

INDEPENDENT SCHOOL DISTRICT #877 POLICY

Buffalo-Hanover-Montrose

INDEX TITLE Noninstructional Operations and Business Services **SERIES NO.** 700

POLICY TITLE Modification of School District Budget **CODE NO.** 701.1

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

The policy of this school district is 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.
- B. If revisions or modifications in the adopted expenditure budget are determined to be advisable by the administration, the superintendent or designee 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.
- 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 or designee 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. § 123B.77 (Accounting, Budgeting and Reporting Requirements)

Cross References: MSBA/MASA Model Policy 701 (Establishment and Adoption of School District Budget)

**Administrative Offices
Buffalo, Minnesota 55313**

DATE OF ADOPTION May 27, 2008

DATE OF REVIEW September 26, 2022

DATE OF APPROVAL September 26, 2022