



CENTRAL OREGON
community college

The Economic Value of Central Oregon Community College

FACT SHEET

CENTRAL Oregon Community College (COCC) 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) 2018-19.



Economic impact analysis

In FY 2018-19, COCC added **\$298.9 million** in income to the COCC District¹ economy, a value approximately equal to **2.5%** of the region's total gross regional product (GRP). Expressed in terms of jobs, COCC's impact supported **4,166 jobs**. For perspective, the activities of COCC and its students support **one out of every 35 jobs** in the COCC District.

OPERATIONS SPENDING IMPACT

- COCC employed 530 full-time and part-time faculty and staff. Payroll amounted to \$46.2 million, much of which was spent in the region for groceries, mortgage and rent payments, dining out, and other household expenses. The college spent another \$18.7 million on day-to-day expenses related to facilities, supplies, and professional services.
- The net impact of the college's operations spending added **\$57.4 million** in income to the regional economy in FY 2018-19.²

STUDENT SPENDING IMPACT

- Around 8% of total credit and non-credit students attending COCC originated from outside the region. Some of these students relocated to the COCC District. In addition, some in-district students, referred to as retained students, would have left the COCC District for other educational opportunities if not for COCC. These relocated and retained students spent money on groceries, mortgage and rent payments, and other living expenses at regional businesses.
- The expenditures of relocated and retained students in FY 2018-19 added **\$22.1 million** in income to the COCC District economy.

¹ For the purposes of this analysis, the COCC District is comprised of Crook, Deschutes, and Jefferson Counties. It is important to note that COCC also has a presence in Southern Wasco, Klamath, and Lake Counties not captured within this study.

² Refer to Table 2.2 of the Main Report for further details on the operations spending impact.

IMPACTS CREATED
BY COCC IN FY 2018-19



\$57.4 million
Operations Spending Impact



\$22.1 million
Student Spending Impact



\$219.4 million
Alumni Impact



\$298.9 million
TOTAL IMPACT

- OR -

4,166
JOBS SUPPORTED



ALUMNI IMPACT

- Over the years, students have studied at COCC and entered or re-entered the workforce with newly-acquired knowledge and skills. Today, thousands of these former students are employed in the COCC District.
- The net impact of COCC's former students currently employed in the regional workforce amounted to **\$219.4 million** in added income in FY 2018-19.



Investment analysis

STUDENT PERSPECTIVE

- COCC's FY 2018-19 students paid a present value of **\$14 million** to cover the cost of tuition, fees, supplies, and interest on student loans. They also forwent **\$25.3 million** in money that they would have earned had they been working instead of attending college.
- In return for their investment, students will receive **\$144.1 million** in increased earnings over their working lives. This translates to a return of **\$3.70** in higher future earnings for every dollar students invest in their education. Students' average annual rate of return is **18.5%**.

TAXPAYER PERSPECTIVE

- Taxpayers provided COCC with **\$29.7 million** of funding in FY 2018-19. In return, they will benefit from added tax revenue, stemming from students' higher lifetime earnings and increased business output, amounting to **\$54.9 million**. Since education is statistically associated with a variety of lifestyle changes, social savings will be generated that will reduce the demand for government-funded services in Oregon, adding another **\$4.2 million** in benefits to taxpayers.
- For every dollar of public money invested in COCC, taxpayers will receive **\$2.00** in return, over the course of students' working lives. The average annual rate of return for taxpayers is **7.0%**.

SOCIAL PERSPECTIVE

- In FY 2018-19, Oregon invested **\$94.4 million** to support COCC. In turn, the Oregon economy will grow by **\$570.3 million**, over the course of students' working lives. Oregon will also benefit from an estimated **\$12.4 million** of public and private sector savings in present value social savings related to reduced crime, lower welfare and unemployment, and increased health and well-being across the state.
- For every dollar invested in COCC in FY 2018-19, people in Oregon will receive **\$6.20** in return, for as long as COCC's FY 2018-19 students remain active in the state workforce.

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



18.5%

Average annual return for COCC students



9.9%

Stock market 30-year average annual return



0.8%

Interest earned on savings account (National Rate Cap)

Source: Forbes' S&P 500, 1989-2018. FDIC.gov, 6-2019.



FOR EVERY \$1...



Students gain

\$3.70

in lifetime earnings



Taxpayers gain

\$2.00

in added tax revenue and public sector savings



Society gains

\$6.20

in added income and social savings

