

Meeting of the Board of Trustees, Thursday, April 1, 2021, 3:00 p.m.

AGENDA

The Goals for the April meeting in addition to routine matters are:

- Enhance Board understanding of current budget and potential revenue
- Emphasize Board commitment to annual event
- Update on enrollment
- Update the Board on evolving diversity, equity, inclusion, belonging work

(1) Meeting Called to Order

(2) Public Comment

(3) President's Report

- (a) Budget Update
- (b) Enrollment
- (c) Male Engagement, Particularly Outcomes of Black and Brown Males
- (d) Foundation Report

(4) Report of the Business Affairs Committee

- Business Affairs Committee Meeting Minutes March 3, 2021 (3).pdf Page 3
- Business Affairs Committee Meeting Minutes March 24, 2021.pdf Page 21

(5) Report of the Student Outcomes Committee

- March 4 2021 Student Outcomes Committee Minutes[51333].pdf Page 33

(6) Report of the Workforce Subcommittee

- 2-4-21 Workforce SubcommitteeMinutes.pdf Page 64

(7) Report of the Audit Committee

- Audit Committee Meeting Minutes March 23, 2021.pdf Page 92
- (a) 2019-2020 Uniform Guidance Report (A)

(8) Consent Agenda

- (a) Proceedings & Minutes of Decisions and Resolutions, Meeting of March 4, 2021
 - 3.4.21BoardProceedings.pdf Page 193
 - 3.4.21MinutesofDecisionsand Resolutions.pdf Page 200
 - Attachment A.pdf Page 203
 - Attachment B.pdf Page 204
 - Attachment C.pdf Page 205

(b) Gifts and Grants

Record of Grants & Gifts (APR).pdf

Page 208

(c) Cafe' Management RFP

(d) Catto Scholarship Office Renovations (RFP)

(e) Purchase of Katura Software Platform

(f) Marketing and Website RFP

(g) Data Center Network Upgrade Contract with Graybar Electric Co., Inc. for \$598,816

(9) Report of the Chair

(a) Board Portal

(b) Board of Trustees Matrix

(c) Board Orientation and Board Development

(10) New Business

(11) 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 committees 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, May 5, 2021

4:00 p.m. – 5:15 p.m. Executive Committee of the Board (if needed)

5:30 p.m. – 7:00 p.m. Dinner on your own and Presentation

Thursday, May 6, 2021

9:00 a.m. – 10:30 a.m. Business Affairs Committee

11:00 a.m. – 12:30 p.m. Workforce Subcommittee

12:30 p.m. – 1:00 p.m. Lunch Break

1:00 p.m. – 2:30 p.m. Student Outcomes Committee

Future Committee Meetings

Business Affairs Wednesday, April 21, 2021, 9:00 a.m.

Workforce Subcommittee Friday, April 23, 2021, 10:00 a.m.

Student Outcomes Thursday, May 6, 1:00 p.m.

Upcoming Events

Pennsylvania Commission for Community Monday, April 19, 2021
Colleges Virtual Annual Meeting

Board of Directors (Presidents & Trustees 11:00 a.m. - 12:00 noon
Keynote & Q&A with Nathan Grawe 1:00 p.m. - 2:45 p.m.

College Virtual Budget Hearing Wednesday, May 5, 2021
2:30 p.m.

Foundation Virtual Black & Gold Gala Wednesday, June 23, 2021
6:30 p.m.

ZOOM MEETING OF THE BUSINESS AFFAIRS COMMITTEE OF THE BOARD OF TRUSTEES

**Community College of Philadelphia
Wednesday, March 3, 2021 - 9:00 A.M.**

Present for the Business Affairs Committee: Lydia Hernández Vélez, Esq., presiding, Mr. Rob Dubow, Mr. Harold Epps, Mr. Steve Herzog, Mr. Michael Soileau, and Mr. Jeremiah J. White, Jr.

Present for the Administration: Dr. Donald Guy General, Mr. Jacob Eapen, Ms. Marsia Henley, Dr. Samuel Hirsch, Mr. Gim Lim, Dr. Shannon Rooney, Mr. Derrick Sawyer, Mr. Vijay Sonty, Ms. Mikecia Witherspoon, and Victoria L. Zellers, Esq.

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

PUBLIC SESSION

AGENDA

Ms. Hernández Vélez called the meeting to order at 9:02 A.M. and asked Mr. Eapen to begin with first agenda item: Purchase of 500 Dell Laptops.

(1) Purchase of 500 Dell Laptops (Action Item):

Discussion: Mr. Eapen stated that staff are anticipating a need to purchase 500 laptops to support the Summer and Fall Terms for online education of students and providing loaner devices to faculty and staff. The Dell pricing obtained through Dell quote dated February 10, 2021 is the basis for this order. Please refer to Attachment A.

Mr. Eapen stated that staff is using the same numbers that were provided in the Fall and the change in price has not changed substantially: \$35 more in the unit price. He stated that staff felt it was the best time to purchase the laptops with a 3-year warranty, and the fact that CARES Act dollars will be used. Mr. Eapen stated that as of now, the College has 1,614 laptops. Out of the 1,614 laptops, 1,114 were distributed to students, faculty and staff. He stated that staff is requesting that the Business Affairs Committee approve the purchase of the 500 Dell laptops at a cost of \$355,125 using CARES Act institutional dollars.

Mr. Dubow asked if there will be more purchases going forward. Mr. Eapen stated he felt that the College was "well-positioned" with the 500 Dell laptops. This purchase will include laptops for Catto students. Mr. Eapen answered Mr. Epps' question and stated that these laptops were loaners to students, faculty and staff. He further stated that if the student is not continuing in the following semester, the laptop needs to be returned to the College. If not, a fee will be placed on the student's account.

Action: Mr. Epps moved and Mr. Herzog seconded the motion that the Business Affairs Committee recommend to the full Board the purchase of 500 Dell laptops at the total cost of \$355,125 which includes a three-year extended warranty. The purchase shall be made using CARES Act institutional dollars. The motion passed unanimously.

(2) Resolution of Support for FY 2021-22 PDE Capital Applications (Action Item):

Discussion: Mr. Eapen stated that the Pennsylvania Department of Education (PDE) requires that all capital applications submitted during the annual capital application process include a Board Resolution of Support for the Project. For the FY 2021-2022 process, and all subsequent cycles, PDE is requiring that previously submitted projects be submitted with new Resolutions.

Mr. Eapen stated that the two projects that were recommended for the 2021-22 cycle, were selected because the academic program capital improvements will receive the maximum amount of points from the Pennsylvania Department of Education when PDE reviews all the submissions from the PA community colleges. Mr. Eapen stated that the first project is the Physics Instructional Space Enhancements which is a carryover capital project and submitted as a cash project in the amount of \$627,000. The second project is the Simulation/Skills Lab for Nursing & Other Allied Health Programs and will be categorized as a new capital project and submitted in the amount of \$725,000. Mr Eapen informed the Committee that this is an application process. Once the application is approved, staff will return to the Committee once a bid process is reviewed and completed.

Action: Mr. Dubow moved and Mr. Epps seconded the motion that the Business Affairs Committee recommend to the full Board the approval of the Resolution of Support for fiscal year 2021-22 PDE capital applications. Please refer to Attachment B for detail on each of the projects and the Resolution of Support. The motion passed unanimously.

(3) Broker Insurance Services RFP (Action Item):

Discussion: Mr. Eapen stated that the College's contract with the current insurance broker, WillisTowersWatson, expires June 30, 2021. A broker needs to be in place in March 2021 to commence the marketing of the College's insurance program for fiscal year 2021-2022. Although the College is satisfied with the services provided by Willis, this professional service has not been subject to a bid process since 2012. An RFP process was used to solicit proposals for the College's insurance and risk management services for a three-year period beginning with the services required for the College's July 1, 2021 insurance renewal date with two option years.

Mr. Eapen stated that the College reached out to the major insurance brokerage firms as well as several MBE brokers. Proposals were requested from: Aon, WillisTowersWatson, Arthur J. Gallagher, CBIZ, Bradley & Bradley Associates (MBE), PK Financial Group (MBE), TCG Cayemitte Group (MBE), Trion Group (Marsh & McLennan), Altus Partners, Inc. and Protecdiv Inc. (MBE). Proposals were received from Aon, WillisTowersWatson, Arthur J. Gallagher, and CBIZ Bordon Perlman. No MBE firms responded to the bid.

The proposals were reviewed by a committee consisting of Jacob Eapen (VP for Business & Finance), Victoria Zellers (General Counsel), Derrick Sawyer (Budget Director) and Marsia Henley (Director, Purchasing & Services). In evaluating the proposals and the subsequent interviews, the committee members were evaluating based upon the criteria outlined in the RFP: (1) ability to meet specified qualifications; (2) quality of responses to requested services; (3) cost of services (4) experience with higher education clients and a demonstrated understanding of higher education's unique risk management issues); (5) credentials of firm and proposed account

team members; (6) evidence of continued commitment to account; and (7) commitment to minority participation and firm's commitment to diversity and equity in its hiring and business practices and on project team; and (8) references. The evaluation committee also considered the firms' higher education insurance market understanding and access and ability to benchmark and assess insurance coverages and limits, their understanding of risk issues and risk trends in higher education and their efforts to support the College's efforts to control losses and exposures.

In regards to the proposals presented by the four firms, committee members agreed that all had submitted quality proposals. Since Aon's cost proposal was almost double that of the lowest cost proposal (WillisTowersWatson), and the fact that CBIZ-Borden Perlman's high cost of services was approximately 73% higher than the lowest cost of proposal (WillisTowersWatson), the committee decided to select the lower two firms (WillisTowersWatson and Gallagher) based on their large cost difference and their knowledge of the College's needs.

Further, based on cost, knowledge and commitment to the College account; Gallagher and WillisTowersWatson were invited to make presentations. On March 1, 2021 both Gallagher and WillisTowersWatson made presentations to the committee and responded to committee members' questions. The presentations further demonstrated that both firms have the capability to service the College's account. However, the cost differential along with WillisTowersWatson's knowledge of the College and their demonstrated ability to place coverages at reasonable costs during difficult market conditions is a significant plus. Attachment C includes the Insurance Brokerage Costs and the Summary of the Finalists' Qualifications, Capabilities and Other Relevant Information.

Mr. Eapen compared the cost differences between WillisTowersWatson and Gallagher: Over a five-year period, the cost of WillisTowersWatson will be \$260,000. Over a five-year period, the cost of Gallagher will be \$346,800. WillisTowersWatson has committed to at least 10% of the contract be subcontracted to a MBE firm. WillisTowerWatson is reviewing three minority firms, one of them is Bradley & Bradley Associates which is under negotiation as a potential minority firm. The bid for WillisTowersWatson came in \$5,000 lower from what it is currently charging the College.

Mr. Epps asked what WillisTowersWatsons' rationale was for the minority firm participation to be only 10 percent. Ms. Hernández Vélez asked if there was an opportunity to do more than 10 percent minority participation. Mr. Epps further commented that staff explore what it would take to receive 20 percent minority participation. Mr. Eapen stated that staff will reach out to WillisTowersWatson.

Ms. Zellers pointed out that WillisTowersWatson came in \$5,000 less than what the firm is currently charging the College and substantially less than all other brokerage firms. Mr. Eapen stated that staff will have a discussion with the firm about growing the participation of the MBE's role over the life of the contract.

Mr. Dubow commented about the fact that the insurance market is hardening. He asked if this will affect the College's insurance budget. Mr. Eapen stated that there was a possibility that the insurance costs will go up and once the College gets a broker in place, the broker can start negotiating what will be best for the College. Mr. Dubow asked what is the College's insurance budget. Mr. Sawyer stated that the College's insurance budget is getting close to \$1M.

Last year, the College's insurance renewal was \$948,000. Mr. Sawyer stated that staff is planning that insurance costs will go up this year due to the College's property values being reassessed.

Before the action was taken, Mr. White authorized Mr. Eapen and Ms. Zellers to pursue talking with WillisTowersWatson and report back to Ms. Hernández Vélez regarding a commitment to grow the participation of the MBE over the life of the contract. Ms. Zellers noted that the College needed Board consent tomorrow in order to move the contract forward on-time for renewal. Ms. Zellers also noted that WillisTowersWatson's proposal allowed an early termination clause if the College is unsatisfied with their performance.

Action: Mr. Soileau moved and Mr. Dubow seconded the motion that the Business Affairs Committee recommend to the full Board that the Broker Insurance contract be awarded to WillisTowersWatson for a three-year period in the amount of \$150,000 with two option years in the amount at \$55,000 each year for a total of \$260,000, effective July 1, 2021, with the stipulation that an update will be provided that WillisTowersWatson will consider increasing beyond the MBE's role beyond 10 percent. The motion passed unanimously.

(4) 35 Smart Technology Classrooms (Action Item):

Discussion: Mr. Eapen stated that the College has approximately 300 classrooms and labs, of which 65 have older smart technology. Under the CARES Act, the College has an opportunity to improve its classroom technology. The College went through a bid process and selected the following lowest responsible bidders:

- Troxell Communications – Clear Touch Classroom Technology, Dell Monitors at \$462,342.00
- Bridge Cable - Cable Installations at \$48, 810.30
- IMS Technology Services – One Button Studio and Avaya Telephones at \$18,404.06

Mr. Eapen asked Ms. Henley to report on the demographics of each firm. Ms. Henley stated that Troxell Communications, which has the largest portion of the bid, \$462,324, is located in Philadelphia on South 4th Street. Troxell has 179 employees, of which 32% are minority. Bridge Cable is located in Abington, PA. Bridge Cable has 8 employees, of which 31% are minority. IMS is located in Garnet Valley, PA in Delaware County. IMS has 101 employees, of which 20.6% are minority.

Ms. Hernández Vélez asked around what percentage of the smart technology classrooms are over five years old. Dr. Hirsch stated that 100 out of the approximately 300 classrooms have adequate and updated equipment. Mr. Eapen pointed out that staff will be doing another bid process for additional smart technology classrooms.

See Pricing Summary in Attachment D.

Action: Mr. Epps moved and Mr. Dubow seconded the motion that the Business Affairs Committee recommend to the full Board that the 35 Smart Technology Classrooms project be awarded to the lowest responsible bidders as follows:

- Troxell Communications – Clear Touch Classroom Technology, Dell Monitors at \$462,342.00
- Bridge Cable - Cable Installations at \$48, 810.30
- IMS Technology Services – One Button Studio and Avaya Telephones at \$18,404.06

The total project cost is \$529,556.36 funded through CARES Act institutional dollars. The motion passed unanimously.

(5) Next Meeting

The next meeting of the Business Affairs Committee will be held on Wednesday, March 24th at 9:00 A.M.

The meeting adjourned at 9:21 A.M.

EXECUTIVE SESSION

An Executive Session followed the Public Session.

JE/lm

ATTACHMENT A

Purchase of 500 Dell Laptops



A quote for your consideration.

Based on your business needs, we put the following quote together to help with your purchase decision. Below is a detailed summary of the quote we've created to help you with your purchase decision.

To proceed with this quote, you may respond to this email, order online through your [Premier page](#), or, if you do not have Premier, use this [Quote to Order](#).

Quote No.	3000078693755.1	Sales Rep	Ryan Mcconnell
Total	\$355,125.00	Phone	(800) 456-3355, 6180332
Customer #	8865075	Email	Ryan_McConnell@DELL.com
Quoted On	Feb. 10, 2021	Billing To	ACCOUNTS PAYABLE
Expires by	Mar. 12, 2021		COMM COLLEGE OF
Deal ID	19375458		PHILADELPHIA
			1700 SPRING GARDEN ST
			PHILADELPHIA, PA 19130-3936

Message from your Sales Rep

Please contact your Dell sales representative if you have any questions or when you're ready to place an order. Thank you for shopping with Dell!

Regards,
Ryan Mcconnell

Shipping Group

Shipping To	Shipping Method
WILLIAM BROMLEY COMM COLLEGE OF PHILADELPHIA RCVNG DOCK ON 16TH ST BTWN SPRING GARDEN & CALLOWHIL PHILADELPHIA, PA 19130 (215) 751-8975	Standard Delivery

Product	Unit Price	Quantity	Subtotal
Dell Latitude 3301	\$710.25	500	\$355,125.00

Subtotal:	\$355,125.00
Shipping:	\$0.00
Non-Taxable Amount:	\$355,125.00
Taxable Amount:	\$0.00
Estimated Tax:	\$0.00
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Total:	\$355,125.00

Special lease pricing may be available for qualified customers. Please contact your DFS Sales Representative for details.

Shipping Group Details

Shipping To WILLIAM BROMLEY COMM COLLEGE OF PHILADELPHIA RCVNG DOCK ON 16TH ST BTWN SPRING GARDEN & CALLOWHIL PHILADELPHIA, PA 19130 (215) 751-8975	Shipping Method Standard Delivery
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Dell Latitude 3301	Quantity	Subtotal
Estimated delivery if purchased today: Feb. 18, 2021 Contract # C000000009247 Customer Agreement # COSTARS 003-051	\$710.25 500	\$355,125.00

Description	SKU	Unit Price	Quantity	Subtotal
Dell Latitude 3301 BTX	210-ASBG	-	500	-
8th Generation Intel Core i5-8265U Processor (4 Core,6MB Cache,1.6GHz up to 3.90 GHz)	379-BDKU	-	500	-
Win 10 Pro 64 English, French, Spanish	619-AHKN	-	500	-
No Microsoft Office License Included – 30 day Trial Offer Only	658-BCSB	-	500	-
Integrated Intel(R) UHD Graphics 620 for i5-8265U Processor with 8GB Memory	338-BRRG	-	500	-
8GB LPDDR3 2133MHz	370-AFRL	-	500	-
M.2 256GB 2230 PCIe Class 35 Solid State Drive	400-BCEC	-	500	-
SSD Bracket	400-BFNT	-	500	-
13.3" FHD (1920 x 1080) TrueLife Non-Touch, Camera & Microphone, WLAN Capable, Aluminum	391-BEMN	-	500	-
Palmrest with no security, non-backlit	346-BFOL	-	500	-
Single Pointing Non-backlit Keyboard, English	583-BFRL	-	500	-
Wireless Bluetooth Driver	555-BEZO	-	500	-
Wireless 9560 card	555-BEXU	-	500	-
No Mobile Broadband Card	556-BBCD	-	500	-
4 Cell 52WHR Battery	451-BCKK	-	500	-
65 Watt AC Adapter	450-ADTR	-	500	-
No Anti-Virus Software	650-AAAM	-	500	-
No Media	620-AAOH	-	500	-
US Power Cord	537-BBBL	-	500	-
Quick Start Guide for 3301	340-CMHB	-	500	-
No Carrying Case	460-BBEX	-	500	-
Service and Support Guide MUI, English/French	340-CMGZ	-	500	-
Fixed Hardware Configuration	998-DOWT	-	500	-
Regulatory Label, FCC	389-DPGZ	-	500	-
Dell Client System Update	340-AATY	-	500	-

Dell Digital Delivery Cirrus Client	340-AAUC	-	500	-
SupportAssist	525-BBCL	-	500	-
Waves Maxx Audio	658-BBRB	-	500	-
Dell Developed Recovery Environment	658-BCUV	-	500	-
Dell Power Manager	658-BDVK	-	500	-
Software for Latitude 3301	658-BEGV	-	500	-
Direct Ship Info Mod	340-AASO	-	500	-
System Shipment, Latitude 3301	340-CMHF	-	500	-
MIN CONFIG BOX PACKAGE MOD FOR WW	340-CMHI	-	500	-
System Ship Info	640-BBJB	-	500	-
ENERGY STAR Qualified	387-BBLW	-	500	-
BTS/BTP Smart Selection Shipment (VS)	800-BBQH	-	500	-
EAN label	389-BKKL	-	500	-
Aluminum Bottom Door	321-BEMF	-	500	-
Aluminum LCD Cover	320-BDDT	-	500	-
EPEAT 2018 Registered (Silver)	379-BDTO	-	500	-
Dell Limited Hardware Warranty Extended Year(s)	975-3461	-	500	-
Dell Limited Hardware Warranty	997-6727	-	500	-
Onsite/In-Home Service After Remote Diagnosis, 1 Year	997-6735	-	500	-
Onsite/In-Home Service After Remote Diagnosis, 2 Year Extended	997-6737	-	500	-

Subtotal:	\$355,125.00
Shipping:	\$0.00
Estimated Tax:	\$0.00
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Total:	\$355,125.00

ATTACHMENT B

Resolution of Support for 2021-22 PDE Capital Applications

FISCAL YEAR 2021-2022 PDE CAPITAL PROJECTS APPLICATIONS

PROJECT NAME: Carry Over Project: Physics Instructional Space Enhancements

The enhancement of the Physics learning environment consists of facilitating an integrated lecture and laboratory approach, providing easy access to technology and space for demonstration, increased and more efficient space utilization for materials handling / storage, and re-structuring of areas for lab preparation that are needed to support the new technologies, the state-of-the-art equipment and evolving pedagogy of the fields of Physics and Engineering Science. This update will include life-safety and improve accessibility throughout. Instructors and students will have technology rich tools for discovering information and acquiring knowledge thus creating an interactive environment that will foster the ability to exchange information and improve the students' learning experience and course outcomes. The estimated costs for the enhancements to the Physics instructional space are \$627,000 which includes all equipment.

Estimated Total Cost of Project	\$627,000
Cash Project	

Simulation / Skills Lab for Nursing & Allied Health Programs

Enhancements are needed in the West Building to create a state of the art simulation/skills lab environment that can be used by the Nursing and Allied Health programs to allow for skill development and interprofessional education and experiences for the students in these programs. The current lab configuration is not optimal and lacks adequate space. The enhancement will allow for better clinical group simulations, coaching and mentoring activities and would allow for additional lab sections to be run simultaneously. Included with the enhancements would be the creation of two dedicated simulation labs with an adjacent control room. The space would mimic a hospital room and have the appropriate technology to live-feed and record the simulations. A small computer room for student use would also be added. With this enhancement there will be student opportunities to experience the lab components of nursing, respiratory, diagnostic imaging, dental and clinical lab technician as part of the Allied Health 101 course. Instructors and students will have better access to technology rich tools for acquiring knowledge that will lead to improved student outcomes.

Estimated Total Cost of Project	\$725,000
Cash Project	

COLLEGE: Community College of Philadelphia

TITLE: FISCAL YEAR 2021-2022 PDE CAPITAL PROJECTS APPLICATIONS
Board of Trustees

BE IT RESOLVED THAT THE BOARD OF TRUSTEES OF THE COMMUNITY COLLEGE OF PHILADELPHIA APPROVE THE SUBMISSION OF PDE APPLICATIONS FOR THE FOLLOWING CAPITAL PROJECTS:

PROJECT

NAME: Carry Over Project: Physics Instructional Space Enhancements

The enhancement of the Physics learning environment consists of facilitating an integrated lecture and laboratory approach, providing easy access to technology and space for demonstration, increased and more efficient space utilization for materials handling / storage, and re-structuring of areas for lab preparation that are needed to support the new technologies, the state-of-the-art equipment and evolving pedagogy of the fields of Physics and Engineering Science. This update will include life-safety and improve accessibility throughout. Instructors and students will have technology rich tools for discovering information and acquiring knowledge thus creating an interactive environment that will foster the ability to exchange information and improve the students' learning experience and course outcomes. The estimated costs for the enhancements to the Physics instructional space are \$627,000 which includes all equipment.

Estimated Total Cost of Project \$627,000
Cash Project

PROJECT

NAME: New Project: Simulation/Skills Lab for Nursing & Other Allied Health Programs

Enhancements are needed in the West Building to create a state of the art simulation/skills lab environment that can be used by the Nursing and Allied Health programs to allow for skill development and interprofessional education and experiences for the students in these programs. The current lab configuration is not optimal and lacks adequate space. The enhancement will allow for better clinical group simulations, coaching and mentoring activities and would allow for additional lab sections to be run simultaneously. Included with the enhancements would be the creation of two dedicated simulation labs with an adjacent control room. The space would mimic a hospital room and have the appropriate technology to live-feed and record the simulations. A small computer room for student use would also be added. With this enhancement there will be student opportunities to experience the lab components of nursing, respiratory, diagnostic imaging, dental and clinical lab technician as part of the Allied Health 101 course. Instructors and students will have better access to technology rich tools for acquiring knowledge that will lead to improved student outcomes.

Estimated Total Cost of Project \$725,000
Cash Project

Date of Board Approval: Jeremiah J. White, Jr.
Chair, Board of Trustees
Community College of Philadelphia
March 4, 2021

ATTACHMENT C

Insurance Brokerage Costs

Summary of The Finalists' Qualifications, Capabilities and Other Relevant Information

Insurance Broker Costs as Proposed

Year	Willis	Gallagher	Gallagher*	CBIZ	Aon
1	\$50,000	\$68,000	\$48,000	\$90,000	\$95,000
2	\$50,000	\$68,000	\$73,000	\$90,000	\$95,000
3	\$50,000	\$68,000	\$73,000	\$90,000	\$95,000
Three-Year Totals	\$150,000	\$204,000		\$270,000	\$285,000
4 Option	\$55,000	\$71,400	\$76,400	\$90,000	\$97,850
5 Option	\$55,000	\$71,400	\$76,400	\$90,000	\$97,850
Five-Year Totals	\$260,000	\$346,800	\$346,800	\$450,000	\$480,700

* Gallagher proposed an alternative payment structure if awarded a five-year contract.

Below is a summary of the finalists' qualifications, capabilities and other relevant information.

- The quality of the firm's responses to the RFP in concert with their answers to questions during the interview process, indicated that they understood the service needs of the College, understood the risk factors impacting higher education in general, and CCP in particular, and had the willingness and capacity to support the College's current risk management efforts. Both firms understood the risk trends in higher education and have a Higher Education practice group with specialists that could be utilized should the need arise.
- Both firms presented detailed "state of the insurance market" analysis which indicated that the market has hardened significantly and premiums are expected to increase, with some lines experiencing double digit premium increases. Both firms have access to the same insurance carriers and both have special relationships with United Educators and CM Regent.
- Both WTW and Gallagher have four Pennsylvania community colleges as clients. Overall, Gallagher services 1,300 higher education clients while WTW has 400 higher education clients.
- The credentials of both finalists are solid both with WTW ranked as the third largest global brokerage firm and Gallagher ranked as the fourth. Both firms proposed a dedicated team that included account managers and claims and loss control specialists. The team proposed by WTW has serviced the College's account for a number of years. Their lead team member, Chris Schwyter has been involved with the College's account for over twenty years and their claims advocate and loss control specialists for multiple years. Gallagher's lead team member, Kelley Meier, has familiarity with the College's account having served on the WTW team prior to her joining Gallagher in 2017.
- The WTW was instrumental in providing insurance coverage reviews for the Hamilton Project, and recently was involved in providing an insurance solution for the newly created CCP Development LLC, securing policies required by the College's New Market Tax Credit partners.
- The College would be serviced by local offices. WTW is located in Radnor, PA and Gallagher is located in Mt. Laurel, NJ.
- Gallagher's proposal included a partnership with a minority-owned insurance agency, NRM International, to perform certain project-related risk management services. WillisTowersWatson, during its presentation, noted that they would utilize a local minority firm in a capacity agreed upon by the College at no additional cost. Both firms highlighted their diversity and inclusion efforts in terms of business practices and employees.

ATTACHMENT D

35 Smart Technology Classrooms Pricing Summary

RFP# 10139

Classroom Technology Upgrades - CARES 1

Description	Bridge Cable	Troxell Communications	Total Video Products	Visual Sound, Inc.	Howard Technology Solutions	IMS Technology Services
CARES ACT 1 (35 ROOM / 86" CLEAR TOUCH RETROFIT ROOMS) (TO BE INSTALLED AND INVOICED BY MAY 5th,2021)	\$0.00	\$457,442.00	\$523,225.00	\$537,891.79	\$567,483.20	\$747,991.34
CARES ACT 1 DELL COMPUTER MONITOR PURCHASE (35 ROOM / 86" CLEAR TOUCH RETROFIT ROOMS)	\$0.00	\$4,900.00	\$0.00	\$6,160.00	\$0.00	\$7,018.90
CARES ACT 1 (35 ROOM / ETHERNET CABLE INSTALLATION SERVICES)	\$48,810.30	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CARES ACT 1 (ROOM C3-27 ONE BUTTON STUDIO TECHNOLOGY RETROFIT)	\$0.00	\$39,565.19	\$15,460.00	\$18,933.21	\$14,815.00	\$14,488.61
CARES ACT 1 (35 ROOM / TELEPHONE EQUIPMENT)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,915.45
Awarded Supplier & Amount	\$48,810.30	\$462,342.00				\$18,404.06
Project Total						\$529,556.36

ZOOM MEETING OF THE BUSINESS AFFAIRS COMMITTEE OF THE BOARD OF TRUSTEES

**Community College of Philadelphia
Wednesday, March 24, 2021 - 9:00 A.M.**

Present for the Business Affairs Committee: Lydia Hernández Vélez, Esq., presiding, Mr. Rob Dubow, Mr. Harold Epps, Mr. Steve Herzog, and Mr. Michael Soileau

Present for the Administration: Dr. Donald Guy General, Mr. Jacob Eapen, Ms. Susan Hauck, Ms. Marsia Henley, Mr. Gim Lim, Dr. Shannon Rooney, Mr. Derrick Sawyer, Mr. Vijay Sonty, Mr. John Wiggins, and Victoria L. Zellers, Esq.

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

PUBLIC SESSION

AGENDA

Ms. Hernández Vélez called the meeting to order at 9:04 A.M. and asked Mr. Eapen to begin with first agenda item: Café Management (RFP).

PUBLIC SESSION

AGENDA

(1) Café Management (RFP) (Action Item):

Mr. Eapen stated that on February 12th, RFP #10138 was issued seeking a Tenant to lease and operate the new Library and Learning Commons Café using the e-bid platform, PennBid. There was a mandatory Pre-Bid/Site Tour held on February 22nd which yielded six companies: LeJeune and Associated, LLC (DBE); Saxby's; Starbucks; Canteen/Compass; Heartland Hospitality Group; and Uncle Bobbie's Coffee and Books (MBE). Proposals were due March 16th. Only Saxby's submitted a proposal. Below is a summary of Saxby's proposal.

Mr. Eapen reviewed the following Saxby's Proposal Components:

Saxby's Proposal Components

Lease & Retail Operations Summary:

- Lease – Five (5)-year lease; with two (2), two (2)-year mutually agreed-upon options.
- Rents - Greater of either five percent (5%) of gross annual sales or \$15,000, paid in monthly installments.
- Equipment – Saxby/s will provide the equipment, either new or used in good condition.

- Maintenance – Saxby’s will be responsible for equipment and premise interior maintenance and repairs.
- Menu & Pricing – Saxby’s will set menu options and pricing with College review. Saxby’s will have the right to increase prices once per year. Average price increase will not exceed five percent (5%).
- Signage- Saxby’s and the College will mutually agree on interior signage what can be seen from the exterior.
- Staffing – Saxby’s will hire a Student Café Executive Officer (CEO) to paid a stipend/salary. The Café team will all be CCP students paid a minimum of \$9.50/hr.

Mr. Eapen then reviewed the following Experiential Learning Platform Summary:

Experiential Learning Platform (ELP) Summary

- Café Operations - Completely student operated with the CEO responsible for team development, financial management and community leadership with oversight and support from Saxby’s Management team (VP of Operations, Head of Area Operations & other Saxby support team members).
- Academic Credit – The Student C.E.O. role will be filled by a current student who earns full academic credit (the equivalent of a full semester or 12 credits) through the College.
- Leadership – The Café will have other leadership positions such as Team Leads, Certified Trainers or Certified Recruiters.

Ms. Henley provided the demographics on Saxby’s. She stated that Saxby’s has 701 employees and 28% are diverse. Saxby’s is based in Philadelphia.

Ms. Zellers pointed out that Mr. Nick Bayer is on the CCP’s Foundation Board. However, the College followed its Conflict of Interest Policy, and Mr. Bayer disclosed this information in the Saxby’s bid. Additionally, Ms. Zellers highlighted that Saxby’s appears to be the only café operator that provides student experiential learning-type cafés.

Mr. Epps was curious as to why Saxby’s only submitted a proposal. Mr. Eapen stated that he, Ms. Zellers and Ms. Henley participated in the pre-bid conference. He reported that there were six firms that participated; and staff got the impression the firms were interested but only one firm submitted a proposal. Mr. Eapen added that the College will be responsible for the build-out of the café.

Mr. Epps moved and Mr. Dubow seconded the motion that the Business Affairs Committee recommend to the full Board to enter into a lease with Saxby’s to operate the new Library Learning Commons Café for five (5) years; with two (2), two (2)-year mutually agreed-upon options. The motion passed unanimously.

(2) Catto Scholarship Office Renovations (RFP) (Action Item):

Mr. Eapen reported that the College is renovating the former Student Academic Computer Center (SACC) spaces in the second floor of the Bonnell Building to accommodate the Catto

Scholarship hires. This renovation will require modification of the spaces (three classroom spaces) to include: minor wall relocation, installation of new office walls, door installations and replacements and installation of new finishes (flooring, ceiling and paint), minor electrical and data relocation, and new light fixture installations.

Mr. Eapen stated that the RFP # 10135 was issued February 3rd, a Pre-bid Meeting was held on February 17th where seven General Contractors attended and bid on all trades, four of which were DBEs: Bittenbender (WBE); New Age Development (DBE); The Riff Group (WBE); and LSN (MBE). The RFP yielded 3 responses. See Attachment A for pricing results.

Mr. Eapen stated that the cost of the project is \$313,950. He pointed out that staff budgeted \$480,000 for renovations, and that the College will have to spend roughly \$25,000 for additional HVAC work and also pay for the architect. The furniture costs for the project are separate and are currently being bid.

Ms. Henley spoke to the demographics on Bittenbender. She stated that the Bittenbender is a WBE firm located in Philadelphia. Bittenbender has 49 employees, of which 12% are diverse.

Mr. Dubow moved and Mr. Herzog seconded the motion that the Business Affairs Committee recommend to the full Board to enter into a contract with the lowest responsible bidder, Bittenbender Construction LP, for the Catto Scholarship Office Renovations for the base bid amount of \$313,950 which shall be paid from the Catto funds from the City. The motion passed unanimously.

(3) Purchase of Kaltura Software Platform (Action Item):

Mr. Eapen summarized from the below description on the Kaltura Software Platform by stating that Kaltura is a cloud-based video platform that powers video on demand and live experiences. He stated that Kaltura is a tool needed for faculty by driving student engagement and providing interactive learning. He stated that the Kaltura's tools integrates well with Canvas, the College's Learning Management System. He mentioned that a critical use for video content has been in recording classes for subsequent asynchronous viewing by students. (Please refer to the below description of the Kaltura Software Platform.)

Community College of Philadelphia Educational Need:

Kaltura is a cloud-based video platform that powers video on demand and live experiences increasingly used by faculty in all disciplines to drive student engagement and provide interactive learning. The abrupt switch to all online courses stimulated an immediate and massive acceleration in the use of video as an instructional tool. Common uses for this technology include desktop capture, live streaming, student-produced content, centrally managed video lessons for a wide variety of courses, and archived videos and resources for administrative proposes. This amplified new reality greatly exacerbated the longstanding need for a video management system.

Benefit to Students

Kaltura tools are tightly integrated within the Canvas learning management system (LMS), allowing students to access media galleries as part of a specific course or through the video portal.

Students can use it to view recorded presentations, supplementary materials, communicate with their instructors, and more. Kaltura enables students to record content for assignments and share with their instructor and/or fellow students. This is one of many features that Kaltura provides in the base product, instead of an add-on option as with other video management solutions.

A critical use for video content has been in recording classes for subsequent asynchronous viewing by students. The ease of use of Kaltura for lecture capture is a strong Kaltura feature that also provides basic editing capabilities, another feature that is not available in most other products. And since all courses must be accessible to and usable by individuals with disabilities, Kaltura's ability to provide automated machine captioning for all content is invaluable and unique, as it is only available at an added cost with other products. Kaltura has a unique integration with Zoom, enabling automatic ingestion of recorded Zoom sessions for centralized management and publishing. Moreover, Kaltura has the unique ability to share this content across multiple sites, and the capacity to leverage its unlimited storage.

Why Kaltura Specifically?

The purchase of Kaltura will ensure a robust and accessible utilization of video campus-wide that no other product can provide, while providing a cloud-based solution to the College's critical video storage requirements. Kaltura is the only solution on the Market that is an open-source video platform. The significance is protection against vendor lock-in, open documentation and APIs, ability to customize and integrate, and a cost-effective pricing model. As the market leader in the EDU space, it continues to deliver new technologies, rolling out frequent updates to their video software and administrative tools.

Mr. Eapen stated that other products assessed were Panapto (3-year total \$287,207) and Echo 360 (3-year total \$342,000) and came in significantly higher than Kaltura (3-year total \$120,780). He stated that Kaltura was the best product for the College's environment. Mr. Eapen reported that institutional CARES Act dollars will be used for the first year. However, the second and third year is subject to the DOE (Department of Education).

Ms. Henley reported on the demographics of Kaltura. She stated that Kaltura is based in New York. Kaltura has 134 employees, of which 23% are diverse.

Mr. Epps moved and Mr. Herzog seconded the motion that the Business Affairs Committee recommend to the full Board the purchase of a 36-month license for the Kaltura software platform in the amount of \$120,780. The motion passed unanimously.

(4) Marketing and Website RFP (Action Item):

Mr. Eapen stated that in January 2021, the College issued an RFP for branding, marketing and website services. A total of 16 agencies bid on the project, and the RFP evaluation committee asked 5 to conduct presentations on their work before identifying two finalists. Dr. Generals met with both finalists and agreed with the committee's unanimous recommendation to award the work to the South Philadelphia-based firm P'unk Ave. The engagement is expected to last up to 18 months and the estimated investment over that engagement is an amount not exceed \$759,441. Deliverables from the project include extensive research and reporting about market

opportunities and the College's reputation as well as a new visual identity system and a new website.

Please note the following attachments:

Attachment B – Evaluation Committee

Attachment C – Evaluation Criteria

- Narrowing 16 Bidders to 5 Bidders
- Narrowing 5 Bidders to 2 Finalists

Attachment D – Price Breakdown for Five Bidders

Dr. Rooney recapped that the project was presented in a Board session in the Fall. She stated that this is a 3-phase project. The first phase entails that the firm do a qualitative and quantitative marketing analysis and perception study of the College among faculty, staff, students, alumni, citizens, City officials, and business partners. The second and third phases will produce a new logo and brand book. Dr. Rooney mentioned that given the scope of this work, the Evaluation Committee had a very engaged RFP process. She stated that the decision from the Evaluation Committee was unanimous, and that Dr. General concurred that P'unk Ave brings a unique understanding of the City of Philadelphia.

Mr. Soileau stated that this project will support the various organizations across the College, deliver a meaningful Capital Campaign, enable the College to reach the aspirations related to the Aspen, and enable the College to engage our alumni in a meaningful way. He stated that he was impressed by the passion and enthusiasm that P'unk Ave displayed on the role that community college plays.

Mr. Epps suggested that the remaining Board members would benefit from viewing the presentation. The Committee concurred.

Ms. Henley provided the demographics on P'unk Ave. She stated that P'unk Ave has 27 employees, of which 25% are diverse. P'unk Ave has five owners, one of whom is African American which makes the company 20% African-American owned. Ms. Henley stated that the firm is based in South Philadelphia.

P'unk Ave's cost proposal was discussed with the Committee. Mr. Soileau requested that a 10% contingency be built into the approved amount of \$759,441. Mr. Epps asked if the project was budgeted. Mr. Eapen responded that \$250,000 is budgeted this year; and that the remaining amount will be budgeted in FY 2022. Mr. Dubow asked if the company was okay to be paid the \$250,000 in this year, and the remaining amount in the following year. Dr. Rooney responded in the affirmative.

Mr. Epps moved and Mr. Herzog seconded the motion that the Business Affairs Committee recommend to the full Board to enter into a contract with P'unk Ave for the Marketing and Website RFP in an amount of \$759,441 plus a 10% contingency for a period of up to 18 months. The motion passed unanimously.

(5) Data Center Network Infrastructure Upgrade Contract with Graybar Electric Company, Inc. for \$598,816 (Action Item):

The data center is serving a critical role in expanding capabilities for the enterprise networking. This architecture consists of core routers, aggregation routers, and access switches. Getting CCP ready for hybrid cloud and modern cloud applications will require us to modernize all aspects of our IT framework: Infrastructure, Networks, Applications, and Data Center.

Current Landscape:

- Updated network and security requirements leaves the current network deficient
- Aging equipment that are/approaching end of life

Risks Identified:

- Multiple single points of failure resulting in prolonged outages
- Security deficiencies leaves data and systems vulnerable

Our goal is to replace both end-of-life Cisco 6509 Catalyst Core Switches and the Cisco 3705X-48 Edge Switches at the Main Campus and Northeast regional center data centers allowing for high availability, high performance, and increased ease of management.

On October 31, 2020 Cisco announced the end-of-sale and end-of-life dates for our Core and Edge Switches. The last date that Cisco Engineering may release any final software maintenance releases or bug fixes is October 30, 2021. After this date, Cisco Engineering will no longer develop, repair, maintain, or test the product software.

The RFP bid consists of hardware/software/support to replace our current Cisco 6509 switches and Cisco Catalyst 3750X-48 located at Main Campus and NERC and added 35 new wireless access points. The only responsible bid was received from Graybar Electric Company, Inc.

Mr. Eapen requested that Mr. Sonty report on the item. Mr. Sonty stated that the College's current network infrastructure is approximately 12-13 years old. It is actually near end of life. As of September of this year, the infrastructure in place will no longer be supported. He stated that the current system has many networking components. Mr. Sonty stated that this proposal entails the upgrade of the Data Center network infrastructure, as well as the Core and Edge switches and 35 new wireless access points. Overall, Mr. Sonty stated that this a cost-effective proposal and will give the College 10-15 years of life with built-in safety mechanisms.

Mr. Eapen stated that this purchase can be accomplished using CARES Act institutional dollars including a three-year maintenance and support.

Ms. Henley reported on the demographics of Graybar. She stated that Graybar is a national company with a local office in Philadelphia. Graybar's local demographics are: 78 employees, of which 18% are diverse.

Mr. Soileau asked who is the manufacturer of the equipment. Mr. Sonty responded that it is Cisco. Mr. Epps requested that Mr. Sonty talk more about the life span of the equipment. Mr. Sonty stated that in a higher education setting, the network infrastructure life's span is 10 years, and that the College's system is around 12-13 years old. Mr. Epps asked why only one bid was received. Ms. Henley stated that the second bid was non-compliant. The firm did not submit any documentation that was requested through the College's bid process posted *via* PennBid. Additionally, Ms. Henley stated that the second bid was not the lowest bid.

In response to a question posed by Mr. Dubow, Mr. Eppen stated that if the College was not able to use CARES Act institutional dollars, then the College was planning to use funds from the reserve for technology.

Mr. Herzog moved and Mr. Epps seconded the motion that the Business Affairs Committee recommend to the full Board that the Data Center Network Upgrade Project be awarded to Graybar Electric Company, Inc. at the total cost of \$598,816 which includes a three-year maintenance and support. The purchase shall be made using CARES Act institutional dollars. The motion passed unanimously.

The Public Session adjourned at 9:28 A.M.

EXECUTIVE SESSION

An Executive Session followed the Public Session involving various legal matters.

JE/lm

ATTACHMENT A
Pricing Results
Catto Scholarship Office Renovations RFP

Reference Number	Description	UOM	Quantity	Bittenbender Construction LP. (WBE)	PARKOROURKE Assoc.	New Age Development Group (DBE)
Base Bid Summary				\$313,905.00	\$379,375.00	\$408,006.00
100	General Construction for RFP#10135	Lot	1	\$148,675.00	\$161,375.00	\$155,166.00
200	HVAC for RFP#10135	Lot	1	\$66,765.00	\$79,800.00	\$112,447.00
300	Fire Suppression for RFP#10135	Lot	1	\$7,650.00	\$15,400.00	\$20,727.00
100	Electrical Construction for RFP#10135	Lot	1	\$90,815.00	\$122,800.00	\$119,666.00

ATTACHMENT B

Evaluation Committee for the Marketing and Website RFP

Michael Soileau – Member of the Board of Trustees

Roz McPherson – Member of the Board of Trustees

Shannon Rooney - Vice President, Enrollment Management & Strategic Communications

David Thomas - Vice President, Strategic Initiatives & Community Engagement

Pam Carter - Dean of Business & Technology

Eve Markman - Executive Director of Creative Services

Kris Henk – Executive Director of Marketing

Vijay Sonty - Associate Vice President for Information Technology

Carol de Fries - Director, Academic and Student Success Operations

ATTACHMENT C
Evaluation Criteria for the Marketing and Website RFP
Narrowing 16 Bidders to 5 Bidders

Evaluation Criteria*

Project Team - Experience, Qualifications & Commitment to Project Goals

Firm - Experience and Past Project Performance on similar projects within the last 7 years.

Method for Accomplishing the Scope of Work - Organization of work, Unique Capabilities, Understanding appropriate level of effort required (hrs./tasks) etc.

Mission alignment with College's values

Capacity to do work that is innovative in the field

Commitment to Diversity & Inclusion

Price (Financial Proposal)

Quality and thoroughness of proposal

Evaluation Criteria for the Marketing and Website RFP – Narrowing 5 Bidders to 2 Finalists

Evaluation Criteria*

Project Team: Does team exude interest in and understanding of this project? Do they demonstrate the capacity to connect with our constituents? Does the agency and their subcontractors have the breadth and depth of expertise we need for all elements of the project? Are they folks we'd like to work with?

Firm: *Has this agency done other relevant work? Did they convey an understanding of similar projects or mission alignment?*

Project Plan: Did the agency convey an understanding of breadth of work? Does their plan for completion seem sound? Is it adequately in-depth in each phase?

Mission alignment: Did the agency convey an understanding of CCP's fundamental values and needs?

Creative quality: Did the agency's creative work (design and copy) inspire or excite you? Was it unique in the field?

Conceptual quality: Did the concept(s) behind the case studies and shared work from the agency convey capacity for innovative work?

ATTACHMENT D
Price Breakdown for Five Bidders
Marketing and Website RFP

Below is the price breakdown for five bidders:

LevLane: \$836,800.00

P'unk: \$759,441.00

JPL Paskill Stapleton & Lord: \$473,900.00

VisionPoint: \$309,377.50

Littlem Giant Creative: \$112,100.00

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

MINUTES

Thursday, March 4, 2021

1:00 p.m.

Zoom

Presiding: Ms. Fulmore-Townsend

Committee

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

College

Members: Ms. de Fries, Dr. Generals, Dr. Hirsch, Dr. Roberts, Dr. Rooney, Dr. Thomas

Cabinet

Members: Ms. Witherspoon, Dr. Zanjani

Guests: Mr. Asencio, Dr. Iepson, Mr. Perkins, Dr. DiRosa, Dr. Scoles, Dr. Sweet

(1) Executive Session

There were no agenda items for the Executive Session.

(2) Public Session

(a) Approval of the Minutes of February 4, 2021

The minutes were approved unanimously.

**(b) Update on the Academic Program Review Recommendations: Liberal Arts:
Honors and Behavioral Health/Human Services**

Liberal Arts: Honors Audit Update

Dr. Iepson provided an update on the recommendations for the Liberal Arts: Honors program from the November 5, 2020 meeting. Dr. Iepson, who has assumed responsibility for the Liberal Arts: Honors program at this time, described how the program has completed the environmental scan, market analysis, and a review of student characteristics. Surveys have been sent to current students and students who were invited to join the program but did not. This input will help the program determine how to recruit and retain students more effectively. The program will also be completing a focus group with faculty from other divisions in March to uncover

ways that the Liberal Arts: Honors curriculum can collaborate with other divisions. The division's new assistant dean, who was the Honors coordinator at her previous institution, has provided helpful information on growing the program. Articulation agreements are being pursued with Shippensburg University and Thomas Jefferson University. The program is developing academic and proficiency certificates so that if a student takes Honors courses but does not complete the Honors degree, they can still receive recognition for their Honors work.

Action: The Student Outcomes Committee unanimously recommends the program complete an additional progress report to be presented at the June meeting.

Behavioral Health/Human Services Audit Update

Dr. Scoles, the new program coordinator, explained that the program completed an environmental scan and received input from 27 area agencies. Over the past several months, he has met with the Mayor's Commission on Addiction and Recovery and the Faith-Based Advisory Board. The program evaluated a variety of agencies in the City for an overview of the program's strengths (such as working with individuals and groups) and areas for improvement (such as enhancing its work on community issues). The curriculum is being revised to include a trauma course in the curriculum (to begin in Fall 2021) and address issues such as social determinants of health and disparities that exist in the community. The program has also surveyed both students and faculty. Overall, the program needs to do more outreach in the community while also bringing community concerns (e.g., intimate partner violence, addiction studies, elder care, youth development) into the program more; many students are impacted by such issues. The program developed an extensive assessment plan, which helped provide direction for the environmental scan. The program currently has two practicum experience courses and hopes to expand placements beyond diagnostic counseling placements to include work with more community agencies, community health issues, and education. The program will continue to work with students after they graduate and find employment so that they can continue their studies while working.

Action: The Student Outcomes Committee unanimously recommends the program complete an additional progress report to be presented at the June meeting.

(c) I Am More: Reentry Engagement Program

The College has recently revamped its reentry program; Mr. Perkins, Director of Center for Male Engagement and now for Student Transition Success, presented on the new *I am More: Reentry Engagement Program*. Currently in Philadelphia, about 25,000 returning citizens are released each year from prison; most are undereducated, disproportionately Black, under 40 years old, and are returning to the highest poverty rates of the City. Within this context, there is a 33.9% recidivism rate. The City hopes to reduce this to 25% within the next five years; with the *I am More: Reentry*

Engagement Program, the College is contributing to these City-wide efforts. The Reentry Support Program has existed at the College since 2010 and enabled the College to work with a variety of partners. The grant for this program ended in November 2020, which provided the College the opportunity to revamp the program with a new name and director. The new program has a more positive message to destigmatize being a returning citizen and support students in their decisions going forward. The *I am More: Reentry Engagement Program* is fully integrated across the College with wrap-around services, including monitoring student progress with Starfish. The program has two pathways – non-credit (workforce development) and credit programs. The goal is to recruit at least 150 students over the next three years. The expected outcomes of the program are to increase fall-to-fall retention (target is at least 50% retention); to increase students who remain in good academic standing; and to reduce recidivism.

The program includes for students: personal support coaches; academic supports (e.g., advising, career and leadership development); life skills development; and mentorship. Eligibility requirements include enrolling in a College program; having been sentenced and served in a correctional facility; and signing a participation agreement, which holds the student accountable to be an active participant in the program and the College accountable to support the students. Mr. Perkins provided the success story of a student who had been in prison on drug charges, went on to complete a degree at the College, continued his studies at Howard University, and became a 3rd grade teacher in Philadelphia. This student has become a motivational speaker, written a book, and been nominated to represent the City in an Obama administration program. The *I am More: Reentry Engagement Program* allows the College to expand its support to students in their pursuits.

(d) Impact of CARES Act Funds on Student Success

Due to time constraints, this agenda item will be placed on the April 1 agenda.

(e) New Business

There was no new business.

Next Meeting

The next meeting of the Student Outcomes Committee of the Board is scheduled for April 1, 2021 at 1:00 p.m. via Zoom.

Attachments:

Minutes of February 4, 2021 meeting
Program Review Recommendations from November 2020
Liberal Arts: Honors Audit Update
Behavioral Health/Human Services Audit Update
I am More Reentry Engagement Program PowerPoint presentation

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

MINUTES

**Thursday, February 4, 2021
1:00 p.m.
Zoom**

Presiding: Ms. Fulmore-Townsend

Committee

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

Board

Participants: Mr. Dubow, Mr. Epps

College

Members: Ms. de Fries, Ms. Di Gregorio, Dr. Generals, Dr. Hirsch, Dr. Roberts, Dr. Thomas

Cabinet

Members: Dr. Zanjani, Ms. Zellers

Attendees: Dr. Gay, Ms. Maynard

(1) Executive Session

There were no agenda items for the Executive Session.

(2) Public Session

(a) Approval of the Minutes of January 7, 2021

The minutes were approved unanimously.

(b) Catto Scholarship

Dr. Thomas provided information on the Catto Scholarship and addressed four aspects of the program: investment, scholarship, impact, and portrait of the scholars. The City will invest \$47.4 million over the five-year plan. The program will serve 4,500 at full enrollment over that period; this estimate is based on past enrollment patterns. Building on the education continuum from pre-K to community school to the school district and then to a postsecondary credential can lead to better economic outcome for the City and can positively impact retention for those students who would otherwise not attend because of needing to work. Dr. Thomas described the

eligibility requirements for students to take part, including residency, high school diploma, FAFSA, family contribution, and placement for English and math.

Supports go beyond the classroom and include the last dollar scholarship; free bridge program to ensure college “readiness”; and basic needs supports. The basic needs support totals \$1,500 per semester and provides for books/course materials, food, and transportation. The program works with Single Stop to determine challenges students may have (such as childcare challenges). There is a full support staff providing wrap-around services, with more staff being added in other key areas. The Catto Scholarship staff includes an executive director, an associate director, three success coaches, a Single Stop specialist, and a research analyst, with other positions in the process of being filled. The program is working to ensure the staff mirror the student make-up. Regarding impact, it is expected that the retention rate will increase by 15 percentage points over the current level from one term to another, while the three-year completion rate will increase to 25% by 2025. For all outcomes, an equity lens will be applied to close gaps.

The overall College student population mirrors the City’s population in many ways, and it is expected and will be monitored so that the Catto scholars also mirror the City. As of February 3rd, 95 students have been designated as Catto scholars. The map of zip codes represented by Catto students shows that there is a solid distribution of students across high schools and zip codes. The attached PowerPoint presentation contains additional information on average expected family contributions (EFC) (disaggregated by race) and age. The majority of students are younger than 20 years old, and African-American females comprise the largest group. There are 25 programs of study represented across the 95 Catto students; the most popular are Health Care Studies, Liberal Arts, and Criminal Justice. Regarding placement, most students placed into developmental math (FNMT 016, 017, or 019) and into college-level English that requires a reading/writing support course. Almost half (47%) of the Catto scholars work; most have indicated that they want to work or to continue to work.

It is expected that the program should be at full enrollment (120 students) by the beginning of the second 7-week session. Several students are currently going through the verification process, which has many steps. The program is working with Admissions in Enrollment Management to help students through the verification process. Feedback from eligible students who are not taking part shows that some students simply cannot afford to not work full-time, while some students did not want to start their first year fully online. Many high school students graduating this year are interested in starting in the upcoming fall semester.

(c) Middle States Standards for Accreditation – Standards 3, 4, 5

Dr. Hirsch gave an overview of the standards for accreditation from the Middle States Commission on Higher Education that align with the Committee’s work. All standards now contain an assessment criterion. Standard III (Design and Delivery of

the Student Learning Experience) requires that an institution provide students with an experience that is rigorous, regardless of how it is delivered (e.g., modality, part of term). Dr. Hirsch directed the Committee through the criteria for this standard, which address: programs with coherent curricula that foster student learning; faculty and professional development; publicizing of programs of study; supports and resources; general education (which the College has recently revised to align with Middle States' expectations); 3rd party providers; and assessment. This standard addresses academic program reviews. Standard IV addresses support of the student experience. These criteria encompass: admissions and onboarding; articulation agreements; confidential record-keeping; extra-curricular opportunities; 3rd party providers; and assessment. Standard V addresses educational effectiveness assessment and is a significant component of the self-study. These criteria cover: assessment of learning objectives and goals; a systematic assessment process; using results for improvements (with multiple areas specified); 3rd party providers; and assessment. For each standard, the working groups will be developing research questions that will be addressed in the self-study and will demonstrate compliance with accreditation standards.

(d) College Credit Momentum KPIs

As part of Guided Pathways, the College has been working with the Community College Research Center (CCRC), which has developed momentum key performance indicators (KPIs). The College submits updated data every February. The data presented here is a follow-up to the line graph the Board had seen of Alamo College's data and deemed helpful to review. The first slide presents data on credit accumulation. Research has shown that when students accumulate more credits early in their studies, they are more likely to continue and complete. The data includes both full- and part-time students. There have been increases since 2015-16, when the College began its Pathways work. When the College reviews the data, it must also look at the possible causes. For instance, the KPI for earning 6+ college credits in the first term spiked in 2016, which was when the College made changes to English and math placement.

The second slide presents data on completion rates based on credit accumulation. For each metric, students who met the KPI (6+ college credits in 1st term; 15+ college credits in year 1; etc.) had a higher likelihood of completing their degree within three years. For instance, 46.8% of the Fall 2017 cohort who had earned at least 24 college credits in their first year completed their degree; of those students in the same cohort who earned fewer than 24 credits in their first year, only 5.1% completed their degree within three years.

The third slide provides data on completion of college-level math and/or English in year 1. This metric has proven the most challenging. Regarding completion of college-level English, there were increases for the Fall 2017 cohort when the co-requisite model was first piloted, and again in Fall 2018 when it was fully implemented. However, the percent of students in the Fall 2019 cohort who

completed college-level English in their first year decreased; this may be due to the COVID-19 disruption in Spring 2020. There will be a follow-up to look more closely at the increases in college-level Math completion, including examining disaggregated data. Additional data will be presented to the Committee, including looking at outcomes for career and for transfer programs. Dr. General noted that assessment at the College comprises a multi-tiered and complex system. This system includes assessing course learning outcomes and program learning outcomes to determine specific possible areas for improvement. Dr. Hirsch explained that assessing support services is also part of this system, which is made more complex because of the number of programs and supports the College offers.

Dr. Hirsch then gave a short overview of some recent significant outcomes. When instruction was moved to be completely online last March, this impacted health programs which could not be completely remote, including Dental Hygiene and Diagnostic Medical Imaging (DMI). The College was able to make adjustments to ensure that learning continued in the fall semester. Board exams for both the Dental Hygiene and DMI programs took place in January 2021; 100% of the College's students taking these exams passed them. Additionally, the first cohort for the post-baccalaureate nursing program completed their program in December 2020; all 18 students who took the NCLEX passed that exam. These three programs are examples of how the College was able to come together quickly to effectively support students.

(e) New Business

There was no new business.

Next Meeting

The next meeting of the Student Outcomes Committee of the Board is scheduled for March 4, 2021 at 1:00 p.m. via Zoom.

Attachments:

Minutes of January 7, 2021

Octavius Catto Scholarship PowerPoint presentation

Middle States Commission on Higher Education (MSCHE): Standards of Accreditation and Requirements of Affiliation

College Credit Momentum KPIs

COMMUNITY COLLEGE OF PHILADELPHIA

Academic Program Review Actions

Student Outcomes Committee of the Board

Update on Recommendations: February 25, 2021

Behavioral Health/Human Services

Action: The Student Outcomes Committee unanimously recommends that no action take place until the following documented evidence in three categories is submitted by the designated due dates for the Committee to determine the future of the program:

BHHS Program Leadership

After consideration and conversation with Dr. Sweet, Dean of Liberal Studies, the BHHS program faculty agreed to a change in program leadership. A fresh perspective and a willingness to act is critical to turning the tide for the BHHS program. Dr. Pat Scoles has assumed leadership of the program. Dr. Scoles is Professor in the Behavioral Health/Human Services program and Founder/Director of the Office of Collegiate Recovery, Student Life. He is a Licensed Clinical Social Worker and received his doctorate in Addictions and Health from the University of Pennsylvania (University Scholar), School of Policy and Practice. For more than fifty years, he has been an educator, therapist, teacher, and consultant to treatment facilities, city, and state governments, the criminal justice system, as well as a licensed psychotherapist to chemically dependent individuals and their families. He has published over eighty (80) articles on behavioral health and addiction and three (3) textbooks.

Program Assessment

A fully developed systemic assessment plan – Due January 25, 2021

- Dr. Fran DiRosa, department head and BHHS faculty, created an assessment plan that outlines an assessment plan through Spring 2022. This includes analyzing and following up on assessment data that was collected in 2020 and continued PLO assessment in Spring 2021. These assessments will produce a full cycle of assessment for the program learning outcomes.
- This new plan also includes a complete cycle for course level assessment and a concurrent set of course audits – for relevance, timeliness, and content.

Perform full cycle of assessment based on assessment plan and report detailing cycle's results and next steps– Due June 7, 2021

- As detailed above, the assessment activities from 2020 and this spring will provide a full cycle of assessment that will be analyzed and shared. A set of recommendations based on that assessment will also be provided by June.

Program Development

Perform environmental scan, assessment of need and market analysis – Due February 26, 2021

Abbreviated Summary and Findings from the BHHS Environmental Scan and Market Analysis:

A behavioral health environmental scan refers to collecting and utilizing information regarding events, relationships, and trends in the human services industry. The expectation is that the scan will produce knowledge to help shape BHHS future strategies and objectives. A significant component of the BHHS environmental scan will focus on collecting information from a selection of CCP community partners. All the partners represented were (1) recipients of the services (students), (2) health professionals who deliver the services (healthcare agencies), (3) providers of the educational benefits (BHHS faculty), and (4) policy Advisory Boards and Commission.

A significant number of BHHS students are first-generation college students who require a career program that fully enhances their “path to possibilities.” One unique value proposition of BHHS is being a career-workforce program that prepares students for entry-level employment in the helping professions while also strengthening their opportunity to continue to a four-year institution. Data collected in the environmental scan indicate that a majority of BHHS students work while being enrolled in the program. Students complete the BHHS program as a means of improving their employment prospects in the helping professions. The environmental scan highlights an opportunity to market the BHHS program by responding to human service trends in City State and Federal health care agencies.

According to the Academic Program Review (APR) the following activities must occur:

1. Revise curriculum map and create a Program Revision Plan.
2. Workforce development must be central to sustaining and growing BHHS enrollment.
3. Connect with community and practicum placements.
4. Support practice and emerging trends in the field.

During January and February of the Spring term 2021, the environmental scan was completed by the BHHS program.

- ↗ Twenty-seven (27) community based behavioral health treatment agencies were surveyed. The behavioral health agencies were AMHA, Best Buddies, Brandywine Living, Bridgeway School, Cora Services, DBHIDS staff from community outreach, Episcopal Community Services, Girls Inc, Horizon House, Interim House West, JEVs Work, Merakey, Northeast Treatment Center, Path Inc., Pennsylvania Alliance of Recovery Residences (PARR). Philadelphia Corporation for Aging, Philadelphia FIGHT Community Health Centers, PMHCC, PRO-ACT, Pennsylvania Recovery Organization, Project Home, Inc., Ronald McDonald House, Salvation Army, Transformation to Recovery, *William Way Center*, Women Against, and Women In Transition. (Healthcare Agencies)

- ↗ Two (2) licensed recovery house interviews were conducted with the Executive Director and Community Outreach Coordinator of the twenty-five (25) approved the Pennsylvania Alliance of Recovery Residences (PARR). (healthcare agencies)
- ↗ Two (2) interviews were conducted with both the DBHIDS and Faith-Based Advisory Boards (Philadelphia Regulatory Organizations).
- ↗ One (1) focus group was conducted with the Mayor's Commission on Addiction and Recovery (Philadelphia Regulatory Organizations).
- ↗ Three hundred and thirty-eight (338) student survey responses were completed.
- ↗ Two (2) faculty discussions of BHHS educational activity. (BHHS meetings in Spring term 2021)
- ↗ BHHS Enrollment Trends Data Report

The above environmental scan of twenty-seven (27) agencies and three hundred and thirty-eight (338) students, and five (5) commission/advisory board discussions focused on current policy and practice issues and trends in workforce training that could influence behavioral health education. **Although many issues were reported and discussed, the environmental scan revealed a need for at least three future directions:**

- (1) A Revision of the BHHS Program Learning Outcomes that coherently reflect the needs proposed in the Environmental Scan by the participating constituencies relative to staffing as well as the clients they serve.
- (2) Subsequent consideration of newly developed and revised courses that are more reflective of evolving concerns of the Federal, State, and local behavioral and mental health agencies and commissions- (recognizing the overarching themes of Trauma Informed Care and Population Health)
- (3) Changes in the overall core course requirements that construct a more current and relevant Program Design that prepares students to meet the needs of the workforce community.

Thus, more specifically, the overall response to the programmatic environmental scan indicated the following:

- ↗ **Individual and group counseling skill development.** There continues to be a need for skills in working with both individuals and small groups.
- ↗ **Family and intimate partner violence (IPV).** Knowledge and skills to identify and refer to individuals experiencing partner violence for more comprehensive screening and assessment. **The faculty should consider BHHS 151 (a revision) may be required as a core course requirement.**
- ↗ **Addiction studies.** A significant number of referrals to behavioral health facilities involve drug and alcohol issues. There continues to be strong support for the addiction certificates. **The faculty should consider BHHS 121 as a core course requirement.**
- ↗ **Youth development studies.** There is a continuing need to develop more focused services for youth.
- ↗ **Eldercare studies.** There is a continuing need to develop more focused services for senior adults.

↗ **Trauma-informed care.** Trauma-informed care has now become a cornerstone to effective behavioral health initiatives in the City. **The faculty must consider (BHHS 191) as a core course requirement.**

↗ **Social Determinants of Mental Health** information to guide practice. There is a need to incorporate and expand our vision from public health to a population health perspective. This distinction will allow BHHS students to understand how community health disparities contribute to individual dysfunction. **The faculty needs to develop a population health perspective as a core course requirement.**

Please note that the environmental scan continues to support the historical foundation of the BHHS educational program of focusing on (1) individual skills, (2) group skills, (3) family dynamics, and (4) community health. These four pillars of BHHS education should continue to be the core components of our workforce initiatives by drawing on our history of:

- Recognizing that students must use their strengths to attain their aspirations and goals.
- Exploring and respecting a student's abilities, beliefs, values, support systems, goals, achievements, and resources.
- Identifying, using, building upon, and reinforcing the inherent strengths of the student.
- Limiting the impact of societal problems, family dysfunction, and individual disease by building new coping skills, new interests, community involvement, etc. (recovery capital, protective resilience factors).
- Putting the student at the center and focuses interventions not just for the individual but also on improving availability, access, and adaptation of resources in the community.

The above outcomes of the scan, along with our workforce history, demonstrates that the BHHS faculty must give serious consideration to a program revision for both degree and certificate requirements. The design must reflect the above educational practice concerns and/or behavioral health trends.

Develop program revision design – Due April 2, 2021

- Gathering information – in progress.

Develop revised program – Due September 30, 2021

- Gathering information – in progress.

Enrollment Growth Plan

Develop and launch enrollment growth plan with emphasis on recruitment, enrollment, retention, and completion based on analysis due in February and revision design– Due June 30, 2021

- Gathering information – in progress.

COMMUNITY COLLEGE OF PHILADELPHIA

Academic Program Review Actions

Student Outcomes Committee of the Board

Update on Recommendations: February 25, 2021

Liberal Arts: Honors

Action: The Student Outcomes Committee unanimously recommended that no action take place until the following documented evidence in three categories is submitted by the designated due dates for the Committee to determine the future of the program.

Honors Program Leadership

The Honors Faculty, in cooperation and conversation with Dr. Sweet, decided to change the leadership of the program. All involved agreed that the program needed leadership that could weave together intimate knowledge of the program and students with a new perspective and an eye toward growth and success. As of January 2021, Dr. Sarah Iepson has taken over as Honors Coordinator and will work in direct partnership with Department Chair Osvil Acosta-Morales and other program stakeholders. Dr. Iepson is an Associate Professor of Art History and currently serves as the Chair of the Art Department at the College. She is also the advisor of the Phi Theta Kappa Honor Society. She has been teaching in the Honors Curriculum for about 10 years and has previously served as Interim Coordinator. She is an active scholar of art history, presenting annually at conferences and publishing work in peer-reviewed journals.

Assessment

A fully developed systemic assessment plan – Due January 25, 2021

- Assessment of learning outcomes is one of the areas where specific tasks are being completed this semester in response to the recommendations of the Committee. That work includes a complete redesign of our assessment calendar and processes as well as immediate implementation of the new methodology that reflects best practices for a full assessment of all three Program Learning Outcomes using student data from the Fall 2020 and Spring 2021 semesters. This includes the creation of shared Assessment Rubrics for all course level and program level outcomes.
- This new plan also includes a complete cycle for Course Level Outcomes assessment, beginning in Spring 2021 with the Humanities 101/English 101 courses. The full assessment plan is available for review.

Perform full cycle of assessment based on assessment plan and report detailing cycle's results and next steps– Due June 7, 2021

- As detailed above, the Coordinator will reach back to Fall 2020 to collect assessment data and continue with collection of all program learning outcomes in Spring 2021. This will provide a full cycle of assessment that will be analyzed and shared. A set of recommendations based on that assessment will also be provided by June.

Program Development

Perform environmental scan, assessment of need and market analysis – Due February 26, 2021

Abbreviated Summary and Findings from the Honors Environmental Scan and Assessment of Need:

The goal of the Honors environmental scan and needs analysis is to produce a document that is both useful to the Student Outcomes Committee and also helpful to the Honors program leadership in completing the next step of program development recommended by the Committee: a program revision design (due April 2, 2021). The present scan and analysis aims to collect and interpret relevant data and stakeholder feedback so that the forthcoming program revision proposal can be directly informed by a more clear and complete picture of the strengths, weaknesses, opportunities, and challenges facing the program. Students (current and potential) are an important part of this picture, as are external stakeholders such as our colleagues at transfer institutions.

Working in collaboration with the Osval Acosta-Morales and Dr. Sweet, Dr. Iepson has initiated a variety of efforts to gather information and data from a variety of internal and external sources. Some of the data gathering initiatives have not yet reached fruition, particularly in the areas involving qualitative surveys and focus groups with students and faculty at CCP, both inside and outside the Honors program. Over the next several weeks and months additional valuable data will also become available and subject to further analysis as we initiate new targeted research directions that come from our present analysis and as more data comes in from our activities still in process, including the completion of a full cycle of assessment of all program-level student learning outcomes. However, the current scan provides enough insight to move productively forward.

Process

During January and February 2021, the following elements of the environmental scan were begun and/or completed:

1. Evaluation of student data in relation to Honors. This included data regarding students receiving an invitation to join the program as well as those who took Honors courses and/or graduated in the last 5 years.

2. Formal survey of students – focusing on those who received an invitation to join the program as well as those who took Honors courses and/or graduated in the last 5 years. Informal surveys of current students.
3. Focus group meetings with the Office of Articulation and Transfer, Office of Diversity and Equity, Advising, the Center for Male Engagement, and the Directors of the Catto Scholarship.
4. Evaluation of enrollment trends data.
5. Interview/discussion with Dr. Lisa Sanders (new Assistant Dean in Division of Liberal Studies and previously Director of Saint Peter’s University Honors Program) regarding expansion ideas for the program.
6. Evaluation of Honors Program offerings and experiences at several local, regional, and national Community Colleges.
7. Discussion with Shippensburg University and Jefferson University regarding articulation agreements and student transfer.
8. Discussions with teaching faculty in Honors.
9. Focus Group with faculty at the College who do not teach in Honors in order to gauge perceptions of the program and interested partners.

Items 1-4 above were undertaken with the explicit goal of identifying and addressing problems, gaps, deficiencies, or issues with student enrollment. These surveys focused on issues of demographic balance in the program, equity, access, and perception of the program.

Items 5-9 focus on ways in which the Liberal Arts: Honors curriculum might address development to pull the program in line with similar 2-year programs and to become more attractive to our 4-year transfer partners. Moreover, these items focus on the expansion of the program at the College in order to address enrollment growth, respond to student interests, to diversify and grow course offerings, and to engage new faculty members in the program.

Next Steps and Future Directions

Assessment of the environmental scan outcomes reveals that the program needs to consider the following as future directions for the program:

- Complete the full redesign and implementation of learning assessment processes and reports.
- Address methods for improving retention and graduation – with particular focus on students of color.
- Continue efforts to recruit and collaborate with ethnically and racially diverse faculty
- Continue evaluation, expansion, and diversification of course materials and topics.
- Design a Developmental English on-ramp to the program for students who want to join the program but do not yet meet the requirement in English reading and writing to take Honors courses.
- Creation of a Proficiency Certificate and Academic Certificate as credentials for students on the Honors track but who are pursuing Associates degrees at the College in other areas.

- Expansion and definition of transfer agreements and external partnerships with 4-year institutions and local historical/philanthropic/academic institutions.
- Creation of new opportunities for high-impact practices and student engagement that are in line with those offered by similar 2-year programs in the area including creation of an award for Departmental Distinction to be granted upon graduation.
- Join the National Collegiate Honors Council and Regional Collegiate Honors Council to ensure engagement with fellow institutions and to remain abreast of major movements in the area of Honors offerings and pedagogies.

The environmental scan supports the firm belief held by the faculty of the Honors program that its core learning outcomes are not only consistent with those of other similar 2-year College programs but are of relevance to our transfer partners. Dedication to a rigorous and collaborative academic environment and strong learning community and cohort are fundamental to student success. However, the faculty also recognize believe that the program is ripe for growth and expansion – both in terms of student engagement and academic variation.

Develop program revision design – Due April 2, 2021

- Gathering information – in progress.

Develop revised program – Due September 30, 2021

- Gathering information – in progress.

Enrollment Growth Plan

Develop and launch enrollment growth plan with emphasis on recruitment, enrollment, retention, and completion based on analysis due in February and revision design– Due June 30, 2021

- Gathering information – in progress.

I AM MORE.

REENTRY ENGAGEMENT PROGRAM

The Path to Possibilities.

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“To serve Philadelphia as a premier learning institution where student success exemplifies the strength of a diverse, urban community college.”

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Reentry Support Local Landscape

- According to Philadelphia Reentry Coalition, 25,000 people are released to Philadelphia annually are under-educated, disproportionately Black (66%) and Latino (16%), male (85%), under 40 years old (67%), and return to neighborhoods with the highest poverty rates in the city.
- Bleak economic future defined by un- and underemployment and limited occupational advances, a significant drain on public resources increased social services use, and heightened instances of crimes and criminal injustice.
- Philadelphia's recidivism rate is 33.9% with a goal to reduce it 25% within the next five years, however, as a diversionary strategy, we are poised to continue to support this city-wide effort.

Reentry Support Efforts College's Response

Community College of Philadelphia Commitment

- Since 2010, the College has been committed to supporting students with criminal records and providing access to innovative post-secondary education and workforce training opportunities designed to help them achieve personal, academic, and career goals.

Local Community and surrounding communities

- Positive contributions to public safety, community health, and reducing recidivism throughout Philadelphia while increasing the number of City residents enrolled in higher education.

Reentry Support Program (RSP) Partnerships

- Philadelphia Reentry Coalition, and the RISE office;
- Court of Common Pleas – Criminal Division;
- Philadelphia Department of Prisons; county, state, and federal community corrections (halfway houses and probation/parole);
- District Attorney's Office; the Public Defender Association; and
- University of Pennsylvania's Center for Carceral Communities.

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REENTRY ENGAGEMENT PROGRAM

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I Am More: Reentry Engagement Program

- **Fully Integrated Approach**
 - ✓ Holistic and expanded services
- **Pathways Offerings**
 - ✓ Non-credit (Certificates - Workforce Development)
 - ✓ Credit bearing (Certificates and Associates Degree)
- **Recruitment Goals**
 - ✓ 150 students over three years
- **Outcomes**
 - ✓ Retention (Fall - Fall), Good Academic Standing, and Recidivism

I Am More: Reentry Engagement Program

- **Personal Support Coach**
 - ✓ Planning and prioritizing needs; and monitoring of academic plans
- **Academic Support**
 - ✓ 1:1 and Group Tutoring (In-house); Academic workshops
- **Career Development**
 - ✓ Resume, Cover letter, Job seeking and keeping strategies, Career assessment and exploration
- **Leadership Development**
 - ✓ Facilitated Workshops
- **Life Skills and Personal Development**
 - ✓ Emotional intelligence, Financial literacy, Mental Health, and Restorative Justice Practices, etc
- **Mentorship**
 - ✓ Mentor matches and monthly mentor meetings

I Am More: Reentry Engagement Program

- **Eligibility Requirements**
 - Currently enrolled in a non-certificate or credit bearing program.
 - Been sentenced and served time in a county, state, or federal correctional facility including juvenile detention.
 - Sign an agreement of participation that outlines program expectations.
 - Attend Bi-monthly meetings with support coach
 - Attend tutoring if taking developmental course and professor's office hours
 - Participate in workshops offered during the month
 - Remain in good academic standing.



The Path to Possibilities.

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I Am More: Reentry Engagement Program

- Contact Person: Derrick A. Perkins
- Email: iammore@ccp.edu
- Phone: 267 – 521 – 1786
- [I Am More Reentry Engagement Program | Community College of Philadelphia \(ccp.edu\)](#)

Impact of CARES Act Funds on Student Success

Prepared for: Dr. Samuel Hirsch – Vice President, AASS

Prepared by: Dr. Eric William Shannon – Research and Data Analyst, AQASS

Prepared on: 27-Jan-2021

This document presents a descriptive overview and analysis on the relationship between a student receiving CARES Act Funds and student success as defined by persistence. Although there are many factors that may influence a student's persistence – such as placement levels, new/returning status – this document provides a high level outline of the association between receiving CARES funds and persistence.

Students enrolled in the College in the Spring '20, Summer '20, and Fall '20 terms were the population of interest. Given that the first disbursement is recorded as having taken place *after* the end of the Spring semester, the financial aid year of the disbursement is used. If a student received multiple awards in the same financial aid year, the sum of the disbursements is used.

(For example, if a student was enrolled in Spring '20 received CARES funds in the '19 – '20 financial aid year, they're counted as a student who received funds in Spring '20.)

Table 1: Recipient Dollar Amounts

	Spring 2020/Summer 2020 (Aid Year 19-20)		Fall 2020 (Aid Year 20-21)	
	# of Recipients	% of Recipients	% of Recipients	% of College
\$500	2,278	30.37%	173	9.34%
\$750	66	0.88%	23	1.24%
\$1,000	1,108	14.77%	1,657	89.42%
\$1,100	2	0.03%	-	--
\$1,250	165	2.20%	-	--
\$1,500	3,881	51.75%	-	--
Total Recipients¹		7,500		1,853
College Enrollment		14,690 ²		12,184 ³

- Table 1 displays the number of recipients in each Aid Year by total amount of funds received
 - 7,500 students received funds in the Spring/Summer 2020 terms, with 1,853 students having received funds in the Fall '20 term
 - Of those students who received funds in the Spring/Summer terms, the majority (51.75%) received \$1,500
 - Of those students who received funds in the Fall 2020 term, the vast majority (89.42%) received \$1,000

1 This number represents the total number of *students receiving cares funds*; as such it only represents a portion of the total *College population*

2 This is the unduplicated headcount of Spring 2020/Summer 2020 – if a student is enrolled in both terms they are only counted once

3 This is the unduplicated headcount of Fall 2020 – a student is still counted if they were enrolled in Spring 2020/Summer 2020

Table 2: Recipient vs. Collegewide Demographics

	Spring '20		Summer '20		Fall '20	
	Recipient Population ⁴	College Population ⁵	Recipient Population	College Population	Recipient Population	College Population
Asian	11.34%	10.61%	12.69%	10.73%	12.74%	10.67%
Black Non-Hispanic	48.88%	43.99%	45.24%	42.01%	46.79%	41.37%
Hispanic	15.69%	16.05%	14.48%	14.35%	15.27%	16.87%
Other/Unknown	6.32%	6.98%	6.56%	7.21%	7.29%	7.58%
White Non-Hispanic	17.77%	22.37%	21.04%	25.70%	17.92%	23.51%

- Table 2 displays the demographics of students receiving funds compared to college wide demographics
 - Across all three terms, Asian and Black students are slightly over-represented in CARES funds recipients when compared to college wide representation
 - For example, while in Spring '20 Black students made up 43.99% of all College students, they made up 48.88% of CARES funds recipients
 - Across all three terms, White and Hispanic students are slightly underrepresented in CARES fund recipients when compared to college wide representation

4 "Recipient population" refers to the students who received CARES acts funds

5 "College population" refers to the Collegewide population (both students who did and did not receive CARES funds)

Table 3: Recipient vs Collegewide Gender

	Spring '20		Summer '20		Fall '20	
	Recipient Population ⁶	College Population ⁷	Recipient Population	College Population	Recipient Population	College Population
Female	69.84%	65.66%	74.96%	73.05%	74.24%	68.23%
Male	30.16%	34.34%	25.04%	26.95%	25.76%	31.77%

- Table 3 displays the gender of students receiving funds compared to the college wide gender distribution
- Across all three terms, female students are slightly over-represented and male students are slightly underrepresented when compared to college wide representation

Table 4: Persistence – CARES Recipients vs Non-CARES Recipients

	Spring '20		Summer '20		Fall '20	
	#	%	#	%	#	%
Received Funds	4126	76.69%	1655	78.07%	1430	77.17%
Did Not Receive Funds	4859	60.25%	2451	70.37%	6671	64.57%
Difference		16.44%		7.70%		12.60%

- Table 4 displays the persistence rates of students receiving funds compared to those who did not receive funds
- For the Spring '20 term a student is considered as persisting if they returned to the College in either the Summer OR the Fall
- Across all three terms, students who received CARES funds had a higher persistence rate than students who did not receive funds
- The difference in persistence was largest in the Spring '20 term with a difference of 16.44 percentage points

6 "Recipient population" refers to the students who received CARES acts funds

7 "College population" refers to the Collegewide population (both students who did and did not receive CARES funds)

Table 5: Persistence by Race/Ethnicity

	Spring '20			Summer '20			Fall '20		
	Baseline (Spring '19)	Received Funds	Did Not Receive Funds	Baseline (Summer '19)	Received Funds	Did Not Receive Funds	Baseline (Fall '19)	Received Funds	Did Not Receive Funds
Asian	77.73%	82.62%	64.87%	78.10%	82.90%	74.10%	83.08%	83.47%	72.09%
Black Non-Hispanic	69.66%	73.50%	55.51%	75.03%	77.16%	66.95%	74.41%	75.09%	60.23%
Hispanic	71.59%	79.15%	59.28%	81.73%	77.52%	73.44%	76.72%	77.03%	60.78%
Other/Unknown	70.47%	75.88%	62.27%	75.52%	74.82%	67.55%	77.46%	82.96%	66.03%
White Non-Hispanic	73.33%	79.81%	66.02%	79.19%	78.48%	73.14%	80.35%	75.90%	70.77%

- Table 5 displays the persistence rates of students receiving funds compared to those who did not receive funds within student demographic groups
 - For all terms a baseline term for the previous academic year is included as a comparison group
 - Across all terms and demographic groups, students receiving funds had a higher persistence rate than those students who did not receive funds
 - All demographic groups saw large differences in persistence rates in Spring '20 with smaller differences in Summer '20
 - Aside from White students, the Fall '20 term also saw large differences in the persistence rates of students who did and not receive funds

Community College of Philadelphia

Workforce Subcommittee
Thursday, February 4, 2021
11:00 a.m. – 12:30 p.m.
Minutes

Presiding: Mr. Jeremiah White (Mr. White left the meeting at 12:00 p.m. and turned meeting over to Ms. Ireland to chair the remaining part of the meeting.)

Committee Members Attending: Mr. Bradley, Mr. Clancy, Ms. Fulmore-Townsend, Mr. Herzog, Ms. Ireland (chaired meeting from 12:00 – 12:30 p.m.), Ms. Posoff

College Members and Guests: Dr. Generals, Dr. Gay, Dr. Hirsch, Dr. Rooney, Dr. Zanjani, Dr. Thomas, Ms. Zellers, Ms. de Fries, Ms. Witherspoon, Ms. Washington, Ms. McGarry, Mr. Legge (presenter)

Committee Members Absent: Mr. Bradley

Mr. White called the meeting to order at 11: 00 AM.

1. Mr. White asked the Subcommittee to approve the minutes of the January 25, 2021 meeting Ms. Posoff made a motion to approve. Mr. Clancy seconded. Minutes were approved unanimously.
2. Philadelphia Labor Market Information, Presentation by Ed Legge, Director, Center for Workforce Information and Analysis, PA Department of Labor and Industry, Workforce Development

Sheila Ireland introduced Mr. Edward Legge, who serves as the Director of the Center for Workforce Information and Analysis (CWIA). The Center is part of the PA Department of Labor and Industry and the Workforce Development directorate that she oversees. Mr. Legge's presentation was titled, "**Assessing Employment Demand in the Philadelphia Area**". The presentation was in response to the Committee's questions around labor market data and how this data is used to move the College forward.

Mr. Legge provided a very detailed presentation on assessing employment demand in the Philadelphia area. His presentation focused on more generally the types of information CWIA produces and its role. The information covers both industry related information as well as occupational level information. Mr. Legge provided detailed information on recent/current employment situation in Philadelphia. This included a general Philadelphia County

Geographic profile, Industries of Interest, New Hire Information, Real Time Dashboards covering Unemployment Claims, and Job Postings, and online job postings. He then shifted to a presentation on Employment Outlook, including long-term projections from 2018-28 for industry and occupation in Philadelphia County, a summary of fastest growing occupations comparing Pennsylvania versus Philadelphia County, and a percentage breakdown of educational requirements for local jobs for Philadelphia. Mr. Legge noted that the breakdown for Philadelphia for the Educational Requirements for local Jobs was 46.4% Today (high school plus one year of training), 20.6% Tomorrow (Associates), and 32.9% for Future (Bachelors). This compared to the State breakdown of 52% Today, 23% Tomorrow, and 25% Future. Mr. Legge ended his presentation with a look at High Priority Occupation (HPO) data specific for Philadelphia. Mr. Legge provided an overview of the differences between HPO and PA IDOL (In Demand) information in terms of goal of data, geography, timeframe, data focus, coverage, adding occupation and relevance for CTE.

There were robust questions throughout the presentation. Of particular interest was how much of the data can be broken down by race, ethnicity and gender especially at the state and local level around specific job occupations; how the data captures gig workers and if COVID has impacted the number of discouraged workers, those who have given up looking for work and who aren't captured in a lot of the data presented. Mr. Legge also noted that more forward forecasting for the state, city and region is forthcoming.

The presentation helped the Subcommittee members better understand the importance of labor market data and how that can help identify where growth is happening in Philadelphia and where we should be targeting the efforts of workforce development. Members also noted that education of the community and demystifying stages of career development are important aspects of promoting the College's programs aligned with workforce development. Dr. Generals asked if the fastest growing jobs data is available regionally. The State breaks out information based on each county. He can see if that can be aggregated for us. Mr. Clancy also noted that Philadelphia Works also looks at regional labor market information.

Finally, Ms. de Fries requested if CWIA could access employment data of our students. Mr. Legge indicated that the College is viewed as a public entity and therefore we could either enter into a direct agreement or through Philadelphia Works. This needs to be discussed in more detail.

3. Overview of CCP's Use of Labor Market Information – Ms. de Fries provided an overview of labor market information that the College uses, reviewing a variety of data sources we access. Ms. de Fries described to the subcommittee how the College uses this information including helping to inform industry and pathways where the College needs to focus its efforts, the occupational programs that it needs to create, and how to inform any adjustments that are required to the curriculum. We also use it to inform students about important aspects of job availability in the market, and wages attached to the careers. We use it to ensure that our staff are aligned with the important industries in our service area to help inform their conversations with employers and students. Ms. Ireland asked that at a future meeting Carol and Sam create a process map for how this information is used in the creation of a program. She gave the example of Massage Therapy, as a way to walk the subcommittee through how this gets applied in that process. How do we decide to proceed with Massage Therapy, how long does it take to

create a program, how long to get it up and running, and what are the data points used to evaluate success. Ms. Fulmore-Townsend asked for the flowchart from a student perspective, and how they can navigate career programs. Ms. Posoff asked for an example with an employer attached to the program.

4. Community College Workforce Case Studies – This topic was deferred to a future meeting given time limitations.

The meeting adjourned at 12:37 p.m.

Attachments: CWIA Presentation, CCP Labor Market Overview, Community College Workforce Case Studies

Assessing Employment Demand in the Philadelphia Area

Ed Legge, Director (elegge@pa.gov; 717-787-8646)
Center for Workforce Information & Analysis (CWIA)
February 4, 2021

Who is CWIA?



CWIA (Center for Workforce Information & Analysis) is a bureau within L&I that produces workforce and economic statistics and analysis.

CWIA's key roles:

- Provide labor market information (LMI) products & services to wide range of customers
- Measure and report on PA's labor force (employed and unemployed), employers, industries, occupations, wages, and skills through various products & services
- Calculate performance and outcome metrics for workforce program participants
- Perform data analysis and reporting on Unemployment Compensation program activities

CWIA website: www.workstats.dli.pa.gov

Customer Service: 877-493-3282 (877-4WF-Data) or Email: workforceinfo@pa.gov

1

Research & Historical Data

Products

Learning Center



2

Online Job Posting Data

By Workforce Development Area

View Now



3


- Media Center
- Glossary
- Products A to Z
- Products by Geography
- LMI Forum
- What's New?

COVID-19 Cases Are At An All-Time High. It's More Important Than Ever To Wear A Mask, Keep Your Distance, And Download The COVID Alert PA App.

POPULAR ON WORKSTATS.DLI.PA.GOV

Last 24 Hours	Last 7 Days	Last 30 Days	Last 365 Days
County Profiles		High Priority Occupations (HPOs)	
Monthly News Releases		Top 50 Employers & Industries	
PA Unemployment Compensation Activity		Research & Historical Data	
Weekly UC		Products A to Z	
Career Guide		Unemployment Compensation	

Products A to Z

- [Actuarial Evaluation](#)
- [Areas of Interest*](#)
- [Career Guide*](#)
- [Career Posters*](#)
- [Civilian Labor Force Packet](#)
- [County Profiles*](#)
- [Economic Review of PA*](#)
- [e-Learning Videos*](#)
- [Employment by Size Code](#)
- [Equal Employee Opportunity \(EEO\) Data](#)
- [Forecasts, Occupational/Industries*](#)
- [High Priority Occupations \(HPOs\)*](#)
- [Industries of Interest*](#)
- [Industry Clusters](#)
- [Job Skills*](#)
- [Labor Surplus Areas](#)
- [LMI Dashboards*](#)
- [LMI Programs Overview](#)
- [Minimum Wage Reports*](#)
- [Monthly News Releases*](#)
- [New Hires](#)
- [Occupational Outlook Handbook](#) 
- [Occupational Videos](#)
- [Occupational Wages](#)
- [OES FAQ Report](#)
- [PA In-Demand Occupations List \(PA-IDOL\)*](#)
- [PA Monthly WorkStats*](#)
- [PA Quarterly WorkStats*](#)
- [PA Unemployment Compensation Activity*](#)
- [Pennsylvania Profile](#)
- [Pennsylvania's Projected Job Skills*](#)
- [Presentations*](#)
- [A Profile of Pennsylvania's Unemployed](#)
- [Projections, Occupational/Industries*](#)
- [Standard Occupational Classification \(SOC\) Dictionary](#)
- [Statewide Average Weekly Wages \(SAWW\)](#)
- [Survey of Occupational Injuries & Illnesses \(SOII\)](#)
- [Survey of Pennsylvania's Unemployment Compensation Recipients](#)
- [Top 50 Employers & Industries](#)
- [Top 50 Job Skills Reports*](#)
- [Veterans in PA](#)
- [Workforce Development Area \(WDA\) Profiles*](#)

Industry versus Occupation



- Much of CWIA's data is assigned by:
 - **Industry** or
 - **Occupation**

- While these terms are often used interchangeably, they are in fact very different when it comes to data.
 - **Industry** refers to the type of business or organization where an individual works
 - **Occupation** refers to the job duties that an individual actually performs at their place of work

- An industry has workers in various occupations while a single occupation can be found in many different industries.

Example:

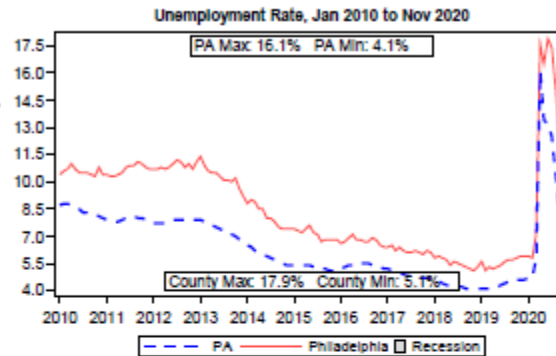
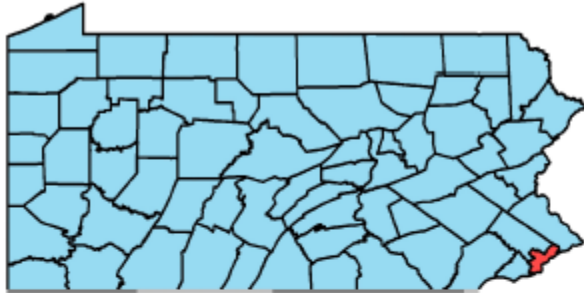
 - **Industry** – Hospital or Residential Construction
 - **Occupation** – Registered Nurse or Carpenter

Recent/Current Employment Situation

Geographic Profiles

Philadelphia County Profile

January 2021



2019 Population		
Demographic	County	PA
Total Population	1,579,075	12,791,530
Female	631,596	6,526,417
Male	747,479	6,265,113

Population by Race		
White	40.7%	80.5%
Black	42.1%	11.2%
Other	17.2%	8.3%
Hispanic Origin (all races)	14.7%	7.3%

Population by Age		
Ages 0 to 17	21.9%	20.8%
Ages 18 to 24	10.1%	9.2%
Ages 25 to 34	18.9%	13.1%
Ages 35 to 44	12.4%	11.7%
Ages 45 to 54	11.7%	13.2%
Ages 55 to 64	11.6%	14.1%
Ages 65 to 74	7.7%	10.0%
Ages 75 and Older	5.8%	7.9%
Median Age	34.4	40.8

Source: U.S. Census 5 Year Estimate 2015-2019 (Tables: DP05 and B01001)

2019 Veterans		
	County	PA
Total Veterans	58,670	759,474
Median Veteran Income	\$33,418	\$38,725

Local Area Unemployment Statistics		
Nov 2020	County	PA
Unemployment Rate	9.8%	6.6%
Labor Force	711,500	6,333,000
Employed	642,100	5,915,000
Unemployed	69,400	418,000

Notes: Current month's data are preliminary. Data are Seasonally Adjusted.

Unemployment Compensation Exhaustees				
Pre-UC Industry	Dec 2019 to Nov 2020		Percent of Total	
	County	PA	County	PA
Natural Resources & Mining	20	3,590	0.0%	1.0%
Construction	2,440	28,130	4.0%	8.5%
Manufacturing	2,320	30,370	4.0%	9.0%
Trade, Transportation & Utilities	10,030	63,760	16.5%	19.0%
Information	650	4,310	1.0%	1.5%
Financial Activities	1,870	10,660	3.0%	3.0%
Professional & Business Services	8,210	47,960	13.5%	14.5%
Education & Health Services	12,280	46,920	20.5%	14.0%
Leisure & Hospitality	18,690	77,590	31.0%	23.0%
Other Services	2,840	15,300	4.5%	4.5%
Government	620	2,630	1.0%	1.0%

Monthly compilation of selected economic, geographic and demographic data for all PA counties. Similar documents for the state and each Workforce Development Area.

This statistical snapshot includes information in the following areas:

- Map with the county highlighted
- Population of the county
- Online Job Postings
- Labor Force and unemployment rate
- Personal income
- Major employers
- Employment & wages by industry sector
- Wages by major occupational group

Industries of Interest (IOI)



- Definition: Year-over-year employment growth/decline of at least five percent and a net employment gain/loss of at least 25.
- Source: Quarterly Census of Employment & Wages; 1st Quarter 2020
- Coverage: All employment by NAICS code (down to six digit detail)
- Geography: PA, Workforce Development Area and County
- Format: Excel and PDF files; Interactive Dashboard

WDA	Industry Code	Industry Description	Employer Change from 2019q1	Establishment Change from 2019q1	Employment 2020q1	Employment Change from 2019q1	Percent Change from 2019q1	Type of Change
3-Digit								
Philadelphia County WDA	237	Heavy and Civil Engineering Construction	3	3	3,571	185	5.5%	LT_Growth
Philadelphia County WDA	238	Specialty Trade Contractors	81	82	6,096	-540	-8.1%	LT_Decline
Philadelphia County WDA	311	Food Manufacturing	5	5	4,424	214	5.1%	LT_Growth
Philadelphia County WDA	325	Chemical Manufacturing	4	4	1,839	197	12.0%	Growth
Philadelphia County WDA	334	Computer and Electronic Product Manufacturing	-2	-2	276	-35	-11.3%	Decline
Philadelphia County WDA	335	Electrical Equipment, Appliance, and Component Manufacturing	-1	-1	525	-114	-17.8%	LT_Decline
Philadelphia County WDA	336	Transportation Equipment Manufacturing	1	1	1,614	-346	-17.7%	LT_Decline
Philadelphia County WDA	423	Merchant Wholesalers, Durable Goods	-2	-2	4,827	-502	-9.4%	LT_Decline
Philadelphia County WDA	444	Building Material and Garden Equipment and Supplies Dealers	-1	-1	2,376	145	6.5%	Growth
Philadelphia County WDA	454	Nonstore Retailers	9	10	2,067	423	25.7%	LT_Growth
Philadelphia County WDA	484	Truck Transportation	77	77	1,460	75	5.4%	LT_Growth
Philadelphia County WDA	492	Couriers and Messengers	2	2	5,079	1,719	51.2%	LT_Growth
Philadelphia County WDA	493	Warehousing and Storage	-5	-5	2,997	223	8.0%	Growth
Philadelphia County WDA	511	Publishing Industries (except Internet)	18	18	2,870	152	5.6%	LT_Growth
Philadelphia County WDA	512	Motion Picture and Sound Recording Industries	1	2	688	70	11.3%	Growth
Philadelphia County WDA	515	Broadcasting (except Internet)	1	0	1,640	136	9.0%	Growth
Philadelphia County WDA	624	Social Assistance	-150	-152	53,869	3,633	7.2%	LT_Growth
Philadelphia County WDA	713	Amusement, Gambling, and Recreation Industries	30	29	5,328	543	11.3%	LT_Growth
Philadelphia County WDA	721	Accommodation	5	6	7,505	522	7.5%	Growth
Philadelphia County WDA	813	Religious, Grantmaking, Civic, Professional, and Similar Organization	22	25	10,704	527	5.2%	LT_Growth
Philadelphia County WDA	814	Private Households	-37	-37	509	-50	-8.9%	LT_Decline
Philadelphia County WDA	926	Administration of Economic Programs	0	0	2,908	279	10.6%	LT_Growth

New Hires



- New Hires by place of residence measures area residents who obtained employment during the specified quarter. Employment may have been obtained outside of the state. Data are also available by place of work.
- Nearly 62,000 Philadelphia residents were new hires in 3Q20. That was down 23,500 from more than 85,000 in 3Q19.
- The Health Care & Social Assistance sector had the most new hires (15,600), followed by Accommodation & Food Service (10,300); Administrative & Waste Services (5,900) and Retail Trade (5,100).

Industry (NAICS)	2019 Q3 New Hires	2020 Q3 New Hires
Food Services & Drinking Places (722)	12,068	9,140
Social Assistance (624)	12,581	8,439
Administrative & Support Services (561)	8,297	5,436
Educational Services (611)	8,159	4,617
Ambulatory Health Care Services (621)	4,352	4,082
Professional, Scientific & Technical Services (541)	3,356	2,286
Nursing & Residential Care Facilities (623)	3,447	2,192
Clothing & Clothing Accessories Stores (448)	1,278	1,349
Accommodation (721)	1,333	1,181
Couriers and Messengers (492)	976	1,174
Religious, Grantmaking, Civic, Professional & Similar Org'ns (813)	1,494	1,126
Amusement, Gambling & Recreation Industries (713)	1,193	999
Specialty Trade Contractors (238)	1,218	998
Hospitals (622)	1,702	888
Personal & Laundry Services (812)	1,012	815

To be more responsive to customer inquiries, CWIA launched two dashboards in 2020:

- 1) **Unemployment Compensation (UC) Claims** – initial and continued UC claims by County with demographic and industry detail. The dashboard is updated weekly. Adding data on those individuals who exhaust their UC benefits in the near future.
- 2) **Job Postings** – summary of recent online job postings for the state and each Workforce Development Area (WDA). Aggregations by industry, occupation, employer, etc. Data is updated monthly.

Note: The software used to develop our dashboards has known compatibility issues with Internet Explorer. Please use other browsers for optimal viewing.

Online Job Postings



In December 2020, there were 28,900 online job postings in Philadelphia County.

**Top 10 Postings
by Industry**

Industry	Job Postings
Colleges, Universities, and Professional Schools	1,636
General Medical and Surgical Hospitals	1,300
Direct Health and Medical Insurance Carriers	610
Other Scientific and Technical Consulting Services	599
Cable and Other Subscription Programming	485
Home Health Care Services	318
Commercial Banking	317
Administrative & General Management Consulting Svcs	301
Electronic Shopping	247

Occupation	Job Postings
Registered Nurses	1,338
Managers, All Other	942
Sales Representatives, Wholesale & Manufacturing	893
Software Developers, Applications	735
Medical and Health Services Managers	595
Heavy and Tractor-Trailer Truck Drivers	513
Retail Salespersons	461
Sales Managers	456
Customer Service Representatives	422

**Top 10 Postings
by Occupation**

Employment Outlook

Newly-released 2018-28 industry and occupational local employment projections.

- 1) Long-term employment projections are produced for a 10-year period and are revised every two years (Statewide, Metropolitan Statistical Areas, and Workforce Development Areas).
- 2) Based largely on information from two Bureau of Labor Statistics programs; Quarterly Census of Employment & Wages (QCEW) and Occupational Employment Statistics.
- 3) Projections are meant to span normal economic cycles. They can be used to predict worker demand for the future, to develop/modify training programs to meet that demand, and to help educate job seekers of both today and tomorrow for those opportunities.
- 4) Philadelphia County WDA expected to have a higher growth rate (6.3%) than the state overall (5.0%).

Employment Outlook by Industry



Long-Term Industry Projections for Philadelphia County WDA (2018-28)

Industry	Employment (2018)	Projected Employment (2028)	Employment Change (2018-28)	
			Volume	Percent
<i>Total Jobs</i>	737,140	783,910	46,770	6.3%
Goods-Producing Industries	32,070	32,910	840	2.6%
Agriculture, Mining & Logging	180	160	-20	-11.1%
Construction	12,010	13,150	1,140	9.5%
Manufacturing	19,870	19,600	-270	-1.4%
Services-Providing	665,250	710,860	45,610	6.9%
Trade, Transportation & Utilities	91,450	92,810	1,360	1.5%
Information	10,930	10,150	-780	-7.1%
Financial Activities	39,810	41,010	1,200	3.0%
Professional & Business Services	92,220	98,090	5,870	6.4%
Education & Health Services	248,360	278,400	30,040	12.1%
Leisure & Hospitality	74,080	80,590	6,510	8.8%
Other Services, Except Public Admin.	31,400	32,640	1,240	3.9%
Federal, State & Local Government	77,000	77,170	170	0.2%
Self-Employed Workers	39,830	40,140	310	0.8%

Employment Outlook by Occupation



Long-Term Occupational Projections for Philadelphia WDA (2018-28)

Occupational Title	Employment (2018)	Projected Employment (2028)	Employment Change (2018-28)		Annual Demand
			Volume	Percent	
<i>Total, All Occupations</i>	737,140	783,910	46,770	6.3%	88,432
Management, Business & Finance	85,290	90,820	5,530	6.5%	8,342
Computer, Engineering & Science	38,240	41,050	2,810	7.3%	3,440
Education, Legal, Social Service, Arts & Media	105,320	114,030	8,710	8.3%	10,792
Healthcare Practitioners, Technicians & Support	95,590	109,140	13,550	14.2%	8,990
Protective, Food, Building & Personal Service	152,380	167,470	15,090	9.9%	25,113
Sales & Related	52,060	51,810	-250	-0.5%	7,368
Office & Administrative Support	113,390	109,740	-3,650	-3.2%	12,643
Farming, Fishing & Forestry	360	340	-20	-5.6%	53
Construction & Extraction	17,860	19,090	1,230	6.9%	2,161
Installation, Maintenance & Repair	19,480	20,410	930	4.8%	2,032
Production	18,370	18,240	-130	-0.7%	2,143
Transportation & Material Moving	38,800	41,770	2,970	7.7%	5,356

Fastest Growing Occupations



Pennsylvania

Personal Care Aides
 Combined Food Prep & Serving Workers
 Registered Nurses
 Home Health Aides
 Laborers & Material Movers
 Cooks, Restaurant
 Nursing Assistants
 Software Developers, Applications
 Janitors & Cleaners
 General & Operations Managers

Statisticians
 Physician Assistants
 Home Health Aides
 Occupational Therapy Assistants
 Information Security Analysts
 Nurse Practitioners
 Personal Care Aides
 Operations Research Analysts
 Actuaries
 Health Specialties Teachers

Combined Food Prep & Serving Workers
 Cashiers
 Retail Salespersons
 Laborers & Material Movers
 Personal Care Aides
 Waiters & Waitresses
 Office Clerks, General
 Customer Service Representatives
 Janitors & Cleaners
 Stock Clerks & Order Fillers

Traditional (By Volume Growth)

Emerging (By Percent Growth)

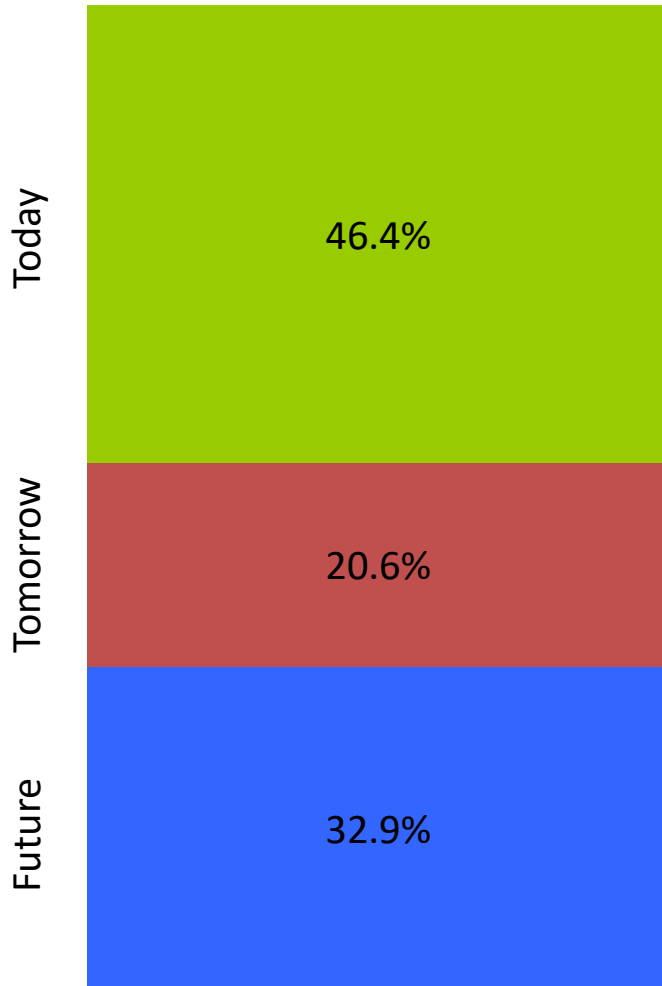
Foundational (By Annual Openings)

Philadelphia County WDA

Personal Care Aides
 Registered Nurses
 Home Health Aides
 Combined Food Prep & Serving Workers
 Nursing Assistants
 Cooks, Restaurant
 Laborers & Material Movers
 Janitors & Cleaners
 Waiters & Waitresses
 Medical Assistants

Personal Care Aides
 Home Health Aides
 Statisticians
 Physician Assistants
 Taxi Drivers & Chauffeurs
 Nurse Practitioners
 Information Security Analysts
 Respiratory Therapists
 Cooks, Restaurant
 Speech-Language Pathologists

Combined Food Prep & Serving Workers
 Personal Care Aides
 Cashiers
 Waiters & Waitresses
 Office Clerks, General
 Retail Salespersons
 Registered Nurses
 Laborers & Material Movers
 Janitors & Cleaners
 Nursing Assistants



Career Options:

- *TODAY*
More than 46 percent of all jobs in Philadelphia County can be entered directly after high school graduation (or GED completion) and require no more than one year of on-the-job training.
- *TOMORROW*
One out of every 5 jobs will require some extended period of training, a formal certification, or completion of an Associate degree for entry.
- *FUTURE*
Nearly 33 percent of jobs in the region require a bachelor's degree or higher. That's about 1 out of every 3 jobs.

Additional education may be required to retain employment and/or to qualify for promotional opportunities.

High Priority Occupations (HPOs)

High Priority Occupations (HPOs)



Occupations that are:

- In demand by employers
 - Have higher skills
 - Provide family-sustaining wages (For PA: \$35,244 in 2020)
-
- Produced annually for 22 Workforce Development Areas (WDAs)
 - HPO lists are in effect from August 1- July 31
 - Data plays an important role – current employment, outlook, wages, unemployment, supply
 - Training funds may be available through local PA CareerLink® offices
 - Philadelphia County WDA has 101 HPOs in 2020

HPO link: <https://www.workstats.dli.pa.gov/Products/HPOs/Pages/default.aspx>

HPOs versus PA IDOL



	HPOs	PA IDOL
Goal:	Targeted list of occupations used to align local workforce training funding to best fit job prospects	Career exploration tool to identify occupations that are in-demand in PA
Geography:	Local Workforce Development Areas	Statewide
Timeframe:	Annual, Effective 8/1/20-7/31/21	Released annually, with HPOs
Data focus:	Employment growth and demand, wages and wage change, unemployment, and completers	Employment growth and demand, existing supply
Coverage:	Occupations of focus for workforce – high and low end often excluded	All occupations
Adding occupations:	Petition process through local Boards	No formal process in place
Relevance for CTE:	Anything through PA CareerLink® - eligible training provider list, mostly adult programs	Anything through PDE, including equipment grants, industry-recognized credentials, etc.

CWIA Contact Information



Ed Legge: elegge@pa.gov; 717-787-8646

Customer Response: 877-493-3282 (877-4WF-Data)

Email: workforceinfo@pa.gov

Online: www.workstats.dli.pa.gov

A “**Contact Us**” button appears in the gray footer of every page on the website. The Contact Us page lists our phone number and e-mail address and includes a form that you can fill out and send to us with your questions.



How does CCP use Labor Market trends to inform their Workforce strategy?

Sources – We are regularly evaluating sources below and participating in a variety of key industry initiatives to help keep up to date on the landscape in the region.

- Center for Workforce Information & Analysis (CWIA) Workstats – County Profiles, HPO lists, Top 50 Employers, Wage Data, Unemployment Claims, Industry Profiles and Projections, and more.
- Regular review of State's **High Priority Occupation** (HPO) and PA IDOL (In Demand Occupations) Lists - What are the demands in Philadelphia and our region? Are we providing offerings in these areas? Do we have partners that can deliver these programs quickly? These lists are important for funding reasons.
 - HPO - based on historical data – Credit and Non-Credit programs aligned with HPO's are placed on Pennsylvania's Eligible Training Provider List. **College has 20 programs on the current ETPL List.**
 - IDOL - Lists occupations that are growing and categorized into Today, Tomorrow, and Future. Responds to the issue of what we anticipate in the coming 10 years. A good source to evaluate for future program development.
- PWI reports - Job Openings in the 5-County SE PA Region Reports; Fast Facts and Job Openings Data: Philadelphia Labor Market in 2020, others posted on their website.
- BLS and O-Net Source Data - O*NET OnLine is sponsored by the U.S. Department of Labor, Employment & Training Administration. We look at national and local trends. BLS Occupational Handbook provides demographic information on all occupations.
- EMSI Labor Market Data Subscription – We use this information to validate the development of programs; links on program pages with real time data and jobs in the specific occupation.
- LinkedIn - The College through its participation in Campus Philly and the National League of Cities has access to Bimonthly Philadelphia Workforce Updates; these are based on real time information of postings, trends of user and employer content.
- Indeed/Monster.com/Other Job Sites – We search local career sites to validate openings in the current market linked to our programs.
- Virtual Job Shadow – Career Exploration and Career Planning program. Allows students to understand occupations and careers in depth.
- College staff participation in Industry Specific Taskforces and Initiatives so we can align the College to the recommendations of the reports/initiatives:
 - PEL's Driving Tech Talent Growth in PHL
 - Mayor's PHLpreK Workforce Meeting
 - Mayor's Rebuild Taskforce
 - Fueling Philadelphia's Talent Engine and, PEL Industry Data generated for FPTE report
- Local and State WIOA Plans - Pennsylvania WIOA Combined State Plan (2020-2024), Southeast Workforce Planning Region PY2017-2019 WIOA Multi-Year Regional; Philadelphia Works WIOA Multi-Year Local Area Plan approved in January

2020 – College typically provides feedback and participates in meetings held around plans.

- Participation and assignment of staff to attend Industry Partnership Meetings - Manufacturing, Healthcare, Retail & Hospitality, Technology, Proposed Transportation & Logistics
- Local Thought Partners – Active participation in the activities of those looking at workforce development trends and best practices. Examples include:
 - Federal Reserve of Philadelphia Reports - Opportunity Occupations Revisited: Exploring Employment for Sub-Baccalaureate Workers Across Metro Areas and Over Time; "The Opportunities of a Tight Labor Market"; State of Urban Manufacturing; 10/2 A New Kind of Back to Work: Talent, Recovery and Future of Greater Philadelphia
 - Pennsylvania Workforce Development Association Reports
 - National Associations - AACC, ACE, LERN, NACE, NAAACE, ACHE, NCCET
- Ongoing discussions with Burning Glass about opportunities around our programs and labor market information.

What do we do with this information?

- Align College Pathways and program offerings with priority industries of the local and regional market.
- Create programs that are responsive to employer needs; helps us stay ahead of trends; distinguish the college and raise visibility of the programs we offer; understand top skills and competencies employers are looking for in different careers.
- Support students in understanding career pathways in the region; students are more successful when they better understand what is available around them; and what competencies are expected in these jobs.
- Identify employers in these growth areas that are willing to partner with College to inform curriculum, outline technical and soft skills essential to success, hire our students.
- Aligned WEI staff to support these critical industries in the region
 - Business Development staff have industry focus so they understand what is going on in their sectors and can be knowledgeable with their clients and prospects.
 - Career Connections staffing with aligned with Pathways and priority industries; staff must be informed of labor market data in their industry areas to be viewed as understanding what business needs are and to help students understand what employers want in their employees.
- Utilize information to conduct ongoing program reviews and drive discussions around updates to curriculum or other program improvements.
- Helps ensure resources and new program development aligned with where the jobs are now and in the future.

- Provide skills gap analysis to drive curriculum development, identify critical skills that should be embedded into programs; provides context for supply and demand for those skills.
- College leadership, faculty and staff stay abreast of trends to ensure offerings are relevant and tied to employers needs.
- Quickly identify opportunities for new program creation or targeted contract trainings – mobile food, contact tracing, diversity & inclusion, essential skills, skills of the future
- Reinforce investment decisions made – CATC required review of labor market data before Board approved; hired Econsult to do a market scan of CCP alignment and what potential new programs we could focus on; included Burning Glass analysis.
- Identify shifts in industries that we think need to be discussed and vetted within the curriculum committees or advisory committees for program review.

References:

- PA High Priority Occupation (HPO) List:
<https://www.workstats.dli.pa.gov/Products/HPOs/Pages/default.aspx>
- PA IDOL - <https://www.workstats.dli.pa.gov/Products/IDOL/Pages/default.aspx>
- ETPL List:
<https://www.pacareerlink.pa.gov/jponline/JobSeeker/ManageServices/SearchTrainings.aspx>
- PWI Data & Trends: <https://www.philaworks.org/data-trends/>
- Center for Workforce Information & Analysis:
<https://www.workstats.dli.pa.gov/Pages/default.aspx>
- EMSI: <https://www.economicmodeling.com/>
- O-Net: <https://www.onetonline.org/>
- Occupational Outlook: <https://www.bls.gov/ooh/>
- Virtual Job Shadow: <https://www.virtualjobshadow.com/>

Community College Workforce Case Studies

Highlighted below are three Community College's that have a strong workforce approach across their College. The links below are meant to be explored prior to our 2/4/21 Workforce Subcommittee and to spark discussion about their approaches and how CCP can work towards growing and advancing its workforce mission.

Cuyahoga Community College - <https://www.tri-c.edu/>

- Workforce Training - <https://www.tri-c.edu/workforce/index.html>
- Workforce Programs - <https://www.tri-c.edu/workforce/workforce-programs.html>
- Corporate College – <https://www.tri-c.edu/corporatecollege/index.html>
- Tri-C/Cuyahoga County Workforce Development Alliance - <https://www.tri-c.edu/workforce/cuyahoga-county-workforce-development-alliance.html>
- Ideation Station - <https://www.tri-c.edu/workforce/ideation-station.html>
- Advanced Technology Training Center - <https://www.tri-c.edu/campuses-and-locations/attc/index.html>
- Manufacturing Technology Center - <https://www.tri-c.edu/campuses-and-locations/manufacturing-technology-center/index.html>
- TechCred - <https://www.tri-c.edu/workforce/techcred.html>

Trident Technical College - <https://www.tridenttech.edu/>

- Continuing Education - <https://www.tridenttech.edu/ce/index.htm>
- S.C. Aeronautical Training Center - <https://www.tridenttech.edu/SCATC.htm>
- Equip Your Workforce - <https://www.tridenttech.edu/ce/programs/equip.htm>
- Youth Apprenticeships - https://www.tridenttech.edu/career/workforce/car_youth_apprentice.htm

Northern Virginia Community College - <https://www.nvcc.edu/>

- Labor Market Information - <https://www.nvcc.edu/workforce/research/>
- Coordinated Internships & Cooperative Education - <https://www.nvcc.edu/co-op/index.html#panel7>
- Elevate - <https://blogs.nvcc.edu/workforce/elevate/>
- Alarm.com GRIT Apprenticeship - <https://nvcc.augusoft.net/index.cfm?fuseaction=1065>
- NOVA 18-19 Workforce Report - <https://www.nvcc.edu/workforce/docs/2018-19-Impact-Report.pdf>

MEETING OF AUDIT COMMITTEE
Community College of Philadelphia
Tuesday, March 23, 2021 – 10:00 a.m. via Zoom

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

AGENDA – PUBLIC SESSION

(1) Approve Minutes of Audit Committee Meeting on September 24, 2020 (Action Item):

Mr. Simonetta announced that the first order of business was to review the minutes of the September 24, 2020 Audit Committee meeting. He asked for any edits or suggested corrections. There were none.

Action: Mr. Simonetta then asked for a motion to recommend approval of the September 24, 2020 Audit Committee meeting minutes (Attachment A). Ms. Hernández Vélez made the motion. Mr. Herzog seconded the motion. The motion passed unanimously.

(2) 2019-2020 Uniform Guidance Report (Action Item):

Ms. Angelica Roiz and Mr. Alex Ney reviewed the results of the 2019-2020 Uniform Guidance Audit using the draft report and supplementary information in Attachment B to these minutes. The Uniform Guidance draft report is provided in Attachment C. Ms. Roiz explained that the Uniform Guidance Report begins on page 70. Pages 1 to 69 contain the Financial Statements that were reviewed and accepted by the Audit Committee at the September 24, 2020 Audit Committee meeting. This report had to be submitted to the City of Philadelphia by September 30th since the College is a component unit of the City. The Uniform Guidance deadline is at the end of March. In addition to the usual compliance and control testing, Grant Thornton had to perform additional testing relating to the CARES Act funding that the College was awarded in spring. Ms. Roiz announced that they completed their procedures and have issued a clean draft report (Attachment C). The report includes Grant Thornton's opinion on the Scheduled of Expenditures of Federal Awards(SEFA) and Agreed Upon Procedures for a DHS grant. Mr. Ney then provided an overview of the required communications. He shared the slide on Areas of focus for Single Audit. Mr. Ney explained that in addition to the usual student financial aid cluster, they had to include the Higher Education Emergency Relief Fund (HEERF) awarded to the College. The Career and Technical Education grant was audited last year but was not included this year as it only has to be audited once every three years. Ms. Roiz explained that the audit guidance for the HEERF was not released until just before Christmas. She commended management for making every effort to be in compliant earlier in the year given the lack of clear guidance.

Mr. Ney then reviewed the SEFA highlighting the three separate programs under the CARES Act. The Department of Education(DOE) requires that these grants include the word "COVID-19" on the titles. Each CARES Act grant has separate requirements and testing. The student aid portion can only be disbursed to students, the institutional portion covered costs incurred due to the COVID-19 disruptions and the minority serving institution portion covered part of lost revenue from the parking garage. The SEFA was the basis of Grant Thornton's Uniform Guidance testing. Dr. Generals asked whether any of the newly issued guidance changed these. Ms. Roiz answered no and explained that it covered the HEERF I funds. The DOE continues to layer on earlier guidance but allowing more flexibility and broader coverage of lost revenues.

Mr. Ney then reviewed the Schedule of Findings and Questioned Costs. He reported there were no material weaknesses identified, no audit findings, and no questioned costs. Ms. Roiz added that this year they had to perform additional testing to verify that students participated in online courses. Mr. Simonetta asked how they audited participation in a remote learning environment. Ms. Roiz explained the Federal Student Financial Aid Handbook provided a host of examples. Grant Thornton looked for evidence that students posted on the message board, asked questions, and submitted assignments, in addition to reviewing transcripts and final grades. Mr. White asked whether there will be an increase in audit time with the additional HEERF funding. Ms. Roiz explained that from a scoping perspective, they usually audit two or three major programs; but if the number increases, then it will require more time and increase in cost.

Action: Mr. Simonetta asked for a motion to accept the June 30, 2020 Uniform Guidance Audit Report. Ms. Hernández Vélez made the motion and Mr. Herzog seconded the motion. The motion passed unanimously.

(3) Internal Audit Update (Information Item):

Mr. Lucas provided an update on the 2020-2022 Internal Audit Plan. He provided a summary report of activities since the last Audit Committee meeting and a spreadsheet of the Internal Audit Plan by email in advance of the meeting. Mr. Lucas stated that four audit reports had been finalized and issued to management, three other reports have been drafted and issued to management, and that two are currently in process. Mr. Lucas noted that he had been out sick for over a month and that he expected to complete the two audits started in the current quarter by the end of April. He also reviewed the 2020-2022 Internal Audit Plan in Excel format showing what stages the individual audits were at based on the codes shown on the plan.

Ms. Roiz asked about the review of the external audit of network security. Mr. Lucas stated that he reviewed the report including the scope, types of testing, the results and recommendations, and management's responses to the recommendations. He also stated that one of the recommendations in the internal audit report was that the results should be shared with the Audit Committee. Ms. Roiz asked if management could provide a copy of the report to Grant Thornton for their IT group to review in conjunction with the IT testing they perform each year. Mr. Eapen stated he would provide a copy to her.

Mr. Lucas also reviewed with the Committee the Internal Audit Follow Up Matrix on which the audit comments, recommendations, and management's action plans are tracked. The matrix had also been distributed to the Committee members by email in

advance of the meeting. He noted that management had made progress on the open action plans with 23 comments for which management had completed the agreed-upon action plans. Mr. Lucas noted a number of action plans remain that are in progress, or for which more than a year has passed since the original target date for the agreed-upon actions.

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.

(4) Internal Audit Committee Update (Information Item):

Mr. Lucas also noted that the Internal Audit Committee meets at least once each quarter and has met more frequently since the last Audit Committee meeting. Mr. Simonetta inquired whether the Internal Audit Committee was working as intended when the committee was formed. Mr. Lucas stated that it has been working as intended which is evidenced by the recent completion and finalization of both recent audit reports on a more timely basis, and that ones from prior periods are also getting the attention needed to help finalize those as well.

(5) Next Meeting:

The next meeting of the Committee will be in June 2021 at which time Grant Thornton will discuss their proposed Audit Plan for the 2020-2021 Fiscal Year.

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.

GSL/lmh
Attachments

cc: Dr. Donald General, Jr.
Mr. Jacob Eapen
Ms. Victoria Zellers, Esq.
Mr. Robert Lucas
Mr. Jim Spiewak
Representing Grant Thornton: Ms. Angelica Roiz
Representing Grant Thornton: Mr. Alex Ney

ATTACHMENT A

**Minutes from September 24, 2020
Audit Committee Meeting**

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 B

Draft

**Financial Statements and Report of
Independent Certified Public Accountants
in Accordance with OMB Uniform Guidance
June 30, 2020 and 2019**

Financial Statements and Report of
Independent Certified Public
Accountants in Accordance with OMB
Uniform Guidance

**Community College of Philadelphia
(A Component Unit of the City of Philadelphia)**

June 30, 2020 and 2019

Contents	Page
Report of Independent Certified Public Accountants	4
Management's Discussion and Analysis (Unaudited)	7
Financial Statements	
Statements of Net Position	16
Statements of Revenues, Expenses and Changes in Net Position	18
Statements of Cash Flows	20
Notes to Financial Statements	22
Required Supplementary Information (Unaudited)	
Schedules of Changes in Total OPEB Liability and Related Ratios - Last 10 Years	54
Schedules of Proportionate Share of the Net Pension Liability - Last 10 Years	55
Schedules of Employer Contributions - Last 10 Years	56
Other Supplementary Information	
Statistical Section	58
Demographic Statistics	66
Component Unit Statement of Net Position	67
Component Unit Statement of Revenues, Expenses and Changes in Net Position	68
Component Unit Capital Asset Format	69
Report of Independent Certified Public Accountants on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	70
Schedule of Expenditures of Federal Awards	71
Notes to Schedule of Expenditures of Federal Awards	72

Contents

Report of Independent Certified Public Accountants on Internal Control over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	73
Report of Independent Certified Public Accountants on Compliance For Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance	75
Schedule of Findings and Questioned Costs	77
Summary of Prior Year Audit Findings	78
Agreed-Upon Procedures Report of Independent Certified Public Accountants	79
Schedule of Federal Awards Passed through the Pennsylvania Department of Human Services	82
Supplemental Schedule of Revenues and Expenditures	83

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Trustees
Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

Report on the financial statements

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of the Community College of Philadelphia (the "College") as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the College's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the Community College of Philadelphia as of June 30, 2020 and 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other matters**Required supplementary information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis included on pages 7 through 15 and the required supplementary information on pages 54 through 56 be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. This required supplementary information is the responsibility of management. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America. These limited procedures consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other supplementary information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the College's basic financial statements. The other supplementary information on pages 58 through 69 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures. These additional procedures included comparing and reconciling the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other reporting required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report, dated March __, 2021, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Philadelphia, Pennsylvania

March __, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

June 30, 2020 and 2019

INTRODUCTION

This Management's Discussion and Analysis (MD&A) is based upon facts, decisions, and conditions known as of the date of the audit report. The results for 2020 are compared to those for the 2019 fiscal year. The MD&A should be read in conjunction with the financial statements and accompanying notes that follow this section.

Community College of Philadelphia (the College) has prepared its financial statements in accordance with Governmental Accounting Standards Board (GASB) principles, which establish standards for external financial reporting for public colleges and universities and require the financial statements presented to focus on the College as a whole. The financial results of the Community College of Philadelphia Foundation (the Foundation) are reported as a component unit. These statements include the statistical reporting section in accordance with GASB Statement 44.

Financial and Institutional Highlights

- COVID-19 caused unprecedented disruptions to the College's operations. All on-campus credit coursework was suspended effective March 16, 2020 and resumed online beginning March 30, 2020. A laptop lending program was immediately implemented to provide students in need of the technology to complete their studies online. Free or discounted internet access was also made available to eligible students. A virtual student support center was established so students may access services including academic advising, tutoring, library services and financial aid online. The college campus and regional centers remained closed except for a very limited amount of coursework where students require practicum, including Dental Hygiene, Phlebotomy, Clinical Microbiology and others.
- New fully online workforce and professional development programs were created or converted for summer and fall 2020 terms. However, many vocational skills training programs, especially those requiring face to face instructions for effective learning or required by licensing bodies, were canceled or suspended in the spring due to COVID-19. Some of these programs have resumed on campus for the fall 2020 semester including ServSafe Food Protection, Electrical Wiring, Massage Therapy, and others.
- In April, the College was awarded \$16.1 million from the United States Department of Education (DOE) through the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Of the \$16.1 million awarded, \$8.05 million was allocated to Emergency Financial Aid Grants to students and the remaining \$8.05 million was allocated to the College to cover any costs associated with significant changes to the delivery of instruction due to COVID-19. As of June 30, 2020, the College had drawn-down and disbursed \$5.4 million of the Emergency Financial Aid Grants to students and this amount is included as an increase in student aid expenses from \$6.2 million in 2019 to \$12.1 million in 2020. The College drew down and spent \$1.2 million of the institutional portion under the grant to purchase laptops for students, expand remote access and distance education software licensing, purchase personal protective equipment, and for converting on-campus courses to remote learning. The College was awarded an additional \$1.0 million from the CARES Minority Serving Institutions grant of which \$145,000 was applied to offset the cost of closing the parking garage.
- Tuition and fees have remained unchanged since the 2017-2018 academic year. However due to the pandemic, the general college fee which supports student activities was not assessed for summer 2020 and fall 2020. The online learning course fee of \$35 per course was waived for students and covered by the CARES Act funding noted above.
- Total enrollment declined 4.2% from 23,139 students in 2018-2019 to 22,160 students in 2019-2020.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) - CONTINUED

June 30, 2020 and 2019

- Prior to the COVID-19 disruptions, the College continued to expand its degree and certificate program offerings in an effort to meet the City's workforce needs. A new AA degree program in Biological Sciences was established. Certificates include Data Science, Mobile Application Development, and Piano Technician.
- The College continued to invest in technology and other resources to further increase intervention and communication initiatives with the goal of improving retention and keeping students on track to degree completion.
- The College instituted a Diversity Fellowship Program that offers Fellows a two-semester Visiting Lecturer position to increase diversity in the faculty pool for full-time positions.
- A number of maintenance and repair projects suspended during the coronavirus lockdown have resumed. Structural repairs to the CBI garage are scheduled to be completed in September 2020, Mint freight elevator modernization is scheduled for completion in November 2020, and the Mint roof replacement was completed in July 2020. A new digital sign on 17th Street was installed in May 2020.
- The Library Learning Commons Project, which involves the reconfiguration of the library and learning labs areas within the Mint and Bonnell Buildings is scheduled for completion in December 2020. The \$16 million project will realign the spaces to create an ideal learning environment including library instructional spaces, technology tools and support for students to access materials and prepare presentations, study group areas, quiet rooms, tutoring services, multi-media and other technology rooms, offices, and bound volume storage and retrieval.
- On May 1, 2019, the College successfully closed on a \$9.2 million Series A 2019 bond to begin the financing of the Career and Advanced Technology Center. The \$33.5 million project consists of the construction of a new 3-story 75,000 square-foot building on the corner of 48th Street and Market Streets. Construction is scheduled to begin in Fall of 2020. Projected completion is late Spring 2022. Additional funding required for the project will be from the City of Philadelphia, Redevelopment Assistance Capital Program (RACP) grants, New Market Tax Credits, private gifts and loans or bonds.
- The College enhanced the Career Connections department to include a heavier emphasis on employer services and engagement with students hiring an Employer Partnerships Manager, expanding job fair and experiential learning experiences across all academic programs.
- The College continued its successful dual enrollment partnerships with the School District of Philadelphia, Mastery Charter Schools, MaST Community Charter School, and the John W. Hallahan Catholic High School for Girls. Students in the dual enrolled programs have the unique opportunity to earn their high school diplomas and associate's degrees simultaneously.
- The College continued to enhance its non-credit ESL program using technology and focusing on basic language acquisition skills for life, conversation and workplace. The College also offers a High School Equivalency (GED and HiSET) prep course.
- The College implemented a new Customer Relation Management (CRM), the Ellucian CRM Recruit module, which will enable improved processing and monitoring of the admissions process and have a positive impact on enrollment.
- Total operating revenues declined 7.0% from \$34.4 million in 2018-2019 to \$32.0 million in 2019-2020 driven by total enrollment declining by 4.2%. The loss of revenues from the 4.2% drop in enrollment was partially offset by total credit hours declining by a lesser percentage of 3.1%.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) - CONTINUED

June 30, 2020 and 2019

- Operating expenses decreased by \$12.7 million or 8.7% due to actuarial changes in computing the College's other post-employment benefits liability, a significant number of vacant positions being frozen during the year, fewer sections offered, and subsidies from the CARES Act.
- Non-operating revenues increased by 11.3% from \$110.1 million in 2018-2019 to \$122.5 million in 2019-2020. This included \$6.6 million in non-operating grant funding received from the CARES Act during the year (\$5.4 million disbursed to students and \$1.2 million spent on institutional expenses related to COVID-19). The College earned an additional \$0.1 million on its cash investments. The State increased its appropriations from \$31.8 million to \$32.4 million and the City's non-capital appropriation increased from \$25.5 million to \$29.8 million. State grants and contracts increased by \$0.6 million and non-governmental grants and contracts increased by \$0.4 million.

Overview of Financial Statements

The College's financial statements focus on the College as a whole, rather than upon individual funds or activities. The GASB reporting model is designed to provide readers with a broad overview of the College's finances and is comprised of three basic statements:

- The *Statement of Net Position* presents information on the College's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets serve as one indicator of how the financial position of the College is changing.
- The *Statement of Revenues, Expenses and Changes in Net Position* presents information showing how the College's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.
- The *Statement of Cash Flows* is reported using the direct method. The direct method of cash flow reporting portrays net cash flows from operations, financing, and investing receipts and disbursements.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes contain details on both the accounting policies and procedures that the College has adopted, as well as additional information about amounts reported in the financial statements.

Net Position

At June 30, 2020, the College's net position was a negative \$65.3 million, with liabilities of \$244.2 million and assets of \$248.4 million. Net position decreased by \$3.1 million in 2020 prior to recording the impact of the post-employment benefit liability. Unrestricted net position increased from a negative \$208.0 million to a negative \$175.4 million. Absent the cumulative impact of the post-employment benefit liability (GASB 75 and 68) reporting requirements, unrestricted net position would currently be at a level of negative \$31.8 million. The other factor contributing to the change in the unrestricted net position value was unfunded depreciation expense for 2020 in the amount of \$7.8 million.

The negative unrestricted net asset position of \$175.4 million reflects the cumulative impact of the post-employment benefit expense accruals in the amount of \$143.6 million.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) - CONTINUED

June 30, 2020 and 2019

Summary of Net Position

	June 30,		
	2020	2019	2018
	(In millions)		
Assets:			
Current assets	\$ 51.5	\$ 48.4	\$ 40.9
Noncurrent assets:			
Bond proceeds available for campus construction	20.0	26.5	16.1
Other long-term investments	18.4	17.2	16.4
Capital assets, net	158.6	159.1	164.4
Total assets	\$ 248.5	\$ 251.2	\$ 237.8
Deferred outflows of resources	\$ 5.9	\$ 6.6	\$ 7.3
Liabilities:			
Current liabilities	\$ 29.1	\$ 32.8	\$ 26.4
Noncurrent liabilities	215.1	260.3	261.0
Total liabilities	\$ 244.2	\$ 293.1	\$ 287.4
Deferred inflows of resources	\$ 75.5	\$ 63.5	\$ 67.1
Net position:			
Net investment in capital assets	\$ 104.7	\$ 103.9	\$ 102.0
Restricted:			
Expendable	5.4	5.3	5.1
Unrestricted	(175.4)	(208.0)	(216.5)
Total net position	\$ (65.3)	\$ (98.8)	\$ (109.4)

Assets

Current assets increased by \$3.0 million during 2020. Short-term investments, receivable from government agencies, and net accounts receivable increased, while cash and cash equivalents, accrued interest receivable and other assets decreased.

Noncurrent assets decreased by \$5.8 million. Bond proceeds available for campus construction decreased as construction of the Library and Learning Commons progresses towards completion and expenses started to accrue related to the Center for Advanced Technology as design and planning got underway. The College's capital assets as of June 30, 2020 net of accumulated depreciation were \$158.6 million, a decrease of \$0.5 million over the amount reported for 2019 of \$159.1 million. The decrease in the net value of capital assets is related to the decrease in the value of capital additions not exceeding the accumulated depreciation. Total current liabilities decreased by \$3.7 million in 2020. Payables to government agencies decreased by \$4.0 million primarily due to timing in processing PHEAA state grants student aid. Accounts payable and accrued liabilities increased by \$0.2 million primarily due to timing.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) - CONTINUED

June 30, 2020 and 2019

The College self-insures its employee medical plan. The College purchases stop loss insurance with a limit of \$250,000 to cap institutional financial exposure for individuals with extraordinarily large claims in a policy year.

The College's outstanding long-term debt was at \$62.5 million as of June 30, 2020, a decrease of \$7.6 million from June 2019. This decrease is due to the increasing principal amounts of each payment made on bonds issued in the past. The post-employment benefits liability amount for 2020 also includes \$4.1 million related to GASB 68, which requires the College to record its relative proportion of the net funded status of certain state cost sharing pension plans. The cumulative estimated value for the accrued post-employment benefit liability in 2020, 2019 and 2018 was \$143.6 million, \$180.3 million and \$182.2 million, respectively. Absent this reporting requirement, the College's net assets as of June 30, 2020 would have been at a level of \$78.4 million.

Capital lease obligations include mainly technology associated with academic and administrative computing.

Statements of Revenues, Expenses and Changes in Net Position

The change in net position for 2020, 2019 and 2018 was a positive \$33.5 million, \$10.6 million, and negative \$7.1 million, respectively. The following table quantifies the changes:

Revenues, Expenses and Changes in Net Position

	Year ended June 30,		
	2020	2019	2018
	(In millions)		
Operating revenues:			
Net tuition and fees	\$ 30.5	\$ 32.8	\$ 33.2
Auxiliary enterprises and other sources	1.5	1.6	1.6
Total	32.0	34.4	34.8
Operating expenses	133.0	145.7	164.4
Operating loss	(101.0)	(111.3)	(129.6)
Net nonoperating revenues	122.5	110.1	110.0
Change in net assets before other revenues	21.5	(1.2)	(19.6)
Capital appropriations	12.0	11.8	12.5
Total change in net position	\$ 33.5	\$ 10.6	\$ (7.1)

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) - CONTINUED

June 30, 2020 and 2019

Operating Revenues

The largest sources of operating revenue for the College are student tuition and fees and auxiliary enterprises revenues. In both 2020 and 2019, the tuition charge was \$159 per credit. The Technology Fee, General College Fee, and Course Fee also remained unchanged from prior year. The College charges course fees for selected high-cost courses. Course fees range from \$85 to \$345. Average total tuition and fee revenue per credit for 2020 was \$ 224.

Tuition and fee revenue totaled \$69,907,462 in 2020 and \$71,822,381 in 2019, a decline of 2.7%. Total enrolled credit headcount declined 4.7% for the same period.

Scholarship allowance amounts for 2020 and 2019 totaled \$39,371,389 and \$39,069,284, respectively. The scholarship allowance represents tuition and fee payments made using public and private grants and scholarships. The small increase in scholarship allowance amounts between 2020 and 2019 is reflective of the net effect of Pell awards increasing from \$5,920 in 2018-2019 to \$6,195 in 2019-2020 and the decline in enrollment.

Gift revenue from the Community College of Philadelphia Foundation (the Foundation) in the amount of \$95,000 was received in 2020 and is reported in the statement of revenues, expenses and changes in net position. This gift was used to partially pay the College's cost for its partnership with Single Stop USA. Single Stop USA is a nonprofit organization that delivers services to families nationwide by connecting students to state and federal financial resources and local community services. The aim is to help students overcome economic barriers, continue with their education and move toward economic mobility.

Nonoperating Revenues

Commonwealth appropriations in 2020, excluding capital appropriations, totaled \$32,408,016, an increase of \$588,140 (1.8%) over the \$31,819,876 received in 2019.

Total 2020 City funding was \$36,059,207, a \$3.6 million increase (11.3%) over the amount received in 2019. Of the funding appropriation, \$29,846,548 was used for operating budget purposes in 2020. In 2019, \$25,549,440 of the total appropriation was used for operating purposes. Net investment income was \$1,691,135 in 2020 and \$1,577,079 in 2019. Included in net investment income for 2020 is an unrealized gain of \$572,890 and a realized gain of \$528,866 for all investment activity as of June 30, 2020.

As mentioned above, non-operating revenues increased by 11.3% from \$110.1 million in 2018-2019 to \$122.5 million in 2019-2020. This included the impact of \$6.6 million in additional grant funding received from the CARES Act during the year of which \$5.4 million was spent on student aid and \$1.2 million was spent on laptops, PPE, software services and converting on-campus courses to online format as a result of COVID-19.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) - CONTINUED

June 30, 2020 and 2019

Capital Appropriations

The Commonwealth provided capital funding for debt service and capital purchases in the amounts of \$5,819,210 and \$4,937,072 for 2020 and 2019, respectively. The College used \$6,212,659 of the total City appropriation of \$36,059,207 in 2020 for debt service and capital purchases. In 2019, City appropriations used for debt service and capital purchases were \$6,859,767.

Expenses by Function

	Year ended June 30,		
	2020	2019	2018
Instruction	\$ 49,333,338	\$ 56,714,890	\$ 64,578,356
Public service	104,057	97,457	144,542
Academic support	13,749,022	16,404,900	19,181,833
Student services	16,672,597	20,529,207	24,212,003
Institutional support	19,176,012	22,639,568	25,111,421
Physical plant operations	13,444,993	14,423,723	15,092,643
Depreciation	7,782,553	7,939,447	8,132,985
Student aid	12,052,409	6,250,428	7,213,061
Auxiliary enterprises	658,373	684,534	733,460
	<u>\$ 132,973,354</u>	<u>\$ 145,684,154</u>	<u>\$ 164,400,304</u>
Total operating expenses			

Exclusive of student aid and depreciation expenses, the College's operating expenses totaled \$113,138,392 in 2020 and \$131,494,279 in 2019. The College's five-year Collective Bargaining Agreement with Faculty and Classified employee unions that was ratified in September 2013 expired August 2016. On April 3, 2019, the College and the members of Unions reached a tentative agreement and entered into certain Memorandum of Agreements to amend the terms and conditions of the respective Collective Bargaining Agreements. The Board of Trustees of the College and the membership of the Unions approved the Memorandum of Agreements on April 4, 2019 and April 11, 2019, respectively, which, among other things, extended the term of the Collective Bargaining Agreements to August 31, 2022.

In 2018, the College adopted GASB 75. Under GASB 75, the College reports the Net OPEB Liability (NOL) on the statement of net position. Changes to the NOL are recognized either in the OPEB Expense and/or as deferred inflows/outflows. The value of the expense for 2020, 2019 and 2018 was a negative \$24,859,895, \$5,802,354 and a positive \$11,924,333, respectively.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) - CONTINUED

June 30, 2020 and 2019

Expenses by Natural Classification

	Year ended June 30,		
	2020	2019	2018
	(In thousands)		
Expenses:			
Salaries	\$ 77,819	\$ 77,462	\$ 76,986
Benefits	34,790	34,979	36,258
Contracted services	9,276	8,045	7,859
Supplies	4,467	3,059	3,549
Depreciation	7,783	7,939	8,133
Student aid	12,052	6,250	7,213
Other post-employment benefits	(24,590)	(5,426)	12,309
Other	11,376	13,376	12,093
	132,973	145,684	164,400
Total operating expenses			
Interest on capital asset-related debt service	3,604	3,602	3,413
	3,604	3,602	3,413
Total nonoperating expenses			
Total expenses	\$ 136,577	\$ 149,286	\$ 167,813

College operating budget expenses were affected by the COVID-19 pandemic as the main campus and regional center sites were closed to students and most staff from mid-March through the end of the fiscal year (June 30, 2020) resulting in the College spending approximately \$10.2 million less than budget. The amount of expenses required for contracted security and cleaning services was reduced and utility costs were lower than budgeted. Additionally, the College incurred lower than budgeted expenses in the following categories: supplies, maintenance & repairs, travel and hospitality. Overall, the College spent almost \$3.3 million less than budget for non-personnel related expenses. A significant number of vacant positions coupled with offering a lower number of sections and the very limited use of part-time staff after mid-March resulted in total salaries being \$3.7 million less than budget. The College also spent \$2.9 million less for staff benefits than budget. Medical claims for the period April 2020 through June 2020 were only 50% of the claims experience for the preceding nine months.

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) - CONTINUED

June 30, 2020 and 2019

Schedule of Fund Balances

The following chart shows fund balances in the four fund groups: Unrestricted, Restricted, Endowment and Plant. The 2020, 2019 and 2018 amounts reported for unrestricted operations funds were reduced by the impact of accrued expense liability for post-employment benefits. The impact of GASB 75 reporting in 2020 was a negative \$139,511,074, while the impact of GASB 68 reporting i was \$4,113,432. The negative unrestricted plant fund balance reflects the cumulative impact of unfunded depreciation expense.

	June 30,		
	2020	2019	2018
Total unrestricted fund	\$ (166,121,744)	\$ (200,606,226)	\$ (209,777,781)
Endowment fund:			
Quasi endowment (unrestricted)	1,090,992	1,308,208	1,332,152
Total endowment	1,090,992	1,308,208	1,332,152
Plant fund:			
Net investment in capital assets	104,725,788	103,868,972	102,005,246
Restricted expendable - capital projects	5,438,941	5,285,060	5,101,208
Unrestricted	(10,401,053)	(8,662,532)	(8,090,020)
Total plant fund	99,763,676	100,491,500	99,016,434
Total net position	\$ (65,267,076)	\$ (98,806,518)	\$ (109,429,195)

Community College of Philadelphia Foundation

The Foundation was established in 1985. Total assets for 2020 and 2019 were \$15.2 million and \$14.4 million, respectively. Total unrestricted net position for both 2020 and 2019 for the Foundation was \$1.7 million and \$1.8 million, respectively. The remaining net position is restricted based upon donor intent.

Future Impacts

For 2021, City funding to the College was increased by \$8.1 million over the amount received for 2020 of which \$4.8 million is reserved for a new scholarship program. However, there was no increase in the Commonwealth appropriation received during the first quarter of 2021, and no increase is expected for the remaining quarters of the year. The Board voted not to increase student tuition and fees for 2020 and 2021. Credit hour enrollments for the Fall 2020 semester are trending 15.3% below enrollments of Fall 2019. The total credit hours generated by the late summer session, a 2021 term, were 7.3% higher than the previous year.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATEMENTS OF NET POSITION

June 30,

ASSETS	Business-type activities		Component unit	
	The Community College of Philadelphia		The Community College of Philadelphia Foundation	
	2020	2019	2020	2019
Current assets:				
Cash and cash equivalents (Note B)	\$ 19,589,705	\$ 22,125,355	\$ 1,622,503	\$ 1,427,612
Short-term investments (Note B)	22,557,016	17,776,324	858,020	855,989
Accounts receivable, net (Note C)	5,575,165	5,119,559	308,190	196,700
agencies (Note G)	2,712,287	1,791,386	-	-
Accrued interest receivable	-	72,235	-	-
Other assets	1,056,784	1,537,656	5,758	-
Total current assets	51,490,957	48,422,515	2,794,471	2,480,301
Noncurrent assets:				
Endowment investments (Note B)	-	-	12,369,001	11,880,209
Accounts receivable, net (Note C)	-	-	41,701	87,104
campus construction	19,978,506	26,446,855	-	-
Other long-term investments (Note B)	18,399,026	17,211,715	-	-
Capital assets, net (Note D)	158,579,658	159,125,610	-	-
Total noncurrent assets	196,957,190	202,784,180	12,410,702	11,967,313
Total assets	\$ 248,448,147	\$ 251,206,695	\$ 15,205,173	\$ 14,447,614
Deferred outflows of resources:				
Deferred outflows	\$ 5,936,366	\$ 6,629,314	\$ -	\$ -

See accompanying notes to financial statements.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATEMENTS OF NET POSITION - CONTINUED

June 30,

LIABILITIES AND NET POSITION	Business-type activities		Component unit	
	The Community College of Philadelphia		The Community College of Philadelphia Foundation	
	2020	2019	2020	2019
Current liabilities:				
Accounts payable and accrued liabilities (Note E)	\$ 17,762,425	\$ 17,553,995	\$ 838,980	\$ 477,336
Payable to government agencies (Note G)	269,549	4,222,497	-	-
Deposits	238,612	349,167	4,156	1,931
Unearned revenue	2,080,764	2,218,964	280,063	573,677
Current portion of capital lease obligation (Note F)	468,149	473,448	-	-
Current portion of long-term debt (Note F)	7,557,284	7,240,817	-	-
Unamortized bond premium	728,918	728,918	-	-
Total current liabilities	<u>29,105,701</u>	<u>32,787,806</u>	<u>1,123,199</u>	<u>1,052,944</u>
Noncurrent liabilities:				
Accrued liabilities (Note E)	1,554,638	1,399,630	-	-
Annuity payable	-	-	12,516	8,000
Deposits	250,000	250,000	-	-
Capital lease obligation (Note F)	450,114	918,264	-	-
Long-term debt (Note F)	62,500,000	70,057,284	-	-
Unamortized bond premium	6,711,743	7,440,661	-	-
Other post-employment benefits liability (Note H)	143,624,506	180,264,083	-	-
Total noncurrent liabilities	<u>215,091,001</u>	<u>260,329,922</u>	<u>12,516</u>	<u>8,000</u>
Total liabilities	<u>\$ 244,196,702</u>	<u>\$ 293,117,728</u>	<u>\$ 1,135,715</u>	<u>\$ 1,060,944</u>
Deferred inflows of resources:				
Deferred inflows	<u>\$ 75,454,887</u>	<u>\$ 63,524,799</u>	<u>\$ -</u>	<u>\$ -</u>
Net position:				
Net investment in capital assets	104,725,788	103,868,972	-	-
Restricted:				
Nonexpendable:				
Scholarships, awards and faculty chair	-	-	10,137,142	9,510,728
Annuities	-	-	2,997	7,637
Expendable:				
Scholarships, awards and faculty chair	-	-	2,168,423	2,089,592
Capital projects	5,438,941	5,285,060	77,511	22,186
Unrestricted	<u>(175,431,805)</u>	<u>(207,960,550)</u>	<u>1,683,385</u>	<u>1,756,527</u>
Total net position	<u>\$ (65,267,076)</u>	<u>\$ (98,806,518)</u>	<u>\$ 14,069,458</u>	<u>\$ 13,386,670</u>

See accompanying notes to financial statements.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Years ended June 30,

	Business-type activities		Component unit	
	The Community College of Philadelphia		The Community College of Philadelphia Foundation	
	2020	2019	2020	2019
Operating revenues:				
Student tuition	\$ 52,897,863	\$ 54,867,461	\$ -	\$ -
Student fees	17,009,599	16,954,920	-	-
Less: scholarship allowance	<u>(39,371,389)</u>	<u>(39,069,284)</u>	<u>-</u>	<u>-</u>
Net student tuition and fees	30,536,073	32,753,097	-	-
Auxiliary enterprises	1,412,855	1,598,939	-	-
Gifts	-	-	1,465,461	1,569,588
Other sources	<u>37,591</u>	<u>41,888</u>	<u>-</u>	<u>-</u>
Total operating revenues	<u>31,986,519</u>	<u>34,393,924</u>	<u>1,465,461</u>	<u>1,569,588</u>
Operating expenses (Note J):				
Educational and general:				
Instruction	49,333,338	56,714,890	109,062	182,105
Public service	104,057	97,457	-	-
Academic support	13,749,022	16,404,900	1,159,053	1,135,611
Student services	16,672,597	20,529,207	184,634	165,107
Institutional support	19,176,012	22,639,568	642,882	789,263
Physical plant operations	13,444,993	14,423,723	-	-
Depreciation	7,782,553	7,939,447	-	-
Student aid	12,052,409	6,250,428	791,771	553,860
Auxiliary enterprises	<u>658,373</u>	<u>684,534</u>	<u>-</u>	<u>-</u>
Total operating expenses	<u>132,973,354</u>	<u>145,684,154</u>	<u>2,887,402</u>	<u>2,825,946</u>
Operating loss	<u>\$ (100,986,835)</u>	<u>\$ (111,290,230)</u>	<u>\$ (1,421,941)</u>	<u>\$ (1,256,358)</u>

See accompanying notes to financial statements.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - CONTINUED

Years ended June 30,

	Business-type activities		Component unit	
	The Community College of Philadelphia		The Community College of Philadelphia Foundation	
	2020	2019	2020	2019
Nonoperating revenues (expenses):				
State appropriations (Note K)	\$ 32,408,016	\$ 31,819,876	\$ -	\$ -
City appropriations (Note K)	29,846,548	25,549,440	-	-
Federal grants and contracts	52,337,221	46,097,682	-	-
Gifts from the Community College of Philadelphia Foundation	95,000	160,000	(95,000)	(160,000)
State grants and contracts	6,620,870	5,988,998	-	-
Nongovernmental grants and contracts	2,521,738	2,114,989	1,713,173	1,871,117
Net investment income	1,691,135	1,577,079	486,556	675,536
Interest on capital asset-related debt service	(3,604,374)	(3,601,996)	-	-
Other nonoperating revenues	578,254	410,000	-	-
Net nonoperating revenues	<u>122,494,408</u>	<u>110,116,068</u>	<u>2,104,729</u>	<u>2,386,653</u>
Gain (loss) before other revenues, expenses, gains or losses	21,507,573	(1,174,162)	682,788	1,130,295
Capital appropriations	<u>12,031,869</u>	<u>11,796,839</u>	<u>-</u>	<u>-</u>
Increase in net position	<u>33,539,442</u>	<u>10,622,677</u>	<u>682,788</u>	<u>1,130,295</u>
Net position, beginning	<u>(98,806,518)</u>	<u>(109,429,195)</u>	<u>13,386,670</u>	<u>12,256,375</u>
Net position, ending	<u>\$ (65,267,076)</u>	<u>\$ (98,806,518)</u>	<u>\$ 14,069,458</u>	<u>\$ 13,386,670</u>

See accompanying notes to financial statements.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

(Business-Type Activities - College only)

STATEMENTS OF CASH FLOWS

Years ended June 30,

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Tuition and fees	\$ 29,438,274	\$ 32,630,642
Payments to suppliers	(23,986,594)	(24,093,551)
Payments to employees	(77,609,032)	(77,082,623)
Payments for employee benefits	(35,601,697)	(34,063,051)
Payments for student aid	(12,052,409)	(6,250,428)
Auxiliary enterprises	1,432,674	1,597,284
Other cash receipts	(67,470)	41,887
	<u>(118,446,254)</u>	<u>(107,219,840)</u>
Net cash used in operating activities		
Cash flows from non-capital financing activities:		
State appropriations	32,453,515	31,786,853
City appropriations	29,846,548	25,549,440
Gifts and grants	57,576,382	57,887,846
Other non-operating	467,698	480,496
	<u>120,344,143</u>	<u>115,704,635</u>
Net cash provided by non-capital financing activities		
Cash flows from capital and related financing activities:		
State capital appropriations	5,819,210	4,937,072
City capital appropriations	6,212,659	6,859,767
Proceeds from long-term debt	-	9,155,000
Decrease (increase) in bond proceeds available for campus construction	6,468,349	(10,347,643)
Purchases of capital assets	(7,236,601)	(1,888,156)
Principal payments on long-term debt and amortization of capital leases	(7,714,266)	(7,642,307)
Interest payments on long-term debt and capital leases	(3,778,257)	(2,682,657)
	<u>(228,906)</u>	<u>(1,608,924)</u>
Net cash used in capital and related financing activities		
Cash flows from investing activities:		
Proceeds from sales and maturities of investments	58,567,715	42,376,198
Purchases of investments	(64,535,718)	(45,489,474)
Interest on investments	1,763,370	1,554,926
	<u>(4,204,633)</u>	<u>(1,558,350)</u>
Net cash used in investing activities		
(Decrease) increase in cash	(2,535,650)	5,317,521
Cash and cash equivalents, beginning	<u>22,125,355</u>	<u>16,807,834</u>
Cash and cash equivalents, ending	<u>\$ 19,589,705</u>	<u>\$ 22,125,355</u>

See accompanying notes to financial statements.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

(Business-Type Activities - College only)

STATEMENTS OF CASH FLOWS - CONTINUED

Years ended June 30,

	2020	2019
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (100,986,835)	\$ (111,290,230)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	7,782,553	7,939,447
Changes in assets and liabilities:		
Accounts receivable	(1,448,323)	305,116
Prepaid and other assets	480,872	(240,324)
Loans to students and employees	71,814	27,457
Accounts payable and accrued liabilities	395,448	1,561,685
Deferred revenues	(152,135)	(96,900)
Other post-employment benefits	(24,589,648)	(5,426,091)
Net cash used in operating activities	\$ (118,446,254)	\$ (107,219,840)
Supplemental disclosure of non-cash capital financing activity:		
Capital assets acquired via capital lease	\$ -	\$ 805,329

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

June 30, 2020 and 2019

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Community College of Philadelphia (the College) operates in accordance with the provisions of Commonwealth of Pennsylvania (the Commonwealth) legislation and through the sponsorship of the City of Philadelphia (the City). For financial reporting purposes, the College has been determined to be a component unit of the City, and, as such, has adopted the applicable provisions of the Governmental Accounting Standards Board (GASB).

Component Unit

The Community College of Philadelphia Foundation (the Foundation) was established to serve as an organization responsible for College fund-raising activities.

The by-laws of the Foundation give the College's board of trustees the authority to amend the Articles of Incorporation of the Foundation at any time. The Foundation is considered to be a discretely presented component unit of the College, and all financial transactions are reported within the financial statements of the College.

Measurement Focus, Basis of Accounting, and Basis of Presentation

The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), as prescribed by the GASB. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

The College has determined that it functions as a Business-Type Activity, as defined by the GASB. The effect of interfund activity has been eliminated from these financial statements.

The College's policy is to define operating activities in the statements of revenues, expenses and changes in net position as those that generally result from exchange transactions such as the payment received for services and payment made for the purchase of goods and services. Certain other transactions are reported as nonoperating activities. These nonoperating activities include the College's operating and capital appropriations from the Commonwealth and the City; federal, Commonwealth, and private grants; net investment income; gifts; interest expense; and disposals of capital assets.

Government Appropriations

Revenue from the Commonwealth and the City is recognized in the fiscal year during which the funds are appropriated to the College. The College is fiscally dependent upon these appropriations. Specific accounting policies with regard to government appropriations are as follows:

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

Commonwealth of Pennsylvania

General Commonwealth legislation establishing community colleges provides for the reimbursement of certain college expenses from Commonwealth funds appropriated for this purpose. Act 46 enacted in July 2005 changed the original basis of allocating operating funds to Commonwealth community colleges from a formula approach based upon full-time equivalent (FTE) students taught in the current fiscal year to a Commonwealth-wide community college appropriation. Under Act 46, the Commonwealth-wide operating budget appropriation for community colleges is to be distributed among each of the 14 colleges in three parts: base funding, growth funding and high priority (economic development) program funding. The provisions of Act 46 are intended to ensure that base operating funding for each college will at least equal the amount of funds received in the prior year. Annually, 25% of any new dollars in the operating funding granted community colleges is to be distributed proportionally among the colleges experiencing growth in the prior year based upon their share of the FTE growth. Colleges whose enrollments are stable or decline do not receive any increase from the growth funding.

The other significant operating funding change as a result of Act 46 was the establishment of Economic Development (high priority) program funding. High priority program funding is based upon prior year enrollments in program areas defined by the Commonwealth to contribute to trained worker growth in critical employment areas. Using prior-year FTE enrollments in targeted programs as the allocation mechanism, each college is to receive a proportionate share of the available funds allocated to high priority programs.

For 2020 and 2019, the provisions of Act 46 were not followed in allocating operational funds to Pennsylvania community colleges.

Under the provisions of Act 46, a separate revolving pool was established for community college capital funding. Capital funding, which may include major equipment and furniture purchases, capital improvements to buildings and grounds, debt service on major capital projects, and net rental costs for eligible capital leases, is reimbursed at the rate of 50%. Capital costs not previously approved for annual funding are subject to a competitive application process, with the allocation of available funds made by the Pennsylvania Department of Education using Commonwealth-wide criteria.

Any excesses or deficiencies between provisional payments and the final annual reimbursement calculation of annual Commonwealth funding are reflected as a payable or receivable from the Commonwealth.

Net Position

The College classifies its net position into the following four net position categories:

Net investment in capital assets: Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, repair, or improvement of those assets.

Restricted - nonexpendable: Net position subject to externally imposed conditions that the College must maintain them in perpetuity.

Restricted - expendable: Net position whose use is subject to externally imposed conditions that can be fulfilled by the actions of the College or by the passage of time.

Unrestricted: All other categories of net position. Unrestricted net position may be designated by actions of the College's Board of Trustees.

The College has adopted a policy of generally utilizing restricted - expendable funds, when available, prior to unrestricted funds.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

Cash and Cash Equivalents

The College considers all cash accounts and demand deposits with financial banking institutions to be cash. The College considers all short-term investments (primarily certificates of deposit) with a maturity of 90 days or less to be cash equivalents.

Investments

Investments in marketable securities are stated at fair value. Valuations for non-marketable securities are provided by external investment managers and are based upon net asset value (NAV) as provided by investment managers.

Dividends, interest and net gains or losses on investments of endowments and similar funds are reported in the statements of revenues, expenses and changes in net position. Any net earnings not expended are included in net position categories as follows:

- (i) as increases in restricted - nonexpendable net position if the terms of the gift require that they be added to the principal of a permanent endowment fund;
- (ii) as increases in restricted - expendable net position if the terms of the gift or the College's interpretation of relevant Commonwealth law impose restrictions on the current use of the income or net gains; and
- (iii) as increases in unrestricted net position in all other cases.

The College policy permits investments in obligations of the U.S. Treasury, certificates of deposit, commercial paper rated A-1 by Standard and Poor's Corporation or P-1 by Moody's Commercial Paper Record, bankers' acceptances, repurchase agreements, and the Commonfund's Intermediate Term Fund and Multi-Strategy Bond Fund, and specifically approved fixed income securities. The investment practice of the Foundation includes the use of PFM Asset Management as its outsourced chief investment officer. The Foundation also uses Bryn Mawr Trust as its custodian of endowment funds. The Foundation transitioned to Vanguard Institutional Advisory Services as its outsourced Chief Investment Officer in November 2019.

Capital Assets

Real estate assets, including improvements, are generally stated at cost. Furnishings and equipment are stated at cost at date of acquisition or, in the case of gifts, at fair value at date of donation. Interest costs on debt related to capital assets are capitalized during the construction period. There were no capitalized interest costs for the years ended June 30, 2020 or 2019.

Assets are depreciated using the straight-line method. The range of estimated useful lives by asset categories is summarized as follows:

Asset category	Years
Buildings and improvements	10 to 50
Equipment and furniture	3 to 10
Library books	10
Microforms	5
Software	3
System software	10

The costs of normal maintenance and repairs that do not increase the value of the asset or materially extend assets' lives are not capitalized.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

Compensated Absences

Employees earn the right to be compensated during absences for vacation leave and sick leave. Accrued vacation is the amount earned by all eligible employees through the statement of net position date. Upon retirement, these employees are entitled to receive payment for this accrued balance as defined in the College policy and collective bargaining agreements.

Deposits and Unearned Revenue

Deposits and advance payments received for tuition and fees related to certain summer programs and tuition received for the following academic year are deferred and are recorded as revenues when instruction is provided.

Student Fees

Included in student fees are general college fees of \$ 1,162,740 and \$1,302,496 for the years ended June 30, 2020 and 2019, respectively, which have been designated for use by the various student organizations and activities.

Tax Status

The College generally is exempt from federal and Commonwealth taxes due to its status as an unincorporated association established by the Pennsylvania Community College Act of 1963 (the Act). Under the Act, community colleges are considered to be activities of the Commonwealth.

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). The Internal Revenue Service (IRS) determined the Foundation is also classified as a public charity under Sections 509(a)(1) and 170(b)(1)(A)(vi) of the IRC to serve as an organization responsible for College fundraising activities. The Foundation follows the accounting guidance for uncertainties in income tax positions which requires that a tax position be recognized or not recognized based on a “more likely than not” threshold. This applies to positions taken or expected to be taken in a tax return. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged. The Foundation has processes presently in place to ensure the maintenance of its tax-exempt status, to identify and report unrelated income, to determine its filing and tax obligations in jurisdictions for which it has nexus, and to review other matters that may be considered tax positions. The tax years ended June 30, 2017, 2018, 2019, and 2020 are still open to audit for both federal and state purposes. As of June 30, 2020, management has determined that the Foundation has no material uncertain tax positions that would require recognition or disclosure in the accompanying financial statements.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the allowance for doubtful accounts, useful lives of capital assets, assumptions related to self-insurance reserves, and assumptions related to pension and other post-employment benefit accruals. Actual results could differ from those estimates.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

Scholarship Discounts and Allowances

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the statements of revenues, expenses and changes in net position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the College and the amount that is paid by students and/or third parties making payments on students' behalf. Certain governmental grants are recorded as either operating or nonoperating revenues in the College's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the College has recorded a scholarship discount and allowance.

Self-Insurance

The College participates in a self-insurance medical plan through Independence Blue Cross, which became effective September 1, 2009. A reinsurance limit of \$250,000 is in place to limit institutional financial exposure for individuals with extraordinarily large claims in a policy year. The College has established a self-insurance accrued liability account for incurred claims, as well as an estimate of claims incurred but not reported. The College's self-insurance liability at June 30, 2020 and 2019 was \$1,510,300 and \$1,558,698, respectively, based upon an actuarial calculation based upon historical claim experience.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of net position include a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources until that time. In addition to liabilities, the statements of net position include a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of a net position that applies to future periods and will not be recognized as an inflow of resources until that time. The College's deferred outflow/inflow relates to amounts recorded in connection with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* (GASB 68), amounts recorded in connection with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions* (GASB 75), as well as the advance refunding of the 2008 Series Community College Revenue Bonds in September 2015.

Additional deferred inflows of \$74.7 million and \$63.0 million in 2020 and 2019, respectively, were recorded under GASB 75.

Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the State Employees Retirement System (SERS) and the Pennsylvania Public School Employees Retirement System (PSERS) and additions to/deductions from the SERS' and PSERS' fiduciary net position have been determined on the same basis as they are reported by SERS/PSERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

Recently Issued Accounting Pronouncements

In June 2017, the GASB issued Statement No. 87, *Leases*. This statement provides guidance for lease contracts for nonfinancial assets - including vehicles, heavy equipment and buildings – but excludes nonexchange transactions, including donated assets, and leases of intangible assets (such as patents and software licenses). The lease definition now focuses on a contract that conveys control of the right to use another entity's nonfinancial assets, which is referred to in the new Statement No. 87 as the underlying asset. Under Statement No. 87, a lessee government is required to recognize (1) a lease liability and (2) an intangible asset representing the lessee's right to use the leased asset. A lessor government is required to recognize (1) a lease receivable and (2) a deferred inflow of resources. A lessor will continue to report the leased asset in its financial statements. The requirements of Statement No. 87 are effective for reporting periods beginning after June 15, 2021, with early adoption permitted. The College is still assessing the impact of Statement No. 87 on its financial statements.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. Statement No. 89 requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred and no longer be included in the historical cost of a capital asset reported in a business-type activity. The requirements of this statement are effective for financial statements for periods beginning after December 15, 2020 and will be applied prospectively. The College is still assessing the impact of Statement No. 89 on its financial statements.

COVID-19 Disruptions

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic, which continues to spread throughout the United States. As a result, a COVID-19 Exposure Prevention, Preparedness, and Response Plan was implemented by the College. A COVID-19 Safety Team was established to monitor the developing public health situation and ensure the College is in compliance with public health guidance from agencies such as the U.S. Center for Disease Control and Prevention, the Pennsylvania Department of Health, the Department of Public Health for the City of Philadelphia, and the Pennsylvania Department of Education, in order to safeguard the health of its students, employees and community members.

As a result, all on-campus coursework and student activities were suspended effective March 16, 2020. All employees, except certain identified essential employees, were required to work from home. Almost all courses, except for those requiring in-person instruction for effective learning or required by licensing bodies, have been converted to online courses. Some courses already offered on-campus for the fall semester are in the areas of Dental Hygiene, Phlebotomy, Clinical Microbiology, Electrical Wiring, Nurse Aid Training, and ServSafe. Other courses may be added to the list depending on the COVID-19 situation. The College was awarded a total of \$17.1 million from the CARES Act to address the unprecedented COVID-19 challenges. As of June 30, 2020, the College had drawn-down and disbursed \$5.4 million of the Emergency Financial Aid Grants to students and this amount is included as an increase in student aid expenses from \$6.2 million in 2019 to \$12.1 million in 2020. The College drew down and spent \$1.2 million of the institutional portion under the grant to purchase laptops for students, expand remote access and distance education software licensing, purchase personal protective equipment, and for converting on-campus courses to remote learning. The remaining balance from the CARES Act will be drawn down and spent in 2021.

While the disruption is currently expected to be temporary, there is uncertainty around the duration. Therefore, while the College expects this matter to negatively impact its financial position for 2021, the related financial impact cannot be reasonably estimated at this time.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

NOTE B - DEPOSITS AND INVESTMENTS

The College invests its funds in accordance with the Board of Trustees' investment policy, which authorizes the College to invest in cash equivalents which consist of treasury bills, money market funds, commercial paper, bankers' acceptances, repurchase agreements and certificates of deposit; fixed income securities including U.S. government and agency securities, corporate notes and bonds, asset-backed bonds, floating rate securities and Yankee notes and bonds; and mutual funds including the Commonfund Multi-Strategy Bond Fund and Commonfund Intermediate Fund. Regardless of fund classifications, certain general tenets apply. Investments in all classifications seek to maintain significant liquidity and maximize annual income for the College while avoiding excessive risk. Specific objectives include maintaining sufficient liquidity to meet anticipated cash needs and the preservation of principal. The College recognizes that it may be necessary to forego opportunities for potential large gains to achieve a reasonable risk posture. Certain investments are prohibited, including equity securities, commodities and futures contracts, private placements, options, limited partnerships, venture capital, tangible personal property, direct real estate, short selling, margin transactions and certain derivative instruments. Diversification, insofar as it reduces portfolio risk, is required. At least annually, the Board of Trustees will review the investment policy and performance to determine any appropriate revisions.

Operating funds may be invested only in corporate bonds rated at a minimum A- by Standard and Poor's or A3 by Moody's Investors Service, Inc. (Moody's) that are of U.S. dollar denomination. Investments in asset-backed and mortgage-backed bonds are limited to those rated AAA/Aaa. Investments in commercial paper must be rated A1/P1 or better. The maximum percentage of investments in any one sector is limited to 100% for U.S. government and agency, 25% for asset-backed bonds, 40% for corporate notes and bonds, and 25% for mortgage-backed bonds.

Deposits are comprised of demand deposit accounts with financial institutions. At both June 30, 2020 and 2019, cash on hand was \$4,000. At June 30, 2020 and 2019, the carrying amount of deposits was \$19,585,705 and \$22,121,355 and the bank balance was \$20,692,394 and \$23,112,544, respectively. The differences were caused primarily by items in transit. Deposits of \$500,000 were covered by federal depository insurance of \$250,000 for the College accounts and \$250,000 for the Foundation account under each ownership category at both June 30, 2020 and 2019.

The following is the fair value of deposits and investments at June 30, 2020:

	College	Component unit Foundation
Deposits:		
Demand deposits	\$ 19,585,705	\$ 1,622,503
Investments:		
U.S. Treasury obligations	5,181,943	-
U.S. government agency obligations	5,332,734	-
Corporate and foreign bonds	1,776,056	-
Intermediate fixed income mutual fund	5,531,337	4,488,182
Equity mutual fund	-	7,825,563
Multi-strategy bond mutual fund	5,449,926	-
Money market mutual funds	17,684,046	858,020
Private real estate fund	-	55,256
	\$ 60,541,747	\$ 14,849,524
Total deposits and investments		

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

The following is the fair value of deposits and investments at June 30, 2019:

	College	Component unit Foundation
Deposits:		
Demand deposits	\$ 22,121,355	\$ 1,427,612
Investments:		
U.S. Treasury obligations	5,382,641	349,160
U.S. government agency obligations	207,733	-
Corporate and foreign bonds	5,655,517	-
Intermediate fixed income mutual fund	5,416,342	3,859,841
Equity mutual fund	-	7,625,415
Multi-strategy bond mutual fund	5,191,465	-
Money market mutual funds	13,134,341	855,989
Private real estate fund	-	45,793
Total deposits and investments	\$ 57,109,394	\$ 14,163,810

In addition to the deposits and investments listed above, the College also has bond proceeds available for campus construction held by Sovereign Bank, the State Public School Building Authority, and the Bank of New York (the trustees), under the terms of various bond indentures. Bond proceeds available for campus construction are carried in the financial statements at fair value and consist of short-term investments and government securities. As of June 30, 2020 and 2019, bond proceeds available for campus construction include the following:

	2020	2019
Construction funds	\$ 19,978,506	\$ 26,446,855

The College's investments are subject to various risks. Among these risks are custodial credit risk, credit risk, and interest rate risk. Each one of these risks is discussed in more detail below.

Custodial credit risk is the risk that in the event of a bank failure, the College's deposits may not be returned to the College. The College does not have a deposit policy for custodial credit risk. Commonwealth of Pennsylvania Act 72 of 1971, as amended, allows banking institutions to satisfy the collateralization requirement by pooling eligible investments to cover total public funds on deposit in excess of federal insurance. Such pooled collateral is pledged with the financial institutions' trust departments.

At June 30, 2020 and 2019, the College's bank balance was exposed to custodial credit risk as follows:

	2020	2019
Uninsured and collateral held by pledging bank's trust department not in the College's name	\$ 19,585,705	\$ 22,121,355

The College participates in the Certificate of Deposit Account Registry Service (CDARS) for its certificates of deposit and Insured Cash Sweep (ICS). CDARS and ICS allow the College to access Federal Deposit Insurance Corporation (FDIC) insurance on multi-million dollar certificates of deposit and money market deposit accounts to earn rates that compare favorably to treasuries and money market mutual funds. Custodial credit risk has been eliminated for the College's certificates of deposit as a result of its participation in the CDARS program.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The credit risk of a debt instrument is measured by nationally recognized statistical rating agencies such as Moody's.

The multi-strategy bond mutual fund and the intermediate fixed income mutual fund are mutual funds managed by the Commonfund. The credit quality of the investments that comprise these funds are:

	June 30, 2020	
	Multi-Strategy Bond	Intermediate Fixed Income
Government	11%	22%
Agency	24	25
AAA	11	22
AA	4	5
A	13	14
BBB	23	10
Below BBB	10	2
Non-rated/Other	4	-
	100%	100%

	June 30, 2019	
	Multi-Strategy Bond	Intermediate Fixed Income
Government	15%	23%
Agency	28	23
AAA	7	23
AA	3	4
A	9	19
BBB	19	7
Below BBB	13	1
Non-rated/Other	6	-
	100%	100%

The credit quality of the fixed income investments in which the College directly invests, including U.S. Treasury obligations, U.S. government agency obligations and corporate and foreign bonds, is as follows:

	June 30, 2020 Fixed income investments	June 30, 2019 Fixed income investments
Aaa	54%	61%
Aa	6	4
A	32	25
Baa	8	10
	100%	100%

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of fixed income investments. The College's investment policy does not specifically address limitations in the maturities of investments. The weighted average maturities of the College's fixed income investments at June 30, 2020 and 2019 are as follows:

	<u>June 30, 2020</u>	<u>June 30, 2019</u>
	Weighted average maturity (years)	Weighted average maturity (years)
U.S. Treasury obligations	4.27	3.60
U.S. government agency obligations	3.79	2.00
Corporate and foreign bonds	4.92	4.70

The College categorizes its fair value measurements within the fair value hierarchy established by U.S. GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs.

The College has the following recurring fair value measurements as of June 30, 2020:

Demand deposits, U.S. Treasury obligations, U.S. government agency obligations, and money market mutual funds of \$47,784,428 are valued using quoted market prices (Level 1 inputs).

Corporate and foreign bonds of \$1,776,056 are valued using a matrix pricing model (Level 2 inputs), while the intermediate fixed income mutual fund and the multi-strategy bond mutual fund totaling \$10,981,263 are valued at the NAV per share (or its equivalent) of the investments (Level 2 inputs).

The Foundation has the following recurring fair value measurements as of June 30, 2020:

Demand deposits, equity mutual fund, and money market mutual funds of \$10,306,086 are valued using quoted market prices (Level 1 inputs).

The intermediate fixed income mutual fund of \$4,488,182 is valued at the NAV per share (or its equivalent) of the investments (Level 2 inputs).

The private real estate fund of \$55,256 is valued at the NAV per share (or its equivalent) of the investments (Level 3 inputs).

The College has the following recurring fair value measurements as of June 30, 2019:

Demand deposits, U.S. Treasury obligations, U.S. government agency obligations, and money market mutual funds of \$40,846,070 are valued using quoted market prices (Level 1 inputs).

Corporate and foreign bonds of \$5,655,517 are valued using a matrix pricing model (Level 2 inputs), while the intermediate fixed income mutual fund and the multi-strategy bond mutual fund totaling \$10,607,807 are valued at the NAV per share (or its equivalent) of the investments (Level 2 inputs).

The Foundation has the following recurring fair value measurements as of June 30, 2019:

Demand deposits, U.S. Treasury obligations, equity mutual fund, and money market mutual funds of \$10,258,176 are valued using quoted market prices (Level 1 inputs).

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

The intermediate fixed income mutual fund of \$3,859,841 is valued at the NAV per share (or its equivalent) of the investments (Level 2 inputs).

The private real estate fund of \$45,793 is valued at the NAV per share (or its equivalent) of the investments (Level 3 inputs).

The valuation method for investments measured at the NAV per share (or its equivalent) are presented in the following tables.

June 30, 2020 Investments Measured at NAV (\$ in millions)				
	Fair value	Unfunded commitments	Redemption frequency (if currently eligible)	Redemption notice period
Intermediate fixed income mutual fund ⁽¹⁾	\$ 10.0	-	Monthly	30 days
Multi-strategy bond mutual fund ⁽²⁾	5.4	-	Weekly	7 days
Private real estate fund ⁽³⁾	0.1	-	N/A	N/A
Total investments measured at NAV	\$ 15.5			

June 30, 2019 Investments Measured at NAV (\$ in millions)				
	Fair value	Unfunded commitments	Redemption frequency (if currently eligible)	Redemption notice period
Intermediate fixed income mutual fund ⁽¹⁾	\$ 9.3	-	Monthly	30 days
Multi-strategy bond mutual fund ⁽²⁾	5.2	-	Weekly	7 days
Private real estate fund ⁽³⁾	0.1	-	N/A	N/A
Total investments measured at NAV	\$ 14.6			

(1) *Intermediate Fixed Income Mutual Fund.* The investment objective of the Multi-Strategy Bond Fund is to offer an actively managed, multi-manager investment program that will provide broad exposure to global debt markets. The fund seeks to add value above the return of the broad U.S. bond market as measured by the Barclays Capital U.S. Aggregate Bond Index, net of fees, and to provide competitive returns relative to the Russell U.S. Core Plus Fixed Income Universe. The fund's risk characteristics will vary from those of the index due to its diversified exposures to sectors outside of the index, including below investment grade debt and international bond and currency markets. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the investments.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

- (2) *Multi-Strategy Bond Mutual Fund.* The investment objective of the Intermediate Term Fund is to produce a total return in excess of its benchmark, the Bank of America Merrill Lynch 1-3 Year Treasury Index, but attaches greater emphasis to its goal of generating a higher current yield than short-term money market investments in a manner that mitigates the chances of a negative total return over any 12-month period. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the investments.
- (3) *Private Real Estate Fund.* Equus Capital Partners' Fund X (Equus) seeks to acquire value-add properties across all major real estate segments throughout the U.S. It is a sole-acquirer that takes equity positions and does not partner with regional owner-operators through joint ventures that can be dilutive to equity upside profits. The fund aims to be fully diversified across all major property types and across all U.S. property markets. Equus runs a vertically integrated platform, from deal sourcing, through acquisition to portfolio management, property management, renovation, repositioning and exit. The fund includes moderate leverage on its acquisitions, with no debt recourse to the fund level. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the investments.

NOTE C - ACCOUNTS RECEIVABLE

Accounts receivable include the following at June 30, 2020 and 2019:

	2020		2019	
	College	Component unit Foundation	College	Component unit Foundation
Tuition and fee receivables	\$ 6,780,999	\$ -	\$ 7,153,747	\$ -
Grants receivable	-	248,768	-	136,131
Other receivables	1,253,479	-	1,568,328	-
Pledges receivable	-	109,942	-	160,595
Receivable from Foundation	701,664	-	423,344	-
	8,736,142	358,710	9,145,419	296,726
Less: allowance for doubtful accounts	(3,160,977)	(8,819)	(4,025,860)	(12,922)
Total	\$ 5,575,165	\$ 349,891	\$ 5,119,559	\$ 283,804

The College anticipates that all of its net accounts receivable will be collected within one year.

Accounts receivable, tuition and fees and other are reported as net realizable value. Accounts are written off when they are determined to be uncollectible based upon management's assessment of individual accounts. The allowance for doubtful accounts is estimated based on the College's historical losses and periodic review of individual accounts. The allowance was \$3,160,977 and \$4,025,860 at June 30, 2020 and 2019, respectively. All of the Foundation's pledges receivable are expected to be collected subsequent to June 30, 2020, generally on a five-year payment schedule.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

NOTE D - CAPITAL ASSETS

Capital assets consist of the following at June 30, 2020:

	Balance July 1 2019	Additions	Retirements and adjustments	Balance June 30, 2020
Capital assets not depreciated:				
Land and improvements	\$ 31,094,976	\$ -	\$ -	\$ 31,094,976
Construction in progress	1,013,521	6,295,754	(114,441)	7,194,834
Works of art	787,708	114,912	-	902,620
	32,896,205	6,410,666	(114,441)	39,192,430
Capital assets being depreciated:				
Buildings and improvements	243,056,366	325,013	-	243,381,379
Equipment and furniture	43,466,500	515,253	(15,765)	43,965,988
Library books	5,660,902	101,152	-	5,762,054
Microforms	1,669,832	-	-	1,669,832
Software	4,038,895	-	-	4,038,895
System software	6,911,878	-	-	6,911,878
	304,804,373	941,418	(15,765)	305,730,026
Total before depreciation	\$ 337,700,578	\$ 7,352,084	\$ (130,206)	\$ 344,922,456

Accumulated depreciation by asset categories is summarized as follows:

	Balance July 1, 2019	Depreciation	Retirements	Balance June 30, 2020
Buildings and improvements	\$ 124,274,650	\$ 5,890,191	\$ -	\$ 130,164,841
Equipment and furniture	36,897,941	1,732,805	(14,721)	38,616,025
Library books	4,885,042	128,838	-	5,013,880
Microforms	1,669,832	-	-	1,669,832
Software	4,038,895	-	-	4,038,895
System software	6,808,606	30,719	-	6,839,325
	\$ 178,574,966	\$ 7,782,553	\$ (14,721)	\$ 186,342,798
Total	\$ 178,574,966	\$ 7,782,553	\$ (14,721)	\$ 186,342,798
Net capital assets				\$ 158,579,658

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

Capital assets consist of the following at June 30, 2019:

	Balance July 1 2018	Additions	Retirements and adjustments	Balance June 30, 2019
Capital assets not depreciated:				
Land and improvements	\$ 31,056,794	\$ 38,182	\$ -	\$ 31,094,976
Construction in progress	543,268	743,389	(273,136)	1,013,521
Works of art	787,708	-	-	787,708
	<u>32,387,770</u>	<u>781,571</u>	<u>(273,136)</u>	<u>32,896,205</u>
Capital assets being depreciated:				
Buildings and improvements	242,601,214	455,152	-	243,056,366
Equipment and furniture	41,966,616	1,595,319	(95,435)	43,466,500
Library books	5,525,888	135,014	-	5,660,902
Microforms	1,669,832	-	-	1,669,832
Software	4,038,895	-	-	4,038,895
System software	6,911,878	-	-	6,911,878
	<u>302,714,323</u>	<u>2,185,485</u>	<u>(95,435)</u>	<u>304,804,373</u>
Total before depreciation	<u>302,714,323</u>	<u>2,185,485</u>	<u>(95,435)</u>	<u>304,804,373</u>
	<u>\$ 335,102,093</u>	<u>\$ 2,967,056</u>	<u>\$ (368,571)</u>	<u>\$ 337,700,578</u>

Accumulated depreciation by asset categories is summarized as follows:

	Balance July 1, 2018	Depreciation	Retirements	Balance June 30, 2019
Buildings and improvements	\$ 118,308,425	\$ 5,966,226	\$ -	\$ 124,274,651
Equipment and furniture	35,358,792	1,734,149	(95,000)	36,997,941
Library books	4,748,188	136,855	-	4,885,043
Microforms	1,669,832	-	-	1,669,832
Software	4,038,895	-	-	4,038,895
System software	6,706,389	102,217	-	6,808,606
	<u>\$ 170,830,521</u>	<u>\$ 7,939,447</u>	<u>\$ (95,000)</u>	<u>\$ 178,674,968</u>
Total	<u>\$ 170,830,521</u>	<u>\$ 7,939,447</u>	<u>\$ (95,000)</u>	<u>\$ 178,674,968</u>
Net capital assets				<u>\$ 159,125,610</u>

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

NOTE E - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consisted of the following at June 30, 2020:

	College	Component unit Foundation
Category:		
Vendors and others	\$ 8,234,349	\$ 803,216
Accrued salaries	3,784,561	35,764
Accrued benefits	2,053,313	-
Compensated absences	3,420,896	-
Retirement incentive payments	1,130,713	-
Payroll withholding taxes	514,427	-
Accrued interest	178,804	-
	\$ 19,317,063	\$ 838,980
Total		

Accounts payable and accrued liabilities consisted of the following at June 30, 2019:

	College	Component unit Foundation
Category:		
Vendors and others	\$ 7,232,761	\$ 458,748
Accrued salaries	3,712,096	18,588
Accrued benefits	2,302,592	-
Compensated absences	3,065,436	-
Retirement incentive payments	2,048,645	-
Payroll withholding taxes	395,217	-
Accrued interest	196,878	-
	\$ 18,953,625	\$ 477,336
Total		

Long-term liability activity for the year ended June 30, 2020 was as follows:

	Beginning balance July 1, 2019	Additions	Deductions	Total ending balance June 30, 2020	Current portion
Long-term liabilities:					
Accounts payable and accrued liabilities	\$ 18,953,625	\$ 544,222	\$ (180,784)	\$ 19,317,063	\$ 17,762,425
Payable to government agencies	4,222,497	-	(3,952,948)	269,549	269,549
Capital lease obligation	1,391,712	-	(473,449)	918,263	468,149
Long-term debt	77,298,101	-	(7,240,817)	70,057,284	7,557,284
Unamortized bond premium	8,169,579	-	(728,918)	7,440,661	728,918
Other post-employment benefits	180,264,083	1,610,577	(38,250,154)	143,624,506	-
	\$ 290,299,597	\$ 2,154,799	\$ (50,827,070)	\$ 241,627,326	\$ 26,786,325

**Community College of Philadelphia
(A Component Unit of the City of Philadelphia)**

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NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

Long-term liability activity for the year ended June 30, 2019 was as follows:

	Beginning balance July 1, 2018	Additions	Deductions	Total ending balance June 30, 2019	Current portion
Long-term liabilities:					
Accounts payable and accrued liabilities	\$ 17,403,319	\$ 2,383,313	\$ (833,007)	\$ 18,953,625	\$ 17,553,995
Payable to government agencies	729,343	3,493,154	-	4,222,497	4,222,497
Capital lease obligation	1,564,211	805,328	(977,827)	1,391,712	473,448
Long-term debt	74,807,581	9,155,000	(6,664,480)	77,298,101	7,240,817
Unamortized bond premium	7,822,756	346,823	-	8,169,579	728,918
Other post-employment benefits	182,233,779	-	(1,969,696)	180,264,083	-
	<u>\$ 284,560,989</u>	<u>\$ 16,183,618</u>	<u>\$ (10,445,010)</u>	<u>\$ 290,299,597</u>	<u>\$ 30,219,675</u>

NOTE F - DEBT

The College's debt financing is primarily provided through Community College Revenue Bonds issued by the Hospitals and Higher Education Facilities Authority and the State Public School Building Authority.

Debt consisted of the following at June 30, 2020:

	Balance July 1, 2019	Additions	Principal payments	Balance June 30, 2020	Current portion
2015 Series	\$ 45,535,000	\$ -	\$ (4,380,000)	\$ 41,155,000	\$ 4,595,000
2018 Series	21,970,000	-	(2,265,000)	19,705,000	2,345,000
2019 Series	9,155,000	-	(280,000)	8,875,000	295,000
SPSBA Loan	638,101	-	(315,817)	322,284	322,284
	<u>\$ 77,298,101</u>	<u>\$ -</u>	<u>\$ (7,240,817)</u>	<u>\$ 70,057,284</u>	<u>\$ 7,557,284</u>

Debt consisted of the following at June 30, 2019:

	Balance July 1, 2018	Additions	Principal payments	Balance June 30, 2019	Current portion
2015 Series	\$ 49,705,000	\$ -	\$ (4,170,000)	\$ 45,535,000	\$ 4,380,000
2018 Series	24,155,000	-	(2,185,000)	21,970,000	2,265,000
2019 Series	-	9,155,000	-	9,155,000	280,000
SPSBA Loan	947,581	-	(309,480)	638,101	315,817
	<u>\$ 74,807,581</u>	<u>\$ 9,155,000</u>	<u>\$ (6,664,480)</u>	<u>\$ 77,298,101</u>	<u>\$ 7,240,817</u>

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

Future annual principal and interest payments at June 30, 2020 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
June 30:			
2021	\$ 7,557,284	\$ 3,385,398	\$ 10,942,682
2022	7,600,000	3,020,381	10,620,381
2023	7,975,000	2,640,381	10,615,381
2024	6,240,000	2,241,631	8,481,631
2025	6,550,000	1,929,631	8,479,631
2026	6,000,000	1,602,131	7,602,131
2027	6,305,000	1,302,131	7,607,131
2028	6,615,000	986,881	7,601,881
2029	1,165,000	656,131	1,821,131
2030	1,225,000	597,881	1,822,881
2031	1,285,000	536,631	1,821,631
2032	1,350,000	472,381	1,822,381
2033	1,420,000	404,881	1,824,881
2034	1,490,000	333,881	1,823,881
2035	1,565,000	259,381	1,824,381
2036	1,630,000	192,831	1,822,831
2037	1,685,000	137,494	1,822,494
2038	1,745,000	80,288	1,825,288
2039	655,000	19,650	674,650
	<u>\$ 70,057,284</u>	<u>\$ 20,799,995</u>	<u>\$ 90,857,279</u>

2015 Series

Under a loan agreement dated September 10, 2015 between the Authority and the College, the College borrowed \$52,075,000 of 2015 Series Community College Revenue Bonds to advance refund a portion of the Authority's Community College Revenue Bonds (Community College of Philadelphia Project), Series of 2008 and additional 2015 Capital Projects. The 2015 Capital Projects consist of the following: (1) renovating the College's biology labs, (2) replacing certain escalators located in the College's West Building, and (3) various other renovations, repairs and capital improvements. All of the foregoing components of the 2015 Capital Projects will be used in connection with the College's operation of its community college buildings in furtherance of its educational mission. The 2015 Series Bonds are payable over 12½ years at rates from 2.00% to 5.00%, with an average debt service payment of \$4,166,000. The unrefunded Series of 2008 were payable over three years, with an average debt service payment of \$2,415,000.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

Remaining principal payments for the 2015 Series Bonds required by the loan agreement are as follows:

	Principal
2021	\$ 4,595,000
2022	4,830,000
2023	5,070,000
2024	5,325,000
2025	5,590,000
2026	4,995,000
2027-2029	10,750,000
	\$ 41,155,000

2018 Series

Under a loan agreement dated May 1, 2018 between the Authority and the College, the College borrowed \$24,155,000 of 2018 Series Community College Revenue Bonds to refund the outstanding Authority's Community College Revenue Bonds (Community College of Philadelphia Project), Series of 2017 and the additional 2018 Capital Projects. The 2018 Capital Projects consist of the renovation and improvements of the Library Learning Commons facility at the main campus. All of the foregoing components of the 2018 Capital Projects will be used in connection with the College's operation of its community college buildings in furtherance of its educational mission. The 2018 Series Bonds are payable over 20½ years at rates from 3.63% to 5.00%, with average debt service payments of \$3,291,851 through 2023 and \$1,148,381 from 2024 through 2038.

	Principal
2021	\$ 2,345,000
2022	2,460,000
2023	2,580,000
2024	575,000
2025	600,000
2026	630,000
2027-2038	10,515,000
	\$ 19,705,000

2019 Series

Under a loan agreement dated May 2019 between the Authority and the College, the College borrowed \$9,155,000 College Revenue Bonds (Community College of Philadelphia Project), Series A of 2019. The 2019 Capital Projects consist of (a) the development, construction, improvement, furnishing, equipping and outfitting of a new, approximately 75,000 square foot, building on land owned by the College in West Philadelphia, with a facility that will be used to house the College's Career and Advanced Technology Center, (b) the demolition of an existing building on such site, and (c) other miscellaneous capital improvements at such site including parking, landscaping and related improvements. All of the foregoing components of the 2019 Capital Projects will be used in connection with the College's operation of its community college buildings in furtherance of its educational mission. The 2019 Series A Bonds are payable over 20 years at rates from 3.00% to 5.00%, with average debt service payments of \$675,589 from 2020 through 2039.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

Principal payments required by the loan agreement are as follows:

	Principal
2021	\$ 295,000
2022	310,000
2023	325,000
2024	340,000
2025	360,000
2026	375,000
2027	395,000
2028-2039	6,475,000
	\$ 8,875,000

Revolving Loan Obligation

Under a loan agreement dated April 1, 2013 with the Authority, the College borrowed \$2,400,000 for the purpose of renovations to several spaces in the West Building on the College's Main Campus to address critical programmatic needs. The loan is scheduled to be repaid over a five-year period through November 1, 2020 at a fixed annual interest rate of 2.03%.

Remaining principal payments required by the loan agreement are as follows:

	Principal
2021	\$ 322,284

Operating Leases

The College leases certain equipment and property under operating lease arrangements that expire through 2026. Rental expense for operating leases was \$513,212 and \$503,652 for the years ended June 30, 2020 and 2019, respectively.

Future minimum lease payments required under operating leases are as follows:

2021	\$ 562,669
2022	430,314
2023	310,274
2024	272,845
2025-2026	301,997
	\$ 1,878,099

Capital Leases

The College leases certain equipment under capital lease arrangements that expire through 2023. These leases are recorded at the lower of cost or present value and amounted to \$918,263 and \$1,391,712 at June 30, 2020 and 2019, respectively. Amortization charges of capital leases were \$1,106,227 and \$1,190,253 for the years ended June 30, 2020 and 2019, respectively.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

Future minimum lease payments under capital leases are as follows:

	Principal
2021	\$ 468,149
2022	378,632
2023	71,482
	\$ 918,263

NOTE G - (PAYABLE TO) RECEIVABLE FROM GOVERNMENT AGENCIES

(Payable to) receivable from government agencies includes the following at June 30, 2020 and 2019:

	2020		2019	
	(Payable)	Receivable	(Payable)	Receivable
Commonwealth of Pennsylvania:				
Provision for potential audit findings and reimbursement calculation	\$ (47,999)	\$ -	\$ (2,500)	\$ -
Grants and special projects	-	1,148,570	-	1,086,492
PHEAA for grants	(221,550)	-	(4,219,997)	-
	(269,549)	1,148,570	(4,222,497)	1,086,492
City of Philadelphia grants receivable	-	497,511	-	314,571
Federal:				
Financial aid programs	-	2,644	-	12,605
Grants and special projects	-	1,063,562	-	377,718
	-	1,563,717	-	704,894
Total	\$ (269,549)	\$ 2,712,287	\$ (4,222,497)	\$ 1,791,386

NOTE H - EMPLOYEE BENEFITS

Retirement benefits are provided for substantially all employees through payments to one of the board-authorized retirement programs. Although the College does not offer participation in the SERS or the PSERS, it has grandfathered continued participation for those employees currently enrolled. The College has 10 employees participating in the SERS and 21 employees in the PSERS.

Defined Benefit Plans

The PSERS and SERS are cost-sharing multiple employer defined benefit plans and are administered by the Commonwealth as established under legislative authority. The financial statements for PSERS and SERS can be obtained from the following: Commonwealth of Pennsylvania, Public School Employees' Retirement System, 5 North Fifth Street, P.O. Box 125, Harrisburg, PA 17108-0125; and Commonwealth of Pennsylvania, State Employees' Retirement System, 30 North Third Street, P.O. Box 1147, Harrisburg, PA 17108-1147.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

Benefits Provided

PSERS and SERS provide retirement, disability, and death benefits. For PSERS, retirement benefits are determined as 2.00% or 2.50% (depending on membership class), of the individual's final average salary multiplied by the number of years of credited service. After completion of five years of service, an individual's right to defined benefits is vested, and early retirement may be elected. Individuals are eligible for disability retirement benefits after completion of five years of credited service. Such disability benefits are generally equal to 2.00% to 2.50% (depending on membership class) of the member's final average salary multiplied by the number of years of credited service, but not less than one-third of such salary nor greater than the benefit the member would have had at normal retirement age. Death benefits are payable upon the death of an active member who has reached age 62 with at least one year of credited service. Such benefits are actuarially equivalent to the benefit that would have been effective if the member had retired on the day before death.

For SERS, retirement benefits are determined at 2.00% or 2.50% (depending on membership date) of the highest three-year average salary times the number of years of service. The vesting period is either 5 or 10 years (depending on membership date) of credited service.

Contributions

For PSERS, the contribution policy is set by Commonwealth statutes and requires contributions by active members, employers and the Commonwealth of Pennsylvania. Funding percentages are determined by the plan in accordance with actuarial calculations and are based on covered payroll. Currently, for full time faculty, administrators and other staff, the College contributes 16.72% of all earnings as long as contributions are adequate to accumulate assets to pay retirement benefits when due. Employee contributions are 6.50% of all earnings for members prior to July 22, 1983 and 7.50% of all earnings for members after July 22, 1983.

For SERS, the contribution policy is set by Commonwealth statutes and requires contributions by active members, employers and the Commonwealth of Pennsylvania. Funding percentages are determined by the plan in accordance with actuarial calculations and are based on covered payroll. Currently, for full-time faculty, administrators and other staff, the College contributes 23.94% and 34.63% of all earnings as long as contributions are adequate to accumulate assets to pay retirement benefits when due. Employee contributions are 6.25% of all earnings.

Pension Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources

At June 30, 2020, the College reported a liability of \$1,403,000 and \$2,710,432 for its proportional share of the net pension liability for PSERS and SERS, respectively. The net pension liability was measured as of June 30, 2019 for PSERS and December 31, 2019 for SERS, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The College's proportion of the net pension liability is based on a projection of the College's long-term share of contributions to the pension plan relative to the projected contributions of all participating institutions, actuarially determined. At June 30, 2020 and December 31, 2020, respectively, the College's proportion of PSERS and SERS was 0.0030% and 0.0149%.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

For the year ended June 30, 2020, the College recognized proportional pension expense for PSERS and SERS of \$176,000 and \$441,641, respectively, as provided by the plans' actuarial schedules. At June 30, 2020, the College reported deferred outflows and inflows of resources related to pensions from the following sources:

PSERS

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 8,000	\$ 46,500
Changes in assumptions	13,000	-
Net difference between projected and actual earnings on pension plan investments	-	4,000
Changes in proportion and differences between College contributions and proportionate share of contributions	26,000	159,500
Total	\$ 47,000	\$ 210,000

SERS

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 33,795	\$ 18,359
Changes in assumptions	104,446	-
Net difference between projected and actual earnings on pension plan investments	-	193,303
Changes in proportion	236,770	128,584
Changes in proportion and differences between College contributions and proportionate share of contributions	-	188,529
Total	\$ 375,011	\$ 528,775

At June 30, 2019, the College reported a liability of \$1,632,000 and \$3,083,795 for its proportional share of the net pension liability for PSERS and SERS, respectively. The net pension liability was measured as of June 30, 2018 for PSERS and December 31, 2018 for SERS, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The College's proportion of the net pension liability is based on a projection of the College's long-term share of contributions to the pension plan relative to the projected contributions of all participating institutions, actuarially determined. At June 30, 2019 and December 31, 2019, respectively, the College's proportion of PSERS and SERS was 0.0003% and 0.0148%.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

For the year ended June 30, 2019, the College recognized the proportional pension expense for PSERS and SERS of \$263,000 and \$540,387, respectively, as provided by the plans' actuarial schedules. At June 30, 2019, the College reported deferred outflows and inflows of resources related to pensions from the following sources:

PSERS

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 13,500	\$ 25,500
Changes in assumptions	30,000	-
Net difference between projected and actual earnings on pension plan investments	8,000	-
Changes in proportion and differences between College contributions and proportionate share of contributions	108,500	27,500
Total	\$ 160,000	\$ 53,000

SERS

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 46,278	\$ 33,416
Changes in assumptions	82,160	-
Net difference between projected and actual earnings on pension plan investments	300,034	-
Changes in proportion	416,998	194,069
Changes in proportion and differences between College contributions and proportionate share of contributions	-	168,594
Total	\$ 845,470	\$ 396,079

Actuarial Assumptions

The following methods and assumptions were used in the actuarial valuations for both years ended June 30, 2020 and 2019, unless otherwise stated. These methods and assumptions were applied to all periods included in the measurement:

PSERS

Actuarial cost method	entry age normal-level % of pay
Investment rate of return	7.25%, includes inflation at 2.75%
Salary increases	effective average of 5.00%, which reflects an allowance for inflation of 2.75%, real wage growth of 2.25% and merit of seniority increases of 2.25%
Mortality rates	Mortality rates were based on the RP-2014 Mortality Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 Mortality Improvement Scale.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

SERS

Actuarial cost method	entry age
Amortization method	straight-line amortization of investments over five years and amortization of assumption changes and noninvestment gains/losses over the average expected remaining service lives of all employees that are provided benefits
Investment rate of return	7.125% and 7.25%, net of manager fees including inflation as of June 30, 2020 and 2019, respectively
Projected salary increases	average of 5.60% with range of 3.70% - 8.90% including inflation
Inflation	2.60%
Mortality rate	projected RP-2000 Mortality Tables adjusted for actual plan experience and future improvement
Cost of living adjustments	none (ad hoc)

PSERS

The long-term expected real rate of return on pension investments is determined using a building-block method in which best estimates of ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of real rates of return are summarized in the following table:

<u>Asset class</u>	Target allocation	June 30, 2020 Long-term expected rate of return	June 30, 2019 Long-term expected rate of return
Global Public Equity	20.00%	5.60%	5.20%
Fixed Income	36.00%	1.90%	2.20%
Commodities	8.00%	2.70%	3.20%
Absolute Return	10.00%	3.40%	3.50%
Risk Parity	10.00%	4.10%	3.90%
Infrastructure/MLPs	8.00%	5.50%	5.20%
Real Estate	10.00%	4.10%	4.20%
Alternative Investments	15.00%	7.40%	6.70%
Cash	3.00%	0.30%	0.40%
Financing (LIBOR)	-20.00%	0.70%	0.90%
Total	100.00%		

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

SERS

Some of the methods and assumptions mentioned above are based on the 17th *Investigation of Actuarial Experience*, which was published in January 2011 and analyzed experience from 2006 through 2010. The long-term expected real rate of return on pension investments is determined using a building-block method in which best estimates of ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of real rates of return are summarized in the following table:

<u>Asset class</u>	<u>Target allocation June 30, 2020</u>	<u>Target allocation June 30, 2019</u>	<u>Long-term expected rate of return June 30, 2020</u>	<u>Long-term expected rate of return June 30, 2019</u>
Private equity	16.00%	16.00%	7.25%	7.25%
Global Public equity	48.00%	48.00%	5.15%	5.15%
Real estate	12.00%	12.00%	5.26%	5.26%
Multi-Strategy	10.00%	10.00%	4.44%	4.44%
Fixed income	11.00%	11.00%	1.26%	1.26%
Cash	3.00%	3.00%	0.00%	0.00%
Total	<u>100.00%</u>	<u>100.00%</u>		

For PSERS and SERS, the discount rate used to measure total pension liability was 7.25% and 7.125%, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Position Liability

For PSERS, the College's net pension liability is \$1,403,000 using a 7.25% discount rate. The College's net pension liability would have been \$1,748,000 assuming a 1% point decrease (6.25%) in the discount rate and would have been \$1,112,000 assuming a 1% point increase (8.25%) in the discount rate.

For SERS, the College's net pension liability is \$2,710,432 using a 7.125% discount rate. The College's net pension liability would have been \$3,444,047 assuming a 1% point decrease (6.125%) in the discount rate and would have been \$2,082,370 assuming a 1% point increase (8.125%) in the discount rate.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

Defined Contribution Plans

The College also sponsors one defined contribution plan, and as such, benefits depend solely on amounts contributed to the plan plus investment earnings. Full-time faculty and administrative employees are eligible to participate from the date of employment, and clerical employees have a one-year waiting period. Participation is mandatory for full-time faculty and administrative employees upon reaching the age of 30 or after two years of employment, whichever is the later date. Participation is mandatory for full-time classified and confidential employees upon reaching the age of 30 or after four years of employment, whichever is the later date. Part-time faculty may participate after earning four seniority units, as defined in the collective bargaining agreement. College policy and collective bargaining agreements require that both the employee and the College contribute amounts, as set forth below, based on the employee's earnings.

The College's contributions for each employee (and interest allocated to the employee's accounts) are fully vested. Death benefits for value of accumulation are provided to the beneficiary of a participant who dies prior to retirement. Various payment options are available. The College has 1,113 employees participating in this program.

The payroll for employees covered by the three plans was \$61,929,131 and \$62,094,159, and the College's total payroll is \$78,816,030 and \$78,550,472 at June 30, 2020 and 2019, respectively. Contributions made by the College for the years ended June 30, 2020 and 2019 totaled \$5,965,352 and \$5,935,881, respectively, representing 9.63% and 9.56%, respectively, of covered payroll. College employees contributed \$4,833,935 and \$4,849,535, respectively, for the years ended June 30, 2020 and 2019.

A summary of retirement benefits follows:

Type of employee

Full-time faculty	10% of base contract
Visiting lecturers	5% of base contract
Part-time faculty	5% of all earnings
Administrators and other staff	10% of base contract
Others	10% of annual salary
Employee contribution	5% of base salary

Post-Employment Benefits (OPEB)

Program Description

The College provides post-employment benefits other than pensions (OPEB) to eligible retirees of the College and their spouses. Health benefits include medical, prescription drug and dental coverage. Retirees and spouses are eligible to continue coverage for life as long as the retiree premium rates are paid. Life insurance benefit continues until age 65. Spouses are not covered. Life insurance benefit is determined as follows: Administrators = 2.5 times last annual salary, rounded up to next \$1,000; Faculty, Classified, Confidential = 2 times last annual salary, rounded up to next \$1,000; Faculty on Pre-Retirement Half-Time Workload Option = 4 times last annual salary, rounded up to next \$1,000. These healthcare benefits are funded by a single employer plan.

Eligibility

Participants must be at least age 62 with 10 years of full-time service and have attained age plus service being greater than or equal to 77.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

Funding Policy

Post-employment benefits other than pensions stems from the College's three collective bargaining agreements. For the years ended June 30, 2020 and 2019, the College paid \$0.8 million and \$0.9 million, respectively, on behalf of the retirees and spouses. The College pays 100% of the premium for coverage for retirees until the end of the contract year in which the retiree attains age 65. Thereafter, the retiree pays 50% of the total premium, less the Medicare Part B premium. Pre-65 and post-65 retirees pay 50% of active medical benefits for pre-65 spouses. Post-65 retirees pay 50% of the premium for the coverage of post-65 spouses, less their Medicare Part B premium. Pre-65 retirees pay 0% of the premium for the coverage of post-65 spouses (the College pays 100% of their premium). Surviving spouses must pay 100% of the premium for coverage without getting reimbursed for Medicare Part B premium if over 65. Retirees on Medicare disability are given the Medicare Part B reimbursement regardless of age. The College pays 100% of the premium for retired post-65 part-time teachers and their spouses.

<u>Employees/Retirees/Beneficiaries</u>	<u>Number of Participants as of July 1, 2019</u>	<u>Number of Participants as of July 1, 2018</u>
Actives	833	878
In-actives currently receiving benefit payments	594	515
Total	1,427	1,393

The following tables provide a summary of the changes in the College's total OPEB liability for fiscal years ended June 30, 2020 and 2019. The valuation dates were July 1, 2019 and 2018, and the measurement dates were June 30, 2020 and 2019.

<u>Change in Total OPEB Liability (TOL)</u>	<u>July 1, 2019</u>	<u>July 1, 2018</u>
TOL, beginning of year	\$ 175,548,288	\$ 177,795,856
Service cost	5,862,664	6,425,503
Interest	6,925,232	5,696,499
Change in benefit terms	(11,026,241)	-
Difference between expected and actual experience	(33,487,521)	-
Benefits paid	(4,928,779)	(4,449,107)
Changes in assumptions	617,431	(9,920,463)
TOL, end of year	\$ 139,511,074	\$ 175,548,288

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

The following summarizes the development of benefit for the years ended June 30, 2020 and 2019:

	2020	2019
Service cost	\$ 5,862,664	\$ 6,425,503
Interest	6,925,232	5,696,499
Changes in assumptions	154,358	(2,480,116)
Amortization of:		
Total OPEB liability and assumption gain	(32,873,370)	(10,995,133)
Total benefit	\$ (19,931,116)	\$ (1,353,247)
Weighted average assumptions to determine expense:		
Actual benefit payments	\$ 4,928,779	\$ 4,449,107
Discount rate	3.50%	3.87%
Expected return on assets	N/A	N/A
Salary scale	3.00%	3.00%
Current rate	6.50%	5.50%
Ultimate rate/year reached	4.50%/2040	4.50%/2040

Deferred inflows of resources reported by the College at June 30, 2020 and 2019 are as follows:

	Net Amount at June 30	Amortization Period Remaining at June 30
<u>Date Amortization Base Set</u>		
2020	\$ 74,716,112	4.00
2019	63,075,720	4.00

Deferred outflows of resources reported by the College at June 30, 2020 are as follows:

	Net Amount at June 30, 2020	Amortization Period Remaining at June 30, 2020
<u>Date Amortization Base Set</u>		
June 30, 2020	\$ 463,073	4.00

Deferred Inflows Projection

Amounts reported as deferred inflows of resources will be recognized in expense as follows:

<u>Year ended June 30:</u>	
2021	\$ 21,692,771
2022	21,692,770
2023	19,212,657
2024	11,654,841

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

Actuarial Assumptions - 2020

Mortality Table: the Pub-2010 Public Retirement Plans Teachers mortality table projected generationally with Scale MP-2019 for faculty participants and Pub-2010 Public Retirement Plans General mortality projected generationally with Scale MP-2019 for all other participants.

Discount Rate: 3.50% for determining June 30, 2020 disclosure and estimated 2021 expense; 3.87% for determining June 30, 2019 liability and 2020 expense.

Discount Rate Determination Method: Under GASB 75, the discount rate for unfunded plans must be based on a yield or index rate for a 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. Rates were taken from the S&P municipal bond 20-year high grade rate index as of the measurement dates.

A one-percentage point change in the discount rate and assumed health care cost trend rates would have the following impact on the liability for post-employment benefits obligations at June 30, 2020:

<u>Discount Rate Change</u>	<u>1% Decrease</u>	<u>1% Increase</u>
Net OPEB Liability	\$ 163,386,229	\$ 120,394,965
Net OPEB Liability Healthcare Trend Rate	\$ 119,665,431	\$ 164,490,831

Actuarial Assumptions - 2019

Mortality Table: 88% of rates in the RP-2014 White Collar Healthy Mortality Table backed off to 2006 and projected generationally with Scale MP-2017 plus 12% of rates in the RP-2014 Blue Collar Healthy Mortality Table backed off to 2006 and projected generationally with Scale MP-2017.

Discount Rate: 3.87% for determining June 30, 2019 disclosure and estimated 2020 expense; 3.13% for determining June 30, 2018 liability and 2019 expense.

Discount Rate Determination Method: Under GASB 75, the discount rate for unfunded plans must be based on a yield or index rate for a 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. Rates were taken from the S&P municipal bond 20 year high grade rate index as of the measurement dates.

A one-percentage point change in the discount rate and assumed health care cost trend rates would have the following impact on the liability for post-employment benefits obligations at June 30, 2019:

<u>Discount Rate Change</u>	<u>1% Decrease</u>	<u>1% Increase</u>
Net OPEB Liability	\$ 205,088,920	\$ 151,801,504
Net OPEB Liability Healthcare Trend Rate	\$ 149,244,835	\$ 208,729,211

Retirement Incentive Program

Effective September 1, 2014, the collective bargaining agreement provides for a retirement incentive for full-time employees at age 63, 64 or 65 with at least 20 years of service. The incentive payment is a percentage of final pay based on years of service. Forty employees will receive the incentive payment during fiscal years 2020-2021 and 2021-22. The present value of these payments is \$634,824.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

NOTE I - COMMITMENTS AND CONTINGENCIES

The use of grant monies received is subject to compliance audits by the disbursing governmental agency. The College believes it is in compliance with all significant grant requirements.

The nature of the educational industry is such that, from time to time, the College is exposed to various risks of loss related to torts; alleged negligence; acts of discrimination; breach of contract; labor disputes; disagreements arising from the interpretation of laws or regulations; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. While some of these claims may be for substantial amounts, they are not unusual in the ordinary course of providing educational services. The College addresses these risks by purchasing commercial insurance. The College's retention of risk is limited to the deductibles on its insurance policies, which range from \$0 to \$150,000 per claim depending on the nature of the claim.

There have been no significant reductions in insurance coverage from the prior year. There have been no instances where a settlement amount exceeded the insurance coverage for each of the last three years. It is not expected that the resolution of any outstanding claims and litigation will have a material adverse effect on the accompanying financial statements.

NOTE J - OPERATING EXPENSES

The College's and component unit Foundation's operating expenses, on a natural classification basis, were comprised of the following for the years ended June 30, 2020 and 2019:

	2020		2019	
	College	Component unit Foundation	College	Component unit Foundation
Salaries	\$ 77,819,073	\$ 996,957	\$ 77,461,641	\$ 1,088,831
Benefits	34,789,946	406,056	34,979,486	457,331
Contracted services	9,276,013	91,285	8,045,022	82,787
Supplies	4,466,810	62,181	3,059,628	104,345
Depreciation	7,782,553	-	7,939,447	-
Student aid	12,052,409	796,069	6,250,428	559,084
Other post-retirement benefits	(24,589,650)	-	(5,426,091)	-
Other	11,376,200	534,856	13,374,593	533,568
Total	\$ 132,973,354	\$ 2,887,402	\$ 145,684,154	\$ 2,825,946

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2020 and 2019

NOTE K - CITY AND COMMONWEALTH APPROPRIATIONS

Appropriations from the Commonwealth and the City for the year ended June 30, 2020 and 2019 are as follows:

	2020		2019	
	Operations	Capital	Operations	Capital
Commonwealth of Pennsylvania	\$ 32,408,016	\$ 5,819,210	\$ 31,819,876	\$ 4,937,072
City of Philadelphia	29,846,548	6,212,659	25,549,440	6,859,767
Total appropriations	\$ 62,254,564	\$ 12,031,869	\$ 57,369,316	\$ 11,796,839

NOTE L - PASS-THROUGH GRANTS

The College distributed \$21,245,772 in 2020 and \$24,578,079 in 2019 for student loans through the U.S. Department of Education Federal Direct Loan Program. These distributions and related funding sources are not included as expenses and revenues, nor as cash disbursements and cash receipts in the accompanying financial statements.

NOTE M - SUBSEQUENT EVENTS

The College has evaluated subsequent events through **March __, 2021**, noting no items which would require disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

SCHEDULES OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS - LAST 10 YEARS* (UNAUDITED)

Years ended June 30,
(Amounts are in thousands)

	2020	2019	2018
Total OPEB Liability			
Service cost	\$ 5,863	\$ 6,425	\$ 10,624
Interest cost	6,925	5,696	6,234
Actual and expected experience difference	(33,487)	-	(47,379)
Changes in assumptions	617	-	(19,251)
Changes in benefit terms	\$ (11,026)	\$ (9,920)	\$ -
Benefit payments	(4,929)	(4,449)	(4,934)
Net change in total OPEB liability	(36,037)	(2,248)	(54,706)
Total OPEB liability - beginning	175,548	177,796	232,502
Total OPEB liability - ending (a)	<u>\$ 139,511</u>	<u>\$ 175,548</u>	<u>\$ 177,796</u>
Plan Fiduciary Net Position			
Contribution - employer	\$ 4,929	\$ 4,449	\$ 4,934
Benefit payments	(4,929)	(4,449)	(4,934)
Net change in plan fiduciary net position	-	-	-
Plan fiduciary net position - beginning	-	-	-
Plan fiduciary net position - ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total OPEB liability - ending (a)-(b)	\$ 139,511	\$ 175,548	\$ 177,796
Covered-employee payroll	53,434	51,546	54,241
Total OPEB liability as a percentage of covered-employee payroll	261%	341%	328%

*This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See accompanying report of independent certified public accountants.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

SCHEDULES OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - LAST 10 YEARS* (UNAUDITED)

Years ended June 30,

	2020	2019	2018	2017	2016	2015
PSERS						
College's proportion of the net pension liability	0.0030%	0.0034%	0.0034%	0.0035%	0.0032%	0.0026%
College's proportionate share of the net pension liability	\$ 1,403,000	\$ 1,632,000	\$ 1,679,000	\$ 1,734,000	\$ 1,386,000	\$ 1,030,000
College's covered employee payroll	\$ 407,745	\$ 456,911	\$ 455,779	\$ 454,763	\$ 413,104	\$ 335,800
Plan fiduciary net position as a percentage of the total pension liability	55.66%	54.00%	51.84%	50.14%	54.36%	57.24%
SERS						
College's proportion of the net pension liability	0.0149%	0.0148%	0.0160%	0.0147%	0.0110%	0.0120%
College's proportionate share of the net pension liability	\$ 2,710,432	\$ 3,083,795	\$ 2,758,923	\$ 2,827,306	\$ 1,998,201	\$ 1,784,684
College's covered employee payroll	\$ 958,066	\$ 930,394	\$ 979,992	\$ 894,293	\$ 653,759	\$ 692,779
Plan fiduciary net position as a percentage of the total pension liability	63.10%	56.40%	63.00%	57.80%	58.90%	64.80%

**This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

See accompanying report of independent certified public accountants.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

SCHEDULES OF EMPLOYER CONTRIBUTIONS - LAST 10 YEARS* (UNAUDITED)

Years ended June 30,

	2020	2019	2018	2017	2016	2015
PSERS						
Contractually required contribution	\$ 134,000	\$ 144,000	\$ 130,000	\$ 111,000	\$ 83,000	\$ 52,000
Contributions in relation to the contractually required contribution	<u>134,000</u>	<u>144,000</u>	<u>130,000</u>	<u>111,000</u>	<u>83,000</u>	<u>52,000</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 407,745	\$ 456,911	\$ 455,779	\$ 454,763	\$ 413,104	\$ 335,800
Contributions as a % of covered employee payroll	32.8637%	31.5160%	28.5226%	24.4083%	20.0918%	15.4854%
SERS						
Contractually required contribution	\$ 334,491	\$ 323,944	\$ 325,667	\$ 301,735	\$ 202,576	\$ 98,248
Contribution in relation to the contractually required contribution	<u>334,491</u>	<u>323,944</u>	<u>325,667</u>	<u>301,735</u>	<u>202,576</u>	<u>98,248</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 958,066	\$ 930,394	\$ 979,992	\$ 894,293	\$ 653,759	\$ 692,779
Contributions as a % of covered employee payroll	34.9131%	34.8179%	33.2316%	33.7401%	30.9863%	14.1817%

**This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

See accompanying report of independent certified public accountants.

OTHER SUPPLEMENTARY INFORMATION

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATISTICAL SECTION - SCHEDULE OF REVENUES BY SOURCE (UNAUDITED)

Year ended June 30,

(Amounts expressed in thousands)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenues:										
Student tuition and fees (net of scholarship allowances)	\$ 30,536,000	\$ 32,753,000	\$ 33,234	\$ 32,992	\$ 31,643	\$ 31,973	\$ 35,338	\$ 32,003	\$ 30,181	\$ 28,132
Auxiliary enterprises	1,413,000	1,599,000	1,523	1,737	1,740	1,786	1,671	1,776	1,827	1,734
Other sources	38,000	42,000	46	62	87	196	166	158	168	180
Total operating revenues	31,987,000	34,394,000	34,803	34,791	33,470	33,955	37,175	33,937	32,176	30,046
City appropriations	29,847,000	25,549,000	23,310	24,189	23,272	21,271	18,346	18,064	17,652	18,092
State appropriations	32,408,000	31,820,000	30,892	30,868	30,128	28,632	28,179	28,240	28,229	29,275
Federal grants and contracts	52,337,000	46,098,000	49,026	48,888	53,551	57,871	58,796	58,715	56,839	58,890
State grants and contracts	6,621,000	5,989,000	7,953	8,126	8,278	7,343	6,591	7,191	6,495	5,967
Gifts from the Community College of Philadelphia Foundation	95,000	160,000	242	835	225	141	100	2,809	-	-
Nongovernmental grants and contracts	2,522,000	2,115,000	1,582	1,528	1,456	1,521	1,704	1,119	1,014	1,419
Net investment income	1,691,000	1,577,000	36	75	815	365	695	333	1,098	718
Other nonoperating revenues	578,000	410,000	399	378	2,579	1,087	324	379	540	333
Total nonoperating revenue	126,099,000	113,718,000	113,440	114,887	120,304	118,231	114,735	116,850	111,867	114,694
Capital appropriations	12,032,000	11,797,000	12,450	11,050	12,354	10,859	13,969	13,730	14,084	13,648
Total revenues	\$ 170,118,000	\$ 159,909,000	\$ 160,693	\$ 160,728	\$ 166,128	\$ 163,045	\$ 165,879	\$ 164,517	\$ 158,127	\$ 158,388

See accompanying report of independent certified public accountants.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATISTICAL SECTION - SCHEDULE OF REVENUES BY SOURCE (UNAUDITED) - CONTINUED

Year ended June 30,

(Amounts expressed in percentages)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenues:										
Student tuition and fees (net of scholarship allowances)	17.95%	20.48%	20.68%	20.53%	19.05%	19.61%	21.30%	19.45%	19.09%	17.76%
Auxiliary enterprises	0.83	1.00	0.95	1.08	1.05	1.10	1.01	1.08	1.16	1.09
Other sources	0.02	0.03	0.03	0.04	0.05	0.12	0.10	0.10	0.11	0.11
Total operating revenues	18.80	21.51	21.66	21.65	20.15	20.83	22.41	20.63	20.36	18.96
City appropriations	17.54	15.98	14.51	15.04	14.01	13.05	11.06	10.98	11.16	11.42
State appropriations	19.05	19.90	19.22	19.21	18.14	17.56	16.99	17.17	17.85	18.48
Federal grants and contracts	30.77	28.83	30.51	30.42	32.23	35.49	35.45	35.69	35.95	37.18
State grants and contracts	3.89	3.75	4.95	5.06	4.98	4.50	3.97	4.37	4.11	3.77
Gifts from the Community College of Philadelphia Foundation	0.06	0.10	0.15	0.52	0.14	0.09	0.06	1.7	-	-
Nongovernmental grants and contracts	1.48	1.32	0.98	0.95	0.88	0.93	1.02	0.68	0.64	0.90
Net investment income	0.99	0.99	0.02	0.05	0.49	0.22	0.42	0.20	0.69	0.45
Other nonoperating revenues	0.34	0.25	0.25	0.24	1.55	0.67	0.20	0.23	0.33	0.22
Total nonoperating revenues:	74.12	71.12	70.59	71.49	72.42	72.51	69.17	71.02	70.73	72.42
Capital appropriations	7.08	7.37	7.75	6.86	7.43	6.66	8.42	8.35	8.91	8.62
Total revenues	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

See accompanying report of independent certified public accountants.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATISTICAL SECTION - SCHEDULE OF EXPENSES BY USE (UNAUDITED)

Year ended June 30,

(Amounts expressed in thousands)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Expenses:										
Salaries	\$ 77,819	\$ 77,462	\$ 76,986	\$ 78,629	\$ 77,931	\$ 77,161	\$ 75,438	\$ 76,015	\$ 76,796	\$ 78,168
Benefits	34,790	34,979	36,259	36,417	36,978	36,140	35,885	34,247	32,062	32,500
Contracted services	9,276	8,045	7,859	6,512	6,458	8,331	9,697	11,373	6,057	5,376
Supplies	4,467	3,060	3,549	3,376	3,857	3,073	3,232	3,636	2,760	3,253
Depreciation	7,783	7,939	8,133	8,204	8,861	9,698	10,490	10,423	9,764	7,660
Student aid	12,052	6,250	7,213	8,770	8,739	8,211	10,459	8,328	10,015	7,376
Other	11,376	13,375	12,092	12,959	13,167	12,815	12,314	11,468	11,895	12,948
Other post-retirement benefits	(24,590)	(5,426)	12,309	11,703	11,686	8,016	8,641	8,530	7,611	6,039
Total operating expenses	<u>132,973</u>	<u>145,684</u>	<u>164,400</u>	<u>166,570</u>	<u>167,677</u>	<u>163,445</u>	<u>166,156</u>	<u>164,020</u>	<u>156,960</u>	<u>153,320</u>
Interest on capital asset-related debt service	<u>3,604</u>	<u>3,602</u>	<u>3,413</u>	<u>3,263</u>	<u>3,315</u>	<u>4,225</u>	<u>4,258</u>	<u>4,689</u>	<u>3,927</u>	<u>3,542</u>
Total nonoperating expense	<u>3,604</u>	<u>3,602</u>	<u>3,413</u>	<u>3,263</u>	<u>3,315</u>	<u>4,225</u>	<u>4,258</u>	<u>4,689</u>	<u>3,927</u>	<u>3,542</u>
Total expenses	<u>\$ 136,577</u>	<u>\$ 149,286</u>	<u>\$ 167,813</u>	<u>\$ 169,833</u>	<u>\$ 170,992</u>	<u>\$ 167,670</u>	<u>\$ 170,414</u>	<u>\$ 168,709</u>	<u>\$ 160,887</u>	<u>\$ 156,862</u>

See accompanying report of independent certified public accountants.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATISTICAL SECTION - SCHEDULE OF EXPENSES BY USE (UNAUDITED) - CONTINUED

Year ended June 30,

(Amounts expressed in percentages)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Expenses:										
Salaries	56.98%	51.89%	45.88%	46.30%	45.57%	46.02%	44.27%	45.06%	47.73%	49.83%
Benefits	25.47	23.43	21.61	21.44	21.63	21.55	21.04	20.28	19.93	20.72
Contracted services	6.79	5.39	4.68	3.83	3.78	4.97	5.69	6.74	3.77	3.43
Supplies	3.27	2.05	2.11	1.99	2.26	1.83	1.90	2.16	1.72	2.07
Depreciation	5.70	5.32	4.85	4.83	5.18	5.78	6.16	6.18	6.07	4.88
Student aid	8.82	4.19	4.30	5.16	5.11	4.90	6.14	4.94	6.22	4.70
Other	8.33	8.96	7.21	7.63	7.70	7.64	7.23	6.80	7.39	8.26
Other post-retirement benefits	(18.00)	(3.63)	7.33	6.89	6.83	4.78	5.07	5.06	4.73	3.85
Total operating expenses	97.36	97.60	97.97	98.07	98.06	97.47	97.50	97.22	97.56	97.74
Interest on capital asset-related debt service	2.64	2.40	2.03	1.93	1.94	2.53	2.50	2.78	2.44	2.26
Total nonoperating expense	2.64	2.40	2.03	1.93	1.94	2.53	2.50	2.78	2.44	2.26
Total expenses	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

See accompanying report of independent certified public accountants.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATISTICAL SECTION - SCHEDULE OF EXPENSES BY FUNCTION (UNAUDITED)

Year ended June 30,

(Amounts expressed in thousands)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Expenses by function:										
Instruction	\$ 49,333,000	\$ 56,715,000	\$ 64,578	\$ 65,509	\$ 66,018	\$ 65,046	\$ 66,210	\$ 66,436	\$ 62,162	\$ 62,184
Public service	104,000	97,000	145	124	183	86	109	156	63	92
Academic support	13,749,000	16,405,000	19,182	18,880	18,824	18,372	17,492	17,247	17,723	19,251
Student services	16,673,000	20,529,000	24,212	24,405	25,142	23,494	22,811	21,913	21,075	21,744
Institutional support	19,176,000	22,640,000	25,111	24,854	24,429	24,371	25,229	26,216	23,281	22,003
Physical plant operations	13,445,000	14,424,000	15,093	15,013	14,913	13,336	12,586	12,742	12,244	12,392
Depreciation	7,783,000	7,939,000	8,133	8,204	8,861	9,698	10,490	10,423	9,764	7,660
Student aid	12,052,000	6,250,000	7,213	8,770	8,739	8,211	10,459	8,328	10,015	7,377
Auxiliary enterprises	658,000	685,000	733	811	567	831	770	559	633	617
Interest on capital debt	3,604,000	3,602,000	3,413	3,263	3,315	4,225	4,258	4,689	3,927	3,542
Total expenses by function	<u>\$136,577,000</u>	<u>\$149,286,000</u>	<u>\$ 167,813</u>	<u>\$ 169,833</u>	<u>\$ 170,991</u>	<u>\$ 167,670</u>	<u>\$ 170,414</u>	<u>\$ 168,709</u>	<u>\$ 160,887</u>	<u>\$ 156,862</u>

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Expenses by function:										
Instruction	36.12%	37.99%	38.48%	38.57%	38.61%	38.79%	38.85%	39.38%	38.64%	39.64%
Public service	0.08	0.06	0.09	0.07	0.11	0.05	0.06	0.09	0.04	0.06
Academic support	10.07	10.99	11.43	11.12	11.01	10.96	10.26	10.22	11.02	12.28
Student services	12.21	13.75	14.43	14.37	14.70	14.01	13.39	12.99	13.10	13.86
Institutional support	14.04	15.17	14.96	14.63	14.29	14.54	14.80	15.54	14.47	14.03
Physical plant operations	9.84	9.66	8.99	8.84	8.72	7.95	7.39	7.55	7.61	7.90
Depreciation	5.70	5.32	4.85	4.83	5.18	5.78	6.16	6.18	6.07	4.88
Student aid	8.82	4.19	4.30	5.16	5.11	4.90	6.14	4.94	6.22	4.70
Auxiliary enterprises	0.48	0.46	0.44	0.48	0.33	0.50	0.45	0.33	0.39	0.39
Interest on capital debt	2.64	2.41	2.03	1.93	1.94	2.52	2.50	2.78	2.44	2.26
Total expenses by function	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

See accompanying report of independent certified public accountants.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATISTICAL SECTION - SCHEDULE OF NET POSITION AND CHANGES IN NET POSITION (UNAUDITED)

Year ended June 30,

(Amounts expressed in thousands)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Total revenues (from schedule of revenues by source less capital appropriations)	\$ 158,085	\$ 148,112	\$ 148,423	\$ 149,678	\$ 153,776	\$ 152,186	\$ 151,910	\$ 150,786	\$ 144,042	\$ 144,740
Total operating expenses (from schedule of expenses by use)	<u>136,578</u>	<u>149,286</u>	<u>167,813</u>	<u>169,833</u>	<u>170,992</u>	<u>167,670</u>	<u>170,414</u>	<u>168,709</u>	<u>160,887</u>	<u>156,862</u>
Total changes in net position	21,507	(1,174)	(19,390)	(20,155)	(17,216)	(15,484)	(18,504)	(17,923)	(16,845)	(12,122)
Net position, beginning	<u>(98,806)</u>	<u>(109,429)</u>	<u>51,951</u>	<u>61,057</u>	<u>65,919</u>	<u>72,538</u>	<u>77,072</u>	<u>81,265</u>	<u>85,903</u>	<u>84,377</u>
Net position, ending	<u>\$ (77,299)</u>	<u>\$ (110,603)</u>	<u>\$ 32,561</u>	<u>\$ 40,902</u>	<u>\$ 48,703</u>	<u>\$ 57,054</u>	<u>\$ 58,568</u>	<u>\$ 63,342</u>	<u>\$ 69,058</u>	<u>\$ 72,255</u>
Net investment in capital assets	\$ 104,726	\$ 103,869	\$ 102,005	\$ 99,772	\$ 98,776	\$ 96,979	\$ 93,771	\$ 89,660	\$ 86,331	\$ 80,136
Restricted - expendable	5,439	5,285	5,101	4,939	4,912	4,742	4,742	2,740	1,364.00	731.00
Unrestricted	<u>(175,432)</u>	<u>(207,960)</u>	<u>(216,535)</u>	<u>(52,760)</u>	<u>(42,631)</u>	<u>(35,802)</u>	<u>(25,975)</u>	<u>(15,328)</u>	<u>(4,553)</u>	<u>5,036</u>
Total net position	<u>\$ (65,267)</u>	<u>\$ (98,806)</u>	<u>\$ (109,429)</u>	<u>\$ 51,951</u>	<u>\$ 61,057</u>	<u>\$ 65,919</u>	<u>\$ 72,538</u>	<u>\$ 77,072</u>	<u>\$ 83,142</u>	<u>\$ 85,903</u>

See accompanying report of independent certified public accountants.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATISTICAL SECTION - FISCAL YEAR ENROLLMENT AND DEGREE STATISTICS (UNAUDITED)

Year ended June 30,

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Enrollments and student demographics:										
Credit FTE	12,331	12,740	13,596	13,659	14,481	14,851	15,051	15,116	15,769	16,091
Unduplicated Credit Headcount	22,160	23,139	24,443	25,571	26,837	27,942	28,096	28,264	29,094	29,032
Percentage - Men	34.7%	36.3%	36.3%	37.1%	37.8%	37.7%	37.7%	36.9%	35.5%	35.5%
Percentage - Women	65.3	63.7	63.7	62.9	62.2	62.3	62.3	63.1	64.5	64.5
Percentage - Black	41.9	43.1	48.1	48.8	49.4	50.7	50.2	49.7	49.9	49.2
Percentage - White	22.9	23.2	23.5	24.0	23.8	23.9	24.3	25.1	24.6	24.4
Percentage - Asian	11.8	11.4	9.8	9.4	8.9	8.4	8.2	7.7	7.3	7.2
Percentage - Hispanic	15.9	14.9	14.0	13.0	12.8	11.8	11.4	10.6	4.9	6.5
Percentage - American Indian/other	3.9	4.0	0.3	0.3	0.3	0.4	0.4	0.4	0.5	0.5
Percentage - Unknown	3.6	3.4	4.3	4.5	4.8	4.8	5.6	6.5	12.9	12.2
Degrees awarded:										
Associate	1,761	1,770	1,731	1,794	1,880	1,916	1,857	1,712	1,828	1,702
Certificate	225	331	495	471	475	446	338	167	180	214

Source: Department of Institutional Research.

See accompanying report of independent certified public accountants.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

STATISTICAL SECTION - FACULTY AND STAFF STATISTICS (UNAUDITED)

For Fall Term in Year

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Faculty:										
Part-time	452	567	543	548	676	635	643	734	757	771
Full-time	336	438	443	467	400	395	407	412	418	413
Percentage tenured	77.7%	67.1%	65.2%	61.8%	74.0%	81.7%	79.9%	80.6%	83.0%	84.0%
Administrative and support staff:										
Part-time	82	76	40	38	18	11	12	20	22	19
Full-time	506	474	470	466	445	453	441	447	472	460
Total employees:										
Part-time	534	643	583	586	694	646	655	754	779	790
Full-time	842	912	913	933	845	848	848	859	890	873
Students per full-time staff:										
Number credit students	15,996	16,672	17,296	18,126	18,099	19,119	19,066	18,692	19,751	19,503
Faculty	48	38	39	39	45	47	47	46	47	47
Administrative and support staff	32	35	37	39	41	42	43	42	42	42
Average annual faculty salary	\$ 65,300	\$ 75,020	\$ 67,883	\$ 69,196	\$ 63,789	\$ 65,212	\$ 64,059	\$ 66,137	\$ 66,236	\$ 67,266

Source: Institutional Human Resource Records.

GROSS SQUARE FEET OF COLLEGE BUILDINGS

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Main Campus - Buildings	911,051	911,051	911,051	911,051	911,051	911,051	911,051	900,613	900,613	852,445
Main Campus - 17 Street Garage	230,360	230,360	230,360	230,360	230,360	230,360	230,360	230,360	230,660	230,660
Main Campus Recreation Deck	62,600	62,600	62,600	62,600	62,600	62,600	62,600	62,600	62,600	62,600
Main Campus - CBI Garage	74,902	74,902	74,902	74,902	74,902	74,902	74,902	74,902	74,902	74,902
Main Campus - 434 North 15th Street	88,500	88,500	88,500	88,500	88,500	88,500	88,500	88,500	88,500	-
Northeast Regional Center	109,075	109,075	109,075	109,075	109,075	109,075	109,075	109,075	109,075	109,075
West Regional Center	39,394	39,394	39,394	39,394	39,394	39,394	39,394	39,394	32,090	32,090
Northwest Regional Center	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Total gross square feet	<u>1,605,882</u>	<u>1,605,882</u>	<u>1,605,882</u>	<u>1,605,882</u>	<u>1,605,882</u>	<u>1,605,882</u>	<u>1,605,882</u>	<u>1,595,444</u>	<u>1,588,440</u>	<u>1,451,772</u>

Source: Institutional Physical Plant Records.

See accompanying report of independent certified public accountants.

Community College of Philadelphia
 (A Component Unit of the City of Philadelphia)

DEMOGRAPHIC STATISTICS (UNAUDITED)

City of Philadelphia Last Ten Calendar Years

Year:	<u>Population as of June 30</u>	<u>Average annual unemployment rate</u>
2010 – 11	1,526,006	10.9
2011 – 12	1,536,471	10.8
2012 – 13	1,547,607	10.5
2013 – 14	1,553,165	7.8
2014 – 15	1,560,297	7.4
2015 – 16	1,567,442	6.9
2016 – 17	1,567,872	5.9
2017 – 18	1,580,863	5.7
2018 – 19	1,584,138	5.1
2019 – 20	1,584,064	7.8

Sources: United States Census Bureau and Bureau of Labor Statistics

See accompanying report of independent certified public accountants.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

COMPONENT UNIT STATEMENT OF NET POSITION

June 30, 2020

(In thousands)

Assets:	
Cash on deposit and on hand	\$ 21,212
Investments	54,182
Accounts receivable	9,095
Allowance for doubtful accounts	(3,170)
Due from other governments	2,712
Restricted assets	12,275
Other assets	1,063
Property, plant and equipment	<u>158,580</u>
Total assets	<u><u>\$ 255,949</u></u>
Deferred outflows of resources:	
Deferred outflows	<u><u>\$ 5,936</u></u>
Liabilities:	
Vouchers and accounts payable	14,780
Salaries and wages payable	3,820
Accrued expenses	1,555
Funds held in escrow	243
Due to other governments	270
Deferred revenue	2,361
Current portion of long-term obligations	8,025
Noncurrent portion of long-term obligations	62,950
Other post-employment benefits (GASB 75)	<u>143,625</u>
Total liabilities	<u><u>\$ 237,629</u></u>
Deferred inflows of resources:	
Deferred inflows	<u><u>\$ 75,455</u></u>
Net position:	
Net investment in capital assets	\$ 104,726
Restricted for:	
Capital projects	5,516
Tuition stabilization and scholarships	12,309
Unrestricted deficit	<u>(173,748)</u>
Total net position	<u><u>\$ (51,197)</u></u>

See accompanying report of independent certified public accountants.

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

COMPONENT UNIT STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Year ended June 30, 2020

(In thousands)

Expenses	Charge for services	Operating grants and contributions	Program revenues		Capital grants and contributions	Education activities	Net expense and changes in net position	
Community college services	\$ 139,465	\$ 31,949	\$ 63,193		\$ -		\$ 44,323	
				General revenues:				
				Grants and contributions*		74,286		
				Interest and investment earnings		2178		
				Miscellaneous		2,082		
				Total general revenues		<u>78,546</u>		
				Change in net assets			34,223	
				Net position - beginning			<u>(85,420)</u>	
				Net position - ending			<u>\$ (51,197)</u>	

* Includes Commonwealth appropriations of \$38,227 and City of Philadelphia appropriations of \$36,059.

See accompanying report of independent certified public accountants.

**Community College of Philadelphia
(A Component Unit of the City of Philadelphia)**

COMPONENT UNIT CAPITAL ASSET FORMAT

Year ended June 30, 2020

	Beginning balance	Increases	Decreases	Ending balance
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 31,094,976	\$ -	\$ -	\$ 31,094,976
Fine arts	787,708	114,912	-	902,620
Construction in process	1,013,521	6,295,754	(114,441)	7,194,834
Total capital assets not being depreciated	<u>32,896,205</u>	<u>6,410,666</u>	<u>(114,441)</u>	<u>39,192,430</u>
Capital assets being depreciated:				
Buildings	242,857,135	325,013	-	243,182,148
Other improvements	18,281,507	101,152	-	18,382,659
Equipment	42,166,198	462,703	(15,765)	42,613,136
Furniture	1,300,302	52,550	-	1,352,852
Leasehold improvements	199,231	-	-	199,231
Total capital assets being depreciated	<u>304,804,373</u>	<u>941,418</u>	<u>(15,765)</u>	<u>305,730,026</u>
Less accumulated depreciation for:				
Buildings	124,093,260	5,887,886	-	129,981,146
Other improvements	17,402,375	159,556	-	17,561,931
Equipment	35,805,576	1,690,944	(14,721)	37,481,799
Furniture	1,092,365	41,861	-	1,134,226
Leasehold improvements	181,390	2,306	-	183,696
Total accumulated depreciation	<u>178,574,966</u>	<u>7,782,553</u>	<u>(14,721)</u>	<u>186,342,798</u>
Total capital assets being depreciated, net	<u>126,229,407</u>	<u>(6,841,135)</u>	<u>(1,044)</u>	<u>119,387,228</u>
Business-type activities capital assets, net	<u>\$ 159,125,612</u>	<u>\$ (430,469)</u>	<u>\$ (115,485)</u>	<u>\$ 158,579,658</u>

See accompanying report of independent certified public accountants.

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**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

Board of Trustees
Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and discretely presented component unit of the Community College of Philadelphia as of and for the years ended June 30, 2020 and 2019, and our report thereon dated **March __, 2020** expressed an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on these financial statements as a whole. We have not performed any procedures with respect to the audited financial statements subsequent to **March __, 2021**.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures. These additional procedures included comparing and reconciling the information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Philadelphia, Pennsylvania

March XX, 2021

Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended June 30, 2020

Federal grantor/pass-through grantor program or cluster title	Assistance Listings Number	Pass-through grantor number	Expenditures
U.S. Department of Education			
Student Financial Assistance Cluster			
Federal Supplemental Educational Opportunity Grants (FSEOG)	84.007		\$ 915,885
Federal Work-Study Program (FWS)	84.033		881,544
Federal Pell Grant Program (PELL)	84.063		39,596,182
Federal Direct Student Loans (Direct Loan)	84.268		<u>21,245,772</u>
Total Student Financial Assistance Cluster			62,639,383
TRIO Cluster			
TRIO Student Support Services	84.042A		297,395
TRIO Upward Bound	84.047A		<u>340,122</u>
Total TRIO Cluster			637,517
Strengthening Minority-Serving Institutions	84.382A		576,399
Child Care Access Means Parents in School	84.335A		288,296
COVID-19 Higher Education Emergency Relief Fund (HEERF) Student Aid Portion	84.425E		5,360,250
COVID-19 HEERF - Institutional Portion	84.425F		1,248,113
COVID-19 HEERF - Minority Serving Institutions (MSI's)	84.425L		<u>145,939</u>
Total COVID-19 Higher Education Emergency Relief Fund (HEERF)			6,754,302
Passed-through Pennsylvania Department of Education			
Career and Technical Education – Basic Grants to States	84.048A	FA-381-20-0007	<u>1,875,086</u>
Total U.S. Department of Education			72,770,983
U.S. Department of Health and Human Services			
Passed-through the Commonwealth of Pennsylvania, Department of Human Services			
Temporary Assistance for Needy Families (TANF)	93.558	4100081210	<u>108,169</u>
Total U.S. Department of Health and Human Services			108,169
U.S. Department of Labor			
H1-B Job Training Grants	17.268		6,175
Passed-through Philadelphia Youth Network			
WIOA Youth Activities	17.259	20528 / IA015	<u>2,419</u>
Total U.S. Department of Labor			8,594
Research and Development Cluster			
National Science Foundation			
Passed-through The Trustees of the University of Pennsylvania			
NNCI: Mid-Atlantic Nanotechnology Hub (MANTH)	47.041	ECCS-1542153	35,977
Passed-through Drexel University			
Education and Human Resources	47.076	HRD-1408052	30,657
Passed-through Saint Joseph's University			
Education and Human Resources (Noyce Scholars Program)	47.076	1758353	<u>21,944</u>
Total Research and Development Cluster			88,578
U.S. Department of Agriculture			
Passed-through DHS - Bureau of Program Support			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	4100081210	<u>190,307</u>
Total expenditures of federal awards			<u>\$ 73,166,631</u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2020

NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) summarizes the expenditures of the Community College of Philadelphia (the College) under programs of the federal government for the year ended June 30, 2020. The Schedule of Expenditures of Federal awards presents only a selected portion of the operations of the College; it is not intended to, and does not, present the financial position, changes in net position, and cash flows of the College.

For the purposes of the Schedule of Expenditures of Federal Awards, federal awards include all grants, contracts and similar agreements entered into directly between the College and agencies and departments of the federal government and all sub-awards to the College by non-federal organizations pursuant to federal grants, contracts and similar agreements. Federal awards are included in contracts and other exchange transactions on the accompanying statement of net position.

NOTE B - BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting. The information in the schedule is presented in accordance with *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE C - FEDERAL STUDENT LOAN PROGRAM

Federally guaranteed loans issued to students of the College during the year ended June 30, 2020 totaled \$21,245,772. This amount has been included in the Schedule. The College is responsible only for the performance of certain administrative duties with respect to federally guaranteed student loan programs, and accordingly, these loans are not included in its financial statements.

NOTE D - ADMINISTRATIVE COSTS

The College's expenditures include administrative expenses of \$58,440 for Federal Pell Grants, \$44,077 in Federal Work Study, and \$45,794 for Federal Supplemental Educational Opportunity Grants.

NOTE E - INDIRECT COST RATE

Indirect costs allocated to federal awards were based on predetermined rates negotiated with the College's cognizant federal agency. The College has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

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**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT
AUDITING STANDARDS**

Board of Trustees
Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit of the Community College of Philadelphia (the "College") as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated **March __, 2021**.

Internal control over financial reporting

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the College's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and other matters

As part of obtaining reasonable assurance about whether the College's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Intended purpose

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Philadelphia, Pennsylvania

March __, 2021

GRANT THORNTON LLP

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**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE
UNIFORM GUIDANCE**

Board of Trustees
Community College of Philadelphia
(A Component Unit of the City of Philadelphia)

Report on compliance for each major federal program

We have audited the compliance of the Community College of Philadelphia (the “Entity”) with the types of compliance requirements described in the U.S. Office of Management and Budget’s *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020. The Entity’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to the Entity’s federal programs.

Auditor’s responsibility

Our responsibility is to express an opinion on compliance for each of the Entity’s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Entity’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Entity’s compliance.

Opinion on each major federal program

In our opinion, the Entity complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on internal control over compliance

Management of the Entity is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Entity's internal control over compliance with the types of compliance requirements that could have a direct and material effect on each major federal program to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Entity's internal control over compliance.

A *deficiency* in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in the Entity's internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this Report on Internal Control Over Compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Philadelphia, Pennsylvania
March XX, 2021

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2020

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ yes X none reported
- Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ yes X none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes X no

Identification of major programs:

Assistance Listings Numbers	<i>Name of Federal Program or Cluster</i>
	Student Financial Assistance Cluster:
84.007	Federal Supplemental Educational Opportunity Grants (FSEOG)
84.033	Federal Work-Study Program (FWS)
84.063	Federal Pell Grant Program (PELL)
84.268	Federal Direct Student Loans (Direct Loan)
84.425	COVID-19 Higher Education Emergency Relief Fund (HEERF)

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? X yes _____ no

Section II - Financial Statement Findings

None.

Section III - Federal Award Findings and Questioned Costs

None.

**Community College of Philadelphia
(A Component Unit of the City of Philadelphia)**

DRAFT

SUMMARY OF PRIOR YEAR AUDIT FINDINGS

June 30, 2020

No matters to report.

GRANT THORNTON LLP

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Trustees
Community College of Philadelphia
(A Component Unit of the City of Philadelphia) and
Pennsylvania Department of Human Services

We have performed the procedures enumerated below, which were agreed to by management and the Board of Trustees of the Community College of Philadelphia (the College) and the Pennsylvania Department of Human Services (DHS), related to the College's compliance with the requirements listed in Audit Clause A of the Pennsylvania KEYS agreement between the College and DHS (the "specified requirements") during the period July 1, 2019 to June 30, 2020 (the "Subject Matter"). The College's management is responsible for its compliance with those requirements. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures we performed and our findings are as follows.

1. Verified by comparison the amounts and classifications that the Supplemental Schedule of Revenues and Expenditures which summarizes amounts reported to DHS for the year ended June 30, 2020, have been accurately compiled and reflect the audited books and records of the College.

No exceptions noted.

2. Verified by comparison to the example schedules included in the specified requirements that these schedules are presented, at a minimum, at the level of detail that directly mirrors the budget page (Rider 3) of the subject matter. The Supplemental Schedule of Revenues and Expenditures should mirror the line items on the budget pages of the contract and include a budget and an actual expenditure column pertaining to the period.

No exceptions noted.

3. Inquired of management regarding adjustments to reported revenues or expenditures, which were not reflected on the reports submitted to DHS for the period in question.

No such adjustments noted.

4. Disclose any adjustments and/or findings and identify which have not been reflected in the corresponding schedules.

No such adjustments or findings noted.

5. The supplemental schedule to be included in the College's single audit reporting package for the year ended June 30, 2020, is a reconciliation of the expenditures listed on the Schedule of Expenditures of Federal Awards ("SEFA") to the Federal award income received from DHS ("reconciliation schedule") as required by DHS and noted in the revenue audit confirmation received from the Commonwealth of Pennsylvania. The procedures performed on the reconciliation schedule were as follows:
 - a. Agreed the expenditure amounts listed on the reconciliation schedule under the "Federal Expenditures per the SEFA" column to the audited SEFA.
 - b. Agreed the receipt amounts listed on the reconciliation schedule under the "Federal Awards Received per the audit confirmation reply from Pennsylvania" column to the sub-recipient Federal amounts that are reflected in the audit confirmation reply from the Commonwealth of Pennsylvania.
 - c. Recalculated the amounts listed under the "Difference" column.
 - d. Agreed the amounts listed under the "Difference" column to the audited books and records of the College.
 - e. Agreed the "Detailed Explanation of the Differences" to the audited books and records of the College.
 - f. Based on the procedures detailed above, disclosed any adjustments and/or findings which have not been reflected on the corresponding schedules.

No exceptions noted.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance with the specified requirements. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this agreed-upon procedures report is solely to report our findings based on the specific procedures performed on the Subject Matter for the purpose of assisting management and the Board of Trustees of the College and DHS in evaluating compliance with the specified requirements. Accordingly, this report is not suitable for any other purpose.

Philadelphia, Pennsylvania

March __, 2021

Community College of Philadelphia
Year Ended June 30, 2020

Schedule of Federal Awards Passed through the Pennsylvania Department of Human Services

<u>Assistance Listings Name</u>	<u>Assistance Listings Number</u>	<u>Federal Expenditures per the SEFA</u>	<u>Federal Awards Received per the Audit Confirmation Reply from Pennsylvania Department of Human Services</u>	<u>Difference</u>	<u>Detailed Expanation of the Differences</u>
Temporary Assistance for Needy Families (TANF)	93.558	108,169	108,169	—	N/A
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	190,307	190,307	—	N/A

07/01/2019-06/30/2020		Supplemental Schedule of Revenues and Expenditures KEYS 19-20		07/01/2019-06/30/2020	
AGENCY: <u>Community College of Philadelphia</u> AGENCY ADDRESS: <u>1700 Spring Garden Street, Philadelphia, PA 19130</u> PHONE#: <u>215-751-8133</u> Contract Number <u>4100081210</u> SAP VENDOR #: <u>000139658</u>					
EXPENDITURES					
	BUDGETED AMOUNT	CUMULATIVE YTD ACTUAL EXPENSES	BALANCE OF BUDGETED AMOUNT		
ADMINISTRATION COSTS (Not to exceed 10% of total grant award)					
A. PERSONNEL					
Staff Salaries	-	-	-		
Staff Fringe Benefits	-	-	-		
Total Salaries/Fringe Benefits	-	-	-		
B. EQUIPMENT AND SUPPLIES					
	1,200	299	901		
C. OPERATING EXPENSES					
	15,501	2,000	13,501		
TOTAL ADMINISTRATION COSTS	16,701	2,299	14,402		
PROGRAM COSTS (Direct Training)					
A. PERSONNEL					
Staff Salaries	400,130	301,481	98,650		
Staff Fringe Benefits	120,038	86,391	33,649		
Total Personnel	520,168	387,872	132,299		
B. EQUIPMENT AND SUPPLIES					
	49,655	22,789	26,865		
C. OPERATING EXPENSES					
	33,407	10,549	22,857		
D. OTHER PROGRAM EXPENSES					
	140,560	4,599	135,959		
TOTAL SUBCONTRACTED EXPENSES	-	-	-		
TOTAL PROGRAM COSTS	743,790	425,809	317,980		
TOTAL CONTRACT AMOUNT	760,491	428,108	332,382		
DETAILED PAGE - ADMINISTRATION EXPENSES					
Category	BUDGETED AMOUNT	CUMULATIVE YTD ACTUAL EXPENSES	BALANCE OF BUDGETED AMOUNT		
PERSONNEL (Please include the % of time spent on grant)					
	-	-	-		
TOTAL ADMINISTRATIVE SALARIES	-	-	-		
FRINGE BENEFITS					
FICA AND MEDICARE	-	-	-		
HEALTH INSURANCE	-	-	-		
LIFE & DISABILITY INSURANCE	-	-	-		
UNEMPLOYMENT COMPENSATION	-	-	-		
WORKERS COMP	-	-	-		
PENSION	-	-	-		
TOTAL FRINGE BENEFITS CHARGED TO ADMINISTRATIVE SALARIES	-	-	-		
TOTAL ADMINISTRATIVE SALARIES & FRINGE BENEFITS	-	-	-		
EQUIPMENT AND SUPPLIES					
CONSUMABLE SUPPLIES	-	-	-		
EQUIPMENT RENTAL	1,200	299	901		
EQUIPMENT PURCHASES	-	-	-		
TOTAL EQUIPMENT AND SUPPLIES	1,200	299	901		
OPERATING EXPENSES					
Advertising	-	-	-		
Audit	2,000	2,000	-		
Consultant Services	9,768	-	9,768		
Dues and Subscriptions	3,733	-	3,733		
Insurance	-	-	-		
Postage	-	-	-		
Printing	-	-	-		
Telephone	-	-	-		
Maintenance	-	-	-		
Rent	-	-	-		
Utilities	-	-	-		
Travel	-	-	-		
TOTAL OPERATING EXPENSES	15,501	2,000	13,501		
TOTAL ADMINISTRATION EXPENSES	16,701	2,299	14,402		

DETAILED PAGE - PROGRAM ACTIVITIES / SUBCONTRACTORS			
Category	BUDGETED AMOUNT	CUMULATIVE YTD ACTUAL EXPENSES	BALANCE OF BUDGETED AMOUNT
PERSONNEL (Please include % of time spent on grant)			
Project Director 100% H Pizarro	58,989	59,753	(764)
Job Developer 100% D Ford-new G Jones-Woods	44,748	34,400	10,348
Student Facilitator 100% G. Jones-Wood-new T Mcknight	44,748	43,137	1,611
Student Facilitator 100% J Boykin/G. Howe	44,748	42,883	1,865
Student Facilitator 100%	44,748	-	44,748
Student Facilitator 100% J Wilde-new K Jones	44,745	28,446	16,299
Student Facilitator 100% B Pierce	44,745	39,196	5,549
Administrative Associate 100% G Cardwell	37,659	37,626	33
Academic Coordinator/Student Facilitator -L. Duran	15,000	10,481	4,519
Academic Coordinator/Student Facilitator -L. Johnson-Daniel	15,000	5,558	9,442
Student Worker(s) PT	5,000	-	5,000
TOTAL PROGRAM SALARIES	400,130	301,480	98,650
FRINGE BENEFITS			
FICA & Medicare	15,325	11,546	3,779
Health Insurance	61,100	43,850	17,250
Life & Disability Insurance	-	-	-
Unemployment Compensation	1,600	1,205	395
Worker's Compensation	2,000	1,507	493
Pension	40,013	28,281	11,732
TOTAL FRINGE BENEFITS CHARGED TO PROGRAM SALARIES	120,038	86,389	33,649
TOTAL PROGRAM SALARIES & FRINGE BENEFITS	520,168	387,869	132,299
EQUIPMENT AND SUPPLIES			
Consumable Supplies	37,179	14,750	22,429
Equipment Rental	-	-	-
Equipment Purchases	12,476	8,040	4,436
Educational Software (Rosetta, Math Made Easy)	-	-	-
TOTAL EQUIPMENT AND SUPPLIES	49,655	22,790	26,865
OPERATING EXPENSES			
Dues and Subscriptions	2,000	-	2,000
Insurance	-	-	-
Postage	2,000	46	1,954
Printing	2,000	294	1,706
Telephone	-	-	-
Maintenance	22,406	10,000	12,406
Rent	-	-	-
Utilities	-	-	-
Travel	5,001	210	4,791
TOTAL OPERATING EXPENSES	33,407	10,550	22,857
Other Program Expenses			
Allowable Incentives	14,311	483	13,828
Participant Reimbursement	5,689	157	5,532
Career Fairs/Conferences	7,492	1,598	5,894
Educational Enrichment/Staff Professional Development	40,230	-	40,230
Hospitality	19,998	-	19,998
Graduation	9,249	-	9,249
Pre-enrollment services/College Prep	26,058	2,363	23,695
VWE/PWE-Tutors	17,533	-	17,533
TOTAL OTHER PROGRAM EXPENSES	140,560	4,601	135,959
Subcontractors			
TOTAL SUBCONTRACTOR EXPENSES	-	-	-
GRAND TOTAL PROGRAM EXPENSES	743,790	425,810	317,980
TOTAL CONTRACT AMOUNT	760,491	428,109	332,382
Revenue		428,109	
Excess of Revenue over Expenses		-	

ATTACHMENT C

2020 Uniform Guidance Wrap-up Presentation



PRESENTATION TO THOSE CHARGED WITH GOVERNANCE

2020 Uniform Guidance Wrap-up Presentation

Community College of Philadelphia

March 23, 2021



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.

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Areas of focus for Single Audit

The following provides an overview of the major programs tested this year; it has been determined based on the final Schedule of Expenditures of Federal Awards.

Major program	2020	2019	2018
Student Financial Aid Cluster	X	X	X
Career and Technical Education – Basic Grants to States (CFDA 84.048)		X	
Higher Education Relief Act* (CFDA 84.425)	X		

*The Higher Education Emergency Relief Funding is reported as a stand-alone award on the current year SEFA and tested as a major program in 2020.

Areas of focus for Single Audit (continued)

Area of focus	Results
Compliance with Uniform Guidance	<p data-bbox="856 506 1829 574">Perform compliance and controls procedures in accordance with the Uniform Guidance Requirements, including:</p> <ul data-bbox="856 581 1965 1266" style="list-style-type: none"><li data-bbox="856 581 1688 617">• Planning, identification of major federal programs and risk assessment.<li data-bbox="856 623 1898 691">• Reviewing the respective federal compliance supplements and, as applicable, the specific grant/award agreements and documenting the applicable compliance requirements.<li data-bbox="856 698 1885 766">• Documenting/updating internal controls over compliance for each of the respective major federal program(s) or cluster(s).<li data-bbox="856 773 1965 1266">• Testing compliance and internal controls over compliance for each direct and material compliance requirement over each major federal program.<ul data-bbox="957 847 1965 1195" style="list-style-type: none"><li data-bbox="957 847 1965 915">• There are 12 compliance requirements for each major program. Of these, typically 6-8 have been direct and material to each major program or cluster.<li data-bbox="957 922 1871 990">• Consistent with prior years, we audited compliance associated with the federal Student Financial Assistance (SFA) Cluster.<li data-bbox="957 997 1940 1065">• We also audited compliance with the COVID-19 Higher Education Emergency Relief Fund (HEERF) program.<li data-bbox="957 1071 1965 1195">• Required to test a minimum of 40 items for larger populations (250 transactions or more) or at least 10% of smaller populations for each direct and material compliance requirement. That is, 40 items for compliance and 40 items for controls. Dual purpose testing was employed whenever possible.<li data-bbox="856 1201 1927 1266">• Testing the reconciliation of the schedule of expenditures of federal awards to the respective amounts included within the basic financial statements.

Areas of focus for Single Audit (continued)

Area of focus	Results
Compliance with Uniform Guidance (continued)	<ul style="list-style-type: none">• Assessing completeness of disclosures related to the federal schedule of expenditures, including the impact of any CARES Act funding received during the year.• Rendering respective independent auditor opinions.• Preparing the appropriate sections of the federal Data Collection Form submitted to the Federal Audit Clearinghouse.

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 – general ledger and student financial aid

COVID-19 pandemic



Accounting considerations

- 1. Asset impairment** - Material assets subject to possible impairment or devaluation. Universities 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** – Universities may be entitled to reimbursement for losses under various types of insurance policies as a result of the pandemic.
- 3. Contingent losses** - A University is required to recognize a contingent loss if (a) it is probable that the liability has been incurred as of the balance-sheet 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** - Universities 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 University that concludes that there is substantial doubt about its ability to continue as a going concern, or that its plans alleviate such doubt, must provide disclosures to that effect.
- 5. Impact of various federal relief programs** - Universities 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, Universities may need to reevaluate the basis for reserves on certain accounts such as student accounts and loans 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, among others specified in ASC 275 should be considered when preparing the financial statement footnotes.

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.



COMMUNITY COLLEGE OF PHILADELPHIA
Proceedings of the Meeting of the Board of Trustees
Thursday, March 4, 2021 – 3:00 p.m.

Present: Mr. White, presiding; Mr. Bradley, Mr. Clancy, Mr. Dubow, Mr. Epps, Ms. Fulmore-Townsend, Ms. Gamble, Ms. Hernández Vélez, Ms. Ireland, Ms. Jean-Baptiste, Ms. Posoff, Mr. Soileau, Dr. Generals, Dr. Rooney, Ms. Di Gregorio, Dr. Gay, Mr. Eapen, Dr. Hirsch, Ms. Witherspoon, Dr. Zanjani, Ms. de Fries, Ms. Zellers, and Dr. Waller

(1) Meeting Called to Order

Mr. White called the meeting to order and reviewed the goals for the meeting.

(2) Public Comment

There were no requests for public comment.

(3) President's Report

Dr. Generals stated that the one-year anniversary of the College's shut down due to COVID-19 was nine days away. He noted that the College has done the things that were needed to continue to serve students and ensure the safety of the College community. Dr. Generals stated that the College transitioned classes and support services to a virtual environment; trained faculty and modified the delivery of instruction; and moved staff and departments to the modality as well.

Dr. Generals stated that the College has been proactive in making the physical changes needed on campus to ensure safety. He stated that the College has followed the guidelines set by the City of Philadelphia Department of Health, the State, and the CDC. Dr. Generals stated that the College has demonstrated that we can convert to online instruction and online work, and that students can do well online. However, the College lost 2,600 students which is indicative of the value of human contact, co-curricular programming, and student engagement. Dr. Generals stated hybrid learning will need to be part of the new normal.

In response to a question regarding why the College lost 2,600 students, Dr. Hirsch responded that there are several factors why students did not return. He stated that the majority of students did not like the online environment as they wanted the socialization aspect of attending college. Dr. Hirsch stated that health and safety risks were also noted as reasons for not attending.

In response to a question regarding why more students did not register for the Catto Scholarship, it was noted that students did not register because of the online environment and childcare issues.

Dr. Generals presented a slide (see **Attachment A**) on Institutional Effectiveness and the Middle States Self-Study. He stated that the process must be a grass roots and organic effort. Dr. Generals stated that a review of the Strategic Plan and divisional plans is underway. A team and working groups have been assigned to work on the Middle States Self-Study. Dr. Generals stated that the College is in its fifth year of the Strategic Plan, and we must provide evidence that students are learning.

Dr. Generals presented a slide (see **Attachment B**) on Diversity, Equity, Inclusion, and Outcomes and Pillar 6 to the College's Strategic Plan. He stated that he intends to fully define Pillar 6 like the other Pillars and wants the process for that to be inclusive. Dr. Generals stated that he will seek College-wide input with the goal of moving Community College of Philadelphia toward an antiracist College.

Mr. Epps noted that as we go through assessment/metrics we need to make sure that diversity is also external.

Dr. Generals provided a summary of stimulus funding received by the College to benefit students and revenue recovery for the College. Dr. Generals noted that students who did receive funds did better in college than those students who did not. Dr. Generals presented a slide (see **Attachment C**) on the number of CCP Cares requests for services and categories.

(3a) Recognitions/Events

Dr. Generals reported that he had been selected by the *Philadelphia Business Journal* as one of the Power 100 in Philadelphia.

Dr. Generals reported that he had received the 2021 Pacesetter of the Year Award from the National Council for Marketing and Public Relations.

Dr. Generals reported that he had participated in the "Back to Work: Leveraging Your Skills to Find Better Opportunities" *Al Día* News Roundtable Series on March 3, 2021. The event was co-hosted by the Federal Reserve Bank of Philadelphia.

(3b) Foundation Report

Dr. Zanjani provided an update on fundraising. She stated that from January 25, 2021 through February 21, 2021, the Foundation has raised \$26,701 in public grants. She stated that the Foundation has raised a total \$7,278,382 in public grants from July 1, 2020 through

February 21, 2021 compared to \$2,640,385 last year (July 1, 2019 through February 21, 2020). Dr. Zanjani stated that funds expended in support of student and academic success for the period of July 1, 2020 - to current year to date was \$1,383,519.05. Dr. Zanjani noted that even through the pandemic and not being able to raise funds up close and personal, people are still contributing.

Dr. Waller provided the following Foundation report:

- Expressed appreciation for the work that Dr. Zanjani and staff are doing;
- Informed the Board that a special meeting of the Foundation was held to change the criteria for the 50th Scholarship program which will allow more students to enroll;
- Informed the Board that the Foundation Board approved the release of the RFP for the comprehensive campaign consultant;
- Informed the Board that the second Trivia Night is scheduled for Thursday, March 18, 2021 at 6:00 p.m. The event will celebrate women of Philadelphia and the Commonwealth; and
- The Black and Gold Gala is scheduled for Wednesday, June 23, 2021 at 6:30 p.m.

There was a discussion regarding the amount of money given by the Board of Trustees toward the Black and Gold Gala. It was agreed that the goal of the Board is to contribute a total \$20,000 for the Black and Gold Gala.

Mr. White encouraged members of the Board to contribute to this effort.

Mr. White asked for an update on the question raised regarding the payment of healthcare benefits for adjuncts who did not receive work assignments. Ms. Zellers indicated that the issue had been resolved and that agreement was reached with the Faculty Federation that the College portion will be shared between the College and the Federation.

(4) Report of the Business Affairs Committee

Ms. Hernández Vélez reported that the Committee had met on March 3, 2021. She stated that the Committee had approved projects moving forward that will greatly contribute to support achievement by our students. The items are listed on the Consent Agenda.

Ms. Hernández Vélez stated that the Committee held an extensive discussion regarding the College's insurance broker and the role of the MBE subcontractor. Ms. Zellers noted that the insurance broker agreed to increase the role of the MBE over the life of the contract. Ms. Hernández Vélez stated that discussions will continue to take place to ensure diversity, equity, and inclusion of minority College vendors.

(5) Report of the Student Outcomes Committee

Ms. Fulmore Townsend reported that the Committee met on February 4, 2021 and was provided with a presentation of the Catto Scholarship. She stated that the program will serve 4,500 students over the five-year investment by the City of \$47.4 million. Ms. Fulmore-Townsend stated that the Committee will need to keep an eye on the outcomes data in terms of retention and completion, but also on equity to close gaps.

Ms. Fulmore-Townsend reported that the Committee was provided with an overview of the standards for accreditation from the Middle States Commission of Higher Education which align with the Committee's work. Standard III (Design and Delivery of the Student Experience); Standard IV (Support of the Student Experience); and Standard V (Effectiveness). Ms. Fulmore-Townsend stated that the Committee reviewed and discussed the criteria for each standard. She stated that for each standard, working groups will be developing research questions that will be addressed in the Self-Study and will demonstrate compliance with accreditation standards.

Ms. Fulmore-Townsend reported that the Committee was provided with a slide presentation of College Credit Momentum KPI's. The presentation focused on credit accumulation, completion rates, and completion of college-level math/or English.

In response to a question regarding Commencement, Dr. Hirsch stated that based on what we presently know, it will be difficult to have an in-person ceremony on May 8, 2021. Instead, the College is planning to hold a Virtual Commencement. Dr. Hirsch stated that an outside company with experience in coordinating virtual graduations will organize the ceremony. Dr. Hirsch stated that the ceremony will combine the 2020 and 2021 graduates. Students will be the focus in selfies and short videos which the company will coordinate. Dr. Hirsch stated that the College feels strongly, if possible, about having an in-person gathering—a "grad walk"—which would follow required protocols including established social distancing and would take place over a week's span. The decision will be made at a later date if the College will move forward with this.

(6) Report of the Workforce Subcommittee

Ms. Ireland reported that the Committee had met on February 4, 2021. She stated that the majority of the meeting was devoted to the presentation made by Mr. Edward Legge, Director of the Center for Workforce Information and Analysis. Ms. Ireland stated that as Board members, it was important to bring Mr. Legge in as we needed to find out about the labor market and how it affects the College. In addition, it was brought to light that some of data shared by the State does not track diversity information. Ms. Ireland stated that the Committee did not have the time to review case studies of what is happening in workforce development at other colleges.

Ms. de Fries stated that she and Dr. Thomas are working closely with the City's Commerce Department on the School District's Career Connective Learning. She stated that the dialogue has started and the launch of a pilot is scheduled this summer.

Mr. Clancy thanked Dr. Hirsch and Ms. de Fries for all their help in developing an apprenticeship program with Philadelphia Works.

(7) Consent Agenda

Mr. White requested approval of the following Consent Agenda:

- (a) Proceedings and Minutes of Decisions and Resolutions Meeting of March 4, 2021
- (b) Gifts and Grants
- (c) Purchase of 500 Dell Laptops
- (d) Resolution of Support for FY 2021-22 PDE Capital Applications
- (e) RFP for Broker Insurance Services
- (f) 35 Smart Technology Classrooms

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

(8) Report of the Chair

(8a) Board Feedback on Committee of the Whole Sessions

Mr. White discussed the feedback received from members of the Board regarding the Committee of the Whole. He stated that he had received positive feedback regarding the Wednesday evening session. However, Board members felt that the Thursday session is a long day, and that many members of the Board are unable to attend all the meetings. Mr. White stated that another Committee of the Whole meeting will be held, and that a decision regarding the Committee of the Whole will be made at the end of the year.

(8b) Board Committees

Mr. White stated that Ms. McPherson is Chair of the Nominating Committee for Board Officers. Ms. McPherson has been unable to attend the Board meetings due to personal challenges. Mr. White stated that Mr. Epps is Chair of the President's Evaluation Committee and noted that additional conversations are scheduled to take place.

Mr. White stated that a Board matrix identifying characteristics like skills and areas of expertise of the Board has been developed. He stated that Ms. Hernández Vélez will be completing her term as of June 30, 2021. Mr. White stated that Dr. Gay will work with Board

members, Ms. McPherson, and Mr. Dubow to ensure that high caliber individuals are appointed to the Board of Trustees.

(8c) Middle States Update

At the request of Mr. White, Ms. Sharon Jean-Baptiste stated that Dr. Roberts is doing a great job in getting the goals and objectives for the Self-Study. She stated that Dr. Paul Starkey, Middle States Liaison, will need to meet with some of the Trustees during his virtual visit in April. Ms. Jean-Baptiste stated that more information will be forthcoming to ensure that members of the Board are part of the dialogue.

Ms. Jean-Baptiste stated that she had been appointed by her company to head operations in the Midwest. She stated that the move is a bittersweet moment for her and her family. On behalf of the Board, Mr. White thanked Ms. Jean-Baptiste for her service on the Board. He stated that he will need to appoint a Board member to replace Ms. Jean-Baptiste on the Middle States Self-Study Steering Committee.

Dr. Roberts thanked Ms. Jean-Baptiste for her participation on the Middle States Self-Study Steering Committee. She stated that at the first meeting of the Committee, the Self-Study Co-Chairs asked for the Steering Committee to provide feedback on attributes of visiting team members and the charges that have been developed. Dr. Roberts discussed the timeline and that the report will be reiterative. Dr. Roberts indicated that a main goal is to be reaccredited.

At the request of Mr. White, Dr. General reported that he and several Board members and Ms. Witherspoon had participated in the ACCT National Virtual Legislative Summit February 10-12, 2021. He stated that legislators were very supportive of community colleges in general, and that the Philadelphia delegation was very supportive of Community College of Philadelphia, expansion of Pell, free community colleges, and workforce development.

Ms. Ireland stressed the importance of developing personal relationships with legislators.

(9) New Business

There was no new business discussed.

(10) Next Meeting

The next meeting of the Board is scheduled for Thursday, April 1, 2021 at 3:00 p.m.

At this point in the meeting, the Board convened in Executive Session.

(11) Executive Session

The Executive Session was devoted to personnel matters.

The Board reconvened in open session.

Mr. Epps moved that the Board of Trustees of Community College of Philadelphia approve the Third Amended and Restated Employment Agreement (“Agreement”) for Dr. Donald Generals as President of the College, which Agreement sets his minimum base salary consistent with the base salary approved by the Board as of July 1, 2019 and extends the term of his employment contract through June 30, 2025. Ms. Hernández Vélez second the motion. The motion carried unanimously.

The meeting adjourned at 5:20 p.m.

COMMUNITY COLLEGE OF PHILADELPHIA
Meeting of the Board of Trustees
Thursday, March 4, 2021 – 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, Ms. Ireland, Ms. Jean-Baptiste, Ms. Posoff, Mr. Soileau, Dr. Generals, Dr. Rooney, Ms. Di Gregorio, Dr. Gay, Mr. Eapen, Dr. Hirsch, Ms. Witherspoon, Dr. Zanjani, Ms. de Fries, Ms. Zellers, and Dr. Waller

(1) Meeting Called to Order

Mr. White called the meeting to order.

(2) Public Comment

There were no requests for public comment.

(3) President's Report

Dr. Generals provided an update on the work that the College did during the past year to mitigate COVID-19, continue to serve students, and ensure the health and safety of the College community.

Dr. Generals presented a slide presentation addressing Institutional Effectiveness and the Middle States Self-Study; Diversity, Equity, Inclusion Outcomes and Pillar 6 of the Strategic Plan; and a summary of the number of CCP Cares requests for services and categories.

(3a) Recognitions/Events

Dr. Generals was selected by the *Philadelphia Business Journal* as one of the Power 100 in Philadelphia.

Dr. Generals received the 2021 Pacesetter of the Year Award from the National Council for Marketing and Public Relations.

Dr. Generals participated in the "Back to Work: Leveraging Your Skills to Find Better Opportunities" *Al Día* News Roundtable Series on March 3, 2021.

(3b) Foundation Report

Dr. Zanjani provided an update of fundraising of public funds as well as funds expended in support of student and academic success.

Dr. Waller provided the following Foundation report:

- Expressed appreciation for the work that Dr. Zanjani and staff are doing;
- The Foundation held a special meeting to change the criteria for the 50th Scholarship program which will allow more students to enroll;
- The Foundation Board approved the release of the RFP for the comprehensive campaign consultant;
- The second Trivia Night is scheduled for Thursday, March 18, 2021 at 6:00 p.m. The event will celebrate women of Philadelphia and the Commonwealth; and
- The Black and Gold Gala is scheduled for Wednesday, June 23, 2021 at 6:30 p.m.

(4) Report of the Business Affairs Committee

The Committee met on March 3, 2021 and approved projects that will greatly contribute to support achievement by our students and discussed the College's insurance broker and the role of the MBE subcontractor.

(5) Report of the Student Outcomes Committee

The Committee met on February 4, 2021. The Committee discussed the Catto Scholarship; the Middle States Commission of Higher Education standards which align with the Committee's work; and College Credit Momentum KPI's.

(6) Report of the Workforce Subcommittee

The Committee met on February 4, 2021. The Committee spent the majority of the meeting discussing the presentation made by Mr. Edward Legge, Director of the Center for Workforce Information and Analysis.

(7) Consent Agenda

The Board approved the following Consent Agenda:

- (a) Proceedings and Minutes of Decisions and Resolutions
Meeting of March 4, 2021
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- (e) RFP for Broker Insurance Services
- (f) 35 Smart Technology Classrooms

(8) Report of the Chair

(8a) Board Feedback on Committee of the Whole Sessions

The Board was provided with a summary of the feedback received from members of the Board regarding the Committee of the Whole.

(8b) Board Committees

The Board was informed that Ms. McPherson is Chair of the Nominating Committee for Board Officers, and Mr. Epps is Chair of the President's Evaluation Committee.

(8c) Middle States Update

The Board was provided an update of discussions held at the first meeting of the Middle States Self-Study Committee.

(9) New Business

There was no new business discussed.

(10) Next Meeting

The next meeting of the Board is scheduled for Thursday, April 1, 2021 at 3:00 p.m.

At this point in the meeting, the Board convened in Executive Session.

(11) Executive Session

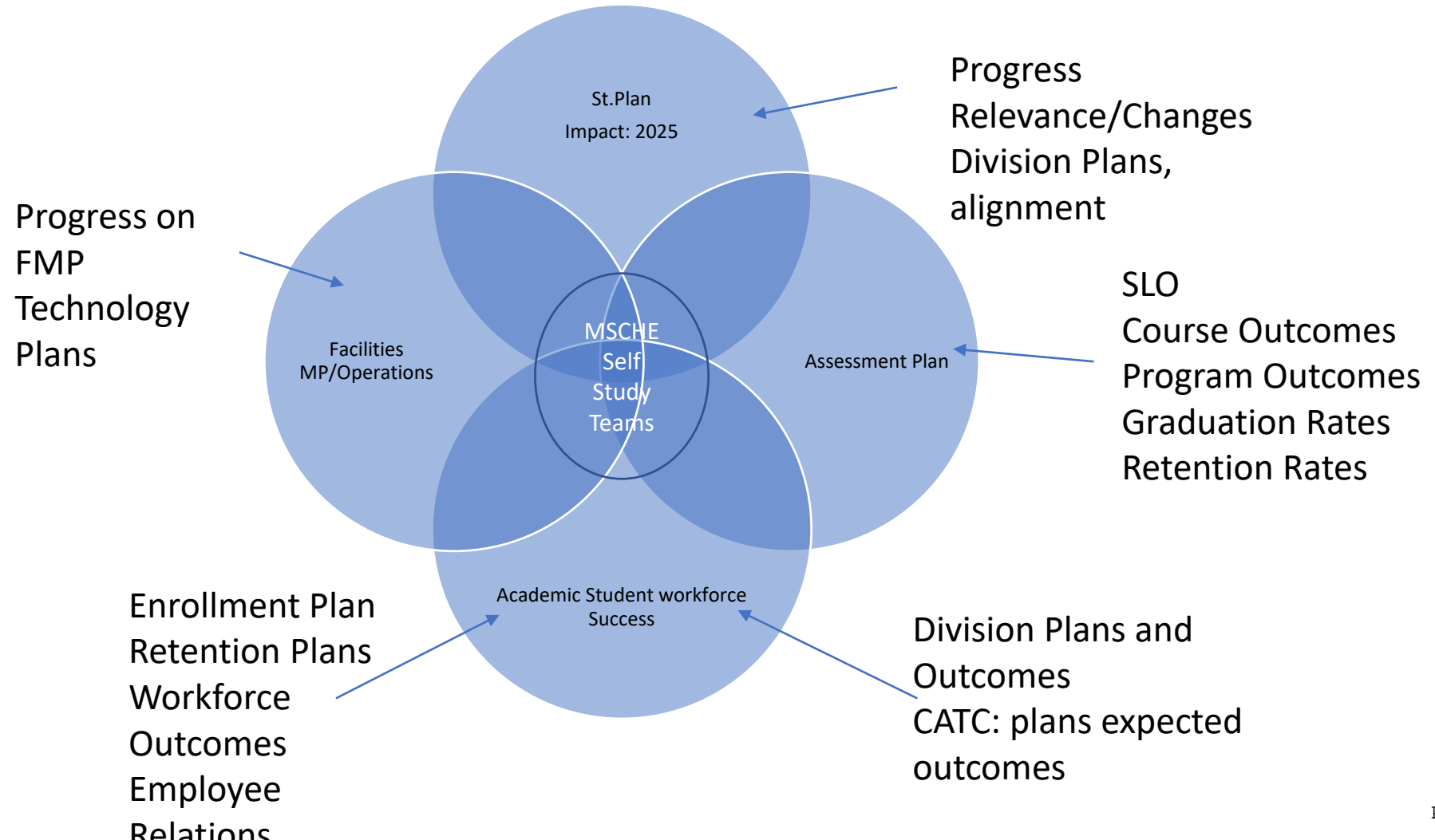
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The Board reconvened in open session.

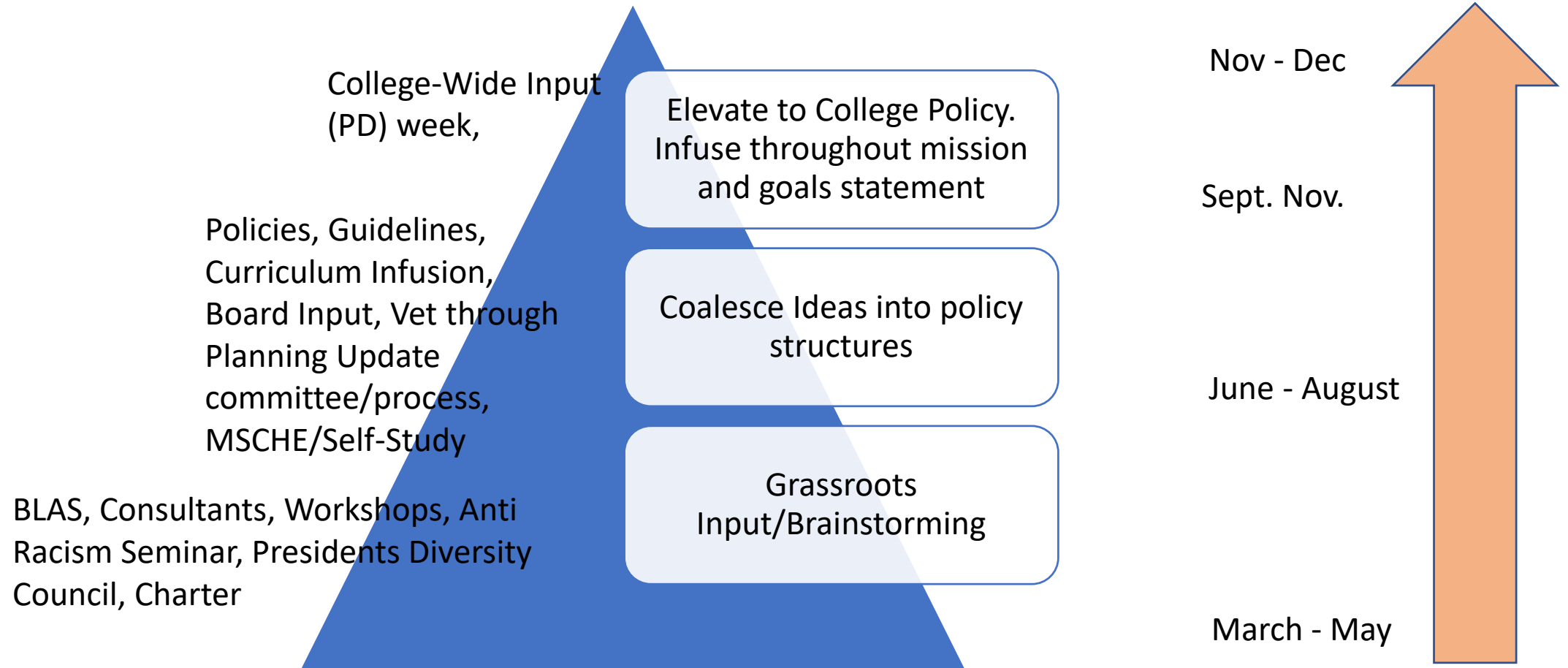
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The meeting adjourned at 5:20 p.m.

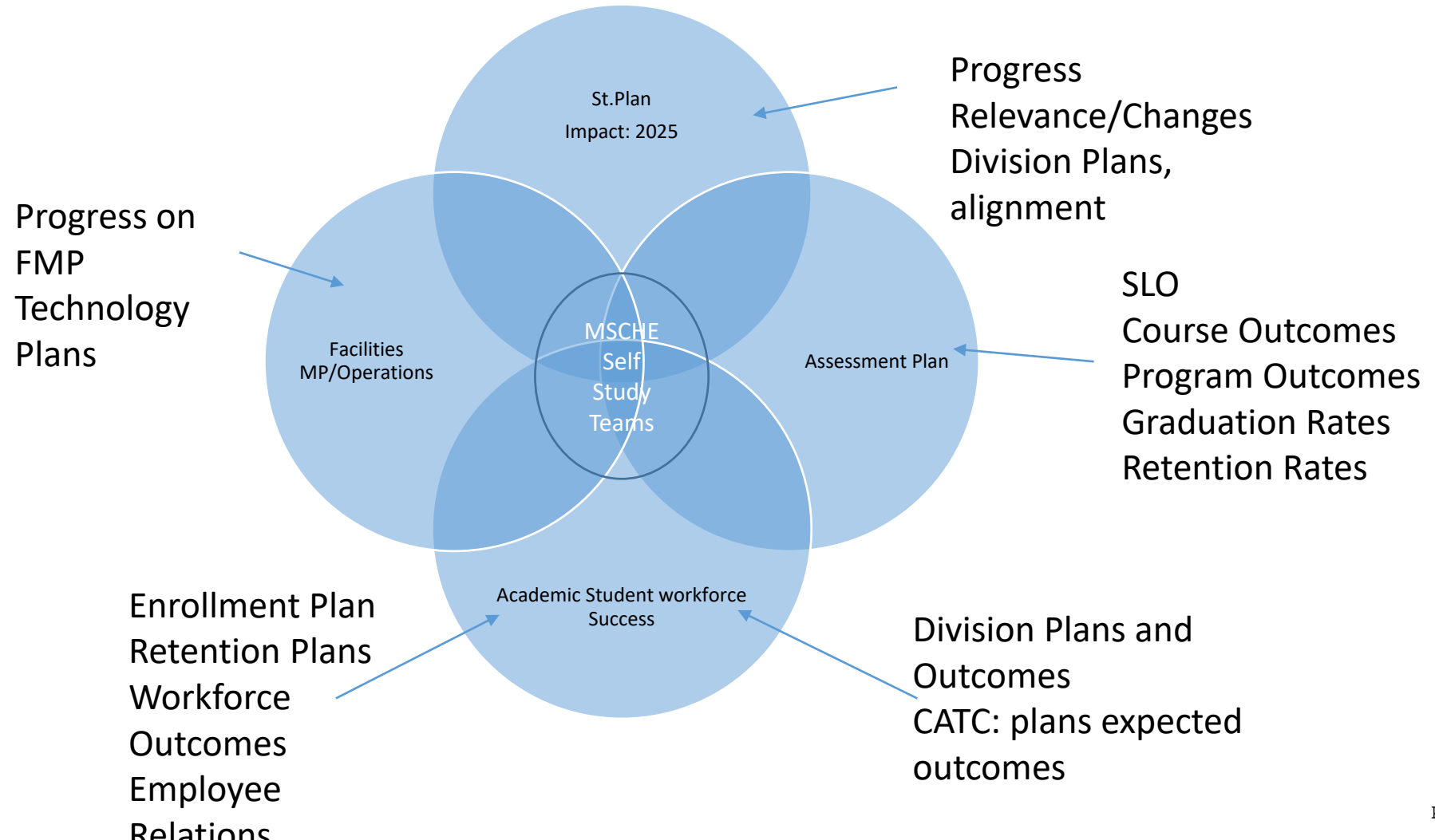
Institutional Effectiveness: Self Study



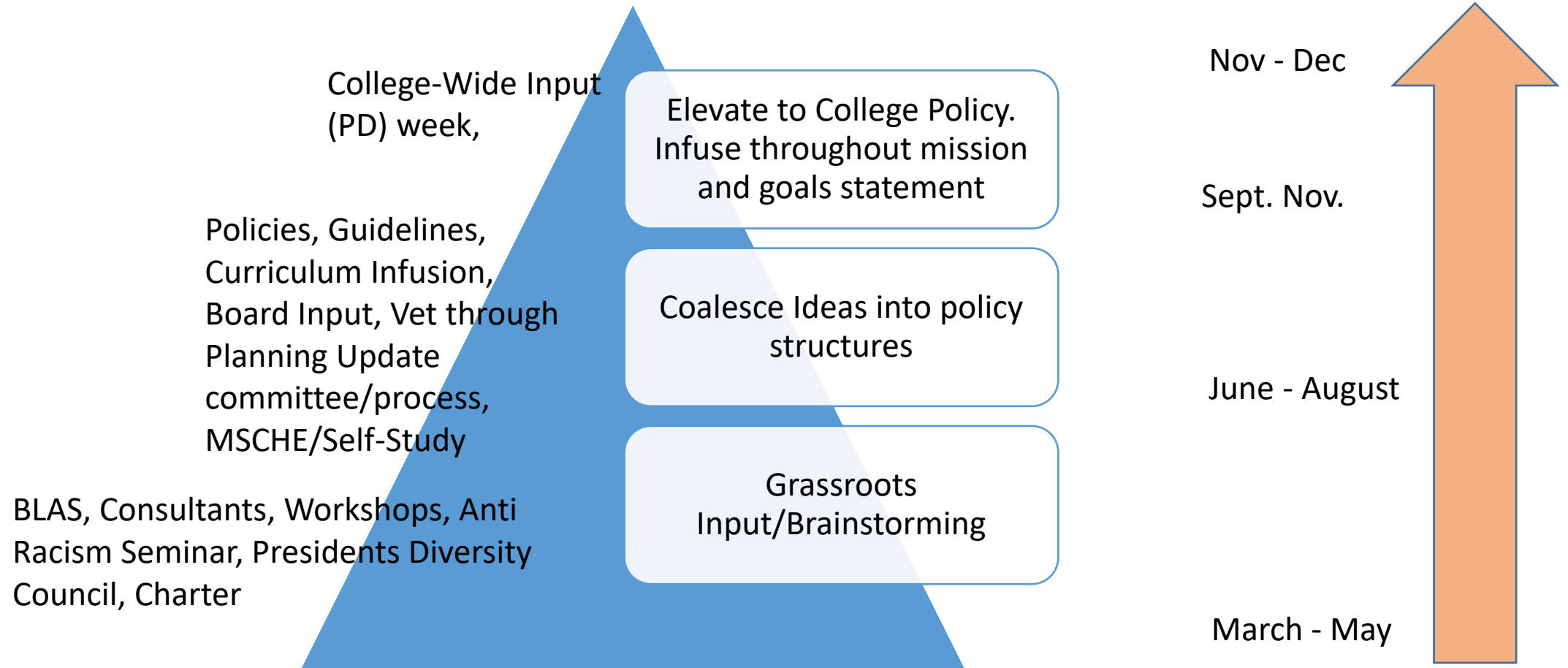
Diversity, Equity, Inclusion and Outcomes Pillar 6



Institutional Effectiveness: Self Study



Diversity, Equity, Inclusion and Outcomes Pillar 6



CCP Cares

- https://public.tableau.com/profile/communitycollegeofphiladelphia#!/vizhome/CCPCaresAnalysisVisualization_15906825066300/Story1

**Community College of Philadelphia
Office of Institutional Advancement
Record of Grants and Major Gifts
April 1, 2021 Meeting of the Board of Trustees**

GRANTS and MAJOR GIFTS

Summary by Source:

Public Grants to College	FY 2021		FY2020
	2/22/21 - 3/23/21	7/1/20 - 3/23/21	7/1/19 - 3/23/20
Federal	\$ 25,507,646	\$ 28,555,532	\$ 419,668
State	\$ -	\$ 4,200,696	\$ 2,225,920
Local	\$ -	\$ 29,800	\$ -
Public Total	\$ 25,507,646	\$ 32,786,028	\$ 2,645,588
Private Grants/Gifts to Foundation	2/22/21 - 3/23/21	7/1/20 - 3/23/21	7/1/19 - 3/23/20
Corporation	\$ 144,000	\$ 284,000	\$ 39,000
Foundation	*undisclosed	\$ 2,209,154	\$ 1,913,971
Individual	\$ 20,000	\$ 80,000	\$ 520,068
Organization	\$ 25,000.00	\$ 25,000	\$ 25,000
Private Total	\$ 1,763,238	\$ 2,598,154	\$ 2,498,039
TOTAL	\$ 27,270,884	\$ 35,384,182	\$ 5,143,627

- Foundation total for this report period includes the amount of award to remain undisclosed per funder.
- Major Gifts are donations of \$10,000 and above and are the only private gifts reported in the table.

PRIVATE GRANTS

Independence Foundation awarded \$5,000 to extend its support of Andrea Mengel Internships for Community Based Services from 12/21/2020 to 5/15/2021. Over the past 7 months, these interns have screened and tested over 5,000 people in Philadelphia for COVID-19 and supported vulnerable populations during the pandemic.

The Goldman Sachs Foundation renewed its support for year eight of the 10,000 Small Businesses program from 2/1/2021 to 1/31/2022. Per funder, the amount of this award is not to be disclosed. The College implements this program in collaboration with national and other local partners to provide business and management education to underserved entrepreneurs with small businesses in the Philadelphia metropolitan region.

FEDERAL GRANTS

U.S. Department of Education awarded \$23,798,330 supplemental funding through the CARES Act for Institution Portion of Higher Education Emergency Relief. The grant period is 5/5/2020 – 5/4/2021.

U.S. Department of Education awarded \$1,709,316 supplemental funding through the CARES Act for Minority Serving Institutions. The grant period is 7/7/2020 – 7/6/2021.