FACT SHEET
Demonstrating the Value of Blinn College- Schulenberg Campus

DECEMBER 2013

Blinn-Schulenberg 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-SCHULENBERG IN FY 2012-13 (ADDED INCOME)

<table>
<thead>
<tr>
<th>Effect</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Effect of college operations</strong></td>
<td>$1.1 million</td>
</tr>
<tr>
<td><strong>Effect of student spending</strong></td>
<td>$769,600</td>
</tr>
<tr>
<td><strong>Effect of student productivity</strong></td>
<td>$9.2 million</td>
</tr>
<tr>
<td><strong>Total effect</strong></td>
<td>$11.1 million</td>
</tr>
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</table>

IMPACT ON LOCAL BUSINESS COMMUNITY

During the analysis year, Blinn-Schulenberg and its students added $11.1 MILLION in income to the Blinn College Service Area economy, approximately equal to <1% of the region's Gross Regional Product. The economic impacts of Blinn-Schulenberg break down as follows:

**Impact of college operations**

- Blinn-Schulenberg employed 39 full-time and part-time employees in FY 2012-13. Payroll amounted to $956,368, 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 $480,224 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 $1.1 million in added regional income.

**Impact of student spending**

- About 35.2% of students at Blinn-Schulenberg 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 $769,557 in income to the economy.

**Impact of student productivity**

- Over the years, students have studied at Blinn-Schulenberg 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 $9.2 MILLION in added income during the analysis year.
**Return on Investment to Students, Society, and Taxpayers**

**Student perspective**
- Blinn-Schulenberg’s 2012-13 students paid a total of $952,027 to cover the cost of tuition, fees, books, and supplies. They also forwent $3.1 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 $21.1 million in increased earnings over their working lives. This translates to a return of $5.20 in higher future income for every $1 that students invest in their education. The average annual return for students is 17.5%.

**Social perspective**
- Society as a whole in Texas will receive a present value of $22.9 million in added state income over the course of the students’ working lives. Society will also benefit from $626,586 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-Schulenberg during the analysis year, society will receive a cumulative value of $66.40 in benefits, for as long as Blinn-Schulenberg’s 2012-13 students remain active in the state workforce.

**Taxpayer perspective**
- In FY 2012-13, state taxpayers in Texas paid $354,042 to support the operations of Blinn-Schulenberg. The net present value of the added tax revenue stemming from the students’ higher lifetime incomes and the increased output of businesses amounts to $1.5 million in benefits to taxpayers. Savings to the public sector add another $130,004 in benefits due to a reduced demand for government-funded services in Texas.
- Dividing benefits to taxpayers by the associated costs yields a 4.6 benefit-cost ratio, i.e., every $1 in costs returns $4.60 in benefits. The average annual return on investment for taxpayers is 10.0%.

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

- Effect of college operations = 25 job equivalents
- Effect of student spending = 17 job equivalents
- Effect of student productivity = 208 job equivalents

Overall, the added income created by Blinn-Schulenberg and its students supported 250 job equivalents.

**For Every $1 Spent...**

<table>
<thead>
<tr>
<th>Benefit</th>
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<tr>
<td>Gained in lifetime income for students</td>
<td>$5.20</td>
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<tr>
<td>Gained in added state income and social savings for society</td>
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**For every $1 spent...**

- $5.20 gained in lifetime income for students
- $66.40 gained in added state income and social savings for society
- $4.60 gained in added taxes and public sector savings for taxpayers

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