



LINCOLN PUBLIC SCHOOLS

BUCKNER M. CREEL
ADMINISTRATOR FOR BUSINESS AND FINANCE

January 11, 2014

To: Lincoln School Committee
Rebecca McFall, Superintendent of Schools
From: Buckner Creel, Administrator for Business and Finance
Subject: FY14 Second Quarter Report

For Fiscal Year 2014, the Lincoln Public Schools received appropriations of \$10,044,597 for the Lincoln Campus. All financial obligations currently anticipated on the Lincoln Campus are expected to be met within the funds appropriated for FY14.

The Hanscom budget for FY14 was originally prepared based on a contract price for the 550-599 pupil enrollment band (Band 3), with a supplement from the Reserve Fund to provide funding at a level within Band 4. The School Committee approved the Hanscom budget allocation at \$11,429,569 to provide the funds for a staffing level to match the anticipated enrollment.

DODEA accepted the September 30th enrollment report and confirmed the contract price for the 600-649 enrollment band (Band 4). This confirmation increased the contract price by \$478,901, to \$11,738,143. The Administration believes the funds currently allocated on the Hanscom Campus for FY14 are sufficient to meet the obligations currently anticipated. The additional receipts from the shift to Band 4 should be retained in the Hanscom Reserve to meet future needs.

Attached for your review is a report providing details of the current operating budget, year to date expenses and encumbrances as of January 7, 2014. At that date, approximately 40% of the school year and 50% of the fiscal year had elapsed. The report balances include payrolls through January 7, 2014, reflecting wages through December 27, 2012. 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.

Both Campuses

The expenditure of less than 50% of the general supplies and materials line is smaller than appropriate at this point in the year, and may signify that the schools have work to do to meet our target of completing the bulk of these purchases by the end of March. This situation is aggravated in this fiscal year because the School Committee approved prepurchases last June to accomplish certain specific purposes proposed by the Superintendent. When the appropriate budget accounts were adjusted to reflect the prepurchase program, some of those funds were added to budget lines aggregated in the General Supplies category, to be spent later in the year. As noted in the 1st Quarter report, this causes the FY14 burn rate for the General Supplies category to reflect a

reduced percentage over the FY13 equivalent category in last year's Quarter. I will meet with the principals and Central Office administrators this month to verify that they can meet their program needs, with the available funds, within the plan dates, and will discuss their plans for the remainder of the year.

The Special Education out-of-district (OOD) tuitions on both campuses anticipated for the remainder of the current year are projected to remain within the current budget.

Maternity leaves and FMLA situations have increased the number of long-term substitutes required. We will continue to monitor the substitute lines and make adjustments as required.

Lincoln Campus

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 later in January should erase this credit.

The instructional assistant budget line shows that 102.2% of the budget is encumbered or expended. This results from an over-encumbrance of \$4,320.70 for an instructional assistant currently serving as a long-term substitute covering a maternity leave, and will be adjusted once the exact end date of the leave is known.

The long-term substitutes line shows that 81.9% of the budget has been expended at the end of the 2nd Quarter. Two more maternity leaves are anticipated between now and the end of the school year; although the exact amounts required for their long-term substitutes will be developed in the next month, we expect an additional \$20,000 will be required for this budget category. The 3rd Quarter report will show a clearer picture of the substitute accounts.

Hanscom Campus

The Base Civil Engineer office has started billing us for utilities. The \$1,167 "negative expense" in the heating utilities line is caused by a credit adjustment on the July Hanscom utilities bill for an overcharge in June, 2013. The credit is anticipated to disappear once the January bill is posted.

Please contact me at 781-259-2623 or bcreel@lincnet.org should you have any questions about the enclosed information.

Lincoln Campus
FY 2014 OPERATING BUDGET -- STATUS REPORT
2nd Quarter
as of January 7, 2014

Expense Category	Original FY14 Operating Budget	Revised FY14 Operating Budget	Expended		Expended & Encumbered		% of total budget
			Amount	Percent	Amount	Percent	
School Committee	\$ 5,285	\$ 5,285	\$ 1,636	31.0%	\$ 4,564	86.4%	0.05%
Personnel							
Administrator Salaries	\$ 820,254	\$ 820,254	\$ 396,654	48.4%	\$ 820,253	100.0%	8.17%
Professional Salaries (Teachers, Nurses, etc.)							
• Regular salaries	\$ 5,833,467	\$ 5,878,152	\$ 2,473,326	42.1%	\$ 5,832,127	99.2%	58.52%
• Stipends (leadership & mentoring)	\$ 197,345	\$ 197,345	\$ 82,226	41.7%	\$ 184,048	93.3%	1.96%
• Substitutes (daily & long-term)	\$ 105,000	\$ 108,539	\$ 62,386	57.5%	\$ 71,158	65.6%	1.08%
• Misc. Salaries (see note 1)	\$ 227,128	\$ 232,620	\$ 54,179	23.3%	\$ 93,216	40.1%	2.32%
Paraprofessionals Wages							
• Special Education Tutors	\$ 52,704	\$ 55,384	\$ 24,962	45.1%	\$ 53,820	97.2%	0.55%
• Instructional Assistants	\$ 179,425	\$ 179,425	\$ 69,420	38.7%	\$ 183,454	102.2%	1.79%
• Other paraprofessionals	\$ 66,892	\$ 67,103	\$ 29,594	44.1%	\$ 66,063	98.5%	0.67%
Support Staff							
• Secretaries	\$ 359,666	\$ 371,822	\$ 176,384	47.4%	\$ 361,959	97.3%	3.70%
• Facilities, Maintenance & Custodial Staff	\$ 431,041	\$ 431,242	\$ 216,591	50.2%	\$ 425,297	98.6%	4.29%
• Overtime	\$ 26,125	\$ 25,924	\$ 5,982	23.1%	\$ 5,982	23.1%	0.26%
Professional & Staff Development	\$ 51,338	\$ 51,567	\$ 20,461	39.7%	\$ 28,684	55.6%	0.51%
Supplies, Equipment & Services							
In-District Transportation	\$ 348,000	\$ 348,000	\$ 121,800	35.0%	\$ 348,000	100.0%	3.46%
Out of District Special Education Transportation	\$ 54,098	\$ 1,000	\$ -	0.0%	\$ -	0.0%	0.01%
Special Education Tuition (OOD & collaboratives)	\$ 272,924	\$ 114,965	\$ 21,390	18.6%	\$ 39,693	34.5%	1.14%
General Supplies and Materials							
• Textbooks	\$ 16,664	\$ 18,924	\$ 12,600	66.6%	\$ 12,688	67.0%	0.19%
• Other Published Materials	\$ 54,653	\$ 68,518	\$ 24,007	35.0%	\$ 28,209	41.2%	0.68%
• Durable Goods and Equipment	\$ 43,329	\$ 69,201	\$ 29,796	43.1%	\$ 31,079	44.9%	0.69%
• Consumable Supplies	\$ 116,316	\$ 115,229	\$ 43,406	37.7%	\$ 51,571	44.8%	1.15%
• Contracted Services	\$ 164,865	\$ 154,670	\$ 39,892	25.8%	\$ 72,676	47.0%	1.54%
Facilities & Maintenance							
• Utilities -- heat	\$ 186,000	\$ 186,000	\$ 41,771	22.5%	\$ 170,000	91.4%	1.85%
• Utilities -- electricity	\$ 198,000	\$ 198,000	\$ 69,485	35.1%	\$ 186,000	93.9%	1.97%
• Utilities -- water, sewer, telephones	\$ 28,622	\$ 28,622	\$ 3,748	13.1%	\$ 27,192	95.0%	0.28%
• Maintenance Services & Supplies	\$ 121,150	\$ 121,150	\$ 52,767	43.6%	\$ 84,422	69.7%	1.21%
• Custodial Services & Supplies	\$ 42,816	\$ 42,816	\$ 17,800	41.6%	\$ 19,997	46.7%	0.43%
Other expenses (see note 2)	\$ 41,490	\$ 152,840	\$ 123,658	80.9%	\$ 129,190	84.5%	1.52%
TOTALS (see note 3)	\$ 10,044,597	\$ 10,044,597	\$ 4,215,922	42.0%	\$ 9,331,345	92.9%	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 2014 OPERATING BUDGET -- STATUS REPORT
2nd Quarter
as of January 7, 2014

Expense Category	Original FY14 Operating Budget	Revised FY14 Operating Budget	Expended		Expended & Encumbered		% of total
			Amount	Percent	Amount	Percent	
School Committee	\$ 4,300	\$ 4,300	\$ 1,339	31.1%	\$ 3,735	86.9%	0.04%
Personnel							
Administrator Salaries	\$ 740,280	\$ 740,396	\$ 355,467	48.0%	\$ 740,394	100.0%	6.48%
Professional Salaries (Teachers, Nurses, etc.)							
• Regular salaries	\$ 5,952,431	\$ 5,936,016	\$ 2,452,905	41.3%	\$ 5,737,625	96.7%	51.94%
• Stipends (leadership & mentoring)	\$ 182,499	\$ 183,150	\$ 71,632	39.1%	\$ 174,152	95.1%	1.60%
• Substitutes (daily & long-term)	\$ 100,000	\$ 123,372	\$ 63,218	51.2%	\$ 102,491	83.1%	1.08%
• Misc. Salaries (see note 1)	\$ 35,496	\$ 60,711	\$ 18,892	31.1%	\$ 38,738	63.8%	0.53%
Paraprofessionals Wages							
• Special Education Tutors	\$ 401,486	\$ 406,685	\$ 149,932	36.9%	\$ 362,175	89.1%	3.56%
• Instructional Assistants	\$ 334,086	\$ 317,106	\$ 122,520	38.6%	\$ 312,613	98.6%	2.77%
• Other paraprofessionals ****	\$ 113,975	\$ 113,975	\$ 51,174	44.9%	\$ 113,456	99.5%	1.00%
Support Staff							
• Secretaries	\$ 334,831	\$ 342,359	\$ 162,921	47.6%	\$ 329,307	96.2%	3.00%
• Facilities, Maintenance & Custodial Staff	\$ 404,168	\$ 452,634	\$ 200,712	44.3%	\$ 402,881	89.0%	3.96%
• Overtime	\$ 16,240	\$ 16,240	\$ 4,791	29.5%	\$ 4,791	29.5%	0.14%
Professional & Staff Development	\$ 50,793	\$ 50,527	\$ 19,141	37.9%	\$ 28,297	56.0%	0.44%
Employee Benefits & Town Svcs	\$ 1,555,400	\$ 1,555,400	\$ 425,990	27.4%	\$ 1,456,000	93.6%	13.61%
Supplies, Equipment & Services							
In-District Transportation							
Out of District Special Education Transportation	\$ 122,714	\$ 124,914	\$ 60,147	48.2%	\$ 120,029	96.1%	1.09%
Special Education Tuition (OOD & collaboratives)	\$ 256,258	\$ 156,258	\$ 62,274	39.9%	\$ 86,524	55.4%	1.37%
General Supplies and Materials							
• Textbooks	\$ 17,175	\$ 22,005	\$ 11,368	51.7%	\$ 11,545	52.5%	0.19%
• Other Published Materials	\$ 73,883	\$ 78,110	\$ 31,939	40.9%	\$ 36,430	46.6%	0.68%
• Durable Goods and Equipment	\$ 80,006	\$ 112,205	\$ 33,034	29.4%	\$ 45,665	40.7%	0.98%
• Consumable Supplies	\$ 112,914	\$ 112,698	\$ 48,849	43.3%	\$ 53,475	47.4%	0.99%
• Contracted Services	\$ 168,922	\$ 145,485	\$ 39,016	26.8%	\$ 67,974	46.7%	1.27%
Facilities & Maintenance							
• Utilities -- heat	\$ 12,100	\$ 11,359	\$ (1,167)	-10.3%	\$ 8,300	73.1%	0.10%
• Utilities -- electricity	\$ 105,000	\$ 105,000	\$ 29,188	27.8%	\$ 105,000	100.0%	0.92%
• Utilities -- water, sewer, telephones	\$ 33,000	\$ 33,743	\$ 13,906	41.2%	\$ 33,372	98.9%	0.30%
• Maintenance Services & Supplies	\$ 146,727	\$ 146,727	\$ 36,432	24.8%	\$ 100,259	68.3%	1.28%
• Custodial Services & Supplies	\$ 34,550	\$ 34,550	\$ 14,851	43.0%	\$ 16,224	47.0%	0.30%
Other expenses (see note 2)	\$ 40,335	\$ 43,644	\$ 13,278	30.4%	\$ 16,414	37.6%	0.38%
TOTALS (see note 3)	\$ 11,429,569	\$ 11,429,569	\$ 4,493,749	39.3%	\$ 10,507,865	91.9%	

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.

FY 2014 Operating Budget -- Key Budget Line Tracking
2nd Quarter
as of January 7, 2014

Budget line	FY13 Budget				FY14 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	18,750	18,750	297	1.6%	18,250	22,100	7,341	33.2%
Substitutes (daily)	65,000	65,000	22,677	34.9%	65,000	65,000	26,718	41.1%
Substitutes (long-term)	40,000	78,671	26,160	33.3%	40,000	43,539	35,667	81.9%
Custodian overtime	18,125	18,125	5,314	29.3%	18,125	17,924	5,225	29.2%
Custodial services & supplies	39,789	39,789	21,443	53.9%	42,816	42,816	17,800	41.6%
Utilities (heat)	168,000	168,000	40,762	24.3%	186,000	168,000	41,771	24.9%
Utilities (electricity)	170,000	170,000	73,010	42.9%	198,000	198,000	69,485	35.1%
Utilities (telephones)	25,503	25,503	(1,709)	-6.7%	14,222	14,222	(3,156)	-22.2%
Special Education OOD tuition	238,504	238,504	85,082	35.7%	222,465	114,965	21,390	18.6%
General Supplies, Materials and some Contracted Services (SBM & new curriculum mat'ls)	245,501	247,208	118,052	47.8%	229,435	265,676	106,420	40.1%
Hanscom Campus								
Legal expenses	15,700	15,700	243	1.5%	15,700	18,850	6,006	31.9%
Substitutes (daily)	50,000	50,000	30,056	60.1%	50,000	50,000	29,119	58.2%
Substitutes (long-term)	50,000	50,000	526	1.1%	50,000	73,372	34,099	46.5%
Custodian overtime	16,240	15,240	3,598	23.6%	16,240	16,240	4,791	29.5%
Custodial services & supplies	31,389	31,389	16,612	52.9%	34,550	31,389	16,612	52.9%
Utilities (heat)	18,000	18,000	210	1.2%	12,100	11,359	(1,167)	-10.3%
Utilities (electricity)	100,000	100,000	27,656	27.7%	105,000	105,000	29,188	27.8%
Utilities (telephones)	32,000	32,000	12,090	37.8%	24,000	24,743	11,627	47.0%
Special Education OOD tuition	159,908	157,108	59,188	37.7%	156,258	157,108	59,188	37.7%
General Supplies, Materials and some Contracted Services (SBM & new curriculum mat'ls)	307,850	322,155	140,963	43.8%	286,658	314,117	118,624	37.8%