



Association of Independent Colleges & Universities of Pennsylvania

Muhlenberg College

Estimated Economic Impact on Pennsylvania, 2014

State residents employed by institution (not including student workers):	715
Additional statewide employment attributable to institution-related economic activity:	652
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TOTAL statewide employment attributable to institution:	1,367
Benefit to Pennsylvania state budget from payroll taxes:	\$1,082,454
Benefit to local government budgets from payroll taxes:	\$504,666
<u>Statewide Economic Impacts:</u>	
Student Spending Impact:	\$4,122,107
Institutional Expenditures Impact:	\$58,790,424
Visitor Spending Impact:	\$1,595,028
Construction Impact:	\$8,997,396
Employee Payroll Impact:	\$40,651,474
Indirect and Induced Impact:	\$34,912,543
TOTAL Statewide Economic Impact:	\$149,068,972

Summary page prepared by the Research Center of the Association of Independent Colleges and Universities of Pennsylvania.

Data Sources

Estimated Statewide Economic Impact Summary

Employment

The total number of employees (full-time plus part-time excluding student employees) for fall 2014 was collected through a survey undertaken by AICUP in the spring of 2015. For AICUP member institutions that did not supply data on employment and for institutions that are not members of AICUP, data on employment was obtained from the U.S. Department of Education, National Center for Education Statistics Integrated Postsecondary Education Data System (IPEDS) Human Resource Survey.

Income Taxes Paid to State and Local Governments

Data on total state and local income taxes paid by employees (full-time plus part-time excluding student employees) for fiscal year 2014 was collected through a survey undertaken by AICUP in the spring of 2015. For AICUP member institutions that did not supply data on taxes paid and for institutions that are not members of AICUP, this data is estimated using figures for comparable schools in the surrounding geographic area.

Student Expenditures

The estimate of student spending at independent colleges and universities in Pennsylvania is based on the 2013-2014 student *Cost of Attendance* figure created by individual colleges and universities for financial aid purposes and obtained from the U.S. Department of Education, National Center for Education Statistics, IPEDS Institutional Characteristics Survey. For this report, spending by graduate students is assumed to equal spending figures for undergraduate students. Student expenditures exclude amounts spent on tuition and fees and also exclude room and board costs for students living on-campus.

The IMPLAN economic input-output model software was utilized to estimate total spending impact. Within this model, student spending was allocated to industry groups based on modified expenditure patterns of persons ages 18-24 living in the Northeast region as collected through the 2012-2013 Consumer Expenditure Survey. (*Table 3800. Consumer units with reference person under age 25 by region of residence: Annual average expenditures and characteristics*, U.S. Department of Labor, Bureau of Labor Statistics. 2014).

Institutional Expenditures

The value of goods and services purchased in Pennsylvania by independent colleges and universities in fiscal year 2014 was estimated using figures from the National Center for Education Statistics IPEDS Finance Survey. Using IPEDS data, total purchases of goods and services is calculated as total expenses minus (salary and wage expenses + benefits expenses + depreciation expenses).

Visitor Expenditures

The estimate of spending by out-of-state visitors to campuses of independent colleges and universities is based on the number of non-Pennsylvania resident students attending independent colleges and universities and an assumption that each non-resident student receives two overnight visits per year from out-of-state family or friends. The number of overnight visits is multiplied by an average daily visitor expenditure figure obtained from the *Pennsylvania 2013 Annual Traveler Profile* report produced for the Pennsylvania Department of Community and Economic Development, Office of Tourism.

The IMPLAN economic input-output model software was utilized to estimate total spending impact. Within this model, out-of-state visitor spending was allocated to industry groups based upon estimated leisure traveler daily spending by category outlined in the *Pennsylvania 2013 Annual Traveler Profile*.

Staff and Faculty Payroll

Total wages and salaries paid to employees (full-time plus part-time excluding student employees) for fiscal year 2014 was collected through a survey undertaken by AICUP in the spring of 2015. For AICUP member institutions that did not supply data on wages and salaries and for institutions that are not members of AICUP, data on total wages and salaries paid to employees was obtained from the U.S. Department of Education, National Center for Education Statistics IPEDS Human Resource Survey and the IPEDS Finance Survey.

Construction Expenditures

Data on the estimated annual value of new construction and major renovation projects is from a survey undertaken by AICUP in spring 2015. This figure is an average of the value of projects underway during fiscal years 2011 through 2015. For AICUP member institutions that did not supply data on new construction and major renovation projects and for institutions that are not members of AICUP, various sources were searched for information on projects underway during fiscal years 2011-2015. These sources included institutional websites, annual financial reports, and alumni magazines.

All direct, indirect, and induced economic impact figures were calculated using the IMPLAN v3.0 software (Minnesota IMPLAN Group, Inc.). IMPLAN uses an input-output model of commodity flows within the Pennsylvania economy to measure the purchase of goods and services between all sectors of the economy in a specified time period.