



Financial Report

Presented to
President Daniel Phelan
Jackson College Board of Trustees



Prepared by the Business Office
March 31, 2020

Jackson College
Memo From Darrell Norris, Vice President of Finance
For the March 31, 2020 Financial Report

Following is the March 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 2019-2020 Budget as adopted at the May 2019 Board of Trustees meeting.

Revenues

- **Tuition and fees** - Unfavorable to budget due to a slight decline in enrollment, will monitor throughout the semester as second 7 week classes begin.
- **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.

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.
- **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 March 31, 2020 interest revenues have exceeded \$396,000. These earnings are designated for future operations.

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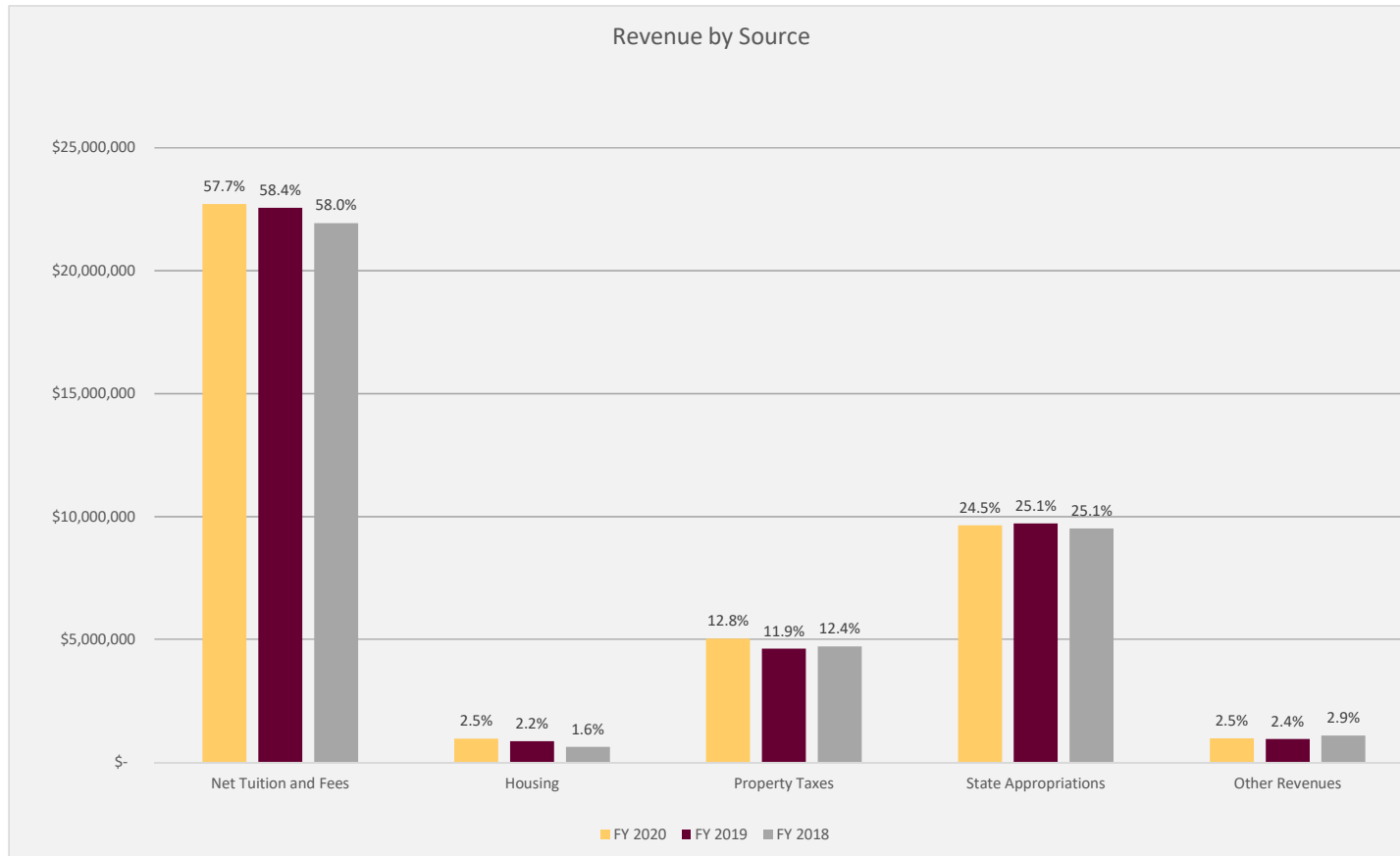
- **Looking Ahead** - Expense controls have been put in place in anticipation of reduced revenues resulting from COVID-19 pandemic. Our 20/SP early enrollment numbers are down by 25% at this time so additional budget savings are being discussed to prepare for further future reductions in revenues.

Jackson College
Revenue and Expense Statement
General Fund - FY 20
For the Nine Months Ended March 31, 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%	\$ 23,554,868	82.5%	83.0%	\$ (131,069)	\$ 23,346,649
Less Institutional Scholarships	(884,443)	-1.9%	(840,645)	95.0%	86.0%	(80,024)	(787,011)
Net tuition and fees	27,652,831	57.8%	22,714,223	82.1%	84.5%	(211,093)	22,559,638
Housing	900,000	1.9%	963,970	107.1%	95.0%	108,970	853,160
Property taxes	5,240,000	11.0%	5,032,450	96.0%	95.0%	54,450	4,622,025
State appropriations	12,855,700	26.9%	9,641,775	75.0%	75.0%	-	9,714,581
Contract training	100,000	0.2%	84,799	84.8%	75.0%	9,799	113,896
Potter Center activities	446,431	0.9%	299,506	67.1%	75.0%	(35,317)	321,721
Miscellaneous	557,500	1.2%	557,750	100.0%	75.0%	139,625	481,187
Transfers	34,500	0.1%	31,205	90.4%	75.0%	5,330	25,952
Total revenues	47,786,962	100.0%	39,325,678	82.3%	80.7%	71,764	38,692,160
Expenses							
Wages	18,024,637	37.7%	12,388,096	68.7%	73.1%	(787,913)	12,010,656
Retirement	4,699,758	9.8%	3,271,772	69.6%	73.1%	(163,751)	3,315,865
Benefits	3,186,946	6.7%	2,335,545	73.3%	75.0%	(54,664)	2,245,374
Services - Staffing Agency	4,878,622	10.2%	3,553,781	72.8%	73.1%	(12,492)	3,195,678
Services	2,943,382	6.2%	2,126,286	72.2%	75.0%	(81,251)	2,045,796
Materials	2,483,250	5.2%	1,894,791	76.3%	75.0%	32,353	1,577,607
Rent, utilities, insurance	1,900,000	4.0%	1,275,789	67.1%	75.0%	(149,211)	1,339,681
Other operating costs	3,415,069	7.1%	2,367,728	69.3%	75.0%	(193,574)	2,267,031
Transfers	805,000	1.7%	603,750	75.0%	75.0%	-	562,500
Transfers-debt service	4,848,013	10.1%	3,636,010	75.0%	75.0%	-	3,450,535
Capital equipment	601,500	1.3%	391,086	65.0%	75.0%	(60,039)	356,332
Total expenses	47,786,176	100.0%	33,844,634	70.8%	74.4%	(1,470,542)	32,367,055
Income over (under) expenses	\$ 785		\$ 5,481,044			\$ 1,542,306	\$ 6,325,105

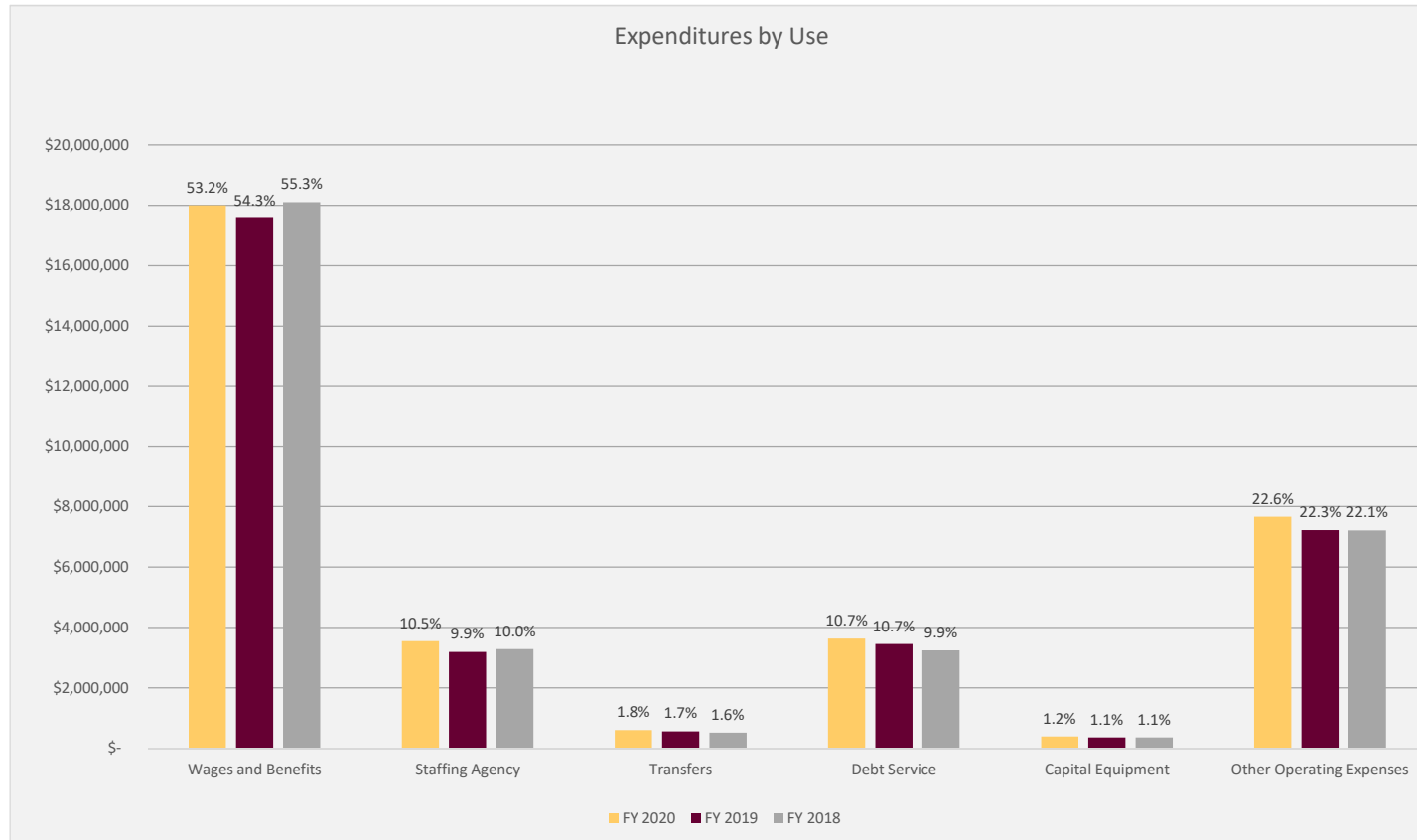
Jackson College
General Fund Revenue Comparison
For the Nine Months Ended March 31, 2020

\$39,325,678



Jackson College
General Fund Expenditure Comparison
For the Nine Months Ended March 31, 2020

\$33,844,634



Jackson College
Balance Sheet and Changes in Fund Balance - FY 20
March 31, 2020
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
Assets							
Cash	\$ 8,070,636	\$ 9,011,475	\$ (621,757)	\$ 13,169	\$ 6,345,941	\$ 278,011	\$ 23,097,475
Investments	-	-	-	17,673	-	-	17,673
Accounts receivable	3,286,418	37,500	1,000	-	50,659	-	3,375,577
Inventories	30,425	-	-	-	-	-	30,425
Other assets	599,852	-	16,245	-	72,078,030	-	72,694,127
Total assets	11,987,331	9,048,975	(604,512)	30,842	78,474,630	278,011	99,215,277
Liabilities and Fund Balance							
Accounts payable	158,512	-	-	-	4,480	-	162,992
Accrued liabilities	2,387,555	-	-	-	30,622,610	-	33,010,165
Deferred liabilities	2,895,240	-	-	-	-	-	2,895,240
Unearned revenue	361,062	-	-	-	-	-	361,062
Other liabilities	1,448	-	-	-	10,000	-	11,448
Total liabilities	5,803,817	-	-	-	30,637,090	-	36,440,907
Fund balance	6,183,514	9,048,975	(604,512)	30,842	47,837,540	278,011	62,774,370
Total liabilities and fund balance	\$ 11,987,331	\$ 9,048,975	\$ (604,512)	\$ 30,842	\$ 78,474,630	\$ 278,011	\$ 99,215,277
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	39,325,678	276,835	20,328,014	1,590	4,267,881	167,709	64,367,707
Current year expenses	33,844,634	10,000	21,311,709	-	4,783,596	158,016	60,107,955
Ending fund balance	\$ 6,183,514	\$ 9,048,975	\$ (604,512)	\$ 30,842	\$ 47,837,540	\$ 278,011	\$ 62,774,370

Jackson College
Balance Sheet
Building and Site Fund - FY 20
March 31, 2020
Preliminary - Unaudited

	Building and Site Fund
Assets	
Cash	\$ 448,422
Investments	-
Accounts receivable	29,849
Due from other funds	-
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Total assets	478,271
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Liabilities and Fund Balance	
Accounts payable	4,480
Other liabilities	10,000
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Total liabilities	14,480
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Fund balance	463,791
Total liabilities and fund balance	\$ 478,271
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Jackson College
Statement of Changes in Fund Balance
Building and Site Fund
For the Nine Months Ended March 31, 2020
Preliminary - Unaudited

	Balance July 1, 2019	Revenue	Expenditures	Balance March 31, 2020
Major Maintenance and Equipment Replacement	\$ 4,165,003	\$ 623,379	\$ 4,324,591	\$ 463,791
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Total	\$ 4,165,003	\$ 623,379	\$ 4,324,591	\$ 463,791
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Jackson College
Cash and Investments by Fund - FY 20
March 31, 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	4,749,056	111,098	5,897	1,364	13,169	448,422	5,897,519	275,287	11,501,812
Cash-Comerica Federal Funds	-	-	-	4,895	-	-	-	-	4,895
Cash-So Mich National	200,150	-	25,543	-	-	-	-	-	225,693
VISA Account	95,438	-	-	-	-	-	-	-	95,438
Cash-United Bank	234,004	-	29,361	-	-	-	-	-	263,365
Cash-Federal Stafford	-	-	2,399	-	-	-	-	-	2,399
Cash-Comerica State Wire	12,157	-	-	-	-	-	-	-	12,157
Cash-Payroll	760,019	-	(1,803,487)	(272,666)	-	-	-	-	(1,316,134)
JC One Card	14,209	-	-	-	-	-	-	-	14,209
Ref Pay	4,459	-	-	-	-	-	-	-	4,459
Athletic Checking	-	-	-	-	-	-	-	-	-
Cultural Affairs Checking	1,144	-	-	-	-	-	-	-	1,144
MNJTP	-	-	-	1,384,937	-	-	-	-	1,384,937
Certificates of Deposit	-	504,296	-	-	-	-	-	-	504,296
MILAF	2,000,000	8,396,081	-	-	-	-	-	-	10,396,081
Insurance HRA	-	-	-	-	-	-	-	-	-
	8,070,636	9,011,475	(1,740,287)	1,118,530	13,169	448,422	5,897,519	278,011	23,097,475
Investments									
Common Stock	-	-	-	-	17,673	-	-	-	17,673
Total cash and investments	<u>\$ 8,070,636</u>	<u>\$ 9,011,475</u>	<u>\$ (1,740,287)</u>	<u>\$ 1,118,530</u>	<u>\$ 30,842</u>	<u>\$ 448,422</u>	<u>\$ 5,897,519</u>	<u>\$ 278,011</u>	<u>\$ 23,115,148</u>

Jackson College
Billing Contact Hours
March 31, 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	45,391	93.7%	46,014	98.6%
Spring	17,723	-	0.0%	19,063	0.0%
Total	118,150	94,754	80.2%	114,245	82.9%

