



Kalamazoo
Foundation for
Excellence

Agenda FFE Board of Directors

Monday, September 23, 2024 2:00 PM

Mayors Riverfront Park - 251 Mills St, Kalamazoo, MI 49048

A. CALL TO ORDER

1. Roll Call
2. Approve the Agenda
3. Welcome Guests

B. APPROVAL OF MINUTES

1. Approve Minutes of April 22, 2024, Meeting.

C. REPORTS AND COMMUNICATIONS

1. (No Action) 2024 FFE Aspirational Funded Project Progress Report
2. (No Action) Draft 2025 Budget
3. (No Action) Amending the At-Large Description of the FFE Bylaws and Articles
4. (No Action) Amending the Officer Eligibility Guidelines in the FFE Bylaws

D. REGULAR AGENDA

1. Approve an Increase in the Executive Director's Base Salary to the Board of Directors
2. Approve Draft Chief Financial Officer (CFO) Description to the Board
3. Approve the appointment of Adrian Vazquez-Alatorre to the Vacant Affinity Director Position

E. PUBLIC COMMENTS

F. BOARD MEMBER COMMENTS

G. 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 purview 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

FFE Board of Directors

Monday, April 22, 2024

2:00 PM

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

A. CALL TO ORDER - by President Sandra Calderon-Huezo – 2:01pm

ROLL CALL

Staff present: Legal Counsel/Recording Secretary - Richard Cherry & Alex Page from Miller Johnson; FFE Executive Director (“ED”)- Steve Brown; Chief Financial Officer – Steve Vicenzi

Guests present: Former Director Harrison; Neil Conway – City Communication Coordinator

PRESENT- Anderson, Ritsema, Decker, Hoffman, Bogan, Caderon-Huezo, Carrel, Bostrom, Balkema, Salas, Taylor, Lonberg, Washington, Miller

ABSENT- N/A

B. APPROVAL OF AGENDA

ACTION: Director Anderson moved to approve the agenda. Motion was seconded by Director Washington. The agenda of the April 22, 2024 meeting was approved by unanimous voice vote. There was no discussion.

C. APPROVAL OF MINUTES

ACTION: Director Balkema moved to approve the February 12, 2024 Meeting Minutes. Motion was seconded by Director Ritsema. The minutes of the February 12, 2024 meeting were approved by unanimous voice vote. There was no discussion.

D. REPORTS AND COMMUNICATIONS

1. (No Action) Review the Draft Independent Audit

ED Brown reviewed the draft independent audit with the Board. Director Balkema added that the audit subcommittee was pleased with the results and the City was very cooperative. Director Balkema clarified that the audit was accepted but not approved yet.

2. (No Action) Review Annual Financial Report Information

ED Brown discussed items that must be completed annually pursuant to the Articles and Bylaws, including a discussion of FFE's assets and investments through the end of 2023. CFO Vicenzi noted that the returns were impressive. ED Brown discussed the Annual Report and the who, what, when, where, why, and how of the FFE and its investments. There were no questions.

E. **REGULAR AGENDA**

1. Approve removal of the Attorney General concurrence provisions from Articles IV, X, and XII of the Articles and Sections 4.02, 4.12, and 11.01(B) of the Bylaws

Attorney Cherry explained that Miller Johnson discussed the requirements with the Attorney General's office ("AG") and the AG stated that it should not be involved in FFE bylaws changes for a non-profit, nor was it statutorily required. Director Lonberg inquired why the language was included but Attorney Cherry stated it was unclear. Attorney Cherry explained that FFE must vote to remove the language and then per AG instruction, FFE must bring a petition in the Kalamazoo County Circuit Court to remove the language.

ACTION: Director Washington moved to remove the AG concurrence provisions from Articles IV, X, and XII of the Articles and Sections 4.02, 4.12, and 11.01(B) of the Bylaws. Motion was seconded by Director Balkema and unanimously approved by voice vote.

2. Approve Budget Amendment of \$39,000 for Fiduciary Insurance for FFE Investment Subcommittee

CFO explained that the Budget Committee recommended that the FFE Board approve the fiduciary insurance policy. CFO Vicenzi also noted that the insurance will provide extra protection against frivolous claims related to market changes in the funds.

ACTION: Director Hoffman moved to approve a budget amendment of \$39,000 for fiduciary insurance for FFE Investment Subcommittee. Motion was seconded by Director Lonberg and unanimously approved by voice vote.

3. Approve the Board of Directors Attendance Policy

ED Brown noted this approval was recommended by the Executive Committee to encourage attendance at FFE Board meetings and to ensure votes were fully informed. ED Brown referred to page 43 of the packet for the specific language of the policy. ED Brown also noted that counsel reviewed the policy and that it was created based on other similar non-profit board attendance policies. He noted that the goal was not punitive, but rather the public can know that the Board is present physically and mentally to better improve the community.

ACTION: Director Miller moved to approve the Board of Directors Attendance Policy with the change in line 5 of the response paragraph to “the Executive Committee will decide what recommended actions to take.” Motion was seconded by Director Ritsema and unanimously approved by voice vote.

Discussion: Director Balkema noted that the Executive Committee can remove someone and recommend to the Board but the Board must vote to remove the individual. Director Ritsema noted that line 5 of the response paragraph in the policy should be clarified to “the Executive Committee will decide what recommended actions to take.”

4. Approve the 2025 Draft Grant Distribution to the City of Kalamazoo

ED Brown explained that the Finance Committee recommended that the Board approve the grand distribution. ED Brown explained the memorandum (page 47) that establishes the amount of the grant total and portions of that grant. ED Brown explained that the goal is to spend as much money as possible, but maintain enough funds to be able to in perpetuity. He also explained the projections and annual approval of grants to the City and noted that FFE is projected to grow ~1.4% per year. Director Hoffman asked whether aspirational project requests can be brought to the Board without first going to the City. ED Brown explained that FFE can only make grants to the City with the exception of the FFE paying its cost. ED Brown went through the process in detail and noted it is approximately an eight-month process due to enormous sums of money, rules and scores for projects, metrics for success, partners, other additional grant projects, etc. Director Bogan inquired about aspirational projects and inquired whether \$4mm is enough in 2040. ED Brown explained that FFE invests in Imagine Kalamazoo (2026-2035) with four focus areas and scoring process for projects, but \$4mm is the base. Director Bostrom noted that it may be helpful to shift to percentages rather than amounts, and ED Brown explained that the goal is to manage a system rather than specific projects. Director Lonberg noted her concern on resource alignment and that she wanted assurance that enough grants and projects focusing on City’s needs in the future. ED Brown explained that since FFE’s founding, it has spent \$50 million of aspirational and \$1.9 billion spent in total grants. Mayor Anderson noted that this is just approving 2025 grant distribution in the future, and the City continues to have community forums around other important questions.

ACTION: Director Washington moved to approve the 2025 Draft Grant Distribution to the City of Kalamazoo. Motion was seconded by Director Carrel and unanimously approved by voice vote.

5. Accept the Resignation of Affinity Stakeholder Director Johnathan Yarbrough effective February 27, 2024

ED Brown explained that Director Yarbrough accepted a new position and moved to East Lansing, Michigan.

ACTION: Director Anderson moved to accept the resignation of Affinity Stakeholder Director Johnathan Yarbrough effective February 27, 2024. Motion was seconded by Director Hoffman and unanimously approved by voice vote.

6. Approve Nominations and (Re)Appointments of Directors to the Foundation for Excellence Board

Recommendation:

- Appointment of Jamauri Bogan as the At Large Director to the Foundation for Excellence Board of Directors for a three-year term ending on May 31, 2025, and nomination of the following Sector Representatives for reappointment or appointment to the Foundation for Excellence Board of Directors:
 - The re-appointment of Andrea Bostrom as Healthcare Stakeholder Director for a three-year term ending May 31, 2027;
 - The appointment of Dr. Karika Parker as Education Stakeholder Director for a three-year term ending on May 31, 2027;
 - The appointment of Kelsey McKague as Neighborhood Stakeholder Director (Oakwood) for a three-year term ending on May 31, 2027.

ACTION: Director Washington moved to approve the nominations and (re)appointments of Directors to the Foundation for Excellence Board outlined on page 58 and above. Motion was seconded by Director Salas and unanimously approved by voice vote.

Discussion: Director Washington noted that he knew the new stakeholder directors personally and welcomed the new directors and the importance of their expertise.

7. Elect Officers for One-Year Terms Ending at the Annual Board Meeting to be held in April of 2025

The Executive Committee recommended the following slate of officers for election at its April 8, 2024 meeting (page 81):

- President – Sandra Calderon-Huezo, Neighborhood Stakeholder (Edison)
- Vice President – James K. Ritsema, Ex Officio Director, Kalamazoo City Manager
- Treasurer – Mary Balkema, Housing Stakeholder
- Secretary – Dr. Andrea Bostrom, Healthcare Stakeholder

The process for electing Officers and Descriptions are laid out in Bylaws Sections 5/01-5.05.

ACTION: Director Hoffman moved to approve the Executive Committee recommendations for officers for one-year terms ending at the Annual Board Meeting to be held in April of 2025 outlined

on page 81 and above. Motion was seconded by Director Carrel and unanimously approved by voice vote.

8. Approve Committee Appointments for One-Year Terms Ending at the Annual Board Meeting to be held in April of 2025

Recommendation to approve the following committee appointments for one-year terms ending at the Annual Board Meeting to be held in April of 2025 (page 83):

Finance Committee (Section 6.03 of the FFE Bylaws):

1. President – Sandra Calderon-Huezo
2. Treasurer - Mary Balkema
3. CFO/Finance Director – Steve Vicenzi
4. City Manager – James K. Ritsema
5. Stakeholder Director – Dr. Parker
6. Stakeholder Director – Director Carrel

Executive Committee (Section 6.03 of the FFE Bylaws):

1. President – Sandra Calderon-Huezo
2. Vice President – Dr. Andrea Bostrom
3. Treasurer - Mary Balkema
4. Secretary – Alisa Carrel
5. City Director – Director Bogan
6. Finance Representative – Director Parker

Nominating Committee:

1. President – Director Calderon-Huezo
2. Director Bostrom
3. Director Lonberg
4. Director Decker
5. Director Hoffman

Audit Subcommittee:

1. President – Director Calderon-Huezo
2. Director Bostrom
3. Director Balkema
4. Director Carrel
5. Director McKague

ACTION: Director Decker moved to approve the above committee appointments for one-year terms ending at the Annual Board Meeting to be held in April of 2025. Motion was seconded by Director Washington and unanimously approved by voice vote.

9. Approve Amendment for Executive Director Employment Agreement to allow for City of Kalamazoo Staff Cost of Living Adjustments (COLA)

Attorney Cherry explained that FFE previously had a lease agreement with the City for ED Brown services but it did not include an annual COLA adjustment that all City employees receive. Attorney Cherry recommended amending the agreement to include this COLA consistent with the City procedure. He also noted that it should be retroactive to the beginning of the calendar year. Director Balkema noted that ED Brown's raise should be retroactive to the start of the calendar year, too. Attorney Cherry also noted that the recommendation is to approve a COLA, which is not a certain percentage increase because the City sets the COLA, though this year it is a 3% cost of living adjustment.

ACTION: Director Miller moved to approve an amendment for ED Brown's agreement to allow for the City of Kalamazoo Staff Cost of Living Adjustment. Motion was seconded by Director Balkema and unanimously approved by voice vote.

F. PUBLIC COMMENTS

Former Director Harrison noted he appreciated his time on the Board and his conflict with using money for people and how the people use the money. He also highlighted that FFE is managing a system and asked the Board to be mindful of movement going forward and to focus on transparency and meeting the needs of the community. He also emphasized clarity and consistency in communication. Lastly, he implored the Board to focus on the investment in the community rather than the specific numbers.

Neil Conway – communication coordinator with the City present for a photograph.

G. BOARD MEMBER COMMENTS

Director Carrel noted that the Gilmore piano festival begins Wednesday, shared informational booklets, and encouraged everyone to attend.

Director Washington recalled struggles finding assets (parking, income tax, selling assets) and no one wanted to discuss income tax. He noted that Kalamazoo was extremely blessed with Kalamazoo Promise and FFE. FFE has important and forward-looking vision. Director Washington noted ED Brown's impressive work with the City and Board.

H. CLOSED SESSION

1. (No Action) Periodic Personnel Evaluation

Director Ritsema moved to go into closed session, Director Miller seconded. Unanimous. The Board went into closed session at 3:56pm.

I. ADJOURNMENT - 4:20pm

Richard O. Cherry
Recording Secretary



Kalamazoo
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FFE Board of Directors Staff Report

TO: Foundation for Excellence Board of Directors

FROM: Steve Brown, Executive Director

DATE: September 23, 2024

SUBJECT: (No Action) 2024 FFE Aspirational Funded Project Progress Report

RECOMMEDATION:

(No Action) 2024 FFE Aspirational Funded Project Progress Report

BACKGROUND:

FFE tracks key performance information of Aspirational Grants to the City each year in coordination with the City's Grants Division Manager. The method and terms of this are included in the annual grant agreement between the FFE and City.

Aspirational data is tracked in the FFE Workbook, including a minimum of one and maximum of three Outputs and Outcomes for each program or project. A report is attached showing current progress reporting for each 2024 project, including any that were carried forward from previous years. This information is coded as Red, Yellow, or Green for simplicity, and will be combined with multiyear data at the end of 2024. Reliable multiyear data dates back to 2021 and will be analyzed for trends for the first time in early 2025 in preparation for the 2026 budget. Together with multiyear trends in neighborhood and demographic information, performance data creates a clear picture of what is being done, where, when, why, in what quantity and value, and how well.

The attached Progress Report shows:

- 17 of 32, or 53% of projects, are **Green**, either complete or set for completion on schedule;
- 13 of 32, or 41% of projects, are **Yellow**, delayed and at risk of not being completed on schedule -note that 8 of 13 Yellow projects are delayed because of staff vacancies or partner staff vacancies and would otherwise be expected to be **Green** given past success in these areas;
- 2 of 32, or 6% of projects, are **Red**, either canceled or not to be completed on schedule.

Dept	Project Name	Carryover FFE Funding	2024 FFE Funding	Total Funding	August 2024 Categorization	August 2024 Progress Update
PR	SuperRec	\$ -	\$ 230,157	\$ 230,157		
PR	My CITY YOU	\$ -	\$ 825,000	\$ 825,000		
PR	All Things Possible	\$ -	\$ 125,725	\$ 125,725		Not fully spent; youth target not met.
PR	YD Stipends	\$ -	\$ 20,000	\$ 20,000		
PR	Youth Action Council	\$ -	\$ 15,000	\$ 15,000		No SEL measurement in 2024.
PS	Portage Street**	\$ 71,194	\$ -	\$ 71,194		Delayed due to staff vacancies.
PS	Traffic Calming*	\$ 93,989	\$ -	\$ 93,989		Delayed due to staff vacancies.
PS	Sidewalks	\$ 330,998	\$ 472,752	\$ 803,750		Delayed due to staff vacancies.
PS	Snow Clearing Pilot	\$ -	\$ 100,000	\$ 100,000		
PS	Sidewalk Grant Match***	\$ -	\$ 427,248	\$ 1,927,249		Delayed due to staff vacancies.
PS	Riverside Cemetery	\$ 134,005	\$ -	\$ 334,005		Paving complete, expanded scope.
PS	Tree Planting and Maintenance	\$ 80,663	\$ -	\$ 1,781,793		Delayed due to staff vacancies.
PS	Two Way Streets	\$ 26,392	\$ -	\$ 6,001,086		Delayed due to staff vacancies.
CPED	322 Stockbridge	\$ 50,692	\$ -	\$ 100,692		
CPED	Kalamazoo Roots	\$ 25,613	\$ -	\$ 25,613		Transitioning to KVCC as planned.
CPED	IK 2035 Outreach and Engagement	\$ 17,031	\$ 79,063	\$ 761,349		
CPED	Clearing Clouded Titles	\$ 9,734	\$ -	\$ 9,734		No activity or current demand.
CPED	Dangerous Building Demolition	\$ 97,273	\$ -	\$ 97,273		Funds may remain, project goal.
CPED	DKI Inviting Public Places	\$ 10,722	\$ -	\$ 10,722		
CPED	Green Affordable Housing	\$ 230,875	\$ -	\$ 230,875		Scope change requested.
CPED	BDF Technical Assistance	\$ 4,759	\$ -	\$ 4,759		
CPED	BDF CanDo Bus Incubator	\$ 188,000	\$ -	\$ 188,000		Delayed, but moving.
CPED	HDF Site Acquisition	\$ 385,658	\$ -	\$ 635,658		
CPED	HDF Pathways Home Partnership	\$ 250,000	\$ -	\$ 250,000		Delayed due to partner turnover.
CPED	HDF Pathways Lease Purchase	\$ 75,000	\$ -	\$ 75,000		Delayed due to partner turnover.
CPED	HDF LISC Development	\$ 250,000	\$ -	\$ 250,000		
CPED	HDF Predevelopment	\$ 177,878	\$ -	\$ 177,878		Will not be expended until 2025.
CPED	HDF Lawrence Properties	\$ 168,999	\$ -	\$ 168,999		Slow negotiations and high costs.
SPK	HireReach	\$ -	\$ -	\$ -		
SPK	TriShare	\$ 130,000	\$ -	\$ 130,000		
SPK	Experiential Learning	\$ 110,000	\$ -	\$ 110,000		
CMO	Youth Mobility Fund	\$ 22,222	\$ 99,500	\$ 121,722		Over 232K rides provided all time.
		\$ 2,941,697	\$ 2,470,009	\$ 37,938,027		



Kalamazoo
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FFE Finance Committee Staff Report

TO: Foundation for Excellence Finance Committee

FROM: Steve Brown, Executive Director
Steve Vicenzi, Chief Financial Officer

DATE: September 23, 2024

SUBJECT: (No Action) Draft 2025 Budget

RECOMMEDATION:

(No Action) Draft 2025 Budget

BACKGROUND:

The draft 2025 FFE budget is being presented to the Board here for first discussion. The budget includes all projected expenses, including operations costs and grants to the City of Kalamazoo in the areas of tax reduction reimbursement, budget stabilization, and aspirational investments. Please note that the 2025 tax reduction reimbursement payment remains an estimate pending transmittal of the formal 2025 budget request memo in the October 28, 2024, Board meeting packet.

Breakdown of Expenses:

- 58.97% tax reduction reimbursement
- 18.54% aspirational grants
- 18.28% budget stabilization
- 2.39% operations, including payroll
- 0.68% payroll

Comparison to 15-Year Projections:

- Operations are 10% less than projected;
- Tax reduction reimbursements are 0.6% more than projected;
- Endowment fees net of expenses are 11.55% more than projected;

- Aspirational and budget stabilization expenses are as projected;
- Total expenses are 0.81% more than projected.

Aspirational Investments:

The attached aspirational project chart from the City of Kalamazoo outlines proposed grant investments in 2025 along with a brief description of the proposal, Imagine Kalamazoo Goal alignment, FFE alignment, and cost, as well as if the project is new or has been funded previously. Projects that have reached this stage have been extensively vetted by City staff through the internal special request process, consistent with recent years. The special request process reviews proposals to determine if they can demonstrate:

- Alignment with Imagine Kalamazoo 2025;
- Closing gaps, serving underserved groups, creating access, or addressing barriers;
- Evidence-based planning and design;
- "Shovel readiness" to commence promptly;
- A significant level of impact in terms quantity of people or depth;
- Past performance from tracked data or demonstrated new need;
- Financial sustainability to create lasting change proven with sound plans;
- Mandated action for compliance or law.

Budget Review and Approval Timeline:

8/26/24 - FFE Finance Committee: Recommend draft for Board review

9/23/24 - FFE Board: Review

10/7/24 - FFE Finance Committee: Recommend final draft

10/7/24 - City Commission: Review (Grants)

10/28/24 - FFE Board: Approve and recommend to City Commission

1/6/24 - City Commission: Approve (Grants)

FFE Budgets

17-Sep-24

Account Title	Draft 2025 Expenses	
	Endowment Withdrawals	Net of Fees Costs
BASE PAY - FULL TIME	\$146,823	
BASE PAY - PART TIME		
TEMPORARY PAY - REGULAR		
OVERTIME PAY		
OVERTIME - PART TIME		
TEMPORARY PAY - OVERTIME		
PREMIUM PAY		
BONUS PAY		
ALLOWANCES	\$5,400	
EMPLOYER SOCIAL SECURITY	\$11,232	
HEALTH BENEFIT ALLOCATION	\$12,112	
HSA CONTRIBUTION		
DENTAL INSURANCE	\$893	
GROUP LIFE INSURANCE	\$226	
OTHER FRINGE BENEFIT	\$3,010	
WORKERS COMPENSATION	\$910	
DEFERRED COMPENSATION	\$2,202	
DEFINED RETIREE HEALTH	\$2,600	
OFFICE SUPPLIES AND FORMS	\$200	
MEETING SUPPLIES	\$200	
POSTAGE	\$8,610	
PROFESSIONAL AND CONTRACTUAL SERVICES	\$21,355	
BANK FEES	\$700	
INVESTMENT MANAGEMENT FEES		\$230,000
CONSULTING SERVICES AND FEES	\$200,078	
AUDIT FEES	\$16,500	
CUSTODIAN FEES		\$171,600
PLANNING AND STUDIES		
LEGAL SERVICES	\$80,000	
OTHER OPERATIONAL		
BUSINESS AND EMERGENCY MEALS		
MEMBERSHIPS AND SUBSCRIPTIONS	\$385	
DUE DILIGENCE	\$20,000	
PROFESSIONAL DEVELOPMENT	\$8,000	
SOFTWARE AND APPLICATIONS	\$9,700	
LIABILITY and FIDUCIARY INSURANCE	\$42,008	
ADMINISTRATIVE FEES	\$51,500	
CONTRIBUTION TO GENERAL FUND	\$20,921,600	
ASPIRATIONAL PROJECT	\$5,000,000	
Operations Subtotal	\$644,644	
Subtotals	\$26,566,244	\$401,600
TOTAL EXPENSES	\$26,967,844	

2025 Tax Est.: \$15,904,940
2024 Tax True-up: \$86,660
Budget Stabilization: \$4,930,000

From 15-Year Projection Targets	
Operations Subtotal	\$710,000
Total Expenses	\$26,760,000

City of Kalamazoo - Preliminary Recommendations for 2025 FFE Aspirational Projects

New or Returning	Request Name	Project Details	IK2025 Goal Alignment	FFE Goal Alignment	Amount
Returning/New	Housing Development Fund	Supports affordable housing opportunities through three strategies: mixed income multi-family gap financing, housing rehabilitation, and appraisal gap/rental subsidy.	Complete Neighborhoods	Capital and Human Infrastructure	\$1,706,000
Returning	Pedestrian Sidewalk Improvements	Supports a Connected City by removing and replacing sidewalk sections, ramps, curbs, and gutter and other items to promote connectivity and pedestrian access to amenities.	Connected City	Capital and Human Infrastructure	\$1,360,000
Returning	MyCITY Summer Youth Employment	Partnership with KRESA to employ youth ages 14-21 and teach employability skills.	Youth Development	Promote Youth Development	\$619,000
Returning	Super Rec	Provides nine week of free summer camp for city youth ages 6-12 at five neighborhood sites in Kalamazoo.	Youth Development	Address Generational Poverty	\$230,000
New	Critical Code Repair	Partnership with Community Homeworks which provides free critical repairs to low income households to bring their homes into code compliance.	Safe Community	Capital and Human Infrastructure	\$138,000
Returning	All Things Possible	Supports a program for students transitioning from Middle to High school during the summer to eliminate "summer slide" and build social emotional learning.	Youth Development	Promote Youth Development	\$116,000
New	HomeShare Program Pilot	Feasibility and Impact study for potential HomeShare program in Kalamazoo County, where two or more unrelated people share a house or apartment - generating income and utilizing space more efficiently to create housing opportunities.	Complete Neighborhoods	Neighborhood Improvement to Attract and Connect	\$80,000
New	Capacity Building Small Business Support	Supports two Workforce Development projects, Core 60 and the Black Entrepreneur Training Academy (BETA) program who will provide free training to City of Kalamazoo residents.	Economic Vitality	Remove Barriers to Employment	\$50,000
Returning	Counselor In Training	Supports up to 30 youth who serve as leaders in Parks and Rec summer youth programming, receiving stipends and learning life and leadership skills.	Youth Development	Neighborhood Improvement to Attract and Connect	\$24,000
Returning	Youth Action Council	Supports Parks and Recreation department's Youth Advisory Board providing input and leadership for programs, activities, and events.	Youth Development	Promote Youth Development	\$15,000
New	Event Support	Supports cost recovery of fees for events hosted by non-profits which are open to all residents and free to attend.	Strength through Diversity	Neighborhood Improvement to Attract and Connect	\$10,000
	Total Project Budget				\$4,348,000
	<i>Project Administration</i>	In accord with Federal de minimus rates, supports implementation, evaluation, and administration of projects.	Good Governance		\$652,000
	Total 2025 FFE Aspirational Budget				\$5,000,000



FFE Executive Committee Staff Report

TO: Foundation for Excellence Executive Committee

FROM: Steve Brown, Executive Director

DATE: September 23, 2024

SUBJECT: (No Action) Amending the At-Large Description of the FFE Bylaws and Articles

RECOMMEDATION:

(No Action) Amending Section 4.03 Qualifications of the FFE Bylaws and Article IV, Section C, Qualifications of the Articles of Incorporation, to replace "registered elector" with "resident," and recommend this change to City Commission for approval.

BACKGROUND:

The original intention of using the "registered elector" status of a candidate was to ensure residency within the City of Kalamazoo for the At Large Director. This status, however, has the unintended consequence of preventing residents who are not United States citizens from eligibility. Use of a simple residency requirement, verified as for all other candidates using property tax records, is therefore clearer and more inclusive aligned with the desired standard of the Board and City Commission. This amendment has been discussed with Directors and FFE Counsel.

Current Language:

The At-Large City Director shall be a registered elector of the City of Kalamazoo.

Proposed Language:

The At-Large City Director shall be a resident of the City of Kalamazoo.

Public Notice

Subject to its Articles of Incorporation, the Corporation's Bylaws may be altered or amended by the affirmative vote of three quarters (3/4) of all Directors then in office, which must include the affirmative vote of a majority of the City Directors present at the meeting, provided a quorum exists and that notice of the meeting has been give to all Directors at least twenty-one (21) days before the meeting together with a copy of the proposed amendment.



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FFE Executive Committee Staff Report

TO: Foundation for Excellence Executive Committee

FROM: Steve Brown, Executive Director

DATE: September 23, 2024

SUBJECT: (No Action) Amending the Officer Eligibility Guidelines in the FFE Bylaws

RECOMMEDATION:

(No Action) Amending officer eligibility guidelines in Section 5.01 of the Bylaws to the Board and City Commission to include the clause, "Best effort shall be made to prioritize Stakeholder or At-Large Directors in Officer elections (President, Vice President, Secretary, and Treasurer) to prevent duplication and concentration of voting powers among the Mayor, City Commissioners, and City Manager," and recommend this change to the City Commission for approval.

BACKGROUND:

It has been recognized that a concentration of power among one or more Directors would create negative dynamics on the Board of Directors and could shape policies, strategies, budgets, and succession choices averse to the overall will of the Board. Currently, the Mayor and City Commission Directors possess ultimate control of the City's programming and budgeting decisions and have voting roles on the FFE Board. However, were they to become Officers, they would be ex officio leaders of all FFE Committees and Subcommittees, possessing not only agenda-setting powers but also voting powers, thus concentrating power non-optimally. Therefore, it is prudent to create. This language echoes five other instances in the Bylaws where a behavior is encouraged in order to align decisionmaking with FFE values and priorities, such as in Section 4.02.B.7.h., where Neighborhood Director selection is guided as follows: "Best efforts shall be made to seek stakeholders from the various neighborhoods on a revolving basis, with priority given to those neighborhoods where at least 51% of households have incomes at or below 80% of the area median income."

Following the Proposed Changes, Section 5.01 Officers would read as follows:

"The Officers of the Corporation shall be a President, a Treasurer and a Secretary and may

include the office of Vice President, which is optional (the preceding positions are referred to collectively as the "Officers"). The Officers shall be elected by the Board of Directors at its first meeting and at each annual meeting thereafter. The Board of Directors of the Corporation may from time to time elect or appoint other Officers including Vice Presidents, Assistant Treasurers and Assistant Secretaries, as the Board may deem advisable, and such Officers shall have such authority, and shall perform such duties as from time to time may be prescribed by the Board of Directors. Any two or more offices, except that of President and Secretary, may be held by the same person. In addition to the powers and duties of the Officers of the Corporation as set forth in these Bylaws, the Officers shall have such authority and shall perform such duties as from time to time may be determined by the Board of Directors. No Officer shall execute, acknowledge or verify any instrument in more than one capacity if the instrument is required by law or the Articles of Incorporation or Bylaws to be executed, acknowledged or verified by two (2) or more Officers.

Each Officer shall be elected for a term extending until the next annual meeting of the Board of Directors or until his or her resignation or removal.

In voting to elect Officers, each Officer position shall be elected by a plurality of the votes cast at an election.

Best effort shall be made to prioritize Stakeholder or At-Large Directors in Officer elections (President, Vice President, Secretary, and Treasurer) to prevent duplication and concentration of voting powers among the Mayor, City Commissioners, and City Manager."

Public Notice

Subject to its Articles of Incorporation, the Corporation's Bylaws may be altered or amended by the affirmative vote of three quarters (3/4) of all Directors then in office, which must include the affirmative vote of a majority of the City Directors present at the meeting, provided a quorum exists and that notice of the meeting has been given to all Directors at least twenty-one (21) days before the meeting together with a copy of the proposed amendment.



FFE Executive Committee Staff Report

TO: Foundation for Excellence Executive Committee

FROM: Steve Brown, Executive Director

DATE: September 23, 2024

SUBJECT: Approve an Increase in the Executive Director's Base Salary

RECOMMEDATION:

Approve an increase of seven percent (7%) in the Executive Director's Base Salary retroactive back to January 1, 2024.

BACKGROUND:

The Executive Director 2023 annual review process was adapted from City of Kalamazoo processes and timelines and supported by the City of Kalamazoo Human Resources Department as part of the Service Agreement between the City and FFE. According to the timeline provided by the City to FFE, the FFE Executive Director completed and submitted a thorough self review for approval on schedule in 2024. Board leaders attempted to conduct their own reviews but were not able to complete these tasks by the April 22, 2024, Board meeting due to technical and procedural issues. At the April meeting, the Executive Director requested and received a closed session to discuss the review, employment terms, and next steps, but next steps were postponed until the Board could conclude its review. The Executive Committee called the review period to a close at its August 26, 2024, meeting with a recommendation for a 7% merit increase to the Executive Director's salary retroactive to January 1, 2024, that is attached.

Moving forward, Executive Director reviews will be conducted in December of the year under review by the Executive Committee in consultation with Board members as needed for recommended action at the first Board meeting of the subsequent year to ensure a timely process. The Executive Director's position description will be the framework for the review along with annual project and program objectives contained within strategy documents such as the S.W.O.T. analysis and other strategies.



Kalamazoo
Foundation for
Excellence

241 W. South Street, Kalamazoo, MI 49007
www.kalamazooffe.org | (269) 337-8047

TO: FFE Board

FROM: Executive Committee

RE: Steve Brown Annual Review and Raise

DATE: August 20, 2024

It is the Executive Committee's recommendation that based on Executive Director Steve Brown's satisfactory review he should receive a 7% merit-based raise. Executive Director Brown's raise should be retroactive back to January 1, 2024. Executive Director Brown's review is attached for reference.



Kalamazoo
Foundation for
Excellence

FFE Finance Committee Staff Report

TO: Foundation for Excellence Finance Committee

FROM: Steve Brown, Executive Director

DATE: September 23, 2024

SUBJECT: Approve Draft Chief Financial Officer (CFO) Description to the Board

RECOMMEDATION:

Approve Draft Chief Financial Officer (CFO) Description to the Board

BACKGROUND:

As stated in the FFE Bylaws, the City's Finance Director is an ex officio member of the FFE's Finance Committee. To add additional clarity to this role, City Finance Director Steve Vicenzi was recommended for appointment as the FFE's Chief Financial Officer (CFO) by the Finance Committee on February 21, 2019; the Finance Committee's 2.21.2019 report was approved by the Board at its April 22, 2019, meeting. The CFO is a key position to the strategic and daily operations of FFE by offering recommendations and implementing Board-approved investment and administrative policies. The CFO is currently made available to the FFE under the Service Agreement between the FFE and the City. This annual agreement is up for renewal in October 2024. The draft included in this packet has been created in consultation with sector best practices and reviewed by the CFO, Executive Director, FFE counsel, and was recommended by the Finance Committee for Board approval at its August 26, 2024, meeting.

Chief Financial Officer (FFE) Role Description

Approved by the Board of Directors on XX/YY/XXXX.

The Foundation for Excellence (FFE) Chief Financial Officer (CFO) is responsible for managing the financial operations of the organization and helping to ensure its financial health and sustainability. The CFO oversees budgeting, financial reporting, and compliance requirements. The CFO works closely with the Executive Director, Finance Committee, Investment Subcommittee, and Board of Directors on financial analysis and forecasting to achieve FFE's goals. The CFO shall be an FFE Board Appointee and shall report directly to the FFE Executive Director. The CFO must maintain confidentiality and shall safeguard any private donor and financial information, unless he or she is compelled to disclose information by state or federal statute, or to comply with a court order. The CFO must disclose to the Executive Director and/or the FFE Board of Directors any potential or actual conflict of interest prior to handling any matter for the FFE as its CFO. The CFO at all times must act in the best interest of the FFE.

Duties and Responsibilities:

- Board and Committee Assignments
 - Board of Directors: Attend
 - Finance Committee: Member
 - Investment Subcommittee: Liaison and Secretary
- Budgeting and Forecasting
 - FFE Budget preparation and approval, monitoring, reporting, adjustments and amendments.
 - Estimate Annual Tax Assessment, Reimbursement Estimates, finals, and true-ups
 - Monitor actual performance against budget, provide regular updates, and analysis to the Executive Director
 - Maintain financial forecasting models that support long-term decision-making
- Tax Filing and Compliance
 - Ensure compliance with filing, reporting, and regulatory requirements
 - Oversee tax filings and 990
 - Coordinate external auditor and financial service providers
- Financial Management
 - Work with Executive Director to develop and implement financial strategies that support FFE goals
 - Manage and oversee all financial operations, including accounting, budgeting, forecasting, and financial analysis

DRAFT

- Ensure the accuracy and completeness of financial records, including the general ledger, accounts payable and receivable, payroll, and other financial systems
- Prepare and present financial reports to the Executive Director, providing analysis and recommendations as needed
- Manage relationships with banks and other financial service providers
- FFE Endowment and Investments
 - Carry out investment actions per approved policy guidelines
 - Work with investment consultants
 - Prepare quarterly investments packets
 - Hire and terminate asset managers in consultation with Investment Subcommittee and consultants;
 - Select and work with the custodial agent in the management of the Corporation's assets.



Kalamazoo
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FFE Executive Committee Staff Report

TO: Foundation for Excellence Executive Committee

FROM: Steve Brown, Executive Director

DATE: September 23, 2024

SUBJECT: Approve the appointment of Adrian Vazquez-Alatorre to the Vacant Affinity Director Position

RECOMMEDATION:

Approve the appointment of Adrian Vazquez-Alatorre to the vacant Affinity Director position on the FFE Board for a two-year term ending on May 31, 2026.

BACKGROUND:

Background

The Nominating Committee sought a candidate for the Affinity Director seat that was vacated in April to be brought forth for approval in September of this year. A one-page online and paper application was released with detailed instructions in June prior to the one-month application period (7.1-7.31, 2024). Over 100 local leaders, City Commissioners and Board members were asked to share applications with their networks. Social media created broad awareness.

Per the FFE Bylaws, the Affinity Organization stakeholder “shall be drawn from a group of persons representing nonprofit organizations whose mission or purpose as stated in its Articles of Incorporation is to advocate for and/or provide supportive services to local families and individuals; provided, however, the representative shall not include a person from any of the other Stakeholder Groups as herein identified.” Furthermore, applicants may not be in debt to the City nor ineligible because of its codes or ordinances.

Eleven applications were received. Nine were found to be eligible per the Bylaws.

Review

Per the Bylaws a panel of guest Stakeholder Reviewers were convened to support the Nominating Committee in reviewing candidate materials. Three community members working in organizations in or closely related to the Affinity Sector and having no conflicts of interest

assisted.

Reviewers were provided with the FFE Board Engagement Policy as the lens for reviewing applications and resumes. Then, at a meeting of the Nominating Committee they reviewed each candidate and formed a consensus on a top and alternate finalist.

The proposed candidate received a clear five of seven votes for first place and two of seven votes for second place. Subsequently, candidates were assessed internally to ensure that 1) the required Board residency ratio requirements are met and that the slate is balanced overall with 2) a diversity of abilities to conduct the duties of the Board 2) a diversity of representation across sectors and 3) a diversity of perspectives.

Executive Committee unanimously nominated the candidate to the City Commission, which unanimously approved the nomination for Board appointment on September 3, 2024.

ADRIAN VAZQUEZ-ALATORRE

Objectives: To utilize my knowledge, and experience to teach self sufficiency and advocate for my community members through the navigation of the resources, laws, and school systems available to them in our community.

EDUCATION

Board of Immigration Appeals (BIA) Accreditation January 16, 2015

International Studies Associate Degree 2008
KALAMAZOO VALLEY COMMUNITY COLLEGE, 6767 West "O" Avenue, Kalamazoo, MI 49003

International Studies Certificate 2008
KALAMAZOO VALLEY COMMUNITY COLLEGE, 6767 West "O" Avenue, Kalamazoo, MI 49003

High School Diploma 2005
KALAMAZOO CENTRAL HIGH SCHOOL, 2432 Drake Road, Kalamazoo, MI 49007

PERSONAL SKILLS

- Bilingual - speak and write (Fluent in Spanish and English).
- Microsoft Word, Access, Power Point, Excel and Publisher.
- Strong community advocate, professional, strong interpersonal, leader, human relations, communication and management skills.
- Ability to adapt and learn quickly, strong decision maker and problem solving skills, motivated and able to get things done, productive team member and builder.

CAREER-RELATED EXPERIENCE

Executive Director December 2016 - Present
HISPANIC AMERICAN COUNCIL INC 930 Lake Street, Kalamazoo, MI 49001

Interim Executive Director 2016 - Present
HISPANIC AMERICAN COUNCIL Inc 930 Lake Street, Kalamazoo, MI 49001

Case Manager 2010 - 2016
HISPANIC AMERICAN COUNCIL 930 Lake Street, Kalamazoo, MI 49001

Medical Interpreter 2010 - Present
HISPANIC AMERICAN COUNCIL 930 Lake Street, Kalamazoo, MI 49001

Campaign Manager/Community Organizer 2005 - 2011
MICHIGAN ORGANIZING PROJECT 930 Lake Street, Kalamazoo, MI 49001

TRAININGS-RELATED EXPERIENCE

BASIC IMMIGRATION LAW COURSE (40 HOURS)

JUNE 2014

READY AMERICA: IMPEMETING IMMIGRATION ACTION CONFERENCE

FEBRUARY 2015