



Community College Economic Impact Study

March 17, 2022

Strategic Planning Committee

State Board of Community Colleges



Agenda

- **Concept Creation and Vision – MC Belk Pilon**
- **Project Overview – Dr. Patrick Crane**
- **The Economic Value of NC Community Colleges – Anna Brown, Emsi Burning Glass**
- **Connecting to Strategic Planning – Dr. Patrick Crane**
- **Legislative Support – Senator Deanna Ballard**

Creating the Vision



John M Belk
Endowment
ELEVATE THROUGH EDUCATION



MC Pilon

*President and Board
Chair*

John M. Belk
Endowment

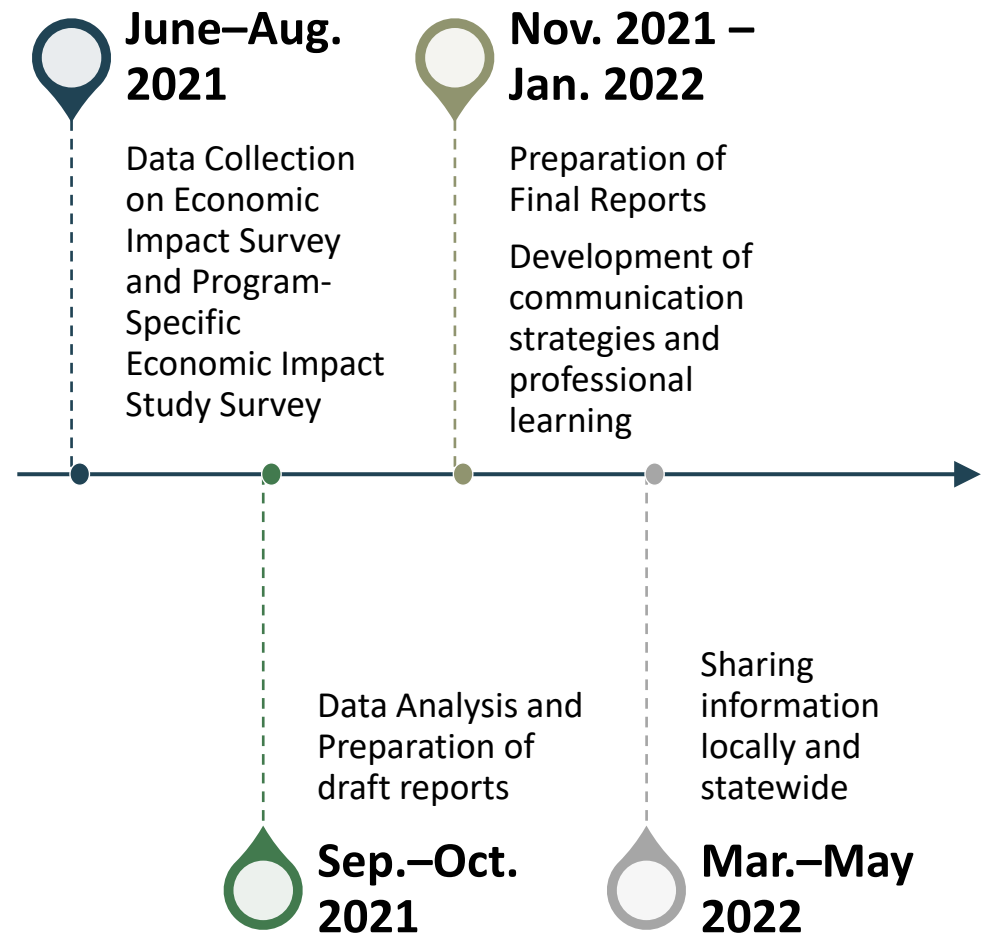
SBCC
03/18/2022







Project Timeline



The economic value of North Carolina Community Colleges

ANALYSIS OF THE ECONOMIC IMPACT
AND RETURN ON INVESTMENT OF EDUCATION

Emsi Burning Glass & Community Colleges

20+ years working with higher education institutions

2,200+ economic impact studies completed

2M students used Emsi Burning Glass's career pathways tool in 2020

7 of 10 2021 Aspen Prize finalists received Emsi Burning Glass economic impact studies

10 of 10 2021 Aspen Prize finalists are Emsi Burning Glass customers



What is an
ECONOMIC IMPACT ANALYSIS?

Measures how events or institutions affect the economy

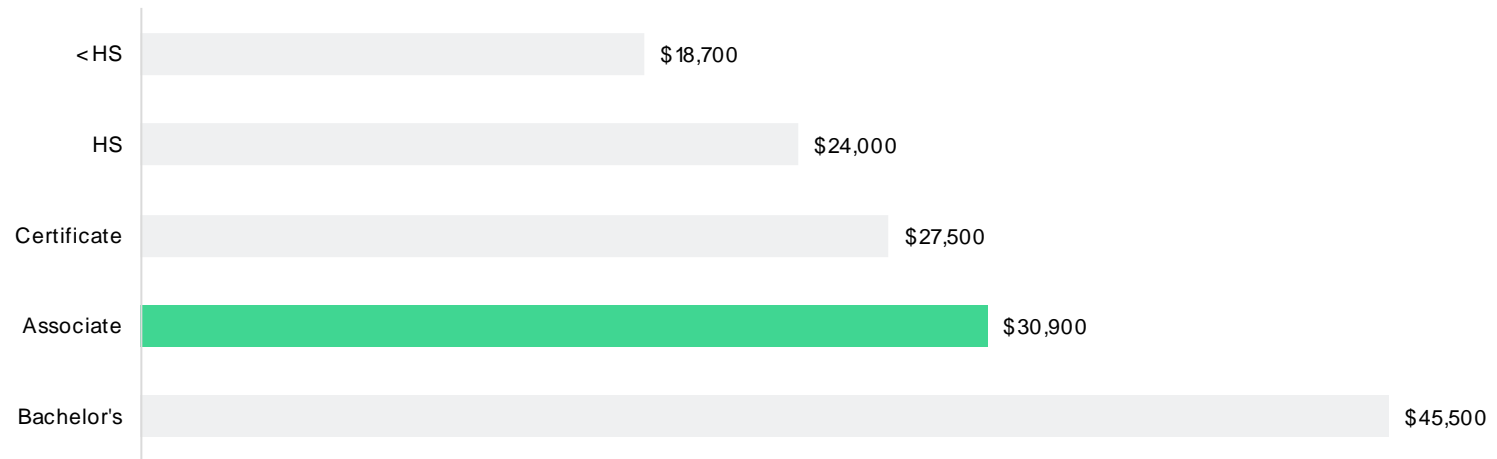


What is an
INVESTMENT ANALYSIS?

A comparison of the costs and benefits to determine the return on investment

About North Carolina

AVERAGE EARNINGS BY EDUCATION LEVEL



\$567 billion

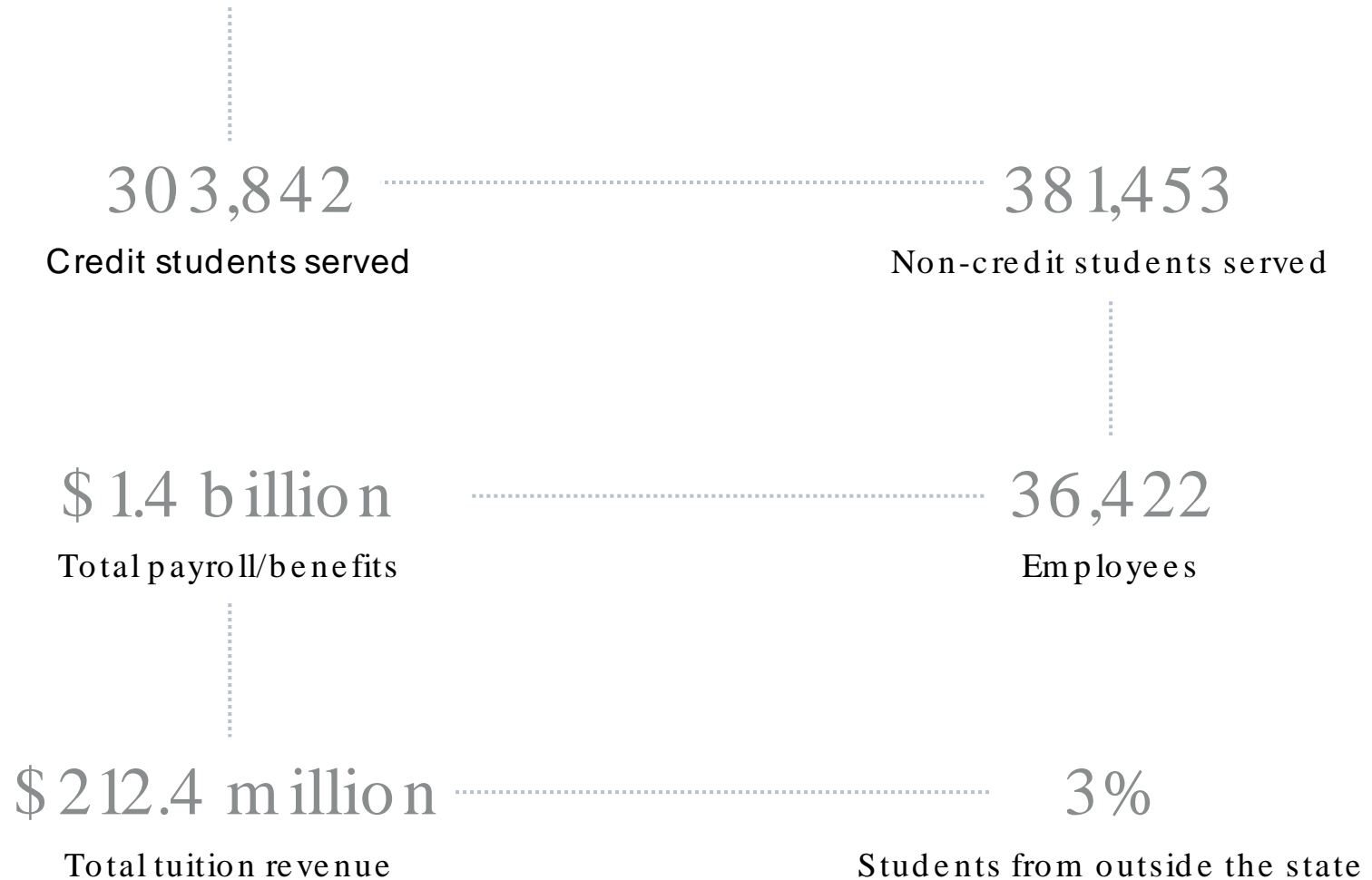
Total Gross Regional
Product (GRP)



6.1 million

Total Jobs

North Carolina Community Colleges in FY 2019-20



Overview of results



\$19.3 billion

Total income added to the state

3.4%

Of state's GSP

319,763

Total jobs supported in the state



4.5

Benefit-cost ratio for students

1.9

Benefit-cost ratio for taxpayers

7.5

Benefit-cost ratio for society



Operations Spending Impact

*College payroll and
other spending + ripple effects*

\$1.4 billion

Added state income

OR

37,067

Jobs supported in the state



Construction Spending Impact

*College construction
expenditures + ripple effects*

\$93.2 million

Added state income

OR

1,534

Jobs supported in the state



Student Spending Impact

*Relocated/retained student
spending + ripple effects*

\$588 million

Added state income

OR

13,936

Jobs supported in the state



Alumni Impact

*Higher alumni earnings and increased
business profit + ripple effects*

\$17.1 billion

Added state income

OR

267,226

Jobs supported in the state



Total Impact

\$19.3 billion

Total income added
in the state

O R

3.4%

Of state's GSP

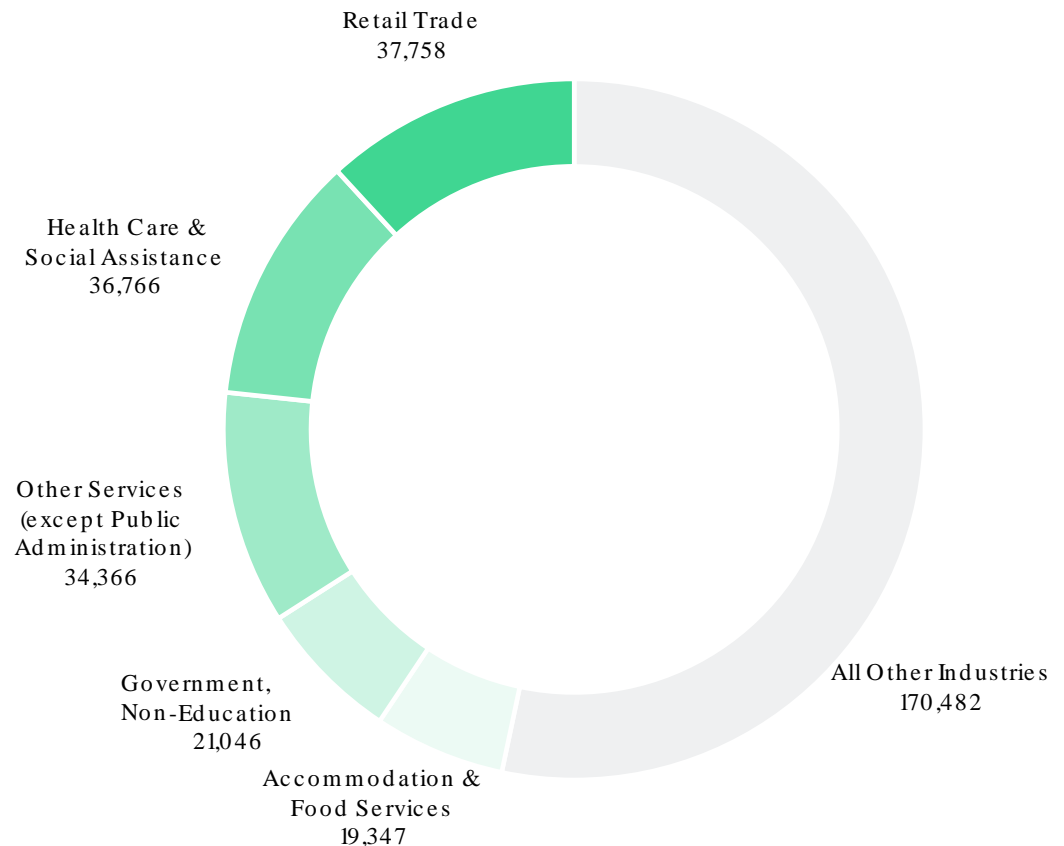
319,763

Total jobs supported
in the state

O R

1 out of **19** jobs in the
state

Impacts by industry (jobs supported)





Student Perspective

\$ 10.8 billion

Benefit: Higher future earnings

\$ 2.4 billion

Cost: Tuition, supplies, opportunity cost

4.5

Benefit/cost ratio

22.3%

Rate of return



Taxpayer Perspective

\$ 3.3 billion

Benefit: Future tax revenue, government savings

\$ 1.7 billion

Cost: State and local funding

1.9

Benefit/cost ratio

5.3%

Rate of return



Social Perspective

\$ 35.3 billion

Benefit: Future earnings, tax revenue, private savings

\$ 4.7 billion

Cost: All college and student costs

7.5

Benefit/cost ratio

n/a*

Rate of return

Overview of State-Level PSEIS Results



Health Professions



Advanced Manufacturing & Engineering Technologies



Business



Construction Trades



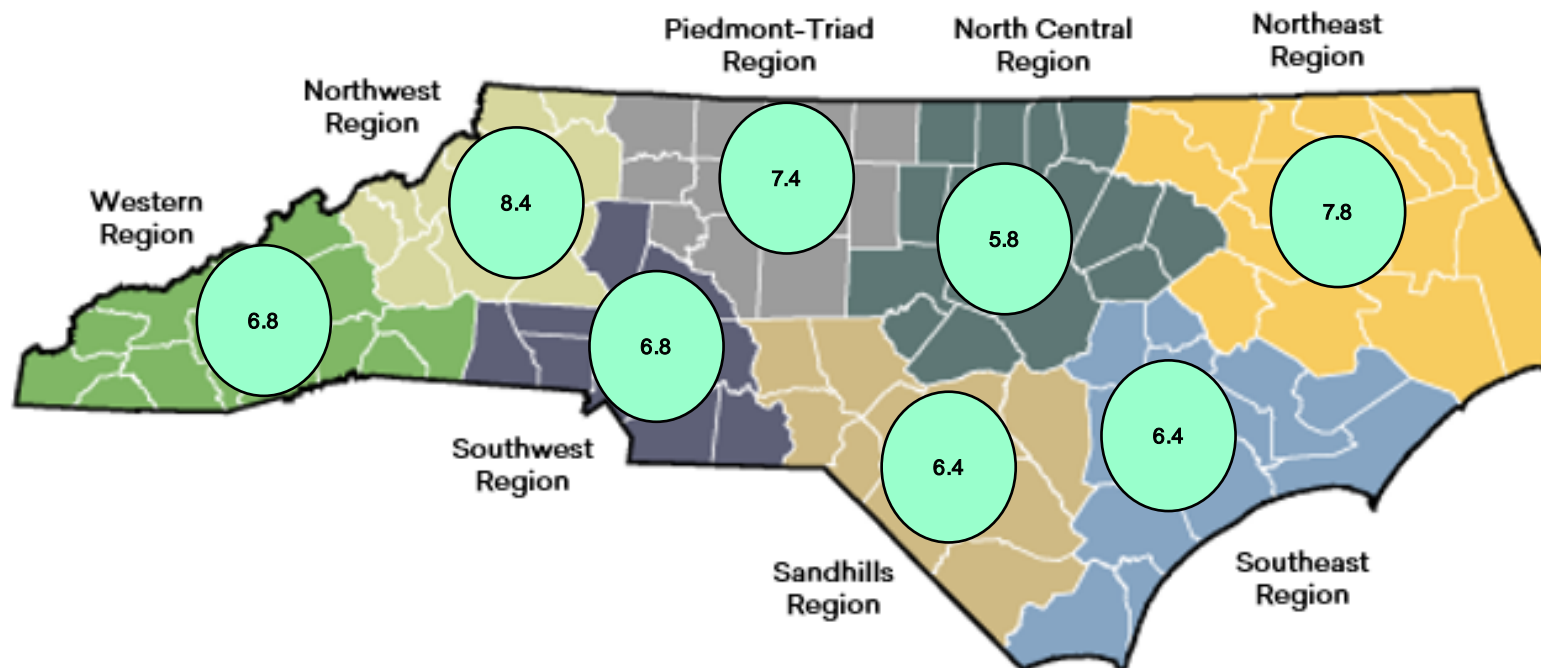
Computer & Information Sciences

Results reflect the programs chosen by the colleges, not all programs offered in the program area in the state.

There may be overlap between program areas. For example, a Business IT program included in the Business and Computer & Information Sciences program areas.

Overview of State-Level PSEIS Results

All Programs Student Benefit-Cost Ratio



Median across all 289 programs =

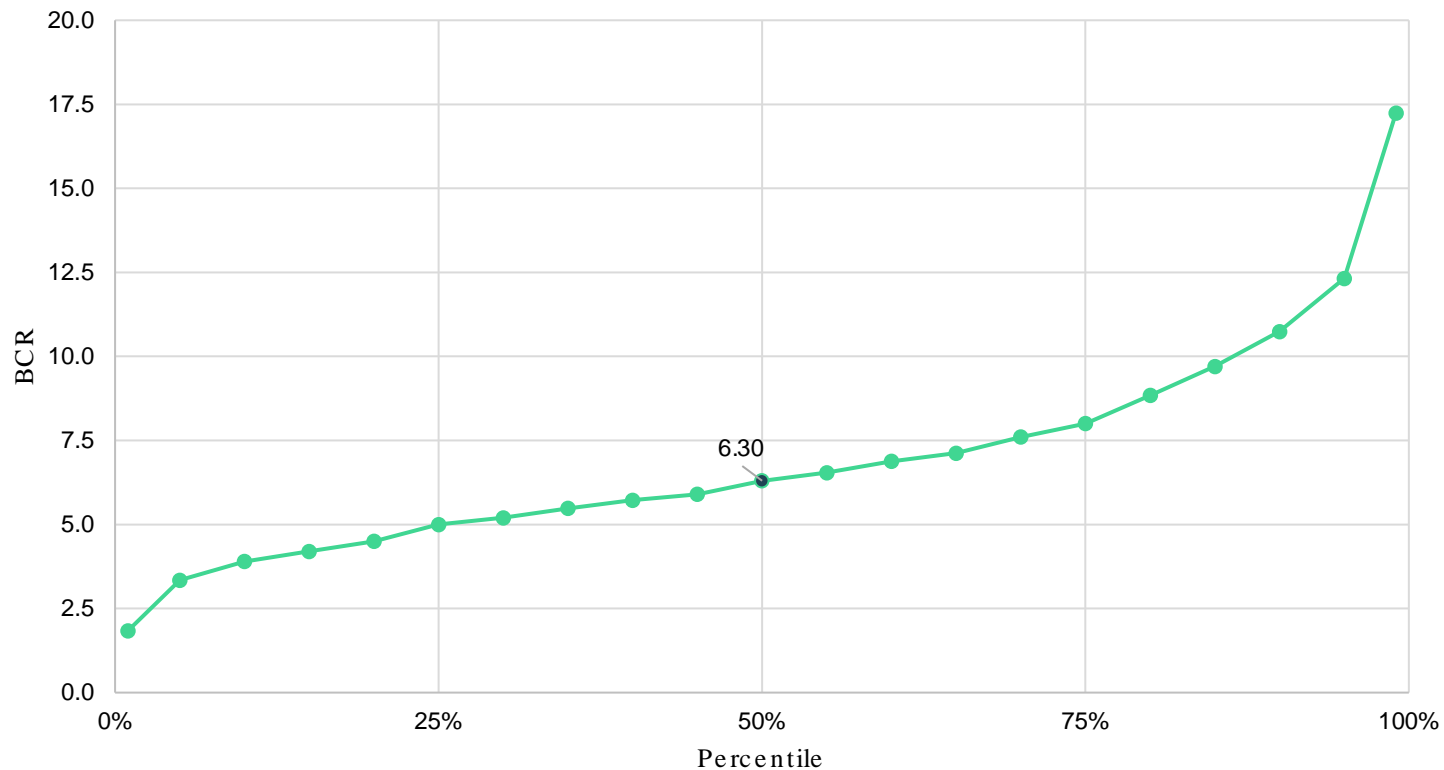
6.3

Average = 6.9

Overview of State-Level PSEIS Results

Student Benefit-Cost Ratio

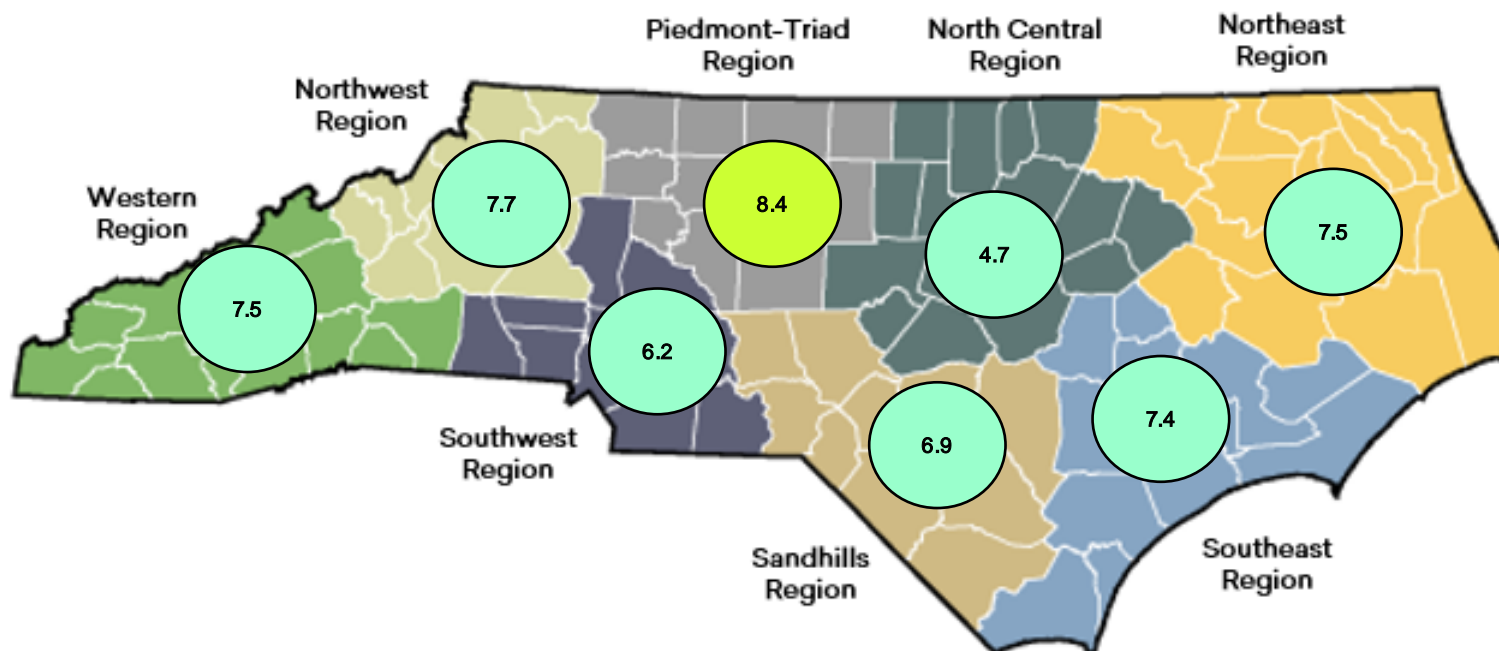
Percentile Distribution of Student Benefit-Cost Ratio
All Programs





Health Professions Program Area

Student Benefit-Cost Ratio



Median across all **76** programs =

6.5

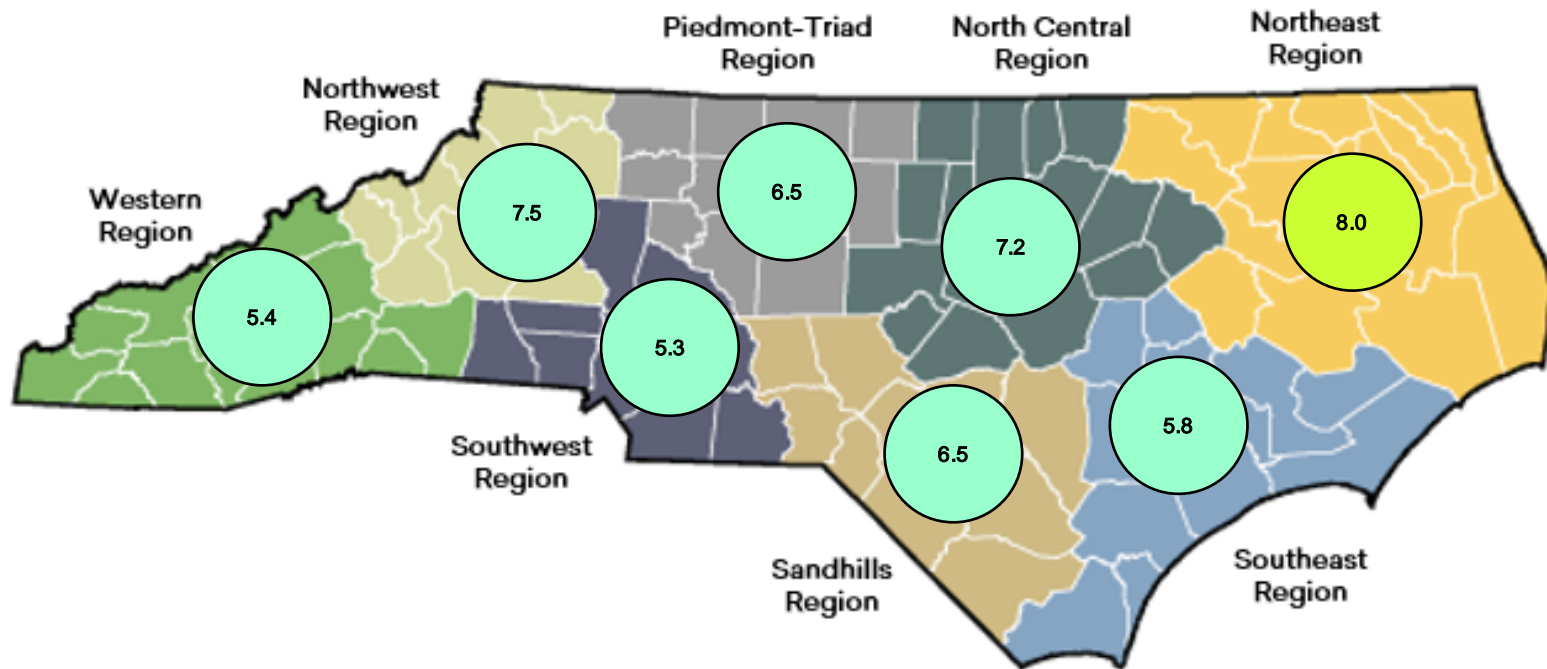
Average = 7.0

State-level results = 5.5



Advanced Manufacturing & Engineering Technologies Program Area

Student Benefit-Cost Ratio



Median across all 63 programs =

5.8

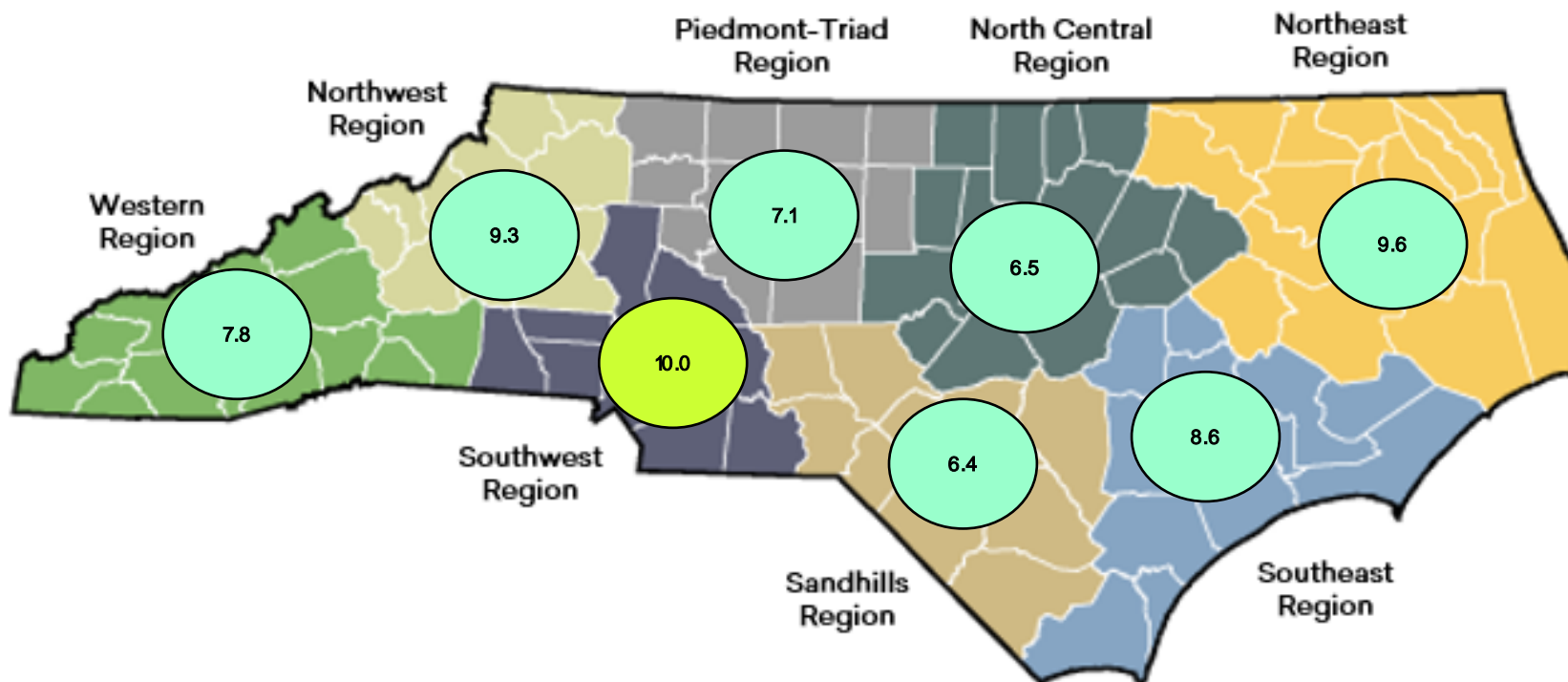
Average = 6.5

State-level results = 3.1



Business Program Area

Student Benefit-Cost Ratio



Median across all 31 programs =

7.2

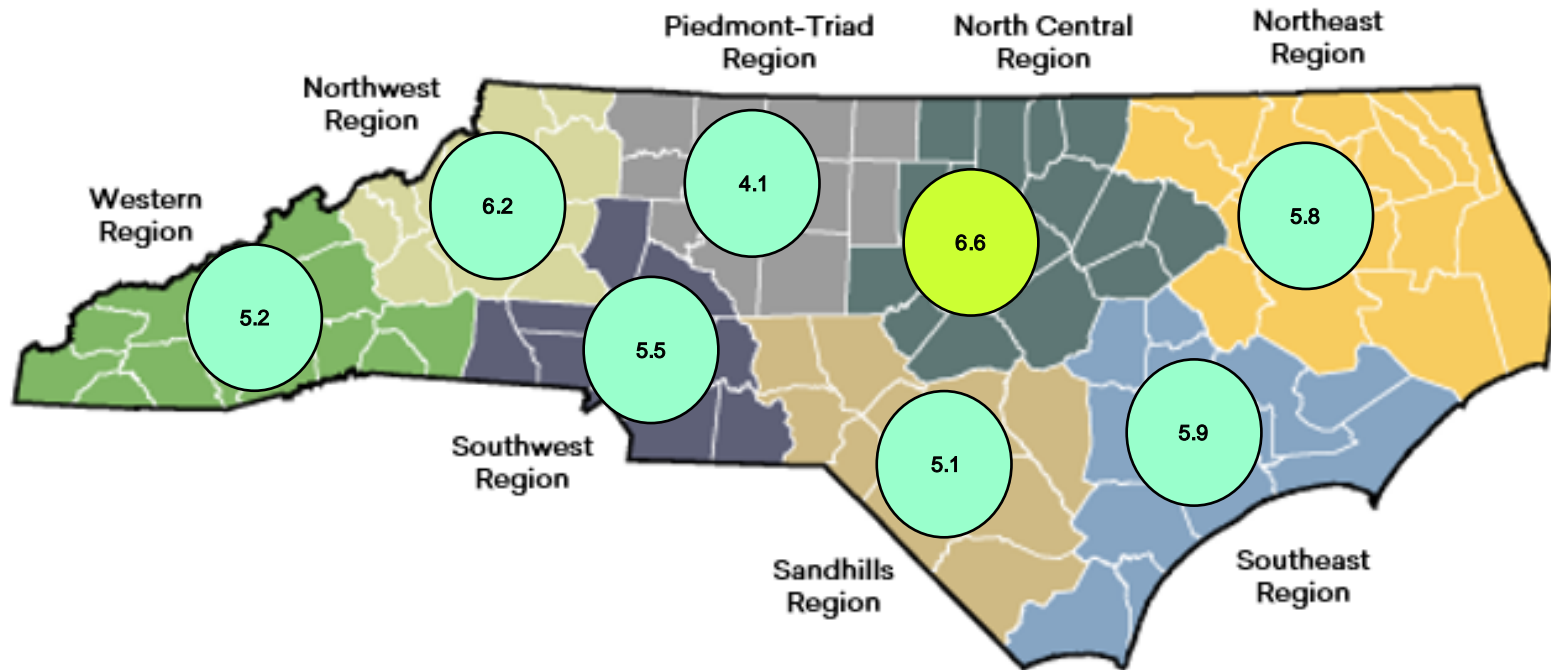
Average = 7.9

State-level results = 6.5



Construction Trades Program Area

Student Benefit-Cost Ratio



Median across all 21 programs =



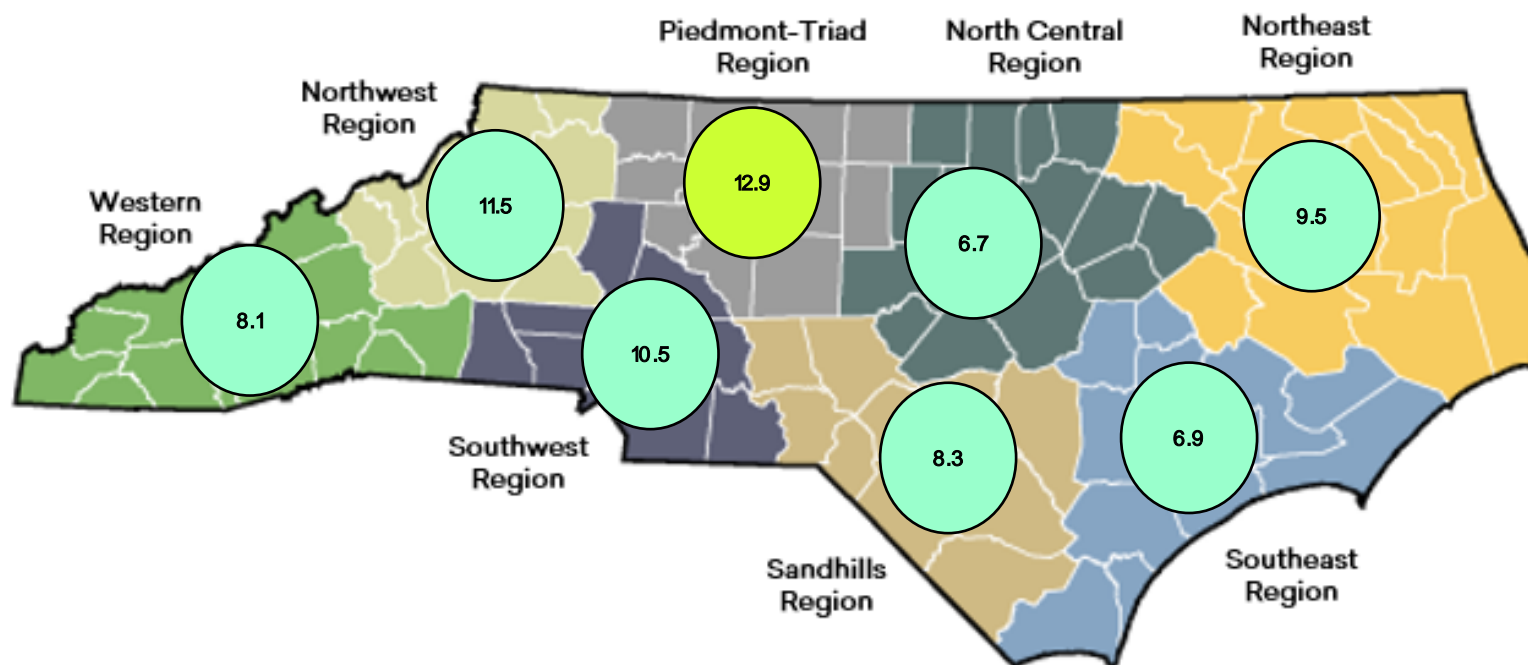
Average = 5.5

State-level results = 4.3

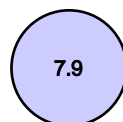


Computer & Information Sciences Program Area

Student Benefit-Cost Ratio



Median across all 28 programs =



Average = 9.4

State-level results = 6.4

The results of this study
were prepared by



For a copy of the report, please contact the North Carolina Community College System.

Connecting to NCCCS Strategic Plan

- **\$2M in legislative funding (2022-23) to establish a grant program “to expand and target efforts...that are proven to have greater economic impact...based on the findings of the studies” SB 105 Section 6.1.(e)**
- **Plan to release a Request for Proposals (RFP) in April 2022, award for FY 2022-23**

Legislative Support



Senator Deanna Ballard
Senator
NC General Assembly