APPROVED

Magnolia Public Schools

Minutes

Finance/Audit Committee Meeting

Date and Time
Tuesday June 21, 2016 at 4:00 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

B. Call the Meeting to Order

N. Russell-Unterburger called a meeting of the Finance Committee of Magnolia Public Schools to order on Tuesday Jun 21, 2016 at 4:08 PM.

C. 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.

D. Approval of Special Finance Committee Meeting- June 2, 2016

N. Russell-Unterburger made a motion to approve minutes from the Special Finance/Audit Committee Meeting that took place on 06-02-16 Finance/Audit Committee Meeting on 06-02-16.
S. Orazov seconded the motion.
The committee **VOTED** unanimously to approve the motion.

II. Action Items- Recommendation to Full Board

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

The committee discussed the budget in length. Committee members asked staff to follow up on the documents requested. No actions were taken, the item will be further discussed during the next Finance Committee meeting.

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

This item was discussed along with the previous item, 2016-17 MPS budget. The committee would like to see the requested documents before approving. The committee did not make any recommendations on the CMO allocation item, the item will be discussed and possibly acted upon during the next Finance Committee meeting.

C. Discussion and Possible Recommendation of Closure of Magnolia Science Academy- Santa Clara

Chief Financial Officer, O. Diaz, explained the documents that were provided to the Board for this item. He went over the analysis of the assets and liabilities of MSA Santa Clara (MSA SC). It was explained that some of the furniture would be transferred to the new MSA Santa Ana facility and all assets would be transferred to the home office's consolidated budget. The committee discussed the three options of MSA SC debt transfer and they discussed the effective closure date of the school. MPS staff is in contact with authorizers to assure all closure procedures are followed correctly. Staff has also received legal advice and advice from internal auditors on closure procedures. M. Miller, partner form VTD Auditing Firm was on the call to address questions. All questions were addressed.

III. 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 5:36 PM.

Respectfully Submitted,
N. Russell-Unterburger