



Revised: November 18, 2021, July 25, 2011, June 2009  
Adopted: October 1, 2008

## **701.1 MODIFICATION OF SCHOOL BUDGET**

### **I. PURPOSE**

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

### **II. GENERAL STATEMENT OF POLICY**

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

### **III. REQUIREMENT**

- A. The school'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 School Director, treasurer or finance committee, then the School Director, treasurer or finance committee 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 School Director, treasurer and finance committee prior to their being proposed so that necessary background materials may be prepared 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. In no event may an expenditure be made that will result in a negative fund balance in a fund

(no deficit spending is authorized).

- D. The school's revenue budget shall be amended from time to time during a fiscal year to reflect updated or revised revenue estimates. The School Director, treasurer or finance committee 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. It is the policy of the school to maintain positive fund balances for all funds of the school.