




socioeconomic impact of the

Los Angeles Community College District



Incomes in Los Angeles County are **\$9.1 billion** higher due to the District

- \$8.6 billion: Past student productivity
- \$492.3 million: District operations spending
- \$25.9 million: Direct student spending




REGIONAL ANALYSIS

past student productivity

\$8.6 billion

net contribution to regional income

- Higher income of students still active in the workforce
 - 18.9 million active CHEs
 - \$209 in increased income per CHE
- Associated multiplier effects




REGIONAL ANALYSIS

district operations

\$492.3 million

net contribution to regional income

- Direct income of faculty and staff
- Associated multiplier effects
- Net of alternative use of funds




REGIONAL ANALYSIS

student spending

\$25.9 million
net contribution to regional income

- Spending by students from outside the region
- Associated multiplier effects



INVESTMENT ANALYSIS

associates degree graduates will...

- Earn an average of \$49,200 per year, 39% more than someone with a HS diploma or GED
- Over their future careers, earn \$515,700 more than someone with a HS diploma or GED



INVESTMENT ANALYSIS

student perspective

- Benefits: **\$7.0 billion** = present value of increased future income
- Costs: **\$925 million** = tuition, fees and opportunity cost of time

23.7% return on investment

7.57 benefit/cost ratio



INVESTMENT ANALYSIS


social perspective

Medical	\$14.9 million
Crime	\$16.3 million
Welfare/Unempl.	\$7.3 million

\$38.5 million

annual savings

- Education is statistically correlated with improved lifestyles
- This translates into medical, crime and unemployment savings to taxpayers



INVESTMENT ANALYSIS

taxpayer perspective

- **Benefits: \$1.3 billion** = added tax revenue and avoided costs to government
- **Costs: \$569.0 million** = state and local government funding

10.1% return on investment

2.33 benefit/cost ratio



The Los Angeles Community College District

- Enriches the lives of students
- Increases students' lifetime income
- Generates government revenue
- Reduces the demand for social services
- Contributes to the growth of the economy