San Diego Unified School District School Board

John Lee Evans, Board President

johnleeevans@sandi.net

November 10, 2013

Dear Mr. Evans:

I am writing to strongly encourage you to reject the application for Magnolia Science Academy – Next Generation charter school.

As you know, this proposed charter school would be part of the already existing chain known as Magnolia Public Schools, which includes 11 charter schools in northern and southern California.

Magnolia Public Schools has a track record of questionable accounting and fiscal practices that would make is irresponsible to approve additional schools under their management at this time.

Some of these fiscal irregularities are examined in detail in an audit from Los Angeles City Board of Education Office of the Inspector General, dated August 2012:

<http://notebook.lausd.net/pls/ptl/url/ITEM/C1D28BFC2547C082E0430A000210C082>

Poor accounting practices and other financial issues have been noted not only in theMagnolia schools authorized by Los Angeles Unified School District, but also in Santa Clara County.

The San Jose Mercury News, Jan 24, 2013 reported on a “Notice of Concern” regarding Magnolia Science Academy Santa Clara (MSA-SC): "The school, located in Santa Clara, has had a negative cash flow, poor fiscal accounting and a problem with internal controls, according to Micaela Ochoa, chief business officer for the Santa Clara County Office of Education, which oversees the charter." (Link for Mercury news article: <http://www.mercurynews.com/education/ci_22444058/santa-clara-county-school-board-extends-charter-magnolia?source=rss>)

In May 2013, the Santa Clara County Office of Education wrote a letter to Mehmet Argin, the Chief Executive Officer of Magnolia Public Schools (http://[www.sccoe.org/countyboard/Documents/2012-13/051513/12L.pdf](http://www.sccoe.org/countyboard/Documents/2012-13/051513/12L.pdf)) to inform him of ongoing “serious concerns.” The letter stated: “As we have been discussing with you and your staff since July 2012, and more recently with your March 2013 Second Interim Report, the Santa Clara County Office of Education finds that MSA-SC has failed to meet generally accepted accounting principles.” Particularly disturbing in this letter is the finding that “The cash flow statement did not include any activity for 58% of the year from July 2012 to January 2013,” and further findings of discrepancies of around a hundred thousand dollars. The letter makes it clear that SCCOE had lengthy meetings with Magnolia to try to correct these problems, and that despite this, the issues were continuing.

It is my sincere belief that all the above indicates a systemic problem in Magnolia’s management. I feel strongly that authorization of the proposed Magnolia Science Academy – Next Generation charter school would be ill-advised and irresponsible with respect to taxpayers.

Sincerely,

[Name of Concerned Citizen]

[Concerned Citizen’s contact information]