BILL NO. R- 17-11-04

Resolution No. R.- _____

**A RESOLUTION APPROVING AN EXTENSION FOR DISTRIBUTION OF FUNDS FROM THE CITY OF FORT WAYNE COMMUNITY LEGACY FUND TO THE QUESTA FOUNDATION SCHOLARSHIP FUND.**

**Whereas,** the City of Fort Wayne through the Legacy process has approved Legacy Funding for the Higher Education Scholarship Fund, and;

**Whereas,** the City of Fort Wayne will extend the termination date of scholarship funding, and;

**Whereas,** each Legacy project provides our community with an opportunity to make our City stronger and better positioned for growth, and;

**Whereas,** by working together, we will leave a lasting Legacy for future generations;

**NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA:**

**SECTION 1.** The City of Fort Wayne Common Council hereby authorizes the Board of Trustees of the City of Fort Wayne Community Legacy Fund to extend the agreement to distribute funds to the following projects:

**<u>Higher Education Scholarship Fund</u>**

Funds up to the amount of $200,000 will be provided annually for two years from the City of Fort Wayne Community Legacy Fund for the City of Fort Wayne to contract with the Questa Foundation to deliver the Legacy Scholarship Fund. This fund will provide scholarships to help students attain degrees and training that are partially and potentially forgivable if the students stay in the area. The two year commitment extension will provide reimbursable funding for the program to complete the originally contemplated $800,000 Legacy Grant.

**SECTION 2.** This Resolution shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.

APPROVED AS TO FORM AND LEGALITY

______________________________
Carol Helton, City Attorney

**CITY OF FORT WAYNE**
**LEGACY HIGHER EDUCATION OPPORTUNITY FUND**
**AGREEMENT**
**WITH QUESTA FOUNDATION FOR EDUCATION**

THIS AGREEMENT ("Agreement") is entered as of the Effective Date (as hereinafter defined) by and between the City of Fort Wayne (the "City"), through its Division of Community Development/Office of Housing and Neighborhood Services ("Agency") and Questa Foundation for Education, Inc., an Indiana nonprofit corporation ("Recipient") (the City, Agency and Recipient being collectively referred to herein as the "Parties").

WHEREAS, Fort Wayne Common Council Resolution 13-10-22 ("Resolution") provides for a Legacy Higher Education Scholarship Fund ( the "Scholarship Fund") to provide financial assistance to students in Fort Wayne; and

WHEREAS, the Parties desire to enter into this Agreement to provide tuition and internship placement assistance for under-represented high school seniors and college students who meet specific eligible criteria ("Scholars") in the form of a partially forgivable, repayable low-interest loan to: (i) attend post-secondary colleges and universities in Allen County; and (ii) remain in Allen County post-graduation and work in the northeast Indiana region (the "Program"); and

WHEREAS, Recipient agrees to use the funding approved in the Resolution solely and exclusively for the Program;

NOW, THEREFORE, in consideration of the mutual covenants, obligations and stipulations set forth herein, the Parties agree as follows:

1. __Purpose of the Agreement.__ The purpose of this Agreement is to promote the education and employment opportunities for high school seniors and returning college students in Fort Wayne, Indiana, by providing partially forgivable, low interest loans to students to obtain post-secondary education who might otherwise face significant, identifiable barriers. In furtherance thereof, the City has agreed to award to the Recipient, subject to the terms and conditions hereof, certain financial assistance as described herein to facilitate the administration of the Program.

2. __Definitions.__

   a. "Effective Date" means the date on which the second of the Parties executes the Agreement.

   b. "Eligible Expenses" means allowable or reimbursable expenses, as determined by Agency, such as documented tuition expenses from institutions of higher learning, text books and payroll documentation for the internship assistance portion of the Program. Items that are considered ineligible expenses include but are not limited to room and board, living expenses, marketing expenses, staff expenses and/or administrative costs.

   c. "Grant Award" means an amount (not to exceed the amount set forth in Section 4) which may be reimbursed to Recipient to help Scholars with tuition and internship assistance, subject to Recipient's performance in all respects of the terms and conditions of this Agreement.

d. "Loan Repayment" means the City's portion, or one-half of the money paid back by Scholar to Recipient, either due to Scholar's non-compliance with the Program or when the loan becomes due.

e. "Match Requirement" means the required match contribution of one dollar ($1.00) provided on a 100% matching basis by a unique, non-government match source to every one dollar ($1.00) of the Grant Award.

f. "Scholarship Fund" means the Legacy Fort Wayne- Higher Education Scholarship Fund, as provided by the Resolution.

3. **Term of the Agreement.** This Agreement shall commence as of the Effective Date and shall terminate on November 12, 2019, unless extended annually for one (1) additional year pursuant to the Resolution, subject to the consent of the Mayor ("Term"). Only those Eligible Expenses incurred during the Term may be reimbursed under this Agreement.

4. **Grant Award Amount.** The Grant Award shall not, in any event exceed the maximum sum of Eight Hundred Thousand Dollars ($800,000) during the Term and will be reimbursed to the Recipient in the maximum amount of Two Hundred Thousand Dollars ($200,000) annually, subject to Recipient's performance of the terms and conditions of this Agreement. Funds not awarded to the Recipient in any year during the Term shall not be available to Recipient hereunder in any subsequent year during the Term. All reimbursements to Recipient for Grant Award made during the term shall occur on or before December 31, 2023 after which City shall have no further obligation to reimbursement to Recipient hereunder.

5. **Responsibilities of Recipient.** Recipient has made certain representations and covenants to City in Exhibits A, B, C, D and E attached hereto and incorporated by reference, including but not limited to Scholar eligibility and selection requirements, outreach, production goals, match requirements, and management of the Program during the Term. Recipient represents and covenants that it will use its best efforts during the Term to continuously manage and operate the Program in all material respects in accordance with the aforementioned Exhibits. Recipient's representations and covenants are a material inducement to City agreeing to distribute the Grant Award to Recipient. In the event Recipient breaches in any material respect any of the representations or covenants in this Agreement, or otherwise defaults in any material respect in the performance of any other terms of this Agreement, as determined solely by the City, the Grant Award shall be repaid by Recipient in full to the City pursuant to Section 7 hereof. By way of example and not limitation, instances of Recipient's default which shall require a repayment of the Grant Award to City shall include:

   a. Recipient fails to manage and operate the Program in accordance to the goals and objectives described in attached Exhibits A, B and C.

   b. Recipient fails to secure the Match Requirement described in attached Exhibit B.

   c. Recipient fails to provide the necessary documentation described in Section 6 hereof.

6. **Reporting Obligations of Recipient.**

a. **Prior to Grant Award.** Recipient shall provide Agency and Agency shall approve copies of audited fiscal year 2013 financial statements and 2013 federal tax returns prior to this Agreement becoming effective.

b. **Reporting Requirements.** In connection with Recipient's administration of the Program, Recipient covenants to:

   i. Provide an annual report of the Program, together with all supporting documentation described in attached Exhibits A, B, and C to Agency and the Common Council on or before November 1 of each year during the Term commencing on November 1, 2015.

   ii. Provide annual audited financial statements for each fiscal year during the Term and for the fiscal year immediately succeeding the final year of the Term. A copy of each audited financial statement shall be submitted to the Agency within thirty (30) days of Recipient's receipt of such audited financial statement.

   iii. Provide Agency with records and documentation acceptable to Agency which adequately identifies Eligible Expenses incurred in connection with activities under the Program within thirty (30) days of request thereof by Agency.

   iv. Submit to Agency quarterly progress report within ten (10) days after the end of each quarter during the Term, in form and substance reasonably acceptable to Agency. Such monthly reports shall include, but are not limited to, reports of all outstanding Program loans and internship commitments, including the loan number, the origination date, the Scholar's name, original balance, current balance, loan term, interest rate, payments received and information regarding delinquent payments.

   v. Provide additional information as Agency may request to identify, measure, and evaluate the operation of the Program and to identify and document any Eligible Expenses reimbursed under this Agreement.

   vi. An executive of Recipient shall provide written certification to Agency and City annually during the Term, or as determined by City and Agency, stating that all loans funded with the Grant Award comply with Program requirements and in accordance with this Agreement.

   vii. Create a separate account for Loan Repayment funds. Loan Repayment funds redistributed to future Scholars shall comply with the terms of this Agreement. Recipient shall provide Agency with audit rights of this account at the request of Agency.

c. **Scholar Non-Compliance.** In the event that the relationship between Recipient and Scholar is prematurely terminated due to non-compliance, Questa shall comply with the procedures set forth in Recipient's Loan Repayment Policy and Loan Disclosure form, attached as Exhibit E.

Recipient shall certify under oath the accuracy of the above information submitted to Agency.

7. **Recipient Non-Compliance.** If City determines in its sole discretion that Recipient has failed to comply with the requirements of this Agreement in any material respect, City may, following notice to Recipient and after providing the Recipient (a) an opportunity to explain the reasons for the noncompliance and (b) a reasonable opportunity to cure or take any action City deems appropriate, including the termination of this Agreement. In the event of such termination prior to the issuance of the Grand Award, City shall have no obligation to issue the Grant Award to Recipient and Recipient shall therefore have no right or interest in the Grant Award or any claim thereto under this Agreement or otherwise. If the Grant Award has been issued to Recipient prior to termination of the Agreement under this Section 7, Recipient shall repay the Grant Award to City within one hundred eighty (180) days of City's written request for repayment. Recipient hereby releases City from any and all claims, demands, liabilities or causes of action, whether now existing or hereafter arising, both known and unknown, which Recipient may have against City or the failure of Recipient to receive the Grant Award or any portion thereof in connection with the termination of this Agreement by City or Recipient for any reason.

8. **Notice to Parties.** Any notice, statement or other communications sent to City or Recipient shall be sent to the following addresses, unless otherwise specifically advised.

| To the City of Fort Wayne: | To Questa Foundation: |
|---|---|
| Carol Helton<br>City Attorney- City of Fort Wayne<br>200 East Berry St., Suite 430<br>Fort Wayne, IN 46802<br>PH: (260) 427-1395<br>e-mail: Carol.Helton@cityoffortwayne.org | Marc Levy<br>Executive Director- Questa<br>3468 Stellhorn Road<br>Fort Wayne, IN 46815<br>PH: (260) 407-1707<br>e-mail: mlevy@questafoundation.org |

9. **Authority to Bind.** Notwithstanding anything in this Agreement to the contrary, the signatory for Recipient represents that he/she has been duly authorized by the Recipient to execute this Agreement and to bind Recipient to each of the representations, covenants, and obligations of Recipient contained herein.

10. **Amendment of this Agreement.** This Agreement or any portion hereof may only be amended by a writing executed by the Parties.

11. **Assignability.** Recipient shall not assign or subgrant this Agreement or any portion thereof without the prior written consent of City, which consent may be withheld at the City's discretion.

12. **Remedies not impaired.** No delay or omission of any party in exercising any right or remedy available under this Agreement shall impair any such right or remedy, or constitute a waiver of any default or acquiescence thereto.

13. **Compliance with Laws.** Recipient agrees to comply with all applicable federal, state and local laws, rules, regulations and ordinances and all provisions required thereby, whether now existing or hereafter enacted, which are included and incorporated by reference herein, in the management and administration of the Program and in Recipient's

performance under this Agreement.

Pursuant to I.C. 22-9-1-10 and the Civil Rights Act of 1964, Recipient shall not discriminate against any employee or applicant for employment, to be employed in the performance of this Agreement, with respect to the hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of such person's race, color, religion, sex, disability, national origin, handicap or ancestry. Breach of this covenant may be regarded as a material breach of this Agreement.

Recipient affirms under the penalties of perjury that Recipient does not knowingly employ an unauthorized alien. Recipient affirms under the penalties of perjury that Recipient has enrolled and is participating in the E-Verify program as defined in IC 22-5-1.7-3. Recipient agrees to provide documentation to the State of Indiana that Recipient has enrolled and is participating in the E-Verify program. Additionally, Recipient is not required to participate if Recipient is self-employed and does not employ any employees. City may terminate for default if Recipient fails to cure a breach of this provision no later than thirty (30) days after being notified by City.

14. **Governing Laws.** This Agreement shall be construed in accordance with and governed by the laws of the State of Indiana, notwithstanding its choice of law rules to the contrary or any other state's choice of law rules. Suit, if any, shall be brought in a court of applicable jurisdiction situated in Allen County, Indiana.

15. **Entire Agreement.** This Agreement, entered into of even date herewith, and any attachments hereto, contain the entire understanding of the Parties and this Agreement supersedes all prior agreements and understandings, oral or written, with respect to the subject matter enclosed herein and contemplated hereby.

16. **Indemnification and Release.** Recipient shall indemnify, defend and hold harmless the City and its divisions, dependents, officers, employees, representatives and agents (collectively, the "Indemnitees") from and against all claims, demands, charges, lawsuits, costs and expenses (including legal costs and attorney's fees) caused by any act or omission of Recipient and/or any of its contractors, subcontractors, vendors, suppliers, employees, representatives, licensees, invitees and authorized agents in connection with the execution of this Agreement. City shall not provide any indemnification of any kind in nature hereunder to performance or non-performance Recipient. Recipient hereby forever releases Indemnitees and each of them from any and all claims, demands and charges, of every kind and nature, both known and unknown, whether now existing or hereafter arising, that Recipient has or may at any time in the future have against Indemnitees, or any of them, under this Agreement. Notwithstanding anything herein contained, Recipient shall not be obligated to indemnify, defend or hold harmless any Indemnitee hereunder for any action or injury above due to the willful or intentional act of said Indemnitee. The covenants contained in this Section 16 shall survive the expiration or termination of the Agreement for any reason.

17. **Severability.** The invalidity of any section, subsection, clause or provision of this Agreement shall not affect the validity of the remaining sections, subsections, clauses, or provisions of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement of the date first written above.

| [CITY] | [RECIPIENT] |
|---|---|
| By________________ | By *Marc R. Levy* |
| Len Poehler, City Controller | Marc Levy, Executive Director |
| Date: ____________ | Date: 11/07/2017 |

## [EXHIBIT A]

***Eligibility Criteria, Scholar Selection***

- Eligibility Criteria Traditional Students
  - Fort Wayne resident accepted and/or applied to a public or not-for-profit private accredited Indiana Department of Education college or university within Allen County.
  - Stated GAP in college funding (cost of attendance, less FAFSA-EFC, less scholarships/grants)
  - GPA of 2.5 for community college or GPA of 2.75 for 4-year college *
  - Intent to live in Allen County and work within the Northeast Indiana region.
  - Application is reviewed with points given to each component represented; emphasis is given to GAP and essay.
  - Returning and delayed start scholars must have successfully completed at a minimum one semester at the community college or University level prior to application demonstrating an ability to successfully complete program.

  * Represents the standard GPA or SAT/ACT which can be lower if other items listed later in review raise total points during review that compensate for grade point average or SAT/ACT when required.

- Scholar Selection
  - Traditional applicants will be reviewed annually by community volunteer reviewers/leaders. These reviewers will include but will not be limited to: local businesspersons, school staff/administrators, Questa volunteers, post-secondary education staff, funders, and community partnership leaders. In addition, City of Fort Wayne has the option of appointing up to four representatives to be reviewers.
  - Traditional selection process will review the application package which include: application, letters of recommendation, work and volunteer experiences, essay, transcript, FAFSA-SAR report, college acceptance letter, and college financial aid award letter. Points are given for each component of the application package. (See Matrix). An average score is calculated from the three separate reviewers. These scores become the basis for further committee discussion and consensus score for overall rating.

A separate process exists for the contemporary applicants who include: returning students, individuals who delayed their education and existing post-secondary education students who have financial gaps. In these cases, the application process and timing are determined by the partner post-secondary institutions that identify and recommend qualified students for funding. These may occur during the ongoing year depending on the institution start dates. Again, recommendations will be important.

- Contemporary scholars may be reviewed as often as monthly, depending upon cohort and application stream from partner schools.
- Contemporary scholars will receive applications from partner school financial aid office.
- Contemporary scholars will be recommended to Questa by the financial aid office in consultation with the academic advisor and forwarded as a recommendation based upon review of the applicant educational plan, academic progress and financial GAP.

The process for traditional students will run parallel with the existing established Questa Scholar program with applications being submitted between March 1 and May 1 each year. As mentioned above the criteria for awarding the funds will expand the base to include students who may not have been eligible based primarily upon grades and SAT scores yet when evaluated taking into account community services, employment, involvement in organizations, etc. have demonstrated abilities for further education and qualities that warrant financial assistance to further their education.

The groupings of applicants will be arranged by the post-secondary education being sought including: Industry/trade, associate and bachelor degrees. A separate portion of the funding will be made available for individuals applying for certification and associate degrees so that they are reviewed and compared with others applying for that level of education. When and if appropriate the timing of this portion of application and review may run later in the year allowing individuals to decide to apply. This will ensure this opportunity for those who seek it.

The final determination in all cases is the Questa Education Foundation, which will respect and staff an inclusive process of identification, review and determination of Scholars. This ensures that the process integrity is honored and balanced with the revenue available.

***Compliance Strategies: Targeting, Outreach, and Scholar Compliance***

- Targeted Students
  - Focused on all eligible students regardless of race, age or income. With specific emphasis on "underserved/diverse students", first generation students, working adults, or part time attendee.
  - Individuals pursuing their 1st certificate, associate or bachelor programs.
  - Traditional (recent HS grad), returning, and delayed start students.
  - Additional identified individuals who are in under-represented categories

- Outreach
  - Partnerships for outreach with other non-profit youth & community based organizations such as but not limited to: Big Brothers/Big Sisters; Boys & Girls Club; Urban League; Voices of Unity; Latino Counts; United Negro College Fund, labor and community chambers, business and other clubs/organizations.
  - Participating within school programs: JAG, New Tech Academies, staff, administrators, counselors and teachers.
  - Presenting the Questa Scholars Program at college fairs, educational fairs, community events, and within high school classrooms.
  - Providing hands-on assistance and guidance in completing the application components to potential scholars.
  - Press releases, media announcements and web-based efforts will both recruit and acknowledge Questa Scholars to raise awareness.

The goal of the marketing and outreach will be to ensure that all segments of the community have knowledge and are encouraged to seek further education beyond high school. This will be accomplished strategically and intentionally with ongoing outreach, communication and involvement of a broad range of partnerships.

The public will be made aware in a variety of ways of this initiative, including but not limited to: press releases, interviews and public speaking at civic groups and gatherings. Specific strategies will also be implemented targeting previously under represented populations to ensure that the broad demographics of the community have knowledge and opportunity to benefit from these resources. Staff and volunteers will provide outreach to High Schools, youth serving organizations and businesses that serve or employ youth and potential non-traditional students. Consistent evaluation on the effectiveness of all strategies will determine how best to continuously improve reaching those who can benefit from this program.

- Scholar Compliance
  - On-going academic progress review with students to ascertain they maintain program academic standards and progress with the education plans.
  - Guidance and assistance is made available when program academic standards are not reached with restated short term goals for scholars to achieve.
  - Allowance will be made for educational growth and GPA stability determined by the educational plan.
  - If the relationship is terminated due to non-compliance, the scholar will begin repayment of the loan within 30-60 days, depending upon circumstances.

**Partnership School Matrix**

| 4 Year | GPA 15pts | SAT/ACT 10pts | ESSAY 25pts | REFERENCES 15pts | GAP 25pts | COMMUNITY SERVICE 5pts | WORK EXPERIENCE 5pts |
|---|---|---|---|---|---|---|---|
| Grace | 2.75 | 800/17 | Yes | 2 | Yes | Yes | Yes |
| Huntington | 2.75 | 800/17 | Yes | 2 | Yes | Yes | Yes |
| Indiana Tech | 2.75 | 800/17 | Yes | 2 | Yes | Yes | Yes |
| Indiana Wesleyan | 2.75 | 800/17 | Yes | 2 | Yes | Yes | Yes |
| IPFW | 2.75 | 800/17 | Yes | 2 | Yes | Yes | Yes |
| Ivy Tech | 2.75 | 800/17 | Yes | 2 | Yes | Yes | Yes |
| Manchester | 2.75 | 800/17 | Yes | 2 | Yes | Yes | Yes |
| Trine | 2.75 | 800/17 | Yes | 2 | Yes | Yes | Yes |
| Saint Francis | 2.75 | 800/17 | Yes | 2 | Yes | Yes | Yes |

Non-Traditional/contemporary bachelor degree students for all institutions above will need to have at one semester of a 2.5 grade point average, an approved educational plan, academic advisor's recommendation, and identified GAP in funds determined by the financial-aid office.

| Certificate/ 2 Year | GPA 15pts | SAT/ACT 10pts | ESSAY 25pts | REFERENCES 15pts | GAP 25pts | COMMUNITY SERVICE 10pts | WORK EXPERIENCE 5pts |
|---|---|---|---|---|---|---|---|
| Ivy Tech | 2.5 | 800/17 | Yes | 2 | Yes | Yes | Yes |

Non-traditional/contemporary associate degree students will need to have one semester of a 2.25 grade point average, an approved educational plan, academic advisor's recommendation and identified GAP in funds determined by the financial-aid office.

## [EXHIBIT B]

*Production Goals*

- Anticipated match will be for the full $200,000 annually for each year for 4 years or more
- Match money sources including Questa endowed funds and amounts will be provided prior to access of funds and/or when the funds are committed and available.
- 50% of the targeted students of the funding will be of 1st generation and/or minority students, accessing certificate, associate, and bachelor programs.
- Estimated slots available will be for 10 bachelor, 20 certificate or associate degree and will be a combination of traditional contemporary and returning/delayed students.
- Traditional students may enter the program at the beginning of semesters (Jul-Aug & Dec-Jan)
- Returning/delayed students may enter the program as often as monthly, depending upon cohort schedule.

Traditional bachelor level Questa Scholars have access to 5,000 dollars per year in support of their education with a community college and non-traditional returning students averaging 2,500 dollars a year in support of their education. Because of these variations, the numbers may differ depending on the mix between bachelor, associate degrees, certification and full vs. part time students

Documentation will be provided to the City on all Questa Scholar expenses detailing the amounts of educational related expenses. Appropriate expenses will be reimbursed by the city based upon this documentation.

# [EXHIBIT C]

*Draw Schedule*

Based upon the academic year the majority of funds will be drawn two times a year. The first draw will be during the July-August months when fall payments to post-secondary educational institutions are made. The second large draw is December-January for the Winter-Spring Semester when payments are made for educational expenses.

There will be some students who have been accepted into programs that utilize the Cohort program approach will have payment schedules that differ from the above. Documentation will be provided as this occurs and will be paid on the Quarters that occur outside the normal dates listed above.

**Potential Draw Schedule**

| | *July - August* | *September-October-November* | *December-January* | *Feb-March-April-May* |
|---|---|---|---|---|
| | 40% | 10% | 40% | 10% |
| **YEAR** | **TOTAL/CITY** | **TOTAL/CITY** | **TOTAL/CITY** | **TOTAL/CITY** |
| 1 | 40,000/20,000 | 10,000/5,000 | 40,000/20,000 | 10,000/5,000 |
| 2 | 80,000/40,000 | 20,000/10,000 | 80,000/40,000 | 20,000/10,000 |
| 3 | 120,000/60,000 | 30,000/15,000 | 120,000/60,000 | 30,000/15,000 |
| 4 | 160,000/80,000 | 40,000/20,000 | 160,000/80,000 | 40,000/20,000 |

QUESTA
EDUCATION FOUNDATION

April 30, 2014

Attached you will find the signed Board of Directors resolution and in that, resolution is the authorization for the Endowment and undesignated donations to be available for the match of Fort Wayne Legacy Funds. In addition, we have the funding from Councilman Crawford, Tower Bank and Yergens-Rogers. The total of those three is 150,000 dollars. Attached are the letters and copies of the checks related to the Crawford and Tower Bank Gifts. The Yergens-Rogers support can be used for this purpose as expressed in the original funding and the grant proposal.

The totals for both the funds indicated above and the commitment of the Board of Directors for use of the endowment funds as match represents the 200,000 dollars necessary for this first year. Since we will be accessing approximately 50,000 dollars during the first year, we hope the documents provided satisfy the details for the match. Please let us know if any further documentation is necessary, and we will provide additional information as we secure additional match funding.

Sincerely,

Marc R. Levy
Executive Director

A Quest for Education

3468 Stellhorn Road, Fort Wayne, IN 46815 · questafoundation.org · Phone: 260.407.6494 · Fax: 260.407.1707

**Questa Board of Directors Resolution**

**April 23, 2014**

The Board of Directors authorizes the expansion and updating of the policy for Questa Scholar eligibility to support both the education plan and to be available to fund an identified financial gap. This change eliminates barriers anticipated due to increasing needs of individuals. This is an inclusive strategy that allows for funding of a wider range of educational models and is not limited based upon other eligible funding sources ( i.e. 21st Century funds and Pell Grants).

The Board of Directors approves the materials as submitted to the City of Fort Wayne to access and utilize the Legacy Funds. Match funds from designated donations, the use of Questa Endowment and undesignated donations can and will be used for this initiative. This is a multiple year agreement that has the option to be extended by the City Council and Mayor and may as time and experience dictate modification to ensure successful achievement of the goals for both the Questa Education Foundation and the City of Fort Wayne Legacy funding.

Wilburn Smith

Wilburn Smith
Chair of the Board

4/28/14
Date

[Exhibit E]

## Installment Loan Note

Name______________________________ Date__________________

The undersigned, (jointly and severally if more than one), promises to pay to the order of Questa Education Foundation the sum of $__________ plus simple interest at the annual percentage rate shown below on the amount of principal which is unpaid for as long as it is unpaid.

The words *I, you,* and *my* refer to each person who signs this note, in whatever capacity.

**Terms of Payment:** To repay this loan from Questa Education Foundation, I promise to pay to the order of Questa Education Foundation the amount financed shown below (the principal) in the installments shown below.

**Late Charges:** I will be given ten (10) grace days to make an on-time payment. If a payment is not received by the 10th day following my payment due date, I will be charged $17.50 in late fees. Late fees are subject to change as allowed by IC 24-4.5-1-106.

**Other Charges:** Return check charge of $25.00 will be assessed on any check returned due to NSF.

**Additional Interest On Late Payments:** If I do not make a payment on time, interest at the annual percentage rate will continue to be earned on the principal part of that payment for as long as it is past due. I will either pay that additional interest with the past due payment or my later payments will pay more interest and less principal and my final payment will be larger.

**Default:** I will be in default if:I do not make any payment on this note when due; or I break any other promise or am in default under any other agreement I have given Questa Education Foundation.

**Rights Upon My Default:** If I am in default, the entire unpaid amount of this note becomes due at once, at Questa Education Foundation's option, without notice of non-payment, including all attorneys' fees and costs incurred in the collection of the balance due.

**Other Rights:** Without notice to you, without your consent, and without losing any of its rights against you, Questa Education Foundation may:

- accept late payments and partial payments, even if marked as payment in full; and
- extend the terms of payment one or more times; and
- release security or other signers liable on this note; and
- delay enforcing any of its rights under this note.

Presentment, notice of dishonor, and protest are waived. All amounts owing on this loan are payable without relief from valuation or appraisement laws.

**Terms of Repayment:** The debt forgiveness portion of the Questa Scholars program, allows for you to receive upto 50% in debt forgiveness when you meet the requirement of living and working in the defined eleven counties of northeast Indiana. If within the next 5 years you should become disqualified due to your employment and residency status, you will lose the remaining forgiveness portion of your loan. The outstanding principal balance, interest, fees along with the prorated forgiveness portion of the loan will become payable by you. The principal amount will increase due to the loss of the forgiveness portion.

Following is an example based upon a principal balance of $20,000, without any scholarship or payback partner deductions.

Monthly payment with 50% debt forgiveness: **$153.06/** without 50% debt forgiveness: **$306.12**

## Federal Truth In Lending Disclosures

| Annual Percentage Rate | Finance Charge | Amount Financed | Total of Payments |
|---|---|---|---|
| The cost of your credit as a yearly rate. | The dollar amount the credit will cost you. | The amount of credit provided to you or on your behalf. | The amount you will have paid when all payments are made on time. |
| ____________ % | $____________ | $____________ | $____________ |

| Number of Payments | Monthly Payment Amount | When Payments Are Due |
|---|---|---|
| ____________ | $____________ | Beginning on ____________, 20______ |

**Prepayment:** If you pay off early, you will not have to pay a penalty.
**Security Interest:** Unsecured

See your contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled date, and prepayment refunds and penalties.

**Itemization of Amount Financed**

| | |
|---|---|
| Total Loans Received: | $____________ |
| Less Grants ____________: | $____________ |
| Repayment Principal Balance: | $____________ |
| Current Principal Balance: | $____________ |
| Less Principal Payments: | $____________ |
| Less _____% Debt Forgiveness: | $____________ |
| Amount Financed: | $____________ |

**Copy Received:** I acknowledge that I received a completed copy of this document and read both sides of it before I signed it.

Borrower's Printed Name____________________

Address____________________

City ____________ State ______ Zip ______

Home Phone____________ Cell ____________

Social Security Number____________________

Co-Signer's Printed Name____________________

Address____________________

City____________ State______ Zip______

Home Phone____________ Cell____________

Social Security Number____________________

**Borrower's Signature** ______________________________ **Date** ____________

**Co-Signer's Signature** ______________________________ **Date** ____________

**Notice to Co-signer** You are being asked to guarantee this debt. Consider carefully before you do so. If the borrower does not pay the debt, you will be held liable to pay it. Be sure you can afford to pay if you have to and that you want to accept this responsibility. You may have to pay up to the full amount of the debt if the borrower does not pay. You may also have to pay late fees or collection costs, which increase this amount.

Questa Education Foundation can collect this debt from you without first trying to collect from the borrower. Questa Education Foundation can use the same collection methods against you that can be used against the borrower, such as suing you, garnishing your wages, etc. If this debt is ever in default, that fact may become a part of your credit record. This notice is not the contract that makes you liable for the debt.

## Private Education Loan Final Disclosure (Installment Note)

Questa Foundation for Education
3468 Stellhorn Road
Fort Wayne, IN 46815

**Loan Rates & Estimated Total Costs:**

| Total Loan Amount | Interest Rate | Finance Charge | Total of Payments |
|---|---|---|---|
| **$20,000.00**<br>The total amount that you are borrowing. | **3.25%**<br>Your current interest rate. | **$2040.32**<br>The estimated dollar amount the credit will cost you. | **$22,040.32**<br>The estimated amount you will have paid when you have made all payments. |

**Loan Interest Rate:**

Your starting interest rate is determined by the current Wall Street Journal Prime rate in effect at the beginning of the quarter in which you graduate from college. Your interest rate will not be less than 3.25% or greater than 21%. Your interest rate is a fixed rate that will remain in effect during the repayment term of your installment note.

**Loan Fees:**

Application Fee: $0
Origination Fee: $0
Repayment Fee: $0
Late Charge Fee: $17.50
Return Check Charge: up to $25.00

**Debt Forgiveness:**

Debt forgiveness is taxable and will be reported to the IRS. Scholars will receive annually an IRS Form 1099-C for any debt forgiveness received over $600.00.

**Loan Cost Examples:**

The total amount you will pay for this loan will vary depending upon total amount borrowed and the amount of debt forgiveness earned. This example provides estimates based upon maximum loan amount and different debt forgiveness possibilities.

| Repayment | Principal Amount | Interest Rate (minimum interest used in example) | Loan Term | Total Paid over 6 years |
|---|---|---|---|---|
| $20,000 w/no debt forgiveness | $20,000 | 3.25% | 6 Years | $22,040.32 |
| $20,000 w/50% debt forgiveness | $10,000 | 3.25% | 6 Years | $11,020.16 |
| $20,000 w/75% debt forgiveness | $5,000 | 3.25% | 6 Years | $5,510.08 |

About this sample: The repayment example assumes that you remain in school for 4 years and have a 90-day grace period before beginning repayment. It is based on the lowest starting rate currently charged.

**Federal Loan Alternatives:**

You may qualify for Federal education loans. For additional information, contact your school's financial aid office or the Department of Education at: www.federalstudentaid.ed.gov

| Loan Program | Current Interest Rates by Program Type |
|---|---|
| PERKINS | 5% fixed |
| STAFFORD | 3.4% fixed (Undergraduate subsidized)<br>6.8% fixed (Undergraduate unsubsidized & Graduate) |
| PLUS | 7.9 % fixed |

Updated 2/2012

**Acknowledgement of Receipt of Private Education Loan Final Disclosure:**

Printed Name of Questa Scholar:________________________________________

Signature of Questa Scholar:_________________________________________

Date:__________________________

Printed Name of Co-Signer:_________________________________________

Signature of Co-Signer:___________________________________________

Date:__________________________

**BILL NO. R-13-10-22 (AS AMENDED) (AS AMENDED) (AS AMENDED) (AS AMENDED)**

**BILL NO. R-100-13**

**A RESOLUTION APPROVING THE DISTRIBUTION OF FUNDS FROM THE CITY OF FORT WAYNE COMMUNITY LEGACY FUND.**

**Whereas,** the City of Fort Wayne has created the City of Fort Wayne Community Legacy Fund to invest in projects that will have a collective impact that leads to transformational change within the community, and;

**Whereas,** the City of Fort Wayne through the Legacy process has received unprecedented public input from across the community and has worked with citizens, business leaders and elected officials to develop implementation priorities, and;

**Whereas,** the City of Fort Wayne seeks to advance transformational projects for our community with a focus on economic development, downtown and riverfront development, and youth development/prep sports, and;

**Whereas,** each Legacy project provides our community with an opportunity to make our City stronger and better positioned for growth, and;

**Whereas,** by working together, we will leave a lasting Legacy for future generations;

**NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA:**

**SECTION 1.** The City of Fort Wayne Common Council hereby authorizes the Board of Trustees of the City of Fort Wayne Community Legacy Fund to distribute funds to the following projects:

**<u>Higher Education Scholarship Fund</u>**

Funds in the amount of $200,000 will be provided from the City of Fort Wayne Community Legacy Fund on an annual basis for the City of Fort Wayne to contract with the Questa Foundation to deliver the Legacy Scholarship Fund. This fund will provide scholarships to help students attain degrees and training that are partially and potentially forgivable if the students stay in the area. An initial four-year award will be provided to fund the program in years 2014 through 2017. Commencing in November 2014 and annually thereafter, an annual report will be presented to and reviewed by Common Council, and Common Council shall vote to either end the program following the current four-year term or extend the program for an additional year. If Council votes to end the program, such action shall be final and not subject to the consent and/or approval of the Mayor. If Council votes to add an additional year, such approval shall be subject to the consent and approval of the Mayor.

**<u>Educational Services Fund</u>**

Funds in the amount of $100,000 will be provided from the City of Fort Wayne Community Legacy Fund on an annual basis for the City of Fort Wayne to operate the Legacy Education Services Fund. The Legacy Education Services Fund will be used to fund educational programs to advance the educational attainment of the community by providing non-degree certification programs in collaboration with local partners. An initial one year award will be provided to fund the program in 2014. Commencing in November 2014 and annually thereafter, an annual report will be presented to and reviewed by Common Council, and Common Council shall vote to either end the program or extend the program for an additional year.

If Council votes to end the program, such action shall be final and not subject to the consent and/or approval of the Mayor. If Council votes to add an additional year, such approval shall be subject to the consent and approval of the Mayor.

**SECTION 2.** This Resolution shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.

Council Member

APPROVED AS TO FORM AND LEGALITY

Carol Helton City Attorney by LES

Carol Helton, City Attorney

COMMUNITY DEVELOPMENT

Thomas C. Henry, Mayor

*Engage • Innovate • Perform*

City of Fort Wayne
Community Development
200 East Berry Street, Suite 320
Fort Wayne IN 46802
260.427.1127
www.cityoffortwayne.org

# Memo

**To:** Common Council Members

**From:** John Urbahns, Director, Community Development

**Date:** October 18, 2013

**Re:** The City of Fort Wayne Community Legacy Fund

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In November of 2012, we presented a number of proposed Legacy projects to Council. Included in this week's Council packet is a resolution to appropriate funds to a proposed Higher Education Scholarship Fund and Educational Services Fund. The funds would continue to be held in the City of Fort Wayne Community Legacy Fund and an annual distribution would be determined by the investment performance of the fund. Only funds from the investment earnings are proposed to be spent from these funds. The City of Fort Wayne has proposed to operate the Higher Education Scholarship Fund through the Questa Foundation which currently operates several scholarship funds across Northeast Indiana and brings unique talents to operate the program. The Education Services Fund would be administered internally by Community Development staff and would be awarded to programs through an annual RFP process. Job readiness, skill development and advancing the education attainment of the community are keys to our economic success. Through these programs and collaborations we can continue to make ongoing improvement in these sectors. I will be joined by Marc Levy from the Questa Foundation when Council holds discussion on this resolution.

As always, thank you for your consideration and if you have any questions please contact me at 427-2151.

Public Hearing Date, if applicable________________

Read the first time in full and on motion by Councilman Tom Smith,
Read the second time by title and referred to the Finance
Committee. Read the third time in full and on motion by Councilman
Smith, placed on passage by the following vote:

| | AYES | NAYS | ABSTAINED | ABSENT |
|---|---|---|---|---|
| TOTAL VOTES | 9 | | | |
| BENDER | ✓ | | | |
| CRAWFORD | ✓ | | | |
| DIDIER | ✓ | | | |
| HARPER | ✓ | | | |
| HINES | ✓ | | | |
| JEHL | ✓ | | | |
| PADDOCK | ✓ | | | |
| SHOAFF | ✓ | | | |
| SMITH | ✓ | | | |

DATED: 11-12-13

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (~~ANNEXATION~~) (~~APPROPRIATION~~) (~~GENERAL~~) (~~SPECIAL~~) (~~ZONING~~) ORDINANCE (RESOLUTION) NO. R-100-13 on the 12th day of November, 2013

ATTEST:

Sandra E. Kennedy
SANDRA E. KENNEDY,
CITY CLERK

Thomas F. Didier
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 13th day of November, 2013, at the hour of 1:12 o'clock PM. E.S.T.

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 14th day of November 2013, at the hour of 11:00 o'clock AM. E.S.T.

Thomas C. Henry
THOMAS C. HENRY, MAYOR
by KK

**BILL NO. R-13-10-22**

# REPORT OF COMMITTEE ON FINANCE

# NOVEMBER 12, 2013

*TOM SMITH – CHAIR*
*JOHN CRAWFORD – CO-CHAIR*
*ALL COUNCIL MEMBERS*

**A RESOLUTION** **approving the Distribution of Funds from the City of Fort Wayne Community Legacy Fund.** **COMMITTEE OF FINANCE** HAVE HAD SAID ORDINANCE UNDER CONSIDERATION AND BEG LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID ORDINANCE

| DO PASS | DO NOT PASS | ABSTAIN | NO REC |
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SANDRA E. KENNEDY
CITY CLERK

COMMUNITY DEVELOPMENT

**Thomas C. Henry,** Mayor

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200 East Berry Street, Suite 320
Fort Wayne IN 46802
260.427.1127
www.cityoffortwayne.org

MEMO

To: Common Council Members

From: Sharon Feasel – CD Administrator of Finance, Community Development

Date: November 14, 2017

Re: Legacy Higher Education Scholarship Fund

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In November 2014, Resolution R-100-13 approved Legacy funding for the Scholarship Fund through the Questa Foundation Higher Education Scholarship Fund. The original agreement was to fund a four-year program of $200,000 each year up to $800,000 terminating on November 12, 2017. Currently there is $427,647 uncommitted for the scholarship fund.

Today we will be submitting a resolution to Common Council asking for a two-year extension that will provide commitments for more than 15 individual scholars using the remaining $427,647. I will be joined by Marc Levy from the Questa Foundation when Council holds discussion on this resolution.

Thank you for your consideration and if you have any questions please contact me at 427-2107.