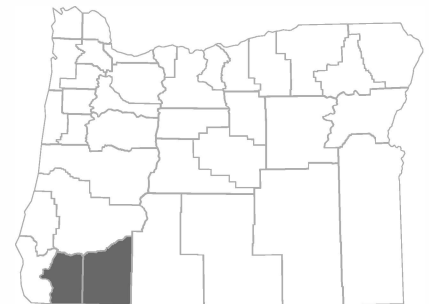


# The Economic Value of Rogue Community College



Rogue Community College (RCC) 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) 2021-22.



**Jackson and Josephine  
Counties, Oregon**

## Economic impact analysis

In FY 2021-22, RCC added **\$306.5 million** in income to the economy of Jackson and Josephine Counties, a value approximately equal to **1.9%** of the region's total gross regional product (GRP). Expressed in terms of jobs, RCC's impact supported **4,192 jobs**. For perspective, the activities of RCC and its students support **one out of every 40 jobs** in Jackson and Josephine Counties.

### Operations spending impact

- RCC employed 715 full-time and part-time faculty and staff. Payroll amounted to \$33.9 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 \$24.8 million on day-to-day expenses related to facilities, supplies, and professional services (excluding construction).

- The net impact of the college's operations spending added **\$41.1 million** in income to the regional economy in FY 2021-22.

### Construction spending impact

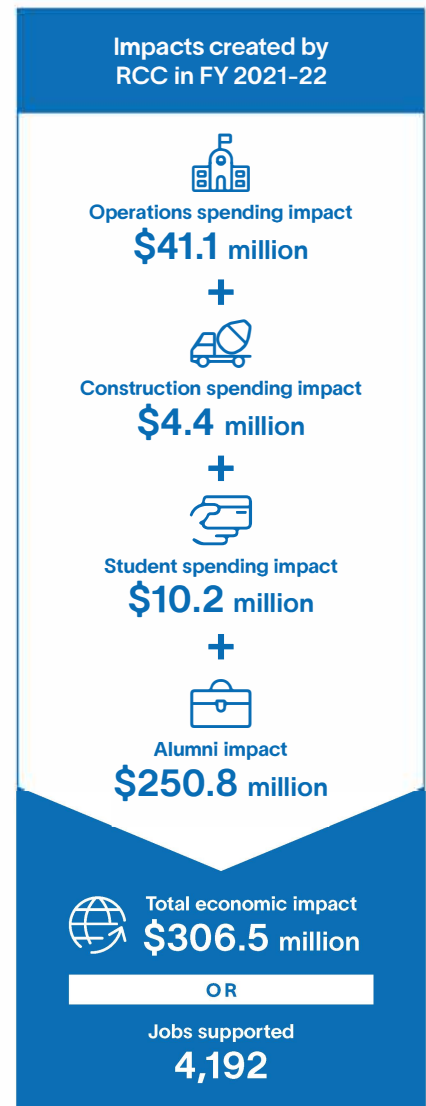
- RCC invests in construction each year to maintain its facilities, create additional capacities, and meet its growing educational demands, generating a short-term infusion of spending and jobs in the regional economy.
- The net impact of RCC's construction spending in FY 2021-22 was **\$4.4 million** in added income for Jackson and Josephine Counties.

### Student spending impact

- Around 6% of students attending RCC originated from outside the region. Some of these students relocated to Jackson and Josephine Counties. In addition, some in-region students, referred to as retained students, would have left Jackson and Josephine Counties for other educational opportunities if not for RCC. 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 2021-22 added **\$10.2 million** in income to the economy of Jackson and Josephine Counties.

### Alumni impact

- Over the years, students have studied at RCC and entered or re-entered the workforce with newly-acquired knowledge and skills. Today, thousands of these former students are employed in Jackson and Josephine Counties.
- The net impact of RCC's former students currently employed in the regional workforce amounted to **\$250.8 million** in added income in FY 2021-22.



# Investment analysis

## Student perspective

- RCC's FY 2021-22 students paid a present value of **\$13.4 million** to cover the cost of tuition, fees, supplies, and interest on student loans. They also forwent **\$953.2 thousand** 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 of **\$85.8 million** in increased earnings over their working lives. This translates to a return of **\$6.00** in higher future earnings for every dollar students invest in their education. Students' average annual rate of return is **23.9%**.

## Taxpayer perspective

- Taxpayers provided RCC with **\$38.4 million** of funding in FY 2021-22. In return, they will benefit from added tax revenue, stemming from students' higher lifetime earnings and increased business output, amounting to **\$33.2 million**. A reduced demand for government-funded services in Oregon will add another **\$3.2 million** in benefits to taxpayers.
- Total taxpayer benefits amount to **\$36.4 million**, the present value sum of the added taxes and public sector savings.

## Social perspective

- In FY 2021-22, Oregon invested **\$72.1 million** to support RCC. In turn, the Oregon economy will grow by **\$347.7 million**, over the course of students' working lives. Society will also benefit from **\$7 million** of public and private sector savings.
- For every dollar invested in RCC in FY 2021-22, people in Oregon will receive **\$4.90** in return, for as long as RCC's FY 2021-22 students remain active in the state workforce.

## Students see a high rate of return for their investment in RCC



Average annual return for RCC students  
**23.9%**



Stock market 30-year average annual return  
**9.6%**



Interest earned on savings account (national deposit rate)  
**0.4%**

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

