UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q

(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2003

OR

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _______________ to ________________

Commission file number 0-14112

JACK HENRY & ASSOCIATES, INC.
(Exact name of registrant as specified in its charter)

| Delaware | 43-1128385 |
|---|---|
| State or Other Jurisdiction of Incorporation | I.R.S. Employer Identification No. |

663 Highway 60, P.O. Box 807, Monett, MO 65708
Address of Principal Executive Offices
(Zip Code)

417-235-6652
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes x No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Exchange Act Rule 12b-2 of the Exchange Act.)
Yes x No

APPLICABLE ONLY TO CORPORATE ISSUERS:
Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

As of November 6, 2003, Registrant had 89,186,357 shares of common stock outstanding ($.01 par value)

JACK HENRY AND ASSOCIATES, INC.

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PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

JACK HENRY & ASSOCIATES, INC AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In Thousands, Except Share and Per Share Data)
(Unaudited)

| | September 30, 2003 | June 30, 2003 |
|---|---|---|
| ASSETS | | |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | $ 103,032 | $ 32,014 |
| Investments, at amortized cost | 998 | 998 |
| Trade receivables | 65,594 | 150,951 |
| Prepaid cost of product | 18,476 | 18,483 |
| Prepaid expenses and other | 12,783 | 13,816 |
| Deferred income taxes | 1,015 | 1,000 |
| Total | $ 201,898 | $ 217,262 |
| PROPERTY AND EQUIPMENT, net | $ 207,299 | $ 196,046 |
| OTHER ASSETS: | | |
| Goodwill | $ 44,543 | $ 44,543 |
| Trade names | 3,699 | 3,699 |
| Customer relationships, net of amortization | 58,149 | 59,358 |
| Computer software, net of amortization | 12,666 | 12,500 |
| Prepaid cost of product | 9,059 | 10,021 |
| Other non-current assets | 6,039 | 5,146 |
| Total | $ 134,155 | $ 135,267 |
| Total assets | $ 543,352 | $ 548,575 |
| LIABILITES AND STOCKHOLDERS' EQUITY | | |
| CURRENT LIABILITIES: | | |
| Accounts payable | $ 7,692 | $ 9,617 |
| Accrued expenses | 10,711 | 17,250 |
| Accrued income taxes | 2,777 | 421 |
| Deferred revenues | 99,110 | 119,492 |
| Total | $ 120,290 | $ 146,780 |
| DEFERRED REVENUES | 11,633 | 12,732 |
| DEFERRED INCOME TAXES | 25,950 | 23,840 |
| Total liabilities | $ 157,873 | $ 183,352 |
| STOCKHOLDERS' EQUITY | | |
| Preferred stock - $1 par value; 500,000 shares authorized, none issued | $ - | $ - |
| Common stock - $0.01 par value: 250,000,000 shares authorized; Shares issued at 09/30/03 and 06/30/03 were 90,519,856 | 905 | 905 |
| Additional paid-in capital | 171,282 | 169,299 |
| Retained earnings | 240,302 | 233,396 |
| Less treasury stock at cost 1,663,193 shares at 09/30/03, 2,363,121 shares at 06/30/03 | (27,010) | (38,377) |
| Total stockholders' equity | $ 385,479 | $ 365,223 |
| Total liabilities and stockholders' equity | $ 543,352 | $ 548,575 |

See notes to condensed consolidated financial statements

JACK HENRY & ASSOCIATES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In Thousands, Except Per Share Data)
(Unaudited)

| | Three Months Ended September 30, 2003 | Three Months Ended September 30, 2002 |
|---|---|---|
| REVENUE | | |
| License | $ 12,960 | $ 12,069 |
| Support and service | 72,524 | 59,884 |
| Hardware | 23,456 | 22,025 |
| Total | 108,940 | 93,978 |
| COST OF SALES | | |
| Cost of license | 913 | 791 |
| Cost of support and service | 49,049 | 41,455 |
| Cost of hardware | 16,321 | 16,619 |
| Total | 66,283 | 58,865 |
| GROSS PROFIT | $ 42,657 | $ 35,113 |
| OPERATING EXPENSES | | |
| Selling and marketing | 8,772 | 7,199 |
| Research and development | 5,319 | 3,551 |
| General and administrative | 7,005 | 6,736 |
| Total | 21,096 | 17,486 |
| OPERATING INCOME | $ 21,561 | $ 17,627 |
| INTEREST INCOME (EXPENSE) | | |
| Interest income | 287 | 187 |
| Interest expense | (26) | (23) |
| Total | 261 | 164 |
| INCOME BEFORE INCOME TAXES | $ 21,822 | $ 17,791 |
| PROVISION FOR INCOME TAXES | 7,965 | 6,493 |
| Net Income | $ 13,857 | $ 11,298 |
| Diluted net income per share | $ 0.15 | $ 0.13 |
| Diluted weighted average shares outstanding | 91,069 | 89,579 |
| Basic net income per share | $ 0.16 | $ 0.13 |
| Basic weighted average shares outstanding | 88,515 | 88,085 |

See notes to condensed consolidated financial statements

JACK HENRY AND ASSOCIATES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands)
(Unaudited)

| | Three Months Ended September 30, 2003 | Three Months Ended September 30, 2002 |
|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Net Income | $ 13,857 | $ 11,298 |
| Adjustments to reconcile net income from operations to cash from operating activities: | | |
| Depreciation | 6,408 | 5,773 |
| Amortization | 1,550 | 1,543 |
| Deferred income taxes | 2,095 | 1,900 |
| Other, net | 2 | (6) |
| Changes in: | | |
| Trade receivables | 85,357 | 59,461 |
| Prepaid expenses and other | 1,062 | 138 |
| Accounts payable | (1,925) | 918 |
| Accrued expenses | (6,539) | (3,002) |
| Income taxes (including tax benefit of $1,981 and $72 from the exercise of stock options, respectively) | 4,337 | 3,054 |
| Deferred revenues | (21,482) | (21,136) |
| Net cash from operating activities | $ 84,722 | $ 59,941 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Capital expenditures | $ (17,675) | $ (16,466) |
| Purchase of investments | (998) | (996) |
| Proceeds from maturity of investments | 1,000 | 1,000 |
| Computer software developed | (507) | (1,271) |
| Other, net | 58 | 18 |
| Net cash from investing activities | $ (18,122) | $ (17,715) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Proceeds from issuance of common stock upon exercise of stock options | $ 7,345 | $ 432 |
| Proceeds from sale of common stock, net | 179 | 215 |
| Dividends paid | (3,106) | (3,076) |
| Purchase of treasury stock | - | (15,894) |
| Net cash from financing activities | $ 4,418 | $ (18,323) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | $ 71,018 | $ 23,903 |
| CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD | $ 32,014 | $ 17,765 |
| CASH AND CASH EQUIVALENTS, END OF PERIOD | $ 103,032 | $ 41,668 |

See notes to condensed consolidated financial statements

Net cash paid for income taxes was $1,033 and $1,539 for the three months ended September 30, 2003 and 2002, respectively.

The Company paid interest of $26 and $23 for the three months ended September 30, 2003 and 2002, respectively.

JACK HENRY & ASSOCIATES, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

DESCRIPTION OF THE COMPANY

Jack Henry & Associates, Inc. ("JHA" or the "Company") is a leading provider of integrated computer systems that has developed or acquired several banking and credit union software systems. The Company's revenues are predominately earned by marketing those systems to financial institutions nationwide along with the computer equipment (hardware) and by providing the conversion and software installation services for a financial institution to install a JHA software system. JHA also provides continuing support and services to customers using the systems either in-house or outsourced.

CONSOLIDATION

The condensed consolidated financial statements include the accounts of JHA and all of its wholly owned subsidiaries and all significant intercompany accounts and transactions have been eliminated.

STOCK OPTIONS

As permitted under Statement of Financial Accounting Standards ("SFAS") No. 123, Accounting for Stock-Based Compensation, the Company has elected to follow Accounting Principles Board Opinion ("APB") No. 25, Accounting for Stock Issued to Employees, in accounting for stock-based awards to employees. Under APB No. 25, the Company generally recognizes no compensation expense with respect to such awards, since the exercise price of the stock options awarded are equal to the fair market value of the underlying security on the grant date.

Pro forma information regarding net income and earnings per share is required to be presented as if the Company had accounted for its stock based awards to employees under the fair value method of SFAS No 123. The value of the Company's stock-based awards to employees was estimated as of the date of the grant using a Black-Scholes option pricing model. The Company's pro forma information is as follows:

| | (In thousands, except<br>Three Months Ended<br>September 30,<br>2003 | <br><br><br>2002 |
|---|---|---|
| Net income, as reported | $ 13,857 | $ 11,298 |
| Deduct: Total stock-based employee compensation expense determined under fair value based method for all awards, net of related tax effects | 6,500 | 602 |
| Pro forma net income | $ 7,357 | $ 10,696 |
| Diluted net income per share | | |
| As reported | $ 0.15 | $ 0.13 |
| Pro forma | $ 0.08 | $ 0.12 |
| Basic net income per share | | |
| As reported | $ 0.16 | $ 0.13 |
| Pro forma | $ 0.08 | $ 0.12 |

COMPREHENSIVE INCOME

Comprehensive income for each of the three month periods ended September 30, 2003 and 2002, equals the Company's net income.

INTERIM FINANCIAL STATEMENTS

The accompanying condensed consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q of the Securities and Exchange Commission and in accordance with accounting principles generally accepted in the United States of America applicable to interim condensed consolidated financial statements, and do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete consolidated financial statements. The condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and accompanying notes, which are included in its Form 10-K for the year ended June 30, 2003. The accounting policies followed by the Company are set forth in Note 1 to the Company's consolidated financial statements included in its Annual Report on Form 10-K ("Form 10-K") for the fiscal year ended June 30, 2003.

In the opinion of management of the Company, the accompanying condensed consolidated financial statements reflect all adjustments necessary (consisting solely of normal recurring adjustments) to present fairly the financial position of the Company as of September 30, 2003, the results of its operations and its cash flows for the three month periods ended September 30, 2003 and 2002.

The results of operations for the period ended September 30, 2003 are not necessarily indicative of the results to be expected for the entire year.

RECLASSIFICATION

Where appropriate, prior period financial information has been reclassified to conform with the current period's presentation.

NOTE 2. RECENT ACCOUNTING PRONOUNCEMENTS

Effective November 22, 2002, the "EITF" reached a consensus regarding EITF Issue No. 02-16, Accounting by a Customer, Including a Reseller, for Cash Consideration Received from a Vendor. This consensus requires that payments from a vendor be classified as a reduction to the price of the vendor's goods and taken as a reduction to cost of sales unless the payments are (1) a reimbursement for costs incurred to sell the product or (2) a payment for assets or services provided. The consensus also requires that payments from a vendor be recognized as a reduction to cost of sales on a rational and systematic basis. This consensus is effective for fiscal years beginning after December 15, 2002 (July 1, 2003 for JHA). The adoption of this consensus on July 1, 2003 did not have a material impact on its consolidated financial position or results of operations.

In January 2003, the FASB issued Interpretation No. 46 ("FIN 46"), Consolidation of Variable Interest Entities, ("VIE") which addresses consolidation by business enterprises of variable interest entities that either: (1) do not have sufficient equity investment at risk to permit the entity to finance its activities without additional subordinated financial support, or (2) the equity investors lack an essential characteristic of a controlling financial interest The FIN 46 transition requirements for VIEs existing before January 31, 2003, were delayed, effective October 9, 2003, with the issuance of FASB Staff Position 46-6. The Company early adopted the transition provisions of FIN 46 on July 1, 2003, without any impact on its financial position or results of operations, because the Company does not have any VIEs.

In May 2003, the FASB issued SFAS No. 150, Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity. SFAS No. 150 establishes standards for how an issuer classifies and measures certain financial instruments with characteristics of both liabilities and equity. SFAS No. 150 requires classification of a financial instrument that is within its scope as a liability, or an asset in some circumstances. SFAS No. 150 is effective for financial instruments entered into or modified after May 31, 2003, and shall otherwise be effective for the Company on July 1, 2003. The adoption of this standard did not have a material impact on the Company's financial statements.

NOTE 3. SHARES USED IN COMPUTING NET INCOME PER SHARE

| | (In Thousands) Three Months Ended September 30, 2003 | 2002 |
|---|---|---|
| Weighted average number of common shares outstanding - basic | 88,515 | 88,085 |
| Common stock equivalents | 2,554 | 1,494 |

| | | |
|---|---|---|
| Weighted average number of common and common equivalent shares outstanding - dilutrd | 91,069 | 89,579 |

Per share information is based on the weighted average number of common shares outstanding for the periods ended September 30, 2003 and 2002. Stock options have been included in the calculation of income per share to the extent they are dilutive.

Non-dilutive stock options to purchase approximately 1,788,380 and 6,034,848 shares for the three month periods ended September 30, 2003 and 2002, respectively, were not included in the computation of diluted income per common share.

NOTE 4. BUSINESS SEGMENT INFORMATION

The Company is a leading provider of integrated computer systems that perform data processing (available for in-house or service bureau installations) for banks and credit unions. The Company's operations are classified into two business segments: bank systems and services and credit union systems and services. The Company evaluates the performance of its segments and allocates resources to them based on various factors, including prospects for growth, return on investment and return on revenue.

| | (In Thousands) Three Months Ended September 30, | |
|---|---|---|
| | 2003 | 2002 |
| Revenues | | |
| Bank systems and services | $ 91,564 | $ 80,702 |
| Credit union systems and services | 17,376 | 13,276 |
| Total | $ 108,940 | $ 93,978 |
| Gross Profit | | |
| Bank systems and services | $ 36,566 | $ 30,933 |
| Credit union systems and services | 6,091 | 4,180 |
| Total | $ 42,657 | $ 35,113 |

| | (In Thousands) | |
|---|---|---|
| | September 30, 2003 | June 30, 2003 |
| Property and equipment, net | | |
| Bank systems and services | $ 191,486 | $ 192,846 |
| Credit union systems and services | 15,813 | 3,200 |
| Total | $ 207,299 | $ 196,046 |
| Identified Intangible assets, net | | |
| Bank systems and services | $ 49,524 | $ 50,205 |
| Credit union systems and services | 24,990 | 25,352 |
| Total | $ 74,514 | $ 75,557 |
| Goodwill, net | | |
| Bank systems and services | $ 27,314 | $ 27,314 |
| Credit union systems and services | 17,229 | 17,229 |
| Total | $ 44,543 | $ 44,543 |

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

Background and Overview

We provide a suite of integrated computer solutions for in-house and outsourced data processing to commercial banks with under $30.0 billion in total assets, credit unions and other financial institutions. We have developed and acquired banking and credit union application software systems that we market, together with compatible computer hardware, to financial institutions throughout the United States. We also perform data conversion and software installation for the implementation of our systems and provide continuing customer support services after the systems are installed. For our customers who prefer not to make an up-front capital investment in software and hardware, we provide the same full range of products and services on an outsourced basis through our eight data centers and seventeen item processing centers located throughout the United States.

A detailed discussion of the major components of the results of operations for the three month period ended September 30, 2003 compared to the same period in the previous year follows:

REVENUE - Revenue increased 16% to $108.9 million for the three months ended September 30, 2003 from $94.0 million for the same period last year. License fee revenue increased 7% to $13.0 million or 12% of total revenue, compared to $12.1 million in the first quarter a year ago or 13% of total revenue. Support and service revenue increased 21% to $72.5 million or 67% of total revenue for the three months ended September 30, 2003 compared to $59.9 million, or 64% of total revenue, in the same period in the previous year. Hardware revenue increased 6% to $23.5 million or 22% of total revenue from $22.0 million or 23% of total revenues for the first quarter in the previous year.

There was strong growth in all components that make up support and service revenue due to both installation of additional customers/products and overall organic growth, causing the overall increase as a percentage of total revenue. The support and service revenue growth of $12.6 million for the three months ended September 30, 2003 compared to the same period last year represents $2.9 million growth in installation services, $1.8 million growth in ATM and debit card processing services, $1.8 million growth in outsourcing services and $6.1 million increase in-house support revenue.

Our backlog increased 21% at September 30, 2003 to $176.5 million ($60.2 in-house and $116.3 outsourcing) from $146.5 million ($53.2 in-house and $93.3 outsourcing) at September 30, 2002, but decreased 4% from $183.1 million ($69.5 in-house and $113.6 outsourcing) at June 30, 2003.

COST OF SALES - Cost of sales increased 13% for the three months ended September 30, 2003, from $58.9 million for the three months ended September 30, 2002 to $66.3 million. Cost of licensing increased 15% for the three months ended September 30, 2003, as compared with the same period in the prior year, but remained flat at 1% of revenue for both years. The increase is due to obligations to third party vendors for software we resell. Cost of support and service increased 18% to $49.0 million in the current three month period compared to $41.5 million for the three months ended September 30, 2002. Employee related expenses increased 14%, primarily due to a 4% increase in headcount and increased benefit cost compared to the three-month period ended September 30, 2002. The cost of support and service depreciation and amortization expense increased 25%. The increase in depreciation is due to a new building being occupied in June 2003 plus other capital expenditures for infrastructure and equipment in relation to support and services. Cost of hardware decreased 2% from $16.6 million for the first quarter 2003 to $16.3 million primarily due to increased vendor incentives earned as compared to last year.

GROSS PROFIT - Gross profit increased 21% to $42.7 million, reflecting 39% gross margin in the first quarter of 2004, compared to $35.1 million, reflecting a 37% gross margin in the first quarter of 2003. Gross margin on license revenue remained flat at 93% for the current quarter compared to last year's first quarter. The gross profit for support and services increased 27% from $18.4 million to $23.5 million for the first quarter ended September 30, 2003 compared to the same period last year. For the three months ended September 30, 2003, the gross margin for support and services was 32% compared to 31% for the same quarter last year. The increase is due to increased volumes, increased number of customers and continued leveraging of resources in our outsourcing and ATM/Debit card processing services. Hardware gross profit increased 32% from $5.4 million in the prior years' first quarter to $7.1 million in the current quarter. Hardware gross margin increased from 25% in the first quarter of 2003 to 30% for the first quarter fiscal 2004. The increase is primarily due to sales mix and an increase in incentives and rebates on specific hardware sold compared to last year.

OPERATING EXPENSES - Total operating expenses increased 21% to $21.1 million in the three months ended September 30, 2003 compared to $17.5 million in the same period for the prior year. The increase represents a 50% increase in research and development expenses in the current quarter, or 5% of revenues as compared with 4% of revenues for the first quarter in 2003. The increase is primarily due to the increased headcount compared to the prior year for the ongoing development of new products and enhancements to existing products. Another contributing factor is last year a larger percentage of employee-related expenses were capitalized as part of major ongoing development projects, which have since been completed. Selling and marketing expenses increased 22%, mainly due to increased revenue, but remained fairly even at 8% of total revenue for the three months ended September 30, 2003, compared to the same period last year. General and administrative expenses increased 4%, from $6.7 million to $7.0 million in the first quarter of fiscal 2004 as compared with the same three-month period last year.

INTEREST INCOME (EXPENSE) - Net interest income for the three months ended September 30, 2003 reflects an increase of $97,000 when compared to the same period last year primarily due to the higher cash and cash equivalents balance.

PROVISION FOR INCOME TAXES - The provision for income taxes was $8.0 million, or 36.5% of income before income taxes for the three months ended September 30, 2003 compared with $6.5 million or 36.5% of income before income taxes for the same period last year.

NET INCOME - Net income for the first quarter was $13.9 million or $0.15 per diluted share compared to $11.3 million, or $0.13 per diluted share in the same period last year.

Business Segment Discussion

Revenues in the bank systems and services business segment increased 13% to $91.6 million in the three months ended September 30, 2003 from $80.7 million in the same period a year ago. Gross profit increased 18% from $30.9 million in the first quarter of the previous year to $36.6 million in the current first quarter. Gross margin increased from 38% to 40% for the current first quarter compared to the same quarter in the previous year.

Revenues in the credit union systems and services business segment increased 31% from $13.3 million in the quarter ended September 30, 2002 to $17.4 million for the quarter ended September 30, 2003. Gross profit increased 46% from $4.2 million in the first quarter of the previous year to $6.1 million in the current first quarter. Gross margin increased from 31% in the first quarter of fiscal 2003 to 35% in the current first quarter of fiscal 2004.

The increase in gross margin for both segments is due to increased volumes, increased vendor incentives earned, increased number of customers and continued leveraging of resources.

FINANCIAL CONDITION

Liquidity

The Company's cash and cash equivalents and investments increased to $104.0 million at September 30, 2003, from $33.0 million at June 30, 2003 primarily due to collection of annual in-house support fees billed at June 30, 2003. Cash provided by operations was $84.7 million for the three months ended September 30, 2003 as compared to $59.9 million for the three months ended September 30, 2002. The increase of $24.8 million is primarily due to collections related to the shift in the annual billing cycle for in-house support fees for acquired customers to our fiscal year end and the increases in prepaid annual support fees related to software installed in the prior periods.

Cash used in investing activities for the three months ended September 30, 2003, of $18.1 million included capital expenditures of $17.7 million, primarily for the initial cash outlay for the expansion of the San Diego facility, expansion of existing facilities and additional equipment. Financing activities provided cash of $4.4 million during the three months ended September 30, 2003, mainly from the $7.3 million of proceeds from the issuance of stock for stock options exercised. In addition, dividends paid during the three-month period ended September 30, 2003, were $3.1 million.

The Company has available credit lines totaling $58.0 million at September 30, 2003.

Capital Requirements and Resources

The Company generally uses existing resources and funds generated from operations to meet its capital requirements. Capital expenditures totaling $17.7 million and $16.5 million for the three-month periods ended September 30, 2003 and 2002, respectively, were made for expansion of facilities and additional equipment. These additions were funded from cash generated by operations. Total consolidated capital expenditures of JHA are not expected to exceed $61 million for fiscal year 2004.

On September 21, 2001, the Company's Board of Directors approved a stock buyback of the Company's common stock of up to 3.0 million shares, and approved an increase on October 4, 2002 to 6.0 million shares. At June 30, 2003, 3,012,933 shares have been purchased for $49,218,870. At June 30, 2003, there were 2,363,121 shares remaining in treasury stock. In the first quarter of fiscal 2004, the Company issued 690,199 shares upon exercise of stock options and 9,729 shares purchased for the Employee Stock Purchase Plan, leaving a balance of 1,663,193 shares.

The Company paid a $0.035 per share cash dividend on September 19, 2003 to stockholders of record on September 5, 2003, which was funded from operations. In addition, the Company's Board of Directors, subsequent to September 30, 2003, declared a quarterly cash dividend of $0.035 per share on its common stock payable December 2, 2003 to stockholders of record on November 18, 2003. This dividend will be funded with cash generated from operations.

Critical Accounting Policies

The Company regularly reviews its selection and application of significant accounting policies and related financial disclosures. The application of these accounting policies requires that management make estimates and judgments. The estimates that affect the application of our most critical accounting policies and require our most significant judgments are outlined in Management's Discussion and Analysis of Financial Condition and Results of Operations - "Critical Accounting Policies" - contained in our annual report on Form 10-K for the year ended June 30, 2003.

Forward Looking Statements

The Management's Discussion and Analysis of Results of Operations and Financial Condition and other portions of this report contain forward-looking statements within the meaning of federal securities laws. Actual results are subject to risks and uncertainties, including both those specific to the Company and those specific to the industry, which could cause results to differ materially from those contemplated. The risks and uncertainties include, but are not limited to, the matters detailed at Risk Factors in its Annual Report on Form 10-K for the fiscal year ended June 30, 2003. Undue reliance should not be placed on the forward-looking statements. The Company does not undertake any obligation to publicly update any forward-look statements.

CONCLUSION

JHA's results of operations and its financial position continued to be good with solid earnings, strong cash flow and no debt as of and for the three months ended September 30, 2003. This reflects the continuing attitude of cooperation and commitment by each employee, management's ongoing cost control efforts and commitment to deliver top quality products and services to the markets it serves.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk refers to the risk that a change in the level of one or more market prices, interest rates, indices, volatilities, correlations or other market factors such as liquidity, will result in losses for a certain financial instrument or group of financial instruments. We are currently exposed to credit risk on credit extended to customers and interest risk on investments in U.S. government securities. We actively monitor these risks through a variety of controlled procedures involving senior management. We do not currently use any derivative financial instruments. Based on the controls in place, credit worthiness of the customer base and the relative size of these financial instruments, we believe the risk associated with these exposures will not have a material adverse effect on our consolidated financial position or results of operations.

ITEM 4. CONTROLS AND PROCEDURES

An evaluation was carried out under the supervision and with the participation of our management, including our Company's Chief Executive

Officer (CEO) and Chief Financial Officer (CFO), of the effectiveness of the design and operations of our disclosure controls and procedures pursuant to Exchange Act Rules 13a-15 and 15d-15. Based upon that evaluation as of the end of the period covered by this report, the CEO and CFO concluded that our disclosure controls and procedures are effective in timely alerting them to material information relating to us (including our consolidated subsidiaries) required to be included in our periodic SEC filings. There have not been any significant changes in our internal controls or in other factors that could significantly affect these controls subsequent to the date of evaluation.

## PART II. OTHER INFORMATION

### ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

The Annual Meeting of the Stockholders of Jack Henry & Associates, Inc. was held on October 28, 2003, for the purpose of electing a board of directors. Proxies for the meeting were solicited pursuant to Section 14 (a) of the Securities and Exchange Act of 1934 and there was no solicitation in opposition to management's recommendations. Management's nominees for director, all incumbents, were elected with the number of votes for and withheld as indicated below:

| | For | Withheld |
|---|---|---|
| John W. Henry | 80,574,578 | 1,663,361 |
| Jerry D. Hall | 81,079,081 | 1,158,858 |
| Michael E. Henry | 80,307,878 | 1,930,061 |
| James J. Ellis | 64,057,447 | 18,180,491 |
| Burton O George | 64,446,124 | 17,791,815 |
| George R. Curry | 63,991,434 | 18,246,485 |
| Joseph J. Maliekel | 64,600,292 | 17,637,647 |

### ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

31.1 Certification of the Chief Executive Officer dated November 10, 2003.

31.2 Certification of the Chief Financial Officer dated November 10, 2003.

32.1 Written Statement of the Chief Executive Officer dated November 10, 2003.

32.2 Written Statement of the Chief Financial Officer dated November 10, 2003.

(b) Reports on Form 8-K

The following reports on Form 8-K were filed during the period covered by this report:

On July 23, 2003, the Company filed a report on Form 8-K which reported the fiscal 2003 fourth quarter and fiscal year end results under Item 12.

On August 22, 2003, the Company filed a report on Form 8-K which reported under Item 5 that JKHY Partners, a family partnership owned by Chief Executive Officer Michael Henry and his sister, had entered into a Prearranged Trading Plan with respect to its shares of Company common stock.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Quarterly Report on Form 10-Q to be signed on behalf of the undersigned thereunto duly authorized.

JACK HENRY & ASSOCIATES, INC.

Date: November 10, 2003 /s/ Michael E. Henry

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Michael E. Henry
Chairman of the Board
Chief Executive Officer

Date: November 10, 2003 /s/ Kevin D. Williams
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Kevin D. Williams
Treasurer and Chief Financial Officer

EXHIBIT 31.1

CERTIFICATION

I, Michael E. Henry, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Jack Henry & Associates, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information ; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: November 10, 2003

/s/ Michael E. Henry

Michael E. Henry
Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, Kevin D. Williams, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Jack Henry & Associates, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information ; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: November 10, 2003

/s/ Kevin D. Williams

Kevin D. Williams
Chief Financial Officer

EXHIBIT 32.1

Written Statement of the Chief Executive Officer
Pursuant to 18 U.S.C. Section 1350

Solely for the purposes of complying with 18 U.S.C. Section 1350, I, the undersigned Chief Executive Officer of Jack Henry & Associates, Inc. (the "Company"), hereby certify that the Quarterly Report on Form 10-Q of the Company for the three months ended September 30, 2003 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 10, 2003

*/s/ Michael E. Henry
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Michael E. Henry
Chief Executive Officer

* A signed original of this written statement required by Section 906 has been provided to Jack Henry & Associates, Inc. and will be retained by Jack Henry & Associates, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.2

Written Statement of the Chief Financial Officer
Pursuant to 18 U.S.C. Section 1350

Solely for the purposes of complying with 18 U.S.C. Section 1350, I, the undersigned Chief Financial Officer of Jack Henry & Associates, Inc. (the "Company"), hereby certify that the Quarterly Report on Form 10-Q of the Company for the three months ended September 30, 2003 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 10, 2003

*/s/ Kevin D. Williams
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Kevin D. Williams
Chief Financial Officer

* A signed original of this written statement required by Section 906 has been provided to Jack Henry & Associates, Inc. and will be retained by Jack Henry & Associates, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.