



LINCOLN PUBLIC SCHOOLS

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ADMINISTRATOR FOR BUSINESS AND FINANCE

April 14, 2010

To: Lincoln School Committee
Michael F. Brandmeyer, Superintendent
From: Buckner Creel, Administrator for Business and Finance
Subject: FY10 Third 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 accommodated this reduction. In spite of this reduction, all financial obligations are expected to be met within the funds appropriated and allocated for FY10.

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 April 6, 2010. At that date, approximately 75% of the school year and 75% of the fiscal year had elapsed. The report balances include payrolls through April 6, 2010, reflecting wages through March 26, 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. 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 during the last quarter.

Substitutes. While the day-to-day substitute expenses are slightly ahead of last year's expense at the end of the third 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 affecting the FY10 budget are not expected at this point. At least one medical situation will require extended support, and \$20,000 was transferred into the long-term substitute account to accommodate this expense.

Status of Professional Salaries. The 3rd 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 in 2009. The Administration continues to anticipate receiving these funds during the 4th Quarter, which will restore the account balance.

Status of Teacher Stipends. The 3rd Quarter Budget Status Report shows that 101.4% of the stipends for teachers are committed. A coach stipend for a spring sport was encumbered against the operating budget instead of the Athletic Revolving Fund, and will be correctly encumbered at the next payroll.

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 will require extended support of \$20,000, and funds were transferred to meet this requirement. The revised budget amounts for substitutes (long-term) on the Key Budget Line Tracking chart is overstated by \$36,362.32; a payroll posting error resulted in a double encumbrance. These funds will be released to the Personnel Control account at the next payroll.

Both Campuses.

Legal Expenses. Legal expenses continue to run ahead of original budget projections. \$10,000 were transferred into the Lincoln legal budget, and \$8,000 transferred into the Hanscom legal budget in anticipation of expenses to support on-going actions and reviews for the remainder of the fiscal year.

Utilities. We have experienced significantly fewer heating degree-days this heating season than we experienced last year (4697 versus 5205), but we will continue to monitor both usage and expenditures closely. On the Lincoln campus, this year's Key Budget Line statistics include expenses through February, while last year's Key Budget Line statistics include expenses through January. In fact, this year's heating expenses are running \$8,000 behind last year's, when like periods are compared.

The mild weather has similarly affected the Hanscom utility expenditures which are down when compared with last year's history. 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.

Winter Flood Recovery. On the Lincoln Campus, all of the immediate recovery actions have occurred, with some follow-on work to take place during the next few weeks.

While all of the bills have not been received, the non-personnel costs should not exceed the estimate of \$17,800 presented in the post-flood update.

On the Hanscom Campus, the continued flooding ruined the carpet in HMS room E-3, so we will continue the recovery process by removing the carpet next week. If all goes well, the additional costs for the floor recovery will be small. The heavy rains have reinforced the fact that the portions of the HMS roofs installed in 1979 are in failure and seriously compromising the educational operations. Room E-3 is currently unusable, as the roof leaks in more than 16 places during heavy rains. Repair of the roof presents a significant challenge.

Finally, the Administration has provided cost estimates to the Massachusetts Emergency Management Agency (MEMA) through the Lincoln Fire Department, and we may receive reimbursement for some of the recovery efforts, particularly those associated with the Smith boiler room flooding.

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

Lincoln Campus
FY 2010 OPERATING BUDGET -- STATUS REPORT
3rd Quarter
as of April 6, 2010

Expense Category	Revised FY10 Operating Budget	Expended		Expended & Encumbered		% of total budget
		Amount	Percent	Amount	Percent	
School Committee	\$ 4,900	\$ 2,317	47.3%	\$ 4,047	82.6%	0.05%
Personnel						
Administrator Salaries	\$ 691,601	\$ 500,496	72.4%	\$ 691,597	100.0%	7.58%
Professional Salaries (Teachers, Nurses, etc.)						
• Regular salaries	\$ 5,152,523	\$ 3,436,033	66.7%	\$ 5,216,503	101.2%	56.49%
• Stipends (leadership & mentoring)	\$ 159,981	\$ 104,509	65.3%	\$ 162,283	101.4%	1.75%
• Substitutes (daily & long-term)	\$ 138,383	\$ 81,359	58.8%	\$ 99,517	71.9%	1.52%
• Misc. Salaries (see note 1)	\$ 220,191	\$ 50,470	22.9%	\$ 64,872	29.5%	2.41%
Paraprofessionals Wages						
• Special Education Tutors	\$ 57,972	\$ 44,089	76.1%	\$ 57,722	99.6%	0.64%
• Instructional Assistants	\$ 136,618	\$ 102,131	74.8%	\$ 142,890	104.6%	1.50%
• Other paraprofessionals	\$ 92,098	\$ 65,226	70.8%	\$ 91,929	99.8%	1.01%
Support Staff						
• Secretaries	\$ 319,670	\$ 230,786	72.2%	\$ 319,671	100.0%	3.50%
• Facilities, Maintenance & Custodial Staff	\$ 366,682	\$ 275,085	75.0%	\$ 366,413	99.9%	4.02%
• Overtime	\$ 30,225	\$ 22,921	75.8%	\$ 22,921	75.8%	0.33%
Professional & Staff Development	\$ 61,655	\$ 35,982	58.4%	\$ 42,880	69.5%	0.68%
Supplies, Equipment & Services						
In-District Transportation	\$ 329,660	\$ 208,502	63.2%	\$ 329,060	99.8%	3.61%
Out of District Special Education Transportation	\$ 108,504	\$ 107,639	99.2%	\$ 107,774	99.3%	1.19%
Special Education Tuition (OOD & collaboratives) (see note 3)	\$ 64,506	\$ 35,919	55.7%	\$ 64,746	100.4%	0.71%
General Supplies and Materials						
• Textbooks	\$ 45,256	\$ 41,656	92.0%	\$ 44,026	97.3%	0.50%
• Other Published Materials	\$ 50,028	\$ 36,183	72.3%	\$ 41,928	83.8%	0.55%
• Durable Goods and Equipment	\$ 68,386	\$ 36,586	53.5%	\$ 57,532	84.1%	0.75%
• Consumable Supplies	\$ 98,392	\$ 65,323	66.4%	\$ 72,329	73.5%	1.08%
• Contracted Services	\$ 177,847	\$ 96,809	54.4%	\$ 128,834	72.4%	1.95%
Facilities & Maintenance						
• Utilities -- heat	\$ 230,626	\$ 172,854	74.9%	\$ 230,281	99.9%	2.53%
• Utilities -- electricity	\$ 237,800	\$ 142,330	59.9%	\$ 219,441	92.3%	2.61%
• Utilities -- water, sewer, telephones	\$ 59,350	\$ 26,303	44.3%	\$ 45,036	75.9%	0.65%
• Maintenance Services & Supplies	\$ 126,280	\$ 75,501	59.8%	\$ 102,381	81.1%	1.38%
• Custodial Services & Supplies	\$ 31,700	\$ 27,655	87.2%	\$ 28,404	89.6%	0.35%
Other expenses (see note 2)	\$ 60,889	\$ 19,636	32.2%	\$ 23,702	38.9%	0.67%
TOTALS	\$ 9,121,723	\$ 6,044,302	66.3%	\$ 8,778,719	96.2%	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.
3. Revised budget includes FY10 Budget adjustment of minus \$212,000 voted at Special Town Meeting

Hanscom Campus
FY 2010 OPERATING BUDGET -- STATUS REPORT
3rd Quarter
as of April 6, 2010

Expense Category	Revised FY10 Operating Budget	Expended		Expended & Encumbered		% of total
		Amount	Percent	Amount	Percent	
School Committee	\$ 4,100	\$ 1,883	45.9%	\$ 3,299	80.5%	0.04%
Personnel		.				0.00%
Administrator Salaries	\$ 644,494	\$ 458,429	71.1%	\$ 644,495	100.0%	6.15%
Professional Salaries (Teachers, Nurses, etc.)						0.00%
• Regular salaries	\$ 4,700,761	\$ 3,084,850	65.6%	\$ 4,690,369	99.8%	44.87%
• Stipends (leadership & mentoring)	\$ 135,615	\$ 82,751	61.0%	\$ 126,862	93.5%	1.29%
• Substitutes (daily & long-term)	\$ 210,854	\$ 87,312	41.4%	\$ 187,434	88.9%	2.01%
• Misc. Salaries (see note 1)	\$ 284,892	\$ 33,997	11.9%	\$ 41,083	14.4%	2.72%
Paraprofessionals Wages						0.00%
• Special Education Tutors	\$ 274,037	\$ 195,544	71.4%	\$ 274,038	100.0%	2.62%
• Instructional Assistants	\$ 135,186	\$ 80,479	59.5%	\$ 128,492	95.0%	1.29%
• Other paraprofessionals ****	\$ 110,524	\$ 80,086	72.5%	\$ 110,991	100.4%	1.05%
Support Staff						0.00%
• Secretaries	\$ 316,340	\$ 227,992	72.1%	\$ 316,340	100.0%	3.02%
• Facilities, Maintenance & Custodial Staff	\$ 377,641	\$ 281,165	74.5%	\$ 374,427	99.1%	3.60%
• Overtime	\$ 16,740	\$ 6,670	39.8%	\$ 6,670	39.8%	0.16%
Professional & Staff Development	\$ 59,273	\$ 25,352	42.8%	\$ 32,995	55.7%	0.57%
Employee Benefits & Town Svcs	\$ 2,020,576	\$ 637,176	31.5%	\$ 1,375,035	68.1%	19.29%
Supplies, Equipment & Services						0.00%
In-District Transportation						
Out of District Special Education Transportation	\$ 87,992	\$ 84,340	95.9%	\$ 85,914	97.6%	0.84%
Special Education Tuition (OOD & collaboratives)	\$ 183,523	\$ 144,435	78.7%	\$ 144,435	78.7%	1.75%
General Supplies and Materials						0.00%
• Textbooks	\$ 25,048	\$ 20,290	81.0%	\$ 21,557	86.1%	0.24%
• Other Published Materials	\$ 70,341	\$ 51,149	72.7%	\$ 61,347	87.2%	0.67%
• Durable Goods and Equipment	\$ 73,168	\$ 43,126	58.9%	\$ 62,071	84.8%	0.70%
• Consumable Supplies	\$ 103,791	\$ 63,444	61.1%	\$ 72,668	70.0%	0.99%
• Contracted Services	\$ 161,450	\$ 84,153	52.1%	\$ 111,350	69.0%	1.54%
Facilities & Maintenance						0.00%
• Utilities -- heat	\$ 32,700	\$ 8,101	24.8%	\$ 32,700	100.0%	0.31%
• Utilities -- electricity	\$ 125,000	\$ 35,533	28.4%	\$ 125,000	100.0%	1.19%
• Utilities -- water, sewer, telephones	\$ 34,341	\$ 20,163	58.7%	\$ 34,341	100.0%	0.33%
• Maintenance Services & Supplies	\$ 201,934	\$ 136,170	67.4%	\$ 170,379	84.4%	1.93%
• Custodial Services & Supplies	\$ 33,129	\$ 27,986	84.5%	\$ 30,042	90.7%	0.32%
Other expenses (see note 2)	\$ 53,010	\$ 14,705	27.7%	\$ 16,216	30.6%	0.51%
TOTALS	\$ 10,476,459	\$ 6,017,284	57.4%	\$ 9,280,549	88.6%	

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 2010 Operating Budget -- Key Budget Line Tracking

3rd Quarter

as of April 6, 2010

Budget line	FY09 Budget				FY10 Budget			
	original budget	revised budget	3Q \$\$ expended	3Q % expended	original budget	revised budget	3Q \$\$ expended	3Q % expended
Lincoln Campus								
Legal expenses	9,000	19,582	15,582	173.1%	11,000	21,000	11,231	53.5%
Substitutes (daily)	70,000	70,000	27,315	39.0%	70,000	70,000	34,873	49.8%
Substitutes (long-term)	50,000	50,000	11,032	22.1%	50,000	68,383	46,486	68.0%
Custodian overtime	16,125	16,125	12,440	77.1%	18,125	17,325	10,886	62.8%
Utilities (heat)	226,424	226,424	152,758	67.5%	230,626	230,626	172,854	74.9%
Utilities (electricity)	240,000	236,501	135,222	56.3%	240,000	237,800	142,330	59.9%
Utilities (telephones)	37,000	32,211	19,961	53.9%	38,850	38,850	19,090	49.1%
Special Education OOD tuition	259,341	353,162	213,242	82.2%	172,600	64,507	35,919	55.7%
General Supplies & Materials (SBM & new curriculum mat'ls)					193,169	200,397	151,151	75.4%
Hanscom Campus								
Legal expenses	10,000	15,749	12,749	127.5%	9,000	17,000	6,917	40.7%
Substitutes (daily)	50,000	50,000	22,496	45.0%	50,000	50,000	26,580	53.2%
Substitutes (long-term)	50,000	50,000	3,115	6.2%	50,000	160,853	60,732	37.8%
Custodian overtime	20,000	20,000	10,656	53.3%	16,240	16,240	6,670	41.1%
Utilities (heat)	65,000	60,978	112	0.2%	32,700	32,700	8,101	24.8%
Utilities (electricity)	125,000	122,000	16,610	13.3%	125,000	125,000	35,533	28.4%
Utilities (telephones)	24,000	28,022	17,169	71.5%	23,435	23,558	16,324	69.3%
Special Education OOD tuition	98,459	98,459	79,625	80.9%	100,000	100,000	60,912	60.9%
General Supplies & Materials (SBM & new curriculum mat'ls)					216,702	205,389	139,476	67.9%