



Financial Report

Presented to
President Daniel Phelan
Jackson College Board of Trustees



Prepared by the Business Office
March 31, 2022

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

Following is the March 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** - Favorable to budget, due to a conservative budget related to COVID-19 uncertainties.
- **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.
- **Services - Staffing Agency** - Favorable to budget, it is too early in the fiscal year to tell if this trend

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

- **Services** - Unfavorable to budget. We anticipate this variance to diminish over the fiscal year.
- **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

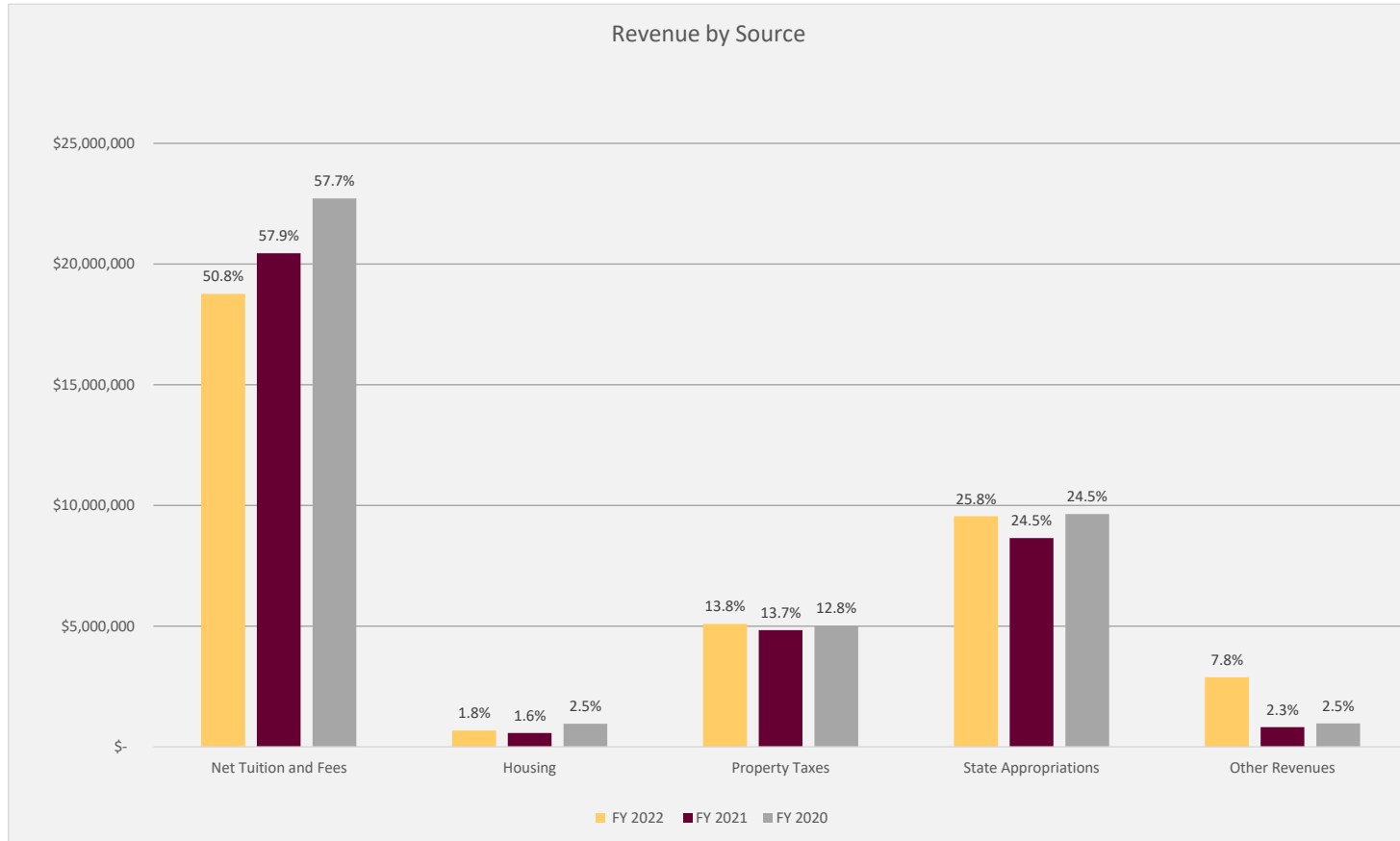
- **Cash and Investments** - The Board directed MILAF investment strategy was operationalized in June 2018. At March 31, 2022 interest revenues have exceeded \$421,000. These earnings are designated for future operations. In June 2021, the College made a \$4 million investment in U.S. Government bonds, 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 March 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 Nine Months Ended March 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%	\$ 19,401,087	90.5%	86.0%	\$ 968,707	\$ 20,948,274
Less Institutional Scholarships	(800,000)	-1.9%	(633,078)	79.1%	73.0%	(49,078)	(504,042)
Net tuition and fees	<u>20,633,000</u>	49.8%	<u>18,768,009</u>	91.0%	79.5%	919,629	20,444,232
Housing	1,400,000	3.4%	683,237	48.8%	85.0%	(506,763)	579,457
Property taxes	5,300,000	12.7%	5,092,517	96.1%	96.1%	(783)	4,830,455
State appropriations	12,735,720	30.7%	9,551,790	75.0%	75.0%	-	8,646,971
Contract training	4,000	0.0%	55,744	1393.6%	75.0%	52,744	11,314
Potter Center activities	200,000	0.5%	216,979	108.5%	75.0%	66,979	-
Hospitality	750,000	1.8%	341,318	45.5%	75.0%	(221,182)	-
Miscellaneous	450,000	1.1%	271,018	60.2%	75.0%	(66,482)	419,331
Transfers	7,500	0.0%	44,687	595.8%	75.0%	39,062	192,519
Transfers - Federal grant funds	-	0.0%	1,955,324	0.0%	0.0%	1,955,324	191,158
Total revenues	<u>41,480,220</u>	100.0%	<u>36,980,623</u>	89.2%	70.1%	2,238,528	35,315,437
Expenses							
Wages	16,496,606	39.7%	10,973,542	66.5%	75.0%	(1,398,912)	10,992,764
Retirement	4,439,364	10.7%	2,924,025	65.9%	75.0%	(405,498)	2,960,205
Benefits	2,934,720	7.1%	2,348,787	80.0%	75.0%	147,747	2,157,393
Services - Staffing Agency	3,697,700	8.9%	2,612,274	70.6%	75.0%	(161,001)	2,430,999
Services	2,545,525	6.1%	1,945,639	76.4%	75.0%	36,495	1,484,274
Materials	1,994,765	4.8%	1,466,299	73.5%	75.0%	(29,775)	1,256,646
Rent, utilities, insurance	1,708,000	4.1%	1,269,340	74.3%	75.0%	(11,660)	1,145,620
Other operating costs	3,155,000	7.6%	2,034,265	64.5%	75.0%	(331,985)	1,256,625
Transfers-major maintenance	64,926	0.2%	48,975	75.4%	75.0%	280	840,956
Transfers-deferred maintenance	-	0.0%	792,262	0.0%	0.0%	792,262	-
Transfers-debt service	4,087,895	9.9%	3,065,921	75.0%	75.0%	-	3,120,610
Transfers-Jets Store	-	0.0%	68,336	0.0%	0.0%	68,336	-
Capital equipment	355,000	0.9%	144,615	40.7%	75.0%	(121,635)	128,902
Total expenses	<u>41,479,501</u>	100.0%	<u>29,694,280</u>	71.6%	68.2%	(1,415,346)	27,774,994
Income over (under) expenses	<u>\$ 719</u>		<u>\$ 7,286,343</u>			<u>\$ 3,653,874</u>	<u>\$ 7,540,443</u>

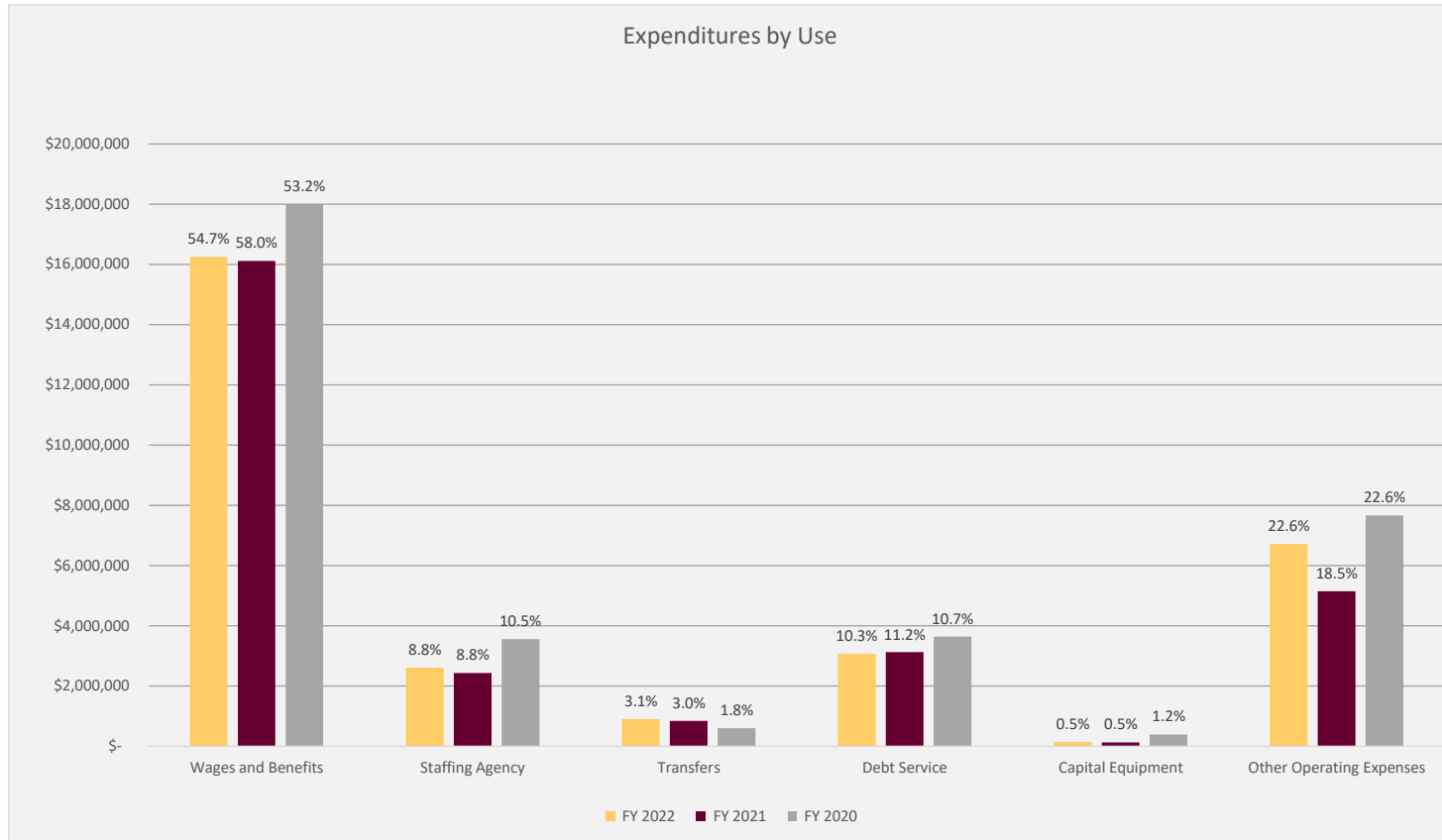
Jackson College
General Fund Revenue Comparison
For the Nine Months Ended March 31, 2022

\$36,980,623



Jackson College
 General Fund Expenditure Comparison
 For the Nine Months Ended March 31, 2022

\$29,694,280



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

	General Fund	Designated Fund	Restricted Fund	CARES Fund	Bookstore Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
Assets									
Cash	\$ 9,690,838	\$ 12,034,953	\$ (3,367,125)	\$ -	\$ (308,324)	\$ 17,347	\$ 9,968,022	\$ 484,825	\$ 28,520,536
Restricted cash in escrow	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	21,013	-	-	21,013
Accounts receivable	4,616,787	12,500	816,163	-	144,148	-	397,596	150	5,987,344
Inventories	28,112	-	-	-	173,366	-	-	-	201,478
Other assets	82,866	-	367,396	-	-	-	77,338,028	-	77,788,290
Total assets	14,418,603	12,047,453	(2,183,566)	-	9,190	38,360	87,703,646	484,975	112,518,661
Liabilities and Fund Balance									
Accounts payable	450,609	-	49,495	-	5,624	-	889,595	675	1,395,998
Accrued liabilities	2,766,556	-	-	-	-	-	34,866,120	-	37,632,676
Deferred liabilities	2,479,492	-	-	-	-	-	-	-	2,479,492
Unearned revenue	224,382	-	-	-	-	-	-	-	224,382
Other liabilities	507,437	-	363,490	-	3,566	-	-	-	874,493
Total liabilities	6,428,476	-	412,985	-	9,190	-	35,755,715	675	42,607,041
Fund balance	7,990,127	12,047,453	(2,596,551)	-	-	38,360	51,947,931	484,300	69,911,620
Total liabilities and fund balance	\$ 14,418,603	\$ 12,047,453	\$ (2,183,566)	\$ -	\$ 9,190	\$ 38,360	\$ 87,703,646	\$ 484,975	\$ 112,518,661
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	-	-	35,146	-	-	575,238
Future Operations	703,784	11,938,888	-	-	-	-	-	519,586	13,162,258
	\$ 703,784	\$ 12,117,355	\$ 361,625	\$ -	\$ -	\$ 35,146	\$ 54,001,405	\$ 519,586	\$ 67,738,901
Current year income	36,980,623	(59,902)	24,726,802	-	414,273	3,214	6,539,743	90,409	68,695,162
Current year expenses	29,694,280	10,000	27,684,978	-	414,273	-	8,593,217	125,695	66,522,443
Ending fund balance	\$ 7,990,127	\$ 12,047,453	\$ (2,596,551)	\$ -	\$ -	\$ 38,360	\$ 51,947,931	\$ 484,300	\$ 69,911,620

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

	Building and Site Fund
Assets	
Cash	\$ 4,418,243
Investments	-
Accounts receivable	397,596
Due from other funds	-
	4,815,839
Total assets	
Liabilities and Fund Balance	
Accounts payable	889,595
Other liabilities	-
	889,595
Total liabilities	
Fund balance	3,926,244
Total liabilities and fund balance	\$ 4,815,839

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

	Balance July 1, 2021	Revenue	Expenditures	Balance March 31, 2022
Major Maintenance and Equipment Replacement	\$ 8,588,594	\$ 2,644,659	\$ 8,099,271	\$ 3,133,982
Deferred Maintenance and Life Safety	-	792,262	-	792,262
	-	792,262	-	792,262
Total	\$ 8,588,594	\$ 3,436,921	\$ 8,099,271	\$ 3,926,244

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

	Hospitality Services	Housing	Jets Store Bookstore	Potter Center Performing Arts
Revenue				
Housing	-	683,237	-	-
Sales	-	-	345,937	-
Potter Center activities	-	-	-	216,979
Hospitality	341,318	-	-	-
Miscellaneous	-	-	-	-
Transfers - General Fund	-	-	68,336	-
Transfers - Federal grant funds	-	1,955,324	-	-
Total revenues	341,318	2,638,561	414,273	216,979
Expenses				
Wages	330,279	124,886	67,482	178,228
Retirement	70,484	23,258	17,713	57,428
Benefits	78,328	21,877	10,662	39,175
Services - Staffing Agency	12,464	-	-	-
Services	14,720	7,621	521	5,740
Materials	275,453	7,488	281,896	1,737
Rent, utilities, insurance	90	-	-	-
Other operating costs	10,688	14,026	6,485	154,548
Transfers	-	-	-	-
Transfers-debt service	-	900,000	-	-
Capital equipment	7,595	2,195	29,514	-
Total expenses	800,101	1,101,351	414,273	436,856
Income over (under) expenses	\$ (458,783)	\$ 1,537,210	\$ -	\$ (219,877)

Jackson College
Cash and Investments by Fund - FY 22
March 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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,309	\$ 4,309
Cash-Comerica Bank Pooled	2,961,712	(186,734)	801,134	-	(1,091,542)	(308,324)	17,347	4,418,243	5,549,779	480,516	12,642,131
Cash-Comerica Federal Funds	(572)	-	50,814	-	-	-	-	-	-	-	50,242
VISA Account	161,461	-	-	-	-	-	-	-	-	-	161,461
Cash-United Bank	29,361	-	(29,361)	-	-	-	-	-	-	-	-
Cash-Federal Direct Loan	-	-	2,268	-	-	-	-	-	-	-	2,268
Cash-Comerica State Wire	57,804	-	-	-	-	-	-	-	-	-	57,804
Cash-Payroll	3,986,224	-	(2,542,542)	-	(1,444,975)	-	-	-	-	-	(1,293)
County National Bank	485,152	-	45,848	-	-	-	-	-	-	-	531,000
Ref Pay	6,982	-	-	-	-	-	-	-	-	-	6,982
Cultural Affairs Checking	2,714	-	-	-	-	-	-	-	-	-	2,714
MNJTP	-	-	-	-	841,231	-	-	-	-	-	841,231
U.S. Government Bonds	-	3,799,800	-	-	-	-	-	-	-	-	3,799,800
MILAF	2,000,000	8,421,887	-	-	-	-	-	-	-	-	10,421,887
	<u>9,690,838</u>	<u>12,034,953</u>	<u>(1,671,839)</u>	<u>-</u>	<u>(1,695,286)</u>	<u>(308,324)</u>	<u>17,347</u>	<u>4,418,243</u>	<u>5,549,779</u>	<u>484,825</u>	<u>28,520,536</u>
Investments											
Common Stock	-	-	-	-	-	-	21,013	-	-	-	21,013
Total cash and investments	<u>\$ 9,690,838</u>	<u>\$12,034,953</u>	<u>\$ (1,671,839)</u>	<u>\$ -</u>	<u>\$ (1,695,286)</u>	<u>\$ (308,324)</u>	<u>\$ 38,360</u>	<u>\$ 4,418,243</u>	<u>\$ 5,549,779</u>	<u>\$ 484,825</u>	<u>\$ 28,541,549</u>

Jackson College
Billing Contact Hours
March 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	37,923	113.1%	37,490	101.2%
Summer	13,408	4,834	36.0%	0	0%
Total	83,800	83,230	99.3%	78,967	105.4%

