



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

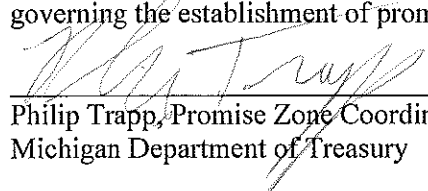
PROMISE ZONE DEVELOPMENT PLAN APPROVAL

The Michigan Department of Treasury, under its authority in PA 550 of 2008, as amended, designated the Newaygo County Area Regional Educational Service Agency (NC RESA) as one of the ten eligible communities to file an application of intent to establish a promise zone. That designation gave the NC RESA authority to proceed in establishing a Promise Zone and to appoint an authority board.

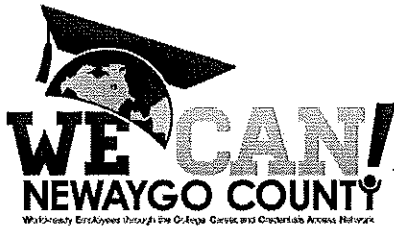
The NC RESA has now established the Newaygo County Area Promise Zone Authority. The Newaygo County Area Promise Zone Authority has submitted the required zone development plan necessary to activate a zone and to secure the capture of one-half the growth of the State Education Tax. Under PA 549 of 2008, as amended, the Department of Treasury has the responsibility to review a promise zone development plan to ensure it meets the standards required by law. In reviewing materials submitted by the Newaygo County Area Promise Zone Authority, the Department of Treasury finds:

- As one of the ten eligible entities to submit a resolution declaring the intent to establish a zone, the NC RESA had the proper approval from the Department to proceed with establishing the Newaygo County Area Promise Zone and appointing the Newaygo County Area Promise Zone Authority.
- The Newaygo County Area Promise Zone Authority has submitted a promise zone development plan with a promise of student financial support. The zone will provide funds for tuition, books and mandatory fees up to the cost of obtaining an associate's degree or its equivalent at the prevailing Muskegon Community College tuition rate at the partnering institutions of Muskegon Community College or Baker College of Muskegon/Fremont.
- The plan includes an actuarial model of the costs associated with this level of support and a credible plan for securing the resources necessary to meet the costs as outlined in the actuarial model.
- If the assistance does begin as planned with the graduating class of 2017, the base year from which future growth will be calculated will be 2016.
- The Department of Treasury is responsible for verifying that the Newaygo County Area Promise Zone has met and continues to meet the financial support promised in this plan before authorizing the release of captured State Education Tax money. In order to fulfil that responsibility, the Department will periodically request information from the Newaygo County Area Promise Zone to verify the financial support provided to eligible students.

The Newaygo County Area Promise Zone Authority plan has therefore met the requirements of the law governing the establishment of promise zone authorities and is approved.


Philip Trapp, Promise Zone Coordinator
Michigan Department of Treasury

Date: 11-16-16



NEWAYGO COUNTY AREA PROMISE SCHOLARSHIP

DEVELOPMENT PLAN

Submitted to Michigan Department of Treasury

November, 2016

by the

Newaygo County Area Promise Zone Authority

Partnering institutions:



Muskegon Community College



PURPOSE

The Newaygo County Area Promise makes a commitment to the young people of our community to provide the opportunity to earn at least a two-year college degree tuition free. The Newaygo County Area Promise Scholarship is an award promised to eligible high school graduates who reside in the Newaygo County Area Regional Educational Service Agency (NC RESA) service area and are graduates of high schools within the NC RESA boundaries; or graduates of a homeschool program meeting the same criteria as graduates from local high schools. It provides the local financial assistance necessary to obtain a two-year associate degree at a partnering institution when used in conjunction with federal, state and institutional grants. The Newaygo County Area Promise scholarship will promote post-secondary education and prepare students for future success in college and career choices.

NEWAYGO COUNTY AREA PROMISE SCHOLARSHIP

Promise scholarships will fund educational opportunity at the partnering institutions of Muskegon Community College or Baker College of Muskegon/Fremont. Eligible students will receive funding for tuition and mandatory fees at Muskegon Community College or tuition at Baker College of Muskegon/Fremont up to the tuition cost of obtaining an associate degree or its equivalent at Muskegon Community College. The Newaygo County Area Promise Zone Authority Board will partner with the NC RESA constituent local school districts to ensure the focus of the Promise remains on student academic preparedness, compliance with Promise eligibility criteria, and creating access to post-secondary opportunities in a college-going culture.

ELIGIBILITY

To qualify for the Newaygo County Area Promise scholarship, students must meet all the following criteria:

- Reside within the boundaries of the NC RESA service area.
- Graduate from a high school located within the NC RESA service area boundaries; or graduate from a homeschool that has registered with NC RESA and met the same graduation requirements as graduates of the local districts.
- Achieve a minimum high school grade point average (GPA) of 2.5
- Apply for federal student aid using the Free Application for Federal Student Aid (FAFSA) each year.
- Enroll at an eligible partnering institution.
- Begin using the Promise Scholarship by the fall one year following high school graduation.

TERMS OF THE NEWAYGO COUNTY AREA PROMISE SCHOLARSHIP

The Newaygo County Area Promise Scholarship will be a “last dollar” scholarship and will only cover the difference in a student’s current financial aid grants and the cost of tuition and mandatory fees. All students must apply for and accept all federal and state grants before the amount of the Promise will be awarded for a given year. Loans and student work-study awards will not be considered for these purposes. Monies will be paid directly to either partnering institution. Newaygo County Area Promise funds will not be refunded directly to students if a financial aid surplus is available.

Students must comply with the partnering institution’s standards for *satisfactory academic progress*. Students must complete a minimum average of 24 semester credit hours per year. Students will have a maximum of three years to earn a maximum of 62 credits, the equivalent to an associate degree from Muskegon Community College; and a maximum of four years from high school graduation, if the student chose a one-year delay to begin the program.

Students must apply to renew their scholarships annually and supply a copy of their college transcript with each renewal application. They must also supply notice of any financial aid awards for the next year of college attendance. The amount of the Promise scholarship may be adjusted each year based on any revised financial aid award information provided.

ELIGIBLE INSTITUTIONS

The Promise scholarship may be used at either Muskegon Community College or Baker College of Muskegon/Fremont.

EXTENT OF BENEFITS

For eligible students, the amount of the Promise scholarship will be awarded on the basis of length of consecutive attendance at public or non-public schools or homeschool students residing within the boundaries of the NC RESA. The scholarship awards will be 100% funded for all eligible students who have attended a Newaygo County Area school for grades 7-12 and have successfully graduated. The Newaygo County Area Promise Scholarship will be prorated based upon years of residency in the Newaygo County Regional Education Service Agency service area as follows:

- 100% of Promise Scholarship awarded if a student attends grades 7-12
- 90% of Promise Scholarship awarded if student attends grades 8-12
- 80% of Promise Scholarship awarded if student attends grades 9-12
- 60% of Promise Scholarship awarded if student attends grades 10-12
- 40% of Promise Scholarship awarded if student attends grades 11-12
- 20% of Promise Scholarship awarded if student attends only grade 12

APPEALS

Students may appeal to the Newaygo County Area Promise Zone Authority Board (NCAPZA) to defer use of the Promise scholarship, or to seek review of the denial of eligibility. Appeals must be made in writing to the NCAPZA Board in a manner and form prescribed by the Board. At a minimum, the appeal shall contain the student's name, address, date of birth, and phone number; the basis for the appeal; and any other supporting documents. When all required materials are received, the NCAPZA Chairperson will place the appeal on the next meeting's agenda and send copies of the appeal and all supporting documents to each Board member. The Board shall issue a written decision within 60 days of the date of the meeting at which the appeal was first considered. An appeal will be granted if the student seeking the appeal demonstrates good cause to the satisfaction of three-fourths of the Board members serving. Good cause for granting an appeal may include, but is not limited to, moving into a Newaygo County school during high school, interruption of a student's continuous attendance, incapacitation due to illness, homelessness, death of an immediate family member, incarceration, military service, or family obligations such as birth or adoption of a child, or a divorce.

ADMINISTRATION

Newaygo County Area Regional Educational Service Agency (NC RESA) and the Newaygo County Area Promise Zone Authority staff, in partnership with Muskegon Community College and Baker College of Muskegon, will provide ongoing monitoring, oversight, and assistance to the NCAPZA Board as it plans and implements the Promise scholarships.

FINANCIAL SUPPORT FOR NEWAYGO COUNTY AREA PROMISE SCHOLARSHIP

The Promise scholarship will be funded through a combination of broad-based community support, major gifts from private donors, corporate and foundation investments and through federal or state financial aid available to Newaygo County students. The Newaygo County Area Promise Zone Authority Board is charged with developing and implementing a plan to fund its Promise scholarship. The Newaygo County Area Promise Zone Authority is confident its fund-raising plans will succeed in securing sufficient funds to pay these and subsequent costs as they are required.

REPORTING ON STUDENT SUCCESS

The Newaygo County Area Promise Zone is committed to the success of its students when they seek education and training after high school. To that end, the Newaygo County Area Promise Zone will prepare an annual report that will comply with the reporting requirements of Public Act 9 of 2016. This report will be submitted to the Michigan Department of Treasury by

October 31 of each year beginning with a report on the 2016-17 academic year that will be submitted by October 31, 2017.

At minimum, this report will include the following:

1. The number of students who received financial assistance from the Newaygo County Area Promise Zone during the prior academic year.
2. The number of these students who successfully completed a certificate program, an associate degree or a bachelor's degree during the prior academic year.
3. The number of the students included in item 1 above who withdrew from their classes during the prior academic year.
4. For those students included in item 1 above and who have completed 23 or more semester credits during the prior academic year, the average time required to complete the equivalent of 24 semester credits.
5. The six-year post-secondary graduation rate for those students who received financial assistance from the Newaygo County Area Promise Zone subsequent to the adoption of Public Act 9 of 2016.

This annual report may include additional information relevant to the post-secondary outcomes of students who graduate from eligible high school(s) in the Newaygo County Area Promise Zone.

Students who receive financial assistance from the Newaygo County Area Promise Zone will be required to provide the Promise Zone with access to the information needed to comply with the requirements of Public Act 9 of 2016.

FINANCIAL ANALYSIS FOR NEWAYGO COUNTY AREA PROMISE SCHOLARSHIP AWARDS

Newaygo County Area Promise Zone Authority estimates that the total Promise scholarship awards will cost approximately \$232,800 for the first year of operation (2017) and \$382,491 for the second year of operation. The first five years of operation is estimated to cost a total of \$2,143,005. The analysis to support these estimates is presented in the attached actuarial chart.

BOARD APPROVAL OF THE PLAN

The Newaygo County Area Promise Zone Authority Board approved this Development Plan at their regular meeting on Tuesday, November 8, 2016, with a unanimous vote of all members. The Minutes from the meeting indicating approval are in Attachment C.

Attachments A-C:

- A. Newaygo County Area PZA Actuarial Model for funding**
- B. Newaygo County Area PZA By-Laws**
- C. Newaygo County Area PZA Meeting minutes for adopting the NCAPZA
Development Plan (to be added after board action)**

ATTACHMENT A- NCAPZ ACTUARIAL MODEL

Est Annual Cost of Comm College Tuition		\$ 6,991	Muskegon Community College Out-of-County Rate	
Est Annual Increase in CC Tuition Cost		6.0%	based upon tuition and fees for	
Est Average Financial Aid per Student		\$ 4,369	30 credits per year	
Financial Aid includes Pell, TIP and other institutional aid.			63%	Rate of Financial Aid to Tuition
School District	# Graduates	# Attending College at 9 credits or more per semester 2.5 GPA		
NC RESA	558	90		

Academic Year	# Students Attending College	Annual Tuition Per Student	Total Annual Tuition	Total Annual Financial Aid	Annual Tuition less Financial Aid
2017-2018	90	\$ 6,991.00	\$ 629,190	\$ 396,390	\$ 232,800
2018-2019	140	\$ 7,410.46	\$ 1,033,759	\$ 651,268	\$ 382,491
2019-2020	157	\$ 7,855.09	\$ 1,231,874	\$ 776,081	\$ 455,793
2020-2021	165	\$ 8,326.39	\$ 1,371,076	\$ 863,778	\$ 507,298
2021-2022	173	\$ 8,825.98	\$ 1,526,007	\$ 961,385	\$ 564,623
2022-2023	182	\$ 9,355.54	\$ 1,698,446	\$ 1,070,021	\$ 628,425
2023-2024	191	\$ 9,916.87	\$ 1,890,371	\$ 1,190,934	\$ 699,437
2024-2025	200	\$ 10,511.88	\$ 2,103,983	\$ 1,325,509	\$ 778,474
2025-2026	210	\$ 11,142.59	\$ 2,341,733	\$ 1,475,292	\$ 866,441
					\$ 5,115,782

Year	Growth in SET Above 2016 Baseline	State (3 mill equivalent)	SET Capture Transferred to Promise Zone	Annual Tuition less Financial Aid	Annual Tuition less Financial Aid and SET Capture	Annual Tuition less Financial Aid and SET Capture per Student
2017	\$ 124,999	\$ 62,500	\$ -	\$ 232,800	\$ 232,800	\$ 2,587
2018	\$ 315,499	\$ 157,750	\$ -	\$ 382,491	\$ 382,491	\$ 2,742
2019	\$ 543,083	\$ 271,542	\$ 220,249	\$ 455,793	\$ 235,544	\$ 1,502
2020	\$ 835,528	\$ 417,764	\$ 271,542	\$ 507,298	\$ 235,757	\$ 1,432
2021	\$ 1,138,208	\$ 569,104	\$ 417,764	\$ 564,623	\$ 146,859	\$ 849
2022	\$ 1,451,483	\$ 725,742	\$ 569,104	\$ 628,425	\$ 59,321	\$ 327
2023	\$ 1,775,722	\$ 887,861	\$ 725,742	\$ 699,437	\$ (26,304)	\$ (136)
2024	\$ 2,111,309	\$ 1,055,655	\$ 887,861	\$ 778,474	\$ (109,387)	\$ (547)
2025	\$ 2,458,642	\$ 1,229,321	\$ 1,055,655	\$ 866,441	\$ (189,213)	\$ (900)
				\$ 5,115,782	\$ 967,867	

<u>Graduates - anticipated scholarship participants</u>	
Increase Per Year:	5.0%
2017	90
2018	95
2019	99
2020	104
2021	109
2022	115
2023	121
2024	127
2025	133
2026	140

ATTACHMENT A- NCAPZ ACTUARIAL MODEL
(continued)

ASSUMPTIONS			
County (School District)		Newaygo County RESA	
Total Graduates		558	
Average Graduates who attend MCC and Baker		90	
Percent of students entering Year 1 of CC			100%
Percent of students returning for Yr 2 of CC			50%
Percent of students returning for Yr 3 of CC			23%
Completion Rate			50%
(the assumption in this model is that all of the students returning for year 2 complete)			

ESTIMATED STUDENT RETENTION										
YEAR	# of HS Grads	COLLEGE ACADEMIC YEAR								
		2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026
2017	90	90	45	10						
2018	95		95	47	11					
2019	99			99	50	11				
2020	104				104	52	12			
2021	109					109	55	13		
2022	115						115	57	13	
2023	121							121	60	14
2024	127								127	63
2025	133									133
TOTAL PZ BENEFICIARIES		90	140	157	165	173	182	191	200	210

ATTACHMENT A- NCAPZ ACTUARIAL MODEL
(continued)

**PROJECTING TOTAL SET REVENUE FOR NEWAYGO ISD
PROMISE ZONE AREA**

Total Estimated 2015 SET Revenue	Total Estimated 2016 SET Revenue	Total Estimated 2017 SET Revenue	Total Estimated 2018 SET Revenue	Total Estimated 2019 SET Revenue	Total Estimated 2020 SET Revenue	Total Estimated 2021 SET Revenue
<u>\$7,717,214</u>	<u>\$7,812,489</u>	<u>\$7,937,488</u>	<u>\$8,127,988</u>	<u>\$8,355,572</u>	<u>\$8,648,017</u>	<u>\$8,950,697</u>

Total Estimated 2022 SET Revenue	Total Estimated 2023 SET Revenue	Total Estimated 2024 SET Revenue	Total Estimated 2025 SET Revenue	Total Estimated 2026 SET Revenue
<u>\$9,263,972</u>	<u>\$9,588,211</u>	<u>\$9,923,798</u>	<u>\$10,271,131</u>	<u>\$10,630,621</u>

Average estimated inflation rate over time period	2.5%
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	Total Estimated SET Revenue	Growth Over Base Year					
2016	\$ 7,812,489	N/A					
2017	\$ 7,937,488	\$ 124,999					
2018	\$ 8,127,988	\$ 315,499					
2019	\$ 8,355,572	\$ 543,083					
2020	\$ 8,648,017	\$ 835,528					
2021	\$ 8,950,697	\$ 1,138,208					
2022	\$ 9,263,972	\$ 1,451,483					
2023	\$ 9,588,211	\$ 1,775,722					
2024	\$ 9,923,798	\$ 2,111,309					
2025	\$ 10,271,131	\$ 2,458,642					

ATTACHMENT B
BYLAWS OF
NEWAYGO COUNTY AREA PROMISE ZONE AUTHORITY

ARTICLE I

Name

This organization shall be called the Newaygo County Area Promise Zone Authority.

ARTICLE II

Form of Authority

The Authority is organized as a non-profit, non-stock directorship corporation.

ARTICLE III

Offices

Section 1. Principal Office. The principal office of the Authority shall be located at the Newaygo County Regional Educational Service Agency (NC RESA) Educational Service Center, 4747 W. 48th Street, Fremont, MI 49412.

Section 2. Registered Office. The registered office of the Authority may be the same as the principal office of the Authority, but in any event must be located in the State of Michigan, and be the business office of the Resident Agent, as required by the Michigan Non-Profit Corporation Act. Changes in the Resident Agent and registered address of the Authority must be reported to the Michigan Department of Labor and Economic Growth and to the Michigan Department of Treasury. The Chairperson shall serve as the Resident Agent.

ARTICLE IV

Board of Directors

Section 1. The business, property and affairs of the Authority shall be managed by the Authority Board of Directors ("Authority Board"). The Authority Board may exercise any and all of the powers granted to it under the Michigan Non-Profit Corporation Act or Chapter 390 of the Michigan Compiled Laws. The Authority may delegate such powers to the officers and

committees of the Authority as it deems necessary so long as such delegation is consistent with the Articles, these Bylaws, and the applicable law.

Section 2. Method of Selection and Appointment. The method of appointment of members of the Authority Board shall be governed by Section 390.1665 of the Michigan Compiled Laws. The Newaygo County Regional Educational Service Agency Superintendent is authorized to develop and administer an Authority Board selection and appointment process that includes an *Application for Authority Board Appointment* and is in accord with these policies:

- A. The Newaygo County Regional Educational Service Agency Superintendent shall appoint nine members to the Authority Board with the advice and consent of the Newaygo County Regional Educational Service Agency Board. One member shall be appointed by the Michigan Senate Majority Leader, and one member shall be appointed by the Michigan Speaker of the House of Representatives.
- B. Not more than three members shall be governmental officials, and one member shall be a representative of the public school community.
- C. Of the members first appointed, an equal number of the members as near as is practicable shall be appointed for one year, two years, three years and four years, and shall hold office until the member's successor is appointed. After the initial appointment, each member shall serve for a term of four years.
- D. An appointment to fill a vacancy shall be made by the consensus of the Authority Board (by a 2/3 majority vote) for the unexpired term only.
- E. The Chairperson of the Authority Board shall be elected by the Board.
- F. Members of the Authority Board shall serve without compensation, but may be reimbursed for actual and necessary expenses.

Section 3. Oath of Public Office. All members of the Authority Board must take the constitutional oath of office and sign the Oath of Public Office. No appointment shall be effective prior to the filing of the Oath of Public Office with the Newaygo County Regional Educational Service Agency offices.

Section 4. Removal. Any director may be removed by Authority Board by a two-thirds vote of the Board of Directors of the Authority Board.

Section 5. Resignation. Any director may resign at any time by providing written notice to the Authority Board or by communicating such intention (orally or in writing) to the Chairperson. Notice of resignation will be effective upon receipt or at a subsequent time if designated in a written notice. A successor shall be appointed as provided in Section 2D of this Article.

Section 6. Board Vacancies. A Board of Director vacancy shall occur because of death, resignation, removal, failure to maintain residency in the State of Michigan, disqualification or as

otherwise specified by statute. Any vacancy shall be filled as provided in Section 2D of this Article.

ARTICLE V

Annual Regular Meeting

Section 1. The Authority Board shall hold an annual meeting each year. The Authority Board must approve by resolution the time and place within the State of Michigan for the holding of regular quarterly meetings. The Authority Board shall provide notice of the annual and all regular meetings as required by the Open Meetings Act.

Section 2. Special Meetings. Special meetings of the Authority Board may be called by or at the request of the Chairperson or by a majority of the Authority Board. The Chairperson may fix the place within the State of Michigan for holding any special meeting of the Authority Board called if no other place is fixed, the place of meeting shall be the principal business of the Authority in the State of Michigan. The Authority shall provide notice of all special meetings as required by the Open Meetings Act.

Section 3. Notice and Waiver. The Authority Board must comply with the notice provisions of the Open Meetings Act. In addition, notice of any meeting shall be given to each director stating the time and place of the meeting, delivered personally, mailed, sent by facsimile or electronic mail to the director's home or business address. Section 4. Quorum. In order to legally transact business, the Authority Board shall have a quorum physically present at a duly called meeting of the Authority Board. A "quorum" shall be defined as follows: Seven (7) members of the Authority Board.

Section 5. Manner of Acting. The act of the majority of the directors at a meeting at which a quorum is present shall be the act of the Authority. The Authority Board shall permit polling or e-voting as allowed under the Open Meetings Act.

Section 6. Open Meetings Act. All meetings for the Authority Board shall at all times be in compliance with the Open Meetings Act.

Section 7. Presumption of Assent. A director of the Authority Board who is present at a meeting of the Authority Board at which action on any corporate matter is taken shall be presumed to have assented to the action unless that director's dissent shall be entered in the minutes of the meeting.

ARTICLE VI

Committees

Section 1. The Authority Board by resolution may designate one or more committees; each committee is to consist of one or more directors selected by the Authority Board. As provided in the resolution initially adopted, and as thereafter supplemented or amended by further resolution, the committees shall have such powers as delegated by the Authority Board, except (i) filing of vacancies in the officers of the Authority Board of committees created pursuant to this section; (ii) amending the Articles of Incorporation or Bylaws; or (iii) any action the Authority Board cannot lawfully delegate under the Articles, Bylaws of applicable law. All committee meetings shall at all times be in compliance with the Open Meetings Act. Each committee shall make such recommendations to the Authority Board of its activities as the Authority Board may request.

ARTICLE VII

Officers of the Board

Section 1. The Authority Board shall nominate and elect a chairperson of the Board on an annual basis without limitation on each term. Service as chairperson will run from July 1 through June 30.

Section 2. Removal. The chairperson or any officer or agent elected or appointed by the Authority Board may be removed by the Authority Board, by a 2/3 majority vote, whenever in its judgment the best interest of the Authority would be served thereby.

ARTICLE VIII

Contracts, Loans, Checks and Deposits; Special Corporate Acts

Section 1. Contracts. The Authority Board may authorize any officer or officers, agent or agents to enter into any contract, to execute and deliver any instrument or to acknowledge any instrument required by law to be acknowledged in the name of and on behalf of the Authority. Such authority may be general or confined to specific instances, but the appointment of any person other than an officer to acknowledge an instrument required by law to be acknowledged should be made by an instrument in writing. No contract entered into, by or on behalf of the Authority shall in any way bind the Newaygo County Regional Educational Service Agency or impose any liability on the Newaygo County Regional Educational Service Agency, its trustees, officers, employees, or agents.

Section 2. Loans. No loans shall be contracted on behalf of the Authority and no evidences of indebtedness shall be issued in its name. No loans, advance, overdraft, or withdrawal by a director or the chairperson other than in the ordinary and usual course of the business of the Authority shall be made or permitted.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Authority shall be signed by the

fiduciary designee and in such manner as shall from time to time be determined by resolution of the Authority Board.

Section 4. Deposits. All funds of the Authority shall be deposited from time to time to the credit of the Authority in such banks, trust companies or other depositories as the Authority Board may select provided that such financial institution is eligible to be a depository of surplus funds under Section 1221 of the Revised School Code, being Section 380.1221 of the Michigan Compiled Laws.

Section 5. Voting of Gifted, Bequested or Transferred Securities Owned by the Authority. Subject always to the specific directions of the Authority Board, any shares or other securities issued by another corporation and owned or controlled by the Authority may be voted at any meeting of security holders or such other corporation by the chairperson of the Authority, or by the proxy appointed by the chairperson, or in the absence of the chairperson and the chairperson's proxy, by the director of the Authority. Such proxy or consent in respect to any shares or other securities issues by any other corporation and owned by the Authority shall be executed in the name of the Authority by the chairperson or the director without the necessity of any authorization by the Authority Board, affixation of corporate seal or countersignature of attestation by another officer. Any person or persons designated in the manner above stated as the proxy or proxies of this Authority shall have full right, power and authority to vote the shares or other securities issued by such other corporation and owned by the Authority the same as such shares or other securities might be voted by the Authority. This section shall in no way be interpreted to permit the Authority to invest any of its surplus funds in any shares or securities issued by any other corporation. This section is intended to apply, however, to all gifts, bequests or other transfer of shares of other securities issued by any other corporation which are received by the Authority.

Section 6. Contracts, Between the Authority and Related Persons. As required by applicable law, any director, officer or employee of the Authority who enters into a contract with the Authority that meets the definition of a contract under the statute on Contracts of Public Servants with Public Entities, Act No. 317 of the Public Acts of 1968, being Sections 15.321 to 15.330 of the Michigan Compiled Laws, shall comply with the public disclosure requirements set forth in Section 3 of the statute.

ARTICLE IX

Indemnification

Each person who is or was a director, officer or member of a committee of the Authority and each person who serves or has served at the request of the Authority as a trustee, director, officer, partner, employee, or agent of any other corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Authority to the fullest extent permitted by the corporation laws of the State of Michigan as they may be in effect from time to time. The Authority may purchase and maintain insurance on behalf of any such person against any liability asserted against and incurred by such person in any such capacity or arising out of his status as such, whether or not the Authority would have power to indemnify such person against such liability under the preceding sentence. The Authority may, to the extent authorized from time to time by the

Authority Board, grant rights to indemnification to any employee or agent of the Authority to the fullest extent provided under the laws of the State of Michigan as they may be in effect from time to time.

ARTICLE X

Fiscal Year

The fiscal year of the Authority shall begin on the 1st day of July in each year.

ARTICLE XI


Amendments

These Bylaws may be altered, amended or repealed and new Amended Bylaws may be adopted by obtaining the affirmative vote of a majority of the Authority Board at any regular or special meeting of the Authority Board, if a notice setting forth the terms of the proposal has been given in accordance with the notice requirements of these Bylaws and applicable law, and the written approval of the changes or amendments 2/3 vote of the Authority Board. These Bylaws and any amendments to them take effect only after they have been approved by the Authority Board.

CERTIFICATION

The Authority Board certifies that these Bylaws were adopted as and for the Bylaws of a Michigan corporation in an open public act meeting by the Authority Board on the 31st day of August, 2016.

The Authority Board further certifies that these Bylaws were provided to the Newaygo County Regional Educational Service Agency Board by the Authority Board, and that a copy of the executed Bylaws is being presented to the Newaygo County Regional Educational Service Agency Superintendent.



Dr. Lori Tubbergen Clark, Chairperson
Newaygo County Promise Zone Authority

ATTACHMENT C

The Newaygo County Area Promise Zone Meeting Minutes Adopting the NCPZA plan

Newaygo County Area Promise Zone Authority
4747 W. 48th Street
Fremont, MI 49412

Monday, August 31, 2016

Special Meeting Minutes

Present: Woody Bowman, Dawn Anderson, Dr. Lori Tubbergen Clark, Steve Witter, Holly Moon, Deanna Joppich, Mark Guzniczak, Jack Hendon, Rebecca Trusk, Nate Sparks, Cathy Obits (ex-officio), Carla Roberts (ex-officio)

Absent: Tom Boerger

Visitors: Corinne Toth, Melissa Miller, Todd Jacobs, Amy Moore, Vaughn White, David Hewitt, Doug Clink, Bernard Brown, Andy Klimck, Parker Beisiegel, Julia Ceme-Prefontaine, Shannon Corbett

Chairperson Clark called the meeting to order at 11:30 a.m. All members present with the exception of Tom Boerger. **CALL TO ORDER**

16-10 – Motion by Steve Witter, supported by Holly Moon to approve the agenda for today's meeting. Ayes—10; Nays—0. Motion carried. **APPROVAL OF AGENDA**

16-11 – Motion by Jack Hendon, supported by Deanna Joppich to approve the minutes from the August 31, 2016 meeting. Ayes—10; Nays—0. Motion carried. **APPROVAL OF MINUTES**

Three students from the Career-Tech Center presented their logo design to the Board. As a member of the Marketing & Communications Sub-Committee, Mark Guzniczak prefaced the presentation with the background on the task set forth for students to create a design for consideration. Doug Clink, CTC Instructor of the Graphics Communications/Printing Program noted that approximately 50 logo designs were submitted. Each finalist, Shannon Corbett, Julia Ceme-Prefontaine, and Parker Beisiegel then presented their design with an explanation of color choice, font selection and design rationale. **PUBLIC PARTICIPATION**

Dr. Clark shared a video of the Promise Zone in Baldwin. **PRESENTATION OF BALDWIN PZ VIDEO**

Dr. Clark clarified the legal requirements of the Open Meetings Act. When a quorum or more is present, meetings must be posted, take place at our official meeting location, and minutes must be taken and posted. When fewer than a quorum is present, these are not considered official meetings (i.e., sub-committee meetings). Our sub-committees are advisory in nature and do not need to meet here or have official minutes kept, but must report (to the full board) a summary of each meeting that takes place. **OPEN MEETINGS ACT CLARIFICATION**

Additionally, since sub committees will meet frequently, but the full board will only be meeting quarterly, e-votes are allowed, under our bylaws, in the event action needs to be taken prior to the next quarterly meeting. If a request for an e-vote is sent out and members do not respond, however, it will be assumed to be a "yes" vote, as silence is consensus. Therefore, Dr. Clark suggested that the language "silence is consensus" be added to the bylaws at the next quarterly meeting. **E-VOTING**

Rather than wait for the February meeting, Woody Bowman made the motion, supported by Mark Guzniczak to include the language "silence is consensus" to the bylaws. Ayes—10; Nays—0. Motion carried. **APPROVAL OF AMENDMENT TO BYLAWS**

Summary of Operations Sub-Committee Meetings

Jack Hendon, Chairperson of the Operations Sub-Committee, noted that Cathy Obits called all other Promise Zone to ask questions of them of their operations. We have found that we will need to have some cash for administrative costs. Baldwin currently spends \$81,000 per year for administrative, office costs, etc. We have yet to determine what we will need.

Committee members concurred that our first concern is to meet the Newaygo Promise; to do what we have said we will do for the students, but as we begin fundraising, we don't want to limit ourselves from not creating an endowment fund at the Foundation. The committee has submitted a draft of the development plan to the Department of Treasury. The committee also discussed joining the State Association of Promise Zones; feeling it is important to meet with peers to gain information and share best practices. This would be a subsidized fee for the first two years (\$500 per year, we are unsure of cost for 3rd year at this point). It is important for us to be involved in this association, especially as we are getting off the ground. Meetings are quarterly.

Ms. Roberts questioned the \$81,000 of the Baldwin Promise Zone costs. Does this include their regular scholarship program as well? Yes, Ms. Obits indicated the \$81,000 is all-inclusive and primarily covers the salary of one person who does all the work for both their scholarship program and their Promise Zone. It is not broken out by program.

Summary of Marketing & Communications Sub-Committee Meetings

Holly Moon, Co-Chair noted the committee discussed and reviewed possible logos (as presented by students) and key messages (with input from the FACH Youth Advisory Council and college advisors). Co-Chair Dawn Anderson added that all students who presented a logo have received a letter of appreciation to be included in their portfolio. The committee will also be designing letters that are appropriate for donors. It was clarified that all press releases will need to be reviewed by the committee prior to being released to the media. Ms. Moon made special mention of the fabulous work of the CTC students.

Summary of the Fundraising Sub-Committee Meetings

Chairperson Steve Witter acknowledged the assistance of the Foundation and their lending of Todd Jacobs' expertise. This group has good synergy and works well together. The Committee is suggesting \$1.5 million as the goal for the first year, which is more than what the actuarial tables say we need, but will provide a cushion in case problems arise or will allow us to start an endowment fund with excess funds.

The committee worked (and will continue to work on) on the donor pyramid and how we are going to get there. Committee members began to identify prospects and other individuals who can help build our network. Mr. Jacobs added that at this point, we are in the quiet phase; the marketing sub-committee must work closely with the fundraising committee to make sure communication takes place at appropriate times.

Dr. Clark noted that as soon as we provide a copy of the development plan to the Treasury Department along with a copy of today's meeting minutes, our two-year clock will begin. Dr. Clark also discussed the possibility of creating another subcommittee. This would be the College Access Initiatives (WE CAN) and Promise Success Initiatives Sub-Committee. WE CAN gets kids into college; the Promise Zone helps them to retain their college status. We need to strategically come together and share with the community how the two entities work together as one. A sub-set from both boards would be an appropriate sub-committee. Melissa Miller, NC RESA Student Advancement Consultant, noted it makes sense to align the services for students to help them begin and follow through on their college degree. Initiatives can flow from WE CAN into the Promise Zone.

**SUMMARY OF
OPERATIONS SUB-
COMMITTEE
MEETINGS**

**SUMMARY OF
MARKETING &
COMMUNICATIONS
SUB-COMMITTEE
MEETINGS**

**SUMMARY OF
FUNDRAISING
SUB-COMMITTEE
MEETINGS**

**POTENTIAL NEW
SUB-COMMITTEE**

16-12 – Motion by Steve Witter, supported by Woody Bowman to approve the Newaygo County Area Promise Zone (NCAPZ) Development Plan. Ayes—10; Nays—0. Motion carried.

APPROVE THE
NCAPZ
DEVELOPMENT PLAN

16-13 – Motion by Woody Bowman, supported by Holly Moon to approve the NCAPZ membership in the Promise Zone State Association. Ayes—10; Nays—0. Motion carried.

APPROVE
MEMBERSHIP IN THE
STATE ASSOCIATION

16-14 – Motion by Dearna Joppich, supported by Becky Tuuk to approve Lori Tubbergen Clark as the voting member to the Promise Zone State Association for 2017 and Cathy Obits as the Alternate. It was noted that another voting delegate may need to be appointed for 2018. Member Witter mentioned that perhaps it would be proper to always have the Chairperson as the main voting delegate. Members believe this can be decided after participating in a couple of meetings. Ayes—10; Nays—0. Motion carried.

APPROVE VOTING
MEMBERS TO THE
STATE
ASSOCIATION

16-15 – Motion by Jack Hendon, supported by Steve Witter to approve the establishment of a Newaygo County Area Promise Zone Endowment Fund at the Fremont Area Community Foundation. Ayes—10; Nays—0. Motion carried.

APPROVE THE
ESTABLISHMENT OF
AN NCAPZ
ENDOWMENT FUND

16-16 – Motion by Steve Witter, supported by Mark Guzniczak to approve the Memorandum of Understanding for the fundraising role with the Fremont Area Community Foundation. Todd Jacobs clarified that this MOU gives room for committees to operate efficiently without full board involvement on all decisions and is intended simply to define roles. Ayes—10; Nays—0. Motion carried.

APPROVE THE
MOU FOR
FUNDRAISING

16-17 – Motion by Woody Bowman, supported by Mark Guzniczak to approve \$1.5 million as the fundraising goal. Ayes—10; Nays—0. Motion carried.

APPROVE THE
FUNDRAISING GOAL

16-18 – Motion by Jack Hendon, supported by Holly Moon to approve the formation of the Promise Success Initiative Sub-Committee. Ayes—10; Nays—0. Motion carried.

APPROVE THE
FORMATION OF THE
PROMISE SUCCESS
INITIATIVE SUB-
COMMITTEE

16-19 – Motion by Holly Moon, supported by Dawn Anderson to approve the key messaging for the NCAPZ, "ENSURING EDUCATIONAL OPPORTUNITIES FOR A PROMISING TOMORROW". Ayes—10; Nays—0. Motion carried.

APPROVE THE KEY
MESSAGE OF THE
NCAPZ

16-20 – Motion by Steve Witter, supported by Jack Hendon to approve the logo for the NCAPZ. Members have selected the logo presented by Shannon Corbett. Ayes—10; Nays—0. Motion carried.


APPROVE THE
NCAPZ LOGO

In closing, Nate Sparks asked how we would fund the \$500 fee to join the state association. Jack Hendon noted the association is willing to waive the fee until spring.

OTHER

16-21 – Motion by Woody Bowman, supported by Becky Tuuk to adjourn the Newaygo County Area Promise Zone Authority special meeting at 12:42 p.m. Ayes—10; Nays—0. Motion carried.

ADJOURNMENT



Dr. Lori Tubbergen Clark, Chairperson
Newaygo County Promise Zone Authority