



## Financial Report

Presented to  
President Daniel Phelan  
Jackson College Board of Trustees



Prepared by the Business Office  
December 31, 2018

**Jackson College**  
Memo From Darrell Norris, Vice President of Finance  
For the December 31, 2018 Financial Report

Following is the December 31, 2018 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 2018-2019 Budget as adopted at the June 2018 Board of Trustees meeting.

**Revenues**

- **Housing** - 18/FL actuals performed favorably compared to budget as efforts are being made to recruit and retain Housing students.
- **Contract Training** - Revenue performed favorable to budget. It is too early to tell if this is due to timing or a conservative budget estimate.
- **Potter Center** - Revenue performed favorable to budget. It is too early to tell if this is due to timing or a conservative budget estimate.
- **Miscellaneous Income** - Revenue performed favorable to budget. It is too early to tell if this is due to timing or a conservative budget estimate.
- **Transfers** - Revenue performed favorable to budget. It is too early to tell if this is due to timing or a conservative budget estimate.

**Expenses**

- **Wages/Benefits** - Savings due to timing, we expect savings to get smaller as the fiscal year progresses.
- **Services** - Lower than budget, but is due to the timing of services used.
- **Rent, utilities, insurance** - Lower than budget, but is due to timing of utility usage.
- **Other Operating Costs** - Under budget to date, variance is timing.
- **Capital Equipment** - Under budget to date, variance is timing.

**Other Notes**

- **Cash and Investments** - The Board directed MILAF investment strategy was operationalized in May 2018. At December 31, 2018 interest revenues have already exceeded \$78,000. These earnings are designated for future operations.

## Jackson College

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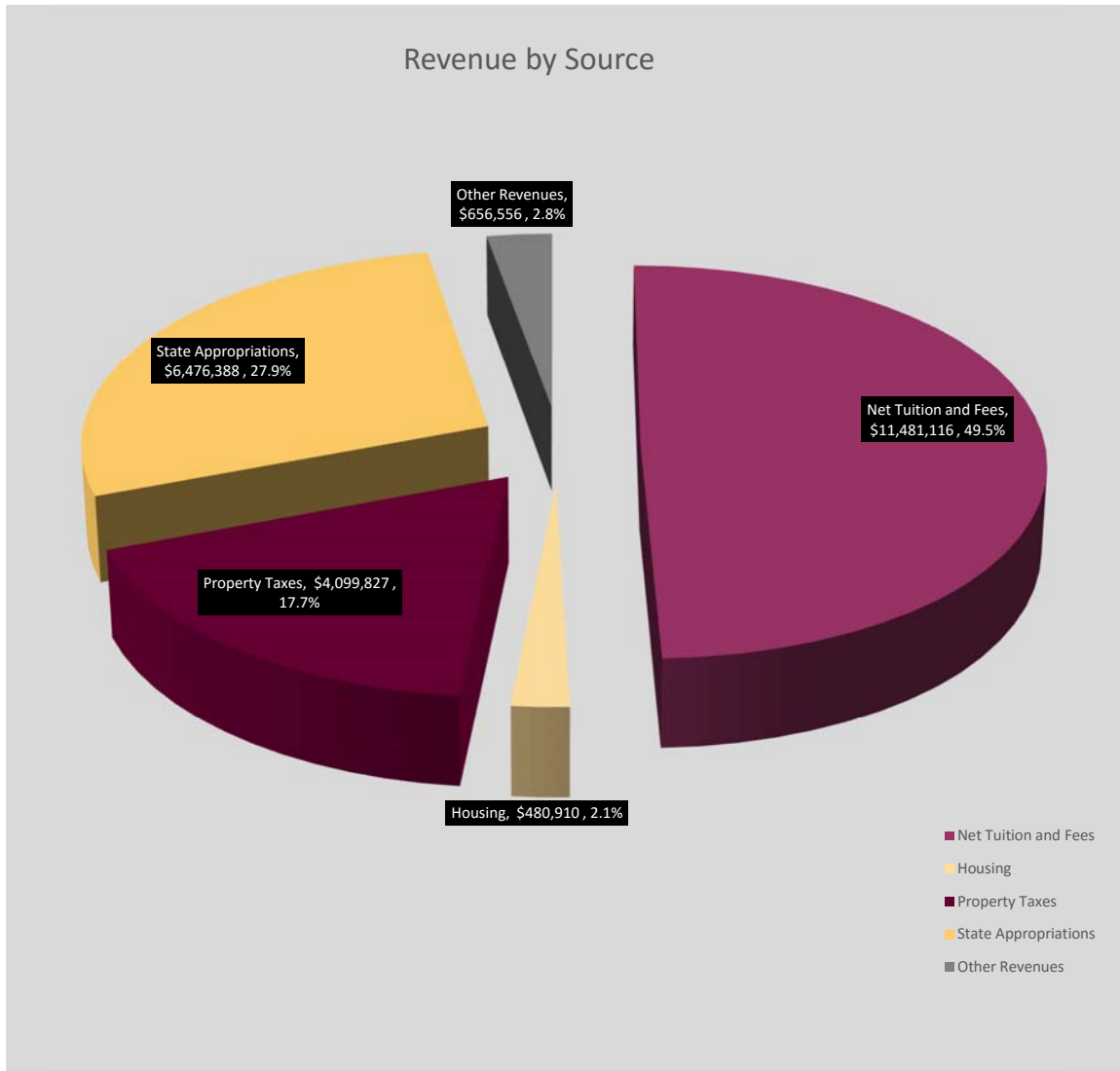
- **Looking Ahead** - The College's revenues remain stable due to the addition of Summer Semester Pell Grants and the 2nd Chance Pell grant experiment. In the uncertainty that the 2nd Chance Pell Grant experiment will be made permanent, the College is adding expenses conservatively.

Jackson College  
Revenue and Expense Statement  
General Fund - FY 19  
For the Six Months Ended December 31, 2018  
Preliminary - Unaudited

	2018-2019 Original Budget	Actual Year to Date	Percentage of Budget	Planned Percentage to Date	Variance of Planned Percentage to Actual	Prior Year to Date
<b>Revenue</b>						
Gross tuition and fees	\$ 27,720,000	\$ 11,801,970	42.6%	44.0%	\$ (394,830)	\$ 11,986,208
Less Institutional Scholarships	(900,000)	(320,854)	35.7%	45.0%	84,146	(375,136)
Net tuition and fees	<u>26,820,000</u>	<u>11,481,116</u>	42.8%	44.5%	(310,684)	11,611,072
Housing	900,000	480,910	53.4%	50.0%	30,910	381,975
Property taxes	5,050,000	4,099,827	81.2%	80.0%	59,827	3,982,139
State appropriations	12,952,775	6,476,388	50.0%	50.0%	-	6,338,800
Contract training	100,000	65,362	65.4%	50.0%	15,362	29,146
Potter Center activities	447,000	247,072	55.3%	50.0%	23,572	161,367
Miscellaneous	620,000	336,869	54.3%	50.0%	26,869	394,538
Transfers	<u>7,500</u>	<u>7,253</u>	96.7%	50.0%	3,503	51,773
<b>Total revenues</b>	<u>46,897,275</u>	<u>23,194,797</u>	49.5%	54.3%	(150,641)	22,950,810
<b>Expenses</b>						
Wages	17,454,000	8,346,266	47.8%	50.0%	(380,733)	8,568,208
Retirement	4,846,449	2,354,413	48.6%	50.0%	(68,812)	2,356,640
Benefits	3,125,000	1,480,950	47.4%	50.0%	(81,550)	1,477,813
Services - Staffing Agency	4,591,500	2,241,232	48.8%	50.0%	(54,518)	2,345,724
Services	3,132,682	1,276,263	40.7%	50.0%	(290,078)	1,328,699
Materials	2,136,400	1,068,990	50.0%	50.0%	790	1,246,682
Rent, utilities, insurance	1,900,000	886,647	46.7%	50.0%	(63,353)	906,577
Other operating costs	3,614,393	1,506,558	41.7%	50.0%	(300,639)	1,563,899
Transfers	750,000	375,000	50.0%	50.0%	-	520,977
Transfers-debt service	4,600,713	2,300,357	50.0%	50.0%	-	2,163,667
Capital equipment	<u>746,000</u>	<u>235,635</u>	31.6%	50.0%	(137,365)	298,802
<b>Total expenses</b>	<u>46,897,137</u>	<u>22,072,311</u>	47.1%	50.0%	(1,376,258)	22,777,688
<b>Income over (under) expenses</b>	<u>\$ 138</u>	<u>\$ 1,122,486</u>			<u>\$ 1,225,617</u>	<u>\$ 173,122</u>

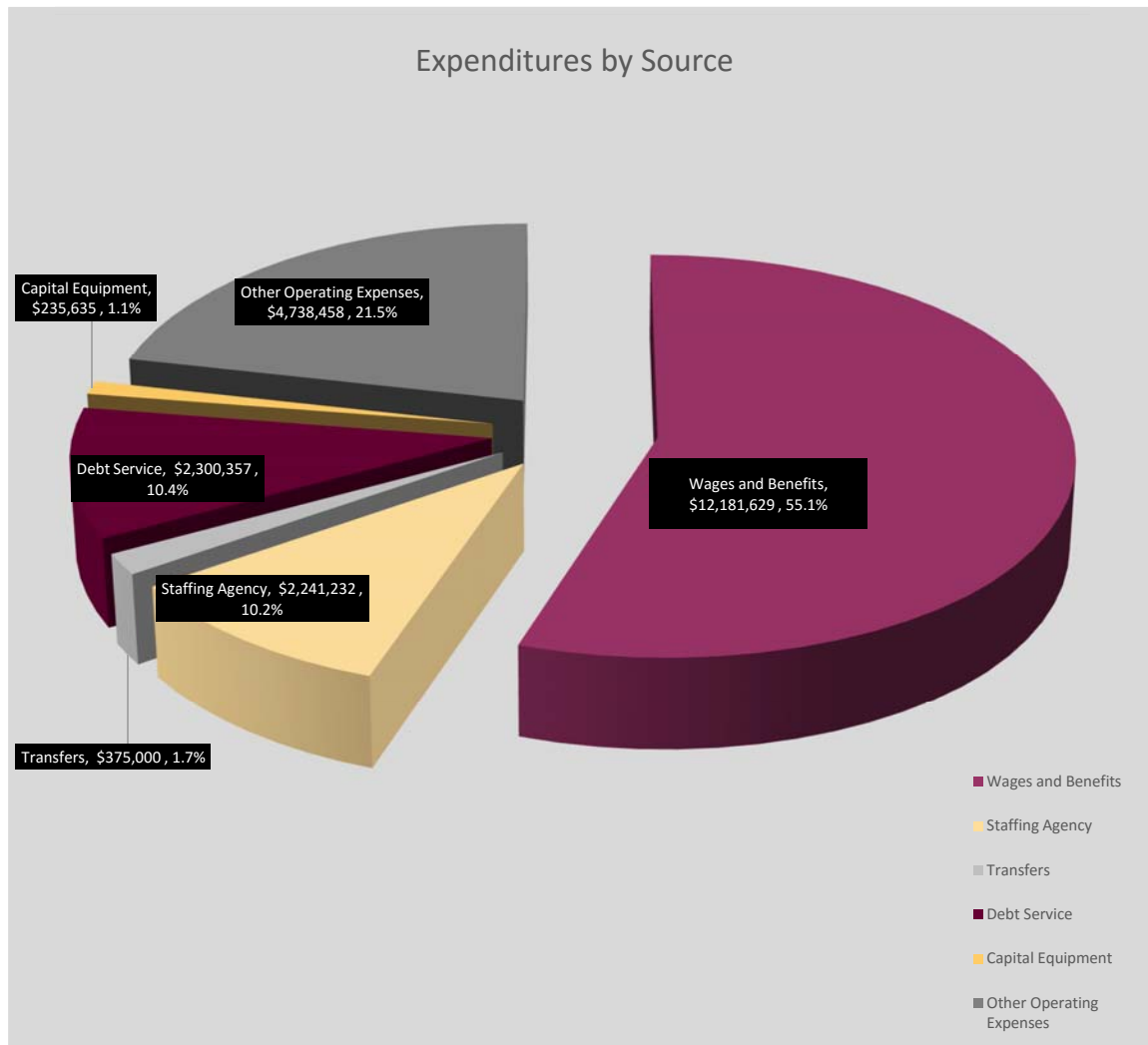
Jackson College  
General Fund Revenue - FY 19  
For the Six Months Ended December 31, 2018

\$23,194,797



Jackson College  
General Fund Expenditures - FY 19  
For the Six Months Ended December 31, 2018

\$22,072,311



Jackson College  
Balance Sheet and Changes in Fund Balance - FY 18  
December 31, 2018  
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
<b>Assets</b>							
Cash	\$ 4,199,305	\$ 9,563,102	\$ 1,240,505	\$ 10,391	\$ 5,869,502	\$ 274,913	\$ 21,157,718
Investments	-	-	-	17,408	-	-	17,408
Accounts receivable	3,562,784	-	-	-	61,424	(1,205)	3,623,003
Inventories	27,796	-	-	-	-	-	27,796
Other assets	334,905	-	179,219	-	74,939,256	-	75,453,380
<b>Total assets</b>	<b>8,124,790</b>	<b>9,563,102</b>	<b>1,419,724</b>	<b>27,799</b>	<b>80,870,182</b>	<b>273,708</b>	<b>100,279,305</b>
<b>Liabilities and Fund Balance</b>							
Accounts payable	144,488	-	-	-	-	-	144,488
Accrued liabilities	3,016,875	-	-	-	34,346,350	-	37,363,225
Deferred liabilities	2,514,177	-	-	-	-	-	2,514,177
Unearned revenue	188,795	-	-	-	-	-	188,795
Other liabilities	436,161	-	1,290	-	-	100	437,551
<b>Total liabilities</b>	<b>6,300,496</b>	<b>-</b>	<b>1,290</b>	<b>-</b>	<b>34,346,350</b>	<b>100</b>	<b>40,648,236</b>
Fund balance	1,824,294	9,563,102	1,418,434	27,799	46,523,832	273,608	59,631,069
<b>Total liabilities and fund balance</b>	<b>\$ 8,124,790</b>	<b>\$ 9,563,102</b>	<b>\$ 1,419,724</b>	<b>\$ 27,799</b>	<b>\$ 80,870,182</b>	<b>\$ 273,708</b>	<b>\$ 100,279,305</b>
<b>Beginning fund balance</b>							
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -	\$ 43,073,705	\$ -	\$ 43,073,705
Major Maintenance and Equipment Replacement	-	-	-	-	1,543,979	-	1,543,979
Restricted	-	178,467	360,525	27,733	-	-	566,725
Future Operations	701,808	9,306,062	-	-	-	187,338	10,195,208
	\$ 701,808	\$ 9,484,529	\$ 360,525	\$ 27,733	\$ 44,617,684	\$ 187,338	\$ 55,379,617
Current year income	23,194,797	78,573	12,176,848	66	2,697,890	124,361	38,272,535
Current year expenses	22,072,311	-	11,118,939	-	791,742	38,091	34,021,083
<b>Ending fund balance</b>	<b>\$ 1,824,294</b>	<b>\$ 9,563,102</b>	<b>\$ 1,418,434</b>	<b>\$ 27,799</b>	<b>\$ 46,523,832</b>	<b>\$ 273,608</b>	<b>\$ 59,631,069</b>

Jackson College  
 Balance Sheet  
 Building and Site Fund - FY 18  
 December 31, 2018  
 Preliminary - Unaudited

	<b>Building and Site Fund</b>
<b>Assets</b>	
Cash	\$ 1,632,284
Investments	-
Accounts receivable	21,976
Due from other funds	-
	-
<b>Total assets</b>	1,654,260
<b>Liabilities and Fund Balance</b>	
Accounts payable	-
Other liabilities	-
	-
<b>Total liabilities</b>	-
Fund balance	1,654,260
<b>Total liabilities and fund balance</b>	\$ 1,654,260

Jackson College  
 Statement of Changes in Fund Balance  
 Building and Site Fund  
 For the Six Months Ended December 31, 2018  
 Preliminary - Unaudited

	<b>Balance July 1, 2018</b>	<b>Revenue</b>	<b>Expenditures</b>	<b>Balance December 31, 2018</b>
Major Maintenance and Equipment Replacement	\$ 1,543,979	\$ 396,668	\$ 286,387	\$ 1,654,260
<b>Total</b>	\$ 1,543,979	\$ 396,668	\$ 286,387	\$ 1,654,260



Jackson College  
Cash and Investments by Fund - FY 19  
December 31, 2018  
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	Grants Fund	Endowment Fund	Building and Site	Physical Plant	Activities Fund	Total
Cash									
Petty Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,596	\$ 2,596
Cash-Comerica Bank Pooled	1,957,757	1,234,322	479,485	507	10,391	1,632,284	4,237,218	271,557	9,823,521
Cash-Comerica Federal Funds	-	-	274,950	-	-	-	-	-	274,950
Cash-So Mich National	32,309	-	2,629	-	-	-	-	-	34,938
VISA Account	114,343	-	-	-	-	-	-	760	115,103
Cash-United Bank	43,195	-	-	-	-	-	-	-	43,195
Cash-Federal Stafford	-	-	339,953	-	-	-	-	-	339,953
Cash-Comerica State Wire	7,511	-	-	-	-	-	-	-	7,511
Cash-Payroll	2,693	-	(1,053,942)	(308,034)	-	-	-	-	(1,359,283)
JC One Card	14,771	-	-	-	-	-	-	-	14,771
Ref Pay	10,770	-	-	-	-	-	-	-	10,770
Athletic Checking	5,347	-	-	-	-	-	-	-	5,347
Cultural Affairs Checking	5,739	-	-	-	-	-	-	-	5,739
MNJTP	-	-	-	1,504,957	-	-	-	-	1,504,957
Certificates of Deposit	-	250,000	-	-	-	-	-	-	250,000
MILAF	2,000,000	8,078,780	-	-	-	-	-	-	10,078,780
Insurance HRA	4,870	-	-	-	-	-	-	-	4,870
	<u>4,199,305</u>	<u>9,563,102</u>	<u>43,075</u>	<u>1,197,430</u>	<u>10,391</u>	<u>1,632,284</u>	<u>4,237,218</u>	<u>274,913</u>	<u>21,157,718</u>
Investments									
Common Stock	-	-	-	-	17,408	-	-	-	17,408
Total cash and investments	<u>\$ 4,199,305</u>	<u>\$ 9,563,102</u>	<u>\$ 43,075</u>	<u>\$ 1,197,430</u>	<u>\$ 27,799</u>	<u>\$ 1,632,284</u>	<u>\$ 4,237,218</u>	<u>\$ 274,913</u>	<u>\$ 21,175,126</u>

Jackson College  
 Billing Contact Hours  
 December 31, 2018  
 Preliminary - Unaudited

	Budgeted FY 19	Actual FY 19	Actual Percentage	Actual FY 18	Prior Year Percentage
Semester:					
Fall	51,985	49,328	94.9%	52,464	94.0%
Winter	48,442	-	0.0%	47,651	0.0%
Spring	17,723	-	0.0%	18,757	0.0%
<b>Total</b>	<b>118,150</b>	<b>49,328</b>	<b>41.8%</b>	<b>118,872</b>	<b>41.5%</b>

