

The logo for 'Advancing Missouri' features four stylized chevrons pointing right, colored from left to right as black, blue, green, and red.

Advancing *Missouri*

APLU

**Creating a Standard Approach to
Economic Impact Analysis**

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University of Missouri System Mission

The mission of the four-campus University of Missouri System—a land-grant university and Missouri’s only public research and doctoral-level institution—is to discover, disseminate, preserve and apply knowledge. The university facilitates lifelong-learning by its students and Missouri’s citizens; **fosters innovation to support economic development**; and advances the health, cultural and social interests of the people of Missouri, the nation and the world.

Teaching, research, public service, **economic development**

University of Missouri System

- » Four campuses: 2 residential, 2 urban
- » Research, land grant university system
- » Tertiary care safety net hospital system
- » State-wide outreach and extension offices
- » 22 agricultural research facilities
- » \$2.7 billion budget
- » 72,000 students
- » 27,000 employees paid \$1.3 billion in salaries/wages

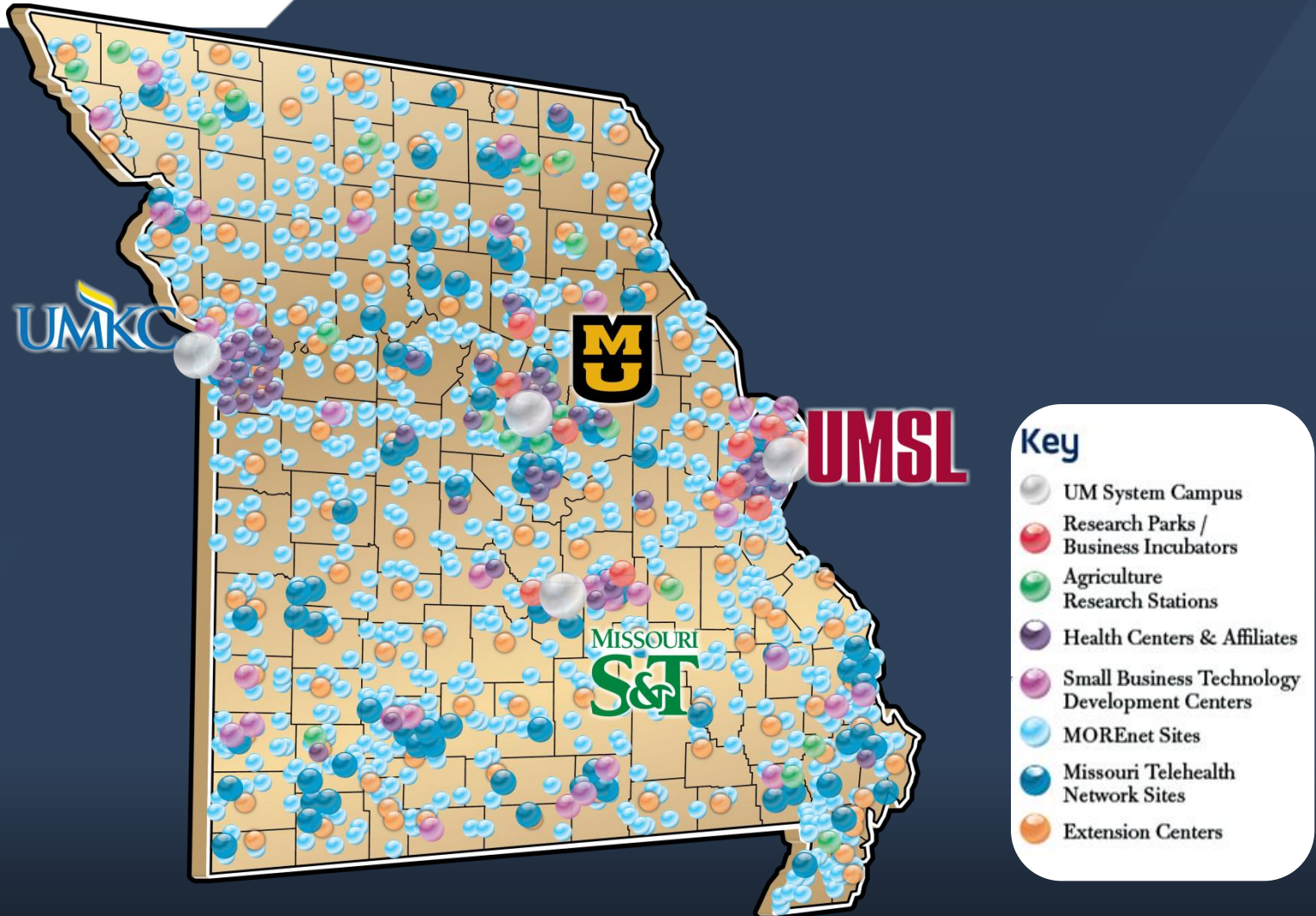
UM a Key Economic Driver for State - 2011

- » University of Missouri is 2nd largest non-governmental employer in state; second only to Walmart
- » \$121 million in construction expenditures
- » \$495 million in net tuition generated
- » Over \$347m in research funding brought into state
- » \$10M+ in licensing income
- » 34 patents issued + 57 new patents filed
- » 7 startup companies created around UM technologies

The Broader Reach

- » Small business development and support
- » Recreational, entertainment, cultural events
- » Health care: uncompensated care & cutting edge solutions to health care challenges
- » Animal and human health services
- » Volunteerism & service learning
- » Statewide IT infrastructure

Unique Statewide Reach, Impact



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FY2006 Economic Impact Study

- » Based on 2005 -2006 fiscal transactions
- » IMPLAN model used
- » Does not include
 - › Supply of skilled professionals
 - › Improvements in labor productivity through technical innovation
 - › Improvements in quality of life through volunteer work, health care services, athletic & cultural events, library services; continuing education

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FY2006 Economic Impact Study

» \$2.1b in expenditures

› Operating, research, auxiliaries, construction

› Impact:

→ \$4.1b in sales in the MO economy

→ 47,342 jobs of which 21,500 jobs in addition to those in university

→ \$2.3b in value-added to MO economy

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FY2006 Economic Impact Study

» Economic role vs Economic Impact

- › New dollars brought into state
- › Out of state revenues including research & private giving and out of state student expenditures = \$572 million with impact of
 - ➔ › \$1.0 billion in statewide sales
 - ➔ › 13,000 jobs
 - ➔ › \$609 million in value added
 - › Does not include impact of out of state visitors to University

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FY2006 Economic Impact Study

» Other University Impacts

- › The Value of Education – total value associated with wage improvement afforded by a degree
 - › \$11.7 billion Total Value Conferred to Students
 - › \$6.6 billion Total Value Conferred to the State
 - › Work-life benefits net of opportunity cost of wages given up for education and the cost of tuition
- › Research – value generated from advances in technology; laying a foundation for new industries; leading to spinoff businesses; enhances cooperation between university, industries, and government

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FY2006 Economic Impact Study

» Other University Impacts

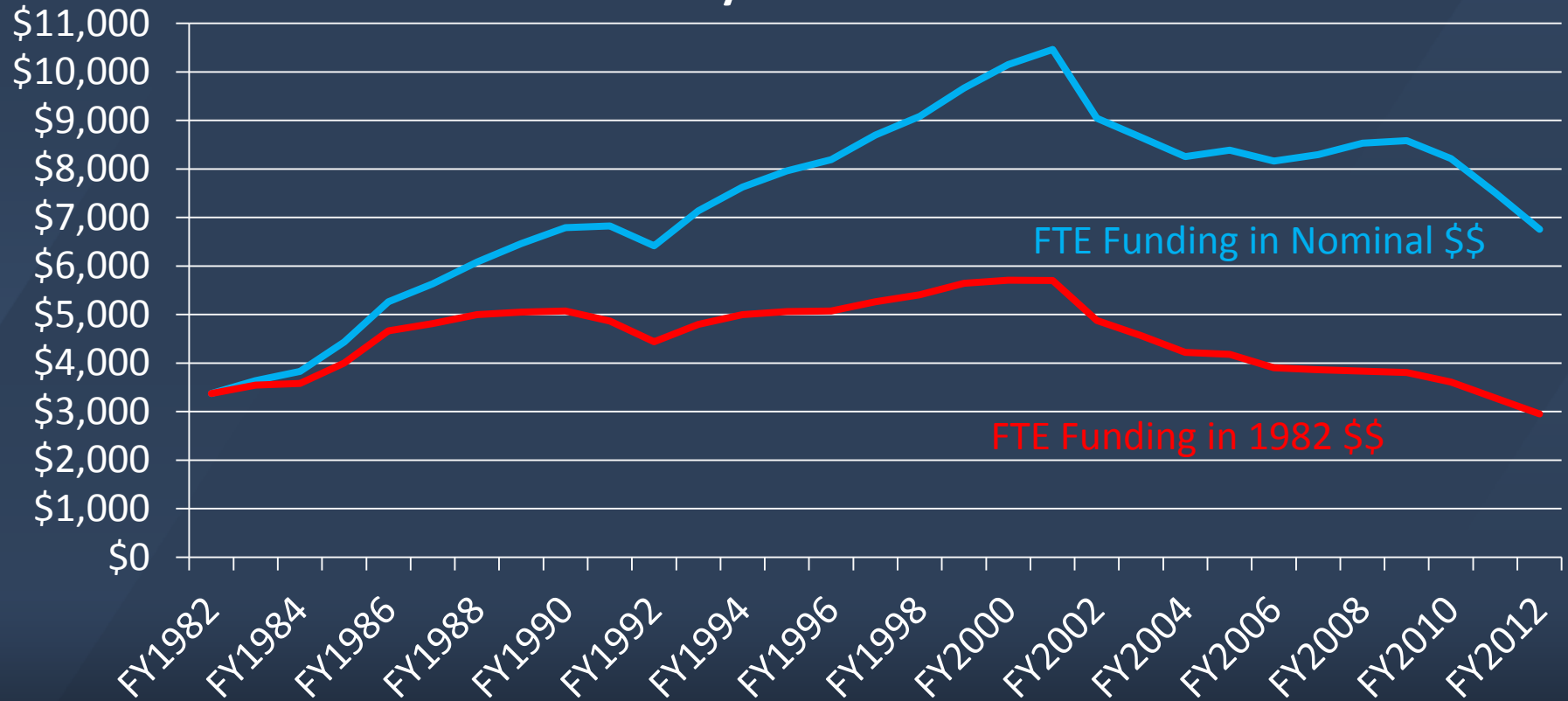
- › Economic development
 - › 10 research parks & incubators
- › University Services
 - › University Health Systems outpatient clinic visits, emergency center visits, hospital admissions, uncompensated care
 - › Outreach and extension programs that reach more than 1.0 million Missourians a year; offices in every county and in eight regional offices

Economic Impact Issues

- » Measuring economic impact
- » Communicating economic impact
 - › Why now?
 - › Higher Education as a public good is under siege

University of Missouri State Support

Funding per FTE Student 30-year Trend



Economic Impact Issues for Higher Education

- » Measuring economic impact
- » Communicating economic impact
 - › Why now?
 - › Higher Education as a public good is under siege
 - › What is the purpose?
 - › Preserve and enhance the American dream
 - › Who is the audience?
 - › General public
 - › How do we effectively communicate?
 - › Stats? Stories? Or Stats and Stories?