



Financial Report

Presented to
President Daniel Phelan
Jackson College Board of Trustees



Prepared by the Business Office
February 28, 2023

Jackson College
Memo From John Globoker, Chief Financial Officer
For the February 28, 2023 Financial Report

Following is the February 28, 2023 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 2022-2023 Budget as adopted at the June 2022 Board of Trustees meeting.

General Fund

Revenues

- **Tuition and fees** - Unfavorable to budget, 22/Fall and 23/SPR enrollment were lower than projected.
- **Contract training** - Favorable to budget, due to additional trainings through grant programs.
- **Miscellaneous** - Favorable to budget, due to administrative allowance recognized from grant programs.
- **Transfers** - Favorable to budget, due to timing of transfers between the college and foundation.

Expenses

- **Wages/Retirement & Benefits** - Savings from vacant positions, we expect savings to get smaller as the fiscal year progresses.
- **Services** - Unfavorable to budget, due to amended services in IT, contracted CFO services, FY22 IT invoice paid in FY23, and new services with Consumer's Energy for the lineworker program.
- **Materials** - Unfavorable to budget, due to timing of IT software renewals that required larger upfront payments. We anticipate this will continue to diminish over the fiscal year.
- **Rent, utilities, insurance** - Unfavorable to budget, due to increase in heating/fuel gas, electricity and insurance costs.
- **Other operating costs** - Unfavorable to budget, due to increased investment in professional development and advertising.
- **Transfers - Jets Store** - the Jets Store is a mission supported activity that the general fund supports until the time it becomes financially self sufficient.
- **Capital Equipment** - Unfavorable to budget due to timing of purchases.

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Auxiliary Fund

Revenues

- **Housing** - Favorable to budget as occupancy was higher than expected.
- **Housing** Scholarships- Unfavorable to budget, due to increase in Resident Mentors to support Ready, Set, Jet initiative for the academic year.
- **Potter Center** - Favorable to budget, due to a conservative budget being presented.
- **Hospitality** - Favorable to budget, due to a conservative budget.
- **Miscellaneous** - Unfavorable to budget, due to timing of upcoming events in the Potter Center. We anticipate that this will improve as the year progresses

Expenses

- **Wages/Benefits** - Unfavorable to budget, due to insufficient budgeting in Bookstore.
- **Services Staffing Agency**- Favorable to budget, it is too early in the year to tell if this trend will continue.
- **Services** - Unfavorable to budget, due to timing of purchases at the beginning of the year and additional expenses related to the opening of Jax's Place.
- **Materials** - Unfavorable to budget, due to timing additional food supplies related to the opening of Jax's Place and insufficient budgeting in Bookstore.
- **Rent, Utilities, insurance** - Favorable to budget, It is too early in the year to tell if this trend will continue.
- **Other operating costs** - Unfavorable to budget, increase in Potter Center Income (from budget) resulted in additional expenses related to increased activity.
- **Capital Equipment** - Unfavorable to budget, due to equipment purchases necessary for Jax's Place

Other Notes

- **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, 2023 the College is meeting this requirement.

Jackson College
Revenue and Expense Statement
General Fund - FY 23
February 28, 2023
Preliminary - Unaudited

	2022-2023 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	\$ 24,936,000	57.3%	\$ 19,742,998	79.2%	86.0%	\$ (1,701,962)	\$ 19,592,801
Less Institutional Scholarships	(725,000)	-1.7%	(578,648)	79.8%	86.0%	44,852	(531,933)
Net tuition and fees	24,211,000	55.6%	19,164,350	79.2%	86.0%	(1,657,110)	19,060,868
Property taxes	5,587,000	12.7%	5,481,066	98.1%	98.0%	5,806	4,968,195
State appropriations	13,428,792	30.9%	8,952,528	66.7%	66.7%	895	8,490,480
Contract training	35,000	0.1%	58,644	167.6%	66.7%	35,313	47,054
Miscellaneous	210,000	0.5%	182,541	86.9%	66.7%	42,555	198,025
Transfers	50,000	0.1%	51,726	103.5%	66.7%	18,396	15,043
Transfers - Federal grant funds	-	0.0%	-	0.0%	0.0%	-	1,421,417
Total revenues	43,521,792	99.9%	33,890,855	77.9%	60.8%	(1,554,145)	34,201,082
Expenses							
Wages	16,299,486	37.7%	9,918,932	60.9%	65.4%	(738,423)	9,213,282
Retirement	4,335,066	10.0%	2,614,451	60.3%	65.4%	(220,015)	2,475,529
Benefits	3,144,126	7.3%	1,932,011	61.4%	65.4%	(123,764)	1,944,503
Services - Staffing Agency	3,655,400	8.5%	2,465,115	67.4%	65.4%	75,046	2,277,474
Services	4,064,520	9.4%	2,939,847	72.3%	66.7%	230,167	1,727,732
Materials	1,653,675	3.8%	1,325,939	80.2%	66.7%	223,489	827,715
Rent, utilities, insurance	1,749,400	4.1%	1,275,156	72.9%	66.7%	108,889	1,089,145
Other operating costs	2,440,735	5.7%	2,268,590	92.9%	66.7%	641,433	1,554,398
Transfers-major maintenance	987,895	2.3%	658,597	66.7%	66.7%	-	43,284
Transfers-deferred maintenance	-	0.0%	-	0.0%	0.0%	-	704,233
Transfers-debt service	4,460,045	10.3%	2,973,363	66.7%	66.7%	-	1,925,263
Transfers-Jets Store	-	0.0%	213,978	0.0%	66.7%	213,978	217,121
Capital equipment	348,000	0.8%	239,972	69.0%	66.7%	7,856	109,200
Total expenses	43,138,348	99.9%	28,825,951	66.8%	60.1%	418,656	24,108,879
Income over (under) expenses	\$ 383,444 **		\$ 5,064,904			\$ (1,972,801)	\$ 10,092,203

* Certain amounts as reported in the 2022 financial statements have been reclassified to conform with the 2023 presentation of Auxiliary Funds

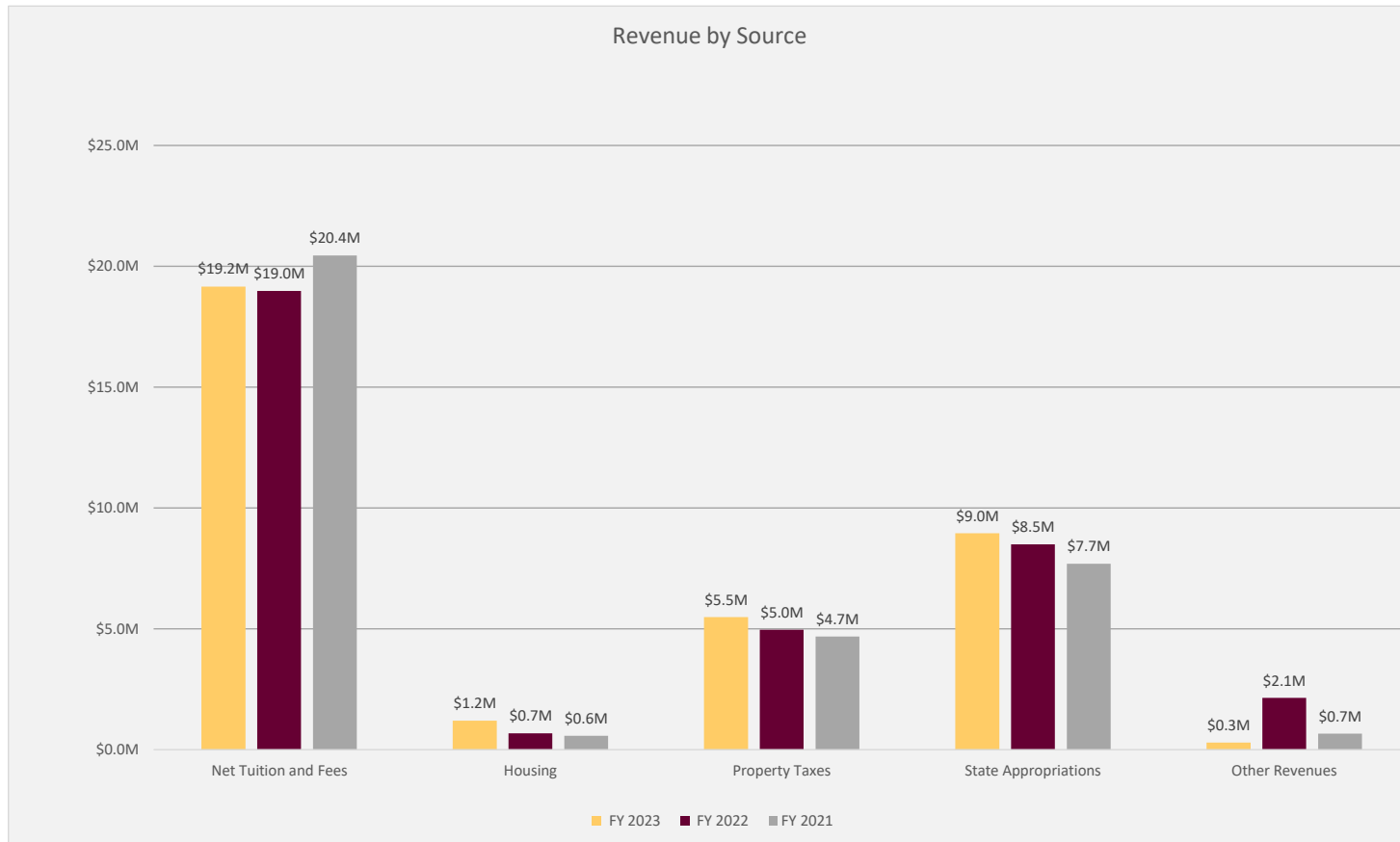
** Budgeted Auxiliary Funds presented separately

Jackson College
Revenue and Expense Schedule
HEERF Funds - FY 23
February 28, 2023
Preliminary - Unaudited

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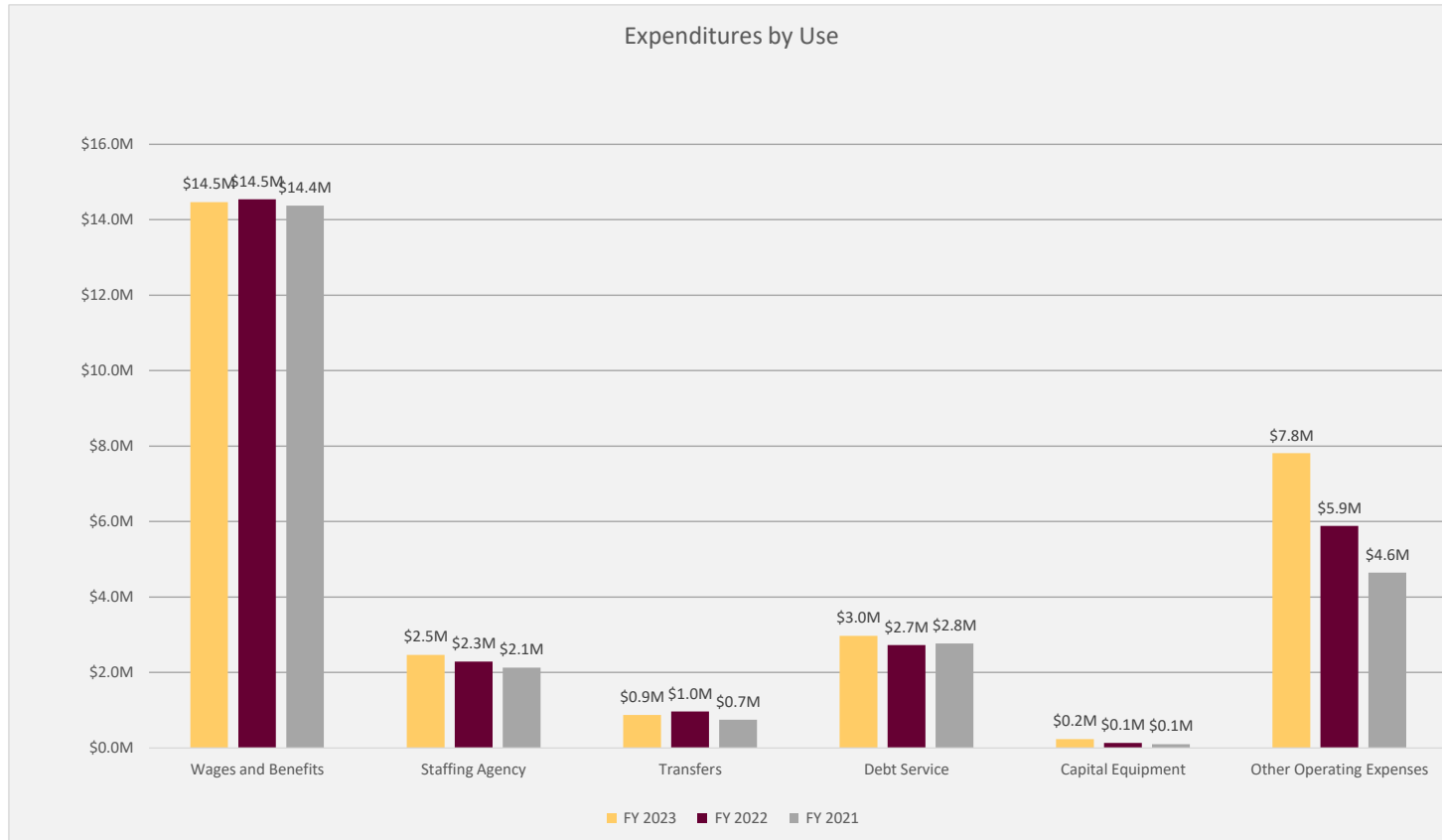
Jackson College
General Fund Revenue Comparison
2/28/2023

\$33,890,855



Jackson College
General Fund Expenditure Comparison
2/28/2023

\$28,825,951



Jackson College
Balance Sheet and Changes in Fund Balance - FY 23
February 28, 2023
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	CARES Fund	Auxiliary Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
Assets									
Cash	\$ 3,598,509	\$ 12,216,668	\$ (4,646,749)	\$ -	\$ 306,352	\$ 17,495	\$ 13,626,475	\$ 537,814	\$ 25,656,564
Restricted cash in escrow	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	16,793	-	-	16,793
Accounts receivable	7,948,083	24,999	3,918	-	77,101	-	318,107	-	8,372,208
Inventories	29,672	-	-	-	167,114	-	-	-	196,786
Other assets	(19,084)	-	52,721	-	150,175	-	79,231,895	-	79,415,707
Total assets	11,557,180	12,241,667	(4,590,110)	-	700,742	34,288	93,176,477	537,814	113,658,058
Liabilities and Fund Balance									
Accounts payable	391,892	-	342,158	-	91	-	37,255	-	771,396
Accrued liabilities	2,299,866	-	-	-	258,515	-	31,629,842	-	34,188,223
Deferred liabilities	2,256,977	-	-	-	-	-	-	-	2,256,977
Unearned revenue	1,400	-	-	-	259,870	-	-	-	261,270
Other liabilities	838,369	-	-	-	-	-	8,250	-	846,619
Total liabilities	5,788,504	-	342,158	-	518,476	-	31,675,347	-	38,324,485
Fund balance	5,768,676	12,241,667	(4,932,268)	-	182,266	34,288	61,501,130	537,814	75,333,573
Total liabilities and fund balance	\$ 11,557,180	\$ 12,241,667	\$ (4,590,110)	\$ -	\$ 700,742	\$ 34,288	\$ 93,176,477	\$ 537,814	\$ 113,658,058
Beginning fund balance									
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	50,587,601	\$ -	\$ 50,587,601
Major Maintenance and Equipment Replacement	-	-	-	-	-	-	12,037,535	-	12,037,535
Restricted	-	690,408	477,117	-	-	34,176	-	-	1,201,701
Future Operations	703,772	11,360,987	-	-	-	-	-	530,070	12,594,829
	\$ 703,772	\$ 12,051,395	\$ 477,117	\$ -	\$ -	\$ 34,176	\$ 62,625,136	\$ 530,070	\$ 76,421,666
Current year income	33,890,855	190,272	9,930,275	-	2,814,188	112	3,415,846	136,192	50,377,740
Current year expenses	28,825,951	-	15,339,660	-	2,631,922	-	4,539,852	128,447	51,465,832
Ending fund balance	\$ 5,768,676	\$ 12,241,667	\$ (4,932,268)	\$ -	\$ 182,266	\$ 34,288	\$ 61,501,130	\$ 537,815	\$ 75,333,574

Jackson College
Revenue and Expense Statement
Auxiliary Services
February 28, 2023
Preliminary - Unaudited

	2022-2023 Original Budget	Percentage of Original Budget	Actual Year to Date All Auxiliaries	Actual Percentage of Budget	Planned Percentage to Budget	Hospitality Services	Auxiliary Units		Potter Center Performing Arts
							Housing	Jets Store Bookstore	
Revenue									
Housing	\$ 1,007,485	49.1%	\$ 1,200,124	119.1%	85.0%	-	1,200,124	-	-
Less Housing Scholarships	(100,000)	-4.9%	(182,773)	182.8%	100.0%	-	(182,773)	-	-
Sales Bookstore	-	0.0%	262,033	0.0%	0.0%	-	-	262,033	-
Potter Center activities	200,000	9.8%	421,778	210.9%	66.7%	-	-	-	421,778
Hospitality	660,000	32.2%	528,261	80.0%	66.7%	528,261	-	-	-
Miscellaneous	50,000	2.4%	31,301	62.6%	66.7%	-	6,900	-	24,401
Transfers - General Fund	-	0.0%	213,978	0.0%	0.0%	-	-	213,978	-
Transfers - Foundation	232,500	11.3%	156,711	67.4%	66.7%	-	-	-	156,711
Total revenues	<u>2,049,985</u>		<u>2,631,413</u>			<u>528,261</u>	<u>1,024,251</u>	<u>476,011</u>	<u>602,890</u>
Expenses									
Wages	\$ 1,072,792	44.1%	\$ 786,210	73.3%	65.4%	398,228	109,221	107,627	171,134
Retirement	283,023	11.6%	181,143	64.0%	65.4%	83,051	16,843	26,642	54,607
Benefits	203,774	8.4%	148,822	73.0%	65.4%	90,432	6,111	19,840	32,439
Services - Staffing Agency	15,000	0.6%	3,664	24.4%	65.4%	3,664	-	-	-
Services	12,000	0.5%	30,928	257.7%	66.7%	14,548	6,154	-	10,226
Materials	385,340	15.8%	727,377	188.8%	66.7%	412,441	563	313,777	596
Rent, utilities, insurance	2,000	0.1%	753	37.7%	66.7%	753	-	-	-
Other operating costs	452,500	18.6%	541,639	119.7%	66.7%	1,839	11,185	6,616	521,999
Transfers	-	0.0%	-	0.0%	0.0%	-	-	-	-
Capital equipment	7,000	0.3%	28,613	408.8%	66.7%	25,811	1,293	1,509	-
Total expenses	<u>2,433,429</u>		<u>2,449,149</u>			<u>1,030,767</u>	<u>151,370</u>	<u>476,011</u>	<u>791,001</u>
Income over (under) expenses	<u>\$ (383,444)</u>		<u>\$ 182,264</u>			<u>\$ (502,506)</u>	<u>\$ 872,881</u>	<u>\$ -</u>	<u>\$ (188,111)</u>

Jackson College
Balance Sheet
Building and Site Fund - FY 23
February 28, 2023
Preliminary - Unaudited

	Building and Site Fund
Assets	
Cash	\$ 8,118,494
Investments	-
Accounts receivable	318,108
Due from other funds	-
	<u> </u>
Total assets	<u>8,436,602</u>
Liabilities and Fund Balance	
Accounts payable	37,255
Other liabilities	8,250
	<u> </u>
Total liabilities	<u>45,505</u>
Fund balance	8,391,097
Total liabilities and fund balance	<u><u>\$ 8,436,602</u></u>

Jackson College
Statement of Changes in Fund Balance
Building and Site Fund
February 28, 2023
Preliminary - Unaudited

	Balance July 1, 2022	Revenue	Expenditures	Balance February 28, 2023
Major Maintenance and Equipment Replacement	\$ 9,671,462	\$ 440,892	\$ 3,662,778	\$ 6,449,576
Deferred Maintenance and Life Safety	<u>2,366,073</u>	<u>-</u>	<u>424,552</u>	<u>1,941,521</u>
Total	<u><u>\$ 12,037,535</u></u>	<u><u>\$ 440,892</u></u>	<u><u>\$ 4,087,330</u></u>	<u><u>\$ 8,391,097</u></u>

Jackson College
Cash and Investments by Fund - FY 23
February 28, 2023
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	CARES Fund	Grants Fund	Auxiliary Fund	Endowment Fund	Building and Site	Physical Plant	Activities Fund	Total
Cash											
Petty Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,309	\$ 4,309
Cash-Comerica Bank Pooled	(11,818,083)	(42,384)	(2,635,154)	-	48,621	306,352	17,495	8,118,494	5,507,981	533,410	36,732
Cash-Comerica Sweep Acct	9,147,748	-	-	-	-	-	-	-	-	-	9,147,748
Cash-Comerica Federal Funds	-	-	69,318	-	-	-	-	-	-	-	69,318
VISA Account	365,228	-	-	-	-	-	-	-	-	95	365,323
Cash-United Bank	-	-	-	-	-	-	-	-	-	-	-
Cash-Federal Direct Loan	-	-	20,508	-	-	-	-	-	-	-	20,508
Cash-Comerica State Wire	(7,443)	-	-	-	-	-	-	-	-	-	(7,443)
Cash-Payroll	3,380,557	-	(2,932,392)	-	(448,165)	-	-	-	-	-	-
County National Bank	512,824	-	83,459	-	-	-	-	-	-	-	596,283
Ref Pay	5,448	-	-	-	-	-	-	-	-	-	5,448
Cultural Affairs Checking	2,669	-	-	-	-	-	-	-	-	-	2,669
MNJTP	9,561	-	-	-	1,147,056	-	-	-	-	-	1,156,617
U.S. Government Bonds	-	3,599,367	-	-	-	-	-	-	-	-	3,599,367
MILAF	2,000,000	8,659,685	-	-	-	-	-	-	-	-	10,659,685
	3,598,509	12,216,668	(5,394,261)	-	747,512	306,352	17,495	8,118,494	5,507,981	537,814	25,656,564
Investments											
Common Stock	-	-	-	-	-	-	16,793	-	-	-	16,793
Total cash and investments	<u>\$ 3,598,509</u>	<u>\$12,216,668</u>	<u>\$ (5,394,261)</u>	<u>\$ -</u>	<u>\$ 747,512</u>	<u>\$ 306,352</u>	<u>\$ 34,288</u>	<u>\$ 8,118,494</u>	<u>\$ 5,507,981</u>	<u>\$ 537,814</u>	<u>\$ 25,673,357</u>

Jackson College
Billing Contact Hours
February 28, 2023
Preliminary - Unaudited

	Budgeted FY 23	Actual FY 23	Actual Percentage	Actual FY 22	Prior Year Percentage
Semester:					
Fall	44,000	42,348	96.2%	41,477	102.1%
Spring	40,000	39,604	99.0%	37,384	105.9%
Summer	16,000	-	0.0%	17,373	0.0%
Total	100,000	81,953	82.0%	96,234	85.2%

