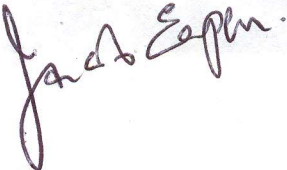


**MEETING OF THE BUSINESS AFFAIRS COMMITTEE
OF THE BOARD OF TRUSTEES
Community College of Philadelphia
Wednesday, January 29, 2020– 9:00 A.M.**

TO: Business Affairs Committee of the Board of Trustees
FROM: Jacob Eapen 
DATE: January 24, 2020
SUBJECT: **Committee Meeting**

A meeting of the Business Affairs Committee of the Board of Trustees will be held on **Wednesday, January 29th at 9:00 A.M. in the Isadore A. Shrager Boardroom, M2-1.** For those members who are using Zoom, please note the following information:

You may join this meeting with any of the following methods:

- (1) Via the Zoom app which can be downloaded at <https://zoom.us/download>. Once downloaded, launch the app and JOIN meeting 250539183.
- (2) Use this URL in any browser to connect <https://ccp.zoom.us/j/250539183>
- (3) Dial in via the phone with no video with +1 646 558 8656 and Meeting ID 250539183

AGENDA

PUBLIC SESSION

(1) Approval of Bids Received for the Career and Advanced Technology Center (Action Item):

The Career & Advanced Technology Center project consists of the construction of a new 3-story 75,000 sf building on the corner of 48th Street and Market Streets. This project will transform the Community College of Philadelphia's West Philadelphia Regional Center, supporting advanced high-quality academic and technology programs for students preparing to enter the region's workforce. The design started in February 2019 and construction documents were completed in December 2019. The project was bid as a multi-prime contract (General Construction, Mechanical, Electrical, Plumbing & Fire Protection). There were pre-bid meetings held on Tuesday, December 10th at the Enterprise Center and again on Friday, January 3rd at the College's West Regional Campus. Construction documents were initially posted on PennBid on October 29, 2019 for interest generation, and were continually updated through the posting of construction documents in December. Bids were due on Tuesday, January 21st.

Meetings were held with all low bidders on 1/22/2020 & 1/23/2020. Below is a summary of the bids received:

Bids Received	Contract	Company		Base Bid Amount
8	General Construction	Ernest Bock & Sons		\$15,985,000.00
		Rycon Construction, Inc.		\$16,267,000.00
		New Age Development Group		\$16,276,910.74
		The Bedwell Company		\$17,127,000.00
		PJ Dick Mid-Atlantic		\$17,490,000.00
		Smith Construction, Inc.		\$17,964,000.00
		IMC Construction		\$18,800,000.00
		Bittenbender Construction, LP		\$19,311,000.00
6	Mechanical	Dolan Mechanical, Inc.		\$3,648,000.00
		Edward J. Meloney, Inc.	Bid Withdrawn	\$2,920,000.00
		Falasca Mechanical, Inc.		\$3,806,000.00
		PT Mechanical Group		\$3,998,605.00
		Devine Brothers		\$4,087,100.00
		Eagle Mechanical, Inc.		\$4,498,000.00
3	Electrical	McGoldrick Electric, Inc.		\$3,358,000.00
		Madden Electric		\$5,412,540.00
		Mulhearn Electric Company		\$5,744,926.00
4	Plumbing & Fire Protection	Dolan Mechanical, Inc.		\$1,738,000.00
		Eagle Mechanical, Inc.		\$1,749,000.00
		Lima Company		\$1,780,450.00
		Devine Brothers		\$2,261,200.00
			Total Base Bid	\$24,729,000.00

	Alternate 3 – West & North Elevation Window logos	Alternate 4 – Epoxy flooring for diesel & auto labs	Alternate 5 – Dimensional Lettering Sign
General Construction	\$74,500.00	\$95,000.00	\$67,500.00
Mechanical	\$0	\$0	\$0
Electrical	\$0	\$0	\$0
Plumbing & Fire Protection	\$0	\$0	\$0
Fire Protection	\$0	\$0	\$0
		Total Alternates	\$237,000.00

The staff is requesting that the Committee recommend to the full Board awarding the contracts to the low respondents as follows:

- General Construction to be awarded to **Ernest Bock & Sons** in the amount of **\$16,222,000.**
- Mechanical to be awarded to **Dolan Mechanical, Inc.** in the amount of **\$3,648,000.**
- Electrical to be awarded to **McGoldrick Electric, Inc.** in the amount of **\$3,358,000.**
- Plumbing & Fire Protection to be awarded to **Dolan Mechanical, Inc.** in the amount of **\$1,738,000.**

(2) **Approval of Structural Repairs for the Center for Business Industry Parking Garage (Action Item):**

The scope of the project will include a full restoration of the deteriorating structural elements of the garage. While the current conditions do not represent any significant or immediate safety concerns, the scheduled repairs will rectify any known issues and ensure that the useful life of the facility is extended and remains in a reliable state of repair, thus avoiding any significant, foreseeable and expensive capital repairs.

The focus of the repairs will be to address compromised areas which are allowing water and salt intrusion, and contributing to an accelerated deterioration of the composite steel decking for the floors, concrete spalling (both overhead and on the driving surfaces), waterproofing sealants and some minor electrical conditions.

A comprehensive repair program was designed by Philadelphia-based, structural and specialty repair engineering firm Keast and Hood. The project had three bid respondents. Upon completion of a thorough bid and scope review, College staff recommends awarding Quinn Construction, Inc. of Essington, PA, who is the lowest responsible bidder, in the amount of \$715,000 to repair structural damages to the Center for Business and Industry parking garage. Additional bids were received from the Premier Building Restoration in the amount of \$829,000 and Platinum Scaffolding Services in the amount of \$1,475,000.

The schedule for the project will be to commence with some early phase work commencing in April 2020 and continuing through late August 2020 to coincide with the start of the Fall Term.

Upon completion, the finished product will render a safe and well maintained facility with an extended useful life. Additional highlights are that the aesthetics of the facility will be enhanced from the protective coating system on the ramp and first floor. This system will protect against further salt and water intrusion.

The staff is requesting that the Committee recommend to the full Board to award the contract to Quinn Construction, Inc. in the amount of \$715,000 to repair the structural damages to the Center for Business and Industry parking garage.

(3) Approval of Grant Thornton as the College's Independent Auditor for a Three Year Period with Two Option Years (Action Item):

Grant Thornton has served as our external auditors since fiscal year 2014. An RFP process was used to solicit proposals for the College's audit, tax and accounting services for a three-year period of time.

The following services are expected to be provided by the external auditors:

- Annual Financial Audit
- State Annual Tuition Compliance Agreed Upon Procedures
- Annual Uniform Guidance Audit
- Foundation 990 and 990-T Returns
- Agreed Upon Procedures for grants (as needed)
- Bond Issue Acknowledgement Letter
- Attend Audit Committee Meetings and Provide Industry Updates

The College invited fifteen local and national accounting firms to submit a bid. Please refer to Attachment A.

The College received bid proposals from:

1. Baker Tilly Virchow Krause LLP
2. RSM US, LLP
3. Clifton Larson Allen LLP
4. Grant Thornton LLP

The Audit Committee selection team consisting of Anthony Simonetta, Chair of the Audit Committee Lydia Hernández Vélez, Chair of Business Affairs Committee, Jim Spiewak and Gim Lim met on December 11, 2019 to review the above bids. The team reviewed each bid proposal based on their audit approach, team knowledge and experience, firm's location in Philadelphia, firm's support for diversity, partnership with MBE, and pricing. It was the general consensus that Grant Thornton LLP with their minority partner, The Meridian Group, best meets all criteria. The Audit Committee unanimously recommends a three-year contract period at a total cost of \$406,000. The contract provides an option to renew for two additional years.

Below are the proposed fees:

FY 2019-2020	\$134,000
FY 2020-2021	\$134,000
FY 2021-2022	\$138,000

For FY 2018-2019, the dollar amount should be \$126,000.

The staff is requesting that the Committee recommend to the full Board the approval of a three-year contract at a total cost of \$406,000 with an option to renew for two additional years.

(4) Approval of Benefits Consulting Services (Action Item):

In 2019, the College ended its agreement with Alliant as our benefits broker for our medical and prescription plans. This change provided an opportunity to re-assess our needs based on the strategic direction of the College and evaluate alternative solutions to help reduce the expense of health insurance.

The College issued an RFP to select a benefits consultant paid by a flat fee that would seek to add value and help the College to save money based on effective cost containment solutions.

The RFP was sent to Pentra (Alera Group), Trion Group, Exude and BeneServ. The College received bids from Pentra and Trion Group. Pentra provided a quote of \$120,000 and the Trion Group provided a quote of \$150,000 for their core services and \$25,000 for Benefits Administrative Services. Although the Trion Group was not the lowest bidder, they were able to offer competitive pricing which includes a robust data analytics platform and COBRA administration. The Trion Group has the experience, technology and expertise needed to assist the College in creating and implementing short- and long-term strategies to reduce healthcare costs, maintain compliance, and help our employees in becoming educated healthcare consumers. Please refer to Attachment B which contains the services to be provided by the Trion Group.

The Trion Group is a wholly-owned subsidiary of the Marsh & McLennan Companies, Inc., a publicly traded company with a strong financial rating.

The staff is requesting that the Committee recommend to the full Board the approval of the proposal made by the Trion Group for the period of April 1, 2020 to March 31, 2021 in the amount \$175,000 with an option to renew for two years.

(5) Amendment to the Lease Agreement for 1500 Spring Garden Street, 7th Floor (Action Item):

The College has been leasing 10,932 square feet from 1500 Net-Works Associates, L.P. since April 2005. The Division of Marketing and Communications, the Division of Institutional Advancement and the Foundation, and the Department of Human Resources are occupying the space at 1500 Spring Garden Street. There is no available space for these three areas at 1700 Spring Garden Street. Hence, we need to renew the lease with 1500 Net-Works Associates, L.P.

The current lease is \$24,424 per month at an annual cost of \$293,087. The renewal term is:

Year 1 ending 7/31/2021	\$224,926 (includes 3 months of free rent)
Year 2 ending 7/31/2022	\$297,321
Year 3 ending 7/31/2023	\$306,164
Year 4 ending 7/31/2024	\$314,369
Year 5 ending 7/31/2025	\$322,592
Month ending 10/31/2025	\$ 82,380

The proposed 63-month lease assumes a .50 cents increase in base rent per square feet and a 2% yearly escalation in operating expenses and real estate taxes. The renewal also includes three months of free rent and \$109,320 in renovations to be done by the landlord.

The staff is requesting that the Committee recommend to the full Board approval of a 63-month lease with 1500 Net-Works Associates, L.P. starting August 1, 2020 with annual payments of \$224,926 – Year 1, \$297,321 – Year 2, \$306,164 – Year 3, \$314,309 – Year 4, \$322,592 – Year 5, and month ending 10/31/2025 - \$82,380. The lease will also include 3 months of free rent and \$109,320 in renovations to be done by the landlord.

(6) Next Meeting

The next regularly scheduled meeting of the Committee will be held on **Wednesday, February 19th at 9:00 A.M.** in the Isadore A. Shrager Boardroom, M2-1.

JE/lm

Attachments

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

BAC\January 29, 2020AGENDA.DOC

ATTACHMENT A

**List of Fifteen Local and National Accounting Firms the College
Invited to Submit a Bid for the College's Audit, Tax and
Accounting Services for a Three-Year Period of Time,
with Two Option Years**

The College invited fifteen local and national accounting firms to submit a bid.

- BDO USA, LLP
- Baker Tilly Virchow Krause LLP
- Clifton Larson Allen LLP
- Deloitte LLP
- Eisner Amper LLP
- Ernst & Young
- Grant Thornton LLP
- Horsey, Buckner & Heffler LLP
- JT Goldstein, LLC
- KPMG
- Mitchell & Titus LLP
- Milligan and Company LLC
- PwC
- RSM US, LLP
- The Meridian Group, Ltd.

ATTACHMENT B

Benefit Consulting Services to be Provided by the Trion Group



Consulting Scope of Services

For

Community College *of* Philadelphia

1 Strategic Planning

Trion shall on an annual basis, facilitate a Strategic Planning process that will cover the following key components of CCOP's Health & Welfare programs:

Marketplace Overview

Trion will illustrate and provide observations and commentary based on information and data from a host of national and industry healthcare and employee benefits sources. The Marketplace Overview will provide a "high-level" view of the current state of benefits, as well as, an outlook for the future.

Business Objectives

Trion will work in partnership with CCOP to understand CCOP's environment, culture, strategy, obstacles and objectives. This will enable Trion to identify problems or opportunities, highlight consequences, projected potential impact, and work with CCOP more efficiently to develop solutions that meet CCOP's unique needs.

Plan Benchmarking

In order to identify CCOP's overall current competitive position, Trion will use various benchmark sources, which provide CCOP detailed comparative information on plan design and financial norms from national benefit surveys, to develop a benchmarking report of the CCOP's key benefit features.

Cost and Utilization Review

Trion will assist CCOP in understanding the efficiency, effectiveness and quality of health benefits by analyzing available claim, utilization and demographic data. Trion will facilitate carrier meeting on an annual basis.

Strategy Development and Plan Management

Trion will create a short- and long-term strategy based on the outcomes of the above components. The strategy design will incorporate both basic and advanced approaches to managing CCOP's benefits. Each proposed initiative will be accompanied by the financial impact, as well as the qualitative impacts to CCOP and CCOP's employees. Specifically, the strategy will address opportunities surrounding:

- Balance of valued benefits and employer/employee affordability.
- Cost.
- Plan designs.
- Product offerings.
- Vendors.
- Funding methodologies.
- Cost sharing.
- Health Management improvement initiatives.

Financial Modeling

Trion will illustrate the strategy with the aid of financial modeling tools. The tools will enable CCOP to assess the financial impact of short and long term initiatives while constructing a benefits strategy. The resulting strategy will become the foundation for a multi-year action plan that incorporates a broad, comprehensive look at CCOP's overall benefit delivery objectives in the context of CCOP's specific environment and financial constraints.

Strategic Planning Deliverables

Facilitate and coordinate a planning meeting, including assistance with preparation of CCOP's presentation to senior management (additional meetings are out of scope; applicable costs and travel related expenses may apply)

- Demographic analysis report.
- Comparative benchmarking report.
- Total Opportunity Matrix (TOM).
- Data Analytics
- Strategic planning document.
- Annual Calendar of Events.
- Stewardship report.

2 Renewal Management

Trion will use the CCOP's plan experience and working knowledge of the vendor's underwriting methods and acceptable current market cost factors to ensure fixed plan costs (administration and insurance costs) and projected variable plan costs (claims expenses) are reasonable.

Vendor Negotiations

- Request renewal based on agreed upon timeline.
- Review available experience, demographics, claims and employee contributions coverage.
- Analyze and validate vendor renewal terms.
- Negotiate renewals with respective vendors.
- Secure performance metrics, if applicable.
- Coordinate all related plan design and financial requests to vendor.

Design/Funding Options

- Plan Design / Funding Adjustments pricing alternatives, if applicable.

Budget Development

- Develop and document next plan year fees and budget rates in Trion's format with review by CCOP.
- Develop and document next plan year projected costs, split into total, employer and employee costs in Trion's format.
- Provide point in time ACA affordability review.
- Provide compliance wellness incentive review.

The negotiated next-year rates and fees of the Incumbent insurers/vendors will be fully reported for your review and records. In addition, Trion will prepare premium-equivalency rates for self-funded plans and annual budget projections.

Employee Contribution Modeling

Once the final benefit rates have been agreed upon, Trion will assist CCOP to finalize a contribution strategy. The contribution strategy will take into account marketplace approaches that fit CCOP's strategic plan, along with the potential impact from both CCOP and the employee's perspective. After a contribution approach is selected, Trion will finalize the associated employee contribution rates by plan and tier of coverage.

Deliverables

- Facilitate/coordinate renewal presentation meeting (additional meetings are out of scope; applicable costs and travel related expenses may apply).
- Renewal report/presentation.
- Final rates and contributions in Trion's standard format.

3 Competitive Bidding

The outcome of the Strategic Planning and/or the Renewal Management phase may or may not require a new vendor selection. If warranted, Trion will seek new benefit plan vendor relationships through a competitive bidding process.

Objective Setting

- Prioritize selection criteria.
- Identifying target vendors.
- Proposal analysis.
- Vendor negotiations.
- Determine reasons to change, selection criteria, current market competitiveness and tipping point to change vendors.

RFP Development

- Identify target vendor market and critical components to address.
- Prepare and distribute a Request for Proposal (RFP) to the market.

Proposal Evaluation

- Leverage proprietary modeling tools to compare vendor responses and select the finalists.

Finalist Negotiation

- Drive best costs and provisions.
- Secure performance guarantees with metrics, if applicable.
- Select vendor decision notification.

Implementation Support

- Ensure plan changes are implemented accurately with the least amount of disruption to the Human Resource team/employees.
- Ensure vendor services match proposals and contracts.

Deliverables

- Facilitate/coordinate a market results presentation meeting (additional meetings are out of scope; applicable costs and travel related expenses may apply).
- Provide market results report/presentation.

- Facilitate, coordinate and participate in the finalist vendor meeting.

4 Vendor Management

Trion will work closely with CCOP and the vendors to verify that the benefit components Trion recommends and negotiated are accurately reflected in the contract, as well as ensure the vendor's quality, scope of services and pricing meet the CCOP's expectations. Services include:

Implementation Support

- Negotiate measurable key results with performance-based vendor service fees, if applicable.
- Schedule conference calls.
- Oversight of vendor's implementation teams.
- Assurance that vendor services match proposals and contracts.
- Issue resolution.
- Assistance with setting up group structure to support ongoing claims tracking and reporting as well as overall eligibility per group locations, divisions, collective bargaining units or other subgroups as defined by the CCOP.

Results Meetings

- Annual meeting with each healthcare vendor to review plan/vendor performance, agree on improvement strategies and discuss enhanced vendor capabilities.

Open Enrollment Coordination

- Coordinate the open enrollment process with your various vendors.

Deliverables

- Narrated Presentation
- On-site participation at CCOP's Open Enrollment (OE) meetings.

5 Financial Management

- Annual cost and utilization dashboard, if experience is available from the CCOP's carriers.
- Annual OE migration results (if data is available).
- Annual Incurred But Not Reported (IBNR) reserve estimate/calculation (ASO CCOPs only).

Other, if applicable

- Semi-annual: ASO cost re-projections.
- Semi-Annual executive dashboard of key financial metrics (ASO CCOPs only).
- Quarterly: total actual cost to budget report (ASO Plans only).

6 Compliance Assistance

Trion will update CCOP with federal government, (i.e. not city, state or local), reporting requirements and related routine compliance issues as they arise. Trion will provide a comprehensive set of federal legislative awareness, updates and position statements and on-going support with your federal Healthcare Reform and compliance issues and tasks.

Compliance

- Signature ready 5500, if applicable (only applicable if qualify based on filing 5500s, 100+ enrolled in a 5500 filed plan).
- Preparation of Summary Annual Report, if applicable (only applicable if qualify based on filing 5500s, 100+ enrolled in a 5500 filed plan).
- Provide Federal Employee Benefits Plans Compliance Checklist template on an annual basis (for groups under 100 employees enrolled in medical plan(s)).
- Conduct compliance review, including completion of Federal Employee Benefits Plans Compliance Checklist (for groups over 100 employees enrolled in medical plan(s))
- Provide the following standard language/notices:
 - Women’s Health and Cancer Rights Act (WHCRA) Notice.
 - Medicaid/SCHIP State Premium Assistance Subsidy Notice.
 - Medicare Part D Notice of Creditable Coverage.
 - HIPAA/SCHIP Special Enrollment Rights Notice.
 - HIPAA Non-Discrimination / Wellness Programs – Reasonable Alternative Standard Notice (if applicable).
 - Access to Provider Rights Notice / Notice of Patient Protections.
 - Exchange Notice.
 - General Notice of COBRA Coverage Notice (COBRA Initial Rights Notice).

Health Care Reform (HCR)

- Provide ongoing technical updates, seminars, and webinars.
- HCR Alerts and newsletters.
- Maintain latest info, Q&A, HCR archive on Trion's website.
- Review HCR Compliance at implementation utilizing Trion's compliance checklist (if applicable with greater than 100 employees enrolled in the medical plan(s)).
- PCORI Count Calculation using various methodologies for CCOP consideration and CCOP submission, as required until no longer applicable.

Medicare Part D Electronic Certification Reminder

- CMS Medicare Part D Creditable Coverage annual filing reminder and instructions.

7 CCOP Services*

Trion CCOP Services will complement your internal resources in plan administration and plan management issues resolution and service delivery, including:

- Review of SPDs, contracts, policies to ensure consistency with plan provisions including covered benefit plans as outlined in contract with Trion only.
- Review of Benefit/Plan Summaries and Summary of Benefits and Coverage (SBC).
- Coordinate review of Trion specific CCOP documents, including Trion Business Associate Agreement (BAA)/Confidentiality Agreements.
- Coordination of reimbursement with stop-loss vendors including work with appropriate vendors to set up ongoing file feed or electronic reporting exchanges, if available.
- Assist with escalated claims issues.
- Support to resolve plan provisions, claims, eligibility and billing issues with vendors.
- Address provider network issues/questions.

- Report on negotiated performance metrics, if applicable.
- * Covered Plans in Contract only*

8 Communications*

Our core consulting services include basic review and factual updating of employee-facing enrollment materials by our CCOP Service team. That includes either an update to using existing CCOP-provided communications or development of our Premium In-Scope Package, a full campaign that features the following components:

Benefit Communication Material

- Welcome letter
- Newsletter/Benefits Enrollment Guide (Trion standard format or edits to an existing template); choice of three (3) pre-written and pre-designed options, featuring CCOP's specific colors and logo.
- "What's New" Highlight Sheet.
- Announcement Poster and Postcard.
- Narrated Presentation.
- Access to TRION Narrated Benefits Video Library.

**One (1) English Version of each listed above. Two (2) rounds of revisions are included in-scope. Additional charge will apply for any added versions and/or revisions. Additional charge applies for administrative expenses such as taxes, postage, production, and shipping.*

9 iBenefits

iBenefits is an app that gives employees easy access to their company's benefits guide on their mobile devices:

- Native app is available on iOS and Android devices.
- Features the CCOP's specific content, branding, and login code built in a standard format.
- Employees simply "tap" to access third-party websites and call carriers, freeing up the CCOPs' Human Resources team.
- Year-round "push notifications" reach employees with important information and reminders.
- Standard communications support a successful roll out.

10 ThinkHR

The ThinkHR website provides you with tools to build an Employee Handbook, Job Description and Compensation tools among other helpful resources. ThinkHR offers many services including:

- ThinkHR Live, a team of HR experts standing by to answer your questions or provide advice. This phone-based support service is available from 8:00 a.m. to 7:00 p.m. Central Time Monday through Friday.
- ThinkHR Comply, an award-winning online resource center for all of your workforce issues.
- ThinkHR Learn provides training solutions (including tracking capabilities) for over 200 courses.
- ThinkHR provides a vast library of sample policies, procedures and other helpful template documents to be utilized by the CCOP. This includes an employee handbook builder, state law resource guide, compensation tool among others. CCOP can provide access to all Human Resources/Benefits team members at no additional charge.