702 ACCOUNTING

I. PURPOSE

The purpose of this policy is to adopt the Uniform Financial Accounting and Reporting Standards **(UFARS)** for Minnesota School Districts provided for in guidelines adopted by the Minnesota Department of Education.

II. GENERAL STATEMENT OF POLICY

It is the policy of this school district to comply with the Uniform Financial Accounting and Reporting Standards for Minnesota School Districts.

III. MAINTENANCE OF BOOKS AND ACCOUNTS

The school district shall maintain its books and records and do its accounting in compliance with the Uniform Accounting and Reporting Standards for Minnesota School Districts provided for in the guidelines adopted by the Minnesota Department of Education and in compliance with applicable state laws and rules relating to reporting of revenues and expenditures.

IV. PERMANENT FUND TRANSFERS

Unless otherwise authorized pursuant to ~~Minn. Stat. §~~ **Minnesota Statutes section** 123B.80, as amended, or any other law, fund transfers shall be made in compliance with UFARS and permanent fund transfers shall only be made in compliance with ~~Minn. Stat. §~~ **Minnesota Statutes section** 123B.79, as amended, or other applicable statute.

V. REPORTING

The school board shall provide for an annual audit of the books and records of the school district to assure compliance of its records with UFARS. Each year, the school district shall also provide for the publication of the financial information specified in ~~Minn. Stat. §~~ **Minnesota Statutes section** 123B.10 in the manner specified therein.

Legal References: Minn. Stat. § 123B.02 (~~School District Powers~~ **General Powers of Independent School Districts**)
Minn. Stat. § 123B.09 (~~School Board Powers~~ **Boards of Independent School Districts**)
Minn. Stat. § 123B.10 (Publication of Financial Information)
Minn. Stat. § 123B.14, Subd. 7 (~~Duties of School Board Clerk~~ **Officers of Independent School Districts**)
Minn. Stat. § 123B.75 (Revenue**; Reporting**)
Minn. Stat. § 123B.76 (Expenditures)
Minn. Stat. § 123B.77 (Accounting, Budgeting and Reporting Requirements)
Minn. Stat. § 123B.78 (Cash Flow~~,~~**; School District** Revenues**;** Borrowing **for Current Operating Costs; Capital Expenditure** Deficits)
Minn. Stat. § 123B.79 (Permanent Fund Transfers)
Minn. Stat. § 123B.80 (Exceptions for Permanent Fund Transfers)

Cross References: School District Policy 703 (Annual Audit)

POLICY ADOPTED: December 14, 2009
POLICY REVIEWED/REVISED: August 21, 2017; October 19, 2020; March 18, 2024
Monitoring Method: Administrative Review
Monitoring Frequency: Every three years