



# LINCOLN PUBLIC SCHOOLS

BUCKNER M. CREEL  
ADMINISTRATOR FOR BUSINESS AND FINANCE

January 10, 2012

To: Lincoln School Committee  
Michael F. Brandmeyer, Superintendent of Schools  
From: Buckner Creel, Administrator for Business and Finance  
Subject: FY12 Second Quarter Report

For Fiscal Year 2012, the Lincoln Public Schools received appropriations of \$9,559,105 for the Lincoln Campus. All financial obligations on the Lincoln Campus are expected to be met within the funds appropriated for FY12.

The Hanscom budget for FY12 was originally prepared based on providing FY12 services for the 441-460 pupil enrollment band, although the actual student enrollment to be served was uncertain. We presented a budget of \$10,198,350 that had the potential of a deficit if enrollment increased, as was projected, and planned to add funds from a higher band if enrollment increased. Subsequently, increasing enrollment caused the DODEA contracting officer to award the option year for FY12 at the 461-480 enrollment band, providing a contract allocation of \$10,651,610. This contract allocation serves as the current budget amount for the Hanscom operations.

The certified September 30<sup>th</sup> enrollment report showed an increase in pupil enrollment which moved the contract price to the 500-550 enrollment band at \$11,331,329. The administration feels the funds originally allocated on the Hanscom Campus for FY12 are sufficient to meet the obligations currently anticipated, and recommends keeping the Hanscom budget figure at \$10,651,610.

Attached for your review is a report providing details of the current operating budget, year to date expenses and encumbrances as of December 31, 2011. At that date, approximately 40% of the school year and 50% of the fiscal year had elapsed. The report balances include payrolls through December 27, 2011, reflecting wages through December 16, 2011. 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.

Several comments on specific expense categories follow.

## **Lincoln Campus**

General. The expenditure of 58.1% of the general supplies and materials line is appropriate, and signifies that the schools have internalized the administration drive to foster early planning and a more proactive approach towards purchasing the needed supplies in advance of their use. We are on target to reach our goal of completing the bulk of these purchases by the end of March, and I will meet with the Lincoln principals this month to verify that they can meet their program needs with the available funds. The "negative expense" in the telephone key budget line is an artifact of the E-Rate reimbursement timing. We typically receive a large payment from E-Rate providers during July and August, in amounts larger than the phone bills paid to date. As a reimbursement, these E-Rate amounts are applied against expenses, creating a "negative expense" to be offset by phone bills as the fiscal year progresses. The posting of the December telephone bills in early January erased this credit.

Financial assistance. The following financial assistance amounts have been granted during the first two quarters or are estimated for the remainder of FY12:

7 <sup>th</sup> Grade Sargent Camp overnight trip	8 students	\$ 2,088.25
Instrument rental	1 student	\$ 240.00
Bus transportation	13 students	\$ 3,356.25
Athletics – Fall Season	7 students	\$ 1,100.00
Athletics – Winter Season	7 students	\$ 1,550.00
Athletics – Spring Season [T] estimate	7 students	\$ 1,100.00
8 <sup>th</sup> Grade Washington DC overnight trip [T]	6 students	\$ 3,846.00 **

\*\* Requests for financial assistance already approved will result in this requirement.

The current balance of the Middle School Legacy Fund gift account is \$6,484.87, which includes the Sargent Camp expense and instrument rental encumbrance shown above. Adding the recent Class of 2007 gift approved by the School Committee at its January 5<sup>th</sup> meeting brings the available balance to \$7,802.09. The financial assistance already approved but not transferred totals \$6,006.25, and the minimum aid requirement for the upcoming 8<sup>th</sup> Grade trip is \$3,846, for a total of \$9,852.25, or a deficit of \$2,050.16 in the funds required. The administration will be prepared to discuss several alternative approaches to this problem.

### **Hanscom Campus**

The housing privatization program at Hanscom Air Force Base was successful, with new units coming online last summer as scheduled. Families began moving and registering their children, as evidenced by the increased enrollment at both the Hanscom Primary and Middle Schools. The move-in of new families continues, albeit at a much slower pace.

At Hanscom Primary, the increasing enrollment required adding a fourth Kindergarten and a fourth 1<sup>st</sup> Grade section, with the accompanying expenses for teachers, instructional assistant hours, classroom furniture and materials. At Hanscom Middle the increase in enrollment impacted the 6<sup>th</sup> Grade, and the principal originally considered hiring a part-time, 0.6 FTE English teacher to address class size, but this position is currently on hold.

The acquisition of Chrome books for the Hanscom Middle School grade was accompanied by the addition of a part-time Instructional Technologist to help the teaching staff quickly leverage this new technology. The increase in the enrollment provides additional contract dollars, which will be sufficient to cover the anticipated expenses for this fiscal year.

### **Grants and Revolving Funds**

In addition to the Lincoln appropriations and Hanscom allocation, approximately \$1.4M 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 and approved on a timely basis, in the amounts allocated by DESE, 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, and the School Lunch Fund, all revolving funds are meeting their targets for both receipt of fees and budgeted expenditures. This year, we anticipated receiving \$28,000 in bus fees; receipts to-date total only \$27,376, and we do not anticipate any significant additional receipts for the balance of the year. Sufficient funds will remain in the revolving fund at the end of FY12 to ensure that this shortfall will not affect the FY13 budget.

The Brooks and Hanscom kitchens have experienced a higher-than-normal failure rate in the stand-alone freezer and refrigerator units, requiring greater-than-anticipated expenses for repairs. The Brooks units are particularly old, and the administration is evaluating the benefits of replacing a freezer unit which is considered irreparable at a cost of \$3,600. The goal is to operate the School Lunch Fund on a cost neutral basis, and the repair costs currently prevent the current, FY12 operations from meeting that goal. While these repair costs are unanticipated, the fund has a sufficient balance to cover these expenses. The School Lunch Fund continues to have sufficient resources to cover the anticipated FY13 program.

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 2012 OPERATING BUDGET -- STATUS REPORT**  
**2nd Quarter**  
as of December 31, 2011

Expense Category	Revised FY12 Operating Budget	Expended		Expended & Encumbered		% of total budget
		Amount	Percent	Amount	Percent	
School Committee	\$ 18,995	\$ 1,441	7.6%	\$ 15,346	80.8%	0.20%
<b>Personnel</b>						
Administrator Salaries	\$ 752,130	\$ 329,036	43.7%	\$ 735,587	97.8%	7.87%
Professional Salaries (Teachers, Nurses, etc.)						
• Regular salaries	\$ 5,347,132	\$ 2,073,870	38.8%	\$ 5,342,400	99.9%	55.94%
• Stipends (leadership & mentoring)	\$ 175,910	\$ 62,750	35.7%	\$ 154,911	88.1%	1.84%
• Substitutes (daily & long-term)	\$ 105,000	\$ 19,558	18.6%	\$ 19,558	18.6%	1.10%
• Misc. Salaries (see note 1)	\$ 292,946	\$ 42,532	14.5%	\$ 73,210	25.0%	3.06%
Paraprofessionals Wages						
• Special Education Tutors	\$ 50,686	\$ 22,559	44.5%	\$ 45,940	90.6%	0.53%
• Instructional Assistants	\$ 160,265	\$ 62,628	39.1%	\$ 158,169	98.7%	1.68%
• Other paraprofessionals	\$ 81,815	\$ 34,025	41.6%	\$ 81,815	100.0%	0.86%
Support Staff						
• Secretaries	\$ 342,307	\$ 154,328	45.1%	\$ 341,181	99.7%	3.58%
• Facilities, Maintenance & Custodial Staff	\$ 377,747	\$ 180,454	47.8%	\$ 374,127	99.0%	3.95%
• Overtime	\$ 20,058	\$ 7,455	37.2%	\$ 7,455	37.2%	0.21%
Professional & Staff Development	\$ 46,829	\$ 17,420	37.2%	\$ 25,485	54.4%	0.49%
<b>Supplies, Equipment &amp; Services</b>						
In-District Transportation	\$ 334,140	\$ 120,582	36.1%	\$ 334,140	100.0%	3.50%
Out of District Special Education Transportation	\$ 107,450	\$ 82,271	76.6%	\$ 82,271	76.6%	1.12%
Special Education Tuition (OOD & collaboratives) (see note 3)	\$ 270,950	\$ 102,142	37.7%	\$ 250,082	92.3%	2.83%
General Supplies and Materials						
• Textbooks	\$ 24,633	\$ 15,836	64.3%	\$ 15,836	64.3%	0.26%
• Other Published Materials	\$ 66,074	\$ 36,633	55.4%	\$ 41,618	63.0%	0.69%
• Durable Goods and Equipment	\$ 34,390	\$ 16,205	47.1%	\$ 17,414	50.6%	0.36%
• Consumable Supplies	\$ 117,530	\$ 67,664	57.6%	\$ 73,003	62.1%	1.23%
• Contracted Services	\$ 171,903	\$ 63,266	36.8%	\$ 96,148	55.9%	1.80%
Facilities & Maintenance						
• Utilities -- heat	\$ 173,000	\$ 27,531	15.9%	\$ 172,351	99.6%	1.81%
• Utilities -- electricity	\$ 172,000	\$ 70,492	41.0%	\$ 172,000	100.0%	1.80%
• Utilities -- water, sewer, telephones	\$ 34,633	\$ 3,349	9.7%	\$ 27,320	78.9%	0.36%
• Maintenance Services & Supplies	\$ 192,762	\$ 84,866	44.0%	\$ 151,928	78.8%	2.02%
• Custodial Services & Supplies	\$ 38,206	\$ 19,077	49.9%	\$ 27,204	71.2%	0.40%
Other expenses (see note 2)	\$ 49,614	\$ 11,668	23.5%	\$ 12,367	24.9%	0.52%
<b>TOTALS</b>	\$ 9,559,105	\$ 3,729,638	39.0%	\$ 8,848,865	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 expenses including settlements, advertising, printing, permits, etc.

**Hanscom Campus**  
**FY 2012 OPERATING BUDGET -- STATUS REPORT**  
**2nd Quarter**  
as of December 31, 2011

Expense Category	Revised FY12 Operating Budget	Expended		Expended & Encumbered		% of total
		Amount	Percent	Amount	Percent	
School Committee	\$ 15,486	\$ 1,179	7.6%	\$ 12,556	81.1%	0.15%
<b>Personnel</b>		.				0.00%
Administrator Salaries	\$ 664,177	\$ 289,627	43.6%	\$ 650,622	98.0%	6.24%
Professional Salaries (Teachers, Nurses, etc.)						0.00%
• Regular salaries	\$ 5,154,454	\$ 1,997,576	38.8%	\$ 5,108,311	99.1%	48.39%
• Stipends (leadership & mentoring)	\$ 158,325	\$ 55,637	35.1%	\$ 149,140	94.2%	1.49%
• Substitutes (daily & long-term)	\$ 100,000	\$ 25,822	25.8%	\$ 34,210	34.2%	0.94%
• Misc. Salaries (see note 1)	\$ 358,589	\$ 34,305	9.6%	\$ 90,191	25.2%	3.37%
Paraprofessionals Wages						0.00%
• Special Education Tutors	\$ 308,869	\$ 126,286	40.9%	\$ 308,865	100.0%	2.90%
• Instructional Assistants	\$ 232,494	\$ 92,144	39.6%	\$ 232,273	99.9%	2.18%
• Other paraprofessionals ****	\$ 95,330	\$ 38,818	40.7%	\$ 95,329	100.0%	0.89%
Support Staff						0.00%
• Secretaries	\$ 329,580	\$ 148,131	44.9%	\$ 328,808	99.8%	3.09%
• Facilities, Maintenance & Custodial Staff	\$ 423,852	\$ 200,910	47.4%	\$ 418,763	98.8%	3.98%
• Overtime	\$ 16,740	\$ 3,582	21.4%	\$ 3,582	21.4%	0.16%
Professional & Staff Development	\$ 46,346	\$ 12,814	27.6%	\$ 17,834	38.5%	0.44%
Employee Benefits & Town Svcs	\$ 1,628,304	\$ 371,650	22.8%	\$ 1,517,800	93.2%	15.29%
<b>Supplies, Equipment &amp; Services</b>						0.00%
In-District Transportation						
Out of District Special Education Transportation	\$ 88,799	\$ 78,732	88.7%	\$ 84,222	94.8%	0.83%
Special Education Tuition (OOD & collaboratives)	\$ 101,195	\$ 66,681	65.9%	\$ 101,195	100.0%	0.95%
General Supplies and Materials						0.00%
• Textbooks	\$ 12,383	\$ 8,603	69.5%	\$ 8,907	71.9%	0.12%
• Other Published Materials	\$ 66,216	\$ 30,709	46.4%	\$ 34,730	52.4%	0.62%
• Durable Goods and Equipment	\$ 105,965	\$ 36,636	34.6%	\$ 86,219	81.4%	0.99%
• Consumable Supplies	\$ 108,687	\$ 67,751	62.3%	\$ 73,551	67.7%	1.02%
• Contracted Services	\$ 167,812	\$ 55,866	33.3%	\$ 78,558	46.8%	1.58%
Facilities & Maintenance						0.00%
• Utilities -- heat	\$ 18,000	\$ 425	2.4%	\$ 15,000	83.3%	0.17%
• Utilities -- electricity	\$ 100,000	\$ 29,587	29.6%	\$ 100,000	100.0%	0.94%
• Utilities -- water, sewer, telephones	\$ 39,500	\$ 12,632	32.0%	\$ 31,366	79.4%	0.37%
• Maintenance Services & Supplies	\$ 234,570	\$ 75,987	32.4%	\$ 138,709	59.1%	2.20%
• Custodial Services & Supplies	\$ 31,389	\$ 15,471	49.3%	\$ 22,105	70.4%	0.29%
Other expenses (see note 2)	\$ 44,550	\$ 7,648	17.2%	\$ 9,728	21.8%	0.42%
<b>TOTALS</b>	<b>\$ 10,651,612</b>	<b>\$ 3,885,210</b>	<b>36.5%</b>	<b>\$ 9,752,574</b>	<b>91.6%</b>	

Notes

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