Business Perspective

CF Raises Consumer Spending

- CF employed 434 full-time and 705 part-time faculty and staff in the 2010-2011 reporting year, with an annual payroll of $31.2 million.
- In addition to payroll, CF spent $33.8 million in fiscal year 2010-2011 for supplies and services, of which an estimated 36 percent was spent in the tricounty service area.
- CF estimates that approximately 8 percent of its students come from outside the tricounty service area. Nonlocal students who settle in the region spend money at local businesses for food, transportation, and other personal expenses.

CF Generates New Income

- The net added income generated by CF operations ($34 million) and the spending of nonlocal students ($7.4 million) contributes a total of $41.4 million in income to the tricounty service area economy each year.
- The increased productivity of workers due to the accumulation of past and present CF skills in the tricounty service area workforce creates approximately $308.3 million in added income each year.

CF Creates a Skilled Workforce

- CF activities encourage new business, assist existing business, and create long-term economic growth. The college enhances worker skills and provides customized training to local business and industry.
- An estimated 3.2 million CF credits have accumulated in the tricounty service area workforce over the past 30 years as former CF students (completers and noncompleters) enter the regional workforce each year.

Added Income in the Tricounty Service Area Due to CF ($ Millions)

- Spending effect, $41.4
- Productivity effect, $308.3

Projected 2021 Jobs By Skill Level In the Tricounty Service Area (%)

- Graduate
- Bachelor’s
- Associate
- Postsecondary award
- Work experience
- Long-term training
- Moderate-term training
- Short-term training

Percent of Jobs
Education Will Pay You Back—For a Lifetime

- Students enjoy an attractive 15.6 percent rate of return on their CF educational investment.

- Over the course of his or her working career, the average CF student's lifetime earnings will increase $4.20 for every dollar invested in their CF education (in the form of tuition, fees, and foregone earnings).

- The average annual income of the typical associate degree graduate in the tricounty service area at the midpoint of his or her career is $31,100, 35 percent more than someone with a high school diploma.

- Over the course of a working lifetime, associate degree graduates in the tricounty service area earn $270,500 more than someone with a high school diploma (undiscounted).

Education Is Your Ticket to a Better Job

- By 2021 it is anticipated that there will be about 83,200 new and replacement jobs available in the tricounty service area.

- About 26 percent of these jobs will require an education level equal to an associate degree or greater.

- Another 8 percent of available jobs in 2021 will require some kind of postsecondary certificate or vocational award.
Social & Taxpayer Perspective

Social Perspective

The social perspective adds up all benefits attributable to CF, regardless of recipient, and compares the total to the original investment made. This is called the “benefit/cost ratio.” If the ratio is less than 1.0, the investment is not worthwhile; if it is greater, the investment is considered sound.

For example, a transportation authority might justify a new road by showing that savings in travel time and vehicle expenses accrued by thousands of drivers exceed the project’s cost. Public parks are justified by showing that recreation, scenic, and other values enjoyed by park users exceed the cost of park infrastructure, operation, and the net value of the park’s land and resources not used for other purposes. So the social perspective counts all benefits, not just those that accrue back to state or local government.

Benefits generated by CF also accrue to different groups. Students benefit from higher incomes, employers benefit from increased worker productivity, and the public at large benefits from an expanded economic base. The public also enjoys a variety of external social benefits, such as reduced crime, lower welfare and unemployment, improved health, and less absenteeism from work. All of these are tallied up and compared to the investment made by state and local governments, or the taxpayers. A social perspective benefit/cost ratio greater than 1.0 is a minimal indicator of a worthwhile public investment.

Counting benefits and costs in this way, CF’s benefit/cost ratio is 22.2. In other words, the cumulative added value attached to each dollar invested will have a present value of $22.20 by the end of the students’ working careers.

Taxpayer Perspective

The taxpayer investment perspective counts only benefits that can be entered into the books of state and local governments. For example, educated workers earn more and thus pay more taxes. Furthermore, because state and local governments bear part of the cost of crime, their budgets benefit from education’s crime-reducing effect, and the same is true for other benefits of an educated populace. The bottom line: state and local governments receive returns from their support of CF in the form of increased tax revenue and savings associated with avoided social costs.

Worthwhile public projects often generate negative taxpayer perspective returns, because the role of government is to provide services that the public wants but that the business sector may find unprofitable. Considerable funds are spent on public parks, for example, yet they yield little or no direct return. From a taxpayer perspective, returns are negative, though the park is justified by the benefits tracked under the social perspective.

But unlike most government endeavors, funding for CF generates strong results from both the social and taxpayer perspectives. Economists generally assume a 3 percent discount rate in analyzing government investments, assuming that governments can obtain unsecured loans at a rate of 3 percent or receive a 3 percent return on any excess funds, if they were invested. Since CF’s taxpayer rate of return of 9.2 percent is greater than 3 percent, state and local governments actually make money on the investment. By funding the college, therefore, other recipients of state and local funding are actually subsidized through the revenues generated by the college.

Comparison of CF’s Rate of Return to Discount Rate and Average Return on Stocks and Bonds

![Comparison graph showing 9.2% for CF, 7.0% for stocks & bonds, and 3.0% for discount rate]
College of Central Florida adds more money to the state treasury than it takes out. Not only does the college pull its own weight, but it also effectively subsidizes other sectors funded by taxpayers.

**CF Increases State Income**

- The activities of CF’s 2010-2011 student body will generate about $21 million in labor income in the state economy each year.
- Once CF’s current students become active in the workforce, they will promote business output, raise consumer spending, and increase property income in the state. All of this contributes an additional $10.8 million in taxable income each year.
- Altogether, higher student income and associated effects on business productivity add $31.9 million in income annually to the state economy.

**CF Benefits Society**

- The combined benefits to society amount to an average $34.5 million annually.
- The present value of these savings over the students’ working life totals $568.5 million.
- Weighing total present values against the present-value costs to the public sector ($25.7 million) generates a benefit-cost ratio to society of 22.2.

**Annual Benefits to the Florida Public Due to CF ($ Millions)**

- **Added income, $31.9**
- **Social savings, $2.7**

**CF Reduces Social Costs**

- Education is statistically correlated with improved lifestyle behaviors, including reduced incidences of absenteeism, alcohol abuse, and smoking, lower probability of committing crime, and fewer welfare and unemployment claims.
- It is estimated that CF’s 2010-2011 student population will generate social savings to the Florida public equal to $2.7 million a year.
- These savings accrue to all state and local residents — students, homeowners, businesses and taxpayers.

**CF Leverages Taxpayer Dollars**

- An estimated 93 percent of CF students remain in Florida and contribute to economic growth. Students who enter the workforce expand the tax base by generating higher earnings and reducing social costs.
- Higher student earnings and associated increases in property income generate about $3.5 million in added tax revenue each year.
- State and local governments will save approximately $223,000 in avoided social costs each year, including savings associated with improved health, lower costs of law enforcement, and fewer welfare claimants.

**CF Generates a Return on Public Investment**

- State and local governments allocated about $25.7 million in support of CF in fiscal year 2010-2011.
- For every dollar appropriated by state and local governments to CF, taxpayers will see a return with a cumulative added value of $2.40 in the form of higher tax revenues and avoided social costs.
- State and local governments will receive a rate of return of 9.2 percent on their investments in CF.

**Long-term Return to State and Local Taxpayers on Their CF Investment**

- State and local governments will save approximately $223,000 in avoided social costs each year, including savings associated with improved health, lower costs of law enforcement, and fewer welfare claimants.
Investment Analysis

Student Perspective

- CF served 16,825 students in the 2010-2011 reporting year.
- Education increases lifetime income. The average income at the career midpoint of someone with an associate degree in the tricounty service area is $31,100.

• Students enjoy a 15.6 percent rate of return on their investment in CF.

- The average CF student’s income increases by $4.20 for every dollar invested in CF.
- Students enjoy an attractive 15.6 percent average rate of return on their CF educational investment, recovering all costs in nine years.

Social Perspective

- Higher earnings of CF students and associated increases in state income expand the tax base in Florida by about $31.9 million each year.
- Florida will see avoided social costs amounting to $2.7 million per year due to improved health, reduced crime, and reduced welfare and unemployment.

Taxpayer Perspective

- State and local governments allocated approximately $25.7 million in support of CF in fiscal year 2010-2011.
- For every dollar of this support, taxpayers see a return of $2.40 (in the form of higher tax receipts and avoided costs).
- State and local governments see an annual rate of return of 9.2 percent on their support for CF.

Economic Growth Analysis

College Operations Effect

- The tricounty service area economy receives roughly $34 million in income annually due to CF operations.

Student Spending Effect

- CF estimates that approximately 8 percent of its students come from outside the region.
- The expenditures of CF’s nonlocal students generate approximately $7.4 million in added income in the tricounty service area each year.

Productivity Effect

- The tricounty service area economy embodies an estimated 3.2 million credits that have accumulated over the past 30 years as thousands of former CF students enter the workforce.
- CF credits translate to higher earnings for students and increased output of businesses. The added income attributable to the accumulation of CF credits in the workforce amounts to about $308.3 million each year.

• Added income attributable to the skills generated by CF and its operations amounts to $349.7 million each year.

Total Effect

- The total annual impacts on the tricounty service area sum to $349.7 million.
- The total impact represents 3.5 percent of the total regional economy and roughly 10,380 average wage jobs.
Central Florida Junior College was established in 1957 when community leaders and citizens envisioned an educational resource that would help Marion, Citrus and Levy counties to grow and prosper. In 1966, CFJC and Hampton Junior College merged. In 1971, the name was changed to Central Florida Community College to better reflect the purpose and function of the institution. In 2010 the name was changed to College of Central Florida. CF is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools to award associate and baccalaureate degrees. Contact the Commission on Colleges at 1866 Southern Lane, Decatur, Ga. 30033-4087 or call 404-679-4500 for questions about the accreditation of CF.

### Student Enrollment

<table>
<thead>
<tr>
<th></th>
<th>Credit</th>
<th>Noncredit</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Summer 2011</td>
<td>4,915</td>
<td>1,207</td>
<td>6,122</td>
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<tr>
<td>Fall 2011</td>
<td>8,965</td>
<td>1,205</td>
<td>10,170</td>
</tr>
<tr>
<td>Spring 2012</td>
<td>8,501</td>
<td>1,780</td>
<td>10,281</td>
</tr>
<tr>
<td><strong>Unduplicated Total, 2011-2012</strong></td>
<td><strong>12,010</strong></td>
<td><strong>3,460</strong></td>
<td><strong>15,470</strong></td>
</tr>
</tbody>
</table>

### Enrollment by Program, 2011-2012

- Associate in Arts: 65.2%
- Associate in Science: 17.9%
- Adult Vocational Certificate: 5.8%
- College Credit Certificate: 1.6%
- Baccalaureate: 2.5%
- Other: 7%
- **Total**: 100.0%

### Credit Student Demographics, 2011-2012

#### Gender
- Female: 61%
- Male: 38%
- Undeclared: 1%

#### Race/Ethnicity
- White (not of Hispanic origin): 58.5%
- Black (not of Hispanic origin): 12.5%
- Hispanic: 8.6%
- Asian or Pacific Islanders: 2.5%
- American Indian/Alaskan Native: .4%
- Undeclared: 17.5%
- **Total**: 100.0%

#### Age, 2011-2012
- Under 22: 45.1%
- 22-24: 13.0%
- 25-34: 22.7%
- 35-44: 10.0%
- 45 and Over: 9.1%
- Undeclared: .1%
- **Total**: 100%

- **Average age: 26.6**

### Credit Students by Address, Fall 2011

#### In District
- Marion County: 70.4%
- Citrus County: 20.4%
- Levy County: 3.0%
- **Total**: 93.8%

#### Out of District
- 5.4%

#### Out of State
- 0.8%
- **Total**: 100.0%

### Tricounty Population, 2011 Estimate

- Marion County: 332,529
- Citrus County: 140,031
- Levy County: 40,156
- **Total**: 512,716

### Full-time Employee Positions, July 1, 2011

- Administrators: 36
- Career Service: 165
- Faculty/Librarians/Counselors: 124
- Professionals: 109
- **Total**: 434

### Operating Budget, 2011-2012

- **Expenditures**
  - Personnel: $28,225,500
  - Operating: $9,950,300
  - Capital Outlay: $800,000
- **Total**: $38,975,800

### CF History and Accreditation

Central Florida Junior College was established in 1957 when community leaders and citizens envisioned an educational resource that would help Marion, Citrus and Levy counties to grow and prosper. In 1966, CFJC and Hampton Junior College merged. In 1971, the name was changed to Central Florida Community College to better reflect the purpose and function of the institution. In 2010 the name was changed to College of Central Florida. CF is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools to award associate and baccalaureate degrees. Contact the Commission on Colleges at 1866 Southern Lane, Decatur, Ga. 30033-4087 or call 404-679-4500 for questions about the accreditation of CF.