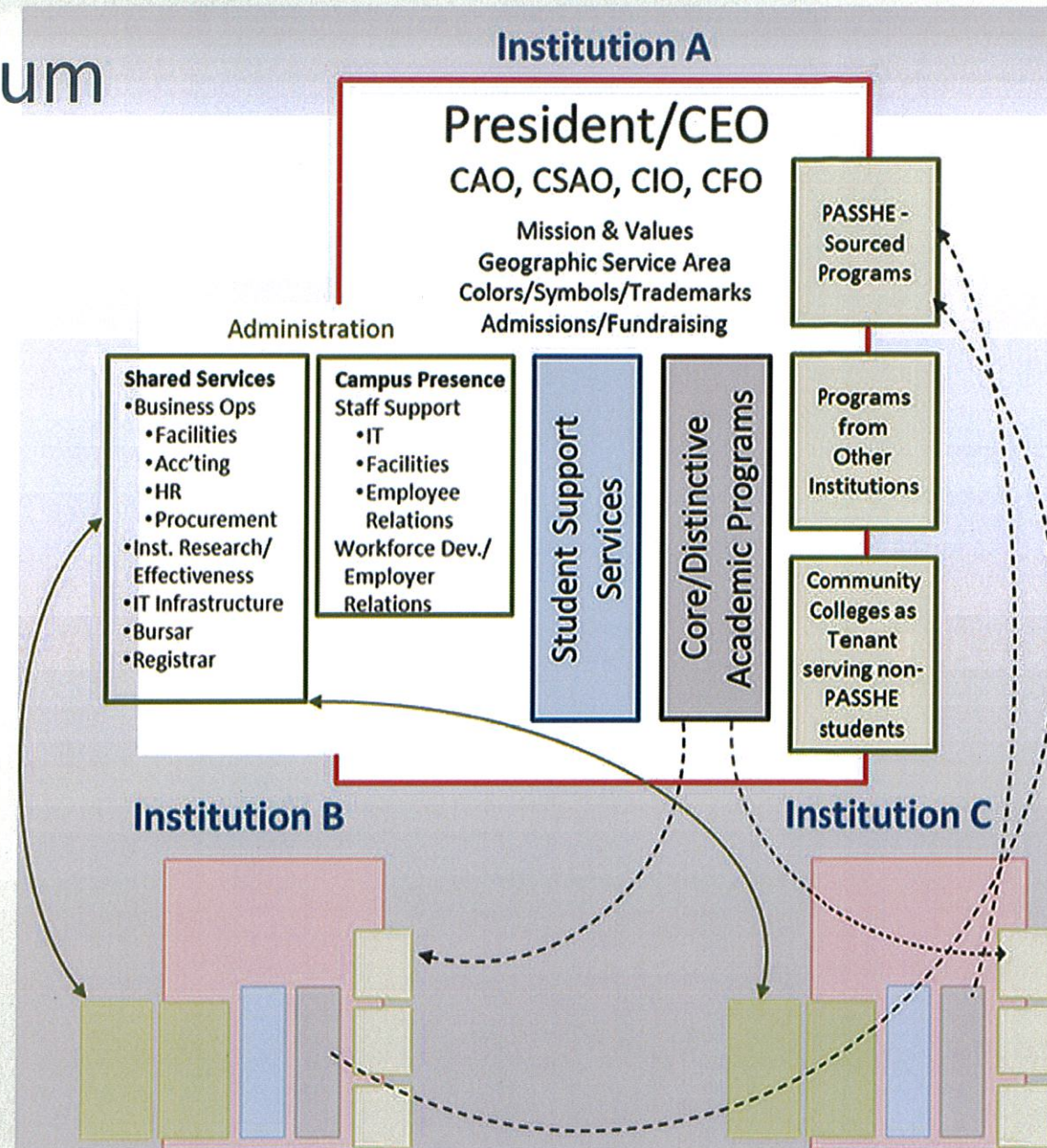


# Implications for Reconfigured Universities

- Retain local leadership, name, symbols, etc.
- Strengthen core of sustainable academic programs
- Expand capacity and incentives to bring programs from other institutions to meet local needs and student demand
- Expand local student support services to foster student success



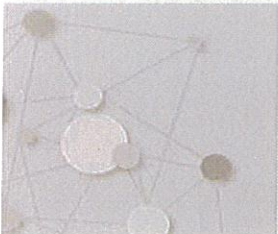
# A Consortium Model



## Recommendation #5

Adopt a strategic financing model that:

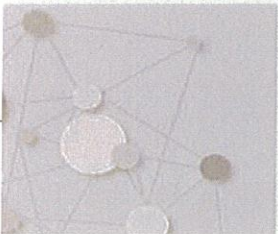
- Fits the varied circumstances facing the State System's institutions
- Incentivizes collaboration over competition.



## Recommendation #6

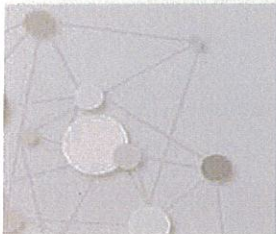
Ensure that future agreements with collective bargaining units are designed to:

- Promote nimbleness in response to institutional and system-wide challenges and opportunities
- Be financially feasible for all institutions and the system.



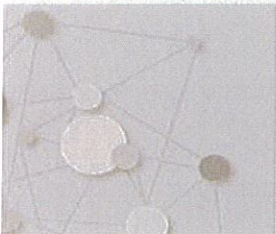
## Recommendation #7

Recommit to a robust shared governance process that respects the appropriate role of faculty in advising and consulting on matters of academic policy, as distinct from the role of collective bargaining which seeks to advocate for employee rights and privileges.



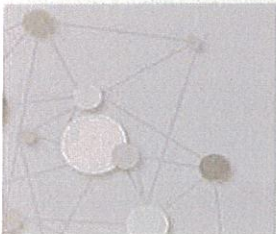
## Recommendation #8

The Pennsylvania legislature should consider permitting the State System to offer early or phased retirement incentives in a way that allows the Chancellor and institutional presidents to align staffing levels strategically with enrollment.



## Recommendation #9

Establish a statewide entity with authority and responsibility for statewide policy coordination and leadership across all of Pennsylvania's postsecondary education institutions, with authority to recommend the allocation of state funds among the State System, state-related institutions, community colleges, and PHEAA.

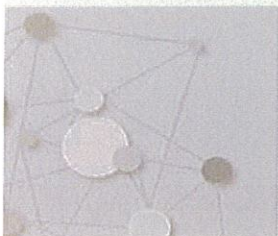


# Contact Info



National Center for Higher Education Management Systems

303-497-0301





**MEETING OF THE REAL ESTATE COMMITTEE  
OF THE BOARD OF TRUSTEES  
Community College of Philadelphia  
Friday, September 15, 2017 – 11:00 A.M.**

**Present:** Lydia Hernández Vélez, Esq. (Chair), presiding; Mr. Curtis Hess (*via* Teleconference), Mr. Jeremiah J. White, Jr. (*via* Teleconference), Mr. Jim Tucker (*via* Teleconference), Dr. Donald Generals, Mr. Jacob Eapen, Victoria Zellers, Esq. and Mr. Gary Bixby

**AGENDA – PUBLIC SESSION**

**(1) Approval of the College’s Facilities Master Plan (Action Item):**

Mr. Eapen stated that the Facilities Master Plan was disseminated to the Board of Trustees and the Foundation Board. Ms. Hernández Vélez requested if the Committee had any suggested changes to the Plan. Committee members had no suggested changes to the draft Facilities Master Plan. However, with regard to the handout that was given out to Committee members on the Order of Magnitude Cost Estimate, Mr. Hess asked if the soft costs were included in the total costs. Mr. Eapen stated that it was hard cost of construction. Mr. Curtis stated that the soft costs will be an additional 10 to 15%. Mr. Curtis pointed out that for future facilities projects, an inflation factor should be built into the total costs.

Action: Mr. Martz moved and Ms. Hernández Vélez seconded the motion that the Real Estate Committee recommend that the final draft of the Facilities Master Plan be presented for action at the Board of Trustees meeting which is scheduled for October 5, 2017. The motion passed unanimously.

**(2) Update on Projects (Information Item):**

Mr. Eapen and Mr. Bixby provided an update on the following current and future projects. A PowerPoint Presentation Slideshow was presented to the Committee.

Mr. Eapen reported that the West Building Steps were completed except for the punch-list items which are to be completed by the contractors.

Mr. Bixby provided an overview on the Biology Lab renovations and stated that the renovations will be completed in three phases. Mr. Eapen informed the Committee that the project was a PDE approved project with a projected cost of \$7.0M.

Mr. Eapen provided an overview of the Mint Step Project with an estimated cost of \$1M. He noted that \$620,000 will be received from the State.

Mr. Eapen reported that staff is currently working on an RFP for the Architects for the Library and Learning Commons Renovations. This project has an estimated start date of Spring/Summer 2018 and an estimated cost of \$18M.

Dr. General stated that the West Regional Center Expansion will be considered a "Destination Campus" focusing on the Auto Technology and other career-oriented programs, as well as workforce development programs. Staff informed the Committee that the College will potentially receive about \$12M in funding from RACP (Redevelopment Assistance Capital Program) subject to State approval. The estimated starting date for the project is Summer 2018 subject to funding being in place.

Mr. Bixby reported that the Public Art Project is a work by Koryn Roldstadt and is titled *Illuminated Growth*. She aspires to have the project complete and installed by Spring 2018.

**JE/lm**

**MEETING OF AUDIT COMMITTEE  
Community College of Philadelphia  
Thursday, September 28, 2017 – 12:00 Noon  
M2-34 Conference Room**

Present: Mr. Anthony J. Simonetta, Mr. Jeremiah White, Ms. Suzanne Biemiller, Mr. Matthew Bergheiser (*via telephone*), Mr. Jacob Eapen, Mr. Gim Lim, Mr. James P. Spiewak, Mr. Robert Lucas, Victoria Zellers, Esq.; and representing Grant Thornton: Mr. Brian Page and Ms. Angelica Roiz, and representing The Meridian Group: Mr. Anthony B. Scott (*via telephone*)

Not Present: Dr. Donald Generals, Jr. & Mr. Jeremiah White

**AGENDA – PUBLIC SESSION**

**(1) Approve Minutes of Audit Committee Meeting on June 15, 2017 (Action Item):**

Attachment A contains the minutes from the June 15, 2017 meeting. The Committee was asked to review and approve the minutes.

**Action:** Since there were no questions, Mr. Simonetta asked for a motion to recommend acceptance of the June 15, 2017 Audit Committee meeting minutes. Ms. Biemiller made the motion. Mr. Bergheiser seconded the motion. The motion passed unanimously.

**(2) 2016-17 Fiscal Year Audit Report (Action Item):**

Attachments B & C contains audit results for the 2016-2017 fiscal year. Mr. Simonetta asked the Committee if they have any questions or comments on the financial statements. Ms. Biemiller had a question on the flow of different funds and how they relate to the foundation revenues. Mr. Lim explained that the money is first recorded in restricted fund and then moved to the unrestricted fund when it is spent. Ms. Biemiller also wanted some clarification on how the grant revenues and expenses are recorded on the College's statement. Mr. Page explained that grants that faculty secure are recorded as income in the restricted funds when received. Expenses are first paid out of unrestricted funds and money is then moved from the restricted funds to the unrestricted funds. Mr. Page confirmed that faculty grant expenses are kept separate from the Foundation's unrestricted dollars.

Since there were no questions, Ms. Roiz proceeded with the audit presentation.

Ms. Roiz began the discussion by reviewing the required communications, roles and responsibilities for the financial statements including the auditors' responsibilities, and those charged with governance and management responsibilities.

Ms. Roiz mentioned that the auditors discussed the specific areas where they were going to spend their time during the audit at the June 2017 meeting. There were no material changes to their audit approach presented at that time. She then asked the Committee whether they were aware of any fraud or suspected fraud or matters that are relevant to their audit that have not been disclosed. The answer was an unanimous 'No'.

Ms. Roiz then discussed the audit timeline and areas of focus of Grant Thornton's audit. Specifically, she mentioned materiality, reasonableness tests regarding tuition, deferrals, receivables and management's allowance for doubtful account calculation as compared to the enrollment population, as well as State and City appropriations and investment earnings, and recorded pension liabilities.

Ms. Biemiller asked whether Grant Thornton had its own actuaries relating to the reporting of postemployment benefits to which Ms. Roiz said yes. Mr. Simonetta asked whether it was mainly to review the assumptions used in the computations. Ms. Roiz said yes and they also reviewed the most recent data for any changes.

Ms. Roiz then discussed the Information Technology portion of the audit. The audit team noted one finding that Ms. Roiz commented as more of a recommendation. It did not rise to the level of significant deficiency or material weakness. During a two-week period when Mr. Lim was transitioning to his new role, he had system access to both financial aid and accounting modules. The auditors performed internal testing and noted no unusual access or transactions during period.

Ms. Roiz presented the summary of audit adjustments. There were no significant audit adjustments; however, there was one past unrecorded audit adjustment relating to current and non-current accounting of a security deposit as outlined in the presentation. This adjustment was considered a balance sheet re-class and is considered immaterial to the College's financial statements.

Mr. Roiz then stated that there had been no disagreements with management in the preparation of the financial statements. The auditors were not aware of any consultations with other accountants that would impact their audit and there were no difficulties encountered in performing the audit. The audit team was very pleased with how helpful and quickly management responded to their questions and points of inquiry. She commented that they were able to perform an efficient and effective audit. They found no material weaknesses or significant deficiencies in the 2016-2017 financial statements.

Mr. Eapen mentioned that the Business Affairs Committee approved the creation of a contingent liability at the suggestion of a Board of Trustee member.

Several technical updates, projects, regulatory issues and upcoming accounting pronouncements were pointed out to the Committee, which are outlined in the presentation. Specifically, the new accounting pronouncements listed in Attachments B & C were discussed focusing on GASB 75, 80 & 81. Under GASB 75, which is effective for fiscal years beginning after June 15, 2017, the College will be required to record the full value of other post-employee benefit liabilities in their entirety. Currently, the College is phasing this in over a thirty-year amortization period. Consequently, the College will have a large decrease in its net assets going forward.

Mr. Eapen added that the staff had a discussion with Moody's earlier and it was determined that the impact of GASB 75 may not affect the College's bond ratings.

Under GASB 80, the College had to re-evaluate the current presentation of the Component Unit Foundation to determine whether it should be blended into the College's financial statements for reporting purposes or continue to be presented separately. After careful a review of the Foundation's bylaws and governance and discussion with the Grant Thornton team, it was determined that the College is required to continue reporting the Foundation as a discrete unit.

Ms. Roiz then highlighted some industry updates regarding Moody's outlook on community colleges. Specifically, she mentioned that there is a stable outlook with modest net tuition growth; almost one third of small colleges generated operating deficits in FY2016, up from 20% three years ago. She noted that Colleges are addressing these challenges and now are more nimble.

Ms. Roiz provided a brief overview on GASB's future financial reporting model. Mr. Spiewak commented that he was hoping for the return of the old multi-fund reporting format. Mr. Page commented that the emphasis will be to improve the MD&A section so it is more relevant. It was not to bring back the multi-fund reporting format.

Ms. Roiz concluded her presentation with a brief industry update. She noted that institutions are now more agile at meeting the challenges.

**Action:** Since there were no questions, Mr. Simonetta asked for a motion to recommend acceptance of the acceptance of the 2016-2017 report of the auditors. Mr. Bergheiser made the motion. Ms. Biemiller seconded the motion. The motion passed unanimously.

### **(3) Internal Audit Plan 2016-2018 Year Update (Information Item):**

Mr. Lucas provided an update on the 2016-2018 Internal Audit Plan (Attachment D). He provided a copy of a summary report of activities since the last Audit Committee meeting as well as a copy of the Internal Audit Plan for the two-year period ending June 2018 to the Committee members. Mr. Lucas stated that, since the last meeting, he had issued one finalized audit report, has another audit one report in the closing process and has an additional audit near completion.

Mr. Lucas also noted that he had issued a memo to management of internal control observations and recommendations related to a financial investigation he performed and reported to the Audit Committee at the previous meeting.

Mr. Lucas also presented to the Committee members with the Internal Audit Follow Up Matrix. This spreadsheet lists previously issued audit comments, the related action plans to be performed by management and a target date for the actions. Mr. Lucas provided an overview of the matrix including the completion of a number of actions plans since the last meeting, and the need to extended target dates for some of the actions based on vendor issues, contract timelines and budget limitations.

**(5) March 2018 Meeting Date (Information Item):**

The next meeting of the Audit Committee will be scheduled in March 2018. At that time, the Committee will discuss the 2016-2017 A-133 audit report.

**EXECUTIVE SESSION**

During any Audit Committee meeting; Management, The Independent Auditors or the Internal Auditor may request an Executive Session to meet privately with the Audit Committee. The Committee met with both the Internal and Independent Auditors in Executive Session.

GM/lh  
Attachments

cc: Dr. Donald Generals, Jr.  
Mr. Jacob Eapen  
Mr. Robert Lucas  
Mr. Jim Spiewak  
Victoria Zellers, Esq.  
Representing Grant Thornton: Mr. Brian Page, Ms. Angelica Roiz  
Representing the Meridian Group: Mr. Anthony B. Scott

# **ATTACHMENT A**

**Minutes from June 15, 2017  
Audit Committee Meeting**

**MEETING OF AUDIT COMMITTEE  
Community College of Philadelphia  
Thursday, June 15, 2017 – 12:00 Noon  
Isadore A. Shrager Boardroom, M2-1**

Present: Mr. Anthony J. Simonetta, Mr. Jeremiah White (via telephone), Ms. Suzanne Biemiller, Dr. Donald Generals, Jr., Mr. Jacob Eapen, Mr. James P. Spiewak, Mr. Robert Lucas, Victoria Zellers, Esq.; and representing Grant Thornton: Mr. Brian Page and Ms. Angelica Roiz

Not Present: Matthew Bergheiser & Representing The Meridian Group: Mr. Anthony B. Scott

**AGENDA – PUBLIC SESSION**

**1. Approve Minutes of Audit Committee Meeting on March 27, 2017  
(Action Item):**

**Action:** Mr. Simonetta asked for a motion to recommend acceptance of the March, 2017 Audit Committee meeting minutes (Attachment A). Ms. Biemiller made the motion. Mr. White seconded the motion. The motion passed unanimously.

**2. 2016-2017 Audit Process (Information Item):**

Attachment B contains the formal presentation made by Mr. Brian Page, Engagement Partner and Ms. Angelica Roiz, Senior Manager, from Grant Thornton. Mr. Page began his discussion by reviewing the information contained in slides four and five that dealt with the responsibilities of Grant Thornton and the responsibilities of the College's Governance Team and Management. Mr. Page asked the Committee members if they had any specific fraud-related concerns to which the members responded they had none. Mr. Page and Ms. Roiz then walked through the presentation highlighting areas of focus, audit approach, and timeline and discussed various topics including materiality, risks and awareness of fraud, internal controls, and the use of work of others. In response to a question from Ms. Biemiller, Mr. Page responded that their audit will look at the valuation of investments of both the College and the Foundation. He explained the planned audit procedures for areas of focus that included: tuition revenue and related receivables and deferrals, auxiliary enterprises, GASB 68, valuation of investments and related earnings, State and Federal grants and contracts, State and City appropriations, compliance with Uniform Guidance (formerly OMB Circular A-133), accounting estimates and financial statement disclosures. Mr. Page noted that a separate technology team from Grant Thornton reviews the College's use of technology including its associated controls, processes and practices.



Mr. Page then discussed several new GASB accounting pronouncements and updates. The first three statements are effective for fiscal year 2018. The first statement, GASB 75, will have the biggest accounting effect. Currently the College's OPEB Liability is being phased in over 30 years. This new pronouncement will require the full amount of that liability to be included in the financial statements for that year. Mr. Page noted that this will have a significant impact on many colleges and Government agencies. This will increase the overall liability and decrease the College's net assets. He pointed out that rating agencies have already factored this into their ratings of colleges and other public entities.

The second statement, GASB 80, discusses the blending of component units. The College will have to review the statement's criteria and make a determination if it can continue to show the Foundation's financials discretely or be required to blend it with the College in its financial statements.

The third statement, GASB 81, refers to irrevocable split-interest agreements and Mr. Page noted that the College needs to review any potential endowments that may fall under this statement.

Mr. Page mentioned GASB 83, which deals with Certain Asset Retirement Obligations, is not effective until fiscal year 2019 and the College may not have any circumstances for which this statement applies. He discussed two major projects that GASB is currently involved in: (1) Financial Reporting Model and (2) Leases. The first project is related to how not-for-profit entities display financial information and requirements for the Management's Discussion and Analysis (MD&A). The second project is related to the accounting treatment of leases and proposes eliminating the distinction between capital and operating leases.

Mr. Page ended his presentation with a brief review of key themes and activities in the higher education industry.

**3. 2016-2017 Budget Update (Information Item):**

Mr. Spiewak provided a handout (Attachment C) to the Committee, which reflected the most recent revenue and expense projections for fiscal year 2017. The implications of key factors currently impacting the FY 15-16 budget were discussed.

**5. 2017-2018 Budget (Information Item):**

Mr. Eapen distributed copies of the fiscal year 2017-18 budget and discussed the highlights. He noted that enrollments are budgeted to be stable but that staff are aware that a 1% decrease equates to reduced student tuition and fees of \$565,000 and are prepared to reduce expenses should a decrease occur. He stated that, consistent with the offer made to the Union, salaries are budgeted with a 2% increase. Mr. Eapen

explained that 9 staff positions were eliminated from the budget along with 8 faculty positions. Medical costs were budgeted at an 8.5% increase of projected expenses for fiscal year 2016-17. Due to a successful electricity procurement process, utility costs are budgeted approximately \$300,000 lower than fiscal year 2016-17. Contracted facility services costs are budgeted to be approximately \$200,000 higher than fiscal year 2016-17.

**6. Internal Audit Plan (Information Item):**

Mr. Lucas provided an update on the 2016-2018 Internal Audit Plan (Attachment D). He provided a copy of a summary report of activities since the last Audit Committee meeting as well as a copy of the Internal Audit Plan for the two-year period ending June 2018 to the Committee members. Mr. Lucas stated that, since the last meeting, he had issued one finalized audit report and two draft audit reports to management, and noted that another draft audit report will be issued shortly.

Mr. Lucas noted that he had started and completed a financial investigation since the prior meeting. He stated that someone had accused an employee of financial misconduct and that Victoria Zellers, General Counsel, and Dr. Judith Gay, VP for Strategic Initiatives and Chief of Staff, had requested that he conduct the investigation. Mr. Lucas noted that the results of the investigation did not substantiate the allegations.

The Audit Committee members present had several questions regarding the whistleblower hotline and the methods of communication. Ms. Zellers responded to each of the questions noting that all allegations have to be investigated even in cases such as this one in which the accuser recanted the allegations.

Mr. Lucas also noted that, since the prior meeting, he performed an informal risk assessment update by soliciting input from Cabinet members and senior managers to determine if there were any new or significantly changed functions which should be considered for possible addition to the remaining year of the Internal Audit Plan due to the risks associated with those changes. Mr. Lucas noted that all Cabinet members responded to his request for any such changes. He stated that everyone responded that no such changes had occurred in their respective divisions. There were two responses which referenced concerns for specific subjects, but that those subjects were already on the current 2016-2018 Internal Audit Plan. As such, Mr. Lucas had no recommended changes to communicate to the Audit Committee.

Mr. Lucas also noted that he continues to work with management to obtain the statuses of previously issued audit comments. He noted that a number of audit comments with open action plans had target dates of June 30, 2017. In order to allow management to have the remaining time and budget resources for actions by that date, Mr. Lucas did not conduct a full update of the Internal Audit Follow Up matrix. He noted that he will provide a full updated version of the matrix to the Committee at the September meeting.

### **Executive Session**

A brief Executive Session was held to allow Committee members to have further discussions with the independent auditors absent the presence of College employees.

JPS  
Attachments

cc: Dr. Donald Generals, Jr.  
Mr. Jacob Eapen  
Mr. Robert Lucas  
Mr. Jim P. Spiewak  
Victoria Zellers, Esq.  
Representing Grant Thornton: Mr. Brian Page  
Representing Grant Thornton: Ms. Angelica Roiz  
Representing The Meridian Group: Mr. Anthony B. Scott

# **ATTACHMENT B**

## **Grant Thornton's Presentation**

**Presentation to the  
Audit Committee of Community  
College of Philadelphia  
for the year ended June 30, 2017**

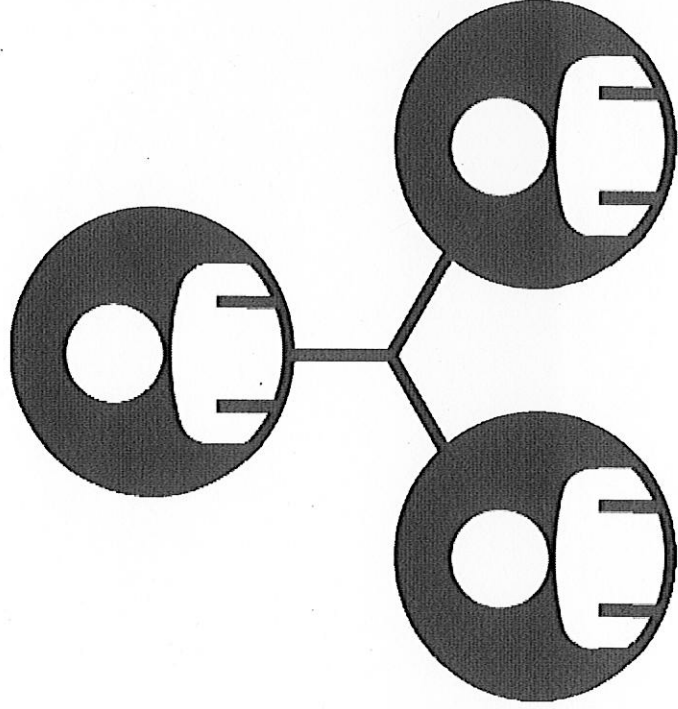
**September 28, 2017**

# Our Values are CLEARR

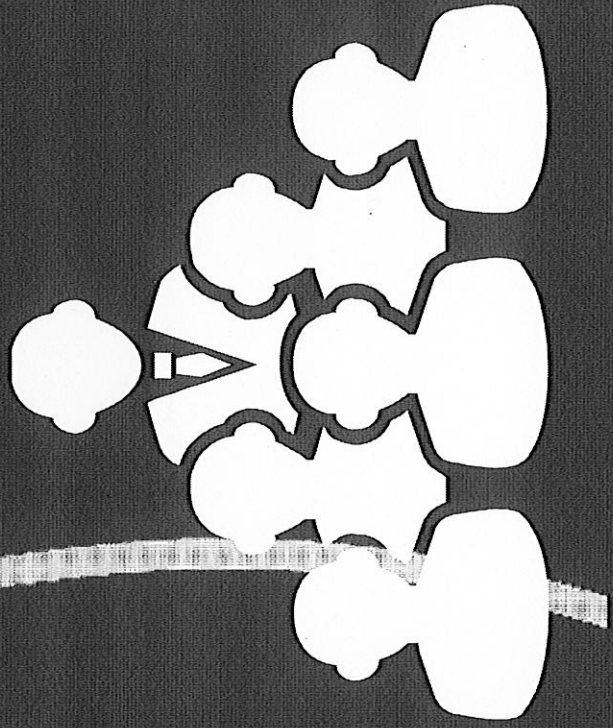
To achieve our global vision, we capitalize on our strengths by embracing the following values:

- Unite through global Collaboration
- Demonstrate Leadership in all we do
- Promote a consistent culture of Excellence
- Act with Agility
- Ensure deep Respect for people
- Take Responsibility for our actions

Our values serve as the foundation of each step we take toward achieving our vision. They guide our decision-making and provide a framework for our people to make correct and appropriate choices.



# Responsibilities



# Our Responsibilities

We are responsible for:

- Performing an audit under US GAAS and *Government Auditing Standards* of the financial statements prepared by management, with your oversight
- Forming and expressing an opinion about whether the financial statements are presented fairly, in all material respects in accordance with US GAAP
- Forming and expressing an opinion about whether certain supplementary information, including the Schedule of Expenditures of Federal (SEFA) is fairly stated in relation to the financial statements as a whole.
- Communicating fraud and abuse with regard to federal programs
- Reporting material noncompliance with federal awards requirements applicable to major program(s) audited under the Uniform Guidance requirements (formerly OMB Circular A-133), as well as significant deficiencies and/or material weaknesses in internal control over compliance
- Communicating specific matters to you on a timely basis; we do not design our audit for this purpose.
- An audit provides reasonable, not absolute, assurance that the financial statements do not contain material misstatements due to fraud or error. It does not relieve you or management of your responsibilities. Our respective responsibilities are described further in our engagement letter.



# Those Charged with Governance and Management Responsibilities

## Those Charged with Governance

Those charged with governance are responsible for:

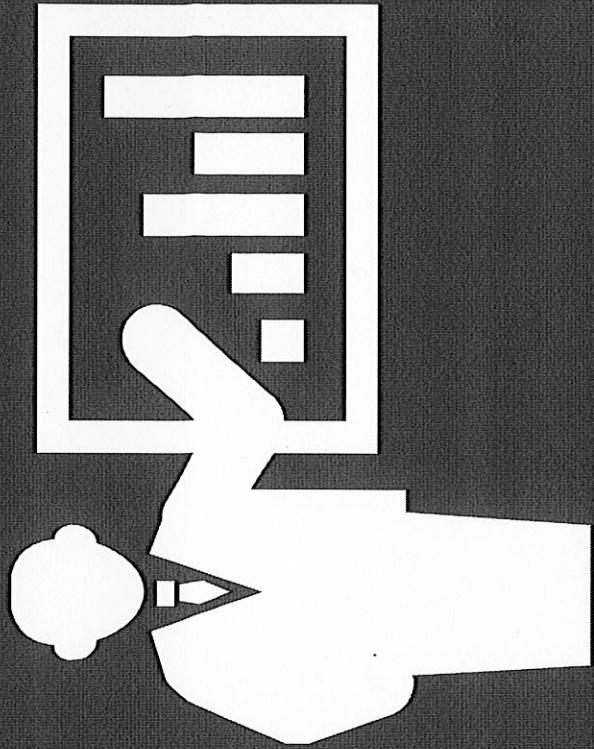
- Overseeing the financial reporting process
- Setting a positive tone at the top and challenging the College's activities in the financial arena
- Discussing significant accounting and internal control matters with management
- Informing us about fraud or suspected fraud, including its views about fraud risks
- Informing us about other matters that are relevant to our audit, such as:
  - Entity strategies and related business risks that may result in heightened risks of material misstatement
  - Matters warranting particular audit attention
  - Significant communications with regulators
  - Matters related to the effectiveness of internal control and your oversight responsibilities
  - Your views regarding our current communications and your actions regarding previous communications

## Management

Management is responsible for:

- Preparing and fairly presenting the financial statements including supplementary information such as SEFA (Schedule of Expenditures of Federal Awards) in accordance with US GAAP
- Designing, implementing, evaluating, and maintaining effective internal control over financial reporting and compliance with federal grant requirements
- Communicating significant accounting and internal control matters to those charged with governance
- Providing us with unrestricted access to all persons and all information relevant to our audit
- Informing us about fraud, illegal acts, significant deficiencies, and material weaknesses
- Adjusting the financial statements, including disclosures, to correct material misstatements
- Informing us of subsequent events
- Providing us with written representations

# Audit Scope & Results



# Audit Timeline

May/June 2017	<b>Client reacceptance</b>	<ul style="list-style-type: none"> <li>• Client reacceptance</li> <li>• Issue engagement letter</li> <li>• Conduct internal client service planning meeting, including coordination with audit support teams such as IT and tax</li> </ul>
June 2017	<b>Planning</b>	<ul style="list-style-type: none"> <li>• Meet with management to confirm expectations and discuss business risks</li> <li>• Discuss scope of work and timetable</li> <li>• Identify current-year audit issues and discuss recently issued accounting pronouncements of relevance</li> <li>• Initial Audit Committee communications</li> </ul>
July 2017	<b>Preliminary risk assessment procedures</b>	<ul style="list-style-type: none"> <li>• Develop audit plan that addresses risk areas</li> <li>• Update understanding of internal control environment</li> <li>• Coordinate planning with management and develop work calendar</li> </ul>
August 2017	<b>Interim fieldwork</b>	<ul style="list-style-type: none"> <li>• Perform walk-throughs of business processes and controls</li> <li>• Perform selective substantive testing on interim balances</li> <li>• Begin Single Audit (formerly A-133) compliance testing</li> </ul>
August-September 2017	<b>Final fieldwork and deliverables (short form)</b>	<ul style="list-style-type: none"> <li>• Perform final phase of audit and year-end fieldwork procedures</li> <li>• Meet with management to discuss results</li> <li>• Present results to the Audit Committee</li> </ul>
December 2017 – March 2018	<b>Final fieldwork and deliverables (Single Audit)</b>	<ul style="list-style-type: none"> <li>• Perform final phase of Single Audit (formerly A-133) compliance testing</li> <li>• Meet with management to discuss results</li> </ul>

# Materiality

Materiality is the magnitude of an omission or misstatement that likely influences a reasonable person's judgment. It is ordinarily evaluated against relevant financial statement benchmark(s).

- We believe that total revenues is the appropriate benchmark for the College.
- We believe total expenditures for each major program are the appropriate benchmarks for the Single Audit.

Financial statement items greater than materiality are within our audit scope. Other accounts or classes of transactions less than materiality may be in our scope if qualitative risk factors are present (for example, related party relationships or significant unusual transactions).

# Views of those charged with governance

## Discussion points

- Risks of fraud
- Awareness of fraud
- Awareness of related party transactions; understanding of purpose of related party transactions
- Awareness of whistleblower tips or complaints
- Oversight of management's risk assessment process
- Views about the College's objectives and strategies and related risks of material misstatement
- Awareness of any internal control matters and views about management's response
- Oversight of financial reporting process
- Actions taken in response to developments in law, accounting standards and corporate governance matters
- Actions in response to our previous communications, if any

# Use of the Work of Others

## Specialists

GT Pricing group – Valuation of investment portfolio

GT Actuarial group – Review of assumptions & methodology underlying the calculation of the IBNR claims liability for self-insured medical and pharmacy plans as provided to CCP by third party actuary at Alliant Insurance Services

GT Tax group - Review of UBIT and tax positions

# Significant Risks and other areas of focus

The following provides an overview of the areas of significant audit focus based on our risk assessments.

Areas of focus	Procedures
Tuition revenue, auxiliary enterprises and related receivables/deferred revenue	<ul style="list-style-type: none"> <li>• Perform reasonableness test on tuition, student aid and auxiliary revenue amounts.</li> <li>• Perform deferred revenue testing to determine proper cut-off.</li> <li>• Inquire of management about the allowance methodology and, policies governing additional charges or other steps taken (e.g., cannot register, cannot attend commencement) for lack of payment of student account.</li> <li>• Review management's analysis of allowances for doubtful accounts for consistency with methodology and accuracy of inputs.</li> </ul>
GASB 68	<ul style="list-style-type: none"> <li>• Ensure pension liabilities are recorded appropriately in accordance with GASB 68.</li> </ul>



# Significant Risks and other areas of focus (continued)

The following provides an overview of the areas of significant audit focus based on our risk assessments.

Areas of focus	Procedures
Valuation of Investments and related earnings	<ul style="list-style-type: none"> <li>• Review of compliance with the College's investment guidelines, policies, procedures and controls.</li> <li>• Test valuation of publicly traded investments using an independent pricing source.</li> <li>• Tested valuation of investments that are not publicly traded by performing an independent assessment of the valuation methodology and testing roll forward period of alternative investments and obtaining underlying audited financial statements of the respective funds.</li> <li>• Test reasonableness of investment-related income, including unrealized appreciation/(depreciation) in fair market values.</li> <li>• Review investments for impairment.</li> <li>• Obtain SSAE16 reports from investment custodians.</li> </ul>



# Significant Risks and other areas of focus (continued)

The following provides an overview of the areas of significant audit focus based on our risk assessments.

Areas of focus	Procedures
State and Federal Grants & Contracts	<ul style="list-style-type: none"> <li>• Review contract documents to obtain understanding of the terms.</li> <li>• Compare revenues and recorded expenses to determine that amounts are being recorded appropriately based upon the terms of the contracts.</li> <li>• Review any deferred amounts for reasonableness.</li> <li>• Agree any subsequent collections to year-end receivable balances.</li> <li>• Review propriety of financial statement presentation and disclosure.</li> </ul>



# Significant Risks and other areas of focus (continued)

The following provides an overview of the areas of significant audit focus based on our risk assessments.

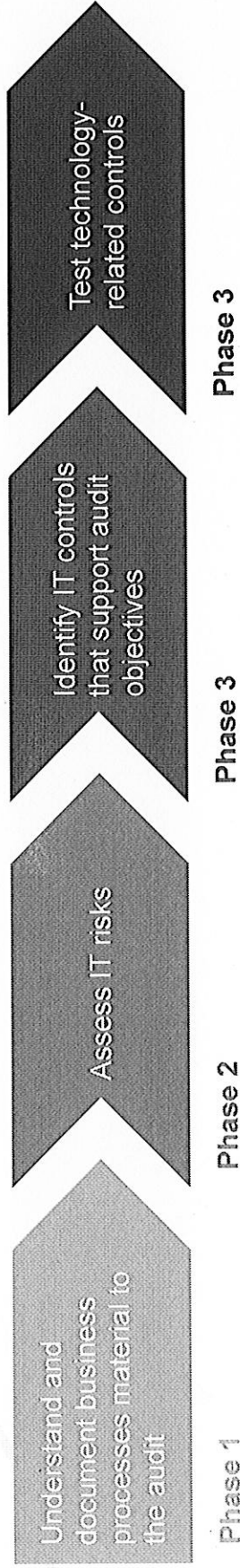
Areas of focus	Procedures
State & city appropriations	<ul style="list-style-type: none"> <li>• Obtain detail of appropriations received from the state for fiscal year.</li> <li>• Confirm amounts with state, agreeing to revenue recorded in general ledger.</li> <li>• Review receivable, determining calculation is correct based on cash received and amounts outstanding based on confirmation.</li> </ul>
Compliance with Uniform Guidance (formerly OMB Circular A-133)	<ul style="list-style-type: none"> <li>• Identify major program(s) and determined the compliance requirements that are direct and material.</li> <li>• Identify key controls over compliance and tested those controls.</li> <li>• Select a sample of transactions subject to compliance requirements.</li> </ul>

# Significant Risks and other areas of focus (continued)

The following provides an overview of the areas of significant audit focus based on our risk assessments.

Areas of focus	Planned procedures
Accounting Estimates	<p>The preparation of the College's financial statements requires management to make multiple estimates and assumptions that affect the reported amounts of assets and liabilities as well as the amounts presented in certain required disclosures in the notes to those financial statements. The most significant estimates relate to the allowance for doubtful accounts, useful lives of fixed assets, valuation of Level 2 investments which are based on NAV per share, actuarial estimates for the College's post-retirement benefit plan (OPEB) under GASB 45, and actuarial estimates for the College's self-insurance medical claims liability (IBNR). Our procedures have been designed in part, to review these estimates and evaluate their reasonableness.</p>
Financial Statement Disclosures	<p>Our procedures will also include an assessment as to the adequacy of the College's financial statement disclosures to ensure they are complete, accurate and appropriately describe the significant accounting policies employed in the preparation of the financial statements and provide a detail of all significant commitments, estimates and concentrations of risk, amongst other relevant disclosures required by accounting standards and industry practice.</p>

# Technology support as part of the audit process



An important component of our audit approach is to understand how IT is used in supporting business operations and producing financial reports. Our technology specialists place particular emphasis on the risks relating to the use of technology and its associated controls, processes and practices.

Our general controls review evaluates the design of controls that mitigate risk in areas such as organization and operations, protection of physical assets, application systems development and maintenance, access controls and computer operations.

## In-Scope Application: Banner

- Banner Financial Aid Module Review
- Administrator Access & Password Testing



# Technology support

## Results of procedures performed on Banner

Application	Results
Banner	<p><u>Segregation of Duties &amp; Employee Transfers</u></p> <p>We noted that Gim Lim - Controller (formerly Director of Financial Aid) for a period of time (4/5/2017- 4/21/2017) retained elevated access to the Financial Aid module as well Financial Reporting access within Banner. While this access was known by IT due to a role change – the access in both the financial aid module and to perform financial reporting was maintained, as the individual was tasked with continuing to perform responsibilities within his old job function while already taking on responsibilities in his new role.</p> <p>Additionally, IT is not always notified of changes to legacy access. There is a process to notify IT when there is a termination, but there is no formal requirement to notify IT when there is a change to a user's role/rights. Therefore, new access may be granted when a user changes their position, but legacy access may not always be removed.</p> <p>We recommend that IT enforce legacy access removal indications on a user access form to be completed by the supervisor of the transferring employee. This will ensure that users only retain access needed for their roles and responsibilities as access to multiple modules could result in unauthorized and undetected changes.</p> <p><u>Management's FY17 Response:</u>  <i>Management considers a smooth transition of the controller's responsibilities an important priority. During the period mentioned Gim Lim was not tasked with any responsibilities for his future role other than to attend meetings and prepare for the transition. He had no operational or functional responsibilities in Finance. Furthermore, he had no maintenance access to Banner student accounts, receivables and billings. Other controls were also in place, e.g., signature authority, approval process, and system logging by user ID in Banner.</i></p>

# Summary of Adjustments (\$000s)

Description	Increase (Decrease) to:			Change in Net Assets
	Assets	Liabilities	Net Assets	
<u>Recorded adjustments</u>				
None noted.				
<u>Unrecorded adjustments</u>				
DR. Deposits, Current	\$ -	\$ (250,000)	-	-
CR. Deposits, Noncurrent	\$ -	\$ 250,000	-	-
<i>To reclassify security deposit for parking garage property to non-current based on the nature of the agreement.</i>				
Net impact	\$ -	\$ -	\$ -	\$ -

Management believes the unrecorded adjustments are immaterial to the financial statements. Unrecorded misstatements could be potentially material to future financial statements. As such, we request that these unrecorded adjustments be corrected.

# Disclosure Adjustments

## Recorded disclosure adjustments

The following is a description of adjustments to disclosures identified during the audit that were made by the College:

- **None noted.**

## Unrecorded disclosure adjustments

The following is a description of omitted, incomplete or inaccurate disclosures identified during the audit that were not made by the College:

- **None noted.**

# Internal Control Matters

## Our responsibility

- Obtain reasonable assurance about whether the financial statements are free of material misstatement
- Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control
- We express no opinion on the effectiveness of internal control
- Control deficiencies that are of a lesser magnitude than a significant deficiency will be (or were) communicated to management.

## Definitions

- A deficiency in internal control ("control deficiency") exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect, misstatements on a timely basis.
- A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the College's annual or interim financial statements will not be prevented or detected on a timely basis.



# Other Required Communications

**Disagreements with management**  
None noted.

**Management's consultations with other accountants**  
None noted of which we are aware.

**Other findings or issues**  
None noted. No modifications to the report are deemed necessary and we are not aware of the audited financial statements being included in another document, such as an annual report.

# Other Required Communications (continued)

## Significant difficulties encountered during the audit

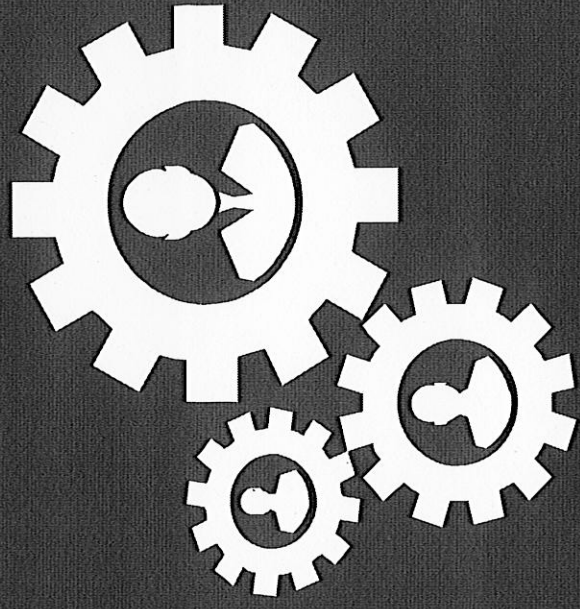
None noted.

## Related parties and related party transactions

We did not identify any of the following matters through the course of our audit procedures:

- Identification of significant related party transactions that have not been appropriately authorized and approved
- Nondisclosure (whether intentional or not) by management of related parties or significant related party transactions
- Disagreement with management regarding the accounting for, and disclosure of, significant related party transactions
- Noncompliance with applicable laws and regulations prohibiting or restricting specific types of transactions
- Difficulties in identifying the party that ultimately controls the entity

# Quality of Accounting Practices and Alternative Treatments



# Quality of Accounting Practices and Alternative Treatments

## Accounting policies

Accounting policies are consistent with those of prior year and are outlined in Note A of the financial statements.

## Accounting estimates

Significant estimates are described in Note A of the financial statements. These estimates include:

- Allowance for doubtful accounts
- Useful lives of fixed assets
- Valuation of Level 2 investments which are based on NAV per share
- Actuarial estimates for the College's post-retirement benefit plan (OPEB) under GASB 45
- Actuarial estimates for the College's self-insured medical claims liability (IBNR)

# Quality of Accounting Practices and Alternative Treatments (continued)

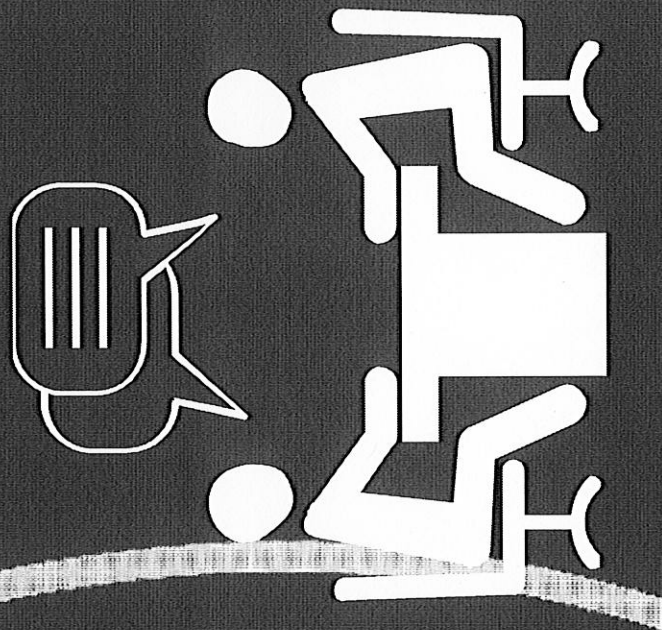
## Disclosures

Financial statements and the disclosures therein are clear and complete in accordance with GASB pronouncements.

## Other related matters

The effects of the refunding of the 2007 Series Bonds and issuance of the 2017 Series Bonds are appropriately disclosed in the financial statements.

# Other Matters



# Commitment to Promote Ethical and Professional Excellence

We are committed to promoting ethical and professional excellence. To advance this commitment, we have put in place a phone and Internet-based hotline system.

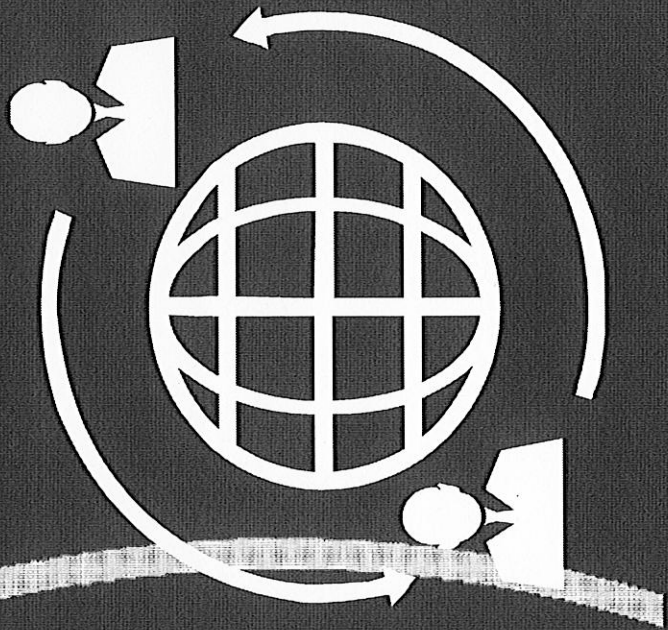
The Ethics Hotline (1.866.739.4134) provides individuals a means to call and report ethical concerns.

The EthicsPoint URL link

- Can be found on our internal website
- Can be accessed from our external website ([https://secure.ethicspoint.com/domain/en/report\\_custom.asp?clientid=15191](https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=15191))

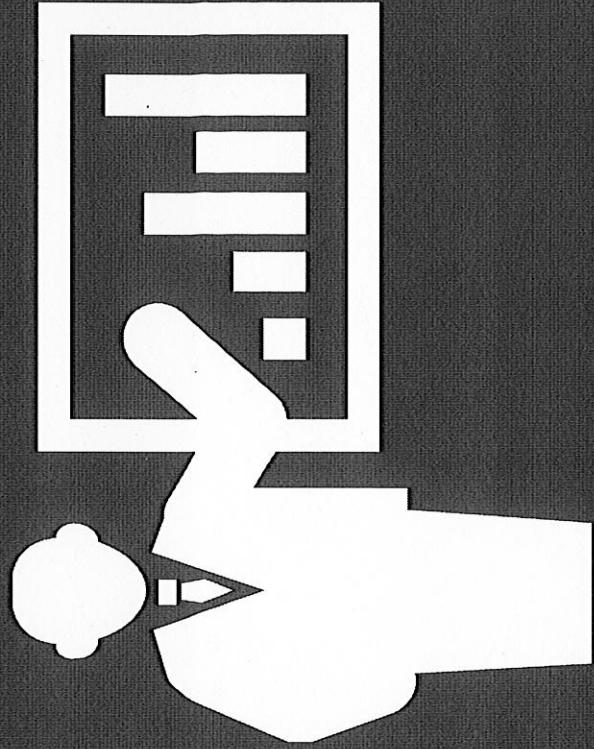
Disclaimer: EthicsPoint is not meant to act as a substitute for a College's "whistleblower" obligations.

# Technical Updates & Current Events





# Accounting Updates



# Selected pronouncements effective for the year ending June 30, 2017 or subsequent periods - GASB

Title	Effective date
GASB 75- <i>Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions</i>	Periods beginning after June 15, 2017
GASB 81- <i>Irrevocable Split-Interest Agreements</i>	Periods beginning after December 15, 2016
GASB 82- <i>Pension Issues, an Amendment of GASB statements 67, 68 and 73</i>	Periods beginning after June 30, 2016, except in certain circumstances
GASB 83- <i>Certain Asset Retirement Obligations</i>	Periods beginning after June 15, 2018
GASB 84- <i>Fiduciary Activities</i>	Periods beginning after December 15, 2018
GASB 85- <i>Omnibus 2017</i>	Periods beginning after June 15, 2017
GASB 86- <i>Certain Debt Extinguishment Issues</i>	Periods beginning after June 15, 2017
GASB 87- <i>Leases</i>	Periods beginning after December 15, 2019



# GASB Statement 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions

Summary	Potential impact
<ul style="list-style-type: none"> <li>• GASB 75 replaces the requirements related to OPEB accounting and reporting currently provided in GASB 45 and 57</li> <li>• GASB 74 established new accounting and financial reporting requirements for the financial statements of the state and local government OPEB plans</li> <li>• State and local governments providing defined benefit OPEB plans administered through a trust meeting certain criteria must report a net OPEB liability on the face of their financial statements, similar to the requirement to report the net pension liability in accordance with GASB 68.</li> <li>• Provides a more comprehensive measure of OPEB expense than is currently required, which better reflects when the benefit cost is incurred.</li> <li>• Requires more extensive disclosures and required supplementary information</li> <li>• Effective for fiscal years beginning after June 15, 2017, with early adoption encouraged. Similar to adoption of GASB 68 (Pensions), retrospective adoption is required.</li> </ul>	<p>Colleges with OPEB plans will most likely need to reflect an obligation related to their proportionate share of the unfunded liability related to OPEB, similar to the recognition of a pension liability in connection with the adoption of GASB 68. As with GASB 68, extensive planning and discussions among all parties (management, state government contacts and others) is critical to a successful adoption.</p> <p>Colleges should begin to evaluate the information needed to adopt the guidance as a significant portion of that information may come from state or other related entities. Because many plans are "pay as you go," the impact of recording this liability could be significantly greater than the recognition of a pension liability, where there may have been existing plan assets to partially offset the liability.</p>

# GASB Statement 81, Irrevocable split-interest agreements

Summary	Potential impact
<ul style="list-style-type: none"> <li>• Scope includes irrevocable split-interest agreement giving arrangements for which the government is the intermediary (trustee or agent) and a beneficiary, as well as beneficial interests in resources held and administered by third parties</li> <li>• Guidance establishes accounting for Lead Interests (government is a recipient of payments during the term of the agreement) and Remainder Interests (government is the beneficiary when the agreement terminates, and makes payments to non-government beneficiary – typically the donor or designee of the donor- during the term of the agreement) as well as life-interest in real estate and charitable annuity gifts.</li> <li>• Accounting requires recognition of an asset, liability and deferred inflow. When assets are held by third parties, the recognition will be an asset and a deferred inflow, with no need for a corresponding liability. There will be an annual re-measurement in subsequent periods.</li> <li>• Effective for periods beginning after 12/15/2016, with early adoption permitted. Retrospective application should be applied.</li> </ul>	<p>Because there has been some diversity in practice related to accounting for irrevocable split-interest agreements, some Colleges may need to reflect new accounting, primarily the recognition of deferred inflows, associated with these arrangements. Management should begin to inventory the current agreements in place to determine the impact of this standard on current accounting and reporting.</p>



# GASB Statement 83, Certain Asset Retirement Obligations

Summary	Potential impact
<ul style="list-style-type: none"> <li>• Objective is to develop requirements on recognition and measurement for asset retirement obligations (ARO), other than landfills (GASB 18) or pollution remediation obligations (GASB 49), such as nuclear power plants and sewage treatment facilities</li> <li>• The pronouncement addresses the following:               <ul style="list-style-type: none"> <li>- Establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources when a governmental entity has a legal obligation to perform future asset retirement activities related to its tangible capital assets</li> <li>- Proposes capitalization of the ARO as a deferred outflow of resources, to be amortized in a systematic and rational manner (such as the straight-line method), generally over the life of the related asset giving rise to the obligation</li> <li>- Requires disclosures regarding governmental entity legal requirements to provide funding or other financial assurance for their performance of asset retirement obligations (e.g., how are those requirements being met) as well as nature and timing of AROs, method used to determine the estimated liability and useful life of the associated tangible asset.</li> </ul> </li> <li>• Effective for periods beginning after June 15, 2018. Earlier application is encouraged.</li> </ul>	<p>Similar to the efforts Colleges underwent when adopting GASB 49, management should inventory any activity whereby there is a related obligation to dispose of certain assets subject to regulatory and legal requirements. With that list, management must calculate the expense of that effort and track it annually. The effort to inventory these assets/costs may require input from facilities and potentially other areas of the College and the process to estimate costs of future events may also require assistance from facilities and other departments.</p>

# GASB Statement 84, Fiduciary Activities

Summary	Potential impact
<ul style="list-style-type: none"> <li>• Guidance addresses the following:               <ul style="list-style-type: none"> <li>- The categorization of fiduciary activities for financial reporting</li> <li>- How fiduciary activities are to be reported</li> <li>- When liabilities to beneficiaries must be disclosed</li> </ul> </li> <li>• Types of fiduciary funds that must be reported include the following:               <ul style="list-style-type: none"> <li>- Pension (and other employee benefit) trust funds</li> <li>- Investment trust funds</li> <li>- Private-purpose trust funds</li> <li>- Custodial funds</li> </ul> </li> <li>• A government controls the assets of an activity if it holds the assets or "has the ability to direct the use, exchange or employment of the assets in a manner that provides benefits to the specified or intended recipients"</li> <li>• Fiduciary activities must be disclosed in the basic financial statements of the government entity and a state of fiduciary net position and changes in fiduciary net position should be presented (unless the period of custody is less than three months).</li> <li>• Effective for periods beginning after December 31, 2018, with early adoption encouraged.</li> </ul>	<p>Colleges often will agree to act as a fiduciary for certain third party organizations that might be somehow affiliated to the College (such as student clubs, alumni clubs, or other such organizations). Under this new requirement, the College must report the fiduciary activity on its financial statements, where it may not have done so in the past. Management should identify which fiduciary activities it is engaged in to inventory the relationships which may need to be reported. Management may want to consider changing the terms of the relationships such that they are not subject to reporting on the financial statements of the College when the requirement becomes effective.</p>



# GASB Statement 86, Certain Debt Extinguishment Issues

Summary	Potential impact
<ul style="list-style-type: none"> <li>The purpose of this guidance is to achieve consistency regarding accounting for the defeasance of debt irrespective of the source of funds set aside in an irrevocable trust for the purpose of funding the remaining debt (source of funds could be proceeds from a refunding arrangement or existing sources within the governmental entity).</li> <li>New guidance clarifies the accounting for debt extinguishment when the source of the assets to be set aside in an irrevocable trust is existing resources rather than refund proceeds. When all of the other criteria for substance defeasance are in place, the debt is removed from the statement of net position and is disclosed in the footnotes in either scenario.</li> <li>GASB 86 also requires that any remaining prepaid insurance related to the debt being extinguished must be included in the net carrying amount of that debt (to determine gain or loss on refunding).</li> <li>Disclosures include a description of the transaction in the related period and remaining amounts outstanding in each subsequent period that the debt remains outstanding.</li> <li>Effective for periods beginning after June 15, 2017, with early adoption encouraged. Changes to adopt this standard should be applied retroactively.</li> </ul>	<p>Depending on how colleges fund the irrevocable trust related to debt extinguishments, the new standard may create additional situations where debt will be "removed" from the statement of net position, and disclosed in the footnotes to the financial statements. For colleges considering future refundings, there is no longer a distinction in the accounting if the source of funds to be placed in an irrevocable trust are from existing resources or refunding arrangements.</p>

# GASB Statement 87, Leases

Summary	Potential impact
<ul style="list-style-type: none"> <li>• The GASB recently issued guidance which follows the recently issued FASB guidance on leases closely in an effort to further align accounting for leases by governments with non-governmental entities.</li> <li>• To determine whether a lease exists, a government should assess whether it has both:               <ol style="list-style-type: none"> <li>1) The right to obtain the present service capacity from use of the underlying asset as specified in the contract, and</li> <li>2) The right to determine the nature and manner of use of the underlying asset as specified in the contract</li> </ol> </li> <li>• For Lessees:               <ul style="list-style-type: none"> <li>- In general, all leases will be reported on the statement of net position (the distinction between operating and capital leases is no longer relevant) as a "right of use" asset and a corresponding lease liability within long term debt</li> <li>- On the statement of changes, rent expense will be replaced by amortization expense of the right-of-use asset as well as interest expense on the lease liability (thus accelerating expenses in the beginning years of the lease term)</li> <li>- There is an exemption for short term leases (those with a term of 12 months or less, including extension options) as well as leases that transfer ownership at the end of the term</li> <li>- Disclosures regarding matters such as total leased assets by major class of underlying assets and related accumulated amortization (in total), principal and interest payments for each of the five subsequent fiscal years and in five year increments thereafter and commitments under leases before a lease commencement period, among other items</li> </ul> </li> <li>• Effective for periods beginning after December 15, 2019, with early adoption encouraged. Existing lease will be adjusted based on the remaining lease payments as of the beginning of the period of adoption or beginning of any earlier periods restated (for example, for June 30 year ends, adoption is June 30, 2021 so the beginning period is July 1, 2020).</li> </ul>	<p>For those colleges which use operating leases to finance certain capital activities, this standard could have a significant impact on the financial statements of the College upon adoption. Management should consider the impact on financial covenants, as well as ensuring a complete inventory of existing leases that will be subject to the new accounting and disclosures.</p>



# GASB projects

Project	Timing
Financial Reporting Model- Reexamination of Statements 34, 35, 37, 41 and 46, and Interpretation 6	Evaluation of feedback from Invitation to Comment in process, planned issuance of final standard in 2021.
Debt disclosures, including Direct Borrowing	Exposure Draft issued in June 2017, with comment period through October 2017
Revenue and expense recognition	Initial deliberations, with an Invitation to Comment expected in early 2018.
Recognition (conceptual framework)	GASB is redeliberating on results from comments on preliminary views
Capitalization of interest costs	Recently added to the agenda

## GASB pre-agenda research

- Conduit debt
- Going concern disclosures
- Information technology arrangements, including cloud computing
- Note disclosures reexamination
- Public-private partnerships, including reexamination of Statement 60
- Social Impact Bonds



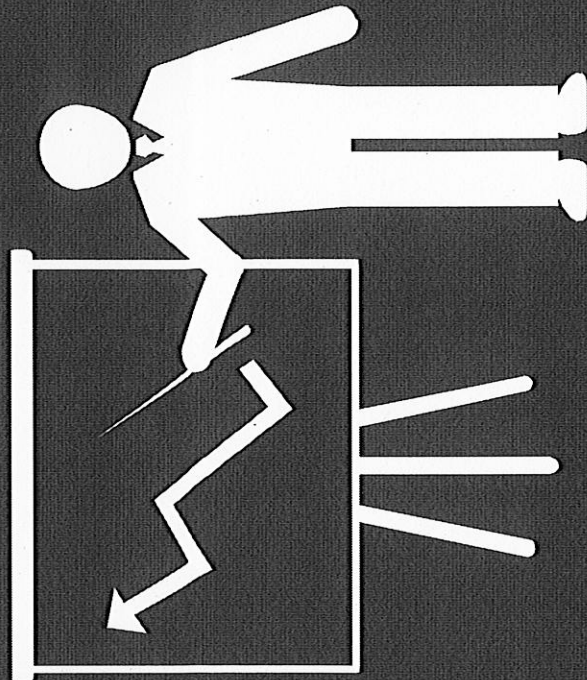
Grant Thornton

2017 Presentation to the Audit Committee of Community College of Philadelphia September 2017

# GASB major project – Financial Reporting Model

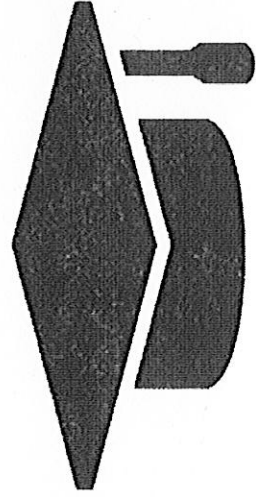
Summary	Potential impact
<ul style="list-style-type: none"> <li>• GASB is revisiting its reporting model established in GASB 34 and 35, as well as other GASB standards, following the FASB project to revisit the reporting model of NFP entities.</li> <li>• Although there is general consensus that most of the components of the financial reporting model are effective, the Board determined that there is a need to update guidance related to several categories, focusing on the following:               <ul style="list-style-type: none"> <li>- MD&amp;A</li> <li>- Government-wide financial statements</li> <li>- Major funds</li> <li>- Governmental fund financial statements</li> <li>- Proprietary fund and business-type activity financial statements</li> <li>- Fiduciary fund financial statements</li> <li>- Budgetary comparisons</li> </ul> </li> <li>• Other options to permit more timely and less complex financial reporting will be explored in conjunction with other topics</li> <li>• The Board is redeliberating based on feedback from invitation to comment and public meetings. Tentative timing for issuance of final guidance is projected to occur in 2021.</li> </ul>	<p>Similar to the significant impact on reporting and disclosures when GASB 34 and 35 were issued, this proposed guidance could have sweeping effects on the reporting and disclosures by public colleges and universities. Depending on how much the GASB looks to what is being done by the FASB on the NFP reporting model, there could be an increase in comparability between the two types of entities that currently use very different reporting models.</p> <p>Three of the business type activities issues that the GASB is considering that are particularly relevant to public universities are guidance on the operating indicator, MD&amp;A and extraordinary and special items.</p>

# Industry Updates

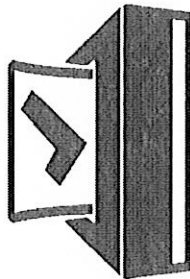


# Key Themes in 2017

- Good news:
  - Colleges and universities are holding steady, with flat or modest revenue increases accompanied by warning signs
  - More and more experiments with "business model" are occurring
- Not so good news:
  - Revenue is highly constrained with limited prospects of improvement
  - Price sensitivity (restraint on net price increases) continues
  - Demographics worrisome in East and Midwest
  - No help from Washington



# Washington Update: General



1

**Six year gridlock has ended:** Republicans in control of both White House & Congress; but Republicans don't always agree (see ACA failure), and Courts remain a wild card

2

**Implementation likely to be slow and/or uneven:** Administration has been slow getting started; its capacity to implement is uncertain; and big issues (other than higher education) are taking priority

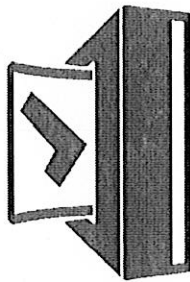
3

**Much remains uncertain and unspoken.** Higher education is seldom mentioned.

4

**Hard to find anything that will help the industry.** No likelihood of support for increased funding or for policy changes that would be helpful to colleges and universities.

# Washington Update: Collateral to Higher Ed



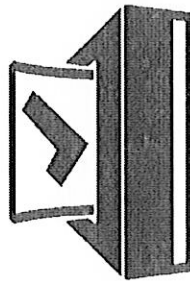
1 **Immigration, including DACA:** Negative impact on trend toward globalization; insecurity of existing students & faculty; less international students & faculty; stifled programs abroad

2 **Deregulation Ethos:** End of high level of regulation on for-profit higher education; less oversight of civil rights and Title IX; support for student loans from private banks

3 **Budget Priorities:** Desire for balanced budget and for increased spending on military & infrastructure means less for student aid, research funding, and oversight

4 **Investment Climate/Tax Code Changes:** Investment returns very positive right now; strong market plus tax code changes could improve fund raising

# Washington Update: Specific to Higher Ed



1

**"Free tuition"**: Being proposed by governors and adopted in in some states; potential negative impact on private colleges in those states

2

**Private loans v. direct lending**: Likely reversal of Obama rule allowing only direct loans (by and from Federal government), re-introducing bank private loans into marketplace

3

**Much remains uncertain and unspoken**. Higher education is seldom mentioned. Policy positions in Department of Education remain mostly unfilled.

4

**Civil rights**. Enforcement of Title IV (sexual assault) is being stalled. Republican platform specifically excluded LGBTQ rights from Title IX enforcement. Obama trans "bathroom" regulations already eliminated.

# Moody's



"Stable with Clouds  
Forming on the  
Horizon"

Second year in  
a row of  
"stable"  
rather than  
"negative"

- Revenue growth
- Modest net tuition growth
- Incremental increases in state appropriations
- Stable research funding\*

## Clouds on the horizon

- Softening revenues
- Increasing labor costs
- Potential slowing of endowment & gift revenue
- Uncertainty around Federal policies and funding\*

\*issued just after Nov. 2016 election



# Moody's



"Stable with Clouds  
Forming on the  
Horizon"

- Almost one third of small colleges generated operating deficits in FY2016, up from 20% three years ago.
- Net tuition declined at nearly a third of private colleges.
- Proportion of large universities generating deficits declined to 13%, compared to 20% three years ago.



# Standard & Poor's 2017 Sector Outlook

**S&P Global**  
Ratings

## Opportunities

- More schools have shown a **willingness to make difficult decisions** to refine their operations through focused, rather than general, expansion strategies
- Problems of-profit sector could lead to enrollment & program opportunities for nonprofits
- Aging workforce and upcoming retirements could lead to lower tenure rates and salary expenses

## Risks

- **Limited revenue raising flexibility** at smaller schools and **price resistance** for all schools
- Flat or reduced public expenditure for higher education but more government control
- Lower endowment returns

"Significant headwinds"

# "Confident my institution will be financially stable"



Over five years.....

63%

All institutions "agree" or "strongly agree"

63%

Public universities "agree" or "strongly agree"

62%

Nonprofit private colleges "agree" or "strongly agree"

Over ten years.....

52%

All institutions "agree" or "strongly agree"

49%

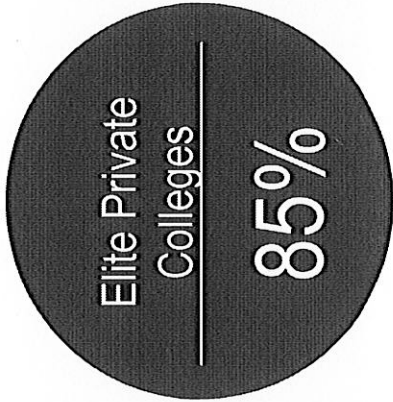
Public universities "agree" or "strongly agree"

54%

Nonprofit private colleges "agree" or "strongly agree"

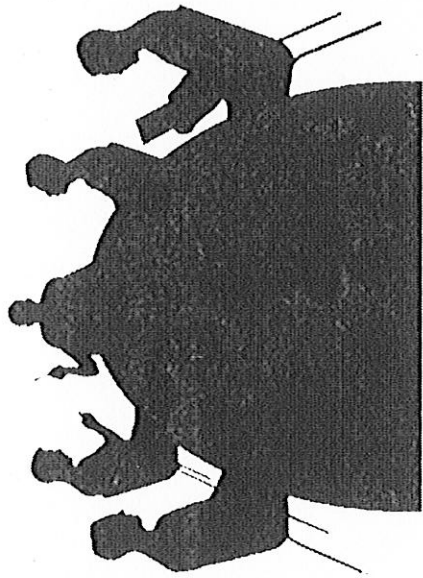


# "Confident my institution will be financially sustainable over ten years"



Private tuition dependent colleges see themselves as most at risk!

# What do business officers say?



- **Only 54% are confident in their institution's financial stability over the next ten years (*Inside Higher Ed survey in 2016*)**
- **One in four complained about “resistance to change” on their campuses (*NACUBO survey in 2016*)**

# Price resistance

- **Price resistance is growing.**
- 18.6% of students who were admitted to their top choice of college or university in 2016, but decided not to go there, turned it down because of the cost of attendance
- 39.9% who turned down their college of first choice did so for a reason related to cost, such as financial aid received from another college, non-need based scholarships, or "a college's value"
- Results not much different between SAT score levels or minority status

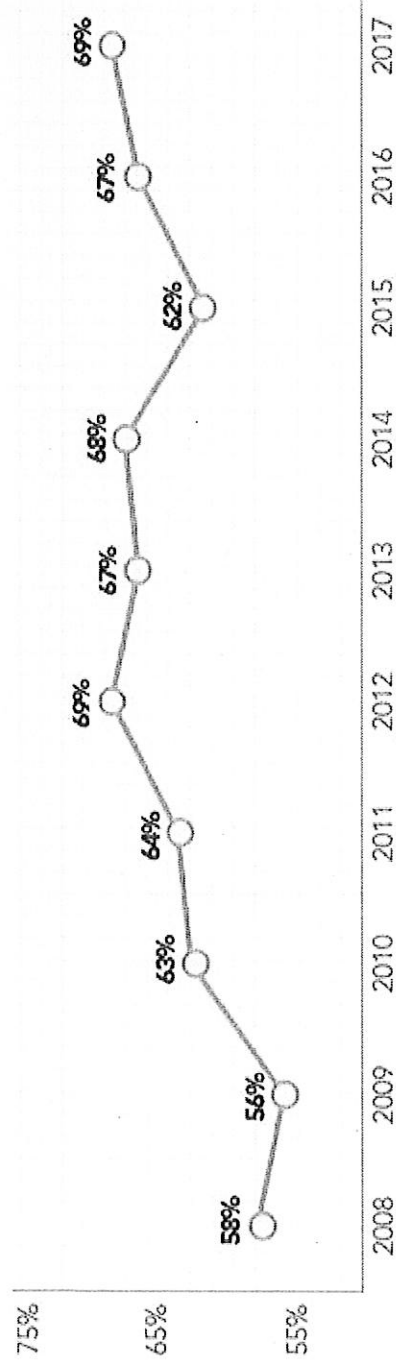
Reason for Not Attending College of First Choice	Percentage of Students Citing
Cost of attendance	18.6%
Campus environment	9.4%
Location of the school	9.3%
The financial aid I received	9.1%
Academic reputation	8.1%
Proximity to home	7.6%
Offered the major I wanted	6.6%
The merit-based scholarship I received	6.3%
Best value	5.9%
Reputation in my intended field of study	4.9%
The size of the school/number of students	3.8%
Athletic programs	3.3%
Overall Reputation	3.0%
Legacy/family member attended the school	1.8%
Amount of contact after admission	1.1%
Timing of my financial aid award	1.0%
Amount of contact before application	0.4%

# Price resistance

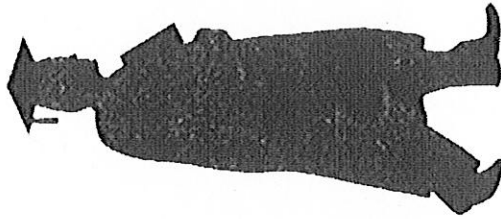
- Price resistance is growing.
- Last year 69% of parents/prospective students eliminated some colleges from their selections because of cost, a number that jumped from 58% ten years ago.

Figure 5

Elimination of Colleges from Selection Set Due to Cost, over Time



# Net tuition revenue pressures

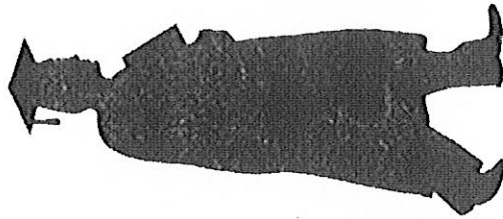


- Chronicle of Higher Education survey:
- Four in ten private colleges and almost three in ten public ones **missed their goals for enrollment and net tuition revenue in 2016**, a track record similar to the prior three years.
- College Board:
- **Net tuition revenue has been essentially flat** in the two years most recently available, for private baccalaureate and master's level colleges
- Moody's
- **"Low gains in tuition revenue are the 'new normal' for colleges" and**
- "Institutions that lack a distinct brand or strong value proposition are bearing the brunt of an increasingly value-oriented consumer"



# Net tuition revenue pressures (part two)

- NACUBO Tuition Discounting Study:
- Net revenue growth projected at just over 1% for freshman, a decrease from prior year, and 37.5% of institutions had enrollment declines among both first-year classes and their entire student bodies from 2014-15 to 2015-16.
- More than half of institutions, 51.2%, reported a decrease in total undergraduate enrollment, and 53.5% said freshman enrollment dropped.



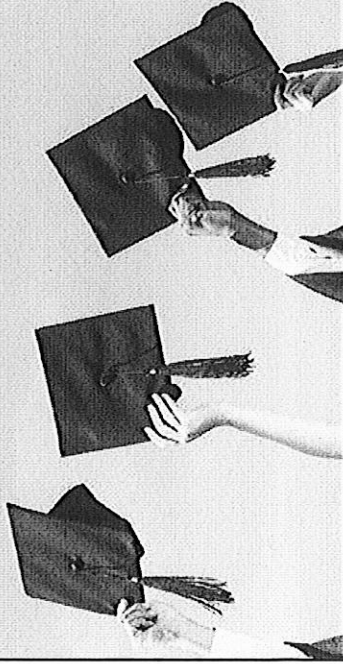
# Demographics

- Number of high school graduates
  - Plateau nationally
  - Ongoing declines in east and Midwest
- Ethnicity of higher school graduates
  - Decline of non-Hispanic whites
  - Growth of Hispanics

**KNOCKING**  
AT THE COLLEGE DOOR

Projections of High School Graduates • December 2016

Peace Bransberger Demarée K. Michelau

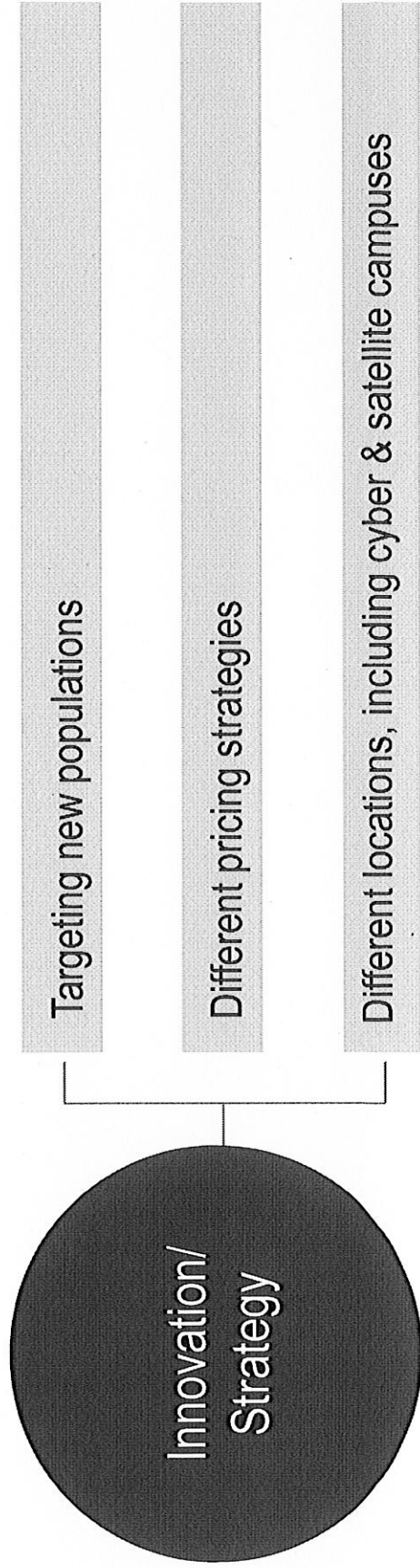


WICHE  
Western Interstate Commission  
for Higher Education

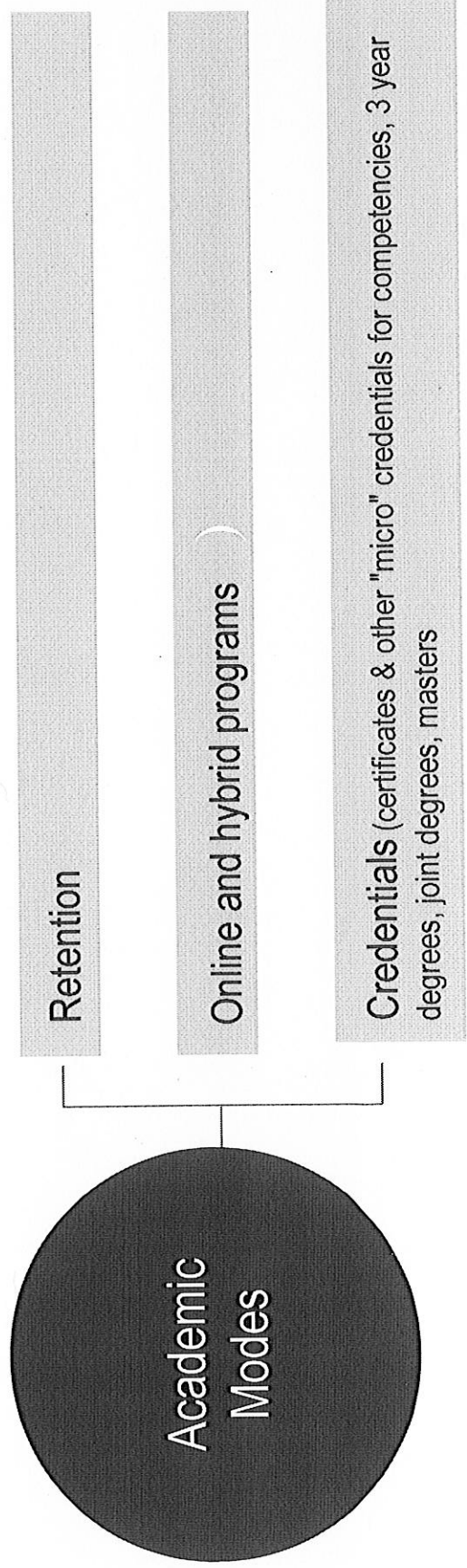
with support from  
**ACT** CollegeBoard

- WICHE 9<sup>th</sup> Ed., issued Dec. 2016

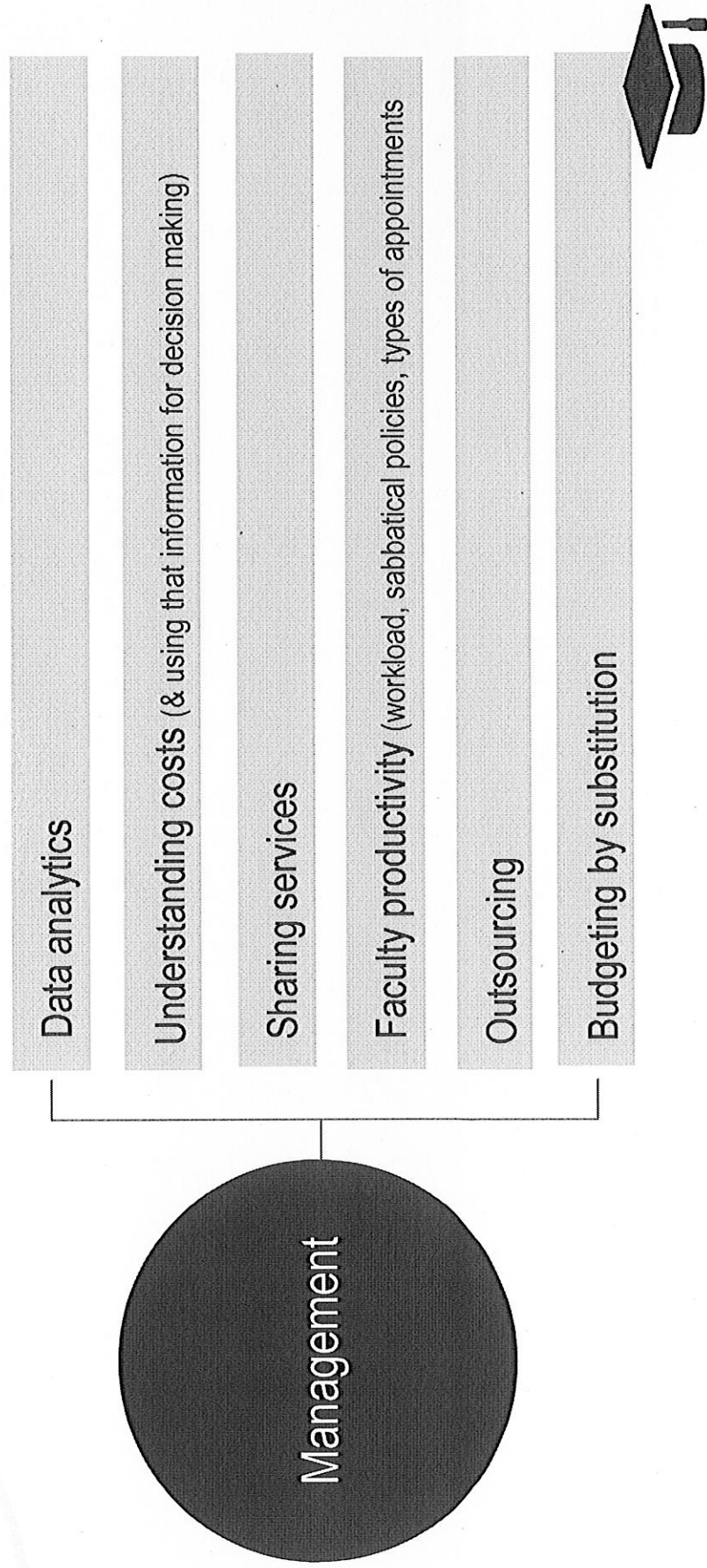
# What are colleges doing to generate financial return?



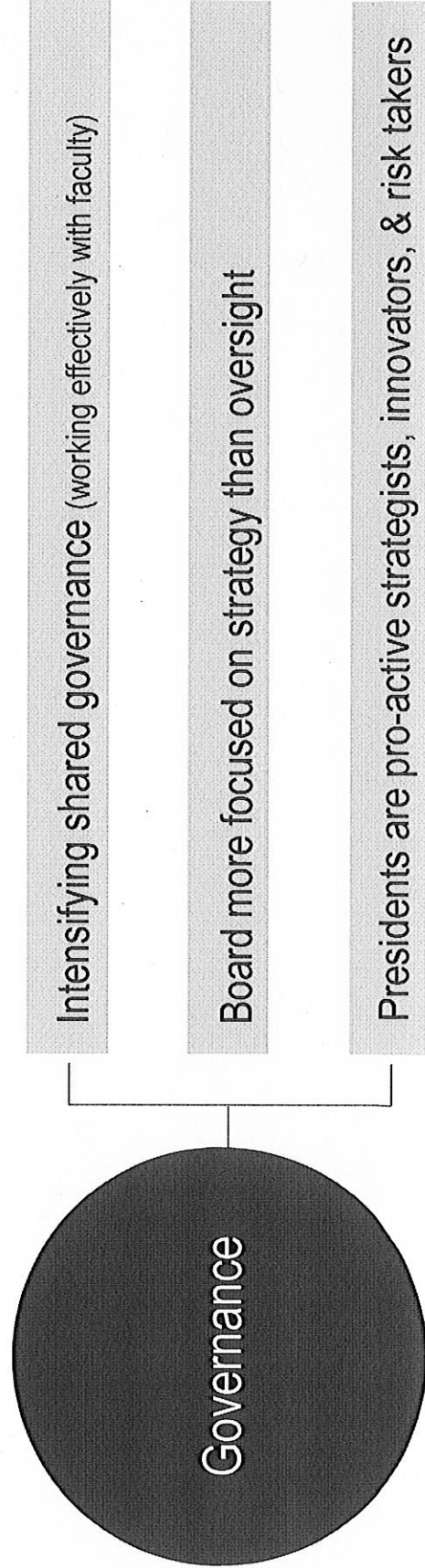
# What are colleges doing to generate financial return?



# What are colleges doing to generate financial return?



# What are colleges doing to generate financial return?

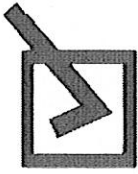


# What some universities are doing but should not

- Overspending from endowment
- "Borrowing" from endowment / restricted funds
- Using debt, in excess, for liquidity purposes
- Running deficits without a plan
- Overbuilding
- Selling physical assets without a plan
- Deferring maintenance

"A college's greatest enemies are complacency and nostalgia"

# Changes to consider going forward



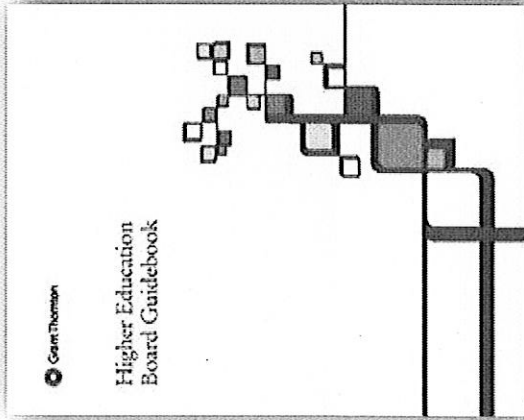
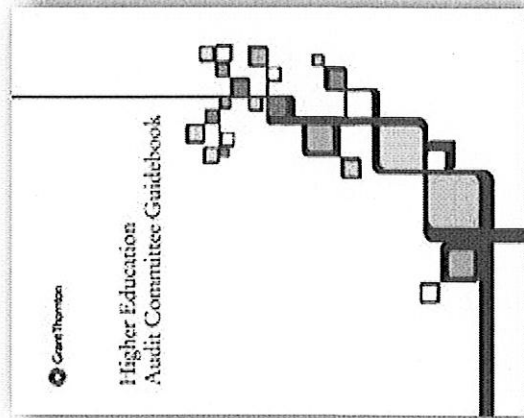
- Making the case for value of higher education
- Finding paths to success for new student populations
- Developing capacity for change
- Adjusting to lower net student revenue and modest growth in government support
- Delivering education in different styles and formats (including cheaper)
- Holding all stakeholders committed to common purpose






# Additional Resources

[www.granthornton.com/industries/NFP](http://www.granthornton.com/industries/NFP)



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*This communication is intended solely for the information and use of management and the Audit Committee of Community College of Philadelphia and is not intended to be and should not be used by anyone other than these specified parties.*



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# **ATTACHMENT D**

## **Internal Audit Plan 2016-2018 Update**

# COMMUNITY COLLEGE OF PHILADELPHIA

Date: September 28, 2017  
To: Audit Committee Members  
From: Robert Lucas, Internal Auditor  
Subject: Internal Audit – Plan Status and Other Information  
Copies: Donald Generals, Judith Gay, Jacob Eapen, Victoria Zellers

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Since the last Audit Committee meeting, the following audit work has been performed:

- Internal audit reports finalized since the last meeting:
  - New Employee Process
  
- Draft internal audit reports in the closing process include:
  - DACE CBO Remote Sites (working with management on revised responses)
  
- Audits in progress to be completed shortly:
  - Disaster Recovery Plan
  
- Completed a full update of the Internal Audit Follow Up Matrix (provided at this meeting).
  
- Issued a memo to management of related internal control and procedural concerns and recommendations related to financial investigation based on ethics complaint via email.

\* \* \* \* \*

# Community College of Philadelphia

## Internal Audit Follow Up Matrix

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
14 10/25/2013	Purchasing Cards Gim Lim / Victoria Zellers	A new expense or travel and entertainment policy is recommended. The purchasing card policy should also be reviewed and updated as necessary and referenced to the new expense policy.	6/30/14 8/31/14 8/31/16	A new travel and entertainment policy will be developed and presented to the Cabinet for their review and input by 6/30/14. A new travel policy has been developed, reviewed by the Cabinet, and is currently being reviewed by members of the Board of Trustees. Target date for implementation is June 30, 2016. New Travel Authorization and Reimbursement Policy was approved and posted 5/6/16.
14A 10/25/2013	Purchasing Cards Gim Lim / Victoria Zellers	A gift card policy is recommended.	8/31/17 11/15/17	A gift card policy has been drafted and a final version is expected to be reviewed by management and implemented by the fall semester. Legal Counsel is reviewing the draft policy and will discuss her recommendations with the Cabinet by June 30, 2017. Policy is scheduled for review by the Cabinet in October with implementation expected by 11/15/17.
22 10/25/2013	Title IX Samuel Hirsch	Internal Audit recommends departmental procedures be documented to help ensure compliance with Title IX as well as the continuity of such procedures.	6/30/14 9/30/17 10/31/17	Procedures related to processes for sexual harassment and for equity in the sports program will be documented by 6/30/14. Title IX language will be included in the Athletics section of the Student Handbook as well as in the Athletics Handbook. Procedures have been documented. The Student Handbook has been updated with language approved by General Counsel. Revised Athletic Handbook will be printed in July 2017 for distribution to athletes beginning with the fall 2017 semester. Handbook has been ordered as of 9/27/17 and delivery expected soon with distribution to student athletes as soon as received.
25 2/14/2014	SDW Contract Jim Spiewak	Internal Audit recommends that the purchasing policies be updated to provide, at a minimum, guidance for contracts when an RFP is not issued (and when the absence of the RFP process is appropriate), the availability of RFP templates for use, guidance or reference, and the need for review and approval of all contracts by the College's General Counsel.	5/31/14 8/31/14 12/31/15 6/30/17	The Purchasing Department will update the policies related to purchasing and contracts by May 31, 2014 to provide better guidance to department managers. Such guidance will be enhanced to include the circumstances under which an RFP need not be issued as long as all other guidelines are followed. The requirement for review of all contracts by General Counsel will also be included in these updates. The AVP of Budgets & Business Services is working with General Counsel to include this requirement in a planned revision of a related policy. Internal policy / procedure has been updated to include the requirement of all contracts to be reviewed by General Counsel. New approval checklist was also developed and includes required signature of General Counsel.

# Community College of Philadelphia

## Internal Audit Follow Up Matrix

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
26	2/14/2014 SDW Contract Jim Spiewak	Internal Audit recommends that the Purchasing Department ensure that all contracts required by policy to be approved by the Board, including those for professional services, are presented to the Board for such approval prior to the execution of such contracts. In addition, the policy does not specify whether contract extensions or renewals are required to be approved by the Board.	2/14/14  8/31/14 6/30/17	Effective immediately, the AVP for Budgets & Financial Services, in conjunction with Purchasing Department, will ensure all contracts required by policy to be approved by the Board are presented for such approval. In addition, the Board will be solicited for their preference of approving renewed contracts which fall in the same financial parameters and the related policies will be updated as necessary.  Management is proposing an increase in the contract amount which requires Board approval. The related policy will be finalized as soon as Board input and approval of the new amount is obtained.  Revised policy was approved by the Business Affairs Committee and then by the full Board on 9/8/17.
45	12/8/2015 ADA / Center on Disability Joan Bush	Internal Audit recommends that the Center on Disability follow the advice expected shortly from the Data Breach Committee in regard to personal identifiable information, especially SSNs, obtained in the processes for adjudicating student requests for accommodations.	2/29/16 6/30/17 (Update of Progress) 12/22/17 (Status Update)	A database designed to manage data on students with disabilities will be reviewed with IT for implementation. No SSN's numbers will be included in the database. Target date for completion is February 29, 2016.  In its 2016-2017 budget, COD management has requested a stand-alone database to manage the online information related to accommodations requested by students. Target date is TBD.
49	4/21/2016 Library Hold Releases Joan Bush	ITS should have full administrative rights to the Millennium program. Senior management should determine whether such rights are shared with library managers.	12/31/16 7/1/17 (Update of Progress) 12/22/17	Library management is currently retaining administrative rights to Millennium but is consulting with ITS to help ensure appropriate access for library staff. Administrative rights are expected to be transferred to ITS when a new (requested) library system is obtained.  RFP for new ILS was posted December 15, 2016. Target date for implementation date is no later than July 1, 2017. ITS administrative role is to be determined before that date.  Target date new ILS implementation is now 12/22/17. ITS administrative role will be determined before that date.
50	4/21/2016 Library Hold Releases Joan Bush	If library staff retain the ability to release holds for fines and lost books, reconciliations of cash collected to released holds must be performed periodically and reviewed by management. Any differences must be investigated and resolved.	12/31/16 7/1/17 (Update of Progress) 12/22/17	Management has convened a team to review the current processes and controls. Potential changes include transferring certain controls to the Bursar's group which will eliminate the need for reconciliations between Millennium records (fines released) and Banner records (cash collected).  An RFP process has begun to acquire a new ILS system and expected to be implemented by 7/1/17 which have interfaces to update Banner records on a timely basis. Fines are expected to be eliminated under new library policies any necessary payments will be directed to the Bursar.  Target date new ILS implementation is now 12/22/17.

# Community College of Philadelphia

## Internal Audit Follow Up Matrix

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
53 4/21/2016	Library Hold Releases Joan Bush	There is limited information transferred from Millennium to Banner. Library management should determine if exact amount of fines can be transferred which will support reconciliations between the systems.	12/31/16 7/1/17 (Update of Progress) 12/22/17	Management has convened a team to review the current processes and controls. Potential changes include transferring certain controls to the Bursar's group which will eliminate the need for reconciliations between Millennium records (fines released) and Banner records (cash collected).  An RFP process has begun to acquire a new ILS system and expected to be implemented by 7/1/17 which have interfaces to update Banner records on a timely basis. Fines are expected to be eliminated under new library policies any necessary payments will be directed to the Bursar.  Target date new ILS implementation is now 12/22/17.
54 4/21/2016	Library Hold Releases Joan Bush	Management should review the dollar amounts of fines and maximums per book to ensure the amounts correlate to the values of borrowed books.	12/31/16 7/1/17 (Update of Progress) 12/22/17	Management has convened a team to review the current fines and lost book charges and propose changes as appropriate to help streamline this process.  Library staff and faculty are developing a proposal for a new borrowing policy by January 13, 2017. Proposal will require senior management approval.  Target date new ILS implementation is now 12/22/17.
55 4/21/2016	Library Hold Releases Joan Bush	ESS management should review system access periodically to ensure access rights are appropriate for the various positions in the library.	12/31/16 7/1/17 (Update of Progress) 12/22/17	Millennium system access has been modified with only a few senior staff having the ability to change any records. All other staff have read-only access. A new (requested) ILS system will support efficient periodic review of staff access to the system with profiles designed with ITS assistance.  An RFP process has begun to acquire a new ILS system and expected to be implemented by 7/1/17. Access rights for the new system will be determined by Library management and reviewed by ESS management.  Target date new ILS implementation is now 12/22/17.
56 4/21/2016	Library Hold Releases Joan Bush	There are too many library staff with system access which include functions which could negatively impact the entire system and its database of records.	12/31/16 7/1/17 (Update of Progress) 12/22/17	Millennium system access has been modified with only a few senior staff having the ability to change any records. All other staff have read-only access. A new (requested) ILS system will support efficient periodic review of staff access to the system with profiles designed with ITS assistance.  An RFP process has begun to acquire a new ILS system and expected to be implemented by 7/1/17. Access rights for the new system will be determined by Library management and reviewed by ESS management.  Target date new ILS implementation is now 12/22/17.

# Community College of Philadelphia Internal Audit Follow Up Matrix

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
57 4/21/2016	Library Hold Releases Joan Bush	There are too many library staff with system access which includes the ability to modify accumulated fines.	12/31/16 7/1/17 (Update of Progress) 12/22/17	Millennium system access has been modified with only a few senior staff having the ability to change any records. All other staff have read-only access. Management is developing appeal procedures which will govern when fines will be modified, who will approve such changes and how they will be documented.  An RFP process has begun to acquire a new ILS system and expected to be implemented by 7/1/17 which have interfaces to update Banner records on a timely basis. Fines are expected to be eliminated under new library policies any necessary payments will be directed to the Bursar.  Target date new ILS implementation is now 12/22/17.
58 4/21/2016	Library Hold Releases Joan Bush	The process for backing up information for library fines is antiquated and subject to loss of the records.	12/31/16 7/1/17 (Update of Progress) 12/22/17	Backup tapes of Millennium Tapes are being given to the ITS department every two weeks. Once a month, ITS will store the backups at Iron Mountain. Any new ILS system will provide digital backup records to address this issue.  An RFP process has begun to acquire a new ILS system and expected to be implemented by 7/1/17 which will have programable, digital backup features.  Target date new ILS implementation is now 12/22/17.
59 5/25/2016	ITS Physical Security Gary Bixby	ITS and Facilities management should take appropriate steps and plans to reduce the risks associated with connectivity rooms left wide open.	6/30/17 6/30/18	ITS management noted that a plan to move the connectivity hardware to a separate room. ITS management states that the project has again been included and approved in the capital budget for the 2016-2017 fiscal year although they do not know when construction will begin.  The project has been re-scheduled for the Spring/Summer of 2018.
60 5/25/2016	ITS Physical Security Jody Bauer Randy Merced	The doors to the rooms which house connectivity equipment should have electronic locks to limit access and record who enters the rooms.	12/31/16 6/30/17 (Update of Progress) 12/31/17 (Update of Progress)	ITS and the Safety and Security Departments are currently engaged in a long term project to reprogram electronic door locks so that they will work with the current CBord system.  As of August 2016, second and third floor door locks in CBI have been migrated to CBord and licensing is in place on server. Awaiting direction from Safety and Security for plans for other door locks.  Update from management as of 12/21/2016: All CBI doors have been converted to CBord. Door repairs for some double door issues are pending.



# Community College of Philadelphia

## Internal Audit Follow Up Matrix

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
61 5/25/2016	ITS Physical Security Randy Merced	In order to strengthen the controls over physical security across the College's campuses, management should consider additional video cameras at locations which will help security monitor rooms housing connectivity equipment as a preventative control. Management should also consider an additional camera outside the Mint tunnel entrance based on the room's use for both connectivity and as a staging area for new equipment.	12/31/16  6/30/17 (Update of Progress)  12/31/17	Management has just (May 2016) selected a consultant who will be reviewing the current video camera and recording systems across all College locations. Wiring for an additional camera outside the Mint tunnel entrance has been installed although a camera has not yet been installed.  Camera inside MG-6 is now functional and an additional camera has been installed in the tunnel outside of the same room. Camera consultant review is in progress.  Management is focusing on enhanced Cbord training for designated employees, as recommended by the consultant, before moving forward with the RFP process related to video camera recommendations.  A contract for an upgrade to the CCTV security camera system, including additional cameras, is in place with work expected to be completed by 12/31/17.
63 5/25/2016	ITS Physical Security Gary Bixby	Management should consider installing additional gaseous systems in rooms which have significant risk of business and classroom interruption based on the type of equipment in the connectivity rooms.	6/30/17 (Update of Progress)  4/30/18	Management has decided to upgrade the fire suppression systems from sprinklers to gaseous systems in three rooms deemed critical due to the nature and value of electronic equipment in those rooms. Specifically, upgrades in rooms B2-39, MG-6A and W1-E1 have been included in the budget for the 2016-2017 fiscal year and, as such, should be completed by June 30, 2017.  Update as of 12/21/2016: Phase One: The 3 CRITICAL Closets (MG-6A, B2-39, W1-E1) are pending the release of the RFP for installation of the FM200 fire suppression systems. Phase 2: Time and funding permitting the regional center IDFs will be addressed later for gaseous fire suppression.  The scope of work for this project has been completed. RFP is expected to be posted by 10/4/17 with work to be completed by 4/30/18.
64 5/3/2016	Remote Sites of DACE CBO Program David Thomas	Internal Audit recommends that that DACE management develop a process to provide a substitute supervisor when such absences occur or are requested.	9/1/16  4/30/17  10/31/17	The College and the CBOs have an understanding that the CBO administrator will ensure that the DACE students remain in designated areas, that the course ends on time and that DACE students leave the site in accordance to standard procedures. Management will document this and formally communicate this with the CBOs again before the fall semester. In the rare event that site supervisors may have to leave early and the CBO's designated administrator is unable to fulfill these duties, the class(es) will be dismissed.  Internal Audit will follow up on these plans during the spring 2017 audit of this subject.  A revised management response in the 2017 CBO Visits audit report will address the status of this action.

# Community College of Philadelphia

## Internal Audit Follow Up Matrix

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
66 5/3/2016	Remote Sites of DACE CBO Program Randy Merced	Internal Audit recommends that Safety and Security management determine that the site supervisors are aware of the emergency procedures for their respective facility. The emergency procedures for each facility should be documented and provided to the site supervisors each semester based on the assignment of site supervisors.	9/1/16 10/31/17	Management will contact the Dean of the DACE group to coordinate our assessments of the plans at each CBO location. To ensure the College's site supervisors understand the plans at each site and communicate them to the instructors and students, we expect to visit to these sites at the beginning of each semester beginning with Fall 2016.  Safety and Security management met with directors at both sites in fall 2016 and observed briefing of students at one location in fall 2016. Emergency plan briefings to the CBO classes will be confirmed or provided by Safety and Security management at the beginning of each semester beginning fall 2017.  Security & Safety management have requested that each division provide their remote site staff with safety instructions including references to new CCP online resources. This request will be discussed with affected division VPs and final position with be included in 2017 CBO Visits audit report.
67 6/8/2017	Royalty Payments from Publishers Sam Hirsch	Internal Audit recommends that the Academic and Student Success Division document their understanding of how the remaining funds will be utilized.	07/31/17	The Vice President of Academic and Student Success will develop a plan for the use of the existing funds which have accumulated from these royalty payments. The plan will be sent to Institutional Advancement and to the Dean of Math, Science and Health Careers by July 31, 2017 to ensure that all parties are aware of the approved plan.
68 6/8/2017	Royalty Payments from Publishers Greg Murphy	Internal Audit recommends that Institutional Advancement document to the academic departments and to the Finance team that they should ensure staff do not deposit any checks received from publishers which are not permitted by law to be accepted by the College.	07/15/17	The Vice President of Institutional Advancement will issue a memo by July 15, 2017 to the Finance team, the Division of Academic and Student Success, and its own staff that, effective immediately, Institutional Advancement's Foundation staff should be informed of any checks received from publishers prior to any deposits being made.  Memo was issued to all appropriate parties on August 29, 2017.
69 8/30/2017	New Employee Process Ellen Femberger	Internal Audit recommends that procedures and checklists for new employee processes address each class and the major procedures to be performed to help ensure consistency and completeness.	12/22/17	Checklists for all employee types will be developed by the end of the fall semester. A process and procedure will be implemented by the end of the fall semester to assign responsible parties to confirm that all necessary documentation is obtained, and to ensure that we are consistently following up when necessary to obtain all necessary documents.
70 8/30/2017	New Employee Process Ellen Femberger	Internal Audit understands HR has issued, or will be issuing, a directive that all new employees must be processed through the HR department. HR also reserves the right to hold hard copies of paychecks for pick up by employees who have not completed all required documentation.	12/22/17	A meeting was held with all departments on Thursday, August 10, 2017, to review the new hire process, appropriate, up to date forms, and particularly the new federal I-9 requirements. An HR representative will be assigned, depending on the employee classification, to ensure that all forms are completed correctly and that the most current forms are used.
71 8/30/2017	New Employee Process Ellen Femberger	Internal Audit recommends that the use of additional checklists, documented procedures a guidance for new HR staff, and insistence that all new employees be processed in HR will all contribute to less issue related to this documentation.	12/22/17	Checklists for all employee types will be developed by the end of the fall semester. A process and procedure will be implemented by the end of the fall semester to assign responsible parties to confirm that all necessary documentation is obtained, and to ensure that we are consistently following up when necessary to obtain all necessary documents.

# Community College of Philadelphia

## Internal Audit Follow Up Matrix

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
8/30/2017	New Employee Process Ellen Fernberger	Internal Audit determined that the Athletics Department had "appointed" certain employees in the past. This was brought to the attention of HR as soon as noted during the audit. HR management stated that they have ended this appointment process in Athletics and that all new head and assistant coaches are required to complete all necessary documentation in HR.	06/30/17	All new hires in the Athletics Department must now come to HR to complete all necessary paperwork. HR has advised management in the Athletics Department concerning this issue, and will copy the Dean of Students and Vice President of Academic & Student Success on all future communications to ensure compliance. If there is a missing legally required document, such as the form I-9, in accordance with federal law no paycheck will be issued.

Action plans are complete and will be moved to the Completed Items tab

Community College of Philadelphia  
Internal Audit Plan - July 1, 2016 to June 30, 2018

Functional Area	Risk Rating	Risk Explanation / Reason for Audit	Fiscal Year	Stage
<b>Financial Audits</b>				
Colonial One Card	L	Determine controls over prepaid card program	2017	
Check Requests - Vendors	L	Verify controls for payments to vendors	2018	
Check Requests - Employees	L	Verify controls for reimbursements to employees	2018	
Purchasing Cards	M	Determine compliance with purchasing card policies	2018	
403(b) Transactions *	L	Determine controls over payments to retirement savings vendors	2018	
Investigation 4/17 - Related Controls	N/A			7
<b>Operational Audits</b>				
Royalty Payments from Publishers	N/A	Determine controls and procedures related to textbook selection process and funds received from publishers	2017	7
403(b) Administration *	L	Determine controls over employee requests related to retirement savings	2018	
Part-Time Faculty Medical Benefits	L	Determine controls and accuracy of only benefit funded entirely by staff	2017	
Business Continuity Plan	M	Determine management's level of preparation for business interruption	2017	1
Pell Grants - Appeal Process for Academic Progress	M	Determine compliance with requirements	2017	2
Veterans' Resource Center	M	Compliance with Veterans' Education Benefits Laws	2018	
Off Campus Programs - DACE, Workforce Development	M	Ensure risks are controlled / minimized in remote locations	2017 2018	6
<b>Compliance</b>				
50th Anniversary Scholarship Program	M	Determine compliance with requirements	2017	
Family Educational Rights and Privacy Act	M	Compliance with FERPA regulations	2017	2
State Recruiting Regulations	M	Determine compliance with regulations / restrictions	2017	

Community College of Philadelphia  
Internal Audit Plan - July 1, 2016 to June 30, 2018

Functional Area	Risk Rating	Risk Explanation / Reason for Audit	Fiscal Year	Stage
Family Medical Leave Act	L	Determine compliance with policies, procedures and regulations	2018	
Residency Verification	L	Compliance with procedures and controls to pay tuition based on residency	2018	
Forgivable Loans	L	Compliance with procedures and controls for such loans	2018	
Clery Act	M	Compliance with law and required disclosures	2017	1
<b>IT Audits</b>				
Disaster Recovery Plan	M	Determine adequacy of readiness and periodic testing	2017	4
Non-ITS Administered Software Programs	M	Determine adequacy of administration controls	2017	1
Network Security	L	Determine adequacy of controls for systems access	2018	
<b>Administrative</b>				
Investigation 4/17	N/A			Complete
Follow Up on Prior Issues			Ongoing	
Committee Meetings (Grants, Data Breach, EMT, external audits/reviews)			Ongoing	

Stage:

- Risk Assessment / Planning 1
- Announcement / Contact 2
- Opening Meeting Held 3
- Fieldwork 4
- Draft Report Issued 5
- Closing Meeting Held 6
- Final Report Issued 7