

AGENDA
BOARD OF TRUSTEES OF BLINN COLLEGE DISTRICT

Board Room, Third Floor, Administration Building
Blinn-Brenham Campus, 802 Green Street, Brenham, Texas

Regular Meeting, Tuesday, October 20, 2020, 5:30 PM

PLEASE NOTE: Public access to this meeting will occur in Rooms 2 and 3 of the Blinn College District Student Center located at 651 Blinn Boulevard, Brenham, Texas. Any member of the public who wishes to attend the meeting, or make public comment at the meeting, will need to do so in Rooms 2 and 3 of the Student Center.

As required by state law, this meeting is open to the public, but by telephonic communication. The College is complying with the suspended proceedings of the Open Meetings Act in accordance with Sections 418.016 of the Texas Government Code. Members of the public are entitled to participate and address the College through remote connection. A live-stream of this meeting will be available at <http://youtube.com/Blinn1883>.

NOTE: The subjects to be discussed or considered or upon which any formal action may be taken are as follows. Items do not have to be considered in the same order as shown on meeting notice.

1. **CALL MEETING TO ORDER**

Mr. Charles Moser - Approximately 2 minutes

The Texas Government Code permits this Board of Trustees to meet in a closed executive session for the following reasons, among others:

To consult with the College District's attorneys on matters deemed privileged by the Texas Disciplinary Rules of Professional Conduct or Government Code § 551.071,

To deliberate regarding real property, under § 551.072; a prospective gift, under § 551.073; certain personnel matters, under § 551.074; security devices or security audits, under § 551.076; and economic development negotiations, under § 551.087.

If the Board meets in closed session, we will announce the particular section under which we will be doing so prior to initiating the closed portion of the meeting.

2. **INVOCATION AND PLEDGE TO THE AMERICAN AND TEXAS FLAGS**

Mr. Randy Wells and Ms. Teddy Boehm - Approximately 5 minutes

3. **PUBLIC COMMENT**

Mr. Charles Moser

4. **REPORTS:**

A) Chancellor's Administrative Report

Dr. Mary Hensley - Approximately 10 minutes

I. Acknowledgement of October Retiree

5. **BREAK**

Approximately 20 minutes

6. **REPORTS:**

A) Presentation of Financial Statement Package for the Period Ended September 30, 2020

3

Mr. Richard Cervantes - Approximately 10 minutes

B) Presentation of the Blinn College District Economic Impact Study

4

Mr. Richard Cervantes - Approximately 15 minutes

7. **CONSENT ITEMS:**

Agenda, Tuesday, October 20, 2020, Page 2

Mr. Charles Moser - Approximately 2 minutes

All items listed in this portion of the agenda are considered to be routine by the Board of Trustees and will be enacted upon one motion. There will be no separate discussion of these items unless a Trustee so requests; in which event, the item will be removed from Consent and considered in Discussion and Possible Action. Trustees receive agenda materials in advance of the meeting to prepare for the business to be conducted.

A) Approval of Minutes for the September 15, 2020, Regular Meeting 73

Mr. Ted Hajovsky

B) Appointment of Member to the Bryan Campus Advisory Committee 78

Mr. Leighton Schubert

8. **DISCUSSION AND POSSIBLE ACTION ITEMS:**

A) Authorization for the Administration to Negotiate and Execute a Contract for Construction Manager at Risk Services for the Upgrades to Leroy Dreyer Field on the Blinn-Brenham Campus 80

Mr. Richard Cervantes - Approximately 10 minutes

9. **EXECUTIVE SESSION - In Accordance with §§ 551.071, 551.072, and 551.074**

10. **ADJOURNMENT**

Mr. Charles Moser

If the Board elects to convene in closed session, the Board will only do so in accordance with the Texas Open Meetings Act.

Disability Access Statement: This meeting is wheelchair accessible. The accessible entrance is located at the Blinn Boulevard entrance to the Student Center. Accessible parking spaces are located adjoining the entrance. Auxiliary aids and services are available upon request; interpreters for the deaf must be requested twenty-four (24) hours before the meeting by calling 979-830-4211 for assistance.

Agenda Item 6A

October 20, 2020

SUBJECT:

Presentation of Financial Statement Package for the Period Ended September 30, 2020

RECOMMENDATION:

That the Board of Trustees receive and discuss a presentation on the financial report for the period ending September 30, 2020.

RATIONALE:

The Board financial statement package includes a comparison of the actual year-to-date financial results to the current year budget and to prior year actual financial results. The package includes a report of cash, cash equivalents, and investments as of September 30, 2020. To complete the presentation, the package includes a listing of cash disbursements over \$10,000 by vendor, amount, and description of the expenditure for the month ending September 30, 2020, and a Statement of Net Position as of September 30, 2020.

BUDGETARY CONSIDERATIONS:

N/A

RESOURCE PERSONNEL:

Vicki Ward, Assistant Vice Chancellor, Business and Finance
Melissa Hall, Controller, Business and Finance

ATTACHMENTS:

N/A

Respectfully Submitted by:



Richard Cervantes, CPA
Vice Chancellor, Business and Finance/CFO



Mary Hensley, Ed.D.
Chancellor

Agenda Item 6B

October 20, 2020

SUBJECT:

Presentation of the Blinn College District Economic Impact Study

RECOMMENDATION:

That the Board of Trustees receive and discuss the presentation of the Blinn College District Economic Impact Study.

RATIONALE:

In the fall of 2019, the Administration contracted with Economic Modeling, LLC (EMSI), to develop a study and measure the economic impact of the Blinn College District to the surrounding counties. Specifically, a portion of the study was designed to measure the total economic impact of the District's activity to the thirteen counties that Blinn services.

The District also requested an individual study for each of the District's five campuses and the economic impact on the respective county from which they reside. Finally, the scope of work included a capital impact study for five major capital projects that the District has embarked on over the last few years: Mill Creek Hall, Phase II P3 residential housing project, the Walter C. Schwartz Building, the RELLIS Phase II project, and the Science, Technology, Engineering and Innovation Building.

EMSI will present their report to the Board of Trustees.

BUDGETARY CONSIDERATIONS:

N/A

RESOURCE PERSONNEL:

Hannah Ruffridge, EMSI Economist
Vicki Ward, Assistant Vice Chancellor, Business and Finance
Lillian Marshall, Data Analyst

ATTACHMENTS:

Attachment A: The Economic Value of the Blinn College District Executive Summary and Fact Sheet
Attachment B: The Economic Value of the Blinn College District's Brenham Campus Executive Summary and Fact Sheet
Attachment C: The Economic Value of the Blinn College District's Bryan Campus Executive Summary and Fact Sheet
Attachment D: The Economic Value of the Blinn College District's RELLIS Campus Executive Summary and Fact Sheet
Attachment E: The Economic Value of the Blinn College District's Schulenburg Campus Executive Summary and Fact Sheet

Attachment F: The Economic Value of the Blinn College District's Sealy Campus Executive Summary and Fact Sheet

Attachment G: The Economic Impact of Blinn College District's Capital Projects Executive Summary and Fact Sheet

Respectfully Submitted by:

A handwritten signature in black ink, appearing to read "Richard Cervantes".

Richard Cervantes, CPA
Vice Chancellor, Business and Finance/CFO

A handwritten signature in blue ink, appearing to read "Mary Hensley".

Mary Hensley, Ed.D.
Chancellor



The Economic Value of the Blinn College District

EXECUTIVE SUMMARY



THE Blinn College District (Blinn College) creates value in many ways. The college plays a key role in helping students increase their employability and achieve their individual potential. The college draws students to the region, generating new dollars and opportunities for the Blinn College Service Area.* Blinn College provides students with the education, training, and skills they need to have fulfilling and prosperous careers. Furthermore, Blinn College is a place for students to meet new people, increase their self-confidence, and promote their overall health and well-being.

Blinn College influences both the lives of its students and the regional economy. The college supports a variety of industries in the Blinn College Service Area, serves regional businesses, and benefits society as a whole in Texas from an expanded economy and improved quality of life. The benefits created by Blinn College even extend to the state and local government through increased tax revenues and public sector savings.

This study measures the economic impacts created by Blinn College on the business community and the benefits the college generates in return for the investments made by its key stakeholder groups—students, taxpayers, and society. The following two analyses are presented:



Economic impact analysis



Investment analysis

All results reflect employee, student, and financial data, provided by the college, for fiscal year (FY) 2018-19. Impacts on the Blinn College Service Area economy are reported under the economic impact analysis and are measured in terms of added income. The returns on investment to students, taxpayers, and society in Texas are reported under the investment analysis.

* For the purposes of this analysis, the Blinn College Service Area is comprised of Austin, Brazos, Burleson, Fayette, Grimes, Lee, Madison, Milam, Montgomery, Robertson, Walker, Waller, and Washington Counties.

Blinn College influences both the lives of its students and the regional economy.



Economic impact analysis

Blinn College promotes economic growth in the Blinn College Service Area through its direct expenditures and the resulting expenditures of students and regional businesses. The college serves as an employer and buyer of goods and services for its day-to-day and construction operations. The college's activities attract students from outside the Blinn College Service Area, whose expenditures benefit regional vendors. In addition, Blinn College is a primary source of higher education to the Blinn College Service Area residents and a supplier of trained workers to regional industries, enhancing overall productivity in the regional workforce.

Operations spending impact



Blinn College adds economic value to the Blinn College Service Area as an employer of regional residents and a large-scale buyer of goods and services. In FY 2018-19, the college employed 1,563 full-time and part-time faculty and staff, 71% of whom lived in the Blinn College Service Area. Total payroll at Blinn College was \$70.3 million, much of which was spent in the region for groceries, mortgage and rent payments, dining out, and other household expenses. In addition, the college spent \$43.2 million on day-to-day expenses related to facilities, supplies, and professional services.

Blinn College's day-to-day operations spending added \$90.9 million in income to the region during the analysis year. This figure represents the college's payroll, the multiplier effects generated by the in-region spending of the college and its employees, and a downward adjustment to account for funding that the college received from regional sources. The \$90.9 million in added income is equivalent to supporting 1,813 jobs in the region.

Construction spending impact



Blinn College invests in construction each year to maintain its facilities, create additional capacities, and meet its growing educational demands. While the amount varies from year to year, these quick infusions of income and jobs have a substantial impact on the regional economy. In FY 2018-19, Blinn College's construction spending generated \$4.9 million in added income, which is equivalent to supporting 80 jobs. This impact reflects the college's spending in FY 2018-19 only. Blinn College plans more capital spending in the future; a long-term capital spending impact analysis is forthcoming.

IMPACTS CREATED BY
BLINN COLLEGE IN FY 2018-19



\$90.9 million
Operations Spending Impact



\$4.9 million
Construction Spending Impact



\$32.2 million
Student Spending Impact



\$242.1 million
Alumni Impact



\$370.1 million
TOTAL IMPACT

- OR -

6,010
JOBS SUPPORTED

Student spending impact



Around 77% of students attending Blinn College originated from outside the region in FY 2018-19, and some of these students relocated to the Blinn College Service Area to attend Blinn College.

These students may not have come to the region if the college did not exist. In addition, some in-region students, referred to as retained students, would have left the Blinn College Service Area if not for the existence of Blinn College. While attending the college, these relocated and retained students spent money on groceries, accommodation, transportation, and other household expenses. This spending generated \$32.2 million in added income for the regional economy in FY 2018-19, which supported 730 jobs in the Blinn College Service Area.

Alumni impact



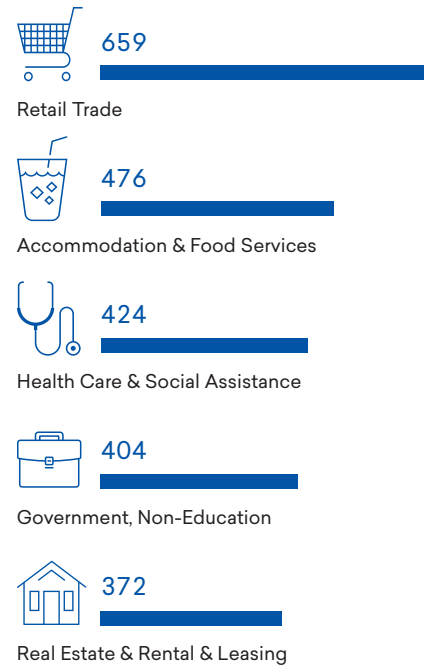
The education and training Blinn College provides for regional residents has the greatest impact. Since its establishment, students have studied at Blinn College and entered the regional workforce with greater knowledge and new skills. Today, thousands of former Blinn College students are employed in the Blinn College Service Area. As a result of their Blinn College educations, the students receive higher earnings and increase the productivity of the businesses that employ them. In FY 2018-19, Blinn College alumni generated \$242.1 million in added income for the regional economy, which is equivalent to supporting 3,386 jobs.

Total impact

Blinn College added \$370.1 million in income to the Blinn College Service Area economy during the analysis year, equal to the sum of the operations and construction spending impacts, the student spending impact, and the alumni impact. For context, the \$370.1 million impact was equal to approximately 0.7% of the total gross regional product (GRP) of the Blinn College Service Area. This contribution that the college provided on its own is larger than the entire Utilities industry in the region.

Blinn College's total impact can also be expressed in terms of jobs supported. The \$370.1 million impact supported 6,010 regional jobs, using the jobs-to-sales ratios specific to each industry in the region. The \$370.1 million, or 6,010 supported jobs, stemmed from different industry sectors. Among non-education industry sectors, Blinn College's spending and alumni in the Retail Trade industry sector supported 659 jobs in FY 2018-19. These are impacts that would not have been generated without the college's presence in the Blinn College Service Area.

BLINN COLLEGE IMPACTS BY INDUSTRY (JOBS SUPPORTED)





Investment analysis

An investment analysis evaluates the costs associated with a proposed venture against its expected benefits. If the benefits outweigh the costs, then the investment is financially worthwhile. The analysis presented here considers Blinn College as an investment from the perspectives of students, taxpayers, and society in Texas.

Student perspective



In FY 2018-19, Blinn College served 26,567 credit and 2,331 non-credit students. In order to attend the college, the students paid for tuition, fees, books, and supplies. They also took out loans and will incur interest on those loans. Additionally, students gave up money they would have otherwise earned had they been working instead of attending college. The total investment made by Blinn College's students in FY 2018-19 amounted to a present value of \$169.7 million, equal to \$73.6 million in out-of-pocket expenses (including future principal and interest on student loans) and \$96.2 million in forgone time and money.

In return for their investment, Blinn College's students will receive a stream of higher future earnings that will continue to grow throughout their working lives. For example, the average Blinn College associate degree graduate from FY 2018-19 will see annual earnings that are \$9,700 higher than a person with a high school diploma or equivalent working in Texas. Over a working lifetime, the benefits of the associate degree over a high school diploma will amount to an undiscounted value of \$436.5 thousand in higher earnings per graduate. The present value of the cumulative higher future earnings that Blinn College's FY 2018-19 students will receive over their working careers is \$627.7 million.

STUDENTS SEE A HIGH RATE OF RETURN FOR THEIR INVESTMENT IN BLINN COLLEGE



14.0%

Average annual return for Blinn College students



9.9%

Stock market 30-year average annual return

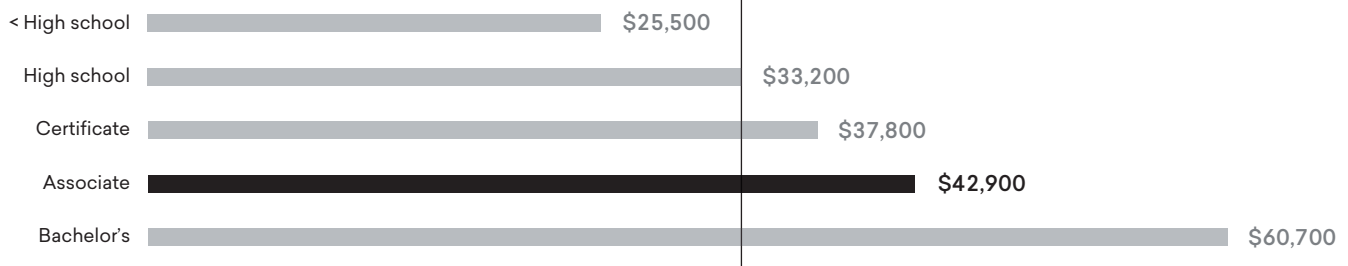


0.8%

Interest earned on savings account (National Rate Cap)

Source: Forbes' S&P 500, 1989-2018. FDIC.gov, 6-2019.

The average associate degree graduate from Blinn College will see an increase in earnings of **\$9,700** each year compared to a person with a high school diploma or equivalent working in Texas.



Source: Emsi employment data.

The students' benefit-cost ratio is 3.7. In other words, for every dollar students invest in Blinn College, in the form of out-of-pocket expenses and forgone time and money, they will receive a cumulative value of \$3.70 in higher future earnings. Annually, the students' investment in Blinn College has an average annual internal rate of return of 14.0%, which is impressive compared to the U.S. stock market's 30-year average rate of return of 9.9%.

Taxpayer perspective



Blinn College generates more in tax revenue than it takes. These benefits to taxpayers consist primarily of taxes that the state and local government will collect from the added revenue created in the state. As Blinn College students will earn more, they will make higher tax payments throughout their working lives. Students' employers will also make higher tax payments as they increase their output and purchases of goods and services. By the end of the FY 2018-19 students' working lives, the state and local government will have collected a present value of \$192.2 million in added taxes.

Benefits to taxpayers will also consist of savings generated by the improved lifestyles of Blinn College students and the corresponding reduced government services. Education is statistically correlated with a variety of lifestyle changes. Students' Blinn College educations will generate savings

in three main categories: 1) healthcare, 2) crime, and 3) income assistance. Improved health will lower students' demand for national health care services. In addition, students will be less likely to interact with the criminal justice system, resulting in a reduced demand for law enforcement and victim costs. Blinn College students will be more employable, so their reduced demand for income assistance such as welfare and unemployment benefits will benefit taxpayers. For a list of study references, contact the college for a copy of the main report. Altogether, the present value of the benefits associated with a Blinn College education will generate \$17.4 million in savings to state and local taxpayers.

Total taxpayer benefits amount to \$209.6 million, the present value sum of the added taxes and public sector savings. Taxpayer costs are \$36 million, equal to the amount of state and local government funding Blinn College received in FY 2018-19. This includes state and local grants, contracts, and appropriations. These benefits and costs yield a benefit-cost ratio of 5.8. This means that for

*For every dollar of public money invested in Blinn College, taxpayers will receive a cumulative value of **\$5.80** over the course of the students' working lives.*



STUDENT PERSPECTIVE

\$627.7 million
Present value benefits

\$169.7 million
Present value costs

\$458 million
Net present value

Benefit-cost ratio	Rate of return
3.7	14.0%



TAXPAYER PERSPECTIVE

\$209.6 million
Present value benefits

\$36 million
Present value costs

\$173.6 million
Net present value

Benefit-cost ratio	Rate of return
5.8	13.6%



SOCIAL PERSPECTIVE

\$3.1 billion
Present value benefits

\$236.8 million
Present value costs

\$2.9 billion
Net present value

Benefit-cost ratio	Rate of return
13.1	n/a*

* The rate of return is not reported for the social perspective because the beneficiaries of the investment are not necessarily the same as the original investors.

every dollar of public money invested in Blinn College in FY 2018-19, taxpayers will receive a cumulative value of \$5.80 over the course of the students' working lives. The average annual internal rate of return for taxpayers is 13.6%, which compares favorably to other long-term investments in the public and private sectors.

Social perspective



Society as a whole in Texas benefits from the presence of Blinn College in two major ways. Primarily, society benefits from an increased economic base in the state. This is attributed to higher student earnings and increased business output, which raise economic prosperity in Texas.

Benefits to society also consist of the savings generated by the improved lifestyles of Blinn College students. As discussed in the previous section, education is statistically correlated with a variety of lifestyle changes that generate social savings. Note that these costs are avoided by the consumers but are distinct from the costs avoided by the taxpayers outlined above. Healthcare savings include avoided medical costs associated with smoking, alcohol dependence, obesity, drug abuse, and depression. Savings related to crime include reduced security expenditures and insurance administration, lower victim costs, and reduced expenditures by the criminal justice system. Income assistance savings include reduced welfare and unemployment claims. For a list of study references, contact the college for a copy of the main report.

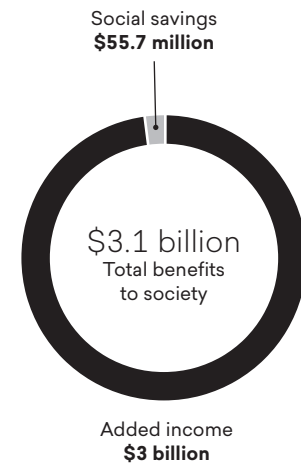
Altogether, the social benefits of Blinn College equal a present value of \$3.1 billion. These benefits include \$3 billion in added income through students' increased lifetime earnings and increased business output, as well as \$55.7 million in social savings related to health, crime, and income assistance in Texas. People in Texas invested a present value total of \$236.8 million in Blinn College in FY 2018-19. This amount consists of all student costs and all college expenditures.

The benefit-cost ratio for society is 13.1, equal to the \$3.1 billion in benefits divided by the \$236.8 million in costs. In other words, for every dollar invested in Blinn College, people in Texas will receive a cumulative value of \$13.10 in benefits. The benefits of this investment will occur for as long as Blinn College's FY 2018-19 students remain employed in the state workforce.

Summary of investment analysis results

The results of the analysis demonstrate that Blinn College is a strong investment for all three major stakeholder groups—students, taxpayers, and society. As shown, students receive a great return for their investments in a Blinn College education. At the same time, taxpayers' investment in Blinn College returns more to government budgets than it costs and creates a wide range of social benefits throughout Texas.

SOCIAL BENEFITS IN TEXAS
FROM BLINN COLLEGE



Conclusion

The results of this study demonstrate that Blinn College creates value from multiple perspectives. The college benefits regional businesses by increasing consumer spending in the region and supplying a steady flow of qualified, trained workers to the workforce. Blinn College enriches the lives of students by raising their life-time earnings and helping them achieve their individual potential. The college benefits state and local taxpayers through increased tax receipts and a reduced demand for government-supported social services. Finally, Blinn College benefits society as a whole in Texas by creating a more prosperous economy and generating a variety of savings through the improved lifestyles of students.

About the study

Data and assumptions used in the study are based on several sources, including the FY 2018-19 academic and financial reports from Blinn College, industry and employment data from the U.S. Bureau of Labor Statistics and U.S. Census Bureau, outputs of Emsi's Multi-Regional Social Accounting Matrix model, and a variety of studies and surveys relating education to social behavior. The study applies a conservative methodology and follows standard practice using only the most recognized indicators of economic impact and investment effectiveness. For a full description of the data and approach used in the study, please contact the college for a copy of the main report.

*The results of this study demonstrate that Blinn College creates value from **multiple perspectives.***



Emsi is a labor market analytics firm that integrates data from a wide variety of sources to serve professionals in higher education, economic development, workforce development, talent acquisition, and site selection. Emsi is a leading provider of economic impact studies and labor market data to educational institutions in the U.S. and internationally. Since 2000, Emsi has completed over 2,000 economic impact studies for institutions across three countries. For more information about Emsi's products and services, visit www.economicmodeling.com.



The Economic Value of the Blinn College District **FACT SHEET**

THE Blinn College District (Blinn College) 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) 2018-19.



Economic impact analysis

In FY 2018-19, Blinn College added **\$370.1 million** in income to the Blinn College Service Area* economy, a value approximately equal to **0.7%** of the region's total gross regional product (GRP). Expressed in terms of jobs, Blinn College's impact supported **6,010 jobs**.

OPERATIONS SPENDING IMPACT

- Blinn College employed 1,563 full-time and part-time faculty and staff. Payroll amounted to \$70.3 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 \$43.2 million on day-to-day expenses related to facilities, supplies, and professional services.
- The net impact of the college's operations spending added **\$90.9 million** in income to the regional economy in FY 2018-19.

CONSTRUCTION SPENDING IMPACT

- Blinn College invests in construction 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 Blinn College's construction spending in FY 2018-19 alone was **\$4.9 million** in added income for the Blinn College Service Area.

STUDENT SPENDING IMPACT

- Around 77% of students attending Blinn College originated from outside the region. Some of these students relocated to the Blinn College Service Area. In addition, some in-region students, referred to as retained students, would have left the Blinn College Service Area for other educational opportunities if not for Blinn College. These relocated and retained students

* For the purposes of this analysis, the Blinn College Service Area is comprised of Austin, Brazos, Burleson, Fayette, Grimes, Lee, Madison, Milam, Montgomery, Robertson, Walker, Waller, and Washington Counties.

IMPACTS CREATED BY BLINN COLLEGE IN FY 2018-19



\$90.9 million
Operations Spending Impact



\$4.9 million
Construction Spending Impact



\$32.2 million
Student Spending Impact



\$242.1 million
Alumni Impact



\$370.1 million
TOTAL IMPACT

- OR -

6,010
JOBS SUPPORTED



spent money on groceries, mortgage and rent payments, and other living expenses at regional businesses.

- The expenditures of relocated and retained students in FY 2018-19 added **\$32.2 million** in income to the Blinn College Service Area economy.

ALUMNI IMPACT

- Over the years, students have studied at Blinn College and entered or re-entered the workforce with newly-acquired knowledge and skills. Today, thousands of these former students are employed in the Blinn College Service Area.
- The net impact of Blinn College's former students currently employed in the regional workforce amounted to **\$242.1 million** in added income in FY 2018-19.



Investment analysis

STUDENT PERSPECTIVE

- Blinn College's FY 2018-19 students paid a present value of **\$73.6 million** to cover the cost of tuition, fees, supplies, and interest on student loans. They also forwent **\$96.2 million** in money that they would have earned had they been working instead of attending college.
- In return for their investment, students will receive **\$627.7 million** in increased earnings over their working lives. This translates to a return of **\$3.70** in higher future earnings for every dollar students invest in their education. Students' average annual rate of return is **14.0%**.

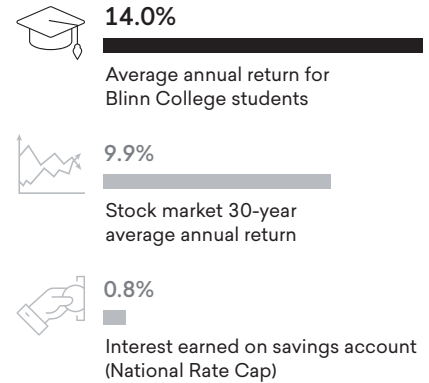
TAXPAYER PERSPECTIVE

- Taxpayers provided Blinn College with **\$36 million** of funding in FY 2018-19. This includes state and local grants, contracts, and appropriations. In return, they will benefit from added tax revenue, stemming from students' higher lifetime earnings and increased business output, amounting to **\$192.2 million**. A reduced demand for government-funded services in Texas will add another **\$17.4 million** in benefits to taxpayers.
- For every dollar of public money invested in Blinn College, taxpayers will receive **\$5.80** in return, over the course of students' working lives. The average annual rate of return for taxpayers is **13.6%**.

SOCIAL PERSPECTIVE

- In FY 2018-19, Texas invested **\$236.8 million** to support Blinn College. This amount consists of all student costs and all college expenditures. In turn, the Texas economy will grow by **\$3 billion**, over the course of students' working lives. Society will also benefit from **\$55.7 million** of public and private sector savings.
- For every dollar invested in Blinn College in FY 2018-19, people in Texas will receive **\$13.10** in return, for as long as Blinn College's FY 2018-19 students remain active in the state workforce.

STUDENTS SEE A HIGH RATE OF RETURN FOR THEIR INVESTMENT IN BLINN COLLEGE



Source: Forbes' S&P 500, 1989-2018. FDIC.gov, 6-2019.



FOR EVERY \$1...





The Economic Value of the Blinn College District's Brenham Campus

EXECUTIVE SUMMARY



THE Blinn College District's Brenham Campus (Blinn-Brenham) creates value in many ways. The campus plays a key role in helping students increase their employability and achieve their individual potential. The campus draws students to the county, generating new dollars and opportunities for Washington County. Blinn-Brenham provides students with the education, training, and skills they need to have fulfilling and prosperous careers. Furthermore, Blinn-Brenham is a place for students to meet new people, increase their self-confidence, and promote their overall health and well-being.

Blinn-Brenham influences both the lives of its students and the county economy. The campus supports a variety of industries in Washington County, serves county businesses, and benefits society as a whole in Texas from an expanded economy and improved quality of life. The benefits created by Blinn-Brenham even extend to the state and local government through increased tax revenues and public sector savings.

This study measures the economic impacts created by Blinn-Brenham on the business community and the benefits the campus generates in return for the investments made by its key stakeholder groups—students, taxpayers, and society. The following two analyses are presented:



Economic impact analysis



Investment analysis

All results reflect employee, student, and financial data, provided by the Blinn College District, for fiscal year (FY) 2018-19. Impacts on the Washington County economy are reported under the economic impact analysis and are measured in terms of added income. The returns on investment to students, taxpayers, and society in Texas are reported under the investment analysis.

*Blinn-Brenham influences both the **lives of its students** and the **county economy**.*



Economic impact analysis

Blinn-Brenham promotes economic growth in Washington County through its direct expenditures and the resulting expenditures of students and county businesses. The campus serves as an employer and buyer of goods and services for its day-to-day and construction operations. Its activities attract students from outside Washington County, whose expenditures benefit county vendors. In addition, Blinn-Brenham is a primary source of higher education to Washington County residents and a supplier of trained workers to county industries, enhancing overall productivity in the county workforce.

Operations spending impact



Blinn-Brenham adds economic value to Washington County as an employer of county residents and a large-scale buyer of goods and services. In FY 2018-19, the campus employed 637 full-time and part-time faculty and staff, 55% of whom lived in Washington County. Total payroll at Blinn-Brenham was \$18.3 million, much of which was spent in the county for groceries, mortgage and rent payments, dining out, and other household expenses. In addition, the campus spent \$13.1 million on day-to-day expenses related to facilities, supplies, and professional services.

Blinn-Brenham's day-to-day operations spending added \$19.4 million in income to the county during the analysis year. This figure represents Blinn-Brenham's payroll, the multiplier effects generated by the in-county spending of the campus and its employees, and a downward adjustment to account for funding that the campus received from county sources. The \$19.4 million in added income is equivalent to supporting 656 jobs in the county.

Construction spending impact



Blinn-Brenham invests in construction each year to maintain its facilities, create additional capacities, and meet its growing educational demands. While the amount varies from year to year, these quick infusions of income and jobs have a substantial impact on the county economy. In FY 2018-19, Blinn-Brenham's construction spending generated \$2.3 million in added income, which is equivalent to supporting 44 jobs.

Student spending impact



Around 79% of students attending Blinn-Brenham originated from outside the county in FY 2018-19, and some of these students relocated to Washington County to attend Blinn-Brenham. These

IMPACTS CREATED BY
BLINN-BREHAM IN FY 2018-19



\$19.4 million
Operations Spending Impact



\$2.3 million
Construction Spending Impact



\$6 million
Student Spending Impact



\$43 million
Alumni Impact



\$70.7 million
TOTAL IMPACT

- OR -

1,560
JOBS SUPPORTED

students may not have come to the county if the campus did not exist. In addition, some in-county students, referred to as retained students, would have left Washington County if not for the existence of Blinn-Brenham. While attending, these relocated and retained students spent money on groceries, accommodation, transportation, and other household expenses. This spending generated \$6 million in added income for the county economy in FY 2018-19, which supported 145 jobs in Washington County.

Alumni impact



The education and training Blinn-Brenham provides for county residents has the greatest impact. Since its establishment, students have studied at Blinn-Brenham and entered the county workforce with greater knowledge and new skills. Today, thousands of former Blinn-Brenham students are employed in Washington County. As a result of their Blinn-Brenham educations, the students receive higher earnings and increase the productivity of the businesses that employ them. In FY 2018-19, Blinn-Brenham alumni generated \$43 million in added income for the county economy, which is equivalent to supporting 714 jobs.

Total impact

Blinn-Brenham added \$70.7 million in income to the Washington County economy during the analysis year, equal to the sum of the operations and construction spending impacts, the student spending impact, and the alumni impact. For context, the \$70.7 million impact was equal to approximately 4.3% of the total gross regional product (GRP) of Washington County. This contribution that the campus provided on its own was larger than the entire Construction industry in the county.

Blinn-Brenham's total impact can also be expressed in terms of jobs supported. The \$70.7 million impact supported 1,560 county jobs, using the jobs-to-sales ratios specific to each industry in the county. This means that one out of every 16 jobs in Washington County is supported by the activities of Blinn-Brenham and its students. In addition, the \$70.7 million, or 1,560 supported jobs, stemmed from different industry sectors. Among non-education industry sectors, Blinn-Brenham's spending and alumni in the Government, Non-Education industry sector supported 141 jobs in FY 2018-19. These are impacts that would not have been generated without Blinn-Brenham's presence in Washington County.

BLINN-BRENHAM IMPACTS BY INDUSTRY (JOBS SUPPORTED)



One out of every 16 jobs in Washington County is supported by the activities of Blinn-Brenham and its students.



Investment analysis

An investment analysis evaluates the costs associated with a proposed venture against its expected benefits. If the benefits outweigh the costs, then the investment is financially worthwhile. The analysis presented here considers Blinn-Brenham as an investment from the perspectives of students, taxpayers, and society in Texas.

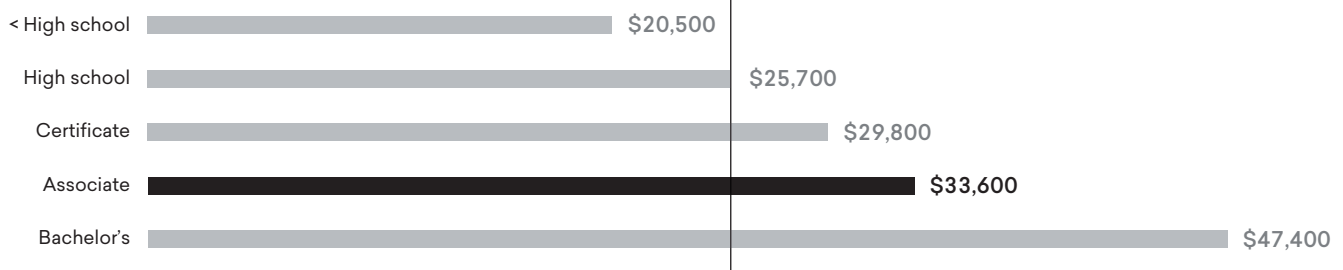
Student perspective



In FY 2018-19, Blinn-Brenham served 3,641 credit and 610 non-credit students. In order to attend, these students paid for tuition, fees, books, and supplies. They also took out loans and will incur interest on those loans. Additionally, students gave up money they would have otherwise earned had they been working instead of attending college. The total investment made by Blinn-Brenham’s students in FY 2018-19 amounted to a present value of \$36.7 million, equal to \$26.2 million in out-of-pocket expenses (including future principal and interest on student loans) and \$10.4 million in forgone time and money.

In return for their investment, Blinn-Brenham’s students will receive a stream of higher future earnings that will continue to grow throughout their working lives. For example, the average Blinn-Brenham associate degree graduate from FY 2018-19 will see annual earnings that are \$7,900 higher than a person with a high school diploma or equivalent working in Texas. Over a working lifetime, the benefits of the associate degree over a high school diploma will amount to an undiscounted value of \$363.4 thousand in higher earnings per graduate. The present value of the cumulative higher future earnings that Blinn-Brenham’s FY 2018-19 students will receive over their working careers is \$78.6 million.

The average associate degree graduate from Blinn-Brenham will see an increase in earnings of **\$7,900** each year compared to a person with a high school diploma or equivalent working in Texas.



Source: Emsi employment data.

The students' benefit-cost ratio is 2.1. In other words, for every dollar students invest in Blinn-Brenham, in the form of out-of-pocket expenses and forgone time and money, they will receive a cumulative value of \$2.10 in higher future earnings. Annually, the students' investment in Blinn-Brenham has an average annual internal rate of return of 9.5%, which is impressive compared to the U.S. stock market's 30-year average rate of return of 9.9%.

Taxpayer perspective



Blinn-Brenham generates more in tax revenue than it takes. These benefits to taxpayers consist primarily of taxes that the state and local government will collect from the added revenue created in the state. As Blinn-Brenham students will earn more, they will make higher tax payments throughout their working lives. Students' employers will also make higher tax payments as they increase their output and purchases of goods and services. By the end of the FY 2018-19 students' working lives, the state and local government will have collected a present value of \$22.5 million in added taxes.

Benefits to taxpayers will also consist of savings generated by the improved lifestyles of Blinn-Brenham students and the corresponding reduced government services. Education is statistically correlated with a variety of lifestyle changes. Students' Blinn-Brenham educations will generate

savings in three main categories: 1) healthcare, 2) crime, and 3) income assistance. Improved health will lower students' demand for national health care services. In addition, students will be less likely to interact with the criminal justice system, resulting in a reduced demand for law enforcement and victim costs. Blinn-Brenham students will be more employable, so their reduced demand for income assistance such as welfare and unemployment benefits will benefit taxpayers. Altogether, the present value of the benefits associated with a Blinn-Brenham education will generate \$2.8 million in savings to state and local taxpayers.

Total taxpayer benefits amount to \$25.3 million, the present value sum of the added taxes and public sector savings. Taxpayer costs are \$8.4 million, equal to the amount of state and local government funding Blinn-Brenham received in FY 2018-19. These benefits and costs yield a benefit-cost ratio of 3.0. This means that for every dollar of public money invested in Blinn-Brenham in FY

*For every dollar of public money invested in Blinn-Brenham, taxpayers will receive a cumulative value of **\$3.00** over the course of the students' working lives.*



STUDENT PERSPECTIVE

\$78.6 million
Present value benefits

\$36.7 million
Present value costs

\$41.9 million
Net present value

Benefit-cost ratio	Rate of return
2.1	9.5%



TAXPAYER PERSPECTIVE

\$25.3 million
Present value benefits

\$8.4 million
Present value costs

\$16.9 million
Net present value

Benefit-cost ratio	Rate of return
3.0	7.1%



SOCIAL PERSPECTIVE

\$364.1 million
Present value benefits

\$53.4 million
Present value costs

\$310.7 million
Net present value

Benefit-cost ratio	Rate of return
6.8	n/a*

* The rate of return is not reported for the social perspective because the beneficiaries of the investment are not necessarily the same as the original investors.

2018-19, taxpayers will receive a cumulative value of \$3.00 over the course of the students' working lives. The average annual internal rate of return for taxpayers is 7.1%, which compares favorably to other long-term investments in the public and private sectors.

Social perspective



Society as a whole in Texas benefits from the presence of Blinn-Brenham in two major ways. Primarily, society benefits from an increased economic base in the state. This is attributed to higher student earnings and increased business output, which raise economic prosperity in Texas.

Benefits to society also consist of the savings generated by the improved lifestyles of Blinn-Brenham students. As discussed in the previous section, education is statistically correlated with a variety of lifestyle changes that generate social savings. Note that these costs are avoided by the consumers but are distinct from the costs avoided by the taxpayers outlined above. Healthcare savings include avoided medical costs associated with smoking, alcohol dependence, obesity, drug abuse, and depression. Savings related to crime include reduced security expenditures and insurance administration, lower victim costs, and reduced expenditures by the criminal justice system. Income assistance savings include reduced welfare and unemployment claims.

Altogether, the social benefits of Blinn-Brenham equal a present value of \$364.1 million. These benefits include \$355.5 million in added income through students' increased lifetime earnings and increased business output, as well as \$8.6 million in social savings related to health, crime, and income assistance in Texas. People in Texas invested a present value total of \$53.4 million in Blinn-Brenham in FY 2018-19. The cost includes all the campus and student costs.

The benefit-cost ratio for society is 6.8, equal to the \$364.1 million in benefits divided by the \$53.4 million in costs. In other words, for every dollar invested in Blinn-Brenham, people in Texas will receive a cumulative value of \$6.80 in benefits. The benefits of this investment will occur for as long as Blinn-Brenham's FY 2018-19 students remain employed in the state workforce.

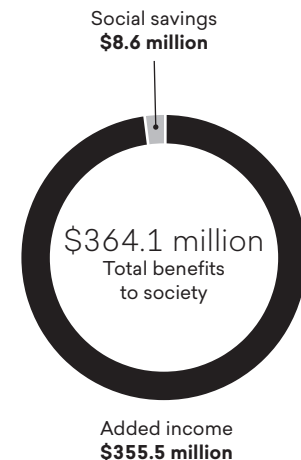
Summary of investment analysis results

The results of the analysis demonstrate that Blinn-Brenham is a strong investment for all three major stakeholder groups—students, taxpayers, and society. As shown, students receive a great return for their investments in a Blinn-Brenham education. At the same time, taxpayers' investment in Blinn-Brenham returns more to government budgets than it costs and creates a wide range of social benefits throughout Texas.

Return on investment for local taxpayers

Taxpayers in Washington County provided 4% of Blinn-Brenham's funding, or \$1.9 million, in FY 2018-19. In return for that investment, the county will receive a present value of \$4.8 million in benefits, generated by increased tax revenues and government savings in the county. This means that for every dollar Washington County taxpayers invest in the college, they will receive \$2.50 in return. Local taxpayers enjoy an annual rate of return of 10.8% for this investment.

SOCIAL BENEFITS IN TEXAS FROM BLINN-BRENHAM



Conclusion

The results of this study demonstrate that Blinn-Brenham creates value from multiple perspectives. The campus benefits county businesses by increasing consumer spending in the county and supplying a steady flow of qualified, trained workers to the workforce. Blinn-Brenham enriches the lives of students by raising their lifetime earnings and helping them achieve their individual potential. The campus benefits state and local taxpayers through increased tax receipts and a reduced demand for government-supported social services. Finally, Blinn-Brenham benefits society as a whole in Texas by creating a more prosperous economy and generating a variety of savings through the improved lifestyles of students.

*The results of this study demonstrate that Blinn-Brenham creates value from **multiple perspectives.***

About the study

Data and assumptions used in the study are based on several sources, including the FY 2018-19 academic and financial reports from the Blinn College District, industry and employment data from the U.S. Bureau of Labor Statistics and U.S. Census Bureau, outputs of Emsi's Multi-Regional Social Accounting Matrix model, and a variety of studies and surveys relating education to social behavior. The study applies a conservative methodology and follows standard practice using only the most recognized indicators of economic impact and investment effectiveness. For a full description of the data and approach used in the study, please contact the Blinn College District for a copy of the main report.



Important note

In 2013, Emsi conducted an economic impact analysis of Blinn-Brenham on Blinn College's 13-county service area. The present study focuses on a single county to provide more localized information about the campus' impact. Due to this difference in region, results of the two studies are not comparable.



Emsi is a labor market analytics firm that integrates data from a wide variety of sources to serve professionals in higher education, economic development, workforce development, talent acquisition, and site selection. Emsi is a leading provider of economic impact studies and labor market data to educational institutions in the U.S. and internationally. Since 2000, Emsi has completed over 2,000 economic impact studies for institutions across three countries. For more information about Emsi's products and services, visit www.economicmodeling.com.



The Economic Value of the Blinn College District's Brenham Campus **FACT SHEET**

THE Blinn College District's Brenham Campus (Blinn-Brenham) 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) 2018-19.



Economic impact analysis

In FY 2018-19, Blinn-Brenham added **\$70.7 million** in income to the Washington County economy, a value approximately equal to **4.3%** of the county's total gross regional product (GRP). Expressed in terms of jobs, Blinn-Brenham's impact supported **1,560 jobs**. For perspective, the activities of Blinn-Brenham and its students support **one out of every 16 jobs** in Washington County.

OPERATIONS SPENDING IMPACT

- Blinn-Brenham employed 637 full-time and part-time faculty and staff. Payroll amounted to \$18.3 million, much of which was spent in the county for groceries, mortgage and rent payments, dining out, and other household expenses. The campus spent another \$13.1 million on day-to-day expenses related to facilities, supplies, and professional services.
- The net impact of Blinn-Brenham's operations spending added **\$19.4 million** in income to the county economy in FY 2018-19.

CONSTRUCTION SPENDING IMPACT

- Blinn-Brenham invests in construction 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 county economy.
- The net impact of Blinn-Brenham's construction spending in FY 2018-19 was **\$2.3 million** in added income for Washington County.

STUDENT SPENDING IMPACT

- Around 79% of students attending Blinn-Brenham originated from outside the county. Some of these students relocated to Washington County. In addition, some in-county students, referred to as retained students, would have left Washington County for other educational opportunities if not for Blinn-Brenham. These relocated and retained students spent money

IMPACTS CREATED BY
BLINN-BREHAM IN FY 2018-19



\$19.4 million
Operations Spending Impact



\$2.3 million
Construction Spending Impact



\$6 million
Student Spending Impact



\$43 million
Alumni Impact



\$70.7 million
TOTAL IMPACT

- OR -

1,560
JOBS SUPPORTED



on groceries, mortgage and rent payments, and other living expenses at county businesses.

- The expenditures of relocated and retained students in FY 2018-19 added **\$6 million** in income to the Washington County economy.

ALUMNI IMPACT

- Over the years, students have studied at Blinn-Brenham and entered or re-entered the workforce with newly-acquired knowledge and skills. Today, thousands of these former students are employed in Washington County.
- The net impact of Blinn-Brenham's former students currently employed in the county workforce amounted to **\$43 million** in added income in FY 2018-19.



Investment analysis

STUDENT PERSPECTIVE

- Blinn-Brenham's FY 2018-19 students paid a present value of **\$26.2 million** to cover the cost of tuition, fees, supplies, and interest on student loans. They also forwent **\$10.4 million** in money that they would have earned had they been working instead of attending college.
- In return for their investment, students will receive **\$78.6 million** in increased earnings over their working lives. This translates to a return of **\$2.10** in higher future earnings for every dollar students invest in their education. Students' average annual rate of return is **9.5%**.

TAXPAYER PERSPECTIVE

- State and local taxpayers provided Blinn-Brenham with **\$8.4 million** of funding in FY 2018-19. In return, they will benefit from added tax revenue, stemming from students' higher lifetime earnings and increased business output, amounting to **\$22.5 million**. A reduced demand for government-funded services in Texas will add another **\$2.8 million** in benefits to taxpayers.
- For every dollar of public money invested in Blinn-Brenham, state and local taxpayers will receive **\$3.00** in return, over the course of students' working lives. The average annual rate of return for taxpayers is **7.1%**.

SOCIAL PERSPECTIVE

- In FY 2018-19, Texas invested **\$53.4 million** to support Blinn-Brenham. In turn, the Texas economy will grow by **\$355.5 million**, over the course of students' working lives. Society will also benefit from **\$8.6 million** of public and private sector savings.
- For every dollar invested in Blinn-Brenham in FY 2018-19, people in Texas will receive **\$6.80** in return, for as long as Blinn-Brenham's FY 2018-19 students remain active in the state workforce.

Return on investment for local taxpayers

Taxpayers in Washington County provided 4% of Blinn-Brenham's funding, or \$1.9 million, in FY 2018-19. In return for that investment, the county will receive a present value of \$4.8 million in benefits, generated by increased tax revenues and government savings in the county. This means that for every dollar Washington County taxpayers invest in the college, they will receive \$2.50 in return. Local taxpayers enjoy an annual rate of return of 10.8% for this investment.



FOR EVERY \$1...



Students gain

\$2.10

in lifetime earnings



Taxpayers gain

\$3.00

in added tax revenue and public sector savings

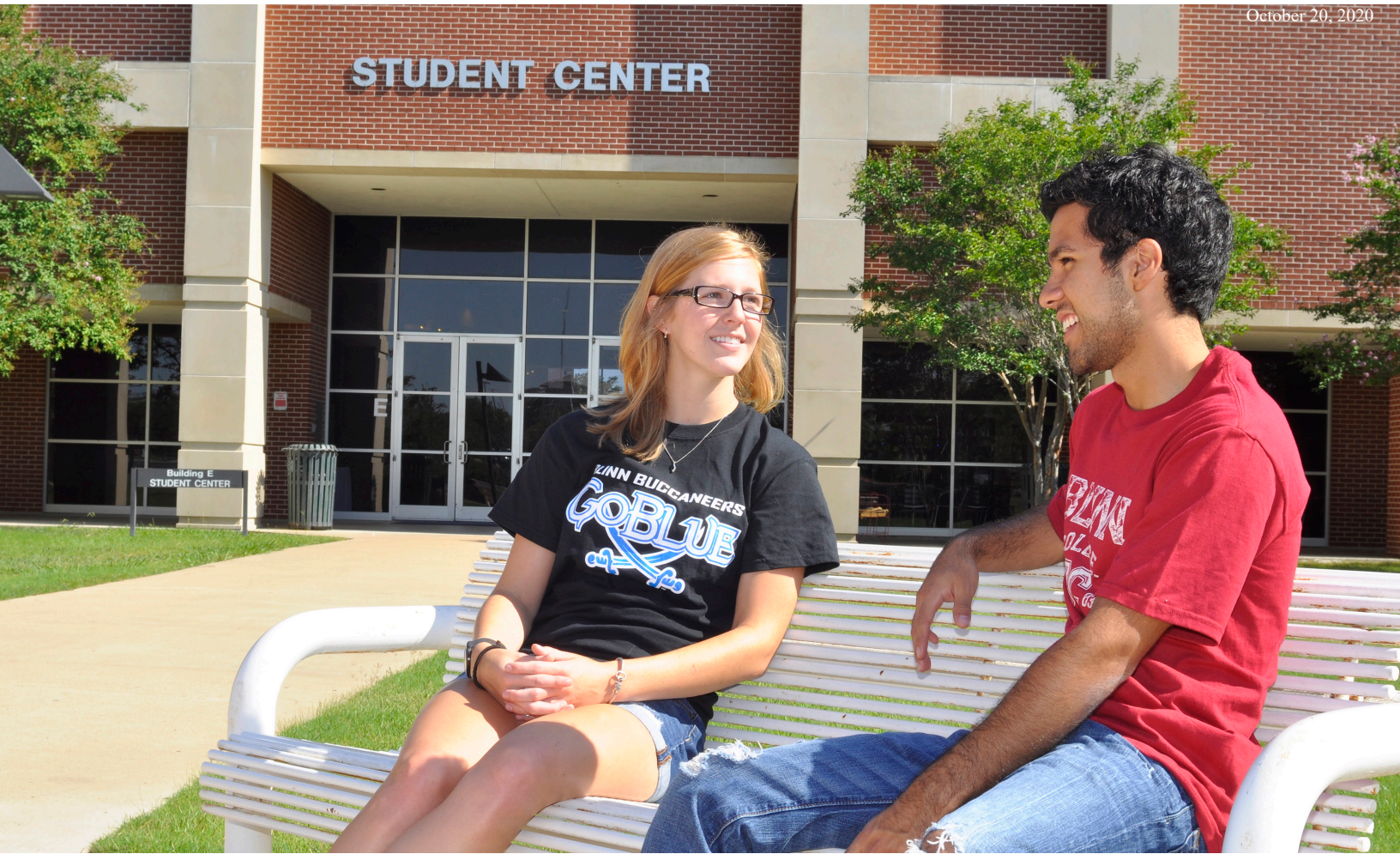


Society gains

\$6.80

in added income and social savings





The Economic Value of the
Blinn College District's Bryan Campus

EXECUTIVE SUMMARY



THE Blinn College District's Bryan Campus (Blinn-Bryan) creates value in many ways. The campus plays a key role in helping students increase their employability and achieve their individual potential. The campus draws students to the county, generating new dollars and opportunities for Brazos County. Blinn-Bryan provides students with the education, training, and skills they need to have fulfilling and prosperous careers. Furthermore, Blinn-Bryan is a place for students to meet new people, increase their self-confidence, and promote their overall health and well-being.

Blinn-Bryan influences both the lives of its students and the county economy. The campus supports a variety of industries in Brazos County, serves county businesses, and benefits society as a whole in Texas from an expanded economy and improved quality of life. The benefits created by Blinn-Bryan even extend to the state government through increased tax revenues and public sector savings.

This study measures the economic impacts created by Blinn-Bryan on the business community and the benefits the campus generates in return for the investments made by its key stakeholder groups—students, taxpayers, and society. The following two analyses are presented:



Economic impact analysis



Investment analysis

All results reflect employee, student, and financial data, provided by the Blinn College District, for fiscal year (FY) 2018-19. Impacts on the Brazos County economy are reported under the economic impact analysis and are measured in terms of added income. The returns on investment to students, taxpayers, and society in Texas are reported under the investment analysis.

*Blinn-Bryan influences both
the **lives of its students** and
the **county economy**.*



Economic impact analysis

Blinn-Bryan promotes economic growth in Brazos County through its direct expenditures and the resulting expenditures of students and county businesses. The campus serves as an employer and buyer of goods and services for its day-to-day and construction operations. Its activities attract students from outside Brazos County, whose expenditures benefit county vendors. In addition, Blinn-Bryan is a primary source of higher education to Brazos County residents and a supplier of trained workers to county industries, enhancing overall productivity in the county workforce.

Operations spending impact



Blinn-Bryan adds economic value to Brazos County as an employer of county residents and a large-scale buyer of goods and services. In FY 2018-19, the campus employed 865 full-time and part-time faculty and staff, 69% of whom lived in Brazos County. Total payroll at Blinn-Bryan was \$45.1 million, much of which was spent in the county for groceries, mortgage and rent payments, dining out, and other household expenses. In addition, the campus spent \$25.8 million on day-to-day expenses related to facilities, supplies, and professional services.

Blinn-Bryan's day-to-day operations spending added \$62.9 million in income to the county during the analysis year. This figure represents Blinn-Bryan's payroll, the multiplier effects generated by the in-county spending of the campus and its employees, and a downward adjustment to account for funding that the campus received from county sources. The \$62.9 million in added income is equivalent to supporting 1,098 jobs in the county.

Construction spending impact



Blinn-Bryan invests in construction each year to maintain its facilities, create additional capacities, and meet its growing educational demands. While the amount varies from year to year, these quick infusions of income and jobs have an impact on the county economy. In FY 2018-19, Blinn-Bryan's construction spending generated \$290.3 thousand in added income, which is equivalent to supporting five jobs.

Student spending impact



Around 81% of students attending Blinn-Bryan originated from outside the county in FY 2018-19, and some of these students relocated to Brazos County to attend Blinn-Bryan. These students may not

IMPACTS CREATED BY
BLINN-BRYAN IN FY 2018-19



\$62.9 million
Operations Spending Impact



\$290.3 thousand
Construction Spending Impact



\$27 million
Student Spending Impact



\$73.9 million
Alumni Impact



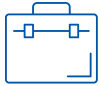
\$164.1 million
TOTAL IMPACT

- OR -

3,049
JOBS SUPPORTED

have come to the county if the campus did not exist. In addition, some in-county students, referred to as retained students, would have left Brazos County if not for the existence of Blinn-Bryan. While attending, these relocated and retained students spent money on groceries, accommodation, transportation, and other household expenses. This spending generated \$27 million in added income for the county economy in FY 2018-19, which supported 700 jobs in Brazos County.

Alumni impact



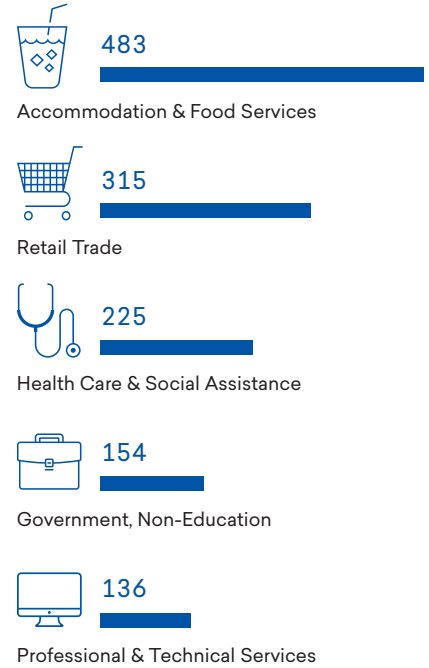
The education and training Blinn-Bryan provides for county residents has one of the greatest impacts. Since its establishment, students have studied at Blinn-Bryan and entered the county workforce with greater knowledge and new skills. Today, thousands of former Blinn-Bryan students are employed in Brazos County. As a result of their Blinn-Bryan educations, the students receive higher earnings and increase the productivity of the businesses that employ them. In FY 2018-19, Blinn-Bryan alumni generated \$73.9 million in added income for the county economy, which is equivalent to supporting 1,246 jobs.

Total impact

Blinn-Bryan added \$164.1 million in income to the Brazos County economy during the analysis year, equal to the sum of the operations and construction spending impacts, the student spending impact, and the alumni impact. For context, the \$164.1 million impact was equal to approximately 1.7% of the total gross regional product (GRP) of Brazos County. This contribution that the campus provided on its own was nearly twice as large as the entire Transportation & Warehousing industry in the county.

Blinn-Bryan's total impact can also be expressed in terms of jobs supported. The \$164.1 million impact supported 3,049 county jobs, using the jobs-to-sales ratios specific to each industry in the county. This means that one out of every 47 jobs in Brazos County is supported by the activities of Blinn-Bryan and its students. In addition, the \$164.1 million, or 3,049 supported jobs, stemmed from different industry sectors. Among non-education industry sectors, Blinn-Bryan's spending and alumni in the Accommodation & Food Services industry sector supported 483 jobs in FY 2018-19. These are impacts that would not have been generated without Blinn-Bryan's presence in Brazos County.

BLINN-BRYAN IMPACTS BY INDUSTRY (JOBS SUPPORTED)



One out of every 47 jobs in Brazos County is supported by the activities of Blinn-Bryan and its students.



Investment analysis

An investment analysis evaluates the costs associated with a proposed venture against its expected benefits. If the benefits outweigh the costs, then the investment is financially worthwhile. The analysis presented here considers Blinn-Bryan as an investment from the perspectives of students, taxpayers, and society in Texas.

Student perspective



In FY 2018-19, Blinn-Bryan served 18,760 credit and 1,529 non-credit students. In order to attend, these students paid for tuition, fees, books, and supplies. They also took out loans and will incur interest on those loans. Additionally, students gave up money they would have otherwise earned had they been working instead of attending college. The total investment made by Blinn-Bryan's students in FY 2018-19 amounted to a present value of \$96.4 million, equal to \$35.6 million in out-of-pocket expenses (including future principal and interest on student loans) and \$60.8 million in forgone time and money.

In return for their investment, Blinn-Bryan's students will receive a stream of higher future earnings that will continue to grow throughout their working lives. For example, the average Blinn-Bryan associate degree graduate from FY 2018-19 will see annual earnings that are \$9,300 higher than a person with a high school diploma or equivalent working in Texas. Over a working lifetime, the benefits of the associate degree over a high school diploma will amount to an undiscounted value of \$418.5 thousand in higher earnings per graduate. The present value of the cumulative higher future earnings that Blinn-Bryan's FY 2018-19 students will receive over their working careers is \$379.1 million.

STUDENTS SEE A HIGH RATE OF RETURN FOR THEIR INVESTMENT IN BLINN-BRYAN



14.9%

Average annual return for Blinn-Bryan students



9.9%

Stock market 30-year average annual return

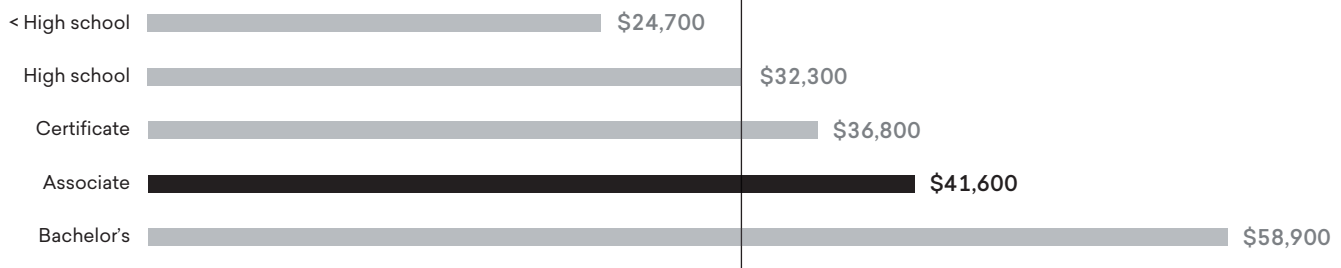


0.8%

Interest earned on savings account (National Rate Cap)

Source: Forbes' S&P 500, 1989-2018. FDIC.gov, 6-2019.

The average associate degree graduate from Blinn-Bryan will see an increase in earnings of **\$9,300** each year compared to a person with a high school diploma or equivalent working in Texas.



Source: Emsi employment data.

The students' benefit-cost ratio is 3.9. In other words, for every dollar students invest in Blinn-Bryan, in the form of out-of-pocket expenses and forgone time and money, they will receive a cumulative value of \$3.90 in higher future earnings. Annually, the students' investment in Blinn-Bryan has an average annual internal rate of return of 14.9%, which is impressive compared to the U.S. stock market's 30-year average rate of return of 9.9%.

Taxpayer perspective



Blinn-Bryan generates more in tax revenue than it takes. These benefits to taxpayers consist primarily of taxes that the state government will collect from the added revenue created in the state.

As Blinn-Bryan students will earn more, they will make higher tax payments throughout their working lives. Students' employers will also make higher tax payments as they increase their output and purchases of goods and services. By the end of the FY 2018-19 students' working lives, the state government will have collected a present value of \$117.3 million in added taxes.

Benefits to taxpayers will also consist of savings generated by the improved lifestyles of Blinn-Bryan students and the corresponding reduced government services. Education is statistically correlated with a variety of lifestyle changes. Students' Blinn-Bryan educations will generate savings in three main categories:

1) healthcare, 2) crime, and 3) income assistance. Improved health will lower students' demand for national health care services. In addition, students will be less likely to interact with the criminal justice system, resulting in a reduced demand for law enforcement and victim costs. Blinn-Bryan students will be more employable, so their reduced demand for income assistance such as welfare and unemployment benefits will benefit taxpayers. Altogether, the present value of the benefits associated with a Blinn-Bryan education will generate \$10.2 million in savings to state taxpayers.

Total taxpayer benefits amount to \$127.5 million, the present value sum of the added taxes and public sector savings. Taxpayer costs are \$24 million, equal to the amount of state government funding Blinn-Bryan received in FY 2018-19. These benefits and costs yield a benefit-cost ratio of 5.3. This means that for every dollar of public money invested in Blinn-Bryan in FY 2018-19, taxpayers will receive a cumulative value of \$5.30 over the course of the students'

*For every dollar of public money invested in Blinn-Bryan, taxpayers will receive a cumulative value of **\$5.30** over the course of the students' working lives.*



STUDENT PERSPECTIVE

\$379.1 million
Present value benefits

\$96.4 million
Present value costs

\$282.7 million
Net present value

Benefit-cost ratio	Rate of return
3.9	14.9%



TAXPAYER PERSPECTIVE

\$127.5 million
Present value benefits

\$24 million
Present value costs

\$103.5 million
Net present value

Benefit-cost ratio	Rate of return
5.3	13.2%



SOCIAL PERSPECTIVE

\$1.9 billion
Present value benefits

\$141.7 million
Present value costs

\$1.7 billion
Net present value

Benefit-cost ratio	Rate of return
13.3	n/a*

* The rate of return is not reported for the social perspective because the beneficiaries of the investment are not necessarily the same as the original investors.

working lives. The average annual internal rate of return for taxpayers is 13.2%, which compares favorably to other long-term investments in the public and private sectors.

Social perspective



Society as a whole in Texas benefits from the presence of Blinn-Bryan in two major ways. Primarily, society benefits from an increased economic base in the state. This is attributed to higher student earnings and increased business output, which raise economic prosperity in Texas.

Benefits to society also consist of the savings generated by the improved lifestyles of Blinn-Bryan students. As discussed in the previous section, education is statistically correlated with a variety of lifestyle changes that generate social savings. Note that these costs are avoided by the consumers but are distinct from the costs avoided by the taxpayers outlined above. Healthcare savings include avoided medical costs associated with smoking, alcohol dependence, obesity, drug abuse, and depression. Savings related to crime include reduced security expenditures and insurance administration, lower victim costs, and reduced expenditures by the criminal justice system. Income assistance savings include reduced welfare and unemployment claims.

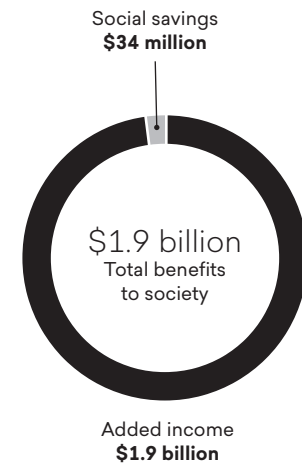
Altogether, the social benefits of Blinn-Bryan equal a present value of \$1.9 billion. These benefits include \$1.9 billion in added income through students' increased lifetime earnings and increased business output, as well as \$34 million in social savings related to health, crime, and income assistance in Texas. People in Texas invested a present value total of \$141.7 million in Blinn-Bryan in FY 2018-19. The cost includes all the campus and student costs.

The benefit-cost ratio for society is 13.3, equal to the \$1.9 billion in benefits divided by the \$141.7 million in costs. In other words, for every dollar invested in Blinn-Bryan, people in Texas will receive a cumulative value of \$13.30 in benefits. The benefits of this investment will occur for as long as Blinn-Bryan's FY 2018-19 students remain employed in the state workforce.

Summary of investment analysis results

The results of the analysis demonstrate that Blinn-Bryan is a strong investment for all three major stakeholder groups—students, taxpayers, and society. As shown, students receive a great return for their investments in a Blinn-Bryan education. At the same time, taxpayers' investment in Blinn-Bryan returns more to government budgets than it costs and creates a wide range of social benefits throughout Texas.

SOCIAL BENEFITS IN TEXAS
FROM BLINN-BRYAN



Conclusion

The results of this study demonstrate that Blinn-Bryan creates value from multiple perspectives. The campus benefits county businesses by increasing consumer spending in the county and supplying a steady flow of qualified, trained workers to the workforce. Blinn-Bryan enriches the lives of students by raising their lifetime earnings and helping them achieve their individual potential. The campus benefits state taxpayers through increased tax receipts and a reduced demand for government-supported social services. Finally, Blinn-Bryan benefits society as a whole in Texas by creating a more prosperous economy and generating a variety of savings through the improved lifestyles of students.

*The results of this study demonstrate that Blinn-Bryan creates value from **multiple perspectives.***

About the study

Data and assumptions used in the study are based on several sources, including the FY 2018-19 academic and financial reports from the Blinn College District, industry and employment data from the U.S. Bureau of Labor Statistics and U.S. Census Bureau, outputs of Emsi's Multi-Regional Social Accounting Matrix model, and a variety of studies and surveys relating education to social behavior. The study applies a conservative methodology and follows standard practice using only the most recognized indicators of economic impact and investment effectiveness. For a full description of the data and approach used in the study, please contact the Blinn College District for a copy of the main report.



Important note

In 2013, Emsi conducted an economic impact analysis of Blinn-Bryan on Blinn College's 13-county service area. The present study focuses on a single county to provide more localized information about the campus' impact. Due to this difference in region, results of the two studies are not comparable.



Emsi is a labor market analytics firm that integrates data from a wide variety of sources to serve professionals in higher education, economic development, workforce development, talent acquisition, and site selection. Emsi is a leading provider of economic impact studies and labor market data to educational institutions in the U.S. and internationally. Since 2000, Emsi has completed over 2,000 economic impact studies for institutions across three countries. For more information about Emsi's products and services, visit www.economicmodeling.com.



The Economic Value of the Blinn College District's Bryan Campus **FACT SHEET**

THE Blinn College District's Bryan Campus (Blinn-Bryan) 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) 2018-19.



Economic impact analysis

In FY 2018-19, Blinn-Bryan added **\$164.1 million** in income to the Brazos County economy, a value approximately equal to **1.7%** of the county's total gross regional product (GRP). Expressed in terms of jobs, Blinn-Bryan's impact supported **3,049 jobs**. For perspective, the activities of Blinn-Bryan and its students support **one out of every 47 jobs** in Brazos County.

OPERATIONS SPENDING IMPACT

- Blinn-Bryan employed 865 full-time and part-time faculty and staff. Payroll amounted to \$45.1 million, much of which was spent in the county for groceries, mortgage and rent payments, dining out, and other household expenses. The campus spent another \$25.8 million on day-to-day expenses related to facilities, supplies, and professional services.
- The net impact of Blinn-Bryan's operations spending added **\$62.9 million** in income to the county economy in FY 2018-19.

CONSTRUCTION SPENDING IMPACT

- Blinn-Bryan invests in construction 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 county economy.
- The net impact of Blinn-Bryan's construction spending in FY 2018-19 was **\$290.3 thousand** in added income for Brazos County.

STUDENT SPENDING IMPACT

- Around 81% of students attending Blinn-Bryan originated from outside the county. Some of these students relocated to Brazos County. In addition, some in-county students, referred to as retained students, would have left Brazos County for other educational opportunities if not for Blinn-Bryan. These relocated and retained students spent money on groceries, mortgage and rent payments, and other living expenses at county businesses.

IMPACTS CREATED BY
BLINN-BRYAN IN FY 2018-19



\$62.9 million
Operations Spending Impact



\$290.3 thousand
Construction Spending Impact



\$27 million
Student Spending Impact



\$73.9 million
Alumni Impact



\$164.1 million
TOTAL IMPACT

- OR -

3,049
JOBS SUPPORTED



- The expenditures of relocated and retained students in FY 2018-19 added **\$27 million** in income to the Brazos County economy.

ALUMNI IMPACT

- Over the years, students have studied at Blinn-Bryan and entered or re-entered the workforce with newly-acquired knowledge and skills. Today, thousands of these former students are employed in Brazos County.
- The net impact of Blinn-Bryan's former students currently employed in the county workforce amounted to **\$73.9 million** in added income in FY 2018-19.



Investment analysis

STUDENT PERSPECTIVE

- Blinn-Bryan's FY 2018-19 students paid a present value of **\$35.6 million** to cover the cost of tuition, fees, supplies, and interest on student loans. They also forwent **\$60.8 million** in money that they would have earned had they been working instead of attending college.
- In return for their investment, students will receive **\$379.1 million** in increased earnings over their working lives. This translates to a return of **\$3.90** in higher future earnings for every dollar students invest in their education. Students' average annual rate of return is **14.9%**.

TAXPAYER PERSPECTIVE

- Taxpayers provided Blinn-Bryan with **\$24 million** of funding in FY 2018-19. In return, they will benefit from added tax revenue, stemming from students' higher lifetime earnings and increased business output, amounting to **\$117.3 million**. A reduced demand for government-funded services in Texas will add another **\$10.2 million** in benefits to taxpayers.
- For every dollar of public money invested in Blinn-Bryan, taxpayers will receive **\$5.30** in return, over the course of students' working lives. The average annual rate of return for taxpayers is **13.2%**.

SOCIAL PERSPECTIVE

- In FY 2018-19, Texas invested **\$141.7 million** to support Blinn-Bryan. In turn, the Texas economy will grow by **\$1.9 billion**, over the course of students' working lives. Society will also benefit from **\$34 million** of public and private sector savings.
- For every dollar invested in Blinn-Bryan in FY 2018-19, people in Texas will receive **\$13.30** in return, for as long as Blinn-Bryan's FY 2018-19 students remain active in the state workforce.

STUDENTS SEE A HIGH
RATE OF RETURN FOR THEIR
INVESTMENT IN BLINN-BRYAN



14.9%

Average annual return for
Blinn-Bryan students



9.9%

Stock market 30-year
average annual return



0.8%

Interest earned on savings account
(National Rate Cap)

Source: Forbes' S&P 500, 1989-2018. FDIC.gov, 6-2019.



FOR EVERY \$1...



Students gain

\$3.90

in lifetime earnings



Taxpayers gain

\$5.30

in added tax revenue and
public sector savings



Society gains

\$13.30

in added income and
social savings





The Economic Value of the Blinn College District at RELLIS

EXECUTIVE SUMMARY



THE Blinn College District at RELLIS (Blinn at RELLIS) creates value in many ways. The campus plays a key role in helping students increase their employability and achieve their individual potential. The campus draws students to the county, generating new dollars and opportunities for Brazos County. Blinn at RELLIS provides students with the education, training, and skills they need to have fulfilling and prosperous careers. Furthermore, Blinn at RELLIS is a place for students to meet new people, increase their self-confidence, and promote their overall health and well-being.

Blinn at RELLIS influences both the lives of its students and the county economy. The campus supports a variety of industries in Brazos County, serves county businesses, and benefits society as a whole in Texas from an expanded economy and improved quality of life. The benefits created by Blinn at RELLIS even extend to the state government through increased tax revenues and public sector savings.

This study measures the economic impacts created by Blinn at RELLIS on the business community and the benefits the campus generates in return for the investments made by its key stakeholder groups—students, taxpayers, and society. The following two analyses are presented:



Economic impact analysis



Investment analysis

All results reflect employee, student, and financial data, provided by the Blinn College District, for fiscal year (FY) 2018-19. Impacts on the Brazos County economy are reported under the economic impact analysis and are measured in terms of added income. The returns on investment to students, taxpayers, and society in Texas are reported under the investment analysis.

*Blinn at RELLIS influences both the **lives of its students** and the **county economy**.*



Economic impact analysis

Blinn at RELLIS promotes economic growth in Brazos County through its direct expenditures and the resulting expenditures of students and county businesses. The campus serves as an employer and buyer of goods and services for its day-to-day and construction operations. Its activities attract students from outside Brazos County, whose expenditures benefit county vendors. In addition, Blinn at RELLIS is a source of higher education to Brazos County residents and a supplier of trained workers to county industries, enhancing overall productivity in the county workforce.

Operations spending impact



Blinn at RELLIS adds economic value to Brazos County as an employer of county residents and a large-scale buyer of goods and services. In FY 2018-19, the campus employed 28 full-time and part-time faculty and staff, 64% of whom lived in Brazos County. Total payroll at Blinn at RELLIS was \$5.4 million, much of which was spent in the county for groceries, mortgage and rent payments, dining out, and other household expenses. In addition, the campus spent \$3.5 million on day-to-day expenses related to facilities, supplies, and professional services.

Blinn at RELLIS's day-to-day operations spending added \$7.9 million in income to the county during the analysis year. This figure represents Blinn at RELLIS payroll, the multiplier effects generated by the in-county spending of the campus and its employees, and a downward adjustment to account for funding that the campus received from county sources. The \$7.9 million in added income is equivalent to supporting 61 jobs in the county.

Construction spending impact



Blinn at RELLIS invests in construction each year to maintain its facilities, create additional capacities, and meet its growing educational demands. While the amount varies from year to year, these quick infusions of income and jobs have a substantial impact on the county economy. In FY 2018-19, the construction spending of Blinn at RELLIS generated \$658.7 thousand in added income, which is equivalent to supporting 11 jobs.

Student spending impact



Around 91% of students attending Blinn at RELLIS originated from outside the county in FY 2018-19, and some of these students relocated to Brazos County to attend Blinn at RELLIS. These students

IMPACTS CREATED BY
BLINN AT RELLIS IN FY 2018-19



\$7.9 million
Operations Spending Impact



\$658.7 thousand
Construction Spending Impact



\$1.6 million
Student Spending Impact



\$41.7 thousand
Alumni Impact



\$10.2 million
TOTAL IMPACT

- OR -

114
JOBS SUPPORTED

may not have come to the county if the campus did not exist. In addition, some in-county students, referred to as retained students, would have left Brazos County if not for the existence of Blinn at RELLIS. While attending, these relocated and retained students spent money on groceries, accommodation, transportation, and other household expenses. This spending generated \$1.6 million in added income for the county economy in FY 2018-19, which supported 41 jobs in Brazos County.

Alumni impact



The education and training Blinn at RELLIS provides for county residents, while currently small since it opened its doors in 2018, will have the greatest impact. Since its establishment in 2018, students have studied at Blinn at RELLIS and entered the county workforce with greater knowledge and new skills. Today, many former Blinn at RELLIS students are employed in Brazos County. As a result of their Blinn at RELLIS educations, the students receive higher earnings and increase the productivity of the businesses that employ them. In FY 2018-19, Blinn at RELLIS alumni generated \$41.7 thousand in added income for the county economy. This alumni impact is projected to grow as more students attend Blinn at RELLIS and enter the county workforce.

Total impact

Blinn at RELLIS added \$10.2 million in income to the Brazos County economy during the analysis year, equal to the sum of the operations and construction spending impacts, the student spending impact, and the alumni impact. For context, the \$10.2 million impact was equal to approximately 0.1% of the total gross regional product (GRP) of Brazos County.

Blinn at RELLIS's total impact can also be expressed in terms of jobs supported. The \$10.2 million impact supported 114 county jobs, using the jobs-to-sales ratios specific to each industry in the county. In addition, the \$10.2 million, or 114 supported jobs, stemmed from different industry sectors. Among non-education industry sectors, Blinn at RELLIS's spending and student spending in the Accommodation & Food Services industry sector supported 28 jobs in FY 2018-19. These are impacts that would not have been generated without the presence of Blinn at RELLIS in Brazos County.

BLINN AT RELLIS IMPACTS BY INDUSTRY (JOBS SUPPORTED)





Investment analysis

An investment analysis evaluates the costs associated with a proposed venture against its expected benefits. If the benefits outweigh the costs, then the investment is financially worthwhile. The analysis presented here considers Blinn at RELDIS as an investment from the perspectives of students, taxpayers, and society in Texas.

Student perspective



In FY 2018-19, Blinn at RELDIS served 2,031 credit and 14 non-credit students. In order to attend, these students paid for tuition, fees, books, and supplies. They also took out loans and will incur interest on those loans. Additionally, students gave up money they would have otherwise earned had they been working instead of attending college. The total investment made by Blinn at RELDIS's students in FY 2018-19 amounted to a present value of \$17 million, equal to \$5.1 million in out-of-pocket expenses (including future principal and interest on student loans) and \$11.9 million in forgone time and money.

In return for their investment, Blinn at RELDIS's students will receive a stream of higher future earnings that will continue to grow throughout their working lives. For example, the average Blinn at RELDIS associate degree graduate from FY 2018-19 will see annual earnings that are \$9,800 higher than a person with a high school diploma or equivalent working in Texas. Over a working lifetime, the benefits of the associate degree over a high school diploma will amount to an undiscounted value of \$460.6 thousand in higher earnings per graduate. The present value of the cumulative higher future earnings that Blinn at RELDIS's FY 2018-19 students will receive over their working careers is \$69.9 million.

STUDENTS SEE A HIGH RATE OF RETURN FOR THEIR INVESTMENT IN BLINN AT RELDIS



14.2%

Average annual return for Blinn at RELDIS students



9.9%

Stock market 30-year average annual return

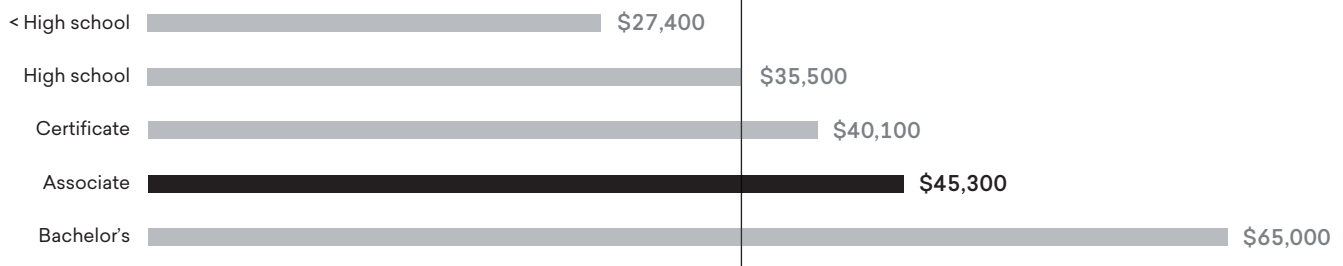


0.8%

Interest earned on savings account (National Rate Cap)

Source: Forbes' S&P 500, 1989-2018. FDIC.gov, 6-2019.

The average associate degree graduate from Blinn at RELDIS will see an increase in earnings of **\$9,800** each year compared to a person with a high school diploma or equivalent working in Texas.



Source: Emsi employment data.

The students' benefit-cost ratio is 4.1. In other words, for every dollar students invest in Blinn at RELLIS, in the form of out-of-pocket expenses and forgone time and money, they will receive a cumulative value of \$4.10 in higher future earnings. Annually, the students' investment in Blinn at RELLIS has an average annual internal rate of return of 14.2%, which is impressive compared to the U.S. stock market's 30-year average rate of return of 9.9%.

Taxpayer perspective



Blinn at RELLIS generates more in tax revenue than it takes. These benefits to taxpayers consist primarily of taxes that the state government will collect from the added revenue created in the state.

As Blinn at RELLIS students will earn more, they will make higher tax payments throughout their working lives. Students' employers will also make higher tax payments as they increase their output and purchases of goods and services. By the end of the FY 2018-19 students' working lives, the state government will have collected a present value of \$18.4 million in added taxes.

Benefits to taxpayers will also consist of savings generated by the improved lifestyles of Blinn at RELLIS students and the corresponding reduced government services. Education is statistically correlated with a variety of lifestyle changes. Students' Blinn at RELLIS educations will generate savings in three main

*For every dollar of public money invested in Blinn at RELLIS, taxpayers will receive a cumulative value of **\$7.20** over the course of the students' working lives.*

categories: 1) healthcare, 2) crime, and 3) income assistance. Improved health will lower students' demand for national health care services. In addition, students will be less likely to interact with the criminal justice system, resulting in a reduced demand for law enforcement and victim costs. Blinn at RELLIS students will be more employable, so their reduced demand for income assistance such as welfare and unemployment benefits will benefit taxpayers. Altogether, the present value of the benefits associated with a Blinn at RELLIS education will generate \$2 million in savings to state taxpayers.

Total taxpayer benefits amount to \$20.4 million, the present value sum of the added taxes and public sector savings. Taxpayer costs are \$2.8 million, equal to the amount of state government funding Blinn at RELLIS received in FY 2018-19. These benefits and costs yield a benefit-cost ratio of 7.2. This means that for every dollar of public money invested in Blinn at RELLIS in FY 2018-19, taxpayers will receive a cumulative value of \$7.20 over the course of the stu-



STUDENT PERSPECTIVE

\$69.9 million
Present value benefits

\$17 million
Present value costs

\$52.9 million
Net present value

Benefit-cost ratio	Rate of return
4.1	14.2%



TAXPAYER PERSPECTIVE

\$20.4 million
Present value benefits

\$2.8 million
Present value costs

\$17.6 million
Net present value

Benefit-cost ratio	Rate of return
7.2	16.1%



SOCIAL PERSPECTIVE

\$297.6 million
Present value benefits

\$23.5 million
Present value costs

\$274.1 million
Net present value

Benefit-cost ratio	Rate of return
12.7	n/a*

* The rate of return is not reported for the social perspective because the beneficiaries of the investment are not necessarily the same as the original investors.

dents' working lives. The average annual internal rate of return for taxpayers is 16.1%, which compares favorably to other long-term investments in the public and private sectors.

Social perspective



Society as a whole in Texas benefits from the presence of Blinn at RELLIS in two major ways. Primarily, society benefits from an increased economic base in the state. This is attributed to higher student earnings and increased business output, which raise economic prosperity in Texas.

Benefits to society also consist of the savings generated by the improved lifestyles of Blinn at RELLIS students. As discussed in the previous section, education is statistically correlated with a variety of lifestyle changes that generate social savings. Note that these costs are avoided by the consumers but are distinct from the costs avoided by the taxpayers outlined above. Healthcare savings include avoided medical costs associated with smoking, alcohol dependence, obesity, drug abuse, and depression. Savings related to crime include reduced security expenditures and insurance administration, lower victim costs, and reduced expenditures by the criminal justice system. Income assistance savings include reduced welfare and unemployment claims.

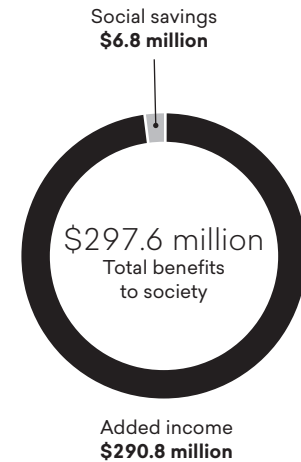
Altogether, the social benefits of Blinn at RELLIS equal a present value of \$297.6 million. These benefits include \$290.8 million in added income through students' increased lifetime earnings and increased business output, as well as \$6.8 million in social savings related to health, crime, and income assistance in Texas. People in Texas invested a present value total of \$23.5 million in Blinn at RELLIS in FY 2018-19. The cost includes all the campus and student costs.

The benefit-cost ratio for society is 12.7, equal to the \$297.6 million in benefits divided by the \$23.5 million in costs. In other words, for every dollar invested in Blinn at RELLIS, people in Texas will receive a cumulative value of \$12.70 in benefits. The benefits of this investment will occur for as long as Blinn at RELLIS's FY 2018-19 students remain employed in the state workforce.

Summary of investment analysis results

The results of the analysis demonstrate that Blinn at RELLIS is a strong investment for all three major stakeholder groups—students, taxpayers, and society. As shown, students receive a great return for their investments in a Blinn at RELLIS education. At the same time, taxpayers' investment in Blinn at RELLIS returns more to government budgets than it costs and creates a wide range of social benefits throughout Texas.

SOCIAL BENEFITS IN TEXAS
FROM BLINN AT RELLIS



Conclusion

The results of this study demonstrate that Blinn at RELLIS creates value from multiple perspectives. The campus benefits county businesses by increasing consumer spending in the county and supplying a steady flow of qualified, trained workers to the workforce. Blinn at RELLIS enriches the lives of students by raising their life-time earnings and helping them achieve their individual potential. The campus benefits state taxpayers through increased tax receipts and a reduced demand for government-supported social services. Finally, Blinn at RELLIS benefits society as a whole in Texas by creating a more prosperous economy and generating a variety of savings through the improved lifestyles of students.

*The results of this study demonstrate that Blinn at RELLIS creates value from **multiple perspectives.***

About the study

Data and assumptions used in the study are based on several sources, including the FY 2018-19 academic and financial reports from the Blinn College District, industry and employment data from the U.S. Bureau of Labor Statistics and U.S. Census Bureau, outputs of Emsi's Multi-Regional Social Accounting Matrix model, and a variety of studies and surveys relating education to social behavior. The study applies a conservative methodology and follows standard practice using only the most recognized indicators of economic impact and investment effectiveness. For a full description of the data and approach used in the study, please contact the Blinn College District for a copy of the main report.



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The Economic Value of the Blinn College District at RELLIS **FACT SHEET**

THE Blinn College District at RELLIS (Blinn at RELLIS) 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) 2018-19.

Economic impact analysis

In FY 2018-19, Blinn at RELLIS added **\$10.2 million** in income to the Brazos County economy, a value approximately equal to **0.1%** of the county's total gross regional product (GRP). Expressed in terms of jobs, the impact of Blinn at RELLIS supported **114 jobs**.

OPERATIONS SPENDING IMPACT

- Blinn at RELLIS employed 28 full-time and part-time faculty and staff. Payroll amounted to \$5.4 million, much of which was spent in the county for groceries, mortgage and rent payments, dining out, and other household expenses. The campus spent another \$3.5 million on day-to-day expenses related to facilities, supplies, and professional services.
- The net impact of Blinn at RELLIS's operations spending added **\$7.9 million** in income to the county economy in FY 2018-19.

CONSTRUCTION SPENDING IMPACT

- Blinn at RELLIS invests in construction 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 county economy.
- The net impact of Blinn at RELLIS's construction spending in FY 2018-19 was **\$658.7 thousand** in added income for Brazos County.

STUDENT SPENDING IMPACT

- Around 91% of students attending Blinn at RELLIS originated from outside the county. Some of these students relocated to Brazos County. In addition, some in-county students, referred to as retained students, would have left Brazos County for other educational opportunities if not for Blinn at RELLIS. These relocated and retained students spent money on groceries, mortgage and rent payments, and other living expenses at county businesses.

IMPACTS CREATED BY
BLINN AT RELLIS IN FY 2018-19



- The expenditures of relocated and retained students in FY 2018-19 added **\$1.6 million** in income to the Brazos County economy.

ALUMNI IMPACT

- Since it opened in 2018, students have studied at Blinn at RELLIS and entered or re-entered the workforce with newly-acquired knowledge and skills. Today, many of these former students are employed in Brazos County.
- The net impact of Blinn at RELLIS's former students currently employed in the county workforce amounted to **\$41.7 thousand** in added income in FY 2018-19. This impact is projected to grow as Blinn at RELLIS serves more students and they enter the county workforce.



Investment analysis

STUDENT PERSPECTIVE

- Blinn at RELLIS's FY 2018-19 students paid a present value of **\$5.1 million** to cover the cost of tuition, fees, supplies, and interest on student loans. They also forewent **\$11.9 million** in money that they would have earned had they been working instead of attending college.
- In return for their investment, students will receive **\$69.9 million** in increased earnings over their working lives. This translates to a return of **\$4.10** in higher future earnings for every dollar students invest in their education. Students' average annual rate of return is **14.2%**.

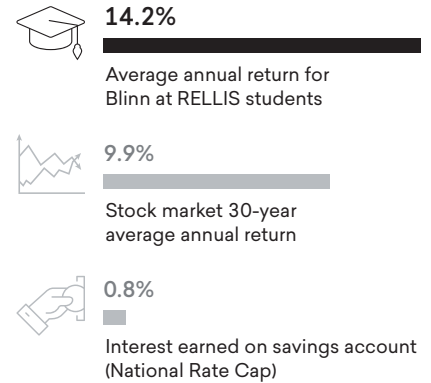
TAXPAYER PERSPECTIVE

- Taxpayers provided Blinn at RELLIS with **\$2.8 million** of funding in FY 2018-19. In return, they will benefit from added tax revenue, stemming from students' higher lifetime earnings and increased business output, amounting to **\$18.4 million**. A reduced demand for government-funded services in Texas will add another **\$2 million** in benefits to taxpayers.
- For every dollar of public money invested in Blinn at RELLIS, taxpayers will receive **\$7.20** in return, over the course of students' working lives. The average annual rate of return for taxpayers is **16.1%**.

SOCIAL PERSPECTIVE

- In FY 2018-19, Texas invested **\$23.5 million** to support Blinn at RELLIS. In turn, the Texas economy will grow by **\$290.8 million**, over the course of students' working lives. Society will also benefit from **\$6.8 million** of public and private sector savings.
- For every dollar invested in Blinn at RELLIS in FY 2018-19, people in Texas will receive **\$12.70** in return, for as long as Blinn at RELLIS's FY 2018-19 students remain active in the state workforce.

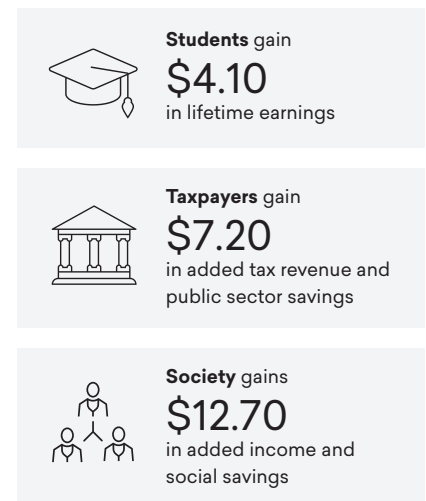
STUDENTS SEE A HIGH RATE OF RETURN FOR THEIR INVESTMENT IN BLINN AT RELLIS



Source: Forbes' S&P 500, 1989-2018. FDIC.gov, 6-2019.



FOR EVERY \$1...





The Economic Value of the Blinn College District's Schulenburg Campus

EXECUTIVE SUMMARY



THE Blinn College District's Schulenburg Campus (Blinn-Schulenburg) creates value in many ways. The campus plays a key role in helping students increase their employability and achieve their individual potential. The campus draws students to the county, generating new dollars and opportunities for Fayette County. Blinn-Schulenburg provides students with the education, training, and skills they need to have fulfilling and prosperous careers. Furthermore, Blinn-Schulenburg is a place for students to meet new people, increase their self-confidence, and promote their overall health and well-being.

Blinn-Schulenburg influences both the lives of its students and the county economy. The campus supports a variety of industries in Fayette County, serves county businesses, and benefits society as a whole in Texas from an expanded economy and improved quality of life. The benefits created by Blinn-Schulenburg even extend to the state government through increased tax revenues and public sector savings.

This study measures the economic impacts created by Blinn-Schulenburg on the business community and the benefits the campus generates in return for the investments made by its key stakeholder groups—students, taxpayers, and society. The following two analyses are presented:



Economic impact analysis



Investment analysis

All results reflect employee, student, and financial data, provided by the Blinn College District, for fiscal year (FY) 2018-19. Impacts on the Fayette County economy are reported under the economic impact analysis and are measured in terms of added income. The returns on investment to students, taxpayers, and society in Texas are reported under the investment analysis.

*Blinn-Schulenburg influences both the **lives of its students** and the **county economy**.*



Economic impact analysis

Blinn-Schulenburg promotes economic growth in Fayette County through its direct expenditures and the resulting expenditures of students and county businesses. The campus serves as an employer and buyer of goods and services for its day-to-day operations. Its activities attract students from outside Fayette County, whose expenditures benefit county vendors. In addition, Blinn-Schulenburg is a primary source of higher education to Fayette County residents and a supplier of trained workers to county industries, enhancing overall productivity in the county workforce.

Operations spending impact



Blinn-Schulenburg adds economic value to Fayette County as an employer of county residents and a large-scale buyer of goods and services. In FY 2018-19, the campus employed 25 full-time and part-time faculty and staff, 68% of whom lived in Fayette County. Total payroll at Blinn-Schulenburg was \$776 thousand, much of which was spent in the county for groceries, mortgage and rent payments, dining out, and other household expenses. In addition, the campus spent \$369.7 thousand on day-to-day expenses related to facilities, supplies, and professional services.

Blinn-Schulenburg's day-to-day operations spending added \$903.1 thousand in income to the county during the analysis year. This figure represents Blinn-Schulenburg's payroll, the multiplier effects generated by the in-county spending of the campus and its employees, and a downward adjustment to account for funding that the campus received from county sources. The \$903.1 thousand in added income is equivalent to supporting 27 jobs in the county.

Student spending impact



Around 53% of students attending Blinn-Schulenburg originated from outside the county in FY 2018-19, and some of these students relocated to Fayette County to attend Blinn-Schulenburg. These students may not have come to the county if the campus did not exist. In addition, some in-county students, referred to as retained students, would have left Fayette County if not for the existence of Blinn-Schulenburg. While attending, these relocated and retained students spent money on groceries, accommodation, transportation, and other household expenses. This spending generated \$255.9 thousand in added income for the county economy in FY 2018-19, which supported seven jobs in Fayette County.

IMPACTS CREATED BY
BLINN-SCHULENBURG
IN FY 2018-19



\$903.1 thousand
Operations Spending Impact



\$255.9 thousand
Student Spending Impact



\$3.5 million
Alumni Impact



\$4.7 million
TOTAL IMPACT

- OR -

90
JOBS SUPPORTED

Alumni impact



The education and training Blinn-Schulenburg provides for county residents has the greatest impact. Since its establishment, students have studied at Blinn-Schulenburg and entered the county workforce with greater knowledge and new skills. Today, many former Blinn-Schulenburg students are employed in Fayette County. As a result of their Blinn-Schulenburg educations, the students receive higher earnings and increase the productivity of the businesses that employ them. In FY 2018-19, Blinn-Schulenburg alumni generated \$3.5 million in added income for the county economy, which is equivalent to supporting 56 jobs.

Total impact

Blinn-Schulenburg added \$4.7 million in income to the Fayette County economy during the analysis year, equal to the sum of the operations spending impact, the student spending impact, and the alumni impact. For context, the \$4.7 million impact was equal to approximately 0.4% of the total gross regional product (GRP) of Fayette County. This contribution that the campus provided on its own was nearly as large as the entire Arts, Entertainment, & Recreation industry in the county.

Blinn-Schulenburg's total impact can also be expressed in terms of jobs supported. The \$4.7 million impact supported 90 county jobs, using the jobs-to-sales ratios specific to each industry in the county. In addition, the \$4.7 million, or 90 supported jobs, stemmed from different industry sectors. Among non-education industry sectors, Blinn-Schulenburg's spending and alumni in the Real Estate & Rental & Leasing industry sector supported nine jobs in FY 2018-19. These are impacts that would not have been generated without Blinn-Schulenburg's presence in Fayette County.

BLINN-SCHULENBURG IMPACTS BY INDUSTRY (JOBS SUPPORTED)





Investment analysis

An investment analysis evaluates the costs associated with a proposed venture against its expected benefits. If the benefits outweigh the costs, then the investment is financially worthwhile. The analysis presented here considers Blinn-Schulenburg as an investment from the perspectives of students, taxpayers, and society in Texas.

Student perspective



In FY 2018-19, Blinn-Schulenburg served 270 credit and 130 non-credit students. In order to attend, these students paid for tuition, fees, books, and supplies. They also took out loans and will incur interest on those loans. Additionally, students gave up money they would have otherwise earned had they been working instead of attending college. The total investment made by Blinn-Schulenburg's students in FY 2018-19 amounted to a present value of \$1.7 million, equal to \$644 thousand in out-of-pocket expenses (including future principal and interest on student loans) and \$1 million in forgone time and money.

In return for their investment, Blinn-Schulenburg's students will receive a stream of higher future earnings that will continue to grow throughout their working lives. For example, the average Blinn-Schulenburg associate degree graduate from FY 2018-19 will see annual earnings that are \$8,100 higher than a person with a high school diploma or equivalent working in Texas. Over a working lifetime, the benefits of the associate degree over a high school diploma will amount to an undiscounted value of \$332.1 thousand in higher earnings per graduate. The present value of the cumulative higher future earnings that Blinn-Schulenburg's FY 2018-19 students will receive over their working careers is \$5.9 million.

STUDENTS SEE A HIGH RATE OF RETURN FOR THEIR INVESTMENT IN BLINN-SCHULENBURG



14.7%

Average annual return for Blinn-Schulenburg students



9.9%

Stock market 30-year average annual return

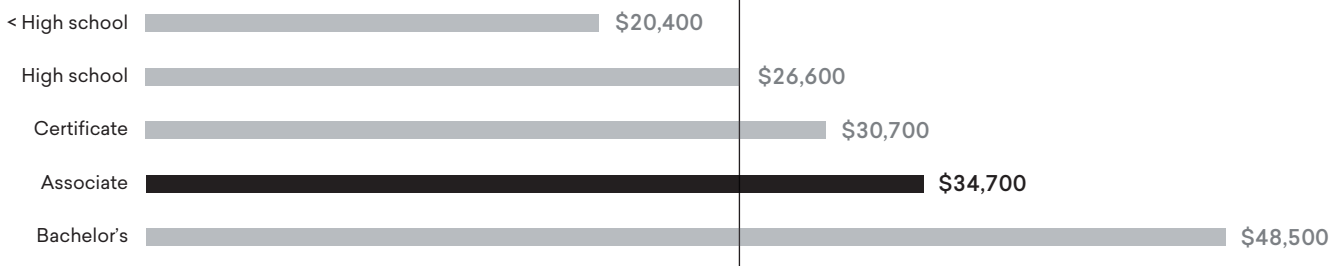


0.8%

Interest earned on savings account (National Rate Cap)

Source: Forbes' S&P 500, 1989-2018. FDIC.gov, 6-2019.

The average associate degree graduate from Blinn-Schulenburg will see an increase in earnings of **\$8,100** each year compared to a person with a high school diploma or equivalent working in Texas.



Source: Emsi employment data.

The students' benefit-cost ratio is 3.5. In other words, for every dollar students invest in Blinn-Schulenburg, in the form of out-of-pocket expenses and forgone time and money, they will receive a cumulative value of \$3.50 in higher future earnings. Annually, the students' investment in Blinn-Schulenburg has an average annual internal rate of return of 14.7%, which is impressive compared to the U.S. stock market's 30-year average rate of return of 9.9%.

Taxpayer perspective



Blinn-Schulenburg generates more in tax revenue than it takes. These benefits to taxpayers consist primarily of taxes that the state government will collect from the added revenue created in the state. As Blinn-Schulenburg students will earn more, they will make higher tax payments throughout their working lives. Students' employers will also make higher tax payments as they increase their output and purchases of goods and services. By the end of the FY 2018-19 students' working lives, the state government will have collected a present value of \$1.8 million in added taxes.

Benefits to taxpayers will also consist of savings generated by the improved lifestyles of Blinn-Schulenburg students and the corresponding reduced government services. Education is statistically correlated with a variety of lifestyle changes. Students' Blinn-Schulenburg educations will generate savings in three main categories: 1) healthcare, 2) crime, and 3) income assistance. Improved health will lower students' demand for national health care services. In addition, students will be less likely to interact with the criminal justice system, resulting in a reduced demand for law enforcement and victim costs. Blinn-Schulenburg students will be more employable, so their reduced demand for income assistance such as welfare and unemployment benefits will benefit taxpayers. Altogether, the present value of the benefits associated with a Blinn-Schulenburg education will generate \$167 thousand in savings to state taxpayers.

Total taxpayer benefits amount to \$2 million, the present value sum of the added taxes and public sector savings. Taxpayer costs are \$362.8 thousand, equal to the amount of state government funding Blinn-Schulenburg received in FY 2018-19. These benefits and costs yield a benefit-cost ratio of 5.4. This means that for every dollar of public money invested in Blinn-Schulenburg in

*For every dollar of public money invested in Blinn-Schulenburg, taxpayers will receive a cumulative value of **\$5.40** over the course of the students' working lives.*



STUDENT PERSPECTIVE

\$5.9 million
Present value benefits

\$1.7 million
Present value costs

\$4.2 million
Net present value

Benefit-cost ratio	Rate of return
3.5	14.7%



TAXPAYER PERSPECTIVE

\$2 million
Present value benefits

\$362.8 thousand
Present value costs

\$1.6 million
Net present value

Benefit-cost ratio	Rate of return
5.4	14.3%



SOCIAL PERSPECTIVE

\$28.8 million
Present value benefits

\$2.4 million
Present value costs

\$26.4 million
Net present value

Benefit-cost ratio	Rate of return
12.2	n/a*

* The rate of return is not reported for the social perspective because the beneficiaries of the investment are not necessarily the same as the original investors.

FY 2018-19, taxpayers will receive a cumulative value of \$5.40 over the course of the students' working lives. The average annual internal rate of return for taxpayers is 14.3%, which compares favorably to other long-term investments in the public and private sectors.

Social perspective



Society as a whole in Texas benefits from the presence of Blinn-Schulenburg in two major ways. Primarily, society benefits from an increased economic base in the state. This is attributed to higher student earnings and increased business output, which raise economic prosperity in Texas.

Benefits to society also consist of the savings generated by the improved lifestyles of Blinn-Schulenburg students. As discussed in the previous section, education is statistically correlated with a variety of lifestyle changes that generate social savings. Note that these costs are avoided by the consumers but are distinct from the costs avoided by the taxpayers outlined above. Healthcare savings include avoided medical costs associated with smoking, alcohol dependence, obesity, drug abuse, and depression. Savings related to crime include reduced security expenditures and insurance administration, lower victim costs, and reduced expenditures by the criminal justice system. Income assistance savings include reduced welfare and unemployment claims.

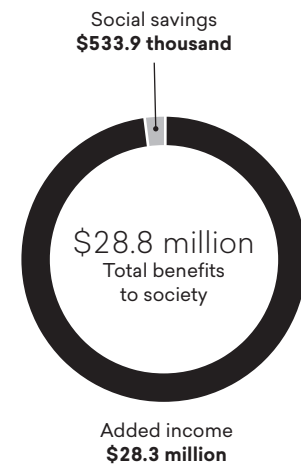
Altogether, the social benefits of Blinn-Schulenburg equal a present value of \$28.8 million. These benefits include \$28.3 million in added income through students' increased lifetime earnings and increased business output, as well as \$533.9 thousand in social savings related to health, crime, and income assistance in Texas. People in Texas invested a present value total of \$2.4 million in Blinn-Schulenburg in FY 2018-19. The cost includes all the campus and student costs.

The benefit-cost ratio for society is 12.2, equal to the \$28.8 million in benefits divided by the \$2.4 million in costs. In other words, for every dollar invested in Blinn-Schulenburg, people in Texas will receive a cumulative value of \$12.20 in benefits. The benefits of this investment will occur for as long as Blinn-Schulenburg's FY 2018-19 students remain employed in the state workforce.

Summary of investment analysis results

The results of the analysis demonstrate that Blinn-Schulenburg is a strong investment for all three major stakeholder groups—students, taxpayers, and society. As shown, students receive a great return for their investments in a Blinn-Schulenburg education. At the same time, taxpayers' investment in Blinn-Schulenburg returns more to government budgets than it costs and creates a wide range of social benefits throughout Texas.

SOCIAL BENEFITS IN TEXAS
FROM BLINN-SCHULENBURG



Conclusion

The results of this study demonstrate that Blinn-Schulenburg creates value from multiple perspectives. The campus benefits county businesses by increasing consumer spending in the county and supplying a steady flow of qualified, trained workers to the workforce. Blinn-Schulenburg enriches the lives of students by raising their lifetime earnings and helping them achieve their individual potential. The campus benefits state taxpayers through increased tax receipts and a reduced demand for government-supported social services. Finally, Blinn-Schulenburg benefits society as a whole in Texas by creating a more prosperous economy and generating a variety of savings through the improved lifestyles of students.

*The results of this study demonstrate that Blinn-Schulenburg creates value from **multiple perspectives.***

About the study

Data and assumptions used in the study are based on several sources, including the FY 2018-19 academic and financial reports from the Blinn College District, industry and employment data from the U.S. Bureau of Labor Statistics and U.S. Census Bureau, outputs of Emsi's Multi-Regional Social Accounting Matrix model, and a variety of studies and surveys relating education to social behavior. The study applies a conservative methodology and follows standard practice using only the most recognized indicators of economic impact and investment effectiveness. For a full description of the data and approach used in the study, please contact the Blinn College District for a copy of the main report.



Important note

In 2013, Emsi conducted an economic impact analysis of Blinn-Schulenburg on Blinn College's 13-county service area. The present study focuses on a single county to provide more localized information about the campus' impact. Due to this difference in region, results of the two studies are not comparable.



Emsi is a labor market analytics firm that integrates data from a wide variety of sources to serve professionals in higher education, economic development, workforce development, talent acquisition, and site selection. Emsi is a leading provider of economic impact studies and labor market data to educational institutions in the U.S. and internationally. Since 2000, Emsi has completed over 2,000 economic impact studies for institutions across three countries. For more information about Emsi's products and services, visit www.economicmodeling.com.



The Economic Value of the Blinn College District's Schulenburg Campus **FACT SHEET**

THE Blinn College District's Schulenburg Campus (Blinn-Schulenburg) 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) 2018-19.

Economic impact analysis

In FY 2018-19, Blinn-Schulenburg added **\$4.7 million** in income to the Fayette County economy, a value approximately equal to **0.4%** of the county's total gross regional product (GRP). Expressed in terms of jobs, Blinn-Schulenburg's impact supported **90 jobs**.

OPERATIONS SPENDING IMPACT

- Blinn-Schulenburg employed 25 full-time and part-time faculty and staff. Payroll amounted to \$776 thousand, much of which was spent in the county for groceries, mortgage and rent payments, dining out, and other household expenses. The campus spent another \$369.7 thousand on day-to-day expenses related to facilities, supplies, and professional services.
- The net impact of Blinn-Schulenburg's operations spending added **\$903.1 thousand** in income to the county economy in FY 2018-19.

STUDENT SPENDING IMPACT


- Around 53% of students attending Blinn-Schulenburg originated from outside the county. Some of these students relocated to Fayette County. In addition, some in-county students, referred to as retained students, would have left Fayette County for other educational opportunities if not for Blinn-Schulenburg. These relocated and retained students spent money on groceries, mortgage and rent payments, and other living expenses at county businesses.
- The expenditures of relocated and retained students in FY 2018-19 added **\$255.9 thousand** in income to the Fayette County economy.

ALUMNI IMPACT

- Over the years, students have studied at Blinn-Schulenburg and entered or re-entered the workforce with newly-acquired knowledge and skills. Today, many of these former students are employed in Fayette County.

IMPACTS CREATED BY
BLINN-SCHULENBURG
IN FY 2018-19


\$903.1 thousand
Operations Spending Impact


\$255.9 thousand
Student Spending Impact


\$3.5 million
Alumni Impact



\$4.7 million
TOTAL IMPACT

- OR -

90
JOBS SUPPORTED



- The net impact of Blinn-Schulenburg's former students currently employed in the county workforce amounted to **\$3.5 million** in added income in FY 2018-19.



Investment analysis

STUDENT PERSPECTIVE

- Blinn-Schulenburg's FY 2018-19 students paid a present value of **\$644 thousand** to cover the cost of tuition, fees, supplies, and interest on student loans. They also forwent **\$1 million** in money that they would have earned had they been working instead of attending college.
- In return for their investment, students will receive **\$5.9 million** in increased earnings over their working lives. This translates to a return of **\$3.50** in higher future earnings for every dollar students invest in their education. Students' average annual rate of return is **14.7%**.

TAXPAYER PERSPECTIVE

- Taxpayers provided Blinn-Schulenburg with **\$362.8 thousand** of funding in FY 2018-19. In return, they will benefit from added tax revenue, stemming from students' higher lifetime earnings and increased business output, amounting to **\$1.8 million**. A reduced demand for government-funded services in Texas will add another **\$167 thousand** in benefits to taxpayers.
- For every dollar of public money invested in Blinn-Schulenburg, taxpayers will receive **\$5.40** in return, over the course of students' working lives. The average annual rate of return for taxpayers is **14.3%**.

SOCIAL PERSPECTIVE

- In FY 2018-19, Texas invested **\$2.4 million** to support Blinn-Schulenburg. In turn, the Texas economy will grow by **\$28.3 million**, over the course of students' working lives. Society will also benefit from **\$533.9 thousand** of public and private sector savings.
- For every dollar invested in Blinn-Schulenburg in FY 2018-19, people in Texas will receive **\$12.20** in return, for as long as Blinn-Schulenburg's FY 2018-19 students remain active in the state workforce.

STUDENTS SEE A HIGH RATE OF RETURN FOR THEIR INVESTMENT IN BLINN-SCHULENBURG



14.7%

Average annual return for Blinn-Schulenburg students



9.9%

Stock market 30-year average annual return



0.8%

Interest earned on savings account (National Rate Cap)

Source: Forbes' S&P 500, 1989-2018. FDIC.gov, 6-2019.



FOR EVERY \$1...



Students gain

\$3.50

in lifetime earnings



Taxpayers gain

\$5.40

in added tax revenue and public sector savings



Society gains

\$12.20

in added income and social savings





The Economic Value of the Blinn College District's Sealy Campus

EXECUTIVE SUMMARY



THE Blinn College District's Sealy Campus (Blinn-Sealy) creates value in many ways. The campus plays a key role in helping students increase their employability and achieve their individual potential. The campus draws students to the county, generating new dollars and opportunities for Austin County. Blinn-Sealy provides students with the education, training, and skills they need to have fulfilling and prosperous careers. Furthermore, Blinn-Sealy is a place for students to meet new people, increase their self-confidence, and promote their overall health and well-being.

Blinn-Sealy influences both the lives of its students and the county economy. The campus supports a variety of industries in Austin County, serves county businesses, and benefits society as a whole in Texas from an expanded economy and improved quality of life. The benefits created by Blinn-Sealy even extend to the state government through increased tax revenues and public sector savings.

This study measures the economic impacts created by Blinn-Sealy on the business community and the benefits the campus generates in return for the investments made by its key stakeholder groups—students, taxpayers, and society. The following two analyses are presented:



Economic impact analysis



Investment analysis

All results reflect employee, student, and financial data, provided by the Blinn College District, for fiscal year (FY) 2018-19. Impacts on the Austin County economy are reported under the economic impact analysis and are measured in terms of added income. The returns on investment to students, taxpayers, and society in Texas are reported under the investment analysis.

*Blinn-Sealy influences both
the **lives of its students** and
the **county economy**.*



Economic impact analysis

Blinn-Sealy promotes economic growth in Austin County through its direct expenditures and the resulting expenditures of students and county businesses. The campus serves as an employer and buyer of goods and services for its day-to-day operations. Its activities attract students from outside Austin County, whose expenditures benefit county vendors. In addition, Blinn-Sealy is a primary source of higher education to Austin County residents and a supplier of trained workers to county industries, enhancing overall productivity in the county workforce.

Operations spending impact



Blinn-Sealy adds economic value to Austin County as an employer of county residents and a large-scale buyer of goods and services. In FY 2018-19, the campus employed eight full-time and part-time faculty and staff, 63% of whom lived in Austin County. Total payroll at Blinn-Sealy was \$636.7 thousand, much of which was spent in the county for groceries, mortgage and rent payments, dining out, and other household expenses. In addition, the campus spent \$510.2 thousand on day-to-day expenses related to facilities, supplies, and professional services.

Blinn-Sealy's day-to-day operations spending added \$808.4 thousand in income to the county during the analysis year. This figure represents Blinn-Sealy's payroll, the multiplier effects generated by the in-county spending of the campus and its employees, and a downward adjustment to account for funding that the campus received from county sources. The \$808.4 thousand in added income is equivalent to supporting 10 jobs in the county.

Student spending impact



Around 54% of students attending Blinn-Sealy originated from outside the county in FY 2018-19, and some of these students relocated to Austin County to attend Blinn-Sealy. These students may not have come to the county if the campus did not exist. In addition, some in-county students, referred to as retained students, would have left Austin County if not for the existence of Blinn-Sealy. While attending, these relocated and retained students spent money on groceries, accommodation, transportation, and other household expenses. This spending generated \$233.9 thousand in added income for the county economy in FY 2018-19, which supported five jobs in Austin County.

IMPACTS CREATED BY
BLINN-SEALY IN FY 2018-19



\$808.4 thousand
Operations Spending Impact



\$233.9 thousand
Student Spending Impact



\$1.1 million
Alumni Impact



\$2.2 million
TOTAL IMPACT

- OR -

32
JOBS SUPPORTED

Alumni impact



The education and training Blinn-Sealy provides for county residents has the greatest impact. Since its establishment, students have studied at Blinn-Sealy and entered the county workforce with greater knowledge and new skills. Today, many former Blinn-Sealy students are employed in Austin County. As a result of their Blinn-Sealy educations, the students receive higher earnings and increase the productivity of the businesses that employ them. In FY 2018-19, Blinn-Sealy alumni generated \$1.1 million in added income for the county economy, which is equivalent to supporting 17 jobs.

Total impact

Blinn-Sealy added \$2.2 million in income to the Austin County economy during the analysis year, equal to the sum of the operations spending impact, the student spending impact, and the alumni impact. For context, the \$2.2 million impact was equal to approximately 0.1% of the total gross regional product (GRP) of Austin County.

Blinn-Sealy's total impact can also be expressed in terms of jobs supported. The \$2.2 million impact supported 32 county jobs, using the jobs-to-sales ratios specific to each industry in the county. In addition, the \$2.2 million, or 32 supported jobs, stemmed from different industry sectors. Among non-education industry sectors, Blinn-Sealy's spending and alumni in the Retail Trade industry sector supported four jobs in FY 2018-19. These are impacts that would not have been generated without Blinn-Sealy's presence in Austin County.

BLINN-SEALY IMPACTS BY INDUSTRY (JOBS SUPPORTED)





Investment analysis

An investment analysis evaluates the costs associated with a proposed venture against its expected benefits. If the benefits outweigh the costs, then the investment is financially worthwhile. The analysis presented here considers Blinn-Sealy as an investment from the perspectives of students, taxpayers, and society in Texas.

Student perspective



In FY 2018-19, Blinn-Sealy served 226 students. In order to attend, these students paid for tuition, fees, books, and supplies. They also took out loans and will incur interest on those loans. Additionally, students gave up money they would have otherwise earned had they been working instead of attending college. The total investment made by Blinn-Sealy's students in FY 2018-19 amounted to a present value of \$1.1 million, equal to \$343 thousand in out-of-pocket expenses (including future principal and interest on student loans) and \$784.6 thousand in forgone time and money.

In return for their investment, Blinn-Sealy's students will receive a stream of higher future earnings that will continue to grow throughout their working lives. For example, the average Blinn-Sealy associate degree graduate from FY 2018-19 will see annual earnings that are \$9,700 higher than a person with a high school diploma or equivalent working in Texas. Over a working lifetime, the benefits of the associate degree over a high school diploma will amount to an undiscounted value of \$436.5 thousand in higher earnings per graduate. The present value of the cumulative higher future earnings that Blinn-Sealy's FY 2018-19 students will receive over their working careers is \$5.7 million.

STUDENTS SEE A HIGH RATE OF RETURN FOR THEIR INVESTMENT IN BLINN-SEALY



17.9%

Average annual return for Blinn-Sealy students



9.9%

Stock market 30-year average annual return

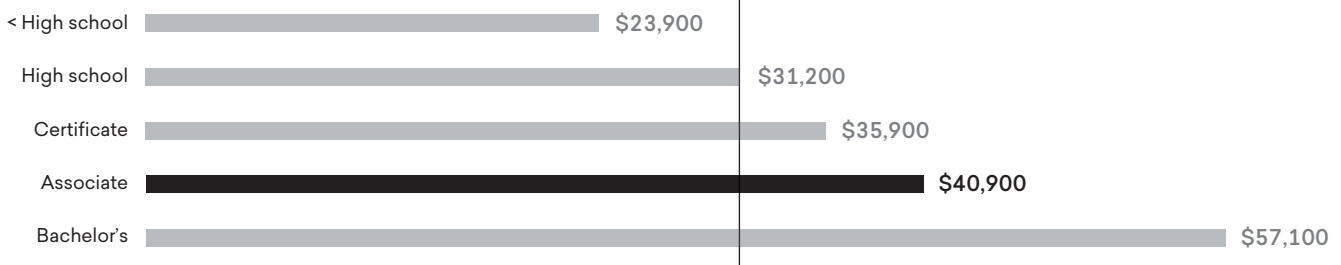


0.8%

Interest earned on savings account (National Rate Cap)

Source: Forbes' S&P 500, 1989-2018. FDIC.gov, 6-2019.

The average associate degree graduate from Blinn-Sealy will see an increase in earnings of **\$9,700** each year compared to a person with a high school diploma or equivalent working in Texas.



Source: Emsi employment data.

The students' benefit-cost ratio is 5.0. In other words, for every dollar students invest in Blinn-Sealy, in the form of out-of-pocket expenses and forgone time and money, they will receive a cumulative value of \$5.00 in higher future earnings. Annually, the students' investment in Blinn-Sealy has an average annual internal rate of return of 17.9%, which is impressive compared to the U.S. stock market's 30-year average rate of return of 9.9%.

Taxpayer perspective



Blinn-Sealy generates more in tax revenue than it takes. These benefits to taxpayers consist primarily of taxes that the state government will collect from the added revenue created in the state. As Blinn-Sealy students will earn more, they will make higher tax payments throughout their working lives. Students' employers will also make higher tax payments as they increase their output and purchases of goods and services. By the end of the FY 2018-19 students' working lives, the state government will have collected a present value of \$1.7 million in added taxes.

Benefits to taxpayers will also consist of savings generated by the improved lifestyles of Blinn-Sealy students and the corresponding reduced government services. Education is statistically correlated with a variety of lifestyle changes. Students' Blinn-Sealy educations will generate savings in three main categories: 1) healthcare, 2) crime, and 3) income assistance. Improved health will lower students' demand for national health care services. In addition, students will be less likely to interact with the criminal justice system, resulting in a reduced demand for law enforcement and victim costs. Blinn-Sealy students will be more employable, so their reduced demand for income assistance such as welfare and unemployment benefits will benefit taxpayers. Altogether, the present value of the benefits associated with a Blinn-Sealy education will generate \$141.2 thousand in savings to state taxpayers.

Total taxpayer benefits amount to \$1.8 million, the present value sum of the added taxes and public sector savings. Taxpayer costs are \$436.8 thousand, equal to the amount of state government funding Blinn-Sealy received in FY 2018-19. These benefits and costs yield a benefit-cost ratio of 4.1. This means that for every dollar of public money invested in Blinn-Sealy in FY 2018-19,

*For every dollar of public money invested in Blinn-Sealy, taxpayers will receive a cumulative value of **\$4.10** over the course of the students' working lives.*



STUDENT PERSPECTIVE

\$5.1 million
Present value benefits

\$1.1 million
Present value costs

\$4.5 million
Net present value

Benefit-cost ratio	Rate of return
5.0	17.9%



TAXPAYER PERSPECTIVE

\$1.8 million
Present value benefits

\$436.8 thousand
Present value costs

\$1.4 million
Net present value

Benefit-cost ratio	Rate of return
4.1	9.9%



SOCIAL PERSPECTIVE

\$26.6 million
Present value benefits

\$2 million
Present value costs

\$24.6 million
Net present value

Benefit-cost ratio	Rate of return
13.0	n/a*

* The rate of return is not reported for the social perspective because the beneficiaries of the investment are not necessarily the same as the original investors.

taxpayers will receive a cumulative value of \$4.10 over the course of the students' working lives. The average annual internal rate of return for taxpayers is 9.9%, which compares favorably to other long-term investments in the public and private sectors.

Social perspective



Society as a whole in Texas benefits from the presence of Blinn-Sealy in two major ways. Primarily, society benefits from an increased economic base in the state. This is attributed to higher student earnings and increased business output, which raise economic prosperity in Texas.

Benefits to society also consist of the savings generated by the improved lifestyles of Blinn-Sealy students. As discussed in the previous section, education is statistically correlated with a variety of lifestyle changes that generate social savings. Note that these costs are avoided by the consumers but are distinct from the costs avoided by the taxpayers outlined above. Healthcare savings include avoided medical costs associated with smoking, alcohol dependence, obesity, drug abuse, and depression. Savings related to crime include reduced security expenditures and insurance administration, lower victim costs, and reduced expenditures by the criminal justice system. Income assistance savings include reduced welfare and unemployment claims.

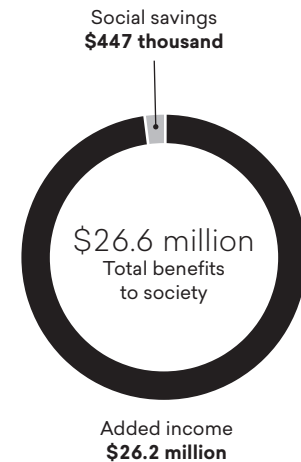
Altogether, the social benefits of Blinn-Sealy equal a present value of \$26.6 million. These benefits include \$26.2 million in added income through students' increased lifetime earnings and increased business output, as well as \$447 thousand in social savings related to health, crime, and income assistance in Texas. People in Texas invested a present value total of \$2 million in Blinn-Sealy in FY 2018-19. The cost includes all the campus and student costs.

The benefit-cost ratio for society is 13.0, equal to the \$26.6 million in benefits divided by the \$2 million in costs. In other words, for every dollar invested in Blinn-Sealy, people in Texas will receive a cumulative value of \$13.00 in benefits. The benefits of this investment will occur for as long as Blinn-Sealy's FY 2018-19 students remain employed in the state workforce.

Summary of investment analysis results

The results of the analysis demonstrate that Blinn-Sealy is a strong investment for all three major stakeholder groups—students, taxpayers, and society. As shown, students receive a great return for their investments in a Blinn-Sealy education. At the same time, taxpayers' investment in Blinn-Sealy returns more to government budgets than it costs and creates a wide range of social benefits throughout Texas.

SOCIAL BENEFITS IN TEXAS
FROM BLINN-SEALY



Conclusion

The results of this study demonstrate that Blinn-Sealy creates value from multiple perspectives. The campus benefits county businesses by increasing consumer spending in the county and supplying a steady flow of qualified, trained workers to the workforce. Blinn-Sealy enriches the lives of students by raising their lifetime earnings and helping them achieve their individual potential. The campus benefits state taxpayers through increased tax receipts and a reduced demand for government-supported social services. Finally, Blinn-Sealy benefits society as a whole in Texas by creating a more prosperous economy and generating a variety of savings through the improved lifestyles of students.

The results of this study demonstrate that Blinn-Sealy creates value from
multiple perspectives.

About the study

Data and assumptions used in the study are based on several sources, including the FY 2018-19 academic and financial reports from the Blinn College District, industry and employment data from the U.S. Bureau of Labor Statistics and U.S. Census Bureau, outputs of Emsi's Multi-Regional Social Accounting Matrix model, and a variety of studies and surveys relating education to social behavior. The study applies a conservative methodology and follows standard practice using only the most recognized indicators of economic impact and investment effectiveness. For a full description of the data and approach used in the study, please contact the Blinn College District for a copy of the main report.



Important note

In 2013, Emsi conducted an economic impact analysis of Blinn-Sealy on Blinn College's 13-county service area. The present study focuses on a single county to provide more localized information about the campus' impact. Due to this difference in region, results of the two studies are not comparable.



Emsi is a labor market analytics firm that integrates data from a wide variety of sources to serve professionals in higher education, economic development, workforce development, talent acquisition, and site selection. Emsi is a leading provider of economic impact studies and labor market data to educational institutions in the U.S. and internationally. Since 2000, Emsi has completed over 2,000 economic impact studies for institutions across three countries. For more information about Emsi's products and services, visit www.economicmodeling.com.



The Economic Value of the Blinn College District's Sealy Campus **FACT SHEET**

THE Blinn College District's Sealy Campus (Blinn-Sealy) 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) 2018-19.



Economic impact analysis

In FY 2018-19, Blinn-Sealy added **\$2.2 million** in income to the Austin County economy, a value approximately equal to **0.1%** of the county's total gross regional product (GRP). Expressed in terms of jobs, Blinn-Sealy's impact supported **32 jobs**.

OPERATIONS SPENDING IMPACT

- Blinn-Sealy employed eight full-time and part-time faculty and staff. Payroll amounted to \$636.7 thousand, much of which was spent in the county for groceries, mortgage and rent payments, dining out, and other household expenses. The campus spent another \$510.2 thousand on day-to-day expenses related to facilities, supplies, and professional services.
- The net impact of Blinn-Sealy's operations spending added **\$808.4 thousand** in income to the county economy in FY 2018-19.

STUDENT SPENDING IMPACT

- Around 54% of students attending Blinn-Sealy originated from outside the county. Some of these students relocated to Austin County. In addition, some in-county students, referred to as retained students, would have left Austin County for other educational opportunities if not for Blinn-Sealy. These relocated and retained students spent money on groceries, mortgage and rent payments, and other living expenses at county businesses.
- The expenditures of relocated and retained students in FY 2018-19 added **\$233.9 thousand** in income to the Austin County economy.

ALUMNI IMPACT

- Hundreds of students have studied at Blinn-Sealy and entered or re-entered the workforce with newly-acquired knowledge and skills. Today, many of these former students are employed in Austin County.

IMPACTS CREATED BY
BLINN-SEALY IN FY 2018-19



\$808.4 thousand
Operations Spending Impact



\$233.9 thousand
Student Spending Impact



\$1.1 million
Alumni Impact



\$2.2 million
TOTAL IMPACT

- OR -

32
JOBS SUPPORTED



- The net impact of Blinn-Sealy's former students currently employed in the county workforce amounted to **\$1.1 million** in added income in FY 2018-19.

STUDENTS SEE A HIGH RATE OF RETURN FOR THEIR INVESTMENT IN BLINN-SEALY



Investment analysis

STUDENT PERSPECTIVE

- Blinn-Sealy's FY 2018-19 students paid a present value of **\$343 thousand** to cover the cost of tuition, fees, supplies, and interest on student loans. They also forewent **\$784.6 thousand** in money that they would have earned had they been working instead of attending college.
- In return for their investment, students will receive **\$5.7 million** in increased earnings over their working lives. This translates to a return of **\$5.00** in higher future earnings for every dollar students invest in their education. Students' average annual rate of return is **17.9%**.



17.9%

Average annual return for Blinn-Sealy students



9.9%

Stock market 30-year average annual return



0.8%

Interest earned on savings account (National Rate Cap)

Source: Forbes' S&P 500, 1989-2018. FDIC.gov, 6-2019.

TAXPAYER PERSPECTIVE

- Taxpayers provided Blinn-Sealy with **\$436.8 thousand** of funding in FY 2018-19. In return, they will benefit from added tax revenue, stemming from students' higher lifetime earnings and increased business output, amounting to **\$1.7 million**. A reduced demand for government-funded services in Texas will add another **\$141.2 thousand** in benefits to taxpayers.
- For every dollar of public money invested in Blinn-Sealy, taxpayers will receive **\$4.10** in return, over the course of students' working lives. The average annual rate of return for taxpayers is **9.9%**.



FOR EVERY \$1...



Students gain

\$5.00

in lifetime earnings



Taxpayers gain

\$4.10

in added tax revenue and public sector savings



Society gains

\$13.00

in added income and social savings

SOCIAL PERSPECTIVE

- In FY 2018-19, Texas invested **\$2 million** to support Blinn-Sealy. In turn, the Texas economy will grow by **\$26.2 million**, over the course of students' working lives. Society will also benefit from **\$447 thousand** of public and private sector savings.
- For every dollar invested in Blinn-Sealy in FY 2018-19, people in Texas will receive **\$13.00** in return, for as long as Blinn-Sealy's FY 2018-19 students remain active in the state workforce.





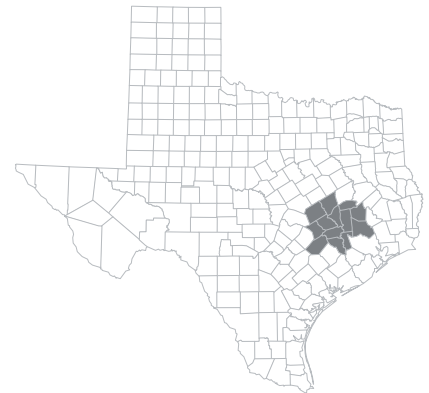
The Economic Impact of Blinn College District's Capital Projects

EXECUTIVE SUMMARY



THIS analysis quantifies the economic impacts from Blinn College District's (Blinn College's) capital projects including Mill Creek Hall; RELLIS Walter C. Schwartz Building; Science, Technology, Engineering, and Innovation Building; P3 – Phase II; and RELLIS – Phase II. Short-run capital spending for the capital projects will amount to \$169.6 million from FY 2017 to FY 2022. These capital projects will expand the college's capacity and allow it to positively affect a greater number of students, and, through those students, the economy at large.

The initial capital investments will create short-run spending impacts through the renovation and construction of state-of-the-art facilities. These new capacities will allow Blinn College to better serve its existing student population as well as additional students whom the college would otherwise not be able to serve. The capital projects will create new jobs for additional faculty and staff and will increase the associated day-to-day purchases from regional businesses. Additionally, Blinn College will attract more students to the region and retain students in the region who would have left, positively impacting the regional economy through the students' spending. This will provide a steady stream of long-run spending impacts year after year. Lastly, as the students who would otherwise not have been served graduate, they will generate long-run impacts within the Blinn College Service Area.* Four types of impacts are estimated:



BLINN COLLEGE SERVICE AREA

- **Short-run capital spending impacts**
- **Long-run operations spending impacts**
- **Long-run student spending impacts**
- **Long run alumni impacts**

This analysis spans from FY 2017, when capital spending began, to FY 2026, the final year of this analysis. We estimate the total impacts that will be created by FY 2026, as well as the annual impacts that will occur long after FY 2026.

* For the purposes of this study, the Blinn College Service Area is comprised of Austin, Brazos, Burleson, Fayette, Grimes, Lee, Madison, Milam, Montgomery, Robertson, Walker, Waller, and Washington Counties.

Short-run capital spending impacts



As the \$169.6 million is spent on the construction of the capital projects, it will create a significant amount of new economic activity that will ripple throughout the Blinn College Service Area economy.

These impacts span from FY 2017, when capital spending began, until FY 2022, when capital spending is expected to be completed. From FY 2017 to FY 2022, the capital spending will create a present value of **\$35.1 million** in total added income for the Blinn College Service Area economy.

Long-run operations spending impacts



As the capital projects are completed, Blinn College will begin to utilize its newly added capacities. This will increase the college's associated day-to-day operational expenditures, which will include additional payroll for new faculty and staff and spending on supplies (e.g. office supplies).

These operations spending impacts began in FY 2019. From FY 2019 to FY 2026, the final year of analysis, the increased operations spending resulting from the capital projects will create a present value of **\$58.1 million** in total added income for the regional economy.

Long-run student spending impacts



The capital projects will expand the capacities at Blinn College, allowing the college to serve an additional 5,125 students by FY 2026. It is estimated that 77% of these additional students will be from outside of the Blinn College Service Area. Additionally, some students who are from the region will remain in the Blinn College Service Area because Blinn College can now serve them. The money that these relocated and retained students will spend towards accommodation, groceries, entertainment, and transportation can be attributed to the capital projects.

The student spending impacts began in FY 2019, when the first additional students were served. From FY 2019 to FY 2026, the student spending will create a present value of **\$40.7 million** in total added income for the Blinn College Service Area economy.

Long-run alumni impacts



The added capacities created by the capital projects will help Blinn College respond to the demands of a growing economy and student population. The added capacities will create additional alumni who otherwise would not have been served by Blinn College. These alumni represent a significant increase in the stock of human capital available to the Blinn

As long as the additional capacities created by the capital projects are utilized, there will be recurring operations spending impacts. After FY 2026, the long-run operations spending impact will benefit the Blinn College Service Area economy with at least **\$10.4 million** in added income annually, which is equivalent to supporting **177 jobs** per year.

There will be recurring annual student spending impacts as long as Blinn College is able to serve additional students. By FY 2026, the long-run student spending impact will benefit the Blinn College Service Area economy with **\$7.1 million** in added income annually, which is equivalent to supporting **157 jobs** each year.

By FY 2026, the last year of this analysis, alumni are estimated to add **\$1.4 million** in income to the economy per year, or support **19 jobs**. This annual impact is expected to increase every year for several years as Blinn College continues to serve more students and they enter the regional workforce.

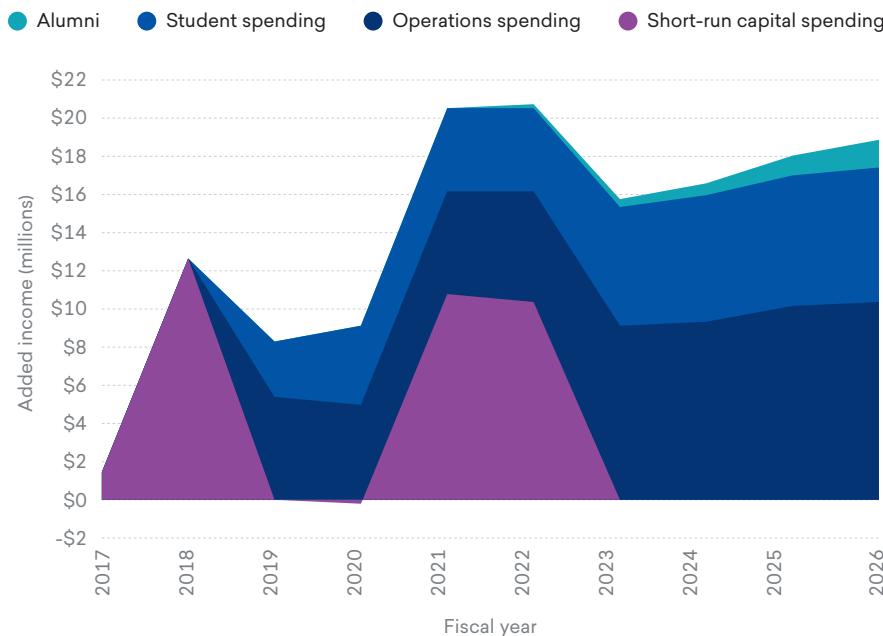
College Service Area economy. The first alumni are expected to graduate in FY 2021. The added earnings and increased productivity of these alumni will create long-run impacts across the regional economy.

Accounting for the enrollment ramp-up period, by FY 2026, the increased capacities created by the capital projects will have produced over 1,300 additional associate degree graduates, half of whom are expected to remain in region. From FY 2021 to FY 2026, the additional alumni will add a present value of **\$3.6 million** in total added income for the Blinn College Service Area economy.

Total impact

From FY 2017 to FY 2026, the present value of short-run and long-run impacts created by the capital projects will provide a total economic impact on the Blinn College Service Area economy of **\$137.5 million** in added income. Beyond the timeframe of this analysis, the total annual impact from the capital projects will be at least **\$18.9 million** in added income. This is equivalent to supporting **353 jobs** every year.

TOTAL IMPACT FROM FY 2017 TO FY 2026, UNDISCOUNTED



IMPACTS CREATED BY BLINN COLLEGE'S CAPITAL PROJECTS

Present value impacts, FY 2017 to FY 2026	Long-run annual impacts
---	-------------------------



Short-run capital spending impact

\$35.1
MILLION

N/A



Long-run operations spending impact

\$58.1
MILLION

\$10.4
MILLION



Long-run student spending impact

\$40.7
MILLION

\$7.1
MILLION



Long-run alumni impact

\$3.6
MILLION

\$1.4
MILLION

TOTAL IMPACT

\$137.5
MILLION

\$18.9
MILLION

JOBS SUPPORTED

N/A

353

Conclusion

The results of this study demonstrate that the capital projects will create value for the Blinn College Service Area economy through many avenues. From the very beginning, the construction phase, the capital projects will positively impact the regional economy. Once the capital projects are operational, they will bring money into the region, generating additional spending impacts. The capital projects will allow Blinn College to serve more students, helping meet the growing student demand. These students' daily spending will grow the regional economy. Finally, as these students graduate from Blinn College, they will help meet the needs of the regional economy and add to the productivity of the regional workforce.



About the study

Data and assumptions used in the study are based on several sources, including data from Blinn College, industry and employment data from the U.S. Bureau of Labor Statistics and U.S. Census Bureau, outputs of Emsi's Multi-Regional Social Accounting Matrix model. The study applies a conservative methodology and follows standard practice using only the most recognized indicators of economic impact. For a full description of the data and approach used in the study, please contact Blinn College for a copy of the main report.



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The Economic Impact of Blinn College District's Capital Projects

FACT SHEET

THIS analysis quantifies the economic impacts from Blinn College District's (Blinn College's) capital projects in the Blinn College Service Area.* These capital projects include Mill Creek Hall; RELLIS Walter C. Schwartz Building; Science, Technology, Engineering, and Innovation Building; P3 – Phase II; and RELLIS – Phase II. Short-run capital spending for the capital projects will amount to \$169.6 million from FY 2017 to FY 2022. These capital projects will expand the college's capacity and allow it to positively affect a greater number of students, and, through those students, the economy at large. After the capital projects' construction, their newly added capacities will generate benefits for the Blinn College Service Area through FY 2026, the final year of this analysis.

SHORT-RUN CAPITAL SPENDING IMPACTS

- As the initial \$169.6 million capital investment is spent to construct the capital projects from FY 2017 to FY 2022, it will create a significant amount of new economic activity that will ripple throughout the Blinn College Service Area.
- This new economic activity will amount to a present value of **\$35.1 million** in total added income for the regional economy.

LONG-RUN OPERATIONS SPENDING IMPACTS

- As the capital projects become operational, they will increase Blinn College's day-to-day expenditures, including expenses to support additional employees and spending on other supplies and services. These operations spending impacts began in FY 2019.
- From FY 2019 to FY 2026, the increased operations spending resulting from the capital projects will create a present value of **\$58.1 million** in total added income for the regional economy.

LONG-RUN STUDENT SPENDING IMPACTS

- Beginning in FY 2019, the capital projects allowed Blinn College to serve additional students the college would not have otherwise had the capacity to serve. Some of these students will relocate from outside the region.

PRESENT VALUE IMPACTS,
FY 2017 TO FY 2026



\$35.1 million
Short-run capital
spending impact



\$58.1 million
Long-run operations
spending impact



\$40.7 million
Long-run student
spending impact



\$3.6 million
Long-run alumni impact

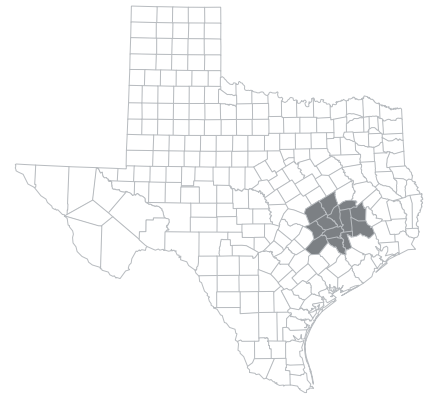
\$137.5 million
TOTAL IMPACT

* For the purposes of this study, the Blinn College Service Area is comprised of Austin, Brazos, Burleson, Fayette, Grimes, Lee, Madison, Milam, Montgomery, Robertson, Walker, Waller, and Washington Counties.



Other students from the Blinn College Service Area may leave the region if not for the added capacities at Blinn College. The money that these students will spend toward living expenses in the Blinn College Service Area is attributable to the capital projects.

- From FY 2019 to FY 2026, this spending will create a present value of **\$40.7 million** in total added income for the Blinn College Service Area economy.



BLINN COLLEGE SERVICE AREA

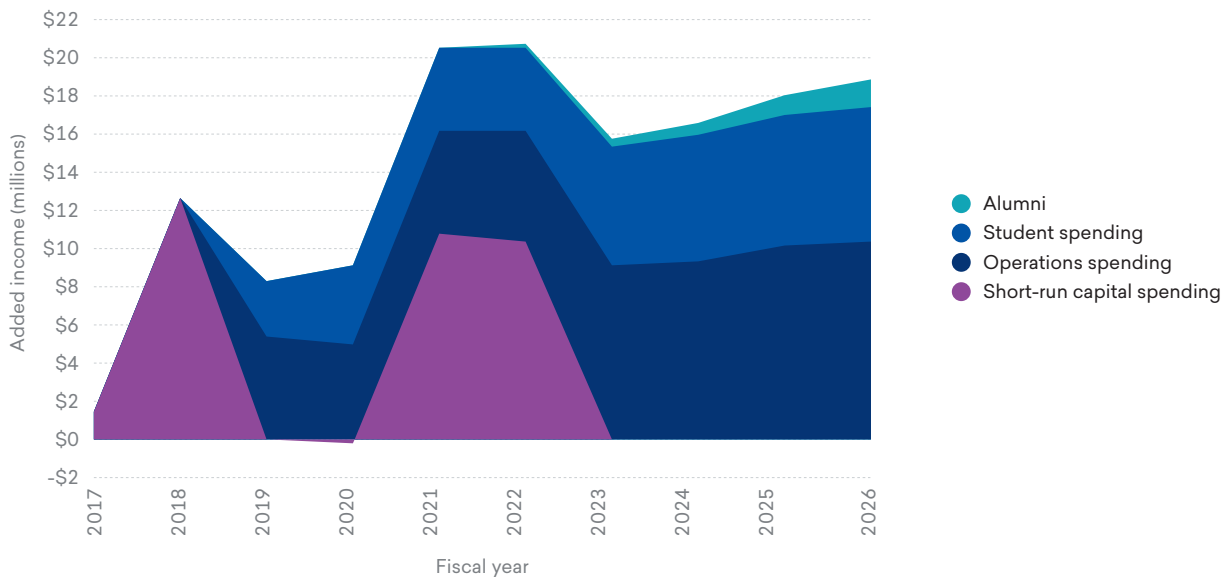
LONG-RUN ALUMNI IMPACTS

- The capital projects will allow Blinn College to serve additional students, which will help the college respond to the demands of a growing economy. The first additional students will graduate in FY 2021. This analysis is capped at FY 2026; however, the number of alumni trained as a result of the capital projects will continue to grow long after.
- The added earnings and increased productivity of these students will create long-run impacts across the regional economy. From FY 2022 to FY 2026, these alumni will generate a present value of **\$3.6 million** in total added income.

TOTAL IMPACT

- From FY 2017 to FY 2026, the present value of short- and long-run impacts created by the capital projects will provide a total economic impact of **\$137.5 million** in total added income for the Blinn College Service Area economy.
- The total annual impact from the long-run operations and student spending, as well as alumni, from the capital projects will be at least **\$18.9 million** in total added income for the Blinn College Service Area. This is equivalent to supporting **353 jobs** every year.

TOTAL IMPACT FROM FY 2017 TO FY 2026, UNDISCOUNTED



Agenda Item 7A

October 20, 2020

SUBJECT:

Approval of Minutes for the September 15, 2020, Regular Meeting

RECOMMENDATION:

That the Board approve the Minutes for the September 15, 2020, Regular Meeting.

RATIONALE:

Board Policy BD(LOCAL) requires that the Board approve written minutes of all meetings. Board-approved minutes serve as the legal record of official Board actions.

BUDGETARY CONSIDERATIONS:

N/A

RESOURCE PERSONNEL:

N/A

ATTACHMENTS:

Attachment A: Minutes – Board of Trustees of Blinn College District

Respectfully Submitted by:



Ted Hajovsky
General Counsel



Mary Hensley, Ed.D.
Chancellor

MINUTES
Board of Trustees of Blinn College District
Board Room, Third Floor, Administration Building
Blinn-Brenham Campus, 802 Green Street, Brenham, Texas

Regular Meeting, Tuesday, September 15, 2020, 5:30 P.M.

The Board of Trustees of Blinn College District held a Regular Meeting on Tuesday, September 15, 2020, in the Board Room, located on the third floor of the Administration Building at 802 Green Street, Brenham, Texas, 77833. In accordance with the suspended proceedings of the Open Meetings Act under Sections 418.016 of the Texas Government Code, public access to this meeting was located in Rooms 2 and 3 of the Blinn College District Student Center located at 651 Blinn Boulevard, Brenham, Texas.

Trustees present: Mr. Charles Moser, Board Chair; Mr. Jim Kolkhorst, Vice Chair; Ms. Teddy Boehm, Secretary; Dr. Dennis Crowson; and Mr. Randy Wells.

Trustees absent: Mr. Dan Gatewood and Mr. Douglas Borchardt.

1. Board Chair Mr. Charles Moser called the meeting to order at 5:30 p.m., and read the following information into the Minutes:

The Texas Government Code permits this Board of Trustees to meet in a closed executive session for the following reasons, among others:

To consult with the College District's attorneys on matters deemed privileged by the Texas Disciplinary Rules of Professional Conduct or Government Code § 551.071,

To deliberate regarding real property, under § 551.072; a prospective gift, under § 551.073; certain personnel matters, under § 551.074; security devices or security audits, under § 551.076; and economic development negotiations, under § 551.087.

If the Board meets in closed session, we will announce the particular section under which we will be doing so prior to initiating the closed portion of the meeting.

2. Invocation and Pledge to the American and Texas Flags

Mr. Charles Moser introduced Trustee Mr. Randy Wells, who led the Trustees and meeting attendants in the invocation. Mr. Charles Moser introduced Trustee Ms. Teddy Boehm, who led the group in the pledges to the American and Texas Flags.

3. Public Comment:

No one signed up to offer public comment.

4. Reports

A) Chancellor's Administrative Report

Dr. Hensley updated the Board on the following:

- Facilities update:
 - Science, Technology, Engineering, and Innovation Building on the Blinn-Brenham Campus.
- Dr. Hensley then introduced Mr. Mark Feldhake, Project Manager, Facilities, Planning and Construction to update the Board on the RELLIS Phase II. Mr. Feldhake updated the Board on the following aspects of RELLIS Phase II:
 - Site plan,
 - First floor floorplan,
 - Second floor floorplan,
 - Third floor floorplan, and
 - Renderings.

Dr. Hensley's presentation is attached hereto and made a part of these *Minutes*.

B) Presentation of Financial Statement Package for the Period Ended August 31, 2020

Mr. Richard Cervantes, Vice Chancellor, Business and Finance/CFO, reviewed highlights from the financial package for the period ending August 31, 2020. Mr. Cervantes reviewed the College District's cash position, revenues and expenses, major projects, year-to-date comparisons, and updated the Board on the end of year report, CARES Act funds, and bond funds. He responded to questions from the Board.

A copy of the financial package and presentation are attached hereto and made a part of these *Minutes*.

C) Institutional Enrollment Report for the Fall 2020 Semester

Ms. Karen Buck, Vice Chancellor, Administration, presented an overview of the current enrollment numbers for Fall 2020 semester by headcount, credit hours, and contact hours. She responded to questions from the Board

Ms. Buck's presentation is attached hereto and made a part of these *Minutes*.

D) Blinn-Brenham Housing Report for the Fall 2020 Semester

Dr. Diane Lovell, Vice Chancellor, Student Services, presented an overview of the current on-campus housing figures and a comparison to 2019 housing figures. She also presented strategies for obtaining higher occupancy in on-campus student housing. She responded to questions from

the Board.

Dr. Lovell's presentation is attached hereto and made a part of these *Minutes*.

5. Consent Items

After a proper motion from Mr. Randy Wells, seconded by Mr. Dennis Crowson, the Board unanimously approved the following consent agenda items:

- A) Approval of Minutes for the August 18, 2020, Regular Meeting
- B) Approval of the Washington County Appraisal District 2020-2021 Budget
- C) Acceptance of Donation

6. Discussion and Possible Action Items

- A) Authorization for the Administration to Negotiate and Execute a Contract for Architectural Services Related to Dreyer Field Upgrades

Mr. Moser invited Mr. Richard Cervantes to present and discuss this agenda item to the Board. Mr. Cervantes introduced Mr. Richard O'Malley, Assistant Vice Chancellor, Facilities, Planning, and Construction to present this agenda item and respond to questions from the Board.

After a proper motion from Mr. Jim Kolkhorst, seconded by Ms. Teddy Boehm, the Board unanimously approved this agenda item.

The Board took a break at 6:29 p.m.

7. The Board went into closed session under §§ 551.071, 551.072, and 551.074 of the Texas Government Code at 6:39 P.M.

The Board returned to open session at 7:08 P.M.

8. Discussion and Possible Action Item

- A) Authorization for the Administration to Negotiate and Execute a Ground Lease with NCCD-Brenham Properties, LLC, Cooperation Agreement with NCCD-Brenham Properties, LLC, and All Other Necessary Documents Related to the Finance, Design, Construction, and Operation of Additional Student Housing on the Blinn-Brenham Campus

Mr. Ted Hajovsky, General Counsel, presented this agenda item and responded to questions from the Board.

After a proper motion from Mr. Jim Kolkhorst, seconded by Mr. Randy Wells, the Board unanimously approved this agenda item.

9. **After a proper motion from Ms. Teddy Boehm, seconded by Mr. Dennis Crowson, the Board voted unanimously to adjourn the meeting at 7:09 P.M.**

Mr. Charles Moser
Board Chair

Ms. Theodora V. Boehm
Secretary

Agenda Item 7B

October 20, 2020

SUBJECT:

Appointment of Member to the Bryan Campus Advisory Committee

RECOMMENDATION:

That the Board Appoint Mike Martindale to the Bryan Campus Advisory Committee.

RATIONALE:

In order to assist the Trustees and Administration, the Board established advisory committees for each College District campus and center. The role of an advisory committee is to provide input to the Trustees and Administration regarding the educational needs of each respective service area. Committee membership should represent the citizens that the College District serves in these communities.

Per Board Policy BCE(LOCAL), the Board must approve and appoint each member of an advisory committee. The Administration recommends the appointment of Mike Martindale, Superintendent of the College Station Independent School District, to serve as a member of the Bryan Campus Advisory Committee. His respective term would expire in August 2022.

BUDGETARY CONSIDERATIONS:

N/A

RESOURCE PERSONNEL:

Dr. Jimmy Byrd, Executive Dean, Bryan Campus

ATTACHMENTS:

Attachment A: Bryan Campus Advisory Committee Members

Respectfully Submitted by:



Leighton Schubert
Executive Vice Chancellor



Mary Hensley, Ed.D.
Chancellor

BRYAN CAMPUS ADVISORY COMMITTEE MEMBERS

<u>CURRENT</u>	<u>CURRENTLY SERVING</u>	<u>TERM EXPIRES</u>
Mr. John Nichols, Chair	2nd Term	August 2021
Mr. Spencer Clements, Vice Chair	3rd Term	August 2022
Mr. Doug French, Secretary	3rd Term	August 2022
Ms. Tedi Ellison	2nd Term	August 2022
Mr. Joey Dunn	2nd Term	August 2021
Dr. Christie Whitbeck	2nd Term	August 2022
Mr. Theron Park	1st Term	August 2021
Mr. Kenny Lawson	1st Term	August 2022

Agenda Item 8A

October 20, 2020

SUBJECT:

Authorization for the Administration to Negotiate and Execute a Contract for Construction Manager at Risk Services for the Upgrades to Leroy Dreyer Field on the Blinn-Brenham Campus

RECOMMENDATION:

That the Board authorize the Administration to negotiate and execute a contract for Construction Manager at Risk (CMAR) services related to the upgrades to Leroy Dreyer Field on the Blinn-Brenham Campus with Dudley Construction, Ltd.

RATIONALE:

This authorization will allow the Administration to negotiate and execute a contract for CMAR services for the upgrades to Leroy Dreyer Field on the Blinn-Brenham Campus with Dudley Construction, Ltd.

On September 17, 2020, the College District received six proposals in response to the request for qualifications for CMAR services. A diversified, five-person committee reviewed and scored the proposals. The committee then invited the two highest scoring CMARs, Dudley Construction, Ltd. and Chappell Hill Construction Company, Inc., to interview separately on September 29, 2020, and then scored the interviews. Based on this process, the Administration recommends that the Board authorize the Administration to negotiate and execute a contract with Dudley Construction, Ltd., for CMAR services related to the upgrades to Leroy Dreyer Field on the Blinn-Brenham Campus.

The overall project budget for Phase I is \$2,500,000, which is inclusive of construction costs, professional fees, testing costs, FF&E, technology, and other soft costs. The project will be completed in two phases. From the original Program of Requirements (P.O.R.) for Dreyer Field Upgrades dated June 9, 2020, a priority list for Phase I has been identified as follows:

1. New Locker Room Building, Storage Space, and Dugout Extension
2. Renovation of the Existing Locker Room
3. Renovation of the Concession Building
4. Renovation of the Toilet Rooms
5. Renovation of the Press Box
6. Repairs to the Outfield Wall and Outfield Drainage
7. Add Brick to Backstop
8. Replace Athletic Surfaces in the Bullpen

Phase I will include as many items on this priority list as the budget will allow. Any remaining items from the priority list will be included in a future Phase II.

The architects will provide schematic design for the full priority list. After schematic design the Phase I and Phase II items will be separated for the completion of the Phase I design. Upon completion of preconstruction services and completion of the design documents, the CMAR will establish a Phase I guaranteed maximum price (GMP) for Board approval.

BUDGETARY CONSIDERATIONS:

Funds for this project are available from the College District's reserve fund.

RESOURCE PERSONNEL:

Richard O'Malley, Assistant Vice Chancellor, Facilities, Planning, and Construction
Mark Feldhake, Project Director

ATTACHMENTS:

N/A

Respectfully Submitted by:



Richard Cervantes, CPA
Vice Chancellor, Business and Finance/CFO



Mary Hensley, Ed.D.
Chancellor