“NIC plays a significant role in the local economy and is a sound investment from multiple perspectives. Students benefit from improved lifestyles and increased earnings. Taxpayers benefit from a larger economy and lower social costs. Finally, the community as a whole benefits from increased job and investment opportunities, higher business revenues, greater availability of public funds, and an eased tax burden.” –EMS report

North Idaho College

North Idaho College is a comprehensive community college based in Coeur d’Alene, Idaho, with a service area spanning the five northern counties of Idaho, including Kootenai, Boundary, Bonner, Benewah, and Shoshone counties.

The Economic Impact of North Idaho College

$164.6 million
The total annual impacts on North Idaho by NIC

$1,500
The return for every dollar of support allocated to NIC by state and local governments

16.1 percent
A student’s average rate of return on investment in NIC

2.7 percent
The total percentage of the regional economy impacted by NIC

Conducted by Economic Modeling Specialists, Inc. (EMSI) August 2012

www.nic.edu/economicimpact
The study includes two major analyses:

**Investment Analysis:** Treats education funding as an investment, calculating all measurable returns and comparing them to costs, from the perspectives of students, taxpayers, and society as a whole.

**Economic Growth Analysis:** Measures added income in the region due to college operations, student spending and the accumulated skills of past and present students still in the workforce.

For the full report, visit www.nic.edu/economicimpact.

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**Student's Perspective:**

Benefits of higher education are most obvious from the student perspective: Students sacrifice current earnings (as well as money to pay for tuition) in return for a lifetime of higher income.

- Students enjoy a 16.1 percent average rate of return on their NIC educational investment, recovering all costs in 8.4 years.
- The average NIC student’s income increases by $3.60 for every dollar invested in NIC.

**Taxpayer’s Perspective:**

An estimated 75 percent of NIC students remain in Idaho and contribute to economic growth. Students who enter the workforce expand the tax base by generating higher earnings and reducing social costs.

- State and local governments allocated approximately $30.4 million in support of NIC in fiscal year 2010-2011. For every dollar of this support, taxpayers see a return of $1.50 (in the form of higher tax receipts and avoided costs).
- State and local governments see an annual rate of return of 5.8 percent on their support for NIC.
- Higher student earnings and associated increases in property income generate approximately $2.4 million in added tax revenue each year.

**Social Perspective:**

Education is statistically correlated with improved lifestyle behaviors, including lower probability of committing crime, fewer welfare and unemployment claims, and reduced incidences of absenteeism, alcohol abuse, and smoking. Once NIC’s current students become active in the workforce, they will promote business output, raise consumer spending, and increase property income in the state.

- Higher earnings of NIC students and associated increases in state income expand the tax base in Idaho by about $24 million each year.
- Idaho will see avoided social costs amounting to $1.4 million per year due to improved health, reduced crime, and reduced welfare and unemployment.

**Economic Perspective:**

NIC affects the local economy in three ways:
1) through its local purchases, including wages paid to faculty and staff;
2) through the spending of students who come from outside the region; and
3) through the increase in the skill base of the local workforce.

- The North Idaho economy annually receives $32.9 million in income due to NIC operations. Approximately 28 percent of NIC students come from outside the region. The expenditures of NIC’s non-local students generate roughly $19.2 million in added income in North Idaho each year. This equates to a total of $52.1 million in income to the North Idaho economy each year.
- The North Idaho economy embodies an estimated one million credits that have accumulated over the past 30-year period as thousands of former NIC students enter the workforce. NIC credits translate to higher earnings for students and increased output of businesses. The added income attributable to the accumulation of NIC credits in the workforce amounts to approximately $112.5 million each year.

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**How does the North Idaho economy and the state of Idaho benefit from the presence of North Idaho College?**

**$164.6 million**

The total annual impacts on North Idaho by NIC. This represents 2.7 percent of the total regional economy and roughly 4,690 average-wage jobs.

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**Return on Investment**

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**Education Pays Back... for a Lifetime**

By 2021, it is anticipated that there will be approximately 48,800 new and replacement jobs available in North Idaho. About 24 percent of these jobs will require an education level equal to an associate’s degree or greater. Another 8 percent of available jobs in 2021 will require some kind of post-secondary certificate or vocational award.

- The average annual income of the typical associate’s degree graduate in North Idaho at the midpoint of his or her career is $32,500, 35 percent more than someone with only a high school diploma.
- Over the course of a working lifetime, associate’s degree graduates in North Idaho earn $255,000 more than someone with a high school diploma.