



Analysis of the Economic Impact of Education and Return on Investment

THE ECONOMIC VALUE OF KEENE STATE COLLEGE

FY 2014–15

What is an economic impact analysis?

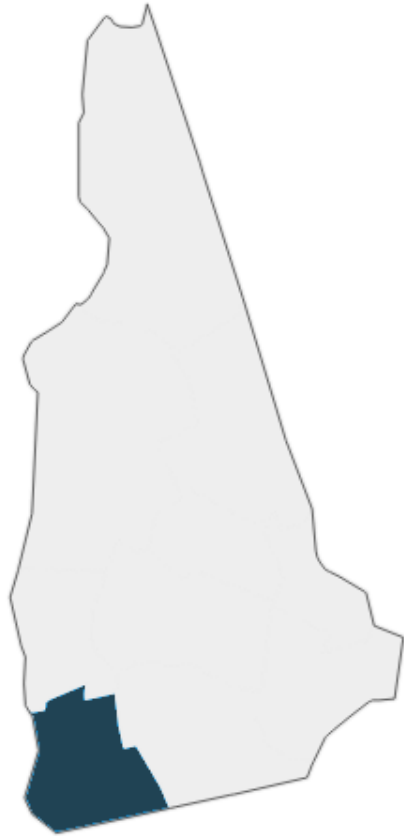
Measures how an event or institution affects the local economy.

What is an investment analysis?

A comparison of the costs and benefits to determine the return on investment.



About the KSC Service Area



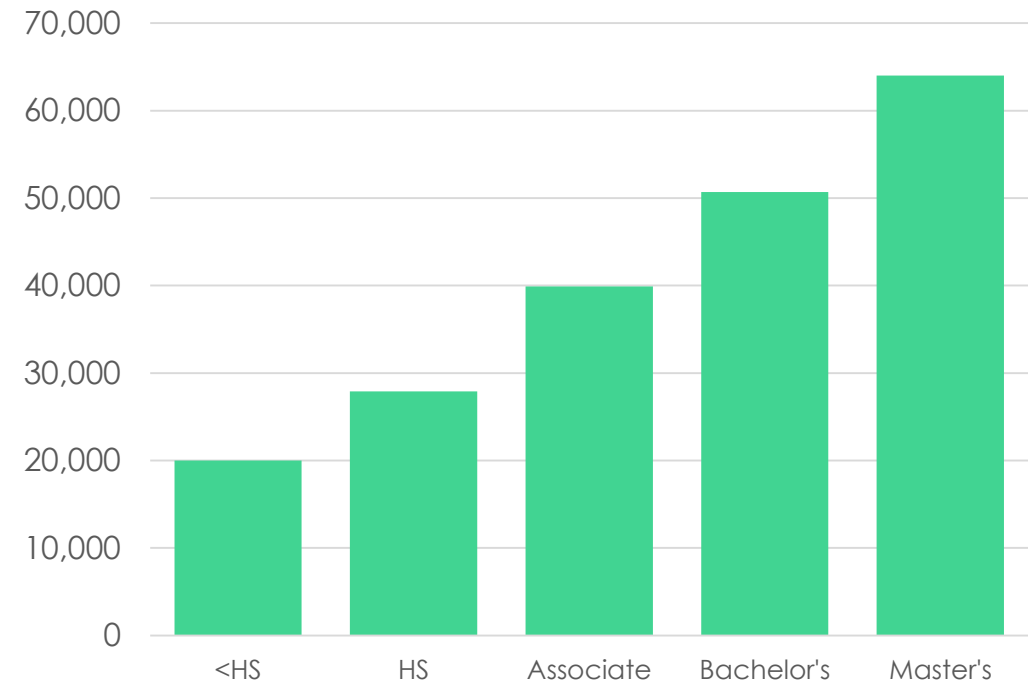
\$3.2 BILLION

**TOTAL GROSS
REGIONAL PRODUCT**

45,688

TOTAL JOBS

**HIGHER EARNINGS BY EDUCATION LEVEL
AT CAREER MIDPOINT**



KSC in FY 2014-15

5,224

CREDIT STUDENTS SERVED

723

NON-CREDIT STUDENTS SERVED

2,570

EMPLOYEES

\$66.9 MILLION

TOTAL PAYROLL/BENEFITS

90%

STUDENTS FROM OUTSIDE
THE REGION

19%

STUDENTS REMAINING IN
THE REGION AFTER LEAVING
THE COLLEGE



Overview of Results

\$138.3 MILLION

TOTAL INCOME SUPPORTED
IN THE REGION

4,053

JOBS SUPPORTED IN THE REGION

4.3%

OF THE REGION'S GRP

3.0

BENEFIT-COST RATIO FOR
STUDENTS

5.9

BENEFIT-COST RATIO FOR STATE
GOVERNMENT



Operations Spending Impact

College payroll and other
spending + ripple effects

\$74 MILLION

ADDED REGIONAL
INCOME

or

2,642

EQUIVALENT JOBS
SUPPORTED
IN THE REGION

Research Spending Impact

Research payroll and other
research spending + ripple
effects

\$2.7 MILLION

ADDED REGIONAL
INCOME

or

97

EQUIVALENT JOBS
SUPPORTED
IN THE REGION

Student Spending Impact

Relocated/Retained student
spending + ripple effects

\$5.3 MILLION

ADDED REGIONAL
INCOME

or

210

EQUIVALENT JOBS
SUPPORTED
IN THE REGION

*All results measured in income, not sales
Results are net of counterfactual scenarios*



Visitor Spending Impact

Out-of-region and retained visitor
spending + ripple effects

\$0.8 MILLION

ADDED REGIONAL
INCOME

or

26

EQUIVALENT JOBS
SUPPORTED
IN THE REGION

Alumni Impact

Higher alumni earnings and
increased business profit + ripple
effects

\$55.5 MILLION

ADDED REGIONAL
INCOME

or

1,078

EQUIVALENT JOBS
SUPPORTED
IN THE REGION



*All results measured in income, not sales
Results are net of counterfactual scenarios*



Total Impact

4.3%
of Gross Regional Product (GRP)

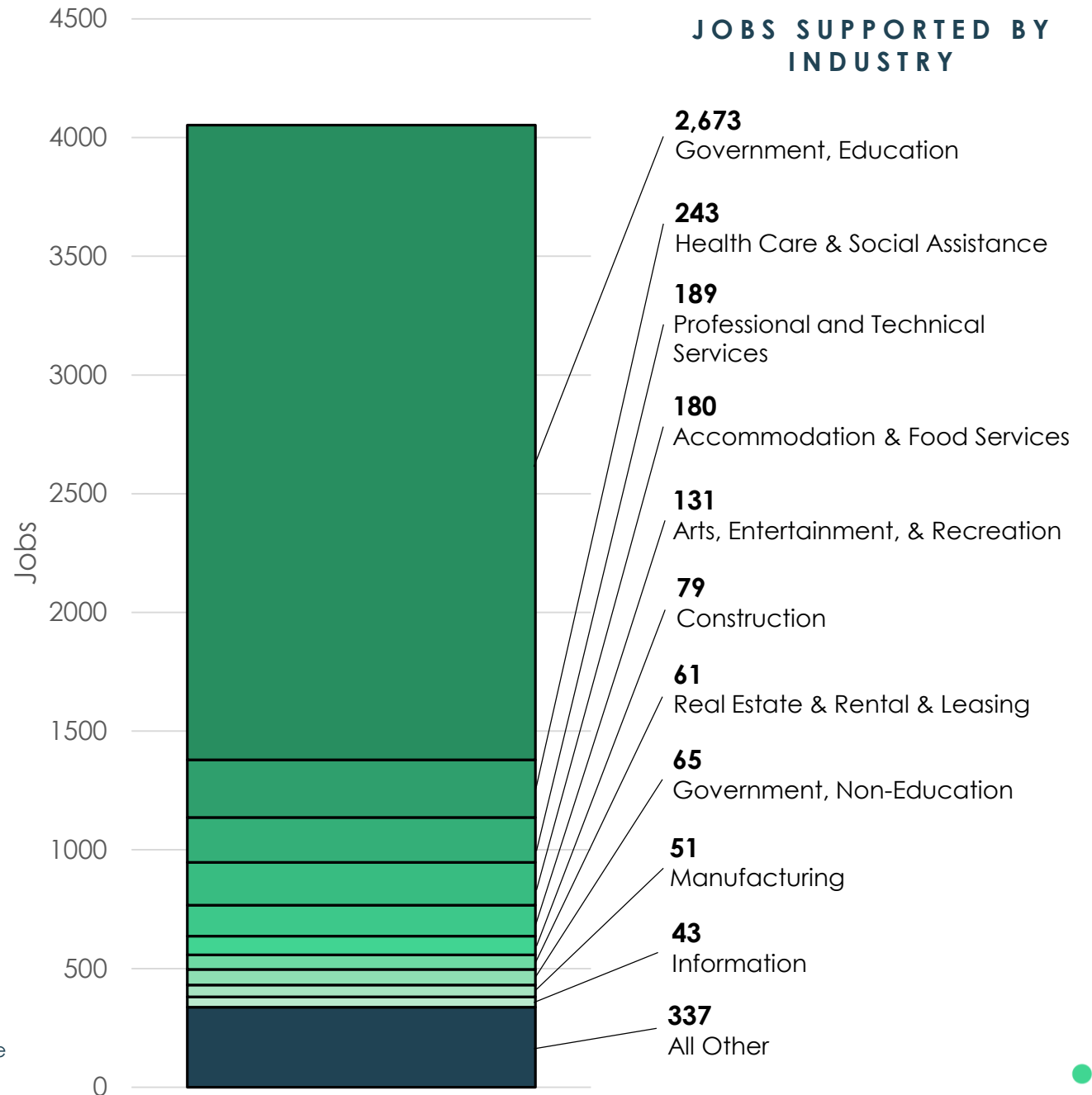
\$138.3 MILLION

TOTAL ADDED
REGIONAL INCOME

or

4,053
TOTAL EQUIVALENT JOBS IN
THE REGION

Note: Equivalent jobs 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 annual wages per worker in the region.



Student Perspective

\$357.2 MILLION

Benefit: Higher future earnings

\$120.8 MILLION

Cost: Tuition, supplies, opportunity cost

3.0

BENEFIT/COST RATIO

12.5%

RATE OF RETURN

State Government Perspective

\$70.1 MILLION

Benefit: Future tax revenue, government savings

\$11.8 MILLION

Cost: State funding

5.9

BENEFIT/COST RATIO

43.5%

RATE OF RETURN

Social Perspective

\$651.7 MILLION

Benefit: Future earnings, tax revenue, private savings

\$183.3 MILLION

Cost: Student and all college costs

3.6

BENEFIT/COST RATIO

N/A

RATE OF RETURN

Note: Future benefits are discounted to the present.



Adding income to your region

- Add value to your **alumni**.
- Push **workforce training** and **dual-credit**
- Increase **enrollment**
- Keep your graduates **in-region**.
- Attract **outside funding**.

Note that external factors heavily influence a college's impact.



Next steps

- Send the executive summary to **regional legislators**
- Use **social media** to broadcast student returns to prospective students and parents
- Share industry impacts with **local business partners**
- Leverage impacts for **proposals, grant writing, & strategic planning**
- **Publish results** in campus fliers, newsletters, & websites
- Share results with **local media**

How can Emsi help?

- Emsi's press packet
- Ongoing presentations from your Emsi economist
- Email or call us anytime



The results of this study were prepared by

