



FACT SHEET

The Economic Value of Umpqua Community College | July 2017

Umpqua Community College (UCC) creates a significant positive impact on the business community and generates a return on investment to its major stakeholder groups—students, taxpayers, and society. Using a two-pronged approach that involves an economic impact analysis and an investment analysis, this study calculates the benefits to each of these groups. Results of the analysis reflect Fiscal Year (FY) 2015-16.

IMPACTS CREATED BY UCC IN FY 2015-16

ADDED INCOME	JOBS
\$28.5 million	485
Operations spending impact	
\$1.6 million	34
Construction spending impact	
\$7.4 million	179
Student spending impact	
\$144.4 million	2,952
Alumni impact	
\$181.9 million	3,650
Total impact	

IMPACT ON BUSINESS COMMUNITY

During the analysis year, UCC and its students added **\$181.9 million** in income to the Douglas County economy, approximately equal to **5.3%** of the county's total gross regional product. By comparison, this impact from the college is slightly larger than the Agriculture, Forestry, Fishing, & Hunting industry in the county. The economic impacts of UCC break down as follows:

Operations spending impact

- UCC employed 420 full-time and part-time employees in FY 2015-16. Payroll amounted to **\$23.6 million**, much of which was spent in Douglas County to purchase groceries, clothing, and other household goods and services. The college spent another **\$12.2 million** to support its day-to-day operations.
- The net impact of college payroll and expenses in Douglas County during the analysis year was approximately **\$28.5 million** in income.

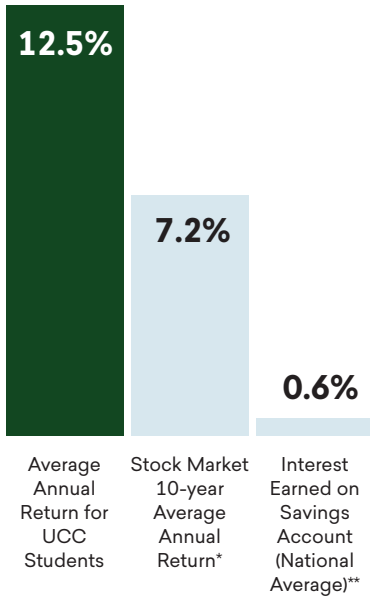
Construction spending impact

- UCC commissioned contractors to build or renovate its facilities during the analysis year, generating a short-term infusion of spending and jobs in the regional economy.
- The net impact of UCC's construction spending in FY 2015-16 was **\$1.6 million** in added income for the county.

Student spending impact

- Around 9% of students attending UCC originated from outside the county. Some of these students relocated to Douglas County. In addition, a number of students would have left the county if not for UCC. These relocated and retained students spent money on groceries, transportation, rent, and so on at county businesses.

STUDENT RATE OF RETURN



* Forbes' S&P 500, 1994-2014.

** FDIC.gov 12-2016.

- The expenditures of retained students during the analysis year added approximately **\$7.4 million** in income to the Douglas County economy.

Alumni impact

- Over the years, students have studied at UCC and entered or re-entered the workforce with newly-acquired skills. Today, thousands of these former students are employed in Douglas County.
- The accumulated contribution of former students currently employed in the county workforce amounted to **\$144.4 million** in added income during the analysis year.

RETURN ON INVESTMENT TO STUDENTS, TAXPAYERS, AND SOCIETY

Student perspective

- UCC's FY 2015-16 students paid a total of **\$7.4 million** to cover the cost of tuition, fees, and supplies. They also forewent **\$29.6 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 **\$99.1 million** in increased earnings over their working lives. This translates to a return of **\$2.70** in higher future earnings for every \$1 that students invest in their education. The average annual return for students is **12.5%**.

Taxpayer perspective

- In FY 2015-16, state and local taxpayers in Oregon paid **\$25.2 million** to support the operations of UCC. The net present value of the added tax revenue stemming from the students' higher lifetime earnings and the increased output of businesses amounts to **\$47.3 million** in benefits to taxpayers. Savings to the public sector add another **\$4.2 million** in benefits due to a reduced demand for government-funded services in Oregon.
- Dividing benefits to taxpayers by the associated costs yields a **2.0** benefit-cost ratio, i.e., every \$1 in costs returns \$2.00 in benefits. The average annual return on investment for taxpayers is **6.5%**.

Social perspective

- The economic base in Oregon will grow by **\$472.7 million** over the course of the students' working lives. Society will also benefit from **\$12.1 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 society spent on UCC educations during the analysis year, society will receive a cumulative value of **\$5.90** in benefits, for as long as the FY 2015-16 student population at UCC remains active in the state workforce.

