



The Economic Value of the College of Southern Nevada

FACT SHEET

THE College of Southern Nevada (CSN) 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, CSN added **\$1.1 billion** in income to the CSN Service Area¹ economy, a value approximately equal to **1.0%** of the region’s total gross regional product (GRP). Expressed in terms of jobs, CSN’s impact supported **15,728** regional jobs. For perspective, the activities of CSN and its students support one out of every **82** jobs in the CSN Service Area.

OPERATIONS SPENDING IMPACT

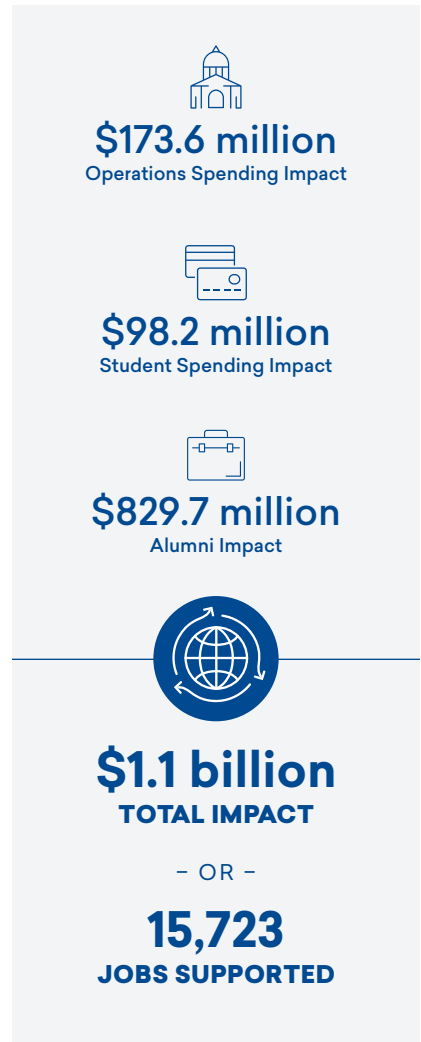
- CSN employed 2,337 full-time and part-time faculty and staff. Payroll amounted to \$115.5 million, much of which was spent in the region for groceries, mortgage and rent payments, dining out, and other household expenses. The college spent another \$77.1 million on day-to-day expenses related to facilities, supplies, and professional services.
- The net impact of the college’s operations spending added **\$173.6 million** in income to the regional economy.

STUDENT SPENDING IMPACT

- Around 8% of credit students attending CSN originated from outside the region. Some of these students relocated to the CSN Service Area. In addition, some in-region students would have left the CSN Service Area for other educational opportunities if not for CSN. 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 CSN Service Area is comprised of Clark and Lincoln Counties in Nevada.

IMPACTS CREATED BY CSN
IN FY 2016-17



- The expenditures of relocated and retained students in FY 2016-17 added **\$98.2 million** in income to the CSN Service Area economy.

ALUMNI IMPACT

- Over the years, students have studied at CSN and entered or re-entered the workforce with newly-acquired knowledge and skills. Today, hundreds of thousands of these former students are employed in the CSN Service Area.
- The net impact of CSN's former students currently employed in the regional workforce amounted to **\$829.7 million** in added income in FY 2016-17.



Investment analysis

STUDENT PERSPECTIVE

- CSN's FY 2016-17 students paid a present value of **\$50.8 million** to cover the cost of tuition, fees, supplies, and interest on student loans. They also forwent **\$193.1 million** in money that they would have earned had they been working instead of attending college.
- In return for their investment, students will receive **\$872.7 million** in increased earnings over their working lives. This translates to a return of **\$3.60** in higher future earnings for every dollar students invest in their education. Students' average annual rate of return is **15.1%**.

TAXPAYER PERSPECTIVE

- Taxpayers provided CSN with **\$95.9 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 **\$325.1 million**. A reduced demand for government-funded services in Nevada will add another **\$27 million** in benefits to taxpayers.
- For every dollar of public money invested in CSN, taxpayers will receive **\$3.70** in return, over the course of students' working lives. The average annual rate of return for taxpayers is **12.3%**.

SOCIAL PERSPECTIVE

- In FY 2016-17, Nevada invested **\$404 million** to fully support CSN. In turn, the Nevada economy will grow by **\$4.7 billion**, over the course of students' working lives. Society will also benefit from **\$61.3 million** of public and private sector savings.
- For every dollar invested in CSN educations in FY 2016-17, people in Nevada will receive **\$11.80** in return, for as long as CSN's FY 2016-17 students remain active in the state workforce.

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



15.1%

Average annual return for CSN students



10.1%

Stock market 30-year average annual return



0.8%

Interest earned on savings account (National Rate Cap)

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



FOR EVERY \$1...



Students gain

\$3.60

in lifetime earnings



Taxpayers gain

\$3.70

in added tax revenue and public sector savings



Society gains

\$11.80

in added income and social savings

