



MAGNOLIA PUBLIC SCHOOLS

Board Of Directors

Board Agenda Item #	III F
Date:	November 12, 2015
To:	MPS Board of Directors
From:	Caprice Young, Ed.D., CEO & Superintendent
Staff Lead:	Caprice Young, Ed.D., CEO & Superintendent
RE:	Magnolia Properties Management, Inc. Board Appointments

Proposed Board Recommendation

Accept the resignation of Ismail Hakki Karaman, Mekan Muhammedov, and Melik Sayin from the board of Magnolia Properties Management, Inc., and appoint Serdar Orazov, John Helgeson and Johnathan Williams to the board.

Background

Magnolia Properties Management, Inc. (“MPM”), a California nonprofit public benefit corporation is the sole member of MPM Sherman Way LLP, the legal entity holding the tax-exempt bonds used to finance the Magnolia Science Academy facility purchase through the California State Financing Authority. MPM was formed in 2012 and in the same year received a determination letter from the Internal Revenue Service recognizing it as exempt from taxation under Section 501(a) of the Internal Revenue Code of 1986 (the “Code”) as an organization described in Section 501(c)(3) of the Code. MPM provides property development and maintenance services for schools operated by Magnolia Public Schools (MERF) and was formed as a supporting organization for Magnolia Public Schools. MPM’s mission is to own, operate, and maintain, either directly or as the sole member of a California limited liability company, real estate for use as charter schools. Such facilities are then leased to the various schools operated by Magnolia Public Schools.

According to the bylaws of MPM, the MPS board is responsible for appointing the members of the MPM board. As the current members of the MPM board are no longer able to continue in their capacity, the MPS board must reappoint new board members to govern MPM.

Requirements to serve on the MPM board are that the individuals must not be members of the staff of MPS or relatives of the employees of MPS. In addition, no more than one of the three MPM board members may be a member of the MPS board of directors. The MPM board is a completely independent decision making body from MPS. The responsibilities of the MPM board include arranging for and approving the annual audit of MPM, and reviewing and approving decisions necessary to insure the financial integrity of MPM. The MPM board is staffed by the CEO and CFO of MPS, and outside counsel Neal Millard of Musik Peeler. The Directors and Officers insurance will be updated to reflect the change in board membership.

The biographies of the proposed board members are below:



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Serdar Orazov is the Controller of the Church Divinity School of the Pacific (Graduate School) in Berkeley, CA. He has ten years of experience in finance and operations in the private and public sector, including the Magnolia Public Schools where he served as a business manager and senior accountant for six years. He holds an MBA from Moscow Aviation Institute (State Technical University) and a BS in textile engineering from International University in Ashgabat, Turkmenistan.

John Helgeson is the Executive Vice President of Strategic Planning and Growth of the Learn 4 Life charter schools. He has more than twenty years in private and public school development and finance, having been a co-Founder of Charter School Capital in 2004 after serving in development officer roles for the University of Southern California and the Webb School. He earned his BA from the University of California, Berkeley.

Johnathan Williams is the Chief Executive Officer/Co-Founder of The Accelerated School. During his distinguished career in education, he has served as a Commissioner of the Los Angeles City Recreation and Parks Commission, a Board Member of the California State Board of Education, and a founding Board Member of the California Charter Schools Association. He earned his BA and teaching credential from the University of California, Los Angeles.

Budget Implications

No budget implications

Name of Staff Originator:

Caprice Young, CEO and Superintendent

Attachments

None