



Financial Report

Presented to
President Daniel Phelan
Jackson College Board of Trustees



Prepared by the Business Office
November 30, 2021

Jackson College
Memo From Darrell Norris, Vice President of Finance
For the November 30, 2021 Financial Report

Following is the November 30, 2021 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 enrollment was 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** - Unfavorable to budget, it is too early in the fiscal year to tell if this trend will continue.
- **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.

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.
- **Services - Staffing Agency** - Favorable to budget, it is too early in the fiscal year to tell if this trend will continue.
- **Services** - Favorable to budget due to timing of purchases. We anticipate this variance to diminish over time.

Jackson College

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- **Materials** - Unfavorable to budget due to timing of several IT software and licensing purchases that require larger upfront payments. 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.
- **Capital Equipment** - Favorable to budget due to timing of purchases. We anticipate this variance to diminish over time.

Other Notes

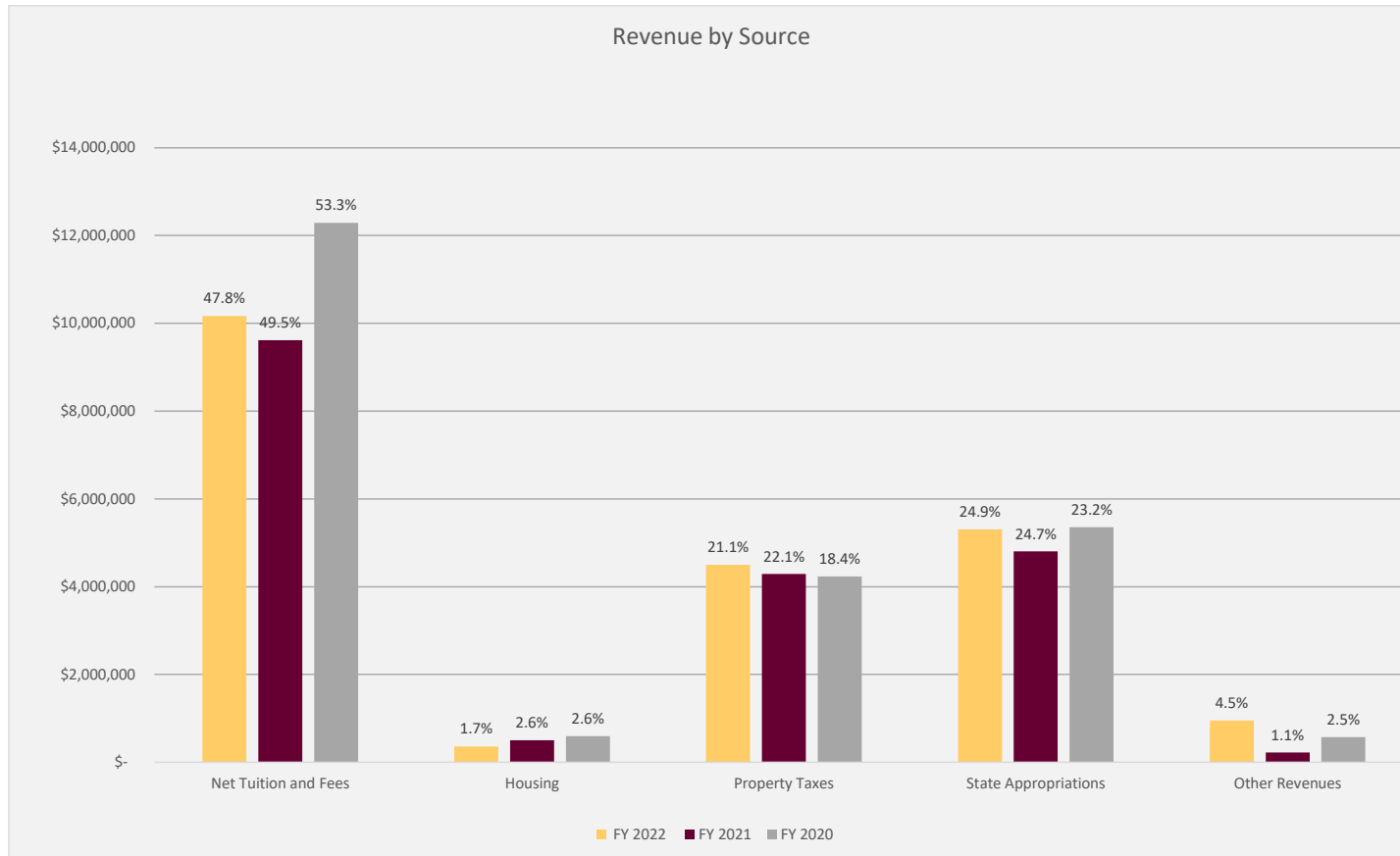
- **Cash and Investments** - The Board directed MILAF investment strategy was operationalized in June 2018. At November 30, 2021 interest revenues have exceeded \$419,000. These earnings are designated for future operations. In June 2021, the College made a \$4 million investment in U.S. Government bonds, 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 November 30, 2021 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 Five Months Ended November 30, 2021
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%	\$ 10,456,205	48.8%	44.0%	\$ 1,025,685	\$ 10,996,893
Less Institutional Scholarships	(800,000)	-1.9%	(290,442)	36.3%	44.0%	61,558	(1,380,356)
Net tuition and fees	20,633,000	49.8%	10,165,763	49.3%	44.0%	1,087,243	9,616,537
Housing	1,400,000	3.4%	359,563	25.7%	50.0%	(340,437)	500,140
Property taxes	5,300,000	12.7%	4,496,739	84.8%	85.0%	(8,261)	4,286,336
State appropriations	12,735,720	30.7%	5,306,550	41.7%	41.7%	(4,245)	4,803,873
Contract training	4,000	0.0%	8,152	203.8%	41.7%	6,484	5,674
Potter Center activities	200,000	0.5%	55,208	27.6%	37.5%	(19,792)	248
Hospitality	750,000	1.8%	190,162	25.4%	41.7%	(122,588)	-
Miscellaneous	450,000	1.1%	132,386	29.4%	41.7%	(55,264)	204,448
Transfers	7,500	0.0%	11,622	155.0%	41.7%	8,494	10,953
Transfers - Federal grant funds	-	0.0%	556,398	0.0%	0.0%	556,398	-
Total revenues	41,480,220	100.0%	21,282,543	51.3%	42.3%	1,108,032	19,428,209
Expenses							
Wages	16,496,606	39.7%	6,441,029	39.0%	42.3%	(537,034)	6,586,318
Retirement	4,438,874	10.7%	1,725,795	38.9%	42.3%	(151,849)	1,769,048
Benefits	2,935,210	7.1%	1,265,871	43.1%	42.3%	24,277	1,214,752
Services - Staffing Agency	3,697,700	8.9%	1,472,297	39.8%	42.3%	(91,830)	1,355,279
Services	2,545,525	6.1%	1,001,360	39.3%	41.7%	(60,124)	793,434
Materials	1,994,765	4.8%	976,937	49.0%	41.7%	145,120	766,067
Rent, utilities, insurance	1,708,000	4.1%	653,254	38.2%	41.7%	(58,982)	666,983
Other operating costs	3,155,000	7.6%	1,045,299	33.1%	41.7%	(270,336)	859,056
Transfers	64,926	0.2%	27,053	41.7%	41.7%	(21)	467,198
Transfers-debt service	4,087,895	9.9%	1,703,290	41.7%	41.7%	(1,362)	1,733,672
Capital equipment	355,000	0.9%	70,427	19.8%	41.7%	(77,608)	11,379
Total expenses	41,479,501	100.0%	16,382,612	39.5%	41.9%	(1,079,749)	16,223,186
Income over (under) expenses	\$ 719		\$ 4,899,931			\$ 2,187,781	\$ 3,205,023

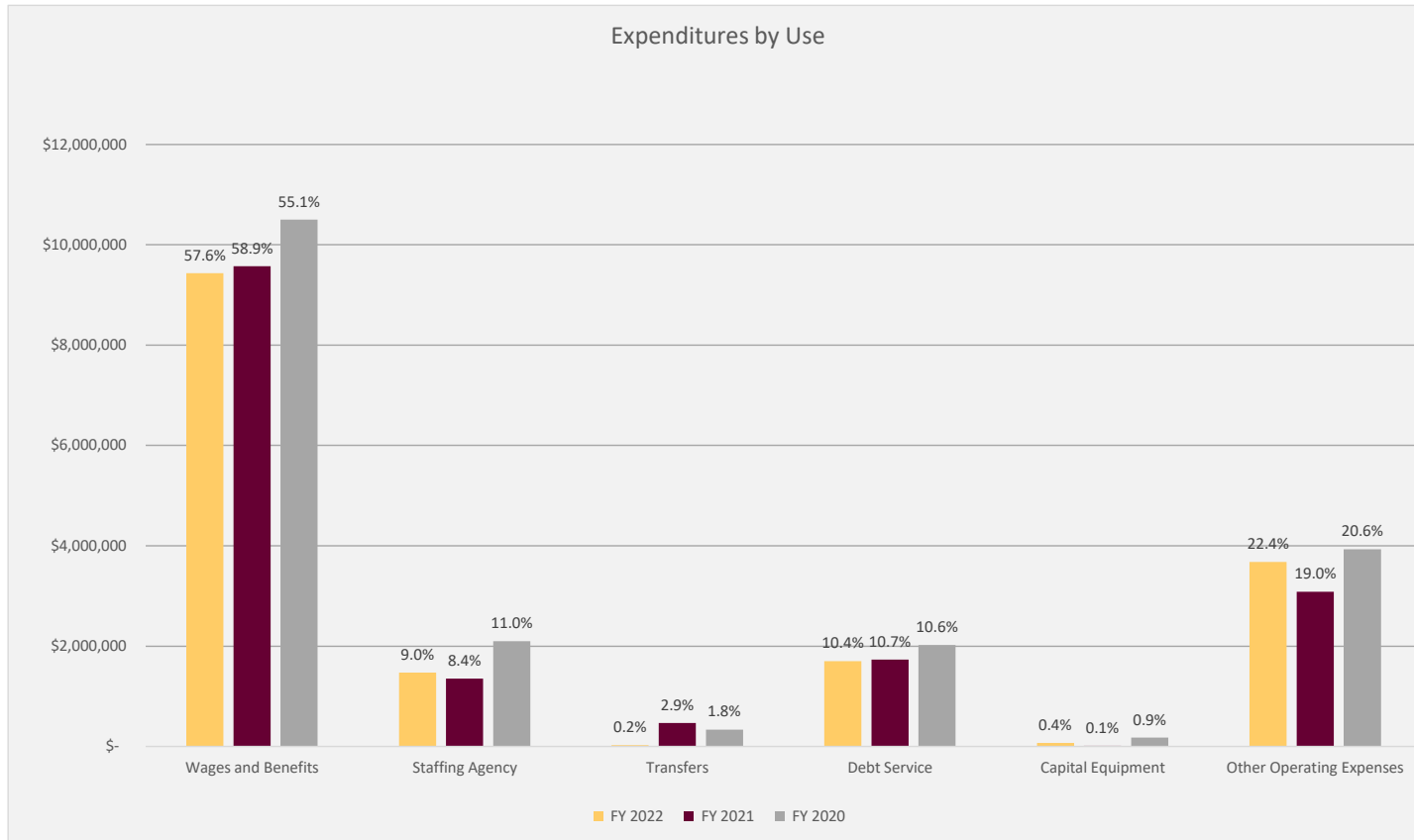
Jackson College
 General Fund Revenue Comparison
 For the Five Months Ended November 30, 2021

\$21,282,543



Jackson College
 General Fund Expenditure Comparison
 For the Five Months Ended November 30, 2021

\$16,382,612



Jackson College
Balance Sheet and Changes in Fund Balance - FY 22
November 30, 2021
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	CARES Fund	Bookstore Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
Assets									
Cash	\$ 8,178,802	\$ 12,134,499	\$ (4,561,101)	\$ -	\$ (307,089)	\$ 14,170	\$ 10,798,916	\$ 522,940	\$ 26,781,137
Restricted cash in escrow	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	21,013	-	-	21,013
Accounts receivable	3,767,167	12,500	1,475,317	-	120,117	-	295	150	5,375,546
Inventories	27,900	-	-	-	279,628	-	-	-	307,528
Other assets	10,421	-	5,639	-	-	-	77,310,142	-	77,326,202
Total assets	11,984,290	12,146,999	(3,080,145)	-	92,656	35,183	88,109,353	523,090	109,811,426
Liabilities and Fund Balance									
Accounts payable	371,353	-	8,194	-	3,929	-	3,263,820	11,423	3,658,719
Accrued liabilities	2,729,777	-	-	-	-	-	34,866,120	-	37,595,897
Deferred liabilities	2,479,492	-	-	-	-	-	-	-	2,479,492
Unearned revenue	315,834	-	-	-	-	-	-	-	315,834
Other liabilities	484,119	-	-	-	-	-	-	-	484,119
Total liabilities	6,380,575	-	8,194	-	3,929	-	38,129,940	11,423	44,534,061
Fund balance	5,603,715	12,146,999	(3,088,339)	-	88,727	35,183	49,979,413	511,667	65,277,365
Total liabilities and fund balance	\$ 11,984,290	\$ 12,146,999	\$ (3,080,145)	\$ -	\$ 92,656	\$ 35,183	\$ 88,109,353	\$ 523,090	\$ 109,811,426
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	-	-	35,147	-	-	575,239
Future Operations	703,784	11,938,888	-	-	-	-	-	519,586	13,162,258
	\$ 703,784	\$ 12,117,355	\$ 361,625	\$ -	\$ -	\$ 35,147	\$ 54,001,405	\$ 519,586	\$ 67,738,902
Current year income	21,282,543	39,644	11,897,915	-	122,276	36	3,568,721	44,331	36,955,466
Current year expenses	16,382,612	10,000	15,347,879	-	33,549	-	7,590,713	52,250	39,417,003
Ending fund balance	\$ 5,603,715	\$ 12,146,999	\$ (3,088,339)	\$ -	\$ 88,727	\$ 35,183	\$ 49,979,413	\$ 511,667	\$ 65,277,365

Jackson College
 Balance Sheet
 Building and Site Fund - FY 22
 November 30, 2021
 Preliminary - Unaudited

	Building and Site Fund
Assets	
Cash	\$ 6,620,430
Investments	-
Accounts receivable	295
Due from other funds	-
	-
Total assets	6,620,725
Liabilities and Fund Balance	
Accounts payable	3,263,820
Other liabilities	-
	-
Total liabilities	3,263,820
Fund balance	3,356,905
Total liabilities and fund balance	\$ 6,620,725

Jackson College
 Statement of Changes in Fund Balance
 Building and Site Fund
 For the Five Months Ended November 30, 2021
 Preliminary - Unaudited

	Balance July 1, 2021	Revenue	Expenditures	Balance November 30, 2021
Major Maintenance and Equipment Replacement	\$ 8,588,594	\$ 1,865,078	\$ 7,096,767	\$ 3,356,905
Total	\$ 8,588,594	\$ 1,865,078	\$ 7,096,767	\$ 3,356,905

Jackson College
Revenue and Expense Statement
Auxilliary Services
For the Five Months Ended November 30, 2021
Preliminary - Unaudited

	Hospitality Services	Housing	JetStore Bookstore	Potter Center Performing Arts
Revenue				
Housing	-	359,563	-	-
Sales	-	-	122,276	-
Potter Center activities	-	-	-	55,208
Hospitality	190,162	-	-	-
Transfers - Federal grant funds	-	556,398	-	-
Total revenues	<u>190,162</u>	<u>915,961</u>	<u>122,276</u>	<u>55,208</u>
Expenses				
Wages	173,610	71,512	23,766	101,120
Retirement	36,931	14,107	6,120	32,659
Benefits	44,312	13,655	1,173	22,422
Services - Staffing Agency	8,424	-	-	-
Services	10,083	4,499	200	3,042
Materials	158,242	6,952	556	534
Rent, utilities, insurance	90	-	-	-
Other operating costs	2,868	11,336	1,304	53,697
Transfers	-	-	-	-
Transfers-debt service	-	500,000	-	-
Capital equipment	-	2,195	430	-
Total expenses	<u>434,560</u>	<u>624,256</u>	<u>33,549</u>	<u>213,474</u>
Income over (under) expenses	<u>\$ (244,398)</u>	<u>\$ 291,705</u>	<u>\$ 88,727</u>	<u>\$ (158,266)</u>

Jackson College
Cash and Investments by Fund - FY 22
November 30, 2021
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,714	\$ 4,714
Cash-Comerica Bank Pooled	2,694,964	(247,484)	(1,809,012)	-	286,591	(294,220)	14,170	6,620,430	4,178,486	518,226	11,962,151
Cash-Comerica Federal Funds	-	-	(10,116)	-	48,089	-	-	-	-	-	37,973
VISA Account	191,419	-	-	-	-	-	-	-	-	-	191,419
Cash-United Bank	(18)	-	-	-	-	-	-	-	-	-	(18)
Cash-Federal Direct Loan	-	-	7,268	-	-	-	-	-	-	-	7,268
Cash-Comerica State Wire	4,868	-	-	-	-	-	-	-	-	-	4,868
Cash-Payroll	2,800,820	-	(2,417,076)	-	(1,512,550)	(12,869)	-	-	-	-	(1,141,675)
County National Bank	480,074	-	38,223	-	-	-	-	-	-	-	518,297
Ref Pay	3,166	-	-	-	-	-	-	-	-	-	3,166
Cultural Affairs Checking	3,509	-	-	-	-	-	-	-	-	-	3,509
MNJTP	-	-	-	-	807,482	-	-	-	-	-	807,482
U.S. Government Bonds	-	3,962,920	-	-	-	-	-	-	-	-	3,962,920
MILAF	2,000,000	8,419,063	-	-	-	-	-	-	-	-	10,419,063
	8,178,802	12,134,499	(4,190,713)	-	(370,388)	(307,089)	14,170	6,620,430	4,178,486	522,940	26,781,137
Investments											
Common Stock	-	-	-	-	-	-	21,013	-	-	-	21,013
Total cash and investments	<u>\$ 8,178,802</u>	<u>\$12,134,499</u>	<u>\$(4,190,713)</u>	<u>\$ -</u>	<u>\$ (370,388)</u>	<u>\$ (307,089)</u>	<u>\$ 35,183</u>	<u>\$ 6,620,430</u>	<u>\$ 4,178,486</u>	<u>\$ 522,940</u>	<u>\$ 26,802,150</u>

Jackson College
 Billing Contact Hours
 November 30, 2021
 Preliminary - Unaudited

	Budgeted FY 22	Actual FY 22	Actual Percentage	Actual FY 21	Prior Year Percentage
Semester:					
Fall	36,872	40,584	110.1%	41,477	97.8%
Spring	33,520	-	0.0%	37,384	0.0%
Summer	13,408	-	0.0%	17,373	0.0%
Total	83,800	40,584	48.4%	96,234	42.2%

