

Adopted: September 25, 2013
Revised: September 25, 2024

BLUESKY CHARTER SCHOOL POLICY No. 7.3.1

ADOPTION OF SCHOOL BUDGET

I. PURPOSE

The purpose of this policy is to establish lines of authority and procedures for the establishment and management of the school's revenue and expenditure budgets.

II. POLICY STATEMENT

The Board of BlueSky Charter School is responsible for establishing its revenue and expenditure budgets in accordance with the applicable provisions of the law. Budget planning is an integral part of program planning so that the annual budget will effectively express and implement school goals and the priorities of the school.

III. REQUIREMENTS

- A. Prior to the adoption of the initial budget for a school year, the school board must set the enrollment for the next school year.
- B. The school must maintain separate accounts to identify revenues and expenditures. Expenditures shall be reported in compliance with Minnesota Statute 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.

IV. IMPLEMENTATION

- A. The school board 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.
 - 1. Non-budgeted items in excess of \$10,000 must have board approval.
 - 2. Contractual obligations of more than 1 year or greater than \$10,000 must be approved by the school board. Approval can be either a summary of the

material terms of the contract or the distribution and acceptance of the contract. In either instance, a copy of the contract shall be made available to the school board.

- 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's (UFARS).
- C. Supplies and capital equipment can be ordered prior to the budget adoption only by the 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 year may not be encumbered prior to budget adoption unless specifically approved by the school board.
- D. The school shall make such reports to the Minnesota Commissioner of Education as required relating to initial allocations of revenue, reallocations of revenue and expenditure of funds.

Legal Reference: Minn. Stat. § 123B.10 (Publication of Financial Information)
Minn. Stat. § 123B.76 (Expenditures; Reporting)
Minn. Stat. § 123B.77 (Accounting, Budgeting, and Reporting Requirements)