



LINCOLN PUBLIC SCHOOLS

BUCKNER M. CREEL
ADMINISTRATOR FOR BUSINESS AND FINANCE

January 1, 2011

To: Lincoln School Committee
Michael F. Brandmeyer, Superintendent of Schools
From: Buckner Creel, Administrator for Business and Finance
Subject: FY11 Second Quarter Report

For Fiscal Year 2011, the Lincoln Public Schools received appropriations of \$9,325,319 for the Lincoln Campus. All financial obligations on the Lincoln Campus are expected to be met within the funds appropriated for FY11. The funds currently allocated on the Hanscom Campus for FY11 are now sufficient to meet the obligations currently anticipated.

As a reminder, the Hanscom budget for FY11 was prepared based on providing FY11 services for the 421-440 pupil enrollment band, although the actual student enrollment to be served was uncertain. We presented a budget of \$9,481,961 that had the potential of a deficit, and planned to fund from a higher band if enrollment increased, or fund from reserves if enrollment remained low.

The September 30th enrollment report certified by the 66th Airbase Group moved the contract price into the 461-480 price band, which provides funds of \$10,241,770 for FY11. The School Committee set the operating budget for Hanscom at \$9,805,950, the 441-460 enrollment band price. The remaining \$435,820 will be held as a contingency for facilities issues, increased enrollment, additional unanticipated special education costs or increases in health insurance premiums.

Attached for your review is a report providing details of the current operating budget, year to date expenses and encumbrances as of December 31, 2010. On that date, approximately 41% of the school year and 50% of the fiscal year had elapsed. The report balances include payrolls through December 28, 2010, reflecting wages through December 17, 2010. Also included is a report showing key budget lines we currently track in greater detail. This report compares this year's "burn rate" with the comparable period from the last fiscal year for selected budget lines of special interest.

An initial analysis of the staffing plan and encumbered salaries shows that current funding is sufficient to meet the planned needs on both campuses. Several comments on specific expense categories follow.

Lincoln Campus

The current budget includes \$64,000 in the Special Education out-of-district (OOD) tuition category which resulted from the pre-purchase of tuition expenses approved at the end of FY10. The budget also includes \$11,414.63 remaining from the past summer's Special Education extended school year program. These amounts will be available to

help cover the anticipated expenses of two out-of-district placements which may occur later this year.

Custodial services and supplies were consumed at a higher rate than anticipated this summer to support a revised floor care regimen. This is a budget area which cannot support the scaling back of expenditures, so we will monitor this line closely as the year progresses and will likely supplement with additional funds if the need arises.

The expenditure of 61.8% of the general supplies and materials line is a little more than anticipated, and is a reflection (in part) of advance planning and a more proactive approach towards advance purchasing coupled with a greater use of paper. We are on target to reach our goal of completing the bulk of these purchases by the end of March, but will continue to monitor this category to see if supplemental funds are required. I will meet with the Lincoln principals this month to verify that they can meet their program needs with the available funds.

Hanscom Campus

Several maternity leaves among the Hanscom Primary faculty and staff have caused an early commitment of funds from the Substitutes accounts. Two known requests will require additional expenditures, which will be met from the current budget. We will continue to watch this situation for further commitments and report the status to the Committee at the end of the current quarter. Typically, maternity leaves for the balance of the year are requested by the end of January.

Custodial services and supplies were consumed at a higher rate than anticipated this summer to support a revised floor care regimen. This is a budget area which cannot support the scaling back of expenditures, so we will monitor this line closely as the year progresses and supplement with additional funds if the need arises.

The expenditure of 48.1% of the general supplies and materials line is appropriate and in line with prior years' experiences. I will meet with the Hanscom principals this month to verify that we are on target to reach our goal of completing the bulk of these purchases by the end of March, and that the current budget will support their program.

Grants and Revolving Funds

In addition to the Lincoln appropriations and Hanscom allocation, approximately \$1.3M in grants and fees support the Schools each year. These funds are designated for specific purposes, and are built into the budget to support those programs.

All grants were applied for on a timely basis, in the amounts allocated by DESE, and we are awaiting the approval of the ARRA and Title IIA grants. All other grants were approved, and we have received grant payments. The DESE grant payments process allows us to request funds monthly, based on the funds expended during the prior month, and those funds requests are current.

With the exception of the School Bus Fees Fund, all revolving funds are meeting their targets for both receipt of fees and budgeted expenditures. This year, we anticipated receiving \$30,000 in bus fees; receipts to-date total only \$26,726. We will monitor receipts over the next quarter and make adjustments if required.

Please contact me at 259-2623 or bcreel@lincnet.org should you have any questions about the enclosed information.

Lincoln Campus
FY 2011 OPERATING BUDGET -- STATUS REPORT
 2nd Quarter
 as of December 31, 2010

Expense Category	Revised FY11 Operating Budget	Expended		Expended & Encumbered		% of total budget
		Amount	Percent	Amount	Percent	
School Committee	\$ 5,115	\$ 2,472	48.3%	\$ 4,680	91.5%	0.05%
Personnel						
Administrator Salaries	\$ 702,009	\$ 317,746	45.3%	\$ 701,998	100.0%	7.53%
Professional Salaries (Teachers, Nurses, etc.)						
• Regular salaries	\$ 5,239,085	\$ 2,051,612	39.2%	\$ 5,286,403	100.9%	56.18%
• Stipends (leadership & mentoring)	\$ 163,225	\$ 58,607	35.9%	\$ 148,141	90.8%	1.75%
• Substitutes (daily & long-term)	\$ 115,000	\$ 29,951	26.0%	\$ 30,958	26.9%	1.23%
• Misc. Salaries (see note 1)	\$ 256,611	\$ 53,762	21.0%	\$ 86,367	33.7%	2.75%
Paraprofessionals Wages						
• Special Education Tutors	\$ 75,822	\$ 32,193	42.5%	\$ 75,167	99.1%	0.81%
• Instructional Assistants	\$ 126,012	\$ 44,907	35.6%	\$ 121,327	96.3%	1.35%
• Other paraprofessionals	\$ 57,900	\$ 24,683	42.6%	\$ 57,900	100.0%	0.62%
Support Staff						
• Secretaries	\$ 330,943	\$ 150,735	45.5%	\$ 330,938	100.0%	3.55%
• Facilities, Maintenance & Custodial Staff	\$ 373,999	\$ 183,652	49.1%	\$ 373,683	99.9%	4.01%
• Overtime	\$ 20,822	\$ 7,027	33.7%	\$ 7,027	33.7%	0.22%
Professional & Staff Development	\$ 46,293	\$ 22,485	48.6%	\$ 31,269	67.5%	0.50%
Supplies, Equipment & Services						
In-District Transportation	\$ 334,140	\$ 115,311	34.5%	\$ 334,140	100.0%	3.58%
Out of District Special Education Transportation	\$ 106,000	\$ 21,026	19.8%	\$ 77,452	73.1%	1.14%
Special Education Tuition (OOD & collaboratives) (see note 3)	\$ 296,871	\$ 23,427	7.9%	\$ 133,853	45.1%	3.18%
General Supplies and Materials						
• Textbooks	\$ 33,046	\$ 26,787	81.1%	\$ 27,274	82.5%	0.35%
• Other Published Materials	\$ 45,883	\$ 26,452	57.7%	\$ 29,958	65.3%	0.49%
• Durable Goods and Equipment	\$ 37,143	\$ 19,853	53.4%	\$ 22,666	61.0%	0.40%
• Consumable Supplies	\$ 84,607	\$ 51,611	61.0%	\$ 58,986	69.7%	0.91%
• Contracted Services	\$ 180,271	\$ 72,123	40.0%	\$ 120,660	66.9%	1.93%
Facilities & Maintenance						
• Utilities -- heat	\$ 230,626	\$ 32,273	14.0%	\$ 228,330	99.0%	2.47%
• Utilities -- electricity	\$ 215,000	\$ 87,303	40.6%	\$ 210,360	97.8%	2.31%
• Utilities -- water, sewer, telephones	\$ 39,500	\$ 7,741	19.6%	\$ 25,116	63.6%	0.42%
• Maintenance Services & Supplies	\$ 125,750	\$ 51,157	40.7%	\$ 76,360	60.7%	1.35%
• Custodial Services & Supplies	\$ 34,955	\$ 24,820	71.0%	\$ 25,389	72.6%	0.37%
Other expenses (see note 2)	\$ 48,691	\$ 9,028	18.5%	\$ 13,163	27.0%	0.52%
TOTALS	\$ 9,325,319	\$ 3,548,746	38.1%	\$ 8,639,563	92.6%	100.0%

Notes

1. Includes personnel control, home/hospital teaching, certain curriculum development & instrumental instruction salaries.
2. Includes (but not limited to) postage, legal expense, advertising, printing, permits, etc.

Hanscom Campus
FY 2011 OPERATING BUDGET -- STATUS REPORT
2nd Quarter
as of December 31, 2010

Expense Category	Revised FY11 Operating Budget	Expended		Expended & Encumbered		% of total
		Amount	Percent	Amount	Percent	
School Committee	\$ 4,200	\$ 1,796	42.8%	\$ 3,602	85.8%	0.04%
Personnel						0.00%
Administrator Salaries	\$ 662,007	\$ 291,020	44.0%	\$ 660,838	99.8%	6.75%
Professional Salaries (Teachers, Nurses, etc.)						0.00%
• Regular salaries	\$ 4,886,548	\$ 1,904,994	39.0%	\$ 4,882,613	99.9%	49.83%
• Stipends (leadership & mentoring)	\$ 144,049	\$ 50,798	35.3%	\$ 128,548	89.2%	1.47%
• Substitutes (daily & long-term)	\$ 100,000	\$ 29,010	29.0%	\$ 29,010	29.0%	1.02%
• Misc. Salaries (see note 1)	\$ 281,757	\$ 28,462	10.1%	\$ 44,748	15.9%	2.87%
Paraprofessionals Wages						0.00%
• Special Education Tutors	\$ 205,102	\$ 83,241	40.6%	\$ 205,023	100.0%	2.09%
• Instructional Assistants	\$ 184,285	\$ 64,081	34.8%	\$ 176,583	95.8%	1.88%
• Other paraprofessionals ****	\$ 93,463	\$ 37,652	40.3%	\$ 93,458	100.0%	0.95%
Support Staff						0.00%
• Secretaries	\$ 320,025	\$ 144,927	45.3%	\$ 320,021	100.0%	3.26%
• Facilities, Maintenance & Custodial Staff	\$ 386,365	\$ 187,058	48.4%	\$ 386,362	100.0%	3.94%
• Overtime	\$ 16,008	\$ 1,932	12.1%	\$ 1,932	12.1%	0.16%
Professional & Staff Development	\$ 42,053	\$ 19,053	45.3%	\$ 25,437	60.5%	0.43%
Employee Benefits & Town Svcs	\$ 1,459,564	\$ 314,394	21.5%	\$ 1,459,564	100.0%	14.88%
Supplies, Equipment & Services						0.00%
In-District Transportation						
Out of District Special Education Transportation	\$ 61,300	\$ 22,653	37.0%	\$ 51,021	83.2%	0.63%
Special Education Tuition (OOD & collaboratives)	\$ 68,490	\$ 24,927	36.4%	\$ 68,490	100.0%	0.70%
General Supplies and Materials						0.00%
• Textbooks	\$ 15,167	\$ 9,609	63.4%	\$ 9,609	63.4%	0.15%
• Other Published Materials	\$ 64,660	\$ 29,253	45.2%	\$ 34,388	53.2%	0.66%
• Durable Goods and Equipment	\$ 103,655	\$ 25,425	24.5%	\$ 85,375	82.4%	1.06%
• Consumable Supplies	\$ 92,743	\$ 45,146	48.7%	\$ 49,417	53.3%	0.95%
• Contracted Services	\$ 146,953	\$ 59,605	40.6%	\$ 86,059	58.6%	1.50%
Facilities & Maintenance						0.00%
• Utilities -- heat	\$ 18,000	\$ 785	4.4%	\$ 18,000	100.0%	0.18%
• Utilities -- electricity	\$ 125,000	\$ 9,565	7.7%	\$ 125,000	100.0%	1.27%
• Utilities -- water, sewer, telephones	\$ 39,279	\$ 13,381	34.1%	\$ 36,700	93.4%	0.40%
• Maintenance Services & Supplies	\$ 203,669	\$ 73,292	36.0%	\$ 135,201	66.4%	2.08%
• Custodial Services & Supplies	\$ 33,308	\$ 19,154	57.5%	\$ 20,378	61.2%	0.34%
Other expenses (see note 2)	\$ 48,300	\$ 5,391	11.2%	\$ 5,431	11.2%	0.49%
TOTALS	\$ 9,805,950	\$ 3,496,602	35.7%	\$ 9,142,807	93.2%	

Notes

1. Includes personnel control, home/hospital teaching, certain curriculum development & instrumental instruction salaries.
2. Includes (but not limited to) postage, legal expense, advertising, printing, permits, etc.

FY 2011 Operating Budget -- Key Budget Line Tracking

2nd Quarter

as of December 31, 2010

Budget line	FY10 Budget				FY11 Budget			
	original budget	revised budget	2Q \$\$ expended cumulative	2Q % expended cumulative	original budget	revised budget	2Q \$\$ expended cumulative	2Q % expended cumulative
Lincoln Campus								
Legal expenses	11,000	11,000	3,551	32.3%	13,750	13,750	2,527	18.4%
Substitutes (daily)	70,000	70,000	17,342	24.8%	65,000	65,000	24,667	37.9%
Substitutes (long-term)	50,000	50,000	24,396	48.8%	50,000	50,000	5,284	10.6%
Custodian overtime	18,125	18,125	4,995	27.6%	18,125	17,079	4,146	24.3%
Custodial services & supplies	29,500	29,500	18,123	61.4%	34,955	34,955	24,820	71.0%
Utilities (heat)	230,626	230,626	30,470	13.2%	230,626	230,626	32,273	14.0%
Utilities (electricity)	240,000	240,000	87,375	36.4%	215,000	215,000	87,303	40.6%
Utilities (telephones)	38,850	38,850	8,772	22.6%	19,000	19,000	1,611	8.5%
Special Education OOD tuition	172,600	64,507	10,961	17.0%	315,871	292,871	23,427	8.0%
General Supplies, Materials and some Contracted Services (SBM & new curriculum mat'ls)	193,169	196,451	114,864	58.5%	189,572	198,893	122,882	61.8%
Hanscom Campus								
Legal expenses	9,000	9,000	1,190	13.2%	13,250	13,250	1,849	14.0%
Substitutes (daily)	50,000	50,000	10,676	21.4%	50,000	50,000	13,157	26.3%
Substitutes (long-term)	50,000	73,345	29,665	40.4%	50,000	50,000	15,853	31.7%
Custodian overtime	16,240	16,240	2,039	12.6%	16,240	15,508	1,759	11.3%
Custodial services & supplies	27,925	31,329	14,228	45.4%	33,308	33,308	19,154	57.5%
Utilities (heat)	32,700	32,700	960	2.9%	18,000	18,000	785	4.4%
Utilities (electricity)	125,000	125,000	16,802	13.4%	125,000	125,000	9,565	7.7%
Utilities (telephones)	23,435	23,558	8,831	37.5%	28,779	28,779	11,510	40.0%
Special Education OOD tuition	100,000	100,000	32,587	32.6%	50,350	68,490	24,927	36.4%
General Supplies, Materials and some Contracted Services (SBM & new curriculum mat'ls)	216,702	208,453	98,118	47.1%	194,880	190,390	91,647	48.1%