

LABOR STUDY

SOCCCD contributes \$7.1 billion to the Orange County economy

SOCCCD Public Affairs

The South Orange County Community College District showed a \$7.1 billion impact on the Orange County economy, according to a regional labor market study commissioned by the Orange County Regional Consortium in collaboration with Lightcast, company that provides labor market data analysis.

The study measured the economic impact created by SOCCCD on the business community and the benefits that Saddleback College and Irvine Valley College generate in return for the investments made by stakeholder groups, including students, taxpayers, and the greater community.

Some highlights from the report include the impact felt from successful alumni of the colleges, returns on investments for students and taxpayers, and how society is better because of the work done within SOCCCD.

Alumni impact

The education and training the colleges provide for county residents has the greatest impact. Since the colleges were established, students have studied at SOCCCD and entered the county workforce with greater knowledge and new skills. Today, hundreds of thousands of former SOCCCD students are employed in Orange County. As a result of their education from SOCCCD, the students receive higher earnings and increase the productivity of the businesses that employ them. In fiscal year 2020-21, SOCCCD alumni generated \$1.5 billion in added income for the county economy, which is equivalent to supporting 15,454 jobs.

Return on investment

In 2020-21, SOCCCD served 55,780 credit and 9,367 non-credit students. The total investment made by SOCCCD students in 2020-21 amounted to a present value of \$271.9 million, equal to \$37.7 million in out-of-pocket expenses. In return for their investment, SOCCCD students will receive a stream of higher future earnings that will continue to grow throughout their working lives—on average earning annual earnings \$10,100 higher than a person with a high school diploma and \$404,000 in higher earnings over a career lifetime.

Taxpayers' benefit

For every dollar of public money invested in SOCCCD, taxpayers will re-



PHOTO COURTESY OF SOCCCD PUBLIC AFFAIRS

The Advanced Technology and Applied Science building at Saddleback College

“The South Orange County Community College District has a long history of maintaining strong partnerships with the business community for the benefit of our students. This report helps confirm the essential value that Saddleback College and Irvine Valley College bring to the greater Orange County region and local economy, but also that an investment in education is a sound investment, with plentiful returns.”

- SOCCCD Chancellor
Julianna Asperin Barnes

ceive a cumulative value of \$1.80 over the course of the students' working lives. The average annual internal rate of return for taxpayers is 3.1%, which compares favorably to other long-term investments in the public and private sectors.

Social perspective

Society as a whole in California ben-



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Saddleback College students enjoy the weather in front of the Student Services Center.

efits from the presence of SOCCCD in two major ways. Primarily, society benefits from an increased economic base in the state. This is attributed to the added income from students' increased lifetime earnings (added student income) and increased business output (added business income), which raise economic prosperity in California. For

every dollar invested in SOCCCD, people in California will receive a cumulative value of \$11.90 in benefits. The benefits of this investment will occur for as long as SOCCCD's 2020-21 students remain employed in the state workforce. Altogether, the social benefits of SOCCCD equal a present value of \$7.1 billion.