

July 14, 2017

Christopher Yanov
President
Reality Changers
DELIVERED VIA EMAIL

RE: BOARD RESIGNATION

Dear Chris,

We the undersigned duly elected Officers and Directors of the Reality Changers Board of Directors by this letter tender our resignation.

For the past several years our Board, composed largely of the signers of this letter, has extended its best efforts to work with you to transition our organization from its start-up success to a mature enterprise focused on sustained growth in delivering college success to an underserved population. But to the detriment of the organization and the children and community it serves, you have resisted our efforts to put the plans, processes and people in place to avoid the near-disasters of the recent past, and position us to meet the challenges and opportunities ahead. Rather you have put your own personal need to exercise control, ahead of the organization's future success. Examples are:

- You have repeatedly added or expanded programs to secure new revenues, with little regard for our ability to meet the expense, delivery time and professional staffing of those programs. The consequences have been broken promises to donors, damaging staff reductions and resignations of key senior staff.
- You repeatedly ignored your responsibility to be transparent with your Board, refusing to apprise us of, or respond to, questions on new initiatives such as the inaugural Malin Burnham Awards. Such negligence has rendered us unable to bring our experience and resources to bear in enhancing those initiatives and the organization's fund-raising efforts.
- As of the start of our new fiscal year on July 1, 2017, the Board Finance Committee Chair had still not been presented with a draft budget for the 2017-2018 fiscal year. As a result, that Committee has been unable to assess the extent to which it reflects realistic revenue projections and actual costing of our obligations, and address our continual deficiency of unrestricted operating reserves. Cash balances are an unreliable metric as the past has proven; your resistance to process at our scale jeopardizes our financial viability.

The most recent example of your willingness to jeopardize the organization's future occurred on April 19th, 2017 at a regularly scheduled Board meeting. You took advantage of a clearly ambiguous section of Reality Changer's By-Laws to "stack" the Board with a group of relatively inexperienced new directors (appointed by you) whose strongest qualification appears to have been their personal loyalty to you and consequent willingness to act on your direction and desires. This was an egregious betrayal of trust and clearly counter to the best interests of the organization and its stakeholders. This was evidenced by:

- At that meeting, you asked these just-appointed members with little if any familiarity with our operations to pre-approve a budget that didn't even exist in draft form, in essence insisting that they betray their fiduciary responsibility.
- At the same meeting, you requested that they grant you a vacation which would not count against your actual vacation time, a clear instance of gross negligence given that your accumulated vacation balance already far exceeds what the organization can afford.
- At a hastily called June 30, 2017 Special Board Meeting you induced your appointed new Board members to vote to terminate the Board service of the former Board Chair, with whom none of them had even worked. This was clearly in pursuit of your personal vendetta against his having led the efforts to put the plans, processes and people in place to assure the organization's sustained growth.

Chris, all of us care deeply about the mission of Reality Changers. We have tried for more than a year to put a structure in place that would enable you and your executive team (which has supported these changes) to operate Reality Changers as an efficient organization long into the future. You have consistently and repeatedly resisted our efforts.

We have also encouraged you to get executive coaching to acquire the skills and perspective necessary to lead Reality Changers into the future. You resisted that opportunity as well.

As a consequence of all the foregoing, we four Board Members join another former elected Director who immediately resigned at the April 19th Board meeting, to total five of the nine then-elected Directors who feel your unethical conduct and need to control the organization as both President and de facto Board Chair have placed the future of Reality Changers in serious jeopardy. Your actions have made it impossible for us as individuals, deeply committed to the Reality Changers mission, to fundraise, support, or effectively fulfill our fiduciary responsibility as Directors. You have left us no choice but to collectively resign as of this date.

Sincerely,



Rick Evans

Maddy Kilkenny



Heather Bergman



Robert Freund

Robert Freund