

Fact Sheet: Economic Impact of Tunxis Community College

Tunxis Community 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.

TCC Helps State & Local Economy

- The TCC impact region economy receives roughly **\$22.1 million** in regional income annually due to TCC operations and capital spending.

The regional economy is \$261.8 million stronger due to TCC.

- TCC students who commute to the area from outside the region bring with them monies that would not have otherwise entered the local economy. The expenditures of TCC's out-of-region students generate roughly **\$24,100** in added regional income in the TCC impact region.
- TCC activities encourage new business, assist existing business, and create long-term economic growth. The college enhances worker skills and provides customized training to local business and industry. It is estimated that the TCC impact region work force embodies about **528,800** credit and non-credit hours of past and present TCC training.
- TCC skills embodied in the regional work force where former students are employed increase local income by **\$201.4 million**. Associated indirect effects increase income by another **\$38.2 million**.
- Altogether, the TCC impact region economy annually receives roughly **\$261.8 million** in income due to past and present efforts of TCC.

TCC Leverages Taxpayer Dollars

- The state and local community will see avoided social costs amounting to **\$18** per year for every credit earned by TCC students, including savings associated with improved health, lowered cost of law enforcement, and reduced welfare and unemployment. This translates to **\$1.2 million** in avoided costs to the State of Connecticut each year as long as students are in the work force.
- Students benefit from higher earnings, thereby expanding the tax base and reducing the burden on state taxpayers. In the aggregate, TCC students generate about **\$15.8 million** annually in higher earnings due to their TCC education.

- TCC yields a return on government investment. State government allocated approximately **\$17.9 million** in support of TCC in fiscal year 2007. For every **\$1** of this support, taxpayers see a cumulative return of **\$2.10** over the course of students' working careers (in the form of higher tax receipts and avoided social costs).
- State government see a rate of return of **9%** on their support for TCC. This return compares very favorably with private sector rates of return on similar long-term investments.

TCC Helps Students Earn More

- A total of **10,622** credit and non-credit students attended the college in FY 2007. About **85%** of these students stay in the region initially after they leave college, contributing to the local economy.

Students see their annual income increase by \$231 per year for every credit completed at TCC.

- Education increases lifetime income. The average annual income of a one-year certificate graduate at the midpoint of his or her career is **\$45,100**, or **83%** more than someone without a high school diploma, and **17%** more than a student with a high school diploma. The average income at the career midpoint of someone with an associate's degree is **\$53,600**, or **118%** more than someone without a high school diploma, and **39%** more than a student with a high school diploma.
- TCC students enjoy an average annual income increase of **\$231** for every credit completed.
- Throughout his or her working career, the average TCC student's lifetime income (i.e., future values expressed in present value terms) increases by **\$9.40** for every **\$1** invested (tuition, fees, books, and wages given up to attend).
- Students enjoy an attractive **25%** rate of return on their TCC educational investment, recovering all costs (including wages foregone) in **6** years.

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