



## Financial Report

Presented to  
President Daniel Phelan  
Jackson College Board of Trustees



Prepared by the Business Office  
November 30, 2018

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

Following is the November 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 2018-2019 Budget as adopted at the June 2018 Board of Trustees meeting.

**Revenues**

- **Housing** - 18/FL actuals performed favorably compared to budget as efforts are being made to recruit and retain Housing students.
- **Contract Training** - Revenue performed favorable to budget. It is too early to tell if this is due to timing or a conservative budget estimate.
- **Potter Center** - 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 of a conservative budget estimate.
- **Transfers** - Variance is due to timing.

**Expenses**

- **Services - Staffing Agency** - Savings due to timing, we expect savings to get smaller as the fiscal year progresses.
- **Services** - Lower than budget, but is due to the timing of services used.
- **Materials** - IT software purchases that require full payment in the first quarter of the fiscal year.
- **Rent, utilities, insurance** - Under budget to date, variance is timing.
- **Other Operating Costs** - Under budget to date, variance is timing.
- **Capital Equipment** - Under budget to date, variance is timing.

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**Other Notes**

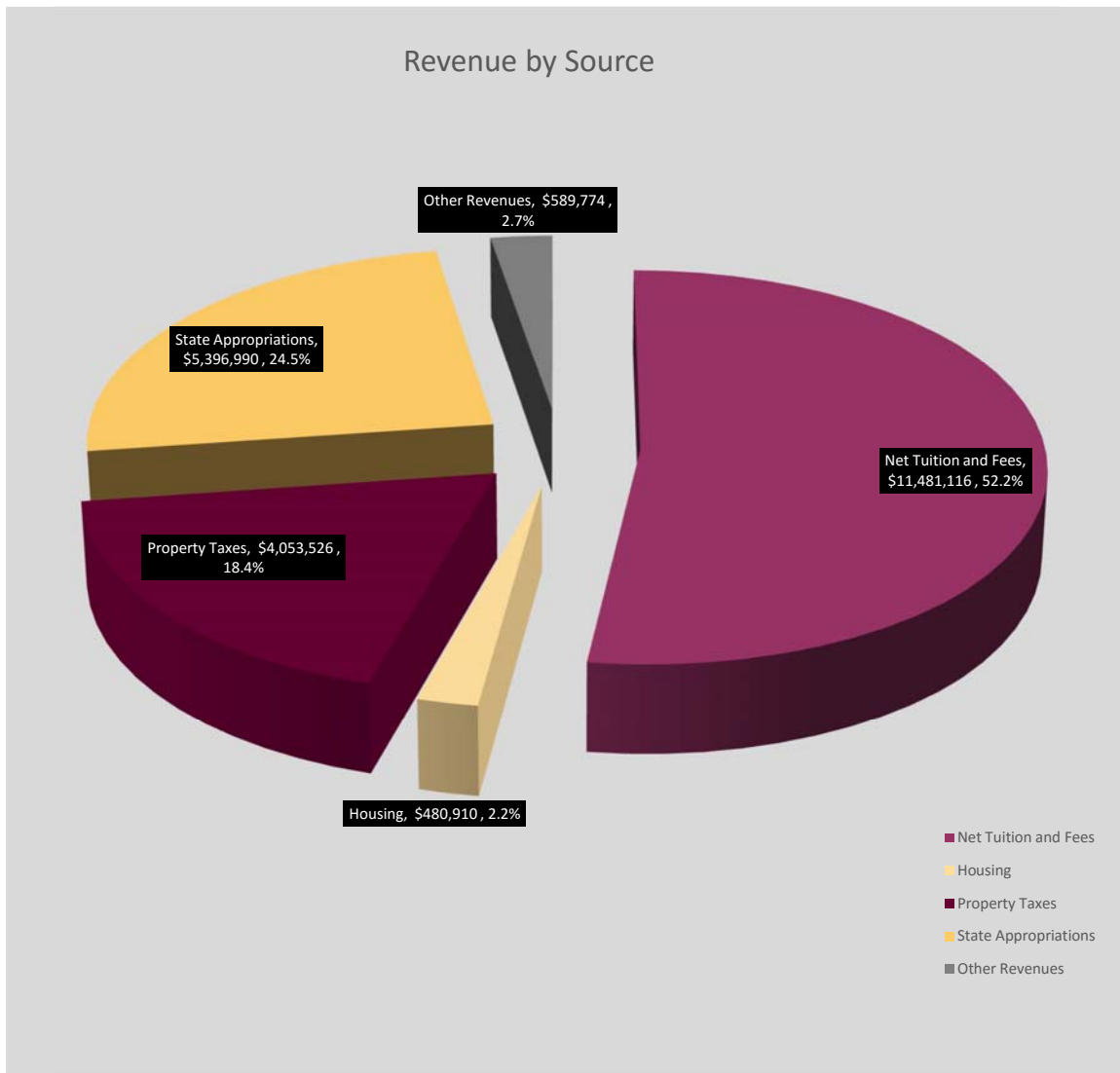
- **Cash and Investments** - The Board directed MILAF investment strategy was operationalized in May 2018. At November 30, 2018 interest revenues have already exceeded \$60,000. These earnings are designated for future operations.
  
- **Looking Ahead** - The College's revenues remain stable due to the 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 Five Months Ended November 30, 2018  
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
<b>Revenue</b>						
Gross tuition and fees	\$ 27,720,000	\$ 11,801,970	42.6%	44.0%	\$ (394,830)	\$ 11,986,208
Less Institutional Scholarships	(900,000)	(320,854)	35.7%	45.0%	84,146	(375,136)
Net tuition and fees	<u>26,820,000</u>	<u>11,481,116</u>	42.8%	44.5%	(310,684)	11,611,072
Housing	900,000	480,910	53.4%	50.0%	30,910	381,975
Property taxes	5,050,000	4,053,526	80.3%	80.0%	13,526	3,931,139
State appropriations	12,952,775	5,396,990	41.7%	41.7%	(4,317)	5,282,333
Contract training	100,000	53,855	53.9%	41.7%	12,155	24,115
Potter Center activities	447,000	224,289	50.2%	41.7%	37,890	134,077
Miscellaneous	620,000	308,004	49.7%	41.7%	49,464	315,033
Transfers	7,500	3,626	48.3%	41.7%	498	41,319
<b>Total revenues</b>	<u>46,897,275</u>	<u>22,002,316</u>	46.9%	48.4%	(170,558)	21,721,063
<b>Expenses</b>						
Wages	17,454,000	7,088,144	40.6%	42.3%	(294,897)	6,689,289
Retirement	4,846,449	2,026,875	41.8%	42.3%	(23,173)	1,836,475
Benefits	3,125,000	1,232,823	39.5%	41.7%	(70,302)	1,246,479
Services - Staffing Agency	4,591,500	1,812,896	39.5%	42.3%	(129,309)	1,652,536
Services	3,132,682	1,079,432	34.5%	41.7%	(226,896)	1,099,546
Materials	2,136,400	942,674	44.1%	41.7%	51,795	1,181,521
Rent, utilities, insurance	1,900,000	745,521	39.2%	41.7%	(46,779)	747,935
Other operating costs	3,614,393	1,357,551	37.6%	41.7%	(149,651)	1,387,809
Transfers	750,000	312,500	41.7%	41.7%	(250)	434,148
Transfers-debt service	4,600,713	1,916,964	41.7%	41.7%	(1,533)	1,803,056
Capital equipment	746,000	175,933	23.6%	41.7%	(135,149)	267,677
<b>Total expenses</b>	<u>46,897,137</u>	<u>18,691,313</u>	39.9%	41.9%	(1,026,144)	18,346,471
<b>Income over (under) expenses</b>	<u>\$ 138</u>	<u>\$ 3,311,003</u>			<u>\$ 855,586</u>	<u>\$ 3,374,592</u>

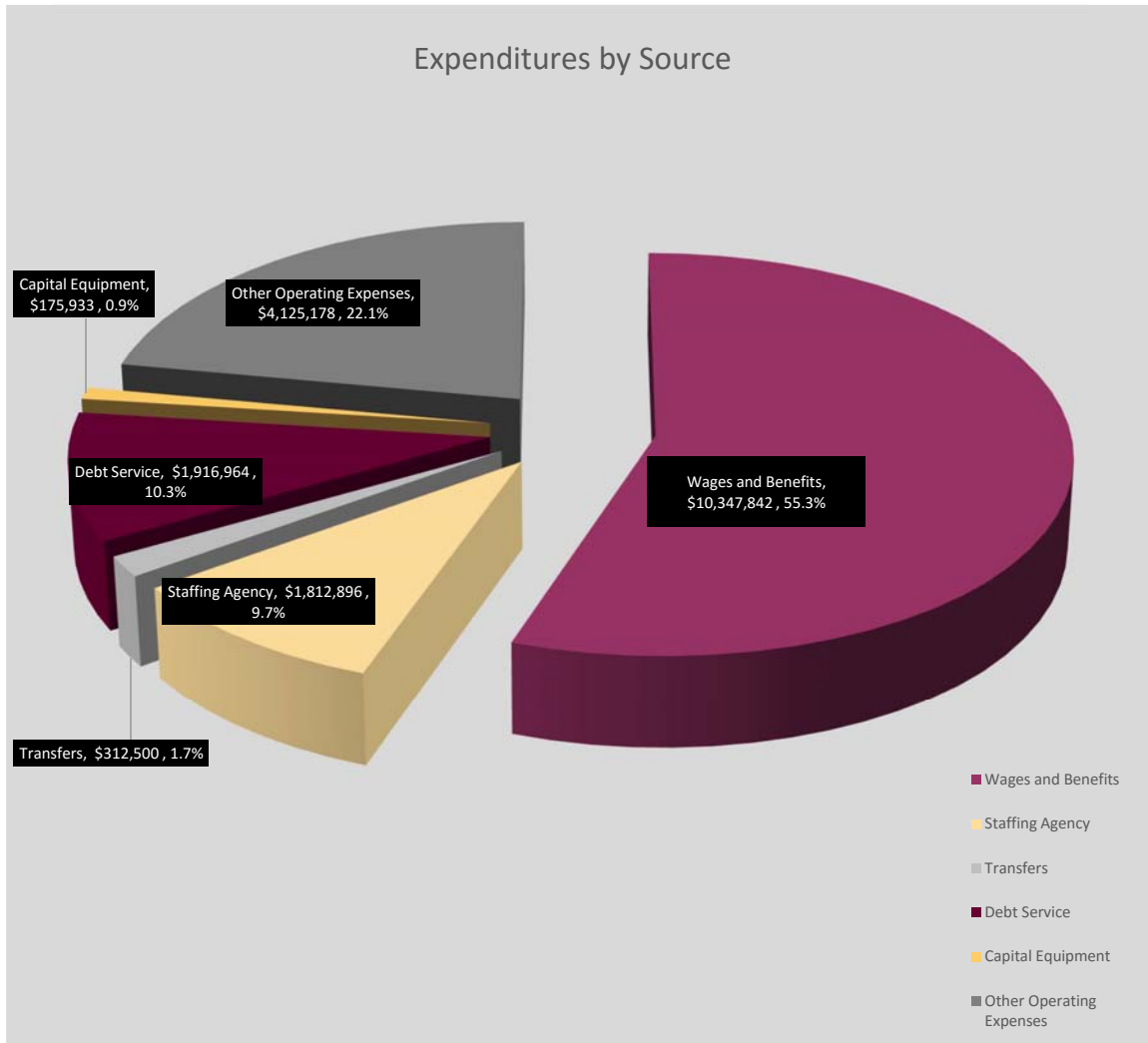
Jackson College  
General Fund Revenue - FY 19  
For the Five Months Ended November 30, 2018

\$22,002,316



Jackson College  
General Fund Expenditures - FY 19  
For the Five Months Ended November 30, 2018

\$18,691,313



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

	General Fund	Designated Fund	Restricted Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
<b>Assets</b>							
Cash	\$ 4,406,970	\$ 9,543,426	\$ 803,391	\$ 10,360	\$ 5,411,058	\$ 259,023	\$ 20,434,228
Investments	-	-	-	17,408	-	-	17,408
Accounts receivable	5,409,773	-	-	-	61,197	(1,205)	5,469,765
Inventories	27,796	-	-	-	-	-	27,796
Other assets	258,910	-	177,019	-	74,939,256	-	75,375,185
<b>Total assets</b>	<b>10,103,449</b>	<b>9,543,426</b>	<b>980,410</b>	<b>27,768</b>	<b>80,411,511</b>	<b>257,818</b>	<b>101,324,382</b>
<b>Liabilities and Fund Balance</b>							
Accounts payable	154,317	-	-	-	-	-	154,317
Accrued liabilities	2,899,328	-	-	-	34,346,350	-	37,245,678
Deferred liabilities	2,514,177	-	-	-	-	-	2,514,177
Unearned revenue	190,558	-	-	-	-	-	190,558
Other liabilities	332,258	-	1,290	-	-	100	333,648
<b>Total liabilities</b>	<b>6,090,638</b>	<b>-</b>	<b>1,290</b>	<b>-</b>	<b>34,346,350</b>	<b>100</b>	<b>40,438,378</b>
Fund balance	4,012,811	9,543,426	979,120	27,768	46,065,161	257,718	60,886,004
<b>Total liabilities and fund balance</b>	<b>\$ 10,103,449</b>	<b>\$ 9,543,426</b>	<b>\$ 980,410</b>	<b>\$ 27,768</b>	<b>\$ 80,411,511</b>	<b>\$ 257,818</b>	<b>\$ 101,324,382</b>
<b>Beginning fund balance</b>							
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	360,525	27,733	-	-	566,725
Future Operations	701,808	9,306,062	-	-	-	187,338	10,195,208
	\$ 701,808	\$ 9,484,529	\$ 360,525	\$ 27,733	\$ 44,617,684	\$ 187,338	\$ 55,379,617
Current year income	22,002,316	58,897	11,563,844	35	2,230,384	101,458	35,956,934
Current year expenses	18,691,313	-	10,945,249	-	782,907	31,078	30,450,547
<b>Ending fund balance</b>	<b>\$ 4,012,811</b>	<b>\$ 9,543,426</b>	<b>\$ 979,120</b>	<b>\$ 27,768</b>	<b>\$ 46,065,161</b>	<b>\$ 257,718</b>	<b>\$ 60,886,004</b>

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

	<b>Building and Site Fund</b>
<b>Assets</b>	
Cash	\$ 1,558,927
Investments	-
Accounts receivable	20,055
Due from other funds	-
	-
<b>Total assets</b>	1,578,982
<b>Liabilities and Fund Balance</b>	
Accounts payable	-
Other liabilities	-
	-
<b>Total liabilities</b>	-
Fund balance	1,578,982
<b>Total liabilities and fund balance</b>	\$ 1,578,982

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

	<b>Balance July 1, 2018</b>	<b>Revenue</b>	<b>Expenditures</b>	<b>Balance November 30, 2018</b>
Major Maintenance and Equipment Replacement	\$ 1,543,979	\$ 312,555	\$ 277,552	\$ 1,578,982
<b>Total</b>	\$ 1,543,979	\$ 312,555	\$ 277,552	\$ 1,578,982



Jackson College  
Cash and Investments by Fund - FY 19  
November 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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,596	\$ 2,596
Cash-Comerica Bank Pooled	1,479,475	1,482,372	877,599	267,762	10,360	1,558,927	3,852,131	256,587	9,785,213
Cash-Comerica Federal Funds	-	-	19,950	-	-	-	-	-	19,950
Cash-So Mich National	335,612	-	59,706	-	-	-	-	-	395,318
VISA Account	90,661	-	-	-	-	-	-	(190)	90,471
Cash-United Bank	455,624	-	18,200	-	-	-	-	30	473,854
Cash-Federal Stafford	-	-	14,953	-	-	-	-	-	14,953
Cash-Comerica State Wire	4,217	-	-	-	-	-	-	-	4,217
Cash-Payroll	86	-	(1,401,133)	(545,325)	-	-	-	-	(1,946,372)
JC One Card	14,769	-	-	-	-	-	-	-	14,769
Ref Pay	10,770	-	-	-	-	-	-	-	10,770
Athletic Checking	5,147	-	-	-	-	-	-	-	5,147
Cultural Affairs Checking	5,739	-	-	-	-	-	-	-	5,739
MNJTP	-	-	-	1,491,679	-	-	-	-	1,491,679
MILAF	2,000,000	8,061,054	-	-	-	-	-	-	10,061,054
Insurance HRA	4,870	-	-	-	-	-	-	-	4,870
	<u>4,406,970</u>	<u>9,543,426</u>	<u>(410,725)</u>	<u>1,214,116</u>	<u>10,360</u>	<u>1,558,927</u>	<u>3,852,131</u>	<u>259,023</u>	<u>20,434,228</u>
Investments									
Common Stock	-	-	-	-	17,408	-	-	-	17,408
Total cash and investments	<u>\$ 4,406,970</u>	<u>\$ 9,543,426</u>	<u>\$ (410,725)</u>	<u>\$ 1,214,116</u>	<u>\$ 27,768</u>	<u>\$ 1,558,927</u>	<u>\$ 3,852,131</u>	<u>\$ 259,023</u>	<u>\$ 20,451,636</u>

Jackson College  
 Billing Contact Hours  
 November 30, 2018  
 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	-	0.0%	47,651	0.0%
Spring	17,723	-	0.0%	18,757	0.0%
<b>Total</b>	<b>118,150</b>	<b>49,328</b>	<b>41.8%</b>	<b>118,872</b>	<b>41.5%</b>

