

HACC, CENTRAL PENNSYLVANIA’S COMMUNITY COLLEGE

Board of Trustees Finance Committee

Wednesday, January 27, 2010, 12 PM – Campus Square, Boardroom

SUMMARY

Present:

Committee Members:

Mr. Terry Burrows
Mr. Frank Conte
Mr. Daniel Delaney (via telephone)
Mr. Thomas Richey

HACC Staff:

Dr. Larry Adams
Dr. Edna Baehre
Dr. Winnie Black
Ms. Eleanor Bosserman
Ms. Joan Brennan
Ms. Patricia Conklin
Ms. Kathy Doherty
Mr. Patrick Early
Mr. John Eberly
Mr. Thomas Fogarty
Mr. George Franklin, Jr.
Ms. Kathy Green
Ms. Barbara Hutchinson
Mr. David Morrison
Ms. Dawn Mull
Ms. Winnie Richards
Ms. Jean Treuthart
Ms. Meredith Tulli
Ms. Pat Verdon
Mr. Ron Young

Guests:

Mr. Peter Good, Smigel Anderson &
Sacks
Mr. Lee Smigel, Smigel Anderson &
Sacks
Mr. Sean Fortney, HACC SGA

Mr. Burrows called the meeting to order at 12:00pm. The Committee discussed the following:

Presentation:

Possible Revisions to the Procurement Policy and Administrative Procedure

Mr. Lee Smigel and Mr. Peter Good from Smigel Anderson and Sacks gave their legal opinion on possible revisions to the Procurement Policy and Administrative Procedure. This was also discussed at the Board Buildings & Grounds Committee meeting. Professional and non-professional services for HACC are not governed by the procurement code of Pennsylvania for community colleges. Professional services are specifically excluded. Non-professional services under \$20,000 are also excluded, so there doesn't have to be any written specific criteria to award these contracts. This doesn't include bids, since they are included under the procurement code. This is not pay to play. You don't have to make a contribution to be considered as a bidder, but we are not talking about bidders, Mr. Smigel explained. As noted in their opinion, "It would be in HACC's best interest to include the criterion of commitment to the College after the committee has narrowed the field of proposers for a given project. This would mitigate the noted concern that the RFP process is really a "Pay to Play" process, as the committee would be using the more objective criteria in the initial stages of the process to eliminate entities that are not qualified and/or suited to undertake the project."

Fundraising is going to be a big part of the College's future. We are not saying that you should award a proposal to an entity that is not qualified just because they are a partner; however, if you have two proposers and one is from Pittsburgh and one is for Harrisburg and they are equally qualified, you can 'consider' the fact that the Harrisburg proposer may have given a contribution to the College, Mr. Smigel explained. It is not a requirement, but you have the latitude to do this, he explained further.

If a proposer demonstrates the commitment to HACC, it is appropriate to consider that in determining whether or not the College wants to partner with the proposer going forward in utilizing their services. You can actually pick someone you like and negotiate an agreement, Mr. Good noted. Out of fairness and caution, the College set up a complicated matrix to follow. Many colleges will go out for professional services, develop a short list, and not even advertise and will select a firm from the short list, Mr. Franklin explained. Our practice is more public than what other colleges use to this point.

It was decided at the Board Buildings & Grounds Committee that the College will continue the matrix and objective criteria that is developed. We will then develop a short list and that is when we can take into consideration any potential commitments and relationships to the College, Dr. Baehre added. The process will not be changed. The current policy and procedures will still be followed. This will be a discussion at the Spring Board retreat as well.

Action Items:

The committee recommended that the following resolutions go to the Board for approval:

- **Contract for Welding and Machine Shop Fit Out for the Community Center for Technology and the Arts (CCTA) – Contract One Weld Smoke Collection System and Ambient Air Cleaning System** with Great Lakes Air Systems, Inc. for the low bid of \$268,000.00.
- **Contract for Welding and Machine Shop Fit Out for the Community Center for Technology and the Arts (CCTA) – Contract Two Compressed Air Piping System and Welding Gas Piping System** with Shannon A. Smith, Inc. for the low bid of \$71,500.00.
- **Contract for Welding and Machine Shop Fit Out for the Community Center for Technology and the Arts (CCTA) – Contract Three Electrical Distribution** with John E. Fullerton, Inc. for the low bid of \$89,265.00.
- **Contract for Walkway Improvement at the York Campus** with Doug Lamb Construction, Inc. for the low bid of \$73,825.00.
- **Single Prime Contract for Interior Selective Demolition in Blocker Hall at the Harrisburg Campus** with PCS, Inc. for the low bid of \$38,451.00.
- **Contract for Professional Services to Conduct an Underground Survey for the Emergency Mass Notification System at the Harrisburg Campus** from Cheran, Inc. for the low bid of \$19,900.00.
- **CCAMPIS (Child Care Access Means Parents in School) Grant** was reviewed.
- **40 scholarships** for our students were accepted.
- **Gifts-in-Kind** were accepted.
- **Report of College Operating Revenues and Expenditures for November 30, 2009 and December 31, 2009** were reviewed.

Discussion Items:

The committee reviewed and discussed the FY 2010-11 preliminary budgets. It was suggested that a separate report for the Child Care Center and Performing Arts Series with respect to revenues/expenditures is developed and shared with the committee. Also, the Museum Store really needs to be looked at. Administration is planning on discussing these auxiliary operations and possible changes to them at an upcoming Cabinet meeting.

The committee reviewed and discussed the College Compensation Advisory Committee Salary Recommendation. This was also discussed at the Board Human Resources Committee. The College Compensation Advisory Committee (CCAC) recommended 4%, which includes a salary increase of 3-3.5%. This is competitive with other community colleges, Ms. Tulli noted. The average increase for community colleges is 3.85%. For school districts, it's 3.87%. The additional money that we are asking for within that 4% is for targeted adjustments that we need to keep our salaries competitive, Ms. Tulli noted.

Mr. Burrows asked for the data on how the employee's healthcare contribution compares to other community colleges, with the exception of the Philadelphia area colleges. Ms. Tulli will provide this information.

The College Policy 420 – 65 Plus Program at HACC was reviewed as was College Policy 425 – Indebtedness to College.

Information Items:

The following items were shared with the Committee:

- Management's Response to Boyer & Ritter's Internal Audit Report of the Pollock Child Care Center.
- Report of Revenues and Expenditures for November 30, 2009 and December 31, 2009.
- Summary of Investments for the Quarter Ending December 31, 2009.
- Comparison of HACC's FY 2009-10 Tuition and Fees.
- PDE Approval Letter for the Interior Emergency Mass Notification System Capital Project.
- Summary of Prior Finance Committee Meeting (November 25, 2009).