

Dr. Marta Pérez, Vice Chair

**SUBJECT: ADMINISTRATIVE FEE ON INTERNAL FUNDS**

**COMMITTEE: INSTRUCTIONAL EXCELLENCE AND COMMUNITY  
ENGAGEMENT**

**LINK TO DISTRICT  
STRATEGIC PLAN: RAISE PARENTAL INVOLVEMENT AND PARTICIPATION TO  
MAXIMIZE STUDENT PERFORMANCE**

As a result of the Board's approval of Agenda Item E-14 on November 18, 2008, a 20% fee was imposed on schools for administering internal funds on balances as of June 30, 2008. This included monies generated from fundraising efforts by parents and students, donations by parents and the community, as well as memorial scholarship funds. Additionally, the Board approved Agenda Item E-3 on February 11, 2009 that assesses a 5% administrative fee on Internal Fund accounts, beginning with fiscal year 2009-10 and allows principals to transfer up to 20% of available Internal Fund account balances at the end of the fiscal year 2008-2009 and 15% at the end of each subsequent fiscal year beginning 2009-10 to the school's General Miscellaneous account. These well-intended efforts sought to balance the District's General Fund Budget.

After receiving many complaints from stakeholders stating that donations and fundraising efforts had been earmarked for a specific use, and that they had never authorized the board to make use of these monies, the Superintendent wisely deferred this action pending further review and implementation at the end of this academic year. Many callers questioned the legality of this administrative fee and balance transfer.

This item proposes that the Superintendent balance the budget without imposing any fees on donations, scholarship funds and monies generated as a result of fundraising efforts by students, parents, or community members that are earmarked for a specific use or purpose. In these difficult times when we depend on the generosity of our stakeholders to assist our students with funds to compete, improve or participate in activities that the District cannot support financially, it is imperative that our actions not be perceived as an abuse on the generosity of our stakeholders. Staff proposed this fee to offset the financial cost of auditing the internal fund accounts but this might simply be resolved by allowing parents to open outside bank accounts, a practice in place until approximately 2004. If the district wishes to attract more parental involvement and financial assistance from our community, then it must use donations, fundraising efforts, and scholarship funds deposited into our schools' responsibly and for its intended use.

**ACTION PROPOSED BY  
DR. MARTA PÉREZ:**

That The School Board of Miami-Dade County, Florida, direct the Superintendent to exempt from any administrative, auditing or balance transfer fees all donations, scholarship funds and monies generated as a result of fundraising efforts by students, parents or community members that are earmarked, donated or generated for a specific use or purpose.