

APPROVED



KIPP Academy Massachusetts

Minutes

KIPP MA Board of Trustees Retreat 09.12.2024

Date and Time

Thursday September 12, 2024 at 9:00 AM

Location

Charles River Associates, 200 Clarendon St., Boston, MA

[Link to folder with documents for this meeting](#)

For additional information, please contact Jesse Fetbroth at jfetbroth@kippma.org or 781-696-8402.

Directors Present

D. Borchard, E. Bergman (remote), M. Fates, M. Gaburo, P. Ketterer, P. Maleh, R. Barnes, S. Lim, S. Pierre-Louis, T. Beecher

Directors Absent

M. Kendall

Directors who left before the meeting adjourned

S. Pierre-Louis

Guests Present

A. Peters, C. Burnham, E. DoBell, E. Estevez-Hicks, E. Taylor, Frances Spencer, J. Dominique, J. Fetbroth, J. Haynes, John Kalafatas, K. Kiley, K. Lobel, L. Adams, S. Clark, S. Coleman, S. Pizzimenti, Z. Meisner, Z. Trotsky

I. Opening Items

A. Call the Meeting to Order

S. Pierre-Louis called a meeting of the board of directors of KIPP Academy Massachusetts to order on Thursday Sep 12, 2024 at 9:11 AM.

B. Record Attendance

C. Build the Team

The KIPP MA Executive Director welcomed the Board and KIPP MA Team.

The Board and KIPP Team introduced themselves.

D. Objectives, Agenda and Logistics

We reviewed the objectives for the day. The Executive Director noted we would spend a significant amount of time on discussing growth. She also noted that MCAS data is still embargoed.

II. Consent Agenda, Items for Voting + Discussion

A. Vote: Board Meeting Minutes

S. Pierre-Louis made a motion to approve the minutes from KIPP MA Board of Trustees Meeting 6.13.2024 on 06-13-24.

P. Ketterer seconded the motion.

The board **VOTED** to approve the motion.

Roll Call

T. Beecher	Aye
E. Bergman	Aye
M. Kendall	Absent
P. Maleh	Aye
S. Lim	Aye
M. Gaburo	Aye
P. Ketterer	Aye
M. Fates	Aye

Roll Call

D. Borchard Aye
R. Barnes Aye
S. Pierre-Louis Aye

B. Vote: Officers + Governance and Compensation Committee Members

S. Pierre-Louis made a motion to Approve Board Officers and Governance and Compensation Committee Members.

P. Ketterer seconded the motion.

The board **VOTED** to approve the motion.

C. Vote: Surveillance Camera Policy + Signatory

S. Pierre-Louis made a motion to Approve KIPP MA's Surveillance Camera Policy and a new signatory for 24-25.

A Board member asked how long we've had surveillance cameras. A KIPP MA Team member explained we always have. It was also asked if we have School Resource Officers, particularly at the high school. It was explained no-- sometimes we have temporary security.

The board **VOTED** to approve the motion.

D. Vote: New Committee Members

S. Pierre-Louis made a motion to Approve.

P. Ketterer seconded the motion.

The board **VOTED** to approve the motion.

Roll Call

S. Pierre-Louis Aye
M. Kendall Absent
D. Borchard Aye
R. Barnes Aye
P. Ketterer Aye
S. Lim Aye
E. Bergman Aye
M. Gaburo Aye
P. Maleh Aye
M. Fates Aye
T. Beecher Aye

E. Lynn Accountability Plan

S. Pierre-Louis made a motion to Approve.

T. Beecher seconded the motion.

The Managing Director of Compliance reviewed proposed changes to the Lynn Accountability Plan and made space for questions.

Doug Borchard was not present for this vote only.
The board **VOTED** to approve the motion.

Roll Call

M. Fates	Aye
D. Borchard	Absent
S. Pierre-Louis	Aye
S. Lim	Aye
R. Barnes	Aye
M. Gaburo	Aye
M. Kendall	Absent
E. Bergman	Aye
P. Maleh	Aye
T. Beecher	Aye
P. Ketterer	Aye

F. Growth Discussion + Amendment Vote

Our Chief Operating Officer shared the aims for our growth conversation.

She reviewed KIPP MA's plans to submit an amendment to DESE to increase its maximum enrollment in Lynn. She reviewed financial and enrollment projections and implications for development. She explained that the financial summary assumes a renovation of a school site vs. a new build. There are projections available for both options.

We need fundraising for the period of time pre-expansion where we would be in a cash-flow deficit. There is a significant difference between a renovation and a new build. Board members had questions about the total debt service.

A member of the KIPP Foundation Growth Team directed the team to discuss financial viability beyond 32-33. A KIPP MA Team Member explained that it is our belief that we would be in a good position to assume the debt and eventually we would surpass our current status for financial viability, though it will take a long time to get there.

The KIPP Foundation will put \$6 million into this through a federal CSP program. It was asked if we could compare numbers to other KIPP regions.

The Finance and Facilities Committee is digging into some of these specifics later in the day. A Board member recommended that we hold the vote until after Finance and Facilities committee has considered details.

A member of the KIPP Team recommended that any questions should be written down and shared so we can ensure they are answered. Our real estate consultants will be joining the meeting in person for the Finance and Facilities Committee.

Risks and mitigations were reviewed.

A Board member asked when we would know DESE's answer after applying. Our Chief Operating Officer explained that we first have to be approved for Proven Provider status, which is determined based on MCAS data, suspension data and other factors. We can not be approved if we are not given Proven Provider.

Our Board Chair asked us if we would have to take all seats if we were given them. Given our current facilities, any addition of seats would require a facilities upgrade.

A Board member asked what the impact on Lynn Public Schools would be. It was explained that there is a financial impact, and is a three-year reimbursement from the state as students move from public to charter.

DESE acknowledges we have a longstanding positive relationship with Lynn Public Schools.

It was noted that we currently have a waitlist of over 1,700 students that is stable.

A Board member noted that we would need to ensure our focus does not shift from the students we're currently serving, especially given our academic results are still improving to where we'd want them to be.

The Board Chair talked about how compelling our data is when examined via subgroup. We are actually outperforming the state on MCAS with the populations we serve. This is an important story for us to tell.

A Board member noted that if our MCAS scores don't increase, this could impact fundraising.

A member of the KIPP Foundation talked about the advantage of scale-- it's not just more work and more kids to serve, but also more capacity to support.

The Chief Schools Officer noted that the last time we pursued expansion, we were adding grades we didn't have experience with, and now we do.

A Board member noted that he feels more confident in Lynn, but is concerned about Boston and diverting attention and focus from the leadership team.

A Board member asked if there is any chance that seats open in Boston given our interest in a high school in Boston. It was noted that Boston is already over 18% its net school spend, which has led to closures, so it seems unlikely. A member of the KIPP Foundation Growth Team noted that if seats in Boston opened, it wouldn't necessarily mean we couldn't pursue it.

What are our goals as a Board? To provide outcomes for our students, and then to serve more kids. The question is are we doing well enough in number one to tackle number two. This is what DESE is deciding.

Our Chief Operating Officer asked what additional information the Board needed. One Board member asked what a sustainable level of debt is and what that leaves in terms of total equity fundraising. Do we think we can raise that, and from where? What is a realistic financial plan that an interested party would say yes to? What is a fundraising plan that is doable? Could we get scrappy about our facilities startups-- thinking like a start-up? Do we have other options?

A member of the KIPP MA Growth Team explained the options the Board has for voting.

A Board member noted we'd like to apply for the seats and asked what happens if we are approved and get seats and decide we can't financially support it. It was explained that we could give seats back or hold on seats. There isn't a penalty from DESE. They want us to be successful as well.

Today we are voting on the amendment, but we can revisit the financial and enrollment aspects of the plan as we navigate the process.

A Board member noted we need to learn from other KIPP regions that have done this numerous times.

It was noted that the Board's questions and concerns will be reflected in our amendment.

The Board meeting broke into Committees.

The Board resumed and discussed moving to approve the submission of a Lynn Expansion charter request to DESE. The Board would like to note it is still very much in the review phase of the plan. It was noted we've been talking about expansion for a long time.

S. Pierre-Louis made a motion to Approve the submission of a Lynn Expansion charter request to DESE.

P. Ketterer seconded the motion.

The board **VOTED** to approve the motion.

Roll Call

M. Kendall	Absent
P. Maleh	Aye
D. Borchard	Aye
M. Fates	Aye
T. Beecher	Aye

Roll Call

S. Lim	Aye
M. Gaburo	Aye
P. Ketterer	Aye
S. Pierre-Louis	Aye
R. Barnes	Aye
E. Bergman	Aye

III. Committee Work and Share Out

A. Committee Meeting Time

The People, Development, Teaching and Learning and Finance and Facilities Committees went into meetings.

B. Committee Share out

IV. Working Lunch: Principal Priorities

A. Principal Priorities

The principals introduced their priorities for school year 24-25.

V. KIPP Massachusetts State of the Union

A. KIPP MA Updates

Our Chief Operating Officer shared the aims for our growth conversation.

She reviewed KIPP MA's plans to submit an amendment to DESE to increase its maximum enrollment in Lynn. She reviewed financial and enrollment projections. She explained that the financial summary assumes a renovation of a school site vs. a new build. There are projections available for both options.

We need fundraising for the period of time pre-expansion where we would be in a cash-flow deficit. This is projected to be about \$14 million. If we're trying to cover a down payment, we would need to fundraise even more. There is a significant difference between a renovation and a new build.

Board members had questions about why the total debt service increases so significantly. This is based on an assumption of 6% interest. Renovation vs. build makes this a variable situation.

A member of the KIPP Foundation Growth Team directed the team to discuss financial viability beyond 32-33. A KIPP MA Team Member explained that it is our belief that we

would be in a good position to assume the debt and eventually we would surpass our current status for financial viability, though it will take a long time to get there.

A Board member noted we could consider focusing on a capital campaign instead of taking on additional debt-- if we can raise \$20 million, that lowers the operating deficit.

The KIPP Foundation will put \$6 million into this through a federal CSP program.

A Board member asked if the idea is we're incrementally covering the cost with debt. It was explained that to a certain extent we're funding the expansion with debt and with philanthropy.

It was asked if we could compare these numbers to other KIPP regions. A Board member noted that in her experience, she's seen 2-3 years of operating deficits with an expansion. 5-6 years feels long. This also assumes an enrollment plan of 2 grades at a time-- this would increase cash flow, but would impact facilities.

A Board member noted we would be renovating all of the spaces. This assumes adding 1 site. The new site would be the middle school.

The Finance and Facilities Committee is digging into some of these specifics later in the day.

Board members inquired as to whether the private revenue was reflected differently or similarly in the historical model and the current projections.

A Board member recommended that we hold the vote until after Finance and Facilities committee has considered details.

A member of the KIPP Team recommended that any questions should be written down and shared so we can ensure they are answered. Our real estate consultants will be joining the meeting in person for the Finance and Facilities Committee.

Risks and mitigations were reviewed. The Board Chair noted that some other regions are very good at fundraising, like KIPP DC.

A Board member asked when we would know DESE's answer after applying. Our Chief Operating Officer explained that we first have to be approved for Proven Provider status, which is determined based on MCAS data, suspension data and other factors. We can not be approved if we are not Proven Provider.

A Board member asked what happens if we don't get Proven Provider. The Executive Director explained that we would attempt to apply again the following year.

Our Board Chair asked us if we would have to take all seats if we were given them. There is a point to which it wouldn't be financially viable.

Given our current facilities, any addition would require a facilities upgrade.

A Board member asked what the impact on Lynn Public Schools would be. It was explained that there is a financial impact, and is a three-year reimbursement from the state as students move from public to charter. We would be doubling from 9% to 18% of the district.

DESE acknowledges we have a longstanding positive relationship with Lynn Public Schools.

It was noted that we currently have a waitlist of over 1,700 students that is stable.

A Board member noted that this would be all encompassing for the management team and wonders how we'll be confident in our ability to support the students we already serve given our academic results haven't been where they needed to be in the last few years. The Chief Schools Officer explained that we already have a long view-- we've adopted aligned curriculum that isn't change, for example. There are pieces that feel more stable, which leads to talent being more sustainable. Special Education has been consistently evolving since the last time we attempted to grow to now.

The Board Chair talked about how compelling the data is when examined via subgroup. We are actually outperforming the state on MCAS with the populations we serve. This is an important story for us to tell.

A Board member noted that if our MCAS scores don't increase, this could impact fundraising.

If we do get Proven Provider, what then? If we get Proven Provider, we would know about our amendment as well.

A member of the KIPP Foundation talked about the team's ability to manage this expansion-- the additional revenue would go to the schools, but also to the regional office, which could be invested in capacity. This is an advantage of scale-- it's not just more work and more kids to serve, but also more capacity to support.

The Chief Schools Officer noted that the last time we pursued expansion, we were adding grades we didn't have experience with, and now we do.

A Board member noted that he feels more confident in Lynn, but is concerned about Boston and diverting attention and focus from the leadership team.

A Board member asked if there is any chance that seats open in Boston given our interest in a high school in Boston. It was noted that Boston is already over 18% its net school spend, which has led to closures. A member of the KIPP Foundation Growth Team noted that if seats in Boston opened, it wouldn't necessarily mean we couldn't pursue it. A Board member noted that we had less overhead and debt back then.

The Board Chair noted that the grades we add will impact our performance. Adding a kindergartener is different than adding a 6th grade.

What are our goals as a Board? To provide outcomes for our students, and then to serve more kids. The question is are we doing well enough in number one to tackle number two. This is what DESE is deciding.

Our Chief Operating Officer asked what additional information the Board needed. One Board member asked what a sustainable level of debt is and what that leaves in terms of total equity fundraising. Do we think we can raise that, and from where? What is a realistic financial plan that an interested party would say yes to? What is a fundraising plan that is doable? Could we get scrappy about our facilities startups-- thinking like a start-up? Do we have other options?

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It was noted that the Board's questions and concerns will be reflected in our amendment.

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S. Pierre-Louis left.

VI. Closing Items

A.

Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 1:56 PM.

Respectfully Submitted,
M. Fates

Documents used during the meeting

None