



Kalamazoo
Foundation for
Excellence

Agenda FFE Board of Directors

Monday, October 30, 2023

2:00 PM

Mayor's Riverfront Park – 251 Mills St, Kalamazoo, MI 49048

A. CALL TO ORDER

B. APPROVAL OF AGENDA

C. APPROVAL OF MINUTES

1. Approve the minutes of the September 25, 2023, meeting.
2. Approve the minutes of the April 24, 2023, meeting.

D. REPORTS AND COMMUNICATIONS

1. (No action) Staff review of 2023 S.W.O.T.
2. (No action) Board Survey and Planning Review
3. (No action) Document Stakeholder Director Renewals and Planned Vacancies

E. REGULAR AGENDA

1. (Tabled) Approve Endowment Developer Position Description and Compensation Range
2. (Tabled) Approve Foundation Coordinator Position Description and Compensation Range
3. Approve and Recommend the 2024 FFE Budget to the Kalamazoo City Commission for Adoption
4. Approve A One-Year Support Services Agreement with the City of Kalamazoo
5. Approve Annual Grant Agreement Between FFE and City of Kalamazoo

F. PUBLIC COMMENTS

G. BOARD MEMBER COMMENTS

H. ADJOURNMENT

General information about the Foundation for Excellence (FFE) including board meeting schedules, meeting agendas and minutes, bylaws, and much more can be accessed at: <https://www.kalamazoocity.org/ffe>.

Agendas and previous minutes and video streams for FFE meetings are available directly at: <https://kalamazoomi.civicclerk.com/>.

Questions regarding agenda items may be answered prior to the meeting by contacting the FFE Manager at 269.337.8047 or ffe@kalamazoocity.org.

KALAMAZOO FOUNDATION OF EXCELLENCE

PUBLIC COMMENT RULES

1. Persons attending a regular or special meeting of the Board of Directors of the Kalamazoo Foundation for Excellence shall be permitted to address the Board in conformity with this rule and the Michigan Open Meetings Act.
2. An individual wishing to address the Board shall wait to be recognized by the presiding officer.
3. A person addressing the Board shall provide their name and whether they are a resident of the City.
4. Remarks by a speaker shall be confined to matters within the preview of the Board and KFFE.
5. The chairperson of the meeting or a majority of the Board in attendance may permit individuals to speak once, for up to four (4) minutes, on specific matters being considered on the meeting agenda of the Board, except no comment is permitted on secondary or procedural motions to a main motion.
6. A speaker is permitted to address the Board once during the Public Comment portion of the meeting for up to four (4) minutes.
7. A speaker is not permitted to yield any unused portion of speaking time to other speakers.
8. A speaker may be ruled out of order for conduct that interrupts or disrupts the meeting.

Updated October 23, 2023



MINUTES-September 25, 2023

FFE Board of Directors

Monday, September 25, 2023 2:00 PM

Mayor's Riverfront Park – 251 Mills Street, Kalamazoo, MI 49048

A. CALL TO ORDER- by President Sandra Calderon-Huezo

ROLL CALL

Staff present: Legal Counsel/Recording Secretary - Richard Cherry & Julie Cosgrove from Miller Johnson; FFE Executive Director - Steve Brown; Chief Financial Officer – Steve Vicenzi

Guests present: Kerry Lyn Williams, Jamarui Bogan (Bogan Developments), Kayla Todd, Laura Lam

PRESENT- Calderon-Huezo, Ritsema, Balkema, Harrison, Hess, Hoffman, Lonberg, Yarbrough, Washington, Jr., Hopewell, Hamilton-Miller, Salas

ABSENT- Anderson, Carrell, Taylor, Bostrom

B. APPROVAL OF AGENDA

ACTION: Director Washington moved to adopt the Agenda as is. Motion was seconded by Director Hess.

Discussion then took place with Director Balkema regarding the absence of the April 24, 2023 minutes in the board packet.

ACTION: Director Washington moved to adopt the Agenda with the exception of approval of the minutes of the April 24, 2023 Board Meeting to be tabled. Motion was seconded by Director Hess. The motion to approve the agenda was adopted by unanimous voice vote.

C. APPROVAL OF MINUTES

ACTION: On motion made by Director Washington and seconded by Director Hess, and by unanimous voice vote the approval of the minutes of the April 24, 2023 was tabled.

D. REPORTS AND COMMUNICATIONS

1. 2023 FFE-City Project Preliminary Impact Presentation.

Kerry Lyn Williams presented to the Board her Staff Report regarding an update to the 2023 fiscal year activity and FFE investments in Kalamazoo. Review and discussion took place regarding the report, including the basis used for determining funds distribution and a detailed explanation of the updated progress chart presented with the report. Director Calderon-Huezo asked Ms. Williams about how the average citizen could engage with this process. Executive Director Brown explained that Community Planning and Parks is most active and once a request is implemented, there is opportunity for public input.

Founding Director Emeritus Hopewell asked about the peer review process. Director Balkema asked about the 322 Stockbridge project. Executive Director Brown explained that the City purchased this property for \$2,000,000 – most of the property is in a 500-year floodplain – so they can choose what can be put on that property.

Executive Director Brown was asked to explain the Green Affordable Housing project and why the progress update was zero. He was requested to follow up and report back on this project.

Director Harrison asked how the funding is valued. CFO Vicenzi explained that funds carried forward were funds committed to the project. Executive Director Brown further explained that what is seen in the table under “FFE Funding” without exception is 100% funding of the request.

Chairwoman Calderon-Huero recognized a guest, Jamauri Bogan. Mr. Bogan presented to the Board regarding his involvement with the Business Development Fund which began in 2019, building affordable housing units. Mr. Bogan described his partnership with All things Possible in holding developer boot camps where incoming 9th grade students learn each day about different aspects of construction. They put on their hard hats and safety equipment, ask questions, etc. He wished to encourage leaders to actively listen to the voices of youth. Various directors were complementary of Mr. Bogan’s involvement with the community and with Kalamazoo youth.

Kayla Todd presented to the Board regarding the All Things Possible program. Ms. Todd previously worked in the foster care system. She expressed appreciation for the work done by Mr. Bogan in providing opportunities for youth through the All Things Possible program. A discussion then took place regarding the difficulty many youth face in obtaining a driver’s license due to the cost involved and the need for collaboration across youth services – what can we do to connect to other programs? Suggestion was made about offering free driver’s training to students who pass the 9th grade.

Chairwoman Calderon-Huero brought the meeting back to the agenda items as time was now after 3:00 p.m.

2. 2024 Draft Budget Presentation

Executive Director Brown presented regarding the budget memorandum included in the Board meeting packets. City of Kalamazoo is making a request for funds to the Board. There was discussion regarding the various projects included in the City's request. No action is requested at this time.

E. REGULAR AGENDA

1. Approve Amended 2023 and New 2024 Board and Committee Schedules

ACTION: Director Balkema moved to approve the Amended 2023 and New 2024 Board and Committee Schedules as presented. The motion was seconded by Director Ritsema and approved by unanimous voice vote.

2. Approve Midyear Budget Adjustment

ACTION: Director Balkema moved to approve the Midyear 2023 Budget Adjustment as presented. The motion was seconded by Director Washington and passed unanimously after roll call vote.

3. Approve Miller Johnson Attorneys Contract Renewal as FFE Legal Counsel

ACTION: Director Washington moved to approve the Miller Johnson Attorneys Contract Renewal as FFE Legal Counsel. The motion was seconded by Director Hamilton and passed unanimously after roll call vote.

4. Approve Directors and Officers and General Liability Insurance

ACTION: Director Ritsema moved to approve the General Liability and Director and Officers insurance as presented. The motion was seconded by Director Harrison and passed unanimously after voice vote.

5. Approve Endowment Developer Position Description and Compensation Range.

ACTION: Director Washington moved to approve the Endowment Developer Position Description and Compensation Range. The motion was seconded by Director Hamilton-Miller.

Discussion then took place regarding the job description (specifically that the person hired be located in Kalamazoo) and compensation range.

ACTION: Director Washington withdrew his motion and requested that the matter be moved to the October 30, 2023 agenda. Motion was supported by Director Hamilton-Miller and unanimously approved by voice vote.

6. Approve Foundation Coordinator Position Description and Compensation Package

Director Brown recommended a closed session or executive session regarding this agenda item. The item was moved to the October 30, 2023 meeting.

F. PUBLIC COMMENTS

No public comments.

G. BOARD MEMBERS COMMENTS

- Director Hopewell commented on Agenda item 5:
 - Will be working with diverse groups – watch who we hire.
 - Verifying IK35
 - No line in the state budget.
 - Need young professionals of color.
- Director Yarborough is welcomed to his first meeting.

H. ADJOURNMENT

The meeting was adjourned at 3:57 p.m.

Richard O. Cherry
Recording Secretary



MINUTES-April 24, 2023 FFE Board of Directors

Monday, April 24, 2023

2:00 PM

City Hall – Community Room, Second Floor - 241 West South Street

A. CALL TO ORDER - by Vice President Ritsema at 2:03 PM

B. ROLL CALL

STAFF PRESENT: Legal Counsel/Recording Secretary - Richard Cherry & Alex Page from Miller Johnson; FFE Executive Director - Steve Brown; Chief Financial Officer – Steve Vicenzi.

PRESENT- Ritsema, Carrel, Miller, Anderson, Hess (2:07 pm), Hoffman, Balkema, Harrison (2:05 pm), Washington Jr., Lonberg, Hopewell, Calderon-Huezo, Bostrom, and Taylor.

ABSENT – Salas.

C. APPROVAL OF AGENDA

Executive Director Brown requested that Agenda Summary Action Items #1-6 be moved to a Consent Agenda and Agenda Summary Action Items #7-8 remain on the regular Agenda. There was discussion regarding splitting the Agenda into consent and regular Agenda items going forward, and producing those separate Agendas prior to meeting.

ACTION: Director Miller moved to adopt the Agenda as is; it was seconded by Director Balkema. The motion to approve the Agenda was adopted by unanimous voice vote, subject to producing two separate Agendas, consent and regular, prior to the meetings going forward.

D. APPROVAL OF MINUTES

1. Approve Minutes of February 27, 2023 meeting

ACTION: The minutes of the Regular Business Meeting held February 27, 2023 were moved for approval by Director Bostrom and seconded by Director Washington, Jr. The motion to approve the minutes was adopted by unanimous voice vote.

2. Approve corrections to Minutes of October 24, 2022 meeting

ACTION: The corrections to the minutes of the Regular Business Meeting held October 24, 2022, including the budget approval vote and spelling errors, were moved for approval by Founding Director Emeritus (“FDE”) Hopewell and seconded by Director Hoffman. The motion to approve the minutes was adopted by unanimous voice vote.

E. REPORTS AND COMMUNICATIONS

1. Finance Committee Reports and Recommendations

Recommendation #1: Executive Director (“ED”) Steve Brown on behalf of the Finance Committee recommended approval of the FFE Purchasing Policy for endowment expenditures.

- Director Lonberg voiced concern regarding local purchasing and prioritizing FFE values.
- ED Brown clarified that there is a local preference process in the City of Kalamazoo regarding bids and discussed the new prevailing wage law recently passed.
- Director Harrison raised the question regarding community benefit agreements.
- Director Balkema discussed whether community benefit agreements are applicable to FFE when FFE funds the City.
- FDE Hopewell questioned whether community benefit agreements apply to FFE – subject to FOIA and OMA but not the City.
- Director Calderon-Huezo clarified that values can be a factor in purchasing.
- ED Brown clarified that these votes would be taken after discussion of each item.

Recommendation # 2: ED Brown on behalf of the Finance Committee recommended the approval of the following reappointments to the Investment Subcommittee:

- a. the re-appointment of Dean Bergy for a three-year term ending in 2025;
 - b. the re-appointment of Daniel DeMent for a three-year term ending in 2026;
 - c. the re-appointment of Sandi Doctor for a three-year term ending in 2025;
 - d. the re-appointment of Randy Eberts for a three-year term ending in 2026;
 - e. the re-appointment of Robert Salisbury for a three-year term ending in 2026;
 - f. the re-appointment of Joshua Sledge for a three-year term ending in 2025; and
 - g. the re-appointment of Nick Griffith for a three-year term ending in 2025.
- Director Lonberg requested clarification regarding the Investment Subcommittee.
 - ED Brown explained the Investment Subcommittee invests the City’s pension, the County’s pension and Kalamazoo Community Foundation (“KCF”) endowment without conflicts of interest.

2. Audit Subcommittee Reports and Recommendations

- ED Brown discussed the Memorandum to the City from FFE included in the Agenda and noted that it is unchanged from the last 5 years, but next year it will change because there will be FFE endowment expenditures to the City. Prior to next year, all of the funds were from the Stryker-Johnson foundation. ED Brown also discussed the performance of FFE and the audit.
- CFO Vicenzi noted that there were no errors and nothing of concern regarding internal controls.
- ED Brown discussed that the \$4 million pledge from 2.5 years ago is an asset but no cash on hand, still waiting on installments.
- FDE Hopewell discussed the pledge, and CFO Vicenzi discussed inflation adjustments and investments.
- Director Balkema stated that the Audit Subcommittee does not have an action item regarding the budget.
- ED Brown discussed the annual report published on the website.

3. Executive Committee Reports and Recommendations

Recommendation #1: Director Calderon-Huezo on behalf of the Executive Committee recommended the approval of the Employment Agreement for Steve Brown as a leased employee with the City of Kalamazoo with a yearly base salary of \$130,000 effective 1/1/2023.

Recommendation #2: ED Brown on behalf of the Executive Committee recommended the adoption of the 2023 SWOT priorities and action including the Executive Director assessment framework.

- ED Brown discussed the purpose of FFE, actionable items, a Board self-assessment, and proposal to move towards goals that the Board can continue to improve.
- Director Miller requested the Board review the effectiveness of aspirational programs and the need to review those programs.
- Director Balkema noted the importance of identifying what projects, how they are being approved, whether it has been effective, how to make changes, and how to nail down a good process.
- Director Lonberg noted that the Board has not approved funds towards aspirational projects.
- ED Brown discussed the redoubling of efforts towards workbook tracking and to determine a way to track and review funded projects effectively.
- Director Harrison requested that the Board evaluate how FFE is progressing on SWOT analysis and action items.

4. Nominating Committee Reports and Recommendations

Recommendation #1: ED Brown on behalf of the Nominating Committee recommended the approval of the Nominating Committee description and expansion of onboarding new directors.

- ED Brown discussed the background regarding the KCF boilerplate policies which is effective and important for onboarding and decisions on Nominating Committee's own committee work.

Recommendation #2: ED Brown on behalf of the Nominating Committee recommended the approval of the following appointments and reappointments to the FFE Board:

- a. the re-appointment of Alisa Carrel as Arts Stakeholder Director for a three-year term ending in 2026;
- b. the re-appointment of Ida Salas as Business/Banking Stakeholder Director for a three-year term ending in 2026;
- c. the re-appointment of Alice Taylor as Neighborhood Stakeholder Director (Northside) for a three-year term ending in 2026; and
- d. the appointment of Jonathan Yarbrough as Affinity Organization Stakeholder Director for a three-year term ending in 2026.

- ED Brown discussed the re-appointments and appointment.
- Director Bostrom on behalf of the Nominating Committee noted that it was an efficient process this time.
- Director Calderon-Huezo discussed the nominating process and the affinity stakeholder position.
- Director Harrison voiced concern regarding Mr. Yarbrough changing his position and potentially no longer holding a position as an affinity organization stakeholder. ED Brown noted that the Board would address it if it comes up.

ACTION: Director Anderson moved to adopt the FFE Purchasing Policy for endowment expenditures; it was seconded by Director Balkema. The motion to approve the FFE Purchasing Policy for endowment expenditures was approved by unanimous voice vote.

ACTION: Director Balkema moved to approve the Employment Agreement for Steve Brown as a leased employee with the City of Kalamazoo with a yearly base salary of \$130,000 effective 1/1/2023; it was seconded by Director Miller. The motion to approve Employment Agreement for Steve Brown was approved by unanimous voice vote.

ACTION: Director Balkema withdrew the previous motion after discussion with Attorney Cherry.

ACTION: Director Balkema moved to approve the lease agreement between the City of Kalamazoo and FFE; it was seconded by Director Washington. The motion to approve the lease agreement between the City of Kalamazoo and FFE was approved by unanimous voice vote.

ACTION: Director Balkema moved to approve the yearly base salary in the employment agreement between Steve Brown and the City of Kalamazoo of \$130,000 effective 1/1/2023; it

was seconded by Director Washington. The motion to approve the lease agreement between the City of Kalamazoo and FFE was approved by unanimous voice vote.

ACTION: Director Balkema moved to adopt the 2023 SWOT priorities and action including the Executive Director assessment framework with flexible target guidelines; it was seconded by Director Hess. After discussion by Director Harrison regarding evaluation tools and communication, the motion to approve the 2023 SWOT priorities and action including the Executive Director assessment framework with flexible target guidelines was approved by unanimous voice vote.

ACTION: Director Balkema moved to approve the Nominating Committee description and expansion of onboarding new directors; it was seconded by Director Bostrom. The motion to approve the Nominating Committee description and expansion of onboarding new directors was approved by unanimous voice vote.

ACTION: Director Hoffman moved to approve the following appointments and reappointments to the FFE Board:

- a. the re-appointment of Alisa Carrel as Arts Stakeholder Director for a three-year term ending in 2026;
- b. the re-appointment of Ida Salas as Business/Banking Stakeholder Director for a three-year term ending in 2026;
- c. the re-appointment of Alice Taylor as Neighborhood Stakeholder Director (Northside) for a three-year term ending in 2026; and
- d. the appointment of Jonathan Yarbrough as Affinity Organization Stakeholder Director for a three-year term ending in 2026.

The motion was seconded by Director Ritsema. The motion to approve the aforementioned appointments and re-appointments was approved by unanimous voice vote.

ACTION: Director Miller moved to approve the following reappointments to the Investment Subcommittee:

- a. the re-appointment of Dean Bergy for a three-year term (three-year term began in 2022) ending in 2025;
- b. the re-appointment of Daniel DeMent for a three-year term ending in 2026;
- c. the re-appointment of Sandi Doctor for a three-year term (three-year term began in 2022) ending in 2025;
- d. the re-appointment of Randy Eberts for a three-year term ending in 2026;
- e. the re-appointment of Robert Salisbury for a three-year term ending in 2026;
- f. the re-appointment of Joshua Sledge for a three-year term (three-year term began in 2022) ending in 2025; and

- g. the re-appointment of Nick Griffith for a three-year term (three-year term began in 2022) ending in 2025.

The motion was seconded by Director Washington. The motion to approve the aforementioned reappointments to the Investment Subcommittee was approved by unanimous voice vote.

F. REGULAR AGENDA

1. Annual Election of Officers

ACTION: Director Anderson moved to approve the following appointments for one-year terms ending at the Annual FFE meeting in April of 2024:

- a. President - Sandra Calderon-Huezo
- b. Vice President - James K. Ritsema
- c. Treasurer - Alisa Carrel
- d. Secretary - Barbara Hamilton-Miller

The motion was seconded by Director Hess. The motion to approve the aforementioned appointments for one-year terms ending at the Annual FFE meeting in April of 2024 was approved by unanimous voice vote.

2. Finance and Executive Committee Nominations

- The Board discussed Finance Committee nominations and appointments. The prior Finance Committee consisted of:
 - Mary Balkema
 - Von Washington, Jr.
 - Steve Vicenzi
 - James K. Ritsema
- Directors Balkema and Washington, Jr. were nominated and agreed to serve another year on the Finance Committee.
- The Board discussed the Executive Committee. The prior Executive Committee included:
 - President Sandra Calderon-Huezo
 - Vice President James K. Ritsema
 - Treasurer Alisa Carrel
 - Secretary Barbara Hamilton-Miller
- Director Anderson, Harrison, Hess, Hoffman are all eligible for the fifth seat for the Executive Committee.
- Director Washington nominated Director Balkema. Director Balkema had departed the meeting at 3:22 pm and therefore could not accept the nomination.
- Director Hess nominated Director Hoffman. Director Hoffman accepted the nomination.

3. Nominating Committee Appointments

- The Board discussed the Nominating Committee:
 - President Calderon-Huezo
 - Dr. Andrea Bostrom
 - Pastor Rachel Lonberg
 - Ida Salas
 - Alice Taylor

4. Audit Subcommittee Appointments

The Board noted that all committee and subcommittee appointments would be voted on now.

ACTION: Director Miller moved to approve the following Finance Committee appointments for one-year terms ending at the Annual FFE meeting in April of 2024:

- i. President Calderon-Huezo
- ii. Alisa Carrel
- iii. Steve Vicenzi
- iv. James K. Ritsema
- v. Von Washington, Jr.
- vi. Mary Balkema

The motion was seconded by Director Bostrom. The motion to approve the aforementioned appointments to the Finance Committee for one-year terms ending at the Annual FFE meeting in April of 2024 was approved by unanimous voice vote.

ACTION: Director Hess moved to approve the following Executive Committee appointments for one-year terms ending at the Annual FFE meeting in April of 2024:

- i. President Sandra Calderon-Huezo
- ii. Vice President James K. Ritsema
- iii. Treasurer Alisa Carrel
- iv. Secretary Barbara Hamilton-Miller
- v. City Director Hoffman
- vi. Director Washington, Jr.

The motion was seconded by Director Harrison. The motion to approve the aforementioned appointments to the Executive Committee for one-year terms ending at the Annual FFE meeting in April of 2024 was approved by unanimous voice vote.

ACTION: Director Washington, Jr. moved to approve the following Nominating Committee appointments for one-year terms ending at the Annual FFE meeting in April of 2024:

- i. President Calderon-Huezo
- ii. Dr. Andrea Bostrom
- iii. Pastor Rachel Lonberg
- iv. Ida Salas
- v. Alice Taylor

The motion was seconded by Director Carrel. The motion to approve the aforementioned appointments to the Nominating Committee for one-year terms ending at the Annual FFE meeting in April of 2024 was approved by unanimous voice vote.

ACTION: Director Ritsema moved to approve the following Audit Subcommittee appointments for one-year terms ending at the Annual FFE meeting in April of 2024:

- i. President Calderon-Huezo
- ii. Alisa Carrel
- iii. Dr. Andrea Bostrom
- iv. Mary Balkema

The motion was seconded by Director Hoffman. The motion to approve the aforementioned appointments to the Audit Subcommittee for one-year terms ending at the Annual FFE meeting in April of 2024 was approved by unanimous voice vote.

FDE Hopewell noted that he mistakenly voted on the motion to approve corrections to the October 24, 2022 minutes, rendering the previous motion on that issue invalid.

ACTION: The corrections to the minutes of the Regular Business Meeting held October 24, 2022, including the budget approval vote and spelling errors, were moved for approval by Director Bostrom and seconded by Director Washington, Jr. The motion to approve the minutes as corrected was adopted by unanimous voice vote.

G. PUBLIC COMMENTS

No public comments.

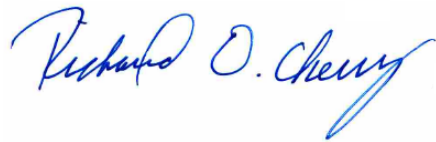
H. BOARD MEMBERS COMMENTS

- Director Harrison noted the responsibility to share with stakeholders and citizens regarding FFE's community presence and accountability process to make sure the Board represents FFE and voiced a desire for outlined duties.

- Director Calderon-Huezo voiced her desire for FFE to pay attention, engage, and ask questions. She noted the ongoing priority to learn in the community, bring back issues to the Board, and bring solutions back to the community, as well as the importance of engagement.
- ED Brown noted that the public participation plan is helpful and he can share draft minutes.
- Director Ritsema discussed sector representation while FFE transitions to include aspirational processes out of its endowment but noting that FFE will get input for the City prior to beginning.
- Director Taylor noted that the public thinks FFE has a part in what the city commission is doing, so she emphasized the importance of attending City Commission meetings because FFE is not making decisions, the City is making decisions.
- Director Miller highlighted the upcoming Chicken & Biscuits show.

I. ADJOURNMENT

The meeting was adjourned at 3:51 pm.



Richard O. Cherry
Recording Secretary



Kalamazoo
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Excellence

FFE Board of Directors Staff Report

TO: Foundation for Excellence Board of Directors

FROM: Steve Brown, Executive Director

DATE: October 30, 2023

SUBJECT: (No action) Staff review of 2023 S.W.O.T.

RECOMMEDATION:

(No action) Staff review of 2023 S.W.O.T.

BACKGROUND:

STRENGTHS, WEAKNESSES, OPPORTUNITIES, AND THREATS (SWOT)

Following conversations with Officers and Directors, the Executive Director conducted a SWOT analysis of major FFE governance and operations topics to orient FFE in the near term. The exercise included coding each topic as mission critical, very important, or ongoing. Finally, topics were coded into further categories of having both major opportunities and threats or having either opportunities or threats needing attention. Those became the categories below of Primary 2023 Focus, Secondary 2023 Focus, and Ongoing Items.

Status:

- 13 Complete
- 5 On Track
- 1 On Hold
- 1 In Progress
- 1 Tabled

2023 FFE SWOT

	Priority Group	Topic	ACTION	TARGET	Status	Notes
1	Primary Focus	Board Meetings	Prepare the annual roster of all agenda items to prevent oversights and manage workload. (Finalize move meetings to Mayor's Riverfront Park in 2024.)	April	Done	Financial Activity Calendar integrated with Annual Board items and SWOT Action items
2	Primary Focus	Board of Directors	Make officer and committee succession plan in collaboration with Committees to continually involve and train Directors for increased involvement that leads to better FFE outcomes in the form of stability and security.	November	On Track	Survey results demonstrate a high degree of engagement and awareness by Board members of FFE and Director duties
3	Primary Focus	City-FFE Partnership	Participate in full 2024 cycle of City Budget Team in order to help ensure alignment with FFE requirements of fund use by the City and optimize match between resources and demonstrable community need.	August	On Track	Present draft budget to CC and FFE.
4	Primary Focus	Endowment Sustainability	Establish the target and term of fundraising goals for the basis of campaign while reviewing calculations of grant liabilities to City.	December	On Track	Ongoing conversations are oriented toward 2025 fiscal year.
5	Primary Focus	Endowment Risk Management	Make a risk management and mitigation plan for adoption.	December	DONE	Needed resources now available with pending insurance.
6	Primary Focus	Investment Subcommittee (FFEIS)	Make succession plan in collaboration with members to fill vacancies that leads to better FFE outcomes in the form of stability and security.	September	In progress but behind original September schedule	Working with FFEIS to establish plan
7	Primary Focus	Fundraising Personnel	Attend the AFP annual conference to further educate Executive Director and network with leading professionals.	April	DONE	Notes and Board development literature.

2023 FFE SWOT

	Priority Group	Topic	ACTION	TARGET	Status	Notes
8	Primary Focus	Fundraising Case for Support	Finalize needed assets parallel to the conclusion of the feasibility study to prepare for a timely transition into a formal campaign planning phase.	August	DONE	Previous Case for Support and donation list information, new donate page on website, inclusion in FY 23 newsletter
9	Primary Focus	Fundraising Technology	Map internal processes for smooth and trustworthy donations, bank reconciliations, and relationship management.	June	DONE	Creating spreadsheet, word doc, and info graphic
10	Primary Focus	Tax Reduction Payment	Review calculation methodologies and formulas of tax reimbursement and budget stabilization grants to the City to ensure consistency, accuracy, and fund sustainability.	July	Tabled Item	Tabled at 10.9 Executive Committee
11	Secondary Focus	Communications and External Relations	Create a transition plan for the FFE Newsletter.	May	On Hold	Conditions not met for transition in 2023. Will explore 2024
12	Secondary Focus	Budget Stabilization / HPO Language	Work with Grants Division Manager on gathering new data in the highlighted areas of high performance organization for analysis.	December	On-track	CQI planning will result in May email to Directors for feedback on desired data, and reports are planned with Phase III work in 2023
13	Secondary Focus	Budget/ing	Executive Director participate in budget team for 2024 budget and deliver FFE draft budget to FFE Board and City Commission on time.	September	DONE	

2023 FFE SWOT

	Priority Group	Topic	ACTION	TARGET	Status	Notes
14	Secondary Focus	Organizational Culture	Conduct Board Survey and compare to inaugural results for analysis and direction-setting.	August	DONE	Results presented at committees for September Board agenda.
15	Secondary Focus	Organizational Resiliency	Investigate policy needs surrounding safety of quasi-endowment and clarify terms of emergency declarations.	August	DONE	FFE Counsel was clear in its verbal determination.
16	Secondary Focus	Director & Officer Insurance (D&O)	Get D&O during the endowment building phase	July (move to December)	DONE	Historic difficulty has been because of unknown endowment value and involvement of City on Board
17	Secondary Focus	Program Impact Data Analysis	Expand FFE's website Investment Map with new data and analysis	December	On track	Small improvements done, larger changes delayed to align with IK 2025 completion and IK 2035 start.
18	Secondary Focus	Compliance & Regulatory Matters	Schedule critical renewals for 2023	April	DONE	in Operations sheet
19	Secondary Focus	Daily Operations	Identify and describe roles and duties that can be handed to future administrative staff ADDED: including position descriptions for development and operations staff recommendations for 2024 budget.	November	DONE	Position Descriptions reviewed by City HR and FFE counsel and ready for agenda items at committee and Board.
20	Secondary Focus	Executive Development	Plan out local and opportunities and track.	July	DONE	Added 2023 and 2024 Registrations pending

2023 FFE SWOT

	Priority Group	Topic	ACTION	TARGET	Status	Notes
21	Secondary Focus	Aspirational	Refine and formalize financial projections to smooth aspirational spending with an aim of creating the most accurate and earliest predictability in grant funds to the City.	October	DONE	Leading up to draft budget creation Directors will need access and introduction to updated financial projections and views of budget from the ED.



Kalamazoo
Foundation for
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FFE Executive Committee Staff Report

TO: Foundation for Excellence Executive Committee

FROM: Executive Committee
Steve Brown, Executive Director

DATE: October 30, 2023

SUBJECT: (No action) Board Survey and Planning Review

RECOMMEDATION:

(No action) Board Survey and Planning Review

BACKGROUND:

At the time of the FFE Board's formation in January 2018, Directors were convened over two days for orientation and to create a high performance board culture. A survey preceding the meeting asked Board members to share their expectations, levels of knowledge, and hopes and perceived challenges regarding the FFE. A similar survey was conducted in 2020 to establish how the formation of FFE was proceeding in the minds of Directors and to gather insights into areas for improvement. Because the Board is entering year six of operations, it is important to revisit some of the survey questions and gather new information. This helps ensure ongoing alignment and informs staff about priorities and concerns. A survey of 20 questions was circulated in July of 2023 that was informed by previous results and by best practices drawn from national non-profit resources. A month was allowed for open responses from Board Members for the 10-20-minute survey. Of 15 Directors and 1 emeritus 14 responses were gathered and have been summarized in the attachment to this item.

To support the survey, staff reviewed Board meeting data from FFE's founding to the present to share the following statistics:

- Total Board and Committee meetings
 - There have been a total of 82 Board and Committee meetings since the Board was constituted.
 - Of those, 4 meetings (4.8% of total) have been cancelled because a quorum was not present.
 - Percent of meetings that supplied the packet to Directors and the public the week

prior to a meeting: 100%.

- Director Attendance
 - Average attendance for Directors to all Board and Committee meetings is 81%.
 - 9 Directors have an attendance of 90% or higher.
- Director searches
 - The Stakeholder Director searches have had a 100% success rate in filling vacant seats on first try.
 - The At Large Director searches operated in collaboration with City Commission also have a 100% success rate in filling the vacancy on first try.

FFE Development and Alignment Assessment

Continual Improvement Initiative

Summary Report

QUESTION 1:

Can you state and explain the FFE's mission areas if asked?

Responses:

65% responded:

- Yes

29% responded:

- I can improvise it

7% responded:

- No

Comments:

QUESTION 2:

Please describe the mission areas of the FFE in your own words.

Responses:

- Replace ad valorem tax revenue gap created by reduction of City Millage. Address the structural deficit inherent in State Shared revenue underinvestment. Fund aspirational projects.
- We are supporting the city for projects for bettering the community
- To support the City of Kalamazoo's master plan and vision.
- Supports the city's plan for vision, stabilize the city's budget to reduce taxes and avoid cuts and funds aspirational projects. Empowers residents.
- The FFE reduces property taxes, funds the city budget, and funds aspirational projects in the City of Kalamazoo
- The FFE exists to support the city's goals through budget stabilization and funding aspirational projects that improves the quality of life for all
- The FFE mission is to supports the City of Kalamazoo
- To assist the city government, operate efficiently without placing the responsibility on property owners and business owners
- Reduce tax liability for the residents of Kalamazoo; Stabilize the city's budget; fund aspirational projects for the City of Kalamazoo
- To support the COK's IK strategic vision with the focus on youth development and reducing generational property
- The FFE exists to support the goals of the city of Kalamazoo and its residents
- Funds for the city of Kalamazoo to provide the city and its residents various support. Things like new sidewalks, assisting businesses, supporting our youth are provided funds that might not have otherwise been available. It also dropped the city's property taxes for relief to home owners

- Community Transformation Improved Quality of life for all residents. Ongoing collaboration and support of community partners
- Create long term fiscal sustainability for the city of Kalamazoo

Comments:

QUESTION 3

What makes the FFE meaningful to you?

Responses:

- Amazing opportunity
- I find that contributing to my community is important and being a voice is what I find meaningful
- Through budget stabilization, it enables the City to meet its needs in serving the residents, which makes our community a better place to live. The reduction in property taxes make us more competitive with other communities. The aspirational projects provide positive programs and engagement opportunities to those in our community with less financial means who might not otherwise be able to have those important experiences
- The idea that the goals of city residents can become realized by a collaboration between the city's elected officials and philanthropic funds creating a process by which all residents can benefit through funding of community driven projects and aspirations for their home town
- The aspirational projects that make our city better, the board is better at representing the whole community than most in our community
- We live in a community where individuals who have prospered personally, chose to give to others who do not have their lived experience. The ability to provide creative ways to enhance our most marginalized residents' lives is a gift
- Knowledge of its existence
- It supports both the city's projects and its people in living lives of meaning and purpose. It is the spirit of Kalamazoo and our amazing philanthropists
- Supporting the success of the city
- On a personal basis, I enjoy meeting committed residents of Kalamazoo whom I would not meet in my normal day-to-day life. I am also glad to be able to contribute to the community
- The relief in property taxes
- Representing the education sector, I see it as critical to help transform our community thru generations of learners.
- It's a model for urban cities. I like to see how policy and practice come together to benefit the residents

Comments:

QUESTION 4

How familiar are you with the following:

Responses:

100% are very familiar or somewhat familiar with:

- The impact(s) of the FFE-funded budget stabilization support to the City government

93% are very familiar or somewhat familiar with:

- The impact(s) of the FFE-funded property tax reduction
- The impact(s) of the FFE-funded aspirational programs in the community
- The major areas of the aspirational investment by FFE

Comments:**QUESTION 5**

In what ways, if any, have you personally experienced FFE-funded impact?

Responses:

86% agreed:

- I have seen new sidewalks.

71% agreed:

- I have seen new trees planted.
- I know youth in development programs.
- I know small businesses that have been supported.
- I have seen new housing build or renovated.

64% agreed:

- I have actually noticed lower property taxes.

57% agreed:

- I know of critical home repairs such as roofs being provided.
- I have noticed improved City government services (of any kind).

36% agreed:

- I know youth that have a free bus pass.

29% agreed:

- I know someone who avoided tax foreclosure.

Comment:**QUESTION 6**

Please put the FFE's three mission areas in order of importance to the future prosperity of Kalamazoo based on your opinion.

Responses:

57% ranked:

- Aspirational programs as 3

43% ranked:

- Property tax reduction as 1

- City budget stabilization as 2

36% ranked:

- City budget stabilization as 1
- Property tax reduction as 2

21% ranked:

- Aspirational programs as 1
- Aspirational programs as 2
- Property tax reduction as 3
- City budget stabilization as 3

Comments:

QUESTION 7

Do you feel that you understand your roles and duties as a board member?

Responses:

100%: responded:

- Yes, despite not knowing everything.

Comments:

QUESTION 8

Do you feel you've contributed to the FFE so far as a Director?

Responses:

- Yes
- YES
- Yes- though I know I could do more. I could be a better advocate and it would be nice to have a way to provide information to the stakeholder group I represent
- Yes. There are areas around the investment management that I wish I knew more about but that is not my area of expertise. I trust those in committee positions in that area are well suited for their roles.
- Yes. I can continue to ask question about governance, accountability to our mission, and how the organization establishes itself with more independence from the city.
- Yes. I can be more vocal about issues with the board. It's okay if we don't agree every time.
- No. Identify areas of growth and challenge my colleagues to do the same for the FFE.
- Yes
- Yes, and I could be more communicative with FFE staff, and supportive from my commission perspective.
- Yes
- Yes- still learning but open to additional activities as they come available.
- No. I feel like I can't speak out about some of the programs that are being implemented. I feel like we have no real control over where the money is used
- Yes, continue to play an active role as advocate for FFE

- I hope so, I would like to see more interaction on the aspirational projects. Not just merely writing a blank check to the city

Comments:

QUESTION 9

What practical challenges do you face in your role as a board member.

Responses:

- Time
- I prefer in person meetings and I have not been able to join the webx
- My job keeps me very busy so I don't have a lot of time to do more than what I am doing
- I feel confident and comfortable with the packets received and with the amount of time we receive them. I know that if I have questions or need clarification, I am able to follow up at the meetings or request it from the E.D.
- It would be good to receive board meeting packets sooner than we typically do. It would be good to receive more regular (monthly?) reports on the work of the FFE- just a couple of paragraphs. It seems like we are typically only updated on FFE goings-on right before board meetings & sometimes months have gone by. It would be good to have board retreats and/or whatever an equivalent would be that is compliant with Open Meetings regulations. I only see some board members at board meetings & it is hard to build rapport and a sense of teamwork when I only see the someone 10 hours per year
- Time allocation while working full-time
- Knowing how the meeting packets and information shared contribute the larger activities and conversation happening outside of the board meetings
- The information package do contain a lot of information
- None. The packets are similar to commission packets, so I'm used to that. I feel that knowing my fellow board members would enhance our meetings
- None
- None
- Not much connection to the other members
- N/A
- The practical challenges are the city has a major role on the board and cannot really be objective when trying to protect their self interest. Some are wearing too many hats.

Comments:

QUESTION 10

What has made prior board or team experience positive that we can learn from?

Responses:

- Action and outcomes
- I believe a better engagement for members to know each other better
- It would be nice to get to know the other directors on a more personal level. And it would be nice to learn a little bit about the areas that each director represents and what

their roles are in those areas. I have enjoyed board meetings with other organizations where we have a specific discussion topic on the Agenda

- We communicate well within the board and with each other individually. We maintain order and respect for each other and hold space for curiosity. We are welcoming of our members and have transparent conversations about concerns that arise from board members as well as possible concerns that other residents have expressed or that may be anticipated.
- Closer relationships with others on the board. Expressions of gratitude for the work I/others do. The personal stories of individuals who are positively impacted by the work of the organization
- I believe we should be cultivating relationships with one another. It is important to know who we are serving with.
- Alignment of mission, service to an audience to hold accountable, and equal respect for colleagues regardless of their title.
- The board as a whole discussed the business of the Board. There were no subcommittees.
- Retreat time to get to know one another and go over priorities
- Good board governance
- Participating in activities that celebrate achievements
- One on one with Steve. I really feel heard and that he sometimes agrees with me
- This has been very well organized and efficient
- A little more interaction, meet and greets, meeting outside of the board

Comments:

QUESTION 11

Please rate your level of comfort doing the following with our current group of Directors.

Responses:

93% were comfortable:

- Knowing what it means to represent your stakeholder group or official body

71% were comfortable:

- Openly discussing difficult topics that may lead to conflict.
- Making big decisions that impact many people.
- Sharing out challenging FFE news with your community

64% were comfortable:

- Demonstrating leadership to see tough things through

43% were comfortable:

- Being the sole dissenting voice on a topic

Comments:

QUESTION 12

Choose up to three words that describe what you most expect to see from your fellow board members.

Responses:

- Understanding, assumption of **good will**, civility
- Insight/**integrity**/compassion
- **Respectful, open-minded**, inquisitive
- Transparent, **Integrity**, Accountable
- Preparedness, dedication (to the mission)
- Trust, Cohesion, **Openness**
- Accountability, **Honesty**, Thoughtfulness
- **Honest**, respect, and an **open mind**
- **Commitment, Engagement**, Creativity, Communication
- Engagement, Passion, **Integrity**
- Open Courteous Discussions
- Read packet, we aren't going to solve all problems..
- **Commitment** Enthusiasm Advocacy
- Statesmanship, objectivity, **engagement**

Comments:

QUESTION 13

In the course of your daily life since becoming an FFE Director, how often, if ever, have you discussed for any reason the FFE's mission areas with someone.

Responses:

79% responded "a few times on average per year"

- Property tax reductions and its impact(s)

71% responded "a few times on average per year"

- Budget stabilization to the City and its impact(s)

64% respond "a few times on average per year"

- The source(s) of the FFE Endowment

57% responded "monthly"

- Aspirational programs and its impact(s)

50% responded "a few times on average per year"

- How and/or why FFE funds what it does

50% responded "never"

- How to donate to the FFE endowment

Comments:

QUESTION 14

What is your biggest hope for the Foundation's impact?

Responses:

- Long lasting resources to support critical traditional City services and leverage funding for assisting residents to live safe and healthy lives
- Home ownership with beautiful neighborhoods. Kid programs, and support for small businesses. For minority families

- That it contributes to making our community more equitable and that future generations benefit from it as well
- I hope that the residents of Kalamazoo can feel connected to the impact of not just the aspirational projects but that of the tax reduction and budget stability as well Building the endowment to fund community driven initiatives which can help to bring visibility to the ways the city can allocate money in the budget and receive from other means as a result of FFE stabilization
- The end of generational poverty in Kalamazoo
- I hope the FFE will exceed its fundraising goals in order to have the ability to fund aspirational projects in perpetuity. It is important to me that our residents can see, feel, and experience the generosity of the FFE
- That the people of Kalamazoo that truly could benefit from its efforts, embrace the institution and champion its service to the community
- That the foundation be transparent with the citizens of the city of Kalamazoo
- Reducing poverty, and access to opportunities for our residents
- In perpetuity
- Improved quality of life across all socioeconomic and diverse communities/populations
- Repair what the city has before they add more, rein in wasting money and ridiculous projects. Be able to document if spending the money was worth it
- City stabilization and Aspirational Projects
- That the endowment would be fully funded and the market would be favorable and the assets would grow

Comments:

QUESTION 15

To ensure ongoing optimal communication between staff and Directors.

Responses:

93% agreed:

- I feel comfortable speaking candidly in private with staff

86% agreed:

- I would like more stories about program impact including meeting people

79% agreed:

- Staff send appropriately detailed email updates between meetings.
- Staff are always available for me when I need them.

72% agreed:

- Staff send enough email updates between meetings.

50% agreed:

- I would like more charts and graphs about the program impact

21% agreed:

- I have felt blindsided by an agenda item at a board meeting once or more

Comments:

QUESTION 16

Please share any questions or comments that you have for the Executive Director or City leadership.

Responses:

- Thanks for your leadership
- NONE
- Will the Directors ever be involved in the granting process for aspirational projects? We should keep in mind that in some cases nonprofit organizations can provide better services than City programs can. I would like to see aspirational funding be extended to nonprofit at some point when it makes sense to do that financially. I still do not have a good sense of how I can be a better representative of my stakeholder group
- Thank you. Your contribution to the success of FFE is significant. I believe with your leadership that FFE will be transformational in creating opportunities for our city's future growth. It is my hope that as the foundation and it's reach grows that you will continue with us and build a support team to help sustain the high bar of excellence you've set as Executive Director
- I am still learning and I look forward to being well-versed in all things FFE. Also, it is important that we somehow find a way to always fund aspirational projects
- Tools and practices of accountability for Directors...?
- The direction of the Foundation is on point
- I'm glad that we went in the direction of employing the executive director, and especially happy that we had the right person in place
- None
- None
- Please continue to do great work

Comments:

QUESTION 17

Is the FFE doing all that it realistically can to help Kalamazoo?

Responses:

50% responded:

- Yes

29% responded:

- I am not sure and need to talk to staff to understanding things better

21% responded:

- No, and I can write why in the comments box

Responses:

- My only reason for not answering yes is that I believe there is always room for improvement and we should be open to seeking how we can do more for our community as a whole and each individual resident
- Respectfully, there is always work to be done and more that we should anticipate doing in collaboration with those already doing the work in areas that may need additional support

- I am deeply concerned about the seeming prioritization of the endowment corpus over the real needs of people in this challenging economic moment
- IMO...this is traditional philanthropic systematic approach of support
- Nothing specific... there is always more to do!
- Too much so...
- They are doing the best with building this model. There is always room for improvement as they mature

Comments:

QUESTION 18

Being an FFE Director makes me feel good.

Responses:

- Average: 87
- Individual rankings: 82, 100, 90, 100, 70, 98, 74, 90, 90, 85, 90, 65, 98, 90

Comments:

QUESTION 19

Being an FFE Director makes me feel anxious.

Responses:

- Average: 39
- Individual rankings: 0, 0, 60, 85, 60, 10, 51, 75, 50, 30, 10, 75, 4

Comments:

QUESTION 20

I would recommend becoming an FFE Board Director to someone I know.

Responses:

- Average: 86
- Individual rankings: 52, 99, 100, 100, 60, 100, 98, 100, 99, 50, 95, 50, 99, 100

Comments:



Kalamazoo
Foundation for
Excellence

FFE Board of Directors Staff Report

TO: Foundation for Excellence Board of Directors

FROM: Nominating Committee
Steve Brown, Executive Director

DATE: October 30, 2023

SUBJECT: (No action) Document Stakeholder Director Renewals and Planned Vacancies

RECOMMEDATION:

(No action) Document Stakeholder Director Renewals and Planned Vacancies

BACKGROUND:

Four Stakeholder Director seats have terms expiring on 5/31/2024 and require attention from staff and the Nominating Committee over the winter of 2023/2024 to conduct the needed search, review, and selection of candidates from the community.

- One Stakeholder Director has a term expiring on 5/31/2024 and will be eligible for renewal and must confirm their intention to seek renewal.
 - Dr. Andrea Bostrom, Healthcare Sector
- The City Director designated as At-Large has a term expiring on 5/31/2024 and will be eligible for renewal and must confirm their intention to seek renewal.
 - Michael Harrison, At-Large
- Two Directors have terms expiring on 5/31/2024 and will be term-limited after completing their allowable periods of service, and must be refilled. Both Director Washington and Miller have been on the FFE Board since the first full Board was constituted on January 2, 2018, alongside Directors Calderon-Huezo, Carrel, and Alice Taylor, and are the first original members to depart due to term limitations.
 - Von Washington Jr., Education Sector
 - Barb Miller, Neighborhood (Winchell)

The FFE Board and staff would like to express their deepest gratitude and respect for each Director's outstanding service to the Kalamazoo community. Directors are eligible to reapply to the FFE Board following a minimum one-year pause.

The Nominating Committee with staff support will conduct the next steps in the Stakeholder Director process following confirmation of renewals or pending vacancies.

FFE BOARD OF DIRECTORS		FFE Board Position	Last Name	Term Rotation	Original Appointment	Current Expiration	Terms w/ Partial	Term Limit	Officer	Comm. 1	Comm. 2	Comm. 3	Comm. 4
10/23/2023													
City Director	Mayor and Ex officio Director	Anderson		Term of office	11/11/2019	11/8/2023	N/A	N/A					
City Director	City Manager and Ex officio	Ritsema		Term of office	10/17/2017	Employment	N/A	N/A	Vice President	Executive	Finance		
City Director	Commission Director	Hess		Term of office	6/1/2020	(11/13/23)	N/A	N/A					
City Director	Commission Director	Hoffman		Term of office	3/21/2022	(11/10/25)	N/A	N/A		Executive			
City Director	At Large City Director	Harrison		2-year	3/21/2022	5/31/2024	1 of 3	5/31/2030					
Stakeholder Director	Neighborhood	Calderon-Huezo		3-year	1/2/2018	5/31/2025	2 of 3	5/31/2025	President	Executive	Finance	Audit Subcomm	Nominations
Stakeholder Director	Arts Community	Carrel		3-year	1/2/2018	5/31/2026	3 of 3	Limited out	Treasurer	Executive	Finance	Audit Subcomm	
Stakeholder Director	Healthcare	Bostrom		2-year	6/1/2022	5/31/2024	1 of 3	5/31/2030				Audit Subcomm	Nominations
Stakeholder Director	Housing Sector	Balkema		3-year	6/1/2022	5/31/2025	1 of 2	5/31/2028			Finance	Audit Subcomm	
Stakeholder Director	Affinity/Nonprofit Organization	Yarbrough		3-year	6/1/2023	5/31/2026	1 of 2	5/31/2029					
Stakeholder Director	Business/Banking	Salas		1-year	6/1/2022	5/31/2026	2 of 3	5/31/2029					Nominations
Stakeholder Director	Neighborhood	Miller		3-year	1/2/2018	5/31/2024	2 of 2	Limited out	Secretary	Executive			
Stakeholder Director	Neighborhood	Taylor		3-year	1/2/2018	5/31/2026	3 of 3	Limited out					Nominations
Stakeholder Director	Education	Washington Jr.		3-year	1/2/2018	5/31/2024	2 of 2	Limited out		Executive	Finance		
Stakeholder Director	Faith-Based Org.	Lonberg		3-year	6/1/2019	5/31/2025	1 of 2	5/31/2025					Nominations



Kalamazoo
Foundation for
Excellence

FFE Executive Committee Staff Report

TO: Foundation for Excellence Executive Committee

FROM: Executive Committee.
Steve Brown, Executive Director

DATE: October 30, 2023

SUBJECT: (Tabled) Approve Endowment Developer Position Description and Compensation Range

RECOMMEDATION:

(Tabled) Approve Endowment Developer Position Description and Compensation Range

BACKGROUND:

This position is no longer being sought following a significant change in the needs of the FFE endowment. Staff are requesting the rescinding and retirement of this item.



Kalamazoo
Foundation for
Excellence

FFE Executive Committee Staff Report

TO: Foundation for Excellence Executive Committee

FROM: Executive Committee
Steve Brown, Executive Director

DATE: October 30, 2023

SUBJECT: (Tabled) Approve Foundation Coordinator Position Description and Compensation Range

RECOMMEDATION:

Table Foundation Coordinator Position Description and Compensation Range until the February 12, 2024, Board meeting.

BACKGROUND:

This position description will require alteration prior to seeking approval in context of the significant changes that have occurred that also make the formerly tabled Development position agenda item obsolete. Staff request that this item be tabled to the next FFE Board meeting on February 12, 2024, when an updated item can be brought before the Board for action. Given the proven need for this position and reasonable anticipation of its creation, however, salary and benefits have been included in the draft 2024 FFE Budget.



Kalamazoo
Foundation for
Excellence

FFE Board of Directors Staff Report

TO: Foundation for Excellence Board of Directors

FROM: Finance Committee
Steve Brown, Executive Director

DATE: October 30, 2023

SUBJECT: Approve and Recommend the 2024 FFE Budget to the Kalamazoo City Commission for Adoption

RECOMMEDATION:

Approve and Recommend the 2024 FFE Budget to the Kalamazoo City Commission for Adoption

BACKGROUND:

Budget Summary

This budget follows the method of determining the annual distribution in section 9.03 of the bylaws and the FFE's Spending Policy. The 2024 fiscal year will bring FFE investments in the City of Kalamazoo since its founding in 2017 to \$198 million dollars.

The proposed 2024 Foundation for Excellence (FFE) budget is \$22,145,187 which includes grants of \$4,739,921 to the City of Kalamazoo for budget stabilization and \$15,347,374 for property tax reduction reimbursement payment, including a \$384,694 tax reconciliation for 2023; \$670,344 has been requested by the City for aspirational activities and is being recommended for expenditure. Additionally, \$693,104 (3.2% of total) is being requested for FFE operations, including a \$50,000 agreement for support services with the City of Kalamazoo.

Items of note include: changes have been made to reflect Board input and changes in operations needs since the draft budget(s) were proposed at recent planning committee and board meetings. The changes primarily reflect the following: removal of development position salary and expenses; separation into a non-totalling column of \$309,750 if investment management and investment custodian fees that are paid prior to netting earnings and have previously been double counted; addition to the communications budget of \$25,000; adjustment of a properly costed service agreement with the City of Kalamazoo. Overall, this budget reflects a 5.77% decrease in expenses to FFE since 2023.

Timeline

As in all previous years, the FFE budget approval process has five significant steps once the special request and project scoring processes are complete:

1. COMPLETE - August - Finance Committee reviews the draft budget proposed by the City and recommends it to the Board for review but not action.
2. COMPLETE - September - The Board reviews and engages with the draft budget, conveying any observed changes or new needs to staff.
3. COMPLETE - October - Staff present the draft budget to the City Commission for review but not action.
4. October - The Board votes on the final draft budget at their October meeting and recommend it to the City Commission for adoption with the City's budget.
5. January - The City Commission vote to adopt the City's budget including FFE

Please refer to the attached FFE Request Memorandum from the City of Kalamazoo as well as the Draft FFE 2024 Budget itemization for complete information.



Department of Management Services

241 West South Street
Kalamazoo, MI 49007-4796
Phone: 269.337.8020
Fax: 269.337.8448
www.kalamazoocity.org

August 25, 2023

Steve Brown
Executive Director, Kalamazoo Foundation For Excellence (FFE)

Mr. Brown,

I am writing on behalf of the City of Kalamazoo to formalize the initial budget request for 2024. We are requesting the following amounts for the 2024 budget.

\$15,347,374 – Tax reduction
\$384,694 – Tax reduction 2023 reconciliation payment
\$4,739,921 – Budget Stabilization
\$1,799,665 – Aspirational from remaining City grant
\$670,344 – Aspirational from endowment not to exceed this amount

TAX REDUCTION

Bylaws, Section 9.03, Subsection A: "Equal to the difference between the amount that the City would have received in real estate tax and personal property tax revenue for the fiscal year-in-question calculated using a millage rate of 19.2705 mills (\$19.2705 per \$1000 of taxable value) less the amount of real and personal property taxes that the City is budgeted to receive for the fiscal year-in-question under the City's proposed millage rate, so as to provide the City a tax rate that is correlative to other municipalities in the Kalamazoo area (...)"

Total 2024 Projected Taxable Values = \$2,074,847,282.

Projected difference in taxes under 19.2705 mills and current 12 mills = \$15,347,374.

TAX REDUCTION 2023 RECONCILIATION PAYMENT

Due to the timing of the Foundation for Excellence's budget timeline, the City provides an estimate for the upcoming year's tax valuations. The City sets taxable values less exemptions after the March Board of Review. The values are then created by assessing for the tax bills to be sent out in July.

The final personal property tax value to be reimbursement is provided by the State of Michigan each year in October.

Total tax reduction payment provided in the 2023 budget - \$13,986,662.

Current projected calculation of property taxes eligible to be reimbursed by the FFE for 2023 - \$14,371,356.

This difference equals \$384,694.



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BUDGET STABILIZATION

Bylaws, Section 9.03, Subsection B: \$4 million for budget fiscal 2019 and thereafter adjusted annually by the Municipal Cost Index developed by the American City & County Magazine, or another credible model addressing the price of the unique market basket of goods and services purchased by local governments, to address the structural revenue imbalance to City finances due to Michigan's broken municipal finance system. This year's request is calculated using the amount provided in 2023, \$4,514,210 increased by 5.0%.

ASPIRATIONAL PROJECTS AND PROGRAMS

Bylaws, Section 9.03, Subsection C: Additional annual distributions may be approved (...) (i) consistent with the purposes set forth in Article II in the Articles of Incorporation of this Corporation; and, (ii) consistent with donor intent as specified in the Statement of Donor Intent (...)

Our proposed 2024 aspirational projects will utilize remaining grant dollars first and will only draw from endowment if needed. A listing of the proposed projects is below.

Request Name	Amount
Youth Mobility Fund	\$99,500
Imagine Kalamazoo Outreach & Engagement	\$79,063
All Things Possible	\$168,613
Summer Youth Employment	\$827,056
Super Rec	\$248,542
Youth Action Council	\$21,606
Youth Development Stipend	\$25,629
Pedestrian Sidewalk Improvements	\$1,000,000
Total	\$2,470,009

The City is in the process of creating its 2024 budget including finalizing the plan for the remaining \$17,193,181 of State and Local Fiscal Recovery Funds provided by the American Rescue Plan Act. We request flexibility to update requests as necessary to provide for the highest and best use of projects funded between these federal dollars and the aspirational funding provided by the FFE as we finalize the City budget.

I am also proposing the following draw schedule from the endowment for 2024.

March 1	\$7,866,034 – Tax Reduction
June 3	\$7,866,034 – Tax Reduction
September 2	\$2,369,960 – Budget Stabilization
December 2	\$2,969,961 – Budget Stabilization

Stephen Vicenzi
Chief Financial Officer
City of Kalamazoo

DRAFT FFE 2024 Budget

23-Oct-23

Account Title	2023 Budget	2024 Expenses		Executive Director	Coordination
		Endowment Withdrawals	Net of Fees Costs		
BASE PAY - FULL TIME	\$177,425	\$206,218		\$137,218	\$69,000
BASE PAY - PART TIME					
TEMPORARY PAY - REGULAR					
OVERTIME PAY					
OVERTIME - PART TIME					
TEMPORARY PAY - OVERTIME					
PREMIUM PAY					
BONUS PAY					
ALLOWANCES		\$5,400		5400	
EMPLOYER SOCIAL SECURITY	\$19,176	\$12,872		8594	4278
HEALTH BENEFIT ALLOCATION	\$22,395	\$24,224		12112	12112
HSA CONTRIBUTION					
DENTAL INSURANCE ALLOCATION		\$1,786		893	893
GROUP LIFE INSURANCE ALLOCATION	\$1,128	\$452		226	226
OTHER FRINGE BENEFIT ALLOCATION	\$5,076	\$8,667		6252	2415
WORKERS COMPENSATION ALLOCATION	\$1,457	\$1,287		859	428
DEFERRED COMPENSATION	\$3,525	\$3,114		2079	1035
DEFINED RETIREE HEALTH CONTRIBUTION	\$4,818	\$5,200		2600	2600
OFFICE SUPPLIES AND FORMS		\$1,000			
MEETING SUPPLIES		\$1,200		\$50/meeting x 24 \$1,200	
POSTAGE		\$8,200		2023 NL actual x 1.05	
PROFESSIONAL AND CONTRACTUAL SERVICES	\$65,000	\$35,300		2023 NL x 1.05: \$10,300; \$15,000 Reporting; \$10,000 PR	
BANK FEES					
INVESTMENT MANAGEMENT FEES	\$160,000		\$168,000		
CONSULTING SERVICES AND FEES	\$185,000	\$194,250		2023 x 1.05	
AUDIT FEES	\$12,000	\$14,900		2023 x 1.06	
CUSTODIAN FEES	\$135,000		\$141,750	2023 x 1.05	
PLANNING AND STUDIES					
LEGAL SERVICES	\$80,000	\$79,600		Actual 2023 engagement letter	
OTHER OPERATIONAL					
BUSINESS AND EMERGENCY MEALS					
MEMBERSHIPS AND SUBSCRIPTIONS		\$385		AFP (small org) \$185	
DUE DILIGENCE	\$15,000	\$15,000			
PROFESSIONAL DEVELOPMENT	\$10,000	\$10,000		ED: ICMA \$2,500	
SOFTWARE AND APPLICATIONS		\$12,211			
LIABILITY INSURANCE	\$25,000	\$1,838		D&O: \$600 GL: \$650, Fiduciary \$1,000 x 1.05	
ADMINISTRATIVE FEES		\$50,000		City service agreement-SEE itemization	
CONTRIBUTION TO GENERAL FUND	\$22,372,364	\$20,471,989		Budg.: \$4,739,921 x 1.06, tax \$15,347,374, tax reconcil. \$384,694	
CONTRIBUTION TO FFE ASPIRATIONAL PROJECT	\$206,860	\$670,344			
Personnel Subtotal	\$441,860	\$269,220			
Operations Subtotal	\$922,000	\$693,104			
SUBTOTAL		\$21,835,437	\$309,750		
TOTAL	\$23,501,224	\$22,145,187			



FFE Board of Directors Staff Report

TO: Foundation for Excellence Board of Directors

FROM: Steve Brown, Executive Director

DATE: October 30, 2023

SUBJECT: Approve A One-Year Support Services Agreement with the City of Kalamazoo

RECOMMEDATION:

Approve the fiscal year 2024 Service Agreement between the City of Kalamazoo and FFE

BACKGROUND:

The City has agreed to continue providing support services to the FFE in key areas of its internal operations following a successful first year of the agreement in 2023. The attached agreement provides detailed information on the scope of services and itemized cost breakdown for the (\$50,000) agreement.

Service areas covered in the agreement are:

- Human Resources
- Annual Reporting and Annual Independent Audit Support
- General Ledger
- Payroll and Benefits
- Information Technology
- City Clerk (public meetings)
- Purchasing and Risk Management
- Facilities
- A provision for hourly compensation to the City for other services as needed.

FFE-City Support Services Agreement
Fiscal Year 2024
1/1/2024 – 12/31/2024

Kalamazoo Foundation for Excellence (“FFE”) Attn: Executive Director 241 West South Street Kalamazoo, Michigan 49007	City of Kalamazoo (“City”) Attn: Chief Financial Officer 241 West South Street Kalamazoo, Michigan 49007
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The City and FFE agree:

1. Term of Agreement.

It is agreed that the City shall perform certain accounting and financial functions, benefits processing, treasury, information technologies, human resources, and purchasing/risk management, for FFE for a one-year period beginning on January 1, 2024, and ending on December 31, 2024. The term of this Agreement may be extended by the mutual agreement of the Parties.

2. City Responsibilities.

The City shall perform the following accounting services and financial support functions for FFE:

a. Leased Employees

i. Subject to the Parties’ leased employee agreement attached as Exhibit A.

b. Annual Reporting

i. Coordinate with auditors used by the City, to the extent necessary, to complete the annual financial statements and single audit of federal awards in accordance with generally accepted accounting practices and applicable statutes.

ii. Consult with FFE on financial policies and procedures.

c. General Ledger

i. Prepare and maintain a year-to-date general ledger and provide detailed information supporting financial statement numbers to FFE, including recording financial activity in the City’s financial enterprise resource program (Eden, or another system) and balancing the general ledger module with subsidiary systems.

ii. Bank account and balance sheet account reconciliations including inventory, and prepaid asset accounts.

d. Information Technology

i. Provide the following: computers, emails services, Office 365, Exchange, Active Directory Licensing, server availability, VoIP phone service, network devices, Antivirus software, current software maintenance, IT security and data.

ii. Provision and administer the accounts as necessary and respond to requests within 24 hours.

iii. FFE agrees to abide by the IT security rules and policies enacted by City IT.

iv. FFE agrees to share all data from City supported systems with City IT.

e. City Clerk

i. The City Clerk will provide records maintenance according to the retention and destruction schedules established by the City and/or FFE and provide records to FFE as requested by FFE.

f. Human Resources

i. Provide recruitment and management of leased employees' pay and benefits subject to the Parties' employee lease agreement.

g. Purchasing & Risk Management

i. Purchasing, including support, review and approval of purchase orders, requisitions, competitive bidding, contract management, and vendor qualification.

ii. Notwithstanding termination rights under Section 9 of this Agreement, services under this section may be discontinued in whole or in part at the discretion of FFE at any time upon notification to the City.

h. Facilities

i. The City will provide well-maintained facilities for office space.

i. Timeliness

i. City staff is to be provided 48 business hours to respond to any information request from FFE; reasonable requests for expedition by FFE will be honored by the City.

j. Planning Meetings

i. The City's Grants Manager and Management Services Director or their designee and the FFE's Executive Director and any appropriate staff and/or consultants will meet on a regular basis to identify outstanding issues, their resolutions and the resources assigned to the same within the scope of this Agreement.

3. FFE Responsibilities.

FFE agrees to do the following to assist the City in performing the services and functions being provided under this Agreement:

- i. Provide general information on a timely basis to the City to allow the City to perform its tasks.
- ii. Timely submission of approved accounts payable documents in a manner provided by the City.
- iii. Assist with the annual FFE audit.

4. Compensation.

FFE payment in fiscal year 2024 to the City of Kalamazoo for this agreement will be \$50,000.

In the event that FFE requests that the City perform any additional services not enumerated in this Agreement, including any transition services and related costs, such services shall be billed to FFE at the cost of \$50.00 per hour plus the actual costs of materials and services and shall be payable with the next scheduled Service Agreement payment installment. Additional services shall not be provided by the City without prior written approval from FFE. The City can decline to provide any additional services requested by FFE.

5. City as Independent Contractor.

The City, in providing the services set forth in this Agreement, shall be acting as an independent contractor and not as an agent, partner, joint venturer or employee of the FFE. FFE is not responsible for any compensation, FICA, withholding taxes, employment compensation or any other similar payment for the leased employees.

6. Non-Discrimination.

The City and FFE agree not to discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment, or any other matter directly or indirectly related to employment, because of sex, color, age, national origin, religion, height, weight, marital status, disability, political affiliation, sexual orientation, or gender identity. The City further agrees to require compliance with this paragraph of the Agreement by any of its subcontractors providing services under this Agreement. Breach of this paragraph of the Agreement may be regarded as a material breach of the Agreement.

7. No Third-Party Rights.

This Agreement is made solely for the benefit of the Parties who are signatories to it and is not for the benefit of any third party. No third party can enforce any obligations under this Agreement.

8. Termination Rights.

This Agreement may be terminated by either party at any time, either with or without cause, by providing the other party with the required written notice of the same. The right to terminate this Agreement is not an exclusive remedy.

a. Termination For Cause

i. For purposes of this Agreement, “for cause” is deemed to be a material breach by either party of the terms of this Agreement.

ii. For purposes of terminating this Agreement for cause, the terminating party shall provide the non-terminating party with written notice of the default and at least fifteen (15) days to cure the same. The fifteen (15) day period to cure the default shall begin to run when written notice of the default is deemed received by the non-terminating party as determined by paragraph 13 of this Agreement. If, at the end of this fifteen (15) day period, the non-terminating party has failed to cure the default, this Agreement will terminate.

b. Termination Without Cause

i. Either party may terminate this Agreement at any time without cause by providing the other party with sixty (60) days advance written notice of the same. This Agreement shall be deemed to terminate sixty (60) days from the date that written notice is deemed received by the non-terminating party as determined by paragraph 12 of this Agreement.

c. Compensation

i. If this Agreement is terminated by either party, FFE shall have no obligation to pay the City for any work done by the City after the date the Agreement is deemed terminated.

9. Hold Harmless.

City agrees to hold harmless FFE and its employees, officers, directors, and representatives from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, including reasonable attorney fees arising from or relating to any proceedings, actions, demands, causes of action, liability and suits of any kind and nature, made upon FFE directly or indirectly in any way arising out of or resulting from the willful acts or negligence of City, its agents, employees or contractors.

FFE agrees to hold harmless City and its employees, officers, directors, and representatives from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, including reasonable attorney fees arising from or relating to any proceedings, actions, demands, causes of action, liability and suits of any kind and nature, made upon City directly or indirectly in any way arising out of or resulting from the willful acts or negligence of FFE, its agents, employees or contractors.

10. Severability.

If any provision of this Agreement is determined to be invalid or unenforceable, the other provisions of the Agreement will remain valid and enforceable in accordance with their respective terms, and any such invalid or unenforceable provision will be deemed to be modified with retroactive effect to render such provision valid and enforceable.

11. FFE Documents.

During the course of this Agreement, the City will have access to information of FFE. The City agrees that this information will not be used for any purpose other than to carry out the terms of this Agreement. In the event the City receives a Freedom of Information Act ("FOIA") request for any public record of FFE in the City's possession, the City shall immediately advise FFE of the FOIA request. The City agrees to work with FFE and FFE attorneys in preparing a response to the FOIA request.

12. Notice.

Any notice, consent or approval required or permitted to be given under this Agreement shall be:

- i. in writing;
- ii. addressed to the recipient at the address of the recipient set forth on this Agreement's first page, or to such other address as that party may hereafter designate in writing to the other party; and
- iii. deemed to have been received upon (i) personal delivery, (ii) one business day after being deposited with Federal Express or another reliable, nationally-recognized overnight courier service for next day delivery or transmission, or (iii) two business days after being deposited in the United States mail, registered or certified mail, postage prepaid, return receipt required.

13. Miscellaneous.

This Agreement shall be governed by the laws of the State of Michigan. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. This Agreement is personal to each of the parties and neither party may assign or delegate any of its rights or obligations under this Agreement without first obtaining the other party's written consent. This Agreement may not be amended, altered, or modified except by written agreement signed by both of the parties. The headings contained in this Agreement are for convenience only and shall not affect the interpretation or construction of this Agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the parties hereto as of the date first above written.

CITY OF KALAMAZOO

Dated: _____

By: _____

James K. Ritsema

Its: City Manager

KALAMAZOO FOUNDATION FOR EXCELLENCE

Dated: _____

By: _____

Sandra Calderon-Huezo

Its: Board President

2024 FFE City Service Fee

Management Services

Payroll/Vendor Payments	\$ 1,321
Annual Financial Reporting and Audit	\$ 19,796
Purchasing and Risk Management	\$ 2,737
Annual Budget Preparation and Monitoring	\$ 1,469
Administrative Support	\$ 4,958
Information Technology	\$ 9,398
Human Resources	\$ 10,321
TOTAL	\$ 50,000



FFE Board of Directors Staff Report

TO: Foundation for Excellence Board of Directors

FROM: Steve Brown, Executive Director

DATE: October 30, 2023

SUBJECT: Approve Annual Grant Agreement Between FFE and City of Kalamazoo

RECOMMEDATION:

Approve Annual Grant Agreement Between FFE and City of Kalamazoo

BACKGROUND:

The attached Grant agreement between the FFE and City sets the desired alignment, working relationship, accountability tools for the annual Aspirational Grant to the City. The 2024 Aspirational Grant requested from FFE by the City was \$670,344. The document was crafted in partnership with the City's Grants Manager and has been reviewed and approved of by FFE counsel and the City Attorney. The requested action will approve of the use of this budget and recommend it to the City for approval with adoption of its budget, which includes these resources. Full information can be found in the attached agreement.

ANNUAL AGREEMENT
Between the
Kalamazoo Foundation for Excellence
And
The City of Kalamazoo

THIS AGREEMENT, entered this ____ day of January, 2024 by and between the Kalamazoo Foundation for Excellence (the “FFE”), a registered 501c3 type 3 Michigan non-profit corporation located at 241 W. South Street, Kalamazoo, and the City of Kalamazoo (the “City”) a Michigan municipal corporation located at 241 W. South Street, Kalamazoo.

WHEREAS, the FFE was created in 2017 to support the City by stabilizing its budget, reducing property taxes, and annually committing resources for aspirational programs as endowment resources allow;

NOW, THEREFORE, it is agreed between the parties that;

I. PURPOSE OF INVESTMENT

Consistent with the FFE’s Articles of Incorporation, the FFE and City agree to:

- I. collaborate to (a) develop and commit resources to address generational poverty, promote youth development and remove barriers to employment opportunities for youth, under-employed and unemployed individuals, and persons seeking re-entry to the Kalamazoo community; (b) address capital and human infrastructure improvement and/or maintenance needs as identified by ongoing studies and by the City of Kalamazoo’s designated Capital Improvement Program; and (c) develop and implement neighborhood improvement efforts and projects which reimagine and reinvest public spaces to attract and connect people;
- II. collaborate on the shared goals of the City, including Imagine Kalamazoo 2025 and subsequent or related plans.

II. SCOPE OF SERVICES

The FFE will be responsible for:

- I. Annually approving a grant to the City delivered with a detailed budget (APPENDIX A – Annual Transmittal Memo);
- II. Making grant payments on a quarterly basis to the City using the Endowment Draw Schedule set forth in Section IV.II of this Agreement.

The City will be responsible for:

- I. Selecting programs to propose for FFE funding based on the FFE Aspirational Process and City needs (APPENDIX B – Process Model);
- II. Approving an annual City FFE budget;
- III. Delivering aspirational programs and associated data as described in the annual FFE Workbook (APPENDIX C - Annual Workbook);

III. DURATION OF AGREEMENT

This Agreement is effective upon the date first written above and will continue in full force and effect as contemplated in Section V.I, below, unless extended by the mutual agreement of the parties. This Agreement may be terminated at any time and for any reason by the mutual agreement of the parties.

IV. BUDGET AND PAYMENT

I. Total Budget

It is expressly agreed and understood that the total amount to be paid to the City for aspirational programs under this Agreement shall not exceed \$670,344. Any monies received by the City from the FFE pursuant to this Agreement will be used in furtherance of the operations of the program described in the Scope of Services and enumerated Appendices.

II. Payments

The City, on a quarterly basis, must submit, in writing, request for reimbursement of documented expenses associated with the implementation of aspirational programming to the FFE Executive Director or appointee. Each documented expense must be itemized for review. .

V. PERFORMANCE

The City agrees to comply with all timeliness requirements and work towards achieving the goals outlined in Section II - Scope of Services and as required below:

I. Time Period

Services funded by the FFE and provided by the City under this Agreement will begin on the 1st day of January 2024 and end on the 31st day of December 2024. The term of this Agreement and the provisions herein shall cover any additional period during which The City remains in control of FFE funds or other FFE assets.

II. Tracking and Progress Reports

In addition to basic descriptive information for each program, the following list will be tracked in the Workbook by the City and available for quarterly reviews by FFE:

- i. The logic model of impact that establishes the need for the work and explains why the City's activities will achieve desired results specifically addressing at least one aspect of Section I;
- ii. Quantitative annual objectives and outputs proving results;
- iii. Personal testimonials of impacted and/or involved community members;
- iv. Multi-year data where relevant; and
- v. Communications and public relations plan

III. Modifications

- i. The City may request modification to the Scope of Services or the required budget if circumstances change throughout the year. The City must submit a written request to the FFE for review, and the FFE has 15 business days to respond to the request.
- ii. Mid-Year emergency requests of specific amounts may be made by a majority vote of the City Commission requesting support from the FFE Board and approved by a majority vote of the FFE Board.

VI. SPECIFIC CONDITIONS

The money being granted by the FFE to the City is subject to the following terms and conditions:

- I. The City shall take all reasonable steps to ensure that 100% of people intended to benefit directly from FFE-funded programs will be residents of the City at the time of the program. Participant information obtained by the City (and made available to the FFE in its reporting) will include the participants' addresses and such other non-confidential demographic information (race, gender identity, income, age, household information) that would assist in assessing that the programs and services are involving residents.
- II. The City shall operate its programs and activities consistent with the program description as set forth herein and as set forth in the Scope of Services. If at any time during the duration of this Agreement, the City makes significant changes in its program, those changes must be communicated to the FFE.
- III. The FFE Workbook will be the repository for all summary and quantitative data pertaining to Aspirational projects and serve as the final source of information once approved by departments or partners.

VII. COMMUNICATIONS AND PROMOTION

- I. The City shall acknowledge the FFE's involvement in all projects funded in part, or in entirety, through FFE funds. Such acknowledgement shall apply to all public statements, whether written or verbal. The appropriate credit line will be that "This activity is funded, in part, by the Foundation for Excellence."
- II. The City shall include a requirement to acknowledge "This activity is funded, in part, by the Foundation for Excellence" in all agreements with third parties delivering FFE-funded scope items on its behalf.
- III. The City shall provide quantitative, narrative, and audio/visual proof of delivering aspirational programs in a single public report by the end of each calendar year with projected numbers allowed where actual numbers are not available.
- IV. At least one public presentation will be made each year in areas of major investment, including Youth Development, Great Neighborhoods, Economic Development, Affordable Housing, Shared Prosperity, Good Governance, Safe Community, and any others identified in the annual budget.

VIII. NON-COMPLIANCE

- I. Accountability will be based on a concept of non-compliance using objective program measures of the City's responsibilities recorded in the Workbook, appropriate supporting information, and a qualitative review of factors such as major changes to the conditions underlying the premise of a funded program or so-called acts of God.
- II. There will be quarterly reviews with departments and program partners as needed to review the Workbook and determine areas of progress, needed improvement, or non-compliance. In the event of a single year of non-delivery of required reporting, the non-delivering programs will be placed on probation. Such programs on probation will be lowest priority for following year funding. FFE funding will not be permitted to continue for at least one year in the event of two consecutive years of non-delivery.
- III. If, during the Agreement period, the City is in non-compliance with the terms and conditions herein, the annual goals and objectives, or that the funds being made

available to the City are not being expended consistent with this Agreement, the FFE will send notification specifying the issues and concerns and will stop any payments to the City. Within thirty (30) days of receipt of the notification, the City shall provide a written response to each issue cited. If the issues are resolved to the satisfaction of the FFE, payment to the City will resume.

- IV. However, if after ninety (90) days past the notification the issues are not satisfactorily resolved, the FFE reserves the right to terminate its aspirational program funding with the City.

IX. CONTACT / NOTICES

Communication and details concerning this Agreement shall be directed to the following Agreement representatives:

City
Laura Lam
Chief Operating Officer

FFE
Steve Brown
Foundation for Excellence Manager

X. MISCELLANEOUS

- I. Nothing in this Agreement shall be construed as requiring FFE to take any action that may conflict with its Articles of Incorporation or otherwise jeopardize its tax-exempt status.
- II. Unless otherwise expressly agreed between the parties, each party shall bear its own expenses in connection with the drafting, interpretation and enforcement of this Agreement.
- III. This Agreement contains the entire understanding of the parties with respect to the subject matter hereof, and supersedes all prior and contemporaneous written or oral understandings, agreements, representations, and warranties with respect to such subject matter. The invalidity, illegality, or unenforceability of any provision herein does not affect any other provision herein or the validity, legality, or enforceability of such provision in any other jurisdiction. The parties may not amend this Agreement except by written instrument signed by the parties. No waiver of any right, remedy, power, or privilege under this Agreement ("Right(s)") is effective unless contained in a writing signed by the party charged with such waiver. No failure to exercise, or delay in exercising, any Right operates as a waiver thereof. No single or partial exercise of any Right precludes any other or further exercise thereof or the exercise of any other Right. The Rights under this Agreement are cumulative and are in addition to any other rights and remedies available at law or in equity or otherwise. Neither party may directly or indirectly assign, transfer, or delegate any of or all of its rights or obligations under this Agreement, voluntarily or involuntarily, including by change of control, merger, operation of law, or any other manner, without the prior written consent of the other party. Any purported assignment or delegation in violation of this Section shall be null and void. This Agreement is binding upon and inures to the benefit of the parties and

their respective successors and permitted assigns. Except for the parties, their successors and permitted assigns, there are no third-party beneficiaries under this Agreement. This Agreement may be executed in counterparts.

Signatures on following page.

The parties have agreed to be bound to the terms and conditions of this Agreement, and a duly authorized representative from each party has signed below.

KALAMAZOO FOUNDATION FOR EXCELLENCE

Signature: _____

Name: Sandra Calderon-Huezo

Its: President

Date: _____

CITY OF KALAMAZOO

Signature: _____

Name: James K. Ritsema, ICMA-CM

Its: City Manager

Date: _____

Appendix Listing

A - Annual Transmittal Memo

C - Annual Workbook