



Magnolia Public Schools

Board Meeting

Date and Time

Monday June 13, 2016 at 7:30 AM

Location

Teleconference Dial:1.844.572.5683 Code:1948435

AGENDA

Special 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:

Dial: 1.844.572.5683 Code: 1948435

- 6181 Albion Dr. Huntington Beach, CA 92647 (Dr. Ali Korkmaz)
- 11000 Wilshire Blvd Los Angeles, CA 90024 (Mrs. Diane Gonzalez)
- 1426 Horizon Ct San Marcos, CA 92078 (Dr. Salih Dikbas)
- 1020 South Olive Street, 7th Floor Los Angeles, CA 90015 (Mrs. Noel Unterburger)
- 1745 Technology Dr. Set 200 San Jose, CA 95110 (Dr. Umit Yapanel)
- UCLA Boyer 659, 611 Charles Young Dr. E, Los Angeles CA 90095 (Dr. Saken Sherkanov)
- 1363 Ridgcrest Rd Pinole CA 94564 (Serdar Orazov)
- 4831 E. Copa de Oro Dr. Anaheim, CA 92807 (Dr. Remzi Oten)

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 Los Angeles, CA 90012.

MPS Board Members:

Dr. Umit Yapanel, President

Ms. Noel Russell- Unterburger, Treasurer

Dr. Saken Sherkhanov, Secretary

Dr. Salih Dikbas

Dr. Ali Korkmaz

Dr. Remzi Oten

Mr. Serdar Orazov

Ms. Diane Gonzalez

Mr. Nguyen Huynh

Agenda

	Purpose	Presenter	Duration
I. Opening Items			
A. Record Attendance and Guests			
B. Call the Meeting to Order			
C. Flag Salute			1
D. Public Comment			5
E. Oral Communications			5
II. Action/Discussion Items			
A. Discussion and Possible Approval of Closure of Magnolia Science Academy- Santa Clara	Vote	Caprice Young	60
III. Closing Items			
A. Adjourn Meeting	Vote		

Coversheet

Discussion and Possible Approval of Closure of Magnolia Science Academy- Santa Clara

Section: II. Action/Discussion Items
Item: A. Discussion and Possible Approval of Closure of Magnolia Science Academy- Santa Clara
Purpose: Vote
Submitted by:
Related Material: II A Closure of MSA SC.pdf
II A MSA SC.pdf
Resolution.pdf

MAGNOLIA PUBLIC SCHOOLS

Board Of Directors



Board Agenda Item #	II A
Date:	June 13,2016
To:	MPS Board of Directors
From:	Caprice Young, Ed.D., CEO & Superintendent
Staff Lead:	Kelly Hourigan, Chief Operations Officer
RE:	Closure of MSA Santa Clara

Proposed Board Recommendation

I move that the board directs staff to take the necessary actions to close MSA Santa Clara by June 30, 2016 due to our inability to find facilities in close proximity to our student population.

Background

In June 2015, the Santa Clara Unified School District chose not to renew the lease Magnolia had of its school site. Magnolia had been searching for a new site during the previous year but had been unable to locate a site. In August 2015, Magnolia was able to secure a temporary location 13 miles from its previous site and kept the school open at a considerable loss that has been previously discussed. Unfortunately, the staff remained unable to find a new site and the enrollment generated at the temporary location is insufficient for the school to remain open. In May 2016, the board considered closing the school; however, at the urging of students and families, they extended the time to find a site. Since then, two potential sites have been sought but not come through.

As the Board of Directors prepares to make a determination on the future of Magnolia Science Academy-Santa Clara (MSA-Santa Clara), the proper steps need to be addressed and taken to ensure Magnolia Schools meet all requirements – both to our students and families, authorizers and the State of California. All legal, communications, and financial requirements are detailed in the action plan below.

The goal of this memo is to provide clear steps to ensure a smooth transition should the board decide to permanently close MSA-Santa Clara.

Closure of MSA-Santa Clara- Overview

- Communications
- Authorizers
- Financial
- Facilities and Staff
- Operations and Technology
- Legal

Communications

The Outreach and Communications Team will spearhead the communications effort with the support of Larson Communications. We sent out letters to parents and staff, as well as held a teleconference call with parents and staff on Saturday, June 11, at 9am. As soon as the MPS board makes a decision we will send follow-up correspondence on Monday, June 13, at 9am. In addition, Alfredo will ensure that all internal and external partners are communicated with concerning this matter.



MAGNOLIA PUBLIC SCHOOLS

250 East 1st Street, Los Angeles, CA 90012

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Financial

The Finance team will handle all communication with external auditors to properly explain the decision to close the school and what the overall financial impact will be to Magnolia Public Schools.

Facilities

The Facilities team will be in charge of all MSA-SC facility inventory, including ensuring that all furniture is transferred to the MPS storage warehouse.

Human Resources

The Human Resources team will speak with all staff members the week of June 13 regarding all options moving forward.

Operations and Technology

The Operations team will handle all aspects of technology and operations, which include working with the CDE on timely Calpads reporting, transfer of student records, among other things.

Legal

Our legal team will work closely with our Board of Directors and Home Office staff to ensure that all local, state, and federal regulatory laws are adhered to in alignment with our MSA-Santa Clara petition.

Budget Implications:

The MSA-SC financial projections estimates an operating loss for the year totaling \$1.45 million primarily due to the decrease of revenues relating to low student enrollment, and a revenue write-off of \$406k of In-Lieu receivables based on the recommendation of our external auditors. MPS will continue to actively collect the In-Lieu of property taxes and will reflect the revenue as soon as the amounts are received.

	Budget			
	Actual YTD	Approved Budget	Previous Month's Forecast	Current Forecast
SUMMARY				
Revenue				
General Block Grant	550,089	770,883	709,424	709,424
Federal Revenue	11,734	63,688	27,417	27,417
Other State Revenues	329,412	347,168	305,639	305,639
Local Revenues	26	-	26	26
Fundraising and Grants	259	15,500	1,500	1,500
Total Revenue	891,520	1,197,239	1,044,006	1,044,006
Expenses				
Compensation and Benefits	943,151	1,066,860	1,191,579	1,257,612
Books and Supplies	33,058	80,670	73,201	73,201
Services and Other Operating Expenditures	595,587	688,291	763,735	1,157,727
Capital Outlay	6,051	6,051	6,051	6,051
Total Expenses	1,577,847	1,841,872	2,034,565	2,494,591



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Operating Income (excluding Depreciation)	(686,327)	(644,633)	(990,560)	(1,450,585)
<i>Operating Income (including Depreciation)</i>	<i>(680,276)</i>	<i>(678,435)</i>	<i>(1,024,362)</i>	<i>(1,484,388)</i>
Fund Balance				
Beginning Balance (Unaudited)	473,945	473,945	473,945	473,945
Audit Adjustment	24,592	-	24,592	24,592
Beginning Balance (Audited)	498,537	473,945	498,537	498,537
Operating Income (including Depreciation)	(680,276)	(678,435)	(1,024,362)	(1,484,388)
Ending Fund Balance (including Depreciation)	(181,739)	(204,490)	(525,825)	(985,851)

Intra-Company Loan

In addition, MSA-SC incurred additional expenses to support the academic program and the Home Office provided operational loans totaling \$453.8k (as of April 30, 2016) and by waiving the CMO fees for fiscal year 2015-16.

Based on the current MSA-SC projections the school will require an additional capital infusion of \$438.9k to meet all remaining commitments relating to the equipment financing, reimbursement in State Aid overpayments, and other current liabilities. Additional expected liabilities are as follows:

Description	Amount
Accounts Payable	30,404
State Aid Overpayment	291,040
District Prior Year Prop Tax Adjustment	3,162
Payable to County (prior yr adj)	16
Other Current Liabilities	58,305
H&W Benefits (Kaiser & Metlife)	7,570
Chromebooks Loan	48,474
Total	438,971

Based on our current projections, the total MSA-SC intra-company loan is estimated to be at year end \$892.7k.

Impact of Closure on the Organization:

Based on a preliminary conversation with our external auditors, MSA-SC charter will need to close on or before June 30, 2016 in order to avoid a Going Concern Opinion. MPS' management is working closely with Vavrinek, Trine, Day, LLP in order to ensure that all closure requirements are met before the June 30th deadline if the Board of Directors approves the closure of MSA-SC. Our external auditors will be in the call to answer questions relating to the financial impact to the organization.

Name of Staff Originator:

C-Team

June 13, 2016

To: Magnolia Public Schools, Board of Directors
From: Magnolia Public Schools, C-Team

Re: MSA SC 15-16 Budget Expenditures

Question: Why did you need to overspend to exceed your budget for MSA-SC?

Many factors led to the overspending at Magnolia Science Academy-Santa Clara during the 2015-2016 school year as outlined below.

Overview

The Santa Clara Unified School District ("SCUSD") did not renew the lease for the school facility at Central Park Elementary School where MSA SC was located for the previous three (3) years. The lease included onerous provisions including a non-renewal clause and a waiver of Proposition 39 rights for a total of seven (7) years from lease inception.

Due to provisions within the executed lease, Magnolia did not file a request for Proposition 39 facilities for the 15-16 school year (by the deadline in November 2014), even though it is highly likely that the Prop. 39 waiver provision would have been deemed illegal by a court of law in the State of California, according to an analysis by YMC. This left MSA SC with very few facilities options.

Enrollment Decrease

During the Spring 2015 semester, school administrators sent out intent to return forms to the families of existing students in order to understand how many students would be returning to the school in the upcoming 15-16 school year. Approximately 175 'yes' responses were received from the 484 students enrolled at the time. It was anticipated that at least that many students would enroll at MSA SC during the 15-16 school year at a new site.

Timely Decisions

In June 2015 a facility was located at the National Hispanic University ("NHU"), which is located 13 miles from the former site in Santa Clara. The lease was negotiated with the Lessors and brought forward for a vote by the board of directors and execution by the Superintendent, Dr. Caprice Young.

The execution of the lease was delayed to pursue another possible facility option that was identified by ACCORD. This process prolonged the lease execution and the announcement of the new location to former students and families, with the result being that a significant number of students decided to enroll at other district and charter schools due to the protracted uncertainty. As a result the school started the 2015-2016 school year with 102 students.

Expenditures

Staff:

In an effort to increase enrollment, the school hired a full time administrator to focus on recruitment as enrollment was below anticipated levels and far from the 250 students projected for the 16-17 school year. The school site also included a part-time administrator/part-time Spanish teacher familiar with the neighborhood and local community. The school administrators retained teachers and staff above the average staffing plan in order to keep strong and talented teachers with Magnolia. It was important to continue to have a strong educational program in order to attract students in future years in this new community. Some of this teacher overstaffing was made due to the requirement to provide the full A-G course loads to high school students. And, a part-time support person was hired to focus on collection of documents needed for prior year revenues.

Outreach:

Outreach efforts in the Spring included open houses, door to door knocking, fliers, postcards and as well as a \$25,000 contract for outreach and publicity with a local firm, Milagro Advertising, that was covered by the home office budget, but has now been appropriately charged back to the school. There were very few students from the east San Jose community that enrolled at MSA SC during the 15-16 school year. Possible reasons include timing of recruitment efforts, an inability to develop relationships with community leaders and organizations, as well as other factors such as unfamiliarity with the Magnolia Public Schools program and brand. We also heard from parents that they were uncomfortable committing to send their students to a school without a long term facility. It also seems to be the case that, despite low test scores, residents prefer their traditional public schools. Nearby San Jose Leadership Public School also closed down this year due to a lack of enrollment

Health Insurance:

Additionally, overpayment of health insurance premiums in the amount of \$78,676 also affected the school's budget. As soon as the overpayment was identified, Caprice met with the C-team to form an action plan and assign specific duties to assure policies and procedures were put in place to assure compliance and negotiate return of the overpaid funds. Since then we have received a credit of \$29,633 and we continue to work to recover additional funds.

Busses:

In an effort to retain students from Santa Clara and surrounding communities the school provided buses from Santa Clara to the new school facility in east San Jose. The buses costs \$118,000 for the 15-16 school year. The anticipated bump in enrollment did not happen, even with paid transportation.

Facilities:

Our lease included a location to accommodate 250 students, more than twice as many as we had. So, while our facilities expenses were not more than anticipated, they were expensive relative to the number of students we had. We had an opportunity to purchase

land just north of NHU; however, affording it would have required attracting 800+ students and taken 18 months for permitting and the build. It is possible this option could be resurrected, but the risks are significant.

Conclusion

The above named factors combined to put MSA SC in the current budgetary situation. For a detailed accounting of the school's expenditures, please see Exhibit A, MSA SC unaudited financials, attached hereto.

Magnolia Science Academy - Santa Clara

Budget vs. Actuals

As of most recent monthly close-April 2016

	Budget		Variance (Budget vs. Current Forecast)	
	2015-16 Budget Projections	Current Forecast		
SUMMARY				
Revenue				
General Block Grant	1,718,292	709,424	(1,008,868)	Reduction in ADA
Federal Revenue	109,740	27,417	(82,323)	Reduction in ADA, no SpEd or Nutrition Revenue
Other State Revenues	263,867	305,639	41,771	Reduction in ADA, no SpEd or Nutrition Revenue
Local Revenues	-	26	26	
Fundraising and Grants	20,000	1,500	(18,500)	Fundraising budget assumptions based on higher ADA
Total Revenue	2,111,899	1,044,006	(1,067,893)	
Expenses				
Compensation and Benefits	1,174,531	1,257,612	83,081	Compensation and benefits higher due to additional employees and benefit overpayment
Books and Supplies	181,948	73,201	(108,747)	Books and supplies budgeted based on higher ADA
Services and Other Operating Expenditures	700,741	1,157,727	456,986	PY Expenses and write off of AR
Capital Outlay	21,600	6,051	(15,549)	
Total Expenses	2,078,819	2,494,591	415,772	
Operating Income (excluding Depreciation)	33,079	(1,450,585)	(1,483,665)	
<i>Operating Income (including Depreciation)</i>	33,079	(1,484,388)	(805,952)	
Fund Balance				
Beginning Balance (Unaudited)	466,305	473,945		
Audit Adjustment	-	24,592		
Beginning Balance (Audited)	466,305	498,537		
Operating Income (including Depreciation)	33,079	(1,484,388)		
Ending Fund Balance (including Depreciation)	499,385	(985,851)		
Total ADA	243.0	95.3	(148)	

Magnolia Science Academy - Santa Clara

Budget vs. Actuals

As of most recent monthly close-April 2016

		Budget		Variance	
		2015-16 Budget	Current Forecast	(Budget vs.	
		Projections		Current Forecast)	
LCFF Entitlement					
8011	Charter Schools LCFF - State Aid	492,482	200,952	(291,530)	ADA 148 less than budget
8012	Education Protection Account Entitlement	300,924	134,734	(166,190)	ADA 148 less than budget
8019	State Aid - Prior Years	-	(70)	(70)	PY not budgeted
8096	Charter Schools in Lieu of Property Taxes	924,886	373,808	(551,078)	ADA 148 less than budget
		1,718,292	709,424	(1,008,868)	
8100 Federal Revenue					
8181	Special Education - Entitlement	36,012	-	(36,012)	MSA-SC did not receive SpEd funds, goes directly to SCCOE
8220	Child Nutrition Programs	45,878	-	(45,878)	MSA-SC did not apply for child nutrition due to school size and lack of meal facilities
8291	Title I	26,170	25,688	(482)	
8292	Title II	680	673	(7)	
8293	Title III	1,000	1,056	56	
SUBTOTAL - Federal Income		109,740	27,417	(82,323)	(0)
8300 Other State Revenues					
8319	Other State Apportionments - Prior Years	-	798	798	Not budgeted
8381	Special Education - Entitlement (State)	-	-	-	
8520	Child Nutrition - State	-	-	-	
8550	Mandated Cost Reimbursements	181,875	255,336	73,461	One-time funding was estimated conservatively and was higher than expected
8560	State Lottery Revenue	68,295	17,240	(51,055)	ADA148 less than budgeted
8590	All Other State Revenue	13,697	32,264	18,567	One-time funding higher than expected
SUBTOTAL - Other State Income		263,867	305,639	41,771	
8600 Other Local Revenue					
8699	All Other Local Revenue	-	26	26	Not budgeted
SUBTOTAL - Local Revenues		-	26	26	
8800 Donations/Fundraising					
8801	Donations - Parents	-	500	500	
8803	Fundraising	20,000	1,000	(19,000)	Fundraising budget assumptions based on higher ADA
SUBTOTAL - Fundraising and Grants		20,000	1,500	(18,500)	
TOTAL REVENUE		2,111,899	1,044,006	(1,067,893)	

Magnolia Science Academy - Santa Clara

Budget vs. Actuals

As of most recent monthly close-April 2016

		Budget		Variance	
		2015-16 Budget	Current Forecast	(Budget vs.	
		Projections	Current Forecast	Current Forecast)	
EXPENSES					
Compensation & Benefits					
Certificated Employees Summary					
1100	Teachers Salaries	742,695	682,907	(59,788)	Teacher assumptions based on higher ADA
1300	Certificated Supervisor & Administrator Salaries	93,888	186,732	92,844	Additional position required as a support role (outreach and recruitment)
SUBTOTAL - Certificated Employees		836,583	869,639	33,056	
Classified Employees Summary					
2400	Classified Clerical & Office Salaries	36,810	69,353	32,543	Additional position required (office manager and part time position required to collect student records)
2900	Classified Other Salaries	30,000	7,736	(22,264)	Employee left mid year (custodian)
SUBTOTAL - Classified Employees		66,810	77,089	10,279	
3000	Employee Benefits				
3100	STRS	85,430	88,486	3,056	Increase of certificated salaries
3200	PERS	8,418	2,462	(5,956)	Higher due to additional position that MSA-SC did not hire
3300	OASDI-Medicare-Alternative	24,263	21,453	(2,811)	Higher due to additional position that MSA-SC did not hire
3400	Health & Welfare Benefits	116,800	180,846	64,046	higher due to overpayment of health benefits
3500	Unemployment Insurance	18,068	473	(17,594)	unemployment insurance estimate
3600	Workers Comp Insurance	18,158	17,164	(994)	
SUBTOTAL - Employee Benefits		271,138	310,885	39,747	
4000	Books & Supplies				
4100	Approved Textbooks & Core Curricula Materials	2,000	4,257	2,257	
4200	Books & Other Reference Materials	16,000	3,435	(12,565)	Estimate was based on higher enrollment
4315	Custodial Supplies	500	500	-	
4320	Educational Software	5,500	5,500	-	
4325	Instructional Materials & Supplies	20,500	15,296	(5,204)	Estimate was based on higher enrollment
4330	Office Supplies	28,000	20,000	(8,000)	Estimate was based on higher enrollment
4346	Teacher Supplies	1,000	954	(46)	
4400	Noncapitalized Equipment	2,000	1,000	(1,000)	Estimate was based on higher enrollment
4410	Classroom Furniture, Equipment & Supplies	2,500	3,000	500	
4420	Computers (individual items less than \$5k)	13,000	6,500	(6,500)	Estimate was based on higher enrollment
4430	Non Classroom Related Furniture, Equipment & S	2,000	1,500	(500)	
4700	Food	87,948	10,228	(77,720)	MSA-SC did not apply for child nutrition due to school size and lack of meal facilities
4720	Other Food	1,000	1,031	31	
SUBTOTAL - Books and Supplies		181,948	73,201	(108,747)	

Magnolia Science Academy - Santa Clara

Budget vs. Actuals

As of most recent monthly close-April 2016

		Budget		Variance	
		2015-16 Budget	Current Forecast	(Budget vs.	
		Projections	Current Forecast	Current Forecast)	
5000	Services & Other Operating Expenses				
5200	Travel & Conferences	5,000	6,512	1,512	Remains the same, shifted from 5210
5210	Conference Fees	3,488	3,488	0	Remains the same, shifted to 5200
5215	Travel - Mileage, Parking, Tolls	100	100	-	
5220	Travel and Lodging	14,107	14,107	0	
5300	Dues & Memberships	2,000	1,850	(150)	
5450	Insurance - Other	17,250	33,229	15,979	Insurance higher than originally projected
5500	Operations & Housekeeping	11,000	11,000	-	
5510	Utilities - Gas and Electric	6,000	6,000	-	
5605	Equipment Leases	41,536	37,156	(4,380)	Part of budget was based on loan payment for chromebooks. Reduced to include only leases
5610	Rent	314,625	314,625	0	
5615	Repairs and Maintenance - Building	1,000	1,000	-	
5617	Repairs and Maintenance - Other Equipment	1,000	1,000	-	
5631	Other Rentals, Leases and Repairs - Site Relocati	66,800	66,800	-	
5803	Accounting & Audit Fees	6,000	6,000	-	
5809	Banking Fees	1,000	1,000	-	
5814	School Programs - Academic Competitions	765	905	140	
5822	Other Professional Services	21,014	19,747	(1,267)	
5824	District Oversight Fees	7,094	7,094	0	
5843	Interest - Loans Less than 1 Year		-	-	
5845	Legal Fees	10,000	10,000	-	
5851	Marketing & Student Recruiting	3,600	3,600	-	
5857	Payroll Fees	6,930	6,930	-	
5861	Prior Yr Exp (not accrued)		38,997	38,997	Not budgeted legal fees
5863	Professional Development	4,224	4,224	(0)	
5884	Substitutes	4,642	4,642	0	
5887	Technology Services	21,000	21,000	-	
5893	Transportation - Student	118,080	118,080	-	
5898	Bad Debt Expense		406,155	406,155	Write off of AR
5899	Miscellaneous Operating Expenses		-	-	
5900	Communications	8,000	8,000	-	
5915	Postage and Delivery	4,486	4,486	(0)	
	SUBTOTAL - Services & Other Operating Exp.	700,741	1,157,727	456,986	
6000	Capital Outlay				
6400	Equipment	21,600	6,051	(15,549)	Higher due to estimated capitalized equipment that was not acquired
	SUBTOTAL - Capital Outlay	21,600	6,051	(15,549)	
TOTAL EXPENSES		2,078,819	2,494,591	415,772	

Magnolia Science Academy - Santa Clara

Budget vs. Actuals

As of most recent monthly close-April 2016

		Budget		
		2015-16 Budget Projections	Current Forecast	Variance (Budget vs. Current Forecast)
6900	Total Depreciation (includes Prior Years)	21,600	39,853	18,253
TOTAL EXPENSES including Depreciation		2,078,819	2,528,393	449,574

**RESOLUTION OF THE MAGNOLIA EDUCATION AND RESEARCH FOUNDATION
BOARD OF DIRECTORS
(A California Non-Profit Public Benefit Corporation)**

A RESOLUTION of the Magnolia Education and Research Foundation Board of Directors, a non-profit public benefit corporation, documenting closure of Magnolia Science Academy-Santa Clara, a countywide benefit charter school authorized by the Santa Clara County Board of Education.

WHEREAS, Magnolia Science Academy-Santa Clara (“MSA-Santa Clara”) is a California public countywide benefit charter school operated by the Magnolia Education and Research Foundation (“MERF”), a nonprofit public benefit corporation, under the direction and management of the MERF Board of Directors (“Board”) and vested with the authority necessary to implement and operate educational programs for the benefit of California schoolchildren;

WHEREAS, the Board has decided to voluntarily close MSA-Santa Clara at the end of the 2015-2016 school year; and

WHEREAS, the Board will follow the closure procedures as required under the MSA-Santa Clara charter, the Charter Schools Act, and Title 5 of the California Code of Regulations, Section 11962 et seq., as applicable; and

WHEREAS, the Board has appointed Dr. Caprice Young, CEO and Superintendent, Magnolia Education and Research Foundation as the person responsible for MSA-Santa Clara’s closure-related activities; and

NOW THEREFORE, IT IS RESOLVED by the Board that MSA-Santa Clara shall close effective June 30, 2016.

ADOPTED by the Board at a special meeting thereof on June 13, 2016 continued on June 15, 2016.

* * *

I, Dr. Umit Yapanel, am the President of the Magnolia Education and Research Foundation Board of Directors. I hereby certify that the foregoing is a true copy of a resolution duly and legally adopted by the Magnolia Education and Research Foundation Board of Directors on June 15, 2016 and that this resolution has not been revoked.

Date: _____

Dr. Umit Yapanel, President
Magnolia Education and Research Foundation
Board of Directors