

An Economic Impact Study:

Georgia Southern University Summer Enrollment Student Spending

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July 22, 2010



Introduction

At the request of the Office of Marketing and Communication, The Bureau of Business Research and Economic Development (BBRED) has developed an economic impact analysis related to student spending in the local regional economy during the summer terms in 2010.

The regional local economy is not simply limited to Statesboro or Bulloch County. The economic impact of the University's students is also felt in Bryan, Candler, Effingham, Emanuel, Evens, Jenkins and Screven counties due to the linkages to Bulloch County.

These linkages take two basic forms; the first is based on the demand for labor. For example, an individual may choose to work in Bulloch County but reside in Candler County. The second linkage is based on demand for goods. Many people are willing to cross county lines to find the best deal on goods or to find products not available in their county of residence.

Impact Summary

The economic impact of Georgia Southern University student spending covers three periods: summer term A (May-June), term B (June-July) and the concurrent summer long term (late May through mid-July). The overall conclusions of the analysis are included below:

1. Total summer enrollment was 9,950 in 2010. This represents an increase of 60 students or .6% above 2009 levels and an 11.9% increase above 2008 enrollment levels.
2. The total gross regional impact of student spending during the summer is projected to be \$59.1 million in 2010. The regional impact increased \$1.5 million above the comparable period in 2009.
3. Student spending supports 796 total jobs in the regional economy in 2010.
4. The overall economic impact and jobs are conservatively stated as additional compensation for tenure track and tenured faculty are not included in these estimates.

Methodology

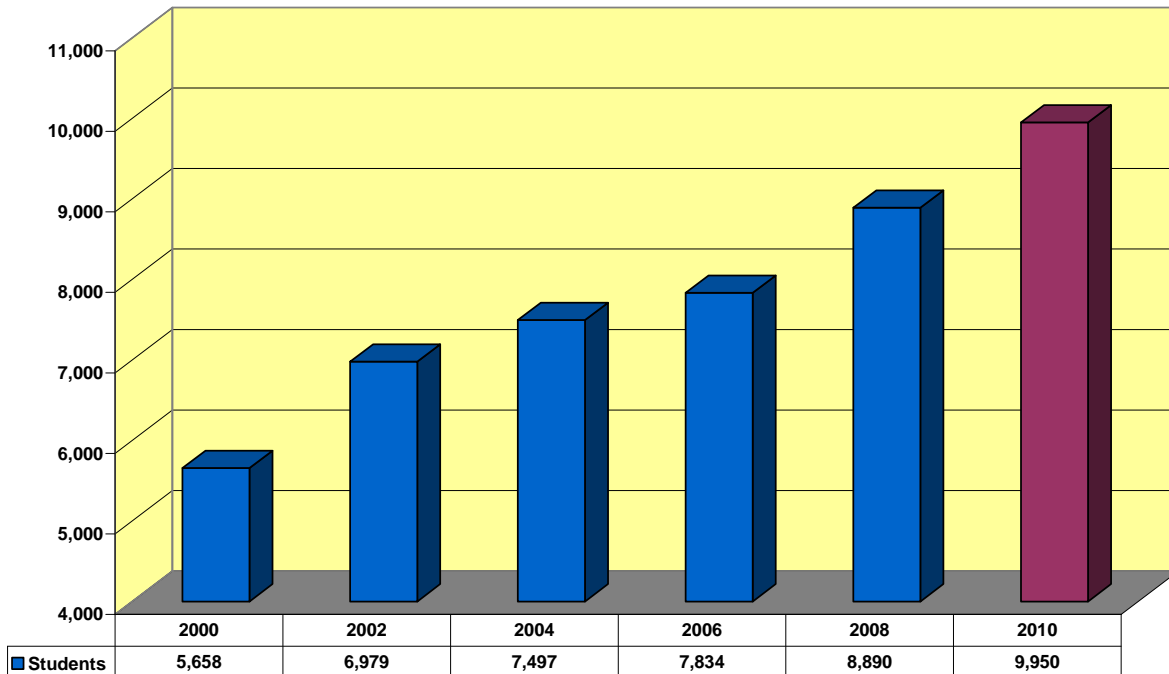
This study used the total preliminary summer enrollment provided by the Office of Strategic Research and Analysis. This enrollment data was converted to expenditures using The Common Data Set report for the 2009-2010 Academic year. Finally this information was then entered into the input-output economic model IMPLAN. The IMPLAN software used was version 3.0, incorporating revised assumptions of employment growth and productivity due to the recession and the early stages of the economic recovery.

It should also be noted that the economic impact of student summer enrollment is limited to student spending only. The Annual Economic Impact analysis of Georgia Southern University released early each September includes operating expenditures, capital investment and construction and faculty, staff and administrative salaries & payroll. As such, the summer enrollment student spending economic analysis captures only a limited portion of the total economic impact of Georgia Southern university for the local regional economy.

Student Enrollment Continues to Increase

Student summer enrollment increased slightly in 2010. However, overall summer enrollment has increased 76% during the ten-year period 2000-2010 and 27.3% since 2005. The growth trends are illustrated in Chart 1 provide below:

**Georgia Southern University
Student Summer Enrollment 2000-2010**



The growth in enrollment (and, as a result, the increase in student spending) is due to the expansion of courses offered during the summer terms as well as cyclical economic conditions. Generally, universities and colleges are somewhat counter-cyclical to the economy. Attendance and student enrollment increases during periods of economic stress and reduced employment opportunities. This was evident in the increase in summer enrollment between the 2006-2007 and 2009-2010 periods.

Student Spending and Jobs

Students spent about \$41 million on books and supplies, room and board, transportation and other expenses in the summer of 2010. Based upon economic multipliers, the econometric models project a total regional output (total goods and services produced) of \$59.1 million for the local region.

Direct spending by students supported 621 jobs in direct employment and 796 total jobs based upon the modeling of indirect and induced jobs. A substantial portion of the total jobs are located in Bulloch County and Statesboro.