

August 2, 2003

Re: Organization Structure for FAF

BOARD OF DIRECTORS

My recommendations are that the board members of Friends of America Future (FAF) meet, or obtain members who meet the requirements, of a Community Development Financial Institution, (CDFI) or a Community Development Entity (CDE). The primary mission of a CDFI is to promote community development, and improve the social and economic conditions of undeserved people {which may include Low-Income persons and people who lack adequate access to capital and/or Financial Services. Although FAF activities may be broader but it should have the legal authority to establish CDFI's or CDE's to perform specific functions. Basically it can operate as a holding company.

- FAF will establish a CDFI whose predominate business activity will be to provide, in arm-length transactions, Financial Products, Development Services and/or other similar financing, through the creation, development and financing of CDE's, Credit Unions and other financing entities.

FAF board may include the following committees, a board member may be chairperson and members may come from the advisory committee:

- Financing- debt and equity
Creating mortgage and loan programs;
Creating consumer loan programs;
Utilization of the tax-credit program;
Bonds financing.
- Banking (Acquiring a Community Partner in CDFI)
Financing Institutions;
Credit Unions;
Obtaining CRA investment funds.
- Education
Development of Education Institutions
- Community Development- Operating Entity
Program and project development;
Establish CDE's;
Joint venture and managing member of the CDFI with CDE' and other entities.
- Social and Political Development
Forum for discussion and publication on issues of affecting the social, political and economic conditions of the underserved;

Newsletters;
Symposiums and Conferences.

- Marketing and Public Relations
Applications and proposal development for the CDFI;
Develop strategies for implementing CDFI projects and programs;
Develop marketing materials;
Identifying and apply for grants and equity funding.
- Fundraising
Develop fundraising strategies for operating and development cost. Utilizing
Private, Corporate, Foundations, and other sources.
- Others

First FAF must increase its board members, organize its board, Chairman, Vice-Chairman, Secretary, and Treasurer and have an organizational meeting to define and refine its goals and objectives., discuss staff and budget and financing..

ADVISORY BOARD

Establish an Advisory board which should be composed of members and individuals who has access to financial resources, expertise, and organizations., these may include professional assns., social organizations, religious groups, corporations, foundations and other groups.

ORGANIZATION BUDGET

We should plan an initial 3 months organization budget of \$30,000-50,000 not including salaries, during this period a conceptual, operation, staffing, financing and fundraising plan will be put together, the budget will include;

- Organization expenses
- Meetings of the board of directors to define and refine the goals and objectives
- Identify sources and Prepare funding and grant Applications
- Develop and prepare marketing materials
- Fundraising activities
- Prepare Operation policies and procedures manual
- Operating expenses
- Travel expenses

I will call you tomorrow to discuss these further

Sammy