

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

September 11, 2024

7:30-9:30 AM MT

On Zoom

Attendees:

Board members: Theresa Peña, Millie Barsallo, Polica Houston, Steve Kurtz, Diana Romero Campbell, and Jason Wardrip

Staff: Rebecca Arno - CEO, Lauren Sisneros - Advisor, Korrine Salas Young - Community Engagement Director, Amy Franklin - Data & Evaluation Director, Rebecca Andruszka - Project Manager

Advisors: Richard Maez - Ednium, Trey Rogers - Recht Kornfeld, Angela Stiles Pullas - Prosono

Guests: Nate Cadeña - DSF, Natasha Garfield - DSF, Angela Maher - Save Our Youth, Lorii Rabinowitz - DSF

Call to order: Theresa Peña, Chair, called the meeting to order at 7:30 AM. A quorum was present.

Motion to approve July 2024 board meeting minutes: *Steve Kurtz moved, Jason Wardrip seconded. Motion was unanimously approved.*

Data & Finance Committee

2024-25 Reimbursement Resolution

Rebecca Arno presented the annual reimbursement resolution which updates calendar and academic years for the upcoming disbursement.

Motion to approve the annual reimbursement resolution: *Steve Kurtz moved, Diana Romero Campbell seconded. Motion was unanimously approved.*

Banking Powers Operating Agreement

Motion to allow Rebecca Arno to assume banking powers for the organization: *Polica Houston moved, Steve Kurtz seconded. Motion was unanimously approved.*

Review Financial Reports for June and July

Steve Kurtz reviewed the June/July 2024 financial reports and highlighted the consultant expenses in particular as an area for review. He also explained that the organization paid back the city for an overpayment of about \$500,000. With sales tax revenue declining, we should expect that we will need to make a similar payment in 2025 as well.

Steve Kurtz and Rebecca Arno are reviewing the organization's investments and have laddered CDs to maximize earnings.

Career & Completion Committee

Funding Sources Policy Approval

Amy Franklin presented the proposed Funding Sources Policy. The intent of the policy is to remove the burden of reporting on specific funding sources, allowing for a higher level of reimbursement, particularly to Supported Organizations in the credentials program. The updated policy includes a restriction that program expenses paid for through per-pupil funding to public schools (district and charter schools) will not be reimbursed. The proposed policy then outlined how PDF will focus on how the SOs intend to use the funds to expand post-secondary opportunities.

Theresa Peña reported that the committee drafted this policy to ensure that the organization was focused on outcomes of programs, not the inputs (i.e. detailing funding streams). The committee recommended that the policy apply to all programs, even though it will not affect all of them substantially. The proposed policy would go into effect for the 2024/25 program year. Supported Organizations will receive guidance in advance for any reporting requirements.

Steve Kurtz asked about how the policy would be applied and pushed back on some of the language used in the presentation. He also asked about Supported Organization feedback to the policy. Nate Cadeña and Diana Romero Campbell asked some clarifying questions. Polica Houston offered some additional draft language for the policy. Theresa Peña reminded the board that this policy would amend the decision made at the May 2024 board meeting to restrict reimbursement funds to philanthropic sources only.

The Supported Organizations in the credentials program are championing this policy because it will allow them to receive greater funding and reduce their administrative burden. Lauren Sisneros offered an example from one of our current Supported Organizations and the positive impact it would have on their organization. Lorii Rabinowitz

confirmed that the policy would not affect Denver Scholarship Foundation (which participates in the collegiate and high school support service programs).

Rebecca Arno explained that we need approval of the portion of the policy related to funding sources in order to launch the credentials reimbursement program this fall. She recommended that the balance of the policy presented (regarding reporting) be reviewed and rolled out after receiving input from Supported Organizations.

Motion to approve an amended version of the Funding Sources Policy, reading “PDF will not restrict the original funding sources that SOs include in their reimbursement, with the exception of per-pupil funding received from state and local sources.”: *Diana Romero Campbell moved, Jason Wardrip seconded. Motion was unanimously approved.*

It was agreed that the staff will work on operationalized support for reporting on outcomes, socialize with the Supported Organizations, and prepare a timeline.

Access & Outreach Committee

High School Support Services Program Components

Korrine Salas Young presented on the High School Support Services program components. During the pilot, the Supported Organizations reported that the criteria “new, improved, or expanded” was too vague, and the Board advised the staff to seek advice on the best practices in this field.

The Access & Outreach Committee is proposing that all funded programs include the following components recommended by our research consultant and expert, Cynthia Almadirez:

- Academic Planning and Support
- Career and College Exploration
- College Preparation and Enrollment
- Family Engagement and Partnership
- Financial Support and Resources
- Individualized Guidance/Mentorship
- Novel and Innovative Approaches

Polica Houston pushed back against “family engagement,” as he has professional experiences with family engagement not being possible or potentially detrimental. In response to a question from Angela Maher, Korrine Salas Young confirmed that PDF will be looking for elements of these items in all programs, not separate programs for each component.

The committee will present and discuss this proposal at this Friday’s committee meeting and will then present a final version to be approved by the Board at a special meeting or virtual vote. The committee meeting is open to all Board members and meeting information will be circulated.

Recommendation re: DSST Contractual Language

Korrine Salas Young reported that DSST Public Schools, a prospective Supported Organization, requested a change to the indemnification clause in the contract. DSST is a Charter Management Organization, 501(c)(3) nonprofit, and a public school that provides collegiate scholarships. She clarified that another charter school has already been receiving reimbursement dollars for scholarships that are funded by philanthropic dollars, similar to the high school alumni programs that have also participated in PDF for several years.

Trey Rogers explained that because DSST is a government entity (a public school) they are not permitted to indemnify a third party. Adjusting the language the way they requested would make the clause unenforceable, and therefore he recommends that we remove this clause for any Supported Organizations that are government entities. He clarified that this would only present an issue if a Supported Organization misused our funds, in which case we would be liable for our own legal fees. If the clause is not removed, DSST nor any other government entities (public schools) would be eligible for participation in PDF.

Lauren Sisneros shared the resolution from earlier this year that referenced Charter Management Organizations related to High School Support Services only.

Motion to remove the indemnification clause in the Supported Organization contract for government entities only: *Steve Kurtz moved, Jason Wardrip seconded. Motion was unanimously approved.*

2023-24 AY Distribution Calendar

Korrine Salas Young reviewed the 2024 fall distribution cycle calendar, reminding the Board that the review and approval of disbursements will take place during our November meeting.

Updates and Discussion

Update on Sliding Scale

Amy Franklin presented the sliding scale for the credentials program. Per the ordinance, we need a sliding scale for reimbursement. Our consultant, CEEMI, who will also administer the program, recommended the tiers and sliding scales. At the request of Supported Organizations, we will use the Area Median Income (set by HUD) to determine income eligibility, since our credentials program Supported Organizations do not collect Pell grant eligibility. Based on comparable need analysis, the Area Median Income is the closest equivalent to the Pell. Staff will continue to work with Trey Rogers to confirm that this guidance will align with the ordinance.

Staff will incorporate the sliding scale information in the resolution that we will present for the upcoming Credentials and High School Support Services reimbursement cycle.

Update on New Database Project

Amy Franklin reported that the Metrix IQ contract will extend to May/June 2025, when we expect to have a new database through a new vendor. Staff is reviewing a potential vendor at the Data and Finance Committee, and will present a recommendation at the November meeting.

Update on Economic Impact Report

Rebecca Arno provided a high-level update on the Economic Impact Report project. Initial findings show that PDF's investments have had an impact of \$63.1 million in Colorado and \$37.9 just in Denver. Further research will estimate savings in social benefit usage. The research is also showing a conservative estimate that there has been a 8-11% increase in college attendance per year from 2018-2023.

Board Development/Recruitment

Theresa Peña has confirmed that Mark Goodman rolled off the Board in May. Rebecca Arno will begin meeting with new prospective Board members. Promising candidates will then be interviewed by current Board members.

Feedback on in-person meetings

Theresa Peña will reach out to Board members individually to discuss moving our Board meetings to in-person again, possibly by January 2025.

Upcoming Events

Rebecca Arno reminded the Board of the October 10 SVP Denver Solutions Session (at Apprentice of Peace Youth Organization, 2245 Curtis Street, Suite 200, Denver, CO 80205). This event was discussed in more detail at the July 2024 Board meeting. Board members will receive a calendar invitation and information will be posted on the website.

Meeting was adjourned at 9:28 AM.