



# LINCOLN

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## PREPARATORY SCHOOL

### **February Financial Report**

March 26, 2018 Board Meeting

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

**Revenue**

- Forecasted revenue projections through the end of the fiscal year are \$5.13MM versus budgeted annual revenue of \$4.90MM for a favorable variance of \$228K. This positive variance is due to the increase in enrollment. The October pupil count was 415 and the February count was 424. 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 \$1.23MM versus \$1.16MM budgeted, for an unfavorable variance of \$68K. 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 \$212K versus \$151K budgeted, for an unfavorable variance of \$61K 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 \$3.62MM which is on target at 71% of the annual forecast. There is \$1.51MM of revenue remaining in the revenue budget.

**Personnel**

- Salaries and benefit expenses through the period were \$2.52MM which is 68% of the annual forecast. This is on target with the forecast with \$1.16MM remaining in the budget.

**Other than Personnel**

- Other than personnel expenses through the period were \$893K. This is 73% of the annual forecast. The following budget lines have lower than average amounts remaining in the budget:
  - Curriculum has 34% 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 February. This is due to the timing of football season and other sport seasons earlier in the fiscal year.

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

Net surplus through February 28, 2018 was \$156K. We are forecasted to end the fiscal year at breakeven.

### **Balance Sheet**

#### **Assets**

- Cash balance as of February 28, 2018 was \$421K.
  - Primary Checking \$315K.
  - Payroll Checking \$8K.
  - Activity Checking (Acct Ending 42) \$12K.
  - Activity Checking (Acct Ending 66) \$28K.
  - Grambling High - Foundation \$52K.
  - Grambling High – Activity \$2K.
  - Paypal Account - \$2K.
- Federal Accounts Receivable of \$222K consists of Title IA, Title IIA, IDEA, CSP and Federal Food.
- State Accounts Receivable of \$358K consisting of MFP due from the state.
- Prepaid Expenses of \$8K consists of pre-paid software costs.
- Fixed Assets of \$212K, net of accumulated depreciation, consists of smart boards, computers, tablets, printers, band supplies and building repairs.

#### **Liabilities**

- Accounts Payable were \$213K.
- Accrued Expense of \$237K consists of FY18 audit fees, food service expenses, and maintenance and utility costs due to Grambling State University.
- Accrued Payroll of \$331K consists of retirement, summer pay, and payroll liabilities.
- Credit Card Liabilities of \$10,427.
  - First National Bank 0525: \$6,159.
  - First National Bank 0533: \$3,078.
  - First National Bank 0590: \$1,189.
- Other Short-term Liabilities of \$867 consisting of student activity transactions.
- Long Term Debt of \$6K consists of amortized 4SS start-up costs.

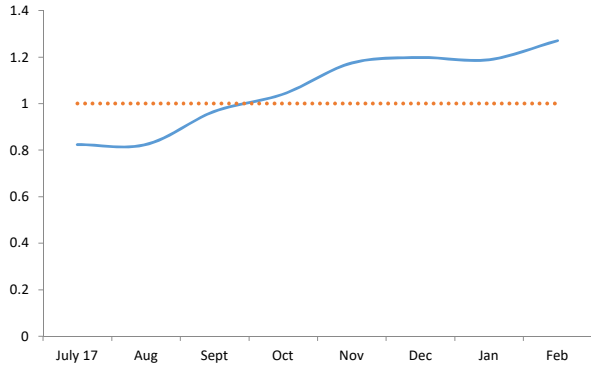
#### **Equity**

- Net assets from prior years were \$266K combined with the current surplus of \$156K gives us a total equity position of \$423K as of February 28, 2018.

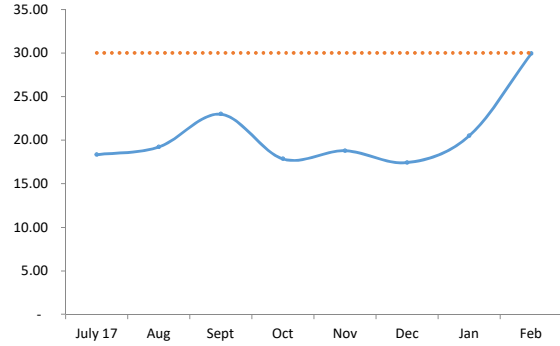
### **Cash Flow**

- Cash was \$351K as of February 28, 2018. We are projected to remain cash positive for the remainder of the fiscal year ending with a cash balance of \$242K.

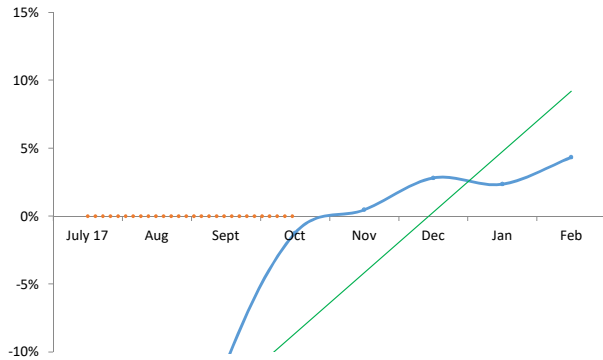
**Current Ratio**  
 (goal: above 1.0)



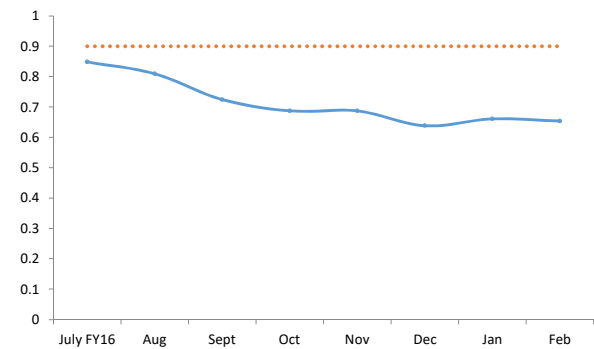
**Unrestricted Days Cash**  
 (goal: 30-60 days)



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

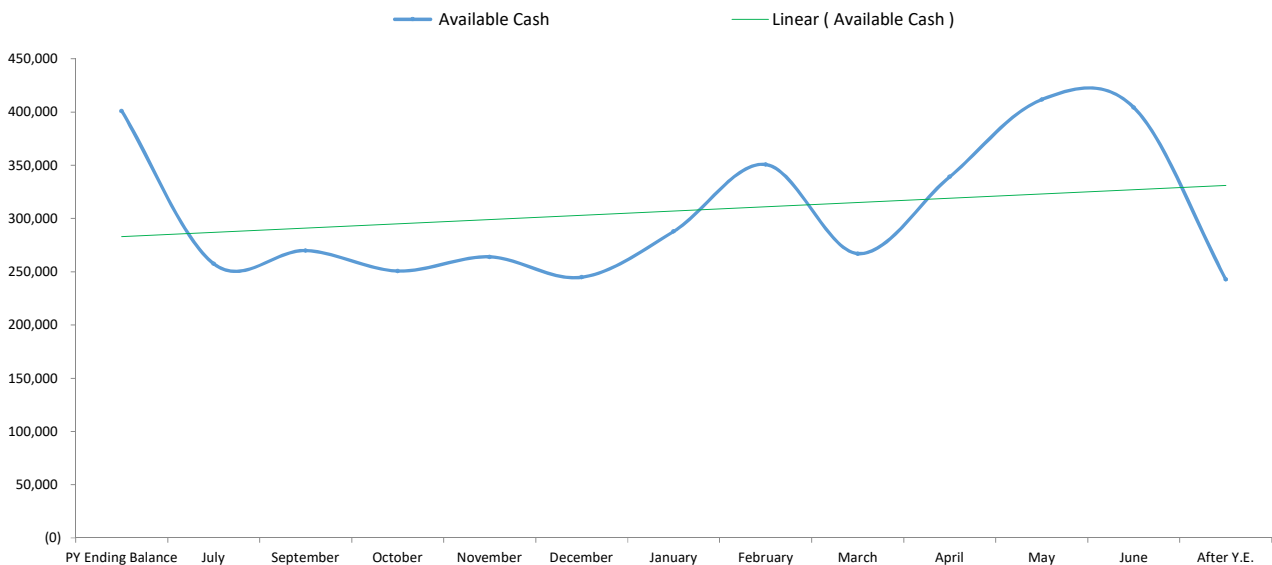


**Debt to Asset Ratio**  
 (goal: below 90%)



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

**Available Cash**



Lincoln Preparatory School  
 Budget vs. Forecast  
 February 2018 Financial Report

March 26, 2018 Board Meeting

	Actual YTD	Prior Forecast	Annual Forecast	△ %	Annual Budget	Difference (Bud v Forecast)
<b>Revenue</b>						
Base Funding	3,129,342	4,456,203	4,456,203	-	4,311,600	144,603
Federal Entitlement Funding	264,258	377,512	387,512	3%	366,018	21,494
Federal Food Service Revenue	140,064	200,091	200,091	-	170,000	30,091
Athletics	75,544	70,000	76,000	8%	55,000	21,000
Philanthropy & Other Income	11,122	6,374	11,122	43%	-	11,122
<b>Total Revenue</b>	<b>3,620,330</b>	<b>5,110,180</b>	<b>5,130,928</b>	<b>-</b>	<b>4,902,618</b>	<b>228,310</b>
<b>Expenses</b>						
<b>Salaries &amp; Benefits</b>						
Instructional Salaries	1,180,354	1,631,529	1,631,529	-	1,572,235	(59,294)
Other Instructional Costs (substitutes)	33,301	33,600	42,600	21%	33,600	(9,000)
SPED Salaries	107,070	167,027	167,027	-	142,598	(24,429)
Support Salaries	162,256	274,418	274,418	-	274,042	(376)
General & Administrative Salaries	333,727	534,158	534,158	-	554,779	20,621
Benefits	701,452	1,040,514	1,040,902	-	1,009,811	(31,091)
<b>Total Salaries &amp; Benefits</b>	<b>2,518,160</b>	<b>3,681,245</b>	<b>3,690,633</b>	<b>-</b>	<b>3,587,065</b>	<b>(103,568)</b>
<b>Other than Personnel</b>						
Curriculum	17,366	26,390	26,390	-	26,390	-
Software & Assessment	32,684	43,930	43,930	-	65,930	22,000
Educational Supplies	37,362	54,460	54,460	-	54,460	-
Educational Consultants	20,221	29,050	29,050	-	9,326	(19,724)
Equipment & Furniture (non-capital)	-	2,030	2,030	-	2,030	-
Student Recruiting	2,900	8,120	8,120	-	8,120	-
Professional Development	31,815	30,000	35,000	14%	30,000	(5,000)
Utilities	121,800	182,700	182,700	-	182,700	-
Transportation	124,597	172,196	172,196	-	172,196	-
Custodial & Maintenance	101,343	129,093	129,093	-	129,093	-
Legal	34,190	47,908	47,908	-	47,908	-
Telecommunications	-	-	-	-	5,000	5,000
Insurance	29,011	40,000	40,000	-	40,000	-
Business Supplies	13,930	20,557	20,557	-	12,000	(8,557)
Media Supplies	1,631	1,560	2,281	32%	1,560	(721)
Finance, HR, & Ops Support	68,028	94,600	94,600	-	94,600	-
Athletic Expenses	87,342	84,500	91,000	7%	55,000	(36,000)
Technology Consultants	-	8,526	8,526	-	8,526	-
Food Service	137,562	195,828	195,828	-	175,100	(20,728)
Other Instruction	4,709	9,000	9,000	-	9,000	-
Other Administration	18,727	35,500	35,500	-	35,500	-
Other Expenditures	338	16,233	338	-	-	(338)
<b>Total Other than Personnel</b>	<b>893,351</b>	<b>1,232,181</b>	<b>1,228,507</b>	<b>-</b>	<b>1,164,439</b>	<b>(64,068)</b>
<b>Non-Operating Expenses</b>						
Depreciation	51,584	92,452	92,452	-	88,300	(4,152)
Contingency	-	104,302	119,336	13%	62,814	(56,522)
<b>Total Non-Operating Expenses</b>	<b>52,138</b>	<b>196,754</b>	<b>211,788</b>	<b>7%</b>	<b>151,114</b>	<b>(60,674)</b>
<b>Total Expenses</b>	<b>3,463,650</b>	<b>5,110,181</b>	<b>5,130,928</b>	<b>-</b>	<b>4,902,618</b>	<b>(228,310)</b>
<b>NET SURPLUS (DEFICIT)</b>	<b>156,680</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>
<b>State Surplus Calculation</b>						
Add Depreciation	51,584	92,452	92,452		88,300	
Add Contingency	-	104,302	119,336		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>173,955</b>	<b>137,374</b>	<b>152,408</b>		<b>93,314</b>	
PY Balance	96,937	96,937	96,937		96,937	
<b>State Ending Fund Balance</b>	<b>270,892</b>	<b>234,311</b>	<b>249,345</b>		<b>190,251</b>	
<b>Percent of Revenue</b>		5%	5%		4%	

	Annual Budget	Annual Forecast	Actual Year-to-Date	Remaining \$	Remaining %
<b>Revenue</b>					
Base Funding	4,311,600	4,456,203	3,129,342	1,326,861	30%
Federal Entitlement Funding	366,018	387,512	264,258	123,254	32%
Federal Food Service Revenue	170,000	200,091	140,064	60,027	30%
Athletics	55,000	76,000	75,544	456	1%
Philanthropy & Other Income	-	11,122	11,122	-	0%
<b>Total Revenue</b>	<b>4,902,618</b>	<b>5,130,928</b>	<b>3,620,330</b>	<b>1,510,598</b>	<b>29%</b>
<b>Expenses</b>					
<i><b>Salaries &amp; Benefits</b></i>					
Instructional Salaries	1,572,235	1,631,529	1,180,354	451,175	28%
Other Instructional Costs (substitutes)	33,600	42,600	33,301	9,299	22%
SPED Salaries	142,598	167,027	107,070	59,957	36%
Support Salaries	274,042	274,418	162,256	112,162	41%
General & Administrative Salaries	554,779	534,158	333,727	200,431	38%
Benefits	1,009,811	1,040,902	701,452	339,449	33%
<b>Total Salaries &amp; Benefits</b>	<b>3,587,065</b>	<b>3,690,633</b>	<b>2,518,160</b>	<b>1,172,473</b>	<b>32%</b>
<i><b>Other than Personnel</b></i>					
Curriculum	26,390	26,390	17,366	9,024	34%
Software & Assessment	65,930	43,930	32,684	11,246	26%
Educational Supplies	54,460	54,460	37,362	17,098	31%
Educational Consultants	9,326	29,050	20,221	8,829	30%
Equipment & Furniture (non-capital)	2,030	2,030	-	2,030	100%
Student Recruiting	8,120	8,120	2,900	5,220	64%
Professional Development	30,000	35,000	31,815	3,185	9%
Utilities	182,700	182,700	121,800	60,900	33%
Transportation	172,196	172,196	124,597	47,599	28%
Custodial & Maintenance	129,093	129,093	101,343	27,750	21%
Legal	47,908	47,908	34,190	13,718	29%
Telecommunications	5,000	-	-	-	0%
Insurance	40,000	40,000	29,011	10,989	27%
Business Supplies	12,000	20,557	13,930	6,627	32%
Media Supplies	1,560	2,281	1,631	650	28%
Finance, HR, & Ops Support	94,600	94,600	68,028	26,572	28%
Athletic Expenses	55,000	91,000	87,342	3,658	4%
Technology Consultants	8,526	8,526	-	8,526	100%
Food Service	175,100	195,828	137,562	58,265	30%
Other Instruction	9,000	9,000	4,709	4,291	48%
Other Administration	35,500	35,500	18,727	16,773	47%
Other Expenditures	-	338	338	-	0%
<b>Total Other than Personnel</b>	<b>1,164,439</b>	<b>1,228,507</b>	<b>893,351</b>	<b>335,156</b>	<b>27%</b>
<i><b>Non-Operating Expenses</b></i>					
Depreciation	88,300	92,452	51,584	40,868	44%
Contingency	62,814	119,336	-	119,336	100%
<b>Total Non-Operating Expenses</b>	<b>151,114</b>	<b>211,788</b>	<b>52,138</b>	<b>159,649</b>	<b>75%</b>
<b>Total Expenses</b>	<b>4,902,618</b>	<b>5,130,928</b>	<b>3,463,650</b>	<b>1,667,278</b>	<b>32%</b>
<b>NET SURPLUS (DEFICIT)</b>	<b>-</b>	<b>-</b>	<b>156,680</b>		

	<u>June 30, 2017</u>	<u>February 28, 2018</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash & Equivalents	401,042	420,687
Federal Accounts Receivable	155,966	222,056
State & Local Gov't Accounts Receivable	1,008	357,891
Prepaid Expenses	-	8,295
<b>Total Current Assets</b>	<u>558,016</u>	<u>1,008,929</u>
<b>Non-Current Assets</b>		
Fixed Assets	288,112	322,422
Accumulated Depreciation	(58,954)	(110,538)
<b>Total Non-Current Assets</b>	<u>229,158</u>	<u>211,883</u>
<b>Total Assets</b>	<u><u>787,174</u></u>	<u><u>1,220,813</u></u>
<b>Liabilities &amp; Equity</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts Payable	185,457	213,354
Accrued Expenses	36,821	237,023
Accrued Payroll	290,981	330,881
Credit Card Liabilities	-	10,427
Other Short-Term Liabilities	-	867
<b>Total Current Liabilities</b>	<u>513,260</u>	<u>792,551</u>
<b>Non-Current Liabilities</b>		
Long-Term Debt	8,000	5,667
<b>Total Non-Current Liabilities</b>	<u>8,000</u>	<u>5,667</u>
<b>Total Liabilities</b>	<u>521,260</u>	<u>798,218</u>
<b>Equity</b>		
Net Assets	299,271	265,914
Net Surplus/(Deficit)	(33,357)	156,680
<b>Total Equity</b>	<u>265,914</u>	<u>422,594</u>
<b>Total Liabilities &amp; Equity</b>	<u><u>787,174</u></u>	<u><u>1,220,813</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	382,090	382,090	424,190	424,190	424,190	424,190	-
Federal Entitlement Funding	95,568	10,000	51,956	51,956	51,956	51,956	195,348
Other	15,088	12,309	3,946	-	-	-	
<b>Total Revenue</b>	<b>492,746</b>	<b>404,399</b>	<b>480,092</b>	<b>476,146</b>	<b>476,146</b>	<b>476,146</b>	<b>195,348</b>
<b>Expenses</b>							
Salaries & Benefits	278,843	284,556	284,556	284,556	284,556	284,556	247,565
Other than Personnel	170,818	57,048	279,192	119,192	119,192	199,192	109,192
<b>Total Expenses</b>	<b>449,661</b>	<b>341,604</b>	<b>563,748</b>	<b>403,748</b>	<b>403,748</b>	<b>483,748</b>	<b>356,757</b>
<b>Change in Cash</b>	43,085	62,795	(83,657)	72,397	72,397	(7,603)	(161,409)
<b>Beginning Cash</b>	244,808	287,893	350,688	267,031	339,429	411,826	404,224
<b>Available Cash</b>	<b>287,893</b>	<b>350,688</b>	<b>267,031</b>	<b>339,429</b>	<b>411,826</b>	<b>404,224</b>	<b>242,815</b>