



Financial Report

Presented to
President Daniel Phelan
Jackson College Board of Trustees



Prepared by the Business Office
June 30, 2018

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

Following is the June 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 and the amended 2017-2018 Budget adopted at the May 2018 meeting.

Revenues

- **Tuition and Fees** - 18/SP actuals performed favorable to conservative estimates used in the May budget adjustment.
- **Contract Training** - Revenue performed favorable to adjusted budget as unanticipated trainings occurred in June.
- **Miscellaneous Income** - Variance is timing as the College will not recognize income from unused meal plans until final adjustments are made.

Expenses

- **Services - Staffing Agency** - Savings due to lower than planned Adjunct cost.
- **Transfers** - Higher than budgeted transfers due to favorable budget performance compared to amended budget.
- **Capital Equipment** - Budget adjustment was unfavorable to actual expenses.

Other Notes

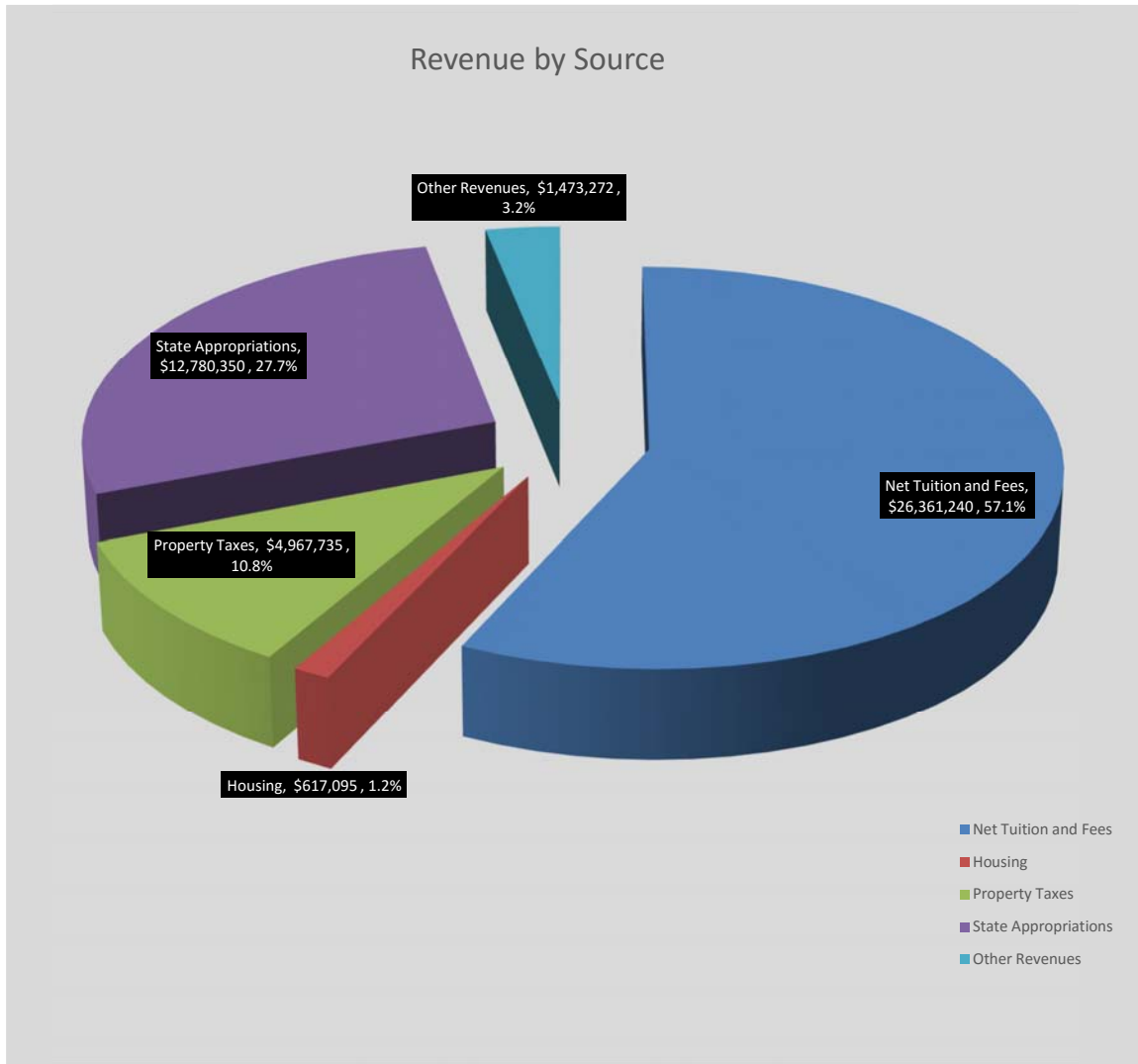
- **Cash and Investments** - Balance is up from prior year by approximately \$1,930,000. This is due to favorable revenue and favorable expenses along with lower than normal capital improvement expenses. The Board directed MILAF investment strategy was operationalized in May 2018. At June 30, 2018 interest revenues have already exceeded \$10,000. These earnings are designated for future operations.
- **Building and Site** - The Building and Site fund has a balance of just over \$1,462,000 which is comparable to last year.
- **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 18
For the Year Ended June 30, 2018
Preliminary - Unaudited

	2017-2018 Original Budget	2017-2018 Amended Budget	Actual Year to Date	Percentage of Amended Budget	Planned Percentage to Date	Variance of Planned Percentage to Actual	Prior Year to Date
Revenue							
Gross tuition and fees	\$ 28,307,556	\$ 26,500,000	\$ 27,154,285	102.5%	100.0%	\$ 654,285	\$ 25,910,941
Less Institutional Scholarships	(975,720)	(900,000)	(793,045)	88.1%	100.0%	106,955	(1,140,785)
Net tuition and fees	<u>27,331,836</u>	<u>25,600,000</u>	<u>26,361,240</u>	<u>103.0%</u>	<u>100.0%</u>	<u>761,240</u>	<u>24,770,156</u>
Housing	1,000,000	625,000	617,095	98.7%	100.0%	(7,905)	1,214,979
Property taxes	5,002,000	5,002,000	4,967,735	99.3%	100.0%	(34,265)	4,890,768
State appropriations	12,677,600	12,815,100	12,780,350	99.7%	100.0%	(34,750)	12,686,717
Contract training	170,000	100,000	127,725	127.7%	100.0%	27,725	234,848
Potter Center activities	447,000	447,000	435,644	97.5%	100.0%	(11,356)	460,857
Miscellaneous	864,000	864,000	811,743	94.0%	100.0%	(52,257)	865,646
Transfers	100,100	100,100	98,160	98.1%	100.0%	(1,940)	109,755
Total revenues	<u>47,592,536</u>	<u>45,553,200</u>	<u>46,199,692</u>	<u>101.4%</u>	<u>100.0%</u>	<u>646,492</u>	<u>45,233,726</u>
Expenses							
Wages	17,958,238	17,165,000	16,978,088	98.9%	100.0%	(186,911)	17,487,876
Retirement	4,935,369	4,725,000	4,676,045	99.0%	100.0%	(48,955)	4,859,540
Benefits	3,408,996	3,115,000	3,065,950	98.4%	100.0%	(49,050)	3,067,260
Services - Staffing Agency	5,184,100	4,834,000	4,557,522	94.3%	100.0%	(276,478)	4,527,041
Services	2,737,300	2,737,300	2,731,732	99.8%	100.0%	(5,568)	2,532,257
Materials	2,051,600	2,350,000	2,321,503	98.8%	100.0%	(28,497)	2,304,031
Rent, utilities, insurance	1,839,961	1,839,961	1,815,902	98.7%	100.0%	(24,059)	1,782,472
Other operating costs	3,342,129	3,242,129	3,238,700	99.9%	100.0%	(3,429)	3,244,655
Transfers	1,041,954	821,077	2,013,105	245.2%	100.0%	1,192,028	1,043,580
Transfers-debt service	4,327,334	4,328,654	4,327,334	100.0%	100.0%	(1,319)	3,810,545
Capital equipment	765,555	394,339	473,071	120.0%	100.0%	78,732	573,738
Total expenses	<u>47,592,536</u>	<u>45,552,460</u>	<u>46,198,952</u>	<u>101.4%</u>	<u>100.0%</u>	<u>646,494</u>	<u>45,232,995</u>
Income over (under) expenses	<u>\$ -</u>	<u>\$ 740</u>	<u>\$ 740</u>			<u>\$ (2)</u>	<u>\$ 731</u>

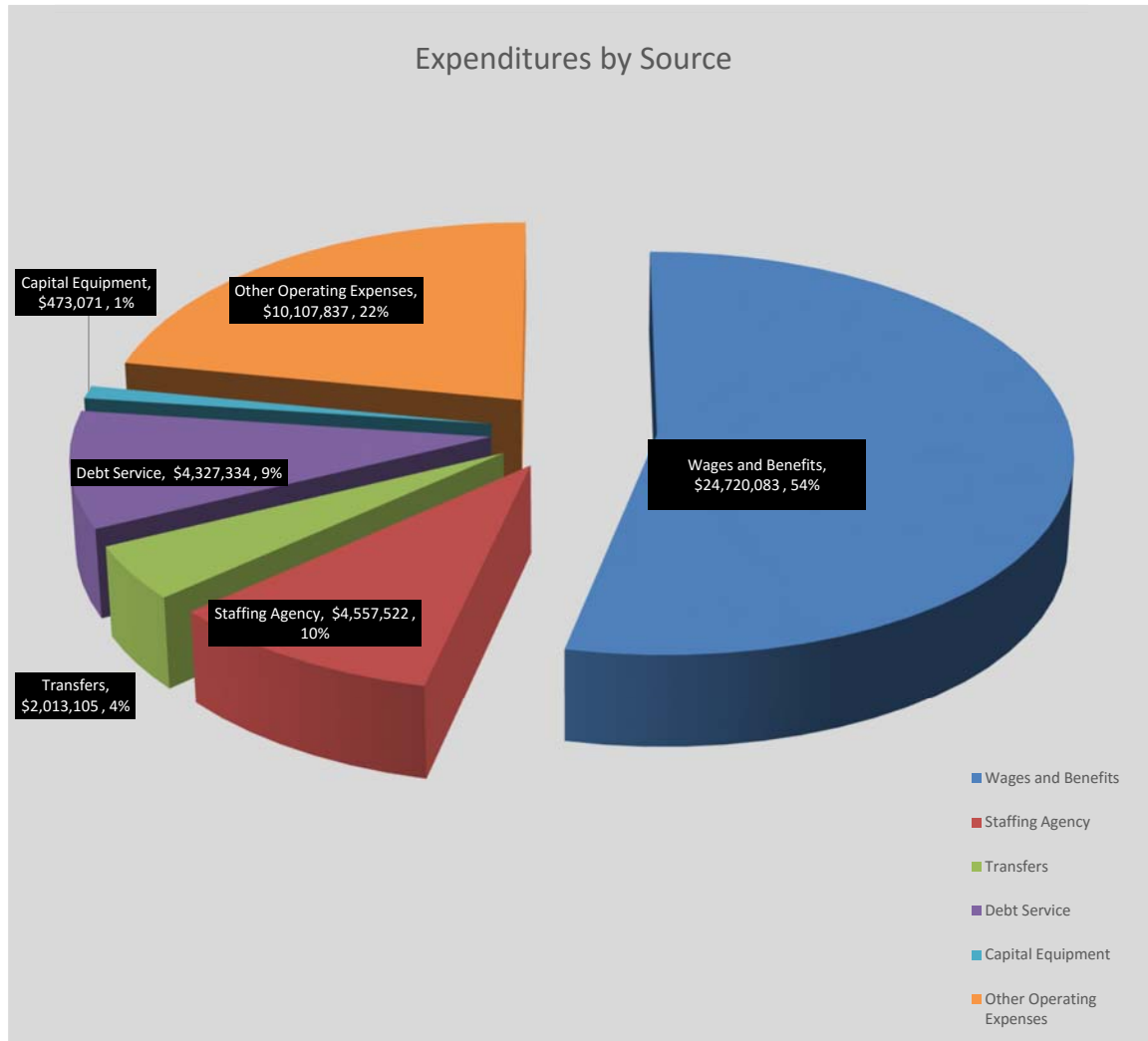
Jackson College
General Fund Revenue - FY 18
For the Year Ended June 30, 2018

\$46,199,692



Jackson College
General Fund Expenditures - FY 18
For the Year Ended June 30, 2018

\$46,198,952



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

	General Fund	Designated Fund	Restricted Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
Assets							
Cash	\$ 4,805,978	\$ 8,190,366	\$ 1,135,476	\$ 10,325	\$ 3,349,670	\$ 184,258	\$ 17,676,073
Restricted cash	-	-	-	-	-	-	-
Certificates of deposit	-	-	-	-	-	-	-
Investments	-	-	-	15,566	-	-	15,566
Accounts receivable	2,601,319	-	-	-	83,665	(1,000)	2,683,984
Inventories	33,388	-	-	-	-	-	33,388
Other assets	779,313	1,000,000	-	-	74,580,633	150	76,360,096
Total assets	8,219,998	9,190,366	1,135,476	25,891	78,013,968	183,408	96,769,107
Liabilities and Fund Balance							
Accounts payable	880,178	-	4,042	-	2,952	1,311	888,483
Accrued liabilities	2,727,016	-	(486)	-	34,465,840	-	37,192,370
MPERS refund payable	-	-	-	-	-	-	-
Deferred liabilities	2,183,710	-	-	-	-	-	2,183,710
Unearned revenue	123,721	-	-	-	-	-	123,721
Other liabilities	1,603,565	-	-	-	-	-	1,603,565
Total liabilities	7,518,190	-	3,556	-	34,468,792	1,311	41,991,849
Fund balance	701,808	9,190,366	1,131,920	25,891	43,545,176	182,097	54,777,258
Total liabilities and fund balance	\$ 8,219,998	\$ 9,190,366	\$ 1,135,476	\$ 25,891	\$ 78,013,968	\$ 183,408	\$ 96,769,107
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
	\$ 701,068	\$ 8,167,367	\$ 843,531	\$ 24,757	\$ 40,288,070	\$ 83,512	\$ 50,108,305
Current year income	46,199,692	1,037,999	28,978,232	1,134	6,277,954	307,690	82,802,701
Current year expenses	46,198,952	15,000	28,689,843	-	3,020,848	209,105	78,133,748
Ending fund balance	\$ 701,808	\$ 9,190,366	\$ 1,131,920	\$ 25,891	\$ 43,545,176	\$ 182,097	\$ 54,777,258

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

	Building and Site Fund
Assets	
Cash	\$ 918,110
Investments	-
Accounts receivable	35,745
Due from other funds	<u>493,078</u>
Total assets	<u>1,446,933</u>
Liabilities and Fund Balance	
Accounts payable	2,952
Other liabilities	<u>-</u>
Total liabilities	<u>2,952</u>
Fund balance	1,443,981
Total liabilities and fund balance	<u><u>\$ 1,446,933</u></u>

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

	Balance July 1, 2017	Revenue	Expenditures	Balance June 30, 2018
Major Maintenance and Equipment Replacement	<u>\$ 1,463,915</u>	<u>\$ 1,947,261</u>	<u>\$ 1,967,195</u>	<u>\$ 1,443,981</u>
Total	<u><u>\$ 1,463,915</u></u>	<u><u>\$ 1,947,261</u></u>	<u><u>\$ 1,967,195</u></u>	<u><u>\$ 1,443,981</u></u>

Jackson College
Cash and Investments by Fund - FY 18
June 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	1,404,476	178,807	44,188	41,689	10,325	918,110	2,431,560	181,482	5,210,637
Cash-Comerica Federal Funds	-	-	321,410	-	-	-	-	-	321,410
Cash-So Mich National	247,997	-	28,156	-	-	-	-	-	276,153
VISA Account	50,581	1,000	-	-	-	-	-	-	51,581
Cash-United Bank	365,884	-	9,675	-	-	-	-	30	375,589
Cash-Federal Stafford	-	-	35	-	-	-	-	-	35
Cash-Comerica State Wire	(930)	-	-	-	-	-	-	-	(930)
Bond	-	-	-	-	-	-	-	-	-
Cash-Payroll	701,746	-	(669,305)	(62,791)	-	-	-	-	(30,350)
JC One Card	13,582	-	-	-	-	-	-	-	13,582
Ref Pay	6,729	-	-	-	-	-	-	-	6,729
Athletic Checking	4,047	-	-	-	-	-	-	-	4,047
Cultural Affairs Checking	6,996	-	-	-	-	-	-	-	6,996
MNJTP	-	-	-	1,422,419	-	-	-	-	1,422,419
Cash-Huntington Capial Project	-	-	-	-	-	-	-	-	-
MILAF	2,000,000	8,010,559	-	-	-	-	-	-	10,010,559
Certificates of deposit	-	-	-	-	-	-	-	-	-
Insurance HRA	4,870	-	-	-	-	-	-	-	4,870
	<u>4,805,978</u>	<u>8,190,366</u>	<u>(265,841)</u>	<u>1,401,317</u>	<u>10,325</u>	<u>918,110</u>	<u>2,431,560</u>	<u>184,258</u>	<u>17,676,073</u>
Investments									
Common Stock	-	-	-	-	15,566	-	-	-	15,566
Total cash and investments	<u>\$ 4,805,978</u>	<u>\$ 8,190,366</u>	<u>\$ (265,841)</u>	<u>\$ 1,401,317</u>	<u>\$ 25,891</u>	<u>\$ 918,110</u>	<u>\$ 2,431,560</u>	<u>\$ 184,258</u>	<u>\$ 17,691,639</u>

Jackson College
 Billing Contact Hours
 June 30, 2018
 Preliminary - Unaudited

	Budgeted FY 18	Actual FY 18	Actual Percentage	Actual FY 17	Prior Year Percentage
Semester:					
Fall	52,920	52,464	99.1%	53,292	98.4%
Winter	48,216	47,651	98.8%	50,032	95.2%
Spring	16,464	18,757	113.9%	17,308	108.4%
Total	117,600	118,872	101.1%	120,632	98.5%

