



Item: AF: I-3

AUDIT AND FINANCE COMMITTEE

Wednesday, April 25, 2007

SUBJECT: PROPOSAL TO SUSPEND 2007-2008 ACTIVITY FEES FOR CURRENTLY ENROLLED FLORIDA ATLANTIC UNIVERSITY SCHOOLS STUDENTS.

PROPOSED BOARD ACTION

Information only. The Committee is requested to consider a one year suspension of 2007-08 activity fees for Florida Atlantic University Schools (FAUS), including A.D. Henderson University School and FAU High School for all currently enrolled FAUS students. Students newly enrolled to the school in 2007-08 would pay activity fees as provided in the current (2006-07) school activity fee policy. This issue will return to the Audit and Finance Committee for action in June 2007 with other fees requests.

BACKGROUND INFORMATION

Four public universities in Florida are authorized to operate lab schools (FAMU, FAU, FSU, UF) and charge a lab school activity and service fee as provided in s.1002.32(5),FS. This fee is used to support student activities that are not instruction, facility or operation related. At FAU, the school's activity fees increased in years prior to 2002-03: after which they leveled and were subsequently decreased as some costs were repositioned and the school student population increased and diversified. New policies were implemented in 2003-04 through the current year (2006-07) which reduced fees by \$100/year/child for middle school and \$250/year/child for elementary grades and implemented a 50% reduction in standard activity fee amount for reduced meal eligible students and a waiver (no charge 0%) for free meal program eligible students. Current cash balance in the activity fee fund exceeds cash flow/contingency needs and should be fairly drawn down to more realistic carry forward amount. The requested action to the committee is to recommend the provision of a one year suspension of activity fee payments for all returning FAUS students (A. D. Henderson University School and FAU High School) to reduce the carry forward balance. This fee suspension would not be applicable to new students entering FAUS (ADHUS or FAU High). The FAUS Advisory Board has unanimously recommended this request.

IMPLEMENTATION PLAN/DATE

The suspension of activity fee payment would be effective for the eligible students only during the 2007-08 school year.

FISCAL IMPLICATIONS

This action reduces existing FAUS activity fee account surplus; no negative current or future fiscal implications.

Supporting Documentation: PowerPoint Presentation.

Presented by: Glenn Thomas, Director-ADHUS

Phone: 561-297-3977

Florida Atlantic University Schools-Activity Fees 2007-08

Glenn Thomas

April 2007

Background

- **Four public universities in Florida authorized to operate lab schools (FAMU, FAU, FSU, UF)**
- **Lab school activity and service fee authorized by s.1002.32(5),FS (1992).**
- **Used to support student activities that are not instruction, facility or operation related.**
- **Fee policies increased fees in years prior to 2002-03: after which they leveled and decreased as some costs were repositioned and the school student population increased and diversified.**

Background-cont.

- Fees peaked in 2001-02 and 2002-03 at \$600/year/child; \$300 reduced, \$150 free
- New policies were implemented in 2003-04 through the current year 06-07 which:
 - Reduced fees by \$100/year/child for middle school and \$250/year/child for elementary
 - Continued 50% reduction for reduced meal and implemented a no charge (0%) for free meal program eligible students

Background ...Cont

- Higher percentage of free and reduced meal eligible students enrolled at ADHUS (12.7% vs. 22.8%) after the 0% policy
- Activity fees for 2008-09 are currently under review by the School Advisory Board as a component of the university's comprehensive review of BOT Regulation 8.003 regarding Special Fees, Fines and Penalties.

Current Status

- Activity fee costs currently aligned with activity fee account.
- Current cash balance in the activity fee fund exceeds cash flow/contingency needs and should be fairly drawn down to more realistic carry forward.
- Current cash balance is \$415,000; expenditures are about \$215,000/year; providing for a cash flow/contingency pool of \$200,000 entering 2008-09.

Requested action

- Provide a one year suspension of fee payments for all returning FAUS students (A. D. Henderson University School and FAU High School) to draw down the carry forward balance. This fee suspension would not be applicable to new students entering FAUS (ADHUS or FAU High).

Questions

Glenn Thomas

Exec. Director PK-12 Schools and Programs

gthomas@fau.edu