



THE PUBLIC SCHOOLS OF BROOKLINE
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Memorandum

TO: Mary Ellen Dunn, Deputy Superintendent for Administration and Finance

FROM: Michael D'Onofrio, Finance Manager, Office of Student Services

RE: FY18 Second Quarter Financial Report – General Fund

DATE: March 14, 2018

The FY18 Second Quarter Draft Financial Expenditure Report shows a projected deficit on the Operating Budget of (\$237,417).

The second quarter salary projection is in deficit due to additional new hires throughout the year. The midyear addition of a Vice Principal at Lawrence, 2 new regular education paraprofessionals at Runkle for oversize classes and 2 move-in paraprofessionals in special education are the primary drivers of the salary increase.

The factors affecting non-salary accounts continue to be the substantial increase of utilization of in-town transportation for Special Education programs, an ongoing surplus in Special Education tuitions and a revenue gap in Circuit Breaker. All three of these accounts have been relatively stable, with little change in their anticipated expenditures.

The second quarter projection assumes the full expenditure of all non-salary line items, except for Transportation and Special Education contracted services costs. Both of these accounts are subject to variability based on students service needs, out-of-district tuition placements, and the impact of transporting students both out-of-district and to in-district programs in Brookline.

Table 1 – Summary of Expenses

Salaries / Expenses	Original Appropriation	Transfers/ Amendments	Revised Budget	YTD Expended	Encumbrance/ Requisitions	Available Budget
Salaries	\$ 92,865,697	\$ 47,431	\$ 92,913,128	\$ 63,069,680	\$ 29,972,093	\$ (128,645)
Expenses	\$ 11,845,215	\$ -	\$ 11,845,215	\$ 7,127,448	\$ 4,826,539	\$ (108,772)
Grand Total	\$ 104,710,912	\$ 47,431	\$ 104,758,343	\$ 70,197,128	\$ 34,798,632	\$ (237,417)

Budget Transfer Requests:

- 1) Transfer the remaining balance of \$25,118 from the Special Education Reserve Account (313028-558080) to the Special Education Transportation Account (313028-524631).

Table 2 summarizes transportation spending through the end of the second quarter. The projection includes actuals through 2/28/18 and projects full known utilization for the remainder of FY18. There has been a significant increase in the use of in-town special education transportation this year, accounting for \$224,872 of the projected \$232,714 deficit. The Special Education Reserve (\$250,000 at the beginning of the year) will have been completely allocated to cover this shortfall in FY18.

Table 2 – Transportation Costs

Transporation Summary			
Transportation FY2018 Contracts	FY18 Budget	Projected	Variance
Regular Transportation (Eastern Bus)	\$ 292,400	\$ 296,430	\$ (4,030)
Special Education Trasportation (YCN)	\$ 1,781,959	\$ 2,006,831	\$ (224,872)
McKinney-Vento (Homeless) Transportation	\$ 15,800	\$ 19,612	\$ (3,812)
Total	\$ 2,090,159	\$ 2,322,873	\$ (232,714)

Special Education Contracted Services: The Special Education Contracted Services projection is detailed in Table 3. The current projected deficit, which includes provisions for unilateral placements and students on a watch list for possible out-of-district placement, is showing a deficit of (\$126,058), primarily because of the shortfall in revenue from the Circuit Breaker Claim. This number is slightly higher than the First Quarter report (\$49,236), in that some students have been placed out. The Office of Student Services will continue to monitor those students on the watch list and assess the likelihood of reaching settlements with those who have chosen unilateral placements against the recommendation of the Department.

**Table 3 – Special Education
Tuition**

	<u>Public Schools of Brookline</u>						
DOE Function Code	DOE Function Title	Program Type	FY2018 Head Count	FY2018 Tuition Budget	FY2018 1st Qtr Head Count	FY2018 Tuition Projection	FY2018 Variance
9100	Tuition to Mass School	Day	4	\$231,927	4	\$233,425	(\$1,498)
		Extended Svs					
		Short Term					
		Summer	2-5	\$8,452		\$8,161	\$291
		Day					
9100	Total		4	\$240,379	4	\$241,586	(\$1,207)
9200	Tuition to Out-of-State	Residential	3	\$392,304	4	\$455,489	(\$63,185)
		Summer				\$13,692	(\$13,692)
9200	Total		3	\$392,304	4	\$469,181	(\$76,877)
9300	Tuition to Non-Public Schools	1:01					
		Day	44	\$3,488,339	47	\$3,039,645	\$448,694
		PT					\$0
		Residential	5	\$830,788	6	\$897,970	(\$67,182)
		Short Term		\$50,000		\$19,201	\$30,799
		Summer		\$78,870		\$109,296	(\$30,426)
9300	Total		49	\$4,447,997	53	\$4,066,112	\$381,885
9400	Tuition to Collaboratives (Member)	Day	1	\$63,630	1	\$32,184	\$31,446
		Extended Svs					
		Short Term					
		Summer					
		Day					
9400	Total		1	\$63,630	1	\$32,184	\$31,446
9500	Tuition to Regional School Districts (Member)	Day			Transfer to Town Account		
		Total		\$42,561			
9500	Total						\$0
		Grand Totals:	57	5,144,310	62	4,809,062	\$335,247
	Operating Budget			(\$2,444,310)		(\$2,444,310)	\$0
	Vacational and Technical Program Account			\$0		\$0	\$0
	Circuit Breaker Account			(\$2,700,000)		(\$2,238,695)	(\$461,305)
	(Balance)/Deficit			(0)		126,058	(\$126,058)