



MAGNOLIA
EDUCATIONAL & RESEARCH
FOUNDATION

Magnolia Public Schools

Minutes

Finance/Audit Committee Meeting

Date and Time

Thursday October 6, 2016 at 6:00 PM

Location

Teleconference Dial: 1.844.572.5683 Code:1948435

Regular Finance Committee Meeting

Finance Committee Members:

Ms. Noel Russell-Unterburger, Chair

Mr. Serdar Orazov

CEO and Superintendent:

Dr. Caprice Young

Committee Members Present

N. Russell-Unterburger (remote), S. Orazov (remote)

Committee Members Absent

None

I. Opening Items

A. Record Attendance and Guests

The meeting opened Thursday at 6:00 pm and reconvened Friday, October 7, 2016. Both Finance Committee members joined the meeting remotely.

B. Call the Meeting to Order

N. Russell-Unterburger called a meeting of the Finance Committee of Magnolia Public Schools to order on Friday Oct 7, 2016 at 7:36 AM.

C. Public Comment

There were no public comments.

D. Approval of Agenda

N. Russell-Unterburger made a motion to approve the agenda as presented.

S. Orazov seconded the motion.

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

E. Approval of Regular Finance Committee Meeting- September 06, 2016

N. Russell-Unterburger made a motion to approve minutes from the Regular Finance Committee Meeting on 09-06-16 Finance/Audit Committee Meeting on 09-06-16.

S. Orazov seconded the motion.

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

II. Action Items- Recommendation to Full Board

A. Approval of Revised Education Protection Act (EPA) Resolution

O. Diaz, Chief Financial Officer, presented the Revised Education Protection Act (EPA) Resolution to the Finance Committee. He explained that these funds were already included in the budget. N. Unterburger, committee member, requested that all similar funds be presented to the board along with the budget. M. Miller, MPS internal auditor, went over the special guidelines that are required by different funders such as EPA, Teaching Effectiveness Account, and College Readiness. The committee discussed this item in length, no actions were taken. This item will be presented to the full board for approval.

B. Approval of 2016-17 Intra Company Loans

O. Diaz, Chief Financial Officer, presented the 2016-17 Company Loans item to the Finance Committee. He explained that this loan would cover operational needs for Magnolia Science Academy Santa Ana. C. Young, Chief Executive Officer, explained that the gym construction on this site would require a different loan and the funds being approved under the presented item would not be used for the construction. When all documentation are ready, the construction loan will be presented to the Board at a future meeting. All questions were addressed.

S. Orazov made a motion to recommend approval of the MSA Santa Ana cash management intra-company loans for operational expenses of the same site.

N. Russell-Unterburger seconded the motion.

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

III. Discussion Item

A. Financial Update- August 2016

A. Marsh, from EdTec went over the financial presentation. She informed the Board that 97% of uncategorized items have been categorized, emergency check requests have decreased and are now being used mostly on termination checks, Edtec has trained office managers in proper submission of Coolsis requests and MPS is in the process of centralizing invoices to the home office. She also explained that due to the change from 10 month to 12 month agreements teacher contracts have over lapped and there is a month of pay that needs to be paid from 16-17 although it was worked in 15-16, this is due to contracts beginning July 1, 2015. The over lapping month will be paid from the reserve money of each school, insuring current operational expenses are not affected. S. Orazov, Board member, requested that budgets be presented to the MPS Finance Committee in May and to the full board in June.

A. Marsh told the Board that the August financials include the one time funding for last year's average daily attendance, the July 2016 teacher pay and health benefits amongst other elements. C. Young, informed the Board that C-level staff met with principals this week to insure they are staying within their approved budget numbers and staff will present a rebalanced budget to the board in November.

IV. 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 9:33 AM.

Respectfully Submitted,
N. Russell-Unterburger