The economic value of San Jose-Evergreen Community College District

ANALYSIS OF THE ECONOMIC IMPACT AND RETURN ON INVESTMENT OF EDUCATION
Emsi & Community Colleges

15+ years working with higher education institutions

2,000+ economic impact studies completed

1.2M students used Emsi’s career pathways tool last year

9 of 10 2019 Aspen Prize finalists are Emsi customers
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 Santa Clara County

Average Earnings by Education Level

- < HS: $48,800
- HS: $65,300
- Certificate: $75,800
- Associate: $85,500
- Bachelor's: $124,500

$341 billion
Total Gross Regional Product (GRP)

1,439,703
Total Jobs
SJECCD in FY 2018-19

28,703  Credit students served

658  Non-credit students served

$115.8 million  Total payroll/benefits

1,038  Employees

$10.7 million  Total tuition revenue

19%  Students from outside the county
Overview of results

$895.7 million
Total income added to the county

0.3%
Of county’s GRP

6,917
Total jobs supported in the county

6.1
Benefit-cost ratio for students

2.3
Benefit-cost ratio for taxpayers

12.0
Benefit-cost ratio for society
**ECONOMIC IMPACT ANALYSIS**

<table>
<thead>
<tr>
<th>Category</th>
<th>Impact Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operations Spending Impact</strong></td>
<td>District payroll and other spending + ripple effects</td>
<td>$114.6 million</td>
</tr>
<tr>
<td><strong>Student Spending Impact</strong></td>
<td>Relocated/retained student spending + ripple effects</td>
<td>$37.7 million</td>
</tr>
<tr>
<td><strong>Alumni Impact</strong></td>
<td>Higher alumni earnings and increased business profit + ripple effects</td>
<td>$726 million</td>
</tr>
</tbody>
</table>

- **Addition county income**
  - Operations: $114.6 million
  - Student: $37.7 million
  - Alumni: $726 million

- **Jobs supported in the county**
  - Operations: 984 jobs
  - Student: 554 jobs
  - Alumni: 5,209 jobs

All results measured in income, not sales. Results are net of counterfactual scenarios.
$895.7 million
Total income added in the county

0.3%
Of county’s GRP

6,917
Total jobs supported in the county
### INVESTMENT ANALYSIS

<table>
<thead>
<tr>
<th>Perspective</th>
<th>Benefit</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Student Perspective</strong></td>
<td>Higher future earnings</td>
<td>$146.8 million Tuition, supplies, opportunity cost</td>
</tr>
<tr>
<td><strong>Taxpayer Perspective</strong></td>
<td>Future tax revenue, government savings</td>
<td>$147.4 million State and local funding</td>
</tr>
<tr>
<td><strong>Social Perspective</strong></td>
<td>Future earnings, tax revenue, private savings</td>
<td>$335 million All district and student costs</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ratio</th>
<th><strong>Benefit/cost ratio</strong></th>
<th><strong>Rate of return</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Student Perspective</strong></td>
<td>6.1</td>
<td>20.7%</td>
</tr>
<tr>
<td><strong>Taxpayer Perspective</strong></td>
<td>2.3</td>
<td>6.1%</td>
</tr>
<tr>
<td><strong>Social Perspective</strong></td>
<td>12.0</td>
<td>n/a</td>
</tr>
</tbody>
</table>

*Future benefits are discounted to the present.*
The results of this study were prepared by

For a copy of the report, please contact SJECCD.