

*Adopted: February 14, 2011*  
*Revised: November 25, 2024*  
*Reviewed: August 14, 2017, June 8, 2020,*

## **702 ACCOUNTING**

### **I. PURPOSE**

The purpose of this policy is to adopt the Uniform Financial Accounting and Reporting Standards for Minnesota School Districts provided for in guidelines adopted by the Minnesota Department of Education.

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

It is the policy of this school district to comply with the Uniform Financial Accounting and Reporting Standards for Minnesota School Districts.

### **III. MAINTENANCE OF BOOKS AND ACCOUNTS**

The school district shall maintain its books and records and do its accounting in compliance with the Uniform Accounting and Reporting Standards for Minnesota School Districts (UFARS) provided for in the guidelines adopted by the Minnesota Department of Education and in compliance with applicable state laws and rules relating to reporting of revenues and expenditures.

### **IV. PERMANENT FUND TRANSFERS**

Unless otherwise authorized pursuant to Minnesota Statutes section 123B.80, as amended, or any other law, fund transfers shall be made in compliance with UFARS and permanent fund transfers shall only be made in compliance with Minnesota Statutes section 123B.79, as amended, or other applicable statute.

### **V. REPORTING**

The school board shall provide for an annual audit of the books and records of the school district to assure compliance of its records with UFARS. Each year, the school district shall also provide for the publication of the financial information specified in Minnesota Statutes section 123B.10 in the manner specified therein.

**Legal References:** Minn. Stat. § 123B.02 (General Powers of Independent School Districts)  
Minn. Stat. § 123B.09 (Boards of Independent School Districts)  
Minn. Stat. § 123B.10 (Publication of Financial Information)  
Minn. Stat. § 123B.14, Subd. 7 (Officers of Independent School Districts)  
Minn. Stat. § 123B.75 (Revenue, Reporting)

Minn. Stat. § 123B.76 (Expenditures, Reporting)  
Minn. Stat. § 123B.77 (Accounting, Budgeting and Reporting Requirements)  
Minn. Stat. § 123B.78 (Cash Flow, School District Revenues; Borrowing for  
Current Operating Costs; Capital Expenditure Deficits)  
Minn. Stat. § 123B.79 (Permanent Fund Transfers)  
Minn. Stat. § 123B.80 (Exceptions for Permanent Fund Transfers)

***Cross References:*** MSBA/MASA Model Policy 703 (Annual Audit)