Financial Report

Presented to
President Daniel Phelan
Jackson College Board of Trustees

Prepared by the Business Office
February 29, 2024
Jackson College
Memo From John Globoker, Chief Financial Officer
For the February 29, 2024 Financial Report

Following is the February 29, 2024 Treasurer’s Report summarizing the components of the major revenue and expense lines. Explanations for significant variances are included in this memo.

Note: Budgeted amounts reflect the 2023-2024 Budget as adopted at the June 2023 Board of Trustees meeting.

General Fund

Revenues

- **State Appropriations** - Jackson College received the fifth of eleven funding installments from the state of Michigan in February. Funds are received from October through August each year.

- **Contract training** - Favorable to budget, due to additional trainings through grant programs.

- **Transfers In** - Favorable to budget, due to a Dental Hygiene transfer and conservative budget.

Expenses

- **Wages/Retirement & Benefits** - Favorable to budget, savings realized from vacant positions.

- **Services** - Unfavorable to budget, due to contracted services with CampusWorks for IT, Business Office and PRR Services; Audit Services; and Facilities projects.
Jackson College
Memo From John Globoker, Chief Financial Officer
For the February 29, 2024 Financial Report

Auxiliary Fund

**Revenues**
- **Housing** - Unfavorable to budget as occupancy was lower 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 and Meal Plans** - Unfavorable to budget as occupancy was lower than expected.
- **Miscellaneous** - Unfavorable to budget, mainly due to building rentals not meeting expectations.
- **Transfers** - Unfavorable to budget, due to timing of transfers from the Foundation.

**Expenses**
- **Wages/Benefits** - Favorable to budget, due to position vacancies.
- **Services Staffing Agency** - Unfavorable to budget, possibly under budgeted.
- **Services** - Favorable to budget, due to timing of purchases.
- **Materials** - Favorable to budget, due to timing of expenses.
- **Rent, Utilities, insurance** - Favorable to budget, rental of equipment not needed as much compared to previous years
- **Other operating costs** - Unfavorable to budget, due to timing of necessary production costs for shows in Potter Center.
- **Transfers** - Favorable to budget, as transfers to plant, auxiliary, and payment on debt have not yet occurred in FY24.

**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 29, 2024 the College is meeting this requirement.
## Revenue and Expense Statement
### General Fund - FY 24
#### February 29, 2024
Preliminary - Unaudited

### Revenue

<table>
<thead>
<tr>
<th>Category</th>
<th>2023-2024 Original Budget</th>
<th>Percentage of Original Budget</th>
<th>Actual Year to Date</th>
<th>Actual Percentage of Budget</th>
<th>Planned Percentage to Date</th>
<th>Variance of Planned Percentage to Actual</th>
<th>Prior Year to Date*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross tuition and fees</td>
<td>$ 25,240,228</td>
<td>54.5%</td>
<td>$ 19,950,209</td>
<td>79.0%</td>
<td>79.0%</td>
<td>$ 10,429</td>
<td>$ 19,742,998</td>
</tr>
<tr>
<td>Less Institutional Scholarships</td>
<td>(860,000)</td>
<td>-1.9%</td>
<td>(587,897)</td>
<td>68.4%</td>
<td>79.0%</td>
<td>91,503</td>
<td>(578,648)</td>
</tr>
<tr>
<td>Net tuition and fees</td>
<td>24,380,228</td>
<td>52.6%</td>
<td>19,362,312</td>
<td>79.0%</td>
<td>79.0%</td>
<td>101,932</td>
<td>19,164,350</td>
</tr>
<tr>
<td>Property taxes</td>
<td>6,389,547</td>
<td>13.7%</td>
<td>5,043,612</td>
<td>78.9%</td>
<td>79.0%</td>
<td>(1,190,021)</td>
<td>5,481,066</td>
</tr>
<tr>
<td>State appropriations</td>
<td>15,119,559</td>
<td>32.6%</td>
<td>7,194,125</td>
<td>47.6%</td>
<td>45.5%</td>
<td>321,598</td>
<td>8,952,528</td>
</tr>
<tr>
<td>Contract training</td>
<td>100,000</td>
<td>0.2%</td>
<td>169,341</td>
<td>169.3%</td>
<td>66.7%</td>
<td>102,647</td>
<td>58,644</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>353,361</td>
<td>0.8%</td>
<td>212,606</td>
<td>60.2%</td>
<td>66.7%</td>
<td>(116,022)</td>
<td>182,541</td>
</tr>
<tr>
<td>Transfers</td>
<td>-</td>
<td>0.0%</td>
<td>27,304</td>
<td>0.0%</td>
<td>66.7%</td>
<td>27,304</td>
<td>51,726</td>
</tr>
<tr>
<td>Transfers - Federal grant funds</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td><strong>46,342,695</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>32,009,300</strong></td>
<td><strong>69.1%</strong></td>
<td><strong>64.9%</strong></td>
<td><strong>526,410</strong></td>
<td><strong>33,890,855</strong></td>
</tr>
</tbody>
</table>

### Expenses

<table>
<thead>
<tr>
<th>Category</th>
<th>2023-2024 Original Budget</th>
<th>Percentage of Original Budget</th>
<th>Actual Year to Date</th>
<th>Actual Percentage of Budget</th>
<th>Planned Percentage to Date</th>
<th>Variance of Planned Percentage to Actual</th>
<th>Prior Year to Date*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages</td>
<td>17,633,785</td>
<td>38.0%</td>
<td>9,313,925</td>
<td>52.8%</td>
<td>65.4%</td>
<td>(2,215,857)</td>
<td>9,198,932</td>
</tr>
<tr>
<td>Retirement</td>
<td>4,808,404</td>
<td>10.4%</td>
<td>2,686,421</td>
<td>55.9%</td>
<td>65.4%</td>
<td>(457,535)</td>
<td>2,614,451</td>
</tr>
<tr>
<td>Benefits</td>
<td>3,129,996</td>
<td>6.8%</td>
<td>1,300,247</td>
<td>41.5%</td>
<td>65.4%</td>
<td>(746,289)</td>
<td>1,932,011</td>
</tr>
<tr>
<td>Services - Staffing Agency</td>
<td>7,736,072</td>
<td>8.1%</td>
<td>2,435,634</td>
<td>65.2%</td>
<td>65.4%</td>
<td>(6,192)</td>
<td>2,465,115</td>
</tr>
<tr>
<td>Services</td>
<td>4,481,797</td>
<td>9.7%</td>
<td>3,709,130</td>
<td>82.8%</td>
<td>66.7%</td>
<td>721,265</td>
<td>2,939,847</td>
</tr>
<tr>
<td>Materials</td>
<td>1,843,739</td>
<td>4.0%</td>
<td>1,034,002</td>
<td>56.1%</td>
<td>66.7%</td>
<td>(195,157)</td>
<td>1,325,939</td>
</tr>
<tr>
<td>Rent, utilities, insurance</td>
<td>1,088,477</td>
<td>3.9%</td>
<td>1,247,092</td>
<td>69.0%</td>
<td>66.7%</td>
<td>1,141</td>
<td>1,275,156</td>
</tr>
<tr>
<td>Other operating costs</td>
<td>3,882,654</td>
<td>8.4%</td>
<td>2,379,437</td>
<td>61.3%</td>
<td>66.7%</td>
<td>(2,038,999)</td>
<td>2,268,590</td>
</tr>
<tr>
<td>Transfers-major maintenance</td>
<td>1,146,577</td>
<td>2.5%</td>
<td>764,385</td>
<td>66.7%</td>
<td>66.7%</td>
<td>-</td>
<td>658,597</td>
</tr>
<tr>
<td>Transfers-deferred maintenance</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0.0%</td>
<td>0.0%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Transfers-debt service</td>
<td>3,457,494</td>
<td>7.5%</td>
<td>2,304,996</td>
<td>66.7%</td>
<td>66.7%</td>
<td>-</td>
<td>2,973,363</td>
</tr>
<tr>
<td>Transfers-Jets Store</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0.0%</td>
<td>0.0%</td>
<td>-</td>
<td>213,978</td>
</tr>
<tr>
<td>Capital equipment</td>
<td>413,700</td>
<td>0.9%</td>
<td>305,772</td>
<td>73.9%</td>
<td>66.7%</td>
<td>29,972</td>
<td>239,972</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td><strong>46,342,695</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>27,481,041</strong></td>
<td><strong>59.3%</strong></td>
<td><strong>56.0%</strong></td>
<td><strong>(3,038,341)</strong></td>
<td><strong>28,825,951</strong></td>
</tr>
</tbody>
</table>

**Income over (under) expenses**  $ -  $ 4,528,259  $ 3,564,751  $ 5,064,904

*Previous years included "financial statement adjustment" entries to smooth revenues and expenses. In fiscal year 2024, management determined to eliminate the need for these entries and report posted revenues and expenses in the college’s ERP, Colleague, as it is a better indicator of the college’s position for each month.
Jackson College
General Fund Revenue Comparison
2/29/2024

$32,009,300

Revenue by Source

- Net Tuition and Fees: $19.4M
- Property Taxes: $5.0M
- State Appropriations: $7.2M
- Other Revenues: $0.3M

FY 2024
FY 2023
FY 2022
Jackson College
General Fund Expenditure Comparison
2/29/2024

$27,481,041
## Jackson College
### Revenue and Expense Statement
#### Auxiliary Services
February 29, 2024
Preliminary - Unaudited

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Percentage of Original Budget</th>
<th>Actual Year to Date All Auxiliaries</th>
<th>Actual Percentage of Budget</th>
<th>Planned Percentage to Budget</th>
<th>Hospitality Services</th>
<th>Housing</th>
<th>Jets Store Bookstore</th>
<th>Potter Center Performing Arts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Textbook and Class Fees</td>
<td>$2,511,642</td>
<td>34.6%</td>
<td>$2,550,296</td>
<td>101.5%</td>
<td>79.0%</td>
<td>-</td>
<td>-</td>
<td>$2,550,296</td>
</tr>
<tr>
<td>Housing</td>
<td>$2,007,800</td>
<td>27.6%</td>
<td>1,450,925</td>
<td>72.3%</td>
<td>79.0%</td>
<td>-</td>
<td>1,450,925</td>
<td>-</td>
</tr>
<tr>
<td>Less Housing Scholarships</td>
<td>(200,000)</td>
<td>-2.8%</td>
<td>(255,467)</td>
<td>127.7%</td>
<td>79.0%</td>
<td>-</td>
<td>(255,467)</td>
<td>-</td>
</tr>
<tr>
<td>Sales Bookstore</td>
<td>242,923</td>
<td>3.3%</td>
<td>110,543</td>
<td>45.5%</td>
<td>66.7%</td>
<td>-</td>
<td>-</td>
<td>110,543</td>
</tr>
<tr>
<td>Potter Center activities</td>
<td>351,000</td>
<td>4.8%</td>
<td>352,713</td>
<td>100.5%</td>
<td>66.7%</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Hospitality and Meal Plans</td>
<td>2,302,577</td>
<td>31.7%</td>
<td>1,450,925</td>
<td>72.3%</td>
<td>79.0%</td>
<td>1,525,766</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>35,000</td>
<td>0.5%</td>
<td>16,678</td>
<td>47.7%</td>
<td>66.7%</td>
<td>-</td>
<td>(300)</td>
<td>16,978</td>
</tr>
<tr>
<td>Transfers - General Fund</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0.0%</td>
<td>0.0%</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Transfers - Foundation</td>
<td>15,000</td>
<td>0.2%</td>
<td>-</td>
<td>0.0%</td>
<td>0.0%</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>7,265,942</td>
<td>100.0%</td>
<td>5,751,454</td>
<td>79.2%</td>
<td>57.3%</td>
<td>1,525,766</td>
<td>1,195,158</td>
<td>2,660,839</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Percentage of Original Budget</th>
<th>Actual Year to Date All Auxiliaries</th>
<th>Actual Percentage of Budget</th>
<th>Planned Percentage to Budget</th>
<th>Hospitality Services</th>
<th>Housing</th>
<th>Jets Store Bookstore</th>
<th>Potter Center Performing Arts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages</td>
<td>$1,611,365</td>
<td>22.2%</td>
<td>$776,035</td>
<td>48.2%</td>
<td>65.4%</td>
<td>393,209</td>
<td>108,439</td>
<td>112,174</td>
</tr>
<tr>
<td>Retirement</td>
<td>418,100</td>
<td>5.8%</td>
<td>192,639</td>
<td>46.1%</td>
<td>65.4%</td>
<td>96,244</td>
<td>13,449</td>
<td>28,803</td>
</tr>
<tr>
<td>Benefits</td>
<td>249,400</td>
<td>3.4%</td>
<td>161,739</td>
<td>64.9%</td>
<td>65.4%</td>
<td>97,172</td>
<td>15,886</td>
<td>17,370</td>
</tr>
<tr>
<td>Services - Staffing Agency</td>
<td>15,000</td>
<td>0.2%</td>
<td>17,257</td>
<td>115.0%</td>
<td>65.4%</td>
<td>17,257</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Services</td>
<td>75,500</td>
<td>1.0%</td>
<td>37,579</td>
<td>49.8%</td>
<td>66.7%</td>
<td>13,818</td>
<td>8,638</td>
<td>430</td>
</tr>
<tr>
<td>Materials</td>
<td>2,395,500</td>
<td>33.0%</td>
<td>1,035,871</td>
<td>43.2%</td>
<td>66.7%</td>
<td>495,134</td>
<td>18,139</td>
<td>521,259</td>
</tr>
<tr>
<td>Rent, utilities, insurance</td>
<td>4,000</td>
<td>0.1%</td>
<td>1,395</td>
<td>34.9%</td>
<td>66.7%</td>
<td>1,395</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other operating costs</td>
<td>474,000</td>
<td>6.5%</td>
<td>464,101</td>
<td>97.9%</td>
<td>66.7%</td>
<td>511</td>
<td>6,531</td>
<td>3,093</td>
</tr>
<tr>
<td>Transfers</td>
<td>2,016,077</td>
<td>27.7%</td>
<td>-</td>
<td>0.0%</td>
<td>0.0%</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Capital equipment</td>
<td>7,000</td>
<td>0.1%</td>
<td>-</td>
<td>0.0%</td>
<td>0.0%</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>7,265,942</td>
<td>100.0%</td>
<td>2,686,616</td>
<td>37.0%</td>
<td>66.2%</td>
<td>1,114,740</td>
<td>171,082</td>
<td>683,129</td>
</tr>
</tbody>
</table>

Income over (under) expenses | $ | - | $3,064,838 | 411,026 | 1,024,076 | 1,977,710 | (347,974) |
# Jackson College
## Balance Sheet and Changes in Fund Balance - FY 24
### February 29, 2024
#### Preliminary - Unaudited

### General Fund
- **Cash**: $10,323,317
- **Restricted cash in escrow**: -
- **Investments**: -
- **Accounts receivable**: 4,728,340
- **Inventories**: 29,800
- **Other assets**: 15,351,738

### Designated Fund
- **Cash**: $13,457,339
- **Restricted cash in escrow**: -
- **Investments**: -
- **Accounts receivable**: (49,500)
- **Inventories**: -
- **Other assets**: 1,000,000

### Restricted Fund
- **Cash**: (426,563)
- **Restricted cash in escrow**: -
- **Investments**: -
- **Accounts receivable**: (47,370)
- **Inventories**: -
- **Other assets**: 12,986,135

### CARES Fund
- **Cash**: -
- **Restricted cash in escrow**: -
- **Investments**: -
- **Accounts receivable**: -
- **Inventories**: -
- **Other assets**: -

### Auxiliary Fund
- **Cash**: -
- **Restricted cash in escrow**: -
- **Investments**: -
- **Accounts receivable**: -
- **Inventories**: -
- **Other assets**: -

### Endowment Fund
- **Cash**: (2,841,051)
- **Restricted cash in escrow**: -
- **Investments**: -
- **Accounts receivable**: -
- **Inventories**: -
- **Other assets**: -

### Debt & Property Fund
- **Cash**: 17,639
- **Restricted cash in escrow**: -
- **Investments**: 2,484
- **Accounts receivable**: 14,401
- **Inventories**: -
- **Other assets**: -

### Activities Fund
- **Cash**: -
- **Restricted cash in escrow**: -
- **Investments**: -
- **Accounts receivable**: -
- **Inventories**: -
- **Other assets**: -

### Total
- **Cash**: 22,706,541
- **Restricted cash in escrow**: -
- **Investments**: 2,484
- **Accounts receivable**: 8,780,144
- **Inventories**: 291,896
- **Other assets**: 115,042,467

### Liabilities and Fund Balance
- **Accounts payable**: 560,579
- **Accrued liabilities**: 30,304,664
- **Deferred liabilities**: 6,275,610
- **Unearned revenue**: 243,072
- **Other liabilities**: 29,097,648

### Net Investment in Capital Assets
- **Cash**: -
- **Restricted cash in escrow**: -
- **Investments**: 6,828,662
- **Accounts receivable**: 114,626
- **Inventories**: 517,703
- **Other assets**: 12,251,600

### Major Maintenance and Equipment Replacement
- **Cash**: -
- **Restricted cash in escrow**: -
- **Investments**: -
- **Accounts receivable**: -
- **Inventories**: -
- **Other assets**: -

### Future Operations
- **Cash**: 56,327,556
- **Restricted cash in escrow**: -
- **Investments**: -
- **Accounts receivable**: -
- **Inventories**: -
- **Other assets**: -

### Beginning Fund Balance
- **Current year income**: 54,147,245
- **Current year expenses**: 49,327,730
- **Ending fund balance**: 80,341,959

### Ending Fund Balance
- **Cash**: 146,823,532
- **Restricted cash in escrow**: -
- **Investments**: -
- **Accounts receivable**: -
- **Inventories**: -
- **Other assets**: -