



Financial Report

Presented to
President Daniel Phelan
Jackson College Board of Trustees



Prepared by the Business Office
October 31, 2023

Jackson College
Memo From John Globoker, Chief Financial Officer
For the October 31, 2023 Financial Report

Following is the October 31, 2023 Treasurer's Report summarizing the components of the major revenue and expense lines. Explanations for significant variances are included in this memo.

Note: Budgeted amounts reflect the 2023-2024 Budget as adopted at the June 2023 Board of Trustees meeting.

General Fund

Revenues

- **State Appropriations** - Jackson College received the first of eleven funding installments from the state of Michigan in October. Funds are received from October through August each year.
- **Contract training** - Favorable to budget, due to timing and additional trainings through grant programs.
- **Miscellaneous** - Unfavorable to budget, due to lower than expected administrative allowances and bad debt recovery at this point in the fiscal year.
- **Transfers In** - Favorable to budget, due to a Dental Hygiene transfer and conservative budget.

Expenses

- **Wages/Retirement & Benefits** - Favorable to budget, savings realized from vacant positions.
- **Services** - Unfavorable to budget, due to contracted services with CampusWorks for IT, Business Office and PRR Services; Audit Services; and Facilities projects.
- **Rent, utilities, insurance** - Unfavorable to budget, due to timing of expenses, mainly insurance.
- **Transfers** - favorable, as transfers to plant, auxiliary, and payment on debt have not yet occurred in FY24.
- **Capital Equipment** - Favorable to budget due to timing of future vehicle and office equipment purchases.

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Auxiliary Fund

Revenues

- **Housing** - Unfavorable to budget as occupancy was lower than expected.
- **Housing Scholarships** - Unfavorable to budget, due to increase in Resident Mentors to support Ready, Set, Jet initiative for the academic year.
- **Potter Center** - Favorable to budget, due to a conservative budget being presented.
- **Hospitality and Meal Plans** - Unfavorable to budget as occupancy was lower than expected.
- **Miscellaneous** - Unfavorable to budget, mainly due to building rentals not meeting expectations.
- **Transfers** - Unfavorable to budget, due to timing of transfers from the Foundation.

Expenses

- **Wages/Benefits** - Favorable to budget, due to vacancies.
- **Services Staffing Agency**- Favorable to budget, possibly due to conservative budget being presented.
- **Services** - Favorable to budget, due to timing of purchases.
- **Materials** - Favorable to budget, due to timing of expenses.
- **Rent, Utilities, insurance** - Favorable to budget, rental of equipment not needed as much compared to previous years
- **Other operating costs** - Unfavorable to budget, due to timing of necessary production costs for shows in Potter Center.
- **Transfers** - Favorable, as transfers to plant, auxiliary, and payment on debt have not yet occurred in FY24.

Other Notes

- Operating Reserves - Board policy requires the College have combined operating fund balance reserves greater or equal to two months' operating expenses. As of October 31, 2023 the College is meeting this requirement.

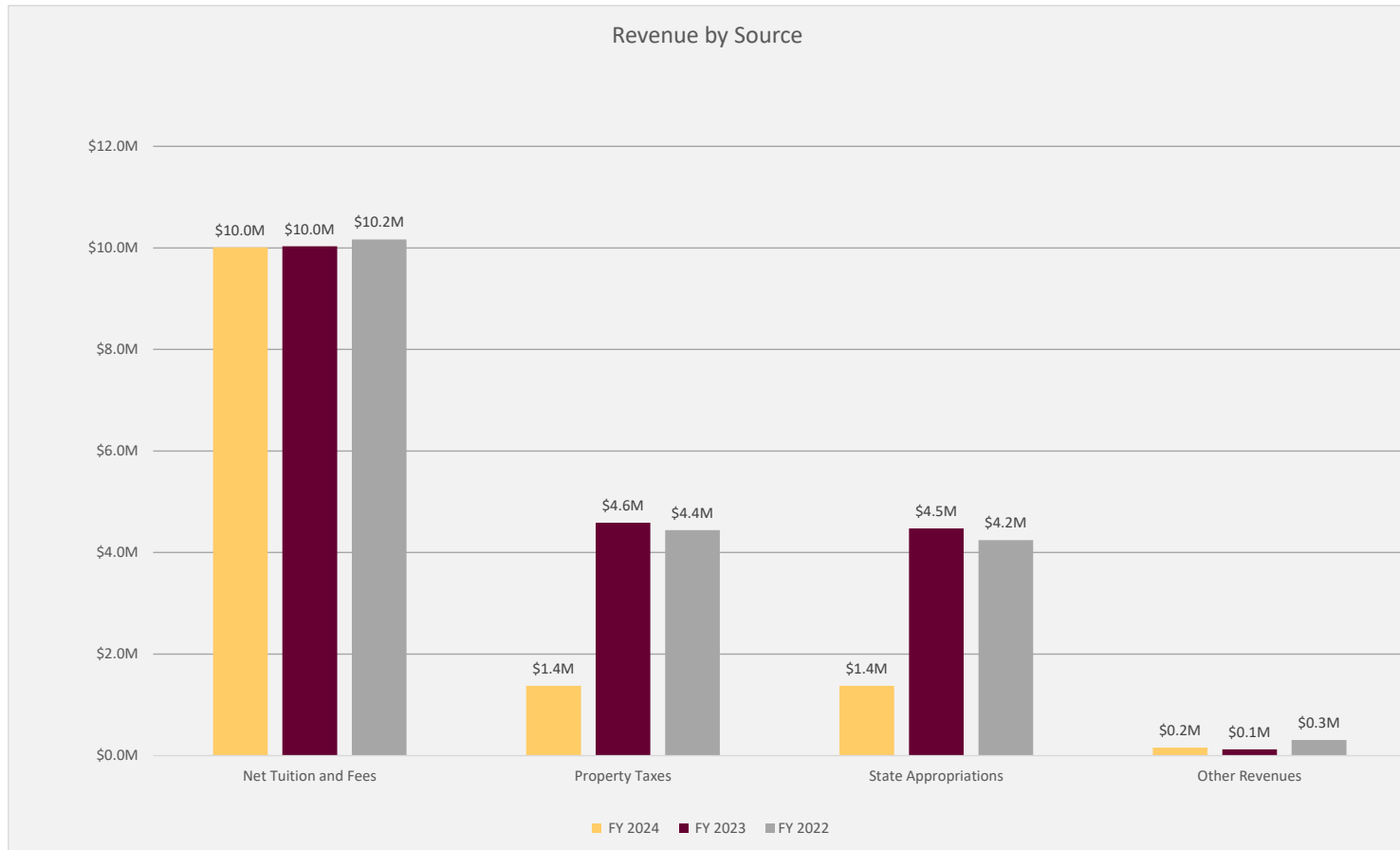
Jackson College
Revenue and Expense Statement
General Fund - FY 24
October 31, 2023
Preliminary - Unaudited

	2023-2024 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	\$ 25,240,228	54.5%	\$ 10,355,577	41.0%	40.0%	\$ 259,486	\$ 10,346,042
Less Institutional Scholarships	(860,000)	-1.9%	(344,412)	40.0%	40.0%	(412)	(313,479)
Net tuition and fees	24,380,228	52.6%	10,011,165	41.1%	40.0%	259,074	10,032,563
Property taxes	6,389,547	13.7%	1,377,645	21.6%	20.0%	99,736	4,590,121
State appropriations	15,119,559	32.6%	1,375,418	9.1%	10.0%	(136,538)	4,476,264
Contract training	100,000	0.2%	63,335	63.3%	33.3%	30,002	36,003
Miscellaneous	353,361	0.8%	88,050	24.9%	33.3%	(29,737)	75,973
Transfers	-	0.0%	8,137	0.0%	33.3%	8,137	10,469
Transfers - Federal grant funds	-	0.0%	-	0.0%		-	-
Total revenues	46,342,695	100.0%	12,923,750	27.9%	26.0%	230,674	19,221,393
Expenses							
Wages	17,633,785	38.0%	4,454,080	25.3%	34.6%	(1,649,922)	5,394,328
Retirement	4,761,789	10.3%	1,183,605	24.9%	34.6%	(464,707)	1,428,057
Benefits	3,129,996	6.8%	898,150	28.7%	34.6%	(185,310)	960,686
Services - Staffing Agency	3,736,072	8.1%	1,191,645	31.9%	34.6%	(101,611)	1,282,991
Services	4,481,797	9.7%	1,912,188	42.7%	33.3%	418,256	1,677,244
Materials	1,843,739	4.0%	601,726	32.6%	33.3%	(12,854)	513,766
Rent, utilities, insurance	1,808,477	3.9%	646,732	35.8%	33.3%	43,906	617,124
Other operating costs	3,929,269	8.5%	1,218,013	31.0%	33.3%	(91,743)	1,304,240
Transfers-major maintenance	1,146,577	2.5%	-	0.0%	33.3%	(382,192)	329,298
Transfers-deferred maintenance	-	0.0%	-	0.0%	0.0%	-	-
Transfers-debt service	3,457,494	7.5%	-	0.0%	33.3%	(1,152,498)	1,486,682
Transfers-Jets Store	-	0.0%	-	0.0%	0.0%	-	101,870
Capital equipment	413,700	0.9%	120,357	29.1%	33.3%	(17,543)	158,560
Total expenses	46,342,695	100.0%	12,226,496	26.4%	28.6%	(3,596,218)	15,254,846
Income over (under) expenses	\$ -		\$ 697,254			\$ 3,826,892	\$ 3,966,547

*Previous years included "financial statement adjustment" entries to smooth revenues and expenses. In fiscal year 2024, management determined to eliminate the need for these entries and report posted revenues and expenses in the college's ERP, Colleague, as it is a better indicator of the college's position for each month.

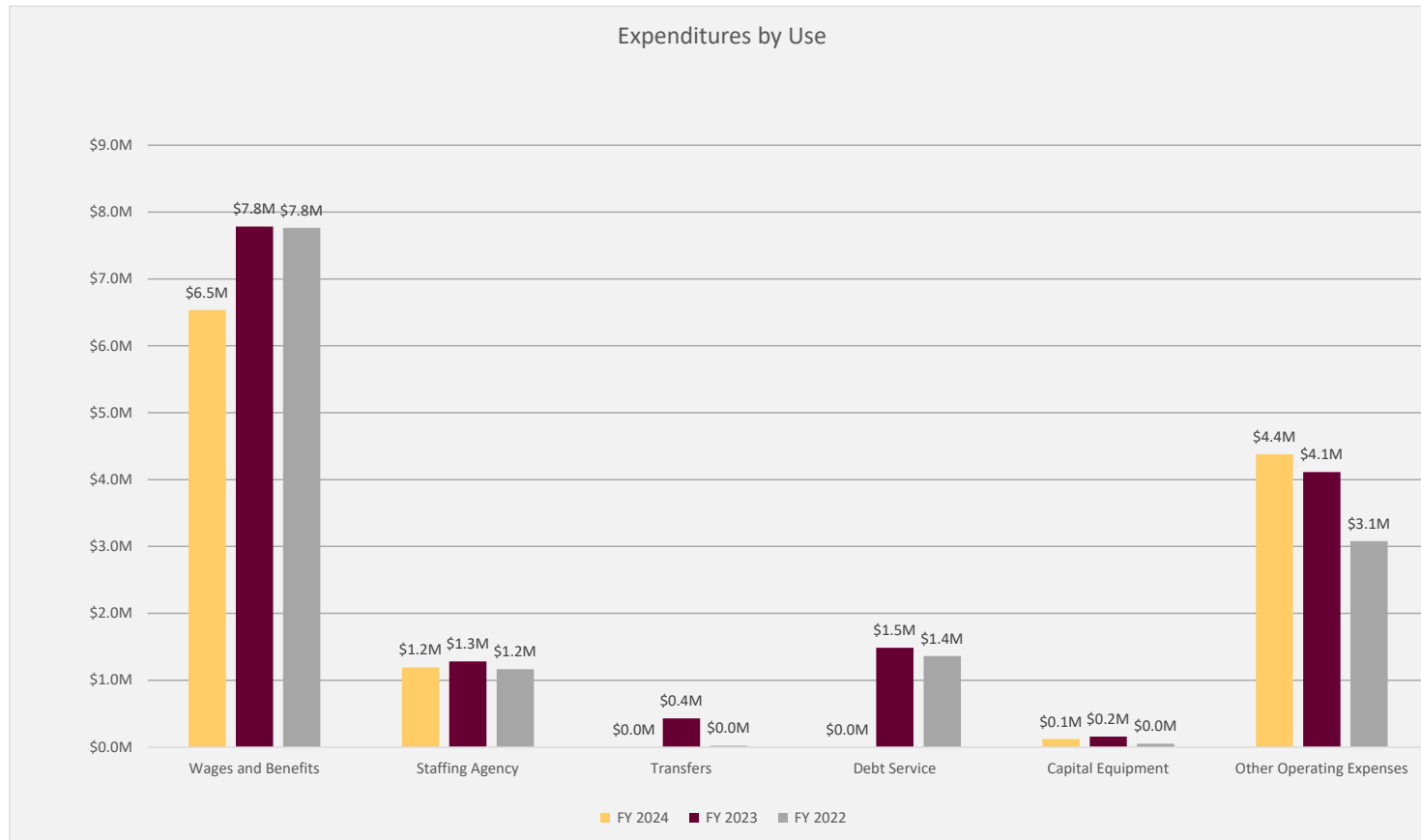
Jackson College
General Fund Revenue Comparison
10/31/2023

\$12,923,750



Jackson College
General Fund Expenditure Comparison
10/31/2023

\$12,226,496



Jackson College
Revenue and Expense Statement
Auxiliary Services
October 31, 2023
Preliminary - Unaudited

	2023-2024 Original Budget	Percentage of Original Budget	Actual Year to Date All Auxiliaries	Actual Percentage of Budget	Planned Percentage to Budget	Auxiliary Units			
						Hospitality Services	Housing	Jets Store Bookstore	Potter Center Performing Arts
Revenue									
Textbook and Class Fees	\$ 2,511,642	34.6%	\$ 1,574,159	62.7%	55.0%	-	-	1,574,159	-
Housing	2,007,800	27.6%	926,399	46.1%	55.0%	-	926,399	-	-
Less Housing Scholarships	(200,000)	-2.8%	(142,898)	71.4%	55.0%	-	(142,898)	-	-
Sales Bookstore	242,923	3.3%	47,572	19.6%	33.3%	-	-	47,572	-
Potter Center activities	351,000	4.8%	219,367	62.5%	33.3%	-	-	-	219,367
Hospitality and Meal Plans	2,302,577	31.7%	966,212	42.0%	55.0%	966,212	-	-	-
Miscellaneous	35,000	0.5%	6,761	19.3%	33.3%	-	(300)	-	7,061
Transfers - General Fund	-	0.0%	-	0.0%	0.0%	-	-	-	-
Transfers - Foundation	15,000	0.2%	-	0.0%	0.0%	-	-	-	-
Total revenues	7,265,942	100.0%	3,597,572	49.5%	35.6%	966,212	783,201	1,621,731	226,428
Expenses									
Wages	\$ 1,611,365	22.2%	\$ 413,415	25.7%	34.6%	198,554	77,626	56,005	81,230
Retirement	418,100	5.8%	99,158	23.7%	34.6%	48,488	10,415	13,990	26,265
Benefits	249,400	3.4%	84,921	34.1%	34.6%	49,330	11,489	8,600	15,502
Services - Staffing Agency	15,000	0.2%	5,941	39.6%	34.6%	5,941	-	-	-
Services	75,500	1.0%	18,997	25.2%	33.3%	8,709	3,275	430	6,583
Materials	2,395,500	33.0%	529,438	22.1%	33.3%	263,597	8,339	257,138	364
Rent, utilities, insurance	4,000	0.1%	-	0.0%	33.3%	-	-	-	-
Other operating costs	474,000	6.5%	246,436	52.0%	33.3%	-	6,192	1,085	239,159
Transfers	2,016,077	27.7%	-	0.0%	33.3%	-	-	-	-
Capital equipment	7,000	0.1%	-	0.0%	33.3%	-	-	-	-
Total expenses	7,265,942	100.0%	1,398,306	19.2%	33.8%	574,619	117,336	337,248	369,103
Income over (under) expenses	\$ -		\$ 2,199,266			\$ 391,593	\$ 665,865	\$ 1,284,483	\$ (142,675)

Jackson College
Balance Sheet and Changes in Fund Balance - FY 24
October 31, 2023
Preliminary - Unaudited

	General Fund	Designated Fund	Restricted Fund	CARES Fund	Auxiliary Fund	Endowment Fund	Debt & Property Fund	Activities Fund	Total
Assets									
Cash	\$ 7,528,603	\$ 11,613,322	\$ (4,277,287)	\$ -	\$ (1,761,790)	\$ 17,598	\$ 5,319,562	\$ (507,604)	\$ 17,932,404
Restricted cash in escrow	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	2,484	-	-	2,484
Accounts receivable	6,658,221	-	2,631	-	2,209,699	14,401	91	24	8,885,067
Inventories	29,800	-	-	-	248,378	-	-	-	278,178
Other assets	6,213,125	1,000,000	11,694,541	-	1,062,024	-	81,276,483	1,311,365	102,557,538
Total assets	20,429,749	12,613,322	7,419,885	-	1,758,311	34,483	86,596,136	803,785	129,655,671
Liabilities and Fund Balance									
Accounts payable	148,773	-	3,668	-	43,043	-	39,715	-	235,199
Accrued liabilities	492,102	-	(11,696)	-	352,592	-	27,937,564	-	28,770,562
Deferred liabilities	5,789,084	-	486,526	-	-	-	-	-	6,275,610
Unearned revenue	62,146	-	-	-	263,050	-	-	-	325,196
Other liabilities	13,231,545	-	8,234,137	-	11,349	-	7,986	5,583	21,490,600
Total liabilities	19,723,650	-	8,712,635	-	670,034	-	27,985,265	5,583	57,097,167
Fund balance	706,099	12,613,322	(1,292,750)	-	1,088,277	34,483	58,610,871	798,202	72,558,504
Total liabilities and fund balance	\$ 20,429,749	\$ 12,613,322	\$ 7,419,885	\$ -	\$ 1,758,311	\$ 34,483	\$ 86,596,136	\$ 803,785	\$ 129,655,671
Beginning fund balance									
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	56,327,556	\$ -	\$ 56,327,556
Major Maintenance and Equipment Replacement	-	-	-	-	-	-	6,828,663	-	6,828,663
Restricted		690,408	500,762	-	(1,110,990)	34,446	-	-	114,626
Future Operations	8,845	11,725,052	-	-	-	-	-	517,703	12,251,600
	\$ 8,845	\$ 12,415,460	\$ 500,762	\$ -	\$ (1,110,990)	\$ 34,446	\$ 63,156,219	\$ 517,703	\$ 75,522,445
Current year income	12,923,750	197,862	6,760,417	-	3,740,471	37	(461,328)	323,131	23,484,340
Current year expenses	12,226,496	-	8,553,929	-	1,541,204	-	4,084,020	42,632	26,448,281
Ending fund balance	\$ 706,099	\$ 12,613,322	\$ (1,292,750)	\$ -	\$ 1,088,277	\$ 34,483	\$ 58,610,871	\$ 798,202	\$ 72,558,504