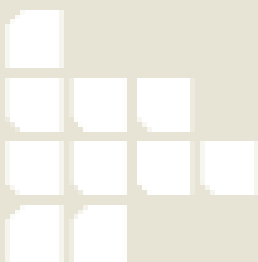
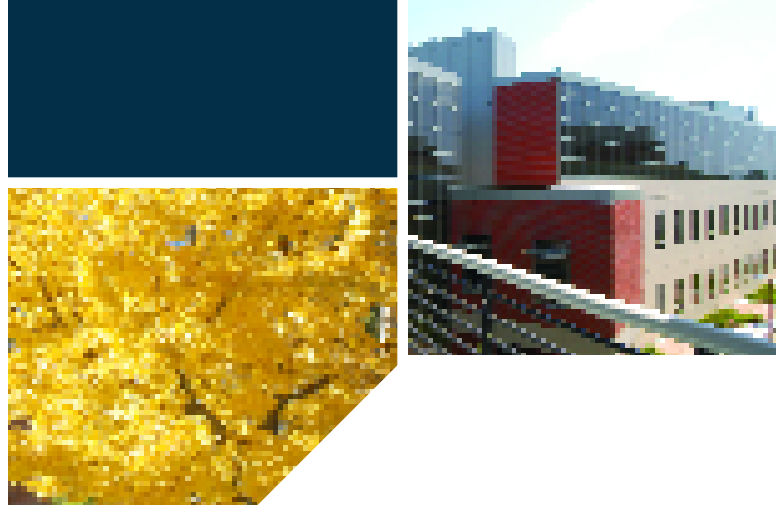


CSULB ECONOMIC IMPACT REPORT



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■ Introduction

California State University, Long Beach's stature as a respected major regional university is evidenced by the more than 52,000 applications it received for the fall 2004 term. With an annual student population of approximately 35,000, CSULB has the largest enrollment among the CSU system's 23 campuses and is the second largest university in California. It is ranked among the top three public master's universities in the west by **U.S. News and World Report's 2005 Best College Guide** and is listed among **Princeton Review's Best in the West**.

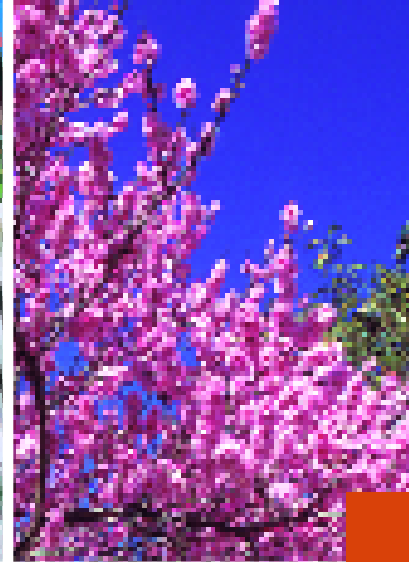


■ Overall Economic Impact

California State University, Long Beach generates significant economic activity in the Southern California region. Its direct impacts are measured by its expenditures on goods, services, salaries and benefits. The presence of the university also leads to indirect expenditures in the region, as suppliers to the university spend on payroll and materials, and employees and pensioners spend their incomes in the local economy. Furthermore, the regional economic impact of student expenditures and the subsequent "multiplier" effects of all these factors are considerable.

When all of these effects are measured, California State University, Long Beach generated **an annual economic impact of \$1.034 billion** in the Southern California region in the 2003-2004 fiscal year.

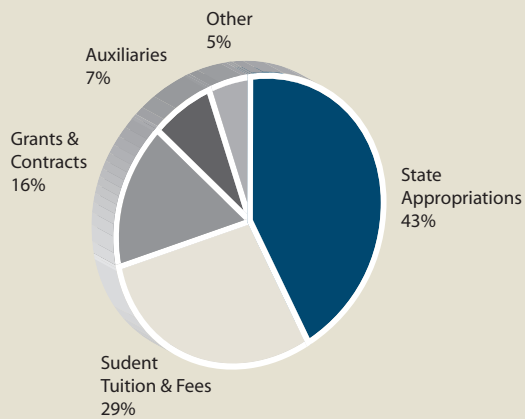
Stated differently, CSULB's economic activities generate **\$2.8 million** daily in the region's economy. State appropriations account for only 43 percent of the university's revenue. **For every dollar of appropriations income invested in California State University, Long Beach, the university generates another \$4.33 in economic activity.**



■ University Funds Sources and Uses

Cal State Long Beach receives its funds from a number of different sources. While state appropriations represent the largest single source of funding at \$194.2 million, they account for only 43 percent of revenues. Next in order of importance is student tuition and fees of \$129.2 million, followed by grants and contracts, and revenues of auxiliary enterprises.

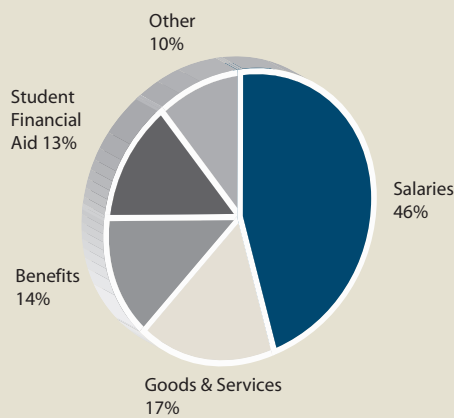
SOURCES OF REVENUE





As with most service-based enterprises, salaries and benefits constitute the largest portion of university expenditures, followed by expenditures on goods and services and student financial support.

USES OF REVENUE



The university spent **\$242 million on payroll and benefits** to its faculty and staff and \$114.5 million on goods and services. In addition, CSULB retirees, both faculty and staff, residing in the region received **\$28 million in pension income**. In measuring the university's economic impact, the payroll of student workers is taken into account in the student expenditure section.

The expenditures by the university and the pension income of its retirees represent a **total direct economic impact of \$389.5 million** in the region. This direct spending, in turn, led to an additional **\$225.4 million in indirect expenditures** in the region, as suppliers to the university spent on payroll and materials, and employees and pensioners spent their incomes in the local economy. **The total economic impact, both direct and indirect, of these expenditures in the region was \$614.9 million.**



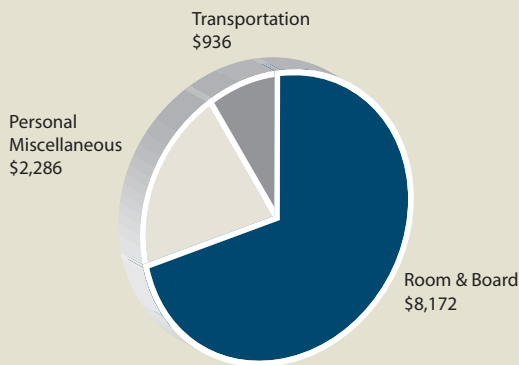


Student Expenditures

With an annual enrollment of 35,000 students seeking undergraduate or graduate degrees and over 7,000 students in certificate and non-credit courses, the university's students generate a significant economic impact on the region through their expenditures on goods and services. Student expenditures were estimated using Student Expenses and Resources Survey data, which indicate the following average expenditures for off-campus Long Beach students during a nine-month academic year.

Based on these data, it is estimated that the **total direct impact of student expenditures** is **\$223.5 million**. Student expenditures for on-campus purchases of meals, books, etc. are excluded since they are accounted for as income to the auxiliary managing dining services and the bookstore. Student expenditures led to additional **indirect expenditures of \$195.8 million**, leading to **a total economic impact in the region of \$419.3 million**.

AVERAGE STUDENT EXPENDITURES

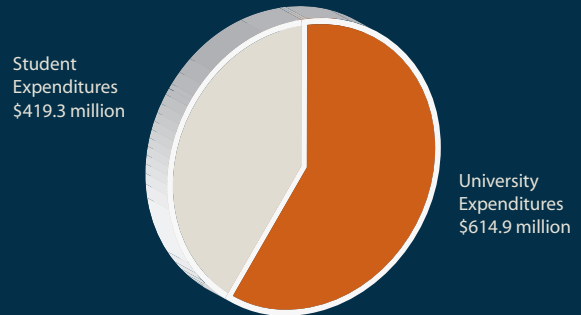




■ Total Impact

Summing up the total impact, both direct and indirect, of university expenditures (**\$614.9 million**) and student expenditures (**\$419.3 million**) yields a **total economic impact for the university of \$1.034 billion**.

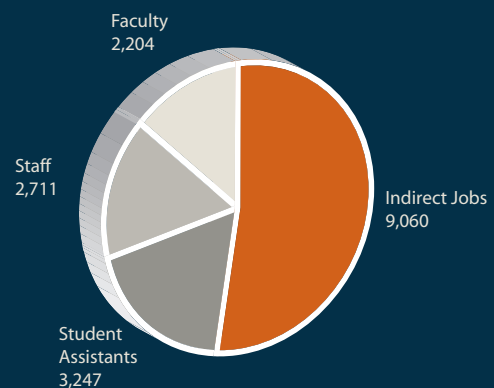
TOTAL IMPACT



■ Impact on Regional Jobs

Another important aspect of the university's economic activities is the number of jobs created by these expenditures. The university and its auxiliaries directly employ 8,162 individuals, with 2,204 faculty, 2,711 staff and 3,247 student assistant positions. This places Cal State Long Beach and its auxiliaries as the **third largest employer** in the City of Long Beach. University expenditures on goods and services and the expenditures of university personnel as well as the expenditures of annuitants supported an additional 5,308 indirect jobs in the region. As a consequence, the university expenditures directly or indirectly support 13,470 jobs in the region. Student expenditures indirectly support another 3,752 jobs in the region. **The total employment impact of university and student expenditures creates and supports 17,222 jobs.**

IMPACT ON REGIONAL JOBS



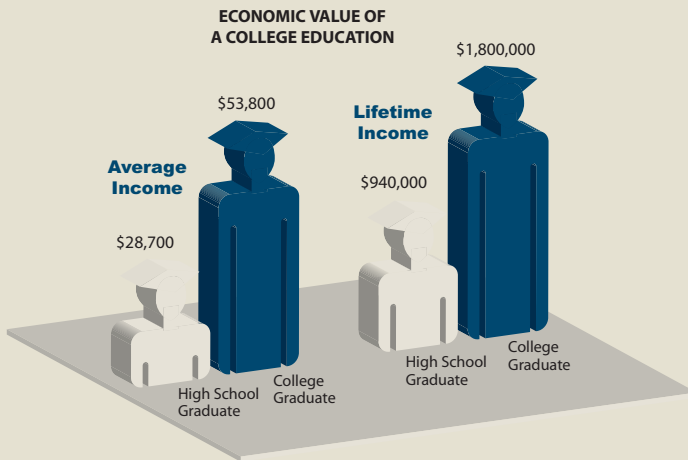


Taxes Generated by the University

The university and its employees directly generate **\$64.8 million dollars** in federal, state and local taxes.

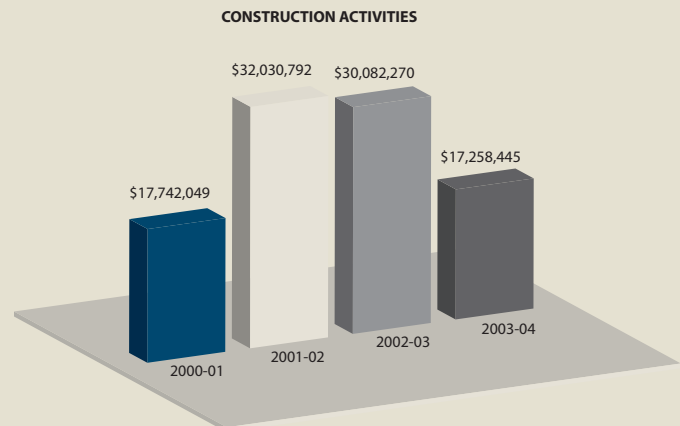
Economic Value of a College Education

The average income of a high school graduate is **\$28,700** versus **\$53,800** for individuals with a bachelor's degree. In terms of lifetime income, a typical high school graduate would expect, in present value terms, an income of **\$940,000**. By comparison, a typical college graduate would expect to earn, in present value terms, **\$1.8 million** or almost twice as much as an individual with only a high school education.



Construction Activities at Long Beach

In addition to its operating budget, CSULB has a capital budget. Recent construction activity includes the new Molecular and Life Sciences Center in the College of Natural Sciences and Mathematics, remodeling of the University Student Union as well as renovation in the Fine Arts buildings in the College of the Arts. Capital budgets in recent years include:



Other University Facts

Out-of-state students (including international students) generate annual spending of **\$11.7 million**.

Since its inception in 1949, **206,307 students** have graduated from Cal State Long Beach. Of the total number of alumni, 152,535 reside in California; 28,988 live in states other than California; and 1,236 reside abroad.

The President's Scholars program currently enrolls 375 of the state's top students. CSULB was the first CSU campus to provide full scholarships and other benefits to selected California high school valedictorians and National Merit scholars.

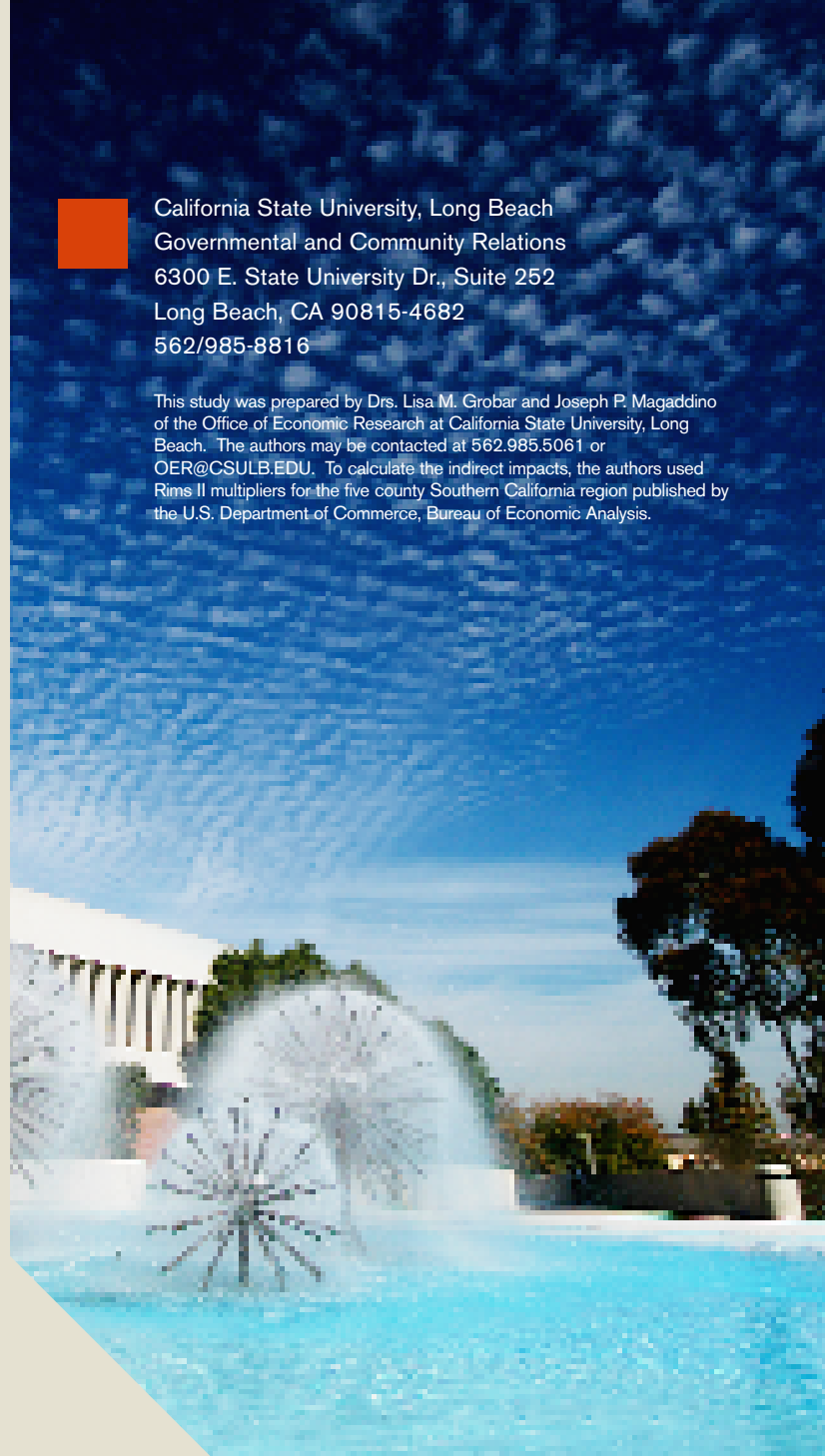
More than 30 centers, institutes and programs conduct applied research, training and community service programs as well as provide consulting for public and private organizations.

The National Science Foundation rated CSULB among the top master's-level universities in the number of graduates who go on to earn doctoral degrees in Science or Engineering.

CSULB's College of the Arts is California's largest publicly-funded school for the arts. Its seven performance halls, University Art Museum and Art and Design Departments galleries annually welcome approximately 200,000 guests to nearly 500 events.

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This study was prepared by Drs. Lisa M. Grobar and Joseph P. Magaddino of the Office of Economic Research at California State University, Long Beach. The authors may be contacted at 562.985.5061 or OER@CSULB.EDU. To calculate the indirect impacts, the authors used Rims II multipliers for the five county Southern California region published by the U.S. Department of Commerce, Bureau of Economic Analysis.



In addition to meeting fully its obligations of nondiscrimination under federal and state law, CSULB is committed to creating a community in which a diverse population can live and work in an atmosphere of tolerance, civility and respect for the rights and sensibilities of each individual without regard to economic status, ethnic background, veteran status, political views, sexual orientation or other personal characteristics or beliefs.

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