



Adopted: June 26, 1996

EMID 6067 Board Policy 701

Revised: April 20, 2005; March 18, 2015; November 15, 2017

701 ESTABLISHMENT AND ADOPTION OF DISTRICT BUDGET

I. PURPOSE

The purpose of this policy is to establish lines of authority and procedures for the establishment of EMID revenue and expenditure budgets.

II. GENERAL STATEMENT OF POLICY

It is the policy of EMID 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 Board goals and EMID's priorities.

III. REQUIREMENT

- A. The Executive Director or designee shall prepare annual preliminary revenue and expenditure budgets for review by the Board. The Board shall review the projected revenues and expenditures for the next fiscal year and make such adjustments in the expenditure budget as necessary to carry out the integration programs within the revenues projected.
- B. The revenue budget shall take into consideration the forecasted contribution of each Member District as.
- C. EMID will maintain separate accounts to identify revenues and expenditures for each integration program. Expenditures shall be reported in compliance with Minn. Stat. § 123B.76.
- D. Prior to March 1 of each year, the Board shall approve and adopt its initial revenue and expenditure budgets for the next fiscal year. The adopted expenditure budget document shall be considered the 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 Board to authorize that expenditure for that year.
- E. Prior to October 1 of each year, EMID 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 its official publication and website. The publication shall be made in the form prescribed by the Commissioner. A statement shall be included indicating that the complete budget is available from the district office. At the same time as this publication, EMID shall publish the other information required by Minn. Stat. § 123B.10.

IV. IMPLEMENTATION

- A. The Board places the responsibility for administering the adopted budget with the Executive Director. The Executive Director may delegate duties related thereto to others, but maintains the ultimate responsibility for this function.
- B. The 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 designee is authorized to make payments of claims or salaries authorized by the adopted or amended budget prior to Board approval.
- D. Supplies and capital equipment can be ordered prior to budget adoption only by authority of the 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 Board. Other funds to be expended in a subsequent school year may not be encumbered prior to budget adoption unless specifically approved by the Board.
- E. EMID 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.76 (Expenditures; Reporting)
Minn. Stat. § 123B.77 (Accounting, Budgeting and Reporting Requirements)
Minn. Stat. § 123B.10 (Publication of Financial Information)

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