

**KIPP New Orleans Schools  
Finance Committee Meeting  
June 11, 2025**

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 June 11, 2025, at 9:04 a.m.

The following members of the finance committee were present: Reggie Jackson, Barrett Green, and Danielle Willis. A quorum was established. The following KNOS staff members were present: CFO Katie Walmsley, CEO Rhonda Kalifey-Aluise, Directors of Accounting Rebecca Guarino and Maura Redden, and Director of Budget Planning & Fund Administration Kristen Horwood (who joined remotely). One guest was present: Ericksen Krentel LLP audit partner Jeremy Krentel.

The meeting is called to order at 9:04 a.m.

Reggie Jackson motioned to approve meeting minutes from April 9, 2025, meeting and Barrett Green seconded the approval of the minutes. The minutes were approved.

Ms. Walmsley opened her report with an update on the FY25 financial outlook, noting an improvement from a previously projected \$1.6 million deficit to a revised forecast of a \$455,000 deficit to end the fiscal year. This significantly improved ending position would be due to a projected \$4.6 million in local relief funding, allocated from a \$35 million district-wide package. The committee reviewed the organization’s financial statements through April 30, 2025. Ms. Walmsley noted no meeting-to-meeting changes in the organization’s finance scorecard.

Turning to the FY26 budget outlook, Ms. Walmsley began with the proposed enrollment budget. Management’s enrollment projections for FY26 reflect a net decline of 104 K-12 students, though there is a noted projection increase of 22 students at Booker T. Washington High School attributed to targeted recruitment efforts led by the school’s new principal, Korbin Johnson, and his leadership team. Ms. Kalifey-Aluise relayed that district-wide enrollment trends remain a concern. She explained that New Orleans currently has an estimated 1,500 excess high school seats, and district officials have acknowledged that school closures will be necessary. In response, the organization is proactively developing scenarios for the potential consolidation of campuses and/or the reduction in program capacity at some school sites.

Turning to the FY26 proposed budget, Ms. Walmsley shared that the organization anticipates a substantial revenue decline of \$11.2 million driven by the expiration of one-time federal relief funding and lower-than-expected growth in property tax revenues. To address this gap, the organization has implemented several cost reduction strategies, including the reduction of summer school programming.

Ms. Walmsley continued that the team has also been exploring operational shifts to offset revenue losses. Notably, transitioning from snack service to a supper model is projected to generate new revenue while also enhancing the quality of afternoon meals for students. To further mitigate the impact of declining revenues, the leadership team conducted a comprehensive review of contracts and

services. Ms. Horwood summarized that they eliminated duplicative expenses, streamlined programs, and reduced spending on facilities maintenance and beautification projects. She further explained that these changes were made with the goal of preserving instructional quality and prioritizing student-facing resources.

Ms. Walmsley then relayed that the organization has made the difficult decision to eliminate 87 staff positions. Ms. Kalifey-Aluise added that most of these roles are in support and non-instructional functions, and all affected employees have already been notified. Even so, the current FY26 budget would represent a \$6.54 million operating deficit.

Ms. Walmsley affirmed that, even amid these financial headwinds, the organization will maintain a strong fund balance of 21.44%—equivalent to approximately \$22.6 million—which remains above the board-mandated minimum of 17%. Leadership made a strategic decision not to include contingency reserves in this year's budget to commit to the stated deficit target, with plans to reassess and make mid-year adjustments as needed.

In closing, the committee acknowledged that similar financial pressures are being experienced across the local charter sector. Mr. Green summarized the committee's discussion that the end of pandemic-era relief funding has created a shared challenge - one that will require sustained discipline, long-term planning, and strategic cost management to navigate without compromising core educational priorities.

Ms. Walmsley emphasized that, despite continued bureaucratic delays between district and state agencies that have impacted both the timeliness of financial reporting and the distribution of funds, the organization is committed to further sharpening internal reporting practices and fiscal transparency.

Mr. Green adjourned the meeting at 10:29 a.m.