

Economic Contribution of

Allegany College of Maryland

Study consists of...

Investment analysis
Economic growth analysis

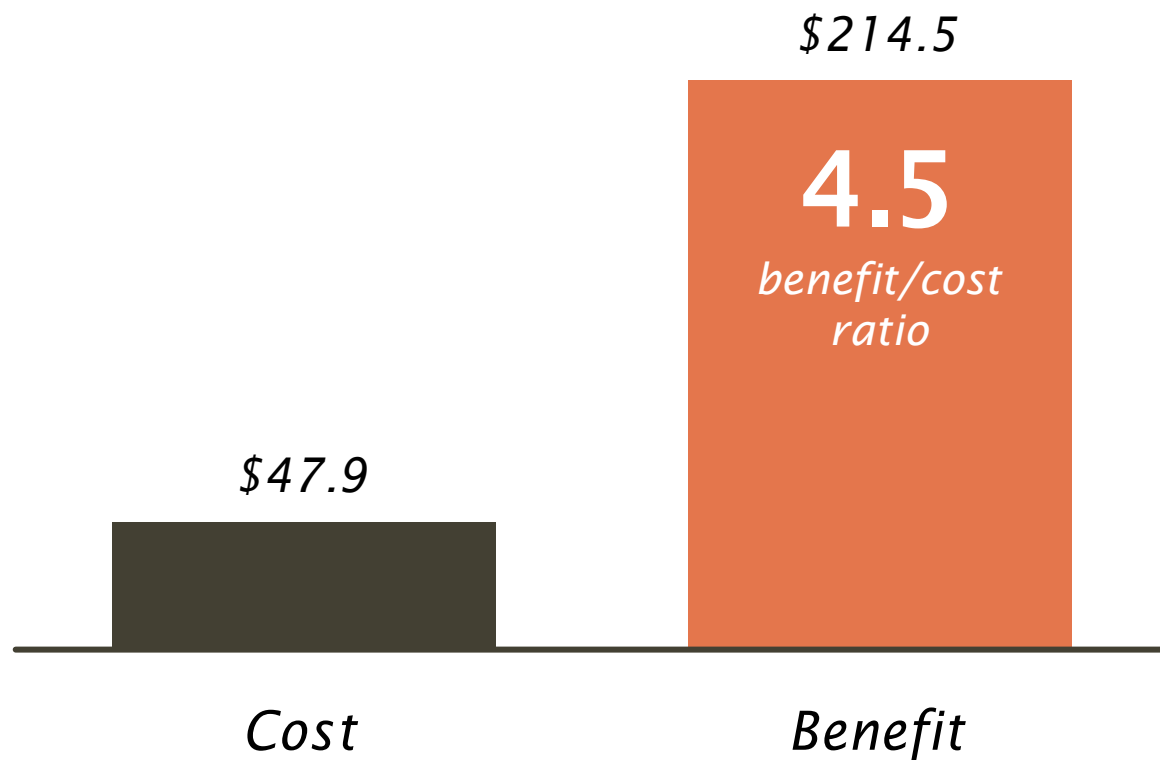
Investment Analysis

- Student perspective
- Social perspective
- Taxpayer perspective

- Benefits—present value of increased future income
- Costs—tuition and fees, books and supplies, and opportunity cost of time

INVESTMENT ANALYSIS: *Student Perspective*

ACM student benefits and costs, \$ millions

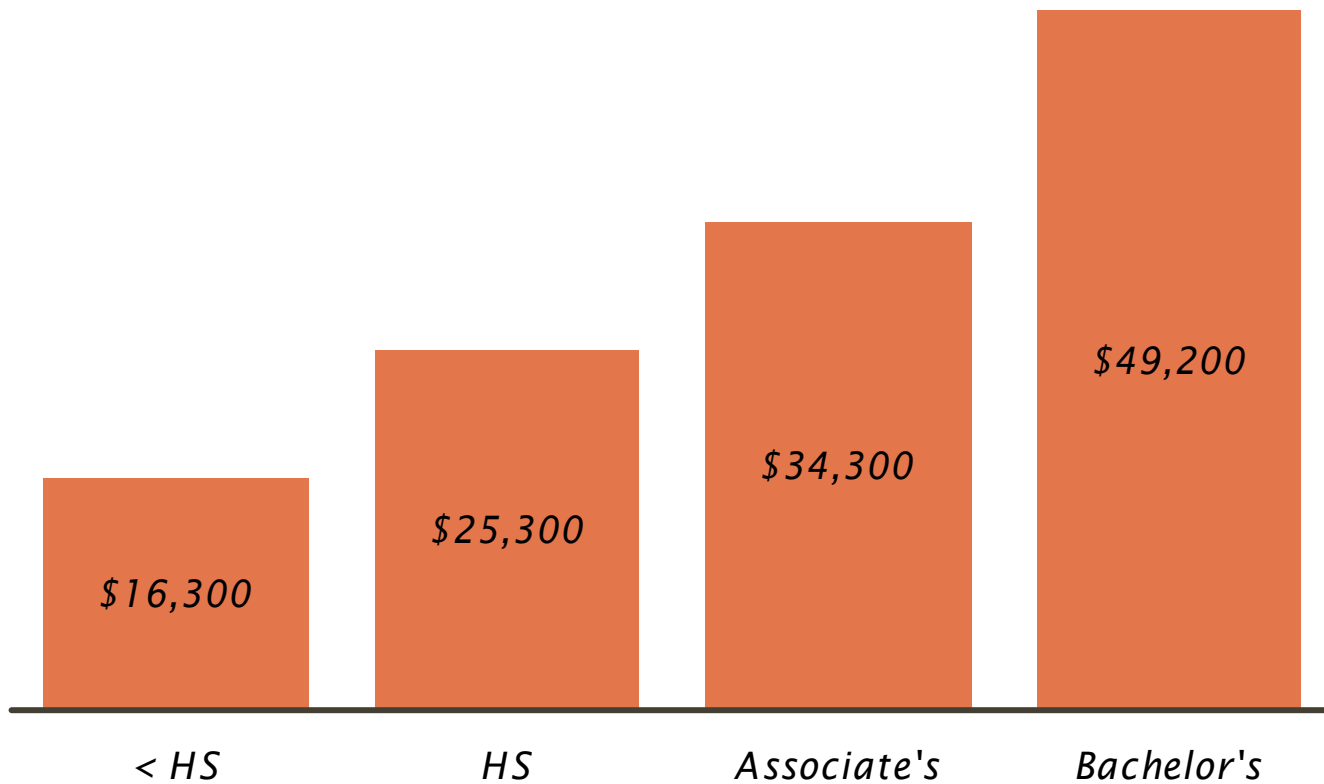


15.2%

return on investment

INVESTMENT ANALYSIS: *Student Perspective*

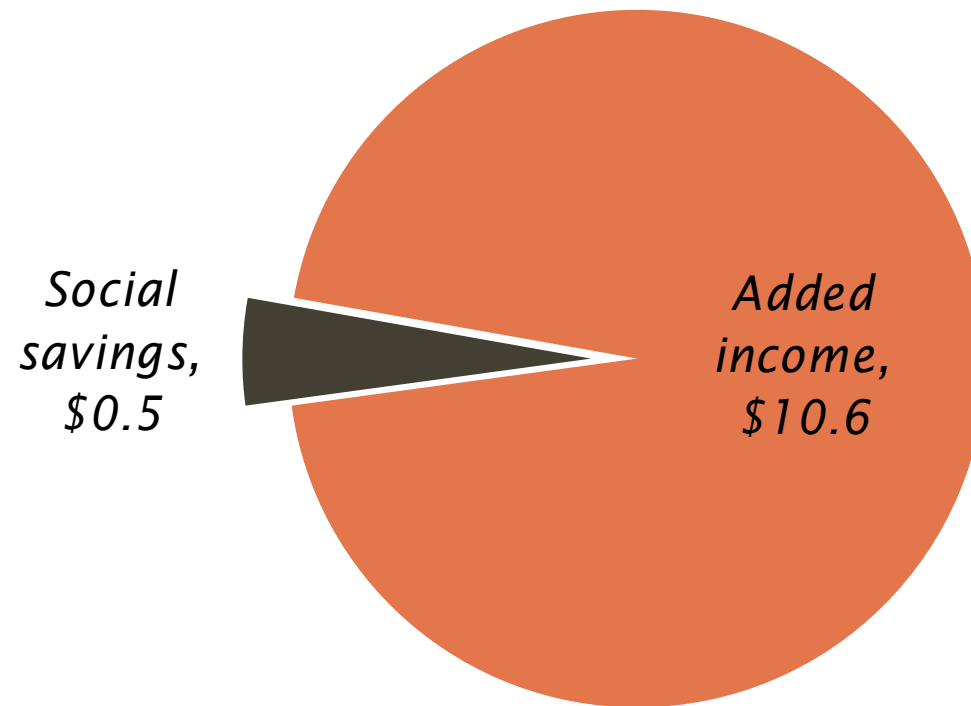
*Average income in ACM Service Area
at career midpoint*



- Added income—higher earnings and increased property income
- Social savings—reduced medical costs, lower crime rates, and reduced income assistance

INVESTMENT ANALYSIS: *Social Perspective*

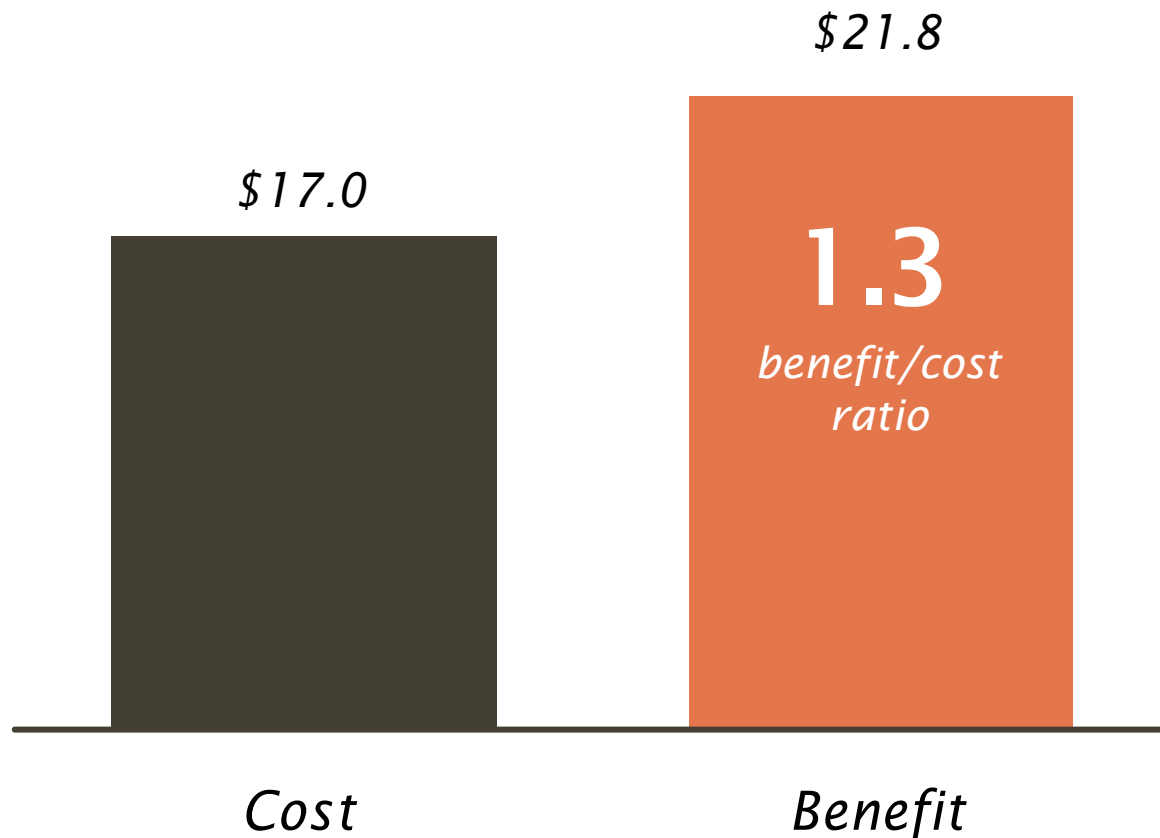
Annual benefits to Maryland public due to ACM, \$ millions



- Benefits—added tax revenue and avoided costs to government
- Costs—state and local government funding

INVESTMENT ANALYSIS: *Taxpayer Perspective*

*Benefits and costs to state and local taxpayers
due to ACM, \$ millions*



4.3%

return on investment

Economic Growth Analysis

- College operations
- Student spending
- Student productivity

- Direct income of faculty and staff
- Associated multiplier effects
- Adjustment for alternative uses of funds

\$20.5 million

net contribution to regional income

- Spending by students from outside the region
- Associated multiplier effects

\$1.6 million

net contribution to regional income

- Higher income of former students who are still active in the regional workforce
- Associated multiplier effects

\$105 million
net contribution to regional income

*So what does
all this mean?*

Allegany College of Maryland

- Enriches the lives of students
- Increases students' lifetime income
- Generates government revenue
- Reduces the demand for social services
- Contributes to the growth of the economy