



## Financial Report

Presented to  
President Daniel Phelan  
Jackson College Board of Trustees



Prepared by the Business Office  
April 30, 2020

**Jackson College**  
**Memo From Darrell Norris, Vice President of Finance**  
**For the April 30, 2020 Financial Report**

Following is the April 30, 2020 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 2019-2020 Budget as adopted at the May 2019 Board of Trustees meeting.

**Revenues**

- **Housing** - Favorable to budget due to increased number of students housed in Fall semester and a higher than average Winter occupancy rate.
- **Contract Training** - Favorable to budget due to conservative budget and increased training.
- **Potter Center** - Unfavorable to budget due to necessary show cancellations.
- **Miscellaneous Income** - Favorable to budget. Summer unused meal plan monies higher than expected.
- **Transfers** - Favorable to budget due to favorable market conditions early in the fiscal year.

**Expenses**

- **Wages, Retirement and Benefits** - Costs are favorable to budget due to vacant positions. These vacant positions will be held to create additional savings due to COVID-19 uncertainties.
- **Services** - Favorable to budget. We anticipate this favorable status to carry to year end due to COVID 19 expense controls.
- **Materials** - Favorable to budget. We anticipate this favorable status to carry to year end due to COVID 19 expense controls.
- **Rent, Utilities, Insurance** - Favorable to budget. We anticipate this favorable status to carry to year end due to COVID-19 expense controls.
- **Other operating costs** - Favorable to budget. Favorable status expected to carry to year end due to COVID-19 expense controls.
- **Capital Equipment** - Favorable to budget. Favorable status expected to carry to year end due to COVID-19 expense controls.

**Other Notes**

- **Cash and Investments** - The Board directed MILAF investment strategy was operationalized in May 2018. At April 30, 2020 interest revenues have exceeded \$403,000. These earnings are designated for future operations.

Jackson College  
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For the April 30, 2020 Financial Report

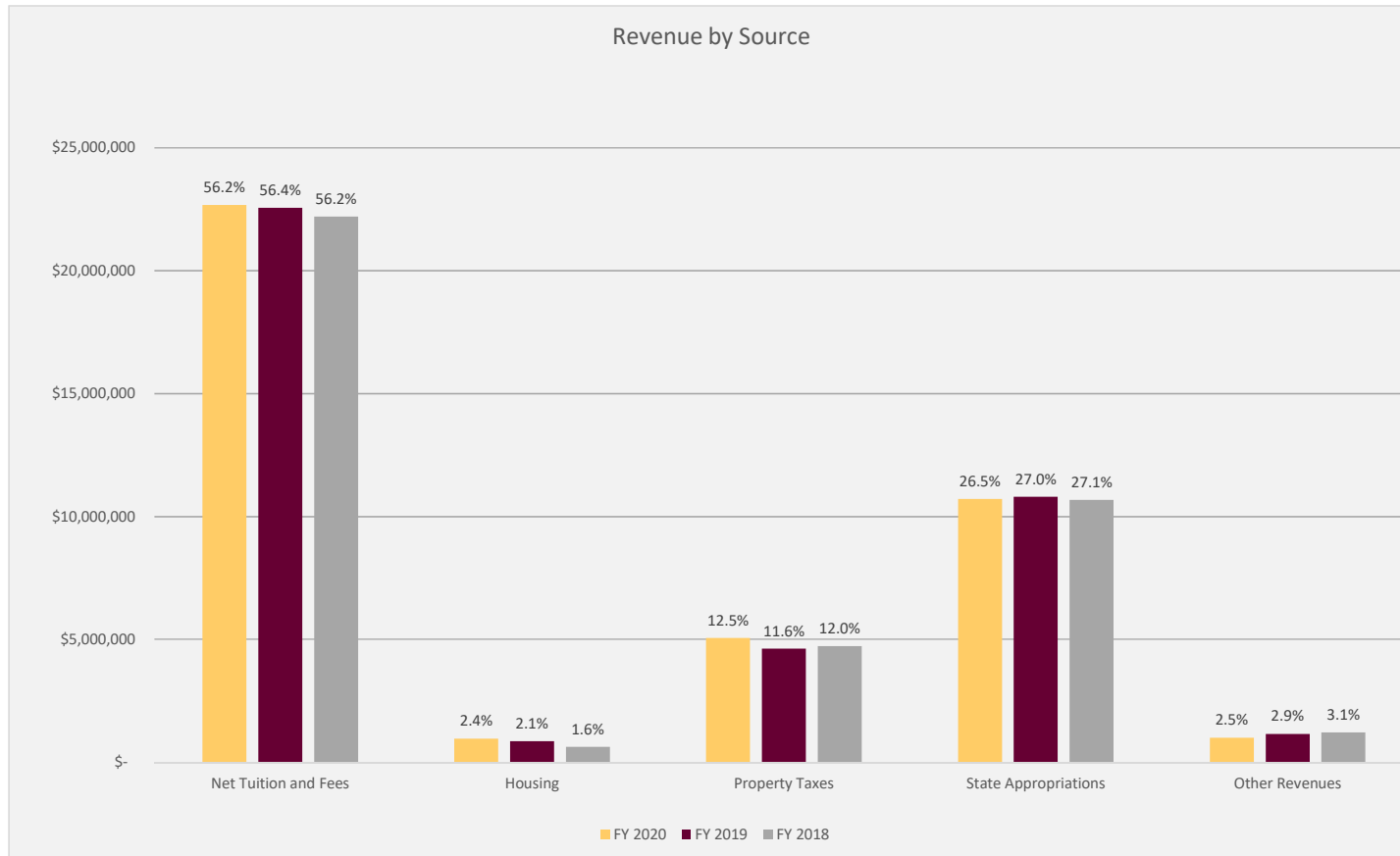
- **Looking Ahead** - Expense controls have been put in place in anticipation of reduced revenues resulting from COVID-19 pandemic. Our 20/SP early enrollment numbers are down by 25% at this time so additional budget savings are being discussed to prepare for further future reductions in revenues.
- **Operating Reserves** - Board policy requires the College have combined operating fund balance reserves greater or equal to two months' operating expenses. At April 30, 2020, the operating fund balances reserves were \$13,141,449, which is approximately 3.3 months of operating

Jackson College  
Revenue and Expense Statement  
General Fund - FY 20  
For the Ten Months Ended April 30, 2020  
Preliminary - Unaudited

	2019-2020 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	\$ 28,537,274	59.7%	\$ 23,525,358	82.4%	83.0%	\$ (160,579)	\$ 23,346,649
Less Institutional Scholarships	(884,443)	-1.9%	(849,365)	96.0%	86.0%	(88,744)	(787,011)
Net tuition and fees	27,652,831	57.8%	22,675,993	82.0%	84.5%	(249,323)	22,559,638
Housing	900,000	1.9%	964,175	107.1%	95.0%	109,175	853,160
Property taxes	5,240,000	11.0%	5,051,514	96.4%	95.0%	73,514	4,622,330
State appropriations	12,855,700	26.9%	10,713,083	83.3%	83.3%	4,285	10,793,979
Contract training	100,000	0.2%	109,646	109.6%	83.3%	26,346	143,594
Potter Center activities	446,431	0.9%	300,948	67.4%	83.3%	(70,929)	354,912
Miscellaneous	557,500	1.2%	561,611	100.7%	83.3%	97,213	626,652
Transfers	34,500	0.1%	31,245	90.6%	83.3%	2,506	28,490
<b>Total revenues</b>	47,786,962	100.0%	40,408,215	84.6%	86.6%	(7,213)	39,982,755
<b>Expenses</b>							
Wages	18,024,637	37.7%	13,699,423	76.0%	80.8%	(864,483)	13,292,294
Retirement	4,699,758	9.8%	3,623,491	77.1%	80.8%	(173,913)	3,650,707
Benefits	3,186,946	6.7%	2,593,445	81.4%	83.3%	(61,281)	2,489,119
Services - Staffing Agency	4,878,622	10.2%	3,899,391	79.9%	80.8%	(42,536)	3,604,430
Services	2,943,382	6.2%	2,201,631	74.8%	83.3%	(250,206)	2,276,056
Materials	2,483,250	5.2%	1,959,269	78.9%	83.3%	(109,278)	1,671,136
Rent, utilities, insurance	1,900,000	4.0%	1,385,783	72.9%	83.3%	(196,917)	1,451,007
Other operating costs	3,415,069	7.1%	2,515,934	73.7%	83.3%	(328,818)	2,511,107
Transfers	805,000	1.7%	670,833	83.3%	83.3%	268	625,000
Transfers-debt service	4,848,013	10.1%	4,040,011	83.3%	83.3%	1,616	3,833,927
Capital equipment	601,500	1.3%	453,223	75.3%	83.3%	(47,827)	375,129
<b>Total expenses</b>	47,786,176	100.0%	37,042,434	77.5%	82.6%	(2,073,375)	35,779,912
<b>Income over (under) expenses</b>	\$ 785		\$ 3,365,781			\$ 2,066,162	\$ 4,202,843

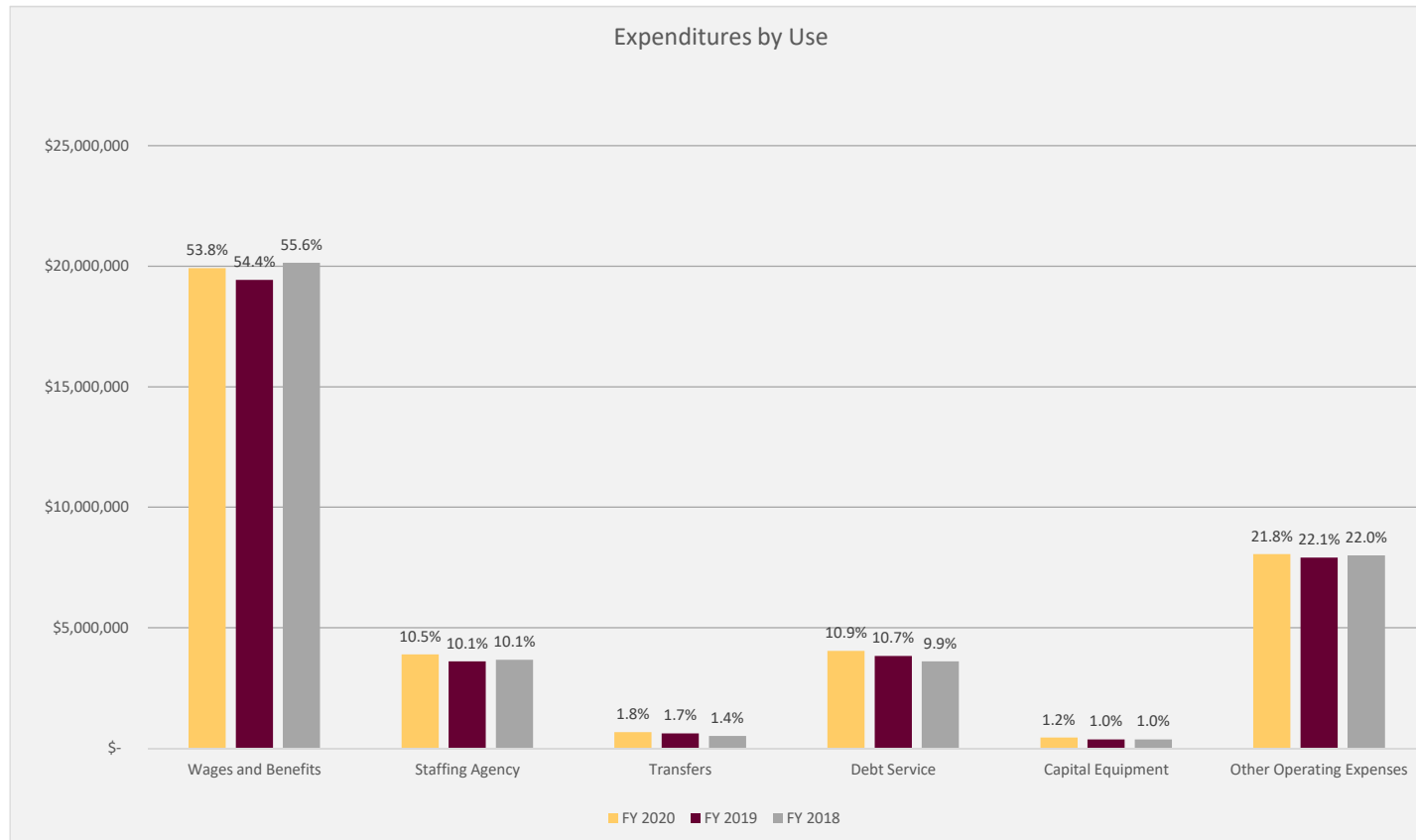
Jackson College  
General Fund Revenue Comparison  
For the Ten Months Ended April 30, 2020

\$40,408,215



Jackson College  
General Fund Expenditure Comparison  
For the Ten Months Ended April 30, 2020

\$37,042,434



Jackson College  
Balance Sheet and Changes in Fund Balance - FY 20  
April 30, 2020  
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
<b>Assets</b>							
Cash	\$ 5,780,057	\$ 9,023,198	\$ 257,245	\$ 13,171	\$ 2,410,188	\$ 301,069	\$ 17,784,928
Investments	-	-	-	17,673	-	-	17,673
Accounts receivable	3,006,080	50,000	438,594	-	50,564	-	3,545,238
Inventories	30,425	-	-	-	-	-	30,425
Other assets	1,068,232	-	910	-	72,078,030	-	73,147,172
<b>Total assets</b>	<b>9,884,794</b>	<b>9,073,198</b>	<b>696,749</b>	<b>30,844</b>	<b>74,538,782</b>	<b>301,069</b>	<b>94,525,436</b>
<b>Liabilities and Fund Balance</b>							
Accounts payable	240,583	-	-	-	9,138	4,000	253,721
Accrued liabilities	2,390,825	-	-	-	26,692,610	-	29,083,435
Deferred liabilities	2,895,240	-	-	-	-	-	2,895,240
Unearned revenue	289,890	-	-	-	-	-	289,890
Other liabilities	5	-	437,594	-	-	-	437,599
<b>Total liabilities</b>	<b>5,816,543</b>	<b>-</b>	<b>437,594</b>	<b>-</b>	<b>26,701,748</b>	<b>4,000</b>	<b>32,959,885</b>
Fund balance	4,068,251	9,073,198	259,155	30,844	47,837,034	297,069	61,565,551
<b>Total liabilities and fund balance</b>	<b>\$ 9,884,794</b>	<b>\$ 9,073,198</b>	<b>\$ 696,749</b>	<b>\$ 30,844</b>	<b>\$ 74,538,782</b>	<b>\$ 301,069</b>	<b>\$ 94,525,436</b>
<b>Beginning fund balance</b>							
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -	\$ 44,188,252	\$ -	\$ 44,188,252
Major Maintenance and Equipment Replacement	-	-	-	-	4,165,003	-	4,165,003
Restricted		178,467	379,183	29,252	-	-	586,902
Future Operations	702,470	8,603,673	-	-	-	268,318	9,574,461
	\$ 702,470	\$ 8,782,140	\$ 379,183	\$ 29,252	\$ 48,353,255	\$ 268,318	\$ 58,514,618
Current year income	40,408,215	301,058	22,960,449	1,592	4,739,170	192,574	68,603,058
Current year expenses	37,042,434	10,000	23,080,477	-	5,255,391	163,823	65,552,125
<b>Ending fund balance</b>	<b>\$ 4,068,251</b>	<b>\$ 9,073,198</b>	<b>\$ 259,155</b>	<b>\$ 30,844</b>	<b>\$ 47,837,034</b>	<b>\$ 297,069</b>	<b>\$ 61,565,551</b>

Jackson College  
Balance Sheet  
Building and Site Fund - FY 20  
April 30, 2020  
Preliminary - Unaudited

	<b>Building and Site Fund</b>
<b>Assets</b>	
Cash	\$ 497,674
Investments	-
Accounts receivable	29,754
Due from other funds	-
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<b>Total assets</b>	<b>527,428</b>
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<b>Liabilities and Fund Balance</b>	
Accounts payable	9,138
Other liabilities	-
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<b>Total liabilities</b>	<b>9,138</b>
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Fund balance	518,290
<b>Total liabilities and fund balance</b>	<b>\$ 527,428</b>
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Jackson College  
Statement of Changes in Fund Balance  
Building and Site Fund  
For the Ten Months Ended April 30, 2020  
Preliminary - Unaudited

	<b>Balance July 1, 2019</b>	<b>Revenue</b>	<b>Expenditures</b>	<b>Balance April 30, 2020</b>
Major Maintenance and Equipment Replacement	\$ 4,165,003	\$ 690,667	\$ 4,337,380	\$ 518,290
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<b>Total</b>	<b>\$ 4,165,003</b>	<b>\$ 690,667</b>	<b>\$ 4,337,380</b>	<b>\$ 518,290</b>
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Jackson College  
Cash and Investments by Fund - FY 20  
April 30, 2020  
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	Grants Fund	Endowment Fund	Building and Site	Physical Plant	Activities Fund	Total
Cash									
Petty Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,724	\$ 2,724
Cash-Comerica Bank Pooled	3,085,446	113,248	347,806	217,267	13,171	497,674	1,912,514	298,060	6,485,186
Cash-Comerica Federal Funds	-	-	-	4,895	-	-	-	-	4,895
Cash-So Mich National	200,150	-	25,543	-	-	-	-	-	225,693
VISA Account	230,133	-	-	-	-	-	-	285	230,418
Cash-United Bank	234,004	-	29,361	-	-	-	-	-	263,365
Cash-Federal Stafford	-	-	2,399	-	-	-	-	-	2,399
Cash-Comerica State Wire	1,136	-	-	-	-	-	-	-	1,136
Cash-Payroll	9,870	-	(950,443)	(331,241)	-	-	-	-	(1,271,814)
JC One Card	14,110	-	-	-	-	-	-	-	14,110
Ref Pay	4,459	-	-	-	-	-	-	-	4,459
Athletic Checking	-	-	-	-	-	-	-	-	-
Cultural Affairs Checking	749	-	-	-	-	-	-	-	749
MNJTP	-	-	-	911,658	-	-	-	-	911,658
Certificates of Deposit	-	506,298	-	-	-	-	-	-	506,298
MILAF	2,000,000	8,403,652	-	-	-	-	-	-	10,403,652
Insurance HRA	-	-	-	-	-	-	-	-	-
	5,780,057	9,023,198	(545,334)	802,579	13,171	497,674	1,912,514	301,069	17,784,928
Investments									
Common Stock	-	-	-	-	17,673	-	-	-	17,673
Total cash and investments	<u>\$ 5,780,057</u>	<u>\$ 9,023,198</u>	<u>\$ (545,334)</u>	<u>\$ 802,579</u>	<u>\$ 30,844</u>	<u>\$ 497,674</u>	<u>\$ 1,912,514</u>	<u>\$ 301,069</u>	<u>\$ 17,802,601</u>

Jackson College  
Billing Contact Hours  
April 30, 2020  
Preliminary - Unaudited

	Budgeted FY 20	Actual FY 20	Actual Percentage	Actual FY 19	Prior Year Percentage
Semester:					
Fall	51,985	49,363	95.0%	49,168	100.4%
Winter	48,442	45,234	93.4%	46,014	98.3%
Spring	17,723	-	0.0%	19,063	0.0%
Total	118,150	94,597	80.1%	114,245	82.8%

