

# IMPACT ON LOCAL BUSINESS COMMUNITY

*Demonstrating the Economic Value of Howard College*

DECEMBER 2014



## JOB EQUIVALENTS BASED ON INCOME

Job equivalents are a measure of the average-wage jobs that a given amount of income can potentially support. They are calculated by dividing income by the average income per worker in the region. Based on the added income created by Howard College, the job equivalents are as follows:

Operations spending impact = **718** job equivalents

Impact of student spending = **59** job equivalents

Alumni impact = **5,205** job equivalents

Overall, the added income created by Howard College and its students supported **5,982** job equivalents.

*In FY 2012-13, Howard College's total impact on the Howard County Junior College District economy was \$296.3 million in added income, equal to 3.8% of the region's Gross Regional Product.*

## HOWARD COLLEGE PAYROLL & EXPENSES SUPPORT LOCAL BUSINESSES

- In FY 2012-13, Howard College employed **615** full-time and part-time faculty and staff, with an annual payroll of **\$14.6 MILLION**. Much of this was spent in the Howard County Junior College District to purchase groceries, clothing, and other household goods and services.
- The college is itself a buyer of goods and services and spent another **\$15.2 MILLION** to support its operations during the analysis year.
- The net impact of college payroll and expenses in the Howard County Junior College District was **\$20.8 MILLION** in added regional income.



**INCOME CREATED BY HOWARD COLLEGE IN FY 2012-13 (ADDED INCOME)**

**\$20.8 MILLION**

Operations spending impact

**\$2.2 MILLION**

Impact of student spending

**\$273.3 MILLION**

Alumni impact

**\$296.3 MILLION**

Total impact



**HOWARD COLLEGE STUDENTS BOOST LOCAL SPENDING**

- Around 12% of students attending Howard College originated from outside the region. Some of these students relocated to the Howard County Junior College District and spent money on groceries, transportation, rent, and so on at regional businesses. These expenditures helped support local businesses.
- The expenditures of the college's out-of-region students added approximately **\$2.2 MILLION** in income to the region during the analysis year.



**HOWARD COLLEGE TRAINING SUSTAINS A SKILLED WORKFORCE**

- Over the years, students have studied at Howard College and entered or re-entered the workforce with newly-acquired skills. Today, thousands of former students are employed in the Howard County Junior College District.
- As students apply the skills they acquired at the college, they are rewarded with higher incomes. They also raise business profits through their increased productivity. These higher incomes and increased profits create even more income as they are spent in the region.
- In FY 2012-13, the effect of former Howard College students on the regional economy amounted to **\$273.3 MILLION**, in added income.