

FACT SHEET

Demonstrating the Value of Barton Community College

APRIL 2014

Barton creates a significant positive impact on the Barton Service Area's business community and generates a return on investment to its major stakeholder groups—students, society, and taxpayers. Using a two-pronged approach that involves a regional economic impact analysis and an investment analysis, the study calculates the benefits to each of these groups. Results of the analysis reflect Fiscal Year (FY) 2012-13.

INCOME CREATED BY BARTON IN FY 2012-13 (ADDED INCOME)

\$11.7 MILLION

Effect of college operations

\$82.4 MILLION

Effect of student productivity

\$94.1 MILLION

Total effect

IMPACT ON LOCAL BUSINESS COMMUNITY

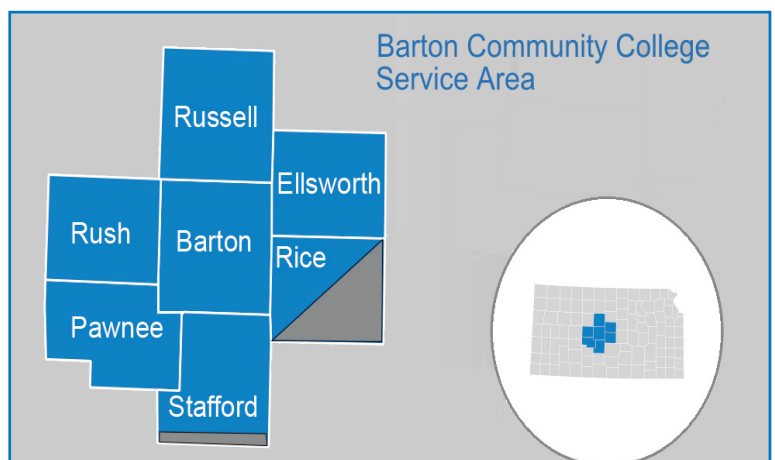
During the analysis year, Barton and its students added **\$94.1 MILLION** in income to the Barton Service Area economy, approximately equal to **3.4%** of the Barton Service Area's Gross Regional Product. The economic impacts of Barton break down as follows:

Impact of college operations

- Barton employed 789 full-time and part-time employees in FY 2012-13. Payroll amounted to **\$19.4 MILLION**, much of which was spent in the Barton Service Area to purchase groceries, clothing, and other household goods and services. The college spent another **\$20.5 MILLION** to support its day-to-day operations. The net impact of college payroll and expenses in the Barton Service Area during the analysis year was approximately **\$11.7 MILLION** in added regional income.

Impact of student productivity

- Over the years, students have studied at Barton and entered or re-entered the workforce with newly-acquired skills. Today thousands of these former students are employed in the Barton Service Area.
- The accumulated contribution of former students currently employed in the Barton Service Area workforce amounted to **\$82.4 MILLION** in added income during the analysis year, equal to 3.0% of the Barton Service Area's Gross Regional Product.



JOB EQUIVALENTS BASED ON INCOME

Job equivalents are a measure of the average-wage jobs that a given amount of income can potentially support. They are calculated by dividing income by the average income per worker in the Barton Service Area. Based on the added income created by Barton, the job equivalents are as follows:

Effect of college operations = **310** job equivalents

Effect of student productivity = **2,178** job equivalents

Overall, the added income created by Barton and its students supported **2,488** job equivalents.

FOR EVERY \$1 SPENT...

\$3.50

Gained in lifetime income for STUDENTS

\$21.50

Gained in added state income and social savings for SOCIETY

\$2.00

Gained in added taxes and public sector savings for TAXPAYERS

NOTES

1. The revenue and expenditures from Barton's Fort Riley and Fort Leavenworth campuses, and other outreach efforts, are included in the college's collective contribution to the Barton Service Area. The impact the college has on the seven counties is seen as a whole through all of Barton's operations and services. In short, this report focuses solely on Barton's impact on the seven counties within the Barton Service Area.
2. Some limitations of the report:
 - Not all employees live in the Barton Service Area; the benefits of the total jobs created are shared with communities outside the Barton Service Area.
 - Not all students reside in the Barton Service Area; the benefits of student spending and productivity are also shared with communities outside the Barton Service Area.
 - The majority of the college's expenses are spent within the Barton Service Area, and the college prioritizes local business when possible. However, this is not always feasible, and occasionally some money must be spent with organizations from outside of the Barton Service Area.

RETURN ON INVESTMENT TO STUDENTS, SOCIETY, AND TAXPAYERS

Student perspective

- Barton's 2012-13 students paid a total of **\$10.1 MILLION** to cover the cost of tuition, fees, books, and supplies. They also forwent **\$33.6 MILLION** in money that they would have earned had they been working instead of learning.
- In return for the monies invested in the college, students will receive a present value of **\$153.2 MILLION** in increased earnings over their working lives. This translates to a return of **\$3.50** in higher future income for every \$1 that students invest in their education. The average annual return for students is **14.3%**.

Social perspective

- Society as a whole in Kansas will receive a present value of **\$370.9 MILLION** in added state income over the course of the students' working lives. Society will also benefit from **\$13.8 MILLION** in present value social savings related to reduced crime, lower unemployment, and increased health and well-being across the state.
- For every dollar that state and local taxpayers spent on Barton during the analysis year, society will receive a cumulative value of **\$21.50** in benefits, for as long as Barton's 2012-13 students remain active in the state workforce.

Taxpayer perspective

- In FY 2012-13, state and local taxpayers in Kansas paid **\$17.9 MILLION** to support the operations of Barton. The net present value of the added tax revenue stemming from the students' higher lifetime incomes and the increased output of businesses amounts to **\$32.7 MILLION** in benefits to taxpayers. Savings to the public sector add another **\$3.8 MILLION** in benefits due to a reduced demand for government-funded services in Kansas.
- Dividing benefits to taxpayers by the associated costs yields a **2.0** benefit-cost ratio, i.e., every \$1 in costs returns \$2.00 in benefits. The average annual return on investment for taxpayers is **5.0%**.