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**Elm City College Preparatory
Board of Directors**

Friday, April 24, 2020, 4:00 pm

Zoom Video Conference

I. Call to Order and Attendance

The meeting was called to order at 4:01 pm by Dick Ferguson. The following board members, constituting a quorum, and Achievement First staff were in attendance:

Richard Ferguson - Yes

Patric Gregory - Yes

Laura Saverin - Yes

Julia Halberstam - No

Stephanie Ma - Yes

Victor De La Paz, AF Network Support

Prish Pierce - Yes

Sarah Blanton, AF Network Support

II. Open session for public comment

There was no public comment.

III. Authorize Acceptance of SBA Backed Payroll Protection Program (PPP) Loan

Victor De La Paz gave a brief presentation on the PPP loan which is part of the CARES Act. AF applied believing that, best case scenario is will be forgivable, and worst case it is a one percent interest loan. There are two conditions for the loan to be forgivable. First, 75% of it must be used for payroll (payroll, benefits). Second, the number of fulltime employees must remain consistent (no layoffs). The loan amount is \$1.24MM and will cover allowable expenses for the 8 weeks after it is accepted. In addition to payroll, mortgage interest payments and utilities are considered allowable expenses.

The first payment is not due until six months later (possibly October) which is when we could be talking about forgiveness. Mr. De La Paz affirmed that this is a loan. It is not revenue. It is a debt instrument that will appear on the balance sheet as a liability. If forgiven, it would potentially turn into revenue. We are in touch with auditors as we move forward and we are confident we will be eligible for forgiveness.

It is not clear whether a voluntary departure (if someone takes a job somewhere else) would mean that ECCP would have to return a prorated amount of the loan.

Following a discussion, the Board unanimously passed the following resolution:

We, the undersigned, being the directors of Elm City College Preparatory, a Connecticut non-profit corporation with a principal office located in New Haven, Connecticut (“the Board”), in accordance with the amended bylaws and laws of the State of Connecticut hereby adopted the following:

WHEREAS: As a result of the COVID-19 pandemic, the Board has been required to seek financial assistance through the SBA backed Payroll Protection Program. Said funds will be used to ensure the continued operation of schools under its supervision.

RESOLVED, that effective immediately, the Board has begun the process of completing the required documentation necessary to apply for the above referenced financial assistance,

RESOLVED, that the Board is authorized to take all reasonable steps necessary to complete the loan application(s) related to the Paycheck Protection Program including, but not limited to, the submission of financial records, tax returns and payroll records.

RESOLVED, that the Board is hereby authorizing its Board Chair, Richard Ferguson, to sign any and all documents ancillary to the completion of the above referenced loan application.

FURTHER RESOLVED, that any officer of Achievement First, Inc. and their designees (each an “*Authorized Person*”) is, jointly or severally, authorized and directed, at any time and from time to time, to do such things and acts for and on behalf of the Board as may be necessary or advisable in order to give effect to and, generally, carry out the intent of the foregoing resolution in the name and on behalf of Elm City College Preparatory, on such terms and conditions and in such form deemed necessary or desirable and approved by such Authorized Person with such changes, modifications and amendments thereto as such Authorized Person may in such person’s discretion approve, which approval shall be conclusively evidenced by the execution and delivery of such documents and instruments in writing.

BE IT FURTHER RESOLVED, that the Board Chair is hereby authorized to certify that these resolutions have been duly adopted and that they are in conformity with the amended Bylaws of this Board.

Motion by Laura Saverin

Seconded by Patric Gregory

IV. Adjourn

It was unanimously decided to adjourn the meeting at 4:17 pm.

Motion by Prish Pierce

Second by Stephanie Ma