



Financial Report

Presented to
President Daniel Phelan
Jackson College Board of Trustees



Prepared by the Business Office
April 30, 2021

Jackson College
Memo From Darrell Norris, Vice President of Finance
For the April 30, 2021 Financial Report

Following is the April 30, 2021 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 2020-2021 Budget as adopted at the May 2020 Board of Trustees meeting.

Revenues

- **Tuition and fees** - Favorable to budget, it is too early to tell if this trend will hold through the fiscal year.
- **Housing** - Unfavorable to budget. The College reduced housing capacity for the Winter semester due to the pandemic.
- **Property taxes** - Favorable to budget due to higher than anticipated property tax collections.
- **Miscellaneous** - Favorable to a conservative budget in bad debt recovery and bookstore commissions.
- **Transfers** - Favorable to budget, Foundation support through waiver of rent at Maher Campus.
- **Transfers from Federal Grants** - Unbudgeted revenue. This is a transfer from Restricted Federal funds to replace lost housing revenue from fiscal year 2020.

Expenses

- **Wages** - Favorable to budget due to COVID response related wages being covered by Restricted Federal Funds.
- **Retirement** - Favorable to budget due to COVID response related retirement being covered by Restricted Federal Funds.
- **Services - Staffing Agency** - Favorable to budget. This may or may not continue depending on the number of sections we continue to offer.
- **Services** - Favorable to budget due to expenditure controls and limited in person activity. We anticipate this variance to diminish over the fiscal year.
- **Materials** - Unfavorable to budget due to the materials needs of the Corrections Education Program and the needs of the unbudgeted Hospitality Services Department.
- **Rent, Utilities, Insurance** - Unfavorable to budget due to timing, several insurance policies require larger upfront payments. We anticipate this variance to diminish over the fiscal year.
- **Other operating costs** - Favorable to budget due to expenditure controls and limited in person activity. We anticipate this variance to diminish over the fiscal year.

Jackson College
Memo From Darrell Norris, Vice President of Finance
For the April 30, 2021 Financial Report

- **Capital Equipment** - Favorable to budget due to timing of purchases. We anticipate this variance to diminish over time.

Other Notes

- **Cash and Investments** - The Board directed MILAF investment strategy was operationalized in June 2018. At April 30, 2021 interest revenues have exceeded \$416,000. These earnings are designated for future operations.
- **Looking Ahead** - Expense controls have been put in place in anticipation of reduced revenues resulting from COVID-19 pandemic.
- **Operating Reserves** - Board policy requires the College have combined operating fund balance reserves greater or equal to two months' operating expenses. At April 30, 2021, the operating fund balances reserves were \$17,676,333 which is approximately 5.1 months of projected FY 2021 operating expenses. At the beginning of the semester, the number of months of reserves on hand is generally higher as the College has recognized revenue for the whole semester and has not yet incurred the entire semester's expenses.

Jackson College
Revenue and Expense Statement
General Fund - FY 21
For the Ten Months Ended April 30, 2021
Preliminary - Unaudited

	2020-2021 Original Budget	Percentage of Original Budget	Actual Year to Date	Actual Percentage of Budget	Planned Percentage to Date	Variance of Planned Percentage to Actual	Prior Year to Date
Revenue							
Gross tuition and fees	\$ 23,393,941	57.0%	\$ 20,948,274	89.5%	86.0%	\$ 829,484	\$ 23,554,868
Less Institutional Scholarships	(794,472)	-1.9%	(504,042)	63.4%	66.7%	25,871	(840,645)
Net tuition and fees	22,599,469	55.1%	20,444,232	90.5%	76.4%	855,355	22,714,223
Housing	999,010	2.4%	579,457	58.0%	85.0%	(269,702)	963,970
Property taxes	4,867,939	11.9%	5,217,645	107.2%	100.0%	349,706	5,032,450
State appropriations	11,529,294	28.1%	9,607,745	83.3%	83.3%	3,843	9,641,775
Contract training	135,000	0.3%	12,609	9.3%	9.0%	459	84,799
Potter Center activities	405,000	1.0%	-	0.0%	0.0%	-	299,506
Miscellaneous	474,000	1.2%	458,663	96.8%	83.3%	63,821	557,750
Transfers	7,500	0.0%	230,019	3066.9%	83.3%	223,771	31,205
Transfers - Federal grant funds	-	0.0%	191,158	0.0%	0.0%	191,158	-
Total revenues	41,017,213	100.0%	36,741,528	89.6%	55.5%	1,418,411	39,325,678
Expenses							
Wages	16,029,640	39.2%	12,758,828	79.6%	84.6%	(802,246)	12,388,096
Retirement	4,383,350	10.7%	3,478,350	79.4%	84.6%	(229,964)	3,271,772
Benefits	2,877,573	7.0%	2,469,891	85.8%	84.6%	35,465	2,335,545
Services - Staffing Agency	3,697,700	9.0%	2,903,107	78.5%	84.6%	(225,147)	3,553,781
Services	2,600,525	6.3%	1,670,909	64.3%	83.3%	(495,328)	2,126,286
Materials	1,600,225	3.9%	1,374,272	85.9%	83.3%	41,285	1,894,791
Rent, utilities, insurance	1,410,900	3.4%	1,269,781	90.0%	83.3%	94,501	1,275,789
Other operating costs	2,567,650	6.3%	1,363,542	53.1%	83.3%	(775,310)	2,367,728
Transfers	1,121,275	2.7%	934,396	83.3%	83.3%	374	603,750
Transfers-debt service	4,160,813	10.1%	3,467,345	83.3%	83.3%	1,388	3,636,010
Capital equipment	567,043	1.4%	164,806	29.1%	83.3%	(307,541)	391,086
Total expenses	41,016,694	100.0%	31,855,227	77.7%	83.8%	(2,662,523)	33,844,634
Income over (under) expenses	\$ 519		\$ 4,886,301			\$ 4,080,934	\$ 5,481,044

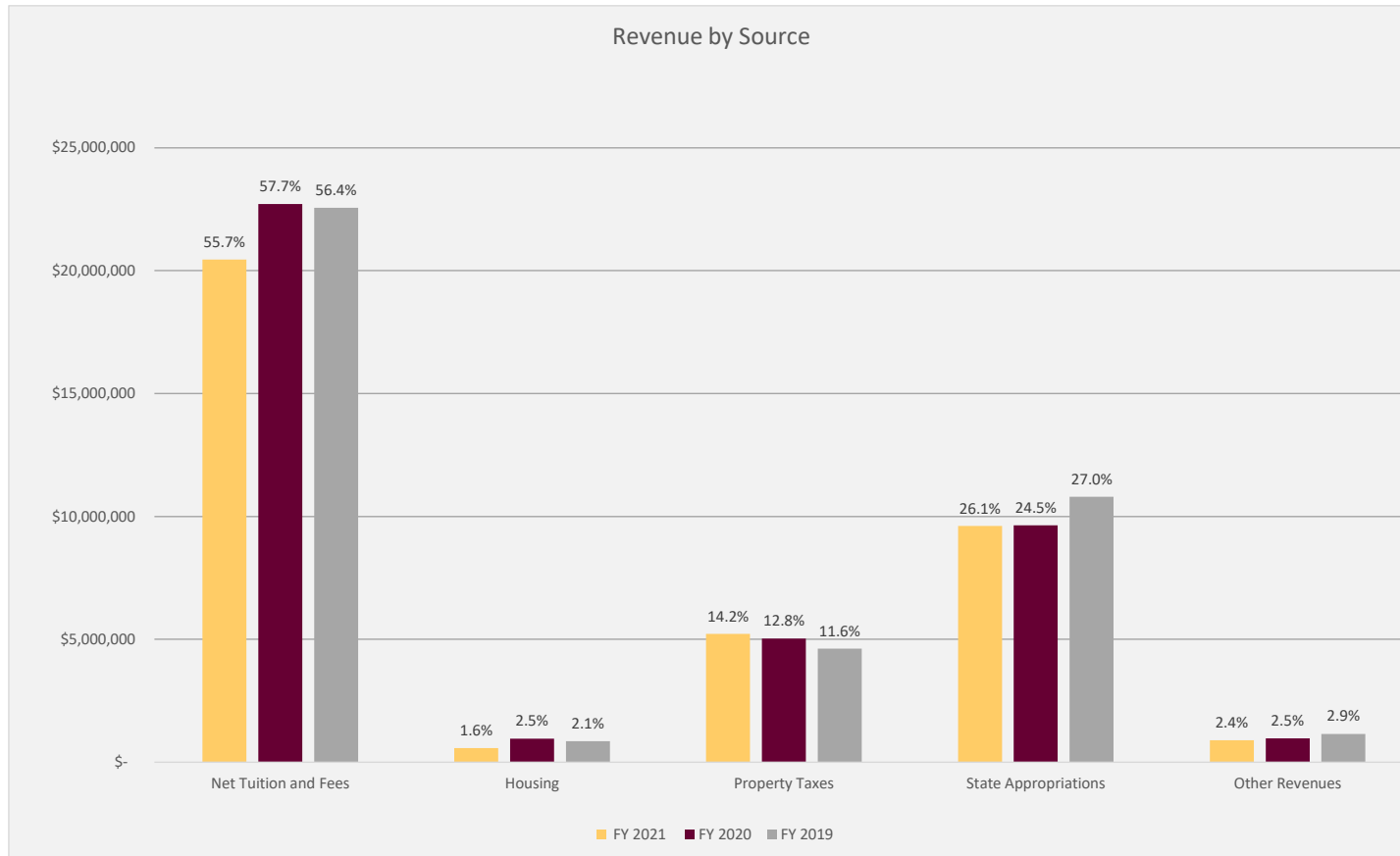
Jackson College
Revenue and Expense Schedule
HEERF Funds - FY 21
For the Ten Months Ended April 30, 2021
Preliminary - Unaudited

	CARES/HEERF I Student Funding	CARES/HEERF I Institutional Funding	CARES/HEERF I Strengthening Institutions Funding	CRRSAA/ HEERF II Student Funding	CRRSAA/ HEERF II Institutional Funding	ARP/HEERF III Student Funding	ARP/HEERF III Institutional Funding	Restricted State CARES Funding	Total
Prior year revenues	\$ 103,000	\$ 103,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 206,000
Prior year expenses	103,000	915,421	-	-	-	-	-	294,585	1,313,006
Net prior year activity	\$ -	\$ (812,421)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (294,585)	\$ (1,107,006)
Fiscal Year 2021 Revenue									
Grant revenue - State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,429,602	\$ 1,429,602
Grant revenue - Federal	1,843,067	1,844,715	191,158	1,697,208	2,270,408	-	-	-	7,846,556
Transfers	-	-	-	-	-	-	-	-	-
Total revenues	1,843,067	1,844,715	191,158	1,697,208	2,270,408	-	-	1,429,602	9,276,158
Fiscal Year 2021 Expenses									
Online course fee scholarships	-	1,032,294	-	-	1,961,771	-	-	-	2,994,065
Emergency grants to students	1,843,067	-	-	1,697,208	-	-	-	-	3,540,275
Wages	-	-	-	-	127,696	-	-	290,972	418,668
Retirement	-	-	-	-	37,362	-	-	114,427	151,789
Benefits	-	-	-	-	13,651	-	-	32,884	46,535
Services	-	-	-	-	10,369	-	-	70,405	80,774
Materials	-	-	-	-	42,047	-	-	158,414	200,461
Other operating costs	-	-	-	-	7,127	-	-	174,182	181,309
Transfers to general fund	-	-	191,158	-	-	-	-	-	191,158
Capital equipment	-	-	-	-	70,385	-	-	293,733	364,118
Total expenses	1,843,067	1,032,294	191,158	1,697,208	2,270,408	-	-	1,135,017	8,169,152
Income over (under) expenses	\$ -	\$ 812,421 *	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 294,585 *	1,107,006

* Note: Current year income exceeds expenses for these grant awards due to the College being unable to fully recognize revenue in FY 2020 for expenses incurred in FY 2020, these funds have been fully spent.

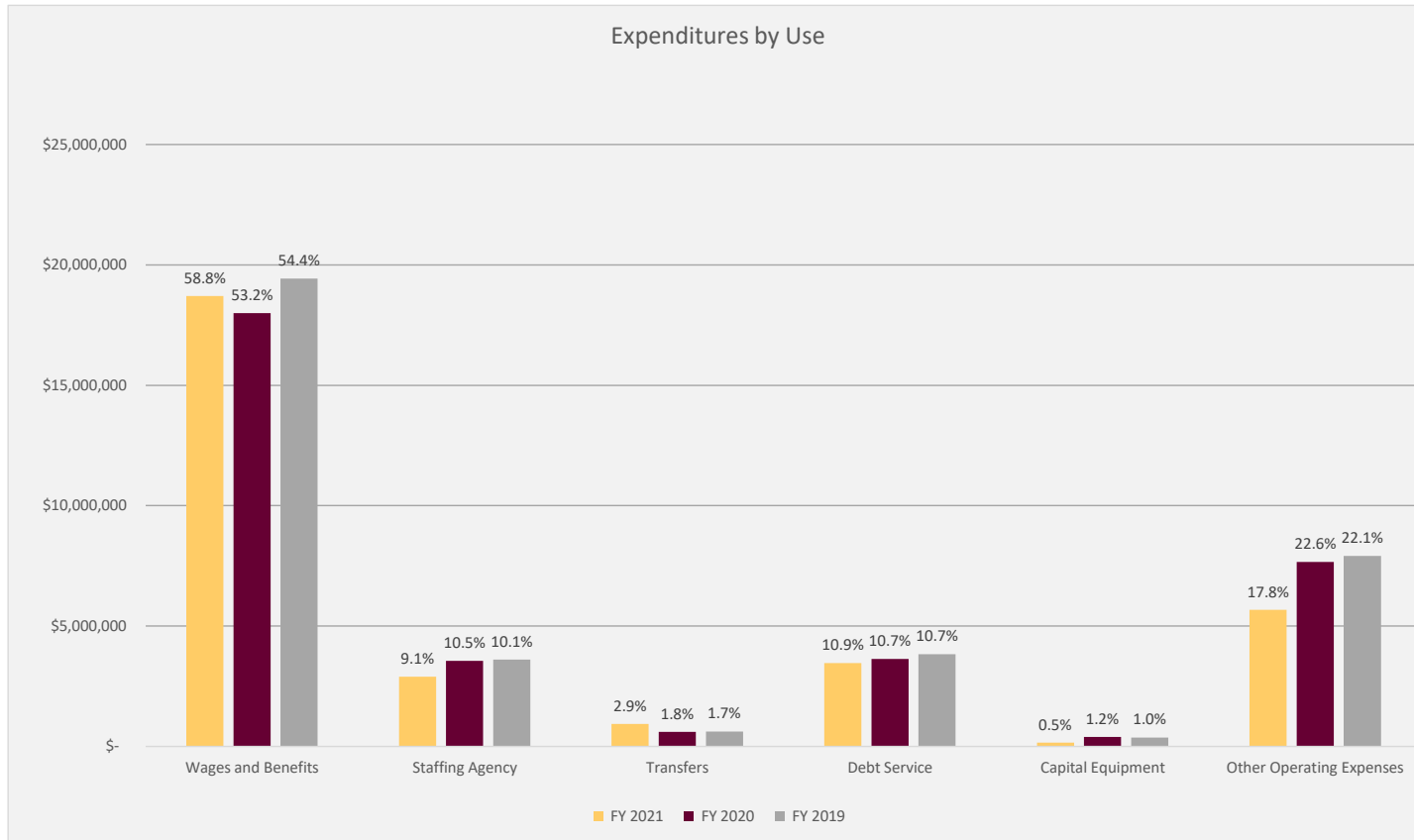
Jackson College
General Fund Revenue Comparison
For the Ten Months Ended April 30, 2021

\$36,741,528



Jackson College
 General Fund Expenditure Comparison
 For the Ten Months Ended April 30, 2021

\$31,855,227



Jackson College
Balance Sheet and Changes in Fund Balance - FY 21
April 30, 2021
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	CARES Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
Assets								
Cash	\$ 8,145,703	\$ 12,074,269	\$ 133,087	\$ -	\$ 14,100	\$ 3,582,089	\$ 366,138	\$ 24,315,386
Restricted cash in escrow	-	-	-	-	-	-	-	-
Investments	-	-	-	-	16,726	-	-	16,726
Accounts receivable	2,953,816	12,500	157,590	-	-	16,608	-	3,140,514
Inventories	27,430	-	-	-	-	-	-	27,430
Other assets	265,654	-	27,677	-	-	78,996,202	-	79,289,533
Total assets	11,392,603	12,086,769	318,354	-	30,826	82,594,899	366,138	106,789,589
Liabilities and Fund Balance								
Accounts payable	96,445	-	-	-	-	279	-	96,724
Accrued liabilities	3,297,562	-	-	-	-	34,996,662	-	38,294,224
Deferred liabilities	1,979,182	-	-	-	-	-	-	1,979,182
Unearned revenue	294,911	-	-	-	-	-	-	294,911
Other liabilities	134,939	-	-	-	-	-	-	134,939
Total liabilities	5,803,039	-	-	-	-	34,996,941	-	40,799,980
Fund balance	5,589,564	12,086,769	318,354	-	30,826	47,597,958	366,138	65,989,609
Total liabilities and fund balance	\$ 11,392,603	\$ 12,086,769	\$ 318,354	\$ -	\$ 30,826	\$ 82,594,899	\$ 366,138	\$ 106,789,589
Beginning fund balance								
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,853,683	\$ -	\$ 45,853,683
Major Maintenance and Equipment Replacement	-	-	-	-	-	569,072	-	569,072
Restricted	-	178,467	380,896	(1,105,355)	29,930	-	-	(516,062)
Future Operations	703,263	11,761,326	-	-	-	-	315,466	12,780,055
	\$ 703,263	\$ 11,939,793	\$ 380,896	\$ (1,105,355)	\$ 29,930	\$ 46,422,755	\$ 315,466	\$ 58,686,748
Current year income	36,741,528	146,976	25,400,559	1,105,355	896	6,411,169	107,749	69,914,232
Current year expenses	31,855,227	-	25,463,101	-	-	5,235,966	57,077	62,611,371
Ending fund balance	\$ 5,589,564	\$ 12,086,769	\$ 318,354	\$ -	\$ 30,826	\$ 47,597,958	\$ 366,138	\$ 65,989,609

Jackson College
 Balance Sheet
 Building and Site Fund - FY 21
 April 30, 2021
 Preliminary - Unaudited

	Building and Site Fund
Assets	
Cash	\$ 1,250,552
Investments	-
Accounts receivable	16,608
Due from other funds	-
	-
Total assets	1,267,160
Liabilities and Fund Balance	
Accounts payable	279
Other liabilities	-
	-
Total liabilities	279
Fund balance	1,266,881
Total liabilities and fund balance	\$ 1,267,160

Jackson College
 Statement of Changes in Fund Balance
 Building and Site Fund
 For the Ten Months Ended April 30, 2021
 Preliminary - Unaudited

	Balance July 1, 2020	Revenue	Expenditures	Balance April 30, 2021
Major Maintenance and Equipment Replacement	\$ 569,072	\$ 2,938,156	\$ 2,240,347	\$ 1,266,881
	\$ 569,072	\$ 2,938,156	\$ 2,240,347	\$ 1,266,881
Total	\$ 569,072	\$ 2,938,156	\$ 2,240,347	\$ 1,266,881

Jackson College
Cash and Investments by Fund - FY 21
April 30, 2021
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	CARES Fund	Grants Fund	Endowment Fund	Building and Site	Physical Plant	Activities Fund	Total
Cash										
Petty Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,724	\$ 2,724
Cash-Comerica Bank Pooled	5,504,546	3,657,816	450,617	-	332,752	14,100	1,250,552	2,123,349	363,414	13,697,146
Cash-Comerica Federal Funds	-	-	4,335	-	-	-	-	-	-	4,335
Cash-So Mich National	200,150	-	26,043	-	-	-	-	-	-	226,193
VISA Account	175,330	-	-	-	-	-	-	-	-	175,330
Cash-United Bank	234,033	-	29,361	-	-	-	-	-	-	263,394
Cash-Federal Direct Loan	-	-	158	-	-	-	-	-	-	158
Cash-Comerica State Wire	12,896	-	-	-	-	-	-	-	-	12,896
Cash-Payroll	15,024	-	(938,435)	-	(739,836)	-	-	-	-	(1,663,247)
JC One Card	-	-	-	-	-	-	-	-	-	-
Ref Pay	3,050	-	-	-	-	-	-	-	-	3,050
Cultural Affairs Checking	674	-	-	-	-	-	-	-	-	674
MNJTP	-	-	-	-	968,092	-	-	-	-	968,092
Certificates of Deposit	-	-	-	-	-	-	-	-	-	-
MILAF	2,000,000	8,416,453	-	-	-	-	-	-	-	10,416,453
Bond capital project	-	-	-	-	-	-	-	208,188	-	208,188
	<u>8,145,703</u>	<u>12,074,269</u>	<u>(427,921)</u>	<u>-</u>	<u>561,008</u>	<u>14,100</u>	<u>1,250,552</u>	<u>2,331,537</u>	<u>366,138</u>	<u>24,315,386</u>
Investments										
Common Stock	-	-	-	-	-	16,726	-	-	-	16,726
Total cash and investments	<u>\$ 8,145,703</u>	<u>\$12,074,269</u>	<u>\$ (427,921)</u>	<u>\$ -</u>	<u>\$ 561,008</u>	<u>\$ 30,826</u>	<u>\$ 1,250,552</u>	<u>\$ 2,331,537</u>	<u>\$ 366,138</u>	<u>\$ 24,332,112</u>

Jackson College
Billing Contact Hours
April 30, 2021
Preliminary - Unaudited

	Budgeted FY 21	Actual FY 21	Actual Percentage	Actual FY 20	Prior Year Percentage
Semester:					
Fall	43,082	41,477	96.3%	49,363	84.0%
Winter	39,165	37,490	95.7%	45,213	82.9%
Spring	15,666	-	0.0%	14,726	0.0%
Total	97,913	78,967	80.7%	109,302	72.2%

