



LINCOLN PUBLIC SCHOOLS

BUCKNER M. CREEL
ADMINISTRATOR FOR BUSINESS AND FINANCE

January 13, 2016

To: Lincoln School Committee
Rebecca McFall, Superintendent of Schools
From: Buckner Creel, Administrator for Business and Finance
Subject: FY16 Second Quarter Report

For Fiscal Year 2016, the Lincoln Public Schools received appropriations of \$10,291,812 for the Lincoln Campus. All financial obligations currently anticipated on the Lincoln Campus are expected to be met within the funds appropriated for FY16.

The Hanscom budget for FY16 was originally prepared based on providing services for the 550-599 pupil enrollment band (Band 3). Recognizing the likely enrollment for FY16 would be at the very top of Band 3, the staffing proposed in the budget required funding at a level within Band 4. The School Committee accepted the Superintendent's recommendation to increase the Hanscom budget allocation to \$12,678,024 to provide the funds for a staffing level to match the anticipated enrollment.

DODEA accepted the September 30th enrollment report, confirming the contract price for the 550-599 pupil enrollment band (Band 3) at \$12,010,058. The Administration believes the funds currently allocated on the Hanscom Campus for FY16 are sufficient to meet the obligations currently anticipated.

Attached for your review is a report providing details of the current operating budget, year to date expenses and encumbrances as of January 5, 2016. At that date, approximately 40% of the school year and 50% of the fiscal year had elapsed. The report balances include payrolls through January 5, 2016, reflecting wages through December 25, 2015. 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. As discussed with the School Committee at the presentation of the 1st Quarter report, the key indicator "Special Education OOD tuition" has been changed to include both private and collaborative placement categories, beginning with this report. 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 might be expected at this point in the year, and is an indicator of the frugal approach our principals take in managing their educational programs. I will meet with the principals and Central Office administrators later 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. All Special Education administrators report an increase in the number of children referred for evaluation for special programs, which may impact the FY17 budget.

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 long-term substitutes line shows that only 35.6% of the budget has been expended at the end of the 2nd Quarter. One long-term absence is being handled through a combination of outside contractors and stipends for additional work. At least one more leave is anticipated between now and the end of the school year. The 3rd Quarter report will show a clearer picture of the substitute accounts.

Hanscom Campus

The long-term substitutes line shows that very little has been expended from this line to-date. At least two more leaves are anticipated between now and the end of the school year; although the exact amounts required for the long-term substitute(s) required will be developed in the next month, we expect no additional funds will be required for this budget category. On the other hand, the short-term substitute budget line shows that 48.9% has been expended. This higher level of expenditure is likely a reflection of substitutes needed to support CPI training and other professional development. As with Lincoln, the 3rd Quarter report will show a clearer picture of the substitute accounts.

The Base Civil Engineer office has started billing us for utilities, and the electricity costs for the HMS temporary facility are slightly higher than expected. Additionally, the basis of the billing for heating natural gas is under review. We will be monitoring this situation closely to identify any impacts caused by the changed condition.

The Hanscom capital accounts currently show a deficit of \$951,212.71, caused by the encumbrance of most of the FF&E and some of the move-related costs associated with the scheduled move of the Hanscom Middle School from the temporary facility to the new building currently under construction. These accounts will remain negative until sometime in the 4th Quarter, when balancing funds will be transferred from the Hanscom Reserve.

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

Lincoln Campus
FY 2016 OPERATING BUDGET -- STATUS REPORT
2nd Quarter
as of January 5, 2016

Expense Category	Original FY16 Operating Budget	Revised FY16 Operating Budget	Expended		Expended & Encumbered		% of total budget
			Amount	Percent	Amount	Percent	
School Committee	\$ 5,165	\$ 5,165	\$ 1,053	20.4%	\$ 3,180	61.6%	0.05%
Personnel							
Administrator Salaries	\$ 814,488	\$ 849,343	\$ 385,303	45.4%	\$ 821,111	96.7%	8.04%
Professional Salaries (Teachers, Nurses, etc.)							
• Regular salaries	\$ 6,345,730	\$ 6,191,267	\$ 2,354,083	38.0%	\$ 6,055,789	97.8%	58.61%
• Stipends (leadership & mentoring)	\$ 184,550	\$ 183,950	\$ 65,393	35.5%	\$ 177,352	96.4%	1.74%
• Substitutes (daily & long-term)	\$ 112,500	\$ 112,500	\$ 34,192	30.4%	\$ 34,192	30.4%	1.06%
• Misc. Salaries (see note 1)	\$ 75,347	\$ 75,430	\$ 33,931	45.0%	\$ 60,738	80.5%	0.71%
Paraprofessionals Wages							
• Special Education Tutors	\$ 126,125	\$ 120,522	\$ 37,895	31.4%	\$ 85,865	71.2%	1.14%
• Instructional Assistants	\$ 216,176	\$ 204,680	\$ 77,216	37.7%	\$ 185,191	90.5%	1.94%
• Other paraprofessionals	\$ 72,482	\$ 72,482	\$ 32,946	45.5%	\$ 72,481	100.0%	0.69%
Support Staff							
• Secretaries	\$ 367,497	\$ 369,557	\$ 177,999	48.2%	\$ 369,336	99.9%	3.50%
• Facilities, Maintenance & Custodial Staff	\$ 430,534	\$ 550,049	\$ 280,020	50.9%	\$ 532,634	96.8%	5.21%
• Overtime	\$ 27,200	\$ 26,722	\$ 3,761	14.1%	\$ 3,761	14.1%	0.25%
Professional & Staff Development	\$ 54,404	\$ 54,570	\$ 23,478	43.0%	\$ 32,564	59.7%	0.52%
Supplies, Equipment & Services							
In-District Transportation	\$ 375,800	\$ 375,800	\$ 136,765	36.4%	\$ 356,275	94.8%	3.56%
Out of District Special Education Transportation	\$ 90,024	\$ 90,024	\$ -	0.0%	\$ -	0.0%	0.85%
Special Education Tuition (OOD & collaboratives)	\$ 259,764	\$ 259,764	\$ 48,163	18.5%	\$ 199,589	76.8%	2.46%
General Supplies and Materials							
• Textbooks	\$ 26,599	\$ 21,835	\$ 13,981	64.0%	\$ 14,120	64.7%	0.21%
• Other Published Materials	\$ 59,478	\$ 62,404	\$ 34,383	55.1%	\$ 40,056	64.2%	0.59%
• Durable Goods and Equipment	\$ 48,892	\$ 52,247	\$ 21,170	40.5%	\$ 22,176	42.4%	0.49%
• Consumable Supplies	\$ 115,957	\$ 106,270	\$ 42,789	40.3%	\$ 49,827	46.9%	1.01%
• Contracted Services	\$ 127,221	\$ 151,456	\$ 49,522	32.7%	\$ 98,688	65.2%	1.43%
Facilities & Maintenance							
• Utilities -- heat	\$ 174,000	\$ 174,000	\$ 33,517	19.3%	\$ 174,000	100.0%	1.65%
• Utilities -- electricity	\$ 227,000	\$ 223,877	\$ 66,269	29.6%	\$ 205,388	91.7%	2.12%
• Utilities -- water, sewer, telephones	\$ 28,244	\$ 29,344	\$ 1,214	4.1%	\$ 24,936	85.0%	0.28%
• Maintenance Services & Supplies	\$ 128,493	\$ 130,516	\$ 49,753	38.1%	\$ 72,732	55.7%	1.24%
• Custodial Services & Supplies	\$ 37,668	\$ 37,668	\$ 18,434	48.9%	\$ 20,446	54.3%	0.36%
Other expenses (see note 2)	\$ 32,562	\$ 32,457	\$ 5,896	18.2%	\$ 12,823	39.5%	0.31%
TOTALS (see note 3)	\$ 10,563,900	\$ 10,563,900	\$ 4,029,128	38.1%	\$ 9,725,249	92.1%	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 2016 OPERATING BUDGET -- STATUS REPORT
2nd Quarter
as of January 5, 2016

Expense Category	Original FY16 Operating Budget	Revised FY16 Operating Budget	Expended		Expended & Encumbered		% of total
			Amount	Percent	Amount	Percent	
School Committee	\$ 4,420	\$ 4,420	\$ 934	21.1%	\$ 2,820	63.8%	0.03%
Personnel							
Administrator Salaries	\$ 800,320	\$ 823,637	\$ 386,261	46.9%	\$ 806,192	97.9%	6.50%
Professional Salaries (Teachers, Nurses, etc.)							
• Regular salaries	\$ 6,291,722	\$ 6,091,815	\$ 2,289,193	37.6%	\$ 5,858,834	96.2%	48.05%
• Stipends (leadership & mentoring)	\$ 201,849	\$ 204,924	\$ 76,024	37.1%	\$ 194,208	94.8%	1.62%
• Substitutes (daily & long-term)	\$ 127,500	\$ 123,903	\$ 28,056	22.6%	\$ 28,056	22.6%	0.98%
• Misc. Salaries (see note 1)	\$ 53,605	\$ 59,378	\$ 25,724	43.3%	\$ 36,985	62.3%	0.47%
Paraprofessionals Wages							
• Special Education Tutors	\$ 504,663	\$ 504,663	\$ 211,582	41.9%	\$ 487,600	96.6%	3.98%
• Instructional Assistants	\$ 297,461	\$ 297,230	\$ 109,735	36.9%	\$ 287,415	96.7%	2.34%
• Other paraprofessionals ****	\$ 80,489	\$ 80,489	\$ 36,586	45.5%	\$ 80,489	100.0%	0.63%
Support Staff							
• Secretaries	\$ 355,670	\$ 357,778	\$ 171,951	48.1%	\$ 357,300	99.9%	2.82%
• Facilities, Maintenance & Custodial Staff	\$ 425,542	\$ 538,989	\$ 253,444	47.0%	\$ 508,646	94.4%	4.25%
• Overtime	\$ 16,240	\$ 16,240	\$ 4,017	24.7%	\$ 4,017	24.7%	0.13%
Professional & Staff Development	\$ 54,726	\$ 55,140	\$ 22,915	41.6%	\$ 32,523	59.0%	0.43%
Employee Benefits & Town Svcs	\$ 1,517,537	\$ 1,524,537	\$ 395,638	26.0%	\$ 1,489,537	97.7%	12.03%
Supplies, Equipment & Services							
In-District Transportation							
Out of District Special Education Transportation	\$ 172,879	\$ 174,679	\$ 6,929	4.0%	\$ 11,759	6.7%	1.38%
Special Education Tuition (OOD & collaboratives)	\$ 927,525	\$ 927,525	\$ 270,596	29.2%	\$ 852,828	91.9%	7.32%
General Supplies and Materials							
• Textbooks	\$ 25,395	\$ 23,504	\$ 11,243	47.8%	\$ 11,243	47.8%	0.19%
• Other Published Materials	\$ 74,872	\$ 74,790	\$ 36,770	49.2%	\$ 39,192	52.4%	0.59%
• Durable Goods and Equipment	\$ 164,021	\$ 165,301	\$ 93,492	56.6%	\$ 103,989	62.9%	1.30%
• Consumable Supplies	\$ 106,248	\$ 106,772	\$ 47,914	44.9%	\$ 50,760	47.5%	0.84%
• Contracted Services	\$ 128,587	\$ 159,292	\$ 68,488	43.0%	\$ 95,913	60.2%	1.26%
Facilities & Maintenance							
• Utilities -- heat	\$ 11,259	\$ 11,259	\$ -	0.0%	\$ 3,000	26.6%	0.09%
• Utilities -- electricity	\$ 110,000	\$ 115,096	\$ 39,785	34.6%	\$ 115,000	99.9%	0.91%
• Utilities -- water, sewer, telephones	\$ 30,053	\$ 27,575	\$ 10,874	39.4%	\$ 26,575	96.4%	0.22%
• Maintenance Services & Supplies	\$ 135,211	\$ 141,293	\$ 30,224	21.4%	\$ 92,779	65.7%	1.11%
• Custodial Services & Supplies	\$ 32,375	\$ 32,375	\$ 13,924	43.0%	\$ 15,003	46.3%	0.26%
Other expenses (see note 2)	\$ 27,856	\$ 35,420	\$ 12,825	36.2%	\$ 17,017	48.0%	0.28%
TOTALS (see note 3)	\$ 12,678,024	\$ 12,678,024	\$ 4,655,124	36.7%	\$ 11,609,679	91.6%	

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 2016 Operating Budget -- Key Budget Line Tracking
2nd Quarter
as of January 5, 2016

Budget line	FY15 Budget				FY16 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	12,450	12,450	685	5.5%	11,450	11,450	4,813	42.0%
Substitutes (daily)	72,500	72,500	23,738	32.7%	72,500	72,500	19,948	27.5%
Substitutes (long-term)	40,000	40,000	27,116	67.8%	40,000	40,000	14,244	35.6%
Custodian overtime	17,825	17,825	1,633	9.2%	18,722	18,722	2,345	12.5%
Custodial services & supplies	37,668	37,668	15,295	40.6%	37,668	37,668	18,434	48.9%
Utilities (heat)	192,000	192,000	40,166	20.9%	174,000	174,000	33,517	19.3%
Utilities (electricity)	203,000	203,000	69,825	34.4%	227,000	223,877	66,269	29.6%
Utilities (telephones)	13,000	13,000	(1,780)	-13.7%	13,744	13,744	(4,953)	-36.0%
Special Education OOD tuition *	181,740	181,740	33,001	18.2%	259,764	259,764	48,163	18.5%
General Supplies, Materials and some Contracted Services (SBM & new curriculum mat'ls)	308,497	312,046	153,409	49.2%	421,697	435,289	182,482	41.9%
Hanscom Campus								
Legal expenses	10,250	10,250	608	5.9%	9,250	9,250	4,268	46.1%
Substitutes (daily)	57,500	57,500	24,104	41.9%	57,500	57,500	27,994	48.7%
Substitutes (long-term)	70,000	70,000	710	1.0%	70,000	70,000	62	0.1%
Custodian overtime	16,240	16,240	5,445	33.5%	16,240	16,240	4,019	24.7%
Custodial services & supplies	32,375	32,375	14,480	44.7%	32,375	32,375	13,924	43.0%
Utilities (heat)	11,259	11,259	-	0.0%	11,259	11,259	-	0.0%
Utilities (electricity)	110,000	110,000	25,380	23.1%	110,000	115,096	39,785	34.6%
Utilities (telephones)	24,741	24,741	11,719	47.4%	21,053	21,575	8,903	41.3%
Special Education OOD tuition *	502,439	502,439	71,148	14.2%	927,525	927,525	270,596	29.2%
General Supplies, Materials and some Contracted Services (SBM & new curriculum mat'ls)	377,118	367,869	162,021	44.0%	539,476	567,395	265,086	46.7%

* Now includes both private and collaborative placement categories