

**PUBLIC SCHOOL ACADEMIES OF DETROIT  
BOARD OF DIRECTORS MEETING, BUDGET HEARING AND  
ANNUAL ORGANIZATIONAL MEETING**

Minutes of the Meeting of the Public School Academies of Detroit Board of Directors;  
Budget Hearing and Annual Organizational Meeting

Meeting Date and time: Thursday, June 18, 2020, 12:00 p.m.

Meeting Location: ZOOM Conference Call

Minutes Approved: August \_\_, 2020

A. Call to Order at 12:09 p.m. and Roll Call

Mr. Aristeo called the meeting to order.

Roll Call

Directors present: Joseph Aristeo  
Denise Lewis  
Kyle Chandler (12:21 p.m.)  
Edward Parks  
Keith Cooley  
John Cleary  
Karen Obsniuk  
Marvin Franklin  
Donald Tuski  
Roger Williams

Directors excused  
and absent:

Others present:	Sarah Laird	Danielle Jackson
	Peter Webster	Brooke Franklin
	Curtis Lewis	Alex Gui
	Sonya Giles	Patty Nollet
	Emily Laird	Vince DeAngelis

And other members of the general public

Mr. Aristeo made welcoming remarks and introduced the Board agenda topics and procedures.

It was noted that the Governor temporarily suspended the rules and procedures relating to physical presence at meetings and hearings of public bodies and other governmental entities in Michigan. This applies to our board meetings.

This PSAD board meeting is being held electronically, via telephonic conferencing or video conferencing, in a way in which both the public and the PSAD board are participating by electronic means.

The video conferencing permits two-way communication so the PSAD board members can hear and be heard by other members and so public participants can hear members of the PSAD board and other participants during the public comment period.

As in the past, all are welcome and PSAD will not require a person as a condition of participating in this electronic meeting to register or otherwise provide his or her name, other than necessary to permit the person to participate in public comment.

Public guests participating in a PSAD electronic board meeting may be excluded from participation in a closed session if the closed session is convened and held in compliance with the requirements of the OMA.

As always, PSAD board members must avoid using email, texting, instant messaging, and other such electronic forms of communication to make a decision or deliberate toward a decision, and must avoid “round-the-horn” decision-making in a manner not accessible to the public at an open meeting.

Our compliance with the Governor’s Executive Order and the rest of the OMA, will enable us to continue the work of the PSAD board and mission, and make the necessary decisions to protect the education of the PSAD students during this COVID-19 pandemic.

B. Oath of Office

The oath of office for Joseph Aristeo will be administered at the end of the meeting.

C. Approval of the Agenda and Minutes

Upon motion of: Obsniuk

Seconded by: Cooley

Motion: BE IT RESOLVED that the Public School Academies of Detroit approves the agenda as presented.

Motion passed unanimously.

Upon motion of: Obsniuk

Seconded by: Cooley

Motion: BE IT RESOLVED that the Public School Academies of Detroit approves the Minutes from the April 28, 2020, meeting, with a correction to the reference at the end to the June meeting date which was subsequently changed.

Motion passed unanimously.

D. Board Member Business:

Mr. Aristeo explained that the reappointment of Denise Lewis, whose term expires June 30, 2020, will be an item on the August Agenda. Although her nomination took place earlier this year, the GVSU Board of Trustees did not vote on the reappointment at their last meeting. She will be sworn in for an exigent appointment at the August Board Meeting and the GVSU Trustees will approve her reappointment at their November Meeting.

E. Public Hearings on 2020 - 2021 Budgets

1. Mr. Aristeo suspended the regular meeting and opened the public hearing on the UPA Budget at 12:21 p.m. There was no public comment.

Mr. Aristeo closed the public hearing at 12:23 p.m.

2. Mr. Aristeo opened the public hearing on the UPSM Budget at 12:23 p.m. There was no public comment.

Mr. Aristeo closed the public hearing at 12:24 p.m.

3. Mr. Aristeo opened the public hearing on the UPAD Budget at 12:24 p.m. There was no public comment.

Mr. Aristeo closed the public hearing at 12:24 p.m.

Mr. Aristeo concluded the Public Hearings on the 2020 - 2021 Budgets at 12:24 p.m. and returned to the regular meeting.

F. Annual Organizational Business

Mr. Aristeo convened the annual organizational meeting of PSAD at 12:24 p.m.

1. Election of Board Officers for the 2020 - 2021 school year term

Upon motion of: Tuski

Seconded by: Obsnuik

Motion: BE IT RESOLVED that the Board appoints the following as officers for the 2020 - 2021 school year:

Mr. Joseph Aristeo is elected Board President.

Mr. John Cleary is elected Board Vice President

Ms. Denise Lewis is elected Board Secretary.

Mr. Keith Cooley is elected Board Treasurer.

Motion passed unanimously.

2. Designation of Financial Institution, Deposit Accounts, and Signing Authority.

Upon motion of: Tuski

Seconded by: Williams

Motion: BE IT RESOLVED that:

- a. The Board selects Comerica Bank as its financial institution.
- b. The Board approves the maintenance of bank accounts as follows:
  - (1) One PSAD account for Board Expenses;
  - (2) Four PSAD - University Preparatory Academy accounts;
  - (3) Four PSAD - University Preparatory Science and Math accounts; and
  - (4) Three PSAD - University Preparatory Academy Art & Design School accounts.
- c. The Board President, Secretary or Treasurer are authorized to make transfers and open new accounts and to execute such other documents as needed to establish and maintain these accounts.
- d. The following persons are authorized to sign on the following accounts with the following required number of signatures for the respective amount thresholds:
  - (1) PSAD general account – Edward Parks, Joe Aristeo and John Cleary – two signatures required at or above \$20,000
  - (2) PSAD - University Preparatory Academy accounts – Danielle Jackson, Curtis Lewis, Janice Perzigian and

- Joe Aristeo – any two signatures required at or above \$5,000
- (3) PSAD - University Preparatory Science and Math account – Danielle Jackson, Curtis Lewis, Janice Perzigian and Joe Aristeo - any two signatures required at or above \$5,000
  - (4) PSAD - University Preparatory Academy Art & Design School (UPAD) accounts. Danielle Jackson, Curtis Lewis, Janice Perzigian and Joe Aristeo - any two signatures required at or above \$5,000.

Motion passed unanimously.

3. Designation of FOIA Representative, Title IX and XI, Local Homeless Liaison, and Civil Rights Representative

Upon motion of: Parks

Seconded by: Lewis

Motion: BE IT RESOLVED that:

The Board Secretary or the Secretary's designee shall be the Freedom of Information Act, Title IX and XI, Local Homeless Liaison, and Civil Rights Representative and shall be responsible for the Board meeting postings, notices, minutes, and sending minutes to Grand Valley State University.

Motion passed unanimously.

Mr. Aristeo asked staff to confirm that the schools are operating in compliance with the requirements.

4. Approval of Legal Counsel

Upon motion of: Lewis

Seconded by: Cooley

Motion: BE IT RESOLVED that:

Peter Webster of Dickinson Wright, PLLC shall be the Board's legal counsel.

Motion passed unanimously.

5. Approval of Auditor

Upon motion of: Lewis

Seconded by: Tuski

Motion: BE IT RESOLVED that:

Gregory Terrell & Company shall be the Board's auditor.

Motion passed unanimously.

6. Ratification and Approval of School Calendar / Day Schedule

Upon motion of: Parks

Seconded by: Franklin

Motion: BE IT RESOLVED that:

The Board approves and ratifies prior approvals of the School Calendar and School Day schedules of the University Preparatory Academy schools, University Preparatory Science and Math schools, and the University Preparatory Academy Art & Design School.

Motion passed unanimously.

7. Appointment of Chief Administrative Officers

Upon motion of: Lewis

Seconded by: Obsniuk

Motion: BE IT RESOLVED that:

Mr. Keith Cooley, the Board Treasurer, shall be the chief administrative officer of the University Preparatory Academy; the University Preparatory Science and Math; and the University Preparatory Academy Art & Design School.

Motion passed unanimously.

8. Approval of Annual Calendar of Regularly Scheduled PSAD Board Meetings

Upon motion of: Lewis

Seconded by: Tuski

Motion: BE IT RESOLVED that:

The Board shall meet at the times, dates and locations stated in the 2020 - 2021 Board Meeting Calendar, as presented.

Motion passed unanimously.

9. Approval of Michigan High School Athletic Association Participation

Upon motion of: Franklin

Seconded by: Chandler

Motion: BE IT RESOLVED that:

The Board desires to have its schools participate in the Michigan High School Athletic Association ("MHSAA") for the 2020 - 2021 school year as may be recommended; to have its schools enrolled as members of the MHSAA; and to participate in the approved interscholastic athletic activities sponsored by the MHSAA.

The Board delegates to the Chief Administrative Officers (or their respective designees) of UPA, UPSM and UPAD to execute the necessary documents for the respective schools participation in the MHSAA for 2020 - 2021 school year.

The Board accepts the MHSAA's Constitution, Bylaws, and rules and regulations as published in the MHSAA's BULLETIN and current HANDBOOK and shall conduct its program of interscholastic athletics and agrees to the primary enforcement of the rules, regulations, interpretations and qualifications of the MHSAA. The Board also agrees that the schools which host or participate in the MHSAA's meets and tournaments shall follow and enforce all tournament policies, procedures and schedules.

Motion passed unanimously.

Mr. Aristeo concluded the Annual Organizational Meeting of PSAD at 12:37 p.m.

Mr. Aristeo convened the Regular Meeting of PSAD at 12:37 p.m.

G. New Business

1. President's Overview

Mr. Aristeo gave an overview of the school operations during the last year and discussed the impact of the COVID-19 changes on the schools. He provided details on the status of the various PSAD schools, the changes and future. He discussed the Academic Committee meeting; school graduations; and facility updates.

2. School Leader's Update:

Danielle Jackson provided an update on school educational performance and an overview of the respective district improvement plans. A discussion was held on the impact of the plans on the schools.

a.) UPA Update:

2020 - 2021 Michigan District Improvement Plan

Upon motion of: Cleary

Seconded by: Chandler

Motion: BE IT RESOLVED that the Board approves the UPA 2020 - 2021 Michigan District Improvement Plan as presented.

Motion passed unanimously.

b.) UPSM Update:

2020 - 2021 Michigan District Improvement Plan

Upon motion of: Lewis

Seconded by: Parks

Motion: BE IT RESOLVED that the Board approves the UPSM 2020 - 2021 Michigan District Improvement Plan as presented.

Motion passed unanimously.

c.) UPAD Status Update:

2020 - 2021 Michigan District Improvement Plan

Upon motion of: Obsniuk

Seconded by: Cooley

Motion: BE IT RESOLVED that the Board approves the UPAD 2020 - 2021 Michigan District Improvement Plan as presented.

Motion passed unanimously.

### 3. Finance Committee Report

#### UPA:

a.) 2019 - 2020 Financial results

b.) Approval of 2019 - 2020 Budget Amendments

Upon motion of: Parks

Seconded by: Cooley

Motion: BE IT RESOLVED that the Board approves and adopts the 2019 - 2020 general fund budget and food service budget amendments as presented and appropriates the expenditures set forth in the UPA budgets to meet the liabilities of the UPA District for the current fiscal year.

Motion passed unanimously.

c.) 2020 – 2021 Budget discussion

The Board discussed the 2020 - 2021 Budget as presented by John Cleary.

d.) Approval of 2020 - 2021 Budget

Upon motion of: Parks

Seconded by: Cooley

Motion: BE IT RESOLVED that the Board approves and adopts the 2020 - 2021 University Preparatory Academy proposed annual general fund and food service budgets as presented and appropriates the expenditures set forth in the

UPA budget to meet the liabilities of the UPA District for the ensuing fiscal year.

Motion passed unanimously.

e.) Approval of Comerica Bank Financing

Upon motion of: Cooley

Seconded by: Obsniuk

Motion: BE IT RESOLVED, the Board adopts the following resolution regarding State Aid Note borrowing for UPA, incorporating all referenced exhibits:

WHEREAS, Section 1225 of Act 451 Public Acts of Michigan, 1976, as amended (the "Revised School Code") authorizes a public school academy to borrow money to secure funds for school operations or to pay previous loans obtained for school operations under the Revised School Code or any other act to provide school operating funds and issue its notes therefor, pledging for the payment thereof monies to be received by it from the state school aid fund for fiscal year ending June 30, 2021, which notes shall be for a term not to exceed 372 days and which notes shall be the full faith and credit obligation of the public school academy;

WHEREAS, the estimated amount of such state aid appropriations allocated to University Preparatory Academy (the "Academy") is \$13,375,435 for the fiscal year ending June 30, 2021 ("State Aid"), of which amount the sum of \$0 has been heretofore distributed and received, leaving a balance of \$13,375,435 as the estimated amount remaining to be distributed to the public school academy pursuant to the State School Aid Act, being MCL 388.1 et seq., as amended;

WHEREAS, PSAD anticipates a need to borrow a sum not to exceed \$2,750,000 for the benefit of the Academy to pay current operating expenses and/or payment of previous loans in the form of a term note (the "Note") which will be financed in compliance with the Revised Municipal Finance Act being Michigan Public Act 34 of 2001, as amended ("Act 34");

WHEREAS, the Board has determined that a negotiated sale will provide PSAD more flexibility in timing the sale of the Note which in turn creates substantial net interest cost savings to PSAD and the Academy;

WHEREAS, the Board has determined it to be in the best interest of PSAD and the Academy to issue its state aid note to Comerica Bank (the "Bank");

WHEREAS, the Board has determined to engage Dickinson Wright PLLC to act as counsel to PSAD with regard to the issuance of the Note.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Board hereby authorizes the borrowing described in the recitals to this Resolution pursuant to the Revised School Code and Act 34, in an amount not to exceed Two Million Seven Hundred Fifty Thousand Dollars (\$2,750,000), with the proceeds received from the Note to be used exclusively for the purpose of meeting the operating expenses of the Academy.
2. Pursuant to Section 1225 of the Revised School Code, the Note shall be a full faith and credit obligation of PSAD secured by and payable as a first budget obligation from the State Aid funds of PSAD allocated to the Academy and available therefor, or from the general funds of PSAD.
3. It is hereby declared that said borrowing is necessary for the purpose of securing funds for Academy operations or for the payment of previous loans made for Academy operations under Section 1225 of the Revised School Code, or any other statute and it is agreed with the Bank that the proceeds thereof will be used exclusively for such purpose or purposes.
4. The Board irrevocably pledges State Aid funds to be received by PSAD for the benefit of the Academy for repayment of the Note and authorizes the direct intercept of State School Aid Payments (as defined in the Fiscal Agent Agreement between the Grand Valley State University Board of Trustees and PSAD dated July 1, 2018) allocated to the Academy.

5. The Board hereby approves that (i) the Note shall be dated no later than August 28, 2020 or such other date as determined by the Board President or any other officer of the Board (each an "Authorized Officer") and (ii) the interest rate on the Note shall not exceed 6% per annum. The Board also hereby authorizes the making of any and all payments due relative to the Note, including but not limited to any and all late fees due and owing to the Bank and late fees that may become due.

6. An Authorized Officer is further authorized to pay any appropriate fees and provide any additional information which the Michigan Department of Treasury may request for approval of the borrowing by PSAD for the benefit of the Academy as may be required by the Revised School Code and Act 34.

7. The Board hereby appoints the law firm of Dickinson Wright PLLC to act as counsel to PSAD for purposes of issuance of the Note.

8. The Note may be redeemable prior to maturity on the terms and conditions provided in the Transaction Documents (as defined below).

9. Any Authorized Officer is each hereby authorized to hereafter execute and deliver the Note and any documents or certificates necessary for the issuance thereof (the "Transaction Documents"), and any of the above persons are authorized to take all steps necessary to issue, sign, and deliver the Transaction Documents consistent with the Revised School Code and Act 34 and such Authorized Officer's execution thereof shall constitute conclusive evidence of the Board's approval of the issuance and delivery of the Note.

10. Within 15 business days of completing the issuance of the Note, the Board, the Chief Administrative Officer, or his designee shall, on behalf of PSAD, file or cause to be filed, a copy of all of the following with the Department of Treasury in the form and manner prescribed by the Department of Treasury: (i) a specimen copy of the Note; (ii) a copy of this Resolution authorizing the issuance of the Note; (iii) any associated filing fee, as determined by the Department of Treasury; and (iv) such other documents as the Department of Treasury may require.

11. All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution are hereby rescinded.

12. Any action or actions taken by an Authorized Officer in furtherance of the transactions contemplated under this Resolution (to the extent such action or actions are not inconsistent with the delegation of authority provided under this Resolution) are ratified and confirmed in all respects.

Motion passed unanimously.

UPSM Status Update

- a.) 2019-2020 Financial results
- b.) Approval of 2019-2020 Budget Amendments

Upon motion of: Chandler

Seconded by: Tuski

Motion: BE IT RESOLVED that the Board approves and adopts the 2019 - 2020 general fund budget and food service budget amendments, as presented, and appropriates the expenditures set forth in the UPSM budgets to meet the liabilities of the UPSM District for the current fiscal year.

Motion passed unanimously.

- c.) The Board discussed the 2020 - 2021 Budget as presented by John Cleary.
- d.) Approval of 2020 - 2021 Budget

Upon motion of: Lewis

Seconded by: Obsniuk

Motion: BE IT RESOLVED that the Board approves and adopts the 2020 - 2021 University Preparatory Science and Math proposed annual general fund and food service budgets, as presented, and appropriates the expenditures set forth in the UPSM budget to meet the liabilities of the UPSM District for the ensuing fiscal year.

Motion passed unanimously.

e.) Approval of Comerica Bank State Aid Financing

Upon motion of: Parks

Seconded by: Obsniuk

Motion: BE IT RESOLVED, the Board adopts the following resolution regarding State Aid Note borrowing for UPSM, incorporating all referenced exhibits:

WHEREAS, Section 1225 of Act 451 Public Acts of Michigan, 1976, as amended (the "Revised School Code") authorizes a public school academy to borrow money to secure funds for school operations or to pay previous loans obtained for school operations under the Revised School Code or any other act to provide school operating funds and issue its notes therefor, pledging for the payment thereof monies to be received by it from the state school aid fund for fiscal year ending June 30, 2021, which notes shall be for a term not to exceed 372 days and which notes shall be the full faith and credit obligation of the public school academy;

WHEREAS, the estimated amount of such state aid appropriations allocated to University Prep Science and Math (the "Academy") is \$11,090,956 for the fiscal year ending June 30, 2021 ("State Aid"), of which amount the sum of \$0 has been heretofore distributed and received, leaving a balance of \$11,090,956 as the estimated amount remaining to be distributed to the public school academy pursuant to the State School Aid Act, being MCL 388.1 et seq., as amended;

WHEREAS, PSAD anticipates a need to borrow a sum not to exceed \$800,000 for the benefit of the Academy to pay current operating expenses and/or payment of previous loans in the form of a term note (the "Note") which will be financed in compliance with the Revised Municipal Finance Act being Michigan Public Act 34 of 2001, as amended ("Act 34");

WHEREAS, the Board has determined that a negotiated sale will provide PSAD more flexibility in timing

the sale of the Note which in turn creates substantial net interest cost savings to PSAD and the Academy;

WHEREAS, the Board has determined it to be in the best interest of PSAD and the Academy to issue its state aid note to Comerica Bank (the "Bank");

WHEREAS, the Board has determined to engage Dickinson Wright PLLC to act as counsel to PSAD with regard to the issuance of the Note.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Board hereby authorizes the borrowing described in the recitals to this Resolution pursuant to the Revised School Code and Act 34, in an amount not to exceed Eight Hundred Thousand Dollars (\$800,000), with the proceeds received from the Note to be used exclusively for the purpose of meeting the operating expenses of the Academy.
2. Pursuant to Section 1225 of the Revised School Code, the Note shall be a full faith and credit obligation of PSAD secured by and payable as a first budget obligation from the State Aid funds of PSAD allocated to the Academy and available therefor, or from the general funds of PSAD.
3. It is hereby declared that said borrowing is necessary for the purpose of securing funds for Academy operations or for the payment of previous loans made for Academy operations under Section 1225 of the Revised School Code, or any other statute and it is agreed with the Bank that the proceeds thereof will be used exclusively for such purpose or purposes.
4. The Board irrevocably pledges State Aid funds to be received by PSAD for the benefit of the Academy for repayment of the Note and authorizes the direct intercept of State School Aid Payments (as defined in the Fiscal Agent Agreement between the Grand Valley State University Board of Trustees and PSAD dated July 1, 2018) allocated to the Academy.
5. The Board hereby approves that (i) the Note shall be dated no later than August 28, 2020 or such other date as determined by the Board President or any other officer of the Board (each an "Authorized Officer") and (ii) the interest rate

on the Note shall not exceed 6% per annum. The Board also hereby authorizes the making of any and all payments due relative to the Note, including but not limited to any and all late fees due and owing to the Bank and late fees that may become due.

6. An Authorized Officer is further authorized to pay any appropriate fees and provide any additional information which the Michigan Department of Treasury may request for approval of the borrowing by PSAD for the benefit of the Academy as may be required by the Revised School Code and Act 34.

7. The Board hereby appoints the law firm of Dickinson Wright PLLC to act as counsel to PSAD for purposes of issuance of the Note.

8. The Note may be redeemable prior to maturity on the terms and conditions provided in the Transaction Documents (as defined below).

9. Any Authorized Officer is each hereby authorized to hereafter execute and deliver the Note and any documents or certificates necessary for the issuance thereof (the "Transaction Documents"), and any of the above persons are authorized to take all steps necessary to issue, sign, and deliver the Transaction Documents consistent with the Revised School Code and Act 34 and such Authorized Officer's execution thereof shall constitute conclusive evidence of the Board's approval of the issuance and delivery of the Note.

10. Within 15 business days of completing the issuance of the Note, the Board, the Chief Administrative Officer, or his designee shall, on behalf of PSAD, file or cause to be filed, a copy of all of the following with the Department of Treasury in the form and manner prescribed by the Department of Treasury: (i) a specimen copy of the Note; (ii) a copy of this Resolution authorizing the issuance of the Note; (iii) any associated filing fee, as determined by the Department of Treasury; and (iv) such other documents as the Department of Treasury may require.

11. All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution are hereby rescinded.

12. Any action or actions taken by an Authorized Officer in furtherance of the transactions contemplated under this Resolution (to the extent such action or actions are not inconsistent with the delegation of authority provided under this Resolution) are ratified and confirmed in all respects.

Motion passed unanimously.

UPAD:

- a.) 2019-2020 Financial results
- b.) Approval of 2019-2020 Budget Amendments

Upon motion of: Lewis

Seconded by: Obsniuk

Motion: BE IT RESOLVED that the Board approves and adopts the 2019 - 2020 general fund budget and food service budget amendments as presented and appropriates the expenditures set forth in the HFA:SCS budgets to meet the liabilities of the District for the current fiscal year.

Motion passed unanimously.

- c.) 2020 - 2021 Budget discussion

The Board discussed the 2020 - 2021 Budget as presented by John Cleary.

- d.) Approval of 2020 - 2021 Budget

Upon motion of: Cooley

Seconded by: Obsniuk

Motion: BE IT RESOLVED that the Board approves and adopts the 2020 - 2021 University Preparatory Academy Art & Design School proposed annual general fund and food service budgets as presented and appropriates the expenditures set forth in the UPAD budget to meet the liabilities of the District for the ensuing fiscal year.

Motion passed unanimously.

e.) Approval of Comerica State Aid Financing

Upon motion of: Parks

Seconded by: Lewis

Motion: BE IT RESOLVED, the Board adopts the following resolution regarding State Aid Note borrowing for University Preparatory Academy Art & Design, incorporating all referenced exhibits:

WHEREAS, Section 1225 of Act 451 Public Acts of Michigan, 1976, as amended (the "Revised School Code") authorizes a public school academy to borrow money to secure funds for school operations or to pay previous loans obtained for school operations under the Revised School Code or any other act to provide school operating funds and issue its notes therefor, pledging for the payment thereof monies to be received by it from the state school aid fund for fiscal year ending June 30, 2021, which notes shall be for a term not to exceed 372 days and which notes shall be the full faith and credit obligation of the public school academy;

WHEREAS, the estimated amount of such state aid appropriations allocated to University Preparatory Academy Art & Design (the "Academy") is \$9,073,636 for the fiscal year ending June 30, 2021 ("State Aid"), of which amount the sum of \$0 has been heretofore distributed and received, leaving a balance of \$9,073,636 as the estimated amount remaining to be distributed to the public school academy pursuant to the State School Aid Act, being MCL 388.1 et seq., as amended;

WHEREAS, PSAD anticipates a need to borrow a sum not to exceed \$800,000 for the benefit of the Academy to pay current operating expenses and/or payment of previous loans in the form of a term note (the "Note") which will be financed in compliance with the Revised Municipal Finance Act being Michigan Public Act 34 of 2001, as amended ("Act 34");

WHEREAS, the Board has determined that a negotiated sale will provide PSAD more flexibility in timing the sale of the Note which in turn creates substantial net interest cost savings to PSAD and the Academy;

WHEREAS, the Board has determined it to be in the best interest of PSAD and the Academy to issue its state aid note to Comerica Bank (the “Bank”);

WHEREAS, the Board has determined to engage Dickinson Wright PLLC to act as counsel to PSAD with regard to the issuance of the Note.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Board hereby authorizes the borrowing described in the recitals to this Resolution pursuant to the Revised School Code and Act 34, in an amount not to exceed Eight Hundred Thousand Dollars (\$800,000), with the proceeds received from the Note to be used exclusively for the purpose of meeting the operating expenses of the Academy.
2. Pursuant to Section 1225 of the Revised School Code, the Note shall be a full faith and credit obligation of PSAD secured by and payable as a first budget obligation from the State Aid funds of PSAD allocated to the Academy and available therefor, or from the general funds of PSAD.
3. It is hereby declared that said borrowing is necessary for the purpose of securing funds for Academy operations or for the payment of previous loans made for Academy operations under Section 1225 of the Revised School Code, or any other statute and it is agreed with the Bank that the proceeds thereof will be used exclusively for such purpose or purposes.
4. The Board irrevocably pledges State Aid funds to be received by PSAD for the benefit of the Academy for repayment of the Note and authorizes the direct intercept of State School Aid Payments (as defined in the Fiscal Agent Agreement between the Grand Valley State University Board of Trustees and PSAD dated July 1, 2018) allocated to the Academy.
5. The Board hereby approves that (i) the Note shall be dated no later than August 28, 2020 or such other date as determined by the Board President or any other officer of the Board (each an “Authorized Officer”) and (ii) the interest rate on the Note shall not exceed 6% per annum. The Board also hereby authorizes the making of any and all payments

due relative to the Note, including but not limited to any and all late fees due and owing to the Bank and late fees that may become due.

6. An Authorized Officer is further authorized to pay any appropriate fees and provide any additional information which the Michigan Department of Treasury may request for approval of the borrowing by PSAD for the benefit of the Academy as may be required by the Revised School Code and Act 34.

7. The Board hereby appoints the law firm of Dickinson Wright PLLC to act as counsel to PSAD for purposes of issuance of the Note.

8. The Note may be redeemable prior to maturity on the terms and conditions provided in the Transaction Documents (as defined below).

9. Any Authorized Officer is each hereby authorized to hereafter execute and deliver the Note and any documents or certificates necessary for the issuance thereof (the "Transaction Documents"), and any of the above persons are authorized to take all steps necessary to issue, sign, and deliver the Transaction Documents consistent with the Revised School Code and Act 34, including, but not limited to, any changes to the name of the Academy, if any, as have been approved by the Board, and such Authorized Officer's execution thereof shall constitute conclusive evidence of the Board's approval of the issuance and delivery of the Note.

10. Within 15 business days of completing the issuance of the Note, the Board, the Chief Administrative Officer, or his designee shall, on behalf of PSAD, file or cause to be filed, a copy of all of the following with the Department of Treasury in the form and manner prescribed by the Department of Treasury: (i) a specimen copy of the Note; (ii) a copy of this Resolution authorizing the issuance of the Note; (iii) any associated filing fee, as determined by the Department of Treasury; and (iv) such other documents as the Department of Treasury may require.

11. All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution are hereby rescinded.

12. Any action or actions taken by an Authorized Officer in furtherance of the transactions contemplated under this Resolution (to the extent such action or actions are not inconsistent with the delegation of authority provided under this Resolution) are ratified and confirmed in all respects.

Motion passed unanimously.

H. Contractual Agreements:

1. Approval of Food Service Vendor Meals Contracts

Upon motion of: Lewis

Seconded by: Williams

BE IT RESOLVED THAT The Public School Academies of Detroit Board of Directors (the "Board") approves the following Food Service Vendor Contracts, as presented:

a. Contract Renewal Agreement with Variety FoodServices, Inc. dated July 1, 2020 for the benefit of UPA schools for the School Year 2020 – 2021.

b. Contract Renewal Agreement with Variety FoodServices, Inc. dated July 1, 2020 for the benefit of UPSM schools for the School Year 2020 – 2021.

c. Contract Renewal Agreement with Variety FoodServices, Inc. dated July 1, 2020 for the benefit of UPAD schools for the School Year 2020 – 2021.

Motion passed unanimously.

2. Approval of 2020 – 2021 Student Handbook.

Upon motion of: Cooley

Seconded by: Obsniuk

BE IT RESOLVED THAT The Public School Academies of Detroit Board of Directors (the "Board") approves the new Student Handbook covering the UPA, UPSM and UPAD schools, as presented and subject to further changes in respect to directives of the Governor or Michigan Department of Education and the Covid 19 Pandemic.

Motion passed unanimously.

I. School Policies Update

Danielle Jackson presented the updates to the Board Policies as suggested by the National Charter Schools Institute. A brief discussion was held as to review of the policies and Board Members were asked to thoroughly review the suggestions and anticipate voting on their approval at the August Board Meeting.

J. Legal Matters

None

K. Authorizer Comments

Brooke Franklin thanked the Board for its efforts during the COVID 19 Pandemic

J. Public Comment

None

Joe Aristeo took the oath of office administered by Brooke Franklin

There was discussion regarding committee meetings and board makeup.

K. Adjournment

Upon motion of: Williams

Seconded by: Cooley

Motion: BE IT RESOLVED, the Public School Academies of Detroit Board Meeting be adjourned.

Motion passed unanimously.

Meeting was adjourned at 2:11p.m.

Next meeting date:

**Tuesday, August 25, 2020 at 12:00 pm possibly via Zoom Conference call, subject to Executive Order.**

Minutes prepared by:

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Peter Webster, Esq.

Minutes Approved by:

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Joseph Aristeo, Board President

Date \_\_\_\_\_, 2020

4852-6382-2528 v2 [38030-1]