Paris Junior College (PJC) creates a significant positive impact on the business community and generates a return on investment to its major stakeholder groups—students, society, and taxpayers. Using a two-pronged approach that involves an economic impact analysis and an investment analysis, the study calculates the benefits to each of these groups. Results of the analysis reflect Fiscal Year (FY) 2012-13.

### INCOME CREATED BY PJC IN FY 2012-13 (ADDED INCOME)

<table>
<thead>
<tr>
<th>Impact Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operations spending impact</td>
<td>$21.4 MILLION</td>
</tr>
<tr>
<td>Impact of student spending</td>
<td>$870.0 THOUSAND</td>
</tr>
<tr>
<td>Alumni impact</td>
<td>$119.4 MILLION</td>
</tr>
<tr>
<td>Total impact</td>
<td>$141.7 MILLION</td>
</tr>
</tbody>
</table>

### IMPACT ON BUSINESS COMMUNITY

During the analysis year, PJC and its students added **$141.7 MILLION** in income to the Paris Junior College Service Region economy, approximately equal to **2.1%** of the Gross Regional Product. The economic impacts of PJC break down as follows:

#### Operations spending impact
- PJC employed 485 full-time and part-time employees in FY 2012-13. Payroll amounted to **$17.8 MILLION**, much of which was spent in the Paris Junior College Service Region to purchase groceries, clothing, and other household goods and services. The college spent another **$15.8 MILLION** to support its day-to-day operations.
- The net impact of college payroll and expenses in the Paris Junior College Service Region during the analysis year was approximately **$21.4 MILLION** in added income.

#### Impact of student spending
- Around 14% of students attending PJC originated from outside the region. Some of these students relocated to the Paris Junior College Service Region and spent money on groceries, transportation, rent, and so on at regional businesses.
- The expenditures of students who relocated to the region during the analysis year added approximately **$870.0 THOUSAND** in income to the economy.

#### Alumni impact
- Over the years, students have studied at PJC and entered or re-entered the workforce with newly-acquired skills. Today, thousands of these former students are employed in the Paris Junior College Service Region.
- The accumulated contribution of former students currently employed in the state workforce amounted to **$119.4 MILLION** in added income during the analysis year.
### Return on Investment to Students, Society, and Taxpayers

**Student perspective**
- PJC's 2012-13 students paid a total of $13.3 million to cover the cost of tuition, fees, books, and supplies. They also forwent $36.0 million in money that they would have earned had they been working instead of learning.
- In return for the monies invested in the college, students will receive a present value of $285.0 million in increased earnings over their working lives. This translates to a return of $5.80 in higher future income for every $1 that students invest in their education. The average annual return for students is 20.3%.

**Social perspective**
- Society as a whole in Texas will receive a present value of $1.2 billion in added state income over the course of the students’ working lives. Society will also benefit from $15.0 million in present value social savings related to reduced crime, lower unemployment, and increased health and well-being across the state.
- For every dollar that society spent on PJC educations during the analysis year, society will receive a cumulative value of $15.50 in benefits, for as long as the 2012-13 student population at PJC remains active in the state workforce.

**Taxpayer perspective**
- In FY 2012-13, state and local taxpayers in Texas paid $14.4 million to support the operations of PJC. The net present value of the added tax revenue stemming from the students’ higher lifetime incomes and the increased output of businesses amounts to $78.7 million in benefits to taxpayers. Savings to the public sector add another $3.7 million in benefits due to a reduced demand for government-funded services in Texas.
- Dividing benefits to taxpayers by the associated costs yields a 5.7 benefit-cost ratio, i.e., every $1 in costs returns $5.70 in benefits. The average annual return on investment for taxpayers is 14.9%.

### 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 state. Based on the added income created by PJC, the job equivalents are as follows:

- Operations spending impact = 544 job equivalents
- Impact of student spending = 29 job equivalents
- Alumni impact = 2,416 job equivalents
- Overall, the added income created by PJC and its students supported 2,989 job equivalents.

### For Every $1 Spent By...

<table>
<thead>
<tr>
<th></th>
<th>Benefit</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Students</strong></td>
<td>$5.80</td>
<td>Gained in lifetime income for STUDENTS</td>
</tr>
<tr>
<td><strong>Society</strong></td>
<td>$15.50</td>
<td>Gained in added state income and social savings for SOCIETY</td>
</tr>
<tr>
<td><strong>Taxpayers</strong></td>
<td>$5.70</td>
<td>Gained in added taxes and public sector savings for TAXPAYERS</td>
</tr>
</tbody>
</table>