



Financial Report

Presented to
President Daniel Phelan
Jackson College Board of Trustees



Prepared by the Business Office
April 30, 2019

Jackson College
Memo From Darrell Norris, Vice President of Finance
For the April 30, 2019 Financial Report

Following is the April 30, 2019 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

- **Contract Training** - Revenue is performing unfavorable to budget, recommend a budget adjustment.
- **Potter Center Activities** - Revenue is performing unfavorable budget due to timing.
- **Miscellaneous Income** - Revenue is performing unfavorable to budget due to increased bad debt collections, recommend a budget adjustment.
- **Transfers** - JC Foundation support for SmartThink tutoring was a one time unplanned transfer, recommend a budget adjustment.

Expenses

- **Wages/Benefits** - Savings are attributable to vacant positions, we expect savings to get smaller as the fiscal year progresses. A budget adjustment is recommended.
- **Services - Staffing Agency** - Savings due to timing, we expect savings to get smaller as the fiscal year progresses.
- **Services** - Actuals are lower than planned budget, a budget adjustment is recommended.
- **Materials** - Actuals are lower than planned budget, a budget adjustment is recommended.
- **Rent, utilities, insurance** - Actual expenses are lower than planned budget due to utility savings, a budget adjustment is recommended.
- **Other Operating Costs** - Actuals are lower than planned budget, a budget adjustment is recommended.
- **Capital Equipment** - Actuals are lower than planned budget, a budget adjustment is recommended.

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Other Notes

- **Cash and Investments** - The Board directed MILAF investment strategy was operationalized in May 2018. At April 30, 2019 interest revenues have already exceeded \$180,000. These earnings are designated for future operations.

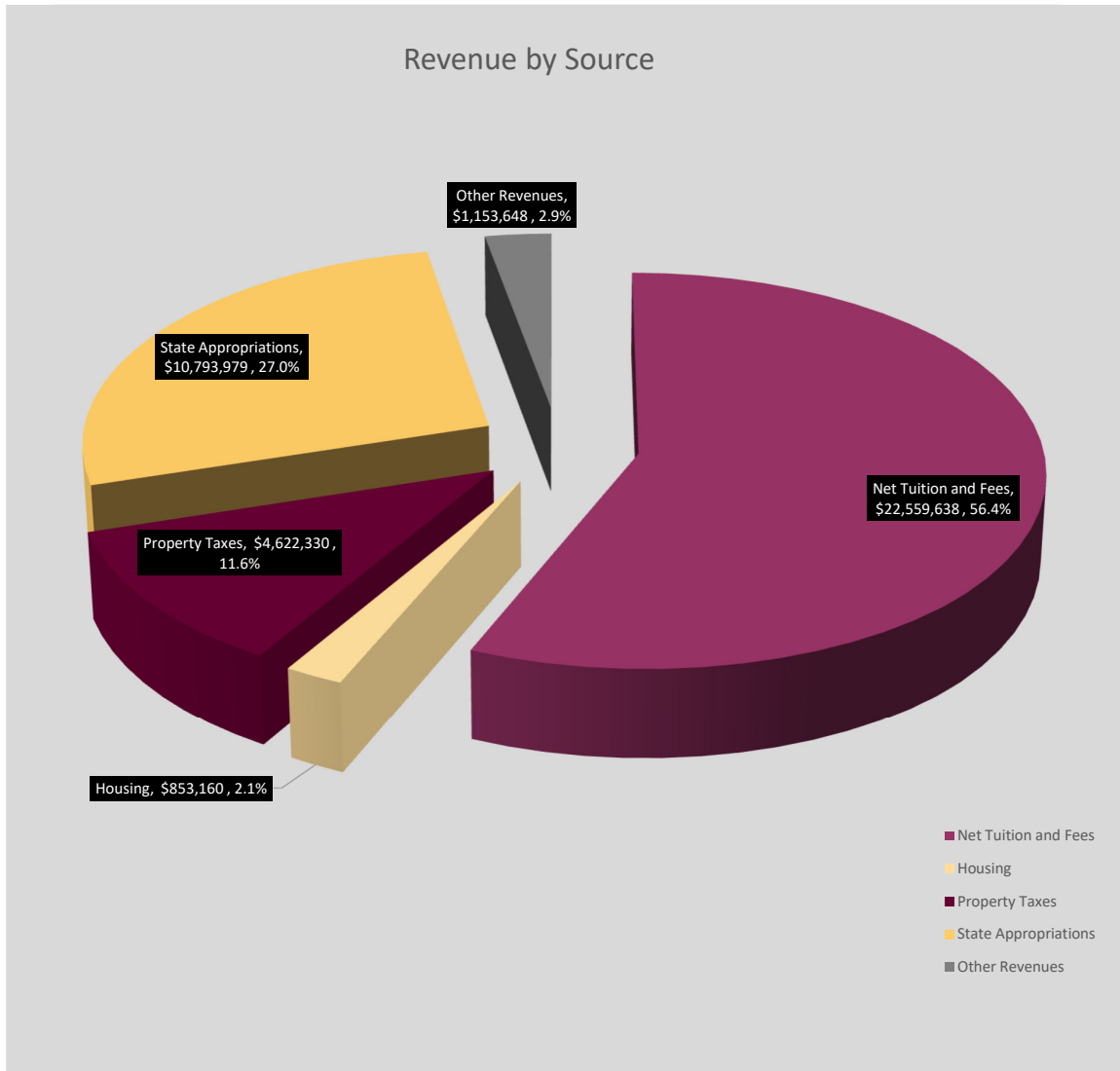
- **Looking Ahead** - The College's revenues remain stable due to the addition of Summer Semester Pell Grants and the 2nd Chance Pell grant experiment. In the uncertainty that the 2nd Chance Pell Grant experiment will be made permanent, the College is adding expenses conservatively.

Jackson College
Revenue and Expense Statement
General Fund - FY 19
For the Ten Months Ended April 30, 2019
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
Revenue						
Gross tuition and fees	\$ 27,720,000	\$ 23,346,649	84.2%	86.0%	\$ (492,551)	\$ 22,950,113
Less Institutional Scholarships	(900,000)	(787,011)	87.4%	86.0%	(13,011)	(751,220)
Net tuition and fees	<u>26,820,000</u>	<u>22,559,638</u>	84.1%	86.0%	(505,562)	22,198,893
Housing	900,000	853,160	94.8%	95.0%	(1,840)	623,575
Property taxes	5,050,000	4,622,330	91.5%	91.0%	26,830	4,725,027
State appropriations	12,952,775	10,793,979	83.3%	83.3%	4,317	10,667,417
Contract training	100,000	143,594	143.6%	83.3%	60,294	77,651
Potter Center activities	447,000	354,912	79.4%	83.3%	(17,439)	390,414
Miscellaneous	620,000	626,652	101.1%	83.3%	110,192	686,977
Transfers	7,500	28,490	379.9%	83.3%	22,242	63,116
Total revenues	<u>46,897,275</u>	<u>39,982,755</u>	85.3%	86.1%	(300,966)	39,433,070
Expenses						
Wages	17,454,000	13,292,294	76.2%	80.8%	(810,537)	13,610,942
Retirement	4,846,449	3,650,707	75.3%	80.8%	(265,224)	3,741,373
Benefits	3,125,000	2,489,119	79.7%	83.3%	(114,006)	2,786,790
Services - Staffing Agency	4,591,500	3,604,430	78.5%	80.8%	(105,502)	3,671,163
Services	3,132,682	2,276,056	72.7%	83.3%	(333,468)	2,128,530
Materials	2,136,400	1,671,136	78.2%	83.3%	(108,485)	1,883,647
Rent, utilities, insurance	1,900,000	1,451,007	76.4%	83.3%	(131,693)	1,460,224
Other operating costs	3,614,393	2,511,107	69.5%	83.3%	(499,682)	2,525,764
Transfers	750,000	625,000	83.3%	83.3%	250	520,027
Transfers-debt service	4,600,713	3,833,927	83.3%	83.3%	1,533	3,606,111
Capital equipment	746,000	375,129	50.3%	83.3%	(246,289)	371,926
Total expenses	<u>46,897,137</u>	<u>35,779,912</u>	76.3%	82.6%	(2,613,103)	36,306,497
Income over (under) expenses	<u>\$ 138</u>	<u>\$ 4,202,843</u>			<u>\$ 2,312,137</u>	<u>\$ 3,126,573</u>

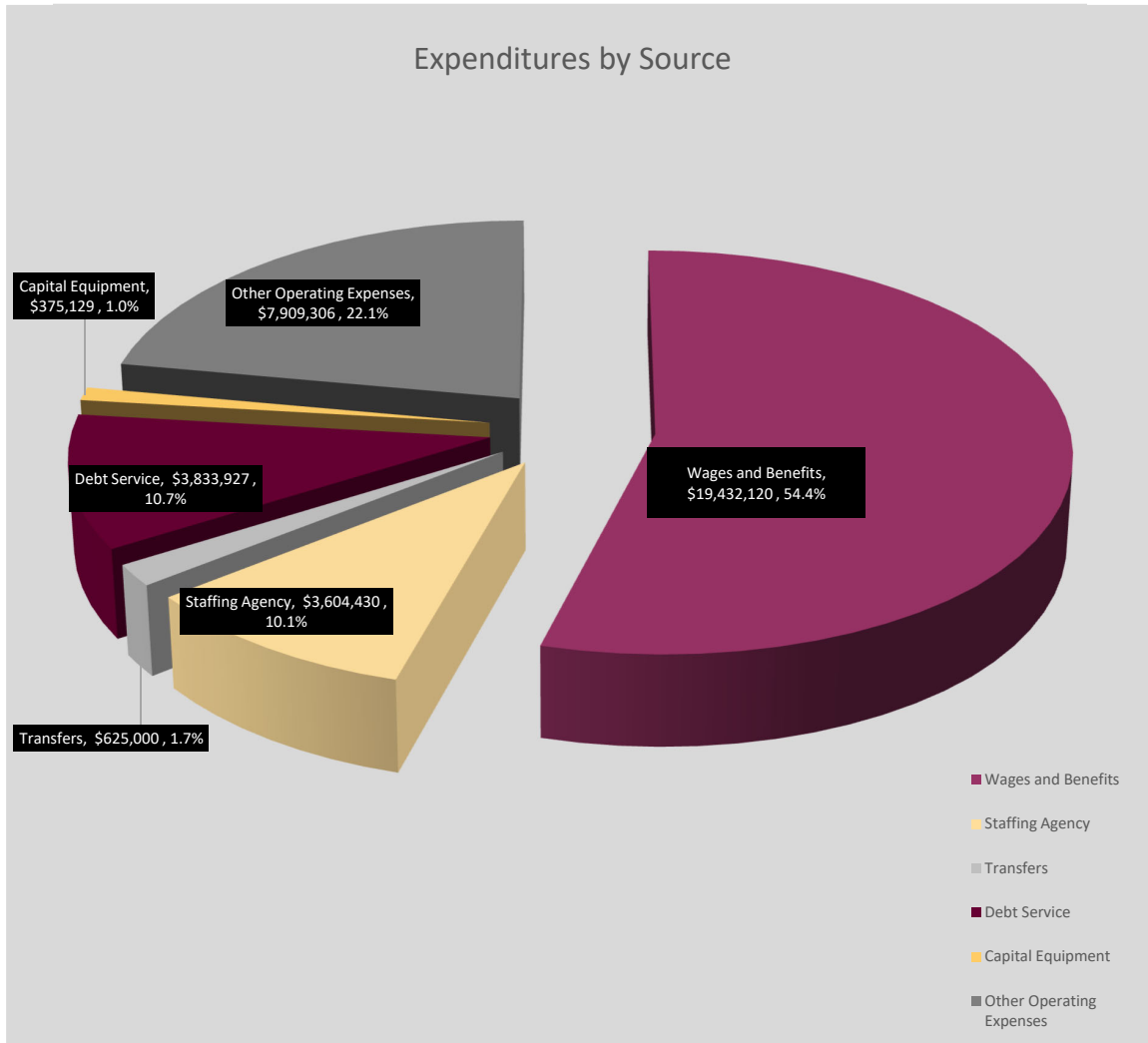
Jackson College
General Fund Revenue - FY 19
For the Ten Months Ended April 30, 2019

\$39,982,755



Jackson College
General Fund Expenditures - FY 19
For the Ten Months Ended April 30, 2019

\$35,779,912



Jackson College
Balance Sheet and Changes in Fund Balance - FY 19
April 30, 2019
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
Assets							
Cash	\$ 6,285,365	\$ 9,684,043	\$ 1,133,231	\$ 11,547	\$ 3,458,535	\$ 252,873	\$ 20,825,594
Investments	-	-	-	17,408	-	-	17,408
Accounts receivable	3,905,971	-	-	-	57,676	(1,205)	3,962,442
Inventories	27,796	-	-	-	-	-	27,796
Other assets	485,650	-	100,190	-	74,939,256	-	75,525,096
Total assets	10,704,782	9,684,043	1,233,421	28,955	78,455,467	251,668	100,358,336
Liabilities and Fund Balance							
Accounts payable	309,079	-	1,285	-	-	1,723	312,087
Accrued liabilities	2,707,745	-	-	-	30,756,350	-	33,464,095
Deferred liabilities	2,534,677	-	-	-	-	-	2,534,677
Unearned revenue	184,409	-	-	-	-	-	184,409
Other liabilities	64,230	-	1,290	-	-	1,000	66,520
Total liabilities	5,800,140	-	2,575	-	30,756,350	2,723	36,561,788
Fund balance	4,904,642	9,684,043	1,230,846	28,955	47,699,117	248,945	63,796,548
Total liabilities and fund balance	\$ 10,704,782	\$ 9,684,043	\$ 1,233,421	\$ 28,955	\$ 78,455,467	\$ 251,668	\$ 100,358,336
Beginning fund balance							
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	360,523	27,733	-	-	566,723
Future Operations	701,799	9,306,064	-	-	-	187,338	10,195,201
	\$ 701,799	\$ 9,484,531	\$ 360,523	\$ 27,733	\$ 44,617,684	\$ 187,338	\$ 55,379,608
Current year income	39,982,755	199,512	22,011,083	1,222	4,482,139	213,080	66,889,791
Current year expenses	35,779,912	-	21,140,760	-	1,400,706	151,473	58,472,851
Ending fund balance	\$ 4,904,642	\$ 9,684,043	\$ 1,230,846	\$ 28,955	\$ 47,699,117	\$ 248,945	\$ 63,796,548

Jackson College
 Balance Sheet
 Building and Site Fund - FY 19
 April 30, 2019
 Preliminary - Unaudited

	Building and Site Fund
Assets	
Cash	\$ 1,778,677
Investments	-
Accounts receivable	21,617
Due from other funds	-
	-
Total assets	1,800,294
Liabilities and Fund Balance	
Accounts payable	-
Other liabilities	-
	-
Total liabilities	-
Fund balance	1,800,294
Total liabilities and fund balance	\$ 1,800,294

Jackson College
 Statement of Changes in Fund Balance
 Building and Site Fund
 For the Ten Months Ended April 30, 2019
 Preliminary - Unaudited

	Balance July 1, 2018	Revenue	Expenditures	Balance April 30, 2019
Major Maintenance and Equipment Replacement	\$ 1,543,979	\$ 646,309	\$ 389,994	\$ 1,800,294
Total	\$ 1,543,979	\$ 646,309	\$ 389,994	\$ 1,800,294

Jackson College
Cash and Investments by Fund - FY 19
April 30, 2019
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	Grants Fund	Endowment Fund	Building and Site	Physical Plant	Activities Fund	Total
Cash									
Petty Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,646	\$ 2,646
Cash-Comerica Bank Pooled	3,304,736	1,242,622	53,845	41,174	11,547	1,778,677	1,679,858	250,132	8,362,591
Cash-Comerica Federal Funds	-	-	1,963	-	-	-	-	-	1,963
Cash-So Mich National	64,569	-	3,430	-	-	-	-	-	67,999
VISA Account	231,227	-	-	-	-	-	-	95	231,322
Cash-United Bank	85,666	-	11,411	-	-	-	-	-	97,077
Cash-Federal Stafford	-	-	4,953	-	-	-	-	-	4,953
Cash-Comerica State Wire	14,875	-	-	-	-	-	-	-	14,875
Cash-Payroll	543,131	-	(82,688)	(464,502)	-	-	-	-	(4,059)
JC One Card	14,439	-	-	-	-	-	-	-	14,439
Ref Pay	15,073	-	-	-	-	-	-	-	15,073
Athletic Checking	1,492	-	-	-	-	-	-	-	1,492
Cultural Affairs Checking	4,083	-	-	-	-	-	-	-	4,083
MNJTP	-	-	-	1,563,645	-	-	-	-	1,563,645
Certificates of Deposit	-	253,409	-	-	-	-	-	-	253,409
MILAF	2,000,000	8,188,012	-	-	-	-	-	-	10,188,012
Insurance HRA	6,074	-	-	-	-	-	-	-	6,074
	<u>6,285,365</u>	<u>9,684,043</u>	<u>(7,086)</u>	<u>1,140,317</u>	<u>11,547</u>	<u>1,778,677</u>	<u>1,679,858</u>	<u>252,873</u>	<u>20,825,594</u>
Investments									
Common Stock	-	-	-	-	17,408	-	-	-	17,408
Total cash and investments	<u>\$ 6,285,365</u>	<u>\$ 9,684,043</u>	<u>\$ (7,086)</u>	<u>\$ 1,140,317</u>	<u>\$ 28,955</u>	<u>\$ 1,778,677</u>	<u>\$ 1,679,858</u>	<u>\$ 252,873</u>	<u>\$ 20,843,002</u>

Jackson College
 Billing Contact Hours
 April 30, 2019
 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	46,039	95.0%	47,651	96.6%
Spring	17,723	-	0.0%	18,757	0.0%
Total	118,150	95,367	80.7%	118,872	80.2%

