

FACT SHEET

Demonstrating the Value of Blinn College- Bryan Campus

DECEMBER 2013

Blinn-Bryan creates a significant positive impact on the local business community and generates a return on investment to its major stakeholder groups—students, society, and taxpayers. Using a two-pronged approach that involves a regional economic impact analysis and an investment analysis, the study calculates the benefits to each of these groups. Results of the analysis reflect Fiscal Year (FY) 2012-13.

INCOME CREATED BY BLINN-BRYAN IN FY 2012-13 (ADDED INCOME)

\$39 MILLION

Effect of college operations

\$37.5 MILLION

Effect of student spending

\$170.9 MILLION

Effect of student productivity

\$247.4 MILLION

Total effect

IMPACT ON LOCAL BUSINESS COMMUNITY

During the analysis year, Blinn-Bryan and its students added **\$247.4 MILLION** in income to the Blinn College Service Area economy, approximately equal to **0.7%** of the region's Gross Regional Product. The economic impacts of Blinn-Bryan break down as follows:

Impact of college operations

- Blinn-Bryan employed 858 full-time and part-time employees in FY 2012-13. Payroll amounted to **\$34.1 MILLION**, much of which was spent in the Blinn College Service Area to purchase groceries, clothing, and other household goods and services. The college spent another **\$17.1 MILLION** to support its day-to-day operations.
- The net impact of college payroll and expenses in the Blinn College Service Area during the analysis year was approximately **\$39 MILLION** in added regional income.

Impact of student spending

- About **46.4%** of students at Blinn-Bryan relocated to the Blinn College Service Area from outside of the region and spent money at local businesses to purchase groceries, rent accommodation, pay for transport, and so on.
- The expenditures of students who relocated to the region during the analysis year added approximately **\$37.5 MILLION** in income to the economy.

Impact of student productivity

- Over the years, students have studied at Blinn-Bryan and entered or re-entered the workforce with newly-acquired skills. Today thousands of these former students are employed in the Blinn College Service Area.
- The accumulated contribution of former students currently employed in the regional workforce amounted to **\$170.9 MILLION** in added income during the analysis year.

JOB EQUIVALENTS BASED ON INCOME

Job equivalents are a measure of the average-wage jobs that a given amount of income can potentially support. They are calculated by dividing income by the average income per worker in the region. Based on the added income created by Blinn-Bryan, the job equivalents are as follows:

Effect of college operations = **880** job equivalents

Effect of student spending = **846** job equivalents

Effect of student productivity = **3,860** job equivalents

Overall, the added income created by Blinn-Bryan and its students supported **5,587** job equivalents.

FOR EVERY \$1 SPENT...

\$3.70

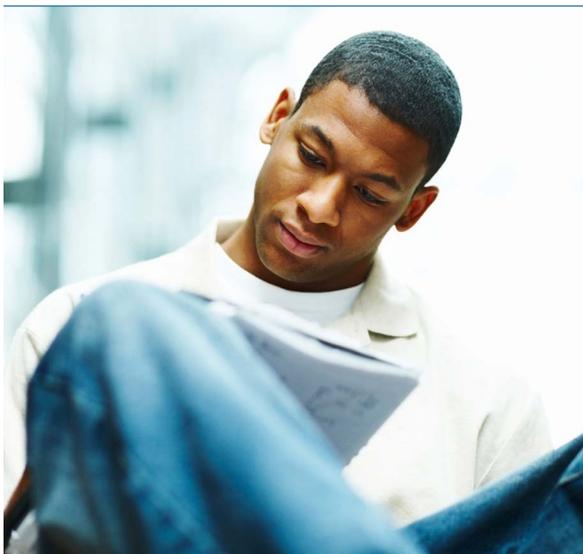
Gained in lifetime income for STUDENTS

\$69.50

Gained in added state income and social savings for SOCIETY

\$5.00

Gained in added taxes and public sector savings for TAXPAYERS



RETURN ON INVESTMENT TO STUDENTS, SOCIETY, AND TAXPAYERS

Student perspective

- Blinn-Bryan's 2012-13 students paid a total of **\$52.2 MILLION** to cover the cost of tuition, fees, books, and supplies. They also forwent **\$135.5 MILLION** in money that they would have earned had they been working instead of learning.
- In return for the monies invested in the college, students will receive a present value of **\$687 MILLION** in increased earnings over their working lives. This translates to a return of **\$3.70** in higher future income for every \$1 that students invest in their education. The average annual return for students is **13.8%**.

Social perspective

- Society as a whole in Texas will receive a present value of **\$1.3 BILLION** in added state income over the course of the students' working lives. Society will also benefit from **\$57 MILLION** in present value social savings related to reduced crime, lower unemployment, and increased health and well-being across the state.
- For every dollar that state taxpayers spent on Blinn-Bryan during the analysis year, society will receive a cumulative value of **\$69.50** in benefits, for as long as Blinn-Bryan's 2012-13 students remain active in the state workforce.

Taxpayer perspective

- In FY 2012-13, state taxpayers in Texas paid **\$19.7 MILLION** to support the operations of Blinn-Bryan. The net present value of the added tax revenue stemming from the students' higher lifetime incomes and the increased output of businesses amounts to **\$86.2 MILLION** in benefits to taxpayers. Savings to the public sector add another **\$11.9 MILLION** in benefits due to a reduced demand for government-funded services in Texas.
- Dividing benefits to taxpayers by the associated costs yields a **5.0** benefit-cost ratio, i.e., every \$1 in costs returns \$5.00 in benefits. The average annual return on investment for taxpayers is **10.7%**.