

<b>Policy Title</b>	<b>Policy Number</b>	<b>Date Approved/Revised</b>
<b>Accounting</b>	<b>702</b>	<b>6/23/09</b> <b>Revised: 5/21/19</b>

1) 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.

2) Maintenance of Books and Accounts

- a) 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 (UFARS) provided 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.

3) Permanent Fund Transfers

- a) Unless otherwise authorized pursuant to Minn. Stat. § 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. § 123B.79, as amended, or other applicable statute.

4) Reporting

- a) The school board shall provide 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. § 123B.10 in the manner specified therein.

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

Adoption and Revision History	Incorporated Policies
704 ACCOUNTING	Replaced Policy: DIA (Accounting System) adopted June 28, 1979; DIC (Financial Reports) adopted June 18, 1979. This Policy Adopted: February 10, 1998 Revised: January 25, 2005; Rescinded: June 23, 2009  MSBA 702
E-035 ACCOUNTING This policy adopted: June 23, 2009	
702 ACCOUNTING This policy revised: May 21, 2019	

**Administrative Rule, Regulation and Procedure: NA**

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

**Cross References:** MSBA/MASA Model Policy 703 (Annual Audit)  
 MSBA Service Manual, Chapter 7, Education Funding