

## **Attachment F(1)**

### **JOHN JAY COLLEGE OF CRIMINAL JUSTICE AUXILIARY SERVICES CORPORATION**

#### **FINANCIAL REVIEW SUMMARY**

#### **Review of FY 2018 Year-end FY 2019 Proposed Financial Plan Monday, October 15, 2018**

##### **FY 2018 Year End**

The Auxiliary ended FY2018 with an overall surplus of \$1.67m. Contributing to this significant surplus over FY2018's projections were net results from operations for facility rentals, Athletics, and the Theater. Further, during the fiscal year, there was an overall decrease in spending for the Auxiliary.

Actual cash collections over projected revenue were 134% for the general Auxiliary, 124% for Athletics and 121% for the Theater. The increase in revenue for these areas were mainly due to additional third-party agreements for rentals for space reservations, Film, TV and Commercial Shoots, Athletics, and the Theater.

Overall expenditure for the Auxiliary decreased compared to the fiscal year projections. Actual expenditure as a percentage of projections were College allocations 90%, Athletics 81%, and Theater 94%. This decrease also subsidized savings resulting in a positive surplus. The Auxiliary continues to maintain a conservative approach to spending due to the volatility associated with rental agreements for facilities. Over the years, the Auxiliary has gradually relied on the revenue derived from these operations to support College activities.

During the fiscal year, the College negotiated additional beds with Educational Housing Services (New Yorker) and entered an agreement with the Administration for Children's Services. The Auxiliary anticipates starting FY2019 additional returns from these agreements will support staff who administer operations at the New Yorker.

The Auxiliary ended the fiscal year with an overall surplus of \$1.8m as follows: general Auxiliary, \$613k; Athletics, \$575k; Theater \$590k; Career and Professional Development, \$32k, and Housing, \$15k. The positive balance in the general Auxiliary, in particular, provides the additional support needed for planning College activities for FY2019.

##### **FY 2019 Proposed Financial Plan**

##### **FY 2019 Planned Revenues**

FY2019 Planned Revenue for the Auxiliary increase by 22% for the general Auxiliary; decrease by 15% for Athletics operations; and, increase by 13% for Theater operations. The increases in the general Auxiliary and the Theater are mainly due to third-party agreements for space reservations, Film, TV, and Commercial Shoots, and Theater operations as reflected in FY2018 actual results. The decrease in planned revenue for Athletics operations is a result of the pool closure for renovation.

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Other than the normal projections for the remaining revenue categories, there are no additional revenue expectations for FY2019. Note, the Center for Career and Professional Development began operations in the Auxiliary in January 2018. There is no significant expectation in revenue for this operation.

#### **FY 2019 Planned Expenditures**

Generally, all allocations have been funded 100%. The Auxiliary has added ten new allocations to its financial plan. 1) Student Council Scholarships, which represents a proposal for a match by Student Council to support the “invisible student population”, reflected in the meeting minutes dated Friday, April 13, 2018. 2) International Student Events is a request from Admissions to support international student activities and orientation. 3) JJournal Support is a request from Adam Berlin and Jeffrey Heiman to President Mason to support its publications. 4) Prisoner Re-Entry Branding Consultant is a proposal from Ann Jacobs to support re-branding of the Prisoner Re-Entry Institute. 5) Marketing/ Communications Consultant is a request from Vice President Ginns for additional guidance and support on handling external and internal College communications. 6) College’s Crisis Management is an additional allocation necessary for the pending investigation and crisis remediation. 7) To support Human resources in providing Sexual Harassment Training for employees. 8) To support Public Safety upgrades in sensitive at-risk areas on campus. 9) Resident Life Operations is a proposal from Vice President Cook-Francis to support residence life at the New Yorker. 10) New VP allocation for Institutional Advancement.

#### **Other notes on expenditure:**

Overall College allocations are projected to increase 29% over the prior year’s budget due to the new crisis management allocation, contribution to the College’s Financial Plan, estimated contracts and new initiatives. The increase in estimated contracts is to support any further unforeseen College liabilities. Projected expenditure increases space reservations and Film, TV and Commercial Shoots are 106% and 49% due to additional costs associated with rental agreements. Athletics’ projected expenditure increase by 34% due to planned installations for a new Scoreboard and a Volley Ball Pole/ Net system, and the Hall of Fame, Homecoming and Banquet events. The Theater’s expenditure is expected to decrease by 1%.

As explained in the FY2018 report above, the College has added additional beds and integrated a new agreement with ACS at the New Yorker. Thus, contractual obligations will increase for the fiscal year.

#### **Projected FY2019 year-end**

The Auxiliary projects to end FY2019 with an overall surplus of \$1.2m. The overall surplus is the sum of the general Auxiliary’s year-end surplus (\$141k), Athletics surplus (\$347k), Theater’s surplus (\$590k), Careers and Professional Development’s surplus (\$31k), and a Housing surplus (\$43k).