



Financial Report

Presented to
President Daniel Phelan
Jackson College Board of Trustees



Prepared by the Business Office
May 31, 2019

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

Following is the May 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 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 due to timing.
- **Miscellaneous Income** - Revenue is performing unfavorable to budget due to unplanned insurance claims revenue.
- **Transfers** - JC Foundation support for Arts endowment was larger than planned.

Expenses

- **Benefits** - performing unfavorable to amended budget. Adjustment anticipated more employees on payroll, not fewer.
- **Services - Staffing Agency** - performing unfavorable to budget. Spring adjunct costs were below plan.
- **Services** - Actuals performing unfavorable to amended budget due to timing. Several large projects will be in progress before year end.
- **Materials** - Actual are unfavorable to amended budget due to timing. As invoices for Spring supplies are paid, we expect to be closer to plan.
- **Capital Equipment** - Actuals are lower than planned budget, additional equipment purchases are planned before the end of the year. Expected budget savings in this category.

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Other Notes

- **Cash and Investments** - The Board directed MILAF investment strategy was operationalized in May 2018. At May 31, 2019 interest revenues for the first year have exceeded \$215,000. These earnings are designated for future operations.

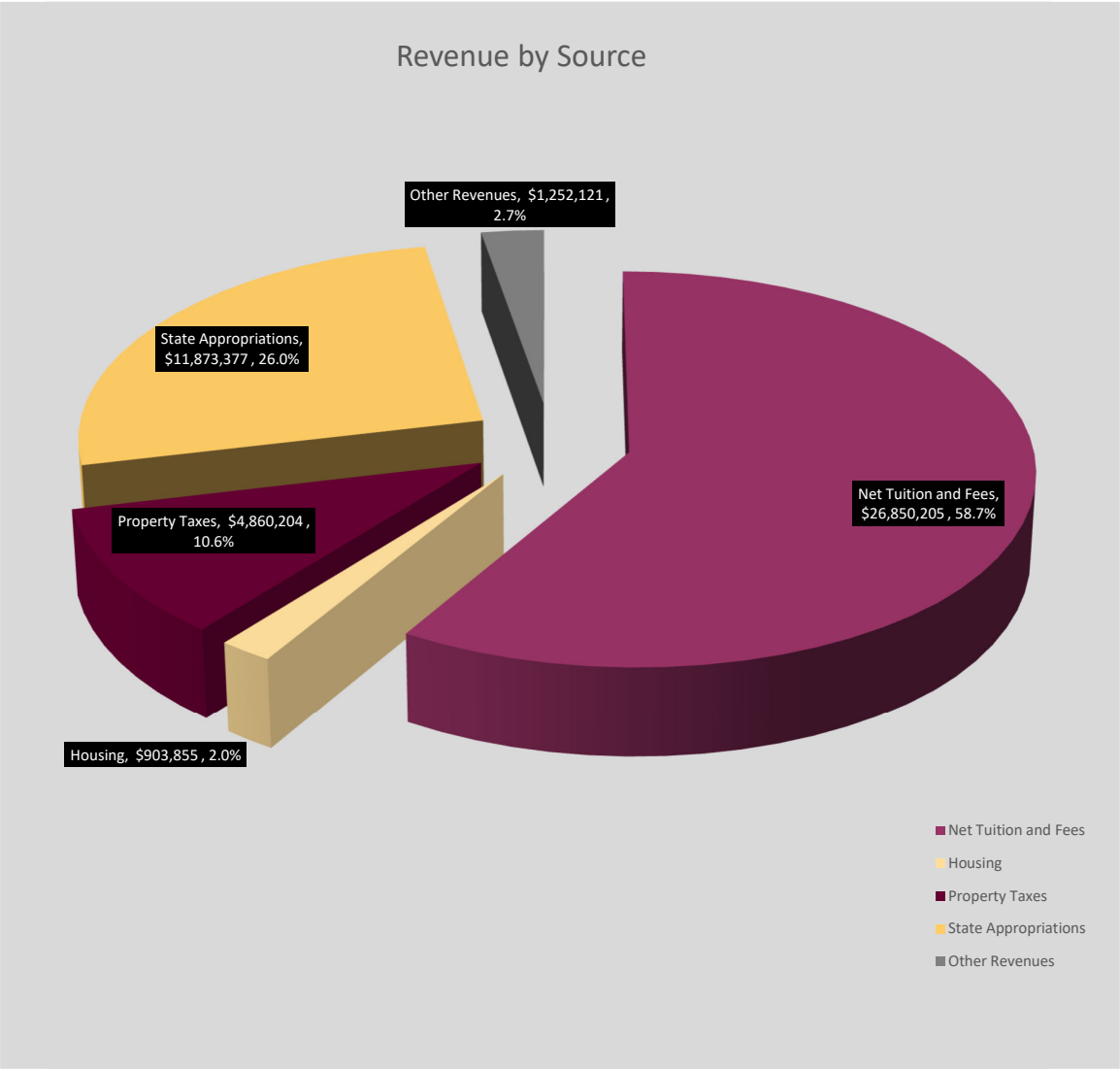
- **Looking Ahead** - The College's revenues remain stable due to the addition of Summer Semester Pell Grants and the 2nd Chance Pell grant experiment. In the uncertainty that the 2nd Chance Pell Grant experiment will be made permanent, the College is adding expenses conservatively.

Jackson College
Revenue and Expense Statement
General Fund - FY 19
For the Eleven Months Ended May 31, 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	\$ 27,642,010	101.6%	100.0%	\$ 422,010	\$ 27,154,285
Less Institutional Scholarships	(900,000)	(835,000)	(791,805)	94.8%	100.0%	43,195	(774,490)
Net tuition and fees	<u>26,820,000</u>	<u>26,385,000</u>	<u>26,850,205</u>	<u>101.8%</u>	<u>100.0%</u>	<u>465,205</u>	<u>26,379,795</u>
Housing	900,000	900,000	903,855	100.4%	100.0%	3,855	617,095
Property taxes	5,050,000	5,050,000	4,860,204	96.2%	95.0%	62,704	4,725,407
State appropriations	12,952,775	12,952,775	11,873,377	91.7%	91.7%	(4,318)	11,723,883
Contract training	100,000	145,000	151,822	104.7%	91.7%	18,857	86,704
Potter Center activities	447,000	447,000	380,508	85.1%	91.7%	(29,391)	401,389
Miscellaneous	620,000	662,000	691,301	104.4%	91.7%	84,247	726,254
Transfers	7,500	26,500	28,490	107.5%	91.7%	4,189	69,585
Total revenues	<u>46,897,275</u>	<u>46,568,275</u>	<u>45,739,762</u>	<u>97.5%</u>	<u>93.4%</u>	<u>605,348</u>	<u>44,730,112</u>
Expenses							
Wages	17,454,000	16,740,010	15,191,945	90.8%	92.3%	(259,083)	14,911,562
Retirement	4,846,449	4,537,100	4,149,700	91.5%	92.3%	(38,043)	4,108,617
Benefits	3,125,000	3,061,400	2,734,621	89.3%	91.7%	(72,683)	2,733,002
Services - Staffing Agency	4,591,500	4,841,250	3,986,879	82.4%	92.3%	(481,595)	4,042,145
Services	3,132,682	2,941,100	2,575,087	87.6%	91.7%	(121,902)	2,397,174
Materials	2,136,400	2,189,250	1,794,299	82.0%	91.7%	(213,243)	1,962,662
Rent, utilities, insurance	1,900,000	1,677,800	1,545,967	92.1%	91.7%	7,424	1,572,585
Other operating costs	3,614,393	3,077,810	2,770,240	90.0%	91.7%	(52,112)	2,720,515
Transfers	750,000	2,218,620	2,033,735	91.7%	91.7%	(740)	752,654
Transfers-debt service	4,600,713	4,600,713	4,217,321	91.7%	91.7%	(1,533)	3,966,723
Capital equipment	746,000	682,560	455,868	66.8%	91.7%	(170,040)	410,448
Total expenses	<u>46,897,137</u>	<u>46,567,613</u>	<u>41,455,662</u>	<u>88.4%</u>	<u>91.9%</u>	<u>(1,403,550)</u>	<u>39,578,087</u>
Income over (under) expenses	<u>\$ 138</u>	<u>\$ 662</u>	<u>\$ 4,284,100</u>			<u>\$ 2,008,898</u>	<u>\$ 5,152,025</u>

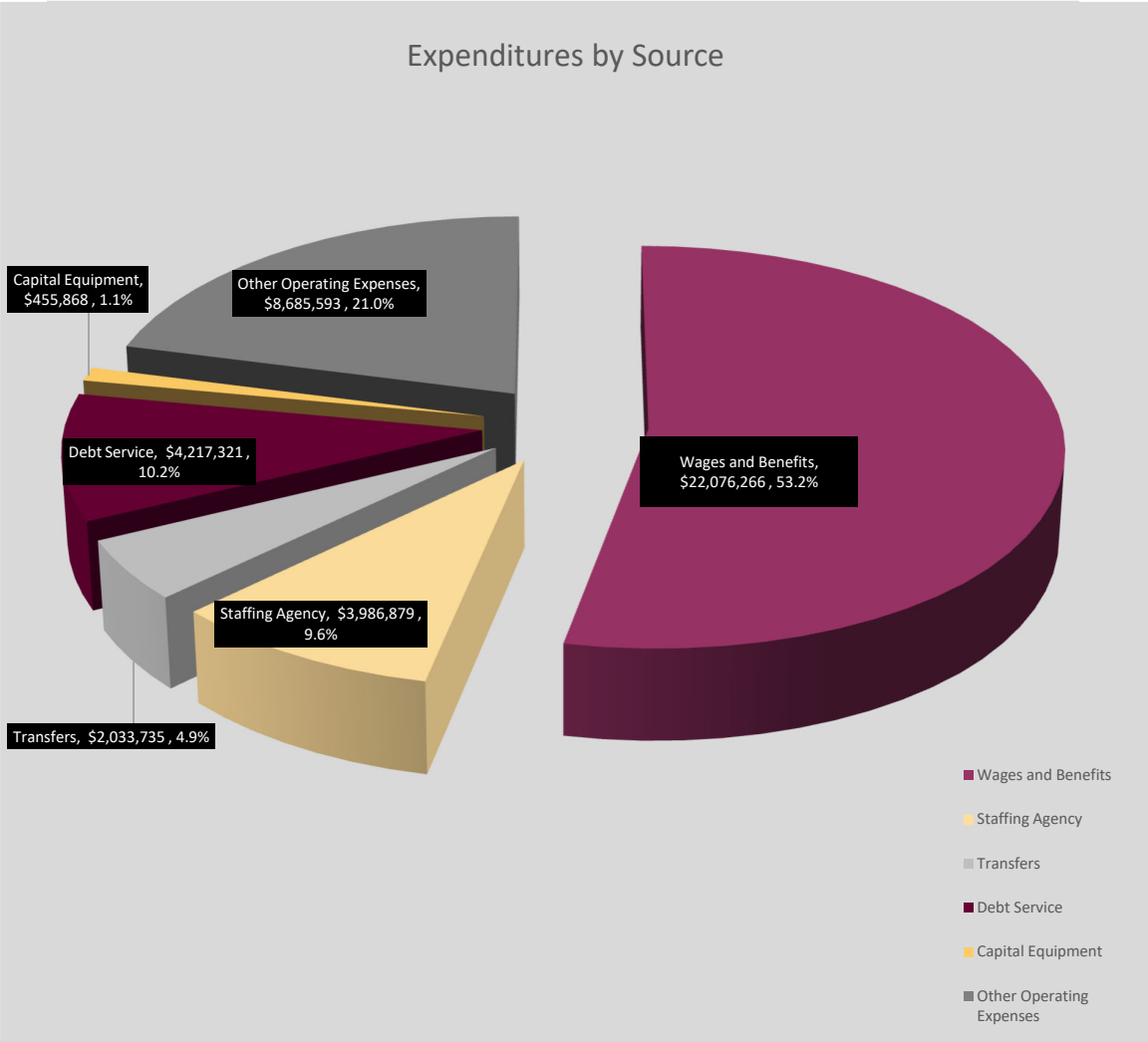
Jackson College
General Fund Revenue - FY 19
For the Eleven Months Ended May 31, 2019

\$45,739,762



Jackson College
General Fund Expenditures - FY 19
For the Eleven Months Ended May 31, 2019

\$41,455,662



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

	General Fund	Designated Fund	Restricted Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
Assets							
Cash	\$ 3,143,494	\$ 9,715,711	\$ 989,905	\$ 11,547	\$ 5,087,664	\$ 270,051	\$ 19,218,372
Investments	-	-	-	17,408	-	-	17,408
Accounts receivable	7,080,348	-	-	-	58,296	(1,205)	7,137,439
Inventories	27,796	-	-	-	-	-	27,796
Other assets	519,999	-	100,200	-	74,939,256	-	75,559,455
Total assets	<u>10,771,637</u>	<u>9,715,711</u>	<u>1,090,105</u>	<u>28,955</u>	<u>80,085,216</u>	<u>268,846</u>	<u>101,960,470</u>
Liabilities and Fund Balance							
Accounts payable	164,611	-	-	-	9,000	1,000	174,611
Accrued liabilities	2,829,190	-	-	-	30,756,350	-	33,585,540
Deferred liabilities	2,534,677	-	-	-	-	-	2,534,677
Unearned revenue	175,292	-	-	-	-	-	175,292
Other liabilities	81,968	-	1,290	-	-	1,000	84,258
Total liabilities	<u>5,785,738</u>	<u>-</u>	<u>1,290</u>	<u>-</u>	<u>30,765,350</u>	<u>2,000</u>	<u>36,554,378</u>
Fund balance	4,985,899	9,715,711	1,088,815	28,955	49,319,866	266,846	65,406,092
Total liabilities and fund balance	<u>\$ 10,771,637</u>	<u>\$ 9,715,711</u>	<u>\$ 1,090,105</u>	<u>\$ 28,955</u>	<u>\$ 80,085,216</u>	<u>\$ 268,846</u>	<u>\$ 101,960,470</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	45,739,762	231,180	21,993,893	1,222	6,276,711	240,919	74,483,687
Current year expenses	41,455,662	-	21,265,601	-	1,574,529	161,411	64,457,203
Ending fund balance	<u>\$ 4,985,899</u>	<u>\$ 9,715,711</u>	<u>\$ 1,088,815</u>	<u>\$ 28,955</u>	<u>\$ 49,319,866</u>	<u>\$ 266,846</u>	<u>\$ 65,406,092</u>

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

	Building and Site Fund
Assets	
Cash	\$ 3,022,588
Investments	-
Accounts receivable	23,931
Due from other funds	-
	-
Total assets	3,046,519
Liabilities and Fund Balance	
Accounts payable	9,000
Other liabilities	-
	-
Total liabilities	9,000
Fund balance	3,037,519
Total liabilities and fund balance	\$ 3,046,519

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

	Balance July 1, 2018	Revenue	Expenditures	Balance May 31, 2019
Major Maintenance and Equipment Replacement	\$ 1,543,979	\$ 2,057,358	\$ 563,818	\$ 3,037,519
Total	\$ 1,543,979	\$ 2,057,358	\$ 563,818	\$ 3,037,519

Jackson College
Cash and Investments by Fund - FY 19
May 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	104,830	1,246,722	3,245	4,687	11,547	3,022,588	2,065,076	267,405	6,726,100
Cash-Comerica Federal Funds	-	-	2,418	-	-	-	-	-	2,418
Cash-So Mich National	76,391	-	3,430	-	-	-	-	-	79,821
VISA Account	161,093	-	-	-	-	-	-	-	161,093
Cash-United Bank	99,033	-	11,611	-	-	-	-	-	110,644
Cash-Federal Stafford	-	-	4,953	-	-	-	-	-	4,953
Cash-Comerica State Wire	48,488	-	3,925	-	-	-	-	-	52,413
Cash-Payroll	612,973	-	(154,950)	(465,882)	-	-	-	-	(7,859)
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	-	-	-	1,576,468	-	-	-	-	1,576,468
Certificates of Deposit	-	253,898	-	-	-	-	-	-	253,898
MILAF	2,000,000	8,215,091	-	-	-	-	-	-	10,215,091
Insurance HRA	6,074	-	-	-	-	-	-	-	6,074
	<u>3,143,494</u>	<u>9,715,711</u>	<u>(125,368)</u>	<u>1,115,273</u>	<u>11,547</u>	<u>3,022,588</u>	<u>2,065,076</u>	<u>270,051</u>	<u>19,218,372</u>
Investments									
Common Stock	-	-	-	-	17,408	-	-	-	17,408
Total cash and investments	<u>\$ 3,143,494</u>	<u>\$ 9,715,711</u>	<u>\$ (125,368)</u>	<u>\$ 1,115,273</u>	<u>\$ 28,955</u>	<u>\$ 3,022,588</u>	<u>\$ 2,065,076</u>	<u>\$ 270,051</u>	<u>\$ 19,235,780</u>

Jackson College
 Billing Contact Hours
 May 31, 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	19,896	113.4%	18,757	106.1%
Total	117,000	115,263	98.5%	118,872	97.0%

