UIS generates a positive return on investment to its major stakeholder groups—students, society, and taxpayers. This study calculates the benefits to each of these groups using a regional economic impact analysis and an investment analysis. Results of the analysis reflect Fiscal Year (FY) 2013-14.

Impact on Local Business Community

During the analysis year, UIS and its alumni added $176.8 million in income to the Sangamon County economy, approximately equal to 1.3% of the county’s Gross Regional Product. The economic impacts of UIS break down as follows:

**Impact of university operations**
- UIS employed 1,129 employees in FY 2013-14. Payroll amounted to $67.1 million, much of which was spent in Sangamon County to purchase groceries, clothing, and other household goods and services. The university spent another $31.1 million to support its day-to-day operations.
- The net impact of university payroll and expenses in Sangamon County during the analysis year was approximately $75.3 million in added regional income.

**Impact of student spending**
- About 19.7% of students at UIS relocated to Sangamon County from outside of the county and spent money at local businesses to purchase groceries, rent accommodation, pay for transport, and so on.
- The expenditures of students who relocated to the county during the analysis year added approximately $5.9 million in income to the economy.

**Impact of student productivity**
- Over the years, students have studied at UIS and entered or re-entered employment with newly-acquired knowledge, skills, and abilities. Today, thousands of these alumni are employed in Sangamon County.
- The accumulated contribution of alumni currently employed in the regional workforce amounted to $95.5 million in added income during the analysis year.

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**Income created by UIS in FY 2013-14 (Added income)**

- **University operations generated** $75.3 million in added regional income
- **Student spending generated** $5.9 million in added regional income
- **Alumni increased productivity generated** $95.5 million in added regional income
- **Total effect** $176.8 million
Full-time Jobs
The average earnings for a full-time employee in Sangamon County is $59,296. The added income created by UIS can be divided by the average earnings of full-time employees to generate the number of average-wage jobs supported by UIS:

Effect of university operations = 1,270 average-wage jobs
Effect of student spending = 100 average-wage jobs
Effect of student productivity = 1,610 average-wage jobs
Overall, the added income created by UIS and its students supports 2,981 full-time average-wage jobs.

Return on investment to students, society, and taxpayers

Student perspective
- UIS’s 2013-14 students paid a total of $31 million to cover the cost of tuition, fees, books, and supplies. They also forwent $97.9 million in money that they would have earned had they been working instead of learning.
- In return for the monies invested in the university, students will receive a present value of $413.8 million in increased earnings over their working lives. This translates to a return of $3.20 in higher future income for every $1 that students invest in their education. The average annual return for students is 14.6%.

Social perspective
- Society as a whole in Illinois will receive a present value of $643.3 million in added state income over the course of the students’ working lives. Society will also benefit from $140 million in present value social savings related to reduced crime, lower unemployment, and increased health and well-being across the state.
- For every dollar that society spent on UIS educations during the analysis year, society will receive a cumulative value of $3.90 in benefits, for as long as UIS’s 2013-14 students remain active in the state workforce.

Taxpayer perspective
- In FY 2013-14, state and local taxpayers in Illinois paid $23.8 million to support the operations of UIS. The net present value of the added tax revenue stemming from the students’ higher lifetime incomes and the increased output of businesses amounts to $58.6 million in benefits to taxpayers. Savings to the public sector add another $23.6 million in benefits due to a reduced demand for government-funded services in Illinois.
- Dividing benefits to taxpayers by the associated costs yields a 3.5 benefit-cost ratio, i.e., every $1 in costs returns $3.50 in benefits. The average annual return on investment for taxpayers is 10.0%.