



Financial Report

Presented to
President Daniel Phelan
Jackson College Board of Trustees



Prepared by the Business Office
March 31, 2018

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

Following is the March 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** - Revenues are going to finish below budget plan due to equipment purchase project at MACI.
- **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 hours.
- **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** - Actuals performing less than budget plan due to fewer sections/billing contact hours being taught.
- **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.

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- **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

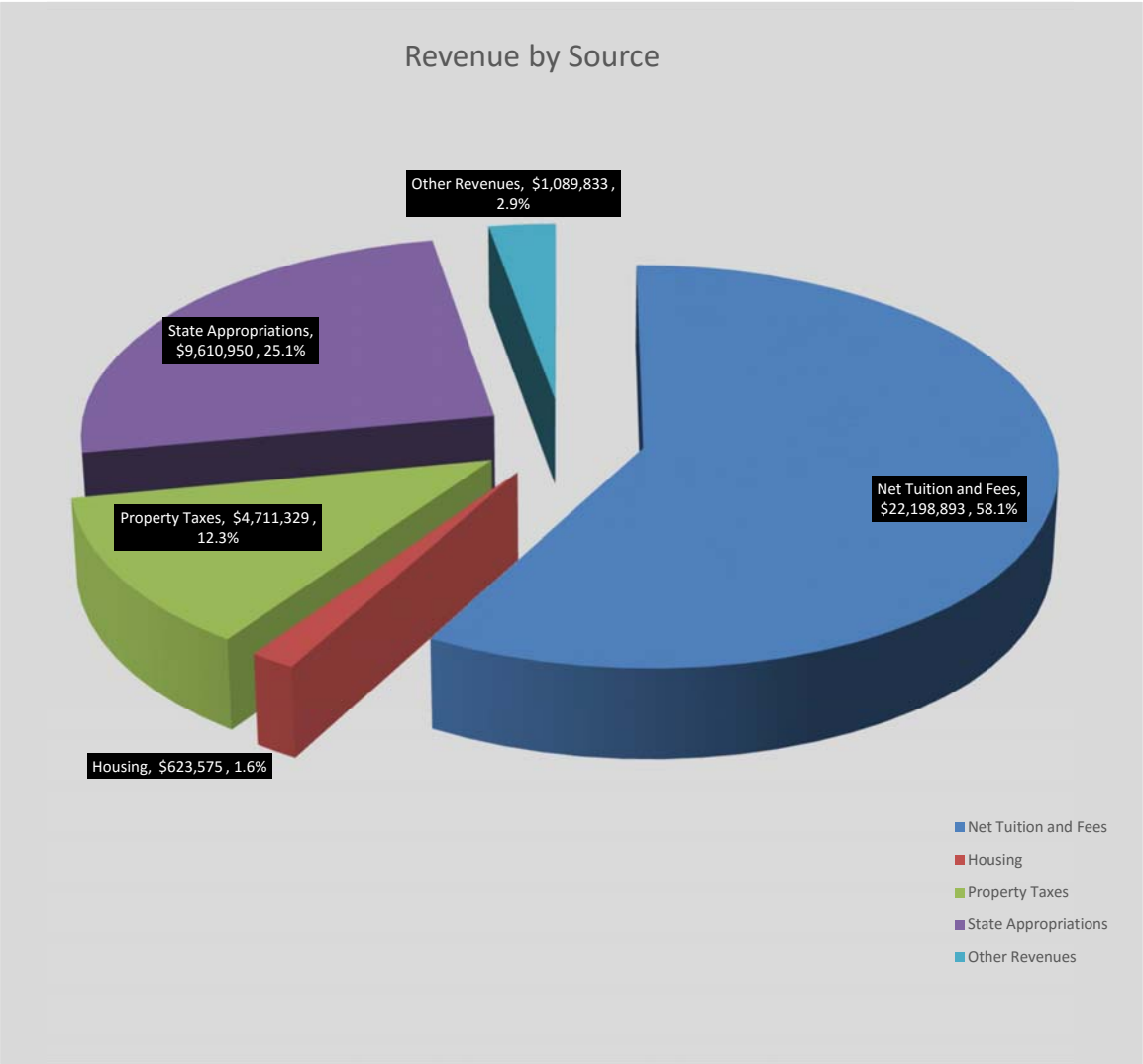
- **Cash and Investments** - Balance is comparable to the prior March, but lower than the February 2018 balance due to the timing of a federal funds draw that was requested in March but not received until April and the payment of the MPSERS 3% healthcare refunds that occurred in March.
- **Building and Site** - The Building and Site fund has a balance of just over \$1,140,000 with expense for the remainder of the year of approximately \$350,000 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. We will be recommending a reduction of billing contact hours from the original budgeted amount of 124,600. This reduction will be offset with intentional expense savings that have accrued already knowing billing contact hours were tracking behind budget plan.

Jackson College
Revenue and Expense Statement
General Fund - FY 18
For the Nine Months Ended March 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	\$ 22,950,113	81.1%	86.0%	\$ (1,394,385)	\$ 22,210,186
Less Institutional Scholarships	(975,720)	(751,220)	77.0%	86.0%	87,899	(1,014,395)
Net tuition and fees	<u>27,331,836</u>	<u>22,198,893</u>	81.2%	86.0%	(1,306,486)	21,195,791
Housing	1,000,000	623,575	62.4%	99.0%	(366,425)	1,188,954
Property taxes	5,002,000	4,711,329	94.2%	93.0%	59,469	4,496,845
State appropriations	12,677,600	9,610,950	75.8%	75.0%	102,750	9,587,317
Contract training	170,000	71,570	42.1%	75.0%	(55,930)	130,683
Potter Center activities	447,000	303,346	67.9%	72.7%	(21,623)	373,409
Miscellaneous	864,000	651,801	75.4%	75.0%	3,801	600,663
Transfers	100,100	63,116	63.1%	75.0%	(11,959)	82,018
Total revenues	<u>47,592,536</u>	<u>38,234,580</u>	80.3%	80.7%	(1,596,403)	37,655,680
Expenses						
Wages	17,958,238	12,340,505	68.7%	73.1%	(786,966)	13,088,679
Retirement	4,935,369	3,392,737	68.7%	73.1%	(215,018)	3,853,143
Benefits	3,408,996	2,281,117	66.9%	75.0%	(275,630)	2,350,363
Services - Staffing Agency	5,184,100	3,286,215	63.4%	73.1%	(503,362)	3,367,707
Services	2,737,300	1,943,166	71.0%	75.0%	(109,809)	1,790,641
Materials	2,051,600	1,751,882	85.4%	75.0%	213,182	1,613,444
Rent, utilities, insurance	1,839,961	1,357,876	73.8%	75.0%	(22,095)	1,311,321
Other operating costs	3,342,129	2,256,600	67.5%	75.0%	(249,997)	2,528,521
Transfers	1,041,954	520,977	50.0%	75.0%	(260,488)	782,685
Transfers-debt service	4,327,334	3,245,500	75.0%	75.0%	-	2,857,909
Capital equipment	765,555	355,572	46.4%	75.0%	(218,594)	459,771
Total expenses	<u>47,592,536</u>	<u>32,732,147</u>	68.8%	74.4%	(2,428,777)	34,004,184
Income over (under) expenses	<u>\$ -</u>	<u>\$ 5,502,433</u>			<u>\$ 832,374</u>	<u>\$ 3,651,496</u>

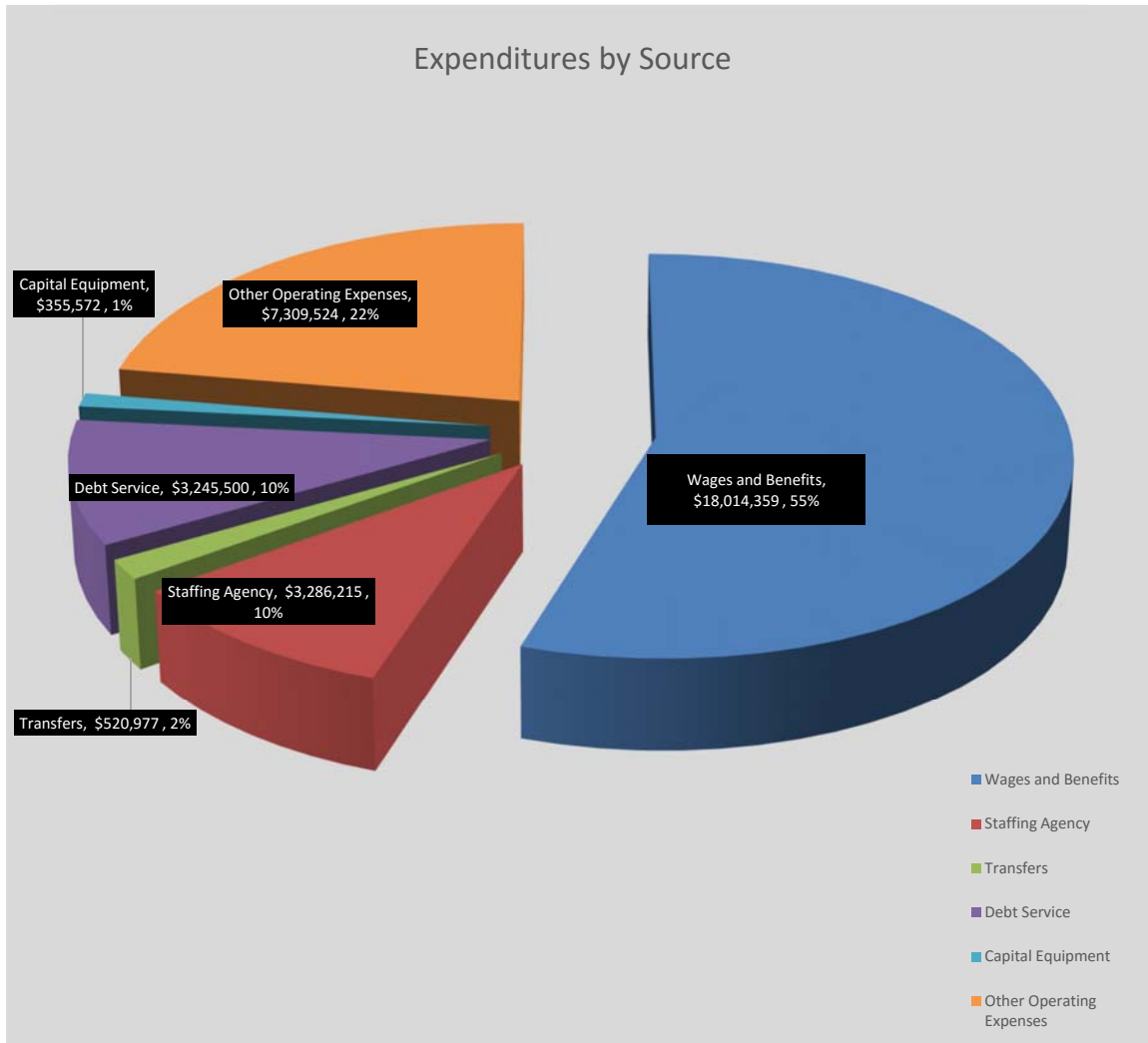
Jackson College
General Fund Revenue - FY 18
For the Nine Months Ended March 31, 2018

\$38,234,580



Jackson College
General Fund Expenditures - FY 18
For the Nine Months Ended March 31, 2018

\$32,732,147



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

	General Fund	Designated Fund	Restricted Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
Assets							
Cash	\$ 6,914,013	\$ 8,187,307	\$ (1,286,716)	\$ 10,292	\$ 6,271,500	\$ 145,253	\$ 20,241,649
Restricted cash	-						-
Certificates of deposit	-	-	-	-	-	-	-
Investments	-	-	-	15,566	-	-	15,566
Accounts receivable	3,999,451	-	-	-	81,872	(1,000)	4,080,323
Inventories	33,388	-	-	-	-	-	33,388
Other assets	383,492	-	65,454	-	74,087,555	1,314	74,537,815
Total assets	11,330,344	8,187,307	(1,221,262)	25,858	80,440,927	145,567	98,908,741
Liabilities and Fund Balance							
Accounts payable	217,406	-	4,042	-	-	261	221,709
Accrued liabilities	2,678,985	-	-	-	37,740,840	-	40,419,825
MPSERS refund payable	-	-	-	-	-	-	-
Deferred liabilities	2,080,441	-	-	-	-	-	2,080,441
Unearned revenue	136,114	-	-	-	-	-	136,114
Other liabilities	13,897	-	54	-	-	-	13,951
Total liabilities	5,126,843	-	4,096	-	37,740,840	261	42,872,040
Fund balance	6,203,501	8,187,307	(1,225,358)	25,858	42,700,087	145,306	56,036,701
Total liabilities and fund balance	\$ 11,330,344	\$ 8,187,307	\$ (1,221,262)	\$ 25,858	\$ 80,440,927	\$ 145,567	\$ 98,908,741
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	38,234,580	19,940	23,356,850	1,101	4,695,274	206,746	66,514,491
Current year expenses	32,732,147	-	25,425,739	-	2,283,257	144,952	60,586,095
Ending fund balance	\$ 6,203,501	\$ 8,187,307	\$ (1,225,358)	\$ 25,858	\$ 42,700,087	\$ 145,306	\$ 56,036,701

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

	Building and Site Fund
Assets	
Cash	\$ 1,109,597
Investments	-
Accounts receivable	30,563
Due from other funds	-
	-
Total assets	1,140,160
Liabilities and Fund Balance	
Accounts payable	-
Other liabilities	-
	-
Total liabilities	-
Fund balance	1,140,160
Total liabilities and fund balance	\$ 1,140,160

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

	Balance July 1, 2017	Revenue	Expenditures	Balance March 31, 2018
Major Maintenance and Equipment Replacement	\$ 1,463,915	\$ 1,449,000	\$ 1,772,755	\$ 1,140,160
Total	\$ 1,463,915	\$ 1,449,000	\$ 1,772,755	\$ 1,140,160

Jackson College
Cash and Investments by Fund - FY 18
March 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	6,441,378	8,187,307	(1,479,183)	80,288	10,292	1,109,597	5,161,903	142,317	19,653,899
Cash-Comerica Federal Funds	-	-	245,405	17,954	-	-	-	-	263,359
Cash-So Mich National	219,300	-	23,435	-	-	-	-	-	242,735
VISA Account	122,126	-	-	-	-	-	-	190	122,316
Cash-United Bank	322,098	-	9,300	-	-	-	-	-	331,398
Cash-Federal Stafford	-	-	35	-	-	-	-	-	35
Cash-Comerica State Wire	8,591	-	-	-	-	-	-	-	8,591
Bond	-	-	-	-	-	-	-	-	-
Cash-Payroll	(242,509)	-	(1,548,571)	(210,936)	-	-	-	-	(2,002,016)
JC One Card	13,390	-	-	-	-	-	-	-	13,390
Ref Pay	11,418	-	-	-	-	-	-	-	11,418
Athletic Checking	5,417	-	-	-	-	-	-	-	5,417
Cultural Affairs Checking	7,934	-	-	-	-	-	-	-	7,934
MNJTP	-	-	-	1,575,557	-	-	-	-	1,575,557
Cash-Huntington Capial Project	-	-	-	-	-	-	-	-	-
Certificates of deposit	-	-	-	-	-	-	-	-	-
Insurance HRA	4,870	-	-	-	-	-	-	-	4,870
	<u>6,914,013</u>	<u>8,187,307</u>	<u>(2,749,579)</u>	<u>1,462,863</u>	<u>10,292</u>	<u>1,109,597</u>	<u>5,161,903</u>	<u>145,253</u>	<u>20,241,649</u>
Investments									
Common Stock	-	-	-	-	15,566	-	-	-	15,566
Total cash and investments	<u>\$ 6,914,013</u>	<u>\$ 8,187,307</u>	<u>\$ (2,749,579)</u>	<u>\$ 1,462,863</u>	<u>\$ 25,858</u>	<u>\$ 1,109,597</u>	<u>\$ 5,161,903</u>	<u>\$ 145,253</u>	<u>\$ 20,257,215</u>

Jackson College
 Billing Contact Hours
 March 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	47,651	93.3%	50,032	95.2%
Spring	17,444	-	0.0%	17,308	0.0%
Total	124,600	100,115	80.3%	120,632	83.0%

