

# Introduction

Metropolitan Community College (MCC), established in 1974, has today grown to serve 25,982 credit and 10,941 non-credit students. The college is led by Mr. Randy Schmailzl. The college's service region, for the purpose of this report, consists of Dodge, Douglas, Sarpy, and Washington Counties.

While MCC affects its region in a variety of ways, many of them difficult to quantify, this study is concerned with considering its economic benefits. The college naturally helps students achieve their individual potential and develop the knowledge, skills, and abilities they need to have fulfilling and prosperous careers. However, the value of MCC consists of more than simply influencing the lives of students. The college's program offerings supply employers with workers to make their businesses more productive. The expenditures of the college, its employees, and students support the regional economy through the output and employment generated by regional vendors. The benefits created by the college extend as far as the state treasury in terms of the increased tax receipts and decreased public sector costs generated by students across the state.

This report assesses the impact of MCC as a whole on the regional economy and the benefits generated by the college for students, taxpayers, and society. The approach is twofold. We begin with an economic impact analysis of the college on the MCC Four County Service Area economy. To derive results, we rely on a specialized Multi-Regional Social Accounting Matrix (MR-SAM) model to calculate the added income created in the MCC Four County Service Area economy as a result of increased consumer spending and the added knowledge, skills, and abilities of students. Results of the economic impact analysis are broken out according to the following impacts: 1) impact of the col-

lege's day-to-day operations, 2) impact of its construction spending, 3) impact of student spending, and 4) impact of alumni who are still employed in the MCC Four County Service Area workforce.

The second component of the study measures the benefits generated by MCC for the following stakeholder groups: students, taxpayers, and society. For students, we perform an investment analysis to determine how the money spent by students on their education performs as an investment over time. The students' investment in this case consists of their out-of-pocket expenses, the cost of interest incurred on student loans, and the opportunity cost of attending the college as opposed to working. In return for these investments, students receive a lifetime of higher earnings. For taxpayers, the study measures the benefits to state taxpayers in the form of increased tax revenues and public sector savings stemming from a reduced demand for social services. Finally, for society, the study assesses how the students' higher earnings and improved quality of life create benefits throughout Nebraska as a whole.

The study uses a wide array of data that are based on several sources, including the FY 2015-16 academic and financial reports from MCC; industry and employment data from the Bureau of Labor Statistics and Census Bureau; outputs of Emsi's impact model and MR-SAM model; and a variety of published materials relating education to social behavior.