

The Economic Value of the College of Central Florida



The College of Central Florida (CF) 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) 2023-24.





Economic impact analysis

In FY 2023-24, CF added **\$507.7 million** in income to the CF Service Area* economy, a value approximately equal to **2.5%** of the region's total gross regional product (GRP). Expressed in terms of jobs, CF's impact supported **7,265 jobs**. For perspective, the activities of CF and its students support **one out of every 37 jobs** in the CF Service Area.

Operations spending impact

- CF employed 962 full-time and part-time faculty and staff. Payroll amounted to \$32.3 million, much of which was spent in the region on groceries, mortgage and rent payments, dining out, and other household expenses. The college spent another \$41.6 million on its expenses related to facilities, supplies, and professional services (excluding construction).
- The net impact of the college's operations spending added **\$50.6 million** in income to the regional economy in FY 2023-24.

Construction spending impact

- CF invests in capital projects each year to maintain its facilities, create additional capacities, and meet its growing educational demands, generating a short-term infusion of spending and jobs in the regional economy.
- The net impact of CF's construction spending in FY 2023-24 was **\$7.3 million** in added income for the CF Service Area.

Student spending impact

- Some in-region students, referred to as retained students, would have left the CF Service Area for other educational opportunities if not for CF. These retained students spent money on groceries, mortgage and rent payments, and other living expenses at businesses in the region.
- The expenditures of retained students in FY 2023-24 added **\$6.9 million** in income to the CF Service Area economy.

Alumni impact

- Over the years, students have studied at CF and entered or re-entered the workforce with newly acquired knowledge and skills. Today, thousands of these former students are employed in the CF Service Area.
- The net impact of CF's former students currently employed in the regional workforce amounted to **\$442.8 million** in added income in FY 2023-24.

Impacts created by CF in FY 2023-24



Operations spending impact

\$50.6 million

+



Construction spending impact

\$7.3 million

+



Student spending impact

\$6.9 million

+



Alumni impact

\$442.8 million



Total economic impact

\$507.7 million

OR



Jobs supported

7,265

* For the purposes of this analysis, the CF Service Area is comprised of Citrus, Levy, and Marion Counties.





Investment analysis

Student perspective

- CF's FY 2023-24 students paid a present value of **\$13.0 million** to cover the cost of tuition, fees, supplies, and interest on student loans. They also forwent a value of **\$18.1 million** in time and money had they been working instead of attending college.
- In return for their investment, students will receive a cumulative present value of **\$210.3 million** in increased earnings over their working lives. This translates to a return of **\$6.80** in higher future earnings for every dollar students invest in their education. Students' average annual rate of return is **24.0%**.

Taxpayer perspective

- Taxpayers provided CF with **\$64.7 million** of funding in FY 2023-24. In return, they will benefit from added tax revenue, stemming from students' higher lifetime earnings and increased business output, amounting to **\$63.9 million**. A reduced demand for government-funded services in Florida will add another **\$9.1 million** in benefits to taxpayers.
- Total taxpayer benefits amount to **\$73.0 million**, the present value sum of the added tax revenue and public sector savings. For every dollar of public money invested in CF, taxpayers will receive **\$1.10** in return over the course of students' working lives. The average annual rate of return for taxpayers is **1.4%**.

Social perspective

- In FY 2023-24, the college and its students experienced **\$113.3 million** in costs. In turn, the Florida economy will grow by **\$1.1 billion** over the course of students' working lives. Society will also benefit from **\$26.0 million** of public and private sector savings.
- For every dollar invested it cost CF and it's students in FY 2023-24, people in Florida will receive **\$9.50** in return, for as long as CF's FY 2023-24 students remain active in the state workforce.

Students see a high rate of return for their investment in CF



Average annual return for CF students

24.0%



Stock market 30-year average annual return

10.1%



Interest earned on savings account (national deposit rate)

0.5%

Source: Forbes' S&P 500, 1994-2023; FDIC.gov, March 2023

For every \$1...



Students gain in lifetime earnings

\$6.80



Taxpayers gain in added tax revenue and public sector savings

\$1.10



Society gains in added income and social savings

\$9.50

