

RED CLAY COMMUNITY FINANCIAL REVIEW COMMITTEE
REPORT TO THE BOARD OF EDUCATION



November 19, 2008
Red Clay Consolidated School District

Paul Lloyd
Committee Chair

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INTRODUCTION

The November meeting of the Red Clay Community Financial Review Committee (CFRC) was held on Monday, November 10th at Baltz Elementary School. In addition to our regular review of budget documents the committee also looked at staffing.

Two committee members (Ms. Rattenni and Mr. Miller) were absent.

OLD BUSINESS

October's meeting minutes were approved as written.

The CFRC recently had write-ups in the Red Clay Record and on E-News that explained in detail the role of the committee. Vice-Chair Doug Suiter has begun meeting with PTA and PTO organizations at various schools to further outreach. In January, members of the committee were asked to participate in a taping of the television show *This Week in Red Clay*.

STAFFING PRESENTATION

A presentation on staffing was given by Finance Director Jill Floore. It is the first time the CFRC has taken a look at this subject. The committee was provided three documents for review and discussion:

- **2008-2009 Position Entitlement Report** - provides the formulas used to calculate the number of different staffing units that the district is eligible to receive
- **Summary of Enrollments & Units by School** - is a snapshot of student enrollment by school on September 30th, 2008, and lists the total number of staffing units each school has earned based on the formulas found in the *Position Entitlement Report* (any units that are not a whole number are rounded up if they are ≥ 0.85 , and rounded down if < 0.85)
- **Red Clay Staffing 2008-2009** - this document breaks down each school's earned units by position and funding source

During this period members of the committee also raised questions about what impact, if any, the state's current budget crisis would have on the district's finances and staffing, as well as the reasons behind the need to seek a class size waiver year after year.

MONTHLY FINANCIAL REPORT REVIEW

It has now become part of our normal routine to review the budget documents in two different formats. Finance Director Jill Floore made the presentation to the CFRC. The older of the two is the *Monthly Expenditure Report* which is based on a Department of

Education (DOE) template and is broken out by schools, programs, departments, etc. The second report called the *YTD Total Expenditures and Encumbrances Report* comes in two versions (with and without prior year appropriations) and looks at expenses by line item.

October 31st Expenditure Report Highlights

- Local revenue for Division 32 collected YTD is at 90%, last year at this point it was only 79%
- Budget Target should be at, or near 33.3% expended
 - Division 32 (General Operating Budget) - is at 27.2% expended
 - Division 54 (Meadowood School) - is at 31.1% expended
 - Division 58 (Intensive Learning Centers) - is at 28.0% expended

Highlights from the report include:

DIV 32 - FY09	Preliminary Budget	Actual	Difference	% Actual to Budget
Total Revenue	167,078,916	127,279,934.26	(39,798,981.74)	76.2%

DIV 32 - FY09	Preliminary Budget	Expended & Encumbered	Remaining Balance	% Expended & Encumbered
Total Expense	160,612,405	51,953,766.66	108,658,638.34	32.3%

DIV 54 - FY09	Preliminary Budget	Expended & Encumbered	Remaining Balance	% Expended & Encumbered
Total Expense	8,984,823	3,527,651.49	5,457,171.51	39.3%

DIV 58 - FY09	Preliminary Budget	Expended & Encumbered	Remaining Balance	% Expended & Encumbered
Total Expense	10,628,436	3,395,196.55	7,233,239.45	31.9%

A copy of the *October Monthly Expenditure Report* is posted on the CFRC website and can be found at:

http://www.redclay.k12.de.us/SchoolBoard/CFRC/0809/Rpt/CFRC_MFR_2008-10-31.pdf

Variance Report

For an item to appear on the *Variance Report* expenses must exceed budget targets by 30 points. For October that would be 33.3% + 30 = 63.3% expended. At this point in the fiscal year only two items qualify:

1. Division 32/IBU 20 Office of ELL (68.4% expended) - salaries that were charged to this account need to be moved to IBU 28

2. Division 32/IBU 97/MBU 93 District Wide Services Brandywine Springs Expansion Budget (95.3% expended) - costs will be recoded to the school's regular budget (IBU 93) when this account becomes overdrawn

October 31st YTD Total Expenditures and Encumbrances Report Highlights

Totals for all Divisions:

Excludes Prior Year Appropriations		Includes Prior Year Appropriations	
Salaries	\$32,786,088.04	Salaries	\$34,592,294.43
OEC	\$16,960,798.90	OEC	\$18,294,797.79
Government. Services	\$8,770,878.80	Government. Services	\$9,158,458.65
Travel	\$9,441.46	Travel	\$24,709.27
Contractual Services	\$9,944,759.54	Contractual Services	\$16,510,465.93
Supplies & Materials	\$2,491,790.10	Supplies & Materials	\$5,232,088.89
Capital Outlay-Equipment	\$55,372.20	Capital Outlay-Equipment	\$57,696.64
Capital Outlay-Property	\$1,317.64	Capital Outlay-Property	\$18,328,719.73
Total		Total	\$102,199,231.33

A copy of both of October YTD *Total Expenditures and Encumbrances Reports* are posted on the CFRC website and can be found at:

http://www.redclay.k12.de.us/SchoolBoard/CFRC/0809/Rpt/CFRC_OCR_WPYA_2008-10-31.pdf (includes prior year appropriations)

http://www.redclay.k12.de.us/SchoolBoard/CFRC/0809/Rpt/CFRC_OCR_WOPYA_2008-10-31.pdf (excludes prior year appropriations)

UPCOMING MEETING / DATES AND TIME

The CFRC will hold its next meeting on Monday, December 8, 2008, starting at 6:30 P.M. in the library at the Austin D. Baltz Elementary School located in Elsmere.

In the spotlight that night will be an in-depth look at the capital budget.

Respectfully submitted,

Paul Lloyd

Paul Lloyd, Committee Chair