

Higher Education Institutions Foster Job Growth and Other Benefits

- Institutions of higher learning tend to be large employers, providing stable jobs to support their employees and generating payroll that supports families and retail activity.
- Colleges and universities often have cooperative programs with local K-12 school systems and non-degree programs for continuing adult education.
- Communities that contain colleges and universities have a higher percentage of better educated citizens, partly because the institution's teachers, professors, and administrators live there. There is a direct effect, but also a potentially important peer effect on expectations and attitudes in the community.
- These communities receive a stable stream of skilled graduates, some of whom will choose to locate there permanently, while others at least temporarily. These educated workers will pay taxes, vote, and generally contribute to the society overall.
- The presence of universities, especially those actively involved in research, attracts higher amounts of outside funding from grants and contracts, particularly from the federal government.
- Technology and its licensing generate additional revenue from outside companies as well as attracting new well-paying industries to the community.
- Universities turn out research that ultimately can lead to the creation of new businesses and contribute to a local workforce that is skilled in budding technologies.
- Colleges and universities host many cultural events that benefit the community, such as plays, concerts, exhibits, and lectures.

A study conducted by the National Association of State Universities and Land-Grant Colleges in 2001 found that state-supported universities “remain powerful engines for economic stability and growth” (NASULGC, 2001, p. 3).

- Every dollar of state money invested in a NASULGC institution generates an average return of \$5.
- For every \$100 spent directly by a NASULGC institution, an additional \$138 is spent by employees (\$64), students (\$60), and visitors (\$14).
- NASULGC institutions account for an average of \$60 million annually in state and local taxes paid by employees, students, and visitors.
- The average number of jobs provided is 6,562, not including part-time student employees.
- For every job on a public university campus, an additional 1.6 jobs are generated off-campus.
- Two-thirds of public university graduates remain in-state for significant periods of time after graduating.
- Public universities received an average of \$105 million from out-of-state research grants and contracts.
- 65% of NASULGC institutions reported having a research park and/or business incubator.