COMMUNITY COLLEGE OF PHILADELPHIA

Meeting of the Board of Trustees, Thursday, November 5, 2026, 2:30 p.m., Isadore A. Shrager Boardroom, M2-1/Hybrid

(1) Executive Session I

(2) Meeting Called to Order

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

- Enrollment Update
- Programmatic Updates
- ACCT Feedback

(3) Public Comment

(4) Report of the President

(a) Update on Enrollment

(b) Programmatic Updates

(c) Advancing Our Mission: Success Highlights

(d) 60th Anniversary Update and Foundation Report (Dr. Mellissia Zanjani and Mr. Tim Spreitzer)

(5) Report of the Student Representative

(6) Student Outcomes Committee, October 1, 2026

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(7) Combined Meeting of the Business Affairs and Executive Committees, October 21, 2026

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(a) Contract Award to H.B. Frazer Company for the Mint Building Lighting Project (Ratify)

(b) Contract Award to DIG Architecture for Architectural and Engineering Design Services for the Nursing Skills Lab Project at Main Campus and Northeast Regional Center (Ratify)

(c) Contract Award to Smith Construction Inc. for Construction of the West Regional Center Ludlow Street Entrance (Ratify)

(d) Contract Renewal to Johnson Controls Building Solutions for Building Management Services (Ratify)

(e) Contract Renewal with Ellucian Company LLC for Technology Solution Services (Ratify)

(f) Contract Award to Abnormal AI for Email Security Gateway (Ratify)

(g) Contract Award to LinkedIn for Recruitment and Talent Acquisition Services (Ratify)

(8) Resolution to Authorize the Submission of a Loan Application and to Obtain Financing from the State Public School Building Authority for Nursing Skills Lab and Surgical Technology Lab Projects (A)

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(9) Resolution to Authorize President, Dr. Alycia Marshall to Approve Perkins Grant Funded Purchases of One Hundred Thousand Dollars ($100,000) or Greater through June 30, 2027 (A)

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(10) Audit Committee, October 26, 2026

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(a) 2025-2026 Fiscal Year Audited Financial Statements Report (A)
(11) Special Meeting of the Business Affairs Committee, November 5, 2026
(a) Resolution to Authorize the Submission of a Special Distribution Capital Application to the Pennsylvania Department of Education (A)
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(b) Contract Award to L & L Legacy Construction for the Restoration of Water-Damaged Areas within the Winnet Building (A)
(12) Consent Agenda
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(b) Grants and Gifts
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(13) Report of the Chair
(a) Resolution to Grant Trustee Emeritus Status to Mr. Jeremiah J. White, Jr. (A)
(b) President’s Compensation (A)
(c) ACCT Board Member Reflections
(d) PA Commission for Community Colleges Virtual Statewide Trustee/Board Meeting, November 11, 2026, 6:00 p.m. – 7:30 p.m., via Zoom
(e) ACCT National Legislative Summit, February 8-11, 2027 Marriott Marquis, Washington, DC
(14) Old Business
(15) New Business
(16) Next Meeting
The next meeting of the Board of Trustees is scheduled for Thursday, January 7, 2027, at 2:30 p.m. in the Isadore A. Shrager Boardroom, M2-1. The meeting will be hybrid.
Committee Meetings
• Student Outcomes Committee
Thursday, November 5, 2026, 12:30 p.m., Library & Learning Commons, L1-13/Hybrid
Thursday, January 7, 2027, 12:30 p.m., Library & Learning Commons, L1-13/Hybrid
• Special Business Affairs Committee, Thursday, November 5, 2026, 8:30 a.m., Virtual Only, Meeting ID: 990 7575 5343, Passcode: 8029
• Business Affairs Committee, Wednesday, November 18, 2026,

9:00 a.m., Isadore A. Shrager Boardroom, M2-1/Hybrid

Upcoming Events

- Veterans Day Ceremony, Wednesday, November 11, 2026, 11:00 a.m., Bonnell Lobby
- PA Commission for Community Colleges Virtual Statewide Trustee/Board Meeting, Wednesday, November 11, 2026, 6:00 p.m. – 7:30 p.m., via Zoom
- Thanksforgiving Luncheon, Monday, November 16, 2026,12:00 p.m., Pavilion, 1st Floor Lobby
- Alumni Reunion Dinner, Thursday, November 19, 2026, 6:00 p.m., Winnet Building, Great Hall, S2-19
- Philadelphia Martin Luther King Jr. Association 42nd Annual Awards and Benefit Luncheon, Monday, January 18, 2027, 12:00 p.m., Sheraton Phila. Downtown Hotel, 201 North 17th Street
- 2027 ACCT Community College National Legislative Summit, February 7-10, 2027, Marriott Marquis, Washington, DC

(17) Adjourn

Executive Session II

The Board will reconvene in Executive Session to discuss personnel matters. The Board will not return.

STUDENT OUTCOMES COMMITTEE OF THE BOARD OF TRUSTEES

MEETING MINUTES

Thursday, October 1, 2026
12:30 p.m.
Hybrid

Zoom
&
CATC, Room 241

Presiding: Ms. Chekemma Fulmore-Townsend

Committee Members: Roz McPherson, Carol Jenkins, Patrick Clancy, Sheila Ireland

Board Participants:

College Members: Dr. Alycia Marshall, Dr. Lisa Sanders, Dr. Shannon Rooney, Dr. Mellissia Zanjani, Michael Webber, Amanda Mouser

Guests: Dr. Judith Gay, Consultant to the Board of Trustees
Ms. Mindy Posoff, Vice Chair, Board of Trustees
Dr. Vishal Shah, Dean, Math, Health and Science Careers; Co-chair of the Curriculum Committee
Tony Cobas, Director, Career Connections

I. Public Session

(a) Approval of the Minutes September 3, 2026 (A)

Trustee Fulmore-Townsend confirmed a quorum and moved to approve the minutes of the September 3rd meeting. Trustee Jenkins made the first motion, and Trustee Clancy seconded it. All members unanimously approved.

(b) APR Rubric Update Discussion (A)

Dr. Shah reminded the Board of the revisions requested in June. The Curriculum Committee was tasked with revising only the rubric, not the full APR document. The goal is to present the final version at the Curriculum Committee's October meeting and use it as the working draft going forward. The following changes relate to the updated APR rubric handout. The categories are now linked to APR sections. Each category in the first column cites the APR section behind it, so the Board can see the qualitative context behind any score. He distinguished a score of 3 from a score of 4. At the request of faculty, 3 is the highest expected score: a program scoring 3 has nothing further it must do. A 4 is aspirational and "exemplary," meaning the program is

doing something unique that could be copied elsewhere. Regarding future-facing issues such as AI, about 60–70% of the discussion concerned how to capture emerging disruptions like AI. Forecasting from data not yet available proved too hard for a standalone category. Instead, faculty will address these issues in the APR narrative and map them to existing rubric categories: pedagogy and student engagement, faculty engagement with the field, and employment outlook and experiential learning. Additionally, the updated APR document includes an expanded glossary of definitions and data terms, including simple terms, to address the last meeting's concern about unclear terms.

- Trustee Fulmore-Townsend asked what insight the Student Outcomes Committee currently needs to provide to the Curriculum Committee and what the implementation will look like. Dr. Shah outlined the implementation procedures. Once the curriculum subcommittee approves it in October, the rubric will be submitted to the Assessment Office. The Board will not review the APR rubric updates for each program immediately. Programs with finalized drafts already at the council stage will not use the rubric at this time; however, those still in development will. Among this year's 16 APRs, some are in advanced stages. Because the APR document already incorporates all rubric elements, faculty are aligning their writing accordingly; the formal adoption of the rubric will be phased in gradually.

- Trustee Clancy asked whether there was a rollout goal. Dr. Shah stated that, as a dean, he would not return programs with finished drafts already under dean review. Programs still at the faculty level could adopt it. He expected the Student Outcomes Committee to see rollouts in the late Fall or Spring semesters. Dr. Sanders informed the Board that a schedule indicating which programs will and will not adopt the APR rubric can be provided. However, some programs need additional time and guidance from the Assessment Office, so adoption depends on the specific program. Trustee Clancy inquired whether the use of the APR rubric is optional for faculty. Dr. Sanders clarified that the APR Rubric is not optional; however, certain sections may not apply. For example, when faculty address employment outcomes for transfer programs, they must still use the rubric.

Dr. Shah stated that there is one more chance to revise before the Curriculum Committee’s October vote, after which the rubric goes to the Assessment Office and becomes part of every program's APR presentation. In response to last meeting's feedback, the rubric will be monochromatic because color carried no meaning. The curriculum committee now needs final feedback from the Student Outcomes Committee before voting.

- Trustee Fulmore-Townsend said it was exciting to see engagement grow as the rubric evolved into a tool for evaluating programs individually and

comparatively. Though the process departed from the original plan, broader input and integration improved insight and buy-in. She thanked Dr. Shah for leading the effort on clarifying the tool.

Trustee Fulmore-Townsend provided a recap and asked the Board to review the updated APR rubric and send any further comments soon, as this version goes to the council for approval. She noted that it addresses the June meeting's concerns by clarifying the distinction between a 3 and a 4, adding definitions, and describing, in more behavioral terms, what it means for a program to be innovative and engaged in its field. She also managed expectations: some upcoming reviews will not use the rubric because those programs' drafts are near final, and the committee will begin using it after approval.

- Trustee Posoff asked for clarity on whether the APR rubric has been approved by all faculty. Trustee Fulmore-Townsend told her that the Curriculum Committee revised the APR rubric and that the document is in its second-to-last step, after much back-and-forth with the SOC committee. Overall, there is a strong buy-in and better alignment on definitions and integration with the APR document.

- Dr. Gay asked whether there is a plan to evaluate the rubric’s effectiveness, for example, after one year. Drawing on her Middle States experience, she requested a formal plan to ensure this version gives programs the information they need to improve, rather than simply collecting data. Dr. Sanders said the team will collect and analyze data to determine whether revisions are needed, identify what is missing, and note what emerges unexpectedly. The rubric would follow other Middle States processes, such as program and course assessment. Given how quickly AI is advancing, unforeseen issues will arise, and the market will reveal whether the rubric is on target. Dr. Marshall explained that consultants are launching a program market analysis to inform the strategic plan. Its findings, particularly on employment outcomes and workforce preparedness, can be compared with APR results to confirm alignment with recommendations on the direction programs should take. Dr. Sanders added that the current APR timeline is too long: in five years, the rubric would be obsolete. Therefore, approvals and rubric revisions should probably occur annually.

Aligning with Dr. Gay’s statement about whether a plan is in place to evaluate the rubric’s effectiveness, Trustee Fulmore-Townsend asked whether the APR document itself is ever reviewed as a validation tool and, if so, whether the rubric's review could be aligned with the same Middle States timeline, since the two are meant to be implemented and presented together.

- Dr. Rooney explained that the Academic Program Review (APR) was developed to meet Commonwealth regulations requiring each academic program to be reviewed every five years. She said APR serves a state-mandated certification function, while the proposed rubric helps the Board assess program effectiveness. The process has changed little over seven years, aside from minor subheading revisions following discussions among the Office of Academic and Administrative Assessment, the Provost, and the Provost Council. Dr. Marshall added that during rubric refinement, signs emerged that the entire APR process may need to be revisited. They set those items aside to stay on task, but now is a good time to revisit them and align them with the rubric's evaluation.

(c) Corporate Engagement and Outreach and Expanded Opportunities for Students (I)

Tony Cobas, Director of Career Connections, opened the discussion by introducing his team at the College: Theresa Roberts, Administrator and Organizer; Sharen Williams, the new Internship Coordinator from work-based learning, whose role is being further developed; Ama Westbrook, the Career Pathways Advisor responsible for Health Care Studies, Education, Human Services, and Creative Arts, and who staffs the Northeast Regional Center every Tuesday; Leatha Haynes, the newest Advisor, responsible for Business, Design and Construction, Liberal Arts, and Communication, and who visits CATC monthly; Diane Sales, Part-Time Temporary Advisor for Science and Technology, who also managed the Aseptic program; and Beverly Halsey, Associate Director and the longest-serving team member, with more than six years of service, responsible for Programming, Curriculum, and the Career Ready Academy.

The team collaborated to establish a new mission: to integrate career readiness into students' everyday experience throughout the College, from initial contact through graduation, rather than limiting it to resume preparation and interview skills. As he noted, career readiness should not be optional because the most academically successful students will consistently seek assistance, while struggling students may not. Advisors now manage assigned caseloads aligned with program milestones, internships, and transfer readiness for transfer students, helping ensure students are prepared to succeed at partner universities such as Temple University.

- Trustee Clancy asked whether the services extend to certificate programs. Mr. Cobas confirmed that the team serves students across all programs, including certificate and non-credit programs. He noted that students outside these categories, such as ESL learners, had recently sought assistance from the team. Although staff resources are limited, the team remains focused on students pursuing Associate in Arts, Associate in Science, and Associate in Applied Science degrees. Career roadmap milestones apply to all students. For

example, project management students must complete an internship, so they begin preparing early.

- Trustee McPherson asked Mr. Cobas how he and his team communicate to students that career paths may change over time. Mr. Cobas explained that this is a central message. Many students pursuing Health Care studies aspire to enroll in Nursing programs, and the goal is to encourage them if their GPA is insufficient for admission. Advisors use Starfish flags to start early conversations about challenges and alternative paths students may consider, such as Health Care Management, so they receive proactive guidance instead of giving up.

- Trustee McPherson asked how Mr. Cobas's team tracks emerging careers. He said all staff belong to the National Association of Colleges & Employers (NACE) and complete summer reading and webinars. The team also partners with Institutional Research on quarterly labor market studies, shares results, and explores AI and its implications for student support. Ongoing learning is essential to avoid disadvantaging students. This summer, staff are reading *The Ecosystem* and *Designing Your Life*. Mr. Cobas hopes they will become career facilitators or coaches, enabling them to provide executive or career coaching after leaving the Community College of Philadelphia. His team aims to embed career development in every class, though adoption remains incomplete. At its first faculty lunch-and-learn, the Career Ready Language Lab, faculty reviewed syllabi to identify workforce-relevant skills and explain their value. The team created classroom-ready formula cards and is adding a faculty tab to its platform with resources for new instructors.

- Trustee Jenkins asked how courses designed primarily for academic learning, such as Political Science, can incorporate career readiness in a manner that complements, rather than displaces, their emphasis on critical thinking and subject-matter content. Dr. Marshall clarified that the vision is to integrate work-based learning at the program level in collaboration with faculty, rather than in every course, through internships or other work-based experiences. Mr. Cobas explained that career readiness involves helping students identify the skills they are already developing, such as critical thinking through reading Plato or Aristotle, and translate them into resume language and interview responses.

Mr. Cobas outlined the department's goals, which are to develop career readiness across the college; create roadmaps that expand, rather than limit, students' options; and incorporate experiential learning to support exploration. The team collaborates with community, employer,

staff, and educational partners. He described himself as a collaborator committed to advocating for students. As part of the corporate and community partnership strategy, Mr. Cobas dedicates most Wednesdays to employer outreach, guided by labor market data and each program's requirements. Advisors have learned the curriculum for every program they support, including which programs require internships, which may offer internships for credit, and which do not. He follows up on every lead from faculty, staff, or trustees and reviews every non-premium job posted on Handshake, using those employers to build his outreach database and Outlook templates.

- Trustee Posoff asked Mr. Cobas how he documents the status and outcomes of his process. Mr. Cobas told the Board that Handshake tracks this information, and only Career Services can access it. He noted that he had met with Steve Bacher to discuss corporate sponsorship and to identify potential synergies.

- Trustee Posoff asked whether Mr. Cobas works with the advancement and partnership teams, makes use of board contacts, and keeps track of key priorities. Mr. Cobas explained that he logs employers in Handshake as existing relationships or prospects, drawing on his sales experience. Because priorities can shift, he often pivots to emerging opportunities, such as a Home Depot recruiter alumna in Atlanta or a contact at the Thomas Jefferson biomedical program, who recently shared information about openings and ideal student candidates. Trustee Posoff encouraged him to explore connections through the Board, the Foundation Board, and to use LinkedIn to find shared networks.

- Trustee Clancy asked how Career Connections relates to the vacant Vice President of Workforce Development role. Dr. Marshall said Career Services will report to the Provost and Chief Academic Officer and work with faculty to integrate career preparation into academic programs through work-based learning, internships, and other opportunities. Mr. Cobas described supporting Workforce colleagues in Health care, Dental services, and Pharmacy Technology, as well as working with employers. He cited the next day’s open house and asked whether a local version of Central Pennsylvania Advanced PA could serve CCP. Credit and Workforce programs often operate separately despite shared interests; recent staffing changes make stronger coordination important. The upcoming career fair, the first at this location in some time, will target employers in Advanced Manufacturing, Welding, and Automotive. Building employer relationships takes time, and frequent recruiter turnover makes ongoing communication essential to connect the college with successors.

- Trustee McPherson said students should also be offered opportunities in Central Pennsylvania and beyond, since living elsewhere enriches life. Mr.

Cobas agreed, describing his own moves across Texas, Colorado, Miami, Central Florida, Ohio, and elsewhere as a Cuban American raised in the Northeast. Handshake "collections" highlight opportunities outside a 30-mile radius, including many Washington, D.C., government internships and Commonwealth of Pennsylvania roles. Norwegian Cruise Line, whose corporate offices are in Miami, reached out to the College. He also supports study abroad.

Mr. Cobas highlighted several partnerships. Dr. Michelle Ottey introduced Project Onramp Life Sciences, which helps first-generation and urban students compete for paid internships alongside Penn and Temple students. It connects Aseptic and Biology students with employers and opens some junior and senior roles to freshmen and sophomores. USLI (United States Liability Insurance Group) offers paid part-time jobs with tuition coverage to support retention; its campus representative is a former Villanova University National Championship center. PwC runs a community college accounting program, offers career-readiness and industry sessions with Accounting faculty, and takes selected students to an Orlando event. Thomas Jefferson University partners with Biomedical students. Norwegian Cruise Line will host 40 Hospitality students on Saturday, November 12, to tour a Philadelphia Pier ship, meet staff, and have lunch with leaders. Dr. Ruth Pacheco, who is Mr. Cobas's former supervisor and a Miami Career Services Director, made the introduction. A former CCP student was recently a cruise ship lead performer. Mr. Cobas noted that building relationships and showing employers the College's value takes time.

- Trustee McPherson offered to review Mr. Cobas' partner list and share contacts, context, and introductions from her network. Mr. Cobas agreed to provide his partner and prospect lists, noting that finding new connections often requires extensive research and outreach. Trustee Fulmore-Townsend encouraged participants to exchange lists, noting that follow-through has been inconsistent. She expressed that career-connected opportunities still depend on individual effort rather than a strategic framework. She advocated integrating career development systematically into student learning and moving from individual connections to a coordinated, sustainable strategy. She asked the Board to demonstrate a shared commitment to strengthening career-connected learning by leveraging existing networks while developing an institution-wide approach that creates lasting student outcomes.

- Dr. Marshall explained that the strategic plan is being finalized and will establish targeted goals for work-based learning, internships, and the integration of career development into the education of most students. These goals will guide strategy, identify priority industries and pathways with critical needs, and focus partnerships on the three to five areas most important to the city's Workforce, then incorporate them into divisional action plans.

- Dr. Sanders said each program must establish an external Advisory Committee to guide curriculum and connect students with opportunities, an area where Trustees' connections could help. Perkins Grant funds will support consultants who prepare students to work alongside AI. Many programs already require internships; justice students work in city government, courts, and BHHS, while Education, Nursing, and Health students are placed throughout the city. Dr. Marshall urged the Board to help select committee members, noting that Trustees may have stronger industry contacts.

- Trustee Fulmore-Townsend asked for broader context and specifics: what percentage of programs have internship connections, and what percentage of students complete work-based learning before graduating. She noted that while student interest should drive choices, the College needs data linking students to current needs, career inventories, and counseling in the sectors it is best equipped to support.

Mr. Cobas had joined a recent call on related Brookings Institution research. He agreed the work must be intentional and that his team wants to do more than resumes and interviews. He then walked through the data. He doesn't have access to college-wide internship counts because clinicals in Health Care, Cybersecurity, and Biomedical placements don't route through his office. He isn't a fan of traditional career fairs and wants them to be more intentional. Employer return rates rose from 50% in 2024 to 52% in 2026. Engagement now includes information sessions (about the first year, 73 the next, and 21 scheduled this year, 13 held so far), on-site events, panels, and new career exploration trips. A pre-fair blackout precedes the October 21 career fair, followed by Professional Development Month in November with program-specific panels. Mr. Cobas added that Main Line Health was the most popular employer, with 803 applications, many from Health Care Studies students, who tend to seek experience early. Health Care leads by industry, followed by Nonprofit, Government, Education, and Retail.

Mr. Cobas informed the Board that internship applications rose significantly last year, led by Business, Health Care, and Cybersecurity. Cybersecurity Club students are especially eager, with many applying to Lockheed Martin in New Jersey. Top destinations included the Commonwealth of Pennsylvania and the Campaign for Working Families, where accounting students provide free VITA tax preparation to people with taxable income under $30,000.

Looking ahead, Mr. Cobas and his team will launch the Career Ready Academy, a self-paced, milestone-based course, in partnership with Holy Family University. He recommended that the college manage all internships through Handshake, as most universities do: students would register their internships there, academic departments would manage credit-bearing placements, and the system could evaluate both internships and employers, generating the data the Board requested. Last year, the team served approximately 3,700 students, including alumni. The most common requests concerned resumes (often prompted by faculty assignments), career exploration, and interview preparation.

Dr. Marshall emphasized the importance of developing a clear strategy informed by multiple sources, including Brookings data and a newly awarded grant in partnership with the Chamber of Commerce to create intentional pathways to employment. These efforts will help identify the industries, partnerships, and workforce priorities the strategic plan should emphasize. The information gathered from these sources will guide the College's priorities and next steps, and the committee will continue to receive direction and updates as the work progresses.

- Trustee McPherson asked whether a work session should be held to develop a measurable plan. Trustee Fulmore-Townsend replied that she and the provost will follow up with an action plan after their monthly planning meeting, which is held about a week before each committee meeting. After the meeting, she will consult with fellow Trustees.

The meeting adjourned.

BUSINESS AFFAIRS AND EXECUTIVE COMMITTEES OF THE BOARD OF TRUSTEES MEETING MINUTES
Community College of Philadelphia
Wednesday, October 21, 2026 – 9:00 A.M.

Present for the Business Affairs Committee: Mr. Timothy Ford (presiding), Ms. Keola Harrington (*via* Zoom), Pastor Jonathon Mason (*via* Zoom), and Ms. Mindy Posoff

Present for the Executive Committee: Ms. Mindy Posoff (presiding), Mr. Timothy Ford, Ms. Keola Harrington (*via* Zoom), Ajeenah Amir (*via* Zoom)

Present for the Administration: Mr. Jeff Eberly, Dr. Mellissia Zanjani, Dr. Lisa Sanders (*via* Zoom), Ms. Carolyn Flynn, Dr. Shannon Rooney, Mr. Derrick Sawyer, Mr. Bill Bromley, Mr. John Wiggins, Mr. Gim Lim, Dr. Vishal Shah (*via* Zoom), Ms. Lisa Hutcherson, and Ms. Koi Stevens

Guests: Dr. Judith Gay, Vice President Emerita (*via* Zoom), and Ms. Annina Spletzer, Chief Operating Officer, Remington & Vernick Engineers

Please note that Attachment A contains a spreadsheet that lists the vendor/consultant, the amount, and the source of funding (i.e., Capital Budget, Operating Budget, Grants, or Bond Proceeds) which College Administration is seeking approval.

Business Affairs Committee Meeting Minutes

Mr. Ford called to order the public meeting of the Business Affairs Committee of the Board of Trustees at 9:02 a.m. and welcomed those in attendance.

(1) Contract Award to H.B. Frazer Company for the Mint Building Lighting Project (Action Item)

Mr. Eberly introduced the Mint Building Lighting Project, explaining that the installation of architectural façade lighting would enhance the exterior appearance and nighttime visibility of the historic building. The lighting would highlight the building's architectural features and reinforce its significance as a campus landmark.

Mr. Wiggins explained that the project originated from a desire to increase the building's visibility along Spring Garden Street, similar to other illuminated buildings throughout Philadelphia. He noted that a temporary floodlight installation had demonstrated the potential impact of the lighting. The permanent system would feature color-changing capabilities and illuminate the building's upper architectural features.

Mr. Eberly explained that the project would be funded through the Commonwealth's Redevelopment Assistance Capital Program (RACP), which supports projects involving economic development, job growth, or historic significance. RACP funding covers 50 percent of eligible project costs and requires a matching contribution. He noted that the grants are generally

administered through the Philadelphia Industrial Development Corporation (PIDC), with the College carrying out the project under a subcontract. The program also involves extensive state compliance requirements and a multi-year process.

Mr. Eberly reported that the College received the award in 2021 for a three-phase project consisting of skylight improvements, replacement of the Mint Building doors, and exterior lighting. The proposed lighting installation represents the final phase of the project.

Mr. Wiggins reported that the skylight work had been completed, the Mint Building doors are scheduled for delivery in December, and the lighting installation is expected to be completed in the spring. In response to Ms. Posoff's inquiry regarding neighborhood approval, Mr. Wiggins confirmed that the architect had presented the project to the appropriate review boards without objection. He further noted that funding was included in the capital budget and that the proposed contract award to H.B. Frazer was within the original budgeted amount.

Ms. Harrington inquired whether H.B. Frazer would utilize subcontractors, including minority- or women-owned businesses. Mr. Wiggins agreed to obtain the information, and Ms. Harrington clarified that her request for additional information would not prevent her from voting on the contract. Mr. Eberly reported that H.B. Frazer had 474 employees, approximately 34 percent of whom were minorities. Additional information regarding subcontractors would be provided at a future meeting.

Action: Mr. Ford called for a motion. Ms. Posoff moved, and Ms. Harrington seconded, to recommend that the Executive Committee of the Board of Trustees approve the award of a contract to H.B. Frazer Company in the amount of $720,000 for the Mint Building Lighting Project. Funding will be provided through Redevelopment Assistance Capital Program (RACP) funds and the College's Capital Budget. The motion passed unanimously.

(2) Contract Award to DIG Architecture for Architectural and Engineering Design Services for the Nursing Skills Lab Project at Main Campus and Northeast Regional Center (Action Item)

Mr. Eberly introduced the Nursing Skills Lab Project at Main Campus and the Northeast Regional Center (NERC). He explained that the College submitted a funding application to the Pennsylvania Department of Education in March 2026 and received the award in September 2026. Approval was requested for architectural and engineering design services through DIG Architecture, which designed the College's existing nursing simulation labs and is familiar with the program's needs.

Mr. Eberly noted that construction would proceed in two phases, beginning with the labs at NERC, followed by the remaining labs at Main Campus. Upon

completion of the design phase, a construction proposal is expected to be presented to the Committee in the spring or summer.

Dr. Sanders, Interim Provost and Vice President of Academic and Student Success, explained that the project would expand nursing education opportunities in Northeast Philadelphia and strengthen the city's healthcare workforce pipeline. She emphasized the importance of simulation labs in allowing students to develop practical skills before entering clinical settings and expressed appreciation for the opportunity to expand the program.

Mr. Ford inquired whether the College planned to offer the full nursing program at both locations and whether construction would disrupt instruction. Dr. Shah, Dean of Math, Science, and Health Careers, explained that offering the full nursing program at NERC is a long-term goal, with the new skills lab serving as the first step. He confirmed that the NERC lab and temporary space at Main Campus would be ready before the existing West Building lab closes for renovation, ensuring continuity of instruction for more than 300 students.

Regarding student demand, Dr. Shah cited feedback from prospective students and alumni, the need for additional healthcare education opportunities in Northeast Philadelphia, the College's strong reputation, and its competitive tuition rates. He noted that healthcare course sections typically fill within 72 hours. Mr. Ford expressed support for the expansion and emphasized the importance of ensuring that students fully benefit from the new facilities and educational opportunities.

Action: Mr. Ford called for a motion. Ms. Posoff moved, and Ms. Harrington seconded, to recommend that the Executive Committee of the Board of Trustees approve a contract with DIG Architecture in an amount not to exceed $115,000 for architectural and engineering design services associated with the Nursing Skills Lab Project at Main Campus and the Northeast Regional Center. Funding will be provided through financing obtained from the State Public School Building Authority. The motion passed unanimously.

(3) Contract Award to Smith Construction Inc. for Construction of the West Regional Center Ludlow Street Entrance (Action Item)

Mr. Eberly presented the proposed construction contract with Smith Construction, Inc. for renovations to the Ludlow Street entrance of the West Regional Center. The project would improve accessibility for individuals with disabilities, enhance the entrance experience for students, staff, and visitors, and create a more cohesive appearance between the West Regional Center and the Career and Advanced Technology Center (CATC).

Mr. Eberly reported that four companies attended the pre-bid meeting; however, Smith Construction was the only company to submit a bid, which was within the project budget. He noted that Smith Construction had successfully completed several projects for the College, including renovations

to the Biology Lab, Library, Winnet offices, and Saxbys Café. The company is a small, Philadelphia-based business with 15 employees.

Mr. Wiggins explained that the proposed renovations would address accessibility concerns while incorporating updated colors and finishes to provide a more consistent appearance between the West Regional Center and CATC.

Mr. Ford noted that the project would be funded equally through the Commonwealth's Redevelopment Assistance Capital Program (RACP) and the College's Capital Budget and was within the original budgeted amount. In response to Ms. Harrington's inquiry regarding the grant, Mr. Eberly confirmed that the College submitted the application in 2025 and received the award in July 2026.

Mr. Eberly further explained that the $1,050,000 RACP award would support four projects at the West Regional Center: the Ludlow Street entrance renovations, office and classroom improvements, parking lot improvements, and expansion of the welding lab. The entrance renovation represents the largest component of the overall project.

Action: Mr. Ford called for a motion. Ms. Posoff moved, and Ms. Harrington seconded, to recommend that the Executive Committee of the Board of Trustees approve the award of a contract to Smith Construction, Inc. in the amount of $742,000 for the West Regional Center Ludlow Street Entrance Project. Funding will be provided through Redevelopment Assistance Capital Program (RACP) funds and the College's Capital Budget. The motion passed unanimously.

(4) Contract Renewal to Johnson Controls Building Solutions for Building Management Services (Action Item)

Mr. Eberly presented a proposed one-year contract renewal with Johnson Controls Building Solutions for preventive maintenance of the College's proprietary building automation and control systems, including chillers, covering July 1, 2026, through June 30, 2027. He explained that the delay in presenting the renewal resulted from ongoing negotiations to align service agreements with planned infrastructure improvements. Following implementation of the new control systems, the College intends to issue a Request for Proposals (RFP) to secure a single service provider.

Mr. Eberly noted that an additional renewal may be necessary depending on the implementation timeline; however, approval was being requested only for the current one-year period. He emphasized that the services were essential to maintaining building operations and that a lapse in coverage should be avoided. Funding was included in the College's operating budget. The agreement would also

be included in the College's contract listing and reviewed as part of the broader assessment of service contracts and planned control system upgrades.

Action: Mr. Ford called for a motion. Ms. Posoff moved, and Ms. Harrington seconded, to recommend that the Executive Committee of the Board of Trustees approve a one-year contract with Johnson Controls Building Solutions for Building Management Services, covering July 1, 2026, through June 30, 2027, in the amount of $190,429. Funding will be provided through the College's operating budget. The motion passed unanimously.

(5) Contract Renewal to Ellucian Company LLC for Technology Solution Services (Action Item)

Mr. Eberly presented the proposed renewal with Ellucian Company LLC for technology advisory services, entering the third year of the relationship. He explained that the services support improvements to the College's student information, human resources, and financial systems by streamlining workflows, reducing system customizations, and preparing the College for a future cloud transition. He and Mr. Rahman are scheduled to meet with Ellucian leadership in January to begin planning for a potential cloud transition within the 2028-2030 timeframe.

Mr. Ford emphasized the importance of measurable progress and asked how the third year would build on previous work. Mr. Bromley, Director of Information Technology Services, explained that the services address knowledge gaps resulting from staff turnover and retirements, expand use of Banner's standard features, reduce operational risk, and support workforce development integration. Current efforts focus on modernizing existing processes that would otherwise complicate a cloud transition, with reliance on advisory services expected to decrease over time.

Mr. Ford confirmed that funding was included in the operating budget. In response to a trustee's question about vendor risks, Mr. Bromley explained that Ellucian's access is limited to what is needed and that the College establishes clear standards and expectations for its work.

Action: Mr. Ford called for a motion. Ms. Posoff moved, and Ms. Harrington seconded, to recommend that the Executive Committee of the Board of Trustees approve a one-year contract renewal with Ellucian Company LLC for Technology Solution Services in an amount not to exceed $181,614. Funding will be provided through the College's operating budget. The motion passed unanimously.

(6) Contract Award to Abnormal AI for Email Security Gateway (Action Item)

Mr. Eberly presented a proposed three-year contract with Abnormal AI for email security services, replacing the College's existing Barracuda system. He explained that an evaluation beginning in January included Proofpoint, Mimecast, and Abnormal AI to address gaps in the current system. Abnormal AI was recommended for its enhanced automation, threat detection, investigation, and remediation capabilities, as well as its alignment with the College's needs and budget. Mr. Eberly also noted that cybersecurity training began in October 2026.

Mr. Ford inquired about the additional benefits of Abnormal AI, given the cost increase of approximately $5,000 over the existing system. Mr. Bromley explained that Abnormal AI integrates with Microsoft 365 and uses behavioral analysis to detect and automatically address threats, including impersonation, business email compromise, and account takeovers. He noted that the proof of concept demonstrated potential staff time savings of approximately two hours per business day by reducing manual remediation.

In response to Ms. Posoff's questions, Mr. Bromley reported positive feedback from peer institutions and confirmed that Abnormal AI was already operating in the College's environment with the vendor's permission pending contract approval. Full implementation could begin upon issuance of a purchase order.

Ms. Harrington inquired whether a public solicitation would be considered following the proposed three-year contract term. Mr. Bromley explained that the cooperative purchasing process followed six months of evaluation, consultation with peer institutions, and a comparison of three competing bids, some of which were twice the cost. He noted that Purchasing staff considered the review sufficient due diligence and supported continuing this procurement approach going forward after the initial three-year term.

Action: Mr. Ford called for a motion. Ms. Posoff moved, and Ms. Harrington seconded, to recommend that the Executive Committee of the Board of Trustees approve the award of a three-year contract to Abnormal AI for email security services in the amount of $160,386. Funding will be provided through the College's operating budget. The motion passed unanimously.

(7) Contract Award to LinkedIn for Recruitment and Talent Acquisition Services (Action Item)

Ms. Lisa Hutcherson, Associate Vice President of Human Resources, presented a proposed three-year contract renewal with LinkedIn Talent Solutions for recruitment and talent acquisition services. She noted that the current agreement expires on October 31, 2026, and that LinkedIn is the College's

second-largest source of applicants after Indeed, particularly for administrative and full-time faculty positions.

In response to questions from Ms. Posoff and Mr. Ford, Ms. Hutcherson explained that the platform allows the College's recruiters to post vacancies, search candidate profiles, contact individuals with specific qualifications, and develop networks for future openings. These features help identify and engage qualified candidates who may not be actively seeking employment. She noted that recruitment outreach and messaging are managed internally.

Ms. Harrington questioned the return on the annual investment of more than $47,000. Ms. Hutcherson explained that the subscription includes recruiter licenses and access to candidate profiles and networks beyond those available through standard LinkedIn accounts. She noted that the College evaluates the platform's effectiveness based on applicant volume, candidate quality, and successful hires. Search firms are generally used for senior leadership positions, while faculty and most administrative searches are conducted internally.

In response to Ms. Harrington's inquiry regarding previous costs, Ms. Hutcherson reported that the prior three-year agreement totaled approximately $121,000. Mr. Eberly noted that costs had increased over the term of the agreement. Mr. Ford clarified that the reported 3.2 percent reduction reflected a comparison of the proposed annual rate to the final-year rate under the existing agreement, rather than a comparison of the total costs of the two agreements. He noted that the proposed renewal would establish a flat annual rate that is lower than the final-year rate of the current agreement. Mr. Ford requested that this distinction be clearly reflected in the minutes and agenda materials.

Action: Mr. Ford called for a motion. Ms. Posoff moved, and Ms. Harrington seconded, to recommend that the Executive Committee of the Board of Trustees approve a three-year contract renewal with LinkedIn Talent Solutions in the amount of $141,240. Funding will be provided through the College's operating budget. The motion passed unanimously.

(8) Resolution to Authorize the Submission of a Loan Application and to Obtain Financing from the State Public School Building Authority for Nursing Skills Lab and Surgical Technology Lab Projects (Action Item)

Mr. Eberly presented a proposed resolution authorizing the College to submit a loan application and obtain financing through the State Public School Building Authority for the Nursing Skills Lab and Surgical Technology Lab projects. He explained that the Board approved the capital application in March 2026, and

the Pennsylvania Department of Education awarded funding in September 2026. The total project cost of $3.2 million would be shared equally between the College and the state, with the College seeking financing for the full amount.

Mr. Eberly reported preliminary interest rates of 3.5 percent for a five-year loan and 3.75 percent for a ten-year loan. He recommended pursuing the five-year financing option, noting that the shorter repayment period would better align with the College's existing debt schedule. He referenced (Attachment B), which illustrated the impact of the proposed borrowing on the College's debt obligations, including a projected decrease in annual debt service from approximately $11.1 million to $5.4 million in Fiscal Year 2028-2029.

Mr. Ford noted that the financing had been anticipated when the Board approved the original application. In response to his inquiry regarding earlier projections, Mr. Eberly explained that the original estimate assumed a 5 percent interest rate and approximately $560,000 in interest costs. The revised projection, based on the lower interest rate and semiannual payments, reduced the estimated interest costs to approximately $305,000.

In response to Ms. Posoff's inquiry regarding the potential impact on the College's financial ratios and external assessments, Mr. Eberly stated that he did not anticipate an adverse impact on the College's credit rating. He noted that the College had previously retired approximately $9 million in debt associated with the College's2015 bonds.

Action: Mr. Ford called for a motion. Ms. Posoff moved, and Ms. Harrington seconded, to recommend to the Board of Trustees to approve the resolution authorizing the administration to submit a loan application and obtain financing from the State Public School Building Authority in an amount not to exceed $3.2 million for the Nursing Skills Lab and Surgical Technology Lab projects. The motion passed unanimously.

(9) Resolution to Authorize President, Dr. Alycia Marshall to Approve Perkins Grant Funded Purchases of One Hundred Thousand Dollars ($100,000) or Greater through June 30, 2027 (Action Item)

Dr. Sanders presented a proposed resolution (Attachment C) authorizing Dr. Marshall to approve Perkins Grant-funded purchases of $100,000 or more through June 30, 2027. She explained that the grant is subject to strict state regulations, with expenditures limited to approved career and technical education programs. Purchasing lead times, price changes, and coordination with faculty and College offices can delay implementation. She emphasized that unspent funds would be forfeited after June 30, 2027, and noted that the College successfully expended its full allocation the previous year.

Dr. Sanders explained that purchase requests are reviewed by program leadership, deans, department heads, and the Provost's Office. She noted that the Perkins Grant Director now reports directly to the Provost to strengthen academic oversight. She also highlighted the importance of timely purchasing decisions, citing an initiative involving 13 programs seeking consultants to integrate artificial intelligence into their curricula.

Mr. Ford acknowledged the need for timely expenditures but expressed concern about delegating purchasing authority so early in the fiscal year, given the Committee's responsibility to review contracts of $100,000 or more. Ms. Posoff suggested advance notification of anticipated purchases and subsequent reporting of completed transactions. Mr. Eberly and Dr. Sanders supported providing and reviewing the budget as well as outlining major purchases and anticipated timelines.

Following discussion, the Committee agreed that the resolution should require at least 24 hours' advance notice, provided on a business day, to the Business Affairs Committee Chair, Board Chair, and Executive Committee before proceeding with purchases of $100,000 or more. The notice would provide an opportunity to raise concerns without requiring affirmative approval. Purchases approved by Dr. Marshall would also be reported at each subsequent Business Affairs Committee meeting for the public record.

Ms. Flynn agreed to revise the resolution to incorporate these requirements and circulate the amended draft to the Committee for review before the next Board meeting.

Action: Mr. Ford called for a motion. Ms. Posoff moved, and Ms. Harrington seconded, to recommend to the Board of Trustees to approve the resolution set forth in Attachment C, as amended and subject to Committee review before the next Board meeting, authorizing College President Dr. Alycia Marshall to approve Perkins Grant-funded purchases of $100,000 or more through June 30, 2027, subject to the notification and reporting requirements outlined in the amended resolution. The motion passed unanimously.

(10) Three-Year Capital Budget Plan (Information Item)

Mr. Eberly introduced the multiyear capital plan (Attachment D). Mr. Sawyer reported approximately $11.4 million in capital expenditures for fiscal year 2026, including office renovations, roof replacement, the Enrollment Center, welding labs, and HVAC improvements. Most projects have been completed, with some work continuing into fiscal year 2027.

Mr. Sawyer outlined approximately $16.2 million in proposed capital spending for fiscal years 2027–2029, consisting of $10.1 million from reserves and $6.1 million

from grants and other funding sources. Major projects included West Regional Center improvements, equipment replacement, technology upgrades totaling $2.9 million, and annual contingencies of $500,000.

Mr. Ford questioned why the College projected $16.2 million over three years when fiscal year 2026 was $11.4 million and whether the proposed plan adequately accounted for future capital needs. Mr. Sawyer explained that various projects had cost overruns that contributed to the higher fiscal year 2026 expenditures. He noted that the proposed plan included ongoing projects, departmental capital requests, and projects eligible for future state funding and that the College wanted to remain within the original amount presented to the Committee in June 2026. Mr. Eberly noted that additional needs may be identified as we work through the strategic plan and master facilities plan.

Ms. Annina Spletzer, Chief Operating Officer of Remington & Vernick, presented updated infrastructure priorities for the College's $20 million bond-funded capital program. She reported that approximately $19.2 million remained available, with $18 million in estimated construction costs identified for Tier One projects. She explained in detail each Tier One project that included centralized building controls, replacement of Bonnell Building boiler, a new West Building boiler plant, gym HVAC improvements, and CBI heat pumps and cooling towers.

Ms. Spletzer explained that aging and interconnected infrastructure systems increase maintenance demands and the risk of failures affecting multiple buildings. She noted that mechanical, electrical, and plumbing construction costs had increased approximately 25 percent since 2024. She noted that depending on the costs of Tier One projects, the College might be able to then start on Tier Two priorities which included heat exchangers, fire alarm panels, the Bonnell cooling tower, replacement of the Winnet boiler, and air-handling equipment.

Mr. Ford requested the full updated project listing for all Tiers that reflects the total costs and completed work, while Ms. Posoff requested that the presentation be uploaded to Diligent. Ms. Spletzer clarified that proceeding with the identified projects would not prevent the College from incorporating eligible energy savings into a future financing arrangement.

Ms. Harrington questioned why the capital plan was presented for informational purposes rather than formal approval. Mr. Eberly explained that the Board had historically approved the operating budget without separately adopting a capital plan. Mr. Sawyer explained that the spending of $11.4 million was within the prior three-year allocation of $15.3 million presented in October 2025 and although spending remained within the allocation, approximately $5 million in additional funding would be needed to support the updated plan.

Ms. Harrington expressed support for formal approval of the capital budget and emphasized the need to reduce reliance on reserves and address the College's

structural deficit. Mr. Eberly proposed presenting the operating and capital budgets together, with preliminary review in April and anticipated approval in May, to provide greater transparency regarding projected reserve use. Mr. Ford agreed that capital funding should be considered as part of the broader budget process and thanked Ms. Spletzer for her presentation and guidance regarding the Tier One infrastructure priorities.

(11) Business Affairs Committee Calendar of Activity (Information Item)

Mr. Ford reviewed the month-by-month calendar of activity for upcoming Business Affairs Committee meetings (Attachment E). He explained that the calendar would provide a structured schedule for reviewing contracts, financial results and forecasts, tuition and fee recommendations, capital spending, and capital applications, while giving trustees advance notice of upcoming discussions and decisions.

Ms. Harrington expressed appreciation for the calendar's clarity and transparency and requested that operating spending updates be specifically included alongside financial reviews and forecasts, consistent with the reporting of capital spending. Mr. Eberly agreed to incorporate the requested updates.

EXECUTIVE SESSION

At 2:05 p.m., Mr. Ford announced that the Business Affairs Committee would enter Executive Session to discuss real estate and personnel matters.

Following Executive Session, the Business Affairs Committee reconvened in public session. Mr. Ford adjourned the meeting at 2:31 p.m., after which Ms. Posoff called the Executive Committee's public session to order.

AGENDA EXECUTIVE COMMITTEE
PUBLIC SESSION

(1) Recommendation for Emeritus Status for Mr. Jeremiah J. White, Jr.

Ms. Flynn presented Chair Epps's request that the Executive Committee recommend to the Board of Trustees that Mr. Jeremiah J. White, Jr. be granted trustee emeritus status. Chair Epps, who was unable to attend the meeting, believed that Mr. White met the criteria outlined in the College's Trustee Emerita/Emeritus Policy, Memorandum No. 317. Ms. Flynn noted that Mr. White resigned from the Board on September 30, 2026, and that the policy requires emeritus status to be granted within one year of a trustee's departure. Mr. White served on the Board for 20 years, including as Chair, and actively participated in numerous committees, including the Executive, Business Affairs, and Audit Committees. The recommendation recognized his extensive service and contributions to the College.

Action: Ms. Posoff called for a motion. Ms. Harrington moved, and Mr. Ford seconded, the recommendation to approve emeritus status for Mr. Jeremiah J. White, Jr. The motion passed unanimously.

(2) Amendment to Agenda Item #2

Mr. Ford recommended to the Committee that the resolutions listed in the agenda under Item #2 of the Executive Committee meeting should be removed and presented to the Board of Trustees for approval at the next Board of Trustees meeting.

Action: Ms. Posoff asked for a motion, Mr. Ford moved and Ms. Harrington seconded, the motion to amend the agenda to remove the following two Resolutions: 1) Resolution to Authorize the Submission of a Loan Application and to Obtain Financing from the State Public School Building Authority for Nursing Skills Lab and Surgical Technology Lab Projects; and 2) Resolution to Authorize President, Dr. Alycia Marshall to Approve Perkins Grant Funded Purchases of One Hundred Thousand Dollars ($100,000) or Greater through June 30, 2027. The motion passed unanimously.

(3) Executive Committee of the Board of Trustees motioned on the following Based on the recommendations of the Business Affairs Committee, the items:

- Contract Award to H.B. Frazer Company for the Mint Building Lighting Project
- Contract Award to DIG Architecture for Architectural and Engineering Design Services for the Nursing Skills Lab Project at Main Campus and Northeast Regional Center
- Contract Award to Smith Construction Inc. for Construction of the West Regional Center Ludlow Street Entrance
- Contract Renewal to Johnson Controls Building Solutions for Building Management Services
- Contract Renewal to Ellucian Company LLC for Technology Solutions Services
- Contract Award to Abnormal AI for Email Security Gateway
- Contract Award to LinkedIn for Recruitment and Talent Acquisition Services

Action: Ms. Posoff asked for a motion, Mr. Ford moved and Ms. Harrington seconded, to approve the above contracts. The motion passed unanimously.

(4) Amendment to Agenda to Add President's Compensation as a New Agenda Item

Mr. Ford requested to amend the agenda to add the President's compensation for 2026-2027 as an action item to be voted on for approval by the Executive Committee.

Action: Ms. Posoff asked for a motion to amend the agenda to add the President's compensation as an action item. Mr. Ford moved and Ms. Posoff seconded, to amend the agenda as stated. The motion passed unanimously.

(5) President's Compensation

The Labor Relations and Human Resources Working Group requests that the Executive Committee recommends to the Board of Trustees to approve the President's compensation package for 2026-2027.

Action: Ms. Posoff asked for a motion. Ms. Posoff moved, and Mr. Ford seconded that the Board of Trustees approve the President's compensation for 2026–2027, as recommended by the Labor Relations and Human Resources Working Group.

The meeting adjourned at 11:39 a.m.

ATTACHMENT A
FUNDING FOR ACTION ITEMS

MEETING OF THE BUSINESS AFFAIRS COMMITTEE OF THE BOARD OF TRUSTEES

AGENDA: October 21, 2026

Agenda No.	Vendor/Consultant	Amount	Source
1	H.B. Frazer Company	$720,000	RACP Funds and Capital Budget
2	DIG Architecture	$115,000	State Public School Building Authority
3	Smith Construction Inc.	$742,000	RACP Funds and Capital Budget
4	Johnson Controls	$190,429	Operating Budget
5	Ellucian Company LLC	$181,614	Operating Budget
6	Abnormal AI	$160,386	Operating Budget
7	LinkedIn	$141,240	Operating Budget

ATTACHMENT B

COMMUNITY COLLEGE OF PHILADELPHIA

Resolution - Fiscal Year 2026 -2027

Resolution for Board of Trustees Meeting November 5, 2026 to Authorize the Submission of a Loan Application and to Obtain Financing from the State Public School Building Authority

WHEREAS, the Board of Trustees of the Community College of Philadelphia (the "College") approved the submission of a Pennsylvania Department of Education (PDE) Capital Application for the Nursing Skills Lab and Surgical Technology Labs Project (the "Project") on March 12, 2026;

WHEREAS, the Project, which is estimated to cost $3.2 million ("Project Costs"), consists of: 1) upgrades to the current nursing facilities that are outdated, undersized, and lack proper storage, limiting hands-on learning and failing to meet program standards; 2) additional lab space at the Northeast Regional Center to support enrollment growth, improve access for students completing prerequisites, and provide convenient practice space before and after clinical rotations; and 3) a dedicated Surgical Technology Lab that is required to launch the new program, meet accreditation standards, and prepare students for high-demand surgical technologist roles that address critical workforce shortages;

WHEREAS, on September 2, 2026, PDE awarded the College funding for the Project and, pursuant to the award, PDE will fund fifty percent (50%) of the principal of the loan amount not to exceed $1.6 million, plus fifty percent (50%) of the annual costs and expenses of the loan, and the remainder will be financed by local sponsorship;

WHEREAS, the College expects to finance the Project by requesting the State Public School Building Authority to loan the Project Costs amount to the College pursuant to the terms of loan agreements between the College and the State Public School Building Authority; and

NOW THEREFORE, BE IT RESOLVED, that, on this 5th day of November, 2026, the College's Board of Trustees authorizes the College's administration to submit a loan application to and obtain financing from the State Public School Building Authority for the Project for an amount not to exceed $3.2 million to fund the Project.

_____

Harold T. Epps, Chair

_____

Ajeenah Amir, Secretary

Current Debt Schedule					New SPSBA $3.2 million				Revised Debt Schedule			
June 30:	Principal	Interest	Payment		Principal	Interest	Payment		June 30:	Principal	Interest	Payment
2027	6,815,000	2,679,534	9,494,534		304,257	46,334	350,591		2027	7,119,257	2,725,868	9,845,125
2028	8,100,000	2,338,784	10,438,784		604,815	96,368	701,183		2028	8,704,815	2,435,152	11,139,967
2029	2,765,000	1,959,700	4,724,700		626,417	74,766	701,183		2029	3,391,417	2,034,466	5,425,883
2030	2,885,000	1,846,942	4,731,942		648,534	52,649	701,183		2030	3,533,534	1,899,591	5,433,125
2031	3,000,000	1,727,348	4,727,348		671,431	29,752	701,183		2031	3,671,431	1,757,099	5,428,531
2032	3,125,000	1,601,093	4,726,093		344,546	6,046	350,591		2032	3,469,546	1,607,139	5,076,685
2033	3,260,000	1,468,126	4,728,126						2033	3,260,000	1,468,126	4,728,126
2034	3,400,000	1,328,002	4,728,002						2034	3,400,000	1,328,002	4,728,002
2035	3,550,000	1,180,411	4,730,411						2035	3,550,000	1,180,411	4,730,411
2036	3,695,000	1,037,160	4,732,160						2036	3,695,000	1,037,160	4,732,160
2037	3,835,000	897,502	4,732,502						2037	3,835,000	897,502	4,732,502
2038	3,980,000	752,370	4,732,370						2038	3,980,000	752,370	4,732,370
2039	2,980,000	600,200	3,580,200						2039	2,980,000	600,200	3,580,200
2040	2,420,000	485,163	2,905,163						2040	2,420,000	485,163	2,905,163
2041	1,135,000	385,750	1,520,750						2041	1,135,000	385,750	1,520,750
2042	1,190,000	329,000	1,519,000						2042	1,190,000	329,000	1,519,000
2043	1,250,000	269,500	1,519,500						2043	1,250,000	269,500	1,519,500
2044	1,315,000	207,000	1,522,000						2044	1,315,000	207,000	1,522,000
2045	1,380,000	141,250	1,521,250						2045	1,380,000	141,250	1,521,250
2046	1,445,000	72,250	1,517,250						2046	1,445,000	72,250	1,517,250
	61,525,000	21,307,084	82,832,084		3,200,000	305,915	3,505,915			64,725,000	21,612,999	86,337,999

ATTACHMENT C

COMMUNITY COLLEGE OF PHILADELPHIA

Resolution – Fiscal Year 2026-2027

Resolution for the Board of Trustees to Authorize President, Dr. Alycia Marshall, to Approve Perkins Grant Funded Purchases of One Hundred Thousand Dollars ($100,000) or Greater Through June 30, 2027

WHEREAS, on October 21, 2026, the Business Affairs Committee of the Community College of Philadelphia's Board of Trustees approved a motion recommending that the Community College of Philadelphia's Board of Trustees authorizes President, Dr. Alycia Marshall, to approve Perkins grant funded purchases of one hundred thousand dollars ($100,000) or greater through June 30, 2027;

WHEREAS, the College's Purchases and Contracts Requiring Specific Board Authorization Policy (Memorandum #202) requires Board of Trustees approval for capital purchases with an annual cost of one hundred thousand dollars ($100,000) or greater;

WHEREAS, the College's purchases that are made with Perkins grant funds are subject to rigorous state and federal oversight;

WHEREAS, as a condition for using Perkins grant funds for equipment and supplies for fiscal year 2026-2027, the College must receive all Perkins purchases by June 30, 2027;

WHEREAS, the staff hopes to purchase equipment and supplies that are approved for purchase under the Perkins grant, including items that are one hundred thousand dollars ($100,000) or greater in value, immediately upon receipt of the approval from the Perkins representative for the Pennsylvania Department of Education; and

NOW THEREFORE, be it resolved that, on this 5th day of November, 2026, the Executive Committee of the Board of Trustees hereby approves that:

1. The College's President, Dr. Alycia Marshall, is authorized to approve Perkins grant funded purchases of one hundred thousand dollars ($100,000) or greater through June 30, 2027.
2. College staff will present a list of the Perkins grant funded purchases approved by Dr. Marshall that are one hundred thousand dollars ($100,000) or greater at each Business Affairs Committee meeting through June 30, 2027 for review by the Committee.

_____

Harold T. Epps, Chair

_____

Ajeenah Amir, Secretary

ATTACHMENT D

Community College of Philadelphia

Multi-Year Capital Plan: FY2027 - FY2029

FY2026 actual expenses are final and complete. Remaining need is phased FY2027-FY2029; external funding (Grant, State, RACP) is shown separately from College funds. Bond-, Financed-, and insurance-funded projects are separate funds and excluded from totals. FY2027 activity as of October 1, 2026.

Key Figures

FY2026 Actual Capital Expenses (final)	**$11,355,996**	
Total Remaining Need, FY2027-FY2029	**$16,190,329**	
College-Funded	**$10,090,329**	*62.3% of remaining need*
Externally Funded (Grant, State, RACP)	**$6,100,000**	*37.7% of remaining need*
Bond, Financed & Insurance Remaining	***$24,181,941***	

Capital Spending Plan by Year

Category	FY2026 Actual (Final)	FY2027	FY2028	FY2029	Total Remaining FY27-FY29	Total incl. FY26
Facility & Campus Projects	$8,680,696	$8,496,620	$2,016,384	$509,759	$11,022,762	$19,703,458
Technology, Equipment & Contingency	$1,007,708	$1,167,567	$2,000,000	$2,000,000	$5,167,567	$6,175,275
FY2026 Completed & Closed Projects	$1,667,592	-	-	-	-	$1,667,592
Total Capital Plan	**$11,355,996**	**$9,664,187**	**$4,016,384**	**$2,509,759**	**$16,190,329**	**$27,546,325**
Separately Funded (not included in totals above)						
Bond- and Financed- Funded Projects	$163,903	$5,759,024	$10,526,244	$6,750,829	$23,036,097	$23,200,000
Insurance-Funded Projects	$119,988	$1,145,844	-	-	$1,145,844	$1,265,832
Total Separately Funded (memo)	***$283,891***	***$6,904,868***	***$10,526,244***	***$6,750,829***	***$24,181,941***	***$24,465,832***

Funding Sources for Remaining Need (FY2027-FY2029)

Category	College	Grant	State (PDE)	RACP	Total External	Total Remaining Need
Facility & Campus Projects	$4,922,762	$750,000	$1,250,000	$4,100,000	$6,100,000	$11,022,762
Technology, Equipment & Contingency	$5,167,567	-	-	-	-	$5,167,567
Total Remaining Need	**$10,090,329**	**$750,000**	**$1,250,000**	**$4,100,000**	**$6,100,000**	**$16,190,329**

Community College of Philadelphia

Multi-Year Capital Plan: FY2027 - FY2029

FY2026 actual expenses are final and complete. Remaining need is phased FY2027-FY2029; external funding (Grant, State, RACP) is shown separately from College funds. Bond-, Financed-, and insurance-funded projects are separate funds and excluded from totals. FY2027 activity as of October 1, 2026.

Share of remaining need	*62.3%*	*4.6%*	*7.7%*	*25.3%*	*37.7%*	*100.0%*

Remaining Need by Funding Source and Year

Funding Source	FY2027	FY2028	FY2029	Total FY27-FY29	% of Total
College (Reserves & Capital Fees)	$4,776,687	$3,066,384	$2,247,259	$10,090,329	62.3%
Grant	$750,000	-	-	$750,000	4.6%
State (PDE)	$1,250,000	-	-	$1,250,000	7.7%
RACP	$2,887,500	$950,000	$262,500	$4,100,000	25.3%
Subtotal External	**$4,887,500**	**$950,000**	**$262,500**	**$6,100,000**	**37.7%**
Total Remaining Need	**$9,664,187**	**$4,016,384**	**$2,509,759**	**$16,190,329**	**100.0%**
Separately Funded (not included in totals above)					
Bond and Financed Proceeds (MEP, Nursing/Surg Tech)	*$5,759,024*	*$10,526,244*	*$6,750,829*	*$23,036,097*	
Insurance Proceeds (Art & Winnett Department)	*$1,145,844*	-	-	*$1,145,844*	
Total Separately Funded	***$6,904,868***	***$10,526,244***	***$6,750,829***	***$24,181,941***	

FY2027 YTD Status (as of October 1, 2026)

Category	FY2027 Plan	YTD Actual + Commitments	Uncommitted	% Committed
Facility & Campus Projects	$8,496,620	$3,728,929	$4,767,691	44%
Technology, Equipment & Contingency	$1,167,567	-	$1,167,567	0%
Total FY2027	**$9,664,187**	**$3,728,929**	**$5,935,258**	**39%**
Separately Funded (not included in totals above)				
Bond- and Financed- Funded Projects	$5,759,024	$414,440	$5,344,584	*7%*
Insurance-Funded Projects	$1,145,844	$805,217	$340,627	*70%*
Total Separately Funded (memo)	***$6,904,868***	***$1,219,657***	***$5,685,211***	***18%***

COMMUNITY COLLEGE OF PHILADELPHIA

Multi-Year Capital Plan: FY2027 - FY2029

FY2026 actual expenses are final. FY2027 activity (YTD + commitments per Banner) as of October 1, 2026.

Project					Final	Remaining Need by Funding Source						Remaining Need by Year			FY27 Status (10/1/2026)	
Activity Code	Building	New / C/O	Status	Project	FY26 Actual Expenses	College	Grant	State (PDE)	Insurance	RACP	Total Remaining Need	FY27	FY28	FY29	YTD Actual + Commitments	FY27 Uncommitted
A. Facility & Campus Projects																
CAP087	Bonnell	C/O	In progress	Enrollment Center - Enhancement	$1,074,068	$935,849	-	-	-	-	$935,849	$935,849	-	-	$779,799	$156,050
CAP002	Bonnell	C/O	In progress	Roof Replacement	$1,375,702	$193,294	-	-	-	$100,000	$293,294	$293,294	-	-	$278,293	$15,001
				Total Bonnell	**$2,449,770**	**$1,129,143**	**-**	**-**	**-**	**$100,000**	**$1,229,143**	**$1,229,143**	**-**	**-**	**$1,058,092**	**$171,051**
CAP093	CBI	C/O	Complete	CBI BAS Replacements	$237,921	$44,503	-	-	-	-	$44,503	$44,503	-	-	$44,503	-
CAP064	CBI	C/O	In progress	CBI Heat Pumps	-	$94,788	-	-	-	-	$94,788	$94,788	-	-	$14,788	$80,000
				Total CBI	**$237,921**	**$139,291**	**-**	**-**	**-**	**-**	**$139,291**	**$139,291**	**-**	**-**	**$59,291**	**$80,000**
CAP011	Mint	C/O	In progress	Mint Building Front Doors	$480,055	$244,945	-	-	-	$700,000	$944,945	$944,945	-	-	$622,119	$322,826
CAP068	Mint	C/O	In progress	Mint Lighting	$52,283	$397,717	-	-	-	$450,000	$847,717	$423,859	$423,859	-	$19,007	$404,852
CAP082	Mint	C/O	Complete	Office Upgrades/Relocations from 1500 Spring Garden	$1,132,035	$50,275	-	-	-	-	$50,275	$50,275	-	-	$50,275	-
				Total Mint	**$1,664,373**	**$692,937**	**-**	**-**	**-**	**$1,150,000**	**$1,842,937**	**$1,419,079**	**$423,859**	**-**	**$691,401**	**$727,678**
CAP088	NERC	C/O	In progress	HVAC Upgrade	$53,984	$746,016	-	-	-	$400,000	$1,146,016	$573,008	$573,008	-	$110,855	$462,153
CAP073	NERC	C/O	In progress	Bridge Repairs	$130,599	$177,361	-	-	-	-	$177,361	$177,361	-	-	$177,061	$300
				Total NERC	**$184,583**	**$923,377**	**-**	**-**	**-**	**$400,000**	**$1,323,377**	**$750,369**	**$573,008**	**-**	**$287,916**	**$462,453**
New	Parking	New	Planned	Bonnell Parking Lot Project	-	$625,000	-	$625,000	-	-	$1,250,000	$1,250,000	-	-	-	$1,250,000
CAP026	Parking	C/O	In progress	Main Garage - Phase IV & V	-	-	-	-	-	-	-	-	-	-	-	-
				Total Parking	**-**	**$625,000**	**-**	**$625,000**	**-**	**-**	**$1,250,000**	**$1,250,000**	**-**	**-**	**-**	**$1,250,000**
CAP021	West	C/O	In progress	Simulation Lab for Nursing & Allied Health	$387,579	$106,141	-	-	-	-	$106,141	$106,141	-	-	$106,141	-
				Total West	**$387,579**	**$106,141**	**-**	**-**	**-**	**-**	**$106,141**	**$106,141**	**-**	**-**	**$106,141**	**-**
CAP076	WRC	C/O	In progress	CATC Parking Lot	-	$374,540	-	-	-	-	$374,540	$374,540	-	-	$351,271	$23,269
CAP086	WRC	C/O	In progress	CATC Welding Lab & WRC Space (NWI / Naval Welding Institute)	$727,394	$23,142	$250,000	-	-	-	$273,142	$273,142	-	-	$266,693	$6,449
CAP066	WRC	New	Planned	Renovating West Regional Center and CATC	$60,966	$989,034	-	-	-	$1,050,000	$2,039,034	$509,759	$1,019,517	$509,759	-	$509,759
				Total West Regional Center	**$788,360**	**$1,386,716**	**$250,000**	**-**	**-**	**$1,050,000**	**$2,686,716**	**$1,157,441**	**$1,019,517**	**$509,759**	**$617,964**	**$539,477**
CAP051	Winnet	C/O	Complete	Old Cafeteria Renovation to One-Stop Office Space	$2,100,424	($1,376,417)	-	-	-	$1,400,000	$23,583	$23,583	-	-	$23,583	-
IC02	Winnet	C/O	In progress	Winnett Flood Damage - College Deductible	-	$100,000	-	-	-	-	$100,000	$100,000	-	-	-	$100,000
				Total Winnet	**$2,100,424**	**($1,276,417)**	**-**	**-**	**-**	**$1,400,000**	**$123,583**	**$123,583**	**-**	**-**	**$23,583**	**$100,000**
CAP081	Various	C/O	In progress	Divisional Priorities	$17,741	$38,924	-	-	-	-	$38,924	$38,924	-	-	$38,924	-
CAP090	Various	C/O	In progress	Emergency Repairs	$418,798	$14,800	-	-	-	-	$14,800	$14,800	-	-	$14,800	-
CAP079	Various	C/O	In progress	Rebranding	$94,426	$153,526	-	-	-	-	$153,526	$153,526	-	-	$117,251	$36,275
CAP078	Various	C/O	In progress	Furniture & Fittings	$22,065	$70,000	-	-	-	-	$70,000	$70,000	-	-	$5,374	$64,626
CAP101	Various	C/O	In progress	Solar Panels	$314,656	$194,324	$500,000	-	-	-	$694,324	$694,324	-	-	$694,324	-
CAP072	Various	C/O	In progress	Board Room AV / Conference Table	-	$75,000	-	-	-	-	$75,000	$75,000	-	-	$13,868	$61,132
New	Various	New	Planned	Music Sound Booths	-	$25,000	-	-	-	-	$25,000	$25,000	-	-	-	$25,000
New	Various	New	Planned	PDE Placeholder (project TBD)	-	$625,000	-	$625,000	-	-	$1,250,000	$1,250,000	-	-	-	$1,250,000
				Total Various	**$867,686**	**$1,196,574**	**$500,000**	**$625,000**	**-**	**-**	**$2,321,574**	**$2,321,574**	**-**	**-**	**$884,541**	**$1,437,033**
				TOTAL FACILITY & CAMPUS PROJECTS	**$8,680,696**	**$4,922,762**	**$750,000**	**$1,250,000**	**-**	**$4,100,000**	**$11,022,762**	**$8,496,620**	**$2,016,384**	**$509,759**	**$3,728,929**	**$4,767,691**
B. Technology, Equipment & Contingency (Annual Programs)																
CAP102	Various	C/O	Annual	Computers / Technology	$413,719	$2,917,567	-	-	-	-	$2,917,567	$417,567	$1,250,000	$1,250,000	-	$417,567
New	Various	New	Annual	Equipment Replacement	-	$750,000	-	-	-	-	$750,000	$250,000	$250,000	$250,000	-	$250,000
CAP060	Various	C/O	Annual	Miscellaneous (Contingencies)	$593,989	$1,500,000	-	-	-	-	$1,500,000	$500,000	$500,000	$500,000	-	$500,000
				TOTAL ANNUAL PROGRAMS	**$1,007,708**	**$5,167,567**	**-**	**-**	**-**	**-**	**$5,167,567**	**$1,167,567**	**$2,000,000**	**$2,000,000**	**-**	**$1,167,567**

COMMUNITY COLLEGE OF PHILADELPHIA

Multi-Year Capital Plan: FY2027 - FY2029

FY2026 actual expenses are final. FY2027 activity (YTD + commitments per Banner) as of October 1, 2026.

C. FY2026 Completed & Closed Projects (FY26 actuals only; no remaining need)																
CAP092	Bonnell	New	Complete	Bonnell HVAC Replacements	$120,320	-	-	-	-	-	-	-	-	-	-	-
CAP060	Bonnell	New	Complete	Xerox Digital Press Install	$20,984	-	-	-	-	-	-	-	-	-	-	-
CAP103	CBI	C/O	Complete	Replace HVAC Piping	$700,751	-	-	-	-	-	-	-	-	-	-	-
CAP091	Mint	New	Complete	Office Upgrades	$22,663	-	-	-	-	-	-	-	-	-	-	-
CAP065	NERC	C/O	Complete	NERC Heat Pumps	$11,750	-	-	-	-	-	-	-	-	-	-	-
CAP075	Parking	C/O	Paused	Main Garage - Lighting, Cameras, Electrical	$95,631	-	-	-	-	-	-	-	-	-	-	-
CAP062	West	C/O	Complete	Dental Clinic Floor	-	-	-	-	-	-	-	-	-	-	-	-
CAP022	West	C/O	Complete	Respiratory Lab	$25,422	-	-	-	-	-	-	-	-	-	-	-
CAP100	West	New	Complete	Intraoral X-ray Unit	$4,990	-	-	-	-	-	-	-	-	-	-	-
CAP083	Winnet	C/O	Closed	Winnett Front Office	$9,010	-	-	-	-	-	-	-	-	-	-	-
CAP099	Winnet	New	Complete	Winnett 2nd Floor Replacement	$8,753	-	-	-	-	-	-	-	-	-	-	-
-	Winnet	New	Closed	Technology Upgrades - Coffee House & Student Area	-	-	-	-	-	-	-	-	-	-	-	-
CAP096	Winnet	New	Closed	Mechanical Systems Upgrade	-	-	-	-	-	-	-	-	-	-	-	-
IC01	Various	New	Complete	Art Department Damage (closed portion)	$128,200	-	-	-	-	-	-	-	-	-	-	-
CAP080	Various	C/O	Complete	Multi-Media Auditorium	$386,886	-	-	-	-	-	-	-	-	-	-	-
CAP008	Various	C/O	Complete	Replace Atrium Skylights	$120,099	-	-	-	-	-	-	-	-	-	-	-
CAP052	Various	C/O	Complete	Replace Atrium Skylights	$795	-	-	-	-	-	-	-	-	-	-	-
CAP095	Pavilion	New	Complete	Install 2 Hot Water Circuit Pumps	$11,338	-	-	-	-	-	-	-	-	-	-	-
				TOTAL FY2026 COMPLETED & CLOSED PROJECTS	**$1,667,592**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
				TOTAL CAPITAL PLAN (College & External Funds)	**$11,355,996**	**$10,090,329**	**$750,000**	**$1,250,000**	**-**	**$4,100,000**	**$16,190,329**	**$9,664,187**	**$4,016,384**	**$2,509,759**	**$3,728,929**	**$5,935,258**
SEPARATELY FUNDED PROJECTS (bond, financed, and insurance funds; not included in Capital Plan totals)																
D. Bond- and Financed- Funded Projects																
CAP104	Various	C/O	In progress	MEP Project	$163,903	$19,836,097	-	-	-	-	$19,836,097	$4,959,024	$8,926,244	$5,950,829	$414,440	$4,544,584
New	Various	New	Planned	Nursing Skills & Surgical Technology Lab Renovation	-	$3,200,000	-	-	-	-	$3,200,000	$800,000	$1,600,000	$800,000	-	$800,000
				TOTAL BOND- AND FINANCED- FUNDED PROJECTS	**$163,903**	**$23,036,097**	**-**	**-**	**-**	**-**	**$23,036,097**	**$5,759,024**	**$10,526,244**	**$6,750,829**	**$414,440**	**$5,344,584**
E. Insurance-Funded Projects																
IC01	Various	C/O	In progress	Art Department Damage	$119,988	-	-	-	$845,844	-	$845,844	$845,844	-	-	$805,217	$40,627
IC02	Winnet	C/O	In progress	Winnett Flood Damage - Insurance	-	-	-	-	$300,000	-	$300,000	$300,000	-	-	-	$300,000
				TOTAL INSURANCE-FUNDED PROJECTS	**$119,988**	**-**	**-**	**-**	**$1,145,844**	**-**	**$1,145,844**	**$1,145,844**	**-**	**-**	**$805,217**	**$340,627**
				TOTAL SEPARATELY FUNDED	**$283,891**	**$23,036,097**	**-**	**-**	**$1,145,844**	**-**	**$24,181,941**	**$6,904,868**	**$10,526,244**	**$6,750,829**	**$1,219,657**	**$5,685,211**



COMMUNITY COLLEGE OF PHILADELPHIA

Facilities Improvement Plan

Prepared by Remington & Vernick, Engineers

RISE FROM WITHIN

Background Information

- In 2024, RVE completed a facilities assessment report to be submitted for funding request
- RVE categorized items into priority tiers 1 through 6.
- CCP received $20 million of funding for various improvement projects.
- Recategorized tiers I & II projects based on the College's 2026 updated immediate needs for operational improvements and RVE recommendations.
- Approximately $19.2 million remaining of $20 million allocated after maintenance costs used to maintain existing equipment.

Tier 1 – Proposed Improvements

- Controls Replacement (All Buildings)
  - Estimated Construction Cost: $4,105,000
- Boiler Replacement (Bonnell)
  - Estimated Construction Cost: $2,800,000
- New Boiler Plant (West)
  - Estimated Construction Cost: $2,700,000
- New HVAC System (Gymnasium)
  - Estimated Construction Cost: $6,750,000
- Heat Pump & Cooling Tower (CBI)
  - Estimated Construction Cost: $1,600,000

Notes:

- Estimated Total: $17,955,000
- Soft costs not included in estimated construction costs
- Costs may increase or decrease slightly based on the final approved scope of work and market conditions at the time of bid.

Tier 2 – Optional Proposed Improvements

- Heat Exchanger Replacement (Mint)
  - Estimated Construction Cost: $805,000
- Fire Alarm Panel Replacement (All Buildings)
  - Estimated Construction Cost: $935,000
- Cooling Tower Replacement (Bonnell)
  - Estimated Construction Cost: $1,931,960
- Boiler Replacement (Winnet)
  - Estimated Construction Cost: $1,600,000
- Unit Ventilator & AHU Replacement (Winnet)
  - Estimated Construction Cost: $3,400,000

Notes:

- Optional projects to be perused if favorable pricing is received and extra funding available.
- Not guaranteed to be completed under $20 million

Project Inflationary Estimates

- Due to unprecedented global demands for HVAC equipment and materials, the costs for HVAC projects are expected to increase significantly over the next few years. Future projected costs for 2028 and 2030 have been provided for reference based on current industry trends.

	Building	Project	Estimated Construction Cost		
			Current	2028	2030
	Priority Projects				
1	All Buildings	Controls Replacement	$4,105,000	$5,132,000	$6,415,000
2	Bonnell	Boiler Replacement	$2,800,000	$3,500,000	$4,375,000
3	West	New Boiler Plant	$2,700,000	$3,375,000	$4,219,000
4	Gymnasium	New HVAC System	$6,750,000	$8,438,000	$10,548,000
5	CBI	Heat Pump & Cooling Tower	$1,600,000	$2,000,000	$2,500,000
		Total	**$17,955,000**	**$22,445,000**	**$28,057,000**
	Additional Projects				
6	Mint	Heat Exchanger Replacement	$805,000	$1,007,000	$1,259,000
7	All Buildings	Fire Alarm Panel Upgrade	$935,000	$1,169,000	$1,462,000
8	Bonnell	Cooling Tower Replacement	$1,931,960	$2,414,950	$3,018,688
9	Winnet	Boiler Replacement	$1,600,000	$2,000,000	$2,500,000
10	Winnet	AHU & Fan Coil Replacement	$3,400,000	$4,250,000	$5,312,500

Conclusion

- Next Steps
  - Confirmation & finalization of project list with Board of Trustees and Facilities Team Approval.
  - Begin necessary design of projects to prepare bid documents for various projects.
  - Start Planning for 2027/2028 construction window to begin project construction.
- Q/A
  - Questions?

ATTACHMENT E

Business Affairs Committee
Month-by-Month Calendar of Activity
October 2026

October 2026

Date	Task	Action/Information Item
10/21/2026	Approval of Contracts	Action Item
10/21/2026	Three-Year Capital Budget Plan and Review Capital Budget Spending	Information Item

November 2026

Date	Task	Action/Information Item
11/18/2026	Approval of Contracts	Action Item
11/18/2026	Capital Submission to Pennsylvania Department of Education (PDE) for Special One-Time Distribution	Action Item
11/18/2026	Multi-Year Operating Projection	Information Item
11/18/2026	Review Contract Listing for Upcoming Approvals	Information Item

December 2026

Date	Task	Action/Information Item
12/15/2026	Approval of Contracts	Action Item
12/15/2026	Review FY2026-2027 YTD Financials and Forecast	Information Item

January 2027

Date	Task	Action/Information Item
01/20/2027	Approval of Contract	Action Item
01/20/2027	Review Tuition and Fees Recommendation FY2027-2028	Information Item

February 2027

Date	Task	Action/Information Item
02/17/2027	Approval of Contracts	Action Item
02/17/2027	Recommend Tuition and Fees for FY2027-2028	Action Item
02/17/2027	Capital Submission to Pennsylvania Department of Education (PDE) for Annual Projects	Action Item
02/17/2027	Review Capital Budget Spending	Information Item
02/17/2027	Review Contract Listing for Upcoming Approvals	Information Item

March 2027

Date	Task	Action/Information Item
03/17/2027	Approval of Contracts	Action Item
03/17/2027	Review FY2026-2027 YTD Financials and Forecast	Information Item
03/17/2027	Overview of Technology Plan	Information Item
03/17/2027	Investment Committee Report	Information Item

April 2027

Date	Task	Action/Information Item
04/14/2027	Approval of Contracts	Action Item
04/14/2027	First Review of FY2027-2028 College Budget	Information Item

May 2027

Date	Task	Action/Information Item
05/19/2027	Approval of Contracts	Action Item
05/19/2027	Approval of FY2027-2028 College Budget	Action Item
05/19/2027	Review Capital Budget Spending	Information Item
05/19/2027	Review Contract Listing for Upcoming Approvals	Information Item

June 2027

Date	Task	Action/Information Item
06/16/2027	Approval of Contracts	Action Item
06/16/2027	Review FY2026-2027 YTD Financials and Forecast	Information Item

July 2027

Date	Task	Action/Information Item
07/xx/2027	Approval of Contracts	Action Item

August 2027

Date	Task	Action/Information Item
08/xx/2027	Approval of Contracts	Action Item
08/xx/2027	Approval of Salary Increases for Admin, Grant Admin, and Confidential employees	Action Item
08/xx/2027	Review Capital Budget Spending	Information Item
08/xx/2027	Review Contract Listing for Upcoming Approvals	Information Item

September 2027

Date	Task	Action/Information Item
09/xx/2027	Approval of Contracts	Action Item
09/xx/2027	Overview of Technology Plan	Information Item
09/xx/2027	Investment Committee Report	Information Item

October 2027

Date	Task	Action/Information Item
10/xx/2027	Approval of Contracts	Action Item
10/xx/2027	Three-Year Capital Budget Plan and Review Capital Budget Spending	Information Item

November 2027

Date	Task	Action/Information Item
11/xx/2027	Approval of Contracts	Action Item
11/xx/2027	Multi-Year Operating Projection	Information Item
11/xx/2027	Review Contract Listing for Upcoming Approvals	Information Item

December 2027

Date	Task	Action/Information Item
12/XX/2027	Approval of Contracts	Action Item
12/xx/2027	Review FY2027-2028 YTD Financials and Forecast	Information Item

COMMUNITY COLLEGE OF PHILADELPHIA

Resolution - Fiscal Year 2026 -2027

Resolution for Board of Trustees Meeting November 5, 2026 to Authorize the Submission of a Loan Application and to Obtain Financing from the State Public School Building Authority

WHEREAS, the Board of Trustees of the Community College of Philadelphia (the "College") approved the submission of a Pennsylvania Department of Education (PDE) Capital Application for the Nursing Skills Lab and Surgical Technology Labs Project (the "Project") on March 12, 2026;

WHEREAS, the Project, which is estimated to cost $3.2 million ("Project Costs"), consists of: 1) upgrades to the current nursing facilities that are outdated, undersized, and lack proper storage, limiting hands-on learning and failing to meet program standards; 2) additional lab space at the Northeast Regional Center to support enrollment growth, improve access for students completing prerequisites, and provide convenient practice space before and after clinical rotations; and 3) a dedicated Surgical Technology Lab that is required to launch the new program, meet accreditation standards, and prepare students for high-demand surgical technologist roles that address critical workforce shortages;

WHEREAS, on September 2, 2026, PDE awarded the College funding for the Project and, pursuant to the award, PDE will fund fifty percent (50%) of the principal of the loan amount not to exceed $1.6 million, plus fifty percent (50%) of the annual costs and expenses of the loan, and the remainder will be financed by local sponsorship;

WHEREAS, the College expects to finance the Project by requesting the State Public School Building Authority to loan the Project Costs amount to the College pursuant to the terms of loan agreements between the College and the State Public School Building Authority; and

NOW THEREFORE, BE IT RESOLVED, that, on this 5th day of November, 2026, the College's Board of Trustees authorizes the College's administration to submit a loan application to and obtain financing from the State Public School Building Authority for the Project for an amount not to exceed $3.2 million to fund the Project.

_____

Harold T. Epps, Chair

_____

Ajeenah Amir, Secretary

COMMUNITY COLLEGE OF PHILADELPHIA

Resolution – Fiscal Year 2026-2027

Resolution for the Board of Trustees to Authorize President, Dr. Alycia Marshall, to Approve Perkins Grant Funded Purchases of One Hundred Thousand Dollars ($100,000) or Greater Through June 30, 2027

WHEREAS, on October 21, 2026, the Business Affairs Committee of the Community College of Philadelphia's Board of Trustees approved a motion recommending that the Community College of Philadelphia's Board of Trustees authorizes President, Dr. Alycia Marshall, to approve Perkins grant funded purchases of one hundred thousand dollars ($100,000) or greater through June 30, 2027;

WHEREAS, the College's Purchases and Contracts Requiring Specific Board Authorization Policy (Memorandum #202) requires Board of Trustees approval for capital purchases with an annual cost of one hundred thousand dollars ($100,000) or greater;

WHEREAS, the College's purchases that are made with Perkins grant funds are subject to rigorous state and federal oversight;

WHEREAS, as a condition for using Perkins grant funds for equipment and supplies for fiscal year 2026-2027, the College must receive all Perkins purchases by June 30, 2027;

WHEREAS, the staff hopes to purchase equipment and supplies that are approved for purchase under the Perkins grant, including items that are one hundred thousand dollars ($100,000) or greater in value, immediately upon receipt of the approval from the Perkins representative for the Pennsylvania Department of Education, subject to the conditions set forth herein; and

NOW THEREFORE, be it resolved that, on this 5th day of November, 2026, the Executive Committee of the Board of Trustees hereby approves that:

1. The College's President, Dr. Alycia Marshall, is authorized to approve Perkins grant funded purchases of one hundred thousand dollars ($100,000) or greater through June 30, 2027, subject to the conditions set forth herein.
2. At least twenty-four (24) hours prior to initiating the Perkins grant funded purchase referenced in section 1, College staff shall notify the Chair of the Board of Trustees and the Executive and Business Affairs Committees of the Board of Trustees by email of the College's intent to make the purchase.

3. College staff will present a list of the Perkins grant funded purchases approved by Dr. Marshall that are one hundred thousand dollars ($100,000) or greater at each Business Affairs Committee meeting through June 30, 2027 for review by the Committee.

_____

Harold T. Epps, Chair

_____

Ajeenah Amir, Secretary

MEETING OF AUDIT COMMITTEE (HYBRID)
Community College of Philadelphia (CCP)
Monday, October 26, 2026 – 11:00 a.m.

Present for the Audit Committee: Ms. Keola Harrington (*via* Zoom), Mr. Harold Epps (*via* Zoom), Mr. Rob Dubow (*via* Zoom), and Ms. Ajeenah Amir (*via* Zoom)

Present for the Administration: Dr. Danielle Liautaud-Watkins (*via* Zoom), Mr. Gim Lim, Mr. Jeffrey Eberly, Mr. Barry Sulzberg, Mr. Robert Farrow, Mr. Derrick Sawyer, and Dr. Mellissa Zanjani (*via* Zoom)

Representing Grant Thornton: Ms. Elizabeth Ireland and Ms. Gabriella D'Angelo

Guest: Dr. Judith Gay, Vice President of Emerita (*via* Zoom)

AGENDA – PUBLIC SESSION

The Audit Committee meeting was held on-campus and available *via* Zoom for those who could not attend in person.

(1) Approve Minutes of Audit Committee Meeting on June 24, 2026 (Action Item):

Action: Ms. Keola Harrington asked whether anybody has corrections or changes to the minutes. Hearing none, Ms. Harrington asked for a motion to recommend acceptance of the June 24, 2026 Audit Committee meeting minutes (Attachment A). Mr. Rob Dubow made the motion. Mr. Harold Epps seconded the motion. The motion passed unanimously.

(2) Fiscal Year 2026 Audit Report (Action Item):

Ms. Elizabeth Ireland stated that Grant Thornton is on track for delivery of the Short Form Audited Financial Statements subsequent to the meeting and Grant Thornton will meet again in March of 2027 to issue the Uniform Guidance Audit Report. Ms. Ireland stated that Grant Thornton will be asking management to sign the representation letter on the day they issue the report. Ms. Ireland stated that the timeline is consistent with what Grant Thornton reported in June 2026 and that management was prepared and provided Grant Thornton with full access to the requested information in a timely manner.

Ms. Gabriella D'Angelo stated that Grant Thornton identified management override of controls as a significant risk, noting this a presumed fraud risk in all audits and not based on any specific concern at the College (Attachment B). Ms. D'Angelo stated that Grant Thornton looks at the design and implementation of controls surrounding Banner to ensure that there is appropriate segregation of duties. Ms. D'Angelo stated they also perform journal entry testing to ensure that journal entries selected have appropriate business purpose and there are no findings in this area. Mr. Rob Dubow asked if there were any risks specific to CCP. Ms. D'Angelo replied that the risks are not specific to CCP, but is something that Grant Thornton

look at for all audits and is a presumed risk in all audits due to the override nature of the controls surrounding journal entries. Mr. Dubow asked if there were any errors that were identified and Ms. D'Angelo replied no.

Mr. Harold Epps asked Grant Thornton to explain the difference between no significant risk and audit risk. Ms. Ireland replied that a significant risk is an area where there is heightened risk of material misstatement in the financial statements, such as the risk of override of internal controls. She explained that this risk exists regardless of how effective the controls are because management may have the ability to circumvent those controls. Ms. Ireland further stated that audit risk is the risk that the auditor may express an inappropriate opinion when the financial statements contain a material misstatement. Mr. Epps asked whether Grant Thornton identified any risks during the audit. Ms. Ireland replied that Grant Thornton plans its audit to address risks throughout the financial statements. For example, Grant Thornton evaluates whether there is a risk that tuition revenue could be materially misstated and performs audit procedures to determine whether such misstatement exists. Mr. Dubow asked whether these risks were specific to CCP or were the types of risks Grant Thornton considers in any college audit. Ms. Ireland replied that the risks identified at CCP are generally similar to those encountered at other colleges and universities.

Ms. D'Angelo stated that, in addition to tuition revenue, Grant Thornton focused on other areas during the audit. With respect to tuition revenue, Grant Thornton performed reasonableness tests to determine whether the amounts reported were appropriate. The firm also conducted detailed testing of individual student accounts to verify that tuition and fees charged to students were accurate and consistent with their enrollment status and academic records.

Ms. D'Angelo stated that, for grant revenues, Grant Thornton selects a sample of grants recorded during the year and tests them for compliance with the terms of the grant agreements. The firm also performs cutoff testing to ensure that grant revenues are recognized in the appropriate period and all disclosures are complete and appropriate.

Ms. D'Angelo stated that, with respect to investments, Grant Thornton obtains direct confirmations from the College's investment custodians and reviews investment activity throughout the year to ensure that investment income, as well as realized and unrealized gains and losses, are accurately reported. She further stated that Grant Thornton obtains and reviews independent auditors' reports for the alternative investments.

Ms. D'Angelo also noted that Grant Thornton evaluates the classification of investments within the fair value hierarchy in accordance with GASB Statement No. 72 to ensure that the valuation levels and related disclosures are appropriate and accurately presented in the financial statements.

Ms. D'Angelo stated that, for state and city appropriations, Grant Thornton obtains detailed support for the appropriations received and agrees those amounts to the revenue recorded in the general ledger. The firm also traces a sample of appropriations to the related cash receipts to verify the accuracy and completeness of revenue recognition. Ms. D'Angelo further stated that Grant Thornton performs a roll forward of the receivable balances, so anything that has not been received in cash as of year-end, Grant Thornton ensures that the receipt was appropriate and in line with those amounts.

Ms. D'Angelo stated for accrued post-retirement benefit obligations, Grant Thornton has their evaluation specialists review the related liabilities and also evaluate the reasonableness of the underlying assumptions and calculations. She reported that Grant Thornton reviews the actuarial valuation prepared by SageView, the College's external actuarial firm, as part of its audit procedures.

Ms. D'Angelo stated that accounting standards require CCP to make certain estimates when preparing its financial statements. She noted that the most significant estimates include the valuation of investments measured using net asset value and the accrued post-retirement benefit obligation. Ms. D'Angelo further stated that Grant Thornton evaluates the reasonableness of these estimates and reviews the related financial statement disclosures to ensure they are complete, accurate, and in accordance with applicable accounting standards.

Ms. D'Angelo stated with respect to new accounting standards, Grant Thornton has two new implementations this year, GASB Statement No. 103, which is a financial reporting improvement to mostly the MD&A and certain classifications on the financial statements, and GASB Statement No. 104, which is the disclosure of certain capital assets. Ms. D'Angelo stated Grant Thornton reviewed the implementations of these standards to ensure that they were appropriate and in accordance with the applicable requirements. She further noted that Grant Thornton utilized a financial statement disclosure checklist to verify that all required disclosures were included in the financial statements. Grant Thornton had no findings in these areas.

Ms. D'Angelo stated that Grant Thornton had their Information Technology specialists to evaluate Banner, the College's system of record to ensure that the system controls or technology related controls are designed effectively and that there is appropriate segregation of duties. There were no findings to report to the Audit Committee for this area.

Ms. D'Angelo stated that, Grant Thornton outlined the communications they would have from continuance procedures down through the report issuance. Ms. D'Angelo stated that if there were any findings, material weaknesses or significant deficiencies Grant Thornton would have discussed them with the Committee, however there were none. Ms. D'Angelo further stated that Grant Thornton is required to communicate any material misstatements identified during the audit, whether corrected or uncorrected, and that no material misstatements were identified. For all intents and purposes, this was a clean opinion and Grant Thornton had no additional matters required to be communicated to the Audit Committee beyond those presented during the meeting.

Action: Ms. Harrington called for a motion to recommend acceptance of the Fiscal year 2026 Financial Statements and forward them to the Full Board of Trustees (Attachment C). Mr. Rob Dubow made the motion, and Mr. Harold Epps seconded the motion. The motion passed unanimously.

Ms. Ireland stated that one of the key highlights from the industry update is enrollment, which has been a significant topic of discussion across higher education for several years. She noted that the number of high school graduates peaked in 2025 and that graduating class sizes are expected to continue declining in the coming years. As a result, colleges and universities are facing increased competition for prospective students.

Ms. Ireland stated that community colleges are experiencing growth opportunities through expanded enrollment pipelines, particularly through dual enrollment programs. She

mentioned the importance of these programs in attracting and retaining students and creating pathways to future enrollment.

Ms. Ireland further noted that students and their families are increasingly focused on the return on investment of higher education, evaluating whether a degree will lead to meaningful employment, financial stability, and the ability to manage student loan and living expenses. She stated that CCP is well positioned to address these concerns because it offers a variety of flexible educational pathways that allow students to explore different academic and career opportunities while advancing toward their goals.

Ms. Ireland also observed that student preferences have shifted regarding course delivery. While online learning was once viewed as an alternative to in-person instruction, students now often expect online or hybrid learning options as a standard offering. She noted that these flexible delivery methods can help institutions attract and serve a broader population of students.

Ms. Keola Harrington asked whether there were any new GASB standards that would significantly affect CCP during the next audit cycle. Ms. Ireland replied that she did not anticipate any changes as significant as GASB Statements No. 103 and No. 104. However, she noted that upcoming standards include clarifications and refinements related to the reporting of subsequent events, which may result in additional detail and a more clearly defined timeline for evaluating and disclosing such events.

(3) **Internal Audit Plan for 2026-2027 & Preliminary Audit Plan for 2027-2028 (Information Item)**:

Mr. Robert Farrow stated an updated from the prior meeting regarding Middle States and whether they required a three or five-year internal audit plan, but they do not require that specifically. For Middle States purposes, Internal Audit is an independent arm of CCP that reports on and promotes self-monitoring and improvement activity which are part of the requirements for CCP management. Mr. Farrow stated the important thing is that on an annual basis, CCP is reassessing the risks and updated them.

Ms. Harrington asked to clarify that Middle States does not require a three or five-year audit plan and Mr. Farrow replied that Middles States does not have the requirement. Mr. Farrow stated for an internal audit with any institution that brings in more than $50 million is logically going to need a 5-year strategic and fiscal plan to show how the money is going to be spent which is likely something Middle States would be reviewing for but it's not explicitly stated as a specific requirement anywhere

Mr. Dubow asked if Mr. Farrow had any recommendations and Mr. Farrow replied in terms of the plan the recommendation that the best practice is to have an annual plan reassessed and you plan the subsequent year which is kind of a placeholder for items that are going to be reassessed. Dr. Judith Gay stated that Middle States does insist that the College does what you say they are going to do, so if the College has a three-year plan, Middle States wants to see that it is being followed. Mr. Farrow concurred.

Mr. Farrow stated that he put together an outline that goes back to 2022 and it is broken out by different risk areas like finance, student financial services, information technology and facilities and those risk areas are broken down a little bit more departmentally (Attachment D).

In red were the Internal Audit activities of the past and in black were other forms of external audits, reviews and coverage. Mr. Farrow stated that for 2026 through 2028, he plans to continue covering the higher risk areas that have been worked on in the past and increase other areas that may not have gotten much attention such as information technology, facilities and safety operations.

Mr. Farrow stated that the internal audit inherently keeps data that goes way-back, currently to 2005, so when Middle States does come in and wants to evaluate the College's internal audit activity, the College will have plenty of data to give them. Ms. Harrington asked when looking at the 2026 to 2028 audit plan, is it unrealistic to plan for more than the College has in prior years. Mr. Farrow replied that his plan is to make sure he is being aggressive with communications and making sure he gets the information needed with the objective of getting done in a reasonable timeframe. Mr. Farrow stated that his work is done at an early stage to get enough information that can provide flexibility when it comes to next steps. Mr. Farrow stated that his plan is to get two reports completed per quarter and that plan is on track.

Ms. Harrington asked Mr. Farrow looking at the risk area for student financial services and items that were previously list as Grant Thornton, is it safe to assume that what Grant Thornton was reviewing in prior years was different to what he is reviewing in his two-year plan. Mr. Farrow replied that federal aid is probably the largest portion of revenue, so Grant Thornton is looking at internal controls heavier when it comes to the controls over accurate financial reporting including Information Technology controls. Mr. Farrow stated that the difference is that he was specifically looking at the increased activity of fraud, controls over them and how the college plans to address those future risks.

Ms. Ireland stated that when Grant Thornton does the uniform guidance testing, they look at student aid and student account for a sample of students to make sure that they are both in compliance as well as that there is internal control to make sure the College is in compliance. Ms. Ireland stated that Grant Thornton only does what is prescribed within the uniform guidance compliance supplement for the Department of Education.

Mr. Farrow stated that the Naval Welding Grant was requested to be added to the audit plan. Mr. Dubow asked Mr. Farrow why some of the items on his outline are high risk and is the Financial Aid Fraud high risk something particular with CCP or is it the type of activity that would be high risk anywhere. Mr. Farrow stated that it is high risk anywhere because of online activity and artificial intelligence broadly raises it.

Mr. Farrow stated that artificial intelligence is an emerging topic and there has been new guidance issued to the FSA (Federal Student Aid) from the Department of Education and the College's Financial Aid department has been tracking and putting together plans to tackle it, so the College does not get overwhelmed with this type of activity and that the College remains in compliance with new guidelines in the future when it comes to Title IV type of returns.

Ms. Harrington asked when it comes to data governance is there something specific you are looking at, for example ghost students. Mr. Farrow replied that the scope involves student data privacy making sure staff have the proper training and access levels when it comes to information to prevent it getting out inappropriately as well as other forms of data.

Mr. Farrow presented the current results for the Federal Financial Aid Fraud Audit and stated that the Department of Education has issued a new guidance including real time identity fraud detection capability. This is for FSA but not particularly to all institutions, but the message was clear for Title IV program that the College is totally complying right now. Mr. Farrow stated that as fraud continues to emerge the guidance will change and overtime there is a risk that the College could become deficient with what the expectations are with the Department of Education. Mr. Farrow stated the College is not deficient right now, but want to be proactive for the future.

Mr. Farrow stated that there is an institution-wide policy under development that is specific to fraud and financial activities. Mr. Farrow stated he was told that the policy is expected to be rolled out in April 2027, and new Information Technology software has been procured to streamline fraud detection and involvement. Mr. Farrow stated that right now the software implementation is in the design stage. Mr. Farrow stated the software will streamline and will automatically scan and red flag activity and may get to a point where it is sending emails out to those blocked accounts for facial recognition technology verification software.

Mr. Farrow stated that the individual who works at Admissions has to sit and look for suspicious activity all day, so the software will help. Mr. Farrow has recommended creation of a Cross-Functional Committee that will meet bi-annually or quarterly to make decisions and monitor metrics. Mr. Farrow stated that the Committee would monitor key metrics, including reporting to the Inspector General, such as the number of known fraud incidents and number of attempted fraudulent activities that were successfully prevented. Mr. Farrow noted that maintaining this information would support the College's compliance efforts and provide documentation for future regulatory reviews or program audits.

Mr. Farrow stated Naval Welding program is a subrecipient to BlueForge Steel that got Naval Federal funding, so the College will subject to the same CFRs (Code of Federal Regulations) and federal contract compliance.

Mr. Farrow stated the physical access security audit is scheduled to kick off in October 2026 which includes physical access cards, physical keys and security policies.

Mr. Farrow stated that he is on track with Catto to follow up in fourth quarter of 2026 and Single Stop will be due in December 2026. Ms. Harrington asked when will Catto scholarship audit be completed and Mr. Farrow stated that the Catto scholarship audit has been completed and he rolled out reports to the Cabinet and will follow up on the activity that was agreed upon. Ms. Harrington asked Mr. Farrow to please share his findings to the Audit Committee so they can be up to speed and Mr. Dubow asked what where the findings.

Mr. Farrow replied the finding was to work with Information Technology to streamline workflow processes, which currently involves a very manually intensive calculation to determine the scholarship amount that a student is entitled to if they meet all of the compliance qualifications after federal financial aid has been applied. Mr. Farrow noted that when the student does not come to class or withdraws during the term, return of Title IV requirements must also be considered. Mr. Farrow stated that the Catto program will also develop a program manual containing standard operating procedures, for internal use as well as other departments.

Ms. Harrington asked whether, after the report was shared with the Cabinet, there had been time to review and discuss implementation of the recommendations. Mr. Farrow replied

that he had an Internal Audit Committee meeting and there were not additional thoughts or concerns. Mr. Dubow asked are there going to be any actions and Mr. Farrow replied the recommendation was to work with Information Technology to streamline the processes and create a standard operating procedures manual. Mr. Farrow stated he will send out the reports to the Audit Committee, so the Committee can read and understand the recommendations (Attachment E). Ms. Harrington stated that it would benefit the Audit Committee to understand the implementation and Mr. Farrow replied that in the past the reports were not submitted to the Audit Committee and were just given updates. Mr. Farrow noted he will make it a practice to submit all reports to the Committee Members.

Mr. Jeffrey Eberly asked what the typical follow-up timeframe is for implementation plans and whether follow-up reviews are generally conducted six months, nine months, twelve months after the actual audit is complete. Mr. Farrow stated that it should not be more than a year, but it depends on when the stakeholders believe it can be done. Mr. Farrow stated that if something is not done by the agreed timeline, he will continue coming back to the stakeholder until it is completed. Ms. Harrington asked who is the stakeholder for Catto and Mr. Farrow replied that it is Mr. Seth Jacobson. Mr. Eberly asked Mr. Farrow if he is providing them a report on the action plans when they are completed. Mr. Farrow replied that those details will be in follow-up reporting.

(4) March 2027 Meeting Date (Information Item):

The next meeting of the Audit Committee will be scheduled in March 2027. At that time, the Committee will discuss the 2025-2026 Uniform Guidance (A-133) audit report.

EXECUTIVE SESSION

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

GSL/lmh
Attachments

cc: Dr. Alycia Marshall
Ms. Carolyn Flynn, Esq.
Mr. Jeffrey Eberly
Mr. Derrick Sawyer
Mr. Barry Sulzberg
Representing Grant Thornton: Ms. Elizabeth Ireland
Representing Grant Thornton: Ms. Gabriella D'Angelo

ATTACHMENT A

MINUTES FROM JUNE 24, 2026
AUDIT COMMITTEE MEETING

MEETING OF AUDIT COMMITTEE (HYBRID)
Community College of Philadelphia (CCP)
Wednesday, June 24, 2026 – 3:00 p.m.

Present for the Audit Committee: Ms. Keola Harrington (*via* Zoom), Mr. Tim Ford (*via* Zoom), and Mr. Tim Spreitzer (*via* Zoom)

Present for the Administration: Dr. Danielle Liautaud-Watkins, Mr. Gim Lim, Mr. Barry Sulzberg, Mr. Robert Farrow, Ms. Carolyn Flynn, Esq., Mr. Derrick Sawyer (*via* Zoom) and Dr. Mellissia Zanjani (*via* Zoom)

Representing Grant Thornton: Ms. Elizabeth Ireland and Ms. Gabriella D'Angelo

Guest: Dr. Judith Gay, Vice President of Emerita (*via* Zoom)

AGENDA – PUBLIC SESSION

The Audit Committee meeting was held on-campus and available *via* Zoom for those who could not attend in person.

(1) Approve Minutes of the Audit Committee Meeting on March 25, 2026 (Action Item):

Action: Ms. Keola Harrington asked whether anybody has corrections or changes to the minutes. Hearing none, Ms. Harrington asked for a motion to accept the March 25, 2026 Audit Committee meeting minutes (Attachment A). Mr. Tim Spreitzer made the motion. Mr. Tim Ford seconded the motion. The motion passed unanimously.

(2) 2025-2026 Audit Process (Information Item):

Ms. Elizabeth Ireland stated that she serves as Grant Thornton's Partner for Community College of Philadelphia's audit engagement, and that Ms. Gabriella D'Angelo serves as the Manager.

Ms. Ireland stated that Grant Thornton's engagement letter has been signed and their fees are approximately $175,000 that includes the audit of the financial statements as well as the audit in accordance with the uniform guidance. She added that if any internal control matters or audit issues arise, Grant Thornton will communicate them to the Audit Committee. Ms. Ireland stated that Grant Thornton will maintain ongoing communication with both the Audit Committee and Management throughout the year to stay informed about developments at the College and within the industry.

Ms. Ireland stated that Grant Thornton plan on kicking off the planning and risk assessment process shortly, with field work occurring in late summer and continuing through the fall. Grant Thornton will issue its report on the financial statements in October 2026 (Attachment B). Ms. Ireland stated that Grant Thornton will then meet with the Audit Committee later in March of 2027 to discuss the Uniform Guidance Audit.

Ms. D'Angelo stated that Grant Thornton will evaluate significant risks in areas of focus with the first one being the management override of controls. She explained this is not due to anything Grant Thornton has identified at the College, but rather it is a presumed fraud risk in all audits and therefore treated as a significant risk in all audits. Ms. D'Angelo stated that Grant Thornton's procedures are focused on the segregation of duties in financial reporting. As well as detailed testing over a selection of journal entries to ensure they have a valid business purpose and then also perform a inquires of those individuals in the financial reporting role to ensure they were not requested to make any unusual or fraudulent entries during the year.

Ms. D'Angelo stated that Grant Thornton's next area of focus is tuition revenue. Ms. D'Angelo stated that Grant Thornton performs a reasonableness test over tuition and fees based on student enrollment of any changes in tuition and fees for the board approved rates and we also look at deferred revenue to ensure proper cut off for any fall amounts that are paid in advance or late summer amounts that are paid before the June 30th year end date. Ms. D'Angelo stated that Grant Thornton then looks at management allowance for doubtful accounts to ensure that that is reasonable and in line with industry standards.

Ms. D'Angelo stated that, with respect to grant revenues, Grant Thornton reviews a sample of grants and obtains the relevant grant agreements to ensure that revenue recognition is appropriate. She noted that if the grants are based on cost reimbursements, Grant Thornton will evaluate that as well. Ms. D'Angelo stated that Grant Thornton verifies whether the expenses were charged in accordance with the grant terms and conditions to ensure proper revenue recognition and also reviews the disclosure requirements to ensure that they are appropriate and complete and accurate.

Ms. D'Angelo stated with respect to investments, Grant Thornton confirms these balances directly with the Investment Managers. Ms. D'Angelo explained that Grant Thornton sends out confirms either via confirmation.com or through email for those managers that don't utilize confirmation.com. Ms. D'Angelo stated that Grant Thornton looks at the investment related income to ensure reasonableness and do a roll forward for any significant additions or withdrawals from investment as well reviewing the prioritization of the fair value hierarchy in accordance with GASB 72.

Ms. D'Angelo stated that, for State and City appropriations, Grant Thornton obtains the detailed supporting information for the amounts recognized as revenue. Ms. D'Angelo stated that Grant Thornton trace those directly to cash receipts and then ensure that those balances are appropriately disclosed in the financial statements. Ms. D'Angelo stated that Grant Thornton for the post retirement benefit obligations, Grant Thornton reviews the Sageview's analysis of those amounts. Grant Thornton also uses their internal valuation specialists to assess the reasonableness of the actuarial assumptions and also test the underlying participant data to ensure that that is complete and accurate so they can rely on that information.

Ms. D'Angelo stated with respect to estimates and disclosures, the preparation of the financial statements requires management to make certain estimates in the financial statements. Ms. D'Angelo stated the most significant of those being the alternative investments that are held as well as the post retirement benefit obligation. Grant Thornton's procedures are designed to ensure reasonableness of those estimates.

Ms. D'Angelo stated there are two new GASB implementations this year, GASB 103 and GASB 104. Ms. D'Angelo stated that Grant Thornton will work with management to ensure that all required disclosures are appropriately included and then also do their own independent financial statement disclosure checklist to ensure that the disclosures are complete and accurate.

Ms. D'Angelo stated that part of Grant Thornton's process includes their IT specialists reviewing the College's IT systems to ensure that the technology related controls are designed effectively. Ms. D'Angelo stated that Grant Thornton's IT team works directly with the IT personnel at the College to ensure that all of the segregation of duties and IT related controls are operating effectively.

Ms. D'Angelo asked if there were any questions before she proceeded. Ms. Harrington inquired whether, within the areas of focus, Grant Thornton had any concerns or any carry-forward items from last year that maybe require additional focus during the current audit. Ms. D'Angelo stated that Grant Thornton has not identified anything that would suggest a heightened risk in any of those areas of focus. She explained that these are areas that Grant Thornton devotes significant time because they represent higher balance items for both the income statement and the balance sheet.

Ms. D'Angelo stated that for the single audit, Grant Thornton has determined based on preliminary schedule of rewards that the student financial assistance cluster will be the major program this year. She noted it is subject to change once additional programs are evaluated. As of right now, this is the anticipated major program for the year.

Ms. D'Angelo stated Grant Thoron's areas of focus for the compliance audit really surround the using the compliance supplement to ensure that the College is following all those applicable compliance requirements that are outlined in the supplement. Ms. D'Angelo stated Grant Thornton looks at the internal controls surrounding each compliance requirement and test the internal controls over compliance with those compliance requirements. Ms. D'Angelo stated that Grant Thornton then looks at the schedule of expenditures of federal awards to ensure that they are in line with what we would expect and what the audited financial statements as well as communicate any compliance and control findings to management if there are any. Ms. D'Angelo stated that Grant Thornton evaluates the completeness of the disclosure surrounding the SEFA before finalizing the report. Grant Thornton will submit the federal audit clearing house data collection form by the due date of March 31, 2027.

Ms. Ireland stated that Grant Thornton will communicate to the Audit Committee at the end of the audit, so if there are any independence matters or significant deficiencies or material weaknesses, Grant Thornton would disclose that to the Committee. Ms. Ireland stated that if there were any significant issues, Grant Thornton would reach out to the Committee ahead of time and not wait until the next meeting in October 2026.

Ms. Ireland stated that Grant Thornton has members of the engagement team that are evaluation specialists that assists with some of the estimate testing. Ms. Ireland stated that Grant Thornton also uses Meridian Group, Anthony Scott's firm, as part of their engagement team. Ms. Ireland stated that Grant Thornton does use their shared services center as well as the personnel and technology of Grant Thornton Advisors LLC, which is part of the structure of the firm now.

. Ms. Ireland stated that Grant Thornton will communicate with the Audit Committee at the conclusion of the audit. Any independence matters, significant deficiencies, or material weaknesses will be disclosed to the Committee at that time. She further noted that if any significant issues arise, Grant Thornton will notify the Committee promptly rather than waiting until the next scheduled meeting in October 2026.

Ms. Ireland addressed the Firm's independence matters, noting that two years ago Grant Thornton accepted an investment from New Mountain Capital and reorganized under an alternative practice structure. She clarified that Grant Thornton LLP remains the audit firm and that she continues to serve as a Partner of Grant Thornton LLP. She further explained that Grant Thornton

LLP has a management services agreement with Grant Thornton Advisors, which provides the technology and personnel to support the audit. Ms. Ireland emphasized that this structure does not change the Firm's independence or ethical requirements; rather, it adds an additional layer of oversight to help ensure independence from its clients. Ms. Ireland also stated that Grant Thornton will inquire of management regarding any business or financial relationships with New Mountain Capital. If any such relationships exist, the Firm would evaluate them from an independence perspective and obtain written representations from management at the conclusion of the audit.

Ms. Ireland discussed the Grant Thornton's system of quality management for the audit firms. Ms. Ireland noted that as an international accounting firm, Grant Thornton is required to have a system of quality management to ensure that its work product is of high quality can be relied upon. Ms. Ireland stated that Grant Thornton has an internal team that is continuously monitoring their resource allocation to make sure that resources are used appropriately and training is provided. Ms. Ireland stated they also have periodic reviews of their processes by an outside firm. Ms. Ireland stated that Grant Thornton makes these reviews available to clients.

Ms. Ireland explained Grant Thornton's commitment to promoting ethical and professional excellence. She noted that the Firm provides a hotline and website for clients to report any concerns regarding the engagement team. Ms. Ireland stated that the Audit Committee and management may use these resources to raise concerns related to Grant Thornton's team; however, they are not intended to replace the College's whistleblower procedures.

Ms. Ireland stated that the College is adopting GASB 103 and 104 this year. While these are new accounting requirements, they do not change the accounting of anything. Ms. Ireland explained that they are disclosure requirements. Ms. Ireland explained that GASB 103requires additional clarifications within the MD&A section. GASB 103 stresses that the detailed analysis within the MD&A should note what is causing the change and not just that something increased but instead of saying tuition increased year over year to say it increased because we had more students in a program. Ms. Ireland stated it is to make sure that the analysis is providing information to the readers and not simply recalculating some differences.

Ms. Ireland discussed GASB 104 which requires disclosure of certain capital assets. Ms. Ireland stated this relates mainly to leases and will be an additional disclosure within the capital asset footnote this year. However, she emphasized that it does not change how items are accounted for, just enhances the information disclosed about them.

Ms. Harrington stated that Grant Thornton has done a phenomenal job in clearly setting expectations for both the Firm and the College. Ms. Harrington noted that Grant Thornton has established a strong level of transparency, trust and partnership which she greatly appreciates. Ms. Ireland thanked her for the compliment.

(3) **<u>Internal Audit Plan for 2024-2026 & Preliminary Audit Plan for 2026-2028 (Information Item)</u>**:

Mr. Robert Farrow stated he will be going over the internal audit update for fiscal year 2026-2027. Mr. Farrow stated it is a combination of a discussion with the President's Cabinet and the Extended Cabinet

Mr. Farrow stated starting off first quarter with federal financial aid fraud risk. It will have a fraud focus, which is generally the same audit steps as a regular audit. Mr. Farrow stated the conclusions are a little bit more focused on the potential for fraud controls and processes surrounding financial aid. Mr. Farrow stated that part-time Faculty benefits was an unfinished audit

from 2024 with about 20% of it was done after discussing with the Associate Vice President of Human Resources, it will be added in first quarter to have it completed.

Mr. Farrow stated that he went back and reconciled the plan with some of the older information dating back to 2019 and followed up on management progress on audits that have been completed dating back to 2023. Mr. Farrow stated that the timeline has new items, unfinished items, some revised the prior scopes. Mr. Farrow stated that moving forward, Internal Audit will close the books on all the old audit plans and move forward into the next fiscal year with the most current risks to the College. Mr. Farrow stated that is what he is holding himself accountable to be completed. Mr. Farrow stated that if any of them are not completed, the College is going to focus on in either revise or make sure they do get completed.

Ms. Harrington wanted to inform the Audit Committee that Mr. Farrow joined the College in March 2026 as the Internal Auditor. Ms. Harrington stated that Mr. Farrow took the plan that was established previously, but never fulfilled and then updated it to align with the College's current needs and climate. Ms. Harrington stated the items that have been identified are a starting point and it does not have to be a final list. Ms. Harrington stated if there are things that the Committee see want the priority changed or have suggestions on areas that could be examined is the end goal to make sure that the College is operated efficiently.

Mr. Farrow stated the internal auto plan for fiscal years 2027-2028 have some old times as well as new ones and expect this to change as the College updates the emerging risks that they are facing within the next fiscal year. Mr. Farrow stated as it relates to risk assessment considerations, financial materiality and compliance are biggest ones. Mr. Farrow stated the total number of dollars involved, but there is also departmental cross functioning that scope of the entire function will take a higher precedence. There are also regulatory, compliance, IT, data security, and vendor third party risks a collection of the risk assessment topics.

Mr. Farrow stated that for the prior fiscal year 2025-2026, the Catto Scholarship audit is completed, but the final audit report will be submitted within the next two weeks. Mr. Farrow stated the found it to be substantially compliant with the Philadelphia City and the Community College of Philadelphia's requirements, but there were some notable control issues. Mr. Farrow stated back in 2020 the City posted some conflicting requirements and the College does not have a Memorandum of Understanding (MOU) with the City or a written agreement to acknowledge. Mr. Farrow stated that there is an acknowledgement from the City for some of these changing requirements and Catto does work very closely with the City by email or phone call basis. Mr. Farrow stated it is a very manual intensive data entry for 1,802 students from one individual to post scholarship and basic needs reimbursements. Mr. Farrow stated the Catto Scholarship requires a last dollar calculation can get pretty intense going through the screens on the Banner system. Mr. Farrow stated with sometimes you have to export it into a spreadsheet because it could have 150 line or more with students constantly applying for classes and then dropping them. Mr. Farrow stated that it also ties into a little bit with return of Title IV calculations. Mr. Farrow stated when that happens it has to be recalculated and glitches in the system can also occur.

Mr. Farrow stated that Standard Operating Procedures (SOP) existed withing the departments. Mr. Farrow stated that some of departments were aware of them and then some of them were not. Mr. Farrow stated causes the lack of communication and accessibility of SOP's. Mr. Farrow stated discussions with the Catto leadership team was overwhelmingly supportive and concurred with the assessment and they resolved to combine the SOPs that they currently have into a program manual and are going to send it off to the City for acknowledgement and approval. Mr. Farrow stated that Catto will work with IT to try to reduce the manual errors as well.

Ms. Harrington asked if there was corrective action for the first two items for Catto and Mr. Farrow replied that Catto is going to clean up the issues and send that manual to representatives in the City so they can formally acknowledge the manual and perhaps sign it for approval. Mr. Farrow stated that the City felt that a formal written agreement or any review may not be necessary, but just to acknowledge the plan. Mr. Farrow stated for the second item, IT is aware that they are going to work with the Catto leadership team to develop screens and maybe automate the processes.

Mr. Farrow stated that IT going to fix any system glitches that have been identified and reduce those manual entries so that Catto does not have human errors. Ms. Harrington asked when will the public information be cleared up regarding the conflicting requirements on the City and College's websites. Mr. Farrow replied that Catto is looking into that as well, so when Catto gives him the official action plan it should take care of it. Mr. Farrow stated that Catto should take care of it and have a timeline.

Mr. Farrow stated that some of the cabinet members asked him to look at Single-Stop's administration. Mr. Farrow stated that the controls surrounding the administration was not written into a standard operating procedure so they did not have anything to show if anybody asked if it was under control. Mr. Farrow stated they he found their operating consistent standards at a satisfactory level. Mr. Farrow stated that most of the time if a student needed clothing, food, technology or transportation there was a consistent schedule that was handed out. Mr. Farrow stated that other times there was not as consistent, but if there was an emergency it was looked at very closely by the Director and documented. Mr. Farrow stated that Single-Stop is going to draft an SOP and the Single Stop Director will submit it to the Provost and Vice President for Academic Student Success.

Mr. Farrow stated that the P-Card Audit was completed 2025 and the finding was to create an institutional policy determining appropriate p-card usage. Mr. Farrow stated that it has been implemented and signed by p-card users and further transaction analysis will be integrated into the fiscal year 2026-2027 plan. Mr. Farrow stated that the 2024 Part-Time Faculty Benefits Audit was about 20%not completed and has been added it to the 206-2027 plan.

Mr. Farrow stated the 2024 Degrees Conferred Audit, return to Title IV, has been completed, most notably the data verification Policy #321 requires all posted educational data to go through the Institutional Research Department first to ensure consistency updates were made to guides. The federal aid program manual was strengthened by adding some oversight mechanisms. Mr. Farrow stated they do the calculations twice to double check on all of them before they are put into the Banner system for finalization.

Mr. Farrow stated the institution-wide recommendations to establish a governance framework that requires program manuals or standard operating procedures for all significant private and public funding programs. Mr. Farrow stated that Single-Stop administration was not quite as significant as Catto, but Catto is going to create a program manual and Single-Stop agreed to create a standard operating procedure that w work for the College. Mr. Farrow stated that a lot of them touch on different departments such as Accounting and Financial Aid. Mr. Farrow stated there are some need for some standards around that assigned maintenance as to who owns it, who needs to update it and accessibility to all personnel and of course include implementation reviews with IT to streamline manual processing for those types of activities. Mr. Farrow stated the standards enhanced donor regulatory confidence in internal control; support retention and continuity, and facilitate efficient third-party program reviews increasing the likelihood of favorable results.

Ms. Harrington asked what Mr. Farrow's process for tracking implementation from prior audit recommendations. Mr. Farrow replied that he went to old audit reports that were either worked on or submitted in fiscal year 2024, and that this data was now tracked on a follow-up spreadsheet that was newly created and will be used going forward.

Dr. Judith Gay asked if there was a longer-term plan for the scope of audits in terms of the Middle States standards like a five-year timeframe. Mr. Farrow stated that there is not a longer-term audit timeframe than two years. Dr. Gay asked what would Mr. Farrow like to accomplish in a five-year timeframe and if something came up would he back to some of the ones that were not completed. Also, will of the audit be completed in some particular cycle. Mr. Farrow stated the cycle of the audits is about eight per fiscal year, which is two per quarter, risks and audit priorities will be re-assessed annually, and that audit plan changes and follow-up on management progress are tracked and documented – and if that answered her question. Ms. Flynn stated that the College traditionally worked with establishing a two-year audit plan and she was not aware that there was a plan that went beyond two years. Ms. Flynn stated that there are countless areas throughout the College that could be addressed over a five-year timeframe, but there not a rolling list. Ms. Flynn stated that a five-year timeframe at the College does not currently exist.

Ms. Harrington asked Dr. Gay is there an audit requirement for Middle States. Dr. Gay replied that she would have to go back and look because they have changed a lot of the rules recently, but she knows that Middle States likes to see that there is some plan that kind of covers the scope of audit to be accomplished and whether the plan was longer than two years.. Dr. Gay stated some things are considered high risk, some medium, and some low. Dr Gay stated that there was always particular attention to the high-risk areas. Dr, Gay stated there was an issue a few years ago with the forgivable loan with the funding that was associated it. Dr. Gay stated how is the College going to move forward with keeping the audits that are of most interest on an ongoing cycle. Ms. Harrington stated that whatever items that remained outstanding from the prior audits would go next fiscal year audit plan. Ms. Harrington stated the audits that were critical were ranked appropriately. Ms. Harrington stated that Mr. Farrow that audits that still remained outstanding and what audits he completed. Ms. Harrington stated that the College to remain compliance with Middle States as it pertains to an audit.

Dr. Danielle Liautaud-Watkins stated that the audits are helpful in the spirit of continuous improvement, which overarching is the goal of Middle States and any accrediting body. Dr. Liautaud-Watkins stated that gives the College a line of sight into areas that to ensure that the College is looking at all respected parts of the organization. Dr. Liautaud-Watkins stated that she a more expanded audit plan to ensure that the College is touching all parts of the organization.

Ms. Harrington stated the internal audit plan was put as an information item and for discussion purposes only.

(5) **<u>Next Meeting</u>**:

The next meeting of the Committee will be in October 2026 at which time Grant Thornton will discuss the results of the 2025-2026 audit.

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. Alycia Marshall
Ms. Carolyn Flynn, Esq.
Mr. Derrick Sawyer
Mr. Barry Sulzberg
Representing Grant Thornton: Ms. Elizabeth Ireland
Representing Grant Thornton: Ms. Gabriella D'Angelo

2026 Annual Audit Results Presentation

Community College of Philadelphia

October 26, 2026

PRESENTATION TO THOSE CHARGED WITH GOVERNANCE

This communication is intended solely for the information and use of management and the Audit Committee 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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Agenda

01 Executive summary
02 Audit scope and results
03 Required communications
04 Appendix



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Executive summary

October 26, 2026

On-track for delivery of short-form audited financial statements

Single Audit Testing

In progress and on-track for delivery by the March 2027 committee meeting

Industry Insights

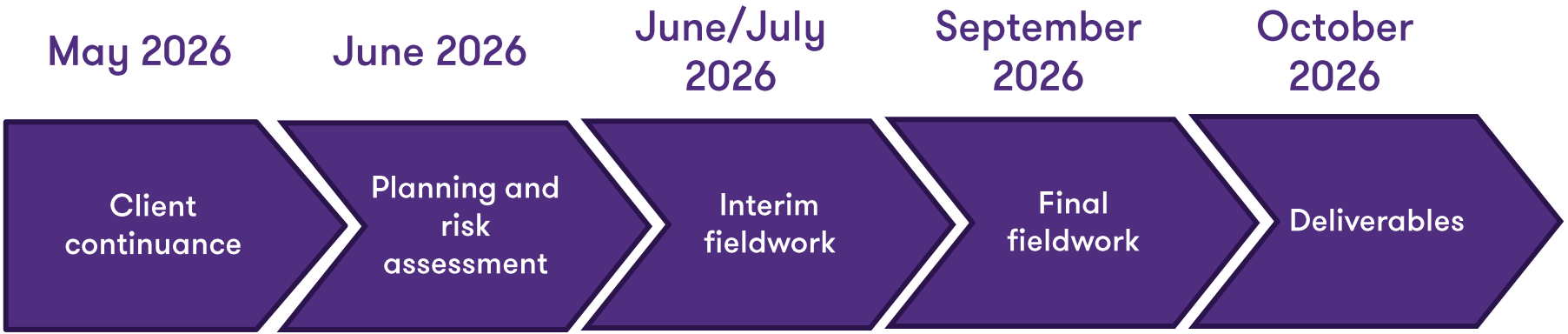
Providing industry insights on accounting and auditing developments as well as areas of risk

As of October 22, 2026, our audit procedures are substantially complete. We are awaiting the following items.

- Legal letter responses from external firms
- Final financial statement tie out items
- Management representation letter, which will be received on the date of issuance of the report

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Audit timeline



- Independence
- Discussions with management
- Engagement letter

- Materiality determination
- Significant risks identified

- Uniform Guidance testing

- Work of others
- Areas of focus

- Report on the financial statements
- Misstatements
- Disclosures

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Significant risks

The following provides an overview of significant risks based on our risk assessments.

Significant risk area	Results
Management override of internal controls Presumed fraud risk and therefore significant risk in all audits.	• Considered the design and implementation of entity-level controls, including information technology controls, designed to prevent/detect fraud. • Assessed the ability of the College to segregate duties in its financial reporting, information technology, and at the activity-level. • Conducted interviews of individuals involved in the financial reporting process to understand (1) whether they were requested to make unusual entries during the period and (2) whether they are aware of the possibility of accounting misstatements resulting from adjusting or other entries made during the period. • Performed risk assessment for journal entries and detail tested selected journal entries based on our risk assessments to ensure propriety of the entries.

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Areas of audit focus

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

Areas of focus	Results
Tuition revenue, auxiliary enterprises and related receivables/deferred revenue	• Performed reasonableness test on tuition and fees, student aid and auxiliary revenue amounts. • Performed detailed testing of a sample of transactions, agreeing to source documentation.
Grant revenue and related receivables/deferred revenue	• Obtained and documented an understanding of controls surrounding the grants and sponsored activities processes. • Inspected a sample of significant grants recognized as revenue by the College, including a review of grant agreements and other relevant supporting documentation. • Ensured that the College has properly classified such grants and that revenue recognition is appropriate. • Ensured grant revenue disclosures are complete and accurate.

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Areas of audit focus

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

Areas of focus	Results
Valuation of investments	• Obtained independent investment valuation and monitoring reports from investment managers. • Confirmed existence of investment holdings directly with custodians. • Tested reasonableness of investment-related income, including unrealized appreciation/(depreciation) in fair values. • Gained an understanding, documented and tested the College's pre- and post- alternative investment monitoring procedures and selection process. • Obtained fiscal 2026 roll-forwards for each of the College's significant non-marketable alternative investment positions. Test a sample of capital additions, withdrawals, fees and income. • Obtained most recent independent auditors' reports for all non-marketable alternative investment positions. Review auditors' reports to assess quality of financial reporting and type of opinion received. • Obtained SSAE16 reports from investment custodians. • Evaluated prioritization of inputs used to determine fair value investment assets is reasonable and in accordance with GASB 72, *Fair Value Measurement and Application*, and review related disclosures.

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Areas of audit focus

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

Areas of focus	Results
State and City Appropriations	• Obtained detail of appropriations received from the state and city. • Agreed amounts received to revenue recorded in the general ledger. • Reviewed receivable balance, reconciled the cash received to amounts outstanding based on general ledger.
Accrued postretirement benefit obligations	• Reviewed the analysis of accrued postretirement benefit obligations. • Assessed the reasonableness of actuarial assumptions: discount factor, trend rates and cash flows, amongst others. • Tested participant census data.

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Areas of audit focus

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

Areas of focus	Results
Accounting estimates	The preparation of the College's financial statements requires management to make multiple estimates and assumptions that affect the reported amounts of assets and liabilities as well as the amounts presented in certain required disclosures in the notes to those financial statements. The most significant estimates relate to the valuation of non-exchange traded alternative investments and the determination of post-retirement benefit obligations, amongst others. Our procedures have been designed in part, to review these estimates and evaluate their reasonableness.
Financial statement disclosures	Our procedures also included an assessment as to the adequacy of the College's financial statement disclosures to ensure they are complete, accurate and appropriately describe the significant accounting policies employed in the preparation of the financial statements and provide a detail of all significant commitments, estimates and concentrations of risk, amongst other relevant disclosures required by US GAAP. Our procedures have been designed to assess the adequacy of the College's implementation of new accounting pronouncements including GASB 103, *Financial Reporting Model Improvements*, and GASB 104, *Disclosure of Certain Capital Assets*.

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Technology support as part of the audit process



An important component of our audit approach is to understand how IT is used and deployed 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.

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Required communications



- Independence matters
- Acceptance/retention matters
- Engagement letter
- Planning matters
- Going concern matters
- Identified or suspected fraud and noncompliance with laws and regulations
- Material weaknesses and significant deficiencies
- Report to management other internal control deficiencies
- Audit adjustments, including uncorrected misstatements
- Use of other auditors
- Use of internal audit
- Related parties and related party transactions
- Significant unusual transactions
- Disagreements with management
- Management's consultation with other accountants

- Significant issues discussed with management
- Significant difficulties encountered during the audit
- Difficult or contentious matters for which we consulted outside the engagement team and that are, in our professional judgment, significant and relevant to you and your oversight responsibilities
- Other significant findings or issues that are relevant to you and your oversight responsibilities
- Material written communications with management
- Modifications to the auditor's report
- Results of procedures performed on other information presented with the financial statements
- Written representations requested from management
- Other matters as warranted

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Quality of accounting practices

Topic	Discussion
Accounting policies	Accounting policies are deemed to be appropriate and in accordance with US GAAP.
Accounting estimates	Accounting estimates are deemed to be reasonable and not indicative of management bias.
Disclosures	Disclosures are deemed to be complete and accurate.
Other related matters	None noted.

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Use of the work of others

Other individuals or entities		Description of the use of others and relevant area(s) of audit
Specialists and those with specialized skill and knowledge	✓	• Valuation specialists from Grant Thornton Advisors LLC
Internal audit		
Other College personnel		
Third parties working at the direction of the College	✓	• Meridian Accounting Firm, at the direction of Anthony Scott
Other GTUS offices or locations	✓	• Personnel, technology, and resources of Grant Thornton Advisors LLC • Technology and resources of our shared services center located in India

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Auditor independence

Our firm applies ethical requirements relevant to the engagement, including those related to independence established by the AICPA Code, the IESBA Code, and applicable regulatory and state requirements. We maintain a robust quality control system supported by comprehensive policies and procedures that meet or exceed regulatory requirements. Our system enables us to evaluate and maintain our independence and serve audit clients with requisite integrity, objectivity, and independence. As you exercise your oversight responsibilities, you should understand the more significant aspects of this system:

- Accumulating and communicating relevant information, including a restricted-entity list and use of a tracking system to monitor the financial interests of our worldwide personnel
- Obtaining annual written confirmations of compliance from personnel and member firms
- Monitoring individual compliance, including periodic audits and disciplinary mechanisms
- Conducting a domestic or international relationship check through a robust Relationship Checking System
- Evaluating relationships and circumstances that create threats to independence, including relationships identified through a domestic or international check

Monitoring independence for new opportunities

Only permitted nonaudit services or business relationships are cleared, and such services or relationships are monitored for scope creep. As necessary, our firm applies appropriate safeguards to eliminate or mitigate independence threat(s) to an acceptable level. As necessary, or as required by a regulator, the engagement partner will discuss with management and/or the audit committee any potential independence threats or where additional input is needed in relation to our firm's independence evaluation.

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New Mountain Capital (NMC) investment and APS independence considerations

ALTERNATIVE PRACTICE STRUCTURE (APS)

Grant Thornton LLP

- Licensed CPA firm that provides audit and attest services

Grant Thornton Advisors LLC

- Advisory and non-attest entity, which receives NMC's investment

Independence considerations

- The APS does not change independence or ethical requirements for either firm or their professionals
- Grant Thornton LLP established ongoing monitoring procedures to protect independence of audit clients under the APS structure

COORDINATION

Relationships with NMC or GT Advisors LLC

- Identify and evaluate existing or potential business or financial relationships that the Company or its affiliates may have with NMC (e.g., a lending relationship from a NMC credit fund) to allow for timely independence evaluations and discussions
- Identify and evaluate other types of relationships that the Company or its affiliates may have with GT Advisors LLC (e.g., a direct investment or lending-related relationship, such as stocks, bonds, notes, options, other securities, or participation in the debt of GT Advisors LLC) to allow for timely independence evaluations and discussions
- Identify and evaluate whether any officer or director of the Company, individually or in the aggregate, is a record owner or beneficial owner of more than five percent of the equity securities (e.g., stocks, bonds, notes, options, or other securities) of GT Advisors LLC
- Identify and evaluate whether a broker-dealer, registered investment advisor, or investment fund(s) that is an affiliate, if any, acquired or agreed to acquire a direct financial investment (e.g., stocks, bonds, notes, options, or other securities) in GT Advisors LLC for their customers in street name or in separately managed accounts

AUDIT PROCEDURES

The engagement team will:

- Inquire of management regarding any business or financial relationships with NMC or investments in or participation in the debt of GT Advisors LLC
- Evaluate relationships for independence purposes and discuss with national office or subject matter experts, as appropriate
- Obtain written representations from management that, to the best of their knowledge, they have disclosed any relationships with NMC or GT Advisors LLC that may exist or are being considered
- Follow applicable communication requirements for relationships that may bear on the firm's independence

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Independence considerations related to CBIZ, Inc.

OVERVIEW OF TRANSACTION WITH CBIZ, INC. (expected to close Q4 2026)

CBIZ, Inc. ("CBIZ")

- CBIZ advisory and non-attest entities to be acquired by Grant Thornton Advisors LLC ("GT Advisors")
- Nothing changes today. Until the transaction closes, GT Advisors and CBIZ remain separate entities and will continue to operate independently while regulatory approvals and appropriate integration planning move forward

CBIZ independent accounting firms

- CBIZ CPAs P.C. (f/k/a Mayer Hoffman McCann P.C.), Marcum LLP, CBIZ Canada LLP, Myers and Stauffer LC, and Smyth & Pyles, LLC (collectively, "CBIZ CPAs") are licensed CPA firms that provides audit and attest services
- CBIZ CPAs and Grant Thornton LLP are expected to operate as separate legal entities for a period of time, under separate administrative agreements
- During this period, authority over quality, independence, client acceptance, and risk decisions will remain with each separate CPA firm

COORDINATION

Independence considerations

- CBIZ entities will be subject to the same independence requirements as Grant Thornton LLP upon closing

Relationships with CBIZ entities

- Perform relationship checks to identify relationships that may bear on our independence
- Address and resolve identified independence conflicts prior to closing; any potential conflicts will be raised to the client, including next steps

ACTION STEPS

Audit or attest clients are asked to:

- Disclose to the engagement team any known relationships you or your affiliates may have with a CBIZ entity (such as nonaudit services, business relationships)
- Disclose timely any potential relationships, such as if you are considering CBIZ for services, to the engagement partner so they can evaluate such potential relationship under the applicable independence rules

The engagement team will:

- Inquire of management regarding any services, business or financial relationships with CBIZ
- Evaluate relationships for independence purposes and discuss with national office or subject matter experts, as appropriate
- Obtain written representations from management that, to the best of their knowledge, they have disclosed known relationships with CBIZ entities
- Follow applicable communication requirements for relationships that may bear on our independence

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Managing Audit Quality: The System of Quality Management (SoQM)

How the firm designs, manages, and continuously evaluates audit quality.

Governed by global and U.S. standards

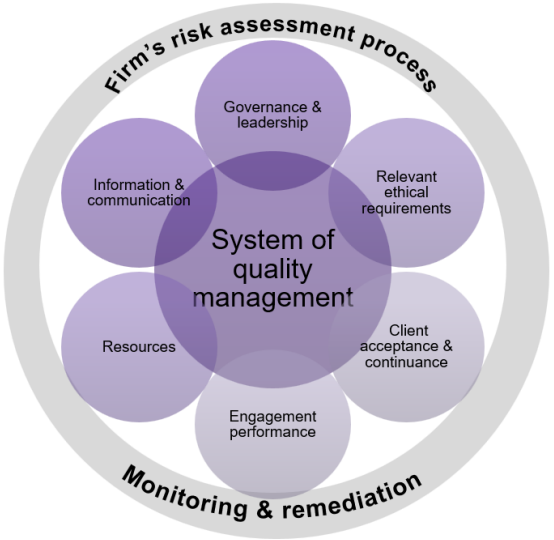
- ISQM 1 (global) and SQMS No. 1 (U.S.) frameworks are aligned
- Applicable to firms performing audits and attest engagements
- A system, not just policies, is required to manage audit quality

Designed using a risk-based approach

- Define quality objectives → identify risks → implement controls
- Create a connected system of controls across the audit practice
- Focus on preventing issues, not just detecting them

Ongoing evaluation and accountability for quality

- Continuous monitoring and inspection
- Identification of deficiencies and root cause analysis
- Timely remediation and follow-up
- Annual conclusion on system effectiveness



The SoQM spans all aspects of the audit practice—from leadership and ethics to engagement performance and resources—with monitoring embedded throughout

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Grant Thornton LLP SoQM 2025 conclusion

Where to find more SoQM details

The latest information related to the firm's SoQM can be found at the Audit Quality page at GrantThornton.com.

Our most recent conclusion is provided here in a letter from the firm's Chief Executive Officer.

Grant Thornton

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April 1, 2026

To whom it may concern:

Grant Thornton LLP (the "firm") has implemented a system of quality management that is designed to meet the objectives of International Standard on Quality Management 1 (ISQM 1), *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements.*

As of December 15, 2025, based on the results of the firm's monitoring and remediation activities, including the evaluation of identified deficiencies and the effectiveness of related remediation activities, the firm has concluded that the system of quality management provides the firm with reasonable assurance that the objectives of the system of quality management are being achieved.

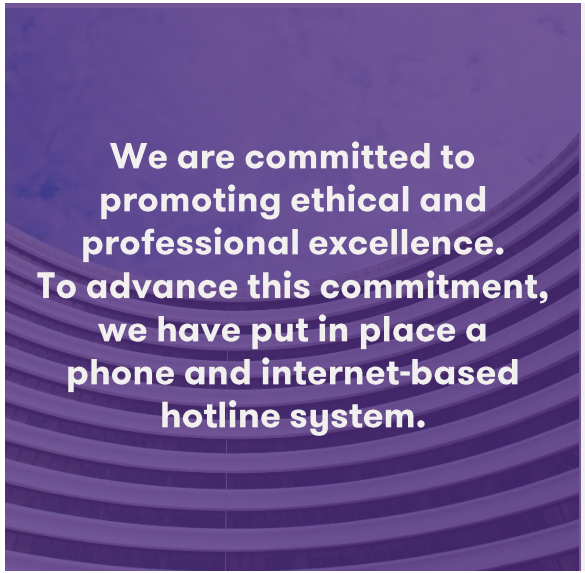
Sincerely,

Ron Messenger
Chief Executive Officer
Grant Thornton LLP

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Commitment to promote ethical and professional excellence



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

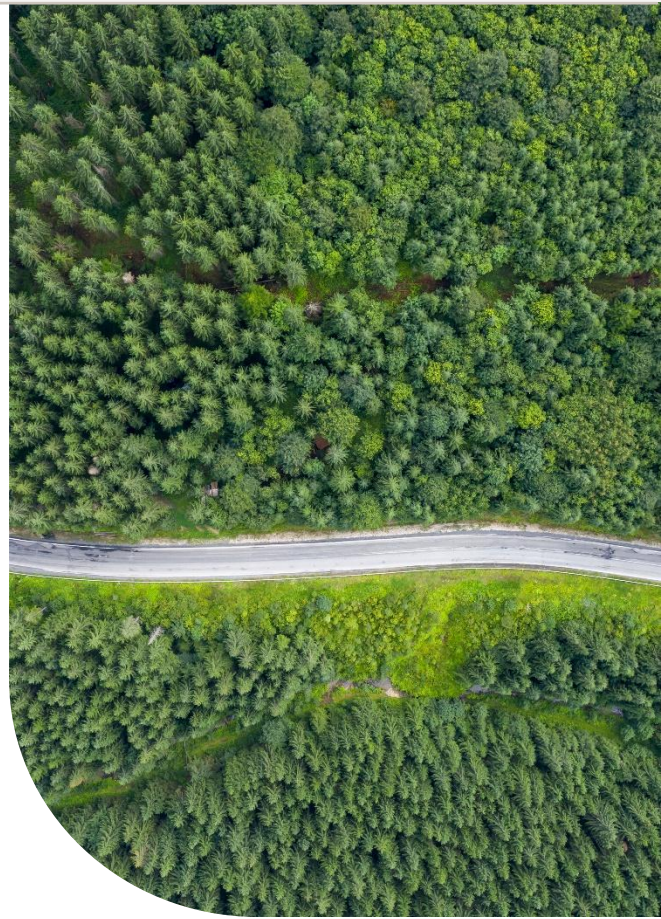
The EthicsPoint URL
link can be accessed from our external website or through this link:
https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=15191

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

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Appendix

1) Technical updates - GASB
2) Technology updates
3) Industry Updates
4) Thought leadership for Higher Education institutions



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Technical Updates - GASB

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Selected pronouncements effective for the year ending June 30, 2027 - GASB

Title	Effective date
GASB 105 – Subsequent Events	Periods beginning after June 15, 2026

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GASB Statement 105, Subsequent Events

Summary

- This Statement updates the disclosure requirements related to subsequent events, which have not been updated since the issuance of GASB 56 in 2009.
- *Subsequent events* are transactions or other events that occur after the date of the financial statements but before the date the financial statements are *available to be issued.*
- *Available to be issued* is the date at which (a) the financial statements are completed in a form and format that complies with GAAP and (b) approvals necessary for issuance have been obtained.
- The date through which subsequent events have been evaluated should be disclosed in the notes to the financial statements.
- Criteria for recognized and nonrecognized events have been specified, based on whether the event informs conditions that existed at the financial statement date or not.

- Effective for fiscal years beginning after June 15, 2026. Earlier application is encouraged.

Potential Impact

- Review all subsequent events against the criteria for recognized vs. nonrecognized events and update financial statement disclosures accordingly.
- Add the period through which subsequent events have ben evaluated to the financial statement disclosure.

  The financial statements of the College may already include some level of subsequent event disclosure, so the above will likely be a refinement, rather than a new disclosure.

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Implementation Guide No. 2026-1 – *Financial Reporting Model Improvements - Subsidies*

Summary

- Implementation Guide No. 2026-1 – *Financial Reporting Model Improvements - Subsidies* contains new questions and answers that address application of GASB 103 financial reporting model improvements.
- The objective of this Implementation Guide is to provide guidance that clarifies, explains, or elaborates on the requirements related to **subsidies** in Statement No. 103, *Financial Reporting Model Improvements*.
- The requirements of this Implementation Guide apply to the proprietary fund financial statements of all state and local governments and the financial statements of all state and local government business-type activities (BTAs).
- This Implementation Guide amends Implementation Guide No. 2025-1, *Implementation Guidance Update—2025*, Question 4.5.
- The requirements of this Implementation Guide are effective for fiscal years beginning after June 15, 2026, and all reporting periods thereafter. **Earlier application is encouraged if Statement 103 has been implemented.**
- The requirements of this Implementation Guide should be applied retroactively such that changes, if any, adopted at transition to conform to the provisions of the questions and answers should be reported as a change in accounting principle in accordance with Statement No. 100, *Accounting Changes and Error Corrections*, including the display and related disclosure requirements, as applicable.

Potential Impact

- Colleges that have implemented GASB Statement 103 review the questions and answers to determine if the topics within this guide impact their financial statements.
- The Implementation Guide provides answers to questions on presentation of subsidies (capital and noncapital) as well as other questions specific to the adoption of GASB 103 presentation matters.

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GASB projects

Project	Timing
Revenue and Expense Recognition	Exposure draft expected Q3 2027

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GASB major project – Revenue and Expense Recognition

Summary

- Three primary areas of focus of the project are as follows:
  1. Common exchange transactions not specifically addressed in existing GASB guidance
     - ➢ Project plans to develop guidance or improve existing guidance regarding
     1. Exchange and exchange-like transactions having single elements.
     2. Exchange and exchange-like transactions having multiple elements.
     3. The differentiation between exchange-like and non-exchange transactions.
  2. Post-implementation review of GASB 33 and 36
     - ➢ Areas to be considered include:
     1. Distinguishing between eligibility requirements and purpose restrictions.
     2. Determining when a transaction is an exchange or a non-exchange transaction.
     3. Using the availability period concept consistently across governments.
     4. Applying time and contingency requirements.
  3. Development of GASB conceptual framework
     - ➢ GASB 33 and 36 were developed prior to key parts of the conceptual framework, such as defining deferred inflows and outflows.
     - ➢ An evaluation of the recognition of non-exchange transactions against the conceptual framework is necessary.
- Currently in re-deliberations, with Exposure Draft expected in Q1 of 2027.

Potential Impact

- As it relates to recognition of exchange and non-exchange transactions such as grants vs gifts vs contracts, there continues to be an element of judgment and interpretation of existing GASB and FASB guidance. This project could impact the current practices of higher education institutions as it relates to revenue recognition.

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Technology Updates

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Grant Thornton's technology investment impact

Advanced audit innovation

Significant investment in technology fuels innovative audit practices, using advanced analytics and AI to transform risk identification and data analysis capabilities.

Productivity and quality gains

Technology boosts audit efficiency and reduces errors, with improvements measured by productivity metrics and higher engagement quality.

Robust data protection protocols

Strong data protection protocols designed to address privacy and security in AI-powered audit processes, safeguarding sensitive information.



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Selected AI capabilities, active today

Illustrative examples of capabilities delivering value across the audit, today.

AI Knowledge Agents

The ability to interrogate firm knowledge bases, precedent libraries, and regulatory guidance in real time, accelerating technical research, supporting memo drafting, and helping auditors interpret complex documents and accounting standards.

Collective firm expertise, available at every stage of the audit.

Intelligent Document Testing

AI-powered document reading and extraction; intelligently identifying, classifying, and cross-referencing data from source documents against working papers.

OCR is no longer just scanning; it is AI understanding content, accelerating tests of details, evidence matching, and walkthrough documentation without manual re-keying.

Current State: Self-service AI - capabilities that augment and accelerate the individual auditor

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The orchestrated audit: intelligence-led execution

Audit evolves from a human-driven process supported by tools, to a process managed within an intelligent system

TODAY

Self-Service AI

Individual tools, human-initiated

Auditor pulls insight on demand

AI assists the task

NEAR-TERM

Coordinated AI

Connected workflows across planning, risk and testing

AI proactively prepares and surfaces issues

The Audit Manager begins to orchestrate a blended team of auditors and AI agents

TARGET STATE

AI Orchestrated

Audit process runs inside an intelligence system

AI manages sequencing, evidence and testing for key areas

Auditor role: judgment, challenge and sign-off

What the Intelligent System Manages

- Proposed scoping and assignment of assertions
- Automated evidence collection with seamless document interrogation and workpaper population
- Immediate feedback to the client on initial PBC assessment
- Testing of high-volume and common areas (e.g. revenue, payables)
- Real-time flagging of exceptions and anomalies

Where Human Judgment Remains Central

- Ownership of preparation and review - AI *prepares* on behalf of the auditor
- Finalizing and owning the audit strategy
- Exercising professional judgement on complex, uncertain, or judgement-heavy transactions
- Client relationships and professional skepticism
- Final sign-off and audit opinion

"The future of audit is not AI replacing the auditor. It is the auditor elevated by an intelligent system that handles the routine, so they can focus on the exceptional."

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Industry Updates

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Agenda

01.	**Financial squeeze**	Expenses outrunning revenue, eroding net tuition margins, and a negative 2026 outlook from all three rating agencies
02.	**Enrollment**	Demographic decline, volatile international enrollment, and rising skepticism about the return on a degree
03.	**Policy shifts**	Research funding cuts, loan caps, endowment taxation, and accreditation shifts rewriting the operating environment
04.	**Widening divide**	Widening separation between well-resourced and vulnerable institutions, and the closures-versus-merger question
05.	**The response**	Operating model redesign, AI and technology, revenue diversification, and what it all means for board oversight

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Six macro trends reshaping higher education

Enrollment pressure

Institutions face intensified competition amid an impending demographic cliff

Delivery model shifts

Students increasingly value flexible learning models paired with a “high touch” experience



Cost of student success

Student success increasingly requires expanded academic and mental-health supports

Program realignment

Student preference for STEM and skills-based curricula necessitate resource reallocation

Value under scrutiny

Students and families increasingly demand a clear ROI from the degree

Policy disruption

Policymaking in the last year alone has sharply changed the landscape

Together, these forces are splitting the sector into “haves” and “have-nots”

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Financial squeeze

Expenses outrunning revenue, eroding net tuition margins, and a negative 2026 outlook from all three rating agencies

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What the 2026 outlooks agree on

Across S&P, Fitch, Moody's, and NACUBO the 2026 picture is consistent. The margin pressure is structural, and the governance question is whether reserves can actually be accessed when pressure lands.



All three agencies are negative

S&P holds a negative sector view, Fitch a deteriorating outlook, and Moody's a negative outlook largely unchanged from 2025.



Margins are compressing

Roughly 35% of private institutions, and a growing share of publics, now operate with thin or negative margins.



Revenue growth is stalling

Moody's expects roughly 3.5% revenue growth in 2026, while Fitch projects net tuition growth of only 2–4% as competition erodes pricing power.



Expenses keep outpacing revenue

Expense growth of about 4.4% continues to run ahead of revenue, driven by labor, healthcare, insurance, and deferred maintenance.



Reserves buffer, but unevenly

Endowments funded 15.2% of operating expenses in FY25, up from 14.0%, but Fitch notes market gains have not consistently become usable liquidity.



Federal policy adds uncertainty

Federal policy shifts are reducing research funding and raising uncertainty, weighing most heavily on research-intensive institutions.

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Enrollment and value

Demographic decline, volatile international enrollment, and rising skepticism about the return on a degree

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What enrollment and value pressure look like

Demand is diverging sharply by segment and modality while the four-year value proposition stays under scrutiny. The governance question is which student pipelines this institution is actually positioned to win.



Demographics are structural

The high school graduating class peaks in 2025 before a 13% decline through 2041, with 38 states shrinking.



Two-year is the pipeline

Community colleges grew 3.0% in fall 2025 and provide 71% of dual enrollment, an increasingly important pipeline.



International demand is volatile

New international enrollment fell 17% in fall 2025, with graduate programs carrying most of the exposure.



Pricing power is limited

Fitch expects net tuition growth of only 2–4%, with increases tempered by weaker demand and continued discounting.



The value case is contested

Public skepticism about the return on a degree persists, shifting attention toward applied education, certificates, and alternative credentials.



Macro cuts both ways

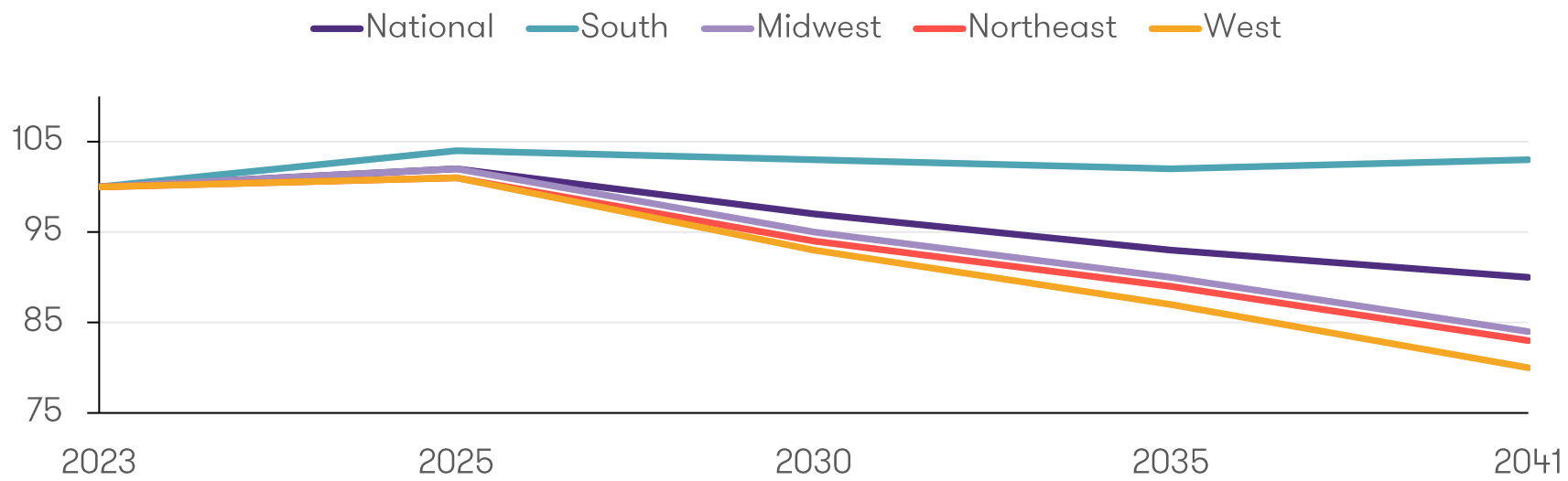
Cooling wage and employment growth may support countercyclical demand, while falling consumer confidence weakens the four-year case.

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The cliff is regional before it is national

Where an institution recruits matters more than the national average

WICHE projects a 13% national decline in high school graduates from the 2025 peak through 2041; indexed to 2023 below, the national line ends at 90. The burden is uneven: institutions drawing from the Northeast, Midwest, and much of the West face contraction well beyond the national figure.



Source: WICHE, Knocking at the College Door, 11th edition. High school graduates indexed to 2023 = 100. Projected change by 2041: West -20%, Northeast -17%, Midwest -16%, South +3%

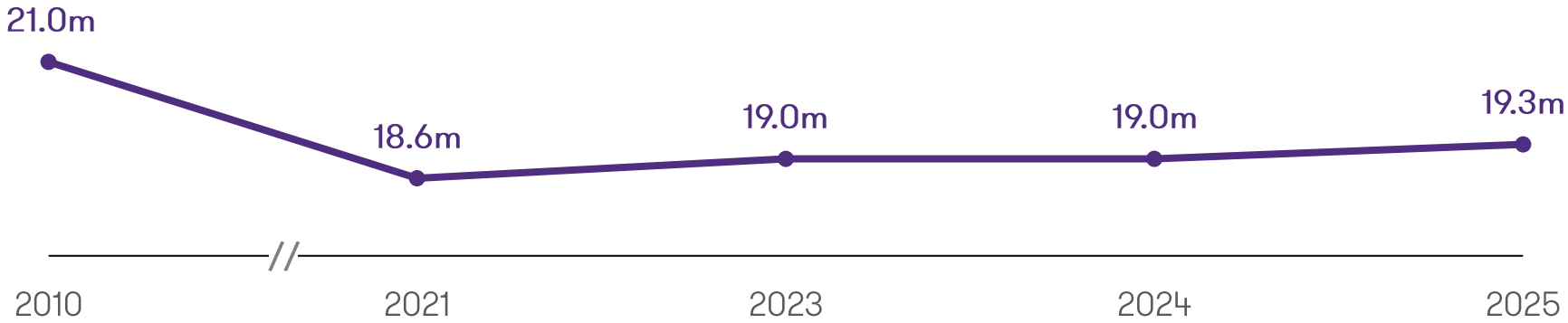
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Enrollment bottomed in 2021 and has grown since

The recovery is real, but the demographic cliff is likely to turn it into a plateau

Total postsecondary enrollment fell about 11% from its 2010 peak, bottomed in 2021, and has grown for three consecutive years. The sector remains below where it was fifteen years ago, and with the high school graduating class peaking in 2025, the more likely path from here is a plateau rather than continued recovery.



21.0m
Fall 2010 peak

18.6m
Fall 2021 trough

19.3m
Fall 2025, third year of growth

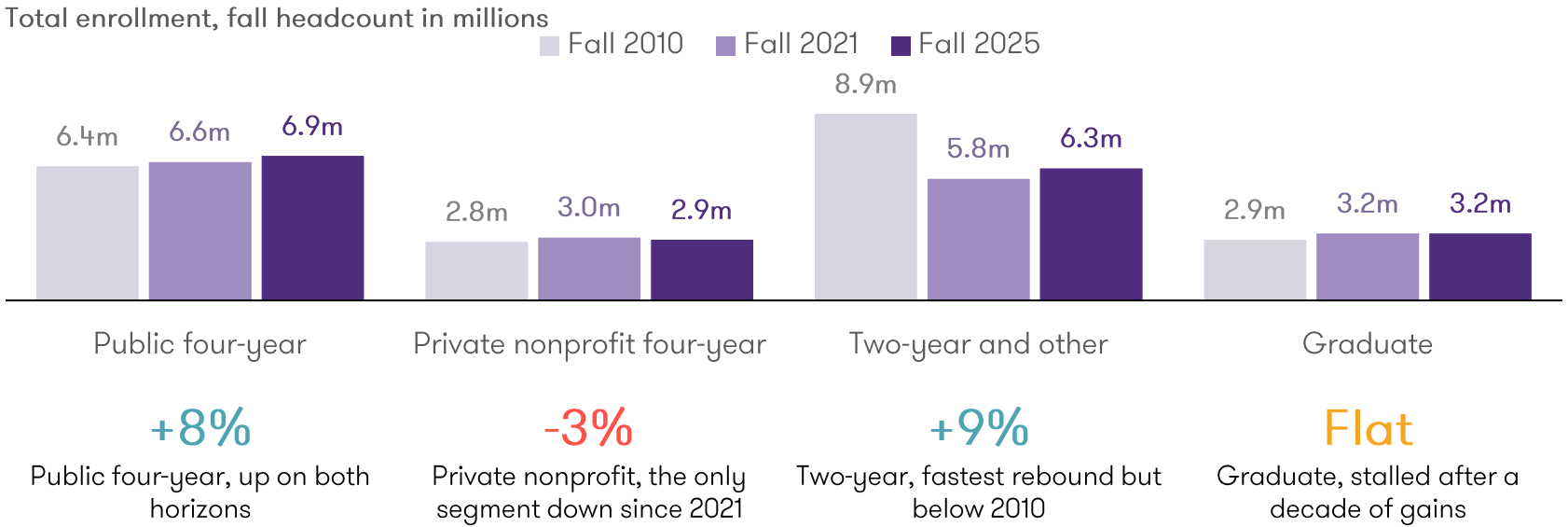
Plateau
Likely path as the cliff arrives

Sources: NCES Digest of Education Statistics; National Student Clearinghouse Research Center, fall 2024 and fall 2025 enrollment estimates. Figures are headcount, not full-time equivalent. Axis intervals are uneven; the break marks the 2010 to 2021 gap.

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Public four-year is the only segment up long-term

Public four-year is above both its 2010 peak and its 2021 trough, the only segment that can claim both, as students shift toward lower-cost undergraduate options rather than away from four-year education. Two-year is rebounding about twice as fast, but from a far lower base. The pressure sits with private nonprofit four-year and a stalled graduate market.



Sources: NCES Digest of Education Statistics; National Student Clearinghouse Research Center, fall 2021, fall 2024, and fall 2025 enrollment estimates. First three segments are undergraduate; two-year and other includes public two-year, for-profit, and certificate enrollment. Segment splits are estimates reconciled to reported totals.

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The transfer pipeline is filling but not converting

Volume has grown three straight years, but only one in seven starters finishes

Transfer enrollment has risen for three consecutive years and now sits about 8% above Fall 2020, with community colleges driving the gain. Conversion has not moved with it. Credit loss, unclear program maps, and weak advising handoffs still cost most of the pipeline between transfer and completion.

Outcomes per 100 entering degree-seeking community college students



100	33	16
Enter community college seeking a degree	Transfer to a four-year institution	Earn a bachelor's within six years
Four of five intend to earn a bachelor's	67 of 100 never transfer	15 of the 31 transfer but do not finish

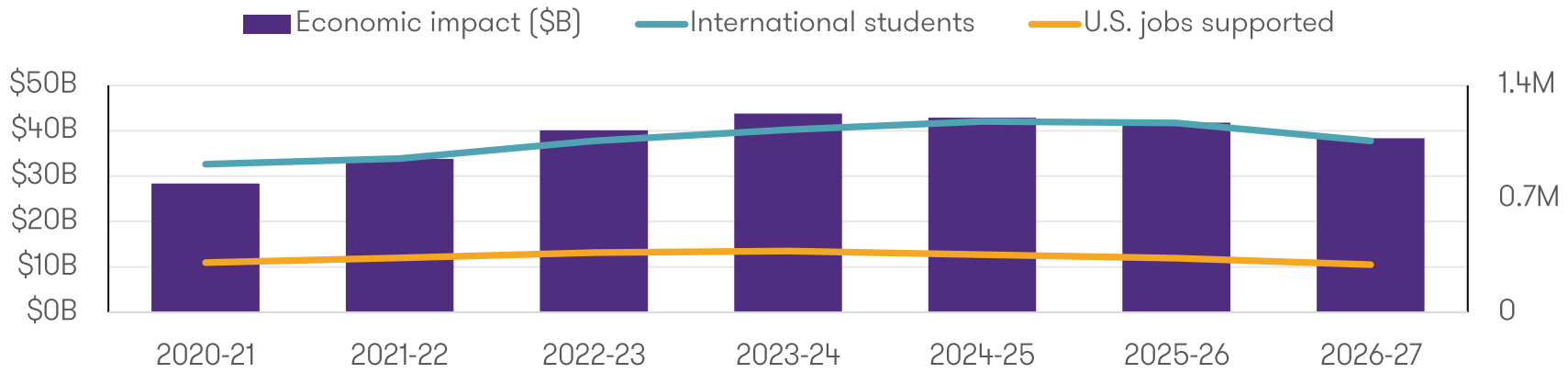
Sources: Community College Research Center, Columbia University, Community College Transfer fact sheet, December 2025, and The Transfer Playbook, second edition, 2025; National Student Clearinghouse Research Center, Transfer Enrollment and Pathways, March 2025, and Tracking Transfer, 2025. Funnel is per 100 entering degree-seeking community college students.

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International demand is past its peak

A smaller pipeline means less net revenue, less research capacity, and fewer jobs

New international enrollment already fell about 17% in fall 2025, and total enrollment is projected to decline roughly 10% again in 2026-27. Graduate programs carry most of the exposure, since international students fund a disproportionate share of research activity and assistantships.



$38.3B
Projected 2026-27 impact, down from $43.8B

1.06M
International students, a 10% decline

294k
U.S. jobs supported, down from 378k

Sources: NAFSA International Student Economic Value Tool; Institute of International Education, Open Doors and fall 2025 snapshot; Grant Thornton analysis. 2026-27 figures are projections.

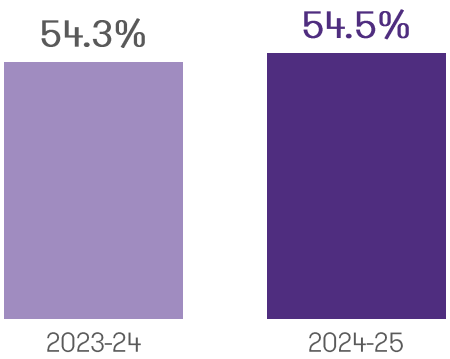
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Tuition discounting continues to rise

Deeper aid is eroding net tuition revenues

The average discount rate for first-time undergraduates at private nonprofits reached a record 54.5% in 2024-25, up from 54.3% a year earlier. Net tuition revenue per student still fell 2.2% for first-time undergraduates and 1.9% across all undergraduates in 2024-25 after inflation. Institutions are buying enrollment with aid and collecting less from each student they win.

Average discount rate, first-time full-time undergraduates



Sources: NACUBO Tuition Discounting Study, 2024 study released June 2025, and prior-year studies. Private nonprofit institutions. Net tuition revenue changes are per student and adjusted for inflation. Fitch Ratings, higher education outlook, 2025.

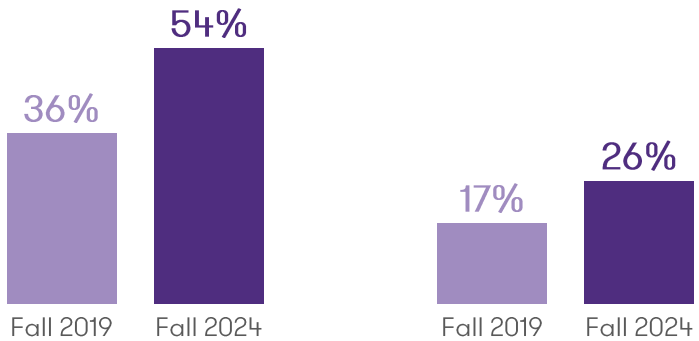
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Online is now the default modality

Most students touch online learning, and a handful of providers hold the scale

Distance education has moved from the margins to the mainstream. Just over half of all undergraduates now take at least one online course and roughly one in four studies entirely online, both far above pre-pandemic levels. The growth is not evenly shared. A small group of national online providers now enrolls more students than most state systems.

Share of undergraduates, fall headcount



Scale is concentrating, 2024-25 enrollment

210,000 Western Governors University
Entirely online

190,000 Southern New Hampshire University
Over 95% online

Modality is now a competitive variable.
Institutions without online capacity compete for a shrinking share of place-bound students.

Sources: NCES IPEDS fall enrollment, distance education participation, fall 2019 through fall 2024; NCES Trend Generator, fall 2024; institutional IPEDS enrollment, 2024-25. Shares are of undergraduate enrollment.

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Policy shifts

Research funding cuts, loan caps, endowment taxation, and accreditation shifts rewriting the operating environment

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Recent federal policy changes are reshaping the higher education operating environment



International enrollment is contracting

Changing visa procedures resulted in significant downturn in F-1 issuances and graduate intake is off 24%. Fall 2026 enrollment is now projected roughly 111,000 students lower. Duration-of-status has ended; F-1 and J-1 stays are capped at four years.



Federal graduate lending has been withdrawn

Grad PLUS is closed to new borrowers and Parent PLUS is held to $20,000 a year and $65,000 per student, removing the instrument that funded the balance of cost above Stafford limits at high-cost graduate and professional programs.



Research funding is tightening

Federal R&D funding lands roughly 6% below the prior year, slowing grant pipelines and squeezing indirect-cost recovery that supports facilities, administration, and graduate assistantships at research universities.



The endowment excise tax is now tiered

Per-student endowment thresholds replace the flat 1.4% rate with tiers of 1.4%, 4%, or 8%, pulling wealthier institutions into materially higher rates and reducing the payout available for financial aid and operations.



Program-level accountability arrives

A new earnings standard ties Direct Loan eligibility to whether graduates out-earn non-degree peers, shifting scrutiny from the institution to the individual program and raising the stakes on workforce alignment.

Sources: U.S. Department of State visa issuance data and Inside Higher Ed (Mar. 2026); NAFSA and JB International Fall 2026 enrollment outlook (Aug. 2026); DHS duration-of-status final rule; One Big Beautiful Bill Act (P.L. 119-21) and Federal Student Aid; Congressional Research Service, Federal R&D Funding FY2026 (Apr. 2026); IRC 4968 as amended, Tax Policy Center; U.S. Department of Education final accountability rule (July 2026)

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The headlines tell the story: five federal shocks are landing at once, hitting institutional finances

NAFSA | AUGUST 2026

111,000 fewer international students this fall, a $3.4b hit

New F-1 issuances down 36% year over year; graduate intake off 24%.

FEDERAL STUDENT AID | JULY 2026

Grad PLUS ends, Parent PLUS capped as OBBBA takes effect

Grad PLUS closed to new borrowers; Parent PLUS held to $20k a year, $65k lifetime.

CONGRESSIONAL RESEARCH SERVICE | APRIL 2026

Federal R&D funding lands roughly 6% below prior year

Grant pipelines and indirect-cost recovery tighten across research universities.

TAX POLICY CENTER | 2026 TAX YEARS

Endowment excise tax goes tiered: 1.4%, 4% or 8%

Per-student endowment thresholds pull wealthier institutions into far higher rates.

DEPT. OF EDUCATION | JULY 2026

Final rule ties loan eligibility to a graduate earnings premium

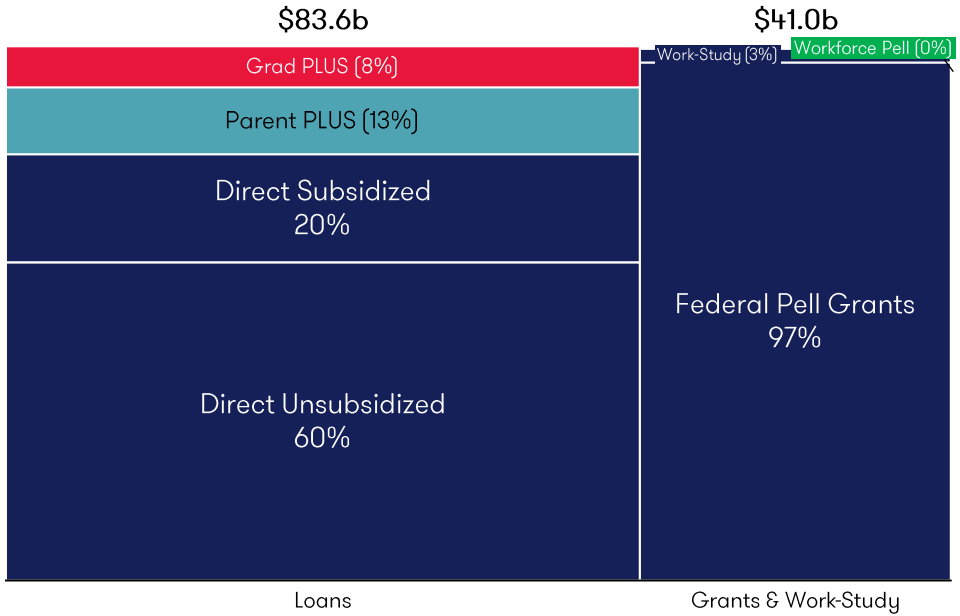
Programs whose graduates fail to out-earn non-degree peers lose Direct Loans from July 2027.

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Title IV holds intact despite PLUS and Pell changes

Aid volume holds, but the graduate financing channel is closing

Title IV aid volume by program ($125b total), FY27 President's Request



Key changes (FY27)

Enacted — OB3 (P.L. 119-21), effective July 1, 2026[1]

- Grad PLUS eliminated: graduate students lose their main federal loan option
- Parent PLUS capped at $20,000/year and $65,000 per student, with transition relief for current borrowers
- Workforce Pell created: Pell extended to programs as short as 8 weeks; ED estimates ~190,000 recipients and ~$300m per year[2]

Proposed — FY2027 President's Budget Request[3]

- FSEOG eliminated: $910m in FY26 to $0
- **Federal Work-Study** cut ~90%: $1.23b to $123m, shifting cost to employers

Loan changes are law; grant-side cuts remain contested in appropriations

Chart: U.S. Dept. of Education, Federal Student Aid Title IV program volume. 1. CRS R48727, Amendments to the HEA Made by P.L. 119-21 (Sept 2025); 2. U.S. Dept. of Education, Workforce Pell final regulations (May 2026); 3. U.S. Dept. of Education, FY2027 Congressional Justification, Student Aid Overview

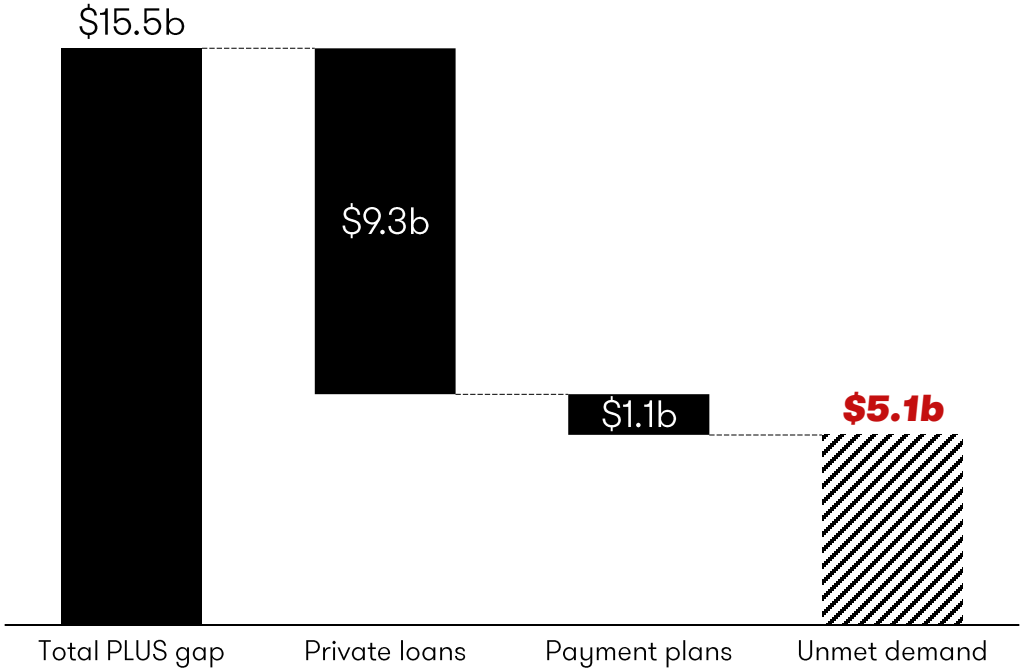
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PLUS pullback leaves a $5b shortfall for students

Private credit absorbs most of the gap; the rest is lost tuition revenue

Anticipated gap in student financing for graduate education (nationally)



Commentary

Sizing the gap: prior-year PLUS demand

- **$15.5b total PLUS gap**: annual Grad PLUS and Parent PLUS volume withdrawn from the market once OB3 changes take effect
- **$9.3b shifts to private loans**: about 60% of the gap, but at higher rates and subject to credit and cosigner tests, without federal repayment protections
- **$1.1b absorbed by payment plans**: roughly 7%, via institutional installment plans and school-financed options that carry balance-sheet and collections risk
- **$5.1b of unmet demand**: a third of prior borrowing with no replacement source; students may opt for lower-cost programs or forgo enrollment completely

Why it matters

- **Substitution is incomplete**: private credit and payment plans together replace only two-thirds of the withdrawn volume
- **Exposure is concentrated**: high-cost graduate and professional programs, where PLUS funded the balance above Stafford limits, absorb most of the gap
- **Revenue risk is immediate**: the residual converts into deposit melt, discounting pressure, and lost net tuition revenue from FY27 onward

Gap sized on prior-year disbursements; assumes no change in enrollment behavior.

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Phased loan policy reaches full implementation by AY30

Fall 2026 (AY27)

- **Loan limits and program eliminations take effect** for new borrowers; legacy borrowers retain access
- **Earnings premium framework activated**

Fall 2027 (AY28)

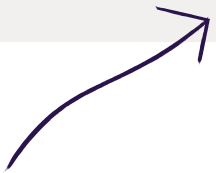
- **Earliest program loan eligibility loss** (if earnings premium failed twice)

Fall 2028 (AY29)

- **First earnings premium calculations released** (clock starts for 2-of-3-year failure window)

Fall 2029 (AY30)

- **Legacy borrower protections expire** (new loan rules at full implementation)
- Continued threat of Title IV loan eligibility loss (earnings premium)



Significant enrollment impacts expected this fall as new borrowers face financial shortfall

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Fixed admission dates replace duration of status

Every international student now faces additional pressure

Pressure area	What we're seeing
Delays & reductions in visa issuance (enrollment risk)	• Enhanced review processes • Enrollment decisions increasingly pushed into late summer
Fixed period of admission (new admission clock)	• Admission is capped at the I-20 program length, up to four years • Plus 30 days to arrive and 30 days to depart, replacing open-ended status
Extensions & mobility limits (compliance risk)	• Extensions require a USCIS filing, a $420 fee, and biometrics • Transfers, major changes, and repeat degrees are restricted

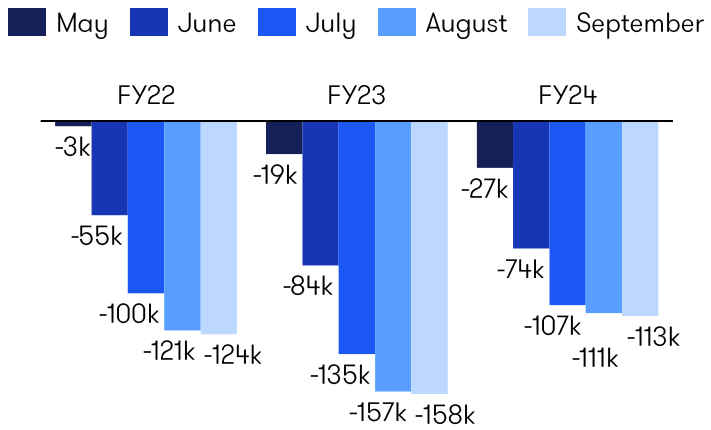
Sources: DHS final rule, 91 FR 44976; NAFSA; Inside Higher Ed

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Summer FY25 visa declines drive a material cumulative shortfall

F-1 visa issuance, FY25 vs. prior years



	FY22	FY23	FY24
Cumulative decline	**-30%**	**-35%**	**-28%**

Disparate country impacts, FY25



- Visa issuance from **China** (May to Aug '25) dropped to 40k, down from 60k the year prior



- Visa issuance from **India** (May to Aug '25) dropped to 20k, down from 60k the year prior

Source: U.S. Department of State

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Moody's: policy is now a top credit risk

Negative outlook: Washington now moves credit more than campus decisions

Moody's now treats federal policy as a primary credit risk rather than a background condition. Every shift below carries a negative credit impact. What differs is the severity and which institutions absorb it.

Selected policy risk	Institutions affected	Severity
Federal research funding cuts	All, predominantly R1 institutions	Medium
Caps on Grad PLUS and Professional PLUS loans	Institutions with large graduate offerings	Medium
DEI enforcement actions	All	Low
Expanded endowment tax	Wealthy private colleges and universities	Low
Accreditation system changes	All	Medium
Elimination of TRIO and HSI grants	Institutions serving low-income students	Low
Barriers to international enrollment	Many, especially large STEM and design programs	Medium

Source: Moody's Ratings, 2026 higher education outlook. Credit impact is negative for every policy listed; severity reflects the assessed magnitude of that impact.

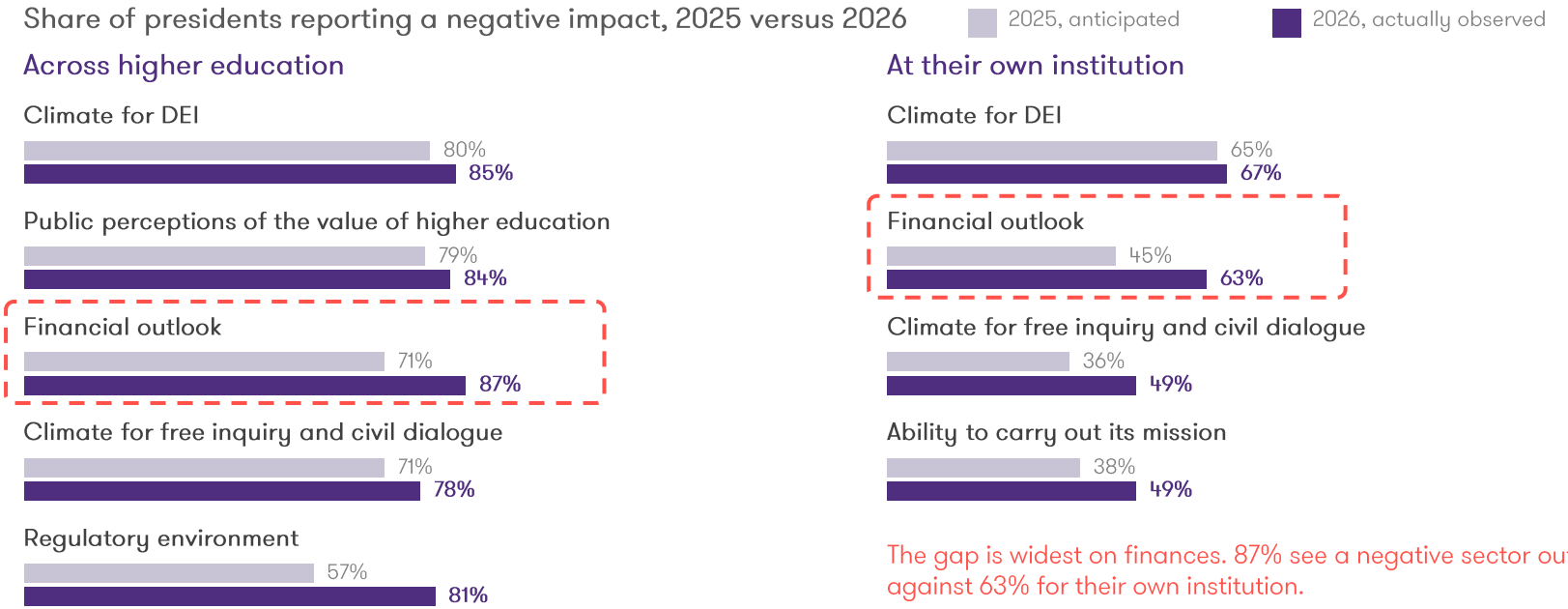
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Presidents: sector damage outweighs their own

Presidents see the sector failing faster than their own institution

Presidents judge the sector to be in worse shape than their own campus, and a year of experience has widened that gap. Every measure below rose between the 2025 and 2026 surveys.

Share of presidents reporting a negative impact, 2025 versus 2026



The gap is widest on finances. 87% see a negative sector outlook against 63% for their own institution.

Source: Inside Higher Ed College Presidents Survey 2026, fielded December 2025 to January 2026, 2,705 respondents at public and private institutions. Figures are the share reporting a negative impact.

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SECTION 04

A widening divide

Widening separation between well-resourced and vulnerable institutions, and the closures-versus-merger question

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How the sector is pulling apart

Stratification between well-resourced and vulnerable institutions is accelerating, and it is now showing up in hard outcomes: closures, mergers, and affiliations.



Haves and have-nots diverge

Sustained enrollment growth at select institutions sits alongside continued decline at vulnerable campuses, and the gap keeps widening.



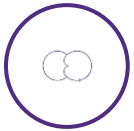
Closures are accelerating

141 colleges closed between 2003 and 2024, more than 8% of the sector in the past decade, including 18 this year alone.



Funding volatility widens it

Federal and grant funding uncertainty, plus uneven state policy, raise competitive pressure most on thinly resourced institutions.



M&A has become strategy

Elon–Queens, Villanova–Rosemont, and WashU–STLCOP show mergers used proactively to protect mission well ahead of any distress.



Investment capacity splits

Stronger institutions invest in growth while others cut costs, and most remain early in AI strategy, which widens the divide further.

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What are institutions doing to innovate in this challenging environment?

Partnership is now a strategy decision, not a distress signal

Programmatic innovation	Revenue diversification	Academic and operational restructuring	Cost containment
• Refreshed program mix aimed at real demand • Online and hybrid delivery at scale • Accelerated and three-year degrees • Certificates and lifelong learning	• More disciplined tuition discounting • New adult and workforce markets • Sharper fundraising and endowment strategy • Auxiliary, real estate, and licensing income	• Consolidation of low-enrollment programs • Shared services across schools and units or externally • Leaner, clearer operating models • **Partnerships, mergers, and affiliations**	• Workforce and benefits redesign • Administrative process simplification • Campus footprint and facilities decisions • Outsourcing of non-core functions

Financial pressure and shifting student expectations are reshaping how institutions grow, partner, and sustain mission. Mergers, acquisitions, and affiliations are now a mainstream strategic option, and boards are increasingly asked to evaluate them before a crisis forces the issue.

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Higher Ed M&A Momentum

Deal activity is accelerating and will not slow in 2026

M&A activity signals institutions are taking proactive steps to protect mission and strengthen long-term sustainability.

Acquirer / Surviving Institution	Target / Partner Institution	Structure	Announcement Timing
Elon University	Queens University of Charlotte	Full institutional merger	Sept 2025
Villanova University	Rosemont College	Merger / absorption	Spring 2025
Russell Sage College	Albany College of Pharmacy and Health Sciences	Merger	2025
Willamette University	Pacific University	Planned consolidation under new system	Dec 2025
Washington University in St. Louis	St. Louis College of Pharmacy	Acquisition / integration as academic school	Feb 2026
Michigan State University	Colleges of Human Medicine & Osteopathic Medicine	Internal college-level merger	Mar 2026
California College of the Arts	Vanderbilt University (campus takeover)	Asset / campus absorption	Jan 2026

Institutional readiness for strategic collaboration varies widely.

- Some institutions are managing immediate budget or enrollment challenges that require stabilization before exploring partnerships.
- Others have achieved operational stability and can strategically evaluate how collaboration might strengthen institutional assets and accelerate growth.
- The strongest candidates often possess unique assets such as real estate, academic programs, research capabilities, or student populations that create mutual value in partnership scenarios

Alternative structures to strengthen institutions:

- **System affiliations** – Multi-campus or multi-brand systems that share resources
- **Strategic partnerships** – Research collaborations, industry partnerships, joint academic programs
- **Shared service models** – Consolidation of administration operations to reduce costs

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The response

Operating model redesign, AI and technology, revenue diversification, and what it means for board oversight

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What institutions are doing about it

Leaders broadly accept the case for transformation; the binding constraints are speed, alignment, and funding. That is where board oversight has the most leverage.



Urgency outpaces action

Most leaders accept the need to change the operating model, but few move fast enough. Well-resourced campuses resist the case, and stressed campuses lack the means.



Operating models are redesigned

Budget and org redesign is shifting away from decentralized RCM models toward coordinated, enterprise-wide strategy and program portfolio review.



Technology is catching up

After years of underinvestment, institutions are accelerating ERP and core systems modernization, with cybersecurity treated as shared responsibility.



AI is institutionalizing

71% of presidents report an institution-wide AI task force or strategy and 53% are optimistic, though only 1% believe the sector leads the policy debate.



Growth must be funded

Sustainable growth requires a defined mission focus, multi-year financial planning, and disciplined ROI on where and how much to grow.



Risk oversight must mature

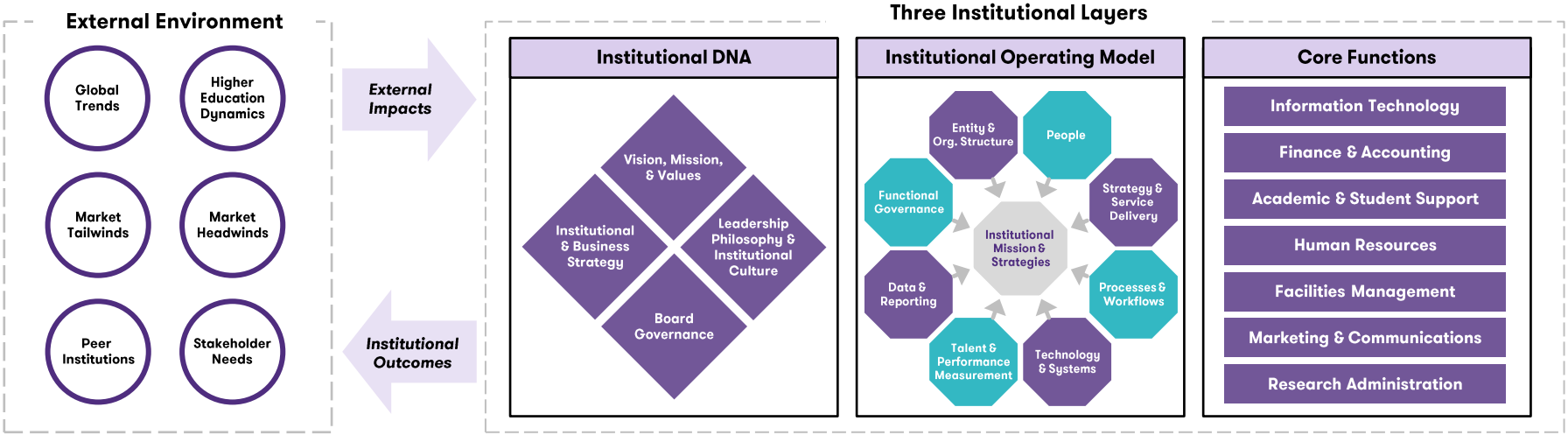
Enrollment, financial stability, and deferred maintenance top the risk register, so boards need the right committee composition and a framework for active oversight.

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Our view of an institution incorporates organization structure, governance, and adaptability

For an institution to be efficient & effective, each layer must be thoughtfully designed & executed

- **External Impacts:** Institutions must intentionally respond to external forces to remain relevant & effective.
- **Institutional DNA:** Mission guides strategy. Strong governance & empowered leadership enable decision making aligned with institutional goals.
- **Institutional Operating Model:** Academic and administrative systems must work in concert to support institutional priorities and student success.
- **Functional Areas:** Each division or department must operate in alignment with the institution's values, strategic plan, and operating model.



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What variables enable successful transformation?

Transformation requires three critical components: governance, leadership, and capacity



Good governance

AUTHORITY TO ACT

The board can actually make decisions and control the money.

×



Leadership ability

WILLINGNESS TO ACT

The resolve to use that authority, even when the decision is difficult or unpopular.

×



Capacity

ABILITY TO EXECUTE

The people, data, and technology to turn decisions into outcomes on the ground.

THE TAKEAWAY: Successful transformation requires all three.

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Thought leadership for Higher Education Institutions

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Read Scaling AI in not-for-profits must preserve trust to learn how organizations can balance innovation, governance, and stakeholder confidence.

Turning risk management into results.

Read A Sentinel security optimization boosts efficiency to see how an organization strengthened security operations while improving performance.

Read How leaders regained control of data risks to learn how leaders improved oversight and reduced risk across their data environment.



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Financial Statements and Supplementary Information with Report of Independent Certified Public Accountants

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

June 30, 2026

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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 audit of the financial statements

Opinions

We have audited the financial statements of the business-type activities and the aggregate discretely presented component units of the Community College of Philadelphia (the College), as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the College as of June 30, 2026, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for opinions

We conducted our audit of the financial statements in accordance with auditing standards generally accepted in the United States of America (US GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the College and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with US GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required supplementary information
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the required supplementary information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a 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. We have applied certain limited procedures to the required supplementary information in accordance with US GAAS. 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.

Supplementary information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The reformatted schedule of net position, reformatted schedule of activities, and the schedule of changes in capital asset balances are presented for purposes of additional analysis and are 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 such 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 US GAAS. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other information
Management is responsible for the other information included in the annual report. The other information comprises the statistical section and demographic statistics and is presented for purposes of additional analysis, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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Other reporting required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 27, 2026 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.

Grant Thornton LLP

Philadelphia, Pennsylvania
October 27, 2026

OVERVIEW OF FINANCIAL STATEMENTS

The Community College of Philadelphia operates as a special-purpose government engaged solely in business-type activities. As a result, the College presents its financial statements using the economic resources measurement focus and accrual basis of accounting. This presentation captures all assets and liabilities associated with the College's operations, including long-term obligations such as debt, leases, subscription-based information technology arrangements (SBITAs), pension liabilities, and other postemployment benefit (OPEB) liabilities.

The College's financial statements are designed to provide readers with information about the financial resources available to support instruction, workforce development programs, student services, capital projects, and other activities that advance the College's educational mission. The statements also reflect the College's reliance on a combination of student tuition and fees, Commonwealth appropriations, City appropriations, federal student aid programs, grants, and investment income.

The financial statements consist of three primary statements:

- *The Statement of Net Position* presents the College's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position at year-end. For the College, key balances include investments and receivables, significant investments in facilities such as the Library and Learning Commons and the Center for Advanced Technology, outstanding debt related to capital projects, and the pension and OPEB obligations reported under GASB Statement No. 68 (Accounting and Financial Reporting for Pensions) and GASB Statement No. 75 (Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions).

- *The Statement of Revenues, Expenses and Changes in Net Position* reports the year's operating and nonoperating activities and illustrates how the College's net position changed during the fiscal year. Because public community colleges receive substantial funding from governmental appropriations, grants, and financial aid programs that are reported as nonoperating revenues, operating losses are common and should be evaluated in conjunction with the nonoperating revenues that support the College's overall financial position.

- *The Statement of Cash Flows* provides information regarding cash receipts and cash disbursements from operating, non-capital financing, capital and financing, and investing activities. This statement helps readers understand how the College generates and uses cash to support ongoing operations, student programs, and capital investments.

The accompanying notes provide additional detail necessary for understanding the financial statements, including significant accounting policies, capital assets, debt obligations, leases, SBITAs, pension and OPEB arrangements, and other matters affecting the College's financial position.

The College also reports two discretely presented component units: the Community College of Philadelphia Foundation (the Foundation) and CCP Development, LLC. The Foundation supports the College through fundraising and stewardship of philanthropic resources, while CCP Development, LLC was established in connection with New Markets Tax Credit (NMTC) financing for the Career and Advanced Technology Center project. Additional information regarding these component units is presented in Section 3 and in the financial statements.

FINANCIAL SUMMARY

The following condensed financial information is derived from the College's financial statements and is presented with dollar and percentage changes to facilitate year-over-year comparison. The College reports solely business-type activities; it has no governmental activities, no interfund transfers, and no unusual or infrequent items to report for either year.

Condensed Statement of Net Position - June 30 (in millions)

	2026	2025	$ Change	% Change
Assets:				
Current and other assets	$ 161.2	$ 160.1	$ 1.1	0.7%
Capital assets, net	182.6	178.2	4.4	2.5
Total assets	343.8	338.3	5.5	1.6
Total deferred outflows of resources	2.1	5.8	(3.7)	(63.8)
Liabilities:				
Long-term liabilities outstanding	211.0	213.1	(2.1)	(1.0)
Other liabilities	37.7	38.5	(0.8)	(2.1)
Total liabilities	248.7	251.6	(2.9)	(1.2)
Total deferred inflows of resources	30.0	20.2	9.8	48.5
Net position				
Net investment in capital assets	131.4	122.9	8.5	6.9
Restricted - expendable	6.6	6.5	0.1	1.5
Unrestricted	(70.8)	(57.1)	(13.7)	(24.0)
Total net position	$ 67.2	$ 72.3	$ (5.1)	(7.1)%

Condensed Statement of Revenues, Expenses and Changes in Net Position - Year Ended June 30 (in millions

	2026	2025	$ Change	% Change
Operating revenues				
Net tuition and fees	$ 21.9	$ 20.6	$ 1.3	6.3%
Federal grants and contracts	56.5	55.6	0.9	1.6
Commonwealth grants and contracts	6.1	2.7	3.4	125.9
Nongovernmental grants and contracts	3.4	3.1	0.3	9.7
Auxiliary enterprises and other sources	1.1	0.8	0.3	37.5
Total operating revenues	89.0	82.8	6.2	7.5
Operating expenses	200.3	171.3	29.0	16.9
Operating income (loss)	(111.3)	(88.5)	(22.8)	25.8
Noncapital subsidies	92.0	88.6	3.4	3.8
Operating income (loss) and noncapital subsidies	(19.3)	0.1	(19.4)	(19,400.0)
Net non-operating revenues	14.2	15.3	(1.1)	(7.2)
Total change in net position	(5.1)	15.4	(20.5)	(133.1)
Net position - beginning of year	72.3	56.9	15.4	27.1
Net position - end of year	$ 67.2	$ 72.3	$ (5.1)	(7.1)%

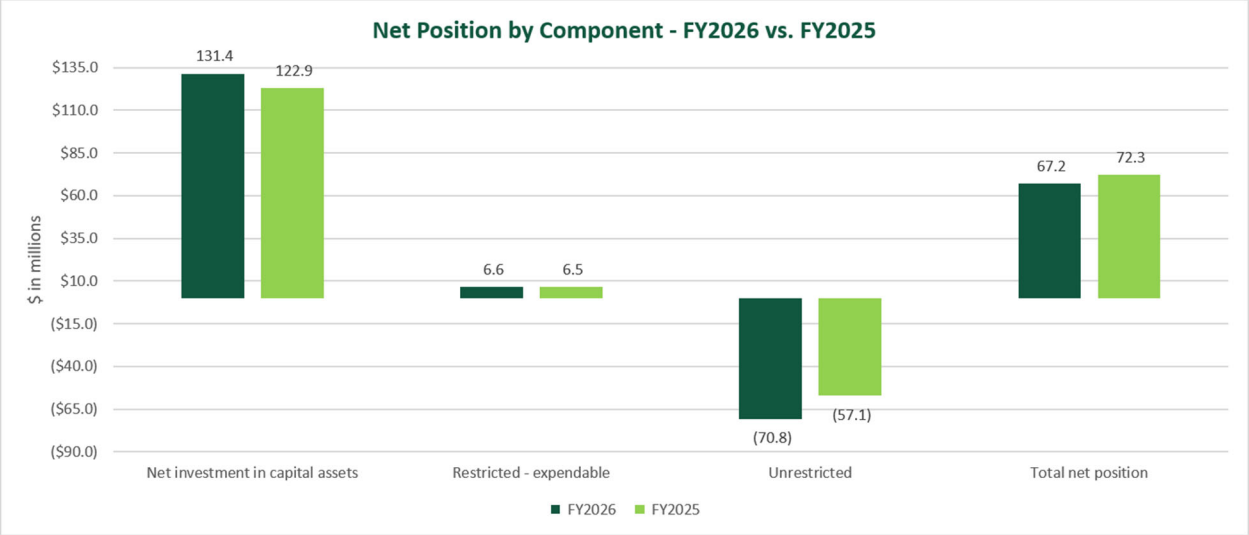
DETAILED ANALYSES

Net Position

At June 30, 2026, the College's net position was $67.2 million, a decrease of $5.1 million, or 7.1%, over the prior year. Total assets were $343.8 million, an increase of $5.5 million, or 1.6% from the prior year. The increase is primarily due to increases in bond proceeds available for campus construction, receivables from government agencies, capital assets, and long-term investments. A portion of the increase was offset by a decrease in cash and cash equivalents. Total liabilities were $248.7 million, a decrease of $2.9 million, or 1.2% from the prior year. The decrease is primarily due to a reduction of the other postemployment benefit (OPEB) liability, which was partially offset by increases in long-term debt, accounts payables, and accrued liabilities. Unrestricted net position decreased $13.7 million, from a negative $57.1 million to a negative $70.8 million. The negative unrestricted net position is primarily the result of accounting requirements under GASB standards that require the recognition of long-term pension and OPEB liabilities. These obligations will be funded over future years and do not represent a current liquidity concern. Absent the cumulative impact of these postemployment benefit liabilities, unrestricted net position would be a positive $78.8 million. The other factor contributing to the change in the unrestricted net position value was unfunded depreciation expense of $9.3 million recognized in 2026.

The net pension liability under GASB 68, which requires the College to record its proportionate share of the net funded status of certain state cost-sharing pension plans, was $4.9 million in both 2026 and 2025. The OPEB liability was $144.7 million in 2026 and $158.2 million in 2025.

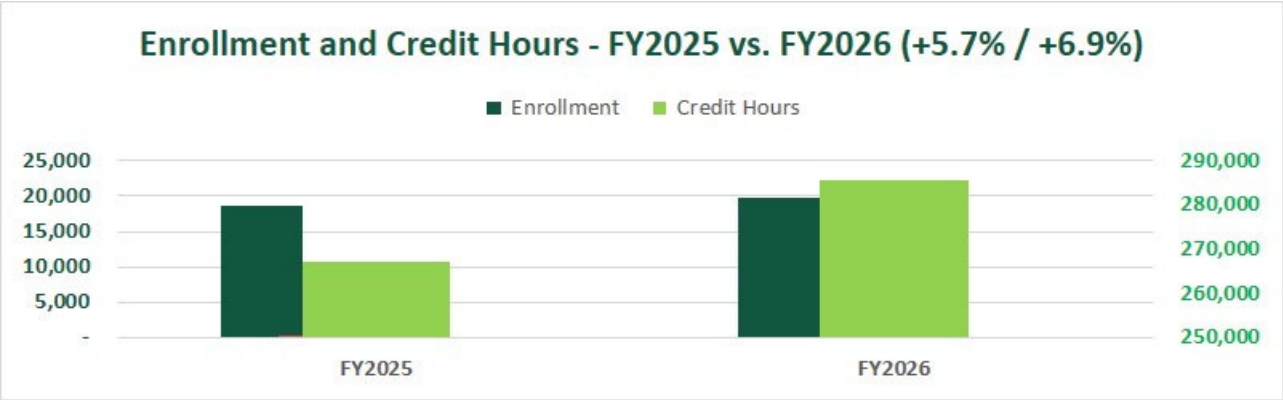
Current and other assets increased by $1.1 million during 2026. Current assets decreased $21.2 million, mainly due to lower cash and cash equivalents, partially offset by increases in accounts receivable from government agencies, accounts receivable and short-term investments. Noncurrent assets, excluding capital assets, increased $22.3 million, mainly due to unspent 2026 bond proceeds held for campus construction, which are discussed in Section 4. Total current liabilities decreased $0.7 million (1.9%), driven by no amount payable to government agencies at year end due to timing. Long-term liabilities decreased $2.1 million, or 1.0%. This was mainly due to a $13.5 million decrease in the pension and OPEB liability, driven by the increase in the OPEB discount rate. The decrease was largely offset by a $12.0 million increase in the noncurrent portion of long-term debt from the 2026 bond issuance. The 2026 bond issuance was partially offset by the refunding of the 2015 bonds and scheduled principal payments. Debt, leases and SBITAs are discussed in Section 4.



Revenues

Tuition and fee revenue totaled $21.9 million in 2026, an increase of $1.3 million, or 6.3%, over $20.6 million in 2025. The increase was driven by enrollment growth, credit headcount rose 5.7% and credit hours rose 6.9% while the per-credit tuition rate was held unchanged at $159, as it has been since Fall 2017. Average total tuition and fee revenue per credit for 2026 remained unchanged at $232. The technology fee, general college fee, and course fees (which range from $85 to $345 for selected high-cost courses) were unchanged from the prior year.

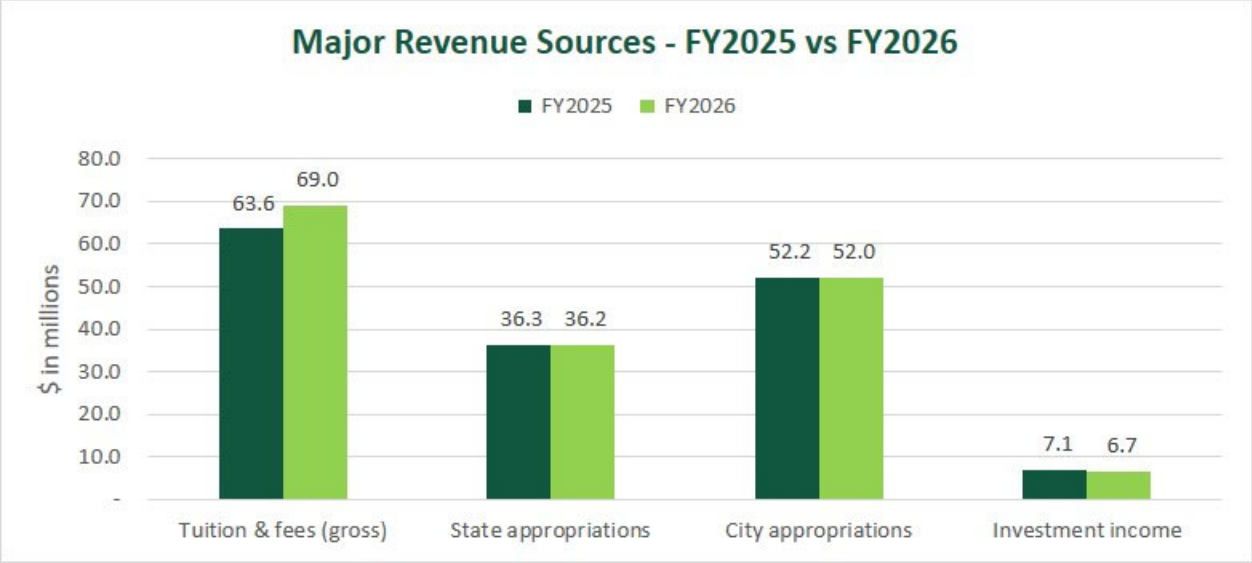
Scholarship allowances totaled $47.1 million in 2026 and $43.1 million in 2025, an increase of $4.0 million, or 9.3%, reflective of the 6.9% growth in credit enrollment and greater utilization of public and private grants and scholarships. The maximum Pell award was unchanged at $7,395 for both the 2024–2025 and 2025–2026 award years.



Commonwealth operating appropriations, excluding capital appropriations, totaled $36.2 million in 2026, which was consistent with the prior year of $36.3 million. City appropriations, excluding capital appropriations, totaled $52.0 million in 2026: $38.5 million for operations, $1.9 million for the City College for Municipal Employment (CCME) program and $11.6 million for Catto Scholarships. In 2025, City appropriations were $52.2 million: $40.1 million for operations, $1.0 million for CCME and $11.1 million for Catto Scholarships.

Net non-operating revenues decreased $1.1 million, or 7.2%, from $15.3 million in 2025 to $14.2 million in 2026. The decrease was driven primarily by a decrease in state and city capital appropriations in 2026 and a moderate increase in debt service.

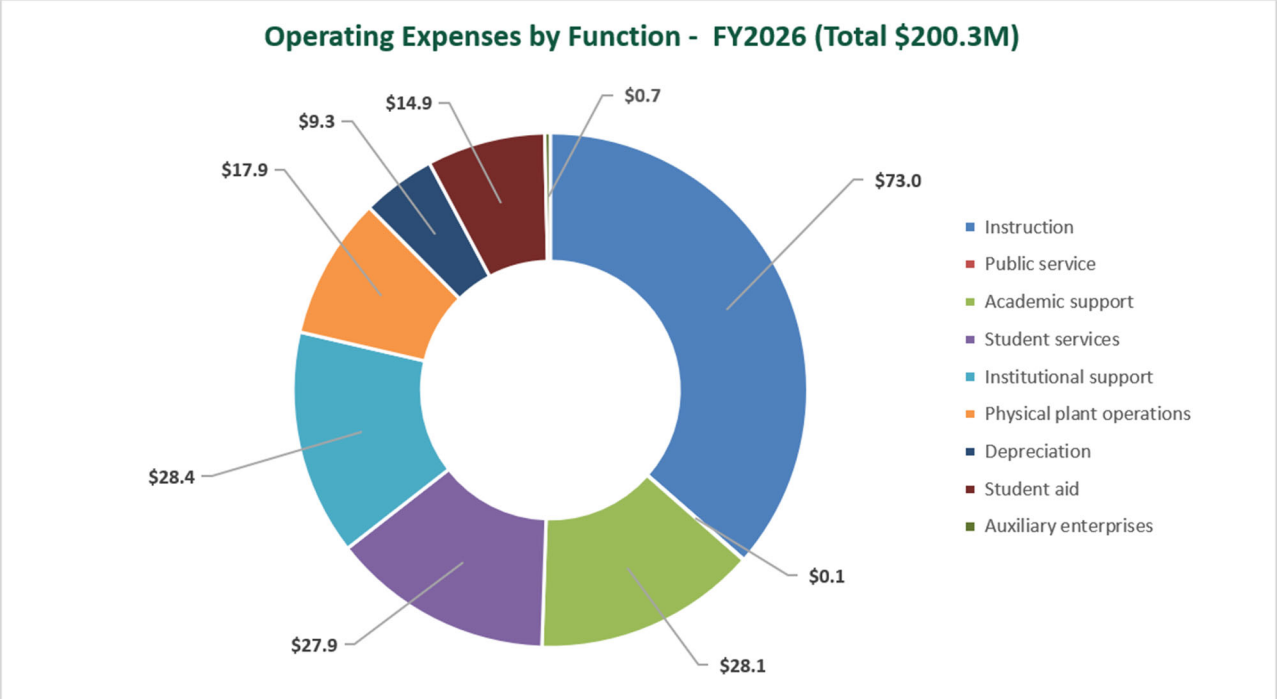
During 2026, the College continued to expand workforce development programs, including the CCME program, which enrolled 382 students across workforce pathways designed to address employment needs within city government. In addition, the Catto Scholarship program supported 2,225 students through tuition assistance, textbook support, and stipends funded by the City of Philadelphia. These initiatives contributed to increased student participation and related funding activity during the year.



Expenses

Total operating expenses were $200.3 million in 2026, an increase of $29.0 million, or 16.9%. Excluding student aid and depreciation, operating expenses were $176.1 million in 2026 and $148.9 million in 2025. Three drivers account for most of the increase:

- Salaries rose $7.2 million (8.0%) and benefits rose $5.8 million (15.5%), reflecting the faculty and staff federation contracts ratified on April 9, 2025. The new four-year agreements include wage increases, class-size reductions, and enhancements to certain employee benefits, substantially contributing to the year-over-year increase in compensation-related costs.
- Other postemployment benefits increased by $9.7 million in 2026, primarily as a result of $15.4 million of actuarial gains from prior assumption changes being recognized in current-year OPEB expense. The two primary assumption changes for 2026 were:
  - o the discount rate increased from 3.9% to 4.7%
  - o the healthcare trend rate table was updated
- By function, the largest increases were in instruction (up $10.1 million, 16.1%), academic support (up $5.8 million, 26.1%), and student services (up $5.0 million, 21.6%), consistent with enrollment growth, expanded scholarship programs and new Collective Bargaining Agreements.



Student aid expense increased as the College experienced enrollment growth and expanded participation in scholarship-supported programs. During the year, the College continued providing emergency financial assistance to students experiencing unforeseen hardships as part of its broader student retention and success initiatives.

The College adopted GASB 75 in 2018. Under GASB 75, the College reports its OPEB liability on the statement of net position, with changes recorded in OPEB expense or as deferred inflows and outflows of resources. OPEB expense was a credit of $1.4 million in 2026 and $10.7 million in 2025. At June 30, 2026, the OPEB liability of $144.7 million and net pension liability of $4.9 million were the main reasons for the unrestricted net position deficit.

Component Unit Highlights

The Foundation and CCP Development, LLC are discretely presented component units and are not included in the College's condensed tables or financial amounts presented above; their results are summarized here to provide a complete picture of the College's overall financial position. The Foundation, established in 1985 to raise funds for student scholarships, programs, and facility needs, reported total assets of $30.1 million in 2026 and $26.2 million in 2025; unrestricted net position was $5.4 million and $5.3 million, respectively, with the remainder restricted based on donor intent. The overall $3.6 million growth in net position reflects strong fundraising and investment returns.

CCP Development, LLC, a Pennsylvania limited liability company formed in 2020 to obtain NMTC financing for the Career and Advanced Technology Center at 4750 Market Street, reported total assets of $30.5 million in 2026 and $31.9 million in 2025, and total net position of $4.6 million and $6.0 million, respectively.

SIGNIFICANT CAPITAL ASSET AND LONG-TERM FINANCING ACTIVITY

Capital Assets

The College's capital assets, net of accumulated depreciation, were $182.6 million at June 30, 2026, an increase of $4.5 million, or 2.5%, over $178.1 million at June 30, 2025. The increase reflects continued investment in the Library and Learning Commons and the Center for Advanced Technology, whose capital additions exceeded the year's depreciation expense of $7.0 million.

Condensed Capital Asset Activity - Year Ended June 30 (in millions)

	2026	2025	$ Change	% Change
Capital assets, net - beginning of year	$ 178.1	$ 175.4	$ 2.7	1.5%
Capital additions (including construction in progress), net of disposals	11.5	11.8	(0.3)	(2.5)
Less: depreciation expense	(7.0)	(9.1)	2.1	(23.1)
Capital assets, net - end of year	$ 182.6	$ 178.1	$ 4.5	2.5%

The College successfully executed the sale of its 2026 Bonds on May 12, 2026, in the total amount of $29.6 million of which $20.0 million is for mechanical, electrical and plumbing (MEP) upgrades and the balance was for refunding of the 2015 Series bonds. Annual debt service on the new money portion of the 2026 bonds will be approximately $1.5 million, 50% of which will be reimbursed by the Pennsylvania Department of Education (PDE).

The College has two active Redevelopment Assistance Capital Program (RACP) Awards totaling $3.5 million. The awards are for the replacement of the green roof at the Northeast Regional Center (NERC) for $0.5 million, renovations at Main Campus including the Winnett Student Life area, Bonnell skylights, and replacement of the Mint doors and new lighting for $3.0 million. RACP are reimbursement-based awards and the reimbursements totaling $3.5 million are at various stages of review.

The College is exploring the sale of the Northwest Regional Center (NWRC), located at 1300 W. Godfrey Avenue, Philadelphia, PA 19141. The campus closed effective the Spring/Fall 2021 terms due to declining enrollment. The property is currently offered for sale for $9.9 million.

Capital Policy and Economic Context

The College's capital priorities for the year are focused on infrastructure improvements, including the replacement and upgrade of MEP systems across its facilities, as well as the expansion of instructional space to support enrollment growth and improve student access. Significant initiatives include a comprehensive MEP infrastructure upgrade program, the Nursing Skills and Surgical Technology Lab Renovation Project, and campus Parking Lot Improvements Project. These investments are intended to enhance facility reliability, modernize learning environments, and increase capacity for high-demand academic and workforce programs and were approved for Commonwealth capital funding, with PDE providing reimbursement of 50% of the eligible project costs.

Long-Term Financing

Outstanding long-term debt was $61.5 million at June 30, 2026, an increase of $12.8 million or 26.3%, from $48.7 million at June 30, 2025. The increase resulted from issuing 2026 bond series and paying off the 2015 bond series. The College also reports lease liabilities under GASB 87 and SBITAs under GASB 96; the obligations are not individually significant, did not change materially during the year, and are described in the notes to the financial statements. Moody's Ratings upgraded the College's credit outlook in May from Stable to Positive while affirming its A3 credit rating. Management continues to monitor these external constraints as part of its capital planning.

Condensed Long-Term Financing Activity - Year Ended June 30 (in millions)

	2026	2025	$ Change	% Change
Long-term debt - beginning of year	$ 48.7	$ 55.3	$ (6.6)	(11.9)%
Debt issued	29.6	-	29.6	100.0
Principal (debt-service) payments	(16.8)	(6.6)	(10.2)	153.8
Long-term debt - end of year	$ 61.5	$ 48.7	$ 12.8	26.3%

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

This section is based upon facts, decisions, and conditions known as of the date of the audit report. The following forward-looking conditions are presented in priority order, together with a brief description of how each could affect the College.

1. ***Commonwealth of Pennsylvania 2026-2027 Budget.*** The Commonwealth enacted its 2026-2027 budget on July 12, 2026, providing level funding for community colleges. As a result, Commonwealth appropriations did not increase to offset ongoing inflationary pressures affecting compensation, utilities, supplies, and other operating costs. To help address these rising expenses, the College increased tuition from $159 to $174 per credit for the 2026-2027 academic year, which is expected to generate approximately $4.4 million in additional revenue. The College may also utilize reserve funds, as needed, to maintain financial stability. The strategic use of reserves enables the College to continue investing in student success initiatives and institutional growth while supporting ongoing operations.

2. ***City allocation and Catto Scholarship funding.*** The Mayor's final City Budget Plan for 2026–2027 for the College is $53.9 million, which is $1.85 million more than the 2025–2026 allocation; the 2025–2026 allocation included $11.7 million for the Octavius Catto Scholarship program. The expected increase to the Mayor's budget reinforces the City's continued investment in expanding educational access and affordability for Philadelphia residents.

3. ***Enrollment trajectory.*** Enrollment momentum has continued, with Fall 2026 headcount up more than 3.4% and credit hours up more than 3.5% compared with Fall 2025. The College has continued initiatives focused on reducing barriers to enrollment, including expanded enrollment support services, workforce development programs, dual enrollment opportunities, and scholarship-funded access programs. Management also expects continued growth in international student enrollment, which is projected to increase approximately 3.7% compared with the prior year. Management expects enrollment growth to continue to support increases in tuition and fee revenue, enrollment-driven appropriations, and federal student aid while increasing demand for instructional, student support, and financial aid resources. As a result, gross tuition fee revenue is expected to increase between $1.0 million to $1.1 million (1.4% to 1.6%) and be partially offset by higher instructional, student-support, and financial aid costs. Projected international enrollment growth of 3.7% would add incremental revenue at higher per-credit rates.

4. ***Capital Funding from the Commonwealth for 2026-2027.*** In March 2026, the College submitted two capital project funding requests to PDE: the Nursing Skills and Surgical Technology Lab Renovation Project, with an estimated cost of $3.2 million, and the Parking Lot Improvements Project, with an estimated cost of $1.3 million. Both projects were approved for state capital funding, with PDE providing reimbursement of 50% of eligible project costs. This funding support will enable the College to modernize critical instructional and campus infrastructure while reducing the local financial burden of these capital investments.

Management believes the College remains fiscally sound, supported by adequate reserves and no reliance on external borrowing for normal operations, and is well positioned to manage these conditions.

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Controller's Office, Community College of Philadelphia, 1700 Spring Garden Street, M1-7, Philadelphia, PA 19130.

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

STATEMENT OF NET POSITION

June 30, 2026

	Business-Type Activities	Component Unit	Component Unit
	Community College of Philadelphia	Community College of Philadelphia Foundation	CCP Development, LLC
ASSETS			
Current assets			
Cash and cash equivalents (Note B)	$ 26,759,050	$ 4,093,708	$ 3,773,819
Short-term investments (Note B)	16,563,479	2,430,499	-
Accounts receivable, net (Note C)	5,268,439	4,442	-
Receivable from government agencies (Note I)	18,122,290	-	-
Interest receivable	155,247	-	-
Other assets	833,382	-	-
Total current assets	67,701,887	6,528,649	3,773,819
Non-current assets			
Endowment investments (Note B)	-	23,599,042	-
Loan receivable (Note O)	19,880,421	-	-
Bond proceeds available for campus construction	20,584,322	-	-
Other long-term investments (Note B)	34,064,406	-	-
Long-term lease receivable (Note E)	19,017,334	-	-
Capital assets, net (Note D)	182,610,160	-	26,726,796
			-
Total non-current assets	276,156,643	23,599,042	26,726,796
Total assets	$ 343,858,530	$ 30,127,691	$ 30,500,615
Deferred outflows of resources			
Deferred outflows	$ 2,075,072	$ -	$ -

The accompanying notes are an integral part of these financial statements.

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

STATEMENT OF NET POSITION - CONTINUED

June 30, 2026

	Business-Type Activities	Component Unit	Component Unit
	Community College of Philadelphia	Community College of Philadelphia Foundation	CCP Development, LLC
LIABILITIES AND NET POSITION			
Current liabilities			
Accounts payable and accrued liabilities (Note G)	$ 17,651,203	$ 96,903	$ -
Deposits	247,607	16,931	-
Unearned revenue	8,167,030	1,089,042	-
Current portion of lease obligation (Note E)	192,799	-	-
Current portion of subscription obligation (Note F)	1,070,487	-	-
Current portion of compensated absences (Note G)	3,413,654	-	-
Current portion of long-term debt (Note H)	6,815,000	-	-
Unamortized bond premium	163,534	-	-
Total current liabilities	37,721,314	1,202,876	-
Non-current liabilities			
Accounts payable and accrued liabilities (Note G)	$ 558,095	$ -	$ -
Annuity payable	-	27,444	-
Deposits	250,000	-	-
Lease obligation (Note E)	294,053	-	-
Subscription obligation (Note F)	346,508	-	-
Compensated absences (Note G)	1,663,697	-	-
Long-term debt (Note H)	54,710,000	-	-
Notes payable	-	-	25,945,000
Unamortized bond premium	3,603,680	-	-
Pension and other post-employment benefits liability (Note J)	149,566,064	-	-
Total non-current liabilities	210,992,097	27,444	25,945,000
Total liabilities	$ 248,713,411	$ 1,230,320	$ 25,945,000
Deferred inflows of resources			
Deferred inflows	$ 29,974,845	$ 17,810	$ -
Net position			
Net investment in capital assets	$ 131,407,922	$ -	$ 1,115,060
Restricted:			
Nonexpendable:			
Scholarships, awards and faculty chair	-	18,715,091	-
Annuities	-	15,217	-
Expendable:			
Scholarships, awards and faculty chair	562,605	4,600,772	-
Capital projects	6,065,815	138,964	6,473,136
Unrestricted	(70,790,996)	5,409,517	(3,032,581)
Total net position	$ 67,245,346	$ 28,879,561	$ 4,555,615

The accompanying notes are an integral part of these financial statements.

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

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Year ended June 30, 2026

	Business-Type Activities	Component Unit	Component Unit
	Community College of Philadelphia	Community College of Philadelphia Foundation	CCP Development, LLC
Operating revenues			
Student tuition	$ 52,637,051	$ -	$ -
Student fees	16,327,108	-	-
Less: scholarship allowance	(47,066,034)	-	-
Net student tuition and fees	21,898,125	-	-
Federal grants and contracts	56,554,787	-	-
Commonwealth grants and contracts	6,087,153	-	-
Nongovernmental grants and contracts	3,402,392	495,060	-
Auxiliary enterprises	1,068,962	-	-
Gifts	-	2,259,282	-
Other sources	41,681	-	-
Total operating revenues	89,053,100	2,754,342	-
Operating expenses (Note L)			
Educational and general			
Instruction	73,007,892	55,254	-
Public service	55,874	25,000	-
Academic support	28,081,119	182,478	-
Student services	27,941,371	168,518	-
Institutional support	28,435,377	356,571	-
Physical plant operations	17,850,230	-	28,439
Depreciation and amortization	9,336,393	-	1,439,328
Student aid	14,894,409	2,148,148	-
Auxiliary enterprises	724,552	-	-
Total operating expenses	200,327,217	2,935,969	1,467,767
OPERATING INCOME (LOSS)	$ (111,274,117)	$ (181,627)	$ (1,467,767)

The accompanying notes are an integral part of these financial statements.

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

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

Year ended June 30, 2026

	Business-Type Activities	Component Unit	Component Unit
	Community College of Philadelphia	Community College of Philadelphia Foundation	CCP Development, LLC
Noncapital subsidies			
Commonwealth appropriations (Note M)	$ 36,248,412	$ -	$ -
City appropriations (Note M)	52,030,367	-	-
Gifts	-	557,972	-
Gifts from the Community College of Philadelphia Foundation	80,000	(80,000)	-
Federal grants and contracts	3,649,003	-	-
Total noncapital subsidies	92,007,782	477,972	-
Operating income (loss) and noncapital subsidies	(19,266,335)	296,345	(1,467,767)
Other nonoperating revenues and expenses			
Net investment income	6,718,261	3,683,620	-
Interest on capital asset-related debt service	(2,134,394)	-	(483,356)
Capital appropriations	8,288,643	-	-
Capital gifts from the Community College of Philadelphia Foundation	420,000	(420,000)	-
Other nonoperating revenues	925,351	-	550,000
Total other nonoperating revenues and expenses	14,217,861	3,263,620	66,644
Increase (decrease) in net position	(5,048,474)	3,559,965	(1,401,123)
Net position, beginning	72,293,820	25,319,596	5,956,738
Net position, ending	$ 67,245,346	$ 28,879,561	$ 4,555,615

The accompanying notes are an integral part of these financial statements.

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

STATEMENT OF CASH FLOWS

Year ended June 30, 2026
(Business-Type Activities - College Only)

Cash flows from operating activities:	
Tuition and fees	$ 5,955,544
Payments to suppliers	(36,652,546)
Payments to employees	(98,582,448)
Payments for employee benefits	(38,326,162)
Payments for student aid	(14,894,409)
Auxiliary enterprises	1,068,962
Commonwealth grants and contracts	6,087,153
Nongovernmental grants and contracts	3,402,392
Federal grants and contracts	56,554,787
Other cash receipts	75,294
Net cash used in operating activities	(115,311,433)
Cash flows from noncapital financing activities:	
Commonwealth appropriations	36,248,412
City appropriations	52,030,367
Gifts and grants	3,729,003
Other nonoperating	1,060,156
Net cash provided by noncapital financing activities	93,067,938
Cash flows from capital and related financing activities:	
Commonwealth capital appropriations	4,147,134
City capital appropriations	4,141,509
Capital gifts from the Community College of Philadelphia Foundation	420,000
Proceeds from long-term debt	20,452,704
Purchases of capital assets	(13,610,154)
Principal payments on long-term debt and lease liabilities	(7,745,056)
Interest payments on long-term debt and lease liabilities	(3,675,956)
Net cash provided by capital and related financing activities	4,130,181
Cash flows from investing activities:	
Purchases of investments	(20,620,167)
Interest on investments	3,060,185
Net cash used in investing activities	(17,559,982)
DECREASE IN CASH AND CASH EQUIVALENTS	(35,673,296)
Cash and cash equivalents, beginning	62,432,346
Cash and cash equivalents, ending	$ 26,759,050

The accompanying notes are an integral part of these financial statements.

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

STATEMENT OF CASH FLOWS - CONTINUED

Year ended June 30, 2026
(Business-Type Activities - College Only)

Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	$ (111,274,117)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	9,336,393
Changes in assets and liabilities:	
Accounts receivable	(12,918,244)
Other assets	33,613
Accounts payable and accrued liabilities	(187,219)
Compensated absences	157,982
Unearned revenue	(620,449)
Pension and other post-employment benefits	160,608
Net cash used in operating activities	$ (115,311,433)
Noncash investing, capital, and financing activities:	
Refunded long-term debt	$ (10,961,303)
Lease and subscription liability additions	199,107
Lease revenue	194,883

The accompanying notes are an integral part of these financial statements.

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 Units

In accordance with GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an Amendment of GASB Statements No. 14 and No. 34, GASB Statement No. 39, Determining Whether Certain Organizations Are Component Units - an Amendment of GASB Statement No. 14, GASB Statement No. 80, Blending Requirements for Certain Component Units – an Amendment of GASB Statement No. 14, and GASB Statement No. 14, The Financial Reporting Entity*, the College has determined that the Community College of Philadelphia Foundation (the Foundation) and CCP Development LLC should be included in the College's financial statements as discretely presented component units. A component unit is a legally separate organization for which the primary institution is financially accountable or to which the primary institution is closely related.

The Foundation was established to serve as an organization responsible for College fund raising activities. The bylaws of the Foundation give the College's Board of Trustees the authority to amend the Articles of Incorporation of the Foundation at any time. Although the College does not control the timing or amount of receipts from the Foundation, the resources, or income thereon, the Foundation holds investments that are used exclusively for the benefit, support, and promotion of the College for its educational activities. Because these resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College and is discretely presented in the College's financial statements.

CCP Development, LLC was established on October 20, 2020 under the Limited Liability Company Law of the Commonwealth of Pennsylvania and organized as a Qualified Active Low Income Community Business (QALICB) to secure New Markets Tax Credit (NMTC) to finance the construction of a career-based education and training facility at 4750 Market Street, Philadelphia, Pennsylvania. The facility will create jobs and provide training for the low-income community where it is located. CCP Development, LLC is 90% owned by the College and 10% owned by Career and Advanced Technology Center, Inc., a 501(c)3 corporation. Because of its relationship with the College, CCP Development, LLC is considered a component unit of the College and is discretely presented in the College's financial statements.

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.

Nonexchange transactions are those in which the College receives value without directly giving equal value in exchange. In accordance with GASB Statement No. 103, *Financial Reporting Model Improvements*, nonexchange transactions that directly or indirectly keep the College's student fees and charges lower than they would be otherwise are classified as noncapital subsidies. Noncapital subsidies, including Commonwealth and City appropriations, Gifts from the Community College of Philadelphia Foundation, and Federal grants and contracts are reported separately from other nonoperating activities immediately following operating income (loss) to establish a combined "Operating Income (Loss) and Noncapital Subsidies" subtotal. Revenues are recognized, net of estimated uncollectible amounts, as soon as all eligibility requirements imposed by the provider have been met, if probable of collection.

The College distinguishes operating revenues and expenses from noncapital subsidies, and other nonoperating revenues and expenses in the accompanying Statement of Revenues, Expenses, and Changes in Net Position. As defined by GASB 103, *Financial Reporting Model Improvements*, nonoperating revenues and expenses include: (1) subsidies received and provided, (2) revenues (expenses) related to financing, (3) resources (loss) from the disposal of capital assets, and (4) investment income and expenses.

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:

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 15 colleges in 3 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 fiscal year 2026, the provisions of Act 46 were not followed in allocating operational funds to Pennsylvania community colleges. Instead, the 2026 operating allocations for community colleges were based on the General Appropriation Act of 2025, Act 1A of 2025.

Previously, 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.

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 statement of revenues, expenses and changes in net position. Any net earnings not expended are included in net position categories as follows:

1. 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;

2. 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

3. 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 A1 by Standard and Poor's Corporation or P1 by Moody's Commercial Paper

Record, bankers' acceptances, repurchase agreements, bond funds, stock equities, and specifically approved fixed income securities.

Lease Receivables

Lease receivables are recorded by the College as the present value of lease payments expected to be received under all leases other than short-term. Lease receivables are subsequently reduced over the life of the lease as cash is received in the applicable reporting period. Short-term leases, those with a maximum period of 12 months, are recognized as collected.

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.

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.

Right-to-Use Assets and Lease Liability

Right-to-use (ROU) assets are recognized at the lease commencement date and represent the College's right to use an underlying asset for the lease term. ROU assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement and initial direct costs. These assets are included within capital assets, net, on the statement of net position.

Lease liabilities represent the College's obligation to make lease payments arising from leases other than short-term leases. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments over the remaining lease term. Present value of lease payments is discounted at the College's incremental borrowing rate. Short-term leases, those with a maximum period of 12 months, are expensed as incurred.

Subscription-Based Information Technology Arrangements (SBITAs) and Subscription Liability

SBITAs are initially measured at an amount equal to the initial measurement of the related subscription liability plus any payments made prior to the subscription term, less incentives, plus any ancillary charges necessary to place the SBITA into service. The SBITAs are amortized on a straight-line basis over the life of the related contract. These assets are included within capital assets, net, on the statement of net position.

Subscription liabilities represent the College's obligation to make payments arising from contracts other than short-term SBITAs. Subscription liabilities are recognized at the commencement date based on the present value of future payments over the remaining term. Present value of liability payments are

discounted at the College's incremental borrowing rate. Short-term SBITAs, those with a maximum period of 12 months, are expensed as incurred. SBITAs which are based on variable payments (or user seats) are not recorded as subscription assets or liabilities and are expensed as incurred.

Compensated Absences

The College recognizes liabilities for compensated absences in accordance with GASB Statement No. 101. Compensated absences include vacation leave, sick leave, and other paid time off that meets the criteria for recognition. The College recognizes a liability for compensated absences that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. The liability for compensated absences includes salary-related benefits where applicable.

The liability was measured using employees' pay rates as of the financial statement date, including salary-related payments such as employer contributions to Social Security and Medicare. The College elected to present the net change in the liability for compensated absences during the fiscal year.

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. Grant funds collected in advance of the College incurring eligible expenditures are recorded as unearned revenue in the statement of net position.

Student Fees

Student fees for the year ended June 30, 2026, are general college fees of $1,164,104, 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 activities of the Commonwealth.

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 postemployment benefit accruals. Actual results could differ from those estimates.

Scholarship Discounts and Allowances

Student tuition and fees revenues from College charges are reported net of scholarship discounts in the accompanying Statement of Revenues, Expenses, and Changes in Net Position. The scholarship discount is the difference between the actual charge for goods and services provided by the College and the amount that is paid by students or by third parties on the students' behalf. In accordance with GASB Statement No. 103, *Financial Reporting Model Improvements*, student financial assistance grants, such as Pell

Grants, and other federal and state need-based grants are recorded as operating revenue in the accompanying Statement of Revenues, Expenses, and Changes in Net Position. To the extent that revenues from these programs are used to satisfy tuition, fees, and other charges, the College has recorded a scholarship discount. The College utilizes the National Association of College and University Business Officers (NACUBO) guidelines for calculating the allocation of the scholarship discounts to tuition and fees revenues and auxiliary service revenues, which is based on an analysis of individual student account charges and financial aid payments from the student management information system.

Self-Insurance

The College participates in a self-insurance medical plan with a reinsurance limit of $250,000 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 of $2,618,913 at June 30, 2026 was derived from actuarial calculations that are based upon historical claim experience.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes 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 statement of net position includes a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of 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)*, GASB Statement No. 87, *Leases*, as well as the advance refunding of the 2008 Series Community College Revenue Bonds in September 2015. See Notes E, H, and J for additional details.

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.

Recent Accounting Pronouncements

During the year ended June 30, 2026, the College adopted GASB Statement No. 103, *Financial Reporting Model Improvements*. Statement No. 103 improves key components of the financial reporting model, including the structure and content of management's discussion and analysis, the definitions and presentation of operating and nonoperating revenues and expenses, the presentation of noncapital and capital subsidies, and the replacement of special and extraordinary items with a single unusual or infrequent item category. In accordance with GASB Statement No. 100, *Accounting Changes and Error Corrections*, the adoption of Statement No. 103 is reported as a change in accounting principle. Prior-year amounts presented in the basic financial statements and MD&A have been reclassified, as applicable, to conform to the current year presentation. These reclassifications did not affect previously reported total revenues, total

expenses, changes in net position, or beginning net position. The College identified no unusual or infrequent items for the year ended June 30, 2026.

During the year ended June 30, 2026, the College adopted GASB Statement No. 104, *Disclosure of Certain Capital Assets*. Statement No. 104 requires lease assets, intangible right-to-use assets, and subscription assets to be disclosed separately by major class within the capital asset note disclosures, requires other intangible assets to be disclosed separately by major class, and establishes additional disclosure requirements for capital assets held for sale. The adoption of Statement No. 104 affected note disclosures only and had no effect on the College's net position or changes in net position.

Pending Accounting Pronouncement

In December 2025, the GASB issued Statement No. 105, *Subsequent Events*. Statement No. 105 defines subsequent events as those occurring after the date of the financial statements but before the date the financial statements are available to be issued, clarifies which subsequent events constitute recognized and nonrecognized events, and establishes specific note disclosure requirements for nonrecognized events. The requirements of this Statement are effective for fiscal years beginning after June 15, 2026, and all reporting periods thereafter. The College is currently evaluating the impact this Statement will have on its financial statements.

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; stock equities and mutual funds including the Commonfund Multi-Strategy Bond Fund, Commonfund Intermediate Fund and Core Equity 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 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. The Investment Subcommittee of the Business Affairs Committee meets quarterly to oversee the College's investment portfolio, guidelines, and to consider any recommended changes. At least annually, the Business Affairs Committee will report to the Executive Committee on the performance of the investments and recommended changes, if any.

Fixed-income portfolio must be of investment grade overall (equivalent of Moody's credit rating of Baa3 rating or higher). The average quality rating for the corporate bond portfolio should not fall below Moody's rating of AA3.

Deposits are comprised of demand deposit accounts with financial institutions. At June 30, 2026, cash on hand was $4,000. At June 30, 2026, the carrying amount of deposits was $26,759,050 and the bank balance was $34,601,949. The differences were caused primarily by items in transit.

The following is the fair value of deposits and investments at June 30, 2026:

		Component Unit	
	College	Foundation	CCP Development, LLC
Deposits:			
Demand deposits	$ 26,759,050	$ 4,093,708	$ 3,773,819
Investments:			
U.S. equity funds	9,149,201	9,722,155	-
International equity funds	-	6,449,560	-
U.S. Treasury obligations	7,476,783	-	-
Corporate and foreign bonds	4,211,578	-	-
Long-term fixed income mutual funds	-	811,480	-
Intermediate fixed income mutual fund	6,928,570	4,870,353	-
Short-term fixed income mutual funds	-	1,745,494	-
Investment in subsidiary	6,474,136	-	-
Multi-strategy bond mutual fund	5,852,710	-	-
Core equity fund	9,384,908	-	-
Money market mutual funds	1,149,999	2,430,499	-
	$ 77,386,935	$ 30,123,249	$ 3,773,819

In addition to the deposits and investments listed above, the College also has bond proceeds available for campus construction held by 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, 2026, bond proceeds available for campus construction were $20,584,322.

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, 2026, the College's bank balance was exposed to custodial credit risk as follows:

Uninsured and collateral held by pledging bank's trust department not in the College's name	$ 26,759,050

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 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.

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 at June 30, 2026 are:

	Multi-Strategy Bond	Intermediate Fixed Income
Agency	1%	1%
AAA	16%	22%
AA	50%	53%
A	7%	20%
BBB	14%	4%
Below BBB	4%	0%
Non-rated/other	8%	0%
	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, at June 30, 2026, is as follows:

	Fixed Income Investments
Aaa	7%
Aa	67%
A	18%
Baa	8%
	100%

Interest rate risk is the risk that changes in interest rates may 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, 2026 are as follows:

	Weighted-Average Maturity (Years)
U.S. Treasury obligations	3.77
Corporate and foreign bonds	4.81

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, 2026:

Demand deposits, U.S. Treasury obligations, equity mutual funds, core equity fund and money market mutual funds of $53,919,941 are valued using quoted market prices (Level 1 inputs). Corporate and foreign bonds of $4,211,578 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 $12,781,280 are valued at the NAV per share.

The Foundation has the following recurring fair value measurements as of June 30, 2026:

Demand deposits, equity mutual funds, fixed income mutual funds and money market mutual funds of $30,123,249 are valued using quoted market prices (Level 1 inputs).

CCP Development, LLC has the following recurring fair value measurements as of June 30, 2026:

Demand deposits of $3,773,819 are valued using quoted market prices (Level 1 inputs).

The valuation method for investments measured at the NAV per share (or its equivalent) at June 30, 2026 are presented in the following table:

	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Intermediate fixed income mutual fund [1]	$ 6,928,570	$ -	Weekly	5 days
Multi-strategy bond mutual fund [2]	5,852,710	-	Monthly	5 days
Total investments measured at NAV	$ 12,781,280	$ -		

[1] *Intermediate Fixed Income 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.

[2] *Multi-Strategy Bond 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.

NOTE C - ACCOUNTS RECEIVABLE

Accounts receivable include the following at June 30, 2026:

	College	Component Unit Foundation	CCP Development
Tuition and fee receivables	$ 7,384,328	$ -	$ -
Grants receivable	110,605	4,442	-
Other receivables	1,087,305	-	-
	8,582,238	4,442	-
Less allowance for doubtful accounts	(3,313,799)	-	-
Total	$ 5,268,439	$ 4,442	$ -

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 at 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.

NOTE D - CAPITAL ASSETS

The College's capital assets consist of the following at June 30, 2026:

	Balance July 1, 2025	Additions	Retirements and Adjustments	Transfer to CCP Development, LLC	Balance June 30, 2026
Capital assets not depreciated:					
Land and improvements	$ 37,844,976	$ -	$ -	$ -	$ 37,844,976
Construction in progress	1,463,708	1,592,418	(810,951)	-	2,245,175
Works of art	945,422	-	-	-	945,422
	40,254,106	1,592,418	(810,951)	-	41,035,573
Capital assets being depreciated or amortized:					
Buildings and improvements	281,014,610	9,355,939	-	-	290,370,549
Equipment and furniture	27,059,583	3,699,057	(378,967)	-	30,379,673
Library books	6,570,842	147,905	-	-	6,718,747
Microforms	1,669,831	-	-	-	1,669,831
Leases	1,943,794	45,662	(1,085,254)	-	904,202
Software	4,122,171	-	-	-	4,122,171
System software	6,932,776	-	-	-	6,932,776
SBITAs	6,185,818	175,535	(1,214,930)	-	5,146,423
Total before depreciation or amortization	335,499,425	13,424,098	(2,679,151)	-	346,244,372
	$ 375,753,531	$ 15,016,516	$ (3,490,102)	$ -	$ 387,279,945

Accumulated depreciation/amortization by asset categories is summarized as follows:

	Balance July 1, 2025	Additions	Retirements and Adjustments	Transfer to CCP Development, LLC	Balance June 30, 2026
Buildings and improvements	$ 158,544,130	$ 6,745,939	$ -	$ (837,429)	$ 164,452,640
Equipment and furniture	15,863,403	2,249,690	17,337	(523,903)	17,606,527
Library books	5,687,952	132,274	-	-	5,820,226
Microforms	1,669,832	-	-	-	1,669,832
Leases	1,241,976	275,218	(1,085,254)	-	431,940
Software	4,082,762	32,997	-	(77,996)	4,037,763
System software	6,908,085	9,606	-	-	6,917,691
SBITAs	3,618,099	1,329,997	(1,214,930)	-	3,733,166
Total accumulated depreciation	$ 197,616,239	$ 10,775,721	$ (2,282,847)	$ (1,439,328)	$ 204,669,785
Capital assets, net					$ 182,610,160

During fiscal year 2026, the College decided to pursue the sale of its former NWRC located at 1300 West Godfrey Avenue, Philadelphia, Pennsylvania. The property consists of land, buildings, and related improvements and is being actively marketed for sale at approximately $9.9 million.

In accordance with GASB Statement No. 104, Disclosure of Certain Capital Assets, the College classified the property as capital assets held for sale as of June 30, 2026, as management determined the applicable held-for-sale criteria had been met. Upon classification as held for sale, depreciation of the related depreciable capital assets ceased.

Capital assets held for sale at June 30, 2026 consisted of the following:

	Historical Cost	Accumulated Depreciation	Net Carrying Amount
Land	$ 1,538,744	$ -	$ 1,538,744
Buildings and improvements	8,837,456	6,470,993	2,366,463
Total capital assets held for sale	$ 10,376,200	$ 6,470,993	$ 3,905,207

The net carrying amount of the property reflects measurement in accordance with GASB Statement No. 104. As of June 30, 2026, there was no outstanding debt for which the above mentioned property held for sale was pledged as collateral.

CCP Development's capital assets consist of the following at June 30, 2026:

	Balance July 1, 2025	Additions	Retirements and Adjustments	Transfer from CCP	Balance June 30, 2026
Capital assets not depreciated:					
Land and improvements	$ 246,600	$ -	$ -	$ -	$ 246,600
	246,600	-	-	-	246,600
Capital assets being depreciated:					
Buildings and improvements	28,004,478	-	-	-	28,004,478
Equipment and furniture	3,581,952	-	-	-	3,581,952
Software	233,989	-	-	-	233,989
Total before depreciation	31,820,419	-	-	-	31,820,419
	$ 32,067,019	$ -	$ -	$ -	$ 32,067,019

Accumulated depreciation/amortization by asset categories is summarized as follows:

	Balance July 1, 2025	Additions	Retirements and Adjustments	Transfer from CCP	Balance June 30, 2026
Buildings and improvements	$ 2,333,711	$ -	$ -	$ 837,429	$ 3,171,140
Equipment and furniture	1,361,874	-	-	523,903	1,885,777
Software	205,310	-	-	77,996	283,306
Total accumulated depreciation	$ 3,900,895	$ -	$ -	$ 1,439,328	$ 5,340,223
Capital assets, net					$ 26,726,796

NOTE E - LEASES

Leases Where College is the Lessor

On May 17, 2017, the College entered into a ground lease agreement with RPG Hamilton. The lease term is for 75 years with an option to extend the lease for an additional 24 years. Annual lease rental is payable to the College every quarter. The agreement allows RPG Hamilton to develop, operate and manage a mixed-use development to be built in two phases. Phase 1 consists of 2,000 square feet of retail space, 47,800 square feet of parking, and 290 apartments. Phase 1 was completed on April 5, 2019. Phase 2 consists of 297 apartment units. Phase 2 was completed on October 18, 2021. The addition of housing, retail space, and parking adjacent to the College provides an important marketing advantage for recruiting students, especially international and out of state students by providing a safe and secure environment while providing additional revenue to the College.

Under GASB 87, the College as a lessor, reports receivables for all leases of land, buildings, and equipment (except for short-term leases and contracts that transfer ownership). As of June 30, 2026, the College had a lease receivable of $19,017,334 and deferred inflow of $29,974,845. For the year ended June 30, 2026, the College received $450,000 in lease interest revenue.

Leases Where College is the Lessee

The College leases certain equipment and property under lease arrangements through 2029. The principal and interest for the next four years are projected below for lease obligations:

Fiscal Year Ending June 30,	Principal	Interest	Total
2027	$ 192,799	$ 13,734	$ 206,533
2028	199,258	7,275	206,533
2029	94,795	1,189	95,984
	$ 486,852	$ 22,198	$ 509,050

NOTE F - SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The College has entered into SBITAs for finance, reporting, communication, and learning software through 2029. The principal and interest for the next three years are projected below for SBITAs:

Fiscal Year Ending June 30,	Principal	Interest	Total
2027	$ 1,070,487	$ 39,490	$ 1,109,977
2028	284,654	10,328	294,982
2029	61,854	1,685	63,539
	$ 1,416,995	$ 51,503	$ 1,468,498

For the year ended June 30, 2026, the College had no SBITAs with variable payments that were based on user seats.

NOTE G - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consisted of the following at June 30, 2026:

	College	Component Unit Foundation	Component Unit CCP Development LLC
Category:			
Vendors and others	$ 9,615,111	$ -	$ -
Accrued salaries	3,897,260	96,903	-
Accrued benefits	3,170,307	-	-
Retirement incentive payments	1,526,620	-	-
	$ 18,209,298	$ 96,903	$ -

Long-term liability activity for the year ended June 30, 2026 was as follows:

	Beginning Balance July 1, 2025	Additions	Deductions	Total Ending Balance June 30, 2026	Current Portion
Long-term liabilities:					
Accounts payable and accrued liabilities	$ 16,052,435	$ 2,156,863	$ -	$ 18,209,298	$ 17,651,203
Deposits	463,963	33,644	-	497,607	247,607
Lease liability	721,852	41,683	(276,683)	486,852	192,799
SBITA liability	2,597,944	157,424	(1,338,373)	1,416,995	1,070,487
Compensated absences	4,919,369	157,982	-	5,077,351	3,413,654
Long-term debt	48,715,000	29,560,000	(16,750,000)	61,525,000	6,815,000
Unamortized bond premium	3,796,072	1,854,007	(1,882,865)	3,767,214	163,534
Pension and other postemployment benefits	163,060,986	-	(13,494,922)	149,566,064	-
	$ 240,327,621	$ 33,961,603	$ (33,742,843)	$ 240,546,381	$ 29,554,284

NOTE H - DEBT

The College's debt financing is primarily provided by the State Public School Building Authority.

Debt consisted of the following at June 30, 2026:

	Balance July 1, 2025	Additions	Principal Payments	Balance June 30, 2026	Current Portion
2015 Series	$ 15,745,000	$ -	$ (15,745,000)	$ -	$ -
2018 Series	11,145,000	-	(630,000)	10,515,000	665,000
2019 Series	7,245,000	-	(375,000)	6,870,000	395,000
2020 Series	14,580,000	-	-	14,580,000	-
2026 Series	-	29,560,000	-	29,560,000	5,755,000
	$ 48,715,000	$ 29,560,000	$ (16,750,000)	$ 61,525,000	$ 6,815,000

Future annual principal and interest payments at June 30, 2026 are as follows:

June 30:	Principal	Interest	Total
2027	$ 6,815,000	$ 2,679,534	$ 9,494,534
2028	8,100,000	2,338,784	10,438,784
2029	2,765,000	1,959,700	4,724,700
2030	2,885,000	1,846,942	4,731,942
2031	3,000,000	1,727,348	4,727,348
2032	3,125,000	1,601,093	4,726,093
2033	3,260,000	1,468,126	4,728,126
2034	3,400,000	1,328,002	4,728,002
2035	3,550,000	1,180,411	4,730,411
2036	3,695,000	1,037,160	4,732,160
2037	3,835,000	897,502	4,732,502
2038	3,980,000	752,370	4,732,370
2039	2,980,000	600,200	3,580,200
2040	2,420,000	485,163	2,905,163
2041	1,135,000	385,750	1,520,750
2042	1,190,000	329,000	1,519,000
2043	1,250,000	269,500	1,519,500
2044	1,315,000	207,000	1,522,000
2045	1,380,000	141,250	1,521,250
2046	1,445,000	72,250	1,517,250
	$ 61,525,000	$ 21,307,085	$ 82,832,085

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.

During the year ended June 30, 2026, the College made its scheduled principal payment of $4,995,000. On May 21, 2026, the remaining $10,750,000 of outstanding 2015 Series Bonds, consisting of the June 15, 2027 and June 15, 2028 maturities, was refunded through the issuance of the 2026 Series Bonds. Accordingly, the 2015 Series Bonds were fully retired during the year ended June 30, 2026 and no balance remains outstanding.

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 principal and interest payments of $1,050,805 from 2027 through 2038.

Principal payments required by the loan agreement are as follows:

2018 Series	Principal
2027	$ 665,000
2028	695,000
2029	730,000
2030	770,000
2031	805,000
2032-2038	6,850,000
	$ 10,515,000

2019 Series

Under a loan agreement dated May 22, 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 21 years at rates from 3.00% to 5.00%, with average debt service principal and interest payments of $676,531 from 2027 through 2039.

Principal payments required by the loan agreement are as follows:

2019 Series	Principal
2027	$ 395,000
2028	415,000
2029	435,000
2030	455,000
2031	480,000
2032-2040	4,690,000
	$ 6,870,000

2020 Series

Under a loan agreement dated December 8, 2020, between the Authority and the College, the College borrowed $14,580,000 College Revenue Bonds (Community College of Philadelphia Project), Series of 2020 (Federally Taxable). The 2020 Capital Project is completion funding for the 2019 Capital Project and consists 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, which facility will be used to house the College's Career and Advanced Technology Center, and

(b) other miscellaneous capital improvements at such site, including parking, landscaping and related improvements.

The 2020 Series Bonds were issued prior to the closing of the NMTC transaction which occurred on December 9, 2020. A portion of the proceeds of the 2020 Series Bonds was used as a leveraged loan to an investment fund which in turn, through three community development entities, lent such proceeds to CCP Development, LLC, which is 90% owned by the College and 10% owned by Career and Advanced Technology Center, Inc., a 501(c)(3) tax-exempt nonprofit corporation. CCP Development, LLC will use the proceeds and net NMTC equity received to construct the Career and Advanced Technology Center. The loan to CCP Development, LLC is secured by a first priority mortgage and lien on the Career and Advanced Technology Center. All of the foregoing components of the 2020 Capital Project will be used in conjunction with College's operation of its community college buildings in furtherance of its educational mission. Refer to Note O for additional details.

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

2020 Series	Principal
2028	$ 950,000
2029	970,000
2030	995,000
2031	1,020,000
2032	1,045,000
2033-2040	9,600,000
	$ 14,580,000

2026 Series

On May 12, 2026, the State Public School Building Authority issued $29,560,000 of College Revenue Bonds (Community College of Philadelphia Project), Series of 2026 on behalf of the College. The issuance consisted of $18,940,000 of new money bonds and $10,620,000 of refunding bonds, issued at a premium of $1,854,007, for total bond proceeds of $31,414,007.

The new money portion of the issuance provided $20,000,000 for deposit to the project fund to finance the 2026 Capital Projects. The refunding portion, together with funds on hand, was deposited to an irrevocable escrow account for the retirement of $10,750,000 of outstanding 2015 Series Bonds. The refunding resulted in net present value savings of $271,359, or 2.52% of the refunded principal. The 2026 Series Bonds bear interest at 5.00% and are payable through June 15, 2046.

Principal payments required by the loan agreement are as follows:

2026 Series	Principal
2027	$ 5,755,000
2028	6,040,000
2029	630,000
2030	665,000
2031	695,000
2032-2046	15,775,000
	$ 29,560,000

NOTE I - (PAYABLE TO) RECEIVABLE FROM GOVERNMENT AGENCIES

(Payable to) receivable from government agencies includes the following at June 30, 2026:

	Receivable
Commonwealth of Pennsylvania:	
Grants and special projects	$ 1,238,728
City of Philadelphia:	
Grants receivable	15,061,341
Federal:	
Financial aid programs	237,051
Grants and special projects	1,585,170
	16,883,562
Total	$ 18,122,290

NOTE J - 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 Pennsylvania SERS or the PSERS, it has grandfathered continued participation for those employees currently enrolled. The College has 13 employees participating in the SERS and 24 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.

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 34.00% 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 16.71%, 16.96%, 26.86%, 31.53% and 39.96% 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, 2026, the College reported a liability of $1,863,000 and $3,040,252 within pension and other postemployment benefits liability on the statements of net position, for its proportional share of the net pension liability for PSERS and SERS, respectively. The net pension liability was measured as of June 30, 2025 for PSERS and December 31, 2025 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, 2025 and December 31, 2025, the College's proportion of PSERS and SERS was 0.0048% and 0.0177%, respectively.

For the year ended June 30, 2026, the College recognized proportional pension expense for PSERS and SERS of $331,000 and $399,456, respectively, as provided by the plans' actuarial schedules. At June 30, 2026, 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	$ 31,000	$ 16,000
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	6,000
Changes in proportion and differences between College contributions and proportionate share of contributions	225,000	-
Total	$ 256,000	$ 22,000

SERS

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 119,088	$ 362
Changes in assumptions	56,992	-
Net difference between projected and actual earnings on pension plan investments	-	334,837
Changes in proportion	421,542	197,170
Changes in proportion and differences between College contributions and proportionate share of contributions	-	108,677
Total	$ 597,622	$ 641,046

Actuarial Assumptions

The following methods and assumptions were used in the actuarial valuations for the year ended June 30, 2026, 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
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	7.00%, includes inflation at 2.50%
Salary increases	Effective average of 4.50%, which reflects an allowance for inflation of 2.50%, and of 2.00% for real wage growth and for merit or seniority increases
Mortality rates	Mortality rates were based on a blend of 50% PubT-2010 and 50% PubG-2010 Retiree Tables for males and females, adjusted to reflect PSERS experience and projected using a modified version of the MP-2020 Improvement Scale.

SERS

Actuarial cost method	Entry age normal level % of pay
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	6.875% net of manager fees including inflation
Projected salary increases	Average of 5.43 with range of 3.70% - 7.55% including inflation
Inflation	2.50%
Mortality rate	Projected PubG-2016 and PubNS-2016 Mortality Tables adjusted for actual plan experience and future improvement for retirees, beneficiaries, and survivors and rates determined by SERS actuaries using actual SERS experience for pre-retirement active members
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 at June 30, 2026, in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Public Equity	32.0%	4.2%
Private Equity	12.0%	6.8%
Fixed Income	34.0%	3.5%
Commodities	4.0%	3.9%
Infrastructure/MLPs	10.0%	5.9%
Real Estate	8.0%	6.4%
	100.0%	

SERS

Some of the methods and assumptions mentioned above are based on the 20th Investigation of Actuarial Experience, which was published in July 2025 and analyzed experience from 2020 through 2024. 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, at June 30, 2026, in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Private equity	16.00%	5.11%
Real estate	7.00%	3.84%
U.S. equity	37.00%	2.34%
International developed markets equity	14.00%	5.04%
Emerging markets equity	2.00%	5.53%
Fixed income - core	19.00%	1.98%
Inflation protection (TIPS)	3.00%	1.35%
Cash	2.00%	0.23%
	100.00%	

For both PSERS and SERS, the discount rate used to measure total pension liability was 7.00% and 6.875%, 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 rates and that contributions from

participating employers will be made at actuarially determined rates as set by statute. Based on those assumptions, the Defined Benefit Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected investment rate of return on Defined Benefit 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 at June 30, 2026 is $1,863,000 using a 7.00% discount rate. The College's net pension liability would have been $2,514,000 assuming a 1%-point decrease (6.00%) in the discount rate and would have been $1,313,000 assuming a 1%-point increase (8.00%) in the discount rate.

For SERS, the College's net pension liability at June 30, 2026 is $3,040,252 using a 6.875% discount rate. The College's net pension liability would have been $4,292,532 assuming a 1%-point decrease (5.875%) in the discount rate and would have been $1,982,548 assuming a 1%-point increase (7.875%) in the discount rate.

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 935 employees participating in this program.

The payroll for employees covered by the three plans was $65,065,758 and the College's total payroll is $96,575,203 at June 30, 2026. Contributions made by the College for the year ended June 30, 2026 are $6,318,708, representing 9.71% of covered payroll. College employees contributed $5,815,799 for the year ended June 30, 2026.

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

Postemployment Benefits (OPEB)

Program Description

The College provides postemployment 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.

Funding Policy

Postemployment benefits other than pensions stem from the College's three collective bargaining agreements. For the year ended June 30, 2026, the College paid $3,392,072 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 retiree (or working spouse) who returns to teach must join the part-time faculty benefits and pay a portion of the monthly cost for single medical coverage.

Employees/Retirees/Beneficiaries	Number of Participants as of July 1, 2025
Actives	761
In-actives currently receiving benefit payments	678
	1,439

The following table provides a summary of the changes in the College's total OPEB liability for fiscal year ended June 30, 2026. The valuation date was July 1, 2025 and the measurement date was June 30, 2025.

Change in Total OPEB Liability (TOL)	July 1, 2025
TOL, beginning of year	$ 158,158,944
Service cost	3,178,160
Interest	6,284,874
Difference between expected and actual experience	(599,971)
Benefits paid	(6,055,847)
Changes in assumptions	(16,303,348)
TOL, end of year	$ 144,662,812

The following summarizes the development of expense for the year ended June 30, 2026:

	2026
Service cost	$ 3,178,160
Interest	6,284,874
Recognition of outflow (inflow):	
Experience	1,601,846
Changes in assumptions	(6,425,703)
Changes between projected and actual earnings	-
Total expense	$ 4,639,177
Weighted-average assumptions to determine expense:	
Actual benefit payments	$ 6,055,847
Discount rate	3.97%
Expected return on assets	N/A
Salary scale	4.00%
Healthcare rates:	
Current rate	8.00%
Ultimate rate/year reached	5.00%/2045

Deferred inflows and outflows of resources reported by the College as of June 30, 2026 are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ (399,981)
Changes in assumptions	513,664	(10,868,899)
Total	$ 513,664	$ 11,268,280

Deferred Inflows Projection

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

Years Ending June 30:	Net Amount
2027	$ 5,120,775
2028	5,634,441

Actuarial Assumptions

Mortality Table: The Pub-2010 Public Retirement Plans Teachers mortality table projected generationally with Scale MP-2021 for faculty participants and Pub-2010 Public Retirement Plans General mortality projected generationally with IRS 2024 Adjusted Scale MP-2021 for all other participants.

Discount Rate: 4.79% for determining June 30, 2026 disclosure and estimated 2027 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 Fidelity 20-year GO AA Bond 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 postemployment benefits obligations at June 30, 2026:

Discount Rate Change	1% Decrease	1% Increase
Net OPEB Liability	$ 166,057,263	$ 127,257,911
Net OPEB Liability Healthcare Trend Rate	$ 126,649,717	$ 166,955,789

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. 11 employees will receive the incentive payment during fiscal year 2026-27. The present value of these payments is $745,417.

NOTE K - 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.

The College's Collective Bargaining Agreement with Faculty and Classified employee unions have been renewed through August 31, 2028.

NOTE L - OPERATING EXPENSES

The College's and component unit Foundation's operating expenses, on a natural-classification basis, were comprised of the following for the year ended June 30, 2026:

	College	Component Unit Foundation	Component Unit CCP Development
Salaries	$ 97,431,157	$ 253,645	$ -
Benefits	43,455,520	44,530	-
Contracted services	12,274,268	6,670	-
Supplies	2,692,632	66,988	-
Depreciation and amortization	9,336,393	-	1,439,328
Student aid	14,894,409	2,148,148	-
Pension and other postemployment benefits	(1,435,255)	-	-
Other	21,678,093	415,988	28,439
	$ 200,327,217	$ 2,935,969	$ 1,467,767

NOTE M - CITY AND COMMONWEALTH APPROPRIATIONS

Appropriations from the Commonwealth and the City for the year ended June 30, 2026 were as follows:

	Operations	Capital
Commonwealth of Pennsylvania	$ 36,248,412	$ 4,147,134
City of Philadelphia	52,030,367	4,141,509
	$ 88,278,779	$ 8,288,643

NOTE N - PASS-THROUGH GRANTS

The College distributed $26,261,791 during the year ended June 30, 2026 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 O - NEW MARKETS TAX CREDIT (CAREER AND ADVANCED TECHNOLOGY CENTER PROJECT)

On April 5, 2018, the Board of Trustees of the College approved a Resolution authorizing the West Regional Center Expansion. The West Regional Center Expansion is a capital project consisting of the development, construction, improvement, furnishing, equipping and fit out of a new building of approximately 75,000 square feet on land owned by the College in West Philadelphia. The building is being referred to as the Career and Advanced Technology Center (the CATC).

The construction of CATC is supported by several mechanisms that include tax-exempt and taxable municipal bonds, Pennsylvania Department of Education capital funding, Redevelopment Assistance Capital Program (RACP) grants and NMTC.

On August 15, 2018, the Pennsylvania Department of Education approved the College's application for State assistance for the construction of community college facilities to expand the West Regional Center.

The Department provided $10,000,000 towards the capital expense of this Project in the form of debt service for the Series 2019 bonds, with the remainder to be financed by local sponsorship and other sources.

On May 8, 2019, the College successfully issued $9,155,000 Series 2019 bonds with a premium of $1,028,784 for total proceeds of $10,183,784. The Series 2019 bonds were issued to assist with the construction of the CATC.

For additional funding of the CATC, the College utilized NMTC by which investors provide capital to community development entities (CDEs), and in exchange are awarded credits against their federal tax obligations. The NMTC program offers credits against federal income taxes over a 7-year period for Qualified Equity Investments in designated CDEs pursuant to Section 45D of the Internal Revenue Code in order to assist eligible businesses in making investments in certain low-income communities.

The CATC is located at 4750 Market Street, Philadelphia, Pennsylvania, within a census tract that constitutes a "low-income community" and therefore qualified for the NMTC program. CCP Development, LLC (the LLC) was established as a qualified active low-income community business (QALICB) and serves as the leveraged loan lender for the NMTC transaction. The LLC was allocated $25,945,000 of NMTC's from three separate CDEs which invested in the CATC.

As part of the NMTC transaction, an investment fund (the Fund) was established and funded through an investment of NMTC equity from an investor (Fund Investor). The Fund invested in the three CDEs which made loans to the LLC on December 9, 2020 in the aggregate amount of $25,945,000.

The CATC building was completed in August 2022 and is currently leased to the college. The College is responsible for all operating and maintenance costs for the building. The base rent of $137,500 is due quarterly on the first day of February, May, August and November. A one-time base rent payment in the amount of $90,000 shall be made on December 9, 2027. A one-time base rent payment in the amount of $66,000 shall be made on February 1, 2028. Quarterly payments due on payment dates occurring during the period beginning May 1, 2028 and ending on November 1, 2028, shall be in the amount of $156,000. The College plans to exercise its option to terminate the lease arrangement at the end of the 7-year tax credit investment period.

Interest on the three loans is paid by the LLC, commencing on February 5, 2021, at 1.836% per annum. The notes all mature on November 1, 2050 with interest only payments through October 31, 2028 and principal and interest payments from February 5, 2029 and continuing each annual payment date thereafter

through and including August 5, 2050. The College provided a limited payment guaranty and completion guaranty to the CDEs to secure the loans.

The loan receivable and related interest receivable from the Fund to the College are recorded as a loan receivable within the statements of net position. The LLC recorded the three loan obligations owed to the CDEs as notes payable within the statement of net position. Because there is no right of offset between the loan receivable due to the College and the notes payable by the LLC, the loan receivable and notes payable are presented separately in the statement of net position for the year ending June 30, 2026.

The leveraged loans mature on August 1, 2046, and the Fund will pay the College interest only at a rate of 2.197% per annum for the outstanding balance commencing December 9, 2020. Amortization begins February 1, 2029 with the first amortizing payment due February 15, 2029. At the end of the 7-year tax credit investment period, and for the following six months (Put Option Period), between December 9, 2027 and May 9, 2028, the Fund Investor has an option, but not an obligation, to sell to the College the Fund Investor's interest in the Fund for a put exercise price of $1,000. If the put is not exercised, then the College has the right and option, at any time during the 6-month period following the Put Option Period, to elect to purchase the Fund Investor's interest in the Fund, at an amount equal to the fair market value at the time of exercise.

The College hosted the grand opening of the new CATC Building on August 18, 2022 and classes were held beginning in the fall semester. The building is equipped to serve as a learning hub for the College's updated career training programs centered around the health care, advanced manufacturing and auto tech industries.

In September 2022, the College purchased a piece of land on 4701 Chestnut Street for $6.75 million and converted it to a parking lot for CATC employees and students.

NOTE P - CERTAIN RISK DISCLOSURES

The Commonwealth of Pennsylvania and the City of Philadelphia collectively provide more than half of the College's operating and capital funding. The Commonwealth enacted its Fiscal Year 2026-2027 budget, which was signed into law by the Governor on July 12, 2026. State operating support for the College remained level at $36.2 million, unchanged from Fiscal Year 2025-2026. While this level of funding reflects the Commonwealth's continued commitment to community colleges, it does not keep pace with ongoing inflationary pressures affecting compensation, utilities, supplies, and other operating costs. In the near term, the College may need to utilize internal reserves to address funding gaps. Over the longer term, sustained funding constraints could necessitate difficult decisions, including reducing or restructuring academic programs, deferring planned facility maintenance and capital renewal projects, and evaluating future tuition and fee adjustments to maintain financial sustainability.

NOTE Q - SUBSEQUENT EVENTS

The College has evaluated subsequent events through October 27, 2026, 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)

	2026	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability									
Service cost	$ 3,178	$ 2,974	$ 3,259	$ 4,973	$ 5,707	$ 3,923	$ 5,863	$ 6,425	$ 10,624
Interest cost	6,285	5,926	5,515	4,128	3,974	4,952	6,925	5,696	6,234
Actual and expected experience difference	(600)	-	5,406	-	2,021	-	(33,487)	-	(47,379)
Changes in assumptions	(16,303)	1,541	(4,515)	(44,333)	4,711	31,764	617	-	(19,251)
Changes in benefit terms	-	-	-	-	-	-	(11,026)	(9,920)	-
Benefit payments	(6,056)	(5,693)	(4,920)	(4,488)	(4,303)	(3,874)	(4,929)	(4,449)	(4,934)
Net change in total OPEB liability	(13,496)	4,748	4,745	(39,720)	12,110	36,765	(36,037)	(2,248)	(54,706)
Total OPEB liability - beginning	158,159	153,411	148,666	188,386	176,276	139,511	175,548	177,796	232,502
Total OPEB liability - ending (a)	$ 144,663	$ 158,159	$ 153,411	$ 148,666	$ 188,386	$ 176,276	$ 139,511	$ 175,548	$ 177,796
Plan Fiduciary Net Position									
Contribution - employer	$ 6,056	$ 5,693	$ 4,920	$ 4,488	$ 4,303	$ 3,874	$ 4,929	$ 4,449	$ 4,934
Benefit payments	(6,056)	(5,693)	(4,920)	(4,488)	(4,303)	(3,874)	(4,929)	(4,449)	(4,934)
Net change in plan fiduciary net position	-	-	-	-	-	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-	-	-	-	-	-
Plan fiduciary net position - ending (b)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net OPEB liability - ending (a)-(b)	$ 144,663	$ 158,159	$ 153,411	$ 148,666	$ 188,386	$ 176,276	$ 139,511	$ 175,548	$ 177,796
Covered-employee payroll	$ 60,170	$ 59,029	$ 57,856	$ 59,397	$ 56,145	$ 55,279	$ 53,434	$ 51,546	$ 54,241
Total OPEB liability as a percentage of covered-employee payroll	240%	268%	265%	250%	336%	319%	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,

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
PSERS										
College's proportion of the net pension liability	0.0048%	0.0044%	0.0044%	0.0035%	0.0028%	0.0028%	0.0030%	0.0034%	0.0034%	0.0035%
College's proportionate share of the net pension liability	$ 1,863,000	$ 1,842,000	$ 1,957,000	$ 1,556,000	$ 1,150,000	$ 1,379,000	$ 1,403,000	$ 1,632,000	$ 1,679,000	$ 1,734,000
College's covered employee payroll	$ 790,191	$ 687,024	$ 228,783	$ 215,604	$ 268,640	$ 244,157	$ 407,745	$ 456,911	$ 455,779	$ 454,763
Plan fiduciary net position as a percentage of the total pension liability	68.04%	64.63%	61.85%	61.34%	63.67%	54.32%	55.66%	54.00%	51.84%	50.14%
SERS										
College's proportion of the net pension liability	0.0177%	0.0152%	0.0148%	0.0174%	0.0173%	0.0155%	0.0149%	0.0148%	0.0160%	0.0147%
College's proportionate share of the net pension liability	$ 3,040,252	$ 3,060,042	$ 3,128,332	$ 3,991,775	$ 2,528,564	$ 2,831,037	$ 2,710,432	$ 3,083,795	$ 2,758,923	$ 2,827,306
College's covered employee payroll	$ 1,315,038	$ 1,096,937	$ 1,039,018	$ 1,179,551	$ 1,165,438	$ 1,021,917	$ 958,066	$ 930,394	$ 979,992	$ 894,293
Plan fiduciary net position as a percentage of the total pension liability	73.30%	67.70%	65.30%	61.50%	76.00%	67.00%	63.10%	56.40%	63.00%	57.80%

**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,

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
PSERS										
Contractually required contribution	$ 260,131	$ 232,901	$ 105,815	$ 92,170	$ 95,000	$ 175,000	$ 134,000	$ 144,000	$ 130,000	$ 111,000
Contribution in relation to the contractually required contribution	260,131	232,901	105,815	92,170	95,000	175,000	134,000	144,000	130,000	111,000
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered employee payroll	$ 790,191	$ 687,024	$ 228,783	$ 215,604	$ 268,640	$ 244,157	$ 407,745	$ 456,911	$ 455,779	$ 454,763
Contributions as a % of covered employee payroll	32.9200%	33.9000%	46.2513%	42.7497%	35.3633%	71.6752%	32.8637%	31.5160%	28.5226%	24.4083%
SERS										
Contractually required contribution	$ 387,322	$ 339,103	$ 298,005	$ 263,580	$ 229,696	$ 352,495	$ 334,491	$ 323,944	$ 325,667	$ 301,735
Contribution in relation to the contractually required contribution	387,322	339,103	298,005	263,580	229,696	352,495	334,491	323,944	325,667	301,735
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered employee payroll	$ 1,315,038	$ 1,096,937	$ 1,039,018	$ 880,309	$ 1,165,438	$ 1,021,917	$ 958,066	$ 930,394	$ 979,992	$ 894,293
Contributions as a % of covered employee payroll	29.4533%	30.9136%	28.6814%	29.9418%	19.7090%	34.4935%	34.9131%	34.8179%	33.2316%	33.7401%

**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)

REFORMATTED SCHEDULE OF NET POSITION

Year ended June 30, 2026
(In thousands)

	Community College of Philadelphia	Community College of Philadelphia Foundation	CCP Development, LLC
Assets:			
Cash on deposit and on hand	$ 26,759	$ 4,094	$ 3,774
Investments	50,627	26,030	-
Accounts receivable	8,586	4	-
Allowance for doubtful accounts	(3,314)	-	-
Due from other governments	18,122	-	-
Restricted assets	59,636	-	-
Other assets	833	-	-
Capital assets, net	182,610	-	26,727
Total assets	$ 343,859	$ 30,128	$ 30,501
Deferred outflows of resources:			
Deferred outflows	$ 2,075	$ -	$ -
Liabilities:			
Vouchers and accounts payable	$ 9,615	$ 141	$ -
Salaries and wages payable	8,594	-	-
Accrued expenses	-	-	-
Funds held in escrow	498	-	-
Deferred revenue	8,167	1,089	-
Current portion of long-term obligations	11,656	-	-
Noncurrent portion of long-term obligations	60,618	-	-
Notes payable	-	-	25,945
Pension and other post-employment benefits (GASB 75)	149,566	-	-
Total liabilities	$ 248,714	$ 1,230	$ 25,945
Deferred inflows of resources:			
Deferred Inflows	$ 29,975	$ 18	$ -
Net position:			
Net investment in capital assets	$ 131,408	$ -	$ 1,115
Restricted for:			
Nonexpendable scholarships, awards, and faculty chair	-	18,715	-
Nonexpendable annuities	-	15	-
Expendable Scholarships, awards, faculty chair, and annuities	562	4,601	-
Capital projects	6,066	139	6,474
Unrestricted	(70,791)	5,410	(3,033)
Total net position	$ 67,245	$ 28,880	$ 4,556

See accompanying report of independent certified public accountants.

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

REFORMATTED SCHEDULE OF ACTIVITIES

Year ended June 30, 2026
(In thousands)

Programs/Functions	Expenses	Program Revenues: Charge for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Expense and Change in Net Position: Education Activities
Community College services	$ 205,398	$ 22,967	$ 70,188	$ -	$ 112,243
General revenues:					
Grants and contributions*					99,385
Interest and investment earning					10,402
Miscellaneous					968
Total general revenues					110,755
Change in net position					(1,488)
Net position - beginning					97,613
Net position - ending					$ 96,125

** Includes Commonwealth appropriations of $36,248,412 and City of Philadelphia appropriations of $52,030,367.*

Programs/Functions	Expenses	Program Revenues: Charge for Services	Program Revenues: Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Expense and Change in Net Position: Education Activities
CCP Development, LLC services	$ 1,951	$ -	$ -	$ -	$ 1,951
General revenues:					
Grants and contributions					-
Interest and investment earning					-
Miscellaneous					550
Total general revenues					550
Change in net position					(1,401)
Net position - beginning					5,957
Net position - ending					$ 4,556

See accompanying report of independent certified public accountants.

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

SCHEDULE OF CHANGES IN CAPITAL ASSET BALANCES

Year ended June 30, 2026

Business-type activities:	Beginning Balance	Additions	Retirements & Adjustments	Ending Balance
Capital assets not being depreciated:				
Land and improvements	$ 37,844,976	$ -	$ -	$ 37,844,976
Construction in process	1,463,708	1,592,418	(810,951)	2,245,175
Works of art	945,422	-	-	945,422
Total capital assets not being depreciated	40,254,106	1,592,418	(810,951)	41,035,573
Capital assets being depreciated:				
Buildings	281,014,610	9,355,939	-	290,370,549
Other improvements	19,295,620	147,905	-	19,443,525
Equipment and furniture	27,059,583	3,699,057	(378,967)	30,379,673
Leases	1,943,794	45,662	(1,085,254)	904,202
SBITAs	6,185,818	175,535	(1,214,930)	5,146,423
Total capital assets being depreciated	335,499,425	13,424,098	(2,679,151)	346,244,372
Less accumulated depreciation and amortization:				
Buildings	158,544,130	6,745,939	(837,429)	164,452,640
Other improvements	18,348,631	174,877	(77,996)	18,445,512
Equipment and furniture	15,863,403	2,249,690	(506,566)	17,606,527
Leases	1,241,976	275,218	(1,085,254)	431,940
SBITAs	3,618,099	1,329,997	(1,214,930)	3,733,166
Total accumulated depreciation and amortization	197,616,239	10,775,721	(3,722,175)	204,669,785
Total capital assets being depreciated, net	137,883,186	2,648,377	1,043,024	141,574,587
Business-type activities capital assets, net	$ 178,137,292	$ 4,240,795	$ 232,073	$ 182,610,160

See accompanying report of independent certified public accountants.

OTHER INFORMATION (UNAUDITED)

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

STATISTICAL SECTION - SCHEDULE OF REVENUES BY SOURCE (UNAUDITED)

Years ended June 30,
(Amounts expressed in thousands)

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Revenues:										
Student tuition and fees (net of scholarship allowances)	$ 21,898	$ 20,576	$ 20,618	$ 23,247	$ 24,759	$ 28,424	$ 30,536	$ 32,753	$ 33,234	$ 32,992
Federal grants and contracts	56,555	-	-	-	-	-	-	-	-	-
Commonwealth grants and contracts	6,087	-	-	-	-	-	-	-	-	-
Nongovernmental grants and contracts	3,402	-	-	-	-	-	-	-	-	-
Sales of auxiliary enterprises	1,069	755	934	827	113	408	1,413	1,599	1,523	1,737
Other operating revenues	42	55	94	35	13	23	38	42	46	62
Total operating revenues	89,053	21,386	21,646	24,109	24,885	28,855	31,987	34,394	34,803	34,791
Commonwealth appropriations	36,249	-	-	-	-	-	-	-	-	-
City appropriations	52,030	-	-	-	-	-	-	-	-	-
Gifts from the Community College of Philadelphia	80	-	-	-	-	-	-	-	-	-
Federal grants and contracts	3,649	-	-	-	-	-	-	-	-	-
Total noncapital subsidies	92,009	-	-	-	-	-	-	-	-	-
Commonwealth appropriations	-	36,339	34,343	33,561	32,341	32,389	32,408	31,820	30,892	30,868
City appropriations	-	52,249	48,042	40,637	37,172	34,451	29,847	25,549	23,310	24,189
Federal grants and contracts	-	55,636	43,187	40,560	105,571	65,187	52,337	46,098	49,026	48,888
Commonwealth grants and contracts	-	2,694	6,280	5,722	5,718	6,061	6,621	5,989	7,953	8,126
Nongovernmental grants and contracts	-	3,143	3,036	2,260	1,948	2,884	2,522	2,115	1,582	1,528
Gifts from the Community College of Philadelphia	-	-	-	67	375	12	95	160	242	835
Net investment (loss) income	6,718	7,075	6,947	3,813	(3,894)	451	1,691	1,577	36	75
Interest on capital asset-related debt service	(2,134)	(1,899)	(1,881)	(2,928)	-	-	-	-	-	-
Capital appropriations	8,289	-	-	-	-	-	-	-	-	-
Capital gifts from the Community College of Philadelphia	420	-	-	-	-	-	-	-	-	-
Other nonoperating revenue	925	629	4,059	1,149	950	509	578	410	399	378
Total nonoperating revenues	14,218	155,866	144,013	124,841	180,181	141,944	126,099	113,718	113,440	114,887
Capital Appropriations	-	9,495	24,689	14,517	11,548	12,990	12,032	11,797	12,450	11,050
Total revenues	$ 195,280	$ 186,747	$ 190,348	$ 163,467	$ 216,614	$ 183,789	$ 170,118	$ 159,909	$ 160,693	$ 160,728

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

Years ended June 30,
(Amounts expressed in percentages)

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Revenues:										
Student tuition and fees (net of scholarship allowances)	11.21%	11.02%	10.83%	14.22%	11.43%	15.47%	17.95%	20.48%	20.68%	20.53%
Federal grants and contracts	28.96	-	-	-	-	-	-	-	-	-
Commonwealth grants and contracts	3.12	-	-	-	-	-	-	-	-	-
Nongovernmental grants and contracts	1.74	-	-	-	-	-	-	-	-	-
Sales of auxiliary enterprises	0.55	0.40	0.49	0.51	0.05	0.22	0.83	1.00	0.95	1.08
Other operating revenues	0.02	0.03	0.05	0.02	0.01	0.01	0.02	0.03	0.03	0.04
Total operating revenues	45.60	11.45	11.37	14.75	11.49	15.70	18.80	21.51	21.66	21.65
Commonwealth appropriations	18.56	-	-	-	-	-	-	-	-	-
City appropriations	26.65	-	-	-	-	-	-	-	-	-
Gifts from the Community College of Philadelphia	0.04	-	-	-	-	-	-	-	-	-
Federal grants and contracts	1.87	-	-	-	-	-	-	-	-	-
Total noncapital subsidies	47.12	-	-	-	-	-	-	-	-	-
Commonwealth appropriations	-	19.47	18.05	20.53	14.93	17.62	19.05	19.90	19.22	19.21
City appropriations	-	27.98	25.23	24.86	17.16	18.74	17.54	15.98	14.51	15.04
Federal grants and contracts	-	29.79	22.68	24.81	48.74	35.47	30.77	28.83	30.51	30.42
Commonwealth grants and contracts	-	1.44	3.30	3.50	2.64	3.30	3.89	3.75	4.95	5.06
Nongovernmental grants and contracts	-	1.68	1.60	1.38	0.90	1.57	1.48	1.32	0.98	0.95
Gifts from the Community College of Philadelphia	-	-	-	0.04	0.17	0.01	0.06	0.10	0.15	0.52
Net investment (loss) income	3.44	3.79	3.65	2.33	(1.80)	0.25	0.99	0.99	0.02	0.05
Interest on capital asset-related debt service	(1.09)	(1.02)	(0.99)	(1.79)	-	-	-	-	-	-
Capital appropriations	4.24	-	-	-	-	-	-	-	-	-
Capital gifts from the Community College of Philadelphia	0.22	-	-	-	-	-	-	-	-	-
Other nonoperating revenue	0.47	0.34	2.14	0.70	0.44	0.28	0.34	0.25	0.25	0.24
Total nonoperating revenues	7.28	83.47	75.66	76.36	83.18	77.24	74.12	71.12	70.59	71.49
Capital Appropriations	-	5.08	12.97	8.89	5.33	7.06	7.08	7.37	7.75	6.86
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)

Years ended June 30,
(Amounts expressed in thousands)

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Expenses:										
Salaries	$ 97,431	$ 90,196	$ 77,784	$ 76,982	$ 75,891	$ 74,041	$ 77,819	$ 77,462	$ 76,986	$ 78,629
Benefits	43,456	37,628	31,812	35,525	36,603	32,570	34,790	34,979	36,259	36,417
Contracted services	12,275	10,068	7,402	10,901	10,983	9,247	9,276	8,045	7,859	6,512
Supplies	2,693	1,592	1,388	1,988	2,927	5,564	4,467	3,060	3,549	3,376
Depreciation	9,336	9,150	8,836	7,198	7,610	7,464	7,783	7,939	8,133	8,204
Student aid	14,894	13,281	10,751	11,552	36,951	12,644	12,052	6,250	7,213	8,770
Other	21,678	20,047	26,300	16,117	23,848	10,231	11,376	13,375	12,092	12,959
GASB 75 (Other post-employment benefits) accrual	(1,435)	(10,658)	(12,027)	(19,154)	(6,274)	(8,754)	(24,590)	(5,426)	12,309	11,703
Total operating expenses	200,328	171,304	152,246	141,109	188,539	143,007	132,973	145,684	164,400	166,570
Interest on capital asset-related debt service	2,134	1,899	1,881	2,929	3,320	3,882	3,604	3,602	3,413	3,263
Total nonoperating expenses	2,134	1,899	1,881	2,929	3,320	3,882	3,604	3,602	3,413	3,263
Total expenses	$ 202,462	$ 173,203	$ 154,127	$ 144,038	$ 191,859	$ 146,889	$ 136,577	$ 149,286	$ 167,813	$ 169,833

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

Years ended June 30,
(Amounts expressed in percentages)

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Expenses:										
Salaries	48.13%	52.08%	50.47%	53.45%	39.56%	50.41%	56.98%	51.89%	45.88%	46.30%
Benefits	21.46	21.72	20.64	24.66	19.08	22.17	25.47	23.43	21.61	21.44
Contracted services	6.06	5.81	4.80	7.57	5.72	6.30	6.79	5.39	4.68	3.83
Supplies	1.33	0.92	0.90	1.38	1.53	3.79	3.27	2.05	2.11	1.99
Depreciation	4.61	5.28	5.73	5.00	3.97	5.08	5.70	5.32	4.85	4.83
Student aid	7.36	7.67	6.98	8.02	19.26	8.61	8.82	4.19	4.30	5.16
Other	10.71	11.57	17.06	11.19	12.43	6.97	8.33	8.96	7.21	7.63
GASB 75 (Other post-employment benefits) accrual	(0.71)	(6.15)	(7.80)	(13.30)	(3.27)	(5.96)	(18.00)	(3.63)	7.33	6.89
Total operating expenses	98.95	98.90	98.78	97.97	98.28	97.37	97.36	97.60	97.97	98.07
Interest on capital asset-related debt service	1.05	1.10	1.22	2.03	1.73	2.63	2.64	2.40	2.03	1.93
Total nonoperating expenses	1.05	1.10	1.22	2.03	1.73	2.63	2.64	2.40	2.03	1.93
Total expenses	100.00%	100.00%	100.00%	100.00%	100.01%	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)

Years ended June 30,
(Amounts expressed in thousands)

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Expenses by function:										
Instruction	$ 73,008	$ 62,868	$ 56,196	$ 49,897	$ 54,725	$ 50,333	$ 49,333	$ 56,715	$ 64,578	$ 65,509
Public service	56	104	36	21	39	38	104	97	145	124
Academic support	28,081	22,277	18,087	15,324	16,437	14,763	13,749	16,405	19,182	18,880
Student services	27,941	22,975	21,931	19,818	20,964	18,891	16,673	20,529	24,212	24,405
Institutional support	28,436	23,967	22,274	21,147	36,592	28,428	19,176	22,640	25,111	24,854
Operation and maintenance of plant	17,850	16,267	13,753	15,675	14,805	10,105	13,445	14,424	15,093	15,013
Depreciation	9,336	9,150	8,836	7,197	7,610	7,464	7,783	7,939	8,133	8,204
Student aid	14,895	13,281	10,751	11,553	36,951	12,644	12,052	6,250	7,213	8,770
Auxiliary enterprises	725	415	381	477	416	342	658	685	733	811
Interest on capital debt	2,134	1,899	1,881	2,929	3,320	3,882	3,604	3,602	3,413	3,263
Total expenses by function	$ 202,462	$ 173,203	$ 154,126	$ 144,038	$ 191,859	$ 146,890	$ 136,577	$ 149,286	$ 167,813	$ 169,833

(Amounts expressed in percentages)

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Expenses by function:										
Instruction	36.06%	36.30%	36.45%	34.64%	28.52%	34.27%	36.12%	37.99%	38.48%	38.57%
Public service	0.03	0.06	0.02	0.01	0.02	0.03	0.08	0.06	0.09	0.07
Academic support	13.87	12.86	11.74	10.64	8.57	10.05	10.07	10.99	11.43	11.12
Student services	13.80	13.26	14.23	13.76	10.93	12.86	12.21	13.75	14.43	14.37
Institutional support	14.04	13.84	14.45	14.68	19.07	19.35	14.04	15.17	14.96	14.63
Operation and maintenance of plant	8.82	9.39	8.92	10.88	7.72	6.88	9.84	9.66	8.99	8.84
Depreciation	4.61	5.28	5.73	5.00	3.97	5.08	5.70	5.32	4.85	4.83
Student aid	7.36	7.67	6.99	8.02	19.26	8.61	8.82	4.19	4.30	5.16
Auxiliary enterprises	0.36	0.24	0.25	0.33	0.22	0.23	0.48	0.46	0.44	0.48
Interest on capital debt	1.05	1.10	1.22	2.03	1.73	2.64	2.64	2.41	2.03	1.92
Total expenses by function	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 NET POSITION AND CHANGES IN NET POSITION (UNAUDITED)

Years ended June 30,
(Amounts expressed in thousands)

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total revenues (from schedule of revenues by source less capital appropriations)	$ 186,990	$ 155,866	$ 144,013	$ 148,950	$ 205,066	$ 170,798	$ 158,085	$ 148,112	$ 148,423	$ 149,678
Total operating expenses (from schedule of expenses by use)	200,327	173,203	154,127	144,038	191,859	146,889	136,578	149,286	167,813	169,833
Total changes in net position	(13,337)	(17,337)	(10,114)	4,912	13,207	23,909	21,507	(1,174)	(19,390)	(20,155)
Net position, beginning	72,294	56,851	18,748	(3,611)	(28,368)	(65,267)	(98,807)	(109,429)	51,951	61,057
Net position, ending	$ 58,957	$ 39,514	$ 8,634	$ 1,301	$ (15,161)	$ (41,358)	$ (77,300)	$ (110,603)	$ 32,561	$ 40,902
Net investment in capital assets	$ 131,408	$ 122,948	$ 93,435	$ 94,532	$ 110,433	$ 116,734	$ 104,726	$ 103,869	$ 102,005	$ 99,772
Restricted - expendable	6,628	6,471	5,937	6,205	5,784	5,727	5,439	5,284	5,101	4,939
Unrestricted	(70,791)	(57,125)	(42,521)	(81,989)	(119,828)	(150,829)	(175,432)	(207,960)	(216,535)	(52,760)
Total net position	$ 67,245	$ 72,294	$ 56,851	$ 18,748	$ (3,611)	$ (28,368)	$ (65,267)	$ (98,807)	$ (109,429)	$ 51,951

Source: Audited financial statements.

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)

Years ended June 30,

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Enrollments and student demographics:										
Credit FTE	11,430	11,036	10,004	9,161	8,935	10,608	12,331	12,740	13,596	13,659
Unduplicated Credit Headcount	19,780	18,710	17,537	16,769	16,596	19,266	22,160	23,139	24,443	25,571
Percentage - Men	33.1%	34.4%	34.1%	33.2%	31.6%	31.2%	34.7%	36.3%	36.3%	37.1%
Percentage - Women	66.6	65.6	65.9	66.2	68.4	68.4	65.3	63.7	63.7	62.9
Percentage - Black	31.7	36.0	42.3	44.7	42.5	41.7	41.9	43.1	48.1	48.8
Percentage - White	13.0	15.0	19.1	20.7	23.3	24.4	22.9	23.2	23.5	24.0
Percentage - Asian	7.6	10.0	11.2	10.7	10.8	10.4	11.8	11.4	9.8	9.4
Percentage - Hispanic	18.9	19.3	18.4	17.1	16.4	15.7	15.9	14.9	14.0	13.0
Percentage - American Indian/other	3.5	4.3	4.6	4.2	4.1	4.0	3.9	4.0	0.3	0.3
Percentage - Unknown	25.3	15.4	4.3	2.6	3.0	3.8	3.6	3.4	4.3	4.5
Degrees awarded:										
Associate	1,679	1,560	1,575	1,429	1,806	1,954	1,761	1,770	1,731	1,794
Certificate	174	189	180	154	229	178	225	331	495	471

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

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Faculty:										
Part-time	667	682	630	614	526	297	452	567	543	548
Full-time	297	288	286	279	361	310	336	438	443	467
Percentage tenured	70.0%	76.7%	81.5%	86.4%	74.2%	77.7%	77.7%	67.1%	65.2%	61.8%
Administrative and support staff:										
Part-time	55	31	23	37	77	55	82	76	40	38
Full-time	512	511	503	500	495	503	506	474	470	466
Total employees:										
Part-time	722	713	653	651	603	352	534	643	583	586
Full-time	809	799	789	779	856	813	842	912	913	933
Students per full-time staff:										
Number credit students	13,320	12,926	12,224	11,636	11,647	13,672	15,996	16,672	17,296	18,126
Faculty	45	45	43	42	32	44	48	38	39	39
Administrative and support staff	26	25	24	23	24	27	32	35	37	39
Average annual faculty salary	$ 88,920	$ 78,829	$ 70,191	$ 69,675	$ 61,894	$ 66,597	$ 65,300	$ 75,020	$ 67,883	$ 69,196

Source: Institutional Human Resource Records.

GROSS SQUARE FEET OF COLLEGE BUILDINGS (UNAUDITED)

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Main Campus - Buildings	911,051	911,051	911,051	911,051	911,051	911,051	911,051	911,051	911,051	911,051
Main Campus - 17 Street Garage	230,360	230,360	230,360	230,360	230,360	230,360	230,360	230,360	230,360	230,360
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	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	39,394	39,394
Northwest Regional Center	90,000	90,000	90,000	90,000	-	-	-	-	-	-
Career & Advance Technology Center (CATC)	75,500	75,500	75,500	75,500	90,000	90,000	90,000	90,000	90,000	90,000
Total gross square feet	1,681,382	1,681,382	1,681,382	1,681,382	1,605,882	1,605,882	1,605,882	1,605,882	1,605,882	1,605,882

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:	Population as of June 30	Average Annual Unemployment Rate
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
2020 – 21	1,587,232	9.4
2021 – 22	1,576,251	5.7
2022 – 23	1,567,258	4.4
2023 – 24	1,550,542	3.8
2024 – 25	1,573,916	4.3
2025 – 26	1,574,281	5.3

Sources: United States Census Bureau and Bureau of Labor Statistics

See accompanying report of independent certified public accountants.

COMMUNITY COLLEGE OF PHILADELPHIA

Internal Audit Update

October 26, 2026

RISE FROM WITHIN

COMMUNITY COLLEGE OF PHILADELPHIA

Middle States Accreditation

STANDARDS SUPPORTED

II **Ethics and Integrity**

VI **Planning, Resources, and Institutional Improvement**

VII **Governance, Leadership, and Administration**

INTERNAL AUDIT'S ROLE

Evaluate and report on governance, risk management, internal controls, and compliance.

MANAGEMENT'S ROLE

Develop and implement the institution's strategic, operational, and budgetary plans.

PLANNING APPROACH

No specific Middle States requirement was identified for a three- or five-year audit plan. Peer practice favors an annual plan with a subsequent-year outlook.

• The Audit Universe connects five years of historical audit data with the next five years of planned coverage to help demonstrate support for Middle States requirements.

COMMUNITY COLLEGE OF PHILADELPHIA

Audit Universe

Risk Area	Topic	2022-2023	2023-2024	2024-2025	2025-2026	2026-2028
Finance	Budget & Financial Reporting	Grant Thornton	Grant Thornton	Grant Thornton	Grant Thornton	
	Procurement & Purchasing				IA - P Card Audit	IA Procurement / Contracts IA - Pcard Expenses
	Accounts Receivable / Payable					IA - OAR
	Payroll					IA - 403B Vendor Payments
	Cash Handling & Treasury					IA - Employee Check Requests
Student Financial Services	Financial Aid (Title IV)	Grant Thornton Fed Finanical Aid Program Review	Grant Thornton IA - Title IV Return Review	Grant Thornton	Grant Thornton	IA -Federal Aid Fraud
	Student Accounts & Tuition	Grant Thornton	Grant Thornton	Grant Thornton	Grant Thornton	IA - Facilities Grants IA - Monel Grant IA - CCME IA - Perkins Follow-up
	Grants Management Compliance	Fed Financial Aid Program Review PHEAA Review - Annual IA - Veterans Benefits	PHEAA Review - Annual	Perkins Program Review IA - TRIO SSS Audit PHEAA Review - Annual	IA -CATTO Audit IA - Emergency Fund Audit PHEAA Review - Annual	
Human Resources	Salary & Benefits Administration		IA - Employee Computer Loans			IA - Part Time Faculty Benefits
Academic Affairs	Academic Operations		IA - Degree Verifications			
	Workforce & Continuing Education					
Student Services	Admissions & Registration					IA -Federal Aid Fraud
	Student Records (FERPA)	IA - Right to Know Audit				
	Advising & Student Support	IA - Social Media Accounts				
Information Technology	Cybersecurity	Network Test Audit	Network Test Audit	Network Test Audit	Network Test Audit	
	ERP & Administrative Systems					
	Identity & Access Management					IA - Logical Access - ID Cards
	Business Continuity & Disaster Recovery					
Facilities & Operations	Facilities & Maintenance					
	Capital Projects					IA - Facilities Grants
	Public Safety & Emergency Management					IA - Physical Acess
Regulatory Compliance	Clery/Title IX/Regulatory Compliance					
	Contract Management					IA Procurement / Contracts
	Americans with Disbilities Act			Recommended Action Plan	Evergreen Advisors	Action Plans Follow-Up
Auxiliary Services	Bookstore, Dining, etc.				IA - CATTO partially	

COMMUNITY COLLEGE OF PHILADELPHIA

Internal Audit Plan 2026-2027

Proposed Audit	New/Prior Years	Audit Risk	Fiscal Year	QTR
Federal Financial Aid - Fraud Risk	Revised Prior Scope	High	2026-2027	Q1
Other Accounts Receivables*	Revised Prior Scope	Low	2026-2027	Q1
Naval Welding Grant**	New	Medium	2026-2027	Q2
Safety Review - Physical Access	New	Medium	2026-2027	Q2
IT User (Logical) Access Levels	New	Medium	2026-2027	Q3
Procurement	Revised Prior Scope	High	2026-2027	Q3
P-Card Recurring Analysis	New	Medium	2026-2027	Q4
Monell Grant*	New	Low	2026-2027	Q4

*** OAR audit and Monell Grant were switched out**

**** Naval Welding Grant was requested**

RISE FROM WITHIN

Internal Audit Plan 2027-2028 (TBD)

Proposed Audit	New/Prior Years	Audit Risk	Fiscal Year	QTR
Facilities Grants	New	Medium	2027-2028	Q1
Perkins Grant	New	Low	2027-2028	Q1
Trio Upward Bound	Prior Years	Low	2027-2028	Q2
Family Medical Leave Act	Prior Years	Medium	2027-2028	Q2
403(b) Vendor Payments	Prior Years	Low	2027-2028	Q3
Employee Check Requests	Prior Years	Low	2027-2028	Q3
City College for Municipal Employment	New	Medium	2027-2028	Q4
Federal Work Study	Prior Years	Low	2027-2028	Q4

Audit Updates 2026-2027

Federal Financial Aid Audit – Nearly Complete – Report Expected Nov 2026

- On April 15, 2026, the U.S. Department of Education issued guidance announcing FSA's real-time FAFSA identity-fraud detection capability, implemented April 26, 2026
    - The risk of the Title IV program becoming deficient in the future is heightened

- Internal Audit concludes that the planned 2027 updates are sufficient to mitigate the risk of future Title IV deficiencies

  Updates include:
    - Institution-Wide Policy on Fraud – expected April 2027
    - New IT software to streamline fraud detection in enrollment – Design stage
    - Cross-Functional Fraud Committee Formation – expected end of calendar year

Audit Updates 2026-2027 (cont.)

Other Accounts Receivable Audit (Non-Tuition) – Nearly Complete

- The program was found to be operating with consistent policies and standards at a satisfactory level.
  - Kicked-Off in 1st quarter
  - Light testing remaining
  - Report expected in November 2026

2nd Quarter 2026–2027 Audits Scheduled

Naval Welding Federal Funds Audit (CCP subrecipient to BlueForge)

- Kicked-Off in October 2026
- Scope includes budgetary to expense accuracy, contract & federal compliance and licensing & inspection requirements

Physical Access Security Audit

- Scheduled Kick-Off in October 2026
- Scope includes physical access cards, physical keys, and security policies.

Follow-up on Previous Audits

CATTO Scholarship Audit (2025 - 2026)

- Follow-up is scheduled for 4th Quarter Fiscal Year 2026 - 2027

Single Stop Emergency Funds Audit (2025 -2026)

- Follow-up is scheduled for December 2026

COMMUNITY COLLEGE OF PHILADELPHIA

INTERNAL AUDIT REPORT
CATTO SCHOLARSHIP PROGRAM

AUDIT PERIOD: SPRING SEMESTER 2026
DATE ISSUED: AUGUST 20, 2026



Executive Summary

On April 21, 2026, the Internal Audit (IA) CATTO Scholarships for the Academic Year 2025 was commenced in accordance with the 2025-2026 Fiscal Year Audit Plan. The purpose of the audit is to determine compliance with the Community College of Philadelphia's (CCP) standard operating procedures (SOP) and the City of Philadelphia's (City) regulatory reporting requirements. Audit objectives also include policy and procedure effectiveness, data integrity, and accurate reporting.

Audit Conclusion

IA concludes that CATTO scholarship program administration is substantially compliant with all applicable City and CCP requirements with exception to notable control deficiencies:

1. Lack of communication, accessibility, and maintenance to established and approved CCP Standard Operating Procedures (SOP) across key functional departments.

2. Conflicting requirements posted on City and CCP websites necessitate official clarification and/or an MOU/Written Agreement with the City.

3. Manually intensive data entry, from a single individual, for 1,802 students during four terms, risks increased disbursement errors and undetected system glitches.

Refer to Detailed Audit Results on page 6 for More Specific Information and Management Action Plans

The audit was conducted drawing from applicable guidance issued by the Institute of Internal Auditors' International Professional Practices Framework. These standards require that internal auditors plan and perform the engagement to obtain sufficient and appropriate evidence to achieve the audit's objectives and conclusion.

IA noted no issues with independence and was issued untethered access to appropriate data and materials needed.

Robert Farrow Digitally signed by Robert Farrow Date: 2026.08.20 16:11:35 -04'00'

Robert Farrow, CPA, CIA, CFE
Internal Auditor

Background

The Octavius Catto Scholarship is a City funded initiative at CCP that provides "last-dollar" funding to cover tuition, fees, and books for eligible City residents. It aims to reduce poverty by offering up to three years of free tuition, dedicated academic coaching and support for full-time students. In addition, a student may receive up to $1,600 in additional funding for basic needs and supplies.

Refer to Compliance Testing Objectives and Requirements on page 5 for more specific student eligibility details.

The City initially authorized a five-year funding plan for the scholarship, spanning fiscal years 2021 through 2025. Approximately $47.4 million was allocated to support the program. Since then, the City has extended the program for roughly $11 million on an annual basis through the approved budget. As fiscal year 2025–2026, approximately 1,802 Philadelphia residents were enrolled receiving appx. $5.5 - $6 million in total aid from the program.

Key Departments and Duties

The program is primarily administered and monitored by the Departments of CATTO, and Accounting.

The CATTO department will monitor student activities including initial requirements, continuing eligibility, and progression through the program with coaching. Their division also collects and monitors budgetary data and regularly interfaces with City officials on program data and progression.

The Manager of Scholarship Aid and Eligibility, under the CATTO department, plays a critical role in manually calculating last-dollar tuition application, digital book materials, and monthly basic needs payments. These manual entries are dependent upon accurate reporting on classes enrolled, federal financial aid eligibility, required attendance, grades, and appeals applications for students falling behind. Students that officially withdraw will have CATTO aid deducted out of their reimbursement mirroring the calculations required under Return to Title IV requirements.

The Accounting Department collects the financial system data from Banner on all enrolled students and program administrators. These tuition and administration costs are compiled and sent to the City for invoice reimbursement per semester and quarterly, respectively. They work closely with CATTO department personnel on any notable discrepancies in expected costs and City inquiries.

Audit Scope and Methodology

Key Audit Steps

- Policies and Procedures were reviewed for effectiveness, completeness, communication, employee awareness, and consistency with website posted information.

- Process walkthroughs and interviews were conducted with CATTO and Accounting personnel.

- Systems, workflow, and reporting capabilities were assessed for operational effectiveness and efficiency.

- Invoice reporting was vouched back the data within Banner for Fall 2025 semester (students) and Quarter 3 FY 2025-2026 (administration).
    - All student bookstore purchases within Fall 2025 invoicing were scanned against the approved list within FA02 – *Bookstore Credits*.
    - All students enrolled during the Fall 2025 semester were scanned for purchases above the allowable amount of $500

- Student data from Tableau was analyzed to identify a total of 55 from the population of 1,802 enrolled for the following high-risk areas:
    - Minimum GPA below 2.0 after Four (4) or more Semesters – 5 Samples
    - Lowest Credit per Semester Earned – 10 Samples
    - Students more than Five (5) Semesters – 8 Samples
    - Students with Two (2) Semesters not meeting Annual Requirements – 7 Samples
    - Students Randomly Selected – 20 Samples
    - Students with more than $2,500 in CATTO Benefits Received – 5 Samples

- A total of 55, judgmental and stratified, samples were tested against the Compliance Testing Objectives found on page 5.
    - Due to a high deviation rate within the initial 55 testing monthly basic needs payments, an additional 25 students were selected to confirm the issue.

Key Policies and Procedures Observed

- Octavius Catto Scholarship Handbook (CCP Website), not dated
- Octavius Catto Scholarship FAQ (City Website), dated 3/5/2020
- FA01 – Financial Aid Awards & Packaging, dated July 2024
- FA02 – CATTO Bookstore Credits, dated July 2024
- FA03 – Monthly Direct Payments, dated July 2024
- FA04 – End of Term Reconciliation, dated July 2024
- FA05 – Withdrawal Adjustments, dated July 2024
- EV01 – Annual Evaluation Criteria, dated July 2024

- EV02 – Petitions and Appeals, dated July 2024
- RS01 – Student Outreach and Recruitment, dated July 2024
- RS02 – Graduation Outreach, dated July 2024
- RS03 – Exiting Scholars, dated July 2024
- SC01 – Scholar Success Coach Assignment, dated July 2024
- SC02 – Caseload Prioritization, dated July 2024
- SC03 – Individualized Success Plan (ISP), July 2024
- DM01 – Catto Data Entry and Storage, July 2024

Key Systems and Reporting Observed

- **Banner** – Used to issue CATTO tuition, digital materials, and basic needs reimbursements to student. Contains information about student grades and classes enrolled. Also used to capture administration budgetary and actual expense information for billing purposes.

- **Starfish** – A faculty and student messaging system that will display student attendance, GPA, academic program, coaching notes, classes attended, workshop and check-in attendance.

- **Tableau** – Displayed data interfaced with Banner summarizing all students enrolled in CATTO, amounts reimbursed, monthly basic needs payment amounts, GPA, full time status, credits enrolled, and credits completed.

- **CATTO Petition Form** – This form is used for students who fall behind GPA and full-time credit requirements. The petition is filled out by the student for review by the CATTO team to determine a reasonable path to academic completion. They are used after one- and two-year evaluations for a student that wants to continue the program.

- **CATTO Quarterly Expense Summary** – This report is used by CATTO personnel to track and trend actual expense data against budgetary allocations. It is also used to verify and reconcile the invoicing data generated by Accounting.

- **CATTO Billing Summary Report** – This report is generated with information from Banner for invoicing purposes to the City. It will show all students and reimbursed amounts, as well as selected cost categories for administrative costs.

Compliance Testing Objectives

City Regulatory Requirements – per 2020 City FAQ and Website

A. Philadelphia Residency - 12 Consecutive Months Before Enrollment
B. Full Time Student (12 or more Credits per Term)
C. FAFSA Application or Alternative Income Verification Process – EFC below $8,000
D. Up to $1,600 for books, supplies, and basic needs
E. Last Dollar Tuition after Federal, State, and Other Aid Applied
F. Meeting CCP Program Requirements

CCP Student Program Requirements – per CCP SOPs dated 2024 and Website Manual

G. Maintain 2.0 GPA Minimum
H. Student Aid Index ($8,000 or less) through FAFSA Calculation
I. Full Time - Complete 20 and 42 Credits by Years One and Two Respectively
    - Complete Annual Appeals Form if Falling Behind
J. Attend Monthly Check-in and Workshops for $275 (up to four $1,100) for Basic Needs
K. $500 Maximum Credit for Books and Supplies from the Bookstore

CCP Reporting Requirements – per Interviews with CCP Personnel

L. Detailed Billing per Semester per Student
    - Includes Monthly Payment, Tuition, Digital Materials, and Bookstore Purchases
M. Detailed Billing per Fiscal Quarter Breaking Down Administrative and Personnel Costs
N. Justification for more than $1,600 in Bookstore Purchases and Basic Needs Disbursement
O. Ad-Hoc Phone and Email Inquiries

Detailed Audit Results

Test Results

Test Objective	Compliance Reference	Deviation Rate	Findings	Risk Rating
Philadelphia Residency	A	0%	Positive	Ok
Full-Time Student	B, I	0%	Positive	Ok
Maintain 2.0 GPA Minimum	G, F	0%	Positive	Ok
Monthly Check-in and Workshop Attendance	**D, J, F**	**16%**	**Finding #1**	**Medium**
Tuition Reimbursement Posted after Other Aid Applied	**E**	**5%**	**Finding #2-3**	**Medium**
Student Aid Index Must be Less than $8,000	**C, H**	**1%**	**Finding # 3**	**Medium**
Maximum of $1,600 per Semester - Book Store ($500) and Basic Needs (up to $1,100)	**D, K, F**	**< 1%**	**Finding # 4**	**Low**
Approved Bookstore Items for Purchase	K, F	< 1%	Positive	Ok
Student Disbursement Reporting and Invoicing Accuracy	L, O	0%	Positive	Ok
Program Administration Expense Reporting and Invoicing Accuracy	M, O	0%	Positive	Ok

Findings

1. **CCP Compliance – Basic Needs Overpayments**

   Student Basic Needs Payments were not supported by proper attendance of one Workshop and Monthly Check-in with their coaches, within the same month, for 27 out of 168 payments (16%) during the Spring 2026 semester.

   Root Cause

   For students with three (3) months of proper attendance, pre-payments were posted at the beginning of the last month of the Spring 2026 Semester in "good faith". This practice was not found in SOP FA03 – *Monthly Direct Payments*, dated 2024 and approved by the Director of CATTO Scholarships. Recent CATTO personnel were unaware that such SOPs existed for reference.

   Rating - Medium

   The deficiency breaches the material thresholds of 3% affecting compliance and dollar value.

   Management Corrective Action is Required.

2. **City/CCP Compliance – Last Dollar Tuition Overpayments**

Excessive tuition was applied after deducting federal grants (Last Dollar Application) for three (3) out of 55 students (5%) during the Spring 2026 semester.

Root Cause

Excessive manual calculations and data entry were observed and concurred with by the CATTO leadership team. Undetected system reimbursement errors for 2 (two) of the excessive payments noted were identified as a result of reviewing IA testing.

Rating - Medium

The deficiency breaches the material thresholds of 3% affecting both compliance and dollar value.

Management Corrective Action is Required.

3. **City Compliance – Conflicting Website Posted Requirements**

The City has posted CATTO requirements in a FAQ, dated 2020 defining "Last Dollar" tuition application as after federal, state, and other aid is applied against student tuition. CCP applies only federal grants against tuition first in accordance with SOP FA01 – *Financial Aid Awards* and posted website data.

CCP also applies CATTO Scholarship aid for students that have increased SAI over 8,000 between terms. This practice is not stated as allowable within the City or CCP posted and internal information.

Root Cause

The City has not established a written agreement nor Memorandum of Understanding with CCP for core requirements such as "Last Dollar" tuition application definitions.

Rating - Medium

Conflicts between posted City and CCP requirements necessitate written evidence of mutual understanding. This creates the potential for material breach in the event of a misunderstanding regarding compliance with City requirements.

Management Corrective Action is Required.

4. **City Compliance – $1,600 limit for books, supplies, and basic needs**

The audit found that sixteen (16) students were not identified and reported to the City for approval after exceeding their $500 bookstore purchase limit during the Fall 2025 semester. The unauthorized breaches amounted to $2,700 (< 1%).

In addition to tuition, students may receive up to $500 for books and supplies, and a $275 monthly payment for basic needs (up to four months totaling $1,100) for a maximum of $1,600.

Root Cause
Accounting believed the bookstore purchase maximum to be $1,600 in addition to basic needs payments. As a result, IA counted sixteen (16) students went unreported after breaching what should have been a maximum of $500 for the bookstore purchases alone. Accounting was also unaware that SOPs existed for reference.

Rating - Low
Although immaterial in number during this testing period, the discrepancies may grow to a material size without correction.

Management Corrective Action is Required.

Management Action Plan

The Catto Scholarship team will review, update, and consolidate all existing standard operating procedures (SOPs) into a comprehensive program manual. The revised manual will be distributed and made easily accessible to all relevant personnel to support consistent implementation of program policies and procedures. Once completed, the manual will also be shared with City officials for review and approval. We will work with IT, Enrollment Management, and Financial Aid to evaluate opportunities to streamline and automate processes that currently require manual calculations or data entry. The goal is to reduce the risk of calculation and keying errors while improving the accuracy and efficiency of scholarship administration. We will work with our City partners to establish and document a clear, shared definition of "last-dollar" tuition assistance and ensure that the definition is consistently reflected in program policies and procedures. We will evaluate the feasibility and implications of incorporating Pennsylvania State Grant funds into the calculation of Catto Scholarship awards, including how this may impact last-dollar scholarship calculations and student financial aid packages.

We are committed to addressing the audit findings and strengthening our internal processes to ensure the Catto Scholarship continues to operate with accuracy, consistency, and transparency.

Implementation Date

End of Fiscal Year 2026-2027

Audit Risk Ratings

Impact – Degree of potential harm or consequence to the organization resulting from a control weakness or deficiency.

Likelihood – Probability that the risk event will occur due to the identified issues within a defined time period.

Low – The issue is immaterial*, contains mitigating factors, or has little relevance to the audit's statement objectives.

Medium – The issue concerns some non-compliance and may modify a fully satisfactory conclusion.

High – The issue has indicated substantial non-compliance and/or substantial lost dollars and must be corrected by management in a timely manner. This normally indicates an unsatisfactory conclusion.

The ratings and nature of each finding have a direct impact on the audit's conclusion concerning compliance and satisfactory internal control. Management correction may be required for any rating depending on IA judgement.

***** Materiality for Internal Audit purposes is defined as three percent (3%) or more in deviation rates as compared to the selected sample size in number and/or dollar value. In a representative sample, the percentage may be extrapolated to program totals, but with professional caution.

COMMUNITY COLLEGE OF PHILADELPHIA

INTERNAL AUDIT REPORT
SINGLE STOP EMERGENCY FUNDS

AUDIT PERIOD: FISCAL YEAR 2025-2026
DATE ISSUED: AUGUST 20, 2026



Executive Summary

On April 31, 2026, the Internal Audit (IA) of Single Stop Emergency Fund Administration was commenced in accordance with the 2025-2026 Fiscal Year Audit Plan. The purpose of the audit was to assess internal controls, procedures, and consistent application of disbursement for donor and institutional confidence.

Audit Conclusion

IA concludes that the Single Stop Emergency Fund program administration is operating with consistent standards and at a satisfactory level with exception to lack of written Standard Operating Procedures (SOP).

1. As a result, an SOP is currently being drafted by the Single Stop Director for cabinet level - approval.

   Update as of June 25, 2026: An SOP has been drafted and submitted to the Vice President, Academic and Student Success for review.

   Management has implemented the action plan. Internal Audit will follow-up and verify approval and distribution during the 2nd Quarter of Fiscal Year 2026-2027.

Refer to Detailed Audit Results on page 5 for More Specific Information

The audit was conducted drawing from applicable guidance issued by the Institute of Internal Auditors' International Professional Practices Framework. These standards require that internal auditors plan and perform the engagement to obtain sufficient and appropriate evidence to achieve the audit's objectives and conclusion.

IA noted no issues with independence and was issued untethered access to appropriate data and materials needed.

Robert Farrow Digitally signed by Robert Farrow Date: 2026.08.20 16:13:01 -04'00'

Robert Farrow, CPA, CIA, CFE
Internal Auditor

Background

The Community College of Philadelphia's (CCP) Single Stop Emergency Funding Program supports students facing unexpected financial challenges that may interfere with their ability to remain enrolled and succeed academically. As part of CCP's broader student support initiative, Single Stop connects students with resources addressing basic needs, including emergency financial assistance, food access, healthcare, transportation, childcare, and other support services. The Emergency Funding Program provides limited financial assistance to eligible students experiencing urgent hardships or expenses related to their education, helping reduce barriers to persistence and completion.

Students seeking emergency funding begin the process by contacting CCP's Single Stop office and completing an application that documents their financial circumstances and immediate need. Applications are reviewed to determine eligibility based on program guidelines, available funding, and the student's individual situation. Students may also be connected with additional Single Stop resources and community supports that can address ongoing needs beyond the immediate financial emergencies.

For Fiscal Year 2025-2026, roughly $700k was reimbursed to students in need. Roughly 75% were from CCP reserves, while the other 25% were donated from a collection of eleven (11) private donors.

Refer to Compliance Testing Objectives and Requirements on page 4 for more specific student eligibility details.

Key Departments and Duties

The program is administered and monitored by the Departments of Single Stop, and Accounting. Students who have a Single Stop Profile will go online through the CCP portal and fill out the Application for Emergency and Basic Needs Funding. From here they will fill out what the emergent situation is, amount of funding being sought, whether a FAFSA form has been completed, and uploading of any supporting documentation. Single stop staff and the Director will receive an email notification for review. After review, an amount may be rewarded; typically, a standard amount for food, transportation, clothing, and technology. The information is tracked and logged within the Emergency Funds Distribution Tracker. On a weekly basis, all approved amounts are placed with the E-Funds Memo and sent to accounting to be posted on each students' account within Banner. The student will then receive a check or direct deposit.

Audit Scope and Methodology

Key Audit Steps

- Policies and Procedures were reviewed for effectiveness, completeness, communication, employee awareness, and consistency with website posted information.
- Process walkthroughs and interviews were conducted with Single Stop personnel.
- Systems, workflow, and reporting capabilities were assessed for operational effectiveness and efficiency.
- All emergency funds disbursed were scanned for fiscal year 2025-2026 to determine whether students were rewarded more than once per semester and year.
- A total of 28 students were selected from the Fall 2025 semester to verify proper disbursement, account posting, and any CCP / Donor requirements.

Refer to Compliance Testing Objectives and Requirements on page 4 for more specific testing details.

Key Policies and Procedures Observed

- There were no written policies or procedures that were in effect observed in the audit. Much of the eligibility information and requirements came directly from the website and interviews with personnel. The following supplemental documents were observed as informal guidance:
    - Emergency Funds Overview
    - Emergency Funds Coordination

Key Systems and Reporting Observed

- **Banner** – Contains information about student grades, classes enrolled, and financial aid issued per semester.
- **Single Stop Profile –** The confidential online in-take form that connects the students with emergency financial assistance, public benefits, and campus resources.
- **Email Alerts –** All Single Stop personnel are alerted with an Emergency Fund application is submitted for review.

- **Emergency Funds Distribution Tracker –** Information is entered and tracked in this spreadsheet including funding source, J-number, name, semester / term, amount, and category (food, rent, etc.).

- **E Funds Memo –** This spreadsheet is sent to Accounting on a weekly basis to post the award information within Banner.

Compliance Testing Objectives

CCP Requirements – as listed on CCP's Online Application

A. Single Stop Profile and Emergency Application Filled Out
B. One–Time Disbursement of Funds
C. FAFSA Application Filled out or Missing Explanation
D. Enrolled in at least six (6) Credits per Term or Other Academic Program
E. Maintain a Minimum 2.0 GPA

Internal Guidelines

F. Funds Accurately Posted to Banner
G. Consistent Disbursement Schedule:
    - Food: $300
    - Transportation $300
    - Childcare: $300
    - Technology: $100
    - Clothing: $300

Donor Academic Restrictions

H. Barbara M. Cohen Basic Needs Fund – Maintain a Minimum 3.0 GPA and Final Year

Detailed Audit Results

Test Results

Compliance Reference	Test Objective	Deviation Rate
A	Single Stop Profile and Application Filled Out	0%
B -1	**Not Disbursed more than Once per Semester***	**2%**
B -2	**Not Disbursed more than Once per Year**	**10%**
C	FAFSA Application Attempt	0%
D	Six Credits per Semester	0%
E	**Minimum 2.0 GPA**	**18%**
F	**Accurate Posting to Banner**	**4%**
G	**Consistent Disbursement Schedule**	**18%**
H	Barbara M. Cohen Recipient Requirements (There were four students in FY 2025-2026)	0%

* Students received additional food and other support during October 2025 when SNAP funding was withheld due to the Federal Government shutdown.

Note that none of these situations are actual non-compliance issues, but rather a deviation away from consistency (such as what the website states as a requirement).

All deviations were known and verbally approved by the Director of Single Stop prior to disbursement.

Findings

1. **CCP Compliance – Standard Operating Procedure**
   There were no Standard Operating Procedures to govern the controls over the administration of emergency funds from the Single Stop Program. As a result, the website contained guidelines that differed from current practice.

   Root Cause
   The institution universally does not require Standard Operating Procedures for all funding programs, scholarships and grants. Whether procedures exist are at the discretion of the department regardless of grant or restricted funding requirements.

   Rating - Medium
   The deficiency concerns effective and documented control over compliance related to grants and restricted funding. Donor and Cabinet confidence in appropriate allocation can erode over time without such documentation presented.

   Management Corrective Action is Required.

Management Action Plan

The Director Single Stop had already begun working on a Standard Operating Procedure to be approved by the Vice President, Academic and Student Success at the time of the audit.

Implementation Date

No later than July 2026.

Update as of June 25, 2026: An SOP has been drafted and submitted to the Vice President, Academic and Student Success for review.

Management has implemented the action plan. Internal Audit will follow-up and verify approval and distribution during the 2nd Quarter of Fiscal Year 2026-2027.

Audit Risk Ratings

Impact – Degree of potential harm or consequence to the organization resulting from a control weakness or deficiency.

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COMMUNITY COLLEGE OF PHLADELPHIA

Resolution - Fiscal Year 2026-2027

Resolution to Authorize the Submission of a Special Distribution Capital Application to the Pennsylvania Department of Education ("PDE")

PROJECT NAME: Winnet Building Great Hall Room Renovation

WHEREAS, the Great Hall in the Winnet Building needs to be renovated and modernized to create a functional, attractive, and technologically advanced multipurpose event venue. The project includes upgraded audiovisual and event technology, lighting improvements, new carpeting, painting and interior finishes, and a refresh of the adjacent kitchen facilities;

WHEREAS, these enhancements will improve the Great Hall's ability to support College events;

WHEREAS, the total estimated project cost is $1.25 million, with $625,000 to be funded through the PDE Special Distribution Capital Program and a $625,000 institutional match from the College's capital budget;

NOW, THEREFORE, BE IT RESOLVED THAT, the Board of Trustees of the Community College of Philadelphia approves the submission of a Special Distribution Capital Application to the Pennsylvania Department of Education for the above capital project.

_____

Harold T. Epps, Chair

_____

Ajeenah Amir, Secretary

COMMUNITY COLLEGE OF PHILADELPHIA
Proceedings of the Meeting of the Board of Trustees
Thursday, October 1, 2026 - 2:30 p.m.

Present: Mr. Epps, presiding: Ms. Ajeenah Amir, Representative Morgan Cephas, Mr. Patrick Clancy, Mr. Michael Cooper, Mr. Tim Ford, Ms. Chekemma Fulmore-Townsend, Ms. Keola Harrington, Ms. Sheila Ireland, Dr. Carol Jenkins, Pastor Jonathan Mason, Ms. Rosalyn McPherson, Ms. Mindy Posoff, Dr. Alycia Marshall, Dr. Danielle Liautaud-Watkins, Dr. Mellissia Zanjani, Dr. Lisa Sanders, Dr. Shannon Rooney, Mr. Jeffery Eberly, Ms. Carolyn Flynn, Dr. Seth Jacobson, Dr. Judy Gay, Ms. Candice Rivera, and Mr. Ciarán DiMartino, Student Representative

(1) Executive Session I

(2) Meeting Called to Order

Mr. Epps called the meeting to order. He stated that Executive Session I was devoted to a discussion of real estate, personnel, and legal matters.

Mr. Epps announced Trustee Jeremiah White's resignation effective September 30, 2026, expressed appreciation for his 20 years of service, and noted that plans to honor him would be discussed in Executive Session II.

Mr. Epps reviewed the goals for the meeting:

- Enrollment Update
- Programmatic Updates

(3) Public Comment

Mr. Epps inquired if there were any requests for public comment. Ms. Flynn reported that two requests for public comment were received. Mr. Epps stated that the individuals will have 3 minutes for public comment.

- Ms. Christine Guaragno, English Faculty and Unit Chair of Developmental English, expressed concerns about the increase in ENG 098 class caps from 13 to 20 students, citing a lack of communication and transparency, reduced access to instructional support, and inequities for students and faculty. She urged the College to maintain class caps at 13 students.

  Ms. Elisa McCool, English Faculty and Co-chair of the Full-Time Faculty Bargaining Unit, raised concerns about new student registration planning and increased

ENG 097 and 098 class sizes. She called for improved onboarding, orientation before registration, and restoration of class caps to 13 students to ensure equitable instructional support.

(4) Report of the President

(a) Data Presentation

Mr. Sesime Adanu, Associate Vice President for Institutional Effectiveness, presented "CCP Student Success: Trends, Challenges and Opportunities," (Attachment A). He reviewed pre- and post-COVID enrollment trends, including a 4% increase in annual credit and non-credit enrollment from 2024–2025 to 2025–2026. The presentation addressed students' educational goals, CCP's three-year graduation rate compared with peer institutions, the effects of stop-outs and attrition, and survey findings on barriers to enrollment and persistence. He outlined opportunities to address these barriers and improve student success.

Board members discussed the distinction between graduation rates for first-time, full-time students and the total number of graduates. They requested further review of peer institutions' graduation improvements, counselor and advisor caseloads, and efforts to capture non-credit completion outcomes. Members also discussed encouraging associate degree completion before transfer and requested clarification on transfer pathways and potential barriers.

(b) Update on Enrollment

Dr. Rooney provided an update on Fall 2026 enrollment (Attachment B). She noted the following:

- Fall headcount and credit hours increased 3%, bringing enrollment to 14,140 students and surpassing Fall 2019 headcount for the first time since the pandemic.
- New student headcount increased 1%, while returning student headcount increased 4%.
- The ten-week term, beginning October 6, 2026, recorded increases of 12% in headcount and 14% in credit hours.
- New student headcount for the ten-week term increased 17%, while returning student headcount increased 11%.
- Electrical Engineering Technology enrollment increased from 4 to 40 students, the highest percentage increase among the programs highlighted.
- Health Care Studies had the largest overall headcount increase, gaining 484 students and bringing enrollment to more than 4,400.
- Business–General gained 68 students, Applied Engineering Technology gained 28 students, and Biological Sciences gained 23 students.

(c) Programmatic Updates

Dr. Rooney reported that 173 of 895 eligible students had activated the SEPTA pilot benefit. Outreach included targeted emails, campus events with SEPTA, social media, and assistance from faculty and student support staff. A survey of eligible students who had not activated the benefit and forthcoming ridership reports will help identify participation barriers and assess usage.

Board members discussed transit access, additional outreach through text messaging, demand among students outside the eligible population, and possible adjustments to eligibility. They also recommended sharing pilot results with City Council. The administration noted that participation and usage data would inform future decisions about the program and committed to continued monitoring and reporting.

(d) Advancing Our Mission: Success Highlights

Dr. Marshall highlighted recent legislative visits, including Senator Piccozzi and Representative White's September 2, 2026, visit to the Northeast Regional Center and the September 10, 2026, visit by the Pennsylvania Legislative Black Caucus to Main Campus. She also noted a 5th Anniversary Driving Equality event with Councilmember Thomas and alumna Councilmember Brooks, featuring a documentary screening and student panel discussion. She thanked Ms. Harrison and Mr. Jenkins for coordinating the visits.

Dr. Marshall reported that the College hosted a Power Hour titled "Finding Your Power to Belong Here" on September 23, 2026, focused on mental health, overcoming imposter syndrome, leadership development, and college success. Panelists included Senator Sharif Street, Mr. Donovan West, Director of the Mayor's Business Roundtables, and Representative Darisha Parker, with Dr. Walter Copeland, Program Coordinator and Professor in the Business and Technology Department, serving as moderator.

Dr. Marshall reported that she received a citation at City Hall in honor of her inauguration as the College's seventh president. She accepted the recognition on behalf of CCP's faculty and staff, thanking them for their hard work and dedication.

Dr. Marshall highlighted the September 10, 2026, launch of the Penn–CCP Entrepreneurship Academy at the Career and Advanced Technology Center. Designed to support small businesses and economic growth in West Philadelphia, the program received more than 200 applications. Dr. Marshall stated that the inaugural cohort of 20 businesses will begin on October 22, 2026. She thanked Dr. Sanders and Ms. McNeal, the program's new Executive Director.

Dr. Marshall announced a new agreement with Thomas Jefferson University signed on September 21, 2026, expanding dual admissions and transfer pathways, providing tuition reductions for the College community and their families, and establishing a clinical training

agreement with Jefferson Health. She noted that CCP nursing graduates who pass the NCLEX examination will receive 30 credits toward a BSN at Jefferson, helping reduce credit loss during transfer.

Dr. Marshall also reported plans to launch the inaugural Cheyney at CCP cohort in spring 2027, initially focusing on Business Administration and Early Childhood Education. Recruitment will include Catto Scholars and students already committed to Cheyney through dual admissions.

Dr. Marshall reported that the College held a ribbon-cutting ceremony for its new Student Welcome Center, marking the completion of a multiyear, cross-divisional construction and realignment project to consolidate enrollment-related offices and coordinate student enrollment services.

Ms. Harrison, Deputy Chief of Staff, provided final details for Dr. Marshall's inauguration on October 9, 2026, at the Highmark Mann Center for the Performing Arts. Trustees and Foundation Board members were asked to arrive by 9:00 a.m. for robing and photographs, with the procession lineup beginning at 9:30 a.m. The ceremony will run from 10:00 to 11:45 a.m., followed by a reception.

Ms. Harrison noted that Ms. Chellie Cameron, President and CEO, of the Chamber of Commerce for Greater Philadelphia will preside and Dr. Freeman Hrabowski, President Emeritus of the University of Maryland, Baltimore County, will deliver the keynote address. Ms. McPherson will offer Board remarks, while Ms. Posoff and Ms. Ireland will participate in the investiture and presentation of the presidential medallion. She also reviewed regalia, parking, performances, and plans to distribute final logistical details.

Dr. Marshall highlighted the upcoming Octavius Catto Legacy Conference, scheduled for October 10, 2026, at 9:00 a.m. in the Bonnell Auditorium, focused on expanding access to higher education and empowering individuals throughout the Philadelphia region and beyond. Ms. Rahman, Assistant Professor and Curriculum Coordinator of Criminal Justice, will deliver the keynote address. Dr. Marshall thanked Pastor Mason for agreeing to offer remarks.

(e) Update on 60th Anniversary and Foundation Report

Dr. Zanjani reported on the successful joint meeting of the Board of Trustees and Foundation Board of Directors with Mattison Advisors and thanked all who attended. Follow-up information addressing questions raised at the meeting would be distributed shortly. She also highlighted the Parx event, recognizing Foundation Board member Mr. Ron Davis and Parx's cumulative contributions of $570,000 to the College.

Dr. Zanjani reported that for July 1–August 31, 2026, private gifts and grants totaled $334,076, including $120,000 from donor-advised funds. No public grants or gifts-in-kind were

reported during this period. Contributions supported finish-line and workforce scholarships, emergency assistance, and other student needs. She noted that private giving reports reflect funds received rather than pledges.

Dr. Zanjani reported that the 60th anniversary fundraising raised $455,304 to date. A $250,000 Community and Economic Assistance Program grant included $200,000 for the SEPTA pass program, and Dr. Marshall allocated an additional $50,000 from the President's Fund. These contributions reduced the College's original $500,000 operating commitment to the program by half.

(5) Policy Working Group

Mr. Ford reported that the Policy Working Group met on September 3, 2026, to review the 2026–2027 policy review schedule. The group recommended discontinuing four policies and authorizing the administration, with the President's approval, to update position titles in policies without Board approval.

Ms. Flynn reviewed the Policy Review Update Memorandum, noting that 20 policies were reviewed and approved during 2025–2026. She outlined pending reviews, including awards and scholarships, forgivable loans, travel reimbursement, political activity, facilities use, and expenditure approvals. Board members commended the group's efforts to strengthen governance and meet the College's ten-year policy review requirement.

(6) Student Outcomes Committee, September 3, 2026

Ms. Fulmore-Townsend reported that the Student Outcomes Committee met on September 3, 2026, and received an AI presentation by Dr. Rege, Dean of Online Learning and Media Services, and Mr. Rahman, Associate Vice President and Chief Information Officer. The presentation covered recommendations aligned with Middle States standards and AI applications across the College.

The Committee discussed AI's potential to personalize learning, challenges in assessing student work, and the importance of evaluating the learning process. Ms. Fulmore-Townsend noted ongoing attention to safeguards and emerging Middle States guidance.

Mr. Epps encouraged those attending the ACCT conference to participate in breakout sessions on artificial intelligence to continue learning about this rapidly evolving field.

(7) Combined Meeting of the Business Affairs and Executive Committees, September 16, 2026

Mr. Ford reported that the Business Affairs Committee and the Executive Committee

met on September 16, 2026. The Business Affairs Committee recommended, that the Executive Committee approve, the three contract awards presented for ratification.

Mr. Epps called for a motion to ratify the following items:

(a) Contract Award to BlackBaud, Inc. for the Raiser's Edge NXT Advancement Platform (Ratify)
(b) Contract to Voyatek for Fraud Mitigation and Identity Verification Software (Ratify)
(c) Contract Award to OneDigital for Employee Benefits Brokerage and Consulting Services (Ratify)

Mr. Ford moved, with Mr. Cooper seconding, that the Board ratify the actions taken by the Executive Committee. The motion carried unanimously.

(d) Policy Review Update (Action)

Ms. Flynn reviewed the Policy Review Update memorandum.

Mr. Epps called for a motion to approve the Policy Review Update.

Mr. Ford moved, with Ms. Amir seconding, that the Board approve the Policy Review Update. The motion carried unanimously.

(e) Discontinuance of the following Policies (Action):

i. Memorandum #154, Food or Drink in Classrooms, Laboratories, or Other Designated Areas
ii. Memorandum #155, Sign-out Procedure for Long-term Audiovisual Equipments
iii. Memorandum #254, Accidents At Work
iv. Memorandum #264, COVID Leave Policy

Ms. Flynn reviewed the four policies proposed for discontinuance in accordance with the Policy on College Policies. She explained that Memorandum #154 is overly broad and no longer needed; Memorandum #155 is obsolete; Memorandum #254 contains only procedures already addressed in Human Resources materials, the Employee Handbook, and the College website; and Memorandum #264 is no longer applicable.

Mr. Epps called for a motion to approve the discontinuance of the four policies.

Mr. Ford moved, with Ms. Fulmore-Townsend seconding, that the Board approve the Discontinuance of Policies, Memorandums #154, 155, 254, and 264. The motion carried unanimously.

(f) Resolution to Authorize the Administration to Update Position Titles in Policies (Action)

Ms. Flynn reviewed the Resolution to Authorize the Administration to Update Position Titles in Policies.

Mr. Epps called for a motion to approve the Resolution to Authorize the Administration to Update Position Titles in Policies.

Mr. Ford moved, with Representative Cephas seconding, that the Board approve the Resolution to Authorize the Administration to Update Position Titles in Policies.

(8) Report of the Student Representative

Mr. DiMartino, Student Government Association (SGA) President and Student Representative to the Board, reported on SGA's efforts to increase participation in student organizations, expand student-led programming, and strengthen its General Assembly. The Executive Board was sworn in on September 16, 2026. He stated that the first General Assembly meeting welcomed four new clubs—Dance Club, NAMI On Campus, Computer Science Club, and the Society of Women Engineers—as well as returning organizations, including Studio Art Club, Queer Student Union, African Student Association, and Women United. The General Assembly also approved the revised SGA Constitution.

Mr. DiMartino noted that SGA is adopting Robert's Rules of Order, requiring General Assembly attendance for funding eligibility, and allocating additional funds to student organizations. He reported that votes on club registrations, funding, and budget requests will take place publicly during General Assembly meetings. SGA is also establishing club liaisons and supporting club-led events to strengthen student leadership and engagement.

(9) Consent Agenda

Mr. Epps requested approval of the following Consent Agenda:

(a) Proceedings and Minutes of Decisions and Resolutions, Meetings of September 3, 2026
(b) Grants and Gifts

Representative Cephas moved, with Mr. Clancy seconding, that the Board approve the Consent Agenda. The motion carried unanimously.

(10) Report of the Chair

(a) ACCT Leadership Congress, October 21-24, 2026, Chicago, IL

Mr. Epps stated that the ACCT Leadership Congress is scheduled for October 21-24, 2026, in Chicago. He stated that he, Ms. Ireland, Ms. Fulmore-Townsend, Mr. Clancy, Dr. Liautaud-Watkins, Dr. Jacobson, and Dr. Marshall will be attending.

(b) Foundation/BOT Meeting Discussion

Mr. Epps reflected on the September 30, 2026, joint meeting of the Board of Trustees and Foundation Board of Directors, noting concerns about alignment, communication, and collaboration between the two boards. He encouraged Trustees to attend joint meetings and actively support stronger collaboration.

Mr. Epps also emphasized the importance of achieving 100% Trustee participation in giving. He asked each Trustee to make a contribution by December 31, 2026, and annually thereafter, stressing that participation, rather than the amount contributed, is the priority. He expressed optimism that stronger partnerships with the Foundation and the business community would improve outcomes for the College.

(c) Events

Mr. Epps announced the following upcoming events and reminders:

i. Dr. Marshall's Investiture is scheduled for October 9, 2026, 10:00 a.m. at the Highmark Mann Center for the Performing Arts. Trustees were asked to arrive by 9:00 a.m.

ii. The CATTO Legacy Conference is scheduled for October 10, 2026, 9:00 a.m. – 2:00 p.m., in the Bonnell Building, BG-20 on Main Campus. Pastor Mason will deliver remarks.

iii. Other announcements

- The Latine Heritage Month Luncheon is scheduled for October 20, 2026, 11:30 a.m., in the Winnet Building, Great Hall, S2-19. Mr. Epps will deliver remarks.

- The Veterans Day Celebration is scheduled for November 11, 2026, 11:00 a.m., in the Bonnell Lobby. Mr. Cooper will deliver remarks.

- The PA Commission for Community Colleges Virtual Statewide Trustee/Board meeting is scheduled for November 11, 2026, 6:00

p.m. – 7:30 p.m. Trustees were asked to notify the President's Office if they plan to attend.

- The 2027 Board of Trustees Meeting Dates are included in the Board packet.

(11) Old Business

There was no old business discussed.

(12) New Business

There was no new business discussed.

(13) Next Meeting

The next regular meeting of the Board of Trustees is scheduled for Thursday, November 5, 2026, 2:30 p.m., in the Isadore A. Shrager Boardroom, M2-1. The meeting will be held in hybrid format.

(14) Adjourn

The meeting adjourned at 4:52 p.m.

The Board reconvened in Executive Session II to discuss personnel matters. The Board did not return.

Attachment A



COMMUNITY COLLEGE OF PHILADELPHIA

CCP Student Success:
Trends, Challenges and Opportunities

Board of Trustees Meeting

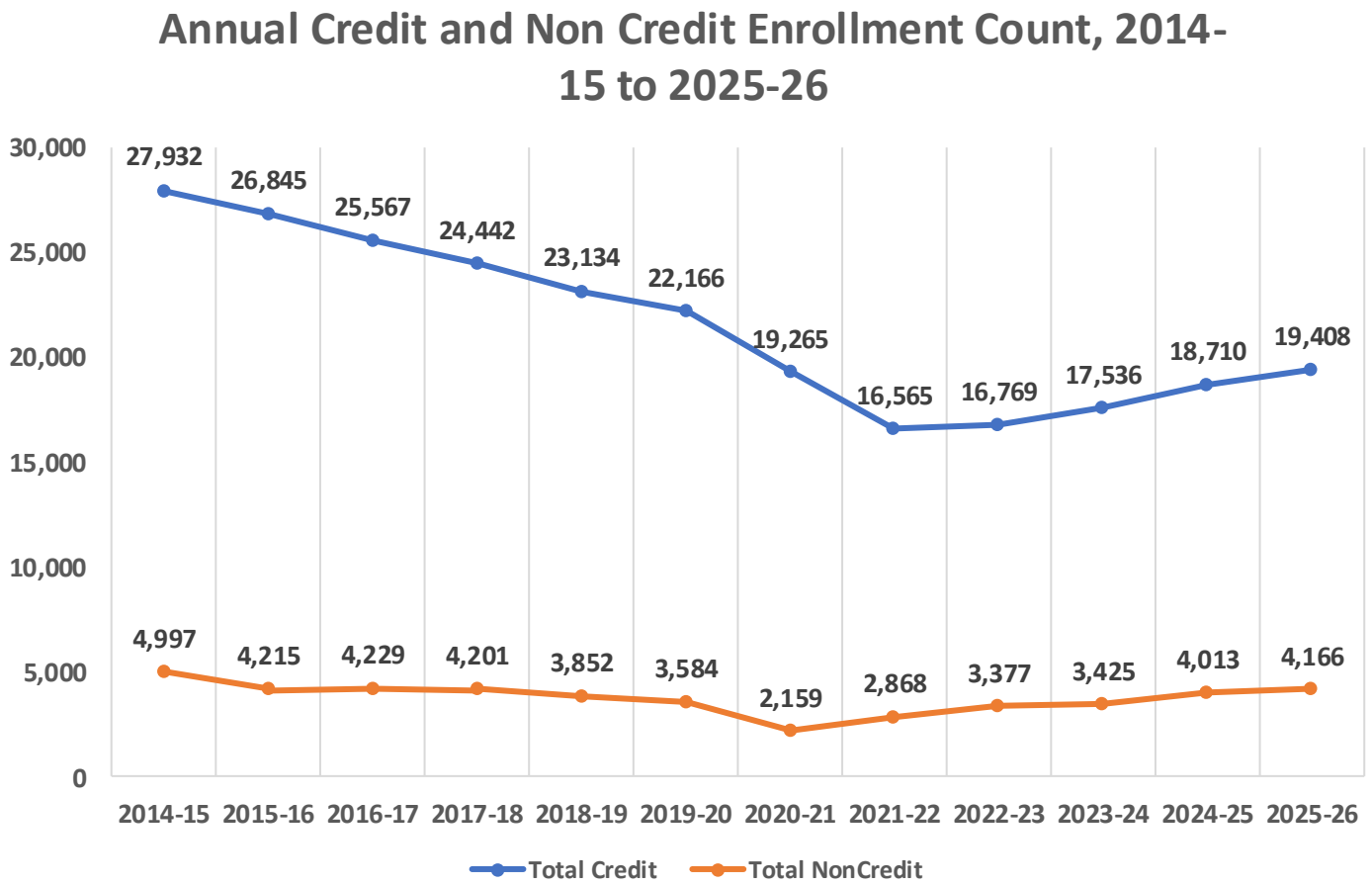
OCTOBER 1, 2026

RISE FROM WITHIN

Presentation Overview

1. **Enrollment Trends:** Pre- and post-COVID enrollment patterns, declines and signs of upward momentum
2. **Recent Growth:** 4% increase in annual credit and noncredit enrollment from 2024-25 to 2025-26
3. **Student Goals & Outcomes:** How students' educational goals at application influence enrollment, retention and graduation
4. **Graduation Performance:** CCP's 3-year graduation rate in comparison to peers
5. **Stop-Outs & Attrition:** How stop-outs & dropouts affect retention and three-year graduation outcomes
6. **Barriers to Enrollment & Persistence:** Key findings from the stop out survey
7. **The Path Forward:** Opportunities to address barriers, strengthen persistence and improve student success.

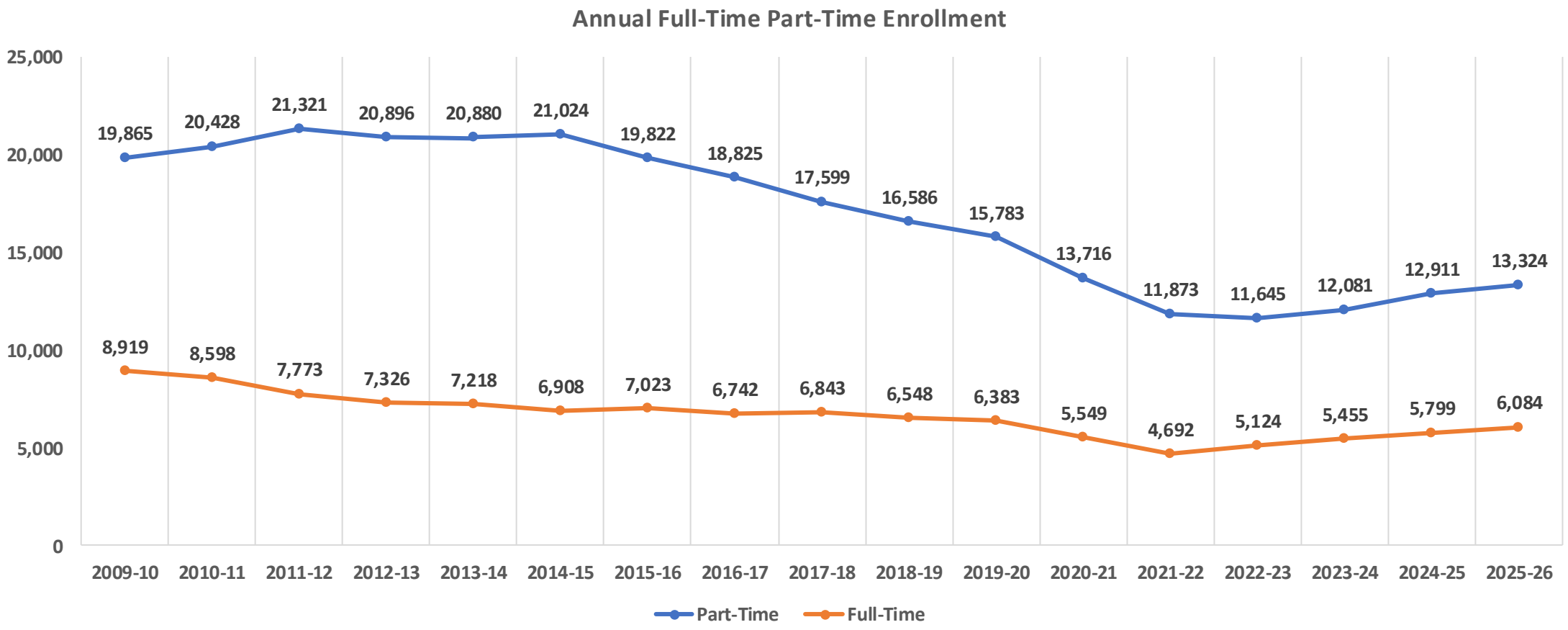
Pre- and Post- COVID Enrollment Patterns



Pre and Post COVID-19 Enrollment Trends

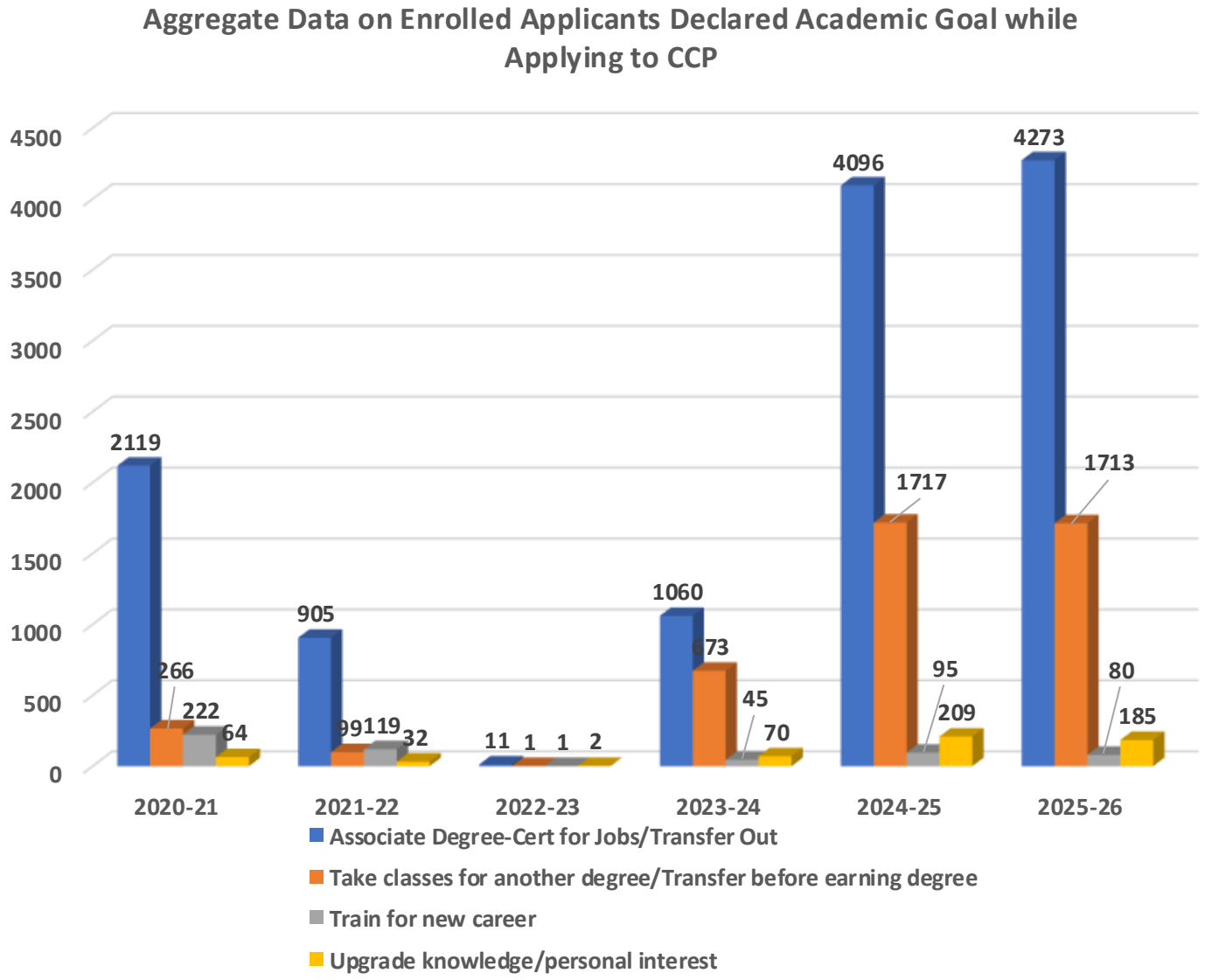
- Credit-2019-20 to 2020-21: -13.1% ↓
- Non-credit-2019-20 to 2020-21: -39.8% ↓
- Post COVID-19 Increase: 4% ↑ (2024-25 - 2025-26)

Enrollment Trends: Part-Time Enrollment & Time to Graduation

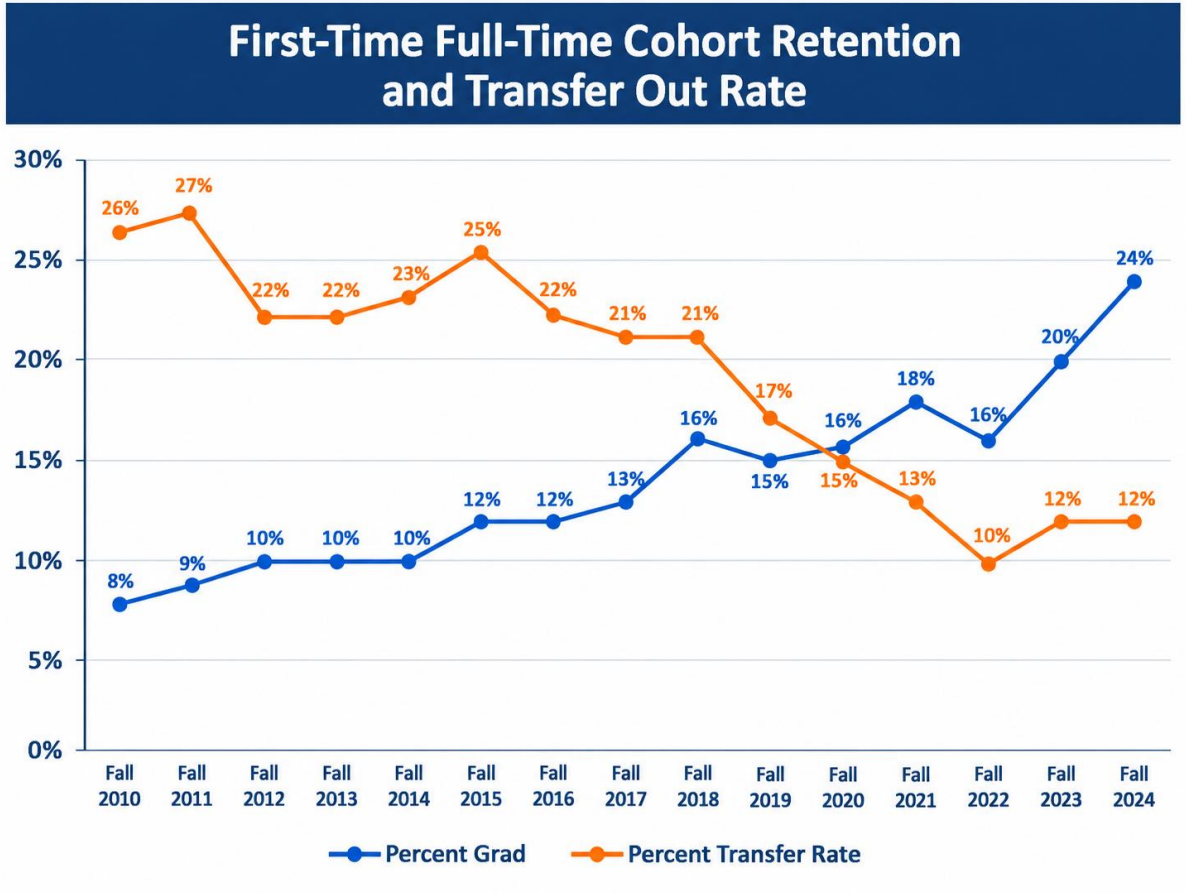


Student Goals at Entry: Implications for Retention & Graduation

- Most applicants enter CCP intending to graduate for employment or transfer after graduation
- A growing share intend to take courses & transfer before completing a CCP credential
- Declared educational intent has implications for how retention and graduation are measured & supported



Graduation Performance : IPEDS Three-Year Graduation & Transfer Trends

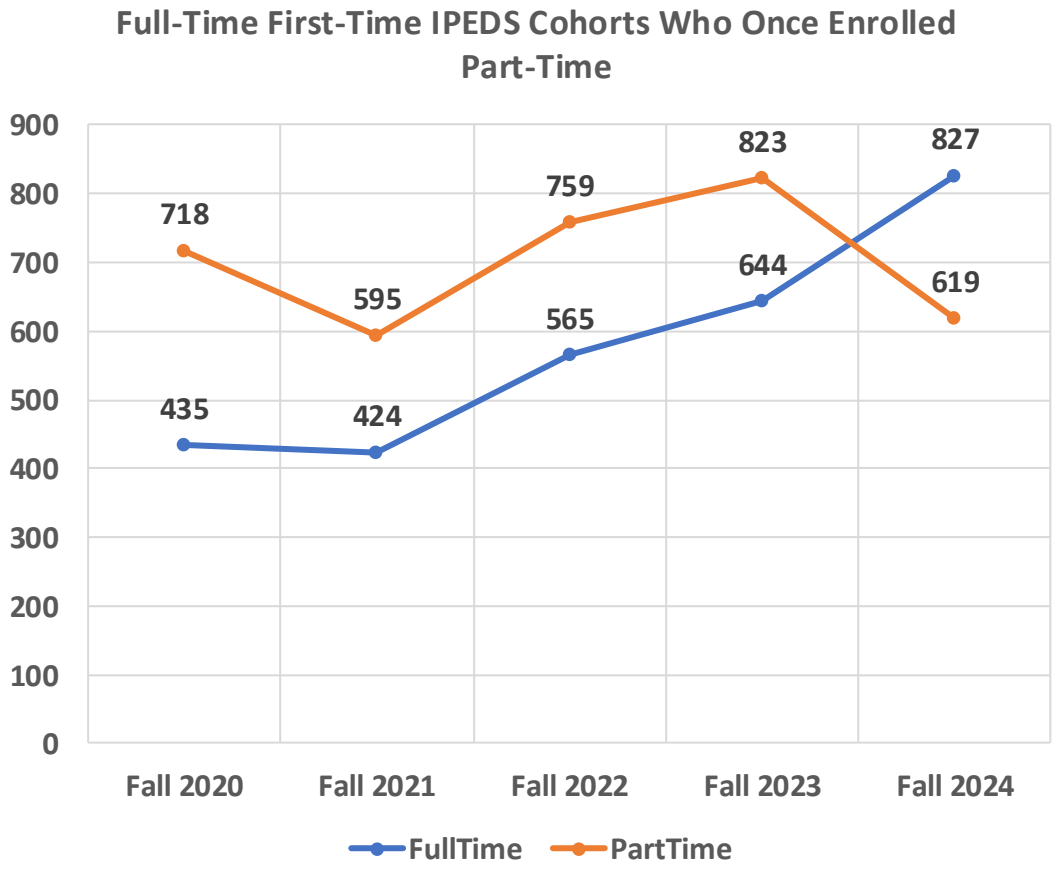


Grad Year	Cohort Total	Total 3Yr Grad	Percent 3 Grad 3Yr	Transfer Out Rate 3 Yr	Percent Transfer Rate 3Yr
2010	1,748	138	8%	458	26%
2011	1,678	152	9%	456	27%
2012	1,848	177	10%	400	22%
2013	1,858	181	10%	417	22%
2014	1,490	148	10%	340	23%
2015	1,412	164	12%	356	25%
2016	1,362	161	12%	297	22%
2017	1,347	179	13%	281	21%
2018	1,617	256	16%	345	21%
2019	1,616	243	15%	271	17%
2020	1,526	239	16%	213	14%
2021	1,503	272	18%	200	13%
2022	1,524	247	16%	160	10%
2023	1,153	227	20%	137	12%
2024	1,019	249	24%	122	12%

IPEDS Three-Year Graduation Performance: Comparison with PA Community Colleges

Institution Name	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	23-24 % Degree Seeking Awarded Aid	% Minority
Pennsylvania Highlands Community College	18%	16%	23%	26%	29%	30%	35%	29%	32%	38%	38%	41%	**38%**	73%	12%
Butler County Community College	14%	19%	20%	23%	25%	25%	28%	29%	29%	25%	31%	31%	**37%**	61%	10%
Reading Area Community College	8%	9%	10%	12%	15%	15%	20%	21%	23%	24%	21%	26%	**34%**	69%	56%
Bucks County Community College	11%	12%	13%	16%	18%	18%	20%	21%	25%	26%	25%	28%	**32%**	35%	30%
Westmoreland County Community College	14%	12%	13%	13%	14%	16%	22%	19%	19%	22%	19%	25%	**31%**	58%	11%
Lehigh Carbon Community College	14%	14%	18%	15%	17%	17%	21%	18%	20%	25%	21%	28%	**30%**	60%	45%
Montgomery County Community College	14%	16%	16%	20%	20%	21%	22%	24%	25%	21%	23%	23%	**28%**	47%	41%
Community College of Philadelphia	10%	10%	10%	12%	12%	13%	16%	15%	16%	18%	16%	20%	**24%**	69%	69%
Community College of Allegheny County	10%	9%	11%	12%	14%	14%	15%	18%	16%	17%	19%	23%	**24%**	41%	34%
Delaware County Community College	11%	14%	16%	16%	16%	17%	18%	20%	21%	23%	20%	20%	**24%**	49%	53%
Northampton County Area Community College	20%	17%	19%	20%	21%	18%	21%	23%	22%	21%	21%	21%	**24%**	54%	47%
Luzerne County Community College	19%	18%	19%	19%	16%	18%	18%	18%	20%	20%	18%	21%	**23%**	57%	34%
Harrisburg Area Community College	10%	11%	10%	11%	11%	11%	12%	15%	16%	16%	16%	21%	**21%**	49%	34%
Community College of Beaver County	16%	23%	21%	20%	22%	25%	26%	28%	20%	26%	21%	21%	**12%**	59%	16%

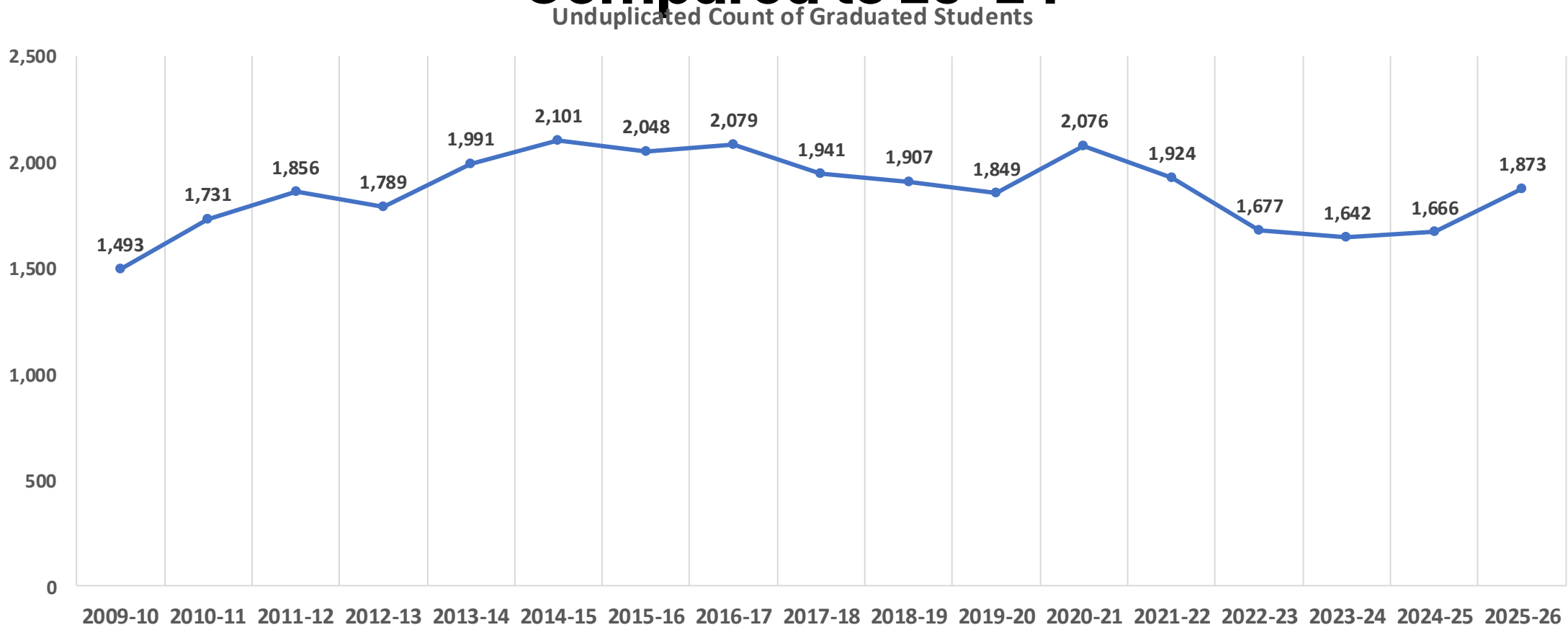
IPEDS Cohort Full-Time to Part-Time Enrollment Patterns



- About two-thirds of part-time students are not included in the IPEDS cohort
- More than half of students who begin full-time, enroll part-time at some point before graduation
- Fall 2024 shows a positive shift toward maintaining full-time enrollment

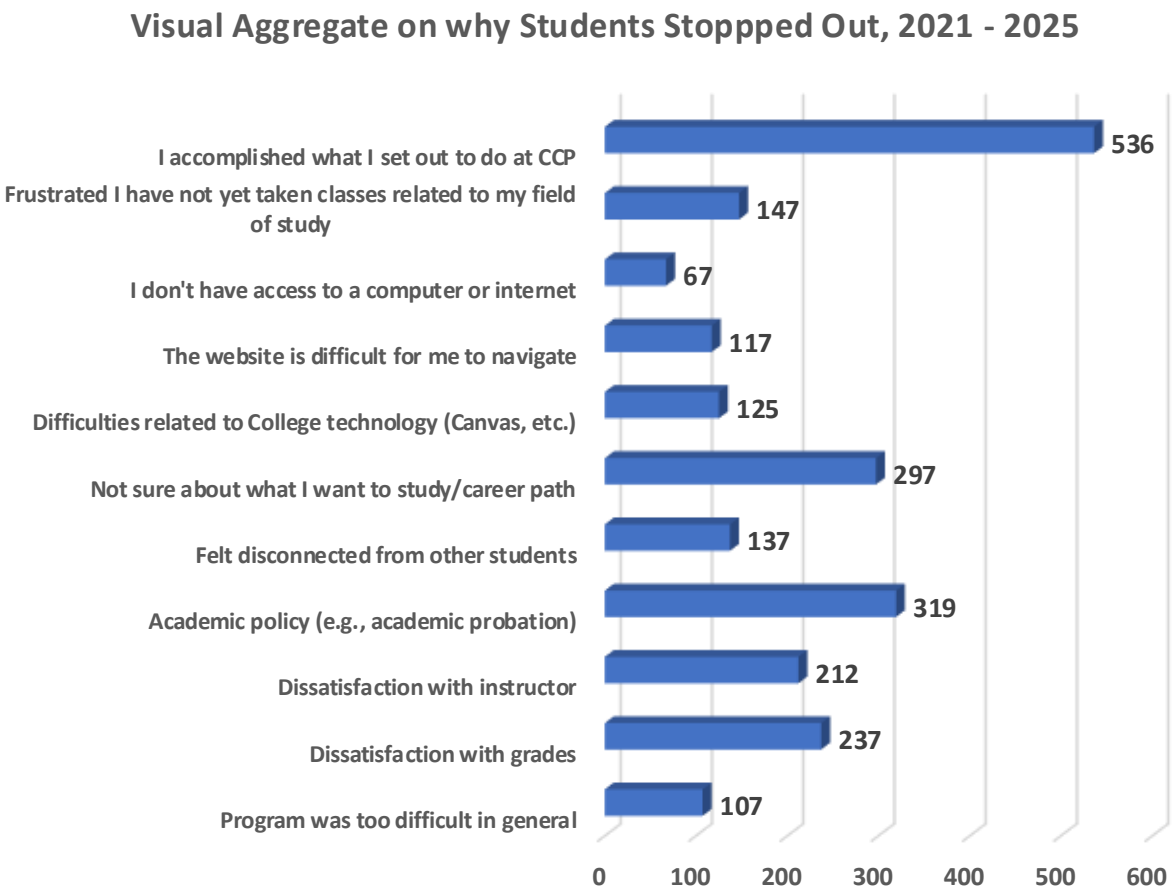
COMMUNITY COLLEGE OF PHILADELPHIA

Increased Graduation. Momentum Picking Up. Recent Growth: Graduates Increased 14.1% in 2025-26 Compared to 23-24



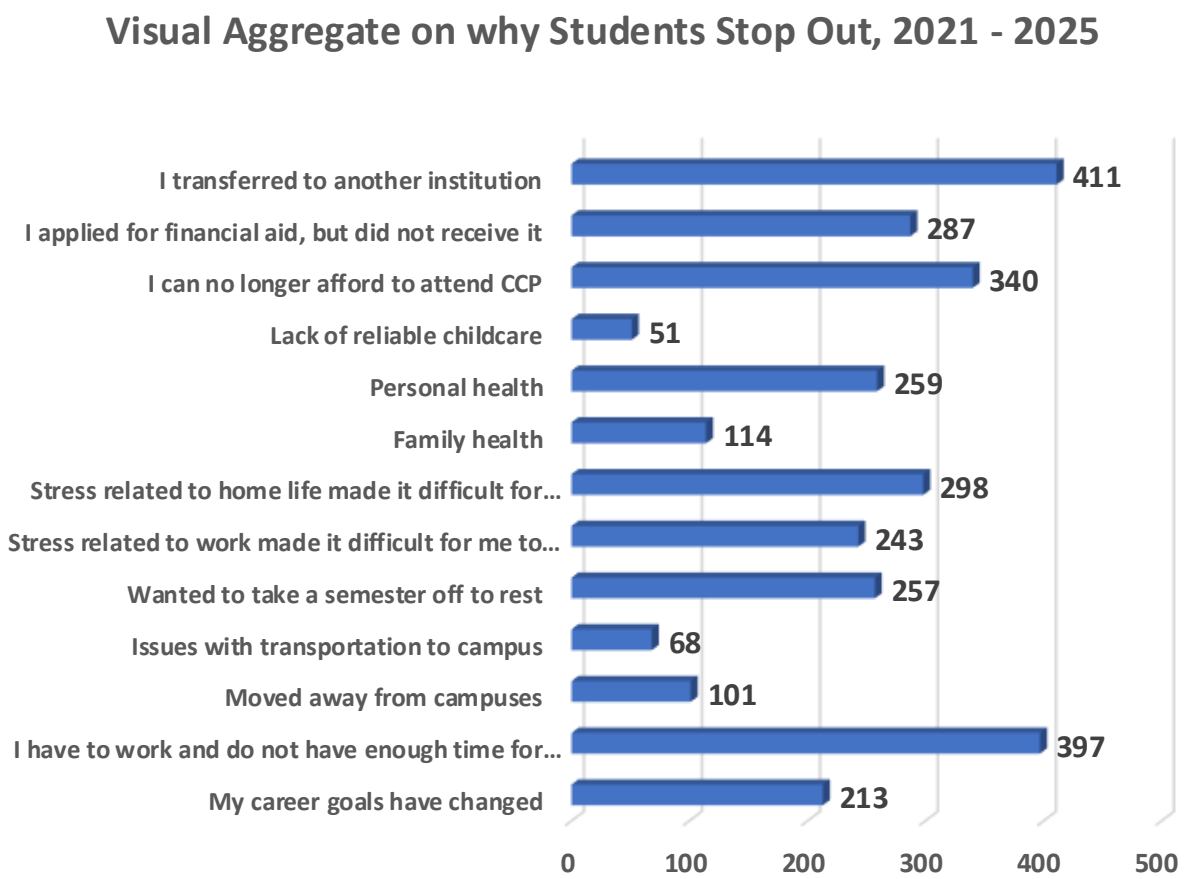
RISE FROM WITHIN

Stop-Outs & Attrition: Why Students Stop Out



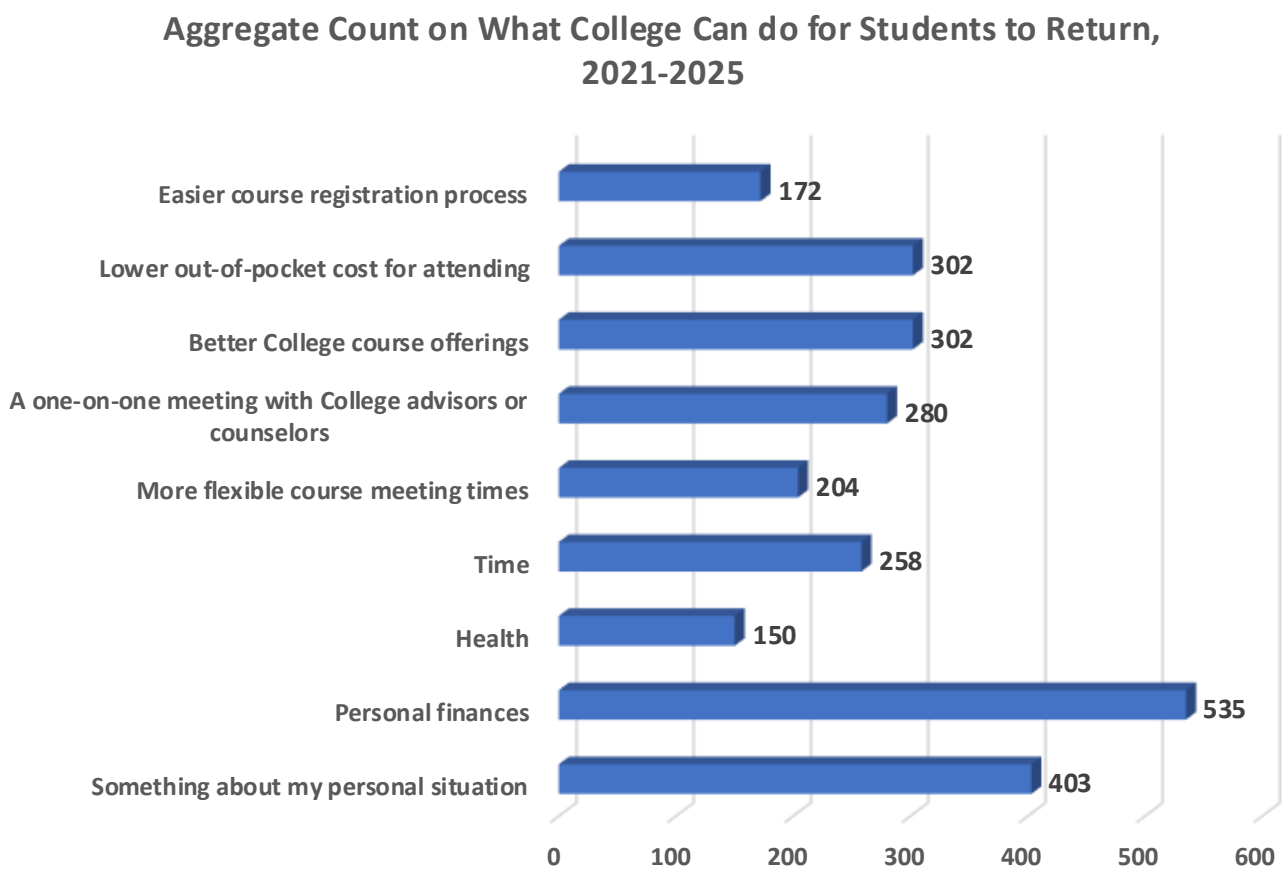
- Top reason for stop-out: Students accomplished their educational goal.
- Reason aligns with declared applicant goal to transfer before graduation- a draw on retention and graduation rates
- Other top reasons-Lack of clarity on what to study, academic policy, grades and instructors

Stop-Outs & Attrition: Other Drivers to Stopping Out



- Transfer to another institution is a leading reason for stopping out
- Work demands, cost of attendance and personal circumstances also affect re-enrollment
- All above factors can interrupt momentum and extend the time to completion

Stop-Outs & Attrition: What Students Say Would Bring Them Back



- Personal finance and cost of attendance- big concerns
- Self care issues
- Enhancement of course offerings and meetings with advisors

Opportunities for Intervention



Fall 2024 FT-FT cohorts show more students maintaining full-time status rather than shifting to part-time.



Expand awareness of scholarships including Catto to support full-time enrollment and timely completion.



Strengthen visibility of student support resources, including Single Stop, counseling and other self-care services.



Establish regular advisor touchpoints for IPEDS cohorts.

The Path Forward: Align Course Scheduling with Student Availability

Continue to Schedule course offerings around student availability and demand- E.G. Scheduling for success

Continue use of enrollment patterns and student feedback to inform course times and delivery

COMMUNITY COLLEGE OF PHILADELPHIA

Thank You



RISE FROM WITHIN

COMMUNITY COLLEGE OF PHILADELPHIA

Enrollment Update

Overall term

- Headcount up 3% (14,140 from 13,668)
- Credit count up 3% (127,533)
- New students up 1 % (4,045 from 3,989)
- Returning students up 4% (10,095 from 9,679)

10-week term (begins October 6)

- Headcount up 12% (4,478 from 3,938)
- Credit count up 14% (21,137)
- New students up 17% (1,366 from 1,167)
- Returning students up 11% (3,112 from 2,816)

Percentage increase in headcount

- Electrical Eng Tech up 900% (40 from 4)
- Photography PC up 200% (3 from 1)
- Med Heavy Truck Tech I PC up 125% (9 from 4)
- Comm Health Wellness PC up 113% (17 from 8)
- ASL-INT II PC 100% (2 from 1)

Raw number increase in headcount

- HC Studies up 484 students (4,417 from 3,933)
- Bus - General up 68 students (1,147 from 1,079)
- Electrical Eng Tech up 36 students (40 from 4)
- Applied Eng. Tech up 28 students (243 from 215)
- Biological Sciences up 23 students (314 from 291)

RISE FROM WITHIN

COMMUNITY COLLEGE OF PHILADELPHIA
Meeting of the Board of Trustees
Thursday, October 1, 2026 - 2:30 p.m.
MINUTES OF DECISIONS AND RESOLUTIONS

Present: Mr. Epps, presiding: Ms. Ajeenah Amir, Representative Morgan Cephas, Mr. Patrick Clancy, Mr. Michael Cooper, Mr. Tim Ford, Ms. Chekemma Fulmore-Townsend, Ms. Keola Harrington, Ms. Sheila Ireland, Dr. Carol Jenkins, Pastor Jonathan Mason, Ms. Rosalyn McPherson, Ms. Mindy Posoff, Dr. Alycia Marshall, Dr. Danielle Liautaud-Watkins, Dr. Mellissia Zanjani, Dr. Lisa Sanders, Dr. Shannon Rooney, Mr. Jeffery Eberly, Ms. Carolyn Flynn, Dr. Seth Jacobson, Dr. Judy Gay, Ms. Candice Rivera, and Mr. Ciarán DiMartino, Student Representative

(1) Executive Session I

Executive Session I was devoted to a discussion of real estate, personnel, and legal matters.

(2) Meeting Called to Order

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

Mr. Epps announced that Mr. Jeremiah White had resigned from the Board of Trustees, effective September 30, 2026.

(3) Public Comment

Three individuals provided Public Comment.

(4) Report of the President

(a) Data Presentation

Mr. Sesime Adanu, Associate Vice President for Institutional Effectiveness, presented "CCP Student Success: Trends, Challenges and Opportunities" (Attachment A), reviewing enrollment, graduation, retention, and barriers to student success. Board members requested further information on peer institutions' graduation rate improvements, counselor and advisor caseloads, non-credit completion outcomes, and transfer pathways and potential barriers to associate degree completion.

(b) Update on Enrollment

The Board was provided with an update on fall enrollment (Attachment B) for the Main Campus and Regional Centers.

(c) Programmatic Updates

The Board was informed that 173 of 895 eligible students had activated the SEPTA pilot benefit and received an update on outreach and plans to assess participation barriers and usage. Board members discussed additional outreach and potential eligibility adjustments and recommended sharing pilot results with City Council. The administration committed to continued monitoring and reporting.

(d) Advancing Our Mission: Success Highlights

The Board was informed of recent legislative visits, the Driving Equality anniversary event, the September Power Hour, and a City Hall citation honoring Dr. Marshall's inauguration. Updates also included the Penn–CCP Entrepreneurship Academy, a new agreement with Thomas Jefferson University, plans for the Cheyney at CCP cohort in spring 2027, and the opening of the Student Welcome Center.

The Board received final details for Dr. Marshall's October 9 inauguration and was informed of the October 10 Octavius Catto Legacy Conference.

(e) Update on 60th Anniversary and Foundation Report

The Board was provided with an update from Institutional Advancement to include public and private fundraising and upcoming events for the Fall semester.

(5) Policy Working Group

The Policy Working Group met on September 3, 2026, to review the 2026–2027 policy review schedule. The group recommended discontinuing four policies and authorizing the administration, with the President's approval, to update position titles in policies without Board approval. The Board also received an update on the 20 policies reviewed and approved during 2025–2026 and pending policy reviews.

(6) Student Outcomes Committee, September 3, 2026

The Student Outcomes Committee met on September 3, 2026, and received a presentation on artificial intelligence, including applications across the College, alignment with Middle States standards, and implications for student learning and assessment.

Mr. Epps encouraged trustees attending the ACCT conference to participate in AI breakout sessions.

(7) Combined Meeting of the Business Affairs and Executive Committees, September 16, 2026

The Business Affairs and Executive Committees of the Board of Trustees met on September 16, 2026. The Business Affairs Committee recommended, that the Executive Committee approve, the three contract awards presented for ratification.

The Board ratified the following contracts:

(a) Contract Award to BlackBaud, Inc. for the Raiser's Edge NXT Advancement Platform (Ratify)
(b) Contract to Voyatek for Fraud Mitigation and Identity Verification Software (Ratify)
(c) Contract Award to OneDigital for Employee Benefits Brokerage and Consulting Services (Ratify)

(d) Policy Review Update (Action)

The Board approved the Policy Review Update memorandum.

(e) Discontinuance of the following Policies (Action):

i. Memorandum #154, Food or Drink in Classrooms, Laboratories, or Other Designated Areas
ii. Memorandum #155, Sign-out Procedure for Long-term Audiovisual Equipments
iii. Memorandum #254, Accidents At Work
iv. Memorandum #264, COVID Leave Policy

The Board approved the Discontinuance of Policies, Memorandums #154, 155, 254, and 264.

(f) Resolution to Authorize the Administration to Update Position Titles in Policies (Action)

The Board approved the Resolution to Authorize the Administration to Update Position Titles in Policies.

(8) Report of the Student Representative

The Board received an update on SGA's efforts to strengthen student organization participation, programming, and governance, including approval of the revised SGA Constitution. SGA is adopting Robert's Rules of Order, requiring General Assembly attendance for funding eligibility, and holding public votes on club registrations, funding, and budget requests.

(9) Consent Agenda

The Board approved of the following Consent Agenda:

(a) Proceedings and Minutes of Decisions and Resolutions, Meetings of September 3, 2026
(b) Grants and Gifts

(10) Report of the Chair

(a) ACCT Leadership Congress, October 21-24, 2026, Chicago, IL

The ACCT Leadership Congress is scheduled for October 21-24, 2026, in Chicago.

(b) Foundation/BOT Meeting Discussion

Mr. Epps encouraged trustees to attend joint meetings and strengthen collaboration with the Foundation Board. He requested that each trustee make a contribution by December 31, 2026, and annually thereafter to achieve 100% participation in giving, emphasizing participation rather than the amount contributed.

(c) Events

Mr. Epps announced the following upcoming events and reminders:

i. Dr. Marshall's Investiture is scheduled for October 9, 2026, 10:00 a.m. at the Highmark Mann Center for the Performing Arts.

ii. The CATTO Legacy Conference is scheduled for October 10, 2026, 9:00 a.m. – 2:00 p.m., in the Bonnell Building, BG-20 on Main Campus. Pastor Mason will deliver remarks.

iii. Other announcements

- The Latine Heritage Month Luncheon is scheduled for October 20, 2026, 11:30 a.m., in the Winnet Building, Great Hall, S2-19. Mr. Epps will deliver remarks.

- The Veterans Day Celebration is scheduled for November 11, 2026, 11:00 a.m., in the Bonnell Lobby. Mr. Cooper will deliver remarks.

- The PA Commission for Community Colleges Virtual Statewide Trustee/Board meeting is scheduled for November 11, 2026, 6:00 p.m. – 7:30 p.m.

- The 2027 Board of Trustees Meeting Dates are included in the Board packet.

(11) Old Business

There was no old business discussed.

(12) New Business

There was no new business discussed.

(13) Next Meeting

The next regular meeting of the Board of Trustees is scheduled for Thursday, November 5, 2026, 2:30 p.m., in the Isadore A. Shrager Boardroom, M2-1. The meeting will be held in hybrid format.

(14) Adjourn

The meeting adjourned at 4:52 p.m.

The Board reconvened in Executive Session II to discuss personnel matters. The Board did not return.

Community College of Philadelphia Meeting of the Board of Trustees

Office of College Institutional Advancement and Foundation
Record of Grants and Gifts FY27 as of 8/31/26 (Trustees Meeting: November 5, 2026)

Summary by Source:

	FY27		FY26	FY2027 and FY2026
Held by College	***since last report*** **8/1/26 - 8/31/26**	**Fiscal Year To Date 7/1/26 - 8/31/26**	**Fiscal Year To Date 7/1/25 - 8/31/25**	**Variance 7/1 -8/31**
Federal	$ -	$ -	$ -	$ -
State	$ 750	$ 750	$ -	$ 750
Local / City	$ -	$ -	$ -	$ -
Total	**$ 750**	**$ 750**	**$ -**	**$ 750**
Held by Foundation (Cash-in-Hand)	***since last report*** **8/1/26 - 8/31/26**	**Fiscal Year To Date 7/1/26 - 8/31/26**	**Fiscal Year To Date 7/1/25 - 8/31/25**	**Variance 7/1 -8/31**
Corporations	$ 200	$ 33,200	$ 22,440	$ 10,760
External Foundations	$ 246,360	$ 363,139	$ 777,884	$ (414,744)
Individuals	$ 16,187	$ 59,504	$ 25,367	$ 34,137
Organizations	$ 111	$ 21,090	$ 31,323	$ (10,232)
Donor Advised Funds*	$ -	$ 120,000	$ 118,000	$ 2,000
Total	**$ 262,858**	**$ 596,934**	**$ 975,014**	**$ (378,080)**
TOTAL	**$ 263,608**	**$ 597,684**	**$ 975,014**	**$ (377,330)**

Non-Donations**	***since last report*** **8/1/26 - 8/31/26**	**Fiscal Year To Date 7/1/26 - 8/31/26**	**Fiscal Year To Date 7/1/25 - 8/31/25**	**Variance 7/1 -8/31**
TOTAL	$ 1,550	$ 2,000	$ 1,300	$ 700

Gifts In-Kind	***since last report*** **8/1/26 - 8/31/26**	**Fiscal Year To Date 7/1/26 - 8/31/26**	**Fiscal Year To Date 7/1/25 - 8/31/25**	**Variance 7/1 -8/31**
TOTAL	$ 625	$ 625	$ -	$ 625

*Donor Advised Funds has been added to the report in alignment with Council for Advancement and Support of Education (CASE) Voluntary Support of Education (VSE) reporting standards. Donor Advised Fund gifts were previously reported under External Foundations.

** Non-Donations category been added to the report in alignment with Council for Advancement and Support of Education (CASE) Voluntary Support of Education (VSE) reporting standards. This includes alumni association membership dues, which are classified as non-charitable transaction revenue rather than philanthropic donations.

PUBLIC / GOVERNMENT SUMMARY (posted 8/1/26 – 8/31/26)

- Higher Education Suicide Prevention Coalition, administered by Thomas Jefferson University, awarded $750 to the College to support QPR (Question, Persuade, Refer) suicide prevention training speaker fees.

PRIVATE / PHILANTHROPIC SUMMARY (posted 8/1/26 – 8/31/26)

- The Joseph and Marie Field Foundation awarded $200,000 to support the Field Opportunity Scholarship.
- Future Standard Foundation made a payment of $36,000 towards their $108,000 pledge to the FS Scholarship.
- A private donor awarded $10,000 to support the Discretionary Fund for Scholarships.
- Quest for the Best awarded $10,000 to support the Quest for the Best Nursing Scholarship.

NON-DONATIONS SUMMARY (posted 8/1/26 – 8/31/26)

- 31 alumni/former students joined the Alumni Association

GIFTS IN-KIND SUMMARY (posted 8/1/26 – 8/31/26)

- Modernist Cuisine made an in-kind contribution of a 5-volume set of modern cooking technique textbooks to the Culinary Arts department

COMMUNITY COLLEGE OF PHILADELPHIA

November 2026 Event

November 4-November 30
CCP 60th Anniversary Creative Pathways Faculty and Faculty Emeriti Exhibition
Mint Building, Rotunda

November 4
We the People Civics Education Workshop
5:30PM-7:00PM
West Building, W2-47

November 10
Hershey's Popup Event
10:00AM-2:00PM
Pavilion Courtyard

Transfer Take-Over Day
10:00AM-2:00PM
Bonnell Building, Lobby

ESL Meet & Greet
12:30PM-2:30PM
Winnet Student Life Building, The Great Hall

November 11
Veterans Day Ceremony
11:00AM-12:30PM
Bonnell Building, Near the Veterans Center

November 12
Estate Planning Lunch & Seminar
11:30AM-1:00PM
Pavilion Building, Klein Cube

Career Connections Alumni Networking Event
7:00PM-8:30PM
Pavilion Building, Klein Cube

Thanksforgivng Luncheon
12:00PM -1:30PM
Pavilion Building, Cafeteria, Klein Cube

November 16November 17
DBHIDS Annual Immigrant/ Refugee Career Fair
10:00AM-2:00PM
Winnet Student Life Building, The Great Hall

Transportation Technologies Open House
6:00PM-9:00PM
Career & Advanced Technology Center, 341

November 19
PA Army National Guard "Meet The Guard"
11:00AM-1:00PM
Pavilion Building, Lobby

Edward A. Anderson Welcome Center Dedication Ceremony
1:30PM-2:30PM
Bonnell Building, Lobby

Transgender Day of Remembrance
3:00PM-4:00PM
Bonnell Building, Circle

Opening Reception for Faculty Show
4:30PM-6:30PM
Mint Building, Rotunda

Alumni Reunion Dinner
6:00PM-8:30PM
Winnet Student Life Building, The Great Hall

November 24
Annual Nursing Student Day Conference
8:00AM-2:00PM
Winnet Student Life Building, The Great Hall

Thanksgiving Holiday
November 26-November 28- College Closed

COMMUNITY COLLEGE OF PHILADELPHIA

December 2026 Events

December 2, 2026
World Aids Day
11:00AM-2:00PM
Pavilion Building, Lobby

Power Up Graduation
6:00PM-8:00PM
Center for Business & Industry Building, C2-28

December 7
Annual Art Department Pottery Sale
11:00AM-4:00PM
Bonnell Building, Lobby

December 8
President's College Wide Holiday Celebration
11:00AM-1:00PM
Athletic Center, GYM

December 11
Volunteer Celebration
11:30AM-1:30PM
Pavilion Building, Klein Cube

Winter Break
December 25- January 1