



LINCOLN PUBLIC SCHOOLS

Mary Ellen Normen
Administrator for Business and Finance

June 14, 2022

To: Lincoln School Committee
Rebecca McFall, Superintendent of Schools
From: Mary Ellen Normen, Administrator for Business and Finance
Subject: Preliminary FY22 Revolving Funds and Legacy Gift Account - Revised

Each year a summary of the District's revolving funds is provided to the School Committee along with recommendation regarding adjustments for the coming year. The District receives fees for certain programs and accounts for them in revolving funds, as allowed by various Massachusetts General Laws. Revolving fund balances carry over from fiscal year to fiscal year. The current status of several revolving funds with projections for the balance of FY22 follows, along with several recommendations for School Committee consideration. A final report will contain the traditional participation information and other program year updates.

Recommendation Summary:

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|---|--|
| Transportation | <ul style="list-style-type: none">• Recommend that no change be made to the current fee structure for FY23 |
| Athletics | <ul style="list-style-type: none">• Recommend that no change be made to the current fee structure for FY23 |
| Lincoln After School Music Program (LASMP) Revolving Fund | <ul style="list-style-type: none">• Recommend review of Instructor rate for an increase in September• Recommend review of financial assistance for students who otherwise cannot afford lessons through the financial assistance program. |
| School Lunch Fund | <ul style="list-style-type: none">• Recommend increase in lunch price to a range of 3.75 to 4.25 after review of State Legislature's budget passing and federal reimbursement program updates. |
| Legacy Fund Gift Account | <ul style="list-style-type: none">• Encourage the Class of 2022 to donate any remaining balances in their accounts to the Legacy Fund, as other classes have done in past years. Alert the Lincoln 5-8 principal and Class of 2022 to the continued low balance. |

Considerations pertaining to Student Financial Assistance are affected by the Transportation and Athletic Revolving Funds. As a result, an interim report on the Legacy Fund Gift Account also follows.

Green = Positive Fund Balance

Red = Deficit Fund Balance

Transportation Revolving Fund

The District charges fees for transporting 7th and 8th graders and all children living closer than 2 miles from the Lincoln School, according to the following schedule:

- First child 275
- Second child 200
- Third child 100
- Family cap 575

The fee schedule was set by the School Committee in February 2004, and has remained unchanged for the past fifteen years. No regular, daily bus services are provided at the Hanscom Schools, as the Base housing is within the 2-mile limit.

The District purchases bus services under the competitive contract with Doherty’s using fees collected and appropriated funds. Each year the amount from the Transportation Revolving Fund to be applied to the anticipated contract amount during the following year is set during the budget process. Accordingly, the amount from the Revolving Fund to be applied to the FY22 transportation budget was set at 30,000 in October 2020 based on the Revolving Fund balance which included anticipated FY21 transportation fee receipts.

Participation

Transportation Revolving Fund – Ridership 2021-2022 School Year						
	Paid in Full*	Reduced Fee	Full Fee Waiver	Eligible at No charge (requested ridership)	Eligible at No charge (declined ridership)	Total
K-6 >2 miles	0	0	0	199	28	227
K-6 <2 miles	38	0	15	0	0	53
7 th & 8 th Grade	60	0	15	0	0	75
Total	98	0	30	199	28	355

*Prorated fees were paid by some students who began riding the bus after the start of the school year.

Current fund status

SCHOOL DEPT BUS FEES	FY22 Activity as of 6/8/22
Prior Year Fund Balance (FY21)	126,877
Fees Collected	54,539
Total Revenue	181,416
Pupil Transportation (LPS)	30,000
Transportation (Minuteman Passthrough)	30,634
Total Expense	60,634
Anticipated Fund Balance (FY22)	120,781

Green = Positive Fund Balance

Red = Deficit Fund Balance

Financial assistance in the amount of 7,950.00 was provided for 30 students in FY22. Financial assistance was comprised of 29 students who were eligible because of their participation in the Free and Reduced Lunch Program and received a full fee waiver and one student who applied for Financial Assistance, who received a full fee waiver.

Cost of financial assistance:

26 students with full fee waivers @275 each (Single student in family)	= 7,150.00
4 students with full fee waivers @200 each (2 nd student in family)	= 800.00
0 student with full fee waivers @100 each (3 rd student in family)	= 000.00
TOTAL	= 7,950.00

Recommendation:

Recommend that no change be made to the current fee structure for FY23. In the FY 23 budget, the School Committee approved to increase the offset to the operating budget from 30,000 to 40,000.

Athletics Revolving Fund

The District charges fees for participation in the interscholastic athletics program at the Lincoln School. The fee charged was reduced from 200 per sport per season to 175 per sport per season for school year 2012-2013. Sports Typically offered are:

- Fall Season – Cross Country (Coed), Field Hockey (Girls) and Soccer (Girls);
- Winter Season – Basketball (often four teams, Boys A & B, Girls A & B. This school year, two Boys and two Girls teams could be fielded)
- Spring Season – Baseball (boys), Softball (Girls), Tennis (Coed); Volleyball (Coed), Step

A smaller but similar suite of sports is offered at the Hanscom Middle School, but no fees are charged. The cost of the Hanscom athletic program is covered by the DoDEA contract.

The District operates the athletic program using fees collected, Lincoln appropriated funds of approximately 20,000, and funds allocated from the Hanscom contract. Expenses include the cost of bus transportation, equipment and supplies, official/referee fees, and stipends for coaches and the Athletic Director. Only the Director stipend is split between campuses; the other program expenses are charged to campus-specific accounts. The Athletic Revolving Fund supports only the Lincoln School program.

Current fund status as of 6/8/22

ATHLETICS	FY22 Activity as of 6/8/22
Prior Year Fund Balance (FY21)	9,128
Athletic Charges	18,560
Total Revenue	27,668
Professional Salaries	6,035
Contracted Services	3,341
Consumable Supplies	3,207
Mileage & Transportation	8,842
Total Expense	21,425
Anticipated Fund Balance (FY22)	6,263

Recommendation:

Recommend that no change be made to the current fee structure for FY23.

Lincoln After School Music Program (LASMP) Revolving Fund

The District provides after-school music lessons on both campuses, according to the following schedule:

- 33 lessons @ 30 minutes is 1,006.50 (30.50 per lesson)
- 33 lessons @ 45 minutes is 1485.00 (45.00 per lesson)
- 33 lessons @ 60 minutes is 1936.50 (59.50 per lesson)
- 35 registration fee for each student.

Lessons may be private, semi-private or quartet lessons, so a variety of options are available to match parent requests.

The District contracts with area music teachers to provide instrument lessons after school using fees collected; no appropriated or allocated funds support this program. The LASMP revolving fund operates on an annual basis, and requires only a modest balance to sustain operations. Expenses include the teacher wages, a stipend for the director and a small amount for miscellaneous program expenses. The intent of the fee structure is to pay the Director stipend through a 1.50 surcharge on each lesson. This surcharge has remained constant over the past twelve years while the Director stipend has increased with successive teacher contracts. The teacher rate was set at 58.00 per hour for FY21. The rate has not changed since FY18. Parents pay the pro-rated portion of an hour at 59.50.

Participants:

90 students were enrolled for private lessons through LASMP during the 20121-2022 school year. An additional 23 students were enrolled in the Hanscom Beginner Classes. There are no outstanding bills at this time

Current fund status

MUSIC PROGRAM - LASMP	FY22 Activity as of 6/8/22
Prior Year Fund Balance	7,426
MUSIC PROGRAM CHARGES	89,648
TOTAL REVENUE	97,073
PROFESSIONAL SALARIES	82,462
FACULTY STIPENDS	8,436
CONTRACTED SERVICES	1,210
TOTAL EXPENSE	92,108
Anticipated Fund Balance (FY22)	4,957

Recommendation:

Recommend review of Instructor rate for an increase in September. The LSMP program director is concerned that the hourly rate is not staying commensurate with area music school instructor rates. The last time the rate was increased was 2018.

Recommend review of financial assistance for students who otherwise cannot afford lessons using the financial assistance program.

Green = Positive Fund Balance

Red = Deficit Fund Balance

School Lunch Fund

Background

The District has been serving free lunch for the last two years during the pandemic. The meal price was last increased, to 3.00 in FY10. The Massachusetts Legislature has not yet passed the FY 23 budget which includes funds for universal free lunch for the next school year. If passed this will give us one year to plan and socialize a new lunch price that will be significantly higher than the last increase in FY2010. Our current meal cost for this year averaged 4.26 per student meal. Adult meals are recommended to increase to 5.00.

Participation - MAY

School Lunch Fund Participation			
MAY	Attendance	Meals	Participation %
Lincoln	495	4209	50.05%
Hanscom	433	5193	70.53%
Total	1,051	9402	60.29%

Current fund status as of 6/8/22

SCHOOL LUNCH FUND	FY22 Activity as of 6/8/22
Prior Year Fund Balance	83,346
MISC OTHER DEPT REVENUE	3,326
SCHOOL LUNCH REVENUE	322,358
INTEREST ON SAVINGS	22
SCHOOL LUNCH FEES	40,570
TOTAL REVENUE	449,622
ADMINISTRATIVE SALARIES	46,678
CAFETERIA STAFF WAGES	158,284
SUBSTITUTE SALARIES	2,713
CONTRACTED SERVICES	4,508
OTHER CONTRACTED SVCS	11,422
CONSUMABLE SUPPLIES	23
CLEANING SUPPLIES SCHOOL	
PERISHABLES	90,267
NON-PERISHABLES	14,500
SERVING UTENSILS	
MISC OTHER FOOD SVC SUPP	32,058
DEPT OF REVENUE MEALS TAX	55
MEMBERSHIP DUES & FEES	-
TRAVEL	-
REGISTRATION & TUITION	5,508
ADDITL EQUIPMENT IS	1,010.00
TOTAL EXPENSE	367,025
Anticipated Fund Balance (FY22)	82,597.43

Green = Positive Fund Balance

Red = Deficit Fund Balance

The Food Service consultant who conducted a program review in 2009 recommended maintaining a fund balance equal to a three-month operating budget, or 60-65,000 at the time. The current three-month fund balance goal is 122,000. The School Lunch Fund operates as a revolving fund, and has normally received revenues of over 260,000 each year in the past. In FY22, primarily due to federal reimbursement, the fund revenues are 366,000.

Currently, the uncollected balance of fees owed is projected to be less than 15.00 by the end of the school year, across all schools for one adult and three students.

Recommendation

As the School Lunch Fund ending balance is anticipated to be close to the suggested range, the recommendation and as we emerge from the pandemic after two years of universal free lunch, we are recommending a school lunch price of 3.75 to 4.25. The rate is significantly higher due to labor and inflationary pricing for foods and the unknowns of subsidies from USDA and the Commonwealth. Federal regulations under the rubric "Equity in Meal Pricing" set an average meal price threshold of 3.18 for FY23.

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Legacy Fund Gift Account (29133370)

The Legacy Fund Gift Account was established to provide a mechanism to manage gifts in support of the School Committee's policy on financial assistance. The current account status follows.

Legacy Fund Gift Account	
FY22 beginning balance	5,005.38
FY22 gifts	
PTO gift on behalf of Class of 2020	0.00
Firm gift	0.00
Parent Gift	0.00
Xtra parent contribution for MOS trip	0.00
transfer of remaining balances	0.00
Total projected revenue	0.00
7th Grade Sargent Camp overnight trip -- actual	0.00
Instrument rental (see note)	0.00
Bus transportation (see note)	0.00
8 th Grade Washington DC overnight trip – preliminary	
transfer to appropriated budget	
Total projected expenses	0.00
Anticipated available ending balance	5,005.38

Discussion Following the School Committee guidance given at the end of FY12, the financial assistance required by parents for bus transportation was absorbed by the Transportation Revolving Fund or by the Appropriated Budget. Through research we learned that the Friends of Lincoln Music Gift Account was created for several purposes, one of which is to provide financial assistance for instrument rental.

Due to the cancellation of this year's DC trip due to ongoing concerns regarding the pandemic, the balance of the Legacy Fund this year was sufficient to meet the anticipated low level of financial assistance requests. No requests were made to the fund. It is unknown, if the balance at the end of the current fiscal year may be sufficient to meet the anticipated financial assistance needs in the next school year.

Recommendation Encourage the Class of 2022 to donate any remaining balances in their accounts to the Legacy Fund, as other classes have done in past years. Alert the Lincoln 5-8 principal and Class of 2022 to the continued low balance.