

Newaygo County 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, Tom Boerger, Holly Moon, Deanna Joppich, Mark Guzniczak, Jack Hendon, Rebecca Tuuk, Nate Sparks, Cathy Obits (ex-officio), Carla Roberts (ex-officio)

Absent: None

Visitors: Corinne Toth, Melissa Miller, Todd Jacobs, Amy Moore, Jonathan Whan, Lori Schultz

Chairperson Clark called the meeting to order at 11:31 a.m.

CALL TO ORDER

16-9 – Motion by Jack Hendon, supported by Woody Bowman to approve the agenda for today's meeting. Ayes—11; Nays—0. Motion carried.

APPROVAL OF AGENDA

Dr. Clark shared a copy of an e-mail from Mike and Susan Oatis recommending the Board consider allowing home school students to participate in the Promise Zone program.

PUBLIC PARTICIPATION

Melissa Miller, NC RESA Student Advancement Consultant, shared information on the National College Access Network Conference. They have open slots for nine individuals. If you are interested in attending, WE CAN will cover the \$600 registration fee for you. Hotel and transportation costs would not be covered, however. Please contact Ms. Miller (msmiller@ncresa.org) if you are interested.

Ms. Miller also commented on conference calls she has had with representatives from other Promise Zones throughout the State. There is interest in forming a state-wide association. The four key purposes of the association would be to: provide greater visibility and presence in the state capital, engage in collaborative work that strengthens individual Promise Zones, share both resources and best practices, help the state of Michigan attain its educational attainment and economic development goals. Other Promise Zones will be voting on whether or not they will join the state association. Chuck Wilbur, Senior Policy Consultant with Public Policy Associates has been involved in the formation of the association. Discussions (with Chuck) have surrounded what the association can do for us and how much it would cost. We would be welcome to join at any time.

We are finding that you all have very busy calendars and it is difficult to get everyone together at one time. Our bylaws allow for subcommittees; other promise zones operate with subcommittees and the three subcommittees that are needed include marketing/communication, fund raising, and operations. It might be more efficient to work in subcommittees and report back to the full Board. Are we ready to move in this direction? Does this seem efficient or would you rather continue to meet as an entire group? Members believe subcommittees would be more efficient. Board members were asked to indicate which subcommittees they would be available/willing to participate in and we will take action to formally create the subcommittees later in this meeting.

SUBCOMMITTEE DISCUSSION

Based on the recent survey board members completed, the consensus was that the Newaygo County Area Promise Zone shall be a last dollar scholarship. Based on three years of trend data with Baker and MCC, with 100 students attending each year, no minimum GPA requirement, students attending for a minimum of 9 (not 12) credits, and no pro-ration for how long the students lived in the county, the actuarial tables indicate it would cost about \$250,000 for year one. The information also indicates that students who did not attend full time did not return for a second year. Actuarial tables also included a 5% increase in enrollment. Keep in mind there could be a larger % increase now that students know the PZ is available.

ELIGIBILITY CRITERIA DISCUSSION

RESIDENCY REQUIREMENT – Do we want to require students to graduate from a local high school or do we want to consider allowing home school students to be eligible? Mr. Bowman asked who would be responsible to determine if home schoolers meet the requirements since information would not come from a local high school? It would be the responsibility of the PZ Board. Last year there were approximately 12 home school graduates and approximately 10 the year before that we are aware of. Dr. Clark noted that there is no legislation requiring home school students register with the Michigan Department of Education (MCL 380.1561). Registration is voluntary, but it is recommended, in statute. Mr. Witter believes that perhaps we need to make it a requirement that they register with the NC RESA in order to be eligible for the Promise Zone scholarship.

CONSENSUS...Students must graduate from a local Newaygo County high school or from a Newaygo County home school that meets the same Michigan merit requirements as local high schools, including the achievement test that is defined by the State (currently SAT), register with NC RESA as a homeschool student, and meet the minimum GPA requirement.

GPA REQUIREMENT – Ms. Roberts believes it is important to narrow the field to be able to fund the Promise for the first year and then open it up in future years by lowering the GPA later. However, other members feel those who have high GPAs already get a lot of scholarship funding from local Foundations and it is those students who have lower GPAs that may need the funding more. Ms. Tuuk also noted that those with higher GPAs may be more than likely to attend four year universities anyway; it may be those with lower GPAs who will attend Baker and MCC. Dr. Clark also noted that if we set the GPA a little higher, it may incentivize students to work harder to meet that threshold. Mr. Bowman asked if we could start with a high GPA to make it tight, but then lower the GPA if raise enough funds. Could we sell that the GPA may be lowered if more money is raised?

Mr. Witter asked how we would know if students have applied for all available funding, particularly scholarships. We would know FASFA and Pell grant information, but what about other scholarships. We could end up with students who don't want to complete the essay for Foundation scholarships if they know the PZ is there to fund the balance anyway.

CONSENSUS...The GPA requirement will be 2.5, tiered (in a second round) to 2.0 if additional funds are available.

PRO-RATION—Ms. Joppich is concerned that people might move to Newaygo County for just the four years of high school and then leave. Mr. Bowman noted that even if this occurred, they would be paying taxes for those four years. Dr. Clark also noted that students may come to live with grandparents for four years to take advantage of this opportunity as well. Mr. Hendon likes the thought of 100% for 6-12 and 75% for 9-12. Mr. Witter believes pro-rating is fair. Mr. Bowman views this as an economic development tool to entice people to live in Newaygo County.

CONSENSUS...Scholarship funded at 100% if student attends at least grades 7-12, 90% if student attends grades 8-12, 80% if student attends grades 9-12, 60% if student attends grades 10-12, 40% if student attends grades 11-12, 20% if student attends in only grade 12.

BEGINING USE OF PROMISE ZONE—Mr. Guzniczak feels good about allowing a one-year gap for students to travel overseas, etc. or do something special for that one year before beginning college; two years may be too much time to allow. A one-year gap would actually mean 15 months from graduation in June to college beginning in the fall of the following year.

CONSENSUS...Students must begin using PZ funds within one year (15 months) of high school graduation.

DEGREE COMPLETION—Mr. Witter would like to allow four years for students to complete their degree to allow for the gap year and to allow for life to happen. If a student took one year off, they would still have three years to complete the degree. If we make the eligibility begin at the time the scholarship begins, three years would then be OK.

**ELIGIBILITY CRITERIA
 DISCUSSION
 (continued)**

CONSENSUS...Students will be allowed three years to complete their degree from the time they begin receiving the scholarship.

COVERED COSTS—Mr. Joppich would like only tuition and fees covered for this first year to get the program off the ground and add books in later years as more funds are available.

CONSENSUS...Scholarships will only cover tuition and fees (books may be added at a later date).

POST SECONDARY INSTITUTIONS—Dr. Clark clarified that technical degrees through MCC would be included. Ms. Obits would like scholarships for those technical degrees at other technical schools that were discussed at the last meeting to be put on hold for now because Gerber Foundation scholarships for tech programs at the CTC are new and not well established yet. Right now we are planning on last dollar to MCC for whatever that cost may be and then that amount would be the cap provided to students attending Baker.

CONSENSUS... Scholarships will only cover tuition at MCC and Baker (Baker amount would be capped at MCC rate) with other colleges/universities added at a later date.

Overview:

Availability	Last dollar scholarship
Residency Requirement	Students must graduate from a local high school or from a Newaygo County home school and meet the same Michigan merit requirements as local high school graduates, in addition to the test that is defined by the State, register with NC RESA, and meet the minimum GPA requirement.
GPA Requirement	The GPA requirement will be 2.5, tiered to 2.0 if additional funds are raised
Level of Assistance	100% if student attends grades 7-12 90% if student attends grades 8-12 80% if student attends grades 9-12 60% if student attends grades 10-12 40% if student attends grades 11-12 20% if student attends only grade 12
Begin Use of Funds	Students must begin using PZ funds within one year (15 months) of high school graduation.
Time Frame for Degree Completion	Students will be allowed three years to complete their degree from the beginning of receiving the scholarship.
Eligible Costs	Scholarships will only cover tuition and fees (books may be added at a later date).
Eligible Colleges	Scholarships will only cover tuition at MCC and Baker (Baker amount would be capped at MCC rate) with other colleges/universities added at a later date.

Dr. Clark noted that new actuarial tables will be prepared based on these criteria to see how much money needs to be raised.

16-10 – Motion by Jack Hendon, supported by Rebecca Tuuk to approve the minutes of the August 1, 2016 special meeting. The word “area” will be added to the title throughout the minutes. Ayes—11; Nays—0. Motion carried.

**APPROVAL OF
 MINUTES**

16-11 – Motion by Holly Moon, supported by Deanna Joppich to approve the Newaygo County Area Promise Zone Authority bylaws with the following changes:

**APPROVAL OF
 BYLAWS**

- The word “area” will be added to the title.
- Article IV, Section 2 – the reference to Section 390.165 will be corrected to 390.1665.
- Article V, Section 7 – Presumption of Asset will be changed to Presumption of Assent.

Ayes—11; Nays—0. Motion carried.

Mr. Witter questioned how board members would be replaced in the event of a resignation. Ms. Obits noted typically replacements are handled by the Board and included in a policy; it does not have to be stated in the bylaws. Ms. Roberts suggested adding a governance committee to handle such events. Ms. Moon suggested this could be handled by the Operations sub-committee.

**APPROVAL OF
BYLAWS
(continued)**

16-12 – Motion by Steve Witter, supported by Woody Bowman to approve the formation of three subcommittees: Marketing & Communication, Fundraising, and Operations. Ayes—11; Nays—0. Motion carried.

**APPROVAL
OF SUBCOMMITTEES**

16-13 – Motion by Woody Bowman, supported by Jack Hendon to approve the Newaygo County Area Promise Zone Authority eligibility criteria. Ayes—11; Nays—0. Motion carried.

**APPROVAL OF
ELIGIBILITY CRITERIA**

Board members were asked to return their forms indicating if they are willing/able to serve of subcommittees. Also please indicate if you would be willing to lead these committees.

**SUBCOMMITTEE
ASSIGNMENTS**

In order to assure that not all members will be leaving the Board at the same time, we need to stagger the terms of service. It was suggested to have two one-year terms, three two-year terms, three three-year terms, and one four-year term. The two legislatively appointed members, Dr. Clark and Ms. Moon, will be serving four-year terms. Members were asked their preference. Service years will be:

SERVICE TO BOARD

Four-Year Terms (2016-17 through 2019-20)

Dr. Lori Tubbergen Clark
Holly Moon
Rev. Steve Witter

Three-Year Terms (2016-17 through 2018-19)

Woody Bowman
Jack Hendon
Mark Guzniczak

Two-Year Terms (2016-17 through 2017-18)

Tom Boerger
Rebecca Tuuk
Dawn Anderson

One-Year Term (2016-17)

Nate Sparks
Deanna Joppich

16-14 – Motion by Holly Moon, supported by Jack Hendon to adjourn the Newaygo County Area Promise Zone Authority special meeting at 1:16 p.m. Ayes—11; Nays—0. Motion carried.

ADJOURNMENT



Dr. Lori Tubbergen Clark, Chairperson