



Financial Report

Presented to
President Daniel Phelan
Jackson College Board of Trustees



Prepared by the Business Office
June 30, 2020

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

Following is the June 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 June 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.

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 - Staffing Agency** - Favorable to budget. We anticipate this favorable status to carry to year end due to COVID 19 expense controls.
- **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** - Unfavorable to budget. Additional equipment expenditures due to additional COVID-19 expenses.

Other Notes

- Cash and Investments - The Board directed MILAF investment strategy was operationalized in June 2018. At June 30, 2020 interest revenues have exceeded \$412,000. These earnings are designated for future operations.

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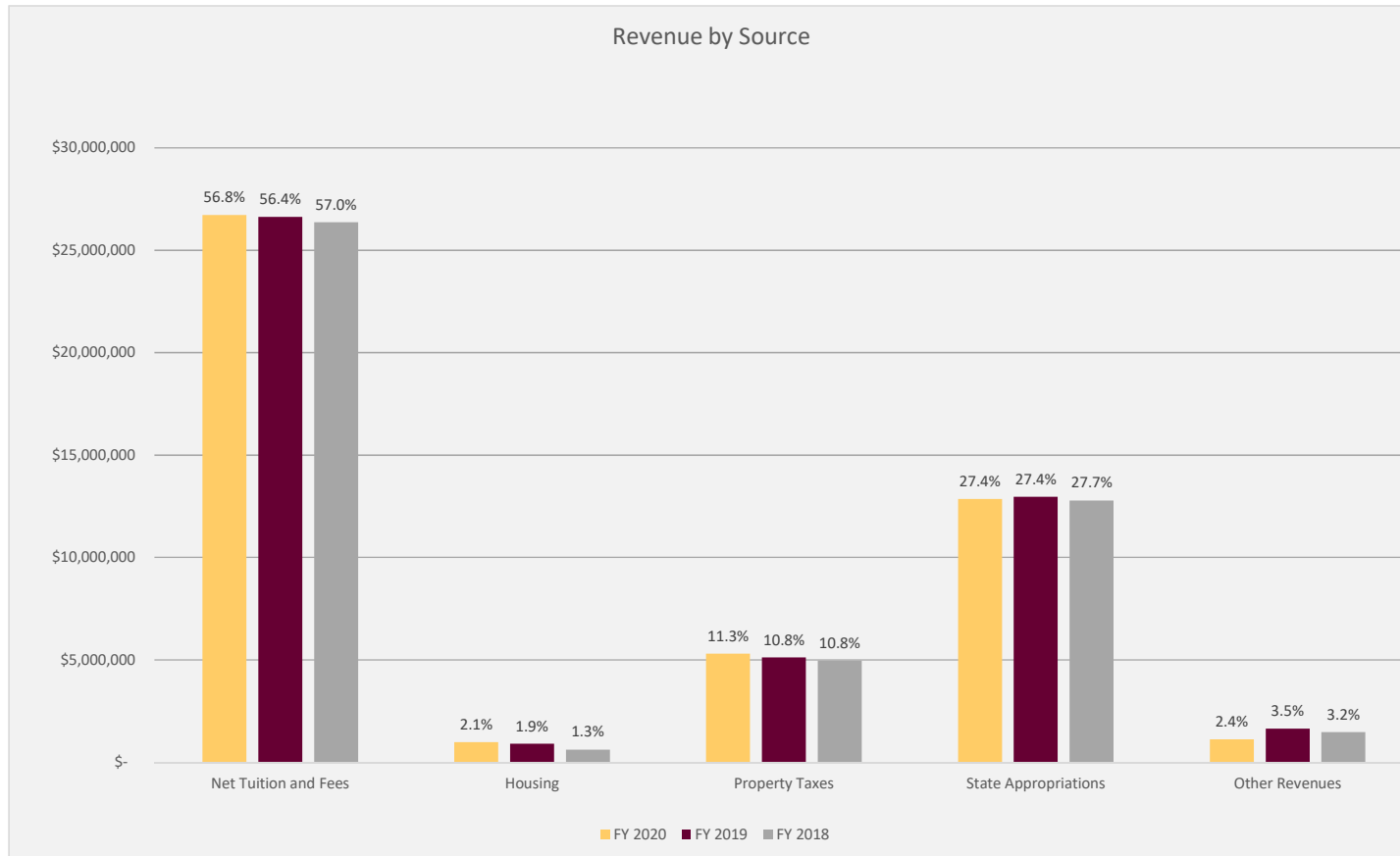
- **Looking Ahead** - Expense controls have been put in place in anticipation of reduced revenues resulting from COVID-19 pandemic. Our 20/SP enrollment numbers are down by 25% at this time so additional budget savings are being discussed to prepare for further future reductions in revenues.
- **Operating Reserves** - Board policy requires the College have combined operating fund balance reserves greater or equal to two months' operating expenses. At June 30, 2020, the operating fund balances reserves were \$11,318,665 which is approximately 3.3 months of projected FY 2021 operating expenses.

Jackson College
Revenue and Expense Statement
General Fund - FY 20
For the Year Ended June 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
Revenue							
Gross tuition and fees	\$ 28,537,274	59.7%	\$ 27,623,415	96.8%	100.0%	\$ (913,859)	\$ 27,434,801
Less Institutional Scholarships	(884,443)	-1.9%	(910,408)	102.9%	100.0%	(25,965)	(816,583)
Net tuition and fees	27,652,831	57.8%	26,713,007	96.6%	100.0%	(939,824)	26,618,218
Housing	900,000	1.9%	977,029	108.6%	100.0%	77,029	903,855
Property taxes	5,240,000	11.0%	5,303,439	101.2%	100.0%	63,439	5,115,507
State appropriations	12,855,700	26.9%	12,855,700	100.0%	100.0%	-	12,952,775
Contract training	100,000	0.2%	117,865	117.9%	100.0%	17,865	155,800
Potter Center activities	446,431	0.9%	291,933	65.4%	100.0%	(154,498)	413,923
Miscellaneous	557,500	1.2%	676,149	121.3%	100.0%	118,649	1,032,464
Transfers	34,500	0.1%	34,669	100.5%	100.0%	169	44,193
Total revenues	47,786,962	100.0%	46,969,791	98.3%	100.0%	(817,171)	47,236,735
Expenses							
Wages	18,024,637	37.7%	17,430,143	96.7%	100.0%	(594,493)	16,573,279
Retirement	4,699,758	9.8%	4,493,019	95.6%	100.0%	(206,739)	4,465,936
Benefits	3,186,946	6.7%	3,073,050	96.4%	100.0%	(113,896)	3,040,170
Services - Staffing Agency	4,878,622	10.2%	4,411,472	90.4%	100.0%	(467,150)	4,306,920
Services	2,943,382	6.2%	2,760,105	93.8%	100.0%	(183,277)	2,923,080
Materials	2,483,250	5.2%	2,210,586	89.0%	100.0%	(272,664)	2,156,250
Rent, utilities, insurance	1,900,000	4.0%	1,707,382	89.9%	100.0%	(192,618)	1,710,460
Other operating costs	3,415,069	7.1%	3,034,782	88.9%	100.0%	(380,287)	3,122,420
Transfers	805,000	1.7%	2,309,029	286.8%	100.0%	1,504,029	3,328,030
Transfers-debt service	4,848,013	10.1%	4,848,013	100.0%	100.0%	-	4,850,713
Capital equipment	601,500	1.3%	691,425	115.0%	100.0%	89,925	758,545
Total expenses	47,786,176	100.0%	46,969,006	98.3%	100.0%	(817,170)	47,235,803
Income over (under) expenses	\$ 785		\$ 785			\$ (1)	\$ 932

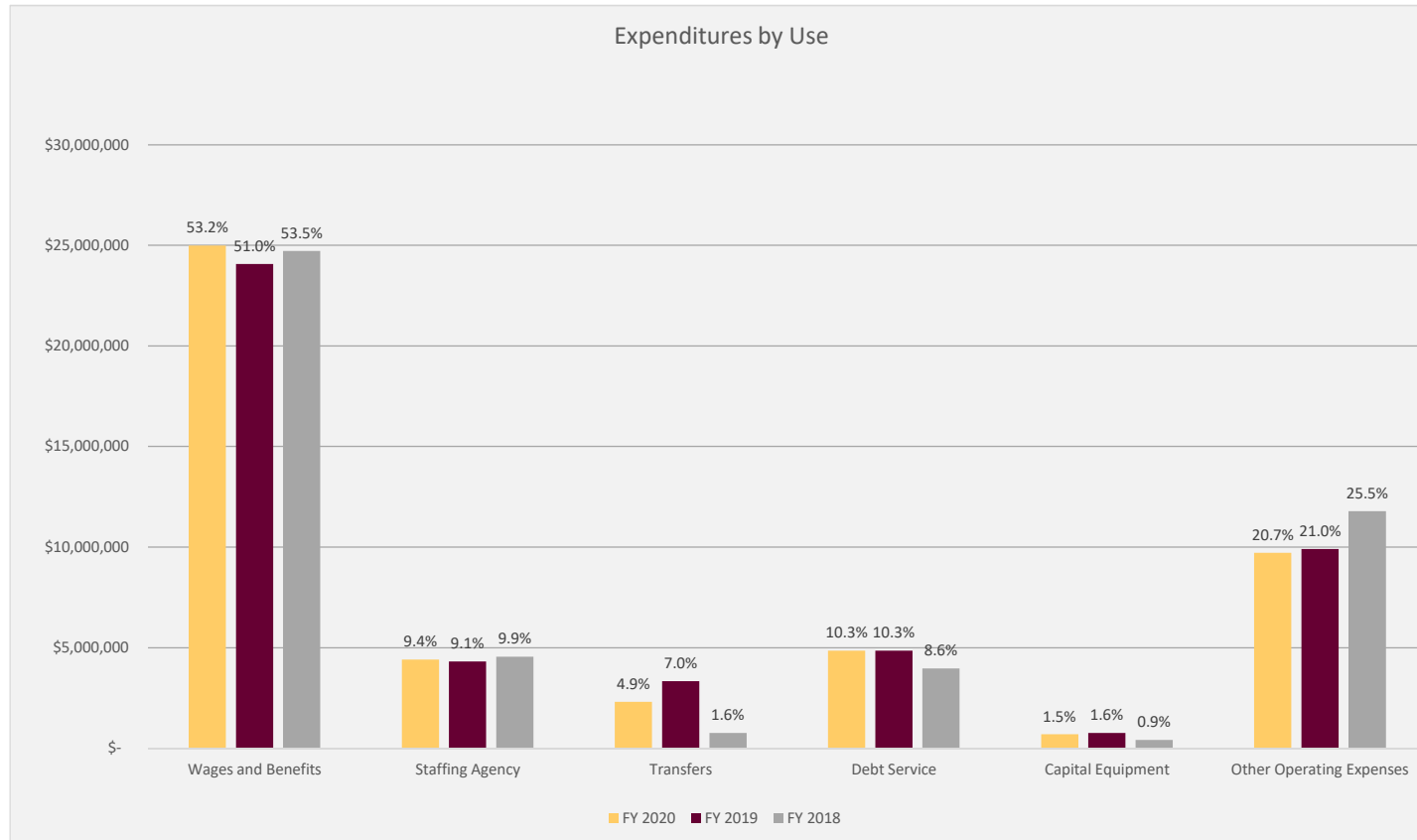
Jackson College
General Fund Revenue Comparison
For the Year Ended June 30, 2020

\$46,969,791



Jackson College
General Fund Expenditure Comparison
For the Year Ended June 30, 2020

\$46,969,006



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

	General Fund	Designated Fund	Restricted Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
Assets							
Cash	\$ 4,217,680	\$ 9,061,381	\$ 1,558,584	\$ 13,204	\$ 5,384,372	\$ 304,273	\$ 20,539,494
Restricted cash in escrow	-	-	-	-	9,078,479	-	9,078,479
Investments	-	-	-	17,673	-	-	17,673
Accounts receivable	8,095,837	50,000	874,773	-	48,694	-	9,069,304
Inventories	30,425	-	-	-	-	-	30,425
Other assets	1,506,732	1,504,029	-	-	72,078,030	-	75,088,791
Total assets	13,850,674	10,615,410	2,433,357	30,877	86,589,575	304,273	113,824,166
Liabilities and Fund Balance							
Accounts payable	1,223,581	-	41,101	-	12,054	8,000	1,284,736
Accrued liabilities	3,091,553	-	-	-	38,141,354	-	41,232,907
Deferred liabilities	7,032,242	-	-	-	-	-	7,032,242
Unearned revenue	288,806	-	-	-	-	-	288,806
Other liabilities	1,511,237	-	913,773	-	-	-	2,425,010
Total liabilities	13,147,419	-	954,874	-	38,153,408	8,000	52,263,701
Fund balance	703,255	10,615,410	1,478,483	30,877	48,436,167	296,273	61,560,465
Total liabilities and fund balance	\$ 13,850,674	\$ 10,615,410	\$ 2,433,357	\$ 30,877	\$ 86,589,575	\$ 304,273	\$ 113,824,166
Beginning fund balance							
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	46,969,791	1,843,270	26,351,395	1,625	5,681,164	209,434	81,056,679
Current year expenses	46,969,006	10,000	25,252,095	-	5,598,252	181,479	78,010,832
Ending fund balance	\$ 703,255	\$ 10,615,410	\$ 1,478,483	\$ 30,877	\$ 48,436,167	\$ 296,273	\$ 61,560,465

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

	Building and Site Fund
Assets	
Cash	\$ 561,764
Investments	-
Accounts receivable	29,579
Due from other funds	-
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Total assets	591,343
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Liabilities and Fund Balance	
Accounts payable	12,054
Other liabilities	-
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Total liabilities	12,054
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Fund balance	579,289
Total liabilities and fund balance	\$ 591,343
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Jackson College
Statement of Changes in Fund Balance
Building and Site Fund
For the Year Ended June 30, 2020
Preliminary - Unaudited

	Balance July 1, 2019	Revenue	Expenditures	Balance June 30, 2020
Major Maintenance and Equipment Replacement	\$ 4,165,003	\$ 824,659	\$ 4,410,373	\$ 579,289
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Total	\$ 4,165,003	\$ 824,659	\$ 4,410,373	\$ 579,289
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Jackson College
Cash and Investments by Fund - FY 20
June 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	1,454,782	142,548	576,198	46,923	13,204	561,764	2,722,211	301,549	5,819,179
Cash-Comerica Federal Funds	-	-	87,099	-	-	-	-	-	87,099
Cash-So Mich National	200,150	-	25,543	-	-	-	-	-	225,693
VISA Account	220,276	-	-	-	-	-	-	-	220,276
Cash-United Bank	234,004	-	29,361	-	-	-	-	-	263,365
Cash-Federal Stafford	-	-	2,399	-	-	-	-	-	2,399
Cash-Comerica State Wire	(6,098)	-	-	-	-	-	-	-	(6,098)
Cash-Payroll	94,848	-	(27,809)	(69,853)	-	-	-	-	(2,814)
JC One Card	14,510	-	-	-	-	-	-	-	14,510
Ref Pay	4,459	-	-	-	-	-	-	-	4,459
Athletic Checking	-	-	-	-	-	-	-	-	-
Cultural Affairs Checking	749	-	-	-	-	-	-	-	749
MNJTP	-	-	-	888,723	-	-	-	-	888,723
Certificates of Deposit	-	506,298	-	-	-	-	-	-	506,298
MILAF	2,000,000	8,412,535	-	-	-	-	-	-	10,412,535
Bond capital project	-	-	-	-	-	-	2,100,397	-	2,100,397
Restricted cash in escrow	-	-	-	-	-	-	9,078,479	-	9,078,479
Insurance HRA	-	-	-	-	-	-	-	-	-
	4,217,680	9,061,381	692,791	865,793	13,204	561,764	13,901,087	304,273	29,617,973
Investments									
Common Stock	-	-	-	-	17,673	-	-	-	17,673
Total cash and investments	<u>\$ 4,217,680</u>	<u>\$ 9,061,381</u>	<u>\$ 692,791</u>	<u>\$ 865,793</u>	<u>\$ 30,877</u>	<u>\$ 561,764</u>	<u>\$13,901,087</u>	<u>\$ 304,273</u>	<u>\$ 29,635,646</u>

Jackson College
Billing Contact Hours
June 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	14,694	82.9%	19,063	77.1%
Total	118,150	109,291	92.5%	114,245	95.7%

