



LINCOLN

PREPARATORY SCHOOL

November Financial Report

December 18, 2017 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 \$207K. 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 \$3.71MM versus \$3.58MM budgeted, for an unfavorable variance of \$124K. 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 \$41K. 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 \$168K versus \$151K budgeted, for an unfavorable variance of \$17K 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 \$2.06MM which is on target at 40% of the annual forecast. There is \$3.05MM of revenue remaining in the budget.

Personnel

- Salaries and benefit expenses through the period were \$1.46MM which is 39% of the annual forecast. This is on target with the forecast with \$2.25MM remaining in the budget.

Other than Personnel

- Other than personnel expenses through the period were \$550K. This is 45% 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 October. This is due to the timing of football season in the fall.

Net surplus through November 30, 2017 was \$10K. We are forecasted to end the fiscal year at breakeven.

Balance Sheet

Assets

- Cash balance as of November 30, 2017 was \$264K.
 - Primary Checking \$162K.
 - Payroll Checking \$17K.
 - Activity Checking (Acct Ending 42) \$16K.
 - Activity Checking (Acct Ending 66) \$10.
 - Grambling High - Foundation \$52K.
 - Grambling High – Activity \$2K.
 - Paypal Account - \$2K.
 - Bill.com Clearing - \$2K (temporary balance related to vendor credit)
- Federal Accounts Receivable of \$210K consists of Title IA, Title IIA, IDEA, CSP and Federal Food.
- Prepaid Expenses of \$25K consists of pre-paid software costs and quarterly transportation.
- Fixed Assets of \$202K, net of accumulated depreciation, consists of smart boards, computers, tablets, printers, band supplies and building repairs.

Liabilities

- Accounts Payable were \$94K.
- Accrued Expense of \$204K 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 \$220K consists retirement, summer pay, and payroll liabilities.
- Long Term Debt of \$7K consists of amortized 4SS start-up costs.

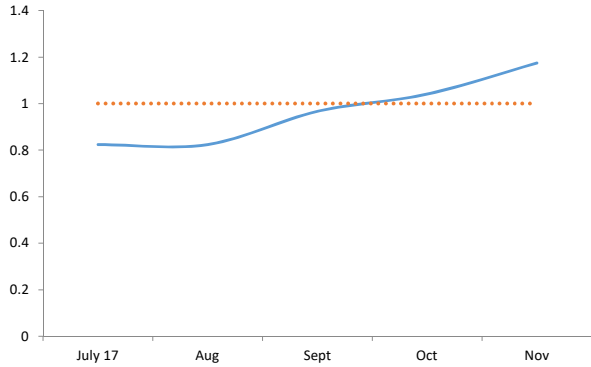
Equity

- Net assets from prior years were \$280K combined with the current surplus of \$10K gives us a total equity position of \$289K as of November 30, 2017.

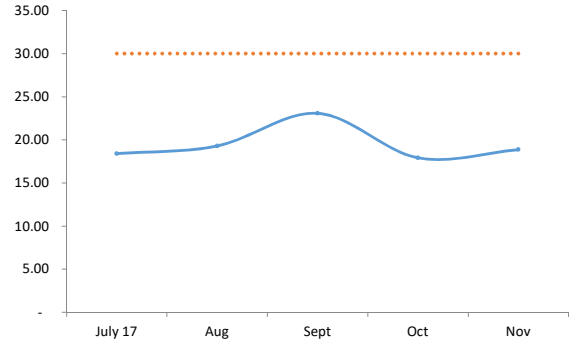
Cash Flow

- Cash was \$264K as of November 30, 2017. We are projected to remain cash positive for the remainder of the fiscal year ending with a cash balance of \$245K.

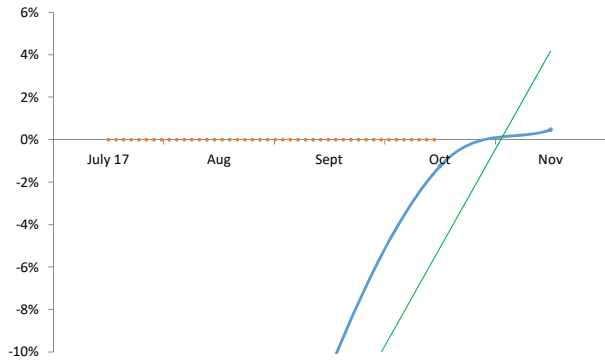
Current Ratio
 (goal: above 1.0)



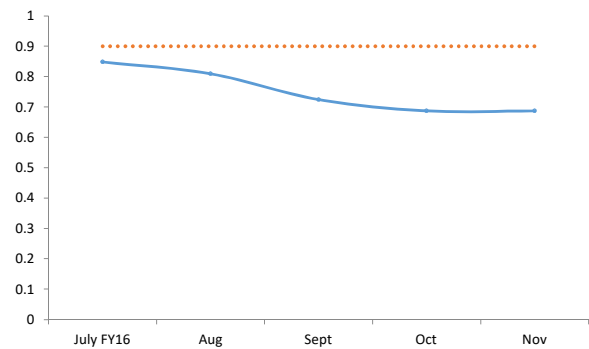
Unrestricted Days Cash
 (goal: 30-60 days)



Total Margin
 (goal: positive trend)

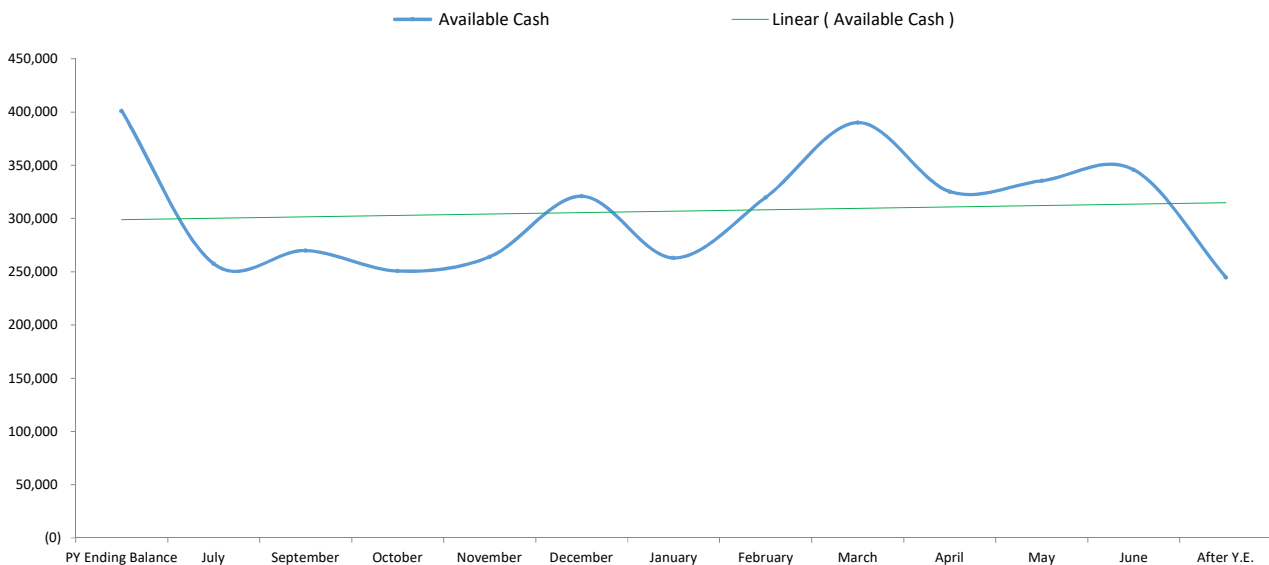


Debt to Asset Ratio
 (goal: below 90%)



Cash Flow Forecast
 (goal: positive cash flow)

Available Cash



Lincoln Preparatory School
 Budget vs. Forecast
 November 2017 Financial Report

December 18, 2017 Board Meeting

	Actual YTD	Prior Forecast	Annual Forecast	△ %	Annual Budget	Difference (Bud v Forecast)
Revenue						
Base Funding	1,784,143	4,461,515	4,461,515	-	4,311,600	149,915
Federal Entitlement Funding	144,607	382,012	382,012	-	366,018	15,994
Federal Food Service Revenue	80,132	200,330	200,330	-	170,000	30,330
Athletics	42,948	55,000	55,000	-	55,000	-
Philanthropy & Other Income	10,468	10,468	10,468	-	-	10,468
Total Revenue	2,062,298	5,109,324	5,109,324	-	4,902,618	206,706
Expenses						
Salaries & Benefits						
Instructional Salaries	692,984	1,658,965	1,658,965	-	1,572,235	(86,730)
Other Instructional Costs (substitutes)	17,569	33,600	33,600	-	33,600	-
SPED Salaries	48,014	145,327	145,327	-	142,598	(2,729)
Support Salaries	32,395	274,418	274,418	-	274,042	(376)
General & Administrative Salaries	256,167	554,779	554,779	-	554,779	0
Benefits	412,808	1,043,830	1,043,830	-	1,009,811	(34,019)
Total Salaries & Benefits	1,459,937	3,710,919	3,710,919	-	3,587,065	(123,854)
Other than Personnel						
Curriculum	17,110	26,390	26,390	-	26,390	-
Software & Assessment	24,711	65,930	65,930	-	65,930	-
Educational Supplies	22,130	54,460	54,460	-	54,460	-
Educational Consultants	10,080	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	12,522	30,000	30,000	-	30,000	-
Utilities	76,125	182,700	182,700	-	182,700	-
Transportation	61,786	172,196	172,196	-	172,196	-
Custodial & Maintenance	63,425	129,093	129,093	-	129,093	-
Legal	25,692	47,908	47,908	-	47,908	-
Telecommunications	-	5,000	5,000	-	5,000	-
Insurance	21,162	40,000	40,000	-	40,000	-
Business Supplies	8,211	12,000	12,000	-	12,000	-
Media Supplies	1,063	1,560	1,560	-	1,560	-
Finance, HR, & Ops Support	43,028	94,600	94,600	-	94,600	-
Athletic Expenses	73,403	55,000	79,500	31%	55,000	(24,500)
Technology Consultants	-	8,526	8,526	-	8,526	-
Food Service	76,757	196,061	196,061	-	175,100	(20,961)
Other Instruction	1,589	9,000	9,000	-	9,000	-
Other Administration	9,812	35,500	35,500	-	35,500	-
Other Expenditures	1,110	-	1,110	-	-	(1,110)
Total Other than Personnel	550,316	1,205,124	1,230,734	2%	1,164,439	(66,295)
Non-Operating Expenses						
Depreciation	41,959	92,452	92,452	-	88,300	(4,152)
Contingency	-	90,846	75,220	-21%	62,814	(12,406)
Total Non-Operating Expenses	42,514	183,298	167,672	-9%	151,114	(16,558)
Total Expenses	2,052,767	5,099,341	5,109,325	-	4,902,618	(206,707)
NET SURPLUS (DEFICIT)	9,531	9,983	-		-	-
State Surplus Calculation						
Add Depreciation	41,959	92,452	92,452		88,300	
Add Contingency	-	90,846	75,220		62,814	
Reduce Capital Expenditures	(34,310)	(59,380)	(59,380)		(57,800)	
Increase/Decrease in LT Debt	-	-	-		-	
NET STATE SURPLUS (DEFICIT)	17,181	133,901	108,292		93,314	
PY Balance	96,937	96,937	96,937		96,937	
State Ending Fund Balance	114,118	230,838	205,229		190,251	
Percent of Revenue		5%	4%		4%	

	Annual Budget	Annual Forecast	Actual Year-to-Date	Remaining \$	Remaining %
Revenue					
Base Funding	4,311,600	4,461,515	1,784,143	2,677,372	60%
Federal Entitlement Funding	366,018	382,012	144,607	237,405	62%
Federal Food Service Revenue	170,000	200,330	80,132	120,198	60%
Athletics	55,000	55,000	42,948	12,052	22%
Philanthropy & Other Income	-	10,468	10,468	-	0%
Total Revenue	4,902,618	5,109,324	2,062,298	3,047,026	60%
Expenses					
<i>Salaries & Benefits</i>					
Instructional Salaries	1,572,235	1,658,965	692,984	965,980	58%
Other Instructional Costs (substitutes)	33,600	33,600	17,569	16,031	48%
SPED Salaries	142,598	145,327	48,014	97,313	67%
Support Salaries	274,042	274,418	32,395	242,023	88%
General & Administrative Salaries	554,779	554,779	256,167	298,612	54%
Benefits	1,009,811	1,043,830	412,808	631,023	60%
Total Salaries & Benefits	3,587,065	3,710,919	1,459,937	2,250,982	61%
<i>Other than Personnel</i>					
Curriculum	26,390	26,390	17,110	9,280	35%
Software & Assessment	65,930	65,930	24,711	41,219	63%
Educational Supplies	54,460	54,460	22,130	32,330	59%
Educational Consultants	9,326	29,050	10,080	18,970	65%
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	12,522	17,478	58%
Utilities	182,700	182,700	76,125	106,575	58%
Transportation	172,196	172,196	61,786	110,410	64%
Custodial & Maintenance	129,093	129,093	63,425	65,669	51%
Legal	47,908	47,908	25,692	22,216	46%
Telecommunications	5,000	5,000	-	5,000	100%
Insurance	40,000	40,000	21,162	18,838	47%
Business Supplies	12,000	12,000	8,211	3,789	32%
Media Supplies	1,560	1,560	1,063	497	32%
Finance, HR, & Ops Support	94,600	94,600	43,028	51,572	55%
Athletic Expenses	55,000	79,500	73,403	6,097	8%
Technology Consultants	8,526	8,526	-	8,526	100%
Food Service	175,100	196,061	76,757	119,304	61%
Other Instruction	9,000	9,000	1,589	7,411	82%
Other Administration	35,500	35,500	9,812	25,688	72%
Other Expenditures	-	1,110	1,110	(0)	0%
Total Other than Personnel	1,164,439	1,230,734	550,316	680,418	55%
<i>Non-Operating Expenses</i>					
Depreciation	88,300	92,452	41,959	50,493	55%
Contingency	62,814	75,220	-	75,220	100%
Total Non-Operating Expenses	151,114	167,672	42,514	125,158	75%
Total Expenses	4,902,618	5,109,325	2,052,767	3,056,558	60%
NET SURPLUS (DEFICIT)	-	-	9,531		

	<u>June 30, 2017</u>	<u>November 30, 2017</u>
Assets		
Current Assets		
Cash & Equivalents	401,042	264,009
Federal Accounts Receivable	155,966	209,708
State & Local Gov't Accounts Receivable	1,008	115,182
Prepaid Expenses	-	25,324
Total Current Assets	<u>558,016</u>	<u>614,224</u>
Non-Current Assets		
Fixed Assets	288,112	322,422
Accumulated Depreciation	(78,496)	(120,455)
Total Non-Current Assets	<u>209,616</u>	<u>201,967</u>
Total Assets	<u><u>767,632</u></u>	<u><u>816,191</u></u>
Liabilities & Equity		
Liabilities		
Current Liabilities		
Accounts Payable	185,457	94,435
Accrued Expenses	36,821	204,263
Accrued Payroll	257,689	220,667
Other Short-Term Liabilities	-	963
Total Current Liabilities	<u>479,968</u>	<u>520,328</u>
Non-Current Liabilities		
Long-Term Debt	8,000	6,667
Total Non-Current Liabilities	<u>8,000</u>	<u>6,667</u>
Total Liabilities	<u>487,968</u>	<u>526,995</u>
Equity		
Net Assets	299,271	279,665
Net Surplus/(Deficit)	(19,607)	9,531
Total Equity	<u>279,665</u>	<u>289,196</u>
Total Liabilities & Equity	<u><u>767,632</u></u>	<u><u>816,191</u></u>

Lincoln Preparatory School
Cash Flow Forecast
FY2018

	July	August	September	October	November	December
Revenue						
Base Funding	327,350	321,350	321,777	321,350	321,350	399,338
Federal Entitlement Funding	88,751	10,054	53,777	7,198	75,049	62,935
Other	9,009	6,293	9,478	8,789	26,046	836
Total Revenue	425,110	337,697	385,032	337,337	422,445	463,109
Expenses						
Salaries & Benefits	293,350	204,343	207,891	275,429	284,979	285,065
Other than Personnel	274,744	121,018	133,203	124,938	124,759	121,084
Total Expenses	568,094	325,361	341,094	400,367	409,738	406,149
Change in Cash	(142,984)	12,336	43,938	(63,030)	12,707	56,960
Beginning Cash	401,042	258,058	270,394	314,332	251,302	264,009
Available Cash	258,058	270,394	314,332	251,302	264,009	320,969

Lincoln Preparatory School
Cash Flow Forecast
FY2018

	January	February	March	April	May	June	After Y.E.
Revenue							
Base Funding	399,338	399,338	412,581	412,581	412,581	412,581	-
Federal Entitlement Funding	62,935	62,935	62,935	42,935	42,935	42,935	122,935
Other	836	836	836	836	836	836	
Total Revenue	463,109	463,109	476,352	456,352	456,352	456,352	122,935
Expenses							
Salaries & Benefits	285,065	285,065	285,065	285,065	285,065	285,065	142,565
Other than Personnel	236,084	121,084	121,084	236,084	161,084	161,084	81,358
Total Expenses	521,149	406,149	406,149	521,149	446,149	446,149	223,923
Change in Cash	(58,040)	56,960	70,203	(64,797)	10,203	10,203	(100,988)
Beginning Cash	320,969	262,929	319,889	390,092	325,295	335,498	345,700
Available Cash	262,929	319,889	390,092	325,295	335,498	345,700	244,712