APPROVED

Magnolia Public Schools

Minutes

Regular MPS Board Meeting

Date and Time
Thursday July 12, 2018 at 5:30 PM

Location
MPS Home Office: 250 E. 1st St. Ste.1500 Los Angeles, CA 90012

Board members who participated remotely joined from the following locations:
• MSA-SD 6525 Estrella Ave. San Diego, CA 92120 (Dr. Salih Dikbas)
• 940 Steward Dr. Sunnyvale, CA 94085 (Dr. Umit Yapanel)
• 1363 Ridgecrest Rd Pinole, CA 94564 (Mr. Serdar Orazov)
• 100 Colter Bay Village Campground Road, C-51 Moran, WY 83013 (Dr. Saken Sherkhanov)

Board Members:
Dr. Saken Sherkhanov, Chair
Mr. Haim Beliak, Vice-Chair
Dr. Umit Yapanel
Mr. Serdar Orazov
Dr. Salih Dikbas
Ms. Diane Gonzalez
Ms. Charlotte Brimmer
Ms. Sandra Covarrubias
Mr. Shohrat Geldiyev

CEO & Superintendent:
Mr. Alfredo Rubalcava

Directors Present
C. Brimmer, D. Gonzalez, H. Beliak, S. Covarrubias, S. Dikbas (remote), S. Geldiyev, S. Orazov (remote), S. Sherkhanov (remote), U. Yapanel (remote)

Directors Absent
None

Directors who arrived after the meeting opened
S. Sherkhanov

I. Opening Items

A. Call the Meeting to Order

H. Beliak called a meeting of the board of directors of Magnolia Public Schools to order on Thursday Jul 12, 2018 at 5:59 PM.

B. Record Attendance and Guests

The following Board members joined the meeting late; S. Dikbas and S. Sherhanov. S. Geldiyez abstained from voting on the approval of the minutes since he was not part of the Board during those meetings.

C. Public Comments

C. Brimmer, MPS Board Member, commented on her experience at the National Charter School Conference. No other public comments were made.

D. Approval of Agenda

C. Brimmer made a motion to approve the agenda as presented.
S. Covarrubias seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call

S. Geldiyev	Aye
S. Covarrubias	Aye
D. Gonzalez	Aye
S. Dikbas	Absent
C. Brimmer	Aye
S. Sherkhanov	Absent
U. Yapanel	Aye
H. Beliak	Aye
S. Orazov	Aye

E.

Approval of Minutes of Regular Board Meeting from June 14, 2018

C. Brimmer made a motion to approve minutes from the Annual/Regular MPS Board Meeting on 06-14-18 with the requested amendments Annual/Regular MPS Board Meeting on 06-14-18.
D. Gonzalez seconded the motion.
The board **VOTED** to approve the motion.

Roll Call

S. Covarrubias	Aye
D. Gonzalez	Aye
S. Orazov	Aye
C. Brimmer	Aye
S. Geldiyev	Abstain
S. Sherkhanov	Aye
S. Dikbas	Absent
U. Yapanel	Aye
H. Beliak	Aye

S. Sherkhanov arrived.

F. Approval of Minutes of Special Board Meeting from June 14, 2018

C. Brimmer made a motion to approve minutes from the Special Board Meeting on 06-14-18 Special Board Meeting on 06-14-18.
D. Gonzalez seconded the motion.
The board **VOTED** to approve the motion.

Roll Call

S. Sherkhanov	Aye
S. Geldiyev	Abstain
H. Beliak	Aye
U. Yapanel	Aye
D. Gonzalez	Aye
C. Brimmer	Aye
S. Orazov	Aye
S. Dikbas	Absent
S. Covarrubias	Aye

G. Approval of Minutes of Special Ad Hoc Committee Meeting from June 2, 2018

D. Gonzalez made a motion to approve minutes from the Special Ad-Hoc Committee Meeting on 06-02-18 Special Ad-Hoc Committee Meeting on 06-02-18.
S. Covarrubias seconded the motion.
The board **VOTED** to approve the motion.

Roll Call

D. Gonzalez	Aye
S. Covarrubias	Aye
S. Sherkhanov	Aye

Roll Call

C. Brimmer	Aye
S. Dikbas	Absent
H. Beliak	Aye
U. Yapanel	Aye
S. Orazov	Aye
S. Geldiyev	Abstain

H. Approval of Minutes of Regular Ad Hoc Committee Meeting from June 8, 2018

S. Covarrubias made a motion to approve minutes from the Regular Ad Hoc Committee Meeting on 06-08-18 Regular Ad Hoc Committee Meeting on 06-08-18.
C. Brimmer seconded the motion.
The board **VOTED** to approve the motion.

Roll Call

S. Dikbas	Absent
C. Brimmer	Aye
D. Gonzalez	Aye
S. Geldiyev	Abstain
H. Beliak	Aye
U. Yapanel	Aye
S. Sherkhanov	Aye
S. Orazov	Aye
S. Covarrubias	Aye

II. Consent Items

A. Approval of 2018-19 Employee Handbook

S. Acar, Chief Operations Officer, updated the Board on the changes that happened in the Human Resource (HR) department, he went over new staff hiring and the recruitment process. S. Acar gave a brief background on the changes made to the employee handbook and the reasons behind making these changes such as legal requirements. He also stated that the handbook had been review by our attorneys. He gave an in depth explanation on why the amount of paid time off (PTO) has increased, how Paycom has supported HR duties and other updates made to the handbook. D. Hajmeirza, Human Resources Director, supported S. Acar in the explanation of the changes.
H. Beliak made a motion to postpone the approval of the 2018-19 Employee Handbook to the next Special or Regular MPS Board of Directors Meeting.
C. Brimmer seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call

U. Yapanel	Absent
H. Beliak	Aye
S. Orazov	Aye

Roll Call

S. Dikbas	Absent
S. Geldiyev	Aye
S. Sherkhanov	Absent
S. Covarrubias	Aye
D. Gonzalez	Aye
C. Brimmer	Aye

B. Approval of Online Curriculum and eLearning Programs Vendors

E. Acar, Chief Academic Officer, explained that the approval of this item was due to the expiration of a previously approved three year contract for the same services. Now there was a new bidding process. Staff reached out to 12 online course providers and 5 submitted proposals. The vendor that staff is recommending has been providing similar services to others schools and districts nationwide for over 20 years. E. Acar, explained in depth the services that this company would be providing for students and he addressed the questions that Board members had. E. Acar stated that the cost for this service will be covered by each school and this has already been budgeted but schools have the choice to contract with this vendor or they can opt out if they prefer. Some board members had additional questions that required further research and the board decided to postpone approval of this item.
H. Beliak made a motion to postpone the approval of the Online Curriculum and eLearning Program Vendors to a later meeting taking into consideration all the questions that were raised.
C. Brimmer seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call

D. Gonzalez	Aye
H. Beliak	Aye
S. Covarrubias	Aye
S. Orazov	Aye
U. Yapanel	Absent
S. Dikbas	Absent
C. Brimmer	Aye
S. Geldiyev	Aye
S. Sherkhanov	Absent

III. Action Items

A. Approval of Change Order to Gafcon Construction Management Services Contract

P. Ontiveros, General Counsel and Facilities Director, explained to the Board the need for a change order to the Gafcon construction management services contract. He stated that Gafcon was requesting a change order for changes to their own contract for additional services that they have provided. They have conducted additional services there were not in their original contract such as attend board meetings. P. Ontiveros stated that he

looked over the Gafcon time sheets and agreed to the request. There had been a larger amount requested but P. Ontiveros negotiated a more reasonable and equitable amount.
S. Orazov made a motion to approve the change order request from Gafcon, Inc. for a $5,280 for additional services rendered to date described herein for the MSA-Santa Ana Project and an additional $2,500 allowance for additional services for a grand total amount of $7,780.
D. Gonzalez seconded the motion.
The board **VOTED** to approve the motion.

Roll Call

D. Gonzalez	Aye
C. Brimmer	Abstain
S. Geldiyev	Abstain
S. Orazov	Aye
S. Sherkhanov	Aye
S. Dikbas	Abstain
S. Covarrubias	Abstain
U. Yapanel	Aye
H. Beliak	Aye

B. Approval of Creation of Ad Hoc Committee for the MSA Santa Ana Construction Project

P. Ontiveros, General Counsel and Facilities Director, explained to the Board the need to create an Ad-Hoc Committee that would be allowed to approve any forthcoming change orders for the MSA-Santa Ana Gymnasium project. He expects the committee to meet only once. P. Ontiveros stated that per the MPS Bylaws, the Board has authority to designate approval authority to any of its committees.
S. Sherkhanov made a motion to delegate authority to the MPS Facility Committee to approve any change orders without needing full Board approval.
D. Gonzalez seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call

S. Geldiyev	Aye
S. Covarrubias	Aye
C. Brimmer	Aye
S. Orazov	Aye
S. Sherkhanov	Aye
U. Yapanel	Aye
H. Beliak	Aye
D. Gonzalez	Aye
S. Dikbas	Aye

C. Approval of Engagement of the Law Firm of Liebert Cassidy Whitmore ("LCW")

P. Ontiveros, MPS General Counsel and Facilities Director, presented the Liebert Cassidy Whitmore ("LCW") contract to the Board. He explained that he does not expect the contract to go over $25,000 but is presenting it to the Board in the event that billing should prove to exceed such threshold. P. Ontiveros explained the search process for different firms, he stated that he emailed three different firms who have to do the work. He explained the reasons behind his recommendation. S. Acar, Chief Operations Officer, delivered further background information on the reasons behind needing to contract this law firm. Per Board members request, staff gave some details on law firms who are currently serving Magnolia.
C. Brimmer made a motion to approve the engagement of the law firm of Liebert Cassidy Whitmore (“LCW”) not to exceed $25,000.
H. Beliak seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call

D. Gonzalez	Aye
C. Brimmer	Aye
S. Covarrubias	Aye
U. Yapanel	Aye
S. Sherkhanov	Aye
S. Dikbas	Aye
S. Orazov	Aye
H. Beliak	Aye
S. Geldiyev	Aye

IV. Discussion Items

A. Magnolia Public Schools LAUSD 2017-18 Oversight Reports and MPS Actions, Plans, Steps and Timelines

A. Rubalcava, Chief Executive Officer, explained the LAUSD oversight annual visits process and requirements. He explained that after authorizers visit the schools they create over site reports that include a "grade" for Governance, Academic Performance, Operational Management and Fiscal Operations. On May 25th, D. Yilmaz, Chief Accountability Officer, went over these components for each LAUSD authorized school which include Magnolia Science Academy 4,6,7,8. During this meeting (July 12th) staff elaborated on the fiscal operations, action plan, steps and timeline to remedy all corrective actions under the fiscal operations category. Chief Financial Officer, N. Montijo, informed the board of the items that LAUSD would like to see improvements in and she explained the action steps. These items included; signature on bank reconciliation statements, updated credit card name, request for ACH payments fiscal policy, itemized receipts for reimbursements, and oversight reports to be presented to the Board. N. Montijo addressed Board Members questions, S. Acar, Chief Operations Officer, added additional input to these questions. E. Acar, Chief Academic Officer, presented the areas of improvement for the Academic Performance for all Magnolia Science Academies including those authorized by Los Angeles Unified School District (LAUSD), Los Angeles

County of Education, California Department of Education and San Diego Unified School District. He explained that none of the reports showed areas of concern, overall the schools were doing well. E. Acar, stated that the LAUSD authorized schools received a 3 out of 4 rank in academic performance. There is area for growth in different subgroups such as English Language Learners, details are on the reports. For the State Board of Education, staff delivered an action plan which the authorizer was satisfied with. S. Acar, Chief Operations Officer, further explained the process of site visits and the reports. A. Rubalcava, briefly reported out on operational management and governance findings. I. Soto, Director of Partnerships, gave the Board a timeline on the submission of the upcoming charter petitions renewals and A. Rubalcava elaborated on the expected process for these submissions and the authorizer board meetings and hearings. This was an information/discussion item, no actions were taken or required.

B. Financial Update- May 2018

N. Montijo, Chief Financial Officer, briefly went over the financial updates. She stated that the items that needed to be noted were that MSA-Santa Ana is expected to end the year in the negative because the part time staff worked more hours than were budgeted. She explained how the school is expected to pay this item. S. Acar, Chief Operations Officer, explained the actions that will be taken in the new fiscal year to ensure this over budget does not happen again. E. Acar, Chief Academic Officer, also elaborated on the actions steps to address this issue. Staff went over other budget items for MSA- Santa Ana such as construction costs. N. Montijo, explained that the numbers presented are predicted numbers but they may change once auditors complete their audit. All questions were addressed. This was an information/discussion item. No actions were taken.

C. Facility Updates

P. Ontiveros, MPS Facilities Director and General Counsel, delivered updates on all the ongoing facility projects. He stated that the MSA-1 facility project is going as planned and there are no foreseen problems. He went over MSA-2 shade structure details, Prop 39 negotiations and the request for security cameras. Briefly he updated the Board on MSA-3, MSA-4 and MSA-5 facility Prop 39 negotiations. For MSA-6 he stated there was an electrical panel upgrade, A/C units were installed by the church, the lease has been renewed for another year at the same rate as last year. The MSA-7 pavement work has been completed and there is additional work that needs to get done during the summer. J. Hernandez, MSA-8 principal, explained the work that he thinks needs to be done on his campus and mentioned some of the hold back was due to the authorizer. MSA-San Diego is in close out mode, NextGen has completed their punch list work and Silver Creek is working on their punch list items. Once Silver Creek is done with their work, the Inspector of Record will review and if completed adequately (per plan and code, will sign off on the work. The MSA-Santa Ana project is going well and will be inspected once complete. There might be a change order coming to the Board for this project. All questions were addressed, this was an information/discussion item, no actions were taken.

V. 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 9:58 PM.

Respectfully Submitted,
H. Beliak