

Memo



To: Financial Review Committee
From: Robert Silber, Chief Financial Officer
CC: CSD School Board
Date: June 14, 2009
Re: Financial Report – May 2009

The financial reports presented closely follow the format required by the State of Delaware, and are internally produced.

Agency 3300 – Regular Schools

Income – Receipts for the period aggregated approximately \$2,474,804

State Funds –Other State Funds increase of ~ \$96,000 primarily attributed to School Improvement Funds (\$50,000), and Homeless Transportation (\$45,000)

Local Funds increase ~ \$1.23 Million driven through tax receipts, Cafeteria Funds for local payroll, and Indirect Cost.

Federal Funds increase ~ \$1.15 Million. Federal Funds are received after support

Expenses – Overall expenditures are within budgetary limits.

Items to note:

- Transportation reflects a negative variance of \$406,477. This is driven from reductions in State reimbursement rates for Fuel, and higher than anticipated costs associated with “dead-head miles”. The State formula for transportation is calculated based on first and last stops of the day.
- Federal Fund expenditures are greater than budgeted. Several years ago, the District was late in submitting documentation to the State on one Federal Program. While the State did not reduce the amount of funds available, the State did not permit funding to start at the beginning of the Federal Period. (Impact at the time was ~\$1 Million. These appropriations are nearing the end of their availability, and the District is utilizing these funds as much as possible.
- Local Debt service reflects a negative variance of \$777,656. The debt service tax warrant reflected debt payments of \$9,614,862. The Debt Service fund balance as of 5/31 is in excess of \$4,500,000.

- Variances for Schools and Adult Education (Groves and NCC Learning) reflect spending beyond their original budget. Each of these schools/ programs received various grants or increased receipts to in excess of budget allocation.
- Facilities Management appears to have exceeded their budget. This is an explainable variance. If you recall, the district received support from ING Direct for Bayard Middle School (\$295,000). The budget did not reflect the receipt of these funds at the IBU level.
- Research and Assessment currently has a negative variance (\$150,250). Our MAP Testing (Measures of Academic Progress) was budgeted in our Student Service Administration. This is the main driver for the variance. Additionally, we will incur expenses resulting from the departure of our head of Research and Assessment. Although this position has been recently filled, we were compelled to outsource some analytic work to assure completion in a timely manner. Funding for these additional expenses are covered by the decrease in local salary costs experienced while the position was vacant.

Requested information:

During the last FRC meeting there were questions raised regarding expenditures in FY 09, against FY 08 or earlier Funds. The budget, as constructed, tracks current year expenditures against current year expenses. The below charges are against State appropriations only.

Category	Expenses charged against prior year appropriations
Salary and Benefits	\$502,260
Temp Employment	\$384,443
Telephone Equip	\$113,181
Minor Cap	\$372,418
Alarm System	\$130,526
Ath Conf Fee/ Assoc Fee	\$179,501
Instructional Supplies	\$500,343
Textbooks & Library Books	\$98,828
Computer Equip	\$213,122
Misc (78 categories)	\$343,748
Total	\$2,838,370

Sterck/ REACH/ ILC/ & Autistic Programs

Expenditures for all Programs are within original budget. As a reminder, costs attributed to these tuition based programs are significantly driven by student IEP.