

## **Skyline Math and Science Academy**

Adopted: 4.29.24

Reviewed:

### **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 Skyline Math and Science Academy's revenue and expenditure budgets.

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

The policy of Skyline Math and Science Academy (SMSA) is 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 the Board of Directors' goals and the priorities of SMSA.

#### **III. REQUIREMENT**

- A. The Executive Director or such other school official as designated by the Board of Directors shall each year prepare preliminary revenue and expenditure budgets for review by the Board of Directors. The preliminary budgets shall be accompanied by such written commentary as may be necessary for them to be clearly understood by the members of the Board of Directors and the public. The Board of Directors shall review the projected revenues and expenditures for Skyline Math and Science Academy 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. Skyline Math and Science Academy must maintain separate accounts to identify revenues and expenditures for each building; though SMSA has only one building, it maintains three funding mechanisms within the school: General Fund - 01, Food Service Fund- 02, and Community Education Fund – 04. Expenditures shall be reported in compliance with Minn. Stat. § 123B.76.
- C. Prior to July 1 of each year, the Board of Directors shall approve and adopt its initial revenue and expenditure budgets for the next school year. The adopted expenditure budget document shall be considered the Board of Directors' expenditure authorization for that school year. No funds may be expended for any purpose in any school year prior to the adoption of the budget document which authorizes that expenditure for that year, or prior to the adoption of an amendment to that budget document by the Board of Directors to authorize that expenditure for that year.
- D. Each year, SMSA shall publish its adopted 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 the form prescribed by the Commissioner within one week of the acceptance of the final audit by the Board of Directors, or November 30, whichever is earlier. A statement shall be included in the publication that the complete budget in detail may be inspected by any resident of the community upon request to the Executive Director. A summary of this information and the address of SMSA's official website where the information can be found must be published in a newspaper of general circulation in the community. At the same time as this publication, Skyline Math and Science Academy shall publish the other information required by Minn. Stat. § 123B.10.

- E. Skyline Math and Science Academy must also post the materials specified in Paragraph III.D. above on Skyline Math and Science Academy's official website, including a link to Skyline Math and Science Academy's school report card on the Minnesota Department of Education's website, and publish a summary of information and the address of Skyline Math and Science Academy's website where the information can be found in a qualified newspaper of general circulation in the district.

#### **IV. IMPLEMENTATION**

- A. The Board of Directors places the responsibility for administering the adopted budget with the Executive Director. The Executive Director 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 Executive Director or the Executive Director's designee is authorized to make payments of claims or salaries authorized by the adopted or amended budget prior to Board of Directors approval.
- D. Supplies and capital equipment can be ordered prior to budget adoption only by authority of the Board of Directors. If additional personnel are provided in the proposed budget, actual hiring may not occur until the budget is adopted unless otherwise approved by the Board of Directors. Other funds to be expended in a subsequent school year may not be encumbered prior to budget adoption unless specifically approved by the Board of Directors.
- E. Skyline Math and Science Academy shall make such reports to the Commissioner as required relating to initial allocations of revenue, reallocations of revenue, and expenditures of funds.

***Legal References:*** Minn. Stat. § 123B.10 (Publication of Financial Information)  
Minn. Stat. § 123B.76 (Expenditures; Reporting)

Minn. Stat. § 123B.77 (Accounting, Budgeting, and Reporting

Requirements)

***Cross References:*** MSBA/MASA Model Policy 701.1 (Modification of School District Budget)  
MSBA/MASA Model Policy 702 (Accounting)  
MSBA Service Manual, Chapter 7, Education Funding