

APPROVED



KIPP Academy Massachusetts

Minutes

KIPP MA Finance and Facilities Committee Meeting

Date and Time

Monday March 30, 2026 at 5:00 PM

<https://kippma-org.zoom.us/j/81356192066?pwd=zYeCqbi7hzWoCd0s3h11iE5Ptcbg7R.1>

Committee Members Present

C. Zorokong (remote), K. Pierre-Louis (remote), M. Fates (remote), P. Ketterer (remote), R. Barnes (remote), T. Beecher (remote)

Committee Members Absent

None

Guests Present

Michael Giuliano (remote), S. Pierre-Louis (remote), Z. Trotsky (remote)

I. Opening Items**A. Record Attendance****B. Call the Meeting to Order****C. Approve Minutes from 1/26**

M. Fates made a motion to approve the minutes from KIPP MA Finance and Facilities Committee Meeting on 01-26-26.

T. Beecher seconded the motion.
The committee **VOTED** to approve the motion.

II. Finance

A. Review of FY26 Q2 Budget to Actuals

Both Lynn and Boston continue to trend towards meeting debt covenants.

- Federal grant revenue low due to IDEA starting in Q2 (\$700K)
- Personnel overage completely offset by health insurance savings
- Student expenses trending low in student services and T&L plus seasonality (less spend in Jul/Aug)
- Admin appears high due to high legal and seasonality

B. FY26 Full Year Budget vs Forecast

There appears to be a path to meet debt covenants throughout FY26 if expenses are contained and revenue forecasts are met.

- Reduced tuition and private grants due to Q2/3 updates
- Health insurance forecast = budget for March-June
- Contingency remains open to be applied
- Keeping eye on student expenses (transportation)

Healthcare update: Trending low due to maximized budgeting and expenses currently under 40% compared to last year's spend to date.

C. PFML Supplemental Leave Policy

New policy to take place August 1, 2026.

- Entering years 0-3 - Paid through MA paid family & medical leave. No benefit from KIPP MA.
- Entering years 4-7 - Paid through MA paid family & medical leave and receives supplemental pay up to 100% of your regular salary for up to 4 total weeks of leave excluding the waiting period. This is updated from our original plan to pay up to 70%. Staff may still opt to take additional leave with pay provided by the state, as eligible.
- Entering years 8+ - Paid through MA paid family & medical leave and receives supplemental pay up to 100% of your regular salary for: birthing parent - 14 weeks, non-birthing parent - 6 weeks, non-birth related medical leave up to 8 weeks total.

Does this address our staffing/coverage issue?

- According to charter peers, approximately 50% of staff will reduce their state eligible leave to align with supplemental pay periods.

- Elective procedures people are likely to be more strategic (scheduling during summer, etc)

D. FY27 Budget

FY27 overall:

- DSCR: 1:1 for Lynn and 1.2 for Boston
- Positive change in net assets for Lynn and Boston

FY27 Revenues:

- Overall revenue increase of 2.8% (~\$1.5M)
- Tuition increase of 3%
- Medicaid decrease of 96%
- Added circuit breaker grant (~\$58K; one time)

FY27 Expenses:

- Overall expense increase of 3.3% (~\$1.8M)

Personnel:

- Headcount reduced by 4 (373 - 369)
- Adds Senior Head of Development (\$175K salary placeholder)
- Removed Director of Comms (~\$88K)
- Replaces current Finance Coordinator with Director of Finance (+\$34K)

Non-personnel:

- Increases contingency from \$400K to \$450K
- Adds \$460K of capital reserve additions for future capital improvements

For budgeting purposes it is proposed to ensure expenses rise only as high as our revenue.

Fundraising/Grant Revenue - We have a \$1M target + KIPP Foundation pass-through funding. We are currently not on track to hit our FY26 fundraising target, but the hope is that the new position dedicated to development, they can increase our efforts and hit this target.

FY27 preliminary tuition budget vs FY26

Foundation:

- 4.5% increase (avg 6% YoY for past 6 years)
- 2.2% discount compared to prelim DESE projections (in-line with other charter CFOs)

Above Foundation:

- Boston: 33% AFR (compared to 35% in FY26); in-line with guidance per discussion with DESE
- Lynn: \$0

Transportation: Lynn only: flat (will get updated rate in June; depends on LPS rates one year in arrears)

Facilities: Flat (potential +\$100 per student but can't bank on it yet - wait for next budget in April per MCPSA CFO guidance)

E. Bank Update

We are still awaiting a response from the bank since our last update.

III. Facilities

A. Capital Planning

Review of 10 year capital plan and push from members to remain as conservative as possible.

IV. 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 5:53 PM.

Respectfully Submitted,
Z. Trotsky