College of the Canyons (COC) creates value in many ways. The college plays a key role in helping students increase their employability and achieve their individual potential. It provides students with the skills they need to have a fulfilling and prosperous career. Additionally, it supplies an environment for students to meet new people, increase their self-confidence, and promote their overall health and well-being.

However, the contribution of COC consists of more than just influencing the lives of students. The college serves a range of industries in the Santa Clarita Valley and supports local businesses. Society as a whole in California benefits from an expanded economy and improved quality of life. The benefits created by COC extend as far as the state and local government, in the form of increased tax revenues and public sector savings.

The purpose of this study is to investigate the regional economic impacts created by COC on the local business community and the benefits that the college generates in return for the investments made by its key stakeholder groups—students, society, and taxpayers. The following two analyses are presented:

- REGIONAL ECONOMIC IMPACT ANALYSIS
- INVESTMENT ANALYSIS

All results reflect student and financial data for Fiscal Year (FY) 2012-13. Impacts on the local business community are reported under the regional economic impact analysis, and the return on investment to students, society, and taxpayers are reported under the investment analysis. Both analyses are described more fully in the following sections.
COC promotes economic growth in the Santa Clarita Valley in a variety of ways. The college is an employer and a buyer of goods and services, and the living expenses of students from outside of the region benefit local businesses. In addition, COC is a primary source of education to local residents and a supplier of trained workers to local industry.

The regional economic impact analysis examines the impact of COC on the local business community through increased consumer spending and enhanced business productivity. Results are measured in terms of added income and are organized according to the following three effects:

1. Impact of college operations;
2. Impact of the spending of students who relocated to the region, and;
3. Impact of the increased productivity of former students that were employed in the regional workforce during the analysis year.

IMPACT OF COLLEGE OPERATIONS

COC is an important employer in the Santa Clarita Valley. In FY 2012-13, the college employed 1,847 full-time and part-time faculty and staff. Of these, 59% lived in the Santa Clarita Valley. Total payroll at COC was $71.5 million, much of which was spent in the region for groceries, eating out, clothing, and other household expenses.

COC is itself a large-scale buyer of goods and services. In FY 2012-13 the college spent $47.3 million to cover its expenses for facilities, professional services, and supplies. A portion of these monies also went toward financial aid for the students.

The total income that COC created during the analysis year as a result of its day-to-day operations was $76.6 million. This figure represents the college’s payroll, the multiplier effects generated by the spending of the college and its employees, and a downward adjustment to account for funding that the college received from local sources.
JOB EQUIVALENTS BASED ON INCOME

Job equivalents are a measure of the average-wage jobs that a given amount of income can potentially support. They are calculated by dividing income by the average income per worker in the region. Based on the added income created by COC, the job equivalents are as follows:

Effect of college operations = 1,448 job equivalents
Effect of student spending = 19 job equivalents
Effect of student productivity = 3,293 job equivalents

Overall, the added income created by COC and its students supported 4,759 job equivalents.

INCOME CREATED BY COC IN FY 2012-13 (ADDED INCOME)

<table>
<thead>
<tr>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>$76.6 MILLION</td>
<td>Effect of college operations</td>
</tr>
<tr>
<td>$997.8 THOUSAND</td>
<td>Effect of student spending</td>
</tr>
<tr>
<td>$174.3 MILLION</td>
<td>Effect of student productivity</td>
</tr>
<tr>
<td>$251.9 MILLION</td>
<td>Total effect</td>
</tr>
</tbody>
</table>

IMPACT OF STUDENT SPENDING

Approximately 3.1% of COC’s students relocated to the Santa Clarita Valley to attend college in FY 2012-13. These students would not have come to the region if the college did not exist. While attending, out-of-region students spent $12.8 million to purchase groceries, rent accommodation, pay for transportation, and so on. A significant portion of these expenditures occurred in the region, generating $997,801 in new income in the economy during the analysis year.

IMPACT OF STUDENT PRODUCTIVITY

COC’s greatest impact results from the education and training it provides for local residents. Since the college was established, students have studied at COC and entered the workforce with new skills. Today thousands of former students are employed in the Santa Clarita Valley.

During the analysis year, COC’s former students generated $174.3 million in added income in the region. This figure represents the higher wages that students earned during the year, the increased output of the businesses that employed the students, and the multiplier effects that occurred as students and their employers spent money at other businesses.

TOTAL IMPACT

The overall effect of COC on the local business community during the analysis year amounted to $251.9 million, equal to the sum of the college operations effect, the student spending effect, and the student productivity effect. This added income was equal to approximately 2.2% of the region’s Gross Regional Product.

DR. DIANNE G. VAN HOOK UNIVERSITY CENTER

In January of 2002, College of the Canyons opened the University Center. The mission of the Center is to provide immediate access to upper-division and graduate level educational opportunities in Santa Clarita and remove barriers to pursuing their education. The Center now has six university partners who offer baccalaureate, masters, and doctoral programs on the Valencia Campus. Through this partnership, 10,593 students have been able to avail themselves of post associate degree training since 2002, with 1,839 students graduating from the Center.

1,199 students at the University Center generated 39,567 credits in AY 2012-13. Applying the same $111 value per CHE to these students as used for other students in this analysis, the Santa Clarita Valley could conservatively expect an additional $4,394,149 in higher regional income each year.