



Board Agenda Item #	Agenda # III A- Action Item
Date:	May 26, 2018
To:	Magnolia Board of Directors
From:	Caprice Young, Ed.D., CEO & Superintendent
Staff Lead:	Mustafa Sahin, Principal MSA1
RE:	Approval to Use Reserve Funds to Purchase Books and Furniture for the new MSA 1 Campus Location

Proposed Board Recommendation

I move that the board approve the purchase of books and 6 smart TV sets, furniture and fixture (150 students' desks, teachers' desks, and other office furniture), using a portion of the projected net income for MSA 1 in 2017-18 not to exceed \$148,000.

Background

- MSA 1 is projecting a net income of \$700K for the current fiscal year 2017-2018.
- For 2018-19, MSA 1 already enrolled additional two classes for 6th grade and one class for 9th grade. This totals around 100 additional students for 2018-2019.
- MSA 1 is going to lease and operate a new campus to house these students. We will need to buy books, furniture and equipment to prepare for the opening of the new school year.

Budget Implications

- McGraw Hill is our approved textbooks vendor. Estimated cost of books purchase is \$100,000.
- We are also in need for classroom furniture - 150 students' desks, teachers' desks, and other office furniture. Estimated cost is around \$24,000.
- We are requesting six (6) Smart TV sets estimated at \$4k each with estimated cost of \$24,000. We plan to use the same vendor for the TV sets that we purchased from last year.

Total estimated cost needed to furnish the new campus is \$148,000.

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

MSA1 has a very tight budget for next year, 2018-2019 due to the increase in the bond payment around \$450K and second campus expense, just rent is \$120K. When we worked on the 2018-

2019 budget with finance team, we did not have any room to put these expenses in 2018-2019 budget. Buying them this year will help next year's budget.

Name of Staff Originator:

Mustafa Sahin, Principal