The economic value of Moberly Area Community College

ANALYSIS OF THE ECONOMIC IMPACT AND RETURN ON INVESTMENT OF EDUCATION
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 the MACC Service Region

Average Earnings by Education Level

- < HS: $18,900
- HS: $22,800
- Certificate: $26,100
- Associate: $29,500
- Bachelor's: $40,000

$15.7 billion
Total Gross Regional Product (GRP)

228,393
Total Jobs
MACC in FY 2017-18

7,333
Credit students served

788
Non-credit students served

$16.8 million
Total payroll/benefits

567
Employees

$12.8 million
Total tuition revenue

21%
Students from outside the region
Overview of results

$89.7 million
Total income added to the region

0.6%
Of region’s GRP

1,861
Total jobs supported in the region

4.2
Benefit-cost ratio for students

5.9
Benefit-cost ratio for taxpayers

9.9
Benefit-cost ratio for society
ECONOMIC IMPACT ANALYSIS

**Operations Spending Impact**
College payroll and other spending + ripple effects

$21.1 million
Added regional income

OR

641
Jobs supported in the region

**Student Spending Impact**
Relocated/retained student spending + ripple effects

$4.3 million
Added regional income

OR

132
Jobs supported in the region

**Alumni Impact**
Higher alumni earnings and increased business profit + ripple effects

$64.2 million
Added regional income

OR

1,089
Jobs supported in the region

All results measured in income, not sales. Results are net of counterfactual scenarios.
Total Impact

$89.7 million
Total income added in the region

0.6%
Of region’s GRP

1,861
Total jobs supported in the region

Impacts by industry (jobs supported)

- Retail Trade: 417
- Health Care & Social Assistance: 133
- Government, Non-Education: 117
- Accommodation & Food Services: 115
- Real Estate & Rental & Leasing: 53
- All Other: 1,026
<table>
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<tr>
<th>Perspective</th>
<th>Benefit/Cost Ratio</th>
<th>Future Benefits (Present Value)</th>
<th>Rate of Return</th>
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<tr>
<td>Student Perspective</td>
<td>4.2</td>
<td>$124 million</td>
<td>15.4%</td>
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<tr>
<td>Taxpayer Perspective</td>
<td>5.9</td>
<td>$42.5 million</td>
<td>14.4%</td>
</tr>
<tr>
<td>Social Perspective</td>
<td>9.9</td>
<td>$461.1 million</td>
<td>n/a</td>
</tr>
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</table>

Benefit: Higher future earnings
Benefit: Future tax revenue, government savings
Benefit: Future earnings, tax revenue, private savings
Cost: Tuition, supplies, opportunity cost
Cost: State and local funding
Cost: All college and student costs

Future benefits are discounted to the present.