

We seek to foster meaningful growth in intellectual character virtues in a thoughtful, challenging and supportive academic environment.



IVA Board Meeting

Wednesday, April 22nd, 2020

7:00 p.m.

Online via ZOOM Meeting

Minutes

Board Members Present: Eric Churchill, Josh Ross, Dan Hertzler, Richard Williams, Karyn Pace, Steve Porter, Howie Fitzgerald. *Janet Moore entered the meeting at 7:10pm.*

Staff: James McGrath, Jacquie Bryant

Community: Jason Baher

1. **Call to order and overview**

- Dan Hertzler called the meeting to order at 7:03 p.m.

2. **Public Hearing**

- Nothing submitted

3. **Public Comments on Current Agenda Items**

- No public comments.

4. **Consent agenda items:** April 1st Meeting Minutes

Motion: Dan Hertzler moved that board approves the consent agenda items.

Second: Steve Porter

All in favor: Unanimous (Janet Moore was not present for this vote)

All opposed:

Abstentions:

Item #

5. **Business items**

Finance

- PPP Loan/Grant for the MS and HS. James to explain and discuss.

James explains the PPP Loan to the board. Explains that it is part of the PPP Loan as being part of the CARES act. Explained that as soon as CITI Bank opened the applications James turned this in. Also explained the need for getting this application in quickly and that there was not time to go through normal channels. Explained that we are not the only Charter school that has been applied and been accepted. Janet Moore clarified that this loan can also cover Utilities and Rent as long as 75% of it is used on payroll.

Howie asked what the plan was for the payback of the loan if it does not get forgiven. James clarified that it would be paid back largely in the first year and some of the expenses paid back in the second year.

Janet clarified that this money needs to be spent in the first 8 weeks. James clarified that these are expenses that we are already incurred so this money will be spent within this time frame.

Jason Baehr asked about the likelihood of this loan getting funded. James clarified that CITI bank has already sent the application out so there is not a worry about getting funded. The only thing we are not assured about is if this will be forgiven and turned into a grant.

Eric asked clarifying questions about repayment and how it would affect the budget. James answered these questions about the funding and repayment.

Janet shared her experience with CITI Bank and their advice to her for how this money is used. She said that CITI suggested she open a separate account to very easily track the money and how it is spent.

Eric discussed the ramifications of repayment of the loan if we are not granted forgiveness and would we be able to repay the loan that year vs. in year two. James clarified that the money would be in the bank, we would not be using this money for the budget to work next year. If we decided next year that we were going to shut down at the end of the year we would pay it back.

James then talked through the “dire budget” that he created and showed that this budget is likely not realistic.

Richard asks a clarifying question about the balance/reserve of \$162K at the end of the year. James confirmed that these are all things included regarding revenue streams as well as assets. Josh clarified that you would have to do some more work to parse out these things.

James summarizes as this is money that we would be paying no matter what. We have to pay payroll and rent. This give us the opportunity to borrow this money at the expense that is very little.

Steve and Eric make final statements about looking at next school year and the following year.

Motion: I move to authorize the execution of the Payment Protection Program loan from Citibank in the amounts of \$224,971 for the Academy and \$279,834 for IVA.

I move that the Board of Directors authorizes James McGrath to accept the Paycheck Protection Program Loan Note dated April 17, 2020 (Note) and that is attached in the information folder on the Drive. I further move that James McGrath, Jacquie Bryant, and the Board are authorized to take all steps necessary pursuant to their roles to execute the Note, including but not limited to ensuring all necessary other authorizations (e.g., from the Los Angeles County Office of Education).

<i>Second: Eric churchill</i>
<i>Discussion: None</i>
<i>All in favor: Unanimously</i>
<i>All opposed: None</i>
<i>Abstentions: None</i>
<i>Item#</i>

- Economic Injury Disaster Loan (EIDL) for HS. James to introduce and Explain. (***)This is just an approval to apply. Future motion will be needed for approval of the Note/Loan terms should we need to this.)

James clarified that this is a motion just to authorize him to apply for this as a back up if all things fall through with the PPP. He stated that

<i>Motion: I move to approve James McGrath to apply for the Economic Injury Disaster Loan for the Academy.</i>
<i>Second: Howie Fitzgerald</i>
<i>Discussion: None</i>
<i>All in favor: Unanimously</i>
<i>All opposed: None</i>
<i>Abstentions: None</i>
<i>Item#</i>

6. Comments on items considered in open session

- No comments submitted

7. Announcement of Closed Session Items

- Real property negotiations

8. Public Comments on items considered in closed session

9. CLOSED SESSION

- a. Began at 8:10

10. Report of Closed Session Items

- a. Action was taken in closed session to approve the Amendment to our Lease at 1621 Long Beach Blvd. This amendment extends our lease through August 31, 2021.

11. Return to OPEN SESSION

- a. Returned at 8:21pm

12. Call to adjourn and next meeting

- The next scheduled meeting is 5/20/20

Respectfully submitted: Dan Hertzler; Board Chair

Approved at 6.3.20 Board Meeting