The University of North Carolina at Greensboro (UNCG) improves higher education delivery throughout the state and helps students increase their employability and potential. By facilitating new research and entrepreneurship and drawing students and visitors to North Carolina, the university also generates new dollars and opportunities for the state. The purpose of this analysis is to assess the impact of UNCG on the state economy. The analysis also looks at the benefits generated for students, North Carolina as a whole, and taxpayers.

Our analysis shows that in FY 2012-13, the $375.3 million in payroll and operations spending of UNCG, together with its construction spending and the spending of its students, visitors, alumni, and start-up companies, created $1.5 BILLION in added state income. This is equal to approximately 0.3% of the total Gross State Product of North Carolina, and is equivalent to creating 25,331 new jobs.

*Note: Our estimated economic impacts are conservative in that we directly take into account the fact that state and local dollars spent on the university could have been spent elsewhere in North Carolina if not directed toward UNCG, and thus would have created some economic impacts regardless. We account for these alternative uses of funds directly in our analysis by (i) assuming that if funds were not directed to UNCG, they would have been returned to the taxpayer and generate economic impacts through household spending on goods and services, and (ii) subtracting the estimated economic impacts generated by this alternative use of funds from the estimated economic impacts of UNCG. Thus, we report a net impact of UNCG that is above and beyond what would have occurred had the funds been returned to the taxpayer.
These economic impacts break down as follows:

**Operations spending impact**
- Payroll and non-pay expenditures to support day-to-day operations (less research) of UNCG amounted to $223.5 MILLION and $132.8 MILLION, respectively. The net impact of the university’s operations spending in North Carolina during the analysis year was approximately $264.6 MILLION in added state income, which is equivalent to creating 3,913 jobs.

**Research spending impact**
- Research activities of UNCG impact the state economy by employing people and making purchases for equipment, supplies, and services. They also facilitate new knowledge creation throughout North Carolina through inventions, patent applications, and licenses. In FY 2012-13, UNCG spent $10 MILLION on payroll to support research activities.
- Research spending of UNCG generates $22 MILLION in added state income for the North Carolina economy, which is equivalent to creating 329 new jobs.

**Construction spending impact**
- UNCG built or renovated a number of its facilities during the analysis year. This spending generated a short-term infusion of income and jobs in the state economy.
- The net impact of the university’s construction spending in FY 2012-13 was $5.5 MILLION in added state income, equivalent to 223 new jobs.

**Business start-up impact**
- UNCG creates an exceptional environment that fosters innovation and entrepreneurship, evidenced by the number of start-up companies related to UNCG in the state. In FY 2012-13, start-up companies related to the university created $1.1 MILLION in added state income for the North Carolina economy, which is equivalent to creating 16 jobs.
Student spending impact

- Around **10%** of graduate and undergraduate students attending UNCG originated from outside the state. Some of these students relocated to North Carolina and spent money on groceries, transportation, rent, and so on at North Carolina businesses.

- The expenditures of students who relocated to the state during the analysis year added approximately **$9.8 million** in state income for the North Carolina economy, which is equivalent to creating **180** new jobs.

Visitor spending impact

- Out-of-state visitors attracted to North Carolina for activities at UNCG brought new dollars to the economy through their spending at hotels, restaurants, gas stations, and other state businesses.

- Visitor spending added approximately **$4.1 million** in state income for the North Carolina economy, which is equivalent to creating **105** new jobs.

Alumni impact

- Over the years, students gained new skills, making them more productive workers, by studying at UNCG. Today, thousands of these former students are employed in North Carolina.

- The accumulated contribution of former UNCG students currently employed in the North Carolina workforce amounted to **$1.2 billion** in added state income to the North Carolina economy, which is equivalent to creating **20,564** new jobs.
**Student perspective**

- Students attending UNCG during FY 2012-13 paid a total of $110.2 million to cover the cost of tuition, fees, books, and supplies. They also forwent $285.3 million in money that they would have earned had they been working instead of learning.

- In return for the money students invest to earn their degrees, they will receive a present value of $1.3 billion in estimated 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 UNCG education. The average annual return for students is 13.3%.

**Societal perspective**

- North Carolina as a whole will receive a present value of $6.5 billion in added state income over the course of the students’ working lives. Communities will also benefit from $1.1 billion 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 educations at UNCG during the analysis year, North Carolina communities will receive a cumulative value of $11.20 in benefits, for as long as the 2012-13 students of UNCG remain active in the state workforce.

**Taxpayer perspective**

- In FY 2012-13, state and local taxpayers in North Carolina invested $181.5 million to support the operations of UNCG. The net present value of the added tax revenue stemming from the students’ higher lifetime incomes and the increased output of businesses amounts to $627.4 million in benefits to taxpayers. Savings to the public sector add another $195.1 million in benefits due to a reduced demand for government-funded services in North Carolina.

- Dividing benefits to taxpayers by the associated costs yields a 4.5 benefit-cost ratio, i.e., every $1 in costs returns $4.50 in benefits. The average annual return on investment for taxpayers is 12.4%.