



MESSIAH COLLEGE™

Economic Impact



INSTITUTIONAL BRIEF PREPARED BY

March 2018



**ECONSULT
SOLUTIONS**

economics | policy | strategy

Economic Impact Brief

Messiah College is a Christian liberal and applied arts and sciences college that is dedicated to embracing the Anabaptist, Pietist, and Wesleyan Christian traditions. With a commitment to educating men and women in preparation for lives of service and leadership, Messiah's holistic educational model—integrating faith into every part of the college experience—is essential to the college's identity. Messiah's nationally-ranked academic program educates over 3,000 students from 37 states and 32 countries striving to further develop their intellect, character, and faith in preparation to better serve their church and community. Messiah College is located on over 400 scenic acres in south-central Pennsylvania, yet only 15 minutes away from the capital city of Harrisburg.

Messiah College At-a-Glance

Year established
1909

Location
Mechanicsburg, PA

Student population
3,540

Programs
150+ undergraduate
27 graduate

Student retention rate
88%

Employees
920

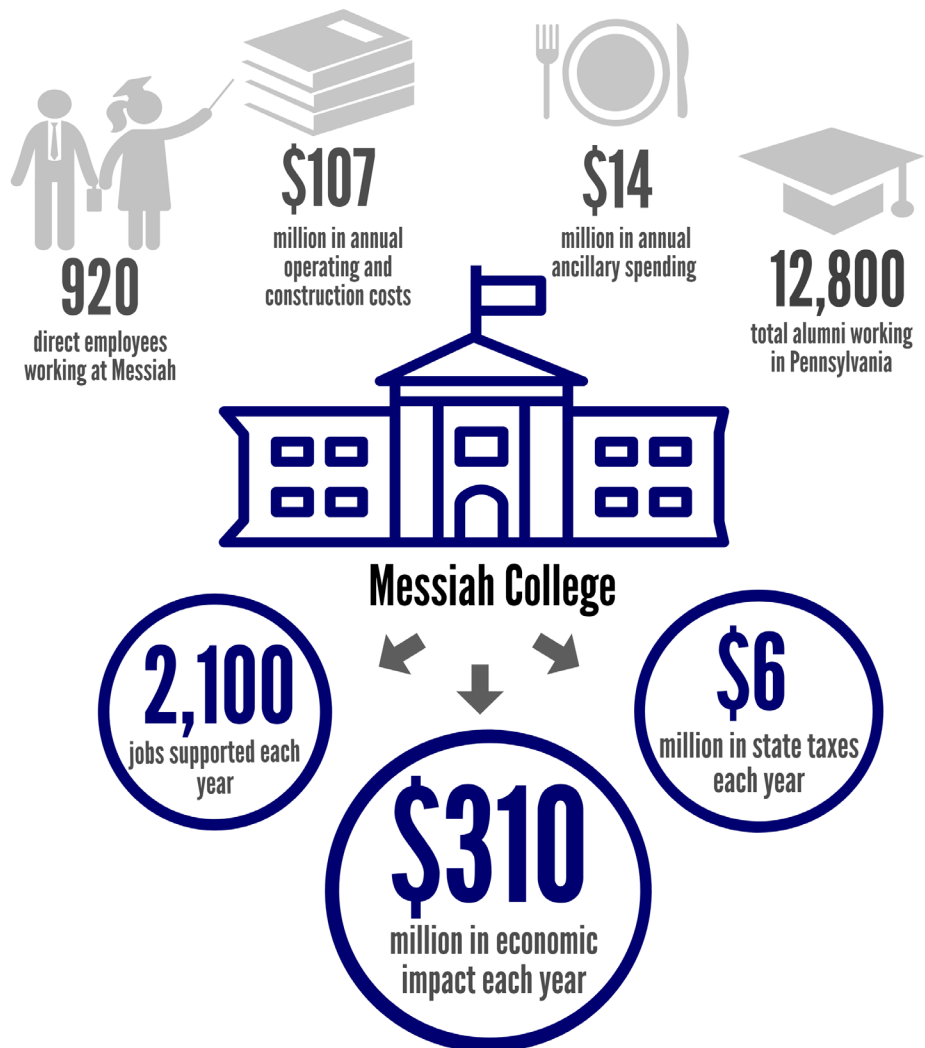
Annual operating budget
\$93 million



Colleges, though they are primarily known as educational institutions, are also major economic engines for their communities and for their regions. They represent a significant amount of employment and of spending on goods and services through their annual operations, and also invest millions in new buildings and renovation projects on campus. They draw in students and visitors, bringing in new spending. And their work educating and credentialing students translates into higher earning potential for graduates, which further adds to the vitality of a local economy. All of these financial outlays in turn support a significant amount of economic activity and jobs across a number of sectors, and produce increases in various local and state tax bases.

Messiah College is a meaningful contributor to the local economy and to state and local tax bases in all of these ways. How it achieves these impacts matter to the local economy, to the surrounding community, and to society as a whole. Rooted in its Christian identity, Messiah educates its students to become leaders in their community by working for justice, serving the poor, and assisting the needy. Messiah students are meaningful members of their local and global communities both during and after their college experience. The purpose of this brief is to articulate and quantify these economic and social benefits. Each year, Messiah's activity generates an economic impact of around \$310 million within the state economy, supporting roughly 2,100 jobs.

Messiah College's Annual Economic Impact Within the Commonwealth of Pennsylvania



Generating Revenue to Support Government Services

Although colleges are not-for-profit institutions and are therefore exempt from paying most taxes, they produce economic activity that does have an effect on local and state tax revenues. Messiah College's annual operations and capital investments generate income, sales, and business taxes for the Pennsylvania government. Further, its alumni generate tax revenues through their additional earnings and through their spending within the state economy. It is estimated that Messiah College's economic activity generates \$6 million each year in tax revenues for the state of Pennsylvania to support important public services. Above and beyond these state revenues, this activity also grows the tax base for local municipalities.

Impact from Annual Operations

The largest way an institution of higher learning is an economic engine is through its annual operations, which support a significant amount of direct employment and direct procurement of goods and services and which then has a large multiplier effect in its community and throughout the region. Messiah's annual operating budget for FY 2017 was \$93 million. The majority of these expenditures (\$58 million) are salary and wages for its more than 900 employees, who recirculate these dollars in the state economy in the form of household spending. The remaining \$35 million is spent on goods and services, supporting suppliers across a range of sectors. The total economic impact of Messiah College's annual operations on the Pennsylvania economy is about \$180 million, supporting 1,340 jobs and \$82 million in earnings.

Annual Operations	Pennsylvania
Direct Output	\$93 million
Indirect & Induced Output	\$87 million
Total Impact	\$180 million
Employment Supported	1,340 jobs
Earnings	\$82 million

Impact from Capital Investments

Colleges also invest their own dollars on campus in the form of new buildings, large-scale renovations, and major maintenance projects. Over the three year period from FY 2014 to FY 2016, Messiah College made \$43 million in total investment. These investments in turn boost the local construction industry and have spillover effects throughout multiple sectors. The annual economic impact of Messiah College's capital investments over the past three years on the economy of the Commonwealth economy is \$27 million supporting 200 jobs and nearly \$8 million in earnings each year.



Annual Capital Investments	Pennsylvania
Direct Output	\$14 million
Indirect & Induced Output	\$13 million
Total Impact	\$27 million
Employment Supported	200 jobs
Earnings	\$8 million

Impact from Wage Premium

It is important to not lose sight of Messiah College's core mission, which is to educate men and woman toward maturity of intellect, character, and Christian faith in preparation for lives of service, leadership and reconciliation in church and society. This primary function of the institution enables graduates to have greater participation in the economies they end up in. Therefore, to the extent that an institution of higher learning is able to retain or attract students to a region, it is increasing the economic vitality and earning power of that region's economy. Of Messiah's nearly 25,000 active alumni, it is estimated that about 12,800 are currently employed and living within Pennsylvania. These alumni are estimated to earn an additional \$77 million in wages each year as a result of their degrees from Messiah. The economic impact from this wage premium is \$89 million a year, supporting 530 jobs and \$27 million in earnings.

Annual Wage Premium	Commonwealth of Pennsylvania
Direct Wage Premium	\$77 million
Total Impact	\$89 million
Employment Supported	530 jobs
Earnings	\$27 million

Impact from Ancillary Spending

Schools also stimulate their local economies by bringing students and visitors (and their spending) into the region. While most Messiah students live on campus, they frequent local businesses in sectors like food, retail and entertainment. Messiah's graduate programs also bring students to live (and shop) in the region for extended periods. In addition, the college attracts thousands of out of state visitors each year for events like commencement, family and homecoming weekends, and prospective student visits and events, all of which support the local hospitality industry. Each year, students and visitors drawn into the Commonwealth of Pennsylvania by Messiah College spend an estimated \$14 million off campus, of which \$7 million is locally purchased and sourced. The economic impact of this ancillary student and visitor spending is approximately \$12 million, supporting about 130 jobs and \$3 million in labor income.

Annual Student Spending	Commonwealth of Pennsylvania
Direct Output	\$7 million
Indirect & Induced Output	\$5 million
Total Impact	\$12 million
Employment Supported	130 jobs
Earnings	\$3 million

Messiah's Internship Program:

Messiah's Career and Professional Development Center provides students with one-on-one career coaching, résumé and interview workshops, an annual Career and Graduate School Expo, and a nationally recognized internship program. In fact, Messiah's internship model has been replicated by over 485 other colleges, universities, and businesses worldwide. The Career and Professional Development Center also hosts the Into the City program—an intensive career immersion and networking platform—which exposes students to what life after graduation would be like working, living, worshipping, and connecting in various cities around the United States. These programs help to prepare Messiah students for active, successful, and meaningful lives after graduation. ***Within nine months of graduation, 98 percent of the class of 2016 were employed full-time or enrolled in a graduate program.***

Social and Community Impact

As impressive as these economic impact estimates are, it is important to reiterate that Messiah's true impact lies not in the fact that it is a relatively large economic operation, but that it is an institution committed to equipping its students for a life of knowledge and service. By creating an atmosphere to explore, question, and deepen each individual's core convictions and Christian belief, Messiah is devoted to the academic and spiritual growth of every student. This positive impact can be felt both locally and globally.

Messiah's students and alumni are deeply involved in faith organizations within their local communities. In addition to on-campus chapel, many Messiah students, faculty and staff are involved in nearby congregations and in related service and ministry programs. These commitments to learning, leadership and service last a lifetime, as over 95 percent of Messiah alumni report being active members or regular attenders of a local church.

99 percent of the class of 2016 participated in some form of community service through the Agapé Center during their time at Messiah.



The Agapé Center for Services and Learning is a hub for service opportunities both on and off campus. The Center develops and coordinates community service projects and missions, preparing individuals for lifelong service. From helping the homeless at the nearby shelter and tutoring local elementary schools students to assisting non-profit organizations in Bolivia and Nicaragua, Messiah's positive impact is felt worldwide. 99 percent of the class of 2016 participated in some form of community service through the Agapé Center during their time at Messiah. In addition, Messiah's Collaboratory for Strategic Partnerships and Applied Research allows students to combine their academic knowledge and Christian faith by providing hands-on problem solving for various non-profit organizations, governments, and business partners locally and globally. These projects give Messiah students an opportunity to participate in the development of new strategies and gain practical experience while aiding in real change for the communities they serve.





Sustainability at Messiah

Sustainability at Messiah has been an integral part of the College's history since the early 1970s. Today, Messiah is a premier resource for contributing to the knowledge and stewardship of God's creation as well as developing sustainable solutions for the future. Messiah's current sustainability efforts include a campus-wide composting program, a student-run community garden, one of the nation's largest solar thermal systems, and regular inventory of greenhouse emissions.



Messiah's Arts Program

Messiah's renowned arts program also provides experiences for the public. Messiah's Calvin and Janet High Center for Worship and Performing Arts provides over 92,000 square feet of space dedicated to dance, theatre and musical arts programming. Two additional on-campus theatres—the Miller Theatre and the Poorman Black Box Theatre—offer theatrical performances ranging from classic musicals to student-run variety shows. The Aughinbaugh Gallery, with new exhibitions every month, house artwork created by recognized artists, faculty, and students alike.



Messiah's campus also serves as an amenity that creates unique learning opportunities for the surrounding community. The Oakes Museum of Natural History, located on Messiah's campus, is a 10,000-square foot museum featuring over two hundred African mammal specimens, one hundred North American mammal specimens, and the third largest private collection of bird eggs in the United States. Special clubs for elementary school students are available every Saturday morning to educate and promote the responsible stewardship of our natural resources for the next generation of researchers.

Messiah's Oakes Museum of Natural History welcomes more than 20,000 visitors a year, including groups of local schoolchildren.

CHRIST PREEMINENT



Messiah College is an important contributor to the Commonwealth. Messiah is directly and indirectly responsible for a diverse array of economic activity, employment, and tax revenues, serving as a major hub of economic activity within Pennsylvania. This activity results directly from Messiah's promise of helping students to "see anew"—through transformation and reconciliation—by viewing themselves, their faith, their careers, and the world in a whole new light. By coupling rigorous academic excellence with the maturity of intellect, character, and Christian faith, Messiah's influence radiates far and wide, as its graduates go on to live out extraordinary callings as members and leader of their communities.



“Since its founding in 1909, Messiah College has been dedicated to promoting the common good—rooted in a Christ-centered commitment to the dignity, welfare and human flourishing of all our neighbors—in Pennsylvania and beyond.”

Kim S. Phipps, Ph.D., President of Messiah College