

Financial Affairs  
Richard H. Hinds, Chief Financial Officer

**SUBJECT: IMPLEMENTATION OF A 2% ASSESSMENT ON INTERNAL FUND REVENUES TO REIMBURSE THE GENERAL FUND FOR INTERNAL FUND ACCOUNTING AND AUDITING STAFF**

As part of the budget reduction plan previously approved by the School Board at the Board meeting of December 12, 2001, the salaries and related fringe benefits of eighteen (18) staff positions, currently funded by the General Fund, who perform Internal Fund accounting and auditing functions for the District's schools, would now be paid by a 2% assessment on revenues generated through the schools' Internal Fund activities.

Details of this portion of the reduction plan were contained in backup materials distributed to School Board Members on December 10, 2001 for the Budget Workshop held on the morning of the School Board Meeting of December 12, 2001. However, because these details were not specified in Resolution No. 1 of the budget reduction plan approved at that School Board meeting, the School Board is now being asked to confirm this portion of the reduction plan.

For fiscal year 2001-02, the 2% assessment will be applied to revenues generated from January 1, 2002 to June 30, 2002. In subsequent years, the 2% assessment will be applied to revenues generated during the entire fiscal year.

Procedures to implement this measure will be disseminated to all schools upon confirmation by the Board.

**RECOMMENDED:** That The School Board of Miami-Dade County, Florida, confirm a 2% assessment on school's Internal Fund revenues to reimburse the General Fund for payroll costs, including related fringe benefits, of accounting and auditing staff who provide services to the schools' Internal Fund.

RHH:egc