

**PROCEEDINGS
OF
THE PROMISE ZONE AUTHORITY BOARD OF DIRECTORS
GRAND RAPIDS, MICHIGAN

OFFICIAL

REGULAR BOARD MEETING
BOARD CHAMBERS/1331 MARTIN LUTHER KING JR STREET SE

MONDAY, DECEMBER 11, 2023**

Meeting called to order at 2:30 p.m. by Chair Tom DeJonge.

ROLL CALL

Present: Mayor Bliss, Mr. Cuevas, Mr. Faber, Mr. Huizenga, Mr. McComb, Ms. Weatherall Neal, Dr. Roby, Ms. Sieger (not present during roll arrived at 2:51 p.m.), and Chair Tom DeJonge – 9.

Excused: Ms. Grant, Ms. Johnson – 2.

APPROVAL OF AGENDA

Chairperson Mr. DeJonge asked for approval of the agenda.

Motion by Ms. Cuevas supported by Mr. Faber to approve the agenda as written.

Voice Vote: Carried.

Nays: 0.

APPROVAL OF MEETING MINUTES

Approval of Board of Directors Meeting Minutes – September 11, 2023

There were no concerns expressed by the board of directors concerning minutes submitted.

Motion by Ms. Bliss, Supported by Mr. Cuevas, to approve the September 11, 2023, board meeting minutes.

Voice Vote: Carried.

Nays: 0.

PUBLIC COMMENT

None.

INFORMATION ITEMS

Board Chair Updates

Chair DeJonge provided an update on a question that arose regarding Representative Kristian Grant's eligibility to serve as a board of director for the Promise Zone. The Promise Zone boards are state affiliated and is of the legal opinion holding a state office and serving on this board would be a conflict of interest. A legal opinion was provided by Thrun Law Firm. Representative Grant also checked with her legal counsel as well as receiving a copy of this opinion. Chair DeJonge shared that Representative Grant graciously submitted her letter of resignation a week ago and expressed her disappointment to step down. This resignation creates a vacancy on the board.

Representative Kristian Grant expressed her desire to serve on the Grand Rapids Promise Zone Board in the future should she no longer hold state office. Chair DeJonge requested this be stated for the record.

Prior Meeting Follow-Up

Chair DeJonge provided a follow up to the previous board meeting with respect to the various costs the board is asked to approve concerning salaries, benefits, and expenses that equaled the \$402,818.13. The board received an explanation and approved the item. Future packets will include more detail. It was also noted that the amount presented reflects Success Coordinators not starting until a quarter in during the fiscal year. Next year this will show up a little higher.

Year End Audit

Mr. Corey VanDyke, CPA principal from Plante Moran highlighted the details of the audit receiving an unmodified opinion by Plante Moran which is the highest level of assurance that they can provide to a set of financial statements. Mr. VanDyke also reviewed internal controls and found no deficiencies or material weaknesses. Mr. VanDyke provided the audited general fund balance is \$2,402,292 at the end of the June 30, 2023 fiscal year.

Chair DeJonge thanked Mr. VanDyke for his work and that of the team to support the audit.

DISCUSSION ITEMS

Grand Rapids Community College Updates

GRCC Enrollment and Activities Update

Ms. Ashlee Mishler shared an update on the winter semester enrollment data which is 518 students. At this time, last year there were 377. She compared the class of 2023 to date has 221 enrolled this time last year 2022 there were 184 students. She expects there will be additional growth.

Data Sharing from other Promise Zones

At the last meeting, board of directors inquired about what Grand Rapids numbers look like compared to other Promise Zones. Ms. Mishler provided data comparisons which demonstrated Grand Rapids is in a trajectory of continued growth in numbers.

- ◆ Grand Rapids Fall 2023 is 281 enrolled/964 eligible; 29.1 percent eligible enrolled
- ◆ Mason County Fall 2023 is 22.7 percent; began in 2018
- ◆ Battle Creek 15 percent; began in 2012
- ◆ Hazel Park 15 percent; began in 2012
- ◆ Muskegon County 43 percent intent to enroll; began in 2015

A board of director inquired what is our best practice. Ms. Mishler complimented her team and touted that this Promise Zone was at 25 percent in fall of 2022 and now at 29 percent in the fall of 2023 which is a huge jump with the coordinators' efforts showing up in these numbers.

Promise Zone Position Updates

Ms. Mishler was delighted to share they have four coordinators and are fully staffed. She announced the names of each:

- Ollie Eunice
- Morgan Hannah
- Mackenzie Houlehen
- Sarah Zwylghuizen

Ms. Mishler also provided updates on various activities that took place during the last quarter including information sessions, parent nights/conferences, and workshops. The team is actively engaging eligible Promise Zone students as well as parents, caregivers, and the schools.

FAFSA is expected to be available starting December 31, 2023.

Budget Update

Ms. Lisa Freiburger provided the Grand Rapids Promise Zone is funded through the state education tax capture. The 2023- 24 budget was based on projections that were initially researched by Public Policy and Associates during the development process of the Grand Rapids Promise Zone and are updated annually by the Department of Treasury. Due to the current housing market, there has been a significant increase in property tax revenue.

As the Promise Zone was coming into existence, there were a series of property tax revenue projections that were incorporated into the development plan. There is higher growth from what was projected. There is complexity in the modified accrued versus what is in the financial statements which is a year ahead. The November 2023 payment will be the 2024 revenue budget to spend. This fiscal year's budget is \$2.2 million adopted. The payment was \$3.6 million (2023). Additionally, projections of what they will receive in Fall of 2024 and 2025 shows the revenue grows from \$3.6 million (2023) to \$5.1 million (2024) and then \$6.4 million (2025).

Mr. DeJonge provided this is a great opportunity to serve students. Next steps to explore what the options will be going into the next fiscal year so they can have something in place.

The board discussed bipartisan Promise Zone legislation that was not acted on by lawmakers. The bills were tabled prior to their winter recess. One of the bills was regarding flexibility with what can be offered to cover expenses for students such as transportation and childcare. The other was regarding supports and resources on the college campus.

Ad Hoc Committee

Chair DeJonge appointed an ad-hoc committee to present recommendations to the full board on how to utilize these funds to best support student outcomes and activities outlined in the Student Success Framework. He will serve along with Teresa Weatherall Neal. Additional appointments will be made to support this work. He iterated they have an obligation; the board oversees student investment and is not a savings institution. They will look at Promise Zone legislation and their Development Plan to as guiding documents.

Promise Zone Website

Ms. Mishler shared there have been some technical complications with the current website. She has been working with the vendor to correct this. She is looking to move the website to something more inclusive. Within their current budget there are funds to produce a more efficient website platform.

Marketing Update

Ms. Amy Soper, associate communications director at Grand Rapids Community College, provided there is a report within the board of directors packet providing an update. She highlighted the GR Promise Zone billboards around the eligible schools and students. They are using paid digital ads, social, and slate ads with same images and students seeing the message in multiple ways running from September – November. There is a significant increase in awareness more than a 1,000 percent increase from last year on the PZA website. They are also being responsive to translation requests. A board of director inquired about translating ads. Ms. Soper provided that it is believed the images may be more valued. The board member iterated to consider marketing a strategy with language access. There is also an initiative with DASH. They are working on partnering with GRPS to promote the PZA through the district's advertising channels.

ACTION ITEMS

Resolution to Expand Residential Boundaries of the Grand Rapids Promise Zone Scholarship

Ms. Mishler provided an update on residential boundaries specific to Grand Rapids Public Schools' boundaries and differentiating city of Grand Rapids' boundaries. There are 11 areas within the Grand Rapids city boundaries that are not eligible. Only 5 of the 11 areas contain residences. Within those 5 sections there are approximately 148 multi-family units and 477 single-family homes. There are approximately 625 residential units within those areas and equated to .73 percent of the housing in the city. Students qualifying for the scholarship if the resolution is accepted, would still be required to graduate from one of the Grand Rapids Promise Zone Authority schools.

This change does not change the tax capture. There was discussion on fairness to taxpayers. The board came to consensus that it is of no fault of the students, and they should be the first consideration. They could be at a qualifying school living in Grand Rapids and because of the school district boundaries would otherwise not have equitable access. These areas were annexed in the city.

Motion by Mr. Cuevas, Supported by Ms. Weatherall Neal, to approve the Resolution to Expand the Residency Boundaries of the Grand Rapids Promise Zone Scholarship

Voice Vote: Carried.

Nays: 0.

Resolution to Increase of Credit Hour Limit of the Grand Rapids Promise Zone Scholarship

Ms. Mishler shared this was brought to the board in September 2022 and voted to increase the number of credit hours from 60 to 72. The Treasury has asked for a formal resolution to amend the Development Plan.

Motion by Mr. Cuevas, Supported by Ms. Weatherall Neal, to Increase the Credit Limit of the Grand Rapids Promise Zone Scholarship

Voice Vote: Carried.

Nays: 0.

Approval of Disbursements

Ms. Rhonda Kribs, chief financial officer at Grand Rapids Public Schools presented the data concerning disbursements for June – August 2023.

Disbursements were presented as follows:

Paid Expenses 9/1/2023 through 10/31/2023

Grand Rapids Community College Tuition/Fees	\$ 2,481.18
Barnes & Noble -- GRCC Bookstore	116,792.94
Reagan Marketing	483.53

Plante & Moran	17,750.00
PNC Bank Fees	1,354.18
Thrun	2,914.00
Total	\$ <u>141,775.83</u>

Motion by Mayor Bliss, Supported by Ms. Johnson, to approve the GRPS Accounting MOU.

Voice Vote: Carried.

Nays: 0.

PUBLIC COMMENT

None.

BOARD MEMBERS' COMMENTS

Dr. Roby thanked the community for their support of the GRPS scholars and the passage of the bond. This will be a transformation of what our city can be.

Mayor Bliss thanked everyone for making this work happen.

Mr. Huizenga asked about the state's reconnect program with community colleges and lowering the age in which someone qualifies. Does this effect our eligibility at all? Ms. Mishler ~~she~~ ~~encouraged~~ ~~all~~ ~~who~~ ~~meet~~ ~~the~~ ~~eligibility~~ ~~to~~ ~~apply~~ ~~as~~ ~~this~~ ~~applies~~ ~~to~~ ~~the~~ ~~tuition~~ ~~prior~~ ~~to~~ ~~the~~ ~~Promise~~ ~~Zone~~ ~~scholarship~~. Ms. Mishler ~~provided~~ ~~she~~ ~~encouraged~~ ~~all~~ ~~who~~ ~~meet~~ ~~the~~ ~~eligibility~~ ~~to~~ ~~apply~~ ~~as~~ ~~this~~ ~~applies~~ ~~to~~ ~~the~~ ~~tuition~~ ~~prior~~ ~~to~~ ~~the~~ ~~Promise~~ ~~Zone~~ ~~scholarship~~.

Mr. McComb thanked everyone for their work.

Mr. Faber was excited about the increase in the percentage to 29 percent of students taking advantage of the program. Great work to the staff.

Mr. Cuevas thanked staff for their work and what they are doing for the community.

Chair DeJonge thanked the coordinators for sticking with them and welcomed the newest members and encouraged them to learn from those that have been around.

ADJOURNMENT

Chairperson Mr. DeJonge adjourned the meeting at 3:49 p.m.

Secretary

Respectfully submitted by
Ms. Julie Anderson
Executive Assistant to the Superintendent
of Grand Rapids Public Schools