



MONTGOMERY COLLEGE
MAKE YOUR MOVE

Analysis of the Economic Impact and Return on Investment of Education

THE ECONOMIC VALUE OF MONTGOMERY COLLEGE

FY 2015-16

WHAT IS AN ECONOMIC IMPACT ANALYSIS?

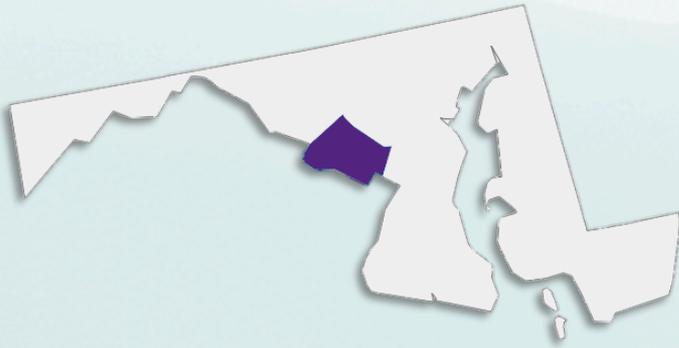
Measures how an event or institution affects the local economy.

WHAT IS AN INVESTMENT ANALYSIS?

A comparison of the costs and benefits to determine the return on investment.



About Montgomery County



\$78.8 billion

TOTAL GROSS
REGIONAL PRODUCT

674,946

TOTAL JOBS

HIGHER EARNINGS BY EDUCATION LEVEL AT CAREER MIDPOINT



MC in 2015-16

34,410

CREDIT STUDENTS SERVED

21,591

NON-CREDIT STUDENTS SERVED

3,189

EMPLOYEES

\$244.6 million

TOTAL PAYROLL/BENEFITS

12%

STUDENTS FROM OUTSIDE
THE REGION

71%

STUDENTS REMAINING IN
THE COUNTY AFTER LEAVING
THE COLLEGE

OVERVIEW OF RESULTS

\$1.4 billion

TOTAL INCOME SUPPORTED
IN THE COUNTY

16,128

JOBS SUPPORTED IN THE COUNTY

14%

RATE OF RETURN TO STUDENTS

5%

RATE OF RETURN TO TAXPAYERS

1.8%

OF REGION'S GRP

Operations Spending Impact

College payroll and other
spending + ripple effects

\$257.7 million

ADDED COUNTY
INCOME

or

3,423

JOBS SUPPORTED
IN THE COUNTY

Student Spending Impact

Relocated/Retained student
spending + ripple effects

\$25.1 million

ADDED COUNTY
INCOME

or

750

JOBS SUPPORTED
IN THE COUNTY

Alumni Impact

Higher alumni earnings
and increased business profit
+ ripple effects

\$1.1 billion

ADDED COUNTY
INCOME

or

11,955

JOBS SUPPORTED
IN THE COUNTY

*All results measured in income, not sales
Results are net of counterfactual scenarios*

Total Impact

1.8%
of Gross Regional Product (GRP)

\$1.4 billion

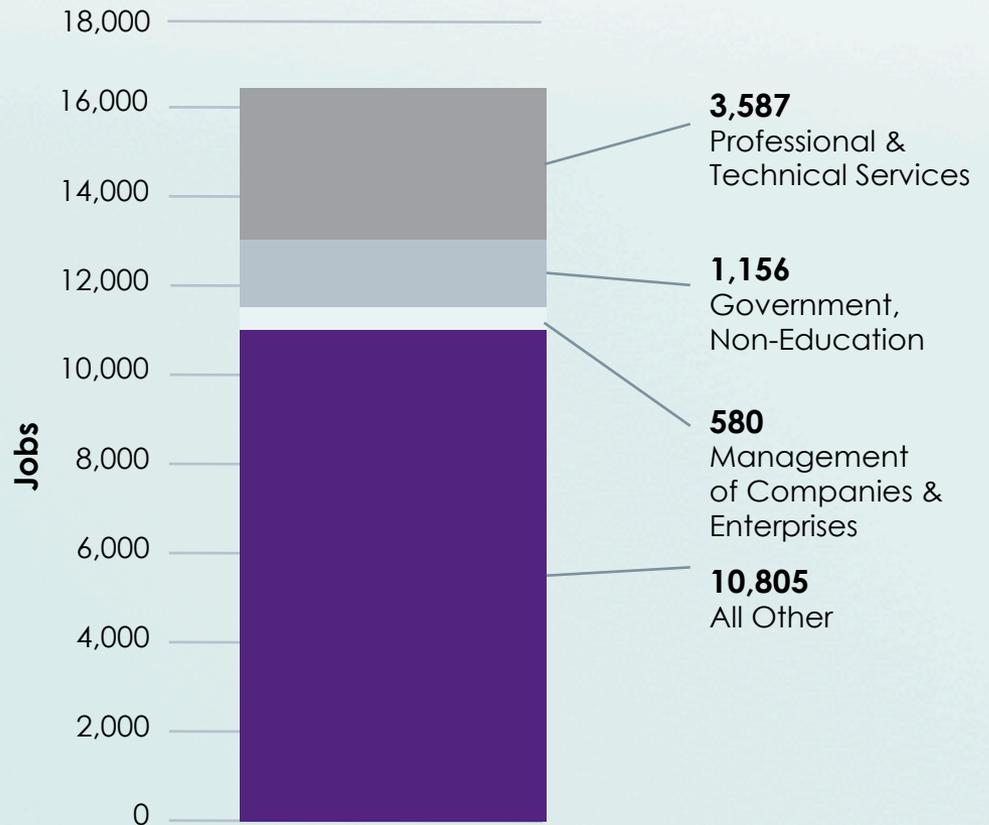
TOTAL ADDED
COUNTY INCOME

or

16,128

TOTAL ADDED
COUNTY JOBS

IMPACTS BY INDUSTRY



Student Perspective

\$1.8 billion

Benefit: Higher future earnings

\$533.6 million

Cost: Tuition, supplies, opportunity cost

3.3

BENEFIT/COST RATIO

14.0%

RATE OF RETURN

Taxpayer Perspective

\$434.3 million

Benefit: Future tax revenue, government savings

\$238.4 million

Cost: State and local funding

1.8

BENEFIT/COST RATIO

5.2%

RATE OF RETURN

Social Perspective

\$5 billion

Benefit: Future earnings, tax revenue, private savings

\$815.4 million

Cost: Student and all college costs

6.1

BENEFIT/COST RATIO

N/A

RATE OF RETURN

Future benefits are discounted to the present.

ADDING INCOME TO YOUR COUNTY/STATE

- Add value to your **alumni**.
- Push **workforce training** and **dual-credit**.
- Increase **enrollment**.
- Keep your graduates **in-county**.
- Attract **outside funding**.

Note that external factors heavily influence a college's impact.

Next Steps

- Send the executive summary to **local legislators**
- Use **social media** to broadcast student returns to prospective students and parents
- Share industry impacts **with local business partners**
- Leverage impacts for **proposals, grant writing, & strategic planning**
- **Publish results** in campus fliers, newsletters, & websites
- Share results with **local media**

How can Emsi help?

- Emsi's Press Packet
- Ongoing presentations from your Emsi economist
- Email/call us anytime

The results of this study
were prepared by



FOR A COPY OF THE REPORT, PLEASE CONTACT THE COLLEGE.