The economic value of Mott Community College

ANALYSIS OF THE ECONOMIC IMPACT AND RETURN ON INVESTMENT OF EDUCATION
Emsi & Community Colleges

15+ years working with higher education institutions

2,000+ economic impact studies completed

1.2M students used Emsi’s career pathways tool last year

9 of 10 2019 Aspen Prize finalists are Emsi customers
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 Genesee County

### Average Earnings by Education Level

<table>
<thead>
<tr>
<th>Education</th>
<th>Average Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;HS</td>
<td>$19,900</td>
</tr>
<tr>
<td>HS</td>
<td>$26,000</td>
</tr>
<tr>
<td>Certificate</td>
<td>$29,900</td>
</tr>
<tr>
<td>Associate</td>
<td>$34,400</td>
</tr>
<tr>
<td>Bachelor's</td>
<td>$48,800</td>
</tr>
</tbody>
</table>

### Additional Information

- **Total Gross Regional Product (GRP)**: $16.1 billion
- **Total Jobs**: 184,509
MCC in FY 2017-18

10,504 Credit students served

1,777 Non-credit students served

$52.2 million Total payroll/benefits

893 Employees

$21.8 million Total tuition revenue

32% Students from outside the county
Overview of results

- **$439.7 million**
  Total income added to the county

- **2.7%**
  Of county’s GRP

- **6,806**
  Total jobs supported in the county

- **5.2**
  Benefit-cost ratio for students

- **2.9**
  Benefit-cost ratio for taxpayers

- **12.3**
  Benefit-cost ratio for society
## Economic Impact Analysis

<table>
<thead>
<tr>
<th>Operations Spending Impact</th>
<th>Student Spending Impact</th>
<th>Alumni Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>College payroll and other spending + ripple effects</td>
<td>Retained student spending + ripple effects</td>
<td>Higher alumni earnings and increased business profit + ripple effects</td>
</tr>
<tr>
<td>$60.2 million</td>
<td>$5.5 million</td>
<td>$374 million</td>
</tr>
<tr>
<td>Added income</td>
<td>Added income</td>
<td>Added income</td>
</tr>
<tr>
<td>1,054</td>
<td>99</td>
<td>5,653</td>
</tr>
<tr>
<td>Jobs supported in the county</td>
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</tr>
</tbody>
</table>

All results measured in income, not sales. Results are net of counterfactual scenarios.
ECONOMIC IMPACT ANALYSIS

Total Impact

$439.7 million
Total income added in the county

2.7%
Of county’s GRP

6,806
Total jobs supported in the county

1 out of 27 jobs in the county

Top industries impacted by MCC (jobs supported)

Retail Trade
2,093

Health Care & Social Assistance
733

Other Services (except Public Administration)
379

Accommodation & Food Services
326

Government, Non-Education
321

All other industries
### Investment Analysis

**Student Perspective**
- **Benefit**: Higher future earnings
- **Cost**: Tuition, supplies, opportunity cost
- **Benefit/cost ratio**: 5.2
- **Rate of return**: 19.6%

**Taxpayer Perspective**
- **Benefit**: Future tax revenue, government savings
- **Cost**: State and local funding
- **Benefit/cost ratio**: 2.9
- **Rate of return**: 6.8%

**Social Perspective**
- **Benefit**: Future earnings, tax revenue, private savings
- **Cost**: All college and student costs
- **Benefit/cost ratio**: 12.3
- **Rate of return**: n/a

Future benefits are discounted to the present.
MCC TOTAL ANNUAL IMPACT

$439.7 million
Added income

- OR -
6,806
Jobs supported

Alumni impact
Impact of the increased earnings of MCC alumni and the businesses they work for
$374 million
Added income
an economic boost similar to hosting the World Series 62x

Operations spending impact
Impact of annual payroll and other spending
$60.2 million
Added income
enough to buy 1,773 new cars

Student spending impact
Impact of the daily spending of MCC students attracted to or retained in the county
$5.5 million
Added income
enough to buy 442 families* a year's worth of groceries

- OR -
99
Jobs supported

INVESTMENT ANALYSIS

The average associate degree graduate from MCC will see an increase in earnings of $8,900 each year compared to someone with a high school diploma working in Michigan.

<table>
<thead>
<tr>
<th>Degree Level</th>
<th>Average Earnings</th>
</tr>
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<tbody>
<tr>
<td>Bachelor's</td>
<td>$31,600</td>
</tr>
<tr>
<td>Associate</td>
<td>$26,400</td>
</tr>
<tr>
<td>Certificate</td>
<td>$21,500</td>
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</table>

For every $1...

- Students gain $5.20 in increased earnings
- Taxpayers gain $2.90 in added tax revenue and public sector savings
- Society gains $12.30 in added state revenue and public sector savings
Next Steps

Send the executive summary to state legislators.

Share industry impacts with local business partners.

Use social media to broadcast student returns to prospective students and parents.

Use campus fliers, newsletters, & websites to publish results.

Share results with state & local media.

Leverage impacts for proposals, grant writing, & strategic planning.

HOW CAN EMSI HELP?

Emsi’s press packet

Ongoing presentations from your Emsi economist

Email/call us anytime
Share your results

Combine your results with other institutional highlights to create a fact sheet.

Create a web page that includes written highlights, animations, and videos.

Include your results in your periodic publications.
Share your results

Create a press release or hold a press conference to share results with your state and local media.

Use social media to share your investment results with prospective students.

Use your study to help secure additional funding.
The results of this study were prepared by Emsi.