



**KIPP ACADEMY LYNN PUBLIC CHARTER SCHOOL AND
KIPP ACADEMY BOSTON PUBLIC CHARTER SCHOOL
MINUTES OF THE MEETING OF THE FINANCE AND FACILITIES COMMITTEE
3/30/2023 | 10:00 am**

The meeting of the Finance and Facilities Committee of **KIPP ACADEMY LYNN PUBLIC CHARTER SCHOOL and KIPP ACADEMY BOSTON PUBLIC CHARTER SCHOOL** (collectively, the “Schools”) convened at 10:00 AM on 3/30/2023 in-person, held in compliance with open meeting law, at which a quorum of the committee members was present.

The following Committee members attended: Paul Ketterer, Stephanie Pierre-Louis, Nikki Barnes, Kenneth Beato

Additional participants: Stephen Pizzimenti, Eskedar Meshesha, Emily Taylor

The following committee members were not present: Tom Beecher, Matt Fates

Ketterer called the meeting to order at 10:00 and presided throughout the meeting. He ascertained that sufficient Committee members were present at the meeting, and that, accordingly, a quorum existed.

1. Pizzimenti shared the meeting minutes from the 1/25/23 committee meeting for the committee to review. Ketterer motioned for the minutes to be approved, Pierre-Louis seconded, and there was unanimous approval for the minutes.
2. Pizzimenti then presented the FY23 financials, dashboards, and budget forecast to the committee
 - a. The dashboards all showed that KIPP Academy Lynn, KIPP Academy Boston, and KIPP Massachusetts as a whole are in strong financial standing heading into the 4th quarter
 - b. All financial covenants were met with Citizens Bank as of 12/31/22
 - c. Both school districts have all financial metrics with ESE on track for low or moderate risk
 - d. KIPP Academy Boston is below budget on revenue due to being under enrolled by approximately 10 students based on average daily membership. This is being offset by KIPP Academy Boston being understaffed when compared to budget, allowing KIPP Academy Boston to still be on track to meet budget goals this year

- e. For the budget forecast, Pizzimenti noted that facilities expenses were trending over budget this year. Taylor gave additional context that this was due to increased costs in both Utilities and Maintenance.
- 3. After reviewing the FY23 financial information, Pizzimenti then reviewed the preliminary FY24 budget with the committee
 - a. Tuition revenue is expected to increase by about 9% in both Lynn and Boston due to the state's continued implementation of the student opportunity act
 - b. Revenue due to ESSER funding is due to decline by about \$2 million from FY23 to FY24 as those funds are exhausted. The final date to spend the remaining ESSER III funds is 9/30/2024.
 - c. Personnel expenses increased due to normal staff salary increases each year.
 - d. Facilities expenses increased to account for the additional spending that will be needed for utilities and maintenance in FY24.
 - e. Overall, both school districts are showing projected compliance with financial covenants with Citizens bank.
 - f. Additionally, the committee discussed Boston's enrollment since the school is under enrolled this year compared to budget. Taylor shared several strategies that are being implemented to rectify this, and the KIPP MA team feels confident that it will be fully enrolled during the 2023-2024 school year.
- 4. Next, Taylor and Ketterer gave an update to the committee about the recent issues experienced at the Wheeler Street campus following a significant rain storm. The school experienced a lot of leaking despite the new roof that was just installed last summer.
 - a. Taylor is beginning conversations with Russo Barr and the architect Arrow Street to help assess what happened and why this issue currently exists despite recent construction. Taylor is scheduled to talk with Arrow Street next week
 - b. It was agreed by the committee that we should not be paying for it. That being said, it will likely be really frustrating in the meantime and take a while.
- 5. Lastly, the committee reviewed and discussed its bank accounts in light of the recent situation with Silicon Valley Bank.
 - a. Pizzimenti brought to the meeting information from Citizens Bank related to an insured sweep program. The committee agreed that this could be a smart approach to protecting the organization's cash that is currently not FDIC insured due to being over the \$250,000 FDIC limit.
 - b. The committee also discussed the idea of setting up an investment ladder or liquidity product for US treasuries with less than 1 year threshold.

- c. Pizzimenti noted that he would reach out to Citizens Bank to further discuss these options, and possibly invite them to present at the next committee meeting in June.

Ketterer moved to close out the Committee Meeting at 11:30.

Committee Chair Signature