Financial Report

Presented to
President Daniel Phelan
Jackson College Board of Trustees

Prepared by the Business Office
July 31, 2020
Following is the July 31, 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 2020-2021 Budget as adopted at the May 2020 Board of Trustees meeting.

**Revenues**

- **Transfers** - Favorable to budget, timing of Foundation support.

**Expenses**

- **Services - Staffing Agency** - Favorable to budget. This may or may not continue depending on the number of sections we continue to offer.

- **Materials** - Favorable to budget due to limited in person activity. We anticipate this variance to diminish over the fiscal year.

- **Rent, Utilities, Insurance** - Unfavorable to budget due to timing, several insurance policies require larger upfront payments. We anticipate this variance to diminish over the fiscal year.

- **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 July 31, 2020 interest revenues have exceeded $413,000. These earnings are designated for future operations.

- **Looking Ahead** - Expense controls have been put in place in anticipation of reduced revenues resulting from COVID-19 pandemic. Our 20/FL enrollment numbers are down by 15% of budgeted BCH 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 July 31, 2020, the operating fund balances reserves were $13,607,261 which is approximately 3.9 months of projected FY 2021 operating expenses.
Jackson College
Revenue and Expense Statement
General Fund - FY 21
For the One Month Ended July 31, 2020
Preliminary - Unaudited

<table>
<thead>
<tr>
<th></th>
<th>2020-2021 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>
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</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross tuition and fees</td>
<td>23,393,941</td>
<td>57.0%</td>
<td>$ 2,745,513</td>
<td>11.7%</td>
<td>11.7%</td>
<td>$ 8,422</td>
<td>$ 2,891,215</td>
</tr>
<tr>
<td>Less Institutional Scholarships</td>
<td>(794,472)</td>
<td>-1.9%</td>
<td>-</td>
<td>0.0%</td>
<td>0.0%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net tuition and fees</td>
<td>22,599,469</td>
<td>55.1%</td>
<td>2,745,513</td>
<td>12.1%</td>
<td>11.7%</td>
<td>8,422</td>
<td>2,891,215</td>
</tr>
<tr>
<td>Housing</td>
<td>999,010</td>
<td>2.4%</td>
<td>18,650</td>
<td>1.9%</td>
<td>2.0%</td>
<td>(1,330)</td>
<td>32,515</td>
</tr>
<tr>
<td>Property taxes</td>
<td>4,867,939</td>
<td>11.9%</td>
<td>201,820</td>
<td>4.1%</td>
<td>4.0%</td>
<td>7,102</td>
<td>539</td>
</tr>
<tr>
<td>State appropriations</td>
<td>11,529,294</td>
<td>28.1%</td>
<td>960,775</td>
<td>8.3%</td>
<td>8.3%</td>
<td>3,844</td>
<td>1,071,308</td>
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<tr>
<td>Contract training</td>
<td>135,000</td>
<td>0.3%</td>
<td>44</td>
<td>0.0%</td>
<td>0.0%</td>
<td>44</td>
<td>1,198</td>
</tr>
<tr>
<td>Potter Center activities</td>
<td>405,000</td>
<td>1.0%</td>
<td>-</td>
<td>0.0%</td>
<td>0.0%</td>
<td>-</td>
<td>45,714</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>474,000</td>
<td>1.2%</td>
<td>37,164</td>
<td>7.8%</td>
<td>8.3%</td>
<td>(2,178)</td>
<td>12,278</td>
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<tr>
<td>Transfers</td>
<td>7,500</td>
<td>0.0%</td>
<td>3,424</td>
<td>45.7%</td>
<td>8.3%</td>
<td>2,801</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>41,017,213</td>
<td>100.0%</td>
<td>3,967,390</td>
<td>9.7%</td>
<td>4.4%</td>
<td>18,705</td>
<td>4,054,767</td>
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<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wages</td>
<td>16,029,640</td>
<td>39.2%</td>
<td>1,251,201</td>
<td>7.8%</td>
<td>7.7%</td>
<td>16,920</td>
<td>1,422,873</td>
</tr>
<tr>
<td>Retirement</td>
<td>4,383,350</td>
<td>10.7%</td>
<td>330,698</td>
<td>7.5%</td>
<td>7.7%</td>
<td>(6,820)</td>
<td>368,346</td>
</tr>
<tr>
<td>Benefits</td>
<td>2,877,573</td>
<td>7.0%</td>
<td>256,996</td>
<td>8.9%</td>
<td>7.7%</td>
<td>35,423</td>
<td>268,267</td>
</tr>
<tr>
<td>Services - Staffing Agency</td>
<td>3,697,700</td>
<td>9.0%</td>
<td>166,762</td>
<td>4.5%</td>
<td>7.7%</td>
<td>(117,961)</td>
<td>284,000</td>
</tr>
<tr>
<td>Services</td>
<td>2,600,525</td>
<td>6.3%</td>
<td>173,531</td>
<td>6.7%</td>
<td>8.3%</td>
<td>(42,313)</td>
<td>242,890</td>
</tr>
<tr>
<td>Materials</td>
<td>1,600,225</td>
<td>3.9%</td>
<td>60,845</td>
<td>3.8%</td>
<td>8.3%</td>
<td>(71,974)</td>
<td>85,710</td>
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<tr>
<td>Rent, utilities, insurance</td>
<td>1,410,900</td>
<td>3.4%</td>
<td>145,840</td>
<td>10.3%</td>
<td>8.3%</td>
<td>28,735</td>
<td>216,026</td>
</tr>
<tr>
<td>Other operating costs</td>
<td>2,567,650</td>
<td>6.3%</td>
<td>173,154</td>
<td>6.7%</td>
<td>8.3%</td>
<td>(39,961)</td>
<td>335,969</td>
</tr>
<tr>
<td>Transfers</td>
<td>1,121,275</td>
<td>2.7%</td>
<td>93,440</td>
<td>8.3%</td>
<td>8.3%</td>
<td>374</td>
<td>67,083</td>
</tr>
<tr>
<td>Transfers-debt service</td>
<td>4,160,813</td>
<td>10.1%</td>
<td>346,735</td>
<td>8.3%</td>
<td>8.3%</td>
<td>1,388</td>
<td>404,001</td>
</tr>
<tr>
<td>Capital equipment</td>
<td>567,043</td>
<td>1.4%</td>
<td>20,963</td>
<td>3.7%</td>
<td>8.3%</td>
<td>(26,102)</td>
<td>13,168</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>41,016,694</td>
<td>100.0%</td>
<td>3,020,165</td>
<td>7.4%</td>
<td>8.1%</td>
<td>(222,291)</td>
<td>3,708,333</td>
</tr>
<tr>
<td><strong>Income over (under) expenses</strong></td>
<td>$ 519</td>
<td>$ 947,225</td>
<td>$ 240,996</td>
<td>$ 346,434</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Jackson College
General Fund Revenue Comparison
For the One Month Ended July 31, 2020

$3,967,390
Jackson College
General Fund Expenditure Comparison
For the One Month Ended July 31, 2020

$3,020,165

Expenditures by Use
# Jackson College

## Balance Sheet and Changes in Fund Balance - FY 21

**July 31, 2020**

**Preliminary - Unaudited**

<table>
<thead>
<tr>
<th>General Fund</th>
<th>Designated Fund</th>
<th>Restricted Fund</th>
<th>CARES Fund</th>
<th>Endowment Fund</th>
<th>Debt &amp; Property Fund</th>
<th>Activities Fund</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>1,539,792</td>
<td>11,942,114</td>
<td>543,339</td>
<td>(294,585)</td>
<td>$13,207</td>
<td>5,857,067</td>
<td>$304,003</td>
</tr>
<tr>
<td>Restricted cash in escrow</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Investments</td>
<td>-</td>
<td>-</td>
<td>16,726</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>16,726</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>5,233,316</td>
<td>14,650</td>
<td>752,389</td>
<td>-</td>
<td>9,995</td>
<td>620,853</td>
<td>6,631,203</td>
</tr>
<tr>
<td>Inventories</td>
<td>27,430</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>27,430</td>
</tr>
<tr>
<td>Other assets</td>
<td>721,446</td>
<td>-</td>
<td>30,094</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>79,747,742</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>7,521,984</td>
<td>11,956,764</td>
<td>1,325,822</td>
<td>(294,585)</td>
<td>29,933</td>
<td>84,863,264</td>
<td>924,856</td>
</tr>
</tbody>
</table>

| Liabilities and Fund Balance | | | | | | | |
| Accounts payable | 153,119 | - | 481 | - | - | - | 601,661 | 755,261 |
| Accrued liabilities | 3,148,307 | - | 10,565 | - | - | 38,021,662 | - | 41,180,534 |
| Deferred liabilities | 1,989,812 | - | 842,445 | 810,773 | - | - | 3,643,030 |
| Unearned revenue | 292,636 | - | - | - | - | - | 292,636 |
| Other liabilities | 287,613 | - | - | - | - | - | 287,613 |
| **Total liabilities** | 5,871,487 | - | 853,491 | 810,773 | - | 38,021,662 | 601,661 | 46,159,074 |

| Fund balance | 1,650,497 | 11,956,764 | 472,331 | (1,105,358) | 29,933 | 46,841,602 | 323,195 | 60,168,964 |
| **Total liabilities and fund balance** | 7,521,984 | 11,956,764 | 1,325,822 | (294,585) | 29,933 | 84,863,264 | 924,856 | 106,328,038 |

**Beginning fund balance**

- Net investment in capital assets | $ - | $ - | $ - | $ - | $ - | $ 45,853,683 | $ - | $ 45,853,683 |
- Major Maintenance and Equipment Replacement | - | - | - | - | - | 569,073 | - | 569,073 |
- Restricted | 703,272 | 11,761,324 | 380,898 | (1,105,355) | 29,930 | - | (516,060) |
- Future Operations | - | 178,467 | - | - | - | 315,466 | 12,780,062 |
| **Total** | 703,272 | 11,939,791 | 380,898 | (1,105,355) | 29,930 | 46,422,756 | 315,466 | 58,868,758 |

- Current year income | 3,967,390 | 16,973 | 1,185,365 | (3) | 3 | 440,173 | 9,629 | 5,619,530 |
- Current year expenses | 3,020,165 | - | 1,093,932 | - | - | 21,327 | 1,900 | 4,137,324 |
| **Ending fund balance** | 1,650,497 | 11,956,764 | 472,331 | (1,105,355) | 29,933 | 46,841,602 | 323,195 | 60,168,964 |
Jackson College
Balance Sheet
Building and Site Fund - FY 21
July 31, 2020
Preliminary - Unaudited

<table>
<thead>
<tr>
<th>Building and Site Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
</tr>
<tr>
<td>Cash       $       631,187</td>
</tr>
<tr>
<td>Investments -</td>
</tr>
<tr>
<td>Accounts receivable 9,995</td>
</tr>
<tr>
<td>Due from other funds -</td>
</tr>
<tr>
<td><strong>Total assets</strong> 641,182</td>
</tr>
<tr>
<td><strong>Liabilities and Fund Balance</strong></td>
</tr>
<tr>
<td>Accounts payable -</td>
</tr>
<tr>
<td>Other liabilities -</td>
</tr>
<tr>
<td><strong>Total liabilities</strong> -</td>
</tr>
<tr>
<td>Fund balance 641,182</td>
</tr>
<tr>
<td><strong>Total liabilities and fund balance</strong> $ 641,182</td>
</tr>
</tbody>
</table>

Jackson College
Statement of Changes in Fund Balance
Building and Site Fund
For the One Month Ended July 31, 2020
Preliminary - Unaudited

<table>
<thead>
<tr>
<th>Balance</th>
<th>Revenue</th>
<th>Expenditures</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 1, 2020</td>
<td>$ 569,073</td>
<td>$ 93,435</td>
<td>$ 21,326</td>
</tr>
<tr>
<td>Major Maintenance and Equipment Replacement</td>
<td>$ 569,073</td>
<td>$ 93,435</td>
<td>$ 21,326</td>
</tr>
<tr>
<td>Total</td>
<td>$ 569,073</td>
<td>$ 93,435</td>
<td>$ 21,326</td>
</tr>
</tbody>
</table>
**Jackson College**  
**Cash and Investments by Fund - FY 21**  
**July 31, 2020**  
**Preliminary - Unaudited**

<table>
<thead>
<tr>
<th>General Fund</th>
<th>Designated Fund</th>
<th>Restricted Fund</th>
<th>CARES Fund</th>
<th>Grants Fund</th>
<th>Endowment Fund</th>
<th>Building and Site</th>
<th>Physical Plant</th>
<th>Activities Fund</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Petty Cash</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 2,724</td>
</tr>
<tr>
<td>Cash-Comerica Bank Pooled</td>
<td>1,756,638</td>
<td>3,528,116</td>
<td>20,596</td>
<td>(1,053,707)</td>
<td>24,898</td>
<td>13,207</td>
<td>631,187</td>
<td>3,125,483</td>
<td>301,184</td>
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<tr>
<td>Cash-Comerica Federal Funds</td>
<td>-</td>
<td>-</td>
<td>20,623</td>
<td>759,122</td>
<td>-</td>
<td>-</td>
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<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cash-So Mich National</td>
<td>200,150</td>
<td>-</td>
<td>25,543</td>
<td>-</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>VISA Account</td>
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<tr>
<td>Cash-United Bank</td>
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<td>29,361</td>
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<tr>
<td>Cash-Federal Direct Loan</td>
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<td>227,399</td>
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<td>Cash-Comerica State Wire</td>
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<td>-</td>
<td>-</td>
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<tr>
<td>Cash-Payroll</td>
<td>696,495</td>
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<td>(591,834)</td>
<td>-</td>
<td>(106,235)</td>
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<td>-</td>
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</tr>
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<td>JC One Card</td>
<td>13,926</td>
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<tr>
<td>Ref Pay</td>
<td>4,459</td>
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<tr>
<td>Cultural Affairs Checking</td>
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<tr>
<td>MNJTP</td>
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<td>-</td>
<td>892,988</td>
<td>-</td>
<td>-</td>
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<td>-</td>
</tr>
<tr>
<td>Certificates of Deposit</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>MILAF</td>
<td>2,000,000</td>
<td>8,413,998</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bond capital project</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total cash and investments</strong></td>
<td>$ 1,539,792</td>
<td>$ 11,942,114</td>
<td>$ (268,312)</td>
<td>$ (294,585)</td>
<td>$ 811,651</td>
<td>$ 13,207</td>
<td>$ 631,187</td>
<td>$ 5,225,880</td>
<td>$ 304,003</td>
</tr>
</tbody>
</table>

**Investments**

| Common Stock | - | - | - | - | - | - | 16,726 | - | - | 16,726 |

| **Total cash and investments** | $ 1,539,792 | $ 11,942,114 | $ (268,312) | $ (294,585) | $ 811,651 | $ 29,933 | $ 631,187 | $ 5,225,880 | $ 304,003 | $ 19,921,663 |
# Jackson College
## Billing Contact Hours
### July 31, 2020
#### Preliminary - Unaudited

<table>
<thead>
<tr>
<th>Semester</th>
<th>Budgeted FY 21</th>
<th>Actual FY 21</th>
<th>Actual Percentage</th>
<th>Actual FY 20</th>
<th>Prior Year Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fall</td>
<td>43,082</td>
<td>24,359</td>
<td>56.5%</td>
<td>49,363</td>
<td>49.3%</td>
</tr>
<tr>
<td>Winter</td>
<td>39,165</td>
<td>-</td>
<td>0.0%</td>
<td>45,213</td>
<td>0.0%</td>
</tr>
<tr>
<td>Spring</td>
<td>15,666</td>
<td>-</td>
<td>0.0%</td>
<td>14,726</td>
<td>0.0%</td>
</tr>
<tr>
<td>Total</td>
<td>97,913</td>
<td>24,359</td>
<td>24.9%</td>
<td>109,302</td>
<td>22.3%</td>
</tr>
</tbody>
</table>

### Billing Contact Hour Comparison

![Billing Contact Hour Comparison Chart](chart.png)