

**MILACA PUBLIC SCHOOLS
SCHOOL BOARD POLICY**

*Adopted: 6-19-00
Orig. 1996
Rev. March 2008*

701.1 MODIFICATION OF SCHOOL DISTRICT BUDGET

I. PURPOSE

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

II. GENERAL STATEMENT OF POLICY

It is the policy of this school district to modify its revenue and expenditure budgets in accordance with the applicable provisions of law.

III. REQUIREMENT

- A. The school district's adopted expenditure budget shall be considered the school board's expenditure authorization for that school year.

The School Board endorses the concept of centralized purchasing and directs the Superintendent to develop and maintain an efficient purchasing system for all supplies, equipment and materials in accordance with state law and accepted purchasing practices. Purchasing transactions will be authorized on properly signed purchase orders or administered by purchasing cards through the district office. Purchasing or the incurrence of obligations on behalf of the School District may only be made within the framework of the School Board adopted budgets. The Superintendent or Business Manager are authorized to contract for goods and services in accordance with the provisions of Minnesota Statutes Section 123B52 Subd. 2, and may be further restricted by board policy.

- B. If revisions or modifications in the adopted expenditure budget are determined to be advisable by the administration, the superintendent shall recommend the proposed changes to the school board. The proposed changes shall be accompanied by sufficient and appropriate background information on the revenue and policy issues involved to allow the school board to make an informed decision. A school board member may also propose modifications on that board member's own motion, provided, however, the school board member is encouraged to review the proposed modifications with the superintendent prior to their being proposed so that the administration may prepare necessary background materials for the school board prior to its consideration of those proposed modifications.

- C. If sufficient funds are not included in the expenditure budget in a particular fund to allow the proposed expenditure, funds for this purpose may not be expended from that fund prior to the adoption of an expenditure budget amendment by the school board to authorize that expenditure for that school year. An amended expenditure shall not exceed the projected revenues available for that purpose in that fund.

- D. The school district's revenue budget shall be amended from time to time during a fiscal year to reflect updated or revised revenue estimates. The superintendent shall make recommendations to the school board for appropriate revisions. If necessary, the school board shall also make necessary revisions in the expenditure budget if it appears that expenditures would otherwise exceed revenues and fund balances in a fund.

Legal References: Minn. Stat. § 126C.23 (Allocation of General Education Revenue)
Minn. Stat. § 123B.77 (Accounting, Budgeting and Reporting Requirements)

Cross References: MSBA Service Manual, Chapter 7, Education Funding
MSBA/MASA Model Policy 701 (Establishment and Adoption of School District Budget)