



Financial Report

Presented to
President Daniel Phelan
Jackson College Board of Trustees



Prepared by the Business Office
January 31, 2018

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

Following is the January 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 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** - Balance higher than prior January due to the timing of a federal funds draw that happened in February last year and receipt of restricted cash of \$945,000 to be paid to employees as part of the MPSERS 3% healthcare refunds.
- **Building and Site** - The Building and Site fund has a balance of just under \$1,200,000 with expense for the remainder of the year of approximately \$400,000 for the beltway and \$100,000 for power back feed project. We plan to do no new transfers from the general fund in order to assist in balancing the budget.
- **Looking Ahead** - We are revising the revenue and expense budget forecast for 2017-2018 in preparation for a budget adjustment in May 2018.

Jackson College
Revenue and Expense Statement
General Fund - FY 18
For the Seven Months Ended January 31, 2018
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	\$ 22,753,053	80.4%	86.0%	\$ (1,591,445)	\$ 21,841,098
Less Institutional Scholarships	(975,720)	(956,384)	98.0%	86.0%	(117,265)	(954,986)
Net tuition and fees	<u>27,331,836</u>	<u>21,796,669</u>	79.7%	86.0%	(1,708,710)	20,886,112
Housing	1,000,000	625,635	62.6%	99.0%	(364,365)	1,190,404
Property taxes	5,002,000	4,306,219	86.1%	86.6%	(25,513)	4,409,449
State appropriations	12,677,600	7,395,267	58.3%	58.3%	4,226	7,231,933
Contract training	170,000	36,069	21.2%	58.3%	(63,041)	89,689
Potter Center activities	447,000	197,734	44.2%	45.4%	(5,204)	334,896
Miscellaneous	864,000	462,352	53.5%	58.3%	(41,360)	459,155
Transfers	<u>100,100</u>	<u>59,490</u>	59.4%	58.3%	1,132	62,616
Total revenues	<u>47,592,536</u>	<u>34,879,435</u>	73.3%	66.3%	(2,202,835)	34,664,254
Expenses						
Wages	17,958,238	9,778,334	54.5%	57.7%	(583,568)	10,480,556
Retirement	4,935,369	2,690,234	54.5%	57.7%	(157,474)	3,068,335
Benefits	3,408,996	1,732,511	50.8%	58.3%	(254,934)	1,841,676
Services - Staffing Agency	5,184,100	2,510,196	48.4%	57.7%	(481,030)	2,539,390
Services	2,737,300	1,538,078	56.2%	58.3%	(57,768)	1,286,006
Materials	2,051,600	1,340,947	65.4%	58.3%	144,864	1,196,189
Rent, utilities, insurance	1,839,961	1,033,599	56.2%	58.3%	(39,098)	996,588
Other operating costs	3,342,129	1,813,805	54.3%	58.3%	(134,656)	2,024,025
Transfers	1,041,954	520,977	50.0%	58.3%	(86,482)	608,755
Transfers-debt service	4,327,334	2,524,278	58.3%	58.3%	1,443	2,222,818
Capital equipment	<u>765,555</u>	<u>336,622</u>	44.0%	58.3%	(109,697)	236,074
Total expenses	<u>47,592,536</u>	<u>25,819,581</u>	54.3%	58.1%	(1,758,400)	26,500,412
Income over (under) expenses	<u>\$ -</u>	<u>\$ 9,059,854</u>			<u>\$ (444,435)</u>	<u>\$ 8,163,842</u>

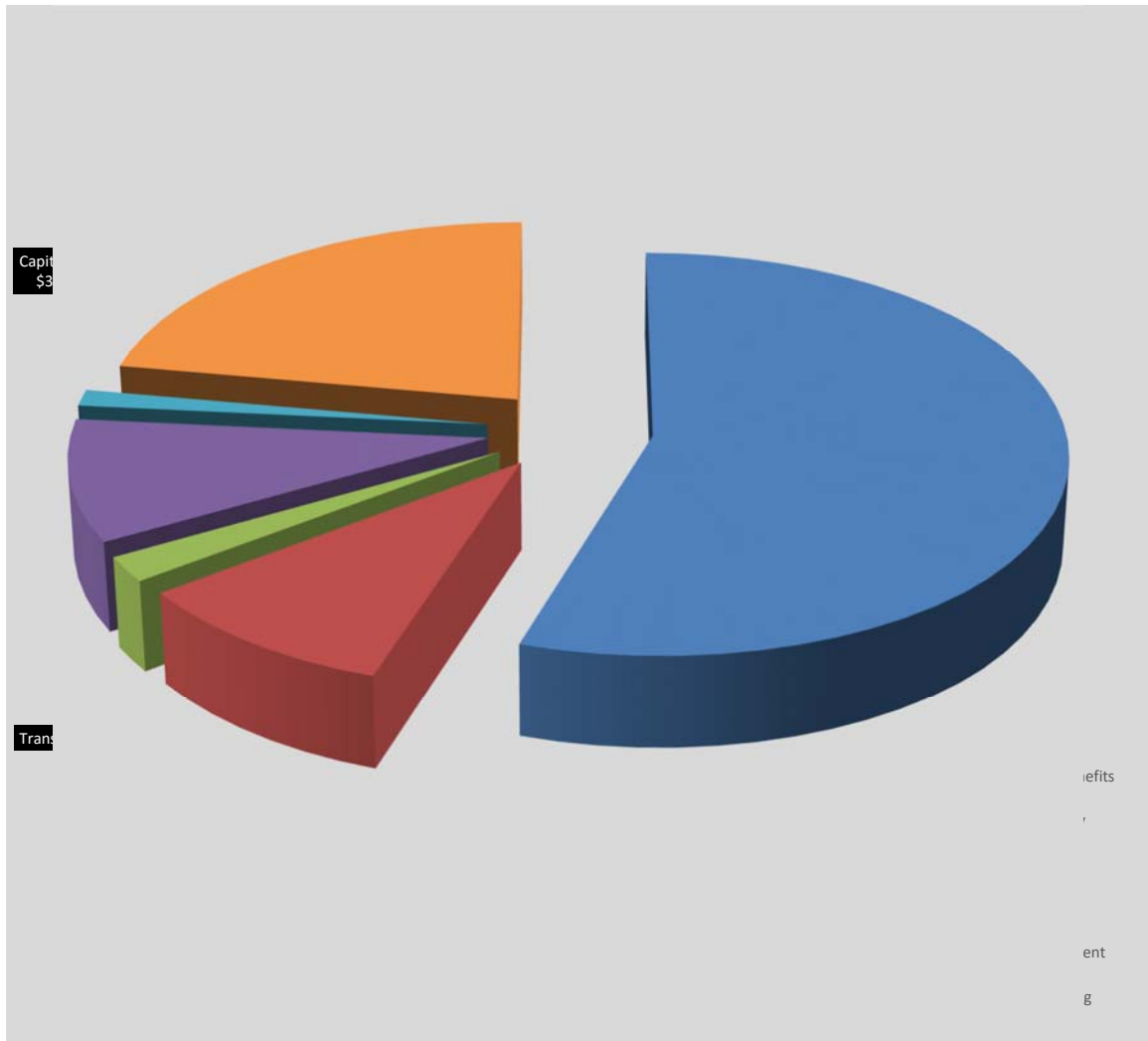
Jackson College
General Fund Revenue - FY 18
For the Seven Months Ended January 31, 2018

\$34,879,435



Jackson College
General Fund Expenditures - FY 18
For the Seven Months Ended January 31, 2018

\$25,819,581



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

	General Fund	Designated Fund	Restricted Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
Assets							
Cash	\$ 7,232,851	\$ 8,185,307	\$ 130,602	\$ 10,262	\$ 5,108,209	\$ 180,839	\$ 20,848,070
Restricted cash	945,036						945,036
Certificates of deposit	-	-	-	-	-	-	-
Investments	-	-	-	15,566	-	-	15,566
Accounts receivable	9,910,500	-	-	-	82,889	(1,000)	9,992,389
Inventories	33,388	-	-	-	-	-	33,388
Other assets	390,368	-	147,442	-	74,587,555	1,258	75,126,623
Total assets	18,512,143	8,185,307	278,044	25,828	79,778,653	181,097	106,961,072
Liabilities and Fund Balance							
Accounts payable	824,078	-	4,077	-	317	891	829,363
Accrued liabilities	2,996,269	-	-	-	37,740,840	-	40,737,109
MPERS refund payable	945,036	-	-	-	-	-	945,036
Deferred liabilities	3,045,729	-	-	-	-	-	3,045,729
Unearned revenue	176,982	-	-	-	-	-	176,982
Other liabilities	763,127	-	54	-	-	-	763,181
Total liabilities	8,751,221	-	4,131	-	37,741,157	891	46,497,400
Fund balance	9,760,922	8,185,307	273,913	25,828	42,037,496	180,206	60,463,672
Total liabilities and fund balance	\$ 18,512,143	\$ 8,185,307	\$ 278,044	\$ 25,828	\$ 79,778,653	\$ 181,097	\$ 106,961,072
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
Furture Operations	701,068	8,000,000	-	-	-	-	8,701,068
	\$ 701,068	\$ 8,167,367	\$ 843,531	\$ 24,757	\$ 40,288,070	\$ 83,512	\$ 50,108,305
Current year income	34,879,435	17,940	19,289,219	1,071	3,973,375	180,421	58,341,461
Current year expenses	25,819,581	-	19,858,837	-	2,223,949	83,727	47,986,094
Ending fund balance	\$ 9,760,922	\$ 8,185,307	\$ 273,913	\$ 25,828	\$ 42,037,496	\$ 180,206	\$ 60,463,672

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

	Building and Site Fund
Assets	
Cash	\$ 669,222
Investments	-
Accounts receivable	29,886
Due from other funds	<u>500,000</u>
Total assets	<u>1,199,108</u>
Liabilities and Fund Balance	
Accounts payable	317
Other liabilities	<u>-</u>
Total liabilities	<u>317</u>
Fund balance	1,198,791
Total liabilities and fund balance	<u><u>\$ 1,199,108</u></u>

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

	Balance July 1, 2017	Revenue	Expenditures	Balance January 31, 2018
Major Maintenance and Equipment Replacement	<u>\$ 1,463,915</u>	<u>\$ 1,448,323</u>	<u>\$ 1,713,447</u>	<u>\$ 1,198,791</u>
Total	<u><u>\$ 1,463,915</u></u>	<u><u>\$ 1,448,323</u></u>	<u><u>\$ 1,713,447</u></u>	<u><u>\$ 1,198,791</u></u>

Jackson College
Cash and Investments by Fund - FY 18
January 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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,746	\$ 2,746
Cash-Comerica Bank Pooled	3,325,774	8,185,307	(887,139)	294,524	10,262	669,222	4,438,987	167,743	16,204,680
Cash-Comerica Federal Funds	3,925,162	-	298,054	22,600	-	-	-	-	4,245,816
Cash-So Mich National	210,293	-	23,435	-	-	-	-	-	233,728
VISA Account	197,728	-	1,000	-	-	-	-	10,350	209,078
Cash-United Bank	310,133	-	9,300	-	-	-	-	-	319,433
Cash-Federal Stafford	-	-	35	-	-	-	-	-	35
Cash-Comerica State Wire	(8,447)	-	-	-	-	-	-	-	(8,447)
Bond	-	-	-	-	-	-	-	-	-
Cash-Payroll	182,451	-	(766,373)	(381,470)	-	-	-	-	(965,392)
JC One Card	13,188	-	-	-	-	-	-	-	13,188
Ref Pay	8,554	-	-	-	-	-	-	-	8,554
Athletic Checking	7,232	-	-	-	-	-	-	-	7,232
Cultural Affairs Checking	949	-	-	-	-	-	-	-	949
MNJTP	-	-	-	1,516,636	-	-	-	-	1,516,636
Cash-Huntington Capial Project	-	-	-	-	-	-	-	-	-
Certificates of deposit	-	-	-	-	-	-	-	-	-
Insurance HRA	4,870	-	-	-	-	-	-	-	4,870
	<u>8,177,887</u>	<u>8,185,307</u>	<u>(1,321,688)</u>	<u>1,452,290</u>	<u>10,262</u>	<u>669,222</u>	<u>4,438,987</u>	<u>180,839</u>	<u>21,793,106</u>
Investments									
Common Stock	-	-	-	-	15,566	-	-	-	15,566
Total cash and investments	<u>\$ 8,177,887</u>	<u>\$ 8,185,307</u>	<u>\$ (1,321,688)</u>	<u>\$ 1,452,290</u>	<u>\$ 25,828</u>	<u>\$ 669,222</u>	<u>\$ 4,438,987</u>	<u>\$ 180,839</u>	<u>\$ 21,808,672</u>

Jackson College
 Billing Contact Hours
 January 31, 2018
 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	46,852	91.7%	50,032	93.6%
Spring	17,444	-	0.0%	17,308	0.0%
Total	124,600	99,316	79.7%	120,632	82.3%

