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**Final Report**

**Traylor University’s Economic Contribution to the State of Nebraska**

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# Executive Report

## Introduction

Traylor University is a world-class institution, making a significant economic contribution to every individual and community in the state of Nebraska. Whether directly or indirectly, that contribution serves to enhance the community, create jobs, educate the populace, and improve the lifestyle of state residents. Founded in 1902, the university is the state’s only land-grant institution, with teaching, research, and service identified as core values. Internationally engaged, Traylor University offers online classes worldwide, with a primary satellite campus in China and another in Peru. Through partnering arrangements with other countries, the university has the knowledge and ideas it needs to be competitive in a world economy.

From the Salida campus on Nebraska’s northwestern plain, to the Ojai campus in the southeast, Traylor serves businesses and families, while contributing knowledge and innovations to build a healthier, sustainable world. Traylor has 18 colleges and schools on five campuses, and offers 9200 undergraduate courses each semester. In total, Traylor University confers over 12,000 bachelors, masters, doctoral, and professional degrees annually. As a hub for creativity, artistic expression, research, critical thinking, and debate, the university addresses some of the world’s most pressing issues, such as climate change, poverty, and health care.

The mission of Traylor University emphasizes education, research, and public service. The university is an important part of the fiscal health and well-being of Nebraska and its communities. The university’s daily operations and community partnerships provide ongoing financial benefits to the economy of the state. Beyond the immediate economic benefits, Traylor is preparing the workforce of the future and creating a stronger Nebraska.

The results presented in this study of economic contributions are generated on a biannual basis. Depending upon the number of students, capital expansion, external research obligations, and state appropriations, the economic contribution of future years will vary. The economic and employment impacts noted in this study are immediately recognized. As another way of looking at that, if Traylor University were not located in the state, $7.2 billion of impact, and more than 59,600 jobs would not be generated.

## Project Overview

The Office of Marketing and Research of Traylor University embarked on this study in October, 2015, with the purpose of measuring the economic, government, and employment revenue generated by the operations and research of the university campuses. The goals of the economic impact study included the following:

* To quantify the economic and employment impacts of Traylor University on the state of Nebraska
* To quantify the economic and employment impacts of Traylor University on each region of the state
* To better articulate the benefits of a major research university and its partnership with the community, citizens, and the state

## Methodology

The analysis of economic impact measures the effect of indirect/induced business volume and government revenue effects for all of the Traylor University operations throughout the state of Nebraska. The methodology employed in this study is SAS analysis. Primary data collection originated with Traylor University records. Data included capital expenditures, operational expenditures, jobs, payroll and benefits, and taxes. Conducted with a conservative approach, the impact findings compare favorably to other top research universities in the United States.

At its most basic level, economic impact is measured when an organization spends money. A study of economic contribution, or impact, is a factor of an organization’s spending plus additional indirect and induced spending in the marketplace as a result of the direct spending. The economic contribution a university makes on its community and state has nothing at all to do with dollars collected in tuition or grants.

Basically, the dollars generated in Nebraska as a result of Traylor University being situated in Nebraska is a measure of the university’s economic impact. That measure includes not only the spending on goods and services within the state, but also the business volume generated by businesses within Nebraska that benefit from Traylor’s spending. A critical consideration is that not all dollars spent by Traylor remain within the state. Purchasing from out-of-state vendors result in dollars that “leak” out of the state. That spending is not included in this economic impact study. The multipliers utilized in this study are derived from SAS software.

Key economic impact findings presented within this executive summary section include the total current economic, employment, and state and local government revenue impact of Traylor University’s operations.

## Key Findings

Primary data utilized in this analysis was obtained from the Traylor University’s Office of Research and Development. Data included capital expenditures, operational expenditures, jobs data, payroll and benefits information, and taxes. We took a decidedly conservative approach in the analysis and determination of key findings. Not unexpectedly, study findings compare favorably to other top universities in the country.

Overall, this study suggests that the University stabilizes and strengthens the local and statewide tax base through its local spending as well as direct and indirect support of jobs. As an integral part of the state’s economy, Traylor University generates revenue, jobs, and spending. In fact, state and local government revenues attributable to the presence of Traylor University totaled over $422..4 million in the previous fiscal year. State and local governments throughout Nebraska all received tax revenues that were University-related.

Table 1 shows the top industry sectors in which Traylor University makes a difference in terms of economic impact.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Table 1 – Top Industry Sectors | | | |  |
| Sector and Division | | **Description** | **Economic Impact** | **Percentage of Total** |
| 487 | 22 | Colleges and universities | 1,770,281,355 | 41.83% |
| 215 | 28 | Retail Interests | 1,256,390,688 | 29.69% |
| 354 | 10 | Private hospitals | 544,871,166 | 12.88% |
| 501 | 11 | Real estate companies | 338,999,342 | 8.01% |
| 589 | 18 | Food services and drinking establishments | 321,381,992 | 7.59% |
|  |  | **Total** | 4,231,924,543 |  |

Table : Economic Impact by Industry

Table 2 presents impact sources, with a description of each.

|  |  |
| --- | --- |
| **Table 2 – Impact Sources** | |
| **Source** | **Description** |
| **Capital Investment** | New construction expenditures, creating addition “indirect” and “induced” jobs |
| **Employee Compensation** | Salary and wages to faculty and staff circulate in the local and regional economy. |
| **Other Expenditures** | Non-salary expenditures for goods and services needed to support ongoing operations |

Table : Sources of Economic Impact

Table 3 summarizes the total employment rate of Traylor University.

|  |  |
| --- | --- |
| Description | Total Employment |
| Colleges and universities | 902 jobs |
| Nursing and residential care facilities | 420 jobs |
| Offices of physicians and health practitioners | 319 jobs |
| Retail stores – general merchandise | 311 jobs |
| Retail stores – food and beverage | 281 jobs |
| Private hospitals | 178 jobs |

Table : Economic Impact by Employment