



Committee Agenda Item #	II.E.- Consent Item
Date:	Thursday, April 12, 2018
To:	Magnolia Board of Directors
From:	Caprice Young, Ed.D., CEO & Superintendent
Staff Lead:	Patrick Ontiveros, General Counsel & Director of Facilities
RE:	(I) Approval of Application to LACOE for Material Revision to MSA-1 Charter Petition to add Grades TK to 5) (II) 2018 to 2020 Expansion and Growth Strategy

PROPOSED RECOMMENDATION(S)

Material Revision for MSA-1:

We propose that the Magnolia Board of Directors for the Magnolia C-Team and principal of MSA-1 to apply for a material revision by approving the resolution prepared by YMC.

Growth & Expansion Plans:

None; informational only. More detailed analysis to come at the June board meeting.

MATERIAL REVISION FOR MSA-1

The C-Team and the Principal of MSA-1 believe that it would be in the best interests of MSA-1 and Magnolia Public Schools to establish an elementary school feeder for MSA-1. Specifically, the C-Team would like to apply for a material revision to the Los Angeles County of Education (“LACOE”), MSA-1’s charter authorizer, to establish a TK to 5<sup>th</sup> Grade elementary school in the West Valley within 3 to 5 miles from the existing MSA-1 campus. Magnolia’s counsel at Young Minney & Corr LLP is preparing the material revision and the resolution that must be passed by Magnolia’s full Board of Directors at the April 12, 2018 Meeting in order to file said material revision with LACOE.

The new MSA-1 elementary school would open in the Fall of 2019, but could be advanced to 2018 if enrollment warrants and facilities are readily available. Anticipated closures due to non-renewal of some area charter schools means that many families may be urgently seeking new schools.

I. Background

MSA-1 has been in existence the longest in the MPS network and the C-Team and MSA-1 believe that the time is appropriate to establish a feeder elementary school for the existing



Middle School and High School. Currently MSA-1’s charter only allows for a middle school and high school. MSA-1 is a high performing STEAM school that is highly respected in the community and high sought after by parents. The C-Team believes that an MSA-1 elementary school will greatly benefit an underserved population.

II. Risks

Gavin Newsom, the front-runner in the California gubernatorial race, has expressed his support for a moratorium on all charter schools. Therefore, we should assume the worst outcome, that is, that Gavin Newsom is successful in the race for the governorship and plan accordingly. Otherwise, the risk is that Magnolia will not be able to expand one of its most successful schools.

III. Target Enrollment 420-480

No. of Students per class					25
No. of Cohorts Per Year					
Grade Level	Year 1	Year 2	Year 3	Year 4	Year 5
TK	1	1	1	1	1
K	3	3	3	3	3
1	2	3	3	3	3
2	1	2	3	3	3
3	1	1	2	3	3
4		1	1	2	3
5			1	1	2
<b>Total # of students</b>	<b>200</b>	<b>275</b>	<b>350</b>	<b>400</b>	<b>450</b>

GROWTH & EXPANSION

At the June board meeting, staff will bring forward a more detailed plan for growth; however, below are some initial ideas driving staff’s planning for preliminary board input.

Magnolia seeks to grow its number of schools in a thoughtful and deliberate manner. While there are many areas that are in need of the high quality STEAM education Magnolia schools offer, Magnolia seeks to align many competing factors and interests. These factors and interests are, in no particular order of importance, as follows:

- Target high need areas



- Growth of existing clusters
- Relocate existing Magnolia schools that may not be geographically close to the students they serve
- School leaders willing and able to take up the challenge of starting and leading a new school
- Availability of funding opportunities
- Facilities availability
- Community Support

Accordingly, preliminarily MPS has targeted the following areas for growth and or expansion.

2019-20			
Geography	Grade Level	Expansion of Existing Cluster or Growth of New One	Notes
West Valley	TK-5	Expansion – new TK-5 to feed MSA-1	LACOE Material Revision to charter needed
East San Fernando Valley	TK-12	Growth	<b>Areas of Focus</b> <ul style="list-style-type: none"> <li>• Transit Corridor</li> <li>• Panorama City, according to PCSD 2016 study has high need across all grade levels -- Valor Academy is vacating Panorama High School Prop 39 facility</li> <li>• Pacoima, according to PCSD 2016 study, has need across all grade levels but in particular at middle school level</li> <li>• Sun Valley</li> <li>• SFV Board District 6</li> <li>• MSA expansion near Fair Elementary School</li> </ul>
Carson	TK-5	Expansion – New TK-5 to feed MSA-3	Strong need in Carson for quality elementary schools
Corona (Inland Empire)	TK-12	Growth	See Alvord Unified School District Map -- part of Corona
Other Areas Under Consideration			
South LA	TK-12	Growth	South LA near Harte Middle School (area bounded by 10, 110, 105, Western)

2020-21/2021-22			
Geography	Grade Level	Expansion of Existing Cluster or Growth of New one	Notes
Orange County (within 3 miles of existing Santa Ana facility)			
Santa Ana, Westminster, Garden Grove, Anaheim	TK-8	Growth	Exact geographic boundaries to be determined
Other High Priority/Consideration			
San Diego	TK-5	Expansion	Feeder for MSA-SD.
Lancaster-Palmdale	TK-12	Growth	Area is in desperate need of good schools and has a high concentration of foster youth
Other Areas Under Consideration			
Gardena - Lawndale	TK-12	Growth	Environmental Charter School is looking to grow in Gardena, Terminus of Green Line Extension near Torrance / Gardena
Oceanside	TK-8	Growth	
Bell	Elementary	Expansion	

The C-Team expects to return to the Board in June with more concrete plans and determinations on growth and expansion.

**Budget Implications:**

Start-up funds from third party sources may be available for this expansion of MSA-1. We have applied for a start-up grant from the Walton Family Foundation (“WFF”) for up to \$250,000 for the expansion into the new high school building that will be under construction. WFF has confirmed that even though this is an existing school the expansion is eligible to be considered for a start-up grant. An expansion to include elementary school grades serving board district 6 of the West Valley also is likely to be eligible to apply for a WFF start up grant of up to \$250,000. The C-Team recognizes that cash flow will be an issue for the first six (6) months of operations. The C-Team believes that cash flow can be managed within existing MSA-1 long term reserves and inter-school loans, whichever is most beneficial. Magnolia’s finance department will prepare a pro forma budget to be shared with the board at the June Board meeting.

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



Approval of the expansion of MSA 1 to include elementary grades will support greater shared resources and collaboration among existing MPS schools, and create a stronger pipeline of graduates to MSA 1, 2 and 5.

**Name of Staff Originator:**

Patrick Ontiveros, General Counsel & Director of Facilities

**Attachments**

YMC resolution



**RESOLUTION OF THE BOARD OF DIRECTORS  
OF  
MAGNOLIA EDUCATIONAL & RESEARCH FOUNDATION  
A California Public Benefit Corporation  
Board Resolution #20180412-1**

**RESOLUTION APPROVING CHARTER MATERIAL REVISION –  
MAGNOLIA SCIENCE ACADEMY 1**

WHEREAS, the Board of Directors (“Board”) of Magnolia Educational & Research Foundation (“Magnolia Public Schools”) finds it in the best interest of Magnolia Public Schools and in furtherance of its educational and charitable purposes to submit a material revision of the Magnolia Science Academy (“MSA-1”) charter as authorized by the Los Angeles County Board of Education (the “County”) and provided for in Education Code Section 47607.

NOW THEREFORE, BE IT RESOLVED, that Magnolia Public Schools shall prepare a material revision of the MSA-1 charter, along with supporting documentation as necessary, for submission to the County;

BE IT RESOLVED FURTHER, that Magnolia Public Schools authorizes its CEO, Caprice Young, to sign the request for a material revision, prepare the supporting documents, and otherwise act on behalf of Magnolia Public Schools with respect to the material revision application process; and

BE IT RESOLVED FURTHER, that Magnolia Public Schools directs CEO Young to work with the County on the details of the material revision submission, and authorizes CEO Young to amend the material revision application based on the best interests of Magnolia Public Schools;

BE IT RESOLVED FURTHER, that the nature and scope of the major changes associated with the material revision of the MSA-1 charter are:

1. To update the MSA-1 charter, including but not limited to the grade levels and enrollment capacity;
2. To update the MSA-1 budget and financial projections to reflect the above;
3. To update the MSA-1 charter for any new laws enacted since the MSA-1 charter was last approved, pursuant to Education Code Section 47607(a)(2).

\* \* \*

IN WITNESS WHEREOF, the Board of Directors has adopted the above resolution by the following vote at a regular Board meeting this 12<sup>th</sup> day of April, 2018.

AYES:

NOS:

ABSTENTIONS:

ABSENT:

By: \_\_\_\_\_

Umit Yapanel, Ph.D., Secretary