



# Blackstone Valley Prep Mayoral Academy

## Board Meeting

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### Date and Time

Saturday April 4, 2020 at 8:00 AM EDT

### Location

(857) 799-9582

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All meeting materials will be available to the public online  
at <https://app2.boardontrack.com/public/Lk0rYe/meetingsList>

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### Agenda

#### I. Opening Items

- A. Record Attendance
- B. Call the Meeting to Order

#### II. New Business Items

- A. Consider and act upon a resolution for the authorization of the filing of a loan application and borrowing not to exceed \$10,000,000 (CARES Act)

#### III. Closing Items

- A. Adjourn Meeting

## Coversheet

Consider and act upon a resolution for the authorization of the filing  
of a loan application and borrowing not to exceed \$10,000,000  
(CARES Act)

**Section:** II. New Business Items  
**Item:** A. Consider and act upon a resolution for the authorization of the filing of  
a loan application and borrowing not to exceed \$10,000,000 (CARES Act)  
**Purpose:** Vote  
**Submitted by:**  
**Related Material:** Board Reso - P3 4-4-2020.pdf  
Board COVID-19 Update 4420.pdf

RESOLUTION OF THE BOARD OF DIRECTORS OF RHODE ISLAND MAYORAL  
ACADEMY sm BLACKSTONE VALLEY WITH RESPECT TO BORROWING UNDER THE  
CARES ACT

WHEREAS, Rhode Island Mayoral Academy Blackstone Valley (“RIMABV”) has been impacted by the coronavirus outbreak including, but not limited to, forced closings of RIMABV facilities and the institution of so-called distance learning;

Whereas, RIMABV relies for the funding of its operations on Federal, State of Rhode Island (“State”) and local districts;

Whereas, economic uncertainty exists as to the timely ability of State and local districts to, on a timely basis, support the ongoing operations of RIMABV as a consequence of the slowing in the receipt of revenues by the State and local districts derived from tax collections, fees and assessments due to the closing of businesses and unemployment caused by actions necessitated by the coronavirus outbreak;

Whereas, as a result of the above-stated facts, RIMABV finds it prudent and necessary in order to support its ongoing operations to obtain financing and to apply to borrow such sums as are appropriate to support its ongoing operations during a period of economic uncertainty;

Whereas, in order to provide emergency assistance and health care response for individuals, families and businesses affected by the 2020 coronavirus pandemic, the Congress of the United States of America has adopted the Coronavirus Aid, Relief and Economic Security Act (the “Cares Act”);

Whereas, under the Cares Act, nonprofit organizations are eligible borrowers for loans for payroll support, including paid sick, medical or family leave, costs related to the continuation of group health care benefits during those periods of leave, employee salaries, mortgage payments, rent, utilities and other debt obligations;

Whereas, loan availability under the Cares Act is limited to no more than \$10,000,000;

Whereas, the Cares Act provides for loan forgiveness, subject to calculations contained in the Cares Act, for certain covered loans equal to the cost of maintaining payroll during the covered period (March 1, 2020 to June 30, 2020);

NOW THEREFORE, does the Board of Directors of RIMABV resolve as follows:

RESOLVED: That the Board of Directors of RIMABV finds, as a result of the coronavirus outbreak, economic uncertainty currently exists as to the ability of State and local district funders of RIMABV to timely meet the funding requirements of RIMABV in order to support, on an uninterrupted basis, the ongoing operations of RIMABV and, hence, it is found to be prudent and necessary to access such loan funds as are available under the Cares Act up to an amount not to exceed \$10,000,000;

FURTHER RESOLVED: That RIMABV be and hereby is authorized and

empowered to apply for and to borrow an amount up to \$10,000,000 under the CARES Act and to make application to Bristol County Savings Bank and/or Bank

Rhode Island for such borrowing and to execute and deliver such applications, certificates, notes, agreements, contracts, letters, instruments and papers as are necessary or desirable to effectuate such application and borrowing;

FURTHER RESOLVED: That Jeremy Chiappetta, the Chief Executive Officer of RIMABV or Christine Losea, the Chief Financial Officer of RIMABV (each, an "Authorized Person"), acting singly, be and each hereby is, authorized and empowered to act on behalf of RIMABV to effectuate the above-referenced application and borrowing and to execute and deliver such applications, certificates, notes, agreements, contracts, letters, instruments and papers as are necessary or desirable to effectuate the above-referenced application and borrowings, the signature of any Authorized Person on any of the foregoing being deemed evidence of the necessity and desirability of the foregoing;

FURTHER RESOLVED: That RIMABV be and hereby is authorized and empowered to open a demand deposit and/or savings account with Bristol County Savings Bank and/or Bank Rhode Island for the deposit of proceeds of the loan herein referenced and the later disbursement of such proceeds of the loan and that each of the Authorized Persons, acting singly, shall be authorized and empowered to act as signatories on each such account with respect to any check or withdrawal orders drawn on such accounts as are authorized herein, each

acting singly, provided, however, such Authorized Persons shall be subject to existing internal restrictions and approvals on the execution and delivery of

checks and withdrawal orders as are currently in effect for existing deposit accounts of RIMABV held with Bank Rhode Island as adopted by resolution of the RIMABV Board of Directors on March 25, 2020.

FURTHER RESOLVED: That this Resolution shall be effective upon its adoption.

Dated: April 4, 2020



# COVID-19 Response Board Update

April 4, 2020



# Agenda

- *Discussion:* Provide Financial Situation Status
- *Discussion:* Paycheck Protection Program
- *Action:* Resolution re: Program Application



# Current Status – Cash on Hand

- As of 4/3/20 we have **84 days of cash on hand**
- Received State Aid for April on 3/31/2020
- Funds due bring us to 99 days:
  - Accounts Receivable (\$1.2M)
    - District Invoicing (\$795K)
    - 3<sup>rd</sup> Quarter Federal Grants (\$442K)
    - ELs Grant (\$30K)

# Uncertainties

- State Aid May and June (\$3.24M)
- 4th Quarter District Payments (\$2.4M)
- Special Education Costs
- Philanthropy
- Additional Related Costs

# COVID-19 Revenue/Expense Update

- Revenue
  - CSGF \$20,000 to use as we see fit
    - Books (\$17K)
    - Social Worker Fund (\$3K)
  - Durham Savings (March-April)
    - \$315,000
- Expenses
  - Technology for Scholars
  - Web-based learning and management programs
  - Books (second round)
  - Shipping (for tech and books)

# Paycheck Protection Program

- Federal Loan Program - \$350B for employers with <500 employees
- Calculated based on 2.5 X Average payroll for last year
- If all loan proceeds are spent on approved costs between 4/1/20-6/30/20, the loan is totally forgivable
  - Payroll
  - Benefits
  - Rent
  - Debt Service Interest
  - Utilities

# BVP's PPP Application

Due to economic uncertainty over the next few months and perhaps longer, BVP is eligible for, and would like to apply for the program

- Current Estimates for application:
  - Average monthly payroll \$1.68M
    - Based on calendar year 2019 data
  - 2.5X Average = \$4.2M

# BVP Estimated Spending (4/1/20-6/30/20)

Salaries	\$ 5,131,393
Federally Funded Positions	-\$ 600,000
Health	\$ 432,795
Dental	\$ 21,875
Life	\$ 28,768
401k Match	\$ 152,125
Debt Service Interest	\$ 167,476
Rent Payments	\$ 467,309
Utilities	\$ 45,000
<b>Total Estimated Expenses for 8 week period</b>	<b>\$ 5,846,741</b>
Total Loan Request	\$ 4,208,093
Balance/(Over)	-\$ 1,638,648
Amount of project to become a loan	<b>\$0</b>