

**MEETING OF THE BUSINESS AFFAIRS COMMITTEE
OF THE BOARD OF TRUSTEES
Community College of Philadelphia
Wednesday, August 23, 2017 – 10:00 A.M.**

TO: Business Affairs Committee of the Board of Trustees
FROM: Jacob Eapen 
DATE: August 17, 2017
SUBJECT: Committee Meeting

A meeting of the Business Affairs Committee of the Board of Trustees will be held on **Wednesday, August 23, 2017 at 10:00 A.M. in the College's Isadore A. Shrager Boardroom, M2-1.** For those members who are dialing into the meeting, the following is the conference bridge information: **DIAL-IN NUMBER: 1-888-675-6779; PARTICIPANT PASSCODE: 2050590#**

AGENDA – EXECUTIVE SESSION

AGENDA – PUBLIC SESSION

- (1) **Revised College Policies and Procedures Memorandum No. 202 – Purchases and Contracts Requiring Specific Board Authorization (Action Item):**

As discussed at the January 18, 2017, Business Affairs Committee meeting; as a result of an internal audit related to professional service contracts, the College's Internal Auditor suggested modifying the existing Policies and Procedures#202 to better document which professional and other service agreements require Board approval. Based upon this review, staff is presenting the proposed Policies and Procedures Memorandum No. 202 for Committee approval. Please refer to Attachment A.

- (2) **Description of Two New Reserve Accounts: Reserve for Deferred Maintenance and Reserve for Technology Refresh (Information Item):**

College staff have setup two new reserve accounts in FY17. The following descriptions on these new reserve accounts will be presented to the Committee for informational purposes:

Reserve for deferred maintenance - Current balance is \$200,000. The purpose of this reserve is to accumulate resources for any facility deferred maintenance capital costs that were not included in the capital budget. Contributions to this reserve will be based on annual assessment and subject to available funds.

Reserve for technology refresh - Current balance is \$200,000. The purpose of this reserve is to accumulate resources for improving the information technology infrastructure, upgrading hardware, software, and communications equipment that are not included in the budget but are necessary to meet the competitive needs of the College. Contributions to this reserve will be based on annual assessment and subject to available funds.

(3) Economic Opportunity Plan (EOP) Status for The Hamilton (Information Item):

With regard to The Hamilton Project, RPG and Clemens Construction are required to provide periodic updates of the status of their performance of the EOP. Attachment B contains RPG's and Clemens Construction Company most updated report of the EOP.

(4) Updated Facilities Master Plan (Information Item):

The Facilities Master Plan will be submitted for review to the Real Estate Committee of the Board of Trustees. The Facilities Master Plan will be disseminated at the meeting.

(5) Next Meeting Date:

The next regularly scheduled meeting of the Committee will be held on Wednesday, September 27, 2017 at 10:00 A.M. in the Isadore A. Shrager Boardroom, M2-1.

JE/lm

Attachments

cc: Mr. Jeremiah White
Dr. Donald Generals
Mr. Gim Lim
Mr. James P. Spiewak
Victoria Zellers, Esq.

BAC\AUGUST 23, 2017\AGENDA.DOC

ATTACHMENT A

Revised College Policies and Procedures Memorandum No. 202 – Purchases and Contracts Requiring Specific Board Authorization

- **Summary of the Comparison of the Existing Policy to the Proposed Policy**
- **Proposed Policy**

Proposed Revision to Policies & Procedures #202
Purchases and Contracts Requiring Specific Board Authorization
Summary of the Comparison of the Existing Policy to the Proposed Policy

Changes in Values that Require Board Authorization

- Development of New or Modified Facilities – from \$50,000 to \$100,000
- Construction Change Orders – from \$50,000 to \$100,000
- Capital Purchases or Leases – from \$50,000 to \$100,000
- Capital Write-Offs – from \$25,000 to \$50,000
- Accounts Receivable Write-Offs – from \$10,000 to \$25,000

Other Changes

- Construction Change Orders
 - If a postponement in approving a change order would seriously delay an essential project or create an exposure to contractor claims for delay of project, and if the change order can be accommodated within available construction dollars, then the President after consulting with and receiving approval from the Chair of the Business Affairs Committee, may authorize proceeding with the change order with the understanding that the change order will be presented to the Business Affairs committee at its next scheduled meeting.
- Professional Services for Public Accounting Services, Banking Services, Legal Services, Insurance Broker Services, Investment Management Services
 - Only require Board Authorization if the annual value of the contract is \$100,000 or greater
- Other Services
 - Engagement of professional and any other service, regardless of type, with an expected annual expense or revenue volume of one-hundred thousand dollars (\$100,000) or greater, requires Board approval.
- New Section
 - Renewals, Extensions and Change Orders for Professional and Other Services
 - Contract renewal options, if presented to the Board at the time of initial award with a stated dollar value, do not require a subsequent Board approval.
 - Contract extensions of a twelve-month duration or less do not require
 - Board approval unless the value of the extension exceeds 110% of the annual value of the expiring contract. Any contract extension beyond a twelve-month time duration requires approval by the Board of Trustees.
 - Change orders to contracts for professional or other services that cause the value of a contract to exceed \$100,000 require that the modified contract be approved by the Board of Trustees. If a postponement in approving a change order would seriously delay an essential project, then the President may authorize proceeding with the change order, after consulting with and receiving approval from the Chair of the Business Affairs Committee, with the understanding that the modified contract will be presented to the Business Affairs committee at its next scheduled meeting.

Memorandum #202 Purchases and Contracts Requiring Specific Board Authorization

The Board of Trustees assumes the ultimate responsibility for the operation of the College, the prudent use of its resources, and for maintaining productive and supportive relations with regulatory and funding agencies. In exercising its responsibility to the public and private sources which annually provide the College with its operating and capital budget revenues, the Board of Trustees approves the annual budget prior to the start of each fiscal year. In addition to approving the aggregate budget plan, the Board will specifically approve certain types of expenditures and contractual relationships. These specific approvals may occur either as a part of the annual budget adoption process or as individual items brought to the Board during the course of the fiscal year through the Board of Trustees Business Affairs Committee.

The following financial transactions require specific Board approval:

- *Development of New or Modified Facilities* - Any program for the development or modification of a college facility and associated equipment with a total project value of one hundred thousand dollars (\$100,000) or greater.
- *Construction Change Orders* - Any construction change order with a unit value of one hundred thousand dollars (\$100,000) or greater. Normally the construction change order should be approved by the Board before it is authorized by the College's construction manager. If a postponement in approving a change order would seriously delay an essential project or create an exposure to contractor claims for delay of project, and if the change order can be accommodated within available construction dollars, then the President after consulting with and receiving approval from the Chair of the Business Affairs Committee, may authorize proceeding with the change order with the understanding that the change order will be presented to the Business Affairs committee at its next scheduled meeting.
- *Capital Purchases or Leases* - Any single item or combination of complementary capital items with an annual cost of one hundred thousand dollars (\$100,000). This includes both property leases and capital purchases with the exception of personal computers that are included in the College's budgeted refresh plan.
- *Capital Write-Offs* - Disposal of capital equipment and other real property with an original acquisition price of fifty thousand dollars (\$50,000) or greater.
- *Real Estate Acquisition* - All acquisition of real estate including land and buildings. Potential real estate gifts to the College must be formally accepted by the Board before title to the property is transferred.
- *Debt Obligations* - Any agreements to borrow funds on behalf of the College. This includes both long-term debt such as bonds and mortgages as well as short-term borrowing for operating purposes.

- *Accounts Receivable Write-Offs* - Payments from any one source due to the College with a book value of twenty-five thousand dollars (\$25,000) or greater for which staff believe there is no basis to expect payment.
- *Professional and Other Services* - Engagement of professional and any other service, regardless of type, with an expected annual expense or revenue volume of one-hundred thousand dollars (\$100,000) or greater, requires Board approval. Purchase of other services with an expected value less than \$100,000 whose costs are contained within the approved college budget may be authorized by the President or his or her designee.
- *Renewals, Extensions and Change Orders for Professional and Other Services*
 - Contract renewal options, if presented to the Board at the time of initial award with a stated dollar value, do not require a subsequent Board approval.
 - Contract extensions of a twelve-month duration or less do not require Board approval unless the value of the extension exceeds 110% of the annual value of the expiring contract. Any contract extension beyond a twelve-month time duration requires approval by the Board of Trustees.
 - Change orders to contracts for professional or other services that cause the value of a contract to exceed \$100,000 require that the modified contract be approved by the Board of Trustees. If a postponement in approving a change order would seriously delay an essential project, then the President may authorize proceeding with the change order, after consulting with and receiving approval from the Chair of the Business Affairs Committee, with the understanding that the modified contract will be presented to the Business Affairs committee at its next scheduled meeting.

ATTACHMENT B

**RPG's and Clemens Construction Company Updated
Report of the Economic Opportunity Plan**



The Hamilton
440 North 15th Street
Philadelphia, PA 19130



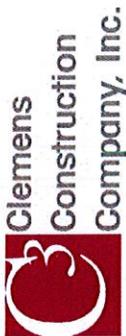
MW/DSBE Subcontracts
August 14, 2017

Item #	Trade / Description	OWNER CONTRACT AMT	Transfers	Revised Budget Amount	Actual Buy Value	Subcontractor Name	Target MBE Amount	Actual MBE Amount	Target WBE Amount	Actual WBE Amount
10160	Wire Closet Shelving	\$ 18,000		\$18,000		TraCorp			\$18,000	
10200	Uline Slatwall - Mils	\$50,220		\$50,220		TraCorp			\$8,300	
10260	Wall & Door Protection	\$8,300		\$8,300		TraCorp			\$50,000	
10400	Interior / Exterior Signage - Allowance	\$50,000		\$50,000		TraCorp			\$8,250	
10500	Storage Lockers (Bike & Tenant)	\$68,649		\$68,649		TraCorp			\$12,000	
10520	Fire Exting. & Cabinets	\$8,250		\$8,250		TraCorp			\$16,524	
10600	Mailboxes	\$12,000		\$12,000		TraCorp			\$50,000	
10870	Entrance Mat	\$16,524		\$16,524		TraCorp			\$924,335	
10880	Toilet & Bath Accessories	\$47,330		\$47,330		TraCorp			\$2,650	
11400	Window Washing Anchors - Allowance	\$80,000		\$80,000					\$399,475	
11450	Appliances - Allowance	\$924,335		\$924,335					\$15,375	
11500	Community Area Appliances - Allowance	\$2,650		\$2,650					\$571,342	
12400	Kitchen Countertops	\$ 399,475		\$399,475					\$90,250	
12420	Amenity Countertops	\$15,375		\$15,375					\$10,000	
12450	Kitchen Cabinets - Allowance	\$571,342		\$571,342		AC Products			\$3,057,000	
12500	Window Treatment	\$90,250		\$90,250		Schindler			\$60,000	
14000	Elevators	\$0		\$0					\$5,102,180	
14100	Elevator Cab Finish Upgrade - Allowance	\$10,000		\$10,000					(\$342,350)	
15000	Mechanical/HVAC	\$3,057,000		\$3,057,000		Falasca	300000		\$0	
15100	Temp Heat - Allowance	\$60,000		\$60,000					(\$20,000)	
15400	Plumbing	\$5,102,180		\$3,623,350					\$967,416	
15451	Plumbing Fixture Package - Allowance	\$242,350		\$242,350		E.J. Rath			\$7,298,129	
15460	New Sump Pump - Allowance	\$20,000		\$20,000					\$25,000	
15500	Spinklers/Fire Protection	\$967,416		\$967,416		MK Fire Protection			\$18,000	
16000	Electrical	\$ 7,298,129		\$7,298,129		McCrae / Gordon				
16101	AV Systems - Allowance	\$ 50,000		\$50,000						
	Additional Cleanup Buyout		\$25,000	\$25,000						
		\$ 53,587,394	\$0	\$ 53,587,394	\$4,401,500		10,532,000	1,778,000	4,878,074	154,500

Actual/Target % Combined	23%
Actual/Target % Combined	9%

Non-Opportunity Trades	\$3,385,000
Project Discount	\$0
Building Permit	\$104,020
Streets Permit	\$128,284
Preconstruction Fee	\$40,000
Builders Risk Insurance	By Owner
Taxes and GL / WC Insurance	\$740,881
Bond	\$424,327
Major Subs Bonding	\$363,744
Construction Contingency	\$1,156,828
General Conditions	\$919,209
Fee	\$1,650,313
TOTAL PROJECT VALUE	\$62,500,000

Revised Budget Amount	\$3,385,000
Actual Buy Value	\$0
Transfers	\$104,020
Subcontractor Name	\$128,284
Target MBE Amount	\$40,000
Actual MBE Amount	By Owner
Target WBE Amount	\$740,881
Actual WBE Amount	\$424,327
Subcontractor Name	\$363,744
Target MBE Amount	\$1,156,828
Actual MBE Amount	\$919,209
Target WBE Amount	\$1,650,313
Actual WBE Amount	\$62,500,000



EOP Workforce Summary Report
August 14, 2017

The Hamilton
440 North 15th Street
Philadelphia, PA 19130

Subcontractor	Trade	Total Apprentice Hours Worked to Date	Total Journeyman Hours Worked to Date	Total Hours to Date	Local Residents (Hours)	Local Residents (% All Hours)	Minority Apprentices (Hours)	Minority Apprentices (% Apprentice Hours)	Minority Journeyman (Hours)	Minority Journeyman (% Journeyman Hours)	Female Apprentices (Hours)	Female Apprentices (% Apprentice Hours)	Female Journeyman (Hours)	Female Journeyman (% Journeyman Hours)
Clemens	GC/Carpentry	40	463	503	103	20%	0	0%	99.5	100%	0	0%	0	0%
Delta	Abatement	0	452	452	120	27%	0	#DIV/0!	452	100%	0	#DIV/0!	0	0%
Northstar	Demolition	0	3388	3388	778	23%	0	#DIV/0!	1600	47%	0	#DIV/0!	0	0%
Copeland Surveying	Surveyor	0	80	80	0	0%	0	#DIV/0!	0	0%	0	#DIV/0!	0	0%
Dolente	Concrete	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Crystal Steel	Structural Steel	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor A	Trade A	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor B	Trade B	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor C	Trade C	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor D	Trade D	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor E	Trade E	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor F	Trade F	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor G	Trade G	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor H	Trade H	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor I	Trade I	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor J	Trade J	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor K	Trade K	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor L	Trade L	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor M	Trade M	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor N	Trade N	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor O	Trade O	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor P	Trade P	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor Q	Trade Q	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor R	Trade R	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor S	Trade S	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor T	Trade T	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor U	Trade U	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor V	Trade V	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor W	Trade W	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor X	Trade X	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor Y	Trade Y	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Subcontractor Z	Trade Z	0	0	0	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Total Cumulative Project Hours / % EOP		40	4383	4423	1001	23%	0	0.0%	2151.5	49.1%	0	0.0%	0	0.0%

GOAL	32%	50%	32.0%	7.0%	2.0%
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