



Magnolia Public Schools

Regular Board Meeting

Published on June 23, 2017 at 9:20 AM PDT

Date and Time

Thursday March 9, 2017 at 6:30 PM PST

Location

MSA Santa Ana: 2840 W. 1st Street Santa Ana, CA 92703 1st Floor Rm 120

AGENDA

Regular Meeting of the MPS Board of Directors

Access to the Board Meeting: Any interested parties or community members from remote locations may attend the meeting at the following school sites or the addresses where the Board members are joining the meeting from:

Remotely by dialing in to the numbers below:

Open Session- Dial: 1.844.572.5683 Code: 1948435

- MSA-San Diego: 6365 Lake Atlin Ave San Diego, CA 92119 (Dr. Salih Dikbas)
- MSA 6: 3754 Dunn Drive Los Angeles, CA 90034 (Rabbi Haim Beliak)
- 1363 Ridgcrest Rd Pinole CA 94564 (Mr. Orazov)

Sites open to the public for remote participation:

- MSA 3: 1254 E. Helmick St. Carson, CA 90746
- MSA 5: 18230 Kittridge St. Reseda, CA 91335
- MSA 6: 3754 Dunn Drive Los Angeles, CA 90034
- MSA San Diego: 6365 Lake Atlin Ave San Diego, CA 92119

In compliance with the Americans with Disabilities Act (ADA) and upon request, Magnolia Public Schools may furnish reasonable auxiliary aids and services to qualified individuals with disabilities. Individuals who require appropriate alternative modification of the agenda in order to participate in Board meetings are invited to contact the MPS central office. If you need special assistance to attend the meeting, please notify Barbara Torres at (213) 628-3634 x100 to make arrangements and accommodate your disability.

Any public records relating to an agenda item for an open session of the Board which are distributed to all, or a majority of all, of the Board members shall be available for public inspection at 250 East 1st Street Ste 1500 Los Angeles, CA 90012.

MPS Board Members:

Ms. Noel Russell- Unterburger, President

Dr. Umit Yapanel, Secretary

Mr. Serdar Orazov, Treasurer

Dr. Saken Sherkhanov
 Dr. Salih Dikbas
 Dr. Remzi Oten
 Ms. Diane Gonzalez
 Mr. Nguyen Huynh
 Mr. Haim Beliak

CEO & Superintendent:
 Dr. Caprice Young

Notice of Closed Session Agenda Items

Due to space limitations on the following pages of the agenda, notice of closed session agenda items is provided here.

IV. A Conference with Legal Counsel—Anticipated Litigation
 Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9

IV. B Public Performance Evaluation: Chief Executive Officer and Superintendent

Agenda

	Purpose	Presenter	Duration
I. Opening Items			
A. Record Attendance and Guests			
B. Call the Meeting to Order			
C. Pledge of Allegiance			1 m
D. Public Comments			20 m
E. Oral Communications			5 m
F. Approval of Agenda	Vote		1 m
G. Approve Minutes of Regular Board Meeting; February 9, 2017	Approve Minutes		
Approve minutes for Regular Board Meeting on February 9, 2017			
II. Consent Agenda			
A. Approval of Additional Teacher Substitute Vendor for 2016-17; Direct Ed.	Vote	Suat Acar	
B. Approval of Safe Zone Resolution	Vote	Alfredo Rubalcava	
C. Approval of 2017-18 School Calendars for all Magnolia Science Academies	Vote	David Yilmaz	
D. Approval of Revised 2016-17 Employee Handbook Re: STRS and PERS	Vote	Oreeille Revish	
III. Action Items			
A. Conflict of Interest Training for MERF Board of Directors	FYI	Jerry Simmons	15 m
B. Approval of Revised Fiscal Policies to Align with LACOE MOU Requirement	Vote	Nanie Montijo	10 m
C. Approval of Anti-Nepotism Policy	Vote	Alfredo Rubalcava	

D. Approval of Conflict of Interest Policy for Magnolia Science Academy 1, 2 and 3	Vote	Alfredo Rubalcava	5 m
E. Approval of Revised Conflict of Interest Code for Magnolia Science Academy 1, 2 and 3	Vote	Alfredo Rubalcava	2 m
F. Approval of Investment Policy for all MPS	Vote	Nanie Montijo	3 m
G. Approval of 2016-17 Second Interim Reports and January 2016 Financials for all MPS	Vote	Kristin Dietz	10 m
H. Approval of MSA Santa Clara Deficit Transfer Treatment	Vote	Nanie Montijo	10 m
I. Approval of Project Update and Approvals Related to MSA 1 Facility	Vote	Frank Gonzalez	5 m
J. Approval of Project Update and Approvals Related to MSA San Diego Facility	Vote	Frank Gonzalez	10 m
K. Approval of Bridge Financing for MSA-San Diego and MSA-Santa Ana Projects	Vote	Caprice Young	15 m
L. Approval of Amended Project Budget and Prop 1D Financing for MSA Santa Ana	Vote	Frank Gonzalez	10 m

IV. Closed Session Items

A. Conference with Legal Counsel— Anticipated Litigation	Discuss		15 m
B. Public Performance Evaluation: Chief Executive Officer and Superintendent	Discuss	Board	15 m

V. Discussion Items

A. Academic Update	FYI	Kenya Jackson	5 m
B. 2017 Bond Financing Update	Discuss	Caprice Young	8 m

VI. Closing Items

A. Adjourn Meeting	Vote		
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Cover Sheet

Approve Minutes of Regular Board Meeting; February 9, 2017

Section: I. Opening Items
Item: G. Approve Minutes of Regular Board Meeting; February 9, 2017
Purpose: Approve Minutes
Submitted by:
Related Material: Minutes for Regular Board Meeting on February 9, 2017

APPROVED



Magnolia Public Schools

Minutes

Regular Board Meeting

Date and Time

Thursday February 9, 2017 at 6:00 PM

Location

MSA 1: 18238 Sherman Way Reseda, CA 91335 (Gymnasium)

AGENDA

Regular Meeting of the MPS Board of Directors

MPS Board Members:

Ms. Noel Russell- Unterburger, President
Dr. Umit Yapanel, Secretary
Mr. Serdar Orazov, Treasurer
Dr. Saken Sherkhonov
Dr. Salih Dikbas
Dr. Remzi Oten
Ms. Diane Gonzalez
Mr. Nguyen Huynh

CEO & Superintendent:

Dr. Caprice Young

II A. Conference with Legal Counsel—Anticipated Litigation

Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9: two cases

Directors Present

D. Gonzalez, N. Huynh (remote), N. Russell-Unterburger (remote), S. Dikbas (remote), S. Orazov, S. Sherkhonov, U. Yapanel

Directors Absent

R. Oten

I. Opening Items

A. Call the Meeting to Order

N. Russell-Unterburger called a meeting of the board of directors of Magnolia Public Schools to order on Thursday Feb 9, 2017 @ 7:18 PM at MSA 1: 18238 Sherman Way Reseda, CA 91335 (Gymnasium).

B. Record Attendance and Guests

The following board members attending in person from MSA-1; D. Gonzalez, S. Sherkhonov, U. Yapanel, S. Orazov (arrived 7:42 pm).

S. Dikbas joined in person from MSA- San Diego. N. Huynh and N. Unterburger joined remotely from the addresses stated in the agenda.

C. Pledge of Allegiance

T. Velazquez, Communications Associate, lead the Pledge of Allegiance.

D. Public Comments

Five (5) parents from MSA-Santa Ana, one (1) parent from MSA-2 presented their public comments to the Board. They presented concerns regarding the facilities, after school program, playground and academic support. Parents also presented their gratitude and support of Magnolia schools. There were over 30 parents and over 30 students from different Magnolia Science Academies who joined the meeting in person and a few parents joined from our remote locations.

E. Oral Communications

There were no oral communications.

F. Approval of the Agenda

U. Yapanel made a motion to move Closed Session discussion to the end of the agenda.

D. Gonzalez seconded the motion.

The board **VOTED** to approve the motion.

Roll Call

- S. Sherkhonov Aye
- S. Orazov Aye
- R. Oten Absent
- D. Gonzalez Aye
- N. Russell-Unterburger No
- S. Dikbas Aye
- U. Yapanel Aye
- N. Huynh Aye

S. Sherkhonov made a motion to approve the modified agenda with the change requested to move the Closed Session discussion to the end of the meeting.

D. Gonzalez seconded the motion.

The board **VOTED** to approve the motion.

Roll Call

- D. Gonzalez Aye
- S. Dikbas Aye
- U. Yapanel Aye
- S. Sherkhonov Aye
- S. Orazov Aye
- R. Oten Absent
- N. Russell-Unterburger No
- N. Huynh Aye

G. Approve Minutes of Regular Board Meeting- January 19, 2017

N. Russell-Unterburger made a motion to approve minutes from the Regular Board Meeting on 01-19-17 as presented.

S. Sherkhanov seconded the motion.

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

H. Approve Minutes of Special Board Meeting- January 19, 2017

N. Russell-Unterburger made a motion to approve minutes from the Special Board Meeting on 01-19-17 as presented.

S. Sherkhanov seconded the motion.

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

II. Closed Session Items

A. II A. Conference with Legal Counsel—Anticipated Litigation: Two Cases

The Board went into Closed Session after all action and consent items were presented. Open session was recessed because quorum was lost during Closed Session. The Board will report out from Closed Session and will adjourn the meeting at a time that is yet to be determined.

III. Consent Agenda

A. Approval of MSA San Diego Camp Expenses Payment to San Diego County of Education (SDCOE)

S. Sherkhanov made a motion to approve the payment to San Diego County Office of Education (SDCOE) for the 6th grade camp expenses not to exceed \$33,000. The item was discussed and approved outside of consent agenda.

S. Orazov seconded the motion.

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

B. Approval of MSA San Diego ASES After School MOU with YMCA

S. Sherkhanov made a motion to approve the Chief Executive Officer and Superintendent of Magnolia Public Schools to sign the Memorandum of Agreement for MSA-SD After School ASES Program with YMCA of San Diego County. This item was approved under consent agenda.

N. Russell-Unterburger seconded the motion.

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

C. Approval of Filing for 2015-16 IRS Form 990 for MPS

S. Sherkhanov made a motion to approve the filing of IRS Form 990 for fiscal year 2015-16 due February 15, 2017. This item was approved under consent agenda.

N. Russell-Unterburger seconded the motion.

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

D. Approval of Certification of Signatures Form for Charter School Funds Distribution Authorization

S. Sherkhanov made a motion to approve the Certification of Signature Forms for Charter School Funds Distribution Authorization, signatures valid through June 30, 2017. This item was approved in consent agenda.

N. Russell-Unterburger seconded the motion.

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

IV. Action Items

A. Board Nominations

U. Yapanel, Board Secretary, introduced Haim Dov Beliak, whom was present in person and gave the board and public a brief description of himself including his professional background and involvement in the community.

U. Yapanel made a motion to appoint Haim Dov Beliak as the new MPS Board member.

D. Gonzalez seconded the motion.

The board **VOTED** to approve the motion.

Roll Call

S. Sherkhanov	Aye
S. Dikbas	Aye
N. Russell-Unterburger	No
N. Huynh	No
U. Yapanel	Aye
D. Gonzalez	Aye
S. Orazov	Aye
R. Oten	Absent

B. Reso. Agreeing to the Conditions of Authorization for each MSA-1,MSA-2, and MSA-3

A. Rubalcava, Chief External Officer, presented the Memorandum of Understanding (MOU) to the Board. He explained that MPS staff has read and understand the MOU. The Board asked questions in regards to the details in the MOU and how they apply to MPS and all other charters approved by Los Angeles County Office of Education (LACOE). All questions from the Board were addressed by MPS staff.

S. Orazov made a motion to agree to the provisions of the Conditions of Authorization for each Magnolia Science Academy-1, (“MSA-1”), Magnolia Science Academy-2, (“MSA-2”), and Magnolia Science Academy-3 (“MSA-3”) as prepared by the Los Angeles County Office of Education.

S. Sherkhanov seconded the motion.

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

Roll Call

N. Russell-Unterburger	Aye
S. Orazov	Aye
D. Gonzalez	Aye
R. Oten	Absent
N. Huynh	Aye
U. Yapanel	Aye
S. Dikbas	Aye
S. Sherkhanov	Aye

C. Reso. Agreeing to the Provisions of the Memoranda of Understanding for Each MSA-1, MSA-2, and MSA-3

A. Rubalcava, explained the details in the Conditions of Authorization. He explained that these conditions were presented to the MPS Board in a past board meeting, these conditions have been reviewed by our attorneys. C. Young, Chief Executive Officer, stated that these conditions are standard for schools authorized by LACOE. All questions were addressed by MPS staff and the attorney, W. Nassar.

S. Sherkhanov made a motion to agree to the provisions of the Memorandum of Understanding (MOU) for each Magnolia Science Academy-1, (“MSA-1”), Magnolia Science Academy-2, (“MSA-2”), and Magnolia Science Academy-3 (“MSA-3”).

S. Orazov seconded the motion.

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

Roll Call

S. Sherkhanov	Aye
D. Gonzalez	Aye
S. Dikbas	Aye
S. Orazov	Aye
N. Russell-Unterburger	Aye
R. Oten	Absent
U. Yapanel	Aye
N. Huynh	Aye

D. Approval of Revised 2016-17 Revised Budget for MERF and all Magnolia Science Academies

The MPS Finance Committee members reported their recommendation and concerns in regards to the approval of the revised 2016-17 budget. C. Young, Chief Executive Officer, and N. Montijo, Chief Financial Officer, presented details on the revised budget, what changes were made and concerns the staff has. S. Orazov, board treasurer, stated that board would not approve any future changes to the 2016-17 budget unless they are unforeseen costs.

S. Orazov made a motion to approve the recommendation from the MPS Finance Committee which was to approve the consolidated revised budget including the one time 3% increase in the Home Office revenues and expenses over 2016-17 board approved budget.

S. Sherkhanov seconded the motion.

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

Roll Call

R. Oten	Absent
S. Sherkhanov	Aye
D. Gonzalez	Aye
U. Yapanel	Aye
N. Russell-Unterburger	Aye
S. Orazov	Aye
N. Huynh	Aye
S. Dikbas	Aye

E. Approval of Bridge Financing for MSA-1, MSA-SD, and MSA-SA Growth Projects

This item did not require an action at this time. There was a brief discussion about the upcoming facility projects. This item will be presented to the Finance Committee when more details are available and then it will be presented to the Board for approval. No actions were taken.

V. Discussion Items

A. Financial Update- December 2016 Financials

The December 2016 financials were discussed at length by the MPS Finance Committee. This item was briefly discussed by the Board along with the revised 2016-17 budget item. This was a discussion item, no actions were taken.

B. Creation of Advisory Committee

The Advisory Committee item was not discussed.

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 6:47 PM.

Respectfully Submitted,
N. Russell-Unterburger

The meeting was reconvened and adjourned on March 9th. The Board Chair reported that no actions were taken during Closed Session.

Cover Sheet

Approval of Additional Teacher Substitute Vendor for 2016-17; Direct Ed.

Section: II. Consent Agenda
Item: A. Approval of Additional Teacher Substitute Vendor for 2016-17;
Direct Ed.
Purpose: Vote
Submitted by:
Related Material: II A Additional Substitute Vendor for 16-17.pdf



Board Agenda Item #	Agenda # II A
Date:	March 9 th , 2017
To:	Magnolia Board of Directors
From:	Caprice Young, Ed.D., CEO & Superintendent
Staff Lead:	Suat Acar, Chief Operations Officer
RE:	Approval of Direct ED as a Vendor for 2016-17

Proposed Board Recommendation

I move that the board approve Direct ED as an approved vendor for substitute and special education services completed in 2016-17.

Background

The Home Office is trying to increase the number substitute companies in order to give each school site more options in case of substitute shortages.

Budget Implications

- Amounts/ Funding Source: General Unrestricted. Schools budget for substitute services
- CFO Approval- This item has no fiscal impact

How Does This Action Relate/Affect/Benefit All MSAs?

Direct ED provides credentialed long-term substitute teachers as well which may help school sites serve students with better-credentialed substitutes. Direct ED also provides special education and school psychologist services as well as special education testing services with staff who have necessary credentials.

Name of Staff Originator:

Suat Acar, Chief Operations Officer

Attachments

Direct ED Substitute Teacher rates for 2016-17
 Direct ED Special Education Rates
 Direct ED Service Agreement



Substitute Department 2016-2017 Rate Sheet

Day-to-Day Rates and Fees

Substitute Teacher Employees	Daily Rate
DirectEd will evaluate School's bell schedule and the daily rate will be based on adding 15 minutes to the start and end time of School's schedule. An additional 15 minutes may be added to the start of the workday if a morning break is not included in the school's bell schedule. Lunch is deducted from the calculation of hours and is therefore unpaid. All substitute teachers are verified to have at minimum a 30-Day Substitute Permit.	
Half Day - Fewer than 5 hours	\$147
Full Day - 5 - 8 hours	\$215

Hourly Employees	Hourly Rate
Hourly employees may not have 30-Day Substitute Permit and are not allowed to supervise classrooms independently and should not be left alone with students for extended periods of time. Lunch is deducted from the calculation of hours and is therefore unpaid.	
Teacher Assistant - 6 hour minimum	\$24
Office Assistant -6 hour minimum	\$24
Certified Nursing Assistants -6 hour minimum	\$28
1:1 Special Education/Student Aide -6 hour minimum	\$28
CPI Certified Special Education/Student Aide -6 hour minimum	\$32

Description of Fees- Teacher and Hourly Employees	Fees
Overtime Fee For assignments that exceed eight (8) hours in a workday or forty (40) in a workweek. This calculation does not include an unpaid duty-free lunch.	\$40 per hour
After School Assignments Any assignment that starts after 1:30pm. 3 hour minimum required.	\$40 per hour
Weekend Assignments (Saturdays and Sundays)	\$40 per hour
Failure to Provide Lunch Break	\$40 per occurrence
Failure to Provide Rest Break	\$25 per occurrence
No Notice Cancellation Fee School may be charged if a confirmed assignment is cancelled once the employee is en route or has arrived at the assignment.	\$100 per occurrence

Long-Term Rates and FeesRates for assignments that are considered long-term are set forth below:

Hourly Employees	Hourly Rate
Teacher Assistant - 6 hour minimum	\$24
Office Assistant -6 hour minimum	\$24
1:1 Special Education/Student Aide -6 hour minimum	\$28
Certified Nursing Assistants -6 hour minimum	\$28
CPI Trained Paraprofessional -6 hour minimum	\$32

Description of Hourly Fees	Fees
Overtime Fee For assignments that exceed eight (8) hours in a workday or forty (40) in a workweek). This calculation does not include an unpaid duty free lunch	\$40 per hour
After School Assignments Any assignment that starts after 2pm. 3 hour minimum required.	\$40 per hour
Weekend Assignments (Saturdays and Sundays)	\$40 per hour
Failure to Provide Lunch Break	\$40 per occurrence
Failure to Provide Rest Break	\$25 per occurrence
No Notice Cancellation Fee School may be charged if a confirmed assignment is cancelled once the employee is en route or has arrived at the assignment.	\$100 per occurrence

Long Term Teachers	Full Day Rate 5 - 8 hours	Half Day Rate fewer than 5 hrs
No Lesson Planning or Grading Day-to-Day Additional Terms apply	\$215	\$147
K-5; 6-12 Single Prep Lesson Planning and/or Grading	\$276	\$200
6-12 Multi Prep, Science, Math, Special Education Lesson Planning and/or Grading	\$315	\$225
Credentialed Teacher Lesson Planning and/or Grading; only applies to teachers who are credentialed in the subjects they will be teaching.	\$350	\$250

Description of Teacher Fees	Fees
Additional Hours <ul style="list-style-type: none"> For assignments or duties that exceed eight (8) hours in a workday. (e.g., office hours, detention coverage, Back-to-School Night, Parent Conferences, etc.) Coverage or Other Tasks Required During a Prep/Conference Period Fee 	\$40 per hour
Lesson Planning and Grading for non DirectEd Substitute Teacher This rate applies when a DirectEd employee is absent and creating lesson plans or grading work for a non-DirectEd employee.	\$50 a day
No Duty Free Lunch	\$40 per occurrence
No Notice Cancellation Fee School may be charged if an assignment is cancelled after a substitute has been scheduled and is in route to the previously scheduled assignment.	\$100 per occurrence

Placement Fees

The following fees apply for each employee that (a) School hires as its direct employee, independent contractor or sub-contractor, while employed by DE and/or within 60 days of the termination of such employee's employment with DirectEd or (b) School causes, directly or indirectly, to leave the employment of DE.

Applies to all DirectEd Employee's assigned within 30 days of school hire.

Assigned Days at School Site	Fee
1-90	\$3,000
>90	\$1,500



Special Education Department 2016-2017 Rate Sheet

Special Education Oversight and Implementation- *Minimum phone or virtual meeting charge is 15 minutes.*

Provider Type	Hourly Rate	Min. On-Site Charge
Program Administrators (PA)	\$150	2 hours
Case Managers (CM)	\$103	3 hours
Resource Teacher (RST-Direct Service Only)	\$68	7 hours

DIS Services and Service Oversight- *Minimum phone or virtual meeting charge is 15 minutes.*

Provider Type	Hourly Rate	Min. On-Site Charge
School Counselor	\$75	3 hours
Speech and Language Pathology Assistant (SLPA)	\$65	3 hours
Speech and Language Pathologist (SLP)	\$125	1 hour
Licensed Occupational Therapists (OT)	\$100	2 hours
Adapted Physical Education Teacher (APE)	\$90	2 hours
School Psychologist- <i>ERMHS/ERICs Counseling, DIS Counseling, Assigned School Psych Duties</i>	\$103	2 hours
Behavior Intervention Implementation (BII)	\$35	6 hours
Behavior Intervention Development (BID)	\$103	2 hours
Registered Nurse (RN)	\$65	6 hours
Licensed Vocational Nurse (LVN)	\$40	6 hours
Credentialed School Nurse (SN)	\$92	1 hour
Deaf and Hard of Hearing Teacher (DHH)	\$125	2 hours

Special Education Assessment or Screening Services-*Minimum phone or virtual meeting charge is 15 minutes.*

Provider Type	Hourly Rate	Min. On-Site Charge
School Psychologist	\$103	1 hour
Speech and Language Pathologist (SLP)	\$125	
Credentialed School Nurse w/ Audiometrist Certificate (SN)	\$92	
Licensed Occupational Therapists (OT)	\$100	
Adapted PE (APE)	\$90	
Case Manager- Academic Assessments (CM)	\$103	

Special Education Consultation Services- *Minimum phone or virtual meeting charge is 30 minutes*

(These rates are incurred when schools request consultation using the Consultation Request Form)

Provider Type	Hourly Rate	Min. On-Site Charge
School Psychologist	\$150	2 hours
Speech and Language Pathologist (SLP)		
Licensed Occupational Therapists (OT)		
Adapted PE Teacher (APE)		
DHH Teacher		
Program Administrator		

Other Services

School-wide Health Screenings -Scoliosis, Vision and Hearing If fewer than 10 students, hourly School Nurse (SN) rates will apply.	\$7.00 per student/ per screening
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DirectEd Service Agreement

This Service Agreement (this "Agreement") is made and entered into as of **March 9, 2017** by and between DirectEd ("DE") and **Magnolia Public Schools** ("School"), located at (**See Exhibit B**) with reference to the following:

RECITALS

School wishes to retain qualified substitute teachers, staff personnel and professionals in the area of special education to provide services to School on a temporary and/or long-term basis. DE has the ability to provide qualified temporary and long-term professionals to School. School wishes to engage DE to provide these services. Accordingly, the parties agree as follows:

AGREEMENT

DE's Duties and Responsibilities

1. DE will:
 - 1.1 Recruit, screen, interview, train and assign its employed service providers ("Employee") to perform the work described on Exhibit A under School's supervision at the location specified above;
 - 1.2 Pay Employees' wages and provide them with the benefits offered by DE;
 - 1.3 Pay, withhold, and transmit payroll taxes; provide unemployment insurance; and handle unemployment and workers' compensation claims involving Employees; Ensure each Employee providing services under this Agreement shall have professional liability coverage of \$1,000,000 (each wrongful act) and \$3,000,000 (aggregate per Employee). Direct Ed shall furnish, at School's request, certificate(s) of insurance evidencing its professional liability coverage and its worker's compensation insurance at levels established by applicable state law. Direct Ed will also maintain in effect its automobile liability insurance with limits of \$1,000,000 and a general liability self-insurance program during the term of this Agreement with limits of \$1,000,000 (individual) and \$3,000,000 (aggregate). Said general liability coverage shall include claims for sexual abuse and molestation. Direct Ed shall furnish, at School's request, a certificate of insurance evidencing such coverage.
 - 1.4 Perform all required background and qualification checks, including but not limited to Live Scan fingerprinting and confirmation of negative TB status;
 - 1.5 Inform School in the event any Employee becomes non-compliant with any requirement or qualification required by the School;
 - 1.6 Comply with all applicable federal, state and local laws, ordinances and regulations relating to this Agreement and to Employees; and
 - 1.7 Comply with the Family Educational Rights and Privacy Act (FERPA).

School's Duties and Responsibilities

2. School will:

- 2.1 Properly supervise Employees and be responsible for School's business operations, services, and confidential information;
- 2.2 Properly supervise, control, and safeguard School's premises, processes and/or systems, and not permit Employees to operate any vehicle, or entrust them with unattended premises, cash, confidential or trade secret information, or other valuables without DE's prior written approval or as strictly required by the job description provided to DE;
- 2.3 Provide Employees with a safe work site, appropriate information, space to conduct their work and abide by all CalOSHA, standards, policies and procedures.
- 2.4 Immediately notify DE in the event an Employee is not meeting expectations, compromises student safety, or acts inappropriately or in violation of School or DE policy, or with any other concern;
- 2.5 Comply with all applicable federal, state and local laws, ordinances and regulations applicable to the School or relating to this Agreement; and
- 2.6 Provide Employees with on-site parking. The School agrees to be billed for and pay to DE any charges incurred if Employees are required to pay for parking.

Payment Terms, Bill Rates, and Fees

3. School will pay DE for DE's services at the rate(s) stated on Exhibit A, and will also pay any additional costs or fees incurred by DE or its Employees in providing the services described herein. The rates and terms in Exhibit A shall be updated every July 1st and may reflect increases or decreases in rates. School will receive a notice of these updates at least 30 days prior to July 1st. Fees are due and payable to DE within forty (40) calendar days of the date of the invoice. Invoices are dated using the last billing date of the invoice cycle.

In the event any invoice is not paid within 40 days of the invoice date, School shall pay to DE a delinquency charge computed on School outstanding balance as of the date of each invoice equal to one and one half percent per month from the date of each invoice, together with collection costs and fees, including attorneys' fees incurred in connection with collection of such amounts or ensuing arbitration and/or litigation, until each such invoice and all delinquency and attorneys' fees and costs are paid in full. The delinquency charge shall not exceed the maximum amount permitted by law. Late payment may also result in suspension of DE's services under this Agreement. If a portion of any invoice is disputed, School agrees to promptly pay the undisputed portion.

- 3.1 Substitute Services will be billed weekly. DE will invoice School for services provided under this Agreement every Friday for services provided the previous workweek. The DE workweek starts every Sunday and ends the following Saturday.
- 3.2 If School uses Special Educations Services it will have the option to be billed monthly or weekly. For weekly billing, DE will invoice School for services provided under this Agreement every Friday for services provided the previous workweek. The DE workweek starts every Sunday and ends the following Saturday. For monthly billing, DE will invoice School for services provided under this Agreement by the 15th of every month for the prior month's services. If School does not provide a billing preference, monthly billing will be the default.

Hiring of DE Substitute Department Staff

- 3.3 School recognizes and acknowledges that DE spends considerable time and effort and incurs substantial expense in recruiting, employing, and retaining qualified staff. DE recognizes that its staff pool hopes to gain permanent employment with DE's clients and DE supports the long-term goals of its staff. DE has developed the following fee schedule in order to balance out the costs of recruiting, employing and retaining qualified staff with the long-term goals of its Employees.

School shall immediately pay to DE the Placement Fee stated on Exhibit A for each Employee that (a) School hires as its direct employee, independent contractor or sub-contractor, while employed by DE and/or within 90 days of the termination of such Employee's employment with DE or (b) School causes, directly or indirectly, to leave the employment of DE.

School must provide DE with 30 days notice if they plan to offer a position to a DE Employee.

DE may, at its sole and absolute discretion, modify, waive or reduce the fee.

Hiring of DE Special Education Department Staff

- 3.4 School recognizes and acknowledges that DE spends considerable time and effort and incurs substantial expense in recruiting, employing, training and retaining qualified staff. DE offers long-term careers to its special education staff and therefore hopes to retain them as long-term Employees. DE expends significant resources on each special education employee and must recuperate those costs if School hires a DE special education employee.

School shall immediately pay to DE the Placement Fee stated on Exhibit A for each special education employee that (a) School hires as its direct employee, independent contractor or sub-contractor, while employed by DE and/or within 90 days of the termination of such employee's employment with DE or (b) School causes, directly or indirectly, to leave the employment of DE.

School must provide DE with 30 days notice if they plan to offer a position to a DE special education employee.

DE may, at its sole and absolute discretion, modify, waive or reduce this fee.

Breaks and Meal Periods

4. DE must comply with state and federal law requiring the payment of overtime. Also, DE must comply with mandatory break and lunch requirements as delineated in the applicable laws. School shall authorize and permit Employees to take a paid 10-minute break for every four (4) hours of work, or major fraction thereof. Employees shall also be entitled and encouraged to take an unpaid, duty-free 30-minute meal period for every work period of more than five (5) hours. For substitute teachers the second rest break may be provided after the last covered class if necessary. DE may adjust the start or end time of an assignment to accommodate for mandatory rest and meal breaks. School will be notified if these adjustments will extend the workday beyond eight hours. Work days beyond eight hours will incur overtime charges for non-exempt employees. School agrees to comply with all federal and state laws regarding start/stop times, meal periods and rest breaks.
5. DE will charge School a fee for each occurrence where the School fails to provide an uninterrupted duty-free rest break. DE will charge School a fee for each occurrence where a School fails to provide an uninterrupted duty-free meal break. See Exhibit A for fee schedule.

6. The failure to provide meal and rest breaks may result in overtime charges if the hours worked exceed eight (8) in a workday. In the event any overtime hours are worked, School will be charged and agrees to pay DE the overtime rate. School acknowledges and agrees that any requirement by School for a DE Employee to arrive early or leave later than scheduled will also result in the School being billed overtime for such time. See Exhibit A for fee schedule.

Confidential Information

7. The parties acknowledge they may receive information that is proprietary or confidential to the other party or to persons or entities affiliated with or engaged in providing services to the other party. The parties agree to hold such information in strict confidence and not disclose such information to third parties or use such information for any purpose other than performing their services for the other party pursuant to this Agreement.

Cooperation

8. The parties agree to cooperate fully and provide assistance to the other party in the investigation and resolution of any complaint, claim, action or proceeding that may be brought by or involve Employees in any way.

Indemnification and Limitation of Liability

9. DE shall indemnify and hold harmless School, its subsidiaries, affiliated entities, directors, owners, agents, representatives, and employees, from and against all losses, liabilities, expenses, and claims for damages (including court costs and reasonable attorney's fees) which may be asserted or claimed against School as a result of any negligent act or error or omission directly caused by DE or its Employee(s), including without limitation any violation or breach of this Agreement.
10. School shall indemnify and hold harmless DE, its subsidiaries, affiliated entities, directors, owners, agents, representatives, and employees, from and against all losses, liabilities, expenses, and claims for damages (including court costs and reasonable attorney's fees) which may be asserted or claimed against DE as a result of any act or error or omission directly caused by School, its employees or agents, including without limitation any violation or breach of this Agreement.

Term of Agreement

11. This Agreement shall begin on the date first written above and shall continue for a term of one year. This Agreement at the end of such term will be automatically renewed for successive one year periods unless terminated sooner. This Agreement may be terminated by either party on fifteen (15) days' written notice, or at any time by mutual written agreement of the parties.
12. DE reserves the right to immediately terminate this Agreement in the event: (i) School breaches any duty under this Agreement, including but not limited to the failure to timely pay any amounts due to DE; (ii) if required by law or regulation; or (iii) if School becomes insolvent or commits any act of bankruptcy, or a petitioner for involuntary bankruptcy is filed against School, or School makes a general assignment for the benefit of creditors under the bankruptcy or insolvency laws.
13. On termination, DE shall have no further obligation to provide School with Employee. The provisions regarding Confidential Information and Cooperation shall continue in effect subsequent to and regardless of termination of this Agreement.

Notices

14. Any notice, request, demand, consent, approval or other communication required or permitted under this Agreement must be in writing and will be deemed to have been given (a) on actual delivery, if delivery is by hand, or (b) on receipt if delivery is by facsimile, or (c) five (5) days after deposit in the U.S. mail, postage prepaid, certified or registered mail, return receipt requested. Each such notice shall be sent to the respective parties at the address indicated below.

To DE:

DirectEd

Attn: Contracts Dept.
21050 Califa St.
Woodland Hills, CA 91367
Fax: 813-774-5428

To School:

Magnolia Public Schools

Attn: Suat Acar
205 E. 1st Street, Suite 1500
Los Angeles, CA 90012
Fax: 714-362-9588

Any party may change its address for purposes of this Section by giving the other party written notice as provided in this Section.

Nature of Relationship

15. The parties desire and intend and shall be deemed to be independent contractors, and not in any partnership, joint venture, principal-agent, fiduciary-beneficiary, employment, or other relationship. DE shall be solely responsible for all forms of compensation and benefits, if any, and all obligations of any kind or nature, including but not limited to taxes, insurance premiums, and withholdings from compensation to Employees, whether arising from negotiation or by law, of Employees placed with School under this Agreement. DE shall complete and submit a Form W-9 to School annually.

Additional Provisions

16. The provisions in this Agreement which by their nature survive the expiration or termination of this Agreement (including, but not limited to, the conversion of DE Employees to permanent employees of School) shall continue in effect after expiration or termination until they have been fully performed or until by their nature they have expired.
17. No provision of this Agreement may be amended or waived unless agreed to in writing signed by each of the parties.
18. If any term, provision, covenant or condition of this Agreement shall be held by a court of competent jurisdiction to be invalid, void or unenforceable, in whole or in part, such decision shall not affect the validity of any remaining portion, and the remaining portion shall stand in full force and effect, and shall in no way be affected, impaired or invalidated. Any provision thus affected shall be modified to the extent necessary to bring the provision within the applicable requirements of the law.
19. This Agreement, including attached exhibit(s), constitutes the entire Agreement between the parties regarding its subject matter, and supersedes all prior agreements and understandings between the parties, whether oral or written, relating to its subject matter.
20. The provisions of this Agreement shall benefit and bind the parties and their respective heirs, representatives, successors, and assigns.
21. A party's delay or failure to enforce any one or more provisions of this Agreement on one or more occasions will not be a waiver of that or any other provision on any other occasion(s) or of the party's right thereafter to enforce each and every provision of this Agreement.

- 22. A party shall have no right or power to and shall not purport to transfer or assign this Agreement without prior written consent from the other party.
- 23. This Agreement shall be governed by the laws of the State of California. Any legal action arising from, involving or relating to this Agreement shall be brought in a court of competent jurisdiction located in Los Angeles, California.

The parties, intending to be legally bound, duly execute this Agreement as of the date stated above.

Magnolia Public Schools

Signature: _____

Printed Name: _____

Title: _____

DirectEd

Signature: _____

Printed Name: _____

Title: _____

Exhibit A

Special Education Service Rates

Special Education Oversight

Minimum phone or virtual meeting charge is 15 minutes.

<p>Program Administrators Duties include: administrator, general education, special education staff training, IEP review, consulting for high profile cases, assistance w/ change of placements, assistance with district audits, assistance w/ program set-up/analysis and other duties as agreed upon by both parties. <i>Minimum on-site charge- 2 hours</i></p>	\$150 per hour
<p>Case Managers/Academic Assessments Duties include: Academic assessments, development of RST/Para service delivery schedules, IEP master calendars, facilitation of accommodations and modifications training, IEP development, meeting coordination/facilitation, compliance monitoring, and other duties as agreed upon by both parties. <i>Minimum on-site charge - 3 hours</i></p>	\$103 per hour
<p>Resource Teacher – Direct Services Only Duties include: Push-in/pull-out and/or learning lab instruction, service tracking, progress monitoring, developing present levels of performance, Individual Transition Plans/Behavioral Support Plans, general education collaboration and other duties as agreed upon by both parties. <i>Minimum visit charge- 7 hours</i></p>	\$68 per hour

DIS Services and Service Oversight

Minimum phone or virtual meeting charge is 15 minutes.

<p>DIS Counselor Duties may include: direct DIS counseling services, informal counseling, goal tracking/progress monitoring, service tracking, IEP preparation and attendance and other duties as agreed upon by both parties. <i>Minimum on-site charge is 3 hours</i></p>	\$75 per hour
<p>Speech and Language Pathology Assistant (SLPA) Duties may include: direct speech services, informal speech services, goal tracking/progress monitoring, service tracking and other duties as agreed upon by both parties. SLPAs require supervision by an SLP. This rate includes SLP supervision. <i>Minimum on-site charge is 3 hours.</i></p>	\$65 per hour
<p>Speech and Language Pathologist (SLP) Duties may include: goal tracking/progress monitoring, consultation, screenings, IEP preparation and attendance and other duties as agreed upon by both parties. <i>Minimum on-site charge is 1 hour.</i></p>	\$125 per hour
<p>Licensed Occupational Therapists (OT) Duties include: direct OT services, goal tracking/progress monitoring, service tracking, IEP preparation and attendance, consultations and other duties as agreed upon by both parties. <i>Minimum on-site charge is 2 hours</i></p>	\$100 per hour
<p>Adapted Physical Education Teacher (APE) Duties include: direct APE services, goal tracking/progress monitoring, service tracking, IEP preparation and attendance, consultations and other duties as agreed upon by both parties. <i>Minimum on-site charge is 2 hours</i></p>	\$90 per hour
<p>School Psychologist– ERMHS/ERICs Counseling or DIS Counseling Duties may include: direct ERMHS/ERICs and/or DIS Counseling services, informal counseling, goal tracking/progress monitoring, service tracking, IEP preparation and attendance and other duties as agreed upon by both parties. <i>Minimum on-site charge is 2 hours</i></p>	\$103 per hour

Behavior Intervention Implementation (BII) Duties include: direct BII services, implementing a behavior intervention/treatment plan, data tracking, service tracking and other duties as agreed upon by both parties. <i>Minimum on-site charge is 6 hours.</i>	\$35 per hour
Behavior Intervention Development (BID) Duties include: direct BID services, developing behavior intervention/treatment plan and training/supporting BII in the implementation of plan, goal tracking/progress monitoring, data analysis, service tracking, conducting FBA's, IEP preparation and attendance and other duties as agreed upon by both parties. <i>Minimum on-site charge is 2 hours</i>	\$103 per hour
Licensed Vocational Nurse (LVN) Duties include: DIS services under the supervision of a Credentialed School RN and other duties as agreed upon by both parties. <i>Minimum on-site charge is 6 hours</i>	\$40 per hour
Registered Nurse (RN) Duties include: DIS services under the supervision of a Credentialed School RN and other duties as agreed upon by both parties. <i>Minimum on-site charge is 6 hours</i>	\$65 per hour
Credentialed School Nurse (SN) Duties include: development of medical treatment plans and support with implementation, progress monitoring of treatment plan, consultation, screenings, IEP preparation and attendance and other duties as agreed upon by both parties. <i>Minimum on-site charge is 1 hour</i>	\$92 per hour
Deaf and Hard of Hearing Teacher (DHH) Duties include: direct DIS services, goal tracking/progress monitoring, service tracking, IEP preparation and attendance and other duties as agreed upon by both parties. <i>Minimum on-site charge is 2 hours</i>	\$125 per hour

Assessment Services

Minimum on-site charge is 1 hour; Minimum phone or virtual meeting charge is 15 minutes.

School Psychologist	\$103 per hour
Speech and Language Pathologist (SLP)	\$125 per hour
Credentialed School Nurse w/ Audiometrist Certificate (SN)	\$92 per hour
Licensed Occupational Therapists (OT)	\$100 per hour
Adapted PE Teacher (APE)	\$90 per hour
Case Manager- Academic Assessments	\$103 per hour

Screening Services

Minimum on-site charge is 1 hour; Minimum phone or virtual meeting charge is 15 minutes.

Licensed or Credentialed SLP	\$125 per hour
School Nurse	\$92 per hour

Consultation Services

Minimum on-site charge- 2 hours; Minimum phone or virtual meeting charge is 15 minutes.

School Psychologist	\$150 per hour
Licensed or Credentialed SLP	\$150 per hour
Licensed Occupational Therapists	\$150 per hour

Adapted PE Teacher	\$150 per hour
Behavioral Needs	\$150 per hour
General Special Education Services/Program	\$150 per hour
RTI/SST Consultation	\$150 per hour
IEE Report (as a result of a dispute)	\$150 per hour
DHH Teacher	\$150 per hour

Other Services

Other- Program Expert Consultants, Physical Therapist, Audiologist, DHH Teacher, Assistive Technology Assessments, etc.	Contact for quote/availability
Licensed or Credentialed SLP for SLPA Supervision – (Non DirectEd SLPA)	\$125 per hour
School-wide Health Screenings -Scoliosis, Vision and Hearing If fewer than 10 students, hourly School Nurse (SN) rates will apply.	\$7.00 per student/ per screening

Fees- Applies to SLPAs and Blls

Overtime	1.5 times the hourly rate
Failure to provide lunch or rest break (non-exempt employees only) This applies when School prohibits Employee from taking their scheduled lunch and rest breaks.	1 times the hourly rate

We comply with California laws and codes and ensure that all non-exempt employees sent to the school site are provided with the required number of breaks as prescribed by the law.

Additional Terms

Cancellation of Meetings

School may be charged for an hour of service, if an IEP meeting is cancelled with less than 24 hours notice.

Absent Students/Schedule Changes

We expect our Employees to call School prior to a DIS visit if there is only one student being serviced at the school. School may be charged the two-hour minimum visit if School confirms that a student is present and it turns out the student is absent. Employees may also work on other related duties during the time a student is absent from their scheduled DIS appointment.

Schools must provide at least 1 business day notice if there is a change in the school or student's schedule and it will impact the Employee's scheduled visit. Failure to notify DE will result in the minimum visit charge that applies to the service.

Special Education Department Placement Fees

The following fees apply for each employee that (a) School hires as its direct employee, independent contractor or sub-contractor, while employed by DE and/or within 60 days of the termination of such employee's employment with DE or (b) School causes, directly or indirectly, to leave the employment of DE.

Hours of Service at the School Site	Fee
0-1,500 hours	\$15,000
>1,500 hours	\$3,500

Substitute Department Rates

Day-to-Day Rates and Fees

Rates for day-to-day assignments that are **not** considered long-term are set forth below:

Substitute Teacher Employees	Rate
DirectEd will evaluate School's bell schedule and the daily rate will be based on adding 15 minutes to the start and end time of School's schedule. An additional 15 minutes may be added to the start of the workday if a morning break is not included in the school's bell schedule. Lunch is deducted from the calculation of hours and is therefore unpaid. All substitute teachers are verified to have at minimum a 30-Day Substitute Permit.	
Half Day - Fewer than 5 hours	\$147 per day
Full Day - 5 - 8 hours	\$215 per day

Hourly Employees	Rate
Hourly employees may not have 30-Day Substitute Permit and are not allowed to supervise classrooms independently and should not be left alone with students for extended periods of time. Lunch is deducted from the calculation of hours and is therefore unpaid.	
Teacher Assistant - 6 hour minimum	\$24 per hour
Office Assistant -6 hour minimum	\$24 per hour
Certified Nursing Assistants -6 hour minimum	\$28 per hour
1:1 Special Education/Student Aide -6 hour minimum	\$28 per hour
CPI Certified Special Education/Student Aide -6 hour minimum	\$32 per hour

Description of Fees- Teacher and Hourly Employees	Fees
Overtime Fee For assignments that exceed eight (8) hours in a workday or forty (40) in a workweek. This calculation does not include an unpaid duty-free lunch.	\$40 per hour
After School Assignments Any assignment that starts after 1:30pm. 3 hour minimum required.	\$40 per hour
Weekend Assignments Saturdays and Sundays	\$40 per hour
Failure to Provide Lunch Break	\$40 per occurrence
Failure to Provide Rest Break	\$25 per occurrence
No Notice Cancellation Fee School may be charged if a confirmed assignment is cancelled once the employee is en route or has arrived at the assignment.	\$100 per occurrence

Additional Terms

Half Day Assignments: We comply with California laws and codes and ensure all non-exempt employees sent to the school site are provided with the required number of breaks as prescribed by the law. Work hours shall begin 15 minutes prior to the start of the substitute's first class. School can request an earlier start time if desired. The assignment will end 15 minutes after the substitute's last class or after School dismisses the employee. For an assignment to qualify as a half day assignment the calculation of hours must include 15 minutes prior to the substitute's first class and 15 minutes after substitute's last class.

Full Day Assignments: We comply with California laws and codes and ensure all non-exempt employees sent to the school site are provided with the required number of breaks and a 30 minute duty-free lunch as prescribed by the law. Work hours shall begin 15 minutes prior to the start of the substitute's first class. An additional 15 minutes may be added to the start of the workday if a morning break is not included in the school's bell schedule. School can request an earlier start time if desired. The assignment will end 15 minutes after school is dismissed or when School dismisses the employee.

Hourly Positions: We comply with California laws and codes and ensure all non-exempt employees sent to the school site are provided with the required number of breaks and a 30 minute duty-free lunch as prescribed by the law. It is the schools responsibility to ensure the employee takes their two (2) ten minute breaks and 30 minute lunch. School will not be charged for the required 30 minute duty-free lunch break.

Assignment Modifications: School may not modify the confirmed hours of an assignment request once the Employee is en route to the assignment.

Long-Term Rates and Fees

Rates for assignments that are considered long-term are set forth below:

Hourly Employees	Rate
Teacher Assistant - 6 hour minimum	\$24 per hour
Office Assistant -6 hour minimum	\$24 per hour
1:1 Special Education/Student Aide -6 hour minimum	\$28 per hour
Certified Nursing Assistants -6 hour minimum	\$28 per hour
CPI Trained Paraprofessional -6 hour minimum	\$32 per hour
Other	Contact for quote

Description of Hourly Fees	Fees
Overtime Fee For assignments that exceed eight (8) hours in a workday or forty (40) in a workweek). This calculation does not include an unpaid duty free lunch	\$40 per hour
After School Assignments Any assignment that starts after 2pm. 3 hour minimum required.	\$40 per hour
Weekend Assignments Saturdays and Sundays	\$40 per hour
Failure to Provide Lunch Break	\$40 per occurrence
Failure to Provide Rest Break	\$25 per occurrence
No Notice Cancellation Fee School may be charged if a confirmed assignment is cancelled once the employee is en route or has arrived at the assignment.	\$100 per occurrence

Hourly Positions: We comply with California laws and codes and ensure all non-exempt employees sent to the school site are provided with the required number of breaks and a 30 minute duty-free lunch as prescribed by the law. It is the schools responsibility to ensure the employee takes their two (2) ten minute breaks and 30 minute lunch. School will not be charged for lunch breaks.

Assignment Modifications: School may not modify the confirmed hours of an assignment request once the Employee is en route to the assignment.

Long Term Teachers	Full Day Rate (5 - 8 hours)	Half Day Rate (fewer than 5 hrs)
No Lesson Planning or Grading Day-to-Day Additional Terms apply	\$215	\$147
K-5; 6-12 Single Prep Lesson Planning and/or Grading	\$276	\$200
6-12 Multi Prep, Science, Math, Special Education Lesson Planning and/or Grading	\$315	\$225
Credentialed Teacher	\$350	\$250

Lesson Planning and/or Grading; only applies to teachers who are credentialed in the subjects they will be teaching.		
Difficult to place positions or unusual requests.	Contact for quote	

Note: Pupil Free Days and Professional Development Days will be charged at the long-term rates if the substitute is required report to work on those days. If transition days are requested they will be booked as day-to-day assignments and charged the day-to-day rates.

Description of Teacher Fees	Fees
Additional Hours <ul style="list-style-type: none"> For assignments or duties that exceed eight (8) hours in a workday. (e.g., office hours, detention coverage, Back-to-School Night, Parent Conferences, etc.) Coverage or Other Tasks Required During a Prep/Conference Period Fee 	\$40 per hour
Lesson Planning and Grading for non DirectEd Substitute Teacher This rate applies when a DirectEd employee is absent and creating lesson plans or grading work for a non-DirectEd employee.	\$50 a day
No Duty Free Lunch	\$40 per occurrence
No Notice Cancellation Fee School may be charged if an assignment is cancelled after a substitute has been scheduled and is in route to the previously scheduled assignment.	\$100 per occurrence

Additional Terms

Long Term Teachers: must receive a 30-minute duty free lunch when assigned to work over 5 hours. Failure to provide a 30-minute duty free lunch will result in fee of \$40 per each occurrence.

Long-term teachers' schedules shall include the standard preparation time and/or conference periods provided to other teachers at your school. School will be charged \$40 per hour when a long-term substitute teacher is asked to cover classes or complete other duties during their preparation period.

A School administrator or administrative designee must approve all additional hours on the long term timecard.

Long-term teachers shall verify their hours with the office manager or other designee on a weekly basis. Long-term rates go into effect (i) the first day the long-term assignment begins, or (ii) when a day-to-day assignment requires a substitute teacher to complete lesson plans or grade reporting.

In the event that a Long Term Substitute is absent, the school will be charged the long term rate when a DirectEd substitute covers the assignment. This is to cover the grading and lesson planning rates we pay the employee for those days.

Assignment Modifications: School may not modify the confirmed hours of an assignment request once the Employee is en route to the assignment.

Placement Fees

The following fees apply for each employee that (a) School hires as its direct employee, independent contractor or sub-contractor, while employed by DE and/or within 60 days of the termination of such employee's employment with DE or (b) School causes, directly or indirectly, to leave the employment of DE.

Applies to all DE Employee's assigned within 30 days of school hire.

Assigned Days at School Site	Fee
1-90	\$3,000
>90	\$1,500

Exhibit B

School 1:

Magnolia Science Academy 1- Reseda (6-12)

18238 Sherman Way
Reseda, CA 91335
(818) 609-0507

School 2:

Magnolia Science Academy 2- Valley (6-12)

17125 Victory Blvd.
Van Nuys, CA 91406
(818) 758-0300

Schools 3:

Magnolia Science Academy 3- Carson (6-12)

1254 East Helmick Street
Carson, CA 90746
(310) 637-3806

School 4:

Magnolia Science Academy 4- Venice (6-12)

11330 West Graham Place
Los Angeles, CA 90064
(310) 473-2464

School 5:

Magnolia Science Academy 5- Los Lobos (6-8)

18230 Kittridge St.
Reseda, CA 91335
(818) 705-5676

Schools 6:

Magnolia Science Academy 6- Palms (6-8)

3754 Dunn Dr.
Los Angeles, CA 90034
(310) 842-8555

Schools 7:

Magnolia Science Academy 7- Northridge (TK-5)

18355 Roscoe Blvd.
Northridge, CA 91325
(818) 221-5328

School 8:

Magnolia Science Academy 8- Bell (6-8)

6411 Orchard Ave.
Bell, CA 90201
(323) 826-3925

21050 Califa St. Woodland Hills, CA 91367 Phone: 323-391-1622 www.direct-ed.net

School 9:

Magnolia Science Academy- Santa Ana (TK-12)

2840 West 1st
Santa Ana, CA 92703
(714) 479-0115

Schools 10:

Magnolia Science Academy-San Diego (6-8)

6365 Lake Atlin Ave.
San Diego, CA 92119
(619) 644-1300

Cover Sheet

Approval of Safe Zone Resolution

Section: II. Consent Agenda
Item: B. Approval of Safe Zone Resolution
Purpose: Vote
Submitted by:
Related Material: II B Safe Zone Resolution.pdf



Board Agenda Item #	Item II B
Date:	March 9, 2017
To:	Magnolia Board of Directors
From:	Caprice Young, Ed.D., CEO & Superintendent
Staff Lead:	Alfredo Rubalcava, Chief External Officer
RE:	MPS Safe Zones Resolution

Proposed Board Recommendation

I move that the board approve the Safe Zones Resolution for the safety of our students and families.

Background

With the current immigration climate, we want to ensure that our families and students feel safe at all of our MPS campuses by becoming a safe school. This resolution will allow for us, as an organization, to protect student records in the event that the U.S. Immigration and Customs Enforcement (ICE) requests access to such records.

It is important that we continue to provide a high-quality educational program in a safe environment where everyone is welcome no matter their immigration status, ethnicity, race, religion, gender, sexual orientation, socio-economic status, disability, or beliefs.

Budget Implications

No budget implications at this time.

CFO Approval

No approval needed at this time.

How Does This Action Relate/Affect/Benefit All MSAs?

This resolution and action that follow will benefit all students, parents, and staff at MPS by offering services as needed.

Name of Staff Originator:

Alfredo Rubalcava, Chief External Officer

Attachments

MPS Safe Schools Board Resolution

Magnolia Public Schools
Board of Directors

Resolution: 20170309-1

MPS CAMPUSES ARE SAFE ZONES FOR IMMIGRANT STUDENTS AND FAMILIES

Whereas, Magnolia Public Schools (MPS) provides a college preparatory educational program emphasizing Science, Technology, Engineering, Arts, and Mathematics (STEAM) in a safe environment that cultivates respect for self and others regardless of, but not limited to, their immigration status, ethnicity, race, religion, gender, sexual orientation, socio-economic status, disability, or beliefs;

Whereas, MPS students reside in some of the most underserved area of Los Angeles, Orange County and San Diego including the communities of Reseda, Van Nuys, Carson, Northridge, Bell, Palms, Venice, and Santa Ana – a region that is home to a large immigrant population;

Whereas, U.S. Immigration and Customs Enforcement (ICE) certifies to not conduct immigration enforcement activity at any sensitive location including schools. Such conduct would require prior approval by specific federal law enforcement officials unless exigent circumstances exist. State and federal laws prohibit educational agencies from disclosing personally identifiable student information to law enforcement, without the consent of a parent or a guardian, a court order or lawful subpoena, or in the case of a health emergency;

Now, therefore, be it resolved, That the Magnolia Public Schools Board of Directors directs the Chief Executive Officer to designate all MPS campuses as safe zones. This designation shall mean that:

- MPS campuses will offer counseling and referrals to agencies that offer assistance on immigration matters to all student and their families who need support and resources;
- All if any, ICE requests of student records or access to any MPS campus must be submitted in writing to the MPS CEO and/or designee for review and response in consultation with legal counsel.

Passed and adopted by the Board of Directors at a meeting held on March 9, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Umit Yapanel, Secretary
MPS Board of Directors

Date

Cover Sheet

Approval of 2017-18 School Calendars for all Magnolia Science Academies

Section: II. Consent Agenda
Item: C. Approval of 2017-18 School Calendars for all Magnolia Science Academies
Purpose: Vote
Submitted by:
Related Material: II C 2017-18 School Calendars all MSAs.pdf



Board Agenda Item #	Agenda # II C
Date:	March 9, 2017
To:	Magnolia Board of Directors
From:	Caprice Young, Ed.D., CEO & Superintendent
Staff Lead:	David Yilmaz, Chief Accountability Officer
RE:	Approval of 2017-18 School Calendars for all Magnolia Science Academies

Proposed Board Recommendation

I move that the board approve the School Calendars for all Magnolia Science Academies.

Background

This is the proposed academic calendar for our schools for 2017-18. Feedback has been received from schools. LAUSD, SDUSD, and SAUSD calendars have been considered during planning. MSA-1 through 8 will follow the LAUSD calendar very closely in terms of start and end dates and holidays and breaks, with the exception of our traditional two MPS-wide staff development days, one in the fall and one in the spring. MSA-1 through 8 will be offering 180 days of instruction as usual. Due to moving and facilities construction, MSA-San Diego will start relatively late, but follow MPS calendar to the best extent possible. The school will offer 175 days for 2017-18, which is still compliant, but the school switch back to our usual 180-day calendar in the following school year. MSA-Santa Ana closely follows the MPS calendar with the exception of a shorter winter break. SAUSD offers two weeks of winter break as opposed to LAUSD. MSA-Santa Ana will offer 183 instructional days to ensure the high school has additional instructional minutes.

Budget Implications

N/A

How Does This Action Relate/Affect/Benefit All MSAs?

This action allows MSAs to share 2017-18 school calendar with our stakeholders.

Name of Staff Originator:

David Yilmaz, Chief Accountability Officer

Attachments

- 2017-18 MPS Academic Calendar

2017-18 MPS ACADEMIC CALENDAR			
	MSA-1 thru 8	MSA-San Diego	MSA-Santa Ana
Independence Day	7/4	7/4	7/4
First Day of Instruction	8/15	9/5	8/15
Labor Day	9/4	9/4	9/4
Staff P.D. Day (Pupil Free Day) [1]	10/20	10/20	9/22, 10/20
Veterans Day	11/10	11/10	11/10
Thanksgiving Break	11/20-11/24	11/20-11/24	11/20-11/24
Last Day of First Semester	12/15	2/2	12/22
Winter Break	12/18-1/5	12/18-1/2	12/25-1/5
First Day of Second Semester	1/8	2/5	1/8
M. L. King Day	1/15	1/15	1/15
Presidents' Day	2/19	2/19	2/19
Staff P.D. Day (Pupil Free Day) [2]	3/9	3/9	2/9, 3/9
Spring Break	3/26-3/30	3/26-3/30	3/26-3/30
Cesar Chavez Day	4/2	N/A	4/2
Memorial Day	5/28	5/28	5/28
Last Day of Instruction	6/7	6/15	6/7
# of Instructional Days:	180	175	183

Holidays & Breaks
Important Dates

Cover Sheet

Approval of Revised 2016-17 Employee Handbook Re: STRS and PERS

Section: II. Consent Agenda
Item: D. Approval of Revised 2016-17 Employee Handbook Re: STRS
and PERS
Purpose: Vote
Submitted by:
Related Material: II D Revised 16-17 Employee Handbook; STRS PERS.pdf



Board Agenda Item #	Agenda # II D
Date:	March 9, 2017
To:	Magnolia Board of Directors
From:	Caprice Young, Ed.D., CEO & Superintendent
Staff Lead:	Oreeille Revish, HR Manager
RE:	Approval of Revised 2016-17 Employee Handbook Re: STRS and PERS

Proposed Board Recommendation

I move that the board approve the revised 2016-17 Employee Handbook Re: STRS and PERS.

Background

Our charter petition includes detailed information about STRS/PERS retirement benefits eligibility in Element 11; however, the employee handbook has minimal language about retirement benefits. LACOE has brought to our attention that the STRS/PERS eligibility language in the petition needs to be reflected in our employee handbook. Therefore, we have copied the retirement section in our petition to our employee handbook. This action item is only to approve this one change which is asked by LACOE and it is time-bound. The rest of the employee handbook will go through a thorough review process and the final handbook will come before the board at a later meeting for 2017-18 approval.

Budget Implications

N/A

How Does This Action Relate/Affect/Benefit All MSAs?

This action is necessary for MSA-1, 2, and 3 to meet LACOE conditions.

Name of Staff Originator:

David Yilmaz, Chief Accountability Officer

Attachments

- 2016-17 MPS Employee Handbook (redline)

Magnolia Public Schools

Employee Handbook 2016-2017

Magnolia Public Schools
250 East 1st Street
Los Angeles, CA 90007
213-628-3666

www.magnoliapublicschools.org

Magnolia Public Schools

The Vision

Graduates of Magnolia Public Schools are scientific thinkers who contribute to the global community as socially responsible and educated members of society.

The Mission

Magnolia Public Schools provides a college preparatory educational program emphasizing science, technology, engineering, and math (STEM) in a safe environment that cultivates respect for self and others.

Core Values

Magnolia Public Schools has identified the following core values which are reinforced through its "Get Ready for Life (GRFL)" curriculum, expected school wide learning results (ESLR), and all school activities.

Value: Scholarship

Success and Self Discipline

Value: Social Responsibility

Respect and Responsible Choices

Value: Critical Thinking

Citizenship and Personal Qualities

Value: Effective Communication

Conflict Resolution and Human Relations

Locations

Magnolia Science Academy-1	18238 Sherman Way, Reseda, CA 91335	(818) 609-0507
Magnolia Science Academy-2	17125 Victory Blvd., Van Nuys, CA 91406	(818) 758-0300
Magnolia Science Academy-3	1254 East Helmick St., Carson, CA 90746	(310) 637-3806
Magnolia Science Academy-4	11330 W Graham Place, Los Angeles, CA 90064	(310) 473-2464
Magnolia Science Academy-5	18230 Kittridge St., Reseda, CA 91335	(818) 705-5676
Magnolia Science Academy-6	3754 Dunn Dr., Los Angeles, CA 90034	(310) 842-8555
Magnolia Science Academy-7	18355 Roscoe Blvd., Northridge, CA 91325	(818) 221-5328
Magnolia Science Academy-8 (Bell)	6411 Orchard Ave, Bell, CA 90201	(323) 826-3925
Magnolia Science Academy-San Diego	6365 Lake Atlin Ave., San Diego, CA 92119	(619) 644-1300
Magnolia Science Academy-Santa Ana	102 Baker St. E, Costa Mesa, CA 92626	(714) 557-7002

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EMPLOYEE HANDBOOK

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EMPLOYEE HANDBOOK

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I. Introduction

This Handbook summarizes the Magnolia Public Schools' (hereinafter referred to as "MPS" or "School") personnel policies applicable to all employees. Please review these policies carefully. If you have any questions about the policies outlined in this Handbook, or if you have any other personnel related questions, whether related to policies specifically addressed in this Handbook, please consult **MPS Home Office ("MERF") Human Resources**.

This Handbook is intended only as a guide to the School's personnel policies, outlining and highlighting those policies and practices. It is not, therefore, intended to create any expectations of continued employment, or an employment contract, express or implied. This Handbook supersedes any previously issued handbooks, policies, benefit statements and/or memoranda, whether written or verbal, including those that are inconsistent with the policies described herein.

With the exception of the at-will employment status of its employees, the School reserves the right to alter, modify, amend, delete and/or supplement any employment policy or practice (including, but not limited to, areas involving hiring policies and procedures, general work place policies, hours of work, overtime and attendance, standards of conduct, employee benefits, employment evaluation and separation) with or without notice to you. Only **the Chief Executive Officer ("CEO") of MPS**, with the express written approval of the Board of Directors, may alter the at-will employment status of any of its employees.

Once you have reviewed this Handbook, please sign the two (2) employee acknowledgement forms at the end of this Handbook, keep one for your files and provide the other to **your supervisor**. This signed acknowledgement demonstrates to the School that you have read, understand and agree to comply with the policies outlined in the Handbook.

EMPLOYEE HANDBOOK

II. Conditions of Employment

A. At-Will Employment

Except if stated expressly otherwise by employment contract, it is the policy of the School that all employees are considered "at-will" employees of the School. Accordingly, either the School or the employee can terminate this relationship at any time, for any reason, with or without cause, and with or without advance notice.

Nothing contained in this Handbook, employment applications, School memoranda or other materials provided to employees in connection with their employment shall require the School to have "cause" to terminate an employee or otherwise restrict the School's right to release an employee from their at-will employment with the School. Statements of specific grounds for termination set forth in this Handbook or elsewhere are not all-inclusive and are not intended to restrict the School's right to terminate at-will. No School representative, other than the Board of Directors or its designee, is authorized to modify this policy for any employee or to make any representations to employees or applicants concerning the terms or conditions of employment with the School that are not consistent with the School's policy regarding employment.

This policy shall not be modified by any statements contained in this Handbook or employee applications, School memoranda, or any other materials provided to employees in connection with their employment. Further, none of those documents whether singly or combined, or any employment practices shall create an express or implied contract of employment for a definite period, nor an express or implied contract concerning any terms or conditions of employment.

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B. Equal Employment Opportunity Policy

MPS is an equal opportunity employer. It is the policy of the School to afford equal employment and advancement opportunity to all qualified individuals without regard to:

- Race;
- Color;
- Gender (including gender identity and gender expression);
- Sex (including pregnancy, childbirth, breastfeeding, and medical conditions related to such);
- Religious creed (including religious dress and grooming practices);
- Marital/registered domestic partner status;
- Age (forty (40) and over);
- National origin or ancestry (including native language spoken);
- Physical or mental disability (including HIV and AIDS);
- Medical condition (including cancer and genetic characteristics);
- Taking of a leave of absence pursuant to the Family Medical Leave Act (“FMLA”), Pregnancy Disability Leave (“PDL”) law, Americans with Disabilities Act (“ADA”), California Family Rights Act (“CFRA”), or the Fair Employment and Housing Act “FEHA”);
- Genetic information;
- Sexual orientation;
- Military and veteran status; or
- Any other consideration made unlawful by federal, state, or local laws.

This policy extends to all employees and to all aspects of the employment relationship, including the hiring of new employees and the training, transfer, promotion, compensation and benefits of existing employees.

To comply with applicable laws ensuring equal employment opportunities to qualified individuals with a disability, the School will

make reasonable accommodations for the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or an employee unless undue hardship would result.

Any applicant or employee who requires an accommodation in order to perform the essential functions of the job should contact a School representative with day-to-day personnel responsibilities and request such an accommodation. The individual with the disability should specify what accommodation he or she needs to perform the job. MPS then will conduct an investigation to identify the barriers that interfere with the equal opportunity of the applicant or employee to perform his or her job. MPS will identify possible accommodations, if any, that will help eliminate the limitation. If the accommodation is reasonable and will not impose an undue hardship, the School will make the accommodation.

C. Immigration Compliance

MPS will comply with applicable immigration law, including the Immigration Reform and Control Act of 1986 and the Immigration Act of 1990. As a condition of employment, every individual must provide satisfactory evidence of his or her identity and legal authority to work in the United States. However, MPS will not check the employment authorization status of current employees or applicants who were not offered positions with the School unless required to do so by law.

The School shall not discharge an employee or in any manner discriminate, retaliate, or take any adverse action (e.g., threatening to report the suspected citizenship or immigration status of an employee or a member of the employee’s family) against any employee or applicant for employment because the employee or applicant exercised a right protected under applicable law. Further, the School shall not discriminate against any individual because he or she holds or presents a driver’s license issued per Vehicle

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Code § 12801.9 to persons who have not established their federally-authorized presence in the United States.

If you have any questions or need more information on immigration compliance issues, please contact the Principal.

D. Employee Classifications

The School’s employees are classified in the following categories: Exempt, non-exempt, and full-time, part-time or temporary.

Exempt: Exempt employees are those employees with job assignments that meet exemption tests under applicable law making them exempt from overtime pay requirements. Exempt employees are compensated on a salary basis, not pursuant to overtime pay requirements.

Non-Exempt: Non-exempt employees are those employees with job assignments that do not meet exemption tests under applicable law. Thus, these employees are paid overtime wages for overtime worked in accordance with the law.

Full-Time: Full-time employees are those employees who are scheduled to work at least forty (40) hours in a week. The sole exception to this definition is that for purposes of benefits eligibility, applicable law defines full-time employees as those working at least thirty (30) hours per week.

Part-Time: Part-time employees are those employees who are scheduled to work less than forty (40) hours per week.

Temporary: Temporary employees are those employees who are hired for a limited time period, or for a specific project, and usually are not employed more than twelve (12) months.

Part-time and temporary employees are not entitled to benefits provided by the School. Independent contractors, consultants and leased employees (i.e., those working for an employment agency) are not employees of the

School and are not eligible for benefits provided by the School.

Full-time teaching staff, school administrators, MERF executives, and all other employees who qualify as “exempt” under the law will be considered exempt for purposes of overtime calculations. If you have any questions about your classification, please consult with **MERF Human Resources**.

E. Relationships between Employees

While the School’s policies do not permit discrimination based on an individual’s marital status, the individual’s relations to another School employee or his or her lawful off duty conduct, some situations can create conflicts of interest requiring the School to take the employee’s relationship with another employee into account.

An employee should not be in a supervisory role with another employee who is a relative (i.e., sibling, parent, spouse, domestic partner, etc.). Supervisors should avoid situations that result in actual or perceived conflicts of interest with supervised employees and situations of favoritism.

A supervisor should avoid forming special social relationships or dating employees under his or her direct supervision, or with other employees that would create actual or perceived conflicts of interest and situations of favoritism. If such relationship arises, both employees should notify the School so that appropriate measures can be taken to prevent conflicts of interest or favoritism.

The School reserves the right to take appropriate action if employee relationships interfere with the safety, morale or security of the School, or if the relationships create an actual or perceived conflict of interest or favoritism.

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F. Certification and Licensure of Instructional Staff

Each of the School’s core academic teachers are required to hold a current California Commission on Teacher Credentialing certificate, permit or other document equivalent to that which a teacher in other public schools would be required to hold and may be required to meet certain federal requirements related to subject-matter expertise in order to meet federal requirements for “highly qualified teachers.” Paraprofessional staff may also be required to document that they meet federal requirements for paraprofessional staff. It is the responsibility and a condition of continued employment of all instructional staff, including teachers and paraprofessionals to provide, maintain and keep current such certificates, permits or other documentation to **his or her direct supervisor** no later than the close of business on the first day the employee reports for duty. If an instructional staff employee believes that he or she is assigned to teach in a subject in which he or she does not have subject matter competence, the employee should immediately report the same to **his or her direct supervisor**. Staff who are required to meet these state and federal certification, expertise, and related requirements must timely maintain such qualifications as a condition of employment at the School. Failure to maintain the appropriate credential/ certification required of the position may result in disciplinary action, up to and including release from at-will employment.

G. Tuberculosis Testing

All employees of the School, except for employees transferring from other schools, must submit written proof from a physician of a risk assessment examination for tuberculosis (TB) within the last sixty (60) days. If TB risk factors are identified, a physician must conduct an examination to determine whether the employee is free of infectious TB. The examination for TB consist of an approved TB test, which, if positive will be followed by an x-ray of the lungs, or in the absence of skin testing, an x-ray of the lungs.

All employees will be required to undergo TB risk assessments and, if risk factors are found, the examination at least once every four (4) years. Volunteers may be required to undergo a TB examination as necessary.

Food handlers will be required to have annual TB exams. Documentation of employee and volunteer compliance with TB risk assessments and examinations will be kept on file in the office. This requirement also includes contract food handlers, substitute teachers, and student teachers serving under the supervision of an educator. Any entity providing student services to the School will be contractually required to ensure that all contract workers have had TB testing that shows them to be free of active TB prior to conducting work with School students.

Employees transferring from other public or private schools within the State of California must either provide proof of an examination within the previous sixty (60) days or a certification showing that he or she was examined within the past four years and was found to be free of communicable tuberculosis. It is also acceptable practice for the employee’s previous school employer to verify that it has a certificate on file that contains the showing that the employee was examined within the past four years and was found to be free of communicable tuberculosis.

The examination for applicants for employment is a condition of initial employment. Therefore, the expense incident thereto shall be borne by the applicant. The cost of the examination required of existing employees shall be a reimbursable expense. Employees should follow the School’s reimbursement procedures.

The County Health Department may provide skin testing to employees at regular intervals at no cost to the employee. The availability of this testing may be announced by the School.

Compliance with the MPS tuberculosis testing policy is a condition of initial and continuing employment. Failure to comply with this policy

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may result in disciplinary action, up to and including release from at-will employment.

H. Criminal Background Checks

As required by law, all individuals working or volunteering at the School will be required to submit to a criminal background investigation. No condition or activity will be permitted that may compromise the School's commitment that the safety and the well-being of students takes precedence over all other considerations. Conditions that preclude working at the School include conviction of a controlled substance or sex offense, or a serious or violent felony. Additionally, should an employee, during his/her employment with the School, be convicted of a controlled substance or sex offense, or serious or violent felony, the employee must immediately report such a conviction to the Principal.

I. Policy Prohibiting Unlawful Harassment

MPS is committed to providing a work and educational atmosphere that is free of unlawful harassment, discrimination, and retaliation. MPS's policy prohibits unlawful harassment, discrimination, and retaliation based upon: race; color; gender (including gender identity and gender expression); sex (including pregnancy, childbirth, breastfeeding, and related medical conditions); religious creed (including religious dress and grooming practices); marital/registered domestic partner status; age (forty (40) and over); national origin or ancestry (including native language spoken); physical or mental disability (including HIV and AIDS); medical condition (including cancer and genetic characteristics); taking a leave of absence authorized by law; genetic information; sexual orientation; military and veteran status; or any other consideration made unlawful by federal, state, or local laws.

Employees, volunteers, unpaid interns, individuals in apprenticeship programs, and independent contractors shall not be harassed, or discriminated or retaliated against, based upon

the characteristics noted above.

MPS does not condone and will not tolerate unlawful harassment, discrimination, or retaliation on the part of any employee (including supervisors and managers) or third party (including independent contractors or other person with which the School does business). Supervisors and managers are to report any complaints of unlawful harassment to the Principal or designee.

When MPS receives allegations of unlawful harassment, discrimination, or retaliation, the Board (if a complaint is about the Principal) or the Principal or designee will conduct a fair, timely and thorough investigation that provides all parties an appropriate process and reaches reasonable conclusions based on the evidence collected. The investigation will be handled in as confidential a manner as possible, although complete confidentiality cannot be guaranteed. Complainants and witnesses shall not be subject to retaliation for making complaints in good faith or participating in an investigation. MPS is committed to remediating any instances where investigation findings demonstrate unlawful harassment, discrimination, or retaliation has occurred.

Prohibited Unlawful Harassment

- Verbal conduct such as epithets, derogatory jokes or comments or slurs;
- Physical conduct including assault, unwanted touching, intentionally blocking normal movement, or interfering with work because of sex, race or any other protected basis;
- Retaliation for reporting or threatening to report harassment; or
- Disparate treatment based on any of the protected classes above.

Prohibited Unlawful Sexual Harassment

MPS is committed to providing a workplace free of sexual harassment and considers such

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harassment to be a major offense, which may result in disciplinary action, up to, and including dismissal, of the offending employee.

Sexual harassment consists of sexual advances, request for sexual favors and other verbal or physical conduct of a sexual nature, regardless of whether or not the conduct is motivated by sexual desire, when: (1) submission to the conduct is either made explicitly or implicitly a term or condition of an individual's employment; (2) an employment decision is based upon an individual's acceptance or rejection of that conduct; (3) that conduct interferes with an individual's work performance or creates an intimidating, hostile or offensive working environment.

It is also unlawful to retaliate in any way against an employee who has articulated a good faith concern about sexual harassment against him or her or against another individual.

All supervisors of staff will receive sexual harassment, discrimination, and retaliation training within six (6) months of their assumption of a supervisory position and will receive further training once every two (2) years thereafter. Such training will address all legally required topics, including information about the negative effects that abusive conduct has on both the victim of the conduct and others in the workplace, as well as methods to prevent abusive conduct undertaken with malice a reasonable person would find hostile, offensive, and unrelated to an employer's legitimate business interests. Abusive conduct includes but is not limited to repeated infliction of verbal abuse, such as the use of derogatory remarks, insults, and epithets, verbal or physical conduct that a reasonable person would find threatening, intimidating, or humiliating, or the gratuitous sabotage or undermining of a person's work performance. Supervisors shall also be trained on how to appropriately respond when the supervisor becomes aware that an employee is the target of unlawful harassment. Other staff will receive sexual harassment training and/or instruction concerning sexual harassment in the

workplace as required by law.

Each employee has the responsibility to maintain a workplace free from any form of sexual harassment. Consequently, should any individual, in particular those with supervisory responsibilities, become aware of any conduct that may constitute sexual harassment or other prohibited behavior, immediate action should be taken to address such conduct. Any employee who believes they have been sexually harassed or has witnessed sexual harassment is encouraged to immediately report such harassment to the Principal. See **Appendix A** for the "Harassment/Discrimination/Retaliation Complaint Form." See **Appendix B** for the general "Complaint Form."

Sexual harassment may include, but is not limited to:

- Physical assaults of a sexual nature, such as:
 - Rape, sexual battery, molestation or attempts to commit these assaults and
 - Intentional physical conduct that is sexual in nature, such as touching, pinching, patting, grabbing, brushing against another's body, or poking another's body.
- Unwanted sexual advances, propositions or other sexual comments, such as:
 - Sexually oriented gestures, notices, remarks, jokes, or comments about a person's sexuality or sexual experience.
 - Preferential treatment or promises of preferential treatment to an employee for submitting to sexual conduct, including soliciting or attempting to solicit any employee to engage in sexual

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activity for compensation or reward or disparate treatment for rejecting sexual conduct.

- Subjecting or threats of subjecting an employee to unwelcome sexual attention or conduct or intentionally making performance of the employee's job more difficult because of the employee's sex.
- Sexual or discriminatory displays or publications anywhere at the workplace by employees, such as:
 - Displaying pictures, cartoons, posters, calendars, graffiti, objections, promotional materials, reading materials, or other materials that are sexually suggestive, sexually demeaning or pornographic or bringing to work or possessing any such material to read, display or view at work;
 - Reading publicly or otherwise publicizing in the work environment materials that are in any way sexually revealing, sexually suggestive, sexually demeaning or pornographic; and
 - Displaying signs or other materials purporting to segregate an employee by sex in an area of the workplace (other than restrooms or similar rooms).

The illustrations of harassment and sexual harassment above are not to be construed as an all-inclusive list of prohibited acts under this policy. Moreover, please note that while in most situations a personal relationship is a private matter, these relationships are not appropriate in a professional setting, particularly where one of the parties has management or supervisory responsibilities. As such, consensual relationships in the workplace may violate MPS

policy.

J. Staff/Student Interaction Policy

MPS recognizes its responsibility to make and enforce all rules and regulations governing student and employee behavior to bring about the safest and most learning-conducive environment possible.

Corporal Punishment:

Corporal punishment shall not be used as a disciplinary measure against any student. Corporal punishment includes the willful infliction of, or willfully causing the infliction of, physical pain on a student.

For purposes of this policy, corporal punishment does not include an employee's use of force that is reasonable and necessary to protect the employee, students, staff or other persons or to prevent damage to property.

For clarification purposes, the following examples are offered for direction and guidance of School personnel:

Examples of PERMITTED actions (NOT corporal punishment):

- Stopping a student from fighting with another student;
- Preventing a pupil from committing an act of vandalism;
- Defending yourself from physical injury or assault by a student;
- Forcing a pupil to give up a weapon or dangerous object;
- Requiring an athletic team to participate in strenuous physical training activities designed to strengthen or condition team members or improve their coordination, agility, or physical skills;
- Engaging in group calisthenics, team drills, or other physical education or

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voluntary recreational activities.

Examples of PROHIBITED actions (corporal punishment):

- Hitting, shoving, pushing, or physically restraining a student as a means of control;
- Making unruly students do push-ups, run laps, or perform other physical acts that cause pain or discomfort as a form of punishment;
- Paddling, swatting, slapping, grabbing, pinching, kicking, or otherwise causing physical pain.

Acceptable and Unacceptable Staff/Student Behavior:

This policy is intended to guide all School faculty and staff in conducting themselves in a way that reflects the high standards of behavior and professionalism required of school employees and to specify the boundaries between students and staff.

Although this policy gives specific, clear direction, it is each staff member's obligation to avoid situations that could prompt suspicion by parents, students, colleagues, or school leaders. One viable standard that can be quickly applied, when you are unsure if certain conduct is acceptable, is to ask yourself, "Would I be engaged in this conduct if my family or colleagues were standing next to me?"

For the purposes of this policy, the term "boundaries" is defined as acceptable professional behavior by staff members while interacting with a student. Trespassing the boundaries of a student/teacher relationship is deemed an abuse of power and a betrayal of public trust.

Some activities may seem innocent from a staff member's perspective, but can be perceived as flirtation or sexual insinuation from a student or parent point of view. The objective of the

following lists of acceptable and unacceptable behaviors is not to restrain innocent, positive relationships between staff and students, but to prevent relationships that could lead to, or may be perceived as, sexual misconduct.

Staff must understand their own responsibility for ensuring that they do not cross the boundaries as written in this policy. Disagreeing with the wording or intent of the established boundaries will be considered irrelevant for disciplinary purposes. Thus, it is crucial that all employees learn this policy thoroughly and apply the lists of acceptable and unacceptable behaviors to their daily activities. Although sincere, competent interaction with students certainly fosters learning, student/staff interactions must have boundaries surrounding potential activities, locations and intentions.

Duty to Report Suspected Misconduct

When any employee becomes aware of another staff member having crossed the boundaries specified in this policy, he or she must speak to this staff member if the violation appears minor, or report the matter to school administrators. If the observed behavior appears to be a violation of this policy, it is the duty of every staff member to immediately report it to an administrator. All reports shall be as confidential as possible under the circumstances. It is the duty of the administrator to investigate and thoroughly report the situation. Employees must also report to the administration any awareness or concern of student behavior that crosses boundaries or where a student appears to be at risk for sexual abuse.

Unacceptable Staff/Student Behaviors (Violations of this Policy):

- Giving gifts to an individual student that are of a personal and intimate nature;
- Kissing of any kind;
- Any type of unnecessary physical contact with a student in a private situation;

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- Intentionally being alone with a student away from the school;
- Making or participating in sexually inappropriate comments;
- Sexual jokes;
- Seeking emotional involvement with a student for your benefit;
- Listening to or telling stories that are sexually oriented;
- Discussing inappropriate personal troubles or intimate issues with a student in an attempt to gain their support and understanding;
- Becoming involved with a student so that a reasonable person may suspect inappropriate behavior.

Unacceptable Staff/Student Behaviors without Parent and Supervisor Permission:

(These behaviors should only be exercised when a staff member has parent and supervisor permission.)

- Giving students a ride to/from school or school activities;
- Being alone in a room with a student at school with the door closed;
- Allowing students in your home.

Cautionary Staff/Student Behaviors:

(These behaviors should only be exercised when a reasonable and prudent person, acting as an educator, is prevented from using a better practice or behavior. Staff members should inform their supervisor of the circumstance and occurrence prior to or immediately after the occurrence)

- Remarks about the physical attributes or development of anyone;

- Excessive attention toward a particular student;
- Sending emails, text messages or letters to students if the content is not about school activities.

Acceptable and Recommended Staff/Student Behaviors:

- Getting parents' written consent for any after-school activity;
- Obtaining formal approval to take students off school property for activities such as field trips or competitions;
- E-mails, text, phone and instant messages to students must be very professional and pertaining to school activities or classes (Communication should be limited to school technology);
- Keeping the door open when alone with a student;
- Keeping reasonable space between you and your students;
- Stopping and correcting students if they cross your own personal boundaries;
- Keeping parents informed when a significant issue develops about a student;
- Keeping after-class discussions with a student professional and brief;
- Asking for advice from fellow staff or administrators if you find yourself in a difficult situation related to boundaries;
- Involving your supervisor if conflict arises with the student;
- Informing the Executive Director about situations that have the potential to become more severe;

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- Making detailed notes about an incident that could evolve into a more serious situation later;
- Recognizing the responsibility to stop unacceptable behavior of students or coworkers;
- Asking another staff member to be present if you will be alone with any type of special needs student;
- Asking another staff member to be present when you must be alone with a student after regular school hours;
- Giving students praise and recognition without touching them;
- Pats on the back, high fives and handshakes are acceptable;
- Keeping your professional conduct a high priority;
- Asking yourself if your actions are worth your job and career.

K. Child Neglect and Abuse Reporting

Any employee who knows or reasonably suspects a child has been the victim of child abuse shall report the instance to Child Protective Services. Child abuse is broadly defined as “a physical injury that is inflicted by other than accidental means on a child by another person.” School employees are required to report instances of child abuse when the employee has a “reasonable suspicion” that child abuse or neglect has occurred. Reasonable suspicion arises when the facts surrounding the incident or suspicion could cause a reasonable person in a like position to suspect child abuse or neglect.

Child abuse should be reported immediately by phone to Child Protective Services. The phone call is to be followed by a written report prepared by the employee within thirty-six (36) hours,

which may be sent by fax or electronically. There is no duty for the reporter to contact the child’s parents.

Reporting the information regarding a case of possible child abuse or neglect to your supervisor, the School principal, a School counselor, coworker or other person shall not be a substitute for making a mandated report to Child Protective Services.

MPS will provide annual training on the mandated reporting requirements, using the online training module provided by the State Department of Social Services, to employees who are mandated reporters. Mandated reporter training will also be provided to employees hired during the course of the school year. This training will include information that failure to report an incident of known or reasonably suspected child abuse or neglect, as required by Penal Code section 11166, is a misdemeanor punishable by up to six (6) months confinement in a county jail, or by a fine of one-thousand dollars (\$1,000), or by both that imprisonment and fine.

All employees required to receive mandated reporter training must provide proof of completing the training within the first six (6) weeks of each school year or within the first six (6) weeks of that employee’s employment.

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III. General Workplace Policies

A. Workplace Violence

The School takes the safety and security of its employees seriously. The School does not tolerate acts or threats of physical violence, including but not limited to intimidation, harassment and/or coercion, that involve or affect the School or that occur, or are likely to occur, on School property. You should report any act or threat of violence immediately to the **Principal (or MERF Human Resources)**.

B. Open Door Policy

The School wishes to provide the most positive and productive work environment possible. To that end, it has an open door policy where it welcomes your questions, suggestions or complaints relating to your job, conditions of employment, the School or the treatment you are receiving. Other than in situations involving harassment (as outlined and described above), please contact the **Principal (or MERF Human Resources for MERF employees)** with your questions or concerns. If the situation is not resolved to your satisfaction, please contact **MERF Human Resources**, preferably in writing, who will further investigate the issue.

C. Drug-Free Workplace

MPS is committed to providing a drug and alcohol free workplace and to promoting safety in the workplace, employee health and well-being, customer confidence and a work environment that is conducive to attaining high work standards. The use of drugs and alcohol by employees, whether on or off the job, jeopardizes these goals, since it adversely affects health and safety, security, productivity, and public confidence and trust. Drug or alcohol use in the workplace or during the performance of job duties is extremely harmful to workers and to other MPS stakeholders.

The bringing to the work place, possession or use of intoxicating beverages or drugs on any School premises or during the performance of work duties is prohibited and will result in disciplinary action up to and including termination.

D. Smoking

All School buildings and facilities are non-smoking facilities.

E. Health, Safety and Security Policies

The School is committed to providing and maintaining a healthy and safe work environment for all employees. Accordingly, the School has instituted an Injury and Illness Prevention Program designed to protect the health and safety of all personnel. Every employee will receive a copy of the Injury and Illness Prevention Program, which is kept by the **Principal** and is available for your review.

You are required to know and comply with the School's general safety rules and to follow safe and healthy work practices at all times. You are required to immediately report to your supervisor any potential health or safety hazards and all injuries or accidents.

In compliance with Proposition 65, the School will inform all employees of any known exposure to a chemical known to cause cancer or reproductive toxicity.

F. Security Protocols

MPS has developed guidelines to help maintain a secure workplace. Be aware of unknown persons loitering in parking areas, walkways, entrances and exits and service areas. Report any suspicious persons or activities to the **Principal (or MERF Human Resources for MERF employees)**. Employee desk or office should be secured at the end of the day. When an employee is called away from his or her work area for an extended length of time, valuable or personal articles should not be left around a work

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Deleted: It is the School's policy to maintain a drug and alcohol-free workplace. No employee may use, possess, offer for sale or be under the influence of any illegal drugs or alcohol during working hours, including lunch and break periods, in the presence of pupils or on School property at any time. - ... [20]

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station that may be accessible. The security of facilities as well as the welfare of employees depends upon the alertness and sensitivity of every individual to potential security risks. Employees should immediately notify the Principal (or MERF Human Resources for MERF employees) when keys are missing or if security access codes or passes have been breached.

G. Occupational Safety

MPS is committed to the safety of its employees, vendors, contractors and the public and to providing a clear safety goal for management.

The prevention of accidents is the responsibility of every School supervisor. It is also the duty of all employees to accept and promote the established safety regulations and procedures. Every effort will be made to provide adequate safety training. If an employee is ever in doubt how to perform a job or task safely, assistance should be requested. Unsafe conditions must be reported immediately.

It is the policy of the School that accident prevention shall be considered of primary importance in all phases of operation and administration. MPS' management is required to provide safe and healthy working conditions for all employees and to establish and require the use of safe practices at all times.

Failure to comply with or enforce School safety and health rules, practices and procedures could result in disciplinary action up to and including possible termination.

H. Accident/Incident Reporting

It is the duty of every employee to immediately or as soon as is practical report any accident or injury occurring during work or on School premises so that arrangements can be made for medical or first aid treatment, as well as for investigation and follow-up purposes.

I. Reporting Fires and Emergencies

It is the duty of every employee to know how to report fires and other emergencies quickly and accurately. Employees should report any such emergency by calling management. In addition, all employees should know the local emergency numbers such as 911.

J. School Property Inspections

The School is committed to providing a work environment that is safe and free of illegal drugs, alcohol, firearms, explosives and other improper materials. Additionally, the School provides property and facilities to its employees to carry out business on behalf of the School. Accordingly, employees do not have a reasonable expectation of privacy when using any School property or facilities. In accordance with these policies, all School facilities and property, including all items contained therein, may be inspected by the School at any time, with or without prior notice to the employee. School property includes all desks, storage areas, work stations, lockers, file cabinets, computers, telephone systems, email systems and other storage devices.

The School also reserves the right to inspect any vehicle, its trunk, glove compartment or any container therein that is parked on the School property or premises. The School reserves the right to deny entry to any person who refuses to cooperate with any inspections by the School. Any employee who fails to cooperate with inspections may be subject to disciplinary action, up to and including dismissal.

K. Soliciting/Conducting Personal Business While on Duty

Employees are not permitted to conduct personal business or solicit personal business for any cause or organization while on-duty, or when the employee being solicited is supposed to be working. This prohibition includes distributing literature and other material. Distribution of

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materials is also against the School’s policy if it interferes with access to facility premises, if it results in litter or is conducted in areas where other employees are working. Solicitation during non-work time, e.g., paid breaks, lunch periods or other such non-work periods, is permissible. Entry on the School premises by non-employees is not permitted, unless related to official School business. Solicitation or distribution of written materials by non-employees is strictly prohibited.

L. **Use of School Communication Equipment and Technology**

All School owned communications equipment and technology, including computers, electronic mail systems, voicemail systems, internet access, software, telephone systems, document transmission systems and handheld data processing systems remain the property of the School and are provided to the employee to carry out business on behalf of the School, unless previously authorized for non-business use. Employees have no expectation of privacy in any communications made using School owned equipment and technology. Communications (including any attached message or data) made using School owned communications equipment and technology are subject to review, inspection and monitoring by the School.

Additionally, the School uses technology protection measures that protect against Internet access (by both minors and adults) to visual depictions that are obscene, child pornography and/or with respect to use by minors, images harmful to minors. These measures may include, but are not limited to, installing a blocking system to block specific internet sites, setting Internet browsers to block access to adult sites, using a filtering system that will filter all Internet traffic and report potential instances of misuse and using a spam filter.

Passwords used in connection with the School’s communications equipment and technology are intended to restrict unauthorized use only, not to restrict access of authorized School employees.

Therefore, employees are required to provide to **the I.T. Manager** all passwords used in connection with the School’s communications equipment and technology any time the employee’s passwords are created or change. In addition, employees are required to safeguard their passwords to limit unauthorized use of computers by minors in accordance with the Student Internet Use Policy and Agreement. Employees that do not safeguard their passwords from unauthorized student use, or that allow a student to access computers in violation of the Student Internet Use Policy and Agreement, will be subject to discipline, up to and including termination.

Internet use is for business purposes only. All employees using the internet through the School’s communications equipment and technology must respect all copyright laws. Employees are not permitted to copy, retrieve, modify or forward copyrighted materials unless authorized by law or with express written permission of the owner of the copyright. Employees are not permitted to use the School’s communications equipment and technology to view visual images that are obscene, child pornography and/or images harmful to minors.

The e-mail system and internet access is not to be used in any way that may be disruptive, harassing or offensive to others, illegal or harmful to morale. For example, sexually explicit images, ethnic slurs, racial epithets or anything else that may be construed as harassment or disparagement of others based on their race, national origin, gender, sexual orientation, age, religious beliefs or political beliefs may not be displayed or transmitted. The e-mail system and internet access is not to be used in any manner that is against the policies of the School, contrary to the best interest of the School or for personal gain or profit of the employee against the interests of the School. Employees must not use the School’s communications equipment and technology for the unauthorized disclosure, use and dissemination of personal information regarding students.

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M. Social Media

If an employee decides to keep a personal blog that discusses any aspect of his/her workplace activities, the following restrictions apply:

- School equipment, including its computers and electronics systems, may not be used for these purposes;
- Student and employee confidentiality policies must be adhered to;
- Employees must make clear that the views expressed in their blogs are their own and not those of the School;
- Employees may not use the School's logos, trademarks and/or copyrighted material and are not authorized to speak on the School's behalf;
- Employees are not authorized to publish any confidential information maintained by the School;
- Employees are prohibited from making discriminatory, defamatory, libelous or slanderous comments when discussing the School, the employee's supervisors, co-workers and competitors;
- Employees must comply with all School policies, including, but not limited to, rules against sexual harassment and retaliation.

The School reserves the right to take disciplinary action against any employee whose blog violates this or other School policies.

N. Participation in Recreational or Social Activities

Employees may participate in activities sponsored by or supported by the School. Participation in such activities is strictly voluntary. As such, employees have no obligation to participate in recreational or social activities and no employee has work-related

duties requiring such participation. An employee's participation in social and recreational activities is at the employee's own risk and the School disclaims any and all liability arising out of the employee's participation in these activities.

O. Personnel Files and Record Keeping Protocols

At the time of your employment, a personnel file is established for you. Please keep **the Principal (or MERF Human Resources for MERF employees)** advised of changes that should be reflected in your personnel file. Such changes include: change in name, address, telephone number, marital status, number of dependents and person(s) to notify in case of emergency. Prompt notification of these changes is essential and will enable the School to contact you should the change affect your other records.

You have the right to inspect certain documents in your personnel file, as provided by law, in the presence of a School representative, at a mutually convenient time. You also have the right to obtain a copy of your personnel file as provided by law. You may add your comments to any disputed item in the file. MPS will restrict disclosure of your personnel file to authorized individuals within the School. A request for information contained in the personnel file must be directed to **the Principal (or MERF Human Resources for MERF employees)**. Only **the Principal and MERF Human Resources** or designee is authorized to release information about current or former employees. Disclosure of information to outside sources will be limited. However, the School will cooperate with requests from authorized law enforcement or local, state or federal agencies conducting official investigations or as otherwise legally required. Credible complaints of substantiated investigations into or discipline for egregious misconduct will not be expunged from an employee's personnel file unless the complaint is heard by an arbitrator, administrative law judge, or the Board and the complaint is deemed to be false, not credible.

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unsubstantiated or a determination was made that discipline was not warranted.

P. Intellectual Property Rights

Any intellectual property, such as trademarks, copyrights and patents, and any work created by an employee in the course of employment at the School shall be the property of the School and the employee is deemed to have waived all rights in favor of the School. Work, for the purpose of this policy refers to written, creative or media work. All source material used in presentation or written documents must be acknowledged.

Q. Media Contacts

All media inquiries regarding the School and its operations must be referred to the CEO. Only the CEO is authorized to make or approve public statements pertaining to the School or its operations. No employee, unless specifically designated by the CEO, is authorized to make statements to the media on behalf of the School. Any employee who would like to write and/or publish an article, paper, or other publication on behalf of the School must obtain approval from the CEO before publication.

R. Whistleblower Policy

MPS requires its directors, officers, employees, and volunteers to observe high standards of ethics in the conduct of their duties and responsibilities within the School. As representatives of the School, such individuals must practice honesty and integrity in fulfilling all responsibilities and must comply with all applicable laws and regulations. The purpose of this policy is to create an ethical and open work environment, to ensure that the School has a governance and accountability structure that supports its mission, and to encourage and enable directors, officers, employees, and volunteers of the School to raise serious concerns about the occurrence of illegal or unethical actions within the School before turning to outside parties for resolution.

All directors, officers, employees, and volunteers of the School have a responsibility to report any action or suspected action taken within the School that is illegal, unethical or violates any adopted policy of the School, or local rule or regulation. Anyone reporting a violation must act in good faith, without malice to the School or any individual at the School and have reasonable grounds for believing that the information shared in the report indicates that a violation has occurred. A person who makes a report does not have to prove that a violation has occurred. However, any report which the reporter has made maliciously or any report which the reporter has good reason to believe is false will be viewed as a serious disciplinary offense. No one who in good faith reports a violation, or who, in good faith, cooperates in the investigation of a violation shall suffer harassment, retaliation, or adverse employment action. Further, no one who in good faith discloses, who may disclose, or who the School believes disclosed or may disclose, information regarding alleged violations to a person with authority over the employee or another employee who had responsibility for investigating, discovering or correcting the purported violation shall suffer harassment, retaliation, or adverse employment action.

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IV. Hours of Work, Overtime and Attendance

A. Work Hours and Schedules

The School’s normal working hours are from **7:30 a.m. to 4:00 p.m.***, Monday through Friday. The work schedule for full-time non-exempt employees is normally forty (40) hours per week. Your supervisor will assign your work schedule. Typical working hours for full-time employees are as follows.*

Regular working hours	
<i>School Level: Full-time office staff</i>	7:30 a.m. – 4:00 p.m. (Included: meal break for thirty (30) minutes and two ten-minute breaks)
<i>School Level: All other full-time employees</i>	7:45 a.m. – 4:00 p.m. (Included: meal break for thirty (30) minutes and two ten-minute breaks)
<i>CMO Level: All full-time MERF employees</i>	8:30 a.m. – 5:00 p.m. (Included: meal break for thirty (30) minutes and two ten-minute breaks)
Summer working hours	
between the school year end date and the new school year in-service start date	
<i>School Level: All full-time employees</i>	9:00 a.m. – 2:00 p.m. (Included: two ten-minute breaks)
<i>CMO Level: All full-time MERF employees</i>	9:00 a.m. – 3:00 p.m. (Included: meal break for thirty (30) minutes and two ten-minute breaks)

* The exact working hours will be indicated in each individual’s employment agreement and may vary from one School site to another.

Employees may be required to work beyond the regularly scheduled workday or workweek as necessary:

- Employees may have to work hours beyond their normal schedules as work demands require.
- Employees are expected to attend weekly staff meetings and other mandatory training and meetings. Please see section L for additional information on “Mandatory Training and Meetings.”
- Full-time teaching staff may be required to supplement regular curricular activities through after school programs, including tutoring and clubs. Each full-time teaching staff is expected to offer at least two after school programs per week.
- As directed by the **Principal**, employees may be required to conduct home visits to develop a positive school-home relationship that supports student achievement.
- As directed by the **Principal**, employees may also be required to attend school events and activities, including but not limited to, parent conferences, student/parent orientation, back-to-school nights, parent/community meetings, and any other school events and activities that occur during or outside of normal school day.
- Employees are expected to perform other duties as requested by their **direct supervisor**.

B. Overtime

Whether an employee is exempt from or subject to overtime pay will be determined on a case-by-case basis and will be indicated in the employee’s job description. Generally, teachers and administrators are exempt. Non-exempt employees may be required to work beyond the regularly scheduled workday or workweek as

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necessary. Only actual hours worked in a given workday or workweek can apply in calculating overtime for non-exempt employees. MPS will attempt to distribute overtime evenly and accommodate individual schedules. All overtime work must be previously authorized by **the Principal (or MERF Human Resources for MERF employees.)** MPS provides compensation for all overtime hours worked by non-exempt employees in accordance with state and federal law as follows:

For employees subject to overtime, all hours worked in excess of eight (8) hours in one workday or forty (40) hours in one workweek shall be treated as overtime. Compensation for hours in excess of forty (40) for the workweek or in excess of eight (8) and not more than twelve (12) for the workday, and for the first eight (8) hours on the seventh consecutive day in one workweek, shall be paid at a rate of one and one-half times the employee's regular rate of pay. Compensation for hours in excess of twelve (12) in one workday and an excess of eight (8) on the seventh consecutive workday of the workweek shall be paid at double the regular rate of pay.

Exempt employees may have to work hours beyond their normal schedules as work demands require. No overtime compensation will be paid to these exempt employees.

C. Make Up Time

You may request in writing that you be able to make up work time that is or would be lost as a result of a personal obligation. The hours of that make up work may only be performed in the same workweek in which the work time was lost and must not exceed eleven (11) hours of work in one day or forty (40) hours of work in one week. You shall provide a signed written request for each occasion that you make a request to make up work time and authorization is at the option of the School. Make up time is not encouraged.

EMPLOYEE HANDBOOK

D. Wage Attachments and Garnishments

Under normal circumstances, the School will not assist creditors in the collection of personal debts from its employees. However, creditors may resort to certain legal procedures such as garnishments, levies or judgments that require the School, by law, to withhold part of an employee's earnings in their favor.

Employees are strongly encouraged to avoid such wage attachments and garnishments. If the School is presented a second garnishment request concerning an employee, **the Principal (or MERF Human Resources for MERF employees)** will discuss the situation with the employee.

E. Work Breaks

School employees are allowed one (1) **thirty (30)-minute** unpaid meal break each work day where the employee works more than five (5) hours in a day. Employees are not allowed to work more than five (5) hours without taking a meal break, unless the employee does not work more than six (6) hours in a day and the employee voluntarily waives the meal break in writing.

Employees must take two (2) ten (10)-minute paid break periods for each full workday, as close as practicable to the mid-point of any continuous four (4) hour work period. Employees should contact **the Principal (or MERF Human Resources for MERF employees)** to schedule their meal and break periods.

Employees are expected to observe assigned working hours and the time allowed for meal and rest periods. Employees may not leave the premises during rest periods but may leave the premises during the meal period.

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F. Lactation Accommodation

MPS accommodates lactating employees by providing a reasonable amount of break time to any employee who desires to express breast milk for an infant child. The break time shall, if possible, run concurrently with any break time already provided to the employee. Any break time provided to express breast milk that does not run concurrently with break time already provided to the non-exempt employee shall be unpaid.

MPS will make reasonable efforts to provide employees who need a lactation accommodation with the use of a room or other private location that is located close to the employee's work area. Employees with private offices will be required to use their offices to express breast milk. Employees who desire lactation accommodations should contact their supervisor to request accommodations.

G. Pay Days

For **all employees**, payday is scheduled on the 15th and the last day of the month. For full-time employees, the School pays in twelve (12) equal monthly payments. Each paycheck will include earnings for all reported work performed through the end of the payroll period. In the event that a regularly scheduled payday falls on a weekend or holiday, employees will receive their pay on the next day of work after the day(s) off.

You should promptly notify **the Principal (or MERF Human Resources for MERF employees)** if you have a question regarding the calculations of your paycheck; any corrections will be noted and will appear on the following payroll.

H. Payroll Withholdings

As required by law, the School shall withhold Federal Income Tax, State Income Tax, Social Security (FICA) and State Disability Insurance from each employee's pay as follows:

Federal Income Tax Withholding: The amount varies with the number of exemptions the employee claims and the gross pay amount.

State Income Tax Withholding: The amount varies with the number of exemptions the employee claims and the gross pay amount.

Social Security (FICA): The Federal Insurance Contribution Act requires that a certain percentage of employee earnings be deducted and forwarded to the federal government, together with an equal amount contributed by the School.

State Disability Insurance (SDI): This state fund is used to provide benefits to those out of work because of illness or disability.

Every deduction from your paycheck is explained on your check voucher. If you do not understand the deductions, ask the **MERF Human Resources** to explain them to you.

You may change the number of withholding allowances you wish to claim for Federal Income Tax purposes at any time by filling out a new W-4 form and submitting it to **the Principal (or MERF Human Resources for MERF employees)**. The School's business office maintains a supply of these forms.

All Federal, State and Social Security taxes will be automatically deducted from paychecks. The Federal Withholding Tax deduction is determined by the employee's W-4 form, which should be completed upon hire. It is the employee's responsibility to report any changes in filing status to **the Principal (or MERF Human Resources for MERF employees)**. It is also the employee's responsibility to fill out a new W-4 form if his/her filing status changes.

At the end of the calendar year, a "withholding statement" (W-2) will be prepared and forwarded to each employee for use in connection with preparation of income tax returns. The W-2 shows Social Security information, taxes withheld and total wages.

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The School offers programs and benefits beyond those required by law. Employees who wish to participate in these programs may voluntarily authorize deductions from their paychecks.

I. Salary Compensation for Partial Pay Period

Salary payments to employees who are employed for less than a full pay period because of leave without pay, separation from employment for any reason, or employment at dates other than the beginning or the end of the pay period are computed on the basis of actual working days in the month. For this purpose, working days are considered to be forty (40) hours Monday through Friday unless otherwise specified.

For teaching staff, the actual working days start on the first day of summer teacher in-service and end on the last day of school or on the end-of-year school wrap-up day, whichever is later.

J. Pay Rate Schedule

Pay is primarily determined by the work classification, employee qualifications, years of service, and individual performance. The School uses a Board approved employee pay raise scale to determine salaries for **full-time employees**. Please refer to the scale for details.

Full-time teaching staff will be compensated for covering absent colleagues at the rate of \$25 per regular course period and \$15 per half-course period, e.g., SSR or Advisory, unless indicated differently on the individual's employment agreement.

K. Attendance Policy

Employees are expected to adhere to regular attendance and to be punctual. If you find it necessary to be absent or late, you are expected to arrange it in advance with **your direct supervisor**. If it is not possible to arrange your absence or tardiness in advance, you must notify **your direct supervisor** no later than one-half hour before the start of your workday. If you are

a teacher, you are also responsible to have a substitute folder for use when you are absent from school. If you are absent from work longer than one day, you are expected to keep **your direct supervisor** sufficiently informed of your situation.

Excessive absenteeism and tardiness will not be tolerated and will lead to disciplinary action, up to and including termination. An absence or tardiness without notification to **your direct supervisor** will lead to disciplinary action, up to and including termination.

If you fail to come to work for three (3) consecutive work days without authorization, the School will presume that you have voluntarily terminated your position with the School at the close of business of the third missed day.

L. Time/Cards/Records

By law, MPS is obligated to keep accurate records of the time worked by non-exempt employees. Such employees shall be required to utilize the School's time card system.

Non-exempt employees must accurately clock in and out of their shifts as this is the only way the payroll department knows how many hours each employee has worked and how much each employee is owed. The time card indicates when the employee arrived and when the employee departed. All non-exempt employees must clock in and out for arrival and departure, along with lunch and for absences like doctor or dentist appointments. All employees are required to keep the office advised of their departures from and returns to the school premises during the workday.

Non-exempt employees are solely responsible for ensuring accurate information on their time cards and remembering to record time worked. If an employee forgets to mark their time card or makes an error on the time card, the employee must contact the Principal to make the correction and such correction must be initialed by both the employee and the Principal.

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No one may record hours worked on another's worksheet. Any employee who tampers with his/her own time card, or another employee's time card, may be subjected to disciplinary action, up to and including release from at-will employment with the School.

M. Mandatory Training and Meetings

Employees may be required to attend trainings, lectures and meetings outside of regular working hours. All teaching staff and school administrators are required to attend summer in-services, weekly staff meetings, and other mandatory training and meetings as directed by the **Principal**.

The School will pay non-exempt employees for attendance at mandatory trainings, lectures and meetings outside of regular working hours.

All mandatory trainings, lectures and meetings will be identified as such. The School will not pay non-exempt employees for attendance at voluntary trainings. If you are unsure about the characterization of an offered training, lecture or meeting, please contact **your direct supervisor** before attending.

All non-exempt employees must accurately reflect attendance at all mandatory trainings, lectures and meetings outside of regular working hours on their time records.

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V. Standards of Conduct

A. Personal Appearance/Standards of Dress

MPS employees serve as role models to the School's students. All employees should therefore maintain professional standards of dress and grooming. Just as overall attitude and instructional competency contribute to a productive learning environment, so do appropriate dress and grooming.

Employees are encouraged to wear clothing that will add dignity to the educational profession, will present an image consistent with their job responsibilities, and will not interfere with the learning process. Accordingly, all employees shall adhere to the following standards of dress:

- 1) Clothing and jewelry must be safe and appropriate to the educational environment. All clothing must be clean and in good repair. Slits or tears in pants or other articles of clothing are not permitted except for modest slits in women's dresses or skirts that are no higher than three (3) inches above the knee.
- 2) Head coverings, including hats of any kind, except those worn for religious or safety reasons, are not to be worn inside school buildings including assemblies, classrooms, labs and offices. Hats may be worn outside for sun protection (Cal. Ed. Code § 35183.5). All hats are to be removed upon entering school buildings. For exceptions to this policy, prior approval must be granted by the Principal.
- 3) Slacks and shorts are to be worn on the waist with no portion of an undergarment showing. Jeans are not permitted. Shorts should be modest in length and should be no higher than three (3) inches above the knee.

- 4) Skirts and dresses should be no higher than three (3) inches above the knee.
- 5) All tops must be appropriate to the work environment, and should be clean, neat, and provide proper coverage.
- 6) For safety purposes, earrings must not dangle more than one (1) inch below the ear.
- 7) Clothing or jewelry with logos that depict and/or promote gangs (as defined in Cal. Ed. Code § 35183), drugs, alcohol, tobacco, sex, violence, illegal activities, profanity, or obscenity are not permitted.
- 8) Appropriate shoes must be worn at all times.
- 9) Employees may not display tattoos on their bodies. If an employee has a tattoo that is visible, it is the employee's responsibility to ensure that it is not visible during working hours.

Your direct supervisor will inform you of any specific dress requirements for your position.

B. Prohibited Conduct

The School expects that all employees will conduct themselves in a professional and courteous manner while on duty. Employees engaging in misconduct will be subject to disciplinary action up to and including termination of employment. The following is a list of conduct that is prohibited by the School. This list is not exhaustive and is intended only to provide you with examples of the type of conduct that will not be tolerated by the School. The specification of this list of conduct in no way alters the employment relationship the employee has with the School.

Deleted: Employees are expected to wear clothes that are neat, clean and professional while on duty. Employees are expected to appear well groomed and appear within professionally accepted standards suitable for the employee's position, and must at all times wear shoes. Your **direct supervisor** will inform you of any specific dress requirements for your position. Employees may not display tattoos on their bodies. If an employee has a tattoo that is visible, it is the employee's responsibility to ensure that it is not visible during working hours.

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- Insubordination - refusing to perform a task or duty assigned or act in accordance with instructions provided by an employee's manager or proper authority;
- Inefficiency - including deliberate restriction of output, carelessness or unnecessary wastes of time or material, neglect of job, duties or responsibilities;
- Unacceptable job performance;
- Release of confidential information without authorization;
- Unexcused/unreported absence and/or lack of punctuality;
- Abuse of sick leave;
- Working unauthorized overtime or refusing to work assigned overtime;
- Misuse of School property or funds;
- Unauthorized use of School equipment, materials, time or property;
- Damaging, defacing, unauthorized removal, destruction or theft of another employee's property or of School property.
- Failure to keep a required license, certification or permit current and in good standing;
- Horseplay;
- Sleeping or malingering on the job;
- Refusal to speak to supervisor or other employees;
- Conducting personal business during business hours and/or unauthorized use of telephone lines for personal calls;
- Posting any notices on School premises without prior written approval of management unless posting is on a

School bulletin board designated for employee postings;

- Unauthorized soliciting, collecting of contributions, distribution of literature, written or printed matter, is strictly prohibited on School property by non-employees and by employees. This rule does not cover periods of time when employees are off their jobs such as lunch periods and break times. However, employees properly off their jobs are prohibited from such activity with other employees who are performing their work tasks;
- Failure to comply with the School's safety procedures;
- Failure to report a job-related accident to the employee's manager or failure to take or follow prescribed tests, procedures or treatment;
- Immoral or indecent conduct;
- Fighting or instigating a fight on School premises;
- Gambling on school premises;
- Use of profane, abuse or threatening language in conversations with other employees and/or intimidating or interfering with other employees;
- Possession of or reporting to work while under the influence of alcohol or illegal drugs and controlled substances;
- Dishonesty;
- Falsification, fraud or omission of pertinent information when applying for a position;
- Recording the work time of any other employee, or allowing any other employee to record time on your time record or falsifying any time record;

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- Theft or embezzlement;
- Willful destruction of property;
- Conviction of a felony or conviction of a misdemeanor making the employee unfit for the position;
- Possession of firearms, or any other dangerous weapon, while acting within the course of School of your employment with the School;
- Violation of the discrimination, harassment or retaliation policy;
- Engaging in sabotage or espionage (industrial or otherwise);
- Any willful act that endangers the safety, health or wellbeing of another individual;
- Any act of sufficient magnitude to cause disruption of work or gross discredit to the school;
- Failure to follow any known policy or procedure of the School or gross negligence that results in a loss to the School;
- Violations of federal, state or local laws affecting the organization or your employment with the organization; and
- Failure to possess or maintain the credential/certificate required of the position.

C. Off-Duty Conduct

While the School does not seek to interfere with the off-duty and personal conduct of its employees, certain types of off-duty conduct may interfere with the School legitimate business interests. For this reason, employees are expected to conduct their personal affairs in a manner that does not adversely affect the School or its own integrity, reputation, or credibility. Illegal or immoral off-duty conduct by an

employee that adversely affects the School's legitimate business interests or the employee's ability to perform his or her work will not be tolerated.

While employed by the School, employees are expected to devote their energies to their jobs with the School. For this reason, second jobs are strongly discouraged. The following types of additional employment elsewhere are strictly prohibited:

- Additional employment that conflicts with an employee's work schedule, duties, and responsibilities at our School;
- Additional employment that creates a conflict of interest or is incompatible with the employee's position with our School;
- Additional employment that impairs or has a detrimental effect on the employee's work performance with our School;
- Additional employment that requires the employee to conduct work or related activities on the School's property during the employer's working hours or using our School's facilities and/or equipment; and;
- Additional employment that directly or indirectly competes with the business or the interests of our School.

Employees who wish to engage in additional employment that may create a real or apparent conflict of interest must submit a written request to the School explaining the details of the additional employment. If the additional employment is authorized, the School assumes no responsibility for it. MPS shall not provide workers' compensation coverage or any other benefit for injuries occurring from or arising out of additional employment. Authorization to engage in additional employment can be revoked at any time.

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D. Confidential Information

All information relating to students, including schools attended, addresses, contact numbers and progress information is confidential in nature, and may not be shared with or distributed to unauthorized parties. All records concerning special education pupils shall be kept strictly confidential and maintained in separate files.

E. Conflict of Interest

All employees must avoid situations involving actual or potential conflict of interest. An employee involved in any relationships or situations that he or she believes may constitute a conflict of interest, should immediately and fully disclose the relevant circumstances to his or her immediate supervisor, or any other appropriate supervisor, for a determination about whether a potential or actual conflict exists. If an actual or potential conflict is determined, the School may take whatever corrective action appears appropriate according to the circumstances. Failure to disclose facts related to a potential or actual conflict of interest shall constitute grounds for disciplinary action.

F. Expense Reimbursements

The School may reimburse employees for certain reasonably necessary expenses incurred in the furtherance of School business, including, but not limited to, fingerprint processing fees, TB test fees, First Aid & CPR fees, fees of exams that lead to professional certification (CSET, CTEL, CLAD, CSPACE, etc.) and other approved School business and profession related expenses. Credential fees, university entrance exam fees, US Constitution exam fees, and fees for basic skills tests such as CBEST, RICA, etc., are not reimbursable. Please refer to the MPS Tuition Reimbursement policy for professional development opportunities and certification programs reimbursed by the School.

In order to be eligible for reimbursement, employees must follow the protocol set forth in the School’s policy regarding expenditures, a

copy of which may be obtained from the **Principal (or MERF Human Resources for MERF employees)**. In general, all expenses must have been previously approved **in CoolSIS by the Principal (or the CEO (or designee) for MERF employees)**. All reimbursement forms must be complete and submitted **in CoolSIS**.

VI. Employee Benefits

A. Holidays and Vacation

1. Legal Holidays

All **full-time** employees will receive the following paid legal holidays in 2015-16:

<u>Legal Holidays</u>	<u>Dates</u>
Labor Day	September 7, 2016
Veterans Day	November 11, 2016
Thanksgiving Day*	November 26, 2015
Christmas Day**	December 25, 2015
New Year’s Day**	January 1, 2016
M. L. King Day	January 18, 2016
Presidents’ Day	February 15, 2016
Cesar Chavez Day	March 31, 2016
Memorial Day	May 30, 2016
Independence Day	July 4, 2017

* Falls during Thanksgiving Break
 ** Falls during Winter Break

2. School Breaks

All **full-time** employees will receive the following paid school breaks in 2015-16:

- Thanksgiving Break (including the Thanksgiving Day)

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- Winter Break
(including the Christmas Day and New Year's Day)
- Spring Break

Typically, **full-time teaching staff** will have five (5) days of Thanksgiving break, fifteen (15) days of winter break, and five (5) days of spring break. **School administrators, school classified employees, and MERF employees** will have three (3) days of Thanksgiving break, three (3) days of spring break, and eleven (11) days of winter break.

Full-time **education specialists** and **college advisors** at the school sites will be treated as teaching staff for the purpose of holidays and vacation. If you have any questions about your classification, please consult with **MERF Human Resources**.

<u>School Breaks</u>	<u>Dates</u>
Full-time teaching staff:	
Thanksgiving Break	November 23-27, 2015
Winter Break	December 18, 2015 – January 08, 2016
Spring Break	March 21, 2015 – March 25, 2015
School administrators, school classified employees, and MERF employees:	
Thanksgiving Break	November 25-27, 2014
Winter Break	December 23, 2015 – January 08, 2016
Spring Break	March 23-25, 2015

If a school site has a different schedule of breaks and/or additional breaks other than those listed above, such as Fall break, Presidents' week, etc.,

EMPLOYEE HANDBOOK

the general rule of thumb is that full-time teaching staff will take the whole break off in the school calendar while the school administrators and school classified employees will have two (2) days less off.

Summer working hours apply on the days of school breaks that full-time teaching staff takes off and school administrators, school classified employees, and MERF employees work.

3. Floating Holidays

All MPS Employees are eligible to receive two (2) floating holidays **each school year**. These days do not roll over to the next school and **cannot be cashed** out.

4. Vacation

The School provides vacation benefits to eligible employees to enable them to take paid time off for rest and recreation. The School believes that this time is valuable for employees in order to enhance their productivity and to make their work experience with the School personally satisfying.

All **full-time** employees*** accrue vacation from the date of hire at the following accrual rates:

<u>Type of Staff</u>	<u>Vacation Accrual</u>
School administrators	2 days for each full month worked up to a maximum of 20 days per year
School classified employees	1½ days for each full month worked up to a maximum of 15 days per year
MERF employees	2 days for each full month worked up to a maximum of 20 days per year

Vacation time may not be utilized before it is earned. Vacation accruals may not exceed an

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employee's current annual entitlement, **plus ten (10) days**. **When some vacation is used, vacation compensation will begin to accrue again. There is no retroactive grant of vacation compensation for the period of time the accrued vacation compensation was at the cap.**

No vacation accrues during any unpaid leave of absence or while on disability salary continuation. Vacation accruals recommence with the employee returns to work.

On termination of employment, the employee is paid all accrued, unused vacation at the employee's base rate of pay at the time of his or her separation from employment.

Typically, employees are expected to use all their accrued vacation during the summer between the school year end date and the new school year in-service start date, unless otherwise agreed to by the employee and his or her direct supervisor. However, the School may attempt to have some of its employees stagger vacations in an effort to avoid affecting services. Therefore, all vacations must be approved in advance by **your direct supervisor**, who will make every effort to accommodate each employee. Vacation requests must be made at least two (2) weeks prior to the desired vacation time. Job requirements will always have precedence over vacation schedules.

*** **Teaching staff** does not accrue vacation. Full-time teaching staff works on a 10-month work schedule, i.e., August through May, or on an 11-month work schedule, i.e., August through June if the last day of school falls in June, and receives pay over a 12-month pay period, i.e., August through July.

For full-time teaching staff, the actual working days start on the first day of summer teacher in-service and end on the last day of school or on the end-of-year school wrap-up day, whichever is later.

B. Sick Leave

To help prevent loss of earnings that may be caused by accident or illness, or by other emergencies, MPS offers paid sick leave to its employees. Sick leave may be taken to receive preventive care (including annual physicals or flu shots) or to diagnose, treat, or care for an existing health condition. Employees may also use sick leave to assist a family member (i.e., children, parents, spouses/domestic partners, grandparents, grandchildren, or siblings) who must receive preventative care or a diagnosis, treatment, or care for an existing health condition. Employees may also take paid sick leave to receive medical care or other assistance to address instances of domestic violence, sexual assault, or stalking.

Paid sick leave is available to all MPS employees who work at least thirty (30) days within the span of a single calendar year from the commencement of employment. All full-time and part-time employees accrue sick leave from the date of hire at the rate of one (1) day for each full month worked up to a maximum of ten (10) days per year. All eligible employees shall be credited with twenty-four (24) hours of sick leave at the beginning of each year, subject to the restrictions below, with any remaining sick leave to accrue throughout the remainder of the year.

Employees cannot use paid sick leave until the ninetieth (90th) calendar day following the employee's start date. Sick leave must be taken by eligible employees in increments of two (2) hours.

Sick leave is intended to be used only when actually required to recover from illness or injury; sick leave is not for "personal" absences. MPS will not tolerate abuse or misuse of your sick leave privilege. **If you are absent longer than three (3) days due to illness, medical evidence of your illness and/or medical certification of your fitness to return to work satisfactory to the School will be required before the School honors any sick pay requests.** MPS

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may withhold sick pay if it suspects that sick leave has been misused.

Once an employee has exhausted sick leave, the employee may continue on an unpaid medical leave, if eligible under applicable medical leave law, depending upon the facts and circumstances of the employee's basis for leave beyond the accrued sick leave. Employee requests for unpaid medical leave must be approved in advance by the School.

Unused sick leave does not carry over from school year to school year. The School may buy back all unused sick leave days at the rate of \$125 per day by the end of July.

Personal Necessity Leave:

An employee may elect to use up to five (5) days of accumulated sick leave in any school year for purposes of personal necessity including any of the following specific reasons:

- Death or serious illness of a member of his/her immediate family (this is in addition to normal bereavement leave);
- Accident involving his/her person or property or the person or property of a member of his/her immediate family;
- Appearance in court as a litigant, or as a witness under official order;
- Adoption of a child;
- The birth of a child making it necessary for an employee who is the parent of the child to be absent from his/her position during the work hours;
- Business matters which cannot reasonably be conducted outside the workday.

Employees must request personal necessity leave at least one (1) day in advance unless an emergency situation occurs. Personal necessity leave is not vacation but rather part of the sick

leave policy. Personal necessity leave does not carry over from school year to school year.

C. Insurance Benefits

1. Health Insurance

Full-time employees are entitled to health insurance benefits in accordance with applicable law and the School's health insurance plan. The School will cover **100** percent of the premium for employees and **100** percent of the premium to enroll dependents in the same program. The employee's portion of monthly premiums will be deducted from the employee's paycheck. The School may reimburse the employee at the rate of \$150 per month if he or she declines health insurance benefits in writing by no later than September of each year.

If medical insurance premium rates increase, employees may be required to contribute to the cost of increased premiums to retain coverage. Unless otherwise mandated by law, employees on a leave of absence are responsible for selecting continuing health coverage and paying the premium for such coverage. Failure to timely request and pay for such coverage will result in the loss of coverage.

When Coverage Starts

Your coverage will begin on the first day of employment or if hired mid-month it will start on the first day of the next month. Your enrollment form must be submitted to the MERF Human Resources as soon as possible. This form serves as a request for coverage, and authorizes any payroll deductions necessary to pay for your coverage.

2. Disability Insurance

All employees are enrolled in California State Disability Insurance (SDI), which is a partial wage-replacement insurance plan for California workers. Employees may be eligible for SDI when they are ill or have non-work related injuries, or may be eligible for work related

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injuries if they are receiving workers' compensation at a weekly rate less than the SDI rate. Specific rules and regulations relating to SDI eligibility are available from the **MERF Human Resources**.

3. Family Leave Insurance

Employees covered by the California Disability Insurance program are also covered by the California Paid Family Leave Insurance program. Eligible employees are entitled to receive up to six (6) weeks of wage replacement benefits when they suffer a wage loss for taking time off to care for a seriously ill child, spouse, parent or domestic partner or to bond with a new child within one year of birth or placement of the child in connection with foster care or adoption. Specific rules and regulations relating the Family Leave Insurance are available from the **MERF Human Resources**.

4. Workers' Compensation Insurance

Eligible employees are entitled to Workers' Compensation Insurance benefits when suffering from an occupational illness or injury. This benefit is provided at no cost to the employee. See below for a further description of making a claim for Workers' Compensation Insurance benefits.

5. COBRA Benefits

Continuation of Medical and/or Dental Benefits:

When your coverage under the School's medical and/or dental plans ends, you or your dependents can continue coverage for eighteen (18) or thirty-six (36) months, depending upon the reason benefits ended. To continue coverage, you must pay the full cost of coverage - your contribution and the School's previous contribution plus a possible administrative charge.

Medical coverage for you, your spouse, and your eligible dependent children can continue for up to 18 months if coverage ends because:

- Your employment ends, voluntarily or involuntarily, for any reason other than gross misconduct; or
- Your hours of employment are reduced below the amount required to be considered a full-time employee or part-time, making you ineligible for the plan.

This eighteen (18)-month period may be extended an additional eleven (11) months in cases of disability subject to certain requirements. This eighteen (18)-month period also may be extended if other events (such as a divorce or death) occur during the eighteen (18)-month period.

Your spouse and eligible dependents can continue their health coverage for up to thirty-six (36) months if coverage ends because:

- You die while covered by the plan;
- You and your spouse become divorced or legally separated;
- You become eligible for Medicare coverage, but your spouse has not yet reach age sixty-five (65); or
- Your dependent child reaches an age which makes him or her ineligible for coverage under the plan.

Rights similar to those described above may apply to retirees, spouses and dependents if the employer commences a bankruptcy proceeding and those individuals lose coverage.

MPS will notify you or your dependents if coverage ends due to termination or a reduction in your work hours. If you become eligible for Medicare, divorced or legally separated, die, or when your child no longer meets the eligibility requirements, you or a family member are responsible for notifying the School within thirty (30) days of the event. MPS will then notify you or your dependents of your rights.

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Health coverage continuation must be elected within sixty (60) days after receiving notice of the end of coverage, or within sixty (60) days after the event causing the loss, whichever is later.

There are certain circumstances under which coverage will end automatically. This happens if:

- Premiums for continued coverage are not paid within thirty (30) days of the due date;
- You (or your spouse or child) become covered under another group health plan which does not contain any exclusion or limitation with respect to any pre-existing condition you (or your spouse or child, as applicable) may have;
- MPS stops providing group health benefits;
- You (or your spouse or child) become entitled to Medicare; or
- You extended coverage for up to twenty-nine (29)-months due to disability and there has been a final determination that you are no longer disabled.

D. Leaves of Absence

1. Family Care and Medical Leave

This policy explains how the School complies with the federal Family and Medical Leave Act (“FMLA”) and the California Family Rights Act (“CFRA”), both of which require the School to permit each eligible employee to take up to twelve (12) workweeks (or twenty-six (26) workweeks where indicated) of FMLA leave in any twelve (12) month period for the purposes enumerated below. For purposes of this policy, all leave taken under FMLA or CFRA will be referred to as “FMLA leave.”

Employee Eligibility Criteria:

To be eligible for FMLA leave, the employee must have been employed by the School for a total of at least twelve (12) months and must have worked at least 1,250 hours during the twelve (12) month period immediately preceding commencement of the FMLA leave.

Events that may Entitle an Employee to FMLA Leave:

The twelve (12) week (or twenty-six (26) workweeks where indicated) FMLA allowance includes any time taken (with or without pay) for any of the following reasons:

- To care for the employee’s newborn child or a child placed with the employee for adoption or foster care. Leaves for this purpose must conclude twelve (12) months after the birth, adoption, or placement. If both parents are employed by the School, they will be entitled to a combined total of twelve (12) weeks of leave for this purpose;
- Because of the employee’s own serious health condition (including a serious health condition resulting from an on-the-job illness or injury) that makes the employee unable to perform any one or more of the essential functions of his or her job (other than a disability caused by pregnancy, childbirth, or related medical conditions, which is covered by the School’s separate pregnancy disability policy);
 - a. A “serious health condition” is an illness, injury (including, but not limited to on-the-job injuries), impairment, or physical or mental condition of the employee or a child, parent, or spouse of the employee that involves either inpatient care or (2) continuing treatment, including, but not limited to, treatment for substance abuse.

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While out on a leave of absence, employees may not accept employment with another company or person unless agreed to in advance in writing by **MERF Human Resources**. Acceptance of employment in violation of this policy will be considered an abandonment of the employee’s position with the School, and employment may be terminated. Employees shall not apply for unemployment compensation insurance while out on leave. -

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- b. "Inpatient care" means a stay in a hospital, hospice, or residential health care facility, any subsequent treatment in connection with such inpatient care, or any period of incapacity. A person is considered an "inpatient" when a health care facility formally admits him/her to the facility with the expectation that he/she will remain at least overnight and occupy a bed, even if it later develops that such person can be discharged or transferred to another facility and does not actually remain overnight.
- c. "Incapacity" means the inability to work, attend school, or perform other regular daily activities due to a serious health condition, its treatment, or the recovery that it requires.

d. "Continuing treatment" means ongoing medical treatment or supervision by a health care provider.

- To care for a spouse, domestic partner, child, or parent with a serious health condition or military service-related injury. When an employee is providing care to a spouse, son, daughter, parent, or next of kin who is a covered Armed Forces service member with a serious injury or illness, the employee may take a maximum of twenty-six (26) weeks of FMLA leave in a single twelve (12) month period to provide said care;
- For any "qualifying exigency" because the employee is the spouse, son, daughter, or parent of an individual on active military duty, or an individual notified of an impending call or order to active duty, in the Armed Forces;

Amount of FMLA Leave Which May Be Taken:

- FMLA leave can be taken in one (1) or more periods, but may not exceed twelve (12) workweeks total for any purpose in any twelve (12) month period, as

described below, for any one, or combination of the above-described situations. "Twelve workweeks" means the equivalent of twelve (12) of the employee's normally scheduled workweeks. For a full-time employee who works five (5) eight-hour days per week, "twelve workweeks" means sixty (60) working and/or paid eight (8) hour days.

- In addition to the twelve (12) workweeks of FMLA leave that may be taken, an employee who is the spouse, son, daughter, parent, or next of kin of a covered Armed Forces service member shall also be entitled to a total of twenty-six (26) workweeks of FMLA leave during a twelve (12) month period to care for the service member.
- The "twelve month period" in which twelve (12) weeks of FMLA leave may be taken is the twelve (12) month period immediately preceding the commencement of any FMLA leave.
- If a holiday falls within a week taken as FMLA leave, the week is nevertheless counted as a week of FMLA leave. If, however, the School's business activity has temporarily ceased for some reason and employees are generally not expected to report for work for one or more weeks, such as the Winter Break, Spring Break, or Summer Vacation, the days the School's activities have ceased do not count against the employee's FMLA leave entitlement. Similarly, if an employee uses FMLA leave in increments of less than one (1) week, the fact that a holiday may occur within a week in which an employee partially takes leave does not count against the employee's CFRA entitlement unless the employee was otherwise scheduled and expected to work during the holiday

Pay during FMLA Leave:

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- An employee on FMLA leave because of his/her own serious health condition must use all accrued paid sick leave at the beginning of any otherwise unpaid FMLA leave period. If an employee is receiving a partial wage replacement benefit during the FMLA leave, the School and the employee may agree to have School-provided paid leave, such as vacation or sick time, supplement the partial wage replacement benefit unless otherwise prohibited by law
- An employee on FMLA leave for child care or to care for a spouse, domestic partner, parent, or child with a serious health condition may use any or all accrued sick leave at the beginning of any otherwise unpaid FMLA leave.
- If an employee has exhausted his/her sick leave, leave taken under FMLA shall be unpaid leave.
- The receipt of sick leave pay or State Disability Insurance benefits will not extend the length of the FMLA leave. Sick pay accrues during any period of unpaid FMLA leave only until the end of the month in which unpaid leave began.

Health Benefits:

The provisions of the School's various employee benefit plans govern continuing eligibility during FMLA leave, and these provisions may change from time to time. The health benefits of employees on FMLA leave will be paid by the School during the leave at the same level and under the same conditions as coverage would have been provided if the employee had been continuously employed during the leave period. When a request for FMLA leave is granted, the School will give the employee written confirmation of the arrangements made for the payment of insurance premiums during the leave period.

If an employee is required to pay premiums for any part of his/her group health coverage, the

School will provide the employee with advance written notice of the terms and conditions under which premium payments must be made.

MPS may recover the health benefit costs paid on behalf of an employee during his/her FMLA leave if:

- The employee fails to return from leave after the period of leave to which the employee is entitled has expired. An employee is deemed to have "failed to return from leave" if he/she works less than thirty (30) days after returning from FMLA leave; and
- The employee's failure to return from leave is for a reason other than the continuation, recurrence, or onset of a serious health condition that entitles the employee to FMLA leave, or other circumstances beyond the control of the employee.

Seniority:

An employee on FMLA leave remains an employee and the leave will not constitute a break in service. An employee who returns from FMLA leave will return with the same seniority he/she had when the leave commenced. An employee who was absent from work while fulfilling his or her covered service obligation under the Uniformed Services Employment and Reemployment Rights Act (USERRA) shall be credited, upon his or her return to the School, with the hours of service that would have been performed but for the period of absence from work due to or necessitated by USERRA-covered service.

Medical Certifications:

- An employee requesting FMLA leave because of his/her own or a relative's serious health condition must provide medical certification from the appropriate health care provider on a form supplied by the School. Absent extenuating circumstances, failure to provide the

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required certification in a timely manner (within fifteen (15) days of the School's request for certification) may result in denial of the leave request until such certification is provided.

- The School will notify the employee in writing if the certification is incomplete or insufficient, and will advise the employee what additional information is necessary in order to make the certification complete and sufficient. The School may contact the employee's health care provider to clarify information in a deficient certification if the employee is unable to cure the deficiency.
- If the School has reason to doubt the medical certification supporting a leave because of the employee's own serious health condition, the School may request a second opinion by a health care provider of its choice (paid for by the School). If the second opinion differs from the first one, the School will pay for a third, mutually agreeable, health care provider to provide a final and binding opinion.
- Recertifications are required if leave is sought after expiration of the time estimated by the health care provider. Failure to submit required recertifications can result in termination of the leave.

Procedures for Requesting and Scheduling FMLA Leave:

- An employee should request FMLA leave by completing a Request for Leave form and submitting it to **the Principal (or MERF Human Resources for MERF employees)**. An employee asking for a Request for Leave form will be given a copy of the School's then-current FMLA leave policy.

- Employees should provide not less than thirty (30) days' notice for foreseeable childbirth, placement, or any planned medical treatment for the employee or his/her spouse, domestic partner, child, or parent. Failure to provide such notice is grounds for denial of a leave request, except if the need for FMLA leave was an emergency or was otherwise unforeseeable.
- Where possible, employees must make a reasonable effort to schedule foreseeable planned medical treatments so as not to unduly disrupt the School's operations.
- If FMLA leave is taken because of the employee's own serious health condition or the serious health condition of the employee's spouse, domestic partner, parent or child, the leave may be taken intermittently or on a reduced leave schedule when medically necessary, as determined by the health care provider of the person with the serious health condition.
- If FMLA leave is taken because of the birth of the employee's child or the placement of a child with the employee for adoption or foster care, the minimum duration of leave is two (2) weeks, except that the School will grant a request for FMLA leave for this purpose of at least one day but less than two (2) weeks' duration on any two (2) occasions.
- If an employee needs intermittent leave or leave on a reduced leave schedule that is foreseeable based on planned medical treatment for the employee or a family member, the employee may be transferred temporarily to an available alternative position for which he or she is qualified that has equivalent pay and benefits and that better accommodates recurring periods of leave than the employee's regular position.

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- The School will respond to an FMLA leave request no later than five (5) days of receiving the request. If an FMLA leave request is granted, the School will notify the employee in writing that the leave will be counted against the employee's FMLA leave entitlement. This notice will explain the employee's obligations and the consequences of failing to satisfy them.

Return to Work:

- Upon timely return at the expiration of the FMLA leave period, an employee (other than a "key" employee whose reinstatement would cause serious and grievous injury to the School's operations) is entitled to the same or a comparable position with the same or similar duties and virtually identical pay, benefits, and other terms and conditions of employment unless the same position and any comparable position(s) have ceased to exist because of legitimate business reasons unrelated to the employee's FMLA leave.
- When a request for FMLA leave is granted to an employee (other than a "key" employee), the School will give the employee a written guarantee of reinstatement at the termination of the leave (with the limitations explained above).
- Before an employee will be permitted to return from FMLA leave taken because of his/her own serious health condition, the employee must obtain a certification from his/her health care provider that he/she is able to resume work.
- If an employee can return to work with limitations, the School will evaluate those limitations and, if possible, will accommodate the employee as required by law. If accommodation cannot be

made, the employee will be medically separated from the School.

Limitations on Reinstatement

- MPS may refuse to reinstate a "key" employee if the refusal is necessary to prevent substantial and grievous injury to the School's operations. A "key" employee is an exempt salaried employee who is among the highest paid 10% of the School's employees within seventy-five (75) miles of the employee's worksite.
- A "key" employee will be advised in writing at the time of a request for, or if earlier, at the time of commencement of, FMLA leave, that he/she qualifies as a "key" employee and the potential consequences with respect to reinstatement and maintenance of health benefits if the School determines that substantial and grievous injury to the School's operations will result if the employee is reinstated from FMLA leave. At the time it determines that refusal is necessary, the School will notify the "key" employee in writing (by certified mail) of its intent to refuse reinstatement and will explain the basis for finding that the employee's reinstatement would cause the School to suffer substantial and grievous injury. If the School realizes after the leave has commenced that refusal of reinstatement is necessary, it will give the employee at least ten (10) days to return to work following the notice of its intent to refuse reinstatement.

Employment during Leave:

No employee, including employees on FMLA leave, may accept employment with any other employer without the School's written permission. An employee who accepts such employment without the School's written

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permission will be deemed to have resigned from employment at the School.

2. Pregnancy Disability Leave

This policy explains how the School complies with the California Pregnancy Disability Act, which requires the School to give each female employee an unpaid leave of absence of up to four (4) months, as needed, for the period(s) of time a woman is actually disabled by pregnancy, childbirth, or related medical conditions.

Employee Eligibility Criteria:

To be eligible for pregnancy disability leave, the employee must be disabled by pregnancy, childbirth, or a related medical condition and must provide appropriate medical certification concerning the disability.

Events That May Entitle an Employee to Pregnancy Disability Leave:

The four (4) -month pregnancy disability leave allowance includes any time taken (with or without pay) for any of the following reasons:

- The employee is unable to work at all or is unable to perform any one or more of the essential functions of her job without undue risk to herself, the successful completion of her pregnancy, or to other persons because of pregnancy or childbirth, or because of any medically recognized physical or mental condition that is related to pregnancy or childbirth (including severe morning sickness); or
- The employee needs to take time off for prenatal care.

Duration of Pregnancy Disability Leave:

Pregnancy disability leave may be taken in one or more periods, but not to exceed four months total. "Four months" means the number of days the employee would normally work within four months. For a full-time employee who works

five (5) eight (8) hour days per week, four (4) months means 693 hours of leave (40 hours per week times 17 1/3 weeks).

For employees who work more or less than forty (40) hours per week, or who work on variable work schedules, the number of working days that constitutes four (4) months is calculated on a pro rata or proportional basis. For example, for an employee who works twenty (20) hours per week, "four months" means 346.5 hours of leave entitlement (20 hours per week times 17 1/3 weeks). For an employee who normally works forty-eight (48) hours per week, "four months" means 832 hours of leave entitlement (48 hours per week times 17 1/3 weeks).

At the end or depletion of an employee's pregnancy disability leave, an employee who has a physical or mental disability (which may or may not be due to pregnancy, childbirth, or related medical conditions) may be entitled to reasonable accommodation. Entitlement to additional leave must be determined on a case-by case basis, taking into account a number of considerations such as whether an extended leave is likely to be effective in allowing the employee to return to work at the end of the leave, with or without further reasonable accommodation, and whether or not additional leave would create an undue hardship for the School. The School is not required to provide an indefinite leave of absence as a reasonable accommodation.

Pregnancy disability leave does not count against the leave which may be available as Family Care and Medical Leave.

Pay During Pregnancy Disability Leave:

- An employee on pregnancy disability leave must use all accrued paid sick leave and may use any or all accrued vacation time at the beginning of any otherwise unpaid leave period.
- The receipt of vacation pay, sick leave pay, or state disability insurance benefits,

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will not extend the length of pregnancy disability leave.

- Vacation and sick pay accrues during any period of unpaid pregnancy disability leave only until the end of the month in which the unpaid leave began.

Health Benefits:

MPS shall provide continued health insurance coverage while an employee is on pregnancy disability leave consistent with applicable law. The continuation of health benefits is for a maximum of four (4) months in a twelve (12) - month period. MPS can recover premiums that it already paid on behalf of an employee if both of the following conditions are met:

- The employee fails to return from leave after the designated leave period expires.
- The employee's failure to return from leave is for a reason other than the following:
 - The employee is taking leave under the California Family Rights Act.
 - There is a continuation, recurrence or onset of a health condition that entitles the employee to pregnancy disability leave.
 - There is a non-pregnancy related medical condition requiring further leave.
 - Any other circumstance beyond the control of the employee.

Seniority:

An employee on pregnancy disability leave remains an employee of the School and a leave will not constitute a break in service. When an employee returns from pregnancy disability leave, she will return with the same seniority she had when the leave commenced.

Medical Certifications:

- An employee requesting a pregnancy disability leave must provide medical certification from her healthcare provider on a form supplied by the School. Failure to provide the required certification in a timely manner (within fifteen (15) days of the leave request) may result in a denial of the leave request until such certification is provided.
- Recertifications are required if leave is sought after expiration of the time estimated by the healthcare provider. Failure to submit required recertifications can result in termination of the leave.

Requesting and Scheduling Pregnancy Disability Leave:

- An employee should request pregnancy disability leave by completing a Request for Leave form and submitting it to the Principal (or MERF Human Resources for MERF employees). An employee asking for a Request for Leave form will be referred to the School's then current pregnancy disability leave policy.
- Employee should provide not less than thirty (30) days or as soon of notice as is practicable, if the need for the leave is foreseeable. Failure to provide such notice is grounds for denial of the leave request, except if the need for pregnancy disability leave was an emergency and was otherwise unforeseeable.
- Where possible, employees must make a reasonable effort to schedule foreseeable planned medical treatments so as not to unduly disrupt the School's operations.
- Pregnancy disability leave may be taken intermittently or on a reduced leave schedule when medically advisable, as determined by the employee's healthcare provider.

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- If an employee needs intermittent leave or leave on a reduced leave schedule that is foreseeable based on planned medical treatment, the employee may be transferred temporarily to an available alternative position for which he or she is qualified that has equivalent pay and benefits that better accommodates recurring periods of leave than the employee's regular position.
- In most cases, the School will respond to a pregnancy disability leave request within two (2) days of acquiring knowledge that the leave qualifies as pregnancy disability and, in any event, within ten (10) days of receiving the request. If a pregnancy disability leave request is granted, the School will notify the employee in writing and leave will be counted against the employee's pregnancy disability leave entitlement. This notice will explain the employee's obligations and the consequences of failing to satisfy them.

Return to Work:

- Upon timely return at the expiration of the pregnancy disability leave period, an employee is entitled to the same position unless the employee would not otherwise have been employed in the same position at the time reinstatement is requested. If the employee is not reinstated to the same position, she must be reinstated to a comparable position unless one of the following is applicable:
 - The employer would not have offered a comparable position to the employee if she would have been continuously at work during the pregnancy disability leave.
 - There is no comparable position available, to which the employee is either qualified or entitled, on the employee's scheduled date of

reinstatement or within sixty (60) calendar days thereafter. The School will take reasonable steps to provide notice to the employee if and when comparable positions become available during the sixty (60) day period.

A "comparable" position is a position that involves the same or similar duties and responsibilities and is virtually identical to the employee's original position in terms of pay, benefits, and working conditions.

- When a request for pregnancy disability leave is granted to an employee, the School will give the employee a written guarantee of reinstatement at the end of the leave (with the limitations explained above).
- In accordance with MPS policy, before an employee will be permitted to return from a pregnancy disability leave of three (3) days or more, the employee must obtain a certification from her healthcare provider that she is able to resume work.
- If the employee can return to work with limitations, the School will evaluate those limitations and, if possible, will accommodate the employee as required by law. If accommodation cannot be made, the employee will be medically separated from the School.

Employment during Leave:

No employee, including employees on pregnancy disability leave, may accept employment with any other employer without the School's written permission. An employee who accepts such employment without written permission will be deemed to have resigned from employment.

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3. Medical Leave of Absence

At the discretion of **MERF Human Resources**, an unpaid medical leave of absence may be granted up to **sixty (60) working days** to employees who are not eligible for other leaves. Ask **MERF Human Resources** for information on medical leaves of absence, and any implications unpaid medical leave may have on your eligibility for employee benefits, including medical benefit plan coverage.

4. Unpaid Leave of Absence

MPS recognizes that special situations may arise where an employee must leave his or her job temporarily. At its discretion, the School may grant employees leaves of absence. Any unpaid leave of absence must be approved in advance by the School.

The granting of a leave of absence always presumes the employee will return to active work by a designated date or within a specific period.

If you are currently covered, medical, and dental coverage will remain in force during a medical or worker's compensation leave of absence, provided you pay the appropriate premiums. Whether you are required to pay your own premiums will depend upon the length of your leave of absence. During a family/medical leave, your medical and dental benefits will remain in force provided you pay the appropriate premiums. Benefits are terminated the day any other type of leave begins. If an employee fails to return from a leave and is subsequently terminated, the employee is entitled to all earned but unused vacation pay, provided that the vacation pay was earned prior to the commencement of leave.

5. Funeral/Bereavement Leave

Employees will be allowed up to **five (5)** consecutive working days off to arrange and attend the funeral of an immediate family

member. For purposes of this policy, an employee's immediate family member includes a parent, spouse, son/daughter, sister/brother, parents-in-law, grandparents, grandchild, sister/brother-in-law, son/daughter-in-law, or domestic partner.

If any employee requires more than **five (5)** days off for bereavement leave, the employee may use any accrued sick days, request additional unpaid leave or may request the opportunity to use any accrued vacation time, which may be granted in the discretion of the School. Bereavement pay will not be used in computing overtime pay.

6. Military and Military Spousal Leave of Absence

MPS shall grant a military leave of absence to any employee who must be absent from work due to service in the uniformed services in accordance with the Uniformed Services Employment and Re-Employment Rights Act of 1994 ("USERRA"). All employees requesting military leave must provide advance written notice of the need for such leave, unless prevented from doing so by military necessity or if providing notice would be impossible or unreasonable.

If military leave is for thirty (30) or fewer days, the School shall continue the employee's health benefits. For service of more than thirty (30) days, employee shall be permitted to continue their health benefits at their option through COBRA. Employees are entitled to use accrued vacation or paid time off as wage replacement during time served, provided such vacation/paid time off accrued prior to the leave.

Except for employees serving in the National Guard, MPS will reinstate those employees returning from military leave to their same position or one of comparable seniority, status, and pay if they have a certificate of satisfactory completion of service and apply within ninety (90) days after release from active duty or within such extended period, if any, as required by law.

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For those employees serving in the National Guard, if he or she left a full-time position, the employee must apply for reemployment within forty (40) days of being released from active duty, and if he or she left part-time employment, the employee must apply for reemployment within five (5) days of being released from active duty.

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An employee who was absent from work while fulfilling his or her covered service obligation under the USERRA or California law shall be credited, upon his or her return to the School, with the hours of service that would have been performed but for the period of absence from work due to or necessitated by USERRA-covered service. Exceptions to this policy will occur wherever necessary to comply with applicable laws.

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MPS shall grant up to ten (10) days of unpaid leave to employees who work more than twenty (20) hours per week and who are spouses of deployed military servicemen and servicewomen. The leave may be taken when the military spouse is on leave from deployment during a time of military conflict. To be eligible for leave, an employee must provide the School with (1) notice of intention to take military spousal leave within two (2) business days of receiving official notice that the employee's military spouse will be on leave from deployment, and (2) documentation certifying that the employee's military spouse will be on leave from deployment during the time that the employee requests leave.

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exceed five years during employment, except in special circumstances.

Advance notice of leave is required. Please inform **the Principal (or MERF Human Resources for MERF employees)** of anticipated military leave time as far in advance as possible. Accrued vacation will be paid during military leave at your request and health plan coverage continuance can be arranged for up to twenty-four (24) months during military leave if required premium payments are made by you. As with other leaves of absence, failure to return to work or to reapply within applicable time limits may result in termination of employment.

Employees may be eligible for as many as ten (10) unpaid days off when their spouse is on leave from military deployment during a period of military conflict. A qualified employee is one who works more than twenty (20) hours per week and whose spouse is a member of the Armed Forces, National Guard or Reserves who has been deployed during a period of military conflict. In order to qualify for the leave, the employee must notify the School within two (2) days of receiving official notice that his or her spouse will be on leave from deployment and must provide written documentation certifying that the spouse will be on leave from deployment.

7. **Drug and Alcohol Rehabilitation Leave**

The School will reasonably accommodate an employee who voluntarily enters and participates in an alcohol or drug rehabilitation program, including potentially providing unpaid leave to participate in the program. The School will not pay for the costs incurred in attending a rehabilitation program. An employee who wishes to identify him or herself as an individual in need of the assistance of an alcohol or drug rehabilitation program may contact **MERF Human Resources**. The School will take all reasonable steps necessary to maintain the employee's privacy in this situation. The

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employee may use accrued sick leave or accrued vacation time, if any, during requested leave.

Nothing in this policy shall prohibit the School from refusing to hire or discharge an employee who, because of his or her current use of alcohol or drugs, is unable to perform his/her duties or cannot perform the duties in a manner that would not endanger his/her health or safety or the health or safety of others.

8. Time Off for Adult Literacy Programs

The School will reasonably accommodate and assist any employee who reveals a problem of illiteracy and requests employer assistance in enrolling in an adult literacy education program. Employees will be required to bear the cost associated with enrollment in an adult literacy education program, but the School will assist the employee by providing the locations of local literacy education programs. The School may also arrange for a literacy education provider to visit the School.

An employee who wishes to reveal a problem of illiteracy and request School assistance should contact **MERF Human Resources**. The School will take all reasonable steps to safeguard the employee's privacy. Nonexempt employees may use accrued vacation pay if available to make up for the work that is missed to attend literacy classes.

9. Time Off to Attend Child's School Discipline

Any employee who is a parent or legal guardian of a child that has received written notice from the child's school requesting his or her attendance at a disciplinary conference is entitled to take unpaid leave to attend the conference. Please contact **the Principal (or MERF Human Resources for MERF employees)** to determine eligibility and scheduling before taking any leave to attend a disciplinary conference.

10. Time Off to Attend Child's School Activities

Employees that are parents, guardians (including a stepparent, foster parent, or grandparents of school children, from kindergarten through grade twelve (12), or a child enrolled with a licensed child care provider, up to forty (40) hours of unpaid time off per child per school year (up to eight (8) hours in any calendar month of the school year) to participate in activities of a child's school or child care. If more than one (1) parent or guardian is an employee of MPS, the employee that first provides the leave request will be given the requested time off. Where necessary, additional time off will also be permitted where the school requires the employee(s) appearance.

If both parents of a child work for the School, the first parent to provide notice may take the time off, unless the School approves both parents taking time off simultaneously.

11. Time Off to Serve as Election Official

Any employee who serves as an election official is eligible for unpaid leave on election day for purposes of service. Please notify **the Principal (or MERF Human Resources for MERF employees)** of your commitment to act as election official as far in advance as possible.

12. Time Off for Jury and Witness Duty

The School will provide employees unpaid leave to serve as required by law, on a jury or grand jury if the employee provides reasonable advance notice. The School will also provide employees unpaid leave to appear in court or other judicial proceeding as a witness, as permitted by law, to comply with a valid subpoena or other court order. Please notify **the Principal (or MERF Human Resources for MERF employees)** of your commitment to serve on a jury or as a witness as far in advance as possible.

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13. Time Off for Victims of Crime or Domestic Violence

Employees who are victims of domestic violence or sexual assault will be given time off as necessary in accordance with the law. Employees may be required to provide reasonable advanced notice of the need for time off if feasible and documentation establishing the right to such time off may be requested. The School will take all reasonable steps to maintain the confidentiality of any employee requesting crime victim/domestic violence leave. Please notify **MERF Human Resources** of your need to seek relief as far in advance as possible. If applicable, an employee may use accrued vacation leave for these purposes.

14. Time Off for Victims of Crime

An Employee who is a victim of certain crimes (violent felonies, felony thefts and serious felonies as defined by law) or is an immediate family member of a victim, is a registered domestic partner of a victim or the child of a registered domestic partner of a victim will be given time off as necessary in accordance with the law. Employees may be required to provide reasonable advanced notice of the need for time off if feasible and documentation establishing the right to such time off may be requested. The School will take all reasonable steps to maintain the confidentiality of any employee requesting crime victim leave. Please notify **MERF Human Resources** of your need for time off as far in advance as possible. As applicable, an employee may use accrued vacation leave or sick leave for crime victim leave purposes.

15. Time Off for Volunteer Firefighters

Employees who perform emergency duties as volunteer firefighters, reserve peace officers or emergency rescue personnel will be given time off as necessary in accordance with the law. Employees are requested to alert **the Principal**

(or MERF Human Resources for MERF employees) of their status as volunteer firefighters, reserve peace officers or emergency rescue personnel so that the School will have advanced notice of the employee's potential need to leave the School in the event of an emergency. Any time an employee must perform emergency duties, he/she must notify **the Principal (or MERF Human Resources for MERF employees)** before leaving the School's premises.

16. Time Off for Voting

Employees who do not have sufficient time outside of their regular working hours to vote in a statewide election may request time off to vote. If possible, employees should make their request at least two days in advance of the election. Up to two (2) hours of paid time off will be provided, at the beginning or the end of the employee's regular shift, whichever will allow the most free time for voting and the least time off work. Please contact **the Principal (or MERF Human Resources for MERF employees)** to request and schedule time off to vote.

17. Workers' Compensation Leave

Employees that are temporarily totally disabled due to a work-related illness or injury will be placed on workers' compensation leave. The duration of your leave will depend upon the rate of your recovery and the business needs of the School. Workers' compensation leave will run concurrently with any other applicable medical leave of absence.

18. Bone Marrow and Organ Donor Leave

As required by law, eligible employees who require time off to donate bone marrow to another person may receive up to five (5) workdays off in a 12-month period. Eligible employees who require time off to donate an

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organ to another person may receive up to thirty (30) workdays off in a 12-month period.

To be eligible for bone marrow or organ donation leave ("Donor Leave"), the employee must have been employed by the School for at least ninety (90) days immediately preceding the Donor Leave.

An employee requesting Donor Leave must provide written verification to the School that he or she is a donor and that there is a medical necessity for the donation of the organ or bone marrow.

An employee must first use his or her earned but unused sick leave for bone marrow donation and two (2) weeks' worth of earned but unused sick leave for organ donation. If the employee has an insufficient number of sick days available, the leave will be considered unpaid.

Employees returning from Donor Leave will be reinstated to the position held before the leave began, or to a position with equivalent status, benefits, pay and other terms and conditions of employment. The School may refuse to reinstate an employee if the reason is unrelated to taking a Donor Leave. A Donor Leave is not permitted to be taken concurrently with an FMLA/CFRA Leave.

19. Returning from Leave of Absence

Employees cannot return from a medical leave of absence without first providing a sufficient doctor's return to work authorization.

When business considerations require, the job of an employee on leave may be filled by a temporary or regular replacement. An employee should give the **Principal (or MERF Human Resources for MERF employees)** thirty (30) days' notice before returning from leave. Whenever the School is notified of an employee's intent to return from a leave, the School will attempt to place the employee in his former position or in a comparable position with regard to salary and other terms and conditions

for which the employee is qualified. However, re-employment cannot always be guaranteed. If you need further information regarding Leaves of Absence, be sure to consult **MERF Human Resources**.

E. Retirement

1. Certified Staff Members

All certificated staff members who are eligible, including, but not limited to, administrators, counselors, school psychologists, special education program administrators, and teaching employees will participate in the State Teachers' Retirement System (STRS).

2. Classified Staff Members

All full-time non-certificated staff members, including, but not limited to, office staff and instructional aides, are eligible to participate in the Public Employees' Retirement System (PERS).

All part-time non-certificated employees hired to work six months or more become eligible to participate in PERS on the date of hire. (Public Agency & Schools Reference Guide, February 2016, citing Government Code § 20281) For part-time employees, they become PERS members the first day of the next pay period after completion of 1,000 hours or 125 days in a fiscal year.

All non-credentialed employees also contribute to Social Security. The Charter School offers a 401(k) plan to eligible non-certificated staff members who elect not to participate in PERS. Employees enrolled in the 401(k) plan also contribute to Social Security.

3. Oversight of Benefits

The HR Department and the Finance Department at the MPS Home Office are responsible for monitoring the appropriate administration of benefits and ensuring appropriate arrangements

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Comment [JR8]: This contrasts with the above, which states that all full-time non-certificated participate in PERS. Seems like we should say that all non-certificated participate in PERS, and then perhaps have a carve out for folks contracted for less than 6 months? Does any employee fit that definition?
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for retirement coverage are made for all employees. The Charter School will make any contribution that is legally required of the employer, including STRS, PERS, Social Security, workers' compensation, and other payroll obligations. All withholdings from employees and the Charter School will be forwarded to the STRS and PERS funds as required. Employees will accumulate service credit years in the same manner as all other members of STRS and PERS. The Charter School will submit all retirement data and will comply with all policies and procedures for payroll reporting. The Charter School assures that it will provide retirement information in a format required by the County.

Deleted: All full-time certificated staff members who are eligible (administrators, counselors, special education program administrators, and teaching employees) will participate in the State Teachers' Retirement System (STRS). All full-time classified staff members who are eligible (office staff and instructional aides) will participate in the Public Employees Retirement System (PERS) or Social Security, as appropriate. - [23]

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VII. Employment Evaluation and Separation

A. Employee Reviews and Evaluations

Each employee will receive periodic performance reviews conducted by **his or her direct supervisor**. Performance evaluations will be conducted annually. The frequency of performance evaluations may vary depending upon length of service, job position, past performance, changes in job duties or recurring performance problems.

Your performance evaluations may review factors such as the quality and quantity of the work you perform, your knowledge of the job, your initiative, your work attitude, and your attitude toward others. The performance evaluations are intended to make you aware of your progress, areas for improvement and objectives or goals for future work performance. Favorable performance evaluations do not guarantee increases in salary or promotions or retention of your job. Salary increases and promotions are solely within the discretion of the School and depend upon many factors in addition to performance. After the review, you will be required to sign the evaluation report simply to acknowledge that it has been presented to you, that you have discussed it with **your direct supervisor**, and that you are aware of its contents. The evaluation system or any failure to evaluate an employee in no way alters the at-will employment relationship.

Newly hired employees may have their performance goals reviewed by **your direct supervisor** within the first **ninety (90)** days of employment.

B. Discipline and Involuntary Termination

Violation of the School’s policies and rules may warrant disciplinary action, which may take multiple forms, including verbal warnings, written warnings, suspensions or termination. The School’s disciplinary system is informal and

EMPLOYEE HANDBOOK

the School may, in its sole discretion, utilize any form of discipline it deems appropriate under the circumstances, up to and including termination of employment upon the first offense.

The disciplinary process will be determined by the School in light of the facts and circumstances of each case. Each situation will be considered in light of a variety of factors including, but not limited to, the seriousness of the situation, the employee's past conduct and length of service, and the nature of the employee's previous performance or incidents involving the employee. With the exception of substitute employees and temporary employees, these policies apply to all employees of the School and apply to all job-related activities of such employees.

Violations of the Employee Handbook, employment agreement, MPS charter, or applicable law are all independently and collectively considered misconduct and will result in disciplinary action up to and including release from at-will employment.

C. Voluntary Termination

Except if stated expressly otherwise by employment contract, either the employee or the School may terminate the at-will employment relationship at any time, with or without notice and with or without cause. While it is not required, the School requests that at-will employees electing to resign give as much advance notice as possible (preferably two weeks) to allow the School to plan for your departure.

An exit interview will normally be scheduled on the last day of work with **your direct supervisor**. The purposes of the exit interview is to review eligibility for benefit conversion, to ensure that all necessary forms are completed, to collect any School property (including keys, equipment, documents and records) that may be in the employee’s possession, to review the employee’s obligations regarding confidential information, and to provide the employee with

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the opportunity to make any constructive comments and suggestions on improving the working environment at the School. The School appreciates receiving candid opinions of the employee's employment.

D. Pay at Time of Separation

Employees separated from employment will be paid for time worked (less deductions) according to applicable laws. For full-time employees who are employed for less than a full pay period in their last month, salary payments are computed on the basis of actual working days in the month. For this purpose working days are considered to be forty (40) hours Monday through Friday unless otherwise specified.

The School will buy back all unused sick leave days from full-time employees at the rate of \$125 per day at the time of separation.

Pay for earned but unused vacation time will be provided to full-time employees at time of separation. Vacation pay is computed on the basis of accrued vacation days (see section titled "Vacation,") assuming twenty (20) working days per month. For example, if an employee has accrued fifteen (15) days of vacation at time of separation, he or she will receive an amount that equals to 15/20 (or 75%) of his or her regular monthly salary as vacation pay.

Full-time teaching staff does not accrue vacation; they work on a 10-month work schedule, i.e., August through May, or on an 11-month work schedule, i.e., August through June if the last day of school falls in June, and receive pay over a 12-month pay period, i.e., August through July.

For full-time teaching staff, the actual working days start on the first day of summer teacher in-service and end on the last day of school or on the end-of-year school wrap-up day, whichever is later.

Full-time teaching staff who have been fully employed during a 10 or 11 month work schedule will continue to receive their June and July salaries, also called summer holdback, at

their regular monthly rate, making it a complete 12-month pay period.

For full-time teaching staff who have been employed less than the full 10- or 11-month work schedule, June and July salaries will be prorated based on the actual number of days and months fully worked during the school year.

Final pay, including pay for any earned but unused sick leave days and vacation time, and if applicable, pay for summer holdback for full-time teaching staff, will be provided in accordance with applicable law.

E. References

All requests for references and employment verifications must be promptly directed to **your direct supervisor**. When contacted for a reference or employment verification, the School will only provide information concerning dates of employment and the title of the last position held. Other employees may not provide any employment verifications or act as a reference for any other employees.

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VIII. Internal Complaint Review

The purpose of the “Internal Complaint Review Policy” is to afford all employees of the School the opportunity to seek internal resolution of their work-related concerns. All employees have free access to **the CEO or Board of Directors** to express their work-related concerns.

Specific complaints of unlawful harassment are addressed under the School’s “Policy Against Unlawful Harassment.”

Internal Complaints:

(Complaints by Employees Against Employees)

This section of the policy is for use when a School employee raises a complaint or concern about a co-worker.

If reasonably possible, internal complaints should be resolved at the lowest possible level, including attempts to discuss/resolve concerns with **your direct supervisor**. However, in the event an informal resolution may not be achieved or is not appropriate, the following steps will be followed by **the Principal (or the CEO (or designee) for MERF employees)**:

- The complainant will bring the matter to the attention of **the Principal (or the CEO (or designee) for MERF employees)** as soon as possible after attempts to resolve the complaint with the immediate supervisor have failed or if not appropriate; and
- The complainant will reduce his or her complaint to writing, indicating all known and relevant facts. **The Principal (or the CEO for MERF employees) (or designee)** will then investigate the facts and provide a solution or explanation;
- If the complaint is about the Principal, the complainant may file his or her complaint in a signed writing to the **CEO (or designee.) The CEO (or designee)**

will then investigate the facts and provide a solution or explanation;

- If the complaint is about the CEO, the complainant may file his or her complaint in a signed writing to **the President of the Board of Directors** of the School, who will then confer with the Board and may conduct a fact-finding or authorize a third party investigator on behalf of the Board. **The Board President or investigator** will report his or her findings to the Board for review and action, if necessary.

This policy cannot guarantee that every problem will be resolved to the employee’s satisfaction. However, the School values each employee’s ability to express concerns and the need for resolution without fear of adverse consequence to employment.

Policy for Complaints Against Employees:

(Complaints by Third Parties Against Employees)

This section of the policy is for use when a non-employee raises a complaint or concern about a School employee.

If complaints cannot be resolved informally, complainants may file a written complaint with the office of **the Principal or the CEO** (if the complaint concerns the Principal) or **the Board President** (if the complaint concerns the CEO) as soon as possible after the events that give rise to the complainant’s concerns. The written complaint should set forth in detail the factual basis for the complaint.

In processing the complaint, **the Principal (or the CEO (or the Board President)) (or designee)** shall abide by the following process:

- **The Principal (or the CEO) (or designee)** shall use his or her best efforts to talk with the parties identified in the complaint and to ascertain the facts relating to the complaint.

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- In the event that **the Principal (or the CEO) (or designee)** finds that a complaint against an employee is valid, **the Principal (or the CEO) (or designee)** may take appropriate disciplinary action against the employee. As appropriate, **the Principal (or the CEO) (or designee)** may also simply counsel/reprimand employees as to their conduct without initiating formal disciplinary measures.
- **The Principal's (or the CEO's) (or designee's)** decision relating to the complaint shall be final unless it is appealed to the Board of Directors of the School. The decision of the Board of Directors shall be final.

General Requirements:

- Confidentiality: All complainants will be notified that information obtained from the complainants and thereafter gathered will be maintained in a manner as confidential as possible, but in some circumstances absolute confidentiality cannot be assured.
- Non-Retaliation: All complainants will be advised that they will be protected against retaliation as a result of the filing

of any complaints or participation in any complaint process.

- Resolution: **The Board** (if a complaint is about the CEO) or **the CEO** (if a complaint is about the Principal or MERF employees) or **the Principal** or designee will investigate complaints appropriately under the circumstances and pursuant to the applicable procedures, and if necessary, take appropriate remedial measures to ensure effective resolution of any complaint.

IX. Amendment to Employee Handbook

This Employee Handbook contains the employment policies and practices of the School in effect at the time of publication.

MPS reserves the right to amend, delete or otherwise modify this Handbook at any time provided that such modifications are in writing and duly approved by the employer.

Any written changes to the Handbook will be distributed to all employees. No oral statements can in any way alter the provisions of this Handbook.

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APPENDIX A

HARASSMENT/DISCRIMINATION/RETALIATION COMPLAINT FORM

It is the policy of the School that all of its employees be free from harassment, discrimination, and retaliation. This form is provided for you to report what you believe to be harassment, discrimination, or retaliation so that the School may investigate and take appropriate disciplinary or other action when the facts show that there has been harassment, discrimination, or retaliation.

If you are an employee of the School, you may file this form with the Principal or Board President.

Please review the School's policies concerning harassment, discrimination, and retaliation for a definition of such unlawful conduct and a description of the types of conduct that are considered unlawful.

MPS will undertake every effort to handle the investigation of your complaint in a confidential manner. In that regard, the School will disclose the contents of your complaint only to those persons having a need to know. For example, to conduct its investigation, the School will need to disclose portions of your factual allegations to potential witnesses, including anyone you have identified as having knowledge of the facts on which you are basing your complaint, as well as the alleged offender.

In signing this form below, you authorize the School to disclose to others the information you have provided herein, and information you may provide in the future. Please note that the more detailed information you provide, the more likely it is that the School will be able to address your complaint to your satisfaction.

Charges of harassment, discrimination, and retaliation are taken very seriously by the School both because of the harm caused by such unlawful conduct, and because of the potential sanctions that may be taken against the offender. It is therefore very important that you report the facts as accurately and completely as possible and that you cooperate fully with the person or persons designated to investigate your complaint.

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Your Name: _____ Date: _____

Date of Alleged Incident(s): _____

Name of Person(s) you believe harassed, or discriminated or retaliated against, you or someone else:

List any witnesses that were present: _____

Where did the incident(s) occur? _____

EMPLOYEE HANDBOOK

Please describe the events or conduct that are the basis of your complaint by providing as much factual detail as possible (i.e. specific statements; what, if any, physical contact was involved; any verbal statements; what did you do to avoid the situation, etc.) (Attach additional pages, if needed):

I acknowledge that I have read and that I understand the above statements. I hereby authorize the School to disclose the information I have provided as it finds necessary in pursuing its investigation.

I hereby certify that the information I have provided in this complaint is true and correct and complete to the best of my knowledge and belief.

Signature of Complainant Date: _____

Print Name

Received by: _____ Date: _____

EMPLOYEE HANDBOOK

APPENDIX B
COMPLAINT FORM

Your Name: _____ Date: _____

Date of Alleged Incident(s): _____

Name of Person(s) you have a complaint against: _____

List any witnesses that were present: _____

Where did the incident(s) occur? _____

Please describe the events or conduct that are the basis of your complaint by providing as much factual detail as possible (i.e. specific statements; what, if any, physical contact was involved; any verbal statements; what did you do to avoid the situation, etc.) (Attach additional pages, if needed):

I hereby authorize the School to disclose the information I have provided as it finds necessary in pursuing its investigation. I hereby certify that the information I have provided in this complaint is true and correct and complete to the best of my knowledge and belief. I further understand providing false information in this regard could result in disciplinary action up to and including termination.

Signature of Complainant

Date: _____

Print Name

To be completed by School:

Received by: _____

Date: _____

EMPLOYEE HANDBOOK

ACKNOWLEDGEMENT OF HANDBOOK AND AT-WILL EMPLOYMENT

I acknowledge that I have received the Magnolia Public Schools' (MPS) Employee Handbook. I have read the Handbook and understand the contents of the Handbook. I agree to abide by all of the School's policies.

I understand and agree to my at-will employment status as described in the Handbook, summarized as follows:

- This Handbook does not in any way reflect a contract of employment, either express or implied between me and the School.
- The School is an at-will employer. I am free to terminate the employment relationship with the School at any time; the School, in its sole discretion, also reserves the right to modify or terminate the employment relationship with me for any or no reason at any time. Specifically, the School may modify all terms of employment including any policy or practice and/or my hours, wages, working conditions, job assignments, position title, compensation rates and benefits in its sole discretion.
- Nothing in this Handbook creates, or is intended to create, a promise or representation of continued employment or guaranteed terms and conditions of employment for me. Further, there is no agreement, express or implied, written or verbal, between the employee and the School for any specific period of employment, for continuing or long-term employment, or for guaranteed terms and conditions of employment.

I understand that other than the **Chief Executive Officer (CEO) of MPS**, no supervisor or representative of the School has the authority to enter into any agreement, express or implied, for employment for any specific period of time, or to make any agreement for employment other than at-will. I understand that only the **CEO** has the authority to make any such agreement and then only in writing signed by the **President of the Board of Directors**.

Employee's Name: _____

Employee's Signature: _____

Date: _____

Copy for Employee

EMPLOYEE HANDBOOK

ACKNOWLEDGEMENT OF HANDBOOK AND AT-WILL EMPLOYMENT

I acknowledge that I have received the Magnolia Public Schools' (MPS) Employee Handbook. I have read the Handbook and understand the contents of the Handbook. I agree to abide by all of the School's policies.

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- This Handbook does not in any way reflect a contract of employment, either express or implied between me and the School.
- The School is an at-will employer. I am free to terminate the employment relationship with the School at any time; the School, in its sole discretion, also reserves the right to modify or terminate the employment relationship with me for any or no reason at any time. Specifically, the School may modify all terms of employment including any policy or practice and/or my hours, wages, working conditions, job assignments, position title, compensation rates and benefits in its sole discretion.
- Nothing in this Handbook creates, or is intended to create, a promise or representation of continued employment or guaranteed terms and conditions of employment for me. Further, there is no agreement, express or implied, written or verbal, between the employee and the School for any specific period of employment, for continuing or long-term employment, or for guaranteed terms and conditions of employment.

I understand that other than the **Chief Executive Officer (CEO) of MPS**, no supervisor or representative of the School has the authority to enter into any agreement, express or implied, for employment for any specific period of time, or to make any agreement for employment other than at-will. I understand that only the **CEO** has the authority to make any such agreement and then only in writing signed by the **President of the Board of Directors**.

Employee's Name: _____

Employee's Signature: _____

Date: _____

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EMPLOYEE HANDBOOK

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Page 6: [17] Deleted**Melanie McAlpine****7/6/16 10:42:00 AM**

MPS is an equal opportunity employer. It is the policy of the School to afford equal employment and advancement opportunity to all qualified individuals without regard to race, color, creed, gender (including gender identity and gender expression), religion, marital status, registered domestic partner status, age, national origin or ancestry, physical or mental disability, medical condition (including cancer and genetic characteristics), genetic information, sexual orientation, military and veteran status, or any other consideration made unlawful by federal, state, or local laws. This policy extends to all employees and to all aspects of the employment relationship, including the hiring of new employees and the training, transfer, promotion, compensation and benefits of existing employees.

To comply with applicable laws ensuring equal employment opportunities to qualified individuals with a disability, the School will make reasonable accommodations for the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or an employee unless undue hardship would result.

Any applicant or employee who requires an accommodation in order to perform the essential functions of the job should contact a School representative with day-to-day personnel responsibilities and request such an accommodation. The individual with the disability should specify what accommodation he or she needs to perform the job. MPS then will conduct an investigation to identify the barriers that interfere with the equal opportunity of the applicant or employee to perform his or her job. MPS will identify possible accommodations, if any, that will help eliminate the limitation. If the accommodation is reasonable and will not impose an undue hardship, the School will make the accommodation.

Page 7: [18] Deleted**Melanie McAlpine****7/6/16 10:43:00 AM**

MPS will comply with applicable immigration law, including the Immigration Reform and Control Act of 1986 and the Immigration Act of 1990. As a condition of employment, every individual must provide satisfactory evidence of his or her identity and legal authority to work in the United States.

The School shall not discharge an employee or in any manner discriminate, retaliate, or take any adverse action (e.g., threatening to report the suspected citizenship or immigration status of an employee or a member of the employee's family) against any employee or applicant for employment because the employee or applicant exercised a right protected under applicable law.

If you have any questions or need more information on immigration compliance issues, please contact the Principal.

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MPS is committed to providing a work and educational atmosphere that is free of unlawful harassment. MPS's policy prohibits sexual harassment and harassment based upon race, color, creed, gender (including gender identity and gender expression), religion, marital status, registered domestic partner status, age, national origin or ancestry, physical or mental disability,

medical condition (including cancer and genetic characteristics), genetic information, sexual orientation, military or veteran status, or any other consideration made unlawful by federal, state, or local laws. MPS will not condone or tolerate harassment of any type by any employee, independent contractor or other person with which the School does business. This policy applies to all employee actions and relationships, regardless of position or gender. MPS will promptly and thoroughly investigate any complaint of harassment and take appropriate corrective action, if warranted.

Prohibited Unlawful Harassment:

Verbal conduct such as epithets, derogatory jokes or comments or slurs;

Physical conduct including assault, unwanted touching, intentionally blocking normal movement or interfering with work because of sex, race or any other protected basis;

Retaliation for reporting or threatening to report harassment; or

Deferential or preferential treatment based on any of the protected classes above.

Prohibited Unlawful Sexual Harassment:

In accordance with existing policy, discrimination on the basis of gender in education institutions is prohibited. All persons, regardless of the gender, are afforded equal rights and opportunities and freedom from unlawful discrimination in education programs or activities conducted by the School.

MPS is committed to provide a workplace free of sexual harassment and considers such harassment to be a major offense, which may result in disciplinary action, up to, and including dismissal, of the offending employee.

Sexual harassment consist of sexual advances, request for sexual favors and other verbal or physical conduct of a sexual nature, regardless of whether or not the conduct is motivated by sexual desire, when: (1) submission of the conduct is either made explicitly or implicitly a term or condition of an individual's employment; (2) an employment decision is based upon an individual's acceptance or rejection of that conduct; (3) that conduct interferes with an individual's work performance or creates an intimidating, hostile or offensive working environment.

It is also unlawful to retaliate in any way against an employee who has articulated a good faith concern about sexual harassment against him or her or against another individual.

All supervisors of staff will receive sexual harassment training within six (6) months of their assumption of a supervisory position and will receive further training once every two (2) years thereafter. Such training will include the prevention of abusive conduct in the workplace that a reasonable person would find hostile, offensive, and unrelated to an employer's legitimate business interests, including but not limited to repeated infliction of verbal abuse, such as the use of derogatory remarks, insults, and epithets, verbal or physical conduct that a reasonable person would find threatening, intimidating, or humiliating, or the gratuitous sabotage or undermining of a person's work performance. Other staff will receive sexual harassment training and/or instruction concerning sexual harassment in the workplace as required by law.

Each employee has the responsibility to maintain a workplace free from any form of sexual harassment. Consequently, should any individual, in particular those with supervisory responsibilities, become aware of any conduct that may constitute sexual harassment or other prohibited behavior, immediate action should be taken to address such conduct. Employees and students are expected to act in a positive and professional manner and to contribute to a productive School environment that is free from harassing or disruptive activity. Any employee who believes they have been sexually harassed or has witnessed sexual harassment is encouraged to immediately report such harassment to **the Principal (or MERF Human Resources for MERF employees)**. See Appendix A for the "Harassment Complaint Form." See Appendix B for the general "Complaint Form."

Sexual harassment may include, but is not limited to:

Physical assaults of a sexual nature, such as:

Rape, sexual battery, molestation or attempts to commit these assaults and

Intentional physical conduct that is sexual in nature, such as touching, pinching, patting, grabbing, brushing against another's body, or poking another's body.

Unwanted sexual advances, propositions or other sexual comments, such as:

Sexually oriented gestures, notices, remarks, jokes, or comments about a person's sexuality or sexual experience.

Preferential treatment or promises of preferential treatment to an employee for submitting to sexual conduct, including soliciting or attempting to solicit any employee to engage in sexual activity for compensation or reward or deferential treatment for rejecting sexual conduct.

Subjecting or threats of subjecting an employee to unwelcome sexual attention or conduct or intentionally making performance of the employee's job more difficult because of the employee's sex.

Child Neglect and Abuse Reporting

Any employee who knows or reasonably suspects a child has been the victim of child abuse shall report the instance to Child Protective Services. Child abuse is broadly defined as “a physical injury that is inflicted by other than accidental means on a child by another person.” School employees are required to report instances of child abuse when the employee has a “reasonable suspicion” that child abuse or neglect has occurred. Reasonable suspicion arises when the facts surrounding the incident or suspicion could cause a reasonable person in a like position to suspect child abuse or neglect.

Child abuse should be reported immediately by phone to Child Protective Services. The phone call is to be followed by a written report prepared by the employee within thirty-six (36) hours, which may be sent by fax or electronically. There is no duty for the reporter to contact the child’s parents.

Reporting the information regarding a case of possible child abuse or neglect to your supervisor, the School principal, a School counselor, coworker or other person shall not be a substitute for making a mandated report to Child Protective Services.

MPS will provide annual training on the mandated reporting requirements, using the online training module provided by the State Department of Social Services, to employees who are mandated reporters. Mandated reporter training will also be provided to employees hired during the course of the school year. This training will include information that failure to report an incident of known or reasonably suspected child abuse or neglect, as required by Penal Code section 11166, is a misdemeanor punishable by up to six (6) months confinement in a county jail, or by a fine of one-thousand dollars (\$1,000), or by both that imprisonment and fine.

All employees required to receive mandated reporter training must provide proof of completing the training within the first six (6) weeks of each school year or within the first six (6) weeks of that employee’s employment.

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All full-time certificated staff members who are eligible (administrators, counselors, special education program administrators, and teaching employees) will participate in the State Teachers’ Retirement System (STRS). All full-time classified staff members who are eligible (office staff and instructional aides) will participate in the Public Employees Retirement System (PERS) or Social Security, as appropriate.

MERF Human Resources and Payroll Specialist are responsible for monitoring the appropriate administration of benefits. The School will make any contribution that is legally required of the employer, including STRS, PERS, social security, and unemployment insurance. All withholdings from employees and the School will be forwarded to the STRS and PERS funds as required. Employees will accumulate service credit years in the same manner as all other members of STRS and PERS. The School will submit all retirement data and will comply with all policies and procedures for payroll reporting.

HARASSMENT COMPLAINT FORM

It is the policy of the School that all of its employees be free from harassment. This form is provided for you to report what you believe to be harassment, so that the School may investigate and take appropriate disciplinary or other action when the facts show that there has been harassment.

If you are an employee of the School, you may file this form with the Principal (or CEO (or Board President.))

Please review the School's policies concerning harassment for a definition of harassment and a description of the types of conduct that are considered to be harassment.

MPS will undertake every effort to handle the investigation of your complaint in a confidential manner. In that regard, the School will disclose the contents of your complaint only to those persons having a need to know. For example, to conduct its investigation, the School will need to disclose portions of your factual allegations to potential witnesses, including anyone you have identified as having knowledge of the facts on which you are basing your complaint, as well as the alleged harasser.

In signing this form below, you authorize the School to disclose to others the information you have provided herein, and information you may provide in the future. Please note that the more detailed information you provide, the more likely it is that the School will be able to address your complaint to your satisfaction.

Charges of harassment are taken very seriously by the School both because of the harm caused to the person harassed, and because of the potential sanctions that may be taken against the harasser. It is therefore very important that you report the facts as accurately and completely as possible and that you cooperate fully with the person or persons designated to investigate your complaint.

Your Name: _____ Date: _____

Date of Alleged Incident(s):

Name of Person(s) you believe sexually harassed you or someone else:

List any witnesses that were present:

Where did the incident(s) occur?

Please describe the events or conduct that are the basis of your complaint by providing as much factual detail as possible (i.e. specific statements; what, if any, physical contact was involved; any verbal statements; what did you do to avoid the situation, etc.) (Attach additional pages, if needed):

I acknowledge that I have read and that I understand the above statements. I hereby authorize the School to disclose the information I have provided as it finds necessary in pursuing its investigation.

I hereby certify that the information I have provided in this complaint is true and correct and complete to the best of my knowledge and belief.

Signature of Complainant

Date: _____

Print Name

Received by: _____

Date: _____

Cover Sheet

Conflict of Interest Training for MERF Board of Directors

Section: III. Action Items
Item: A. Conflict of Interest Training for MERF Board of Directors
Purpose: FYI
Submitted by:
Related Material: III A Conflict of Interest 030917.pptx



YOUNG, MINNEY & CORR, LLP



Complying With California Conflict of Interest Laws

Presented by:
Jerry W. Simmons, Esq.
jsimmons@mycharterlaw.com

THE CHARTER LAW FIRM

Goals for Session



1. This is a primer; non-exhaustive overview.
 2. Charter petition, bylaws, Memorandum of Understanding with your authorizer(s), and school policies might obligate you even more stringent rules and higher standards than minimum requirements set by statute.
 3. Limit disruptions and prevent civil or criminal liability for Board members in most common conflict of interest scenarios.
- Disclaimers
 - Real problems are fact specific & complex. Consult legal counsel.
 - You should only speak to legal counsel about compliance issues to ensure the attorney-client privilege applies. Emails to staff are discoverable.
 - Only highlighting most common compliance issues.
 - Federal conflict of interest law is not covered in this presentation.

Why You Should Care About Conflict Law Compliance



- Potential criminal penalties
- Potential fines
- Potential charter revocation
- Loss of good reputation
- Potential loss of Foundation support and funding
- Distractions and public controversy
- Can lead to loss of accreditation

Understanding Conflict of Interest Laws

Conflicts of Interest



Broad Definition

- A *conflict of interest* arises when an individual who has a private financial interest in the outcome of a corporate contract or a public decision, participates in the decision-making process or influences or attempts to influence others making the contract or decision.
- In short, a conflict of interest is a clash between an individual's duty to his or her office and his or her personal interests.

Conflicts of Interest



- Trend has been toward more legislation and investigations related to conflicts of interest.
- Landscape is shifting toward strict compliance and avoiding the appearance of impropriety.
- Many new charter schools are avoiding having either their employees or owners and employees of their vendors and landlords on their boards.

Conflicts of Interest



Financial Interests



Common Types of Financial Interests

- Ownership or investment in business entity
 - Investment in real property
 - Source of income
 - Position in business entity (e.g., director, officer, partner, trustee, employee, management)
 - Source of gifts
 - Effect on personal finances
- * Financial interests of immediate family members of Board members and employees typically are covered.

Hoops to Jump Through



What happens if a Board member or employee has a conflict of interest in a decision (such as a proposed transaction or contract)?

1. Disclose the interest.
 - Employees disclose in writing to supervisor
 - CEO and Board members disclose to Board and ensure it is noted in the minutes
2. Abstain from any vote or discussion before or during the meeting and do not participate in the matter (leave the room).
3. Determine whether the remaining members of the Charter School Board can enter into the transaction or contract under all of the laws and regulations we will talk about today. Must be able to jump through six hoops that we will talk about today. Consult with attorneys because minor facts of each case can change legal advice.

Hoops to Jump Through



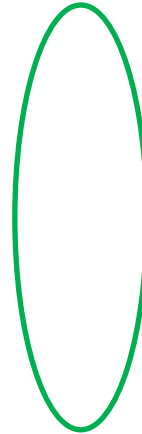
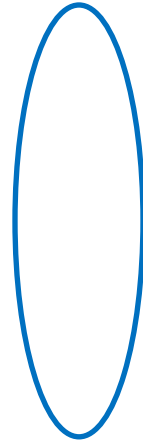
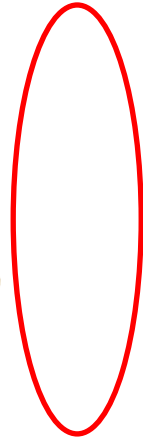
Government
Code Section
1090

Political
Reform Act

Corporation
s Code

Regulation
s

Common
Law



Hoop #1.

Government Code Section 1090



Hoop #1.

Government Code Section 1090



Elements

1. Public official (officer, board member, or employee)
2. Making a public contract (for sale or purchase)
3. A financial interest

Applicability to Charter Schools Is Debated But You Have Agreed to Comply

- Text of Statute
- Governors' Vetos
- AG Opinion Requested
- Current District Attorney Prosecution Ongoing
- Positions Taken by School District Attorneys

Hoop #1.

Government Code Section 1090



What you need to know about Section 1090

- If board member has financial interest, the entire board is prohibited from entering into the contract; *even if it is with the best vendor at the best price and the interested board member abstains.* (Unless an exception applies.)
- Making a public contract is defined very broadly! Applies to earliest discussions, planning, solicitation for bids, etc., not just vote.
- Check your Charter, MOUs, Bylaws, COI Code, COI Policies (if any) for statements regarding commitment to comply with Section 1090 or District policies regarding ethics and/or conflicts.

Hoop #2: Political Reform Act

directorship, stewardship, her
integrity
noun 1. adheren
principles; sour



Hoop #2: Political Reform Act



Elements

1. Public officials (officers, board members, employees)
2. Participating in or attempting to influence a governmental decision
3. Public official has qualifying financial interest (e.g., (a) investment in business entity \$2k; (b) real property investment \$2k; (c) income of \$500 or more; (d) business position in entity; (e) gift of \$460 or more) **Includes spouse and children*
4. Financial interest is material
 - See regulations

COI Code & Form 700



Conflict of Interest Code

- States who must file the Form 700
- Assigns disclosure categories

Form 700

- Statement of Economic Interests
- When it must be filed:
 - Assuming or reappointment to office or position (within 30 days)
 - Once annually (by April 1st)
 - Leaving office or position (within 30 days)
- Penalties for failure to file:
 - Criminal charges by Atty General or District Atty for deliberate failure to file
 - Civil or administrative action by FPPC or private citizen



Hoop #3: Corporations Code



Hoop #3: Corporations Code



Board Composition (Corp. Code § 5227)

No more than 49% of the persons serving on the Board of any nonprofit may be “interested persons”.

- Any person currently being compensated by the corporation for services rendered to it within the previous 12 months, whether as a full- or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director as director; or
- Any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person.
- Be careful to monitor compliance when Board vacancies occur.

Hoop #3: Corporations Code



Self-Dealing Transactions (Corp. Code § 5233)

Director (i.e. Board member) must not have material financial interest in any contract or transaction unless:

- Fully disclosed/noted in the minutes;
- Transaction approved by directors without interested director's involvement (leaves room);
- Charter school could not obtain a better agreement with reasonable effort; and
- Transaction is in the best interest of charter school and is fair and reasonable at the time.

Recommended to make findings in resolution form.

**Must synthesize these requirements with PRA & Section 1090*

Hoop #4: Regulations

directorship, stewardship, her
integrity
noun 1. adheren
principles; sour



Hoop #4: Regulations



- For charter schools accepting lease reimbursement funds from the State of California, special conflict of interest rules apply. See Title 4, California Code of Regulations Section 10170.14.
- IRS presumes that executive compensation is reasonable if approved in advance by the Board, without participation by interested persons, provided that the Board obtained and relied upon comparability data and adequately documented the basis for determining the reasonableness of the compensation. (IRS Reg. § 53.4958-6(a).) For IRS purposes, the definition of “interested persons” is broader than other laws. “Interested” for the purpose of approving an executive’s compensation includes employees working for/under any person whose salary is at issue. (IRS Reg. § 53.4958-6(c)(1)(iii).)

Hoop #3.

Common Law on Conflicts of Interest



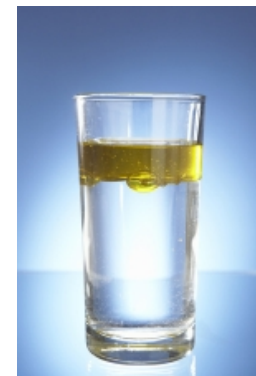
Prohibition Against Conflicts of Interest

- Public official engaging in transaction or influencing decision
Creating an appearance of impropriety (financial interest not necessarily required)



Doctrine of Incompatible Offices

- Public official holding two public offices simultaneously
- Offices are incompatible with each other (creating divided loyalties); overlapping jurisdictions





YOUNG, MINNEY & CORR, LLP

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QUESTIONS AND RESPONSES

THANKS FOR ATTENDING TODAY!

SACRAMENTO OFFICE:

655 UNIVERSITY AVENUE
SUITE 150
SACRAMENTO, CA 95825

LOS ANGELES OFFICE:

5200 LANKERSHIM BLVD.
SUITE 370
NORTH HOLLYWOOD, CA 91601

SAN DIEGO OFFICE:

591 CAMINO DE LA REINA
SUITE 910
SAN DIEGO, CA 92108

WALNUT CREEK OFFICE:

500 YGNACIO VALLEY ROAD
SUITE 190
WALNUT CREEK, CA 94596

Cover Sheet

Approval of Revised Fiscal Policies to Align with LACOE MOU Requirement

Section: III. Action Items
Item: B. Approval of Revised Fiscal Policies to Align with LACOE MOU Requirement
Purpose: Vote
Submitted by:
Related Material: III B Revised Fiscal Policies.pdf



Board Agenda Item #	Agenda # III B
Date:	March 9, 2017
To:	Magnolia Board of Directors
From:	Caprice Young, Ed.D., CEO & Superintendent
Staff Lead:	Nanie Montijo, Chief Financial Officer
RE:	Revised Fiscal Policies to Align with LACOE MOU Requirement

Proposed Board Recommendation

I move that the board approve the following revised fiscal policies for Magnolia Public School.

Background

As one of LACOE's conditions of authorization, the following fiscal policies are revised to align with the MOU and to address the deficiencies identified by the authorizing agency in Finding 3 in the LACOE Report of Findings of Fact to the County Board dated December 20, 2016:

- Update Bank Reconciliation Policy to include actual procedures with clear timelines and person responsible
- Clearly describe the Fixed Assets Monitoring System and verify that all applicable assets are included in the fixed assets schedule
- Include a Payroll Desk Policy with procedures aligned to the recommendations of the California State Auditor
- Provide a Clear Conflict of Interest Policy that is consistent with the requirements provided with Section 1.3D of the MOU and BP 0420.4

Budget Implications

- N/A

How Does This Action Relate/Affect/Benefit All MSAs?

- To satisfy one of the conditions of authorization required by LACOE, the authorizing

Name of Staff Originator: Nanie Montijo, CFO and Kristin Dietz, Edtec

Attachments

1. CSH107 Revision 1 BANK ACCOUNT RECONCILIATION
2. INV101 Revision 1 FIXED ASSET CONTROL AND LEASES
3. PYR101 Initial PAYROLL DESK POLICY

SOP # CSH107 Revision: 1
Effective Date: 3/09/17

Prepared by: Central Office
Approved by: BOD

Title: CSH107 BANK ACCOUNT RECONCILIATIONS

Policy: To ensure the accuracy of the Organization's bank account records by proving the monthly balance shown in the bank's Account Register.

Purpose: To outline the practices for preparation of a Monthly Bank Reconciliation

Scope: This applies to all bank accounts maintained by the Organization.

Responsibilities:

Chief Financial Officer or designee is responsible for review and approval of all reconciliations.

Back-office service provider is responsible for reconciling each site's respective checking account.

Background: Errors or omissions can be made to the Organization's bank account records due to the many cash transactions that occur. Therefore, it is necessary to prove the monthly balance shown in the bank account register. Cash on deposit with a bank is not available for count and is therefore proved through the preparation of a reconciliation of the Organization's record of cash in the bank and the bank's record of the Organization's cash that is on deposit.

Accounting Policies, Procedures and Forms

Procedure:

1.1 BANK STATEMENT PREPARATION

1.2 After receipt of the monthly bank statement and/or online printing of the monthly bank statement, Back-office accountant should prepare the monthly bank reconciliation by the 20th of the following month. After preparation the bank reconciliation will be carefully reviewed by the Back-Office client manager. Once reviewed, the bank reconciliations are sent to the Finance Team for final review and approval. To preserve proper segregation of duties, no single employee, should perform both cash transaction functions and bank account reconciliations.

2.1 COMPUTERIZED FORMAT

2.2 In the computerized environment, the accounting system provides an automated bank reconciliation task. This task is generally selected once a month in conjunction with receiving the month end bank statement and/or online printout of the month end bank statement. Once selected, the screen shows a list of all items that have been posted to the cash account and that have not been cleared from the previous month's account reconciliation. The screen is usually divided into two segments: one half is a list of all checks and other charges reducing cash, and the other half is a list of all deposits and other items increasing cash. This screen would also have a field for entering the proper month end date and the balance at month end, per the bank.

2.3 After the account-reconciling task is successfully completed, a report is provided which shows the reconciliation process, including outstanding checks and deposits in transit.

Note: Once completed, the bank reconciliations and bank statements are filed electronically.

Accounting Policies, Procedures and Forms

Revision History:

Revision	Date	Description of changes	Requested By
0	2/14/13	Initial Release	
1	3/09/17	Update Procedures and include back-office service provider processes	Nanie Montijo, CFO

SOP # INV101 Revision: 2
Effective Date: 2/14/13

Prepared by: Central Office
Approved by: BOD

Title: INV101 FIXED ASSET CONTROL AND LEASES

Policy: Proper control procedures will be followed for all capital asset acquisitions, transfers and dispositions in order to provide internal control of capital equipment and to assist in reporting.

Purpose: To outline the procedures for acquiring, disposing and maintaining control of capital assets. This is particularly important for assets purchased with grant program dollars where the grantee may want the equipment returned at the end of the program.

Scope: This procedure applies to all equipment with a value of \$500 or more and furniture a value of \$5,000 or more.

Responsibilities:

School Principals are ultimately responsible and accountable for furniture, equipment, machinery and any other assets in their schools. An automated fixed asset tracking system will be implemented for tracking and tagging assets to be inventoried.

Definitions:

Capitalized Equipment: All furniture and equipment costing \$5,000 or more each should be recorded in the fixed assets inventory system and depreciated annually.

Non-Capitalized Equipment: No equipment costing less than \$5,000 each should be depreciated. However, non-capitalized equipment costing \$500 or more that is motorized, electronic, or computerized should be added to the fixed assets inventory system for fiduciary purposes only so that its existence can be verified during the annual physical inventory process.

Furniture: No furniture items costing less than \$5,000 each should be added to the fixed assets inventory system or depreciated

Procedure:

1.0 ACQUISITIONS

1.1 All purchases of furniture and equipment as defined above must be tagged and included in the inventory listing.

See PUR102 for the procurement process to be followed.

Accounting Policies, Procedures and Forms

1.2 Any internally constructed or donated equipment will be reported to Finance Team if the item cost has a value of \$5,000 or more. A complete description of the property, date manufactured or received, number of items, cost or estimated value and a statement that it was internally constructed or donated will be included in the report.

1.3 To maintain proper segregation and control upon termination of any employees, any employee owned tools, equipment or furniture brought on the Organization premises will be reported to the School Principal. The report should include the employee's name, description of items, identification numbers, if any, and reason for using the asset.

2.0 DISPOSITIONS

2.1 Assets may be sold or traded-in on new equipment. An example INV103 Ex1 ASSET DISPOSITION form or updating of Excel workbooks is to be completed and approved by the School Principal. Any assets with an original value greater than \$5,000 will also require the Chief Financial Officer's approval.

Upon approval, the school may advertise the property for sale or submit a list to purchasing for sale and disposition. After completion of the sale, an example INV103 Ex2 BILL OF SALE provided below will be issued and the ASSET DISPOSITION form will be submitted to Finance Team who will ensure deletion of the item from the asset records and submit paperwork to back-office provider to record any gain or loss on the disposition.

2.2 Worn-out or obsolete property with no cash value will be reported to Finance Team on the Asset Disposition form with the description, serial number and condition. Finance Team will inspect all worn-out or obsolete property before it is removed from the school and discarded. The asset will then be removed from the asset records.

2.3 Any asset that is missing or has been stolen will be reported in writing to the School Principal and Finance Team as soon as possible. The description, serial number, and other information about the lost item should be included in the report.

Accounting will determine the proper course of action and will notify the company's insurance carrier and any outside authorities if deemed appropriate. If un-recovered, the asset will then be removed from the asset records.

Accounting Policies, Procedures and Forms

- 2.4** Inter-school transfers of assets will be reported to Accounting in writing including the description, serial number and the name of the school to receive the property.

The School Principal to whom the item was assigned originally will be held accountable until accounting is notified of the transfer. After being notified, the School Principal acquiring the property assumes responsibility. Accounting will then record the inter- school transfer on the asset records.

3.0 ASSET RECORDS

- 3.1** Upon any asset acquisition, Accounting is responsible for assigning and attaching asset number tags to the property where it can be readily located.

Accounting will then maintain a detailed listing of each fixed asset item which will include the description, date acquired, vendor, cost basis, assigned school and location. On an annual basis, accounting will furnish each school a report showing a listing of assets assigned to that school and any acquisitions, disposals and transfers during the past year. Any discrepancies must be communicated to Finance Team by June 30th of each year. This report should be filed by the School Principal for reference and later use.

- 3.2** A physical count will be taken at each site every two years or as needed.
- 3.3** Each school will be responsible for locating assets with its number tag attached that are recorded as assigned to their school whenever requested by Accounting, a county property tax auditor or the company's external auditors.
- 3.4** Whenever a change in School Principal occurs, all items should be accounted for by the outgoing School Principal. The incoming School Principal will accept the responsibility and accountability for the school asset listing upon assuming the position. Accounting can assist with this audit if requested.

Accounting Policies, Procedures and Forms

4.1 LEASED OR OWNED VEHICLES

- 4.2** The safety and comfort of MERF employees, parents and Board members is of utmost importance. Therefore, MERF has established a policy whereby vehicles, whether leased or purchased, will be retained for a maximum of 100,000 miles or 8 years, whichever is less. The Finance Team will establish a mileage log to ensure vehicles are properly planned and replaced on schedule. Any individual that is assigned a vehicle shall be responsible for maintaining the mileage log and working with the Finance Team in complying with the replacement requirements of this policy.
- 4.3** A mileage log will be retained for each vehicle and all users will note the beginning and ending mileage for all trips. This log will be provided to the designated driver upon pickup of keys for use of a vehicle. Under no circumstances may an employee retain the keys or mileage log overnight unless on an authorized, extended trip requiring overnight accommodations. All keys will be returned to the administrative office or central office upon completion of the day's authorized trips.
- 4.4** The Finance Team will ensure that all vehicles are taken to an authorized vendor for maintenance and service. All vehicles will receive appropriate oil changes on a minimum 5,000 mile schedule. Tires will be rotated at the same time and tires will be replaced after 50,000 miles (or sooner) if believed to be worn beyond prudent safety levels.
- 4.5** The Finance Team will submit RFPs to authorized vehicle dealers and service vendors on an annual basis. All vehicles will be serviced by the same designated vendor(s) for this annual contract period. The only exception will be for vehicles, newly purchased or leased, which provide for free maintenance and service as part of its warranty period or any special arrangements made as part of the purchase or lease of the vehicle.
- 4.6** Designated drivers must report any problems or issues identified, upon completion of their daily trip(s), to the Finance Team. A "Vehicle Report" must be completed and submitted to the Finance Team immediately upon return from any trip whereby a problem or issue is suspected or identified.

Accounting Policies, Procedures and Forms

- 4.7** If any driver is involved in an accident, whether with another vehicle or not, the driver must complete an Accident Report form and submit the report form to the Finance Team immediately upon return to MERF. A copy of the report form and instructions for submitting the report and “what to do if involved in an accident” are included in the Exhibits section.

5.1 LEASES

5.2 Classification of Leases

It is the policy of MERF to classify all leases in which MERF is a lessee as either capital or operating leases. MERF shall utilize the criteria described in Statements of Financial Accounting Standards No. 13 in determining whether a lease is capital or operating in nature. Under those criteria, a lease shall be treated as a capital lease if, at the time of entering into the lease, any of the following factors are present:

1. The lease transfers ownership to MERF at the end of the lease term;
2. The lease contains a bargain purchase option;
3. The lease term is equal to 75% or more of the estimated economic life of the leased property; or
4. The present value of the minimum lease payments is 90% or more of the fair value of the leased property (using, as the interest rate, the lesser of MERF’s incremental borrowing rate or, if known, the lessor’s implicit rate).

All leases that do not possess any of the four preceding characteristics shall be treated as operating leases. In addition, all leases that are immaterial in nature shall be accounted for as operating leases.

MERF shall also maintain a control list of all operating and capital leases. This list shall include all relevant lease terms.

Accounting Policies, Procedures and Forms

Revision History:

Revision	Date	Description of changes	Requested By
0	2/14/13	Initial Release	
1	2/14/17	Revise to clarify process	Oswaldo Diaz, CFO
2	3/09/17	Update procedures and process	Nanie Montijo, CFO

SOP # PYR101 PAYROLL DESK PROCEDURE
Effective Date: 2/14/13

Prepared by: Central Office
Approved by: BOD

Title: PYR 101 PAYROLL DESK PROCEDURE

Policy: To clearly define responsibilities and procedures in processing the organization's payroll and implementation of the online payroll system in accordance with the generally accepted accounting principles.

Purpose: To outline and list areas of responsibilities for each group involved in the payroll process.

Scope: This applies to all staff of the organization.

Responsibilities:

Human Resources is responsible for setup and maintenance of all employee profiles

School Principal is responsible for accurate and timely submission of each site's attendance, extra duties and assignments.

Finance Team is responsible for review, generation and approval of all payroll.

Back-office service provider is responsible for accurate bookkeeping and analysis of payroll expenses.

Background: Personnel Cost is usually 70-75% of the organization's total operating expenses. It is vital that the organization administers the payroll process efficiently and in compliance with education codes and requirements.

Accounting Policies, Procedures and Forms

Procedure:

- **HUMAN RESOURCES**
 - Coordinates job postings and complete new hire paperwork, ensures accuracy and completeness of all new hire procedures and collection of paperwork prior to start of work
 - Processes termination info and informs Finance Team whenever final checks are needed
 - Monitors all credential and other expiration dates
 - Ensures accurate employee withholdings/deductions in 3rd party payroll system as agreed to by employee

- **EMPLOYEE**
 - Signs in and out of automated system each day
 - Completes employee profile in online payroll system, which generates deductions and provides required information to HR

- **PRINCIPAL/SUPERVISOR**
 - Reviews/approves time and attendance reports and submits to Finance Team to initiate payroll processing
 - Enters all supplemental pay in payroll system on or before designated cutoff date
 - Submits signed schedule of all approved supplemental pay (i.e. stipends, home visits, Saturday School extra duty) to Finance Team each pay period
 - Notifies HR of any new hires, terminations, status or pay changes

- **FINANCE TEAM**
 - Confirms approvals from principals/HR prior to generating payroll
 - Runs payroll and generates reports for review
 - Reviews each payroll register, verifying:
 - Proper pay rate
 - Hourly staff – number of hours per pay period look reasonable
 - Extra pay/stipends are documented, approved and accurate as to amount and funding source
 - Employee retirement deductions are accurate and reasonable
 - STRS members have earnings properly treated in paycheck and correct STRS rates are being used
 - No OASDI withheld for any STRS members
 - Classified staff – PERS members have proper withholdings and OASDI deducted and correct PERS rates are being used

Accounting Policies, Procedures and Forms

- Only PERS or STRS creditable earnings are included in deduction calculations
- Non-PERS classified staff hours are being tracked and any newly eligible PERS members (>1000 hours in a fiscal year) are added as PERS members
- Process payroll, prints registers and files all supporting documentation Including but not limited to: STRS/PERS contributions, Other Retirement Contributions, Payroll Tax Reports, Health and Welfare deductions and contributions to service providers
- Processes final paychecks and coordinates with back-office provider for delivery of checks if not processed in-house
- **BACK OFFICE**
 - Process ECR for final paychecks if not processed in-house
 - Uploads journal entries to record payroll in general ledger each pay period
 - Performs analytical procedures on payroll expenses as part of month-end close process

Revision History:

Revision	Date	Description of changes	Requested By
0	3/09/17	Initial Release	Nanie Montijo, CFO

Cover Sheet

Approval of Anti-Nepotism Policy

Section: III. Action Items
Item: C. Approval of Anti-Nepotism Policy
Purpose: Vote
Submitted by:
Related Material: III C Anti Nepotism Policy.pdf



Board Agenda Item #	Agenda # III C
Date:	March 9, 2017
To:	Magnolia Board of Directors
From:	Caprice Young, Ed.D., CEO & Superintendent
Staff Lead:	Name, Chief External Officer
RE:	Approval of Anti-Nepotism Policy

Proposed Board Recommendation

I move that the board approve the Anti-Nepotism Policy for Magnolia Educational and Research Foundation (MERF).

Background

MERF Board approved Los Angeles County of Education (LACOE's) Memorandum of Understanding (MOU) for the renewal of Magnolia Science Academy (MSA) 1, 2, and 3 in the February 9, 2017 board meeting. In order to address all the Anti-Nepotism requirements in the MOU, MERF has created an Anti-Nepotism policy that has been reviewed by legal.

The Anti-Nepotism policy states the regulations to be followed to prevent and avoid the possibility of favoritism based on family or personal relationships with respect to personnel. This policy shall not supplant the application of applicable conflicts of interest laws to MERF.

MERF's anti-nepotism policy precludes individuals from evaluating the work performance of others with whom they have intimate familial or personal relationships, or from making hiring, salary, or similar financial decisions concerning such persons. The same principles apply to supervisor-employee relationships in the context of work or academic evaluation.

Budget Implications

N/A

How Does This Action Relate/Affect/Benefit All MSAs?

All Magnolia Science Academies along with the CMO will adopt this policy.

Name of Staff Originator:

Alfredo Rubalcava, Chief External Officer

Attachments

Anti-Nepotism Policy

Magnolia Educational & Research Foundation Anti-Nepotism Policy

Consistent with the principle that employees and prospective employees of the Magnolia Educational & Research Foundation (“MERF”), shall be hired, evaluated, and advanced the actual or perceived characteristics of race, religion, creed, color, gender, gender identity, gender expression, nationality, national origin, ancestry, ethnic group identification, genetic information, age, medical condition, marital status, sexual orientation, sex and pregnancy, physical or mental disability, childbirth or related medical conditions, military and veteran status, denial of family and medical care leave, or on the basis of a person’s association with a person or group with one or more of these actual or perceived characteristics, or any other basis protected by federal, state, local law, ordinance or regulation, or other factors not involving professional qualifications and performance, the following restrictions, designed to avoid the possibility of favoritism based on family or personal relationship, shall be observed with respect to personnel:

1. No one with supervisory responsibility shall hire/promote or recommend for hire/promotion any related person.
2. All persons wishing to be considered for employment with MERF shall disclose family and personal relationships with then-current employees or students of MERF.
3. With respect to proposed employment decisions which would result in the concurrent service of related persons within the same department, a person related to an incumbent employee may not be employed if the professional qualifications of other candidates for the available position are demonstrably superior to those of the related person.
4. With respect to the concurrent service of related persons within the same department, neither related person shall be permitted, either individually or as a member of the staff or as a member of a committee, to participate in the evaluation, advancement, or salary decisions of the other related person.
5. No member of the Board, MERF or Charter School administration, or staff member shall engage in recommendations, discussions, or otherwise participate in any decision or recommendation relating to the appointment, promotion, retention, tenure, or employment of a related person.
6. In the event of a lack of candidates, a need for specialized skills, or other unique circumstances as determined on a case-by-case basis, the restriction against hiring or promoting related persons may be waived in the best interest of MERF upon the approval of the Chief Executive Officer or the Board of Directors, subject to compliance with other applicable conflict of interest laws.
7. When other qualified candidates have not applied, assignments of short duration (generally less than sixty [60] working days), may be exempt from these guidelines, subject to compliance with other applicable conflict of interest laws.

8. This policy shall not supplant the application of applicable conflicts of interest laws to MERF.

Definition of “Related Persons”

The following relationships create related persons:

- Parent and child;
- Siblings;
- Grandparent and grandchild;
- Aunt and/or uncle and niece and/or nephew;
- First cousins;
- Spouses and registered domestic partners;
- Guardian and ward;
- Any corresponding in-law, step, or adoptive relative, or anyone residing in a permanent basis in the home of a current employee or student of MERF; and
- Persons engaged in amorous relationships, meaning a relationship in which two (2) persons voluntarily have a physical relationship or are engaged in a romantic courtship (e.g. dating or engaged) that may or may not have been consummated.

Policy Statement on Consensual Relationships

Consensual romantic or sexual relationships between supervisors and employees and between staff are potentially exploitative and must be avoided. They raise serious concerns about the validity of the consent, conflicts of interest, and unfair treatment of others. In addition, a supervisor will be prohibited from evaluating an employee’s job performance if he/she is romantically/sexually involved with that employee.

MERF’s anti-nepotism policy precludes individuals from evaluating the work performance of others with whom they have intimate familial or personal relationships, or from making hiring, salary, or similar financial decisions concerning such persons. The same principles apply to supervisor-employee relationships in the context of work or academic evaluation.

Cover Sheet

Approval of Conflict of Interest Policy for Magnolia Science Academy 1, 2 and 3

Section: III. Action Items
Item: D. Approval of Conflict of Interest Policy for Magnolia Science Academy 1, 2 and 3
Purpose: Vote
Submitted by:
Related Material: III D Conflict of Interest Policy.pdf



MAGNOLIA PUBLIC SCHOOLS

Board Of Directors

Board Agenda Item #	III D
Date:	March 9, 2017
To:	Magnolia Board of Directors
From:	Caprice Young, Ed.D., CEO & Superintendent
Staff Lead:	Nanie Montijo, Chief Financial Officer
RE:	Approval of Conflict of Interest Policy for MSA 1,2, and 3

Proposed Board Recommendation

I move that the board approve the Conflict of Interest Policy for Magnolia Science Academy (MSA) 1, 2 and 3.

Background

Magnolia Educational and Research Foundation's (MERF) Conflict of Interest Policy needs to be updated for MSA 1, 2, and 3 to align with LACOE's MOU and to address the deficiencies identified by the authorizing agency in Finding 3 in the LACOE Report of Findings of Fact to the County Board dated December 20, 2016:

Provide a Clear Conflict of Interest Policy that is consistent with the requirements provided with Section 1.3D of the MOU and BP 0420.4

Budget Implications

There are no budget implications.

Name of Staff Originator:

Nanie Montijo, CFO

Attachments

Board Governance Policies – Conflict of Interest Policy

MAGNOLIA EDUCATIONAL & RESEARCH FOUNDATION

CONFLICT OF INTEREST POLICY

I. PURPOSE

The purpose of this Conflict of Interest Policy (“Policy”) is to protect Magnolia Educational & Research Foundation’s (“Charter School”) interests when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Charter School. This Policy is intended to supplement, but not replace, (i) any applicable state and federal laws governing conflicts of interest applicable to California public charter schools; and (ii) the Charter School’s Conflict of Interest Code, adopted pursuant to the Political Reform Act (Government Code Section 81000 *et seq.*), including the exhibits attached thereto.

II. DESIGNATED EMPLOYEES

Employees of this Charter School, including members of the Board of Directors (“Board”) and candidates for election and/or appointment to the Board, who hold positions that involve the making or participation in the making, of decisions that may foreseeably have a material effect on any financial interest, shall be “designated employees.” The designated positions are listed in “Appendix A,” which is hereby incorporated by reference, attached to the Charter School’s Conflict of Interest Code.

III. DISQUALIFICATION

No designated employee shall make, participate in making, or try to use his/her official position to influence any Charter School decision which he/she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family.

IV. MANNER OF DISQUALIFICATION**A. Non-Board Member Designated Employees**

When a non-Board member designated employee determines that he/she should not make a decision because of a disqualifying interest, he/she should submit a written disclosure of the disqualifying interest to his/her immediate supervisor. The supervisor shall immediately reassign the matter to another employee and shall forward the disclosure notice to the Charter School Principal who shall record the employee’s disqualification. In the case of a designated employee who is head of an agency, this determination and disclosure shall be made in writing to his/her appointing authority.

B. Board Member Designated Employees

Board members shall disclose a disqualifying interest at the meeting during which consideration of the decision takes place. After disclosure of the disqualifying interest and all material facts, he/she shall leave the Board meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board members shall decide if a conflict of interest exists. If the Board determines that a conflict of interest exists, the Corporation shall not enter into

Board Governance Policies

Conflict of Interest Policy

a contract or transaction (1) in which a director or designated employee directly or indirectly has a material financial interest; or (2) with any other corporation, firm, association, or other entity in which one or more of the Corporation's directors or designated employees is a director and has a material financial interest.

Board Governance Policies

Conflict of Interest Policy

This disclosure shall be made part of the Board's meeting minutes. The Board meeting minutes shall include the names of the persons who disclosed or otherwise were found to have a disqualifying interest in connection with an actual or possible conflict of interest, the nature of the disqualifying interest, any action taken to determine whether a conflict of interest was present, and the Board's decision as to whether a conflict of interest in fact existed.

The Board member shall refrain from participating in the decision in any way (i.e. the Board member with the disqualifying interest shall refrain from voting on the matter and influencing or attempting to influence the vote on the matter) and comply with any applicable provisions of the Charter School bylaw.

Adopted: 3/09/17 Amended:

Cover Sheet

Approval of Revised Conflict of Interest Code for Magnolia Science Academy 1, 2 and 3

Section: III. Action Items
Item: E. Approval of Revised Conflict of Interest Code for Magnolia
Science Academy 1, 2 and 3
Purpose: Vote
Submitted by:
Related Material: III E Updated Conflict of Interest Code.pdf



MAGNOLIA PUBLIC SCHOOLS

Board Of Directors

Board Agenda Item #	III E
Date:	March 9, 2017
To:	Magnolia Board of Directors
From:	Caprice Young, Ed.D.,CEO & Superintendent
Staff Lead:	Nanie Montijo, Chief Financial Officer
RE:	Approval of Conflict of Interest Code for MSA 1,2, and 3

Proposed Board Recommendation

I move that the board approve the Conflict of Interest Code for Magnolia Science Academy (MSA) 1, 2 and 3.

Background

Magnolia Educational and Research Foundation's (MERF) Conflict of Interest Code needs to be updated for MSA 1, 2, and 3 to align with LACOE's MOU.

Budget Implications

There are no budget implications.

Name of Staff Originator:

Nanie Montijo, CFO

Attachments

Conflict of Interest Code

MAGNOLIA EDUCATIONAL & RESEARCH FOUNDATION
CONFLICT OF INTEREST CODE

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations §18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the conflict of interest code for the **Magnolia Educational & Research Foundation (MERF)**.

Individuals holding designated positions shall file statements of economic interests with the **MERF**, which will make the statements available for public inspection and reproduction. (Government Code § 81008) All statements will be retained by **MERF**.

APPENDIX A**DESIGNATED POSITIONS**

<u>Designated Positions</u>	<u>Disclosure Category</u>
Members of the Governing Board	1, 2
Corporate Officers (e.g., CEO/President, CFO/Treasurer, Secretary)	1, 2
Chief External Officer	1, 2
Regional Director – South	1, 2
Regional Director – North	1, 2
Chief Operations Officer	1, 2
Chief Academic Officer	1, 2
Chief Accountability Officer	1, 2
Chief of Human Resources/Director of Human Resources	1, 2
Chief Growth Officer (Consultant)	1, 2
Directors of New School Development	1, 2
Director of Partnerships	1, 2
Director of Information Technology/IT Director	1, 2
Principals	1, 3
Business Managers/Senior Financial Analysts	1, 3
Manager of Capital Projects and Facilities	1, 3
IT Manager	3
Office Managers	3
Contract Compliance Manager	3
Accounts Payable – Vendor Relations	3
Consultants/New Positions	*

* Consultants/New Positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitation:

The CEO/President or designee may determine in writing that a particular consultant or new position, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant’s or new position’s duties and, based upon that description, a statement of the extent of disclosure requirements. The CEO/President or designee’s determination is a

public record and shall be retained for public inspection in the same manner and location as this conflict of interest code. (Government Code § 81008)

APPENDIX B

DISCLOSURE CATEGORIES

Category 1:

Designated positions assigned to this category must report:

- a. Interests in real property located in whole or in part within two (2) miles of any facility utilized by MERF's charter school, including any leasehold, beneficial or ownership interest or option to acquire such interest in real property.
- b. Investments and business positions in business entities, or sources of income (including gifts, loans, and travel payments) that engage in the purchase or sale of real property or are engaged in building construction or design.

Category 2:

Designated positions assigned to this category must report:

- a. Investments and business positions in business entities or sources of income (including receipt of gifts, loans, and travel payments) that are contractors engaged in the performance of work or services, or sources that manufacture, sell, repair, rent or distribute school supplies, books, materials, school furnishings or equipment of the type to be utilized by MERF.

Category 3:

Designated positions assigned to this category must report:

- a. Investments and business positions in business entities or sources of income (including receipt of gifts, loans, and travel payments) that are contractors engaged in the performance of work or services, or sources that manufacture, sell, repair, rent or distribute school supplies, books, materials, school furnishings or equipment of the type to be utilized by the designated position's department. For the purpose of this category a Principal's department is his/her entire school.

Cover Sheet

Approval of Investment Policy for all MPS

Section: III. Action Items
Item: F. Approval of Investment Policy for all MPS
Purpose: Vote
Submitted by:
Related Material: III F Investment Policy.pdf



Board Agenda Item #	Agenda # III F
Date:	March 9, 2017
To:	Magnolia Board of Directors
From:	Caprice Young, Ed.D., CEO & Superintendent
Staff Lead:	Nanie Montijo, Chief Financial Officer
RE:	Investment Policy

Proposed Board Recommendation

I move that the board approve the Investment Policy for Magnolia Public School.

Background

This policy establishes investment objectives, guidelines and processes related to all assets held by Magnolia Public Schools, primarily for investment purposes. In doing so, the policy:

- Clarifies the delegation of duties and responsibilities concerning the management of the investments.
- Communicates the objectives to the Board, staff, investment managers, brokers, donors and funding sources that may have involvement.
- Confirms policies and procedures relative to the expenditure of investment funds
- Serves as a review document to guide the ongoing oversight of the management of Magnolia Public Schools investments.

Budget Implications

- N/A

How Does This Action Relate/Affect/Benefit All MSAs?

- Establishes guidelines and considerations in managing and investing MPS funds.

Name of Staff Originator: Dr. Caprice Young, CEO

Attachments: IVT101 INVESTMENTS

SOP # IVT101 Investments
Effective Date: 3/09/17

Prepared by: Central Office
Approved by: BOD

Title: IVT101 INVESTMENTS

Policy: Establishes investment objectives, guidelines and processes related to all assets held by Magnolia Public Schools, primarily for investment purposes.

Purpose: In doing so, the policy clarifies the delegation of duties and responsibilities concerning the management of the investments. Communicates the objectives to the Board, staff, investment managers, brokers, donors and funding sources that may have involvement. Confirms policies and procedures relative to the investment of MPS funds. This also serves as a review document to guide the ongoing oversight of the management of Magnolia Public Schools investments.

Scope: This policy applies to all departments, institutions, agencies and individuals who have involvement in all of the organization's investments.

Responsibilities:

Responsible Party:

The Board shall ensure that its fiduciary responsibilities concerning the proper management of MPS's funds are fulfilled through appropriate investment structure, internal and external management, consistent with all policies and procedures based on the advice and recommendations of the Oversight Committee. The Oversight Committee is consist of CEO, CFO and COO.

The Oversight Committee is not held accountable for less than desirable outcomes, rather for adherence to procedure and processes. The Oversight Committee is responsible for the development, recommendations, implementation and maintenance of all policies.

The Oversight Committee shall be responsible for the day to day administration and implementation of policies established by the Oversight Committee and approved by the Board.

Procedure:

1.0 Investment Considerations

All individuals responsible for managing and investing MPS's institutional funds must do so in good faith.

1.1 Investment Guidelines

In making any decision relative to the investment of funds: safety, liquidity and yield must be taken into consideration. Each of the following factors must be considered, and properly documented:

1. general economic conditions;
2. expected tax consequences, if any, of investment decisions or strategies;
3. the needs of the organization and the fund to make distributions and preserve capital;
4. other resources of the organization;
5. expected total return from the income and appreciation of investments;

Revision History:

Revision	Date	Description of changes	Requested By
	3/09/17	Initial Release	

Cover Sheet

Approval of 2016-17 Second Interim Reports and January 2016 Financials for all MPS

Section: III. Action Items
Item: G. Approval of 2016-17 Second Interim Reports and January
2016 Financials for all MPS
Purpose: Vote
Submitted by:
Related Material: III G 2016-17 Interim Report and January Financials.pdf



Business and Development Specialists
for Charter Schools

MEMORANDUM

TO: Caprice Young, CEO, Magnolia Public Schools
FROM: EdTec
SUBJECT: January 2017 Financial Presentation
DATE: 02/24/2017

MAGNOLIA PUBLIC SCHOOLS - CONSOLIDATED

Board Approved Budget vs. Current Forecast

	Budget		
	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)
SUMMARY			
Revenue			
LCFF Entitlement	34,523,569	34,542,159	18,590
Federal Revenue	4,434,404	4,354,839	(79,565)
Other State Revenues	5,466,121	5,394,334	(71,787)
Local Revenues	7,080,455	7,136,223	55,768
Fundraising and Grants	386,755	390,846	4,092
Total Revenue	51,891,304	51,818,402	(72,902)
Expenses			
Compensation and Benefits (excl adjustment)	26,871,597	26,818,223	53,374
Books and Supplies	3,780,627	3,931,159	(150,532)
Services and Other Operating Expenditures	18,434,384	18,593,534	(159,150)
Depreciation	804,525	804,525	-
Total Expenses	49,891,132	50,147,440	(256,308)
Operating Income Before One-Time Adjustment	2,000,172	1,670,962	(329,210)
One-Time Compensation Adjustment	(1,101,603)	(1,101,603)	
Operating Income (including adjustment)	898,569	569,359	
Fund Balance			
Beginning Balance (Unaudited)	20,749,323	20,749,323	
Audit Adjustment	(127,921)	(127,921)	
Beginning Balance (Audited)	20,621,401	20,621,401	
Operating Income (including Depreciation)	2,000,172	569,359	
Ending Fund Balance	23,050,989	21,190,760	
Capital Outlay	1,050,224	841,899	

	2016/17 Current Forecast MSA-1	2016/17 Current Forecast MSA-2	2016/17 Current Forecast MSA-3	2016/17 Current Forecast MSA-4	2016/17 Current Forecast MSA-5	2016/17 Current Forecast MSA-6	2016/17 Current Forecast MSA-7	2016/17 Current Forecast MSA-8	2016/17 Current Forecast MSA-SA	2016/17 Current Forecast MSA-SD	2016/17 Current Forecast MSA-SC	2016/17 Current Forecast MERF	2016/17 Current Forecast Total
SUMMARY													
Revenue													
LCFF Entitlement	5,277,903	4,188,988	4,338,614	1,825,158	1,662,956	1,543,949	2,609,088	4,525,400	5,535,628	3,034,475	-	-	34,542,159
Federal Revenue	1,218,991	533,058	497,033	250,371	168,728	166,052	287,953	307,027	783,158	142,469	-	-	4,354,839
Other State Revenues	1,159,958	550,186	689,995	267,941	179,531	256,185	626,626	629,214	561,696	473,002	-	-	5,394,334
Local Revenues	96,272	93,650	45,595	27,958	177,193	17,313	77,070	80,207	20,751	88,597	-	6,411,617	7,136,223
Fundraising and Grants	69,360	27,722	19,018	12,374	500	11,100	25,000	20,000	31,946	23,827	-	150,000	390,846
Total Revenue	7,822,484	5,393,604	5,590,256	2,383,802	2,188,908	1,994,599	3,625,736	5,561,847	6,933,179	3,762,370	-	6,561,617	51,818,402
Expenses													
Compensation and Benefits (excl adjustment)	3,562,844	2,938,371	3,183,115	1,181,983	1,152,507	1,035,074	1,608,185	2,701,941	3,727,154	2,158,964	-	3,568,086	26,818,223
Books and Supplies	647,387	461,104	407,587	120,875	171,607	155,776	306,250	420,157	971,640	183,955	-	84,820	3,931,159
Services and Other Operating Expenditures	2,887,687	1,837,800	2,013,462	741,909	679,863	554,706	1,619,358	2,123,061	2,190,892	1,322,273	-	2,622,522	18,593,534
Depreciation	146,166	53,602	19,096	15,656	4,774	28,726	36,918	84,873	373,813	39,460	-	1,440	804,525
Total Expenses	7,244,083	5,290,878	5,623,261	2,060,423	2,008,751	1,774,282	3,570,710	5,330,033	7,263,499	3,704,652	-	6,276,868	50,147,440
Operating Income Before One-Time Adjustment	578,401	102,726	(33,005)	323,379	180,157	220,317	55,026	231,815	(330,320)	57,718	-	284,749	1,670,962
One-Time Compensation Adjustment	(198,362)	(164,349)	(186,030)	(82,695)	(66,305)	(47,852)	(89,982)	(120,965)	(45,129)	(99,934)	-	-	(1,101,603)
Operating Income (including adjustment)	380,039	(61,623)	(219,035)	240,684	113,852	172,465	(34,956)	110,850	(375,449)	(42,216)	-	284,749	569,359
Fund Balance													
Beginning Balance (Unaudited)	3,197,834	1,210,746	976,777	763,641	1,144,335	1,006,776	939,109	3,061,348	8,291,101	1,173,620	(730,789)	(285,175)	20,749,323
Audit Adjustment	(37,421)	(69,796)	(1,355)	(101,149)	(66,819)	(61,339)	8,244	(90,501)	7,820	960	(791)	284,225	(127,921)
Beginning Balance (Audited)	3,160,413	1,140,950	975,422	662,491	1,077,516	945,437	947,353	2,970,847	8,298,921	1,174,581	(731,580)	(950)	20,621,401
Operating Income (including Depreciation)	380,039	(61,623)	(219,035)	240,684	113,852	172,465	(34,956)	110,850	(375,449)	(42,216)	-	284,749	569,359
Ending Fund Balance	3,540,451	1,079,327	756,387	903,175	1,191,368	1,117,902	912,397	3,081,697	7,923,472	1,132,364	(731,580)	283,799	21,190,760
Ending Fund Balance as a % of Expenses	49%	20%	13%	44%	59%	63%	26%	58%	109%	31%		5%	42%
Capital Outlay	540,000	14,982	-	-	27,793	-	60,000	84,000	115,124	-	-	-	841,899
Total ADA	518.6	430.4	441.9	186.7	177.7	170.5	285.4	486.2	612.7	408.3	0.0	0.0	3,718

Consolidated Net Income before one-time compensation adjustments* is forecasted for the year at **\$1,670,962**. Net income, adjusted for one-time compensation expense correction is **\$569,359**. This is a \$329,210 decrease from the board approved budget.

*During this current year, Magnolia is recognizing an additional month of payroll and related benefits due to an accounting change based on the reporting method recommended by the auditors. This results in additional one-time expenses being recognized in the current year.

The main drivers of the changes from approved budget to January forecast are:

- MSA-3 and MSA-7 removed Charter School Incentive Grant (CSFIG), total impact of \$328K
- LCFF Implementation percentage increase in the updated FCMAT calculator FY16-17 and ADA adjusted per certified P1
- Prior year lottery came in higher in January than accrued. The state added a factor of 1.04446 to the FY15-16 annual ADA amount to arrive at the ADA used to fund the final lottery apportionment.
- Added Special Education Option 3 grant income per second disbursement of revenue and LEA Billing disbursement; not budgeted

ACCOMPLISHMENTS

- No uncategorized expenses in January. One item in uncategorized revenue, but backup has been received and will clear out in February financials
- Capital plan updated and shared with Hamlin

OPPORTUNITIES AND RISKS

Hourly Employees & Benefits

Hourly employees at school sites are exceeding the 20-hour limit, which will make them eligible for PERS. Others are exceeding the 29-hour limit, which will make them eligible for PERS and health benefits. This will have a negative budget impact. HR is reconciling which employees will need to receive benefits and EdTec will analyze the fiscal impact on FY16-17 once received.

MSA-1, 2, and 3 CDS Numbers

MSA-1, 2, and 3 will need to change CDS codes as of the new fiscal year due to change in authorizer. MPS will need to work with CDE to make sure that all appropriate revenue and grants get properly transferred to the new CDS codes.

Expense Risks – MERF Approved Budget

The current MERF budget does not include expansion of the FCMAT contract yet as amount and timing of expense are not yet known. Legal expenses are currently tracking higher than originally expected due to OIG related concerns, and there is risk of exceeding budget in this line item.

STRS/PERS Corrections

MPS management believes there may be prior year STRS and PERS eligibility inaccuracies which, when corrected, would result in additional expense for the organization. Further analysis is needed to determine the order of magnitude of this potential liability. Limited staffing resources at MERF have delayed this research. Any known errors related to current year eligibility or rate variances have been corrected.

Paycom Voids and Corrections

Employees enrolled in STRS had social security tax incorrectly deducted from paychecks. Paycom voided these entries and corrected payment to employee, but no manual check was entered to offset the void. Consequently, while employees were paid the correct amount, their earnings are understated in Paycom (and consequently, their 2016 W2s). HR and Paycom working to reconcile and adjust earnings of the four employees affected.

MSA-1 Charter School Facility Incentive Grant (CSFIG)

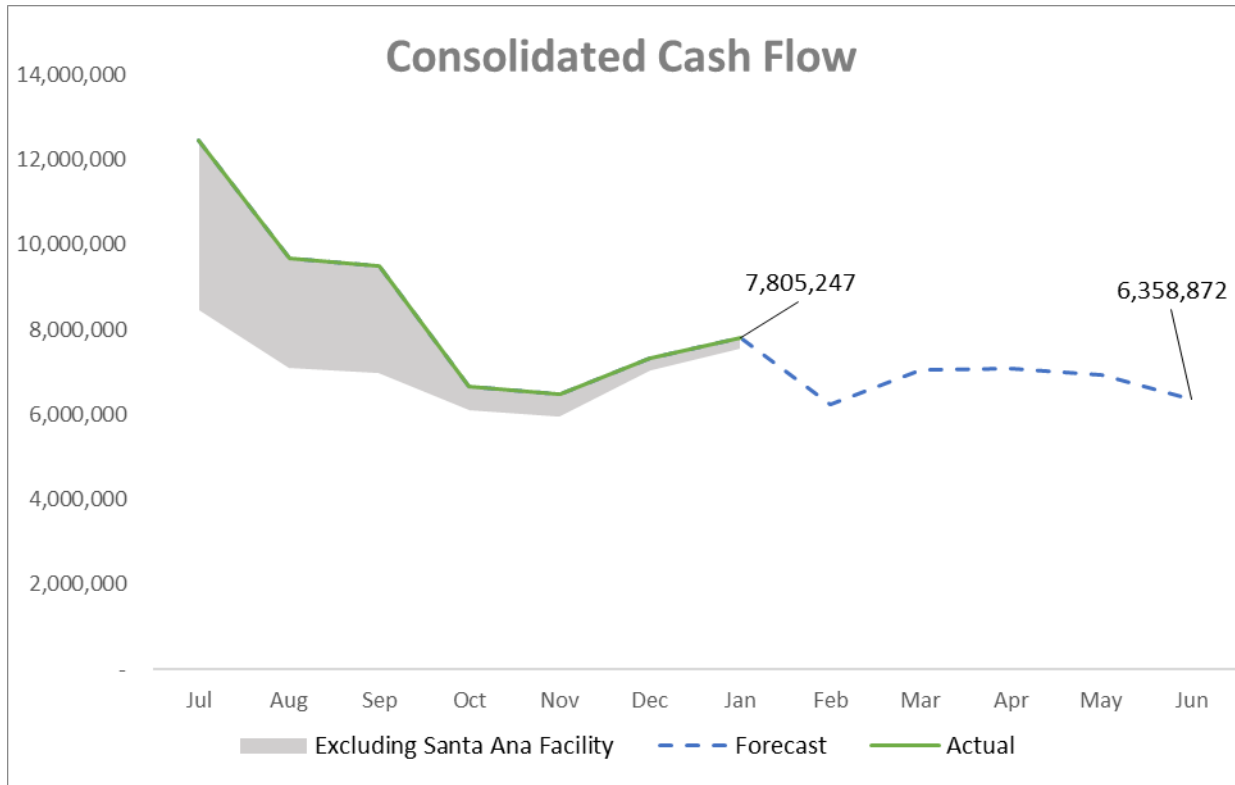
MSA-1 received the 3-year grant and will receive \$500,000 each year starting in 16-17. MSA-1 needs to expend \$500,000 by June 30, 2017 on construction to receive the full award. If not, then the revenue will be lower and have a negative impact on the operating income. Finance and facilities will work to identify eligible expenses that can be reimbursed.

Emergency Check Request Tracking

Site	July	August	September	October	November	December	January	Trend
MERF	10	10	7	2	1	3	3	
MSA-1	8	2	8	1	1	1	2	
MSA-2	17	8	12	2	1	0	1	
MSA-3	2	3	9	5	3	12	4	
MSA-4	0	1	16	0	0	0	1	
MSA-5	0	1	5	0	0	0	0	
MSA-6	0	1	0	0	0	0	0	
MSA-7	6	2	2	1	0	1	0	
MSA-8	2	2	21	1	0	0	1	
MSA-SA	13	9	10	5	2	1	1	
MSA-SD	11	13	1	1	3	3	3	
Total	69	52	91	18	11	21	16	

Emergency check requests have decreased 24% since December. ECRs were less than 20 (16 total), and no additional charge was incurred. Communications with principals regarding the cost of ECRs have been effective in reducing the number of requests.

CASH FLOW SUMMARY



The ending cash balance at 01/31 was \$7,805,247, where \$265,631 was restricted Prop 1D money for MSA-Santa Ana. Projected ending cash balance at 6/30 is \$6,358,872.

Cash Flow Notes

- MSA-SA will need operating loans to cover cash needs until February. These have already been approved by the board.
- MERF has received CMO fees through June (excluding MSA-3 and MSA-SA) to maintain a positive cash balance. However, an adjustment needs to be paid (or is owed) to sites based on the revised MERF budget.

Magnolia Science Academy - 1

	Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
SUMMARY						
Revenue						
LCFF Entitlement	2,564,286	5,305,480	5,277,903	(27,577)	2,713,617	49%
Federal Revenue	229,276	1,202,884	1,218,991	16,107	989,715	19%
Other State Revenues	600,755	1,158,352	1,159,958	1,607	559,203	52%
Local Revenues	81,694	84,550	96,272	11,721	14,578	85%
Fundraising and Grants	26,186	69,360	69,360	-	43,173	38%
Total Revenue	3,502,197	7,820,626	7,822,484	1,858	4,320,286	45%
Expenses						
Compensation and Benefits (excl adjustmer	2,061,629	3,562,432	3,562,844	(412)	1,699,576	58%
Books and Supplies	262,808	647,387	647,387	-	384,580	41%
Services and Other Operating Expenditures	1,514,593	2,929,102	2,887,687	41,415	1,373,094	52%
Depreciation	106,029	146,166	146,166	-	40,137	73%
Total Expenses	3,945,058	7,285,087	7,244,083	41,004	3,497,387	54%
Operating Income Before One-Time Adjustment	(442,861)	535,539	578,401	42,862	822,900	-77%
One-Time Compensation Adjustment		(198,362)	(198,362)			
Operating Income (including adjustment)		337,177	380,039			
Fund Balance						
Beginning Balance (Unaudited)	3,197,834	3,197,834	3,197,834			100%
Audit Adjustment	(37,421)	-	(37,421)			100%
Beginning Balance (Audited)	3,160,413	3,197,834	3,160,413			100%
Operating Income (including Depreciation)	(442,861)	535,539	380,039			-117%
Ending Fund Balance	2,717,552	3,733,373	3,540,451			77%
Capital Outlay	27,331	540,000	540,000			0
Total ADA		522.1	518.6	-3.5		0%

Summary of Results

Forecasting a net income of **\$578,401** before one-time adjustments and net income of **\$380,039** including adjustments; this is an increase of **\$42,862** from the board approved budget. ADA decreased by 3.5 to reflect P-1 with a 1.10% decrease based on prior year change from P-1 to P-2.

Variance Analysis

LCFF Entitlement (-\$27,577)

ADA decrease of 3.5 as well as a FCMAT calculator update with an increase to the implementation percentage

Federal Revenue \$16,107

Title funding to match revised entitlement per CDE, with an overall increase of \$8k. LEA billing distribution for \$8K received; increased other federal revenue to match actuals.

State Revenue \$1,607

Prior year lottery was \$2.3K more than the accrual. The state added a factor of 1.04446 to the FY15-16 annual ADA amount to arrive at the ADA used to fund the final lottery apportionment. Current year lottery revenue increased \$653 based on the increase in ADA.

Other Local Revenue \$11,721

Increased based on the second disbursement of the COP Option 3 for \$11.7K.

Services and Operating \$41,415

Adjusted rent expense to match MPM lease agreement which decreased forecast by \$32k. Interest expense also decreased by \$20k due to capital plan and financing, which is happening through MPM. Additional expense will be reflected in rent after completion of project. Receivable sale fee increased \$10K for the projected bridge loan that will occur to cover the cost of construction until bond financing complete.

Magnolia Science Academy - 2

	Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
SUMMARY						
Revenue						
LCFF Entitlement	2,153,331	4,295,058	4,188,988	(106,070)	2,035,657	51%
Federal Revenue	142,771	522,541	533,058	10,516	390,287	27%
Other State Revenues	277,878	544,067	550,186	6,119	272,307	51%
Local Revenues	72,397	77,280	93,650	16,370	21,252	77%
Fundraising and Grants	11,244	27,722	27,722	-	16,478	41%
Total Revenue	2,657,622	5,466,669	5,393,604	(73,065)	2,735,982	49%
Expenses						
Compensation and Benefits (excl adjustm	1,769,509	2,938,373	2,938,371	2	1,333,211	60%
Books and Supplies	266,282	451,104	461,104	(10,000)	194,823	58%
Services and Other Operating Expenditure:	912,976	1,848,804	1,837,800	11,004	924,824	50%
Depreciation	19,831	53,602	53,602	-	33,771	37%
Total Expenses	2,968,598	5,291,884	5,290,878	1,006	2,486,628	56%
Operating Income Before One-Time Adjustment	(310,977)	174,785	102,726	(72,059)	249,354	-303%
One-Time Compensation Adjustment		(164,349)	(164,349)			
Operating Income (including adjustment)		10,436	(61,623)			
Fund Balance						
Beginning Balance (Unaudited)	1,210,746	1,210,746	1,210,746			100%
Audit Adjustment	(69,796)	-	(69,796)			100%
Beginning Balance (Audited)	1,140,950	1,210,746	1,140,950			100%
Operating Income (including Depreciation)	(310,977)	174,785	(61,623)			505%
Ending Fund Balance	829,973	1,385,531	1,079,327			77%
Capital Outlay	14,982	14,982	14,982			1
Total ADA		442.0	430.4	-11.6		0%

Summary of Results

Forecasting a net income of **\$102,726** before one-time adjustments and a operating loss of (\$61,623) including adjustments; this is a decrease of \$72,059 from the board approved budget. ADA decreased by 11.6 to reflect P-1 with a 1.65% decrease based on prior year change from P-1 to P-2.

Variance Analysis

LCFF/State Aid (-\$106,070)

ADA decrease of 11.6 as well as a FCMAT calculator update with an increase to the implementation percentage

Federal Revenue \$10,516

Updated Title funding to match revised entitlement per CDE, with an overall increase of \$2k. LEA billing distribution for \$8K received; increased other federal revenue to match actuals.

State Revenue \$6,119

Prior year lottery was \$8.3K more than accrued. The state added a factor of 1.04446 to the FY15-16 annual ADA amount to arrive at the ADA used to fund the final lottery apportionment. Current year lottery income decreased \$2K based on the decrease in ADA.

Other Local Revenue \$16,370

Increased based on the second disbursement of the COP Option 3 for \$16K.

Books and Supplies (-\$10,000)

Originally budgeted for NWEA (computer adaptive assessment) under 5000's; reallocated the budget and moved it to instructional materials and supplies.

Services and Operating \$11,004

Reallocated \$10k to instructional materials and supplies to match correct budget category. District oversight fees decreased by \$1k due to a decrease in LCFF entitlement.

Magnolia Science Academy -3

	Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
SUMMARY						
Revenue						
LCFF Entitlement	2,104,808	4,352,807	4,338,614	(14,193)	2,233,806	49%
Federal Revenue	154,380	493,745	497,033	3,288	342,654	31%
Other State Revenues	365,830	879,335	689,995	(189,340)	324,165	53%
Local Revenues	36,862	40,114	45,595	5,481	8,733	81%
Fundraising and Grants	10,603	19,018	19,018	-	8,415	56%
Total Revenue	2,672,483	5,785,019	5,590,256	(194,763)	2,917,773	48%
Expenses						
Compensation and Benefits (excl adjustme	1,904,136	3,184,511	3,183,115	1,396	1,465,009	60%
Books and Supplies	176,468	401,887	407,587	(5,700)	231,119	43%
Services and Other Operating Expenditures:	973,221	2,087,914	2,013,462	74,452	1,040,242	48%
Depreciation	7,000	19,096	19,096	-	12,096	37%
Total Expenses	3,060,825	5,693,409	5,623,261	70,148	2,748,466	54%
Operating Income Before One-Time Adjustment	(388,342)	91,611	(33,005)	(124,616)	169,307	1177%
One-Time Compensation Adjustment		(186,030)	(186,030)			
Operating Income (including adjustment)		(94,419)	(219,035)			
Fund Balance						
Beginning Balance (Unaudited)	976,777	976,777	976,777			100%
Audit Adjustment	(1,355)	-	(1,355)			100%
Beginning Balance (Audited)	975,422	976,777	975,422			100%
Operating Income (including Depreciation)	(388,342)	91,611	(219,035)			177%
Ending Fund Balance	587,080	1,068,388	756,387			78%
Capital Outlay						
	-	70,000	-			
Total ADA		443.9	441.9	-2.0		0%

Summary of Results

Forecasting an operating loss of **(\$33,005)** before one-time adjustments and operating loss of **(\$219,035)** including adjustments; this is a decrease of \$124,616 from the board approved budget. ADA decreased by 2.0 to reflect P-1 with a 1.12% decrease based on prior year change from P-1 to P-2.

Variance Analysis

LCFF Entitlement (-\$14,193)

ADA decrease of 11.6 as well as a FCMAT calculator update with an increase to the implementation percentage

Federal Revenue \$3,288

Updated Title funding to match revised entitlement per CDE, with an overall decrease of \$660. LEA billing distribution for \$3K received; increased other federal revenue to match actuals.

State Revenue (-\$189,340)

Charter School Facility Incentive Grant (CSFIG) was originally budgeted in SB740-Facilities for 190K. However, MSA-3 will not receive CSFIG as the certification documents, including a resolution from Magnolia's Board approving the grant agreement, were never submitted to the Charter School Finance Authority (CSFA) in 2014. As a result, MSA-3 will not receive any of this grant money. MSA-3 will apply in the next round for facilities funding.

Prior year lottery was \$1.3K more than accrued. The state added a factor of 1.04446 to the FY15-16 annual ADA amount to arrive at the ADA used to fund the final lottery apportionment. Current year lottery decreased \$300 based on the increase in ADA.

Other Local Revenue \$5,481

Increased based on the second disbursement of the COP Option 3 for \$5K

Compensation and Benefits \$1,396

Added 2 one-time stipends of \$5,000 each per HR Director. Prorated pay for dean who left, last pay in March. Another dean got promoted and filled the principal's position. At the end of March, there will be 2 open dean positions that may be filled or combined into one position. The overall impact on the budget is a savings of \$11.3k.

Books and Supplies (-\$5,700)

Change primarily due to a transfer of from from Conference Fees to Computers for actual expenses.

Services and Operating \$74,452

Transferred \$5.7K from services and operating to computers. Reduced other professional services \$25K as college readiness expenses will be rolled over to 2017-18. Legal fees reduced \$25,000 based on current expenditures. Professional development reduced \$25K based on actual spending. Added school programs to the forecast to match actuals that came in of \$4k.

Magnolia Science Academy - 4

	Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
SUMMARY						
Revenue						
LCFF Entitlement	851,628	1,818,445	1,825,158	6,713	973,530	47%
Federal Revenue	100,768	247,687	250,371	2,683	149,603	40%
Other State Revenues	134,617	267,852	267,941	89	133,324	50%
Local Revenues	22,265	22,430	27,958	5,528	5,693	80%
Fundraising and Grants	10,238	12,374	12,374	-	2,136	83%
Total Revenue	1,119,515	2,368,788	2,383,802	15,013	1,264,287	47%
Expenses						
Compensation and Benefits (excl adjustment)	670,215	1,212,821	1,181,983	30,838	594,463	57%
Books and Supplies	61,945	132,807	120,875	11,932	58,929	51%
Services and Other Operating Expenditures	336,103	701,330	741,909	(40,579)	405,807	45%
Depreciation	5,376	15,656	15,656	-	10,280	34%
Total Expenses	1,073,638	2,062,614	2,060,423	2,191	1,069,479	52%
Operating Income Before One-Time Adjustment	45,876	306,175	323,379	17,204	194,807	14%
One-Time Compensation Adjustment		(82,695)	(82,695)			
Operating Income (including adjustment)		223,480	240,684			
Fund Balance						
Beginning Balance (Unaudited)	763,641	567,722	763,641			100%
Audit Adjustment	(101,149)	-	(101,149)			100%
Beginning Balance (Audited)	662,491	567,722	662,491			100%
Operating Income (including Depreciation)	45,876	306,175	240,684			19%
Ending Fund Balance	708,368	873,897	903,175			78%
Capital Outlay	-	-	-			
Total ADA		186.2	186.7	0.5		0%

Summary of Results

Forecasting a net income of **\$323,379** before one-time adjustments and a net income of \$240,684 including adjustments; this is an increase of \$17,204 from the board approved budget. ADA decreased by 0.5 to reflect P-1 with a 0.48% decrease based on prior year change from P-1 to P-2.

Variance Analysis

LCFF Entitlement \$6,713

ADA increase of .5 as well as a FCMAT calculator update with an increase to the implementation percentage

Federal Revenue 2,683

Updated Title funding to match revised entitlement per CDE, with an overall decrease of \$196. LEA billing distribution for \$2.5K received; increased other federal revenue to match actuals.

Other Local Revenue \$5,528

Increased based on the second disbursement of the COP Option 3 for \$5.5K

Compensation and Benefits \$30,838

Prorated a teacher's pay that is going on maternity leave and moved the \$13k to substitutes that will be replacing her while she's away. Remove a TBD TA position of \$15k. Overall savings in benefits of \$3k.

Books and Supplies \$11,932

Transferred \$12k from Books and Supplies to Special Education Contract Instructors to cover actuals trending high.

Services and Operating (-\$40,579)

Increased special education contract instructors by \$37k, decreasing \$10k of expenses in the other budget categories. Increased Substitutes by \$13k due to the teacher on maternity leave.

Magnolia Science Academy -5

	Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
SUMMARY						
Revenue						
LCFF Entitlement	735,238	1,660,532	1,662,956	2,424	927,718	44%
Federal Revenue	62,451	164,096	168,728	4,632	106,277	37%
Other State Revenues	99,968	177,416	179,531	2,115	79,564	56%
Local Revenues	22,784	178,813	177,193	(1,621)	154,409	13%
Fundraising and Grants	339	500	500	-	161	68%
Total Revenue	920,779	2,181,357	2,188,908	7,551	1,268,129	42%
Expenses						
Compensation and Benefits (excl adjustmer	616,541	1,152,508	1,152,507	1	602,271	53%
Books and Supplies	88,502	171,607	171,607	-	83,105	52%
Services and Other Operating Expenditures	236,877	655,357	679,863	(24,506)	442,986	35%
Depreciation	10,031	4,774	4,774	-	(5,257)	210%
Total Expenses	951,951	1,984,245	2,008,751	(24,505)	1,123,105	47%
Operating Income Before One-Time Adjustment	(31,172)	197,112	180,157	(16,955)	145,024	-17%
One-Time Compensation Adjustment		(66,305)	(66,305)			
Operating Income (including adjustment)		130,807	113,852			
Fund Balance						
Beginning Balance (Unaudited)	1,144,335	951,134	1,144,335			100%
Audit Adjustment	(66,819)	-	(66,819)			100%
Beginning Balance (Audited)	1,077,516	951,134	1,077,516			100%
Operating Income (including Depreciation)	(31,172)	197,112	113,852			-27%
Ending Fund Balance	1,046,344	1,148,246	1,191,368			88%
Capital Outlay	17,301	27,793	27,793			1
Total ADA		177.7	177.7	0.0		0%

Summary of Results

Forecasting a net income of **\$180,157** before one-time adjustments and a net income of \$113,852 including adjustments; this is a decrease of \$16,955 from the board approved budget. There was no change in ADA.

Variance Analysis

LCFF Entitlement \$2,424

FCMAT calculator update with an increase to the implementation percentage

Federal Revenue \$4,632

Updated Title funding to match revised allocation with an overall increase of \$525. Increased \$1k for prior year Federal Revenue not budgeted. LEA billing distribution for \$3K received; increased other federal revenue to match actuals.

State Revenue \$2,115

Prior year lottery was \$2k more than the accrual. The state added a factor of 1.04446 to the FY15-16 annual ADA amount to arrive at the ADA used to fund the final lottery apportionment.

Services and Operating (-\$24,506)

Increased to match actuals for Fuel Education by \$24k.

Magnolia Science Academy – 6

	Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
SUMMARY						
Revenue						
LCFF Entitlement	744,041	1,518,270	1,543,949	25,679	799,908	48%
Federal Revenue	81,284	161,359	166,052	4,693	84,768	49%
Other State Revenues	128,879	253,252	256,185	2,932	127,306	50%
Local Revenues	6,392	10,512	17,313	6,801	10,921	37%
Fundraising and Grants	6,751	11,100	11,100	-	4,349	61%
Total Revenue	967,347	1,954,494	1,994,599	40,105	1,027,252	48%
Expenses						
Compensation and Benefits (excl adjustmer	581,273	1,035,074	1,035,074	0	501,654	56%
Books and Supplies	84,606	154,776	155,776	(1,000)	71,170	54%
Services and Other Operating Expenditures	271,045	555,450	554,706	743	283,661	49%
Depreciation	3,715	28,726	28,726	-	25,011	13%
Total Expenses	940,639	1,774,026	1,774,282	(257)	881,496	53%
Operating Income Before One-Time Adjustment	26,708	180,468	220,317	39,849	145,757	12%
One-Time Compensation Adjustment		(47,852)	(47,852)			
Operating Income (including adjustment)		132,616	172,465			
Fund Balance						
Beginning Balance (Unaudited)	1,006,776	938,327	1,006,776			100%
Audit Adjustment	(61,339)	-	(61,339)			100%
Beginning Balance (Audited)	945,437	938,327	945,437			100%
Operating Income (including Depreciation)	26,708	180,468	172,465			15%
Ending Fund Balance	972,145	1,118,795	1,117,902			87%
Capital Outlay						
Total ADA		167.9	170.5	2.6		0%

Summary of Results

Forecasting a net income of **\$220,317** before one-time adjustments and a net income of \$172,465 including adjustments; this is an increase of \$39,849 from the board approved budget. ADA increased by 4.7 to reflect P-1. In FY15-16, P-2 increased from P-1, but forecasting in 16-17 that it will remain the same.

Variance Analysis

LCFF Entitlement \$25,679

ADA increase of 2.6 as well as a FCMAT calculator update with an increase to the implementation percentage

Federal Revenue \$4,693

Updated Title funding to match revised allocation with an overall increase of \$908. LEA billing distribution for \$3.7K received; increased other federal revenue to match actuals.

State Revenue \$2,932

Prior year lottery was \$2K more than the accrual. The state added a factor of 1.04446 to the FY15-16 annual ADA amount to arrive at the ADA used to fund the final lottery apportionment. Current year lottery increased \$500 based on the increase in ADA.

Other Local Revenue \$6,801

Increased based on the second disbursement of the COP Option 3 for \$6.8K.

Books and Supplies (-\$1,000)

Transferred \$1k from professional development to other food.

Services and Operating \$743

Moved \$1k of professional development to other food. District oversight fees increased by \$200 due to an increase in LCFF

Magnolia Science Academy - 7

	Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
SUMMARY						
Revenue						
LCFF Entitlement	1,253,743	2,599,553	2,609,088	9,535	1,355,345	48%
Federal Revenue	108,297	421,493	287,953	(133,540)	179,656	38%
Other State Revenues	336,186	622,567	626,626	4,058	290,440	54%
Local Revenues	50,191	71,193	77,070	5,876	26,879	65%
Fundraising and Grants	5,710	25,000	25,000	-	19,290	23%
Total Revenue	1,754,126	3,739,806	3,625,736	(114,070)	1,871,610	48%
Expenses						
Compensation and Benefits (excl adjustment)	920,881	1,633,722	1,608,185	25,537	777,286	57%
Books and Supplies	172,366	306,250	306,250	-	133,884	56%
Services and Other Operating Expenditures	866,376	1,626,862	1,619,358	7,505	752,981	54%
Depreciation	26,265	36,918	36,918	-	10,652	71%
Total Expenses	1,985,889	3,603,752	3,570,710	33,042	1,674,804	56%
Operating Income Before One-Time Adjustment	(231,763)	136,054	55,026	(81,028)	196,807	-421%
One-Time Compensation Adjustment		(89,982)	(89,982)			
Operating Income (including adjustment)		46,072	(34,956)			
Fund Balance						
Beginning Balance (Unaudited)	939,109	922,760	939,109			100%
Audit Adjustment	8,244	-	8,244			100%
Beginning Balance (Audited)	947,353	922,760	947,353			100%
Operating Income (including Depreciation)	(231,763)	136,054	(34,956)			663%
Ending Fund Balance	715,591	1,058,814	912,397			78%
Capital Outlay						
	-	198,325	60,000			-
Total ADA		284.7	285.4	0.7		0%

Summary of Results

Forecasting a net income of **\$55,026** before one-time adjustments and operating loss of (\$34,956) including adjustments; this is a decrease of \$81,028 from the board approved budget. ADA increase by 0.7 to reflect P-1 with a 1.13% decrease based on prior year change from P-1 to P-2.

Variance Analysis

LCFF Revenue \$9,535

ADA increase of 0.7 as well as a FCMAT calculator update with an increase to the implementation percentage

Federal Revenue (-\$133,540)

Title I increased \$1K based on the revised allocation. Other federal revenue decreased \$138K as the Charter School Facility Incentive Grant (CSFIG) was removed from the budget as it was determined construction will not occur in 16-17. As a result, capital expenditures were also removed from the budget. LEA billing distribution for \$3.5K received; increased other federal revenue to match actuals.

Other State Revenues \$4,058

Prior year lottery was \$4K more than the accrual. The state added a factor of 1.04446 to the FY15-16 annual ADA amount to arrive at the ADA used to fund the final lottery apportionment.

Other Local Revenue \$5,876

Increased based on the second disbursement of the COP Option 3 for \$5.8K.

Compensation and Benefits \$25,537

Certificated payroll reduced \$22K since the special education resource teacher has not yet been hired and the projected salary was prorated. Corresponding decrease in benefits of \$3K.

Services and Operating \$7,505

Payroll fees reduced based on actuals monthly fees

Magnolia Science Academy - 8

	Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
SUMMARY						
Revenue						
LCFF Entitlement	2,182,258	4,440,491	4,525,400	84,909	2,343,142	48%
Federal Revenue	226,027	297,469	307,027	9,558	81,000	74%
Other State Revenues	342,973	620,258	629,214	8,957	286,242	55%
Local Revenues	42,971	70,411	80,207	9,796	37,236	54%
Fundraising and Grants	8,605	20,000	20,000	-	11,395	43%
Total Revenue	2,802,834	5,448,629	5,561,847	113,219	2,759,013	50%
Expenses						
Compensation and Benefits (excl adjustmer	1,558,877	2,701,941	2,701,941	0	1,264,029	58%
Books and Supplies	110,811	420,157	420,157	-	309,347	26%
Services and Other Operating Expenditures	1,012,693	2,142,840	2,123,061	19,779	1,110,369	48%
Depreciation	39,758	84,873	84,873	-	45,115	47%
Total Expenses	2,722,138	5,349,811	5,330,033	19,779	2,728,860	51%
Operating Income Before One-Time Adjustment	80,696	98,817	231,815	132,997	30,154	35%
One-Time Compensation Adjustment		(120,965)	(120,965)			
Operating Income (including adjustment)		(22,148)	110,850			
Fund Balance						
Beginning Balance (Unaudited)	3,061,348	3,019,921	3,061,348			100%
Audit Adjustment	(90,501)	-	(90,501)			100%
Beginning Balance (Audited)	2,970,847	3,019,921	2,970,847			100%
Operating Income (including Depreciation)	80,696	98,817	110,850			73%
Ending Fund Balance	3,051,543	3,118,738	3,081,697			99%
Capital Outlay	77,808	84,000	84,000			1
Total ADA		477.7	486.2	8.5		0%

Summary of Results

Forecasting a net income of **\$231,815** before one-time adjustments and a net income of \$110,850 including adjustments; this is an increase of \$132,997 from the board approved budget. ADA increase by 8.5 to reflect P-1 with a 0.47% decrease based on prior year change from P-1 to P-2.

Variance Analysis

LCFF Revenue \$84,909

ADA increase of 8.5 as well as a FCMAT calculator update with an increase to the implementation percentage

Federal Revenue \$9,558

Title I increased \$3K based on the revised allocation. LEA billing distribution for \$6.4K received; increased other federal revenue to match actuals.

Other State Revenues \$8,957

Prior year lottery was \$7K more than the accrual. The state added a factor of 1.04446 to the FY15-16 annual ADA amount to arrive at the ADA used to fund the final lottery apportionment. Current year lottery increased \$2K based on the increase in ADA.

Other Local Revenue \$9,796

Increased based on the second disbursement of the COP Option 3 for \$9.7K.

Services and Operating \$19,779

Payroll fees reduced \$4K based on actual monthly fees. Prior year expenses (not accrued) reduced \$16K because of prior year liabilities being written off.

Magnolia Science Academy – Santa Ana

	Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
SUMMARY						
Revenue						
LCOFF Entitlement	914,508	5,465,892	5,535,628	69,736	4,621,120	17%
Federal Revenue	121,261	783,158	783,158	-	661,897	15%
Other State Revenues	120,749	556,982	561,696	4,714	440,947	21%
Local Revenues	15,116	26,185	20,751	(5,433)	5,635	73%
Fundraising and Grants	31,946	27,854	31,946	4,092	-	100%
Total Revenue	1,203,580	6,860,071	6,933,179	73,109	5,729,599	17%
Expenses						
Compensation and Benefits (excl adjustmer	1,930,391	3,723,254	3,727,154	(3,899)	1,841,892	52%
Books and Supplies	477,949	829,376	971,640	(142,264)	493,691	49%
Services and Other Operating Expenditures	1,058,339	2,087,914	2,190,892	(102,979)	1,132,553	48%
Depreciation	231,720	373,813	373,813	-	142,094	62%
Total Expenses	3,698,399	7,014,357	7,263,499	(249,142)	3,610,229	51%
Operating Income Before One-Time Adjustment	(2,494,819)	(154,287)	(330,320)	(176,033)	2,119,370	755%
One-Time Compensation Adjustment		(45,129)	(45,129)			
Operating Income (including adjustment)		(199,416)	(375,449)			
Fund Balance						
Beginning Balance (Unaudited)	8,291,101	8,212,887	8,291,101			100%
Audit Adjustment	7,820	-	7,820			100%
Beginning Balance (Audited)	8,298,921	8,212,887	8,298,921			100%
Operating Income (including Depreciation)	(2,494,819)	(154,287)	(375,449)			664%
Ending Fund Balance	5,804,102	8,058,600	7,923,472			73%
Capital Outlay	37,249	115,124	115,124			0
Total ADA		606.0	612.7	6.6		0%

Summary of Results

Forecasting a net loss of **(\$330,320)** before one-time adjustments and **(\$375,449)** including adjustments; this is a decrease of **\$176,033** from the board approved budget. ADA increase by 6.6 to reflect P-1. In FY15-16, P-2 increased from P-1, but forecasting in 16-17 that it will remain the same.

Variance Analysis

LCOFF Revenue \$69,736

ADA increase of 6.6 as well as a FCMAT calculator update with an increase to the implementation percentage

Other State Revenue \$4,714

Special education increased \$3K and state lottery increased \$1K

Other Local Revenue (-\$5,433)

Food service sales reduced based on actual revenue

Donations/Fundraising \$4,092

Fundraising has exceeded the budget and increased to match actuals.

Compensation and Benefits (-\$3,899)

A special education aide and an after school aide were replaced at higher hourly rates.

Books and Supplies (-\$142,264)

Hertz furniture purchase for \$139K was originally planned to be a capital expense. However, per the fiscal policy, individual items less than \$5,000 need to be expensed. Per recommendation of the auditors, it was advised that the Hertz furniture should be expensed. Noncapitalized expenditures increased \$3K based on actual expenditures.

Services and Operating (-\$102,979)

School programs increased \$7K based on actual expenditures. A school-wide fundraiser was not in the budget, but fundraising revenues have also exceeded the budget. Payroll fees increased \$6K based on actual fees per month. Prior year expenses (not accrued) increased \$51K as the Prop 39 Clean Energy grant had to be returned. This was previously awarded to PTS – Santa Ana in 2013/14 and then transferred to MSA-SA. The funds now need to be returned to the state. Receivable sale fees increased \$32K for the proposed bridge loan to cover the cost of construction prior to bond financing.

Magnolia Science Academy – San Diego

	Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
SUMMARY						
Revenue						
LCFF Entitlement	1,546,707	3,067,041	3,034,475	(32,566)	1,487,768	51%
Federal Revenue	17,308	139,972	142,469	2,497	125,161	12%
Other State Revenues	275,002	386,040	473,002	86,961	197,999	58%
Local Revenues	72,845	88,597	88,597	-	15,752	82%
Fundraising and Grants	23,827	23,827	23,827	-	-	100%
Total Revenue	1,935,690	3,705,478	3,762,370	56,892	1,826,680	51%
Expenses						
Compensation and Benefits (excl adjustme	1,275,405	2,158,964	2,158,964	0	983,493	59%
Books and Supplies	92,967	180,455	183,955	(3,500)	90,989	51%
Services and Other Operating Expenditures	610,686	1,181,986	1,322,273	(140,286)	711,586	46%
Depreciation	26,028	39,460	39,460	-	13,433	66%
Total Expenses	2,005,085	3,560,866	3,704,652	(143,786)	1,799,501	54%
Operating Income Before One-Time Adjustment	(69,395)	144,612	57,718	(86,894)	27,179	-120%
One-Time Compensation Adjustment		(99,934)	(99,934)			
Operating Income (including adjustment)		44,678	(42,216)			
Fund Balance						
Beginning Balance (Unaudited)	1,173,620	1,053,661	1,173,620			100%
Audit Adjustment	960	-	960			100%
Beginning Balance (Audited)	1,174,581	1,053,661	1,174,581			100%
Operating Income (including Depreciation)	(69,395)	144,612	(42,216)			164%
Ending Fund Balance	1,105,185	1,198,273	1,132,364			98%
Capital Outlay						
Total ADA		413.0	408.3	-4.7		0%

Summary of Results

Forecasting a net income of **\$57,718** before one-time adjustments and an operating loss of (\$42,216) including adjustments; this is a reduction of \$86,894 from the board approved budget. ADA decreased by 4.7 to reflect P-1 with a 1.04% decrease based on prior year change from P-1 to P-2.

Variance Analysis

LCFF Revenue (-\$32,566)

ADA decrease of 4.7 as well as a FCMAT calculator update with an increase to the implementation percentage

Federal Revenue \$2,497

Title I increased \$3K based on the revised allocation.

Other State Revenue \$86,961

Prior year lottery was \$11K more than the accrual. The state added a factor of 1.04446 to the FY15-16 annual ADA amount to arrive at the ADA used to fund the final lottery apportionment. Special Education decreased \$2K due to ADA decrease. ASES revenue for \$79K included as MSA-SD now receives revenue directly from the district. Corresponding expense included in services and operating.

Books and Supplies (-\$3,500)

Other food expenses increased \$3.5K to match actual expenditures.

Services and Operating (-\$140,286)

Currently, the CMO fee for shared staff actuals are higher than the budget because payments were based on the June budget. A reconciliation will occur to reimburse MSA-SD. Operations and housekeeping increased \$1K to match actuals. After school program increased \$79K for ASES expenses. Payroll fees reduced \$2.5K based on actual monthly fees. Receivable sale fees increased \$65K for the proposed bridge loan to cover the cost of construction prior to bond financing.

MERF

	Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
SUMMARY						
Revenue						
Local Revenues	3,728,268	6,410,367	6,411,617	1,250	2,683,349	58%
Fundraising and Grants	86,850	150,000	150,000	-	63,150	58%
Total Revenue	3,815,118	6,560,367	6,561,617	1,250	2,746,499	58%
Expenses						
Compensation and Benefits (excl adjustme	2,223,005	3,567,998	3,568,086	(88)	1,345,080	62%
Books and Supplies	43,623	84,820	84,820	-	41,197	51%
Services and Other Operating Expenditures	1,639,193	2,616,824	2,622,522	(5,698)	983,329	63%
Depreciation	4,473	1,440	1,440	-	(3,033)	311%
Total Expenses	3,910,294	6,271,082	6,276,868	(5,786)	2,366,574	62%
Operating Income Before One-Time Adjustment	(95,177)	289,286	284,749	(4,536)	379,926	-33%
One-Time Compensation Adjustment		-	-			
Operating Income (including adjustment)		289,286	284,749			
Fund Balance						
Beginning Balance (Unaudited)	(285,175)	(285,175)	(285,175)			100%
Audit Adjustment	284,225	284,225	284,225			100%
Beginning Balance (Audited)	(950)	(950)	(950)			100%
Operating Income	(95,177)	289,286	284,749			-33%
Ending Fund Balance	(96,127)	288,335	283,799			-34%

Summary of Results

Forecasting a net income of \$284,749, a reduction of \$4,536 from the board approved budget.

Variance Analysis

Other Local Revenue \$1,250

Other Local revenue increased \$1,250 as MERF was reimbursed for a computer purchase

Services and Operating (-\$5,698)

Prior year expenses (not accrued) increased \$5,698 for an invoice from Hill & Morgan Associates, Magnolia's previous auditor, for 2014 audit services.

Exhibits

MSA-1 Cash Flow Forecast

Ending cash balance as of 01/31 was 1,291,473, and forecasted ending cash balance at 6/30 is \$729,819



MSA-1 Cash Flow



MSA-2 Cash Flow Forecast

Ending cash balance as of 01/31 was \$463,630, and forecasted ending cash balance at 6/30 is \$418,648

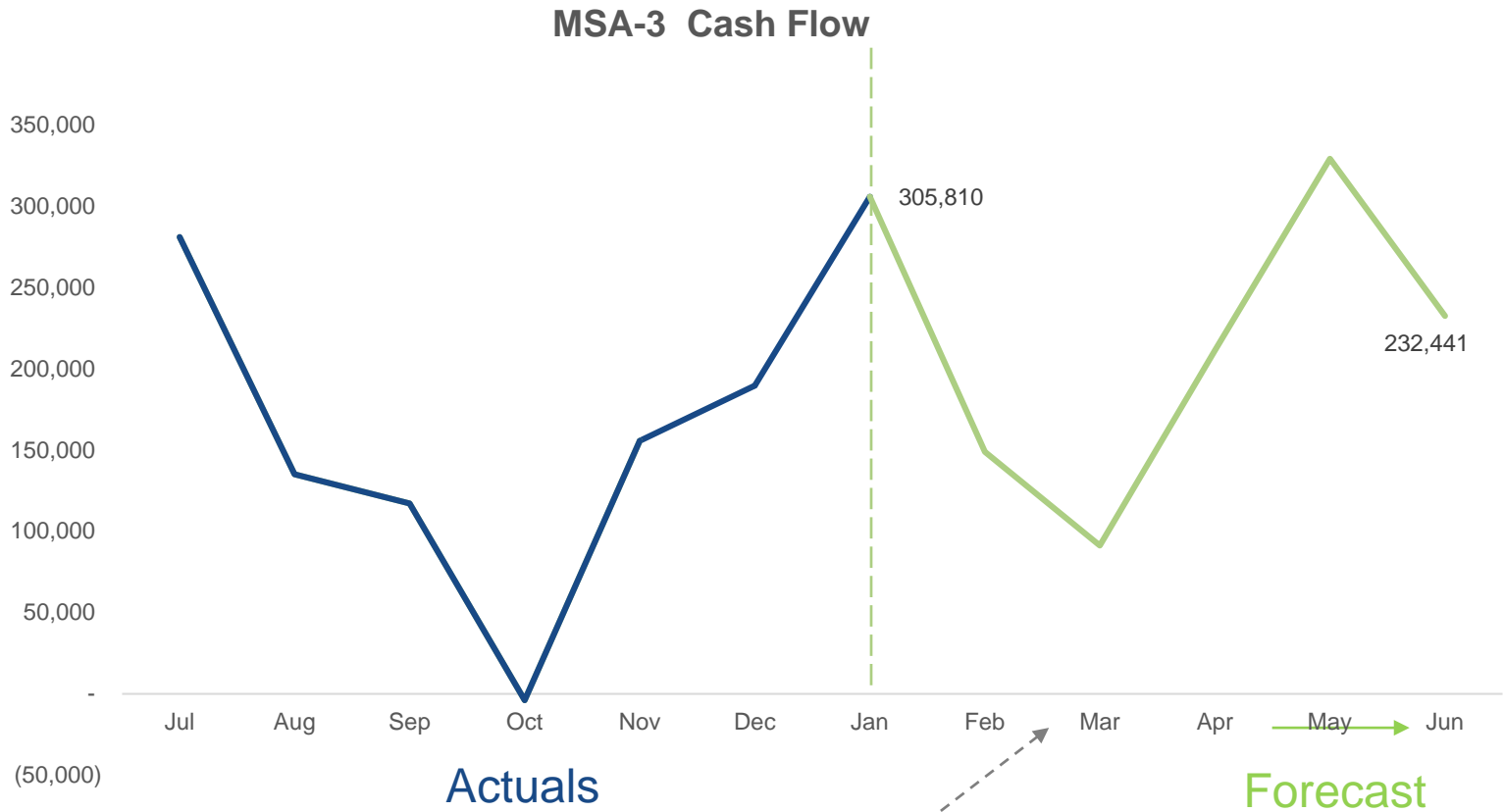


MSA-2 Cash Flow



MSA-3 Cash Flow Forecast

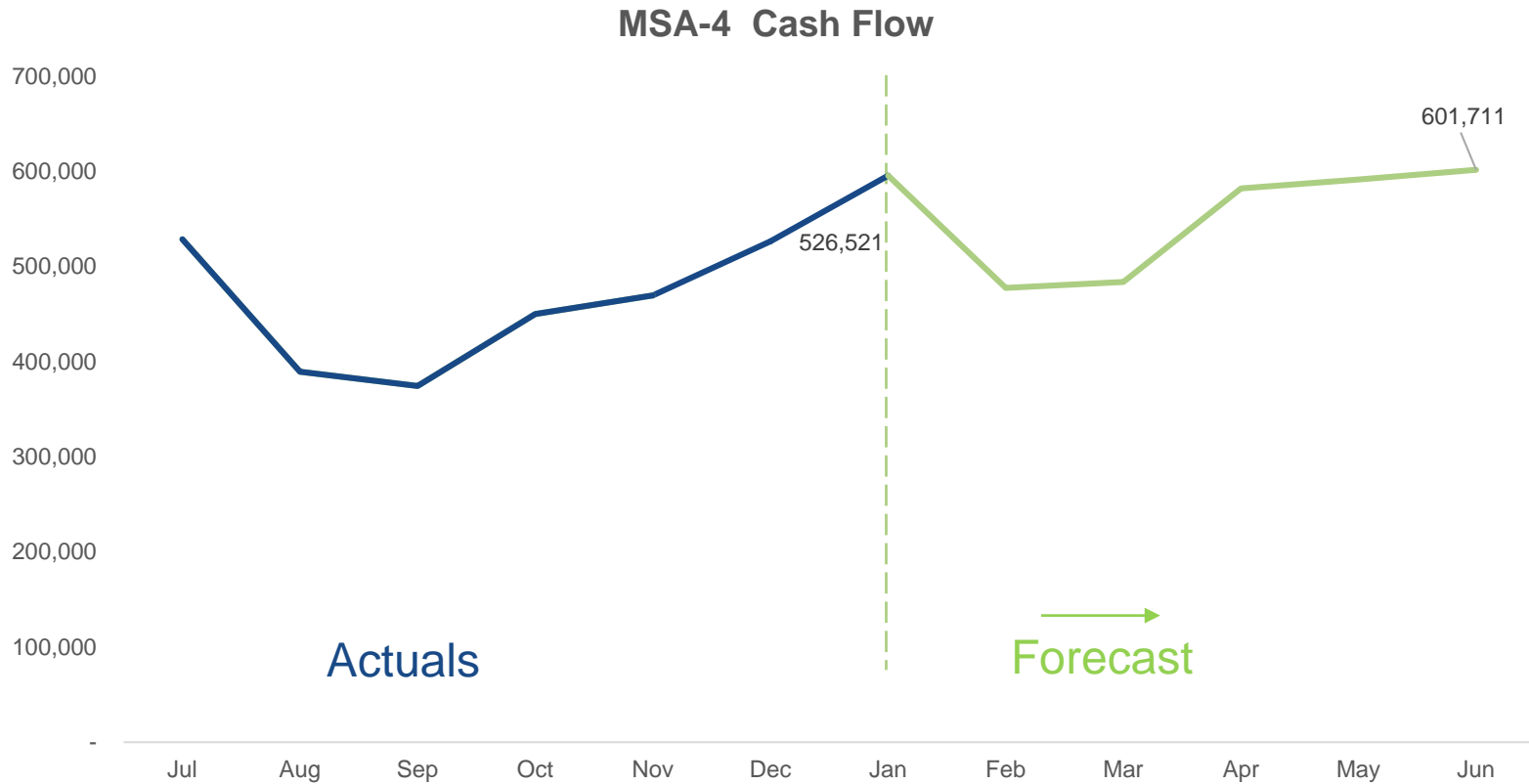
Ending cash balance as of 01/31 was \$305,810 and forecasted ending cash balance at 6/30 is \$232,441



Will need to delay CMO Fee to stay cash positive

MSA-4 Cash Flow Forecast

Ending cash balance as of 01/31 was \$526,521, and forecasted ending cash balance as of 6/30 is \$601,711

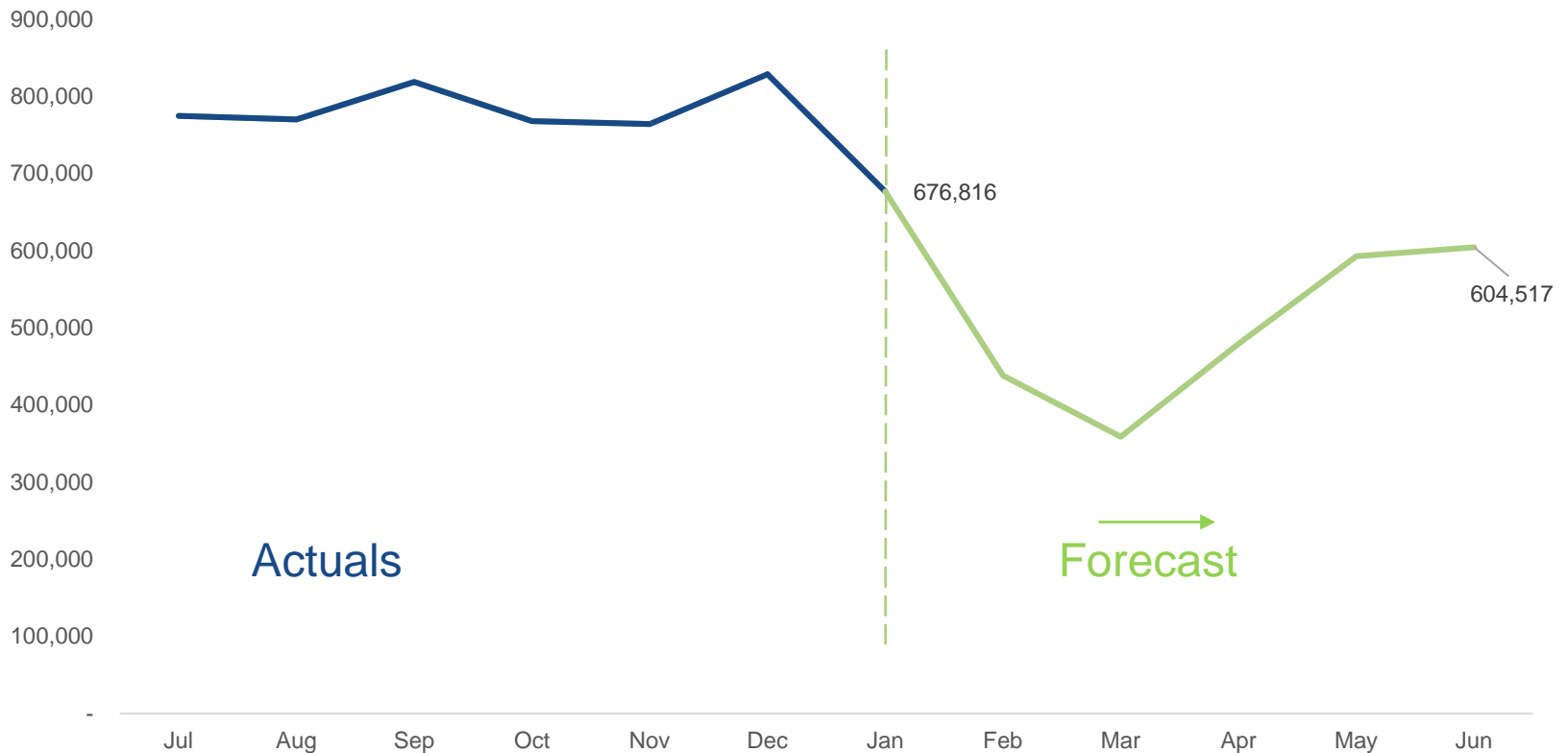


MSA-5 Cash Flow Forecast

Ending cash balance as of 01/31 was \$676,816 and forecasted ending cash balance as of 6/30 is \$604,517



MSA-5 Cash Flow



MSA-6 Cash Flow Forecast

Ending cash balance as of 01/31 was \$513,483 and forecasted ending cash balance as of 6/30 is \$425,269



MSA-6 Cash Flow



MSA-7 Cash Flow Forecast

Ending cash balance as of 12/31 was \$503,517 and forecasted ending cash balance as of 6/30 is \$418,912

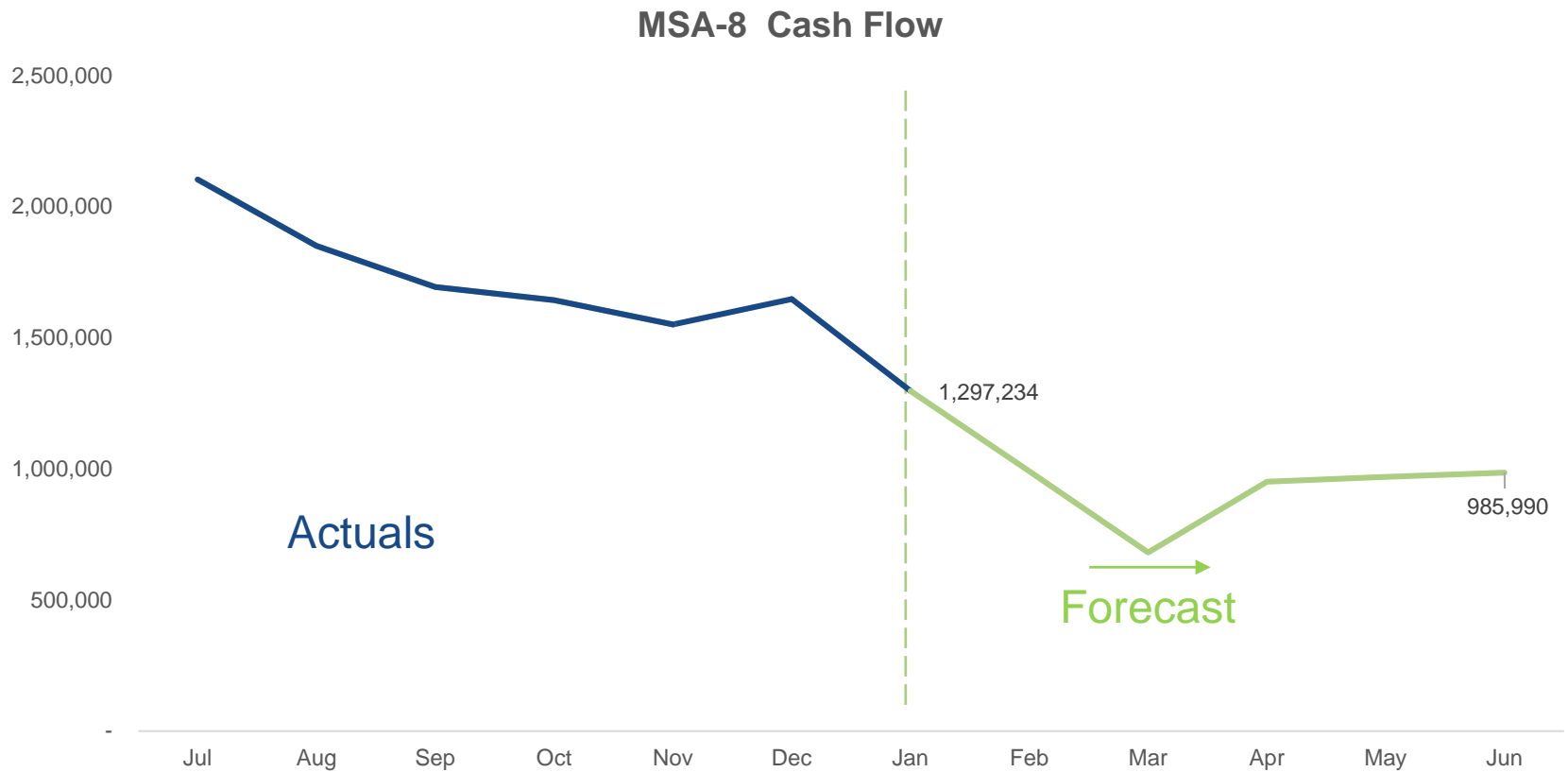


MSA-7 Cash Flow



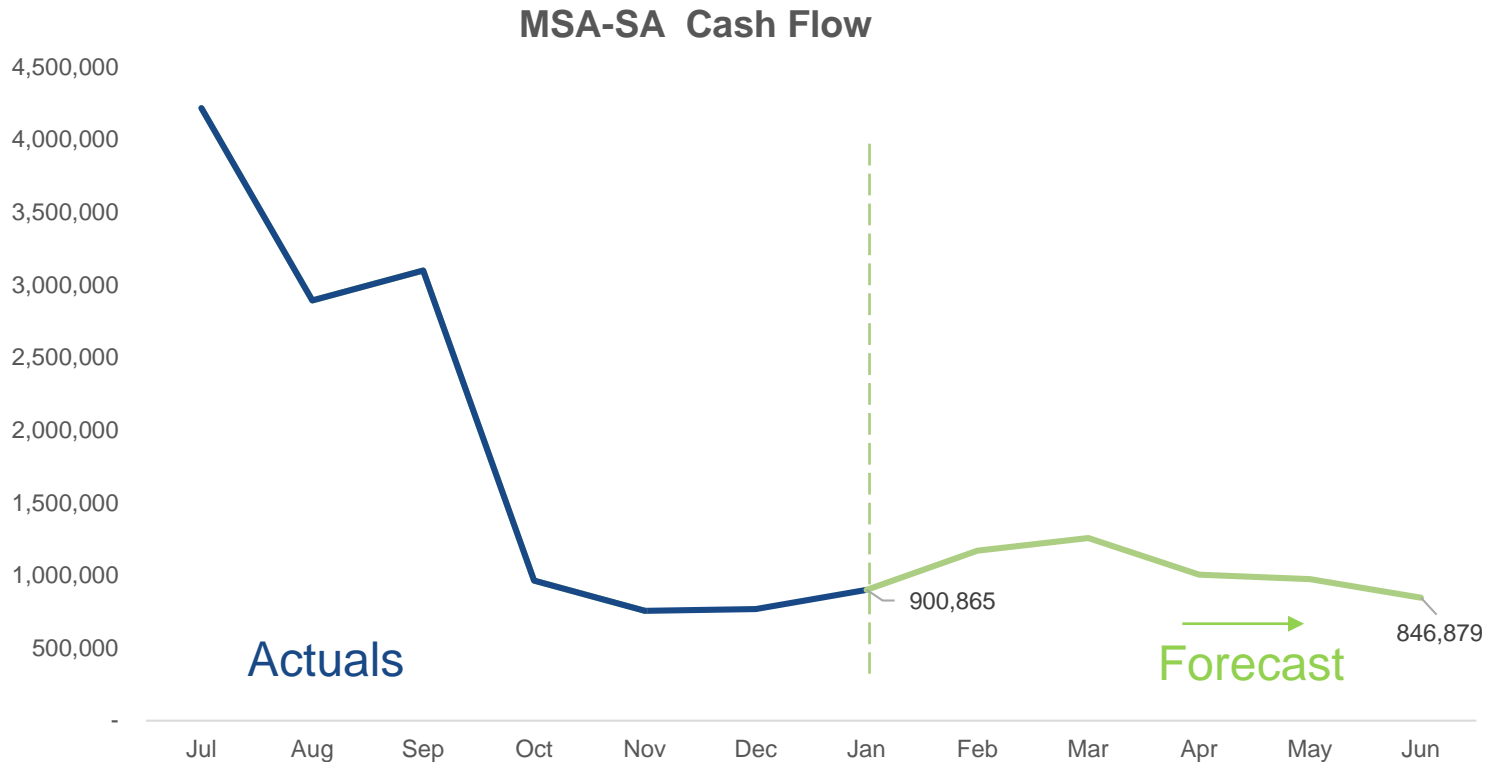
MSA-8 Cash Flow Forecast

Ending cash balance as of 01/31 was \$1,297,234, and forecasted ending cash balance as of 6/30 is \$985,990



MSA-SA Cash Flow Forecast

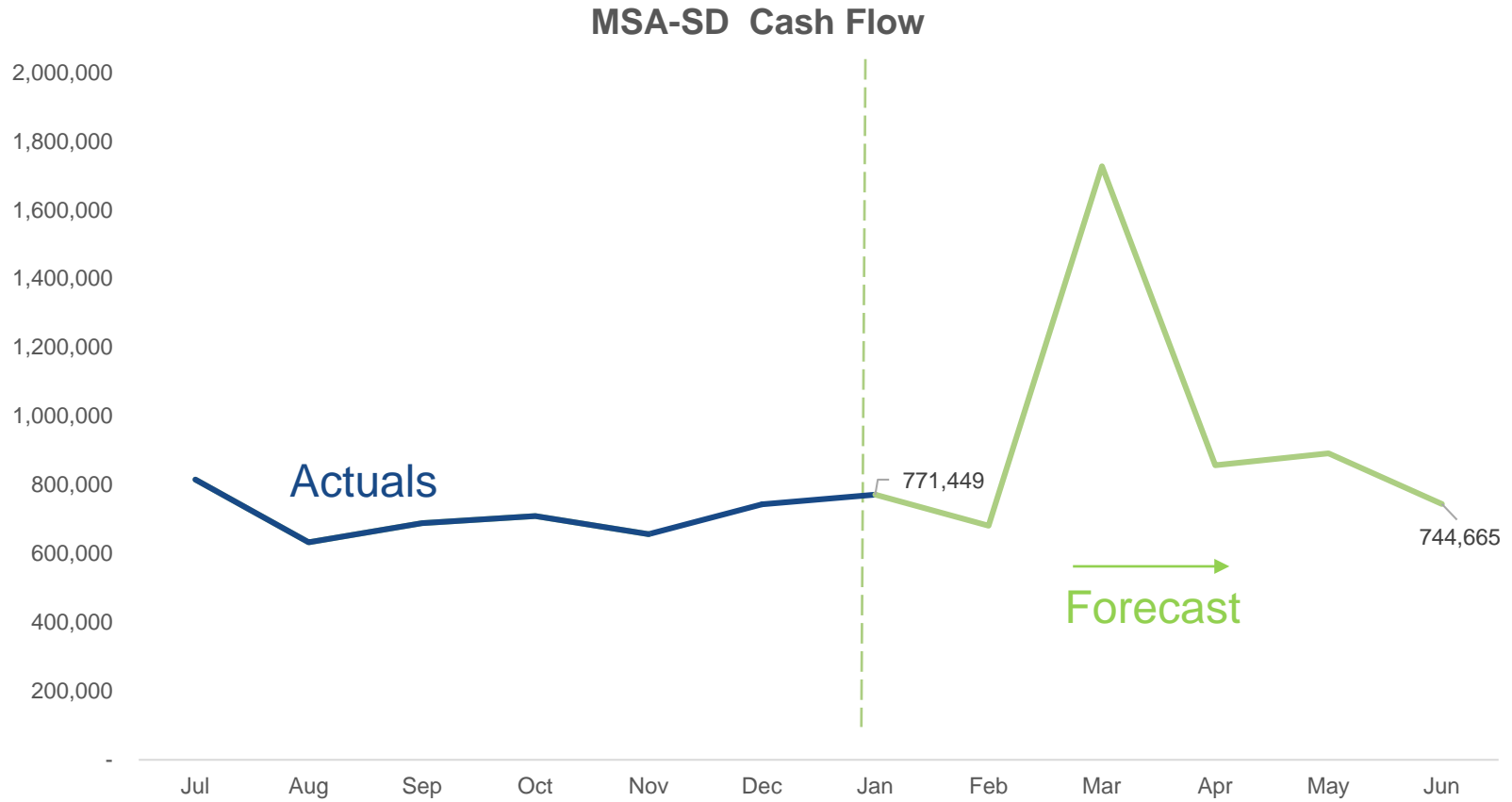
Ending cash balance as of 01/31 was \$900,865, and forecasted ending cash balance as of 6/30 is \$846,879



Operating cash balance at 01/31 is \$635,233 and Prop 1D cash balance is \$265,632

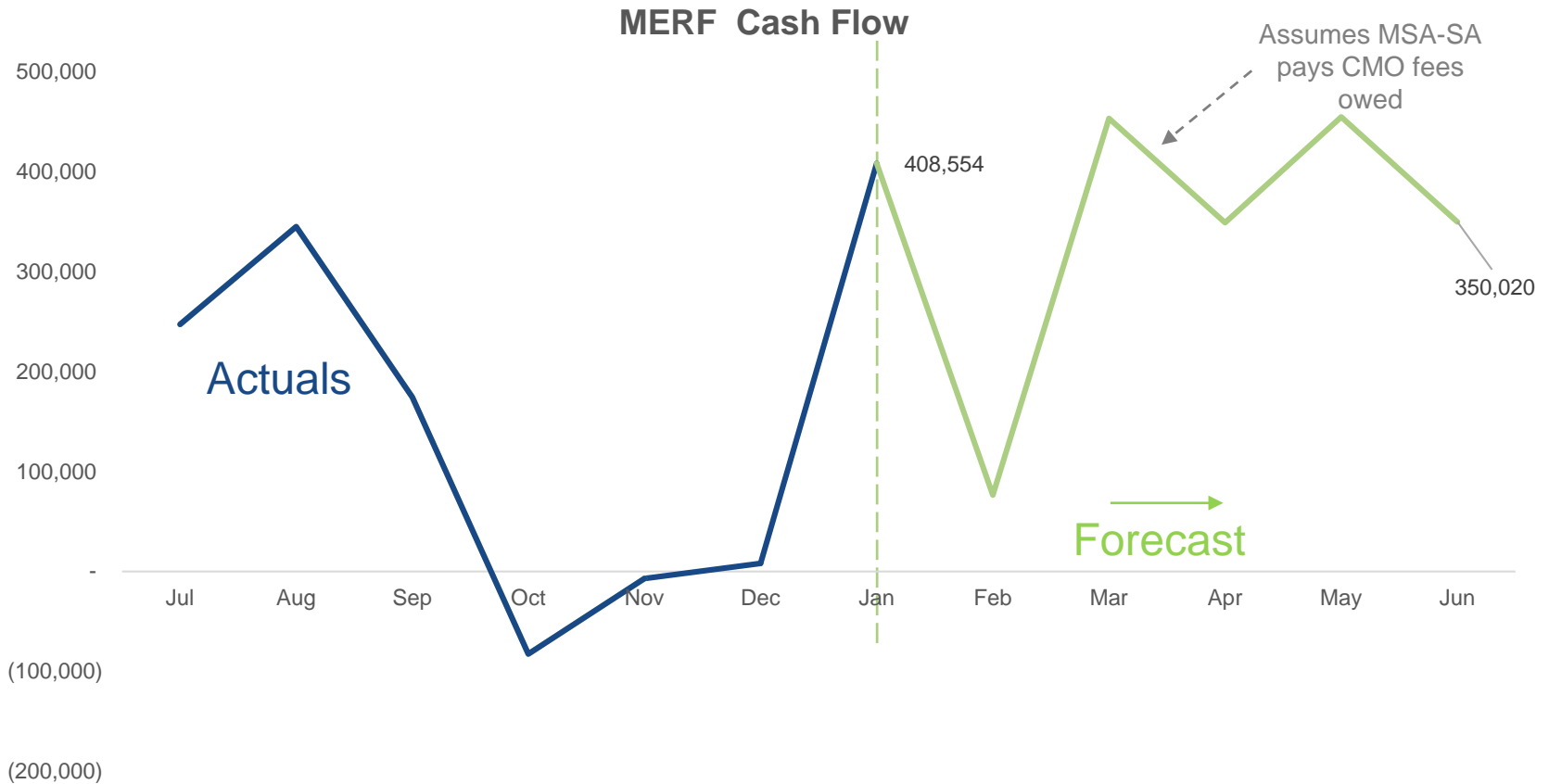
MSA-SD Cash Flow Forecast

Ending cash balance as of 01/31 was \$771,449 and forecasted ending cash balance as of 6/30 is \$744,665



MERF Cash Flow Forecast

Ending cash balance as of 01/31 was \$408,554 and forecasted ending cash balance as of 6/30 is \$350,020



Balance Sheet

Assets as of 01/31 totaled \$38.6 Million



	MSA-1	MSA-2	MSA-3	MSA-4	MSA-5	MSA-6	MSA-7	MSA-8	MSA-SA	MSA-SC	MSA-SD	MERF	Total
	1/31/2017												
Assets													
Cash Balances	\$ 1,291,473	\$ 463,630	\$ 305,810	\$ 595,702	\$ 676,816	\$ 590,195	\$ 503,517	\$ 1,297,234	\$ 900,865	\$ -	\$ 771,449	\$ 408,554	\$ 7,805,247
Accounts Receivable	-	-	454	-	10,154	133	794	(172)	16,374	201,615	(139)	98,615	\$ 327,828
Prepays Deposits	39,035	-	-	-	-	-	4,000	-	19,690	56,590	25,000	16,000	\$ 160,315
Fixed Assets, Net	3,614,591	164,183	74,544	58,768	(3,121)	62,685	20,336	100,938	17,057,027	132,247	336,139	14,690	\$ 21,633,028
Intercompany Receivable	670,453	325,357	350,406	203,595	434,743	450,000	450,713	1,642,184	12,640	36,886	184,440	3,905,647	\$ 8,667,062
Total Assets	\$ 5,615,552	\$ 953,170	\$ 731,213	\$ 858,065	\$ 1,118,592	\$ 1,103,013	\$ 979,361	\$ 3,040,184	\$ 18,006,596	\$ 427,337	\$ 1,316,890	\$ 4,443,507	\$ 38,593,479
Liabilities & Equity													
AP & Accrued Expenses	\$ 120,174	\$ 123,747	\$ 42,104	\$ 21,992	\$ 79,828	\$ 55,680	\$ 140,032	\$ 63,755	\$ 209,806	\$ 400,926	\$ 58,201	\$ 333,572	\$ 1,649,817
Deferred Revenue	-	-	-	-	-	-	-	-	61,355	-	-	-	\$ 61,355
Intercompany Balances Payable	5,158	6,090	102,029	127,705	9,721	75,187	123,738	2,694	3,232,426	747,883	1,698	4,232,733	\$ 8,667,062
Loans and other payables	2,800,000	8,342	-	-	-	-	-	-	8,736,156	35,646	151,806	(26,673)	\$ 11,705,277
Temporarily Restricted	120,195	93,549	102,835	72,231	53,216	64,308	73,273	99,897	5,842,987	85,451	187,098	-	\$ 6,795,041
Beginning Net Assets - Audited	3,040,218	1,047,401	872,587	590,260	1,024,300	881,130	874,080	2,870,950	2,455,934	(817,028)	987,482	(950)	\$ 13,826,363
Net Income (Loss) to Date	(470,192)	(325,959)	(388,342)	45,876	(48,473)	26,708	(231,763)	2,888	(2,532,068)	(25,540)	(69,395)	(95,177)	\$ (4,111,436)
Total Liabilities & Equity	\$ 5,615,552	\$ 953,170	\$ 731,213	\$ 858,065	\$ 1,118,592	\$ 1,103,013	\$ 979,361	\$ 3,040,184	\$ 18,006,596	\$ 427,337	\$ 1,316,890	\$ 4,443,507	\$ 38,593,479

Intercompany borrowing at \$8.7M as of 01/31

Intercompany Balances

Total Cumulative Intercompany Receivable/Payable is \$8.67M at 01/31

Intercompany Borrowing (excluding CMO Fees)

	Due To											
	MSA-1	MSA-2	MSA-3	MSA-4	MSA-5	MSA-6	MSA-7	MSA-8	MSA-SA	MSA-SC	MSA-SD	MERF
MSA-1		-	348.21	1,837.66	-	-	-	-	2,254.67	-	-	717.31
MSA-2	-		-	1,490.34	2,179.78	-	-	-	-	-	2,419.98	-
MSA-3	-	-		-	-	-	-	-	503.88	-	2,411.47	99,113.52
MSA-4	-	-	-		-	-	-	-	2,061.37	-	-	-
MSA-5	-	-	-	-		-	-	-	-	2,857.26	5,233.30	1,630.42
MSA-6	-	-	-	-	-		-	-	-	669.38	-	817.80
MSA-7	-	-	-	-	-	-		-	-	790.99	-	122,947.42
MSA-8	-	-	-	-	-	-	-		-	2,002.49	-	691.70
MSA-SA	-	-	-	-	200,000.00	50,000.00	100,000.00	137,500.00		14,120.98	-	2,079,732.52
MSA-SC	-	-	-	-	-	-	-	-	-		-	747,883.01
MSA-SD	-	-	-	-	-	-	-	-	-	-		1,697.54
MERF	404,711.01	131,205.04	-	200,266.75	100,000.00	400,000.00	-	1,175,258.59	7,819.75	16,444.42	959.83	

Prepaid CMO Fee and (Payables)

MSA-1	MSA-2	MSA-3	MSA-4	MSA-5	MSA-6	MSA-7	MSA-8	MSA-SA	MSA-SD
265,742	194,152	350,058	(125,644)	132,563	(73,700)	350,713	329,425	(651,072)	173,415

Intercompany Balances

Total current year FY16-17 intercompany borrowing totals \$5.0M



Intercompany Borrowing (excluding CMO Fees)

	Due To											MERF	
	MSA-1	MSA-2	MSA-3	MSA-4	MSA-5	MSA-6	MSA-7	MSA-8	MSA-SA	MSA-SC	MSA-SD		
MSA-1		-	-	348	-	-	-	-	-	-	-	-	717
MSA-2	-		-	-	-	-	-	-	-	-	-	-	-
MSA-3	-	-		-	-	-	-	-	-	-	-	-	1,355
MSA-4	-	-	-		-	-	-	-	2,061	-	-	-	-
MSA-5	-	-	-	-		-	-	-	-	-	-	-	1,630
MSA-6	-	-	-	-	-		-	-	-	-	-	-	818
MSA-7	-	-	-	-	-	-		-	-	-	-	-	2,947
MSA-8	-	-	-	-	-	-	-		-	-	-	-	692
MSA-SA	-	-	-	-	200,000	50,000	100,000	137,500		-	-	-	1,383,104
MSA-SC	-	-	-	-	-	-	-	-	-		-	-	18,915
MSA-SD	-	-	-	-	-	-	-	-	-	-		-	-
MERF	71,802	4,793	-	-	-	100,000	-	562,500	7,820	16,444	960		-

Prepaid CMO Fee and (Payables)

MSA-1	MSA-2	MSA-3	MSA-4	MSA-5	MSA-6	MSA-7	MSA-8	MSA-SA	MSA-SD
381,119	436,532	50,836	28,584	28,593	28,593	238,200	381,119	(591,072)	173,415

Balance Sheet - Cumulative

YTD Change from 6/30/16



	1/31/2017	6/30/2016	YTD Change
Assets			
Cash Balances	\$ 7,805,247	\$14,371,421	\$ (6,566,174)
Accounts Receivable	327,828	4,447,242	(4,119,414)
Prepays Deposits	160,315	144,150	16,165
Fixed Assets, Net	21,633,028	16,692,757	4,940,270
Intercompany Receivable	8,667,062	4,831,068	3,835,994
Total Assets	\$ 38,593,479	\$40,486,638	\$ (1,893,159)
Liabilities & Equity			
AP & Accrued Expenses	\$ 1,649,817	\$ 3,178,148	\$ (1,528,331)
Deferred Revenue	61,355	61,355	-
Intercompany Balances Payable	8,667,062	4,831,068	3,835,994
Loans and other payables	11,705,277	11,794,663	(89,386)
Temporarily Restricted	6,795,041	6,795,758	(717)
Beginning Net Assets - Audited	13,826,363	5,845,609	7,980,755
Net Income (Loss) to Date	(4,111,436)	7,980,037	(12,091,473)
Total Liabilities & Equity	\$ 38,593,479	\$40,486,638	\$ (1,893,159)

MAGNOLIA PUBLIC SCHOOLS - MSA-1

Budget vs. Actuals

As of January 2017 Close

	Budget vs. Actual		Budget			
	Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
SUMMARY						
Revenue						
LCFF Entitlement	2,564,286	5,305,480	5,277,903	(27,577)	2,713,617	49%
Federal Revenue	229,276	1,202,884	1,218,991	16,107	989,715	19%
Other State Revenues	600,755	1,158,352	1,159,958	1,607	559,203	52%
Local Revenues	81,694	84,550	96,272	11,721	14,578	85%
Fundraising and Grants	26,186	69,360	69,360	-	43,173	38%
Total Revenue	3,502,197	7,820,626	7,822,484	1,858	4,320,286	45%
Expenses						
Compensation and Benefits (excl adjustment)	2,061,629	3,562,432	3,562,844	(412)	1,699,576	58%
Books and Supplies	262,808	647,387	647,387	-	384,580	41%
Services and Other Operating Expenditures	1,514,593	2,929,102	2,887,687	41,415	1,373,094	52%
Depreciation	106,029	146,166	146,166	-	40,137	73%
Total Expenses	3,945,058	7,285,087	7,244,083	41,004	3,497,387	54%
Operating Income Before One-Time Adjustment	(442,861)	535,539	578,401	42,862	822,900	-77%
One-Time Compensation Adjustment		(198,362)	(198,362)			
Operating Income (including adjustment)		337,177	380,039			
Fund Balance						
Beginning Balance (Unaudited)	3,197,834	3,197,834	3,197,834			100%
Audit Adjustment	(37,421)	-	(37,421)			100%
Beginning Balance (Audited)	3,160,413	3,197,834	3,160,413			100%
Operating Income (including Depreciation)	(442,861)	535,539	380,039			-117%
Ending Fund Balance	2,717,552	3,733,373	3,540,451			77%
Capital Outlay	27,331	540,000	540,000			0
Total ADA		522.1	518.6	-3.5		0%

MAGNOLIA PUBLIC SCHOOLS - MSA-1

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
REVENUE							
LCFF Entitlement							
8011	Charter Schools LCFF - State Aid	1,616,942	3,549,577	3,533,611	(15,965)	1,916,669	46%
8012	Education Protection Account Entitlement	365,659	746,978	742,037	(4,941)	376,378	49%
8019	State Aid - Prior Years	504	504	504	-	-	100%
8096	Charter Schools in Lieu of Property Taxes	581,181	1,008,421	1,001,750	(6,670)	420,569	58%
SUBTOTAL - LCFF Entitlement		2,564,286	5,305,480	5,277,903	(27,577)	2,713,617	49%
8100 Federal Revenue							
8181	Special Education - Entitlement	58,025	103,560	103,560	-	45,536	56%
8220	Child Nutrition Programs	48,995	270,521	270,521	-	221,526	18%
8291	Title I	106,522	208,420	211,678	3,258	105,156	50%
8292	Title II	611	8,236	2,434	(5,802)	1,823	25%
8293	Title III	4,807	39,962	50,886	10,924	46,079	9%
8296	Other Federal Revenue	2,632	564,500	572,227	7,727	569,595	0%
8297	PY Federal - Not Accrued	2,554	2,554	2,554	-	-	100%
8299	All Other Federal Revenue	5,130	5,130	5,130	-	-	100%
SUBTOTAL - Federal Income		229,276	1,202,884	1,218,991	16,107	989,715	19%
8300 Other State Revenues							
8319	Other State Apportionments - Prior Years	2,555	295	2,555	2,259	-	100%
8381	Special Education - Entitlement (State)	169,432	292,124	292,124	-	122,692	58%
8520	Child Nutrition - State	4,237	23,543	23,543	-	19,306	18%
8545	School Facilities Apportionments	194,535	389,070	389,070	-	194,535	50%
8550	Mandated Cost Reimbursements	69,280	129,649	129,649	-	60,369	53%
8560	State Lottery Revenue	25,716	98,670	98,018	(653)	72,301	26%
8590	All Other State Revenue	37,500	75,000	75,000	-	37,500	50%
8596	ASES	97,500	150,000	150,000	-	52,500	65%
SUBTOTAL - Other State Income		600,755	1,158,352	1,159,958	1,607	559,203	52%

MAGNOLIA PUBLIC SCHOOLS - MSA-1

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
8600	Other Local Revenue						
8634	Food Service Sales	4,043	7,000	7,000	-	2,957	58%
8682	Summer Program	34,822	34,822	34,822	-	-	100%
8690	Other Local Revenue	29,749	29,649	29,749	100	-	100%
8714	COP Option 3 Grants	13,080	13,080	24,701	11,621	11,621	53%
	SUBTOTAL - Local Revenues	81,694	84,550	96,272	11,721	14,578	85%
8800	Donations/Fundraising						
8801	Donations - Parents	19	2,750	2,750	-	2,731	1%
8802	Donations - Private	4,948	47,903	44,903	(3,000)	39,955	11%
8803	Fundraising	21,219	18,706	21,706	3,000	487	98%
	SUBTOTAL - Fundraising and Grants	26,186	69,360	69,360	-	43,173	38%
TOTAL REVENUE		3,502,197	7,820,626	7,822,484	1,858	4,320,286	45%
EXPENSES							
Compensation & Benefits							
Certificated Employees Summary							
1100	Teachers Salaries	1,160,329	2,073,041	2,073,042	(1)	912,713	56%
1300	Certificated Supervisor & Administrator Salaries	234,149	413,814	413,814	-	179,665	57%
	SUBTOTAL - Certificated Employees	1,394,478	2,486,855	2,486,856	(1)	1,092,378	56%
Classified Employees Summary							
2400	Classified Clerical & Office Salaries	81,868	200,822	200,822	-	118,954	41%
2900	Classified Other Salaries	117,380	218,892	219,397	(505)	102,017	54%
	SUBTOTAL - Classified Employees	199,248	419,713	420,218	(505)	220,970	47%

MAGNOLIA PUBLIC SCHOOLS - MSA-1

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget		
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining
Employee Benefits Summary						
3100	STRS	175,814	310,425	310,330	94	134,517 57%
3200	PERS	22,915	45,968	45,968	-	23,052 50%
3300	OASDI-Medicare-Alternative	37,510	69,147	69,136	11	31,626 54%
3400	Health & Welfare Benefits	202,565	364,858	364,858	-	162,293 56%
3500	Unemployment Insurance	10,677	31,100	31,106	(5)	20,428 34%
3600	Workers Comp Insurance	18,422	32,728	32,734	(6)	14,312 56%
SUBTOTAL - Employee Benefits		467,903	854,225	854,131	94	386,228 55%
4000 Books & Supplies						
4100	Approved Textbooks & Core Curricula Materials	91,854	91,854	91,854	-	- 100%
4200	Books & Other Reference Materials	5,547	10,000	10,000	-	4,453 55%
4315	Custodial Supplies	7,057	20,000	20,000	-	12,943 35%
4320	Educational Software	16,023	20,000	20,000	-	3,977 80%
4325	Instructional Materials & Supplies	24,834	49,415	49,415	-	24,581 50%
4326	Art & Music Supplies	1,702	5,000	5,000	-	3,298 34%
4330	Office Supplies	9,938	17,000	17,000	-	7,062 58%
4345	Non Instructional Student Materials & Supplies	2,417	20,000	20,000	-	17,583 12%
4346	Teacher Supplies	3,311	5,000	5,000	-	1,689 66%
4350	Uniforms	-	1,500	1,500	-	1,500 0%
4400	Noncapitalized Equipment	-	30,000	30,000	-	30,000 0%
4420	Computers (individual items less than \$5k)	31,974	33,500	33,500	-	1,526 95%
4430	Non Classroom Related Furniture, Equipment & Su	2,476	20,000	20,000	-	17,524 12%
4700	Food	58,759	316,118	316,118	-	257,358 19%
4720	Other Food	6,915	8,000	8,000	-	1,085 86%
SUBTOTAL - Books and Supplies		262,808	647,387	647,387	-	384,580 41%

MAGNOLIA PUBLIC SCHOOLS - MSA-1

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
5000	Services & Other Operating Expenses						
5101	Shared Management Fee - CMO	591,072	1,013,267	1,013,267	-	422,195	58%
5102	Direct CMO Fee (Shared Staff)	22,442	41,388	41,388	-	18,946	54%
5210	Conference Fees	303	20,000	19,754	246	19,451	2%
5215	Travel - Mileage, Parking, Tolls	1,519	2,000	2,000	-	481	76%
5220	Travel and Lodging	2,246	2,000	2,246	(246)	-	100%
5300	Dues & Memberships	3,766	7,854	7,854	-	4,088	48%
5450	Insurance - Other	25,296	32,069	32,069	-	6,773	79%
5500	Operations & Housekeeping	23,302	50,000	50,000	-	26,698	47%
5510	Utilities - Gas and Electric	31,978	60,000	60,000	-	28,022	53%
5605	Equipment Leases	11,817	20,000	20,000	-	8,183	59%
5610	Rent	260,748	478,664	446,911	31,753	186,163	58%
5615	Repairs and Maintenance - Building	22,527	50,000	50,000	-	27,473	45%
5617	Repairs and Maintenance - Other Equipment	728	2,000	2,000	-	1,272	36%

MAGNOLIA PUBLIC SCHOOLS - MSA-1

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
5803	Accounting Fees	-	10,000	10,000	-	10,000	0%
5809	Banking Fees	372	1,500	1,400	100	1,028	27%
5813	School Programs - After School Program	91,410	150,000	150,000	-	58,590	61%
5814	School Programs - Academic Competitions	3,585	5,000	5,000	-	1,415	72%
5819	School Programs - Other	8,121	28,000	28,000	-	19,879	29%
5820	Consultants - Non Instructional	2,833	15,000	15,000	-	12,168	19%
5822	Other Professional Services	42,118	94,000	94,000	-	51,882	45%
5824	District Oversight Fees	28,245	53,055	52,779	276	24,534	54%
5830	Field Trips Expenses	8,183	33,765	33,765	-	25,582	24%
5833	Fines and Penalties	1	-	100	(100)	99	1%
5843	Interest - Loans Less than 1 Year	112,537	192,000	172,394	19,606	59,858	65%
5845	Legal Fees	2,325	40,000	40,000	-	37,675	6%
5851	Marketing and Student Recruiting	5,247	20,000	20,000	-	14,753	26%
5852	Receivable Sale Fees	-	-	10,219	(10,219)	10,219	0%
5857	Payroll Fees	11,902	26,400	26,400	-	14,498	45%
5861	Prior Yr Exp (not accrued)	18,219	18,219	18,219	-	-	100%
5863	Professional Development	51,147	150,100	150,100	-	98,953	34%
5869	Special Education Contract Instructors	27,392	75,000	75,000	-	47,608	37%
5872	Special Education Encroachment	45,491	79,137	79,137	-	33,646	57%
5884	Substitutes	14,010	30,000	30,000	-	15,990	47%
5887	Technology Services	23,816	46,200	46,200	-	22,384	52%
5898	Bad Debt Expense	2,484	2,484	2,484	(0)	-	100%
5899	Miscellaneous Operating Expenses	0	-	0	(0)	-	100%
5900	Communications	14,393	70,000	70,000	-	55,607	21%
5915	Postage and Delivery	3,017	10,000	10,000	-	6,983	30%
SUBTOTAL - Services & Other Operating Exp.		1,514,593	2,929,102	2,887,687	41,415	1,373,094	52%

MAGNOLIA PUBLIC SCHOOLS - MSA-1

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
6000	Capital Outlay						
6100	Sites & Improvement of Sites	-	-	-	-	-	
6200	Buildings & Improvement of Buildings	-	500,000	500,000	-	500,000	0%
6400	Equipment	27,331	40,000	40,000	-	12,669	68%
	SUBTOTAL - Capital Outlay	27,331	540,000	540,000	-	512,669	5%
	TOTAL EXPENSES	3,866,361	7,877,283	7,836,279	41,004	3,969,918	49%
6900	Total Depreciation (includes Prior Years)	106,029	146,166	146,166	-	40,137	73%
	TOTAL EXPENSES including Depreciation	3,945,058	7,483,449	7,442,445	41,004	3,497,387	53%

MAGNOLIA PUBLIC SCHOOLS - MSA-2

Budget vs. Actuals

As of January 2017 Close

	Budget vs. Actual		Budget			
	Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
SUMMARY						
Revenue						
LCFF Entitlement	2,153,331	4,295,058	4,188,988	(106,070)	2,035,657	51%
Federal Revenue	142,771	522,541	533,058	10,516	390,287	27%
Other State Revenues	277,878	544,067	550,186	6,119	272,307	51%
Local Revenues	72,397	77,280	93,650	16,370	21,252	77%
Fundraising and Grants	11,244	27,722	27,722	-	16,478	41%
Total Revenue	2,657,622	5,466,669	5,393,604	(73,065)	2,735,982	49%
Expenses						
Compensation and Benefits (excl adjustment)	1,769,509	2,938,373	2,938,371	2	1,333,211	60%
Books and Supplies	266,282	451,104	461,104	(10,000)	194,823	58%
Services and Other Operating Expenditures	912,976	1,848,804	1,837,800	11,004	924,824	50%
Depreciation	19,831	53,602	53,602	-	33,771	37%
Total Expenses	2,968,598	5,291,884	5,290,878	1,006	2,486,628	56%
Operating Income Before One-Time Adjustment	(310,977)	174,785	102,726	(72,059)	249,354	-303%
One-Time Compensation Adjustment		(164,349)	(164,349)			
Operating Income (including adjustment)		10,436	(61,623)			
Fund Balance						
Beginning Balance (Unaudited)	1,210,746	1,210,746	1,210,746			100%
Audit Adjustment	(69,796)	-	(69,796)			100%
Beginning Balance (Audited)	1,140,950	1,210,746	1,140,950			100%
Operating Income (including Depreciation)	(310,977)	174,785	(61,623)			505%
Ending Fund Balance	829,973	1,385,531	1,079,327			77%
Capital Outlay	14,982	14,982	14,982			1
Total ADA		442.0	430.4	-11.6		0%

MAGNOLIA PUBLIC SCHOOLS - MSA-2

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget		
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining
REVENUE						
LCFF Entitlement						
8011	Charter Schools LCFF - State Aid	1,322,674	2,822,615	2,755,224	(67,392)	1,432,550 48%
8012	Education Protection Account Entitlement	316,226	618,331	602,085	(16,247)	285,859 53%
8019	State Aid - Prior Years	402	402	402	-	- 100%
8096	Charter Schools in Lieu of Property Taxes	514,029	853,709	831,278	(22,432)	317,249 62%
SUBTOTAL - LCFF Entitlement		2,153,331	4,295,058	4,188,988	(106,070)	2,035,657 51%
8100 Federal Revenue						
8181	Special Education - Entitlement	51,320	93,918	93,918	-	42,598 55%
8220	Child Nutrition Programs	-	165,224	165,224	-	165,224 0%
8291	Title I	80,001	155,425	157,858	2,433	77,857 51%
8292	Title II	201	2,088	1,963	(125)	1,762 10%
8293	Title III	-	-	-	-	-
8296	Other Federal Revenue	8,208	102,847	111,055	8,208	102,847 7%
8299	All Other Federal Revenue	3,040	3,040	3,040	-	- 100%
SUBTOTAL - Federal Income		142,771	522,541	533,058	10,516	390,287 27%
8300 Other State Revenues						
8319	Other State Apportionments - Prior Years	8,314	-	8,314	8,314	- 100%
8381	Special Education - Entitlement (State)	149,855	258,371	258,371	-	108,516 58%
8520	Child Nutrition - State	-	15,114	15,114	-	15,114 0%
8550	Mandated Cost Reimbursements	59,541	112,050	112,050	-	52,509 53%
8560	State Lottery Revenue	22,668	83,532	81,337	(2,195)	58,669 28%
8590	All Other State Revenue	37,500	75,000	75,000	-	37,500 50%
SUBTOTAL - Other State Income		277,878	544,067	550,186	6,119	272,307 51%

MAGNOLIA PUBLIC SCHOOLS - MSA-2

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
8600	Other Local Revenue						
8634	Food Service Sales	315	5,000	5,000	-	4,685	6%
8682	Summer Program	30,210	30,210	30,210	-	-	100%
8690	Other Local Revenue	827	20,881	20,881	-	20,054	4%
8714	COP Option 3 Grants	21,189	21,189	37,559	16,370	16,370	56%
8999	Uncategorized Revenue	19,856	-	-	-	(19,856)	
SUBTOTAL - Local Revenues		72,397	77,280	93,650	16,370	21,252	77%
8800	Donations/Fundraising						
8801	Donations - Parents	85	550	550	-	465	15%
8802	Donations - Private	192	15,440	15,440	-	15,249	1%
8803	Fundraising	10,968	11,732	11,732	-	764	93%
SUBTOTAL - Fundraising and Grants		11,244	27,722	27,722	-	16,478	41%
TOTAL REVENUE		2,657,622	5,466,669	5,393,604	(73,065)	2,735,982	49%

MAGNOLIA PUBLIC SCHOOLS - MSA-2

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
EXPENSES						-	
Compensation & Benefits							
Certificated Employees Summary							
1100	Teachers Salaries	940,488	1,633,872	1,633,872	(0)	693,384	58%
1300	Certificated Supervisor & Administrator Salaries	191,326	358,258	358,258	-	166,932	53%
SUBTOTAL - Certificated Employees		1,131,813	1,992,130	1,992,130	(0)	860,317	57%
Classified Employees Summary							
2400	Classified Clerical & Office Salaries	112,326	200,732	200,732	-	88,405	56%
2900	Classified Other Salaries	117,693	216,515	216,515	-	98,822	54%
SUBTOTAL - Classified Employees		230,019	417,246	417,246	-	187,228	55%
Employee Benefits Summary							
3100	STRS	141,626	246,398	246,398	-	104,772	57%
3200	PERS	26,405	44,465	44,465	-	18,060	59%
3300	OASDI-Medicare-Alternative	36,407	62,480	62,480	-	26,073	58%
3400	Health & Welfare Benefits	187,082	308,674	308,674	-	121,592	61%
3500	Unemployment Insurance	174	4,199	4,197	2	4,023	4%
3600	Workers Comp Insurance	15,983	27,130	27,130	(0)	11,147	59%
SUBTOTAL - Employee Benefits		407,677	693,346	693,343	2	285,666	59%

MAGNOLIA PUBLIC SCHOOLS - MSA-2

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
4000	Books & Supplies						
4100	Approved Textbooks & Core Curricula Materials	69,739	69,000	70,000	(1,000)	261	100%
4200	Books & Other Reference Materials	5,812	6,000	6,000	-	188	97%
4315	Custodial Supplies	100	6,000	5,000	1,000	4,900	2%
4320	Educational Software	14,075	17,900	17,900	-	3,825	79%
4325	Instructional Materials & Supplies	16,310	11,000	21,000	(10,000)	4,690	78%
4326	Art & Music Supplies	-	-	-	-	-	-
4330	Office Supplies	13,811	29,000	29,000	-	15,189	48%
4340	Professional Development Supplies	440	2,300	2,300	-	1,860	19%
4345	Non Instructional Student Materials & Supplies	8,144	9,500	9,400	100	1,256	87%
4346	Teacher Supplies	288	737	737	-	449	39%
4350	Uniforms	-	-	-	-	-	-
4400	Noncapitalized Equipment	15,848	15,848	15,848	-	-	100%
4410	Classroom Furniture, Equipment & Supplies	10,154	10,079	10,179	(100)	25	100%
4420	Computers (individual items less than \$5k)	2,037	2,100	2,100	-	63	97%
4430	Non Classroom Related Furniture, Equipment & Su	5,657	5,918	5,918	-	261	96%
4700	Food	96,266	257,723	257,723	-	161,457	37%
4720	Other Food	7,601	8,000	8,000	-	399	95%
	SUBTOTAL - Books and Supplies	266,282	451,104	461,104	(10,000)	194,823	58%

MAGNOLIA PUBLIC SCHOOLS - MSA-2

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
5000	Services & Other Operating Expenses						
5101	Shared Management Fee - CMO	535,659	918,273	918,273	-	382,614	58%
5102	Direct CMO Fee (Shared Staff)	20,353	34,536	34,536	-	14,183	59%
5210	Conference Fees	310	5,000	5,000	-	4,690	6%
5215	Travel - Mileage, Parking, Tolls	1,353	2,500	2,500	-	1,147	54%
5220	Travel and Lodging	-	3,000	3,000	-	3,000	0%
5225	Travel - Meals & Entertainment	-	-	-	-	-	
5300	Dues & Memberships	3,461	6,000	6,000	-	2,539	58%
5450	Insurance - Other	18,720	22,975	22,975	-	4,255	81%
5500	Operations & Housekeeping	10,207	130,000	127,000	3,000	116,793	8%
5605	Equipment Leases	7,892	10,000	10,000	-	2,108	79%
5610	Rent	-	-	-	-	-	
5615	Repairs and Maintenance - Building	7,084	5,000	8,000	(3,000)	917	89%
5617	Repairs and Maintenance - Other Equipment	-	-	-	-	-	
5803	Accounting Fees	-	15,000	15,000	-	15,000	0%
5809	Banking Fees	372	1,000	1,000	-	628	37%
5813	School Programs - After School Program	640	3,605	3,605	-	2,965	18%
5814	School Programs - Academic Competitions	88	1,000	1,000	-	913	9%
5815	Consultants - Instructional	-	-	-	-	-	
5819	School Programs - Other	3,966	13,000	13,000	-	9,034	31%
5820	Consultants - Non Instructional	15,570	23,000	23,000	-	7,430	68%
5822	Other Professional Services	20,516	89,000	79,000	10,000	58,484	26%
5824	District Oversight Fees	23,644	42,951	41,890	1,061	18,246	56%

MAGNOLIA PUBLIC SCHOOLS - MSA-2

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
5830	Field Trips Expenses	9,855	20,000	20,000	-	10,145	49%
5843	Interest - Loans Less than 1 Year	54	58	58	-	4	93%
5845	Legal Fees	9,835	40,000	40,000	-	30,165	25%
5851	Marketing and Student Recruiting	20,259	24,000	24,000	-	3,741	84%
5857	Payroll Fees	9,902	21,327	21,327	-	11,425	46%
5861	Prior Yr Exp (not accrued)	27,460	27,403	27,460	(57)	-	100%
5863	Professional Development	24,560	101,000	101,000	-	76,440	24%
5869	Special Education Contract Instructors	40,330	105,000	105,000	-	64,670	38%
5872	Special Education Encroachment	40,235	70,458	70,458	-	30,223	57%
5884	Substitutes	14,858	35,000	35,000	-	20,142	42%
5887	Technology Services	37,387	53,316	53,316	-	15,929	70%
5899	Miscellaneous Operating Expenses	(0)	-	-	-	0	
5900	Communications	4,816	20,000	20,000	-	15,184	24%
5915	Postage and Delivery	3,593	5,402	5,402	-	1,809	67%
SUBTOTAL - Services & Other Operating Exp.		912,976	1,848,804	1,837,800	11,004	924,824	50%
6000	Capital Outlay						
6100	Sites & Improvement of Sites	-	-	-	-	-	
6400	Equipment	14,982	14,982	14,982	-	-	100%
SUBTOTAL - Capital Outlay		14,982	14,982	14,982	-	-	100%
TOTAL EXPENSES		2,963,749	5,417,612	5,416,606	1,006	2,452,857	55%
6900	Total Depreciation (includes Prior Years)	19,831	53,602	53,602	-	33,771	37%
TOTAL EXPENSES including Depreciation		2,968,598	5,456,233	5,455,227	1,006	2,486,628	54%

MAGNOLIA PUBLIC SCHOOLS - MSA-3

Budget vs. Actuals

As of January 2017 Close

	Budget vs. Actual		Budget			
	Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
SUMMARY						
Revenue						
LCFF Entitlement	2,104,808	4,352,807	4,338,614	(14,193)	2,233,806	49%
Federal Revenue	154,380	493,745	497,033	3,288	342,654	31%
Other State Revenues	365,830	879,335	689,995	(189,340)	324,165	53%
Local Revenues	36,862	40,114	45,595	5,481	8,733	81%
Fundraising and Grants	10,603	19,018	19,018	-	8,415	56%
Total Revenue	2,672,483	5,785,019	5,590,256	(194,763)	2,917,773	48%
Expenses						
Compensation and Benefits (excl adjustment)	1,904,136	3,184,511	3,183,115	1,396	1,465,009	60%
Books and Supplies	176,468	401,887	407,587	(5,700)	231,119	43%
Services and Other Operating Expenditures	973,221	2,087,914	2,013,462	74,452	1,040,242	48%
Depreciation	7,000	19,096	19,096	-	12,096	37%
Total Expenses	3,060,825	5,693,409	5,623,261	70,148	2,748,466	54%
Operating Income Before One-Time Adjustment	(388,342)	91,611	(33,005)	(124,616)	169,307	1177%
One-Time Compensation Adjustment		(186,030)	(186,030)			
Operating Income (including adjustment)		(94,419)	(219,035)			
Fund Balance						
Beginning Balance (Unaudited)	976,777	976,777	976,777			100%
Audit Adjustment	(1,355)	-	(1,355)			100%
Beginning Balance (Audited)	975,422	976,777	975,422			100%
Operating Income (including Depreciation)	(388,342)	91,611	(219,035)			177%
Ending Fund Balance	587,080	1,068,388	756,387			78%
Capital Outlay						
	-	70,000	-			
Total ADA		443.9	441.9	-2.0		0%

MAGNOLIA PUBLIC SCHOOLS - MSA-3

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
REVENUE							
LCFF Entitlement							
8011	Charter Schools LCFF - State Aid	1,312,580	2,891,605	2,881,325	(10,280)	1,568,745	46%
8012	Education Protection Account Entitlement	300,307	603,366	603,366	-	303,059	50%
8019	State Aid - Prior Years	399	399	399	-	-	100%
8096	Charter Schools in Lieu of Property Taxes	491,522	857,437	853,524	(3,913)	362,003	58%
SUBTOTAL - LCFF Entitlement		2,104,808	4,352,807	4,338,614	(14,193)	2,233,806	49%
8100 Federal Revenue							
8181	Special Education - Entitlement	49,073	86,783	86,783	-	37,709	57%
8220	Child Nutrition Programs	8,295	210,236	210,236	-	201,941	4%
8291	Title I	86,350	155,755	159,360	3,605	73,010	54%
8292	Title II	195	6,110	1,845	(4,265)	1,650	11%
8293	Title III	-	-	-	-	-	-
8296	Other Federal Revenue	6,104	30,500	34,448	3,948	28,344	18%
8297	PY Federal - Not Accrued	258	258	258	-	-	100%
8299	All Other Federal Revenue	4,104	4,104	4,104	-	-	100%
SUBTOTAL - Federal Income		154,380	493,745	497,033	3,288	342,654	31%
8300 Other State Revenues							
8319	Other State Apportionments - Prior Years	8,124	6,765	8,124	1,359	-	100%
8381	Special Education - Entitlement (State)	143,293	247,058	247,058	-	103,764	58%
8520	Child Nutrition - State	656	18,925	18,925	-	18,269	3%
8545	School Facilities Apportionments	-	190,316	-	(190,316)	-	-
8550	Mandated Cost Reimbursements	57,088	107,374	107,374	-	50,286	53%
8560	State Lottery Revenue	21,668	83,897	83,514	(383)	61,846	26%
8590	All Other State Revenue	37,500	75,000	75,000	-	37,500	50%
8596	ASES	97,500	150,000	150,000	-	52,500	65%
SUBTOTAL - Other State Income		365,830	879,335	689,995	(189,340)	324,165	53%

MAGNOLIA PUBLIC SCHOOLS - MSA-3

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
8600	Other Local Revenue						
8634	Food Service Sales	493	500	500	-	7	99%
8682	Summer Program	27,931	27,931	27,931	-	-	100%
8690	Other Local Revenue	1,755	5,000	5,000	-	3,245	35%
8714	COP Option 3 Grants	6,683	6,683	12,164	5,481	5,481	55%
8999	Uncategorized Revenue	0	-	-	-	(0)	
	SUBTOTAL - Local Revenues	36,862	40,114	45,595	5,481	8,733	81%
8800	Donations/Fundraising						
8801	Donations - Parents	-	1,900	1,900	-	1,900	0%
8802	Donations - Private	-	4,500	4,500	-	4,500	0%
8803	Fundraising	10,603	12,618	12,618	-	2,015	84%
	SUBTOTAL - Fundraising and Grants	10,603	19,018	19,018	-	8,415	56%
TOTAL REVENUE		2,672,483	5,785,019	5,590,256	(194,763)	2,917,773	48%

MAGNOLIA PUBLIC SCHOOLS - MSA-3

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget		
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining
EXPENSES						
Compensation & Benefits						
Certificated Employees Summary						
1100	Teachers Salaries	936,308	1,695,620	1,705,620	(10,000)	769,312 55%
1300	Certificated Supervisor & Administrator Salaries	269,662	454,829	445,825	9,004	176,163 60%
SUBTOTAL - Certificated Employees		1,205,970	2,150,449	2,151,445	(996)	945,475 56%
Classified Employees Summary						
2400	Classified Clerical & Office Salaries	151,486	214,146	214,146	-	62,660 71%
2900	Classified Other Salaries	126,383	229,912	229,911	1	103,529 55%
SUBTOTAL - Classified Employees		277,869	444,058	444,058	1	166,189 63%
Employee Benefits Summary						
3100	STRS	143,649	267,028	263,998	3,030	120,349 54%
3200	PERS	28,974	60,105	60,105	-	31,131 48%
3300	OASDI-Medicare-Alternative	41,217	67,727	68,157	(430)	26,940 60%
3400	Health & Welfare Benefits	189,393	347,668	347,868	(199)	158,474 54%
3500	Unemployment Insurance	173	4,291	4,290	2	4,117 4%
3600	Workers Comp Insurance	16,891	29,214	29,225	(11)	12,334 58%
SUBTOTAL - Employee Benefits		420,297	776,034	773,642	2,392	353,345 54%

MAGNOLIA PUBLIC SCHOOLS - MSA-3

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
4000	Books & Supplies						
4100	Approved Textbooks & Core Curricula Materials	18,497	20,000	20,000	-	1,503	92%
4200	Books & Other Reference Materials	654	5,000	5,000	-	4,346	13%
4315	Custodial Supplies	-	77	77	-	77	0%
4320	Educational Software	10,686	16,000	16,000	-	5,314	67%
4325	Instructional Materials & Supplies	24,042	25,000	25,000	-	958	96%
4330	Office Supplies	7,316	20,200	20,200	-	12,884	36%
4345	Non Instructional Student Materials & Supplies	9,318	10,000	10,000	-	682	93%
4350	Uniforms	1,212	5,000	5,000	-	3,788	24%
4410	Classroom Furniture, Equipment & Supplies	4,379	5,000	5,000	-	621	88%
4420	Computers (individual items less than \$5k)	12,151	11,500	17,200	(5,700)	5,049	71%
4430	Non Classroom Related Furniture, Equipment & S	8,409	10,000	10,000	-	1,591	84%
4700	Food	73,098	264,110	264,110	-	191,012	28%
4720	Other Food	6,706	10,000	10,000	-	3,294	67%
	SUBTOTAL - Books and Supplies	176,468	401,887	407,587	(5,700)	231,119	43%
5000	Services & Other Operating Expenses						
5100	Subagreements for Services	-	-	-	-	-	
5101	Shared Management Fee - CMO	532,557	918,273	918,273	-	385,716	58%
5102	Direct CMO Fee (Shared Staff)	19,352	35,271	35,271	-	15,919	55%
5200	Travel & Conferences	-	-	-	-	-	
5210	Conference Fees	3,220	10,000	4,300	5,700	1,080	75%
5215	Travel - Mileage, Parking, Tolls	20	10,000	5,000	5,000	4,980	0%
5220	Travel and Lodging	-	505	505	-	505	0%
5300	Dues & Memberships	3,880	10,000	10,000	-	6,120	39%
5450	Insurance - Other	17,088	22,813	22,813	-	5,725	75%
5500	Operations & Housekeeping	478	5,000	5,000	-	4,522	10%
5605	Equipment Leases	8,263	15,600	15,600	-	7,337	53%
5610	Rent	-	210,000	222,267	(12,267)	222,267	0%
5615	Repairs and Maintenance - Building	5,013	10,500	10,500	-	5,487	48%
5617	Repairs and Maintenance - Other Equipment	-	1,500	1,500	-	1,500	0%
5803	Accounting Fees	-	10,000	10,000	-	10,000	0%
5809	Banking Fees	404	500	500	-	96	81%
5813	School Programs - After School Program	90,000	150,000	150,000	-	60,000	60%

MAGNOLIA PUBLIC SCHOOLS - MSA-3

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
5814	School Programs - Academic Competitions	740	500	740	(240)	-	100%
5819	School Programs - Other	3,883	-	3,883	(3,883)	-	100%
5820	Consultants - Non Instructional	2,742	12,000	7,000	5,000	4,258	39%
5822	Other Professional Services	38,960	114,944	89,944	25,000	50,984	43%
5824	District Oversight Fees	23,189	43,528	43,386	142	20,198	53%
5830	Field Trips Expenses	7,207	25,000	25,000	-	17,793	29%
5833	Fines and Penalties	72	100	100	-	28	72%
5845	Legal Fees	2,325	50,000	25,000	25,000	22,675	9%
5851	Marketing and Student Recruiting	5,343	15,000	15,000	-	9,657	36%
5857	Payroll Fees	11,039	24,000	24,000	-	12,961	46%
5861	Prior Yr Exp (not accrued)	13,043	13,258	13,258	-	215	98%
5863	Professional Development	15,882	93,100	68,100	25,000	52,218	23%
5869	Special Education Contract Instructors	21,770	58,500	58,500	-	36,730	37%
5872	Special Education Encroachment	38,473	66,768	66,768	-	28,295	58%
5875	Staff Recruiting	18	54	54	-	36	34%
5884	Substitutes	56,795	75,000	75,000	-	18,205	76%
5887	Technology Services	37,134	49,700	49,700	-	12,566	75%
5899	Miscellaneous Operating Expenses	0	-	0	(0)	-	100%
5900	Communications	11,804	30,000	30,000	-	18,196	39%
5915	Postage and Delivery	2,526	6,500	6,500	-	3,975	39%
SUBTOTAL - Services & Other Operating Exp.		973,221	2,087,914	2,013,462	74,452	1,040,242	48%
6000	Capital Outlay						
6100	Sites & Improvement of Sites	-	20,000	-	20,000	-	
6410	Computers (capitalizable items)	-	50,000	-	50,000	-	
SUBTOTAL - Capital Outlay		-	70,000	-	70,000	-	
TOTAL EXPENSES		3,053,825	5,930,342	5,790,195	140,148	2,736,370	53%
6900	Total Depreciation (includes Prior Years)	7,000	19,096	19,096	-	12,096	37%
TOTAL EXPENSES including Depreciation		3,060,825	5,879,439	5,809,291	70,148	2,748,466	53%

MAGNOLIA PUBLIC SCHOOLS - MSA-4

Budget vs. Actuals

As of January 2017 Close

	Budget vs. Actual		Budget			
	Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
SUMMARY						
Revenue						
LCFF Entitlement	851,628	1,818,445	1,825,158	6,713	973,530	47%
Federal Revenue	100,768	247,687	250,371	2,683	149,603	40%
Other State Revenues	134,617	267,852	267,941	89	133,324	50%
Local Revenues	22,265	22,430	27,958	5,528	5,693	80%
Fundraising and Grants	10,238	12,374	12,374	-	2,136	83%
Total Revenue	1,119,515	2,368,788	2,383,802	15,013	1,264,287	47%
Expenses						
Compensation and Benefits (excl adjustment)	670,215	1,212,821	1,181,983	30,838	594,463	57%
Books and Supplies	61,945	132,807	120,875	11,932	58,929	51%
Services and Other Operating Expenditures	336,103	701,330	741,909	(40,579)	405,807	45%
Depreciation	5,376	15,656	15,656	-	10,280	34%
Total Expenses	1,073,638	2,062,614	2,060,423	2,191	1,069,479	52%
Operating Income Before One-Time Adjustment	45,876	306,175	323,379	17,204	194,807	14%
One-Time Compensation Adjustment		(82,695)	(82,695)			
Operating Income (including adjustment)		223,480	240,684			
Fund Balance						
Beginning Balance (Unaudited)	763,641	567,722	763,641			100%
Audit Adjustment	(101,149)	-	(101,149)			100%
Beginning Balance (Audited)	662,491	567,722	662,491			100%
Operating Income (including Depreciation)	45,876	306,175	240,684			19%
Ending Fund Balance	708,368	873,897	903,175			78%
Capital Outlay						
	-	-	-			
Total ADA		186.2	186.7	0.5		0%

MAGNOLIA PUBLIC SCHOOLS - MSA-4

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
REVENUE							
LCFF Entitlement							
8011	Charter Schools LCFF - State Aid	526,128	1,189,233	1,194,354	5,121	668,226	44%
8012	Education Protection Account Entitlement	126,563	269,461	270,143	682	143,580	47%
8096	Charter Schools in Lieu of Property Taxes	198,937	359,751	360,661	910	161,724	55%
SUBTOTAL - LCFF Entitlement		851,628	1,818,445	1,825,158	6,713	973,530	47%
8100 Federal Revenue							
8181	Special Education - Entitlement	19,862	36,063	36,063	-	16,201	55%
8220	Child Nutrition Programs	5,709	21,841	21,841	-	16,131	26%
8291	Title I	45,122	58,233	59,695	1,462	14,573	76%
8292	Title II	181	2,380	722	(1,658)	541	25%
8296	Other Federal Revenue	28,835	128,106	130,986	2,879	102,150	22%
8297	PY Federal - Not Accrued	(6)	-	-	-	6	
8299	All Other Federal Revenue	1,064	1,064	1,064	-	-	100%
SUBTOTAL - Federal Income		100,768	247,687	250,371	2,683	149,603	40%
8300 Other State Revenues							
8319	Other State Apportionments - Prior Years	5,626	10,440	10,440	-	4,814	54%
8381	Special Education - Entitlement (State)	57,996	99,993	99,993	-	41,997	58%
8520	Child Nutrition - State	388	2,031	2,031	-	1,643	19%
8550	Mandated Cost Reimbursements	24,249	45,188	45,188	-	20,939	54%
8560	State Lottery Revenue	8,858	35,200	35,289	89	26,432	25%
8590	All Other State Revenue	37,500	75,000	75,000	-	37,500	50%
SUBTOTAL - Other State Income		134,617	267,852	267,941	89	133,324	50%

MAGNOLIA PUBLIC SCHOOLS - MSA-4

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
8600	Other Local Revenue						
8634	Food Service Sales	619	554	619	65	-	100%
8682	Summer Program	16,360	16,360	16,360	-	-	100%
8699	All Other Local Revenue	269	500	500	-	231	54%
8714	COP Option 3 Grants	5,017	5,017	10,480	5,463	5,463	48%
	SUBTOTAL - Local Revenues	22,265	22,430	27,958	5,528	5,693	80%
8800	Donations/Fundraising						
8803	Fundraising	10,238	12,374	12,374	-	2,136	83%
	SUBTOTAL - Fundraising and Grants	10,238	12,374	12,374	-	2,136	83%
TOTAL REVENUE		1,119,515	2,368,788	2,383,802	15,013	1,264,287	47%

MAGNOLIA PUBLIC SCHOOLS - MSA-4

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
EXPENSES						-	
Compensation & Benefits							
Certificated Employees Summary							
1100	Teachers Salaries	349,858	675,264	662,764	12,500	312,906	53%
1300	Certificated Supervisor & Administrator Salaries	140,705	255,957	255,957	-	115,252	55%
SUBTOTAL - Certificated Employees		490,562	931,221	918,721	12,500	428,159	53%
Classified Employees Summary							
2400	Classified Clerical & Office Salaries	27,784	58,307	58,307	-	30,523	48%
2900	Classified Other Salaries	10,955	35,053	20,053	15,000	9,098	55%
SUBTOTAL - Classified Employees		38,739	93,360	78,360	15,000	39,621	49%
Employee Benefits Summary							
3100	STRS	58,514	115,984	114,317	1,667	55,803	51%
3200	PERS	2,833	5,200	5,200	-	2,367	54%
3300	OASDI-Medicare-Alternative	13,276	20,679	19,332	1,347	6,056	69%
3400	Health & Welfare Benefits	59,197	114,026	114,026	-	54,830	52%
3500	Unemployment Insurance	137	3,510	3,495	15	3,358	4%
3600	Workers Comp Insurance	6,957	11,537	11,227	310	4,270	62%
SUBTOTAL - Employee Benefits		140,914	270,935	267,597	3,338	126,684	53%

MAGNOLIA PUBLIC SCHOOLS - MSA-4

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
4000	Books & Supplies						
4100	Approved Textbooks & Core Curricula Materials	12,686	23,220	13,220	10,000	534	96%
4320	Educational Software	2,791	5,000	5,000	-	2,209	56%
4325	Instructional Materials & Supplies	4,117	15,000	10,000	5,000	5,883	41%
4330	Office Supplies	10,545	12,000	17,000	(5,000)	6,455	62%
4345	Non Instructional Student Materials & Supplies	769	9,000	9,000	-	8,232	9%
4400	Noncapitalized Equipment	869	1,000	1,000	-	131	87%
4410	Classroom Furniture, Equipment & Supplies	578	5,000	5,000	-	4,422	12%
4420	Computers (individual items less than \$5k)	8,900	10,000	10,000	-	1,100	89%
4700	Food	18,080	45,587	45,655	(68)	27,575	40%
4720	Other Food	2,611	7,000	5,000	2,000	2,389	52%
	SUBTOTAL - Books and Supplies	61,945	132,807	120,875	11,932	58,929	51%
5000	Services & Other Operating Expenses						
5101	Shared Management Fee - CMO	44,330	75,995	75,995	-	31,665	58%
5102	Direct CMO Fee (Shared Staff)	7,735	14,807	14,807	-	7,072	52%
5200	Travel & Conferences	821	4,000	4,000	-	3,179	21%
5210	Conference Fees	100	5,000	5,000	-	4,900	2%
5300	Dues & Memberships	3,060	3,400	3,400	-	340	90%
5450	Insurance - Other	8,813	11,056	11,056	-	2,243	80%
5500	Operations & Housekeeping	484	484	484	-	-	100%
5605	Equipment Leases	6,830	8,000	8,000	-	1,170	85%
5610	Rent	60,568	103,831	103,831	-	43,263	58%
5615	Repairs and Maintenance - Building	427	1,000	1,000	-	573	43%
5803	Accounting Fees	-	8,000	8,000	-	8,000	0%
5809	Banking Fees	389	515	515	-	126	75%
5813	School Programs - After School Program	1,667	-	2,000	(2,000)	333	83%
5814	School Programs - Academic Competitions	1,960	1,000	2,500	(1,500)	541	78%
5820	Consultants - Non Instructional	3,067	9,516	9,516	-	6,449	32%
5822	Other Professional Services	15,941	64,000	63,915	85	47,974	25%

MAGNOLIA PUBLIC SCHOOLS - MSA-4

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
5824	District Oversight Fees	9,417	18,184	18,252	(67)	8,835	52%
5830	Field Trips Expenses	665	20,000	15,000	5,000	14,335	4%
5833	Fines and Penalties	29	29	29	-	-	100%
5845	Legal Fees	6,675	15,000	15,000	-	8,325	45%
5851	Marketing and Student Recruiting	10,742	20,000	13,000	7,000	2,258	83%
5857	Payroll Fees	5,936	9,600	9,600	-	3,664	62%
5861	Prior Yr Exp (not accrued)	(2,091)	488	-	488	2,091	
5863	Professional Development	764	54,000	54,000	-	53,236	1%
5869	Special Education Contract Instructors	23,037	50,000	87,000	(37,000)	63,963	26%
5872	Special Education Encroachment	15,572	28,192	28,192	-	12,620	55%
5884	Substitutes	22,717	25,200	37,700	(12,500)	14,983	60%
5887	Technology Services	34,312	57,000	57,000	-	22,688	60%
5893	Transportation - Student	37,050	67,000	67,000	-	29,950	55%
5898	Bad Debt Expense	32	32	32	-	-	100%
5899	Miscellaneous Operating Expenses	85	-	85	(85)	-	100%
5900	Communications	13,190	24,000	24,000	-	10,810	55%
5915	Postage and Delivery	1,781	2,000	2,000	-	219	89%
SUBTOTAL - Services & Other Operating Exp.		336,103	701,330	741,909	(40,579)	405,807	45%
6000	Capital Outlay						
SUBTOTAL - Capital Outlay		-	-	-	-	-	
TOTAL EXPENSES		1,068,262	2,129,653	2,127,462	2,191	1,059,200	50%
6900	Total Depreciation (includes Prior Years)	5,376	15,656	15,656	-	10,280	34%
TOTAL EXPENSES including Depreciation		1,073,638	2,145,309	2,143,118	2,191	1,069,479	50%

MAGNOLIA PUBLIC SCHOOLS - MSA-5

Budget vs. Actuals

As of January 2017 Close

	Budget vs. Actual		Budget			
	Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
SUMMARY						
Revenue						
LCFF Entitlement	735,238	1,660,532	1,662,956	2,424	927,718	44%
Federal Revenue	62,451	164,096	168,728	4,632	106,277	37%
Other State Revenues	99,968	177,416	179,531	2,115	79,564	56%
Local Revenues	22,784	178,813	177,193	(1,621)	154,409	13%
Fundraising and Grants	339	500	500	-	161	68%
Total Revenue	920,779	2,181,357	2,188,908	7,551	1,268,129	42%
Expenses						
Compensation and Benefits (excl adjustment)	616,541	1,152,508	1,152,507	1	602,271	53%
Books and Supplies	88,502	171,607	171,607	-	83,105	52%
Services and Other Operating Expenditures	236,877	655,357	679,863	(24,506)	442,986	35%
Depreciation	10,031	4,774	4,774	-	(5,257)	210%
Total Expenses	951,951	1,984,245	2,008,751	(24,505)	1,123,105	47%
Operating Income Before One-Time Adjustment	(31,172)	197,112	180,157	(16,955)	145,024	-17%
One-Time Compensation Adjustment		(66,305)	(66,305)			
Operating Income (including adjustment)		130,807	113,852			
Fund Balance						
Beginning Balance (Unaudited)	1,144,335	951,134	1,144,335			100%
Audit Adjustment	(66,819)	-	(66,819)			100%
Beginning Balance (Audited)	1,077,516	951,134	1,077,516			100%
Operating Income (including Depreciation)	(31,172)	197,112	113,852			-27%
Ending Fund Balance	1,046,344	1,148,246	1,191,368			88%
Capital Outlay	17,301	27,793	27,793			1
Total ADA		177.7	177.7	0.0		0%

MAGNOLIA PUBLIC SCHOOLS - MSA-5

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
REVENUE							
LCFF Entitlement							
8011	Charter Schools LCFF - State Aid	460,283	1,071,078	1,073,469	2,391	613,186	43%
8012	Education Protection Account Entitlement	97,775	246,306	246,319	14	148,544	40%
8096	Charter Schools in Lieu of Property Taxes	177,180	343,149	343,168	19	165,988	52%
SUBTOTAL - LCFF Entitlement		735,238	1,660,532	1,662,956	2,424	927,718	44%
8100 Federal Revenue							
8181	Special Education - Entitlement	17,690	28,542	28,542	-	10,852	62%
8291	Title I	9,612	81,991	84,051	2,060	74,439	11%
8292	Title II	87	2,193	658	(1,535)	571	13%
8293	Title III	-	-	-	-	-	-
8296	Other Federal Revenue	33,435	102,026	104,506	2,480	71,071	32%
8297	PY Federal - Not Accrued	1,627	(50,656)	(49,029)	1,627	(50,656)	-3%
SUBTOTAL - Federal Income		62,451	164,096	168,728	4,632	106,277	37%
8300 Other State Revenues							
8319	Other State Apportionments - Prior Years	6,508	4,395	6,508	2,113	-	100%
8381	Special Education - Entitlement (State)	51,653	80,611	80,611	-	28,957	64%
8520	Child Nutrition - State	-	-	-	-	-	-
8550	Mandated Cost Reimbursements	17,113	32,747	32,747	-	15,634	52%
8560	State Lottery Revenue	7,143	33,576	33,578	2	26,434	21%
8596	ASES	17,550	26,088	26,088	-	8,538	67%
SUBTOTAL - Other State Income		99,968	177,416	179,531	2,115	79,564	56%

MAGNOLIA PUBLIC SCHOOLS - MSA-5

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget		
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining
8600	Other Local Revenue					
8636	Uniforms	-	1,030	1,030	-	1,030 0%
8690	Other Local Revenue	11,027	11,027	11,027	-	- 100%
8714	COP Option 3 Grants	11,757	166,756	165,135	(1,621)	153,379 7%
8999	Uncategorized Revenue	-	-	-	-	-
	SUBTOTAL - Local Revenues	22,784	178,813	177,193	(1,621)	154,409 13%
8800	Donations/Fundraising					
8803	Fundraising	339	500	500	-	161 68%
	SUBTOTAL - Fundraising and Grants	339	500	500	-	161 68%
TOTAL REVENUE		920,779	2,181,357	2,188,908	7,551	1,268,129 42%

MAGNOLIA PUBLIC SCHOOLS - MSA-5

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
EXPENSES						-	
Compensation & Benefits							
Certificated Employees Summary							
1100	Teachers Salaries	346,943	660,552	660,552	-	313,609	53%
1300	Certificated Supervisor & Administrator Salaries	98,159	180,746	180,746	-	82,588	54%
SUBTOTAL - Certificated Employees		445,102	841,298	841,298	-	396,196	53%
Classified Employees Summary							
2400	Classified Clerical & Office Salaries	26,053	51,242	51,242	-	25,188	51%
2900	Classified Other Salaries	10,136	54,450	54,450	-	44,314	19%
SUBTOTAL - Classified Employees		36,189	105,692	105,692	-	69,503	34%
Employee Benefits Summary							
3100	STRS	54,090	102,879	102,879	-	48,789	53%
3200	PERS	4,908	8,534	8,534	-	3,627	58%
3300	OASDI-Medicare-Alternative	9,657	20,062	20,062	-	10,405	48%
3400	Health & Welfare Benefits	62,242	126,213	126,213	-	63,971	49%
3500	Unemployment Insurance	154	3,471	3,470	1	3,317	4%
3600	Workers Comp Insurance	4,200	10,663	10,663	-	6,464	39%
SUBTOTAL - Employee Benefits		135,250	271,823	271,822	1	136,572	50%

MAGNOLIA PUBLIC SCHOOLS - MSA-5

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
4000	Books & Supplies						
4100	Approved Textbooks & Core Curricula Materials	21,233	22,000	22,000	-	767	97%
4200	Books & Other Reference Materials	619	5,500	5,500	-	4,881	11%
4315	Custodial Supplies	-	1,000	1,000	-	1,000	0%
4320	Educational Software	13,918	15,000	15,000	-	1,082	93%
4325	Instructional Materials & Supplies	6,805	8,646	8,646	-	1,841	79%
4330	Office Supplies	3,099	8,800	8,800	-	5,701	35%
4345	Non Instructional Student Materials & Supplies	1,839	5,000	5,000	-	3,161	37%
4350	Uniforms	709	2,000	2,000	-	1,291	35%
4400	Noncapitalized Equipment	20,455	20,455	20,455	-	-	100%
4420	Computers (individual items less than \$5k)	34,785	32,207	35,207	(3,000)	422	99%
4430	Non Classroom Related Furniture, Equipment & Su	312	7,000	4,000	3,000	3,688	8%
4700	Food	(17,014)	40,000	40,000	-	57,014	-43%
4720	Other Food	1,741	4,000	4,000	-	2,259	44%
	SUBTOTAL - Books and Supplies	88,502	171,607	171,607	-	83,105	52%
5000	Services & Other Operating Expenses						
5101	Shared Management Fee - CMO	44,330	75,995	75,995	-	31,665	58%
5102	Direct CMO Fee (Shared Staff)	6,815	14,022	14,022	-	7,207	49%
5200	Travel & Conferences	537	5,000	5,000	-	4,463	11%
5210	Conference Fees	-	5,000	5,000	-	5,000	0%
5300	Dues & Memberships	3,431	5,000	5,000	-	1,569	69%
5450	Insurance - Other	3,592	6,237	6,237	-	2,645	58%
5605	Equipment Leases	2,748	6,600	6,600	-	3,852	42%
5610	Rent	-	110,971	110,971	-	110,971	0%
5615	Repairs and Maintenance - Building	8,005	15,000	15,000	-	6,995	53%
5617	Repairs and Maintenance - Other Equipment	-	3,000	3,000	-	3,000	0%
5803	Accounting Fees	-	5,000	5,000	-	5,000	0%
5809	Banking Fees	372	412	412	-	40	90%
5813	School Programs - After School Program	15,653	26,088	26,088	-	10,435	60%
5814	School Programs - Academic Competitions	65	-	1,000	(1,000)	935	7%
5820	Consultants - Non Instructional	1,936	25,000	25,000	-	23,065	8%
5822	Other Professional Services	34,482	10,000	34,482	(24,482)	-	100%
5824	District Oversight Fees	8,072	16,605	16,630	(24)	8,558	49%

MAGNOLIA PUBLIC SCHOOLS - MSA-5

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
5830	Field Trips Expenses	498	4,000	3,000	1,000	2,502	17%
5845	Legal Fees	1,225	15,000	15,000	-	13,775	8%
5851	Marketing and Student Recruiting	417	60,000	60,000	-	59,583	1%
5857	Payroll Fees	4,921	8,000	8,000	-	3,079	62%
5861	Prior Yr Exp (not accrued)	30,928	31,727	31,727	-	799	97%
5863	Professional Development	12,249	37,100	37,100	-	24,851	33%
5869	Special Education Contract Instructors	28,605	65,000	65,000	-	36,395	44%
5872	Special Education Encroachment	13,869	25,699	25,699	-	11,831	54%
5875	Staff Recruiting	-	1,901	1,901	-	1,901	0%
5884	Substitutes	3,793	20,000	20,000	-	16,207	19%
5887	Technology Services	6,992	35,000	35,000	-	28,008	20%
5898	Bad Debt Expense	0	0	0	(0)	-	100%
5899	Miscellaneous Operating Expenses	0	-	0	(0)	-	100%
5900	Communications	2,216	20,000	20,000	-	17,784	11%
5915	Postage and Delivery	1,128	2,000	2,000	-	872	56%
SUBTOTAL - Services & Other Operating Exp.		236,877	655,357	679,863	(24,506)	442,986	35%
6000	Capital Outlay						
6400	Equipment	17,301	27,793	27,793	-	10,492	62%
SUBTOTAL - Capital Outlay		17,301	27,793	27,793	-	10,492	62%
TOTAL EXPENSES		959,221	2,073,570	2,098,075	(24,505)	1,138,854	46%
6900	Total Depreciation (includes Prior Years)	10,031	4,774	4,774	-	(5,257)	210%
TOTAL EXPENSES including Depreciation		951,951	2,050,550	2,075,056	(24,505)	1,123,105	46%

Magnolia Public Schools - MSA-6

Budget vs. Actuals

As of January 2017 Close

	Budget vs. Actual		Budget			
	Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
SUMMARY						
Revenue						
LCFF Entitlement	744,041	1,518,270	1,543,949	25,679	799,908	48%
Federal Revenue	81,284	161,359	166,052	4,693	84,768	49%
Other State Revenues	128,879	253,252	256,185	2,932	127,306	50%
Local Revenues	6,392	10,512	17,313	6,801	10,921	37%
Fundraising and Grants	6,751	11,100	11,100	-	4,349	61%
Total Revenue	967,347	1,954,494	1,994,599	40,105	1,027,252	48%
Expenses						
Compensation and Benefits (excl adjustment)	581,273	1,035,074	1,035,074	0	501,654	56%
Books and Supplies	84,606	154,776	155,776	(1,000)	71,170	54%
Services and Other Operating Expenditures	271,045	555,450	554,706	743	283,661	49%
Depreciation	3,715	28,726	28,726	-	25,011	13%
Total Expenses	940,639	1,774,026	1,774,282	(257)	881,496	53%
Operating Income Before One-Time Adjustment	26,708	180,468	220,317	39,849	145,757	12%
One-Time Compensation Adjustment		(47,852)	(47,852)			
Operating Income (including adjustment)		132,616	172,465			
Fund Balance						
Beginning Balance (Unaudited)	1,006,776	938,327	1,006,776			100%
Audit Adjustment	(61,339)	-	(61,339)			100%
Beginning Balance (Audited)	945,437	938,327	945,437			100%
Operating Income (including Depreciation)	26,708	180,468	172,465			15%
Ending Fund Balance	972,145	1,118,795	1,117,902			87%
Capital Outlay						
	-	-	-			
Total ADA		167.9	170.5	2.6		0%

Magnolia Public Schools - MSA-6

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
REVENUE							
LCFF Entitlement							
8011	Charter Schools LCFF - State Aid	446,890	971,806	988,993	17,187	542,103	45%
8012	Education Protection Account Entitlement	109,194	221,995	225,446	3,451	116,252	48%
8019	State Aid - Prior Years	134	134	134	-	-	100%
8096	Charter Schools in Lieu of Property Taxes	187,823	324,335	329,376	5,041	141,553	57%
SUBTOTAL - LCFF Entitlement		744,041	1,518,270	1,543,949	25,679	799,908	48%
8100 Federal Revenue							
8181	Special Education - Entitlement	18,752	32,331	32,331	-	13,579	58%
8220	Child Nutrition Programs	10,158	49,812	49,812	-	39,654	20%
8291	Title I	48,411	58,499	59,413	914	11,002	81%
8292	Title II	178	717	711	(6)	533	25%
8293	Title III	-	-	-	-	-	
8296	Other Federal Revenue	3,785	20,000	23,785	3,785	20,000	16%
SUBTOTAL - Federal Income		81,284	161,359	166,052	4,693	84,768	49%

Magnolia Public Schools - MSA-6

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
8300	Other State Revenues						
8319	Other State Apportionments - Prior Years	2,439	-	2,439	2,439	-	100%
8381	Special Education - Entitlement (State)	54,756	94,407	94,407	-	39,651	58%
8520	Child Nutrition - State	706	3,593	3,593	-	2,888	20%
8545	School Facilities Apportionments	42,562	85,125	85,125	-	42,563	50%
8550	Mandated Cost Reimbursements	20,042	38,352	38,352	-	18,310	52%
8560	State Lottery Revenue	8,334	31,735	32,228	493	23,894	26%
8590	All Other State Revenue	40	40	40	-	-	100%
SUBTOTAL - Other State Income		128,879	253,252	256,185	2,932	127,306	50%
8600	Other Local Revenue						
8699	All Other Local Revenue	-	4,120	4,120	-	4,120	0%
8714	SpEd Option 3	6,392	6,392	13,193	6,801	6,801	48%
SUBTOTAL - Local Revenues		6,392	10,512	17,313	6,801	10,921	37%
8800	Donations/Fundraising						
8802	Donations - Private	4,511	4,511	4,511	-	-	100%
8803	Fundraising	2,240	6,589	6,589	-	4,349	34%
SUBTOTAL - Fundraising and Grants		6,751	11,100	11,100	-	4,349	61%
TOTAL REVENUE		967,347	1,954,494	1,994,599	40,105	1,027,252	48%

Magnolia Public Schools - MSA-6

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
EXPENSES						-	
Compensation & Benefits							
Certificated Employees Summary							
1100	Teachers Salaries	257,733	473,509	473,509	-	215,777	54%
1300	Certificated Supervisor & Administrator Salaries	135,676	250,789	250,789	-	115,113	54%
SUBTOTAL - Certificated Employees		393,409	724,298	724,298	-	330,890	54%
Classified Employees Summary							
2400	Classified Clerical & Office Salaries	38,937	87,117	87,117	-	48,180	45%
2900	Classified Other Salaries	18,246	34,500	34,500	-	16,255	53%
SUBTOTAL - Classified Employees		57,182	121,617	121,617	-	64,435	47%
Employee Benefits Summary							
3100	STRS	48,947	92,228	92,228	-	43,281	53%
3200	PERS	5,407	9,490	9,490	-	4,083	57%
3300	OASDI-Medicare-Alternative	14,105	19,409	19,409	-	5,304	73%
3400	Health & Welfare Benefits	56,680	102,936	102,936	-	46,256	55%
3500	Unemployment Insurance	33	3,423	3,423	0	3,390	1%
3600	Workers Comp Insurance	5,510	9,525	9,525	-	4,015	58%
SUBTOTAL - Employee Benefits		130,682	237,011	237,011	0	106,329	55%

Magnolia Public Schools - MSA-6

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
4000	Books & Supplies						
4100	Approved Textbooks & Core Curricula Materials	43,195	45,000	45,000	-	1,805	96%
4200	Books & Other Reference Materials	-	1,000	1,000	-	1,000	0%
4315	Custodial Supplies	390	-	-	-	(390)	
4320	Educational Software	11,870	14,000	14,000	-	2,130	85%
4325	Instructional Materials & Supplies	2,015	3,000	3,000	-	985	67%
4330	Office Supplies	3,553	4,200	4,200	-	647	85%
4335	PE Supplies	813	1,000	1,000	-	187	81%
4345	Non Instructional Student Materials & Supplies	1,474	2,500	2,500	-	1,026	59%
4346	Teacher Supplies	946	1,000	1,000	-	54	95%
4400	Noncapitalized Equipment	-	5,000	5,000	-	5,000	0%
4410	Classroom Furniture, Equipment & Supplies	280	2,000	2,000	-	1,720	14%
4420	Computers (individual items less than \$5k)	-	19,500	19,500	-	19,500	0%
4700	Food	19,039	56,076	56,076	-	37,037	34%
4720	Other Food	1,033	500	1,500	(1,000)	467	69%
	SUBTOTAL - Books and Supplies	84,606	154,776	155,776	(1,000)	71,170	54%
5000	Services & Other Operating Expenses						
5101	CMO Fees	44,330	75,995	75,995	-	31,665	58%
5102	Direct CMO Fee (Shared Staff)	7,283	13,621	13,621	-	6,338	53%
5215	Travel - Mileage, Parking, Tolls	530	1,000	1,000	-	470	53%
5220	Travel and Lodging	-	3,000	3,000	-	3,000	0%
5300	Dues & Memberships	1,826	1,826	1,826	-	-	100%
5450	Insurance - Other	7,381	9,838	9,838	-	2,457	75%
5500	Operations & Housekeeping	536	4,000	4,000	-	3,464	13%
5510	Utilities - Gas and Electric	3,267	7,000	7,000	-	3,733	47%
5605	Equipment Leases	2,684	4,800	4,800	-	2,116	56%
5610	Rent	75,500	113,500	113,500	-	38,000	67%
5615	Repairs and Maintenance - Building	(79)	2,000	2,000	-	2,079	-4%
5803	Accounting Fees	-	4,500	4,500	-	4,500	0%
5809	Banking Fees	372	500	500	-	128	74%
5819	School Programs - Other	1,027	5,000	5,000	-	3,973	21%
5820	Consultants - Non Instructional - Custom 1	2,208	8,000	8,000	-	5,792	28%

Magnolia Public Schools - MSA-6

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
5822	Consultants - Non Instructional - Custom 3	3,500	23,583	23,583	-	20,083	15%
5824	District Oversight Fees	8,151	15,183	15,439	(257)	7,288	53%
5830	Field Trips Expenses	3,146	10,000	10,000	-	6,854	31%
5845	Legal Fees	2,000	10,000	10,000	-	8,000	20%
5851	Marketing and Student Recruiting	13,380	18,000	18,000	-	4,620	74%
5857	Payroll Fees	4,752	7,000	7,000	-	2,248	68%
5861	Prior Yr Exp (not accrued)	3,745	3,756	3,756	-	12	100%
5863	Professional Development	12,611	36,000	35,000	1,000	22,389	36%
5869	Special Education Contract Instructors	18,500	32,000	32,000	-	13,500	58%
5872	Special Education Encroachment	15,093	25,348	25,348	-	10,255	60%
5884	Substitutes	4,210	20,000	20,000	-	15,790	21%
5887	Technology Services	23,979	72,000	72,000	-	48,021	33%
5898	Bad Debt Expense	0	0	0	-	-	100%
5899	Miscellaneous Operating Expenses	0	-	-	-	(0)	
5900	Communications	9,506	24,000	24,000	-	14,494	40%
5915	Postage and Delivery	1,608	4,000	4,000	-	2,392	40%
SUBTOTAL - Services & Other Operating Exp.		271,045	555,450	554,706	743	283,661	49%
6000	Capital Outlay						
SUBTOTAL - Capital Outlay		-	-	-	-	-	
TOTAL EXPENSES		936,924	1,793,152	1,793,409	(257)	856,485	52%
6900	Total Depreciation (includes Prior Years)	3,715	28,726	28,726	-	25,011	13%
TOTAL EXPENSES including Depreciation		940,639	1,821,878	1,822,134	(257)	881,496	52%

Magnolia Public Schools - MSA-7

Budget vs. Actuals

As of January 2017 Close

	Budget vs. Actual		Budget			
	Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
SUMMARY						
Revenue						
LCFF Entitlement	1,253,743	2,599,553	2,609,088	9,535	1,355,345	48%
Federal Revenue	108,297	421,493	287,953	(133,540)	179,656	38%
Other State Revenues	336,186	622,567	626,626	4,058	290,440	54%
Local Revenues	50,191	71,193	77,070	5,876	26,879	65%
Fundraising and Grants	5,710	25,000	25,000	-	19,290	23%
Total Revenue	1,754,126	3,739,806	3,625,736	(114,070)	1,871,610	48%
Expenses						
Compensation and Benefits (excl adjustment)	920,881	1,633,722	1,608,185	25,537	777,286	57%
Books and Supplies	172,366	306,250	306,250	-	133,884	56%
Services and Other Operating Expenditures	866,376	1,626,862	1,619,358	7,505	752,981	54%
Depreciation	26,265	36,918	36,918	-	10,652	71%
Total Expenses	1,985,889	3,603,752	3,570,710	33,042	1,674,804	56%
Operating Income Before One-Time Adjustment	(231,763)	136,054	55,026	(81,028)	196,807	-421%
One-Time Compensation Adjustment		(89,982)	(89,982)			
Operating Income (including adjustment)		46,072	(34,956)			
Fund Balance						
Beginning Balance (Unaudited)	939,109	922,760	939,109			100%
Audit Adjustment	8,244	-	8,244			100%
Beginning Balance (Audited)	947,353	922,760	947,353			100%
Operating Income (including Depreciation)	(231,763)	136,054	(34,956)			663%
Ending Fund Balance	715,591	1,058,814	912,397			78%
Capital Outlay	-	198,325	60,000			-
Total ADA		284.7	285.4	0.7		0%

Magnolia Public Schools - MSA-7

Budget vs. Actuals

As of January 2017 Close

		Budget vs.		Budget			
		Actual					
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
REVENUE							
LCFF Entitlement							
8011	Charter Schools LCFF - State Aid	765,868	1,684,753	1,692,084	7,332	926,216	45%
8012	Education Protection Account Entitlement	175,682	364,640	365,519	879	189,837	48%
8019	State Aid - Prior Years	282	282	282	-	-	100%
8096	Charter Schools in Lieu of Property Taxes	311,911	549,878	551,203	1,325	239,293	57%
SUBTOTAL - LCFF Entitlement		1,253,743	2,599,553	2,609,088	9,535	1,355,345	48%
8100 Federal Revenue							
8181	Special Education - Entitlement	31,141	53,691	53,691	-	22,550	58%
8220	Child Nutrition Programs	14,418	105,994	105,994	-	91,576	14%
8291	Title I	55,637	84,709	86,036	1,327	30,399	65%
8292	Title II	98	1,127	1,118	(9)	1,020	9%
8293	Title III	-	-	-	-	-	-
8296	Other Federal Revenue	6,557	175,525	40,667	(134,858)	34,110	16%
8297	PY Federal - Not Accrued	446	446	446	-	-	100%
SUBTOTAL - Federal Income		108,297	421,493	287,953	(133,540)	179,656	38%
8300 Other State Revenues							
8319	Other State Apportionments - Prior Years	4,825	896	4,825	3,929	-	100%
8381	Special Education - Entitlement (State)	90,931	156,778	156,778	-	65,847	58%
8520	Child Nutrition - State	1,121	7,940	7,940	-	6,819	14%
8545	School Facilities Apportionments	94,694	189,390	189,390	-	94,696	50%
8550	Mandated Cost Reimbursements	33,281	63,689	63,689	-	30,408	52%
8560	State Lottery Revenue	13,763	53,804	53,933	130	40,170	26%
8590	All Other State Revenue	71	71	71	-	-	100%
8596	ASES	97,500	150,000	150,000	-	52,500	65%
SUBTOTAL - Other State Income		336,186	622,567	626,626	4,058	290,440	54%

Magnolia Public Schools - MSA-7

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
8600	Other Local Revenue						
8634	Food Service Sales	6,522	12,449	12,449	-	5,926	52%
8636	Uniforms	374	8,468	8,468	-	8,094	4%
8682	Summer Program	28,554	28,554	28,554	-	-	100%
8690	Other Local Revenue	8,777	15,759	15,759	-	6,982	56%
8699	All Other Local Revenue	90	90	90	-	-	100%
8714	SpEd Option 3	5,873	5,873	11,749	5,876	5,876	50%
	SUBTOTAL - Local Revenues	50,191	71,193	77,070	5,876	26,879	65%
8800	Donations/Fundraising						
8802	Donations - Private	500	500	500	-	-	100%
8803	Fundraising	5,210	24,500	24,500	-	19,290	21%
	SUBTOTAL - Fundraising and Grants	5,710	25,000	25,000	-	19,290	23%
TOTAL REVENUE		1,754,126	3,739,806	3,625,736	(114,070)	1,871,610	48%

Magnolia Public Schools - MSA-7

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
EXPENSES							
Compensation & Benefits							
Certificated Employees Summary							
1100	Teachers Salaries	493,698	920,976	898,809	22,167	405,112	55%
1300	Certificated Supervisor & Administrator Salaries	100,016	181,516	181,516	-	81,500	55%
SUBTOTAL - Certificated Employees		593,714	1,102,492	1,080,325	22,167	486,612	55%
Classified Employees Summary							
2400	Classified Clerical & Office Salaries	47,792	90,628	90,628	-	42,836	53%
2900	Classified Other Salaries	81,040	158,634	158,634	-	77,595	51%
SUBTOTAL - Classified Employees		128,832	249,262	249,262	-	120,430	52%
Employee Benefits Summary							
3100	STRS	70,706	131,525	128,736	2,789	58,031	55%
3200	PERS	14,893	27,262	27,262	-	12,369	55%
3300	OASDI-Medicare-Alternative	20,407	38,843	38,522	321	18,115	53%
3400	Health & Welfare Benefits	81,517	155,423	155,423	-	73,907	52%
3500	Unemployment Insurance	1,389	3,676	3,665	11	2,276	38%
3600	Workers Comp Insurance	9,424	15,221	14,971	250	5,547	63%
SUBTOTAL - Employee Benefits		198,335	371,950	368,579	3,371	170,244	54%

Magnolia Public Schools - MSA-7

Budget vs. Actuals

As of January 2017 Close

		Budget vs.				
		Actual	Budget			
				Variance		
		Actual YTD	Approved Budget February 9th	(Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
			Current Forecast			
4000	Books & Supplies					
4100	Approved Textbooks & Core Curricula Materials	83,652	90,000	90,000	-	6,348 93%
4200	Books & Other Reference Materials	498	5,000	5,000	-	4,502 10%
4315	Custodial Supplies	2,780	8,000	8,000	-	5,220 35%
4320	Educational Software	11,588	10,888	11,588	(700)	- 100%
4325	Instructional Materials & Supplies	8,583	14,500	13,800	700	5,217 62%
4326	Art & Music Supplies	1,202	1,500	1,500	-	298 80%
4330	Office Supplies	9,093	13,200	13,200	-	4,107 69%
4335	PE Supplies	665	2,000	2,000	-	1,335 33%
4345	Non Instructional Student Materials & Supplies	1,224	1,500	1,500	-	276 82%
4346	Teacher Supplies	213	2,400	2,400	-	2,187 9%
4351	Yearbook	685	760	760	-	75 90%
4410	Classroom Furniture, Equipment & Supplies	3,348	4,400	3,991	409	643 84%
4420	Computers (individual items less than \$5k)	600	11,500	11,500	-	10,900 5%
4430	Non Classroom Related Furniture, Equipment & Sup	3,009	2,600	3,009	(409)	- 100%
4700	Food	43,580	132,702	132,702	-	89,122 33%
4720	Other Food	1,646	5,300	5,300	-	3,654 31%
	SUBTOTAL - Books and Supplies	172,366	306,250	306,250	-	133,884 56%

Magnolia Public Schools - MSA-7

Budget vs. Actuals

As of January 2017 Close

		Budget vs.		Budget			
		Actual					
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
5000	Services & Other Operating Expenses						
5101	CMO Fees	369,420	633,292	633,292	-	263,872	58%
5102	Direct CMO Fee (Shared Staff)	12,402	22,779	22,779	-	10,377	54%
5210	Conference Fees	25	4,000	4,000	-	3,975	1%
5215	Travel - Mileage, Parking, Tolls	1,305	1,500	1,500	-	195	87%
5220	Travel and Lodging	-	2,772	2,772	-	2,772	0%
5300	Dues & Memberships	2,156	9,000	9,000	-	6,844	24%
5450	Insurance - Other	12,567	16,642	16,642	-	4,075	76%
5500	Operations & Housekeeping	1,820	10,000	10,000	-	8,180	18%
5510	Utilities - Gas and Electric	27,186	55,680	55,680	-	28,494	49%
5605	Equipment Leases	4,397	8,400	8,400	-	4,003	52%
5610	Rent	173,555	260,628	260,628	-	87,073	67%
5615	Repairs and Maintenance - Building	10,010	23,000	23,000	-	12,990	44%
5617	Repairs and Maintenance - Other Equipment	-	2,000	2,000	-	2,000	0%
5803	Accounting Fees	-	10,000	10,000	-	10,000	0%
5809	Banking Fees	401	3,000	3,000	-	2,599	13%
5813	School Programs - After School Program	90,190	150,000	150,000	-	59,810	60%
5814	School Programs - Academic Competitions	214	214	214	-	-	100%
5819	School Programs - Other	-	8,000	8,000	-	8,000	0%
5820	Consultants - Non Instructional - Custom 1	3,867	8,584	8,584	-	4,717	45%
5822	Consultants - Non Instructional - Custom 3	2,895	10,000	10,000	-	7,105	29%

Magnolia Public Schools - MSA-7

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
5824	District Oversight Fees	13,742	25,996	26,091	(95)	12,349	53%
5830	Field Trips Expenses	3,788	10,000	10,000	-	6,212	38%
5845	Legal Fees	-	10,000	10,000	-	10,000	0%
5851	Marketing and Student Recruiting	(1,514)	3,000	3,000	-	4,514	-50%
5857	Payroll Fees	8,126	21,600	14,000	7,600	5,874	58%
5861	Prior Yr Exp (not accrued)	(8,942)	(8,942)	(8,942)	-	-	100%
5863	Professional Development	11,523	43,100	43,100	-	31,577	27%
5869	Special Education Contract Instructors	54,091	114,324	114,324	-	60,233	47%
5872	Special Education Encroachment	24,414	42,094	42,094	-	17,679	58%
5884	Substitutes	12,991	40,000	40,000	-	27,009	32%
5887	Technology Services	26,986	50,600	50,600	-	23,614	53%
5898	Bad Debt Expense	(1)	-	-	-	1	
5899	Miscellaneous Operating Expenses	0	0	0	-	-	100%
5900	Communications	7,643	32,000	32,000	-	24,357	24%
5915	Postage and Delivery	1,120	3,600	3,600	-	2,480	31%
SUBTOTAL - Services & Other Operating Exp.		866,376	1,626,862	1,619,358	7,505	752,981	54%
6000	Capital Outlay						
6200	Buildings & Improvement of Buildings	-	138,325	-	138,325	-	
6400	Equipment	-	-	-	-	-	
6410	Computers (capitalizable items)	-	60,000	60,000	-	60,000	0%
SUBTOTAL - Capital Outlay		-	198,325	60,000	138,325	60,000	0%
TOTAL EXPENSES		1,959,623	3,855,142	3,683,775	171,367	1,724,151	53%
6900	Total Depreciation (includes Prior Years)	26,265	36,918	36,918	-	10,652	71%
TOTAL EXPENSES including Depreciation		1,985,889	3,693,734	3,660,692	33,042	1,674,804	54%

Magnolia Public Schools - MSA-8

Budget vs. Actuals

As of January 2017 Close

	Budget vs. Actual		Budget		Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
	Actual YTD	Approved Budget February 9th	Current Forecast				
SUMMARY							
Revenue							
LCFF Entitlement	2,182,258	4,440,491	4,525,400		84,909	2,343,142	48%
Federal Revenue	226,027	297,469	307,027		9,558	81,000	74%
Other State Revenues	342,973	620,258	629,214		8,957	286,242	55%
Local Revenues	42,971	70,411	80,207		9,796	37,236	54%
Fundraising and Grants	8,605	20,000	20,000		-	11,395	43%
Total Revenue	2,802,834	5,448,629	5,561,847		113,219	2,759,013	50%
Expenses							
Compensation and Benefits (excl adjustment)	1,558,877	2,701,941	2,701,941		0	1,264,029	58%
Books and Supplies	110,811	420,157	420,157		-	309,347	26%
Services and Other Operating Expenditures	1,012,693	2,142,840	2,123,061		19,779	1,110,369	48%
Depreciation	39,758	84,873	84,873		-	45,115	47%
Total Expenses	2,722,138	5,349,811	5,330,033		19,779	2,728,860	51%
Operating Income Before One-Time Adjustment	80,696	98,817	231,815		132,997	30,154	35%
One-Time Compensation Adjustment		(120,965)	(120,965)				
Operating Income (including adjustment)		(22,148)	110,850				
Fund Balance							
Beginning Balance (Unaudited)	3,061,348	3,019,921	3,061,348				100%
Audit Adjustment	(90,501)	-	(90,501)				100%
Beginning Balance (Audited)	2,970,847	3,019,921	2,970,847				100%
Operating Income (including Depreciation)	80,696	98,817	110,850				73%
Ending Fund Balance	3,051,543	3,118,738	3,081,697				99%
Capital Outlay	77,808	84,000	84,000				1
Total ADA		477.7	486.2		8.5		0%

Magnolia Public Schools - MSA-8

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
REVENUE							
LCFF Entitlement							
8011	Charter Schools LCFF - State Aid	1,332,012	2,884,036	2,941,120	57,084	1,609,108	45%
8012	Education Protection Account Entitlement	312,962	633,310	644,635	11,325	331,673	49%
8019	State Aid - Prior Years	468	468	468	-	-	100%
8096	Charter Schools in Lieu of Property Taxes	536,816	922,677	939,177	16,500	402,360	57%
SUBTOTAL - LCFF Entitlement		2,182,258	4,440,491	4,525,400	84,909	2,343,142	48%
8100 Federal Revenue							
8181	Special Education - Entitlement	53,596	92,406	92,406	-	38,811	58%
8291	Title I	165,782	202,691	205,859	3,168	40,077	81%
8292	Title II	214	2,345	2,326	(19)	2,112	9%
8293	Title III	-	-	-	-	-	
8297	PY Federal - Not Accrued	27	27	27	-	-	100%
SUBTOTAL - Federal Income		226,027	297,469	307,027	9,558	81,000	74%
		Hidden		Hidden			
8300 Other State Revenues							
8319	Other State Apportionments - Prior Years	7,762	420	7,762	7,342	-	100%
8381	Special Education - Entitlement (State)	156,498	269,825	269,825	-	113,326	58%
8550	Mandated Cost Reimbursements	57,281	109,613	109,613	-	52,332	52%
8560	State Lottery Revenue	23,811	90,281	91,895	1,614	68,084	26%
8590	All Other State Revenue	120	120	120	-	-	100%
8596	ASES	97,500	150,000	150,000	-	52,500	65%
SUBTOTAL - Other State Income		342,973	620,258	629,214	8,957	286,242	55%

Magnolia Public Schools - MSA-8

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
8600	Other Local Revenue						
8636	Uniforms	-	-	-	-	-	
8682	Summer Program	30,463	30,463	30,463	-	-	100%
8693	Field Trips	-	10,200	10,200	-	10,200	0%
8699	All Other Local Revenue	1,452	18,692	18,692	-	17,240	8%
8714	SpEd Option 3	11,056	11,056	20,852	9,796	9,796	53%
	SUBTOTAL - Local Revenues	42,971	70,411	80,207	9,796	37,236	54%
8800	Donations/Fundraising						
8803	Fundraising	8,605	20,000	20,000	-	11,395	43%
	SUBTOTAL - Fundraising and Grants	8,605	20,000	20,000	-	11,395	43%
TOTAL REVENUE		2,802,834	5,448,629	5,561,847	113,219	2,759,013	50%

Magnolia Public Schools - MSA-8

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
EXPENSES						-	
Compensation & Benefits							
Certificated Employees Summary							
1100	Teachers Salaries	800,276	1,454,903	1,454,903	-	654,627	55%
1300	Certificated Supervisor & Administrator Salarie	192,787	347,203	347,203	-	154,416	56%
SUBTOTAL - Certificated Employees		993,063	1,802,106	1,802,106	-	809,043	55%
Classified Employees Summary							
2400	Classified Clerical & Office Salaries	74,799	129,851	129,851	-	55,052	58%
2900	Classified Other Salaries	152,567	275,892	275,892	-	123,325	55%
SUBTOTAL - Classified Employees		227,367	405,744	405,744	-	178,377	56%
Employee Benefits Summary							
3100	STRS	122,232	224,189	224,189	-	101,957	55%
3200	PERS	26,601	46,345	46,345	-	19,744	57%
3300	OASDI-Medicare-Alternative	31,030	58,718	58,718	-	27,688	53%
3400	Health & Welfare Benefits	141,544	256,840	256,840	-	115,296	55%
3500	Unemployment Insurance	130	4,104	4,104	0	3,974	3%
3600	Workers Comp Insurance	16,910	24,860	24,860	-	7,950	68%
SUBTOTAL - Employee Benefits		338,447	615,056	615,056	0	276,609	55%

Magnolia Public Schools - MSA-8

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
4000	Books & Supplies						
4100	Approved Textbooks & Core Curricula Materials	13,844	22,000	22,000	-	8,156	63%
4200	Books & Other Reference Materials	301	1,000	1,000	-	699	30%
4320	Educational Software	18,675	20,000	20,000	-	1,326	93%
4325	Instructional Materials & Supplies	14,197	33,669	33,669	-	19,472	42%
4326	Art & Music Supplies	763	15,000	15,000	-	14,237	5%
4330	Office Supplies	8,414	25,000	25,000	-	16,586	34%
4335	PE Supplies	331	331	331	-	-	100%
4345	Non Instructional Student Materials & Supplies	4,617	9,000	9,000	-	4,383	51%
4346	Teacher Supplies	1,681	5,000	5,000	-	3,319	34%
4351	Yearbook	-	5,000	5,000	-	5,000	0%
4400	Noncapitalized Equipment	2,829	14,641	14,641	-	11,812	19%
4410	Classroom Furniture, Equipment & Supplies	517	517	517	-	-	100%
4420	Computers (individual items less than \$5k)	5,355	11,500	11,500	-	6,145	47%
4430	Non Classroom Related Furniture, Equipment & St	2,810	7,500	7,500	-	4,690	37%
4700	Food	35,410	240,000	240,000	-	204,590	15%
4720	Other Food	1,069	10,000	10,000	-	8,931	11%
	SUBTOTAL - Books and Supplies	110,811	420,157	420,157	-	309,347	26%
5000	Services & Other Operating Expenses						
5101	CMO Fees	591,072	1,013,267	1,013,267	-	422,195	58%
5102	Direct CMO Fee (Shared Staff)	20,567	38,555	38,555	-	17,988	53%
5210	Conference Fees	4,713	10,000	10,000	-	5,288	47%
5215	Travel - Mileage, Parking, Tolls	1,139	5,000	5,000	-	3,861	23%
5220	Travel and Lodging	4,266	10,000	10,000	-	5,734	43%
5300	Dues & Memberships	3,451	7,500	7,500	-	4,049	46%
5450	Insurance - Other	19,387	25,854	25,854	-	6,467	75%
5500	Operations & Housekeeping	177	35,000	35,000	-	34,823	1%
5605	Equipment Leases	35,715	50,000	50,000	-	14,285	71%
5610	Rent	51,982	228,961	228,961	-	176,979	23%
5617	Repairs and Maintenance - Other Equipment	1,104	3,000	3,000	-	1,896	37%
5803	Accounting Fees	-	15,000	15,000	-	15,000	0%

Magnolia Public Schools - MSA-8

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
5809	Banking Fees	395	500	500	-	105	79%
5813	School Programs - After School Program	90,000	150,000	150,000	-	60,000	60%
5820	Consultants - Non Instructional - Custom 1	7,879	9,000	9,000	-	1,121	88%
5822	Consultants - Non Instructional - Custom 3	13,141	59,000	59,000	-	45,860	22%
5824	District Oversight Fees	24,121	44,405	45,254	(849)	21,133	53%
5830	Field Trips Expenses	9,294	30,000	30,000	-	20,706	31%
5845	Legal Fees	6,875	10,000	10,000	-	3,125	69%
5851	Marketing and Student Recruiting	1,861	8,000	8,000	-	6,139	23%
5857	Payroll Fees	9,366	20,784	16,500	4,284	7,134	57%
5861	Prior Yr Exp (not accrued)	(10,038)	6,306	(10,038)	16,344	-	100%
5863	Professional Development	12,412	111,000	111,000	-	98,588	11%
5869	Special Education Contract Instructors	21,330	64,512	64,512	-	43,182	33%
5872	Special Education Encroachment	42,019	72,446	72,446	-	30,427	58%
5884	Substitutes	25,620	64,750	64,750	-	39,130	40%
5887	Technology Services	20,400	38,000	38,000	-	17,600	54%
5898	Bad Debt Expense	(0)	-	-	-	0	
5899	Miscellaneous Operating Expenses	0	-	-	-	(0)	
5915	Postage and Delivery	4,444	12,000	12,000	-	7,556	37%
SUBTOTAL - Services & Other Operating Exp.		1,012,693	2,142,840	2,123,061	19,779	1,110,369	48%
6000	Capital Outlay						
6410	Computers (capitalizable items)	77,808	84,000	84,000	-	6,192	93%
SUBTOTAL - Capital Outlay		77,808	84,000	84,000	-	6,192	93%
TOTAL EXPENSES		2,760,189	5,469,903	5,450,125	19,779	2,689,936	51%
6900	Total Depreciation (includes Prior Years)	39,758	84,873	84,873	-	45,115	47%
TOTAL EXPENSES including Depreciation		2,722,138	5,470,776	5,450,998	19,779	2,728,860	50%

Magnolia Public Schools - MSA-SA

Budget vs. Actuals

As of January 2017 Close

	Budget vs. Actual		Budget			
	Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
SUMMARY						
Revenue						
LCFF Entitlement	914,508	5,465,892	5,535,628	69,736	4,621,120	17%
Federal Revenue	121,261	783,158	783,158	-	661,897	15%
Other State Revenues	120,749	556,982	561,696	4,714	440,947	21%
Local Revenues	15,116	26,185	20,751	(5,433)	5,635	73%
Fundraising and Grants	31,946	27,854	31,946	4,092	-	100%
Total Revenue	1,203,580	6,860,071	6,933,179	73,109	5,729,599	17%
Expenses						
Compensation and Benefits (excl adjustment)	1,930,391	3,723,254	3,727,154	(3,899)	1,841,892	52%
Books and Supplies	477,949	829,376	971,640	(142,264)	493,691	49%
Services and Other Operating Expenditures	1,058,339	2,087,914	2,190,892	(102,979)	1,132,553	48%
Depreciation	231,720	373,813	373,813	-	142,094	62%
Total Expenses	3,698,399	7,014,357	7,263,499	(249,142)	3,610,229	51%
Operating Income Before One-Time Adjustment	(2,494,819)	(154,287)	(330,320)	(176,033)	2,119,370	755%
One-Time Compensation Adjustment		(45,129)	(45,129)			
Operating Income (including adjustment)		(199,416)	(375,449)			
Fund Balance						
Beginning Balance (Unaudited)	8,291,101	8,212,887	8,291,101			100%
Audit Adjustment	7,820	-	7,820			100%
Beginning Balance (Audited)	8,298,921	8,212,887	8,298,921			100%
Operating Income (including Depreciation)	(2,494,819)	(154,287)	(375,449)			664%
Ending Fund Balance	5,804,102	8,058,600	7,923,472			73%
Capital Outlay	37,249	115,124	115,124			0
Total ADA		606.0	612.7	6.6		0%

Magnolia Public Schools - MSA-SA

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
REVENUE							
LCFF Entitlement							
8011	Charter Schools LCFF - State Aid	765,818	4,197,607	4,253,468	55,861	3,487,650	18%
8012	Education Protection Account Entitlement	14,333	121,204	122,530	1,326	108,197	12%
8096	Charter Schools in Lieu of Property Taxes	134,357	1,147,081	1,159,630	12,549	1,025,273	12%
SUBTOTAL - LCFF Entitlement		914,508	5,465,892	5,535,628	69,736	4,621,120	17%
8100 Federal Revenue							
8181	Special Education - Entitlement	-	18,000	18,000	-	18,000	0%
8220	Child Nutrition Programs	32,296	227,287	227,287	-	194,991	14%
8291	Title I	83,954	219,592	219,592	-	135,638	38%
8292	Title II	613	2,362	2,362	-	1,749	26%
8296	Other Federal Revenue	4,236	54,400	54,400	-	50,164	8%
8297	PY Federal - Not Accrued	162	162	162	-	-	100%
8298	Implementation Grant	-	261,355	261,355	-	261,355	0%
SUBTOTAL - Federal Income		121,261	783,158	783,158	-	661,897	15%
8300 Other State Revenues							
8319	Other State Apportionments - Prior Years	6,193	6,193	6,193	-	-	100%
8381	Special Education - Entitlement (State)	38,418	304,828	308,163	3,335	269,745	12%
8520	Child Nutrition - State	2,292	14,137	14,137	-	11,845	16%
8550	Mandated Cost Reimbursements	29,203	42,286	42,412	126	13,209	69%
8560	State Lottery Revenue	7,143	114,538	115,791	1,253	108,647	6%
8590	All Other State Revenue	37,500	75,000	75,000	-	37,500	50%
SUBTOTAL - Other State Income		120,749	556,982	561,696	4,714	440,947	21%

Magnolia Public Schools - MSA-SA

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
8600	Other Local Revenue						
8634	Food Service Sales	4,681	15,900	10,000	(5,900)	5,320	47%
8636	Uniforms	397	397	397	-	-	100%
8660	Interest	685	533	1,000	467	315	68%
8690	Other Local Revenue	9,354	9,354	9,354	-	-	100%
SUBTOTAL - Local Revenues		15,116	26,185	20,751	(5,433)	5,635	73%
8800	Donations/Fundraising						
8802	Donations - Private	31,936	27,844	31,936	4,092	-	100%
8803	Fundraising	10	10	10	-	-	100%
SUBTOTAL - Fundraising and Grants		31,946	27,854	31,946	4,092	-	100%
TOTAL REVENUE		1,203,580	6,860,071	6,933,179	73,109	5,729,599	17%

Magnolia Public Schools - MSA-SA

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
EXPENSES						-	
Compensation & Benefits							
Certificated Employees Summary							
1100	Teachers Salaries	1,077,147	2,038,608	2,040,450	(1,843)	963,303	53%
1300	Certificated Supervisor & Administrator Salaries	260,477	495,669	495,669	-	235,192	53%
	SUBTOTAL - Certificated Employees	1,337,624	2,534,277	2,536,119	(1,843)	1,198,495	53%
Classified Employees Summary							
2400	Classified Clerical & Office Salaries	91,553	160,266	160,266	-	68,713	57%
2900	Classified Other Salaries	140,955	288,693	290,312	(1,620)	149,357	49%
	SUBTOTAL - Classified Employees	232,508	448,959	450,578	(1,620)	218,070	52%
Employee Benefits Summary							
3100	STRS	159,895	300,333	300,565	(232)	140,670	53%
3200	PERS	14,065	30,386	30,386	-	16,321	46%
3300	OASDI-Medicare-Alternative	41,195	80,795	80,959	(165)	39,764	51%
3400	Health & Welfare Benefits	138,552	335,551	335,551	-	196,999	41%
3500	Unemployment Insurance	126	4,492	4,493	(2)	4,367	3%
3600	Workers Comp Insurance	6,425	33,591	33,630	(39)	27,205	19%
3900	Other Employee Benefits	-	-	-	-	-	
	SUBTOTAL - Employee Benefits	360,259	785,148	785,585	(437)	425,327	46%

Magnolia Public Schools - MSA-SA

Budget vs. Actuals

As of January 2017 Close

		Budget vs.					
		Actual	Budget				
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
4000	Books & Supplies						
4100	Approved Textbooks & Core Curricula Materials	219,577	240,000	240,000	-	20,423	91%
4200	Books & Other Reference Materials	1,669	20,000	20,000	-	18,331	8%
4315	Custodial Supplies	20,329	30,000	30,000	-	9,671	68%
4320	Educational Software	5,211	10,000	10,000	-	4,789	52%
4325	Instructional Materials & Supplies	24,478	47,007	47,007	-	22,529	52%
4326	Art & Music Supplies	5,597	10,000	10,000	-	4,403	56%
4330	Office Supplies	16,349	15,000	20,000	(5,000)	3,651	82%
4335	PE Supplies	4,936	5,500	5,500	-	564	90%
4345	Non Instructional Student Materials & Supplies	5,824	10,185	10,185	-	4,362	57%
4346	Teacher Supplies	6,676	9,000	9,000	-	2,324	74%
4400	Noncapitalized Equipment	11,868	8,764	11,868	(3,104)	-	100%
4410	Classroom Furniture, Equipment & Supplies	20,538	24,121	163,476	(139,355)	142,938	13%
4420	Computers (individual items less than \$5k)	70,573	122,115	122,115	-	51,542	58%
4430	Non Classroom Related Furniture, Equipment & Su	2,493	2,493	2,493	-	-	100%
4700	Food	57,383	270,191	263,996	6,195	206,613	22%
4720	Other Food	4,449	5,000	6,000	(1,000)	1,551	74%
	SUBTOTAL - Books and Supplies	477,949	829,376	971,640	(142,264)	493,691	49%

Magnolia Public Schools - MSA-SA

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
5000	Services & Other Operating Expenses						
5101	CMO Fees	591,072	1,013,267	1,013,267	-	422,195	58%
5102	Direct CMO Fee (Shared Staff)	19,386	72,367	72,367	-	52,982	27%
5210	Conference Fees	1,004	8,809	8,809	-	7,805	11%
5215	Travel - Mileage, Parking, Tolls	2,090	10,000	10,000	-	7,910	21%
5300	Dues & Memberships	5,276	6,000	6,000	-	724	88%
5450	Insurance - Other	14,055	21,456	21,456	-	7,401	66%
5500	Operations & Housekeeping	22,500	25,000	25,000	-	2,500	90%
5510	Utilities - Gas and Electric	39,904	144,772	144,772	-	104,868	28%
5605	Equipment Leases	24,829	47,344	47,344	-	22,515	52%
5610	Rent	37,129	37,129	37,129	-	-	100%
5615	Repairs and Maintenance - Building	26,501	30,000	30,000	-	3,499	88%
5803	Accounting Fees	-	5,000	5,000	-	5,000	0%
5809	Banking Fees	3,980	7,243	7,243	-	3,263	55%
5813	School Programs - After School Program	1,148	15,000	15,000	-	13,852	8%
5814	School Programs - Academic Competitions	3,506	7,500	7,500	-	3,994	47%
5819	School Programs - Other	6,962	-	6,962	(6,962)	-	100%
5820	Consultants - Non Instructional - Custom 1	1,350	15,000	15,000	-	13,650	9%
5822	Consultants - Non Instructional - Custom 3	17,461	40,000	40,000	-	22,540	44%
5824	District Oversight Fees	-	54,659	55,356	(697)	55,356	0%
5830	Field Trips Expenses	9,852	19,000	19,000	-	9,148	52%
5833	Fines and Penalties	11,818	29,000	29,000	-	17,182	41%

Magnolia Public Schools - MSA-SA

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
5843	Interest - Loans Less than 1 Year	106	141	529	(388)	423	20%
5845	Legal Fees	1,244	15,000	15,000	-	13,756	8%
5851	Marketing and Student Recruiting	6,402	20,000	20,000	-	13,599	32%
5852	Receivable Sale Fees	-	-	32,706	(32,706)	32,706	0%
5857	Payroll Fees	16,086	21,600	27,500	(5,900)	11,414	58%
5861	Prior Yr Exp (not accrued)	56,532	340	56,532	(56,192)	-	100%
5863	Professional Development	21,273	41,575	41,575	-	20,302	51%
5869	Special Education Contract Instructors	62,291	224,000	224,000	-	161,709	28%
5872	Special Education Encroachment	-	12,913	13,047	(133)	13,047	0%
5884	Substitutes	-	55,000	55,000	-	55,000	0%
5887	Technology Services	35,240	64,000	64,000	-	28,760	55%
5898	Bad Debt Expense	1,867	-	-	-	(1,867)	
5900	Communications	16,281	17,000	17,000	-	719	96%
5915	Postage and Delivery	1,194	7,799	7,799	-	6,605	15%
SUBTOTAL - Services & Other Operating Exp.		1,058,339	2,087,914	2,190,892	(102,979)	1,132,553	48%
6000	Capital Outlay						
6400	Equipment	37,249	37,249	37,249	-	-	100%
6410	Computers (capitalizable items)	-	77,875	77,875	-	77,875	0%
SUBTOTAL - Capital Outlay		37,249	115,124	115,124	-	77,875	32%
TOTAL EXPENSES		3,503,928	6,800,797	7,049,939	(249,142)	3,546,011	50%
6900	Total Depreciation (includes Prior Years)	231,720	373,813	373,813	-	142,094	62%
TOTAL EXPENSES including Depreciation		3,698,399	7,059,486	7,308,628	(249,142)	3,610,229	51%

Magnolia Public Schools - MSA-SD

Budget vs. Actuals

As of January 2017 Close

	Budget vs. Actual		Budget			
	Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
SUMMARY						
Revenue						
LCFF Entitlement	1,546,707	3,067,041	3,034,475	(32,566)	1,487,768	51%
Federal Revenue	17,308	139,972	142,469	2,497	125,161	12%
Other State Revenues	275,002	386,040	473,002	86,961	197,999	58%
Local Revenues	72,845	88,597	88,597	-	15,752	82%
Fundraising and Grants	23,827	23,827	23,827	-	-	100%
Total Revenue	1,935,690	3,705,478	3,762,370	56,892	1,826,680	51%
Expenses						
Compensation and Benefits (excl adjustment)	1,275,405	2,158,964	2,158,964	0	983,493	59%
Books and Supplies	92,967	180,455	183,955	(3,500)	90,989	51%
Services and Other Operating Expenditures	610,686	1,181,986	1,322,273	(140,286)	711,586	46%
Depreciation	26,028	39,460	39,460	-	13,433	66%
Total Expenses	2,005,085	3,560,866	3,704,652	(143,786)	1,799,501	54%
Operating Income Before One-Time Adjustment	(69,395)	144,612	57,718	(86,894)	27,179	-120%
One-Time Compensation Adjustment		(99,934)	(99,934)			
Operating Income (including adjustment)		44,678	(42,216)			
Fund Balance						
Beginning Balance (Unaudited)	1,173,620	1,053,661	1,173,620			100%
Audit Adjustment	960	-	960			100%
Beginning Balance (Audited)	1,174,581	1,053,661	1,174,581			100%
Operating Income (including Depreciation)	(69,395)	144,612	(42,216)			164%
Ending Fund Balance	1,105,185	1,198,273	1,132,364			98%
Capital Outlay						
	-	-	-			
Total ADA		413.0	408.3	-4.7		0%

Magnolia Public Schools - MSA-SD

Budget vs. Actuals

As of January 2017 Close

		Budget vs.		Budget		
		Actual		Variance		
		Actual YTD	Approved Budget February 9th	(Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
			Current Forecast			
REVENUE						
LCFF Entitlement						
8011	Charter Schools LCFF - State Aid	472,395	516,223	512,859	(3,365)	40,464 92%
8012	Education Protection Account Entitlement	90,362	546,969	540,707	(6,262)	450,345 17%
8096	Charter Schools in Lieu of Property Taxes	983,950	2,003,849	1,980,909	(22,940)	996,959 50%
SUBTOTAL - LCFF Entitlement		1,546,707	3,067,041	3,034,475	(32,566)	1,487,768 51%
8100 Federal Revenue						
8181	Special Education - Entitlement	-	52,875	52,875	-	52,875 0%
8220	Child Nutrition Programs	3,719	24,125	24,125	-	20,406 15%
8291	Title I	13,515	26,810	27,246	436	13,731 50%
8292	Title II	74	662	2,723	2,061	2,649 3%
8293	Title III	-	-	-	-	-
8296	Other Federal Revenue	-	35,500	35,500	-	35,500 0%
SUBTOTAL - Federal Income		17,308	139,972	142,469	2,497	125,161 12%
8300 Other State Revenues						
8319	Other State Apportionments - Prior Years	16,424	5,571	16,424	10,853	- 100%
8381	Special Education - Entitlement (State)	108,578	207,749	205,371	(2,378)	96,793 53%
8520	Child Nutrition - State	236	1,872	1,872	-	1,637 13%
8550	Mandated Cost Reimbursements	78,023	92,787	92,787	-	14,764 84%
8560	State Lottery Revenue	20,144	78,061	77,167	(894)	57,023 26%
8596	ASES	51,597	-	79,380	79,380	27,783 65%
SUBTOTAL - Other State Income		275,002	386,040	473,002	86,961	197,999 58%

Magnolia Public Schools - MSA-SD

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget		
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining
8600	Other Local Revenue					
8636	Uniforms	-	-	-	-	-
8660	Interest	933	1,836	1,836	-	903 51%
8682	Summer Program	20,404	20,404	20,404	-	- 100%
8690	Other Local Revenue	16,348	23,337	23,337	-	6,989 70%
8693	Field Trips	35,140	43,000	43,000	-	7,860 82%
8699	All Other Local Revenue	20	20	20	-	- 100%
8999	Uncategorized Revenue	-	-	-	-	-
	SUBTOTAL - Local Revenues	72,845	88,597	88,597	-	15,752 82%
8800	Donations/Fundraising					
8803	Fundraising	23,827	23,827	23,827	-	- 100%
	SUBTOTAL - Fundraising and Grants	23,827	23,827	23,827	-	- 100%
TOTAL REVENUE		1,935,690	3,705,478	3,762,370	56,892	1,826,680 51%

Magnolia Public Schools - MSA-SD

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget		
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining
EXPENSES						
Compensation & Benefits						
Certificated Employees Summary						
1100	Teachers Salaries	641,493	1,140,266	1,140,266	-	498,774 56%
1300	Certificated Supervisor & Administrator Salaries	208,558	393,114	393,114	-	184,556 53%
SUBTOTAL - Certificated Employees		850,051	1,533,380	1,533,380	-	683,329 55%
Classified Employees Summary						
2400	Classified Clerical & Office Salaries	85,347	152,183	152,183	-	66,836 56%
2900	Classified Other Salaries	41,958	71,352	71,352	-	29,394 59%
SUBTOTAL - Classified Employees		127,305	223,535	223,535	-	96,230 57%
Employee Benefits Summary						
3100	STRS	100,404	188,824	188,824	-	88,420 53%
3200	PERS	17,339	28,669	28,669	-	11,330 60%
3300	OASDI-Medicare-Alternative	25,881	41,658	41,658	-	15,777 62%
3400	Health & Welfare Benefits	141,824	220,171	220,171	-	78,347 64%
3500	Unemployment Insurance	983	2,878	2,878	0	1,895 34%
3600	Workers Comp Insurance	11,619	19,783	19,783	-	8,164 59%
SUBTOTAL - Employee Benefits		298,049	501,983	501,983	0	203,934 59%

Magnolia Public Schools - MSA-SD

Budget vs. Actuals

As of January 2017 Close

		Budget vs.		Budget			
		Actual					
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
4000	Books & Supplies						
4100	Approved Textbooks & Core Curricula Materials	18,074	18,074	18,074	-	-	100%
4200	Books & Other Reference Materials	337	10,000	10,000	-	9,663	3%
4315	Custodial Supplies	2,828	6,000	6,000	-	3,172	47%
4320	Educational Software	4,350	15,000	15,000	-	10,650	29%
4325	Instructional Materials & Supplies	7,730	18,700	18,700	-	10,970	41%
4326	Art & Music Supplies	747	2,200	2,200	-	1,453	34%
4330	Office Supplies	11,374	32,200	32,200	-	20,826	35%
4335	PE Supplies	1,481	4,000	4,000	-	2,519	37%
4345	Non Instructional Student Materials & Supplies	2,563	6,000	6,000	-	3,437	43%
4346	Teacher Supplies	854	1,000	1,000	-	146	85%
4350	Uniforms	13,716	13,716	13,716	-	-	100%
4410	Classroom Furniture, Equipment & Supplies	4,186	10,000	10,000	-	5,814	42%
4420	Computers (individual items less than \$5k)	2,024	10,000	10,000	-	7,976	20%
4430	Non Classroom Related Furniture, Equipment & S	3,269	3,269	3,269	-	-	100%
4700	Food	14,685	27,297	27,297	-	12,612	54%
4720	Other Food	4,749	3,000	6,500	(3,500)	1,751	73%
	SUBTOTAL - Books and Supplies	92,967	180,455	183,955	(3,500)	90,989	51%

Magnolia Public Schools - MSA-SD

Budget vs. Actuals

As of January 2017 Close

		Budget vs.		Budget			
		Actual			Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
		Actual YTD	Approved Budget February 9th	Current Forecast			
5000	Services & Other Operating Expenses						
5101	CMO Fees	196,802	337,375	337,375	-	140,573	58%
5102	Direct CMO Fee (Shared Staff)	24,930	22,916	22,916	-	(2,015)	109%
5210	Conference Fees	370	5,000	5,000	-	4,630	7%
5215	Travel - Mileage, Parking, Tolls	1,715	7,000	7,000	-	5,285	25%
5220	Travel and Lodging	10,038	20,000	20,000	-	9,962	50%
5300	Dues & Memberships	3,051	5,400	5,400	-	2,349	56%
5450	Insurance - Other	13,934	18,580	18,580	-	4,646	75%
5500	Operations & Housekeeping	5,646	5,000	6,000	(1,000)	354	94%
5510	Utilities - Gas and Electric	11,676	30,000	30,000	-	18,324	39%
5605	Equipment Leases	7,545	10,000	10,000	-	2,455	75%
5610	Rent	200,000	320,000	320,000	-	120,000	63%
5615	Repairs and Maintenance - Building	10,354	15,000	15,000	-	4,647	69%
5617	Repairs and Maintenance - Other Equipment	727	5,000	5,000	-	4,273	15%
5803	Accounting Fees	-	5,000	5,000	-	5,000	0%
5809	Banking Fees	372	1,000	1,000	-	628	37%
5813	School Programs - After School Program	-	-	79,380	(79,380)	79,380	0%
5814	School Programs - Academic Competitions	936	5,000	4,500	500	3,564	21%
5819	School Programs - Other	890	600	1,100	(500)	210	81%

Magnolia Public Schools - MSA-SD

Budget vs. Actuals

As of January 2017 Close

		Budget vs.		Budget			
		Actual			Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
		Actual YTD	Approved Budget February 9th	Current Forecast			
5822	Consultants - Non Instructional - Custom 3	10,035	26,503	26,503	-	16,468	38%
5824	District Oversight Fees	6,927	30,670	30,345	326	23,418	23%
5830	Field Trips Expenses	4,213	45,000	45,000	-	40,787	9%
5845	Legal Fees	-	25,000	25,000	-	25,000	0%
5851	Marketing and Student Recruiting	7,145	24,000	24,000	-	16,855	30%
5852	Receivable Sale Fees	-	-	64,738	(64,738)	64,738	0%
5857	Payroll Fees	8,870	18,000	15,500	2,500	6,630	57%
5861	Prior Yr Exp (not accrued)	8,806	8,806	8,806	-	-	100%
5863	Professional Development	3,306	19,000	19,000	-	15,694	17%
5869	Special Education Contract Instructors	22,235	55,000	55,000	-	32,765	40%
5872	Special Education Encroachment	-	10,425	10,330	95	10,330	0%
5875	Staff Recruiting	-	1,911	-	1,911	-	
5884	Substitutes	7,448	19,000	19,000	-	11,552	39%
5887	Technology Services	33,812	43,800	43,800	-	9,988	77%
5900	Communications	6,638	37,000	37,000	-	30,362	18%
5915	Postage and Delivery	2,264	5,000	5,000	-	2,736	45%
SUBTOTAL - Services & Other Operating Exp.		610,686	1,181,986	1,322,273	(140,286)	711,586	46%
6000	Capital Outlay						
SUBTOTAL - Capital Outlay		-	-	-	-	-	
TOTAL EXPENSES		1,979,057	3,621,339	3,765,126	(143,786)	1,786,068	53%
6900	Total Depreciation (includes Prior Years)	26,028	39,460	39,460	-	13,433	66%
TOTAL EXPENSES including Depreciation		2,005,085	3,660,800	3,804,586	(143,786)	1,799,501	53%

MERF

Budget vs. Actuals

As of January 2017 Close

	Budget vs. Actual		Budget			
	Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
SUMMARY						
Revenue						
Local Revenues	3,728,268	6,410,367	6,411,617	1,250	2,683,349	58%
Fundraising and Grants	86,850	150,000	150,000	-	63,150	58%
Total Revenue	3,815,118	6,560,367	6,561,617	1,250	2,746,499	58%
Expenses						
Compensation and Benefits (excl adjustment)	2,223,005	3,567,998	3,568,086	(88)	1,345,080	62%
Books and Supplies	43,623	84,820	84,820	-	41,197	51%
Services and Other Operating Expenditures	1,639,193	2,616,824	2,622,522	(5,698)	983,329	63%
Depreciation	4,473	1,440	1,440	-	(3,033)	311%
Total Expenses	3,910,294	6,271,082	6,276,868	(5,786)	2,366,574	62%
Operating Income Before One-Time Adjustment	(95,177)	289,286	284,749	(4,536)	379,926	-33%
One-Time Compensation Adjustment		-	-			
Operating Income (including adjustment)		289,286	284,749			
Fund Balance						
Beginning Balance (Unaudited)	(285,175)	(285,175)	(285,175)			100%
Audit Adjustment	284,225	284,225	284,225			100%
Beginning Balance (Audited)	(950)	(950)	(950)			100%
Operating Income	(95,177)	289,286	284,749			-33%
Ending Fund Balance	(96,127)	288,335	283,799			-34%
Capital Outlay	-	-	-			

MERF

Budget vs. Actuals

As of January 2017 Close

Budget vs. Actual		Budget			
Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent

MERF

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
8600	Other Local Revenue						
8690	Other Local Revenue	5,140	3,890	5,140	1,250	-	100%
8699	All Other Local Revenue	21,216	21,216	21,216	-	-	100%
8701	CMO Fee - MSA-1	591,072	1,013,267	1,013,267	-	422,195	58%
8702	CMO Fee - MSA-2	535,659	918,273	918,273	-	382,614	58%
8703	CMO Fee - MSA-3	532,557	918,273	918,273	-	385,716	58%
8704	CMO Fee - MSA-4	44,330	75,995	75,995	-	31,665	58%
8705	CMO Fee - MSA-5	44,330	75,995	75,995	-	31,665	58%
8706	CMO Fee - MSA-6	44,330	75,995	75,995	-	31,665	58%
8707	CMO Fee - MSA-7	369,420	633,292	633,292	-	263,872	58%
8708	CMO Fee - MSA-8	591,072	1,013,267	1,013,267	-	422,195	58%
8709	CMO Fee - MSA-SA	591,072	1,013,267	1,013,267	-	422,195	58%
8712	CMO Fee - MSA-SD	196,802	337,375	337,375	-	140,573	58%
8713	Direct CMO Fee (Shared Staff)	161,265	310,263	310,263	-	148,997	52%
	SUBTOTAL - Local Revenues	3,728,268	6,410,367	6,411,617	1,250	2,683,349	58%
8800	Donations/Fundraising						
8802	Donations - Private	85,850	149,000	149,000	-	63,150	58%
8803	Fundraising	1,000	1,000	1,000	-	-	100%
	SUBTOTAL - Fundraising and Grants	86,850	150,000	150,000	-	63,150	58%
TOTAL REVENUE		3,815,118	6,560,367	6,561,617	1,250	2,746,499	58%

MERF

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
EXPENSES							
Compensation & Benefits							
Certificated Employees Summary							
1300	Certificated Supervisor & Administrator Salaries:	399,131	625,571	625,571	-	226,441	64%
	SUBTOTAL - Certificated Employees	399,131	625,571	625,571	-	226,441	64%
Classified Employees Summary							
2400	Classified Clerical & Office Salaries	1,290,369	2,082,181	2,082,181	-	791,812	62%
2900	Classified Other Salaries	105,447	171,827	171,827	-	66,381	61%
	SUBTOTAL - Classified Employees	1,395,815	2,254,008	2,254,008	-	858,193	62%
Employee Benefits Summary							
3100	STRS	52,456	90,877	90,877	-	38,421	58%
3200	PERS	7,297	23,362	23,362	-	16,065	31%
3300	OASDI-Medicare-Alternative	97,296	175,277	175,277	-	77,981	56%
3400	Health & Welfare Benefits	187,856	257,806	257,806	-	69,950	73%
3500	Unemployment Insurance	9,511	15,410	15,499	(88)	5,988	61%
3600	Workers Comp Insurance	24,400	32,424	32,424	-	8,024	75%
3700	Retiree Benefits	49,243	93,262	93,262	-	44,019	53%
	SUBTOTAL - Employee Benefits	428,060	688,418	688,506	(88)	260,447	62%

MERF

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
4000	Books & Supplies						
4100	Approved Textbooks & Core Curricula Materials	-	977	977	-	977	0%
4200	Books & Other Reference Materials	43	43	43	-	-	100%
4320	Educational Software	12,200	12,200	12,200	-	-	100%
4325	Instructional Materials & Supplies	-	-	-	-	-	
4330	Office Supplies	6,770	15,000	15,000	-	8,230	45%
4340	Professional Development Supplies	275	-	-	-	(275)	
4420	Computers (individual items less than \$5k)	1,426	5,000	5,000	-	3,574	29%
4720	Other Food	22,909	51,600	51,600	-	28,691	44%
	SUBTOTAL - Books and Supplies	43,623	84,820	84,820	-	41,197	51%

MERF

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
5000	Services & Other Operating Expenses						
5210	Conference Fees	7,590	23,796	23,796	-	16,206	32%
5215	Travel - Mileage, Parking, Tolls	28,085	53,320	53,320	-	25,235	53%
5220	Travel and Lodging	9,925	24,569	24,569	-	14,644	40%
5300	Dues & Memberships	7,541	10,200	10,200	-	2,659	74%
5450	Insurance - Other	448	14,688	14,688	-	14,240	3%
5500	Operations & Housekeeping	21,238	33,593	33,593	-	12,355	63%
5605	Equipment Leases	6,883	12,240	12,240	-	5,357	56%
5610	Rent	105,180	158,520	158,520	-	53,340	66%
5615	Repairs and Maintenance - Building	-	-	-	-	-	
5803	Accounting Fees	65,697	25,000	25,000	-	(40,697)	263%
5809	Banking Fees	10,731	18,275	18,275	-	7,544	59%
5812	Business Services	289,583	695,000	695,000	-	405,417	42%
5819	School Programs - Other	465	4,400	4,400	-	3,935	11%
5822	Consultants - Non Instructional - Custom 3	622,212	872,596	872,596	-	250,384	71%
5833	Fines and Penalties	588	970	970	-	383	61%
5843	Interest - Loans Less than 1 Year	74	111	111	-	37	67%

MERF

Budget vs. Actuals

As of January 2017 Close

		Budget vs. Actual		Budget			
		Actual YTD	Approved Budget February 9th	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
5845	Legal Fees	236,062	300,000	300,000	-	63,938	79%
5848	Licenses and Other Fees	4,523	4,000	5,000	(1,000)	477	90%
5851	Marketing and Student Recruiting	21,824	33,649	33,649	-	11,825	65%
5857	Payroll Fees	9,703	18,000	17,000	1,000	7,297	57%
5861	Prior Yr Exp (not accrued)	22,395	16,697	22,395	(5,698)	-	100%
5863	Professional Development	32,600	58,200	58,200	-	25,600	56%
5864	Professional Development - Other	27,904	87,500	87,500	-	59,596	32%
5875	Staff Recruiting	8,280	21,000	21,000	-	12,720	39%
5887	Technology Services	67,365	78,500	78,500	-	11,135	86%
5900	Communications	24,386	36,000	36,000	-	11,614	68%
5915	Postage and Delivery	7,909	16,000	16,000	-	8,091	49%
SUBTOTAL - Services & Other Operating Exp.		1,639,193	2,616,824	2,622,522	(5,698)	983,329	63%
6000	Capital Outlay						
SUBTOTAL - Capital Outlay		-	-	-	-	-	
TOTAL EXPENSES		3,905,821	6,269,641	6,275,428	(5,786)	2,369,607	62%
6900	Total Depreciation (includes Prior Years)	4,473	1,440	1,440	-	(3,033)	311%
TOTAL EXPENSES including Depreciation		3,910,294	6,271,082	6,276,868	(5,786)	2,366,574	62%

Cover Sheet

Approval of MSA Santa Clara Deficit Transfer Treatment

Section: III. Action Items
Item: H. Approval of MSA Santa Clara Deficit Transfer Treatment
Purpose: Vote
Submitted by:
Related Material: III H Sta Clara Defecit Treatment.pdf



Board Agenda Item #	Agenda # III H
Date:	March 9, 2017
To:	Magnolia Board of Directors
From:	Caprice Young, Ed.D., CEO & Superintendent
Staff Lead:	Nanie Montijo, Chief Financial Officer
RE:	Treatment of Loss from MSA Santa Clara School Closure

Proposed Board Recommendation

I move that the board approve the proposed inter-agency loan to MERF in the amount of \$442,020.37. This amount covers the cash needed to pay back the state funds received by Santa Clara and pay all other liabilities outstanding as of July 1, 2016.

Background

In July, 2016, the MSA Santa Ana closed permanently. State funds received must be returned to the granting agencies. Accounts payables must also be paid to settle the remaining balances of liabilities still outstanding as of July 1, 2016.

Budget Implications

- Total loss impacting the MERF reserves and ending fund balance: \$1,176,563.13
- Total cash required to pay off state funds and other liabilities: \$ 442,020.37

How Does This Action Relate/Affect/Benefit All MSAs?

- The total loss is to be absorbed by MERF Home Office.

Name of Staff Originator: Nanie Montijo, CFO and Kristin Dietz, Edtec

Attachments: Schedule of Cash Balances and Availability to loan to MERF.

Magnolia Public Schools												
Cash Summary by Month - Consolidated												
2016/17												
Actual & Projected												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Cash Balance	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
MSA-1	1,395,059	1,085,221	1,092,516	944,763	958,225	1,172,877	1,291,473	906,342	870,823	1,061,805	836,585	729,819
MSA-2	801,804	591,159	416,852	333,103	271,478	319,512	463,630	479,217	453,923	632,545	401,712	418,648
MSA-3	280,960	135,044	117,162	(3,925)	155,655	189,580	305,810	151,874	97,226	220,168	341,099	247,441
MSA-4	528,713	389,398	374,424	450,096	469,733	526,521	595,702	477,578	483,830	582,157	591,594	601,711
MSA-5	774,785	770,160	818,876	767,991	764,242	828,703	676,816	438,022	358,880	479,394	592,879	604,517
MSA-6	541,677	481,044	495,932	492,501	447,316	552,060	590,195	513,738	455,108	544,861	433,658	425,269
MSA-7	739,743	522,286	512,498	446,807	441,090	560,945	503,517	358,774	214,760	405,980	468,969	418,912
MSA-8	2,103,858	1,851,064	1,693,808	1,643,637	1,550,886	1,647,901	1,297,234	990,753	681,107	951,359	969,460	985,990
MSA-SA	4,217,689	2,893,202	3,099,860	964,978	756,114	768,941	900,865	1,171,151	1,257,219	1,005,815	974,835	846,879
MSA-SD	815,640	632,930	688,849	709,429	656,537	743,359	771,449	681,452	1,727,664	857,091	891,903	744,665
MERF	247,439	345,247	174,483	(82,628)	(6,979)	8,121	408,554	76,525	453,513	349,180	455,115	350,020
Total ending Cash Balance	12,447,368.1	9,696,755.3	9,485,260.3	6,666,751.5	6,464,296.7	7,318,520.0	7,805,246.7	6,245,427.3	7,054,052.3	7,090,355.9	6,957,809.1	6,373,871.7

MERF LOSS FROM CLOSURE OF SANTA CLARA			
description	debit	credit	Notes
Payable to State		437,467	Assumed from MSA-SC - need to pay to State
Due from MSA-SC		734,543	Write off loans to MSA-SC
Capital Lease payable		35,646	Assume capital lease - computers, monthly payment
Due to/from - other MSA-5	2,857		Need to settle - schools to pay MERF
Due to/from - other MSA-6	669		Need to settle - schools to pay MERF
Due to/from - other MSA-7	791		Need to settle - schools to pay MERF
Due to/from - other MSA-8	2,002		Need to settle - schools to pay MERF
Due to/from - other MSA-SA	14,121		Need to settle - schools to pay MERF
Other balance sheet items	10,651		To be researched - possible additional bad debt write off
Bad Debt Expense	734,543		to write off loans to MSA-SC - uncollectible
Audit Adjustment	444,986		Transfer CY Net Loss to MERF
PP Adjustments		2,965	Assume Net Asset deficit from MSA-SC, offset by bad debt
	1,210,621	1,210,621	
		-	
Total reduction to MERF Net Assets	1,176,563		
Total anticipated cash need	442,020		

Cover Sheet

Approval of Project Update and Approvals Related to MSA 1 Facility

Section: III. Action Items
Item: I. Approval of Project Update and Approvals Related to MSA 1 Facility
Purpose: Vote
Submitted by:
Related Material: III I MPS Multi-Yr Proforma All Sites to MPS 170221 v4.xlsx
III I MSA 1 Expansion 2.6.17 (Attach).xlsx
III I MSA 1 Expansion.pdf

BACKGROUND:
THE PROFORMA ITEM ALSO GOES ALONG WITH ITEM VB: 2017 BOND FINANCING



Board Agenda Item #	III I
Date:	March 9, 2017
To:	MPS Board
From:	Caprice Young, Ed.D. CEO & Superintendent,
Staff Lead:	Frank Gonzalez, CGO; Nanie Montijo, CFO
RE:	MSA 1- New School Building Update

Proposed Board Recommendation

I move that the board approve the capital improvement project and preliminary budget for the new campus for MSA 1 in Reseda, CA and direct staff to proceed with the execution of the project to be completed for school year 2018-19.

Background

In December 2016, the Board authorized the CEO & Superintendent to proceed with internal intra-company loans to address cash flow needs for purposes of executing capital improvement projects, including for MSA 1, until longer term external financing can be put in place.

Development Update

Magnolia staff and the development team are working on construction documents for the new classroom building for MSA 1. The new building will be a two-story building of approximately 25,000 square feet and will allow the school to enroll up to 925 students total. Once completed, the plans will be submitted to the Los Angeles Department of Building and Safety (LADBS).

It is anticipated that LADBS will provide a review, return comments and have a ready to issue construction permit in Summer 2017. Abatement and demolition of the existing building will take place in July 2017 with construction to follow immediately thereafter. Construction of the new two-story building will take 9-10 months and be ready for Fall 2018 occupancy.

Future Contract(s)

The demolition and construction contract for the MSA 1 project will be bid out to qualified contractors. A recommendation for contract approval(s) and execution will be brought to the Facilities and Finance Committees and the full Magnolia Board for review and approval.

Operational Impact

MSA 1 can continue to operate at its current site during construction of the new building. All construction activity will be limited to the new site and be fenced off for safety reasons.

Magnolia staff continue to explore the possibility of partnering with the City of Los Angeles to develop a gymnasium adjacent to MSA 1, or at minimum, swapping land with the City to construct a gymnasium for use in future years by MSA 1 students. Utilization of the existing parking lot as play space and/or the leasing of a temporary gymnasium might be necessary in order for the school to have a facility to deliver the physical education program.

Financing Update

In December 2016 LACOE approved MSA 1, 2, and 3. Since that time Magnolia has moved ahead with our planned bond financing with Hamlin, the investors of our \$6.02m 2014 bonds. We have executed a term sheet to amend the 2014 \$6.02MM bond financing and provide financing for the MSA 1, MSA SD and MSA SA facilities projects.

Funds that are utilized for any development costs for MSA 1 will be reimbursed to Magnolia once the bond closes, including the \$1M previously utilized to acquire the site. The Magnolia Board previously authorized a reimbursement resolution that enables this.

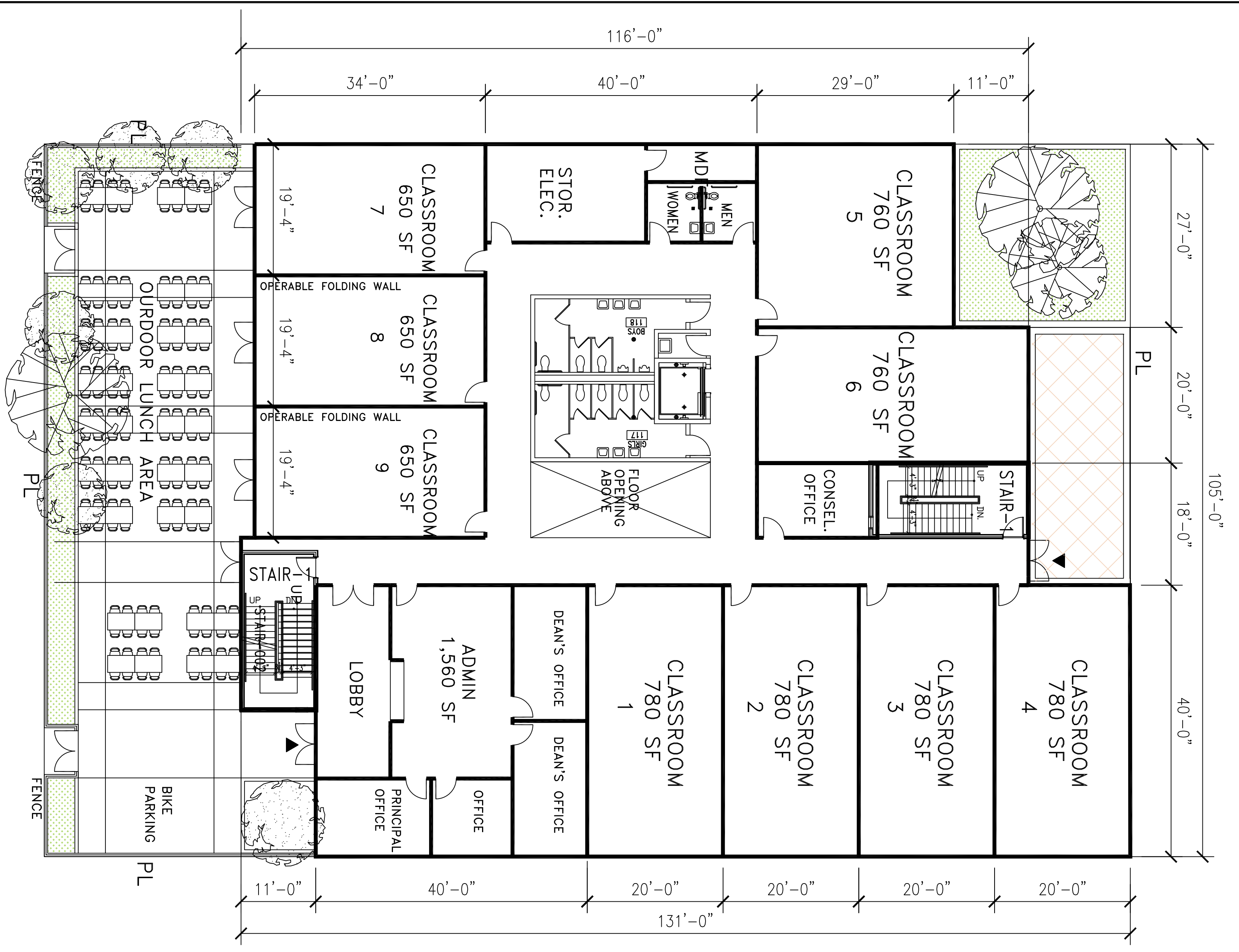
Permanent financing for the MSA 1 project will be from the tax -exempt bond.

The school has also received a three year grant from the state of California for up to \$1.5MM for capital improvement and construction costs to the facilities. The competitive grant was awarded via the Charter School Facilities Incentive Grant Program. Staff is working with state personnel to determine the highest and best use of these funds, possibly including construction of a new gymnasium in future years.

Attachments:

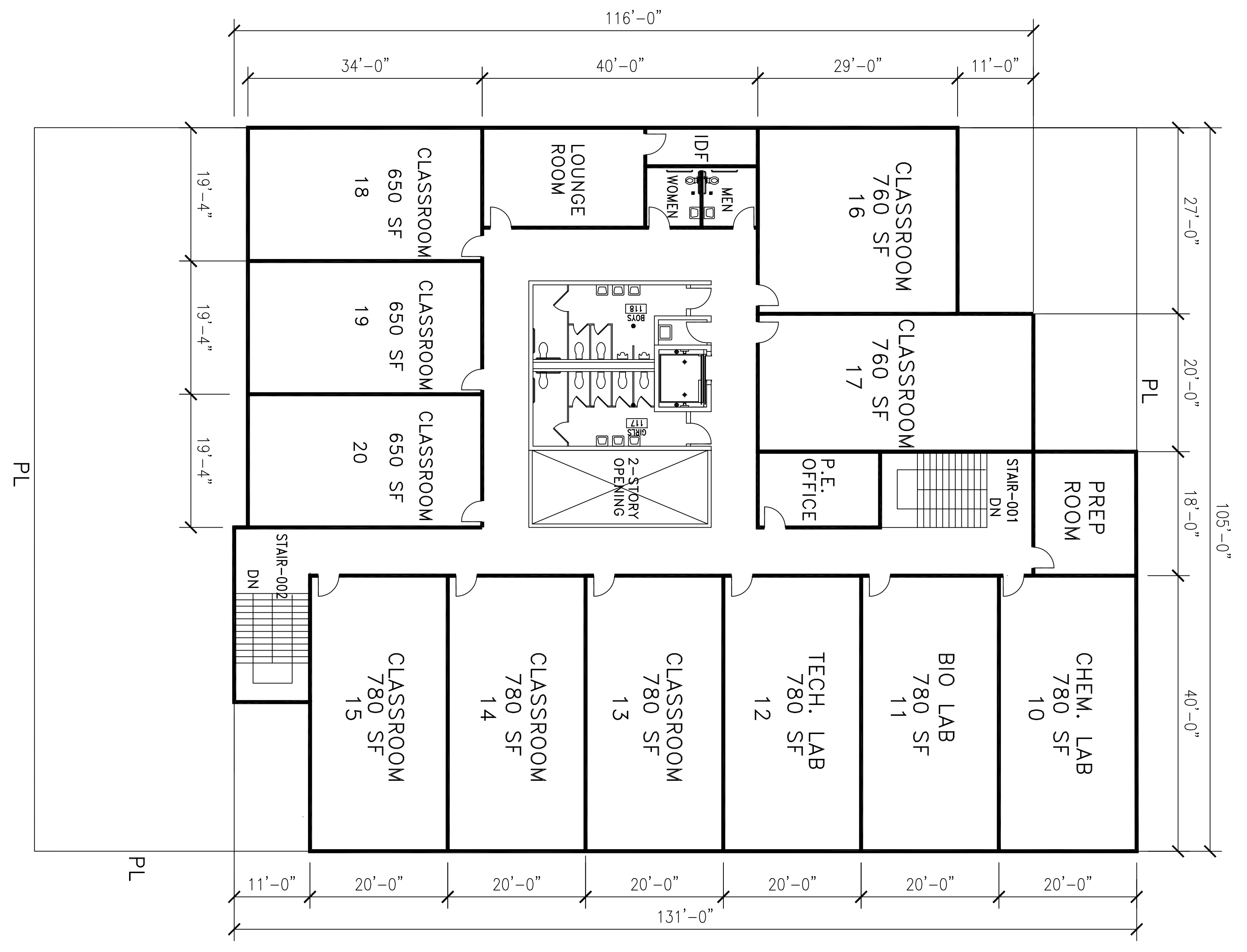
- MSA 1 Development Budget

- MSA 1 Site Plan
- MSA 1 5 Year Pro Forma

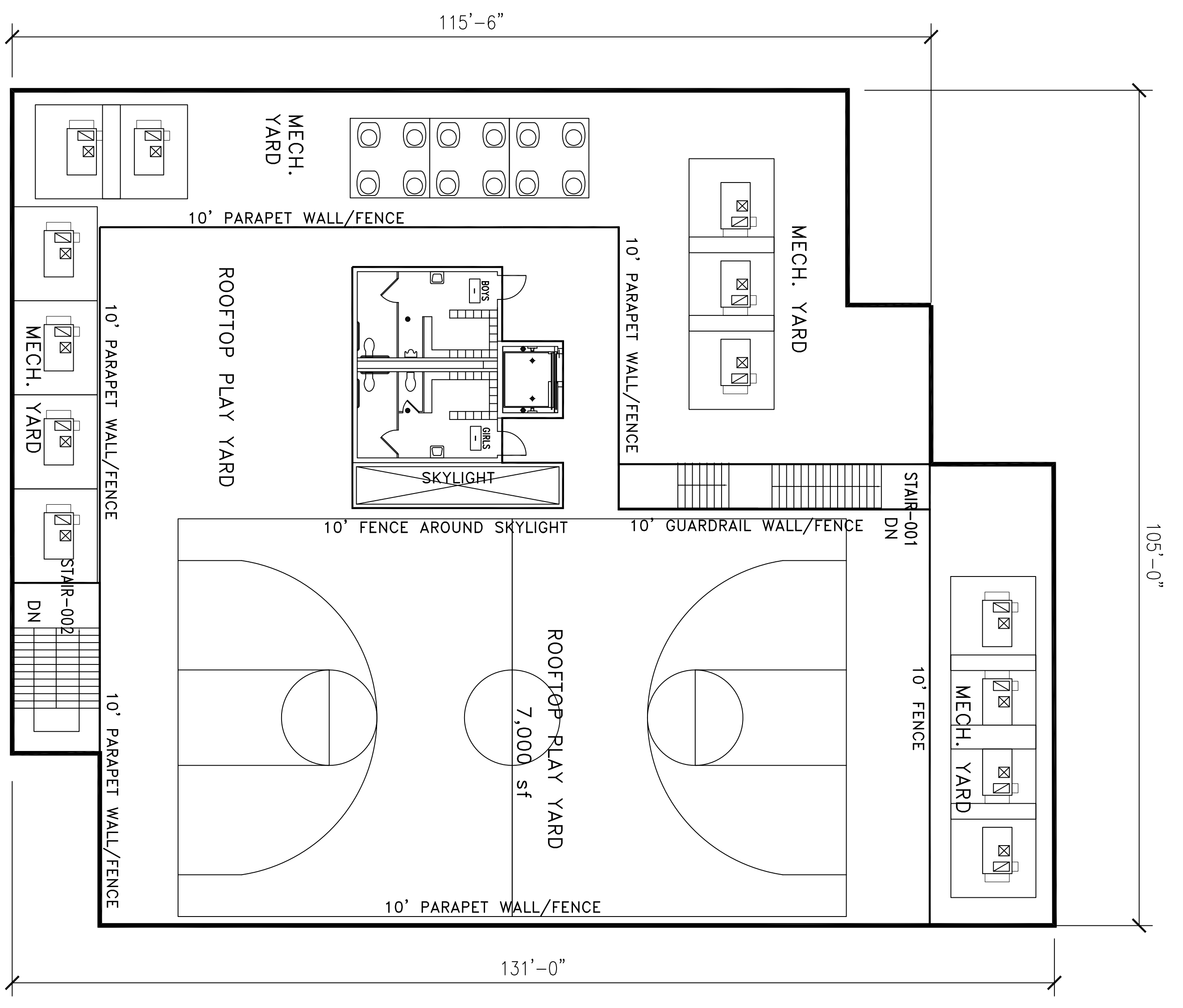


TOTAL 1ST FLOOR GROSS AREA: 12,126 SF
GROUND FLOOR PLAN

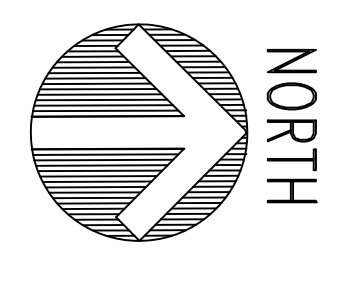
SUMMARY:
 TOTAL BLDG. GROSS AREA: 25,224 SF
 LOT AREA: 16,800 SF
 FAR: 25,224/16,800=1.5



TOTAL 2ND FLOOR GROSS AREA: 12,098 SF
SECOND FLOOR PLAN



ROOFTOP PLAY YARD: 6,000 SF
ROOF PLAN



Cover Sheet

Approval of Project Update and Approvals Related to MSA San Diego Facility

Section: III. Action Items
Item: J. Approval of Project Update and Approvals Related to MSA San Diego Facility
Purpose: Vote
Submitted by:
Related Material: III J MSA SD DeAnza.xlsx
III J MSA SD Facility Approvals .pdf



Board Agenda Item #	III J
Date:	March 9, 2017
To:	MPS Board
From:	Caprice Young, Ed.D. CEO & Superintendent,
Staff Lead:	Frank Gonzalez, CGO; Nanie Montijo, CFO
RE:	Project Update and Approvals Related to MSA SD- DeAnza School Facilities

Proposed Board Recommendation

I move that the board approve the capital improvement project and preliminary budget for the new campus for MSA San Diego at the DeAnza campus.

Further, I move that the Board of Directors authorize the CEO & Superintendent, or a designee, to proceed with entering into a contract for abatement and demolition of the existing structures with Whillock Contracting.

Background

In December 2016, the Board authorized the CEO & Superintendent to proceed with internal intra-company loans to address cash flow needs for purposes of executing capital improvement projects for MSA San Diego until longer term external financing can be put in place.

Development Update

Magnolia staff and the development team is in the process of finalizing construction plans for the DeAnza site, which will be submitted to the Department of the State Architect in April 2017. It is anticipated that DSA will provide an over the counter review and issue permits in May 2017 as the Silver Creek Industries system being utilized has a DSA Pre-Check (PC) Number indicating that it has been evaluated and pre-approved by the state architect's office.

Phasing Strategy

In order to begin work on the project, the team determined that it is best to phase the

work as follows:

- Abatement and demolition of the existing buildings
- Site preparation and utility trenching
- Site construction and installation of the new modular buildings

This phasing is necessary in order to meet the construction schedule and complete the project by the middle of August 2017. The school will open the 2017-2018 school year on September 5, 2017.

Abatement and Demolition Contract

Whillock Contracting was selected as the preferred vendor as they are a pre-approved contractor that has replied to the district's Request for Qualifications process and has all of the necessary licenses and insurance coverage required to work on district property. Whillock Contracting works with SDUSD on various projects and was the company with (a) capacity to take on the work immediately and (b) the most cost efficient price for this type and scope of work, based on SDUSD experience.

Future Contract(s)

The construction contract for site work will be bid out to qualified contractors and a recommendation for contract approval and execution will be brought to the Facilities and Finance Committees and the full Magnolia Board for review and approval.

Financing Update

In December 2016 LACOE approved MSA 1, 2, and 3. Since that time Magnolia has moved ahead with our planned bond financing with Hamlin, the investors of our \$6.02m 2014 bonds. We have executed a term sheet to amend the 2014 \$6.02MM bond financing and provide financing for the MSA 1, MSA SD and MSA SA facilities projects. Permanent financing for the MSA SD DeAnza project will be from the tax -exempt bond.

Funds that are utilized for any development costs for MSA SD will be reimbursed to Magnolia once the bond closes. The Board of Magnolia previously authorized a reimbursement resolution that enables this.

Attachments:

- MSA SD Development Project Description and Budget

- MSA SD 5 Year Pro Forma Current Estimate (may improve if Prop 1D \$3m can be recaptured)
- Abatement and Demolition Proposal, Whillock Contracting

The rectangular parcel area is approximately 3.3 acres and owned by the San Diego Unified School District. The property is being leased from the school district by Magnolia.

The new facility will be a state of the art campus utilizing all new prefabricated modular buildings that are pre-checked and approved by DSA. The project includes onsite pick up and drop off areas, extensive outdoor play areas, green building techniques and landscaping throughout.

Project Schedule

Submit Construction Documents:	April 2017
Ready To Issue Permit:	June 2017
Construction NTP:	June 2017
Construction Complete:	August 2017
Occupancy:	September 2017

Proposal

WHILLOCK CONTRACTING, INC.

License No. 572217 DIR #: 100001767
P.O. Box 2322
La Mesa, CA 91943-2322
(619) 579-0700 Fax (619) 579-0955
SBE Certified

PROPOSAL SUBMITTED TO Magnolia Public Schools PHONE 323-422-9129 Email frank@edfacgroup.org DATE 3-8-17

STREET 250 E. 1st Street #1500 JOB NAME De Anza Child Development Center/SDUSD Partnering with Magnolia Public Schools CITY, STATE AND ZIP CODE Los Angeles, CA 90012 JOB LOCATION 6525 Estrella Ave., San Diego, CA 92120 Buildings: 0250, 0115, 3459, 3460A, 7003(CC1), 7004(CC2) and 7005(CC3).

ARCHITECT N/A DATE OF PLANS N/A JOB PHONE N/A

We hereby submit specifications and estimates for:

DEMOLITION:

7,296 SF Remove and dispose of building trash.

ABATMENT:

Remove and dispose of asbestos containing materials per survey by JMR 1/12/17.

EXCLUSIONS:

- Removal of tenant trash.
- Utility disconnects.
- PSA, IDIQ or Union work.

STIPULATIONS:

- Temporary fabric barrier adjacent to the residential properties and toilet will be supplied for two months.
- Water to be supplied onsite by others.
- Route to be free and clear of obstructions.

In the event a suit is instituted to collect the contract price, **Magnolia Public Schools**, agrees to pay the Whillock Contracting, Inc.'s reasonable attorney's fees and all court cost. Any sums due and not paid shall bear interest at the maximum rate permitted by law, compounded annually until paid, also collection agency fees. Excluded by this proposal unless otherwise specified in writing are: Waiver of subrogation, backfilling, blasting, rock moving, import, export, material processing, planting, dewatering, erosion control, traffic control, re-compaction, engineering, soils engineering, staking, bonds, permits, footings extending 18 inches below surface, removal of any subsurface material, shoring, demolition and removal of materials attached to adjoining buildings or any hazardous waste, or any unknown conditions. Whillock Contracting, Inc. not responsible for damage to offsite or onsite for ingress or egress. All salvage rights retained by Whillock Contracting, Inc.

All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs shall, at the election of the Whillock Contracting, Inc., be executed only upon the grading whether written or oral, shall become an extra charge over and above the estimate. All estimates are based upon the grading plans, topographical maps, and soils reports submitted to us on, N/A, which the owner warrants to be accurate.

We propose hereby to complete in accordance with above specifications, for the sum of:

Fifty nine thousand five hundred sixty and no/100*****dollars (\$59,560.00*)

Payment to be made as follows:

Billed on the first, paid on the fifteenth, billed on the fifteenth, paid on the first, anytime job stopped, paid to date. Paid on completion.

One signing this Proposal is responsible for accurate Preliminary information, to be given at time of signing.

Authorized Signature _____

Contractors are required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within four years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within 10 years of the date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, CA 95826.

Note: This proposal may be withdrawn by us if not accepted within 3 days.

Acceptance of Proposal - The above price specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature _____

Date of Acceptance _____

Cover Sheet

Approval of Amended Project Budget and Prop 1D Financing for MSA Santa Ana

Section: III. Action Items
Item: L. Approval of Amended Project Budget and Prop 1D Financing
for MSA Santa Ana
Purpose: Vote
Submitted by:
Related Material:
III L Amende Project Budget and Prop 1D Financing for MSA SA.pdf



Board Agenda Item #	Agenda # III L
Date:	March 9, 2017
To:	Magnolia Board of Directors
From:	Caprice Young, Ed.D., CEO & Superintendent
Staff Lead:	Frank Gonzalez, Chief Growth Officer
RE:	Amended Project Budget and Prop 1D Financing for MSA SA

Proposed Board Recommendation

I move that the board the approve an inter-agency loan according to the attached schedule to fund the portion of the MSA Santa Ana phase one school site project not covered by the Proposition 1D bonds.

Background

Please see the attached July 28, 2015 board report for the full history of the Santa Ana school site project. On that date, the board approved the RC Construction bid (\$12,526,000, see page 6) for the project as well as the overall project budget (excluding property) of \$15,573,128 (see page 7). While the RC Construction contract itself did not include a contingency, the overall project budget did include a contingency of five percent (see page 17).

Due to multiple challenges on the project, including subsurface soil conditions; unexpected high water table levels, the city water pipe being a different size than the city had in their plans, design and engineering matters and the need to incur overtime during the final three months of the project to ensure it opened for the start of school, the team did need to use the contingency. Fortunately, the team also was able to save money by negotiating and reducing the proposed change order amounts and not needing the anticipated bridge loan at the start of construction as described in the board report.

Overall, the project construction requires **\$632,048** above the funds available from Prop 1D which staff proposes to be funded in a revolving 0% interagency loan to be paid by the school according to the attached schedule.

Budget Implications

Additional 2016-17 Inter-agency loan to MSA SA

- from MSA 4 \$ 50,000
- from MSA 5 \$100,000
- from MSA 6 \$ 50,000
- from MSA 7 \$100,000
- from MSA 8 \$332,048
- Total \$632,048

How Does This Action Relate/Affect/Benefit All MSAs?

This provides the funding source identification required to pay the contract invoices outstanding to the general contractor, testing and inspection company and architecture firm.

Name of Staff Originator:

Attachments

MSA SA 5- Year Budget (Attached as part of item III I- Proforma Excel)
Board Report, July 2016, Authorizing project contract award



MAGNOLIA PUBLIC SCHOOLS

Board Of Directors

Board Agenda Item # 9	DRAFT for UMIT Because you have to catch a plane
Date:	07.28.2015
To:	Magnolia Board of Directors
From:	Caprice Young, Ed.D. CEO & Superintendent
Staff Lead:	Frank Gonzalez
RE:	MSA Santa Ana Facility Construction AWARD OF LOW BID

Proposed Board Recommendation

The Magnolia Educational and Research Foundation opened a new set of bids for the Magnolia Science Academy Santa Ana on July 21, 2015 at 2:00pm. The following bids were received from prequalified bidders on the project:

R C Construction Services	\$12,526,000
AMG & Associates, Inc.	\$12,849,000
Morillo Construction, Inc.	\$13,084,000
Paul C. Miller Construction	\$13,340,000

NEFF Construction, Inc., serving as the official construction management firm for the project, has reviewed the low bidders bid for responsiveness and on that basis has forwarded the attached recommendation to award the project to R C Construction Services. Staff concurs with this recommendation and asks the Board to award a contract to R C Construction Services in the amount shown above.

[As of July 23, NEFF Construction is reviewing these bids. The recommendation above anticipates a favorable review; however, staff will confirm this prior to the board meeting and leaders from NEFF Construction and Berliner and Associates will be available on the call to answer questions.]

Staff recommends that contracts be awarded in the amount of \$52,597.00 to River City Testing for DSA testing services, and to Inland Inspections in the amount of \$131,750 for DSA Inspection services. Multiple bids were sought for these services and the project team recommends that these experienced companies be hired to perform this mandated work.

Project Information

Project Lead:	Magnolia Educational and Research Foundation
Project:	Magnolia Science Academy Santa Ana
Location:	2840 W First Street, Santa Ana, CA

Construction Manager: NEFF Construction Inc.
 Architect: Berliner and Associates

Project Financials (CSFP)

Total OPSC Project Cost:	\$17,413,956
State Apportionment (50%):	\$8,706,978
Lump Sum Contribution:	\$0
Total CSFP Financed Amount:	\$8,706,978
Length of CSFP Funding:	30 Years
Assumed Interest Rate:	3.0%
Estimated Annual CSFP Payment:	\$521,674

Repayment of the CSFP financed amount begins one year after occupancy.

Project Description

New Construction of a two-story facility totaling 48,353 square feet with 29-33 classrooms on a lot of 2.68 Acres at 2840 W 1st Street in the City of Santa Ana in Orange County. The project has been re-scoped several times over the last three years. The currently adopted version does not include a gymnasium until a future funded phase 2. In June 2011, the state advanced \$4,081,395 for site acquisition with payments scheduled to commence one year after move in. The balance of the \$17.4 million in bonds will be provided to MPS after the state sells the bonds, anticipated in the spring 2016. The school will have a capacity of 1020 students for students in grades K-12. Construction will begin August 5, 2015, financed by a bridge loan with the principal being repaid by state bonds and the interest being repaid by the school operations over time. It is anticipated that the project will be completed for the 2016-2017 school year.

Background

Since 2010, MPS has been working to development a Prop 1D funding strategy to acquire a long-term signature school facility for the Santa Ana school. Although the project was stalled last fall just as the project approached critical deadlines, the staff successfully navigated the state funding process this spring, receiving approval for full funding of the project through state supported bonds totaling \$17.4 million.

The state's Charter School Facilities Program Proposition 1D program is a government program whereby the State of California sells bonds that are used to fund school construction for charter schools. Half of the money comes to us as an outright grant and half of the money we have to pay back over 30 years at an extremely low interest rate of 3 percent. This means that we will get access to a facility that will eventually serve 1,020 students for a base annual cost of less than \$600 per pupil per year, considerably lower than our average facilities expenses system-wide. Along with these generous public resources come very strict accountability requirements. For more information on the program, please refer to the following links:

Proposition 1D General Information:

Information on the State of California's Charter School Facilities Program, Office of Public School Construction:

<http://www.dgs.ca.gov/opsc/Programs/charterschoolfacilitiesprogram.aspx>

Information on the State of California's Charter School Facilities Program, California School Finance Authority:

<http://www.treasurer.ca.gov/csfa/charter.asp>

Project Milestones:

Notice to proceed on design work	August 2012
Submittal to DSA	April 2013
DSA Approval	February 2014

By August 2014, the project was moving forward towards the beginning of construction in Fall 2014, with an estimated completion date of Fall/Winter 2015. Approvals had been received from CDE, DTSC and DSA. The final two state agency approvals that were needed in order to begin construction were from CSFA and OPSC/SAB. A decision was made to bid the project pending financial soundness determination from CSFA and a final apportionment vote by OPSC/SAB.

Prequalification of Contractors	June – July 2014
Project is Bid Out	August 2014
Bids Received	September 18, 2014
Project put out on hold	September 30, 2014

The bids received on September 18, 2014 were never brought to the board because of departure of the CEO and CFO, and because the low likelihood of MPS passing the CSFA financial soundness tests during the state audit and LAUSD litigation made the financing unlikely. Nevertheless, the bids received were opened and included the following:

AMG & Associates, Inc.	11,922,000
W.D. Gott Construction Co.	12,147,000
T.B. Penick & Sons, Inc.	12,198,600
Parkwest Construction Company	12,397,000
Intertex General Contractors, Inc.	12,833,000
Morillo Construction, Inc.	15,777,000

The State Allocation Board voted in Winter 2014 to grant final apportionment approval, conditioned upon an affirmative vote on financial soundness by the board of CSFA. The vote from CSFA did not take place in Winter 2014 due to a variety of issues that caused the CSFA underwriting team to have significant concerns about the viability of the organization, confidence in management's ability to successfully operate the organization and the lack of board oversight. At that time, Magnolia Public Schools team was not prepared to submit the necessary information requested by CSFA to go through the underwriting process.

On January 22, 2015, the new Magnolia management team met with Katrina Johantgen, CSFA Executive Director, to (a) ascertain what additional information was needed to determine financial soundness, and to clarify additional financial questions; (b) provide additional information on the lawsuit, renewal of MSA 6,7 and 8, refute the findings of the VLS audit report commissioned by LAUSD and address concerns as raised in the lawsuit with LAUSD. This meeting opened the door to a renewed relationship; however, the CSFA staff still was not in a position to recommend an affirmative vote finding financial soundness to their board until the LAUSD had renewed MSA's schools, the lawsuit was settled, our consolidated audit showed financial solvency, and the State Audit removed uncertainty over Magnolia's financial processes. The same month, staff met with OPSC who informed Magnolia that the conditional SAB approval was no longer valid and a new approval had to be sought *after* an affirmative vote from CSFA. This meant that all of the CSFA's conditions would have to be met by the end of May 2015 for the project to have a possibility of completion prior to the 2015-16 school year.

By then, the winning bidder had waited four months since the bid opening date and could only hold their price for an additional 30 days. The winning bidder's bid bonding capacity was being tied up by the project, exposing Magnolia to a claim of lost business. The uncertainty of financing for the project, given the issues with state approvals from CSFA and SAB; ongoing financial, operational and legal issues; and, the uncertain future of Magnolia as a viable entity due to the potential closure of three schools authorized by LAUSD led the project team, including the construction manager and architect, to make a decision to not move forward with the award of the general contract, as bid in September 2014. The winning bidder was notified and their bid bond returned to them. The team decided to bid the project after CSFA and SAB approval (the point at which funding would be most secure), and to identify bridge financing at that point to open the school as early as possible.

From February through May, the Magnolia staff developed the necessary documents and compiled the necessary information requested by CSFA including five year budgets, audited financial statements, year to date financials for each school, five year enrollment projections, a description of the new management structure, a description of newly acquirement management capacity and various new policies and procedures. The team also held several meetings with staff at the Office of Public School Construction to provide

an organizational update and address their questions and concerns, in preparation for an affirmative vote.

After many months of working with CSFA and OPSC, the needed votes were secured from both agencies. On May 27, 2015 at 2pm the Board of CSFA voted positively to determine that Magnolia is financially sound for the purposes of CSFP Final Apportionment. At 4pm, on the same day, May 27, 2015, the State Allocation Board voted affirmatively on the Final Apportionment.

At the CSFA meeting on May 27, 2015, Katrina Johantgen informed us that CDE had withdrawn the Certificate of Good Standing due to issues that were raised during the annual site visit to MSA Santa Ana. The main reason was due to issues that CDE found with the operation of the school, notably the lack of documentation, testing and parental notification in the English Language Learner program. A meeting was held with CDE to ascertain how to address the issues to the department's satisfaction. A plan was to address these concerns was drafted and executed successfully, garnering a Certificate of Good Standing letter from CDE on June 9, 2015. OPSC placed the project on the Priority Funding List on June 11, 2015, the last step necessary to receive state bond funds for the project.

CSFA Financial Soundness Determination	May 27, 2015
State Allocation Board Approval	May 27, 2015
DGS Unfunded Approval Project Award Letter	June 2, 2015
CDE Letter of Good Standing	June 9, 2015
OPSC Priority Funding List	June 11, 2015

Magnolia formally requested the final apportionment in the amount of \$13,332,561 on behalf of Magnolia Science Academy Santa Ana and the Office of Public School Construction placed the project on the Priority Funding Request Acceptance List. The state historically has sold bonds in the Fall and Spring of every year; therefore, we anticipate that the bonds for this project will be included in the Spring 2016 bond sale.

With the funding finally secured, the project team determined that in order to meet the delivery date of August 2016 and follow the requirements of the CA Public Contract Code, Section 20110, the public bidding process would have to begin immediately.

The public bid period for the Magnolia Science Academy Santa Ana project began on July 3, 2015 and ended on July 21, 2015 at 2:00 PM. NEFF Construction, Inc. notified additional potential qualified general contractors regarding this project and re-opened the prequalification process with submissions due no later than July 11, 2015 and all prospective bidders notified no later than July 15, 2015. In accordance with Public Contract Code section 20112, advertisements were placed in the Orange County Register on June 29, 2016 and July 6, 2015. The invitation to submit prequalification documents was also posted on the Magnolia website. The project plans and specifications were made available to prospective bidders on July 3, 2015 through the use of the A&I Reprographics FTP site,

and potential bidders were made aware of this circumstance in the Notice Inviting Bids which was included in both the advertisements and the project documents. Printed copies of the plans and specification were also made available to bidders in the NEFF Construction, Inc. plan room at their home office in Ontario, CA. The following bids were received and publicly opened at the Magnolia Educational and Research Foundation offices in Westminster, CA:

R C Construction Services	\$12,526,000
AMG & Associates, Inc.	\$12,849,000
Morillo Construction, Inc.	\$13,084,000
Paul C. Miller Construction	\$13,340,000

Subsequent to the bid opening, the lowest two bids have been reviewed by NEFF Construction, Inc. for responsiveness and no material regularities have been discovered. It should be noted that a challenge to the winning bid has been filed by AMG Construction, claiming that the winning bid by RC Construction Services is non-responsive. These challenges are standard on projects that go out for public bid. Our legal team is reviewing the claim and will forward a recommendation before the board meeting.

Profiles of the two lowest bidders (in their own words):

RC

R.C. Constuction Services has been helping public and private sector clients build and renovate schools, libraries, police and fire stations, civic centers, offices and industrial facilities throughout Southern California since 1994. R. C. can effectively handle projects from less than \$5M to \$50M+, using both traditional and Design/Build delivery options. We self-perform concrete, and also provide subcontracting services to our industry partners.

We are family owned, highly responsive, and focused on the complete satisfaction of our clients, at a reasonable prices, using the latest in construction technology, including green building practices. We appreciate your interest in our company, and invite you to visit all areas of our website. Get to know R.C. Construction Services better, and we are confident that you will become a satisfied, repeat customer or teaming partner.

AMG

AMG is a California-based SCorp with headquarters in Santa Clarita, California. AMG is a fully licensed, bonded and insured general contractor with expertise in all aspects of construction from conceptual design all the way through to occupancy. AMG recently earned designation as a LEED Accredited Contractor which is managed by the Green Building Certification Institute (GBCI).

The three principals of AMG (Albert M Giacomazzi, President: Gregory B. Barrow, Vice President: Anthony R. Traverso, Vice President) have worked together for over 15 years. The mission for AMG is to provide the highest quality pre-construction, construction management, general contracting and general engineering services available for private and public works projects. They will deliver this quality using their combined 75 years of construction experience and a commitment to maintain a “hands-on” approach to each and every project.

Although a bid withdrawal is not anticipated at this time, in accordance with Public Contract Code section 5103, R C Construction services has until 2:00 PM on July 28, 2015 to provide written notice of both their intention to withdraw their bid and the basis for this request. It is anticipated that the project will be awarded to the low responsive and responsible bidder on July 28, 2015 sometime after 2:00 PM.

This is the item before you now as a board. By voting to award this contract to the lowest bidder as determined by this public bidding process, held in compliance with the California Public Contract Code by NEFF Construction, you will allow the Magnolia Science Academy Santa Ana project to commence construction with adequate time for completion before the start of the 2016-17 school year.

Budget Implications

Attached are relevant project budget documents prepared by NEFF Construction and reviewed by Magnolia staff showing total project costs of \$15,573,128, which include earlier incurred architectural and other preparation expenses enumerated and a 5% project contingency, but does not include the acquisition of the site. Also attached is a monthly cash flow chart of the project construction expenses and construction management fees anticipated to be paid for using bridge financing until the state lets the bond in the spring. Magnolia will use the bond proceeds to repay the bridge financing principal and school operating dollars over time to repay the bridge loan interest. Bridge loan options will be brought to a later board meeting. All of these project documents exclude non-Prop 1D capital related expenses for the project. The Magnolia accounting team is currently reviewing records back to the beginning of the project to appropriately identify related expenses to accurately reflect the full cost of the project.

Attachments and links:

May 27, 2015 CSFA Agenda:

<http://www.treasurer.ca.gov/csfa/agenda/2015/20150527.pdf>

May 27, 2015 SAB Agenda:

http://www.documents.dgs.ca.gov/opsc/SAB_Agenda_Items/2015-05/May_27_2015_Agenda.pdf

Department Of General Services, Unfunded Approval Project Award Letter, Issued June 2, 2015; Attached (54-66670-00-003 Magnolia Santa Ana Unfunded Approval.pdf)

Office of Public School Construction, Priority Funding Request Acceptance List, Issued June 11, 2015; Attached (PIF_List_6_11_15.pdf)

CSFA MERF Staff Report, Financial Soundness Determination, Issued May 2015; Attached MERF - CSFA Staff Report, May 2015.pdf)

2014 Bid Opening Results (Bids Opened Results_18Sep14.pdf)

Current Project Cost Summary (460-Magnolia project cost summary. Bid.7.21.15.pdf)

Current Construction Cash Flow Schedule (460 Bid Const Schedule 15-07-23.pdf)

PDF of School Drawings (2013 8 2 PacificTechnologySchool_SantaAna.pdf) The school's original name was Pacific Technology School because all of the Magnolia schools authorized under the statewide charter were PT schools; however, when the state stopped authorizing statewide charters, they became Magnolia schools.

MAGNOLIA PUBLIC SCHOOLS PACIFIC TECHNOLOGY SCHOOL - SANTA ANA



MAIN FACADE



ABOUT MAGNOLIA PUBLIC SCHOOLS

The **Magnolia Educational & Research Foundation (Foundation)** is a non-profit organization established in August 1997. The Foundation, headquartered in Los Angeles, California, is granted tax-exemption status (501(c)(3)) by the IRS and the State of California.

Our vision *"Inspiring Students to Choose Paths in Science and Technology"*, is supported by our belief that increasing educational opportunities at every level is an asset to progress and further development. Our methodology is rooted in the core values of the Accord Institute Educational Model.

OUR DIFFERENTIATORS

- **Small Class Sizes:** 25 students maximum in each class.
- **Reflecting the Demographics of the Neighborhood:** 72% Hispanic and 80% free or reduced lunch.
- **Technology Integration:** Core classes taught within the framework of a computer-based curriculum.
- **Extended Education:** After-school tutoring and Saturday classes led by classroom teachers for low-achieving students.
- **Focus on Parent Involvement:** All parents are visited at home by classroom teachers and encouraged to participate in meetings with teachers and faculty.

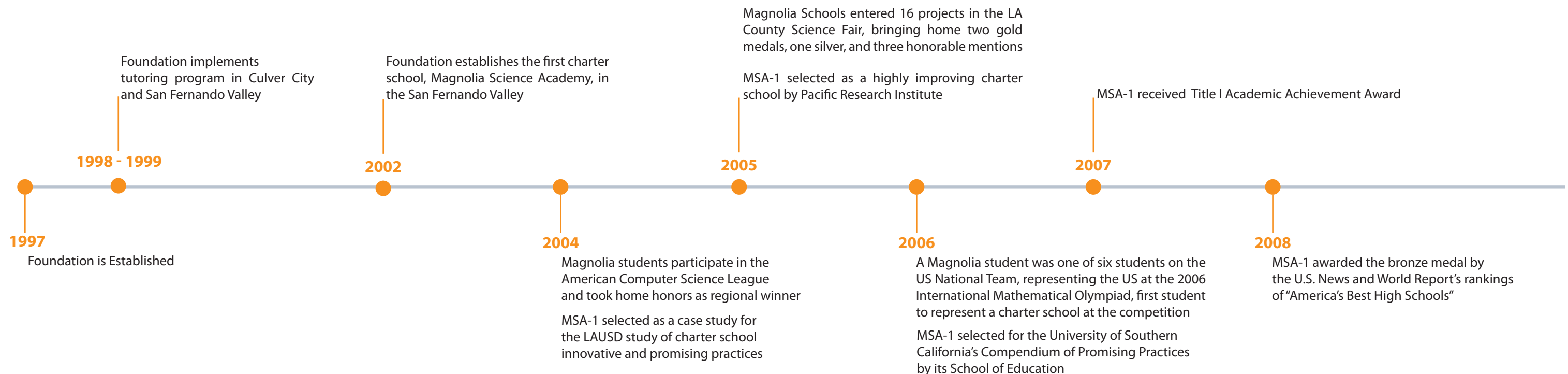
HISTORY

In 1998, the Foundation began organizing volunteer tutors for middle and high schools, specializing in math, science, and computer technology areas, by utilizing connections to major research universities throughout Southern California.

In 1999, the Foundation organized and implemented a joint program with Culver City District to provide tutoring for students around the city. It also started a free tutoring program in the Sherman Oaks/Van Nuys Area of the San Fernando Valley. These programs resulted in partnerships with school districts to support educational initiatives. In 2002, the Foundation established the first charter school, Magnolia Science Academy (MSA), in the San Fernando Valley. Since then, the Foundation has established five additional charter schools to provide the innovative and high-quality education.

In 2009, the Foundation was approved by the California State Board of Education to start 10 state-wide benefit charter school sites in California over the next six years. The approval was a testament to the success of our schools, as it was only the third time a charter school operator has been granted such permission in California. The first two school sites, operating under the statewide benefit charter Pacific Technology School, opened in Sacramento and Orange County in August 2009.

MAGNOLIA PUBLIC SCHOOL MILESTONES



MAGNOLIA PUBLIC SCHOOLS - PIONEERING ACHIEVEMENTS

REPLICATING THE MPS EDUCATION PROGRAM

Magnolia has successfully implemented an education program that has gained international, national, and state level recognition and awards. Through its affiliation with The Accord Research Institute, it has developed and refined curriculum, programs, and supplemental activities that promote each student's ability to learn and thrive.

Magnolia students have won more than 80 awards in nationwide math and science competitions, and science fairs such as the USA Computer Olympiad, American Computer Science League, American Mathematics Competitions, and those held by the Los Angeles County Science Fair and the San Diego County Science Fair.

FIRST IN CALIFORNIA

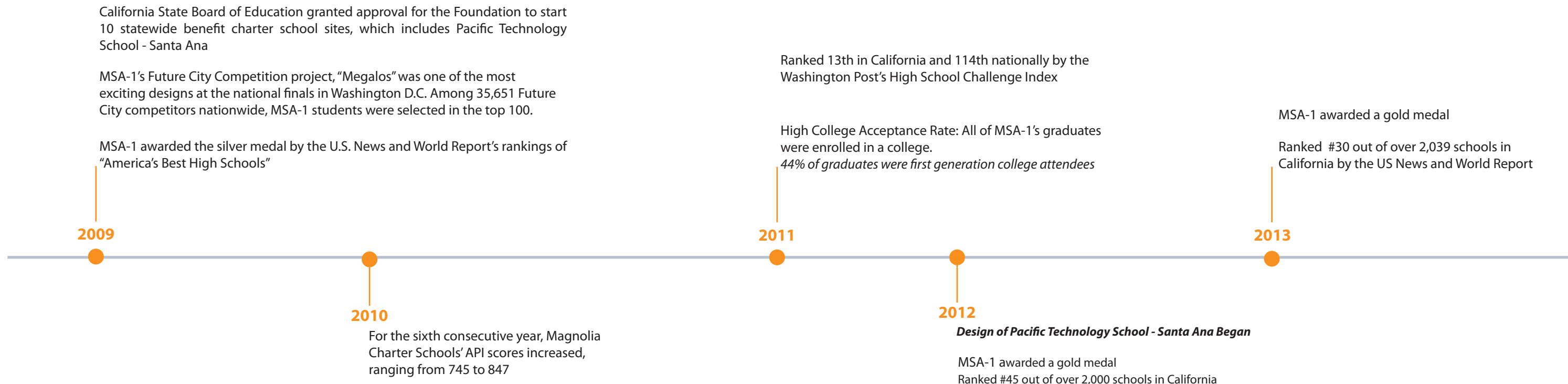
MSA-1 was the first school in California to participate in the American Computer Science League, in which students from 200 schools throughout the US compete in computer programming. It was the regional winner of the junior division in 2004 among all schools participating from Texas, New Mexico, and California.

FIRST IN LAUSD

All Magnolia schools in Los Angeles successfully participate in the Los Angeles County Science Fair. In 2005, MSA students participated in the 55th Los Angeles County Fair with 16 projects, which constituted more than 10% of the total projects (142) from LAUSD. MSA-1 received the highest number of awards at this fair: two gold medals, one silver medal, and three honorable mentions among 733 participants in 30 categories.

FIRST IN CHARTER SCHOOL HISTORY

One of its students, Zarathustra Brady, an 11th grader at MSA-1, won the gold medal at the 2006 International Mathematical Olympiad (IMO), the most prestigious and most difficult international math competition for high school students. Zarathustra Brady became the first charter school student to qualify for the US National Math Team. The Los Angeles Unified School District Board of Education presented a letter of recognition to Zarathustra, the first southern Californian to win in a decade.

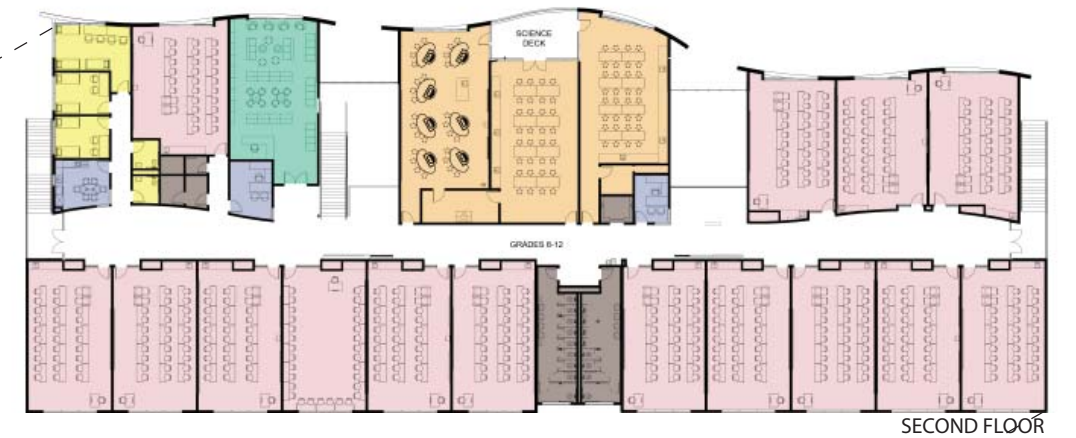
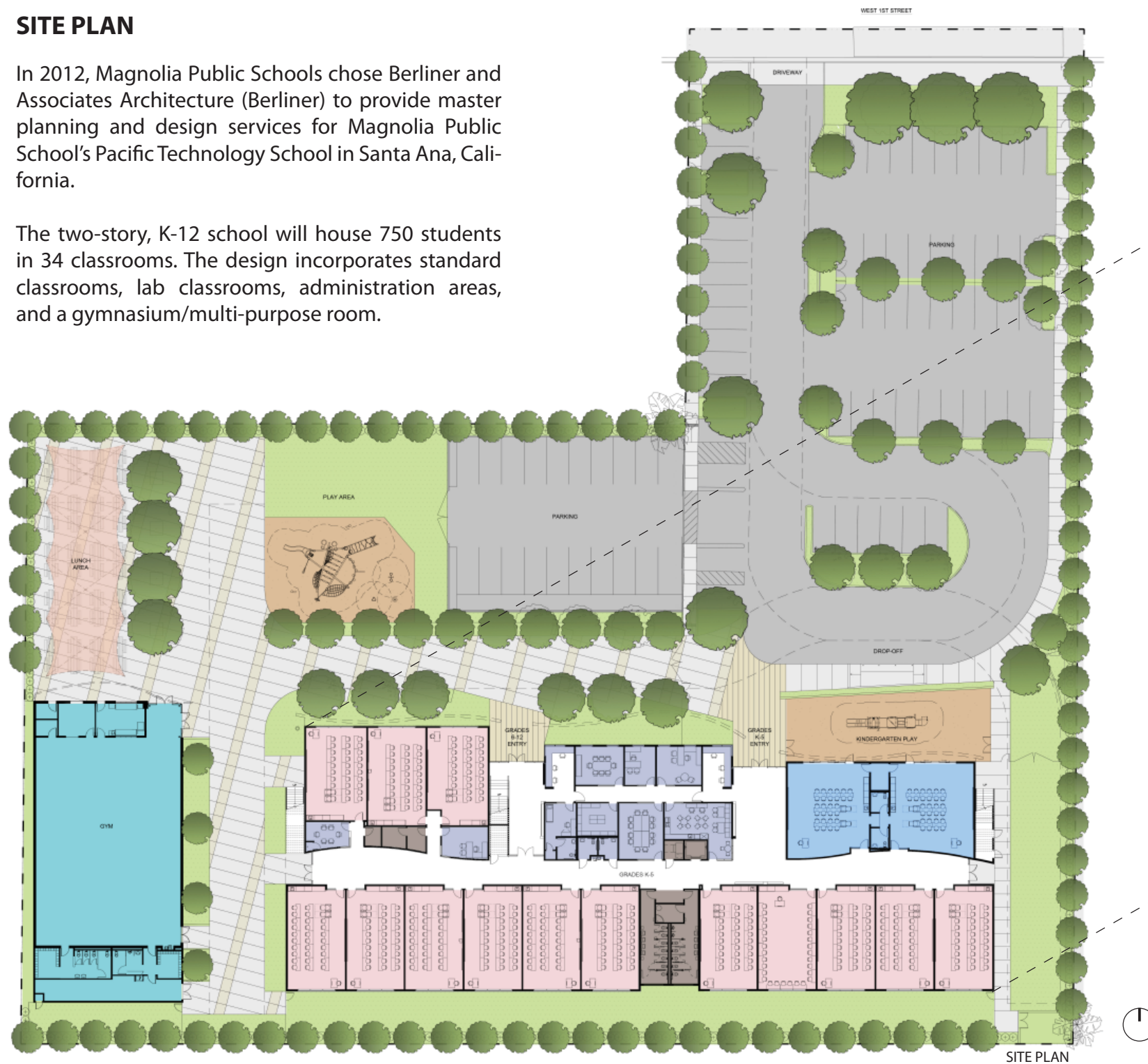


PACIFIC TECHNOLOGY SCHOOL - SANTA ANA

SITE PLAN

In 2012, Magnolia Public Schools chose Berliner and Associates Architecture (Berliner) to provide master planning and design services for Magnolia Public School's Pacific Technology School in Santa Ana, California.

The two-story, K-12 school will house 750 students in 34 classrooms. The design incorporates standard classrooms, lab classrooms, administration areas, and a gymnasium/multi-purpose room.



- ADMINISTRATION
- CLASSROOMS
- SCIENCE LABS
- GYMNASIUM
- LIBRARY
- RETREAT



PACIFIC TECHNOLOGY SCHOOL - SANTA ANA

CLASSROOM RENDERINGS



The school's 34 classrooms were designed to maximize the use of daylighting for energy efficiency and to create a pleasant and comfortable visual learning environment.

PACIFIC TECHNOLOGY SCHOOL - SANTA ANA

GRADES K - 5 LOBBY RENDERINGS



With separate entrances for the upper and lower schools, the design allows for the older and younger students to enjoy spaces independent of one another. Interior glass optimizes an open learning environment that builds a sense of community and connection.

PACIFIC TECHNOLOGY SCHOOL - SANTA ANA

GRADES 6-12 LOBBY RENDERINGS



MAGNOLIA SCIENCE ACADEMY - SANTA ANA

7/23/15

Start	Complete	JUN-15	JUL-15	AUG-15	SEP-15	OCT-15	NOV-15	DEC-15	JAN-16	FEB-16	MAR-16	APR-16	MAY-16	JUN-16	JUL-16	AUG-16
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CONSTRUCTION

Notice of Award	29-Jul-15	29-Jul-15														
Notice to Proceed	3-Aug-15	3-Aug-15														
Shop Drawing, Submittal Period	29-Jul-15	28-Aug-15														
Construction	3-Aug-15	31-Jul-16														
Occupy August 2016	1-Aug-16	20-Aug-16														

Estimated Monthly Construction Costs																	
		\$ 338,000	\$ 728,000	\$ 961,000	\$ 1,248,000	\$ 1,352,000	\$ 1,403,000	\$ 1,403,000	\$ 1,403,000	\$ 1,403,000	\$ 1,403,000	\$ 1,195,000	\$ 780,000	\$ 312,000			\$ 12,526,000
		3%	6%	8%	10%	11%	11%	11%	11%	11%	11%	10%	6%	2%			100%

Neff Construction Management Fees

Preconstruction Billed to Date		\$64,500															\$64,500
Preconstruction to be Billed			\$43,000														\$43,000
CM Fee + Superintendent				\$32,708	\$32,708	\$32,708	\$32,708	\$32,708	\$32,708	\$32,708	\$32,708	\$32,708	\$32,708	\$32,708	\$32,708		\$392,500
Subtotal CM Fees																	\$500,000

Combined Construction & CM Costs																	
		\$64,500	\$43,000	\$370,708	\$760,708	\$993,708	\$1,280,708	\$1,384,708	\$1,435,708	\$1,435,708	\$1,435,708	\$1,435,708	\$1,227,708	\$812,708	\$344,708		\$13,026,000
		1%	0.3%	3%	6%	8%	10%	11%	11%	11%	11%	11%	10%	6%	3%		103%

NEFF CONSTRUCTION

7/23/2015

Magnolia Science Academy - Santa Ana**PROJECT COST SUMMARY**

Includes estimated cost from DSA plans, all approved VE items, no gym building but gym pad will be prepped and utilities stubbed for future construction, irrigation and grass planted on the future gym pad.

RC Construction Services Bid 7/21/15	\$12,526,000	
CM FEE:	\$500,000	includes Superintendent @ 50%
CONTINGENCY:	\$626,300	5.0%
TOTAL CONSTRUCTION COST:	\$13,652,300	

ARCHITECT'S FEE:	\$978,341	Architect to verify
UTILITY/STREET/SCE FEES:	\$100,000	Engineers Estimate \$72,625
TESTING & SPECIAL INSPECTION :	\$83,400	Average of quotes submitted
INSPECTION (resident IOR):	\$141,400	Average of quotes submitted
PLAN CHECK FEES:	\$34,003	Site Plan Review
DSA Fees	\$81,620	
FURNITURE AND EQUIPMENT:	\$375,780	3.00%
COC INSURANCE:	\$76,584	estimated
BID SETS, PUBLISHING, UPS	\$25,000	estimated
SOILS REPORTS:	\$12,500	estimated
SITE SURVEY:	\$5,000	estimated
DIR CMU program	\$0	N/A
HPI Fees	\$3,600	offset by rebates?
GCS Hazard Report	\$3,600	
TOTAL PROJECT COST:	\$15,573,128	



Governor Edmund G. Brown Jr.

June 2, 2015

Ms. Caprice Young
Chief Executive Officer/Superintendent
Magnolia Public Schools
13950 Milton Avenue, Suite 200B
Westminster, CA 92683

Dear Ms. Young:

Congratulations! The Magnolia Science Academy Santa Ana, Office of Public School Construction (OPSC) Application Number 54/66670-00-003, received an Unfunded Approval by the State Allocation Board (SAB) on May 27, 2015. The approved SAB Agenda can be found on the OPSC website at the following address:

<http://www.dgs.ca.gov/opsc/aboutus/sab/archives.aspx>

To be eligible to receive a Funded Approval, the Charter School must participate in a Priority Funding certification round. A certification round is currently open from Wednesday, May 13, 2015, to Thursday June 11, 2015. Information on this process, including certification requirements, can be found on the OPSC website at the following address:

<http://www.dgs.ca.gov/opsc/Home/PriorityFunding.aspx>

Please make note of the following items:

Prevailing Wage Monitoring

Senate Bill 854, Chapter 28, Statutes of 2014 repealed Labor Code (LC) Section 1771.3 which required school districts and charter schools to provide payment to Department of Industrial Relations (DIR) for prevailing wage monitoring. As a result, school districts and charter schools awarding a construction contract on or after June 20, 2014 are not mandated to provide payment for DIR monitoring and enforcement of prevailing wage requirements. Projects with an initial public works contract awarded on or after June 20, 2014 are not eligible to receive an additional grant for prevailing wage monitoring; however, school districts and charter schools are still required to notify DIR within five days of initial contract award pursuant to LC section 1773.3(a)(1). If the Charter School does not notify DIR within the five day period, the project will be ineligible for funding.

Lease Lease-Back Construction Delivery Method

In order for a project to be eligible to receive funding under the School Facility Program and/or the Charter School Facilities Program, it must conform to the provisions of the Public Contract Code, which includes requirements related to the proper advertisement and bidding of a project. Only a school district has the authority to enter into a lease lease-back contract as authorized under Education Code (EC) 17406. Although Statute allows for charter schools to be considered school districts for some purposes, there is no such exception for EC 17406. Please be aware that if the Charter School enters into a lease lease-back contract, the project will be ineligible for funding.

Ms. Young

June 2, 2015

Occupancy Date

It is the responsibility of the Charter School to notify the OPSC and the California School Finance Authority when the project has been occupied. Repayment of the Charter School's loan will begin one year from the date of occupancy.

Should you have any questions, or would like to discuss the next steps for your project, please feel free to contact Erin Cunneen at (916) 375-4741, or erin.cunneen@dgs.ca.gov, or Karen Mandell at (916) 376-8959, or karen.mandell@dgs.ca.gov.

Sincerely,



ERIN CUNNEEN
Project Manager, Charter School Facilities Program
Office of Public School Construction

County	School District	Application Number	Program	Approval	SAB Unfunded Approval	Financial Hardship Apportionment	Loan	State Share	Total Apportionment	Submitted Certification Letter May 2015
ALAMEDA	OAKLAND UNIFIED	54/61259-09-004	Charter	D	5/26/2010	0.00	38,340.00	38,340.00	76,680.00	
ALAMEDA	OAKLAND UNIFIED	54/61259-09-005	Charter	D	5/26/2010	0.00	127,808.60	127,808.60	255,617.20	
ALAMEDA	OAKLAND UNIFIED	57/61259-00-068	Modernization	G	2/24/2015	0.00	0.00	1,734,121.00	1,734,121.00	Yes
ALAMEDA	OAKLAND UNIFIED	57/61259-00-069	Modernization	G	2/24/2015	0.00	0.00	894,129.00	894,129.00	Yes
ALAMEDA	OAKLAND UNIFIED	54/61259-13-002	Charter	G	5/27/2015	0.00	0.00	13,244,493.00	13,244,493.00	Yes
BUTTE	CHICO UNIFIED	54/61424-00-004	Charter	D	4/15/2015	0.00	136,347.00	136,347.00	272,694.00	Yes
BUTTE	CHICO UNIFIED	54/61424-00-005	Charter	D	4/15/2015	0.00	88,626.60	88,626.60	177,253.20	Yes
CONTRA COSTA	PITTSBURG UNIFIED	59/61788-00-001	Career Tech Rehabilitation	G	3/12/2013	0.00	0.00	1,411,417.00	1,411,417.00	
CONTRA COSTA	SAN RAMON VALLEY UNIFIED	55/61804-00-006	Career Tech New Construction	G	10/26/2011	0.00	0.00	412,085.00	412,085.00	Yes
CONTRA COSTA	SAN RAMON VALLEY UNIFIED	55/61804-00-006	Career Tech New Construction	G	8/22/2012	0.00	0.00	515.00	515.00	Yes
CONTRA COSTA	WEST CONTRA COSTA UNIFIED	58/61796-00-002	Rehabilitation	G	2/24/2015	0.00	0.00	1,472,925.00	1,472,925.00	Yes
CONTRA COSTA	WEST CONTRA COSTA UNIFIED	58/61796-00-006	Rehabilitation	G	5/27/2015	0.00	0.00	313,204.00	313,204.00	
EL DORADO	EL DORADO UNION HIGH	59/61853-00-001	Career Tech Rehabilitation	G	10/6/2010	0.00	0.00	821,617.00	821,617.00	
EL DORADO	EL DORADO UNION HIGH	59/61853-00-001	Career Tech Rehabilitation	G	8/22/2012	0.00	0.00	1,027.00	1,027.00	
FRESNO	CLOVIS UNIFIED	57/62117-00-032	Modernization	G	2/24/2015	0.00	0.00	2,037,674.00	2,037,674.00	Yes
FRESNO	KINGS CANYON JOINT UNIFIED	55/62265-00-002	Career Tech New Construction	G	10/26/2011	0.00	0.00	3,000,000.00	3,000,000.00	Yes
KERN	KERN COUNTY OFFICE OF EDUCATI	55/10157-98-001	Career Tech New Construction	G	10/6/2010	0.00	0.00	723,600.00	723,600.00	
KERN	KERN HIGH	59/63529-00-024	Career Tech Rehabilitation	G	11/25/2013	0.00	0.00	629,141.00	629,141.00	Yes
KERN	KERN HIGH	59/63529-00-024	Career Tech Rehabilitation	G	5/28/2014	0.00	0.00	786.00	786.00	Yes
LOS ANGELES	BELLFLOWER UNIFIED	59/64303-00-003	Career Tech Rehabilitation	G	12/12/2012	0.00	0.00	76,990.00	76,990.00	
LOS ANGELES	GLENDALE UNIFIED	56/64568-00-007	Overcrowding Relief Grant	G	1/23/2013	0.00	0.00	6,607,033.00	6,607,033.00	Yes
LOS ANGELES	GLENDALE UNIFIED	56/64568-00-007	Overcrowding Relief Grant	G	3/20/2013	0.00	0.00	194,870.00	194,870.00	Yes
LOS ANGELES	GLENDALE UNIFIED	56/64568-00-006	Overcrowding Relief Grant	G	1/23/2013	0.00	0.00	4,565,089.00	4,565,089.00	Yes
LOS ANGELES	GLENDALE UNIFIED	56/64568-00-006	Overcrowding Relief Grant	G	3/20/2013	0.00	0.00	122,268.00	122,268.00	Yes
LOS ANGELES	GLENDALE UNIFIED	56/64568-00-008	Overcrowding Relief Grant	G	1/23/2013	0.00	0.00	2,101,391.00	2,101,391.00	Yes
LOS ANGELES	GLENDALE UNIFIED	56/64568-00-008	Overcrowding Relief Grant	G	3/20/2013	0.00	0.00	51,073.00	51,073.00	Yes
LOS ANGELES	GLENDALE UNIFIED	56/64568-00-009	Overcrowding Relief Grant	G	1/23/2013	0.00	0.00	7,503,496.00	7,503,496.00	Yes
LOS ANGELES	GLENDALE UNIFIED	56/64568-00-009	Overcrowding Relief Grant	G	3/20/2013	0.00	0.00	219,130.00	219,130.00	Yes
LOS ANGELES	GLENDALE UNIFIED	56/64568-00-013	Overcrowding Relief Grant	G	7/14/2014	0.00	0.00	3,371,432.00	3,371,432.00	Yes
LOS ANGELES	GLENDALE UNIFIED	56/64568-00-013	Overcrowding Relief Grant	G	7/14/2014	0.00	0.00	324,582.00	324,582.00	Yes
LOS ANGELES	LOS ANGELES UNIFIED	54/64733-00-045	Charter	D	5/28/2008	0.00	937,182.80	937,182.80	1,874,365.60	
LOS ANGELES	LOS ANGELES UNIFIED	54/64733-00-045	Charter	S	5/28/2008	0.00	3,120,000.00	3,120,000.00	6,240,000.00	
LOS ANGELES	LOS ANGELES UNIFIED	55/64733-00-009	Career Tech New Construction	G	10/6/2010	0.00	0.00	1,774,734.00	1,774,734.00	Yes
LOS ANGELES	LOS ANGELES UNIFIED	55/64733-00-009	Career Tech New Construction	G	10/26/2011	0.00	0.00	1,225,266.00	1,225,266.00	Yes
LOS ANGELES	LOS ANGELES UNIFIED	56/64733-00-016	Overcrowding Relief Grant	G	6/26/2013	0.00	0.00	39,623,990.00	39,623,990.00	Yes
LOS ANGELES	LOS ANGELES UNIFIED	50/64733-00-015	New Construction	L	2/24/2015	0.00	0.00	60,160.00	60,160.00	N/A
LOS ANGELES	LOS ANGELES UNIFIED	50/64733-00-056	New Construction	L	2/24/2015	0.00	0.00	126,614.00	126,614.00	N/A
LOS ANGELES	LOS ANGELES UNIFIED	50/64733-00-105	New Construction	L	2/24/2015	0.00	0.00	2,942.00	2,942.00	N/A
LOS ANGELES	LOS ANGELES UNIFIED	50/64733-00-135	New Construction	L	2/24/2015	0.00	0.00	212,343.00	212,343.00	N/A
LOS ANGELES	LOS ANGELES UNIFIED	54/64733-00-055	Charter	G	4/15/2015	0.00	4,493,810.90	4,493,810.90	8,987,621.80	Yes
LOS ANGELES	LOS ANGELES UNIFIED	54/64733-00-047	Charter	G	4/15/2015	0.00	10,134,672.00	4,134,046.60	14,268,718.60	Yes
LOS ANGELES	LOS ANGELES UNIFIED	54/64733-00-055	Charter	G	5/27/2015	0.00	275,863.00	275,863.00	551,726.00	Yes
LOS ANGELES	SANTA MONICA-MALIBU UNIFIED	55/64980-00-001	Career Tech New Construction	G	10/16/2014	0.00	0.00	2,445,054.00	2,445,054.00	Yes
ORANGE	SANTA ANA UNIFIED	54/66670-00-003	Charter	G	5/27/2015	0.00	6,666,280.00	6,666,280.00	13,332,560.00	Yes
ORANGE	TUSTIN UNIFIED	50/73643-00-017	New Construction	G	2/24/2015	0.00	0.00	1,047,271.00	1,047,271.00	Yes
ORANGE	TUSTIN UNIFIED	50/73643-00-018	New Construction	G	2/24/2015	0.00	0.00	930,798.00	930,798.00	Yes
ORANGE	TUSTIN UNIFIED	50/73643-00-020	New Construction	G	2/24/2015	0.00	0.00	1,028,686.00	1,028,686.00	Yes
ORANGE	TUSTIN UNIFIED	50/73643-00-021	New Construction	G	2/24/2015	0.00	0.00	1,023,887.00	1,023,887.00	Yes
RIVERSIDE	DESERT SANDS UNIFIED	55/67058-00-005	Career Tech New Construction	G	10/6/2010	0.00	0.00	1,040,611.00	1,040,611.00	
RIVERSIDE	DESERT SANDS UNIFIED	55/67058-00-006	Career Tech New Construction	G	10/6/2010	0.00	0.00	2,666,732.00	2,666,732.00	Yes
RIVERSIDE	DESERT SANDS UNIFIED	55/67058-00-005	Career Tech New Construction	G	8/22/2012	0.00	0.00	1,301.00	1,301.00	
RIVERSIDE	DESERT SANDS UNIFIED	55/67058-00-006	Career Tech New Construction	G	8/22/2012	0.00	0.00	3,333.00	3,333.00	Yes
RIVERSIDE	DESERT SANDS UNIFIED	50/67058-00-021	New Construction	L	2/24/2015	0.00	0.00	4,674.00	4,674.00	N/A
SACRAMENTO	NATOMAS UNIFIED	54/75283-00-002	Charter	D	5/28/2008	0.00	87,187.90	87,187.90	174,375.80	
SACRAMENTO	TWIN RIVERS UNIFIED	54/76505-00-001	Charter	G	5/27/2015	0.00	2,898,895.33	1,895,475.87	4,794,371.20	Yes
SACRAMENTO	TWIN RIVERS UNIFIED	54/76505-00-004	Charter	G	5/27/2015	0.00	4,294,279.80	4,294,279.80	8,588,559.60	Yes
SACRAMENTO	TWIN RIVERS UNIFIED	54/76505-00-008	Charter	G	5/27/2015	0.00	2,846,318.60	2,846,318.60	5,692,637.20	Yes
SACRAMENTO	TWIN RIVERS UNIFIED	51/76505-00-002	Facility Hardship	G	5/27/2015	0.00	0.00	3,547,831.00	3,547,831.00	Yes
SAN BERNARDINO	COLTON-REDLANDS-YUCAIPA ROP	59/74138-00-015	Career Tech Rehabilitation	G	10/26/2011	0.00	0.00	2,050.00	2,050.00	
SAN BERNARDINO	HESPERIA UNIFIED	50/75044-00-025	New Construction	L	2/24/2015	0.00	0.00	234,518.00	234,518.00	N/A
SAN BERNARDINO	RIALTO UNIFIED	58/67850-00-001	Rehabilitation	G	2/24/2015	0.00	0.00	2,905,285.00	2,905,285.00	Yes
SAN BERNARDINO	SNOWLINE JOINT UNIFIED	55/73957-00-001	Career Tech New Construction	G	10/6/2010	0.00	0.00	1,093,051.00	1,093,051.00	

County	School District	Application Number	Program	Approval	SAB Unfunded Approval	Financial Hardship Apportionment	Loan	State Share	Total Apportionment	Submitted Certification Letter May 2015
SAN BERNARDINO	SNOWLINE JOINT UNIFIED	55/73957-00-002	Career Tech New Construction	G	10/6/2010	0.00	0.00	1,031,968.00	1,031,968.00	
SAN DIEGO	SAN DIEGO UNIFIED	59/68338-00-005	Career Tech Rehabilitation	G	5/22/2013	0.00	0.00	539,214.00	539,214.00	Yes
SAN JOAQUIN	STOCKTON UNIFIED	55/68676-00-002	Career Tech New Construction	G	10/26/2011	0.00	0.00	3,000,000.00	3,000,000.00	
SAN JOAQUIN	STOCKTON UNIFIED	57/68676-00-033	Modernization	G	2/24/2015	0.00	0.00	8,266,511.00	8,266,511.00	Yes
SAN JOAQUIN	TRACY JOINT UNIFIED	54/75499-00-003	Charter	D	4/15/2015	0.00	0.00	246,799.60	246,799.60	Yes
SAN JOAQUIN	TRACY JOINT UNIFIED	54/75499-00-004	Charter	D	4/15/2015	0.00	0.00	194,721.70	194,721.70	Yes
SAN MATEO	SEQUOIA UNION HIGH	55/69062-00-001	Career Tech New Construction	G	10/16/2014	0.00	0.00	1,590,942.46	1,590,942.46	
SANTA BARBARA	SANTA BARBARA UNIFIED	58/76786-00-001	Rehabilitation	G	4/15/2015	0.00	0.00	154,098.00	154,098.00	Yes
SANTA CLARA	ALUM ROCK UNION ELEMENTARY	54/69369-00-002	Charter	D	4/15/2015	0.00	440,359.70	440,359.70	880,719.40	Yes
SANTA CLARA	LOS GATOS UNION ELEMENTARY	51/69526-00-001	Facility Hardship	G	4/15/2015	0.00	0.00	3,908,780.00	3,908,780.00	Yes
SISKIYOU	SISKIYOU UNION HIGH	55/70466-00-002	Career Tech New Construction	G	10/6/2010	0.00	0.00	296,772.00	296,772.00	
SISKIYOU	SISKIYOU UNION HIGH	59/70466-00-001	Career Tech Rehabilitation	G	10/6/2010	0.00	0.00	143,380.00	143,380.00	
SONOMA	SANTA ROSA HIGH	54/70920-00-002	Charter	G	4/15/2015	0.00	5,780,767.90	5,780,767.90	11,561,535.80	Yes
SONOMA	SANTA ROSA HIGH	54/70920-00-004	Charter	D	4/15/2015	0.00	511,492.50	511,492.50	1,022,985.00	Yes
SONOMA	SANTA ROSA HIGH	54/70920-00-003	Charter	D	4/15/2015	0.00	35,458.60	35,458.60	70,917.20	Yes
SUTTER	YUBA CITY UNIFIED	59/71464-00-001	Career Tech Rehabilitation	G	10/26/2011	0.00	0.00	839,622.00	839,622.00	Yes
SUTTER	YUBA CITY UNIFIED	59/71464-00-001	Career Tech Rehabilitation	G	8/22/2012	0.00	0.00	1,050.00	1,050.00	Yes

Magnolia Pacific Technology School PROJECT COST SUMMARY

11/4/2013

Includes estimated cost from DSA submitted plans, all approved VE items, no gym building but gym pad will be prepped and utilities stubbed for future construction, and irrigation and grass planted on the future gym pad.

CURRENT ESTIMATED SUM OF TRADES	\$10,511,323	
ANTICIPATED ESCALATION:	\$315,340	3.00%
CONTRACTOR GENERAL CONDITIONS:	\$525,566	5.00%
CONTRACTOR O&P, etc.:	\$551,844	5.00%
ESTIMATED GC PRICE:	\$11,904,073	

CM FEE:	\$500,000	includes Superintendent 50%
CONTINGENCY:	\$525,566	5.00%

TOTAL CONSTRUCTION COST: (sf)	\$12,929,639	
ARCHITECT'S FEE:	\$978,341	Architect to verify
UTILITY/STREET/SCE FEES:	\$100,000	Eng. est. \$72,625
TESTING & SPECIAL INSPECTION:	\$105,113	estimated 1%
INSPECTION (resident IOR):	\$157,670	estimated 1.5%
PORT. KITCHEN COST-2 YR,	\$39,529	incl. util. hookup
PLAN CHECK FEES:	\$34,003	Site Plan Review
DSA Fees	\$81,620	
FURNITURE AND EQUIPMENT:	\$357,122	3.00%
COC INSURANCE:	\$76,584	estimated
BID SETS, PUBLISHING, UPS	\$25,000	estimated
SOILS REPORTS:	\$12,500	estimated
SITE SURVEY:	\$5,000	estimated
DIR CMU program	\$29,760	0.25%
HPI Fees	\$3,600	offset by rebates?
GCS Hazard Report	\$3,600	
TOTAL PROJECT COST:	\$14,939,082	

**MAGNOLIA PACIFIC TECHNOLOGY SCHOOL
VALUE ENGINEERING ITEMS**

11/4/2013

ITEM DESCRIPTION	STATUS	BID ALT?	TRADE SAVINGS	CALCULATION
SITE				
Delete colored concrete, use natural grey	Y	N	\$ 18,746	2,678 s.f. @ \$7.00
Delete concrete benches, use Steel Craft	Y	N	\$ 28,000	16 @ \$1,750 ea.
Delete diagonal flatwork score pattern.	N	N	\$ -	\$ 8,038.00
Thin & downsize shrubs, reduce tree sizes	Y	N	\$ 50,750	
Delete two shade shelters	Y	N	\$ 62,500	
Total Site			\$ 159,996	
CLASSROOM BUILDING				
Change T-bar to 2x4 2nd Look, 15/16" grid	Y	N	\$ 143,046	43,476 sf @ \$3.29
Eliminate lobby Feature Wall/Ceiling	Y	Y	\$ 104,715	quote
Drywall lids at Storage, IT, Elect. to struct.	Y	N	\$ 4,350	1,875 sf @ \$2.32
Eliminate LVT pattern at 2nd floor corridor	Y	Y	\$ 16,782	1,918 sf @ \$8.75
Delete all LVT; use VCT instead	Y	Y	\$ 36,971	14,931 sf @ \$2.48
Delete polished concrete, use VCT	Y	Y	\$ 54,922	14,646 sf @ \$3.75
Delete lobby wall coverings; 2 locations	Y	Y	\$ 44,352	2,016 sf @ \$20
Vinyl covered tackboard in lieu of Forbo	Y	N	\$ 35,112	5,016 sf @ \$7.00
Delete metal panels at exterior; use plaster	Y	N	\$ 157,080	4,760 s.f. @ \$33.00
Delete accent carpet tile	N	N	\$ -	\$ 5,832.00
Delete rubber/cork tile, use VCT	N	N	\$ -	\$ 8,465.00
Delete lobby floor graphics	Y	Y	\$ 60,027	estimate
Delete accent wall painting	N	N	\$ -	\$ 10,906.00
5' wainscot at CT walls in lieu of 7'	Y	N	\$ 10,263	821 sf @ \$12.50
Identify 3 acceptable manufacturers	Y	N	\$ 95,992	15% equipment cost
Delete North window coverings	Y	N	\$ 9,720	36%
Reduce window sizes to allow use of wire glass.	Y	N	\$ 88,257	Firelite @ \$135/s.f.; wire glass at \$41/s.f.
Delete 1 Operable Wall	Y	N	\$ 28,000	1 ea. X \$28,000
Delete Solatubes	N	N	\$ -	\$ 7,107.00
Delete requirement for PVC coated rigid	Y	N	\$ 11,000	quote
Use shared neutral, reduce home runs	Y	N	\$ 35,000	estimate
Delete Access Control	N	N	\$ -	\$ 28,000.00
Delete Extron PoleVault	Y	N	\$ 359,950	34 rms @ \$10,587 ea.
Add AV Allowance	Y	N	\$ (102,000)	\$3,000/ room
Total CR Bldg.			\$ 1,193,539	
TOTAL SITE AND BUILDING VE			\$ 1,353,535	

Y-Yes
N-No
P-Pending

**Magnolia Educational Research Foundation
Magnolia Pacific Technology School****Bids Opened Thursday,
Sept. 18, 2014 @ 2:00 p.m.**

Category	Company	Base Bid
30 - Multiple Trades	AMG & Associates, Inc.	11,922,000
	W.D. Gott Construction Co.	12,147,000
	T.B. Penick & Sons, Inc.	12,198,600
	Parkwest Construction Company	12,397,000
	Intertex General Contractors, Inc.	12,833,000
	Morillo Construction, Inc.	15,777,000

**Magnolia Educational Research Foundation
Magnolia Pacific Technology School**

**Bids Opened Thursday,
Sept. 18, 2014 @ 2:00 p.m.**

Category	Company	Base Bid
30 - Multiple Trades	AMG & Associates, Inc.	11,922,000

**CHARTER SCHOOL FACILITIES PROGRAM
2011 LOTTERY FUNDING ROUND
STAFF SUMMARY REPORT – MAY 2015**

Applicant/Obligor:	Magnolia Educational and Research Foundation
Project School:	Magnolia Science Academy – Santa Ana
CDS (County – District – School) Code:	09-76596-0119537
Proposed Project Location:	2840 W First Street, Santa Ana, CA
Project Type:	New Construction
County:	Orange
District in which Project is Located:	San Ana Unified School District
Charter Authorizer:	California State Board of Education
Total OPSC Project Cost:	\$17,413,956
State Apportionment (50% Project Cost):	\$8,706,978
Lump Sum Contribution:	\$0
Total CSFP Financed Amount:	\$8,706,978
Length of CSFP Funding Agreement:	30 years
Assumed Interest Rate:	3.00%
Estimated Annual CSFP Payment:	\$521,674
First Year of Occupancy of New Project:	2016-17

Staff Recommendation: Staff recommends that the California School Finance Authority (CSFA) Board determine that the Magnolia Educational and Research Foundation (MERF), applying on behalf of Magnolia Science Academy – Santa Ana (MSA-SA) formerly Pacific Technology School – Santa Ana, is financially sound for purposes of the CSFP Final Apportionment. This determination as it relates to Final Apportionment is in place for six months and assumes no financial, operational, or legal material findings within this time period. This recommendation is contingent upon MERF electing to have its CSFP payments intercepted at the state level, pursuant to Sections 17199.4 and 17078.57(a)(1)(A) of the Education Code. Staff recommends that the CSFA Board direct staff to notify the Office of Public School Construction (OPSC) and the State Allocation Board regarding this determination.

Background: In June 2011, MERF requested for an advance of \$4,081,395 for Site Acquisition and Design on behalf of MSA-SA (formerly known as Pacific Technology School – Santa Ana) under the Program’s 2011 Lottery Funding Round. MERF received preliminary apportionment for Magnolia Science Academy – San Diego in the amount of \$3,036,122. MERF, on behalf of MSA-SA, is now requesting Final Apportionment. As MERF is the applicant and financial obligor, a discussion of the broader issues with MERF’s financial soundness is included in this report.

Application Highlights: Below staff has highlighted key criteria that was evaluated when conducting the financial soundness review of MERF and MSA-SA. Detailed information is contained in the body of the report.

Criteria	Comments
Eligibility Criteria	MSA-SA have met all Program eligibility criteria: 1) charter in place; 2) MSA-SA has been in operation for at least two years and 3) MSA-SA is in compliance with the terms of their charter and in good standing with their chartering entity.
Demographic Information	<ol style="list-style-type: none"> 1. MSA-SA currently serves 160 students in grades 6-12 in 2014-15. The CSFP project will have capacity for approximately 1,000 students in grades K-12 by 2018-19. Staff notes the aggressive enrollment projections and stress tested the affordability of the project if lower enrollment occurs. 2. MERF currently operates 11 schools with total enrollment of 3,740. Enrollment has grown from 2,608 students in 2010-11. MERF achieved a strong aggregate ADA rate of 97% from 2012-13 through 2014-15.
Debt Service Coverage	MERF's projected debt service coverage ratios of 1,054% in 2017-18 and 1,121% in 2018-19 exceed the minimum requirement of 100.0% by a wide margin. However, MERF's ability to meet the minimum debt service coverage is highly dependent on MERF realizing projected enrollment at existing schools (5,040 students by 2017-18 and 5,480 students in 2018-19). MERF's enrollment must be approximately 4,700 students in 2017-18 and 2018-19 to generate projected debt service coverage of at least 100.0%.
Other Financial Factors	<ol style="list-style-type: none"> 1. MERF has a relatively small reliance on contributions from private sources. Contributions are projected to constitute only 2% of revenues in 2017-18 and 2018-19. 2. The CSFP payment along with MERF's other projected facilities costs would represent 6% of projected revenues during the first two years of the CSFP payment. 3. Net working capital for 2013-14 of \$7.99 million represented 29.5% of total expenses, which exceeds the preferred minimum of 5.0%.
Student Performance	MSA-SA did not meet all AYP in 2012-13 but has shown gradual improvement in API growth scores, achieving scores of 777, 839, and 850 for 2010-11 through 2012-13, respectively.

Program Eligibility: On October 16, 2014, staff received verification from the California State Board of Education (SBE), MSA-SA charter authorizer, confirming that MSA-SA is: 1) in compliance with the terms of its charter agreement, and 2) is in good standing with its chartering authority. MSA-SA's initial charter was approved on March 12, 2009, was renewed on July 9, 2014, and is effective through June 30, 2019. MSA-SA commenced instructional operations in 2009-10.

Legal Status Questionnaire: Staff reviewed the response to the questions contained in the Legal Status Questionnaire (LSQ) for MSA-SA. MERF answered "Yes" to a LSQ question(s). CSFA staff and counsel have reviewed the facts surrounding the disclosure(s) and have determined that the potential liability does not impact the organization's ability to make its CSFP payments should MERF be granted an apportionment nor a determination of financial soundness.

Project Description: MSA-SA is proposing new construction of a facility at 2840 West 1st Street, Santa Ana, involving construction of a brand new school structure. The new facility will consist of one building housing 29-33 classrooms, and is anticipated for completion for the 2016-17 school year. The school is anticipated to have capacity for 1,020 students in grades K-12. MSA-SA was given a preliminary apportionment of \$17,413,956 of which \$4,081,395 was provided for site acquisition in June 2011.

Organization Information: MSA-SA commenced instructional operations in 2009-10 with 63 students in grades 6 through 8, currently has an enrollment of 160 students in grades 6 through 12, and anticipates expansion to grades K-12. MSA-SA operates as an independent charter school under the auspices of MERF, an educational management organization (EMO) (described below). Through its management staff and Board of Directors, MERF is largely responsible for developing MSA-SA's curriculum, educational priorities, and policies, as well as overseeing the day-to-day operations of the school in conjunction with the school's principal.

Charter Management Organization: Magnolia Educational and Research Foundation is a non-profit organization founded in 1997, becoming a 501(c)(3) entity in 1998. MERF established itself as an organization to provide tutoring prior to establishing its first charter school, Magnolia Science Academy, in 2002. Altogether, MERF oversees eleven charter schools. Eight of the schools, including MSA-1, MSA-2, MSA-3, MSA-4, MSA-5, MSA-6, MSA-7, and MSA-Bell operate in Los Angeles County with LAUSD as the charter authorizer. Among the three schools that operate outside of Los Angeles County, MSA-SD (San Diego County) is authorized by the San Diego Unified School District, MSA-Santa Clara (Santa Clara County) is authorized by the Santa Clara County Office of Education, and MSA-SA (Orange County) is authorized by the State Board of Education.

MERF's educational philosophy and mission are to serve students in grades K-12 by: (1) preparing students to become responsible, educated citizens who have the skills and understanding to participate and work productively in a diverse, multicultural, globally oriented environment; (2) providing a sound educational plan with emphasis on math, science and technology; and (3) providing a rigorous, innovative, and challenging enhanced curriculum with a focus on preparing students to attend the universities of their choice. The prospective student population will likely represent the demographics of the local communities in which the students reside, which are primarily in the metropolitan areas of Los Angeles, and other metropolitan areas throughout the state. MERF specifically targets low-achieving students, English language learners, and students coming from socio-economically disadvantaged families.

Management Experience: The resumes of the school's personnel and the management team demonstrate professional, experienced and qualified individuals serving in key capacities within the organization, as described below.

CMO Management: MERF recently came under public scrutiny, specifically with audits having been performed by the LAUSD Office of the Inspector General and the Joint Legislative Audit Committee (JLAC). Given the findings in the LAUSD audit, LAUSD as the charter authorizer to numerous MERF schools attempted to revoke three MERF charters up for renewal. The LAUSD audit implied MERF had misappropriated public of funds and was on the verge of insolvency. MERF filed a lawsuit against LAUSD to maintain its charters. A subsequent JLAC audit found that LAUSD prematurely moved to revoke MERF charters and did not find sufficient evidence to support the misappropriated public of funds and insolvency claims, rather a lack of certain key financial procedures and policies

that led to questionable MERF expenditures. MERF and LAUSD settled the lawsuit in March 2015 and LAUSD subsequently renewed the three MERF charters.

MERF management has had changes in key positions with a new Chief Executive Officer, Chief Financial Officer and Chief Academic Officer. However, Staff views the changes in management as a positive development for MERF and will allow management to be less reliant on outsourced back-office operators and consultants. As part of the lawsuit settlement with LAUSD, MERF agreed to limit its involvement with the former back-office provider Accord Institute. Going forward, seven new committees have been established by MERF management (Finance, Audit, Governance, Personnel, Academics, Facilities, and Community) to ensure MERF is taking proper measures to preserve liquidity and implementing conservative planning for future growth.

Dr. Caprice Young serves as MERF's Chief Executive Officer. Dr. Young has an extensive history of improving operations at CMOs. She played an integral role in acquiring charter renewals from LAUSD and bringing stability to MERF's operations. Prior to this role, Dr. Young served in a similar capacity to the Inner City Education Foundation. Dr. Young served as Executive Director of the California Charter School Association from 2003 to 2008. Dr. Young holds an Ed.D. from the University of California Los Angeles, an M.P.A. from University of Southern California, and a B.A. from Yale University, among other various other credentials.

Michelle Hurst-Crumpton serves as MERF's Chief Academic Officer and brings experience from charter and public school management in several states. Prior to this position, she was Assistant Head of School at St. James Episcopal School (2013-2014) and Chief of School Administration & Chief Operating Officer at Algiers Charter School Association (2009-2012). She received a B.S. in Education Administration and a Master of Arts in Curriculum and Instruction from the University of Phoenix, AZ.

Mr. Oswaldo Diaz has served as the CFO of MERF since 2014 and has over 20 years experience in accounting and operations management. Prior to this position, Mr. Diaz served as the Accounting Manager for Nova Academy Charters Schools / Olive Crest (2011-2014). Mr. Diaz holds a B.A. in Accounting from the Universidad Iberoamericana in Mexico City, Mexico and a School Business Management Certificate from the University of Southern California.

Kenya Jackson, the Deputy Chief Academic Officer, will serve as Principal of MSA-SA starting in June 2015. She will be replacing Alberto Ramirez on an interim basis.

Board Experience: MSA-SA are governed by the MERF Board of Directors, which is comprised of the members set forth in the table below.

Name	Occupation	Term Expiration
Umit Yapanel, Board President	Project Engineer at Audience, Inc.	2017
Saken Sherkhanov, Secretary	Ph.D. Candidate at UCLA (Chemistry and Biochemistry)	2018
Mustafa Kaynak, Member	Electronics Engineer	2017
Diane R. Gonzalez, Member	Community Relations	2018
Nguyen Huynh	Real Estate Finance	2016
Remzi Oten	Business (Tech CEO)	2018
Noel Russel-Uterburger	Comptroller, Independent Contractor	2017

Management Experience for Schools Open Less than Two Years: Not applicable. MERF, as CMO to MSA-SA, has over two years of charter school management experience, and MERF has been involved in the oversight of instructional operations of MSA-SA since its inception in 2009-10.

Student Performance: Pursuant to SB X51 (2010), a designated California State Commission was given the authority to review the Common Core State Standards (Standards), as promulgated by the U.S. Department of Education, and make recommendations to the California Board of Education (Board). This resulted in the Board's adoption of the Standards for purposes of statewide accountability on academic performance. Although this adoption does not directly require all local educational agencies (LEAs) to adopt the standards, pursuant to Education Code, Sections 52060 through 52077, in order for districts to receive funding through LCFF, school districts must submit "Local Control and Accountability Plans (LCAPs) to their respective county offices of education that address State and local educational priorities, and pursuant to Education Code, Section 52060(d)(2), these priorities must include Common Core State Standards.

Assessments based on the Standards are derived from the "Smarter Balanced Assessment System," a test that is planned for initial implementation in spring 2015 for purposes of establishing a baseline for comparing academic performance between schools, and subsequent improvement. As such, the standards do not currently provide metrics for comparing academic performance between schools.

It is noteworthy that as a result of the change to Common Core Standards, CDE's Accountability Progress Reporting has significantly changed. Among the changes are that Growth Academic Performance Index (API) reporting has been temporarily suspended, API rankings will no longer be reported, and Adequate Yearly Progress (AYP) reporting pursuant the No Child Left Behind Act of 2001 is currently limited to public high schools receiving Title 1 funding when they meet specific enrollment criteria. As such, student performance information for purposes of determination financial soundness is limited to API and AYP up until 2012-13 with the exception of specific high schools receiving Title 1 funding. Nonetheless, because of its implications for student enrollment stability and growth, and because staff views student performance as a leading indicator of a charter school's financial position, staff continues to evaluate student performance for purposes of financial soundness, with the limitation of reporting only through 2012-13 at this time.

MSA-SA has four years of reported API and AYP results, allowing staff to assess MSA-SA's academic improvement, as highlighted in the following table.

Magnolia Science Academy - Santa Ana	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13
ADEQUATE YEARLY PROGRESS (AYP)				
Met All AYP Criteria?	Yes	No	Yes	No
Criteria Met / Required Criteria	5 / 5	4 / 5	13 / 13	8 / 9
Met API Indicator for AYP?	Yes	Yes	Yes	Yes
Met Graduation Rate?	N/A	N/A	N/A	N/A
ACADEMIC PERFORMANCE INDEX (API)				
Met Schoolwide Growth Target?	N/A	No	Yes	Yes
Met Comparable Improvement Growth Target?	N/A	Yes	Yes	Yes
Met Both Schoolwide & CI Growth Targets?	N/A	No	Yes	Yes
API Base Statewide Rank (10 = best)	N/A	8	5	7
API Base Similar Schools Rank (10 = best)	N/A	N/A	N/A	7
School's Actual Growth	N/A	-70	62	12
Similar Schools Median of Actual Growth	N/A	N/A	N/A	N/A
Did School's Growth Exceed Median?	N/A	N/A	N/A	N/A

MSA-SA did not meet all AYP criteria for two of the past four years. However, MSA-SA has met its API growth target during the past two years with an API growth score of 839 in 2011-12 and 850 in 2012-13. Based on its API base scores for 2012-13 and 2013-14, MSA-SA has achieved Statewide and Similar Schools rankings of "7" and "7", and "8" and "10" (not in table), respectively. Overall, staff considers MSA-SA's academic performance to be supportive of a recommendation for financial soundness.

Staff also reviewed the historical academic performance data that was available for the eleven MERF schools operating during 2013-14, as shown in the tables below. Within these tables, a blank cell denotes that either the data is not available or the school was not yet opened.

MERF API Growth Scores / Met Schoolwide API Growth Target				
	2009-10	2010-11	2011-12	2012-13
MSA-1	800 / Yes	807 / Yes	805 / Yes	797 / No
MSA-2	745 / Yes	759 / Yes	758 / No	765 / No
MSA-3	777 / Yes	754 / No	785 / Yes	748 / No
MSA-4	753 / Yes	794 / Yes	766 / No	761 / No
MSA-5	847 / Yes	786 / No	843 / Yes	759 / No
MSA-6	842 / na	817 / Yes	843 / Yes	828 / Yes
MSA-7	-	855 / na	906 / Yes	904 / Yes
MSA-Bell	-	650 / na	713 / Yes	763 / Yes
MSA-SD	818 / Yes	814 / Yes	865 / Yes	847 / Yes
MSA-SA	852 / na	777 / No	858 / Yes	850 / Yes
MSA-SC	-	841 / na	895 / Yes	904 / Yes

With respect to API growth, for the most recent reported year in 2012-13, five of the 12 schools achieved scores of greater than 800 with none of the schools scoring below 700, and 6 of the 12 schools met their Schoolwide API growth target.

MERF API Base Rank: Statewide / Similar Schools				
	2009-10	2010-11	2011-12	2012-13
MSA-1	7 / 10	8 / 10	8 / 10	8 / 10
MSA-2	3 / 3	4 / 8	5 / 9	4 / 5
MSA-3	5 / 7	6 / 10	6 / 10	8 / 10
MSA-4	5 / NA	5 / NA	6 / 10	4 / 5
MSA-5	8 / NA	8 / 10	6 / 9	7 / 10
MSA-6	-	8 / NA	7 / 6	7 / 8
MSA-7	-	-	8 / NA	9 / NA
MSA-Bell	-	-	1 / 1	2 / 2
MSA-SD	7 / 2	7 / 4	7 / 5	8 / 6
MSA-SA	-	8 / NA	5 / NA	7 / 7
MSA-SC	-	-	9 / NA	9 / 4

As shown in the table above regarding MERF's statewide and similar schools rankings (base API scores), during the past four reported years, 2009-10 through 2012-13, the majority of schools had statewide and similar schools rankings of "5" or greater. During 2012-13, seven of 11 of applicable schools had statewide and similar schools rankings of "5" or greater. Only MSA-8 Bell, reflected substandard rankings in both statewide and against similar schools.

MERF Met All AYP Criteria				
	2009-10	2010-11	2011-12	2012-13
MSA-1	No	No	No	No
MSA-2	No	No	No	No
MSA-3	No	No	No	No
MSA-4	No	Yes	Yes	No
MSA-5	No	No	No	No
MSA-6	Yes	No	No	No
MSA-7	-	Yes	Yes	No
MSA-Bell	-	No	No	No
MSA-SD	No	No	Yes	No
MSA-SA	Yes	No	Yes	No
MSA-SC	-	Yes	Yes	No

Due to the increasingly difficult task of meeting all AYP criteria over successive years, among the 11 schools that were in operations for 2012-13, none of the schools met all AYP criteria and five met all AYP criteria during the previous year, 2011-12.

Overall, staff considers MERF's academic performance to be supportive of a recommendation for financial soundness.

Enrollment and Retention Rates: MSA-SA commenced operations with 63 students in grades 6 through 8 in 2009-10, and has since grown to 160 students in 2014-15. MERF is projecting MSA-SA's enrollment to grow substantially to 620 in 2016-17 (first year of project occupancy) and to 800 and 1,020 for the first two years of CSFP payments. For the past three years, 2012-13 through 2014-15, MSA-SA has shown retention rates of 82%, 92%, and 80%, respectively. For 2013-14 and 2014-15, MSA-SA, had average daily attendance (ADA) rates of approximately 95% and 98%, respectively.

MERF Enrollment and Retention Rates: The following table depict MERF's historical, current, and projected enrollment by school (through 2018-19). Note that the enrollment projections below do not include any additional new schools.

Magnolia Educational & Research Foundation									
School	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
MSA-1	499	521	488	538	530	540	540	540	540
MSA-2	227	300	380	440	459	495	495	495	495
MSA-3	257	293	379	426	452	475	500	500	500
MSA-4	105	159	194	202	234	220	270	320	360
MSA-5	156	211	239	240	106	170	250	320	400
MSA-6	168	154	136	137	160	180	220	250	280
MSA-7	96	121	233	301	295	316	330	350	360
MSA-8	441	481	495	497	489	495	495	495	495
MSA-SD	308	309	335	355	371	438	450	450	450
MSA-SC	102	230	525	489	484	420	470	520	580
PTS-OV*	151	152	138	-	-	-	-	-	-
MSA-SA	98	145	145	176	160	250	620	800	1,020
Total	2,608	3,076	3,687	3,801	3,740	3,999	4,640	5,040	5,480

*ceased operations on June 30, 2013

MERF has achieved consistent enrollment growth from 188 students in one school (MSA-1) in 2002-03, to 695 students in three schools in 2007-08, and to 1,202 students in six schools in 2008-09. MERF has grown to 11 schools serving 3,740 students in 2014-15. In addition, MERF has achieved overall ADA rates of 97% for 2012-13 through 2014-15, respectively.

For the 11 schools currently in operation, MERF is projecting the following enrollment growth: 3,999 students for 2015-16 (7% growth from prior year), 4,640 for 2016-17 (16% growth from prior year), 5,040 for 2017-18 (9% growth from prior year), and 5,480 for 2018-19 (6% growth from prior year).

Aggressive Enrollment Assumptions: As previously noted, MERF anticipates substantial enrollment growth from 2014-15 to 2018-19, with enrollment projected to increase to 5,480 from 3,740. MERF's financial soundness review in March 2012 also included aggressive enrollment assumptions, indicating enrollment reaching 7,064 students by 2014-15. Due to the challenges that faced MERF over recent years discussed in the "CMO Management", MERF has not materially increased enrollment over the past two years. However, the current MERF management team has provided Staff with information supporting the current enrollment projections. The majority of enrollment growth is based on the anticipated growth of student population at MSA-SA following the completion of the CSFP facility. MERF staff notes that the MSA-SA CSFP facility will be located in a high demand area and plans to rapidly add grades and students through 2018-19. In the section "Projected Debt Service Coverage of CSFP Payments", we provide an analysis that estimates the amount of student enrollment necessary for MERF to maintain the minimum debt service coverage requirement of 100% in 2017-18 and 2018-19.

With respect to the year-to-year retention rates for the most recent year, five of the 11 schools with returning students showed retention rates of 90% or more, and seven of the 11 schools showed retention rates of 85% or more, with all rates averaging 84%. MSA-5, the school with lowest retention rate in 2014-15, moved to another location and essentially had to begin enrollment of new students in middle school while forfeiting the 83 high school students it previously served. Enrollment plans

to grow at MSA-5 as the school adds grades in each subsequent year until grades 6 through 12 are served again.

Overall, staff considers MERF's enrollment to be supportive of a recommendation for financial soundness.

Financial Analysis: Staff's evaluation of MERF's financial performance is based on review of the following documents: MERF's audited financial statements for 2010-11 through 2013-14 and financial projections for 2014-15 through 2018-19.

Staff's evaluation of MERF's financial status is based on the following assumptions: (1) enrollment described above under "MERF Enrollment and Retention Rates"; (2) projected ADA rates of 97.0% for 2015-16 through 2018-19; (3) 2014-15 LCFF Entitlement funding rates of \$7,369 for grades K-12; (4) average LCFF per ADA rates of \$8,065, \$8,551, \$8,926, and \$9,074 for 2015-16 through 2018-19, incorporating COLA's of 1.58%, 2.10%, 2.50%, and 2.70% in these years, respectively. The projections assume GAP funding of 32%, 11%, 13% and 13% in the projected years. (5) Expense categories including salaries and benefits show annual increases between 2-3%.

Highlighted in this section are financial data and credit indicators used to evaluate MERF's ability to meet its CSFP obligations for its projects funded by Propositions 1D. Staff's financial analysis is based on information for MERF as an organization and not for each applicant school on a stand-alone basis. Please note that the revenue, expenditure and changes to net assets recorded in financial audits and provided in MERF's financial projections have been modified by staff, where necessary, to include capital outlays, operating leases and repayment of debt and other significant obligations, and to exclude non-cash items such as depreciation.

Magnolia Education & Research Foundation	Actual FY 2012/13	Actual FY 2013/14	Budget FY 2014/15	Projected FY 2015/16	Projected FY 2016/17	Projected FY 2017/18	Projected FY 2018/19
ENROLLMENT PROJECTIONS							
Enrollment	3,687	3,801	3,740	3,999	4,640	5,040	5,480
Average Daily Attendance	3,542	3,654	3,655	3,879	4,501	4,889	5,316
Average Daily Attendance (%)	96%	96%	98%	97%	97%	97%	97%
FINANCIAL PROJECTIONS							
Total Revenues Available for CSFP Payment	\$ 30,647,516	\$ 32,298,679	\$ 33,590,537	\$ 37,781,249	\$ 44,320,773	\$ 48,070,841	\$ 52,182,894
Total Expenses Paid Before CSFP Payment	26,874,132	27,026,957	31,550,541	33,624,344	39,552,384	42,982,886	46,743,730
Accounting Adjustments	260,530	327,475	281,000	410,946	410,947	410,946	410,949
Net Revenues Available for CSFP Payment	\$ 4,033,914	\$ 5,599,197	\$ 2,320,996	\$ 4,567,851	\$ 5,179,336	\$ 5,498,901	\$ 5,850,113
CSFP Payment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 521,674	\$ 521,674
Net Revenues After CSFP Payment	\$ 4,033,914	\$ 5,599,197	\$ 2,320,996	\$ 4,567,851	\$ 5,179,336	\$ 4,977,227	\$ 5,328,439
FINANCIAL INDICATORS							
Net Revenues Available for CSFP Payment	\$ 4,033,914	\$ 5,599,197	\$ 2,320,996	\$ 4,567,851	\$ 5,179,336	\$ 5,498,901	\$ 5,850,113
Debt Service Coverage by Net Revenues	N/A	N/A	N/A	N/A	N/A	1054.1%	1121.4%
Contributions	\$ 1,024,663	\$ 130,089	\$ 699,478	\$ 829,000	\$ 941,920	\$ 1,013,040	\$ 1,134,360
Debt Service Coverage by Net Revenues (w/out Contributions)	N/A	N/A	N/A	N/A	N/A	859.9%	904.0%
CSFP Lease Payment / Revenues	N/A	N/A	N/A	N/A	N/A	1.1%	1.0%
Contributions / Revenues	3.3%	0.4%	2.1%	2.2%	2.1%	2.1%	2.2%
Net Revenues After CSFP Payment / Revenues	13.2%	17.3%	6.9%	12.1%	11.7%	10.4%	10.2%
Revenues / ADA	\$ 8,652	\$ 8,839	\$ 9,191	\$ 9,740	\$ 9,847	\$ 9,833	\$ 9,817
Expenses / ADA	\$ 7,587	\$ 7,396	\$ 8,633	\$ 8,668	\$ 8,788	\$ 8,899	\$ 8,892
Surplus (Deficit) / ADA	\$ 1,065	\$ 1,443	\$ 558	\$ 1,072	\$ 1,059	\$ 934	\$ 925
Net Working Capital	\$ 3,355,194	\$ 7,986,255					
Net Working Capital / Expenses	12.5%	29.5%					

Contributions: MERF's contributions over the last three years were as follows: \$406,491 for 2011-12, \$1.02 million for 2012-13, and \$130,089. MERF anticipates notably higher contributions in

budgeted and projected years, ranging between \$800,000 and \$1.1 million in contributions annually. Staff notes that projected contribution levels are optimistic given the historical trend.

Long-Term Liabilities: At June 30, 2014, MERF had outstanding long-term debt of \$2.45 million. These debt obligations took the forms of six California Department of Education loans totaling approximately \$255,000, with interest rates ranging from 0.24% to 0.54%; and \$2.2 million in CSFP obligations.

School Facilities –The facility costs consist of leases (Prop 39 and Regular), and expected payments to CSFA for the funding agreements pursuant to Proposition 1D. MERF’s CSFP payments will account for the facility costs of two schools: MSA-SA - \$444,224, and MSA-SD - \$77,450.

MERF leases land and buildings for an administrative office in Westminster and leases land and buildings in Los Angeles County, Orange County, San Diego County, and Santa Clara County under various operating leases. The aggregate lease payments required under the terms of their operating leases were \$2.10 million in 2013-14 and is estimated to be \$1.36 million in 2014-15.

The facility costs (Consists of Rental, Lease, Repair, and Non-Capital Improvement Costs) for all MERF schools incorporated into the financial projections are as follows: \$2.40 million (2014-15), \$2.60 million (2015-16), \$2.65 million (2016-17), \$2.99 million (2017-18), and \$3.04 million (2018-19). These estimated expenses are equivalent to an average of 6% of annual total revenues including contributions. These levels are below the 10-15% affordability range and these commitments are not expected to impact the organization’s flexibility to respond to any unforeseen costs.

Magnolia Educational & Research Foundation - Projected Facilities Cost					
School	2014-15	2015-16	2016-17	2017-18	2018-19
MERF	\$168,000	\$171,360	\$174,787	\$178,283	\$181,849
MSA-1	\$504,000	\$600,000	\$612,000	\$624,240	\$636,725
MSA-2	\$99,072	\$114,000	\$116,280	\$118,606	\$120,978
MSA-3	\$220,000	\$240,000	\$244,800	\$249,696	\$254,690
MSA-4	\$140,000	\$141,600	\$144,432	\$147,321	\$150,267
MSA-5	\$99,600	\$120,000	\$122,400	\$124,848	\$127,345
MSA-6	\$96,000	\$110,400	\$112,608	\$114,860	\$117,157
MSA-7	\$229,154	\$236,029	\$240,750	\$245,565	\$250,476
MSA-Bell	\$35,775	\$41,585	\$43,166	\$44,029	\$44,910
MSA-SD	\$69,581	\$89,684	\$89,684	\$167,134	\$167,134
MSA-SC	\$500,028	\$510,028	\$520,229	\$530,634	\$541,246
MSA-SA	\$228,000	\$228,000	\$228,000	\$444,224	\$444,224
Total	\$2,389,210	\$2,602,686	\$2,649,136	\$2,989,440	\$3,037,001

Financial Performance: Based on the audited financial statements for 2011-12, MERF experienced a net loss of \$1.07 million. At the conclusion of 2011-12, MERF was down to \$1.02 million in net fund balance and facing financial distress. Operating at a loss in 2011-12 only compounded the liquidity concerns that necessitated internal and external cash flow borrowings. However in 2012-13, operations improved at MERF and they were able to generate net revenue of \$4.03 million. This was

the result of \$30.65 million in revenues (including \$1.02 million in contributions) and \$26.61 million in adjusted expenses. In 2013-14, MERF generated an even larger surplus of \$5.60 million, including contributions of \$130,089. MERF attributes the increases in net revenue to reallocation of resources away from PTS-OV which closed at the end of 2012-13. Projected estimates for 2014-15 show revenues and adjusted expenses of \$33.59 million (including \$699,478 of contributions) and \$31.27 million, resulting in projected net revenue of \$2.32 million. Although MERF total enrollment slightly decreased from 2013-14 to 2014-15 (largely due to the relocation of MSA-5), MERF still anticipates an operating surplus.

MERF anticipates modest enrollment growth in 2015-16 but foresees a rapid increase in enrolled students once the CSFP facility is online in 2016-17. MERF's aggressive enrollment assumptions are discussed in further detail under the "MERF Enrollment and Retention Rates" section. The projected enrollment growth has a corresponding effect on projected revenues and expenditures in future years. With enrollment expecting to grow by 7% to 3,999 students in 2015-16, MERF projects increasing total revenues to \$37.78 million and adjusted expenses to \$33.21 million, for projected net revenue of \$4.57 million. MERF projects another 16% increase to 4,640 students in 2016-17. MERF expects net revenue of \$5.18 million on \$44.32 million in revenues and \$39.14 million in adjusted expenses. For 2017-18, MERF's projected enrollment growth is expected to continue by 9% to 5,040 students, resulting in net revenue of \$5.50 million after accounting adjustments. With 5,480 students expected in 2018-19, total revenues of \$52.18 million would exceed total adjusted expenses of \$46.33 million by \$5.85 million, prior to the projected CSFP lease payments.

Projected Debt Service Coverage of CSFP Payments: Assuming a 3.0% interest rate and 30-year repayment period, as well as estimated combined project cost of \$20,450,078, MERF's combined annual CSFP payment (two projects) would be \$521,674 beginning in 2017-18. MERF's projected net revenues of \$5.50 million for 2017-18 would provide debt service coverage of 1,054%, while the projected net revenues of \$5.85 million would result in debt service coverage of 1,121% for 2018-19. However, MERF's ability to meet the minimum debt service coverage is highly dependent on MERF realizing projected enrollment at its existing schools (5,480 students by 2018-19; 47% growth from 3,740 students in 2014-15).

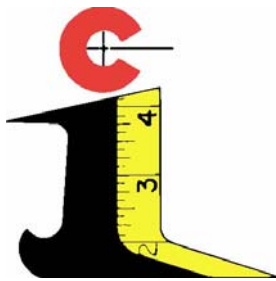
Staff estimates that MERF would need to enroll at least 4,700 students by 2017-18 to meet the debt service coverage requirement. MERF could potentially maintain at least 100% debt service coverage on CSFP obligations with substantially less enrollment because of the ability to reduce certain expense categories (i.e. certified and classified salaries) depending on the actual enrollment in a given year. Given MERF's historical enrollment growth, Staff anticipates MERF reaching the necessary enrollment levels. The estimated enrollment needed assumes that MERF maintains a student to teacher ratio of at least 19 to 1.

Liquidity: At June 30, 2014, MERF reported holding \$5.82 million in cash and cash equivalents. Liquidity measured in terms of net working capital (NWC) is calculated by subtracting current liabilities from current assets. MERF's NWC for 2012-13 and 2013-14 was \$3.36 million and \$7.99 million, respectively, or 12.5%, and 29.5% of total expenses for these years. Staff considers NWC equivalent of at least 5.0% of total expenses to be sufficient. The NWC in 2013-14 is sufficiently higher than the 5% staff recommendation. Liquidity had been a concern for MERF schools going back to 2011-12, as MERF schools utilized external and internal cash flow borrowings to meet cash flow needs.

Strengths, Weaknesses and Mitigants

- + MERF's projected debt service coverage ratios of 1,054% in 2017-18 and 1,121% in 2018-19 exceed the minimum requirement of 100.0% by a wide margin. However, Staff estimates that MERF would need to enroll at least 4,700 students by 2017-18 to meet the debt service coverage requirement. Given MERF's historical enrollment growth, Staff anticipates MERF reaching enrollment in excess of 4,700 by 2017-18.
- + MERF has achieved enrollment growth from 2,608 students in 2010-11 to 3,740 students at 11 schools in 2014-15. In addition, MERF achieved an aggregate ADA rate of 97% between 2012-13 and 2014-15.
- MERF's ability to produce its projected debt service coverage ratios is heavily reliant on the aggressive enrollment growth projected for its existing schools.
- +/- MERF schools have continually demonstrated the ability to meet API growth targets. However, all AYP criteria was not met for the any of the MERF schools in 2012-13.

Staff Recommendations: Staff recommends that the California School Finance Authority (CSFA) Board determines that the Magnolia Educational and Research Foundation (MERF), applying on behalf of Magnolia Science Academy – Santa Ana (MSA-SA), is financially sound for purposes of the CSFP Final Apportionment. This determination as it relates to Final Apportionment is in place for six months and assumes no financial, operational, or legal material findings within this time period. This recommendation is contingent upon MERF electing to have its CSFP payments intercepted at the state level, pursuant to Sections 17199.4 and 17078.57(a)(1)(A) of the Education Code. Staff recommends that the CSFA Board direct staff to notify the Office of Public School Construction and the State Allocation Board regarding this determination.



INLAND INSPECTIONS & CONSULTING

7338 SYCAMORE CANYON BLVD., STE. 4, RIVERSIDE, CA 92508
(951) 697-1000 * FAX (951) 697-1030

Revised June 18, 2015
September 11, 2014

Dr. Mehmet Argin
Magnolia Public Schools
1390 Milton Ave., Ste. 200-B
Westminster, CA92683

Dr. Argin:

EMAILED TO: wes@neffcon.com

RE: Request for Proposal - 2840 W First Street, Santa Ana
Not a DSA Project
DSA Project Inspector

Pursuant to the request of Wes Smylie with Neff Construction, I am providing this proposal for the referenced service. This proposal is based on information provided in the RFP from School Site Solutions, Inc stating an eleven month duration. We were not provided with plans, specifications or a schedule. Below I have provided the option of using either a Class 1 or 2 inspector. Our estimated fee for this service is:

DSA Class 1 Project Inspector	
79.50 per hour	\$131,750.00
Or	
DSA Class 2 Project Inspector	
76.50 per hour	\$126,650.00

Hourly rates will increase by \$2.50 on each July 1 to adjust for prevailing wage rate increase.

NOTE REGARDING OVERTIME RATES:

- Normal hours: eight hours Monday-Friday, excluding any Holiday
- Overtime hours (1.5 X): first 4 overtime hours Monday-Friday and first 12 hours on Saturday, excluding any Holiday
- Double-time hours (2 X): all hours over 12 on Monday-Saturday and all hours on Sunday or Holiday

All invoices are due within 30 days. Interest in the amount of ½% per month will be added to all past-due amounts.

Please contact me if you have any questions regarding our services or fees.

Sincerely,

Robert E. Schumacher
Director of Operations

PROJECT EXPERIENCE AND REFERENCES

IIC has extensive project experience since January 1993. I have included below some of our recent experience. Additional experience dating back to January 1993 can be provided if requested. We have provided DSA inspections on the construction of nine new high schools. We have a broad range of experience in new construction, modernizations, additions, athletic fields and aquatic facilities, and relocatable buildings. All experience below is for DSA Inspector of Record services.

Riverside Community College District (2005-Present)

Contact Bart Doering, Facilities Development Director, (951) 222-8962

Norco College Networking Operations Center (new), April '12 – March '13
 DSA Application Number 04-111515, File Number 33-C1, \$5.9 million
 Hill Partnership Inc

Moreno Valley Student Academic Services Facility (new), April '12 - Present
 DSA Application Number 04-111892, File Number 33-C1, \$15.4 million
 DLR Group WWCOT

Norco College Secondary Effects Project, March '11 – July '12
 DSA Application Number 04-111234, File Number 33-C1, \$9.3 million
 Hill Partnership Inc

Riverside City College Wheelock Gymnasium Seismic Retrofit (new), July '10 – March '12
 DSA Application Number 04-110664, File Number 33-C1, \$15 million
 Gkk Works

Riverside City College Nursing and Science/Math Buildings (new), September '09 – March '12
 DSA Application Number 04-04-109948, File Number 33-C1, \$86 million
 Gkk Works

Riverside City College Aquatics Complex (new), October '09 – February '11
 DSA Application Number 04-110100, File Number 33-C1, \$16 million
 AVRP Studios

Corona-Norco Unified School District (1993-Present)

Contact Ted Rozzi, Assistant Superintendent, (951) 736-5045

Yorba Elementary School (new), October '13 – Present
 DSA Application Number 04-109527, DSA File Number 33-9
 PJHM Architects

Santiago High School Sciences Classroom and Administration Buildings, May '12 – Present
 DSA Application Number 04-109731, File Number 33-H4, \$14 million
 WLC Architects

Centennial High School Expansion, May '11 – Present
 DSA Application Number 04-109865, File Number 33-H4, \$14.3 million
 HMC Architects

Chavez Academy Phase I (new), August '11 – May '12
 DSA Application Number 04-111802, File Number 33-9, \$11.5 million
 PCH Architects LLP

Chavez Academy Phase 0 (new), April '11 – August '12
 DSA Application Number 04-111705, File Number 33-9, \$1.7 million
 PCH Architects LLP

Centennial High School Expansion Ph I, August '09 – May '11
 DSA Application Number 04-109775, File Number 33-H4 \$18.5 million
 HMC Architects

Riverside Unified School District (1993-Present)

Contact Dr. Kirk Lewis, Assistant Superintendent, (951) 788-7135 ext. 80413

Contact Kevin Hauser, Assistant Director of Facilities Projects, (951) 788-7135 ext. 84704

Liberty Elementary School Addition, January '14 – Present

DSA Application Number 04-112203, File Number 33-38, \$4 million

HMC Architects

North High School Athletics Facility Upgrade, July '12 – October '13

DSA Application Number 04-112110, File Number 33-H9, \$10.1 million

HMC Architects

Poly High School Aquatic Center and Athletic Facility Upgrade, April '12 – October '13

DSA Application Number 04-111766, File Number 33-H9, \$8.9 million

HMC Architects

Arlington High School Athletic Facilities Upgrade, December '11 – February '13

DSA Application Number 04-111733, File Number 33-H9, \$9.3 million

HMC Architects

Ramona High School Aquatic Center and Tennis Facility, January '12 – March '13

DSA Application Number 04-111670, File Number 33-H9, \$3 million

HMC Architects

North High School Tennis Courts Reconstruction, June '11 – August '11

DSA Application Number 04-111596, File Number 33-H9, \$200,000

HMC Architects

Poly High School Parking Lot Upgrade, May '11 – January '12

DSA Application Number 04-111628, File Number 33-38, \$485,000

HMC Architects

Additional New High Schools Past Experience

Alvord Unified School District, Hillcrest High School

Corona-Norco Unified School District, Roosevelt High School

Corona-Norco Unified School District, Santiago High School

Moreno Valley Unified School District, Vista Del Lago High School

Murrieta Valley Unified School District, Murrieta Mesa High School



River City Testing

7338 Sycamore Canyon Blvd., Ste. 4 ~ Riverside, CA 92508
(951) 697-0800 ~ fax (951) 697-5744

July 22, 2015

Magnolia Public Schools
c/o Mr. Doug Worrel
Neff Construction, Inc.
1701 S. Bon View Ave.
Ontario, CA 91761

Doug:

EMAILED TO: victoria@neffcon.com

RE: Magnolia Public Schools
Magnolia Science Academy
2840 W. First St., Santa Ana, CA
DSA Special Inspections & Testing

Thank you for the opportunity to present this proposal for the referenced services. This proposal is based on a review of plans and specifications (not DSA approved) and DSA 103. We were not provided with a project schedule. Our Fee Schedule is attached, along with our general Schedule of Fees, should any additional services be required.

Please contact us if you have any questions regarding our services or fees.

Sincerely,

Steve Potter
Assistant Director of Operations

attachments

**MAGNOLIA PUBLIC SCHOOLS
SCIENCE ACADEMY AT 2840 W. FIRST ST., SANTA ANA, CA
FEE SCHEDULE**

Engineer:	6 hours @ \$137.50 per hour	\$ 825.00
Soils Technician:	120 hours @ \$78.50 per hour	\$ 9,420.00
Special Inspector Batch Plant/Concrete:	80 hours @ \$79.50 per hour	\$ 6,360.00
Special Inspector Masonry:	100 hours @ \$79.50 per hour	\$ 7,950.00
Special Inspector Rebar Sample:	40 hours @ \$79.50 per hour	\$ 3,180.00
Special Inspector Visual Welding Field:	100 hours @ \$79.50 per hour	\$ 7,950.00
Special Inspector Visual Welding Shop:	100 hours @ \$79.50 per hour	\$ 7,950.00
Extracting Core Samples:	8 hours @ \$132.50 per hour	\$ 1,060.00
Ultrasonic Testing:	20 hours @ \$92.50 per hour	\$ 1,850.00
Deliver Samples to Testing Lab:	13 trips @ \$60.00 per trip	\$ 780.00
Proctor Density Test:	3 tests @ \$125.00 per test	\$ 375.00
Concrete Compression Test (12 sets of 4):	48 tests @ \$21.50 per test*	\$ 1,032.00
Concrete Mix Design Review:	2 mixes @ \$110.00 per mix	\$ 220.00
Concrete Block Conformance:	1 set @ \$300.00 per set	\$ 300.00
Grout Compression Test (8 sets of 4):	32 tests @ \$21.50 per test	\$ 688.00
Mortar Compression Test (6 sets of 3):	18 tests @ \$21.50 per test	\$ 387.00
Masonry Core Shear Test:	2 tests @ \$45.00 per test	\$ 90.00
High Strength Bolt/Nut/Washer Conformance:	3 sets @ \$110.00 per set	\$ 330.00
Rebar Bend Test:	10 tests @ \$30.00 per test	\$ 300.00
Rebar Tensile Test:	10 tests @ \$35.00 per test	\$ 350.00
DSA Inspection Card Update:	5 updates @ \$100.00 per update	\$ 500.00
DSA-291 Laboratory Verified Report:		\$ 350.00
DSA-291 Geotechnical Verified Report:		<u>\$ 350.00</u>

ESTIMATED TOTAL **\$52,597.00**

*If hold sample does not require testing we will only bill \$12.00 per hold sample for disposal fee.

The hourly rates listed above are effective through June 30, 2016, and will increase by \$2.50 per hour on July 1, 2016.

NOTE REGARDING OVERTIME RATES:

Normal hours:	eight hours Monday-Friday, excluding any Holiday
Overtime hours (1.5 X):	first 4 overtime hours Monday-Friday and first 12 hours on Saturday, excluding any Holiday
Double-time hours (2 X):	all hours over 12 on Monday-Saturday and all hours on Sunday or Holiday

All invoices are due within 30 days. Interest in the amount of ½% per month will be added to all past-due amounts.

If any work is required to be added by an outside consultant, we will bill our cost plus 10%.

Prices include all required equipment, supervision, and reporting costs.

MAGNOLIA PUBLIC SCHOOLS
SCIENCE ACADEMY AT 2840 W. FIRST ST., SANTA ANA, CA
SCHEDULE OF FEES FOR LABORATORY TESTING
EFFECTIVE THROUGH JUNE 30, 2016

Laboratory Test, Test Designation, and Price Per Test

Soils		Concrete	
Atterberg Limits D 4318	\$125	Compression Test 6x12 Cylinder C 39	\$21.50
California Bearing Ration	\$400	Concrete Mix Design Review	\$110
Chloride and Sulfate Content	\$110	Concrete Mix Design Review (trial batch)	\$650
Consolidation D 2435	\$ 60	Concrete Core Compression Test C 42	\$ 35
Direct Shear – Undisturbed D 3080	\$230	Flexural Test C 78	\$ 50
Direct Shear – Remolded D 3080	\$250	Flexural Test C 293	\$ 50
Durability Index CT 229	\$150	Flexural Test CT 523	\$ 50
Expansion Index D 4829	\$150	Gunite/Shotcrete Samples (3 cores)	\$200
Expansion Potential (Method A) D 4546	\$135	Splitting Tensile Strength	\$ 75
Expansive Pressure (Method C) D 4546	\$135		
Geofabric Tensile and Elongation Test D 4632	\$150	Reinforcing and Structural Steel	
Permeability D 2434	\$200	Fireproofing Density Test UBC 7-6	\$ 35
pH and Resistivity CT 643	\$150	Hardness Test, Rockwell A 370	\$ 30
Proctor Density D 1557	\$125	High Strength Bolt, Nut, & Washer Conformance A 325	\$110
R-Value D 2844	\$225	Chemical Analysis A-36, A-615	\$110
Sand Equivalent D 2419	\$ 75	Reinforcing Steel Tensile (up to #11) A 615, A 706	\$ 35
Sieve Analysis D 422	\$ 70	Reinforcing Steel Bend (up to #11) A 615, A 706	\$ 30
Sieve Analysis D 1140	\$100	Structural Steel Tensile (excluding machining) A 370	\$ 50
Specific Gravity D 854	\$ 75	Welded Reinforcing Steel Tensile (up to #11 bars)	\$ 50
Corrosivity	\$150		
		Asphalt Concrete	
Roofing		Mix Design Review (Job Spec)	\$110
Built-up Roof cut-out samples	\$165	Extraction/Gradation D 2172, CT 310	\$200
Roofing Tile Absorption (set of 5) UBC 15-5	\$150	Hveem Stability and Unit Weight CT 366	\$180
Roofing Tile Strength Test (set of 5) UBC 15-5	\$150	Marshall Stability, Flow and Unit Weight T 245	\$200
		Maximum Theoretical Unit Weight D 2041	\$125
Masonry		Swell CT 305	\$165
Concrete Block Compression Test C 140	\$ 50	Unit Weight (sample or core) D 2726	\$ 75
Concrete Block Linear Shrinkage C 426	\$100		
Concrete Block Unit Weight and Absorption C 140	\$ 50	Aggregates	
Concrete Block Conformance Package C 90	\$300	Absorption C 127, C 128	\$ 30
Masonry Grout 3x3x6 Prism Compression UBC 21-18	\$21.50	Durability CT 229	\$120
Masonry Mortar 2x4 Cylinder Compression UBC 21-16	\$21.50	Sand Equivalent CT 217	\$ 75
Masonry Core Compression Test CBC	\$ 25	Sieve Analysis C 136	\$ 90
Masonry Core Shear Test CBC	\$ 45	Specific Gravity Coarse C 127	\$ 60
Masonry Prism half size Compression	\$125	Specific Gravity Fine C 128	\$ 70
Grout or Mortar Mix Design Review	\$110		
Veneer Adhesion Test	\$155	Miscellaneous	
Grade BD Anchor Test	\$275	Ground Rod Test <i>per test</i>	\$ 110
		Disposal of Hold Sample <i>per sample</i>	\$10
		Pick up an deliver samples <i>per trip</i>	\$60.00
		Mileage (as required) <i>per mile</i>	\$.60
		DSA Interim Lab Affidavit (Card Update) <i>per update</i>	\$ 100
		DSA Final Lab Affidavit	Per Quote

HOURLY CHARGES FOR PERSONNEL

Special Inspector Batch Plant	\$ 79.50
Special Inspector Concrete	\$ 79.50
Special Inspector Fireproofing	\$ 79.50
Special Inspector Load Testing	\$ 89.50
Special Inspector Masonry	\$ 79.50
Special Inspector Pachometer	\$ 92.50
Special Inspector Rebar Sample	\$ 79.50
Special Inspector Structural Steel and Welding	\$ 79.50
NDE (Ultrasonic Testing and Magnetic Particle Testing)	\$ 92.50
Soils Technician	\$ 78.50
Extracting Core Samples	\$132.50
Engineer (upon request)	\$137.50

***Hourly rates will increase by \$2.50 on each July 1 to adjust for prevailing wage rate increase.**
If any work is required to be added by an outside consultant, we will bill our cost plus 10%.
Prices include all required equipment, supervision, and reporting.

Minutes

MPS

Board Meeting

Tuesday Jul 28, 2015 @ 6:00 PM at Teleconference

Board Members Present

N. Russell-Unterburger (remote), R. Oten (remote), U. Yapanel (remote), W. Huynh (remote)

Board Members Absent

D. Gonzalez, M. Kaynak, S. Sherkhanov

I. Opening Items

Call the Meeting to Order

B. Torres called a meeting of the board of directors of MPS to order on Tuesday Jul 28, 2015 @ 6:17 PM at Teleconference.

Flag Salute

The Flag salute was lead by Mr. Diaz.

Public Comment

There were no public comments.

Approval of the Agenda

The agenda was approved unanimously as presented.

Oral Communications

II. Items

Item #8 Parent Empowerment Act School Opportunity

Dr. Young explained to the Board the situation that Palm Lane school was in and she explained the process of doing a turn-over of that school. She addressed all Board members' questions. Ms. Unterburger moved to direct Magnolia staff to provide a Letter of Interest/Program Synopsis responding to the Palm Lane parent community's request for high quality schools interested in serving their students. Mr. Nguyen seconded. The motion was passed unanimously.

Item #9- MSA-SA Facility Construction Award of Lowest Bid

Mr. Gonzalez explained the bidding process to the Board. Neff construction employees and Mr. Gonzalez informed the Board of the bidding companies and they addressed all Board members' questions. Ms. Unterburger moved to reject all previous bids that were opened in Fall 2014 and to approve the awarding of the MSA- Santa Ana project to RC Construction Services in the amount discussed. Mr. Nguyen seconded. The motion was passed unanimously.

Item #10 Public Announcement of Reasons for Closed Session

Dr. Yapanel announced the items that would be discussed in closed session and directed the Board to join the closed session.

Item #12 Announcement of Action(s) Taken in Closed Session

Ms. Unterburger moved to authorize CEO & Superintendent to sign a lease with National Hispanic University for the Santa Clara campus for the 2015-16 school year and immediately recall students and teachers for the new school year, as well as drive recruitment among the families of the students sharing the NHU campus and in the surrounding community; and, direct staff to return to the board as soon as possible with a long-term site for the

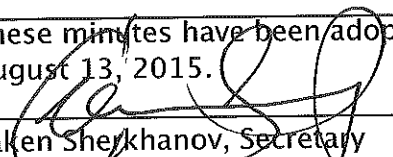
school located in a neighboring well situated to address the needs of historically underserved students in Santa Clara County and as close as possible to the NHU site. Dr. Yapanel seconded. The motion was passed unanimously.

III. Closing Items

Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 08:30 pm.

Respectfully Submitted,
A. Rubalcava

These minutes have been adopted by the Board at a regular meeting of the Board held on August 13, 2015.

Saken Sherkhonov, Secretary
Date: 9/10/15

Cover Sheet

Academic Update

Section: V. Discussion Items
Item: A. Academic Update
Purpose: FYI
Submitted by:
Related Material: V A Academic Report.pdf



Board Agenda Item #	Agenda # V A
Date:	March 9, 2017
To:	Magnolia Board of Directors
From:	Caprice Young, Ed.D., CEO & Superintendent
Staff Lead:	Kenya Jackson, Chief Academic Officer
RE:	Academic Report

Proposed Board Recommendation

Information Only, Academic Report

Background

The second annual Teachers Symposium- Spring Conference will be taking place on March 10th at Magnolia Science Academy- 8 Bell.

Budget Implications

- Expenses- fees for presenters are within the budget. Food has been sponsored by McGraw Hill and Montage Insurance Solutions
- CFO Review

How Does This Action Relate/Affect/Benefit All MSAs?

The purpose of the Teachers Symposium is to understand the mission, vision, and values of MPS School and Community. Learn and apply instructional strategies and practices that support student achievement; common core, innovation, intervention, classroom management and teacher effectiveness.

Name of Staff Originator:

Kenya Jackson, Chief Academic Officer

Attachments

Teacher Symposium – Spring Conference Brochure

Spring Practitioners Symposium

Norms		Breakout Sessions			Collaboration Meeting				
<ul style="list-style-type: none"> Begin and End on Time Assume the Best Intent Low Tech, High engagement Listen Ask for Specific Feedback Stay on Topic Be Solution Oriented 		Time: 10AM-12PM			Time: 1PM-3PM				
Agenda		Keynote			Room	School			
<p>8:30AM-8:50AM Breakfast</p> <p>8:50AM- 9:50AM: Keynote Speaker: Brian Mendler</p> <p>10:00AM-12:00PM: Breakout Sessions</p> <p>12:00PM-1:00PM: Lunch</p> <p>1:00PM-3:00PM Collaboration Meeting</p>		<p>The Teacher That Changed My Life Plagued by severe undiagnosed ADHD and reading difficulties, I began disrupting class in 4th grade. I called teachers names, flipped over desks, and loved to break rules. I was kicked out of school in the middle of 6th grade. Two weeks later in a brand new school I had one teacher dramatically change my life. He did in about five minutes what nobody had done between kindergarten and 6th grade. And the amazing thing is that it is something any of you can do with any of your students immediately!</p>			Room	Title	Audience	Room	School
		D106	UCLA Math Training- Secondary Teachers Curtis Center	Grades 6-12	D106	MSA-1			
		D107	Educational Technology Presented By: Dr. Toutoule Ntoya	Elective Teachers	D107	MSA-2			
		D108	StudySync Presented By: McGraw Hill Trainer	English Teachers	D108	MSA-3			
		D109	Classroom Management Presented By: Brian Mendler	Grades K-12	D109	MSA-4			
		D110	SportUp (PE) Presented By: Jonathan Myers	PE Teachers	D110	MSA-5			
		D111	Naviance Training*	College Advisors	D111	Naviance Training			
		D112	Illuminate Training- Creating Formative Assessments*	Dept. Chairs, Deans	D112	Illuminate Training			
		D113	iScience Presented By: McGraw Hill Trainer	Science Teachers	D113	MSA-8			
		D114	Elementary PD (Wonders/ Math) Presented By: McGraw Hill Trainer	Grades K-5	D114	MSA-SA (Elementary)			
		E101	Academic Intervention Presented By: Menya Cole	Power Teachers	E101	MSA-SA (MS & HS)			
		E102	Office Manager's PD *		E102	Office Manager's PD			
		E103	CAT Meeting		E103	MSA-7			
		E104	Historical and Social Sciences Analysis Skills Presented By: Dr. Robert Eager	Middle/ High School History Teachers	E104				
		E105	Paraprofessional Training Presented By: Victoria & SPED Coordinator	Aide,	E105	MSA-6			
		E106	EL Training	EL Coordinators & Gen Ed. Teachers	E106	EL Training			
		E107	Dean of Culture Meeting *	Deans	E107	Dean of Culture			
		Note: * ALL Day			Updated: 2.27.17				

Session Descriptions

<p>UCLA Math Training- Secondary Teachers Presented By: Curtis Center Room: D106</p> <p>Escape the Monotony of Traditional Instruction: GAME ON! Presented By: Dr. Toutoule Ntoya Room: D107 <i>Target Audience:</i> Teachers looking to incorporate hands on subject matter into their practice. This session is open to teachers of all subject matters including computer science teachers Session Participants will investigate ways to incorporate hands on teaching opportunities using the concept of escape rooms. Gaming is becoming a hot topic conversation in the education community. We will discuss how gaming might look in our classrooms. We will also work collaboratively to solve a problem and discuss ways of lesson planning that includes aspects of gaming. <i>Participant Objectives</i></p> <ul style="list-style-type: none"> • cooperate with other participants to solve a problem • incorporate hands on learning opportunities in their classes • engage in fun problem solving activities • reflect on their learning for the day <p>StudySync Presented By: McGraw Hill Trainer Room: D110</p> <p>Classroom Management: Power Struggles Unplugged Presented By: Brian Mandler Room: D109 This high-energy session teaches specifically how to defuse power struggles with any student, in any situation, at any time with our proven step by step process. Discover <i>two words</i> guaranteed to stop mouthy kids in their tracks. <i>Learn exactly what to say when removing a student</i> so they want to return to your class.</p> <p>SportUp Presented By: Jonathan Myers Room: D110 <i>Target Audience:</i> PE Teachers SportUp will cover how to go about creating an academically rigorous Physical Education Class. We will cover culture building and positive reinforcement for students and athletes.</p> <p>Naviance Training Presented By: TBA Room: D111</p> <p>Illuminate Training- Creating Formative Assessments Presented by: Ben Star Room: D112 Participants must have Illuminate login to attend. Teachers and administrators will learn to create their own itemback assessments, give the assessments online and printout the test books.</p> <p>iScience Presented By: McGraw Hill Trainer Room: D113</p>	<p>Elementary PD (Wonders/Math) Presented By: McGraw Hill Trainer Room: D114</p> <p>Academic Intervention (Grades 5-8) Presented By: Menya Cole Room: E101</p> <p>Office Manager's PD Presented By: Lydieff Vega Room: E102 Office Managers will have the opportunity to come together as a team to share best practices and obtain vital professional development. Participants will...</p> <ul style="list-style-type: none"> • Obtain guidance on what to do with enrollments by doing role-play. Participants will receive training from the Finance Dept./ EdTec on the following: Cash receipts, Objects/resource codes, 5W's, Staples invoice process, How to properly upload packing slips in coolsis and attach backup. • Receive training on the Coolsis Laptop program. Participants will have the opportunity to receive further training on Paycom access for CALPADS reporting and reporting to principals. • Delve deeper into independent study, requesting cums, Fall CALPADS, Policy notificaitons, Civil rights data collection, lottery debrief, reminders on meal orders, and student health issues. <p>Activating the Strategic Arts Plan for MPS Presented By: Community Arts Team Room: E103 Activating the Strategic Arts Plan for Magnolia Public Schools <i>Target Audience:</i> All members of the Community Arts Team (CAT) and others interested in contributing ideas to the implementation of the arts in the Magnolia Public Schools. All voices welcome! Join Arts for All coach Peggy Burt along with co-chairs Ismael Soto and Samantha Toccoli to add your bold and innovative ideas to our strategic plan for the arts! This participatory session will give participants a chance to review our progress to date, and to provide additional ideas and strategies. The Community Arts Team (CAT) has been hard at work putting together a vision to strengthen the arts offered at every level in the Magnolia Public Schools. Facilitated by Arts for All Coach, Peggy Burt, the team invites your contributions as we work toward wrapping up the plan.</p> <p>Historical and Social Science Analysis Skills Presented By: Dr. Robert Eager Room: E104 Target Audience: Middle and High School history/social studies teachers (language teachers also welcome, given focus on reading/writing skills and personal development activities)</p> <p>The "Own Your History" Leadership Course (OYHL) is a different kind of social studies course. This professional development workshop will take a hands-on approach to show you how OYHL will make that personal historical connection for students in a direct and powerful way. OYHL deepens involvement through experiential activities looking into critical parts of US History, mostly through primary sources, and into contemporary issues based on that history. It includes activities designed explicitly to empower students as historical actors who can shape their futures. This workshop will demonstrate how OYHL is transforming for both teachers and students.</p>	<p>Special Education Workshop: Best Practices & Paraprofessional Support Presented By: Victoria Marzouk Room: E105 Special Education teachers will discuss case studies related to IEP implementation and will work on a toolkit to support paraprofessionals on campus.</p> <p>EL Training Presented By: Cabe Rep Room: E106 Target Audience: 6-12 Grade teachers only The Professional Development will assist the teachers in developing a deeper understanding, give support and ability to implement the new ELD standard through the provision of Integrated and Designated ELD instruction. This support will be based on the California ELD Standards, and the experience CABE Professional Development Services has in supporting teachers in the development of their understanding and ability to implement Integrated and Designated ELD.</p> <p>Dean of Culture Meeting Presented By: OCD Room: E107 Participants will have the opportunity to come together as a team to share best practices and updates. Participants will...</p> <ul style="list-style-type: none"> • Learn how to post on social media for the STEAM Expo Campaign • Review strategies for recruitment • Obtain feedback on stories to be pitched to the media.
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Cover Sheet

2017 Bond Financing Update

Section: V. Discussion Items
Item: B. 2017 Bond Financing Update
Purpose: Discuss
Submitted by:
Related Material: V B Bond Financing.pdf

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CAPITAL MANAGEMENT, LLC

Draft Summary of Terms of Purchase
School Facility Revenue Bonds
Magnolia Educational and Research Foundation Project
Series 2017
1/25/17

This summary of basic terms among Magnolia Educational and Research Foundation (the “Lessee” or the “Foundation”), MPM Sherman Way LLC (“MPM”) and Hamlin Capital Management, LLC (“Hamlin” and, together with MPM and the Lessee, the “Parties”) memorializes the Parties’ understanding of the material terms relating to the proposed purchase of the proposed above-captioned bonds (the “Bonds”) by clients of Hamlin to be issued at the request of the Foundation and MPM (collectively, the “Obligated Group”) in order to finance and refinance certain educational facilities which are owned and operated by the Obligated Group.

ISSUER/AUTHORITY	California School Finance Authority
UNDERWRITER	DA Davidson, subject to engagement agreement discussion
TRUSTEE	UMB Bank, National Association
OBLIGATED GROUP	<p>MPM and Foundation (the obligations of the Foundation are limited to the revenues of the schools financed and the management fees related to all schools, whether or not financed. The Foundation will also provide Liquidity Support).</p> <p>MSA-Santa Ana and MSA-San Diego can prepay their respective debts at any time with no prepayment penalty. MSA Santa Ana will be released from the Obligated Group so long as (i) no Event of Default has occurred and is continuing and (ii) the bonds related to MSA Santa Ana are no longer outstanding. At the time that no Event of Default has occurred and is continuing, the financial covenants can be satisfied solely by MSA1, the bonds related to MSA Santa Ana and MSA San Diego are no longer outstanding and the Foundation evidences the Liquidity Support Requirement is available, the Foundation along with MSA San Diego may be released from Obligated Group.</p>
BONDHOLDER REPRESENTATIVE (“BHR”)	Hamlin Capital Management, LLC
PROJECT	1. With respect to MSA1, refinance the new parcel and finance the cost of demolition, construction and other capital improvements.

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	<ol style="list-style-type: none"> 2. With respect to MSA Santa Ana, finance the construction of a gym and related expenses. 3. With respect to MSA San Diego, finance the acquisition of 18 portables and cost of infrastructure improvements. 4. Fund a Debt Service Reserve Fund (to be funded at Maximum Annual Debt Service on a pro rata basis with each advance). 5. Pay Costs of Issuance of the Bonds.
EXPIRATION DATE	Basic Term sheet must be signed by February 15, 2017, and terms are valid for 180 days from the date of execution, but can be extended at option of BHR
TERMS OF BOND ISSUE	
Par Amount	Tax Exempt: Not to exceed \$19,500,000
	Taxable: TBD
Minimum Denominations	\$25,000
Yield	Tax Exempt: 6.25% Taxable: 7.00%
Maximum Maturity	Tax Exempt: 2044 Taxable: 2019
Draw Down Bonds	Bonds may be drawn down in no more than 5 installments Minimum draw is \$2,000,000 30 days advance notice to BHR and Underwriter required for a draw
Interest Payment Dates	Semi Annual
Additional Bonds	<p>The Bonds shall be issued as Additional Bonds on parity with the 2014 Bonds issued for MSA1.</p> <p>Additional Bonds may be issued on a parity with the 2014 Bonds and the Bonds for other schools subject to BHR consent and completion of due diligence satisfactory to BHR.</p> <p>Additional parity indebtedness subject to BHR consent. No senior indebtedness permitted. \$250,000 of subordinate indebtedness</p>

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	<p>permitted and \$250,000 of capital leases for equipment only.</p> <p>For the avoidance of doubt, the Foundation can pledge revenues from schools not financed by the Bonds or Additional Bonds in order to incur additional debt for such schools but cannot pledge the revenues from schools financed by the Bonds or Additional Bonds or any management fees received by the Foundation from any schools, whether or not financed.</p> <p>Bond Documents will be amended (as needed) to provide for issuance, to create the Obligated Group and to include standard Hamlin bond requirements (authorized denominations, accredited investors and qualified institutional investors, amendments to documents with less than 100% consent, etc)</p>
Optional Redemption Provisions (Tax-Exempt)	<p>July 1, 2024, to match existing Series 2014 Bond optional redemption provision</p> <p>Par amount of Bonds attributed to MSA Santa Ana and MSA San Diego projects may be prepaid at any time without prepayment penalty.</p>
Purchase in Lieu of Redemption	<p>Purchase of the Bonds in lieu of redemption permitted at any time at a price negotiated between Obligated Group and BHR</p> <p>Principal amount of Bonds purchased to be credited against the final scheduled sinking fund payment unless otherwise directed by BHR</p> <p>Purchased Bonds shall be cancelled</p>
PRE-CLOSING CONDITIONS	
Liquidity Support Agreement	<p>At the time of release of the Foundation from the Obligated Group, the Foundation will provide evidence of and will continue thereafter to maintain unrestricted cash and/or cash equivalents equal to at least one year of Maximum Annual Debt Service (the "Liquidity Support Requirement"). For the avoidance of doubt, the Foundation cannot be released from the Obligated Group unless evidence of the Liquidity Support Requirement is satisfactory to BHR</p> <p>Liquidity Support to be tested twice annually</p>
Construction Contract	<p><u>AIA</u> guaranteed maximum price ("GMP") construction contract for the construction. Construction contract to include a satisfactory liquidated damage provision and provision for payment and performance bonds in amounts and form satisfactory to BHR.</p> <p>Liquidated Damages to equal at least daily debt service on the 2017</p>

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	Bonds
Permits/Environmental	Permits, licenses and approvals required for construction of the Project, unless waived by BHR
Environmental Assessment	Current Environmental Assessment Report (Phase 1 Environmental Report) prepared by qualified and reputable civil or environmental engineers that is satisfactory to BHR Reliance letter addressed to Underwriter, Trustee and BHR
Appraisal	N/A
Title Insurance	Title insurance policy insuring good and clear title to the land, if applicable, and improvements comprising the mortgaged property containing no survey exception by a title company selected by BHR Fee mortgage on properties owned by Obligated Group (i.e. MSA-1) and leasehold mortgage on properties leased by Obligated Group (i.e. MSA San Diego)
Construction Monitoring	Independent construction monitor selected by BHR. MERF to pay for construction monitor. Contract to have a per project fee cap. BHR has selected Hartman Consulting LLP
Budget	Detailed operating budget and a sources and uses of funds. Uses of funds to include \$1 million of equity reimbursement
Conflicts of Interests / Related Party Transactions	Details of all related party conflicts of interest and related party transactions Any related party vendor must have a contract
Kroll Background Checks	Completed background checks for key individuals determined by BHR (Employees and Board members who have check signing authority and handle money) BHR pays for all associated expenses Results of completed background checks must be acceptable to BHR
BHR Counsel	McCarter & English, LLP Estimated fee is not expected to exceed \$50,000 and will be capped at \$65,000 Costs will be covered from the cost of issuance and paid at closing

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SECURITY FOR THE BONDS	
Revenue Pledge	<p>Pledge of gross revenues of Obligated Group related to the schools financed by the Bonds (MSA-1, MSA-SA and MSA-SD) and Additional Bonds and the management fees of the Foundation related to all schools, whether or not financed by the Bonds</p> <p>Intercept of Public Funds if available under State Law</p> <p>Deposit Account Control Agreement for all bank accounts entered into at closing or such later date if State Law does not permit an intercept of Public Funds, exercisable upon breach of any covenant of Event of Default</p>
Mortgage and Security Interest	<p>Mortgage and security interest representing first lien on all land (if applicable), buildings, portables and equipment (subject to permitted encumbrances acceptable to BHR) comprising the school facilities and all real property, but excluding FF&E which may be separately financed and pledged.</p> <p>Fee mortgage on properties owned by Obligated Group (i.e. MSA-1) and leasehold mortgage on properties leased by Obligated Group (i.e. MSA San Diego)</p> <p>A land parcel exchange with the City is permissible so long as the land collateral obtained is of equal or greater value than the land parcel released, is satisfactory to the BHR and has clear title, acceptable Phase 1 and meets BHR's other due diligence requirements and subject to receipt of a no-adverse affect Bond Counsel opinion. (Pertaining to MSA-1 only)</p>
Financial Covenants	<p>Debt Service Coverage covenant of at least 1.10x, measured on a school by school basis</p> <p>Days Cash on Hand covenant of at least 45 days, measured at Obligated Group level</p> <p>Foundation cannot leave the Obligated Group if doing so results in the Obligated Group no longer meeting the financial covenants</p>
Assignment of Leases and Rents	Obligated Group will enter into a collateral assignment of all leases and rents related to the mortgaged properties
DSRF	<p>Fully funded DSRF funded to MADS</p> <p>Any draw on DSRF to require consent of BHR (no "auto-draw")</p> <p>Replenishment of any deficiencies for valuation in 6 months and for</p>

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	withdrawals in 12 months
Equity Pledge	Magnolia Properties Management, Inc. shall pledge its membership interest in MPM
Repair and Replacement	Funded to \$250,000 over 5 years through cash flow. Survey of facilities needs to be conducted every 3 years and Repair and Replacement Fund to be increased in accordance therewith and in consultation with the BHR and Obligated Group
MISCELLANEOUS	
Limited Public Offering	Not a private placement
Rating Covenant	Obligated Group will seek, at its expense, investment grade credit rating upon written request of BHR if BHR's approved analysis shows potential of a BBB- rating
Specific Remedies upon Event of Default	BHR has right to employ consultant and Obligated Group is obligated to follow recommendations BHR has the right to enter the facilities and market them for sale. Foundation shall have the right to substitute another school in order for payments to continue subject to BHR approval and any amendments to the Bond documents requested by BHR (i.e. intercept, etc.)
Agreement to Indemnify and Hold Harmless BHR	Obligated Group agrees to indemnify and hold harmless BHR for exercising its fiduciary responsibilities including, but not limited, to acceleration and foreclosure

This summary of terms is not a commitment to lend or an offer to purchase the Bonds. The terms and conditions set forth herein are subject to modification or restructuring based upon Hamlin's due diligence and legal reviews. These are basic terms for discussion of the business deal – there will be other terms, covenants, etc.

IN WITNESS WHEREOF, and acknowledging acceptance and agreement of the foregoing, the Parties affix their signatures hereto on this ___ day of _____, 2017

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HAMLIN
CAPITAL MANAGEMENT, LLC

HAMLIN CAPITAL MANAGEMENT, LLC

By:  _____

**MAGNOLIA EDUCATIONAL AND
RESEARCH FOUNDATION**

By: *Caprice Young* _____

MPM SHERMAN WAY LLC
By: **MAGNOLIA PROPERTIES
MANAGEMENT, INC.**, its sole member

By: *Caprice Young* _____

Acknowledged as to the Pledge of Membership Interest
this 25 day of January, 2017

Magnolia Properties Management, Inc.

By: *Caprice Young* _____

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**CALIFORNIA SCHOOL FINANCE AUTHORITY
CHARTER SCHOOL REVENUE BONDS, SERIES 2017 A & 2017 B (TAXABLE)
(MAGNOLIA PUBLIC SCHOOLS)**

FINANCING SCHEDULE

Date	Activities	Responsible Parties
Done	Negotiate terms with Hamlin	All
Done	Receive draft term sheet	All
Done	Conference call to discuss structure	All
Done	Finalize term sheet	All
Done	Execute term sheet	All
Done	Review Financial Projections	Magnolia, UFI, DA Davidson
Done	Distribute draft Bond Documents	Orrick
Wed. 3/7	CSFA Application Deadline for 4/12 meeting	Magnolia, UFI
Wed. 3/7	Distribute 1st Draft of LOM	Orrick
Thu. 3/8	Magnolia Board briefing of financing terms	Magnolia
Tue. 3/21	Distribute 2nd Draft of documents & LOM	Orrick
April	Finalize Budget	Magnolia
April	Receive GMP Construction Contracts	Magnolia
Wed. 4/5	Distribute 3rd Draft of documents & LOM	Orrick
Thu. 4/6	Magnolia Board approval	Magnolia
Tue. 4/11	Finalize bond documents & LOM	Orrick
Wed. 4/12	CSFA approval and TEFRA hearing	CSFA, Magnolia
Thu. 4/13	Set Interest rate/Finalize Cash Flows	DA Davidson
Thu. 4/13	Sign bond purchase agreement	CSFA, Magnolia, DA Davidson
Fri. 4/14	Print final LOM	Orrick
Tue. 4/25	Pre-Closing	All
Wed. 4/26	Closing	All

Attachments

The following files are attached to this PDF: You will need to open this document in an application that supports attachments (i.e. [Adobe Reader](#)) in order to access these files.

III I MPS Multi-Yr Proforma All Sites to MPS 170221 v4.xltx

III I MSA 1 Expansion 2.6.17 (Attach).xlsx

III J MSA SD DeAnza.xlsx