



Association of
Independent Colleges & Universities
of Pennsylvania

AICUP Schools Drive \$24 Billion to PA's Economy

Nearly 200,000 jobs created or sustained by economic activity

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HARRISBURG (September 10, 2019) – According to an economic impact study released today by the Association of Independent Colleges & Universities of Pennsylvania (AICUP), the 90+ independent nonprofit colleges and universities in Pennsylvania (AICUP schools) generated \$24 billion in total impact on the state's economy and supported almost 200,000 jobs across PA in 2018. The third-party analysis, which contains both statewide as well as regional breakout numbers, was conducted by Parker Philips, a nationally recognized consulting firm specializing in economic impact analysis, on behalf of AICUP. The study utilizes IMPLAN methodology, a best practice model used in numerous higher education economic impact studies in Pennsylvania and nationwide.

“Pennsylvania has an exceptional and under-recognized asset – its 90+ AICUP schools—which together give the Commonwealth a significant competitive advantage over other states” said AICUP President Tom Foley. “These AICUP schools graduate 75,000+ students a year. They educate more than half of all college students in the state; graduate more than 50% of the minority students seeking a 4-year degree in Pennsylvania; and serve more than 40% of all the students who qualify for PHEAA and Pell need-based grants. These AICUP schools truly serve publicly, though they are largely funded privately.”

“The economic impact of AICUP schools is extraordinary” said AICUP Chair and Lycoming College President Kent Trachte. “At \$24 billion each year and almost 200,000 jobs —that is \$1 of every \$31 in our state's economy and 1 out of every 32 jobs in the Commonwealth— the positive force generated by our campuses can be felt across every corner of the state. When you include the hospital systems and health care facilities AICUP schools operate, those figures double. This study highlights the widespread nature of AICUP schools' contributions.”

AICUP Vice Chair and Lafayette College President Alison Byerly said, “While Pennsylvania and its local governments may not directly fund these private schools, they certainly reap a huge benefit: the study data indicates that for every \$1 in state aid to low income students at an AICUP school, these schools return almost \$6 in state and local taxes alone. That says nothing about the return on investment in terms of overall economic impact, which is well over 100-1.”

The report utilizes IMPLAN to calculate the AICUP schools' economic contribution and adheres to industry standards for the higher education sector in its research methodology. Nichole Parker, co-founder and President of Parker Philips, said, “Economic impact is an objective way to measure the

significance of an organization in the regional economy. It is a tool that policy makers can use to inform their decisions and an objective look at the value of investing in an institution or entity. AICUP schools clearly make a major contribution to their local, state, and regional economies in the short- and long-term.”

Other Measures of the Impact

In addition to these statewide contributions, the study highlights the significant local influence of AICUP campuses on Pennsylvania’s economy, communities and citizens.

The study found that these campuses are major contributors to the local job market. AICUP schools are the top employer in 3 counties; a top ten employer in 15 counties; and top 25 employer in 30 of PA’s 67 counties. On 16 AICUP campuses, the institution represents 10% or more of the local employment base. These schools also support employment indirectly through the \$3.4 billion annual AICUP student spending, most of that right into the local economy.

Grove City College President Emeritus Richard “Dick” Jewell says that “AICUP schools have been bulwarks during times of societal change and workforce pipelines in times good and bad.” Former Wilson College President - and current leader of the National Association of Independent Colleges and Universities (NAICU) - Barbara Mistick puts it another way—“AICUP schools...have lent their home towns stability and oftentimes...have grown and developed alongside them.”

Among the Other Findings in the Study:

- The hospitals and health care facilities associated with these schools represent an additional \$24 billion in economic impact, doubling the impact of AICUP schools.
- AICUP schools bring in \$1.2 billion a year in national research grants, dollars that come from out-of-state sources and get spent locally. The report further notes that these dollars would go to other states if not for the high-quality faculty, staff, and students at AICUP schools winning these awards.
- The faculty, staff, and students of AICUP schools contribute \$58.9 million in charitable giving and provide 5.3 million hours of volunteer service (valued at \$68.4 million) on thousands of local projects.
- 290,000+ students attend an AICUP school annually, and 67% of AICUP undergraduate students choose a career-directed major.
- The 90+ AICUP schools award 75,000+ degrees, certificates, and diplomas annually, including almost 19,000 degrees in STEM fields, or 53% of all PA’s STEM graduates each year.

AICUP Schools as Community Anchors

“The study represents a partial view of AICUP schools’ contributions” said Tom Foley, AICUP President. He further emphasized that “these schools contribute in many other ways to the economy, culture,

vitality, philanthropy and volunteer base in 60 different communities throughout the state. In many cases, they are literally *the* anchor in their community, with an average history of 134 years in place.” They “provide stability through times of both growth and recession” and impact lives in ways that go “way beyond the economic measures that are the highlight of this report.”

Included in the report are dozens of examples of AICUP schools’ community impact, including:

- A small business development center that provides no cost, confidential consulting to entrepreneurs and small businesses in six local counties,
- A free arts festival that has been part of a community’s tradition for over 30 years,
- A leader in a local region in the treatment of childhood asthma, providing screenings on more than 1,000 children annually in some of the most underserved areas in their community,
- A Women with Children program that empowers economically disadvantaged single mothers to complete their college degrees to create a brighter future for themselves and their children,
- An Autism Collaborative Center of Excellence hub that serves a 13-county area with the goal of developing a comprehensive approach to coordinating a regional care and support system, and
- The largest student-run Special Olympics event in the world, hosting over 5,000 volunteers, 1,000 athletes, and 400 coaches.

John Fry, President of Drexel University and former President of Franklin and Marshall College, said “Our [AICUP] colleges and universities strive to be civically engaged and economically impactful. We have moved away from the typical Ivory Tower model by sharing our expertise, research, resources, and problem solving skills to improve communities and boost local economies. We are using our power as educational and economic anchors to benefit our communities.”

To view the full AICUP Economic Impact Study, please [click here](#).

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About AICUP

The Association of Independent Colleges & Universities of Pennsylvania (AICUP) is comprised of 90+ independent, nonprofit colleges and universities serving more than 290,000 students across the Commonwealth. It is the only statewide organization that exclusively represents the interests of independent, nonprofit higher education within the Commonwealth. AICUP’s priorities include advocacy, business efficiency, research, and communications.