



The Economic Value of Umpqua Community College FACT SHEET

UMPQUA Community College (UCC) creates a significant positive impact on the business community and generates a return on investment to its major stakeholder groups—students, taxpayers, and society. Using a two-pronged approach that involves an economic impact analysis and an investment analysis, this study calculates the benefits received by each of these groups. Results of the analysis reflect fiscal year (FY) 2018-19.



Economic impact analysis

In FY 2018-19, UCC added **\$199.4 million** in income to the Douglas County economy, a value approximately equal to **5.0%** of the county's total gross regional product (GRP). Expressed in terms of jobs, UCC's impact supported **3,263 jobs**. For perspective, the activities of UCC and its students support **one out of every 16 jobs** in Douglas County.

OPERATIONS SPENDING IMPACT

- UCC employed 376 full-time and part-time faculty and staff. Payroll amounted to \$20.2 million, much of which was spent in the county for groceries, mortgage and rent payments, dining out, and other household expenses. The college spent another \$9.7 million on day-to-day expenses related to facilities, supplies, and professional services.
- The net impact of the college's operations spending added **\$25.3 million** in income to the county economy in FY 2018-19.

STUDENT SPENDING IMPACT

- Around 6% of students attending UCC originated from outside the county. Some of these students relocated to Douglas County. In addition, some in-county students, referred to as retained students, would have left Douglas County for other educational opportunities if not for UCC. These relocated and retained students spent money on groceries, mortgage and rent payments, and other living expenses at county businesses.
- The expenditures of relocated and retained students in FY 2018-19 added **\$7.4 million** in income to the Douglas County economy.

IMPACTS CREATED
BY UCC IN FY 2018-19



\$25.3 million
Operations Spending Impact



\$7.4 million
Student Spending Impact



\$166.6 million
Alumni Impact



\$199.4 million
TOTAL IMPACT

- OR -

3,263
JOBS SUPPORTED



ALUMNI IMPACT

- Over the years, students have studied at UCC and entered or re-entered the workforce with newly-acquired knowledge and skills. Today, thousands of these former students are employed in Douglas County.
- The net impact of UCC's former students currently employed in the county workforce amounted to **\$166.6 million** in added income in FY 2018-19.



Investment analysis

STUDENT PERSPECTIVE

- UCC's FY 2018-19 students paid a present value of **\$7.1 million** to cover the cost of tuition, fees, supplies, and interest on student loans. They also forwent **\$16 million** in money that they would have earned had they been working instead of attending college.
- In return for their investment, students will receive **\$96.4 million** in increased earnings over their working lives. This translates to a return of **\$4.20** in higher future earnings for every dollar students invest in their education. Students' average annual rate of return is **20.7%**.

TAXPAYER PERSPECTIVE

- Taxpayers provided UCC with **\$16.9 million** of funding in FY 2018-19. In return, they will benefit from added tax revenue, stemming from students' higher lifetime earnings and increased business output, amounting to **\$31.8 million**. A reduced demand for government-funded services in Oregon will add another **\$3.1 million** in benefits to taxpayers.
- For every dollar of public money invested in UCC, taxpayers will receive **\$2.10** in return, over the course of students' working lives. The average annual rate of return for taxpayers is **6.9%**.

SOCIAL PERSPECTIVE

- In FY 2018-19, Oregon invested **\$48.9 million** to support UCC. In turn, the Oregon economy will grow by **\$327.3 million**, over the course of students' working lives. Society will also benefit from **\$9.4 million** of public and private sector savings.
- For every dollar invested in UCC in FY 2018-19, people in Oregon will receive **\$6.90** in return, for as long as UCC's FY 2018-19 students remain active in the state workforce.

STUDENTS SEE A HIGH RATE OF RETURN FOR THEIR INVESTMENT IN UCC



20.7%

Average annual return for UCC students



9.9%

Stock market 30-year average annual return



0.8%

Interest earned on savings account (National Rate Cap)

Source: Forbes' S&P 500, 1989-2018. FDIC.gov, 6-2019.



FOR EVERY \$1...



Students gain

\$4.20

in lifetime earnings



Taxpayers gain

\$2.10

in added tax revenue and public sector savings



Society gains

\$6.90

in added income and social savings

