



# LINCOLN PUBLIC SCHOOLS

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ADMINISTRATOR FOR BUSINESS AND FINANCE

January 18, 2010

To: Lincoln School Committee  
Michael F. Brandmeyer, Superintendent  
From: Buckner Creel, Administrator for Business and Finance  
Subject: FY10 Second Quarter Report

For Fiscal Year 2010, the Lincoln Public Schools received appropriations of \$9,333,723 for the Lincoln Campus and was allocated \$10,476,453 for the Hanscom Campus. At the Special Town Meeting on October 17, 2009, the Lincoln budget was reduced by \$212,000 for a new appropriation of \$9,121,723. Contingency planning by the School Committee, as explained below, accommodated this reduction. In spite of this reduction, all financial obligations are expected to be met within the funds appropriated and allocated for FY10.

The original 1<sup>st</sup> Quarter budget included \$125,000 in the Special Education out-of-district (OOD) tuition category which resulted from the pre-purchase of tuition expenses approved at the end of FY09. The budget also included \$20,000 remaining from the past summer's Special Education extended school year program. Both of these amounts were proposed to the Finance Committee as part of the Town's FY10 budget deficit reduction strategy, along with an additional \$67,000 in Special Education expenses to be supplanted by grant funding. The Finance Committee accepted the total reduction of \$212,000.

Attached for your review are two budget status reports providing details of the current operating budgets, year to date expenses and encumbrances for each campus as of December 31, 2009. At that date, approximately 40% of the school year and 50% of the fiscal year had elapsed. The report balances include payrolls through December 29, 2009, reflecting wages through December 18, 2009. Also included is 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. Several comments on specific expense categories follow.

## **Lincoln Campus.**

**Special Education Tuition.** The original budget included \$172,600 in the Special Education out-of-district (OOD) tuition category, of which \$125,000, resulting from the pre-purchase of tuition expenses approved at the end of FY09, formed part of the Special Town Meeting appropriation reduction. A balance of \$47,600 remained, so the OOD obligations totalling \$64,507 were met by transferring \$16,907 from the Special

Education transportation line. As the OOD budget line is completely committed, additional funds will be required should an additional placement materialize.

Substitutes. While the day-to-day substitute expenses are slightly ahead of last year's expense at the end of the second quarter, anticipated expenses should remain within the budget unless a serious flu outbreak occurs. On the other hand, a number of situations requiring long-term substitutes have committed the entire \$50,000 budget line. Additional maternity leaves are not expected, but at least one medical situation may require extended support, perhaps amounting to \$18,000. Sufficient funds remain in the Personnel Control account to accommodate this expense should it arise.

Status of Professional Salaries. The 2<sup>nd</sup> Quarter Budget Status Report shows that 101.2% of the regular salaries for teachers are committed. This is a reflection of the current negative balance of minus \$64,721.35 in the Special Education teachers account in the Lincoln Schools. The budget reduction taken at the Special Town Meeting included \$65,000 from this account, in recognition of the ARRA Special Education IDEA grant allocation announced earlier this year. The Administration anticipates receiving these funds during the 3<sup>rd</sup> Quarter, which will restore the account balance.

#### **Hanscom Campus.**

Substitutes. As on the Lincoln Campus, the day-to-day substitute expenses are slightly ahead of last year's expense at the end of the second quarter. A number of maternity leaves at the Hanscom Primary School required a transfer of \$23,345 into their long-term substitute account. One medical situation at the Hanscom Middle School may require extended support of \$20,000, but sufficient funds remain in their long-term substitute account to meet expected requirements.

#### **Both Campuses.**

Legal Expenses. The 2<sup>nd</sup> Quarter Budget Status Report does not reflect the latest bill paid in early January. The actual expenditures from the Lincoln budget are \$7,089, or 64.4%; from the Hanscom budget, \$3,494, or 39%. Typically, the majority of legal expenses are paid in the second half of the fiscal year, and additional expenses in the same amount or greater to support on-going actions and reviews are anticipated.

Utilities. We have experienced slightly fewer heating degree-days this heating season than we experienced last year (2776 versus 2657), but we will continue to monitor both usage and expenditures closely. The Hanscom expenses always lag the Lincoln expenses, because of the billing process through the Defense Finance and Accounting System, so the lower burn rate is expected. We are captive customers of the Hanscom utility services, which works to our benefit. As a large commercial user, Hanscom receives a far greater discount on heating gas and electricity than we receive as a very small business customer on the Lincoln campus. These favorable utility rates result in savings that we can use to support the educational programs at the Hanscom Schools.

Custodial Overtime. The operational changes put in place after the FY10 mid-year review coupled with the effective use of the part-time custodian for coverage has

reduced the custodial overtime expenditures significantly. Balancing those savings are the costs of snow recovery operations, which have required overtime details twice in the third quarter already. Each snow event costs \$800 in custodial overtime on the Lincoln Campus, and \$650 on the Hanscom Campus. We will continue to monitor this budget line closely.

Please contact me at 259-2623 or [bcreel@lincnet.org](mailto:bcreel@lincnet.org) should you have any questions about the enclosed information.

**Lincoln Campus**  
**FY 2010 OPERATING BUDGET -- STATUS REPORT**  
**2nd Quarter**  
as of December 31, 2009

Expense Category	Revised FY10 Operating Budget	Expended		Expended & Encumbered		% of total budget
		Amount	Percent	Amount	Percent	
School Committee	\$ 4,900	\$ 1,767	36.1%	\$ 3,852	78.6%	0.05%
<b>Personnel</b>						
Administrator Salaries	\$ 691,615	\$ 314,885	45.5%	\$ 691,615	100.0%	7.58%
Professional Salaries (Teachers, Nurses, etc.)						
• Regular salaries	\$ 5,169,127	\$ 2,016,547	39.0%	\$ 5,230,486	101.2%	56.67%
• Stipends (leadership & mentoring)	\$ 158,478	\$ 60,658	38.3%	\$ 143,178	90.3%	1.74%
• Substitutes (daily & long-term)	\$ 120,000	\$ 41,738	34.8%	\$ 66,691	55.6%	1.32%
• Misc. Salaries (see note 1)	\$ 238,202	\$ 37,796	15.9%	\$ 62,447	26.2%	2.61%
Paraprofessionals Wages						
• Special Education Tutors	\$ 57,880	\$ 30,585	52.8%	\$ 57,879	100.0%	0.63%
• Instructional Assistants	\$ 134,717	\$ 57,203	42.5%	\$ 134,283	99.7%	1.48%
• Other paraprofessionals	\$ 102,623	\$ 39,537	38.5%	\$ 102,498	99.9%	1.13%
Support Staff						
• Secretaries	\$ 319,670	\$ 147,686	46.2%	\$ 319,671	100.0%	3.50%
• Facilities, Maintenance & Custodial Staff	\$ 365,222	\$ 176,829	48.4%	\$ 365,209	100.0%	4.00%
• Overtime	\$ 31,025	\$ 11,034	35.6%	\$ 11,034	35.6%	0.34%
Professional & Staff Development	\$ 59,068	\$ 22,089	37.4%	\$ 31,448	53.2%	0.65%
<b>Supplies, Equipment &amp; Services</b>						
In-District Transportation	\$ 329,060	\$ 110,152	33.5%	\$ 329,060	100.0%	3.61%
Out of District Special Education Transportation	\$ 108,504	\$ 107,639	99.2%	\$ 107,639	99.2%	1.19%
Special Education Tuition (OOD & collaboratives) (see note 3)	\$ 64,507	\$ 10,961	17.0%	\$ 64,506	100.0%	0.71%
General Supplies and Materials						
• Textbooks	\$ 45,834	\$ 36,390	79.4%	\$ 38,446	83.9%	0.50%
• Other Published Materials	\$ 52,990	\$ 27,841	52.5%	\$ 30,260	57.1%	0.58%
• Durable Goods and Equipment	\$ 54,326	\$ 27,815	51.2%	\$ 29,822	54.9%	0.60%
• Consumable Supplies	\$ 99,306	\$ 51,608	52.0%	\$ 57,410	57.8%	1.09%
• Contracted Services	\$ 172,129	\$ 57,332	33.3%	\$ 100,014	58.1%	1.89%
Facilities & Maintenance						
• Utilities -- heat	\$ 230,626	\$ 30,470	13.2%	\$ 230,281	99.9%	2.53%
• Utilities -- electricity	\$ 240,000	\$ 87,375	36.4%	\$ 215,366	89.7%	2.63%
• Utilities -- water, sewer, telephones	\$ 59,350	\$ 14,591	24.6%	\$ 44,326	74.7%	0.65%
• Maintenance Services & Supplies	\$ 126,280	\$ 51,645	40.9%	\$ 83,700	66.3%	1.38%
• Custodial Services & Supplies	\$ 29,500	\$ 18,123	61.4%	\$ 18,372	62.3%	0.32%
Other expenses (see note 2)	\$ 56,784	\$ 7,187	12.7%	\$ 11,133	19.6%	0.62%
<b>TOTALS</b>	<b>\$ 9,121,723</b>	<b>\$ 3,597,482</b>	<b>39.4%</b>	<b>\$ 8,580,627</b>	<b>94.1%</b>	<b>100.0%</b>

Notes

1. Includes personnel control, certain curriculum development & instrumental instruction salaries.
2. Includes (but not limited to) postage, legal expense, advertising, printing, permits, etc.
3. Revised budget includes FY10 Budget adjustment of minus \$212,000 voted at Special Town Meeting

**Hanscom Campus**  
**FY 2010 OPERATING BUDGET -- STATUS REPORT**  
**2nd Quarter**  
as of December 31, 2009

Expense Category	Revised FY10 Operating Budget	Expended		Expended & Encumbered		% of total
		Amount	Percent	Amount	Percent	
School Committee	\$ 4,100	\$ 113	2.7%	\$ 2,250	54.9%	0.04%
<b>Personnel</b>						0.00%
Administrator Salaries	\$ 644,493	\$ 285,293	44.3%	\$ 644,491	100.0%	6.15%
Professional Salaries (Teachers, Nurses, etc.)						0.00%
• Regular salaries	\$ 4,702,149	\$ 1,838,411	39.1%	\$ 4,697,575	99.9%	44.88%
• Stipends (leadership & mentoring)	\$ 138,615	\$ 47,632	34.4%	\$ 126,919	91.6%	1.32%
• Substitutes (daily & long-term)	\$ 123,345	\$ 40,341	32.7%	\$ 66,151	53.6%	1.18%
• Misc. Salaries (see note 1)	\$ 383,893	\$ 28,245	7.4%	\$ 39,220	10.2%	3.66%
Paraprofessionals Wages						0.00%
• Special Education Tutors	\$ 269,575	\$ 118,247	43.9%	\$ 269,575	100.0%	2.57%
• Instructional Assistants	\$ 139,483	\$ 41,162	29.5%	\$ 120,474	86.4%	1.33%
• Other paraprofessionals ****	\$ 110,834	\$ 45,940	41.4%	\$ 111,599	100.7%	1.06%
Support Staff						0.00%
• Secretaries	\$ 316,340	\$ 146,330	46.3%	\$ 316,340	100.0%	3.02%
• Facilities, Maintenance & Custodial Staff	\$ 377,471	\$ 181,618	48.1%	\$ 374,256	99.1%	3.60%
• Overtime	\$ 16,740	\$ 2,039	12.2%	\$ 2,039	12.2%	0.16%
Professional & Staff Development	\$ 57,991	\$ 16,864	29.1%	\$ 21,481	37.0%	0.55%
Employee Benefits & Town Svcs	\$ 2,020,576	\$ 377,223	18.7%	\$ 1,375,035	68.1%	19.29%
<b>Supplies, Equipment &amp; Services</b>						0.00%
In-District Transportation						
Out of District Special Education Transportation	\$ 87,992	\$ 82,707	94.0%	\$ 84,317	95.8%	0.84%
Special Education Tuition (OOD & collaboratives)	\$ 183,523	\$ 116,110	63.3%	\$ 144,435	78.7%	1.75%
General Supplies and Materials						0.00%
• Textbooks	\$ 29,363	\$ 21,193	72.2%	\$ 23,088	78.6%	0.28%
• Other Published Materials	\$ 69,387	\$ 32,283	46.5%	\$ 41,666	60.0%	0.66%
• Durable Goods and Equipment	\$ 57,789	\$ 27,159	47.0%	\$ 29,740	51.5%	0.55%
• Consumable Supplies	\$ 104,177	\$ 45,559	43.7%	\$ 50,686	48.7%	0.99%
• Contracted Services	\$ 163,792	\$ 50,014	30.5%	\$ 72,510	44.3%	1.56%
Facilities & Maintenance						0.00%
• Utilities -- heat	\$ 32,700	\$ 960	2.9%	\$ 32,700	100.0%	0.31%
• Utilities -- electricity	\$ 125,000	\$ 16,802	13.4%	\$ 125,000	100.0%	1.19%
• Utilities -- water, sewer, telephones	\$ 34,058	\$ 10,997	32.3%	\$ 34,058	100.0%	0.33%
• Maintenance Services & Supplies	\$ 203,733	\$ 63,105	31.0%	\$ 140,237	68.8%	1.94%
• Custodial Services & Supplies	\$ 31,329	\$ 14,228	45.4%	\$ 18,963	60.5%	0.30%
Other expenses (see note 2)	\$ 48,010	\$ 4,626	9.6%	\$ 7,074	14.7%	0.46%
<b>TOTALS</b>	<b>\$ 10,476,458</b>	<b>\$ 3,655,200</b>	<b>34.9%</b>	<b>\$ 8,971,880</b>	<b>85.6%</b>	

**Notes**

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

# FY 2010 Operating Budget -- Key Budget Line Tracking

2nd Quarter  
as of December 31, 2009

Budget line	FY09 Budget			FY10 Budget			
	revised budget	2Q \$\$ expended	2Q % expended	original budget	revised budget	2Q \$\$ expended	2Q % expended
<b>Lincoln Campus</b>							
Legal expenses	9,000	1,618	18.0%	11,000	11,000	3,551	32.3%
Substitutes (daily)	70,000	14,823	21.2%	70,000	70,000	17,342	24.8%
Substitutes (long-term)	50,000	-	0.0%	50,000	50,000	24,396	48.8%
Custodian overtime	16,125	11,398	70.7%	18,125	18,125	4,995	27.6%
Utilities (heat)	226,424	40,060	17.7%	230,626	230,626	30,470	13.2%
Utilities (electricity)	240,000	84,595	35.2%	240,000	240,000	87,375	36.4%
Utilities (telephones)	28,465	14,299	50.2%	38,850	38,850	8,772	22.6%
Special Education OOD tuition	353,162	119,206	33.8%	172,600	64,507	10,961	17.0%
General Supplies & Materials (SBM & new curriculum mat'ls)				193,169	196,451	114,864	58.5%
<b>Hanscom Campus</b>							
Legal expenses	4,500	59	1.3%	9,000	9,000	1,190	13.2%
Substitutes (daily)	50,000	11,502	23.0%	50,000	50,000	10,676	21.4%
Substitutes (long-term)	50,000	-	0.0%	50,000	73,345	29,665	40.4%
Custodian overtime	10,000	1,652	16.5%	16,240	16,240	2,039	12.6%
Utilities (heat)	65,000	112	0.2%	32,700	32,700	960	2.9%
Utilities (electricity)	122,000	16,610	13.6%	125,000	125,000	16,802	13.4%
Utilities (telephones)	24,000	12,219	50.9%	23,435	23,558	8,831	37.5%
Special Education OOD tuition	98,459	45,895	46.6%	100,000	100,000	32,587	32.6%
General Supplies & Materials (SBM & new curriculum mat'ls)				216,702	208,453	98,118	47.1%