

KIPP Atlanta Schools Finance Committee Meeting Minutes

Wednesday, August 14, 2024 in person

8:30 a.m. - 10:30 a.m.

This meeting location: 1038 White Street, Suite D, Atlanta, GA 30310

Committee Members in Attendance: Dennis Love, Catherine Mealor, Hector Calzada, Richard Deane, Tom Avery (Zoom Attendance), Craig Jones (Zoom Attendance)

Committee Members Absent:

Board Members Present: None

Regional Staff Members Present: Justin Anderson, Ra’Chel Ford, Justin Knowles, Jennifer Lundy, Irving Williams III, Lakeesha Ramdhanie, Lawrence Harris

Guest Present: Brooks Lumpkin

August 14, 2024 - The meeting was called to order at 8:40 a.m.

I. Welcome

- Hector Calzada, Finance Committee Chair, called the meeting to order at 8:40 a.m. and discussed the agenda for the meeting.

II. Meeting Minutes

- Hector Calzada called for a vote to accept the previous finance committee minutes from May 29, 2024 and May 31, 2024.
- Catherine Mealor moved and Richard Deane seconded. Approved unanimously. No Abstentions. No Discussion.

III. Mission Moment

- Justin Anderson gave an update on the One Team Celebration event that recognized employee tenure and the upcoming school year.

IV. Procurement Requests

- Procurement request presented by Irving Williams:
 - Recommendation to enter into agreements with Princeton Review Prep and Mastery Prep for ACT preparation services. The two-year school agreement costs \$683K. These vendors were selected because the other options were either fully virtual or could not guarantee results for all scholars. Princeton Review guarantees a percentage increase in ACT scores and will support scholars with scores of 16 and above, while Mastery Prep will focus on those scoring 15 and below. Both vendors will provide 30 weeks of instruction aligned with existing ACT pretest scores. The cost will be covered by Irving’s operating budget. Classes will have a student-teacher ratio of approximately 12-15 scholars per session. Scholars will transition to Princeton Review Prep as their scores improve. The school’s

curriculum is more aligned with the ACT versus the SAT.

- Hector Calzada asked about the motivation for scholars to participate in the prep program. Irving Williams explained that most sessions will be held during school hours, other options include incentivized opportunities. Scholars can attend up to 4 sessions per week. The goal is to increase scholars' testing scores to 18.
- Ra'Chel asked if there were any further questions and reiterated the request to approve a two-year, \$683K contract with Princeton Review and Mastery Prep, paid on a semester basis.
- Catherine Mealor motioned and Dennis Love seconded. No discussion and no abstentions.

V. Standing Agenda Items

● **Enrollment Update :**

- Dr. Lawrence Harris shared an update on enrollment and highlighted year-over-year re-enrollment and application numbers and the drives of the results. He provided an overview of the summer attraction and attrition plan for enrolling new scholars and keeping existing scholars. The budgeted enrollment target is 5,419. Daily Tracking; 5,439 enrolled as of 8/13/2024. 131 scholars are in-progress registration. Projected enrollment 5,666. Enrollment contingency built into the budget.

● **Endowment Update:**

- Justin Anderson gave an update on the endowment fund which is up 17.9% in July net of fees; \$3,126,383 million balance.
- Update on the \$400K MacKenzie Scott transfer/addition.
- IRS non-profit application is in process and Justin will have an update at the October meeting

VI. FY24 Preliminary Financials

- Justin Anderson gave an update on the FY24 preliminary financials:
 - 5.3 months operating cash on hand(\$56.0MM), and \$3.6MM surplus expected for FY24.
 - P&L in Line with expectations through June
 - 98% revenue to budget
 - 98% expense to budget
 - The FY24 Audit is slated to start on Monday, August 19th, an update on this will occur in October.

VII. Meeting Close

- Hector Calzada requested that the enrollment numbers be presented to the board at the upcoming meeting, along with details on how KIPP staff are intervening to change the trajectory.
- Justin Anderson reminded the Finance Committee of the next Finance meeting on October 9th, 2024.
- Hector asked if any action was needed to allocate the surplus cash balances. Justin Anderson clarified that the surplus funds were already allocated in June during the spend-down process.
- Hector expressed gratitude to the team and committee members and called for a vote to close the meeting. Motioned by Hector Calzada and seconded by Catherine Mealor. The

meeting adjourned at 9:45 a.m.

These minutes were taken by Jennifer Lundy, Controller.

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