# Agenda
# FFE Board of Directors

Kalamazoo Foundation for Excellence

**Monday, April 26, 2021 2:00 PM**

**This meeting will be streamed live on the City's Facebook page (https://www.facebook.com/KalamazooCity/) and YouTube Channel (https://www.youtube.com/channel/UCIgXSSXLSDxThVaaiRMsR5Q). Commenting instructions are contained in the public meeting notice.**

**A. CALL TO ORDER**

**B. APPROVAL OF MINUTES**

1. Approval of February 16, 2021, minutes.

**C. REPORTS AND COMMUNICATIONS**

1. Staff Report
2. Finance Committee Report

**D. REGULAR AGENDA**

1. Annual Director Appointments
2. Annual Election of Officers
3. Annual Committee Nominations

**E. PUBLIC COMMENTS**

**F. BOARD MEMBER COMMENTS**

**G. ADJOURNMENT**

## KALAMAZOO FOUNDATION OF EXCELLENCE

## PUBLIC COMMENT RULES

1. Persons attending a regular or special meeting of the Board of Directors of the Kalamazoo Foundation for Excellence shall be permitted to address the Board in conformity with this rule and the Michigan Open Meetings Act.

2. An individual wishing to address the Board shall wait to be recognized by the presiding officer.

3. A person addressing the Board shall provide their name and whether they are a resident of the City.

4. Remarks by a speaker shall be confined to matters within the preview of the Board and KFFE.

5. The chairperson of the meeting or a majority of the Board in attendance may permit individuals to speak once, for up to four (4) minutes, on specific matters being considered on the meeting agenda of the Board, except no comment is permitted on secondary or procedural motions to a main motion.

6. A speaker is permitted to address the Board once during the Public Comment portion of the meeting for up to four (4) minutes.

7. A speaker is not permitted to yield any unused portion of speaking time to other speakers.

8. A speaker may be ruled out of order for conduct that interrupts or disrupts the meeting.

# KALAMAZOO FOUNDATION FOR EXCELLENCE
# BOARD OF DIRECTORS

## MINUTES

Meeting of February 16, 2021

A meeting of the Kalamazoo Foundation of Excellence (KFFE) Board on February 16, 2021 held by videoconference in accordance with the Michigan Open Meetings Act was called to order by President Graham-Williams at 2:02 pm.

Board members present: Graham-Williams, Ritsema, Hamilton-Miller, Anderson, Hess, Urban, Calderon-Huezo, Carrel, Dannison, Hoffman, Lonberg, A. Taylor, C. Taylor, Washington, and Hopewell.

Board members absent: McFarlin.

Also present were Legal Counsel/Recording Secretary Clyde J. Robinson, FFE Manager Steve Brown, Deputy City Manager Laura Lam, City Chief Financial Officer Steve Vicenzi, and Diversity, Inclusion & Equity Director Dorla Bonner.

The minutes of the Board Meeting held October 12, 2020 as corrected were moved for approval by Director C. Taylor. The motion was approved by unanimous voice vote.

FFE Manager Brown announced the resignation from the Board by Director Adam McFarlin. His resignation was largely due to the success of his business. Motion by Director C. Taylor to accept the resignation was approved by voice vote. Director Washington expressed words of appreciation for the foundational financial work that Director McFarlin provided to the organization as its Treasurer.

Due to the resignation of Director McFarlin, the position of Treasurer was vacant. Director Washington moved to nominate Director Carrel to fill the unexpired term of Treasurer. Director Carrel expressed a willingness to accept the nomination but would not commit to the position after the Annual Meeting in April. By unanimous voice vote the motion to elect Director Carrel as interim Treasurer was approved.

Michael Evans, Executive Director of the Kalamazoo Literacy Coalition and Nicole Blum, Early Learning Program Director of the Kalamazoo YMCA presented on the program in the Edison Neighborhood aimed at early learning, child care career development and supporting families in an efforts to ensure equitable access to child care, academic success, multi-generational opportunities, and entrepreneurial/ economic growth.

Dorla Bonner, Director of Diversity, Equity & Inclusion for the City of Kalamazoo presented on the efforts undertaken by her office in the past year and programs that will be presented in 2021. The goal of her office is to use an equity lens to review City policies and ordinances and creates a culture that celebrates diversity.

Steve Brown, FFE Manager provided an overview of the programs that assisted local businesses in response to the challenges presented by the COVID-19 pandemic. He reported that $1,274,500 was provided through the Small Business Loan Fund as bridge funds to provide short term relief. To date, there has been only one default and two businesses have paid back the loan. Mr. Brown indicated that the program focused on minority and women-owned business, which have been historically disadvantaged. Additionally, partnering with Consumers Energy FFE money was used to provide 100 micro-enterprise grants in the amount of $5000 to 100 businesses.

Mr. Brown also reported on the success of the Digital Access for All program in partnership with Kalamazoo Public Schools, Kalamazoo Public Library, Kalamazoo Community Foundation and The Promise to provide 1000 laptop units with fee-free high speed Wi-Fi access, with plans to provide an additional 250 units.

Mr. Brown also reported on the success of the Learning Hub program provided by the Kalamazoo Youth Development Network. The initial plan was to provide services to 200 students most in need of assistance at 4 sites. However, given the need the program is currently providing service to more than 350 students at 16 sites. Students in the program are those facing nutrition, language, and family stability challenges.

Finally, Eleanor Cook of CCS Fundraising provided an overview, using the Pixar Studios model of storytelling, to explain the impact of programs funded by the FFE to improve the lives of individuals and families in Kalamazoo. Director Lonberg used the device to provide an excellent example of FFE efforts and why such matter and have an impact.

President Graham-Williams inquired as to whether any Public Comments had been received; one comment by Richard Stewart was received addressing disability as a protected classification.

President Graham-Williams asked if there were any Board Member Comments.

Director Dannison indicated that he and his family will be moving to Kent County in the near future and that he will be resigning from the Board at a later date. Director C. Taylor, commenting on the presentation by Director Bonner spoke of the necessity of white allies to speak up in the struggle for equality and equity for all.

Upon the motion by Director C.Taylor, seconded by Director Carrel the meeting was adjourned by President Graham-Williams at 4:34 pm.

Minutes Drafted: February 18, 2021

Minutes Approved: ______________________

________________________________
Clyde J. Robinson, Recording Secretary

Date: **4/26/2021 FFE**
Item: **C.1.**

# Foundation for Excellence Agenda Report

Kalamazoo Foundation for Excellence

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

**FROM:** Prepared by: Steve Brown, Foundation for Excellence Manager

**DATE:** April 26, 2021

**SUBJECT:**

Staff Report

**RECOMMENDATION:**

It is recommended that the Board approve the Kalamazoo Foundation for Excellence logo effective immediately.

**BACKGROUND:**

**The Staff report includes 4 items:**

+ Introduction of Kerry Lyn Williams, Grants Specialist: Kerry joined the City of Kalamazoo in May of 2020 and has already proven a valued member of the City Manager's office, responsible for non-entitlement grants management for the City and crucial support to FFE work, including program vetting, tracking, quality assessment, and more. Kerry holds a Masters in Public Administration from WMU and brings two decades of experience in non-profit and program administration with her.

+ Board Ambassador Workshops, Session Two: Eleanor Huston and Lindsay Marciniak from CCS Fundraising return to update the Board on their one-on-one work with Directors and to take next steps toward building FFE's ambassador initiative and improved communications strategy.

+ Logo introduction and approval: The FFE has undertaken to propose a formal logo and accompanying style guide for the the first time. City staff worked closely with CCS staff to winnow down over a dozen original approaches to the one being proposed today. The top goals of this logo are recognizability in Kalamazoo's context, versatility across FFE's broad types of funded activities, and to be used across many platforms, sizes, formats, and with partners; and finally the ability to engage people with a bold and simple design.

+ Website update: A draft of a website is attached for review, with the intention of launching the site in May, 2021. This site renews a focus on transparency, communication, and establishing a branded portal for diverse visitors to connect with FFE.

+ Meeting accessibility presentation and next steps: Following a presentation by Disability Network at City Commission in February, 2021, the City has asked that Boards and Commissions supporting and working closely with it review and adopt wherever possible and relevant a series of accessibility strategies and tactics.

**STRATEGIC VISION ALIGNMENT:**

**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.

**FISCAL IMPACT:**


# Workshop #2: Sharing Your FFE Story

April 26, 2021 | 2:00pm

Kalamazoo Foundation for Excellence

FUNDRAISING

# About CCS

**LINDSAY MARCINIAK**
Managing Director
CCS Fundraising

**ELEANOR HUSTON**
Senior Director CCS
Fundraising

- CCS has partnerships locally, nationwide, and globally

---

- Partners include 40% of America's Top 100 performing charities

---

- We work with nonprofits of:

    - All sectors
    - All sizes
    - All development operations

# WORKSHOP SERIES OVERVIEW

1

CRAFTING YOUR FFE STORY

2/16

2

GETTING OTHERS INVOLVED

4/26

3

SHARE YOUR SUCCESSES AND CHALLENGES

ONGOING

# TODAY'S OBJECTIVES

- Revisit story framework from Workshop #1
- Debrief on your experience using your FFE Story with friends and family
- Define what it means to be an FFE ambassador
- Determine your role as an ambassador by considering many engagement opportunities in FFE's cycle of impact

# YOUR ROLE TODAY

Take Notes & Reflect on Your Experiences

Share Feedback

Listen and be Open to New Opportunities

# ONE STORYTELLING FRAMEWORK WE ALL KNOW…

- *Once upon a time, …*
- *Every day, …*
- *One day, …*
- *Because of that, …*
- *Because of that, …*
- *Until finally, …*

# FFE APPLICATION

- *__Once upon a time,__ there was a fourth-grader with a dream of one day running her own neighborhood popsicle business, "Layla's Cool Pops."*
- *__Yet every day__, small businesses need more than a dream to keep their doors open and many fail due to unforeseen challenges and costs.*
- *__Four years ago,__ the City of Kalamazoo and private philanthropists came together to develop FFE, a public-private-municipal partnership that would allow the City to carry out its essential services while investing in its future.*
- *__Because of that vision,__ small businesses are better supported, face lower property taxes, and are eligible for FFE funds from the City.*
- *__Because of this work,__ Layla received a small business loan and technical assistance to get "Layla's Cool Pops" off the ground and thriving.*
- *__And now as a result,__ Edison residents enjoy treats from "Layla's Cool Pops." Layla, now in 10th grade, is living up to her dream of giving back by donating 10% of her profits to local charities.*

Think over stories or pitches you shared about FFE with friends, family, or colleagues in the past months.

Take three minutes to reflect on any of the following questions

1

Any feedback from your audience? Any feedback you'd provide yourself?

2

What was challenging to articulate about your role, FFE, or a participant?

3

What follow up questions were asked? What seemed to interest your audience?

4

If you didn't test out a story/pitch, why not? What was your barrier?

**STORY FRAMEWORK**

*Once upon a time…every day…one day… because of that…because of that…until finally…*

# DEFINING THE FFE AMBASSADOR

**Who:** All of you!

**How:** Ambassadors champion FFE's mission, participate actively, and invite others in.

**Why:** FFE's *cycle of impact* begins and ends with residents. The more people are aware and involved, the stronger the impact will be.

# ROLE OPPORTUNITIES

| | | | | |
|---|---|---|---|---|
| SHARE YOUR FFE STORY | TESTIMONIAL CONVERSATION | PARTICIPATE ON SOCIAL MEDIA | SIGN UP TO VOLUNTEER | MAKE INTRODUCTIONS |
| LOOK TO SEE WHAT ORGANIZATIONS ARE DOING | TALK TO OTHERS ABOUT LOCAL NEEDS | MAKE A FINANCIAL COMMITMENT | ENCOURAGE OTHERS TO GIVE OR SIGN UP | INVITE OTHERS TO PARTICIPATE IN PLANNING |

# TESTIMONIAL CONVERSATIONS

Sample quotes:

- *"The mission of FFE meets people where they are, ensuring all residents can live the life they want."* – Dr. Angela Graham-Williams

- *"FFE is a model for the nation."* – Von Washington

- *"I believe in the possible. FFE makes the possible happen."*
  – Bobby Hopewell

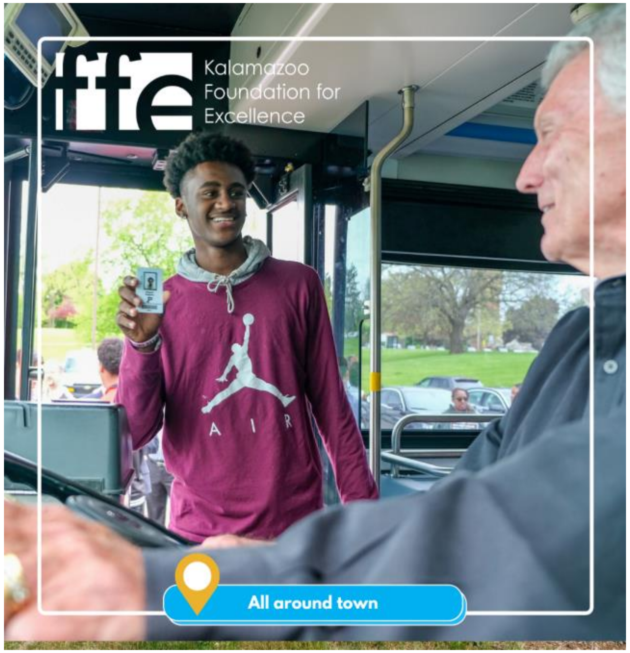
- *"What we can do alone is never as good as what we can do together."* – Alisa Carrel

# SOCIAL MEDIA: #KZOO EXCELLENCE

**#KzooExcellence:** A series of social media posts to spotlight a local leader and FFE stakeholder. Helps residents understand who is behind FFE and what makes the foundation so special.


# SOCIAL MEDIA: OTHER POSSIBILITIES

Other social media posts highlight specific FFE-funded projects, direct viewers to the website to learn more, or offer opportunities to get involved in the cycle of impact.


# YOUR NEXT STEPS

Continue to Share Your FFE Story

Participate in a Testimonial Conversation

Consider your Own Ambassador Role and Engagement Opportunities

Report back to FFE with Success, Roadblocks, and Questions

# THANK YOU!

# QUESTIONS & DISCUSSION

FFE Contact:
Lindsay Marciniak
Managing Director
CCS Fundraising
lmarciniak@ccsfundraising.com
(312) 596-9300

www.ccsfundraising.com

April 15, 2021

# Kalamazoo Foundation for Excellence

## Logo Presentation

Kalamazoo Foundation for Excellence

# Logo Goals

1

**Recognizable.**
The logo is legible, distinctive, and connects to the City.

2

**Versatile.** Ability to use the logo across collateral and diverse sectors is key.

3

**Engaging.** With clean lines and a friendly font, the logo aims to invite people in.

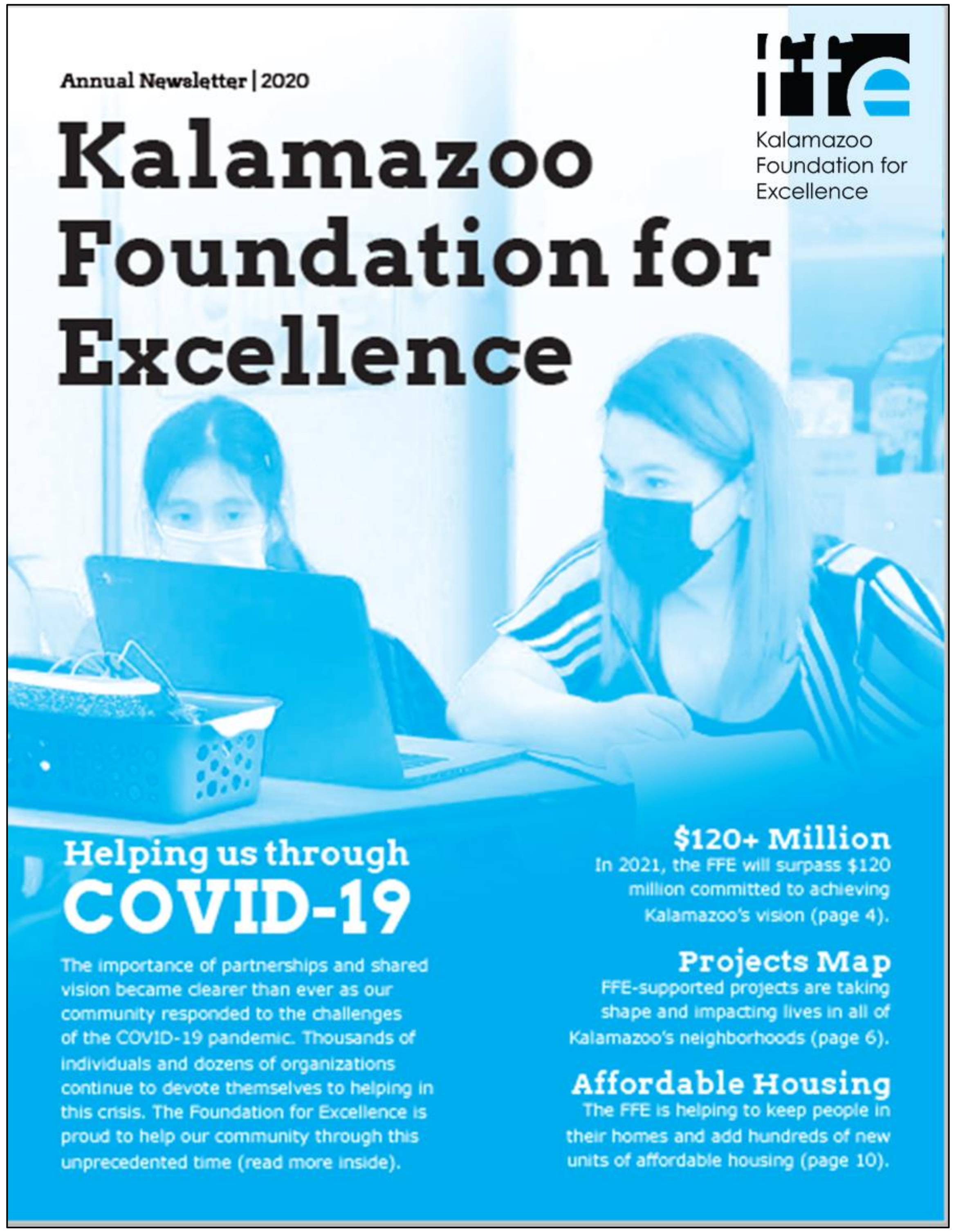
# Logo Options

| Color | Black | White |
|---|---|---|
| Kalamazoo Foundation for Excellence | Kalamazoo Foundation for Excellence | Kalamazoo Foundation for Excellence |
| | | |
| Kalamazoo Foundation for Excellence | Kalamazoo Foundation for Excellence | Kalamazoo Foundation for Excellence |

# Sample Usage

Photo overlay


Newsletter




Envelope and Letterhead

# Next Steps

1

Approve the logo at the April 26 Annual Board of Directors Meeting.

2

Begin implementation on all internal FFE collateral, both print and digital.

3

Provide partners and grantees with the logo and recognition guidelines.

# FOUNDATION FOR EXCELLENCE

SUPPORTING THE CITY OF KALAMAZOO

Kalamazoo Foundation for Excellence

## OUR MISSION

FFE supports the goals of the City of Kalamazoo, funds aspirational projects, and empowers Kalamazoo residents to achieve the lives they want for themselves and their families.

## OUR HISTORY

A municipality like Kalamazoo would traditionally navigate financial challenges by increasing taxes or cutting services. FFE was founded in 2017 as an innovative solution that will serve as a model for others.

## OUR PRIORITIES

FFE funds projects in youth programming, parks, infrastructure, career development, transportation, economic and business support, and housing that touch every neighborhood in Kalamazoo.

## OUR IMPACT

FFE's impact begins and ends with residents. Residents identify needs, FFE funds projects and City partnerships to address those needs and advance the transformational goals of Imagine Kalamazoo 2025.

# $120 MILLION INVESTED TO DATE

Imagine a vibrant, prosperous, and equitable city, where people want to live, work, and raise families. Imagine being a more beautiful and livable city each year, more innovative and connected. Imagine having more jobs, less poverty, and opportunities for young people to the jump-start the lives they want. Since 2017, FFE has invested more than $120 million to make this vision possible.


**$60.1 MILLION**

Property Tax Savings

The 2017 decrease to 12 mills applied to all individuals and businesses that are subject to City property taxes, regardless of their income level, and are intended to be permanent.

**$44.8 MILLION**

Community Projects

These transformational investments include youth employment programs, neighborhood revitalization efforts, and small-business incubation, to name a few.

**$16.2 MILLION**

Budget Stabilization

A stable city budget ensures that local government can deliver basic services and plan for the implementation of highly impactful and equitable community investments.

# OUR COMMUNITY

### Leaders

Include a brief quote from the featured Director's testimonial to demonstrate and FFE's impact.

### Grantees

Include a brief quote from the featured grantee's testimonial to demonstrate FFE's impact.

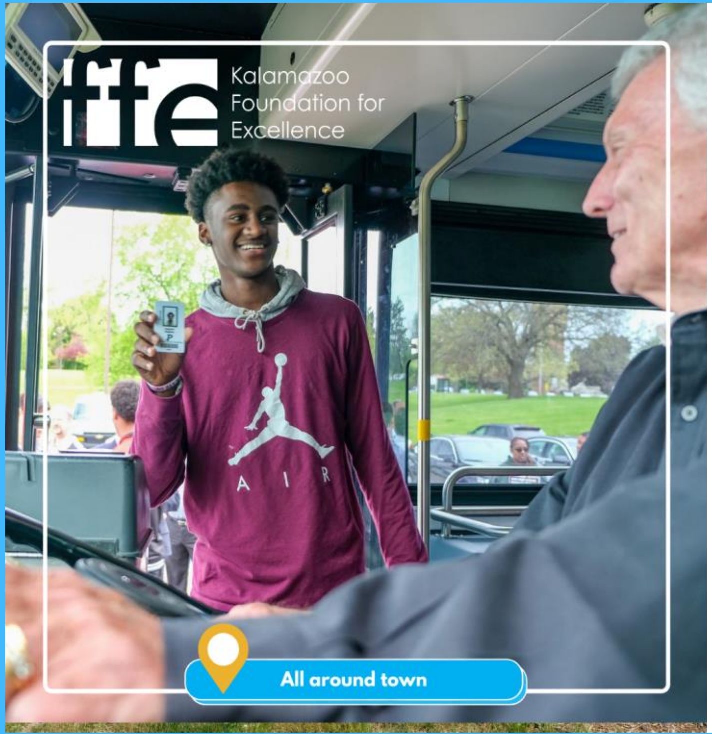
### Partners

Include a brief quote from the featured partner's testimonial to demonstrate FFE's impact.

### Residents

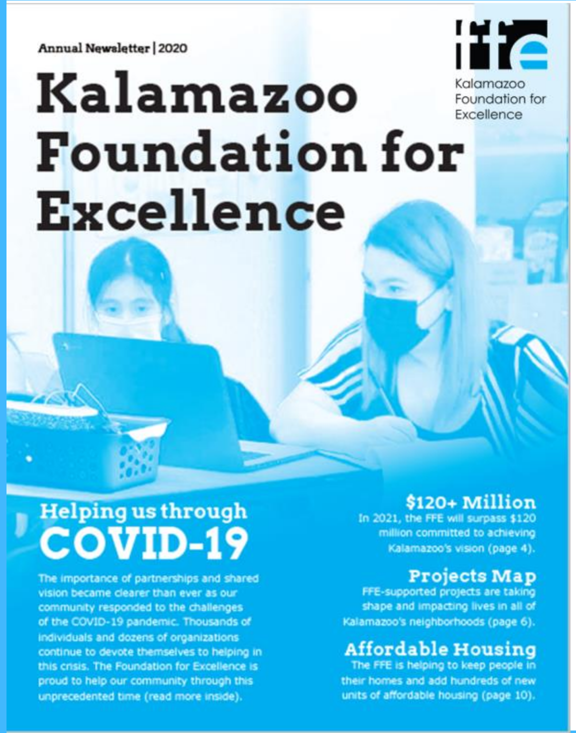
Include a brief quote from the featured resident's testimonial to demonstrate FFE's impact.

# RECENT STORIES




## PROJECT TITLE

This could be a space to share a recent social media post that highlights an FFE-funded project.



Annual Newsletter | 2020

ffe Kalamazoo Foundation for Excellence

**Kalamazoo Foundation for Excellence**

**Helping us through COVID-19**

The importance of partnerships and shared vision became clearer than ever as our community responded to the challenges of the COVID-19 pandemic. Thousands of individuals and dozens of organizations continue to devote themselves to helping in this crisis. The Foundation for Excellence is proud to help our community through this unprecedented time (read more inside).

**$120+ Million**

In 2021, the FFE will surpass $120 million committed to achieving Kalamazoo's vision (page 4).

**Projects Map**

FFE-supported projects are taking shape and impacting lives in all of Kalamazoo's neighborhoods (page 6).

**Affordable Housing**

The FFE is helping to keep people in their homes and add hundreds of new units of affordable housing (page 10).

## NEW RESOURCE

This could be a space to share the latest FFE newsletter, a report, or an article about FFE's work in the community.

# RESOURCES

Leadership

Past FFE Newsletters

Document Library

Imagine Kalamazoo 2025

**EMAIL:**
FFE@kalamazoocity.org

**ADDRESS:**
241 West South Street
Kalamazoo, MI 49007

**KEEP IN TOUCH:**

# BOARD OF DIRECTORS

## Bylaws

Within FFE's 15-member Board of Directors,  10 members represent Kalamazoo's diverse community interests, businesses, and neighborhoods, and the remaining five represent the City of Kalamazoo. FFE seeks to cultivate a Board that is representative of the community and that will add unique insights about every facet of Kalamazoo.

One-third of board positions expire each year, so there are ongoing opportunities for everyone in our community to participate. Positions expire on June 30 each year and vacancies are announced along with application instructions in December.

## Current Membership

Dr. Angela Graham-Williams, President
David Anderson
Jeanne Hess
Charlene Taylor
James K. Ritsema, President
Sandra Calderon-Huezo
Stephanie Hoffman
Jack C. Urban
Adam McFarlin, Treasurer
Alisa Carrel
Rachel Lonberg
Von Washington, Jr.
Barbara Hamilton-Miller, Secretary
Nathan Dannison
Alice Taylor
Bobby J. Hopewell, Emeritus

## FFE Staff

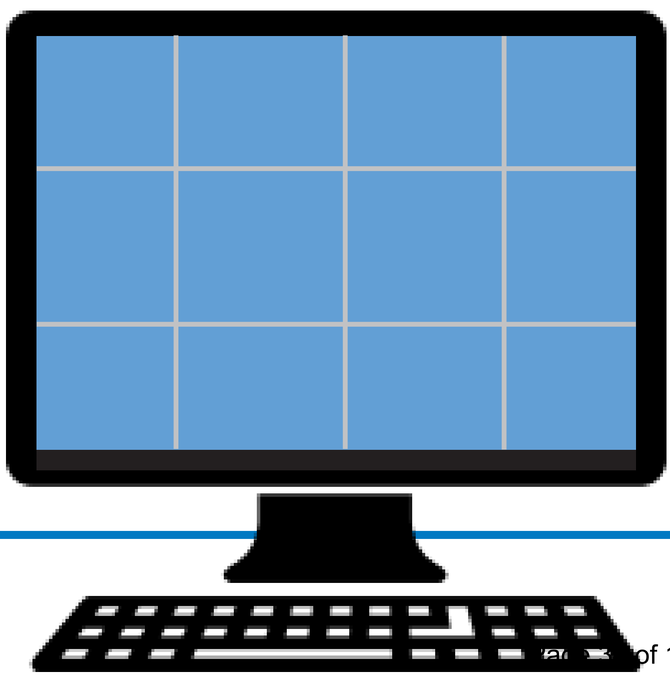
The City employs five full time positions to manage the governance of the foundation and administer its programs in collaboration with department staff and community partners.

These positions includes Deputy City Manager Laura Lam, Foundation for Excellence Manager Steve Brown, Youth Development Coordinator Chad Wendt, Neighborhood Activator Katie Reilly, Shared Prosperity Coordinator Kevin Ford, and a Grants Specialist position.

DISABILITYnetwork Southwest Michigan

# Tips for more effective virtual meetings for people with disabilities

- Ask for accommodation needs before the meeting or during the registration process.
- Share all materials that will be introduced in advance.
- Send out the Zoom shortcuts ahead of time.
- Build in breaks for longer meetings.
- Identify yourself before you talk.
- Give participants the option to make comments in the chat box or by talking.
- Read the chat box to the whole group.
- Describe all graphics or visuals that are being shared on the screen.
- Encourage one person talking at a time.
- Have your video on when you are talking so a person can read your lips.
- Mute your microphone when you are not talking to reduce background noise.
- Be close to the camera.
- Don't put your hands, food, drinks or other objects in front of your face when talking.
- Give contact information for participants to follow up later with questions or comments.
- If you don't know ask!



Date: **4/26/2021 FFE**
Item: **C.2.**

# Foundation for Excellence Agenda Report

Kalamazoo Foundation for Excellence

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

**FROM:** Prepared by: Steve Brown, Foundation for Excellence Manager
Reviewed by: Steve Vicenzi, CFO

**DATE:** April 26, 2021

**SUBJECT:**

Finance Committee Report

**RECOMMENDATION:**

Review and approve the attached Finance Committee Report.

**BACKGROUND:**

**Annual Audit and Annual Reporting**
The Finance Committee recommended at its first meeting of the year to complete annual financial compliance as laid out in Sections 4 and 6 of the FFE Bylaws, which includes selecting an auditor and preparing financial statements and reports.

+ An FFE Income Statement.
+ Year-end balance sheet, including trust funds and funds restricted by donors or the Board.
+ A written notice addressed to the City Manager and Mayor describing the type and amount of all of the support the Corporation provided to the City during the Corporation's taxable year immediately preceding the taxable year in which the written notice is provided.
+ A copy of the Corporation's Form 990.
+ An annual report from the City Manager to reflect its use of funds received from the

Corporation for the previous year and a report regarding projects and initiatives undertaken with the funds distributed by the Corporation.

**Endowment Investment Report**
The most recent Investment Report of the FFE Investment Subcommittee, dated February 24, 2021, is attached for Board review.

**STRATEGIC VISION ALIGNMENT:**

**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.

**FISCAL IMPACT:**

THE CITY OF Kalamazoo

**OFFICE OF THE CITY MANAGER**
241 W. South Street
Kalamazoo, MI 49007-4796
Phone: (269) 337-8047
Fax: (269) 337-8182
www.kalamazoocity.org

## MEMORANDUM

**Date:** March 1, 2021

**To:** The Board of Directors of the Kalamazoo Foundation for Excellence

**From:** James K. Ritsema, ICMA-CM

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Ladies and Gentlemen of the Board;

The following report is submitted in compliance with Section 4.18 – Report to Directors, of the Foundation for Excellence bylaws, which states:

> *"An annual report from the City Manager to reflect its use of funds received from the Corporation for the previous year and a report regarding projects and initiatives undertaken with the funds distributed by the Corporation."*

Although the City of Kalamazoo did not receive any funds from the Foundation for Excellence in fiscal year 2020, I would like to take this opportunity to direct you to the Investment Map on the FFE Website at www.kalamazoocity.org/ffe, as well as the "Projects" page of the www.Imaginekalamazoo.com to follow initiatives undertaken during the MOU period.

The City Commission approved a fiscal year 2020 allocation for Foundation for Excellence (FFE) activities in the amount of $24,979,830 with passage of the City's budget on January 21, 2020. Of this sum, $4.12 million was allocated for budget stabilization, $12,591,300 for implementing the city tax reduction, and $8,268,530 for aspirational City programs.

The City is profoundly grateful for the existence of the Foundation for Excellence and looks forward to our ongoing relationship to benefit everyone in the Kalamazoo community.

Sincerely,

James K. Ritsema, ICMA-CM
City Manager

Foundation for Excellence
241 W. South Street
Kalamazoo, MI 49007
www.kalamazoocity.org/ffe
(269) 337-8047

# MEMORANDUM

**Date:** March 15, 2021

**To:** Mayor of the City of Kalamazoo
The Kalamazoo City Manager

**From:** The Treasurer, Kalamazoo Foundation for Excellence

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Mayor Anderson and City Manager Ritsema;

The following report is submitted by me, Alisa Carrel, Treasurer of the Foundation for Excellence, in compliance with Section 4.18 – Report to Directors, of our bylaws, which states that:

> *"A written notice addressed to the City Manager and Mayor describing the type and amount of all of the support the Corporation provided to the City during the Corporation's taxable year immediately preceding the taxable year in which the written notice is provided."*

The Foundation for Excellence provided no support to the City of Kalamazoo from January 1, 2020, to December 31, 2020.

Respectfully Yours,

Alisa J. Carrel

Alisa Carrel
Treasurer, Stakeholder Director – Arts

Foundation for Excellence
241 W. South Street
Kalamazoo, MI 49007
www.kalamazoocity.org/ffe
(269) 337-8047

March 25, 2021

Maner Costerisan
2425 E. Grand River Avenue, Suite 1
Lansing, MI 48912

This representation letter is provided in connection with your audit of the financial statements of the Kalamazoo Foundation for Excellence (the Foundation), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of March 25, 2021, the following representations made to you during your audit.

**Financial Statements**

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated January 22, 2021, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.

2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP.

3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

5. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.

6. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with U.S. GAAP.

7. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.

8. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.

9. We are in agreement with the adjusting journal entries you have proposed, if any, and they have been posted to the Foundation's accounts. In this case, no representation about uncorrected misstatements is necessary.

10. Material concentrations have been appropriately disclosed in accordance with U.S. GAAP.

11. Guarantees, whether written or oral, under which the Foundation is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.

12. Receivables recorded in the financial statements represent valid claims against debtors for sales or other charges arising on or before the balance sheet date and have been reduced to their estimated net realizable value.

13. In regards to the non-attest services performed by you as identified in the attached addendum, we have:

    a. Made all management decisions and performed all management functions.

    b. Designated an individual with suitable skill, knowledge, or experience to oversee the services.

    c. Evaluated the adequacy and results of the services performed.

    d. Accepted responsibility for the results of the services.

**Information Provided**

14. We have provided you with:

    a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.

    b. Additional information that you have requested from us for the purpose of the audit.

    c. Unrestricted access to persons within the Foundation from whom you determined it necessary to obtain audit evidence.

    d. Minutes of the meetings of the governing board or summaries of actions of recent meetings for which minutes have not yet been prepared.

15. All material transactions have been recorded in the accounting records and are reflected in the financial statements.

Foundation for Excellence
241 W. South Street
Kalamazoo, MI 49007
www.kalamazoocity.org/ffe
(269) 337-8047

16. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

17. We have no knowledge of any fraud or suspected fraud that affects the Foundation and involves:

    - Management,
    - Employees who have significant roles in internal control, or
    - Others where the fraud could have a material effect on the financial statements.

18. We have no knowledge of any allegations of fraud or suspected fraud affecting the Foundation's financial statements communicated by employees, former employees, grantors, regulators, or others.

19. We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.

20. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.

21. We have disclosed to you the identity of the Foundation's related parties and all the related party relationships and transactions of which we are aware.

22. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us.

23. Kalamazoo Foundation for Excellence is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Foundation's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.

Signature: ____________________ Signature: ____________________

Title: Foundation for Excellence Manager____ Title: Foundation for Excellence CFO____

Foundation for Excellence
241 W. South Street
Kalamazoo, MI 49007
www.kalamazoocity.org/ffe
(269) 337-8047

**ADDENDUM TO REPRESENTATION LETTER**

As part of the audit engagement, you have provided these services as “non-attest” or “non-audit” services.

- Preparation of the financial statements, including the related notes.
- Assistance with the preparation and submission of audit financial information required by law or regulations.
- Access to a secure portal for use in exchanging information electronically.
- Preparation and submission of the Form 990.

# KALAMAZOO FOUNDATION FOR EXCELLENCE

## REPORT ON FINANCIAL STATEMENTS

## YEAR ENDED DECEMBER 31, 2020

Maner Costerisan
Certified Public Accountants
Business & Technology Advisors

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Maner Costerisan
Certified Public Accountants
Business & Technology Advisors

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www.manercpa.com

# INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Kalamazoo Foundation For Excellence
Kalamazoo, Michigan

We have audited the accompanying financial statements of Kalamazoo Foundation For Excellence (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Kalamazoo Foundation For Excellence as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Maner Costerisan PC

March 25, 2021

**KALAMAZOO FOUNDATION FOR EXCELLENCE**
**STATEMENT OF FINANCIAL POSITION**
**DECEMBER 31, 2020**

| | | |
|---|---|---|
| ASSETS | | |
| Current assets | | |
| Cash and cash equivalents | $ | 23,729 |
| Contributions receivable | | 28,119 |
| Total current assets | | 51,848 |
| Noncurrent assets | | |
| Investments | | 95,765,822 |
| TOTAL ASSETS | $ | 95,817,670 |
| LIABILITIES AND NET ASSETS | | |
| Current liabilities | | |
| Accounts payable | $ | 26,904 |
| Due to City of Kalamazoo | | 1,001 |
| TOTAL LIABILITIES | | 27,905 |
| NET ASSETS | | |
| Without donor restrictions | | 95,738,765 |
| With donor restrictions - purpose restricted | | 51,000 |
| TOTAL NET ASSETS | | 95,789,765 |
| TOTAL LIABILITIES AND NET ASSETS | $ | 95,817,670 |

See accompanying notes to financial statements.

**KALAMAZOO FOUNDATION FOR EXCELLENCE**
**STATEMENT OF ACTIVITIES**
**YEAR ENDED DECEMBER 31, 2020**

| | Without Donor Restrictions | With Donor Restrictions | Total |
|---|---|---|---|
| SUPPORT AND REVENUE | | | |
| Contributions | $ 90,003,075 | $ 7,227 | $ 90,010,302 |
| Investment return, net | 5,735,690 | - | 5,735,690 |
| TOTAL SUPPORT AND REVENUE | 95,738,765 | 7,227 | 95,745,992 |
| TOTAL EXPENSES | - | - | - |
| CHANGE IN NET ASSETS | 95,738,765 | 7,227 | 95,745,992 |
| Net assets, beginning of year | - | 43,773 | 43,773 |
| Net assets, end of year | $ 95,738,765 | $ 51,000 | $ 95,789,765 |

See accompanying notes to financial statements.

# KALAMAZOO FOUNDATION FOR EXCELLENCE
# STATEMENT OF FUNCTIONAL EXPENSES
# YEAR ENDED DECEMBER 31, 2020

| | Program Services | | | Supporting Services | |
|---|---|---|---|---|---|
| | Operational Assistance | Aspirational Projects | Total Program Services | General and Administrative | Total |
| TOTAL EXPENSES | $ - | $ - | $ - | $ - | $ - |

See accompanying notes to financial statements.

**KALAMAZOO FOUNDATION FOR EXCELLENCE**
**STATEMENT OF CASH FLOWS**
**YEAR ENDED DECEMBER 31, 2020**

| | |
|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Change in net assets | $ 95,745,992 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities | |
| Contributed stock | (90,003,075) |
| Realized and unrealized (gain) on investments | (5,253,856) |
| Increase in: | |
| Accounts payable | 26,403 |
| Due to City of Kalamazoo | 501 |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | 515,965 |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Purchases of investments | (81,876,257) |
| Sales of investments | 81,367,366 |
| NET CASH USED BY INVESTING ACTIVITIES | (508,891) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 7,074 |
| Cash, beginning of year | 16,655 |
| Cash and cash equivalents, end of year | $ 23,729 |

See accompanying notes to financial statements.

**KALAMAZOO FOUNDATION FOR EXCELLENCE**
**NOTES TO FINANCIAL STATEMENTS**

## NOTE 1 - NATURE OF THE ORGANIZATION

The mission of Kalamazoo Foundation For Excellence (the Foundation) is to "support the goals of the City of Kalamazoo, fund aspirational investments in the City, and empower Kalamazoo residents to achieve the lives they want for themselves and their families."

The Foundation was created to help the City of Kalamazoo accomplish priorities established, from time to time, by the City Commission to set the course for the City of Kalamazoo's future direction, to provide budget stability to the City resulting from the City's reduction of the ad valorem tax rate on property in addition to the reduction of payments received from the State, to provide for aspirational projects which the City of Kalamazoo wishes to undertake, and to perform any activities that may assist in exploring budgetary savings of the City or assisting the City which would be the best way to utilize the grants transferred to the City from the Foundation. The majority of the Foundation's revenue is from donations received from the general public.

The Foundation will make annual distributions to the City authorized by majority vote of the Board of Directors in an amount that is:

a. Equal to the difference between the amount that the City would have received in property tax revenue for the fiscal year-in-question calculated using a millage rate of 19.2705 mills ($19.2705 per $1,000 of taxable value) and the property tax revenue the City is budgeted to receive for the fiscal year-in-question under the City's proposed millage rate, plus,

b. A budget stabilization payment of $4,000,000 for fiscal year 2019 and thereafter, adjusted annually by the Municipal Cost Index, and

c. Additional annual distributions may be approved and made by the Foundation if requests are consistent with the Foundation's purposes and consistent with donor intent.

The Foundation has not made any distributions to the City to date. The first distributions are not anticipated to be made until 2023.

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Foundation's accounting policies conform to U.S. generally accepted accounting principles (GAAP) as applicable to nonprofit entities. The Financial Accounting Standards Board (FASB) is the accepted standard-setting body for establishing nonprofit accounting and financial reporting principles.

The following is a summary of the significant accounting policies of the Foundation:

**Basis of Accounting -** The Foundation utilizes the accrual method of accounting, which recognizes income when earned and expenses when incurred.

**Cash and Cash Equivalents -** Cash and cash equivalents consist of cash accounts and money market funds. The Foundation considers short-term highly liquid investments with maturities of three months or less as cash equivalents. Cash included in the investment category is not classified as a cash or cash equivalent.

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Investments** - Investments are stated at fair value. Net investment return is included in the statement of activities and consists of interest and dividend income, realized and unrealized gains and losses, less investment expenses. Investments are recorded as long-term as it is management's intent to hold for long-term purposes and not spend in the next 12 months. See Note 5 for discussion of fair value measurements.

Investments are managed by professional advisors subject to the Foundation's investment policy. The degree and concentration of market and credit risk vary by type of investment.

**Contributions Receivable** - Contributions receivable consists mainly of amounts due for contributions that have been collected by the City of Kalamazoo but not yet remitted to the Foundation.

**Net Assets** - Net assets, revenues, gains and losses are classified on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net assets without donor restrictions* - Net assets available for use in general operations and not subject to donor or grantor restrictions.

*Net assets with donor restrictions* - Net assets subject to donor (or grantor) imposed restrictions. Some donor restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor restrictions are perpetual in nature, where the donor stipulates that resources are maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, or when the stipulated purpose has been accomplished. At December 31, 2020, the Foundation reported net assets with donor restrictions totaling $51,000 for aspirational projects within the City of Kalamazoo.

**Revenue and Revenue Recognition** - Contributions of cash and other assets received without donor stipulations are reported as revenue and net assets without donor restrictions. Gifts received with a donor stipulation that limits their use are reported as revenue and net assets with donor restrictions. When a donor-stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Unconditional contributions expected to be collected within one year are reported at their net realizable value. Unconditional contributions expected to be collected in future years are initially reported at fair value determined using the discounted present value of estimated future cash flows technique. The resulting discount is amortized using the level-yield method and is reported as contribution revenue.

Conditional contributions depend on the occurrence of a specified future and uncertain event to bind the donor and are recognized as assets and revenue when the conditions are substantially met, and the gift becomes unconditional.

**Functional Expense Allocation** - The costs of providing program and other activities have been reported in the statement of activities. The statement of functional expenses presents the natural classification of expenses that are allocated to program or supporting functions of the Foundation. Allocated expenses will primarily consist of personnel costs, professional fees, and general expenses based on an analysis of wages and management's estimated use of resources. For the year ended December 31, 2020, the Foundation had only supporting services expenses.

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

**Concentration of Risk** - The Foundation is required to disclose significant concentrations of risk regardless of the degree of such risk. Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash and cash equivalents, investments, and contributions receivable. The Foundation places its cash with FDIC insured financial institutions. Although such cash balances exceeded the federally insured limits at certain times during the year, they are, in the opinion of management, subject to minimal risk. The Foundation has not experienced losses in any of these accounts.

Credit risk associated with contributions receivable is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from foundations supportive of the Foundation's mission.

Investments are maintained with diversified investment managers whose performance is monitored by management of the Foundation and the investment committee of the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, the Foundation believes that the investment policies and guidelines are prudent for the long-term welfare of the Foundation.

**Subsequent Events** - In preparing these financial statements, the Foundation's management has evaluated events and transactions for potential recognition or disclosure through March 25, 2021, the date the financial statements were available to be issued.

## NOTE 3 - TAX STATUS

The Foundation is exempt from U.S. federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except for tax on "unrelated business income", as defined. The Foundation is not classified as a private foundation. No provision for U.S. income taxes is required.

In preparation of tax returns, tax positions are taken based on interpretation of income tax laws. Management periodically reviews and evaluates the status of uncertain tax positions and makes estimates of amounts, including interest and penalties, ultimately due or owed. No amounts have been recorded in the financial statements as uncertain positions. Tax returns generally remain open for examination by the various taxing authorities for a period of three to four years.

## NOTE 4 - LIQUIDITY AND AVAILABILITY

The Foundation regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Foundation considers all expenditures related to its ongoing program service activities as well as the conduct of services undertaken to support those activities to be general expenditures.

The following table reflects the Foundation's financial assets as of December 31, 2020, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date. Amounts appropriated from net assets with donor restrictions with one year of the date of the statement of financial position are considered available.

| | |
|---|---|
| Financial assets available at year-end | |
| Cash | $ 23,729 |
| Contributions receivable | 28,119 |
| Investments | 95,765,822 |
| Total financial assets available at year-end | 95,817,670 |
| Donor imposed restrictions | |
| Less purpose restricted funds | (51,000) |
| Financial assets available to meet cash needs for general expenditures within one year | $ 95,766,670 |

The overall investment goal of the management of the assets of the Foundation is to maximize the likelihood of meeting the Foundation's spending objectives in perpetuity as it relates to the Foundation's mission and to the disbursement of funds by the Foundation's Board of Directors.

In addition, the investment goals include:

- Maintaining the ability to pay all distributions and obligations when due
- Maximizing return within reasonable and prudent levels of risk
- Preserving the real (i.e. inflation adjusted) purchasing power of assets.

In addition to financial assets available to meet general expenditures over the next 12 months, the Foundation operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures. Investments that are considered long term on the statement of financial position are included in the financial assets available to meet cash needs for general expenditures and could be used to meet general expenditures.

## NOTE 5 - FAIR VALUE MEASUREMENTS

GAAP have established a hierarchy that prioritizes the inputs to valuation techniques giving the highest priority to readily available unadjusted quoted prices in active markets for identical assets (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements) when market prices are not readily available or reliable. The three levels of the hierarchy under GAAP are described below.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that we can access at the measurement date.

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 Unobservable inputs for the asset or liability. In these situations, we develop inputs using the best information available in the circumstances.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2020.

*Mutual funds*: Valued at the daily closing price as reported by the fund. Mutual funds held by the Foundation are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Foundation are deemed to be actively traded.

*Debt instruments - corporate bonds and U.S. government securities*: The investment grade debt securities held by the Foundation often do not trade in active markets on the measurement date. If they do, they are measured at the closing price in that active market. In the absence of a trade on the measurement date for the identical security in an active market, corporate bonds and U.S. government securities are valued using inputs including yields currently available on comparable securities of issuers with similar credit ratings, recent market price quotations (where observable), bond spreads, and fundamental data relating to the issuer.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

## NOTE 5 - FAIR VALUE MEASUREMENTS (continued)

The following is market value summary by the level of inputs used, as of December 31, 2020, in evaluating the Foundation's assets carried at fair value. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities.

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| U.S. equities | | | | |
| Mutual funds | $ 53,787,912 | $ - | $ - | $ 53,787,912 |
| U.S. fixed income | | | | |
| Corporate securities | - | 15,105,259 | - | 15,105,259 |
| Government and agencies | - | 24,767,853 | - | 24,767,853 |
| International fixed income | | | | |
| Corporate securities | - | 2,104,798 | - | 2,104,798 |
| Total | $ 53,787,912 | $ 41,977,910 | $ - | $ 95,765,822 |

## NOTE 6 - INVESTMENTS

The following table summarizes the cost basis and fair value (carrying value) of investments as of December 31, 2020.

| | Cost | Fair Value |
|---|---|---|
| U.S. equities | | |
| Mutual funds | $ 41,159,862 | $ 53,787,912 |
| U.S. fixed income | | |
| Corporate securities | 14,659,166 | 15,105,259 |
| Governement and agencies | 24,691,205 | 24,767,853 |
| International fixed income | | |
| Corporate securities | 2,038,992 | 2,104,798 |
| Total | $ 82,549,225 | $ 95,765,822 |

## NOTE 7 - CONTRIBUTIONS RECEIVABLE

At December 31, 2020, contributions receivable consisted of $28,119 due from the City of Kalamazoo for contributions collected on behalf of the Foundation.

## NOTE 8 - RELIANCE ON FUNDING SOURCES

The Foundation receives a substantial amount of their support from donations made by the general public. A significant reduction in the level of this support, if it were to occur, would have an effect on the Foundation's programs and activities.

## NOTE 9 - UNCERTANTIES

The extent of the impact of COVID-19 on the Foundation's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on services, employees, and vendors all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact the financial condition and results of operations is uncertain.

Form **8879-EO**

Department of the Treasury
Internal Revenue Service

# IRS e-file Signature Authorization for an Exempt Organization

For calendar year 2020, or fiscal year beginning ______________ , 2020, and ending ______________ , 20 ___

▶ **Do not send to the IRS. Keep for your records.**

▶ **Go to www.irs.gov/Form8879EO for the latest information.**

OMB No. 1545-0047

**2020**

| Name of exempt organization or person subject to tax | Taxpayer identification number |
|---|---|
| KALAMAZOO FOUNDATION FOR EXCELLENCE | 82-2587771 |

Name and title of officer or person subject to tax
STEVE VICENZI
CFO

## Part I — Type of Return and Return Information (Whole Dollars Only)

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line **1a, 2a, 3a, 4a, 5a, 6a,** or **7a** below, and the amount on that line for the return being filed with this form was blank, then leave line **1b, 2b, 3b, 4b, 5b, 6b,** or **7b,** whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than one line in Part I.

| | | | | |
|---|---|---|---|---|
| **1a Form 990** check here ▶ [X] | **b Total revenue,** if any (Form 990, Part VIII, column (A), line 12) | 1b | 82,875,656. |
| **2a Form 990-EZ** check here ▶ [ ] | **b Total revenue,** if any (Form 990-EZ, line 9) | 2b | |
| **3a Form 1120-POL** check here ▶ [ ] | **b Total tax** (Form 1120-POL, line 22) | 3b | |
| **4a Form 990-PF** check here ▶ [ ] | **b Tax based on investment income** (Form 990-PF, Part VI, line 5) | 4b | |
| **5a Form 8868** check here ▶ [ ] | **b Balance due** (Form 8868, line 3c) | 5b | |
| **6a Form 990-T** check here ▶ [ ] | **b Total tax** (Form 990-T, Part III, line 4) | 6b | |
| **7a Form 4720** check here ▶ [ ] | **b Total tax** (Form 4720, Part III, line 1) | 7b | |

## Part II — Declaration and Signature Authorization of Officer or Person Subject to Tax

Under penalties of perjury, I declare that [X] I am an officer of the above organization or [ ] I am a person subject to tax with respect to (name of organization) ______________________________ , (EIN) ______________ and that I have examined a copy of the 2020 electronic return and accompanying schedules and statements, and, to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the return to the IRS and to receive from the IRS **(a)** an acknowledgement of receipt or reason for rejection of the transmission, **(b)** the reason for any delay in processing the return or refund, and **(c)** the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the electronic return and, if applicable, the consent to electronic funds withdrawal.

**PIN: check one box only**

[X] I authorize MANER COSTERISAN PC to enter my PIN 12345
ERO firm name — Enter five numbers, but do not enter all zeros

as my signature on the tax year 2020 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

[ ] As an officer or person subject to tax with respect to the organization, I will enter my PIN as my signature on the tax year 2020 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Signature of officer or person subject to tax ▶ Date ▶

## Part III — Certification and Authentication

**ERO's EFIN/PIN.** Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN. 38015723456
Do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2020 electronically filed return indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 4163,** Modernized e-File (MeF) Information for Authorized IRS *e-file* Providers for Business Returns.

ERO's signature ▶ MANER COSTERISAN PC Date ▶ 04/17/21

**ERO Must Retain This Form - See Instructions**
**Do Not Submit This Form to the IRS Unless Requested To Do So**

Form **990**

Department of the Treasury
Internal Revenue Service

# Return of Organization Exempt From Income Tax

**Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)**

▶ Do not enter social security numbers on this form as it may be made public.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

**2020**

**Open to Public Inspection**

**A** For the 2020 calendar year, or tax year beginning and ending

**B** Check if applicable: ☐ Address change ☐ Name change ☐ Initial return ☐ Final return/terminated ☐ Amended return ☐ Application pending

**C** Name of organization: KALAMAZOO FOUNDATION FOR EXCELLENCE

Doing business as

Number and street (or P.O. box if mail is not delivered to street address): 241 W. SOUTH STREET — Room/suite

City or town, state or province, country, and ZIP or foreign postal code: KALAMAZOO, MI 49007

**D** Employer identification number: 82-2587771

**E** Telephone number: 269-337-8047

**G** Gross receipts $ 172,133,927.

**F** Name and address of principal officer: STEVE VICENZI
SAME AS C ABOVE

**H(a)** Is this a group return for subordinates? ☐ Yes ☒ No

**H(b)** Are all subordinates included? ☐ Yes ☐ No
If "No," attach a list. See instructions

**H(c)** Group exemption number ▶

**I** Tax-exempt status: ☒ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527

**J** Website: ▶ WWW.KALAMAZOOCITY.ORG/FFE

**K** Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

**L** Year of formation: 2017 **M** State of legal domicile: MI

## Part I Summary

**Activities & Governance**

1 Briefly describe the organization's mission or most significant activities: TO SUPPORT THE GOALS OF THE CITY OF KALAMAZOO, FUND INVESTMENTS, AND EMPOWER RESIDENTS.

2 Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.

| | | | |
|---|---|---|---|
| 3 | Number of voting members of the governing body (Part VI, line 1a) | 3 | 16 |
| 4 | Number of independent voting members of the governing body (Part VI, line 1b) | 4 | 16 |
| 5 | Total number of individuals employed in calendar year 2020 (Part V, line 2a) | 5 | 0 |
| 6 | Total number of volunteers (estimate if necessary) | 6 | 16 |
| 7a | Total unrelated business revenue from Part VIII, column (C), line 12 | 7a | 0. |
| b | Net unrelated business taxable income from Form 990-T, Part I, line 11 | 7b | 0. |

| | | | Prior Year | Current Year |
|---|---|---|---|---|
| Revenue | 8 | Contributions and grants (Part VIII, line 1h) | 6,889. | 90,010,302. |
| | 9 | Program service revenue (Part VIII, line 2g) | 0. | 0. |
| | 10 | Investment income (Part VIII, column (A), lines 3, 4, and 7d) | 0. | -7,134,646. |
| | 11 | Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) | 0. | 0. |
| | 12 | Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) | 6,889. | 82,875,656. |
| Expenses | 13 | Grants and similar amounts paid (Part IX, column (A), lines 1-3) | 0. | 0. |
| | 14 | Benefits paid to or for members (Part IX, column (A), line 4) | 0. | 0. |
| | 15 | Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) | 0. | 0. |
| | 16a | Professional fundraising fees (Part IX, column (A), line 11e) | 0. | 0. |
| | b | Total fundraising expenses (Part IX, column (D), line 25) ▶ 0. | | |
| | 17 | Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) | 562. | 274,424. |
| | 18 | Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) | 562. | 274,424. |
| | 19 | Revenue less expenses. Subtract line 18 from line 12 | 6,327. | 82,601,232. |
| | | | **Beginning of Current Year** | **End of Year** |
| Net Assets or Fund Balances | 20 | Total assets (Part X, line 16) | 44,774. | 95,817,670. |
| | 21 | Total liabilities (Part X, line 26) | 1,001. | 27,905. |
| | 22 | Net assets or fund balances. Subtract line 21 from line 20 | 43,773. | 95,789,765. |

## Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

▶ Signature of officer — Date

▶ STEVE VICENZI, CFO
Type or print name and title

**Paid Preparer Use Only**

| Print/Type preparer's name | Preparer's signature | Date | Check ☐ if self-employed | PTIN |
|---|---|---|---|---|
| BRANDY L. TERWILLIGER, CP | BRANDY L. TERWILLIGE | 04/17/21 | | P00645694 |

Firm's name ▶ MANER COSTERISAN PC — Firm's EIN ▶ 38-2157642

Firm's address ▶ 2425 E. GRAND RIVER, SUITE 1
LANSING, MI 48912-3291 — Phone no. 517-323-7500

May the IRS discuss this return with the preparer shown above? See instructions ☒ Yes ☐ No

032001 12-23-20 LHA **For Paperwork Reduction Act Notice, see the separate instructions.** Form **990** (2020)

DRAFT

**Part III** **Statement of Program Service Accomplishments**

Check if Schedule O contains a response or note to any line in this Part III ☐

**1** Briefly describe the organization's mission:
THE MISSION OF THE KALAMAZOO FOUNDATION FOR EXCELLENCE IS TO SUPPORT THE GOALS OF THE CITY OF KALAMAZOO, FUND ASPIRATIONAL INVESTMENTS IN THE CITY, AND EMPOWER KALAMAZOO RESIDENTS TO ACHIEVE THE LIVES THEY WANT FOR THEMSELVES AND THEIR FAMILIES.

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No
If "Yes," describe these new services on Schedule O.

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No
If "Yes," describe these changes on Schedule O.

**4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

**4a** (Code: ) (Expenses $ including grants of $ ) (Revenue $ )
SPURRED THE EXPANSIONS OF SUCCESSFUL YOUTH PROGRAMS AND SUPPORTED RENOVATIONS OF PARKS, NEIGHBORHOOD ENHANCMENT PROJECTS, CREATION OF AFFORDABLE HOUSING, SUPPORT OF SMALL BUSINESS ACTIVITY, AND OFFERED COVID-19 RELATED RELIEF.

**4b** (Code: ) (Expenses $ including grants of $ ) (Revenue $ )

**4c** (Code: ) (Expenses $ including grants of $ ) (Revenue $ )

**4d** Other program services (Describe on Schedule O.)
(Expenses $ including grants of $ ) (Revenue $ )

**4e** Total program service expenses ▶

**Part IV Checklist of Required Schedules**

| | | | Yes | No |
|---|---|---|---|---|
| 1 | Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A* | 1 | X | |
| 2 | Is the organization required to complete *Schedule B, Schedule of Contributors*? | 2 | X | |
| 3 | Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I* | 3 | | X |
| 4 | **Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II* | 4 | | X |
| 5 | Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III* | 5 | | X |
| 6 | Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I* | 6 | | X |
| 7 | Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II* | 7 | | X |
| 8 | Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III* | 8 | | X |
| 9 | Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV* | 9 | | X |
| 10 | Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? *If "Yes," complete Schedule D, Part V* | 10 | | X |
| 11 | If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable. | | | |
| a | Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI* | 11a | | X |
| b | Did the organization report an amount for investments - other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII* | 11b | | X |
| c | Did the organization report an amount for investments - program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII* | 11c | | X |
| d | Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX* | 11d | | X |
| e | Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X* | 11e | X | |
| f | Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X* | 11f | X | |
| 12a | Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII* | 12a | X | |
| b | Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional* | 12b | | X |
| 13 | Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E* | 13 | | X |
| 14a | Did the organization maintain an office, employees, or agents outside of the United States? | 14a | | X |
| b | Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV* | 14b | | X |
| 15 | Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or other assistance to or for any foreign organization? *If "Yes," complete Schedule F, Parts II and IV* | 15 | | X |
| 16 | Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or other assistance to or for foreign individuals? *If "Yes," complete Schedule F, Parts III and IV* | 16 | | X |
| 17 | Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I* | 17 | | X |
| 18 | Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II* | 18 | | X |
| 19 | Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III* | 19 | | X |
| 20a | Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H* | 20a | | X |
| b | If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? | 20b | | |
| 21 | Did the organization report more than $5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II* | 21 | | X |

**Part IV Checklist of Required Schedules** *(continued)*

| | | | Yes | No |
|---|---|---|---|---|
| 22 | Did the organization report more than $5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III* | 22 | | X |
| 23 | Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J* | 23 | | X |
| 24a | Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a* | 24a | | X |
| b | Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? | 24b | | |
| c | Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? | 24c | | |
| d | Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? | 24d | | |
| 25a | **Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I* | 25a | | X |
| b | Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I* | 25b | | X |
| 26 | Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part II* | 26 | | X |
| 27 | Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? *If "Yes," complete Schedule L, Part III* | 27 | | X |
| 28 | Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions, for applicable filing thresholds, conditions, and exceptions): | | | |
| a | A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? *If "Yes," complete Schedule L, Part IV* | 28a | | X |
| b | A family member of any individual described in line 28a? *If "Yes," complete Schedule L, Part IV* | 28b | | X |
| c | A 35% controlled entity of one or more individuals and/or organizations described in lines 28a or 28b? *If "Yes," complete Schedule L, Part IV* | 28c | | X |
| 29 | Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M* | 29 | X | |
| 30 | Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M* | 30 | | X |
| 31 | Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I* | 31 | | X |
| 32 | Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II* | 32 | | X |
| 33 | Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? *If "Yes," complete Schedule R, Part I* | 33 | | X |
| 34 | Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1* | 34 | X | |
| 35a | Did the organization have a controlled entity within the meaning of section 512(b)(13)? | 35a | | X |
| b | If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2* | 35b | | |
| 36 | **Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2* | 36 | | X |
| 37 | Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI* | 37 | | X |
| 38 | Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note:** All Form 990 filers are required to complete Schedule O | 38 | X | |

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

Check if Schedule O contains a response or note to any line in this Part V ☐

| | | | | | Yes | No |
|---|---|---|---|---|---|---|
| 1a | Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable | 1a | 2 | | | |
| b | Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable | 1b | 0 | | | |
| c | Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? | | | 1c | X | |

**Part V Statements Regarding Other IRS Filings and Tax Compliance** *(continued)*

| | | | | Yes | No |
|---|---|---|---|---|---|
| 2a | Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return | 2a 0 | | | |
| b | If at least one is reported on line 2a, did the organization file all required federal employment tax returns? | | 2b | | |
| | **Note:** If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* (see instructions) | | | | |
| 3a | Did the organization have unrelated business gross income of $1,000 or more during the year? | | 3a | | X |
| b | If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation on Schedule O* | | 3b | | |
| 4a | At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? | | 4a | | X |
| b | If "Yes," enter the name of the foreign country ▶ | | | | |
| | See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). | | | | |
| 5a | Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? | | 5a | | X |
| b | Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? | | 5b | | X |
| c | If "Yes" to line 5a or 5b, did the organization file Form 8886-T? | | 5c | | |
| 6a | Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? | | 6a | | X |
| b | If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? | | 6b | | |
| 7 | **Organizations that may receive deductible contributions under section 170(c).** | | | | |
| a | Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor? | | 7a | | X |
| b | If "Yes," did the organization notify the donor of the value of the goods or services provided? | | 7b | | |
| c | Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? | | 7c | | X |
| d | If "Yes," indicate the number of Forms 8282 filed during the year | 7d | | | |
| e | Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? | | 7e | | X |
| f | Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | | 7f | | X |
| g | If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? | | 7g | | |
| h | If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? | | 7h | | |
| 8 | **Sponsoring organizations maintaining donor advised funds.** Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year? | | 8 | | |
| 9 | **Sponsoring organizations maintaining donor advised funds.** | | | | |
| a | Did the sponsoring organization make any taxable distributions under section 4966? | | 9a | | |
| b | Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? | | 9b | | |
| 10 | **Section 501(c)(7) organizations.** Enter: | | | | |
| a | Initiation fees and capital contributions included on Part VIII, line 12 | 10a | | | |
| b | Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities | 10b | | | |
| 11 | **Section 501(c)(12) organizations.** Enter: | | | | |
| a | Gross income from members or shareholders | 11a | | | |
| b | Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) | 11b | | | |
| 12a | **Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041? | | 12a | | |
| b | If "Yes," enter the amount of tax-exempt interest received or accrued during the year | 12b | | | |
| 13 | **Section 501(c)(29) qualified nonprofit health insurance issuers.** | | | | |
| a | Is the organization licensed to issue qualified health plans in more than one state? | | 13a | | |
| | **Note:** See the instructions for additional information the organization must report on Schedule O. | | | | |
| b | Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans | 13b | | | |
| c | Enter the amount of reserves on hand | 13c | | | |
| 14a | Did the organization receive any payments for indoor tanning services during the tax year? | | 14a | | X |
| b | If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation on Schedule O* | | 14b | | |
| 15 | Is the organization subject to the section 4960 tax on payment(s) of more than $1,000,000 in remuneration or excess parachute payment(s) during the year? | | 15 | | X |
| | If "Yes," see instructions and file Form 4720, Schedule N. | | | | |
| 16 | Is the organization an educational institution subject to the section 4968 excise tax on net investment income? | | 16 | | X |
| | If "Yes," complete Form 4720, Schedule O. | | | | |

Form **990** (2020)

**Part VI Governance, Management, and Disclosure** *For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.*

Check if Schedule O contains a response or note to any line in this Part VI ..... X

## Section A. Governing Body and Management

| | | | | Yes | No |
|---|---|---|---|---|---|
| **1a** | Enter the number of voting members of the governing body at the end of the tax year ..... **1a** 16. If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O. | | | | |
| **b** | Enter the number of voting members included on line 1a, above, who are independent ..... **1b** 16 | | | | |
| **2** | Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? | | 2 | | X |
| **3** | Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person? | | 3 | | X |
| **4** | Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? | | 4 | | X |
| **5** | Did the organization become aware during the year of a significant diversion of the organization's assets? | | 5 | | X |
| **6** | Did the organization have members or stockholders? | | 6 | | X |
| **7a** | Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? | | 7a | | X |
| **b** | Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? | | 7b | | X |
| **8** | Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: | | | | |
| **a** | The governing body? | | 8a | X | |
| **b** | Each committee with authority to act on behalf of the governing body? | | 8b | X | |
| **9** | Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses on Schedule O* | | 9 | | X |

## Section B. Policies *(This Section B requests information about policies not required by the Internal Revenue Code.)*

| | | | Yes | No |
|---|---|---|---|---|
| **10a** | Did the organization have local chapters, branches, or affiliates? | 10a | | X |
| **b** | If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? | 10b | | |
| **11a** | Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? | 11a | X | |
| **b** | Describe in Schedule O the process, if any, used by the organization to review this Form 990. | | | |
| **12a** | Did the organization have a written conflict of interest policy? *If "No," go to line 13* | 12a | X | |
| **b** | Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? | 12b | X | |
| **c** | Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done* | 12c | X | |
| **13** | Did the organization have a written whistleblower policy? | 13 | X | |
| **14** | Did the organization have a written document retention and destruction policy? | 14 | X | |
| **15** | Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? | | | |
| **a** | The organization's CEO, Executive Director, or top management official | 15a | | X |
| **b** | Other officers or key employees of the organization | 15b | | X |
| | If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions). | | | |
| **16a** | Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? | 16a | | X |
| **b** | If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? | 16b | | |

## Section C. Disclosure

**17** List the states with which a copy of this Form 990 is required to be filed ▶MI

**18** Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.

☐ Own website ☐ Another's website ☒ Upon request ☐ Other *(explain on Schedule O)*

**19** Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

**20** State the name, address, and telephone number of the person who possesses the organization's books and records ▶

STEVE VICENZI, CFO - 269-337-8020
241 W. SOUTH STREET, KALAMAZOO, MI 49007

**Part VII** **Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response or note to any line in this Part VII .......... ☐

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

**1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations.

See instructions for the order in which to list the persons above.

X Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below line) | (C) Position (do not check more than one box, unless person is both an officer and a director/trustee): Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|---|---|---|---|---|---|---|---|---|
| (1) DAVID ANDERSON<br>DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (2) SANDRA CALDERON-HUEZO<br>DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (3) ALISA CARREL<br>DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (4) NATHAN DANNISON<br>DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (5) JEANNE HESS<br>DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (6) STEPHANIE HOFFMAN<br>DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (7) RACHEL LONBERG<br>DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (8) ALICE TAYLOR<br>DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (9) CHARLENE TAYLOR<br>DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (10) JACK C. URBAN<br>DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (11) VON WASHINGTON JR.<br>DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (12) BOBBY J. HOPEWELL<br>DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (13) BARBARA HAMILTON-MILLER<br>SECRETARY | 2.00 | X | | X | | | | 0. | 0. | 0. |
| (14) ADAM MCFARLIN<br>TREASURER | 2.00 | X | | X | | | | 0. | 0. | 0. |
| (15) JAMES K. RITSEMA<br>VICE PRESIDENT | 2.00 | X | | X | | | | 0. | 0. | 0. |
| (16) DR. ANGELA GRAHAM-WILLIAMS<br>PRESIDENT | 2.00 | X | | X | | | | 0. | 0. | 0. |
| (17) STEVE VICENZI<br>CFO | 1.00 | | | X | | | | 0. | 0. | 0. |

**Part VII** **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below line) | (C) Position: Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
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| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| **1b Subtotal** ▶ | | | | | | | | 0. | 0. | 0. |
| **c Total from continuation sheets to Part VII, Section A** ▶ | | | | | | | | 0. | 0. | 0. |
| **d Total (add lines 1b and 1c)** ▶ | | | | | | | | 0. | 0. | 0. |

**2** Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 0

| | | Yes | No |
|---|---|---|---|
| **3** Did the organization list any **former** officer, director, trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual* | 3 | | X |
| **4** For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual* | 4 | | X |
| **5** Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person* | 5 | | X |

**Section B. Independent Contractors**

**1** Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

| (A) Name and business address | (B) Description of services | (C) Compensation |
|---|---|---|
| MERION CAPITAL LLC<br>3020 BRANDYWINE RD, KALAMAZOO, MI 49008 | INVESTMENT MANAGEMENT | 180,000. |
| | | |
| | | |
| | | |
| | | |

**2** Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 1

Form **990** (2020)

032008 12-23-20

**Part VIII** **Statement of Revenue**

Check if Schedule O contains a response or note to any line in this Part VIII ☐

| | | | | | (A) Total revenue | (B) Related or exempt function revenue | (C) Unrelated business revenue | (D) Revenue excluded from tax under sections 512 - 514 |
|---|---|---|---|---|---|---|---|---|
| Contributions, Gifts, Grants and Other Similar Amounts | 1 a | Federated campaigns | 1a | | | | | |
| | b | Membership dues | 1b | | | | | |
| | c | Fundraising events | 1c | | | | | |
| | d | Related organizations | 1d | | | | | |
| | e | Government grants (contributions) | 1e | | | | | |
| | f | All other contributions, gifts, grants, and similar amounts not included above | 1f | 90,010,302. | | | | |
| | g | Noncash contributions included in lines 1a-1f | 1g | $ 90,003,075. | | | | |
| | h | **Total.** Add lines 1a-1f ▶ | | | 90,010,302. | | | |
| Program Service Revenue | | | | Business Code | | | | |
| | 2 a | | | | | | | |
| | b | | | | | | | |
| | c | | | | | | | |
| | d | | | | | | | |
| | e | | | | | | | |
| | f | All other program service revenue | | | | | | |
| | g | **Total.** Add lines 2a-2f ▶ | | | | | | |
| Other Revenue | 3 | Investment income (including dividends, interest, and other similar amounts) ▶ | | | 756,259. | | | 756,259. |
| | 4 | Income from investment of tax-exempt bond proceeds ▶ | | | | | | |
| | 5 | Royalties ▶ | | | | | | |

| | | | (i) Real | (ii) Personal |
|---|---|---|---|---|
| 6 a | Gross rents | 6a | | |
| b | Less: rental expenses | 6b | | |
| c | Rental income or (loss) | 6c | | |

| | | (A) Total revenue | (B) | (C) | (D) |
|---|---|---|---|---|---|
| 6 d | Net rental income or (loss) ▶ | | | | |

| | | | (i) Securities | (ii) Other |
|---|---|---|---|---|
| 7 a | Gross amount from sales of assets other than inventory | 7a | 81,367,366. | |
| b | Less: cost or other basis and sales expenses | 7b | 89,258,271. | |
| c | Gain or (loss) | 7c | -7,890,905. | |

| | | | | (A) Total revenue | (B) Related or exempt function revenue | (C) Unrelated business revenue | (D) Revenue excluded from tax under sections 512 - 514 |
|---|---|---|---|---|---|---|---|
| 7 d | Net gain or (loss) ▶ | | | -7,890,905. | | | -7,890,905. |
| 8 a | Gross income from fundraising events (not including $ ____ of contributions reported on line 1c). See Part IV, line 18 | 8a | | | | | |
| b | Less: direct expenses | 8b | | | | | |
| c | Net income or (loss) from fundraising events ▶ | | | | | | |
| 9 a | Gross income from gaming activities. See Part IV, line 19 | 9a | | | | | |
| b | Less: direct expenses | 9b | | | | | |
| c | Net income or (loss) from gaming activities ▶ | | | | | | |
| 10 a | Gross sales of inventory, less returns and allowances | 10a | | | | | |
| b | Less: cost of goods sold | 10b | | | | | |
| c | Net income or (loss) from sales of inventory ▶ | | | | | | |

| | | | Business Code | (A) | (B) | (C) | (D) |
|---|---|---|---|---|---|---|---|
| Miscellaneous Revenue | 11 a | | | | | | |
| | b | | | | | | |
| | c | | | | | | |
| | d | All other revenue | | | | | |
| | e | **Total.** Add lines 11a-11d ▶ | | | | | |
| | 12 | **Total revenue.** See instructions ▶ | | 82,875,656. | 0. | 0. | -7,134,646. |

DRAFT

## Part IX Statement of Functional Expenses

*Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).*

Check if Schedule O contains a response or note to any line in this Part IX ☐

| *Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.* | (A) Total expenses | (B) Program service expenses | (C) Management and general expenses | (D) Fundraising expenses |
|---|---|---|---|---|
| 1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 | | | | |
| 2 Grants and other assistance to domestic individuals. See Part IV, line 22 | | | | |
| 3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16 | | | | |
| 4 Benefits paid to or for members | | | | |
| 5 Compensation of current officers, directors, trustees, and key employees | | | | |
| 6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) | | | | |
| 7 Other salaries and wages | | | | |
| 8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) | | | | |
| 9 Other employee benefits | | | | |
| 10 Payroll taxes | | | | |
| 11 Fees for services (nonemployees): | | | | |
| a Management | | | | |
| b Legal | | | | |
| c Accounting | | | | |
| d Lobbying | | | | |
| e Professional fundraising services. See Part IV, line 17 | | | | |
| f Investment management fees | 274,424. | | 274,424. | |
| g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.) | | | | |
| 12 Advertising and promotion | | | | |
| 13 Office expenses | | | | |
| 14 Information technology | | | | |
| 15 Royalties | | | | |
| 16 Occupancy | | | | |
| 17 Travel | | | | |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials | | | | |
| 19 Conferences, conventions, and meetings | | | | |
| 20 Interest | | | | |
| 21 Payments to affiliates | | | | |
| 22 Depreciation, depletion, and amortization | | | | |
| 23 Insurance | | | | |
| 24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.) | | | | |
| a | | | | |
| b | | | | |
| c | | | | |
| d | | | | |
| e All other expenses | | | | |
| 25 **Total functional expenses.** Add lines 1 through 24e | 274,424. | 0. | 274,424. | 0. |
| 26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ▶ ☐ if following SOP 98-2 (ASC 958-720) | | | | |

**Part X Balance Sheet**

Check if Schedule O contains a response or note to any line in this Part X [ ]

| | | | (A) Beginning of year | | (B) End of year |
|---|---|---|---|---|---|
| Assets | 1 | Cash - non-interest-bearing | 16,655. | 1 | 23,228. |
| Assets | 2 | Savings and temporary cash investments | | 2 | 72,338. |
| Assets | 3 | Pledges and grants receivable, net | | 3 | |
| Assets | 4 | Accounts receivable, net | | 4 | |
| Assets | 5 | Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons | | 5 | |
| Assets | 6 | Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B) | | 6 | |
| Assets | 7 | Notes and loans receivable, net | | 7 | |
| Assets | 8 | Inventories for sale or use | | 8 | |
| Assets | 9 | Prepaid expenses and deferred charges | | 9 | |
| Assets | 10a | Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D 10a | | | |
| Assets | b | Less: accumulated depreciation 10b | | 10c | |
| Assets | 11 | Investments - publicly traded securities | | 11 | 95,693,985. |
| Assets | 12 | Investments - other securities. See Part IV, line 11 | | 12 | |
| Assets | 13 | Investments - program-related. See Part IV, line 11 | | 13 | |
| Assets | 14 | Intangible assets | | 14 | |
| Assets | 15 | Other assets. See Part IV, line 11 | 28,119. | 15 | 28,119. |
| Assets | 16 | **Total assets.** Add lines 1 through 15 (must equal line 33) | 44,774. | 16 | 95,817,670. |
| Liabilities | 17 | Accounts payable and accrued expenses | 501. | 17 | 26,904. |
| Liabilities | 18 | Grants payable | | 18 | |
| Liabilities | 19 | Deferred revenue | | 19 | |
| Liabilities | 20 | Tax-exempt bond liabilities | | 20 | |
| Liabilities | 21 | Escrow or custodial account liability. Complete Part IV of Schedule D | | 21 | |
| Liabilities | 22 | Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons | | 22 | |
| Liabilities | 23 | Secured mortgages and notes payable to unrelated third parties | | 23 | |
| Liabilities | 24 | Unsecured notes and loans payable to unrelated third parties | | 24 | |
| Liabilities | 25 | Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D | 500. | 25 | 1,001. |
| Liabilities | 26 | **Total liabilities.** Add lines 17 through 25 | 1,001. | 26 | 27,905. |
| Net Assets or Fund Balances | | **Organizations that follow FASB ASC 958, check here ▶ [X] and complete lines 27, 28, 32, and 33.** | | | |
| Net Assets or Fund Balances | 27 | Net assets without donor restrictions | | 27 | 95,738,765. |
| Net Assets or Fund Balances | 28 | Net assets with donor restrictions | 43,773. | 28 | 51,000. |
| Net Assets or Fund Balances | | **Organizations that do not follow FASB ASC 958, check here ▶ [ ] and complete lines 29 through 33.** | | | |
| Net Assets or Fund Balances | 29 | Capital stock or trust principal, or current funds | | 29 | |
| Net Assets or Fund Balances | 30 | Paid-in or capital surplus, or land, building, or equipment fund | | 30 | |
| Net Assets or Fund Balances | 31 | Retained earnings, endowment, accumulated income, or other funds | | 31 | |
| Net Assets or Fund Balances | 32 | Total net assets or fund balances | 43,773. | 32 | 95,789,765. |
| Net Assets or Fund Balances | 33 | Total liabilities and net assets/fund balances | 44,774. | 33 | 95,817,670. |

Form **990** (2020)

## Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI ☐

| | | | |
|---|---|---|---|
| 1 | Total revenue (must equal Part VIII, column (A), line 12) | 1 | 82,875,656. |
| 2 | Total expenses (must equal Part IX, column (A), line 25) | 2 | 274,424. |
| 3 | Revenue less expenses. Subtract line 2 from line 1 | 3 | 82,601,232. |
| 4 | Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A)) | 4 | 43,773. |
| 5 | Net unrealized gains (losses) on investments | 5 | 13,144,760. |
| 6 | Donated services and use of facilities | 6 | |
| 7 | Investment expenses | 7 | |
| 8 | Prior period adjustments | 8 | |
| 9 | Other changes in net assets or fund balances (explain on Schedule O) | 9 | 0. |
| 10 | Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B)) | 10 | 95,789,765. |

## Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII ☐

| | | | Yes | No |
|---|---|---|---|---|
| 1 | Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other<br>If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O. | | | |
| 2a | Were the organization's financial statements compiled or reviewed by an independent accountant? | 2a | | X |
| | If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:<br>☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis | | | |
| b | Were the organization's financial statements audited by an independent accountant? | 2b | X | |
| | If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:<br>☒ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis | | | |
| c | If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? | 2c | X | |
| | If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O. | | | |
| 3a | As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? | 3a | | X |
| b | If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits | 3b | | |

Form 990 (2020)

**SCHEDULE A** (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

# Public Charity Status and Public Support

**Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.**
**▶ Attach to Form 990 or Form 990-EZ.**
**▶ Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No. 1545-0047

**2020**

**Open to Public Inspection**

| Name of the organization | Employer identification number |
|---|---|
| KALAMAZOO FOUNDATION FOR EXCELLENCE | 82-2587771 |

**Part I** **Reason for Public Charity Status.** (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

1 [ ] A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 [ ] A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (Form 990 or 990-EZ).)

3 [ ] A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 [ ] A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: ____

5 [ ] An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)

6 [ ] A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 [ ] An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

8 [ ] A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

9 [ ] An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: ____

10 [ ] An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions, subject to certain exceptions; and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)

11 [ ] An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**

12 [X] An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3).** Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.

a [ ] **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**

b [ ] **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**

c [X] **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**

d [ ] **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**

e [X] Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.

f Enter the number of supported organizations ........ 1

g Provide the following information about the supported organization(s).

| (i) Name of supported organization | (ii) EIN | (iii) Type of organization (described on lines 1-10 above (see instructions)) | (iv) Is the organization listed in your governing document? Yes | No | (v) Amount of monetary support (see instructions) | (vi) Amount of other support (see instructions) |
|---|---|---|---|---|---|---|
| CITY OF KALAMAZOO, MICHIGAN | 38-6004627 | 6 | X | | 0. | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| **Total** | | | | | 0. | 0. |

**Part II** **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

## Section A. Public Support

| Calendar year (or fiscal year beginning in) ▶ | (a) 2016 | (b) 2017 | (c) 2018 | (d) 2019 | (e) 2020 | (f) Total |
|---|---|---|---|---|---|---|
| 1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") | | | | | | |
| 2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 3 The value of services or facilities furnished by a governmental unit to the organization without charge | | | | | | |
| 4 **Total.** Add lines 1 through 3 | | | | | | |
| 5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) | | | | | | |
| 6 **Public support.** Subtract line 5 from line 4. | | | | | | |

## Section B. Total Support

| Calendar year (or fiscal year beginning in) ▶ | (a) 2016 | (b) 2017 | (c) 2018 | (d) 2019 | (e) 2020 | (f) Total |
|---|---|---|---|---|---|---|
| 7 Amounts from line 4 | | | | | | |
| 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources | | | | | | |
| 9 Net income from unrelated business activities, whether or not the business is regularly carried on | | | | | | |
| 10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) | | | | | | |
| 11 **Total support.** Add lines 7 through 10 | | | | | | |

12 Gross receipts from related activities, etc. (see instructions) 12

13 **First 5 years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

## Section C. Computation of Public Support Percentage

14 Public support percentage for 2020 (line 6, column (f), divided by line 11, column (f)) 14 %

15 Public support percentage from 2019 Schedule A, Part II, line 14 15 %

16a **33 1/3% support test - 2020.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3% support test - 2019.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

17a **10% -facts-and-circumstances test - 2020.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and **stop here.** Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization ▶ ☐

b **10% -facts-and-circumstances test - 2019.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and **stop here.** Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ ☐

**Schedule A (Form 990 or 990-EZ) 2020**

**Part III** **Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

## Section A. Public Support

| Calendar year (or fiscal year beginning in) ▶ | (a) 2016 | (b) 2017 | (c) 2018 | (d) 2019 | (e) 2020 | (f) Total |
|---|---|---|---|---|---|---|
| 1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") | | | | | | |
| 2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose | | | | | | |
| 3 Gross receipts from activities that are not an unrelated trade or business under section 513 | | | | | | |
| 4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 5 The value of services or facilities furnished by a governmental unit to the organization without charge | | | | | | |
| 6 **Total.** Add lines 1 through 5 | | | | | | |
| 7a Amounts included on lines 1, 2, and 3 received from disqualified persons | | | | | | |
| b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year | | | | | | |
| c Add lines 7a and 7b | | | | | | |
| 8 **Public support.** (Subtract line 7c from line 6.) | | | | | | |

## Section B. Total Support

| Calendar year (or fiscal year beginning in) ▶ | (a) 2016 | (b) 2017 | (c) 2018 | (d) 2019 | (e) 2020 | (f) Total |
|---|---|---|---|---|---|---|
| 9 Amounts from line 6 | | | | | | |
| 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources | | | | | | |
| b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 | | | | | | |
| c Add lines 10a and 10b | | | | | | |
| 11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on | | | | | | |
| 12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) | | | | | | |
| 13 **Total support.** (Add lines 9, 10c, 11, and 12.) | | | | | | |

14 **First 5 years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

## Section C. Computation of Public Support Percentage

| | | | |
|---|---|---|---|
| 15 | Public support percentage for 2020 (line 8, column (f), divided by line 13, column (f)) | 15 | % |
| 16 | Public support percentage from 2019 Schedule A, Part III, line 15 | 16 | % |

## Section D. Computation of Investment Income Percentage

| | | | |
|---|---|---|---|
| 17 | Investment income percentage for **2020** (line 10c, column (f), divided by line 13, column (f)) | 17 | % |
| 18 | Investment income percentage from **2019** Schedule A, Part III, line 17 | 18 | % |

19a **33 1/3% support tests - 2020.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3% support tests - 2019.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶ ☐

## Part IV Supporting Organizations

(Complete only if you checked a box in line 12 on Part I. If you checked box 12a, Part I, complete Sections A and B. If you checked box 12b, Part I, complete Sections A and C. If you checked box 12c, Part I, complete Sections A, D, and E. If you checked box 12d, Part I, complete Sections A and D, and complete Part V.)

### Section A. All Supporting Organizations

| | | | Yes | No |
|---|---|---|---|---|
| **1** | Are all of the organization's supported organizations listed by name in the organization's governing documents? *If "No," describe in* **Part VI** *how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.* | 1 | X | |
| **2** | Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? *If "Yes," explain in* **Part VI** *how the organization determined that the supported organization was described in section 509(a)(1) or (2).* | 2 | X | |
| **3a** | Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? *If "Yes," answer lines 3b and 3c below.* | 3a | | X |
| **b** | Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? *If "Yes," describe in* **Part VI** *when and how the organization made the determination.* | 3b | | |
| **c** | Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? *If "Yes," explain in* **Part VI** *what controls the organization put in place to ensure such use.* | 3c | | |
| **4a** | Was any supported organization not organized in the United States ("foreign supported organization")? *If "Yes," and if you checked box 12a or 12b in Part I, answer lines 4b and 4c below.* | 4a | | X |
| **b** | Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? *If "Yes," describe in* **Part VI** *how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.* | 4b | | |
| **c** | Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? *If "Yes," explain in* **Part VI** *what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.* | 4c | | |
| **5a** | Did the organization add, substitute, or remove any supported organizations during the tax year? *If "Yes," answer lines 5b and 5c below (if applicable). Also, provide detail in* **Part VI,** *including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).* | 5a | | X |
| **b** | **Type I or Type II only.** Was any added or substituted supported organization part of a class already designated in the organization's organizing document? | 5b | | |
| **c** | **Substitutions only.** Was the substitution the result of an event beyond the organization's control? | 5c | | |
| **6** | Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? *If "Yes," provide detail in* **Part VI.** | 6 | | X |
| **7** | Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? *If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).* | 7 | | X |
| **8** | Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? *If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).* | 8 | | X |
| **9a** | Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons, as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? *If "Yes," provide detail in* **Part VI.** | 9a | | X |
| **b** | Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? *If "Yes," provide detail in* **Part VI.** | 9b | | X |
| **c** | Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? *If "Yes," provide detail in* **Part VI.** | 9c | | X |
| **10a** | Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? *If "Yes," answer line 10b below.* | 10a | | X |
| **b** | Did the organization have any excess business holdings in the tax year? *(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)* | 10b | | |

**Part IV Supporting Organizations** *(continued)*

| | | | Yes | No |
|---|---|---|---|---|
| 11 | Has the organization accepted a gift or contribution from any of the following persons? | | | |
| a | A person who directly or indirectly controls, either alone or together with persons described in lines 11b and 11c below, the governing body of a supported organization? | 11a | | X |
| b | A family member of a person described in line 11a above? | 11b | | X |
| c | A 35% controlled entity of a person described in line 11a or 11b above? *If "Yes" to line 11a, 11b, or 11c, provide detail in* **Part VI.** | 11c | | X |

## Section B. Type I Supporting Organizations

| | | | Yes | No |
|---|---|---|---|---|
| 1 | Did the governing body, members of the governing body, officers acting in their official capacity, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's officers, directors, or trustees at all times during the tax year? *If "No," describe in* **Part VI** *how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove officers, directors, or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.* | 1 | | |
| 2 | Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? *If "Yes," explain in* **Part VI** *how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.* | 2 | | |

## Section C. Type II Supporting Organizations

| | | | Yes | No |
|---|---|---|---|---|
| 1 | Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? *If "No," describe in* **Part VI** *how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).* | 1 | | |

## Section D. All Type III Supporting Organizations

| | | | Yes | No |
|---|---|---|---|---|
| 1 | Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided? | 1 | X | |
| 2 | Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? *If "No," explain in* **Part VI** *how the organization maintained a close and continuous working relationship with the supported organization(s).* | 2 | X | |
| 3 | By reason of the relationship described in line 2, above, did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? *If "Yes," describe in* **Part VI** *the role the organization's supported organizations played in this regard.* | 3 | X | |

## Section E. Type III Functionally Integrated Supporting Organizations

1 *Check the box next to the method that the organization used to satisfy the Integral Part Test during the year* **(see instructions).**

a ☐ The organization satisfied the Activities Test. *Complete* **line 2** *below.*

b ☐ The organization is the parent of each of its supported organizations. *Complete* **line 3** *below.*

c ☒ The organization supported a governmental entity. *Describe in* **Part VI** *how you supported a governmental entity (see instructions).*

| | | | Yes | No |
|---|---|---|---|---|
| 2 | Activities Test. **Answer lines 2a and 2b below.** | | | |
| a | Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? *If "Yes," then in* **Part VI identify those supported organizations and explain** *how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.* | 2a | | |
| b | Did the activities described in line 2a, above, constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? *If "Yes," explain in* **Part VI** *the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.* | 2b | | |
| 3 | Parent of Supported Organizations. **Answer lines 3a and 3b below.** | | | |
| a | Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? *If "Yes" or "No" provide details in* **Part VI.** | 3a | | |
| b | Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? *If "Yes," describe in* **Part VI** *the role played by the organization in this regard.* | 3b | | |

## Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

1 ☐ Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 ( *explain in* **Part VI**). **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

| **Section A - Adjusted Net Income** | | (A) Prior Year | (B) Current Year (optional) |
|---|---|---|---|
| **1** Net short-term capital gain | 1 | | |
| **2** Recoveries of prior-year distributions | 2 | | |
| **3** Other gross income (see instructions) | 3 | | |
| **4** Add lines 1 through 3. | 4 | | |
| **5** Depreciation and depletion | 5 | | |
| **6** Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions) | 6 | | |
| **7** Other expenses (see instructions) | 7 | | |
| **8** **Adjusted Net Income** (subtract lines 5, 6, and 7 from line 4) | 8 | | |

| **Section B - Minimum Asset Amount** | | (A) Prior Year | (B) Current Year (optional) |
|---|---|---|---|
| **1** Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year): | | | |
| **a** Average monthly value of securities | 1a | | |
| **b** Average monthly cash balances | 1b | | |
| **c** Fair market value of other non-exempt-use assets | 1c | | |
| **d** **Total** (add lines 1a, 1b, and 1c) | 1d | | |
| **e** **Discount** claimed for blockage or other factors (*explain in detail in* **Part VI**): | | | |
| **2** Acquisition indebtedness applicable to non-exempt-use assets | 2 | | |
| **3** Subtract line 2 from line 1d. | 3 | | |
| **4** Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions). | 4 | | |
| **5** Net value of non-exempt-use assets (subtract line 4 from line 3) | 5 | | |
| **6** Multiply line 5 by 0.035. | 6 | | |
| **7** Recoveries of prior-year distributions | 7 | | |
| **8** **Minimum Asset Amount** (add line 7 to line 6) | 8 | | |

| **Section C - Distributable Amount** | | | Current Year |
|---|---|---|---|
| **1** Adjusted net income for prior year (from Section A, line 8, column A) | 1 | | |
| **2** Enter 0.85 of line 1. | 2 | | |
| **3** Minimum asset amount for prior year (from Section B, line 8, column A) | 3 | | |
| **4** Enter greater of line 2 or line 3. | 4 | | |
| **5** Income tax imposed in prior year | 5 | | |
| **6** **Distributable Amount.** Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions). | 6 | | |

7 ☐ Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).

**Schedule A (Form 990 or 990-EZ) 2020**

**Part V** **Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations** *(continued)*

| **Section D - Distributions** | | **Current Year** |
|---|---|---|
| 1 Amounts paid to supported organizations to accomplish exempt purposes | 1 | |
| 2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity | 2 | |
| 3 Administrative expenses paid to accomplish exempt purposes of supported organizations | 3 | |
| 4 Amounts paid to acquire exempt-use assets | 4 | |
| 5 Qualified set-aside amounts (prior IRS approval required - *provide details in* **Part VI**) | 5 | |
| 6 Other distributions (*describe in* **Part VI**). See instructions. | 6 | |
| 7 **Total annual distributions.** Add lines 1 through 6. | 7 | |
| 8 Distributions to attentive supported organizations to which the organization is responsive (*provide details in* **Part VI**). See instructions. | 8 | |
| 9 Distributable amount for 2020 from Section C, line 6 | 9 | |
| 10 Line 8 amount divided by line 9 amount | 10 | |

| **Section E - Distribution Allocations** (see instructions) | **(i)** **Excess Distributions** | **(ii)** **Underdistributions Pre-2020** | **(iii)** **Distributable Amount for 2020** |
|---|---|---|---|
| 1 Distributable amount for 2020 from Section C, line 6 | | | |
| 2 Underdistributions, if any, for years prior to 2020 (reasonable cause required - *explain in* **Part VI**). See instructions. | | | |
| 3 Excess distributions carryover, if any, to 2020 | | | |
| a From 2015 | | | |
| b From 2016 | | | |
| c From 2017 | | | |
| d From 2018 | | | |
| e From 2019 | | | |
| f **Total** of lines 3a through 3e | | | |
| g Applied to underdistributions of prior years | | | |
| h Applied to 2020 distributable amount | | | |
| i Carryover from 2015 not applied (see instructions) | | | |
| j Remainder. Subtract lines 3g, 3h, and 3i from line 3f. | | | |
| 4 Distributions for 2020 from Section D, line 7: $ | | | |
| a Applied to underdistributions of prior years | | | |
| b Applied to 2020 distributable amount | | | |
| c Remainder. Subtract lines 4a and 4b from line 4. | | | |
| 5 Remaining underdistributions for years prior to 2020, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, *explain in* **Part VI.** See instructions. | | | |
| 6 Remaining underdistributions for 2020. Subtract lines 3h and 4b from line 1. For result greater than zero, *explain in* **Part VI**. See instructions. | | | |
| 7 **Excess distributions carryover to 2021.** Add lines 3j and 4c. | | | |
| 8 Breakdown of line 7: | | | |
| a Excess from 2016 | | | |
| b Excess from 2017 | | | |
| c Excess from 2018 | | | |
| d Excess from 2019 | | | |
| e Excess from 2020 | | | |

**Part VI** **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a, and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions.)

PART IV, SECTION A, LINE 2

THE SUPPORTED ORGANIZATION IS A GOVERNMENTAL UNIT, WHICH AUTOMATICALLY QUALIFIES UNDER IRC SECTION 509(A)(1).

PART IV, SECTION E, LINE 1C

THE ORGANIZATION IS RESPONSIVE TO THE NEEDS OF THE CITY OF KALAMAZOO, MICHIGAN.

THIS REQUIRES THAT THE OFFICERS AND DIRECTORS OF THE ORGANIZATION MAINTAIN A CLOSE AND CONTINUOUS WORKING RELATIONSHIP WITH THE CITY COMMISSION, AS REQUIRED BY THE ARTICLES OF INCORPORATION. DIRECTOR POSITIONS SHALL BE FILLED BY VOTE OF THE BOARD OF DIRECTORS FOLLOWING NOMINATION BY THE CITY COMMISSION. THE CITY DIRECTORS CONSISTS OF THE MAYOR OF THE CITY OF KALAMAZOO AND THE CITY MANAGER OF THE CITY OF KALAMAZOO, TWO PERSONS WHO ARE CURRENT COMMISSIONERS ON THE CITY COMMISSION, AND ONE PERSON NOMINATED AND ELECTED BY THE CITY COMMISSION WHO SHALL BE CHOSEN FROM THE KALAMAZOO COMMUNITY.

THE ORGANIZATION OPERATES IN AN EXCLUSIVE FINANCIAL RELATIONSHIP WITH THE CITY OF KALAMAZOO IN A NATIONALLY UNIQUE MODEL. THE ORGANIZATION'S FUNDS DIRECTLY SUPPORT PROGRAMS AND PROJECTS OF CITY DEPARTMENTS IN THEIR WORK, OFTEN CONDUCTED WITH PARTNERS WHOSE MISSIONS ALIGN WITH THE GOALS AND OBJECTIVES OF THE IMAGINE KALAMAZOO 2025 STRATEGIC VISION AND OTHER ADOPTED CITY PLANS.

PART IV, SECTION D, LINE 3

A FINANCE COMMITTEE HAS BEEN ESTABLISHED, WHICH INCLUDES THE

**Part VI** **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a, and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions.)

ORGANIZATION'S TREASURER, THE CITY'S FINANCE DIRECTOR, OR A SIMILAR POSITION (OR A PERSON APPOINTED BY THE CITY'S FINANCE DIRECTOR), THE CITY MANAGER AND TWO STAKEHOLDER DIRECTORS.

# SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

## Supplemental Financial Statements

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990.
▶Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047
**2020**
**Open to Public Inspection**

**Name of the organization**
KALAMAZOO FOUNDATION FOR EXCELLENCE

**Employer identification number**
82-2587771

**Part I** **Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

| | | (a) Donor advised funds | (b) Funds and other accounts |
|---|---|---|---|
| 1 | Total number at end of year | | |
| 2 | Aggregate value of contributions to (during year) | | |
| 3 | Aggregate value of grants from (during year) | | |
| 4 | Aggregate value at end of year | | |

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

**Part II** **Conservation Easements.** Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).
- ☐ Preservation of land for public use (for example, recreation or education)
- ☐ Preservation of a historically important land area
- ☐ Protection of natural habitat
- ☐ Preservation of a certified historic structure
- ☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

| | | | Held at the End of the Tax Year |
|---|---|---|---|
| a | Total number of conservation easements | 2a | |
| b | Total acreage restricted by conservation easements | 2b | |
| c | Number of conservation easements on a certified historic structure included in (a) | 2c | |
| d | Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register | 2d | |

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ ______

4 Number of states where property subject to conservation easement is located ▶ ______

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ ______

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ $ ______

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

**Part III** **Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.**
Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1 ▶ $ ______

(ii) Assets included in Form 990, Part X ▶ $ ______

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items:

a Revenue included on Form 990, Part VIII, line 1 ▶ $ ______

b Assets included in Form 990, Part X ▶ $ ______

**Part III** **Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply):

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange program
e ☐ Other ____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

**Part IV** **Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

| | | Amount |
|---|---|---|
| c Beginning balance | 1c | |
| d Additions during the year | 1d | |
| e Distributions during the year | 1e | |
| f Ending balance | 1f | |

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII ☐

**Part V** **Endowment Funds.** Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

| | (a) Current year | (b) Prior year | (c) Two years back | (d) Three years back | (e) Four years back |
|---|---|---|---|---|---|
| 1a Beginning of year balance | | | | | |
| b Contributions | | | | | |
| c Net investment earnings, gains, and losses | | | | | |
| d Grants or scholarships | | | | | |
| e Other expenditures for facilities and programs | | | | | |
| f Administrative expenses | | | | | |
| g End of year balance | | | | | |

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ▶ ____ %

b Permanent endowment ▶ ____ %

c Term endowment ▶ ____ %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

| | | Yes | No |
|---|---|---|---|
| (i) Unrelated organizations | 3a(i) | | |
| (ii) Related organizations | 3a(ii) | | |
| b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? | 3b | | |

4 Describe in Part XIII the intended uses of the organization's endowment funds.

**Part VI** **Land, Buildings, and Equipment.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

| Description of property | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|---|---|---|---|---|
| 1a Land | | | | |
| b Buildings | | | | |
| c Leasehold improvements | | | | |
| d Equipment | | | | |
| e Other | | | | |
| **Total.** Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10c.)* ▶ | | | | 0. |

**Schedule D (Form 990) 2020**

## Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

| (a) Description of security or category (including name of security) | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|---|---|---|
| (1) Financial derivatives | | |
| (2) Closely held equity interests | | |
| (3) Other | | |
| (A) | | |
| (B) | | |
| (C) | | |
| (D) | | |
| (E) | | |
| (F) | | |
| (G) | | |
| (H) | | |
| **Total.** (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶ | | |

## Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

| (a) Description of investment | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|---|---|---|
| (1) | | |
| (2) | | |
| (3) | | |
| (4) | | |
| (5) | | |
| (6) | | |
| (7) | | |
| (8) | | |
| (9) | | |
| **Total.** (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶ | | |

## Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

| (a) Description | (b) Book value |
|---|---|
| (1) | |
| (2) | |
| (3) | |
| (4) | |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| **Total.** *(Column (b) must equal Form 990, Part X, col. (B) line 15.)* ▶ | |

## Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

| 1. (a) Description of liability | (b) Book value |
|---|---|
| (1) Federal income taxes | |
| (2) DUE TO CITY OF KALAMAZOO | 1,001. |
| (3) | |
| (4) | |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| **Total.** *(Column (b) must equal Form 990, Part X, col. (B) line 25.)* ▶ | 1,001. |

**2.** Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII ... [X]

**Schedule D (Form 990) 2020**

032053 12-01-20

## Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

| | | | | | |
|---|---|---|---|---|---|
| 1 | Total revenue, gains, and other support per audited financial statements | | | 1 | 95,745,992. |
| 2 | Amounts included on line 1 but not on Form 990, Part VIII, line 12: | | | | |
| a | Net unrealized gains (losses) on investments | 2a | 13,144,760. | | |
| b | Donated services and use of facilities | 2b | | | |
| c | Recoveries of prior year grants | 2c | | | |
| d | Other (Describe in Part XIII.) | 2d | | | |
| e | Add lines **2a** through **2d** | | | 2e | 13,144,760. |
| 3 | Subtract line **2e** from line **1** | | | 3 | 82,601,232. |
| 4 | Amounts included on Form 990, Part VIII, line 12, but not on line 1: | | | | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a | 274,424. | | |
| b | Other (Describe in Part XIII.) | 4b | | | |
| c | Add lines **4a** and **4b** | | | 4c | 274,424. |
| 5 | Total revenue. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 12.)* | | | 5 | 82,875,656. |

## Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

| | | | | | |
|---|---|---|---|---|---|
| 1 | Total expenses and losses per audited financial statements | | | 1 | 0. |
| 2 | Amounts included on line 1 but not on Form 990, Part IX, line 25: | | | | |
| a | Donated services and use of facilities | 2a | | | |
| b | Prior year adjustments | 2b | | | |
| c | Other losses | 2c | | | |
| d | Other (Describe in Part XIII.) | 2d | | | |
| e | Add lines **2a** through **2d** | | | 2e | 0. |
| 3 | Subtract line **2e** from line **1** | | | 3 | 0. |
| 4 | Amounts included on Form 990, Part IX, line 25, but not on line 1: | | | | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a | 274,424. | | |
| b | Other (Describe in Part XIII.) | 4b | | | |
| c | Add lines **4a** and **4b** | | | 4c | 274,424. |
| 5 | Total expenses. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 18.)* | | | 5 | 274,424. |

## Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART X, LINE 2:

IN PREPARATION OF TAX RETURNS, TAX POSITIONS ARE TAKEN BASED ON INTERPRETATION OF INCOME TAX LAWS. MANAGEMENT PERIODICALLY REVIEWS AND EVALUATES THE STATUS OF UNCERTAIN TAX POSITIONS AND MAKES ESTIMATES OF AMOUNTS, INCLUDING INTEREST AND PENALTIES, ULTIMATELY DUE OR OWED. NO AMOUNTS HAVE BEEN RECORDED IN THE FINANCIAL STATEMENTS AS UNCERTAIN POSITIONS. TAX RETURNS GENERALLY REMAIN OPEN FOR EXAMINATION BY THE VARIOUS TAXING AUTHORITIES FOR A PERIOD OF THREE TO FOUR YEARS.

**SCHEDULE M (Form 990)**

Department of the Treasury
Internal Revenue Service

# Noncash Contributions

▶ Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
▶ Attach to Form 990.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

**2020**

**Open to Public Inspection**

Name of the organization: KALAMAZOO FOUNDATION FOR EXCELLENCE

Employer identification number: 82-2587771

## Part I Types of Property

| | | (a) Check if applicable | (b) Number of contributions or items contributed | (c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g | (d) Method of determining noncash contribution amounts |
|---|---|---|---|---|---|
| 1 | Art - Works of art | | | | |
| 2 | Art - Historical treasures | | | | |
| 3 | Art - Fractional interests | | | | |
| 4 | Books and publications | | | | |
| 5 | Clothing and household goods | | | | |
| 6 | Cars and other vehicles | | | | |
| 7 | Boats and planes | | | | |
| 8 | Intellectual property | | | | |
| 9 | Securities - Publicly traded | X | 1 | 90,003,075. | FAIR MARKET VALUE |
| 10 | Securities - Closely held stock | | | | |
| 11 | Securities - Partnership, LLC, or trust interests | | | | |
| 12 | Securities - Miscellaneous | | | | |
| 13 | Qualified conservation contribution - Historic structures | | | | |
| 14 | Qualified conservation contribution - Other | | | | |
| 15 | Real estate - Residential | | | | |
| 16 | Real estate - Commercial | | | | |
| 17 | Real estate - Other | | | | |
| 18 | Collectibles | | | | |
| 19 | Food inventory | | | | |
| 20 | Drugs and medical supplies | | | | |
| 21 | Taxidermy | | | | |
| 22 | Historical artifacts | | | | |
| 23 | Scientific specimens | | | | |
| 24 | Archeological artifacts | | | | |
| 25 | Other ▶ ( ) | | | | |
| 26 | Other ▶ ( ) | | | | |
| 27 | Other ▶ ( ) | | | | |
| 28 | Other ▶ ( ) | | | | |

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part V, Donee Acknowledgement ..... 29

| | | | Yes | No |
|---|---|---|---|---|
| 30a | During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 28, that it must hold for at least three years from the date of the initial contribution, and which isn't required to be used for exempt purposes for the entire holding period? | 30a | | X |
| b | If "Yes," describe the arrangement in Part II. | | | |
| 31 | Does the organization have a gift acceptance policy that requires the review of any nonstandard contributions? | 31 | | X |
| 32a | Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions? | 32a | | X |
| b | If "Yes," describe in Part II. | | | |
| 33 | If the organization didn't report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II. | | | |

**Part II** **Supplemental Information.** Provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

# Supplemental Information to Form 990 or 990-EZ

**Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.**
**▶ Attach to Form 990 or 990-EZ.**
**▶ Go to www.irs.gov/Form990 for the latest information.**

OMB No. 1545-0047
**2020**
**Open to Public Inspection**

| Name of the organization | Employer identification number |
|---|---|
| KALAMAZOO FOUNDATION FOR EXCELLENCE | 82-2587771 |

FORM 990, PART VI, SECTION B, LINE 11B:

THE FORM 990 IS REVIEWED BY AN OFFICER AND PROVIDED TO THE BOARD BEFORE FILING. AFTER ANY QUESTIONS OR CONCERNS ARE ADDRESSED, THE 990 IS SIGNED BY THE CFO AND FILED WITH THE IRS.

FORM 990, PART VI, SECTION B, LINE 12C:

POTENTIAL CONFLICTS OF INTEREST ARE REQUIRED TO BE BROUGHT TO AN OFFICER'S ATTENTION AS THEY ARISE. BOARD MEMBERS ARE TRAINED IN ALL KALAMAZOO FOUNDATION FOR EXCELLENCE POLICIES INCLUDING THE CONFLICT OF INTEREST FORM WITHIN 90 DAYS OF THEIR APPOINTMENT.

FORM 990, PART VI, SECTION C, LINE 19:

ALL DOCUMENTS ARE AVAILABLE TO THE PUBLIC UPON REQUEST.

SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

# Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047
2020
Open to Public Inspection

Name of the organization: KALAMAZOO FOUNDATION FOR EXCELLENCE

Employer identification number: 82-2587771

**Part I** **Identification of Disregarded Entities.** Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

| (a) Name, address, and EIN (if applicable) of disregarded entity | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Total income | (e) End-of-year assets | (f) Direct controlling entity |
|---|---|---|---|---|---|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

**Part II** **Identification of Related Tax-Exempt Organizations.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related tax-exempt organizations during the tax year.

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Exempt Code section | (e) Public charity status (if section 501(c)(3)) | (f) Direct controlling entity | (g) Section 512(b)(13) controlled entity? Yes | No |
|---|---|---|---|---|---|---|---|
| CITY OF KALAMAZOO - 39-6004627<br>241 W. SOUTH STREET<br>KALAMAZOO, MI 49007 | GOVERNMENTAL ENTITY | MICHIGAN | | | N/A | | X |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

**For Paperwork Reduction Act Notice, see the Instructions for Form 990.** **Schedule R (Form 990) 2020**

032161 10-28-20 LHA

Annual Report | 2020

# Kalamazoo Foundation for Excellence

“We’ve come through such a tumultuous year with protests and COVID, losing loved ones, businesses struggling. 2020 has been difficult personally, professionally, emotionally. Through it all, the Foundation for Excellence has provided help and hope. We’d like to remind our community that none of us is in this alone and, as residents, we have each others’ backs.”

Dr. Angela Graham-Williams,
President

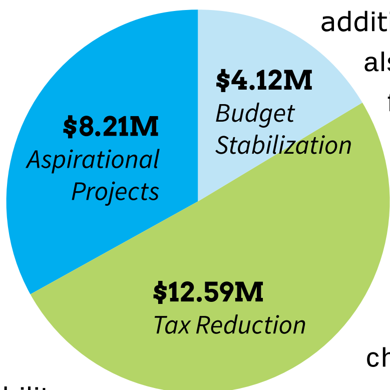
## More than $120 million invested in Kalamazoo

See where and how the Foundation for Excellence is investing by neighborhood at **www.kalamazoocity.org/FFEdashboard**

*Cover: New infill housing is built in the Vine Neighborhood with funding from the Foundation for Excellence*

# A Proven Public and Non-Profit Partnership for Everyone in Kalamazoo

The Foundation for Excellence (FFE) is an innovative 501(c)3 non-profit support corporation that was created in 2017 to address systemic challenges to the prosperity of Kalamazoo. The FFE was originally announced alongside a commitment of $70.3 million to support its creation, and to stabilize the City's budget, lower the property tax rate, and invest in aspirational community projects.




To-date, the FFE has supported many City projects and programs that have the potential to impact the lives of all residents, including the pilot year of the Youth Mobility Fund and the creation of an ongoing expungement clinic. FFE also invests in infrastructure, affordable housing, and economic development, including the repair of sidewalks, lead water service removal, youth development and employment programs, and park improvement projects.

A fundraising campaign has been initiated to raise and invest enough resources to support this work forever, with a target of raising a $500 million endowment fund.

### Fiscal Year 2020

The Foundation for Excellence fiscal year 2020 allocation to the City was set at $24,924,000 following public presentations and discussion before City Commission on October 7, 2019, and a vote of the City Commission on January 21, 2020. Of this sum, $16,711,300 was directed to stabilization of the City's budget and lowering the City property taxes from 19.0275 mills to 12 mills. Furthermore, $8,212,700 was allocated for aspirational City programs. An additional $2 million was also allocated midyear for COVID-19 relief programs.

### Budget Stabilization

A stable City budget reduces challenges to operating and helps to ensure that highly impactful and equitable aspirational projects are possible.

### Tax Reduction

The significant investment in tax reduction for all City properties is intended to result in improved prosperity for our community. The average taxpayer's savings because of FFE is 11% on City property tax.

### Aspirational Support, by Project and Goal

Residents are the beginning and the end of FFE's cycle of impact. All community goals funded by FFE were outlined by residents as part of the award-winning Imagine Kalamazoo 2025 planning process. This work builds on the City's deep investment in broad community involvement and collaboration.

The Imagine Kalamazoo goals are derived from extensive community input, which focused the attention of City activities on five core neighborhoods with high levels of generational poverty and needed re-investment: Northside, Eastside, Edison, Vine, and Oakwood.

The FFE's founding documents guide programming choices to address generational poverty, youth development, remove barriers to under-employed and unemployed people, and improve infrastructure and neighborhoods, which align with the ten goals of Imagine Kalamazoo. City of Kalamazoo staff currently use a scoring process to ensure that projects proposed by City departments align with FFE and Imagine Kalamazoo goals, and have conducted the appropriate planning work to be successful. These projects are proposed to the FFE Board of Directors and City Commission in alternating public meetings for review, discussion, and final approval.

**An interactive map of savings as well as aspirational investments is available at kalamazoocity.org/ffe.**

The FFE's innovative online Investment Map documents that aspirational investments have overwhelmingly been made in these core neighborhoods and shows that the Imagine Kalamazoo plan is working where it is needed most.

## Aspirational Project Funding through 2020


**$ 33,881,200 total**

# Statement of Financial Position

December 31, 2020

| | |
|---|---|
| ASSETS | |
| Current assets | |
| Cash and cash equivalents | $ 23,729 |
| Contributions receivable | 28,119 |
| Total current assets | 51,848 |
| Noncurrent assets | |
| Investments | 95,765,822 |
| TOTAL ASSETS | $ 95,817,670 |
| LIABILITIES AND NET ASSETS | |
| Current liabilities | |
| Accounts payable | $ 26,940 |
| Due to City of Kalamazoo | 1,001 |
| TOTAL LIABILITIES | 27,905 |
| NET ASSETS | |
| Without donor restrictions | 95,738,765 |
| With donor restrictions - purpose restricted | 51,000 |
| TOTAL NET ASSETS | 95,789,765 |
| TOTAL LIABILITIES AND NET ASSETS | $ 95,817,670 |

# Statement of Activities

Year Ended December 31, 2020

| | Without donor restrictions | With donor restrictions | Total |
|---|---|---|---|
| SUPPORT AND REVENUE | | | |
| Contributions | $ 90,003,075 | $ 7,227 | $ 90,010,302 |
| Investment return, net | 5,735,690 | - | - |
| TOTAL SUPPORT AND REVENUE | 95,738,765 | 7,227 | 7,227 |
| TOTAL EXPENSES | - | - | - |
| CHANGE IN NET ASSETS | 95,738,765 | 7,227 | 7,227 |
| Net assets, beginning of year | - | 43,773 | 43,773 |
| Net assets, end of year | $ 95,738,765 | $ 51,000 | $ 51,000 |

*Kalamazoo youth learn about careers in healthcare through the FFE-funded MyCITY Summer Youth Employment Program.*

## What is the Foundation for Excellence?

The Foundation for Excellence (FFE) is an innovative 501(c)3 non-profit support corporation that was created in 2017 to address systemic challenges to the prosperity of Kalamazoo. FFE invests millions of dollars each year to stabilize the City of Kalamazoo's budget, reduce the property tax rate, and invest in aspirational projects.

## How does it work?

The FFE has a Board of Directors that reviews project and program proposals and approves a budget allocation each year to fund them. Once approved, this allocation is presented for approval by the Kalamazoo City Commission. The allocation is released from the FFE to the City of Kalamazoo to fund these projects and programs, which are carried out by City staff or community partners. FFE funding allows for millions of dollars of additional investments in our City while asking less of community members through reduced property taxes.

## Governance and Policies

The FFE strives to maintain the highest ethical standards and maximum transparency in everything it does. All meetings are announced in advance and open to the public subject to Open Meetings Act. In 2018, the Board of Directors unanimously approved core governance policies, including those regarding conflicts of interest, diversity and equal opportunity, financial accountability, and whistle-blower protections. An open document library including all policies is available online at **www.kalamazoocity.org/ffe**.

## Who is on the FFE Board of Directors?

The FFE bylaws establish a 15-member Board of Directors. Ten members are stakeholder directors, each representing a community interest such as healthcare, education, or business. Five are City Directors, representing the City of Kalamazoo generally. These members include the Mayor, City Manager, two City Commissioners, and one At-Large city representative. Stakeholder and At-Large terms rotate every three years while City Directors serve for the duration of their employment or elected service. An effort is made to cultivate a Board that is largely representative of the community and that will add unique insights about every facet of Kalamazoo.

One-third of board positions expire each year, meaning there are opportunities annually for community members to participate. Board members are responsible for attending at least three meetings per year and contributing to the responsible and transparent operation of the foundation. There are no requirements on previous board membership or restrictions on who can apply, (though an overall percentage of city residents is required). Positions expire on May 31 each year and vacancies are announced along with application instructions in December.

### 2021 Board of Directors

Dr. Angela Graham-Williams, President

James K. Ritsema, Vice President

Barbara Miller, Secretary

Alisa Carrel, Treasurer

David Anderson

Sandra Calderon-Huezo

Jeanne Hess

Stephanie Hoffman

Rachel Lonberg

Alice Taylor

Charlene Taylor

Jack C. Urban

Von Washington Jr.

Bobby J. Hopewell, Board Member Emeritus

# Kalamazoo Foundation for Excellence

December 31, 2020

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# Report to the

# Investment Subcommittee

Wednesday, February 24, 2021
11:00 am
Meeting to be conducted
virtually via Zoom

# REPORT TO THE RETIREMENT INVESTMENT COMMITTEE

## Performance of the

# Kalamazoo Foundation for Excellence

## December 31, 2020

---

The market value of portfolio assets increased from $89.6 to $95.8 million during the fourth quarter of 2020; an increase of $6.2 million or 6.92%.

The portfolio weighted average return for the quarter, net of manager fees, was 6.92%. The return since May 1, 2020, net of manager fees, through the end of the quarter has been 18.25%

Equities comprised 52.0% of the Kalamazoo Foundation For Excellence portfolio at the end of the fourth quarter. The equity portion of the portfolio returned 12.13% during the fourth quarter. The return since May 1, 2020 for equity through the end of the quarter has been 33.68%

Fixed income comprised 47.9% of the Kalamazoo Foundation For Excellence portfolio at the end of the fourth quarter. The fixed income portion of the portfolio returned 0.87% during the fourth quarter. The return since May 1, 2020 for fixed income through the end of the quarter has been 2.82%

Cash and equivalents were approximately $71,837 or 0.1% of the assets.

The portfolio finished the quarter with 52.0% in equities, 47.9% in fixed income, and 0.1% in cash. The portfolio target allocation is 50% equities, 50% fixed income, and 0% cash.

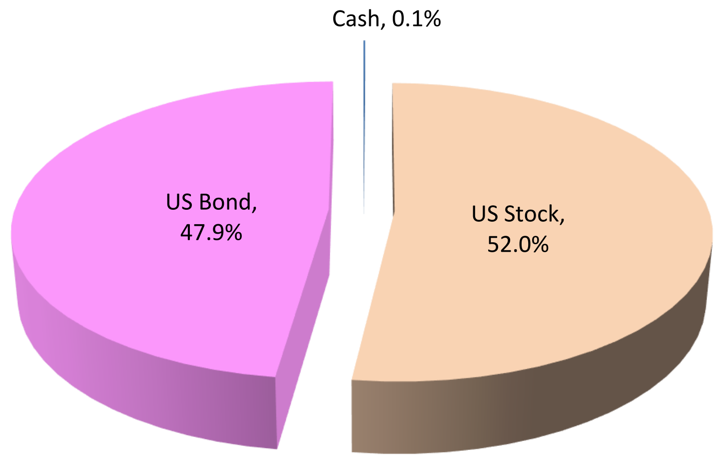
The inflation-adjusted, or real return, for the quarter was 6.85% as the inflation rate for the quarter was 0.07%. Since May 1, 2020, the return on the portfolio, net of manager fees, has been 18.25% nominal and 16.66% real.

Respectfully submitted,
February 24, 2021

# Kalamazoo Foundation for Excellence

## December 31, 2020

# Kalamazoo Foundation for Excellence
## Asset Allocation
### December 31, 2020




Market Value $ 95,765,822

Since-Inception (5/1/2020)
Return 18.25

## PORTFOLIO EXPOSURE

**Geographic Exposure**

| | |
|---|---|
| U.S | 100.0% |
| Foreign | 0.0% |
| | 100.0% |

**Currency (Direct Exposure)**

| | |
|---|---|
| USD | 100.0% |
| Non-USD | 0.0% |
| | 100.0% |

| Asset Classes | ACTUAL % | Policy% | +/- |
|---|---|---|---|
| Equity | 52.0% | 50.0% | 2.0% |
| Fixed | 47.9% | 50.0% | -2.1% |
| Cash | 0.1% | 0.0% | 0.1% |
| | 100.0% | 100.0% | 0.0% |

| | |
|---|---|
| Liquidity-Daily | 100.0% |
| Liquidity> 1 day & < 90 days | 0.0% |
| Liquidity> 91 days & < 2 years | 0.0% |
| Liquidity> 2 years | 0.0% |
| Total | 100.0% |

| Fixed Income Risk | Jennison | BBgBarc US Agg Bond TR USD |
|---|---|---|
| Coupon | 2.24% | 2.76% |
| Yield | 1.03% | 1.12% |
| Effective Duration (yrs) | 5.99% | 6.10 |
| Convexity | 78 | 0.34 |
| Maturity (yrs) | 8.03 | 8.18 |
| Quality | AAA | AAA |

| Sector Allocation | Jennison | BBgBarc US Agg Bond TR USD | +/- |
|---|---|---|---|
| Treasury | 25.1 | 37.0 | (12.0) |
| Agency | 0.9 | 1.6 | (0.7) |
| Finance | 11.0 | 8.3 | 2.7 |
| Industrial | 22.5 | 16.9 | 5.7 |
| Utility | 3.5 | 2.2 | 1.2 |
| Non-Corporate | 0.9 | 4.6 | (3.7) |
| Mortgage | 23.9 | 26.8 | (2.9) |
| CMO | 0.6 | 0.0 | 0.6 |
| Asset Backed | 6.8 | 0.3 | 6.4 |
| CMBS | 0.0 | 2.2 | (2.2) |
| Cash | 4.8 | 0.0 | 4.8 |
| Total | 100.0 | 100.0 | 0.0 |

**Performance Attribution**[(1)]

*Gross of Fees and versus the BBgBarc US Agg Bond TR USD*

| | 3 Months (bps) |
|---|---|
| Yield Curve | (2) |
| Sector Allocation | 57 |
| Security Selection | (34) |
| Other | 1 |
| Total | 22 |

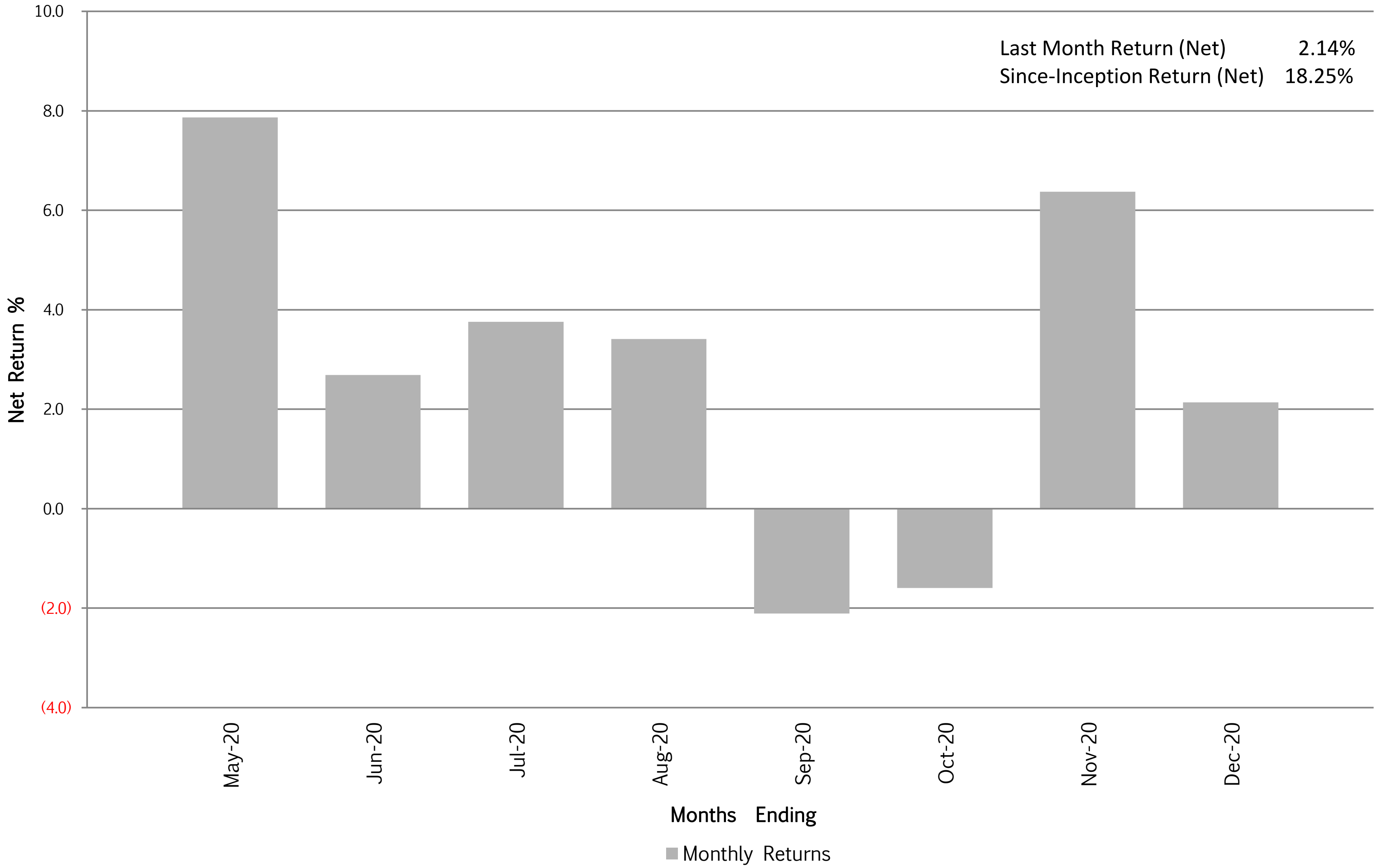
*(1) Performance attribution may differ from performance shown due to rounding and other factors, such as Paydowns and interest on non-supported cash instruments.*

*Some figures may not sum to 100% due to rounding.*

# Kalamazoo Foundation for Excellence

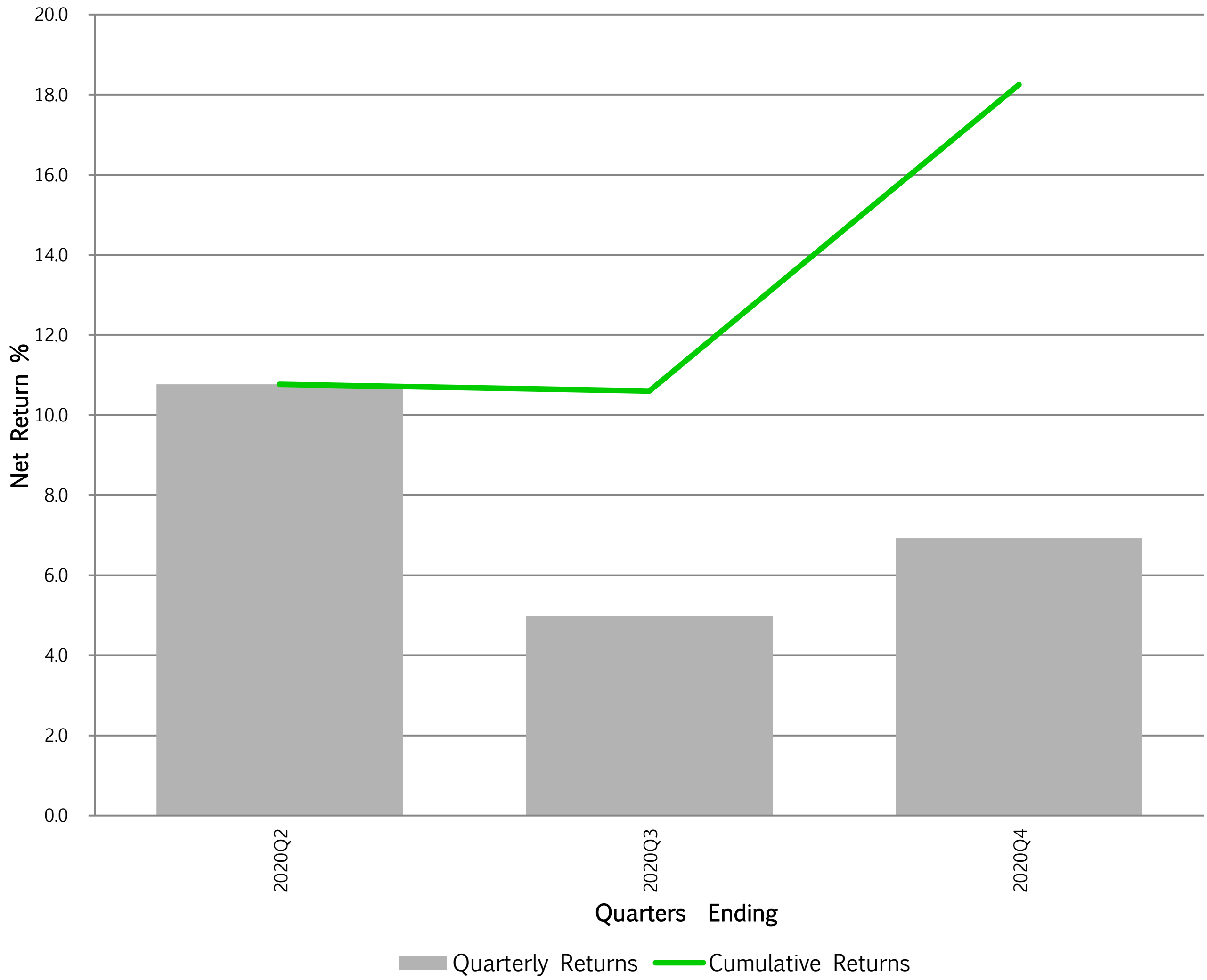
## Net Monthly Returns

December 31, 2020

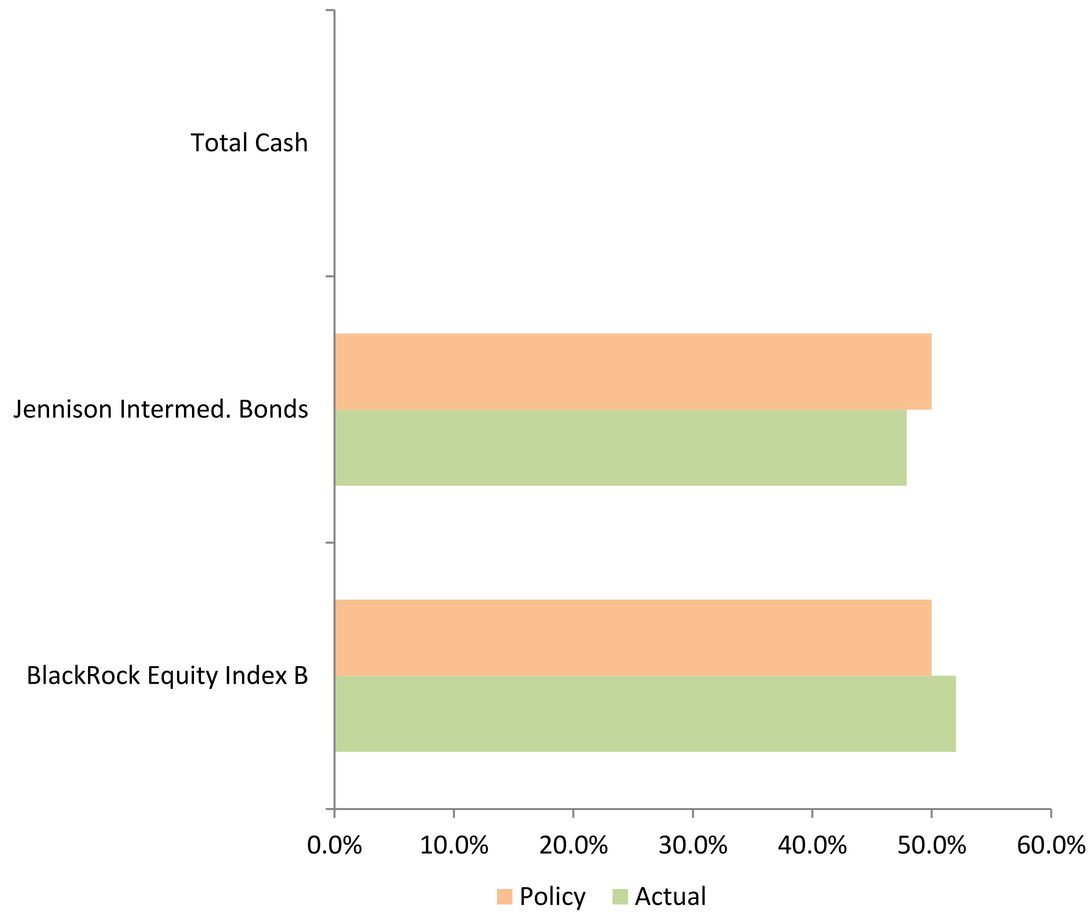


# Kalamazoo Foundation for Excellence
## Quarterly vs Since-Inception (5.1.2020) Net Returns
December 31, 2020

| | |
|---|---|
| Last Quarter Return (Net) | 6.92% |
| Since-Inception Return (Net) | 18.25% |



# Kalamazoo Foundation for Excellence
## Policy Allocation vs. Actual
### December 31, 2020




| | Amount $ | Actual | Policy | Variance % |
|---|---|---|---|---|
| BlackRock Equity Index B | 49,826,868 | 52.0% | 50.0% | 2.03% |
| Jennison Intermed. Bonds | 45,867,117 | 47.9% | 50.0% | -2.10% |
| Total Cash | 71,837 | 0.1% | 0.0% | 0.08% |
| | 95,765,822 | 100.0% | 100.0% | 0.00% |

# Kalamazoo Foundation for Excellence
## Actual Rates of Return by Manager and Asset Class
December 31, 2020

Custodian: State Street

| | Ticker | Market Value $ | % at Market | Policy % | May 1, 2020 to June 30, 2020 Return | 2020Q3 Return | 2020Q4 Return | Since Inception (5.1.2020) 0.7 Yrs Return | *Years in Portfolio* |
|---|---|---|---|---|---|---|---|---|---|
| *Beginning Market Value (Quarter)* | | *89,635,437* | | | | | | | |
| **Equities** | | | | | | | | | |
| BlackRock Equity Index B | CTF | 49,826,868 | 52.0 | 50.0 | 9.44 | 8.93 | 12.13 | 33.68 | *0.7* |
| **Total Equity** | | 49,826,868 | 52.0 | 50.0 | 9.44 | 8.93 | 12.13 | 33.68 | |
| **Fixed Income** | | | | | | | | | |
| Jennison Intermed. Bonds | SepAcct | 45,867,117 | 47.9 | 50.0 | 1.21 | 0.72 | 0.87 | 2.82 | *0.7* |
| **Total Fixed Income** | | 45,867,117 | 47.9 | 50.0 | 1.21 | 0.72 | 0.87 | 2.82 | |
| Cash | SSNXX | 71,837 | 0.1 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 | *0.7* |
| **Total Cash** | | 71,837 | 0.1 | 0.0 | 0.00 | 0.00 | 0.00 | 0.00 | |
| **Total Plan (Net)** | | **95,765,822** | **100.0** | **100.0** | **10.77** | **5.00** | **6.92** | **18.25** | *0.7* |
| Total Plan (Gross) | | | | | 10.77 | 5.03 | 6.95 | 18.33 | |

*Past performance is no guarantee of future results*

*State Street Portfolio was funded on 4/8/2020 when 465,000 shares of Stryker Stock were gifted to the Foundation.*

*100% of Stryker liquidated on 4/15/2020 by State Street.*

*Jennison Intermed. Bonds purchased on 4/29/2020; $40.0MM at 50% allocation.*

*BlackRock Fund B purchased on 5/6/2020; $40.8MM at 50% allocation*

# Kalamazoo Foundation for Excellence
## Manager Net Returns vs. Benchmarks
December 31, 2020

| | Ticker | Policy Target % | Actual % | May 1, 2020 to June 30, 2020 Return | 2020Q3 Return | 2020Q4 Return | Since Inception (5.1.2020) 0.7 Yrs Return | Manager Fees % | *Mgr IN / BM Years* |
|---|---|---|---|---|---|---|---|---|---|
| BlackRock Equity Index B [1] | CTF | 50.0 | 52.0 | 9.44 | 8.93 | 12.13 | 33.68 | *0.02* | *0.7* |
| S&P 500 TR USD | | | | 6.85 | 8.93 | 12.15 | 32.51 | | |
| *Manager Over/ (Under)* | | | | 2.60 | (0.00) | (0.02) | 1.17 | | |
| Jennison Intermed. Bonds | SepAcct | 50.0 | 47.9 | 1.21 | 0.72 | 0.87 | 2.82 | *0.25* | *0.7* |
| BBgBarc US Agg Bond TR USD | | | | 1.10 | 0.62 | 0.67 | 2.52 | | |
| *Manager Over/ (Under)* | | | | 0.11 | 0.10 | 0.20 | 0.30 | | |
| Master Account (Cash) | SSNXX | 0.0 | 0.1 | 0.00 | 0.00 | 0.00 | 0.00 | *0.20* | *0.7* |
| USTREAS T-Bill Auction Ave 3 Mon | | | | 0.02 | 0.03 | 0.02 | 0.08 | | |
| *Manager Over/ (Under)* | | | | (0.02) | (0.03) | (0.02) | (0.08) | | |

Weighted Average Manager Fee 0.13

*(1) The BlackRock subaccount KF30 held only cash until 5/6, at which point the funds were invested into BlackRock Equity Index B.*

# Kalamazoo Foundation for Excellence
## Portfolio Comparisons
December 31, 2020

Portfolio Inception 5/1/2020

| | May 1, 2020 to June 30, 2020 | 2020Q3 | 2020Q4 | Since Inception (5.1.2020) 0.7 Yrs | Manager Fee |
|---|---|---|---|---|---|
| | Return | Return | Return | Return | % |
| Total Plan--Actual (Net) [1] | 10.77 | 5.00 | 6.92 | 18.25 | 0.13 |
| KFFE Index Benchmark (Staged) [2] | 5.22 | 4.75 | 6.34 | 17.20 | |
| *Manager Over/ (Under) Benchmark* | 5.55 | 0.25 | 0.58 | 1.05 | |
| Total Plan--Actual (Net) | 10.77 | 5.00 | 6.92 | 18.25 | |
| US BLS CPI All Urban NSA 1982-1984 | 0.55 | 0.96 | 0.07 | 1.59 | |
| Total Plan--Actual (Gross) (Real) | 10.22 | 4.03 | 6.85 | 16.66 | |

*(1) The BlackRock subaccount KF30 held only cash until 5/6, at which point the funds were invested into BlackRock Equity Index B.*

*(2) KFFE Index Benchmark is comprised of the follwing indices: S&P 500 TR USD (50%)+BBgBarc US Agg Bond TR USD(50%)*

# Kalamazoo Foundation for Excellence

December 31, 2020

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## Appendix 1

Manager and Benchmark Descriptions

# Kalamazoo Foundation For Excellence

| Name (Morningstar) | | DESCRIPTION |
|---|---|---|
| **BlackRock Equity Index B** | CTF | The BlackRock Equity Index Fund B (start: 23Jan1997) is a passive public equity index fund that tracks the S&P 500. The BlackRock Equity Index Fund is a collective trust fund with an objective of closely replicating the S&P 500 Index. The S&P 500 TR USD Index is used as the appropriate benchmark for BlackRock Equity Index B. |
| **Jennison Intermediate Bond** | SepAcct | Jennsion Intermediate Bond is a separately managed portfolio. Jennison Intermediate Bond's investment objective is to achieve above benchmark returns from a combination of security selection, yield curve management, sector rotation and active trading. Jennison does not make duration bets, and as a result the portfolio should have a duration within .25 years of its benchmark. Jennison Intermediate invests in only investment grade securities, typically holds 80 - 200 issues, and maintains positions sized below 2%. Jennison Intermediate Bond uses the Bloomberg Barclays US Aggregate Bond Index. |
| **Cash** | CmgId | |

FOUNDATION FOR EXCELLENCE
STATE STREET TRUST
PORTFOLIO PROFILE
December 31, 2020

| | | | Percent of Total | | |
|---|---|---|---|---|---|
| | | | Policy Compliance | | |
| Fund | Fund Name | Net Assets at Market | Actual | Policy Max | Difference |
| KF30 | BlackRock S&P 500 Index | $ 49,826,868 | 52.03% | 50.0% | 2.03% |
| KF40 | DFA | - | 0.00% | 0.0% | 0.00% |
| | TOTAL EQUITIES | 49,826,868 | 52.03% | 50% | 2.03% |
| KF20 | Jennison Intermediate | 45,867,117 | 47.90% | 50.0% | -2.11% |
| KF70 | Loomis Sayles | - | 0.00% | 0.0% | 0.00% |
| | TOTAL FIXED INCOME | 45,867,117 | 47.90% | 50.0% | -2.11% |
| KF60 | RREEF | - | 0.00% | 0.0% | 0.00% |
| KF50 | Vanguard REIT | - | 0.00% | 0.0% | 0.00% |
| | TOTAL REAL ESTATE | - | 0.00% | 0.0% | 0.0% |
| KFF1 | FFE - Cash | 71,837 | 0.08% | 0.0% | 0.08% |
| | TOTAL CASH | 71,837 | 0.08% | 0.0% | 0.08% |
| | TOTAL ASSETS | $ 95,765,822 | 100% | 100.0% | 100.0% |

## Kalamazoo Foundation for Excellence
## 2020 State Street Cash Flow Report

| | 2020 Q1 | 2020 Q2 | 2020 Q3 | 2020 Q4 | 2020 Total |
|---|---|---|---|---|---|
| Cash Beginning Balance | - | - | 533,594 | 75,594 | - |
| Receipts | | | | | |
| Donations | - | 80,275,276 | - | - | 80,275,276 |
| Dividend | | 4 | - | - | 4 |
| Realized Gain/Loss | - | 1,008,315 | - | - | 1,008,315 |
| Total Receipts | - | 81,283,594 | - | - | 81,283,594 |
| Disbursements | | | | | |
| Aspirational Project Transfer to CoK | - | - | - | - | - |
| Audit Fees | - | - | - | - | - |
| Consulting Fees (Merion Cap) | - | - | 135,000 | 45,000 | 180,000 |
| Custody Fees (State Street) | - | - | - | 4,482 | 4,482 |
| Due Diligence/Conferences | - | - | - | - | - |
| Liability Insurance | - | - | - | 1,275 | 1,275 |
| Miscellaneous Expense | - | - | - | - | - |
| Total Disbursements | - | - | 135,000 | 50,757 | 185,757 |
| Net Cashflow | - | 81,283,594 | (135,000) | (50,757) | 81,097,837 |
| Investment Transfer | - | (80,750,000) | (323,000) | 47,000 | (81,026,000) |
| Cash Ending Balance | - | 533,594 | 75,594 | 71,837 | 71,837 |
| Investments Beginning Balance | - | - | 84,965,939 | 89,559,843 | - |
| Dividends | - | 37 | - | - | 37 |
| Interest | - | 141,751 | 182,097 | 164,993 | 488,841 |
| Realized Gain/Loss | - | (43,689) | 68,544 | 1,071,101 | 1,095,956 |
| Unrealized Gain/Loss | - | 4,119,048 | 4,052,768 | 4,972,945 | 13,144,760 |
| Fund Manager Fees | - | 1,207 | 32,505 | 27,896 | 61,609 |
| Net Investment Activity | - | 4,215,939 | 4,270,904 | 6,181,142 | 14,667,985 |
| Investment Transfer | - | 80,750,000 | 323,000 | (47,000) | 81,026,000 |
| Investments Ending Balance | - | 84,965,939 | 89,559,843 | 95,693,985 | 95,693,985 |
| Total Foundation for Excellence Fund Balance | - | 85,499,533 | 89,635,437 | 95,765,822 | 95,765,822 |

Kalamazoo Foundation for Excellence
2020 State Street Expense Report

| Foundation for Excellence Expenses | 1Q | 2Q | 3Q | 4Q | Total |
|---|---|---|---|---|---|
| **Consulting Fees - Merion Capital** | **-** | **-** | **135,000** | **45,000** | **180,000** |
| Consulting - 1Q2020 | - | - | 45,000 | - | 45,000 |
| Consulting - 2Q2020 | - | - | 45,000 | - | 45,000 |
| Consulting - 3Q2020 | - | - | 45,000 | - | 45,000 |
| Consulting - 4Q2020 | - | - | - | 45,000 | 45,000 |
| **Custody Fees - State Street** | **-** | **-** | **-** | **4,482** | **4,482** |
| Custody - Apr 2020 | - | - | - | 4,482 | 4,482 |
| **Attorney Fees - Honigman** | **-** | **-** | **-** | **1,275** | **1,275** |
| Insurance Coverage Review | - | - | - | 1,275 | 1,275 |
| **Total Operating Expenses** | **-** | **-** | **135,000** | **50,757** | **185,757** |
| **Investment Management Fees - Jennison** | **-** | **1,207** | **32,505** | **24,047** | **57,759** |
| Fees - Apr 2020 | - | - | 779 | - | 779 |
| Fees - May 2020 | - | - | 7,841 | - | 7,841 |
| Fees - Jun 2020 | - | 1,207 | 7,896 | - | 9,103 |
| Fees - Jul 2020 | - | - | 8,025 | - | 8,025 |
| Fees - Aug 2020 | - | - | 7,965 | - | 7,965 |
| Fees - Sep 2020 | - | - | - | 7,972 | 7,972 |
| Fees - Oct 2020 | - | - | - | 7,999 | 7,999 |
| Fees - Nov 2020 | - | - | - | 8,076 | 8,076 |
| **Investment Management Fees - BlackRock** | **-** | **-** | **-** | **3,850** | **3,850** |
| Fees - 2Q2020 | - | - | - | 1,400 | 1,400 |
| Fees - 3Q2020 | - | - | - | 2,450 | 2,450 |
| **Total Investment Management Expenses** | **-** | **1,207** | **32,505** | **27,896** | **61,609** |
| **Total FFE Expenses** | **-** | **1,207** | **167,505** | **78,654** | **247,366** |

***Custody Fees -State Street** -State Street is behind on invoicing, is working on billing

**CIty of Kalamazoo**
**Foundation for Excellence Endowment**
**Rebalance December 2020**

| Actual December 17, 2020 | | Pre-Rebalance | | | | | | Post-Rebalance | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Actual Market Value | Target % | Actual % | Target $ | Surplus (Deficit) | Rebalance/ Liquidate | Adjusted Market Value | Target % | Actual % |
| | **Common Stock** | | | | | | | | | |
| KF30 | BlackRock S&P 500 Index | $ 53,653,687 | 50.0% | 54.6% | $ 49,147,494 | $ 4,506,193 | $ (4,567,000) | $ 49,086,687 | 50.0% | 49.9% |
| | Total Large | 53,653,687 | 50.0% | 54.6% | 49,147,494 | 4,506,193 | (4,567,000) | 49,086,687 | 50.0% | 49.9% |
| KF40 | DFA | - | 0.0% | 0.0% | - | - | - | - | 0.0% | 0.0% |
| | Total Small | - | 0.0% | 0.0% | - | - | - | - | 0.0% | 0.0% |
| | Total Equities | 53,653,687 | 50.0% | 54.6% | 49,147,494 | 4,506,193 | (4,567,000) | 49,086,687 | 50.0% | 49.9% |
| | **Fixed Income** | | | | | | | | | |
| KF20 | Jennison Intermediate | 44,565,706 | 50.0% | 45.3% | 49,147,494 | (4,581,788) | 4,520,000 | 49,085,706 | 50.0% | 49.9% |
| KF70 | Loomis Sayles | - | 0.0% | 0.0% | - | - | - | - | 0.0% | 0.0% |
| | Total Fixed Income | 44,565,706 | 50.0% | 45.3% | 49,147,494 | (4,581,788) | 4,520,000 | 49,085,706 | 50.0% | 49.9% |
| | **Real Estate** | | | | | | | | | |
| KF60 | RREEF | - | 0.0% | 0.0% | - | - | - | - | 0.0% | 0.0% |
| KF50 | Vanguard REIT | - | 0.0% | 0.0% | - | - | - | - | 0.0% | 0.0% |
| | Total Real Estate | - | 0.0% | 0.0% | - | - | - | - | 0.0% | 0.0% |
| | Total Investments | 98,219,394 | 100.0% | 99.9% | 98,294,988 | (75,594) | (47,000) | 98,172,394 | 100.0% | 99.9% |
| | **Short Term** | | | | | | | | | |
| KFF1 | FFE - Cash | 75,594 | 0.0% | 0.1% | - | 75,594 | 47,000 | 122,594 | 0.0% | 0.1% |
| | Total Cash | 75,594 | 0.0% | 0.1% | - | 75,594 | 47,000 | 122,594 | | 0.1% |
| | Total Assets | $ 98,294,988 | 100.0% | 100.0% | $ 98,294,988 | $ 0 | $ - | $ 98,294,988 | 100.0% | 100.0% |

Date: **4/26/2021 FFE**
Item: **D.1.**

# Foundation for Excellence Agenda Report

Kalamazoo Foundation for Excellence

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

**FROM:** Prepared by: Steve Brown, Foundation for Excellence Manager

**DATE:** April 26, 2021

**SUBJECT:**

Annual Director Appointments

**RECOMMENDATION:**

It is recommended that the Board approve the following reappointments of directors:

+ the re-appointment of Dr. Angela Graham-Williams as Healthcare Stakeholder Director for a three-year term ending in 2024;

+ the re-appointment of Barbara Miller as a Neighborhood Stakeholder Director for a three-year term ending in 2024; and

+ the re-appointment of Von Washington Jr. as Education Stakeholder Director for a three-year term ending in 2024.

**BACKGROUND:**

Following required engagement with the FFE's governance facilitator, the Kalamazoo Community Foundation, stakeholder groups, and unanimous approval by the City Commission at their March 15, 2021, public meeting, three recommended nominations for re-appointment to the Foundation for Excellence (FFE) Board of Directors are being presented.

Details about the recommended nominees and the rationale behind the recommendations are included in the attached nomination packet provided by the FFE governance facilitator. Below are relevant policy guidelines for conducting this work.

Bylaws, Section 4.02.:

"If a Stakeholder Director's term of office as a Director is about to expire or if the Director's position held by a Stakeholder Director is vacant or about to become vacant, the Stakeholder Group that nominates persons to this Director position shall be convened by the Governance Facilitator. The nominee can be the person who is currently serving as a Stakeholder Director, provided, however, that this person is not barred from being reelected and serving an additional term" "(...) all Director positions, except those of the Ex officio Directors, shall be filled by vote of the Board of Directors following nomination by the City Commission."

Articles of Incorporation, Article IV: "A General Director may serve two (2) consecutive three year terms. Except as provided herein, after a General Director has served two (2) consecutive three year terms, this General Director must wait one year before he/she can be reelected or reappointed as a General Director. If a General Director serves two (2) consecutive full terms, but one of these terms is less than three (3) years, then this General Director may be reelected for a third consecutive term of three (3) years and then must wait one year before he/she can be reelected or reappointed as a General Director."

**STRATEGIC VISION ALIGNMENT:**

**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.

**FISCAL IMPACT:**

**MEMORANDUM**

**DATE:** March 1, 2021

**TO:** Kalamazoo City Commission

**FROM:** Carrie Pickett-Erway

**SUBJECT:** Foundation for Excellence Board of Directors Selection Methodology

A slate of three candidates recommended for nomination to the Foundation for Excellence (FFE) Board of Directors will be presented at the City Commission meeting on March 15, 2021. All three candidates were originally appointed as part of the inaugural board in 2018 and per the terms of the FFE Bylaws are eligible for re-appointment. In addition, the FFE Board has indicated their support for re-appointment of these three candidates. Details about the recommended nominees and the rationale behind the recommendations will be included in that presentation. Because all three candidates were eligible for re-appointment, the process was able to be abbreviated. Specifically, an open application process was not necessary. However, this slate is the result of a collaborative process. An updated flow chart to reflect this abbreviated process was developed (See Attachment A). We hope that by sharing details about the process we ensure transparency and promote confidence in the final product. Below you will find an overview of the methodology used to arrive at this final recommendation.

## METHODOLOGY

### GOAL

The Kalamazoo Community Foundation was contracted by the City of Kalamazoo as the Governance Facilitator for the FFE. As such, the Kalamazoo Community Foundation is responsible for the coordination, identification, and selection of Stakeholder Directors to be recommended to the City Commission for nomination to the Board of Directors. Per the FFE Bylaws, this process must include convening members of the relevant Stakeholder Groups to prioritize the candidates and ultimately results in the Community Foundation recommending a slate which achieves:

- Diverse abilities to conduct the duties of the Board
- Diversity across sectors
- Diverse perspectives

The end goal of the methodology described is to deliver a slate of candidates ("the slate") that meets these expectations.

## IDENTIFYING VACANT SEATS

Since the seating of the Inaugural Board in 2018, the Kalamazoo Community Foundation has been in contact with staff from the City to ensure continued support of the governance functions of the board.

In addition, at the seating of the inaugural board, four Directors were appointed to initial 2-year terms to ensure one-third of terms expired each year in three-year cycles. All three Directors with expiring terms were willing to continue serving. City staff reported they are valuable members of the board and recommended they be re-appointed. A cohort of leaders from each of these three sectors was consulted via email to review the current Stakeholder Director for their sector and all cohorts approved the recommendation for re-appointment.

## DEVELOPMENT OF FINAL SLATE

The final step in the process is to ensure the final recommendation preserves a broadly diverse and skilled Board of Directors. Kalamazoo Community Foundation staff continue to ensure the recommended candidate ensures a well-balanced Board of Directors in terms of equity, diversity, skills and sector representation. A list of desired qualities for Board Members is attached (See Attachment B).

## AFTER ACTION REPORT

Following the completion of the review processes, participants were invited to offer feedback on the experience to assist with process improvement for future recruitment efforts. (See Attachment C).

# *Foundation For Excellence*

**BOARD OF DIRECTORS:** The Foundation For Excellence (FFE) Board of Directors represents and serves the public trust to ensure that the organization carries out the purposes for which it was established in a legal, ethical, and accountable fashion, thereby filling a critical link between the City of Kalamazoo and the Foundation. The FFE's work will align with the goals and objectives of the Imagine Kalamazoo 2025 Strategic Vision and Master Plan, the Shared Prosperity Kalamazoo plan, and the City of Kalamazoo. The City Commission is where all authority resides unless otherwise delegated to the FFE Board of Directors.

**DIRECTOR RESPONSIBILITIES AND LEADERSHIP ATTRIBUTES**

The Foundation For Excellence seeks to create an environment that allows for full activation of the talents and attributes that board members bring to the table. In addition to executing the duties and responsibilities for the role, board members have the opportunity to contribute their unique capabilities for maximum community impact.

**Engage as a team member-** contribute to the Board's efforts as a member of a high functioning team, by being accountable, direct and committed.

- Listen respectfully to all points of view, actively communicate, identify and consider risks and strive for effective decisions.
- Periodically conduct Board evaluation.

**Contribute Knowledge-** contribute a unique perspective to the breadth of knowledge that the Foundation For Excellence has at its disposal. The knowledge from directors and volunteers helps us widen that base of knowledge.

- From time to time extend learning through attendance at in-service workshops and Conferences.
- Apply broad community knowledge and represent the Foundation to the general public and to the business, corporate and non-profit communities.

**Engage in Action** - Come prepared for discussion and be willing to take personal action, in appropriate areas, willing to carry the work forward.

- Regularly attend Board, standing and ad-hoc committee meetings, retreats and work sessions.
- Review all agenda material in advance of the meeting to be well informed on issues.
- Respect and support all actions of the Board and maintain confidentiality. Confidential information will not be used for personal purposes or transmitted to others except in the course of a board member's duties on behalf of the Foundation For Excellence.

**Be Visionary-** contribute to the governance of the organization with a vision for the future.

- Establish and support the vision, mission, guiding principles and values, strategic direction, and policies for the Foundation.
- Become acquainted with the Foundation For Excellence concept, its legal basis, and function.

**Support the Leadership -** honor the roles of the governance board and the staff leadership, providing support to the City Manager and the leadership team through actions appropriate for volunteers.

- Meet the obligation of legal, fiduciary, and fiscal oversight responsibilities of a director.

- Assure compliance with state and federal regulations and laws.

- Make all decisions pursuant to founding documents, bylaws and established policy.

- Ensure adequate resources exist to carry out the strategic direction.

- Select, employ, provide specific expectations, conduct regular evaluations and determine compensation of the President/CEO, as needed.

- Delegate authority for organizational leadership and management to the President/CEO.

**Analyze at systemic and strategic levels-** Contribute to the Board's discussions by serving as a critical thinker, looking a long-term benefits and risks, provide focus and reflection on specific board level goals.

- Establish performance standards and evaluate the performance of the Foundation For Excellence.

**Demonstrate Strong Character-** in leadership thought and action, consistently display integrity credibility, courage and a commitment to the values of the Foundation For Excellence.

- Conduct affairs ethically and avoid real or perceived conflicts of interest.

- Meet the obligations of duty, care, loyalty and candor.

- Monitor compliance with the organization's principles and polices and ensure the Board, individual members and the President/CEO collectively are held accountable for their performance.

**Apply and Equity Lens** – Value diverse perspectives, deepen understanding of the impact of racism, classism, etc., and assess challenges and opportunities with a specific focus on those most impacted by systemic barriers.

- Acknowledge personal limitations and grow your own awareness, understanding and competencies in the area of diversity, inclusion, and equity.

**Activate Personal Networks** - Bring to the table broad and diverse relationships that complement the existing relationships at our disposal. Be willing and effective at making introductions that expand quality relationships for the Foundation For Excellences goals.

- Introduce staff to prospective donors, open doors to secure major gifts and consider making a personal provision to the Foundation.

**Use influence as appropriate-** serve as a civic minded leader, using personal influence to inspire positive community change.

**Tolerate Risk-** The Foundation For Excellence will at times need to take bold positions. The Board will engage in a risk/benefit analysis and make appropriate decisions.

- Explore innovative approaches to the Foundation's governance structure and operations and assess its strengths and weaknesses to build on the leadership of the Foundation.

- Always look toward the future, but have an appreciation of the past in advancing the Foundation's purpose.

269.381.4416 | www.kalfound.org | 402 east michigan avenue kalamazoo, mi 49007-3888

KALAMAZOO Community FOUNDATION

**MEMORANDUM**

**DATE:** March 1, 2021

**TO:** Kalamazoo City Commission

**FROM:** Carrie Pickett-Erway

**SUBJECT:** Recommended Candidates for Nomination to the Foundation for Excellence Board of Directors

---

As the contracted Governance Facilitator for the Kalamazoo Foundation for Excellence (FFE), the Kalamazoo Community Foundation (KZCF) is happy to present the candidates recommended for re-appointment to fill the three vacancies on the FFE Board of Directors. Below you will find a brief description of each candidate and the rationale for their selection. In addition, attached to this memo are the original application materials submitted by these candidates.

## OVERALL COMPOSITION

The overarching goal of the Governance Facilitator role is to deliver recommendations for candidates to the FFE Board of Directors which will be well-positioned and well-suited to the essential governance work of the FFE. To achieve this, the overall composition of the board must continue to include a variety of skills and expertise, diverse perspectives, and strong representation of the key sectors of the City of Kalamazoo identified within the FFE Bylaws (see below).

The re-appointment of three current Directors preserve this balance. The three candidates being recommended for re-appointment maintain the broad skillsets and diversity of perspectives on the FFE Board. A chart highlighting the demographic information and expertise is included in the Recommended Slate Matrix (Attachment D).

As outlined in the FFE Bylaws, the inaugural slate of Stakeholder Directors was split into groups of one-, two-, and three-year terms to ensure one-third of the General Directors will have terms expiring each year. This year and for all future years, appointments will generally be for full, three-year terms. The FFE Bylaws also state that those appointed to initial one- or two-year terms are eligible for re-election to two additional three-year terms (beyond their initial partial term) before maxing out the "two (2) consecutive three-year terms" limit. Therefore, the class elected in 2021 will serve June 1, 2021 – May 31, 2024 and all three candidates, if elected, will have served two (2) consecutive three-year terms and will not be eligible for re-appointment in 2024. For a full picture of the term schedule, please refer to the Gantt Chart (Attachment E).

## RELEVANT SECTOR DESCRIPTIONS (from FFE BYLAWS)

Education – *shall be drawn from local educational institutions including, but not limited to, Kalamazoo Public Schools, Kalamazoo Valley Community College, Kalamazoo College, Western Michigan University (including the Stryker School of Medicine and Cooley Law School), and other private educational institutions as may be identified from time to time by the City Commission.*

Healthcare Sector- *shall be drawn from representatives of Borgess Hospital Corporation, Bronson Methodist Hospital, and other major providers of healthcare services operating within the City of Kalamazoo as may be identified from time to time by the City Commission.*

Neighborhood – *persons living in three neighborhoods in the City of Kalamazoo with an organized neighborhood association. Best efforts shall be made to seek stakeholders from the various neighborhoods on a revolving basis, with priority given to those neighborhoods where at least 51% of households have incomes at or below 80% of the area median income. No organized neighborhood associations shall have more than one (1) representative on the Board at one time.*

## RECOMMENDED CANDIDATES FOR RE-APPOINTMENT

*(Complete application materials for each candidate are found in Attachment F)*

**EDUCATION SECTOR – Von Washington, Jr. (re-appointment)**

**Key Competencies Reported:** 6/10 **Sector Ranking:** Overall Top Ranked

Mr. Washington is well respected by leaders in this sector based on his valued work in the K-12 education system, as well as his current role for the Kalamazoo Promise. He is regarded as a credible community leader with widespread connections. Despite residing outside the City limits, his deep ties to the community of Kalamazoo are significant.

**HEALTHCARE SECTOR – Dr. Angela Graham-Williams (re-appointment)**

**Key Competencies Reported:** 7/10 **Sector Ranking:** Overall Top Ranked

Dr. Graham-Williams background serving vulnerable families facing behavioral health and substance abuse disorders was highly valued by sector leaders. She is viewed as well trained with excellent management experience and extensive knowledge commiserate with her doctorate degree. Her board and volunteer experience further demonstrates her high level of engagement with the community, despite residing outside the City limits.

**NEIGHBORHOOD SECTOR (OAKLAND/WINCHELL): Barbara Miller (re-appointment)**

**Key Competencies Reported:** 5/10 **Sector Ranking:** Ranked Second Overall

Ms. Miller's past experience serving on the City Commission and in other elected roles is seen as an asset. Her background is in a broad range of nonprofits from multiple sectors and municipal committees addressing a variety of issues. A lifelong resident of Kalamazoo, she will provide keep knowledge of the community and will be able to draw upon years of experience with community projects to assist the board in meeting its goals.

| Resident of COK | governance/Board Administration | Finance | Anti-poverty strategy | Community Knowledge | Economic Development | Community Development | Youth Development | Fundraising/Fund Development | Job Training/Placement | Neighborhood Improvement | Other | Age | Race/Ethnicity | Marital/Family Status | Gender Identity | Sexual Orientation | Education Level | Income | Veteran Status | Religious Affiliation (if any) | Other Diverse Perspective |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Y | X | | | X | | X | | X | | X | X | 45-54 | Caucasian | Single | Female | Heterosexual | Master's Degree | $50,001-$75,000 | No | Christian | Hearing Disabled |
| Y | X | | | | | | | X | | | | >35 | Caucasian | Single/No kids | Male | Heterosexual | Master's Degree | $50,001-$75,000 | No | N/A | |
| N | X | | X | X | X | X | X | | | | | 45-54 | African American | Married | Male | Heterosexual | Master's Degree | $100,001-$250,000 | No | Non Denomnational | |
| N | X | | X | X | X | X | X | X | | | | 35-44 | African American | Married w/ Children | Female | Heterosexual | Doctorate | $100,001-$250,000 | No | Christian - Baptist | |
| Y | X | | | X | X | | X | X | | | | 64-74 | White | Married | Female | | Bachelor's Degree | $100,001-$250,000 | No | Methodist | |
| Y | | | | X | | | | | | | | 55-64 | African American | Single | Female | | Associate's Degree | $35,001-$50,000 | No | Galilee Baptist Church | |
| Y | | | | X | | X | | X | | | X | 35-44 | Hispanic | Single | Female | Straight | Associate's Degree | Under $35,000 | No | Catholic | |
| Y | X | | | | | X | | X | | | | 35-44 | white | Married (2 young children) | cis woman | heterosexual | Master's Degree | $75,001-$100,000 | No | Unitarian Universalist | |
| Y | X | X | X | X | X | X | X | X | X | X | X | 64-74 | African American | Single | female | heterosexual | Bachelor's Degree | $35,001-$50,000 | No | Baptist | |
| Y | X | | X | X | | | | | | | X | 45-54 | African American | Committed | Female | Straight | Some College/No Degree | $75,001-$100,000 | Y | Christian | |

**yellow highlight indicates proposed reappointed candidates*

| Demographic Diversity: | Proposed Slate of Stakeholder Directors | City of Kalamazoo |
|---|---|---|
| City Residency | Eight City Residents, Two outside City Limits<br>(All Five City Directors are all City Residents - the minimum of nine is met) | Not applicable |
| Age: | One Millenial, Six GenX, Three Baby Boomer | Millenial (35%), GenX (19%), Baby Boomer (14%) |
| Race: | Four White/Six People of Color, three races/ethnicities represented | White (68.1%), Afr. Amer. (22.2%), Latino (6.4%) |
| Family Status: | Four Married, Six Not Married, Both with and without children | Married Households (26.1%), Single (73.9%)<br>Households with own children under 18 (23.3%) |
| Gender: | Two Men, Eight Women (City Directors: Four Men, One Woman) - the total balance is 6 men/9 women) | Male (49.3%), Female (50.7%) |
| Sexual Orientation: | Eight identify as straight, none identify as LGBTQ, two did not answer | not available |
| Education: | One Some College/No Degree, Two Associate's Degrees, Two Bachelor's, Four Master's, One Doctorate | High Sc./Some College (47.9%), Assoc. (9.1%), Bach'r. (18.6%), Mast. or higher (14.8%) |
| Income: | Spanning from under $35,000/yr to over $100,000/yr | Household: <$35k (22%), $35k-$50k (15%),<br>$50-$75k (23%), $75-$100k (16%), $100k+ (24%) |
| Veteran Status: | One veteran, Nine non-veterans | Veteran (10.9%), Nonveteran (89.1%) |
| Religious Background: | Eight Christians of different backgrounds, One Unitarian, one non-identified | not available |
| Physical Ability: | One hearing disabled (not deaf) | able bodied (86.2%),differently abled (13.8%) |
| Neighborhoods | Edison*, Oakland/Winchell, and Northside*<br>*(Also Residents from:Parkview Hills, Arcadia, West Main Hill)*<br>*Priority Neighborhoods, per FFE Bylaws | not available |

| Group | # | Seat | Director Type | Term | Jun.'20 - May '21 | Jun.'21 - May '22 | Jun.'22 - May '23 | Jun.'23 - May '24 | Jun.'24 - May '25 | Jun.'25 - May '26 | Jun.'26 - May '27 | Jun.'27 - May '28 | Jun.'28 - May '29 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Commission Appointees | 1 | **Mayor: David Anderson** | *Ex Officio Director* | *(term of office)* | | | | | | | | | |
| | 2 | **Manager: Jim Ritsema** | *Ex Officio Director* | *(as long as holds position)* | | | | | | | | | |
| | 3 | **Commissioner: Jeanne Hess** | *Commision Director* | *(6/1/19 - may not exceed elected term)* | | | | | | | | | |
| | 4 | **Commissioner: Jack Urban** | *Commision Director* | *(6/1/19 - may not exceed elected term)* | | | | | | | | | |
| | 5 | **Commissioner: Nathan Dannison** | *At-Large City Director* | *(1/2/18-6/1/21)* | | | | | | | | | |
| Sector Representatives | 6 | **Affinity Org (NPOs): Charlene Taylor** | *Stakeholder Director* | *(6/1/20-5/31/23)* | | | | | | | | | |
| | 7 | **Arts Community: Alisa Carell** | *Stakeholder Director* | *(6/1/20-5/31/23)* | | | | | | | | | |
| | 8 | **Business/Banking: Adam McFarlin** | *Stakeholder Director* | *(6/1/20-5/31/23)* | | | | | | | | | |
| | 9 | **Education: Von Washington, Jr.** | *Stakeholder Director* | *(1/2/18-5/31/21)* | | | | | | | | | |
| | 10 | **Faith Based Organizations: Rachel Lonberg** | *Stakeholder Director* | *(6/1/19 - 5/31/22)* | | | | | | | | | |
| | 11 | **Healthcare: Angela Graham-Williams** | *Stakeholder Director* | *(1/2/18 - 5/31/21)* | | | | | | | | | |
| | 12 | **Housing Sector: Stephanie Hoffman** | *Stakeholder Director* | *unexpired term:(6/1/19 - 5/31/22)* | | | | | | | | | |
| Neighborhood | 13 | **Neighborhood 1: Sandra Calderon-Huezo (Edison)** | *Stakeholder Director* | *(6/1/19-5/31/22)* | | | | | | | | | |
| | 14 | **Neighborhood 2: Alice Taylor (Northside)** | *Stakeholder Director* | *(6/1/20-5/31/23)* | | | | | | | | | |
| | 15 | **Neighborhood 3: Barbara Miller (Oakland/Winchell)** | *Stakeholder Director* | *(1/2/18-5/31/21)* | | | | | | | | | |

**Key:**

| | |
|---|---|
| **Initial Partial or Unexpired Term** | ****does not count towards term limit**** |
| **First Full Term** | |
| **Second Term (Term Limited)** | |
| **Successor Term** | |

Annual Meeting Reappoint/Replace:

**2020** Seats #6, #7, #8, #14

**2021** Seats #5, #9, #11, #15

**2022** Seats #10, #12, #13

Date: **4/26/2021 FFE**
Item: **D.2.**

# Foundation for Excellence Agenda Report

Kalamazoo Foundation for Excellence

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

**FROM:** Prepared by: Steve Brown, Foundation for Excellence Manager

**DATE:** April 26, 2021

**SUBJECT:**

Annual Election of Officers

**RECOMMENDATION:**

It is recommended that the Board review the proposed slate of officers and elect a final slate.

**BACKGROUND:**

Excerpted from Bylaws Section 5.01: "The Officers shall be elected by the Board of Directors at its first meeting and at each annual meeting thereafter. (..) Each Officer shall be elected for a term extending until the next annual meeting of the Board of
Directors or until his or her resignation or removal. In voting to elect Officers, each Officer position shall be elected by a plurality of the votes cast at an election."

At its April 12, 2021 meeting, the Executive Committee discussed previous procedures for nominating officers. Each current officer expressed a willingness and interest to continue serving the Board if other Directors were not interested or nominated for stepping into an Officer role.

Directors reached consensus to nominate a continuation of the current officers to the Board of Directors:

+ President Graham-Williams
+ Vice President Ritsema
+ Treasurer Carrel
+ Secretary Miller

Terms are for one year, elected annually.

## STRATEGIC VISION ALIGNMENT:

**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.

## FISCAL IMPACT:

Date: **4/26/2021 FFE**
Item: **D.3.**

# Foundation for Excellence Agenda Report

Kalamazoo Foundation for Excellence

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

**FROM:** Prepared by: Steve Brown, Foundation for Excellence Manager

**DATE:** April 26, 2021

**SUBJECT:**

Annual Committee Nominations

**RECOMMENDATION:**

It is recommended that the Board review and discuss the President's Committee Appointments and approve a final slate.

**BACKGROUND:**

The Board of Directors was invited by email to review the attached document committee appointments. Board Directors who were listed as eligible in each open category and interested were asked to email Foundation Manager, Steve Brown.

Bylaws: Section 6.01 – General: "The President, with the consent of the Board of Directors, shall designate the persons to serve on each committee, fill vacancies on committees, and serve as Chairperson of the committee."

**STRATEGIC VISION ALIGNMENT:**

**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.

**FISCAL IMPACT:**

April 13, 2021

BOARD MEMORANDUM

**2021 Committee Appointments**

The Board of Directors is invited to review the following information regarding committee appointments. **Board Directors who are listed as eligible in each open category and who are interested should email Foundation Coordinator, Steve Brown, at browns@kalamazoocity.org by 10am on Monday, April 2**. The President will preview her appointments and request discussion on the topic at the annual meeting on April 2 prior to making her appointments.

*"The President, with the consent of the Board of Directors, shall designate the persons to serve on each committee, fill vacancies on committees, and serve as Chairperson of the committee."*

**Bylaws:** Section 6.01 – General

**Executive Committee**

*See Section 6.03 of the FFE Bylaws*

Members: 6 - President; Treasurer, Secretary; one (1) City Director; and one (1) representative of the Finance Committee in addition to the Treasurer.

1. _______________ (President)
2. _______________ (Vice President)
3. _______________ (Treasurer)
4. _______________ (Secretary)
5. _______________ (City Directors: Anderson, Hess, or Urban)
6. _______________ (Representative from Finance Committee other than Treasurer)

**Finance Committee**

*See Section 6.02 of the FFE Bylaws*

Members: 6 - The Committee shall consist of FFE's Treasurer, the City's Finance Director, or similar position (or a person appointed by the City's Finance Director), the City Manager, and two (2) Stakeholder Directors. The President is *ex officio* a member of all standing committees.

1. _______________ (President, *ex officio*)
2. _______________ (Treasurer)
3. Steve Vicenzi CFO and Finance Director
4. Jim Ritsema City Manager and Director
5. _______________ (Stakeholder: Calderon-Huezo, Carrel, Dr. Graham-Williams, Hoffman, Lonberg, Miller, A. Taylor, C. Taylor, Washington)
6. _______________ (Stakeholder: Calderon-Huezo, Carrel, Dr. Graham-Williams, Hoffman, Lonberg, Miller, A. Taylor, C. Taylor, Washington)