

IMPACT ON LOCAL BUSINESS COMMUNITY

Demonstrating the Value of San Luis Obispo County Community College District

JULY 2014



JOB EQUIVALENTS BASED ON INCOME

Job equivalents are a measure of the average-wage jobs that a given amount of income can potentially support. They are calculated by dividing income by the average income per worker in the region. Based on the added income created by Cuesta College, the job equivalents are as follows:

Effect of college operations = **1,253** job equivalents

Effect of student spending = **975** job equivalents

Effect of student productivity = **5,729** job equivalents

Overall, the added income created by Cuesta College and its students supported **7,957** job equivalents.

In FY 2012-13, Cuesta College's total impact on the San Luis Obispo County economy was \$340.5 million in added income, equal to 3.0% of the region's Gross Regional Product.

CUESTA COLLEGE PAYROLL & EXPENSES SUPPORT LOCAL BUSINESSES

- In FY 2012-13, Cuesta College employed **916** full-time and part-time faculty and staff, with an annual payroll of **\$44.7 MILLION**. Much of this was spent in San Luis Obispo County to purchase groceries, clothing, and other household goods and services.
- The college is itself a buyer of goods and services and spent another **\$27.9 MILLION** to support its operations during the analysis year.
- The net impact of college payroll and expenses in San Luis Obispo County was **\$53.6 MILLION** in added regional income.



INCOME CREATED BY CUESTA COLLEGE IN FY 2012-13 (ADDED INCOME)

\$53.6 MILLION

Effect of college operations

\$41.7 MILLION

Effect of student spending

\$245.1 MILLION

Effect of student productivity

\$340.5 MILLION

Total effect



CUESTA COLLEGE STUDENTS BOOST LOCAL SPENDING

- Approximately 40.5% of Cuesta College students relocated to San Luis Obispo County from outside the region to attend the college in FY 2012-13. Their expenditures for room and board, transportation, and other personal goods and services helped support local businesses.
- The expenditures of the college's out-of-region students added approximately **\$41.7 MILLION** in income to the region during the analysis year.



CUESTA COLLEGE TRAINING SUSTAINS A SKILLED WORKFORCE

- Over the years, students have studied at Cuesta College and entered or re-entered the workforce with newly-acquired skills. Today, thousands of former students are employed in San Luis Obispo County.
- As students apply the skills they acquired at the college, they are rewarded with higher incomes. They also raise business profits through their increased productivity. These higher incomes and increased profits create even more income as they are spent in the region.
- In FY 2012-13, the effect of former Cuesta College students on the regional economy amounted to **\$245.1 MILLION** in added income.