APPROVED

KIPP Memphis Public Schools

Minutes

Finance Committee Meeting

Date and Time
Wednesday September 6, 2023 at 3:00 PM

Committee Members Present
A. Anderson (remote), D. Hopson (remote), H. Coleman (remote), L. Johnson III (remote), L. Sweet (remote), M. Davis (remote)

Committee Members Absent
None

Guests Present
A. Burt (remote), A. Carr (remote), G. Williams (remote), J. Ward-Gill (remote), S. Gatson (remote)

I. Opening Items

A. Record Attendance

B. Call the Meeting to Order

L. Johnson III called a meeting of the Finance Committee of KIPP Memphis Public Schools to order on Wednesday Sep 6, 2023 at 3:04 PM.

C. Approve Minutes

L. Sweet made a motion to approve the minutes from Finance Committee Meeting on 05-24-23.
A. Anderson seconded the motion.
The committee **VOTED** unanimously to approve the motion.

II. Finance Committee Action Items

A.

Henry Campus Windows Replacement Project - Contract Extension – Final Completion Barnes & Brower, Inc.

It is recommended that KIPP Memphis Public Schools Board of Directors ratifies the contract extension date for Barnes & Brower, Inc. to August 12, 2023 at no cost to KIPP Memphis for the final completion of the Windows Replacement Project at the Henry Campus.

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D. Hopson made a motion to recommend that KIPP Memphis Public Schools Board of Directors ratify the contract extension date for Barnes & Brower, Inc. to August 12, 2023 at no cost to KIPP Memphis for the final completion of the Windows Replacement Project at the Henry Campus.
A. Anderson seconded the motion.
The committee **VOTED** unanimously to approve the motion.

B. KMAM Bank Account Closure

It is recommended the KIPP Memphis Public Schools Board of Directors approves the recommendation to close the KIPP Memphis Academy Middle (KMAM) bank account and transfer any remaining funds to KIPP Memphis Collegiate Middle upon completion of all financial transactions for KMAM.

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D. Hopson made a motion to approve the recommendation to close the KIPP Memphis Academy Middle (KMAM) bank account and transfer any remaining funds to KIPP Memphis Collegiate Middle upon completion of all financial transactions for KMAM.
A. Anderson seconded the motion.
The committee **VOTED** unanimously to approve the motion.

C. Procurement Policy

Current Language:
Micro-purchase – level 2 (greater than $500 ≤ $1,500): A purchase order is required and must be approved by the school leader (if applicable) or the SST department director.

Proposed Language:
Micro-purchase – level 2 (greater than $500 ≤ $5,000): A purchase order is required and must be approved by the school leader (if applicable) or the SST department director.

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D. Hopson made a motion to approve Micro-purchase – level 2 (greater than $500 ≤ $5,000): A purchase order is required and must be approved by the school leader (if applicable) or the SST department director.
A. Anderson seconded the motion.
The committee **VOTED** unanimously to approve the motion.

D.

Procurement Policy

Current Language:

Small Purchase (greater than $1,500 < $25,000): A minimum of 3 quotes and a purchase order are required (a contract is required, if applicable). If a purchase is greater than $1,500, but less than $25,000, a minimum of 3 competitive quotes is required, whenever possible. A minimum of 3 quotes is required for all purchases made with federal funds regardless of the amount . Once a quote is selected a purchase order must be created and approved by the school leader (if applicable) and the SST department chief. Prior to payment being processed or recorded an invoice or itemized receipt must be obtained.

Proposed Language:

Small Purchase (greater than $5,000 < $25,000): A minimum of 3 quotes and a purchase order are required (a contract is required, if applicable). If a purchase is greater than $5,000, but less than $25,000, a minimum of 3 competitive quotes is required, whenever possible. A minimum of 3 quotes is required for all purchases made with federal funds regardless of the amount . Once a quote is selected a purchase order must be created and approved by the school leader (if applicable) and the SST department chief. Prior to payment being processed or recorded an invoice or itemized receipt must be obtained.

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D. Hopson made a motion to approve a minimum of 3 quotes and a purchase order are required (a contract is required, if applicable). If a purchase is greater than $5,000, but less than $25,000, a minimum of 3 competitive quotes is required, whenever possible. A minimum of 3 quotes is required for all purchases made with federal funds regardless of the amount .

A. Anderson seconded the motion.

The committee **VOTED** unanimously to approve the motion.

E. Procurement Policy

New Language:

Financial Transactions Exempted from the Purchase Order Process: Financial transactions that do not require purchase orders must be included on the Purchase Order Exemption List approved by the Chief Executive Officer.

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D. Hopson made a motion to approve financial transactions that do not require purchase orders must be included on the Purchase Order Exemption List approved by the Chief Executive Officer.

A. Anderson seconded the motion.

The committee **VOTED** unanimously to approve the motion.

F. Procurement Policy

New Language:

Construction Contract No Cost Extension: It is recommended that the KIPP Memphis Board of Directors approves contract language to allow automatic no-cost contract

extensions arising from unforeseen components that may affect a project completion date such as weather, supply chain delays, or public health concern. The automatic no-cost contract extension will allow KIPP Memphis' staff to approve construction contractor extensions for project completion for up to ninety (90) days. Any final project completion date over ninety days of the initial completion date indicated in the contract shall be submitted for approval to the KIPP Memphis Board of Directors.

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D. Hopson made a motion to approve recommendation that the KIPP Memphis Board of Directors approves contract language to allow automatic no-cost contract extensions arising from unforeseen components that may affect a project completion date such as weather, supply chain delays, or public health concern.
A. Anderson seconded the motion.
The committee **VOTED** unanimously to approve the motion.

G. Committee Notification

2023-2024 ESSER Bonuses - This is a notification only.
Per Memphis-Shelby County Schools, Board minutes must be provided that include language approving the 2023-2024 ESSER bonuses. To satisfy this requirement, the June 2023 board minutes will state the following:

...Motion to approve the KIPP Memphis Public Schools 2022-2023 Adjusted Budget and 2023- 2024 Proposed Budget. The 2023-2024 Proposed Budget includes ESSER 3.0 Employee Bonuses.

No action was taken today on this notification.

III. Finance Update and Presentation

A. 2022-2023 Financial Update (Pre-Audit)

Chief Carr gave an overview of the following:

- **2022-2023 KIPP Memphis Adjusted Budget vs Actual** for All School, KF, SST and KMPS Consolidated
- **FY 2023 Actual Cash at June 30, 2023**
  - Projected: 40 Days Cash on Hand | Actual: 43 Days Cash on Hand
- **FY 2024 Cash Projection:** 51 Days projected cash on hand at June 2024
  - Cash projection excludes the KIPP Foundations $750,000 CD and Charles Schwab $2.5m investments
- **2022-2023 Audit Update**
  - 2022-2023 Financial Books Closed
  - Trial Balance provided to External Auditors
  - Audit timeline - Ontrack to receive audit report prior to December 31st

- **2023 - 2024 Enrollment Update for all Schools:**
  - 2023-24 Budget, Enrollment as of August 30, 2023 and Variance (Budget vs Actual)

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 4:02 PM.

Respectfully Submitted,
J. Ward-Gill