

REVISED

MEETING OF THE BOARD OF TRUSTEES
Thursday, October 8, 2020 – 3:00 p.m.
Zoom Meeting

AGENDA

The feedback from the September Board meeting made it clear that Board members want an opportunity to discuss information with Dr. Generals. Therefore, in addition to attending to regular matters, the goals of the October meeting are to:

- Ensure there is time for Board members to ask questions and discuss items;
 - Continue a conversation about the Strategic Plan; and
 - Ensure Board members are aware of the Committee of the Whole structure for the November Board meeting.
- (1) Executive Session
 - (2) Meeting Called to Order
 - (3) Public Comment
 - (4) President's Report
 - (a) Election Activities
 - (b) Update on Strategic Plan
 - (c) Foundation Report
 - (5) Resolution Approving New Market Tax Credit (NMTC) Transaction (A)
 - (6) Report of the Business Affairs and Executive Committee
 - (7) Report of the Student Outcomes Committee
 - (8) Report of the Audit Committee

(a) 2019-2020 Fiscal Year Audit

(A)

(9) Consent Agenda

- (a) Proceedings and Minutes of Decisions and Resolutions Meeting of September 3, 2020
- (b) Gifts and Grants
- (c) Authorization for Dr. Generals to Execute the Term Sheets with U.S. Bank, the Reinvestment Fund and Urban Renewal Park Related to the New Market Tax Credit (NMTC) Transactions for the Career and Advanced Tech Center
- (d) Diagnostic Medical Imaging Construction Contract
- (e) Music Department Renovation
- (f) Center for Business and Industry (CBI) Cooling Tower Repairs
- (g) ASO (Administrative Services Only) Fee with IBC
- (h) Blackbaud Proposal
- (i) Purchase of 300 Dell Laptops
- (j) Approval of Consulting Contract with RNL
- (k) Motion for Wage Increases for College Administrators, Grant Administrators, and Confidential Staff Excluding Vice Presidents and General Counsel

(10) Report of the Chair

(11) New Business

(12) Next Meeting: Committee of the Whole

The “Committee of the Whole” at Community College of Philadelphia refers to the scheduling of the Board of Trustees’ standing committee meetings on one or two days to make it possible for any trustee to participate in the standing committee discussions. The Committee of the Whole is not a separate committee; rather, it is a structure that provides a means for promoting board member engagement and awareness of standing committee discussions on a frequent basis.

Wednesday, November 4, 2020

5:00 p.m. – 6:15 p.m. – Executive Committee Meeting

6:30 p.m. – 8:00 p.m. - Dinner on your own and Presentation

Thursday, November 5, 2020

Business Affairs Committee

10:30 a.m. – 11:45 a.m.

Workforce Subcommittee	12:00 noon – 1:00 p.m.
Student Outcomes Committee	1:15 p.m. – 2:45 p.m.
Board of Trustees Meeting	3:00 p.m. – 5:00 p.m.

Upcoming Events

Association of Community College Trustees (ACCT) Virtual Leadership Congress	October 5-8, 2020
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Pennsylvania Commission for Community Colleges Virtual Trustees Meeting	Thursday, November 12, 2020 6:00 p.m. – 7:30 p.m.
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COMMUNITY COLLEGE OF PHILADELPHIA
Proceedings of the Meeting of the Board of Trustees
Thursday, September 3, 2020 – 3:00 p.m.

Present: Mr. White, presiding: Mr. Bradley, Mr. Clancy, Mr. Dubow, Mr. Epps, Ms. Fulmore-Townsend, Ms. Gamble, Ms. Hernández Vélez, Mr. Herzog, Ms. Ireland, Ms. Jean-Baptiste, Ms. McPherson, Ms. Posoff, Representative Roebuck, Mr. Soileau, Dr. General, Mr. Eapen, Ms. DiGregorio, Ms. de Fries, Dr. Hirsch, Dr. Gay, Ms. Rooney, Ms. Zellers, Dr. Zanjani, and Dr. Waller

(1) Meeting Called to Order

Mr. White called the meeting to order.

(2) Public Comment

There were no public comments at the meeting.

(3) Executive Committee Report

Mr. White stated that he hoped that members of the Board had the opportunity to read the Board materials that had been included in the Board Packet. He stated that the Executive Committee held a meeting on August 19, 2020 and had a good discussion regarding the materials.

Mr. White asked Dr. Gay for input as she has been involved in the Board work.

Dr. Gay stated that she was glad to have had the opportunity to speak to several members of the Board to get a sense of what the Board was interested in and was happy that the Board is moving forward.

Mr. White provided an overview of the work that had been done to date to look at the Board structure and the content of Board meetings. He reviewed the following recommendations that the Board would like to implement:

- Provide a new Board orientation for new Board members and Committee Chairs;
- Discussion of the Strategic Plan Goals and measure/outcomes will be held at every Board meeting. Mr. White noted that the Board had added equity to the list of pillars;
- Limit the amount of information given to the Board. Summary should focus on key issues;
- Create a Subcommittee on Workforce Development which would be part of the Student Outcomes Committee that will focus on workforce;
- Provide regular reports to the Business Affairs Committee regarding technology;
- Develop a Board Portal for the Board of Trustees; and
- A Committee of the Whole to be held once a quarter. A possible schedule would be on day one, an Executive Committee meeting if necessary would be held and a Board dinner. Day two would begin at 10:30 a.m. with meetings of the Business Affairs Committee, Subcommittee on Workforce Development, and Student Outcomes, followed by the Board meeting 3:00 p.m. – 5:00 p.m.

Mr. White asked members of the Board to raise their hands if they agreed with the implementation of the above recommendations. By a show of hands, the Board indicated their support of the direction as outlined by the Board Chair, and as reflected in the documents provided to the Board.

Mr. White stated that he and Dr. Generals will meet to develop the Board of Trustees meeting agendas.

Mr. White stated that it was important that the College be able to benefit from Board members to advance initiatives of the College.

Mr. White asked members of the Board to review the Board Self-Assessment document as well as the Responsibilities of Community College of Philadelphia Board Members.

Mr. White stated that Community College of Philadelphia's goal is to have Aspen Prize level outcomes to qualify for the Aspen Prize. Dr. Gay has reached out to the Aspen Institute to get clarity around the formula and have a staff member speak to the Board about the Aspen process. Mr. White stated that a series of conversations will be scheduled over time so that the Board can speak about the process with individuals who have experience related to the Aspen Prize.

(4) Nominating Committee for Board Officers

Mr. Herzog reported that the Nominating Committee, consisting of himself as Chair and Ms. Jean-Baptiste and Ms. McPherson, had met and was recommending the following slate of Board Officers for 2020-2021:

Jeremiah White	Chair
Lydia Hernández Vélez	Vice Chair
James Roebuck	Vice Chair
Chekemma Fulmore-Townsend	Secretary

Mr. Herzog moved, with Mr. Epps seconding, that the Board approve the above slate of Board Officers. The motion carried unanimously.

Mr. White thanked the Nominating Committee for their work. He stated that these have been very challenging times with the pandemic. He stated that he expected that the Executive Committee will be more involved and step up to work on behalf of the College.

Mr. Epps stated that he wanted to commend the leadership on the early decision to go online for the fall semester. He stated that it was absolutely the

right decision for the College. He congratulated Dr. Generals and staff for a well thought out decision.

Mr. White reported that five Board members' terms will expire on June 30, 2021. He stated that we need to be proactive in securing individuals with a level of expertise that will be beneficial to the College.

Several Board members indicated that the process can be improved upon, and that the appointment of high level Board members to these positions is critical.

Mr. White reported that he had spoken with Mr. Anthony Simonetta, the Chair of the Audit Committee, regarding his continuing to chair the Committee for the next two years. Mr. White stated that Mr. Simonetta has agreed to chair the Committee. He stated that Mr. Simonetta has done a great job leading the Committee.

(5) Report of the President

Dr. Generals reported that Professional Development Week took place August 31 through September 3, 2020. He stated that the theme for this year was "Consciously Leading Change." Dr. Generals stated that the keynote speaker for the opening session was Dr. Sharelle Barber, Assistant Research Professor in the Department of Epidemiology and Biostatistics and the Urban Health Collaborative at the Drexel University Dornsife School of Public Health.

Dr. Generals stated that Dr. Barber's remarks focused on "*COVID-19 in Context: Racism, Segregation and Racial Inequities in Philadelphia.*" The focus was on the health, and socioeconomic impacts of COVID-19 on marginalized communities of color in Philadelphia, and how these impacts are driven by systemic racism and racial and ethnic inequities. Dr. Barber also focused on possible solutions for communities of color during the pandemic and beyond.

(5a) Impact 2025

Dr. Generals provided an update on *Impact 2025 (Attachment B)*.

Dr. General stated that he and staff have been discussing plans for the spring semester as well as the ratio of virtual vs face to face classes.

At the request of Dr. General, Dr. Hirsch stated that courses for fall are primarily online. He stated that we are now beginning to plan for the spring as registration is scheduled to begin on October 19, 2020. Dr. Hirsch stated that the College will use a mixed approach, with the ability to pivot if pandemic conditions improve in November or December. Dr. Hirsch stated that the spring semester will be primarily online with a combination of hybrid and in-person classes. He stated that in addition to the courses that are currently being held on campus in the health programs and Biology, courses will be added on campus in the Culinary Arts, Automotive Tech, Architecture, Art and Music programs. Dr. Hirsch stated that all protocols and precautions will be in place, and that staff will monitor students and work with faculty.

At the request of Dr. General, Dr. Gay provided the following update on the Catto Scholarship:

- Interviewing candidates for the Executive Director position;
- Working on giving the City a proposal regarding students from the fall semester becoming Catto scholars in the spring;
- Provide autumn bridge for students who tested below College level to improve their skills before the start of the spring semester; and
- Develop an evaluation plan to measure equity.

Regarding Middle States, Dr. Gay stated that the College's reaccreditation is due in 2022. She reviewed and discussed the seven Middle States standards for accreditation. Dr. Gay stated that Middle States will be interested in knowing that the Board understands the self-study process. She stated that three co-chairs will be appointed by Dr. General to lead the self-study process. Dr. Gay noted that Board members will be part of the self-study process.

(5b) Foundation Report

At the request of Dr. General, Dr. Zanjani provided an overview of the status of fiscal year, July 1, 2019 to June 30, 2020. She stated that unaudited and unreconciled public grants totaled \$18,775,292 and private gifts/grants totaled

\$3,522,772. Dr. Zanjani stated that the Foundation started July and August strong. From July 1, 2020 – August 31, 2020, unaudited and unreconciled public grants totaled \$3,429,335 and private gifts/grants totaled \$105,669.

Dr. Waller stated that the Foundation is in the process of developing a COVID-19 event to think outside of the box in terms of fundraising for scholarships. Dr. Waller discussed ways in which both boards can work together on fundraising.

(6) Report of the Business Affairs Committee

Ms. Hernández Vélez reported that the Business Affairs Committee met on August 19, 2020. She stated that the Committee reviewed and discussed the following items which are part of the Consent Agenda: Authorization to Purchase Mac Laptops from Apple Education; Stop Loss Insurance; Life and Disability Insurance; Appointment of Tucker Law Group as Counsel for a Pennsylvania Human Relations Charge and Potentially Related Labor Arbitrations; and Approval of New Age Development Group Change Order Two for the Library and Learning Commons.

Ms. Hernández Vélez reported that the Committee also reviewed and discussed information regarding New Market Tax Credit (NMTC) for the Career and Advanced Technology Center.

(7) Report of the Student Outcomes Committee

Ms. Fulmore-Townsend thanked members of the Board for their patience regarding the sharing of the *CCP Board Level Presentation on Transition to Virtual Learning* document at a late hour.

Ms. Fulmore-Townsend reviewed and discussed, in detail, the transition to online learning for spring, summer I and II, and outcomes for spring, as well as the status of non-credit programs (**Attachment C**).

(8) Consent Agenda

Mr. White requested approval of the following Consent Agenda:

- (a) Proceedings and Minutes of Decisions and Resolutions Meeting of June 25, 2020
- (b) Gifts and Grants
- (c) Authorization to Purchase Mac Laptops from Apple Education
- (d) Award to Kronos Incorporated for the Time and Attendance System
- (e) Stop Loss Insurance
- (f) Life and Disability Insurance
- (g) Appointment of Tucker Law Group as Counsel for a Pennsylvania Human Relations Charge and Potentially Related Labor Arbitrations
- (h) Approval of New Age Development Group Change Order Two for the Library & Learning Commons Project

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

(9) New Business

Mr. White stated that at the October 8, 2020 Board meeting, he would like Mr. Bradley to provide his thoughts of what is happening in the business world, and the economic impact of PECO.

(10) Next Meeting

The next meeting of the Board of Trustees is scheduled for Thursday, October 8, 2020, at 3:00 p.m.

The meeting adjourned at 4:20 p.m.

The Board reconvened in Executive Session.

(11) Executive Session

The Executive Session was devoted to an update on labor negotiations and personnel matters.

ATTACHMENT A

Questions in Chat
Board of Trustees Meeting Open Session
September 3, 2020

- Mindy Posoff requested a copy of Dr. General's slides
 - Attached. Internet needed to activate links
- Mindy wants to know who owns each pillar
 - The Pillars are areas of focus. They are not operational units. They're designed to guide institutional focus.
- Ron Bradley - I also would like a copy of the slides, and for better understanding, I'd like to see units, multipliers, percentages to help me understand if the improvements sought are units or percentages, etc...
 - There are varying units.
 - Graduations Rates are based on cohorts of First Time Full Time students. The percentage is based on the number of students who start in a given academic year (fall term) and graduate within 3 years. This is the national standard as set forth by IPEDS (Integrated Post-Secondary Educational Data System)
 - Enrollment Head Count is the number of students who register for at least one class. It is an unduplicated head count. They are counted as 1 if they register for one class or 10.
 - Registered Students are the number of students enrolled for a particular semester. There are 3 basic categories:
 - Fulltime- students Registered for at least 12 credits

- Parttime – students Registered for less than 12 credits
 - Headcount – For one semester, it is the total number of credits divided by 12 Credits. If it's a year it's divided by 30
 - Retention Rates – Retention rates are defined in two categories:
 - fall to spring – students who enroll in the fall semester and return in the spring
 - fall to fall – students who enroll for one full year and return for a second year.
- Harold Epps - prepared to dive further into the impact of International students by 2025 and the impact of virtual learning.
 - The College has 355 International students. That number has been hurt by the pandemic due to students' inability to travel into the country. International students are taking on-line courses. The board passed a resolution to reduce the cost.
- Jim Roebuck - advantage of transfer vs. graduating from CCP and then transfer.
 - All the research indicates that students who graduate have a much higher success rate: GPA and Graduation Rates. Further, students who transfer before graduation are more likely to lose credits. The College has over 15 transfer agreements – all of which require students to graduate before transferring.
- Chekemma - Wants to know how Board prepared in past for Middle States.
 - Boards must fully understand the institutional Mission and strategic goals and objectives. They must demonstrate alignment with the administration; and they must understand their fiduciary responsibilities.

- Harold Epps - How does Middle States align with the pursuit of the Aspen Prize?
 - As an accrediting body, Middle States is foundational to a school's existence. Without full accreditation from a regional accrediting body, you will lose your right to issue financial aid and you will lose your professional licenses: nursing, dental tech, etc...The alignment has to do with degree. Middle States establishes Characteristics of Excellence as a baseline for existence; Aspen rewards for best in class. The characteristics are the same, the degree to which you achieve those characteristics are much higher for the Aspen.

Impact 2025 >> Go

A snapshot – 2020 to 2021

ATTACHMENT B

Graduation rate

= 26%

Start: [Click](#)

Enrollment

+ 20% \geq 30K

Start: [Click](#)

Career Programs

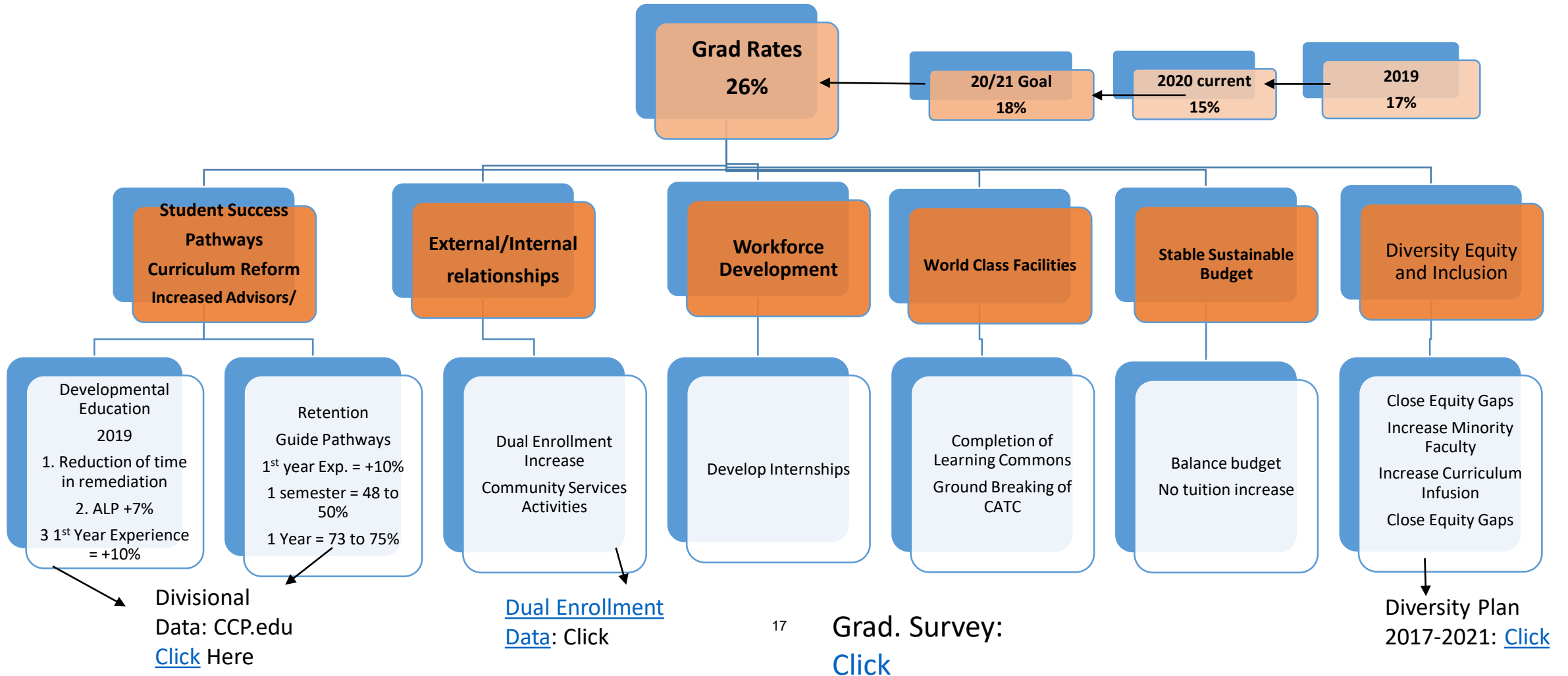
Double

N = 136

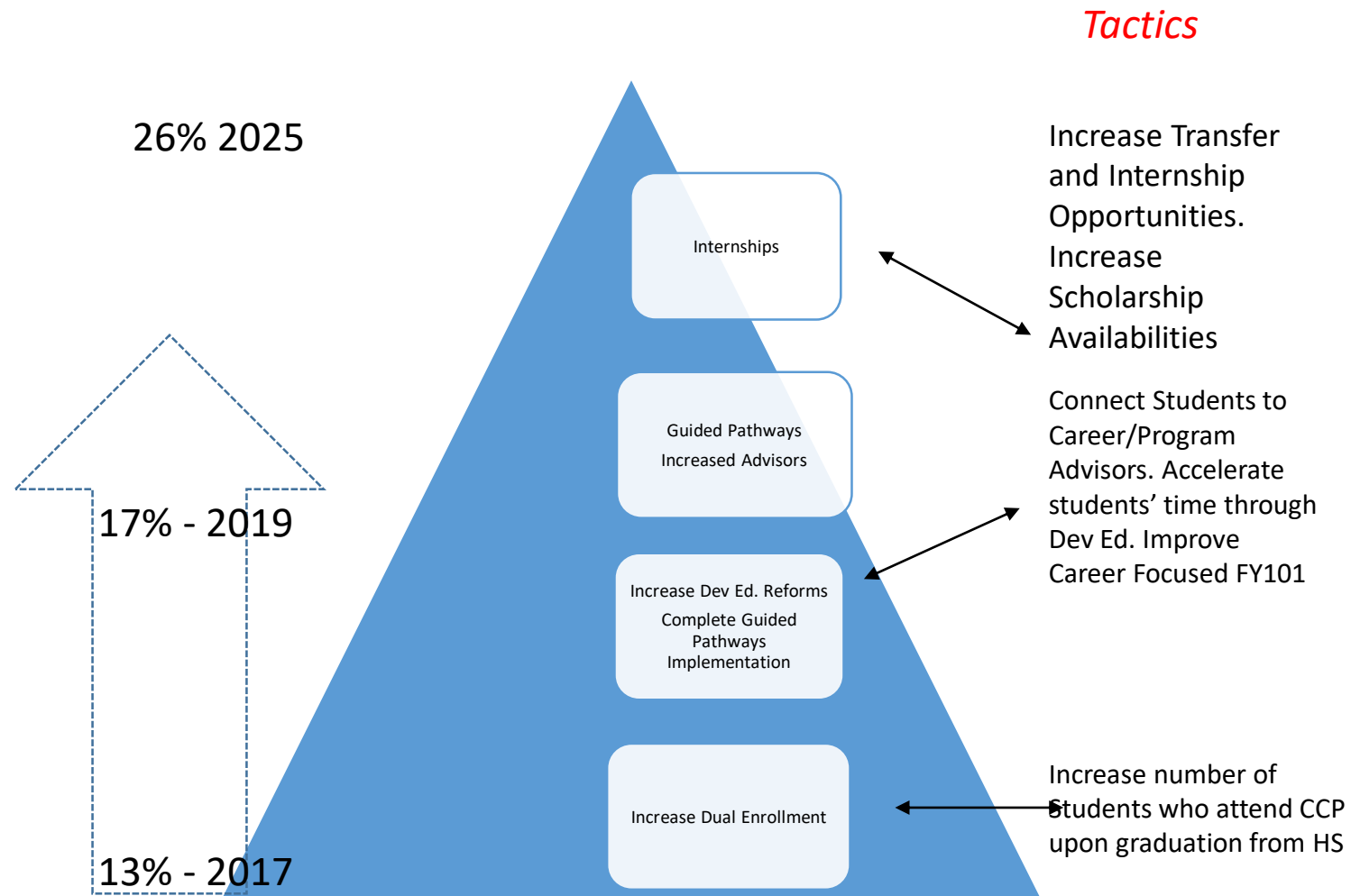
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Impact 2025

20/21 update



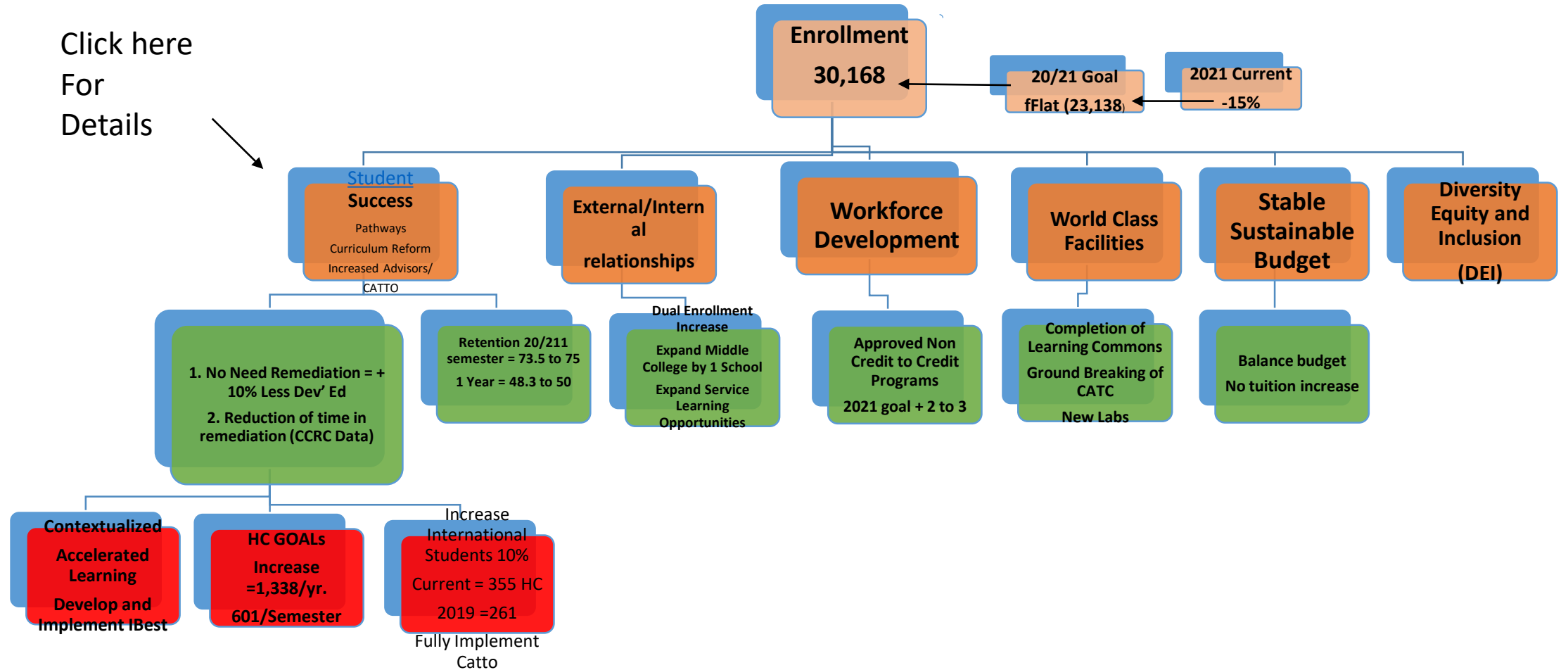
Graduation Rates



Impact 2025

20/21 update

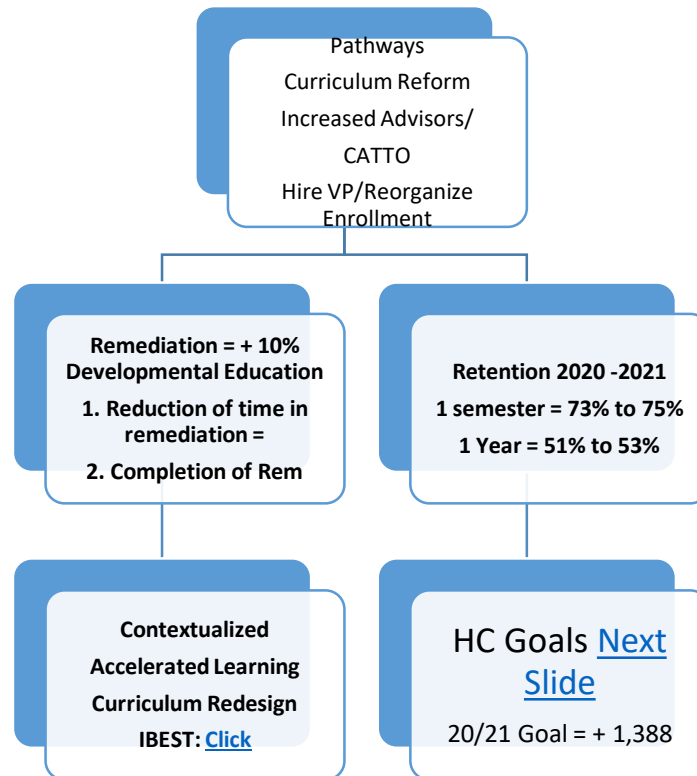
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Details



Enrollment

Student Success Pillar

Program Strategies

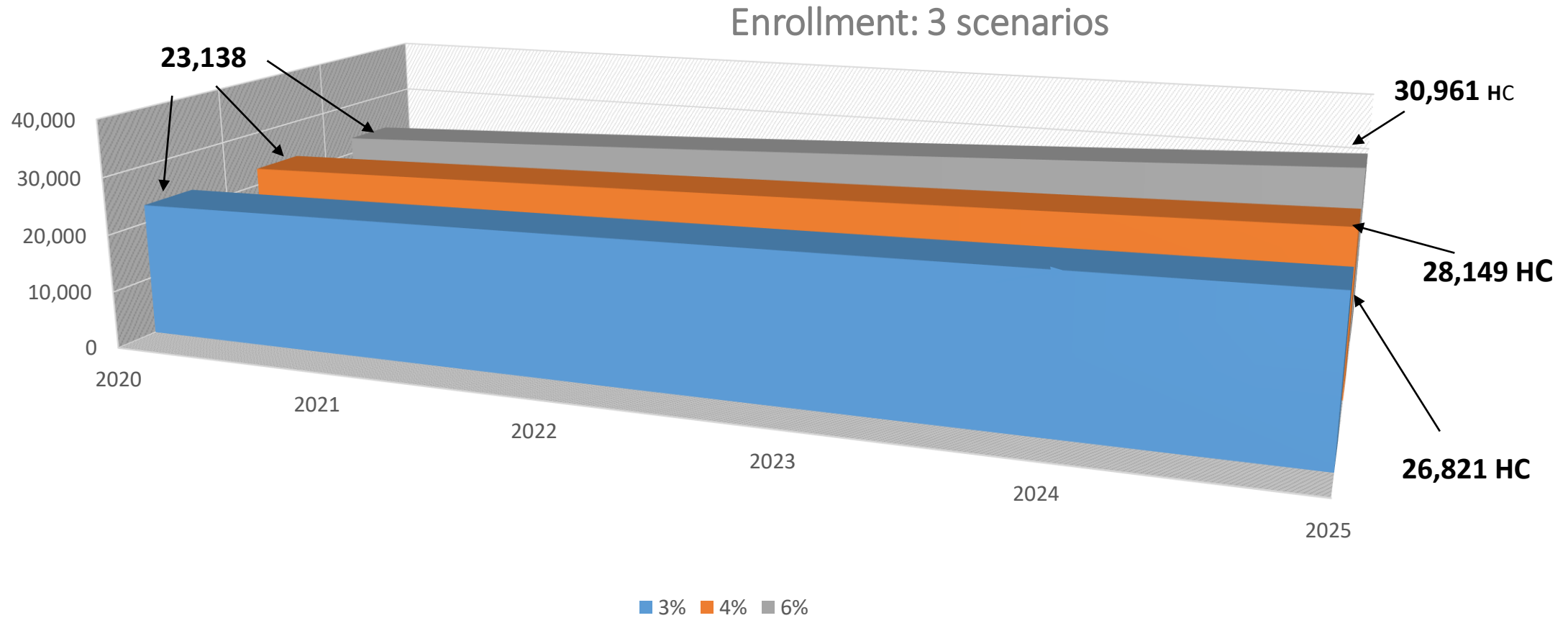


EQUITY: Completion (%) of College Math and English in one Year

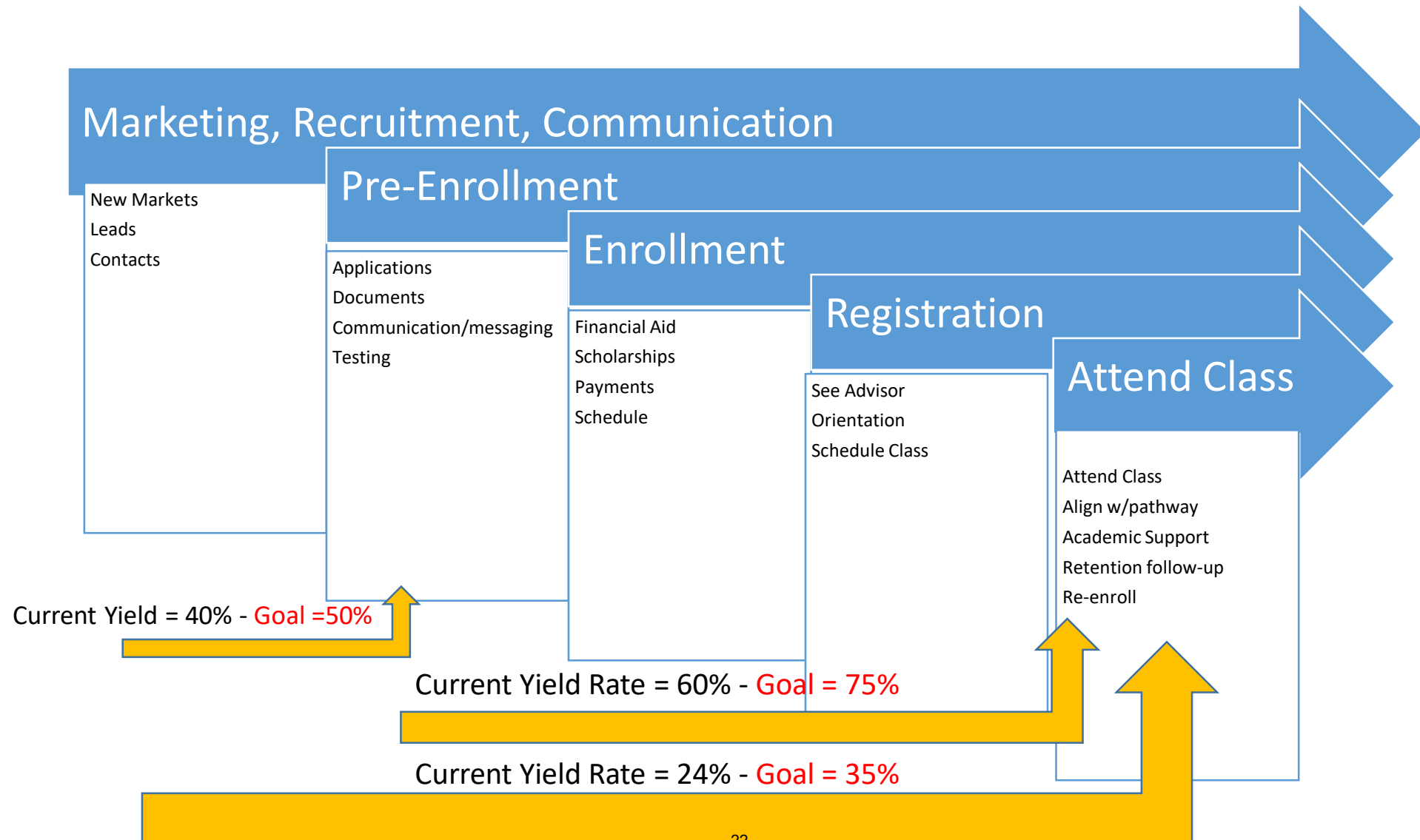
Year	2017	2018
• Total	18.8	21.1
• Black	13.4	14.1
• Hispanic	16.8	20.2
• White	28.6	31.5

CCRC 2018

Impact Enrollment 2025 Goals



Enrollment Life Cycle



Enrollment Action Plan: An Overview

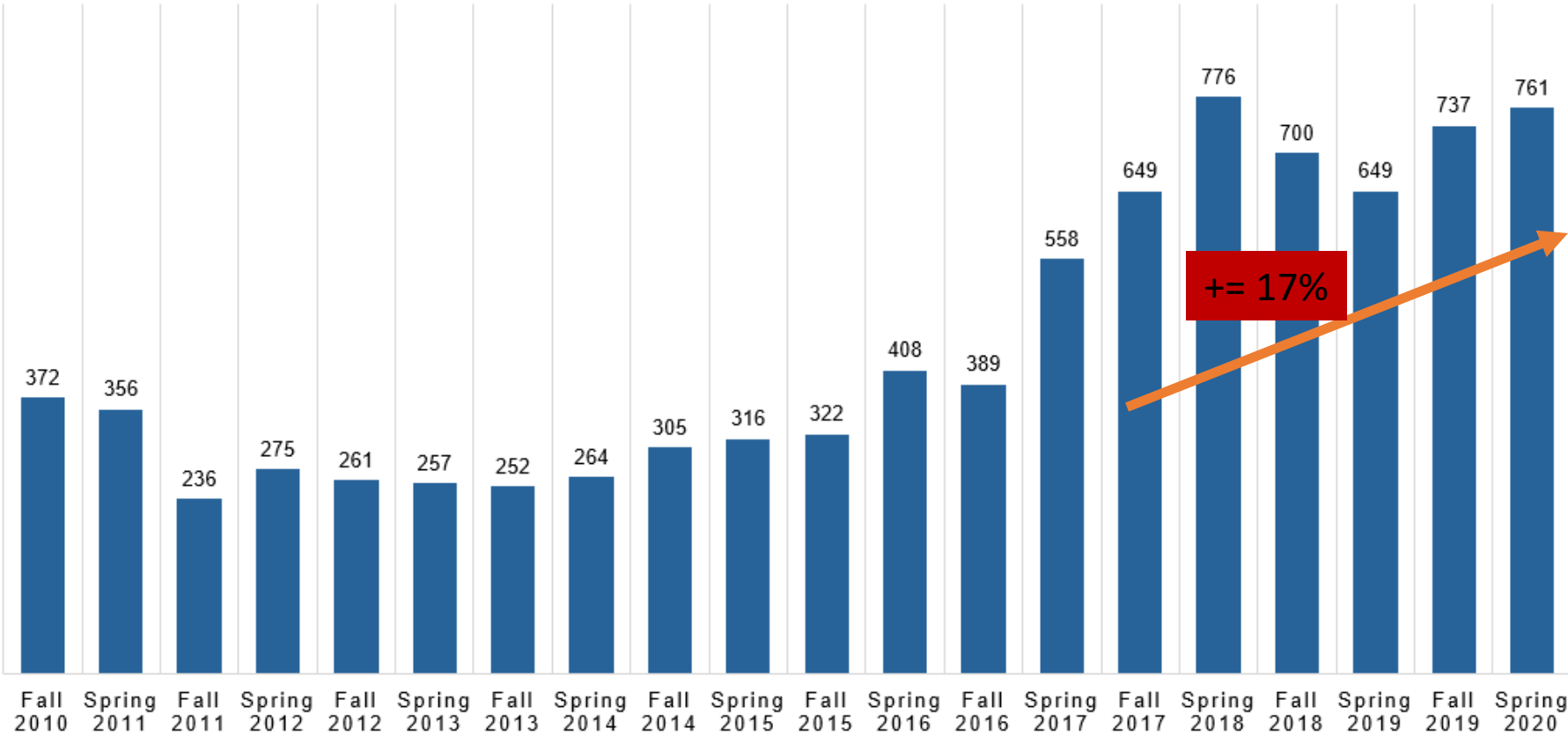
Strategy

- Develop Strategy and targeted Goals for Each point in enrollment Cycle
- Create niche strategy by location and programs
- Fully Implement Catto
- Improve Retention Rates
- Improve Student Satisfaction
- Improve Conversion Rates:
 - Leads >> Reg. & Paid.
 - Current = 24%
 - **Goal = 35%**
 - Leads >> Applicants
 - Current 40%
 - **Goal = 50%**
 - Applicants >> Registered & Paid
 - Current =60%
 - **Goal =75%**

Tactics

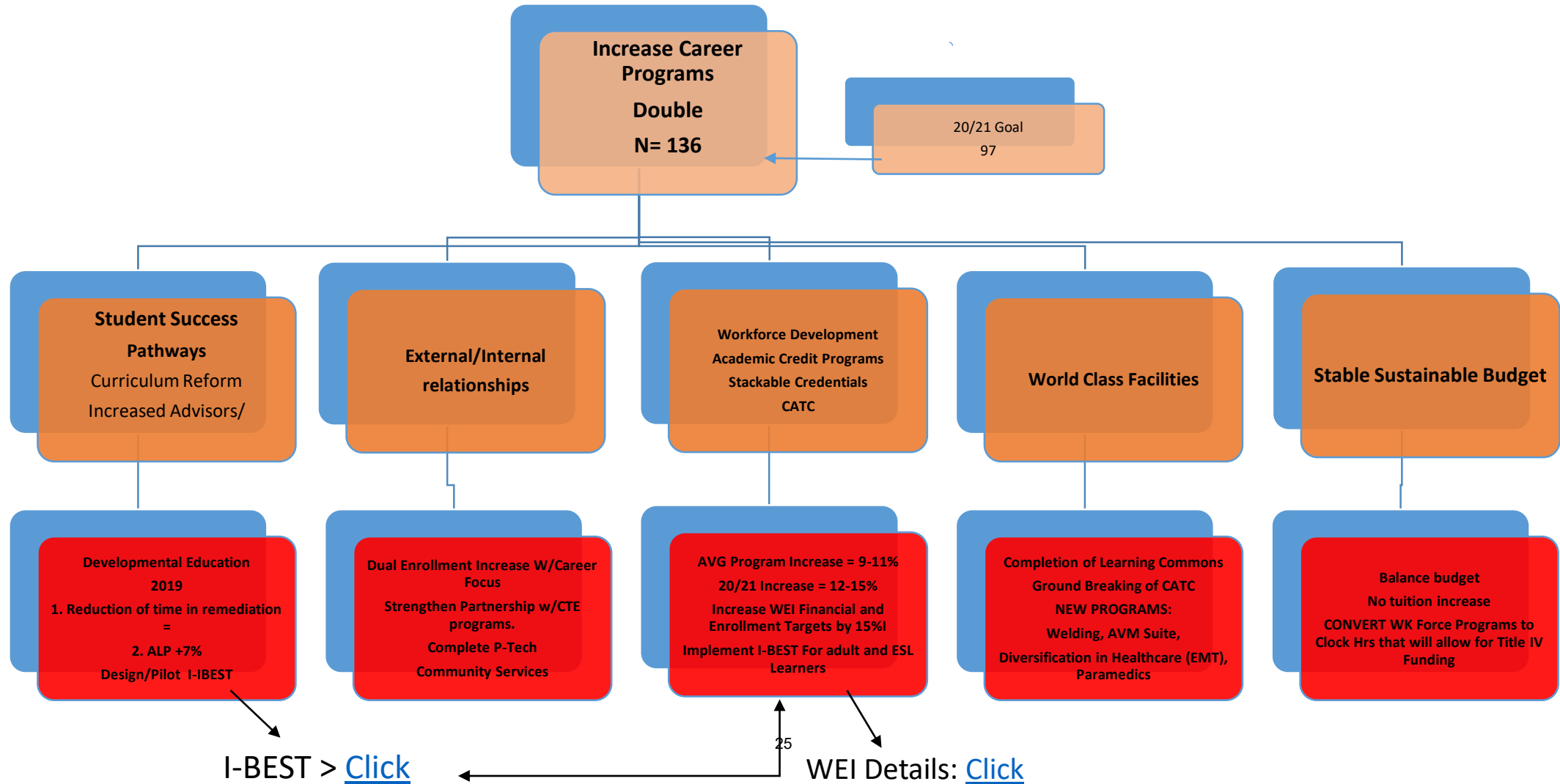
- Hire VP for Enrollment and Institutional Effectiveness
- Move IR under Enrollment Services
- Consolidate Financial Aid, Bursar, Scholarships into Tuition Planning Department
- Develop Plan that includes targeted goals and analysis of all lead indicators.
- Produce weekly data and analysis of enrollment progress
- Staff and Execute on Catto

Dual Enrollment Totals by Term



Impact 2025

20/21 update



ATTACHMENT C

CCP Board Level Presentation on Transition to Virtual Learning

Spring '20, Summer I '20, and Summer II '20

Services and Programs Overview:

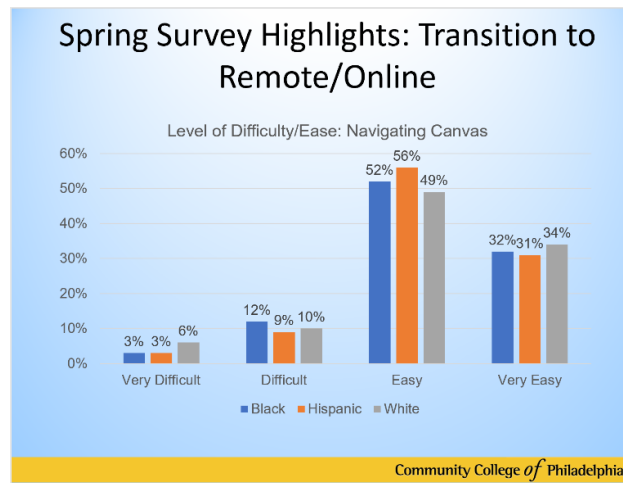
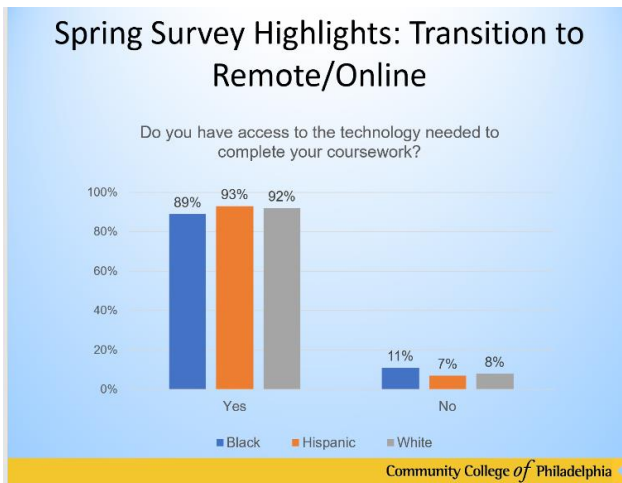
- Credit Programs: What are the highlights?

	# of Course Sections Converted to Remote/Online	# Students Enrolled in those Courses
Spring '20	1,494	11,276
Summer I '20	204	3,589
Summer II '20	191	1,991
Fall '20	1,886	

- All support services were available to students during this time period and the good news is that there has been an increase in the number students participating in each service from the Spring to the Summer.
 - Processes related to enrollment, orientation, and assessment/placement were for modified to be more “on-line” friendly for students.
 - The College has received \$8M CARE funding to meet basic needs and provide emergency funding and have distributed \$6M to over 5,000 students.
 - The Loaner Laptop program was implemented.
 - Extensive faculty training opportunities were provided to full-time and adjunct faculty.
- Non-Credit Programs – What are the highlights?
 - WEI expanded relationships with online providers to offset loss of typical face to face programming in May, June and July.
 - 4 programs were transitioned partially due to in person requirements (Massage Therapy, Dental Assistant, Gas Pipeline Distribution and Pathways to Manufacturing) and will complete these programs face to face starting in early September.
 - Limited attrition of students and businesses from in-person to online programs.
 - Shifted Fall Catalog from 80% face to face offerings to primarily online
 - In-person services and classes are beginning to be offered on a limited basis with safety protocols created for each area and program, reviewed and approved by the Safety Committee
 - For Fall 2020, modifications and adjustments to services to meet the needs of students are continuing.

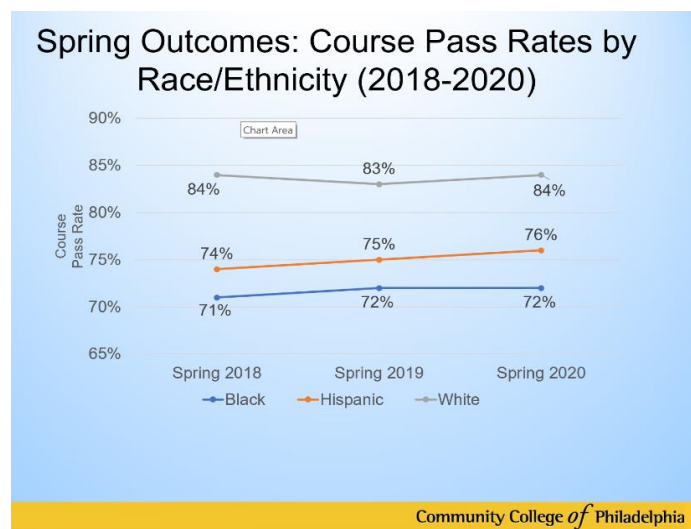
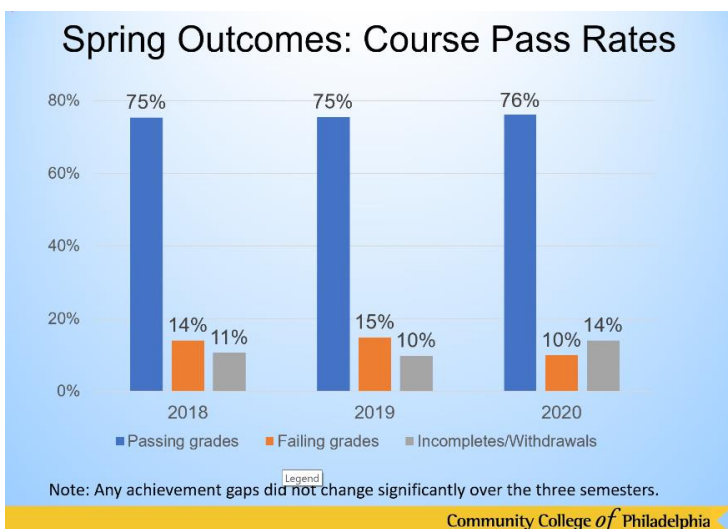
About our Students:

- Credit Programs - Overview
 - Over 90% of respondents reported having access to the technology they need; however Black students indicated that they did not have this access more often than their peers.
 - 15% indicated difficulty in navigating Canvas, the learning management software.
 - More respondents (ranging from 81% to 93%) reported satisfaction with the supports CCP provided
 - Trends in the utilization of services remain positive



The Results:

- Credit Programs
 - 76% of the students passed their course(s), and failing grades declined from the previous years
 - Withdrawals and Incompletes have increased
 - Black and Hispanic students are still lagging behind their white peers. While there is a moderate increase over the last two years, there is still a 12%-point difference between the two groups.



- Non-Credit Programs
 - Corporate Solutions saw some attrition for classes suspended until they could reconvene face to face; reasons for attrition primarily securing employment, adjustments in work schedule, child or family care issues for Fall; attrition mitigated by various educational engagement activities since May.
 - We are maintaining our efforts to provide Entrepreneurship programs through Power Up Peer Learning and Ten Thousand Small Businesses
 - Our retention rates for both programs was high despite challenging times for small business owners.
 - Power UP had 100% retention of Cohorts 11 (25 businesses) and Cohort 12 (29 businesses); and will start its 2nd fully online cohort with 20 businesses for C13
 - We created 17 new workshops in response to the needs of businesses since the pandemic and saw a huge demand with over 907 attendees in the last 5 months.
 - 10KSB also successfully transitioned mid-stream to ensure 29 of 30 (97%) business owners completed the disrupted class, and fully transition the 14 week curriculum to a completely new format. This next cohort will be the program's largest class ever following a totally revised online format for the Fall with 36 scholars.

COMMUNITY COLLEGE OF PHILADELPHIA
Meeting of the Board of Trustees
Thursday, September 3, 2020 – 3:00 p.m.
MINUTES OF DECISIONS AND RESOLUTIONS

Present: Mr. White, presiding: Mr. Bradley, Mr. Clancy, Mr. Dubow, Mr. Epps, Ms. Fulmore-Townsend, Ms. Gamble, Ms. Hernández Vélez, Mr. Herzog, Ms. Ireland, Ms. Jean-Baptiste, Ms. McPherson, Ms. Posoff, Representative Roebuck, Mr. Soileau, Dr. Generals, Mr. Eapen, Ms. DiGregorio, Ms. de Fries, Dr. Hirsch, Dr. Gay, Ms. Rooney, Ms. Zellers, Dr. Zanjani, and Dr. Waller

(1) Meeting Called to Order

Mr. White called the meeting to order.

(2) Public Comment

There were no public comments at the meeting.

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(4) Nominating Committee for Board Officers

The Board approved the following slate of Board Officers for 2020-2021:

Jeremiah White	Chair
Lydia Hernández Vélez	Vice Chair
James Roebuck	Vice Chair
Chekemma Fulmore-Townsend	Secretary

(5) Report of the President

Professional Development Week took place August 31 through September 3, 2020. The theme for this year was “Consciously Leading Change.” Dr. Generals stated that the keynote speaker for the opening session was Dr. Sharelle Barber, Assistant Research Professor in the Department of Epidemiology and Biostatistics and the Urban Health Collaborative at the Drexel University Dornsife School of Public Health. Dr. Barber’s remarks focused on “COVID 19 in Context: Racism, Segregation and Racial Inequities in Philadelphia.”

(5a) Impact 2025

Dr. Generals provided an update on *Impact 2025*.

At the request of Dr. Generals, Dr. Hirsch provided an update on plans for the spring semester. He noted that the College will use a mixed approach, with the ability to pivot if pandemic conditions improve in November or December.

At the request of Dr. Generals, Dr. Gay provided an update on the Catto Scholarship, and an overview of the College’s Middle States reaccreditation process which is due in 2022.

(5b) Foundation Report

Dr. Zanjani provided an overview of the status of fiscal year, July 1, 2019 to June 30, 2020, as well as gifts and grants received from July 1, 2020 – August 31, 2020,

(6) Report of the Business Affairs Committee

The Business Affairs Committee met on August 19, 2020. The items discussed are part of the Consent Agenda.

(7) Report of the Student Outcomes Committee

The Board was provided with a presentation on the transition to online learning for spring, summer I and II, and outcomes for spring, as well as the status of non-credit programs.

(8) Consent Agenda

Mr. White requested approval of the following Consent Agenda:

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(9) New Business

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(10) Next Meeting

The next meeting of the Board of Trustees is scheduled for Thursday, October 8, 2020, at 3:00 p.m.

The meeting adjourned at 4:20 p.m.

The Board reconvened in Executive Session.

(11) Executive Session

The Executive Session was devoted to an update on labor negotiations and personnel matters.

**Community College of Philadelphia
Office of Institutional Advancement
Record of Grants and Major Gifts
October 8, 2020 Meeting of the Board of Trustees**

GRANTS and MAJOR GIFTS

Summary by Source:

	FY 2021	
Public Grants to College	8/25/20 - 9/25/20	7/1/20 - 9/25/20
Federal	\$948,982	\$2,668,844
State	\$2,476,680	\$3,237,171
Local	\$29,800	\$29,800
Public Total	\$3,455,462	\$5,935,815
Private Grants/Gifts to Foundation	8/25/20 - 9/25/20	7/1/20 - 9/25/20
Corporation	\$80,000	\$80,000
Foundation	\$27,000	\$70,061
Individual		\$10,000
Organization		
Private Total	\$107,000	\$160,061
TOTAL	\$3,562,462	\$6,095,876

• Major Gifts are donations of \$10,000 and above and are the only private gifts reported in the table.

FEDERAL GRANTS

U.S. Department of Education awarded \$348,982 to fund the College’s TRIO Upward Bound program from 9/1/2020 – 8/31/2021. The Upward Bound program provides 68 eligible secondary students annually with the academic skills and motivation necessary for persistence and completion of secondary and postsecondary education.

U.S. Department of Education awarded a PBI Competitive Grant of \$600,000 to fund the Center for Male Engagement (CME) from 10/1/2020 – 9/30/2021. The CME is designed to increase the retention and graduation rates of African-American male students at the College through intentional, coordinated and culturally responsive programming. It holistically addresses the particular academic and non-cognitive needs of African-American males as they pursue a degree, establish short and long-term career goals, become more civic-minded, and learn to effectively use their social capital in order to become contributing participants of a global workforce.

STATE GRANTS

Pennsylvania Department of Education awarded a Carl D. Perkins Career and Technical Education grant of \$2,476,680 to fund the Perkins Postsecondary Local Plan program from 7/1/2020 – 6/30/21. The goal of Local Plan is to develop more fully the academic, career and technical skills of students enrolled in career and technical education programs.

LOCAL GRANTS

Philadelphia Youth Network awarded \$34,000 to fund Innovation Accelerator Summer Programs from 2/14/2020 – 9/30/2020. The Community College of Philadelphia's Division of Access and Community Engagement (DACE) will provide 40 rising 10th, 11th and 12th graders from South Philadelphia and Benjamin Franklin High Schools with the opportunity to participate in a Summer Service Learning Project that will build important 21st century job skills and academic skills while learning about the importance of civic engagement in building stronger communities. Participants in the College's Service Learning Project will be enrollees in DACE's TRIO Upward Bound program and are from low-income households where neither parent has a college degree.

* Correction to September 2020 Grant Summary: The U.S. Department of Education award of \$375,000 for CCAMPIS funded year 3 only, not years 3 and 4 as reported.

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

MINUTES

Thursday, September 3, 2020

1:00 p.m.

Zoom

Presiding: Ms. Fulmore-Townsend

Committee

Members: Mr. Clancy, Ms. Ireland, Ms. Jean-Baptiste, Ms. McPherson, Ms. Posoff,
Rep. Roebuck

College

Members: Ms. de Fries, Dr. Gay, Dr. Generals, Dr. Hirsch, Dr. Roberts

(1) Executive Session

There were no agenda items for the Executive Session.

(2) Public Session

(a) Approval of the Minutes of June 4, 2020

The minutes were approved unanimously.

(b) Transition to Remote Learning Update

Dr. Hirsch and Ms. de Fries provided an overview of the transition to the online environment that began in March, including actions taken, information on students, preliminary Spring 2020 outcomes, and plans for Fall 2020. Dr. Hirsch discussed the transition of face-to-face courses to an online modality with the number of course sections converted and the number of students enrolled in those sections.

Approximately 15-20% of credit course sections were already being offered online before the conversion. In Spring, Summer I, and Summer II, 100% of courses offered were online. For Fall 2020, about 95% of courses are online (excluding some labs and hands-on courses). For non-credit programs, Ms. de Fries explained that classes run on a rolling basis over different time periods. At the time of the transition, there were 13 face-to-face programs, all of which were converted to online. For pre-apprenticeships, two modules were already online; the other parts have since been converted. For Fall 2020, 90% of offerings will be online (previously it had been about 20%). Information was presented on supports for students, including academic (free Canvas course training, live chat, tutor.com), financial (emergency and CARES Act funds), and workforce (increased online offerings) supports. Academic supports were transitioned to be online, which changed the intake/onboarding process for

students taking credit courses, such as using high school GPA for placement for almost all students. New student orientation and advising were transitioned to online with positive participation. Select supports have had limited in-person options; students are required to make appointments for these. For workforce supports, online services were utilized more often than in-person had been because they were easier to attend online than coming to campus. Career Connections is working with faculty to embed career workshops in fall classes. While the 10KSB summer cohort was suspended, staff provided outreach to over 530 alumni in the summer. Transitioning credit courses to online required extensive faculty training, with support from both faculty and the faculty federation.

A survey was conducted of students in credit courses during the spring semester to get a sense of what happened when the semester was switched to remote learning. Almost 1,100 students responded for a 10% response rate; IR confirmed it was a representative sample. Data were disaggregated and showed no significant differences between racial/ethnic subgroups. Students indicated that meeting deadlines was challenging. A summer survey was sent to a smaller group of enrolled students; the resulting sample was also representative. This survey addressed student satisfaction with services. The percent of respondents who expressed satisfaction ranged from 81-91%. Data was also provided for various educational or student support services and the number of students/contacts for Spring and for Summer.

Course pass rates for credit courses from Spring 2020 were compared to those from 2018 and 2019. The percent of students who received a passing grade was 76% for Spring 2020, compared to 75% for the previous two spring semesters. The percent of students who received a failing grade had decreased to 10%, with an increase in those receiving an incomplete or withdrawal. A higher rate of withdrawals or incompletes was expected, not only because of the change in modality but also because of traumas students were experiencing in their own lives in terms of COVID-related disruptions. Pass rates were disaggregated by race and showed that achievement gaps did not widen, indicating that Black and Hispanic students were not more negatively impacted by the transition than White students. With non-credit entrepreneurship programs, all businesses in the Power Up Peer Learning program that transitioned to online completed the program; all businesses in the fully online version also completed the program. For Power Up Workshops, new workshops devoted to COVID-19 issues were offered. Of the businesses enrolled, 81% were minority-owned and 70% were women-owned. With Goldman Sachs Ten Thousand Small Businesses (10KSB), the summer class was suspended at the direction of the funders who needed time to convert the curriculum for the national program. With the program temporarily suspended, the unit refocused on outreach to alumni. The curriculum has been converted to online with a new class starting on Sept. 14. Nationally, applications for this program are down as it is difficult to recruit online.

For Fall 2020, all credit courses to be offered were converted to online. Faculty had the option of having a synchronous component, typically through Zoom. Some students had already registered for the Fall; they were alerted to the change in modality. Communications were sent to students to make sure they understood both what was going on in the Fall and what it means for a section to be synchronous; this was done via phone, text, and email. With these efforts, very few students dropped their courses for which they were already registered. Communications to students have also explained expectations for online courses and a free online course for student to learn about Canvas (the learning management system and platform for online courses) was developed. Within the Workforce and Economic Innovation division, Corporate Solutions has started the process of resuming face-to-face classes. For those programs that were suspended in the spring or unable to be offered in the summer, they are resuming in-person meetings. Corporate Solutions has increased the number of online offerings via third-party vendors. Career Connections has continued with outreach efforts, virtual classroom presentations, and online workshops.

Further details are in the attached PowerPoint document.

(c) Structure of Student Outcomes Committee Meetings

The committee discussed the need to revise its schedule. It was suggested that materials be sent in advance as much as time allows. In regard to workforce development, information on how labor market data and employer needs connect to offerings would be helpful. Information on collaborations with area schools should continue to be provided.

(d) New Business

There was no new business.

Next Meeting

The next meeting of the Student Outcomes Committee of the Board is scheduled for October 8, 2020 at 1:00 p.m. via Zoom.

Attachments:

Minutes of June 4, 2020

Student Outcomes Committee Monthly Topics Calendar

Transition to Remote Learning Update PowerPoint presentation

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

MINUTES

Thursday, June 4, 2020

1:00 p.m.

Zoom

Presiding: Ms. Fulmore-Townsend

Committee

Members: Mr. Clancy, Ms. Jean-Baptiste, Ms. Posoff

College

Members: Ms. de Fries, Dr. Gay, Dr. Generals, Dr. Roberts

Guests: Ms. Frizell, Ms. Washington

(1) Executive Session

There were no agenda items for the Executive Session.

(2) Public Session

(a) Approval of the Minutes of May 7, 2020

The minutes were approved unanimously.

(b) Data Summary for Program Reviews Presentation

Ms. Frizell, from the Office of Academic Assessment, discussed the Academic Performance Review – Key Indicators Guide. This will be included for Student Outcomes Committee members with academic program reviews. It was developed by Ms. Frizell, Ms. Gordon (Academic Assessment Coordinator), and Dr. Gay, with input from the academic deans and Dr. Hirsch. The key indicators are enrollment, demographics, retention, completion, internal and external relations, transfer, assessment, and cost. A program's enrollment trend will be compared to that of the College and will consider full- and part-time students. Regarding demographics, the Committee noted that equity is important to examine at the program level. The review of demographics data can lead to the important question of what faculty are doing to close gaps. Retention addresses fall-to-spring, fall-to-fall, and number of credits data. Data is disaggregated, though for small programs the numbers are too small to be meaningful. Faculty will look into why students do not return. Completion data is also disaggregated, trends are noted, and faculty are asked what programs are doing

to increase the number of graduates. Internal and external relations and transfer touch on how faculty leverage their connections outside of the College, whether it be with local employers to develop work-based learning experiences or with transfer partners. These types of relations will be different for career and for transfer programs. For assessment, data should be disaggregated at the program- and at the course-level. Faculty are encouraged to utilize research-based methods to make adjustments to improve student learning. Faculty are expected to discuss assessment practices and results at their monthly meetings. With cost, the return on investment is examined. This included staffing and equipment and is relative to cost of other programs. Ms. Fulmore-Townsend proposed that the finalized list should be included in the Board's orientation and toolkit.

(c) Strategy for Career Connections Department Presentation

Ms. Washington, in her role as Director, presented on the Career Connections unit within the Division of Workforce and Economic Innovation. Ms. Washington described how when the unit was starting, the focus was on serving students and their immediate needs. The unit has been transformed to be more robust and embeds employer-focused career-readiness to help students. Moreover, as the College began to fully implement Guided Pathways, Career Connections pivoted to more academic integration of its efforts. There are three areas under Career Connections: employer services, student services, and faculty and academic support. The College's strategic plan informed the goals and objectives of the unit. Ms. Washington presented an overview of the unit's milestones for the past three years, including integrating better software, extending workshops to regional centers, and hiring more staff. Recently Career connections has been working with the deans, the associate vice president, and the vice president of Academic and Student Success to develop a model to engage faculty. The unit's new staffing model has three Pathway coordinators and a manager of employer partnerships. Ms. Washington provided data on student usage of various software tools, showing an overall increase. The unit has surveyed employers to track the hiring of College students. The unit has set goals for engaging employers based on the number of students in academic pathways. Information on work since the pandemic was also presented, including outreach to both students and to employers. Board members suggested more information on the number of programs per Academic Pathway might be helpful. Further details on the recent work of Career Connections are in the attached PowerPoint document.

(d) New Business

There was no new business.

Next Meeting

The next meeting of the Student Outcomes Committee of the Board is scheduled for September 3, 2020 at 1:00 p.m. via Zoom.

Attachments:

Minutes of May 7, 2020

Academic Performance Review – Key Indicators Guide

Career Connections presentation

Update on Transition to Remote Environment

Student Outcomes Committee
for September 3, 2020

Our Actions

Division of Academic and Student Success and Workforce and Economic Innovation

Student Outcomes Committee
for September 3, 2020

Overview of Virtual Learning Transition

	# of Credit Course Sections Converted to Remote/Online	# Students Enrolled in those Courses
Spring '20	1,494	11,276
Summer I '20	204	3,589
Summer II '20	191	1,991
Fall '20	1,886	

- All educational and student support services were successfully transitioned to a remote/online context in Spring 2020.
- 13 Workforce Non-credit Courses converted to online
- 4 Workforce programs partially converted (due to in-person learning requirements)
- 7 of 9 Career Readiness modules converted in Pre-Apprenticeships

Supports for Students

Academic Supports

- Helping students be successful in online courses
 - Free Canvas course
 - Live webinars
 - Tutor.com
 - Live Chat expanded beyond Admissions to:
 - Financial Aid
 - Records and Registration
 - Counseling
 - Center for Male Engagement
 - Academic Connections
 - Single Stop
 - etc.

Financial Supports

- Emergency funds for students
 - Administered through Single Stop
 - For food, housing, etc.
- CARES Act funds
 - \$8 million in CARES Act funding to assist students who have incurred expenses related to the disruption of campus operations due to COVID-19.
 - To date, approx. \$6 million have been distributed to over 5,000 students (with minimum award of \$500)

Workforce Supports

- Increased Online Offerings via Ed2Go, UGotClass, and MindEdge
- Career Connections Services fully online

Transitioning Services for Students

Academic Supports

Changes to intake/onboarding process

- Using other indicators in lieu of Placement testing
- New Student Online Orientation
 - Modules reordered to ease transition
- New student registration
 - Advisors send individualized educational plans to students via email
 - Select Supports, like Assessment, Financial Aid and Enrollment are beginning to offer in-person options

Workforce Supports

- Employing 3rd party Vendors to deliver content across 47 courses
- Building 26 non-credit courses in Canvas
- Maintaining Employer Outreach for training and employment opportunities
- Increasing student outreach for Classroom Presentations, One on One Resume Reviews and Job Interview Preparation
- Continuing to host Career Workshops
- Power Up and 10KSB Alumni Outreach, Resource Events and Connections ongoing
- Transitioned Career Readiness Pre-Apprenticeship to fully online
- Engaged students in suspended classes over 3 months to mitigate attrition

Faculty Training

- Training mandated for faculty who had not been trained to teach online before Summer 2020
- Extensive options available to faculty
 - Departmental training
 - Training for specific courses
 - Online Instruction Facilitation Team
 - In groups or for individuals
 - Canvas courses
 - Webinar training sessions
- Training options to continue

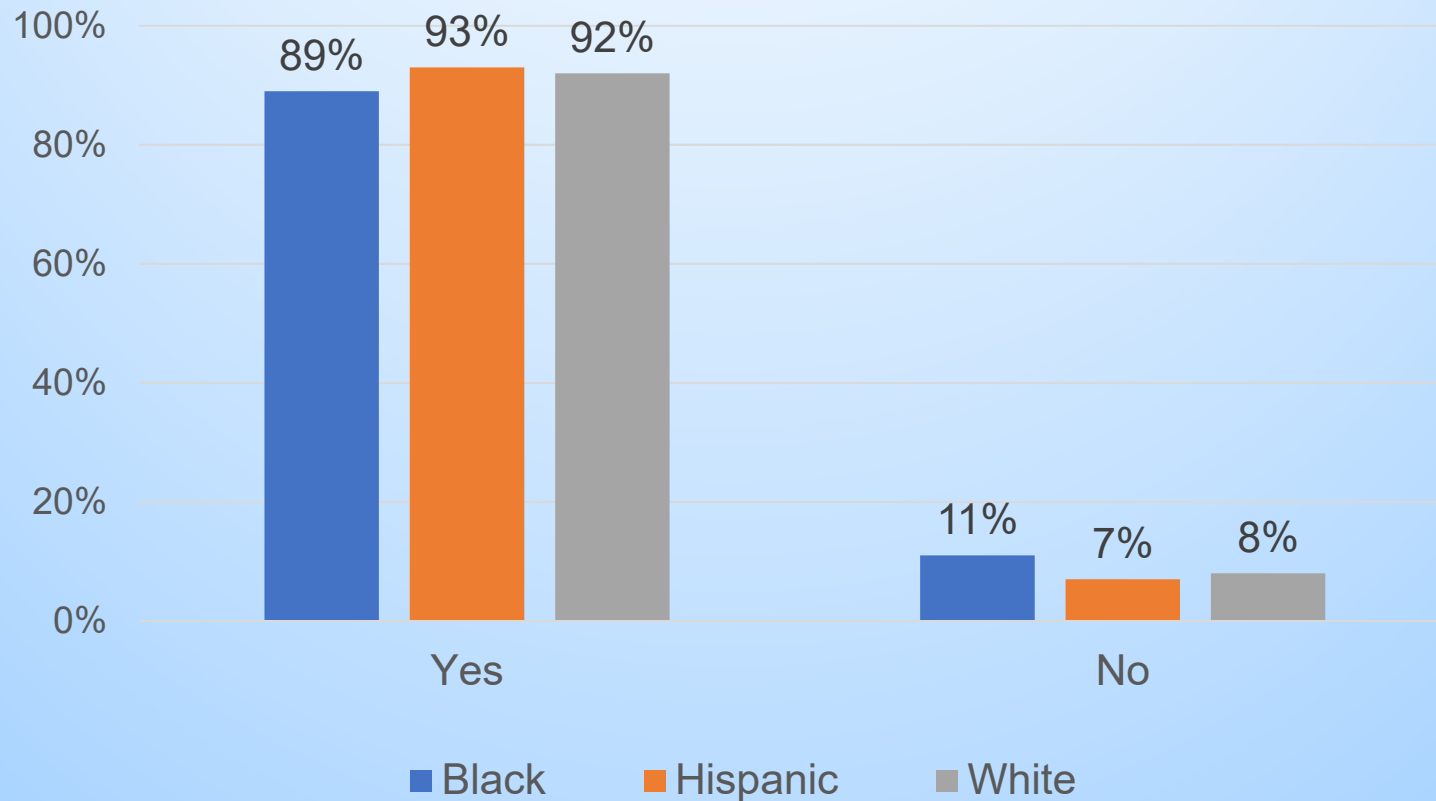
About Our Students

Division of Academic and Student Success and Workforce and Economic Innovation

Student Outcomes Committee
for September 3, 2020

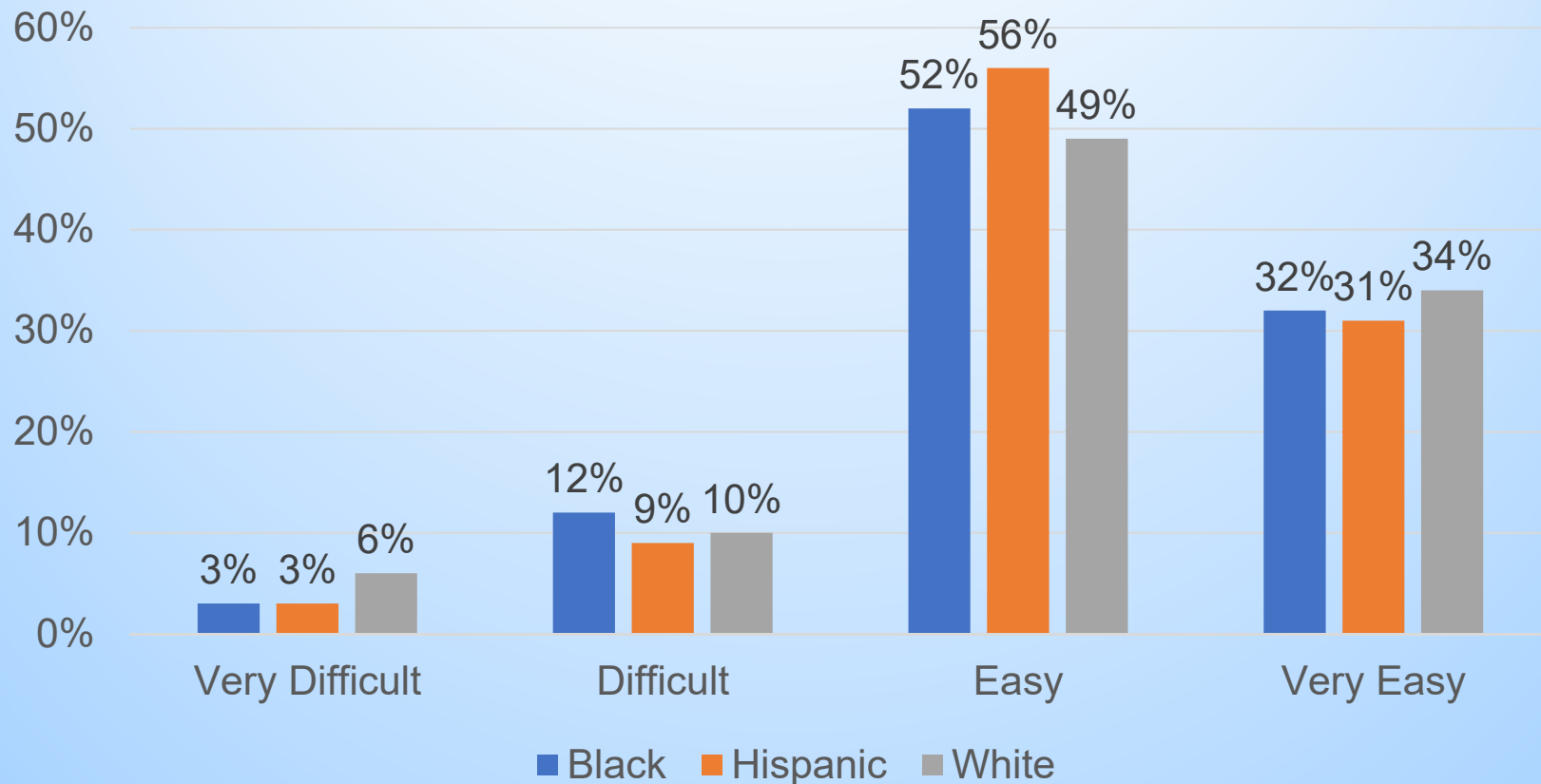
Spring Survey Highlights: Transition to Remote/Online

Do you have access to the technology needed to complete your coursework?

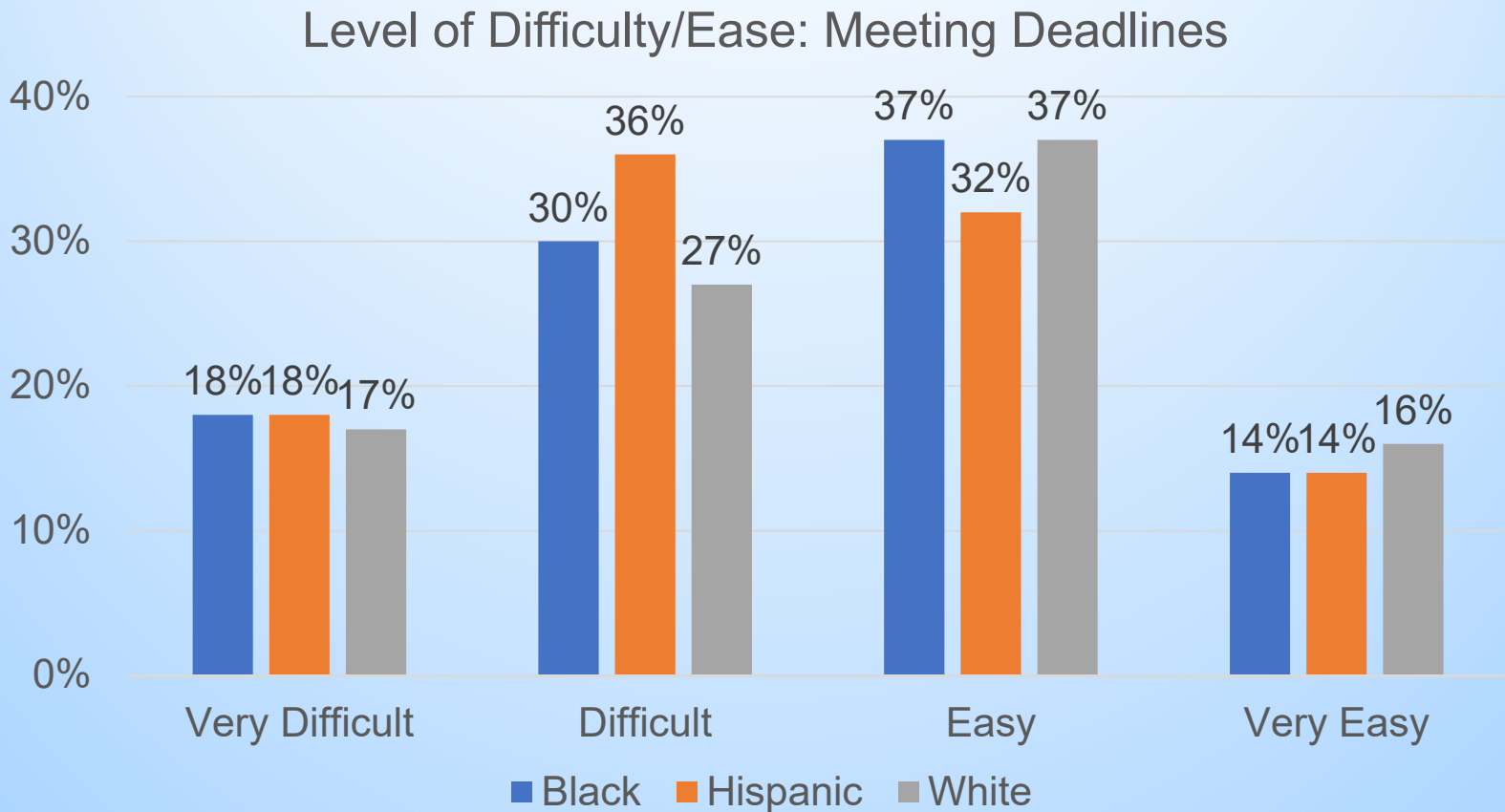


Spring Survey Highlights: Transition to Remote/Online

Level of Difficulty/Ease: Navigating Canvas

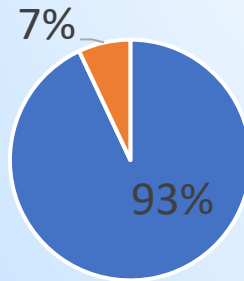


Spring Survey Highlights: Transition to Remote/Online

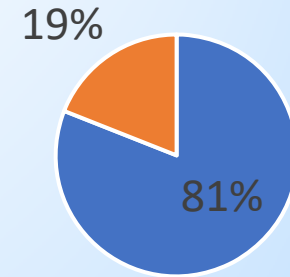


Summer IR Survey Highlights: Student Satisfaction

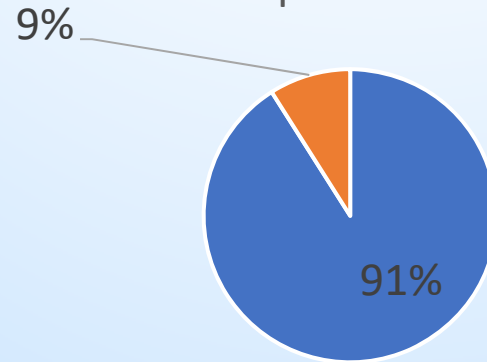
Assistance on how to use Canvas



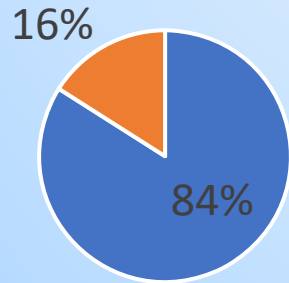
Interaction with Instructor



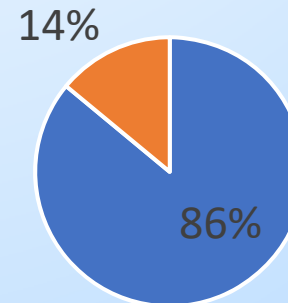
Information About Course Requirements



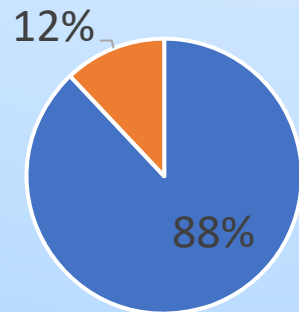
Interaction with Fellow Students



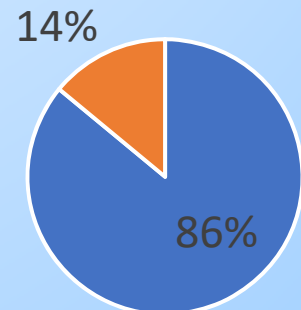
Financial Aid Services



Availability of Course Material



Advising Services



Blue = Moderately Satisfied/ Satisfied,/Highly Satisfied;
Red = Highly Dissatisfied/Dissatisfied
N=34

Trends in Utilization

Counseling via
Zoom/phone



3264
6321

Counseling via
virtual Workshops



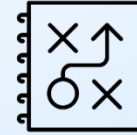
176

Guidance via
Call Campaign



541
669

Referrals for
Students
Completing Starfish



419

Student Success
contacts who need support



980
781

Academic
Advising via
Zoom



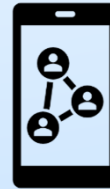
1067
1898

Academic
Advising Plans*



808

Tutor.com



600

Center for Male
Engagement



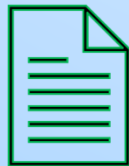
95 per wk
156 per wk

Student
Leadership &
Clubs



1298
7151

Office of Collegiate
Recovery



122
422

Athletics



400
908

Center on
Disability



435
1716

Single Stop



838**
427

Note: The top number for each is for Spring; the bottom is for Summer.

* First Times Students

**Includes tax prep

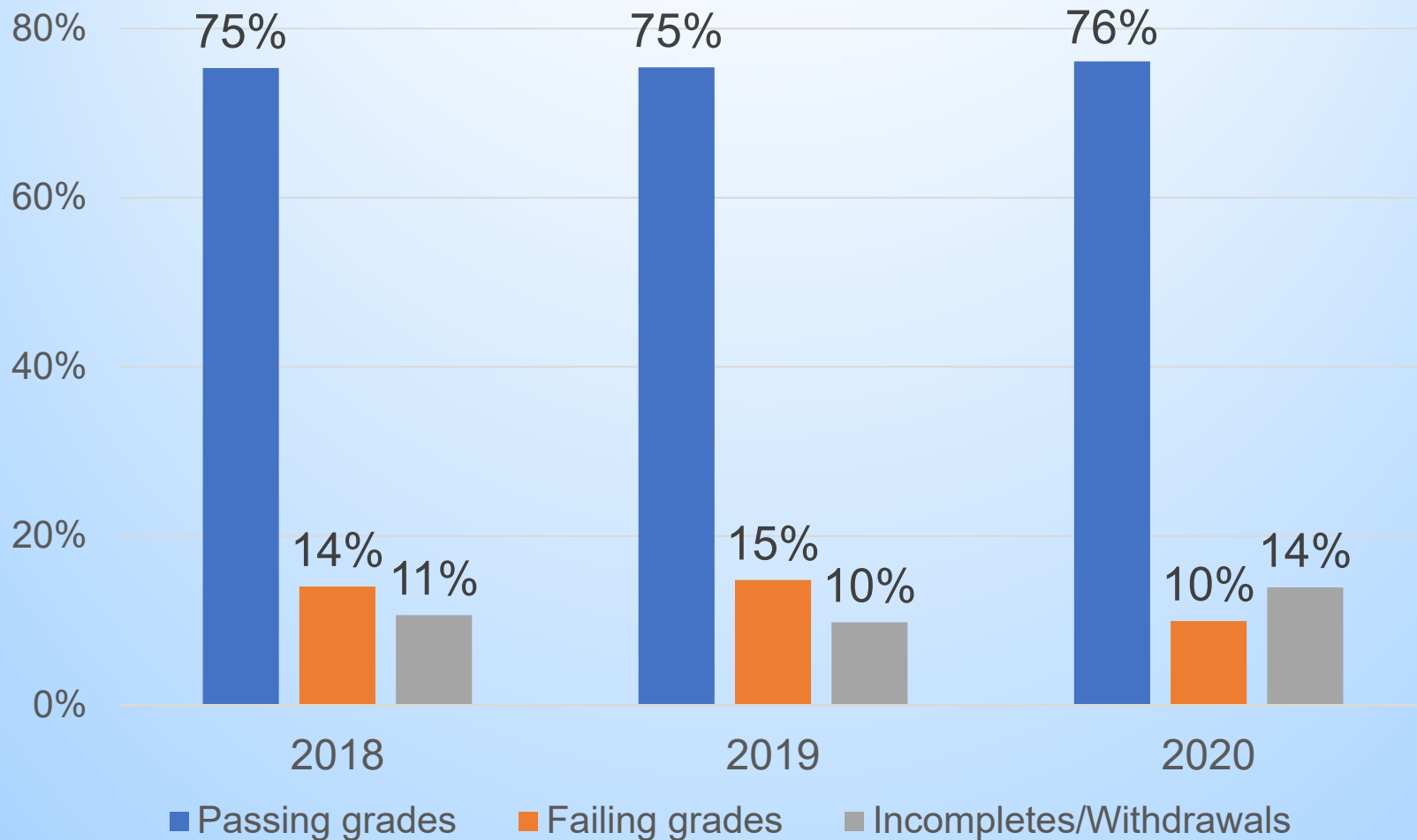
Community College *of* Philadelphia

Results from Spring '20

Division of Academic and Student Success and Workforce and Economic Innovation

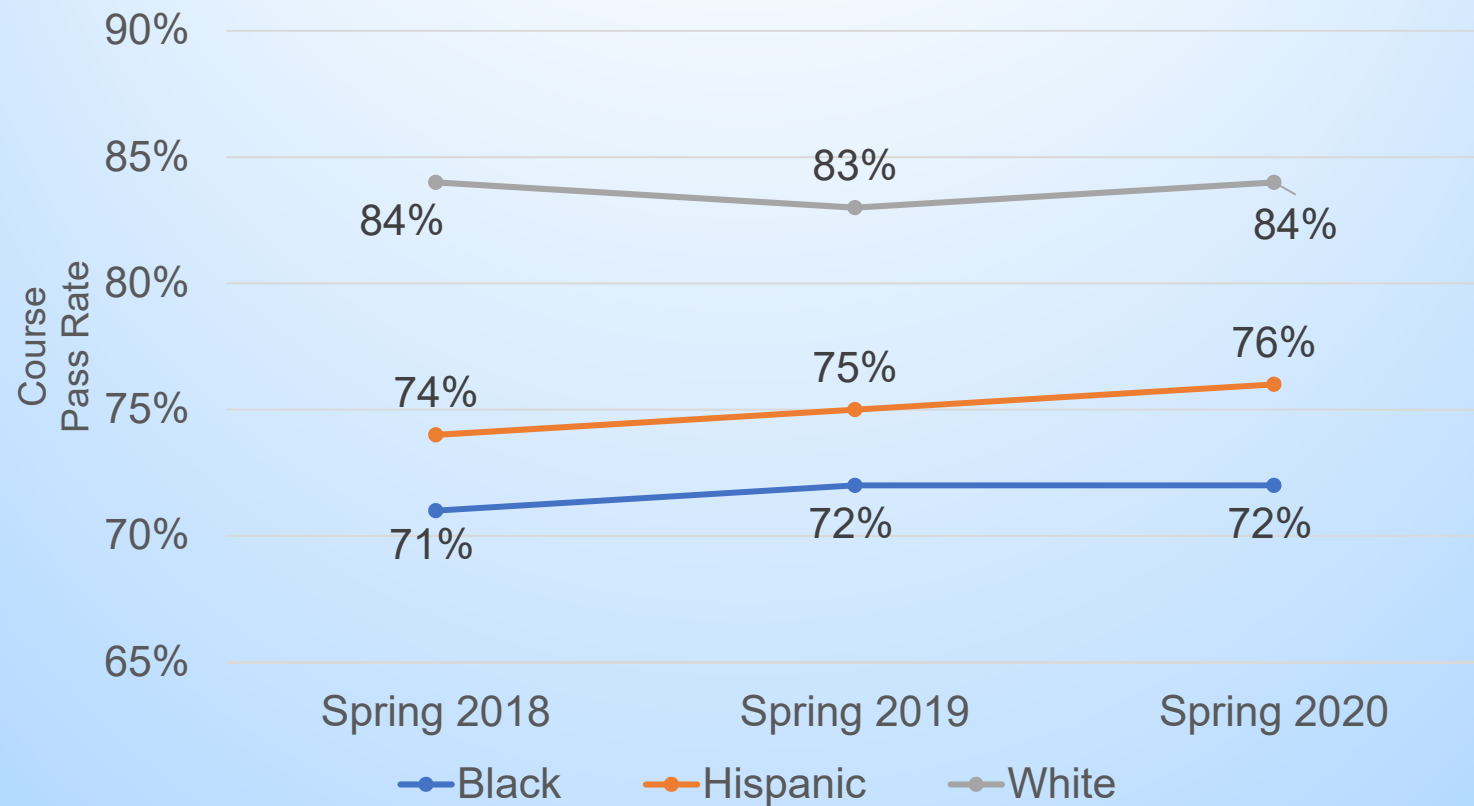
Student Outcomes Committee
for September 3, 2020

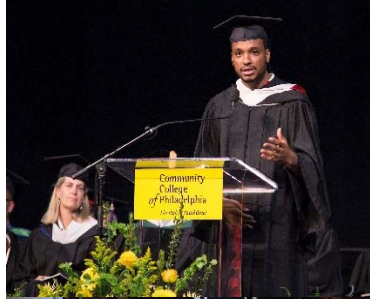
Spring Outcomes: Course Pass Rates



Note: Any achievement gaps did not change significantly over the three semesters.

Spring Outcomes: Course Pass Rates by Race/Ethnicity (2018-2020)





Entrepreneurship Programs

Power Up Peer Learning

		# Businesses Admitted	# Dropped	# Completed	Rate
Disrupted Class	C11	25	0	25	100%
Fully Online	C12	29	0	29	100%

- Entire Peer Learning Curriculum (6 modules) had to be updated and adapted for a live zoom format for the class C12 which ran in May – July
- C13 will be fully online – 20 Businesses admitted

Power Up Workshops – All Online April – August

- **Topics:** Adapting Your Business Model in a COVID19 world; How to build profitable relationships in a Crisis; Restarting Your Restaurant Business; New Rules for Childcare Biz, etc.

Workshops	# Held	Attendees	Avg. Attendance
Existing	9	250	28
New	17	657	73
Total	26	907	101

The Path to Possibilities.

Community College of Philadelphia

www.ccp.edu

Entrepreneurship Programs

Goldman Sachs Ten Thousand Small Businesses

		# Businesses Admitted	# Dropped	# Completed	Rate
Disrupted Class	C21	30	1	29	97%

- C22 – Postponed for Summer to allow for complete transition to Online
- 36 Scholars for Class starting 9/14/20; 13-15 deferrals to C23 (January 2021)
- 14 Week Curriculum converted to fully online in new format – same content, same supports
- Changed from One All Day Class to week-long modules with live Monday and Friday morning zoom webinars + weekly activities in between
- Applications for Winter Class down nationally
- Facilitated a total of 16 alumni weekly calls and 2 alumni clinic webinars. 20 participants on each call.



Plans for Fall 2020

Division of Academic and Student Success and Workforce and Economic Innovation

Student Outcomes Committee
for September 3, 2020

Plans for Fall 2020 Schedule

- Course schedule modified June 8th to online/synchronous sections
 - 1,886 face-to-face or hybrid sections converted
 - 1,534 online only (asynchronous) sections
 - 353 - online and synchronous (specific class meeting times) sections
- Communications to students alerting them to change
 - Emails
 - Text alerting students to emails
 - Emails alerting if course synchronous
 - Call campaigns

Corporate Solutions

Open Enrolment

Fall

- Resuming Face to Face Classes
 - Disrupted Gas Pipeline, Dental Assistant, Massage Therapy, Pathways classes
 - Monthly Emissions, ServSafe, Safety Inspection (Sept – December)
 - Industrial Maintenance Technician Pre-Apprenticeship Cohort (13 of 15 spots filled)
 - Employer Information Session for Pathways and Pre-Apprenticeship Programs 9/25/20
 - Certified Nurse Aide once Clinical Sites reopen to students



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Corporate Solutions

Open Enrolment

Fall 2020 Program Planning

- To quickly shift open enrollment programming to online learning, we focused heavily on our 3rd party distance vendors that we have worked in collaboration with for year. Previously we focused our program offerings 80% as in-person class programming.

We are offering the following number with each vendor:

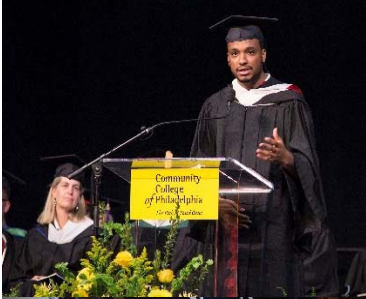
- Ed2go Short Term: and Career Training classes: 18 courses
- UGotClass: 10 courses
- MindEdge Learning: 10 courses
- CCI (Condensed Curriculum): 8 courses
- Medical Careers Prep Academy: 1 - Dialysis Tech.
- **Total Vendor courses listed online and in catalog – 47**
- Noncredit Open Enrollment CCP Distance Courses that we are building in Canvas with curriculum providers or faculty-built programs
- **# of CCP Noncredit Distance Courses: 26 Courses**



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Career Connections by the Numbers:

Student Engagement
June 1- August 28, 2020

Student Outreach Results

1343 calls/text to students to 667 unique students

Classroom Presentations:

- 130 students (to-date) will access the following customized video recorded presentations to support 7 BHHS courses:
 - How to Write an Interview-Generating Resume
 - Virtual Interviewing Techniques
 - Big Interview Lesson and Activities

(The Faculty Classroom Presentation Online Request form was updated to offer virtual options and will be rolled out to faculty & staff during PD Week as a resource for the Fall semester)

<https://www.ccp.edu/forms/career-connections-empowerment-workshop-presentation-request-form>

Total number of workshops hosted: 2 workshops:

- How to Write an Interview-Generating Resume
- Virtual Interviewing Techniques

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Questions / Discussion

Student Outcomes Committee Calendar
Monthly Topics
2020

SOC Meeting	Topics Scheduled to be Addressed
February 2020	<ul style="list-style-type: none"> • Culinary Arts Program Review • Education Programs Review Follow-Up Reports • Review of Annual Calendar
April 2020	<ul style="list-style-type: none"> • Faculty Promotion Approval • CCRC KPI Data for Guided Pathways • Behavioral Health/Human Services Program Review • English Program Review
May 2020	<ul style="list-style-type: none"> • Updated Board Dashboard (Indicators 1.1-1.6, 1.8-1.9, 1.11-1.13, 1.16, 1.19, 1.24-1.25) • Workforce and Economic Innovation Update • Liberal Arts – Honors Option Program Review • Religious Studies Program Review • Business, Entrepreneurship and Law Pathway Certificate Reviews
June 2020	<ul style="list-style-type: none"> • Construction Management Program Review • Facility Management Program Review • Dual Enrollment Update
September 2020	<ul style="list-style-type: none"> • Workforce and Economic Innovation Update • Design, Construction and Transportation Pathway Certificate Reviews • Review of SOC Calendar
October 2020	<ul style="list-style-type: none"> • Updated Board Dashboard (Indicators 1.7, 1.10, 2.1-2.4, 3.1-3.6) • Digital Forensics Program Review • Liberal Arts – Social/Behavioral Science Option Program Review
November 2020	<ul style="list-style-type: none"> • Updated Board Dashboard (Indicators 1.14-1.15, 1.17-1.18, 1.20-1.23, 1.26, 4.1-4.11, 5.1-5.4) • Workforce and Economic Innovation Update • Automotive Technology Program Review • Medical Laboratory Technician Program Review

**ZOOM MEETING OF THE BUSINESS AFFAIRS COMMITTEE
OF THE BOARD OF TRUSTEES
Community College of Philadelphia
Thursday, September 3, 2020 – 2:00 P.M.
Join Zoom Meeting
<https://ccp.zoom.us/j/96024077641>**

Present from the Trustees: Lydia Hernández Vélez, Esq., Chair, Mr. Harold Epps and Mr. Steve Herzog

Present from the Administration: Mr. Jacob Eapen, Mr. Gim Lim, Mr. Derrick Sawyer, Dr. Mellissia Zanjani, and Victoria L. Zellers, Esq.

Guests: Mr. Andre Allen, Principal, Phoenix Capital Partners, LLP
Mr. Noel Eisenstat, NMTC Consultant for CATC
Miska L. Shaw, Esq., Bond Counsel, Ahmad Zaffarese, LLC
Mr. Max Kent, Chief Operating Officer, New Courtland
Mr. Stephen Grimm, Director of Accounting & Asset Management, New Courtland
Mr. Michael DeMarco, Chief Financial Officer, New Courtland

AGENDA – PUBLIC SESSION

Ms. Hernández Vélez called the meeting to order at 2:01 P.M.

(1) Briefing from New Courtland Representatives Regarding Their Experience with the New Market Tax Credit (NMTC) (Information Item):

Mr. Eapen stated that based on the feedback that was received from the Trustees, staff requested that Mr. Eisenstat identify a non-profit that has worked with NMTCs. Mr. Eisenstat identified New Courtland which provides senior services in the Philadelphia community. Mr. Eapen introduced New Courtland representatives: Mr. Max Kent, Chief Operating Office, Mr. Stephen Grimm, Director of Accounting and Asset Management and Mr. Michael DeMarco, Chief Financial Officer. Mr. Eapen stated that a briefing from the representatives will help to get a better understanding of the structure, process and the non-profit set up for the NMTC.

Mr. Eisenstat provided a background on New Courtland which supports the needs for low-income individuals, particularly the elderly, in the areas of senior housing and healthcare. He stated that New Courtland has made most of its investments in healthcare. The New Courtland representatives were then asked to brief their experience with the New Market Tax Credit (NMTC) and the non-profit entity created to facilitate the NMTC transaction.

Mr. Kent stated that New Courtland has done four NMTC transactions which includes locations at Allegheny, St. Bart's Life Center, Henry Avenue and Pennypack. He mentioned that, with Mr. Eisenstat's guidance, New Courtland was successful in developing the NMTC organizationally and bringing in the investors for the tax credits. Mr. Kent stated that since New Courtland is a provider of healthcare services, the NMTC investment will benefit the community. He further stated that 80 jobs are created for every clinic that is built.

Mr. Epps asked how long the NMTC has been in existence. Mr. Eisenstat stated since 2001; and that it was one of the last bills to be passed by President Clinton. He explained that the first five years, the program had a completely different structure. For the last 13-14 years, the NMTC involves a leverage loan where investors make an investment in the amount of a tax credit and other capital to equal the amount of the allocation. Mr. Kent further explained that a special purpose entity is created for each NMTC deal; and in each case, there is a separate Board of Directors.

Mr. Grimm provided background on compliance. He stated that PIDC administers CDEs (Community Development Entities) that are involved in the structure of the NMTC. PIDC focuses on the number of new employees bought into the community and requests statistics on employees by their ethnicity, a breakdown of zip codes where the employees reside, salaries, and employees' skill levels. Mr. Grimm mentioned that New Courtland employees were van drivers, social workers, LPNs, RNs, and physicians. Typically, the statistics are reported on an annual basis. Mr. Eisenstat stated that in the case of the College, the College will report on employment status; student demographics; tracking students' success; and collecting data on local hiring and minority businesses. Mr. Eisenstat mentioned that the College has a good track record in compliance with the Economic Opportunity Plan (EOP).

Mr. Eisenstat explained that on the day of closing, the College will have an investment fund of \$22M out of the \$33.5M project. The College is required to spend the NMTC dollars (\$22M) within 18-24 months. After seven years, the College's debt is "extinguished." Mr. Eisenstat mentioned that the two CDEs involved in the College's project are URP (Urban Research Park) and Reinvestment Fund which have been long-standing NMTC investors.

Mr. Allen asked if the leverage loan portion is put in place after the "take out." Mr. Grimm stated that the leverage loan was executed at the closing of the transaction and a refinancing is planned at the "take out" of the structure, or after 7 years. There was an acknowledgement of the existence of a market risk as well.

Ms. Hernández Vélez thanked the New Courtland representatives and mentioned that her experience with New Courtland has been extremely positive when she served as the City's Deputy Managing Director for the Aging.

The meeting adjourned at 2:29 P.M.

JE/lm

**ZOOM MEETING OF THE BUSINESS AFFAIRS COMMITTEE
OF THE BOARD OF TRUSTEES
Community College of Philadelphia
Wednesday, September 23, 2020 – 9:40 A.M.**

Present: Lydia Hernández Vélez, Esq., Chair, presiding; Mr. Harold Epps, Mr. Steve Herzog, Dr. Donald Guy Generals, Mr. Jacob Eapen, Mr. Bill Bromley, Mr. Michael Fohner, Ms. Marsia Henley, Ms. Lisa Hutcherson, Mr. Gim Lim, Mr. Derrick Sawyer, Victoria L. Zellers, Esq. and Ms. Sabrina Maynard, City of Philadelphia

AGENDA - EXECUTIVE SESSION

An Executive Session preceded the Public Session regarding personnel and legal matters.

AGENDA – PUBLIC SESSION

Following the Executive Session, the Committee went into Public Session at 9:40 A.M.

(1) Diagnostic Medical Imaging (DMI) Construction Contract (Action Item):

Discussion: Mr. Eapen stated that the Diagnostic Medical Imaging (DMI) curriculum for the College procured a new x-ray machine through a grant program. This project will create a laboratory space for the new energized x-ray, along with the existing de-energized x-ray unit. These spaces will be surrounded by new classroom, instructional space, and glass walls for visibility.

Mr. Eapen stated that the project was designed by The Schrader Group with trade-separated bid packages of: general construction, plumbing, HVAC, and electrical. An alternate bid item for lead-lined walls for the de-energized x-ray unit was included in the event that the program replaces the de-energized unit with an active x-ray unit in the future. Bidders had the option of bidding one or more of the separate trades. The project was open for bids on July 21, 2020. A mandatory pre-bid meeting was held on July 30, 2020. Bids were due on August 13, 2020.

Mr. Eapen stated that a total of six (6) bids were received for general construction, while only one (1) bid was received for each of the plumbing, HVAC, and electrical trades. Totaling the lowest responsible bids, the project award cost will be \$354,029, with a recommended award of \$265,029 to New Age Development Group and an award of \$89,000 to MJF Electrical Contractors. The bid summary is listed in Attachment A.

Ms. Henley spoke to the New Age Development Group (NADG) demographics. She stated that NADG is a veteran-owned company with one owner. Six percent of NADG's staff are Asian/Pacific Islander, 11% are Hispanic and 83% are White. A total of 89% are male and 11% are female. She stated that MJF Electrical is owned by one male and one female. MJF has a total of 100 employees. Out of 15 White employees, six are in management. Mr. Epps asked where the two firms were located. Ms. Henley stated that NADG's Main Office is located in Conshohocken, PA. Additionally, NADG has an office located at the Philadelphia Naval Yard. She stated that she did not have the address on MJF Electrical Contractors, but will pass on

the information to the Committee. Mr. Eapen stated that NADG is the contractor for the Library & Learning Commons, and that NADG has been performing very well. Mr. Epps emphatically stressed that Philadelphia's demographics is two-thirds Black/Brown, and that NADG and MJF should aspire to do better in matching up to the City's demographics. Mr. Eapen stated that he and his team will have a conversation with the principals from NADG and MJF.

Action: Mr. Herzog moved and Ms. Hernández Vélez seconded the motion that the Committee recommend to the full Board that the College award the contract to the two lowest bidders: New Age Development Group for General Construction (\$181,214), Plumbing (\$41,257), HVAC (\$30,827) and Alternate #1 (\$11,731) for a total amount of \$265,029; and to MJF Electrical Contractors in the amount of \$89,000 for a total project award of \$354,029 for the Diagnostic Medical Imaging construction. The motion passed unanimously.

Note: Following the meeting, Ms. Henley provided the location for MJF Electrical Contractors: 1380 S. Pennsylvania Avenue, Morrisville, PA.

(2) Music Department Renovation (Action Item):

Discussion: Mr. Eapen stated that the College Music Department is in need of a recording quality, sound-proof studio. A design was conducted in the Spring that will renovate a large classroom into an acoustically-isolated studio and adjacent control room.

Mr. Eapen reported that the project was open for bids on July 23, 2020. A mandatory pre-bid meeting was held on August 3, 2020 and bids were due on August 17, 2020. The project was bid out in three (3) separate bid packages by trade: general construction, HVAC, and electrical. There is no plumbing scope of work in this project.

Mr Eapen stated that after meeting with the low-bidder, MAS General Contractors, it was determined that their bid prices would not even cover the raw cost of materials specified for the project. The College addressed this concern with MAS and requested that a schedule of values be provided on how they could complete this project within their bid amount. No additional information was provided by MAS. The College removed this bid from consideration as a non-responsible bid.

Mr. Eapen stated that there were eight (8) bids considered for general construction; and only one (1) bid received for consideration, each for HVAC and electrical. Totaling the lowest responsible bids, the project award cost will be \$692,270, with a recommended award of \$290,600 to The Riff Group and an award of \$401,670 to New Age Development Group for the HVAC and electrical scopes of work. The bid summary is listed in Attachment B.

Ms. Henley reported on the demographics of the Riff Group. She stated that the Riff Group is 60% owned by female and 40% owned by male. The Riff Group have a total of 53 employees with 8% who are African-American, 4% who are Hispanic, and 88% who are White.

Action: Mr. Herzog moved and Mr. Epps seconded the motion that the Committee recommend to the full Board that the College award the contract to the two lowest bidders: The Riff Group in the amount of \$290,600 for General Construction and to the New Age Development Group in the amount of \$401,670 for HVAC (\$118,950) and Electrical (\$282,720).

The project award cost for the Music Department Renovation Project totals \$692,270. The motion passed unanimously.

(3) Center for Business & Industry (CBI) Cooling Tower Repairs (Action Item):

Discussion: This project will replace the existing coil bundles, pumps, valves, gear boxes, and belts on both of CBI's rooftop cooling towers. The cooling towers are over 15 years old and the bundle piping has been compromised with numerous stress cracks throughout. The larger cracks were welded under an emergency repair during the Spring which has allowed us to maintain a reduced level of cooling through the summer in a minimally-occupied building. If the building were to be fully occupied, the system would not be able to provide adequate cooling without the completion of this repair project. In addition to providing the necessary cooling, the new repair work will also result in a higher system efficiency.

The project was open for bids on July 20, 2020. A mandatory pre-bid meeting was held on August 3, 2020. Bids were due on August 10, 2020. Fourteen (14) vendors attended the pre-bid meeting and eight (8) submitted bids for the project.

Staff met with the low bidder, Lo-Mar Mechanical, and determined that their bid of \$169,776 was responsible and inclusive of all necessary scope of work. A bid summary is listed in Attachment C.

Ms. Henley shared the demographics of Lo-Mar Mechanical. She stated that Lo-Mar Mechanical has 3 White male owners. Lo-Mar Mechanical's workforce consist of 5.3% African American, 1.3% Asian/Pacific Islander and 94.57% White, with a total of 75 employees. Mr. Epps expressed his concerns that the College is experiencing the collective bargaining union history of Philadelphia.

Action: Mr. Epps moved and Mr. Herzog seconded the motion that the Committee recommend to the full Board the awarding of the contract to the low bidder, Lo-Mar Mechanical in the amount of \$169,776 for the Center for Business & Industry cooling towers repairs. The motion passed unanimously.

(4) ASO (Administrative Services Only) Fee with IBC (Action Item):

Discussion: Mr. Eapen stated that although the College is currently in year two of a three-year arrangement with Independence Blue Cross for the administration of our medical benefits, the College has been offered a new three-year option beginning with the plan year 9/1/2020. The College and Trion, our benefits consultant, negotiated the fees. Based on the negotiated fees, the College accepts the new three-year option from IBC. Our administrative fees for the Keystone and Personal Choice health plans would remain at the current (2019/2020) fee level of \$55.79 PEPM (per employee per month) over the next three years. The new agreement would also increase our current annual allocation of Wellness Credits from \$15,000 to \$20,000. Please refer to the attached chart in Attachment D.

Mr. Epps asked if the term is reduced, does the agreement change. Mr. Eapen stated that if the term is reduced, the numbers would change substantially. He stated that it is in the College's best interest to accept the new three-year option. Mr. Eapen stated that the \$711,657

represents the number of employees who participate in IBC. If the number of participants decreases, then the amount of the payoff every year decreases. Mr. Epps asked how many enrollees are in the program. Ms. Hutchinson stated the College currently has 1,063 contracts with IBC. Mr. Epps stated that he would like to arrange a meeting with Mr. Eapen and Ms. Hutchinson to share alternative options.

Action: Ms. Hernández Vélez moved and Mr. Epps seconded the motion that the Committee recommend to the full Board to accept the new three-year option from IBC at an amount of \$711,657 over the next three years which is the same as the current fees. The motion passed unanimously.

(5) Blackbaud Proposal (Action Item):

Discussion: Mr. Eapen stated that the College is proposing to enter into a 3-year agreement with Blackbaud, Inc. The agreement will upgrade our current subscription from their customer relationship management software Raiser’s Edge 7.96 to their cloud-based platform Raiser’s Edge NXT. The annual cost of our current subscription of Raiser’s Edge is \$11,908. The agreement also includes new subscriptions to NetCommunity and Peer to Peer Fundraising, which are both fully integrated with RE NXT and will provide access to new crowd fundraising and alumni engagement software.

Mr. Eapen stated that RE NXT provides all of the same functionality as RE 7.96 and users will continue to have access to the current system in “database view.” However, the expansion to NXT and related products will provide for improvements among others. Please refer to Attachment E.

Mr. Eapen further stated that the discussions with Blackbaud was made in consultation with our new Vice President for Institutional Advancement, Dr. Mellissia Zanjani.

Action: Mr. Herzog moved and Mr. Epps seconded the motion that the Committee recommend to the full Board that the College enter into a 3-year contract with Blackbaud, Inc. at a total cost of \$218,860. Annual fees are as follows:

Year 1: \$60,702
Year 2: \$79,079
Year 3: \$79,079

The motion passed unanimously.

(6) Purchase of 300 Dell Laptops (Action Item):

Discussion: Mr. Eapen stated that the College leased 250 laptops at a monthly cost of \$20,000 for our dual-enrollment students. The request for 250 laptops for dual-enrollment students was requested only in August. The only option the College had was to lease the laptops so that the students had laptops before the start of the Fall semester. These students will need the 250 laptops for both the Fall and Spring semesters. It is more beneficial for the College to buy the laptops rather than leasing them for both the Fall and Spring semesters. College staff has reviewed a variety of technology options to purchase in order to support students in the virtual environment. On the 8th of September, the College made available RFP

10128 a bid for 300 laptop computers using the PennBid system for competitive bidding. The bid used the Dell Latitude 3410 BTX SKU 210-AVKY in the RFP as the Basis of Design. Clarifications to the bid were due on the 11th of the month, and the bids were due on the 16th. The College received 10 bids, of which Dell Technologies was the lowest at \$675 per unit, and 7% lower than the next lowest bidder, GDC. The bid summary is included in [Attachment F](#).

Mr. Eapen stated that primary considerations in reviewing all options were cost, unit capabilities and availability. The lowest responsible bidder, Dell Technologies, with their Dell Latitude 3410 i5 model with 8G of RAM, 256GB SSD drive and 14-inch monitor with integrated webcam. These laptops will be offered as loaners to students enrolled in Fall and Spring semester classes subject to their signing a Loan Agreement. At the conclusion of the semester, students will have the option to return or purchase at a slightly discounted rate utilizing their Financial Aid funds or personal funds. Laptops returned will be loaned to enrolled students who have a need. This order will be delivered to the College no later than October 30th, 2020; however, the College's Dell representative will expedite with the intention of delivering by mid-October 2020.

Action: Mr. Herzog moved and Mr. Epps second the motion that the Committee recommend to the full Board the purchase of 300 Dell laptops at the total cost of \$202,500 which includes a one-year warranty. The purchase shall be made using Cares Act institutional dollars. The motion passed unanimously.

(7) Approval of Consulting Contract with RNL (Action Item):

Mr. Eapen stated that RNL will work with the College on the development of an annual marketing and recruitment plan. Please refer to [Attachment G](#). Based on the College's enrollment goals, successes and challenges, RNL will collaborate with the College team to develop a customized plan that will be a roadmap to reach the College's student recruitment goals. The planning stages will include:

- Conduct a situation analysis
- Set data-informed goals
- Formulate key strategies
- Develop action plans
- Track progress toward goals

Mr. Eapen stated that the contract was actually for \$112,500; however, in case the College needs leeway, he is asking for the Committee to approve \$115,000.

Ms. Hernández Vélez asked if the RNL consulting contract was driven by Ms. Rooney. Dr. Generals stated that the RNL consulting contract was driven by him; and that Ms. Rooney will be the point person.

Mr. Herzog moved and Mr. Epps seconded the motion that the Business Affairs Committee approve that the College to enter into a consulting contract with RNL to develop an annual marketing and recruitment plan for an amount not to exceed \$115,000. The motion passed unanimously.

(8) Motion for Wage Increases for College Administrators, Grant Administrators, and Confidential Staff Excluding Vice Presidents and General Counsel (Action Item):

Dr. Generals stated that he would like to move forward with the budgeted increases for the non-unionized staff including Confidential employees, Administrators (excluding Vice Presidents and General Counsel) and Grant Administrators. Dr. Generals noted that the unionized staff received their raises under the Collective Bargaining Agreements starting September 1, 2020. Mr. Epps asked if the raises would be based on performance. Mr. Eapen and Ms. Zellers confirmed that the raises would be subject to satisfactory performance and up to three percent. Ms. Hernández Vélez requested Ms. Zellers to state the proposed Motion. Ms. Zellers requested that the Business Affairs Committee of the Board of Trustees recommends that the College's Board of Trustees approve a Resolution as outlined below:

Subject to evaluation and satisfactory performance, College Administrators, Grant Administrators, and Confidential Staff, excluding the College's Vice Presidents and General Counsel, are eligible to receive a raise of up to 3% retroactive to September 1, 2020; provided however that the percentage of the raise shall be pro-rated for any employee who was not employed for the preceding fiscal year in accordance with College practice.

Mr. Epps asked what was the rationale for making the salary retroactive as opposed to on a quarterly basis on October 1st. Ms. Zellers explained that September 1st is when the collective bargaining employees received their raise, and the rationale was to treat employees consistently.

Mr. Epps moved and Mr. Herzog seconded the motion that the Committee recommend to the full Board to approve the Resolution for Wage increases for College Administrators, Grant Administrators, and Confidential Staff Excluding Vice Presidents and General Counsel. The motion passed unanimously.

Further Discussions on Minority Contractors

At this point in the meeting, Mr. Epps again expressed his frustrations with the impact the College's spending has on Philadelphia's Black and Brown community; and that he felt the College is counterproductive to the agenda for which it represents. Mr. Epps stated that he understood the College has to follow the State's bid requirements.

(9) Next Meeting Date:

Ms. Hernández Vélez informed the Committee that the next meeting date is scheduled for Wednesday, October 21st at 9:00 A.M.

The meeting was adjourned at 10:00 A.M.

ATTACHMENT A

Bid Results for Diagnostic Medical Imaging (DMI) Construction

Bidder	General Construction	Plumbing	HVAC	Electrical	Alternate #1	Total Bid
MJF Electrical Contractors	Not bid	Not bid	Not bid	\$89,000	Not bid	\$89,000
New Age Development Group	\$181,214	\$41,257	\$30,827	Not bid	\$11,731	\$265,029
TE Construction Services	\$191,500	Not bid	Not bid	Not bid	\$16,800	\$208,300
Daniel J. Keating Co.	\$221,850	Not bid	Not bid	Not bid	\$21,362	\$243,212
The Riff Group	\$235,500	Not bid	Not bid	Not bid	\$18,520	\$254,020
The Bedwell Company	\$236,000	Not bid	Not bid	Not bid	\$24,200	\$260,200
Torrado Construction	\$346,973	Not bid	Not bid	Not bid	\$20,848	\$367,821
Successful Bid Totals	\$181,214	\$41,257	\$30,827	\$89,000	\$11,731	\$354,029

ATTACHMENT B

Bid Results for Music Department Renovation

Bidder	General Construction	HVAC	Electrical	Total Bid
MAS General Contractors	\$74,000	\$39,000	\$24,900	\$137,900
The Riff Group	\$290,600	Not bid	Not bid	\$290,600
Daniel J. Keating Co.	\$303,000	Not bid	Not bid	\$303,000
The Bedwell Company	\$362,000	Not bid	Not bid	\$362,000
Magnum, Inc.	\$390,106	Not bid	Not bid	\$390,106
TE Construction Services	\$424,400	Not bid	Not bid	\$424,400
C. Erickson & Sons	\$516,000	Not bid	Not bid	\$516,000
Smith Construction	\$524,000	Not bid	Not bid	\$524,000
New Age Development Group	\$352,739	\$118,950	\$282,720	\$754,409
Successful Bid Totals	\$290,600	\$118,950	\$282,720	\$692,270

The College removed MAS General Contractors from consideration as a non-responsible bid.

ATTACHMENT C

Bid Results for Center for Business & Industry (CBI) Cooling Tower Repairs

Bidder	Base Bid Amount
Lor-Mar Mechanical	\$169,776
Elliot-Lewis	\$171,500
EMCOR Fluidics	\$181,620
PT Mechanical	\$202,765
Limbach, Inc.	\$247,357
John Meehan	\$291,000
DeWitt Heating & Air	\$305,000
JJ White	\$329,000

ATTACHMENT D

IBC ASO Fee Renewal Analysis Negotiated Renewal Terms for 9/1/2020

- Three-year rate guarantee for all aspects of the ASO fee pricing
 - Includes base ASO fee, fiduciary fee, Better Health Liaisons fee, Propeller fee, and Telemedicine fee
- Wellness credit has been increased from \$15,000 to \$20,000/year

Three Year Renewal	Contracts	Current	Year 1	Year 2	Year 3
Administrative Fee PEPM	1,063	\$48.06	\$48.06	\$48.06	\$48.06
Claim Fiduciary PEPM	1,063	\$2.59	\$2.59	\$2.59	\$2.59
Condition Management	1,063	\$3.82	\$3.82	\$3.82	\$3.82
Propeller PEPM	1,063	\$0.62	\$0.62	\$0.62	\$0.62
Telemedicine PEPM	1,063	\$0.70	\$0.70	\$0.70	\$0.70
Total Medical Admin Fee PEPM	1,063	\$55.79	\$55.79	\$55.79	\$55.79
Administrative Fee Annual		\$711,657	\$711,657	\$711,657	\$711,657
\$\$ Change vs Current			\$0	\$0	\$0
% Change vs Current			0.0%	0.0%	0.0%

ATTACHMENT E

Blackbaud Proposal

The expansion to NXT and related products will provide for improvements among others:

- Potential for increased number of constituent records
- TargetAnalytics provides integrated data enrichment tools and modeling services
- ResearchPoint prospect research tool will replace current unintegrated software
- PhoneFinder, AddressFinder, and EmailFinders for data health replaces other vendor
- Web-based interface accessible on any device (now only remote availability is gotomypc)
- Unlimited concurrent users increased from ten
- Tribute module to better track honor/memorial gifts
- Membership module to better steward our giving society members
- Tools allow fundraisers to centralize and customize their view of constituent information
- Integrated payment processing and event registration tools
- Capability to send mass emails directly from the database
- Means to create and manage web pages and payment forms
- Portals for donors, students, and friends to view and update their own information
- Improved customer support and unlimited training access

Further, the upgraded systems allow for enhanced campaign management to set-up multiple fundraising campaigns that allow the user to analyze the effectiveness of appeals and solicitations like direct mailings, auctions, or galas to generate gifts.

ATTACHMENT F

Bid Summary for Purchase of Laptops

Dell Technologies	\$202,500.00
GDC	\$216,267.00
En-Net Services	\$218,988.00
Alcor Consulting, Inc.	\$252,876.00
Mola Group Corporation	\$261,828.00
Applied Technology Services	\$281,325.00
MVATION WORLDWIDE INC	\$294,096.00
HOWARD TECHNOLOGY SOLUTIONS	\$304,500.00
Information Consultants, Inc.	\$323,700.00
Hypertec USA, Inc.	\$386,472.00

ATTACHMENT G

RNL Proposal



Strategic Enrollment Solutions
Community College of Philadelphia



ENROLLMENT



STUDENT SUCCESS



FUNDRAISING

Develop an Annual Marketing and Recruitment Plan

August 5, 2020

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August 5, 2020

Dr. Donald Generals
President
Community College of Philadelphia
1700 Spring Garden St.
Philadelphia, PA 19130

Dear Dr. Generals:

We appreciate our conversation this week as well as the hospitality extended during our recent visit to Community College of Philadelphia (CCP). The insights shared by you and your faculty and staff into your strengths and challenges shed light on the college's opportunities for growth.

The following proposal outlines initiatives that will allow the college to overcome current challenges while identifying strategies for CCP's long-term success. We will work in partnership with CCP to develop and deploy the strategies, plans, and tools that will successfully shape your enrollment outcomes.

We look forward to discussing RNL's proposal in further detail when we reconnect. In the meantime, should you have any questions, please contact Michael Cronin at Michael.Cronin@RuffaloNL.com or 609.231.9824.

Sincerely,

A handwritten signature in black ink that reads "Rob Baird". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

Rob Baird
Senior Vice President

A handwritten signature in black ink that reads "Michael Cronin". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

Michael Cronin
Vice President

Executive Summary 4

What Sets RNL Apart 5

Develop an Annual Marketing and Recruitment Plan 6

CCP’s Investment..... 8



Executive Summary

A strategic approach that unites data with best practices is crucial to ensuring CCP's short- and long-term enrollment sustainability. CCP seeks to return to enrollment capacity with a focus on several populations, particularly traditional, right out of high school students. Also among your priorities are increasing enrollment of dual enrollment, online, international, and unemployed/underemployed students for your certificate and non-certificate programs and developing a feeder from certificate and non-certificate programs to degree programs.

Some important considerations/findings from the assessment:

- The college needs a data-driven enrollment office, utilizing multiple and single source-code analyses and training your important end-users on Recruit.
- The college must more consistently communicate your value proposition and connect selling points to your various programs.
- Strategies and initiatives that enhance student success are vital to increasing semester-to-semester retention and doubling graduation rates by 2025.

We will work with you on the development of an **annual marketing and recruitment plan** to take the operational items identified through the planning process and move these tactics to action.

Many higher education firms can provide support in some of the areas that we have proposed. **However, no other firm can provide the range of services we are proposing with the level of expertise that our team possesses.** Given the complexity of such an undertaking, we believe it is highly beneficial to work with one firm to ensure proper coordination and to be able to seamlessly transition from research and strategy to design and execution. RNL is well positioned to do that for CCP, and we look forward to the opportunity to play a part in your enrollment growth.

Our intention is to build a strong collaborative relationship with CCP where we are your integrated partner in identifying a clear path to achieve your enrollment objectives. We welcome the opportunity to work side by side to further examine the college's goals, analyze challenges, and create overarching strategies tailored precisely to support enrollment and fiscal goals.



What Sets RNL Apart

The unparalleled experience and expertise of RNL’s diverse roster of consultants anchors its position as the leader in higher education enrollment, student success, and fundraising. With *more than 150 experts* who have served an average of *15 years* on campuses as leaders of enrollment, student success, and advancement, RNL has the greatest range of strategic and analytic expertise in higher education. Nearly half of our consultants still serve in leadership positions at their institutions, and 40 of them hold doctorates. This combination of knowledge, campus experience, and institutional diversity gives RNL’s consultants a unique advantage in realizing opportunities and solving unique institutional challenges.

Expert Analysis from Experienced Professionals



3,000 institutions have partnered with us in our **47-year history**



Our enrollment management experience ensures every analysis and recommendation relates directly to **your enrollment goals**



Expert consultation helps you make the right choices for enrollment growth and stability



Leader in sharing **best practices and industry benchmarks**

Partnering with RNL allows you to draw on a deep pool of collective expertise and a wide array of technological resources to develop an efficient, data-driven approach to your recruitment goals. We will move you forward by:

- **Creating a clear path for achieving your enrollment goals.** Our systematic, data-informed planning process will help us develop the optimal strategies for achieving your goals.
- **Increasing your operational and organizational efficiency.** We will help prioritize your existing enrollment resources more strategically to develop a stronger, more focused recruitment organizational structure that better serves your enrollment objectives.
- **Implementing changes more quickly than CCP could on its own.** Our team will serve as a forward-moving catalyst to set goals, develop plans, and realign resources. Working as an objective change agent, we will foster increased cooperation and agreement on the necessary organizational changes.
- **Measuring the return on investment for every strategy** through quantifiable benchmarking. This gives you and your colleagues concrete metrics and data to justify successful strategies and adjust those that are not as effective, increasing both accountability and transparency.
- **Increasing the knowledge and capabilities of your staff**, ensuring they possess the necessary skills, knowledge, tools, and training to meet CCP’s enrollment goals and maintain progress year after year.

Your RNL consultant is a true partner, providing frequent communication through on-site or remote meetings, conference calls, and reports.



Develop an Annual Marketing and Recruitment Plan

While the vast majority of institutions report having annual marketing and recruitment plans in place, a significant number do not believe their plans are of excellent quality. The recruitment of new students has become fiercely competitive and requires masterful planning and execution. Planning alone does not ensure results, but it does provide disciplined appraisal, goal setting, and strategizing that can minimize failure. Developing an annual recruitment plan that includes defining the current state, setting goals, identifying strategies, and writing action plans can vastly improve the chances that new-student enrollment goals will be met at CCP.

Engage in a planning process with enrollment marketing professionals

First, your RNL recruitment consultant will sit down with you and listen. We will learn about your enrollment goals, your successes, and your challenges. Then, we will collaborate with your team to begin developing an annual marketing and recruitment plan to move CCP forward. To develop your customized plan, we will work with your team move through the stages in the diagram below.



The **collaborative marketing and recruitment** planning process includes defined stages that inform each subsequent stage, while still providing scalability to address your specific needs.

A well-conceived plan is an organized thought process and communication tool that describes what CCP wants to achieve and how it will accomplish it. In short, it is the roadmap to reaching your new-student recruitment goals. An overview of the planning stages, which will be shaped specifically for CCP's developing needs, is included below.



Conduct a situation analysis

The initial step is to document the current state of enrollment with historical data, market research, and an articulation of the internal and external environments in which the enrollment effort must be carried out. This includes the following tasks:

- Confirm the primary target markets and enrollment growth strategies your campus is pursuing;
- Assess current strengths, weaknesses, opportunities, and threats, or driving forces (combination of strengths and opportunities) and restraining forces (combination of weaknesses and threats);
- Compile and review historical enrollment, recruitment, and admissions data, both overall and by specific program or market segment;
- Review appropriate demographic trends and environmental data; and
- Evaluate existing information from recent competition or market research studies.



Set data-informed goals

Setting clear, realistic goals is a fundamental key in the recruitment planning process—and one that must occur jointly between admissions and the executive leadership. We will work with CCP to develop goals that are:

- Derived directly from the recruitment planning process and serve as an expression of the outcomes of the annual recruitment plan;
- Quantified and understandable to all who are accountable to the achievement of the goals;
- Stated as simply and concisely as possible;
- Mutually agreed upon by all whose efforts must achieve them; and
- Supported by one or more strategies.



Formulate key strategies

The next step in the planning process is to formulate key new-student enrollment strategies that are designed to achieve the annual goals. Most goals have multiple strategies. Like goals, these key strategies should be prioritized, measurable, clear, specific, and realistic. We will collaborate with you to spend the necessary time to ensure formulation of the key strategies that will produce the best results for CCP.

Effective recruitment plans include a variety of strategies that will vary from one institution to the next and by student population, but some are central to any plan. Essential areas of focus for CCP's strategies will include:

- Recruitment marketing efforts;
- Funnel and data management;
- Key marketing messages and communication flow;
- Territory management, outreach, and travel;
- Market penetration;
- Pricing and scholarships;
- Organization and operations of recruitment and admissions;
- Campus visit programming; and
- Staff training and development.



Develop action plans

The final step of the planning process is to devise action plans for each of the key strategies, which will form the “heart” of your annual plan. Each strategy must be supported by one or more specific activities necessary to successfully accomplish the strategy. The activity plan describes the actions or tactics that will occur in order to implement the strategy and achieve the goal. The action plan will assign responsibility, as well as include clear beginning and end dates, measurable objectives when appropriate, and budget information.



Track progress toward goals

Essential to this process is measuring outcomes and feeding the results into your future planning efforts. We will work with you to monitor key performance metrics and help you make adjustments, as needed. While each institution has specific enrollment-related goals with methods for evaluation, some common performance indicators we may choose to monitor at CCP include:

- Conversion, yield, and melt rates;
- New-student enrollment (headcount and/or FTE overall and by market segment);
- Entering student quality (test scores and/or GPA);
- Diversity or underrepresented student enrollment; and
- Net tuition revenue generated.

CCP's Investment

Pricing and terms are valid for **90 days**.

Develop an Annual Marketing and Recruitment Plan	\$112,800
Consulting, Reports, and Support	
<ul style="list-style-type: none"> • Up to 8 on-site or remote consultations (up to 2 days each) • Consultant travel, report generation, analysis, and telephone support • Assistance with development of an annual marketing and recruitment plan • Identification of custom enrollment strategies • Ongoing strategy development, action plan formation, and implementation • Staff training and development workshops 	



ENROLLMENT



STUDENT SUCCESS



FUNDRAISING

The class you want. The alumni you need.

**ZOOM MEETING OF THE BUSINESS AFFAIRS AND
EXECUTIVE COMMITTEES OF THE BOARD OF TRUSTEES
Community College of Philadelphia
Wednesday, September 23 – 8:30 A.M.**

Present for the Business Affairs Committee and Executive Committee: Mr. Jeremiah J. White, Jr.,
Lydia Hernández Vélez, Esq. and Mr. Harold Epps

Present for the Business Affairs Committee: Mr. Rob Dubow, Mr. Steve Herzog and Mr. Michael Soileau

Present for the Executive Committee: Ms. Chekemma Fulmore-Townsend and Ms. Rosalyn
McPherson

Present for the Administration: Dr. Donald Guy Generals, Mr. Jacob Eapen, Mr. Gim Lim, Mr. Derrick
Sawyer, and Victoria L. Zellers, Esq.

Guests: Mr. Andre Allen, Principal, Phoenix Capital Partners, LLP, Mr. Noel Eisenstat, NMTC Consultant
for CATC, George Nagle, Esq., Nagle, Law, LLC, Miska L. Shaw, Esq., Bond
Counsel, Ahmad Zaffarese, LLC, and Ms. Sabrina Maynard, City of Philadelphia

AGENDA

Business Affairs Committee
PUBLIC SESSION

Mr. White called the meeting to order at 8:34 A.M.

**Authorization for Dr. Generals to Execute the Term Sheets with US Bank, the
Reinvestment Fund and Urban Research Park Related to the New Market Tax Credit
(NMTC) Transactions for the Career and Advanced Technology Center (Action Item):**

Discussion: Mr. Eapen stated that on August 19, 2020, the Business Affairs Committee was given a detailed presentation on the structure of the New Market Tax Credits (NMTC), the financial benefits of using the NMTC, and the legal aspects of a NMTC transaction. On September 3, 2020, the Executive Team from New Courtland provided details of how the non-profit structured and managed NMTCs. In both briefings, the Business Affairs Trustees' questions were answered.

Mr. Eapen stated that he wanted the College's NMTC consulting team to brief the Committee. He asked Mr. Eisenstat to provide the Committee with NMTC updates as it relates to the Career & Advanced Technology Center (CATC) financing. Mr. Eisenstat recapped the history of the NMTC, stating that it has been in existence since 2001 and is administered through the U.S. Department of Treasury. The U.S. Department of Treasury identifies for-profits and not-for-profits that receive allocations for tax credits. Philadelphia institutions such as The Reinvestment Fund and PIDC will make investments in qualified projects in 'qualified census tracts.' He explained that CATC qualifies for NMTC because it is located in a highly distressed community and will provide benefits to low-income individuals. The NMTC program allows banks to make tax credit investments. The tax credit investments take a form of a loan and that loan in 7 years is forgiven. Mr. Eisenstat further stated that at the time of the August 19th, Business Affairs Committee, the market shifted and J.P. Morgan Chase pricing dropped

from .79 cents to .70 cents. US Bank was willing to raise its price to .73 cents. Urban Research Park increased its allocation to \$12.5m.

Mr. Allen spoke to the traditional tax-exempt financing for completion of the project which is outlined as Option A in Attachment G. This method will account for \$16.6m tax-exempt bond issue for 20 years. The average annual debt service will approximate to \$1.28m, and the total debt service will equal \$25m. Mr. Allen stated that Option B represents a fully taxable bond issue of approximately \$14.5m. This option does not provide for amortization of bonds for the first 7 years. A 'sinking fund' was incorporated to allow for an annual debt service of approximately \$1.07m for a total debt service of \$20.9m. Option B provides for over \$3.8m in savings. Mr. Allen explained that Option C contains a NMTC hybrid. This option provides for approximately \$12m in taxable bond issue, just over \$2m in tax-exempt proceeds, an annual debt service of \$1.04m, and a total debt service of \$20.5m. Option C accounts for \$4.3m in savings. Mr. Allen stated that Option C will be utilized for the debt portion of the financing. He further stated that Option C provides for close to \$190,000 in annual debt service savings.

Dr. Generals provided a briefing on his call with Mr. John Fry, President of Drexel University. Mr. Fry provided positive feedback of his experience with the NMTC. The process was successful, seamless and provided real savings. Mr. Fry stressed that the public relations piece was important in terms of the creative nature of putting together the financing for these types of projects. Dr. Generals stated that Mr. Fry offered that the College may reach out to the Drexel financial team should College staff have any questions regarding the NMTC process.

Ms. Zellers explained the legal aspects of the term sheets that the College is requesting the Business Affairs Committee and Executive Committee to authorize the College to sign. She stated that staff is requesting at today's meeting to give Dr. Generals the authority to sign the term sheets with US Bank, the Reinvestment Fund and Urban Research Park related to the New Market Tax Credits (NMTC) Transactions for the Career and Advanced Technology Center. Ms. Zellers stated that the terms sheets are non-binding on any party other than requiring the College pay deposits for third-party legal fees for the anticipated transaction in the amount of \$25,000 for the Reinvestment Fund, \$25,000 for US Bank, and \$50,000 for Urban Research Park. These deposits total \$100,000. Ms. Zellers stated that a Resolution authorizing the College to proceed with the NMTC financing and related transactions will be presented to the full Board at the October 8th meeting.

Ms. Zellers requested NMTC counsel to explain some of the aspects of the term sheets and the NMTC process. Mr. Nagle stated that the NMTC is a competitive process and congratulated Mr. Eisenstat for the \$24.5m NMTC allocation. He then reviewed the four term sheets, two of which are for US Bank. Mr. Nagle explained that US Bank investment term sheets are based on a 39% tax credit on the total \$24.5m being invested which equates to \$9,555,000. US Bank is paying .73 cents per credit. The gross equity is \$6,975,150. Additionally, there is a \$25,000 deposit that is applied towards closing. US Bank, in addition to providing the equity on the transaction, will also be providing \$4m NMTC allocation. Mr. Nagle stated that there are fees/costs that will be incurred: 3% fee on \$120,000 and \$2,500 for annual tax returns. He stated that the Reinvestment Fund is for a total allocation of \$8m, a total allocation fee of \$260,000, a 'success fee' of \$25,000, annual compliance fees of \$40,000, audit fees of \$13,000, and \$25,000 deposit that is applied towards closing. Mr. Nagle stated that Urban Research Park, CDE, LLC is providing for \$12.5m allocation. URP's fees are 7.25% which equals \$906,250. URP requires audit expenses and a \$50,000 deposit that is applied

towards closing. Mr. Eisenstat pointed out that URP term includes donation based on the recommendation of the sponsor QALICB (Qualified Active Low Income Community Business) which in essence will provide scholarships to the non-degree students at the CATC. He stated that the term sheet proposes \$250,000 in "Charitable Contribution." Mr. Nagle pointed out that these terms sheets are typical in the industry.

Attached herewith are the following:

- NMTC Term Sheet US Bank ([Attachment A](#))
- US Bank Allocation Term Sheet ([Attachment B](#))
- Reinvestment Fund Term Sheet ([Attachment C](#))
- Urban Research Park Term Sheet ([Attachment D](#))
- NMTC Structure ([Attachment E](#))
- NMTC Transaction - Questions & Answers ([Attachment F](#))
- Financing Options ([Attachment G](#))
- CCP NMTC Assumptions ([Attachment H](#))

Action: Ms. Hernández Vélez, Esq. moved and Ms. Soileau seconded the motion that the Business Affairs Committee recommend to the Executive Committee of the Board of Trustees the authorization for Dr. Generals to execute the term sheets with US Bank, the Reinvestment Fund and Urban Research Park related to the New Market Tax Credits (NMTC) Transactions for the Career and Advanced Technology Center. The motion passed unanimously.

Executive Committee
PUBLIC SESSION

Mr. White called to order the Executive Committee of the Board of Trustees to vote on the authorization of the term sheets.

Authorization for Dr. Generals to Execute the Term Sheets with US Bank, the Reinvestment Fund and Urban Research Park Related to the New Market Tax Credits (NMTC) Transactions for the Career and Advanced Technology Center Based on the Business Affairs Committee Recommendation

Action: Ms. Hernández Vélez, Esq. moved and Ms. McPherson seconded the motion that, based on the Business Affairs Committee recommendation, the Executive Committee of the Board of Trustees authorize Dr. Generals to execute the term sheets with US Bank, the Reinvestment Fund and Urban Research Park related to the New Market Tax Credits (NMTC) Transactions for the Career and Advanced Technology Center. The motion passed unanimously.

The meeting adjourned at 8:55 A.M.

**NMTC
Term Sheet
US Bank
(Attachment A)**



Community Development Corporation
 1307 Washington Ave,
 Suite 300
 St. Louis, MO 63103
 314.335.2600
 thomas.oldenburg@usbank.com

usbank.com/cdc

September 14, 2020

Dr. Donald Generals, Ed.D.,
 President
 Community College of Philadelphia
 1700 Spring Garden Street
 Philadelphia, PA 19130

Re: Community College of Philadelphia
New Markets Tax Credit Investment

Dear Dr. Generals:

Based on financial and other information provided by you on the proposed CCP development located in at its West Philadelphia campus (“Project” or the “QALICB” (“Qualified Active Low-Income Community Business”)), US Bancorp Community Development Corporation (“USBCDC”) is delighted to consider making a New Markets Tax Credit (“NMTC”) equity investment in the Project to facilitate its completion. The terms of such investments are outlined below. It is assumed that subsidiaries of Urban Research Park CDE (“URP”), The Reinvestment Fund Inc. (“TRF”) and USBCDE, LLC (“USBCDE”) will act as Community Development Entities (“Sub-CDEs”) and investees of USBCDC.

Except for the obligations set forth in the section titled Transaction Costs and Confidentiality, the following term sheet does not constitute or create, and shall not be deemed to constitute or create, any legally binding or enforceable obligation on the part of any party and is for discussion purposes only and should not be construed as a commitment to provide loans to, or equity in, the Project. This proposal has not been approved internally, and we have not performed the necessary due diligence to allow us to seek approval. Should these terms be acceptable to you, formal bank approval through USBCDC’s internal credit process will be pursued. During the underwriting and documentation process, the terms and conditions of this proposal may change in material respects.

NEW MARKETS TAX CREDIT FINANCING:

USBCDC proposes to fund NMTC equity capital in the form of a Qualified Equity Investment(s) (“QEI(s)”) to a qualified Sub-CDE(s). Such investment is based on the following assumptions:

Tax Credits: USBCDC will receive 100% of all NMTCs generated by the QEI(s). In the event that more or fewer credits are awarded, the NMTC Equity would be adjusted based on the price per credit as detailed below:

<u>CDE(s)</u>	<u>QEI Amount</u>	<u>Credit Amount*</u>	<u>Price per Credit</u>	<u>Gross Equity**</u>
TRF	\$ 8,000,000	\$3,120,000	\$.73	\$2,277,600
URP	\$12,500,000	\$4,875,000	\$.73	\$3,558,750
USBCDE	\$ 4,000,000	\$1,560,000	\$.73	\$1,138,800
Total	\$24,500,000	\$9,555,000	\$.73	\$6,975,150

* The credit amount is calculated based on a formula of QEI * 39%

** Calculation is prior to fees and expense reimbursements.

EQUITY PAY-IN:

The NMTC equity would be paid in pro-rata with the funding of the leverage sources which are expected to be funded 100% at closing. The pricing above assumes all USBCDC equity and Leverage Loan proceeds are fully funded through the NMTC structure into a QALICB owned account in the fourth quarter of 2020. If closing is delayed after December 31, 2020, the price per credit shall be reduced by \$0.02.

DEAL STRUCTURE:

This proposal anticipates utilizing a “leveraged structure” for purposes of generating the NMTCs. USBCDC will be the 100% owner of the investment fund. The Fund will purchase a 99.99% interest in the Sub-CDE(s) and will be allocated the NMTCs in addition to a return on its investment. The Sub-CDE(s) will make loans to the Qualified Active Low Income Community Business (“QALICB”), which will be considered qualified low income community investments (“QLICIs”). In accordance with the terms of the QLICI Loan Agreement.

LEVERAGE LOAN:

The Leverage Lender and the QALICB must be separate and distinct entities for tax purposes. The Leverage Lender will agree to: (a) forbear from exercising any remedies against the investment fund (including but not limited to foreclosure of the pledged collateral) during the NMTC compliance period; and (b) allow the redeployment of all funds returned to the Sub-CDE(s) as new QLICIs to an alternative QALICB to avoid recapture and associated penalties in the event of a foreclosure on the original QLICI(s) by the Sub-CDE(s). Should any funds be returned to the Sub-CDE(s), USBCDC and the CDE(s) shall have the right to redeploy those funds without consent from the Leverage Lender in order to avoid and prevent a recapture of NMTCs.

CDE FEES:

The CDE(s) will determine and, in accordance with the terms of the QLICI Loan Agreement, inform the QALICB of its fee structure, including required QALICB reimbursements for annual CDE audit and tax preparation cost. Upfront fees are paid out of investment fund capital, out of the QEI or by the QALICB at closing. Annual fees are generally paid out of cash flow to the CDE(s) and built into the interest rate on the NMTC loans.

INVESTMENT FUND MANAGEMENT AND FEE:

Twain Financial Partners will be the non-member manager of the Investment Fund, performing such duties for the Investment Fund at an annual fee of \$5,400 for eight years, to be paid by the QALICB from seven years of QLICI interest payments. One year’s worth of the Investment Fund Management Fee will be reserved from capital sources at closing and held in an account at the Investment Fund.

AUDIT & TAX PREPARATION COSTS:

Upon request, if required by USBCDC, the Investment Fund and/or the CDE(s), the QALICB, at its own cost, shall also deliver: (a) an audit from a nationally or regionally recognized accounting firm to USBCDC and/or the CDE(s) each fiscal year within 90 days in draft form and 120 days in final form after the end of each fiscal year; (b) unaudited financial statements within 45 days after the end of each quarter; (c) a tax return including form K-1 within 60 days after the end of the calendar year; (d) semi-annual certifications regarding QALICB status; (e) unaudited financial statements from each QALICB Guarantor as part of the initial underwriting and upon request thereafter; and (f) such other reports as USBCDC may request from time to time.

REIMBURSEMENT OF EXPENSES AND SHORT TERM BRIDGE EQUITY:

Any reimbursement of expenses by the QALICB to an affiliate must conform to the 2015 CDFI Fund Notice of Allocation Availability (NOAA) for NMTC Allocation and related CDFI Fund Compliance Monitoring and Evaluation FAQ. This guidance requires that expenses reimbursed with QLICI proceeds meet certain requirements. QLICIs may be used to reimburse project costs paid to third parties that either: 1) were incurred within 24 months prior to QLICI closing or 2) are less than 5% of total QLICI proceeds. Supporting documentation for these costs must be provided to USBCDC for review in the form of a summary Excel spreadsheet listing all costs by vendor and date paid, with backup electronic scans of all invoices and cancelled checks evidencing payment provided in an organized format.



USBCDC may provide short term bridge equity to facilitate the Leverage Loan or a portion of the Leverage Loan. The fee charged for the short term bridge equity is 50 basis points on the amount of bridge equity provided.

TRANSFERS & DISCLOSURES:

USBCDC reserves the right to transfer its interest in the investment fund, the Put Call Option Agreement and in any tax indemnities and guarantees to an affiliate fund without consent of the QALICB, CDE(s), or Leverage Lender(s). USBCDC shall be permitted to disclose all information received pertaining to the Project, including Guarantor financial information, to all parties necessary to facilitate the syndication. USBCDC also reserves the right to make certain disclosures to potential affiliate fund investors including project information, photographs/media.

OTHER FINANCING:

All construction (if any), and all permanent debt for the property shall be on commercially reasonable terms. USBCDC shall be provided notice of the terms of permanent debt and such terms shall be materially consistent with the final financial projections as accepted by USBCDC and its tax counsel at closing of the investment. These terms are subject to the commitment and availability of the funding sources and NMTC allocation necessary to account for all costs associated with the Project.

UNDERWRITING AND OPERATIONS/CONSTRUCTION BUDGET ADJUSTMENTS

Final budget (sources and uses) and proforma operating numbers are subject to USBCDC's review and approval. These terms are subject to final underwriting and investment committee approval. Should such terms be acceptable to you, formal bank approval through USBCDC's internal credit process will be pursued.

DISBURSING AND BANK ACCOUNTS

Unless all QLICI funds are fully spent by QALICB at NMTC Closing, funds shall be monitored and disbursed by a USBCDC-approved disbursement agent, which may be selected by the Leverage Lender. A disbursement advisor and inspecting architect may be engaged by USBCDC to monitor construction and disbursing at cost to the QALICB. USBCDC shall require the investment fund initial contribution and operating bank accounts and the Sub-CDE(s) initial contribution accounts to be maintained at U.S. Bank, NA. Depending on the structure, other entity accounts may be maintained at other bank or financial institutions.

USBCDC NMTC EXIT:

For a period of six months after the conclusion of the NMTC Compliance Period, USBCDC shall have the right to exercise an option to Put its interest in the investment fund to an affiliate of the Project at a "Put Price" equal to \$1,000. If USBCDC does not exercise its Put Option within the specified period, the QALICB affiliate will have the right to Call USBCDC's interest in the investment fund at a price equal to fair market value. For purposes of the tax opinion furnished to USBCDC by its counsel in connection with the Project, industry standard is to have the financial projections reflect the net present value of the investment fund to be at least 10% of USBCDC's capital contribution to such Fund (which minimum may vary based on transaction structure). Depending on the facts and circumstances of a particular project, USBCDC's counsel may be willing to provide a "should level" opinion to USBCDC based on a lower percentage. In such an instance, USBCDC will agree to the projections reflecting such lower percentage.

GUARANTEES:

Community College of Philadelphia ("Guarantor") and/or any other entities satisfactory to USBCDC shall guaranty to USBCDC the following:

- **Recapture due to (a) failure to qualify for or loss of QALICB status, (b) failure to qualify for or loss of QLICI status, (c) QLICI prepayment (whether voluntary or as a result of foreclosure or similar proceeding, and including any recapture resulting from a subsequent redemption by the Sub-CDE of any portion of the QEI, or resulting from the Sub-CDE's failure to maintain substantially all of the QEI invested in QLICIs following such prepayment), (d) the failure of any tenant on the property to constitute a tenant qualified business, (e) the use of QLICI proceeds constituted an inappropriate or abusive use of such proceeds or that such use is inconsistent with the purposes of Section 45D of the**



Code and the related Treas. Reg., as provided in Treas. Reg. Section 1.45D-1(g), respectively, (f) any gross negligence, fraud, willful misconduct, malfeasance, material violation of law by the QALICB or any affiliate, or (g) other actions within the control of the QALICB or Guarantor – In the event of disallowance, or a recapture pursuant to section 45D(g) of the Code, of the NMTCs, the Guarantor shall reimburse USBCDC on a tax effected basis for 1) any disallowed or recaptured NMTCs plus any related interest, penalties or additional taxes due, and 2) the net benefit of any other economic or tax benefit that would have been received by USBCDC if such disallowance or event of recapture had not occurred. If QLICI proceeds are used directly or indirectly to make leverage loans, QALICB counsel will need to provide specific opinions regarding the structure.

- **If QLICI proceeds are utilized to directly or indirectly make a leverage loan (i.e., short term bridge equity)** and are used in a manner other than to reimburse for actual costs incurred by the Sponsor to date, then the QALICB indemnity is expanded to cover any disallowance or recapture other than those that are the result of the invalidity of the allocations or Sub-allocations or the CDE(s) failing to qualify or maintain its status as a CDE(s). Additionally, USBCDC will require that QALICB counsel provide specific opinions related to this structure.
- **Environmental** - Guarantor shall indemnify and hold harmless USBCDC and the Sub-CDE, and all USBCDC and Sub-CDE entities participating in this transaction, for Environmental conditions, claims, etc. relating to the Project.

CLOSING CONDITIONS:

USBCDC shall perform such due diligence and legal review of the transactions contemplated herein, including but not limited to the following:

1. All real estate documentation (plans, specs, contracts, title, etc.);
2. All organizational documents for all entities involved in these transactions;
3. Three years of audited (or reviewed) financial statements on all entities involved in the transaction;
4. Final financial projections, “source and use” statements, etc. from a USBCDC approved accounting firm;
5. All terms and conditions of all agreements, documents and similar items affecting the financing of the Project;
6. All matters deemed necessary by USBCDC, as applicable; and
7. Executed agreements acceptable to USBCDC providing for loan servicing for the Sub-CDE(s), NMTC compliance and monitoring for Sub-CDE(s).
8. By signing this term sheet, parties also acknowledge that, if we successfully negotiate the proposed transaction and reach a closing, then all documents may be signed electronically, using a method that is acceptable to USBCDC (including .pdf signatures and third-party electronic signature providers, such as DocuSign).

USBCDC shall receive the following representations and warranties from the parties to the transactions contemplated herein which shall be consistent with those customary in similar financing arrangements including, but not limited to:

1. Organizational/powers/authorization to enter the applicable transaction;
2. Valid interest in assets;
3. Governmental approval/no conflicts;
4. No “material adverse change” clause;
5. No pending/threatened litigation;
6. Compliance with laws, regulations and agreements;
7. ERISA compliance; and
8. Full disclosure.

USBCDC is a wholly-owned subsidiary of U.S. Bank National Association, a national banking association regulated by the Office of the Comptroller of the Currency. As such, USBCDC is subject to several federal laws that are designed to combat financial crimes, including money laundering, significant fraud, cyber threats, terrorist financing, and transactions with certain persons, companies, or foreign governments designated by U.S. authorities. Therefore, the due diligence and legal review conducted by USBCDC, as well as the representations



and warranties that it requests, may be subject to USBCDC's ability to demonstrate its compliance with these laws, and to identify any litigation, criminal action or other administrative proceedings against any party to the transaction.

TIMING OF CLOSING:

This Term Sheet must be executed, and a deposit received by September 24, 2020, or it shall be null and void. Prior to engaging in weekly conference calls, USBCDC will require a set of initial projections from an approved accounting firm and the completion of the underwriting checklist (available upon request). The transaction is expected to close in the fourth quarter of 2020. If the transaction does not close by December 31, 2020 (the "Termination Deadline"), USBCDC may choose to no longer proceed toward a closing. All transaction costs incurred by such date shall be immediately due and payable by the Guarantor and/or Project Sponsor. USBCDC may apply any deposit amounts to such costs and send an invoice for additional costs to be paid by the Project sponsor. USBCDC, in its sole election, may extend the deadline for closing or payment of transaction costs. Any such extension is not valid unless provided in writing (mail, fax or email).

TRANSACTION COSTS:

The undersigned agrees to pay all customary third-party transaction expenses associated with USBCDC's proposed investment in the investment fund even if the investment in, or loan(s) to, the Project does not close. Expenses shall include, but are not necessarily limited to, USBCDC's legal fees and third party accounting fees. Additionally, upon execution of this letter, **\$25,000** shall be deposited by the undersigned into the controlled account at USBCDC set forth below. If USBCDC's transaction expenses near \$25,000, then USBCDC may request an additional deposit from the Project, which **must then be paid within 3 business days** or USBCDC may ask its attorney to suspend work until received. USBCDC shall have the right to apply the deposited funds to its third party transaction expenses, at any time after the Termination Deadline. The requirement of the undersigned to pay USBCDC for transaction expenses incurred by USBCDC in excess of the aggregate deposit shall not apply to any actions or inactions by USBCDC that prevent the investment to occur and shall not apply in the event of a good faith failure to reach agreement on terms not addressed herein (other than with respect to tax issues or other industry-standard terms). The following are wiring instructions for the deposit:

Bank: U.S. Bank
Account Name: U.S. Bancorp Community Development Corporation
1307 Washington Avenue, Suite 300
St. Louis, MO 63103
ABA: 091000022
Account #: 173103169541
Reference: **Community College of Philadelphia – project#27328**

Please contact me at thomas.oldenburg@usbank.com or 314.335.2662 when the deposit has been sent. Such amount is non-refundable and will be credited to the project at closing of the investment.

CONFIDENTIALITY:

The terms and conditions of this Term Sheet shall be confidential and shall not be disclosed to any third party without the consent of USBCDC and the potential Sponsor ("Parties"), except that the Parties may disclose the terms and conditions described in this Term Sheet, including its existence, to their respective officers, directors, employees, attorneys and other advisers, provided that such persons agree to the confidentiality restrictions contained herein.

NON-DISCRIMINATION:

In accordance with federal law and U.S. Department of the Treasury policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write to Department of Treasury, Office of Civil Rights and Diversity, 1500 Pennsylvania Avenue, NW, Washington, D.C. 20220 or call (202) 622-1160.



Thank you for giving USBCDC an opportunity to present these terms for the tax credit financing for the Project. I look forward to discussing the above terms with you at your convenience.

Sincerely,



Thomas R. Oldenburg
Vice President
USBCDC

Accepted this ____ day of _____, 2020
By (QALICB): _____

By: _____
Name:
Its:



**US Bank Allocation
Term Sheet
(Attachment B)**



September 9, 2020

Dr. Donald Generals, Ed.D.,
President
Community College of Philadelphia
1700 Spring Garden Street
Philadelphia, PA 19130

Re: New Markets Tax Credits Reservation Commitment

Dear Dr. Generals:

USBCDE LLC, a New Markets Tax Credit allocatee, is pleased to provide this reservation letter outlining the basic terms and conditions under which it will reserve a sub-allocation of up to \$4 million from its NMTC allocation. This sub-allocation is expected to be awarded to the Community College of Philadelphia ("Sponsor") to finance the construction of a 75,000 sq. ft. Career and Advanced Technology Center at its West Philadelphia Regional Campus at 48th and Market Streets (the "Project").

This reservation letter is an initial proposal to reserve the sub-allocation for the Project and neither constitutes nor creates any legally binding or enforceable commitment to lend or provide capital to the Project. Further, this commitment from USBCDE will require further underwriting and due diligence, as well as formal bank authorization. During that process, the terms and conditions of this reservation letter may change in material respects. The Project has undergone a preliminary impact assessment and was approved by the USBCDE Advisory Board on Thursday, August 20, 2020.

RESERVATION TIMELINE: USBCDE will reserve this sub-allocation for Sponsor's use through while the parties use good faith efforts to complete various diligence items and complete the Project's financial-closing.

If diligence review and/or financial-closing are not completed by December 31, 2020, the reservation of the sub-allocation will automatically expire, and USBCDE will have no further obligations under this reservation letter, unless USBCDE, in its sole discretion, chooses to extend the reservation period.

USBCDE FEES: In addition to any investor-related fees outlined in the investment term sheet, USBCDE will charge a 3% sub-allocation fee to be paid 1% at the sub-CDE level and 2% at the investment fund level. The project must also reimburse USBCDE for actual tax preparation costs for 8 years (estimated \$2,500 annually).

NON-DISCRIMINATION: In accordance with federal law and U.S. Department of the Treasury policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write to Department of Treasury, Office of Civil Rights and Diversity, 1500 Pennsylvania Avenue, NW, Washington, D.C. 20220 or call (202) 622-1160.

This reservation letter will expire unless it is signed by the Sponsor and returned to the USBCDE by September 24, 2020. If the terms of this letter are acceptable, please countersign (next page) in the space provided below.

We look forward to working with you. Please do not hesitate to contact me with any questions.

[Signature Page to USBCDE Reservation Letter, dated September 9, 2020]

Sincerely,



Thomas R. Oldenburg

Vice President, NMTC Business Development

U.S. Bancorp Community Development Corporation

Accepted this _____ day of _____, 20____

Project Contact Signature: _____

Name: _____

Title: _____

Institution: _____

**Reinvestment Fund Term
Sheet
(Attachment C)**



REINVESTMENT FUND

September 15, 2020

Donald Generals, Ed.D.,
President for Community College of Philadelphia
Community College of Philadelphia
1700 Spring Garden Street
Philadelphia, PA 19130

RE: Term Sheet for New Markets Tax Credit Financing

Dear Dr. Generals.

Reinvestment Fund (“**RF**”) is pleased to provide the Community College of Philadelphia (“**Sponsor**”) with a summary of terms (“**Term Sheet**”) for this New Markets Tax Credits financing (“**NMTC Financing**”). We would like to proceed with the due diligence required for full review and approval of an **\$8,000,000** RF NMTC Allocation (the “**Allocation Amount**”) based on terms outlined herein. Except for Sponsor and QALICB’s obligation to pay Transaction Costs (as defined herein), this Term Sheet does not create any legal rights or legal obligations by and among the parties and no such right or obligations shall arise until final, definitive documents, satisfactory to all of the parties, are fully executed and delivered. In addition, it does not purport to include all of the conditions, terms, covenants, obligations, representations, warranties, and other provisions that would be contained in definitive legal documentation.

NEW MARKETS TAX CREDIT TERMS AND CONDITIONS

Transaction Structure: Upon approval, RF will transfer the reserved Allocation to a newly created Sub-Allocatee/CDE, TRF NMTC Fund L, LP (“**RF CDE Lender**”) prior to closing; such Allocation will be used in a leveraged structure. The Leverage Lender, a TBD entity affiliated with the Sponsor, will make a loan (“**Leverage Loan**”) to, and the NMTC Investor (as defined below) will make an equity investment in, a to be created entity 100% owned by the NMTC Investor (the “**Investment Fund**”). The proceeds of the Leverage Loan and the NMTC Equity (as defined below) will be used to make qualified equity investments (“**QEIs**”) in the RF CDE Lender and any other participating CDE lenders (collectively, RF CDE Lender and such other CDE lenders, “**CDE Lenders**”). The CDE Lenders will in turn use the proceeds of the QEIs minus any applicable fees to make NMTC loans (“**NMTC Loans**”) to a Qualified Active Low-Income Community Business¹ (“**QALICB**” and sometimes, “**Borrower**”) for the development of the below Project.

Project Description: Sponsor will develop a 75,000 square foot Career and Advanced Technology Center at its West Philadelphia regional campus at 48th and Market/Ludlow Streets (the “**Project**”). The Project will provide career-based education and training using the latest technology and equipment to provide employment skills, fulfilling a regional need for automotive technology, manufacturing, and health care. A state-of-the-arts automotive technology facility will anchor the Project, allowing Sponsor to double the enrollment in a program that has historically had immediate job openings above living wages for people so trained. The Project will offer health care programs with high-tech simulated dental and medical environments to provide applied work experience. Finally, a new STEM (Science/technology/engineering/mathematics) academy for 6-12 grade students will use robotics, math enrichment and experiential learning to inspire middle and high school students, bolster math skills and expose students to 400 hours of programming each year including 100 summer hours and 300 hours during the academic year to promote better understanding of STEM fields and prepare students for tech careers.

¹ A to be created special purpose entity of Community College of Philadelphia, which must qualify as a “Qualified Active Low-Income Community Business” as defined in 26 CFR 1.45D-1(d)(4).

Eligibility:	The Project is located in 2010 Census Tract Number 42101008602 designated as metropolitan, which is qualified under the NMTC program as a “Severely Distressed Area” due to an Area Median Income 49.66% (<60%) and a Poverty Rate of 38.9% (> 30%) based on the 2011-2015 ACS data.
Total Project Costs:	\$32,000,000
NMTC Allocation Amount:	\$8,000,000 from Reinvestment Fund. The Borrower anticipates receiving additional allocation from URP (\$12M) and USBCDC (\$4M) for a total of up to \$24,000,000 in allocation (together “ CDE Lenders ”)
Allocatee:	The Reinvestment Fund, which has been certified as a community development entity by the Community Development Financial Institutions Fund (“ CDFI Fund ”) in accordance with IRC 45D(c)(1).
Sub-Allocatee/ CDE Lender:	TRF NMTC Fund L, LP, a Pennsylvania limited partnership managed by RF, General Partner, has been certified as a community development entity by the CDFI Fund in accordance with IRC 45D(c)(1).
NMTC Investor:	US Bancorp Community Development Corporation (USBCDC)
NMTC Equity Amount:	Gross NMTC Equity associated with the allocation shall be approximately \$2,277,600 (the “ NMTC Equity Investment ”), subject to the terms and conditions of a mutually acceptable Investment Fund operating agreement. Such an equity investment is based on the actual credits generated from the \$8,000,000 Allocation Amount priced estimated at \$0.73 per credit.
Fee and Cost Structure:	<p>RF’s NMTC financing fees and costs are as follows:</p> <ul style="list-style-type: none"> • <i>Deposit:</i> A deposit of \$25,000 is due from Sponsor to RF CDE Lender upon the execution of this letter, which deposit is non-refundable except as provided in the following sentences. Such funds are expected to be returned at closing or applied to RF CDE Lender legal fees. However, if the transaction is not approved by Reinvestment Fund or does not close, the deposit will be refunded to Sponsor minus Transaction Costs. Wire Instructions can be found in Exhibit A. • <i>Investment Fund Sub-Allocation Fee:</i> RF will receive an Investment Fund Sub-Allocation Fee of 3.250% of its Allocation Amount at closing. • <i>Annual Compliance Fee and Tax Preparation Costs:</i> RF will receive a fee in the amount of 0.50% of its Allocation Amount annually (the “Annual Compliance Fee”) from QALICB, which Annual Compliance Fee is expected to be included in the interest payable on NMTC Loans (but which shall be paid directly by QALICB in the event of any shortfalls). If there is a default under the NMTC Loan Documents or if redeployment is required, the Annual Compliance Fee may be immediately accelerated in RF’s sole discretion. QALICB will also be responsible for certain out of pocket costs during the compliance period, including annual Sub-Allocatee and RF CDE Lender audit fees, tax preparation fees and other operating expenses, which are currently estimated at \$13,000 annually (this estimate should be used in the projections with a 3% annual inflation during the NMTC compliance period). RF CDE prefers but does not require that the audit, tax preparation fees, and other operating expenses are reserved at closing (\$118,000 would be the amount of the reserve). • <i>Origination Fee:</i> RF CDE Lender does not charge an origination fee to the QALICB. • <i>Success Fee:</i> At the end of the seven-year NMTC compliance period, RF will receive a success fee of \$25,000 (the “Success Fee”) from QALICB. The Success Fee should not be reserved.
Collateral:	It is expected that the QALICB will prior to or simultaneous with closing retain ownership of the Property and shall provide a) a shared (as between the CDE Lenders) first priority

mortgage lien on the Property related to the Project for the NMTC Loans; b) first priority lien position assignments on all furniture, fixtures, and equipment related to the project; c) first priority lien position assignments of all rights, titles, and interests of the QALICB in and to any/all leases related to the project; d) first priority lien position assignments of rights, titles, and interest of the QALICB in and to any licenses, contracts, permits and approvals, plans, specifications, financing sources and other agreements covering the project; and e) first priority interest in the QALICB's construction disbursement account and any other Project related reserve accounts. Please consult **Exhibit B** for RF CDE Lender's insurance requirements and **Exhibit C** contains RF CDE Lender's title and survey requirements.

Community Impacts:

RF CDE Lender expects the Sponsor and the Project to achieve certain benchmark community impacts for the Philadelphia community as a result of the Project. It is expected that these benchmarks will be documented in a community benefits agreement (“**CBA**”) and that the QALICB will provide reports, at least annually, on the Project's progress towards achieving the benchmarks. The CDE Lenders will work with the QALICB and Sponsor to determine the appropriate benchmarks during the closing process, but expect that it will include, but not be limited to the following anticipated impacts:

- **Certificate Program Enrollment:** Enrollment will grow from about 350 annually to over 1,100 within five years with the following program enhancements and additions to the automotive and health care certificate programs. Annually, the CDE Lenders will seek data around enrollment and completion rates by program . In addition, the CDE Lenders will require information on employment placement and partnership information including starting wages, other ways that the College is supporting students in these programs, and to the extent possible, retention of jobs for 12 months after program completion.
- **Power Up Your Business:** Project will also provide new facilities for the college's existing Power Up Your Business (neighborhood-based entrepreneurship program for Philadelphia Small Businesses). Annually, the CDE Lenders will seek information on the number of businesses enrolled.
- **Pre-College STEM Academy:** Programming will be offered providing after school and summer STEM academic and career exploration programming for 7th and 8th graders. Annually, the CBA will capture number of students who participate and from which schools.
- **Energy Efficiencies:** Project will meet at least a LEED Silver Standard and the building will meet the constructed to at least a LEED Silver Standard.
- **Construction Jobs:** Union construction anticipated to create 30 FTE jobs. Actual job numbers will be required to be reported post-closing.
- **RF CDE Lender NMTC Priorities:** The CBA will also include narrative reporting fields for annual updates regarding RF's stated NMTC priorities including Racial Equity, Community Inclusion, and Climate Consciousness. Possible questions/fields may include (or some variation thereof): Please provide updates of how your organization has advanced racial equity internally and externally in report year; Please provide an example of how your organization has gathered feedback from community members or current students about the Project's impact in the community or how the project has served residents of the immediate West Philadelphia community or partnered with local organizations in report year; and What are the realized impacts (energy savings, etc.) in report year of the Project's environmental components?

Closing Timeline:

RF expects that the NMTC financing for the Project will close by December 1, 2020. If the Project financing has not closed by that date, RF reserves the right to place our Allocation Amount into another project.

Transaction Costs:

In addition to the fees described above, Sponsor and Borrower are responsible for RF CDE Lender's transaction costs, including, but not limited to legal fees, plan and cost review fee, environmental review fees, construction inspection costs, title insurance fees, appraisal² fee,

² Since the Sponsor is providing the leverage for the transaction, it is possible that an appraisal will not be required.

survey fees, recording fees, searches and filing fees as applicable (collectively, the “**Transaction Costs**”). RF CDE Lender will coordinate with the NMTC Investor and other participating CDE Lenders to share service providers³ and costs where possible, including with respect to the construction inspector, environmental consultant, appraiser, and surveyor. RF CDE Lender anticipates that the Sponsor is responsible for procuring environmental consultants, title company and survey directly. Sponsor and QALICB are responsible for Transaction Costs even if the transaction fails to close. RF CDE Lender shall provide invoices with respect to all Transaction Costs in reasonable detail.

If you desire for RF to seek credit approvals to sub-allocate up to \$8,000,000 of RF’s Round 16 allocation based on the foregoing terms and conditions, please accept this Term Sheet and return to my attention via email at donna.nuccio@reinvestment.com. Please understand that this term sheet does not represent an offer or commitment by Lender for the proposed new financing, nor does it define all of the terms and conditions of a loan commitment, but is a framework upon which a loan request may be submitted. Issuance of a commitment or entry into definitive loan documents by Lender are subject to, among other things, the approval of your loan request under Lender’s approval process. If Lender were to issue a financing commitment or enter into definitive loan documents for the proposed transaction, such commitment and/or loan documents would in all respects supersede this summary of terms.

If you have any questions or comments regarding the contents of this letter, please do not hesitate to contact me at 215-574-5881

Sincerely,

Donna Leuchten Nuccio

Senior Director, Structured Finance

ACCEPTED BY:

THIS ____ DAY OF _____, 2020:

SPONSOR

COMMUNITY COLLEGE OF PHILADELPHIA

By: _____

Name:

Title:

³ The CDE Lenders are planning to share counsel to reduce transaction costs incurred by the QALICB.

EXHIBIT A – WIRE INSTRUCTIONS

In *reference* or *memo line*, please put COMMUNITY COLLEGE OF PHILADELPHIA

Company Name:	The Reinvestment Fund, Inc
Company Address:	1700 Market Street, 19 th Floor Philadelphia, PA 19103
Company Contact:	Timothy Gillespie, Treasurer 215-574-5806
Bank Name:	PNC Bank, N.A.
Bank Address:	1600 Market Street Philadelphia, PA 19103
Bank Contact:	Donald Paterson, Senior Vice President 215-585-7145
Account Title:	The Reinvestment Fund Inc
Account Subtitle:	TRF Lending
Account Number:	8616159438
ABA Routing Number:	031000053

EXHIBIT B – INSURANCE REQUIREMENTS

Reinvestment Fund Insurance Requirements – Construction (CDE)		
Type	Amount	Certificate/Policy/Endorsement Requirements
Borrower’s Commercial General Liability	\$2,000,000 per occurrence, \$3,000,000 general aggregate per project	Lender to be named as Additional Insured on a primary and non-contributory basis for ongoing and completed operations with defense provided in addition to policy limits and personal injury and no cross liability exclusion.
Borrower’s Commercial Excess/Umbrella Liability	\$5,000,000 minimum	Lender to be named as Additional Insured Excess/Umbrella Liability shall be in excess of General Liability, Employer’s Liability and Auto Liability.
Borrower’s Worker’s Comp. and Employer’s Liability (if applicable)	Statutory limits and \$1,000,000 minimum per accident	Worker’s Compensation to be provided in the state where work is being performed with “All States” Endorsement as applicable.
Borrower’s Auto Liability (if applicable)	Limits of \$1,000,000 Bodily Injury/Property Damage Combined Single Limit	Lender to be named as Additional Insured Coverage is to be provided for all owned, hired and non-owned vehicles.
Borrower’s or Contractor’s Special/All Risk Builder’s Risk during Construction	<ul style="list-style-type: none"> • 100% Insurable Value Replacement Cost Basis • Perils: Special Cause of Loss • No Coinsurance • State if Windstorm is excluded or has a sublimit with the applicable deductible. • Customary soft cost coverage • Maximum deductible of \$25,000 	Lender to be named as Mortgagee and Lenders Loss Payee Acord Form 28
Borrower’s Special Risk Property Note – Special replaced All Risk last year.	<ul style="list-style-type: none"> • 100% Insurable Value Replacement Cost Basis • Perils: Special Cause of Loss • Insurer shall provide coverage for buildings, equipment, business personal property, 12 months of loss of rent or business interruption coverage in the amount of 12 months’ operations, post construction completion. • No Coinsurance • State if Windstorm is excluded or has a sublimit with the applicable deductible. • State that the following coverages apply and the applicable limits: <ul style="list-style-type: none"> - Soft Costs - Building Ordinance or Law - Off Site Materials Storage - Property in Transit - Loss of Materials and Equipment at the Jobsite - Boiler & Machinery, if 	Lender to be named as Mortgagee and Lenders Loss Payee Acord Form 28

	<p>applicable</p> <ul style="list-style-type: none"> - If PML (Probable Maximum Loss) is 20% or greater, Earth Quake insurance is required. • If applicable, Tenant Improvements in the amount of \$. • Maximum deductible of \$25,000 	
Contractor's Commercial Excess/Umbrella Liability	\$1,000,000 minimum	<p>Lender and the Owner to be named as Additional Insured</p> <p>Certificate Holder – Name Lender</p> <p>Acord Form 25</p>
Contractor's Commercial General Liability	<p>\$1,000,000 per occurrence, combined single limit, \$2,000,000 general aggregate per location,</p> <p>Worker's Compensation - \$1,000,000 per statute</p> <p>Automobile liability – minimum of \$1,000,000 per occurrence</p> <p>Products/Completed Operations</p> <p>Contractor's pollution liability, if applicable</p>	<p>Lender to be named as Additional Insured</p> <p>Certificate Holder – Name Lender</p> <p>Acord Form 25</p>
Architect's and Engineers Insurance	Evidence of Professional Liability Insurance for a minimum of \$1,000,000	<p>Certificate Holder – Name Lender</p> <p>Acord form 25</p>

Additional Requirements:
1. Certificate must reference the property description or address, full name of insurance company and term of policy.
2. Blanket policies: Certificate must identify the secured property by address and show the sum insured or state replacement value.
3. Certificate must provide for 30 days notice of adverse change, cancellation or non-renewal (“endeavor to” verbiage is not acceptable).
4. Evidence of liability insurance must be presented on an Acord 25 form certificate. Builder's risk and special cause of loss, hazard and property must be on an Acord 28 (Commercial Property) form certificate.
5. Company Insuring must be rated not less than “A-” or better by A.M. Best Co., in Best's Rating Guide.
6. Waiver of Subrogation against named Additional Insured.
7. Loan documentation may have the right to force place special cause of loss, hazard and property insurance and flood insurance (if applicable) if there is a lapse in coverage.

Lender Clause should read as follows:

TRF NMTC Fund L, LP; ISOA/ATIMA
 1700 Market Street, 19th Floor
 Philadelphia, PA 19103

EXHIBIT C – TITLE AND SURVEY REQUIREMENTS

Title Insurance Requirements (Lender)
(Loan Policy)

The Title Insurance Commitment must obligate the Title Company to issue to Sub-CDE(s), its successors and assigns an ALTA title insurance policy in the maximum amount of the Loan plus any other amount secured by the mortgage instrument, on a reinsurance basis if and as required by Lender, insuring without exclusion or exception for creditors' rights that the mortgage instrument constitutes a valid lien covering the land and all improvements thereon, having the priority required by Lender and subject only to those exceptions and encumbrances (regardless of rank or priority) that Lender approves, in a form acceptable to Lender, and with all "standard" exceptions which can be deleted, including the exception for matters which a current survey would show, deleted to the fullest extent authorized under applicable title insurance rules, and Borrower shall satisfy all requirements therefor; containing no exception for standby fees or real estate taxes or assessments other than those for the year in which the closing occurs to the extent the same are not then due and payable and endorsed "not yet due and payable" and containing no exception for subsequent assessments for prior years; providing full coverage against mechanics' and materialmen's liens to the extent authorized under applicable title insurance rules, and Borrower shall satisfy all requirements therefor; insuring that no restrictive covenants shown in the title insurance policy have been violated, and that no violation of the restrictions will result in a reversion or forfeiture of title; insuring all appurtenant easements; insuring that fee simple indefeasible or marketable (as coverage is available) fee simple title to the land and improvements is vested in Borrower; containing such affirmative coverage and endorsements as Lender may require and are available under applicable title insurance rules, and Borrower shall satisfy all requirements therefor; insuring any easements, leasehold estates or other matters appurtenant to or benefiting the land and/or the improvements as part of the insured estate; insuring the right of access to the land to the extent authorized under applicable title insurance rules, and Borrower shall satisfy all requirements therefor; and containing provisions acceptable to Lender regarding advances and/or readvances of Loan funds after closing. Neither Borrower nor Borrower's counsel shall have any interest, direct or indirect, in the Title Company (or its agent) or any portion of the premium paid for the title insurance policy.

Title Endorsements (Lender)

The Loan Policy should also include the following endorsements and/or affirmative coverages (generally and, as available):

- a. Zoning with Parking (ALTA 3.1-06)
- b. Variable Rate (ALTA 6.2-06)
- c. Commercial Environmental (ALTA 8.2-06)
- d. Comprehensive (ALTA 9-06)
- e. Private Rights (ALTA 9.6-06)
- f. Leasehold Lender's Endorsement (ALTA 13.1-06), *if applicable*
- g. Access (ALTA 17-06)
- h. Utility Access (ALTA 17.2)
- i. Separate or Single Tax Parcel (ALTA 18-06)/Multiple Tax Parcel (ALTA 18.1-06), *as applicable*
- j. Contiguity (ALTA 19.1-06)
- k. Location/Same Address as (ALTA 22-06)
- l. Same as Survey (ALTA 25-06)
- m. Subdivision (ALTA 26-06)

- n. Usury (ALTA 27-06)
- o. Easement – Damage or Enforced Removal (ALTA 28-06)
- p. Encroachments – Boundaries and Easements (ALTA 28.1-06)
- q. Assignment of Rents or Leases (ALTA 37-06)
- r. Mortgage Tax (ALTA 38-06)
- s. Policy Authentication/Lack of Signatures (ALTA form 39-06)
- t. Severable Improvements (ALTA 31-06), *if applicable*
- u. Street Assessment (ALTA 1-06), *if applicable*
- v. Condominium or PUD endorsement, *if applicable*
- w. Mechanic’s Lien Coverage, *if applicable*
- x. Deletion of Binding Arbitration
- y. Future Advance – Priority (ALTA 14-06), *if applicable*
- z. Construction Loan - Loss of Priority (ALTA 32-06), *if applicable*
- aa. Assignment of Rents or Leases (ALTA 37-06), *if applicable*
- bb. Anti-Taint (ALTA 43-06), *if applicable*
- cc. Water – Buildings (ALTA 41-06), *if applicable*
- dd. GAP Endorsement
- ee. Doing Business (ALTA 24-06)
- ff. Minerals Endorsement, *if applicable*

This list remains subject to review. The Policy must also include such additional affirmative coverage and endorsements as the Lender may require and as are available under applicable title insurance rules.

The policy shall also comply with the following:

1. The Lender requires a 2006 ALTA (or TLTA in Texas) form lender’s title insurance policy. The policy shall be issued by a title insurance company approved by Lender.
2. The Lender and/or its counsel must be provided with copies of all of the documents appearing as exceptions on the title commitment/title policy, as well as a copy of the current vesting deed for the property and the current record plat for the property.
3. The Owner must satisfy (or cause to be satisfied) any and all requirements set forth on Schedule B-1 of the title commitment for each Policy.
4. The title policy should guarantee the Owner good and marketable title to the property in fee simple (or leasehold, as applicable), subject only to those liens, exceptions and encumbrances (regardless of rank or priority) that Lender approves, in a form acceptable to Lender.
5. All standard exceptions shown in the title policy must be deleted.
6. The general survey exception in the policy must be deleted, either directly or by endorsement depending on the jurisdiction. If any survey exception is taken for specific matters shown on the survey map or plat, the matters must be itemized and specific affirmative coverage should be provided for each of those matters. If affirmative coverage for the exception(s) is already provided under the terms of the ALTA 9 comprehensive endorsement, this should be noted at the end of the exception.

7. The legal description for the property as it appears in the title policy must be identical in all respects to the legal description that appears on the vesting deed, the legal description that appears on the survey and in the security instrument of record. The title policy should also include an endorsement to provide that the property described in the policy and in the security instrument is the same property shown on the survey. Any appurtenant easements or other easements and estates benefiting the property must also be included as part of the insured legal description.
8. Any exception taken for taxes, assessments, special assessments, or other lienable items must insure that such items are paid in full through the date of the policy, and the policy should indicate that any amounts owed subject to the date of the policy are a lien not yet due and payable.
9. The date of the Loan Policy shall be either the later of the date of recording of the mortgage or the date of funding of the Loan.
10. The Loan Policy must otherwise be in form and substance acceptable to Lender.

Survey Requirements

1. Requirements. The survey shall be made in accordance with, and meet the requirements of, the certification below by a registered professional engineer or registered professional land surveyor. The description shall be a single metes and bounds perimeter description of the entire land, and a separate metes and bounds description of the perimeter of each constituent tract or parcel out of the land. The total acreage and square footage of the land and each constituent tract or parcel of the land shall be certified. If the land has been recorded on a map or plat as part of an abstract or subdivision, all survey lines must be shown, and all lot and block lines (with distances and bearings) and numbers, must be shown. The date of any revisions subsequent to the initial survey prepared pursuant to these requirements must also be shown.
2. Additionally, the survey should show:
 - a. The location of all recorded easements and of all unrecorded easements ascertainable by an inspection of the Land, which benefit or burden the Land. (Note: All recorded easements are to be identified by a document recording number or other document reference.)
 - b. All areas affected by any recorded restrictions or access limitations. (Note: All such areas are to be identified by a document recording number or other document reference.)
 - c. The location of all adjoining streets, roads, highways and alleys, with names, rights-of-way widths and distances from the Land noted, or the location of the nearest public street, road or highway and its distance from the Land.
 - d. The street address of any existing improvements.
 - e. Location of all applicable municipal setback lines or building lines. Any setback or building line violations should be flagged.
 - f. The location of existing connections and onsite utility and service liens for natural gas, electricity, water, and sanitary and storm sewers.
 - g. Any portion of the Land which is located in a flood plan or in any other flood hazard or flood danger area as designated by any governmental authority claiming jurisdiction over the Land.
 - h. Location and size of internal driveways and paved parking areas and the location and number of individual parking spaces contained therein, if any.
 - i. Location of ingress and egress (curb cuts and driveways), if any.

- j. Location of all buildings and improvements, as built, including distances from each building to the two nearest property boundary lines and the exterior dimensions of each building.
- k. Applicable zoning classification, together with a table of all pertinent zoning requirements and restrictions.
- l. Street address of each building.
- m. Square foot area of each building.
- n. All entrances to and exits from each building.
- o. Location of cemeteries or burial grounds.
- p. Location of a solid waste dump or sanitary landfill.
- q. Location of any encroachments onto the property or upon any easement, with a summary of all such encroachments.
- r. The boundaries of any wetlands located pursuant to an environmental report or observed markers in the process of fieldwork.
- s. Fieldwork should be conducted within 180 days of closing unless otherwise approved by the Lender.
- t. A certification of surveyor as provided below:

The certification for the property description and the map or plat shall be addressed to Lender, [Sub-CDE(s)], Borrower and the Title Company, signed by the surveyor (a registered professional land surveyor or registered professional engineer), bearing current date, registration number, and seal, and shall be in the following form or its substantial equivalent:

To Reinvestment Fund, Inc., together with its successors and assigns, [Sub-CDE(s)], as Lender, _____, as Borrower, and _____, as Title Company:

This is to certify that this map or plat and the survey on which it is based were made in accordance with the 2016 Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys, jointly established and adopted by ALTA and NSPS, and includes Items 1, 2, 3, 4 (in square feet or acres), 6(a), 6(b), 8, 11, 13, 14, 16, 17, 18, 19, 20, and if buildings are located on the land, optional items 7(a), 7(b)(1), 7(c), and 9, [and 10(a)] of Table A thereof. The fieldwork was completed on _____.

Date of Plat or Map: _____
(Surveyor's signature, printed name and seal with Registration/License Number)

**Urban Research Park
Term Sheet
(Attachment D)**

Urban Research Park CDE, LLC

230 Schilling Circle · Suite 120 · Hunt Valley, Maryland 21031 · (410) 321-1900 · (410) 321-1901 FAX

September 30, 2020

Donald Generals, Ed.D.
President
Community College of Philadelphia
1700 Spring Garden Street
Philadelphia, PA 19130

Re: Community College of Philadelphia Career and Advanced Technology Center – Letter of Commitment for a Federal New Markets Tax Credit (“NMTC”) Investment

Dear Dr. Generals:

Urban Research Park CDE, LLC (“URP”) is pleased to provide you this letter of commitment (this “LOC”), which outlines the general terms and conditions of a proposed financing commitment by URP, or its assignee, to the Community College of Philadelphia (“CCP” or the “Sponsor”) for the (1) demolition of CCP’s current 24,000 SF educational facility located at 4725 Chestnut Street, Philadelphia, PA (the “Project Site”), (2) new construction of a replacement 75,000 square foot educational facility (the “Career and Advanced Technology Center” or “CATC”) at the Project Site, and (3) equipment purchase and installation, and parking lot renovations for the CATC (together, the “Project”).

Project Description

The CATC will enable CCP to consolidate and expand career-based education and training through credit and non-credit courses at its West Philadelphia Regional Campus. The CATC will include the latest technology and equipment to provide students with training and employment skills, thereby fulfilling regional employers’ need for trained employees in the automotive technology, manufacturing and health care sectors. The goal of the Project is to transform lives through education and training, providing sustainable pathways out of poverty. The creation of this state-of-the-art facility seeks to improve the lives of Philadelphia’s most vulnerable citizens while responding to the regional needs of growing businesses and industries.

A state-of-the-art automotive technology facility will anchor the CATC, allowing CCP to double enrollment in a program that has a long history of immediate job placement. New auto technology programming will focus on alternative fuels education and the repair and maintenance of advanced driver-assistance systems and technologies. An expanded Computer Numerical Control (CNC) Technology program will enable CCP to grow and expand industry partnerships, apprenticeships, and pre-apprenticeships with employers throughout the region. CCP is working to become an approved partner in developing the Siemen’s Mechatronic Certification Program, a comprehensive industry skills certification in mechatronic systems. CCP will enhance its non-credit health care offerings with high-

tech simulated dental and medical environments to provide applied work experiences. Additional space will permit expanded opportunities, such as Direct Care and Sterile Processing Equipment Technician, to position CCP as a premier trainer for entry-level jobs in the Health Care industry. A new STEM Academy will use robotics, math enrichment and experiential learning to inspire middle and high school students, bolster math skills and provide academic and career success strategies. The program will expose students to 400 hours of programming each year, including 100 summer hours and 300 hours during the academic year to promote a better understanding of STEM fields and prepare them for tech careers.

The CATC will work with existing partnerships and collaborations, build and expand the CCP’s course offerings, and develop innovative programs that will serve the entire Philadelphia region. Program design and development at the CATC will respond to industry needs using regional and local assessments and surveys, with local environmental scans and current research, such as the High Priority Occupation list from the PA Department of Labor and Industry, and an advisory board. Programs will align with the City of Philadelphia’s workforce development strategy. Experience from CCP’s broad array of community programs will guide curriculum development.

<i>Project Costs</i>	Total Project costs are represented to be approximately \$34MM.
<i>URP NMTC Allocation and Credits</i>	\$12,500,000 NMTC allocation, generating \$4,875,000 in credits.
<i>Total Maximum NMTC Allocation From All Sources</i>	\$24,500,000
<i>Project Use Restrictions</i>	Any additional proposed use, lien, encumbrance, transfer or sale of the Project that diverts from the above Project Description, shall be subject to URP’s review and approval.
<i>Need for NMTC Financing</i>	<p>The Sponsor represents:</p> <ul style="list-style-type: none"> - The Project requires \$24.5 MM of NMTC allocation to move forward as planned. - CCP has maximized other funding sources to finance the CATC, including a \$10 million Pennsylvania Department of Education capital grant and \$4.25 million Redevelopment Assistance Capital Program (“RCAP”) Commonwealth of Pennsylvania grant, in addition to the NMTC subsidy. - Without the NMTC allocation, the Project would proceed with a reduced scope that would provide less benefit to the LIC (defined below), would be significantly delayed and would have severe negative impacts on CCP’s operations.

- CCP is capital constrained, it does not have a sizeable endowment, and it is essential that CCP keeps the cost per credit hour as low as possible. In spite of rising operating costs and reduced public support, CCP is committed to keeping tuition affordable and has only increased tuition once in the past five years. The average tuition for a student to complete a credit-bearing degree at CCP is \$10,636 - \$15,954. The average debt for degree-seeking students is \$3,710. Very few students leave CCP's non-credit programs with debt—they either self-pay in advance, pay in advance through employer plans, or participate in scholarship programs such as Philadelphia Works or Veterans Benefits.

- CCP's access to the capital markets has traditionally been via the tax-exempt bond market. The CATC will be financed through a blend of taxable and tax exempt bonds. The bond structure that exists does not allow CCP to borrow from traditional banking sources; CCP structures its debt on a long-term basis. Borrowing terms from a conventional commercial bank are much shorter and are not feasible.

*Project Sponsor
("Sponsor")*

CCP, a Minority-Controlled nonprofit organization, is accredited by the Middle States Commission on Higher Education and Pennsylvania Department of Education. CCP was established in 1965 as an open-admission, associate-degree-granting institution which provides access to higher education for all. Its program of study in the liberal arts and sciences, career technologies and basic academic skills provide a coherent foundation for college transfers, employment and lifelong learning. Approximately 26,081 students are taking credit and noncredit course. To help address broad economic, cultural and political concerns in the City of Philadelphia and beyond, CCP draws together students from a wide range of ages and backgrounds and seeks to provide the programs and support they need to achieve their goals. 89% of recent graduates who were working at a job eight months after graduation from CCP were employed in the City of Philadelphia. 83% of the full-time and 74% of all students receive some type of financial aid.

CCP has won numerous awards for providing quality educational services, including being named one of the 12 "Most Innovative Colleges for Adult Learning" by Washington Monthly, National League of Cities "Addressing Basic Needs to Promote Post Secondary and Workforce Success," Social Innovation Journal 2019 Post-Secondary Innovator Award (1st), and Social Enterprise Intermediary Innovator (3rd).

*Qualified Active Low
Income Community
Business ("QALICB")*

TBD Special Purpose Entity

NMTC Price

\$0.73 per dollar of credit, as determined by U.S. Bank as tax credit investor (the "Investor").

<i>Compliance with URP's NMTC Requirements</i>	<p>URP will require documentation that the structure and terms of the transaction shall comply with the terms and conditions of URP's applicable NMTC Allocation Application and Allocation Agreement ("URP's NMTC Obligations"), including, but not limited to:</p> <ul style="list-style-type: none"> • Demonstration that "but for" the entire NMTC allocation, the Project could not proceed. • All of URP's investments must meet the CDFI Fund's criteria for flexible financing terms, including low interest loans. • All of URP's investments must be in qualified "highly distressed" census tracts or meet higher distress criteria by serving Targeted Populations as defined by the final IRS regulations, which qualification shall be demonstrated by evidence acceptable to URP.
<i>Guarantee Provisions</i>	<p>The QALICB and such guarantors as URP shall require (the "Guarantor(s)") shall guarantee excess development costs and construction completion, environmental matters, loan payments, and annual expense reimbursements. Additionally, URP may require the QALICB and its Guarantor(s) to guarantee other obligations, including, but not limited to, any loss, cost and/or expense to URP resulting from the making of the qualified low-income community investments ("QLICIs"), provided such loss, cost and/or expense is not caused by URP's gross negligence, fraud or intentional misconduct.</p>
<i>QLICI Loan Amount</i>	\$12,500,000
<i>Interest Rate</i>	TBD, with a target rate of 1%
<i>Amortization</i>	Interest only throughout the seven-year NMTC compliance period (the "Compliance Period"). Upon completion of the Compliance Period, no mandatory principal paydowns (other than amortization) or refinancing prior to 3 months after the end of the put/call option period.
<i>Payment Frequency</i>	Annual or quarterly
<i>Charitable Contribution</i>	2% (\$250,000) of the QLICI will be donated to one or more non-profit organizations that (1) provide career pathways for LIC residents and/or LIPs (defined below) to obtain living wage jobs in science, technology, engineering and math ("STEM") or healthcare fields, (2) provide STEM-based youth development programs in the community in which the Project is located, or (3) expand healthcare to LIC residents and/or LIPs. The organization(s) will be recommended by the QALICB and subject to the approval of URP and its Advisory Board. A LIP is defined as an individual having an income, adjusted for family size, of not more than 80% of area median family income. A LIC resident is defined as a resident of a census tract where the poverty rate is at least 20% or the median family income is not more than 80% of area median family income.

The Charitable Contribution funds will be held in a controlled account separate from a construction disbursement account. Release of the funds to approved organization(s) will be subject to URP's sole approval and exclusive of the standard construction draw process.

Allocation Reservation Deposit \$50,000, due upon acceptance of this term sheet. The Allocation Reservation Deposit will be refunded at closing if the transaction closes by the Outside Closing Date. Otherwise, the Allocation Reservation Deposit is not refundable under any circumstances.

Sub-Allocation Fee 7.25% (\$906,250), payable from the investment fund (i.e., not from QEI proceeds) at closing.

Back-End or Exit Fee None

Annual Operating Expense Reimbursement The QALICB will be responsible for periodically reimbursing URP (or its assignee) and/or its controlling entity, Townsend Capital, LLC ("Townsend") (or its assignee) for the cost of its annual third-party operating expenses including, but not limited to, tax, audit, compliance, bank charges, legal and filing fees. Such reimbursements shall be due to URP for as long as the URP QLICIs remain outstanding. It is estimated that these expenses will total approximately \$13,000 annually. Expenses in the first year may be slightly higher. URP will require up to eight (8) years of projected expense reimbursements to be reserved from QLICI proceeds subject to satisfactory resolution of the mechanics for guarantying this reimbursement obligation. URP and/or Townsend shall submit invoices for such expense reimbursements directly to the QALICB and the QALICB will agree to pay such invoices within thirty (30) days of receipt of such invoices. Any remaining proceeds in the reserve account after the compliance period shall be the property of the QALICB and may be distributed accordingly, provided, however, in the event the URP QLICIs remain outstanding after the Compliance Period, such proceeds shall continue to be pledged to URP for payment for these expenses.

Transaction Costs The QALICB shall be responsible for payment of all third-party fees and expenses associated with this proposed transaction, whether or not the transaction closes. See the accompanying Disclosure Statement for an initial estimate of all Transaction Costs related to the URP QLICIs. Please note that this Disclosure Statement is based on the sample Disclosure Statement format provided by the CDFI Fund.

General Underwriting, Closing Requirements Among other things, the closing of the QLICIs will be contingent on (a) the QALICB and URP each confirming mutually acceptable terms for the participation of an Investor in URP, whose QEIs will be used to fund the QLICIs (including, but not limited to, Investor sign-off on the mechanics by which sufficient wherewithal will be made available in support of the QALICB's indemnity obligations); (b) the completion of real estate, project and community impact underwriting, (c) the preparation of satisfactory closing documentation necessary to implement the transaction, (d) receipt of due diligence and all necessary NMTC documentation and tax opinions

regarding the status of the QALICB, the true debt nature of the QLICI and such other matters as the Investor and URP shall require; and (e) no adverse change having occurred in the condition of the overall Project, the QALICB, or any Guarantor, which would materially affect their ability to meet the obligations under this proposed financing.

*Construction Monitoring,
Draw Requests*

The QALICB will hire a third-party construction monitor (to be approved by URP, whose approval shall not be unreasonably withheld) at the QALICB's sole cost and expense. The duties of the construction monitor will include, but may not be limited to, (1) monitoring the construction of the Project and providing customary progress reports, and (2) reviewing draw requests providing a written recommendation of approval or denial of such requests. The construction monitor shall expressly allow URP to rely on its recommendation of approval or denial.

*Reimbursement of
Previously Incurred
Expenses*

Only documented and verified out-of-pocket expenses that are incurred within the 24 months preceding the QLICI closing date in connection with the Project will be eligible for reimbursement via QLICI loans ("Eligible Reimbursement Expenses"). Eligible Reimbursement Expenses can only be reimbursed at closing. That is, only newly incurred costs will be eligible for post-closing draw requests. The QALICB shall provide URP and Investor with evidence of such expenses in form and substance acceptable to URP and Investor. URP may elect to require the Project accountant to review and approve Eligible Reimbursement Expenses.

Please note that eligibility of expenses for reimbursement remains subject to CDFI Fund guidance, as amended from time to time.

Community Outcomes

The QALICB represents that the Project will use best efforts to attain the following Community Outcomes:

Jobs

- Total Full-Time Equivalent ("FTE")* construction job creation: 31.
- Total FTE permanent jobs created: 21
- Total FTE permanent jobs retained or relocated: 26

* A Full-Time Equivalent job is at least a 35-hour work week. Part-time employees' hours were aggregated and translated into FTEs.

Quality of Jobs

- 100% of the 31 FTE construction jobs will receive a living wage above \$12.45 per hour, as calculated by the MIT Living Wage Calculator for Philadelphia County.

- 100% of the total FTE permanent jobs at the Project, including part-time jobs, will receive living wages above \$12.45 per hour, offer employment benefits, and offer training and advancement opportunities. Employment benefits include medical insurance, dental insurance, paid sick days, retirement, paid holidays, paid vacation days, and life insurance, as well as free tuition at CCP and a tuition forgiveness program outside of CPP.

- CCP has a long-standing workforce that is covered under a collective bargaining agreement.

Accessibility of Jobs

- 100% of the 31 FTE construction jobs will be filled by LIC residents, LIPs, people with other barriers to employment and/or be available to persons with less than a two-year college degree.
- >38% of the total FTE permanent jobs created and retained/relocated at the Project (at least 18 jobs) will be filled by LIC residents, LIPs, people with other barriers to employment and/or be available to persons with less than a two-year college degree.

Career Training and Education

CATC will provide career-based education and training using the latest technology and equipment to provide training and employment skills, fulfilling regional needs for the automotive technology, manufacturing, health care, and more.

All existing programs will expand the number of course offerings and enrollment.

- Enrollment in non-credit automotive technology, healthcare and other Science, Engineering, Technology and Math (STEM) workforce development courses will increase from 338 students currently to 1,139 students within 5 years of CATC operations
- Enrollment in credit automotive technology courses will increase from 157 students currently to 433 students within 5 years of CATC operations
- Enrollment in the Power Up program will increase from 110 students currently to 230 students within 5 years of CATC operations
- The new STEM Academy will serve 60 students per year within 5 years of CATC operations
- The new Fab Lab will serve 60 students per year within 5 years of CATC operations

- 80% of CCP's current students are LIPs or LIC residents, and a similar percentage is expected at the CATC. 80% of students are Pell Grant Recipients. Most Pell Grant recipients are students with a total family income of below \$20,000 yearly.
- 72% of CCP's current students are racial or ethnic minorities, and a similar percentage is expected at the CATC.

The CATC will offer the following new programs:

- Surgical Sterilization
- Medical Assistant
- Phlebotomy
- Manufacturing Maintenance and Repair
- Automotive repair focused on electric vehicles and advanced fuels (non credit)

- A specialty program partnership with Toyota Motor Corporation exclusively for the repair of Toyota vehicles
- STEM Academy
- Fab Lab

Advancing Racial and Educational Equity

CCP is a U.S. Department of Education designated Minority Serving Institution and Predominantly Black Institution (“PBI”). PBIs, which are predominantly two-year colleges, must have over 40 percent African-American students and at least 50 percent low-income or first-generation college students.

CCP’s student population is extremely diverse: 43% of students identify as African-American; 22% White; 15% Hispanic/Latino; and 9% Asian/Pacific Islander; 4% as two or more races; and 7% as other or non-resident alien. More than half of CCP’s students are first-generation college students.

CCP's 2017 to 2021 Diversity Plan goals include: Recruit, hire, promote an increased percentage of historically underrepresented and other diverse faculty and staff.

Racial equity is advanced by the Project by developing programs that provide technical skills to low and very low income persons who can enter the workforce and start employment with wages at or above the living wage. In particular with the automotive programs, students within a short time will have the ability to have annual incomes well above the living wage standards. The goal of the Project is employment and improving the living situation by increased income and employment stability now and for years to come.

Supporting Minority Businesses

- CCP is governed by a Board of Trustees that is comprised of a majority (55%) of individuals who identify themselves as Black American, Asian American, Hispanic American, Native American or other non-White racial/ethnic identities.
- 50% of the Executive Team is comprised of individuals who identify themselves as Black American, Asian American, Hispanic American, Native American or other non-White racial/ethnic identities.
- 20-25% of the construction contracts by dollar amount will be awarded to Minority Business Enterprises, under a Equal Opportunity Program established by CCP, including 50% racial/ethnic minority apprentices for all hours worked.

Lease Rates for 3rd Party Tenants Not Applicable

Workforce Development and Training

The Project will expand workforce education, training, and employment opportunities for Philadelphia’s low-income communities as described elsewhere in this LOC.

The Project has received enthusiastic support from Philadelphia Works, as evidenced by its letter of support.

Environmentally Sustainable Outcomes

The Project will obtain the following environmentally sustainable outcomes:

- A minimum of LEED silver certification
- ASHRAE Energy Standard 90.1
- The Project will help eliminate blight.
- Improved HVAC, state-of-the-art equipment, simulation labs and innovative classroom environments.

- The Project is a Transit Oriented Development and will enhance pedestrian access to the 46th Street Revitalization Transit District (SEPTA Subway Station).
- Energy efficient features will include a green roof covering 85% of the roof, daylight harvesting, and energy recovery HVAC units.
- Water conservation features include spring loaded faucets and low flow fixtures.
- All building-related stormwater will be diverted through the green roof and to an underground stormwater management system.
- All demolition waste will be recycled.

Access to Healthy Foods

Not Applicable

Community Input and Support

Community meetings and outreach were ongoing during the planning for the CATC, including a meeting with the Recognized Community Organization (RCO).

The Project has received meaningful community support, as evidenced by the two grants from the State of Pennsylvania and letters of support from the following local organizations:

- Public Health Management Corporation
- The Enterprise Center
- Philadelphia Works, Inc.
- University City District
- Walnut Hill Community Association

Alignment with Community and/ or Economic Development Strategy

The Project is part of the City of Philadelphia (1) 2035 Plan, (2) University Southwest District Plan, and (3) West District Plan. These plans were created by the City of Philadelphia Planning Commission, with the goal of furthering educational anchors within the City.

Additionally, the Project is part of the Walnut Hill Community Association's 2016 Neighborhood Plan. CCP is seen as an anchor institution in the community.

The Project is also an integral part of the City of Philadelphia / Philadelphia Works Workforce Development Strategy.

Furthermore, the CATC is in a State-designated Qualified Opportunity Zone.

Additional Private Investment

The Project will be a catalyst for the following additional private investment in the LIC, by redeveloping a site that has historically been used as a parking lot:

- A mixed-used development (affordable housing, community retail, office) is planned at the nearby intersection of 58th and Market Streets.
- A 275,000 square foot building at 4601 Market Street will be renovated into medical and office space, with Public Health Management Corporation and the Children's Hospital of Philadelphia as the anchor tenants.
- Supporting the re-growth of small area businesses that were affected by the SEPTA subway construction to upgrade lines in recent years.

Community Benefits Agreement ("CBA")

The QALICB will execute a CBA with URP that will require the QALICB to monitor and track specific community outcomes from the Project (including, but not limited to, the community outcomes and workforce development practices delineated above) and provide a report on such outcomes annually by completing URP's annual Community Impact Survey, together with any supplemental information requested by URP, by January 31st of each year. The information in the CBA will be based upon (1) this LOC, (2) the final URP intake form certified by the Sponsor, and (3) other documentation and information provided to URP, either written or verbal. The Sponsor and QALICB acknowledge that in the event additional NMTC Allocation is obtained from other sources, URP's individual Community Impact Survey will be completed annually and delivered solely to URP.

The CBA will also require the QALICB to include language in its tenant leases and sub-leases that tenants and sub-tenants (as applicable) shall submit a tenant Community Impact Survey annually to URP.

As part of the CBA and annual Community Impact Survey, the QALICB shall submit, and include language in its leases and sub-leases (as applicable) that requires tenants and sub-tenants to submit (1) anonymous residential addresses or census tracts of employees, in order for URP to determine the percentage of such employees who are LIC residents, and (2) anonymous statistics about job benefits and wages.

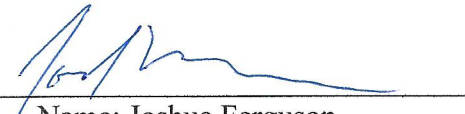
Failure to comply with the terms of the CBA may result in a default under the QLICB loan agreement.

URP anticipates incurring expenses and foregoing other opportunities while finalizing a QLICI for this Project. URP is willing to do so with the understanding that upon execution of this LOC: (i) all information and materials received by each party to this LOC are to be kept confidential and (ii) the parties hereto shall negotiate in good faith to close this transaction. By executing this LOC, the QALICB agrees to each of these terms and conditions provided the terms and conditions of the final transaction documents will control. This LOC may be executed in any number of counterparts, each of which shall be deemed an original as against any party who signed such counterpart, and all of which together constitute one and the same instrument.

We greatly appreciate your interest in working with URP. If the terms and conditions of this letter are acceptable to you, please sign and return with payment of the Allocation Reservation Deposit sent via wire (Wiring Instructions attached as Exhibit A). This proposal is valid until October 6th 2020, unless countersigned by you and returned with payment to us within such time. The NMTC commitment outlined above is contingent upon a closing of this transaction by December 1st, 2020 (the “Outside Closing Date”). After the Outside Closing Date, URP will have no obligation to close this transaction; provided, however, that the addressee shall in all events remain liable for transaction costs and for maintaining confidentiality, as set forth herein. URP, at its sole discretion, may elect to extend the Outside Closing Date if it believes that sufficient progress has been made by the Outside Closing Date with respect to closing this proposed transaction.

[Signatures on Following Page]

Urban Research Park CDE, LLC

By: 
Name: Joshua Ferguson
Title: President

Accepted this ____ day of _____, 2020

Community College of Philadelphia

By: _____
Name:
Title:

Disclosure Statement - Community College of Philadelphia CATC - INITIAL ESTIMATE

Allocation Conversion Calculation

Total QEI	\$12,500,000
NMTCs Available (39%)	\$4,875,000
Investment Price	\$0.73

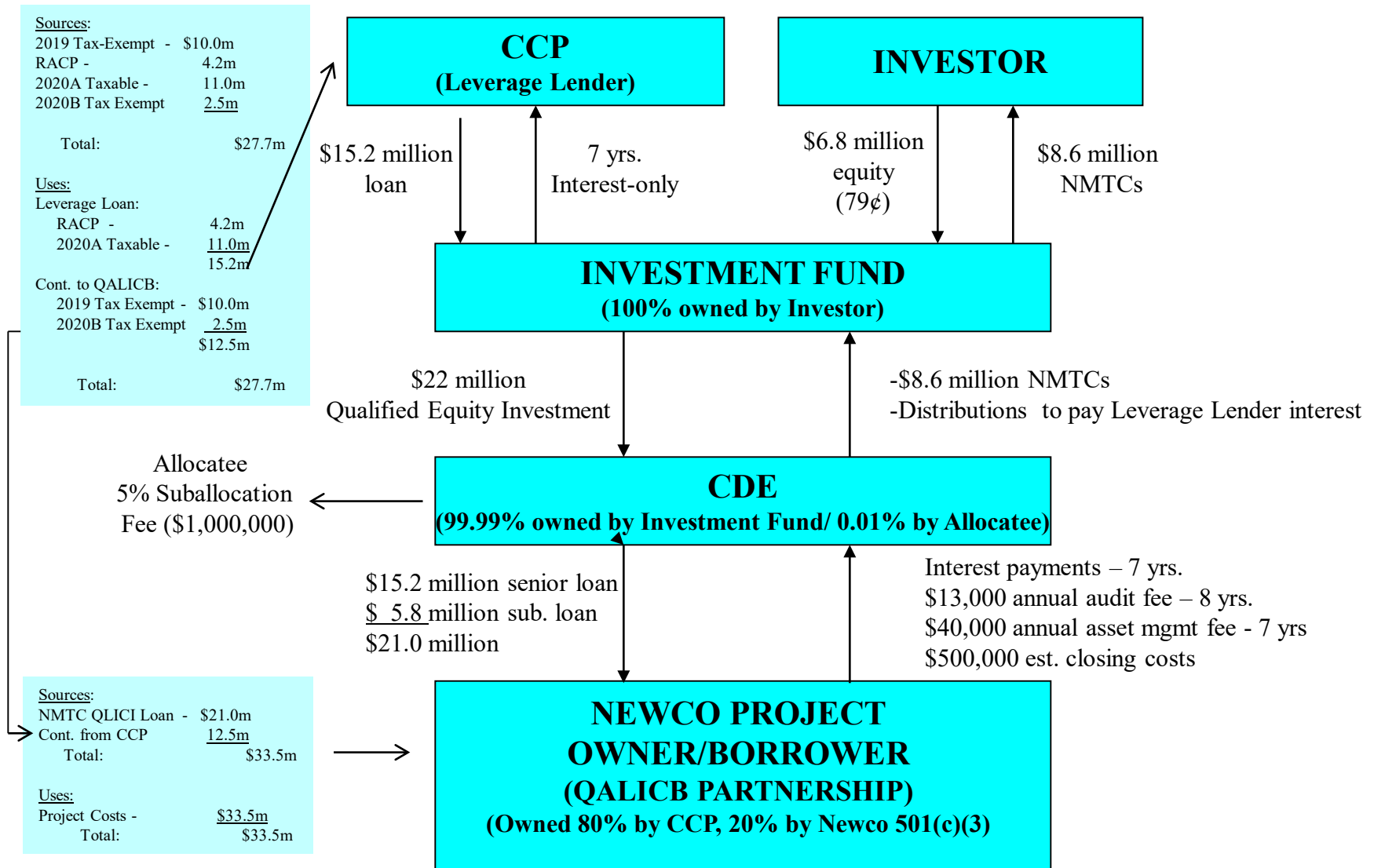
Funding Item	Description	% of NMTCs	Gross Amount	Cumulative Balance	Comment
NMTCs Available	Allocation Conversion (above)	100.00%	\$4,875,000	\$4,875,000	Total NMTCs to be claimed by Investor
Investor Gross Revenues	Investment Contributed per Credit Offered (\$0.73)	(27.00%)	(\$1,316,250)	\$3,558,750	Discount Taken by Investor to derive value of NMTCs
NMTC Dollars	Gross NMTC Subsidy Available to Project	73.00%	\$3,558,750	\$3,558,750	Initial Funds Available to the Project
Estimated Costs	Investment Fund Fees	(18.59%)	(\$906,250)	\$2,652,500	7.25% of Allocation/QEI Amount
	CDE Up Front Fees	0.00%	\$0.00	\$2,652,500	
	Ongoing CDE Fees	0.00%	\$0.00	\$2,652,500	
	Back End CDE Fees	0.00%	\$0.00	\$2,652,500	
	3rd Party Closing Costs	(2.36%)	(\$115,000)	\$2,537,500	Legal, Financial Modeling, Etc. Paid at Closing
	Other Ongoing 3rd Party Costs	(2.13%)	(\$104,000)	\$2,433,500	Audit, Tax, Compliance, Etc. (\$13,000/yr over 8 years)
	QALICB Charitable Contribution	(5.13%)	(\$250,000)	\$2,183,500	2% of Allocation/QEI Amount
	Total Estimated Costs	(28.21%)	(\$1,375,250)	\$2,183,500	
Estimated Net Benefit to Project		44.79%	\$2,183,500	\$2,183,500	

Exhibit A – Wiring Instructions

Account Number: 152313868464
Account Name: Urban Research Park CDE, LLC
Bank: US Bank, N.A.
ABA #: 081000210

NMTC Structure (Attachment E)

NMTC STRUCTURE EXAMPLE - \$22 MILLION NMTC ALLOCATION



Note: All amounts in this chart, including allocation amount, purchase price, fees and loan amounts are hypothetical and are for illustrative purposes only.

**NMTC Transaction - Questions &
Answers
(Attachment F)**

**Career & Advanced Technology Center 4725 Chestnut Street Development
NMTC Transaction – Questions and Answers**

Q: What is the New Markets Tax Credit (NMTC) Program?

A:

- The NMTC Program was created by Congress in 2000 and is administered by a unit of the US Treasury Department. The program was designed to encourage investments in “low income communities.” A “low income community” is generally a qualified census tract that meets certain income, unemployment and poverty level requirements.
- The Career and Advanced Technology Center at 4725 Chestnut Street (the “Project”) is located in a census tract which is a highly distressed “low income community” and thus qualifies under the NMTC Program requirements.
- The NMTC is generated by an investor making an equity contribution into a Community Development Entity (“CDE”). CDEs could be banks, not for profits, local and state governments as well as certain types of for profit entities. The investor is entitled to a 39% federal tax credit on its equity contribution which is taken by the investor over a seven-year period. For example, a \$1,000,000 investment in a CDE results in a \$390,000 federal tax credit to the investor. However, the tax credits are only available to investments in CDEs that have been allocated NMTC authority from the US Treasury.
- The US Treasury solicits proposals from CDEs for allocations of NMTC authority. The allocation process is extremely competitive. In the last round, the US Treasury received applications from 206 CDEs and only awarded allocation to 76 CDEs.
- In the last round the application requests totaled over \$14.7 billion; authorization was only \$3.5 billion. In general, banks and Community Development Financial Institutions (CDFIs) get most of the allocations nationally.

Q: Who are the parties to the NMTC transaction?

A:

- The Investor (a large National Bank) will form a wholly owned limited liability company to facilitate its NMTC investment in the project, which is referred to as the “Investment Fund.”
- It is anticipated that the College will facilitate the financing of the Project in its role as the “Leverage Lender.” The College will make a loan to the Investment Fund which in effect will “leverage” the Investor’s NMTC cash equity contribution to generate additional NMTCs (the “Leverage Loan”).
- It is anticipated that there will be three CDEs in the transaction: one controlled by Reinvestment Fund (RF CDE), one controlled by Urban Research Park (URP CDE) and one controlled by the Investor (“Bank CDE”).
- Each of the three CDEs received NMTC allocation from the US Treasury in July 2020. The three CDEs will sub-allocate their combined NMTC allocation of an estimated \$19 to \$22 million to the Project.

- In order to participate in the NMTC Program, the Project must meet the requirements of a “qualified active low income community business” (“QALICB”), and must be located in a qualified census tract. The QALICB will be a newly formed SPE entity controlled by the College and will control the property by lease with the College of the Chestnut Street property and will complete new construction chart.

Q: What Happens at the end of Seven (7) years

A:

At the end of the 7-year compliance period:

- After the 7-year NMTC compliance period elapses, the Investor has the option (but not the obligation) to put its interest in the Investment Fund to the College (or an affiliate) for \$1,000 and exit the transaction. It is the practice of each investor to exercise its option. Similarly, each of the three CDEs would exit the transaction.
- In the event that the Investor did not exercise its put option, the College, or a College affiliate, would have a call option that, if exercised, would require the Investor to sell its interest in the Investment Fund to the College for the fair market value of the interest. The Investor is incentivized to put its option to the College.

Q: What are the next steps towards closing and related issues

- Each of the CDEs and Investors is completing its internal and advisory board approvals.
- While each CDE has a slightly different process, term sheets from each CDE and the Investor are anticipated before the end of August.
- It is anticipated that it should take about 60 days to close with the parties once term sheets are executed by the parties. Closing should occur by late October or early November. The CDEs and Investor need to close the transaction before the end of the year.
- The Building Permit will need to be issued before the closing.
- The funding of the Leveraged loan and any other funding by the College should be coordinated with the NMTC closing.

This Q&A is intended only as a summary of the proposed transaction based on facts, assumptions and budget numbers currently available, and to the extent those facts, assumptions or budget numbers are not accurate or change, different results may occur. This summary is not intended to be an exhaustive review of the transaction, but rather a focal point for discussion, and the ultimate structure will be determined upon completion of the definitive transaction documents.

Financing Options (Attachment G)

Community College of Philadelphia
West Regional Campus
FINANCING OPTIONS
September 18, 2020

	OPTION A Traditional Tax-Exempt	OPTION B NMTC Taxable	OPTION C NMTC Hybrid
SOURCES OF FUNDS			
2020 Taxable Proceeds	\$ -	\$ 14,535,000	\$ 12,060,000
2020 Tax-Exempt Proceeds	\$ 19,861,167		2,471,018
2019 Tax-Exempt Proceeds	10,000,000	10,000,000	10,000,000
RACP	4,250,000	4,250,000	4,250,000
NMTC Equity	-	5,808,900	5,808,900
Total Sources	\$ 34,111,167	\$ 34,593,900	\$ 34,589,918
USES OF FUNDS			
Project Costs	\$ 33,500,000	\$ 33,500,000	\$ 33,500,000
Bond Insurance	125,175	104,782	102,510
Costs of Issuance	485,992	989,118	987,308
Total Uses	\$ 34,111,167	\$ 34,593,900	\$ 34,589,818
Average Annual Debt Service	\$ 1,275,846	\$ 1,067,994	\$ 1,044,831
Total Debt Service (Level)	\$ 25,034,933	\$ 20,956,413	\$ 20,501,907
Final Maturity	6/15/2040	6/15/2040	6/15/2040
Yield on the 2020 Bonds	1.904%	3.192%	3.055%
LESS: Annual Fees		\$ 462,000	\$ 462,000
PLUS: CDE Contribution		\$ 250,000	\$ 250,000
DEBT SERVICE BENEFIT		\$ (3,866,520)	\$ (4,321,026)

CCP NMTC Assumptions (Attachment H)

CCP NMTC Assumptions:

	URP	RF	CDE	Total
NMTC Allocation	\$ 12,500,000	\$ 8,000,000	\$ 4,000,000	\$ 24,500,000
Tax Credit	39%	39%	39%	
Tax Credits to Investor	\$ 4,875,000	\$ 3,120,000	\$ 1,560,000	\$ 9,555,000
Investor Pricing (approx.)	\$ 0.73	\$ 0.73	\$ 0.73	
Gross NMTC Equity	\$ 3,558,750	\$ 2,277,600	\$ 1,138,800	\$ 6,975,150
CDE Fees (assume % of allocation)	\$ (906,250)	\$ (260,000)	\$ -	\$ (1,166,250)
Legal Fees (CDE, Investor and Sponsor)	\$ -	\$ -	\$ -	\$ -
Accounting/Modeling Fees	\$ -	\$ -	\$ -	\$ -
Audit/Tax Fees of QALICB (8 years @ \$10,000)	\$ -	\$ -	\$ -	\$ -
Net NMTC Equity	\$ 2,652,500	\$ 2,017,600	\$ 1,138,800	\$ 5,808,900

Closing Costs

Tax Model / Resnick	25,000
Legal URP	60,000
Legal RF	60,000
Legal Investor	70,000
Legal CCP Sponsor	55,000
3rd Party Construction Review	20,000
Title Insurance	
NMTC Consultant	139,503
Closing Cost Contingency	40,000
Recording Filing Fees	10,000
CDE Fees at back end	25,000
Total Closing Costs	\$ 504,503

Annual Fees

Asset Management Fee (0.50% of allocation)		40,000	-	40,000
Tax Filings	13,000	13,000	-	26,000
Total Annual Fees	\$ 13,000	\$ 53,000	\$ -	\$ 66,000

**MEETING OF AUDIT COMMITTEE
Community College of Philadelphia
Thursday, September 24, 2020 – 11:00 a.m.**

Present: Mr. Anthony J. Simonetta, Mr. Jeremiah White, Ms. Lydia Hernández Vélez, Donald Generals, Ed.D., Mr. Steve Herzog, Mr. Jacob Eapen, Judith Gay, Ph.D., Mr. Gim Lim, Mr. Derrick Sawyer, Mr. Robert Lucas, and representing Grant Thornton: Ms. Angelica Roiz and Mr. Alex Ney

Absent: Victoria Zellers, Esq.

AGENDA – PUBLIC SESSION

As in the previous Audit Committee meeting, this meeting was again held via Zoom. Mr. Anthony Simonetta welcomed Mr. Steve Herzog to the Audit Committee and proceeded to the first action item on the agenda.

1. Approve Minutes of Audit Committee Meeting on June 10, 2020 (Action Item):

Action: Mr. Simonetta asked whether anybody has corrections or changes to the minutes. Hearing no changes, Mr. Simonetta asked for a motion to recommend acceptance of the June 10, 2020 Audit Committee meeting minutes (Attachment A). Mr. White made the motion. Ms. Lydia Hernández Vélez seconded the motion. The motion passed unanimously.

2. 2019-20 Fiscal Year Audit Report (Action Item):

Ms. Angelica Roiz introduced herself as the Engagement Partner and Mr. Alex Ney, the Audit Manager to Mr. Herzog who just joined the Audit Committee. Ms. Roiz, then proceeded to share her screen on Zoom to present the results of the 2019-2020 audit results (Attachment B). She informed the Committee that the short form report of the June 30, 2020 Financial Statements (Attachment C) was due to the City by the end of the month. She noted that the College is a component unit of the City. Grant Thornton will be back in the fall to perform the uniform guidance audit which will be reported to the Audit Committee next March.

Ms. Roiz reported that the audit was completed with the full cooperation from management consistent with the timeline shared with the Audit Committee at its June 2020 meeting. Mr. Simonetta asked what were the challenges performing the audit in a virtual environment. Ms. Roiz reported that the audit went smoothly and they did not experience many challenges. The College was able to use the Grant Thornton collaboration website to upload documents. During the audit, Grant Thornton inquired and asked about processes that may have changed to ensure audit trails were maintained.

Ms. Roiz proceeded to discuss the \$16.1 million CARES Act award the College received. She reported that half of the CARES Act award was for institutional use and half was reserved for student aid. Grant Thornton performed tests to ensure the revenues and expenses before June 30th were appropriately recorded. Mr. Simonetta noted that some of the Cares funds were used to purchase laptops

for students and asked who had ownership of the laptops. Mr. Eapen said the laptops are owned by the College. Ms. Roiz then reported on their review of the Banner system environment which included system access, password protection and proper segregation of duties. She reported that there were no findings or matters that rose to the level that needs the attention of the Committee. Due to the pandemic, slide 16 of the presentation highlighted the items requiring accounting considerations. Item 5 relates to the impact of various federal relief programs. Ms. Roiz noted that the impact of the CARES Act funding was appropriately disclosed on the notes to our financial statements. Item 7 relates to disclosures of risks and uncertainties due to the pandemic, which were also appropriately disclosed in the notes. Item 4 relates to going concerns evaluations. Ms. Roiz mentioned going concern may be an issue for some of her clients but not for the College. The College has a sound liquidity position.

Ms. Roiz concluded her presentation by informing the Committee that Grant Thornton has no disagreements with management, no significant control findings, and no related party disclosure concerns to report.

Action: Mr. Simonetta asked for a motion to recommend acceptance of the June 30, 2020 Financial Statement Audit report. Ms. Hernández Vélez made a motion to accept the June 30, 2020 Financial Statement Audit. Mr. White seconded. The motion passed unanimously.

3. Discussion on Appropriate Reserves Level (Information Item):

This item was moved to the Executive Session to ensure the privacy of the other Colleges information.

4. Internal Audit Committee/Internal Audit Plan (Information Item):

Mr. Lucas provided an update on the 2020-2022 Internal Audit Plan (Attachment D). He provided a summary report of activities since the last Audit Committee meeting. Mr. Lucas stated that he is working with management to finalize the responses for two draft audit reports, issued one draft audit report to management and expects to issue another draft audit report by September 30. Two other audits will be underway shortly to be completed in the second quarter of the fiscal year.

Mr. Lucas noted that he detected apparent fraudulent transactions by one employee during the course of the audit of Forgivable Loans, which are loans issued to employees to help them pay for classes and the pursuit of degrees from an accredited college or university other than CCP. He noted that the documentation and information

related to the suspected transactions were transferred to the College's Legal Department and Human Resources Department for their review, investigation, and other actions deemed necessary. Mr. Lucas also reviewed a substantial amount of loan files at the request of management, in addition to the original sample, to gain assurance that no other similar transactions had occurred for other loan participants. He noted that no other loan documentation had similar characteristics, which would indicate potential fraud on the part of the employee.

Mr. Eapen noted that management had only become aware of this incident recently and that management was not aware of these transactions when the external auditors had inquired of any known incidents.

Mr. Lucas noted that he had completed a proposed biennial internal audit plan for the two-year fiscal periods of 2020-2022. He reviewed the plan in a document shared with the Committee members and College staff on the Zoom call. He noted that the plan was structured to have two audits completed each calendar quarter and that several alternate audits were included in the plan in case one or more of the planned audits could not be completed due to unforeseen circumstances.

Mr. Lucas also reviewed with Committee the Internal Audit Follow Up Matrix on which the audit comments, recommendations, and management's action plans are tracked. He noted that management had been very busy with the College's response to the pandemic and that actions should resume or be completed in the near future.

Mr. Simonetta inquired of Mr. Lucas whether risk ratings could be assigned to outstanding actions plans, which were color coded in red indicating that (1) the plans had not been completed for more than a year since their original target date, (2) limited progress made on those plans, or (3) no update of the status of those plan had been received. Mr. Lucas stated that he would look into assigning such risk ratings.

Mr. Lucas provided the Committee with an update of his involvement with the College's development of a Disaster Recovery Plan for all of the College's areas designated as critical to its educational and business functions. He stated that he had met with the DRP leads for their areas during the recent Professional Development Week to review lessons learned during the pandemic timeframe to date. Mr. Lucas stated that the current plan for the College should be completed shortly and provided to senior management for reference during any future business interruptions. The plan will be updated each spring by the critical functional areas and a full updated version will be completed by June 30 each year.

Lastly, Mr. Lucas also noted that the Internal Audit Committee has met, and is expected to meet, at least quarterly. He stated that during the September meeting, the committee reviewed one of the financial policies at the request of Mr. Lucas and that committee members have expressed interest in looking at the Internal Audit Follow Up Matrix and the overall charge of the committee.

5. March 2021 Meeting Date (Information Item):

The next meeting will be to discuss the results of the College's Uniform Guidance Audit. Typically, this meeting is scheduled for the month of March, since the deadline to submit the results to the Department of Education is March 31st of each year.

EXECUTIVE SESSION

An Executive session of the Audit Committee was held with Grant Thornton and the College staff.

GSL/lh
Attachments

cc: Dr. Donald Generals, Jr.
Mr. Jacob Eapen
Ms. Victoria Zellers, Esq.
Mr. Robert Lucas
Mr. Derrick Sawyer
Representing Grant Thornton: Ms. Angelica Roiz
Representing Grant Thornton: Mr. Alex Ney

ATTACHMENT A
MINUTES FROM JUNE 10, 2020
AUDIT COMMITTEE MEETING

MEETING OF AUDIT COMMITTEE
Community College of Philadelphia
Wednesday, June 10, 2020 – 12:00 p.m. *via* Zoom

Present: Mr. Anthony J. Simonetta, Mr. Jeremiah White, Ms. Lydia Hernández Vélez, Donald Generals, Ed.D., Mr. Jacob Eapen, Judith Gay, Ph.D., Victoria Zellers Esq., Mr. James P. Spiewak, Mr. Gim S. Lim, Mr. Robert Lucas, and representing Grant Thornton: Ms. Angelica Roiz, Mr. Alex Ney and Mr. Joseph Mulligan

Not Present: Mr. Anthony B. Scott representing The Meridian Group

AGENDA – PUBLIC SESSION

(1) Approve Minutes of Audit Committee Meeting on March 26, 2020 (Action Item):

Action: Mr. Anthony Simonetta asked for a motion to recommend approval of the March 26, 2020 Audit Committee meeting minutes (Attachment A). Mr. Jeremiah White made the motion to accept the minutes. Ms. Lydia Hernández Vélez seconded the motion. The motion passed unanimously.

Prior to the approval of the minutes, Dr. Donald Generals provided a brief update on the College's COVID-19 state of affairs and plan for the fall semester. Dr. Generals clarified that the fall semester will begin with all online classes. However, accelerated classes that begin later in the semester may have some on-campus or hybrid classes depending on improvements in the COVID-19 situation. The College has been providing non-credit workshops to help students prepare for taking online courses. Over the next couple of weeks, the College will also begin to resume some on-campus services on a limited basis and may slowly expand other services.

(2) 2019-2020 Audit Process (Information Item):

Ms. Angelica Roiz began her discussion by sharing the 2020 Audit Planning Presentation (Attachment B) *via* Zoom. Ms. Roiz then announced that Mr. Joe Mulligan, a principal in Grant Thornton's not-for-profit advisory practice, will provide an update of the higher education industry in light of the pandemic disruption after their presentation. Mr. Alex Ney overviewed the slides relating to audit timeline and scope, and areas of significant risks and focus. He discussed testing revenue streams to ensure appropriate revenue recognition and testing allowance methodology for appropriateness and reasonableness. Other areas of focus include compliance and controls procedures. Ms. Roiz mentioned that she had inquired with management on the shift to working remotely in March. As with other clients, Grant Thornton will take into considerations the normal control environment and the change in control environment beginning in March. Mr. Ney mentioned using procedures designed to evaluate the reasonableness of estimates used by management and assessing the adequacy of the College's financial statement disclosures.

For 2019-20 audit, areas of focus for the Single Audit will include the \$16 million the College received under the CARES Act Higher Education Emergency Relief Fund. In addition to the usual Student Financial Aid cluster, Ms. Roiz mentioned that guidance on how these relief funds are to be tested are still in development but institutions, including the College are doing their best to be in compliance with available guidance. On the last slide, Ms. Roiz highlighted new audit considerations relating to the COVID-19 pandemic such as federal relief funding, reserves for uncollectible accounts, recovery, asset impairment, going concerns, and a deeper understanding of management's projections and plans.

Mr. Mulligan then provided a few remarks based on observations from their advisory services practice. He summarized recent months into five stages – staging, scrambling, support, settling in, and securing the future. Considerations during the staging phase included addressing social distancing, public health, and making decisions to close operations temporarily. During the scrambling phase, institutions took actions to ensure how education will be delivered; the support phase included analyzing new sources of assistance and federal funding; during the settling in phase, institutions addressed access to technology, cohabitation, resiliency of the student population, and value of distance education. Securing the future will have to take into consideration the institution's location, unique model and structure and how it will retain its students beyond the fall semester.

Ms. Roiz concluded her presentation by announcing that selected GASB pronouncements which were to be effective for the year have been postponed and that this year's audit will be performed remotely.

(3) 2019-2020 Budget Update (Information Item):

Mr. James Spiewak provided an update on the status of the FY 2019-2020 Budget. He noted that for the year, total credit hours were 4% below budget. Mr. Spiewak stated that the major differences on the revenue side from the original budget were: State appropriation was 2% higher; City appropriation applied to operating budget was higher because a planned debt service for the new Career and Advanced Technology Center will not occur until next fiscal year; and total tuition and fee revenues are down \$3.7 million. He stated that the major differences on the expense side from the original budget were: full-time salaries were \$2 million less than budgeted due to hiring freeze; self-funded medical program costs are \$0.67 million higher than budgeted; and facility costs were significantly below budget due to the College being closed since mid-March. The net effect is anticipated excess revenue of \$1.46 million which will be further increased by \$0.9 million of CARES Act funds. Staff propose that \$800,000 of the excess funds be applied to the Student Activities and Athletics budget since this budget's primary source of funds, the general college fee, is not being charged for the summer or Fall semesters. Staff are also proposing that the remaining excess revenues be applied towards the FY 2020-2021 fiscal year due to anticipated revenue shortfall related to a projected decrease in enrollments.

(4) 2020-2021 Budget Highlights (Information Item):

Mr. Eapen informed the Committee that next year's budget will be heavily dependent on enrollment projections. The College has presented several scenarios to the Business Affairs Committee, Executive Committee and Board of Trustees. Mr. Eapen discussed two scenarios. The first scenario assumed a 10 percent decline in enrollment for summer, a 25 percent decline in enrollment for fall, a 25 percent decline in enrollment for spring and a 10 percent decline in enrollment for summer 2021. Based on these assumptions, the College is projecting a deficit of approximately \$12 million before CARES Act reimbursements.

On the revenue side, Mr. Eapen announced that the State has approved a flat appropriation for the first 5 months. In terms of City funding, the Mayor is proposing a \$3.25 million increase in appropriations. The College will again not increase tuition for next year. Mr. Eapen reminded the Committee that there has been only one tuition increase in seven years. The CARES Act Institutional Fund and Primarily Black Institutional Cares Act Fund will contribute about \$1.0 million towards reducing the projected budget deficit.

On the expense side, the College will not be adding new positions. All open positions are frozen. Travel, hospitality and other discretionary expenses will be reduced by 75 percent and overtime will be reduced by 50 percent. The College is expected to receive some savings from closing the main campus and the three regional centers.

The second scenario assumes a 6 percent decline in enrollment for summer 2020, a 10 percent decline in enrollment for fall, a 10 percent decline in enrollment for spring and a 6 percent decline in enrollment for summer 2021. Based on these assumptions, the College is projecting a deficit of approximately \$7.7 million before CARES Act reimbursements.

Management is continuing to explore other ways to balance the budget for next year and will be presenting the final budget to the Business Affairs Committee on June 24th and the Board of Trustees on June 25th.

(5) Internal Audit Plan/Internal Audit Committee Update (Information Item):

Mr. Robert Lucas provided an update on the 2018-2020 Internal Audit Plan (Attachment C). He provided a summary report of activities since the last Audit Committee meeting. Mr. Lucas stated that he is working with management to finalize two draft audit reports, as five other audits are in progress, and planning has begun on three other audits with opening meetings requested with management. An updated copy of the status of the biennial Internal Audit Plan was also distributed in advance to Audit Committee members which details the status of each planned audit for the period.

Mr. Lucas stated that he had provided the Audit Committee members with an updated Internal Audit Follow Up Matrix on which the auditor's comments and management's action plans are tracked.

Mr. Lucas provided the committee with an update of his involvement with the College's development of Disaster Recovery Plan for all of the College's areas designated as critical to its educational and business functions. He stated that the plans for individual divisions, departments and functions were provided to him for review just before the previous Audit Committee meeting and that he has been working on consolidating them into one plan for the College. Mr. Lucas noted the latest was just provided to Dr. Gay for her review and it is expected to be shared with Dr. Generals and the Cabinets for their review shortly. The plan is intended to be reviewed by management and updated as needed by June 30 each year.

Lastly, Mr. Lucas also noted that he will be developing the 2020-2022 Internal Audit Plan over the next few months. As done previously, he will be soliciting input from senior management for functions and areas to be considered as possible audit subjects in the next internal audit plan period based on risks perceived by those managers. It is expected that the new plan will be approved by senior management and provided to the Audit Committee members before the September meeting.

(6) Next Meeting:

The next meeting of the Audit Committee will be in September, 2020.

EXECUTIVE SESSION

During any audit committee meeting; Management, The Independent Auditors or the Internal Auditor may request an Executive Session to meet privately with the Audit Committee. Since no Executive Session was requested with the Audit Committee, the meeting was adjourned.

GSM/lmh
Attachments

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



2020 Audit Wrap-Up Presentation and Discussion

Community College of Philadelphia

September 24, 2020



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

Audit Timeline & Scope

May 2020	Client continuance	<ul style="list-style-type: none"> • Client continuance • Issue engagement letters • Conduct internal client service planning meeting, including coordination with audit support teams such as IT and tax
June 2020	Planning	<ul style="list-style-type: none"> • Meet with management to confirm expectations and discuss business risks • Discuss scope of work and timetable as well as identify current year audit issues • Initial Audit Committee communications
June – July 2020	Preliminary risk assessment	<ul style="list-style-type: none"> • Develop an audit plan that addresses risk areas • Update understanding of internal control environment • Coordinate planning with management and develop work calendar • Perform walkthroughs of business processes and controls
August – September 2020	Final fieldwork and deliverables (short form financial statements)	<ul style="list-style-type: none"> • Perform final phase of audit and year-end fieldwork procedures • Meet with management to discuss results including review of draft financial statements, misstatements (if any), and completeness/adequacy of disclosures. • Present results to the Audit Committee
December 2020 – March 2021	Final fieldwork/ deliverables (Single Audit)	<ul style="list-style-type: none"> • Perform final phase of Single Audit compliance testing • Meet with management to discuss results

Significant risks

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

Significant risk	Results
Tuition and fees revenue, and related receivables/deferred revenues	<ul style="list-style-type: none"> • Performed detailed testing of a sample of transactions, agreeing to source documentation. • Performed deferred revenue testing to determine proper cut-off. • Gained understanding of the allowance methodology for lack of payment of student account. • Assessed management's analysis of allowance for doubtful accounts for reasonableness, consistency with methodology and accuracy of inputs.
Federal and State grants and contracts	<ul style="list-style-type: none"> • Reviewed contract documents to obtain understanding of the terms. • Compared revenues and recorded expenses to determine that amounts are being recorded appropriately based upon the terms of the contracts (including CARES Act Higher Education Emergency Relief Funding). • Reviewed any deferred amounts for reasonableness. • Agreed any subsequent collections to year-end receivable balances. • Reviewed propriety of financial statement presentation and disclosure.

Significant risks – continued

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

Significant risk	Results
Management override of controls – (presumed fraud risk and therefore significant risk in all audits)	<ul style="list-style-type: none">• Considered the design and implementation of entity-level controls, including information technology controls, designed to prevent/detect fraud.• Assessed the ability of the College to segregate duties in its financial reporting, information technology, and at the activity-level• Conducted interviews of individuals involved in the financial reporting process to understand (1) whether they were requested to make unusual entries during the period and (2) whether they are aware of the possibility of accounting misstatements resulting from adjusting or other entries made during the period.• Performed risk assessment for journal entries and detail test a sample of journal entries based on our risk assessments to ensure propriety of the entries.

Other areas of focus

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

Area of focus	Results
Investments	<ul style="list-style-type: none"> • Tested valuation of publicly traded investments using an independent pricing source. • Tested valuation of investments that are not publicly traded by performing an independent assessment of the valuation methodology and testing roll-forward period of alternative investments as well as obtain underlying audited financial statements for the respective funds. • Tested reasonableness of investment-related income, including unrealized appreciation/(depreciation) in fair market values.
State and City appropriations	<ul style="list-style-type: none"> • Obtained detail of appropriations received for the fiscal year. • Confirmed amounts with State and City, agreeing to revenue recorded in general ledger. • Reviewed receivable balance, reconciling the cash received to amounts outstanding based on confirmation, as applicable.
Other post-employment benefits liability (GASB 68 & GASB 75)	<ul style="list-style-type: none"> • Reviewed the analysis of accrued postretirement benefit obligations. • Assessed the reasonableness of actuarial assumptions: discount factor, trend rates and cash flows, amongst others. • Tested completeness and accuracy of participant census data.

Other areas of focus – continued

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

Area of focus	Results
Accounting estimates	The preparation of the College's financial statements requires management to make multiple estimates and assumptions that affect the reported amounts of assets and liabilities as well as the amounts presented in certain required disclosures in the notes to the financial statements. The most significant estimates relate to the allowance for doubtful accounts, useful lives of fixed assets, valuation of alternative investments, and actuarial estimates for the College's post-retirement benefit plans under GASB 68 and GASB 75. Our procedures were designed in part to review these estimates and evaluate their reasonableness.
Financial statement disclosures	Our procedures also included an assessment as to the adequacy of the College's financial statement disclosures to ensure they are complete, accurate and appropriately describe the significant accounting policies employed in the preparation of the financial statements and provide a detail of all significant commitments, estimates and concentrations of risk, amongst other relevant disclosures required by US GAAP.

Technology support as part of the audit process



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

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

In-Scope Application: Banner

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



Summary of Misstatements

Increase (Decrease) to:

Change in
Net
Position

Description	Assets	Liabilities	Net Position	Change in Net Position
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Material, corrected misstatements

None Noted

Net impact	\$ -	\$ -	\$ -	\$ -
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Uncorrected misstatements

None Noted

Net impact	\$ -	\$ -	\$ -	\$ -
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COVID-19 pandemic

Accounting considerations

- 1) Asset impairment – material assets subject to possible impairment or devaluation. Colleges need to carefully identify the appropriate impairment model and consider whether the pandemic affects whether an impairment should be recognized and, if so, the extent of the impairment. This could impact fixed assets, investments, and other assets.
- 2) Insurance recoveries – Colleges may be entitled to reimbursement for losses under various types of insurance policies as a result of the pandemic.
- 3) Contingent losses – a College is required to recognize a contingent loss if (a) it is probable that the liability has been incurred as of the statement of net position date, and (b) the amount of the loss is reasonably estimable (as either a point estimate or a range of loss).
- 4) Going concern evaluations – Colleges will need to evaluate their ability to continue as a going concern within one year after the financial statements are either issued or made available to be issued. A College that concludes that there is substantial doubt about its ability to continue as a going concern must provide disclosures to that effect, including its plans to alleviate that doubt.
- 5) Impact of various federal relief programs – Colleges are eligible to participate in certain federal government relief programs to mitigate the financial impacts of the pandemic. The appropriate accounting and financial reporting of the various relief programs such as PPP loans, CARES Act section 18004(a)(1) relief, student room and board refunds, Title IV refunds, etc. is evolving.
- 6) Reserves for uncollectible accounts – Because of the significant economic impact of the pandemic, Colleges may need to reevaluate the basis for reserves on certain accounts such as student accounts receivable, as well as other reserves.
- 7) Disclosures of risks and uncertainties – Disclosure of risks and uncertainties related to operations/activities, accounting estimates, and vulnerabilities should be considered when preparing the financial statement footnotes.

Other Required Communications

Professional standards require that we communicate the following matters to you, as applicable.

Going concern matters
Fraud and noncompliance with laws and regulations
Significant deficiencies and material weaknesses in internal control over financial reporting
Use of other auditors
Use of internal audit
Related parties and related party transactions



Other Required Communications

(continued)

Disagreements with management
Management's consultations with other accountants
Significant issues discussed with management
Significant difficulties encountered during the audit
Other significant findings or issues that are relevant to you and your oversight responsibilities
Modifications to the auditor's report
Other information in documents containing audited financial statements



Quality of Accounting Practices

Accounting policies and disclosures	Accounting policies are consistent with those of prior year and are outlined in Note A of the financial statements. Financial statements and the disclosures therein are clear and complete in accordance with GASB pronouncements.
Accounting estimates	<p>Significant estimates are described in Note A of the financial statements. These estimates include:</p> <ul style="list-style-type: none"> • Allowance for doubtful accounts • Useful lives of fixed assets • Valuation of alternative investments which are based on NAV per share • Actuarial estimates for the College’s post-retirement benefit plan under GASB 75 • Actuarial estimates for the College’s self-insured medical claims liability (IBNR)



Commitment to Promote Ethical and Professional Excellence

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

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

The EthicsPoint URL link can be accessed from our external website or through this link:

https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=15191

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



ATTACHMENT D
2020-2022 Internal Audit Plan Status

COMMUNITY COLLEGE OF PHILADELPHIA

Date: September 17, 2020
To: Audit Committee Members
From: Robert Lucas, Internal Auditor
Subject: Internal Audit – Plan Status and Other Information
Copies: Donald Generals, Judith Gay, Jacob Eapen, Victoria Zellers

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

- Draft reports in discussion with management:
 - 50th Anniversary Scholars Program
 - Residency Verification
- Audits in progress:
 - Forgivable Loans (Q1 of FY2021) – Expanded scope
 - Network Security Review of External Audit (Q1 of FY20201)
 - Employee Check Requests (Q2 of FY2021)
 - Vendor Check Requests (Q2 of FY2021)
- Working with division and department leads on their individual Disaster Recovery Plans including session during Professional Development Week reviewing lessons learned during COVID-19 shutdown.
- Internal Audit Committee meeting are scheduled quarterly and continue to occur via Zoom chaired by the Internal Auditor.

* * * * *

**Community College of Philadelphia
Internal Audit Plan (Proposed) - July 1, 2020 to June 30, 2022**

Functional Area	Risk Rating	Risk Explanation / Reason for Audit	Fiscal Year	Planned Quarter
Financial Audits				
Check Requests - Vendors	L	Verify controls for payments to vendors	2021	2
Check Requests - Employees	L	Verify controls for reimbursements to employees	2021	2
403(b) Transactions *	L	Determine controls over payments to retirement savings vendors	2022	2
Operational Audits				
403(b) Administration *	L	Determine controls over employee requests related to retirement savings	2022	2
Part-Time Faculty Medical Benefits	L	Determine controls and accuracy of medical coverage paid by staff	2021	4
Veterans' Resource Center	M	Compliance with Veterans' Education Benefits Laws	2022	1
Compliance				
Catto Scholarship	M	Determine compliance with requirements	2022	3
Right to Know Requests	L	Compliance with related laws	2022	3
State Recruiting Regulations	M	Determine compliance with regulations / restrictions	2022	1
Family Medical Leave Act	L	Determine compliance with policies, procedures and regulations	2022	4
Vendor Management	L	Determine the controls, procedures and risk management in place to ensure vendors are meeting their stated levels of goods, services, timing and pricing.	2022	4
Forgivable Loans	L	Compliance with procedures and controls for such loans	2021	1
IT Audits				
Network Security	L	Determine adequacy of controls for systems access via review of external audit work	2021	1

**Community College of Philadelphia
Internal Audit Plan (Proposed) - July 1, 2020 to June 30, 2022**

Functional Area	Risk Rating	Risk Explanation / Reason for Audit	Fiscal Year	Planned Quarter
Send Word Now	M	Determine adequacy of administration controls (roles and responsibilities; database; testing)	2021	3
Social Media and Email Broadcasts (CAN-SPAM Act)	L	Determine adequacy of controls for access and posting to College social media accounts and for email broadcasts	2021	3
IT PC Lending Programs	M	Determine adequacy of procedures and controls related to lending laptops and other IT equipment to employees and students	2021	4
Alternate Audits				
Other Accounts Receivable	L	Determine adequacy of procedures and controls over A/R other than tuition		
Computer Loans	L	Determine adequacy of procedures and controls related to employees loans for computer purchases		
Lion Card	L	Determine controls over prepaid card program		
Paid Time Off Recordkeeping	L	Determine adequacy of procedures and controls over PTO recordkeeping		
Administrative				
Follow Up on Prior Issues			Ongoing	Ongoing
Committee Meetings (Grants, Data Breach, EMT, external audits/reviews)			Ongoing	Ongoing

Stage:

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

Risk Ratings are Low (L), Medium (M), or High (H) based on a compilation of individually-rated risk factors including: financial statement impact; transaction volume; public relations/reputation; student satisfaction; legal/regulatory compliance; corporative initiatives; significant changes; known problems/issues; staff/faculty satisfaction; and executive override.

Confidential

Community College of Philadelphia Internal Audit Follow Up Matrix

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
45	12/8/2015 ADA / Center on Disability Joan Bush	Internal Audit recommends that the Center on Disability follow the advice expected shortly from the Data Breach Committee in regard to personal identifiable information, especially SSNs, obtained in the processes for adjudicating student requests for accommodations.	2/29/16 6/30/17 (Update of Progress) 12/22/17 (Status Update) 6/15/18 (Status Update) 9/15/18 (Status Update) 5/31/19 (Status Update) 5/31/20 (Status Update)	A database designed to manage data on students with disabilities will be reviewed with IT for implementation. No SSN's numbers will be included in the database. Target date for completion is February 29, 2016. In its 2016-2017 budget, COD management has requested a stand-alone database to manage the online information related to accommodations requested by students. Target date is TBD. An external ADA review was performed in 2018 which concurred with the recommendation for a COD database. Senior management is now reviewing this need and upon approval, a timeline for the purchasing and implementation of this database will be established. Target date remains TBD. The expected cost of the database was included in the approved 2018-2019 budget. Target date remains TBD. An RFP is expected to be distributed for the purchase of the COD database by May 31.
59	5/25/2016 ITS Physical Security Michael Fohner	ITS and Facilities management should take appropriate steps and plans to reduce the risks associated with connectivity rooms left wide open.	6/30/17 6/30/18 9/15/18 (Status Update) 8/31/21	ITS management noted that a plan to move the connectivity hardware to a separate room. ITS management states that the project has again been included and approved in the capital budget for the 2016-2017 fiscal year although they do not know when construction will begin. The project has been re-scheduled for the Spring/Summer of 2018. The current IT Closet has been locked down at the WERC campus and is no longer used by custodians or others. An alternative space for this ITS connectivity room has been included in a larger project for this regional center. Consequently, the project has been re-scheduled for the fall semester of 2018. The college will be building the Career And Advanced Technology Center @ the WRC campus . An IT closet will be in the new building and all equipment will be moved from the current closet to the new closet. The projected completion for the new building will be August 2021.

Community College of Philadelphia

Internal Audit Follow Up Matrix

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
63	5/25/2016 ITS Physical Security Michael Fohner	Management should consider installing additional gaseous systems in rooms which have significant risk of business and classroom interruption based on the type of equipment in the connectivity rooms.	6/30/17 (Update of Progress) 4/30/18 9/15/18 (Status Update) 5/31/19 NO UPDATE RECEIVED	Management has decided to upgrade the fire suppression systems from sprinklers to gaseous systems in three rooms deemed critical due to the nature and value of electronic equipment in those rooms. Specifically, upgrades in rooms B2-39, MG-6A and W1-E1 have been included in the budget for the 2016-2017 fiscal year and, as such, should be completed by June 30, 2017. Update as of 12/21/2016: Phase One: The 3 CRITICAL Closets (MG-6A, B2-39, W1-E1) are pending the release of the RFP for installation of the FM200 fire suppression systems. Phase 2: Time and funding permitting the regional center IDF's will be addressed later for gaseous fire suppression. The scope of work for this project has been completed. RFP is expected to be posted by 10/4/17 with work to be completed by 4/30/18. RFPs have been issued. Work is expected to be performed over the summer 2018 and completed by the start of the fall semester. Fire Suppression will be installed for MG-6A and W1-E1 and work will be done on ceiling installations to support the fire suppression equipment. B2-39 no longer needs this upgrade as critical equipment housed in that space has been moved to a protected room.
75	5/24/2018 Disaster Recovery and Response Plan Jacob Eapen	Substantive testing of the DRRP should be documented. Issues and resolutions should be tracked and documented until completed. Table-top exercises should also be performed periodically using a variety of scenarios and timing.	6/30/18 NO UPDATE RECEIVED	Testing procedures and results will be documented and maintained moving forward. Tabletop exercises will be added to the monthly DR meetings held in ITS. These procedures will also be documented in the DRRP within the next 90 days (no later than June 30, 2018).
77	5/24/2018 Disaster Recovery and Response Plan Jacob Eapen	Cyber Breach Committee should meet quarterly to determine the status of data which may not be sufficiently secured. The CIO should be empowered to direct actions to be taken to secure this data. Senior management should be informed of risk areas not secured in a timely manner.	9/30/18 NO UPDATE RECEIVED	Data Breach Committee will begin meeting again prior to the end of the spring 2018 term. (Meeting was held on May 2.) The committee charge will be reviewed and refined during the first meeting. A meeting schedule will be presented to setup quarterly meetings. A survey for College units, similar to the 2016 survey, will be performed to determine the state of our PII data and the locations of such data.
80	5/24/2018 ITS Physical Security Michael Fohner	Several critical server rooms had sprinklers systems for fire suppression which would cause water damage to the equipment they are designed to prevent damage from fire. This concern was included in the ITS physical security audit report and management has established actions plans to replace the sprinkler systems in these rooms with gaseous fire suppression systems.	9/15/18 5/31/19 NO UPDATE RECEIVED	See Management Response / Follow Up for item # 63 above.
84B	6/19/2018 Emergency Operations Plan Randolph Merced	In order to enhance the value of the Send Word Now program to the College, Internal Audit recommends the following: Test all created groups including the Emergency Management Team and the Executive Policy Group.	11/30/19	The EMT and EPG groups will each receive a separate test message at least on an annual basis. The Target for the first test message to these groups is November 30, 2019.

Community College of Philadelphia Internal Audit Follow Up Matrix

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
84C	6/19/2018 Emergency Operations Plan Randolph Merced	In order to enhance the value of the Send Word Now program to the College, Internal Audit recommends the following: Verify that all members of the emergency related groups received the test messages due to the importance of these groups receiving real emergency messages.	11/30/19	Receipt of the test message will be confirmed with each member of these groups. The target date for confirming all have received a test message is November 30, 2019.
84D	6/19/2018 Emergency Operations Plan Randolph Merced	In order to enhance the value of the Send Word Now program to the College, Internal Audit recommends the following: Retain sufficient records to be able to determine what messages were sent, when they were sent, how they were sent, and to whom they were sent. These records should be retained for an appropriate period determined by the College's general Counsel.	09/30/19	The College's management concurs that a record of all Emergency Mass communications Text Messages (Full messages including dates and times) should be retained for a period of seven years in accordance with the college's records management and retention policy for Emergency Response Team Records. We will ensure this occurs beginning with the test message for the fall semester of 2019.
85	6/19/2018 Emergency Operations Plan Randolph Merced	In order to help ensure that students are aware of the EOP and other posted safety information, Internal Audit recommends that staff from the Public Safety Department participate in all student orientations to help ensure that appropriate safety information is provided to attending students including references to the College's EOP on the website.	01/21/20	It is envisioned by the orientation planners that producing videos may be a way to effectively maximize its communication with new students. Public Safety is available to speak at the student orientation as desired by Student Affairs. Public Safety will produce several safety-related videos for new students as a means to help promote a safety culture as well as give valuable information to students on emergency preparedness. The target date to make videos available for the public January 21, 2020.
86	6/19/2018 Emergency Operations Plan Randolph Merced	Internal Audit recommends that the EOP be amended to include appropriate references to the DRRP. During an actual event, ITS management should be informed of all updates to help them prepare and respond in a timely manner to scenarios which will impact IT operations.	01/20/20	The DRRP mentions and points to the EOP in its preamble statement. Further, the crafters of the DRRP and EOP have worked together to ensure cohesion in processes and protocols in the event of an emergency. A review of both documents will be added to the EOP agenda as a standing item going forward with respect to incursions which both plans may be called into service. This bifurcated model will ensure there is no overlap, duplication or obstructive response from the Emergency response administrators. The Target date for a comprehensive review of these documents is January 20, 2020.
87	6/19/2018 Emergency Operations Plan Randolph Merced	Internal Audit understands that the Director of Public Safety is initiating a process for the EOP to be reviewed, and updated as necessary, in the near future. Please confirm this understanding and provide the date of expected completion. Future reviews should be scheduled at least annually.	09/30/19	The EOP is reviewed by the members of the Emergency Management Team throughout the year and, on an annual basis, the EMT chair reviews the agenda, recommendations, notes and commentary throughout the year and does a comprehensive review of the plan. The updated plan and its revisions are place in the Public Safety Website for public consumption. The target date for completion of the current revision of the EOP is September 30, 2019.
88	6/19/2018 Emergency Operations Plan Randolph Merced	Internal Audit recommends recovery activities should be prioritized as approved by senior management with outlines of specific actions and activities. In addition, a list of current vendors, and vendors whose services may be needed (e.g. hazardous materials clean up, water and smoke damage services, etc.) should be maintained within the EOP for quick reference.	05/15/20	The Chief of Staff will recommend that the Cabinet direct all divisions to review existing, or develop new, disaster response and recovery plans that comply with the decentralization of recovery activities and detailed in the EOP. The target date for verifying that all divisions have such plans in place is May 15, 2020. The Cabinet will direct management to review and update these division plans on an annual basis
91	6/19/2018 Emergency Operations Plan Randolph Merced	Internal Audit recommends that minutes of all EOP-related meeting are recorded and stored as appropriate. Documentation of any actions taken such as evacuation drills and table top exercises should also be maintained.		College management agrees that minutes of the EMT meetings should be recorded and retained for a period of seven years in accordance with the College's Records Management and Retention policy. We will ensure this occurs and we will begin recording minutes at each meeting in the summer of 2019

Community College of Philadelphia

Internal Audit Follow Up Matrix

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
92A	6/19/2018 Emergency Operations Plan Randolph Merced	Internal Audit recommends that media contacts be designated and documented in the EOP and they should be the same persons designated in the DRRP.	09/30/19	The Media Contacts will be included in the EOP which is currently undergoing the 2019 review and update process. The target revisions date for the 2019 update of the EOP is September 30, 2019 which will include the designated media contacts.
92B	6/19/2018 Emergency Operations Plan Shannon Rooney	Internal Audit recommends that media contacts be designated and documented in the EOP and they should be the same persons designated in the DRRP.	12/31/19	The Critical Communications Plan is being revised and will be distributed to appropriate College managers. Target date for revision is December 31, 2019.
93A	9/7/2018 Non-ITS Administered Programs Jacob Eapen	Internal Audit recommends that the Cyber Breach Group establish goals and timetables to address education of department owners related to PII, as well as the security of PII within the College's physical areas and systems.	TBD	A search for a new AVP of Information & Technology is in progress. As facilitator of the Cyber Breach Group, that person will be responsible for following up on any information still needed from the users departments of the SaaS programs based on the most recent survey. The new AVP will schedule another meeting of the Cyber Breach Group within 90 of his/her start date to review progress and next steps for this action.
93B	9/7/2018 Non-ITS Administered Programs Jacob Eapen	Internal Audit recommends that the Cyber Breach Group establish goals and timetables to address education of department owners related to PII, as well as the security of PII within the College's physical areas and systems.	10/31/19	The Office of the General Counsel is also expected to recommend procedures related to paper documents with PII held by various departments throughout the College. The target date for these recommendations to be made to Division management is October 31, 2019.
94	9/7/2018 Non-ITS Administered Programs Jacob Eapen	Internal Audit recommends that the CIO and/or Purchasing Department management determine what contracts reference data storage in the cloud by vendors which may be evergreen or automatic renewal terms which may prevent the new review control from occurring. Such contracts should be reviewed against the new questionnaire and management should consider executing amendments to these contracts which address any cloud-related risks or internal control weaknesses of the vendor.	TBD	The new AVP of Information & Technology, when hired, will be tasked with developing a plan to identify existing contracts which could bypass new controls related to cloud storage due to auto-renewal or extension options. This person will work with management to take appropriate actions to ensure cloud controls for new contracts are implemented by the next renewal or extension. The target date for identifying contracts which have not completed a cloud questionnaire is 120 days after the start date of the new AVP.
95	9/7/2018 Non-ITS Administered Programs Jacob Eapen	Internal Audit recommends that each program owner be required to designate a backup administrator. The CIO should follow up on the current PII survey and obtain such designated persons for each program.	TBD	The new AVP, when hired, will review the latest SaaS survey at the next Cyber Breach Group meeting and develop recommendations to Division management or the Cabinet to help ensure all user department have designated such backup administrators. The target date for developing the recommendations is 90 days after the start date of the new AVP.
96	9/7/2018 Non-ITS Administered Programs Jacob Eapen	Internal Audit recommends that ITS review the programs listed in the PII survey and determine if there are time sensitive programs for which downtime for any reason could interfere with the functionality required by staff to perform their duties and provide services to both staff, faculty and students. Since ITS is well versed in continuity planning for the programs they manage, it would be prudent for ITS to assist departments with time sensitive programs in developing procedures related to such downtime.	TBD	The new AVP, when hired, will solicit management's input for each of the programs to determine if any are considered critical to the mission and work of the College, both academic and as a business, such that downtime will quickly be problematic. For any such programs, ITS will offer to consult with management to help ensure that the department and/or vendor is sufficiently prepared to address interrupted access promptly. The target date to solicit this information from management is 120 days after the start date of the new AVP.

Community College of Philadelphia Internal Audit Follow Up Matrix

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
97	9/7/2018 Non-ITS Administered Programs Jacob Eapen	Internal Audit requests that ITS confirm that it has access right to each program currently in use throughout the College.	TBD	The new AVP, when hired, will be tasked with developing recommendations to senior management related to the decentralization of these SaaS programs throughout the College and whether the AVP of Information & Technology should have access to these programs as well. The target date for making these recommendations to management is 90 days after the start date of the new AVP.
106	1/18/2019 Purchasing Cards Gim Lim James Spiewak	Purchasing should also ensure all P cardholders have a signed agreement on file.	11/01/19	AVP Facilities and Managers with P-Cards were notified, via email week of 04/30/19, that cards would be cancelled and issued in specific names. Application was sent for completion. Once applications are received new cards will be requested from Bank. Target date for obtaining new cards is November 1, 2019.
107A	1/18/2019 Purchasing Cards Gim Lim James Spiewak	Internal Audit also noted P cardholders made purchases at the College bookstore. There were instances in which the cardholder not only paid sales tax, but they did not even request the College employee discount of 5%. Since there should be no purchases of a personal nature per the P card policy, the bookstore should have a tax exempt certificate on file which should be effective for all P card purchases.		
107B	1/18/2019 Purchasing Cards Gim Lim James Spiewak	Internal Audit recommends that the payment of PA sales tax by P card holders be treated as the violation of the policy it is as stated in the policy. Card holders should be required to seek reimbursement of the tax from the vendors with copies of the request sent to the user's supervisor with a copy to the AVP of Finance. Violations of the P card policy should result in the disciplinary actions stated in the policy.		
107C	1/18/2019 Purchasing Cards Gim Lim James Spiewak	The P card administrator should make an effort to coordinate with Amazon to ensure that all College P cards are covered by the same tax exemption.	11/01/19	P-Card Administrator will work with Amazon to have College Card Holders added to our Business Account which is tax exempt. Correspondence regarding the invitation and instructions were emailed to P-Card holders on 5/1/19. P-Cardholders received invitation to join the Amazon Business Account on 5/6/19. Users who have not yet signed up for the Amazon corporate account will be sent a reminder. Target date November 1, 2019.
110	1/18/2019 Purchasing Cards Gim Lim James Spiewak	Internal Audit recommends that Facilities Management, Public Safety and Business Services develop and implement procedures to ensure appropriate use of the WEX cards within each department.	11/01/19	A new procedure to ensure appropriate use of the WEX cards has been developed. Please see attached Vehicle Checkout Form. Target date to begin using the form is November 1, 2019.
113A	1/18/2019 Purchasing Cards Gim Lim James Spiewak	Internal Audit recommends that the monthly WEX reports be distributed to all user departments	11/01/19	Please see attached Vehicle Checkout/Return Procedure and Vehicle Use and Checkout/Return Form. Target date to begin using the form is November 1, 2019.
113B	1/18/2019 Purchasing Cards Gim Lim James Spiewak	Internal Audit recommends that management in each user department ensure each driver has their own PIN number	11/01/19	Please see attached Vehicle Checkout/Return Procedure and Vehicle Use and Checkout/Return Form. Target date to begin using the form is November 1, 2019.
113C	1/18/2019 Purchasing Cards Gim Lim James Spiewak	Internal Audit recommends that management in each user department ensure documented procedures are provided to staff prohibit the sharing of PIN numbers	11/01/19	Please see attached Vehicle Checkout/Return Procedure and Vehicle Use and Checkout/Return Form. Target date to begin using the form is November 1, 2019.

Community College of Philadelphia Internal Audit Follow Up Matrix

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
113D	1/18/2019 Purchasing Cards Gim Lim James Spiewak	Internal Audit recommends that management in each user department initial the WEX reports with miles per gallon and fuel amounts and types	11/01/19	Please see attached Vehicle Checkout/Return Procedure and Vehicle Use and Checkout/Return Form. Target date to begin using the form is November 1, 2019.
113E	1/18/2019 Purchasing Cards Gim Lim James Spiewak	Internal Audit recommends that management in each user department initial the WEX exception reports as evidence of their review and note any issues investigated and what steps were taken.	11/01/19	Please see attached Vehicle Checkout/Return Procedure and Vehicle Use and Checkout/Return Form. Target date to begin using the form is November 1, 2019.
116	2/26/2020 Clery Act Randy Merced	Internal Audit recommends that the areas for which crime statistics are requested, be expanded and the related request letters updated.	09/30/20	Management agrees to update the letter that goes out to the Police Department to clarify that the statistics requested include the edge of the sidewalk on the opposite side of the street.
118	2/26/2020 Clery Act Randy Merced	Internal Audit recommends that Public Safety management consult with the Legal Department to obtain guidance on the applicability of the Clery Act to off campus locations which the College repeatedly uses for activities described above.	04/30/20	Management agrees to consult with the Office of General Counsel to evaluate off-campus activities and update the Annual Security Report as necessary. The Director, Public Safety will meet with the Assistant General Counsel each spring semester.
119	2/26/2020 Clery Act Randy Merced	In order to provide continuity and ensure the timely reporting required by the Clery Act, Internal Audit recommends that additional staff be trained by the Director of Public Safety and actively participate in the processes to develop and file the annual report.	09/30/20	In addition to the Director, Public Safety, the Public Safety Operations Coordinator Office of General Counsel in compiling the Annual Security Report. Management agrees that going forward Public Safety Managers will be trained in the process of gathering and submitting crime statistics data required by the Clery Act.

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

Actions plans are in progress

Action plans are over 1 year past the original target date; limited progress has been made; and/or no update was received

Actions plans are expected to be reviewed with the new Internal Audit Committee

COMMUNITY COLLEGE OF PHILADELPHIA

BOARD OF TRUSTEES RESOLUTION

Dated as of: October 8, 2020

WHEREAS, Community College of Philadelphia (the “College”) has undertaken a capital project consisting of: (i) the development, construction, improvement, furnishing, equipping and fit out of a new, approximately 75,000 square foot building on land owned by the College in West Philadelphia, which facility will be used to house the College’s Career and Advanced Technology Center, (ii) the demolition of an existing building on such site; and (iii) other miscellaneous capital improvements at such site, including parking, landscaping and related improvements (the “Project”); and

WHEREAS, the College previously financed a portion of the Project through the issuance by the State Public School Building Authority of its \$9,155,000 Revenue Bonds (Community College of Philadelphia Project), Series A of 2019 (the “2019A Bonds”), and the College expects to finance the remainder of the Project through a variety of sources, including (i) requesting State Public School Building Authority or other appropriate governmental authority (the “Authority”) to issue federally tax-exempt and/or taxable bonds in an amount necessary to complete the Project (the “Bonds”) as previously authorized by the College’s Board of Trustees in a Resolution passed by the Executive Committee of the Board of Trustees on March 13, 2019 and Ratified by the Board of Trustees on April 4, 2019; (ii) entering into a New Market Tax Credit Financing utilizing tax credits allocated to one or more community development entities (the “Tax Credit Financing”); and (iii) utilizing certain grants and other available sources; and

WHEREAS, in furtherance of the Project, the College will be required to form new legal entities to qualify for the Tax Credit Financing, such new entities to include: (i) a newly-formed Pennsylvania nonprofit corporation which shall apply for federal tax-exemption under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”) (the “Nonprofit Entity”) and (ii) a newly formed Pennsylvania limited liability company to constitute the “qualified active low income community business” required for the Tax Credit Financing (the “Project Owner”); and

WHEREAS, it is intended that the College shall be admitted as a 80% member and manager of the Project Owner, and the Nonprofit Entity shall be admitted as a 20% member of the Project Owner pursuant to the terms of a certain Operating Agreement of the Project Owner (the “Project Owner Agreement”); and

WHEREAS, in consideration for its 80% membership interest in the Project Owner, the College shall make certain capital contributions to the Project Owner consisting, in part, of proceeds from the Bonds and utilizing certain grants or other sources (the “Project Owner Equity”); and

WHEREAS, in connection with the Tax Credit Financing, the College intends to transfer and assign all of its rights and interest in the Project to the Project Owner, as allowable under the federal laws and regulations related to the issuance and tax-exemption of the 2019A Bonds, either in the form of a long-term ground lease or an assignment of fee ownership (the “Project Assignment”); and

WHEREAS, in connection with the Tax Credit Financing, upon completion of construction of the Project by the Project Owner, the Project Owner shall enter into a master lease to lease the Project to the College for its use (the “Master Lease”); and

WHEREAS, the College and the Project Owner will expend considerable capital resources to undertake the development, construction, and fit-out of said Project; and

WHEREAS, the United States Treasury’s Community Development Financial Institutions Fund administers the New Markets Tax Credit program (the “NMTC Program”), which fosters the development of businesses in low income communities by providing federal tax credits to investors, who, in turn, team with “qualified community development entities” as defined in Section 45D of the Code to complete eligible projects in qualifying census tracts and targeted populations; and

WHEREAS, the Project meets the requirements of the NMTC Program and is located in a low-income community as described in Section 45D(e) of the Code; and

WHEREAS, the College has an offer from a qualified community development entity, USBCDC, LLC (“USBCDC”), for NMTC allocation in the total amount of \$4,000,000 (the “USB Allocation”) pursuant to the terms of a certain reservation letter dated on or about September 9, 2020 (the “USB Term Sheet”); and

WHEREAS, the College has an offer from a qualified community development entity, Reinvestment Fund (“RF”), for NMTC allocation in the total amount of \$8,000,000 (the “RF Allocation”) pursuant to the terms of a certain reservation letter dated on or about September 15, 2020 (the “RF Term Sheet”); and

WHEREAS, the College has an offer from a qualified community development entity, Urban Research Park CDE (“URP”), for NMTC allocation in the total amount of approximately \$12,500,000 (the “URP Allocation,” and collectively with the USB Allocation and the RF Allocation, the “NMTC Allocation”) pursuant to the terms of a certain reservation letter dated on or about September 21, 2020 (the “URP Term Sheet,” and collectively with the USB Term Sheet and the RF Term Sheet, the “NMTC Allocation Term Sheets”); and

WHEREAS, the College has an offer from a NMTC equity investor, US Bancorp Community Development Corporation (the “NMTC Investor”), to invest capital into the Project on favorable economic terms, netting substantial financial benefit to the Project (the “NMTC Equity”) pursuant to the terms of a term sheet dated on or about September 14, 2020 (the “NMTC Equity Term Sheet”); and

WHEREAS, in order to utilize the NMTC Program, the Project Owner intends to constitute a “qualified active low-income community business” as defined in Section 45D of the Code (the “QALICB”); and

WHEREAS, in order to utilize the NMTC Program, the College, in its role as “Leverage Lender,” will be required to utilize a portion of the proceeds of the Bonds, certain state grants and other sources (such Bond proceeds, grants and other sources are collectively referred to herein as the “Leverage Loan Sources”) to make an investment in the Project in the form of a loan (the “Leverage Loan”), to an affiliate of the NMTC Investor (the “Investment Fund”); and

WHEREAS, the proceeds of the Leverage Loan along with the NMTC Equity will be used by the Investment Fund to pay certain fees and to make a “qualified equity investment” (“QEI”) in three separate community development entities owned by each of USB, RF and URP (collectively, the “CDEs”); and

WHEREAS, the CDEs will in turn use such equity investments to make loans to the Project Owner as the QALICB for the construction and completion of the Project (the “QLICI Loans”); and

WHEREAS, as a condition precedent to participating in the NMTC Program and to complete the Project, the College will be required to execute and deliver various organizational documents, loan documents, guaranties, leases, indemnifications, option agreements and other agreements, including, but not limited to all documents required in connection with the formation of the Project Owner and the Nonprofit Entity, the Project Owner Agreement, the Project Owner Equity, the Property Assignment, the Master Lease, the NMTC Program, the NMTC Allocation Term Sheets, the NMTC Equity Term Sheet, the NMTC Allocation, the NMTC Equity, the Leverage Loan Sources, the Leverage Loan, the QALICB and the QLICI Loans (collectively, the “Transaction Documents”); and

WHEREAS, the College will directly or indirectly benefit from entering into the Transaction Documents; and

WHEREAS, the College intends to apply a portion of the proceeds of the Bonds it receives towards the reimbursement of eligible expenditures related to the Project in an amount as allowed by Treasury Regulation Section 1.150-2(e) and any applicable State and federal laws; and

NOW, THEREFORE, BE IT RESOLVED, on this 8th day of October, 2020, by the Board of Trustees for the College that the College is hereby authorized and empowered to negotiate, execute, deliver and perform under any documents or instruments required of the College, and as manager, on behalf of the Project Owner, in connection with the foregoing and the Project, consummate all other transactions described in or contemplated by the Project, and take any and all actions necessary or appropriate to accomplish the foregoing; and it is

FURTHER RESOLVED, that the President of the College and/or any other representative he may delegate are hereby authorized and empowered to: (i) enter into the Transaction Documents, (ii) negotiate, execute, deliver and perform the College’s obligations under any documents or instruments required in connection with the Transaction Documents and the Project,

(iii) consummate all other transactions described in or contemplated by the Transaction Documents and (iv) take any and all actions necessary or appropriate to accomplish the foregoing; and it is

FURTHER RESOLVED, the President of the College and/or any other representative he may delegate, (i)are hereby authorized to execute and deliver any and all Transaction Documents on behalf of the College; and (ii) are hereby authorized and directed for the College to take, or cause to be taken, all such further action and to execute and deliver any Transaction Documents as he shall, in his sole discretion, approve, such approval to be conclusively evidenced by his execution thereof, in order to effectuate the aforesaid resolutions, the Transaction Documents and any and all transactions contemplated hereby and thereby; and it is

FURTHER RESOLVED, that any and all actions already taken by the College, any officers or other authorized signatories thereof on behalf of the College in connection with or relating to the subject matter of the foregoing resolutions, including without limitation, formation of the Project Owner and the Nonprofit Entity and entering into the Transaction Documents, are hereby approved and ratified in all respects; and it is

FURTHER RESOLVED, that the College declares its official intent to reimburse from the proceeds of the Bonds for eligible Project expenditures for (i) eligible costs of the Project that were expended within sixty (60) days prior to the adoption of this Resolution, and/or (ii) eligible costs of the Project to be expended after the execution hereof, to be reimbursed from the proceeds of the Bonds in compliance with Treasury Regulation Section 1.150; and it is

FURTHER RESOLVED, that the provisions of this Resolution are to be interpreted in the broadest possible manner so as to facilitate the consummation of the transactions contemplated hereby.

Jeremiah White, Chair of Board of Trustees
for Community College of Philadelphia

BOARD RESOLUTION OCTOBER 8, 2020

Resolution for Wage Increases for Administrators, Grant Administrators, and Confidential Employees

Whereas on September 23, 2020, the Business Affairs Committee of the Board of Trustees approved a motion recommending that the College's Board of Trustees approve a Resolution as outlined below:

Now, therefore, on this 8th day of October, 2020, the Board of Trustees approves the following:

- (1) Subject to evaluation and performance, College Administrators, Grant Administrators, and Confidential Staff (excluding the Vice Presidents and General Counsel) are eligible to receive a raise up to 3% retroactive to September 1, 2020; provided however that the percentage of the raise shall be pro-rated for any employee who was not employed for the preceding fiscal year in accordance with College practice.