



Financial Report

Presented to
President Daniel Phelan
Jackson College Board of Trustees



Prepared by the Business Office
January 31, 2022

Jackson College
Memo From Darrell Norris, Vice President of Finance
For the January 31, 2022 Financial Report

Following is the January 31, 2022 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

- **Tuition and fees** - Favorable to budget, 21/FL and 22/SPR enrollment were higher than projected.
- **Housing** - Unfavorable to budget as occupancy was lower than expected due to continued social distancing considerations.
- **Contract training** - Favorable to budget, due to a conservative budget related to COVID-19 uncertainties.
- **Potter Center** - Unfavorable 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, due to the budget for bookstore commissions being approved prior to the College bringing the bookstore in house.
- **Transfers** - Favorable to budget, due to a conservative budget.
- **Transfers Federal grant funds** - Unbudgeted revenue, this Federal HEERF monies being used to offset lost housing revenue.

Expenses

- **Wages** - Favorable to budget, it is too early in the fiscal year to tell if this trend will continue.
- **Retirement** - Favorable to budget, it is too early in the fiscal year to tell if this trend will continue.
- **Benefits** - Unfavorable to budget, it is too early in the fiscal year to tell if this trend will continue.
- **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.

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- **Rent, utilities, insurance** - Favorable to budget due to timing of purchases. We anticipate this variance to diminish over time.
- **Other operating costs** - Favorable to budget due to timing of purchases. We anticipate this variance to diminish over time.
- **Transfers - deferred maintenance and life safety** - New fund created within the Building and Site Fund to address deferred maintenance and life safety expenses.
- **Transfers - Jets Store** - the Jets Store is a mission support activity that is created to be financially self sufficient, but in this start up year it has needed general fund support.
- **Capital Equipment** - Favorable to budget due to timing of purchases. We anticipate this variance to diminish over time.

Other Notes

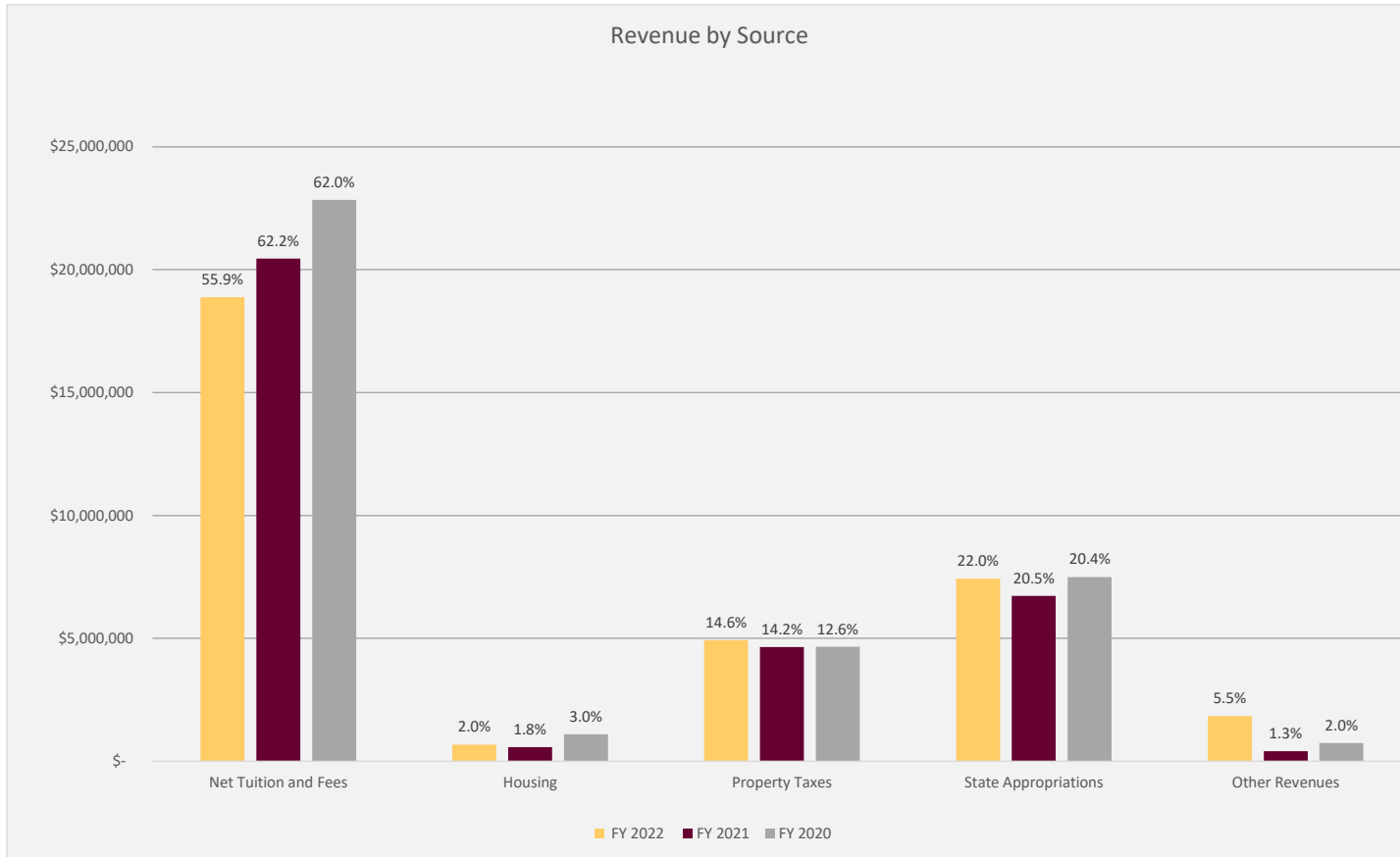
- **Cash and Investments** - The Board directed MILAF investment strategy was operationalized in June 2018. At January 31, 2022 interest revenues have exceeded \$421,000. These earnings are designated for future operations. In June 2021, the College made a \$4 million investment in U.S. Government bonds, 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. As of January 31, 2022 the College is meeting this requirement.
- **HEERF Funds** - The College has been awarded funds through the Higher Education Emergency Relief Funds (HEERF) and these funds may be used throughout the fiscal year to reduce expenses or supplement lost revenues.

Jackson College
Revenue and Expense Statement
General Fund - FY 22
For the Seven Months Ended January 31, 2022
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%	\$ 19,463,523	90.8%	86.0%	\$ 1,031,143	\$ 20,948,274
Less Institutional Scholarships	(800,000)	-1.9%	(583,814)	73.0%	73.0%	186	(504,042)
Net tuition and fees	20,633,000	49.8%	18,879,709	91.5%	79.5%	1,031,329	20,444,232
Housing	1,400,000	3.4%	683,237	48.8%	85.0%	(506,763)	579,057
Property taxes	5,300,000	12.7%	4,924,496	92.9%	93.0%	(4,504)	4,642,017
State appropriations	12,735,720	30.7%	7,429,170	58.3%	58.3%	4,245	6,725,422
Contract training	4,000	0.0%	45,362	1134.1%	58.3%	43,030	7,459
Potter Center activities	200,000	0.5%	103,251	51.6%	58.3%	(13,349)	-
Hospitality	750,000	1.8%	248,271	33.1%	58.3%	(188,979)	-
Miscellaneous	450,000	1.1%	9,935	2.2%	58.3%	(252,415)	281,547
Transfers	7,500	0.0%	15,043	200.6%	58.3%	10,670	123,335
Transfers - Federal grant funds	-	0.0%	1,421,417	0.0%	0.0%	1,421,417	-
Total revenues	41,480,220	100.0%	33,759,891	81.4%	58.6%	1,544,681	32,803,069
Expenses							
Wages	16,496,606	39.7%	8,697,953	52.7%	57.7%	(820,588)	8,941,923
Retirement	4,439,364	10.7%	2,327,292	52.4%	57.7%	(234,221)	2,455,488
Benefits	2,934,720	7.1%	1,804,552	61.5%	57.7%	111,219	1,701,641
Services - Staffing Agency	3,697,700	8.9%	2,060,435	55.7%	57.7%	(73,138)	1,885,405
Services	2,545,525	6.1%	1,466,679	57.6%	58.3%	(17,362)	1,237,499
Materials	1,994,765	4.8%	1,267,418	63.5%	58.3%	104,470	1,045,518
Rent, utilities, insurance	1,708,000	4.1%	949,724	55.6%	58.3%	(46,040)	907,417
Other operating costs	3,155,000	7.6%	1,555,231	49.3%	58.3%	(284,134)	1,014,623
Transfers-major maintenance	64,926	0.2%	37,874	58.3%	58.3%	22	654,077
Transfers-deferred maintenance	-	0.0%	616,204	0.0%	58.3%	616,204	-
Transfers-debt service	4,087,895	9.9%	2,384,605	58.3%	58.3%	1,362	2,427,141
Transfers-Jets Store	-	0.0%	148,320	0.0%	58.3%	148,320	-
Capital equipment	355,000	0.9%	121,595	34.3%	58.3%	(85,370)	53,937
Total expenses	41,479,501	100.0%	23,437,882	56.5%	58.1%	(579,256)	22,324,669
Income over (under) expenses	\$ 719		\$ 10,322,009			\$ 2,123,937	\$ 10,478,400

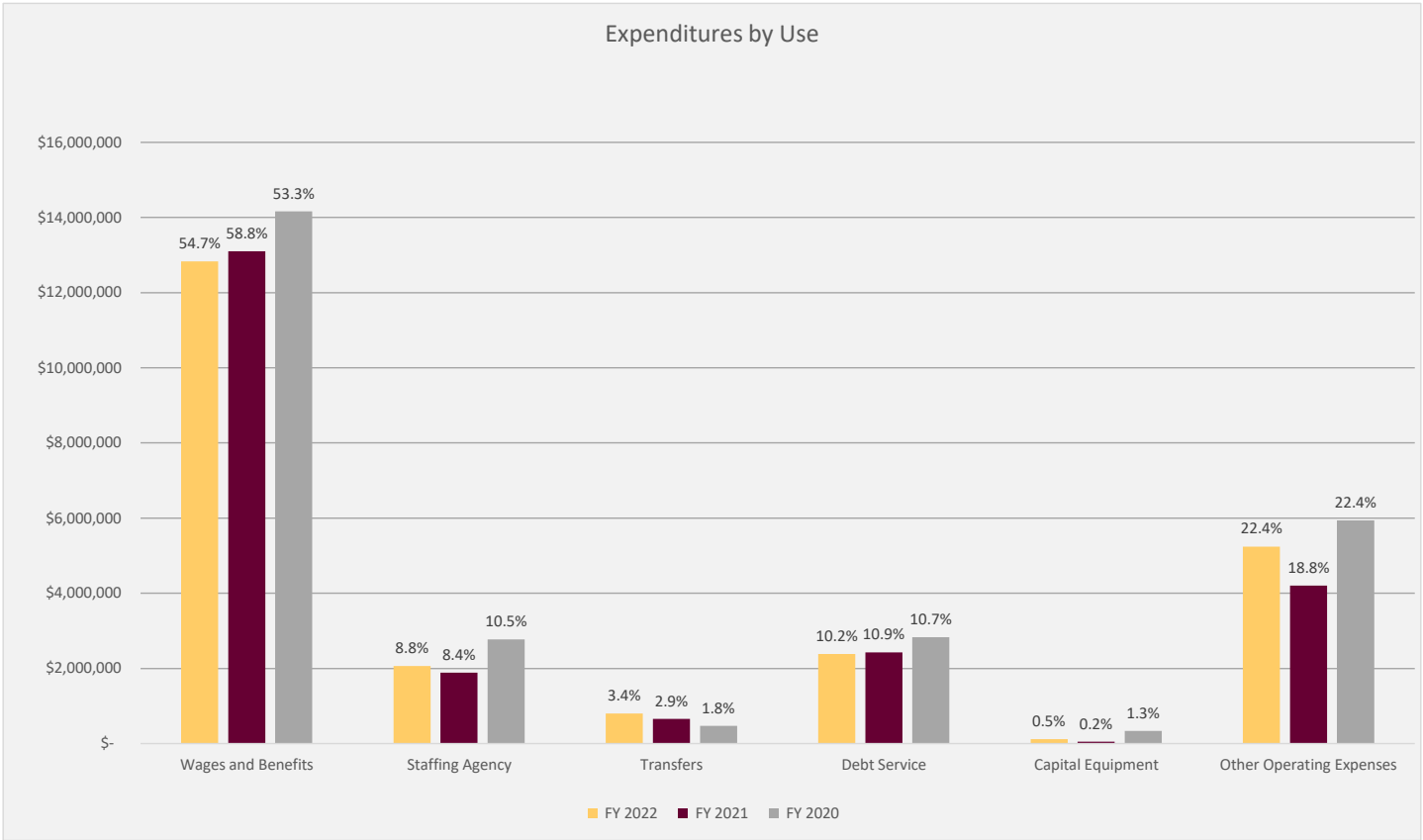
Jackson College
 General Fund Revenue Comparison
 For the Seven Months Ended January 31, 2022

\$33,759,891



Jackson College
 General Fund Expenditure Comparison
 For the Seven Months Ended January 31, 2022

\$23,437,882



Jackson College
Balance Sheet and Changes in Fund Balance - FY 22
January 31, 2022
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	CARES Fund	Bookstore Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
Assets									
Cash	\$ 8,664,206	\$ 12,123,841	\$ (2,829,543)	\$ -	\$ (233,084)	\$ 17,313	\$ 10,569,945	\$ 505,821	\$ 28,818,499
Restricted cash in escrow	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	21,013	-	-	21,013
Accounts receivable	8,721,760	25,000	1,032,966	-	120,184	-	295	150	9,900,355
Inventories	72,475	-	-	-	116,466	-	-	-	188,941
Other assets	201,511	-	26,950	-	-	-	77,310,142	-	77,538,603
Total assets	17,659,952	12,148,841	(1,769,627)	-	3,566	38,326	87,880,382	505,971	116,467,411
Liabilities and Fund Balance									
Accounts payable	347,711	-	3,980	-	-	-	1,877,198	-	2,228,889
Accrued liabilities	2,871,507	-	-	-	-	-	34,866,120	-	37,737,627
Deferred liabilities	2,479,492	-	-	-	-	-	-	-	2,479,492
Unearned revenue	313,052	-	-	-	-	-	-	-	313,052
Other liabilities	622,397	-	171,441	-	3,566	-	-	-	797,404
Total liabilities	6,634,159	-	175,421	-	3,566	-	36,743,318	-	43,556,464
Fund balance	11,025,793	12,148,841	(1,945,048)	-	-	38,326	51,137,064	505,971	72,910,947
Total liabilities and fund balance	\$ 17,659,952	\$ 12,148,841	\$ (1,769,627)	\$ -	\$ 3,566	\$ 38,326	\$ 87,880,382	\$ 505,971	\$ 116,467,411
Beginning fund balance									
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,412,811	\$ -	\$ 45,412,811
Major Maintenance and Equipment Replacement	-	-	-	-	-	-	8,588,594	-	8,588,594
Restricted	-	178,467	361,625	-	-	35,147	-	-	575,239
Future Operations	703,784	11,938,888	-	-	-	-	-	519,586	13,162,258
	\$ 703,784	\$ 12,117,355	\$ 361,625	\$ -	\$ -	\$ 35,147	\$ 54,001,405	\$ 519,586	\$ 67,738,902
Current year income	33,759,891	41,486	17,089,491	-	284,199	3,179	5,246,361	65,634	56,490,241
Current year expenses	23,437,882	10,000	19,396,164	-	284,199	-	8,110,702	79,249	51,318,196
Ending fund balance	\$ 11,025,793	\$ 12,148,841	\$ (1,945,048)	\$ -	\$ -	\$ 38,326	\$ 51,137,064	\$ 505,971	\$ 72,910,947

Jackson College
 Balance Sheet
 Building and Site Fund - FY 22
 January 31, 2022
 Preliminary - Unaudited

	Building and Site Fund
Assets	
Cash	\$ 5,701,482
Investments	-
Accounts receivable	295
Due from other funds	-
	-
Total assets	5,701,777
Liabilities and Fund Balance	
Accounts payable	1,877,198
Other liabilities	-
	-
Total liabilities	1,877,198
Fund balance	3,824,579
Total liabilities and fund balance	\$ 5,701,777

Jackson College
 Statement of Changes in Fund Balance
 Building and Site Fund
 For the Seven Months Ended January 31, 2022
 Preliminary - Unaudited

	Balance July 1, 2021	Revenue	Expenditures	Balance January 31, 2022
Major Maintenance and Equipment Replacement	\$ 8,588,594	\$ 2,236,537	\$ 7,616,756	\$ 3,208,375
Deferred Maintenance and Life Safety	-	616,204	-	616,204
	-	616,204	-	616,204
Total	\$ 8,588,594	\$ 2,852,741	\$ 7,616,756	\$ 3,824,579

Jackson College
Revenue and Expense Statement
Auxiliary Services
For the Seven Months Ended January 31, 2022
Preliminary - Unaudited

	Hospitality Services	Housing	Jets Store Bookstore	Potter Center Performing Arts
Revenue				
Housing	-	683,237	-	-
Sales	-	-	135,879	-
Potter Center activities	-	-	-	103,251
Hospitality	248,271	-	-	-
Miscellaneous	-	-	-	-
Transfers - General Fund	-	-	148,320	-
Transfers - Federal grant funds	-	1,421,417	-	-
Total revenues	248,271	2,104,654	284,199	103,251
Expenses				
Wages	254,872	101,745	44,445	138,952
Retirement	54,351	19,406	11,594	44,690
Benefits	61,846	18,338	5,381	30,703
Services - Staffing Agency	9,990	-	-	-
Services	13,127	5,605	200	4,454
Materials	207,931	7,470	220,100	1,042
Rent, utilities, insurance	90	-	-	-
Other operating costs	5,292	13,487	2,049	94,038
Transfers	-	-	-	-
Transfers-debt service	-	700,000	-	-
Capital equipment	7,595	2,195	430	-
Total expenses	615,094	868,246	284,199	313,879
Income over (under) expenses	\$ (366,823)	\$ 1,236,408	\$ -	\$ (210,628)

Jackson College
Cash and Investments by Fund - FY 22
January 31, 2022
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	CARES Fund	Grants Fund	Bookstore Fund	Endowment Fund	Building and Site	Physical Plant	Activities Fund	Total
Cash											
Petty Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,714	\$ 4,714
Cash-Comerica Bank Pooled	2,154,414	(228,534)	(14,901)	-	-	(238,136)	17,313	5,701,482	4,868,463	500,791	12,760,892
Cash-Comerica Federal Funds	-	-	(32,067)	-	48,089	-	-	-	-	-	16,022
VISA Account	272,068	-	-	-	-	5,052	-	-	-	316	277,436
Cash-United Bank	-	-	-	-	-	-	-	-	-	-	-
Cash-Federal Direct Loan	-	-	7,268	-	-	-	-	-	-	-	7,268
Cash-Comerica State Wire	50,482	-	-	-	-	-	-	-	-	-	50,482
Cash-Payroll	3,696,118	-	(2,469,488)	-	(1,228,673)	-	-	-	-	-	(2,043)
County National Bank	483,658	-	44,848	-	-	-	-	-	-	-	528,506
Ref Pay	4,317	-	-	-	-	-	-	-	-	-	4,317
Cultural Affairs Checking	3,149	-	-	-	-	-	-	-	-	-	3,149
MNJTP	-	-	-	-	815,381	-	-	-	-	-	815,381
U.S. Government Bonds	-	3,930,960	-	-	-	-	-	-	-	-	3,930,960
MILAF	2,000,000	8,421,415	-	-	-	-	-	-	-	-	10,421,415
	<u>8,664,206</u>	<u>12,123,841</u>	<u>(2,464,340)</u>	<u>-</u>	<u>(365,203)</u>	<u>(233,084)</u>	<u>17,313</u>	<u>5,701,482</u>	<u>4,868,463</u>	<u>505,821</u>	<u>28,818,499</u>
Investments											
Common Stock	-	-	-	-	-	-	21,013	-	-	-	21,013
Total cash and investments	<u>\$ 8,664,206</u>	<u>\$12,123,841</u>	<u>\$(2,464,340)</u>	<u>\$ -</u>	<u>\$ (365,203)</u>	<u>\$ (233,084)</u>	<u>\$ 38,326</u>	<u>\$ 5,701,482</u>	<u>\$ 4,868,463</u>	<u>\$ 505,821</u>	<u>\$ 28,839,512</u>

Jackson College
 Billing Contact Hours
 January 31, 2022
 Preliminary - Unaudited

	Budgeted FY 22	Actual FY 22	Actual Percentage	Actual FY 21	Prior Year Percentage
Semester:					
Fall	36,872	40,474	109.8%	41,477	97.6%
Spring	33,520	38,089	113.6%	37,384	101.9%
Summer	13,408	-	0.0%	17,373	0.0%
Total	83,800	78,562	93.7%	96,234	81.6%

