

The Economic Impact of the South Dakota Public University System



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South Dakota Board of Regents:

Public Higher Education Economic Impact Report

EXECUTIVE SUMMARY

The South Dakota Board of Regents (BOR) is the governing body for the system of public institutions of higher learning in South Dakota. The BOR supports a high quality higher education system for South Dakota. That system plays a vital and substantial role in South Dakota's economic growth and well-being. This report describes the impact of the public higher education system on the economy of South Dakota.

South Dakota public universities generate approximately **\$1.97 billion** a year in long-run annual economic impact to South Dakota from a state investment of \$176 million.

Highlights include:

- Public universities directly support **5,326** full-time jobs, which provide **\$319 million** in salaries and benefits to South Dakota employees.
- Public universities generate **\$182 million** in direct economic impact through day-to-day operations and consumption of goods and services.
- Public universities acquired **\$142 million** in federal and private grants and contracts for research, development, and projects.
- Public university students injected **\$192 million** into the South Dakota economy through their day-to-day living expenses. This amount is in addition to **\$234 million** they pay in tuition and fees.
- Visitors to South Dakota public universities (athletic events, performances, and other special events) injected more than **\$30.6 million** into the South Dakota economy through off-campus spending.

In addition to these kinds of direct effects, there are secondary and tertiary effects as money spent circulates throughout the South Dakota economy. Jobs in many other industries are directly and indirectly supported by the public university system. Using regional economic modeling, we estimate that the South Dakota public university system is directly or indirectly supporting approximately 14,700 full-time jobs in South Dakota.

The presence of public universities in South Dakota helps keep students in the state while they study, but also makes them more likely to stay in South Dakota than if they attended colleges in other states. The jobs provided by the public university system also have an important impact on population in the state. Approximately 42,800 people in South Dakota are here because of the economic impact of the public universities.

The Economic Impact of the South Dakota Public University System

INTRODUCTION

The South Dakota Board of Regents (BOR) governs the system of higher education in the state of South Dakota. The six universities enroll more than 32,943 headcount and more than 24,926¹ full-time equivalent (FTE) students a year and provide more than 5,300 jobs for South Dakotans. This report summarizes the quantifiable impacts of the public university system on the economy of South Dakota. We use data from the public universities, combined with survey data from faculty, students, and alumni, and a dynamic regional economic model to estimate the impact of the public university system on the state. Where necessary, we have made conservative assumptions so that the estimates represent a lower bound for the true impact of the public higher education institutions.

In the next section we summarize the revenue sources of the public university system and the expenditure data that act as inputs for the model. We then provide the results, and conclude with a brief summary. Tables are included at the end of the report, as are summaries for each of the six public universities.²



REVENUES AND EXPENDITURES

Data for this study come from the BOR, supplemented by spending data obtained through surveys of students, faculty, and alumni.

Table 1 details the revenue sources and amounts for the public university BOR system. Students of South Dakota's public universities provide more than \$233 million in revenue to the public universities. While much of that money comes from South Dakota, 27.7 percent of public university enrollment is from non-resident students, representing a substantial inflow to the South Dakota economy. An additional \$142 million in revenue comes to South Dakota from federal and private grants, contracts, and appropriations.

Table 2 lists the expenditures of the university system by category. Salaries and benefits make up roughly half of all system expenditures. Salary expenditures cycle through the South Dakota economy, since BOR employees purchase goods and services in the state, while benefits payments support the state employee retirement fund and health plan. Each category of expenditure involves economic activity that supports South Dakota businesses.

Students also spend substantial amounts on housing, food, books, and other expenditures that are not part of tuition and fees. Our survey of students at public universities finds that

¹ Headcount is a duplicated number if students enroll in more than one public university. FTE enrollment undercounts the number of students since it does not fully count part-time students. We use the more conservative FTE number in all models presented in this report.

² Some economic impact studies of universities report economic impacts without accounting for alternative uses of resources. As such, they report the overall economic 'footprint' of a university, which is necessarily larger than the sort of differential impact looked at in this report.

on-campus students spend an average of \$1,408 per month during the school year on these kinds of expenditures. Off-campus students spend slightly less, with average expenditures of \$1,318 per month.³ Absent the public university system in South Dakota, a substantial portion of the spending would be lost to other states. We assume that all non-resident student spending, and 70 percent of resident student spending would be lost to other states if not for the public universities.⁴ Weighting those spending levels by enrollment figures yields a total of \$193 million a year of student spending being injected into the South Dakota economy.



South Dakota public universities host numerous athletic events, cultural events, conferences, and camps that serve the state's population. Visitors to these events are an additional source of economic activity in the state. We surveyed students and faculty about visitors and their spending, and supplemented this with a survey of alumni about their spending (hotels, transportation, entertainment, food) when attending these kinds of events. This gave us an additional \$30.6 million of economic activity.

Students who attend out-of-state schools are less likely to stay and work in South Dakota. Absent the public universities, local students would be more likely to attend an out-of-state school or to not attend college. Both of these would reduce the number of college graduates in the South Dakota workforce. South Dakota workers with college degrees earn roughly 37.6 percent more than workers with only a high school diploma.⁵ We estimate that the wage bill (the sum of all wages earned) is 3.42 percent higher in South Dakota due to the presence of graduates from the public universities.⁶

The BOR expenditure data, student spending estimates, and the wage bill adjustment provide the inputs for our impact model.⁷ We use the Policy Insight model developed

³ Based on 2,038 respondents. Surveys were conducted during Spring 2010 and asked students about their spending patterns in a variety of categories, including rent, food, utilities, books, entertainment, transportation, and more. Spending patterns were similar across institutions, but all impact calculations use the institution averages. SDSMT students did not take the survey and were assumed to have the same monthly spending as the BOR average.

⁴ This is equivalent to assuming that the other 30 percent of resident students would either be absorbed by private universities within South Dakota, enroll in distance programs from universities outside of South Dakota, or simply choose not to attend college. Current BOR distance students are assumed to have the same spending patterns as they would absent the system. We feel these assumptions err on the conservative side of the true impact on student spending.

⁵ The 37.6 percent wage premium for South Dakota comes from Dr. Bill Adamson and Ritu Hooda of SDSU, who used CPS data from 1995–2007. Their report can be found in Issue 504 of the Economic Commentator, December 31, 2008.

⁶ This is a conservative estimate of the real effect on wages. It assumes that the South Dakota labor force has the same educational attainment as the population at large, that one half of the jobs that currently require college graduates could be filled by non-college graduates, and that the other half would be filled with students with out-of-state degrees. It also assumes that high-wage industries would not relocate to areas with better educated workers, though some of that relocation is accounted for in the impact model.

⁷ For further detail on the inputs used in the model, including a breakdown of expenditure data by institution, please refer to the appendix of this report.

by Regional Economic Models Inc. (REMI). REMI offers some advantages over other economic modeling software. In addition to a traditional input-output model, REMI uses computational general equilibrium modeling and econometric time-series techniques to create a dynamic response model that takes into account how the economy would react over time to changes. For this study we use the REMI model to estimate how the economy of South Dakota would look with and without the public university system; the difference between the two provides the impact of the public higher education system on the state economy.

RESULTS

Table 3 shows the overall economic impact, as measured by Gross State Product (GSP), for the public university system, as well as the economic impact that can be specifically attributed to the individual institutions.⁸ The system total represents nearly \$2 billion of economic impact. Given our conservative assumptions, this should be interpreted as a lower bound for the true impact of public higher education in South Dakota. Absent the public higher education system, South Dakota annual GSP would decrease by at least \$1.97 billion, which is equivalent to a 5 percent decline in the total economic activity of the state.

Table 4 shows the employment numbers associated with the university, as well as a breakdown for the six universities. The numbers represent the direct BOR employment numbers, as well as the number of jobs supported indirectly by the system. More than 14,700 jobs in South Dakota are attributable to the public higher education system. This includes the 5,326 jobs provided directly by the public universities, and also more than 9,300 jobs that depend on the economic activity that results from the presence of the public universities and their students.

Population impacts are also substantial. Economic activity and jobs associated with universities support the population, as would jobs in any industry, but have the added effect of keeping the student population in the state while they attend college. Table 5 reports the population impacts for each institution and for the system as a whole. The system total of 42,800 represents roughly 5 percent of the current population of South Dakota that resides in the state either directly or indirectly due to the public university system.

The individual breakdowns for public universities seen in Tables 3–5 are provided to highlight the economic contributions of each school, but have not been constructed in such a way as to provide meaningful comparisons about the performance of those institutions relative to the resources they receive or to the populations they serve.

SUMMARY

This report provides estimates for the impact of the South Dakota Board of Regents' system on the economy of South Dakota. The methodology provides a conservative estimate of the full impact of the public university system. We find that more than \$1.97 billion a year of economic activity is a result of the South Dakota public universities. More than 14,700 jobs are present in South Dakota directly or indirectly due to the system, as are more than 42,800 residents.

⁸ Note that the system total is larger than the sum of the individual institutions. The difference arises because not all BOR expenditures can be assigned to specific schools. The reported system total is the correct figure to use when considering the effects of the six universities as a whole.

Table 1. BOR System Annual Revenues by Source

SOURCE	AMOUNT
Student Revenue	
Tuition	\$102,352,444
Fees	\$84,578,327
Auxiliaries	\$46,674,241
Subtotal	\$233,605,011
Sponsored Programs	
Contracts & Grants	
Federal	\$99,128,399
State	\$11,361,794
Private	\$24,661,468
Subtotal	\$135,151,661
Appropriations	
General Fund Appropriations	\$175,588,070
ARRA Stabilization Appropriation	\$10,262,056
Subtotal	\$185,850,126
Other	
School & Public Lands	\$1,514,979
Federal Fund Appropriations	\$7,969,877
General Sales & Services	\$42,049,061
Endo/Ecto Tax	\$528,881
Other Revenues & Additions	\$135,090
Other Non-Operating Revenue	\$1,002,692
Subtotal	\$53,200,580
Total	\$607,807,378

Source: South Dakota Board of Regents, FY 2009

Table 2. BOR System Annual Expenditures by Category

CATEGORY	AMOUNT
Salaries and Benefits	\$319,242,306
Travel	\$12,873,472
Contractual Services	\$98,680,835
Supplies	\$41,823,064
Grants	\$17,972,640
Capital Outlays	\$29,045,674
Maintenance and Repairs	\$7,643,012
Construction Projects	\$48,470,326
Total	\$575,751,329

Source: South Dakota Board of Regents

Construction projects represents the average spending on new facilities construction plus renovations from FY 2005–FY 2009. All other figures are from FY2009.



Table 3. Annual Economic Impact—South Dakota Gross State Product

INSTITUTION	AMOUNT (millions)
Black Hills State University	\$190.6
Dakota State University	\$109.6
Northern State University	\$157.0
South Dakota School of Mines and Technology	\$148.3
South Dakota State University	\$766.2
The University of South Dakota	\$522.0
BOR System — Total*	\$1,969.7

Long-run impact estimates from the dynamic regional model. Numbers represent the annual amount of Gross State Product in South Dakota that is attributable to the BOR institutions as well as the system as a whole.

All estimates in 2009 dollars.

*The BOR system total includes the individual institutional impacts, as well as impact from BOR administrative expenditures and other system expenditures that cannot be broken down by institution.



Table 4. South Dakota Employment Impact

INSTITUTION	FULL-TIME JOBS
Black Hills State University	1,306
Dakota State University	789
Northern State University	1,067
South Dakota School of Mines and Technology	1,079
South Dakota State University	5,710
The University of South Dakota	3,821
<hr/>	
BOR System —Total*	14,758

Long-run impact estimates from the dynamic regional model. Numbers represent the number of additional jobs in the state due to the presence of the BOR institutions and the BOR system as a whole.

*The system total includes the individual institutional impacts, as well as impact from BOR administrative expenditures and other system expenditures that cannot be broken down by institution.



Table 5. South Dakota Population Impact

INSTITUTION	POPULATION
Black Hills State University	3,935
Dakota State University	2,263
Northern State University	3,280
South Dakota School of Mines and Technology	3,278
South Dakota State University	17,019
The University of South Dakota	11,221
<hr/>	
BOR System — Total*	42,804

Long-run impact estimates from the dynamic regional model. Numbers represent the amount of South Dakota population that is attributable to the presence of the BOR institutions and the BOR system as a whole.

*The system total includes the individual institutional impacts, as well as impact from BOR administrative expenditures and other system expenditures that cannot be broken down by institution.



APPENDIX

INPUT DETAIL AND METHODOLOGY

We use a regional economic model developed by REMI for the state of South Dakota. The model uses computational general equilibrium modeling and time-series econometric techniques to supplement a traditional input/output framework. The model takes into account the flow of goods and services both within South Dakota and between South Dakota and other states. The model creates a baseline prediction for economic activity in South Dakota which can then be altered to show the effect a particular firm or industry has on the state.

Table A1¹ lists the data used to create inputs for the economic model. The public university System total includes the six universities, but also BOR administrative expenses and system support operations. The first nine categories are expenditure data reported by the BOR.



Salaries and benefits represent compensation paid to employees of each university and of the system as a whole. Our model assumes that salaries of BOR employees are spent both inside and outside of South Dakota at the same rate as those of other South Dakota residents. Expenditures impact the state economy directly, with additional effects as this money cycles through the economy.

The next four categories (Supplies, Capital Outlays, Contractual Services, and Grants) expenditures are not as specific as the industry variables used in the REMI model. The BOR did not have more detailed breakdowns for these categories readily available, and we determined that the exact categories were not essential to providing a reasonable estimate of the effect of these expenditures. We assume that the BOR expenditures in each of these categories mirror the

expenditures in those categories for the state as a whole. For example, the Contractual Services figures are spread across utilities, professional and technical services, waste management, and food services, and in the same proportion as those services are utilized by the state as a whole. While it is unlikely that these proportions are exactly the same for BOR institutions, we found the impact estimates to be robust to different proportional assumptions. Grants specifically excludes student loans and scholarships, as those disbursements come back directly to the university system as tuition.

Maintenance and Repair expenditures are straightforward.

Travel expenditures include both in-state and out-of-state travel. If BOR employees spend proportionally more (or less) on in-state travel than the population as a whole, this underestimates (or overestimates) the economic effects of these expenditures. This category

¹ For the sake of readability, the table only presents data for FY2009, with the exception of Construction expenditures, which are a yearly average over FY 2004–2009.

does not include travel expenditures by visitors to public university events, nor the travel of students or employees to the institutions.

Construction expenditures in the table are a five-year average of the construction expenditures for each institution, using data from financial years 2005 through 2009. These expenditures include both new construction and renovations. Ideally, we would like to know the amount of construction handled by in-state versus out-of-state firms, as the former have a larger economic impact on the state. We do have some information about which construction projects are handled by out-of-state contractors, but we do not have information about whether related sub-contracts are also out-of-state. Absent this information, we've assumed that the ratio of in- and out-of-state construction expenditures for the BOR is the same as it is for all construction in the state.

Event Spending includes estimated spending by visitors to university events. This includes expenditures on transportation, hotels, food, and entertainment. We did not include gate receipts or concession sales as their impact should already be accounted for in BOR expenditures. The numbers for Event Spending come from our surveys of alumni, faculty, and students.

Student Spending amounts come from our student survey, weighted by the number of enrolled students.² If the students from certain universities are more likely to work in the state after graduation, then these proportions would be off. We did not feel that the reported data on graduates living in-state from the different institutions was reliable and comparable enough to use in the model. We assume that 70 percent of resident student spending and 100 percent of non-resident student spending is attributable to the public universities, and that the expenditures of distance students are not affected.

Wage adjustments show the effects of the change in educational attainment due to the presence of the six public universities. South Dakota workers with a college degree earn 37.6 percent more than those with only a high school education.³ Twenty-five percent of South Dakotans over the age of 25 have a bachelor's degree or more.⁴ We assume that the state workforce has similar educational attainment (a conservative estimate, considering that labor force participation is higher for college graduates) and consider the decrease in the overall wage bill we would see absent the public university system.



² Non-distance student enrollment numbers reported by BOR, weighted by the number of months those students live in South Dakota. See Annual Enrollment description below. Online courses taken by students who are primarily non-distance students are not included in the enrollment, meaning this number is a conservative estimate of true enrollment.

³ Adamson, Bill and Hooda, Ritu, Economic Commentator, Issue 504, December 2009.

⁴ U.S.Census Bureau, Table 228. Educational Attainment by State, 2007.

We assume that only half of the jobs filled by college graduates would be filled with lower wage workers absent the public system of higher education in the state, with the other half filled by college graduates from other states or private institutions within the state. We therefore calculate that 12.5 percent of the South Dakota labor force would be 72.7 percent as productive as college-trained counterparts.⁵ This results in an overall difference of 3.42 percent in South Dakota's wage bill to the public university system.⁶ To estimate the wage effects attributable to each university, we divide this overall wage bill difference weighted by their share of current student enrollment.⁷



Employment numbers represent full-time equivalent (FTE) employment for each institution and the system as a whole. For example, employment for Black Hills State University is 415.7, meaning they had the equivalent of 415.7 full-time employees in 2009.

Annual Enrollment numbers represent the average FTE enrollment of each institution over Fall and Spring semesters. These are the shares of current student enrollment used to allocate the overall wage change to the individual institutions.

Weighted Student Population represents the annualized amount of student population that lives in South Dakota due to the presence of public universities. This is calculated as 100 percent of the non-resident, non-distance student enrollment, plus 70 percent of the resident, non-distance student enrollment, weighted by the months in each semester (3/12 for summer, 4/12 for both Fall and Spring). For example, if one non-resident, non-distance student comes to live in South Dakota to attend school for Fall and Spring semester, that student adds 8/12 to the Weighted Student Population. We believe this is a reasonably conservative estimate of the population gains to South Dakota due to the public universities. Event and Student Spending both rely on Weighted Student Population.

⁵ Where $72.7\% = 1/(1 + \text{college wage premium of } .37.6\%)$.

⁶ $3.42 = (25/2) * (1 - .7267)$

⁷ Given our desire to provide conservative estimates, we elected not to include additional wage differences from workers with graduate and professional degrees. Using similar assumptions, those adjustments would increase the impact on wages to 4.10 percent, and would also increase the effect the public university system has on state GDP, jobs, and population. The impacts of institutions that provide substantial numbers of graduate and professional degrees would also increase.

We also have no data to account for wage differences that may exist between graduates of different institutions. If a obtaining a degree from a particular institution in the system has a greater (or lesser) effect on wages, then the wage change we've attributed to that institution would be too small (or too large) relative to the other institutions.

Table A1. Model Input Data, FY 2009

	BHSU	DSU	NSU	SDSMT	SDSU	USD	System
Salaries	\$19,749,649	\$13,926,915	\$16,931,415	\$23,141,936	\$85,782,853	\$77,363,147	\$261,598,881
Benefits	\$4,748,241	\$3,129,134	\$4,025,793	\$4,488,500	\$18,974,451	\$12,234,894	\$57,643,425
Travel	\$928,275	\$448,006	\$837,919	\$1,111,436	\$4636,124	\$2,718,446	\$12,873,472
Contractual Services	\$4,963,510	\$4,484,465	\$3,828,821	\$8,948,706	\$21,692,592	\$14,263,609	\$98,680,835
Supplies	\$3,318,711	\$1,970,361	\$2,207,523	\$3,141,761	\$19,846,638	\$4,510,578	\$41,823,064
Grants	\$350,992	\$35,767	\$1,185	\$911,286	\$7,806,969	\$2,050,033	\$17,972,640
Capital Outlay	\$1,304,115	\$1,613,344	\$1,246,715	\$3,871,593	\$7,275,165	\$4,447,573	\$29,045,674
Maintenance and Repair	\$634,727	\$293,615	\$856,162	\$639,957	\$1,831,887	\$2,991,896	\$7,276,469
Construction	\$3,128,551	\$672,444	\$2,649,000	\$2,383,732	\$15,229,485	\$19,821,765	\$48,470,326
Event Spending	\$4,537,658	\$2418,533	\$2,869,568	\$1,652,590	\$11,113,662	\$8,040,235	\$30,632,247
Student Spending	\$17,416,316	\$9,192,575	\$21,096,626	\$15,495,134	\$67,085,466	\$43,751,663	\$192,698,012
Wage adjustment	0.37	0.20	0.29	0.26	1.36	0.94	3.42
Employment	415.7	266.7	349.5	390.7	2,285.3	1,463.9	5,326.3
Annual Enrollment	2,334.4	1,259.9	1,885.9	1,664.2	8,759.7	5,971.3	21,875.3
Weighted Student Population	1,083.7	562.7	921.8	921.4	4,651.8	2,912.7	11,440.9
Input data used in constructing the economic impact model.							
<p>"Construction data is the yearly average over the 5 years from FY2004–2009.</p> <p>Event Spending and Student Spending data constructed using GRB survey data (2010) and BOR enrollment numbers (FY2009). Productivity adjustment constructed using educational attainment data from the U.S. Census Bureau (2007), and wage differential data reported in Adamson and Hooda (2008).</p> <p>All other inputs come from BOR FY 2009."</p>							
<p>"Annual Enrollment numbers reported here represent the average FTE enrollment of each institution over Fall and Spring semesters. Weighted Student Population represents the annualized amount of student population that lives in South Dakota due to the BOR institutions. This is calculated as 100% of the non-resident, non-distance student enrollment, plus 70% of the resident, non-distance student enrollment, weighted by the months in each semester (3 for summer, 4 for Fall and Spring). Event and Student Spending both rely on Weighted Student Population."</p>							



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EXECUTIVE SUMMARY

Black Hills State University (BHSU) is a four-year, public liberal arts institution. BHSU was founded in 1883 and currently offers 80 majors and minors for bachelor programs, five associate degree programs, 17 pre-professional programs, and four master's degree programs. BHSU holds many regional and national accreditations.

BHSU generates approximately **\$59.8 million** a year in total economic impact to South Dakota in the short-run, and approximately **\$190.6 million** a year in the long run. Black Hills State University receives \$7.8 million in state appropriations. Highlights include:

- BHSU directly supports **415.7** full-time jobs which provide **\$24.5 million** in salaries and benefits to South Dakota employees.
- BHSU generates **\$10.5 million** in direct economic impact through day-to-day operations and consumption of goods and services.
- BHSU acquired **\$12 million** in federal and private grants and contracts for research, development, and projects.
- BHSU students injected approximately **\$17.4 million** into the South Dakota economy through their day-to-day living expenses. This amount is in addition to \$24 million in tuition and fees.
- Visitors to BHSU (athletics, performances and other special events) injected more than **\$4.5 million** into the South Dakota economy through off-campus spending.

In addition to these kinds of direct effects, there are secondary and tertiary effects as money spent circulates throughout the South Dakota economy. Jobs in many other industries are directly and indirectly supported by BHSU. Using regional economic modeling, we estimate that BHSU is directly or indirectly supporting approximately 1,310 full-time jobs in South Dakota.

The presence of public universities in the state helps keep students in the state while they study, but also makes them more likely to stay in South Dakota than if they attended colleges in other states. The jobs provided by BHSU itself also have an important impact on population in the state. Our estimates suggest that over 3,900 people in South Dakota are here because of the impact of BHSU.



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Dakota State University (DSU) is a four-year, public liberal arts institution. DSU was founded in 1881 and currently offers 33 undergraduate programs and four graduate degree programs. DSU holds many regional and national accreditations.

DSU generates approximately **\$36.1 million** a year in total economic impact to South Dakota in the short-run, and approximately **\$109.6 million** a year in the long run. Dakota State University receives \$7.8 million in state appropriations. Highlights include:

- DSU directly supports **266.7** full-time jobs which provide **\$17.1 million** in salaries and benefits to South Dakota employees.
- DSU generates **\$8.5 million** in direct economic impact through day-to-day operations and consumption of goods and services.
- DSU acquired **\$4.3 million** in federal and private grants and contracts for research, development, and projects.
- DSU students injected approximately **\$9.2 million** into the South Dakota economy through their day-to-day living expenses. This amount is in addition to \$14.2 million in tuition and fees.
- Visitors to DSU (athletics, performances and other special events) injected more than **\$2.4 million** into the South Dakota economy through off-campus spending.

In addition to these kinds of direct effects, there are secondary and tertiary effects as money spent circulates throughout the South Dakota economy. Jobs in many other industries are directly and indirectly supported by DSU. Using regional economic modeling, we estimate that DSU is directly or indirectly supporting approximately 790 full-time jobs in South Dakota.

The presence of public universities in the state helps keep students in the state while they study, but also makes them more likely to stay in South Dakota than if they attended colleges in other states. The jobs provided by DSU itself also have an important impact on population in the state. Our estimates suggest that over 2,260 people in South Dakota are here because of the impact of DSU.



northern *State* university



Economic Impact Report

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Northern State University (NSU) is a four-year, public liberal arts institution. NSU was founded in 1901 and currently offers 36 majors and 42 minors for bachelor programs, six associate degree programs, eight pre-professional programs, and nine graduate degree programs. NSU holds many regional and national accreditations.

NSU generates approximately **\$52.3 million** a year in total economic impact to South Dakota in the short-run, and approximately **\$157.0 million** a year in the long run. Northern State University receives \$11.3 million in state appropriations. Highlights include:

- NSU directly supports **349.5** full-time jobs which provide **\$21 million** in salaries and benefits to South Dakota employees.
- NSU generates **\$8.1 million** in direct economic impact through day-to-day operations and consumption of goods and services.
- NSU acquired **\$5.2 million** in federal and private grants and contracts for research, development, and projects.
- NSU students injected approximately **\$21.1 million** into the South Dakota economy through their day-to-day living expenses. This amount is in addition to \$14.4 million in tuition and fees.
- Visitors to NSU (athletics, performances and other special events) injected more than **\$2.9 million** into the South Dakota economy through off-campus spending.

In addition to these kinds of direct effects, there are secondary and tertiary effects as money spent circulates throughout the South Dakota economy. Jobs in many other industries are directly and indirectly supported by NSU. Using regional economic modeling, we estimate that NSU is directly or indirectly supporting approximately 1,070 full-time jobs in South Dakota.

The presence of public universities in the state helps keep students in the state while they study, but also makes them more likely to stay in South Dakota than if they attended colleges in other states. The jobs provided by NSU itself also have an important impact on population in the state. Our estimates suggest that 3,280 people in South Dakota are here because of the impact of NSU.



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EXECUTIVE SUMMARY

South Dakota School of Mines and Technology (SDSMT) is a four-year, PhD-granting research, engineering, and technology university. SDSMT was founded in 1885 and currently offers more than 40 degree programs, including 15 master's and eight PhD degree programs.

SDSMT generates approximately **\$52.3 million** a year in total economic impact to South Dakota in the short-run, and approximately **\$148.3 million** a year in the long run. South Dakota School of Mines and Technology receives \$14.3 million in state appropriations. Highlights include:

- SDSMT directly supports 390.7 full-time jobs which provide **\$27.6 million** in salaries and benefits to South Dakota employees.
- SDSMT generates **\$17.1 million** in direct economic impact through day-to-day operations and consumption of goods and services.
- SDSMT acquired **\$14.4 million** in federal and private grants and contracts for research, development, and projects.
- SDSMT students injected approximately **\$15.5 million** into the South Dakota economy through their day-to-day living expenses. This amount is in addition to \$17 million in tuition and fees.
- Visitors to SDSMT (athletics, performances and other special events) injected more than **\$1.7 million** into the South Dakota economy through off-campus spending.

In addition to these kinds of direct effects, there are secondary and tertiary effects as money spent circulates throughout the South Dakota economy. Jobs in many other industries are directly and indirectly supported by SDSMT. Using regional economic modeling, we estimate that SDSMT is directly or indirectly supporting approximately 1,080 full-time jobs in South Dakota.

The presence of public universities in the state helps keep students in the state while they study, but also makes them more likely to stay in South Dakota than if they attended colleges in other states. The jobs provided by SDSMT itself also have an important impact on population in the state. Our estimates suggest that over 3,270 people in South Dakota are here because of the impact of SDSMT.



Economic Impact Report



EXECUTIVE SUMMARY

South Dakota State University (SDSU) is South Dakota's land-grant largest comprehensive research and teaching PhD granting university founded in 1881. SDSU is recognized by the Carnegie Foundation as a high activity research university offering 122 undergraduate and graduate degrees including 24 master's, 13 PhD, and two doctoral degree programs. SDSU holds many regional and national accreditations.

SDSU generates approximately **\$257.9 million** a year in total economic impact to South Dakota in the short-run, and approximately **\$766.2 million** a year in the long run. South Dakota State University receives \$62.3 million in state appropriations. Highlights include:

- SDSU directly supports **2,285.3** full-time jobs which provide **\$135.5 million** in salaries and benefits to South Dakota employees.
- SDSU generates **\$67.6 million** in direct economic impact through day-to-day operations and consumption of goods and services.
- SDSU acquired **\$56.9 million** in federal and private grants and contracts for research, development, and projects.
- SDSU students injected approximately **\$67.1 million** into the South Dakota economy through their day-to-day living expenses. This amount is in addition to \$88.4 million in tuition and fees.
- Visitors to SDSU (athletics, performances and other special events) injected more than **\$11.1 million** into the South Dakota economy through off-campus spending.

In addition to these kinds of direct effects, there are secondary and tertiary effects as money spent circulates throughout the South Dakota economy. Jobs in many other industries are directly and indirectly supported by SDSU. Using regional economic modeling, we estimate that SDSU is directly or indirectly supporting approximately 5,710 full-time jobs in South Dakota.

The presence of public universities in the state helps keep students in the state while they study, but also makes them more likely to stay in South Dakota than if they attended colleges in other states. The jobs provided by SDSU itself also have an important impact on population in the state. Our estimates suggest that over 17,010 people in South Dakota are here because of the impact of SDSU.



The University of South Dakota

Economic Impact Report



EXECUTIVE SUMMARY

The University of South Dakota (USD) is South Dakota's liberal arts and professional research university with professional schools in business, law and medicine. USD was founded in 1862 and offers 132 undergraduate majors and minors and 57 graduate degree programs, including 36 master's and 17 PhD degree programs. USD holds many regional and national accreditations.

USD generates approximately **\$170.7 million** a year in total economic impact to South Dakota in the short-run, approximately **\$522.0 million** a year in the long-run. The University of South Dakota receives \$48.7 million in state appropriations. Highlights include:

- USD directly supports **1,463.9** full-time jobs which provide **\$94.2** million in salaries and benefits to South Dakota employees.
- USD generates **\$44.2 million** in direct economic impact through day-to-day operations and consumption of goods and services.
- USD acquired **\$40.4 million** in federal and private grants and contracts for research, development, and projects.
- USD students injected approximately **\$43.8 million** into the South Dakota economy through their day-to-day living expenses. This amount is in addition to \$56.8 million in tuition and fees.
- Visitors to USD (athletics, performances and other special events) injected more than **\$8.0 million** into the South Dakota economy through off-campus spending.

In addition to these kinds of direct effects, there are secondary and tertiary effects as money spent circulates throughout the South Dakota economy. Jobs in many other industries are directly and indirectly supported by USD. Using regional economic modeling, we estimate that USD is directly or indirectly supporting approximately 3,820 full-time jobs in South Dakota.

The presence of public universities in the state helps keep students in the state while they study, but also makes them more likely to stay in South Dakota than if they attended colleges in other states. The jobs provided by USD itself also have an important impact on population in the state. Our estimates suggest that over 11,220 people in South Dakota are here because of the impact of USD.



The University of South Dakota

GOVERNMENT RESEARCH BUREAU