



Financial Report

Presented to
President Daniel Phelan
Jackson College Board of Trustees



Prepared by the Business Office
June 30, 2019

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

Following is the June 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 Amended Budget as adopted at the May 2019 Board of Trustees meeting.

Revenues

- **Contract Training** - Revenue is performing unfavorable of the amended budget due to increased trainings requested by employers.
- **Potter Center Activities** - Revenue is performing unfavorable to budget, as final adjustments are
- **Miscellaneous Income** - Revenue is performing unfavorable to budget due to unplanned insurance claims revenue and higher than anticipated meal plan revenue.
- **Transfers** - JC Foundation support for Arts endowment was larger than planned.

Expenses

- **Services - Staffing Agency** - Performing unfavorable to budget. Spring adjunct costs were below plan.
- **Transfers** - Higher compared to amended budget due to unfavorable budget performance.
- **Transfers - debt service** - Higher compared to amended budget due to unfavorable budget performance.
- **Capital Equipment** - Budget adjustment was unfavorable to actual expenses.

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Other Notes

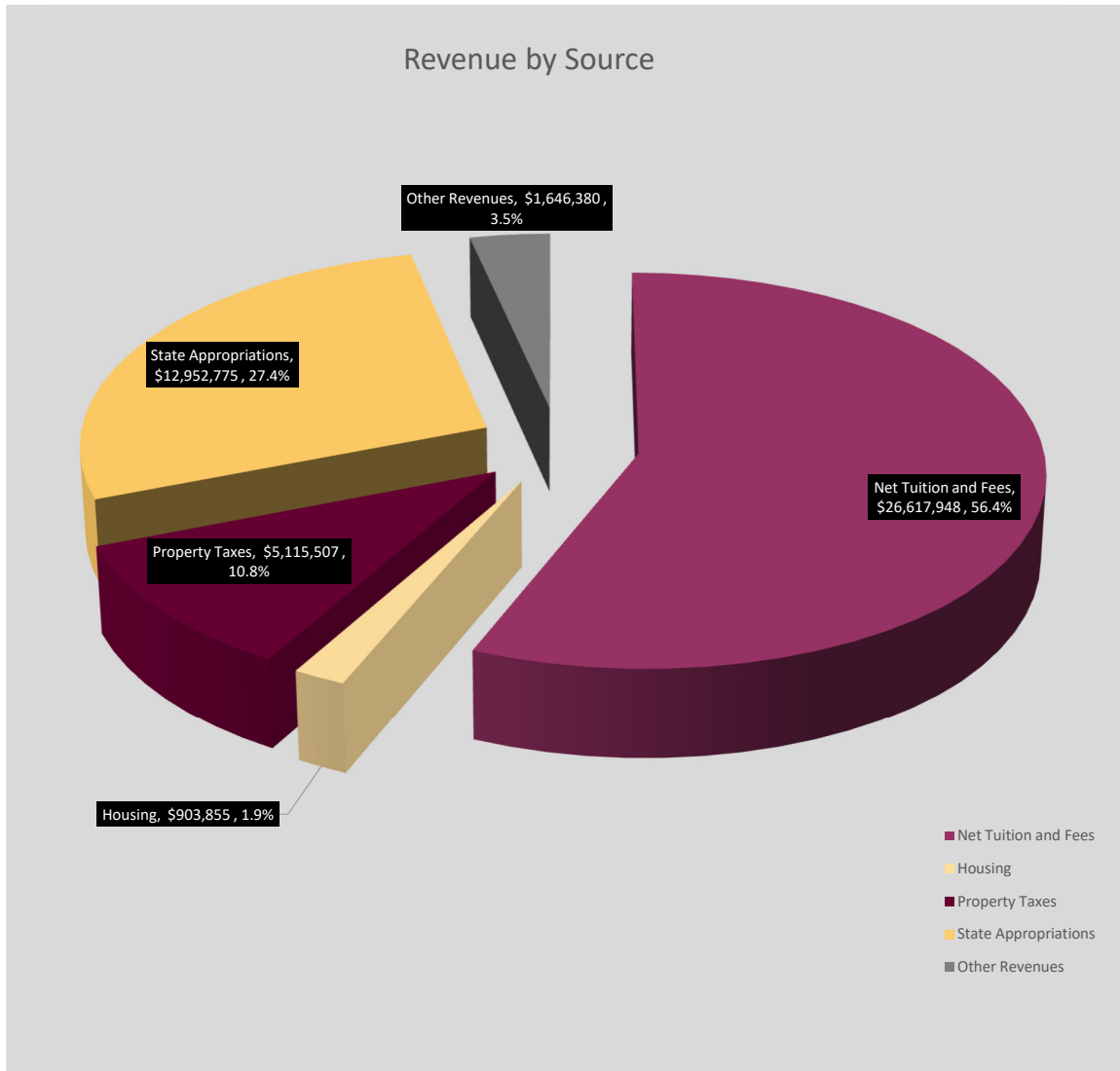
- **Cash and Investments** - Balance is up from the prior year by approximately \$1,460,000. The Board directed MILAF investment strategy was operationalized in May 2018. At June 30, 2019 interest revenues since inception have exceeded \$240,000. These earnings are designated for future operations.
- **Building and Site** - The Building and Site fund has a balance of just over \$4,158,000 which is an increase of two million compared to last year as summer capital projects were not underway until FY 2020.
- **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. The College has committed the plant fund to various campus improvement projects, going forward in FY20, it is necessary to assess revenues prior to advancing additional capital improvements to ensure adequate funding.

Jackson College
Revenue and Expense Statement
General Fund - FY 19
For the Year Ended June 30, 2019
Preliminary - Unaudited

	2018-2019 Original Budget	2018-2019 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	\$ 27,720,000	\$ 27,220,000	\$ 27,434,801	100.8%	100.0%	\$ 214,801	\$ 27,154,285
Less Institutional Scholarships	(900,000)	(835,000)	(816,853)	97.8%	100.0%	18,147	(793,045)
Net tuition and fees	26,820,000	26,385,000	26,617,948	100.9%	100.0%	232,948	26,361,240
Housing	900,000	900,000	903,855	100.4%	100.0%	3,855	617,095
Property taxes	5,050,000	5,050,000	5,115,507	101.3%	100.0%	65,507	4,967,735
State appropriations	12,952,775	12,952,775	12,952,775	100.0%	100.0%	-	12,780,350
Contract training	100,000	145,000	155,800	107.4%	100.0%	10,800	127,725
Potter Center activities	447,000	447,000	413,923	92.6%	100.0%	(33,077)	435,644
Miscellaneous	620,000	662,000	1,032,464	156.0%	100.0%	370,464	811,743
Transfers	7,500	26,500	44,193	166.8%	100.0%	17,693	98,160
Total revenues	46,897,275	46,568,275	47,236,465	100.7%	100.0%	668,190	46,199,692
Expenses							
Wages	17,454,000	16,740,010	16,573,279	99.0%	100.0%	(166,730)	16,978,088
Retirement	4,846,449	4,537,100	4,465,936	98.4%	100.0%	(71,164)	4,676,045
Benefits	3,125,000	3,061,400	3,040,170	99.3%	100.0%	(21,230)	3,065,950
Services - Staffing Agency	4,591,500	4,841,250	4,306,920	89.0%	100.0%	(534,330)	4,557,522
Services	3,132,682	2,941,100	2,923,080	99.4%	100.0%	(18,020)	2,731,732
Materials	2,136,400	2,189,250	2,156,250	98.5%	100.0%	(33,000)	2,321,503
Rent, utilities, insurance	1,900,000	1,677,800	1,710,460	101.9%	100.0%	32,660	1,815,902
Other operating costs	3,614,393	3,077,810	3,122,420	101.4%	100.0%	44,610	3,238,700
Transfers	750,000	2,218,620	3,328,030	150.0%	100.0%	1,109,410	2,013,105
Transfers-debt service	4,600,713	4,600,713	4,850,713	105.4%	100.0%	250,000	4,327,334
Capital equipment	746,000	682,560	758,545	111.1%	100.0%	75,985	473,071
Total expenses	46,897,137	46,567,613	47,235,803	100.7%	100.0%	668,191	46,198,952
Income over (under) expenses	\$ 138	\$ 662	\$ 662			\$ (1)	\$ 740

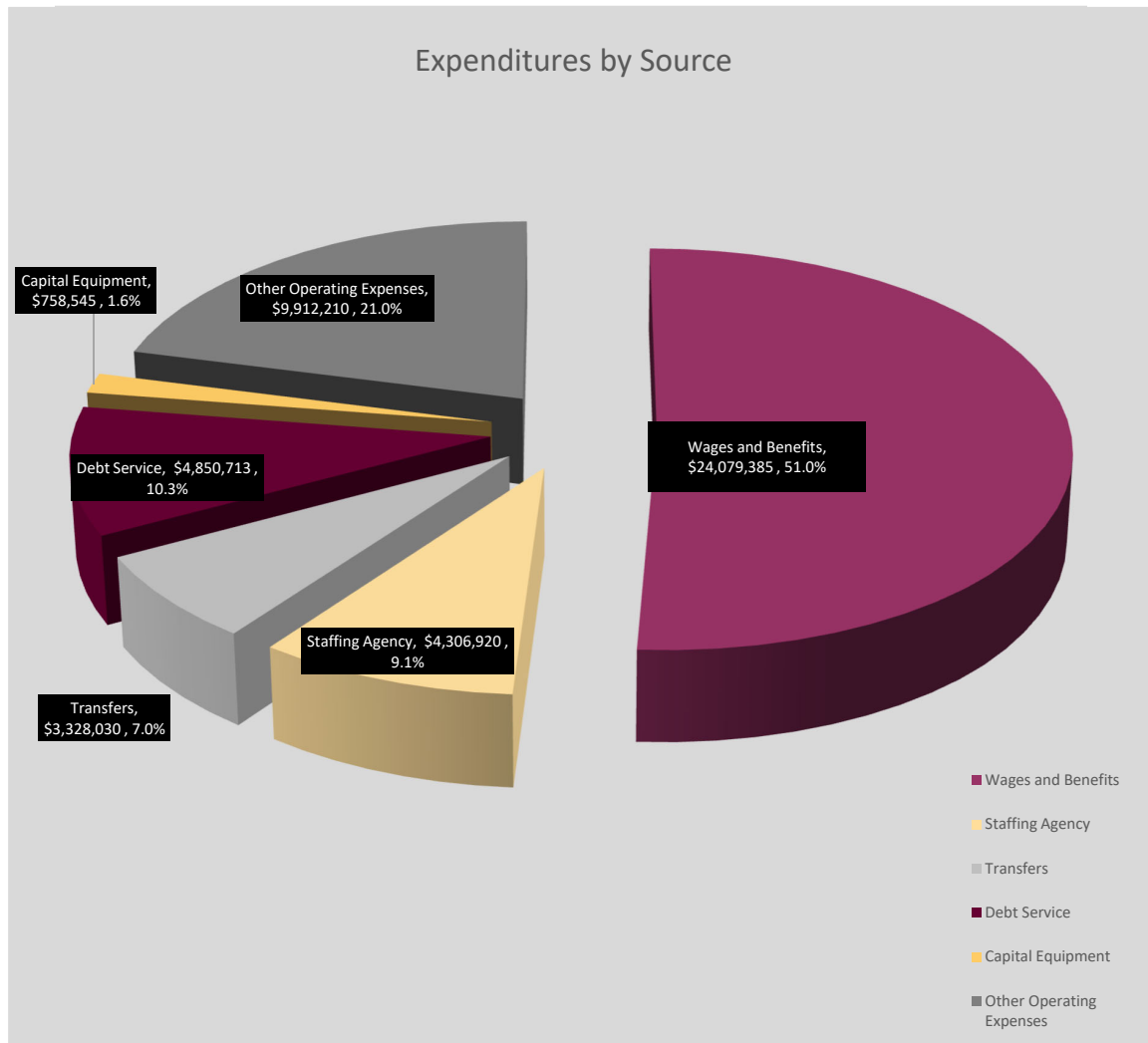
Jackson College
General Fund Revenue - FY 19
For the Year Ended June 30, 2019

\$47,236,465



Jackson College
General Fund Expenditures - FY 19
For the Year Ended June 30, 2019

\$47,235,803



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

	General Fund	Designated Fund	Restricted Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
Assets							
Cash	\$ 3,402,309	\$ 8,781,232	\$ 1,157,877	\$ 11,579	\$ 5,517,055	\$ 271,870	\$ 19,141,922
Investments	-	-	-	17,408	-	-	17,408
Accounts receivable	4,092,066	-	-	-	61,306	(1,205)	4,152,167
Inventories	27,796	-	-	-	-	-	27,796
Other assets	633,199	-	104,210	-	77,252,866	-	77,990,275
Total assets	8,155,370	8,781,232	1,262,087	28,987	82,831,227	270,665	101,329,568
Liabilities and Fund Balance							
Accounts payable	762,681	-	202	-	46,499	3,546	812,928
Accrued liabilities	2,535,739	-	-	-	30,756,350	-	33,292,089
Deferred liabilities	2,534,677	-	-	-	-	-	2,534,677
Unearned revenue	213,354	-	-	-	-	-	213,354
Other liabilities	1,406,458	-	1,290	-	-	1,000	1,408,748
Total liabilities	7,452,909	-	1,492	-	30,802,849	4,546	38,261,796
Fund balance	702,461	8,781,232	1,260,595	28,987	52,028,378	266,119	63,067,772
Total liabilities and fund balance	\$ 8,155,370	\$ 8,781,232	\$ 1,262,087	\$ 28,987	\$ 82,831,227	\$ 270,665	\$ 101,329,568
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	47,236,465	260,509	24,659,006	1,254	9,161,609	273,464	81,592,307
Current year expenses	47,235,803	963,808	23,758,934	-	1,750,915	194,683	73,904,143
Ending fund balance	\$ 702,461	\$ 8,781,232	\$ 1,260,595	\$ 28,987	\$ 52,028,378	\$ 266,119	\$ 63,067,772

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

	Building and Site Fund
Assets	
Cash	\$ 3,068,586
Investments	-
Accounts receivable	26,941
Due from other funds	1,109,410
Total assets	4,204,937
Liabilities and Fund Balance	
Accounts payable	46,499
Other liabilities	-
Total liabilities	46,499
Fund balance	4,158,438
Total liabilities and fund balance	\$ 4,204,937

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

	Balance July 1, 2018	Revenue	Expenditures	Balance June 30, 2019
Major Maintenance and Equipment Replacement	\$ 1,543,979	\$ 3,354,663	\$ 740,204	\$ 4,158,438
Total	\$ 1,543,979	\$ 3,354,663	\$ 740,204	\$ 4,158,438

Jackson College
Cash and Investments by Fund - FY 19
June 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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,744	\$ 2,744
Cash-Comerica Bank Pooled	1,093,643	284,964	1,122,288	141,330	11,579	3,068,586	2,448,469	269,126	8,439,985
Cash-Comerica Federal Funds	-	-	14,779	-	-	-	-	-	14,779
Cash-So Mich National	77,098	-	3,430	-	-	-	-	-	80,528
VISA Account	67,076	-	-	-	-	-	-	-	67,076
Cash-United Bank	99,345	-	12,611	-	-	-	-	-	111,956
Cash-Federal Stafford	-	-	4,953	-	-	-	-	-	4,953
Cash-Comerica State Wire	1,872	-	-	-	-	-	-	-	1,872
Cash-Payroll	22,589	-	(1,152,840)	(160,146)	-	-	-	-	(1,290,397)
JC One Card	14,362	-	-	-	-	-	-	-	14,362
Ref Pay	8,884	-	-	-	-	-	-	-	8,884
Athletic Checking	7,477	-	-	-	-	-	-	-	7,477
Cultural Affairs Checking	3,889	-	-	-	-	-	-	-	3,889
MNJTP	-	-	-	1,171,472	-	-	-	-	1,171,472
Certificates of Deposit	-	253,898	-	-	-	-	-	-	253,898
MILAF	2,000,000	8,242,370	-	-	-	-	-	-	10,242,370
Insurance HRA	6,074	-	-	-	-	-	-	-	6,074
	<u>3,402,309</u>	<u>8,781,232</u>	<u>5,221</u>	<u>1,152,656</u>	<u>11,579</u>	<u>3,068,586</u>	<u>2,448,469</u>	<u>271,870</u>	<u>19,141,922</u>
Investments									
Common Stock	-	-	-	-	17,408	-	-	-	17,408
Total cash and investments	<u>\$ 3,402,309</u>	<u>\$ 8,781,232</u>	<u>\$ 5,221</u>	<u>\$ 1,152,656</u>	<u>\$ 28,987</u>	<u>\$ 3,068,586</u>	<u>\$ 2,448,469</u>	<u>\$ 271,870</u>	<u>\$ 19,159,330</u>

Jackson College
 Billing Contact Hours
 June 30, 2019
 Preliminary - Unaudited

Semester:	Amended Budgeted FY 19	Actual FY 19	Actual Percentage	Actual FY 18	Prior Year Percentage
Fall	51,480	49,328	95.8%	52,464	94.0%
Winter	47,970	46,039	96.0%	47,651	96.6%
Spring	17,550	19,063	108.6%	18,757	101.6%
Total	117,000	114,430	97.8%	118,872	96.3%

