



## Financial Report

Presented to  
President Daniel Phelan  
Jackson College Board of Trustees



Prepared by the Business Office  
February 28, 2022

**Jackson College**  
**Memo From Darrell Norris, Vice President of Finance**  
**For the February 28, 2022 Financial Report**

Following is the February 28, 2022 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 and 22/SPR enrollment were 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** - Favorable to budget, due to a conservative budget related to COVID-19 uncertainties.
- **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.
- **Services - Staffing Agency** - Favorable to budget, it is too early in the fiscal year to tell if this trend

# Jackson College

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- **Services** - Unfavorable to budget. 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.
- **Transfers - deferred maintenance and life safety** - New fund created within the Building and Site Fund to address deferred maintenance and life safety expenses.
- **Transfers - Jets Store** - the Jets Store is a mission support activity that is created to be financially self sufficient, but in this start up year it has needed general fund support.
- **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 February 28, 2022 interest revenues have exceeded \$421,000. 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 February 28, 2022 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.

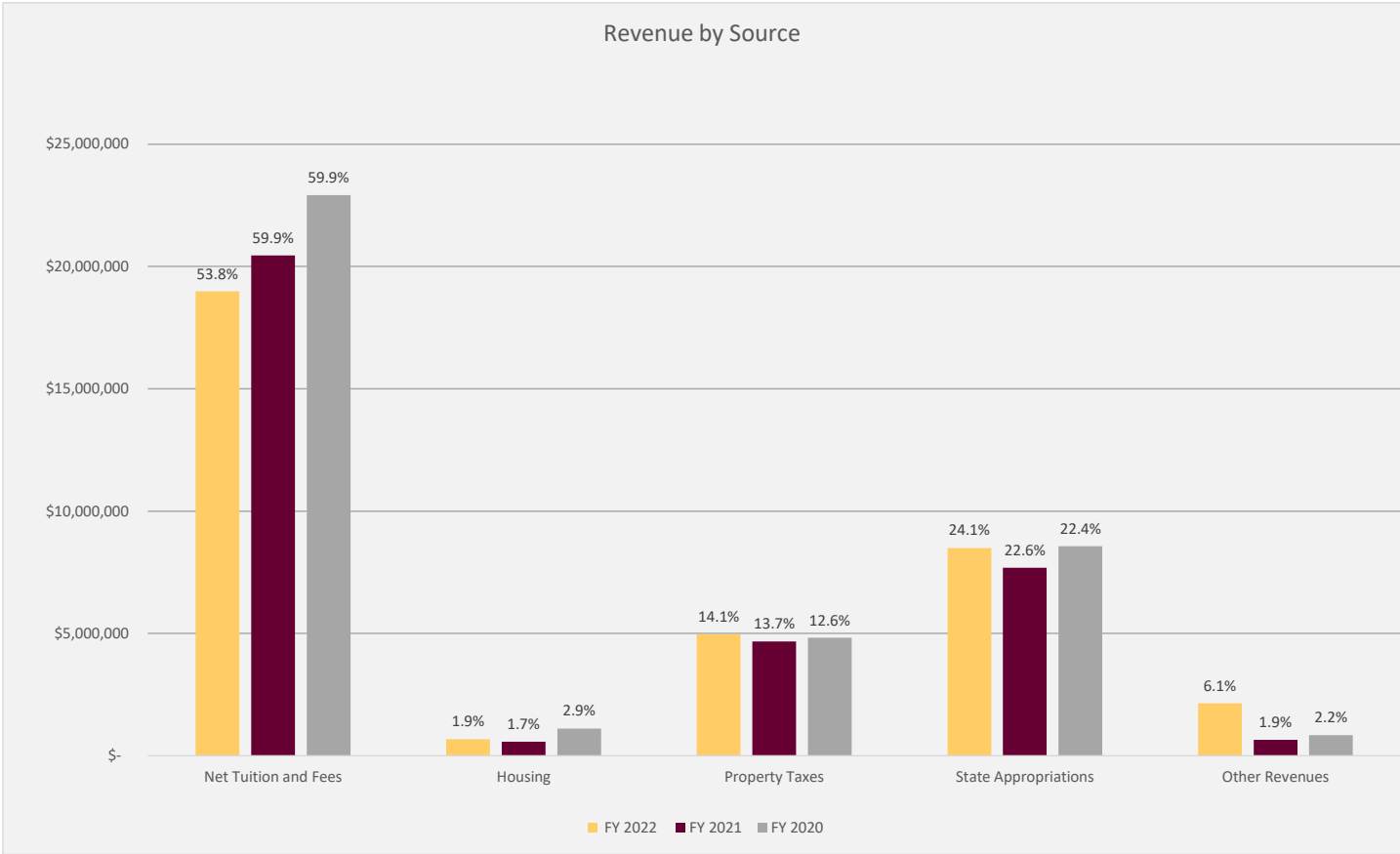
Jackson College  
Revenue and Expense Statement  
General Fund - FY 22  
For the Eight Months Ended February 28, 2022  
Preliminary - Unaudited

	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
<b>Revenue</b>							
Gross tuition and fees	\$ 21,433,000	51.7%	\$ 19,592,801	91.4%	86.0%	\$ 1,160,421	\$ 20,948,274
Less Institutional Scholarships	(800,000)	-1.9%	(617,887)	77.2%	73.0%	(33,887)	(504,042)
Net tuition and fees	20,633,000	49.8%	18,974,914	92.0%	79.5%	1,126,534	20,444,232
Housing	1,400,000	3.4%	683,237	48.8%	85.0%	(506,763)	579,457
Property taxes	5,300,000	12.7%	4,968,195	93.7%	94.0%	(13,805)	4,680,133
State appropriations	12,735,720	30.7%	8,490,480	66.7%	66.7%	(4,245)	7,686,196
Contract training	4,000	0.0%	47,054	1176.4%	66.7%	44,386	8,361
Potter Center activities	200,000	0.5%	202,715	101.4%	66.7%	69,315	-
Hospitality	750,000	1.8%	257,020	34.3%	66.7%	(243,230)	-
Miscellaneous	450,000	1.1%	198,025	44.0%	66.7%	(102,125)	335,928
Transfers	7,500	0.0%	15,043	200.6%	66.7%	10,040	123,335
Transfers - Federal grant funds	-	0.0%	1,421,417	0.0%	0.0%	1,421,417	191,158
<b>Total revenues</b>	<b>41,480,220</b>	<b>100.0%</b>	<b>35,258,100</b>	<b>85.0%</b>	<b>64.4%</b>	<b>1,801,524</b>	<b>34,048,800</b>
<b>Expenses</b>							
Wages	16,496,606	39.7%	9,838,123	59.6%	65.4%	(950,656)	9,792,210
Retirement	4,439,364	10.7%	2,625,747	59.1%	65.4%	(277,597)	2,637,390
Benefits	2,934,720	7.1%	2,078,243	70.8%	65.4%	158,936	1,941,273
Services - Staffing Agency	3,697,700	8.9%	2,288,272	61.9%	65.4%	(130,024)	2,133,960
Services	2,545,525	6.1%	1,752,759	68.9%	66.7%	54,894	1,314,517
Materials	1,994,765	4.8%	1,335,261	66.9%	66.7%	4,753	1,146,427
Rent, utilities, insurance	1,708,000	4.1%	1,089,235	63.8%	66.7%	(50,001)	1,014,057
Other operating costs	3,155,000	7.6%	1,708,353	54.1%	66.7%	(396,032)	1,168,214
Transfers-major maintenance	64,926	0.2%	43,284	66.7%	66.7%	(22)	747,517
Transfers-deferred maintenance	-	0.0%	704,233	0.0%	0.0%	704,233	-
Transfers-debt service	4,087,895	9.9%	2,725,263	66.7%	66.7%	(1,363)	2,773,875
Transfers-Jets Store	-	0.0%	217,121	0.0%	0.0%	217,121	-
Capital equipment	355,000	0.9%	133,947	37.7%	66.7%	(102,838)	101,321
<b>Total expenses</b>	<b>41,479,501</b>	<b>100.0%</b>	<b>26,539,841</b>	<b>64.0%</b>	<b>60.2%</b>	<b>(768,596)</b>	<b>24,770,761</b>
<b>Income over (under) expenses</b>	<b>\$ 719</b>		<b>\$ 8,718,259</b>			<b>\$ 2,570,120</b>	<b>\$ 9,278,039</b>



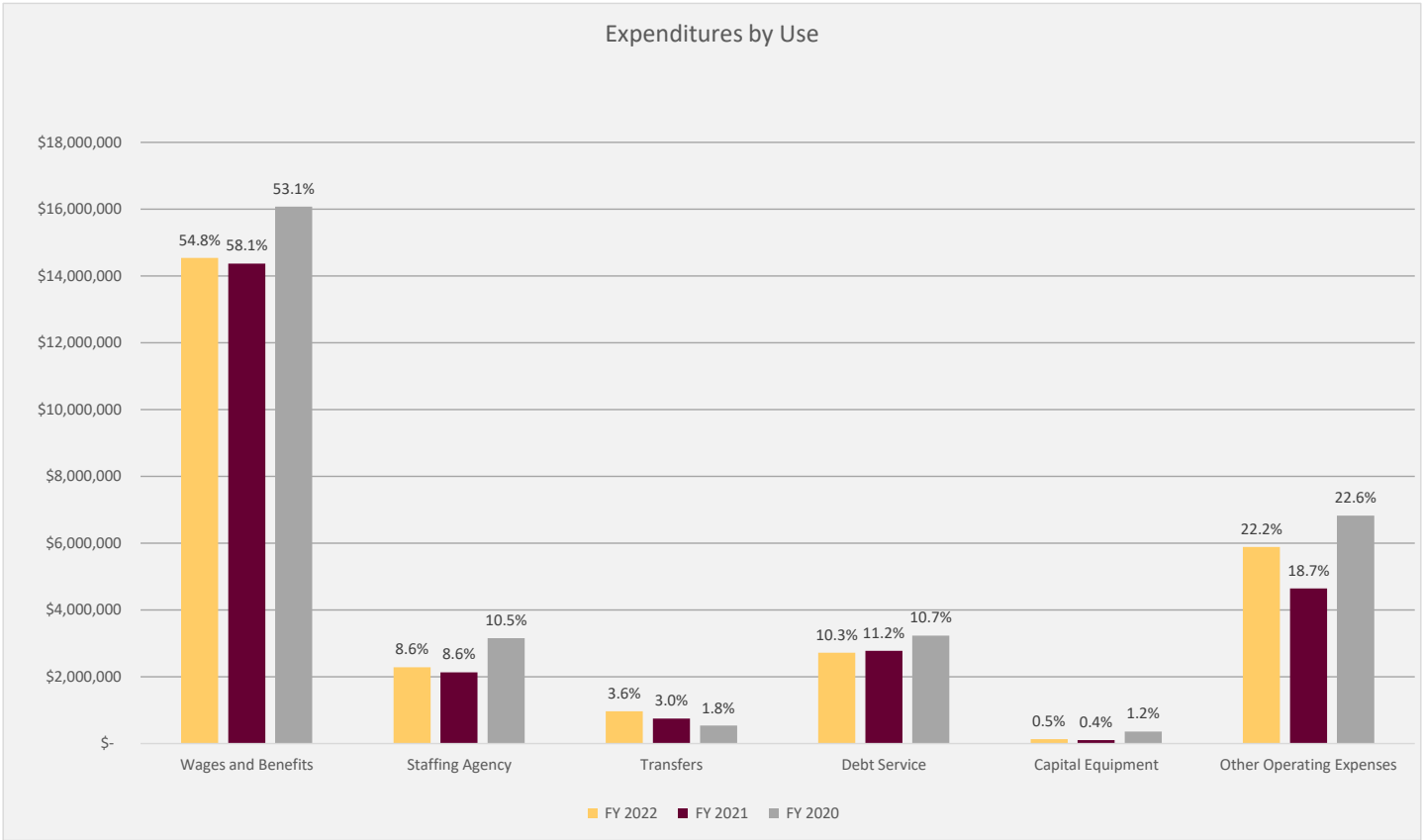
Jackson College  
 General Fund Revenue Comparison  
 For the Eight Months Ended February 28, 2022

\$35,258,100



Jackson College  
 General Fund Expenditure Comparison  
 For the Eight Months Ended February 28, 2022

\$26,539,841



Jackson College  
Balance Sheet and Changes in Fund Balance - FY 22  
February 28, 2022  
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	CARES Fund	Bookstore Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
<b>Assets</b>									
Cash	\$ 9,641,177	\$ 12,117,981	\$ (3,468,549)	\$ -	\$ (235,471)	\$ 17,313	\$ 10,524,547	\$ 485,686	\$ 29,082,684
Restricted cash in escrow	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	21,013	-	-	21,013
Accounts receivable	6,345,316	12,500	(158,855)	-	130,239	-	119,445	150	6,448,795
Inventories	97,503	-	-	-	116,466	-	-	-	213,969
Other assets	32,542	-	32,020	-	-	-	77,310,142	-	77,374,704
<b>Total assets</b>	<b>16,116,538</b>	<b>12,130,481</b>	<b>(3,595,384)</b>	<b>-</b>	<b>11,234</b>	<b>38,326</b>	<b>87,954,134</b>	<b>485,836</b>	<b>113,141,165</b>
<b>Liabilities and Fund Balance</b>									
Accounts payable	459,650	-	7,711	-	7,668	-	1,593,998	-	2,069,027
Accrued liabilities	2,900,874	-	-	-	-	-	34,866,120	-	37,766,994
Deferred liabilities	2,479,492	-	-	-	-	-	-	-	2,479,492
Unearned revenue	224,682	-	-	-	-	-	-	-	224,682
Other liabilities	629,797	-	-	-	3,566	-	-	-	633,363
<b>Total liabilities</b>	<b>6,694,495</b>	<b>-</b>	<b>7,711</b>	<b>-</b>	<b>11,234</b>	<b>-</b>	<b>36,460,118</b>	<b>-</b>	<b>43,173,558</b>
Fund balance	9,422,043	12,130,481	(3,603,095)	-	-	38,326	51,494,016	485,836	69,967,607
<b>Total liabilities and fund balance</b>	<b>\$ 16,116,538</b>	<b>\$ 12,130,481</b>	<b>\$ (3,595,384)</b>	<b>\$ -</b>	<b>\$ 11,234</b>	<b>\$ 38,326</b>	<b>\$ 87,954,134</b>	<b>\$ 485,836</b>	<b>\$ 113,141,165</b>
<b>Beginning fund balance</b>									
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	-	-	35,146	-	-	575,238
Future Operations	703,784	11,938,888	-	-	-	-	-	519,586	13,162,258
	\$ 703,784	\$ 12,117,355	\$ 361,625	\$ -	\$ -	\$ 35,146	\$ 54,001,405	\$ 519,586	\$ 67,738,901
Current year income	35,258,100	23,126	20,924,601	-	360,352	3,180	5,799,608	79,863	62,448,830
Current year expenses	26,539,841	10,000	24,889,321	-	360,352	-	8,306,997	113,613	60,220,124
<b>Ending fund balance</b>	<b>\$ 9,422,043</b>	<b>\$ 12,130,481</b>	<b>\$ (3,603,095)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 38,326</b>	<b>\$ 51,494,016</b>	<b>\$ 485,836</b>	<b>\$ 69,967,607</b>



Jackson College  
 Balance Sheet  
 Building and Site Fund - FY 22  
 February 28, 2022  
 Preliminary - Unaudited

	<b>Building and Site Fund</b>
<b>Assets</b>	
Cash	\$ 5,315,426
Investments	-
Accounts receivable	119,445
Due from other funds	-
	-
<b>Total assets</b>	5,434,871
<b>Liabilities and Fund Balance</b>	
Accounts payable	1,593,998
Other liabilities	-
	-
<b>Total liabilities</b>	1,593,998
Fund balance	3,840,873
<b>Total liabilities and fund balance</b>	\$ 5,434,871

Jackson College  
 Statement of Changes in Fund Balance  
 Building and Site Fund  
 For the Eight Months Ended February 28, 2022  
 Preliminary - Unaudited

	<b>Balance July 1, 2021</b>	<b>Revenue</b>	<b>Expenditures</b>	<b>Balance February 28, 2022</b>
Major Maintenance and Equipment Replacement	\$ 8,588,594	\$ 2,361,097	\$ 7,813,051	\$ 3,136,640
Deferred Maintenance and Life Safety	-	704,233	-	704,233
	-	704,233	-	704,233
<b>Total</b>	\$ 8,588,594	\$ 3,065,330	\$ 7,813,051	\$ 3,840,873

**Jackson College**  
**Revenue and Expense Statement**  
**Auxiliary Services**  
**For the Eight Months Ended February 28, 2022**  
**Preliminary - Unaudited**

	<b>Hospitality Services</b>	<b>Housing</b>	<b>Jets Store Bookstore</b>	<b>Potter Center Performing Arts</b>
<b>Revenue</b>				
Housing	-	683,237	-	-
Sales	-	-	143,231	-
Potter Center activities	-	-	-	202,715
Hospitality	257,020	-	-	-
Miscellaneous	-	-	-	-
Transfers - General Fund	-	-	217,121	-
Transfers - Federal grant funds	-	1,421,417	-	-
<b>Total revenues</b>	<b>257,020</b>	<b>2,104,654</b>	<b>360,352</b>	<b>202,715</b>
<b>Expenses</b>				
Wages	295,516	113,896	56,674	158,754
Retirement	62,962	21,334	14,806	51,117
Benefits	70,672	20,107	8,022	34,939
Services - Staffing Agency	10,798	-	-	-
Services	13,670	5,605	426	5,326
Materials	238,741	7,488	259,953	1,364
Rent, utilities, insurance	90	-	-	-
Other operating costs	5,391	13,615	5,014	129,936
Transfers	-	-	-	-
Transfers-debt service	-	800,000	-	-
Capital equipment	7,595	2,195	15,457	-
<b>Total expenses</b>	<b>705,435</b>	<b>984,240</b>	<b>360,352</b>	<b>381,436</b>
<b>Income over (under) expenses</b>	<b>\$ (448,415)</b>	<b>\$ 1,120,414</b>	<b>\$ -</b>	<b>\$ (178,721)</b>

Jackson College  
Cash and Investments by Fund - FY 22  
February 28, 2022  
Preliminary - Unaudited

	<b>General Fund</b>	<b>Designated Fund</b>	<b>Restricted Fund</b>	<b>CARES Fund</b>	<b>Grants Fund</b>	<b>Bookstore Fund</b>	<b>Endowment Fund</b>	<b>Building and Site</b>	<b>Physical Plant</b>	<b>Activities Fund</b>	<b>Total</b>
<b>Cash</b>											
Petty Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,309	\$ 4,309
Cash-Comerica Bank Pooled	1,455,879	(203,534)	(197,506)	-	(237,379)	(242,317)	17,313	5,315,426	5,209,121	227,056	11,344,059
Cash-Comerica Federal Funds	-	-	16,194	-	(172)	-	-	-	-	-	16,022
VISA Account	409,999	-	-	-	-	6,846	-	-	-	-	416,845
Cash-United Bank	-	-	-	-	-	-	-	-	-	-	-
Cash-Federal Direct Loan	-	-	2,268	-	-	-	-	-	-	-	2,268
Cash-Comerica State Wire	1,351,535	-	-	-	-	-	-	-	-	254,321	1,605,856
Cash-Payroll	3,929,047	-	(2,507,963)	-	(1,427,216)	-	-	-	-	-	(6,132)
County National Bank	483,658	-	45,848	-	-	-	-	-	-	-	529,506
Ref Pay	7,910	-	-	-	-	-	-	-	-	-	7,910
Cultural Affairs Checking	3,149	-	-	-	-	-	-	-	-	-	3,149
MNJTP	-	-	-	-	837,377	-	-	-	-	-	837,377
U.S. Government Bonds	-	3,900,040	-	-	-	-	-	-	-	-	3,900,040
MILAF	2,000,000	8,421,475	-	-	-	-	-	-	-	-	10,421,475
	<u>9,641,177</u>	<u>12,117,981</u>	<u>(2,641,159)</u>	<u>-</u>	<u>(827,390)</u>	<u>(235,471)</u>	<u>17,313</u>	<u>5,315,426</u>	<u>5,209,121</u>	<u>485,686</u>	<u>29,082,684</u>
<b>Investments</b>											
Common Stock	-	-	-	-	-	-	21,013	-	-	-	21,013
<b>Total cash and investments</b>	<u>\$ 9,641,177</u>	<u>\$12,117,981</u>	<u>\$(2,641,159)</u>	<u>\$ -</u>	<u>\$ (827,390)</u>	<u>\$ (235,471)</u>	<u>\$ 38,326</u>	<u>\$ 5,315,426</u>	<u>\$ 5,209,121</u>	<u>\$ 485,686</u>	<u>\$ 29,103,697</u>

Jackson College  
 Billing Contact Hours  
 February 28, 2022  
 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	38,743	115.6%	37,384	103.6%
Summer	13,408	-	0.0%	17,373	0.0%
<b>Total</b>	<b>83,800</b>	<b>79,217</b>	<b>94.5%</b>	<b>96,234</b>	<b>82.3%</b>

