

# GOVERNANCE POLICIES OF THE MILWAUKEE BOARD OF SCHOOL DIRECTORS

## BG 4.06 FINANCIAL CONDITION

With respect to the actual, on-going condition of the organization's financial health, the Superintendent shall not cause or allow the development of fiscal jeopardy or a material deviation from the Board-approved budget by deviating from the District's policies and procedures. Accordingly, the Superintendent shall not:

- (1) cause the organization to incur debt;
- (2) expend more funds than have been appropriated for the fiscal year;
- (3) initiate cash-flow borrowing requests greater than can be repaid by certain, unencumbered revenues within 60 calendar days;
- (4) expend long-term reserve funds;
- (5) conduct inter-fund shifting of statutory and categorical funds;
- (6) expend funds from restricted or designated accounts, except for the purposes for which the accounts were established;
- (7) allow funding to drop below the amount needed to settle payroll and other liabilities in a timely manner;
- (8) obligate the Board to incur costs beyond the current fiscal year;
- (9) allow revenue receipts or other government-ordered payments or filings to be overdue or inaccurately filed;
- (10) fail to maintain adequate operating fund balance reserves;
- (11) accept gifts or gratuities that obligate the District to make future expenditures;
- (12) accept grant funding that obligates the District to make future expenditures without the Board's prior approval;
- (13) knowingly jeopardize aid from state, federal, or other funding sources;
- (14) make any purchase or commit the organization to any expenditure that deviates from the approved budget without the Board's prior approval; or
- (15) fail to provide the appropriate committee and the Board with expenditure and revenue reports and projections concerning the status of the budget on at least a quarterly basis.

History: Adopted 4-25-96; Revised 6-18-97, 10-29-15; Reaffirmed 11-18-21  
Legal Ref.: W.S., 119.12(4), 119.32(6), 119.44, 119.50, 119.68, 120.13, 120.14, 120.18, 121.02  
Cross Ref.: Bd. Gov. Policy 3.02 Role of the Superintendent  
Admin. Policy 2.11 School District Annual Report  
3.02 Budget Control  
3.06 Fiscal Accounting and Reporting  
3.07 Fiscal Audits  
8.05 School Census  
Monitoring: Audit report and management letter prepared by an external auditor concerning fiscal condition of the District.  
Frequency: Annually, no later than December.

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