



**Emergency Meeting of the
Board of Directors of Citizens of the World Kansas City**

Location: via Zoom
<https://zoom.us/j/7268455026>

Date: Thursday, April 2nd, 2020, 5:00pm

Proposed Minutes

1. Call to Order

Mr. Norris called the meeting to order at 5:01 p.m.

Mr. Norris stated that this meeting was called with less than 24 hours notice to the public because the school has received new information necessary to make school-related decisions in the midst of the COVID-19 outbreak.

2. Roll Call by Board Chair

Mr. Norris proceeded with roll call.

Present:

Ms. Tonia Gilbert
Mr. Jacob Littrell
Mr. Miguel Meneses
Mr. Derrick Nelson
Mr. Luke Norris
Mr. Jeff Phillips

Absent:

Mr. Jim MacDonald
Ms. Maria Salcedo
Mrs. Johna Sutton

Mr. Norris determined that with 6 of 9 Board Members present, a quorum is established for purposes of holding the meeting and voting.

3. Review & Consideration of Proposed Agenda

Mr. Meneses moved to approve the agenda as proposed and Mr. Nelson provided a second to the motion. The motion was unanimously approved with none abstaining.

4. Public Comments

Mr. Norris invited public comment. No public comment was made.

5. Review & Consideration Authorizing the Executive Director to apply for the Paycheck Protection Program

Mr. Hile shared that the school has the opportunity to apply for funds through the Paycheck Protection Program (PPP) tomorrow. The PPP is part of the stimulus plan passed last week by Congress and allows small businesses and non-profits to access a forgivable loan to cover payroll costs, and most mortgage interest/rent, and utility costs over the 8 week period after the loan is made.

If the school maintains our personnel headcount from now until the end of the academic year, the loan will be forgiven. This can be a significant source of funding and can offset the now much-more uncertain philanthropic environment that the rest of the school's budget is dependent upon.

Mr. Phillips stated that the Small Business Administration has not given clarity on the documentation and justification needed for the loan forgiveness aspect and that is a moving target. The application window opens tomorrow and Mr. Hile and Mr. Brennan have put the school in a good position to be at the front of the line.

Mr. Nelson asked what amount the school would apply for. Mr. Phillips replied that the PPP allows for up to 2.5 times an organization's average monthly payroll costs; in the school's case, that total will be \$567,230.

Ms. Gilbert asked if there is any restriction from DESE that precludes us from applying? Mr. Hile answered that the school has not received any guidance that indicates we are ineligible.

Mr. Littrell asked under what conditions will the loan be forgiven? Mr. Phillips replied that banks have a good understanding of how loan amount is determined and how it will be forgiven. Questions are on what documentation will be needed during the application. The amount is determined by past payroll. To apply for forgiveness, 8 weeks from now, the school will need to present documentation to the bank that the loan amount was spent on payroll, rent, utilities. As long as the expended amount exceeds the loan amount & the school's personnel headcount is maintained above 75%, the full amount is forgiven. If conditions are not met, the loan converts to a 1% note with payments not starting for at least 24 months.

Mr. Norris asked if the loan amount is based on the recently-approved 80% hourly rate or the historical 100% hourly rate? Mr. Phillips answered that there is some confusion on whether the requirement-to-maintain is based upon headcount or payroll number. However, even if it is based on payroll, the program allows for a 25% reduction, so the school should be fine.

Mr. Meneses affirmed that pursuing PPP funding sounds better than borrowing against the school's Line of Credit. Mr. Nelson concurred that it appears to be a win/win, especially since it would not increase the school's long-term debt.

Mr. Meneses moved to authorize the Executive Director to apply for the Paycheck Protection Program, with discretion up to the full amount allowed. Mr. Nelson provided a second.

Mr. Norris proceeded with a roll-call vote, as follows:

Mr. Phillips – aye
Mr. Nelson – aye
Mr. Meneses – aye
Ms. Gilbert – aye
Mr. Littrell – aye
Mr. Norris - aye

Therefore, the motion was unanimously approved with none abstaining.

6. Adjourn

Mr. Littrell moved to adjourn and Mr. Nelson provided a second. The motion was unanimously approved with none abstaining. The meeting was adjourned at 5:11 pm.

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