



## Financial Report

Presented to  
President Daniel Phelan  
Jackson College Board of Trustees



Prepared by the Business Office  
April 30, 2018

Jackson College  
Memo From Darrell Norris, Vice President of Finance  
For the April 30, 2018 Financial Report

Following is the April 30, 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.
- **Transfer Income** - Variance in endowed chair support from Foundation to College to stay in compliance with endowed chair spending agreements.

**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.

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- **Services** - Lower than planned budget expenses in CCE and IT.
- **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.

**Other Notes**

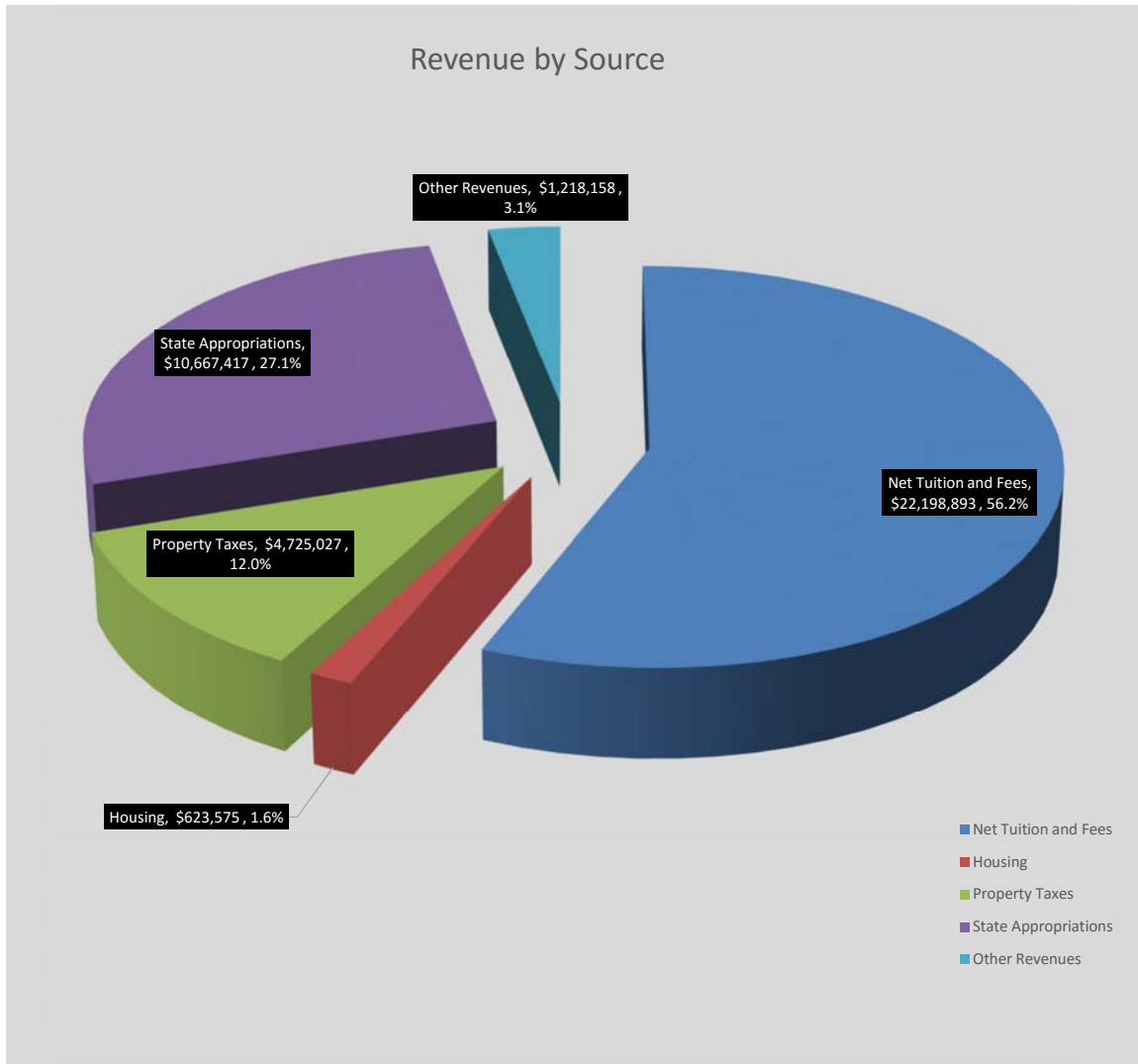
- **Cash and Investments** - Balance is comparable to the prior April.
- **Building and Site** - The Building and Site fund has a balance of just over \$1,128,000 with expense for the remainder of the year of approximately \$350,000 for the beltway and \$100,000 for power back feed project. We plan to 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 Ten Months Ended April 30, 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
<b>Revenue</b>						
Gross tuition and fees	\$ 28,307,556	\$ 22,950,113	81.1%	86.0%	\$ (1,394,385)	\$ 22,210,188
Less Institutional Scholarships	(975,720)	(751,220)	77.0%	86.0%	87,899	(1,049,742)
Net tuition and fees	<u>27,331,836</u>	<u>22,198,893</u>	81.2%	86.0%	(1,306,486)	21,160,446
Housing	1,000,000	623,575	62.4%	99.0%	(366,425)	1,199,304
Property taxes	5,002,000	4,725,027	94.5%	95.0%	(26,873)	4,647,231
State appropriations	12,677,600	10,667,417	84.1%	83.3%	106,976	10,620,450
Contract training	170,000	77,651	45.7%	83.3%	(63,959)	145,255
Potter Center activities	447,000	390,414	87.3%	83.3%	18,063	414,857
Miscellaneous	864,000	686,977	79.5%	83.3%	(32,735)	677,038
Transfers	<u>100,100</u>	<u>63,116</u>	63.1%	83.3%	(20,267)	90,352
<b>Total revenues</b>	<u>47,592,536</u>	<u>39,433,070</u>	82.9%	87.2%	(1,691,706)	38,954,933
<b>Expenses</b>						
Wages	17,958,238	13,610,942	75.8%	80.8%	(893,788)	14,408,278
Retirement	4,935,369	3,741,373	75.8%	80.8%	(244,887)	4,200,970
Benefits	3,408,996	2,786,790	81.7%	83.3%	(52,904)	2,598,457
Services - Staffing Agency	5,184,100	3,671,163	70.8%	80.8%	(515,995)	3,797,865
Services	2,737,300	2,128,530	77.8%	83.3%	(151,641)	1,955,865
Materials	2,051,600	1,883,647	91.8%	83.3%	174,664	1,766,679
Rent, utilities, insurance	1,839,961	1,460,224	79.4%	83.3%	(72,464)	1,452,800
Other operating costs	3,342,129	2,525,764	75.6%	83.3%	(258,229)	2,875,443
Transfers	1,041,954	520,027	49.9%	83.3%	(347,920)	869,650
Transfers-debt service	4,327,334	3,606,111	83.3%	83.3%	1,443	3,175,454
Capital equipment	<u>765,555</u>	<u>371,926</u>	48.6%	83.3%	(265,781)	518,882
<b>Total expenses</b>	<u>47,592,536</u>	<u>36,306,497</u>	76.3%	82.5%	(2,627,502)	37,620,343
<b>Income over (under) expenses</b>	<u>\$ -</u>	<u>\$ 3,126,573</u>			<u>\$ 935,796</u>	<u>\$ 1,334,590</u>

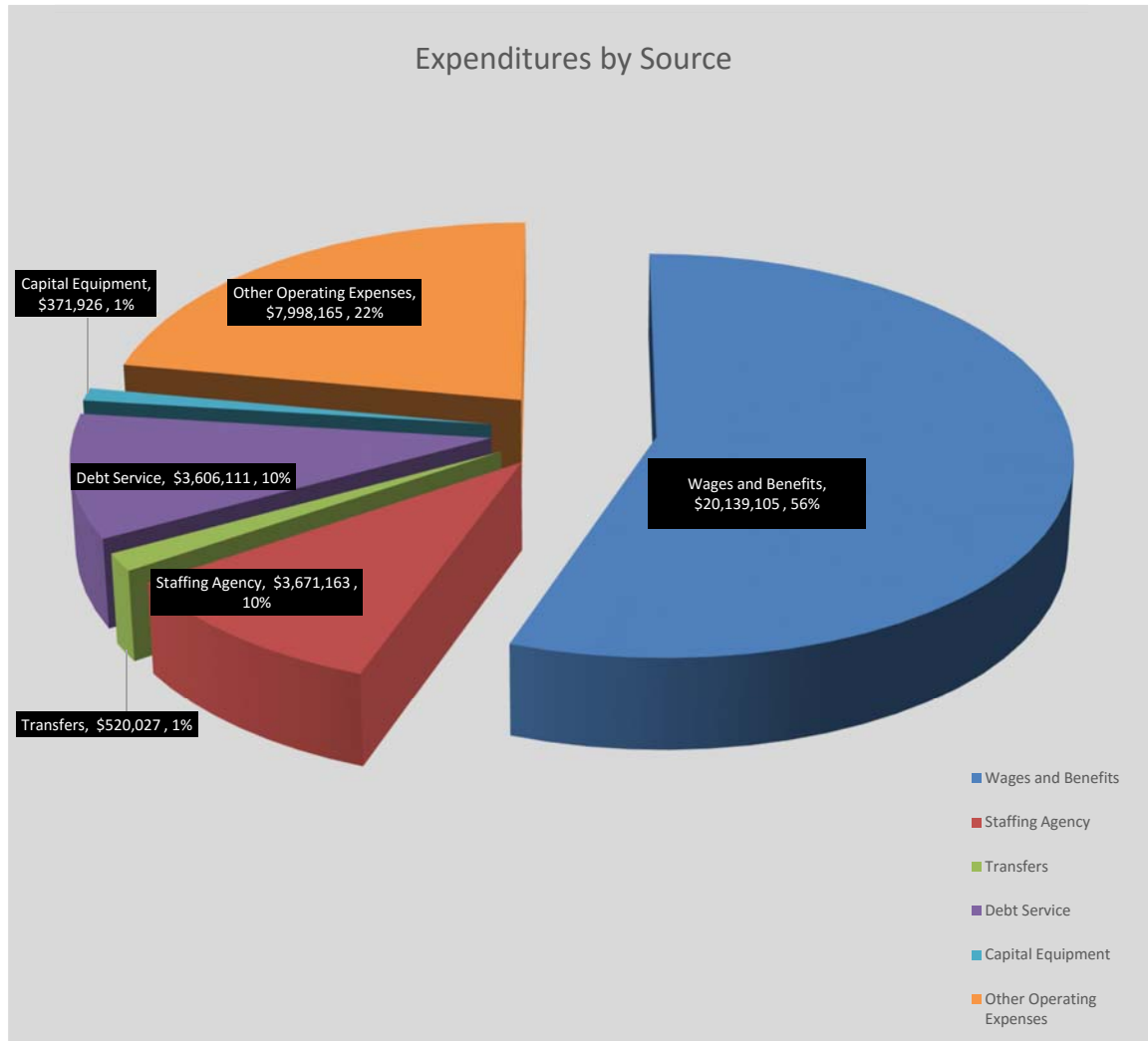
Jackson College  
General Fund Revenue - FY 18  
For the Ten Months Ended April 30, 2018

\$39,433,070



Jackson College  
General Fund Expenditures - FY 18  
For the Ten Months Ended April 30, 2018

\$36,306,497



Jackson College  
Balance Sheet and Changes in Fund Balance - FY 18  
April 30, 2018  
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
<b>Assets</b>							
Cash	\$ 5,973,790	\$ 8,189,307	\$ 786,161	\$ 10,294	\$ 2,803,502	\$ 142,223	\$ 17,905,277
Restricted cash	-						-
Certificates of deposit	-	-	-	-	-	-	-
Investments	-	-	-	15,566	-	-	15,566
Accounts receivable	2,601,876	-	-	-	80,167	(1,000)	2,681,043
Inventories	33,388	-	-	-	-	-	33,388
Other assets	416,155	-	67,667	-	74,087,555	1,382	74,572,759
<b>Total assets</b>	<b>9,025,209</b>	<b>8,189,307</b>	<b>853,828</b>	<b>25,860</b>	<b>76,971,224</b>	<b>142,605</b>	<b>95,208,033</b>
<b>Liabilities and Fund Balance</b>							
Accounts payable	264,505	-	4,372	-	-	-	268,877
Accrued liabilities	2,654,284	-	(486)	-	34,465,840	-	37,119,638
MPSERS refund payable	-	-	-	-	-	-	-
Deferred liabilities	2,110,088	-	-	-	-	-	2,110,088
Unearned revenue	128,141	-	-	-	-	-	128,141
Other liabilities	40,550	-	-	-	-	-	40,550
<b>Total liabilities</b>	<b>5,197,568</b>	<b>-</b>	<b>3,886</b>	<b>-</b>	<b>34,465,840</b>	<b>-</b>	<b>39,667,294</b>
Fund balance	3,827,641	8,189,307	849,942	25,860	42,505,384	142,605	55,540,739
<b>Total liabilities and fund balance</b>	<b>\$ 9,025,209</b>	<b>\$ 8,189,307</b>	<b>\$ 853,828</b>	<b>\$ 25,860</b>	<b>\$ 76,971,224</b>	<b>\$ 142,605</b>	<b>\$ 95,208,033</b>
<b>Beginning fund balance</b>							
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
	<b>\$ 701,068</b>	<b>\$ 8,167,367</b>	<b>\$ 843,531</b>	<b>\$ 24,757</b>	<b>\$ 40,288,070</b>	<b>\$ 83,512</b>	<b>\$ 50,108,305</b>
Current year income	39,433,070	21,940	25,631,297	1,103	5,055,876	225,816	70,369,102
Current year expenses	36,306,497	-	25,624,886	-	2,838,562	166,723	64,936,668
<b>Ending fund balance</b>	<b>\$ 3,827,641</b>	<b>\$ 8,189,307</b>	<b>\$ 849,942</b>	<b>\$ 25,860</b>	<b>\$ 42,505,384</b>	<b>\$ 142,605</b>	<b>\$ 55,540,739</b>

Jackson College  
 Balance Sheet  
 Building and Site Fund - FY 18  
 April 30, 2018  
 Preliminary - Unaudited

	<b>Building and Site Fund</b>
<b>Assets</b>	
Cash	\$ 1,097,443
Investments	-
Accounts receivable	30,553
Due from other funds	-
	-
<b>Total assets</b>	1,127,996
<b>Liabilities and Fund Balance</b>	
Accounts payable	-
Other liabilities	-
	-
<b>Total liabilities</b>	-
Fund balance	1,127,996
<b>Total liabilities and fund balance</b>	\$ 1,127,996

Jackson College  
 Statement of Changes in Fund Balance  
 Building and Site Fund  
 For the Ten Months Ended April 30, 2018  
 Preliminary - Unaudited

	<b>Balance July 1, 2017</b>	<b>Revenue</b>	<b>Expenditures</b>	<b>Balance April 30, 2018</b>
Major Maintenance and Equipment Replacement	\$ 1,463,915	\$ 1,448,990	\$ 1,784,909	\$ 1,127,996
<b>Total</b>	\$ 1,463,915	\$ 1,448,990	\$ 1,784,909	\$ 1,127,996



Jackson College  
Cash and Investments by Fund - FY 18  
April 30, 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	5,249,731	8,189,307	626,218	229,768	10,294	1,097,443	1,706,059	144,731	17,253,551
Cash-Comerica Federal Funds	-	-	136,486	-	-	-	-	-	136,486
Cash-So Mich National	238,616	-	24,135	-	-	-	-	-	262,751
VISA Account	91,477	-	-	-	-	-	-	285	91,762
Cash-United Bank	349,153	-	9,675	-	-	-	-	-	358,828
Cash-Federal Stafford	-	-	(424,965)	-	-	-	-	-	(424,965)
Cash-Comerica State Wire	(3,872)	-	9,518	-	-	-	-	(5,539)	107
Bond	-	-	-	-	-	-	-	-	-
Cash-Payroll	9,838	-	(1,090,201)	(325,854)	-	-	-	-	(1,406,217)
JC One Card	13,735	-	-	-	-	-	-	-	13,735
Ref Pay	8,296	-	-	-	-	-	-	-	8,296
Athletic Checking	4,147	-	-	-	-	-	-	-	4,147
Cultural Affairs Checking	7,799	-	-	-	-	-	-	-	7,799
MNJTP	-	-	-	1,591,381	-	-	-	-	1,591,381
Cash-Huntington Capial Project	-	-	-	-	-	-	-	-	-
Certificates of deposit	-	-	-	-	-	-	-	-	-
Insurance HRA	4,870	-	-	-	-	-	-	-	4,870
	<u>5,973,790</u>	<u>8,189,307</u>	<u>(709,134)</u>	<u>1,495,295</u>	<u>10,294</u>	<u>1,097,443</u>	<u>1,706,059</u>	<u>142,223</u>	<u>17,905,277</u>
Investments									
Common Stock	-	-	-	-	15,566	-	-	-	15,566
Total cash and investments	<u>\$ 5,973,790</u>	<u>\$ 8,189,307</u>	<u>\$ (709,134)</u>	<u>\$ 1,495,295</u>	<u>\$ 25,860</u>	<u>\$ 1,097,443</u>	<u>\$ 1,706,059</u>	<u>\$ 142,223</u>	<u>\$ 17,920,843</u>

Jackson College  
 Billing Contact Hours  
 April 30, 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%

