

**KIPP New Orleans Schools  
Finance Committee Meeting  
October 16, 2023**

A public meeting of the finance committee of the board of directors of KIPP New Orleans Schools ("KNOS") was held in person at the KNOS School Support Center on August 21, 2023, at 11:00 a.m.

The following members of the finance committee were present: Drew Marsh, Danielle Willis and Reggie Jackson. A quorum was established.

The following KNOS staff members were present: Chief Executive Officer Rhonda Kalifey-Aluise, Chief Financial Officer Katie Walmsley, and Controller Ivette Casey.

The following partner of Erickson & Krentel was present: Jeremy Thibodeaux

Meeting is called to order. Mr. Marsh made a motion to approve the minutes from the July 17, 2023 meeting; the committee unanimously approved the minutes.

Ms. Walmsley begins the conversation on grant claiming and the tightening of allowable expenses on certain grants.

Mr. Marsh inquires about the status of the financial statements in preparation for the annual audit. Ms. Walmsley replies that the financials are in good standing with only weeks away from a completed SEFA, which springboards into the preparation of AFR reporting.

The Finance Committee is asked to review and sign the audit engagement letters and the compliance questionnaire B, such that the auditors can formally begin the audit.

The committee raised questions regarding whether open positions on the Finance team could affect the audit timing. Ms. Casey responds that KIPP is currently tracking to wrapping up any open items and completing the audit workpapers, and that the open position has not inhibited the organization from starting the audit on time.

Upon reviewing the financials Mr. Jackson suggests that we consider recording depreciation on a quarterly basis, as opposed to on a yearly basis. Mr. Jackson also inquires about the loan receivable, which Ms. Walmsley explains is associated with the Believe building and how the loan agreement is executed.

Mr. Jackson asks for clarification about the Board-approved FY23 budget deficit of \$467,500. Ms. Walmsley answered that we've been approving budgets for the past six years with that exact deficit amount due to the Board's planned use of fund balance for the Believe new market tax credit transaction building.

The committee began conversation regarding the difference in the financial projection from the previous committee meeting and the current projection. Ms. Walmsley clarified that the variance is due to additional facility projects and one-time investments that the Organization sought to complete before the close of FY23.

The committee inquired regarding FY24 custodial services and whether bringing services such as bussing in-house could potentially decrease costs. Ms. Aluise clarifies that most of the organizations currently implementing in-house bussing are single site schools with one set of routes; none of the bigger CMO's have analyzed or thought through how to do this on a much bigger scale, but we plan to investigate it.

Discussion turns towards enrollment numbers and how the schools are experiencing growth. Ms. Walmsley indicated that we are looking to exceed our budgeted projections and will present a formal update at the October meeting.

Mr. Marsh adjourns the meeting at 12:25PM.