



Financial Report

Presented to
President Daniel Phelan
Jackson College Board of Trustees



Prepared by the Business Office
December 31, 2017

Jackson College
Memo From Darrell Norris, Vice President of Finance
For the December 31, 2017 Financial Report

Following is the second quarter Treasurer's Report summarizing the components of the major revenue and expense lines. Explanations for variances greater than 2% are included in this memo.

Note: Budgeted amounts reflect the 2017-2018 Budget as adopted at the June 2017 Board of Trustees meeting.

Revenues

- **Tuition and Fees** - Billing Contact hours behind planned budget. Budget adjustment being planned and expense controls being deployed.
- **Housing** - Housing contracts below capacity. Efforts underway to pick up additional students in Spring semester.
- **Contract Training** - Variance is timing
- **Miscellaneous Income** - Variance is timing as the College will not recognize income from unused meal plans until June 30, 2018.

Expenses

- **Wages** - Intentional vacant position savings to help offset lower than planned billing contact
- **Retirement** - Lower than planned actual due to vacant positions savings.
- **Benefits** - Savings is from a return of our deposit on our old self-funded prescription drug plan which we no longer do. We are also getting a savings from the vacant positions.
- **Services - Staffing Agency** - Variance is timing. I do not expect a savings in this category.
- **Materials** - is tracking higher than the planned budget due to PEI text books. Budget adjustment recommended.
- **Other Operating Costs** - Savings from Prison budget that will be moved to materials towards text book overage.
- **Capital Equipment** - Lower than planned as the College is holding on computer purchases and grounds equipment to provide room for additional decreased tuition and fee revenue.

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Other Notes

- **Cash and Investments** - Cash balances have improved and the College was paid by the State of Michigan for the CCSTEP grant in late December. With plans for less capital expenses, it is anticipated the College will finish the year with a higher year end cash balance than the prior year and the December 2017 cash balance is higher than December 2016.

- **Building and Site** - The Building and Site fund recognized a receivable from the JC Foundation of \$500,000 for the renovation of the Potter Center Lobby and a transfer from the Restricted Fund for excess CCSTEP match funds which improved the balance to over \$1,200,000 with planned expense left for the Jets beltway to be an estimated \$500,000.

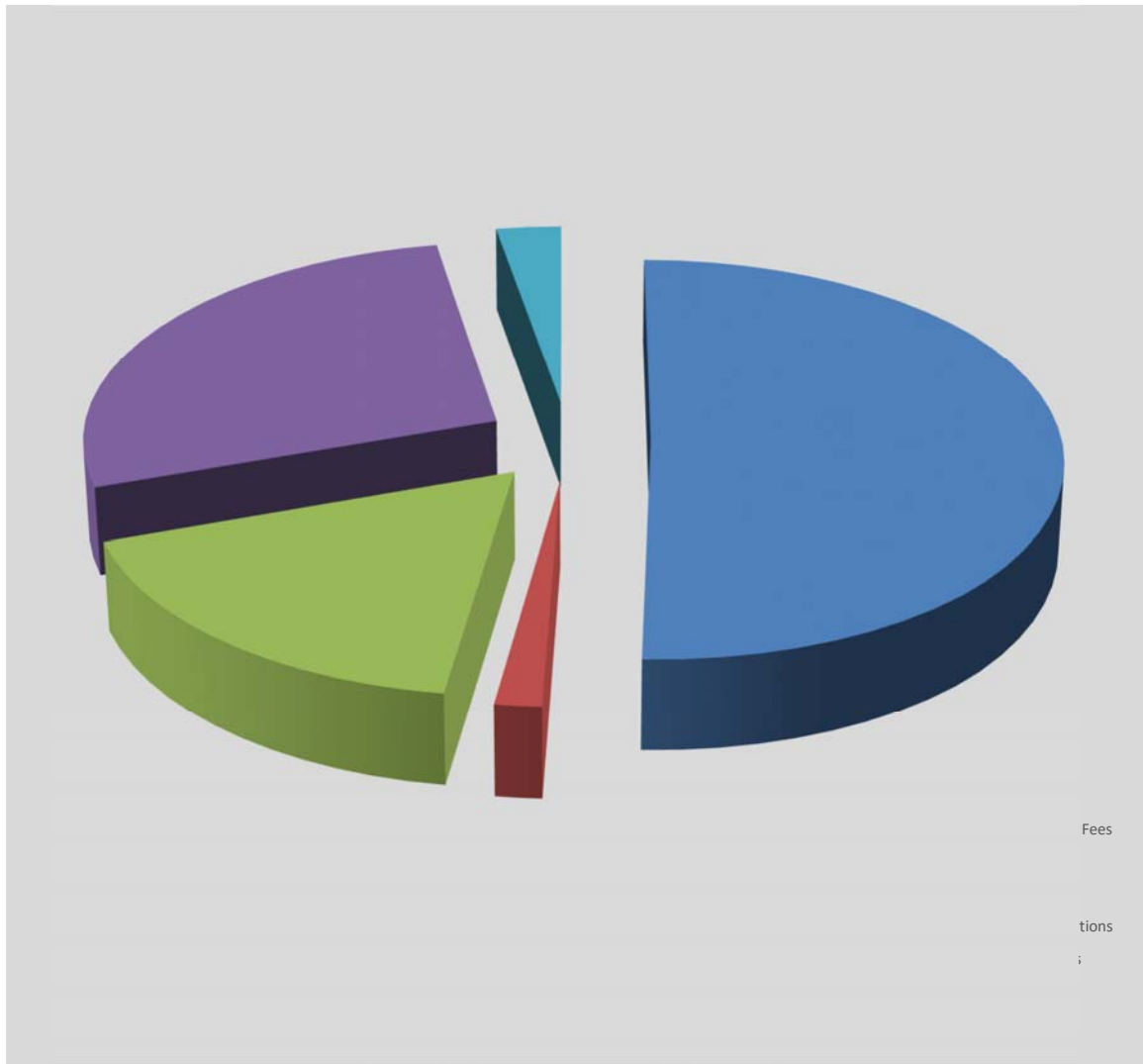
- **Looking Ahead** - After January 25th we will mark 18/WN enrollment and revise the revenue and expense budget forecast for 2017-2018.

Jackson College
Revenue and Expense Statement
General Fund - FY 18
For the Six Months Ended December 31, 2017
Preliminary - Unaudited

	2017-2018 Original Budget	Actual Year to Date	Percentage of Original Budget	Planned Percentage to Date	Variance of Planned Percentage to Actual	Prior Year to Date
Revenue						
Gross tuition and fees	\$ 28,307,556	\$ 11,986,208	42.3%	45.0%	\$ (752,192)	\$ 11,319,679
Less Institutional Scholarships	(975,720)	(375,136)	38.4%	45.0%	63,938	(503,999)
Net tuition and fees	<u>27,331,836</u>	<u>11,611,072</u>	42.5%	45.0%	(688,254)	10,815,680
Housing	1,000,000	381,975	38.2%	50.0%	(118,025)	628,537
Property taxes	5,002,000	3,982,139	79.6%	80.0%	(19,461)	4,252,518
State appropriations	12,677,600	6,338,800	50.0%	50.0%	-	6,198,800
Contract training	170,000	29,146	17.1%	50.0%	(55,854)	60,267
Potter Center activities	447,000	161,367	36.1%	35.0%	4,917	278,699
Miscellaneous	864,000	394,538	45.7%	50.0%	(37,462)	381,657
Transfers	<u>100,100</u>	<u>51,773</u>	51.7%	50.0%	1,723	54,282
Total revenues	<u>47,592,536</u>	<u>22,950,810</u>	48.2%	52.1%	(912,416)	22,670,440
Expenses						
Wages	17,958,238	8,568,208	47.7%	50.0%	(410,910)	9,283,253
Retirement	4,935,369	2,356,640	47.8%	50.0%	(111,045)	2,748,818
Benefits	3,408,996	1,477,813	43.4%	50.0%	(226,685)	1,553,413
Services - Staffing Agency	5,184,100	2,345,724	45.2%	50.0%	(246,326)	2,364,454
Services	2,737,300	1,328,699	48.5%	50.0%	(39,951)	1,018,223
Materials	2,051,600	1,246,682	60.8%	50.0%	220,882	1,063,603
Rent, utilities, insurance	1,839,961	906,577	49.3%	50.0%	(13,404)	849,976
Other operating costs	3,342,129	1,563,899	46.8%	50.0%	(107,166)	1,487,164
Transfers	1,041,954	520,977	50.0%	50.0%	-	521,790
Transfers-debt service	4,327,334	2,163,667	50.0%	50.0%	1	1,905,272
Capital equipment	<u>765,555</u>	<u>298,802</u>	39.0%	50.0%	(83,976)	174,689
Total expenses	<u>47,592,536</u>	<u>22,777,688</u>	47.9%	50.0%	(1,018,580)	22,970,655
Income over (under) expenses	<u>\$ -</u>	<u>\$ 173,122</u>			<u>\$ 106,164</u>	<u>\$ (300,215)</u>

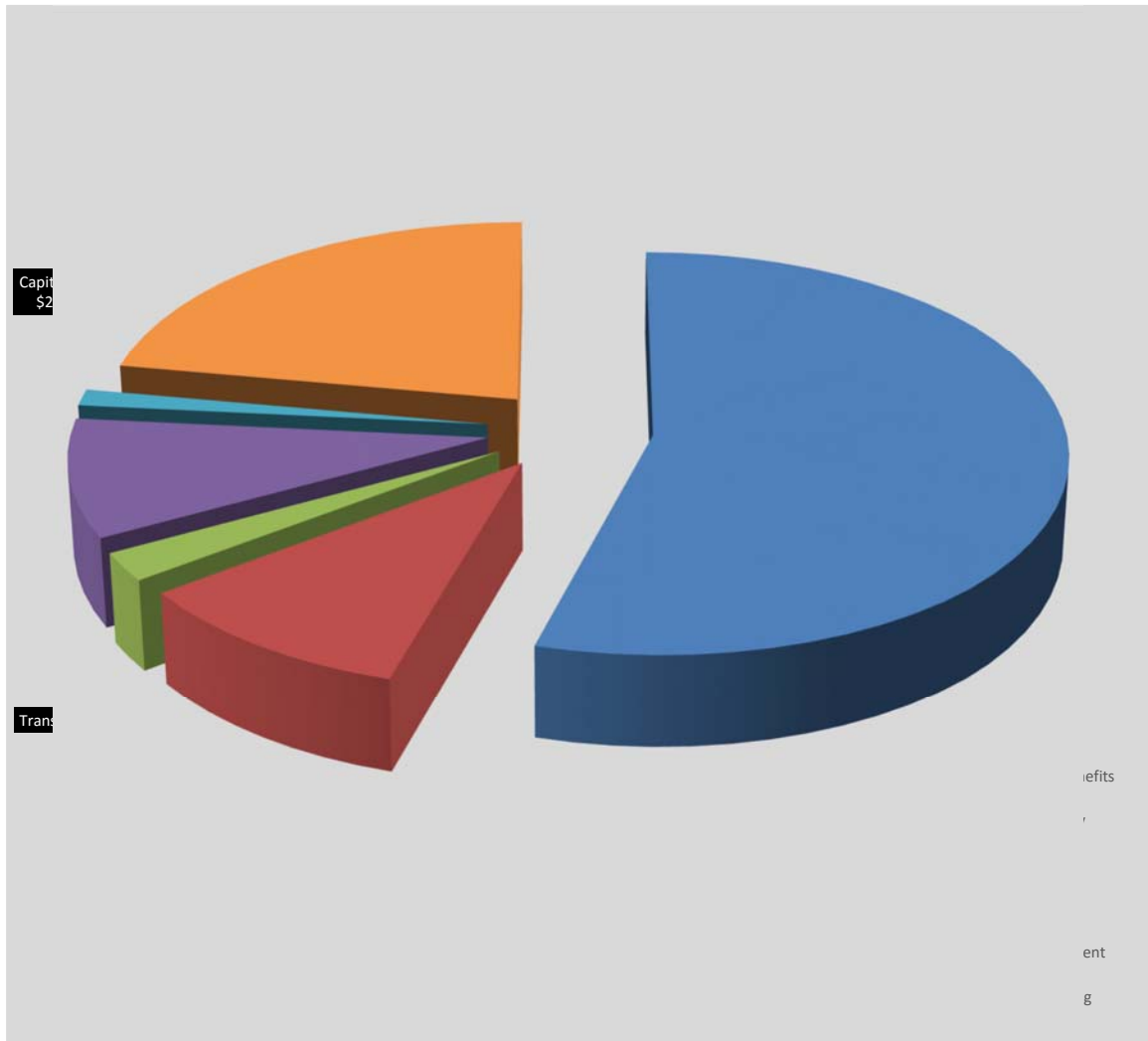
Jackson College
General Fund Revenue - FY 18
For the Six Months Ended December 31, 2017

\$22,950,810



Jackson College
General Fund Expenditures - FY 18
For the Six Months Ended December 31, 2017

\$22,777,688



Jackson College
Balance Sheet and Changes in Fund Balance - FY 18
December 31, 2017
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
Assets							
Cash	\$ 2,983,582	\$ 8,179,307	\$ 743,576	\$ 9,363	\$ 4,823,493	\$ 168,002	\$ 16,907,323
Certificates of deposit	-	-	-	-	-	-	-
Investments	-	-	-	15,566	-	-	15,566
Accounts receivable	3,143,139	-	-	-	585,753	(1,000)	3,727,892
Inventories	33,388	-	-	-	-	-	33,388
Other assets	378,830	-	-	-	74,087,555	1,256	74,467,641
Total assets	<u>6,538,939</u>	<u>8,179,307</u>	<u>743,576</u>	<u>24,929</u>	<u>79,496,801</u>	<u>168,258</u>	<u>95,151,810</u>
Liabilities and Fund Balance							
Accounts payable	181,712	-	279,582	-	-	-	461,294
Accrued liabilities	2,839,295	-	-	-	37,740,840	-	40,580,135
Deferred liabilities	2,071,275	-	-	-	-	-	2,071,275
Unearned revenue	184,453	-	-	-	-	-	184,453
Other liabilities	388,014	-	54	-	-	-	388,068
Total liabilities	<u>5,664,749</u>	<u>-</u>	<u>279,636</u>	<u>-</u>	<u>37,740,840</u>	<u>-</u>	<u>43,685,225</u>
Fund balance	874,190	8,179,307	463,940	24,929	41,755,961	168,258	51,466,585
Total liabilities and fund balance	<u>\$ 6,538,939</u>	<u>\$ 8,179,307</u>	<u>\$ 743,576</u>	<u>\$ 24,929</u>	<u>\$ 79,496,801</u>	<u>\$ 168,258</u>	<u>\$ 95,151,810</u>
Beginning fund balance							
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -	\$ 38,824,155	\$ -	\$ 38,824,155
Major Maintenance and Equipment Replacement	-	167,367	843,531	24,757	1,463,915	83,512	2,583,082
Future Operations	701,068	8,000,000	-	-	-	-	8,701,068
	<u>\$ 701,068</u>	<u>\$ 8,167,367</u>	<u>\$ 843,531</u>	<u>\$ 24,757</u>	<u>\$ 40,288,070</u>	<u>\$ 83,512</u>	<u>\$ 50,108,305</u>
Current year income	22,950,810	11,940	14,969,769	172	3,612,125	148,175	41,692,991
Current year expenses	22,777,688	-	15,349,360	-	2,144,234	63,429	40,334,711
Ending fund balance	<u>\$ 874,190</u>	<u>\$ 8,179,307</u>	<u>\$ 463,940</u>	<u>\$ 24,929</u>	<u>\$ 41,755,961</u>	<u>\$ 168,258</u>	<u>\$ 51,466,585</u>

Jackson College
 Balance Sheet
 Building and Site Fund - FY 18
 December 31, 2017
 Preliminary - Unaudited

	Building and Site Fund
Assets	
Cash	\$ 748,621
Investments	-
Accounts receivable	529,361
Due from other funds	-
	-
Total assets	1,277,982
Liabilities and Fund Balance	
Accounts payable	-
Other liabilities	-
	-
Total liabilities	-
Fund balance	1,277,982
Total liabilities and fund balance	\$ 1,277,982

Jackson College
 Statement of Changes in Fund Balance
 Building and Site Fund
 For the Six Months Ended December 31, 2017
 Preliminary - Unaudited

	Balance July 1, 2017	Revenue	Expenditures	Balance December 31, 2017
Major Maintenance and Equipment Replacement	\$ 1,463,915	\$ 1,447,798	\$ 1,633,731	\$ 1,277,982
Total	\$ 1,463,915	\$ 1,447,798	\$ 1,633,731	\$ 1,277,982

Jackson College
Cash and Investments by Fund - FY 18
December 31, 2017
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	Grants Fund	Endowment Fund	Building and Site	Physical Plant	Activities Fund	Total
Cash									
Petty Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,746	\$ 2,746
Cash-Comerica Bank Pooled	2,424,944	8,179,307	306,622	503,646	9,363	748,621	4,074,872	155,286	16,402,661
Cash-Comerica Federal Funds	162	-	500,774	-	-	-	-	-	500,936
Cash-So Mich National	202,202	-	23,435	-	-	-	-	-	225,637
VISA Account	54,135	-	1,000	-	-	-	-	9,970	65,105
Cash-United Bank	270,971	-	6,425	-	-	-	-	-	277,396
Cash-Federal Stafford	-	-	35	-	-	-	-	-	35
Cash-Comerica State Wire	(12,504)	-	-	-	-	-	-	-	(12,504)
Bond	-	-	-	-	-	-	-	-	-
Cash-Payroll	4,957	-	(1,435,876)	(567,248)	-	-	-	-	(1,998,167)
JC One Card	13,273	-	-	-	-	-	-	-	13,273
Ref Pay	10,196	-	-	-	-	-	-	-	10,196
Athletic Checking	8,322	-	-	-	-	-	-	-	8,322
Cultural Affairs Checking	1,159	-	-	-	-	-	-	-	1,159
MNJTP	-	-	-	1,404,763	-	-	-	-	1,404,763
Cash-Huntington Capial Project	-	-	-	-	-	-	-	-	-
Certificates of deposit	-	-	-	-	-	-	-	-	-
Insurance HRA	5,765	-	-	-	-	-	-	-	5,765
	<u>2,983,582</u>	<u>8,179,307</u>	<u>(597,585)</u>	<u>1,341,161</u>	<u>9,363</u>	<u>748,621</u>	<u>4,074,872</u>	<u>168,002</u>	<u>16,907,323</u>
Investments									
Common Stock	-	-	-	-	15,566	-	-	-	15,566
Total cash and investments	<u>\$ 2,983,582</u>	<u>\$ 8,179,307</u>	<u>\$ (597,585)</u>	<u>\$ 1,341,161</u>	<u>\$ 24,929</u>	<u>\$ 748,621</u>	<u>\$ 4,074,872</u>	<u>\$ 168,002</u>	<u>\$ 16,922,889</u>

Jackson College
 Billing Contact Hours
 December 31, 2017
 Preliminary - Unaudited

	Budgeted FY 18	Actual FY 18	Actual Percentage	Actual FY 17	Prior Year Percentage
Semester:					
Fall	56,070	52,464	93.6%	53,292	98.4%
Winter	51,086	-	0.0%	50,032	0.0%
Spring	17,444	-	0.0%	17,308	0.0%
Total	124,600	52,464	42.1%	120,632	43.5%

