



Financial Report

Presented to
President Daniel Phelan
Jackson College Board of Trustees



Prepared by the Business Office
May 31, 2022

Jackson College
Memo From Kim Abbott, Comptroller
For the May 31, 2022 Financial Report

Following is the May 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.
- **Property taxes** - Favorable to budget due to higher than anticipated property tax collections.
- **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 revenues.

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.

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- **Services - Staffing Agency** - Favorable to budget, it is too early in the fiscal year to tell if this trend
- **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

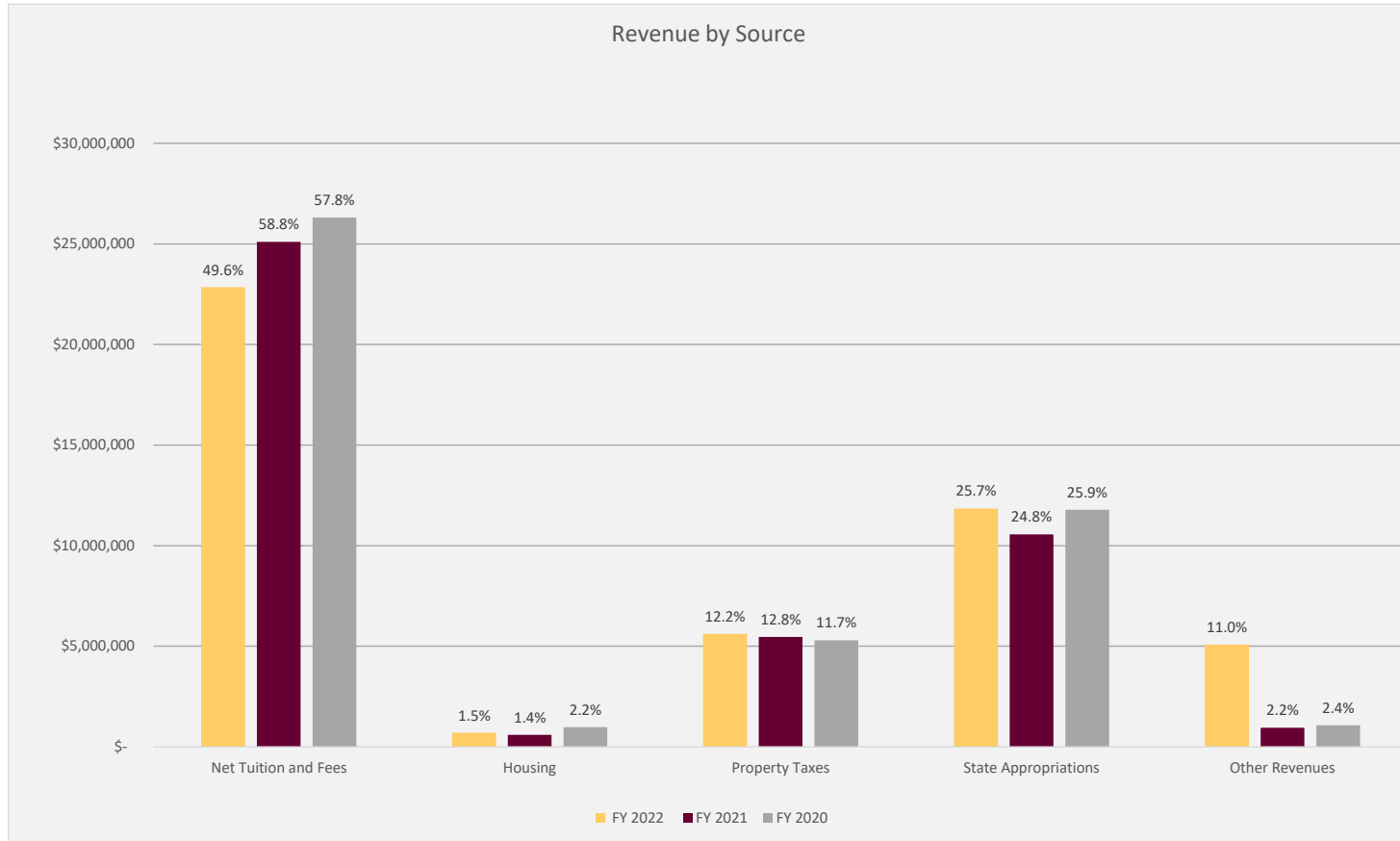
- **Cash and Investments** - The Board directed MILAF investment strategy was operationalized in June 2018. At March 31, 2022 interest revenues have exceeded \$421,000. These earnings are designated for future operations. In June 2021, the College made a \$4 million investment in U.S. Government bonds, 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 Eleven Months Ended May 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%	\$ 23,552,330	109.9%	100.0%	\$ 2,119,330	\$ 25,794,377
Less Institutional Scholarships	(800,000)	-1.9%	(704,200)	88.0%	100.0%	95,800	(688,805)
Net tuition and fees	<u>20,633,000</u>	49.8%	<u>22,848,130</u>	110.7%	100.0%	2,215,130	25,105,572
Housing	1,400,000	3.4%	704,554	50.3%	100.0%	(695,446)	592,822
Property taxes	5,300,000	12.7%	5,622,528	106.1%	100.0%	322,528	5,458,503
State appropriations	12,735,720	30.7%	11,852,098	93.1%	91.7%	173,443	10,568,520
Contract training	4,000	0.0%	71,716	1792.9%	91.7%	68,048	16,263
Potter Center activities	200,000	0.5%	306,890	153.4%	91.7%	123,490	-
Hospitality	750,000	1.8%	397,926	53.1%	91.7%	(289,824)	-
Miscellaneous	450,000	1.1%	289,439	64.3%	91.7%	(123,211)	486,052
Transfers	7,500	0.0%	46,264	616.9%	91.7%	39,386	261,724
Transfers - Federal grant funds	-	0.0%	3,967,935	0.0%	0.0%	3,967,935	191,158
Total revenues	<u>41,480,220</u>	100.0%	<u>46,107,480</u>	111.2%	83.4%	5,801,479	42,680,614
Expenses							
Wages	16,496,606	39.7%	14,583,509	88.4%	83.3%	841,837	14,011,523
Retirement	4,439,364	10.7%	3,880,091	87.4%	83.3%	182,101	3,797,319
Benefits	2,934,720	7.1%	2,877,224	98.0%	83.3%	432,602	2,727,885
Services - Staffing Agency	3,697,700	8.9%	3,333,275	90.1%	83.3%	253,091	3,113,308
Services	2,545,525	6.1%	2,340,058	91.9%	83.3%	219,636	1,789,398
Materials	1,994,765	4.8%	1,693,860	84.9%	83.3%	32,221	1,407,035
Rent, utilities, insurance	1,708,000	4.1%	1,458,436	85.4%	83.3%	35,672	1,350,302
Other operating costs	3,155,000	7.6%	2,443,410	77.4%	83.3%	(184,705)	1,480,235
Transfers-major maintenance	64,926	0.2%	59,796	92.1%	83.3%	5,713	1,027,835
Transfers-deferred maintenance	-	0.0%	968,320	0.0%	0.0%	968,320	-
Transfers-debt service	4,087,895	9.9%	3,747,237	91.7%	83.3%	342,020	3,814,078
Transfers-Jets Store	-	0.0%	-	0.0%	0.0%	-	-
Capital equipment	355,000	0.9%	197,495	55.6%	83.3%	(98,220)	225,215
Total expenses	<u>41,479,501</u>	100.0%	<u>37,582,711</u>	90.6%	75.7%	3,030,288	34,744,133
Income over (under) expenses	<u>\$ 719</u>		<u>\$ 8,524,769</u>			<u>\$ 2,771,191</u>	<u>\$ 7,936,481</u>

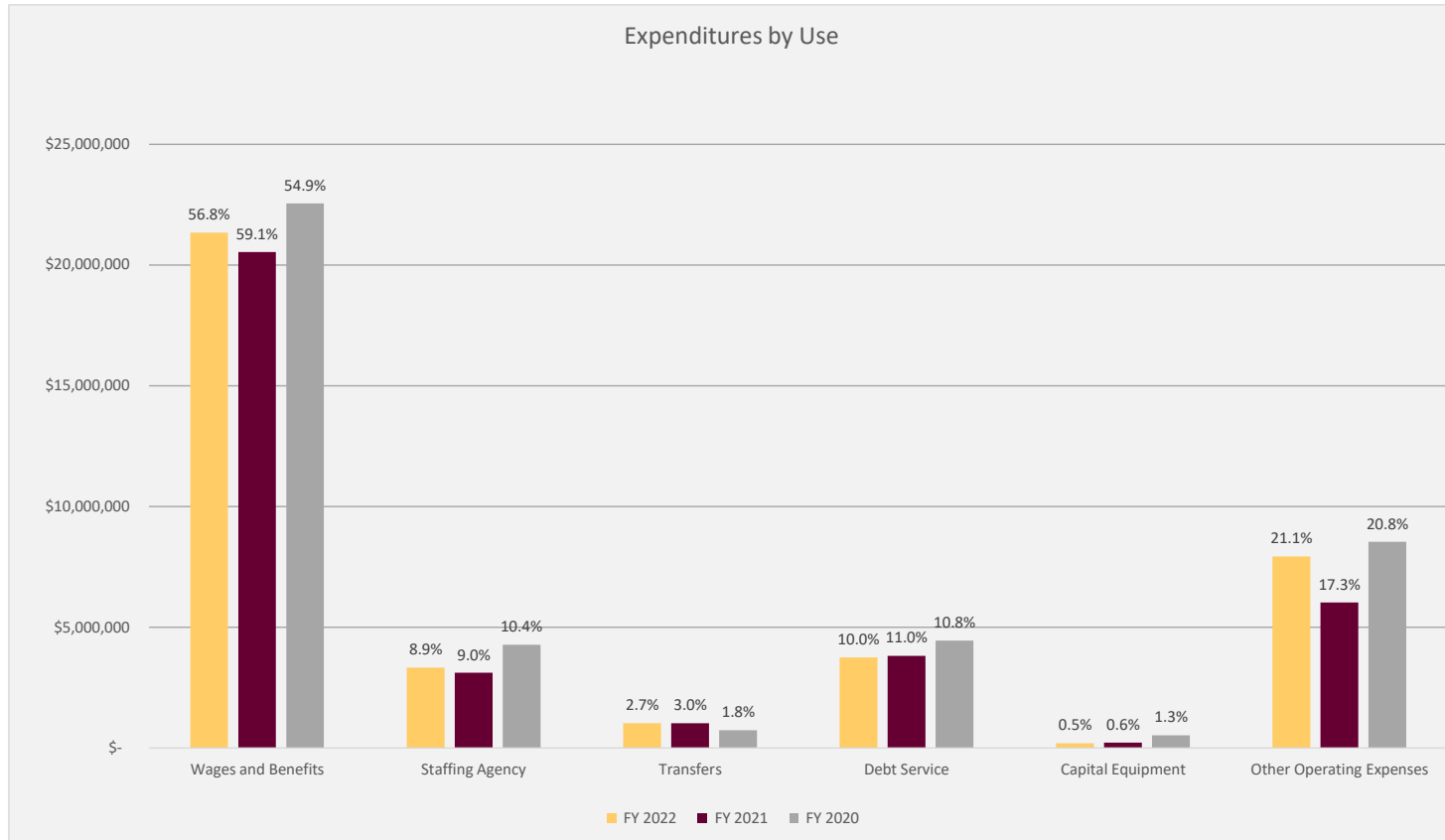
Jackson College
 General Fund Revenue Comparison
 For the Eleven Months Ended May 31, 2022

\$46,107,480



Jackson College
 General Fund Expenditure Comparison
 For the Eleven Months Ended May 31, 2022

\$37,582,711



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

	General Fund	Designated Fund	Restricted Fund	CARES Fund	Bookstore Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
Assets									
Cash	\$ 9,107,824	\$ 12,016,012	\$ (187,633)	\$ -	\$ (317,239)	\$ 17,349	\$ 7,751,649	\$ 538,002	\$ 28,925,964
Restricted cash in escrow	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	21,013	-	-	21,013
Accounts receivable	5,126,944	37,500	(21,662)	-	164,479	-	402,176	150	5,709,587
Inventories	39,686	-	-	-	221,118	-	-	-	260,804
Other assets	1,164,710	-	69,160	-	175	-	77,338,028	-	78,572,073
Total assets	15,439,164	12,053,512	(140,135)	-	68,533	38,362	85,491,853	538,152	113,489,441
Liabilities and Fund Balance									
Accounts payable	208,956	-	2,975	-	2,285	-	703,505	9,300	927,021
Accrued liabilities	2,797,136	-	-	-	-	-	31,766,120	-	34,563,256
Deferred liabilities	2,479,492	-	-	-	-	-	-	-	2,479,492
Unearned revenue	227,362	-	-	-	-	-	-	-	227,362
Other liabilities	497,665	-	1,174,769	-	-	-	-	-	1,672,434
Total liabilities	6,210,611	-	1,177,744	-	2,285	-	32,469,625	9,300	39,869,565
Fund balance	9,228,553	12,053,512	(1,317,879)	-	66,248	38,362	53,022,228	528,852	73,619,876
Total liabilities and fund balance	\$ 15,439,164	\$ 12,053,512	\$ (140,135)	\$ -	\$ 68,533	\$ 38,362	\$ 85,491,853	\$ 538,152	\$ 113,489,441
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	46,107,480	(53,843)	29,419,176	-	548,667	3,216	7,813,589	166,809	84,005,094
Current year expenses	37,582,711	10,000	31,098,680	-	482,419	-	8,792,766	157,543	78,124,119
Ending fund balance	\$ 9,228,553	\$ 12,053,512	\$ (1,317,879)	\$ -	\$ 66,248	\$ 38,362	\$ 53,022,228	\$ 528,852	\$ 73,619,876

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

	Building and Site Fund
Assets	
Cash	\$ 5,107,016
Investments	-
Accounts receivable	402,176
Due from other funds	-
	-
Total assets	5,509,192
Liabilities and Fund Balance	
Accounts payable	703,505
Other liabilities	-
	-
Total liabilities	703,505
Fund balance	4,805,687
Total liabilities and fund balance	\$ 5,509,192

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

	Balance July 1, 2021	Revenue	Expenditures	Balance May 31, 2022
Major Maintenance and Equipment Replacement	\$ 8,588,594	\$ 2,856,853	\$ 7,596,328	\$ 3,849,119
Deferred Maintenance and Life Safety	-	968,320	11,752	956,568
	-	968,320	11,752	956,568
Total	\$ 8,588,594	\$ 3,825,173	\$ 7,608,080	\$ 4,805,687

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

	Hospitality Services	Housing	Jets Store Bookstore	Potter Center Performing Arts
Revenue				
Housing	-	704,554	-	-
Sales	-	-	548,668	-
Potter Center activities	-	-	-	306,890
Hospitality	397,926	-	-	-
Miscellaneous	-	-	-	-
Transfers - General Fund	-	-	-	-
Transfers - Federal grant funds	-	1,955,324	-	-
Total revenues	397,926	2,659,878	548,668	306,890
Expenses				
Wages	435,979	156,893	101,384	239,007
Retirement	93,594	27,509	26,960	77,103
Benefits	96,446	24,615	17,265	49,336
Services - Staffing Agency	18,102	-	-	-
Services	17,532	7,621	10,761	12,371
Materials	341,238	7,653	287,853	2,457
Rent, utilities, insurance	90	-	-	-
Other operating costs	9,653	17,302	7,924	219,499
Transfers	-	-	-	-
Transfers-debt service	-	1,100,000	-	-
Capital equipment	7,595	2,195	30,272	-
Total expenses	1,020,229	1,343,788	482,419	599,773
Income over (under) expenses	\$ (622,303)	\$ 1,316,090	\$ 66,249	\$ (292,883)

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

	<u>General Fund</u>	<u>Designated Fund</u>	<u>Restricted Fund</u>	<u>CARES Fund</u>	<u>Grants Fund</u>	<u>Bookstore Fund</u>	<u>Endowment Fund</u>	<u>Building and Site</u>	<u>Physical Plant</u>	<u>Activities Fund</u>	<u>Total</u>
Cash											
Petty Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,309	\$ 4,309
Cash-Comerica Bank Pooled	2,347,148	(182,434)	2,202,980	-	641,965	(279,357)	17,349	5,107,016	2,644,633	546,134	13,045,434
Cash-Comerica Federal Funds	(572)	-	100,800	-	572	-	-	-	-	-	100,800
VISA Account	88,593	-	-	-	-	11,870	-	-	-	85	100,548
Cash-United Bank	-	-	-	-	-	-	-	-	-	-	-
Cash-Federal Direct Loan	-	-	2,268	-	-	-	-	-	-	-	2,268
Cash-Comerica State Wire	1,012	-	12,657	-	-	-	-	-	-	(11,356)	2,313
Cash-Payroll	4,176,930	-	(2,630,514)	-	(1,495,494)	(49,752)	-	-	-	(1,170)	-
County National Bank	491,472	-	46,598	-	-	-	-	-	-	-	538,070
Ref Pay	872	-	-	-	-	-	-	-	-	-	872
Cultural Affairs Checking	2,369	-	-	-	-	-	-	-	-	-	2,369
MNJTP	-	-	-	-	930,535	-	-	-	-	-	930,535
U.S. Government Bonds	-	3,776,000	-	-	-	-	-	-	-	-	3,776,000
MILAF	2,000,000	8,422,446	-	-	-	-	-	-	-	-	10,422,446
	<u>9,107,824</u>	<u>12,016,012</u>	<u>(265,211)</u>	<u>-</u>	<u>77,578</u>	<u>(317,239)</u>	<u>17,349</u>	<u>5,107,016</u>	<u>2,644,633</u>	<u>538,002</u>	<u>28,925,964</u>
Investments											
Common Stock	-	-	-	-	-	-	21,013	-	-	-	21,013
Total cash and investments	<u>\$ 9,107,824</u>	<u>\$12,016,012</u>	<u>\$ (265,211)</u>	<u>\$ -</u>	<u>\$ 77,578</u>	<u>\$ (317,239)</u>	<u>\$ 38,362</u>	<u>\$ 5,107,016</u>	<u>\$ 2,644,633</u>	<u>\$ 538,002</u>	<u>\$ 28,946,977</u>

Jackson College
Billing Contact Hours
May 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	37,936	113.2%	37,490	101.2%
Summer	13,408	17,144	127.9%	18,378	0%
Total	83,800	95,553	114.0%	97,345	98.2%

