



The Economic Value of Kansas City Kansas Community College **FACT SHEET**

KANSAS City Kansas Community College (KCKCC) 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) 2016-17.

Economic impact analysis

In FY 2016-17, KCKCC added **\$182.3 million** in income to the KCKCC Service Region¹ economy, a value approximately equal to **1.4%** of the region’s total gross regional product (GRP). Expressed in terms of jobs, KCKCC’s impact supported **2,811** regional jobs. For perspective, the activities of KCKCC and its students support one out of every **50** jobs in the KCKCC Service Region.

OPERATIONS SPENDING IMPACT

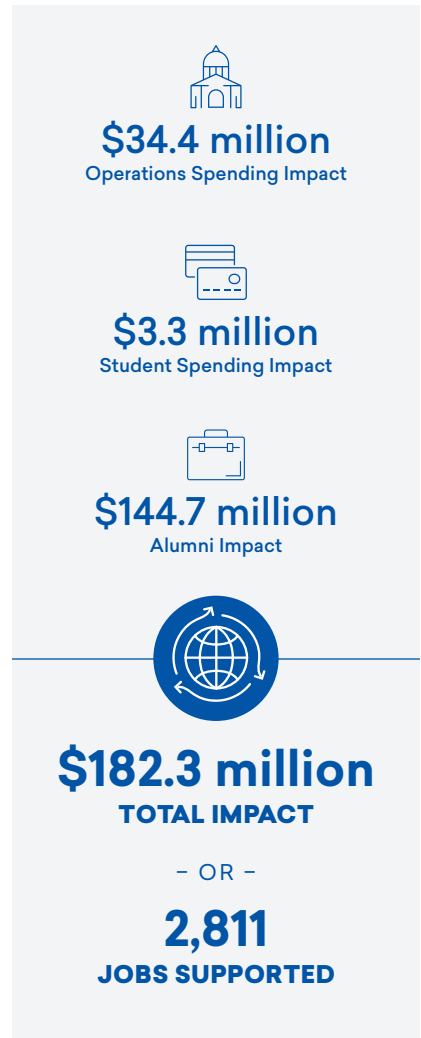
- KCKCC employed 774 full-time and part-time faculty and staff. Payroll amounted to \$38.4 million, much of which was spent in the region for groceries, mortgage and rent payments, dining out, and other household expenses. The college spent another \$25.9 million on day-to-day expenses related to facilities, supplies, and professional services.
- The net impact of the college’s operations spending added **\$34.4 million** in income to the regional economy.

STUDENT SPENDING IMPACT

- Around 27% of students attending KCKCC originated from outside the region. Some of these students relocated to the KCKCC Service Region. In addition, some in-region students would have left KCKCC Service Region for other educational opportunities if not for KCKCC. These relocated and retained students spent money on groceries, mortgage and rent payments, and so on at regional businesses.

¹ For the purposes of this analysis, the KCKCC Service Region is comprised of Leavenworth and Wyandotte Counties.

IMPACTS CREATED BY
KCKCC IN FY 2016-17

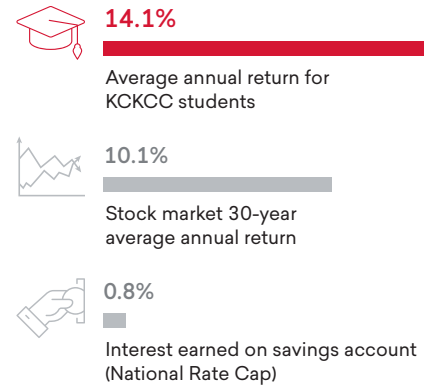


- The expenditures of relocated and retained students in FY 2016-17 added **\$3.3 million** in income to the KCKCC Service Region economy.

STUDENTS SEE A HIGH RATE OF RETURN FOR THEIR INVESTMENT IN KCKCC

ALUMNI IMPACT

- Over the years, students have studied at KCKCC and entered or re-entered the workforce with newly-acquired knowledge and skills. Today, thousands of these former students are employed in the KCKCC Service Region.
- The net impact of KCKCC's former students currently employed in the regional workforce amounted to **\$144.7 million** in added income in FY 2016-17.



Investment analysis

Source: Forbes' S&P 500, 1987-2016. FDIC.gov, 7-2016.

STUDENT PERSPECTIVE

- KCKCC's FY 2016-17 students paid a present value of **\$15.9 million** to cover the cost of tuition, fees, supplies, and interest on student loans. They also forwent **\$40.5 million** in money that they would have earned had they been working instead of attending college.
- In return for their investment, students will receive **\$186.3 million** in increased earnings over their working lives. This translates to a return of **\$3.30** in higher future earnings for every dollar students invest in their education. Students' average annual rate of return is **14.1%**.



FOR EVERY \$1...



Students gain
\$3.30
in lifetime earnings

TAXPAYER PERSPECTIVE

- Taxpayers provided KCKCC with **\$48.1 million** of funding in FY 2016-17. In return, they will benefit from added tax revenue, stemming from students' higher lifetime earnings and increased business output, amounting to **\$56 million**. A reduced demand for government-funded services in Kansas will add another **\$5.9 million** in benefits to taxpayers.
- For every dollar of public money invested in KCKCC, taxpayers will receive **\$1.30** in return, over the course of students' working lives. The average annual rate of return for taxpayers is **2.0%**.



Taxpayers gain
\$1.30
in added tax revenue and public sector savings

SOCIAL PERSPECTIVE

- In FY 2016-17, Kansas invested **\$115.5 million** to fully support KCKCC. In turn, the Kansas economy will grow by **\$651.2 million**, over the course of students' working lives. Society will also benefit from **\$13.7 million** of public and private sector savings.
- For every dollar invested in KCKCC educations in FY 2016-17, people in Kansas will receive **\$5.80** in return, for as long as KCKCC's FY 2016-17 students remain active in the state workforce.



Society gains
\$5.80
in added income and social savings

