

Eau Claire Public Schools Foundation Administrative Fee Policy

The Eau Claire Public Schools Foundation (herein known as “ECPSF”) Administrative Fees Amendment to Agreement, which was approved on April 30, 2015, has been rescinded and replaced by the following policy.

Pass-Through and Fiscal Sponsorship Administrative Fees

The administrative fees for the School Pass-Through Funds (Greatest Needs Funds), Non-School Pass-Through Funds (Funds established by committees or individuals) and Fiscal Sponsorship Funds will be split as follows:

- 50% of administrative fees go to the ECCF Operations Fund
- 50% of administrative fees go to the ECPSF Operations Fund

Examples:

When the Pass-Through Fund agreement’s administrative fee is 5% of gifts received, 2.5% of the gift total is distributed to ECPSF Operations Fund and 2.5% to the ECCF Operations Fund each month.

When the Fiscal Sponsorship Fund agreement’s administrative fee is \$12,000 a year, \$6,000 (\$500 a month) is distributed to the ECPSF Operations Fund and \$6,000 (\$500 a month) to the ECCF Operations Fund each year.

Endowment Funds (including quasi-endowed) Funds

The ECCF and ECPSF administrative fees, applied to each of its family of Funds, follow the ECPSF and ECCF Administrative Fee Schedule. These fees are deducted from each individual ECPSF Fund monthly as follows:

- 25% of administrative fees go to the ECPSF Operations Fund
- 75% of administrative fees go to the ECCF Operations Fund

Example:

When an Endowment Fund agreement is a 1.00% annual fee, the administrative fee is calculated using the daily average fund balance and distributed as follows: 25% of the 1% charged goes to the ECPSF Operations Fund and 75% of the 1% charged goes to the ECCF Operations Fund.

Administrative Fee Rebate to ECPSF

Each year, once the cumulative administrative fees ECCF receives from ECPSF’s Pass-Through, Fiscal Sponsorship, and Endowment Funds reach 10% of ECCF’s operations budget rounded up to the nearest \$5000 increment, 50% of the ECCF fees collected exceeding the threshold will be rebated back to the ECPSF Operations Fund.

This will be reflected as a journal entry monthly to avoid overstating or understating revenue.

Administrative Fee Allocation Example Calculations

Computation of Fee Rebate Due to ECPSF December 31, 2020 (Example)

	<u>Total</u>	<u>Allocation</u>	
		<u>ECPSF</u>	<u>ECCF</u>
Total Administrative Fees on ECPSF Funds from January 1, 2020 through end of current month			
Pass-Through & Fiscal Sponsorship Funds (50/50 split)	22,000	11,000	11,000
Endowment Funds (25/75 split)	37,402	9,350	28,052
Total Administrative Fees	59,402	20,350	39,052
Base Amount			35,000
Fees in Excess of Base Amount			4,052
Rebate Percentage			50%
Year to Date Rebate Due ECPSF			2,026
Prior Month Year to Date Rebate Due ECPSF			0
Rebate Due ECPSF For Current Month			2,026

Computation of Fee Rebate Due to ECPSF September 30, 2020 (Example)

	<u>Total</u>	<u>Allocation</u>	
		<u>ECPSF</u>	<u>ECCF</u>
Total Administrative Fees on ECPSF Funds from January 1, 2020 through end of current month			
Pass-Through & Fiscal Sponsorship Funds (50/50 split)	9,631	4,815	4,816
Endowment Funds (25/75 split)	21,039	5,260	15,779
Total Administrative Fees	30,670	10,075	20,595
Base Amount			35,000
Fees in Excess of Base Amount			N/A
Rebate Percentage			50%
Year to Date Rebate Due ECPSF			0
Prior Month Year to Date Rebate Due ECPSF			0
Rebate Due ECPSF For Current Month			0

Policy Review

The ECPSF Administrative Fee Policy will be reviewed annually for compliance with the ECPSF/ECCF Supporting Organization Agreement and ECCF policies. The ECPSF Administrative Fee Policy will be reviewed, in its entirety, each time the ECPSF endowed and quasi-endowed funds increase in \$1M increments. The baseline to review the Administrative Policy will be \$2 million.

Other Administrative Procedures

The ECPSF Executive Director has access to ECCF's shared drive, where all ECPSF records are stored and maintained. It is imperative that ECPSF records be maintained and updated within 30 days of a change (e.g., the development of a new document) so that if ECPSF's Executive Director should leave for any reason, ECCF can continue its support of ECPSF in an effective manner.

ECPSF must furnish to ECCF all records, billings, Board minutes, accounting records, and other documentation necessary for ECCF to perform the services under the Agreement within 30 days.

Effective Dates

The ECPSF Administrative Fee Policy is effective January 1, 2020.

The Pass-Through and Fiscal Sponsorship Administrative Fees within this policy are effective May 1, 2020.