

Adopted from MSBA/MASA Model Policy 701, Orig. 1995, Rev. 2022

Approved: 3/17/22 by Board of Directors

Revised: 11/17/22 by Board of Directors

**BLUFFVIEW MONTESSORI SCHOOL
POLICY 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 Bluffview Montessori School's revenue and expenditure budgets.

II. GENERAL STATEMENT OF POLICY

The policy of Bluffview Montessori School 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 school board goals and the priorities of Bluffview Montessori School.

III. REQUIREMENT

- A. The Head of School or such other school official as designated by the Head of School or the school board shall each year prepare preliminary revenue and expenditure budgets for review by the school board or its designated committee or committees. 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 school board and the public. The school board shall review the projected revenues and expenditures for Bluffview Montessori School 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. Bluffview Montessori School must maintain separate accounts to identify revenues and expenditures for each building. Expenditures shall be reported in compliance with Minnesota Statutes section 123B.76.
- C. Prior to July 1 of each year, the school board shall approve and adopt its initial 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. 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 school board to authorize that expenditure for that year.
- D. Each year, Bluffview Montessori School 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 Minnesota Commissioner of Education within one week of the acceptance of the final audit by the school board, 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 Bluffview Montessori School upon request to the Head of School. A summary of this information and the address of Bluffview Montessori School's official website where the information can be found must be published in a newspaper of general circulation in Bluffview Montessori School's geographic region. At the same time as this publication, Bluffview Montessori School shall publish the other information required by Minnesota Statutes section 123B.10.

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

IV. IMPLEMENTATION

- A. The school board places the responsibility for administering the adopted budget with the Head of School. The Head of School may delegate duties related thereto to other school officials, but the Head of School 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 Head of School or the Head of School's designee is authorized to make payments of claims or salaries authorized by the adopted or amended budget prior to school board approval.
- D. Supplies and capital equipment can be ordered prior to budget adoption only by 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. Other funds to be expended in a subsequent school year may not be encumbered prior to budget adoption unless specifically approved by the school board.

- E. Bluffview Montessori School shall make such reports to the Minnesota Commissioner of Education 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)