



Financial Report

Presented to
President Daniel Phelan
Jackson College Board of Trustees



Prepared by the Business Office
November 30, 2020

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

Following is the November 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 2020-2021 Budget as adopted at the May 2020 Board of Trustees meeting.

Revenues

- **Tuition and fees** - Favorable to budget, it is too early to tell if this trend will hold through the fiscal year.
- **Institutional Scholarships** - Unfavorable to budget. The College has been using scholarships to cover online fees for students and has fully spent the Federal HEERF we were granted.
- **Transfers** - Favorable to budget, timing of Foundation support.

Expenses

- **Services - Staffing Agency** - Favorable to budget. This may or may not continue depending on the number of sections we continue to offer.
- **Services** - Favorable to budget due to expenditure controls and limited in person activity. We anticipate this variance to diminish over the fiscal year.
- **Materials** - Unfavorable to budget due to timing of annual software payments. We anticipate this variance to diminish over the fiscal year.
- **Other operating costs** - Favorable to budget due to expenditure controls and limited in person activity. We anticipate this variance to diminish over the fiscal year.
- **Rent, Utilities, Insurance** - Unfavorable to budget due to timing, several insurance policies require larger upfront payments. We anticipate this variance to diminish over the fiscal year.
- **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 November 30, 2020 interest revenues have exceeded \$415,000. These earnings are designated for future operations.
- **Looking Ahead** - Expense controls have been put in place in anticipation of reduced revenues resulting from COVID-19 pandemic.

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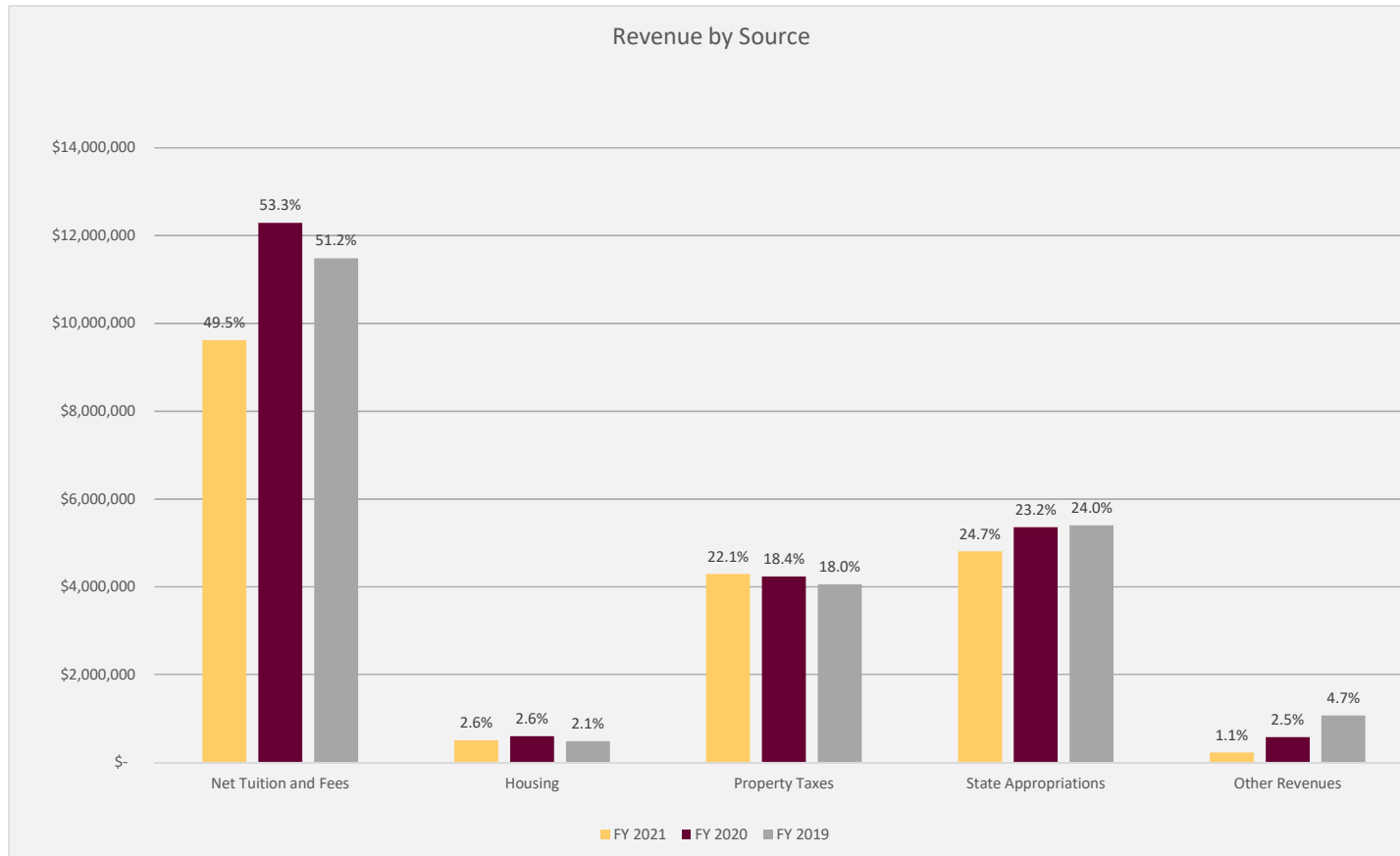
- **Operating Reserves** - Board policy requires the College have combined operating fund balance reserves greater or equal to two months' operating expenses. At November 30, 2020, the operating fund balances reserves were \$15,922,901 which is approximately 4.7 months of projected FY 2021 operating expenses. At the beginning of the semester, the number of months of reserves on hand is generally higher as the College has recognized revenue for the whole semester and has not yet incurred the entire semester's expenses.

Jackson College
Revenue and Expense Statement
General Fund - FY 21
For the Five Months Ended November 30, 2020
Preliminary - Unaudited

	2020-2021 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	\$ 23,393,941	57.0%	\$ 10,996,893	47.0%	44.0%	\$ 703,559	\$ 12,516,337
Less Institutional Scholarships	(794,472)	-1.9%	(1,380,356)	173.7%	44.0%	(1,030,788)	(225,779)
Net tuition and fees	22,599,469	55.1%	9,616,537	42.6%	44.0%	(327,229)	12,290,558
Housing	999,010	2.4%	500,140	50.1%	50.0%	635	593,605
Property taxes	4,867,939	11.9%	4,286,336	88.1%	88.0%	2,550	4,232,350
State appropriations	11,529,294	28.1%	4,803,873	41.7%	41.7%	(3,843)	5,356,542
Contract training	135,000	0.3%	5,674	4.2%	4.0%	274	54,828
Potter Center activities	405,000	1.0%	-	0.0%	0.0%	-	190,258
Miscellaneous	474,000	1.2%	204,448	43.1%	41.7%	6,790	310,491
Transfers	7,500	0.0%	10,953	146.0%	47.1%	7,420	14,680
Total revenues	41,017,213	100.0%	19,427,961	47.4%	38.9%	(313,403)	23,043,312
Expenses							
Wages	16,029,640	39.2%	6,586,318	41.1%	42.3%	(194,219)	7,317,974
Retirement	4,383,350	10.7%	1,769,048	40.4%	42.3%	(85,109)	1,909,076
Benefits	2,877,573	7.0%	1,214,752	42.2%	41.7%	14,804	1,276,345
Services - Staffing Agency	3,697,700	9.0%	1,355,279	36.7%	42.3%	(208,848)	2,100,352
Services	2,600,525	6.3%	793,434	30.5%	41.7%	(290,985)	1,133,583
Materials	1,600,225	3.9%	766,067	47.9%	41.7%	98,773	770,862
Rent, utilities, insurance	1,410,900	3.4%	666,983	47.3%	41.7%	78,638	723,133
Other operating costs	2,567,650	6.3%	859,056	33.5%	41.7%	(211,654)	1,301,582
Transfers	1,121,275	2.7%	467,198	41.7%	41.7%	(374)	335,417
Transfers-debt service	4,160,813	10.1%	1,733,672	41.7%	41.7%	(1,387)	2,020,006
Capital equipment	567,043	1.4%	11,379	2.0%	41.7%	(225,078)	175,250
Total expenses	41,016,694	100.0%	16,223,186	39.6%	41.9%	(1,025,439)	19,063,580
Income over (under) expenses	\$ 519		\$ 3,204,775			\$ 712,036	\$ 3,979,732

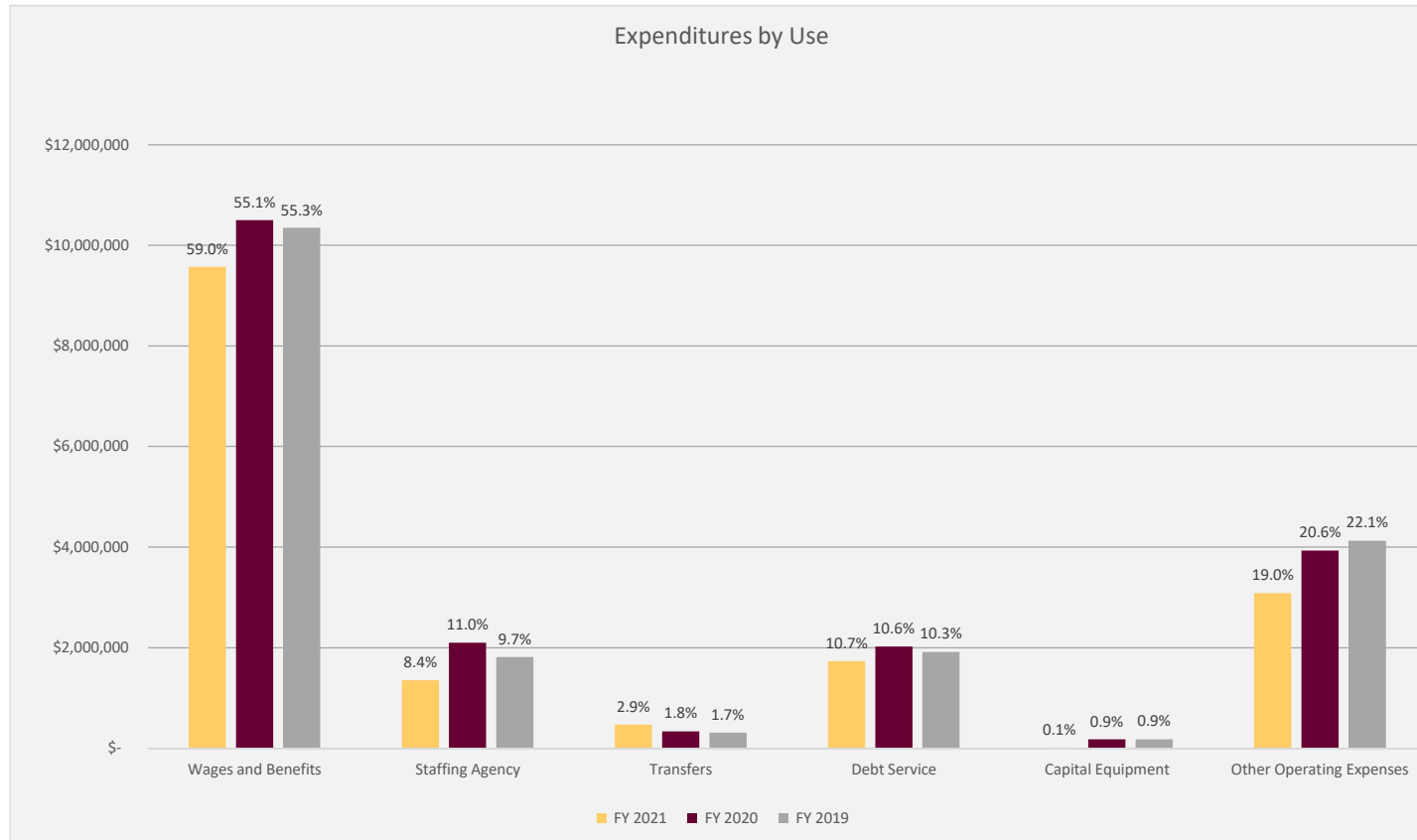
Jackson College
General Fund Revenue Comparison
For the Five Months Ended November 30, 2020

\$19,427,961



Jackson College
General Fund Expenditure Comparison
For the Five Months Ended November 30, 2020

\$16,223,186



Jackson College
Balance Sheet and Changes in Fund Balance - FY 21
November 30, 2020
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	CARES Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
Assets								
Cash	\$ 4,350,599	\$ 12,002,106	\$ (355,645)	\$ -	\$ 13,242	\$ 5,600,467	\$ 334,346	\$ 21,945,115
Restricted cash in escrow	-	-	-	-	-	-	-	-
Investments	-	-	-	-	16,726	-	-	16,726
Accounts receivable	6,186,456	12,500	-	-	-	10,140	-	6,209,096
Inventories	27,430	-	-	-	-	-	-	27,430
Other assets	307,470	-	63,665	-	-	79,009,867	-	79,381,002
Total assets	10,871,955	12,014,606	(291,980)	-	29,968	84,620,474	334,346	107,579,369
Liabilities and Fund Balance								
Accounts payable	119,510	-	-	-	-	-	-	119,510
Accrued liabilities	3,265,842	-	-	-	-	38,021,662	-	41,287,504
Deferred liabilities	1,979,182	-	820,617	-	-	-	-	2,799,799
Unearned revenue	327,411	-	-	-	-	-	-	327,411
Other liabilities	1,271,963	-	-	-	-	-	-	1,271,963
Total liabilities	6,963,908	-	820,617	-	-	38,021,662	-	45,806,187
Fund balance	3,908,047	12,014,606	(1,112,597)	-	29,968	46,598,812	334,346	61,773,182
Total liabilities and fund balance	\$ 10,871,955	\$ 12,014,606	\$ (291,980)	\$ -	\$ 29,968	\$ 84,620,474	\$ 334,346	\$ 107,579,369
Beginning fund balance								
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,853,683	\$ -	\$ 45,853,683
Major Maintenance and Equipment Replacement	-	-	-	-	-	569,073	-	569,073
Restricted	-	178,467	380,898	(1,105,355)	29,930	-	-	(516,060)
Future Operations	703,272	11,761,324	-	-	-	-	315,466	12,780,062
	\$ 703,272	\$ 11,939,791	\$ 380,898	\$ (1,105,355)	\$ 29,930	\$ 46,422,756	\$ 315,466	\$ 58,686,758
Current year income	19,427,961	74,815	10,413,638	1,105,355	38	3,705,342	38,687	34,765,836
Current year expenses	16,223,186	-	11,907,133	-	-	3,529,286	19,807	31,679,412
Ending fund balance	\$ 3,908,047	\$ 12,014,606	\$ (1,112,597)	\$ -	\$ 29,968	\$ 46,598,812	\$ 334,346	\$ 61,773,182

Jackson College
Balance Sheet
Building and Site Fund - FY 21
November 30, 2020
Preliminary - Unaudited

	Building and Site Fund
Assets	
Cash	\$ 954,996
Investments	-
Accounts receivable	10,140
Due from other funds	<u>13,665</u>
Total assets	<u>978,801</u>
Liabilities and Fund Balance	
Accounts payable	-
Other liabilities	<u>-</u>
Total liabilities	<u>-</u>
Fund balance	978,801
Total liabilities and fund balance	<u><u>\$ 978,801</u></u>

Jackson College
Statement of Changes in Fund Balance
Building and Site Fund
For the Five Months Ended November 30, 2020
Preliminary - Unaudited

	Balance July 1, 2020	Revenue	Expenditures	Balance November 30, 2020
Major Maintenance and Equipment Replacement	<u>\$ 569,073</u>	<u>\$ 1,966,566</u>	<u>\$ 1,556,838</u>	<u>\$ 978,801</u>
Total	<u><u>\$ 569,073</u></u>	<u><u>\$ 1,966,566</u></u>	<u><u>\$ 1,556,838</u></u>	<u><u>\$ 978,801</u></u>

Jackson College
Cash and Investments by Fund - FY 21
November 30, 2020
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	CARES Fund	Grants Fund	Endowment Fund	Building and Site	Physical Plant	Activities Fund	Total
Cash										
Petty Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,724	\$ 2,724
Cash-Comerica Bank Pooled	1,533,121	3,586,616	(133,563)	-	34,311	13,242	954,996	3,705,645	331,622	10,025,990
Cash-Comerica Federal Funds	-	-	17,639	-	-	-	-	-	-	17,639
Cash-So Mich National	200,150	-	25,543	-	-	-	-	-	-	225,693
VISA Account	158,876	-	-	-	-	-	-	-	-	158,876
Cash-United Bank	234,022	-	29,361	-	-	-	-	-	-	263,383
Cash-Federal Direct Loan	-	-	158	-	-	-	-	-	-	158
Cash-Comerica State Wire	8,036	-	-	-	-	-	-	-	-	8,036
Cash-Payroll	197,335	-	(1,097,245)	-	(154,454)	-	-	-	-	(1,054,364)
JC One Card	13,926	-	-	-	-	-	-	-	-	13,926
Ref Pay	4,459	-	-	-	-	-	-	-	-	4,459
Cultural Affairs Checking	674	-	-	-	-	-	-	-	-	674
MNJTP	-	-	-	-	922,605	-	-	-	-	922,605
Certificates of Deposit	-	-	-	-	-	-	-	-	-	-
MILAF	2,000,000	8,415,490	-	-	-	-	-	-	-	10,415,490
Bond capital project	-	-	-	-	-	-	-	939,826	-	939,826
	<u>4,350,599</u>	<u>12,002,106</u>	<u>(1,158,107)</u>	<u>-</u>	<u>802,462</u>	<u>13,242</u>	<u>954,996</u>	<u>4,645,471</u>	<u>334,346</u>	<u>21,945,115</u>
Investments										
Common Stock	-	-	-	-	-	16,726	-	-	-	16,726
Total cash and investments	<u>\$ 4,350,599</u>	<u>\$12,002,106</u>	<u>\$ (1,158,107)</u>	<u>\$ -</u>	<u>\$ 802,462</u>	<u>\$ 29,968</u>	<u>\$ 954,996</u>	<u>\$ 4,645,471</u>	<u>\$ 334,346</u>	<u>\$ 21,961,841</u>

Jackson College
Billing Contact Hours
November 30, 2020
Preliminary - Unaudited

	Budgeted FY 21	Actual FY 21	Actual Percentage	Actual FY 20	Prior Year Percentage
Semester:					
Fall	43,082	41,623	96.6%	49,363	84.3%
Winter	39,165	-	0.0%	45,213	0.0%
Spring	15,666	-	0.0%	14,726	0.0%
Total	97,913	41,623	42.5%	109,302	38.1%

