Economic Impact Study

- Major data sources:
  - UVU Expense Report for Fiscal Years 2004-2010
  - UVU Factbook 2009-2010
  - U.S. Census Bureau’s American Community Survey
  - IMPLAN multipliers for the regions of analysis
- Conducted by Jack Faucett, Associates (JFA)
Economic Impact Study

- UVU expenditures and student spending
  - Matched with economic sectors in the IMPLAN model
  - Service region and state level economic impact multipliers
  - IMPLAN analysis provides the direct, indirect, induced, and total economic impacts
- The study also examined other measures of UVU’s impacts:
  - Return on investment (total economic impact/state funding)
  - UVU’s impact on students’ potential lifetime earnings.
Total economic impact is the sum of its direct, indirect, and induced impacts

- **Direct Impacts**: Impacts from the economic activities directly associated with UVU
- **Indirect Impacts**: Output (gross sales), jobs, and labor income associated with organizations and entities that support direct activities
- **Induced Impacts**: Accrue when workers in the direct and indirect industries spend their wages on local goods and services and stimulate other sectors in the local economy

Value-added impact is the value added to inputs to convert them into outputs.
Total Direct Expenditure
- “Imported” Finished Goods and Services
= Output

Output
- All Other Inputs
= Value Added
For every tax dollar it invests in UVU, the State of Utah has a return of $7.97 in output and $5.58 in value added.

- Total Output Economic Impact: $534.4 million state/$458.7 million region
- Total Value-Added Economic Impact: $373.9 million/$333.7 million region
- The return of investment has increased 21% in the past five years.
• Total tax (federal, state, local) impact: $74 million

• Employment impact:
  • Directly employs 1,529 full time employees and 2,982 part time employees
  • Indirectly supports an additional 6,399 jobs in its service region
For the cohort of 3,739 students who graduated in 2009-10, UVU will contribute more than $1.9 billion in earnings over their lifetime.

**UVU’s Contribution to the Annual Earnings of Its Graduates**

<table>
<thead>
<tr>
<th>Degree</th>
<th>Marginal Annual Improvement of Earnings Over High School Diploma*</th>
<th>Average Annual Earnings with a High School Diploma*</th>
</tr>
</thead>
<tbody>
<tr>
<td>High School Diploma</td>
<td>$17,464</td>
<td>$17,464</td>
</tr>
<tr>
<td>Some College</td>
<td>$3,894</td>
<td>$21,358</td>
</tr>
<tr>
<td>Associate</td>
<td>$8,131</td>
<td>$29,595</td>
</tr>
<tr>
<td>Bachelor</td>
<td>$19,071</td>
<td>$40,606</td>
</tr>
<tr>
<td>Master/Professional</td>
<td>$36,535</td>
<td>$50,000</td>
</tr>
</tbody>
</table>

*Master column reflects average Bachelor and marginal increase over Bachelor*
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- Full report to be posted at http://www.uvu.edu/iri/
- Questions:
  - Linda Makin
  - Robert Loveridge
  - Andrea Brown
- Thanks to all who provided data and information!