Economic Contributions of the State University System of Florida in 2009-10

Sponsored Project Report to the Board of Governors of the State University System of Florida

Alan W. Hodges, PhD, Thomas J. Stevens, PhD, and Rodney L. Clouser, PhD
University of Florida, Food & Resource Economics Department

Julie Harrington, PhD, Martijn Niekus, Drs, and Keith Baker, PhD
Florida State University, Center for Economic Forecasting and Analysis
State University System of Florida

- 11 institutions, 30 branch campuses
- 80 million square feet of buildings, 40,533 acres land
- 312,216 students (209,309 FTE)
- 73,579 degrees awarded in 2009-10
- 58,000 employees
Sources and Methods

- SUS revenues & expenses from FY 2009-10 financial statement, and supplemental detail on expenditures for operations, payroll, capital improvement (BOG).

- Student spending estimated from “cost of attendance”, undergrad/graduate enrollment, on/off-campus living, home residence.

- Employment and earnings for SUS and high school graduates (FETPIP Outcomes Report, Fall 2010), and present value of earnings over 30-year worklife based on age (U.S. Bureau of Census) and share remaining in Florida (OPPAGA).

- Regional economic model for Florida, multipliers and regional purchase coefficients (IMPLAN).
Degrees Awarded by Florida SUS Institutions, 2009-10

- 72.6% Bachelors
- 21.7% Masters
- 2.8% Professional
- 3.0% Doctorate
### Average Annual Per Capita Earnings and Earnings Differentials for Florida High School and SUS Degree Graduates in FY 2009-10

<table>
<thead>
<tr>
<th>Education level</th>
<th>Total individuals</th>
<th>Percent found employed</th>
<th>Percent of employed fulltime</th>
<th>Equivalent annual earnings</th>
<th>Annual earnings differential</th>
</tr>
</thead>
<tbody>
<tr>
<td>High School (public)</td>
<td>118,679</td>
<td>43.6%</td>
<td>44.7%</td>
<td>$20,924</td>
<td></td>
</tr>
<tr>
<td>Bachelors</td>
<td>55,089</td>
<td>60.4%</td>
<td>74.8%</td>
<td>$36,520</td>
<td>$15,596</td>
</tr>
<tr>
<td>Masters</td>
<td>15,034</td>
<td>58.8%</td>
<td>91.0%</td>
<td>$58,698</td>
<td>$37,774</td>
</tr>
<tr>
<td>Ph.D.</td>
<td>2,165</td>
<td>34.3%</td>
<td>92.1%</td>
<td>$66,743</td>
<td>$45,819</td>
</tr>
<tr>
<td>Professional</td>
<td>2,305</td>
<td>54.4%</td>
<td>91.0%</td>
<td>$70,716</td>
<td>$49,792</td>
</tr>
<tr>
<td>All SUS Degrees</td>
<td>74,593</td>
<td>59.1%</td>
<td>78.8%</td>
<td>$42,656</td>
<td>$21,732</td>
</tr>
</tbody>
</table>

Annual earnings differential compared to high school graduates in same year.

Source: Annual Outcomes Report, Florida Education & Training Placement Information Program (FETPIP), Division of Accountability, Research and Measurement, Fall 2010.
Growth in Annual Average per Capita Earnings for Florida High School and SUS Graduates

Source: Florida Dept. Education, FETPIP outcomes reports (2009, 2010), and Calculations by FSU-CEFA
Present Value of Average Individual Earnings Differential Over Time for Florida SUS Graduates Compared to High School Graduates

Dollars

- Bachelors
- Masters
- Doctorate
- Professional

10 Years
20 Years
30 Years
Summary of Expenditures for SUS Institutions, FY 2009-10

Total: $44.44 Bn
In-state: $42.65 Bn
New final demand: $35.97 Bn
### Summary of Total Economic Impacts of the State University System of Florida in FY 2009-10

<table>
<thead>
<tr>
<th>Category</th>
<th>Output</th>
<th>Value Added</th>
<th>Labor Income</th>
<th>Other Property Income</th>
<th>Indirect Business Tax</th>
<th>Employment Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operations</strong></td>
<td>$6,528</td>
<td>$4,258</td>
<td>$2,452</td>
<td>$1,453</td>
<td>$353</td>
<td>53,519</td>
</tr>
<tr>
<td><strong>Payroll</strong></td>
<td>$4,774</td>
<td>$3,034</td>
<td>$1,863</td>
<td>$941</td>
<td>$236</td>
<td>100,716</td>
</tr>
<tr>
<td><strong>Capital</strong></td>
<td>$2,356</td>
<td>$1,325</td>
<td>$907</td>
<td>$344</td>
<td>$74</td>
<td>19,752</td>
</tr>
<tr>
<td><strong>Student Spending</strong></td>
<td>$3,735</td>
<td>$2,670</td>
<td>$1,192</td>
<td>$1,175</td>
<td>$303</td>
<td>39,969</td>
</tr>
<tr>
<td><strong>PV of Earnings Differential</strong></td>
<td>$62,518</td>
<td>$40,613</td>
<td>$24,811</td>
<td>$12,654</td>
<td>$3,147</td>
<td>557,290</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$79,911</td>
<td>$51,900</td>
<td>$31,225</td>
<td>$16,568</td>
<td>$4,114</td>
<td>771,245</td>
</tr>
</tbody>
</table>

All values in 2010 dollars. Employment includes full-time and part-time jobs.

Impact estimates include *IMPLAN* regional multiplier effects of supply chain activity (indirect effect) and employee household and government spending (induced).

Employment impact is 7.89% of Florida workforce.

Value added impact is 7.27% of Florida GDP (2010).
Employment Impacts of Florida SUS Institutions in FY 2009-10

- Graduate earnings differential
- Student Spending
- Capital Investment
- Payroll
- Operations

Full-Time and Part-Time Jobs

UF, FSU, UCF, USF, FIU, FAU, UNF, FAMU, UWF, FGCU, NCF

- UF
- FSU
- UCF
- USF
- FIU
- FAU
- UNF
- FAMU
- UWF
- FGCU
- NCF
Value Added Impacts of Florida SUS Institutions in FY 2009-10

- **UF**: $12.5 billion in graduate earnings differential, $4.5 billion in student spending, $4.2 billion in capital investment, $2.8 billion in payroll, and $0.5 billion in operations.
- **FSU**: $10.5 billion in graduate earnings differential, $3.5 billion in student spending, $3.2 billion in capital investment, $2.1 billion in payroll, and $0.3 billion in operations.
- **UCF**: $8.5 billion in graduate earnings differential, $2.5 billion in student spending, $2.2 billion in capital investment, $1.5 billion in payroll, and $0.2 billion in operations.
- **USF**: $6.5 billion in graduate earnings differential, $1.5 billion in student spending, $1.2 billion in capital investment, $1.0 billion in payroll, and $0.1 billion in operations.
- **FIU**: $4.5 billion in graduate earnings differential, $1.0 billion in student spending, $0.8 billion in capital investment, $0.7 billion in payroll, and $0.1 billion in operations.
- **FAU**: $3.0 billion in graduate earnings differential, $0.7 billion in student spending, $0.6 billion in capital investment, $0.5 billion in payroll, and $0.1 billion in operations.
- **UNF**: $2.0 billion in graduate earnings differential, $0.5 billion in student spending, $0.4 billion in capital investment, $0.3 billion in payroll, and $0.1 billion in operations.
- **FAMU**: $1.5 billion in graduate earnings differential, $0.3 billion in student spending, $0.3 billion in capital investment, $0.2 billion in payroll, and $0.1 billion in operations.
- **UWF**: $1.0 billion in graduate earnings differential, $0.2 billion in student spending, $0.2 billion in capital investment, $0.1 billion in payroll, and $0.1 billion in operations.
- **FGCU**: $0.5 billion in graduate earnings differential, $0.1 billion in student spending, $0.1 billion in capital investment, $0.1 billion in payroll, and $0.1 billion in operations.
- **NCF**: $0.2 billion in graduate earnings differential, $0.05 billion in student spending, $0.05 billion in capital investment, $0.05 billion in payroll, and $0.05 billion in operations.
Conclusions

- Study captured impacts of Florida SUS operations, payroll, capital and student spending, and present value of graduate earnings differential, according to scope of work.

- SUS graduates have significantly higher employment rates and lifetime earnings than high school graduates: present value of degree $550,00 (bachelors) to $1.87 million (professional) over 30 years.

- SUS generates over 770,000 jobs annually and contributes 7.27% of Florida GDP.

- Employment impacts increased 2.72 fold since 1998-99, although earnings methodology differed (Lynch et al., 2001).

- Did not estimate impacts of visitor spending or technology transfer activities (3,852 and 8,098 jobs, respectively, in UF study)—should do so in future studies.