

Overview Fact Sheet

INVESTMENT ANALYSIS

Student Perspective

- OTC served **15,096** credit students and **10,131** non-credit students in the 2008-09 reporting year.
- Education increases lifetime income. The average income at the career midpoint of someone with an associate's degree in the OTC Service Region is **\$35,400**, 36% more than a student with a high school diploma.
- Throughout his or her working career, the average OTC student's discounted lifetime income increases by **\$6.10** for every dollar invested in OTC.
- Students enjoy an attractive **16.6%** average rate of return on their OTC educational investment, recovering all costs (including tuition, fees, and forgone wages) in 9.2 years.

Social Perspective

- Higher earnings of OTC students and associated increases in state income expand the tax base in Missouri by about **\$58.4 million** each year.
- Missouri will see avoided social costs amounting to **\$2.9 million** per year due to OTC students, including savings associated with improved health, reduced crime, and reduced welfare and unemployment.

Taxpayer Perspective

- State and local governments allocated approximately **\$20.3 million** in support of OTC in FY 2008-09.
- For every dollar of this support, taxpayers see a cumulative return of **\$2.00** over the course of students' working careers (in the form of higher tax receipts and avoided costs).
- State and local governments see a rate of return of **6.9%** on their support for OTC. This return compares very favorably with private sector rates of return on similar long-term investments.

ECONOMIC GROWTH ANALYSIS

College Operations Effect

- The OTC Service Region economy annually receives roughly **\$31.6 million** in income due to OTC operations. This is a conservative figure adjusted to account for monies that leave the economy or are withdrawn from the economy in support of the college.

Student Spending Effect

- OTC estimates that approximately **10%** of its students come from outside the region, bringing with them monies that would not have otherwise entered the local economy.
- The expenditures of OTC's non-local students generate roughly **\$11.6 million** in added income in the OTC Service Region each year.

Productivity Effect

- The current OTC Service Region economy embodies an estimated **1.3 million** credits that have accumulated over the past 19-year period as thousands of former OTC students (completers and non-completers) enter the workforce year after year.
- OTC skills translate to higher earnings for students and increased output of businesses. The added income attributable to the accumulation of OTC credits in the workforce amounts to around **\$168.6 million** each year.

OTC ECONOMIC IMPACT ANALYSIS AT A GLANCE

Added Income

College operations effect	\$31,554,000
Student spending effect	\$11,631,000
Total spending effect	\$43,185,000
Student productivity effect	\$168,616,000
GRAND TOTAL	\$211,801,000

Total Added Income in OTC Service Region Due to OTC (\$ Millions)

