

The Economic Value of California State University, Stanislaus



California State University, Stanislaus (Stan State) 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) 2021-22.

Economic impact analysis

In FY 2021-22, Stan State added **\$770.5 million** in income to the Stan State Six-County Service Region¹ economy, a value approximately equal to **1.0%** of the region's total gross regional product (GRP). Expressed in terms of jobs, Stan State's impact supported **9,068 jobs**. For perspective, the activities of Stan State and its students support **one out of every 82 jobs** in the Stan State Six-County Service Region.

Operations spending impact

- Stan State employed 1,308 full-time and part-time faculty and staff (not including research employees). Payroll amounted to \$173.1 million (excluding payroll from research employees), much of which was spent in the region for groceries, mortgage and rent payments, dining out, and other household expenses. The university

¹ For the purposes of this analysis, the Stan State Six-County Service Region is comprised of Stanislaus, Calaveras, Mariposa, Merced, San Joaquin, and Tuolumne Counties.

spent another \$103.4 million on day-to-day expenses related to facilities, supplies, and professional services (excluding research expenditures).

- The net impact of the university's operations spending added **\$221 million** in income to the regional economy in FY 2021-22.

Research spending impact

- Research activities at Stan State impact the regional economy by employing people and making purchases for equipment, supplies, and services. In FY 2021-22, Stan State spent \$1 million on payroll and \$967.2 thousand on other expenses to support research activities.
- Stan State's research spending generated **\$1.7 million** in added income for the Stan State Six-County Service Region economy in FY 2021-22.

Student spending impact

- Around 12% of credit students attending Stan State originated from outside the region. Some of these students relocated to the Stan State Six-County Service Region. In addition, some in-region students, referred to as retained students, would have left the Stan State Six-County Service Region for other educational opportunities if not for Stan State. 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 2021-22 added **\$18.3 million** in income to the Stan State Six-County Service Region economy.

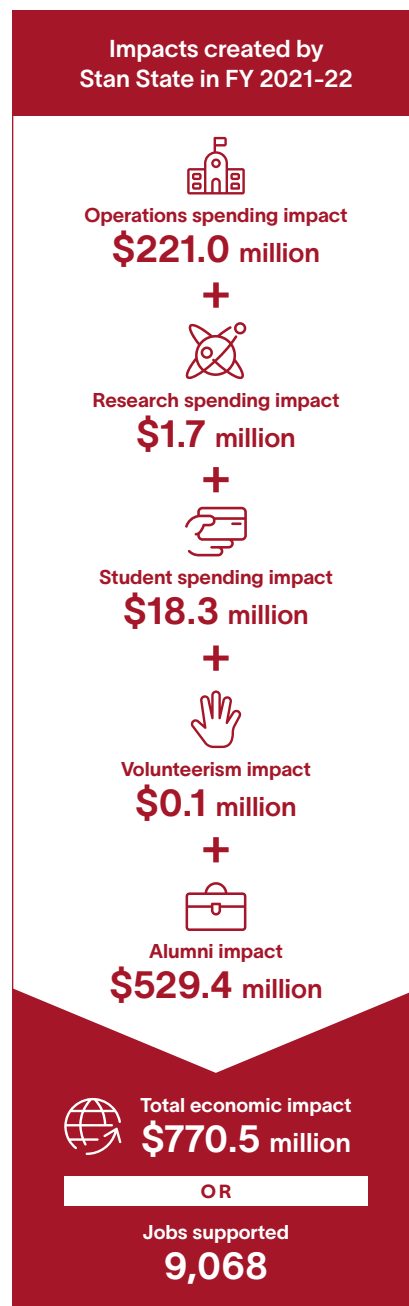
Volunteerism impact

- The work of Stan State's employee volunteers allow businesses and organizations to grow, increasing their output and impacting the economy at large. Using the value per volunteer hour for California,² the work of Stan State employee volunteers is equivalent to \$60.8 thousand in earnings.
- In terms of actual impact to the regional economy, Stan State employee volunteers generated an impact of **\$102.8 thousand** in added income in FY 2021-22.

Alumni impact

- Over the years, students have studied at Stan State and entered or re-entered the workforce with newly-acquired knowledge and skills. Today, thousands of these former students are employed in the Stan State Six-County Service Region.
- According to Lightcast's Alumni Outcomes data, many of the Stan State alumni are employed in the state workforce in industry sectors such as Government, Education; Manufacturing; Health Care & Social Assistance; Retail Trade; Administrative & Waste Services; Professional & Technical Services; and Finance & Insurance, with

² By state value per volunteer hour was provided by Independent Sector (see https://independentsector.org/resource/vovt_details/).



their top occupations being tutors and teachers and instructors; postsecondary teachers; personal service managers and entertainment and recreation managers; chief executives; accountants and auditors; and general and operations managers.

- The net impact of Stan State’s former students currently employed in the regional workforce amounted to **\$529.4 million** in added income in FY 2021-22.

Investment analysis

Student perspective

- Stan State’s FY 2021-22 students paid a present value of **\$49.7 million** to cover the cost of tuition, fees, supplies, and interest on student loans. They also forwent **\$30.5 million** in money that they would have earned had they been working instead of attending college.
- In return for their investment, students will receive a cumulative present value of **\$973.6 million** in increased earnings over their working lives. This translates to a return of **\$12.10** in higher future earnings for every dollar students invest in their education. Students’ average annual rate of return is **30.3%**.

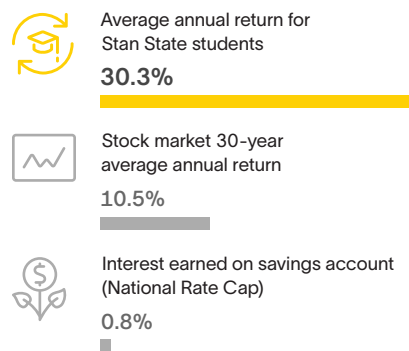
Taxpayer perspective

- Taxpayers provided Stan State with **\$189.6 million** of funding in FY 2021-22. In return, they will benefit from added tax revenue, stemming from students’ higher lifetime earnings and increased business output, amounting to **\$352.7 million**. A reduced demand for government-funded services in California will add another **\$91.8 million** in benefits to taxpayers.
- For every dollar of public money invested in Stan State, taxpayers will receive **\$2.30** in return, over the course of students’ working lives. The average annual rate of return for taxpayers is **4.0%**.

Social perspective




- In FY 2021-22, California invested **\$323.5 million** to support Stan State. In turn, the California economy will grow by **\$4.5 billion**, over the course of students’ working lives. Society will also benefit from **\$160.8 million** of public and private sector savings.
- For every dollar invested in Stan State in FY 2021-22, people in California will receive **\$14.50** in return, for as long as Stan State’s FY 2021-22 students remain active in the state workforce.

Students see a high rate of return for their investment in Stan State



Source: Forbes’ S&P 500, 1992-2021. FDIC.gov, 2-2022.

For every \$1...

	Students gain in lifetime earnings \$12.10
	Taxpayers gain in added tax revenue and public sector savings \$2.30
	Society gains in added income and social savings \$14.50

