

**MEETING OF THE BUSINESS AFFAIRS COMMITTEE  
OF THE BOARD OF TRUSTEES  
Community College of Philadelphia  
Wednesday, June 18, 2014 – 9:00 A.M.**

Present: Mr. Jeremiah White, presiding; Mr. Matthew Bergheiser, Ms. Suzanne Biemiller, Stella Tsai, Esq., Lydia Hernández Vélez, Esq., Mr. William Finn, Dr. Judith Gay, Mr. Harry Moore, Mr. Todd Murphy, Mr. James P. Spiewak, and Jill Weitz, Esq.

**AGENDA PUBLIC SESSION**

Prior to discussion of the agenda items, Committee members had a brief dialogue related to the College's finances and future challenges and the role that the Business Affairs Committee will need to play.

**(1) 2014-15 Property and Casualty Insurance Renewal Program (Action Item):**

Discussion: Mr. Spiewak explained that the College insurance program is reviewed annually prior to the July 1 renewal. During the renewal strategy meeting held on February 25, 2014, it was decided that since the College had marketed its program in the two previous years, Willis (the College's current Broker) would approach the incumbent carriers with the intent of securing identical (or better) coverages at premiums close to expiring. This strategy was effective as the overall increase in insurance premiums will be \$19,770 or a 2.3 percent increase. Attachment A provides a summary of coverage limits and deductible amounts. Mr. Spiewak then provided a brief overview of the College's insurance coverage and renewal premiums.

**General Liability**

United Educators (UE) offered a renewal premium of \$160,942 which is \$7,664 or 5 percent higher than the expiring rate with no change to the deductibles (\$25,000 each occurrence; \$100,000 annual aggregate). The College has had UE as its general liability insurer for the past thirteen years. The College was again granted a 4 percent premium rate credit based upon certain risk management initiatives that were undertaken during the year. Furthermore, the College is entitled to a dividend of \$11,308 from United Educators if at least one coverage line (GL or Umbrella) is renewed. This, in effect, makes the net cost to the College for fiscal year 2014-15 equal to \$149,634. United Educators is organized as a reciprocal risk retention group – owned by its members like CCP; this would be the third consecutive year that the College will have received a dividend. The 4-year aggregate dividend to the College totals \$65,113. It was noted that the majority of claims against this policy are for alleged slips and falls. Currently, the College's deductible is \$25,000 per year with an annual cap of \$100,000.

**Umbrella**

The College's umbrella liability coverage (\$25 million for any one loss) has also been with United Educators for thirteen years. UE's policy form offers the most comprehensive coverage in the higher education market for umbrella/excess coverage according to Willis. United Educators

offered a renewal rate of \$84,539 which is \$2,463 or 3 percent higher than the previous year's premium. This policy also sits on top of the \$1 million coverage for student medical malpractice insurance. It also provides excess general liability, automobile liability, employers' liability and foreign liability insurance. As with the general liability policy, the College was granted a 4 percent premium reduction based upon certain risk management initiatives that were undertaken during the year.

### **Workers' Compensation**

The College's workers' compensation coverage has been with Highmark for the past year. They offered a renewal premium of \$336,764, an increase of 1 percent or \$3,629 over the expiring premium. The College continues to have a relatively low experience and the College's experience modification factor decreased from .886 to .846, a decrease of 5 percent. The Human Resources Office and the College's Safety Committee continue to review all work-related claims and offer recommendations and training efforts where needed. The College's Safety Committee again received re-certification from the PA Department of Labor; this automatically makes the College eligible for a 5 percent reduction in premium.

### **Property**

Since the College had recently moved its property coverage to Affiliated FM two years ago, it was decided that this coverage would not be marketed provided stable premiums were offered. Affiliated quoted a rate of \$171,258 or \$1,097 (1 percent) above the expiring premium. This policy also provides \$7 million of business interruption insurance.

### **Educator Legal Liability**

The Educator Legal Liability (ELL) policy provides management liability protection (\$15 million limit with a \$75,000 retention) for the College's Board of Trustees and the Foundation's Board of Trustees, employment practices liability, employed lawyers liability and professional liability for faculty and staff. AIG, the incumbent carrier, provided a quote of \$85,698 that is 6 percent or \$4,619 higher than the expiring premium. Willis also approached United Educators, but the premium was higher.

### **Automobile**

The incumbent carrier, Philadelphia Insurance Co., offered a renewal rate of \$17,796 which is \$495 or 3 percent higher than the prior year. Hartford, Harleysville, Fireman's Fund and Travelers were also approached by Willis but these carriers would only provide automobile policies if they had another more substantial line of business included, such as general liability or workers' compensation. The automobile policy covers employees driving College owned, rented or hired vehicles as well as providing collision and comprehensive coverages for the College's Facilities' trucks, one sedan and the mailroom van.

## **Student Medical Malpractice**

CNA offered a quote of \$7,856 that is \$411 or 5 percent lower than the expiring premium. The College again received rate reductions for being a long-term client (4+ years) and for having no claims during the most recent four-year period. The number of students participating in clinical settings affects the cost of this insurance. This policy provides \$1 million in coverage to the College and to students and faculty related to their activities in a clinical setting.

## **Crime**

Travelers, the incumbent carrier, offered a renewal rate of \$5,000 that is \$304 or 6 percent above the expiring rate. Travelers offered this rate based upon their opinion that the College had strong existing internal control features to prevent employee theft. This policy provides the College with protection against 1<sup>st</sup> party (employee) theft and 3<sup>rd</sup> party theft and fraud for a limit of \$4 million.

## **International Liability**

This policy was last marketed for the 2012-13 fiscal year and a three-year policy was purchased from AIG. This policy provides foreign-based general liability, automobile liability, and workers compensation coverage as well as travel, medical and security assistance services for faculty and staff traveling abroad. This policy also includes kidnap and extortion coverage. The annual cost for this coverage is \$2,851, which is the same as the prior year.

## **Security and Privacy (Cyber Insurance)**

This insurance offers protection to the College if there were data security breaches or compromises of student and/or employee "private" information (as determined by federal and state jurisdiction). The carrier will provide forensic and legal assistance from a panel of experts to help determine the extent of the breach and the steps required to comply with applicable laws, include the following: notification to persons who must be notified under applicable law; offer 12 months of 3-bureau credit monitoring to affected individuals; identify theft-related fraud resolution services for individuals enrolled in credit monitoring who become victims of identity theft; and extend coverage for theft, loss or unauthorized disclosure of information held by business associates as defined by HIPPA. First party benefits include protection for data recovery and business interruption, extortion threats and regulatory defense and penalties. The policy also protects the College against 3<sup>rd</sup> party legal action for damages arising from the alleged breach (including defense costs). The renewal quote received from AIG, is \$17,325, the same as the expiring premium. AIG's policy also does not contain an exclusion related to portable devices and data that is not encrypted.

## **Broker Fee**

The annual fee for 2014-15 is \$50,000, the same as last year, in accordance with the three-year agreement with Willis entered into in 2012-13.

The following chart summarizes the recommended 2014-15 insurance program:

|  |                      | <b>Renewal<br/>(2014-15)</b> | <b>Expiring<br/>(2013-14)</b> |
|--|----------------------|------------------------------|-------------------------------|
| <u>Coverage</u>                                  | <u>Carrier</u>       | <u>Premium</u>               | <u>Premium</u>                |
| General Liability (\$1M)                         | United Educators     | \$160,942                    | \$153,278                     |
| Umbrella (\$25M)                                 | United Educators     | 84,539                       | 82,076                        |
| Workers' Compensation                            | Highmark             | 336,764                      | 333,135                       |
| Property   | Affiliated FM        | 171,258                      | 170,161                       |
| Educators Legal Liability (\$15M)                | AIG                  | 85,698                       | 81,079                        |
| Automobile                                       | Phila. Insurance Co. | 17,796                       | 17,301                        |
| Student Medical Professional<br>Liability (\$1M) | CNA                  | 7,856                        | 8,267                         |
| Crime (\$4M)                                     | Travelers            | 5,000                        | 4,696                         |
| International Liability                          | AIG                  | 2,851                        | 2,851                         |
| Security & Privacy (\$1M)                        | AIG                  | 17,325                       | 17,325                        |
| Travel Accident                                  |                      | 1,350                        | 1,350                         |
| <b>TOTAL INSURANCE PREMIUMS</b>                  |                      | <b>\$891,379</b>             | <b>\$871,519</b>              |
| Broker Fee                                       | Willis               | \$ 50,000                    | \$ 50,000                     |

Action: Ms. Tsai moved and Ms. Hernández Vélez seconded the motion that the Committee recommend to the full Board that the above 2014-15 insurance program with a total cost, including broker fee, of \$941,379 be approved. The motion passed unanimously.

**(2) Payment Gateway RFP (Action Item):**

Discussion: Mr. Murphy explained that a payment gateway is an e-commerce solution that enables students and other interested parties to make payments securely online with credit cards, debit cards, and by e-Check. The payment gateway integrates directly with Banner Information Systems, the enterprise resource planning software utilized by the College, to allow tuition and fee payments to be posted real-time in student accounts. Mr. Murphy explained the RFP process that the College recently undertook, and Mr. Spiewak provided a historical prospective on credit card fees.

On March 19, 2014, the College issued a Request for Proposal to solicit responses for a new payment gateway provider. The College received six (6) responses for review. A committee of College administrators served on the evaluation team. Heartland Campus Solutions ECSI met or exceeded the minimum requirements of the RFP and offered the most effective cost savings to the College and students. (See cost matrix contained in Attachment B.) Heartland Campus Solutions ECSI is a leading provider of electronic payment solutions

providing support to more than 300,000 merchants worldwide. On Tuesday, May 29, 2014, Heartland Campus Solutions ECSI held a presentation for the evaluation committee.

Currently, students at the College pay a \$12.00 convenience fee per credit/debit card transaction. The College subsidizes an additional \$1.50 per transaction bringing the total cost of the convenience fee to \$13.50 per transaction. Students who take advantage of e-Check to make payments are not subject to a convenience fee. However, the College incurs a convenience fee of \$1.75 per e-Check transaction. Heartland Campus Solutions ECSI's proposal reduces the convenience fee to \$9.00 per credit/debit card transaction and provides e-Check transactions for free, that is, at no cost to students or the College. This represents a savings of \$52,218 for students and \$42,786 to the College. In addition to cost savings, Heartland Campus Solutions ECSI offers the following key enhancements:

- Mobile POS (devices that accommodate in-person payments for special events)
- The ability to accept international credit/debit card payments
- The ability to schedule/edit/cancel future payments, as well as, store payment profiles
- 24/7/365 days customer service support to students and the College
- Address verification for credit/debit card transactions to reduce the potential for fraud
- The ability to distinguish credit card from debit card transactions for Durbin Amendment pricing
- PCI Level 1 and PA-DSS Compliant to protect customer data

Action: Mr. Bergheiser moved and Ms. Biemiller seconded the motion that the Committee recommend to the full Board that the College enter into a three-year contract with Heartland Campus Solutions ECSI in the annualized cost of \$156,654.00. The motion passed unanimously.

### **(3) Capital Request for West Building Projects (Action Item):**

Discussion: Mr. Spiewak stated that at the April, 14, 2014 Business Affairs Committee meeting, staff recommended and received approval for up to \$300,000 of construction, professional services and outfitting costs associated with the West Building Projects to be charged against the fiscal year 2013-14 capital budget. At that time, it was noted that the exact amount will be based upon the completed, stored and billed work as of June 30, 2014 with the remaining costs incorporated into the capital budget for fiscal year 2014-15. The contractor's work efforts are ahead of the construction timeline so more costs will be incurred as of June 30, 2014 than previously projected. Mr. Spiewak stated that it is anticipated that the construction capital costs to be absorbed in fiscal year 2013-14 will be in the \$475,000 to \$550,000 range. Ms. Biemiller questioned staff concerning the funds for the additional capital costs. Mr. Spiewak stated that the additional amount will come from the lump-sum City appropriation which has the effect of using slightly more of City funds for the capital budget and slightly less for the operating budget.

Action: Ms. Hernández Vélez moved and Ms. Tsai seconded the motion that the Committee recommend to the full Board that staff increase the amount of construction, professional services and outfitting costs associated with the West Building Projects to be charged against the fiscal year 2013-14 capital budget to a level up to \$650,000. The motion passed unanimously.

**(4) Change Order for Garage Repairs (Action Item):**

Discussion: Mr. Spiewak and Mr. Moore reported that the parking garage is undergoing renovations addressing structural issues. During these renovations electrical wire ways, which are embedded within the concrete structures, and the circuits within them, have been identified as severely deteriorated and the cause of repeated electrical faults effecting lights and general utility services being used during restorations. This issue is particularly problematic on three ramps which suffered extensive water infiltration failures. Electrical contractors have reviewed possible solutions and have recommended an alternate to embedded wire ways, suggesting surface mounted wire ways and devices, mounted in such a manner as to lie intentionally "uphill" from any potential water source. The failed wire ways will be abandoned in-place. Pricing is based on a per ramp effort as each ramp is on a dedicated branch of the service provided to the garage. This pricing is \$23,800 per ramp, for a proposed total of \$71,400. Mr. Moore stated that the need for further electrical replacements will be evaluated with the belief that the water infiltration problems the garage had been experiencing are mitigated by the current renovation efforts.

Action: Ms. Tsai moved and Ms. Hernández Vélez seconded the motion that the Committee recommend to the full Board to authorize the increased scope to Watts Restoration, Inc. in the amount of \$71,400. The motion passed unanimously.

**(5) Next Meeting Date**

The next regularly scheduled meeting of the Committee will occur on Wednesday, September 17, 2014 at 9:00 A.M. in the College's Isadore A. Shrager Boardroom, M2-1.

# **ATTACHMENT A**

## **SUMMARY 2014-15 PROPERTY AND CASUALTY INSURANCE PROGRAM COVERAGE LIMITS AND DEDUCTIBLE AMOUNTS**

## Property Coverage Comparison

| PROPERTY AND<br>BOILER & MACHINERY   | AFFILIATED FM<br>EXPIRING<br>2013 TO 2014  | AFFILIATED FM<br>RENEWAL<br>2014 TO 2015   |
|--|--|--|
| <b>Limits</b>  |  |  |
| Blanket Limit (Property Damage<br>– Real & Personal Property)  | \$356,197,286  | \$357,420,786  |
| <b>Sub-Limits</b>  |  |  |
| Blanket Business Interruption  | \$7,000,000  | \$7,000,000  |
| Extra Expense – The company will pay the greater of<br>the sub-limit or 15% of the reported annual Business<br>Interruption values | \$5,000,000  | \$5,000,000  |
| Earth Movement (Annual Aggregate, for all coverages<br>provided)   | \$100,000,000  | \$100,000,000  |
| Flood (Annual Aggregate, for all<br>coverages provided)  | \$100,000,000  | \$100,000,000  |
| Machinery Breakdown  | Included   | Included   |
| 430 – 440 N. 15 <sup>th</sup> Street Building  | \$4,500,000 Building<br>Vacancy Clause Applies                                   | \$4,500,000 Building<br>Vacancy Clause Applies                                   |
| <b>Extensions of Coverage<br/>Sub-Limits</b>   |  |  |
| Fire Fighting Materials and<br>Expenses  | \$100,000  | \$100,000  |
| Professional Fees  | \$100,000  | \$100,000  |
| Expediting Expenses  | \$250,000  | \$250,000  |
| Trees, Shrubs, Plants and Lawn limit   | \$100,000<br>(\$1,000 per item)  | \$100,000<br>(\$1,000 per item)  |
| Pavements and Roadways   | \$1,000,000  | \$1,000,000  |
| Land and Water Clean Up Expense (Annual<br>Aggregate, for all coverages provided)  | \$50,000   | \$50,000   |
| Installation Floater   | \$250,000  | \$250,000  |
| Newly Acquired Property  | \$2,500,000  | \$2,500,000  |
| Unnamed Locations Coverage   | \$2,500,000  | \$2,500,000  |
| Unnamed Locations World-Wide   | \$1,000,000  | \$1,000,000  |
| Fine Arts  | \$1,500,000  | \$1,500,000  |
| Accounts Receivable  | \$1,000,000  | \$1,000,000  |
| Valuable Papers and Records  | \$1,000,000  | \$1,000,000  |
| Library Books  | \$5,000,000 not to exceed<br>\$100 per book                                      | \$5,000,000 not to exceed<br>\$100 per book                                      |
| Electronic Data Processing, Data<br>and Media  | \$3,000,000  | \$3,000,000  |
| Demolition and Increased Cost of<br>Construction   |  |  |
| <ul style="list-style-type: none"> <li>Undamaged Portion</li> <li>Demolition</li> <li>Compliance with the Law</li> </ul>           | Policy Limit<br>\$10,000,000<br>Included in Demolition<br>Included in Demolition | Policy Limit<br>\$10,000,000<br>Included in Demolition<br>Included in Demolition |
| Business Interruption  |  |  |



| PROPERTY AND<br>BOILER & MACHINERY   | AFFILIATED FM<br>EXPIRING<br>2013 TO 2014     | AFFILIATED FM<br>RENEWAL<br>2014 TO 2015      |
|--|---|---|
| Errors and Omissions   | \$1,000,000                                   | \$1,000,000                                   |
| Transit Coverage   | \$1,000,000                                   | \$1,000,000                                   |
| Tenants Legal Liability and<br>Expenses  | \$500,000                                     | \$500,000                                     |
| Soft Costs   | \$100,000                                     | \$100,000                                     |
| Research Experiments   | Included                                      | Included                                      |
| Research Animals   | \$250,000 not to exceed<br>\$1,000 per animal | \$250,000 not to exceed<br>\$1,000 per animal |
| Personal Property of Students and Teachers not to<br>exceed a limit of \$10,000 Per Student or Teacher<br>(Annual Aggregate, for all coverages provided) | \$1,000,000                                   | \$1,000,000                                   |
| Terrorism  | Policy Limit                                  | See below                                     |
| <b>Business Interruption – Extensions of Coverage Sub-<br/>Limits</b>  |   |   |
| Days of Ordinary Payroll   | 90 Days                                       | 90 Days                                       |
| Days of Civil Authority  | 30 Days                                       | 30 Days                                       |
| Off-Premises Service Interruption  | \$2,500,000                                   | \$2,500,000                                   |
| Contingent Business Interruption   | \$500,000                                     | \$500,000                                     |
| Ingress/Egress   | \$1,000,000                                   | \$1,000,000                                   |
| Extended Period of Indemnity   | 365 days                                      | 365 days                                      |
| <b>Deductibles:</b>  |   |   |
| Earth Movement (per occurrence for each location for<br>all coverages provided)  | \$100,000                                     | \$100,000                                     |
| Flood (per occurrence for each<br>location for all coverages provided)   | \$100,000                                     | \$100,000                                     |
| Off-Premises Service Interruption<br>Qualifying Period   | 24 Hours                                      | 24 Hours                                      |
| 430-440 N. 15 <sup>th</sup> Street Building  | \$50,000                                      | \$50,000                                      |
| All Other Losses   | \$25,000                                      | \$25,000                                      |
| <b>Premium</b>   | \$180,189                                     | \$181,444                                     |
| <b>Certified Act of Terrorism</b>  | \$10,000                                      | \$10,036                                      |
| <b>Engineering Fee</b>   | \$8,500                                       | \$8,500                                       |
| <b>Commission</b>  | 15% minus engineering<br>fee                  | 15% minus engineering<br>fee                  |
| <b>Net Commission</b>  | \$170,161                                     | \$171,258                                     |
| <b>Payment Terms</b>   | Upfront                                       | Upfront                                       |

## General Liability Coverage Comparison

**An important note – UE is offering a dividend to their renewing members this year. CCP will be eligible for \$11,307.68 if you renew at least one line of coverage with UE.**

| GENERAL LIABILITY  | UNITED ED<br>EXPIRING<br>2013 TO 2014 | UNITED ED<br>RENEWAL<br>2014 TO 2015 |
|--|---------------------------------------|--------------------------------------|
| <b>Limits of Liability</b>   |                                       |                                      |
| General Aggregate  | \$3,000,000                           | \$3,000,000                          |
| Each Occurrence  | \$1,000,000                           | \$1,000,000                          |
| Fire Damage Legal Liability  | \$1,000,000                           | \$1,000,000                          |
| Medical Expenses Per Person  | \$5,000                               | \$5,000                              |
| <b>Deductible</b>  |                                       |                                      |
| Property Damage  | \$0                                   | \$0                                  |
| Each Occurrence  | \$25,000                              | \$25,000                             |
| Annual Aggregate   | \$100,000                             | \$100,000                            |
| <b>Coverages</b>   |                                       |                                      |
| Defense Costs are in addition to the Limits of Liability   | Yes                                   | Yes                                  |
| Premises/Operations  | Yes                                   | Yes                                  |
| Products/Completed Operations  | Yes                                   | Yes                                  |
| Independent Contractors  | Yes                                   | Yes                                  |
| Blanket Contractual Liability  | Yes                                   | Yes                                  |
| Personal & Advertising Injury  | Yes                                   | Yes                                  |
| Personal Injury – Non-employment sexual harassment coverage  | Yes                                   | Yes                                  |
| Premises Medical Payments  | Yes                                   | Yes                                  |
| Liquor Liability   | Yes                                   | Yes                                  |
| Premises Non-Owned Automobile Liability  | Yes                                   | Yes                                  |
| Mobile Equipment   | Yes                                   | Yes                                  |
| Broad Form Property Damage   | Yes                                   | Yes                                  |
| Watercraft (no submersible) up to 50 feet and rowing shells regardless of length   | Yes                                   | Yes                                  |
| <b>Additional Coverages/Extensions</b>   |                                       |                                      |
| Amendment of Pollution Exclusion – smoke from hostile fire, pollution from HVAC, application of pesticide & herbicides             | Yes                                   | Yes                                  |
| Sudden and Accidental Above Ground Pollution (including bodily injury in laboratories)   | Yes                                   | Yes                                  |
| Additional Insured – (blanket wording – anyone whom you are required by written contract to include as additional insured)         | Yes                                   | Yes                                  |
| Allied Health Services provided at student infirmaries are included if the services are provided by an employee of the educational | Yes                                   | Yes                                  |

| GENERAL LIABILITY  | UNITED ED<br>EXPIRING<br>2013 TO 2014 | UNITED ED<br>RENEWAL<br>2014 TO 2015 |
|--|---------------------------------------|--------------------------------------|
| institution who is a registered nurse, licensed practical nurse, licensed or certified athletic trainer, nurse practitioner or other allied health personnel |                                       |                                      |
| Joint Venture Coverage   | Yes                                   | Yes                                  |
| Punitive Damages included where insurable by Law   | Yes                                   | Yes                                  |
| "Temporary" Employees are included as Insureds   | Yes                                   | Yes                                  |
| Uncompensated volunteers are included as Insureds at the discretion of the Institution   | Yes                                   | Yes                                  |
| Mental Anguish is included as Bodily Injury  | Yes                                   | Yes                                  |
| Corporal Punishment, sexual assault / molestation coverage (perpetrator excluded)  | Yes                                   | Yes                                  |
| Athletic Events (including liability for participants)   | Yes                                   | Yes                                  |
| Worldwide Territory, including incidental foreign Hired / non-owned automobile coverage  | Yes                                   | Yes                                  |
| Foreign Terrorism / Foreign Hostilities Exception  | Yes                                   | Yes                                  |
| Broadened Knowledge of Occurrence  | Yes                                   | Yes                                  |
| Amend Definition of Occurrence Endorsement   | No                                    | Yes                                  |
| 90days Notice of Cancellation  | Yes                                   | Yes                                  |
| Premium  | \$159,666                             | \$167,648                            |
| RMPC Credit  | (\$6,387)                             | (\$6,706)                            |
| Total Policy Cost  | <b>\$153,279</b>                      | <b>\$160,942</b>                     |
| Commission   | 0%                                    | 0%                                   |
| Payment Terms  | Upfront                               | Upfront                              |

**Subjectivities:**

1. Please provide contact information for the appropriate person to coordinate required reporting for Medical service payments. *(Has been Agnes Trummer in the past)*
2. Signed GL signature page.
3. Updated contact information sheets.
4. Listen 2 UE Roundtables or Webinars for the 4% RMPC

## Automobile Coverage Comparison

| BUSINESS AUTOMOBILE  | PHILADELPHIA INS. CO.<br>EXPIRING<br>2013-2014                 | PHILADELPHIA INS. CO.<br>RENEWAL<br>2014-2015                  |
|--|--|--|
| <b>Limits of Liability</b>   |  |  |
| Combined Single Limit (BI & PD per Accident) – Symbol 1                            | \$1,000,000  | \$1,000,000  |
| Personal Injury Protection – Symbol 5  | Statutory  | Statutory  |
| Added Personal Injury Protection – Symbol 5  | Maximum  | Maximum  |
| Uninsured Motorist – Symbol 2  | \$1,000,000  | \$1,000,000  |
| Underinsured Motorist – Symbol 2   | \$1,000,000  | \$1,000,000  |
| <b>Physical Damage</b>   |  |  |
| Comprehensive Deductible – Symbols 2, 8  | \$500  | \$500  |
| Collision Deductible – Symbol 2, 8   | \$1,000  | \$1,000  |
| Hired/Borrowed Car Physical Damage   | ACV or repair or replacement of the vehicle, whichever is less | ACV or repair or replacement of the vehicle, whichever is less |
| <b>Garagekeepers Liability</b>   |  |  |
| Comprehensive Deductible   | \$50,000   | \$50,000   |
| Collision Deductible   | \$500 each accident<br>\$2,500 aggregate                       | \$500 each accident<br>\$2,500 aggregate                       |
| <b>Additional Coverages/Extensions</b>   |  |  |
| Rental Reimbursement Coverage (up to \$100 a day for up to 30 days)                | Yes  | Yes  |
| Additional and Combination First Party Benefits – \$277,500                        | Yes  | Yes  |
| Hired Autos Specified as covered autos you owned – CA9916                          | Yes  | Yes  |
| Broadened Pollution Liability Coverage   | No   | No   |
| Employees as Insureds (include employee rentals in their name on company business) | Yes  | Yes  |
| Fellow Employee Exclusion Deleted for managers and above                           | Yes  | Yes  |
| Towing and Labor (\$100 per disablement)   | Yes  | Yes  |
| Blanket Additional Insured Lessor  | Yes  | Yes  |
| Unintentional Errors & Omissions   | Yes  | Yes  |
| Broad Named Insured Wording  | Yes  | Yes  |
| Broadened Notice of Occurrence   | Yes  | Yes  |
| Broadened Knowledge of Occur.  | Yes  | Yes  |
| 60 Days- Notice of Cancellation  | Yes  | Yes  |
| Transfer Rights of Recovery Endorsement  | Yes  | Yes  |
| <b>Number of Power Units</b>   | 6  | 6  |
| <b>Premium</b>   | \$17,301   | \$17,796   |
| <b>Commission</b>  | 0%   | 0%   |
| <b>Payment Terms</b>   | DIRECT-25% Down and<br>9 Equal Installment                     | DIRECT-25% Down and<br>9 Equal Installment                     |

# Workers Compensation Coverage Comparison

| WORKERS' COMPENSATION  | HIGHMARK<br>EXPIRING<br>2013 TO 2014                                 | HIGHMARK<br>RENEWAL<br>2014 TO 2015                                  |
|--|--|--|
| <b>Limits of Liability</b>   |  |  |
| Workers' Compensation  | Statutory  | Statutory  |
| Employer's Liability Each Accident                                       | \$500,000  | \$500,000  |
| Employer's Liability Disease Aggregate                                   | \$500,000  | \$500,000  |
| Employer's Liability Disease Each Employee                               | \$500,000  | \$500,000  |
| <b>Coverages/Extensions</b>  |  |  |
| Other State Insurance (applies in all states except Monopolistic States) | Only PA but can write in MD and NJ on an incidental basis            | Only PA but can write in MD and NJ on an incidental basis            |
| <b>PA Modification Factor</b>  | .886   | .846   |
| <b>Payroll</b>   | \$78,480,000   | \$79,487,000   |
| <b>Premium Information</b>   | Subject to Audit   | Subject to Audit   |
| <b>Plan Type</b>   | Guaranteed Cost  | Guaranteed Cost  |
| <b>Premium</b>   | \$333,135  | \$336,774  |
| <b>Commission</b>  | 0%   | 0%   |
| <b>Net Commission</b>  | \$333,135  | \$336,774  |
| <b>Payment Terms</b>   | 10 Payments-10%<br>Deposit w/ balance in 9<br>equal monthly payments | 10 Payments-10%<br>Deposit w/ balance in 9<br>equal monthly payments |

## Conditions for Binding

- Cooperation with Highmark Casualty's Loss Control consultants to improve safety and mitigate losses.
- Willingness and ability to accommodate modified duty restrictions when necessary. Signature required on the attached "Return to Work" commitment letter. *Can utilize CCP Revised Letter that CCP prepared last year.*
- Cooperation with Highmark Managed Care and implementation of physician panel with acknowledgment forms signed by all employees.  
*In regards to signing Employee Acknowledgement forms, if a client currently has a physician panel posted they would not be required to have employees sign the Employee Acknowledgement of Rights and Responsibilities. There are two additional times that the Employee Acknowledgement must be signed -- the time of hire and time of injury. It would be CCP's responsibility to have the employees sign this document no matter if they treat with Worknet or another provider on the panel.*
- Cooperation with Highmark preferred legal firms. *Same firms as last year*

## Excess Liability Coverage Comparison

| EXCESS LIABILITY   | UNITED ED<br>EXPIRING<br>2013 TO 2014 | UNITED ED<br>RENEWAL<br>2014 TO 2015 |
|--|---------------------------------------|--------------------------------------|
| <b>Limits of Insurance</b>   |                                       |                                      |
| Each Occurrence  | \$25,000,000                          | \$25,000,000                         |
| Annual Aggregate Limit for:  | \$25,000,000                          | \$25,000,000                         |
| (i) Product Liability  |                                       |                                      |
| (ii) Completed Operations Liability  |                                       |                                      |
| (iii) Employee Occupational Disease Liability  |                                       |                                      |
| Sexual Molestation   | \$25,000,000                          | \$25,000,000                         |
| Underlying Limit Retention   | \$1,000,000                           | \$1,000,000                          |
| Inception Date   | July 1, 2000                          | July 1, 2000                         |
| Maintenance Deductible   | \$10,000 per drop down coverage       | \$10,000 per drop down coverage      |
| <b>Underlying Insurance Aggregate Exhaustion:</b>                                      |                                       |                                      |
| ▪ Employers Liability  | Yes                                   | Yes                                  |
| ▪ Professional Liability (student blanket)   |                                       |                                      |
| ▪ General Liability  |                                       |                                      |
| ▪ Foreign Liability  |                                       |                                      |
| <b>Coverage/Extensions</b>   |                                       |                                      |
| "Pay on Behalf of"   | Yes                                   | Yes                                  |
| Defense Costs are inside the Limits of Liability                                       |                                       |                                      |
| Worldwide Territory  | Yes                                   | Yes                                  |
| Pollution – follow Form to Primary Policies  | Yes                                   | Yes                                  |
| Athletic Event Liability – Including Injury to Participants                            | Yes                                   | Yes                                  |
| Professional Liability of Employees in the student health services                     | Yes                                   | Yes                                  |
| Security Forces Liability  | Yes                                   | Yes                                  |
| Sudden and Accidental above ground pollution (including bodily injury in laboratories) | Yes                                   | Yes                                  |
| Liquor Liability – Host & Licensed Sales   | Yes                                   | Yes                                  |
| Watercraft (non-submersible) under 26 feet and rowing shells                           | Yes                                   | Yes                                  |
| Corporal Punishment, sexual assault / molestation (perpetrator excluded)               | Yes                                   | Yes                                  |
| Punitive Damages included where insurable  | Yes                                   | Yes                                  |
| 90 Days -Notice Cancellation   | Yes                                   | Yes                                  |
| <b>Premium</b>   | \$85,496                              | \$88,061                             |
| <b>RMPC Credit</b>   | (\$3,420)                             | (\$3,522)                            |
| <b>Total Policy Cost</b>   | <b>\$82,076</b>                       | <b>\$84,539</b>                      |
| <b>Payment Terms</b>   | Upfront                               | Upfront                              |

## Additional Limit Options

| Limit   | \$30,000,000 | \$35,000,000 | \$40,000,000 |
|---------|--------------|--------------|--------------|
| Premium | \$98,628     | \$102,150    | \$105,672    |
| RMPC    | (\$3,945)    | (\$4,086)    | (\$4,227)    |
| Total   | \$84,683     | \$98,064     | \$101,445    |

## Educators Legal Liability Coverage

| EDUCATORS LEGAL LIABILITY   | AIG<br>EXPIRING<br>2013 TO 2014 | AIG<br>RENEWAL<br>2014 TO 2015 |
|---|---------------------------------|--------------------------------|
| <b>Limits of Liability</b>  |                                 |                                |
| D&O and Not-for-Profit Organization   | \$15,000,000                    | \$15,000,000                   |
| Crisis Management Fund for D&O  | \$50,000                        | \$50,000                       |
| Employment Practices  | \$15,000,000                    | \$15,000,000                   |
| Employed Lawyers  | \$5,000,000                     | \$5,000,000                    |
| Policy Aggregate (Shared limit of Liability between D&O, EPL & Employed Lawyers)  | \$15,000,000                    | \$15,000,000                   |
| Side A Excess Limit   | \$500,000                       | \$500,000                      |
| <b>Self-Insured Retention (per claim) (including defense cost)</b>  |                                 |                                |
| Non-Indemnifiable directors, trustees & officers  | \$0                             | \$0                            |
| Crisis Management Event   | \$0                             | \$0                            |
| Non-employment Discrimination claims (EPL coverage section)   | \$75,000                        | \$75,000                       |
| Employed Lawyers coverage section   | \$10,000                        | \$10,000                       |
| All other claims  | \$75,000                        | \$75,000                       |
| <b>Continuity Date : D&amp;O and EPL</b>  | 07/01/1998                      | 07/01/1998                     |
| <b>Continuity Date : Employed Lawyers</b>   | 07/01/2007                      | 07/01/2007                     |
| <b>Defense Counsel Provisions</b>   | AIG Counsel                     | AIG Counsel                    |
| Duty to Defend  | Optional Duty to Defend         | Optional Duty to Defend        |
| <b>Coverages/Extensions</b>   |                                 |                                |
| Defense Costs are included within the limit of liability  | Yes                             | Yes                            |
| Directors & Officers Liability, Educational Errors & Omissions and Employment Practices Liability   | Yes                             | Yes                            |
| Punitive Damages where insurable by law   | Yes – Included in Policy Limit  | Yes – Included in Policy       |
| 60 days Post Policy Reporting Allowance   | Yes                             | Yes                            |
| 30 days Notice of Cancellation  | Yes                             | Yes                            |
| <b>Notable Exclusions</b>   |                                 |                                |
| Illegal or unjust profit  | Yes                             | Yes                            |
| ERISA Liability   | Yes                             | Yes                            |
| Insured vs. Insured   | Yes                             | Yes                            |
| Professional Services (other than education or teaching and employed attorneys)   | Yes                             | Yes                            |
| Bodily Injury, death, Mental Injury or Emotional Distress (Exception to Mental Injury of Emotional Distress arising from Wrongful Employment) | Yes                             | Yes                            |



| EDUCATORS LEGAL LIABILITY   | AIG<br>EXPIRING<br>2013 TO 2014  | AIG<br>RENEWAL<br>2014 TO 2015   |
|---|--|--|
| practices)  |  |  |
| Property Damage or Destruction  | Yes  | Yes  |
| Assault or Battery  | Yes  | Yes  |
| Contractual Exclusion – carve out: <ul style="list-style-type: none"> <li>liability that would have existed in the absence of a contract</li> <li>tenure and peer review</li> <li>Defense Cost</li> <li>Educational Services</li> </ul> | Yes  | Yes  |
| Collective Bargaining   | Yes  | Yes  |
| Outside Directorship (excepting those not-for-profit organizations)   | Yes  | Yes  |
| Fair Labor Standards Acts or similar law (except for the Equal Pay Act, or any retaliation for exercising any rights or duties under any such laws)   | Yes  | Yes  |
| Final Adjudication for all conduct Exclusions   | Yes  | Yes  |
| Severability for all conduct Exclusions   | Yes  | Yes  |
| Moonlighting Exclusion (Employed Lawyers Section)   | Yes  | Yes  |
| <b>Miscellaneous Endorsements</b>   |  |  |
| Severability of the Application   | Yes – full severability of Insureds / Top 3 CCP positions imputed to the Institution | Yes – full severability of Insureds / Top 3 CCP positions imputed to the Institution |
| Non-Rescindable   | Yes  | Yes  |
| Order of Payments   | Yes  | Yes  |
| Settlement Opportunity End. D&O and EPL   | 80% carrier / 20% insured  | 80% carrier / 20% insured  |
| Claim Definition Amended – Delete EEOC <sup>1</sup>   | Yes  | Yes  |
| <b>Payment Plan</b>   | Upfront  | Upfront  |
| <b>Premium</b>  | \$95,951   | \$101,417  |
| <b>Commission</b>   | 15.5%  | 15.5%  |
| <b>Net Premium</b>  | <b>\$81,079</b>  | <b>\$85,698</b>  |

<sup>1</sup> We revisit this endorsement each year – under the EPLI Section the definition of a Claim is amended to not include EEOC or OFCCP proceedings or investigations, however any civil lawsuit brought by the EEOC or OFCCP should be considered under the definition of a claim.

**United Educators Pricing Indications (completed UE application needed)**

|                  |              |              |              |
|------------------|--------------|--------------|--------------|
| <b>Limit</b>     | \$15,000,000 | \$20,000,000 | \$25,000,000 |
| <b>Retention</b> | \$100,000    | \$100,000    | \$100,000    |
| <b>Premium</b>   | \$149,872    | \$153,407    | \$157,204    |

**AIG Subjectivities (need prior to binding)**

1. Completed, signed, and dated AIG application, if purchasing FLI complete section if not need signature page
2. Did you send the proper notifications to the students for the discontinued degrees
3. Are the students able to transfer their credits to another degree
4. Each year your net loss is growing, what actions are being taken to address this concern?

**Additional Coverage Options**

|                   |             |
|-------------------|-------------|
| <b>Coverage</b>   | Fiduciary   |
| <b>Limit</b>      | \$1,000,000 |
| <b>Retention</b>  | \$25,000    |
| <b>Premium</b>    | \$7,186     |
| <b>Commission</b> | 15.5%       |

## Crime Coverage Comparison

| CRIME COVERAGE   | TRAVELERS<br>RENEWAL<br>2013 TO 2014    | TRAVELERS<br>RENEWAL<br>2014 TO 2015    |
|--|---|---|
| <b>Limits of Liability (per occurrence)</b>  |   |   |
| Employee Theft   | \$4,000,000                             | \$4,000,000                             |
| ERISA  | \$4,000,000                             | \$4,000,000                             |
| Forgery or Alteration  | \$4,000,000                             | \$4,000,000                             |
| On Premises  | \$4,000,000                             | \$4,000,000                             |
| In Transit   | \$4,000,000                             | \$4,000,000                             |
| Money Orders and Counterfeit Paper Currency  | \$4,000,000                             | \$4,000,000                             |
| Computer Fraud   | \$4,000,000                             | \$4,000,000                             |
| Funds Transfer Fraud   | \$4,000,000                             | \$4,000,000                             |
| Claims Expense   | \$50,000                                | \$50,000                                |
| <b>Deductibles (per occurrence)</b>  |   |   |
| Each Loss  | \$40,000                                | \$40,000                                |
| Except ERISA and Claims Expense  | \$0                                     | \$0                                     |
| <b>Coverages/Extensions</b>  |   |   |
| Employee Benefit Plan included as Insured/ERISA Compliance (Omnibus wording)   | Yes                                     | Yes                                     |
| Definition of Employee: any natural person while in your services whom you compensate, whom you have direct control while performing services for you. | Yes                                     | Yes                                     |
| Loss will be covered up to one year after policy termination   | Yes                                     | Yes                                     |
| 60 days Notice of Cancellation   | Yes                                     | Yes                                     |
| Protected Information Exclusion  | Yes                                     | No                                      |
| Indirect Or Consequential Loss Exclusion   | Yes                                     | Yes                                     |
| Tenant's Property Endorsement  | \$1,000,000 Limit<br>Retention-\$10,000 | \$1,000,000 Limit<br>Retention-\$10,000 |
| <b>Premium</b>   | \$6,060                                 | \$6,451                                 |
| <b>Commission</b>  | 22.5%                                   | 22.5%                                   |
| <b>Net Premium</b>   | <b>\$4,696</b>                          | <b>\$5,000</b>                          |
| <b>Payment Terms</b>   | Upfront                                 | Upfront                                 |

### Subjectivities

1. Travelers Renewal application

## Student Blanket Professional Liability

| STUDENT BLANKET PROFESSIONAL LIABILITY   | CNA<br>EXPIRING<br>2013 TO 2014  | CNA<br>RENEWAL<br>2014 TO 2015   |
|--|--|--|
| <b>Limits of Liability</b>   |  |  |
| Each Loss  | \$1,000,000  | \$1,000,000  |
| Each Policy Period   | \$5,000,000  | \$5,000,000  |
| <b>Deductible</b>  | Nil  | Nil  |
| <b>Coverages/Extensions</b>  |  |  |
| Coverage for Actual or Alleged Medical Incidents                                   | Yes  | Yes  |
| Faculty included as an Additional Insured while instructing / supervising students | Yes  | Yes  |
| Entity / Educational Organization as an Additional Insured                         | Yes  | Yes  |
| Defense Cost   | Outside the limits of Liability  | Outside the limits of Liability  |
| Personal Injury Protection   | Covered claims arising from charges of privacy violation, slander, libel, assault and battery and other alleged personal injuries. | Covered claims arising from charges of privacy violation, slander, libel, assault and battery and other alleged personal injuries. |
| School Grievance / Disciplinary Hearing  | Up to \$1,000 per proceeding<br>Up to \$10,000 aggregate   | Up to \$1,000 per proceeding<br>Up to \$10,000 aggregate   |
| Damage to Property of Others   | Up to \$250 per incident<br>Up to \$10,000 aggregate   | Up to \$250 per incident<br>Up to \$10,000 aggregate   |
| Assault Coverage   | Covered Medical Expense or reimburses for damages to your property up to \$25,000 aggregate, up to \$1,000 per incident            | Covered Medical Expense or reimburses for damages to your property up to \$25,000 aggregate, up to \$1,000 per incident            |
| Medical Payments   | Up to \$100,000 aggregate<br>Up to \$2,000 per person  | Up to \$100,000 aggregate<br>Up to \$2,000 per person  |
| First Aid Expenses   | Up to \$25,000 aggregate<br>Up to \$500 per incident   | Up to \$25,000 aggregate<br>Up to \$500 per incident   |
| Defendant Expense Benefit  | Up to \$10,000 aggregate for lost wages and covered expenses   | Up to \$10,000 aggregate for lost wages and covered expenses   |
| Deposition Representation  | Up to \$5,000 aggregate  | Up to \$5,000 aggregate  |
| Number of Students   | 782  | 743  |
| <b>Premium</b>   | <b>\$8,267</b>   | <b>\$7,856</b>   |
| <b>Willis Commission</b>   | <b>0%</b>  | <b>0%</b>  |
| <b>HPSO Commission</b>   | <b>40%</b>   | <b>40%</b>   |
| <b>Payment Terms</b>   | <b>Prepaid</b>   | <b>Prepaid</b>   |

## Security & Privacy Liability

| SECURITY & PRIVACY   | AIG<br>RENEWAL<br>2013-14   | AIG<br>RENEWAL<br>2014-15  |
|--|---|--|
| Limits of Liability  |   |  |
| Policy Type  | Claims Made & Reported  | Claims Made & Reported   |
| Policy Aggregate   | \$1,000,000   | \$1,000,000  |
| Security & Privacy Liability <ul style="list-style-type: none"> <li>• Per Claim</li> <li>• Annual Aggregate</li> </ul> | \$1,000,000   | \$1,000,000  |
| Regulatory Compliance  | \$1,000,000   | \$1,000,000  |
| Security and Privacy Retention   | \$25,000  | \$25,000   |
| Data Breach Expenses:  | <b>Event Management Insurance</b>   | <b>Event Management Insurance</b>  |
|  | Event Management Insurance<br>Aggregate: \$250,000<br><br>\$250,000 (for 1.2.5,6 and 7)<br><b>AND</b><br>250,000 individuals –<br>Subject to a minimum affected<br>persons of 250<br>(for 3 and 4)<br><br>1. Forensic Investigation<br>2. Public Relations<br>3. Notification Expenses<br>4. Credit Monitoring Services/<br>Identity Theft Assistance<br>5. Other Services (upon approval)<br>6. To Restored, Recreate and<br>Recollect Electronic Data<br>7. To Determine if Electronic Data<br>can be restored, recreated or<br>recollected | Event Management Insurance<br>Aggregate: \$250,000<br><br>\$250,000 (for 1.2.5,6 and 7)<br><b>AND</b><br>250,000 individuals –<br>Subject to a minimum affected<br>persons of 250<br>(for 3 and 4)<br><br>1. Forensic Investigation<br>2. Public Relations<br>3. Notification Expenses<br>4. Credit Monitoring Services/<br>Identity Theft Assistance<br>5. Other Services (upon<br>approval)<br>6. To Restored, Recreate and<br>Recollect Electronic Data<br>7. To Determine if Electronic<br>Data can be restored,<br>recreated or recollected |
| Data Breach Expense Retentions:  | \$10,000  | \$10,000   |
| Crisis Management & Public<br>Relations Insurance  | \$50,000  | \$50,000   |
| Crisis Management Retention  | \$0   | \$0  |

| SECURITY & PRIVACY                               | AIG<br>RENEWAL<br>2013-14 | AIG<br>RENEWAL<br>2014-15 |
|--|---------------------------|---------------------------|
|  |                           |                           |
| <b>Cyber Extortion Insurance</b>                 | \$1,000,000               | \$1,000,000               |
| <i>Cyber Extortion Retention</i>                 | \$10,000                  | \$10,000                  |
|  |                           |                           |
| <b>1<sup>st</sup> Part Business Interruption</b> |                           |                           |
| 1 <sup>st</sup> Party Business Interruption      | \$1,000,000               | \$1,000,000               |
| 1. Waiting Period                                | 10 Hours                  | 10 Hours                  |
| 2. Retention                                     | \$25,000 Each Claim       | \$25,000 Each Claim       |
|  |                           |                           |
|  |                           |                           |
| Retroactive Date                                 | 7/1/11                    | 7/1/11                    |
| Continuity Date                                  |                           | 7/1/13                    |
|  |                           |                           |
| Payment Term:                                    | Up Front                  | Up Front                  |
| Commission                                       | 0%                        | 0%                        |
| Premium  | \$17,325                  | \$17,325                  |

**Subjectivities:**

1. AIG SRP Application signed and dated

# **ATTACHMENT B**

## **RFP ANALYSIS FOR PAYMENT GATEWAY – COST MATRIX**

# RFP Analysis for Payment Gateway - Cost Matrix

|   | Pricing (Ascending Order) |               |                |               |               |               |               |
|---|---------------------------|---------------|----------------|---------------|---------------|---------------|---------------|
|   | Current                   |               |                |               |               |               |               |
| General Fees                            | CCP Model                 | Heartland     | Official Pymts | TMS           | NelNet        | Higher One    | TouchNet      |
| Annual Fee                              | \$ -                      | \$ -          | \$ -           | \$ 7,700.00   | \$ 60,000.00  | \$ 68,875.00  | \$ 38,100.00  |
| Start-up Fee                            | \$ -                      | \$ -          | \$ -           | \$ 6,500.00   | \$ 30,000.00  | \$ 38,813.00  | \$ 19,250.00  |
| Monthly Fee                             | \$ -                      | \$ -          | \$ -           | \$ 100.00     | \$ -          | \$ -          | \$ -          |
| Total General Fees Cost                 | \$ -                      | \$ -          | \$ -           | \$ 15,400.00  | \$ 90,000.00  | \$ 107,688.00 | \$ 57,350.00  |
| <b>Flat Fee Pricing Model</b>           |                           |               |                |               |               |               |               |
| e-Check Cost Per Transaction            | \$ 1.75                   | \$ -          | \$ 1.50        | N/A           | N/A           | N/A           | N/A           |
| e-Check Cost Annualized                 | \$ 16,630.25              | \$ -          | \$ 14,295.00   | N/A           | N/A           | N/A           | N/A           |
| <b>Student Cost:</b>                    |                           |               |                |               |               |               |               |
| CC Cost Per Transaction                 | \$ 12.00                  | \$ 9.00       | \$ 11.50       | N/A           | N/A           | N/A           | N/A           |
| CC Cost Annualized                      | \$ 208,872.00             | \$ 156,654.00 | \$ 200,169.00  | N/A           | N/A           | N/A           | N/A           |
| <b>College Cost:</b>                    |                           |               |                |               |               |               |               |
| CC Cost Per Transaction                 | \$ 1.50                   | \$ -          | \$ -           | N/A           | N/A           | N/A           | N/A           |
| CC Cost Annualized                      | \$ 26,109.00              | \$ -          | \$ -           | N/A           | N/A           | N/A           | N/A           |
| Total Annualized Cost                   | \$ 251,611.25             | \$ 156,654.00 | \$ 214,464.00  | N/A           | N/A           | N/A           | N/A           |
| <b>Percentage Based Model</b>           |                           |               |                |               |               |               |               |
| CC Cost Per Transaction                 | N/A                       | 1.9%          | 2.00%          | 2.50%         | 2.75%         | 2.75%         | 2.75%         |
| CC Cost Annualized                      | N/A                       | \$ 209,089.00 | \$ 220,093.68  | \$ 275,117.10 | \$ 302,628.81 | \$ 302,628.81 | \$ 302,628.81 |
| e-Check Cost Per Transaction (flat fee) | N/A                       | \$ -          | \$ 1.50        | \$ 0.15       | \$ -          | \$ -          | \$ 0.75       |
| e-Check Cost Annualized (flat fee)      | N/A                       | \$ -          | \$ 14,295.00   | \$ 1,425.45   | \$ -          | \$ -          | \$ 7,127.25   |
| Total Annualized Cost                   | N/A                       | \$ 209,089.00 | \$ 234,388.68  | \$ 276,542.55 | \$ 302,628.81 | \$ 302,628.81 | \$ 309,756.06 |

\*12 month total e-check transactions: 9,503

\*\*12 month total CC transactions: 17,406

\*\*\*Total CC transaction value: \$11,004,684.82