



MEETING OF THE BOARD OF TRUSTEES
Thursday, June 7, 2012 – 3:00 p.m.
Isadore A. Shrager Boardroom

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Community
College
of Philadelphia
The Path to Possibilities™

MEETING OF THE BOARD OF TRUSTEES

AGENDA

Thursday, June 7, 2012 – 3:00 p.m.

Isadore A. Shrager Boardroom

- (1) Consent Agenda
 - (a) Proceedings and Minutes of Decisions and Resolutions of the Meeting of May 3, 2012
 - (b) Gifts and Grants
 - (c) Proposed 2012-13 Student Activities, Athletics, and Commencement Budget
 - (d) 2012-13 Property and Casualty Insurance Renewal Program
 - (e) Change Order – Refacing of Winnet and Student Athletic Center Buildings to Complement New Pavilion and Bonnell Additions
- (2) Report of the Business Affairs Committee (Meeting of May 23, 2012)
 - (a) 2012-13 College Budget (A)
- (3) Nominations for Board Officers for 2012-13 (A)
- (4) Report of the Chair
- (5) Foundation Report
- (6) Report of the President
- (7) New Business

Next Meeting: Thursday, September 6, 2012
3:00 p.m. – Isadore A. Shrager Boardroom, M2-1

Future Committee Meetings:

Business Affairs	Wednesday, June 20, 2012 9:00 a.m. – Isadore A. Shrager Boardroom, M2-1
Audit Committee	Tuesday, June 26, 2012, 12:00 noon Isadore A. Shrager Boardroom, M2-1
Student Outcomes	Thursday, September 6, 2012 1:30 p.m. – Room M2-34

Upcoming Events

Foundation Annual Golf Tournament	Monday, July 30, 2012 - 11:00 a.m. Commonwealth National Golf Club 250 Babylon Road, Horsham, PA 19044
41st Annual ACCT Leadership Congress	October 10-13, 2012 Boston, MA

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COMMUNITY COLLEGE OF PHILADELPHIA
Proceedings of the Meeting of the Board of Trustees
Thursday, May 3, 2012 – 3:00 p.m.

Present: Ms. Fernandez, presiding; Mr. Bergheiser, Ms. Holland, Mr. Lassiter, Representative Roebuck, Ms. Sumners Rush, Mr. Wetzel, Mr. White, Dr. Curtis, Ms. Bauer, Ms. Brown-Sow, Mr. Brown, Ms. DiGregorio, Ms. Garfinkle-Weitz, Dr. Gay, Dr. Hawk, Dr. Hirsch, and Ms. Ray

(1) Executive Session

The Executive Session was devoted to a discussion of real estate matters.

(2) Consent Agenda

Ms. Fernandez asked for a motion on the following Consent Agenda:

- (a) Proceedings and Minutes of Decisions and Resolutions of the Meeting of April 5, 2012
- (b) Gifts and Grants
- (c) Implementation of Degree Works Software
- (d) Additional Capital Cost for Oracle Enterprise-level License Agreement and Increased Annual Oracle Software Lease

Ms. Sumners Rush moved, with Mr. Wetzel seconding, that the Board approve the Consent Agenda. The motion carried unanimously.

(3) Tuition and Credit Card Payment Convenience Fee Recommendation for 2012-13 Year

Mr. White reported that the Business Affairs Committee had taken a comprehensive look at the College's financial/budget situation. He stated that projected salary and fringe benefit costs for the 2012-13 year based upon the College's best and final contract offer to the Faculty Federation; a projected decrease in State funding; no increase in City funding, and a projected 4 percent decrease in credit student enrollments forced the College to make the difficult decision of raising tuition and fees.

At the request of Mr. White, Dr. Hawk reported that staff were recommending a tuition increase for 2012-13 of \$10 per credit hour (from \$138 to \$148). He stated that the increase represented a 5.6 percent increase over the 2011-12 average tuition and fee charge per credit of \$177.15. Dr. Hawk stated that virtually all Community College of Philadelphia students have access to one or more opportunities to assist them in the payment of the College's tuition and fee charges. Dr. Hawk stated that the majority of the College's students are eligible for Federal and

State financial aid, and middle-income family students are eligible for the American Education Opportunity Tax Credits for educational expenditures.

Regarding the new credit card payment convenience fee, Dr. Hawk stated that the College currently accepts Master Card, Visa, Discover, and American Express credit cards. Of these, Visa is used in about 50 percent of the payments. Dr. Hawk stated that as is standard practice in the industry, the credit card companies retain approximately 2.4 percent of payment made by credit cards resulting in reduced student revenues of approximately \$300,000 each year for the College. Dr. Hawk stated that staff are proposing a \$12 Credit Card Payment Convenience Fee for credit card tuition and fee payments made as of July 1, 2012. This fee will generate an amount equal to the currently lost revenues of \$300,000.

After discussion, Mr. Wetzel moved, with Mr. Bergheiser seconding, that tuition be increased by \$10 per credit from \$138 to \$148 effective for the fall, 2012 semester; and a \$12 Credit Card Payment Convenience Fee be implemented for all credit card payments made July 1, 2012 and thereafter. The motion carried unanimously.

(4) New Student Processing Fee Recommendation for the 2012-13 Year

Dr. Hawk reported that the College currently charges students three one-time fees: Application Fee - \$20; ID Card Fee - \$10; and Graduation Fee - \$30. He stated that staff were recommending the elimination of these three fees and the introduction of a new fee, New Student Processing Fee, with a value of \$60. Students will pay this fee only once at the time they first enroll in credit courses.

After discussion, Mr. Wetzel moved, with Mr. Bergheiser seconding, that the Board authorize staff to implement a New Student Processing Fee with a value of \$60 and eliminate the Application, ID, and Graduation fees effective for students entering in the fall, 2012 semester. The motion carried unanimously.

(5) Nominating Committee for Board Officers

In the absence of Ms. Hernández Vélez, chair of the Nominating Committee for Board Officers, Ms. Holland read the Procedures for the Annual Board Officers' Election.

Representative Roebuck asked for clarification on the issue of an elected official running for Board Officer. Ms. Fernandez stated that the issue will be addressed in Executive Session immediately following the conclusion of the open Board meeting.

(6) Report of the Chair

(6a) Dental Hygiene Sustained Excellence Board Recognition

Ms. Fernandez stated that in 2008, the Board of Trustees created a means of recognition for exemplary academic programs at the College. The recognition is for sustained academic excellence.

Ms. Fernandez stated that on behalf of the Board of Trustees, she was pleased to recognize the faculty, staff, advisory committee, and students of the Dental Hygiene Program for meeting the requirements for Sustained Academic Excellence. Ms. Fernandez reviewed a few of the accomplishments of the Dental Hygiene Program that were considered exemplary and that led to the recognition. Members of the Board congratulated the faculty, staff, advisory committee, and students for their commitment and dedication to excellence.

(6b) College Budget Hearing

Ms. Fernandez reported that the College's budget hearing before City Council took place on April 10, 2012. She stated that the hearing went well and that Council members were very supportive of the College.

(6c) Middle States Association On-Site Visit

Ms. Fernandez reported that she, Ms. Hernández Vélez, Ms. Holland, Mr. Bergheiser, and Mr. Wetzel, had met with Dr. Debra Klinman, the College's Middle States Association liaison on April 17, 2012. She stated that Dr. Klinman visited the campus and met with a number of college constituencies to discuss the self-study design and process in preparation for the College's reaccreditation visit.

(6d) Commencement

Mr. Fernandez reminded members of the Board that Commencement was scheduled for Saturday, May 5, 2012 at 10:00 a.m. at the Liacouras Center at Broad and Montgomery Streets. She stated that robing would take place in the Al Shriers Room.

(6e) July 5, 2012 Board Meeting

Ms. Fernandez reminded members of the Board regarding the Board of Trustees Meeting Calendar, effective July 1, 2012, which the Board had reviewed at a prior meeting of the Board. She stated that the calendar states that the July and August Board meetings will not take place. Ms. Fernandez noted that the calendar assumes that committees meet monthly. Ms. Fernandez stated that she had spoken to Ms. Holland regarding the July meeting of the Student Outcomes and Ms. Holland had agreed that the Committee did not need to meet in July. Ms. Fernandez stated that the July 5, 2012 Board meeting will be canceled. The Executive Committee will approve the Food Service contract that will be reviewed and approved by the Business Affairs Committee at its meeting on June 20. Ms. Fernandez stated that the Food Service contract would be ratified by the Board at the September 6, 2012 meeting.

(7) Foundation Report

Mr. Wetzel reported that the Foundation has received the following gifts during the month of April:

- \$5,000 from Helen Drutt English in support of the poetry reading by Pulitzer Prize winning poet Kay Ryan;
- The U.S. Department of Transportation provided \$25,469 for the Garrett Morgan-Transportation Dual Enrollment Grant. This partnership with the School District of Philadelphia will support two automotive technology courses provided at Philadelphia high schools for seniors in the automotive programs.

Mr. Wetzel reported that the Foundation Board's next meeting is scheduled for May 10, 2012. The meeting will immediately be followed by the Foundation Scholars Reception, from 5:30 – 7:30 p.m. This annual event recognizes those who have supported student scholarships and the students who have benefited from their generosity.

Mr. Wetzel reported that to date, the 2012 Annual Fund has raised \$92,887. He stated that as of the end of April, only five Trustees have supported the Annual Fund. He stated that it was important that all Board members contribute to the Annual Fund as it supports general operations and the ability for the College to continue improving its revenues generating capabilities.

Mr. Wetzel stated that plans for the Foundation's 2012 Golf Tournament which will be held on July 30, 2012 at the Commonwealth National Golf Club in Horsham, are falling into place. He stated that Foundation Director George Burrell has taken the lead to revamp the event and we anticipate a significant increase in revenue.

The Pathways Awards Event is scheduled for November 1, 2012 at Vie, the new banquet hall located at Broad and Green Streets. Ms. Alba Martinez, principal in Vanguard's Education Markets Group, is this year's Bonnell Award recipient. Mr. Charlie "Mack" Alston is this year's City Impact Award recipient. Mr. Alston is an entertainment and sports industry executive, whose philanthropic efforts support educational initiatives.

(8) Report of the President

(8a) City Developments

Dr. Curtis reported that he was continuing to meet with legislators to advocate on behalf of the College. He stated that he had met with Councilman David Oh on April 27, 2012.

(8b) National Meetings

Dr. Curtis reported that he had attended the American Association of Community Colleges Annual Convention on April 20-24, 2012. He stated that he had made a presentation on behalf of the RC: 2020 on the *Privatization of Community Colleges*.

(8c) Year-End Events

Dr. Curtis reported that he had participated in the following year-end events:

- The Student Leadership Awards acknowledging students' participation in clubs and organizations on April 12, 2012;
- The Philadelphia LEADS Student Leadership Society Recognition Reception on April 18, 2012;
- The Retirees Reception on April 19, 2012. Dr. Curtis thanked Ms. Holland for representing the Board at the event;
- The Alpha Beta Gamma Initiation Ceremony on April 26, 2012. The International Business Honor Society inducted 23 students into the ETA Sigma Chapter;
- The College Honors Tea on May 2, 2012. This event is a celebration of excellence within the College family. The event is highlighted by an exhibit in the Rotunda which showcases the creativity and breadth of the College family. The Tea is also an opportunity to recognize faculty who have been promoted, Teaching Center awardees, staff who have participated in the Leadership Institute, winners of the Presidential Awards, and the winner of the League for Innovation of the Year Award. Dr. Curtis thanked Ms. Holland for representing the Board at the event.

(8d) On-Campus Events

Dr. Curtis reported that Civility Week began on April 9, 2012 and will continue through April 13, 2012. A number of events and workshops are planned on campus throughout the week.

Dr. Curtis reported that Pennsylvania Secretary of Labor and Industry Julia Hearshway came to the College and met with College staff on April 13, 2012.

(8e) Announcements

Dr. Curtis reported that Mr. Robert S. King, Emeritus Trustee, had died on April 19, 2012. He stated that Mr. King was a member of the Board of Trustees for 24 years and served as chair of the Board for 12 years. During his tenure as chair, Mr. King presided over the creation of a new campus, through planning, development, and construction phases that led the College from rented facilities to the new campus at Spring Garden. Dr. Curtis stated that for his dedication and commitment to the College and the Board, the Board established the Robert S. King Scholarship, which is a two-year, full tuition scholarship to 20 outstanding graduates from public and nonpublic high schools in the City of Philadelphia.

Dr. Curtis stated that he was pleased to report that a Community College of Philadelphia student, Larry Liu, has been selected to receive a Jack Kent Cooke Foundation Undergraduate Transfer Scholarship. Larry is one of 60 scholars across the United States selected this year to receive the award. The scholarship is for up to \$30,000 per year and is intended to cover a significant share of the student's educational expenses—including tuition, living expenses, books, and required fees for the final two to three years necessary to achieve a bachelor's degree.

(9) New Business

There was no new business discussed.

(10) Next Meeting

The next meeting of the Board of Trustees is scheduled for Thursday, June 7, 2012 at 3:00 p.m. in the Isadore A. Shrager Boardroom.

The meeting adjourned at 4:45 p.m. At this point, the Board reconvened in Executive Session.

COMMUNITY COLLEGE OF PHILADELPHIA
Meeting of the Board of Trustees
Thursday, May 3, 2012 – 3:00 p.m.
MINUTES OF DECISIONS AND RESOLUTIONS

Present: Ms. Fernandez, presiding; Mr. Bergheiser, Ms. Holland, Mr. Lassiter, Representative Roebuck, Ms. Summers Rush, Mr. Wetzel, Mr. White, Dr. Curtis, Ms. Bauer, Ms. Brown-Sow, Mr. Brown, Ms. DiGregorio, Ms. Garfinkle-Weitz, Dr. Gay, Dr. Hawk, Dr. Hirsch, and Ms. Ray

(1) Executive Session

The Executive Session was devoted to a discussion of real estate matters.

(2) Consent Agenda

The Board approved the following Consent Agenda:

- (a) Proceedings and Minutes of Decisions and Resolutions of the Meeting of April 5, 2012
- (b) Gifts and Grants
- (c) Implementation of Degree Works Software
- (d) Additional Capital Cost for Oracle Enterprise-level License Agreement and Increased Annual Oracle Software Lease

(3) Tuition and Credit Card Payment Convenience Fee Recommendation for 2012-13 Year

The Board approved a tuition increase of \$10 per credit from \$138 to \$148 effective for the fall, 2012 semester; and a \$12 Credit Card Payment Convenience Fee be implemented for all credit card payments made July 1, 2012 and thereafter.

(4) New Student Processing Fee Recommendation for the 2012-13 Year

The Board authorized staff to implement a New Student Processing Fee with a value of \$60 and eliminate the Application, ID, and Graduation fees effective for students entering in the fall, 2012 semester.

(5) Nominating Committee for Board Officers

In the absence of Ms. Hernández Vélez, chair of the Nominating Committee for Board Officers, Ms. Holland read the Procedures for the Annual Board Officers' Election.

(6) Report of the Chair

(6a) Dental Hygiene Sustained Excellence Board Recognition

The Dental Hygiene Program was recognized for Sustained Academic Excellence by the Board of Trustees.

(6b) College Budget Hearing

The College's budget hearing before City Council took place on April 10, 2012.

(6c) Middle States Association On-site Visit

Ms. Fernandez, Ms. Hernández Vélez, Ms. Holland, Mr. Bergheiser, and Mr. Wetzel met with Dr. Debra Klinman, the College's Middle States Association liaison on April 17, 2012.

(6d) Commencement

Commencement is scheduled for Saturday, May 5, 2012 at 10:00 a.m. at the Liacouras Center at Broad and Montgomery Streets.

(6e) July 5, 2012 Board Meeting

The Board reviewed the Board of Trustees Meeting Calendar effective July 1, 2012, and discussed canceling the July 5, 2012 Board meeting.

(7) Foundation Report

The Foundation has received the following gifts during the month of April:

- \$5,000 from Helen Drutt English in support of the poetry reading by Pulitzer Prize winning poet Kay Ryan; and
- The U.S. Department of Transportation provided \$25,469 for the Garrett Morgan-Transportation Dual Enrollment grant.

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The Foundation's 2012 Golf Tournament will be held on July 30, 2012 at the Commonwealth National Golf Club in Horsham.

The Pathways Awards Event is scheduled for November 1, 2012 at Vie.

(8) Report of the President

(8a) City Developments

Dr. Curtis is continuing to meet with legislators to advocate on behalf of the College.

(8b) National Meetings

Dr. Curtis attended the American Association of Community Colleges Annual Convention on April 20-24, 2012.

(8c) Year-End Events

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- The Retirees reception on April 19, 2012;
- The Alpha Beta Gamma Initiation Ceremony on April 26, 2012; and
- The College Honors Tea on May 2, 2012.

(8d) On-Campus Events

Civility Week began on April 9, 2012 and will continue through April 13, 2012.

Pennsylvania Secretary of Labor and Industry Julia Hearthway came to the College and met with College staff on April 13, 2012.

(8e) Announcements

Mr. Robert S. King, Emeritus Trustee, died on April 19, 2012.

Community College of Philadelphia student, Larry Liu, has been selected to receive a Jack Kent Cooke Foundation Undergraduate Transfer Scholarship.

(9) New Business

There was no new business discussed.

(10) Next Meeting

The next meeting of the Board of Trustees is scheduled for Thursday, June 7, 2012 at 3:00 p.m. in the Isadore A. Shrager Boardroom.

The meeting adjourned at 4:45 p.m. At this point, the Board reconvened in Executive Session.

Community College of Philadelphia
Office of Institutional Advancement
Record of Grants and Gifts
for the June 2012 Meeting of the Board of Trustees

GRANTS

	Prior Balance	Current Month	Year-to-Date	Grant Goal
Total Grant Dollars	\$26,157,497	\$59,179	\$26,216,676	\$7,000,000
Total Number of Grants	31	3	34	

Summary by Grant Type:

	Prior Balance	Current Month	Year-to-Date
Government/Public Grants			
Federal	\$23,736,251		\$23,736,251
State	\$1,244,811		\$1,244,811
Local	\$240,136	\$46,179	\$286,315
Private Grants			
Corporation	---	---	---
Foundation	\$936,299	\$13,000	\$949,299
Grant Total	\$26,157,497	\$59,179	\$26,216,676

GIFTS

Summary by Gift Type:

Gifts to the Foundation (\$5,000+)	Name	Amount	Purpose
	Anne and Andrew Abel	\$5,000	Scholarship
	Richard and Ann Downs	\$50,000	Capital
	Harold Honickman	\$50,000	Capital
	Kal & Lucille Rudman Foundation	\$12,750	Scholarship
Gifts In-Kind			
	Calumet Photographic, Inc.	\$550	Camera equipment
	Rose Sluzas	\$45	Books

COMMUNITY COLLEGE OF PHILADELPHIA
Office of Institutional Advancement
Monthly Summary of Grants and Gifts
June 2012

Foundation Grants

The Patricia Kind Family Foundation has funded year one of the three-year Homeless Student Support Project for \$10,000. This three-year project, with total funding of \$30,000, will connect homeless, near-homeless and low-income students to college and community resources that will support the students in continuing their education. Each year will begin with an on-campus resource fair, open to all students, which will bring together resource providers from throughout the Philadelphia region. Following the resource fair, students will be selected to participate in a series of eight educational workshops and seminars and receive additional assistance throughout the academic year to support them in achieving their academic goals. The last two years of funding are contingent upon the College matching funds.

The Terri Lynne Lokoff Child Care Foundation has awarded the College a grant in the amount of \$3,000 for the Terri Lynne Lokoff Child Care Foundation Scholarships. This grant provides two \$1,500 scholarships for two 2012 graduates to pursue Early Childhood Education studies at a baccalaureate degree-granting institution.

Local Grant

The School District of Philadelphia has funded the Parent University - ESL Classes grant for \$46,179. This program, a partnership with the School District's Parent University, provides ESL classes to parents of School District students. In the 2011-12 academic year, the College will provide six ESL classes at three regional schools and the Education Center. Classes, which are held over a period of 10 weeks, will follow the Comprehensive Adult Student Assessment Systems competencies.

COMMUNITY COLLEGE OF PHILADELPHIA
STUDENT OUTCOMES COMMITTEE OF THE
BOARD OF TRUSTEES

MINUTES
Thursday, May 3, 2012
1:30 p.m. – M2-34

Presiding: Ms. Stacy Holland
Present: Dr. Stephen Curtis, Ms. Varsovia Fernandez, Dr. Judith Gay, Dr. Samuel Hirsch, Ms. Dorothy Sumners Rush
Guests: Dr. Ron Jackson, Mr. David Watters

(1) Executive Session

No Executive Session was held.

(2) Public Session

(a) Approval of the Minutes of March 1, 2012

The minutes were accepted.

(b) Proposed 2012-13 Student Activities, Athletics, and Commencement Budget (Action Item)

Dr. Hirsch introduced Dr. Ron Jackson, Dean of Students and Mr. David Watters, Assistant Dean of Students/Director of Student Life. Mr. Watters reviewed the budget assumptions and rationale for the proposed 2012-13 Budget for Student Activities, Athletics, and Commencement. He indicated that individual budget lines were essentially at level funding and that no major changes were being proposed.

Mr. Watters explained the Athletics portion of the budget by highlighting the dissolution of the Eastern Pennsylvania Collegiate Conference (EPCC) for most sports and that for 2012-13 the College will be an independent/non-affiliated school for most sports. Men's Soccer and Cross Country will continue to compete as EPCC league members. The reduction of \$10,000 from Men's Basketball takes into account no post-season play as the College will not be participating in any Conference. The increase of \$10,000 in Co-Ed Intramural is to fund the proposed implementation of Co-Ed bowling which is an EPCC sport. Dr. Hirsch indicated that the College will begin the process this coming year of realigning intercollegiate-athletics to transition to the National Junior College Athletic Association (NJCAA) to go into effect fall 2013. This will have budget

implications for 2013-14 due to the data collection requirements of NJCAA and the need to potentially cover cross-country team travel.

Ms. Sumners Rush asked if the College has established academic standards for athletes. Dr. Jackson explained the academic requirements that are currently in place and indicated that due to NJCAA's higher academic requirements the College is planning to put in place additional academic support to ensure athletes maintain positive academic performance.

Ms. Holland questioned the increase in net profits. Mr. Watters responded that while the budget is based on a 4% enrollment decrease, net profits from auxiliary services such as the bookstore are projected to increase by approximately 17% over the current year.

Action: The Student Outcomes Committee of the Board agreed to recommend to the full Board approval of the proposed 2012-13 Budget for Student Activities, Athletics, and Commencement.

(c) Financial Aid Regulations Update

Dr. Hirsch reviewed the 2012-13 Changes to Title IV Student Aid Programs document. He noted that while the current maximum Pell award of \$5,550 will remain the same for next year new regulations are beginning to restrict financial aid eligibility. This seems to be a trend beginning with this year. Dr. Curtis indicated that while the restrictions may only impact a few hundred students now, over time the impact could be significant in terms of eroding access for students into higher education.

Next Meeting

The next meeting of the Student Outcomes Committee is scheduled for Thursday, **June 7, 2012** at **1:30 p.m.** in M2-34.

Attachments

Minutes of March1, 2012
Summary of Proposed 2012-13 Student Activities, Athletics, and Commencement Budget – Table VII-A
Detailed Proposed 2012-13 Student Activities, Athletics, and Commencement Budget – Table VII-B
Proposed 2012-13 Student Activities, Athletics, and Commencement Budget Assumptions and Rationale
2012-13 Changes to Title IV Student Aid Programs

STUDENT OUTCOMES COMMITTEE OF THE BOARD OF TRUSTEES

MINUTES

Thursday, March 1, 2012

1:30 p.m. - M2-34

Presiding: Ms. Stacy Holland
Present: Ms. Helen Cunningham, Dr. Stephen Curtis, Ms. Varsovia Fernandez,
Dr. Judith Gay, Ms. Lydia Hernández Vélez, Dr. Samuel Hirsch, and
Dr. James Roebuck
Guest: Dr. Mary Anne Celenza

(1) Executive Session

The Committee was informed of the activities of the faculty recommended for merit promotion. An overview of the selection criteria was provided.

Action: The Student Outcomes Committee of the Board agreed to recommend to the full Board acceptance of the recommended list of faculty for promotion.

(2) Public Session

a) Approval of Minutes of February 2, 2012 (Action Item)

The minutes were accepted.

b) Culture, Science and Technology Audit Follow-up Report (Action Item)

Dr. Celenza was asked to offer an opinion of the progress of the program to date. Dr. Celenza stated that the Curriculum Coordinator, Laura Davidson, printed out 5,000 plus data sheets to get a sense of the student profile. She also pulled together a conversation with Counseling and Advising. Based on the steps followed, she and Laura Davidson concluded that one strategy will not fit all students. They want to bring other resources, primarily from Student Life, into the conversation.

Board members stated that they believed the document provided seemed light for a follow up report. There are potentially rich collaborations possible but it is not obvious in the document.

Dr. Celenza responded that they do have a clear vision of a health track and a science track. She and Laura Davidson believe they need to explore further because the work needed for the program crosses areas at the College. A big

concern is the student who may never get into a health or science program. Many students come in looking for a career. Dr. Celenza stated that the next steps are: (1) put in place the next steps; (2) get the health and science pieces figured out; and, (3) engage in broader conversations related to developmental education.

Board members discussed whether the program is set up for students who are not transferring. Dr. Celenza responded that we need to factor in who the students are who are entering the program.

Board members stated that they need more specificity and context in the follow up reports. The document should tell the story of the program.

For the June update, the Board expects clarity on interventions (particularly for recommendation #5 related to developmental education).

Action: None

c) Financial Aid Regulations Update (Information Item)

The agenda item was deferred to a future meeting.

Next Meeting:

The next meeting of the Student Outcomes Committee of the Board is scheduled for Thursday, April 5, 2012 at noon (Jane S. Abrahams Award Interviews and Selections) in room M2-34.

Attachments:

Minutes of February 2, 2012
Culture, Science and Technology Audit Follow-up Report

TABLE VII-A

**STUDENT ACTIVITIES, ATHLETICS & COMMENCEMENT BUDGET FOR THE FISCAL YEAR 2012-13
(WITH COMPARISON TO FISCAL YEARS 2010-11 AND 2011-12)**

	2010-11 <u>Actual</u>	Approved 2011-2012 <u>Budget</u>	Revised 2011-2012 <u>Budget</u>	Proposed 2012-2013 <u>Budget</u>	Variance From 2011-12 Revised <u>Budget</u>	% Change From 2011-12 <u>Revised</u>
REVENUES						
General College Fee	\$1,605,308	\$1,638,254	1,583,232	\$1,536,697	(\$46,535)	(2.9)
Graduation Fees	53,280	57,000	53,300	57,000	3,700	6.9
Auxiliary Profits	593,017	545,568	636,334	659,761	23,427	3.7
Revenues from Activities	<u>178,520</u>	<u>165,000</u>	<u>165,000</u>	<u>165,000</u>	<u>0</u>	<u>0.0</u>
TOTAL REVENUES	<u><u>\$2,430,125</u></u>	<u><u>\$2,405,822</u></u>	<u><u>\$2,437,866</u></u>	<u><u>\$2,418,458</u></u>	<u><u>(\$19,408)</u></u>	<u><u>(0.8)</u></u>
EXPENDITURES						
Student Publications	\$87,786	\$90,063	\$90,063	\$90,346	\$283	0.3
Campus Programming	269,004	125,000	116,631	125,209	8,578	7.4
Performing Arts	25,968	29,000	29,000	29,500	500	1.7
Student Support	230,020	161,410	173,310	161,500	(11,810)	(6.8)
Student Leadership & Involvement	215,317	135,095	135,564	135,519	(45)	(0.0)
Athletics	343,468	315,222	330,683	316,211	(14,472)	(4.4)
Contingency	0	45,032	25,571	45,173	19,602	76.7
First Year Student Success	132,135	180,000	180,000	180,000	0	0.0
Childcare Support	0	6,000	6,000	6,000	0	
Commencement	150,292	145,000	145,000	145,000	0	0.0
Renovation Projects	2,021				0	
Staff	1,096,985	1,174,000	1,174,000	1,184,000	10,000	0.9
TOTAL EXPENDITURES	<u><u>\$2,552,996</u></u>	<u><u>\$2,405,822</u></u>	<u><u>\$2,405,822</u></u>	<u><u>\$2,418,458</u></u>	<u><u>\$12,636</u></u>	<u><u>0.5</u></u>

TABLE VII-B

STUDENT ACTIVITIES, ATHLETICS & COMMENCEMENT BUDGET FOR THE FISCAL YEAR 2012-13
(WITH COMPARISON TO FISCAL YEARS 2010-11 AND 2011-12)

	Final 2010-11 <u>Expenses</u>	Approved 2011-2012 <u>Budget</u>	Revised 2011-2012 <u>Budget</u>	Proposed 2012-2013 <u>Budget</u>	Variance from 2011-12 Approved <u>Budget</u>	% Change from 2011-12 <u>Approved</u>	Variance from 2011-12 Revised <u>Budget</u>	% Change from 2010-11 <u>Revised</u>
<u>STUDENT PUBLICATIONS</u>								
Student Vanguard	\$40,671	\$41,063	\$41,063	\$41,346	\$283	0.7	\$283	0.7
Limited Editions	7,659	7,000	7,000	7,000	0	0.0	0	0.0
CAP Magazine	3,019	7,000	7,000	7,000	0	0.0	0	0.0
ESL Magazine	9,906	7,000	7,000	7,000	0	0.0	0	0.0
Student Handbook	26,531	28,000	28,000	28,000	0	0.0	0	0.0
<i>Guideline - 10%</i>								
<i>Actual - 10%</i>	<u>87,786</u>	<u>90,063</u>	<u>90,063</u>	<u>90,346</u>	<u>283</u>	<u>0.3</u>	<u>283</u>	<u>0.3</u>
<u>CAMPUS PROGRAMMING</u>								
Concert and Museum Tickets	135,867	22,000	31,000	22,209	209	1.0	(8,791)	(28.4)
Films	3,046	1,000	1,000	1,000	0	0.0	0	0.0
Lectures	44,490	18,000	17,631	6,000	(12,000)	(66.7)	(11,631)	(66.0)
Concerts	14,459	12,000	12,000	7,000	(5,000)	(41.7)	(5,000)	(41.7)
Theatre Tickets	25,476	19,000	10,000	19,000	0	0.0	9,000	90.0
Art Exhibits	6,845	7,000	7,000	7,000	0	0.0	0	0.0
Special Theme Programs	9,560	12,000	12,000	29,000	17,000	141.7	17,000	141.7
Regional Centers	29,262	34,000	26,000	34,000	0	0.0	8,000	30.8
<i>Guideline - 15%</i>								
<i>Actual - 13.9%</i>	<u>269,004</u>	<u>125,000</u>	<u>116,631</u>	<u>125,209</u>	<u>209</u>	<u>0.2</u>	<u>8,578</u>	<u>7.4</u>
<u>PERFORMING ARTS</u>								
Spirit / Pep Band	500	2,500	2,500	1,500	(1,000)	(40.0)	(1,000)	(40.0)
Theatrical Productions	12,789	12,000	12,000	13,000	1,000	8.3	1,000	8.3
Spoken Word - Student Performances	6,894	8,000	8,000	8,000	0	0.0	0	0.0
Musical Events Licensing	5,785	6,500	6,500	7,000	500	7.7	500	
<i>Guideline - 5%</i>								
<i>Actual - 3.3%</i>	<u>25,968</u>	<u>29,000</u>	<u>29,000</u>	<u>29,500</u>	<u>500</u>	<u>1.7</u>	<u>500</u>	<u>1.7</u>

TABLE VII-B

STUDENT ACTIVITIES, ATHLETICS & COMMENCEMENT BUDGET FOR THE FISCAL YEAR 2012-13
(WITH COMPARISON TO FISCAL YEARS 2010-11 AND 2011-12)

	Final 2010-11 <u>Expenses</u>	Approved 2011-2012 <u>Budget</u>	Revised 2011-2012 <u>Budget</u>	Proposed 2012-2013 <u>Budget</u>	Variance from 2011-12 Approved <u>Budget</u>	% Change from 2011-12 <u>Approved</u>	Variance from 2011-12 Revised <u>Budget</u>	% Change from 2010-11 <u>Revised</u>
<u>STUDENT SUPPORT</u>								
Awards and Certificates	1,691	1,000	1,000	1,000	0	0.0	0	0.0
Hospitality	0	0	0	0	0	0.0	0	0.0
Advertising and Marketing	9,713	6,500	6,500	6,500	0	0.0	0	0.0
Co-Curricular Cultural & Educational Trips	82,628	36,910	52,910	37,000	90	0.2	(15,910)	(30.1)
Student Involvement	39,375	28,000	23,900	28,000	0	0.0	4,100	17.2
Leadership Training	44,548	32,000	32,000	32,000	0	0.0	0	0.0
Student Ambassador	52,065	56,000	56,000	56,000	0	0.0	0	0.0
Health & Wellness Programs	0	1,000	1,000	1,000	0	0.0	0	0.0
	<i>Guideline - 15%</i>							
	<i>Actual - 17.9%</i>							
	<u>230,020</u>	<u>161,410</u>	<u>173,310</u>	<u>161,500</u>	<u>90</u>	<u>0.1</u>	<u>(11,810)</u>	<u>(6.8)</u>
<u>STUDENT LEADERSHIP & INVOLVEMENT</u>	<u>215,317</u>	<u>135,095</u>	<u>135,564</u>	<u>135,519</u>	<u>424</u>	<u>0.3</u>	<u>(45)</u>	<u>(0.0)</u>
	<i>Guideline - 15%</i>							
	<i>Actual - 15%</i>							
<u>STAFF</u>								
Student Activities	629,013	753,000	753,000	756,000	3,000	0.4	3,000	0.4
Faculty Advisors	70,410	74,000	74,000	70,000	(4,000)	(5.4)	-4,000	(5.4)
Athletics	397,562	347,000	347,000	358,000	11,000	3.2	11,000	3.2
	<i>(48.9% of total funds)</i>							
	<u>1,096,985</u>	<u>1,174,000</u>	<u>1,174,000</u>	<u>1,184,000</u>	<u>10,000</u>	<u>0.9</u>	<u>10,000</u>	<u>2.9</u>
<u>CONTINGENCY (OSA)</u>	<u>0</u>	<u>29,270</u>	<u>25,270</u>	<u>29,362</u>	<u>92</u>	<u>0.3</u>	<u>4,092</u>	<u>16.2</u>

TABLE VII-B

STUDENT ACTIVITIES, ATHLETICS & COMMENCEMENT BUDGET FOR THE FISCAL YEAR 2012-13
(WITH COMPARISON TO FISCAL YEARS 2010-11 AND 2011-12)

	Final 2010-11 <u>Expenses</u>	Approved 2011-2012 <u>Budget</u>	Revised 2011-2012 <u>Budget</u>	Proposed 2012-2013 <u>Budget</u>	Variance from 2011-12 Approved <u>Budget</u>	% Change from 2011-12 <u>Approved</u>	Variance from 2011-12 Revised <u>Budget</u>	% Change from 2010-11 <u>Revised</u>
ATHLETICS								
General Athletic Support	7,788	6,500	18,500	7,500	1,000	15.4	(11,000)	(59.5)
Men's Varsity Basketball	58,258	50,000	50,000	40,000	(10,000)	(20.0)	(10,000)	(20.0)
Men's Baseball	19,323	23,000	23,000	20,000	(3,000)	(13.0)	(3,000)	(13.0)
Men's Soccer	29,433	21,000	28,400	24,000	3,000	14.3	(4,400)	(15.5)
Women's Soccer	0	0	0	0	0	0.0	0	0.0
Co-Ed Cross Country	58,358	48,006	48,006	48,000	(6)	(0.0)	(6)	(0.0)
Women's Basketball	34,973	40,000	38,000	40,000	0	0.0	2,000	5.3
Women's Volleyball	13,246	15,000	13,100	15,000	0	0.0	1,900	14.5
Women's Softball	438	5,500	0	5,500	0	0.0	5,500	0.0
Cheerleading	7,837	6,000	6,000	6,000	0	0.0	0	0.0
Co-Ed Tennis	18,519	10,000	10,000	10,000	0	0.0	0	0.0
Co-Ed Intramurals	31,986	19,000	19,000	29,000	10,000	52.6	10,000	52.6
Co-Ed Aerobics	11,376	17,000	17,000	17,000	0	0.0	0	0.0
Co-Ed Martial Arts	0	0	0	0	0	0.0	0	0.0
Insurance	33,902	34,000	39,461	34,000	0	0.0	(5,461)	(13.8)
Medical Services	1,134	6,000	6,000	6,000	0	0.0	0	0.0
Advertising and Marketing	2,624	1,000	1,000	1,000	0	0.0	0	0.0
Athletic Equipment	14,273	13,216	13,216	13,211	(5)	(0.0)	(5)	(0.0)
<i>Guideline - 35%</i>								
<i>Actual - 35%</i>	<u>343,468</u>	<u>315,222</u>	<u>330,683</u>	<u>316,211</u>	<u>989</u>	<u>0.3</u>	<u>(14,472)</u>	<u>(4.4)</u>
CONTINGENCY (<i>Guideline-5% ; Actual-5%</i>)	0	<u>15,762</u>	<u>301</u>	<u>15,811</u>	<u>49</u>	<u>0.3</u>	<u>15,510</u>	<u>5,152.8</u>
SUBTOTAL	<u>2,268,548</u>	<u>2,074,822</u>	<u>2,074,822</u>	<u>2,087,458</u>	<u>12,636</u>	<u>0.6</u>	<u>12,636.0</u>	<u>0.6</u>
First Year Student Success	132,135	180,000	180,000	180,000	0	0.0	0	0.0
Childcare Support	0	6,000	6,000	6,000	0	0.0	0	0.0
Commencement	150,292	<u>145,000</u>	<u>145,000</u>	<u>145,000</u>	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
Student Activities Renovation Proj	<u>2,021</u>							
TOTAL EXPENDITURES	<u>\$2,552,996</u>	<u>\$2,405,822</u>	<u>\$2,405,822</u>	<u>\$2,418,458</u>	<u>\$12,636</u>	<u>0.5</u>	<u>\$12,636</u>	<u>0.5</u>

**Community College of Philadelphia
Student Affairs**

2012-13 Student Activities, Athletics, and Commencement Budget

Budgeting Assumptions and Rationale

<i>Revenue Sources (FY13 Proposed)</i>	<i>(FY12 Approved)</i>
· General College Fee: \$1,539,697	(6.2% decrease over FY12)
· Revenue from Activities: \$165,000	(0% increase over FY12)
· Net Profits from Bookstore/Cafeteria: \$659,761	(17.3% increase over FY12)
· Graduation Fee: \$57,000	(0% increase over FY12)
· Net increase of \$12,636 over FY12 Approved (0.1%)	
· Net decrease of \$19,408 over FY12 Revised (0.1%)	

Budget Lines

<u>Percentages</u>	<u>Guidelines</u>	<u>FY12</u>	<u>FY13</u>
Student Publications	10%	10.0%	10.0%
Campus Programming	15%	13.9%	13.9%
Performing Arts	5%	3.2%	3.3%
Student Support	15%	17.9%	17.9%
Student Lead./Involv.	15%	15.0%	15.0%
Athletics	35%	35.0%	35.0%
Contingency	<u>5%</u>	<u>5.0%</u>	<u>5.0%</u>
	100%	100.0%	100.1%

Individual Budget Lines

With a basically flat funding level projected, no major changes are being proposed. Slight increases in various individual lines account for the overall \$12,636 increase over the FY12 approved budget.

**Staff (48.9% of funds; up from 48.7% in FY11)
(Increase of \$10,000)**

- Fringe Benefit increases
- Salary increases
- Overall lower salaries for four administrative new hires compared to last year (Director and Coordinator, Athletics; Coordinators of Regional Centers and Marketing, Student Life)

The increase in net overall **staff salaries** reflects the full-year funding of all positions in Student Life and Athletics in this budget. This includes both salaries and full cost of all fringe benefits. Increased cost of fringe benefits is largely off-set by lower initial salaries for four new administrative hires. The net increase in Athletics staff is a result of re-funding one of the two part-time Athletics Aide positions that was left out of the budget projection last year (but was covered this year by the lapsed salary dollars from the administrative positions). One Classified position was reclassified by Human Resources moving from Grade 5 to Grade 6. Faculty Advisor positions for Student Government Association and for Phi Theta Kappa rewritten and overall faculty extended time reduced.

There is a slight **INCREASE** in the percentage of funds, as compared to current year budget, dedicated to Staff: from 48.7% to 48.9% of total funds.

Student Publications (Guideline - 10%; Actual - 10%)

(Increase of \$283; 0.3%)

Minimal impact on current programmatic levels. Discussions have begun with three literary magazines to lower overall cost while maintaining unique character of each publication. Student Handbook is being funded at level of prior years' actual costs. Have elected to maintain version of current handbook. Student input overwhelmingly was to maintain hard-copy book and new version implemented this current year.

Campus Programming (Guideline - 15%; Actual – 13.9%)

(Increase of \$209; 0.2%)

Level funding overall in all programming lines. Note however: Former "International Festival Week" line item re-named "Special Theme Programs." This line will now contain major, campus-wide collaborative programs formerly housed in "Campus Lectures" and "Campus Concerts." In addition to International Festival, programs such as Spring Poets and Writers Series, Law and Society Week, Hispanic Heritage Month, and African Diaspora Heritage Month will be consolidated into this programming line.

Performing Arts (Guideline – 5%; Actual 3.3%)

(Increase of \$500)

Increase from 3.2% to 3.3% of programmatic budget. Jazz Band is being discontinued. As a part of the programmatic goal to increase school spirit, a "Spirit Band" or "Pep Band" is being proposed. The Musical Events line is used to pay for BMI/SESAC/ASCAP royalties.

Student Support (Guideline – 15%; Actual 17.9%)

(Increase of \$90; 0.1%)

No programmatic funding changes being proposed. "Health & Wellness Programs": This

line covers student medical costs associated with P&P 308.

**Student Leadership and Involvement (Guideline – 15%; Actual 15%)
(Increase of \$424; 0.3%)**

To maintain 15% guideline, decrease is necessary. This section funds Student Government Association, Phi Theta Kappa, all clubs and organizations.

**Athletics (Guideline 35%; Actual 35%)
(Increase of \$989; 0.3%)**

With the dissolution of the EPCC Athletics Conference for most sports, the College will be an independent / non-affiliated school for most sports for 2012-2013. Men's Soccer and Cross Country will still be competing as EPCC league members. The reduction of \$10,000 from Men's Basketball takes into account no post-season play. The increase of \$10,000 in the Co-Ed Intramural is to fund the proposed adoption of Co-Ed Bowling (an EPCC sport). Men's Baseball will only play a spring season; soccer is hoping to secure improved playing fields for practice and competition.

**Contingency (Guideline - 5%; Actual – 5%)
(Increase of \$141;)**

Increase due to maintain overall 5% guideline (split 35% Athletics and 65% Student Life).

First Year Student Success

Maintaining current year funding level. This budget covers expenses related to programmatic efforts in support of entering and first-year students. This includes Student Orientation and Registration (SOaR), Academic Welcomes, Welcome Week, and Student Involvement Days.

Child Care and Commencement

Maintained current year funding for each budget line. The Child Care budget is needed as a contingency for any charges that might be needed that are not covered with KLC contract or are beyond routine institutional costs (housekeeping, maintenance, etc.)

Commencement budget covers most graduation-related expenses and the May ceremony expenses: student cap/gowns, honor cords/ribbons, printing of programs, hall rental and event production costs.

2012-13 Changes to Title IV Student Aid Programs

On December 23, 2011, President Obama signed into law the Consolidated Appropriations Act, 2012. The New law significantly impacts the Federal student aid programs authorized under Title IV of the Higher Education Act of 1965.

- **2012-2013 Federal Pell Grant Amounts** - The Act included funds to establish the maximum Federal Pell Grant award for the 2012-2013 Award Year at \$4,860. However, HEA provides for an automatic increase to appropriated Federal Pell Grant maximum award for 2012-2013 of \$690, resulting in a 2012-2013 maximum award of \$5,550.
- **Federal Pell Grant Duration of Eligibility** - The Act amended HEA to reduce the duration of student's eligibility to receive a Federal Pell Grant from 18 semesters (or its equivalent) to 12 semesters (or its equivalent). This provision applies to all Federal Pell Grant eligible students effective with the 2012-2013 award year. The calculation of the duration of a student's eligibility will include all years of the student's receipt of Federal Pell Grant funding. This change in the duration of students' Federal Pell Grant eligibility is not limited only to students who received their first Federal Pell Grant on or after the 2008-2009 award year, as the HEA previously provided when the duration of eligibility was 18 semesters.
- **Auto- Zero Expected Family Contribution (EFC) Income Threshold** - The Act amended the HEA to reduce the income threshold for an automatic zero expected family contribution (EFC) from \$30,000 to \$23,000 for the 2012-2013 award year for both dependent and independent students. Because of statutorily required cost of living updating, the threshold for 2012- 2013 was scheduled to be \$32,000, but now will be \$23,000.
- **Ability-to-Benefit** - The Act amended HEA to eliminate Federal student aid eligibility for students without a "certificate of graduation from a school providing secondary education or the recognized equivalent of such a certificate." Therefore, students who do not have a high school diploma or a recognized equivalent (GED), or do not meet the home school requirements, and who first enroll in a program of study on or after July 1, 2012, will not be eligible to receive Title IV student aid. Students will qualify for Title IV student aid under ability-to-benefit if the student was enrolled in a Title IV eligible program prior to July 1, 2012.
- **Grace Period Interest Subsidy** - The Act amended HEA to temporarily eliminate the interest subsidy provided on District Subsidized Loans during the six month grace period provided to students when they are no longer enrolled on at least a half-time basis. This change will be effective for new Direct Stafford Loans for which the first disbursement is made on or after July 1, 2012, and before July 1, 2014.

SOURCE: US Department of Education, Assistant Secretary, January 18, 2012

**MEETING OF THE BUSINESS AFFAIRS COMMITTEE
OF THE BOARD OF TRUSTEES
Community College of Philadelphia
Wednesday, May 23, 2012 – 9:00 A.M.**

Present: Mr. Jeremiah White (Chair); presiding; Mr. Matthew Bergheiser (Vice Chair), Ms. Varsovia Fernandez, Mr. Gil Wetzel, Dr. Stephen M. Curtis, Dr. Thomas R. Hawk, Ms. Jody Bauer, Dr. Samuel Hirsch, Dr. Judith Gay, Mr. Gary Bixby, and Mr. James P. Spiewak

AGENDA – PUBLIC SESSION

(1) 2012-13 Property and Casualty Insurance Renewal Program (Action Item):

Discussion: The College's insurance program is reviewed annually prior to the July 1 renewal. The 2012-13 renewal process was undertaken on behalf of the College by Willis, the College's insurance broker of record. (At the March 1, 2012 Board meeting, the Board authorized the College to enter into a three year contract with Willis of PA, commencing July 1, 2012 with an annual fee of \$50,000 in each of the three contract years.) Willis is one of the largest providers of brokerage services to higher education with a nationally-recognized expertise in higher education risk management issues. Willis does not operate on a commission basis, but is retained for a flat fee to market the College's insurance programs. Willis also provides significant assistance to the College with risk management issues including participation in the College's Safety Committee, contract review, claims management, and risk prevention and control services.

The College maintains property and casualty insurance coverages in the following areas: General Liability, Umbrella (Excess Liability), Workers' Compensation, Property, Educators Legal Liability, Automobile, Student Medical Malpractice, Crime, International Liability, and Cyber Insurance.

Mr. Spiewak provided an overview of the College's insurance renewal program for fiscal year 2012-13. A summary of Mr. Spiewak's presentation is provided in Attachment A. The 2011-12 premiums totaled \$881,879. The 2012-13 premiums total \$853,567. The primary reason for the reduced insurance costs is a reduction in the workers' compensation premium due to a lower experience modification factor and better pricing under a new carrier for property insurance. The broker fee for Willis is \$50,000. A comparison chart for the 2011-12 and the recommended 2012-13 insurance providers and premium costs is provided in Attachment A.

Attachment B provides detailed information on coverage limits and insured risks for each of the College's insurance policies

Action: Mr. Wetzel moved and Ms. Fernandez seconded the motion that the Committee recommend to the full Board that the proposed 2012-13 insurance program with a total cost, including broker fee, of \$903,567 be approved. The motion passed unanimously.

(2) Change Order – Refacing of Winnet and Student Athletic Center Buildings to Complement New Pavilion and Bonnell Additions - \$127,900 (Action Item):

Discussion: The design of the Pavilion and the new addition to the Bonnell Building have introduced a durable and attractive metal clad façade. In contrast, the existing metal portions of the facades of the Winnet and Gymnasium Buildings, erected in 1992, are badly deteriorated and contrast poorly with the visual impact of the new construction. The cladding used for the Pavilion and Bonnell facade is available and can be applied to the Gymnasium and Student Life Buildings in conjunction with a planned painting of the building's exterior frames and mullions. This step will also prepare a backdrop for new building signage utilizing complementary lettering. The metal-cladding effort will involve removing existing caulking, stripping edges of existing panels in order to properly apply the new Kynar 500 finish panels, and re-caulking with a material and color that will match the new panels. This effort will complete the Pavilion construction project. The cost of the project will be \$127,900.

Action: Mr. Wetzel moved and Mr. Bergheiser seconded the motion that the Committee recommend to the full Board approval of the change order associated with the refacing of the Winnet and Student Athletic Center Buildings to complement the new Pavilion and Bonnell Building addition. The cost of this change order is \$127,900. The motion passed unanimously.

(3) 2011-12 Budget Update (Information Item):

Dr. Hawk and Mr. Spiewak provided an overview of the College's budget status for fiscal year 2011-12. Attachment C contains the handout provided to the Committee at the meeting.

The College's approved budget for the 2011-12 fiscal year had a planned use of carry-over funds equal to \$2,397,714. Current projections are that the required use of carry-over funds will be \$1,998,366. The 2012 fiscal year budget is continuing to be tightly managed by staff, and there is a reasonable expectation that the required use of carry-over funds can be reduced modestly more prior to the end of the fiscal year. Enrollments for the 2012 fiscal year have not changed from the last budget presentation made to the Business Affairs Committee except for summer I enrollments. As of the meeting, Summer I enrollments were projected to be 5 percent lower than budgeted for the year. Pell student aid changes are key factors associated with the enrollments. The second Pell award, which was in place for the 2011 summer period, has been eliminated as a federal budget reduction measure. In addition, the new progress requirements for Pell are now in place; and some students who might otherwise have attend summer I have lost their Pell eligibility as a result of academic performance during the 2011-12 fiscal year. Mr. Wetzel observed that the impact of Pell on College enrollments was likely to be an ongoing issue of concern for the College to plan for and manage. Over 30 percent of institutional revenues are now being received by the College *via* the Pell Program. The Committee discussed the fact that all community colleges were being impacted by the Pell changes. However, the nature of the College's student body, where a larger percentage of students are eligible for Pell, makes the College more vulnerable than community colleges in more affluent areas. Dr. Curtis noted that Community College of Philadelphia enrolls more Pell recipients than any other institution of higher education in the Philadelphia region.

Fiscal 2012 revenues are essentially unchanged from projections given to the Board earlier in the year. The only recent change in revenues has been a drop in student tuition and fee revenues from the levels budgeted based upon the lower-than-projected summer I enrollments. Overall, revenues for the year are currently projected to be \$1,394,619 less than originally budgeted.

Expenditures for 2011-12 are projected to be \$1,793,967 less than originally budgeted. The reduction in expenditures reflects the mid-year cost-containment strategies that were put in place to offset the impacts of slightly-lower-than-budgeted levels of enrollments for the year. Lapsed salary dollars for both administrative and classified/confidential employees are greater than originally assumed because of the position freezes which have been in place for the latter portion of the fiscal year. Healthcare costs are lower than originally budgeted based upon favorable utilization experience during the 2011-12 year in the College's self-insured medical program. Claims in the current year have been less than the actuarial assumptions that were made at the time that the budget was prepared.

Expenditures are greater than budgeted in two areas. Facility expenditures are \$201,747 greater than budgeted as a result of the requirement to undertake the following major repairs: the Mint Courtyard roof area, the Gym floor replacement, parking lot sealing, and sidewalk replacement. Insurance costs are \$125,000 greater than budgeted as a result of deductible expenses for claims associated with the College's general liability policy. Mr. Spiewak explained that several slips and falls from three and four years earlier had been resolved, and that the required non-insured deductible payments were greater than assumed at the time the budget was prepared.

Mr. Bergheiser asked what the current cost per covered employee was for health insurance. Current annual cost per employee is \$15,400. This includes the value of employee's and all dependents' healthcare and prescription drug costs.

(4) 2012-13 College Budget (Action Item):

Discussion: Attached separately to the minutes is the 2012-13 College Budget. The 2012-13 budget plan maintains the cost-containment strategies that were put in place for the 2011-12 year and introduces additional strategies to control expenditures. The expense-reduction strategies have been made in a way that will not impact on the College's ability to make progress on the most important strategic priorities in the areas of student success, enrollment management, technology enhancement, facility development, and strengthened private fund raising capacity.

The 2012-13 budget plan includes the 6.5 new full-time faculty required to meet contractual obligations. There is a net reduction in budgeted administrative positions of 8.0 and net reduction in classified/confidential positions of 10.0. The expenditure plan totals \$141,450,793. The recommended educational and general budget operating expense (including student activities and auxiliaries) is \$127,292,365, and the capital budget expense is \$14,158,428. The budget includes a planned use of prior years' carryover funds in the amount of \$1,950,173.

Attachment D contains the PowerPoint that was used to present the 2012-13 budget overview to the Committee. The presentation was structured in three parts. (1) Key assumptions and strategic priorities which guided the development of the 2012-13 budget plan; (2) an overview of the 2012-13 revenues; and (3) an overview of the 2012-13 expenses. The continuing growth in the dependence on student revenues to sustain the College's operating budget is highlighted in the presentation. For 2012-13, approximately 60.7 percent of the revenues for the budget will come from student tuition and fees. The City will provide about 14.5 percent of operating revenues, and the State will provide 21.8 percent. Other income will account for 1.5 percent of the institutional revenues, and carry-over funds will fund about 1.6 percent of institutional expenses. The College budget plan is based upon divisional objectives which were prepared in all areas of the College in support of the College's strategic priorities. The College's Strategic Plan is organized around three themes: Quality and Accountability, Enrollment Management and Restructuring for the Future. Pages 7 to 19 of the College Budget provide a summary of the divisional objectives which guided the development of resource allocation decisions for the 2012-13 fiscal year.

An important component of the budget planning process involved the implementation of cost-containment strategies for expenditures in many areas of the College in order to develop dollars to reallocate to priority initiatives for the 2012-13 year. Staff discussed the positive institutional impacts of these initiatives which include the following:

Achieving the Dream Initiatives	\$	32,000
Learning Management System Replacement		204,000
International Student Recruitment		40,000
Facility Master Planning – Phase II		100,000
Enhanced Private Raising Efforts		100,000
Home Page and Web Site Development		150,000
Document Imaging and Preservation		212,000
DegreeWorks Graduation Management System Implementation		<u>235,000</u>
Total Reallocation of Dollars to Major Initiatives	\$	1,073,000

The Committee had an extended conversation about the 2012-13 gap between revenues and expenditures which requires a use of carry-over funds for the second year in a row. Staff noted that the College has used carry-over funds in approximately 40 percent of the fiscal years in the College's history in order to stabilize programs and services during periods of time of underfunding from either the City or the State. However, the current circumstances may be more difficult to recover from than has been the case in the past. There is a real concern that the long-term downward drift in public revenues may be creating a structural disequilibrium for the College that will require the College to fully rethink its expenditures and service delivery approaches. Ms. Fernandez noted that the College may be forced to adopt a new business model in order to ensure its financial viability over the long term.

Mr. Bergheiser asked about the long-term implications of the growing GASB 45 obligation and its impact of creating negative unrestricted net reserves for the College at the end of the 2012 fiscal year. The GASB 45 liability is not a cash issue. The College's liquidity position remains very strong. Post-retirement healthcare benefits are paid for on an annual

basis and budgeted for as a part of the College's operating budget. The value of the accrued future liability is greatly influenced by the underlying assumptions which are used to generate the expected future costs of post-retirement benefits. These assumptions include mortality rates, healthcare cost trends, discount rates used to compute present values, percentages of employees who will remain employed at the College until they become eligible for post-retirement benefits, and the extent to which the plan will remain the same in the future as it is currently designed. Dr. Hawk noted that an upcoming meeting has been scheduled with Moody's to discuss the College's general financial trends, and to develop a better understanding as to how the growing GASB 45 liability will be considered in bond ratings for future debt issues that the College will undertake.

Mr. White commented on the importance of developing new revenue streams from other sources including a greater emphasis on private fund raising to support future operations of the College. Dr. Curtis noted that, in addition to a growing commitment to private gift giving, a range of other initiatives were underway to strengthen revenues. These include: student retention, distance learning program growth, expanded enrollment capacity at the Regional Centers, international student growth, and restructured degree programs to respond more fully to the needs of adult students.

Action: Mr. Wetzel moved and Mr. Berghaiser seconded the motion that the Committee recommend to the full Board that the College's proposed 2012-13 budget be adopted. The motion passed unanimously.

(5) Construction Projects Update (Information Item):

Mr. Bixby reported that the Mint portion of the Main Campus Project was complete and now fully occupied by staff. The Bonnell ground floor renovations are being completed in phases. The north end phases are complete and occupied. The 17th Street Bonnell entrance is expected to reopen in mid-July. The green roof on top of the Bonnell expansion has been installed. The southern end of the Bonnell Building is expected to be completed by mid-September with all staff having moved in by early October.

The Biotechnology laboratory in the West Building is on schedule for a September completion. Outfitting and laboratory set-up will occur in the fall with the lab placed in use for the spring 2013 term.

Landscaping for the Main Campus will be accomplished in phases with some hardscaping being in place for the start of the fall, 2012 classes. Planting and additional hardscaping will occur over the 2012-13 year.

Mr. Bixby noted that an as yet unexplained glass breakage had occurred in several Northeast Regional Center windows. It appears to be the result of unanticipated heat build-up between the two glass layers. A forensic investigation is underway to confirm the cause and determine the appropriate resolution.

(6) Next Meeting Date

The next regularly scheduled meeting of the Committee will occur on Wednesday, June 20, 2012 at 9:00 A.M.

TRH/lm
Attachments
BAC\0512MINUTES.DOC

ATTACHMENT A

OVERVIEW OF 2012-13 INSURANCE PROGRAM RENEWAL PROCESS AND RESULTS

INSURANCE PROGRAM RENEWAL 2012-13

Introduction

The College insurance program is reviewed annually prior to the July 1 renewal. During the renewal strategy meeting held on March 8, 2012, it was agreed that the best strategy would be for Willis to conduct a marketing of the College's insurance programs with the exception of workers' compensation (this coverage was moved to Lackawanna last year) and cyber insurance (initial year with Beazley) with the goal of stabilizing premiums while maintaining comprehensive coverage. This strategy was selected due to a slight hardening of the insurance market, particularly the re-insurance market, and an attempt to continue successful partnerships with our incumbent carriers. Willis marketed our portfolio to twelve different carriers for our lines of coverage.

General Liability

The College's general liability coverage has been with United Educators for eleven years. They are generally acknowledged to have the best GL form available concerning comprehensive coverage in the higher education market. In addition to UE, Willis also approached Travelers, CNA and WRM. United Educators offered a renewal premium of \$115,454 which is \$6,098 higher than the expiring rate (6.0%) with no change to the deductibles (\$50,000 each occurrence; \$200,000 annual aggregate). This increase was driven by a combination of a rate increase (2.5%) and a change to the rating methodology utilized by UE (focus changed from FTE count to budget). The College was again granted an automatic 4% premium rate credit based upon certain risk management initiatives that were undertaken during the year. Furthermore, the College is entitled to a \$19,753 dividend from United Educators if at least one coverage line (GL or Umbrella) is renewed. United Educators is organized as a reciprocal risk retention group – owned by its members like CCP; this is the

second consecutive year that the College will have received a dividend. UE also offered a reduced deductible plan of \$25,000 per incident with a \$100,000 annual maximum. The annual cost for this reduced deductible plan is \$140,237. WRM offered an indication to quote but ultimately did not provide the required information to effectively compare policies. Travelers was interested but did not meet the deadline established for providing a formal quotation. CNA declined to quote due to their inability to offer competitive pricing.

Umbrella

The College's umbrella liability coverage (\$25 million for any one loss) has also been with United Educators for eleven years. They are generally acknowledged to have the best umbrella/excess form available concerning comprehensive coverage in the higher education market. In addition to UE, Willis approached the same carriers as it did for the general liability coverage. United Educators offered a renewal rate of \$82,076 that is \$3,954 or 5% above the expiring premium. This policy also sits on top of the \$1 million coverage for student medical malpractice insurance. It also sits over the general liability, automobile liability, employers' liability and foreign liability insurance. As with the general liability policy, the College was granted a 4 percent premium reduction based upon certain risk management initiatives that were undertaken during the year. WRM offered an indication to quote but ultimately did not provide the required information to effectively compare policies. Travelers was interested but did not meet the deadline established for providing a formal quotation. CNA declined to quote due to their inability to offer competitive pricing. UE also offered options at additional limits of coverage follows: \$20 million at a premium of \$76,627 and \$30 million at a premium of \$88,667.

Workers' Compensation

Since a comprehensive marketing of the workers' compensation coverage was conducted by Willis last year, and coverage was moved to Lackawanna as a result of the marketing effort, this line of coverage was not marketed. Lackawanna's renewal premium is \$325,720, a reduction of 6% or \$20,926. The primary reasons for the decrease were a reduction in the College's experience modification factor and the carrier's continued confidence in the College's ability to avoid claims. The Human Resources Office and the College's Safety Committee continue to review all work-related claims and offer recommendations and training efforts where needed. The College's Safety Committee again received re-certification from the PA Department of Labor; this automatically makes the College eligible for a 5 percent reduction in premium.

Property

Willis marketed the property coverage to the following carriers: Chubb (incumbent), CAN, Travelers, Zurich, Affiliated FM, and Philadelphia Insurance Co. Quotes that are lower than the expiring premium (\$201,758) were received from Affiliated FM (\$163,119) and CNA (\$165,000); competitive quotes were received from Chubb (\$210,272) and Travelers (\$198,500) while Zurich and Philadelphia Insurance Co. declined to quote. A review of the policy form of Affiliated FM by Willis staff identified only minor differences in certain sublimit coverages. Affiliated FM had been the College's property carrier prior to Chubb. This policy also provides \$7 million of business interruption insurance.

Educator Legal Liability

The ELL policy provides management liability protection (\$15 million limit with a \$75,000 retention) for the College's Board of Trustees and the Foundation's Board of Trustees, employment practices liability, employed lawyers liability and professional liability for faculty

and staff. Chartis, the incumbent carrier, provided a quote of \$78,852 that is the same as expiring. Willis also approached WRM, a relatively new insurance company that focuses on the education and non-profit market, and UE. Although UE did not submit a formal quote, they indicated that their pricing would be comparable to what was quoted last year (\$140,000). WRM offered an indication to quote but ultimately did not provide the required information to effectively compare policies.

Automobile

The incumbent carrier, Philadelphia Insurance Co., offered a renewal rate of \$17,302 which is 4.8% or \$794 more than expiring. Travelers, CNA and WRM were also approached by Willis. CNA declined to quote, WRM was only interested in this line if it was packaged with the general liability coverage and Travelers did not meet the deadline established for providing a formal quotation. This policy covers employees driving College owned, rented or hired vehicles as well as providing collision and comprehensive coverages for the College's Facilities' trucks, one sedan and the mailroom van.

Student Medical Malpractice

CNA offered a quote of \$8,753 that is \$232 higher than expiring. The College again received rate reductions for being a long-term client (3+ years) and for having no claims during the most recent three-year period. The number of students participating in clinical settings affects the cost of this insurance. UE also provided a quote but it was substantially higher than CNA.

Crime

Chartis, the incumbent carrier, offered a renewal rate of \$14,701 that is essentially a flat renewal (\$6 above expiring). This policy provides the College with protection against 1st party (employee) theft and 3rd party theft and fraud for a limit of \$4 million.

International Liability

This policy was last marketed for the 2009-10 fiscal year and a three-year policy was purchased from ACE. This policy, which also includes kidnap and extortion coverage, expires July 1, 2012. Willis received quotes from ACE, Chartis, and Navigators. All but ACE offered a three-year policy. On an annual basis, the quotes received are as follows: ACE - \$3,134; Chartis -\$2,851; and Navigators -\$3,035.

Security and Privacy (Cyber Insurance)

The College first secured this line of coverage for the 2011-2012 fiscal year. This insurance offers protection to the College if there were data security breaches or compromises of student and/or employee data. The carrier will provide forensic and legal assistance from a panel of experts to help determine the extent of the breach and the steps required to comply with applicable laws, include the following: notification to persons who must be notified under applicable law; offer 12 months of 3-bureau credit monitoring to affected individuals; identify theft-related fraud resolution services for individuals enrolled in credit monitoring who become victims of identity theft; and extend coverage for theft, loss or unauthorized disclosure of information held by business associates as defined by HIPPA. First party benefits include protection for data recovery and

business interruption, extortion threats and regulatory defense and penalties. The policy also protects the College against 3rd party legal action for damages arising from the alleged breach (including defense costs). The renewal quote received from Beazley, the incumbent carrier, is \$19,956 or \$4,332 less than expiring.

Broker Fee

The annual fee for 2012-13 is \$50,000 according to the new three-year agreement with Willis.

Recommendation

College staff, after carefully considering the available options internally and with its broker representatives, recommends that the College procure insurance as detailed below.

<u>Coverage</u>	<u>Carrier</u>	<u>2012-13 Renewal Premium</u>	<u>2011-12 Expiring Premium</u>
General Liability (\$1M)	United Educators	\$140,237 *	\$109,356
Umbrella (\$25M)	United Educators	82,076	78,122
Workers' Compensation	Lackawanna	325,720	346,646
Property	Affiliated FM	163,119	201,758
Educators Legal Liability (\$15M)	Chartis	78,852	78,852
Automobile	Phila. Insurance Co.	17,302	16,508
Student Medical Professional Liability (\$1M)	CNA	8,753	8,521
Crime (\$4M)	Chartis	14,701	14,695
International Liability	ACE	2,851	3,133
Security & Privacy (\$1M)	Beazley	19,956	24,288
TOTAL INSURANCE PREMIUMS		\$853,567	\$881,879
Broker Fee	Willis	\$ 50,000	\$ 55,000

* Change in deductible limits from \$50,000 per claim to \$25,000 per claim and from \$200,000 annual maximum to \$100,000 annual maximum.

ATTACHMENT B

**INSURANCE COVERAGES AND PREMIUM PROPOSAL
JULY 1, 2012 TO JUNE 30, 2013**

PREPARED BY WILLIS

Property Coverage Comparison

Property and Boiler & Machinery	Chubb Expiring 2011 to 2012	Chubb Renewal 2012 to 2013	Affiliated FM Renewal 2012 to 2013	CNA Renewal 2012 to 2013	Travelers Renewal 2012 to 2013
Limits					
Blanket Limit (Property Damage – Real & Personal Property)	\$348,000,000	\$348,000,000	\$357,714,986	\$357,000,000 Includes EDP	\$350,000,000
Blanket Business Interruption	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000
Extra Expense – The company will pay the greater of the sub-limit or 15% of the reported annual Business Interruption values	Included with business interruption	Included with business interruption	\$5,000,000	Included with business interruption	\$7,000,000
Earth Movement (Annual Aggregate, for all coverages provided)	\$100,000,000	\$100,000,000	\$100,000,000	\$100,000,000	\$50,000,000
Flood (Annual Aggregate, for all coverages provided)	\$50,000,000	\$50,000,000	\$100,000,000	\$50,000,000	\$50,000,000
Photographic Equipment	\$65,660	\$65,660			
Machinery Breakdown	Included	Included	Included	Included	Included
430 – 440 N. 15 th Street Building	\$4,500,000	\$1,000,000	\$4,500,000	Vacancy Clause Applies	\$4,500,000
	\$100,000 Contents Vacancy Clause Applies	Vacancy Clause Applies & ACV	Vacancy Clause Applies		Vacancy Clause Applies
Extensions of Coverage Sub-Limits					
Fire Fighting Materials and Expenses	Included in \$1,000,000 blanket limit	Included in \$1,000,000 blanket limit	\$100,000	\$25,000	
Professional Fees	\$25,000	\$25,000	\$100,000	Included	\$25,000
Expediting Expenses	Included in BI/EE limit	Included in BI/EE limit	\$250,000	\$1,000,000	
Trees, Shrubs, Plants and Lawn limit	\$100,000	\$100,000	\$100,000	\$50,000	
Pavements and Roadways	\$250,000	\$250,000	\$250,000		
Land and Water Clean Up Expense (Annual Aggregate, for all coverages)	\$50,000	\$50,000	\$50,000	\$100,000	

Property and Boiler & Machinery provided)	Chubb Expiring 2011 to 2012	Chubb Renewal 2012 to 2013	Affiliated EM Renewal 2012 to 2013	CN A Renewal 2012 to 2013	Travelers Renewal 2012 to 2013
Installation Floater	\$50,000 any job site in transit \$50,000 in transit	\$50,000 any job site in transit \$50,000 in transit	\$250,000		\$250,000
Newly Acquired Property	\$2,500,000 180 Days Included \$1,000,000 blanket limit	\$2,500,000 180 Days Included \$1,000,000 blanket limit	\$2,500,000 120 Days \$2,500,000	\$1,000,000 120 Days \$1,000,000	\$2,500,000 120 Days \$1,000,000
Unnamed Locations Coverage	\$1,000,000 blanket limit	\$1,000,000 blanket limit	\$2,500,000	\$1,000,000	\$1,000,000
Unnamed Locations World-Wide	N/A	N/A	\$1,000,000	N/A	
Fine Arts	\$1,000,000	\$1,000,000	\$1,500,000	\$1,000,000	\$1,000,000
Accounts Receivable	\$1,000,000	\$1,000,000	\$1,000,000	\$5,000,000	\$5,000,000
Brands and Labels	Included in personal property	Included in personal property		\$25,000	
Valuable Papers and Records	\$1,000,000	\$1,000,000	\$1,000,000	\$5,000,000	\$5,000,000
Library Books	Included in contents	Included in contents	Not to exceed \$100 per book	Included in contents	Included in contents
Electronic Data Processing, Data and Media	\$9,528,000	\$9,528,000	\$500,000	Included in Blanket	\$20,000,000
Demolition and Increased Cost of Construction					
<ul style="list-style-type: none"> • Undamaged Portion • Demolition • Compliance with the Law • Business Interruption 	\$5,000,000 \$10,000,000	\$5,000,000 \$10,000,000	Policy Limit \$5,000,000 \$10,000,000 Included in demolition Included in demolition	Policy Limit \$5,000,000 \$5,000,000	
Errors and Omissions	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Transit Coverage	\$1,000,000	\$1,000,000	\$1,000,000	\$100,000	\$1,000,000
Tenants Legal Liability and Expenses	Included in \$1,000,000	Included in \$1,000,000	\$500,000		\$1,000,000

Property and Boiler & Machinery	Chubb Expiring 2011 to 2012	Chubb Renewal 2012 to 2013	Affiliated FM Renewal 2012 to 2013	CN A Renewal 2012 to 2013	Travelers Renewal 2012 to 2013
Soft Costs	blanket limit N/A On per project basis	blanket limit N/A On per project basis	\$100,000	\$1,000,000	
Research and Development	Included in \$1,000,000 blanket limit	Included in \$1,000,000 blanket limit	Policy Limit	\$1,000,000	
Research Animals	N/A Can be added by endorsement if needed	N/A Can be added by endorsement if needed	\$250,000 not to exceed \$1,000 per animal		
Personal Property of Students and Teachers not to exceed a limit of \$10,000 Per Student or Teacher (Annual Aggregate, for all coverages provided)	Included in \$1,000,000 blanket limit	Included in \$1,000,000 blanket limit	\$1,000,000		
Emergency Evacuation Expense	N/A	N/A	N/A	\$1,000,000	N/A
Business Interruption – Extensions of Coverage Sub-Limits					
Days of Ordinary Payroll	90 Days	90 Days	90 Days	90 Days	90 Days
Days of Civil Authority	30 Days	30 Days	30 Days	30 Days	30 Days
Off-Premises Service Interruption	\$2,500,000	\$2,500,000	\$2,500,000	\$1,000,000 PD \$100,000 TE	
Contingent Business Interruption	\$250,000	\$250,000	\$500,000	\$500,000	
Ingress/Egress	\$500,000	\$500,000	\$500,000	\$250,000	
Extended Period of Indemnity	Unlimited	Unlimited	365	365	365
Protection and Preservation of Property	Included in Loss	Included in Loss		Included in Loss	\$250,000
Deductibles:					
Earth Movement (per occurrence for each location for all coverages provided)	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000

Property and Boiler & Machinery	Chubb Expiring 2011 to 2012	Chubb Renewal 2012 to 2013	Affiliated FM Renewal 2012 to 2013	CNA Renewal 2012 to 2013	Travelers Renewal 2012 to 2013
Flood (per occurrence for each location for all coverages provided)	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Off-Premises Service Interruption Qualifying Period	24 Hours Locations 1/1, 1/2, 1/3, 4/1	24 Hours Locations 1/1, 1/2, 1/3, 4/1	24 hours	24 hours	24 hours
Photographic Equipment	\$500	\$500			
All Other Losses	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
430-440 N. 15 th Street Building	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
"Green" Property Endorsement	added automatically on 7/26/08	added automatically on 7/26/08	\$250,000 limit- additional premium \$5,352	\$5,000,000	Yes
Premium	\$201,758		\$171,905	\$165,000	\$198,500
Certified Act of Terrorism	Included	Included	\$10,000	Included	Included
Non-Certified Act of Terrorism	Included	Included	Included	Included	Included
Engineering Fee	N/A	N/A	\$8,500	N/A	N/A
Commission	0%	0%	15%-minus engineering fee	0%	0%
Net Commission	\$201,758	\$210,272	\$163,119	\$165,000	\$198,500
Payment Terms	Quarterly	Quarterly	Upfront	TBD	Upfront
Additional Options					

Affiliated FM

- Risk Improvement Coverage- \$250,000 Limit- additional premium \$4,863
- Green Coverage - \$250,000 limit- additional premium \$5,352

General Liability Coverage Comparison

An important note – UE is offering a dividend to their renewing members this year. CCP will be eligible for \$19,752.86 if you renew at least one line of coverage with UE.

General Liability	United Ed Expiring 2011 to 2012	United Ed Renewal 2012 to 2013
Limits of Liability		
General Aggregate	\$3,000,000	\$3,000,000
Each Occurrence	\$1,000,000	\$1,000,000
Fire Damage Legal Liability	\$1,000,000	\$1,000,000
Medical Expenses Per Person	\$5,000	\$5,000
Deductible		
Property Damage	\$0	\$0
Each Occurrence	\$50,000	\$50,000
Annual Aggregate	\$200,000	\$200,000
Coverages		
Defense Costs are in addition to the Limits of Liability	Yes	Yes
Premises/Operations	Yes	Yes
Products/Completed Operations	Yes	Yes
Independent Contractors	Yes	Yes
Blanket Contractual Liability	Yes	Yes
Personal & Advertising Injury	Yes	Yes
Personal Injury – Non-employment sexual harassment coverage	Yes	Yes
Premises Medical Payments	Yes	Yes
Liquor Liability	Yes	Yes
Premises Non-Owned Automobile Liability	Yes	Yes
Mobile Equipment	Yes	Yes
Broad Form Property Damage	Yes	Yes
Watercraft (no submersible) up to 50 feet and rowing shells regardless of length	Yes	Yes
Additional Coverages/Extensions		
Amendment of Pollution Exclusion – smoke from hostile fire, pollution from HVAC, application of pesticide & herbicides	Yes	Yes
Sudden and Accidental Above Ground Pollution (including bodily injury in laboratories)	Yes	Yes
Additional Insured – (blanket wording – anyone whom you are required by written contract to include as additional insured)	Yes	Yes
Allied Health Services provided at student	Yes	Yes

General Liability	United Ed Expiring 2011 to 2012	United Ed Renewal 2012 to 2013
infirmaries are included if the services are provided by an employee of the educational institution who is a registered nurse, licensed practical nurse, licensed or certified athletic trainer, nurse practitioner or other allied health personnel		
Joint Venture Coverage	Yes	Yes
Punitive Damages included where insurable by Law	Yes	Yes
"Temporary" Employees are included as Insureds	Yes	Yes
Uncompensated volunteers are included as Insureds at the discretion of the Institution	Yes	Yes
Mental Anguish is included as Bodily Injury	Yes	Yes
Corporal Punishment, sexual assault / molestation coverage (perpetrator excluded)	Yes	Yes
Athletic Events (including liability for participants)	Yes	Yes
Worldwide Territory, including incidental foreign Hired / non-owned automobile coverage	Yes	Yes
Foreign Terrorism / Foreign Hostilities Exception	Yes	Yes
Broadened Knowledge of Occurrence	Yes	Yes
90days Notice of Cancellation	Yes	Yes
Premium	\$109,356	\$115,454
Paid-In Surplus	\$0	\$0
Total Policy Cost	\$109,356	\$115,454
Payment Terms	Up Front	Up Front

Additional Option:

UE Deductible Option	\$25,000/\$100,000	\$75,000/\$200,000
Premium	\$140,237	\$105,949

Automobile Coverage Comparison

Business Automobile	Philadelphia Ins. Co. Expiring 2011-2012	Philadelphia Ins. Co. Renewal 2012-2013
Limits of Liability		
Combined Single Limit (BI & PD per Accident) – Symbol 1	\$1,000,000	\$1,000,000
Personal Injury Protection – Symbol 5	Statutory	Statutory
Added Personal Injury Protection – Symbol 5	Maximum	Maximum
Uninsured Motorist – Symbol 2	\$1,000,000	\$1,000,000
Underinsured Motorist – Symbol 2	\$1,000,000	\$1,000,000
Garage Keepers Legal Liability	\$50,000	\$50,000
Physical Damage		
Comprehensive Deductible – Symbols 2, 8	\$500	\$500
Collision Deductible – Symbol 2, 8	\$1,000	\$1,000
Hired/Borrowed Car Physical Damage	ACV or repair or replacement of the vehicle, whichever is less	ACV or repair or replacement of the vehicle, whichever is less
Garage Keepers Legal Liability Comprehensive Deductible	\$500 each accident \$2,500 aggregate	\$500 each accident \$2,500 aggregate
Garage Keepers Legal Liability Collision Deductible	\$500	\$500
Additional Coverages/Extensions		
Rental Reimbursement Coverage (up to \$100 a day for up to 30 days)	Yes	Yes
Additional and Combination First Party Benefits – \$277,500	Yes	Yes
Hired Autos Specified as covered autos you owned – CA9916	Yes	Yes
Broadened Pollution Liability Coverage	No	No
Employees as Insureds (include employee rentals in their name on company business)	Yes	Yes
Fellow Employee Exclusion Deleted for managers and above	Yes	Yes
Towing and Labor (\$100 per disablement)	Yes	Yes
Blanket Additional Insured Lessor	Yes	Yes
Unintentional Errors & Omissions	Yes	Yes
Broad Named Insured Wording	Yes	Yes
Broadened Notice of Occurrence	Yes	Yes
Broadened Knowledge of Occur.	Yes	Yes
60 Days Notice of Cancellation	Yes	Yes

Business Automobile	Philadelphia Ins. Co. Expiring 2011-2012	Philadelphia Ins. Co. Renewal 2012-2013
Transfer Rights of Recovery Endorsement	Yes	Yes
Number of Power Units	6	6
Premium	\$16,508	\$17,302
Commission	0%	0%
Payment Terms	25% Down and 9 Equal Installment	25% Down and 9 Equal Installment

Workers' Compensation Coverage Comparison

Workers' Compensation	Lackawanna Expiring 2011 to 2012	Lackawanna Renewal 2012 to 2013
Limits of Liability		
Workers' Compensation	Statutory	Statutory
Employer's Liability Each Accident	\$500,000	\$500,000
Employer's Liability Disease Aggregate	\$500,000	\$500,000
Employer's Liability Disease Each Employee	\$500,000	\$500,000
Coverages/Extensions		
Other State Insurance (applies in all states except Monopolistic States)	Only PA	Only PA
Voluntary Compensation	Yes	Yes
Stop Gap Coverage	No	No
60 Days Notice of Cancellation / 10 for Nonpayment	Yes	Yes
PA Modification Factor	1.063	.924
Payroll	\$77,200,000	\$77,125,000
Premium Information	Subject to Audit	Subject to Audit
Plan Type	Guaranteed Cost	Guaranteed Cost
Premium	\$346,646	\$325,720
Commission	0%	0%
Payment Terms	Quarterly Installments	Annual

Excess Liability Coverage Comparison

Excess Liability	United Ed Expiring 2011 to 2012	United Ed Renewal 2012 to 2013
Limits of Insurance		
Each Occurrence	\$25,000,000	\$25,000,000
Annual Aggregate Limit for:	\$25,000,000	\$25,000,000
(i) Product Liability		
(ii) Completed Operations Liability		
(iii) Employee Occupational Disease Liability		
Sexual Molestation	\$25,000,000	\$25,000,000
Underlying Limit Retention	\$1,000,000	\$1,000,000
Inception Date	July 1, 2000	July 1, 2000
Maintenance Deductible	\$10,000 per drop down coverage	\$10,000 per drop down coverage
Underlying Insurance Aggregate Exhaustion:		
▪ Employers Liability	Yes	Yes
▪ Professional Liability (student blanket)		
▪ General Liability		
▪ Foreign Liability		
Coverage/Extensions		
“Pay on Behalf of”	Yes	Yes
Defense Costs are inside the Limits of Liability		
Worldwide Territory	Yes	Yes
Pollution – follow Form to Primary Policies	Yes	Yes
Athletic Event Liability – Including Injury to Participants	Yes	Yes
Professional Liability of Employees in the student health services	Yes	Yes
Security Forces Liability	Yes	Yes
Sudden and Accidental above ground pollution (including bodily injury in laboratories)	Yes	Yes
Liquor Liability – Host & Licensed Sales	Yes	Yes
Watercraft (non-submersible) under 26 feet and rowing shells	Yes	Yes
Corporal Punishment, sexual assault / molestation (perpetrator excluded)	Yes	Yes
Punitive Damages included where insurable	Yes	Yes
90 Days Notice Cancellation	Yes	Yes
Premium	\$78,122	\$84,686
Paid-In Surplus	\$0	\$0
Total Policy Cost	\$78,122	\$82,076
Payment Terms	Up Front	Up Front

Additional Option:

United Educators	United Educators
Limit- \$20,000,000	Limit- \$30,000,000
Premium- \$76,627	Premium- \$88,667

Subjectivities:

- Signed RMPC Application
- Signed UE Application
- Update UE Contact Sheets
- Contact Information for the appropriate person to coordinate required reporting of Medical Service payments

Educators Legal Liability Coverage Comparison

Educators Legal Liability	Chartis Expiring 2011 to 2012	Chartis Renewal 2012 to 2013
Limits of Liability		
D&O and Not-for-Profit Organization	\$15,000,000	\$15,000,000
Crisis Management Fund for D&O	\$50,000	\$50,000
Employment Practices	\$15,000,000	\$15,000,000
Employed Lawyers	\$5,000,000	\$5,000,000
Policy Aggregate (Shared limit of Liability between D&O, EPL & Employed Lawyers)	\$15,000,000	\$15,000,000
Side A Excess Limit	\$500,000	\$500,000
Self Insured Retention (per claim) (including defense cost)		
Non-Indemnifiable directors, trustees & officers	\$0	\$0
Crisis Management Event	\$0	\$0
Non-employment Discrimination claims (EPL coverage section)	\$75,000	\$75,000
Employed Lawyers coverage section	\$10,000	\$10,000
All other claims	\$75,000	\$75,000
Continuity Date : D&O and EPL	07/01/1998	07/01/1998
Continuity Date : Employed Lawyers	07/01/2007	07/01/2007
Defense Counsel Provisions	Chartis Counsel	Chartis Counsel
Duty to Defend	Optional Duty to Defend	Optional Duty to Defend
Coverages/Extensions		
Defense Costs are included within the limit of liability	Yes	Yes
Directors & Officers Liability, Educational Errors & Omissions and Employment Practices Liability	Yes	Yes
Punitive Damages where insurable by law	Yes – Included in Policy Limit	Yes – Included in Policy Limit
60 days Post Policy Reporting Allowance	Yes	Yes
30 days Notice of Cancellation	Yes	Yes
Notable Exclusions		
Illegal or unjust profit	Yes	Yes
ERISA Liability	Yes	Yes
Insured vs. Insured	Yes	Yes
Professional Services (other than education or teaching and employed attorneys)	Yes	Yes

Educators Legal Liability	Chartis Expiring 2011 to 2012	Chartis Renewal 2012 to 2013
Bodily Injury, death, Mental Injury or Emotional Distress (Exception to Mental Injury of Emotional Distress arising from Wrongful Employment practices)	Yes	Yes
Property Damage or Destruction	Yes	Yes
Assault or Battery	Yes	Yes
Contractual Exclusion – carve out: <ul style="list-style-type: none"> ▪ liability that would have existed in the absence of a contract ▪ tenure and peer review ▪ Defense Cost ▪ Educational Services 	Yes	Yes
Collective Bargaining	Yes	Yes
Outside Directorship (excepting those not-for-profit organizations)	Yes	Yes
Fair Labor Standards Acts or similar law (except for the Equal Pay Act, or any retaliation for exercising any rights or duties under any such laws)	Yes	Yes
Final Adjudication for all conduct Exclusions	Yes	Yes
Severability for all conduct Exclusions	Yes	Yes
Miscellaneous Endorsements		
Severability of the Application	Yes – full severability of insureds / Top 3 CCP positions imputed to the Institution	Yes – full severability of insureds / Top 3 CCP positions imputed to the Institution
Non-Rescindable	Yes	Yes
Order of Payments	Yes	Yes
Settlement Opportunity End. D&O and EPL	80% carrier / 20% insured	80% carrier / 20% insured
Payment Plan	Up Front	Up Front
Premium	\$93,316	\$93,316
Commission	15.5%	15.5%
Net Premium	\$78,852	\$78,852

Crime Coverage Comparison

Crime Coverage	Chartis Expiring 2011 to 2012	Chartis Renewal 2012 to 2013
Limits of Liability (per occurrence)		
Employee Theft	\$4,000,000	\$4,000,000
Forgery or Alteration	\$4,000,000	\$4,000,000
Inside The Premises – Theft of Money and Securities	\$4,000,000	\$4,000,000
Inside The Premises – Robbery or Safe Burglary of Other Property	\$4,000,000	\$4,000,000
Outside The Premises	\$4,000,000	\$4,000,000
Computer Fraud	\$4,000,000	\$4,000,000
Money Orders and Counterfeit Paper Currency	\$4,000,000	\$4,000,000
Funds Transfer Fraud	\$4,000,000	\$4,000,000
Credit, Debit or Charge Card Forgery	\$1,000,000	\$1,000,000
Client's Property	\$1,000,000	\$1,000,000
Deductibles (per occurrence)		
Each Loss	\$40,000	\$40,000
Except Client Property	\$10,000	\$10,000
Coverages/Extensions		
Employee Benefit Plan included as Insured/ERISA Compliance (Omnibus wording)	Yes	Yes
Definition of Employee: any natural person while in your services whom you compensate, whom you have direct control while performing services for you.	Yes	Yes
Ex-Employee Coverage for 45 days	Yes	Yes
Loss will be covered up to one year after policy termination	Yes	Yes
60 days Notice of Cancellation	Yes	Yes
Premium	\$17,390	\$17,397
Commission	15.5%	15.5%
Net Premium	\$14,695	\$14,701
Payment Terms	Up Front	Up Front

Subjectivities:

Signed Chartis Application

Student Blanket Prof. Liab. Coverage Comparison

Student Blanket Professional Liability	CNA Expiring 2011 to 2012	CNA Renewal 2012 to 2013
Limits of Liability		
Each Loss	\$1,000,000	\$1,000,000
Each Policy Period	\$5,000,000	\$5,000,000
Deductible	Nil	Nil
Coverages/Extensions		
Coverage for Actual or Alleged Medical Incidents	Yes	Yes
Faculty included as an Additional Insured while instructing / supervising students	Yes	Yes
Entity / Educational Organization as an Additional Insured	Yes	Yes
Defense Cost	Outside the limits of Liability	Outside the limits of Liability
Personal Injury Protection	Covered claims arising from charges of privacy violation, slander, libel, assault and battery and other alleged personal injuries.	Covered claims arising from charges of privacy violation, slander, libel, assault and battery and other alleged personal injuries.
School Grievance / Disciplinary Hearing	Up to \$1,000 per proceeding Up to \$10,000 aggregate	Up to \$1,000 per proceeding Up to \$10,000 aggregate
Damage to Property of Others	Up to \$250 per incident Up to \$10,000 aggregate	Up to \$250 per incident Up to \$10,000 aggregate
Assault Coverage	Covered Medical Expense or reimburses for damages to your property up to \$25,000 aggregate, up to \$1,000 per incident	Covered Medical Expense or reimburses for damages to your property up to \$25,000 aggregate, up to \$1,000 per incident
Medical Payments	Up to \$100,000 aggregate Up to \$2,000 per person	Up to \$100,000 aggregate Up to \$2,000 per person
First Aid Expenses	Up to \$25,000 aggregate Up to \$500 per incident	Up to \$25,000 aggregate Up to \$500 per incident
Defendant Expense Benefit	Up to \$10,000 aggregate for lost wages and covered expenses	Up to \$10,000 aggregate for lost wages and covered expenses
Deposition Representation	Up to \$5,000 aggregate	Up to \$5,000 aggregate
Number of Students	806	828
Premium	\$8,521	\$8,753
Willis Commission	0%	0%
HPSO Commission	40%	40%
Payment Terms	Prepaid	Prepaid

Additional Option to Consider:

Carrier	United Educators
Limit	\$1,000,000 each occurrence \$3,000,000 aggregate
Deductible	\$10,000
Premium	\$11,269

Security & Privacy Liability

Security & Privacy	Beazley Expiring 2011 to 2012	Beazley Renewal 2012 to 2013
Policy Form	Breach Response Form	Breach Response Form
Policy Type	Claims Made & Reported	Claims Made & Reported
Policy Limits - Policy Aggregate	\$1,000,000	\$1,000,000
Privacy and Security Liability	\$1,000,000	\$1,000,000
1 st Party Business Interruption	\$1,000,000	\$1,000,000
1 st Party Data Recovery	Included In BI above	Included In BI above
1 st Party Business Interruption Aggregate Sublimits:		
▪ Hourly Sublimit	\$100,000	\$100,000
▪ Forensic Expense Limit	\$100,000	\$100,000
▪ Dependent Business Interruption	\$100,000	\$100,000
Cyber Extortion	\$1,000,000	\$1,000,000
Sublimit – notification/ Breach Response Serves	250,000 notified individuals	250,000 notified individuals
Sublimit – Identity Restoration / credit monitoring	10,000 Fraud Resolution cases in the aggregate	10,000 Fraud Resolution cases in the aggregate
Sublimit- Notification Expenses	\$250,000 legal & forensic expenses - Aggregate for all incidents: \$100,000 for foreign notification expenses	\$250,000 legal & forensic expenses - Aggregate for all incidents: \$100,000 for foreign notification expenses
Sublimit – Regulatory Defense & Penalties	\$1,000,000	\$1,000,000
Sublimit- Crisis Fund	\$50,000	\$50,000
Sublimit – Website Media	N/A	N/A
Retentions	<ul style="list-style-type: none"> ▪ \$25,000 Each Claim (Security & Privacy Liability) ▪ \$10,000 (Privacy Breach Response Services) ▪ <i>Credit Monitoring</i> – Breaches involving an obligation to notify fewer than 100 individuals ▪ \$2,500 – Crisis Management & Public Relations ▪ Extortion Threat: \$25,000 ▪ Security Breach (1st Party Data Protection) \$25,000 ▪ Security Breach (Business Interruption) Income Loss: \$25,000 	<ul style="list-style-type: none"> ▪ \$25,000 Each Claim (Security & Privacy Liability) ▪ \$10,000 (Privacy Breach Response Services) ▪ <i>Credit Monitoring</i> – Breaches involving an obligation to notify fewer than 100 individuals ▪ \$2,500 – Crisis Management & Public Relations ▪ Extortion Threat: \$25,000 ▪ Security Breach (1st Party Data Protection) \$25,000 ▪ Security Breach (Business Interruption) Income Loss: \$25,000

Security & Privacy	Beazley Expiring 2011 to 2012	Beazley Renewal 2012 to 2013
	Extra Expense: \$25,000 ▪ Business Interruption Waiting Period: ○ 10 Hours	Extra Expense: \$25,000 ▪ Business Interruption Waiting Period: ○ 10 Hours
Retroactive Date	July 1, 2011	July 1, 2011
Premium	\$24,288	\$25,750
Commission	22.5%	22.5% to be offset against fee
Net Commission Premium	\$24,288	\$19,956

Foreign Package Liability

Foreign Liability	ACE Expiring 2010 to 2011	ACE Renewal 2011 to 2012	Chartis Renewal 2011 to 2012	Navigators Renewal 2011 to 2012
Contingent Auto Limits of Liability				
Each Accident	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Auto Medical Payments	\$10,000each person/\$20,000 each accident	\$10,000each person/\$20,000 each accident	\$25,000 each accident limit	\$25,000 any one accident
Hired Auto Physical Damage Coverage:				
- For any one accident	\$25,000	\$25,000	\$25,000 each loss	\$25,000
- Any one policy period	\$25,000	\$25,000	\$25,000 each auto Deductible: \$1,000	Deductible:\$1,000
Foreign Voluntary WC & Employers Liability				
Limits of Liability				
Bodily Injury by Accident – Each Accident	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Bodily Injury by Disease – Each Employ.	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Bodily Injury by Disease – Policy Limit	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Benefits for Voluntary Compensation:				
▪ North American	State of Hire	State of Hire	State of Hire	State of Hire
▪ Third Country Nationals	Country of Origin	Not Covered	Country of Hire	Country of Hire
▪ Local Nationals	Country of Origin	Not Covered	Country of Hire	Country of Hire
Accidental Death and Dismemberment & Medical- Employees Coverage				
Accidental Death & Dismemberment	\$25,000 per covered persons/\$1,500,000 Aggregate	\$50,000 per covered persons/\$1,500,000 Aggregate	Same as Student's below	Same as Student's below
Executive Assistance	\$1,000,000 policy limit	\$1,000,000 policy limit		
Accidental Death and Dismemberment & Medical – Student & Chaperone Coverage				

Foreign Liability	ACE Expiring 2010 to 2011	ACE Renewal 2011 to 2012	Chartis Renewal 2011 to 2012	Navigators Renewal 2011 to 2012
Limits of Liability				
Accidental Death & Dismemberment	\$50,000 per covered persons	\$50,000 per covered persons	\$50,000 or 5x the annual salary whichever is lower, each insured person	\$100,000 per covered person
Medical Expense	\$10,000	\$10,000	\$10,000 each insured person	\$10,000 each insured person
Deductible Medical Coverage	\$0	\$50	\$500 each person	\$250 each person
Aggregate	\$2,000,000	\$2,000,000	\$500,000 any one accident	\$1,000,000 any one accident
Executive Assistance	\$500,000 per covered person/1,000,000 per policy limit	\$500,000 per covered person/1,000,000 per policy limit	See below	See below
Emergency Medical Evacuation	Executive Assist.- see above	Executive Assist.- see above	\$100,000 each insured person	\$1,000,000 each person/policy limit
Emergency Family Travel	\$300 per day/\$5,000 maximum any one occurrence	\$300 per day/\$5,000 maximum any one occurrence	\$10,000 per person/\$25,000 max any one accident	\$300 per day/\$5,000 maximum any one occurrence
Repatriation of Remains	Executive Assist.- see above	Executive Assist.- see above	\$20,000 per persons/\$100,000 any one accident	\$25,000 each person
Emergency Political Evacuation	\$2,500 policy limit	\$2,500 policy limit		\$2,500 policy limit
Corporate Kidnap and Ransom/Extortion				
Extortion/Ransom Moneys Payment	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
In-Transit Delivery – Each loss & Aggregate limit	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Expenses – Each loss & Aggregate limit	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Legal Cost	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Detention Expenses	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Death or Dismemberment				
▪ Each loss	\$250,000	\$250,000	\$100,000	\$100,000
▪ Incident Limit	\$1,250,000	\$1,250,000	\$1,000,000	\$1,000,000
Incident Response	Unlimited	Unlimited		
Territory Covered	Anywhere in the world except:	Anywhere in the world except:	Anywhere in the world except:	Anywhere in the world except:
Territories Excluded	▪ United States and Puerto Rico	▪ United States and Puerto Rico	▪ United States and Puerto Rico	▪ United States and Puerto Rico

Foreign Liability	ACE Expiring 2010 to 2011	ACE Renewal 2011 to 2012	Chartis Renewal 2011 to 2012	Navigators Renewal 2011 to 2012
	▪ Any country or jurisdiction which is the subject of trade or economic sanctions imposed by laws or regulations of the United States of America.	▪ Any country or jurisdiction which is the subject of trade or economic sanctions imposed by laws or regulations of the United States of America.	▪ Any country or jurisdiction which is the subject of trade or economic sanctions imposed by laws or regulations of the United States of America.	▪ Any country or jurisdiction which is the subject of trade or economic sanctions imposed by laws or regulations of the United States of America.
Premium	\$3,686	\$3,832	\$3,354	\$3,570
Commission	15%	15%	0%	0%
Net Premium	\$3,134	\$3,257	\$3,354	\$3,570
Payment Terms	Prepaid	Prepaid	Prepaid	Prepaid

Additional Options:

Carrier	Chartis	Navigators	Chartis	Navigators
Policy Term	2 year term	2 year term	3 year term	3 year term
Premium	\$6,708	\$6,426	\$8,552	\$9,104

ATTACHMENT C

COMMUNITY COLLEGE OF PHILADELPHIA

**2011-12 BUDGET STATUS REPORT
AS OF MAY 23, 2012**

Community College of Philadelphia
Enrollment Information (FTEs) for Fiscal Year 2011-2012

	<u>Actual FY 10-11</u>	<u>Budgeted FY 11-12</u>	<u>Actual FY 11-12</u>	<u>Actual FY 12 vs Actual FY 11</u>	<u>% Variance</u>	<u>Actual FY 12 vs Budgeted FY 12</u>	<u>% Variance</u>
<u>CREDIT</u>							
Summer II	1,921	1,921	1,976	55	2.85%	55	2.86%
Fall	13,550	13,550	13,461	(89)	-0.65%	(89)	-0.65%
Spring	13,706	13,710	13,437	(269)	-1.96%	(273)	-1.99%
Summer I	3,005	3,000	2,850	(155)	-5.16%	(150)	-5.00%
Credit Year-to-date Totals - Annual FTEs	16,091	16,090	15,862	(229)	-1.42%	(228)	-1.42%
<u>NONCREDIT</u>							
Summer II	99	99	81	(18)	-18.18%	(18)	-18.18%
Fall	858	861	761	(97)	-11.31%	(100)	-11.61%
Spring	776	705	626	(150)	-19.33%	(79)	-11.21%
Summer I	295	265	60	(235)	-79.66%	(205)	-77.36%
Noncredit Year-to-date Totals - Annual FTEs	1,014	965	764	(250)	-24.65%	(201)	-20.83%

**Community College of Philadelphia
Operating Budget Projections
as of May 23, 2012**

	<u>Original Budget</u>	<u>Current Projection</u>	<u>Change</u>
<u>REVENUES</u>			
Student Tuition and Fees	\$73,634,082	\$72,186,218	(\$1,447,864)
Commonwealth of Pennsylvania	28,251,906	28,251,906	0
City of Philadelphia	17,796,985	18,087,542	290,557
Other Income	<u>1,938,666</u>	<u>1,701,354</u>	<u>(237,312)</u>
TOTAL REVENUES	\$121,621,639	\$120,227,020	(\$1,394,619)
<u>EXPENSES</u>			
Salaries, net of Lapsed Funds	\$73,839,803	\$73,577,509	(\$262,294)
Fringe Benefits	30,552,426	29,440,761	(1,111,665)
Other Expenses	19,492,124	19,532,116	39,992
Less Projected Residual Savings		(500,000)	(500,000)
Student Financial Aid	<u>135,000</u>	<u>175,000</u>	<u>40,000</u>
TOTAL EXPENSES	\$124,019,353	\$122,225,386	(\$1,793,967)
OPERATING BUDGET STATUS prior to recording the estimated \$7.6 million GASB 45 post-retirement expense accrual.	<u>(\$2,397,714)</u>	<u>(\$1,998,366)</u>	<u>\$399,348</u>

Community College of Philadelphia
Operating Budget Projection
as of May 23, 2012

	<u>Original Budget</u>	<u>Current Projection</u>	<u>Change</u>	
OPERATING REVENUES				
State Funding	\$28,036,906	\$28,036,906	\$0	
State Lease funding	216,000	215,000	0	
Total State Revenues	28,251,906	28,251,906	0	
Tuition - Credit Students	59,777,182	58,726,990	(1,050,192)	Reflects the lower-than-budgeted enrollments.
Technology Fee	11,197,800	11,041,100	(156,700)	Reflects the lower-than-budgeted enrollments.
Net Contribution from Contracted Noncredit Instruction, Other Noncredit Instruction, Adult Community Noncredit Instruction	702,000	445,000	(257,000)	Reflects limited Business and Industry noncredit contracts.
Course Fees	3,417,000	3,406,528	(10,472)	
Student Regulatory Fees	886,800	847,000	(39,800)	
Tuition Adjustments - Student Receivable Write-offs, Collection Costs, Credit Card Costs & Senior Citizen Discount	(2,346,700)	(2,280,400)	66,300	
Total Student Tuition & Fees	73,634,082	72,186,218	(1,447,864)	
City Operating Funds	17,796,985	18,087,542	290,557	Increase in City funds available for operating purposes due to: only 1 debt service payment during this fiscal year for the fit-out of new space at the West Regional Center and reduction in capital spending.
Investment Income	780,000	633,194	(146,806)	Interest rates were lower than originally budgeted.
Vocational Education Funding	250,500	200,000	(50,500)	
Indirect Costs, Administrative Allowances	350,000	300,000	(50,000)	
Parking Proceeds & Miscellaneous Income	558,166	568,160	9,994	
Total Other Income	1,938,666	1,701,354	(237,312)	
TOTAL OPERATING REVENUES	\$121,621,639	\$120,227,020	(\$1,394,619)	

Community College of Philadelphia
Operating Budget Projection
as of May 23, 2012

	<u>Original Budget</u>	<u>Current Projection</u>	<u>Change</u>
<u>OPERATING EXPENSES</u>			
Salaries			
Full-Time Administrative Salaries	15,249,995	15,249,995	
Less: Projected Lapsed Salaries	<u>(800,000)</u>	<u>(1,000,000)</u>	
Net Full-Time Administrative Salaries	14,449,995	14,249,995	(200,000) Additional savings due to mid-year freeze on hirings.
Full-Time Faculty Salaries	28,927,371	29,499,009	
Less: Projected Lapsed Salaries	<u>(200,000)</u>	<u>(225,000)</u>	
Net Full-Time Faculty Salaries	28,727,371	29,274,009	546,638 Additional VL hirings were required due to sick leaves and sabbaticals.
Full-Time Classified Salaries	10,670,207	10,670,207	
Less: Projected Lapsed Salaries	<u>(600,000)</u>	<u>(775,000)</u>	
Net Full-Time Classified Salaries	10,070,207	9,895,207	(175,000) Additional savings due to mid-year freeze on hirings.
Subtotal - Full-Time Salaries	53,247,573	53,419,211	171,638
Part-Time & Overload Credit Salaries	11,086,985	10,885,806	(201,179)
Summer Credit Instruction	4,254,934	4,254,934	0
Part-Time & Overload Non-Credit Salaries	395,859	326,859	(69,000)
All Other Salaries	4,404,452	4,240,699	(163,753) Reflects savings across a variety of part-time salary budget lines.
Early Retirement Incentive Payments	450,000	450,000	0 This budget line could be impacted as a result of negotiations. A one-time special retirement incentive may entice more employees to retire.
Subtotal - Other than Full-Time Salaries	20,592,230	20,158,298	(433,932)
Total Salaries	73,839,803	73,577,509	(262,294)

**Community College of Philadelphia
Operating Budget Projection
as of May 23, 2012**

	<u>Original Budget</u>	<u>Current Projection</u>	<u>Change</u>	
Fringe Benefits				
				Projected costs are lower due to: lower-than-actuarially-projected claims and higher-than-budgeted rebates from the pharmacy drug and Medicare federal drug subsidy programs.
Medical Program	19,871,042	18,595,000	(1,276,042)	
Retirement	5,537,075	5,557,000	19,925	
FICA	2,844,433	2,988,000	143,567	
Tuition Remission	635,166	650,000	14,834	
Group Life	372,000	366,000	(6,000)	
Unemployment Compensation	377,654	363,700	(13,954)	
Workers' Compensation	320,468	367,811	47,343	
Unused Vacation	225,138	200,000	(25,138)	
Disability Premium	282,000	265,800	(16,200)	
Forgivable Education Loan	87,450	87,450	0	
Total Fringe Benefits	30,552,426	29,440,761	(1,111,665)	
Facility Expenses				
				Lower-than-budgeted cost for electricity and natural gas.
Utilities	2,602,706	2,521,196	(81,510)	
Contracted Security	1,237,000	1,237,000	0	
Contracted Cleaning	1,211,011	1,211,011	0	
				Increase related to required major repairs: Mint Courtyard roof, Gym floor, parking lot sealing and sidewalk.
All Other Facility Expenses	1,723,865	1,925,612	201,747	
Total Facility Expenses	6,774,582	6,894,819	120,237	

**Community College of Philadelphia
Operating Budget Projection
as of May 23, 2012**

	<u>Original Budget</u>	<u>Current Projection</u>	<u>Change</u>	
All Other Expenses				
Leased Equipment & Software	4,176,920	4,170,808	(6,114)	
Catalogs and Advertising	1,360,201	1,352,739	(7,462)	
Supplies-Pool	1,329,116	1,318,500	(10,616)	
Contracted Services	1,006,034	1,019,184	13,150	
Consultant	752,300	802,844	50,544	
Maintenance & Repairs	637,511	649,316	11,805	
Postage	540,150	490,394	(49,756)	
Insurance	559,950	684,950	125,000	Insurance costs higher than budgeted and large number of unexpected deductible payments related to defense costs of claims initiated in prior years.
Legal Fees	200,000	200,000	0	
Other Expenses	2,155,360	1,948,564	(206,796)	Reflects savings across a variety of budget lines.
Total All Other Expenses	12,717,542	12,637,297	(80,245)	
Less: Projected Residual Savings		(500,000)	(500,000)	Projected year-end savings from budgets in a variety of lines not being spent.
King Scholarship	135,000	175,000	40,000	
TOTAL OPERATING EXPENSES	\$124,019,353	\$122,225,386	(\$1,793,967)	
OPERATING BUDGET STATUS prior to recording the estimated \$7.6 million GASB 45 post-retirement expense accrual.	(\$2,397,714)	(\$1,998,366)	\$399,348	

ATTACHMENT D

2012-13 BUDGET OVERVIEW

**PRESENTATION TO THE BUSINESS AFFAIRS COMMITTEE ON
MAY 23, 2012**

2012-13 Budget Overview

**Board of Trustees
Business Affairs Committee
May 23, 2012**

Presentation Outline

- **Assumptions and Strategic Priorities Guiding 2012-13 Budget Development**
- **2012-13 Revenues**
- **2012- 13 Expenses**

2012-13 Operating Budget Summary (In thousands)

Operating Revenues	Amount	Percent
Student	75,606	60.7
City	18,041	14.5
State	27,089	21.8
Other Income	1,851	1.5
Carry-Over Funds	1,950	1.6
Total Revenues	124,537	
Operating Expenses		
Salaries	72,930	58.6
Fringe Benefits	30,932	24.8
Other Expenses	20,675	16.6
Total Expenses	124,537	

Key Assumptions Guiding 2012 -13 Budget Preparation

- 2011-12 year will end with a revenue shortfall (currently estimated at \$1.998 million)
- State funding will be 4.0 percent less than received in 2011-12
- City funding will be at same level received in last two years
- Budgeted credit FTEs will be 15,450 (4 percent below FY 2012 budgeted amount)
- Salaries and fringe benefit costs will be at the level of the College's best and final collective bargaining offer.

Key Assumptions Guiding 2012 -13 Budget Preparation

- **Achieving a viable budget plan for 2012-13 requires a combination of:**
 - **Cost containment efforts**
 - **Generation of new revenues**
 - **Use of carry-over funds**
- **Strategic Budget Priorities will guide decision making with respect to how available resources are used.**

Strategic Priorities Incorporated into 2012- 13 Budget Planning

Strategic Plan Priority Categories Used in 2012-13 Budgeting

- I. Quality and Accountability**
 - A. Student success and completion
 - B. Institutional effectiveness assessment
- II. Enrollment Management**
 - A. Program/Service improvement alignment and expansion
 - B. Public Image/Marketing
- III. Restructuring for the Future**
 - A. Institutional Financial Viability
 - B. Campus Infrastructure, organizational structure, and staff resource development.

Quality and Accountability Representative Objectives

- Continuation of Achieving the Dream Student Success Initiatives
- Implementation of New Approaches to Strengthen Developmental Education
- Creation First Year Student Experience Program
- Completion of MSA Self-Study Report
- Continuation of Efforts to Document Student Outcomes at the Course, Program and General Education Levels
- Creation of a Comprehensive Institution-wide Data and Report Structure to Support MSA Self-Study, Planning and Improved Decision Making

Enrollment Management

Representative Objectives

- **New Program Development (Biomedical Equipment, Health Science, Physical Therapy, Occupational Therapy)**
- **Implementation of New Integrated Enrollment Services Center**
- **New Home Page and Divisional Web Site Development**
- **Enhanced Enrollment Systems and Services**
- **Development of Additional Smart Classrooms**

Restructuring for the Future

Representative Objectives

- **Expanded Private Gift Development Efforts**
- **Enhanced Auxiliary Enterprise Performance**
- **Implementation of New Learning Management System**
- **Continued Development of New Facility Master Plan**
- **Completion of Bonnell and West Building Renovation Projects**
- **Strengthened HR Recruitment and Personnel Management Systems**
- **Enhanced Financial Analysis and Planning Procedures**

REVENUE Overview

2012-13 Total Revenue Budget

Revenue Category	Amount
Student Operating Revenues	\$75,605,839
City Operating Revenues	\$18,040,762
State Operating Revenues	\$27,088,894
Other Income	\$3,303,697
Auxiliary Enterprises	\$1,303,000
Capital Revenues	\$14,158,428
Carry-over Funds	\$1,950,173
Total Revenue Budget	\$141,450,793

Projected 2012-13 State Funding

- **Operating -- \$27,088,894**
 - Covers 21.8% of projected operating expenses
- **Capital – \$6,329,983**
 - Covers 44.7% of projected capital expenses
 - Assumes no non-mandated state capital funding
- **State operating funding, on a percentage basis, is at lowest level in college history, and on per FTE student basis at the lowest level since 1995-96**

City Funding 2012-13

- **Remains unchanged from 2011 and 2012 amounts.**
- **Total projected allocation is \$25,409,207**
- **City dollars are used first for capital commitments and the remainder for the operating budget.**
- **Will covers 14.5 % of projected operating expense and 52.0% of budgeted capital expenses.**
- **City operating funding on a percentage basis is at lowest level of support in college history.**

2012-13 Student Revenues

- Tuition increased from \$138 to \$148 per credit.
- Technology fee remains at \$28 per credit
- High-cost courses' fees range from \$75 to \$450 per course.
- Full-time (two-semester) cost average charge (including average course fees) is \$4,492 .
- Student operating revenue is projected to be \$75,605,839.
- Will fund 60.7% of projected operating expenses.
- Students also provide \$1,593,697 in General College Fee revenues which support student activities. Fee is unchanged at \$4 per credit.
- Fee structure revised to support enrollment management goals and generate more revenue.

Other Larger Revenue Sources

- Investment Income (\$780,000) (Increased dollars invested in longer term-fixed income instruments)
- Perkins (career program) funds (\$200,000)
- Indirect cost allowances (\$300,000)
- Auxiliaries (\$1,303,000)
- Also receive significant grant revenue for special projects not included in operating budget.

EXPENSE Overview

Budget Containment Strategies for 2012-13

- **Most vacant administrative and classified/confidential positions will be frozen.**
- **Except for CBI, main campus buildings will be closed in Friday evenings and Saturdays**
- **All use of college space by outside groups that is not mission critical will be eliminated**
- **City dollars used for capital expenditures will be restricted to \$680,000**
- **Where feasible, targeted grant writing will be used to support strategic priorities**

Budget Containment Strategies for 2012-13

- Service levels will be reduced at low demand times
- Non-contractual extended and released time will be reduced.
- Special events will be reduced in number and scale.
- The use of temporary agencies workers to fill short-term position vacancies and the amount of overtime work by hourly staff will be reduced.
- Non-essential hospitality and travel expense will be eliminated.
- E-publishing rather than hard-copy printing will be used whenever feasible
- Electronic mail strategies will be used in place of hard-copy mailing wherever practical

2012-13 Total Expense Budget Summary

Educational and General & Auxiliary Expenses	\$127,292,365
Capital Expense	\$14,158,428
Total Expense Budget	\$141,450,793

2012-13

OPERATING BUDGET EXPENSE DISTRIBUTION

	Amount	Percent
Salaries and Wages	\$73,380	58.9
Health Care Costs (Self-insured)	19,879	16.0
Other Fringe Benefits	11,053	8.9
Facility Operations	6,532	5.2
Supplies, Leases and Other Expenses	12,915	10.4
Contingency	777	.6
Total Operating Budget	\$124,536	

**Major Initiatives Requiring a Reallocation
of Existing Resources To Be Achieved**

Achieving the Dream	\$32,000
Learning Management System Replacement	204,000
International Student Recruitment	40,000
Facility Master Planning – Phase II	100,000
Enhanced Private Raising Efforts	100,000
Web Site Development	150,000
Document Imaging and Preservation	212,000
DegreeWorks Graduation Management System	235,000
Total Reallocation of Dollars to Major Initiatives	\$1,073,000

Major Expense-Change Factors

- **Change in salaries from revised budget (-1.3%, -\$947,394)**
- **Net change in positions (-11.5)**
 - Faculty, +6.5; Administrative, -8 Classified/Confidential, -10
 - 6.5 new faculty positions are tied to contractual obligations
- **Change in fringe benefit costs (+3.8%, \$1,490,864)**
- **Facility operating costs (-5.3%, -\$363,072)**
- **Other expenses –general (+7.0, \$880,684)**

QUESTIONS