

Fiscal Analysis
Jackson Community College
Project Cost Increase



Bill/Sponsor **HCR 46, Rep. M. Hood III**

Date **9/11/2007**

Subcommittee **Joint Capital Outlay Subcommittee**

House Committee **Appropriations**

Analysis **Summary**

The Health Programs Expansion and Information Commons capital outlay project for Jackson Community College was authorized under PA 297 of 2005. The total authorized cost was established at \$16,500,000 to be financed between State Building Authority bonds and Jackson CC funds. Additionally, SCR 52 was passed by the Legislature in December 2006 which authorized a project cost increase of \$800,000 that was completely financed by the institution. This multi-component project entails the construction of a new 57,000 sq. ft. Information and Technology Center and renovation of 17,000 sq. ft. of space in the Center for Health Professions.

The Joint Capital Outlay Subcommittee (JCOS) approved a requested project scope increase on March 15, 2007 with the belief that it was cost-neutral. As more detailed planning has occurred, this assumption proved to be inaccurate. The college attributes unforeseen electrical, plumbing, and mechanical system expenses associated with the scope change which caused an additional \$800,000 higher cost. The college will also finance this entire cost increase.

The JCOS approved this resolution, with recommendation. The Department of Management and Budget also recommends approval.

State Fiscal Impact

None

Local Fiscal Impact

Jackson Community College will finance the entire project cost increase (please see table on next page).

Jackson Community College – Health Programs Expansion and Information Commons Project			
	Current Authorizations	Requested Change	Revised Authorizations
State Building Authority	\$7,499,800	\$0	\$7,499,800
State GF/GP	200	0	200
Jackson CC	9,800,000	800,000	10,600,000

Analyst(s)
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