

# The Economic Value of Montgomery County Community College



Montgomery County Community College (MCCC) 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) 2021-22.

THE MCCC SERVICE AREA

## Economic impact analysis

In FY 2021-22, MCCC added **\$817.1 million** in income to the MCCC Service Area<sup>1</sup> economy. Expressed in terms of jobs, MCCC's impact supported **9,139 jobs**.

### Operations spending impact

MCCC employed 1,239 full-time and part-time faculty and staff. Payroll amounted to \$59.6 million, much of which was spent in the region for groceries, mortgage and rent payments, dining out, and other household expenses. The college spent another \$42.4 million on day-to-day expenses related to facilities, supplies, and professional services (excluding construction).

<sup>1</sup> For the purposes of this analysis, the MCCC Service Area is comprised of Berks, Bucks, Chester, Delaware, Lehigh, Montgomery, and Philadelphia Counties in Pennsylvania.





## Investment analysis

### Student perspective

MCCC's FY 2021-22 students paid a present value of **\$36.4 million** to cover the cost of tuition, fees, supplies, and interest on student loans. They also forewent **\$37.8 million** in money that they would have earned had they been working instead of attending college.

In return for their investment, students will receive a cumulative present value **\$351.3 million** in increased earnings over their working lives. This translates to a return of **\$4.70** in higher future earnings for every dollar students invest in their education. Students' average annual rate of return is **18.7%**.

### Taxpayer perspective

Taxpayers provided MCCC with **\$55.2 million** of funding