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LEARNING

WHEN I GROW UP...

August 4, 2017

Dear Former MTA Employee:

Here is an update on activities surrounding the summer pay issue.

The first important piece of news is that the MTA board met yesterday and approved a resolution to have a Receiver appointed. Their lawyer is filing a motion in court today and we hope to have a Receiver appointed in the next week or so.

Under Michigan law, Receivers have broad powers. We believe this individual will be able to block the bond holders from taking the entire next State Aid payment and, instead, direct those funds to be used to make good on former MTA employees' summer pay.

At the same time, I am continuing to appeal to the bond holders' legal counsel to allow a carve out of the next State Aid payment of the \$315,000 that would be necessary to cover the entire amount of summer pay due. We have not yet received an answer one way or the other, but we believe this would be fair for several reasons:

- It represents only about 2% of the total amount bond holders are owed.
- Forgoing the \$315,000 will not pose a meaningful additional hardship on the bond holders.
- Denying summer pay to hard working people who have earned that money is causing enormous hardship – we've heard from former employees who need this money to pay their bills and put food on their tables.
- Matchbook Learning has contributed an amount almost equal to what we're asking of bond holders by not taking any of the management fees that have been due to us in recent months.
- Had any of us – you or Matchbook Learning – quit earlier in the school year, the bond holders would have likely suffered from the loss of continuing payments from State Aid.

I am hopeful that we will have more to report soon and will keep you posted as things develop.



Sajan George

Founder & CEO, Matchbook Learning, a non-profit corporation