



LINCOLN PUBLIC SCHOOLS

BUCKNER M. CREEL
ADMINISTRATOR FOR BUSINESS AND FINANCE

April 6, 2021

To: Lincoln School Committee
Rebecca McFall, Superintendent of Schools
From: Buckner Creel, Administrator for Business and Finance
Subject: FY21 Third Quarter Report

Background

For Fiscal Year 2021, the Lincoln Public Schools received appropriations of \$12,071,087 for the Lincoln Campus. The increase over the FY20 budget of \$11,767,998 includes an increase of 2.5% over the base voted by Town Meeting in 2019, and the FY21 Medicaid appropriation of \$25,000. All financial obligations currently anticipated on the Lincoln Campus are not expected to be met within the funds appropriated by the Town Meeting for FY21 due to the additional expenses caused by the global pandemic conditions, but we have received significant relief from federal and state grants which we believe will provide funding to meet the additional requirements of our COVID protocols.

The Hanscom budget for FY21 was prepared as the first year of a new contract with DoDEA, which eliminated the prior practice of providing prices for several different pupil enrollment bands, and setting a price based on a verified September 30 enrollment report. Anticipating the likely enrollment for FY21 would be nearly 600, at the very top of the former Band 4, the staffing proposed in the budget required funding supporting services at that level. The Department of Defense Educational Activity (DoDEA) contract price of \$15,909,600 is 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 \$15,909,600, the entire contract price, for the FY21 Hanscom operating budget in view of the COVID conditions. The ability to make a contribution to the Town for potential GASB 45 obligations will be evaluated near the end of the school year.

Third Quarter update

Attached for your review is a report providing details of the current operating budget, year to date expenses and encumbrances as of April 6, 2021. At that date, approximately 70% of the school year and 75% of the fiscal year had elapsed. The report balances include payrolls through April 6, 2021, reflecting wages through March 26, 2021. These reports are based on the FY21 budgets approved by the School Committee in January and June 2020, and do not necessarily reflect the revised requirements of the in-person COVID model we are following for current operations.

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

COVID-19 impacts – supplies, equipment & services The Key Budget Line Tracking shows a large increase in the burn rate for custodial services and supplies over the same period last year. This reflects the increased expenditures for PPE, sanitizing equipment and hand sanitizer materials, as well as other protective shields and equipment. We have purchased enough materials to meet the anticipated usage for a portion of the remainder of the school year, based on early DESE consumption projections, but still do not have enough experience to be able to gauge the true burn rate. The COVID budget projections include an increase of \$20,000 on each campus for anticipated COVID-related consumables. Pending expense transfers to COVID grants may reduce the need for additional funding for the 4th Quarter costs.

The budget originally included an allowance of \$25,000 on each campus for tent rental. The three tents on each campus totalled \$19,200 for the September-November period, and we anticipate a higher cost for the March-June rental for the second half of the year. The Hanscom principals decided that the value received from their three tents did not merit the cost, so we are procuring only the three tents on the Lincoln campus for the spring, at a cost of \$12,575, which will come initially from the Lincoln budget. The fall tent expenses were covered by our COVID grant, and we will look for a similar opportunity for the spring expenses.

We had reported earlier that the largest non-personnel category cost increase is \$106,800 for a third METCO bus route; the third METCO bus monitor and monitors for the seven Lincoln bus routes contributed to the personnel increases. We have received an additional METCO grant allocation, and used a portion of our COVID grant to offset the majority of those costs.

COVID-19 impacts – utilities The HVAC systems are running wide open to allow for more fresh air intake. We now know the impacts this will have on heating and electricity costs, especially for the all-electric Lincoln temp facility; the cost increase has been dramatic. We budgeted sufficient amounts to cover anticipated electricity costs based on the usage exhibited when the temp facility was located on the Hanscom campus, but the current operation plan is different from that experience, and we anticipate adding an additional \$20,000 to the Lincoln electricity budget line. Finally, implementation of Air Force accounting system changes meant that the Base has only recently been able to provide us appropriate utility bills, which will be paid on the 20 April warrant cycle. The budget report shows the expenditures through August; the table below shows the costs incurred through February. We can anticipate that the electricity costs will not exceed the budget, based on our more accurate picture of Hanscom consumption to date.

	original budget	revised budget	3Q \$\$ expended cumulative	3Q % expended cumulative
Utilities (heat)	62,000	62,000	46,270	74.6%
Utilities (electricity)	200,000	200,000	92,826	46.4%

Special Education support The screening which normally occurs during the March-June portion of the school year was not completely executed because of the initial COVID restrictions. That screening is still on-going, under our health and safety protocols, and additional out-of-district (OOD) placements or additional support resources may continue to be identified in the next several months. However, it appears that the remaining placements will not require the use of all of the OOD budget.

IT Replacement Cycle funds On the Lincoln Campus, 80% of the IT Replacement Cycle budget was used to provide the additional devices required to support our new manner of teaching by extending the one-to-one program. The Hanscom Campus was ahead in this program, so a similar effort was not required, accounting for the low expenditure rate in this budget category. The annual program to replace a portion of the faculty laptops will occur during the next quarter.

Lincoln Campus

COVID-19 impacts – additional grant funding As reported in October, we are fortunate that the COVID relief funds provided to the School Committee and to the Town are sufficient to cover the deficit initially identified. Our COVID School Reopening Grant (CvRF) is \$133,875; the Town has tentatively committed to providing \$225,000 of their CARES Act funding totaling \$599,276. These funds, originally set to expire on December 30, 2020, were recently re-certified to allow for carry over into 2021. While the re-certification occurred after we had spent our CvRF grant amount, some of the Town’s funds are still available for planning for later expenditure. We also have some grant carry-over funds which we expended during the last quarter and will finish during the next FY21 quarter.

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

Lincoln Campus
FY 2021 OPERATING BUDGET -- STATUS REPORT
3rd Quarter
as of April 6, 2021

Expense Category	Original FY21 Operating Budget	Revised FY21 Operating Budget	Expended		Expended & Encumbered		% of total budget
			Amount	Percent	Amount	Percent	
School Committee	\$ 6,850	\$ 24,060	\$ 13,301	55.3%	\$ 22,210	92.3%	0.20%
Personnel							
Administrator Salaries	\$ 896,106	\$ 896,176	\$ 661,365	73.8%	\$ 896,172	100.0%	7.42%
Professional Salaries (Teachers, Nurses, etc.)							
• Regular salaries	\$ 6,605,132	\$ 6,683,807	\$ 4,347,978	65.1%	\$ 6,655,651	99.6%	55.37%
• Stipends (leadership & mentoring)	\$ 268,602	\$ 231,727	\$ 142,710	61.6%	\$ 218,130	94.1%	1.92%
• Substitutes (daily & long-term)	\$ 140,000	\$ 134,675	\$ 40,598	30.1%	\$ 60,133	44.7%	1.12%
• Misc. Salaries (see note 1)	\$ 169,806	\$ 84,719	\$ 32,662	38.6%	\$ 53,310	62.9%	0.70%
Paraprofessionals Wages							
• Special Education Tutors	\$ 155,317	\$ 129,065	\$ 79,314	61.5%	\$ 128,023	99.2%	1.07%
• Instructional Assistants	\$ 234,962	\$ 269,653	\$ 167,200	62.0%	\$ 266,391	98.8%	2.23%
• Other paraprofessionals	\$ 89,517	\$ 53,825	\$ 37,555	69.8%	\$ 53,825	100.0%	0.45%
Support Staff							
• Secretaries	\$ 410,440	\$ 418,574	\$ 299,807	71.6%	\$ 416,757	99.6%	3.47%
• Facilities, Maintenance & Custodial Staff	\$ 589,032	\$ 579,044	\$ 384,306	66.4%	\$ 524,936	90.7%	4.80%
• Overtime	\$ 26,124	\$ 22,463	\$ 14,080	62.7%	\$ 14,080	62.7%	0.19%
Professional & Staff Development	\$ 51,274	\$ 49,927	\$ 10,986	22.0%	\$ 14,750	29.5%	0.41%
Supplies, Equipment & Services							
In-District Transportation	\$ 475,260	\$ 504,563	\$ 280,396	55.6%	\$ 504,563	100.0%	4.18%
Out of District Special Education Transportation	\$ 89,512	\$ 89,512	\$ 1,246	1.4%	\$ 1,246	1.4%	0.74%
Special Education Tuition (OOD & collaboratives)	\$ 544,196	\$ 431,552	\$ 85,957	19.9%	\$ 153,713	35.6%	3.58%
General Supplies and Materials							
• Textbooks	\$ 19,078	\$ 18,332	\$ 10,509	57.3%	\$ 10,509	57.3%	0.15%
• Other Published Materials	\$ 74,300	\$ 91,762	\$ 48,058	52.4%	\$ 60,637	66.1%	0.76%
• Durable Goods and Equipment	\$ 44,389	\$ 44,721	\$ 22,393	50.1%	\$ 23,347	52.2%	0.37%
• Consumable Supplies	\$ 93,650	\$ 84,619	\$ 48,438	57.2%	\$ 56,188	66.4%	0.70%
• Contracted Services	\$ 279,035	\$ 240,375	\$ 100,687	41.9%	\$ 138,131	57.5%	1.99%
Facilities & Maintenance							
• Utilities -- heat	\$ 82,000	\$ 77,000	\$ 63,804	82.9%	\$ 68,000	88.3%	0.64%
• Utilities -- electricity	\$ 260,000	\$ 265,000	\$ 181,553	68.5%	\$ 254,913	96.2%	2.20%
• Utilities -- water, sewer, telephones	\$ 66,663	\$ 64,028	\$ 25,041	39.1%	\$ 51,107	79.8%	0.53%
• Maintenance Services & Supplies	\$ 130,780	\$ 138,865	\$ 85,393	61.5%	\$ 117,651	84.7%	1.15%
• Custodial Services & Supplies	\$ 36,300	\$ 48,979	\$ 42,825	87.4%	\$ 43,552	88.9%	0.41%
• Building and Capital Projects	\$ 82,000	\$ 244,284	\$ 13,915	5.7%	\$ 177,784	72.8%	2.02%
IT Replacement Cycle	\$ 118,396	\$ 118,396	\$ 98,156	82.9%	\$ 98,156	82.9%	0.98%
Other expenses (see note 2)	\$ 32,366	\$ 31,382	\$ 12,439	39.6%	\$ 18,136	57.8%	0.26%
aaaaac	\$ 12,071,087	\$ 12,071,085	\$ 7,352,673	60.9%	\$ 11,102,002	92.0%	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 2021 OPERATING BUDGET -- STATUS REPORT
3rd Quarter
as of April 6, 2021

Expense Category	Original FY21 Operating Budget	Revised FY21 Operating Budget	Expended		Expended & Encumbered		% of total budget
			Amount	Percent	Amount	Percent	
School Committee	\$ 6,850	\$ 24,060	\$ 13,301	55.3%	\$ 22,210	92.3%	0.15%
Personnel			.				
Administrator Salaries	\$ 956,860	\$ 957,190	\$ 706,511	73.8%	\$ 957,186	100.0%	6.02%
Professional Salaries (Teachers, Nurses, etc.)							
• Regular salaries	\$ 6,485,108	\$ 6,581,247	\$ 4,306,543	65.4%	\$ 6,573,797	99.9%	41.37%
• Stipends (leadership & mentoring)	\$ 255,450	\$ 233,434	\$ 130,318	55.8%	\$ 199,262	85.4%	1.47%
• Substitutes (daily & long-term)	\$ 125,000	\$ 125,000	\$ 47,341	37.9%	\$ 68,804	55.0%	0.79%
• Misc. Salaries (see note 1)	\$ 89,090	\$ 76,196	\$ 31,248	41.0%	\$ 37,683	49.5%	0.48%
Paraprofessionals Wages							
• Special Education Tutors	\$ 476,489	\$ 465,627	\$ 246,212	52.9%	\$ 364,159	78.2%	2.93%
• Instructional Assistants	\$ 354,239	\$ 306,335	\$ 176,616	57.7%	\$ 264,981	86.5%	1.93%
• Other paraprofessionals	\$ 90,771	\$ 98,350	\$ 71,958	73.2%	\$ 98,347	100.0%	0.62%
Support Staff							
• Secretaries	\$ 400,513	\$ 411,363	\$ 295,320	71.8%	\$ 409,694	99.6%	2.59%
• Facilities, Maintenance & Custodial Staff	\$ 659,353	\$ 658,421	\$ 454,720	69.1%	\$ 614,143	93.3%	4.14%
• Overtime	\$ 17,800	\$ 20,350	\$ 16,056	78.9%	\$ 16,056	78.9%	0.13%
Professional & Staff Development	\$ 58,789	\$ 57,884	\$ 12,313	21.3%	\$ 14,739	25.5%	0.36%
Employee Benefits & Town Svcs	\$ 1,707,917	\$ 1,707,917	\$ 719,274	42.1%	\$ 1,646,014	96.4%	10.74%
Supplies, Equipment & Services							
In-District Transportation	\$ 8,300	\$ 6,880	\$ 75	1.1%	\$ 75	1.1%	0.04%
Out of District Special Education Transportation	\$ 465,663	\$ 364,033	\$ 2,295	0.6%	\$ 10,850	3.0%	2.29%
Special Education Tuition (OOD & collaboratives)	\$ 2,571,523	\$ 2,575,435	\$ 1,233,505	47.9%	\$ 2,175,703	84.5%	16.19%
General Supplies and Materials							
• Textbooks	\$ 21,579	\$ 20,672	\$ 10,106	48.9%	\$ 10,106	48.9%	0.13%
• Other Published Materials	\$ 77,151	\$ 95,062	\$ 49,059	51.6%	\$ 64,003	67.3%	0.60%
• Durable Goods and Equipment	\$ 62,158	\$ 65,724	\$ 26,392	40.2%	\$ 28,314	43.1%	0.41%
• Consumable Supplies	\$ 107,970	\$ 102,601	\$ 51,554	50.2%	\$ 57,043	55.6%	0.64%
• Contracted Services	\$ 242,296	\$ 235,316	\$ 96,691	41.1%	\$ 130,017	55.3%	1.48%
Facilities & Maintenance							
• Utilities -- heat	\$ 62,000	\$ 62,000	\$ 7,712	12.4%	\$ 50,799	81.9%	0.39%
• Utilities -- electricity	\$ 200,000	\$ 200,000	\$ 39,242	19.6%	\$ 154,654	77.3%	1.26%
• Utilities -- water, sewer, telephones	\$ 49,769	\$ 49,769	\$ 20,466	41.1%	\$ 40,018	80.4%	0.31%
• Maintenance Services & Supplies	\$ 170,300	\$ 175,592	\$ 100,997	57.5%	\$ 121,763	69.3%	1.10%
• Custodial Services & Supplies	\$ 36,300	\$ 39,300	\$ 35,004	89.1%	\$ 35,774	91.0%	0.25%
• Building and Capital Projects	\$ 12,000	\$ 44,121	\$ 23,075	52.3%	\$ 33,675	76.3%	0.28%
IT Replacement Cycle	\$ 111,812	\$ 111,812	\$ 1,766	1.6%	\$ 1,766	1.6%	0.70%
Other expenses (see note 2)	\$ 26,550	\$ 37,908	\$ 17,288	45.6%	\$ 29,483	77.8%	0.24%
TOTALS	\$ 15,909,600	\$ 15,909,599	\$ 8,942,961	56.2%	\$ 14,231,119	89.4%	

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 2021 Operating Budget -- Key Budget Line Tracking
3rd Quarter
as of April 6, 2021

Budget line	FY20 Budget				FY21 Budget			
	original budget	revised budget	3Q \$\$ expended cumulative	3Q % expended cumulative	original budget	revised budget	3Q \$\$ expended cumulative	3Q % expended cumulative
Lincoln Campus								
Legal expenses	21,890	21,890	7,377	33.7%	23,000	23,000	12,169	52.9%
Substitutes (daily)	75,000	75,000	36,701	48.9%	75,000	75,000	32,600	43.5%
Substitutes (long-term)	65,000	65,000	49,459	76.1%	65,000	65,000	7,998	12.3%
Custodian overtime	18,124	17,939	15,253	85.0%	18,124	17,463	14,080	80.6%
Custodial services & supplies	37,668	37,668	22,157	58.8%	36,300	48,979	42,825	87.4%
Utilities (heat)	150,000	150,712	93,971	62.4%	82,000	77,000	63,804	82.9%
Utilities (electricity)	192,000	232,000	113,758	49.0%	260,000	265,000	181,553	68.5%
Utilities (telephones)	19,663	19,663	11,292	57.4%	19,663	17,028	10,980	64.5%
Special Education OOD tuition *	507,491	385,028	115,251	29.9%	544,196	431,552	85,957	19.9%
General Supplies, Materials and some Contracted Services (SBM & new curriculum mat'ls)	239,871	254,518	130,670	51.3%	195,498	211,123	104,160	49.3%
Hanscom Campus								
Legal expenses	18,500	18,500	6,463	34.9%	16,500	19,500	12,169	62.4%
Substitutes (daily)	75,000	75,000	39,835	53.1%	75,000	75,000	15,462	20.6%
Substitutes (long-term)	70,000	70,240	42,930	61.1%	70,000	70,240	31,879	45.4%
Custodian overtime	17,800	20,249	13,681	67.6%	17,800	20,350	16,056	78.9%
Custodial services & supplies	34,875	34,875	17,853	51.2%	36,300	39,300	35,004	89.1%
Utilities (heat)	55,000	55,000	36,972	67.2%	62,000	62,000	7,712	12.4%
Utilities (electricity)	200,000	200,000	105,418	52.7%	200,000	200,000	39,242	19.6%
Utilities (telephones)	21,053	21,053	10,311	49.0%	21,053	21,053	14,185	67.4%
Special Education OOD tuition *	1,936,741	1,936,741	1,200,159	62.0%	2,571,523	2,575,435	1,233,505	47.9%
General Supplies, Materials and some Contracted Services (SBM & new curriculum mat'ls)	341,182	346,320	159,279	46.0%	259,422	263,035	110,726	42.1%

* Now includes both private and collaborative placement categories