

Report to the Board of Education
Tuesday August 13, 2019
Subject – August 2019 CBOC Meeting
Citizens Budget Oversight Committee

The Citizens Budget Oversight Committee met on July 31 to review the District’s financial reports for June. Attending the meeting were Laura Nash, CFO Bob Silber and Bud Mullin. After we had concluded our initial meeting about 7 PM, we were joined by Dr. Naveed Baqir.

The Financial Reports reviewed for April were prepared by the District utilizing information from the State Accounting System. The balances from these internally generated reports align with reports generated by the State Accounting System. The reports provided by the District include a record of current expenditures and revenues. The documentation includes encumbrances, expenditures, and remaining funds available, as required by Delaware Administrative Code. In addition, the reports provide operating expenses identified by source of funds: State; Local Restricted; Local Unrestricted; Capital; and Federal.

For Agency 3300 receipts for the month were \$ 7.2 Million. State revenue for the period was \$6.2 million. Funds received were primarily State share of salaries, benefits and OECs, Transportation and PEEC (Parent Early Education). Local revenue for the period was \$ 1.0 million driven by tax revenue and cafeteria reimbursement.

Non-Federal operating expenses for the fiscal year were ~\$ 232.5 Million, representing 88.16 % of the approved budget. Tuition payments to other agencies are now processed as a transfer of funds. The transfer process does not recognize the tuition payment as an expense. The monthly report has been modified to reflect the transfer payments of \$16,860,920 (ytd). The expenses were included within the operating budget. Adjusting for the different payment methodology, total Non-Federal operating expenses would be adjusted to \$249,339,975 or 94.56% of budget. All questions asked by members of the committee were answered during the meeting.

Variances for the schools are related to Student Activity Accounts (Accounts utilize the state’s accounting system, however are not included in our operational budget), or prior year grants. Variances in Special Services are driven by Therapy Services. Transportation variance is result of increased Contractor payments and higher payroll expenses. Student Support service is greater than budget, based on higher levels of homebound instructional services. This is a result of increasing services for students while in outside organizations, such as the Rockford Center, or while not able to attend school and living at home.

The variance within Human Resources is driven by Tuition Reimbursement, aligned with contracts. Services provided under the account description of “Other Professional Services” primarily represent vendor payments for In-School Alternative programs. The Douglass Program (out of School Alternative Program), Therapeutic/Behavior Support Classrooms, School Resource Officers, Engineering Design (Wilmington Schools), and translation services. Additional information on this account expenditure is provided. There is no unusual activity to report.

Receipts for the Special Agencies are below. Expenditures are aligned with approved budgets.

	Receipts for the Period	Expenses YTD	Percent Of Preliminary Budget
Delaware School for the Deaf	~ \$ 384,000 Thousand	~\$ 12.2 Million	~96.57%
District Programs (ILC & REACH)	~ \$ 1.1 million	~\$ 25.9 Million	~103.4%
Delaware Autism Program	~ \$ 1.1 million	~\$ 36.3 Million	~100.53%