APPROVED

KIPP Memphis Public Schools

Minutes

Finance Committee Meeting

Date and Time
Wednesday April 3, 2024 at 3:00 PM

Location
Non-board members and non-staff are welcomed to attend this public meeting and are asked to pre-register to receive the meeting location details: KMPS Board Meeting Registration

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

Committee Members Absent
D. Hopson

Committee Members who arrived after the meeting opened
A. Anderson

Guests Present
A. Burt (remote), A. Carr (remote), G. Phillips (remote), G. Williams (remote), T. Brittmon (remote)

I. Opening Items

A. Call the Meeting to Order

L. Johnson III called a meeting of the Finance Committee of KIPP Memphis Public Schools to order on Wednesday Apr 3, 2024 at 3:04 PM.

B. Roll Call

C. Agenda Review

D. Approve Minutes

L. Sweet made a motion to approve the minutes from Finance Committee Meeting on 02-07-24.
M. Davis seconded the motion.
The committee **VOTED** to approve the motion.

II. Committee Actions

A. Comprehensive IT Management Services Contract

H. Coleman made a motion to Approve new contracts for the following: Comprehensive IT Management Services with Wired Technology Partners in the amount of $196,435 annually Security Services with Laine Federal Security, Inc. in the amount of $113,983 annually and Janitorial Services contract renewal with SKB Facilities & Maintenance in the amount of $489,724 annually.
L. Sweet seconded the motion.
The board approved the contract to **Wired Technology Partners** in the amount of **$196,435.20 annually** to provide comprehensive information technology management services for KIPP Memphis Public Schools (KMPS). The monthly service cost of $16,369.60 includes E-rate eligible costs of $4,011.80. The term for this contract is 36 months with two (2) additional one-year renewal options.

The funding sources are state/local funds.

The executive team highlighted the services provided over the past five years from current vendor, Technology Labs and noted their work in building the KIPP Memphis security infrastructure. Wired Technology scored higher based on pricing and a few other items.
The committee **VOTED** to approve the motion.

B. Security Services Contract

H. Coleman made a motion to Approve new contracts for the following: Comprehensive IT Management Services with Wired Technology Partners in the amount of $196,435 annually Security Services with Laine Federal Security, Inc. in the amount of $113,983 annually and Janitorial Services contract renewal with SKB Facilities & Maintenance in the amount of $489,724 annually.
L. Sweet seconded the motion.
The board approved the contract to **Laine Federal Security, Inc.** in the amount of **$113,983 annually** to provide security services for KIPP Memphis Public Schools (KMPS). The term for this contract is 36 months with two (2) additional one-year renewal options.

The funding sources are state/local funds.

There was discussion around current vendor and satisfaction with their services. We are currently on a piggyback contract with MSCS to use Universal Security. We were challenged with what is provided and needed more in our scope of services to cover full school security services.
The committee **VOTED** to approve the motion.

C. Janitorial Services Contract Renewal

H. Coleman made a motion to Approve new contracts for the following: Comprehensive IT Management Services with Wired Technology Partners in the amount of $196,435 annually Security Services with Laine Federal Security, Inc. in the amount of $113,983 annually and Janitorial Services contract renewal with SKB Facilities & Maintenance in the amount of $489,724 annually.
L. Sweet seconded the motion.
The board approved the contract renewal with **SKB Facilities & Maintenance** in the amount of **$489,724.92 annually** for a one-year period to provide janitorial services for KIPP Memphis Public Schools (KMPS). The annual cost will be paid monthly at a cost of $40,810.41. The one-year term of the agreement is effective June 1, 2024 until May 31, 2025, in which KMPS is exercising the second of four one-year term renewal options with a total maximum term not to exceed five years.

The funding sources are state/local funds.
The committee **VOTED** to approve the motion.

III. Finance Update and Presentation

A. January 2024 Financial Update

February 2024 Financial Highlights:

All Schools

- Revenues exceeded expenditures by $454k which is a decline of $80k from December financials. This amount will continue to decline in March due to three payroll periods.

KIPP Forward (KF)

- KF revenues exceeded expenditures by $29k due to planned events for this semester. The events include college tours, Decision Day, and the Flag Incentive Program.

SST

- SST revenues exceeded expenditures by $961k due to the receipt of Employee Retention Credit funds in the first quarter.

58 days projected cash on hand at June 2024. Cash projections exclude investment account and CD.

B. 2023 - 2024 Enrollment Trend

Enrollment at the end of Period 6, which ended on February 22nd was 1,047.

C. Updated FY23 Audit Report

A. Anderson arrived at 3:17 PM.
An update on the Audit Report related to eliminations was shared. The update does not have an impact on the overall financial results, the audit outcome, or the filing of the report with the State of TN. The auditors caught the error due to a system glitch and notified our team and made corrections. Chief Carr will share an update via email to the full board with details.

D. 2024-25 Initial Budget

The 2024-25 budget calendar was shared and noted that a budget survey will be shared with parents from April 15 - 26, 2024 and online to gather community feedback to inform budgeting decisions.

The initial budget is currently based on KIPP Memphis March 8th enrollment of 1,041.

Chief Carr walked the committee through the draft initial zero-based budget for 2024-25, including funding sources, an overview of cuts, and contingencies. Chief Carr shared three opportunities for filling in the gaps:

- Search for grant opportunities (our executive team gets a monthly grants publication, which includes over 100 grant opportunities)
- Maximize TISA (student enrollment and student performance)
- Employee Retention Credit (ERC) Funds (our application was submitted before the moratorium by the IRS on applications)

IV. Committee Questions

A. Q&A

The committee requested more information about our student recruitment plan. Chief Phillips shared our primary recruitment activities:

- External events/recruitment (school-based recruitment teams at schools, community centers and events, etc.)
- Open houses and school tours

- Digital media and marketing, including our lead tracker, which our school teams call leads sourced through social media
- Call Center Regional Office-led
- Direct mailers to non-KIPP students in the 38107 and 38108 zip codes
- April 6th Community Carnival at the Bickford Community Center

V. Finance Chairperson Comments

A. Comments

Question: What is the ideal enrollment for sustainability for the network?

Dr. Burt shared that number would be between 1,250 - 1,300 students and would allow us to have the teachers, programming, etc. needed to really continue to elevate our students.

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 4:16 PM.

Respectfully Submitted,
G. Williams