

RETURN ON INVESTMENT TO SOCIETY

Demonstrating the Value of Lone Star College System

MAY 2014



Benefits created by LSCS extend to far more people than just its students. As students and employers enjoy higher income and increased output, society as a whole benefits from an expanded economy and a range of savings associated with the students' improved quality of life.

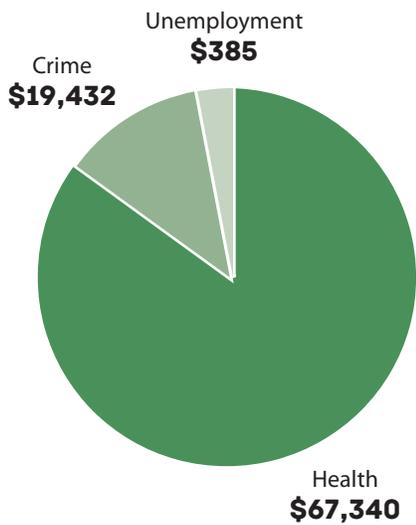
LSCS RAISES PROSPERITY IN THE STATE

- Students earn more because of the skills and qualifications they acquire at LSCS. Further, employers earn more because the added skills of the students they hire make their businesses more productive.
- Together, increases in earnings and business output stimulate corresponding increases in income and employment throughout the state. Over their working lives, LSCS's 2012-13 student population will generate a present value of **\$9.4 BILLION** in added income in the state of Texas.

LSCS IMPROVES QUALITY OF LIFE

- As LSCS students achieve higher levels of education, they are statistically more likely to develop good health habits. This leads to a present value of **\$67.3 MILLION** in savings to students and to society as a whole for medical treatment related to smoking, alcoholism, obesity, drug abuse, and mental disorders.

PRESENT VALUE OF SOCIAL SAVINGS (THOUSANDS)



- Students enjoy better employment opportunities as a result of their education at LSCS. This makes them less likely to require income assistance and less likely to commit crimes. These effects translate to a present value of **\$385,489** in unemployment-related savings and **\$19.4 MILLION** in law enforcement savings to society as a whole.
- Altogether, savings to society amount to a present value of **\$87.2 MILLION**, equal to the sum of avoided costs related to health, crime, and unemployment.



BENEFITS TO SOCIETY OUTWEIGH TAXPAYER COSTS

- In FY 2012-13, society invested **\$1.3 BILLION** in LSCS educations. This includes all LSCS expenditures, all student expenditures, and all student opportunity costs. In return for this investment, society as a whole will receive a present value of **\$9.5 BILLION** in benefits, the sum of the added income and social savings that LSCS's 2012-13 student population will generate in the state.
- For every dollar spent on LSCS educations, society as a whole in Texas will receive a cumulative value of **\$7.10** in benefits, for as long as LSCS's 2012-13 students remain active in the state workforce.