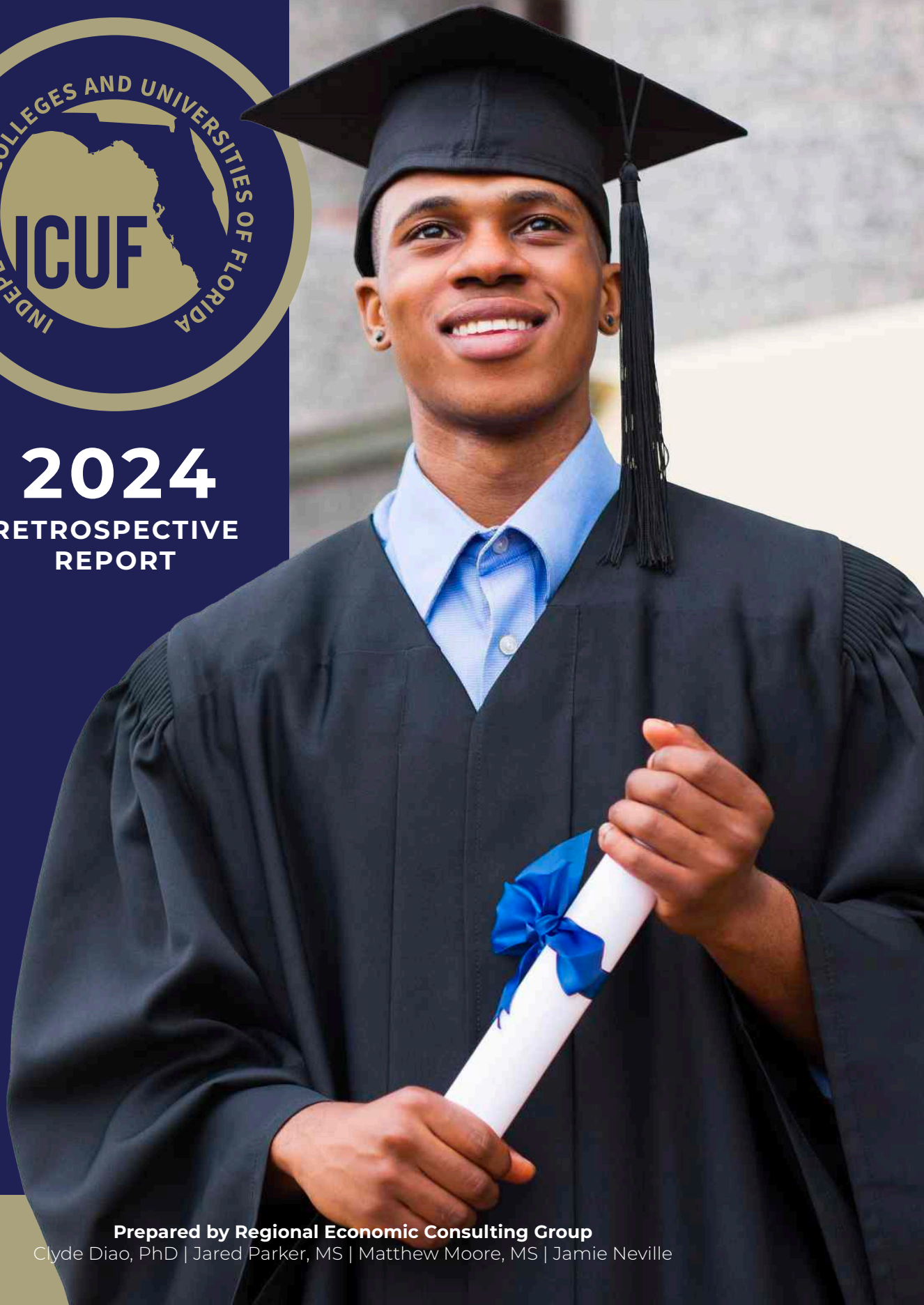




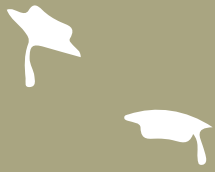
**2024**  
**RETROSPECTIVE**  
**REPORT**



**Prepared by Regional Economic Consulting Group**  
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# ICUF'S ECONOMIC IMPACT



## ICUF'S TOTAL FISCAL IMPACT TO FLORIDA



PRODUCES **321,624** JOBS FOR FLORIDA



TOTAL ECONOMIC IMPACT TO FLORIDA IS **\$40.4 BILLION**



**30 INSTITUTIONS** CONTRIBUTE **\$2.1 BILLION** TO STATE & LOCAL TAXES



## WHAT IS EASE?

EASE is a voucher for Florida students that provides tuition assistance to students who attend independent, nonprofit colleges, no matter where in Florida they choose to go. Currently, 40,000 Florida students at ICUF schools benefit from the EASE voucher.

**EASE AWARD IS CURRENTLY \$3,500/STUDENT**

## ICUF'S TOTAL FISCAL IMPACT TO FLORIDA FROM EASE

\* For the 2021-2022 academic year

EASE created **79,529 JOBS**

EASE had a **\$10.1 BILLION ECONOMIC IMPACT** on Florida

EASE created **\$555 MILLION** IN STATE & LOCAL TAXES



## EASE ROI

For every \$1 the state spends on an EASE student, it gets back **\$3.83**.



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## INTRODUCTION

The Independent Colleges and Universities of Florida (ICUF) partnered with the Regional Economic Consulting Group (REC Group) to generate a report providing updates to two critical studies previously produced independently: the Economic Impact of ICUF and the EASE Program and the True Cost Comparison between ICUF schools and the State University System (SUS). By combining the two studies into an annually updated report, ICUF can provide ready answers to important questions about its institutions. What is the earnings potential of an education from an ICUF institution? Is EASE a good investment? Is an ICUF education prohibitively expensive?

The economic impact study section of this report will assess the spending of institutions, students, and alumni, tracking how this spending influences the economy by creating dynamic impacts on jobs, income, and overall economic output. It will also separate EASE funding to highlight the return EASE provides the state. How much does the state spend on EASE and how much economic benefit does EASE provide, not only to the Florida economy but also to the Florida taxpayer?

Secondly, the report will analyze tuition and fee costs on a per-credit-hour basis for both ICUF and SUS institutions. This section will connect these basic cost elements to the respective subsidies provided by the Florida government for each group. The true cost analysis will compare the total costs to the spending that directly benefits the classroom, specifically focusing on instructional and support spending made by the schools themselves.

This report aims to show the cost of education and the return of education, and provide a rounded view of who ICUF is as a group of institutions training students for Florida's future competitive workforce.



**TOTAL ECONOMIC IMPACT  
TO FLORIDA IS \$40.4 BILLION**





## INDEPENDENT COLLEGES AND UNIVERSITIES OF FLORIDA

The Independent Colleges and Universities of Florida consists of 30 colleges and universities (Herzing data is excluded because the university is a new ICUF member). Each ICUF institution is a private, non-profit, Florida-based school accredited by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC). The schools offer a wide range of undergraduate, graduate, professional, and continuing education programs and diverse students, campuses, and missions.

ICUF institutions play a crucial role in the state's growth and prosperity, evident by their high graduation rates and excellent job placement outcomes. ICUF institutions equip students with the knowledge and skills needed to create a positive impact, contributing to a strong workforce that will drive the economy of tomorrow.

Further, the extensive operations at these institutions contribute greatly to job creation, income generation, and overall economic productivity, positively influencing the state's gross domestic product (GDP). They impact the economy in three main ways: first, through their substantial budgets; second, through the spending of over 161,000 students in the community; and third, by developing an educated workforce for the future.

In 2024, the REC Group surveyed the institutions to build a profile of Florida's not-for-profit university collegiate system. Additionally, information from the Integrated Postsecondary Education Data System (IPEDS) was used to gather primary data.

The REC group found that ICUF institutions have graduated more than 161,000 students in 2022 with a variety of degrees. The top five degrees include Business Administration, Nursing, Psychology, Criminal Justice, and Communications.

In 2024, the REC Group surveyed the institutions to build a profile of Florida's not-for-profit university collegiate system.

EASE created  
**79,529 JOBS**  
 For the 2021-2022 academic year

## TOP 5 DEGREES

**Business Administration**

**Nursing**

**Psychology**

**Criminal Justice**

**Communications**





## REGIONAL ECONOMIC CONSULTING GROUP

The Regional Economic Consulting Group is a research group measuring the economic impacts of public and private sector projects. It builds impact studies and provides statistical validation for public policy, economic development strategies, and investment.

REC covers a wide range of topics, from economic outlooks to demographic and labor market studies, and uses the latest econometric modeling and methodologies. REC uses various analytical tools; REMI modeling, IMPLAN, cost-benefit analysis, general input-output analysis, and econometric modeling. Impacts can come from jobs created or lost and fiscal impacts examining dollars gained or lost for projects and initiatives. REC has experience producing studies and presenting them publicly.

REC's economists bring a unique perspective from the Florida government's economic units and have firsthand knowledge of the Florida economy. That competitive advantage affords them an intimate familiarity with Florida-specific economic mechanisms. REC brings that ability to the private sector to better position impacts and promote initiatives for the future.

## THE EASE PROGRAM

EASE had a  
**\$10.1 BILLION**  
 ECONOMIC IMPACT  
 on Florida

### For the 2021-2022 academic year

Florida's Effective Access to Student Education (EASE) is a voucher available to Florida resident undergraduate students attending at least 12 hours per term at a private, non-profit university. EASE funding helps alleviate some of the costs for many students and enables high-quality education that would have otherwise been unattainable.

The EASE program helps ICUF institutions continue to accept more minority students, low-income students, and more students over 25 than the State University System. With EASE, access to higher education is more affordable for many students in these demographics. Students can effectively break barriers to higher incomes and increase their contribution to the future of Florida.





# SPENDING AND IMPACT



## INSTITUTIONAL SPENDING

Spending by ICUF institutions, called institutional spending, includes operational spending and construction spending. Operational spending includes ongoing expenses for day-to-day activities needed to operate a university or institution. Operational spending captures the impacts of tuition and fees, dorm lodging, and any meal or board plans.

Construction spending includes spending on construction projects to expand or improve the universities. The construction costs are associated with building construction, renovation, and capital improvements.

Both operational and construction spending are displayed in Table 1. The sum of all spending is used for the dynamic phase. The different areas of spending are direct cash injections into the economy. The schools' day-to-day operations account for almost \$8 billion, and the construction spending accounts for almost \$500 million.

**SCHOOLS' DAY TO DAY  
OPERATIONS ACCOUNT  
FOR NEARLY  
\$8 BILLION**

TABLE 1

<b>INSTITUTIONAL SPENDING (\$ MILLIONS)</b>	
<b>OPERATIONAL SPENDING</b>	
Academic Support	\$ 511.7
Auxiliary Enterprises	\$ 676.9
Hospital Services	\$ 1,485.0
Independent Operations	\$ 15.7
Institutional Support	\$ 1,019.2
Instruction	\$ 1,886.1
Net Grant Aid to Students	\$ 32.2
Public Service	\$ 197.3
Research	\$ 445.8
Student Service	\$ 742.3
Other Expenses	\$ 986.8
<b>OPERATIONAL SPENDING</b>	<b>\$ 7,999.0</b>
<b>CONSTRUCTION SPENDING</b>	<b>\$ 487.1</b>
<b>TOTAL</b>	<b>\$8,486.2</b>







TABLE 2

## STUDENT SPENDING

### STUDENT COUNTS

Off-Campus Without Family

**48,745**

Non-Resident Students

**68,584**

### STUDENT SPENDING (\$ MILLIONS)

Apartment Rent

**\$304.7**

Meals Spending

**\$254.4**

Miscellaneous Spending

**\$303.2**

**TOTAL STUDENT  
SPENDING**

**\$862.3**

## STUDENT SPENDING

ICUF students' spending is all expenditures that a student incurs over a year while attending an ICUF institution. Student spending is categorized by residency: Florida residents, non-residents, on-campus, off-campus with family, and off-campus without family.

Table 2 describes the student breakdown of Florida resident students living off-campus without their family and non-Florida residents. The relevant student spending is limited to spending that occurs due to the student attending an ICUF institution. Therefore, Florida residents only impact the economy through renting apartments. Regardless of the existence of an ICUF institution, Floridians will still eat and purchase miscellaneous goods. In comparison, non-resident spending impacts the economy through rent, any meals purchased without a meal plan, and general spending on random goods and items. Altogether, \$862 million in additional spending occurs annually because of the student body of ICUF schools.



**\$862 MILLION IN  
ADDITIONAL SPENDING  
OCCURS ANNUALLY  
BECAUSE OF THE STUDENT  
BODY OF ICUF SCHOOLS.**



## ALUMNI EARNINGS

Alumni earnings are the annual degrees awarded by ICUF member institutions and the corresponding value of their new potential wealth for a thirty-year career. Alumni earnings are assumed to occur over thirty years and are representative of the lifetime of a career. Table 3 provides the number of degrees awarded each year, how many stay in the state, and the aggregated differential of their lifetime earnings.



TABLE 3

### ALUMNI EARNINGS

	DIFFERENTIAL	COMPLETIONS	REMAIN IN FLORIDA	ALUMNI EARNINGS (\$ MILLIONS)
Associate's	\$18,490	4,048	2,226	\$1,235.0
Bachelor's	\$42,906	20,316	11,174	\$14,382.7
Master's	\$7,775	11,784	6,481	\$1,511.7
Doctorate	\$21,406	3,915	2,153	\$1,382.8
Professional	\$9,101	1,011	556	\$151.8
<b>TOTAL</b>	<b>-</b>	<b>41,074</b>	<b>22,591</b>	<b>\$18,664.0</b>

The earnings differential is calculated based on the difference in expected earnings between degree levels. For example, if a student earns a master's degree, the earnings differential is the difference between the average earnings of a master's degree and those of a bachelor's degree. A person's earning potential increases as their education increases. The aggregate alumni earnings are calculated by multiplying the number of alumni by their degrees and respective earnings differential.

The cumulative impact of this increase in earnings is a significant contributor to the overall economy, and the dynamic section below demonstrates the full scope of this change in earnings potential.



**DYNAMIC IMPACT STUDY**

In Table 4, the Dynamic Impact Summary showcases the total economic contribution of the ICUF member institutions to the state of Florida. The dynamic impacts provide ripple effects from institutional spending on economic output, jobs, and income at different levels of the economy, ranging from direct money spent to the supply chain and general consumer spending. The economic impact of the university and its students, excluding the alumni, generates \$18.1 billion in economic output, creating 157,773 jobs in the process and providing \$6.8 billion in paychecks.

TABLE 4

<b>DYNAMIC IMPACT SUMMARY</b>			
<b>JOBS (COUNT)</b>	<b>DIRECT SPENDING</b>	<b>ALUMNI EARNINGS</b>	<b>TOTAL IMPACT</b>
<b>Direct &amp; Indirect</b>	<b>115,370</b>	<b>-</b>	<b>115,370</b>
<b>Induced</b>	<b>4,980</b>	<b>163,851</b>	<b>206,254</b>
<b>TOTAL</b>	<b>157,773</b>	<b>163,851</b>	<b>321,624</b>
<b>INCOME (\$ MILLIONS)</b>	<b>DIRECT SPENDING</b>	<b>ALUMNI EARNINGS</b>	<b>TOTAL IMPACT</b>
<b>Direct &amp; Indirect</b>	<b>\$4,980.0</b>	<b>-</b>	<b>\$4,980.0</b>
<b>Induced</b>	<b>\$1,802.5</b>	<b>\$6,935.5</b>	<b>\$8,738.0</b>
<b>TOTAL</b>	<b>\$6,782.5</b>	<b>\$6,935.5</b>	<b>\$13,718.0</b>
<b>ECONOMIC OUTPUT (\$ MILLIONS)</b>	<b>DIRECT SPENDING</b>	<b>ALUMNI EARNINGS</b>	<b>TOTAL IMPACT</b>
<b>Direct &amp; Indirect</b>	<b>\$12,179.1</b>	<b>-</b>	<b>\$12,179.1</b>
<b>Induced</b>	<b>\$5,919.5</b>	<b>\$22,344.5</b>	<b>\$28,264.1</b>
<b>TOTAL</b>	<b>\$18,098.6</b>	<b>\$22,344.5</b>	<b>\$40,443.1</b>



**TOTAL ECONOMIC IMPACT TO FLORIDA IS \$40.4 BILLION**



## TAX IMPACT STUDY

ICUF institutions are mostly exempt from taxes. However, taxes are still generated by construction activities, sales taxes paid by the students eating off-campus or purchasing miscellaneous goods, and even property taxes paid by student housing. Furthermore, the alumni provide a lifetime's worth of revenue to state and local governments.



**30 INSTITUTIONS  
CONTRIBUTE \$2.1 BILLION  
TO STATE & LOCAL TAXES**

Sales tax impacts apply a state and an average local rate to applicable spending in construction, off-campus meals, and miscellaneous spending. Property tax impacts use an average capitalization rate, in addition to assuming three roommates per unit, to gross up an aggregate property value of rented apartments and apply an average millage rate. Alumni taxes use state and local revenue as a percentage of GDP to provide a catch-all for numerous taxes levied at state and local levels.

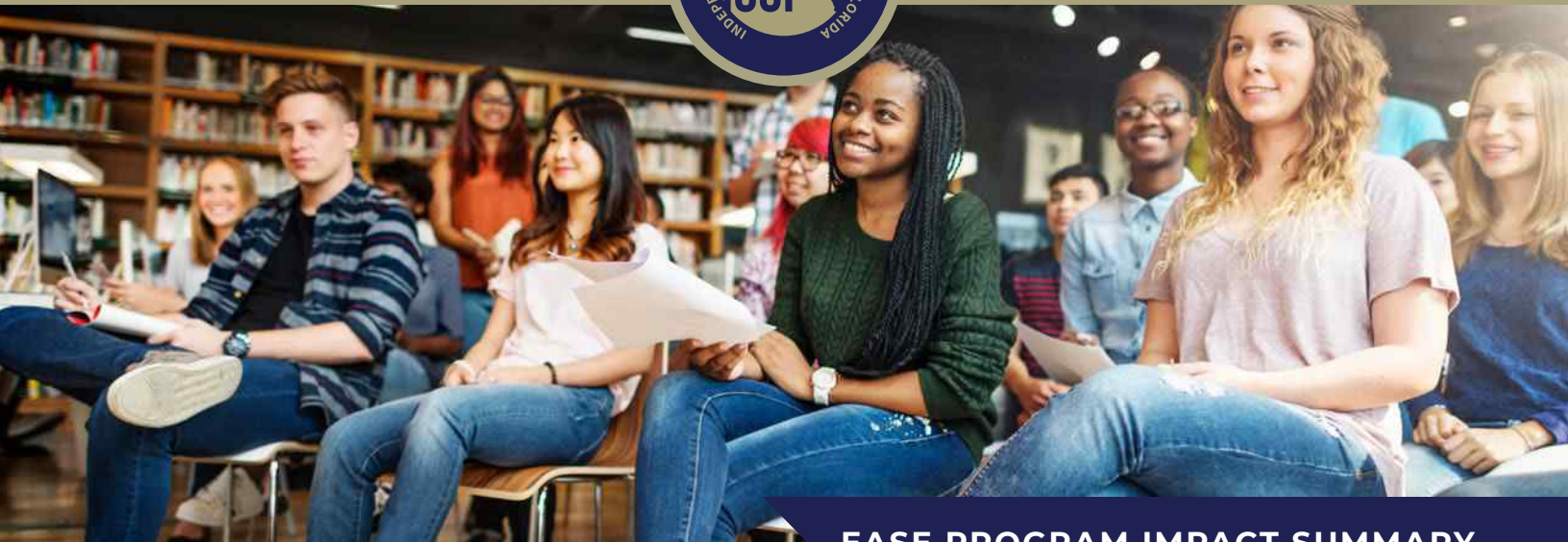
In Fiscal Year 2021-22, total taxes amounted to \$2.1 billion. The local governments collected more than \$1.2 billion, while the state collected \$833.7 billion.

TABLE 5

### TAX IMPACT SUMMARY

	LOCAL	STATE	TOTAL
Sales	\$10.4	\$62.7	\$73.1
Property	\$115.3	-	\$115.3
Alumni	\$1,158.30	\$771.0	\$1,929.20
<b>TOTAL</b>	<b>\$1,284.0</b>	<b>\$833.7</b>	<b>\$2,117.7</b>





**EASE PROGRAM IMPACT SUMMARY**

TABLE 6

**EASE IMPACT SUMMARY**

**EASE RECIPIENTS 2021-2022**

**40,430**

DIRECT IMPACTS (\$ MILLIONS)	2021-2022
Institutional Spending	\$2,003.8
Student Spending	\$97.2
Alumni Earnings	\$5,051.1
<b>TOTAL SPENDING</b>	<b>\$7,152.1</b>

DYNAMIC IMPACTS (\$ MILLIONS)	
Number of Jobs	79,529
Income	\$3,338.0
Economic Output	\$10,077.9
<b>TOTAL TAX IMPACT</b>	<b>\$555.2</b>

**RETURN ON INVESTMENT \$3.83**  
State & Local

Students receiving EASE funding contribute impactful spending through operational and student spending similar to general institutional and student spending. This spending leads to dynamic effects, including job creation, income, GDP and economic output, and taxes generated.

The 40,430 students receiving EASE funding accounted for \$7.2 billion in tuition, fees, and student spending. Table 6 identifies that 79,529 jobs are created due to the EASE program, \$3.3 billion in total income, and \$10.1 billion in economic output. The total tax impact for the EASE program has increased to \$555.2 million. The state's net Return on Investment (ROI) of EASE is \$3.83. The state collects \$3.83 in new taxes for every dollar put toward EASE.

Additional cuts to the EASE program could decrease the number of students who can afford college. Fewer grants would have negative implications on some students' future lifetime earnings.

**THE STATE COLLECTS \$3.83 IN NEW TAXES FOR EVERY DOLLAR PUT TOWARD EASE**



# TRUE COST



## WHAT IS THE TRUE COST AND SPENDING EFFICIENCY?

The average tuition costs for in-state undergraduate students attending ICUF institutions are assumed to be significantly higher than those of Florida's State University System (SUS). ICUF tuition and fees can outpace SUS tuition and fees for in-state undergraduates, but the magnitude of taxpayer-funded subsidies needs to be considered to understand the full picture.

True Cost asks how SUS and ICUF tuition and fees would look if subsidies were removed. How much higher would SUS institutions have to raise their tuition and fees to account for the sudden loss of in-state funding? The REC Group will expand the analysis by comparing the adjusted tuition dollars and direct spending on education, teacher salaries, and student support services.

The True Cost analysis examines the subsidy per student provided by Florida through annual appropriations and Public Education Capital Outlay (PECO) funding. In the second part of the true cost analysis, ICUF and SUS institutions will be compared based on classroom spending, including expenditures on instruction, support, and student services. Together, a combination of true costs and educational spending interacts to illustrate the dollars from tuition and fees and how they flow into directly educating a student in the classroom.

## SOURCES OF REVENUE

ICUF institutions and the State University System (SUS) generate revenue from various sources. While tuition and fees are the most visible, they represent only a small portion of total funding. Both groups rely on financial aid, including grants, scholarships, and work-study programs to support students. Public funding is crucial for enhancing the budgets of both ICUF and SUS. Although ICUF and SUS revenue sources are similar, a key difference lies in the proportions: one may depend more on state allocations, while the other may rely more on tuition and fees.

Tuition and fees for ICUF institutions vary depending on the specific college or university. However, private colleges and universities generally have higher tuition and fees than public institutions. Many ICUF institutions offer financial aid to help students pay for their education, including scholarships, grants, and loans. Students apply for federal financial aid by completing the Free Application for Federal Student Aid (FAFSA). ICUF students may also receive funding

loans. ICUF students may also receive funding through Florida's EASE Program.





The SUS, founded in 1905, is a system of twelve public universities in Florida governed by the Florida Board of Governors. Tuition and fees for SUS schools vary depending on several factors, including the university, the degree program, and the student's residency status. Many SUS institutions also offer financial aid to help students pay for their education, including scholarships, grants, loans, and payment plans.

A significant portion of SUS school funding comes through the annual general appropriations bill. The specific amounts allocated to each school vary from year to year. The SUS average allocations for the three most recent years have been \$4.7 billion, and the ICUF average is \$73 million. The overwhelming majority of these state appropriations are directed towards the SUS schools. An additional funding mechanism specifically used to improve and expand educational facilities is the Public Education Capital Outlay (PECO). The PECO funding has fluctuated over the last three years, and the average funding amounts are \$374 million and \$13 million, respectively, for SUS and ICUF.

## TRUE COST RESULTS

TABLE 7

### TRUE STUDENT COST

APPLICABLE STUDENTS	ICUF INSTITUTIONS	SUS INSTITUTIONS
<b>Resident Undergraduates</b>	<b>55,998</b>	<b>239,420</b>
<b>STATE FUNDING (\$ MILLIONS)</b>		
<b>Total Appropriations</b>	<b>\$75.6</b>	<b>\$5,019.3</b>
<b>PECO</b>	<b>\$13.3</b>	<b>\$374.1</b>
<b>Total Funding Per Credit Hour (Subsidy)</b>	<b>\$60.1</b>	<b>\$980.1</b>
<b>Weighted Tuition &amp; Fees Per Credit Hour</b>	<b>\$1,351.0</b>	<b>\$257.8</b>
<b>Discounted Tuition &amp; Fees Per Credit Hour</b>	<b>\$786.0</b>	<b>\$165.3</b>
<b>TRUE COST PER CREDIT HOUR</b>	<b>\$846.17</b>	<b>\$1,145.42</b>

This report developed metrics for “true cost per credit hour” and “academic spending per credit hour” to compare ICUF and SUS institutions. The REC Group calculated the number of credit hours for the relevant student populations in relation to appropriations, PECO funding, tuition, fees, and academic spending to determine the actual costs and expenditures for each institution. The resulting values were summarized and weighted by groupings to produce the metrics for true cost and academic expenditures.

Table 7 shows the relevant costs for in-state undergraduate students for both SUS and ICUF. It should be noted that in-state undergraduate and postgraduate students benefit from the subsidy Florida provides. For this comparative analysis, postgraduate students are not included in the cost comparison because of the wide variability in costs, types of postgraduate degrees, and postgraduate degree offerings. The focus of this comparative cost analysis is on in-state undergraduate students.





Table 7 shows the vast disparity in the subsidy provided by the state of Florida to SUS universities as opposed to ICUF members. ICUF receives \$60.14 for every credit hour, while SUS receives \$980.09. To make up for this difference and compete in the marketplace for quality teachers and administrators, ICUF must bill \$1,351 per credit hour. In contrast, on average, the SUS only bills \$257.80 per credit hour.

Another mechanism instituted by both ICUF and SUS is discounts and institutional aid. Institutions reduce tuition and fees to compete with other institutions for students. The effect of this reduction is calculated by taking each school's total amount of institutional grant aid awarded to full-time undergraduates and dividing it by the gross published tuition to get the tuition discount rate. The tuition discount rate is applied to each university's undergraduate cost per credit hour to obtain discounted tuition and fees per credit hour.

After applying the discount rate, the tuition and fees per credit hour drop.

The average reduced tuition and fee per credit for ICUF is \$786 compared to an average reduced tuition and fee per credit hour of \$165.32 for SUS. When adding back the subsidies received by both groups for a true cost of education footed by the students and taxpayers, ICUF and SUS are competitive. The average true cost per credit hour for ICUF is \$846.17 compared to SUS of \$1,145.42. Under this framework, ICUF is not only competitive but also significantly cheaper.

Table 8 displays another critical aspect of the analysis regarding academic spending on students by institution. Total academic spending combines the amounts spent on instructional, academic support, student services, and institutional support. In short, this is the spending by the institutions to educate the students directly. From an aggregate amount, the total academic spending is converted into academic spending per credit hour to make it more understandable and relevant to the study's objective. It is the total spending divided by the total credit hours of undergraduate students.

TABLE 8

## ACADEMIC SPENDING

STUDENTS	ICUF INSTITUTIONS	SUS INSTITUTIONS
<b>Total Students</b>	<b>161,394</b>	<b>364,759</b>
<b>INSTRUCTIONAL SPENDING (\$ MILLIONS)</b>		
<b>Instructional</b>	<b>\$1,881.8</b>	<b>\$3,260.0</b>
<b>Academic Support</b>	<b>\$511.2</b>	<b>\$1,143.1</b>
<b>Student Services</b>	<b>\$739.1</b>	<b>\$444.0</b>
<b>Institutional Support</b>	<b>\$1,017.6</b>	<b>\$929.4</b>
<b>ACADEMIC SPENDING PER CREDIT HOUR</b>	<b>\$1,334.69</b>	<b>\$859.32</b>



Total spending only tells part of the story regarding an institution's investment in the student body. Table 9 displays the calculations of spending efficiency per student, per semester. Spending efficiency in this context is the ratio of the true semester cost to the total academic spending. This metric shows how far a tuition dollar goes for each student enrolled versus the underlying spending on education.

TABLE 9

## INSTITUTION SPENDING COMPARISON

	ICUF INSTITUTIONS	SUS INSTITUTIONS
True Cost Per Credit Hour	\$846.17	\$1,145.42
Academic Spending Per Credit Hour	\$1,334.69	\$859.32
Spending Efficiency	\$1.58	\$0.75



Competitive forces drive ICUF institutions to demonstrate to their student body a compelling value proposition. Students have high expectations for their educational experience based on their tuition expenditures. ICUF institutions must maintain lower student-teacher ratios and high overall services to retain their competitive edge.

The incentives at play for the SUS institutions are quite different. Many SUS institutions have a larger student body than their comparable ICUF counterparts.

This larger student body necessitates several decisions, many of which can lead to diminishing returns. The large student body, expanded catalog of degrees, and emphasis on other collegiate activities need a disproportionately larger administrative bureaucracy. This leads to fewer dollars flowing through to the more direct academic programs.



# CONCLUSION

## CONCLUSION

The retrospective report has two primary goals: to assess the economic impact of ICUF institutions on the wider economy and to evaluate the true costs and efficiencies involved. The report details how ICUF institutions influence the state's economy, now and in the future. It highlights the significant financial contributions made by these institutions, their students, and recipients of the EASE program. Their collective spending generates hundreds of thousands of jobs, contributes tens of billions of dollars to the economy, and generates billions of dollars in new tax revenue. This is achieved at a competitive price and with minimal or no public subsidies.

The findings regarding the economic impact of ICUF member institutions demonstrate that their contributions to Florida's economy are significant. Analyzing 30 member institutions with a combined student population of 161,394 across the state reveals the extent of their influence on employment, income, economic output, and tax revenues, highlighting their crucial role in the state's economic development. These institutions have created 321,624 jobs and generated \$13.7 billion in income. The total economic impact of ICUF institutions for Fiscal Year 2021-22 amounts to \$40.4 billion. Additionally, the economic activities surrounding these institutions contribute over \$2.1 billion in taxes to state and local governments.

The EASE program supports 40,430 Florida resident undergraduate students. Through this program, institutional, student, and alumni spending created 79,529 jobs, contributed \$3.4 billion to labor income, and generated \$10.1 billion in economic output. Additionally, the program generated \$555.2 million in total state and local tax revenue. From the direct funding provided by the state towards EASE, the state generates \$2.63 in new state-specific taxes.





The True Cost compares the cost of education between ICUF and SUS institutions and controls for the factors that contribute to the disparity, particularly state funding for appropriations and the Public Education Capital Outlay (PECO). Because of state funding and subsidies, the SUS institutions hold a distinct advantage in lower reported student tuition. Table 12 summarizes the results.

Unlike SUS institutions, ICUF institutions get very little financial support from the state. ICUF offsets the difference through higher tuition and fees to operate competitively. When considering subsidies and institutional aid, the cost of education between ICUF and SUS institutions suddenly becomes much closer. The results reveal that ICUF institutions have lower true costs than SUS institutions. Academic spending also shows that ICUF institutions are allocating more resources to educating their students. Without the subsidy, the tuition and fees advantage for SUS institutions would diminish. The SUS would have to find other means to raise the necessary funds to educate their students.

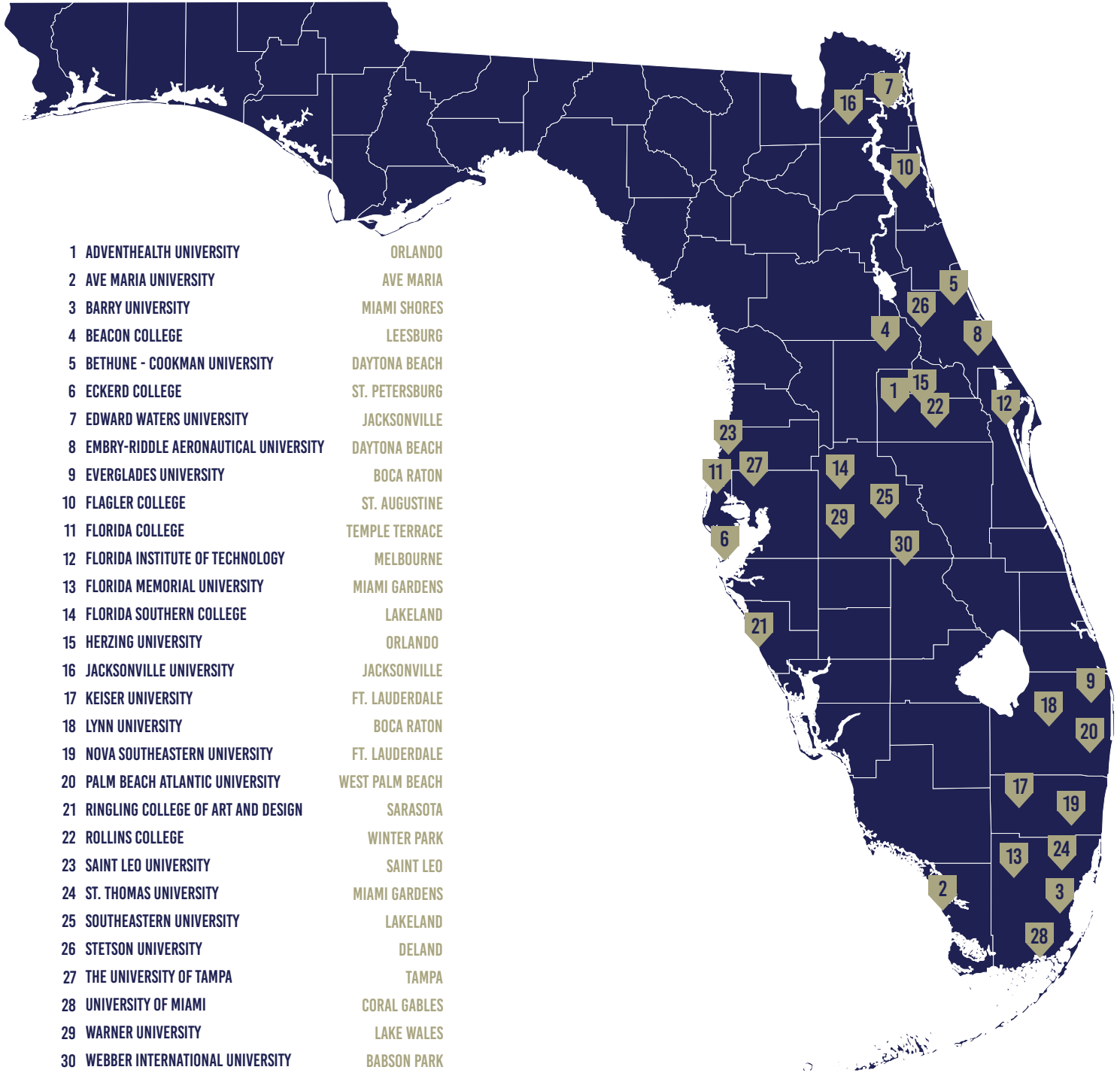
The Independent Colleges and Universities of Florida serve as a significant economic engine for the state, impacting the present and future. Their direct spending, along with the spending of their students, graduates, and EASE recipients, creates hundreds of thousands of jobs and generates tens of billions of dollars in economic activity and billions in tax revenue. The ICUF institutions contribute to the economy through their size and scale and by instilling valuable skills in current and future Floridians. They provide competitive and reasonable prices for students' training in administration, nursing, communications, science, and leadership. These programs extend their economic impact beyond the report's scope by fostering innovation and creation, which contribute to the development and growth of Florida's economy for the future. ICUF institutions are a cornerstone of the state and its economy, making Florida an exceptional place to live.

TABLE 12

<b>CONCLUSION</b>		
	<b>2021 - 2022</b>	<b>EASE</b>
<b>Applicable Students</b>	<b>126,686</b>	<b>40,430</b>
<i>DIRECT IMPACT (\$ MILLIONS)</i>		
<b>Total Direct Spending</b>	<b>\$28,012.5</b>	<b>\$6,776.5</b>
<i>DYNAMIC IMPACTS (\$ MILLIONS)</i>		
<b>Number of Jobs</b>	<b>321,624</b>	<b>79,529</b>
<b>Income</b>	<b>\$13,718.0</b>	<b>\$3,388.0</b>
<b>Economic Output</b>	<b>\$40,443.1</b>	<b>\$10,077.9</b>
<b>Tax Impact (\$ Millions)</b>	<b>\$2,117.7</b>	<b>\$555.2</b>
<b>Return of Investment of EASE</b>	<b>-</b>	<b>\$3.83</b>
	<b>ICUF</b>	<b>SUS</b>
<b>True Cost Per Credit Hour</b>	<b>\$846.17</b>	<b>\$1,145.42</b>
<b>Spending Efficiency</b>	<b>\$1.58</b>	<b>\$0.75</b>



### ICUF SCHOOLS



- |  |                 |
|--|-----------------|
| 1 ADVENTHEALTH UNIVERSITY              | ORLANDO         |
| 2 AVE MARIA UNIVERSITY                 | AVE MARIA       |
| 3 BARRY UNIVERSITY                     | MIAMI SHORES    |
| 4 BEACON COLLEGE                       | LEESBURG        |
| 5 BETHUNE - COOKMAN UNIVERSITY         | DAYTONA BEACH   |
| 6 ECKERD COLLEGE                       | ST. PETERSBURG  |
| 7 EDWARD WATERS UNIVERSITY             | JACKSONVILLE    |
| 8 EMBRY-RIDDLE AERONAUTICAL UNIVERSITY | DAYTONA BEACH   |
| 9 EVERGLADES UNIVERSITY                | BOCA RATON      |
| 10 FLAGLER COLLEGE                     | ST. AUGUSTINE   |
| 11 FLORIDA COLLEGE                     | TEMPLE TERRACE  |
| 12 FLORIDA INSTITUTE OF TECHNOLOGY     | MELBOURNE       |
| 13 FLORIDA MEMORIAL UNIVERSITY         | MIAMI GARDENS   |
| 14 FLORIDA SOUTHERN COLLEGE            | LAKELAND        |
| 15 HERZING UNIVERSITY                  | ORLANDO         |
| 16 JACKSONVILLE UNIVERSITY             | JACKSONVILLE    |
| 17 KEISER UNIVERSITY                   | FT. LAUDERDALE  |
| 18 LYNN UNIVERSITY                     | BOCA RATON      |
| 19 NOVA SOUTHEASTERN UNIVERSITY        | FT. LAUDERDALE  |
| 20 PALM BEACH ATLANTIC UNIVERSITY      | WEST PALM BEACH |
| 21 RINGLING COLLEGE OF ART AND DESIGN  | SARASOTA        |
| 22 ROLLINS COLLEGE                     | WINTER PARK     |
| 23 SAINT LEO UNIVERSITY                | SAINT LEO       |
| 24 ST. THOMAS UNIVERSITY               | MIAMI GARDENS   |
| 25 SOUTHEASTERN UNIVERSITY             | LAKELAND        |
| 26 STETSON UNIVERSITY                  | DELAND          |
| 27 THE UNIVERSITY OF TAMPA             | TAMPA           |
| 28 UNIVERSITY OF MIAMI                 | CORAL GABLES    |
| 29 WARNER UNIVERSITY                   | LAKE WALES      |
| 30 WEBBER INTERNATIONAL UNIVERSITY     | BABSON PARK     |



## GENERAL METHODOLOGY

### ASSUMPTIONS

Significant assumptions used by the study:

Remote students do not impact the economy other than through tuition, fees, and books, which are already accounted for in university spending.

45.9% of students are residents.<sup>4</sup>

26.7% of students stay with family.<sup>5</sup>

100% of students living on campus have a meal plan;

100% of students living off campus do not.

Residential students do not add new spending to off-campus meals or general miscellaneous expenditures.

Lifetime earnings use a 30-year earnings period.

55% of ICUF graduates remain in Florida.<sup>6</sup>

<sup>4</sup>IPEDS Integrated Postsecondary Education Data System, 2022 IPEDS Fall Enrollment. <https://nces.ed.gov/ipeds>

<sup>5</sup>IPEDS Integrated Postsecondary Education Data System, <https://nces.ed.gov/ipeds/>

<sup>6</sup>Hershbein, Brad. (March 2024) Brain Drain or Brain Gain. Upjohn. <https://www.upjohn.org/brain-drain-or-brain-gain-where-university-alumni-locate>

The study follows a two-phase strategy for analysis: the direct impact phase and the dynamic impact phase. First, the direct impact phase considers the direct expenses institutions incur, including operating costs, construction spending, student spending, and alumni earnings. These expenses are used to estimate the total direct, indirect, and induced effects in the dynamic phase.

The dynamic phase examines the economic ripple effects of these expenditures on the broader economy. This phase investigates how direct costs impact other industries through supply and demand. A dynamic analysis is performed by injecting simulated direct spending into the economy, which produces a series of indirect and induced effects. The indirect and induced effects measure the economic ripples spreading across all industries to calculate the total number of jobs created, labor income produced, GDP, and economic output. RIMS II multipliers were utilized to measure the economic impacts of the ICUF institutions.

## DIRECT IMPACT

During the direct impact phase of the study, the main objective is to identify the institutional expenses that will immediately affect Florida's economy. The impact on Florida's economy is defined as the spending that would not have occurred if the university system was not present. The ICUF institutions' expenditures are divided into three categories: institutional expenditures, student spending, and alumni spending. Collectively, these expenditures represent the direct economic impact of the institutions.

### SOURCES OF DATA

- Survey Data of the 29 ICUF member institutions
- Integrated Postsecondary Education Data System (IPEDS), US Department of Education
- Budget Appropriations of EASE
- Integrated Public Use Microdata Series (IPUMS)



The first category of expenditures identified is institutional expenditures. The institutional expenditures include operating costs and capital expenditures. Operating costs are the ongoing expenses of day-to-day operations. Operations are broken down into eleven costs. Construction spending includes construction projects, renovations, and improvements.

The second category of spending is student spending, which pertains to costs that students would incur over a year while attending an ICUF institution. Student counts are collected from the Integrated Postsecondary Education Data System (IPEDS) and then broken down by residency: Florida residents, non-resident, on-campus, off-campus, with family, and without family.

Florida resident students living on-campus distribute spending by dorm rooms, board, tuition, fees, and miscellaneous spending. Lodging and food for resident students living off-campus with their families are not considered. Respective households cover those costs. Resident students living off-campus and not with their families are assumed to be renting an apartment due to relocating within the state to attend classes at their respective schools. Resident students do not impact meals purchased off-campus or miscellaneous spending because Floridians would make these purchases in Florida regardless of an ICUF institution.

Non-resident students living on campus pay for dorm rooms, board, tuition, fees, and miscellaneous. Off-campus non-Florida students face a matching set of costs with apartments and off-campus meals. However, miscellaneous spending and meals away from campus impact the Florida economy as new spending. Non-resident students living on-campus pay for room and board through dorm fees and meal plans, but that impact is captured by university spending.

Non-resident students living off-campus incur similar costs, but they are not captured by university spending. Therefore, non-resident students living off-campus incur impacts from their rent, miscellaneous spending, and meals purchased off-campus.

The third category of impact is caused by alumni earnings. With each degree earned, graduates enjoy better opportunities and higher earning potential throughout their careers. If these institutions did not exist, some students would be crowded out of the State University System, dissuading some students from attending college at all.

Alumni earnings are measured by the earnings of thirty different cohorts of graduates in a specific year. The number of cohorts is based on the thirty-year career life of an ICUF graduate as determined by industry standards. Thirty unique cohorts of graduates earning and spending income in a single year is equal to the median income of one graduating cohort over the next thirty years.



The primary goal of the direct phase is to identify the specific areas where the ICUF schools directly impact the state's economy. ICUF member institutions influence the economy through their direct spending, the spending of their student bodies, and the earnings of their alumni. University spending is categorized into the operating budget and the capital, or construction, budget. Student expenditures are analyzed to determine how direct spending affects the Florida economy, focusing on areas such as lodging, food, and other miscellaneous expenses. Alumni earnings contribute to the economy as individuals attain higher levels of education, allowing us to quantify the additional value a worker gains over 30 years through their newly awarded degree. These three areas of direct impact are analyzed and summed up to measure direct expenditures, which will serve as inputs for the study's second phase, the dynamic analysis.





## DYNAMIC IMPACT

Dynamic impacts are changes in one variable that lead to changes in other variables because of the intertwined dependencies between different sectors of an economy. In other words, the dynamic impact phase captures how direct changes in one industry could affect other industries either directly, indirectly, or as an induced effect. Direct, indirect, and induced effects are the cornerstones of dynamic economic impact estimation.

An example of a direct impact captured in the Direct Analysis is an individual buying a good; the direct cost is \$5. The immediate effect would be \$5. The indirect stage encompasses the supply chain. The indirect costs would be costs associated with acquiring intermediate products to produce the item and making it available for sale. The induced impact accounts for the proceeds, salaries, and wages that are available because of the additional spending in the economy as a part of the initial consumption. Together, these three areas tie a multi-stage impact that pushes beyond a direct static analysis to give a better-rounded view of how expenditures impact the economy.

The dynamic impacts will summarize three general statistics that represent the ripple effects across the economy in total: the impact on jobs created, the impact on labor income, and the new economic output produced. The dynamic phase also provides the taxes generated at the state and local levels.

The methodology offers a comprehensive understanding of the significance of ICUF member institutions in Florida. The statistics provide a concise overview of the role of not-for-profit schools and valuable insights into the system's impact on people across the state.

## EASE PROGRAM IMPACT

In this analysis, the REC group also assesses the impact of the Effective Access to Student Education (EASE) program. The EASE program is treated as a smaller unit, focusing on the general impact of university and student spending but specifically on students who benefit from it. This program is limited to undergraduate students who are Florida residents and take at least 12 hours of coursework per term at a private institution.

The EASE program provides an opportunity for students to study in ICUF institutions. Without assistance from EASE, one student takes up a spot in the public university system, while another loses their chance to be educated in public schools. This is because public universities in Florida operate at maximum capacity, with an overall acceptance rate of 46.5% in the Fall semester. Therefore, without EASE, a student's spot in the education system could crowd out another due to the limited capacity of both public and private universities. The EASE analysis is a part of the larger ICUF member institution's impact study, which uses the same methodology. The EASE analysis aims to understand better the significance of EASE funding and its economic benefits.





## TRUE COST METHODOLOGY

Some factors must be considered when comparing the costs for in-state undergraduate students between the SUS and the ICUF institutions. Each year's appropriations budget encompasses a wide range of spending initiatives by Florida, and significant amounts of those funds include university spending for both SUS and ICUF members. Each university charges base-level tuition and fee per credit hour and receives money the state legislature appropriates. The two sources of funding are combined to calculate the true cost.

To derive the true cost, applicable student populations are isolated. Appropriations are meant for Floridians, and any funding received by the institutions is allocated to in-state students. In-state undergraduate students are used to calculate the total number of credit hours per institution. All full-time students are multiplied by twelve credit hours, and all part-time students are multiplied by six credit hours to find the total number of credit hours per school. A school's appropriations are divided by their respective number of total credit hours.

Discount rates are applied to the gross tuition cost for both the SUS and ICUF institutions. The discount is calculated by examining first-time college students and multiplying their count by published tuition and fees to produce an aggregate value of total tuition and fees. Institutional aid awarded is subsequently divided by the aggregated tuition and fees to produce an average discount rate per school.

The study combines the data collected on the discounted credit hour cost of tuition and fees with the subsidy per credit hour to create a true cost amount for each school per credit hour. The final actual cost reflects the in-state undergraduate student and what they would pay if they were attending an ICUF or SUS institution. Results of the ICUF and SUS Institutions' funding breakout are in Table 9.



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