



## 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.

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For the April 30, 2020 Financial Report

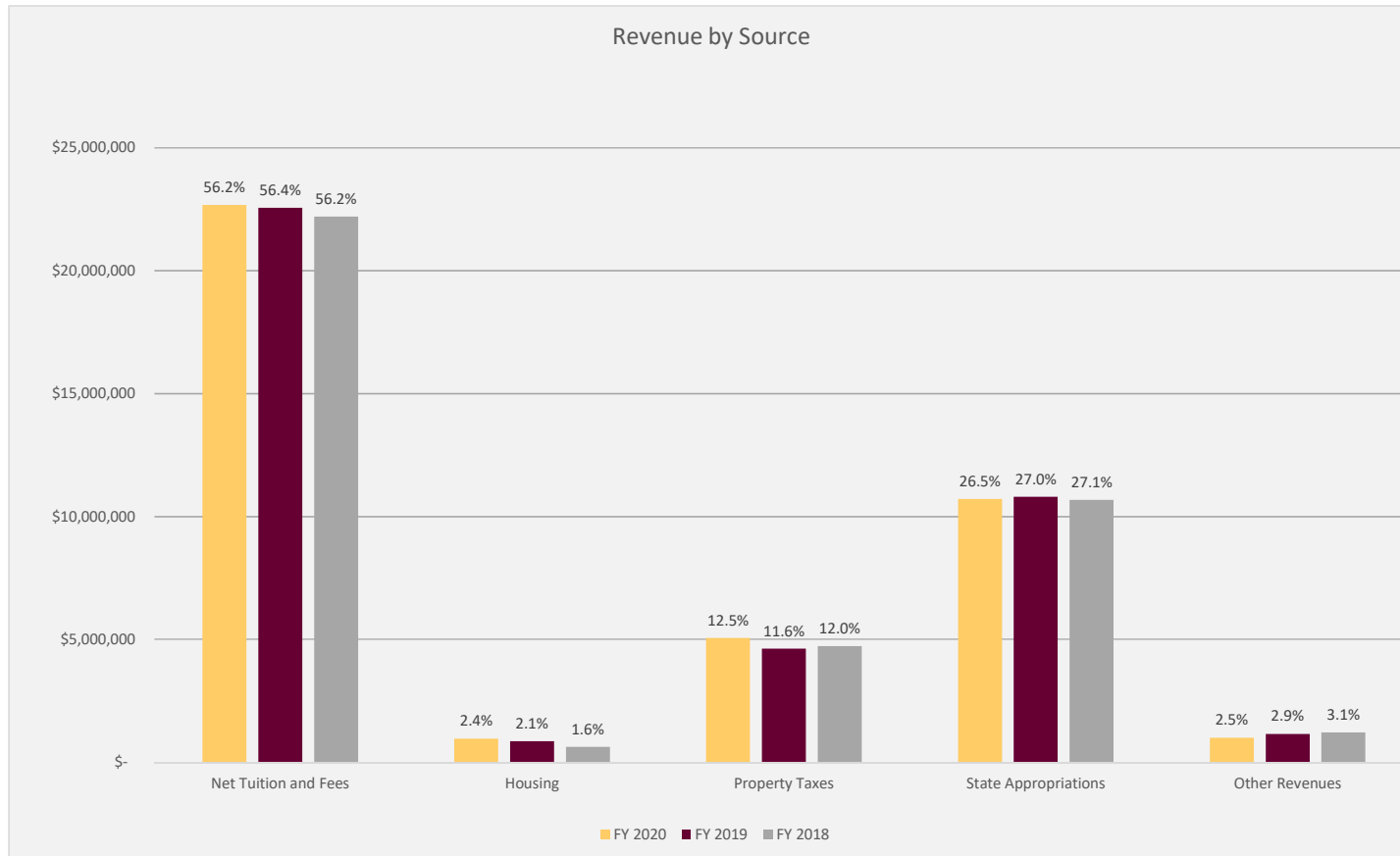
- **Looking Ahead** - Expense controls have been put in place in anticipation of reduced revenues resulting from COVID-19 pandemic. Our 20/SP early enrollment numbers are down by 25% at this time so additional budget savings are being discussed to prepare for further future reductions in revenues.
- **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	<u>27,652,831</u>	57.8%	<u>22,675,993</u>	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>	<u>47,786,962</u>	100.0%	<u>40,408,215</u>	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>	<u>47,786,176</u>	100.0%	<u>37,042,434</u>	77.5%	82.6%	(2,073,375)	35,779,912
<b>Income over (under) expenses</b>	<u>\$ 785</u>		<u>\$ 3,365,781</u>			<u>\$ 2,066,162</u>	<u>\$ 4,202,843</u>

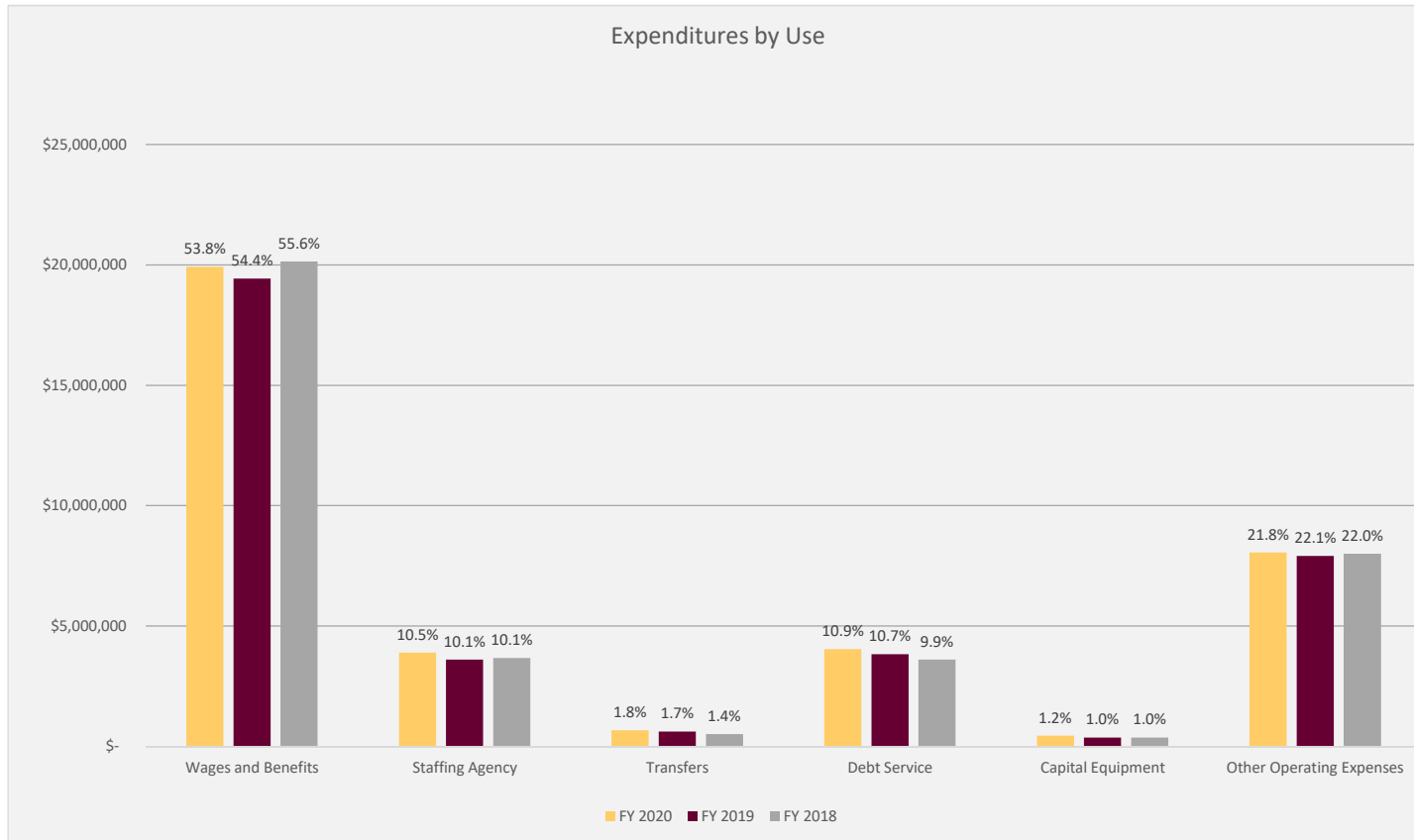
Jackson College  
General Fund Revenue Comparison  
For the Ten Months Ended April 30, 2020

\$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	-
	-
<b>Total assets</b>	527,428
<b>Liabilities and Fund Balance</b>	
Accounts payable	9,138
Other liabilities	-
	-
<b>Total liabilities</b>	9,138
Fund balance	518,290
<b>Total liabilities and fund balance</b>	\$ 527,428

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
	\$ 4,165,003	\$ 690,667	\$ 4,337,380	\$ 518,290
<b>Total</b>	\$ 4,165,003	\$ 690,667	\$ 4,337,380	\$ 518,290



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	-	-	-	-	-	-	-	-	-
	<u>5,780,057</u>	<u>9,023,198</u>	<u>(545,334)</u>	<u>802,579</u>	<u>13,171</u>	<u>497,674</u>	<u>1,912,514</u>	<u>301,069</u>	<u>17,784,928</u>
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%
<b>Total</b>	<b>118,150</b>	<b>94,597</b>	<b>80.1%</b>	<b>114,245</b>	<b>82.8%</b>

