

# Utah Valley University Career & Technical Education Economic Impact

February 25, 2014



# CTE Economic Impact Study

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- ◉ Major data sources:
  - UVU Expense Report for Fiscal Years 2010-2013
  - 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)

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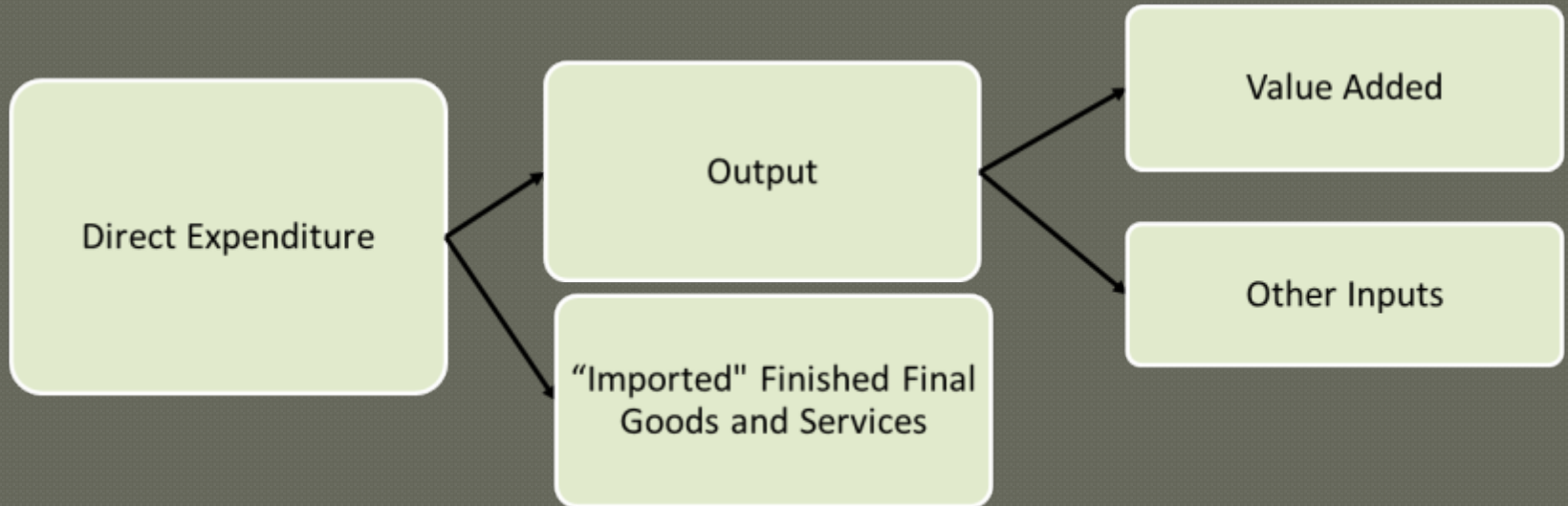
- UVU expenditures and student spending
  - Matched with economic sectors in the IMPLAN model
  - Service region and state level economic impact multipliers
  - IMPLAN analysis provides the direct, indirect, induced, and total economic impacts
- The study also examined other measures of UVU's impacts: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

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- 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.

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**Total Direct Expenditure**  
- **"Imported" Finished Goods and Services**  
= **Output**

**Output**  
- **All Other Inputs**  
= **Value Added**

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- Every federal Perkins program tax dollar invested in UVU, CTE had a return of \$42.81 for State of Utah/ \$38.35 for the service region
- Total Output Economic Impact: \$63.3 million state/\$54.4 million region
- Total Value-Added Economic Impact: \$47.4 million state/\$42.5 million region
- CTE provides an approximate increase (above a high school diploma) in lifetime earnings of \$130,444 for those who earn a certificate and \$280,136 for an associate degree holder

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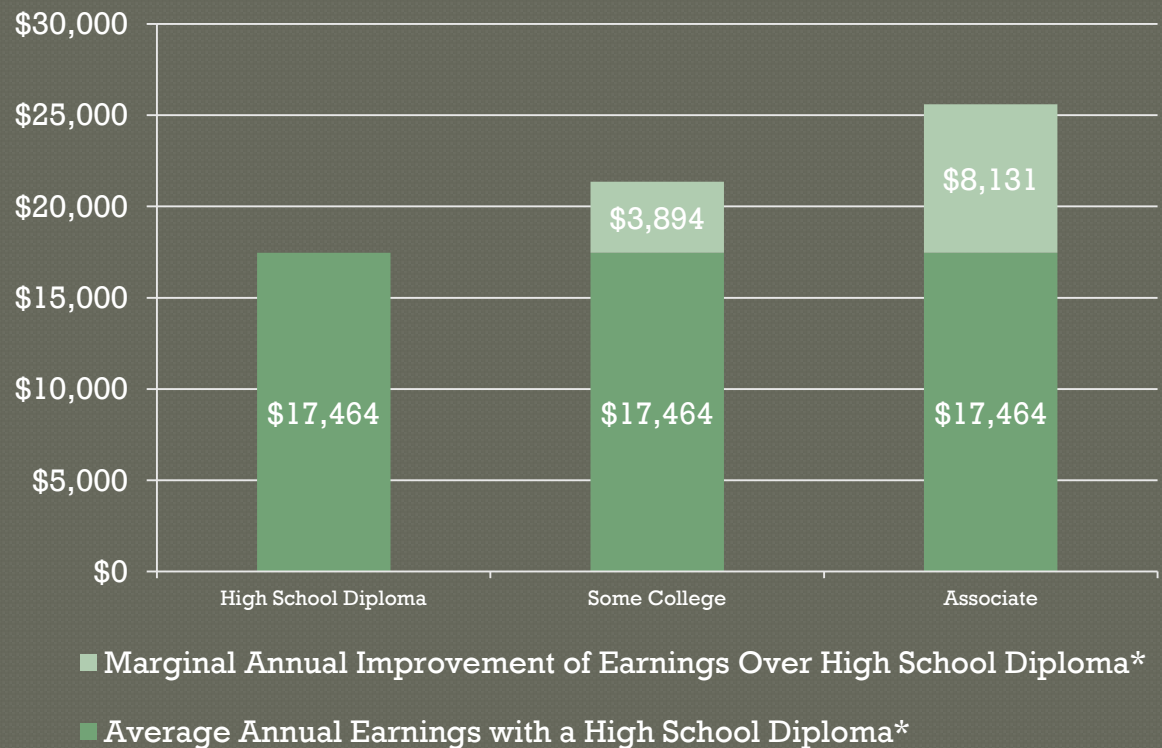
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- Total tax (federal, state, local) impact:  
**\$8.8 million**
- Employment impact:
  - UVU employs 492 faculty involved in CTE instruction
  - CTE indirectly supports an additional 791 jobs in its service region

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For the 617 students who graduated in 2009-10 from a CTE program, these UVU graduates will contribute more than \$155.8 million in earnings over their lifetime.

## UVU's Contribution to the Annual Earnings of Its CTE Graduates



\*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:
  - Susan Thackeray, UVU CTE Director
  - Robert Loveridge, UVU IRI Director
  - Shannen Robson, UVU IRI Sr. Research Analyst
- Thanks to all who provided data and information!