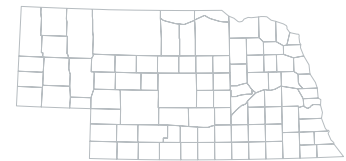


The Economic Value of Wayne State College

Wayne State College (WSC) creates a significant positive economic impact on the business community and generates a return on investment to students, taxpayers, and Nebraska as a whole. Using a two-pronged approach involving 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) 2019-20.



NEBRASKA



ECONOMIC IMPACT ANALYSIS

In FY 2019-20, WSC added **\$264.8** million in income to the Nebraska economy. Expressed in terms of jobs, WSC's impact supported **4,820 jobs** in the state.

OPERATIONS SPENDING IMPACT

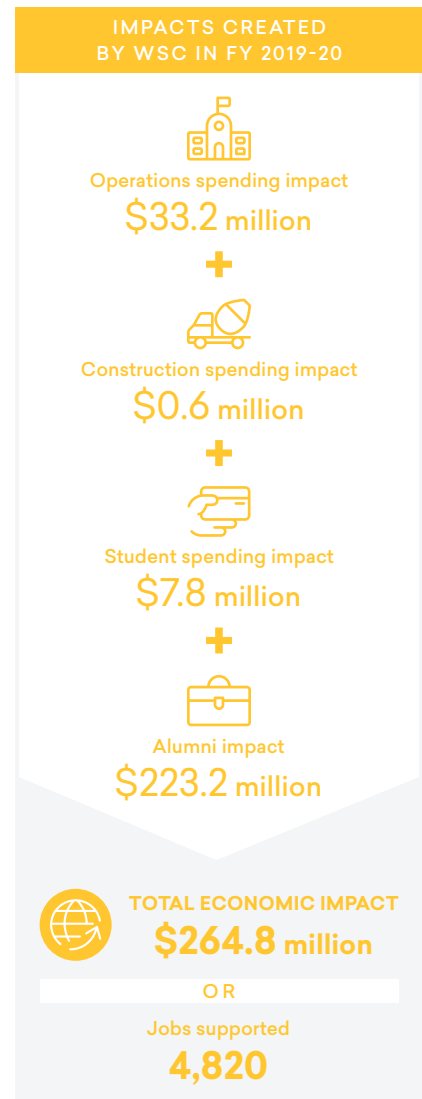
- Employing 937 full-time and part-time faculty and staff, WSC payroll amounted to \$30.5 million, much of which was spent in the state for groceries, mortgage and rent payments, dining out, and other household expenses. The College spent another \$22.1 million on day-to-day expenses related to facilities, supplies, and professional services.
- The net impact of the College's operations spending added **\$33.2 million** in income to the state economy in FY 2019-20.

OPERATIONS SPENDING IMPACT

- WSC invests in construction each year to maintain its facilities, create additional capacities, and meet its growing educational demands, generating a short-term infusion of spending and jobs in the state economy.
- The net impact of WSC's construction spending in FY 2019-20 was **\$624,005** in added income for Nebraska.

STUDENT SPENDING IMPACT

- Approximately 18% of credit students attending WSC originated from outside the state with some of these students relocating to Nebraska to attend WSC. In addition, some in-state students, referred to as retained students, would have left Nebraska for other educational opportunities if not for WSC. These



relocated and retained students spent money on groceries, mortgage and rent payments, and other living expenses at state businesses.

- The expenditures of relocated and retained students in FY 2019-20 added **\$7.8 million** in income to the Nebraska economy.

ALUMNI IMPACT

- Over the years, students have studied at WSC and entered or re-entered the workforce with knowledge and skills necessary to meet the evolving workforce needs for Nebraska. Today, thousands of these former students are employed in Nebraska.
- The net impact of WSC's former students currently employed in the state workforce amounted to **\$223.2 million** in added income in FY 2019-20.

INVESTMENT ANALYSIS

STUDENT PERSPECTIVE

- WSC's FY 2019-20 students paid a present value of **\$19.3 million** to cover the cost of tuition, fees, supplies, and interest on student loans. They also forwent **\$40.6 million** in money they would have earned had they been working instead of attending college.
- In return for their investment, students will receive a cumulative present value of **\$239.8 million** in increased earnings over their working lives. This translates to a return of **\$4.00** in higher future earnings for every dollar a student invests in their education. Students' average annual rate of return is **15.0%**.

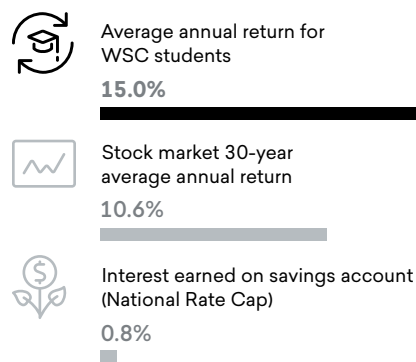
TAXPAYER PERSPECTIVE

- Nebraska taxpayers provided WSC with **\$23.9 million** of funding in FY 2019-20. In return, they will benefit from added tax revenue, stemming from students' higher lifetime earnings and increased business output, amounting to **\$32.2 million**. A reduced demand for government-funded services in Nebraska will add another **\$8.8 million** in benefits to taxpayers.
- For every dollar of public money invested in WSC, Nebraska taxpayers will receive **\$1.70** in return, over the course of students' working lives. The average annual rate of return for taxpayers is **3.5%**.

SOCIAL PERSPECTIVE

- In FY 2019-20, Nebraska invested **\$102 million** in various forms including the College's expenditures and the student opportunity cost of attendance during FY 2019-20. In turn, the Nebraska economy will grow by **\$618.2 million**, over the course of students' working lives. Society will also benefit from **\$53.9 million** of public and private sector savings.
- For every dollar invested in WSC in FY 2019-20, people in Nebraska will receive **\$6.60** in return, for as long as WSC's FY 2019-20 students remain employed in Nebraska.

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



Source: Forbes' S&P 500, 1991-2020. FDIC.gov, 6-2021.

For every \$1...

