

*Adopted: 8/13/1998*

*Revised:*

## **701 ESTABLISHMENT AND ADOPTION OF SCHOOL DISTRICT BUDGET**

### **I. PURPOSE**

The purpose of this policy is to establish lines of authority and procedures for the establishment of the school district's revenue and expenditure budgets.

### **II. GENERAL STATEMENT OF POLICY**

It is the policy of this school district to establish its revenue and expenditure budgets in accordance with the applicable provisions of law. Budget planning is an integral part of program planning so that the annual budget will effectively express and implement school board goals and the priorities of the school district.

### **III. REQUIREMENT**

- A. The superintendent or Director of Business Services as designated by the superintendent or the school board shall each year prepare preliminary revenue and expenditure budgets for review by the school board. The school board shall review the projected revenues and expenditures for the school district for the next fiscal year and make such adjustments in the expenditure budget as necessary to carry out the education program within the revenues projected.
- B. Prior to July 1 of each year, the school board shall approve and adopt its revenue and expenditure budgets for the next school year. The adopted expenditure budget document shall be considered the school board's expenditure authorization for that school year.
- C. The school district shall, prior to September 15 of each year, submit its adopted revenue and expenditure budgets to the Minnesota Department of Children, Families and Learning.
- D. The school district shall, prior to October 1 of each year, publish its revenue and expenditure budgets for the current year, the actual revenues, expenditures and fund balances for the prior year, and the projected fund balances for the current year in a qualified newspaper of general circulation in the school district as required by Minn. Stat § 123.71.
- E. At the public hearing on the adoption of the school district's proposed property tax levy, the school board shall review its current budget and the propose property taxes payable in the following calendar year.

### **IV. IMPLEMENTATION**

- A. The school board places the responsibility for administering the adopted budget with the superintendent. The superintendent may delegate duties related thereto to other school officials, but maintains the ultimate responsibility for this function.

- B. The program-oriented budgeting system will be supported by a program-oriented accounting structure organized and operated on a fund basis as provided for in Minnesota statutes through the Uniform Financial Accounting and Reporting Standards for Minnesota School Districts (UFARS).
- C. The superintendent or the superintendent's designee is authorized to make payments of claims or salaries authorized by the adopted or amended budget prior to school board for approval.
- D. Supplies and capital equipment can be ordered prior to budget adoption only be authority of the school board. If additional personnel are provided in the proposed budget, actual hiring may not occur until the budget is adopted unless otherwise approved by the school board.

*Legal References:* Minn. Stat. § 123B.77 (Accounting, Budgeting and Reporting Requirements)  
Minn. Stat. § 123B.10 (Publication of Financial Information)  
Minn. Stat. 126C.23 (Allocation of General Education Revenue)  
Minn. Stat. 275.065 (Truth in Taxation; Proposed Property Taxes; Notice)

*Cross References:* MSBA Service Manual, Chapter 7, Education Funding  
Chisago Lakes Policy 701.1 (Modification of the School District Budget)  
Chisago Lakes Policy 702 (Accounting)