



LINCOLN PUBLIC SCHOOLS

BUCKNER M. CREEL
ADMINISTRATOR FOR BUSINESS AND FINANCE

January 3, 2018

To: Lincoln School Committee
Rebecca McFall, Superintendent of Schools
From: Buckner Creel, Administrator for Business and Finance
Subject: FY19 Second Quarter Report

For Fiscal Year 2019, the Lincoln Public Schools received appropriations of \$11,492,608 for the Lincoln Campus. The increase over the FY18 budget of \$11,216,203 includes an increase of 2.5% over the base voted by Town Meeting in 2017, and the FY19 Medicaid appropriation of \$37,000. All financial obligations currently anticipated on the Lincoln Campus are expected to be met within the funds appropriated for FY19.

The Hanscom budget for FY19 was prepared based on providing services for the 550-599 pupil enrollment band (Band 4). Recognizing the likely enrollment for FY19 would be at the very top of Band 4, the staffing proposed in the budget required funding supporting services at that level. The Department of Defense Educational Activity (DoDEA) accepted the School Committee proposal for a Band 4 price of \$15,077,513 to provide the funds for a staffing level to match the anticipated enrollment, to meet the anticipated out-of-district special education placements and to make an anticipated contribution towards the District's GASB 45 obligations. The School Committee approved an allocation of \$14,877,513 for the FY19 Hanscom operating budget.

The administration submitted the September 30th enrollment report for certification by the 66th Airbase Group, and the exact contract-qualifying enrollment is a total of 610 students. The enrollment report was verified by the Hanscom Education Liaison and accepted by DoDEA. This submitted pupil enrollment set the FY19 contract price at the 600-649 (Band 5) of \$15,458,969, and the administration will request the School Committee to approve an increase in the budget allocation once the contract is amended to reflect the higher price.

Attached for your review is a report providing details of the current operating budget, year to date expenses and encumbrances as of December 31, 2018. At that date, approximately 40% of the school year and 50% of the fiscal year had elapsed. The report balances include payrolls through December 31, 2018, reflecting wages through December 21, 2018.

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 first quarter report contained this paragraph:

“For the second year in a row, we are experiencing a larger number of situations requiring long-term substitutes than we have normally faced this early in past school years. The key budget line for long-term subs reflects the increased amounts required to support this requirement. Complicating an accurate picture is change in DESE guidance for reporting long-term subs. This will have the effect of moving expenses from the long-term substitute accounts to the program area where the substitute teaches. These changes should occur during the next quarter, affecting the 2nd Quarter report. The administration will continue to monitor this situation as a topic for special consideration in future reports.”

The number of situations requiring long-term has not had the budget impact anticipated at the beginning of the school year. The administration will continue to monitor this situation.

Lincoln Campus

The report shows that in the Special Education out of district (OOD) placements and transportation budget lines, only \$275 of the revised budget of \$372,922 remains. Again, this is striking in that the School Committee approved FY19 Special Education prepayments of collaborative expenses at the end of FY18, and the administration prepaid a total of \$205,002, yielding a current year’s Special Education OOD placements and transportation expenses total of \$577,924. There remains the possibility of at least one additional OOD placement later in the year.

Hanscom Campus

The report shows that in the Special Education out of district (OOD) placements and transportation budget lines, only \$91,699 of the original budget of \$2,233,880 remains. Sufficient funds remain in the Hanscom budget to cover anticipated OOD placement expenses. Currently, we anticipate at least one additional OOD placement later in the year.

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

Lincoln Campus
FY 2019 OPERATING BUDGET -- STATUS REPORT
2nd Quarter
as of December 31, 2018

Expense Category	Original FY19 Operating Budget	Revised FY19 Operating Budget	Expended		Expended & Encumbered		% of total budget
			Amount	Percent	Amount	Percent	
School Committee	\$ 5,485	\$ 5,485	\$ 2,972	54.2%	\$ 5,272	96.1%	0.05%
Personnel							
Administrator Salaries	\$ 870,898	\$ 894,560	\$ 418,652	46.8%	\$ 893,413	99.9%	7.78%
Professional Salaries (Teachers, Nurses, etc.)							
• Regular salaries	\$ 6,257,009	\$ 6,359,150	\$ 2,422,764	38.1%	\$ 6,259,735	98.4%	55.33%
• Stipends (leadership & mentoring)	\$ 409,649	\$ 290,922	\$ 124,364	42.7%	\$ 279,268	96.0%	2.53%
• Substitutes (daily & long-term)	\$ 181,222	\$ 162,249	\$ 43,943	27.1%	\$ 66,062	40.7%	1.41%
• Misc. Salaries (see note 1)	\$ 135,071	\$ 128,906	\$ 39,678	30.8%	\$ 73,693	57.2%	1.12%
Paraprofessionals Wages							
• Special Education Tutors	\$ 174,316	\$ 159,292	\$ 46,331	29.1%	\$ 88,257	55.4%	1.39%
• Instructional Assistants	\$ 275,370	\$ 285,757	\$ 96,092	33.6%	\$ 247,602	86.6%	2.49%
• Other paraprofessionals	\$ 77,297	\$ 77,297	\$ 35,135	45.5%	\$ 77,296	100.0%	0.67%
Support Staff							
• Secretaries	\$ 413,739	\$ 414,507	\$ 198,269	47.8%	\$ 413,328	99.7%	3.61%
• Facilities, Maintenance & Custodial Staff	\$ 601,119	\$ 602,062	\$ 280,229	46.5%	\$ 573,037	95.2%	5.24%
• Overtime	\$ 26,124	\$ 26,124	\$ 4,989	19.1%	\$ 4,989	19.1%	0.23%
Professional & Staff Development	\$ 51,323	\$ 51,048	\$ 17,842	35.0%	\$ 27,972	54.8%	0.44%
Supplies, Equipment & Services							
In-District Transportation	\$ 401,000	\$ 401,000	\$ 160,979	40.1%	\$ 401,000	100.0%	3.49%
Out of District Special Education Transportation	\$ 84,770	\$ 3,515	\$ -	0.0%	\$ 3,240	92.2%	0.03%
Special Education Tuition (OOD & collaboratives)	\$ 297,172	\$ 369,407	\$ 111,187	30.1%	\$ 369,407	100.0%	3.21%
General Supplies and Materials							
• Textbooks	\$ 16,522	\$ 19,855	\$ 12,962	65.3%	\$ 12,962	65.3%	0.17%
• Other Published Materials	\$ 62,251	\$ 63,227	\$ 27,578	43.6%	\$ 34,012	53.8%	0.55%
• Durable Goods and Equipment	\$ 62,768	\$ 60,065	\$ 22,929	38.2%	\$ 24,255	40.4%	0.52%
• Consumable Supplies	\$ 100,652	\$ 104,337	\$ 42,031	40.3%	\$ 50,933	48.8%	0.91%
• Contracted Services	\$ 246,096	\$ 261,801	\$ 87,818	33.5%	\$ 145,084	55.4%	2.28%
Facilities & Maintenance							
• Utilities -- heat	\$ 150,000	\$ 150,000	\$ 20,075	13.4%	\$ 146,583	97.7%	1.31%
• Utilities -- electricity	\$ 190,494	\$ 190,494	\$ 73,506	38.6%	\$ 185,425	97.3%	1.66%
• Utilities -- water, sewer, telephones	\$ 41,663	\$ 42,560	\$ 16,802	39.5%	\$ 40,160	94.4%	0.37%
• Maintenance Services & Supplies	\$ 145,762	\$ 144,993	\$ 64,759	44.7%	\$ 98,777	68.1%	1.26%
• Custodial Services & Supplies	\$ 37,668	\$ 37,668	\$ 11,685	31.0%	\$ 12,400	32.9%	0.33%
• Building and Capital Projects	\$ 10,000	\$ 10,594	\$ 2,506	23.7%	\$ 2,606	24.6%	0.09%
IT Replacement Cycle	\$ 114,925	\$ 114,925	\$ 112,153	97.6%	\$ 112,153	97.6%	1.00%
Other expenses (see note 2)	\$ 52,243	\$ 60,808	\$ 11,357	18.7%	\$ 25,101	41.3%	0.53%
TOTALS (see note 3)	\$ 11,492,608	\$ 11,492,608	\$ 4,509,590	39.2%	\$ 10,674,024	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 2019 OPERATING BUDGET -- STATUS REPORT
2nd Quarter
as of December 31, 2018

Expense Category	Original FY19 Operating Budget	Revised FY19 Operating Budget	Expended		Expended & Encumbered		% of total budget
			Amount	Percent	Amount	Percent	
School Committee	\$ 4,730	\$ 4,730	\$ 2,210	46.7%	\$ 4,250	89.9%	0.03%
Personnel			.				
Administrator Salaries	\$ 882,443	\$ 883,316	\$ 424,671	48.1%	\$ 883,129	100.0%	5.94%
Professional Salaries (Teachers, Nurses, etc.)							
• Regular salaries	\$ 6,192,824	\$ 6,186,563	\$ 2,387,800	38.6%	\$ 6,186,207	100.0%	41.58%
• Stipends (leadership & mentoring)	\$ 243,946	\$ 234,526	\$ 87,835	37.5%	\$ 222,433	94.8%	1.58%
• Substitutes (daily & long-term)	\$ 198,382	\$ 184,872	\$ 36,830	19.9%	\$ 37,253	20.2%	1.24%
• Misc. Salaries (see note 1)	\$ 124,520	\$ 118,721	\$ 40,010	33.7%	\$ 59,446	50.1%	0.80%
Paraprofessionals Wages							
• Special Education Tutors	\$ 569,935	\$ 513,413	\$ 214,612	41.8%	\$ 500,184	97.4%	3.45%
• Instructional Assistants	\$ 362,987	\$ 366,110	\$ 138,820	37.9%	\$ 356,735	97.4%	2.46%
• Other paraprofessionals	\$ 86,332	\$ 86,380	\$ 37,939	43.9%	\$ 85,475	99.0%	0.58%
Support Staff							
• Secretaries	\$ 394,340	\$ 399,062	\$ 196,951	49.4%	\$ 399,022	100.0%	2.68%
• Facilities, Maintenance & Custodial Staff	\$ 553,985	\$ 555,397	\$ 267,110	48.1%	\$ 543,597	97.9%	3.73%
• Overtime	\$ 17,800	\$ 17,800	\$ 5,156	29.0%	\$ 5,156	29.0%	0.12%
Professional & Staff Development	\$ 59,734	\$ 62,151	\$ 14,853	23.9%	\$ 23,001	37.0%	0.42%
Employee Benefits & Town Svcs	\$ 1,773,395	\$ 1,787,165	\$ 396,765	22.2%	\$ 1,633,190	91.4%	12.01%
Supplies, Equipment & Services							
In-District Transportation	\$ 8,300	\$ 8,500	\$ 4,149	48.8%	\$ 4,149	48.8%	0.06%
Out of District Special Education Transportation	\$ 360,825	\$ 345,825	\$ 342,589	99.1%	\$ 342,589	99.1%	2.32%
Special Education Tuition (OOD & collaboratives)	\$ 1,873,255	\$ 1,888,255	\$ 750,622	39.8%	\$ 1,798,967	95.3%	12.69%
General Supplies and Materials							
• Textbooks	\$ 26,253	\$ 24,870	\$ 11,663	46.9%	\$ 12,006	48.3%	0.17%
• Other Published Materials	\$ 75,386	\$ 77,299	\$ 30,047	38.9%	\$ 35,732	46.2%	0.52%
• Durable Goods and Equipment	\$ 94,863	\$ 111,827	\$ 48,287	43.2%	\$ 51,924	46.4%	0.75%
• Consumable Supplies	\$ 112,642	\$ 111,042	\$ 52,955	47.7%	\$ 56,618	51.0%	0.75%
• Contracted Services	\$ 253,085	\$ 258,865	\$ 73,145	28.3%	\$ 114,256	44.1%	1.74%
Facilities & Maintenance							
• Utilities -- heat	\$ 35,000	\$ 35,000	\$ 5,203	14.9%	\$ 28,000	80.0%	0.24%
• Utilities -- electricity	\$ 175,000	\$ 175,000	\$ 55,078	31.5%	\$ 160,000	91.4%	1.18%
• Utilities -- water, sewer, telephones	\$ 30,053	\$ 30,053	\$ 8,329	27.7%	\$ 22,040	73.3%	0.20%
• Maintenance Services & Supplies	\$ 153,880	\$ 153,880	\$ 42,353	27.5%	\$ 98,914	64.3%	1.03%
• Custodial Services & Supplies	\$ 34,875	\$ 34,875	\$ 11,176	32.0%	\$ 12,196	35.0%	0.23%
• Building and Capital Projects	\$ 53,800	\$ 97,406	\$ 12,430	12.8%	\$ 57,887	59.4%	0.65%
IT Replacement Cycle	\$ 79,660	\$ 79,660	\$ 79,658	100.0%	\$ 79,658	100.0%	0.54%
Other expenses (see note 2)	\$ 45,283	\$ 45,148	\$ 5,816	12.9%	\$ 12,362	27.4%	0.30%
TOTALS (see note 3)	\$ 14,877,513	\$ 14,877,713	\$ 5,785,060	38.9%	\$ 13,826,374	92.9%	

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 2019 Operating Budget -- Key Budget Line Tracking
2nd Quarter
as of January 3, 2018

Budget line	FY18 Budget				FY19 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	26,950	26,950	3,522	13.1%	21,890	21,890	5,990	27.4%
Substitutes (daily)	76,903	76,903	24,907	32.4%	76,903	76,903	30,826	40.1%
Substitutes (long-term)	40,000	134,502	78,617	58.5%	104,319	85,346	13,117	15.4%
Custodian overtime	18,124	17,328	2,755	15.9%	18,124	18,124	3,964	21.9%
Custodial services & supplies	37,668	37,668	13,801	36.6%	37,668	37,668	11,685	31.0%
Utilities (heat)	190,000	182,901	26,282	14.4%	150,000	150,000	20,075	13.4%
Utilities (electricity)	240,494	240,494	87,250	36.3%	190,494	190,494	73,506	38.6%
Utilities (telephones)	19,663	19,663	4,579	23.3%	19,663	20,560	7,811	38.0%
Special Education OOD tuition *	242,616	242,616	59,157	24.4%	297,172	369,407	111,187	30.1%
General Supplies, Materials and some Contracted Services (SBM & new curriculum mat'ls)	255,704	271,925	133,845	49.2%	200,814	215,718	102,486	47.5%
Hanscom Campus								
Legal expenses	18,500	18,500	3,096	16.7%	18,500	18,500	5,256	28.4%
Substitutes (daily)	61,903	61,903	27,125	43.8%	75,000	75,000	33,304	44.4%
Substitutes (long-term)	70,000	70,000	-	0.0%	123,382	109,872	3,526	3.2%
Custodian overtime	15,785	15,738	6,863	43.6%	17,800	17,800	5,156	29.0%
Custodial services & supplies	32,375	32,375	15,721	48.6%	34,875	34,875	11,176	32.0%
Utilities (heat)	50,000	50,000	5,530	11.1%	35,000	35,000	5,203	14.9%
Utilities (electricity)	125,000	125,000	47,979	38.4%	175,000	175,000	55,078	31.5%
Utilities (telephones)	21,053	21,053	7,678	36.5%	21,053	21,053	5,863	27.8%
Special Education OOD tuition *	2,416,623	2,416,927	647,789	26.8%	1,873,255	1,888,255	750,622	39.8%
General Supplies, Materials and some Contracted Services (SBM & new curriculum mat'ls)	298,872	302,394	155,993	51.6%	275,355	291,230	131,361	45.1%

* Now includes both private and collaborative placement categories