



Executive Summary

Economic Impact of Spartanburg Community College

Spartanburg, Cherokee & Union Counties
South Carolina • July 2011



About Spartanburg Community College

ABOUT THIS STUDY: The report summarizes the results of an economic impact study conducted by Economic Modeling Specialists Inc. (EMSI), "The Economic Contributions of Spartanburg Community College" detailing the role that the College plays in promoting economic development, enhancing students' careers and improving quality of life. Data sources include, but are not limited to, 2008-2009 academic and financial reports from the College, industry and employment data from the U.S. Bureau of Labor Statistics, earnings and demographic data from the U.S. Census Bureau, and a variety of studies and surveys relating education to social behavior.

In this study, EMSI applies a comprehensive model designed to quantify the economic benefits of community and technical colleges and translate these into common sense benefit/cost and investment terms. The study includes two major analyses:

1. **Investment Analysis:** Treats education funding as an investment, calculating all measurable returns and comparing them to costs, from the perspective of students, taxpayers and society as a whole.
2. **Economic Growth Analysis:** Measures added income in the region due to college operations and the accumulated skills of past and present students still in the workforce.



The economic impact model has been field-tested to generate more than 900 studies for community, technical and further education colleges in the US, Canada, the UK and Australia. To see the full documentation of the study, please contact SCC.

ABOUT SCC: Spartanburg Community College takes pride in having provided quality educational and training programs since 1963. As we continue our fifth decade of service to the people of Spartanburg, Cherokee and Union counties, we are committed to providing a high-quality, affordable education and training that leads to high-growth, high-demand jobs. Although growth has been rapid, we have never forgotten our core mission to educate tomorrow's workforce.

SCC offers a wealth of certificate and associate degree programs that lead to rewarding employment opportunities and/or baccalaureate transfer. We also provide continuing education classes and contract training services for individuals and companies seeking to enhance workplace skills. Dedicated to student access and success, SCC provides access through affordable tuition and we have locations in Spartanburg, Cherokee and Union counties. We also offer online learning through SCC*Online* and conveniently scheduled day, evening and weekend classes. While our students are diverse in age, ethnicity, academic background and academic goals, they share the common goal of seeking educational programs at SCC that lead to rewarding employment and financial stability for them and their families.

Our dedicated faculty and staff provide a superior educational experience through excellence, innovation and collaboration. That means classroom and career success. They provide students with the academic and technical skills necessary for success on the job and in future educational endeavors. Thanks to the hundreds of professionals serving on the College's program of study advisory boards and the expertise they provide, SCC graduates are well equipped and ready for opportunities in the workplace.

Education and career success begins at Spartanburg Community College. SCC remains committed to serving students, residents and industries of the Upstate.

VISION

To change the lives and build the futures of our students and to be a catalyst for economic development through innovation, collaboration and excellence in educational programs and services.

MISSION STATEMENT

Spartanburg Community College (SCC) provides affordable access to high-quality technical, transfer and lifelong professional and personal development programs in a teaching and learning environment that prepares students for success. The College is a key community partner in advancing the Upstate's economy.

RETURN-ON-INVESTMENT

Student Perspective

- SCC served 6,900 credit students and 4,844 non-credit students in the 2008-09 reporting year.
- Education increases lifetime income. The average income at the career midpoint of someone with an associate's degree in the SCC Service Area is \$38,100, 36% more than a student with a high school diploma.

*Students enjoy a **14.9%** rate of return on their investment in SCC.*

- Throughout his or her working career, the average SCC student's discounted lifetime income increases by \$5.00 for every dollar invested in SCC.
- Students enjoy an attractive 14.9% average rate of return on their SCC educational investment, recovering all costs (including tuition, fees, and foregone wages) in 10.0 years.

Social Perspective

- Higher earnings of SCC students and associated increases in business and property income expand the tax base in South Carolina by about \$19.6 million each year.
- South Carolina will see avoided social costs amounting to \$1.3 million per year due to SCC students, including savings associated with improved health, reduced crime, and reduced welfare.



Taxpayer Perspective

- State and local governments allocated \$18.8 million in support of SCC in FY 2008-09.
- For every dollar of this support, taxpayers see a cumulative return of \$1.60 over the course of students' working careers (in the form of higher tax receipts and avoided costs).
- State and local governments see a rate of return of 5.4% on their support for SCC. This return compares very favorably with private sector rates of return on similar long-term investments.

ECONOMIC GROWTH ANALYSIS

College Operations Effect

- The SCC service area economy annually receives roughly \$23.5 million in income due to SCC operations. This is a conservative figure adjusted to account for monies that leave the economy or are withdrawn from the economy in support of the College.

*Added income attributable to the accumulation of SCC skills amounts to **\$84.9 million** each year.*

Productivity Effect

- The current SCC service area economy embodies an estimated 848,400 credits that have accumulated over the past 30-year period as thousands of former SCC students enter the workforce year after year.
- SCC skills translate to higher earnings for students and increased output of businesses. The added income attributable to the accumulation of SCC credits in the workforce amounts to \$84.9 million each year.

Total Effect

- Altogether, the average annual added income due to the activities of SCC and its former students equals \$108.4 million. This is approximately equal to 1.0% of the total SCC Service Area economy.





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