



Kalamazoo  
Foundation for  
Excellence

# Agenda FFE Board of Directors

**Monday, October 27, 2025      2:00 PM**

**Mayors Riverfront Park – 251 Mills St**

**A.      CALL TO ORDER**

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

**B.      APPROVAL OF MINUTES**

1.      Approve meeting minutes of September 22, 2025

**C.      REPORTS AND COMMUNICATIONS**

**D.      CONSENT AGENDA**

**E.      REGULAR AGENDA**

1.      Approve an Update to the Investment Allocation for the FFE Endowment
2.      Approve the 2026 Budget
3.      Approve the 2026 Aspirational Grant Agreement with the City of Kalamazoo
4.      Approve Renewal of the Annual Service Agreement with the City of Kalamazoo
5.      Approve Renewal of Liability and Director and Officer Insurance
6.      Approve Renewal of Legal Services Agreement with Miller Johnson Attorneys
7.      Approve a three-year agreement with Zhang Financial LLC for investment consulting services

**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](mailto: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*



Kalamazoo  
Foundation for  
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# Minutes FFE Board of Directors

**Monday, September 22, 2025 at 2:00 PM**

**251 Mills St., Kalamazoo, MI 49048**

## **A. CALL TO ORDER**

### 1. Roll Call

Present: Bostrom, Ritsema, Balkema, Drumm, Parker, Salsa, Vazques Alatorre, Anderson, Carrel, Westbury

Staff Present: Steve Brown - Executive Director; Steve Vicenzi - CFO; Richard Cherry- Board Counsel

Absent: Bogan (excused), Decker, Hoffman, McKague (excused), Taylor

### 2. Approve Agenda

Action: Motion to approve Agenda

- Motion: Balkema
- Second: Westbury

### 3. Welcome Guests

- Board welcomes Carrie Ann Williams – City of Kalamazoo Grants Division Manager

## **B. APPROVAL OF MINUTES**

### 1. Approve Minutes of April 28, 2025, Meeting

- Moton: Ritsema
- Second: Anderson

## C. REPORTS AND COMMUNICATIONS

1. (No Action) Robert's Rules of Order
  - Attorney Cherry presented Power Point presentation on Robert's Rules and Open meetings Act.
2. (No Action) 2025 Aspirational Project Progress Report
  - Kerry Lynn Williams presents information on 2025 Aspirational projects
  - All Active project in green, are on-track. Yellow- delayed but progressing. Red barriers/concerns.
  - Yellow- Tree Program, Portage Street Shared-Use Path, Cemetery Roadwork, Housing Development
  - Red- Pedestrian Side Improvement- Red because loss of engineers and reliance on federal funding.

## D. CONSENT AGENDA

## E. REGULAR AGENDA

1. (No Action) Draft 2026 Budget

### Budget Review and Recommendations

Presentation by Steve Vicenzi

#### Overview:

- Aspirational funding of \$4 million was included, based on the Finance Committee's April 2025 recommendation.
- The city's actual request is higher, at a little over \$5 million.

#### Key Figures:

- Total operational funding request transferred to city: **Projected at \$21.7 million for next year.**
- Budget stabilization request from the city: **Slightly over \$5 million.**
- Property tax calculations and reconciliation processes remain unchanged from previous years.

## Multi-Year Planning Initiative

### Overview:

- For the first time, an early review of multi-year budget planning is included (reference: page 18 of packet).
- **No action required in 2025**; intent is to move to 2–3 year projections starting in FY2026.
- Aims for greater predictability for recurring projects (notably Parks & Recreation and programs like foreclosure prevention that operate on a “funding bucket” model).

### Goals:

- Better alignment between city needs and FFE committee timing.
- Provides clarity and easier management for both city and committee funding cycles.

## KRESA Career Connect Funding Concerns

### Discussion:

- KRESA Career Connect budget line questioned for wording and sharp funding reduction (from previous years: \$825K → \$413K in 2025).
- Correction: Program intended for grades **6–12** (text incorrectly indicated ages 6–12).
- Concern raised regarding impact on vulnerable youth populations and the need for more information on exactly how funds are allocated and which city residents benefit.

## Emergency Shelter Funding and Strategy

### Funding Details:

- **\$500,000** new allocation as a priority, reflecting February city commission retreat direction.
- Past funded work includes expanding winter shelter capacity at Ministry of Community (KGM), and a \$300,000 contribution to the new family shelter near the airport.

## Strategy:

- Current approach is primarily an emergency/stop-gap (shelter, extra beds, security).
- Long-term strategy needed: Desire expressed for more focus on wraparound services (mental health, social work) to address generational poverty.
- **RFP (Request for Proposals)** has been released for emergency sheltering from November–March—joint city/county effort.

## 2. Foundation for Excellence Investment Subcommittee Membership

### Structure:

- Investment subcommittee oversees the FFE investment portfolio, aligning with city, county, community foundation, and other public portfolios for efficiency and expertise.
- Reappointments (no new members): Bios provided on request for each—Nick Griffith, Josh Sledge, Dean Burgee, Sandy Docter.
- Emphasis on experience; all members vetted at initial appointment.

### Meetings:

- Occur quarterly, stacked with other boards (city, county).
- FFE meetings now “recommending-only” and not OMA (Open Meetings Act)-regulated, since city pension open meeting rules do not apply; public attendance permitted only in person, virtual attendance allowed for board members.

### Transparency:

- New board members encouraged to attend meetings; requests for greater transparency and storytelling about member expertise acknowledged.

## 3. Approval of Subcommittee

- Moton: Ritsema
- Second: Anderson

## 4. Approve 2026 Schedule of Meetings

- Moton: Balkema

- Second: Carrel

**F. PUBLIC COMMENTS**

**G. BOARD MEMBER COMMENTS**

DRAFT



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# FFE Finance Committee Staff Report

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**TO:** Foundation for Excellence Finance Committee

**FROM:** Finance Committee

**DATE:** October 27, 2025

**SUBJECT:** Approve an Update to the Investment Allocation for the FFE Endowment

**RECOMMEDATION:**

Approve an Update to the Investment Allocation for the FFE Endowment

**BACKGROUND:**

The FFE Investment Subcommittee (FFEIS) is responsible for formulating and recommending to the Finance Committee investment policies, strategies, and guidelines for approval by the Board. At the August 28th meeting, the Investment Subcommittee approved a recommendation to the FFE Finance Committee to update the investment allocation for the FFE Endowment with the assistance from advisors from Zhang Financial. The Finance Committee is further recommending this action to the Board for approval.

Multiple scenarios of an investment allocation were considered by the subcommittee, landing on the allocation attached. This recommendation seeks to increase the expected profitability while reducing the average expense ratio of the portfolio.

**KFFE EQUITY ASSET REALLOCATION**  
**Approved 27Aug2025**

Fund Name	Ticker Type	KFFE Equity Current Allocation	KFFE Equity Approved Allocation	KFFE TOTAL Current (30Jun2025)	KFFE TOTAL Approved Calculated	KFFE TOTAL Recommended Rounded
<b>US EQUITIES</b>		<b>92.9%</b>	<b>71.4%</b>	<b>65.0%</b>	<b>50.0%</b>	<b>50.5%</b>
BlackRock S&P 500 (B)	CTF	78.6%	53.6%	55.0%	37.5%	38.0%
Dimensional US High Relative Profitability Portfolio	DURPX US Mutual Fund	0.0%	7.0%	0.0%	4.9%	5.0%
Dimensional US Large Cap Value Portfolio I	DFLVX US Mutual Fund	7.1%	0.0%	5.0%	0.0%	0.0%
Dimensional US Small Cap Value Portfolio I	DFSVX US Mutual Fund	7.1%	7.1%	5.0%	5.0%	5.0%
Dimensional US Micro Cap Portfolio I	DFSCX US Mutual Fund	0.0%	3.7%	0.0%	2.6%	2.5%
<b>Developed ex-US</b>		<b>3.6%</b>	<b>18.3%</b>	<b>2.5%</b>	<b>12.8%</b>	<b>12.5%</b>
Dimensional International Core Equity 2 Portfolio I	DFIEX US Mutual Fund	0.0%	18.3%	0.0%	12.8%	12.5%
Dimensional International Small Cap Value Portfolio I	DISVX US Mutual Fund	3.6%	0.0%	2.5%	0.0%	0.0%
<b>Emerging Markets</b>		<b>3.6%</b>	<b>10.3%</b>	<b>2.5%</b>	<b>7.2%</b>	<b>7.0%</b>
Dimensional Emerging Markets Core Equity 2 Portfolio I	DFCEX US Mutual Fund	0.0%	10.3%	0.0%	7.2%	7.0%
Dimensional Emerging Markets Value Portfolio I	DFEVX US Mutual Fund	3.6%	0.0%	2.5%	0.0%	0.0%
<b>Total Equity</b>		<b>100.0%</b>	<b>100.0%</b>	<b>70.0%</b>	<b>70.0%</b>	<b>70.0%</b>
<b>Fixed Income</b>						
Jennison	Separate Account	Not Applicable	Not Applicable	25.0%	25.0%	25.0%
<b>Total Fixed Income</b>				<b>25.0%</b>	<b>25.0%</b>	<b>25.0%</b>
<b>Real Estate</b>						
Vanguard	VGSNX US Mutual Fund	Not Applicable	Not Applicable	5.0%	5.0%	5.0%
<b>Total Real Estate</b>				<b>5.0%</b>	<b>5.0%</b>	<b>5.0%</b>
<b>Total KFFE Portfolio</b>				<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>



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# FFE Board of Directors Staff Report

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**TO:** Foundation for Excellence Board of Directors

**FROM:** Finance Committee

**DATE:** October 27, 2025

**SUBJECT:** Approve the 2026 Budget

**RECOMMEDATION:**

Approve the 2026 Budget of \$27,866,616 attached to this packet item.

**BACKGROUND:**

The draft budget was presented to the Board at its September 22 meeting and the Finance Committee at its October 6 meeting. No changes were recommended by Directors. The budget is being presented to the Board for approval.



**Department of Management Services**

241 West South Street  
Kalamazoo, MI 49007-4796  
Phone: 269.337.8020  
Fax: 269.337.8448  
[www.kalamazoocity.org](http://www.kalamazoocity.org)

August 28, 2025 (revised September 17, 2025)

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 2025. We are requesting the following amounts for the 2025 budget.

- \$16,515,097 – Tax reduction
- \$119,080 – Tax reduction reconciliation payment
- \$5,126,556 – Budget Stabilization
- \$21,760,733 – Total operational funding request
  
- \$5,016,000 – Aspirational from Endowment (Any remaining Grant funds expended first)
- \$26,776,733 – Total funding request

**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 2025 Projected Net Effective Taxable Value = \$2,137,111,246

Projected difference in taxes under 19.2705 mills and current 12 mills = \$16,515,097.

**TAX REDUCTION 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 reimbursed for the prior year is provided by the State of Michigan in October.

Due to the timing of the estimates and the State’s reporting, this calculation is done on a lookback basis that can span multiple years.

The following summarizes the tax reimbursement payments to the City starting from 2023 through 2025.

- Payments to the City for tax reduction - \$45,829,410
- Projected property taxes eligible to be reimbursed - \$45,238,976
- Tax reconciliation payments made - \$471,354

The difference is \$119,080. This amount becomes the requested tax reconciliation payment in 2026.



**Department of Management Services**

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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 2025, \$5,126,556 increased by 2.7%.

**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 2026 aspirational projects will be drawn on a reimbursement basis. These funds will be utilized on the projects described in the chart on the following pages.

I am also proposing the following draw schedule from the endowment for 2026.

March 2	\$5,126,556 – Budget Stabilization
June 1	\$16,515,097 – Tax Reduction
June 1	\$119,080 – Tax Reconciliation
Various	\$5,016,000 – Aspirational and operational funds reimbursed quarterly.

A handwritten signature in blue ink, appearing to read 'Stephen Vicenzi'.

Stephen Vicenzi  
Chief Financial Officer  
City of Kalamazoo

### Proposed 2026 Aspirational Projects, Alignment, and Details

New or Continuing Program	Request Name	Project Summary	IK2025 Goal Alignment	FFE Goal Alignment	2026
Continuing	Youth Mobility	Fund to help youth overcome transportation barriers.	Youth Development	Promote Youth Development	\$67,000
New	Disaster Relief Funds	Investment to partially fund the Community Resilience Program Manager role and provide support for disaster response in conjunction with the city emergency manager.	Safe Community	Address Generational Poverty	25,000
New	Emergency Shelter Programs	Coordination with Kalamazoo County and community partners to identify service providers to operate an emergency shelter during extreme weather.	Shared Prosperity	Address Generational Poverty	500,000
Continuing	All Things Possible Camp	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	152,000
Continuing	Councilor 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	30,000
Continuing	Kalamazoo 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	22,000
Continuing	KRESA Career Connect*	Partnership with KRESA to employ youth ages 6-12 at five neighborhood sites in Kalamazoo.	Youth Development	Promote Youth Development	416,000
Continuing	Event Sponsorship	Supports events hosted by non-profits which are open to all residents and free to attend.	Strength through Diversity	Neighborhood Improvement to Attract and Connect	40,000
New	Spring Valley Tennis Court Improvements	Repair the tennis court surface at Spring Valley Park that are no longer functioning and transition the court into four pickleball	Inviting Public Places	Neighborhood Improvement to Attract and Connect	110,000
Continuing	Super Rec Camp	Provides nine week of free summer camp for city youth ages 6-12 at five neighborhood sites in Kalamazoo.	Youth Development	Address Generational Poverty	264,000
Continuing	Demo Funds	Funds to be used when CDBG funds cannot be for abated building demolition, removal of foundation, and restore the site per City of Kalamazoo ordinance.	Complete Neighborhoods	Neighborhood Improvement to Attract and Connect	50,000
Continuing	Neighborhood Planning	Support the neighborhood planning effort that will follow the approval of the 2035 Master Plan.	Good Governance	Neighborhood Improvement to Attract and Connect	9,000
Continuing	Kalamazoo Micro-Enterprise Grant (KMEG) Fund 2.0	Partnership with United Way to offer \$5,000 and \$10,000 support to business' for business improvement including hiring, equipment, technology, real estate, and other capital needs.	Economic Vitality	Address Generational Poverty	537,000

New or Continuing Program	Request Name	Project Summary	IK2025 Goal Alignment	FFE Goal Alignment	2026
Continuing	Neighborhood Capacity Building	Support to small neighborhoods to help establish a neighborhood organization.	Good Governance	Neighborhood Improvement to Attract and Connect	6,000
Continuing	Foreclosure Prevention	Partnership with the County to reduce or eliminate the number of annual tax foreclosures on owner-occupied homes in the City of Kalamazoo with a one-time relief program.	Shared Prosperity	Address Generational Poverty	60,000
Continuing	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	1,720,000
New	Downtown Circulator Feasibility & Planning	Feasibility and planning study for a downtown circulator for Downtown business' during the upcoming transformational street construction and beyond for the event center	Connected City	Capital and Human Infrastructure	120,000
Continuing	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	135,000
Continuing	Sidewalk Snow Clearing	Project to remove snow from selected sections of sidewalk throughout the City adjacent to City properties, Brownfield properties, and other priority streets	Connected City	Neighborhood Improvement to Attract and Connect	60,000
Continuing**	Police Athletic League Program	Provides mentorship and helps to build positive relationships between Kalamazoo Community Youth and Kalamazoo Public Safety through youth programming.	Youth Development	Promote Youth Development	39,000
	<b>Total of Requested Projects</b>				<b>\$4,362,000</b>
	Project Administration	In accordance with Federal grant guidelines, de minimis administrative costs to support project implementation, administration, and evaluation.	Good Governance		<b>654,000</b>
	<b>Total Funding Request for Aspirational Projects</b>				<b>\$5,016,000</b>

\*previously called MyCITY Summer Youth Employment

\*\*returning project, previously funded with ARPA

### Long Term Planning

In an effort to streamline planning and provide greater certainty around funding requests, the City anticipates seeking ongoing support for the following list of projects through 2030. Establishing this multi-year horizon not only helps align projects with available resources but also enables more strategic, long-term planning. The project list is expected to evolve over time, with new initiatives added as priorities emerge and others removed as they are completed or no longer needed. By looking ahead over the next several years, the City can better coordinate investments, reduce uncertainty for stakeholders, and ensure that resources are directed toward the most impactful and sustainable outcomes.

Request Name	2027	2028	2029	2030
Youth Mobility	\$67,000	\$67,000	\$67,000	\$67,000
All Things Possible Camp	154,000	156,000	159,000	161,000
Councilor in Training	30,000	30,000	30,000	30,000
Kalamazoo Youth Action Council	22,000	22,000	22,000	22,000
KRESA Career Connect	210,000	-	-	-
Super Rec Camp	266,000	271,000	276,000	282,000
Neighborhood Capacity Building	6,000	-	-	-
Foreclosure Prevention	50,000	-	-	-
Housing Development Fund	1,568,000	1,618,000	1,618,000	1,618,000
Downtown Circulator Feasibility & Planning	50,000	50,000	-	-
Critical Code Repair	130,000	120,000	110,000	100,000
Sidewalk Snow Clearing	62,000	64,000	66,000	68,000
Police Athletic League Program	40,000	41,000	42,000	43,000
<b>Total of Requested Projects</b>	<b>\$2,655,000</b>	<b>\$2,439,000</b>	<b>\$2,390,000</b>	<b>\$2,391,000</b>

<b>Account Name</b>	<b>2025 Amended Budget</b>	<b>Proposed Budget</b>
INVESTMENT INCOME	21,833,000	25,650,000
CONTRIBUTIONS*	40,000,000	55,000,000
<b>Total Revenue</b>	<b>61,833,000</b>	<b>80,650,000</b>
PAYROLL - BASE PAY	146,823	165,307
PAYROLL - BENEFITS AND EXPENSES	33,185	33,926
OFFICE SUPPLIES AND FORMS	200	200
MEETING SUPPLIES	200	250
POSTAGE	8,610	8,600
BANK FEES	700	1,000
INVESTMENT MANAGEMENT FEES	230,000	300,000
CONSULTING FEES	200,078	180,000
AUDIT FEES	16,500	18,000
CUSTODIAN FEES	171,600	170,000
LEGAL SERVICES	80,000	80,000
MEMBERSHIPS AND SUBSCRIPTIONS	385	400
DUE DILIGENCE	20,000	20,000
PROFESSIONAL DEVELOPMENT	8,000	8,000
SOFTWARE AND APPLICATIONS	9,700	7,200
LIABILITY INSURANCE	42,008	42,000
ADMINISTRATIVE FEES	51,500	55,000
CONTRIBUTION TO CITY - TAX REIMBURSEMENT	15,904,940	16,515,097
CONTRIBUTION TO CITY - TAX REIMBURSEMENT RECONCILIATION	86,660	119,080
CONTRIBUTION TO CITY - BUDGET STABILIZATION	4,886,859	5,126,556
CONTRIBUTION TO ASPIRATIONAL PROJECTS FUND	5,000,000	5,016,000
<b>Total Expenses</b>	<b>26,897,948</b>	<b>27,866,616</b>
<b>Revenue over Expenses</b>	<b>34,935,052</b>	<b>52,783,384</b>

\*Contributions budgeted on a cash basis. FFE has recognized long term contribution receivable on the financial statements.



Kalamazoo  
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Excellence

# FFE Board of Directors Staff Report

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**TO:** Foundation for Excellence Board of Directors

**FROM:** Executive Committee

**DATE:** October 27, 2025

**SUBJECT:** Approve the 2026 Aspirational Grant Agreement with the City of Kalamazoo

**RECOMMEDATION:**

Approve the 2025 Aspirational Grant Agreement between FFE and the City of Kalamazoo.

**BACKGROUND:**

The attached aspirational grant agreement between the FFE and City sets the desired alignment, working relationship, and accountability tools for the 2026 aspirational grant. The Budget and Payment section contains a new provision that outlines payment for housing and infrastructure approved by the Finance Committee intending to eliminate barriers to multi-year projects and programs. This new provision is expected to streamline the City's participation in new housing creation and construction of needed infrastructure improvements.

## ANNUAL AGREEMENT

### Between the Kalamazoo Foundation for Excellence and The City of Kalamazoo

THIS AGREEMENT, entered this \_\_\_\_\_ day of January, 2026 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 (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;
- II. Approving an annual City FFE budget;
- III. Delivering aspirational programs and associated data as described in the annual FFE Workbook (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 \$5,016,000. 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.

##### **III. Funds disbursement and carryforward policy**

Housing development funds for the purpose of creating revolving loans shall be fully transferred to the City by March 31 in the year budgeted. Infrastructure projects shall be guaranteed carry over for a minimum of 2 years to allow for appropriate planning and implementation time.

#### **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 2026 and end on the 31st day of December 2026. 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 or 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: Andrea Bostrom

Its: President

Date: \_\_\_\_\_

**CITY OF KALAMAZOO**

Signature: \_\_\_\_\_

Name: James K. Ritsema, ICMA-CM

Its: City Manager

Date: \_\_\_\_\_



Kalamazoo  
Foundation for  
Excellence

# FFE Board of Directors Staff Report

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**TO:** Foundation for Excellence Board of Directors

**FROM:** Executive Committee

**DATE:** October 27, 2025

**SUBJECT:** Approve Renewal of the Annual Service Agreement with the City of Kalamazoo

## **RECOMMEDATION:**

Approve the Service Agreement between the FFE and City for a period from January 1, 2026, to December 31, 2026.

## **BACKGROUND:**

The FFE and City have agreed to continue partnering for support services to the FFE in key areas of operations. The attached agreement provides detailed information on the scope of services and itemized cost breakdown for the (\$55,000) agreement. Service areas covered in the agreement are unchanged from previous years:

- 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

1/1/2026 – 12/31/2026

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, 2026, and ending on December 31, 2026. 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. City agrees to require all staff that handle sensitive FFE data including confidential FFE donor and donation information to sign FFE Confidentiality Policy forms.

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.

ii. Provide support of annual FFE Staff review systems as needed in a timely manner.

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 2026 to the City of Kalamazoo for this agreement will be \$55,000.

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: \_\_\_\_\_

Andrea Bostrom

Its: Board President



Kalamazoo  
Foundation for  
Excellence

# FFE Board of Directors Staff Report

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**TO:** Foundation for Excellence Board of Directors

**FROM:** Executive Committee

**DATE:** October 27, 2025

**SUBJECT:** Approve Renewal of Liability and Director and Officer Insurance

**RECOMMEDATION:**

Approve a One-Year Renewal of Liability and Directors and Officers Insurance.

**BACKGROUND:**

FFE's insurance customer representative has conveyed that the contract and renewal are on schedule to be provided for Board review before the October 28, 2024, meeting. Terms of renewal are unchanged and costs are anticipated to increase slightly with inflation. Staff are seeking a recommendation of contract renewal.

# Important Policy Information Enclosed

Nonprofit Information
POLICY NO: 02-CP-0079509-01-02 Member ID :0079509 Billing Account Number:10024430 <b>Kalamazoo Foundation for Excellence</b> Kalamazoo, MI, 49007

# Attention NIA Member: Here's what you need to know

This document contains information about your organization's insurance policies.

These policies and more information are available at <https://secure.insurancefor nonprofits.org>.

For login assistance, contact [memberservices@insurancefor nonprofits.org](mailto:memberservices@insurancefor nonprofits.org)

## Who to contact

Your insurance broker is available to service your account requests for things such as certificates of insurance, endorsements, questions about your coverage, claims, policy renewals, etc.

### Insurance Broker:

Ann Arbor Insurance Centre, Inc.  
2755 Carpenter Road  
Ann Arbor, MI 48108

*Shannon Hennessy*  
[shennessy@annarborinsurancecentre.com](mailto:shennessy@annarborinsurancecentre.com)  
7349739444

## Claims

For the Insured: To report a claim, contact your insurance broker noted above.

For the Broker: Submit complete Loss Accords and claim materials to [NewClaims@insurancefor nonprofits.org](mailto:NewClaims@insurancefor nonprofits.org).

Claims information including links to incident reporting forms and FAQs are available at:

<https://insurancefor nonprofits.org/claims>

### EMERGENCY SITUATIONS AFTER BUSINESS HOURS ONLY (5 pm PT or later)

If you need to report a claim during non-business hours and cannot reach your broker, call 1-866-718-1947.

This number should only be used for true claims emergencies.

## Risk Management Services

To help you keep people and property out of harm's way, preserve your nonprofit's reputation and enable you to save money for your mission, NIA provides you with access to an array of free, discounted, and highly subsidized risk management services.

These services include risk management consulting, training and education resources, risk management resources, access to a discount purchasing program, and more.

For a full catalog of all the resources available to your organization, access the **Member Resources Guide** here: <https://guide.insurancefor nonprofits.org>

## Billing

### Your policy payments are payable to AMS.\*

View the Direct Bill Payment Plans here: <https://secure.insurancefor nonprofits.org/Member-Billing.cfm>

Make a Payment or set up automatic payments here:

<https://secure.insurancefor nonprofits.org/AMSCentral/MemberPayments.cfm>

Billing account number (referenced on page 1) must be referenced on payments.

For billing questions, email [billing@insurancefor nonprofits.org](mailto:billing@insurancefor nonprofits.org)

\*Alliance Member Services, a management company that processes payments for NIA insurers.

## **IMPORTANT INFORMATION ABOUT YOUR RENEWAL POLICY**

Thank you for renewing your policy with a company within the Nonprofits Insurance Alliance Group.

Because your policy met our eligibility criteria, your broker elected to have your policy automatically renewed. Please review this renewal policy carefully because it may contain terms and conditions that are different to or absent from your previous policy or policies.

Please confirm your policy is accurate. It is especially important to consider any changes since your last policy renewal. This could include buying or selling property, hiring employees for the first time, buying or selling vehicles, changes in location, and adding or changing programs or operations. If your agency has changed since your last renewal, please consider if those changes impact your insurance coverage.

If you have questions or need to make corrections to your policy, please contact your insurance broker.

We offer many coverages specifically designed for the nonprofit sector. If you feel you may not be adequately covered or simply would like to learn more about our coverages, please talk to your insurance broker or visit our website at [www.insurancefornonprofits.org](http://www.insurancefornonprofits.org).

Thank you.



Part of Nonprofits Insurance Alliance (NIA)

NONPROFITS OWN®

**COMMERCIAL LINES COMMON DECLARATION**

**MEMBER ID:** 0079509

**POLICY NO:** 02-CP-0079509-01-02

**NAMED INSURED AND MAILING ADDRESS**

Kalamazoo Foundation for Excellence  
 241 W South St.  
 Kalamazoo, MI 49007

**PRODUCER AND MAILING ADDRESS**

Ann Arbor Insurance Centre, Inc.  
 2755 Carpenter Road  
 Ann Arbor, MI 48108

**POLICY PERIOD:** FROM 11/01/2025 TO 11/01/2026 AT 12:01 AM STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ABOVE.

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

	<b>TRANSACTION PREMIUM</b>
COMMERCIAL GENERAL LIABILITY COVERAGE - OCCURRENCE	\$ 840
EMPLOYEE BENEFITS LIABILITY COVERAGE	\$ NOT COVERED
BUSINESS AUTO LIABILITY COVERAGE	\$ NOT COVERED
IMPROPER SEXUAL CONDUCT AND PHYSICAL ABUSE LIABILITY COVERAGE	\$ NOT COVERED
SOCIAL SERVICE PROFESSIONAL LIABILITY COVERAGE	\$ NOT COVERED
BOARD AND EXECUTIVE LIABILITY COVERAGE	\$ 645
LIQUOR LIABILITY COVERAGE	INCLUDED
TERRORISM COVERAGE (Certified Acts)	INCLUDED
<b>POLICY PREMIUM</b>	<b>\$ 1,485</b>

**NOTICE:**

This policy is issued by your risk retention group. Your risk retention group may not be subject to all of the insurance laws and regulations of your State. State insurance insolvency guaranty funds are not available for your risk retention group.



Part of Nonprofits Insurance Alliance (NIA)

NONPROFITS OWN®

**DECLARATION**

**POLICY NO:** 02-CP-0079509-01-02  
**INSURED:** KALAMAZOO FOUNDATION FOR EXCELLENCE

**EFFECTIVE DATE:** 11/01/2025  
**PRODUCER:** ANN ARBOR INSURANCE CENTRE, INC.

**THESE DECLARATIONS AND THE COMMON POLICY DECLARATIONS, IF APPLICABLE, TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE FORM(S) AND ENDORSEMENTS, IF ANY, ARE ISSUED TO FORM A PART THEREOF, AND COMPLETE THE ABOVE NUMBERED POLICY.**

**NOTICE:**

**This policy is issued by your risk retention group. Your risk retention group may not be subject to all of the insurance laws and regulations of your State. State insurance insolvency guaranty funds are not available for your risk retention group.**

**COMMERCIAL GENERAL LIABILITY COVERAGE DECLARATION**

**MEMBER ID:** 0079509

**POLICY NO:** 02-CP-0079509-01-02

**NAMED INSURED AND MAILING ADDRESS**

Kalamazoo Foundation for Excellence  
241 W South St.  
Kalamazoo, MI 49007

**PRODUCER AND MAILING ADDRESS**

Ann Arbor Insurance Centre, Inc.  
2755 Carpenter Road  
Ann Arbor, MI 48108

2793

**POLICY PERIOD:** FROM 11/01/2025 TO 11/01/2026 AT 12:01 AM STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ABOVE.

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

**COMMERCIAL GENERAL LIABILITY COVERAGE**

**LIMITS OF INSURANCE**

GENERAL AGGREGATE	<b>\$2,000,000</b>	
PRODUCTS – COMPLETED OPERATIONS AGGREGATE	<b>\$2,000,000</b>	
PERSONAL INJURY & ADVERTISING INJURY	<b>\$1,000,000</b>	
EACH OCCURRENCE	<b>\$1,000,000</b>	
DAMAGE TO PREMISES RENTED TO YOU	<b>\$500,000</b>	any one premises
MEDICAL EXPENSE	<b>\$20,000</b>	any one person

10/06/2025

BY



(AUTHORIZED REPRESENTATIVE)

**NOTICE:**

This policy is issued by your risk retention group. Your risk retention group may not be subject to all of the insurance laws and regulations of your State. State insurance insolvency guaranty funds are not available for your risk retention group.

**NIA- DEC GL**



Part of Nonprofits Insurance Alliance (NIA)

NONPROFITS OWN®

**DECLARATION**

<b>POLICY NO:</b> 02-CP-0079509-01-02	<b>EFFECTIVE DATE:</b> 11/01/2025
<b>INSURED:</b> Kalamazoo Foundation for Excellence	<b>PRODUCER:</b> Ann Arbor Insurance Centre, Inc.

<b>TERRORISM PREMIUM:</b>	<b>\$2</b>
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<b>TOTAL TRANSACTION PREMIUM:</b>	<b>\$840</b>
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**Schedule of Classification(s) and/or Location(s) of all Premises you own, rent or occupy:**

<u>LOC NO.</u>	<u>ADDRESS</u>	<u>CLASSIFICATION</u>	<u>PREMIUM BASIS</u>	<u>EXPOSURE</u>	<u>PREMIUM</u>
1	No Physical Location, Kalamazoo, MI 49007	47367/Sales or Service Organizations	Payroll	33,600	\$25

<b>GENERAL LIABILITY ENHANCEMENT ENDORSEMENT:</b>	<b>\$3</b>
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<b>BALANCE TO MINIMUM PREMIUM:</b>	<b>\$810</b>
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THESE DECLARATIONS AND THE COMMON POLICY DECLARATIONS, IF APPLICABLE, TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE FORM(S) AND ENDORSEMENTS, IF ANY, ARE ISSUED TO FORM A PART THEREOF, AND COMPLETE THE ABOVE NUMBERED POLICY.

10/06/2025

BY *Panel C. Q.*  
(AUTHORIZED REPRESENTATIVE)

**NOTICE:**

This policy is issued by your risk retention group. Your risk retention group may not be subject to all of the insurance laws and regulations of your State. State insurance insolvency guaranty funds are not available for your risk retention group.

**NIA- DEC GL**



Part of Nonprofits Insurance Alliance (NIA)

NONPROFITS OWN®

COMMERCIAL LIQUOR LIABILITY COVERAGE DECLARATION

MEMBER ID: 0079509

POLICY NO: 02-CP-0079509-01-02

NAMED INSURED AND MAILING ADDRESS

Kalamazoo Foundation for Excellence
241 W South St.
Kalamazoo, MI 49007

PRODUCER AND MAILING ADDRESS

Ann Arbor Insurance Centre, Inc.
2755 Carpenter Road
Ann Arbor, MI 48108

2793

POLICY PERIOD: FROM 11/01/2025 TO 11/01/2026 AT 12:01 AM STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ABOVE.

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

Table with 2 columns: LIMITS OF COVERAGE, GENERAL AGGREGATE LIMIT (\$1,000,000), EACH COMMON CAUSE LIMIT (\$1,000,000)

The limits listed on this declaration page may conflict with limits required by a state other than the principle operating state. In the event a Liquor Liability "Change" endorsement is attached to this insurance Policy, the limits listed on the Liquor Liability "Change" endorsement will take precedence and apply.

10/06/2025

BY [Signature] (AUTHORIZED REPRESENTATIVE)

NOTICE:

This policy is issued by your risk retention group. Your risk retention group may not be subject to all of the insurance laws and regulations of your State. State insurance insolvency guaranty funds are not available for your risk retention group.

NIA-DEC LL



Part of Nonprofits Insurance Alliance (NIA)

NONPROFITS OWN®

DECLARATION

POLICY NO: 02-CP-0079509-01-02
INSURED: Kalamazoo Foundation for Excellence

EFFECTIVE DATE: 11/01/2025
PRODUCER: Ann Arbor Insurance Centre, Inc.

TRANSACTION PREMIUM: INCLUDED

THESE DECLARATIONS AND THE COMMON POLICY DECLARATIONS, IF APPLICABLE, TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE FORM(S) AND ENDORSEMENTS, IF ANY, ARE ISSUED TO FORM A PART THEREOF, AND COMPLETE THE ABOVE NUMBERED POLICY.

10/06/2025

BY [Signature] (AUTHORIZED REPRESENTATIVE)

NOTICE: This policy is issued by your risk retention group. Your risk retention group may not be subject to all of the insurance laws and regulations of your State. State insurance insolvency guaranty funds are not available for your risk retention group.

NIA-DEC LL

**BOARD AND EXECUTIVE LIABILITY DECLARATIONS**

**MEMBER ID:** 0079509

**POLICY NO:** 02-CP-0079509-01-02

**ITEM 1: NAMED INSURED AND MAILING ADDRESS**

Kalamazoo Foundation for Excellence  
241 W South St.  
Kalamazoo, MI 49007

**PRODUCER AND MAILING ADDRESS**

Ann Arbor Insurance Centre, Inc.  
2755 Carpenter Road  
Ann Arbor, MI 48108

2793

**ITEM 2: POLICY PERIOD:** FROM 11/01/2025 TO 11/01/2026 AT 12:01 AM STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ABOVE.

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

**ITEM 3: DIRECTORS AND OFFICERS LIMITS OF LIABILITY:**

AGGREGATE LIMIT	\$	1,000,000
EACH CLAIM LIMIT	\$	500,000
DEDUCTIBLE	\$	0
COVERAGE PREMIUM	\$	364
ADDITIONAL EXPOSURE PREMIUM	\$	N/A
PRIOR WRONGFUL ACTS PREMIUM	\$	N/A
DIRECTORS & OFFICERS TRANSACTION PREMIUM	\$	364

10/06/2025

BY



(AUTHORIZED REPRESENTATIVE)

**NOTICE:**

This policy is issued by your risk retention group. Your risk retention group may not be subject to all of the insurance laws and regulations of your State. State insurance insolvency guaranty funds are not available for your risk retention group.

**DECLARATION**

**POLICY NO:** 02-CP-0079509-01-02  
**INSURED:** KALAMAZOO FOUNDATION FOR EXCELLENCE

**EFFECTIVE DATE:** 11/01/2025  
**PRODUCER:** ANN ARBOR INSURANCE CENTRE, INC.

<b>ITEM 3: FIDUCIARY LIMITS OF LIABILITY:</b>		
AGGREGATE LIMIT	\$	1,000,000
EACH CLAIM LIMIT	\$	500,000
DEDUCTIBLE	\$	0
COVERAGE PREMIUM	\$	265
ADDITIONAL EXPOSURE PREMIUM	\$	N/A
PRIOR WRONGFUL ACTS PREMIUM	\$	N/A
FIDUCIARY TRANSACTION PREMIUM	\$	265

**TERRORISM PREMIUM:** **\$16**

**TOTAL TRANSACTION PREMIUM:** **\$645**

THESE DECLARATIONS AND THE COMMON POLICY DECLARATIONS, IF APPLICABLE, TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE FORM(S) AND ENDORSEMENTS, IF ANY, ARE ISSUED TO FORM A PART THEREOF, AND COMPLETE THE ABOVE NUMBERED POLICY.

10/06/2025

BY   
(AUTHORIZED REPRESENTATIVE)

**NOTICE:**

This policy is issued by your risk retention group. Your risk retention group may not be subject to all of the insurance laws and regulations of your State. State insurance insolvency guaranty funds are not available for your risk retention group.



Kalamazoo  
Foundation for  
Excellence

# FFE Board of Directors Staff Report

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**TO:** Foundation for Excellence Board of Directors

**FROM:** Executive Committee

**DATE:** October 27, 2025

**SUBJECT:** Approve Renewal of Legal Services Agreement with Miller Johnson Attorneys

## **RECOMMEDATION:**

Approve a three-year renewal of the Miller Johnson Attorneys agreement for general legal services.

## **BACKGROUND:**

Staff and board members agree on the value and excellence of Miller Johnson's legal services to FFE under the leadership of attorney Richard O. Cherry. Executive Committee has furthermore requested a three-year contract renewal to streamline operations and lower costs. The FFE's adopted Purchasing Policy outlines the Board's ability to renew contracts without a bidding process for up to five consecutive years. Legal services from Miller Johnson began in 2023 and would conclude under the proposed three-year agreement in 2028. The attached agreement provides detailed information on the scope of services and itemized cost breakdown for the agreement. Service areas covered in the agreement are unchanged from previous years.



Radisson Plaza Hotel & Suites  
100 West Michigan Avenue  
Suite 200  
Kalamazoo, MI 49007-3960



**RICHARD O. CHERRY**  
Attorney at Law

269.226.2987  
269.226.2951 fax  
cherryr@millerjohnson.com

October 22, 2025

Kalamazoo Foundation for Excellence  
ATTN: Steve Brown, Foundation Manager  
241 W. South Street  
Kalamazoo, MI 49007

**Re: Engagement Letter - Foundation Attorney Services**

Dear Steve:

Thank you for selecting Miller Johnson to represent the Kalamazoo Foundation for Excellence ("FFE") in connection with the above-referenced matter. This letter contains the basic terms of our representation. The terms stated here are supplemented by our **Standard Terms of Engagement**, a copy of which is provided with this engagement letter. Those terms are also important and you should read them closely.

It is our goal to represent the FFE efficiently and effectively. You should be informed about the progress of the representation and comfortable with our services and the people who provide them, so please call us if you ever have a question, suggestion or issue.

**Who Is The Client?** Identifying our client is important. Our duty of representation runs to our client, not to any other person. Michigan Rule of Professional Conduct 1.13(a) explains that a lawyer who is retained to represent an organization represents the organization as distinct from its directors, officers, employees or other constituents. That is why we think it is important to explain that our client is the FFE. Although we will be communicating with the FFE through its officers, agents, officials or employees, our client is the FFE and not to those individuals. The attorney-client privilege belongs to the FFE and not to those individuals. Please contact us if there is any confusion about this.

Please advise which FFE representatives with whom we are authorized to communicate and from whom we may accept instructions during our engagement as the FFE's legal counsel.

**What Is The Scope Of Our Representation?** For a three -year term we will be assisting the FFE Board of Directors and the FFE Manager in the following areas:

- ◆ As Recording Secretary for Full Board meetings and meetings of the Investment Subcommittee;
- ◆ Annual facilitation of stakeholder groups to vet and select new Board Directors;

- ◆ Compliance support with regard to the Michigan Freedom of Information and Open Meetings Act;
- ◆ 501(c)(3) Type III non-profit governance and compliance support;
- ◆ General contract creation and administration;
- ◆ Counsel on needed policies/policy updates and adherence to generally accepted best practices;
- ◆ Legal mediation with the City of Kalamazoo as needed;
- ◆ Preparation of reports as assigned; and
- ◆ Other legal representation and consultation as needed.

**How Will We Communicate With Each Other?** We will keep the FFE informed of the status of our representation and on matters that impact any decisions the FFE must make. Should the FFE at any time have questions or need for information, we will respond promptly. In return, the FFE agrees to keep Miller Johnson attorneys reasonably informed of any developments that materially affect Miller Johnson's representation and to be available for necessary consultation with Miller Johnson attorneys on legal matters within the scope of this agreement.

Unless otherwise limited by the FFE, we may communicate with FFE personnel in person or by phone, email, letter or fax. The FFE will provide us with the contact information and e-mail addresses for all FFE personnel with whom we are authorized to communicate and from whom we are authorized to accept instructions. Please understand that our communications to those email addresses will likely be privileged or confidential and that it is the FFE's responsibility to secure those addresses from unauthorized users.

**Your Obligations.** The FFE's cooperation is essential for a good working relationship in this representation. Accordingly, the FFE will:

- a. Give us direction as we may request from time to time.
- b. Give us complete and accurate information throughout our representation. We will rely on the completeness and accuracy of that information in performing our services.
- c. Notify us of changes in the FFE's structure so we may adequately identify potential conflicts.

d. Notify us of any change of our primary contact or communication addresses or methods.

**How Do We Charge For Our Services?**

a. **Background on Fees.** Unless other arrangements are made, we compute our service fees primarily on the time spent by our lawyers and paralegals to deliver services. Ethical rules require that our hourly rates and the overall fee take into account the complexity of the work, our efficiency, the results achieved, the special expertise and experience of the lawyers and paralegals involved, the time limitations imposed by you or the circumstances, and other relevant factors.

b. **Hourly Rates.** Miller Johnson will discount all of our standard hourly rates by 15%. I will serve as the lead attorney with whom the FFE Manager will have primary contact. Depending upon the special expertise and amount of experience involved, our lawyer hourly rates range from \$230 to \$820 and our paralegal hourly rates range from \$225 to \$320 at this time. Our hourly rates are subject to change from time to time, and are reviewed at least annually. I will be primarily responsible for handling the matter and my current hourly rate is \$485.00. I will involve others at Miller Johnson as required to effectively and efficiently serve the FFE's needs. We understand that departure, reassignment or substitution of any member of the FFE attorney team shall not be made without the prior written approval of the FFE.

On rare occasions we may not have adequate legal or paralegal staff available to handle the demands of your representation. In that event, we may at our discretion retain independent contractors and charge their services to you at comparable rates for Miller Johnson employees.

e. **Out of Pocket Expense Reimbursement.** The FFE will reimburse us for reasonable out-of-pocket expenses incurred by us in delivering our services. We charge the reimbursement at our actual cost without any premium or mark-up. Examples of expenses are computer research, overnight mail service, document delivery service, copies, filing fees, secretarial overtime, and travel. We will not retain outside service providers, such as expert witnesses, local counsel and other consultants, without first obtaining approval from the FFE but the FFE will be responsible for payment of the cost of the outside service providers who the FFE has approved. Travel and mileage will be billed and compensated in conformance with policies applicable to employees of the FFE.

f. **Monthly Billing.** We will send the FFE monthly invoices via email to [browns@kalamazoo.org](mailto:browns@kalamazoo.org) or to the FFE Manager at 241 W. South Street, Kalamazoo, MI 49007. The invoices will show the amount of time spent by the lawyers and paralegals

MILLER JOHNSON

KALAMAZOO FOUNDATION FOR EXCELLENCE

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and the discounted hourly rates for those hours. However, the FFE will pay only the monthly retainer plus any itemized out of pocket expenses. The monthly bills are a convenient means to track our activities. If there is anything on the bill or the activities it describes that you have questions about, please ask us promptly. If preferred, the FFE may pay our invoices and other fees through our secure website at:

<https://www.millerjohnson.com/onlinepayments>.

The FFE will make payment within 30 days of receipt of each invoice.

**Conflicts.** Our firm represents many other companies and individuals. Our initial conflict check shows no apparent conflicts to representing the FFE, other than the potential conflict with the City of Kalamazoo. As you know, the FFE and the City have both signed conflict waiver letters. Attached is a copy of the City's waiver letter for your records.

If there are other individuals, entities or potentially adverse parties for whom conflicts should be evaluated, you will so inform us. If we learn of a conflict, we will notify you and take appropriate action.

**Entire Agreement and Effective Date.** This letter and the Miller Johnson Standard Terms of Engagement contain the entire agreement between the FFE and our firm regarding this representation. Kindly sign a copy of this agreement in the space provided for that purpose below and return a signed copy to me as soon as possible. An email copy is fine.

If anything in this engagement letter is not clear or is unsatisfactory, please call me. I will be happy to discuss any aspect of this letter with you.

Thank you again for selecting Miller Johnson to represent the FFE for its Foundation attorney services.

Sincerely,

MILLER JOHNSON



Richard O. Cherry

ROC/tlc

MILLER JOHNSON

KALAMAZOO FOUNDATION FOR EXCELLENCE

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**Acknowledgement and Acceptance of Terms**

By my signature below, I acknowledge that I have read and accept the terms of this Engagement Letter.

KALAMAZOO FOUNDATION FOR EXCELLENCE

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Steve Brown, FFE Manager

Date: \_\_\_\_\_, 2025



# City Commission Agenda Report

City of Kalamazoo

Date: **10/27/2025**

Item: **E.7.**

**TO:** Mayor Anderson, Vice Mayor Hess, and City Commissioners

**FROM:** Prepared by: Steve Vicenzi, CFO, Director of Management Services

**DATE:** October 27, 2025

**SUBJECT:** Approve a three-year agreement with Zhang Financial LLC for investment consulting services

## RECOMMENDATION:

It is recommended that the Board approves a three-year agreement in the amount of \$540,000 with Zhang Financial LLC for investment consulting services.

## BACKGROUND:

Zhang Financial has been involved with financial reporting and advising to the Foundation for Excellence since the inception of the endowment. This agreement is a three-year extension, with no changes in terms or pricing from the current agreement, which expires December 31, 2025.

The FFE Investment Subcommittee unanimously recommended continuing the current arrangement with Zhang Financial.

## STRATEGIC VISION ALIGNMENT:

### Strategic Goal Impact:



**Good Governance-** Ensuring the City organization has the capacity and resources to effectively implement the community's Strategic Vision in a way that is sustainable over the long term.

## COMMUNITY ENGAGEMENT:

### Appropriate Depth of Engagement

**Inform (one-way conversation)** – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

## FISCAL IMPACT:

The ongoing cost is included in the 2026 budget in an amount of \$180,000.

# **INVESTMENT CONSULTANT AGREEMENT**

between

**KALAMAZOO FOUNDATION  
FOR EXCELLENCE**

and

**ZHANG FINANCIAL LLC**

**January 1, 2026**

Attachments are integral parts of the Agreement

Attachment A: Scope of Services

Attachment B: Fee Structure

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**INVESTMENT CONSULTANT AGREEMENT**

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THIS AGREEMENT is made September \_\_\_, 2025, between the KALAMAZOO FOUNDATION FOR EXCELLENCE, A Michigan Nonprofit Corporation, of 241 West South Street, Kalamazoo, MI 49007 (“Client”) and ZHANG FINANCIAL LLC, a Michigan limited liability company, of 5931 Oakland Drive, Portage, Michigan 49024 (“Consultant”).

Background

Client desires to contract for services in the area of investment consulting, and Consultant is willing to provide such services. Client has created the Investment Subcommittee of the Kalamazoo Foundation for Excellence (“FFEIS”), which shall select consultant and shall oversee services provided by Consultant.

1. Duties of Consultant. Consultant agrees to provide the services set forth in Attachment A, Scope of Services, attached hereto.

2. Reports. Consultant shall submit reports to the FFEIS as set forth in Attachment A, Scope of Services. At the FFEIS’s request and at mutually agreed upon times, Consultant shall meet with the FFEIS to review investment performance. Consultant shall be available to answer questions by FFEIS members and Client’s staff from time to time as needed without additional charge.

3. Authority to Direct Consultant Activities. Upon execution of this Agreement, the FFEIS shall provide Consultant with a list of Authorized Persons who will be permitted to advise, inform, and direct Consultant on the Client’s behalf. The list of Authorized Persons and any changes to such list shall be made in writing to Consultant and signed by the FFEIS’s Chairman or the Chairman’s designee. Until notified of any change, Consultant may rely on and act upon instructions and notices received from an Authorized Person identified on the then current list furnished by the FFEIS.

4. Changes in Work. In the event the FFEIS requires a major change in scope, character, or complexity of the work after the work has progressed, the FFEIS shall so authorize in writing, subject to Consultant’s approval. If that change in scope requires a

change in compensation, the parties shall agree on such change and it shall be set forth in writing signed by Consultant and the Client. No claim for additional compensation shall be made by the Consultant in the absence of such a signed writing.

5. Compensation. Consultant's annual compensation for services shall be billed in quarterly increments as specified in Attachment B, Compensation, attached hereto.

6. Duration and Termination. This Agreement shall be for a period of 3-years ending December 31, 2028 and shall automatically renew for successive 3-year periods unless terminated by either party. Notwithstanding the foregoing, this agreement may be terminated at any time by either party in accordance with the following: (a) by the Client upon written notice to Consultant; or (b) by Consultant at any time, without penalty, upon thirty (30) days prior written notice to Client. Consultant's fees will be prorated to the date of termination. Consultant has no termination or other back-end load charge. Upon termination of this Agreement, Client acknowledges that Client's account may incur fees or charges by third parties (other than Consultant) for closing out investments, backend loads or other expenses. The consulting fee shall be reviewed at the at the request of either party.

7. Liability of Consultant. Consultant shall exercise its discretion in making decisions within the authority conferred upon it under this Agreement based upon information and data that is from time to time in its possession. Consultant shall endeavor to receive such information and data from sources which are considered reliable, but Consultant does not guaranty the accuracy of such information. Except for gross negligence or misconduct or violation of applicable law, neither Consultant nor any of its owners, officers, managers or employees shall be liable for any action performed or permitted to be performed or any errors of judgment in providing the services of this Agreement. Consultant shall make a good faith effort to require brokers, dealers and investment advisers selected to effect any transactions affecting Client's account to perform their obligations properly, but Consultant has no liability for improper actions of any broker, dealer, custodian or investment adviser. Consultant's liability is limited to the maximum extent allowed by law. Federal securities laws impose liabilities under certain circumstances on persons who act in good faith, and therefore nothing herein shall in any way constitute a waiver or limitation of any rights which the Client may have under any federal securities laws.

8. Standard of Care. The sole standard of care imposed upon Consultant by this Agreement is to act with the care, skill, prudence, and diligence then prevailing under the circumstances that a prudent person acting in a like capacity and familiar with such matters would use in conducting an enterprise of like character and with like aims. In connection

therewith, Consultant shall exercise its discretion in making recommendations based upon information and data that is from time to time in its possession. Consultant shall endeavor to receive such information and data from sources which it considers reliable, but it does not guaranty the accuracy of such information.

9. Confidentiality. All information and advice furnished by either party to the other under this Agreement shall be treated as confidential and shall not be disclosed to third-parties except as required by law.

10. Benefit and Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective successors, assigns, heirs and legal representatives. No assignment of this Agreement, as the term “assignment” is defined in the Investment Advisers Act of 1940, shall be made by Consultant without the written consent of Client.

11. Non-Exclusive Contract. The Client acknowledges that Consultant is acting as an investment advisor to other clients and nothing in this Agreement shall restrict Consultant’s right to render investment advice or other services to others. The Client understands that Consultant may give advice and take action with respect to other clients which may differ from the advice given to the FFEIS or the timing or nature of action taken with respect to the account.

Consultant or its managers, officers or employees may, from time to time, recommend to the FFEIS to buy or sell securities that are also recommended to or traded by clients, and/or Consultant’s managers, officers and employees. Consultant has adopted written policies that transactions for clients have priority over personal transactions of Consultant or its officers, directors or employees, and personal transactions shall not operate adversely to the interests of any client.

12. Representations. Consultant represents that it is registered as an investment advisor with the Securities and Exchange Commission under the federal Investment Advisers Act of 1940. Client represents that the employment of Consultant is authorized by the governing documents relating to the account and that the terms of this Agreement do not violate any obligation by which Client is bound, whether arising by contract, operation of law or otherwise. Client further acknowledges that it has received the ADV 2A Firm Brochure and ADV 2B Brochure Supplements as is required by Rule 204-3 of the Investment Advisers Act of 1940.

13. Miscellaneous.

13.1 Notices. All notices, demands and requests required or permitted to be given under the provisions of this Agreement shall be in writing and shall be deemed given: (a) when personally delivered to the party to be given such notice or other communication; (b) on the business day that such notice or other communication is sent by

facsimile or similar electronic device, fully prepaid, which facsimile or similar electronic communication shall promptly be confirmed by written notice; (c) on the fifth business day following the date of deposit in the United States mail if such notice or other communication is sent by certified or registered mail with return receipt requested and postage thereon fully prepaid; or (d) on the business day following the day such notice or other communication is sent by reputable overnight courier, to the address set forth above or to such other addresses as the parties may designate in writing.

13.2 Entire Agreement and Governing Law. This Agreement constitutes the entire Agreement of the parties with respect to the management of the account and can be amended only by a written document signed by the parties. Except to the extent that federal law applies, this Agreement shall be governed by the laws of the State of Michigan.

13.3 Independent Contractor. Both parties hereto, in the performance of this Agreement, will be acting in an individual capacity and not as agents, employees, partners, joint ventures, or associates of one another. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purposes whatsoever. Neither party will assume any liability for any injury (including death) to any persons, or any damage to any property arising out of the acts or omissions of the agents, employees or subcontractors of the other party.

13.4 Authorization. The person executing this Agreement on behalf of Client hereby acknowledges and agrees that he or she is duly authorized to execute this Agreement on behalf of Client and that Client shall be bound thereby.

IN WITNESS WHEREOF, the parties have executed and made this Agreement effective as of the date first written above.

Client: KALAMAZOO FOUNDATION FOR EXCELLENCE

By: \_\_\_\_\_

Its: \_\_\_\_\_

Consultant: ZHANG FINANCIAL LLC

By: \_\_\_\_\_

Its: \_\_\_\_\_

# **Attachment A**

## **Scope of Services**

### **INVESTMENT CONSULTANT AGREEMENT**

between

**KALAMAZOO FOUNDATION  
FOR EXCELLENCE**

and

**ZHANG FINANCIAL LLC**

**January 1, 2026**

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**ATTACHMENT A: Scope of Services**

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Zhang Financial LLC (the “Consultant”) will provide general investment consulting services to the Kalamazoo Foundation for Excellence (“FFE”, or “Client”, or “Foundation”). These services include the following:

**A. Meeting Participation/Availability**

Attend the following meetings with the Investment Subcommittee and/or staff on and off site:

- Quarterly Investment Subcommittee meetings;
- Routine due diligence meetings with investment managers;
- Formal interviews with existing and potential investment managers;
- Ad hoc investment meetings with the Investment Subcommittee members and/or Foundation staff; and
- Ad hoc due diligence meetings with investment managers, service providers, and Foundation staff.

**B. Formulation and Review of Investment Goals, Objectives, and Policies**

Provide ongoing advice and technical support in the establishment and refinement of portfolio asset allocation, investment goals, objectives, and policies. The Consultant will use asset allocation models, as requested by the Investment Subcommittee and/or staff, to determine the influence of differing asset mixes and investment style strategies on the projected return to the Foundation and the projected risk resulting from differing asset mixes and strategies.

**C. Asset/Liability and Spending Policy Modeling Studies**

Provide the Investment Subcommittee with one asset/liability modeling study over the initial three year term of this Agreement. Consultant will work with the staff under terms defined by the Investment Subcommittee. Additional asset/liability and modeling studies, if needed, will be provided on a pre-approved fee basis.

**D. Investment Manager Search/Selection**

Provide the Investment Subcommittee with two investment manager searches over the initial three year term of this Agreement under general investment consulting services. An investment manager search is defined by the specific investment role, style, or mandate, not by the number of managers selected to implement the investment. Additional searches, if needed, will be provided on a pre- approved fee basis. The search and selection process will include the following:

- Meeting with the Investment Subcommittee to discuss the search objectives;
- Providing the Investment Subcommittee with a preliminary list of candidates and summary analysis;
- Meeting with Investment Subcommittee to determine candidates for further analysis and interviews;
- Providing the Investment Subcommittee with a detailed written comparative analysis (a

search report) on each candidate surviving the initial review process;

- Arranging and participating in preliminary candidate interviews and assisting in the finalist selection
- Conducting on-site due diligence visits with Investment Subcommittee and primary search candidates, as appropriate;
- Developing summary interview materials for the use;
- Scheduling and attending finalist presentations and,
- Assisting the Investment Subcommittee in selecting investment managers.

### **E. Performance Monitoring**

- Perform ongoing review of portfolio performance; of the underlying investments; and of the investment managers.
- Evaluate investment manager performance in terms of effective implementation of investment strategy, performance versus established benchmarks, organizational stability, and adherence to the investment contract.
- Identify current or anticipated underperformance within the portfolio, recommend corrective action, and participate in implementing the recommendations.
- The Consultant will also assist Client with rebalancing activities and selection of transition managers as needed.

### **F. Educational Sessions /Policy Development**

Provide the Investment Subcommittee with up to two educational sessions on specific topics per year. The purpose of these sessions is to educate and update the Investment Subcommittee members and staff regarding current investment topics and trends in the capital market.

### **G. Performance Measurement and Reporting**

- Prepare and present written and verbal quarterly summaries of investment manager activities and performance to the Investment Subcommittee. Review calculations of investment performance.
- Reconcile discrepancies in the returns calculated by custodian/master trustee versus the returns calculated by investment managers.

### **H. Review of Fees and Contracts**

- Review guidelines and objectives for new and existing investment managers, review benchmarks, contracts and fees, recommend revisions, and participate in negotiations with investment managers to effect revisions.
- Identify and recommend new investment opportunities, liquidation or restructuring of existing investments and allocations to existing managers.

### **I. Other**

Conduct such services under the contract as may be reasonably asked of an investment consultant.

# **Attachment B**

## **Fee Structure**

### **INVESTMENT CONSULTANT AGREEMENT**

between

**KALAMAZOO FOUNDATION  
FOR EXCELLENCE**

and

**ZHANG FINANCIAL LLC**

January 1, 2026

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**ATTACHMENT B: Fee Structure**

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Zhang Financial LLC (“Consultant”) will provide general investment consulting services pursuant to the Scope of Services, Attachment A, to the Kalamazoo Foundation for Excellence (“Client”).

The annual fee will be \$180,000 effective January 1, 2026 through December 31, 2028.

The annual fee will be paid in arrears in equal quarterly installments of \$45,000 payable on March 31, June 30, September 30, and December 31, or the nearest workday following the calendar quarter ending date.

Should the Investment Consultant Agreement be terminated by either party in accordance with Paragraph 6 of the Agreement, Consultant’s fees will be prorated to the date of termination and any underpayment promptly remitted to Consultant by the Client or overpayment promptly remitted to Client by the Consultant.

The Client understands that the Consultant may incur costs in relation to fulfilling approved due diligence activities on behalf of the Client. Client will reimburse the Consultant for such expenses or pay such expenses directly.

By the signatures affixed hereunder this Attachment B, Fee Structure, supersedes and replaces any and all previous fee structure agreements between the Consultant and Client.

Client

KALAMAZOO FOUNDATION FOR EXCELLENCE

By: \_\_\_\_\_

Its: \_\_\_\_\_

Consultant

ZHANG FINANCIAL LLC

By: \_\_\_\_\_

Its: \_\_\_\_\_