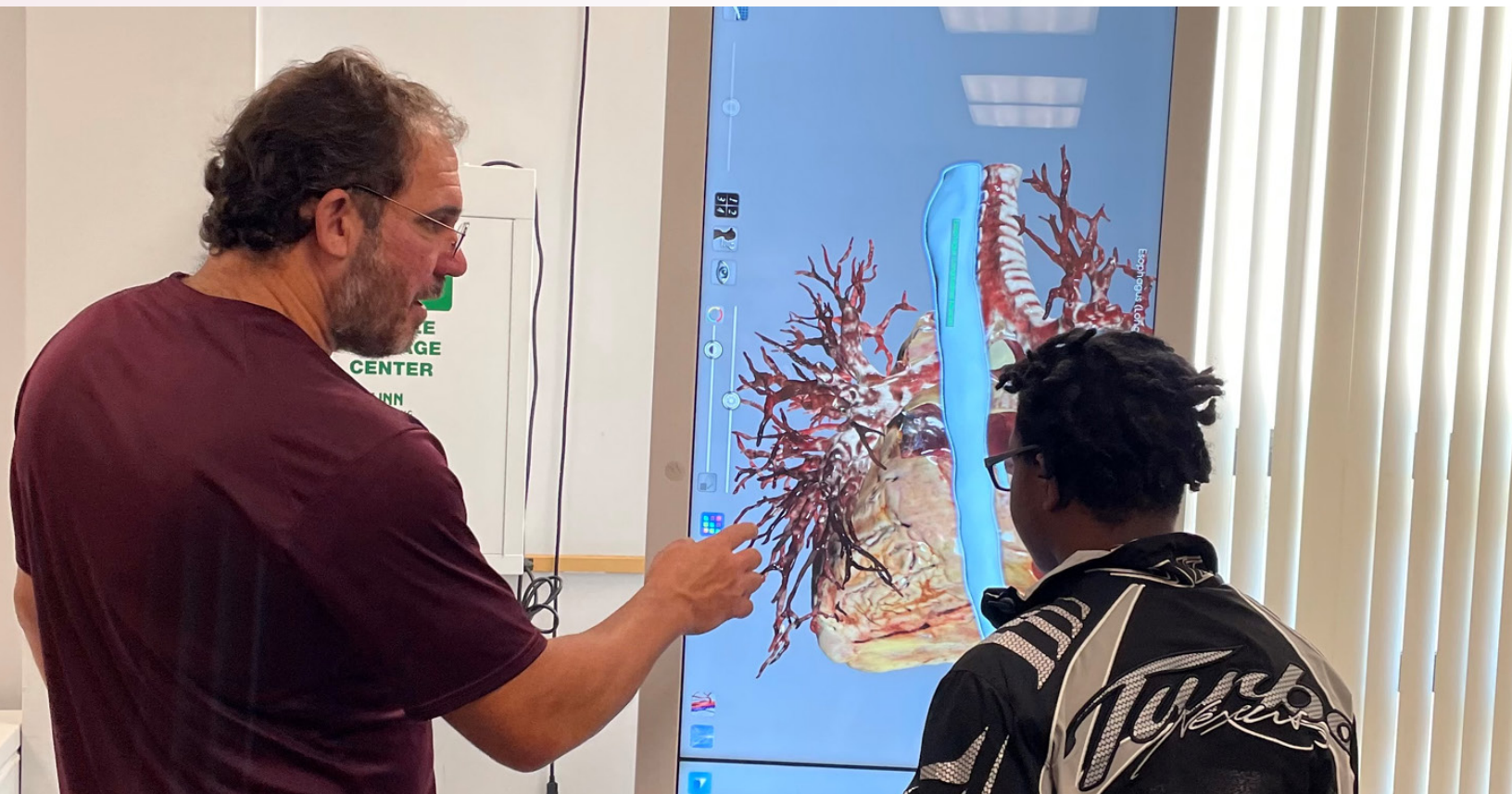


The Economic Value of Shawnee Community College



Shawnee Community College (SCC) 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) 2023-24.



Economic impact analysis

In FY 2023-24, SCC added **\$49.9 million** in income to the SCC Service Area* economy, a value approximately equal to **1.0%** of the region's total gross regional product (GRP). Expressed in terms of jobs, SCC's impact supported **805 jobs**. For perspective, the activities of SCC and its students support **one out of every 73 jobs** in the SCC Service Area.

Operations spending impact

- SCC employed 223 full-time and part-time faculty and staff. Payroll amounted to \$8.5 million, much of which was spent in the region on groceries, mortgage and rent payments, dining out, and other household expenses. The college spent another \$10.2 million on its expenses related to facilities, supplies, and professional services.
- The net impact of the college's operations spending added **\$9.4 million** in income to the regional economy in FY 2023-24.

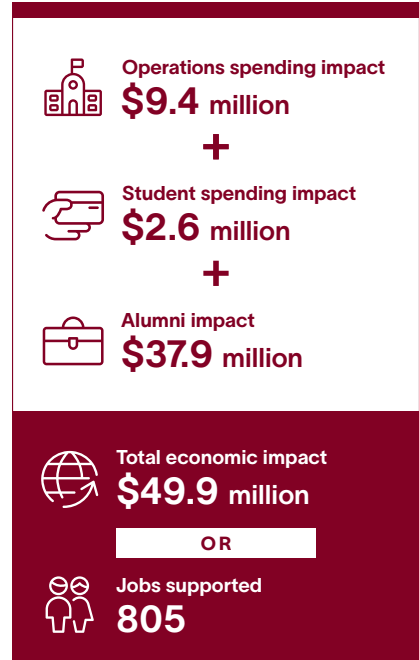
Student spending impact

- Around 13% of students attending SCC originated from outside the region. The majority of these students relocated to the SCC Service Area. In addition, some in-region students, referred to as retained students, would have left the SCC Service Area for other educational opportunities if not for SCC. These relocated and retained students spent money on groceries, mortgage and rent payments, and other living expenses at businesses in the region.
- The expenditures of relocated and retained students in FY 2023-24 added **\$2.6 million** in income to the SCC Service Area economy.

Alumni impact

- Over the years, students have studied at SCC and entered or re-entered the workforce with newly acquired knowledge and skills. Today, thousands of these former students are employed in the SCC Service Area.
- The net impact of SCC's former students currently employed in the regional workforce amounted to **\$37.9 million** in added income in FY 2023-24.

Impacts created by SCC in FY 2023-24



* For the purposes of this analysis, the SCC Service Area is comprised of Alexander, Jackson, Johnson, Massac, Pulaski, and Union Counties. The service area is intentionally defined for modeling and comparability purposes. A significant portion of SCC graduates live and work in neighboring states. As a result, the reported economic impact should be interpreted as a conservative, Illinois-only, estimate of the SCC's economic impact, as cross-border alumni employment and related economic activity are not reflected in the analysis.





Investment analysis

Student perspective

- SCC's FY 2023-24 students paid a present value of **\$3.6 million** to cover the cost of tuition, fees, and supplies. They also forwent a value of **\$5.7 million** in time and money had they been working instead of attending college.
- In return for their investment, students will receive a cumulative present value of **\$35.0 million** in increased earnings over their working lives. This translates to a return of **\$3.70** in higher future earnings for every dollar students invest in their education. Students' average annual rate of return is **13.6%**.

Taxpayer perspective

- Taxpayers provided SCC with **\$13.9 million** of funding in FY 2023-24. In return, they will benefit from added tax revenue, stemming from students' higher lifetime earnings and increased business output, amounting to **\$12.6 million**. A reduced demand for government-funded services in Illinois will add another **\$1.3 million** in benefits to taxpayers.
- Total taxpayer benefits amount to **\$13.8 million**, the present value sum of the added tax revenue and public sector savings.

Social perspective

- In FY 2023-24, Illinois invested **\$25.6 million** to support SCC. In turn, the Illinois economy will grow by **\$125.3 million** over the course of students' working lives. Society will also benefit from **\$3.1 million** of public and private sector savings.
- For every dollar invested in SCC in FY 2023-24, people in Illinois will receive **\$5.00** in return, for as long as SCC's FY 2023-24 students remain active in the state workforce.

Students see a high rate of return for their investment in SCC



Average annual return for SCC students

13.6%



Stock market 30-year average annual return

10.9%



Interest earned on savings account (national deposit rate)

0.5%

Source: Forbes' S&P 500, 1994-2025; FDIC.gov, January 2024.

For every \$1...



Students gain in lifetime earnings

\$3.70



Society gains in added income and social savings

\$5.00



Taxpayers gain in added tax revenue and public sector savings

\$13.8 million

