

U.S. Small Business Administration

RESOLUTION OF BOARD OF DIRECTORS OF URBAN MONTESSORI CHARTER SCHOOL

- (1) WHEREAS the mission of Urban Montessori Charter School, hereinafter referred to as “Nonprofit Organization”, is to develop self-directed and engaged learners who are academically, socially and emotionally prepared to succeed in any high school. Nurturing the innovators of tomorrow to creatively meet the challenges of today’s world with confidence, compassion and grace, Urban Montessori cultivates individual curiosities and strengths, while holding children to a high standard of excellence. At Urban Montessori, children deepen their understanding of what it means to live responsibly in a diverse urban community.
- (2) WHEREAS the “Nonprofit Organization experienced decreases in fundraising due to COVID-related closures, including missing the annual Walkathon fundraiser, one of the largest fundraisers of the fiscal year;
- (3) WHEREAS additionally, the All in For Learning campaign saw reduced attendance and revenue due to COVID-19, as many families were already concerned leading up to formal “Shelter in Place” orders, and the event regularly generates revenue in the weeks after as families participate in auctions and provide post-event sponsorship support;
- (4) WHEREAS the Nonprofit Organization has continued to maintain its afterschool expense, despite not continuing to receive afterschool revenue;
- (5) WHEREAS the Nonprofit Organization has experienced increased costs due to supporting students, families, and teachers to successfully implement Distance Learning;
- (6) WHEREAS the Nonprofit Organization has retained all employees on payroll for eight (8) weeks and has made no staffing reductions while school is closed due to COVID-19;
- (7) WHEREAS the Nonprofit Organization has experienced increased cleaning costs due to COVID-19;
- (8) WHEREAS the Nonprofit Organization must plan for enrollment shortfalls because of the COVID-related closures and potential changes in families’ concerns given the on-going pandemic.
- (9) WHEREAS, the Nonprofit Organization can reasonably expect historic and massive reductions in revenue from the State of California for fiscal year 2020-2021 and the succeeding one to two fiscal years, including the potential for medium and long term deferrals in state funding that cause short-term cash and budget challenges;

- (10) WHEREAS as a result of the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") passed on March 27, 2020, the United States Small Business Administration ("SBA") received funding and authority through the CARES Act to modify existing loan programs and establish a new loan program to assist small businesses nationwide adversely impacted by the COVID-19 pandemic emergency to administer guarantee 100 percent of SBA Section 7(a) Loan Program loans under a new program titled the "Paycheck Protection Program" ("PPP"), which incentivizes small businesses and nonprofit organizations to retain employees and will forgive up to the full principal balance of such loans if all employees are kept on payroll for eight (8) weeks provided that loan proceeds are used exclusively for payroll expenses, mortgage interest, rent and utilities;
- (11) WHEREAS the maximum amount of the Paycheck Protection Program is 2.5 times the average monthly payroll or \$10,000,000, whichever is less; and
- (12) WHEREAS 1) the terms of the PPP require certification of the employment status of individual employees and other data prior to the debt being forgiven and 2) expenses found to be ineligible will be repayable over a period of two years.

NOW, THEREFORE, in consideration of the above statements set forth herein, be it:

(1) RESOLVED, that the officers of Nonprofit Organization named below, or any one of them, or their, or any one of their, duly elected or appointed successors in office, be and they are hereby authorized and empowered in the name and on behalf of this Nonprofit Organization to execute and deliver to the Small Business Administration, an agency of the Government of the United States of America (hereinafter called "SBA"), in the form required by SBA, the following documents:

(a) Application for a loan or loans, the total thereof not to exceed in principal amount \$729,014.00, maturing upon such date or dates and bearing interest at such rate or rates as may be prescribed by SBA; (b) Applications for any renewals or extensions of all or any part of such loan or loans and of any other loans, heretofore or hereafter made by SBA to this Nonprofit Organization; (c) the Note or Notes of this Nonprofit Organization evidencing such loan or loans or any renewals or extensions thereof; and (d) any other Instruments or Agreements of this Nonprofit Organization which may be required by SBA in connection with such loans, renewals, and/or extensions; and that said officers in their discretion may accept any such loan or loans in installments and give one or more Notes of this Nonprofit Organization therefore, and may receive and endorse in the name of this Nonprofit Organization any checks or drafts representing such loan or loans or any such installments; (e) sign Guarantee of loan or loans in the principal amount of \$729,014.00.

(2) FURTHER RESOLVED, that the aforesaid officers or any one of them, or their duly elected or appointed successors in office, be and they are hereby authorized and empowered to do any acts, including but not limited to the mortgage, pledge, or hypothecation from time to time with SBA of any or all assets of this Nonprofit Organization to secure such loan or loans, renewals and extensions, and to execute in the name and on behalf of this Nonprofit Organization or otherwise, any Instruments or Agreements deemed necessary or proper by SBA, in respect of the collateral securing any indebtedness of this Nonprofit Organization;

(3) FURTHER RESOLVED, that any indebtedness heretofore contracted and any Contracts or Agreements heretofore made with SBA on behalf of this Nonprofit Organization, and all acts of officers or agents of this Nonprofit Organization in connection with said indebtedness or said Contracts or Agreements, are hereby ratified and confirmed;

(4) FURTHER RESOLVED, that the officers referred to in the foregoing resolutions are as follows:

<u>Krishna Feeney</u> <small>(Typewrite Name)</small>	<u>Head of School</u> <small>(Title)</small>	<hr style="width: 80%; margin: 0 auto;"/> <small>(Signature)</small>
<u>Davis Leung</u> <small>(Typewrite Name)</small>	<u>Board Chair</u> <small>(Title)</small>	<hr style="width: 80%; margin: 0 auto;"/> <small>(Signature)</small>
<u>Greg Klein</u> <small>(Typewrite Name)</small>	<u>Board Secretary and Treasurer</u> <small>(Title)</small>	<hr style="width: 80%; margin: 0 auto;"/> <small>(Signature)</small>
<hr style="width: 80%; margin: 0 auto;"/> <small>(Typewrite Name)</small>	<hr style="width: 80%; margin: 0 auto;"/> <small>(Title)</small>	<hr style="width: 80%; margin: 0 auto;"/> <small>(Signature)</small>

(5) FURTHER RESOLVED, that SBA is authorized to rely upon the aforesaid resolutions until receipt of written notice of any change.

CERTIFICATION

I HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution regularly presented to and adopted by the Board of Directors of Urban Montessori Charter School at a meeting duly called and held at

VIRTUAL-ONLY meeting per "Shelter in Place" orders
Meeting <https://us02web.zoom.us/j/5102904005>
Meeting ID: 510 290 4005
Password: [there was no password]

on the 21st day of May, 2020 , at which a quorum was present and voted, and that such resolution is duly recorded in the minute book of this corporation; that the officers named in said resolution have been duly elected or appointed to, and are the present incumbents of, the respective offices set after their respective names; and that the signatures set opposite their respective names are their true and genuine signatures.

 Secretary