



# The Economic Value of Texas Woman's University **FACT SHEET**

**T**EXAS Woman's University (Texas Woman's) creates a significant positive impact on the business community and generates a return on investment to its major stakeholder groups—students, taxpayers, and society. Using a two-pronged approach that involves an economic impact analysis and an investment analysis, this study calculates the benefits received by each of these groups. Results of the analysis reflect fiscal year (FY) 2017-18.



## Economic impact analysis

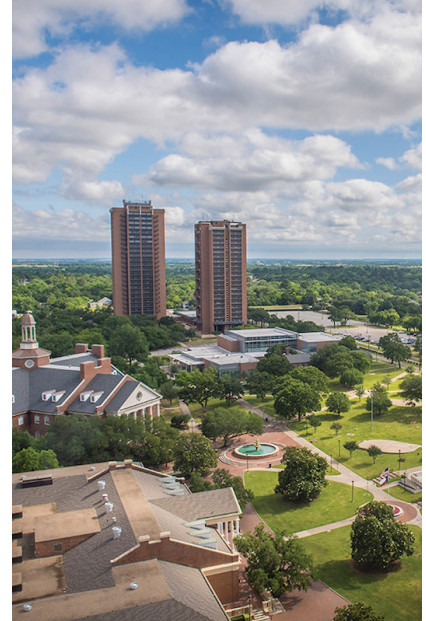
In FY 2017-18, Texas Woman's added **\$1.8 billion** in income to the Texas economy. Expressed in terms of jobs. The impact of Texas Woman's supported **29,112** state jobs.

### OPERATIONS SPENDING IMPACT

- Texas Woman's employed 2,161 full-time and part-time faculty and staff (not including research employees). Payroll amounted to \$124.5 million (excluding payroll from research employees), much of which was spent in the state for groceries, mortgage and rent payments, dining out, and other household expenses. The university spent another \$63.6 million on day-to-day expenses related to facilities, supplies, and professional services (excluding research expenditures).
- The net impact of the university's operations spending added **\$144.4 million** in income to the state economy.

### RESEARCH SPENDING IMPACT

- Research activities at Texas Woman's impact the state economy by employing people and making purchases for equipment, supplies, and services. They also facilitate new knowledge creation in Texas through inventions, patent applications, and licenses. In FY 2017-18, Texas Woman's spent \$1.8 million on payroll and \$3 million on other expenses to support research activities.
- The research spending of Texas Woman's generated **\$4.6 million** in added income for the Texas economy in FY 2017-18.



## CONSTRUCTION SPENDING IMPACT

- Texas Woman's commissioned contractors to build or renovate its facilities, generating a short-term infusion of spending and jobs in the state economy.
- The net impact of the construction spending of Texas Woman's in FY 2017-18 was **\$27.4 million** in added income for Texas.

## VISITOR SPENDING IMPACT

- Out-of-state visitors attracted to Texas for activities at Texas Woman's brought new dollars to the economy through their spending at hotels, restaurants, gas stations, and other state businesses.
- Visitor spending added approximately **\$1.7 million** in income to the Texas economy.

## STUDENT SPENDING IMPACT

- Around 4% of students attending Texas Woman's originated from outside the state. All of these students relocated to Texas. In addition, some in-state students would have left Texas for other educational opportunities if not for Texas Woman's. These relocated and retained students spent money on groceries, mortgage and rent payments, and so on at state businesses.
- The expenditures of relocated and retained students in FY 2017-18 added **\$28.4 million** in income to the Texas economy.

## ALUMNI IMPACT

- Over the years, students have studied at Texas Woman's and entered or re-entered the workforce with newly-acquired knowledge and skills. Using Emsi's Alumni Outcomes data, many of the university's alumni are employed in the state workforce in healthcare, management, and education occupations, with the top occupations being nurses and teachers.
- The net impact of the university's former students currently employed in the state workforce amounted to **\$1.6 billion** in income in FY 2017-18.



## Investment analysis

## STUDENT PERSPECTIVE

- Texas Woman's University's FY 2017-18 students paid a present value of **\$89.2 million** to cover the cost of tuition, fees, supplies, and interest on student loans. They also forwent **\$178.9 million** in money that they would have earned had they been working instead of attending college.

## IMPACTS CREATED BY TEXAS WOMAN'S IN FY 2017-18



**\$144.4 million**  
Operations Spending Impact



**\$4.6 million**  
Research Spending Impact



**\$27.4 million**  
Construction Spending Impact



**\$1.7 million**  
Visitor Spending Impact



**\$28.4 million**  
Student Spending Impact



**\$1.6 billion**  
Alumni Impact



**\$1.8 billion**  
TOTAL IMPACT

- OR -

**29,112**  
JOBS SUPPORTED



- In return for their investment, students will receive **\$1.2 billion** in increased earnings over their working lives. This translates to a return of **\$4.40** in higher future earnings for every dollar students invest in their education. Students' average annual rate of return is **17.3%**.

### TAXPAYER PERSPECTIVE

- Taxpayers provided Texas Woman's with **\$85.8 million** of funding in FY 2017-18. In return, they will benefit from added tax revenue, stemming from students' higher lifetime earnings and increased business output, amounting to **\$345.5 million**. A reduced demand for government-funded services in Texas will add another **\$69.8 million** in benefits to taxpayers.
- For every dollar of public money invested in Texas Woman's, taxpayers will receive **\$4.80** in return, over the course of students' working lives. The average annual rate of return for taxpayers is **11.8%**.

### SOCIAL PERSPECTIVE

- In FY 2017-18, Texas invested **\$459 million** to fully support Texas Woman's. In turn, the Texas economy will grow by **\$5.7 billion**, over the course of students' working lives. Society will also benefit from **\$271.7 million** of public and private sector savings.
- For every dollar invested in Texas Woman's educations in FY 2017-18, people in Texas will receive **\$13.00** in return, for as long as Texas Woman's University's FY 2017-18 students remain active in the state workforce.



### STUDENTS SEE A HIGH RATE OF RETURN FOR THEIR INVESTMENT IN TEXAS WOMAN'S



Average Annual Rate of Return for Texas Woman's Students



**10.1%**

Stock market 30-year average annual return



**0.8%**

Interest earned on savings account (National Rate Cap)

Source: Forbes' S&P 500, 1987-2016. FDIC.gov, 7-2016.



**FOR EVERY \$1...**



**Students gain**

**\$4.40**

in lifetime earnings



**Taxpayers gain**

**\$4.80**

in added tax revenue and public sector savings



**Society gains**

**\$13.00**

in added state revenue and social savings

