

The Economic Value of Finger Lakes Community College

Finger Lakes Community College (FLCC) 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) 2020-21.

Economic impact analysis

In FY 2020-21, FLCC added **\$197.9 million** in income to the Finger Lakes Region* economy. Expressed in terms of jobs, FLCC's impact supported **2,411 jobs**.

Operations spending impact

- FLCC employed 476 full-time and part-time faculty and staff. Payroll amounted to \$33.7 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 \$14.1 million on day-to-day expenses related to facilities, supplies, and professional services.
- The net impact of the college's operations spending added **\$35.4 million** in income to the regional economy in FY 2020-21.

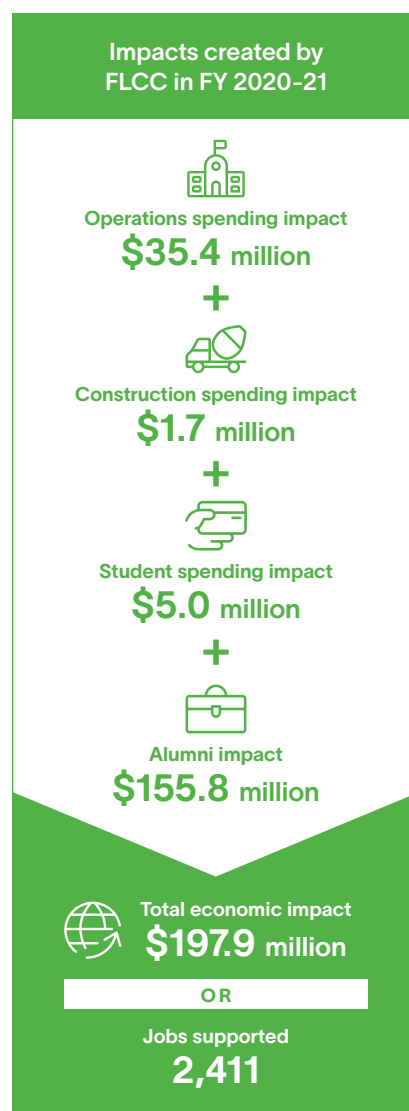
Construction spending impact

- FLCC invests in construction each year to maintain its facilities, create additional capacities, and meet its growing educational demands, generating a short-term infusion of spending and jobs in the regional economy.
- The net impact of FLCC's construction spending in FY 2020-21 was **\$1.7 million** in added income for the Finger Lakes Region.

Student spending impact

- Around 10% of students attending FLCC originated from outside the region. Some of these students relocated to the Finger Lakes Region. In addition, some

* For the purposes of this analysis, the Finger Lakes Region is comprised of Livingston, Monroe, Ontario, Seneca, Steuben, Wayne, and Yates Counties.



in-region students, referred to as retained students, would have left the Finger Lakes Region for other educational opportunities if not for FLCC. 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 2020-21 added **\$5 million** in income to the Finger Lakes Region economy.

Alumni impact

- Over the years, students have studied at FLCC and entered or re-entered the workforce with newly-acquired knowledge and skills. Today, thousands of these former students are employed in the Finger Lakes Region.
- The net impact of FLCC's former students currently employed in the regional workforce amounted to **\$155.8 million** in added income in FY 2020-21.



Investment analysis

Student perspective

- FLCC's FY 2020-21 students paid a present value of **\$13.6 million** to cover the cost of tuition, fees, supplies, and interest on student loans. They also forwent **\$11.8 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 **\$123.6 million** in increased earnings over their working lives. This translates to a return of **\$4.90** in higher future earnings for every dollar students invest in their education. Students' average annual rate of return is **17.5%**.

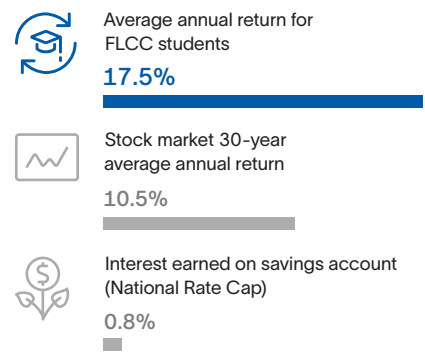
Taxpayer perspective

- Taxpayers provided FLCC with **\$24.3 million** of funding in FY 2020-21. In return, they will benefit from added tax revenue, stemming from students' higher lifetime earnings and increased business output, amounting to **\$51.7 million**. A reduced demand for government-funded services in New York will add another **\$6.7 million** in benefits to taxpayers.
- For every dollar of public money invested in FLCC, taxpayers will receive **\$2.40** in return, over the course of students' working lives. The average annual rate of return for taxpayers is **4.8%**.

Social perspective


- In FY 2020-21, New York invested **\$68.9 million** to support FLCC. In turn, the New York economy will grow by **\$542.6 million**, over the course of students' working lives. Society will also benefit from **\$12.6 million** of public and private sector savings.
- For every dollar invested in FLCC in FY 2020-21, people in New York will receive **\$8.10** in return, for as long as FLCC's FY 2020-21 students remain active in the state workforce.

Students see a high rate of return for their investment in FLCC



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

For every \$1...

	<p>Students gain in lifetime earnings</p> <p>\$4.90</p>
	<p>Taxpayers gain in added tax revenue and public sector savings</p> <p>\$2.40</p>
	<p>Society gains in added income and social savings</p> <p>\$8.10</p>