APPROVED

Magnolia Public Schools

Minutes

Finance/Audit Committee Meeting

Date and Time
Thursday June 2, 2016 at 2:00 PM

Location
Dial:1.844.572.5683 Code: 1948435

Special Finance Committee Meeting

Finance Committee Members:
Noel Russell-Unterburger, Chair
Serdar Orazov

CEO and Superintendent:
Caprice Young

Committee Members Present
N. Russell-Unterburger (remote), S. Orazov (remote)

Committee Members Absent
None

I. Opening Items

A. Record Attendance and Guests

B.

Call the Meeting to Order

N. Russell-Unterburger called a meeting of the Finance Committee of Magnolia Public Schools to order on Thursday Jun 2, 2016 at 2:03 PM.

II. Action Items- Recommendation to Full Board

A. Approval of 2016-17 Annual Budgets for Magnolia Public Schools

O. Diaz, Chief Financial Officer, presented the 2016-17 Annual Budgets of Magnolia Public Schools. He went over each schools' budget, capitalized items, and Charter Management Office (CMO) fees. C. Young, Chief Executive Officer, went over the changes in past and current employee positions and she presented details on the allocations of current CMO staff salaries. It was explained that Paycom has the features to show what funds are used to pay for salaries as required. After a lengthy discussion, the committee decided to table the item for further discussion and they requested several items for review from the finance department. All questions and concerns were addressed. No actions or recommendations were made on this item.

B. Approval of Revised CMO Cost Allocation Table and Reserve for Economic Uncertainties

The CMO Allocation item was discussed and tabled along with item II B 2016-17 Annual Budgets for Magnolia Public Schools.

C. Approval of MERF 2014 and MSA 2010-14 Income Tax Returns

M. Miller , Vavrinek, Trine, Day & Co., LLP (VTD) partner, explained that Magnolia Science Academy-1 has it's own tax ID from the rest of organization which was obtained at an earlier date. The approval of this item will allow staff to move forward with making the necessary changes to have Magnolia Science Academy- 1 under the same Tax ID as the rest of Magnolia Public Schools and not it's own entity. There is a minimal fee required to complete this process. All questions were addressed. This item was discussed in detail, no recommendations or actions were taken.

D. Approval of Revisions to Accounting Policies and Procedures

O. Diaz, Chief Finance Officer, explained the changes made to the following policies; accounts payable and cash disbursement policy and bidding requirements payable. He explained that these revisions were made to be proactive and enhance the existing policies. No actions or recommendations were made on this item.

E. Approval of Cash Management Intra-Company Loans for Operational Expenses

This item was not discussed, the item will be presented to the full board for discussion and approval during the next board meeting.

III. Discussion Items

A. Financial Update- April 2016

A written report was delivered, there was no discussion on this item.

IV. Written Item

A. Finance Department Year End Report

A written report was delivered, there was no discussion on this item.

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 5:15 PM.

Respectfully Submitted,
N. Russell-Unterburger