

Dr. Lawrence S. Feldman, Vice Chair

**SUBJECT: ENHANCED BUSINESS PRACTICES**

**COMMITTEE: FISCAL ACCOUNTABILITY**

**LINK TO STRATEGIC FRAMEWORK: STUDENT, PARENT, AND COMMUNITY ENGAGEMENT**

In January 2013, Miami-Dade County Public Schools issued a request for proposals (RFP) for an adult education student accounting system. Included in the RFP was the ability to expand the usage for other district-wide activities. This bid was awarded in October 2013 (E-141) to ACELO Solutions. According to the item, ACELO will, in addition to the adult student accounting function, also provide district-wide secure online access for students and parents to pay for a variety of services and obligations.

During the March 18, 2015 school board meeting, several questions regarding the functionality of the ACELO system were raised. These questions were intended to clarify the function of the system as it relates solely to purchases of products at non-adult centers by our traditional K-12 students for yearly purchases, such as class pictures. Of particular interest were questions centered on K-12 school-site secretary and/or treasurer roles and responsibilities as they related to ACELO. As often noted at the Audit, Budget and Advisory Committee meetings after reviewing secretary/treasurer-related audit exceptions, the work load of school secretary/treasurers far outweighs the compensation afforded and training/education level required for the position. Although the nearly two-year delay in the expanded implementation of a pilot for ACELO can be appreciated as perhaps an abundance of caution, it leads to questions regarding what exactly will be required of school treasurers in terms of auditable work load. School districts throughout Florida and the country have alleviated the school secretary's/treasurers' role in class picture collection altogether, opting instead to make the direct point of sale and bond-insured vendors responsible for every facet of collection through their own web sites and access to auditable software. This move towards facilitating Web-based payments were envisioned as a collections approach that would immediately alleviate pressures for both families and school treasurers, not add a platform that requires training and continues to place the burden of collection and auditing on the secretary/treasurer as applicable.

The bid award item notes that "As part of the implementation process, staff will be coordinating the implementation of a standardized payment platform and merchant services that may include utilizing an ACELO option as the payment gateway, or programming interfaces with other district approved payment gateway providers. Ongoing credit card processing fees (merchant services and payment gateway services), with the exception of K-12 schools, will be funded by the respective school/department less fees that may be charged. K-12 ongoing credit card processing fees will be funded by the General Fund." The question of school district and site liabilities incurred through the possible role as point of sale in ACELO-based transactions and its consequent effect on the General Fund remain unanswered. Efficient and economically sound business practices implemented in almost every other school district in Florida avoid incurring fiscal responsibilities for credit card processing fees, charge backs, disputed fees, etc.

As we move into the pilot phase of the broader ACELO function of payment collection for a variety of services at K-12 sites throughout the District, we have an opportunity to visit questions of efficiency, ensure enhanced business practices, provide needed personnel work-load relief, and reduce the negative impact on our schools and district's General Fund. At its March 18, 2015 meeting, the School Board approved agenda item H-5, which authorized the Superintendent to initiate rulemaking procedures amending policies and manuals to reflect prior, current, and projected use of on-line/electronic payment for products such as school pictures, field trips, and yearbooks. This follow-up item requests that the Superintendent explore efficiency opportunities in the Web-based collection processes offered by ACELO, as well as other options, such as allowing students and families to utilize web-based payment options directly from point of sale, bonded vendors, who will assume credit card processing fees and liabilities, while still ensuring accountability.

**ACTION PROPOSED BY  
DR. LAWRENCE S. FELDMAN:**

That The Miami-Dade County Public School Board direct the Superintendent to explore efficiency opportunities in the Web-based collection processes offered by ACELO, as well as other options, such as allowing students and families to utilize web-based payment options directly from point of sale, bonded vendors, who will assume credit card processing fees and liabilities, while still ensuring fiscal accountability and bring back a report to the board at its July School Board Meeting. Recommendations should specifically address the:

- a. school secretary/treasurer (as applicable) roles, audit responsibilities, and work load in the ACELO Web-based collection system for student payment of services and products;
- b. practices in use throughout the State by school districts who offer Web-based collections directly from bonded and approved vendors of popular school site services and products (e.g. school pictures, field trips, yearbooks, etc.) and explain the point of sale, bonded vendor's role, auditing responsibilities and accountability features as contracted throughout school districts in Florida, with an emphasis on those auditing and accountability features; and
- c. district General Fund, and school-site projected credit card processing costs and liability exposure associated with utilizing the ACELO Web-based format versus district and/or school site projected credit card processing costs and liability exposure associated with direct point of sale purchases from bonded vendor's web site.