



**KIPP ACADEMY LYNN PUBLIC CHARTER SCHOOL AND
KIPP ACADEMY BOSTON PUBLIC CHARTER SCHOOL
MINUTES OF THE MEETING OF THE FINANCE AND FACILITIES COMMITTEE
10/21/2022 | 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 10/21/2022 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, Tom Beecher, Stephanie Pierre-Louis, Kenneth Beato

Additional participants: Stephen Pizzimenti, Emily Taylor, Eskedar Meshesha

The following committee members were not present: Nikki Barnes, 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.

Taylor presented the capital budget planning for facilities to the committee. The organization is setting aside dollars each year to accumulate into a capital reserves fund. Taylor talked about how inflation was used to calculate future projections.

Taylor then reviewed the 2022-23 projects that are on the capital reserves schedule for this school year. [KIPP MA, Capital Facilities Plan.pptx](#)

Ketterer noted that during budget season, we will need to review which projects we will do each year.

Pizzimenti then reviewed the check signer policy with the committee. Currently the physical check signers are Nikki Barnes (Executive Director) and Coretta Martin (Chief Academic Officer). Pizzimenti proposed that we should have the check signers be Pizzimenti as CFO and Barnes as ED going forward. The committee agreed.

Pizzimenti then reviewed the credit card review policy with the committee. The Board reviews the ED’s credit card statements throughout the year to check for reasonableness in transactions.

This school year, the committee agreed to reviewing these credit card statements quarterly prior to each committee meeting. Then in each committee meeting, they will vote to approve the transactions.

The ED also reviews the leadership team member credit cards each month. This school year, the policy will be updated so that the ED reviews the CFO's credit card statements, the CFO will review all other credit card statements, and then the ED will do a second review of any high value dollar transactions from credit card holders as well.

Beecher also recommended that we look into virtual cards for team members to have instead of credit cards in the future.

FY22 Audit Results

The auditing firm AAF joined the committee meeting at 10:37 to present the audited financials to the finance committee. This included John Buckley, Nichole Reilly, and Erica Dove.

Dove began by presenting the management letter to the committee. There were no changes to the accounting standards or methods for valuations during FY22. Overall it was a very smooth and clean audit this year for the team.

Reilly then reviewed the audited financial statements with the finance committee. The financial statements include the two schools and the three component units (Fund Entities).

The organization had a Net Change in Assets above \$5 million this year. This was largely due to the refinancing of the debt that KIPP MA underwent with Citizens. The organization had a \$3.5 million gain on interest rate swap agreements when those were terminated last spring.

For the schools, there was a \$800,000 gain in total. The changes to the leases had a large impact on this for both schools.

For operating surpluses, Lynn had a loss of \$100,000 and Boston had a gain of \$1.5 million.

The schools had a lot COVID-19 related grants in the revenue lines this year.

In looking at the ratios, the school has built a current ratio is 6.3. The average for the Boston school comparison group is 5.2.

The debt to equity ratio is at 2.8, which is 1.0 lower than it was last year. The average for the Boston school comparison group is 1.3.

Ketterer moved to close out the 10/21/2022 Committee Meeting at 11:30.

Paul Ketterer

Committee Chair Signature