

The Economic Value of Clatsop Community College

Clatsop Community College (CCC) 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) 2021-22.

Economic impact analysis

In FY 2021-22, CCC added **\$112.5 million** in income to the Clatsop County economy, a value approximately equal to **5.0%** of the county's total gross regional product (GRP). Expressed in terms of jobs, CCC's impact supported **1,556 jobs**. For perspective, the activities of CCC and its students support **one out of every 16 jobs** in Clatsop County.

Operations spending impact

- CCC employed 192 full-time and part-time faculty and staff. Payroll amounted to \$11.8 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 \$5.7 million on day-to-day expenses related to facilities, supplies, and professional services.
- The net impact of the college's operations spending added **\$11.7 million** in income to the county economy in FY 2021-22.

Student spending impact

- Around 15% of credit students attending CCC originated from outside the county. Some of these students relocated to Clatsop County. In addition, some in-county students, referred to as retained students, would have left Clatsop County for other educational opportunities if not for CCC. These relocated and retained

Impacts created by CCC in FY 2021-22



Operations spending impact

\$11.7 million

+



Student spending impact

\$3.5 million

+



Alumni impact

\$97.4 million



Total economic impact

\$112.5 million

OR

Jobs supported

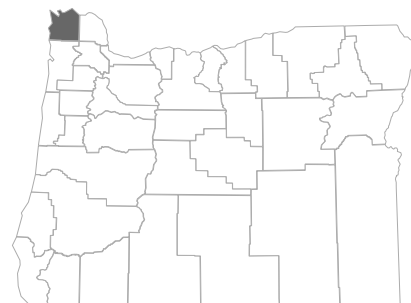
1,556

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 2021-22 added **\$3.5 million** in income to the Clatsop County economy.

Alumni impact

- Over the years, students have studied at CCC and entered or re-entered the workforce with newly-acquired knowledge and skills. Today, thousands of these former students are employed in Clatsop County.
- The net impact of CCC's former students currently employed in the county workforce amounted to **\$97.4 million** in added income in FY 2021-22.



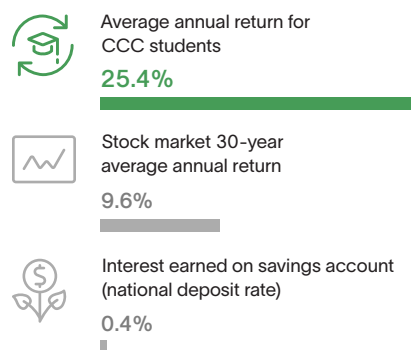
Clatsop County, Oregon

Investment analysis

Student perspective

- CCC's FY 2021-22 students paid a present value of **\$2.1 million** to cover the cost of tuition, fees, supplies, and interest on student loans. They also forwent **\$2.1 million** in money that 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 **\$26.7 million** in increased earnings over their working lives. This translates to a return of **\$6.30** in higher future earnings for every dollar students invest in their education. Students' average annual rate of return is **25.4%**.

Students see a high rate of return for their investment in CCC



Source: Forbes' S&P 500, 1992-2021. FDIC.gov, 2-2022.

Taxpayer perspective

- Taxpayers provided CCC with **\$11.6 million** of funding in FY 2021-22. In return, they will benefit from added tax revenue, stemming from students' higher lifetime earnings and increased business output, amounting to **\$9.8 million**. A reduced demand for government-funded services in Oregon will add another **\$1 million** in benefits to taxpayers.
- Total taxpayer benefits amount to **\$10.8 million**, the present value sum of the added tax revenue and public sector savings.

Social perspective

- In FY 2021-22, Oregon invested **\$20.3 million** to support CCC. In turn, the Oregon economy will grow by **\$100.2 million**, over the course of students' working lives. Society will also benefit from **\$2.2 million** of public and private sector savings.
- For every dollar invested in CCC in FY 2021-22, people in Oregon will receive **\$5.10** in return, for as long as CCC's FY 2021-22 students remain active in the state workforce.

