



Financial Report

Presented to
President Daniel Phelan
Jackson College Board of Trustees



Prepared by the Business Office
December 31, 2021

Jackson College
Memo From Darrell Norris, Vice President of Finance
For the December 31, 2021 Financial Report

Following is the December 31, 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 2021-2022 Budget as adopted at the June 2021 Board of Trustees meeting.

Revenues

- **Tuition and fees** - Favorable to budget, 21/FL enrollment was higher than projected.
- **Housing** - Unfavorable to budget as occupancy was lower than expected due to continued social distancing considerations.
- **Contract training** - Favorable to budget, due to a conservative budget related to COVID-19 uncertainties.
- **Potter Center** - Unfavorable to budget, it is too early in the fiscal year to tell if this trend will continue.
- **Hospitality** - Unfavorable to budget, this is a new revenue stream for the College and we anticipate this to gain traction once on campus activity increases.
- **Miscellaneous** - Unfavorable to budget, due to the budget for bookstore commissions being approved prior to the College bringing the bookstore in house.
- **Transfers** - Favorable to budget, due to a conservative budget.
- **Transfers Federal grant funds** - Unbudgeted revenue, this Federal HEERF monies being used to offset lost housing revenue.

Expenses

- **Wages** - Favorable to budget, it is too early in the fiscal year to tell if this trend will continue.
- **Retirement** - Favorable to budget, it is too early in the fiscal year to tell if this trend will continue.
- **Benefits** - unfavorable to budget, it is too early in the fiscal year to tell if this trend will continue.

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- **Services** - Favorable to budget due to timing of purchases. We anticipate this variance to diminish over time.
- **Materials** - Unfavorable to budget due to timing of several IT software and licensing purchases that require larger upfront payments. We anticipate this variance to diminish over the fiscal year.
- **Rent, utilities, insurance** - Favorable to budget due to timing of purchases. We anticipate this variance to diminish over time.
- **Other operating costs** - Favorable to budget due to timing of purchases. We anticipate this variance to diminish over time.
- **Capital Equipment** - Favorable to budget due to timing of purchases. We anticipate this variance to diminish over time.

Other Notes

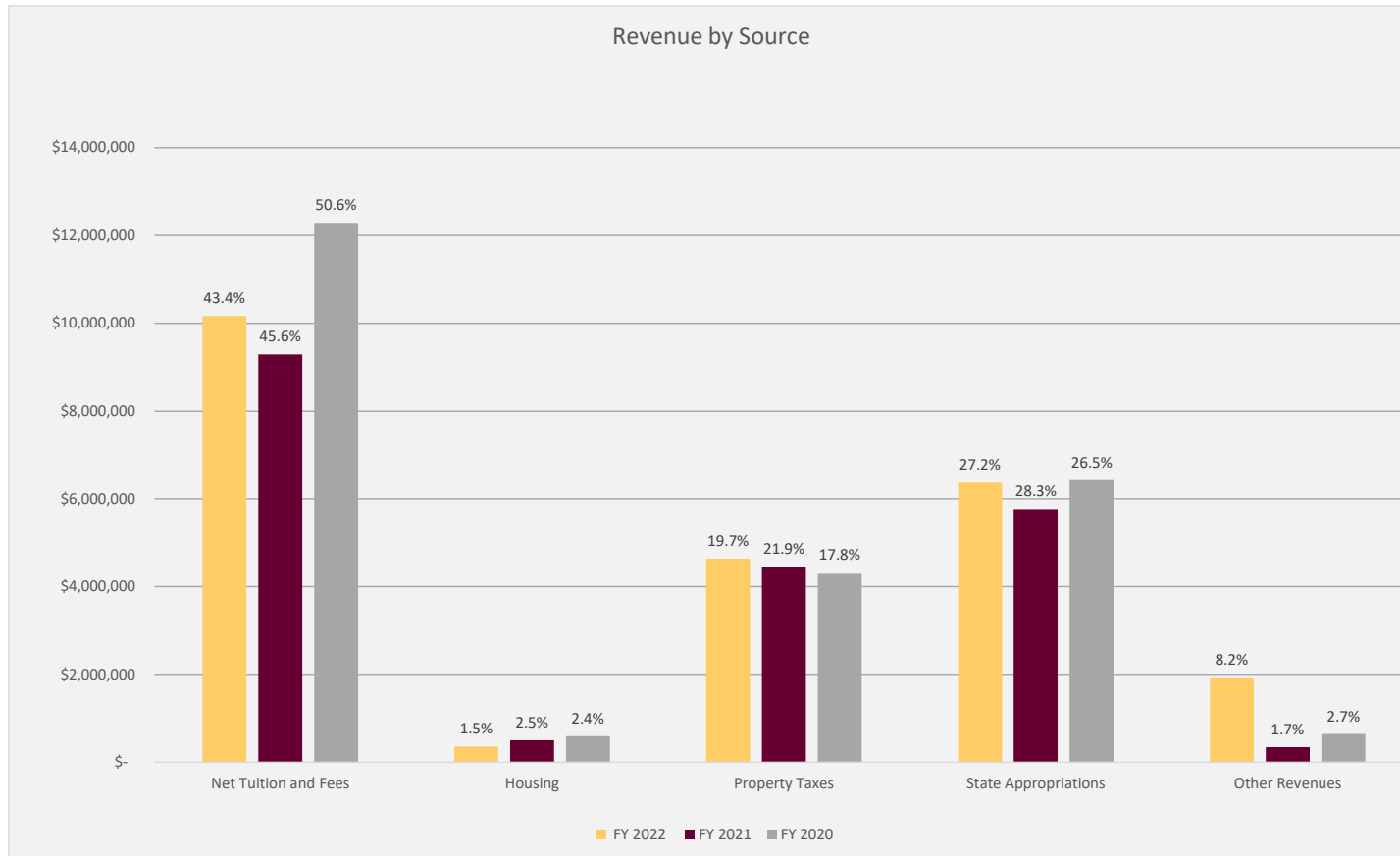
- **Cash and Investments** - The Board directed MILAF investment strategy was operationalized in June 2018. At December 31, 2021 interest revenues have exceeded \$420,000. These earnings are designated for future operations. In June 2021, the College made a \$4 million investment in U.S. Government bonds, which is separately presented on the cash and investment summary.
- **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. As of December 31, 2021 the College is meeting this requirement.
- **HEERF Funds** - The College has been awarded funds through the Higher Education Emergency Relief Funds (HEERF) and these funds may be used throughout the fiscal year to reduce expenses or supplement lost revenues.

Jackson College
Revenue and Expense Statement
General Fund - FY 22
For the Six Months Ended December 31, 2021
Preliminary - Unaudited

	2021-2022 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	\$ 21,433,000	51.7%	\$ 10,456,205	48.8%	44.0%	\$ 1,025,685	\$ 10,996,893
Less Institutional Scholarships	(800,000)	-1.9%	(290,442)	36.3%	44.0%	61,558	(1,703,036)
Net tuition and fees	20,633,000	49.8%	10,165,763	49.3%	44.0%	1,087,243	9,293,857
Housing	1,400,000	3.4%	359,563	25.7%	50.0%	(340,437)	500,140
Property taxes	5,300,000	12.7%	4,630,416	87.4%	87.0%	19,416	4,457,112
State appropriations	12,735,720	30.7%	6,367,860	50.0%	50.0%	-	5,764,647
Contract training	4,000	0.0%	41,212	1030.3%	50.0%	39,212	6,424
Potter Center activities	200,000	0.5%	65,213	32.6%	50.0%	(34,787)	-
Hospitality	750,000	1.8%	221,583	29.5%	50.0%	(153,417)	-
Miscellaneous	450,000	1.1%	163,417	36.3%	50.0%	(61,583)	221,197
Transfers	7,500	0.0%	15,043	200.6%	50.0%	11,293	119,908
Transfers - Federal grant funds	-	0.0%	1,421,417	0.0%	0.0%	1,421,417	-
Total revenues	41,480,220	100.0%	23,451,487	56.5%	48.6%	1,988,357	20,363,285
Expenses							
Wages	16,496,606	39.7%	7,567,508	45.9%	50.0%	(680,794)	7,704,215
Retirement	4,438,874	10.7%	2,023,139	45.6%	50.0%	(196,298)	2,123,386
Benefits	2,935,210	7.1%	1,537,620	52.4%	50.0%	70,015	1,465,515
Services - Staffing Agency	3,697,700	8.9%	1,816,617	49.1%	50.0%	(32,233)	1,629,328
Services	2,545,525	6.1%	1,179,203	46.3%	50.0%	(93,560)	938,406
Materials	1,994,765	4.8%	1,139,541	57.1%	50.0%	142,158	958,837
Rent, utilities, insurance	1,708,000	4.1%	818,711	47.9%	50.0%	(35,289)	810,690
Other operating costs	3,155,000	7.6%	1,284,206	40.7%	50.0%	(293,294)	992,152
Transfers-major maintenance	64,926	0.2%	32,463	50.0%	50.0%	-	560,637
Transfers-deferred maintenance	-	0.0%	528,174	0.0%	50.0%	528,174	-
Transfers-debt service	4,087,895	9.9%	2,043,948	50.0%	50.0%	-	2,080,407
Transfers-Jets Store	-	0.0%	114,359	0.0%	50.0%	114,359	-
Capital equipment	355,000	0.9%	98,803	27.8%	50.0%	(78,697)	13,352
Total expenses	41,479,501	100.0%	20,184,292	48.7%	50.0%	(555,459)	19,276,925
Income over (under) expenses	\$ 719		\$ 3,267,195			\$ 2,543,816	\$ 1,086,360

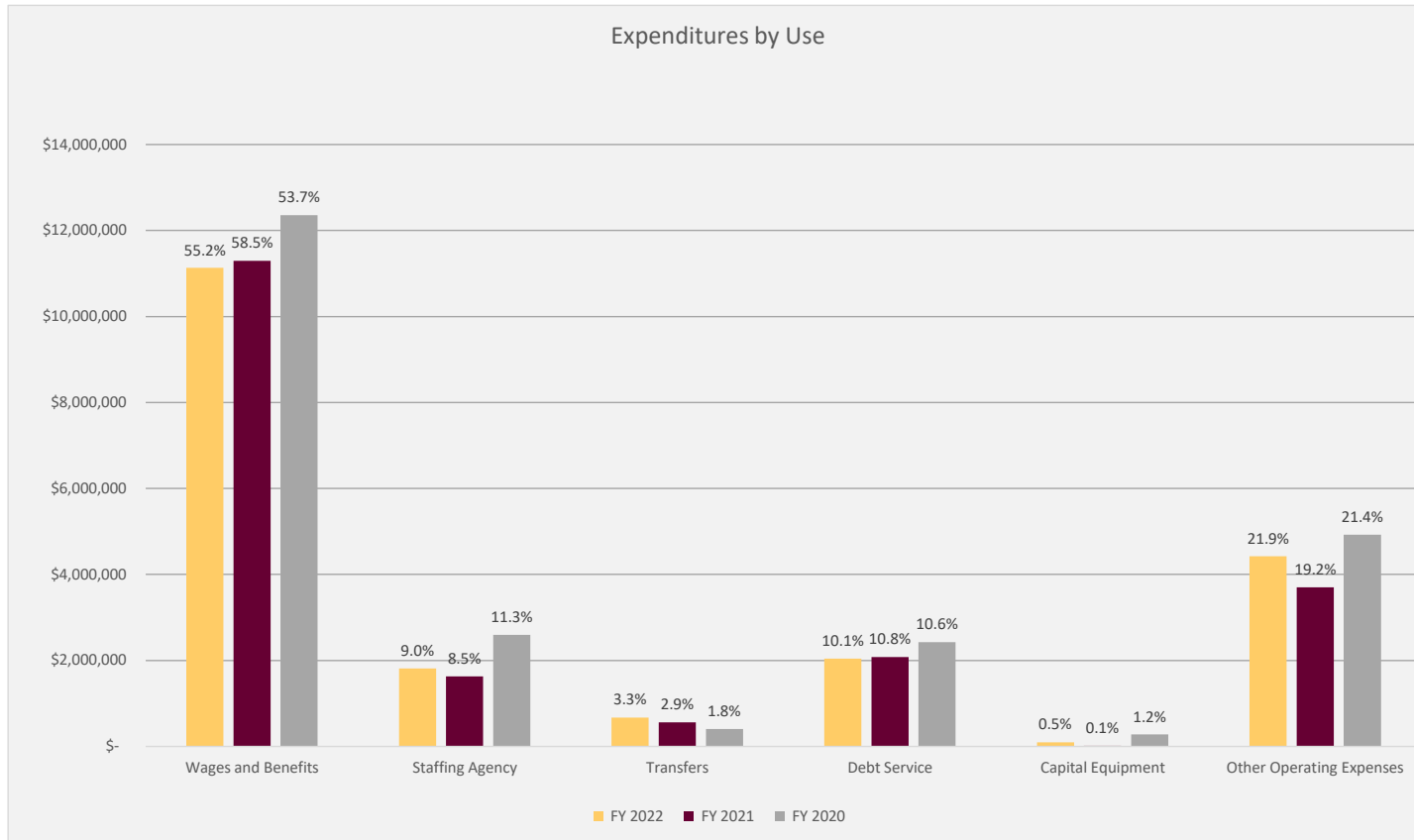
Jackson College
 General Fund Revenue Comparison
 For the Six Months Ended December 31, 2021

\$23,451,487



Jackson College
 General Fund Expenditure Comparison
 For the Six Months Ended December 31, 2021

\$20,184,292



Jackson College
Balance Sheet and Changes in Fund Balance - FY 22
December 31, 2021
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	CARES Fund	Bookstore Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
Assets									
Cash	\$ 8,345,495	\$ 12,159,096	\$ (1,063,972)	\$ -	\$ (249,769)	\$ 17,311	\$ 10,936,896	\$ 512,715	\$ 30,657,772
Restricted cash in escrow	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	21,013	-	-	21,013
Accounts receivable	2,038,675	12,500	945,516	-	136,869	-	295	150	3,134,005
Inventories	55,275	-	-	-	116,466	-	-	-	171,741
Other assets	15,634	-	16,281	-	-	-	77,310,142	-	77,342,057
Total assets	10,455,079	12,171,596	(102,175)	-	3,566	38,324	88,247,333	512,865	111,326,588
Liabilities and Fund Balance									
Accounts payable	284,784	-	-	-	-	-	436,075	-	720,859
Accrued liabilities	2,829,391	-	-	-	-	-	34,866,120	-	37,695,511
Deferred liabilities	2,479,492	-	-	-	-	-	-	-	2,479,492
Unearned revenue	312,714	-	-	-	-	-	-	-	312,714
Other liabilities	577,719	-	-	-	3,566	-	-	-	581,285
Total liabilities	6,484,100	-	-	-	3,566	-	35,302,195	-	41,789,861
Fund balance	3,970,979	12,171,596	(102,175)	-	-	38,324	52,945,138	512,865	69,536,727
Total liabilities and fund balance	\$ 10,455,079	\$ 12,171,596	\$ (102,175)	\$ -	\$ 3,566	\$ 38,324	\$ 88,247,333	\$ 512,865	\$ 111,326,588
Beginning fund balance									
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,412,811	\$ -	\$ 45,412,811
Major Maintenance and Equipment Replacement	-	-	-	-	-	-	8,588,594	-	8,588,594
Restricted	-	178,467	361,625	-	-	35,147	-	-	575,239
Future Operations	703,784	11,938,888	-	-	-	-	-	519,586	13,162,258
	\$ 703,784	\$ 12,117,355	\$ 361,625	\$ -	\$ -	\$ 35,147	\$ 54,001,405	\$ 519,586	\$ 67,738,902
Current year income	23,451,487	64,241	16,614,292	-	261,298	3,177	4,803,601	54,470	45,252,566
Current year expenses	20,184,292	10,000	17,078,092	-	261,298	-	5,859,868	61,191	43,454,741
Ending fund balance	\$ 3,970,979	\$ 12,171,596	\$ (102,175)	\$ -	\$ -	\$ 38,324	\$ 52,945,138	\$ 512,865	\$ 69,536,727

Jackson College
 Balance Sheet
 Building and Site Fund - FY 22
 December 31, 2021
 Preliminary - Unaudited

	Building and Site Fund
Assets	
Cash	\$ 6,417,752
Investments	-
Accounts receivable	295
Due from other funds	-
	-
Total assets	6,418,047
Liabilities and Fund Balance	
Accounts payable	436,075
Other liabilities	-
	-
Total liabilities	436,075
Fund balance	5,981,972
Total liabilities and fund balance	\$ 6,418,047

Jackson College
 Statement of Changes in Fund Balance
 Building and Site Fund
 For the Six Months Ended December 31, 2021
 Preliminary - Unaudited

	Balance July 1, 2021	Revenue	Expenditures	Balance December 31, 2021
Major Maintenance and Equipment Replacement	\$ 8,588,594	\$ 2,231,126	\$ 5,365,922	\$ 5,453,798
Deferred Maintenance and Life Safety	-	528,174	-	528,174
	-	528,174	-	528,174
Total	\$ 8,588,594	\$ 2,759,300	\$ 5,365,922	\$ 5,981,972

Jackson College
Revenue and Expense Statement
Auxiliary Services
For the Six Months Ended December 31, 2021
Preliminary - Unaudited

	Hospitality Services	Housing	Jets Store Bookstore	Potter Center Performing Arts
Revenue				
Housing	-	359,563	-	-
Sales	-	-	146,939	-
Potter Center activities	-	-	-	65,213
Hospitality	221,583	-	-	-
Miscellaneous	-	-	-	-
Transfers - General Fund	-	-	114,359	-
Transfers - Federal grant funds	-	1,421,417	-	-
Total revenues	221,583	1,780,980	261,298	65,213
Expenses				
Wages	214,652	88,762	30,338	121,663
Retirement	45,706	16,899	7,581	39,153
Benefits	52,211	15,950	1,791	26,498
Services - Staffing Agency	9,799	-	-	-
Services	10,513	3,869	200	3,658
Materials	184,828	6,955	219,595	760
Rent, utilities, insurance	90	-	-	-
Other operating costs	5,292	12,465	1,363	65,152
Transfers	-	-	-	-
Transfers-debt service	-	600,000	-	-
Capital equipment	-	2,195	430	-
Total expenses	523,091	747,095	261,298	256,884
Income over (under) expenses	\$ (301,508)	\$ 1,033,885	\$ -	\$ (191,671)

Jackson College
Cash and Investments by Fund - FY 22
December 31, 2021
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	CARES Fund	Grants Fund	Bookstore Fund	Endowment Fund	Building and Site	Physical Plant	Activities Fund	Total
Cash											
Petty Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,714	\$ 4,714
Cash-Comerica Bank Pooled	4,137,284	(232,834)	54,795	-	44,786	(249,769)	17,311	6,417,752	4,519,144	507,951	15,216,420
Cash-Comerica Federal Funds	-	-	567,933	-	48,089	-	-	-	-	-	616,022
VISA Account	239,901	-	-	-	-	-	-	-	-	50	239,951
Cash-United Bank	-	-	-	-	-	-	-	-	-	-	-
Cash-Federal Direct Loan	-	-	7,268	-	-	-	-	-	-	-	7,268
Cash-Comerica State Wire	16,083	-	-	-	-	-	-	-	-	-	16,083
Cash-Payroll	1,464,355	-	(1,249,002)	-	(1,390,627)	-	-	-	-	-	(1,175,274)
County National Bank	483,022	-	40,473	-	-	-	-	-	-	-	523,495
Ref Pay	1,701	-	-	-	-	-	-	-	-	-	1,701
Cultural Affairs Checking	3,149	-	-	-	-	-	-	-	-	-	3,149
MNJTP	-	-	-	-	812,313	-	-	-	-	-	812,313
U.S. Government Bonds	-	3,971,760	-	-	-	-	-	-	-	-	3,971,760
MILAF	2,000,000	8,420,170	-	-	-	-	-	-	-	-	10,420,170
	<u>8,345,495</u>	<u>12,159,096</u>	<u>(578,533)</u>	<u>-</u>	<u>(485,439)</u>	<u>(249,769)</u>	<u>17,311</u>	<u>6,417,752</u>	<u>4,519,144</u>	<u>512,715</u>	<u>30,657,772</u>
Investments											
Common Stock	-	-	-	-	-	-	21,013	-	-	-	21,013
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,013</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,013</u>
Total cash and investments	<u>\$ 8,345,495</u>	<u>\$12,159,096</u>	<u>\$ (578,533)</u>	<u>\$ -</u>	<u>\$ (485,439)</u>	<u>\$ (249,769)</u>	<u>\$ 38,324</u>	<u>\$ 6,417,752</u>	<u>\$ 4,519,144</u>	<u>\$ 512,715</u>	<u>\$ 30,678,785</u>

Jackson College
 Billing Contact Hours
 December 31, 2021
 Preliminary - Unaudited

	Budgeted FY 22	Actual FY 22	Actual Percentage	Actual FY 21	Prior Year Percentage
Semester:					
Fall	36,872	40,474	109.8%	41,477	97.6%
Spring	33,520	-	0.0%	37,384	0.0%
Summer	13,408	-	0.0%	17,373	0.0%
Total	83,800	40,474	48.3%	96,234	42.1%

