



The Economic Impact of Victoria College

A 2010 study based on the 2008-09 fiscal year

**VICTORIA
COLLEGE**

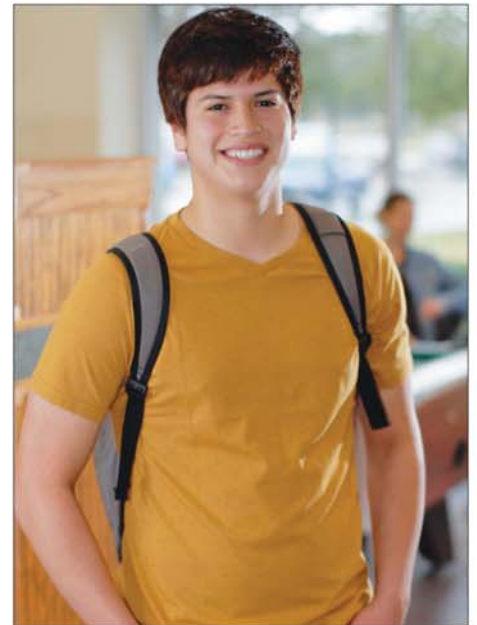
VC's Economic Impact from a *Student Perspective*

Education Will Pay You Back— For a Lifetime

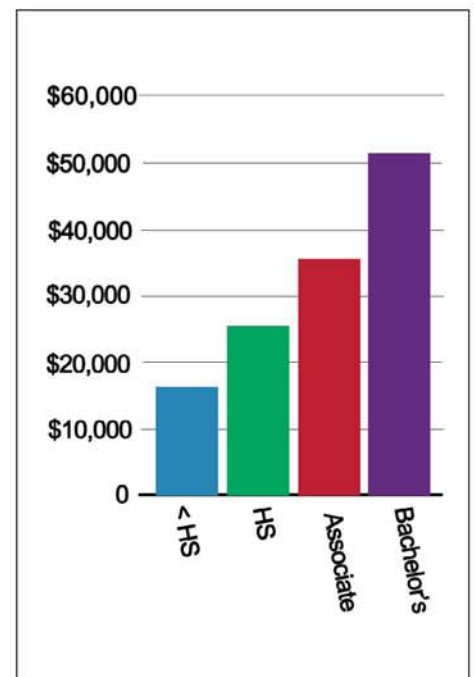
- Students enjoy an attractive **14.2%** rate of return on their VC educational investment.
- Over the course of his or her working career, the average VC student's lifetime earnings will increase **\$4.50** for every dollar invested in his or her VC education (in the form of tuition, fees, and forgone earnings).
- The average annual income of the typical associate degree graduate in the VC service area at the midpoint of his or her career is **\$35,400**, or 36% more than someone with a high school diploma.
- Over the course of a working lifetime, associate degree graduates in the VC service area earn **\$372,000** more than someone with a high school diploma.

Education is Your Ticket to a Better Job

- By 2019, it is anticipated that there will be about **40,900** new and replacement jobs available in the VC service area.
- About **24%** of these jobs will require an education level equal to an associates degree or greater.
- Another **7%** of available jobs in 2019 will require some kind of post-secondary certificate or vocational award.



Average Earnings in
Victoria College Service Area



Victoria College

- Enriches the lives of students
- Increases students' lifetime income
- Generates government revenue
- Reduces the demand for social services
- Contributes to the growth of the economy

VC's Economic Impact from a

Taxpayer Perspective

VC Leverages Taxpayer Dollars

- An estimated **99%** of VC students remain in Texas and contribute to economic growth. Students who enter the workforce expand the tax base by generating higher earnings and reducing social costs.
- Higher student earnings and associated increases in property income generate about **\$1.4 million** in added tax revenue each year.
- Taxpayers will save approximately **\$95,100** in avoided social costs each year, including savings associated with improved health, lower costs of law enforcement, and fewer welfare claimants.

VC Generates a Return on Public Investment

- State and district tax payers allocated about **\$17.7 million** in support of VC in FY 2008-09.
- For every dollar appropriated by state and district taxpayers to VC, taxpayers will see a return with a cumulative added value of **\$1.60** in the form of higher tax revenues and avoided social costs.
- State and district taxpayers will receive a rate of return of **5.6%** on their investments in VC.



VC's Economic Impact from a

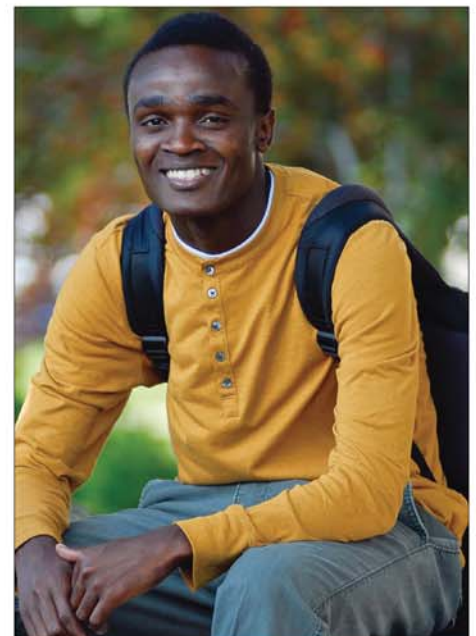
Social Perspective

VC Increases State Income

- The activities of VC's 2008-09 student body will generate about **\$12.2 million** in labor income in the state economy each year.
- Once VC's current students become active in the workforce, they will promote business output, raise consumer spending, and increase property income in the state. All of this contributes an additional **\$7.9 million** in income each year.
- Altogether, higher student income and associated effects on business productivity add **\$20.1 million** in income annually to the state economy.

VC Reduces Social Costs

- Education is statistically correlated with **improved lifestyle behaviors**, including reduced incidences of absenteeism, alcohol abuse, and smoking, lower probability of committing crime, and fewer welfare and unemployment claims.
- It is estimated that VC's 2008-09 student population will generate social savings to the Texas public equal to **\$1.1 million** a year.
- These **savings** accrue to all state and local residents—students, homeowners, businesses, and taxpayers.



VC's Economic Impact from a *Business Perspective*

VC Raises Consumer Spending

- VC employed 287 full-time and 116 part-time faculty and staff in the 2008-09 reporting year, with an annual payroll of **\$18.4 million**.
- In addition to payroll, VC spent **\$13.2 million** in FY 2008-09 for supplies and services, of which an estimated 38% was spent in the VC service area.
- VC estimates that approximately **3%** of its students come from outside the VC service area. Non-local students who settle in the region spend money at local businesses for food, transportation, and other personal expenses.

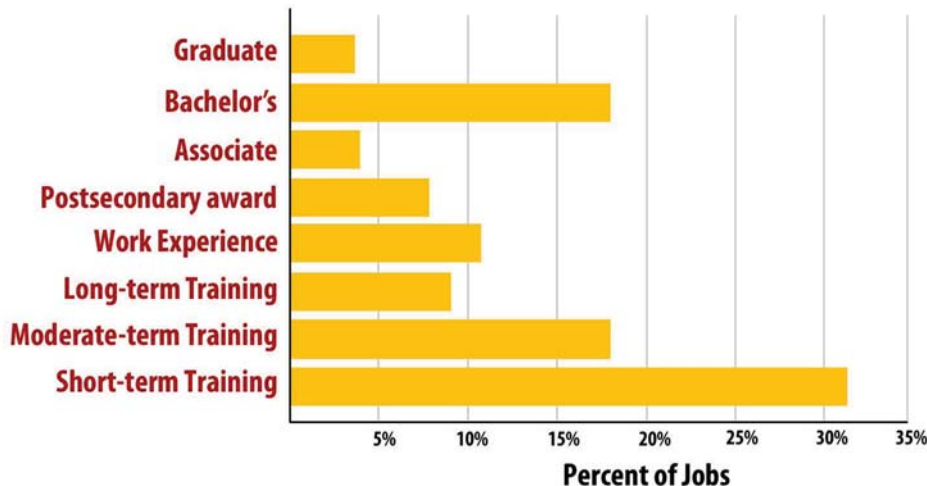
VC Generates New Income

- The net added income generated by VC operations (\$17.4 million) and the spending of non-local students (\$1.9 million) contributes a total of **\$19.4 million** in income to the VC service area economy each year.
- The increased productivity of workers due to the accumulation of past and present VC skills in the VC service area workforce creates approximately **\$91.5 million** in added income each year.

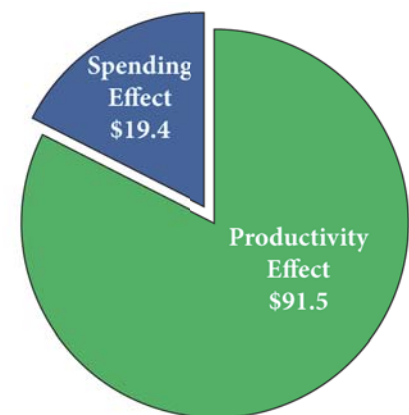
VC Creates a Skilled Workforce

- VC activities encourage new business, assist existing business, and create long-term **economic growth**. The college enhances worker skills and provides customized training to local business and industry.
- An estimated **827,600** VC credits have accumulated in the VC service area workforce over the past 30-year period as former VC students (completers and non-completers) enter the regional workforce each year.

Projected 2019 Jobs by Skill Level in Victoria College Service Area



Added Income in Victoria College Service Area Due to VC (\$ Millions)



About this study

This study, done by the Economic Modeling Specialists, Inc., summarizes the results from the "Economic Contributions of Victoria College," detailing the role that the VC plays in promoting economic development, enhancing students' careers, and improving quality of life. Data sources include, but are not limited to, 2008-09 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.

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