FACT SHEET

Demonstrating the Value of Blinn College-Brenham Campus

DECEMBER 2013

Blinn-Brenham 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-BRENHAM IN FY 2012-13 (ADDED INCOME)

<table>
<thead>
<tr>
<th>Amount</th>
<th>Description</th>
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<tbody>
<tr>
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<td>Effect of college operations</td>
</tr>
<tr>
<td>$5.9 million</td>
<td>Effect of student spending</td>
</tr>
<tr>
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</tr>
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<td>$83 million</td>
<td>Total effect</td>
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IMPACT ON LOCAL BUSINESS COMMUNITY

During the analysis year, Blinn-Brenham and its students added $83 million in income to the Blinn College Service Area economy, approximately equal to 0.2% of the region’s Gross Regional Product. The economic impacts of Blinn-Brenham break down as follows:

Impact of college operations
- Blinn-Brenham employed 509 full-time and part-time employees in FY 2012-13. Payroll amounted to $17.8 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 $8.9 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 $20.7 million in added regional income.

Impact of student spending
- About 37.6% of students at Blinn-Brenham 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 $5.9 million in income to the economy.

Impact of student productivity
- Over the years, students have studied at Blinn-Brenham 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 $56.4 million in added income during the analysis year.

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**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-Brenham, the job equivalents are as follows:

- Effect of college operations = 469 job equivalents
- Effect of student spending = 134 job equivalents
- Effect of student productivity = 1,272 job equivalents
- Overall, the added income created by Blinn-Brenham and its students supported 1,875 job equivalents.

**FOR EVERY $1 SPENT...**

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<tr>
<td>Gained in lifetime income for STUDENTS</td>
<td>$4.30</td>
</tr>
<tr>
<td>Gained in added state income and social savings for SOCIETY</td>
<td>$60.90</td>
</tr>
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<td>Gained in added taxes and public sector savings for TAXPAYERS</td>
<td>$4.30</td>
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**RETURN ON INVESTMENT TO STUDENTS, SOCIETY, AND TAXPAYERS**

**Student perspective**

- Blinn-Brenham’s 2012-13 students paid a total of **$9.8 MILLION** to cover the cost of tuition, fees, books, and supplies. They also forwent **$27.7 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 **$162.2 MILLION** in increased earnings over their working lives. This translates to a return of **$4.30** in higher future income for every $1 that students invest in their education. The average annual return for students is **15.3%**.

**Social perspective**

- Society as a whole in Texas will receive a present value of **$378.9 MILLION** in added state income over the course of the students’ working lives. Society will also benefit from **$10.9 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 and local taxpayers spent on Blinn-Brenham during the analysis year, society will receive a cumulative value of **$60.90** in benefits, for as long as Blinn-Brenham’s 2012-13 students remain active in the state workforce.

**Taxpayer perspective**

- In FY 2012-13, state and local taxpayers in Texas paid **$6.4 MILLION** to support the operations of Blinn-Brenham. The net present value of the added tax revenue stemming from the students’ higher lifetime incomes and the increased output of businesses amounts to **$24.9 MILLION** in benefits to taxpayers. Savings to the public sector add another **$2.8 MILLION** in benefits due to a reduced demand for government-funded services in Texas.

- Dividing benefits to taxpayers by the associated costs yields a **4.3** benefit-cost ratio, i.e., every $1 in costs returns $4.30 in benefits. The average annual return on investment for taxpayers is **9.4%**.