



AMI/USA Administrators meeting 2/3/2021

To share strategies, questions, and concerns regarding the COVID-19 outbreak, school closings and reopening, and remote learning among AMI/USA Administrators.

AGENDA

1. Ayize Sabater, AMI/USA Executive Director, introduction.
2. Wendy Shenk-Evans and Denise Monnier from the [Montessori Public Policy Initiative](#) (MPPI) join us to share the latest on PPP.
3. Lynne Breitenstein-Aliberti, AMI/USA Director of School Affiliation and Consultation, shares the final lineup for the Administrators Track at the 2021 Virtual Montessori Experience.

MEETING NOTES

Welcome everyone, we are so glad that you could join us! We are so excited about the Administrators Track at the upcoming [The Virtual Montessori Experience: Refresher Course and Workshops](#) and we will share the final lineup at the end of this call.

For those of you who do not know our Executive Director, Ayize Sabater, I am honored to introduce him to you today. Ayize is an entrepreneur, educational researcher and author, and has been an educator for 20 years. He has co-founded several organizations, including a Montessori Public Charter school in Washington, DC. Some of Ayize's areas of interest in research are: family engagement, culturally relevant pedagogy, and Montessori for Black people. In addition, he recently co-founded The Black Montessori Education Fund. Thank you, Ayize for your leadership and for joining us on the call today!

Ayize Sabater introduces the session and presenters Wendy Shenk-Evans and Denise Monnier:

The Economic Aid bill signed into law in December 2020 contained changes to the PPP loan program that impact existing borrowers and outlines parameters for new borrowers and businesses seeking a second loan. Wendy Shenk-Evans and Denise Monnier from the [Montessori Public Policy Initiative](#) (MPPI) join us to share the latest on PPP.

Wendy Shenk-Evans is the executive director of MPPI and as a veteran Montessori school administrator and Montessori parent, she has seen the transformational impact that a Montessori education can have in the lives of children. Her passion for making this invaluable educational approach accessible and available to more children inspires her public policy work with MPPI.

While serving as a head of school in Washington, DC, Wendy successfully advocated for policy changes to help Montessori programs in the District flourish. She became involved in national advocacy efforts in the early stages of MPPI's work. Now, as MPPI's Executive Director, she supports

state level advocates, collaborates with leaders across the Montessori community, advocates and builds coalitions with other national education organizations, and offers trainings and workshops both domestically and internationally to prepare Montessori educators to be effective advocates.

Denise Monnier is MPPI's director of state advocacy, and is a Montessori parent, advocate, and advocacy coach, striving for public policy that supports universal access to Montessori education. More than 15 years of teaching in and leading Montessori schools made her deeply aware of the need for equity in and access to high quality education. Denise's journey into education policy began when she founded an early childhood outreach program. Later, as the head of Fox Valley Montessori School in Aurora, Illinois and through her involvement in the Association of Illinois Montessori Schools where she currently serves as Executive Director, her advocacy efforts turned to statewide and national advocacy. Her work with MPPI is centered around supporting our state advocacy groups and equipping them with the tools and training they need to be effective advocates for children.

Paycheck Protection Program 2.0

The Paycheck Protection Program was established in March 2020 by the CARES Act. The Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) signed into law in December 2020 adds additional funding for first time borrowers as well as businesses in need of a second loan. In addition, several changes were made that impact both businesses with existing loans and first-time borrowers and new eligibility parameters were established for businesses to qualify for a second loan

MPPI – PPP2 Brief:

<https://montessoriadvocacy.org/wp-content/uploads/2021/01/PPP2-Brief.pdf>

Changes to PPP parameters –

The following changes apply both to businesses applying for a first PPP loan, and businesses with an existing loan that has not yet been forgiven by the SBA.

- Covered Period: Borrowers now have the flexibility to choose any length of time between 8 and 24 weeks from the date loan proceeds are received to expend the funds. Choosing a longer period may enable you to meet the requirements for forgiveness and/or expend all of your funds on payroll costs which mitigates certain risks of being deemed a long-term recipient of federal financial assistance.
- EIDL Advances: If you received an EIDL Advance of up to \$10,000, the initial PPP terms required you to subtract your EIDL advance amount from your PPP forgiveness amount. Borrowers are no longer required to do this. If you have already applied for and received forgiveness, your lender should contact you about returning the subtracted advance funds to you or applying them to any PPP outstanding loan balance, if applicable. The full procedural note from the Treasury can be found here in the event your lender is unaware of this change.
- Taxes and Deductibility: Businesses are no longer required to include forgiven loan amounts in their reported gross income. Expenses paid for with forgiven PPP loan proceeds are now deductible.

EIDL forgiveness information:

<https://home.treasury.gov/system/files/136/PPP--Procedural-Notice--Repeal-of-EIDL-Advance-Deduction-Requirement-for-SBA-Loan-Forgiveness-Remittances-to-PPP-Lenders.pdf>

The list of eligible items that PPP funds can be spent on has been expanded. The original list included:

- Payroll costs
- Costs related to the continuation of group health care
- Mortgage interest payments
- Rent payments
- Utility payments
- Interest payments on any other debt obligations incurred before February 15, 2020.

Now, in addition to the above costs, businesses can expend PPP funds on:

- Life, disability, vision, and dental insurance premiums
- Certain operations expenditures including business software or cloud computing service that facilitates business operations, tracking of payroll expenses, human resources and more
- Covered supplier costs (expenditures made by a borrower to a supplier)
- Covered worker protection expenditures including certain changes to a physical facility and PPE necessary to comply with federal, state, or local guidance on social distancing and safe operations during COVID-19.

The full list of eligible expenses can be found on pages 44 and 48-51 of the Interim Final Rule. Although this list has been expanded, the requirement that 60% of the loan be spent on payroll costs in order to obtain full forgiveness remains unchanged.

The maximum loan amount calculation remains at 2.5 times the average monthly payroll, which is calculated by taking annual payroll costs, subtracting any compensation in excess of \$100k to any employee, and dividing by 12. There are some calculation examples on pp.32-36 of the Interim Final Rule. New borrowers can use either 2019 or 2020 as the base period for calculating their maximum loan amount to ensure new borrowers have the same opportunity as previous PPP borrowers and do not get penalized with lower loan amounts due to financial distress in 2020.

The legislation and Interim Final Rule outline the following eligibility requirements for a second loan, which are narrower than for an initial PPP loan:

- The business must have 300 or fewer employees.
- The business must have used or will use the full amount of the initial PPP loan for authorized purposes on or before the expected date of disbursement of the Second Draw PPP Loan.
- The business must have experienced a revenue reduction of 25% or greater in 2020 compared to 2019. A borrower must calculate this revenue reduction by comparing the borrower's quarterly gross receipts for one quarter in 2020 with the borrower's gross receipts for the corresponding quarter of 2019. First draw PPP loan funds are excluded from the borrower's 2020 gross receipts for purposes of demonstrating the required reduction.

The maximum loan amount for a Second Draw PPP Loan is equal to the lesser of two and half months of the borrower's average monthly payroll costs or \$2 million. The business may use either calendar year 2019 or the twelve-month period prior to when the loan is made to calculate average monthly payroll costs.

Second Draw Interim Final Rule:

<https://www.sba.gov/sites/default/files/2021-01/PPP%20--%20IFR%20--%20Paycheck%20Protection%20Program%20as%20Amended%20by%20Economic%20Aid%20Act%20%281.6.2021%29-508.pdf>

If the borrower has used calendar year 2019 to determine both its first and second PPP loan amounts and uses the same lender, then no additional documentation will need to be submitted to verify payroll costs. For loans with a principal amount greater than \$150,000, the applicant must submit documentation that demonstrates a revenue reduction of 25% or greater in 2020 relative to 2019 at the time of application. For loans under \$150,000 the borrower needs to submit that documentation on or before applying for loan forgiveness.

Employee Retention Tax Credit - ERTC

The Employee Retention Tax Credit (ERC) is a federal program that allows businesses that have suffered a mandated closure or loss of income due to COVID-19 to take credits against their quarterly payroll taxes to support employee retention during these difficult financial times by covering a portion of the cost of an employee's pay, including some health care plan expenses. The ERC was created through the CARES Act in March 2020 and was updated and broadened in December 2020 through the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA). The CRRSA modifications make the parameters less restrictive, which means your school may now be eligible. Businesses can still claim their ERC for 2020 but the rules of the March 2020 legislation still apply. The new rules only apply to the ERC for eligible quarters of 2021, with the exception of the lifting of restrictions on businesses which received a PPP loan. Details for 2020 and 2021 rules are outlined separately in the relevant sections below.

MPPI Brief on Employee Retention Tax Credit:

<https://montessoriadvocacy.org/wp-content/uploads/2021/01/ERTC-Brief.pdf>

ERC IRS link:

<https://www.irs.gov/newsroom/new-law-extends-covid-tax-credit-for-employers-who-keep-workers-on-payroll>

Info for schools that did not get their PPP loan forgiven

<https://www.irs.gov/forms-pubs/didnt-get-requested-ppp-loan-forgiveness-you-can-claim-the-employee-retention-credit-for-2020-on-the-4th-quarter-form-941>

Emergency Assistance for Non-Public Schools - EANS

The Coronavirus Response and Relief Supplemental Act (CRRSA) was signed into law in December 2020. Among its provisions, is \$2.75 billion for the Emergency Assistance for Non-public Schools program (EANS). The funds will be awarded to Governors and administered by the State Education Agency (SEA) in each state to provide services or assistance to eligible non-public schools.

****Advocacy Note:** The governor must apply for the funds and sign an agreement in order to receive the funds. We are hearing that some governors are still deciding whether or not to apply, so we recommend contacting your governor's office, outlining how funds would help your school and students, and requesting that they apply. The deadline for governors to apply is February 8, 2021.

MPPI EANS brief:

<https://montessoriadvocacy.org/wp-content/uploads/2021/01/EANS-Brief-1-19-21.pdf>

We are so excited about the upcoming 2021 Virtual Montessori Experience, and hope to see you all there! Click here for more details: [Montessori Experience web page](#)

Administrators Track final lineup

2021 ME Administrators Track

- Saturday, February 13 - 11-12:30pm - Recognizing the Transformational Opportunity | Speaker: Kate Ebner | Facilitator: Kathy Minardi
- Saturday, February 13 - 2:25-3:55pm - Getting the Vital and Delicate Balance Right: Boards and Heads of School in Partnership | Speaker: Marc T. Frankel, Ph.D | Facilitator: Sue Pritzker
- Sunday, February 14 - 1:30-3pm - Inside Out or Outside In? Explore your Gateway to Racial Equity | Speaker: Wendy Moomaw | Facilitator: Michele Shane
- Sunday, February 14 - 3:30-5pm - The Jazz of Leadership: improvising and adapting on the spot & on the go presented by Lisa Thauvette

Spread the word to your parent community!

On Saturday and Sunday, we are thrilled to be offering discounted registration rates for a **special parent workshop: [The Four Planes of Education for Parents: A Deep Dive!](#)** Parents, caregivers, and family members **from AMI/USA member schools pay just \$49** through February 6.

Additional Sessions that may be of interest:

- Friday, February 12 - 1-2:30pm EST - The Montessori Core Principles Certificate Course: A New AMI Course for Supporting the Flow of Human Development, Moderated by Mary Caroline Parker, with Panelists: Merry Hadden, Yvonne Froehlich, M.Ed., KaLinda Bass-Barlow, Kimberly Schneider, MEd, JD, LPC
- [Preparing the Environment for Policy](#) with Wendy, Denise, and Mayra from MPPI: Join MPPI staff and other advocates from around the country to learn about critical policy efforts, successes and strategies, through stories and shared experiences. Learn how to become an effective advocate by engaging in group activities and discussing pertinent policy issues in breakout rooms. MPPI has seen so much positive change in the past three years and you can be a part of ensuring more children have access to high quality Montessori education by getting involved.
- Monday, February 15 - 1-2:30pm
 - AMI Montessori Administrators Certificate Course Overview Session with Christine Harrison & Sue Pritzker, Testimonials from Mary Levy, Cassi Mackey, Sherri Sampson
 - Whole School Leadership - Kathy Minardi

Also, Wendy Moomaw is speaking at our upcoming 2021 Virtual Montessori Experience as part of the Administrators track. We are also happy to share their Reimagining Racial Equity workshop as signups end on this Friday, February 5. Please take a look at the video on the Whova platform or the [link to their signups here](#).

Thank you to all who were able to attend and your continued support! Please feel free to share topics and suggestions for future meetings and requests for support needed.

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