

# Overview Fact Sheet

*South Plains College plays a significant role in the local economy and is a sound investment from multiple perspectives. Students benefit from improved lifestyles and increased earnings. Taxpayers benefit from a larger economy and lower social costs. Finally, the community as a whole benefits from increased job and investment opportunities, higher business revenues, greater availability of public funds, and an eased tax burden.*

## SPC Helps State & Local Economy

- The SPC Service Area economy receives roughly **\$30.5 million** in regional income annually due to SPC operations and capital spending.

**The regional economy is \$240.2 million stronger due to SPC.**

- About 40% of SPC's students come to the area from outside regional boundaries, bringing with them monies that would not have otherwise entered the local economy. The expenditures of SPC's out-of-region students generate roughly **\$5.7 million** in regional income in the SPC Service Area.
- SPC activities encourage new business, assist existing business, and create long-term economic growth. The college enhances worker skills and provides customized training to local business and industry. It is estimated that the SPC Service Area workforce embodies about **682,700** credit hours of past and present SPC training.
- SPC skills embodied in the regional workforce where former students are employed increase local income by **\$167.2 million**. Associated indirect effects increase income by another **\$36.8 million**.
- Altogether, the SPC Service Area economy annually receives roughly **\$240.2 million** in income due to past and present efforts of SPC.

## SPC Leverages Taxpayer Dollars

- The state and local community will see avoided social costs amounting to **\$21** per year for every credit earned by SPC students, including savings associated with improved health, lower crime costs, and reduced welfare and unemployment. This translates to **\$2.1 million** in avoided costs to the State of Texas each year as long as students are in the workforce.
- Students benefit from higher earnings, thereby expanding the tax base and reducing the burden on state and local taxpayers. In the aggregate, SPC students generate about **\$15.6 million** annually in higher earnings due to their SPC education.

- SPC yields a return on government investment. State and local government allocated around **\$26.8 million** in support of SPC in fiscal year 2007. For every \$1 of this support, taxpayers see a cumulative return of **\$1.80** over the course of students' working careers (in the form of higher tax receipts and avoided social costs).
- State and local government see a rate of return of **8%** on their support for SPC. This return compares very favorably with private sector rates of return on similar long-term investments.

## SPC Helps Students Earn More

- A total of **16,353** credit and non-credit students attended the college in FY 2007. About 63% of these students stay in the region initially after they leave college, contributing to the local economy.

**Students see their annual income increase by \$150 per year for every credit completed at SPC.**

- Education increases lifetime income. The average annual income of a one-year certificate graduate at the midpoint of his or her career is **\$30,500**, or **82%** more than someone without a high school diploma, and **16%** more than a student with a high school diploma. The average income at the career midpoint of someone with an associate's degree is **\$36,100**, or **115%** more than someone without a high school diploma, and **38%** more than a student with a high school diploma.
- SPC students enjoy an average annual income increase of **\$150** for every credit completed.
- Throughout his or her working career, the average SPC student's discounted lifetime income (i.e., future values expressed in present value terms) increases by **\$5.40** for every \$1 invested (tuition, fees, books, and wages given up to attend).
- Students enjoy an attractive **15%** rate of return on their SPC educational investment, recovering all costs (including wages foregone) in 10 years.