



Financial Report

Presented to
President Daniel Phelan
Jackson College Board of Trustees



Prepared by the Business Office
July 31, 2021

Jackson College
Memo From Darrell Norris, Vice President of Finance
For the July 31, 2021 Financial Report

Following is the July 31, 2021 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 2021-2022 Budget as adopted at the June 2021 Board of Trustees meeting.

Revenues

- **Contract training** - Favorable to budget, it is too early in the fiscal year to tell if this trend will continue.
- **Hospitality** - Unfavorable to budget, this is a new revenue stream for the College and we anticipate this to gain traction once on campus activity increases.
- **Miscellaneous** - Unfavorable to budget, it is too early in the fiscal year to tell if this trend will continue.
- **Transfers** - Unfavorable to budget, due to timing of support from the Foundation.

Expenses

- **Materials** - Unfavorable to budget due to timing of several IT software and licensing purchases that 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

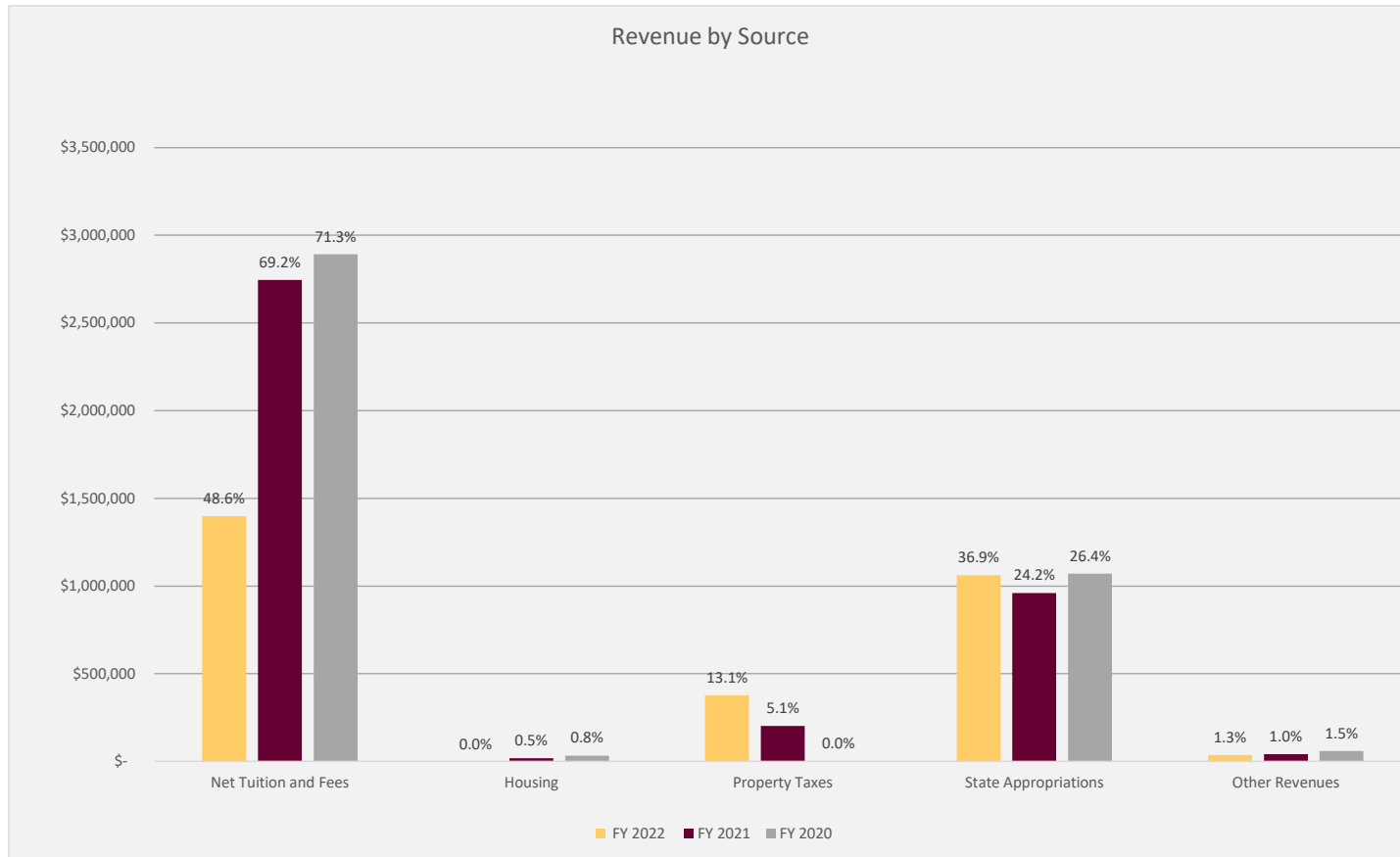
- **Cash and Investments** - The Board directed MILAF investment strategy was operationalized in June 2018. At July 31, 2021 interest revenues have exceeded \$416,000. These earnings are designated for future operations. In June 2021, the College made a \$4 million investment in U.S. Government bonds, which is separately presented on the cash and investment summary.
- **Looking Ahead** - Expense controls have been put in place in anticipation of reduced revenues resulting from COVID-19 pandemic.
- **Operating Reserves** - Board policy requires the College have combined operating fund balance reserves greater or equal to two months' operating expenses. At July 31, 2021, the operating fund balance reserves were \$12,269,264 which is approximately 3.5 months of projected FY 2022 operating expenses.

Jackson College
Revenue and Expense Statement
General Fund - FY 22
For the One Month Ended July 31, 2021
Preliminary - Unaudited

	2021-2022 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	\$ 21,433,000	51.7%	\$ 1,397,199	6.5%	6.5%	\$ 4,054	\$ 2,745,513
Less Institutional Scholarships	(800,000)	-1.9%	-	0.0%	0.0%	-	-
Net tuition and fees	20,633,000	49.8%	1,397,199	6.8%	3.3%	4,054	2,745,513
Housing	1,400,000	3.4%	-	0.0%	0.0%	-	18,650
Property taxes	5,300,000	12.7%	377,787	7.1%	7.0%	6,787	201,820
State appropriations	12,735,720	30.7%	1,061,310	8.3%	8.3%	4,245	960,775
Contract training	4,000	0.0%	1,190	29.8%	8.3%	858	44
Potter Center activities	200,000	0.5%	294	0.1%	0.0%	294	-
Hospitality	750,000	1.8%	14,691	2.0%	8.3%	(47,559)	-
Miscellaneous	450,000	1.1%	20,449	4.5%	8.3%	(16,901)	37,164
Transfers	7,500	0.0%	-	0.0%	8.3%	(623)	3,424
Transfers - Federal grant funds	-	0.0%	-	0.0%	0.0%	-	-
Total revenues	41,480,220	100.0%	2,872,920	6.9%	5.4%	(48,845)	3,967,390
Expenses							
Wages	16,496,606	39.7%	1,250,572	7.6%	7.7%	(19,666)	1,251,201
Retirement	4,438,874	10.7%	326,532	7.4%	7.7%	(15,261)	330,698
Benefits	2,935,210	7.1%	266,518	9.1%	7.7%	40,507	256,996
Services - Staffing Agency	3,697,700	8.9%	247,929	6.7%	7.7%	(36,794)	166,762
Services	2,545,525	6.1%	179,881	7.1%	8.3%	(31,398)	173,531
Materials	1,994,765	4.8%	372,063	18.7%	8.3%	206,498	60,845
Rent, utilities, insurance	1,708,000	4.1%	157,570	9.2%	8.3%	15,806	145,840
Other operating costs	3,155,000	7.6%	306,554	9.7%	8.3%	44,689	173,154
Transfers	64,926	0.2%	5,411	8.3%	8.3%	22	93,440
Transfers-debt service	4,087,895	9.9%	340,658	8.3%	8.3%	1,363	346,735
Capital equipment	355,000	0.9%	5,974	1.7%	8.3%	(23,491)	20,963
Total expenses	41,479,501	100.0%	3,459,662	8.3%	8.1%	182,275	3,020,165
Income over (under) expenses	\$ 719		\$ (586,742)			\$ (231,120)	\$ 947,225

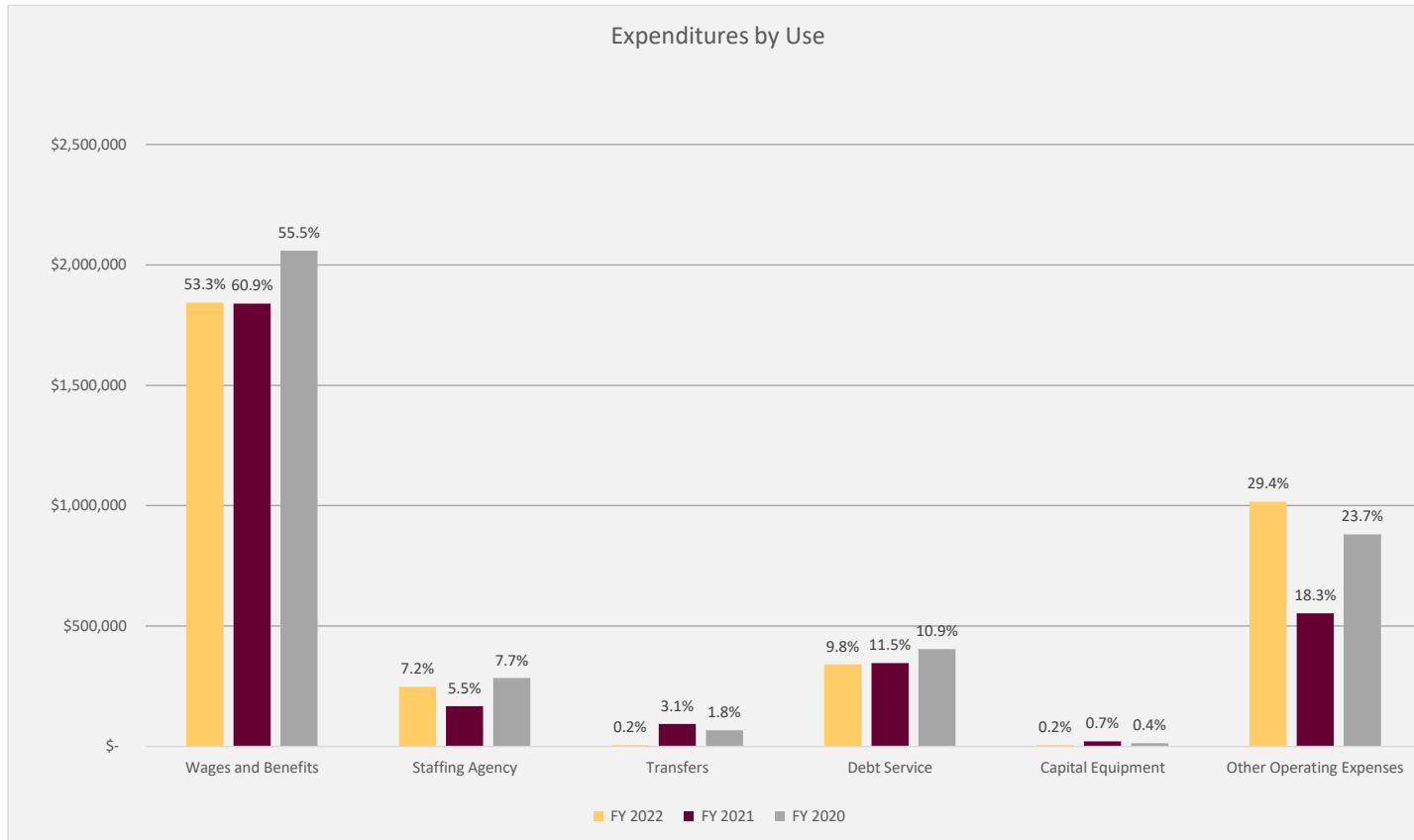
Jackson College
 General Fund Revenue Comparison
 For the One Month Ended July 31, 2021

\$2,872,920



Jackson College
 General Fund Expenditure Comparison
 For the One Month Ended July 31, 2021

\$3,459,662



Jackson College
Balance Sheet and Changes in Fund Balance - FY 22
July 31, 2021
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	CARES Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
Assets								
Cash	\$ 1,886,841	\$ 12,108,455	\$ (3,299,251)	\$ -	\$ 14,134	\$ 11,561,900	\$ 516,248	\$ 22,788,327
Restricted cash in escrow	-	-	-	-	-	-	-	-
Investments	-	-	-	-	21,013	-	-	21,013
Accounts receivable	4,001,259	25,000	2,856,896	-	-	300	-	6,883,455
Inventories	70,828	-	-	-	-	-	-	70,828
Other assets	24,127	-	29,014	-	-	77,587,919	-	77,641,060
Total assets	<u>5,983,055</u>	<u>12,133,455</u>	<u>(413,341)</u>	<u>-</u>	<u>35,147</u>	<u>89,150,119</u>	<u>516,248</u>	<u>107,404,683</u>
Liabilities and Fund Balance								
Accounts payable	203,387	-	2,281	-	-	145	-	205,813
Accrued liabilities	2,793,554	-	-	-	-	34,866,120	-	37,659,674
Deferred liabilities	2,479,492	-	-	-	-	-	-	2,479,492
Unearned revenue	297,566	-	-	-	-	-	-	297,566
Other liabilities	91,997	-	-	-	-	-	-	91,997
Total liabilities	<u>5,865,996</u>	<u>-</u>	<u>2,281</u>	<u>-</u>	<u>-</u>	<u>34,866,265</u>	<u>-</u>	<u>40,734,542</u>
Fund balance	117,059	12,133,455	(415,622)	-	35,147	54,283,854	516,248	66,670,141
Total liabilities and fund balance	<u>\$ 5,983,055</u>	<u>\$ 12,133,455</u>	<u>\$ (413,341)</u>	<u>\$ -</u>	<u>\$ 35,147</u>	<u>\$ 89,150,119</u>	<u>\$ 516,248</u>	<u>\$ 107,404,683</u>
Beginning fund balance								
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,412,811	\$ -	\$ 45,412,811
Major Maintenance and Equipment Replacement	-	-	-	-	-	8,588,577	-	8,588,577
Restricted	-	178,467	361,624	-	35,147	-	-	575,238
Future Operations	703,801	11,938,888	-	-	-	-	519,136	13,161,825
	<u>\$ 703,801</u>	<u>\$ 12,117,355</u>	<u>\$ 361,624</u>	<u>\$ -</u>	<u>\$ 35,147</u>	<u>\$ 54,001,388</u>	<u>\$ 519,136</u>	<u>\$ 67,738,451</u>
Current year income	2,872,920	16,100	1,923,164	-	-	346,369	(534)	5,158,019
Current year expenses	3,459,662	-	2,700,410	-	-	63,903	2,354	6,226,329
Ending fund balance	<u>\$ 117,059</u>	<u>\$ 12,133,455</u>	<u>\$ (415,622)</u>	<u>\$ -</u>	<u>\$ 35,147</u>	<u>\$ 54,283,854</u>	<u>\$ 516,248</u>	<u>\$ 66,670,141</u>

Jackson College
 Balance Sheet
 Building and Site Fund - FY 22
 July 31, 2021
 Preliminary - Unaudited

	Building and Site Fund
Assets	
Cash	\$ 8,252,452
Investments	-
Accounts receivable	300
Due from other funds	<u>277,777</u>
Total assets	<u>8,530,529</u>
Liabilities and Fund Balance	
Accounts payable	145
Other liabilities	<u>-</u>
Total liabilities	<u>145</u>
Fund balance	8,530,384
Total liabilities and fund balance	<u><u>\$ 8,530,529</u></u>

Jackson College
 Statement of Changes in Fund Balance
 Building and Site Fund
 For the One Month Ended July 31, 2021
 Preliminary - Unaudited

	Balance July 1, 2021	Revenue	Expenditures	Balance July 31, 2021
Major Maintenance and Equipment Replacement	\$ 8,588,577	\$ 5,711	\$ 63,904	\$ 8,530,384
Total	<u><u>\$ 8,588,577</u></u>	<u><u>\$ 5,711</u></u>	<u><u>\$ 63,904</u></u>	<u><u>\$ 8,530,384</u></u>

Jackson College
Cash and Investments by Fund - FY 22
July 31, 2021
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	CARES Fund	Grants Fund	Endowment Fund	Building and Site	Physical Plant	Activities Fund	Total
Cash										
Petty Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,724	\$ 2,724
Cash-Comerica Bank Pooled	(2,107,247)	(306,434)	36,231	-	(2,784,359)	14,134	8,252,452	3,309,448	513,334	6,927,559
Cash-Comerica Federal Funds	-	-	22,104	-	-	-	-	-	-	22,104
VISA Account	122,456	-	-	-	-	-	-	-	190	122,646
Cash-United Bank	2	-	-	-	-	-	-	-	-	2
Cash-Federal Direct Loan	-	-	158	-	-	-	-	-	-	158
Cash-Comerica State Wire	51,639	-	6,703	-	-	-	-	-	-	58,342
Cash-Payroll	1,353,440	-	(1,354,844)	-	-	-	-	-	-	(1,404)
County National Bank	465,094	-	27,043	-	-	-	-	-	-	492,137
Ref Pay	783	-	-	-	-	-	-	-	-	783
Cultural Affairs Checking	674	-	-	-	-	-	-	-	-	674
MNJTP	-	-	-	-	747,713	-	-	-	-	747,713
U.S. Government Bonds	-	3,998,400	-	-	-	-	-	-	-	3,998,400
MILAF	2,000,000	8,416,489	-	-	-	-	-	-	-	10,416,489
	<u>1,886,841</u>	<u>12,108,455</u>	<u>(1,262,605)</u>	<u>-</u>	<u>(2,036,646)</u>	<u>14,134</u>	<u>8,252,452</u>	<u>3,309,448</u>	<u>516,248</u>	<u>22,788,327</u>
Investments										
Common Stock	-	-	-	-	-	21,013	-	-	-	21,013
Total cash and investments	<u>\$ 1,886,841</u>	<u>\$12,108,455</u>	<u>\$(1,262,605)</u>	<u>\$ -</u>	<u>\$(2,036,646)</u>	<u>\$ 35,147</u>	<u>\$ 8,252,452</u>	<u>\$ 3,309,448</u>	<u>\$ 516,248</u>	<u>\$ 22,809,340</u>

Jackson College
 Billing Contact Hours
 July 31, 2021
 Preliminary - Unaudited

	Budgeted FY 22	Actual FY 22	Actual Percentage	Actual FY 21	Prior Year Percentage
Semester:					
Fall	36,872	25,786	69.9%	41,477	62.2%
Winter	33,520	-	0.0%	37,384	0.0%
Spring	13,408	-	0.0%	17,373	0.0%
Total	83,800	25,786	30.8%	96,234	26.8%

