

**RESOLUTION
OF
THE BOARD OF DIRECTORS
OF
PROSPERITY DENVER FUND**

This resolution was considered and adopted by the Board of Directors (the “Board”) of Prosperity Denver Fund, a Colorado nonprofit corporation (“PDF” or “Corporation”), in accordance with the Colorado Revised Nonprofit Corporation Act, as amended, and its Bylaws, at a meeting of the Board of Directors duly called and held on March 10, 2021.

WHEREAS PDF is responsible for administering the Denver College Affordability Fund, authorized by the voters of the City and County of Denver in the November 2018 election, now codified in Article IV, Chapter 11 of the Denver Revised Municipal Code (the “Ordinance”); and

WHEREAS the Ordinance establishes requirements for nonprofit organizations seeking reimbursement from PDF and requirements for students for whom reimbursement is sought; and

WHEREAS several issues regarding organizational and student requirements are left to the discretion of the Board; and

WHEREAS the Board has addressed these issues in a previous resolution; and

WHEREAS the Board wishes to renew and update its resolution for application to distributions for the 2020-2021 academic year;

NOW, THEREFORE, BE IT RESOLVED THAT, pursuant to the discretion of the Board as delegated to it by the Ordinance, the following numbered paragraphs are hereby ratified, approved and adopted as policies of PDF:

1. Section 11-33(b) of the Ordinance requires students to complete “the Free Application for Federal Student Aid or similar measure of financial need as determined by the corporation.” PDF deems the requirement of Section 11-33(b) met if the student completes 1) the Free Application for Federal Student Aid, 2) an application for financial aid offered by the State of Colorado, 3) an application for institutional aid offered by his or her postsecondary institution, or 4) a Financial Need Affidavit in the form attached hereto as Exhibit A.
2. Section 11-34(3) of the Ordinance prohibits reimbursement “for a student whose expected family contribution exceeds two and one half times the maximum expected family contribution that would qualify for a federal Pell Grant or similar measure of financial need as determined by the corporation for a given academic year.” PDF deems scholarships and support services eligible for reimbursement under Section 11-34(3) if the student’s postsecondary institution concludes that his or her expected family contribution does not exceed two and one half times the maximum expected family contribution that would qualify for a federal Pell Grant based on the student’s Free

Application for Federal Student Aid, an application for financial aid offered by the State of Colorado, an application for institutional aid offered by the postsecondary institution. PDF may also deem scholarships and support services eligible for reimbursement under Section 11-34(3) based on the student's completion of a Financial Need Affidavit in the form attached hereto as Exhibit A.

3. Section 11-34(3) of the Ordinance requires reimbursement for scholarships and support services to “be funded by the corporation on a sliding scale base on the federal Pell Grant program...or comparable need analysis as determined by the corporation.” For academic year 2020-2021, PDF will reimburse up to 75% of qualifying scholarship payments and support services for students with an expected family contribution of up to two times the maximum that would qualify for a Pell Grant and 70% of qualifying payments for scholarships and support 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. PDF will accept a calculation of expected family contribution made by a student's postsecondary institution based on the student's Free Application for Federal Student Aid, an application for financial aid offered by the State of Colorado, or an application for institutional aid offered by the postsecondary institution. PDF may also make a calculation of expected family contribution based on the student's completion of a Financial Need Affidavit in the form attached hereto as Exhibit A.
4. Section 11-34(5) of the Ordinance limits reimbursement for support services to “a stated percentage of the total amount reimbursed for an eligible student, such percentage to be established annually by the corporation's board of directors.” For academic year 2020-2021, support services shall not exceed 50% of the total amount reimbursed for each eligible student. To be clear, under this section, support services are limited to 50% of the combination of scholarships and support services reimbursed for each student, not 50% of the scholarships alone. By way of example, if an organization has paid \$5,000 in scholarships for a given student, and receives \$3,750 in reimbursement for that student, the organization may not be reimbursed more than \$3,750 for support services provided to that student (50% of the total \$7,500 reimbursed).
5. Section 11-34(8)(iv) of the Ordinance permits the Board to establish other requirements for an organization to be eligible to receive payments from PDF. Pursuant to that authority, the Board requires that, to be eligible to receive payments, an organization must use funds received from PDF to further the intent of the Ordinance. That is, to be eligible to receive payments, an organization must use funds received from PDF to increase postsecondary institution enrollment and completion for Denver residents and must demonstrate compliance with this requirement each year through a report in the form required by PDF.
6. Section 11-34(1) of the Ordinance provides that organizations eligible to received payments from PDF may apply for reimbursement for eligible students supported in the prior academic year. Pursuant to that authority, the Board determines that PDF's academic year shall run from August 1 of each year through July 31 of the following year. Accordingly, organizations may apply for reimbursements for eligible students

supported in academic year 2019-2020 through July 31, 2021, consistent with application deadlines established by PDF. Organizations may apply for reimbursements for eligible students supported in academic year 2020-2021 between August 1, 2021 and July 31, 2022, consistent with application deadlines established by PDF.

This resolution supersedes all prior Board resolutions on these issues.

I hereby certify that this resolution was adopted by the requisite affirmative vote at a duly noticed meeting of the Board of Directors of Prosperity Denver Fund on March 10, 2020.

Name: **Angela Cobián**

Title: Secretary