

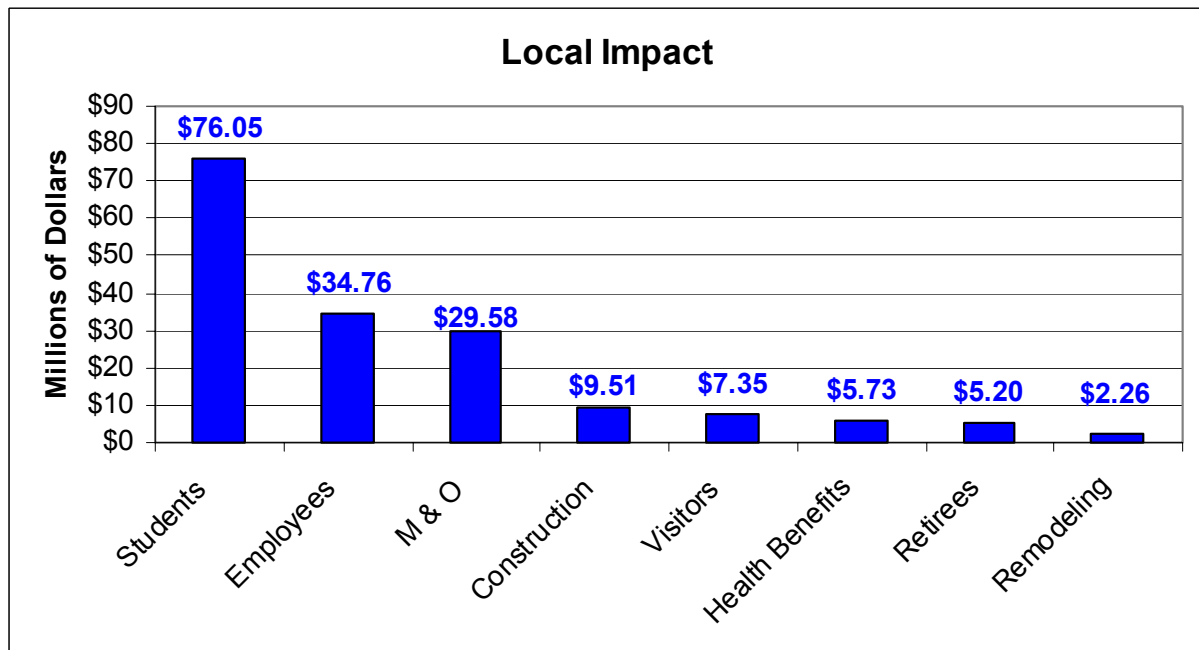
## ***Economic Impact of Tarleton State University-Stephenville: A Summary***

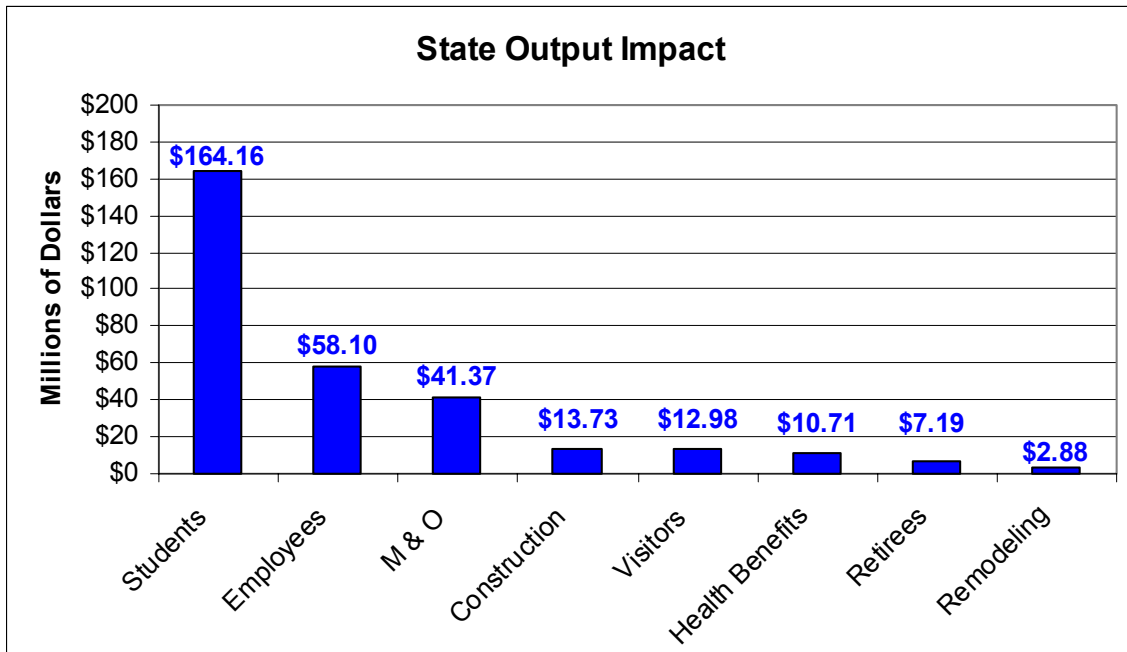
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Tarleton State University-Stephenville is the single largest employer in Erath County and one of the largest employers in the region. To estimate the economic significance of Tarleton, this study measures the tangible benefits of the university at the county and state levels for the 2003-04 year. All direct expenditures were estimated through the use of surveys and university records. University expenditures were derived from accounting data obtained from the university. Faculty and staff expenditures represent the total salaries paid by the university following adjustments for payroll and social-security taxes. Students' expenditures were derived from a survey, which represented their typical expenditures over the month that was annualized over the year. Retirees' expenditures were estimated from a survey sent to all the retirees living in Texas. Visitors' expenditures were derived from the visitor's section of the student and faculty/staff surveys, and the visitor survey of all university departments and programs. This framework yields direct expenditures for each category of university related expenditures. These direct impacts are then processed through an input/output model.

All direct expenditures were adjusted for "leakages" at the county and state levels. A "leakage" identifies the portion of direct expenditures that leave an impact area and have no further effect within that area. Since the state level covers a larger economic area than the county level a greater portion of direct expenditures are captured, resulting in less leakage at the state level. The total direct adjusted expenditures at the county and state levels were estimated at \$113 M and \$155 M, respectively.

A standard input/output model (IMPLAN) was used to calculate the indirect impacts and multiplier effects. For example, a multiplier of 1.33 indicates that for every dollar spent (direct expenditure) an additional \$0.33 (indirect) is generated within the economy. The calculations yielded conservative overall multipliers of **1.50** at the local level and **2.01** at the state level. By summing the direct and indirect impacts the model estimated the total impact by each category and of the entire university. The total impacts at the county and state levels were **\$170 million** and **\$311million** respectively.





The model also calculated the number of new jobs generated by university related expenditures. The employment impacts for the county and state levels are given below.

<b>Jobs Created by Tarleton State University - Stephenville</b>	
University Employment	840
Added Employment (Erath County)	<u>2575</u>
<b>Total Employment provided (Erath County)</b>	<b>3415</b>
Added Employment (State of Texas)	<u>3166</u>
<b>Total Employment provided (State of Texas)</b>	<b>4006</b>

**Conclusions:**

- The tangible benefits in 2003-04 were impressive; Tarleton had an economic impact of **\$170M** and created **2,575** jobs within Erath County, and had an economic impact of **\$311M** and created **3,166** new jobs within the State of Texas.
- The value added to a graduate's life by enhancing his/her productivity and philanthropy, and the enrichment offered to the local community due to the presence of Tarleton, are intangible and immeasurable benefits to society and should be considered in the overall impact.
- With state appropriations approximating **\$32 M** and total output of **\$311 M**, taxpayers are receiving almost ten times their investment in tangible benefits alone.

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