

STOCKTON

NEW JERSEY'S

DISTINCTIVE
Public College

40 YEARS OF EXCELLENCE

1971-2011

Stockton Economic Impact Study Shows College Provides More than \$442 Million Total Economic Benefit to Region, NJ

Report Shows Strong Results Impact of Direct Spending, Alumni Earning, Job Creation and More

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Galloway, NJ – The Richard Stockton College of New Jersey's first Economic Impact study in seven years reveals a total economic impact of more than \$442 million, based on the most recently available figures from the 2011 fiscal year.

"In addition to its role as an educational hub and cultural driver of the region, Stockton is a strong economic engine," President Herman J. Saatkamp said. "We knew this prior to the start of this study. The results, however, show a much larger impact than we anticipated."

Stockton, with a current enrollment of more than 8,000 undergraduate and graduate students, generates operating revenues in excess of \$100 million annually.

The report, [Economic Impact Report, Fiscal Year 2011](#) (click on title for online access), examined four areas of importance: direct spending (defined as purchases, wages and expenditures by Stockton students); volunteer services; alumni earnings contribution to the economy; and job creation.

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The report revealed that Stockton, which recently celebrated its 40th Anniversary of Teaching, had nearly doubled its economic impact since a 2005 report.

“Stockton’s economic impact on the region means a great deal to the growth, vitality and quality of life to southern New Jersey and the entire state,” Dr. Saatkamp said. “Conversely, the growth, vitality and quality of life of the region nurtures Stockton’s growth. This report quantifies and places the College’s contributions in a relatable context.”

Some of the report’s highlights:

Direct Spending

During fiscal year 2011, Stockton invested nearly \$33 million in capital improvements, and purchased more than \$21 million in goods and services. As a result, there was an outlay in excess of \$54 million in total non-payroll expenses, 82 percent of which went to vendors based in New Jersey.

Payroll expenditures in wages and benefits total just over \$80.8 million. Stockton employed more than 2,400 full and part time workers, excluding college work-study recipients. Stockton employees hail from 19 counties in New Jersey (96 percent of all Stockton employees reside in-state). Top five counties of employment are Atlantic (1,185 employees), Ocean (269), Camden (171), Cape May (142), and Gloucester (97).

On and off-campus student expenditures totaled approximately \$18.2 million and \$25.3 million respectively for a total of just under \$43.5 million. For the purposes of the study, student spending was conservatively estimated based on the College’s enrollment data and costs including books and supplies, transportation, and miscellaneous expenses.

These factors resulted in a combined non-payroll, payroll and student expenditures in excess of \$164.6 million.

Community Service

Stockton embraces its community as a key element of its overall mission. This is quite evident in the economic benefits and impact of its community services. Stockton’s Service Learning program estimated that 1,317 student volunteers contributed a remarkable total of more than 41,000 hours of community service during the 2011 fiscal year. Such groups as Circle K International, the Honors Program, the Martin Luther King, Jr. Day of Service volunteers and the Greek life community took part in these donations of time.

To calculate a monetary value on this volunteer work, the report multiplied the community service hours by the value of volunteer time (\$25.64 per hour) as estimated by The Independent Sector, 2011.

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Alumni Earnings Contribution

The number of Stockton alumni totaled 41,000 individuals as of the completion of fiscal year 2011. According to the Office of Alumni Affairs, 77 percent of those Stockton grads reside in the southern region of the state.

Based on these numbers, Stockton's 32,000-plus alumni living in state generated an estimated \$745.8 million in the amount earned by these graduates as compared to what they would earn with high school level educations. The report avoided overstating the impact of these differentials and does not presume that if Stockton did not exist that residents would not seek degrees elsewhere. Rather, it computes a conservative 15 percent of the estimated personal earnings differential, an impact of just under \$111.9 million.

Job Creation Impact

Stockton College is a major employer of the southern New Jersey region with its 2,403 total employees.

In addition to direct employment, Stockton contributes to job creation through staff, faculty and student spending. The study again adopts a conservative estimation to calculate jobs attributed to its expenditures. The total direct expenditures of slightly more than \$164.6 million were multiplied by the labor coefficient of 0.0000278 utilized in the 2005 study to calculate jobs attributed to Stockton spending. This translates to an estimated 4,577 jobs attributed to Stockton.

“Stockton’s economic impact to southern New Jersey and beyond is a remarkable feature of New Jersey’s distinctive public college. We’re pleased to present a report that illustrates this in a significant and measurable way.”

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