

District Budget**TREASURY POLICIES: DEBT MANAGEMENT; FUND BALANCE RESERVE; WARRANTS AND ELECTRONIC TRANSFERS**

The Treasury Advisory Committee, which was authorized by the School Board of Miami-Dade County, Florida at its meeting of July 11, 1984, shall review and when appropriate recommend for approval to the Board policies specified by the Superintendent's staff regarding administration of the treasury functions of the School Board. The following policies and those under Board Rule(s) 6Gx13- 3B-1.01, Investment of Funds - Principles and 6Gx13- 4D-1.102, Early Retirement Plan - Investment Policies, are such policies:

I. Debt Management Policies

The specific policies and procedures to be followed for Debt Management are delineated in the manual, **Debt Management Policies**, which is incorporated by reference in this rule and made a part thereof. The manual, Debt Management Policies, is on file in the Office of Board Recording Secretary and the Citizen Information Center.

II. Fund Balance Reserve Policies

The specific policies and procedures to be followed for Fund Balance Reserve Policies are as follows:

General Fund Reserve: Target 5.5% of Unreserved General Fund Balance, including Designated for Rebudgets/Obligations and Undesignated, as a percentage of Total General Fund Revenues at Fiscal Year End.

Replenishment of General Fund Reserve: If the unreserved fund balance is below 5.5% at the end of the fiscal year, the Five Year Financial Forecast must include a separate line item to directly identify restoring the 5.5% target within the following two fiscal years.

The General Fund Reserve use shall be limited to funds unanticipated and for non-recurring extraordinary needs of an emergency nature such as, but not limited to, natural disasters, extraordinary weather events such as hurricanes, floods, tornadoes or unforeseen revenue shortfalls that occur within the year's budget cycle. The General Fund Reserve may not be used to fund settlements or judgments against the District or to fund collective bargaining contracts.

III. Warrants & Electronic Transfers Policies

The following policies and procedures shall be followed for the disbursement of District funds by warrants and through electronic transfer.

A. Warrants

1. Warrants are to be executed by facsimile signature of the Chair and Superintendent of Schools.

B. Electronic Funds Transfer (EFT's)

1. EFT's initiated by the School Board must be authorized under the School Board's current Banking Services Agreement. The Banking Services Agreement must be signed by the School Board Chair and the Superintendent of Schools, and must specify that the Chief Financial Officer and the Treasurer jointly must sign each Wire, Automatic Clearing House (ACH), and/or Electronic Data Interchange (EDI) Agreements. Every account being debited/credited must be pre-authorized under a Repetitive Wire Transfer Agreement, or an ACH Agreement.
2. EFT's between School Board accounts are to be executed by staff who are bonded and authorized by the Chief Financial Officer and the Treasurer. These transfers include the funding of accounts used to pay expenditures, beneficiaries, and claims. The transfers do not represent direct 3rd party payments of an expenditure, advance, or reduction of cash asset.
3. EFT's to the Charter School's or for the benefit of the Charter School will be authorized by the originating department head, the Chief Financial Officer or their designee, and by one of the following staff: Chief Budget Officer, Controller, or Treasurer.
4. EFT's representing payments processed under the Accounts Payable or Payroll systems will be executed as follows:
 - a. Payments are executed under the rules of the ACH, EDI, or Direct Deposit Agreements.

- b. Payments for Payroll Taxes and for funding of the State's Retirement System are to be executed under the Direct Deposit Agreements set-up by the Internal Revenue Service and by the State of Florida, respectively.
 5. Payments to the Depository Trust Company or other paying agent or trustee for debt service or lease payment on Certificates of Participation shall be paid under the repetitive wire transfer agreement preauthorized by the Treasurer and Chief Financial Officer.
 6. EFT's representing 3rd party payments of expenditures, advance, or reduction of cash assets, which were not processed under the Accounts Payable or Payroll systems will be authorized by the Originator, the Department Head, the Chief Financial Officer or designee, and the Superintendent of Schools or designee. These payments include but are not limited to payment of health insurance premiums and payment of any other obligations of the District similar in nature.
 7. The Superintendent of Schools designates the Treasurer, Assistant Treasurer, or the Director of Treasury Systems to confirm EFT's with the financial institutions servicing the School Board by e-mail, fax, and or mail.
- C. Payments under Custodial/Trust Agreements or 3rd Party Agreements to pay Insurance Claims will be governed by the provision of the applicable agreements.

The Superintendent shall designate by directive the individuals who are his designees as set forth in this Board Rule.

Specific Authority: 1001.41(1)(2); 1001.42(25); 1001.43(10) F.S.

Law Implemented, Interpreted, or Made Specific: 215.85; 668; 1010.11; 1010.40; 1011.12; 1011.13; 1011.14; 1011.20; 1011.71, F.S.; 6A-1.0012 F.A.C.

History: THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

New: 4-4-90

Amended: 1-9-91; 4-3-91; 10-23-02; 1-19-05; 4-18-06; 10-13-10