

Summary of an Evaluation of the Economic Impact of Contributions by Clinton Community College

Clinton Community College has maintained an illustrious history and contributions to residents of Clinton County, New York, and beyond. While we often take for granted the contributions an education institution makes to society, rarely are we afforded the opportunity to quantify its benefits to the local economy. This report summarizes these contributions Clinton Community College makes to the Clinton County economy.

Four dimensions of contributions are analyzed. First, I describe the contributions the payroll and spending by CCC makes in direct stimuli to the local economy, the indirect contributions through its payroll and expenditures, and the additional spending induced as broad-based income is raised and consumption is enabled. I use the IMPLAN input-output software and methodology to measure these economic impacts. IMPLAN is the standard method to measure the various contributions of corporations and institutions to the local economy by tracking patterns of expenditures as they flow through various sectors of the economy.

I then use the IMPLAN methodology to measure the benefits that accrue to the local region as a result of the contribution the college makes to the earning potential of students graduating from the college. I benchmark the increment to earning potential compared to what these students would be expected to earn without the contribution CCC makes.

I also describe contributions CCC faculty and staff make through community engagement that is enabled by the opportunity to find professional employment at CCC.

Finally, I note that the employment CCC enables results in the generation of tax revenue to local and state coffers. These contributions offset the subsidies ofered public education institutions.

Contributions to the Local Economy Through CCC Spending

The college employs 77 full-time-equivalent staff and generates payroll spending of \$8,614,844 annually in 2023/4. In addition, there is total spending of \$1,891,922 in educational support, including operation of the plant and equipment. This spending generates 4 additional jobs for local suppliers, and induces an additional 40 jobs in the larger economy from the income it generates for employees and suppliers:

Impact Summary - College Spending	Clinton Community College.impdb	Copyright 2024 Minnesota IMPLAN		(thousands)
ImpactType	Employment	Labor Income	Total Value Added	Output
Direct Effect	77	\$8,615	\$9,954	\$6,615
Indirect Effect	4	\$183	\$291	\$484
Induced Effect	40	\$2,208	\$3,695	\$5,297
Total Effect	121	\$11,006	\$13,939	\$12,396

In total, 121 jobs are generated and \$11.006 million of payroll is supported in the local economy. When one also considers the various taxes paid and other income, the total value-added to the Clinton County economy is \$13.939 million annually.

These additional benefits accrue from approximately 68 academic jobs and the 12 jobs that are created in Clinton County physical plant and building services, but also include demand for food and drink establishments, medical offices, nursing facilities and hospitals, general governmental support, and retail and wholesale trade:

Top Ten for Employment	Clinton Community College. impdb	Copyright 2024 Minnesota IMPLAN		(thousands)
Sector	Total Employment	Total Labor Income	Total Value Added	Total Regional Output
Employment and payroll only (state & local govt, education)	68	\$6,886	\$7,799	\$1,750
Services to buildings and dwellings	12	\$1,970	\$2,428	\$4,943
Food services and drinking places	5	\$120	\$176	\$289
Offices of physicians, dentists, and other health practitioners	3	\$225	\$261	\$337
Private hospitals	3	\$217	\$227	\$423
Employment and payroll only (state & local govt, non-education)	2	\$231	\$261	\$59
Retail Stores - Food and beverage	2	\$54	\$83	\$134
Retail Stores - General merchandise	2	\$51	\$75	\$111
Nursing and residential care facilities	1	\$66	\$69	\$107
Wholesale trade businesses	1	\$57	\$61	\$67

These larger multiplier effects that are directly related to educational spending at CCC represent a multiplier effect of 1.57 arising from Clinton Community College operations.

Contributions that Arise as a Result of Education and Training Provided by CCC

Far more significant is in the value of the diplomas issued by the College. On a 5-year moving average basis, the college graduates the following number of students:

category	graduates
Nursing	31.4
Policing and Prisons	6
STEM-related	36.4
Business	10
Liberal Arts	14.8
Information Technology	36.4
Human Services	22.2

These students pursue their studies at least in part because of the additional lifetime income they can generate over typical employment for those with only a high school diploma. If these graduates each add a similar increment to lifetime income each year, then the lifetime income of one graduating cohort then represents the value created by CCC degrees. In this analysis, I assume a working career of 45 years.

Of course, future years must be discounted compared to the present, according to the financial concept of time-value-of-money. If we discount future earnings at a rate of 6% annually, and we recognize that to obtain a two year degree also requires one to forego alternative employment for two years, we can calculate this increment to lifetime earnings.

We should further discount the fact that only a little more than half of the students educated at Clinton Community College remain in the county if we wish to measure the impact of CCC on the local economy. This difference then accrues to other counties elsewhere, but are not directly captured here. Note that

survey is extrapolated to the entire employment base, it translates to 4,306 hours of community service arising from CCC's employment base. A recent study values volunteer hours at \$31.80. The additional impact to the community is equivalent to 6 jobs and \$209,000 of additional payroll across a number of sectors in the economy:

Top Ten for Employment	Clinton Community College.impdb	Copyright 2024 Minnesota IMPLAN		(thousands)
Sector	Total Employment	Total Labor Income	Total Value Added	Total Regional Output
Civic, social, professional organizations	5	\$139	\$81	\$289
Food services and drinking places	0	\$3	\$5	\$8
Monetary authorities and intermediation	0	\$6	\$16	\$21
Employment services	0	\$2	\$3	\$3
* Employment and payroll only (state & local govt, education)	0	\$5	\$6	\$1
* Employment and payroll only (state & local govt, non-education)	0	\$5	\$6	\$1
Real estate establishments	0	\$2	\$10	\$13
Offices of physicians, dentists, and other health practitioners	0	\$4	\$5	\$6
Private hospitals	0	\$4	\$4	\$8
Wholesale trade businesses	0	\$3	\$5	\$8

Contributions to the Local and Regional Tax Base that Arise from the Presence of CCC in the Local Economy

These contributions to the local economy also expands the tax base arising from corporate and personal income taxes, self-employed and proprietor income generated, and taxes on production, and social security-related taxes at the federal level:

Federal Tax Impact by Total	Clinton Community College.impdb	Copyright 2024 Minnesota IMPLAN Group, Inc.				
Description	Employee Compensation	Proprietor Income	Tax on Production	Households	Corporations	
Social Ins Tax- Employee Contribution	\$3,101,781	\$538,776				
Social Ins Tax- Employer Contribution	\$3,136,841					
Indirect Bus Tax: Excise Taxes			\$33,873			
Indirect Bus Tax: Custom Duty			\$15,775			
Indirect Bus Tax: Fed NonTaxes			\$26,039			
Corporate Profits Tax					\$442,698	
Personal Tax: Income Tax				\$3,255,897		
Total Federal Tax	\$6,238,621	\$538,776	\$75,687	\$3,255,897	\$442,698	\$10,551,679

The total federal tax base is expanded by \$10.551 million because of the various activities of Clinton Community College. Perhaps more relevant are the accruals to state and local government because these entities directly fund a large measure of CCC's educational mission. The following table shows that \$3.70 million of state and local taxes are derived from various sources.

Summary

When we combine the various forms of economic activity that arise from Clinton Community College, we find that they lead to 765 jobs in Clinton County annually, and generate payroll of \$59.347 million. Only about 16% of these jobs arise from educational spending, and only 10% of the jobs are directly created at the college.

Impact Summary - Combined Effects	Clinton Community College.impdb	Copyright 2024 Minnesota IMPLAN		(thousands)
ImpactType	Employment	Labor Income	Total Value Added	Output
Direct Effect	482	\$44,469	\$44,228	\$51,677
Indirect Effect	77	\$3,909	\$6,292	\$9,964
Induced Effect	207	\$10,968	\$18,821	\$27,892
Total Effect	765	\$59,347	\$69,341	\$89,534

In other words, for every job created at the College, another nine jobs arise in the local community. This multiplier effect of 10 is because of the significant value-added through education of Clinton County residents who successfully graduate from the College. These economic benefits are distributed across a wide variety of sectors in the local economy:

