

**KIPP New Orleans Schools
Finance Committee Meeting
October 15, 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 October 15, 2025, at 11:34 a.m.

The following members of the finance committee were present: Danielle Willis and Barrett Green. A quorum was established. The following KNOS staff members were present: CFO Katie Walmsley, CEO Rhonda Kalifey-Aluise, Director of Accounting Maura Redden, and Director of Accounts Payable and Purchasing Alisha Saul. Director of Accounting Rebecca Guarino and Director of Budget Planning and Fund Administration Kristen Horwood attended virtually. One guest was present: Ericksen Krentel audit partner Jeremy Thibodeaux.

Mr. Green called the meeting to order at 11:34 a.m. Mr. Green motioned to approve meeting minutes from the August 27, 2025 meeting and Ms. Willis seconded the approval of the minutes.

Ms. Walmsley began her CFO report by noting that the organization concluded FY25 with a net income of approximately \$339,000, aided by \$1 million in accelerated Medicaid revenues. The adjusted fund balance came in at 27.83% of operating expenses, comfortably above the two-month working capital threshold.

Ms. Walmsley highlighted that K-12 enrollment currently stands at 87% of total program capacity, with 5,799 K-12 students compared to 92–93% seven years prior. No campuses met both capacity and enrollment budget targets, and kindergarten enrollment remained weak at 77% of available seats, highlighting systemwide retention challenges. Ms. Walmsley observed that increased citywide seat availability has made retention more challenging, emphasizing the need for a more adaptive, data-driven management approach.

Ms. Walmsley presented the projected FY26 deficit at \$8.5 million, a \$2 million shortfall from the Board-approved deficit; however, accounting for Medicaid timing relief, the underlying shortfall is closer to \$1 million. She explained that approximately \$700,000 is due to revenue shortfalls from lower enrollment and conservative special education assumptions, with the remaining \$300,000 reflecting recently added staff positions. The expiration of federal competitive grant funding adds fiscal pressure, but thankfully, Title I and other major block grant allocations remain unchanged.

Ms. Walmsley highlighted discrepancies in special education funding between internal records, state databases, and district payments. Audit findings indicate potential underpayments, though resolution is complicated by procedural delays. Her report concluded with management's plan to address the \$1 million shortfall through selective staff reductions and targeted revenue analysis. Ms. Kalifey-Aluise relayed that the upcoming board retreat will focus on sustainability, including potential consolidation of under-enrolled schools and strategic facility use.

Mr. Green called for a motion to adjourn the meeting at 12:41 p.m. and Ms. Willis seconded.