



Financial Report

Presented to
President Daniel Phelan
Jackson College Board of Trustees



Prepared by the Business Office
February 28, 2019

Jackson College
Memo From Darrell Norris, Vice President of Finance
For the February 28, 2019 Financial Report

Following is the February 29, 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 performed favorable to budget. It is too early to tell if this is due to timing or a conservative budget estimate.
- **Miscellaneous Income** - Revenue performed favorable to budget. It is too early to tell if this is due to timing or a conservative budget estimate.
- **Transfers** - Revenue performed favorable to budget, will be recommending a budget adjustment.

Expenses

- **Wages/Benefits** - Savings from vacant positions, we expect savings to get smaller as the fiscal year progresses. Budget Adjustment Recommended
- **Services - Staffing Agency** - Savings due to timing, we expect savings to get smaller as the fiscal year progresses.
- **Services** - Actuals lower than planned budget. Budget Adjustment Recommended
- **Materials** - Spending is ahead of plan due to many supplies being required at the beginning of the semester. Budget Adjustment Recommended
- **Rent, utilities, insurance** - Lower than budget, due to utility savings. Budget Adjustment Recommended
- **Other Operating Costs** - Actuals lower than planned budget. Budget Adjustment Recommended
- **Capital Equipment** - Actuals lower than budget. Budget Adjustment Recommended

Other Notes

- **Cash and Investments** - The Board directed MILAF investment strategy was operationalized in May 2018. At February 28, 2019 interest revenues have already exceeded \$140,000. These earnings are designated for future operations.

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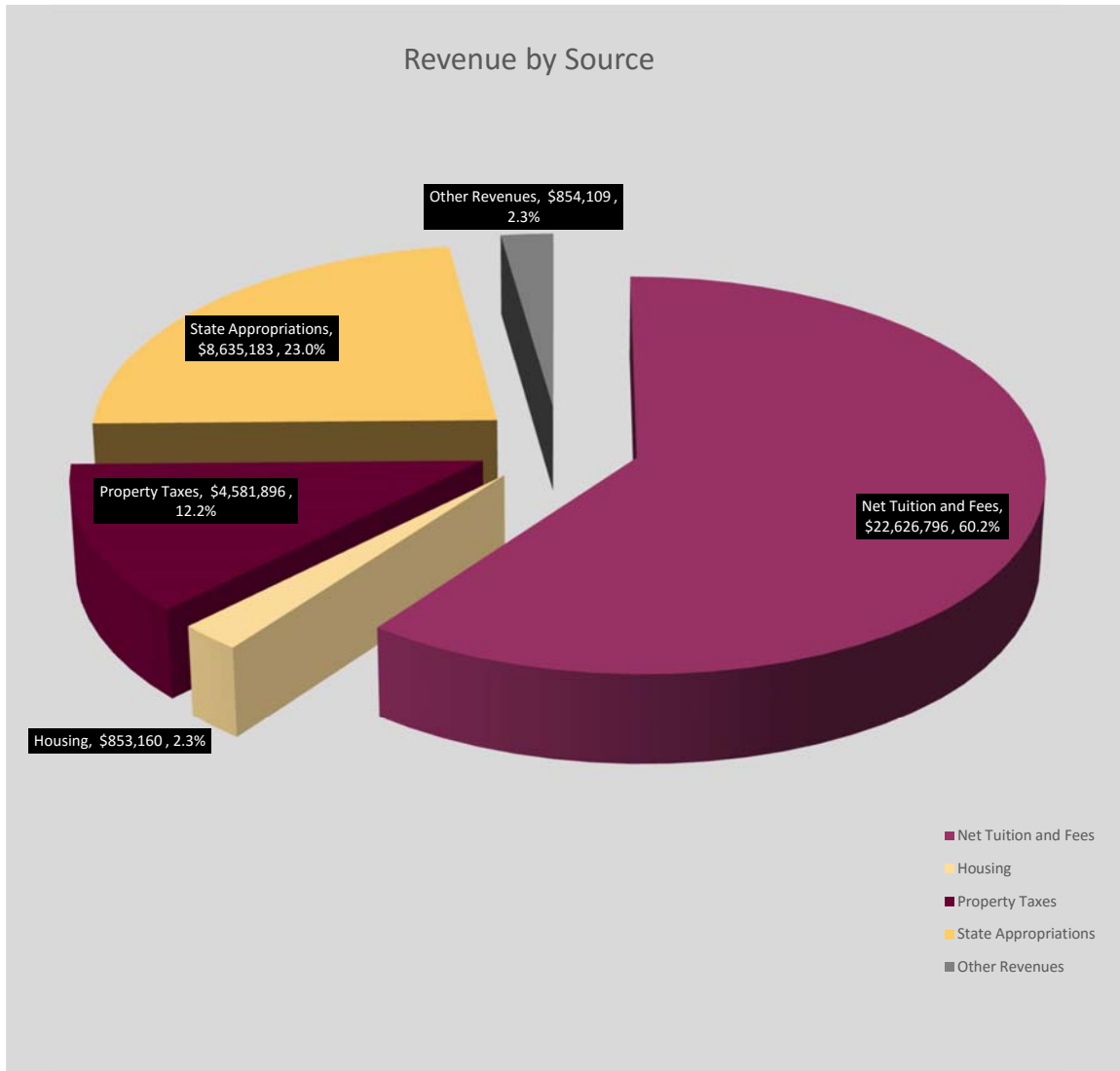
- **Looking Ahead** - The College's revenues remain stable due to the addition of Summer Semester Pell Grants and the 2nd Chance Pell grant experiment. In the uncertainty that the 2nd Chance Pell Grant experiment will be made permanent, the College is adding expenses conservatively.

Jackson College
Revenue and Expense Statement
General Fund - FY 19
For the Eights Months Ended February 28, 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)	\$ 22,959,622
Less Institutional Scholarships	(900,000)	(719,853)	80.0%	86.0%	54,147	(992,065)
Net tuition and fees	<u>26,820,000</u>	<u>22,626,796</u>	84.4%	86.0%	(438,404)	21,967,557
Housing	900,000	853,160	94.8%	95.0%	(1,840)	623,575
Property taxes	5,050,000	4,581,896	90.7%	88.8%	97,496	4,503,490
State appropriations	12,952,775	8,635,183	66.7%	66.7%	(4,318)	8,554,858
Contract training	100,000	97,259	97.3%	66.7%	30,559	41,781
Potter Center activities	447,000	292,638	65.5%	66.7%	(5,511)	232,453
Miscellaneous	620,000	438,260	70.7%	66.7%	24,720	578,462
Transfers	<u>7,500</u>	<u>25,952</u>	346.0%	66.7%	20,949	59,490
Total revenues	<u>46,897,275</u>	<u>37,551,144</u>	80.1%	73.9%	(276,349)	36,561,666
Expenses						
Wages	17,454,000	10,753,173	61.6%	65.4%	(661,742)	11,065,583
Retirement	4,846,449	2,986,364	61.6%	65.4%	(183,214)	3,042,623
Benefits	3,125,000	2,002,193	64.1%	66.7%	(82,182)	2,001,410
Services - Staffing Agency	4,591,500	2,806,662	61.1%	65.4%	(196,179)	2,885,760
Services	3,132,682	1,724,974	55.1%	66.7%	(364,525)	1,750,749
Materials	2,136,400	1,484,126	69.5%	66.7%	59,147	1,523,421
Rent, utilities, insurance	1,900,000	1,223,195	64.4%	66.7%	(44,105)	1,194,273
Other operating costs	3,614,393	1,988,591	55.0%	66.7%	(422,209)	2,023,317
Transfers	750,000	500,000	66.7%	66.7%	(250)	520,977
Transfers-debt service	4,600,713	3,067,142	66.7%	66.7%	(1,534)	2,884,890
Capital equipment	<u>746,000</u>	<u>328,571</u>	44.0%	66.7%	(169,011)	347,554
Total expenses	<u>46,897,137</u>	<u>28,864,991</u>	61.5%	66.3%	(2,065,804)	29,240,557
Income over (under) expenses	<u>\$ 138</u>	<u>\$ 8,686,153</u>			<u>\$ 1,789,455</u>	<u>\$ 7,321,109</u>

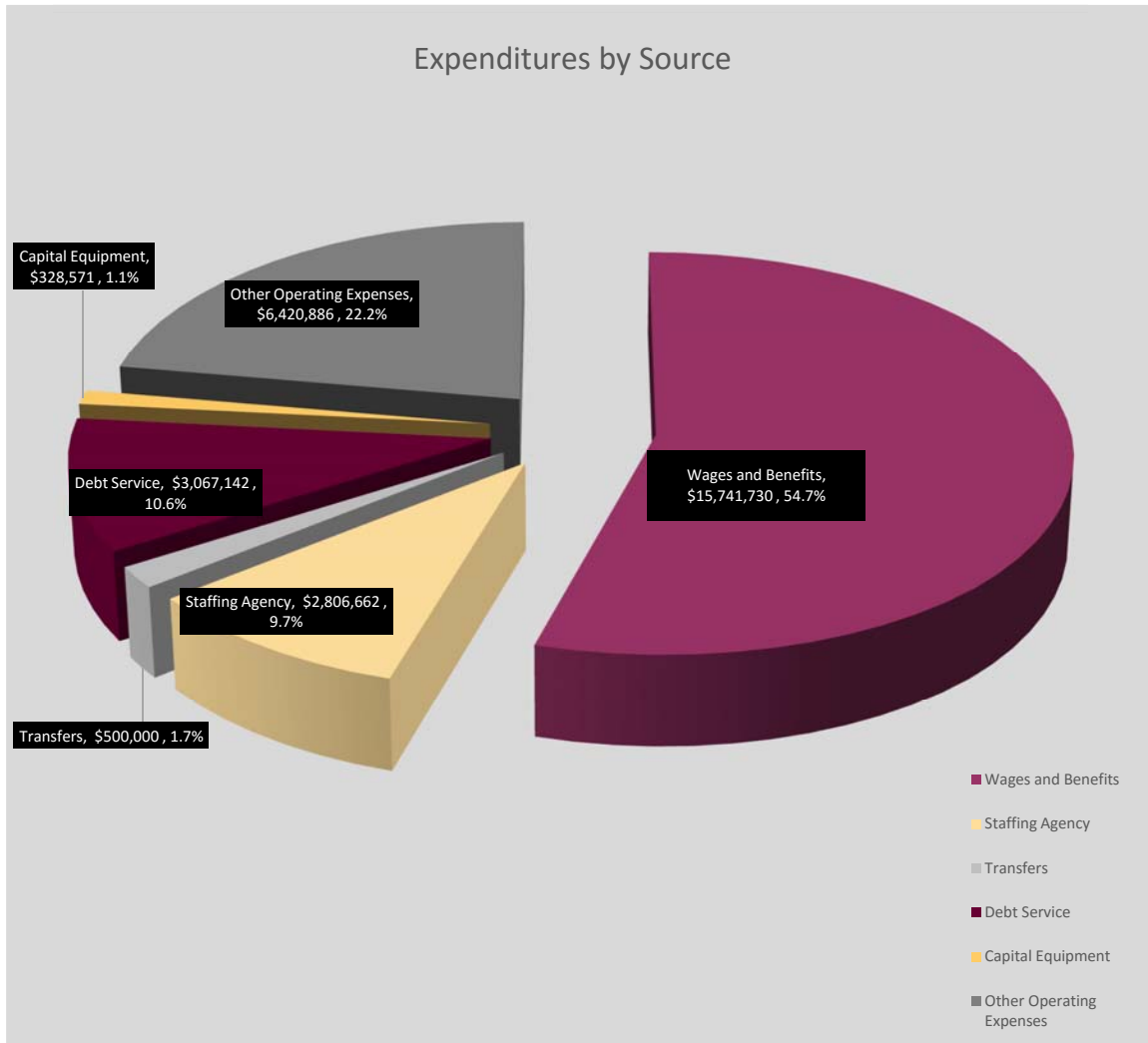
Jackson College
General Fund Revenue - FY 19
For the Eights Months Ended February 28, 2019

\$37,551,144



Jackson College
General Fund Expenditures - FY 19
For the Eights Months Ended February 28, 2019

\$28,864,991



Jackson College
Balance Sheet and Changes in Fund Balance - FY 19
February 28, 2019
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
Assets							
Cash	\$ 7,835,412	\$ 9,632,477	\$ 475,466	\$ 11,512	\$ 6,709,383	\$ 266,011	\$ 24,930,261
Investments	-	-	-	17,408	-	-	17,408
Accounts receivable	7,955,354	-	-	-	61,424	(1,205)	8,015,573
Inventories	27,796	-	-	-	-	-	27,796
Other assets	396,773	-	234,109	-	74,939,256	-	75,570,138
Total assets	16,215,335	9,632,477	709,575	28,920	81,710,063	264,806	108,561,176
Liabilities and Fund Balance							
Accounts payable	757,415	-	44,612	-	10,877	11,653	824,557
Accrued liabilities	2,960,554	-	-	-	34,346,350	-	37,306,904
Deferred liabilities	2,514,177	-	-	-	-	-	2,514,177
Unearned revenue	185,826	-	-	-	-	-	185,826
Other liabilities	409,411	-	1,290	-	-	100	410,801
Total liabilities	6,827,383	-	45,902	-	34,357,227	11,753	41,242,265
Fund balance	9,387,952	9,632,477	663,673	28,920	47,352,836	253,053	67,318,911
Total liabilities and fund balance	\$ 16,215,335	\$ 9,632,477	\$ 709,575	\$ 28,920	\$ 81,710,063	\$ 264,806	\$ 108,561,176
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	37,551,144	147,946	19,114,317	1,187	3,590,087	184,517	60,589,198
Current year expenses	28,864,991	-	18,811,167	-	854,935	118,802	48,649,895
Ending fund balance	\$ 9,387,952	\$ 9,632,477	\$ 663,673	\$ 28,920	\$ 47,352,836	\$ 253,053	\$ 67,318,911

Jackson College
 Balance Sheet
 Building and Site Fund - FY 19
 February 28, 2019
 Preliminary - Unaudited

	Building and Site Fund
Assets	
Cash	\$ 1,704,968
Investments	-
Accounts receivable	21,976
Due from other funds	-
	-
Total assets	1,726,944
Liabilities and Fund Balance	
Accounts payable	10,877
Other liabilities	-
	-
Total liabilities	10,877
Fund balance	1,716,067
Total liabilities and fund balance	\$ 1,726,944

Jackson College
 Statement of Changes in Fund Balance
 Building and Site Fund
 For the Eight Months Ended February 28, 2019
 Preliminary - Unaudited

	Balance July 1, 2018	Revenue	Expenditures	Balance February 28, 2019
Major Maintenance and Equipment Replacement	\$ 1,543,979	\$ 521,668	\$ 349,580	\$ 1,716,067
Total	\$ 1,543,979	\$ 521,668	\$ 349,580	\$ 1,716,067

Jackson College
Cash and Investments by Fund - FY 19
February 28, 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	5,560,295	1,238,522	157,429	48,045	11,512	1,704,968	5,004,415	262,230	13,987,416
Cash-Comerica Federal Funds	-	-	3,006	-	-	-	-	-	3,006
Cash-So Mich National	57,942	-	2,629	-	-	-	-	-	60,571
VISA Account	100,539	-	-	-	-	-	-	1,135	101,674
Cash-United Bank	61,508	-	8,250	-	-	-	-	-	69,758
Cash-Federal Stafford	-	-	9,953	-	-	-	-	-	9,953
Cash-Comerica State Wire	1,663	-	-	-	-	-	-	-	1,663
Cash-Payroll	7,979	-	(900,629)	(384,238)	-	-	-	-	(1,276,888)
JC One Card	14,570	-	-	-	-	-	-	-	14,570
Ref Pay	16,806	-	-	-	-	-	-	-	16,806
Athletic Checking	4,362	-	-	-	-	-	-	-	4,362
Cultural Affairs Checking	4,878	-	-	-	-	-	-	-	4,878
MNJTP	-	-	-	1,531,021	-	-	-	-	1,531,021
Certificates of Deposit	-	251,655	-	-	-	-	-	-	251,655
MILAF	2,000,000	8,142,300	-	-	-	-	-	-	10,142,300
Insurance HRA	4,870	-	-	-	-	-	-	-	4,870
	<u>7,835,412</u>	<u>9,632,477</u>	<u>(719,362)</u>	<u>1,194,828</u>	<u>11,512</u>	<u>1,704,968</u>	<u>5,004,415</u>	<u>266,011</u>	<u>24,930,261</u>
Investments									
Common Stock	-	-	-	-	17,408	-	-	-	17,408
Total cash and investments	<u>\$ 7,835,412</u>	<u>\$ 9,632,477</u>	<u>\$ (719,362)</u>	<u>\$ 1,194,828</u>	<u>\$ 28,920</u>	<u>\$ 1,704,968</u>	<u>\$ 5,004,415</u>	<u>\$ 266,011</u>	<u>\$ 24,947,669</u>

Jackson College
 Billing Contact Hours
 February 28, 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%

