

**Prosperity Denver Fund
Board of Directors Meeting Minutes**

September 25, 2020

7:30-9:30 AM MT

Via Zoom

Attendees:

Board members: Stephen Kurtz, Theresa Peña, Angela Cobiàn, Mark Goodman, Chris Herndon, John Kechriotis, Danielle Shoots

Staff: Matt Jordan - CEO, Lauren Sisneros - Supported Organizations Outreach, Rebecca Andruszka - Project Manager

Advisors: Rob McDaniel - Metrix IQ, Paige Morandi - Metrix IQ, Trey Rogers - Recht Kornfeld, PC

Guests: Natasha Garfield - DSF, Lorii Rabinowitz – DSF, Amber Anderson - OCA , Dionne Williams - OCA

Call to order: Steve Kurtz, Board Chair, called the meeting to order at 7:42 AM. A quorum was present. Steve introduced Danielle Shoots, who was recently approved by the Mayor's office for the Board of Directors and John Kechriotis, whose term was renewed.

Motion to approve August meetings minutes: *Mark Goodman moved; Angela Cobiàn seconded. Motion was unanimously approved.*

CEO Report

Matt Jordan walked the Board through the proposed Work Plan Priorities for FY2021. A copy of the work plan was included in the meeting materials for everyone to review in more detail. Steve reminded everyone that OCA has seen and approved it already.

Motion to approve FY 2021 Work Plan: *Mark Goodman moved; John Kechriotis seconded. Motion was unanimously approved.*

Matt then reviewed the Fall Distribution Process, including updated terminology regarding organizations:

- "Approved" means that they have submitted eligibility applications and successfully met all our requirements. Only approved organizations are able to request reimbursement.
- "Supporting organizations" only refers to organizations who are participating in this round of reimbursement requests.

Communications/Outreach

Lauren Sisneros confirmed that we now have 33 total approved organizations. 19 organizations have already submitted reimbursement requests for scholarships. Earlier in September, we held a workshop at which we reviewed the application and answered general questions. The feedback we received from a post-workshop survey reflected that it was useful for many of the organizations. A workshop on the support services reimbursement will take place in early October. Because our goal is to reimburse

organizations to build their capacity and increase scholarship availability, we are working with organizations who need additional flexibility. In the future, Angela Cobiàn requested a report on how the Help Desk was used as well.

Lauren also updated the Board on our social media and web presence statistics.

Data

Matt indicated that this section of the meeting would cover an update to the reimbursement resolution and refined support service definitions. Neither propose changes to our policies, but rather formalize them. Trey Rogers (legal counsel) reviewed the policies. The proposed reimbursement resolution allows organizations different ways to confirm a student's financial need (besides FAFSA), including those students who may not be documented. One of these options is the financial affidavit, which was reviewed in detail.

Angela asked about how the financial affidavit would work with the state financial aid option that would be available to undocumented students. Matt asked Natasha Garfield from Denver Scholarship Fund to update us on state aid. Colorado Application for Student Financial Aid was launched recently for students who are not eligible for federal aid but may qualify for state aid, including undocumented students. However, this is only available to public institutions. The "CSS Profile" is used by private colleges, such as Colorado College and University of Denver. Angela recommended continuing our conversations about ensuring eligibility for scholarships made to undocumented students. Steve clarified that this would not come into play until the AY 2020-21 and that reimbursements are currently only available for AY 2018-19 and AY 2019-20.

Staff committed to follow up on the inclusion of the CSS Profile at the next relevant distribution cycle.

Dionne Williams (OCA) asked about how organizations can verify information for scholars who were in foster care or experienced homelessness during their high school years. Paige Morandi (MetrixIQ) referred her to the residency affidavit as well as the financial affidavit.

Trey reviewed the other reimbursement resolution sections, that have not been changed since the last disbursement and include:

- The threshold of financial need - expected family contribution does not exceed two and one half times the maximum expected family contribution that would qualify for a federal Pell Grant.
- A sliding scale of reimbursements - this allows us to reimburse organizations for 75% (the maximum we are allowed to reimburse, per the ordinance) of a scholarship/services for a scholar with an expected family contribution of up to two times the maximum that would qualify for a Pell Grant and 70% of scholarships/services for students with an expected family contribution of more than two times, and up to two and a half times, the maximum that would qualify for a Pell Grant.
- Ratio of scholarships to support services - the reimbursement for services cannot exceed the reimbursement for scholarships.
- Expectation that Supporting Organizations will use the reimbursement funds to expand access and increase enrollment in postsecondary education.

This resolution will come before the board for approval each year. Trey recommended that any changes made to the affidavit (rather than the resolution) be made through a board motion.

Matt confirmed that none of the organizations seeking reimbursement have been unable to complete the affidavits or have identified any issues that would not be addressed through the affidavit.

Motion to approve the reimbursement resolution: *Angela Cobiàn moved; Theresa Peña seconded. Motion was unanimously approved.*

Matt then reviewed the Support Service Definitions document, and explained that this is intended to help Supporting Organizations classify their support services per the ordinance, compare them to how COSI currently classifies services, and provide examples. After the fall distribution, there will be a larger, board-level conversation about supportive services.

Motion to approve the support services definitions: *Theresa Peña moved; Angela Cobiàn seconded. Motion was unanimously approved.*

Finance

Steve reviewed the August 2020 financial statements and the revenue adjustment that was previously discussed, due to COVID-19 impact on city sales tax. We currently have \$13M left in the scholarship fund and expect that the fall distribution will be about \$5M. We currently estimate that the city has overpaid us about \$750K this year. As discussed in previous meetings, we will reduce our payments over the last few months of the year to reduce the need for us to make a significant repayment to the city.

Recently, the city informed us that they believe that we are subject to a TABOR reserve of 3% of our receipts. We are not clear if this is indeed the case and expect more information about this in the near future.

Motion to approve the August 2020 financials: *Mark Goodman moved; Chris Herndon seconded. Motion was unanimously approved.*

Matt presented the FY 2021 proposed administrative budget. The budget includes three full-time positions and current contracts. It and the FY 2022 budget is based on 5% of the estimated sales tax revenue. The budgets include 150%+ administrative budget in the reserve fund. Matt recommends that we have at least 100% of the administrative budget in reserve at all times. Therefore we have a healthy cushion for one-time and continued expenses.

Motion to approve FY21 admin budget and initial reserve of 100% of our annual administrative costs: *John Kechriotis moved; Chris Herndon seconded. Motion was unanimously approved.*

Public Comment - none

Board moved to the Executive Session at 9:00 AM.