



Financial Report

Presented to
President Daniel Phelan
Jackson College Board of Trustees



Prepared by the Business Office
March 31, 2019

Jackson College
Memo From Darrell Norris, Vice President of Finance
For the March 31, 2019 Financial Report

Following is the March 31, 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 favorable to budget, recommend a budget adjustment.
- **Potter Center Activities** - Revenue is performing behind budget due to timing.
- **Miscellaneous Income** - Revenue is performing favorable 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.
- **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 March 31, 2019 interest revenues have already exceeded \$160,000. These earnings are designated for future operations.

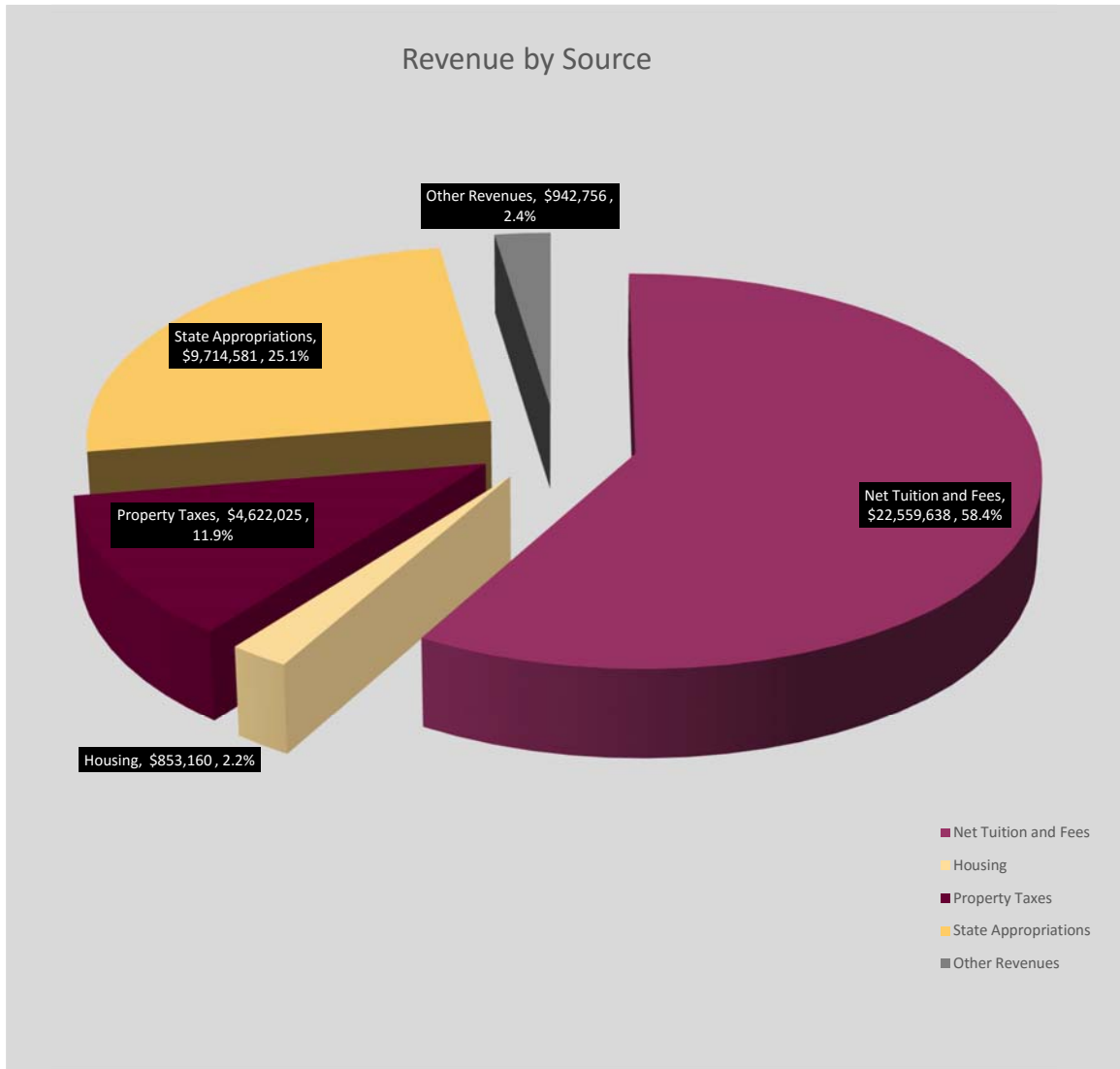
- **Looking Ahead** - The College's revenues remain stable due to the addition of Summer Semester Pell Grants and the 2nd Chance Pell grant experiment. In the uncertainty that the 2nd Chance Pell Grant experiment will be made permanent, the College is adding expenses conservatively.

Jackson College
Revenue and Expense Statement
General Fund - FY 19
For the Nine Months Ended March 31, 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)	(1,017,357)
Net tuition and fees	<u>26,820,000</u>	<u>22,559,638</u>	84.1%	86.0%	(505,562)	21,932,756
Housing	900,000	853,160	94.8%	95.0%	(1,840)	623,575
Property taxes	5,050,000	4,622,025	91.5%	91.0%	26,525	4,711,329
State appropriations	12,952,775	9,714,581	75.0%	75.0%	-	9,508,200
Contract training	100,000	113,896	113.9%	75.0%	38,896	71,570
Potter Center activities	447,000	321,721	72.0%	75.0%	(13,529)	303,346
Miscellaneous	620,000	481,187	77.6%	75.0%	16,187	651,799
Transfers	<u>7,500</u>	<u>25,952</u>	346.0%	75.0%	20,327	63,116
Total revenues	<u>46,897,275</u>	<u>38,692,160</u>	82.5%	80.1%	(418,996)	37,865,691
Expenses						
Wages	17,454,000	12,010,656	68.8%	73.1%	(748,217)	12,340,505
Retirement	4,846,449	3,315,865	68.4%	73.1%	(226,889)	3,392,737
Benefits	3,125,000	2,245,374	71.9%	75.0%	(98,376)	2,281,117
Services - Staffing Agency	4,591,500	3,195,678	69.6%	73.1%	(160,709)	3,286,215
Services	3,132,682	2,045,796	65.3%	75.0%	(303,716)	1,943,166
Materials	2,136,400	1,577,607	73.8%	75.0%	(24,693)	1,751,882
Rent, utilities, insurance	1,900,000	1,339,681	70.5%	75.0%	(85,319)	1,357,876
Other operating costs	3,614,393	2,267,031	62.7%	75.0%	(443,764)	2,256,600
Transfers	750,000	562,500	75.0%	75.0%	-	520,977
Transfers-debt service	4,600,713	3,450,535	75.0%	75.0%	-	3,245,500
Capital equipment	<u>746,000</u>	<u>356,332</u>	47.8%	75.0%	(203,168)	355,572
Total expenses	<u>46,897,137</u>	<u>32,367,055</u>	69.0%	74.4%	(2,294,851)	32,732,147
Income over (under) expenses	<u>\$ 138</u>	<u>\$ 6,325,105</u>			<u>\$ 1,875,855</u>	<u>\$ 5,133,544</u>

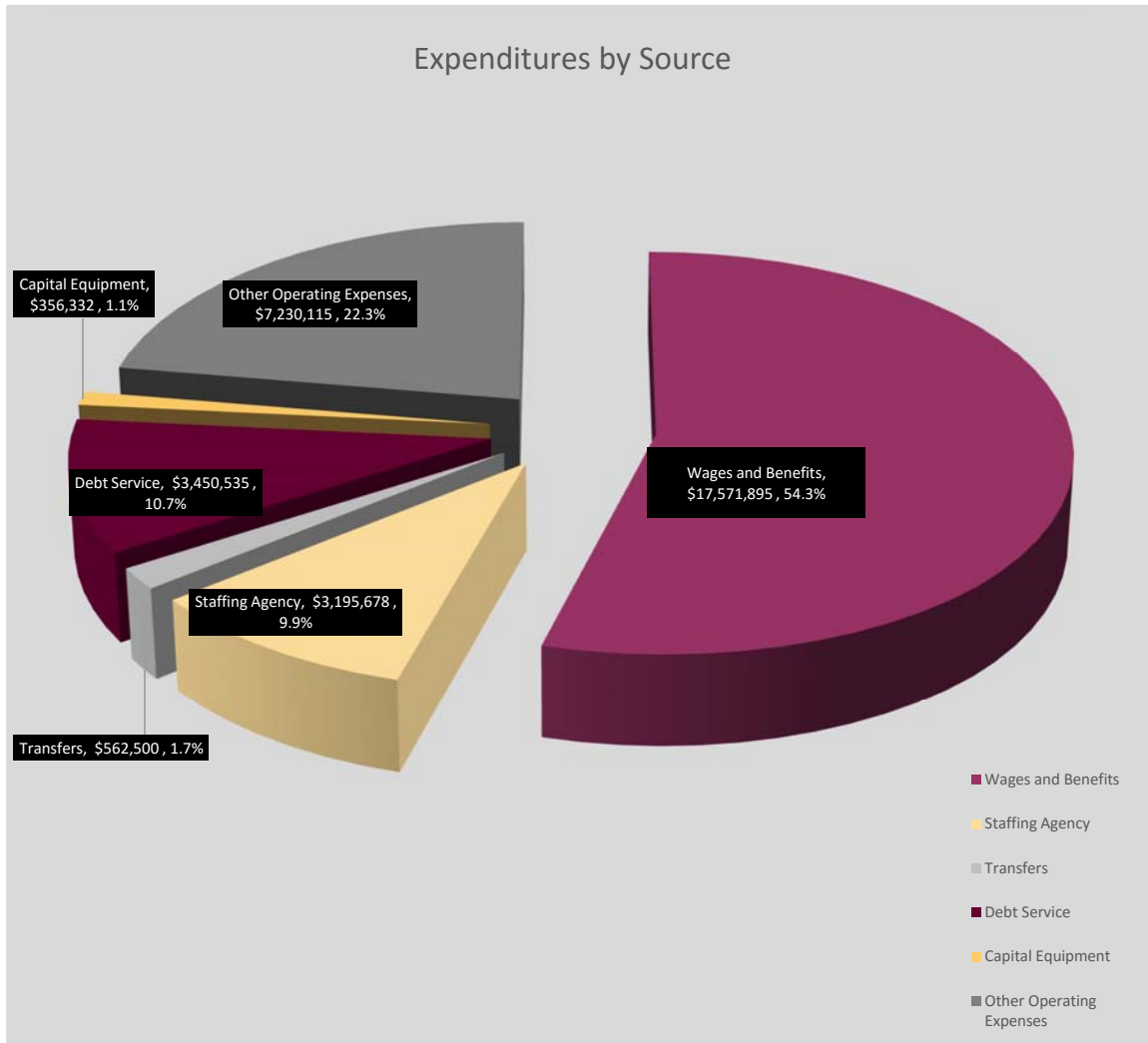
Jackson College
General Fund Revenue - FY 19
For the Nine Months Ended March 31, 2019

\$38,692,160



Jackson College
General Fund Expenditures - FY 19
For the Nine Months Ended March 31, 2019

\$32,367,055



Jackson College
Balance Sheet and Changes in Fund Balance - FY 19
March 31, 2019
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
Assets							
Cash	\$ 7,321,264	\$ 9,657,765	\$ (197,962)	\$ 11,544	\$ 7,119,199	\$ 528,874	\$ 24,440,684
Investments	-	-	-	17,408	-	-	17,408
Accounts receivable	5,204,182	-	-	-	59,730	(1,205)	5,262,707
Inventories	27,796	-	-	-	-	-	27,796
Other assets	347,709	-	98,500	-	74,939,256	-	75,385,465
Total assets	<u>12,900,951</u>	<u>9,657,765</u>	<u>(99,462)</u>	<u>28,952</u>	<u>82,118,185</u>	<u>527,669</u>	<u>105,134,060</u>
Liabilities and Fund Balance							
Accounts payable	162,906	-	-	-	-	-	162,906
Accrued liabilities	2,915,405	-	-	-	34,346,350	-	37,261,755
Deferred liabilities	2,514,177	-	-	-	-	-	2,514,177
Unearned revenue	185,703	-	-	-	-	-	185,703
Other liabilities	95,856	-	(13,092)	-	-	100	82,864
Total liabilities	<u>5,874,047</u>	<u>-</u>	<u>(13,092)</u>	<u>-</u>	<u>34,346,350</u>	<u>100</u>	<u>40,207,405</u>
Fund balance	7,026,904	9,657,765	(86,370)	28,952	47,771,835	527,569	64,926,655
Total liabilities and fund balance	<u>\$ 12,900,951</u>	<u>\$ 9,657,765</u>	<u>\$ (99,462)</u>	<u>\$ 28,952</u>	<u>\$ 82,118,185</u>	<u>\$ 527,669</u>	<u>\$ 105,134,060</u>
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
	<u>\$ 701,799</u>	<u>\$ 9,484,531</u>	<u>\$ 360,523</u>	<u>\$ 27,733</u>	<u>\$ 44,617,684</u>	<u>\$ 187,338</u>	<u>\$ 55,379,608</u>
Current year income	38,692,160	173,234	20,369,298	1,219	4,036,605	474,239	63,746,755
Current year expenses	32,367,055	-	20,816,191	-	882,454	134,008	54,199,708
Ending fund balance	<u>\$ 7,026,904</u>	<u>\$ 9,657,765</u>	<u>\$ (86,370)</u>	<u>\$ 28,952</u>	<u>\$ 47,771,835</u>	<u>\$ 527,569</u>	<u>\$ 64,926,655</u>

Jackson College
 Balance Sheet
 Building and Site Fund - FY 19
 March 31, 2019
 Preliminary - Unaudited

	Building and Site Fund
Assets	
Cash	\$ 1,729,072
Investments	-
Accounts receivable	21,976
Due from other funds	-
	-
Total assets	1,751,048
Liabilities and Fund Balance	
Accounts payable	-
Other liabilities	-
	-
Total liabilities	-
Fund balance	1,751,048
Total liabilities and fund balance	\$ 1,751,048

Jackson College
 Statement of Changes in Fund Balance
 Building and Site Fund
 For the Nine Months Ended March 31, 2019
 Preliminary - Unaudited

	Balance July 1, 2018	Revenue	Expenditures	Balance March 31, 2019
Major Maintenance and Equipment Replacement	\$ 1,543,979	\$ 584,168	\$ 377,099	\$ 1,751,048
Total	\$ 1,543,979	\$ 584,168	\$ 377,099	\$ 1,751,048

Jackson College
Cash and Investments by Fund - FY 19
March 31, 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	5,059,369	1,240,572	471,090	298,836	11,544	1,729,072	5,390,127	525,848	14,726,458
Cash-Comerica Federal Funds	-	-	1,644	-	-	-	-	-	1,644
Cash-So Mich National	59,656	-	3,430	-	-	-	-	-	63,086
VISA Account	98,027	-	-	-	-	-	-	380	98,407
Cash-United Bank	68,017	-	9,250	-	-	-	-	-	77,267
Cash-Federal Stafford	-	-	9,087	-	-	-	-	-	9,087
Cash-Comerica State Wire	2,057	-	-	-	-	-	-	-	2,057
Cash-Payroll	285	-	(1,838,949)	(697,459)	-	-	-	-	(2,536,123)
JC One Card	14,670	-	-	-	-	-	-	-	14,670
Ref Pay	5,073	-	-	-	-	-	-	-	5,073
Athletic Checking	4,362	-	-	-	-	-	-	-	4,362
Cultural Affairs Checking	4,878	-	-	-	-	-	-	-	4,878
MNJTP	-	-	-	1,545,109	-	-	-	-	1,545,109
Certificates of Deposit	-	251,655	-	-	-	-	-	-	251,655
MILAF	2,000,000	8,165,538	-	-	-	-	-	-	10,165,538
Insurance HRA	4,870	-	-	-	-	-	-	-	4,870
	<u>7,321,264</u>	<u>9,657,765</u>	<u>(1,344,448)</u>	<u>1,146,486</u>	<u>11,544</u>	<u>1,729,072</u>	<u>5,390,127</u>	<u>528,874</u>	<u>24,440,684</u>
Investments									
Common Stock	-	-	-	-	17,408	-	-	-	17,408
Total cash and investments	<u>\$ 7,321,264</u>	<u>\$ 9,657,765</u>	<u>\$ (1,344,448)</u>	<u>\$ 1,146,486</u>	<u>\$ 28,952</u>	<u>\$ 1,729,072</u>	<u>\$ 5,390,127</u>	<u>\$ 528,874</u>	<u>\$ 24,458,092</u>

Jackson College
 Billing Contact Hours
 March 31, 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%

