

FACT SHEET: ECONOMIC IMPACT OF CLATSOP COMMUNITY COLLEGE

What role does Clatsop Community College (CCC) play in the local economy? The results of this study demonstrate that CCC is a sound investment from multiple perspectives. Students benefit from improved lifestyles and increased earnings. Taxpayers benefit from an enlarged economy and lower social costs. And the community as a whole benefits from increased job and investment opportunities, higher business revenues, greater availability of public funds, and an eased tax burden.

CCC stimulates the state and local economy

- The Clatsop County economy receives roughly **\$7.0 million in regional income** annually due to CCC operations and capital spending.
- CCC activities encourage new business, assist existing business, and create long-term economic growth. The college enhances worker skills and provides customized training to local business and industry. It is estimated that the present-day Clatsop County workforce embodies around **972,400 credit and non-credit hours** of past and present CCC training.
- CCC skills embodied in the workforce of Clatsop County where the former students are employed **increase regional income by \$75.0 million**. Associated indirect effects increase income by **another \$10.7 million**.
- Altogether, the Clatsop County economy annually receives roughly **\$92.6 million in income** due to the past and present efforts of CCC. Clearly it is accurate to describe CCC as an engine of economic growth.

The regional economy is \$92.6 million stronger due to the actions of CCC.

CCC leverages taxpayer dollars

- The state and local community will see **avoided social costs amounting to \$8 per year for every credit earned** by CCC students, including savings associated with improved health, reduced crime, and fewer welfare and unemployment claims.
- This translates to **\$619,000 worth of social savings** to the State of Oregon each year as long as students are in the workforce.
- Students benefit from higher earnings, thereby expanding the tax base and reducing the tax burden on state and local taxpayers. When aggregated together, CCC students generate about **\$5.7 million annually in higher earnings** due to their CCC education.

CCC generates a return on government investment

- State and local government allocated around **\$7.4 million in support of CCC** in fiscal year 2005.
- For every dollar appropriated by state and local government, taxpayers will see a **cumulative return of \$3.40** over the course of the students' working career (in the form of higher tax receipts and avoided social costs).

CCC returns \$3.40 for every dollar of taxpayer financial support.

- State and local government will see a **rate of return of 16%** on their support for CCC, which compares very favorably with private sector rates of return on similar long-term investments.

CCC increases students' earning potential

- A total of **6,983 credit and non-credit students** attended the college in academic year 2004-2005. As many as **75% of these students stay in the region** initially after they leave the college and contribute to the local economy.
- Studies demonstrate that education increases lifetime earnings. **The average annual earnings of a student with a one-year certificate are \$30,977**, or 84% more than someone without a high school diploma or GED, and 16% more than a student with a high school diploma. **The average earnings of a student with an Associate Degree are \$36,372**, or 116% more than someone without a high school diploma or GED, and 36% more than a student with a high school diploma or GED.
- CCC students will see their annual income increase, on average, by about **\$75 per year for every credit completed** at CCC during the analysis year.
- Throughout his or her working career, the average CCC student's discounted lifetime earnings (i.e., future values expressed in present value terms) will increase **\$4.70 for every education dollar invested** (in the form of tuition, fees, books, and foregone earnings from employment).
- Students enjoy an attractive **20% annual rate of return** on their CCC educational investment, and recover all costs (including wages foregone while attending) in **7 years**.

Students see their annual income increase by \$75 per year for every credit completed at CCC.