

**ZOOM MEETING OF THE BUSINESS AFFAIRS COMMITTEE  
OF THE BOARD OF TRUSTEES  
Community College of Philadelphia  
Wednesday, February 16, 2022– 9:00 A.M.**

**Present for the Business Affairs Committee:** Mr. Michael Soileau, presiding; Mr. Harold Epps, Lydia Hernández Vélez, Esq., Mr. Steve Herzog, Mr. Jeremiah J. White, Jr.; and Mr. Steve Herzog (attended Executive Session only)

**Invited Trustees:** Ms. Chekemma Fulmore-Townsend, Ms. Mindy Posoff, and Ms. Sheila Ireland (attended Executive Session only)

**Present for the Administration:** Dr. Donald Guy General, Mr. Jacob Eapen, Ms. Carol de Fries, Ms. Josephine DiGregorio, Ms. Marsia Henley, Dr. Samuel Hirsch, Danielle Liautaud-Watkins, Esq., Mr. Gim Lim, Dr. Darren Lipscomb, Dr. Shannon Rooney, Mr. Derrick Sawyer, Dr. Vishal Shah, Mr. Vijay Sonty, Dr. David Thomas, Dr. Mellissia Zanjani, and Victoria L. Zellers, Esq.

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

**PUBLIC SESSION AGENDA**

Mr. Soileau called the meeting to order at 9:01 A.M.

**(1) Subcommittee of the Business Affairs Committee on Investments (Action Item):**

Discussion: Mr. Soileau discussed the structure of the Subcommittee on Investments. The subcommittee will consist of two board members and will also ideally include an external person to help the subcommittee think through the investment process. He mentioned that the structure of the Subcommittee will be similar to the Audit Committee.

The responsibilities of the Subcommittee on Investments are as follows:

- Oversight of the portfolio performance, meeting with our external team of investors
- Recommendations based on portfolio and external factors
- Reporting out - timing and audience

Mr. Soileau stated that the Subcommittee on Investments will meet quarterly with the two financial advisors, the Commonfund and TIAA. He stated that there will be a report out to the Board to hopefully show the growth of the investment portfolios.

Mr. White stated that as Chair of the Board of Trustees, he will need to appoint the Chair of the Subcommittee. Ms. Zellers stated that the College's Bylaws will not need to be amended since this will be a subcommittee of the Business Affairs Committee. She stated that the Subcommittee will report into the Business Affairs Committee, and that the Business Affairs Committee will vote on any official action. However, ad hoc committees are to be approved by Resolution of the Board of Trustees under the College's bylaws.

Action: For the record, it was recommended to call a vote on implementing the Subcommittee of the Business Affairs Committee on Investments. The Business Affairs Committee voted unanimously to recommend to the full Board to move forward on establishing the Subcommittee of the Business Affairs Committee on Investments. A Resolution to create a Subcommittee on Investments, with Trustee Posoff as the first Chair, will be presented to the full Board.

**(2) Ownership Details on: Allied Universal Security Services, Ellucian, and Follett (Information Item)**

Mr. Eapen stated that, at the request of Dr. Generals, a briefing should be presented to the Business Affairs Committee on the ownership of the College's partners. He reviewed the following:

Allied Universal Services – Allied Universal Security (AUS) provides security services for the College. The 6-month extension is until June 30, 2022, at about \$775,000. AUS was acquired by Warburg Pincus, a private equity firm.

Ellucian - Ellucian Banner and Enterprise Resources Planning are the College's Student, Finance and HR systems. The College pays about \$500,000 annually in maintenance fees. Our contract expires June 30, 2022. Ellucian was acquired by Blackstone & Vista Equity Partners.

Follett – Follett is the College's bookstore vendor. Follett provides about \$870,468 in commission. The contract with Follett expires on December 31, 2024. Jefferson River Capital LLC, a group of private investors, acquired Follett Higher Education from the Follett Family.

Following Mr. Eapen's report, Mr. Soileau stated that for the next meeting, online access to books should be presented to the Business Affairs Committee.

**(3) New Health and Life Sciences Building (Information Item)**

Background: Already a health care hub of the United States, Philadelphia is emerging as the *Cellicon* capital of the country. The life sciences and health care industries are driving the engine of growth for the city and the state. The Health and Life Sciences building embodies Community College of Philadelphia's commitment to preparing the leaders and workforce of tomorrow for the industries. The building will feature the most technologically advanced collaborative learning spaces, state of the art simulation classrooms, and advanced life science laboratories. The building will house programs that will train students in the areas of nursing, dental hygiene, biology, and workforce development programs in pharmaceutical and cellular biology. The building is aimed at fostering a spirit of collaborative teaching and learning amongst students and faculty.

Dr. Generals explained to the Business Affairs Committee that the concept of a new Health and Life Sciences Building will be put forth as part of the fiscal year 2022-2023 Pennsylvania Department of Education capital project applications. The idea of a new Health and Life Sciences Building is consistent with the economic growth strategies of the City of Philadelphia, a city of

“Eds and Meds.” Dr. General stated that health and life sciences are probably one of the largest growing sectors in the City. He pointed out that the West Building is an old building. and the new Health and Life Sciences Building will be a state-of-the-art facility consistent with the College’s Strategic Pillars. Dr. General stated that the College should take the initial steps and proceed with placing the new Health and Life Sciences Building on the 2022-2023 PDE capital project applications.

Dr. Hirsch stated that the facilities are outdated in supporting and educating the future workforce in healthcare. He stated that the new Health and Life Sciences Building will be linked to the West Building where the College will “showcase” its healthcare programs which are high-volume, high-enrollment programs that lead to employment. Dr. Hirsch stated that the new Health and Life Sciences Building could be open up to the community similar to the College’s Dental Clinic.

Dr. Shah added that the College does not have enough space for cellular biology. He stated that the College needs an integrated lab space.

Mr. Eapen stated that Dr. General and College staff will be presenting on the concept of the New Health and Life Sciences Building, detailing the dollars related to the construction, and seeking approval on the PDE Resolution on the capital applications to be voted on and passed by the Board at the March 3rd, Business Affairs Committee (Committee as a Whole) meeting. Mr. Eapen pointed out that it took a few years to receive PDE approval on funding for the Career & Advanced Technology Center and the Library & Learning Commons. He emphasized that it was important to place the Health & Life Sciences Building into the PDE “queue” for approval.

Mr. White asked about the sequencing of capital projects. Mr. Eapen stated that the CATC project should be completed and fully operational by August 15<sup>th</sup>, and that the new Health & Life Sciences Building will be the next largest capital project. With regards to the new Health & Life Sciences Building, Mr. Soileau would like staff to provide data related to student capacity, student enrollment projections, etc. Ms. Posoff stated to also “overlay” pathways. Mr. White stated that Senator Tartaglione will be excited by this new project and will be a strong supporter for the College.

**(4) Resolution on the Relief of Student Debt, Owed to the College, Incurred Between Summer 2021 and Fall 2021 for Credit Students Who Were Enrolled in Summer and Fall 2021 (Action Item):**

**Background:** Dr. General and the College administration are recommending the relief of student debt, owed to the College, incurred between Summer 2021 and Fall 2021 for credit students who were enrolled in Summer and Fall 2021. The student debt relief will not include debt owed for student laptops & equipment and will not include debt which is contracted to be paid by third parties. It will also be applied after all federal and Commonwealth financial aid and scholarships are applied. This student debt would be forgiven as part of the lost revenue that the College is drawing down from HEERF III institutional funds. From an accounting standpoint, it will not change the budget because it will be part of the lost revenue the College was planning to draw down from HEERF III. The College is finalizing the exact amount, but estimates the debt relief will be approximately \$1.6 million and benefit approximately 561 students from Summer 2021 and 1614 students from Fall 2021. The College administration believes that relieving this

student debt will assist those hardest hit by the pandemic, allow them to register for classes, become re-engaged and ultimately assist in student success and equity. For students who timely paid their bills and have incurred a hardship from paying their bills on time, additional student emergency financial aid grants will be available from HEERF III funds. The College administration requests that the Business Affairs Committee recommend to the full Board the Resolution on the Relief of Student Debt, Owed to the College, Incurred Between Summer 2021 and Fall 2021 for Credit Students Who Were Enrolled in Summer and Fall 2021. Please refer to Attachment A.

Discussion: Ms. Zellers explained to the Business Affairs Committee that with regards to the HEERF III institutional dollars, the College is allowed to relieve certain student debt. She stated that last year, at the Executive Committee of the Board of Trustees, the Executive Committee authorized the relief of student debt for students enrolled in credit courses between March 13, 2020 and Spring 2021 for debt incurred between Spring 2020 and Spring 2021. The debt relief was nearly \$3 million. Ms. Zellers stated that College Administration would like to continue recommending the relief of student debt, owed to the College, incurred between Summer 2021 and Fall 2021 for credit students who were enrolled in Summer 2021 and Fall 2021. Currently, the debt relief is estimated at \$1.6 million; however, after all third-party contracts, financial aid and scholarships are applied, the student debt will be approximately \$1.5 million. Ms. Zellers stated that the College is going to recoup these funds as part of its lost revenue under the HEERF III institutional dollars. Dr. Rooney added that last year, 3,300 students' balances were relieved and out of the 3,300 students, 584 were registered for Fall 2021 and 111 students graduated. She stated that overall, this will make a positive impact for students.

Mr. Soileau commented that the HEERF III dollars are being allocated for students are not to be used for anything else. Ms. Zellers stated that the debt relief will be from the HEERF III institutional dollars as part of the College's reimbursement for loss revenue; it will not come from the student portion of the HEERF III grant. Mr. Eapen stated that the loss revenue for this cycle is about \$20 million.

Mr. Epps commented he feels that student debt relief is a retention and graduation strategy. Dr. Rooney stated that last year, there was press coverage and that staff will be planning on doing a similar positive announcement.

Ms. Zellers cited the Resolution in Attachment A. Mr. Soileau asked for clarification on the expected number of students. Ms. Zellers stated that the student debt relief will benefit approximately 561 students from Summer 2021 and 1614 students from Fall 2021. She further added that at the time of the write up for this agenda item, the student debt relief was estimated around \$1.6 million. However, after Spring financial aid was applied to the Fall balances, it will now be about \$1.5 million.

Action: Mr. Epps moved and Mr. White seconded the motion that the Business Affairs Committee recommend to the full Board the approval of the Resolution on the Relief of Student Debt, Owed to the College, Incurred Between Summer 2021 and Fall 2021 for Credit Students Who Were Enrolled in Summer and Fall 2021. The motion passed unanimously.

**(5) Next Meetings in March (Information Item):**

Please note that the next meeting will be held on Thursday, March 3, 2022 at 9:00 a.m.  
It will be a Business Affairs Committee (Committee as a Whole) meeting.

The next regularly scheduled meeting of the Business Affairs Committee is set for Wednesday, March 23, 2022 at 9:00 A.M.

The Public Session closed at 9:23 A.M.

**EXECUTIVE SESSION**

An Executive Session followed the Public Session dealing with financial issues.

# **ATTACHMENT A**

**Resolution on the Relief of Student Debt, Owed to the College, Incurred Between Summer 2021 and Fall 2021 for Credit Students Who Were Enrolled in Summer and Fall 2021**

**Resolution on the Relief of Student Debt, Owed to the College, Incurred Between Summer 2021 and Fall 2021 for Credit Students Who Were Enrolled in Summer and Fall 2021**

Whereas the College has received \$54,920,194, under the American Rescue Plan (ARP), HEERF III funds, \$26,830,089 of which are designated as institutional funds;

Whereas the College may discharge student debt incurred as a result of the COVID-19 Pandemic for students enrolled between March 13, 2020 and the present as lost revenue and reimburse itself through HEERF grants;

Whereas the College previously discharged student debt incurred between Spring 2020 and Spring 2021 with HEERF II institutional funds for students enrolled in credit courses between March 13, 2020 and Spring 2021;

Now therefore on this 3<sup>rd</sup> day of March, 2022, the Board of Trustees for the Community College of Philadelphia, hereby authorizes the relief of student debt owed to the College for tuition, fees, and other expenses permitted to be relieved under HEERF grants (excluding fees assessed for damaged, lost, or unreturned laptops & equipment) using HEERF III institutional funds for students enrolled in credit courses between Summer 2021 and Fall 2021 for debt incurred between Summer 2021 and Fall 2021. This debt relief does not apply to student debt that is contracted to be paid by third parties. The debt relieved will be after all federal and Commonwealth financial aid as well as any scholarships have applied.