

# Overview Fact Sheet

*Richland College plays a significant role in the local economy and is a sound investment from multiple perspectives. Students benefit from improved lifestyles and increased earnings. Taxpayers benefit from a larger economy and lower social costs. Finally, the community as a whole benefits from increased job and investment opportunities, higher business revenues, greater availability of public funds, and an eased tax burden.*

## INVESTMENT ANALYSIS

### Student Perspective

- RLC served **30,375** credit students and **9,755** non-credit students in the 2008-09 reporting year.
- Education increases lifetime income. The average income at the career midpoint of someone with an associate's degree in the RLC Service Area is **\$57,900**, 35% more than a student with a high school diploma.

**Students enjoy a 17.6% rate of return on their investment in RLC.**

- Throughout his or her working career, the average RLC student's discounted lifetime income increases by **\$6.20** for every dollar invested in RLC.
- Students enjoy an attractive **17.6%** average rate of return on their RLC educational investment, recovering all costs (including tuition, fees, and forgone wages) in 8.6 years.

### Social Perspective

- Higher earnings of RLC students and associated increases in state income expand the tax base in Texas by about **\$218.4 million** each year.
- Texas will see avoided social costs amounting to **\$6.8 million** per year due to RLC students, including savings associated with improved health, reduced crime, and reduced welfare and unemployment.

### Taxpayer Perspective

- State and local governments allocated approximately **\$53 million** in support of RLC in FY 2008-09.
- For every dollar of this support, taxpayers see a cumulative return of **\$2.50** over the course of students'

working careers (in the form of higher tax receipts and avoided costs).

- State and local governments see a rate of return of **8.5%** on their support for RLC. This return compares very favorably with private sector rates of return on similar long-term investments.

## ECONOMIC GROWTH ANALYSIS

### College Operations Effect

- The RLC Service Area economy annually receives roughly **\$42.6 million** in income due to RLC operations. This is a conservative figure adjusted to account for monies that leave the economy or are withdrawn from the economy in support of the college.

**Added income attributable to the accumulation of RLC skills amounts to \$889.3 million each year.**

### Productivity Effect

- The current RLC Service Area economy embodies an estimated **4.2 million** credits that have accumulated over the past 30-year period as thousands of former RLC students (completers and non-completers) enter the workforce year after year.
- RLC skills translate to higher earnings for students and increased output of businesses. The added income attributable to the accumulation of RLC credits in the workforce amounts to **\$889.3 million** each year.

### Total Effect

- Altogether, the average annual added income due to the activities of RLC and its former students equals **\$931.9 million**. This is approximately equal to **1.9%** of the total RLC Service Area economy.