



# LINCOLN

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## PREPARATORY SCHOOL

### **December Financial Report**

January 29, 2018 Board Meeting

**Income Statement – Annual Forecast vs. Budget**

**Revenue**

- Forecasted revenue projections through the end of the fiscal year are \$5.10MM versus budgeted annual revenue of \$4.90MM for a favorable variance of \$202K. This positive variance is due to the increase in enrollment. The October pupil count was 415 and the February count is projected to be 425. The original budget was based on an enrollment of 406 pupils.

**Personnel**

- Personnel expenses are projected to be \$3.68MM versus \$3.58MM budgeted, for an unfavorable variance of \$94K. The unfavorable variance is mainly due to the addition of two instructional positions and increased tutoring stipends.

**Other than Personnel**

- Other than Personnel expenses are projected to be \$1.21MM versus \$1.16MM budgeted, for an unfavorable variance of \$44K. The unfavorable variances is due to reforecasted food service expenses, athletic expenses and increased educational consultants projections.

**Non-Operating Expenses**

- Non-operating expenses are forecasted to be \$215K versus \$151K budgeted, for an unfavorable variance of \$64K to end the fiscal year at breaking even. The variance is due to increased contingency based on higher projected revenue.

**Income Statement – Actual vs. Budget**

**Revenue**

- Revenue through the period was \$2.58MM which is on target at 50% of the annual forecast. There is \$2.52MM of revenue remaining in the budget.

**Personnel**

- Salaries and benefit expenses through the period were \$1.80MM which is 49% of the annual forecast. This is on target with the forecast with \$1.88MM remaining in the budget.

**Other than Personnel**

- Other than personnel expenses through the period were \$666K. This is 55% of the annual forecast. The following budget lines have lower than average amounts remaining in the budget:
  - Curriculum has 35% of the annual budget remaining. This is due to the majority of the curriculum spending is at the beginning of the school year.
  - Athletic expenditures were high through December. This is due to the timing of football season in the fall.

### **Net Surplus (Deficit)**

Net surplus through December 31, 2017 was \$80K. We are forecasted to end the fiscal year at breakeven.

### **Balance Sheet**

#### **Assets**

- Cash balance as of December 31, 2017 was \$245K.
  - Primary Checking \$156K.
  - Payroll Checking \$11K.
  - Activity Checking (Acct Ending 42) \$13K.
  - Activity Checking (Acct Ending 66) \$8K.
  - Grambling High - Foundation \$52K.
  - Grambling High – Activity \$2K.
  - Paypal Account - \$2K.
- Federal Accounts Receivable of \$224K consists of Title IA, Title IIA, IDEA, CSP and Federal Food.
- Prepaid Expenses of \$12K consists of pre-paid software costs.
- Fixed Assets of \$225K, net of accumulated depreciation, consists of smart boards, computers, tablets, printers, band supplies and building repairs.

#### **Liabilities**

- Accounts Payable were \$123K.
- Accrued Expense of \$198K consists of FY17 and a portion of FY18 audit fees, food service expenses, and maintenance and utility costs due to Grambling State University.
- Accrued Payroll of \$264K consists retirement, summer pay, and payroll liabilities.
- Long Term Debt of \$6K consists of amortized 4SS start-up costs.

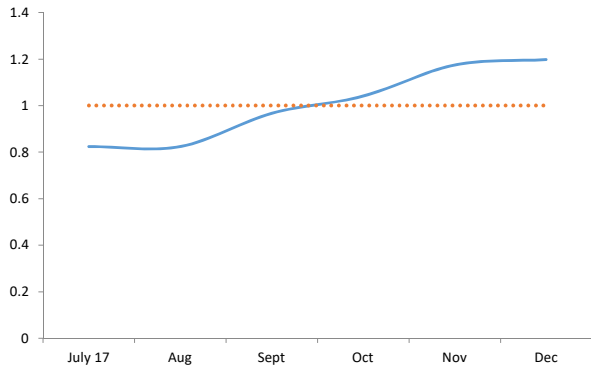
#### **Equity**

- Net assets from prior years were \$266K combined with the current surplus of \$80K gives us a total equity position of \$346K as of December 31, 2017.

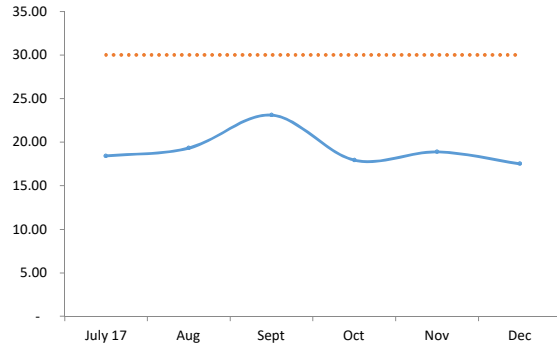
### **Cash Flow**

- Cash was \$245K as of December 31, 2017. We are projected to remain cash positive for the remainder of the fiscal year ending with a cash balance of \$203K.

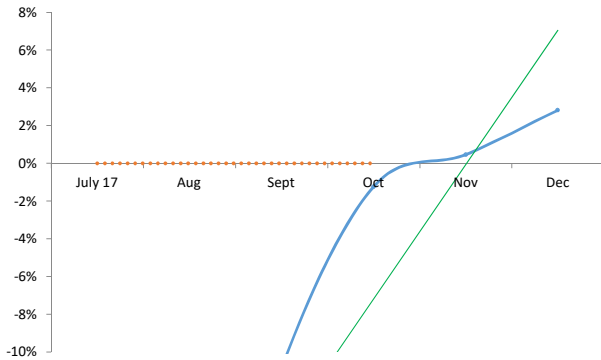
**Current Ratio**  
 (goal: above 1.0)



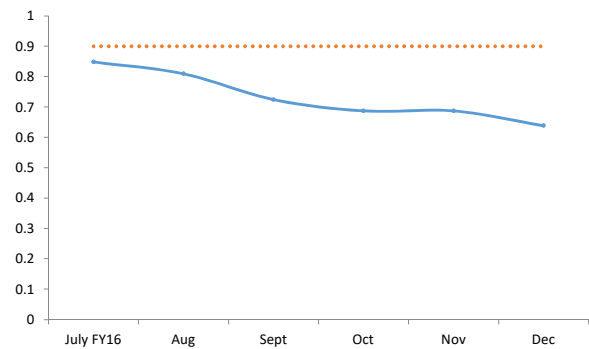
**Unrestricted Days Cash**  
 (goal: 30-60 days)



**Total Margin**  
 (goal: positive trend)

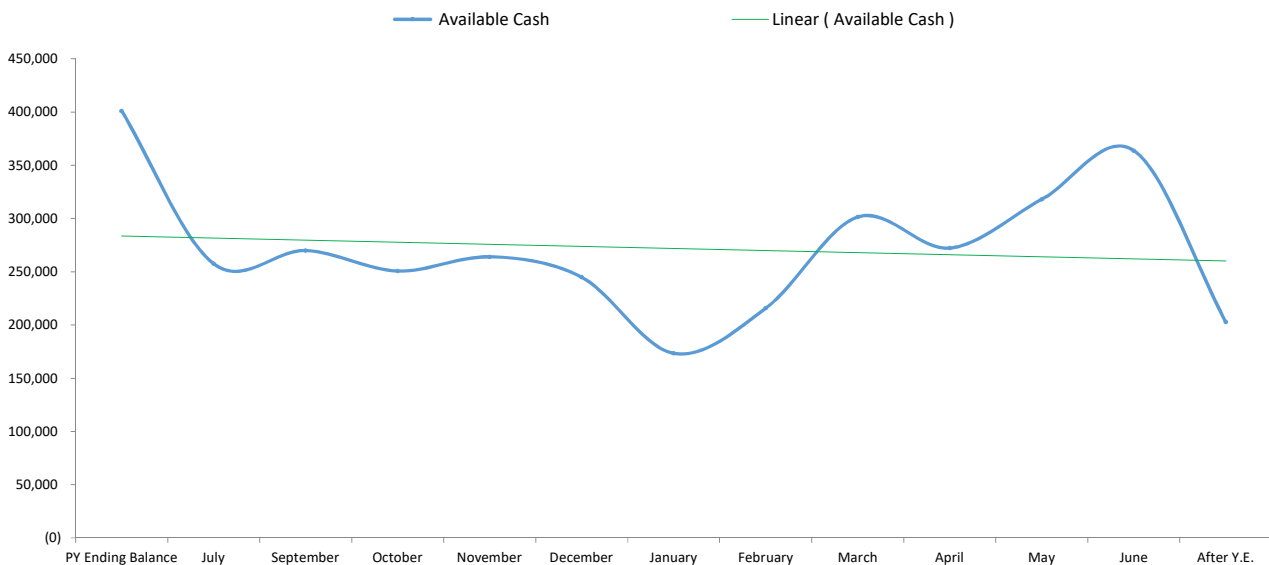


**Debt to Asset Ratio**  
 (goal: below 90%)



**Cash Flow Forecast**  
 (goal: positive cash flow)

**Available Cash**



Lincoln Preparatory School  
 Budget vs. Forecast  
 December 2017 Financial Report

January 29, 2018 Board Meeting

	Actual YTD	Prior Forecast	Annual Forecast	△ %	Annual Budget	Difference (Bud v Forecast)
<b>Revenue</b>						
Base Funding	2,230,757	4,461,515	4,461,515	-	4,311,600	149,915
Federal Entitlement Funding	188,756	382,012	377,512	1%	366,018	11,494
Federal Food Service Revenue	103,775	200,330	200,330	-	170,000	30,330
Athletics	54,098	55,000	59,000	-7%	55,000	4,000
Philanthropy & Other Income	5,894	10,468	5,894	-78%	-	5,894
<b>Total Revenue</b>	<b>2,583,280</b>	<b>5,109,324</b>	<b>5,104,250</b>	<b>-</b>	<b>4,902,618</b>	<b>201,632</b>
<b>Expenses</b>						
<b>Salaries &amp; Benefits</b>						
Instructional Salaries	847,257	1,658,965	1,631,529	-2%	1,572,235	(59,294)
Other Instructional Costs (substitutes)	24,032	33,600	33,600	-	33,600	-
SPED Salaries	67,678	145,327	167,027	13%	142,598	(24,429)
Support Salaries	37,412	274,418	274,418	-	274,042	(376)
General & Administrative Salaries	321,998	554,779	534,158	-4%	554,779	20,621
Benefits	499,691	1,043,830	1,040,514	-	1,009,811	(30,703)
<b>Total Salaries &amp; Benefits</b>	<b>1,798,068</b>	<b>3,710,919</b>	<b>3,681,245</b>	<b>-1%</b>	<b>3,587,065</b>	<b>(94,180)</b>
<b>Other than Personnel</b>						
Curriculum	17,149	26,390	26,390	-	26,390	-
Software & Assessment	25,834	65,930	43,930	-50%	65,930	22,000
Educational Supplies	23,240	54,460	54,460	-	54,460	-
Educational Consultants	13,965	29,050	29,050	-	9,326	(19,724)
Equipment & Furniture (non-capital)	-	2,030	2,030	-	2,030	-
Student Recruiting	600	8,120	8,120	-	8,120	-
Professional Development	18,450	30,000	30,000	-	30,000	-
Utilities	91,350	182,700	182,700	-	182,700	-
Transportation	80,100	172,196	172,196	-	172,196	-
Custodial & Maintenance	74,286	129,093	129,093	-	129,093	-
Legal	28,324	47,908	47,908	-	47,908	-
Telecommunications	-	5,000	-	100%	5,000	5,000
Insurance	23,780	40,000	40,000	-	40,000	-
Business Supplies	9,436	12,000	12,000	-	12,000	-
Media Supplies	1,193	1,560	1,560	-	1,560	-
Finance, HR, & Ops Support	51,361	94,600	94,600	-	94,600	-
Athletic Expenses	71,680	79,500	79,500	-	55,000	(24,500)
Technology Consultants	-	8,526	8,526	-	8,526	-
Food Service	101,667	196,061	196,061	-	175,100	(20,961)
Other Instruction	1,294	9,000	9,000	-	9,000	-
Other Administration	20,374	35,500	35,500	-	35,500	-
Other Expenditures	5,361	1,110	5,361	-	-	(5,361)
<b>Total Other than Personnel</b>	<b>666,134</b>	<b>1,230,734</b>	<b>1,207,985</b>	<b>-2%</b>	<b>1,164,439</b>	<b>(43,546)</b>
<b>Non-Operating Expenses</b>						
Depreciation	38,428	92,452	92,452	-	88,300	(4,152)
Contingency	-	75,220	122,568	39%	62,814	(59,754)
<b>Total Non-Operating Expenses</b>	<b>38,982</b>	<b>167,672</b>	<b>215,020</b>	<b>22%</b>	<b>151,114</b>	<b>(63,906)</b>
<b>Total Expenses</b>	<b>2,503,185</b>	<b>5,109,325</b>	<b>5,104,250</b>	<b>-</b>	<b>4,902,618</b>	<b>(201,632)</b>
<b>NET SURPLUS (DEFICIT)</b>	<b>80,095</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>
<b>State Surplus Calculation</b>						
Add Depreciation	38,428	92,452	92,452		88,300	
Add Contingency	-	75,220	122,568		62,814	
Reduce Capital Expenditures	(34,310)	(59,380)	(59,380)		(57,800)	
Increase/Decrease in LT Debt	-	-	-		-	
<b>NET STATE SURPLUS (DEFICIT)</b>	<b>84,213</b>	<b>108,292</b>	<b>155,640</b>		<b>93,314</b>	
PY Balance	96,937	96,937	96,937		96,937	
<b>State Ending Fund Balance</b>	<b>181,150</b>	<b>205,229</b>	<b>252,577</b>		<b>190,251</b>	
<b>Percent of Revenue</b>		<b>4%</b>	<b>5%</b>		<b>4%</b>	

	Annual Budget	Annual Forecast	Actual Year-to-Date	Remaining \$	Remaining %
<b>Revenue</b>					
Base Funding	4,311,600	4,461,515	2,230,757	2,230,758	50%
Federal Entitlement Funding	366,018	377,512	188,756	188,756	50%
Federal Food Service Revenue	170,000	200,330	103,775	96,555	48%
Athletics	55,000	59,000	54,098	4,902	8%
Philanthropy & Other Income	-	5,894	5,894	-	0%
<b>Total Revenue</b>	<b>4,902,618</b>	<b>5,104,250</b>	<b>2,583,280</b>	<b>2,520,970</b>	<b>49%</b>
<b>Expenses</b>					
<b>Salaries &amp; Benefits</b>					
Instructional Salaries	1,572,235	1,631,529	847,257	784,272	48%
Other Instructional Costs (substitutes)	33,600	33,600	24,032	9,568	28%
SPED Salaries	142,598	167,027	67,678	99,348	59%
Support Salaries	274,042	274,418	37,412	237,006	86%
General & Administrative Salaries	554,779	534,158	321,998	212,160	40%
Benefits	1,009,811	1,040,514	499,691	540,822	52%
<b>Total Salaries &amp; Benefits</b>	<b>3,587,065</b>	<b>3,681,245</b>	<b>1,798,068</b>	<b>1,883,177</b>	<b>51%</b>
<b>Other than Personnel</b>					
Curriculum	26,390	26,390	17,149	9,241	35%
Software & Assessment	65,930	43,930	25,834	18,096	41%
Educational Supplies	54,460	54,460	23,240	31,220	57%
Educational Consultants	9,326	29,050	13,965	15,085	52%
Equipment & Furniture (non-capital)	2,030	2,030	-	2,030	100%
Student Recruiting	8,120	8,120	600	7,520	93%
Professional Development	30,000	30,000	18,450	11,550	38%
Utilities	182,700	182,700	91,350	91,350	50%
Transportation	172,196	172,196	80,100	92,096	53%
Custodial & Maintenance	129,093	129,093	74,286	54,807	42%
Legal	47,908	47,908	28,324	19,584	41%
Telecommunications	5,000	-	-	-	0%
Insurance	40,000	40,000	23,780	16,220	41%
Business Supplies	12,000	12,000	9,436	2,564	21%
Media Supplies	1,560	1,560	1,193	367	24%
Finance, HR, & Ops Support	94,600	94,600	51,361	43,239	46%
Athletic Expenses	55,000	79,500	71,680	7,820	10%
Technology Consultants	8,526	8,526	-	8,526	100%
Food Service	175,100	196,061	101,667	94,394	48%
Other Instruction	9,000	9,000	1,294	7,706	86%
Other Administration	35,500	35,500	20,374	15,126	43%
Other Expenditures	-	5,361	5,361	(0)	0%
<b>Total Other than Personnel</b>	<b>1,164,439</b>	<b>1,207,985</b>	<b>666,134</b>	<b>541,851</b>	<b>45%</b>
<b>Non-Operating Expenses</b>					
Depreciation	88,300	92,452	38,428	54,024	58%
Contingency	62,814	122,568	-	122,568	100%
<b>Total Non-Operating Expenses</b>	<b>151,114</b>	<b>215,020</b>	<b>38,982</b>	<b>176,038</b>	<b>82%</b>
<b>Total Expenses</b>	<b>4,902,618</b>	<b>5,104,250</b>	<b>2,503,185</b>	<b>2,601,065</b>	<b>51%</b>
<b>NET SURPLUS (DEFICIT)</b>	<b>-</b>	<b>-</b>	<b>80,095</b>		

Lincoln Preparatory School  
 Balance Sheet  
 December 2017 Financial Report

January 29, 2018 Board Meeting

	<u>June 30, 2017</u>	<u>December 31, 2017</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash & Equivalents	401,042	244,808
Federal Accounts Receivable	155,966	223,723
State & Local Gov't Accounts Receivable	1,008	233,486
Prepaid Expenses	-	12,307
<b>Total Current Assets</b>	<u>558,016</u>	<u>714,323</u>
<b>Non-Current Assets</b>		
Fixed Assets	288,112	322,422
Accumulated Depreciation	(58,954)	(97,382)
<b>Total Non-Current Assets</b>	<u>229,158</u>	<u>225,040</u>
<b>Total Assets</b>	<u><u>787,174</u></u>	<u><u>939,362</u></u>
<b>Liabilities &amp; Equity</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts Payable	185,457	123,433
Accrued Expenses	36,821	198,626
Accrued Payroll	290,981	263,998
Other Short-Term Liabilities	-	963
<b>Total Current Liabilities</b>	<u>513,260</u>	<u>587,020</u>
<b>Non-Current Liabilities</b>		
Long-Term Debt	8,000	6,333
<b>Total Non-Current Liabilities</b>	<u>8,000</u>	<u>6,333</u>
<b>Total Liabilities</b>	<u>521,260</u>	<u>593,353</u>
<b>Equity</b>		
Net Assets	299,271	265,914
Net Surplus/(Deficit)	(33,357)	80,095
<b>Total Equity</b>	<u>265,914</u>	<u>346,009</u>
<b>Total Liabilities &amp; Equity</b>	<u><u>787,174</u></u>	<u><u>939,362</u></u>

Lincoln Preparatory School  
Cash Flow Forecast  
FY2018

	July	August	September	October	November	December
<b>Revenue</b>						
Base Funding	327,350	321,350	321,777	321,350	321,350	382,088
Federal Entitlement Funding	88,751	10,054	53,777	7,198	75,049	-
Other	9,009	6,293	9,478	8,789	26,046	4,055
<b>Total Revenue</b>	<b>425,110</b>	<b>337,697</b>	<b>385,032</b>	<b>337,337</b>	<b>422,445</b>	<b>386,143</b>
<b>Expenses</b>						
Salaries & Benefits	293,350	204,343	207,891	275,429	284,979	291,346
Other than Personnel	274,744	121,018	133,203	124,938	124,759	113,998
<b>Total Expenses</b>	<b>568,094</b>	<b>325,361</b>	<b>341,094</b>	<b>400,367</b>	<b>409,738</b>	<b>405,344</b>
<b>Change in Cash</b>	(142,984)	12,336	43,938	(63,030)	12,707	(19,201)
<b>Beginning Cash</b>	401,042	258,058	270,394	314,332	251,302	264,009
<b>Available Cash</b>	<b>258,058</b>	<b>270,394</b>	<b>314,332</b>	<b>251,302</b>	<b>264,009</b>	<b>244,808</b>



Lincoln Preparatory School  
Cash Flow Forecast  
FY2018

	January	February	March	April	May	June	After Y.E.
<b>Revenue</b>							
Base Funding	382,088	382,088	425,519	425,519	425,519	425,519	-
Federal Entitlement Funding	72,674	72,674	72,674	72,674	72,674	72,674	62,935
Other	1,224	-	-	-	-	-	-
<b>Total Revenue</b>	<b>455,986</b>	<b>454,762</b>	<b>498,193</b>	<b>498,193</b>	<b>498,193</b>	<b>498,193</b>	<b>62,935</b>
<b>Expenses</b>							
Salaries & Benefits	291,346	291,346	291,346	291,346	291,346	291,346	142,565
Other than Personnel	236,084	121,084	121,084	236,084	161,084	161,084	81,358
<b>Total Expenses</b>	<b>527,430</b>	<b>412,430</b>	<b>412,430</b>	<b>527,430</b>	<b>452,430</b>	<b>452,430</b>	<b>223,923</b>
<b>Change in Cash</b>	(71,444)	42,332	85,763	(29,238)	45,763	45,763	(160,988)
<b>Beginning Cash</b>	244,808	173,364	215,696	301,458	272,221	317,983	363,746
<b>Available Cash</b>	<b>173,364</b>	<b>215,696</b>	<b>301,458</b>	<b>272,221</b>	<b>317,983</b>	<b>363,746</b>	<b>202,758</b>