



CALIFORNIA STATE UNIVERSITY
LONG BEACH

ECONOMIC IMPACT ANALYSIS





CALIFORNIA STATE UNIVERSITY
LONG BEACH

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EXECUTIVE SUMMARY

CSU Long Beach is known around the country for its quality of education, its commitment to diversity and its dedication to serving the community. Indeed, in 2018, U.S. News and World Report ranked Long Beach as the ninth-best public college in the western United States.¹ In 2017, Forbes ranked CSU Long Beach one of America's best-value colleges for its low tuition, quality of education, graduate earnings and low levels of student debt.² Clearly, CSU Long Beach makes a tremendous difference in the lives of its students. But how does CSU Long Beach affect the local economy?

CSU Long Beach is one of the largest employers in the City of Long Beach. Because it is located on the border of Los Angeles and Orange counties, the university plays a major role in these economies, as well. This analysis details the university's impact in terms of increased economic output, employment, employee compensation and tax revenue on these regions. Moreover, this analysis considers the social impact that CSU Long Beach has on the surrounding community through its various programs, initiatives and commitment to diversity. Together, the economic, fiscal and social impacts provide an excellent view into how much the university affects the region.



CALIFORNIA STATE UNIVERSITY
LONG BEACH

¹ California State University Long Beach. US News Best Colleges. (n.d.). Retrieved July 5, 2018, from <https://www.usnews.com/best-colleges/csulb-1139/overall-rankings>

² Best Value Colleges 2018: The 300 Schools Worth the Investment. (n.d.). Retrieved July 5, 2018, from <https://www.forbes.com/value-colleges/list/#tab:rank>

THE FOLLOWING ARE SOME OF THE KEY INSIGHTS GAINED FROM THIS ANALYSIS:

\$1.53 BILLION

IMPACT ON THE LOCAL COMBINED REGION

During the 2016-17 fiscal year, CSU Long Beach had a total impact of **\$1.53 billion** on the local combined region of Los Angeles and Orange counties, including an impact of **\$561.7 million** on the City of Long Beach's economy.³ To put this into perspective, \$561.7 million is equivalent to nearly 3% of the City of Long Beach's gross output (\$20.2 billion in 2017, according to the Bureau of Economic Analysis).

\$1.14 BILLION

IMPACT ON LOS ANGELES COUNTY ALONE

The university's impact on Los Angeles County alone was **\$1.14 billion**, while its impact on Orange County alone was **\$388.5 million**.

10,600 JOBS

SUPPORTED BY CSU LONG BEACH

At the same time, CSU Long Beach supported a total of nearly **10,600 jobs** throughout Los Angeles County and Orange County, including more than **3,700 jobs** in the City of Long Beach.

\$546 MILLION

IN EMPLOYEE COMPENSATION

CSU Long Beach also helped to generate over **\$546 million** in employee compensation (earnings and benefits) for workers throughout Los Angeles County and Orange County, including **\$192 million** in compensation throughout the City of Long Beach.

\$42 MILLION

IN TAX REVENUES

Additionally, CSU Long Beach's economic impacts helped to generate close to **\$42 million** in tax revenue throughout the economies of Los Angeles County and Orange County, including **\$11.5 million** in tax revenue throughout the City of Long Beach's economy.⁴

76%

OF EMPLOYERS HIRED INTERNS

29 out of 38 local Long Beach employers hired **130 CSULB graduates** who interned with them from 2016 to 2017.

\$4.3 MILLION

IN GRANTS RECEIVED

CSU Long Beach took in over **\$4.3 million** in grants from 2016 to 2017 – money that went towards charitable and volunteer activities involving students and faculty.

245 ESTABLISHMENTS

OWNED BY CSU LONG BEACH ALUMNI

As of 2017, **245 local Long Beach establishments** were owned by CSU Long Beach alumni. In Orange County, **674 establishments** were owned by alumni during this time.

³Note: Throughout this report, Los Angeles County figures include those occurring in the City of Long Beach as well as the rest of the county.

⁴The tax revenue that CSU Long Beach helped to create is the result of the secondary impacts of its direct expenditures — that is, the indirect (supply chain) and induced (household) spending activity. For an in-depth explanation of this process, please see the Appendix.



HIGH LEVEL FINDINGS

CITY OF LONG BEACH

IMPACT TYPE	EMPLOYMENT	EMPLOYEE COMPENSATION (\$ MIL.)	OUTPUT
Direct Effect	2,758	133.4	392.1
Indirect Effect	457	29.2	84.0
Induced Effect	503	29.4	85.6
Total Effect	3,717	192.0	561.7

Note: Totals may not be precise because of rounding.

COUNTY OF LOS ANGELES

IMPACT TYPE	EMPLOYMENT	EMPLOYEE COMPENSATION (\$ MIL.)	OUTPUT
Direct Effect	5,325	253.3	704.5
Indirect Effect	1,131	75.7	213.8
Induced Effect	1,277	77.2	218.4
Total Effect	7,733	406.3	1,136.7

Note: Totals may not be precise because of rounding.

COUNTY OF ORANGE

IMPACT TYPE	EMPLOYMENT	EMPLOYEE COMPENSATION (\$ MIL.)	OUTPUT
Direct Effect	1,991	86.4	235.9
Indirect Effect	390	25.9	74.1
Induced Effect	467	27.5	78.5
Total Effect	2,848	139.8	388.5

Note: Totals may not be precise because of rounding.

REPORT OVERVIEW



WITH MORE THAN
32,000
UNDERGRADUATE
— AND OVER —
5,000
GRADUATE STUDENTS

California State University, Long Beach is a sizeable institution with a significant impact on the local economy. This analysis quantifies the university's impact in terms of increased economic output, employment, employee compensation and tax revenue. It also considers the social impact that CSU Long Beach has on the surrounding community through its various programs, initiatives and commitment to diversity. Together, the economic, fiscal and social impacts illustrate just how important CSU Long Beach is to the city and counties surrounding it.

ANALYSIS OVERVIEW

This analysis used data related to CSU Long Beach's spending activity during the 2016-17 fiscal year. These data were sorted into six main categories for analysis:

1. University Operations
2. Capital Improvements
3. Employee Compensation (Payroll)
4. Student Spending
5. Visitor Spending
6. University Research Spending

These expenditures were used to measure the economic and fiscal impacts that CSU Long Beach had during this time on the following economies:

1. The City of Long Beach
2. Los Angeles County
3. Orange County

These expenditures were used to measure the economic and fiscal impacts that CSU Long Beach had during this time on the following economies:

1. Taxes paid directly by CSU Long Beach during the 2016-17 fiscal year, and
2. Tax revenue generated by increased business and household spending as a result of CSU Long Beach's economic impact.

Lastly, this analysis evaluated the social impact that CSU Long Beach had on the surrounding community. This involved the quantitative and qualitative benefits the university contributed beyond its economic and fiscal impacts, such as:

- The importance and value that CSU Long Beach creates by offering a high-quality college education to thousands of students each year,
- The internships and job placements that CSU Long Beach helps its student attain, and
- The philanthropic and charitable activities of CSU Long Beach students, faculty and alumni.

METHODOLOGY OVERVIEW

To measure the economic and fiscal impacts of CSU Long Beach, Beacon Economics used the IMPLAN modeling system. IMPLAN is an industry-standard input-output economic model using the most up-to-date industry multipliers. For an in-depth explanation of how the model operates, please see the Appendix.

DATA SOURCES

Expenditure data for CSU Long Beach were provided to Beacon Economics by CSU Long Beach. Faculty and student body demographic statistics in the Social Impact section were also provided by CSU Long Beach. Regional demographic statistics were obtained by Beacon Economics from the American Community Survey — an ongoing survey produced by the United States Census Bureau each year.



DIRECT EXPENDITURES

With over 37,000 students, CSU Long Beach is one of the largest universities in the Cal State system, and indeed in the state overall. Being such a large school, its operations budget is substantial. The school also typically spends money every year on building or improving structures on campus.

Moreover, students and visitors spend money on goods and services, adding to the overall spending associated with the school.

These various expenditures together make up CSU Long Beach's *direct impact*. For this analysis, these expenditures were organized into six primary categories:

UNIVERSITY
OPERATIONS

CAPITAL
IMPROVEMENTS

EMPLOYEE
COMPENSATION (PAYROLL)

STUDENT
SPENDING

VISITOR
SPENDING

UNIVERSITY
RESEARCH SPENDING

UNIVERSITY OPERATIONS

University operational spending goes toward the goods and services necessary for day-to-day campus performance. For example, during the 2016-17 fiscal year, CSU Long Beach spent money on real estate and utilities, office and teaching equipment, vehicles and other wholesale goods. Purchases were also made on transportation, computer and facility support services, equipment repair, maintenance and other services.

During the 2016-17 fiscal year, CSU Long Beach spent a total of **\$49.4 million** on operations, of which **\$42.5 million** was spent in Los Angeles County, including **\$19.7 million** in the City of Long Beach, as well as **\$6.9 million** in Orange County.

OPERATIONAL SPENDING BY REGION



Note: Totals may not be precise because of rounding.

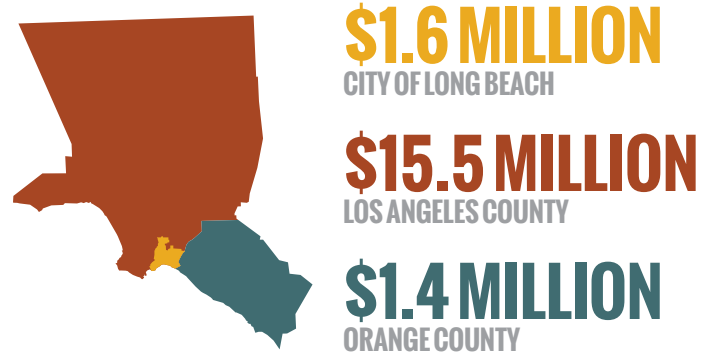
CAPITAL IMPROVEMENTS

Capital improvement expenditures refer to any construction activity or equipment rentals that improve or expand CSU Long Beach's capacity. When this takes place, spending typically goes toward architectural, engineering, regulatory and remediation services, as well as building materials and related goods. This category of spending can fluctuate from year to year depending on the need for improvements to existing facilities, the need to add new facilities and the available resources to undertake these activities.

Still, the university spent a sizable amount on capital improvements during the 2016-17 fiscal year. For example, the College of Continuing and Professional Education New Classroom Project opened in August 2018. This 34,000-square-foot, three-story building houses classrooms, student interaction spaces and a multipurpose conference facility.

Of the \$16.9 million spent on capital improvements, **\$15.5 million** was spent on purchases from suppliers in Los Angeles County, including **\$1.6 million** in the City of Long Beach, as well as **\$1.4 million** in Orange County.

CAPITAL IMPROVEMENT SPENDING BY REGION



Note: Totals may not be precise because of rounding.



EMPLOYEE COMPENSATION

Employee compensation spending encompasses the wages, salaries, benefits and other types of payments to university faculty, staff and student workers. It was the largest category of spending in the CSU Long Beach budget and the second largest category of overall spending tied to CSU Long Beach after student spending.

Expenditures out of wages, salaries and other compensation make their way through the local economies in the form of spending on housing, transportation, retail items, medical expenses and other services.

During the 2016-17 fiscal year, a total of **\$358.3 million** in compensation was paid by CSU Long Beach to workers throughout the three regions, of which **\$239.3 million** went to workers living in Los Angeles County, including **\$135.7 million** to workers living in the City of Long Beach, while **\$119 million** went to those living in Orange County.

STUDENT SPENDING

As previously mentioned, student spending was the largest category of spending. Like employee compensation, student spending went toward goods and services such as housing and transportation, as well as food and beverages and miscellaneous retail purchases, such as clothing.

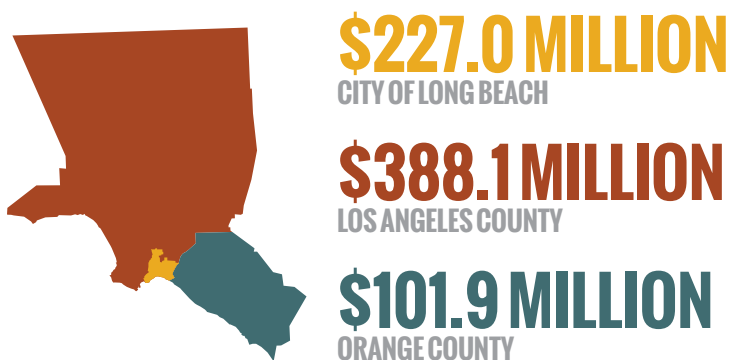
During the 2016-17 fiscal year, CSU Long Beach student spending totaled **\$490 million**, of which **\$388.1 million** was spent in Los Angeles County, including **\$227 million** in the City of Long Beach, while **\$101.9 million** was spent in Orange County.

EMPLOYEE COMPENSATION SPENDING BY REGION



Note: Totals may not be precise because of rounding.

STUDENT SPENDING BY REGION



Note: Totals may not be precise because of rounding.

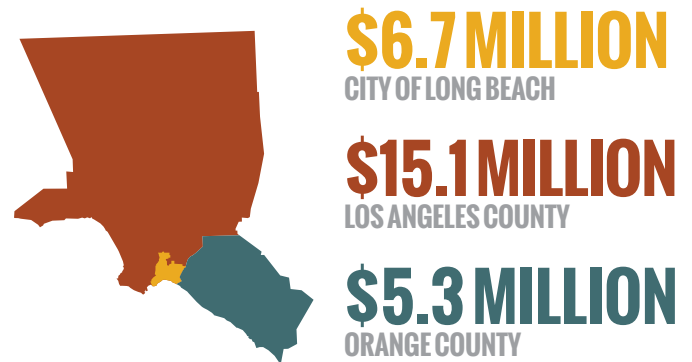


VISITOR SPENDING

Visitor spending refers to expenditures by friends and family members of the university community, as well as alumni, prospective students and others that visited the area because of CSU Long Beach and its activities. Visitors typically spend money at hotels and motels, dining establishments and food vendors, as well as retail establishments. Therefore, spending in this category was concentrated in these types of industries.

During the 2016-17 fiscal year, CSU Long Beach visitor spending totaled **\$6.7 million** in the City of Long Beach, **\$15.1 million** in Los Angeles County and **\$5.3 million** in Orange County.

VISITOR SPENDING BY REGION



Note: Totals may not be precise because of rounding.

RESEARCH SPENDING

CSU Long Beach received a total of **\$53 million** in new research awards from federal, state, and local agencies as well as private corporations and foundations. The total research expenditures during the 2016-17 fiscal year was **\$35 million** in support of research activities on- and off-campus. With **\$16.4 million** of federal R&D expenditures, CSU Long Beach ranks **sixth among 23 CSU campuses** and **26 out of 67** high Hispanic enrollment institutions in the U.S.

Each year, CSU Long Beach students and faculty conduct original, crucial research that benefits the local, national and global communities. Students are actively encouraged to collaborate with faculty to deepen their knowledge and apply scientific methods to important world problems. CSU Long Beach views research as a critical part of learning, helping connect the dots between theory and application. Recent CSU Long Beach research projects include:

Study of endoplasmic reticulum stress in cancer cells by Assistant Professor Deepali Bhandari in Biochemistry.

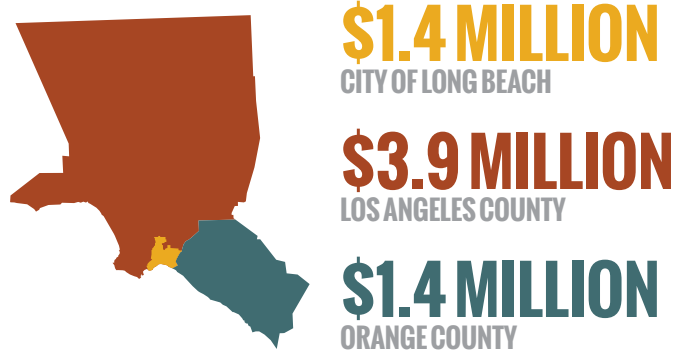
Examination of autism spectrum disorder through placenta research by Professor Jen-Mei Chang.

Investigation of applying artificial intelligence and signal processing to improve the diagnosis and treatment of medical patients by Professor Shadnaz Asgari in Biomedical Engineering.

A key effort in the support of research activities at CSULB involves the development of a searchable database of faculty research experience and expertise. FREE (Faculty Research Experience and Expertise) is a database designed to connect researchers at CSU Long Beach with industries that can utilize their expertise to enhance the economy of the surrounding region.

During the 2016-17 fiscal year, CSU Long Beach research spending toward equipment and supplies totaled **\$1.4 million** in the City of Long Beach, **\$3.9 million** in Los Angeles County and **\$1.4 million** in Orange County. Research spending refers to expenditures related to university-sponsored academic and scholarly research. For example, wholesalers such as lab equipment suppliers received funding from this category. Other expenditures went toward facility support and maintenance services, along with other retail purchases

RESEARCH SPENDING BY REGION



Note: Totals may not be precise because of rounding.

ECONOMIC IMPACTS

Collectively, the six expenditure categories form the university's direct impact — the increase in output, employment and employee compensation for which CSU Long Beach is directly responsible.

However, two other impacts occur as a result of the direct impact, causing “ripple” effects throughout the economy — these are the indirect and induced impacts, together known as secondary

impacts. Indirect impacts represent the increase in business-to-business spending caused by the direct impacts. Likewise, induced impacts represent the increase in household spending activity resulting from the direct and indirect impacts. In short, the combination of the direct, indirect and induced impacts is CSU Long Beach's total economic impact.

IMPACTS ON OUTPUT

Economic output represents the value of industry production in each region that is generated as a result of CSU Long Beach’s spending. For example, when the university buys an item from a local retailer, the increase in sales represents an increase in output. This purchase is the direct impact, which will cause the indirect and induced impacts throughout the supply chains and households connected to the initial spending.

During the 2016-17 fiscal year, CSU Long Beach generated a total of **\$561.7 million** in output throughout the City of Long Beach, **\$1.14 billion** in output throughout Los Angeles County and **\$388.5 million** throughout Orange County.

OUTPUT IMPACT IN MILLIONS

IMPACT TYPE	CITY OF LONG BEACH	LOS ANGELES COUNTY	ORANGE COUNTY
Direct Effect	392.1	704.5	235.9
Indirect Effect	84.0	213.8	74.1
Induced Effect	85.6	218.4	78.5
Total Effect	561.7	1,136.7	388.5

Note: Totals may not be precise because of rounding.

OF THE \$561.7 MILLION IN TOTAL OUTPUT GENERATED IN THE CITY OF LONG BEACH

\$392.1 million represented direct spending by CSU Long Beach, \$84 million represented indirect business-to-business spending and \$85.6 million represented induced household and individual spending.

OF THE \$1.14 BILLION IN TOTAL OUTPUT GENERATED IN LOS ANGELES COUNTY

\$704.5 million represented direct spending by CSU Long Beach, \$213.8 million represented indirect business-to-business spending and \$218.4 million represented induced household and individual spending.

OF THE \$388.5 MILLION IN TOTAL OUTPUT GENERATED IN ORANGE COUNTY

\$235.9 million represented direct spending by CSU Long Beach, \$74.1 million represented indirect business-to-business spending and \$78.5 million represented induced household and individual spending.

IMPACTS ON EMPLOYMENT

CSU Long Beach also had a sizeable impact on these local economies in terms of employment. Wherever the university spends funds, it supports and helps to create jobs. This occurs because the university drives up demand for goods and services in the economy, which in turn causes firms to hire more workers to meet the demand. And like the impacts on output, these employment impacts have secondary effects that ripple throughout the economy.

During the 2016-17 fiscal year, CSU Long Beach supported more than 3,700 jobs in the City of Long Beach, over 7,700 jobs throughout Los Angeles County and 2,850 jobs in Orange County.

EMPLOYMENT IMPACT

IMPACT TYPE	CITY OF LONG BEACH	LOS ANGELES COUNTY	ORANGE COUNTY
Direct Effect	2,758	5,325	1,991
Indirect Effect	457	1,131	390
Induced Effect	503	1,277	467
Total Effect	3,717	7,733	2,848

Note: Totals may not be precise because of rounding.

OF THE 3,700 JOBS SUPPORTED IN THE CITY OF LONG BEACH

nearly 2,800 represented jobs directly supported by the university’s spending activity, close to 500 were supported by indirect business-to-business spending and over 500 were supported by induced household spending.

OF THE 7,700 JOBS SUPPORTED IN LOS ANGELES COUNTY

over 5,300 represented jobs directly supported by CSU Long Beach’s spending activity, more than 1,100 were supported by indirect business-to-business spending and nearly 1,300 were supported by induced household spending.

OF THE 2,850 JOBS SUPPORTED IN ORANGE COUNTY

nearly 2,000 represented jobs directly supported by CSU Long Beach’s spending activity, about 400 were supported by indirect business-to-business spending and almost 500 were supported by induced household spending.

IMPACTS ON EMPLOYEE COMPENSATION

In tandem with the increase in employment, CSU Long Beach had a significant impact on worker earnings and benefits, referred to as employee compensation. Increased demand for goods and services causes existing workers to work more hours, while creating new jobs for others — leading to an increase in the overall wages and benefits distributed in the economy. This occurs thanks to CSU Long Beach’s direct spending and because of the resulting indirect and induced impacts.

During the 2016-17 fiscal year, CSU Long Beach generated \$192 million in employee compensation in the City of Long Beach, \$406.3 million in employee compensation in Los Angeles County overall, as well as \$139.8 million in Orange County.

EMPLOYMENT COMPENSATION IMPACT

IN MILLIONS

IMPACT TYPE	CITY OF LONG BEACH	LOS ANGELES COUNTY	ORANGE COUNTY
Direct Effect	133.4	253.3	86.4
Indirect Effect	29.2	75.7	25.9
Induced Effect	29.4	77.2	27.5
Total Effect	192.0	406.3	139.8

Note: Totals may not be precise because of rounding.

OF THE \$192 MILLION IN TOTAL EMPLOYEE COMPENSATION GENERATED IN THE CITY OF LONG BEACH

\$133.4 million represented compensation directly generated by the university, \$29.2 million represented compensation generated by indirect business-to-business spending and \$29.4 million represented compensation generated by induced household and individual spending.

OF THE \$406.3 MILLION IN TOTAL EMPLOYEE COMPENSATION GENERATED IN LOS ANGELES COUNTY

\$253.3 million represented compensation directly generated by the university, \$75.7 million represented compensation generated by indirect business-to-business spending and \$77.2 million represented compensation generated by induced household and individual spending.

OF THE \$139.8 MILLION IN TOTAL EMPLOYEE COMPENSATION GENERATED IN ORANGE COUNTY

\$86.4 million represented compensation directly generated by the university, \$25.9 million represented compensation generated by indirect business-to-business spending and \$27.5 million represented compensation generated by induced household and individual spending.

FISCAL IMPACTS

CSU Long Beach contributes to the economies of Long Beach, Los Angeles County and Orange County not just through its impacts on output, jobs and compensation but also through its effect on the local tax bases of these regions.

In fact, the university had a significant fiscal impact on these economies during the 2016-17 fiscal year, helping generate tax revenue that went toward vital public services and infrastructure initiatives.

During the 2016-17 fiscal year, CSU Long Beach helped generate **\$11.5 million** in tax revenue throughout the City of Long Beach, **\$31.5 million** in tax revenue throughout Los Angeles County along with **\$10.2 million** throughout Orange County.

FISCAL IMPACT
IN MILLIONS

TAX TYPE	CITY OF LONG BEACH	LOS ANGELES COUNTY	ORANGE COUNTY
Property Tax	5.6	18.6	7.4
Sales Tax	4.0	8.1	1.8
Other Taxes	1.9	4.7	0.9
Total	11.5	31.5	10.2

Note: Totals may not be precise because of rounding.

THE \$11.5 MILLION
IN TAX REVENUE GENERATED
IN THE CITY OF LONG BEACH

comprised \$5.6 million in property tax, \$4 million in sales tax and \$1.9 million in other taxes.

THE \$31.5 MILLION
IN TAX REVENUE GENERATED
IN LOS ANGELES COUNTY

comprised \$18.6 million in property tax, \$8.1 million in sales tax and \$4.7 million in other taxes.

THE \$10.2 MILLION
IN TAX REVENUE GENERATED
IN ORANGE COUNTY

comprised \$7.4 million in property tax, \$1.8 million in sales tax and \$0.9 million in other taxes.

Moreover, CSU Long Beach paid over **\$3.3 million** in direct taxes through vendor and government receipts during the 2016-17 fiscal year.

SOCIAL IMPACTS

IMPORTANCE OF
AND RETURNS TO
EDUCATION





EARNINGS BY **EDUCATIONAL ATTAINMENT**

Completing a college degree is pivotal to many people's future. In fact, some credit a college education with changing the course of their lives. Numerous economic studies have shown that, in general, higher levels of education lead to higher earnings. College provides the knowledge, skills and experience that gives access to higher-paying jobs. These jobs may be entry level at first, but over a lifetime, college-educated people earn more on average than those with only a high school diploma or less.

In Los Angeles County, for example, those with at least a bachelor’s degree earned over \$54,000 in 2017 — almost double the earnings of those with a high school diploma (\$28,900). In the City of Long Beach, it was much the same story, with bachelor’s degree holders making \$57,000 per year compared with high school-educated people earning

\$31,100 (an 83% difference). Earning potential increases as people obtain graduate degrees, too. For example, those with a graduate or professional degree earned about \$77,200 in Los Angeles County in 2017, \$79,700 in Long Beach and \$87,300 in Orange County.

MEDIAN EARNINGS BY EDUCATIONAL ATTAINMENT
(POPULATION 25 YEARS & OLDER), 2017

EDUCATION LEVEL	CITY OF LONG BEACH	LOS ANGELES COUNTY	ORANGE COUNTY
Overall Average	\$ 39,500	\$ 37,000	\$ 42,900
Less than High School	21,700	21,900	23,300
High School Diploma	31,100	28,900	31,300
Some College or Associate's Degree	37,000	36,500	40,500
Bachelor's Degree	57,000	54,400	61,200
Graduate/Professional Degree	79,700	77,200	87,300

Source: U.S. Census/American Community Survey (1-Year Estimates); Analysis by Beacon Economics

UNEMPLOYMENT RATES BY EDUCATIONAL ATTAINMENT

College-educated individuals also tend to have lower unemployment rates, and in turn, greater job security. In Los Angeles County, for instance, those in their prime working-age years with at least a bachelor’s degree in 2017 had an

unemployment rate of only 4.1%. In Long Beach, college graduates had an unemployment rate of 3.4%, nearly half the rate of those with only some college (5.2%) and those with only a high school education (6%).

UNEMPLOYMENT RATES BY EDUCATIONAL ATTAINMENT
(POPULATION 25-64 YEARS OLD), 2017

EDUCATION LEVEL	CITY OF LONG BEACH	LOS ANGELES COUNTY	ORANGE COUNTY
Less than High School	8.8 %	6.3 %	3.4 %
High School Diploma	6.0	5.2	4.8
Some College/Associate's Degree	5.2	5.1	3.8
Bachelor's Degree	3.4	4.1	3.2

Source: U.S. Census/American Community Survey (1-Year Estimates); Analysis by Beacon Economics

POVERTY RATES BY EDUCATIONAL ATTAINMENT

With better job opportunities and lower rates of unemployment, it comes as no surprise that college-educated people are less likely to live in poverty than those who are less educated. In

2017, for example, only 2% of college-educated people were living in poverty in Los Angeles County. In Long Beach and Orange County, the rates were 1.8% and 2%, respectively.

POVERTY STATUS BY EDUCATIONAL ATTAINMENT

(POPULATION 25 YEARS & OVER), 2017

EDUCATION LEVEL	CITY OF LONG BEACH	LOS ANGELES COUNTY	ORANGE COUNTY
Less than High School Graduate	4.8 %	4.6 %	2.7 %
High School Graduate	3.4	3.1	2.3
Some College/Associate's Degree	3.4	2.8	2.0
Bachelor's Degree or Higher	1.8	2.0	2.0

Source: U.S. Census/American Community Survey (1-Year Estimates); Analysis by Beacon Economics

HEALTH INSURANCE COVERAGE BY EDUCATIONAL ATTAINMENT

Another important indicator of the value of a college education is health insurance coverage. Health insurance is a hot topic in today's political climate, especially since medical services are expensive. As in other areas of economic well-being, college graduates typically have better health coverage. One reason is that, in the United States, most people get their health insurance from their employers. Therefore, with better job prospects and lower unemployment rates, college graduates are more likely to be covered.

In 2017, over 94% of those with at least a bachelor's degree in Los Angeles County were covered, compared with 91% of those with some college and 84% of those with only a high school diploma. Similarly, 97% and 96% of college graduates in Long Beach and Orange County were covered. As in Los Angeles County, the rate of coverage declined the less education a person had.

HEALTH INSURANCE COVERAGE BY EDUCATIONAL ATTAINMENT

(POPULATION 25 YEARS & OVER), 2017

EDUCATION LEVEL	CITY OF LONG BEACH	LOS ANGELES COUNTY	ORANGE COUNTY
Less than high school	77.3 %	74.4 %	70.5 %
High School Graduate	85.2	84.2	85.5
Some College/Associate's	92.8	90.8	92.5
Bachelor's or Higher	97.0	94.4	96.0

Source: U.S. Census/American Community Survey (1-Year Estimates); Analysis by Beacon Economics





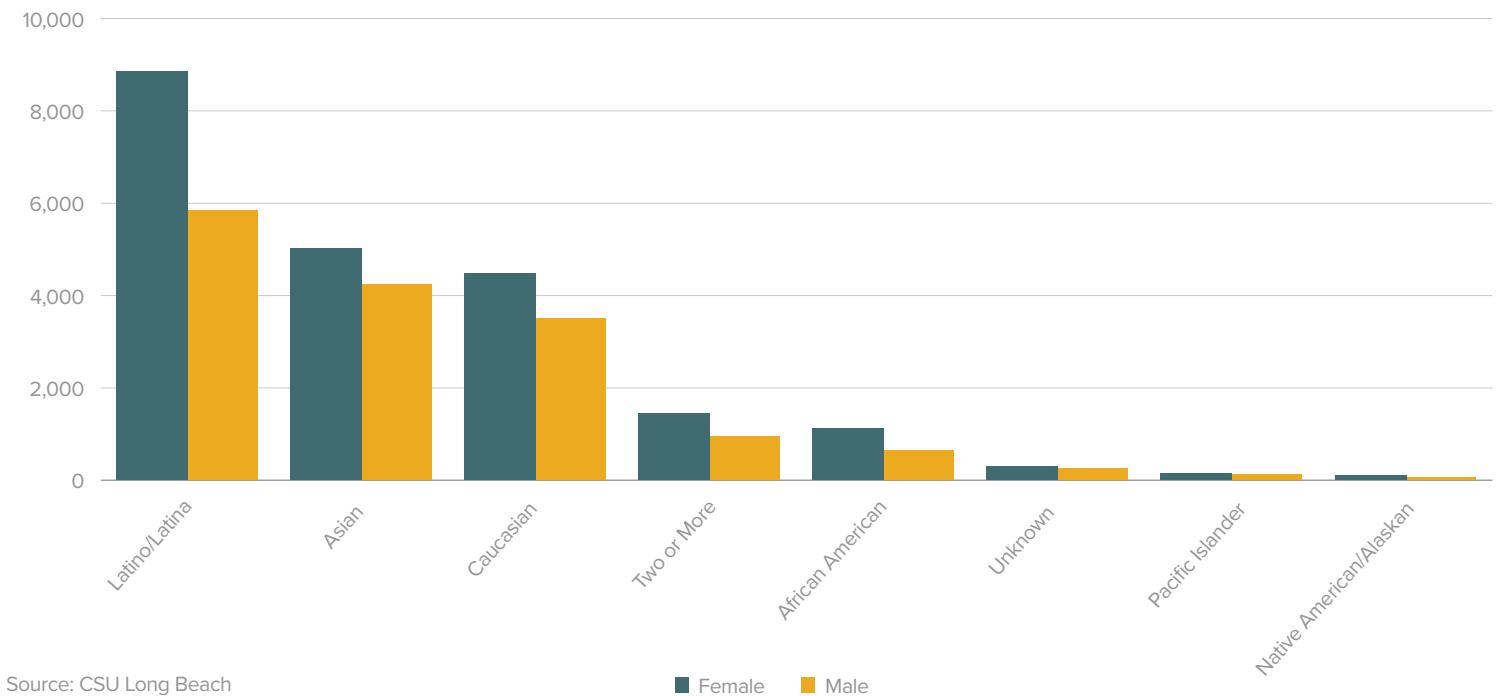
DIVERSITY

Perhaps CSU Long Beach's greatest and most enduring contribution is not to the economy or community, but to its students. Each year, CSU Long Beach produces world-class scholars, engineers and athletes, sending them into the workforce, on to master's and doctoral programs, to law and medical schools and to laboratories. The knowledge, skills and experience that students gain at CSU Long Beach form the foundation for a fulfilling life. Moreover, CSU Long Beach students gain perspective and understanding of various peoples, cultures, lifestyles and ideas through the university's commitment to diversity, opportunity and creativity.

CSU Long Beach offers its students further life-changing experiences through the diversity that it fosters on campus, which is representative of the surrounding community — both in its student body and its faculty. For example, during the Fall 2017 semester, close to 15,000 students identified as Latino or Latina, equating to about 40% of the student body. This is closely in line with the surrounding community, as 43% of Long Beach City residents identified as Hispanic during 2017, according to the Census Bureau. Similarly, about 22% of students identified as white, which was on par with the citywide share, 28%.

STUDENT BODY BY RACE/ETHNICITY

FALL 2017



Source: CSU Long Beach

RACIAL/ETHNIC CHARACTERISTICS

(TOTAL POPULATION), 2017

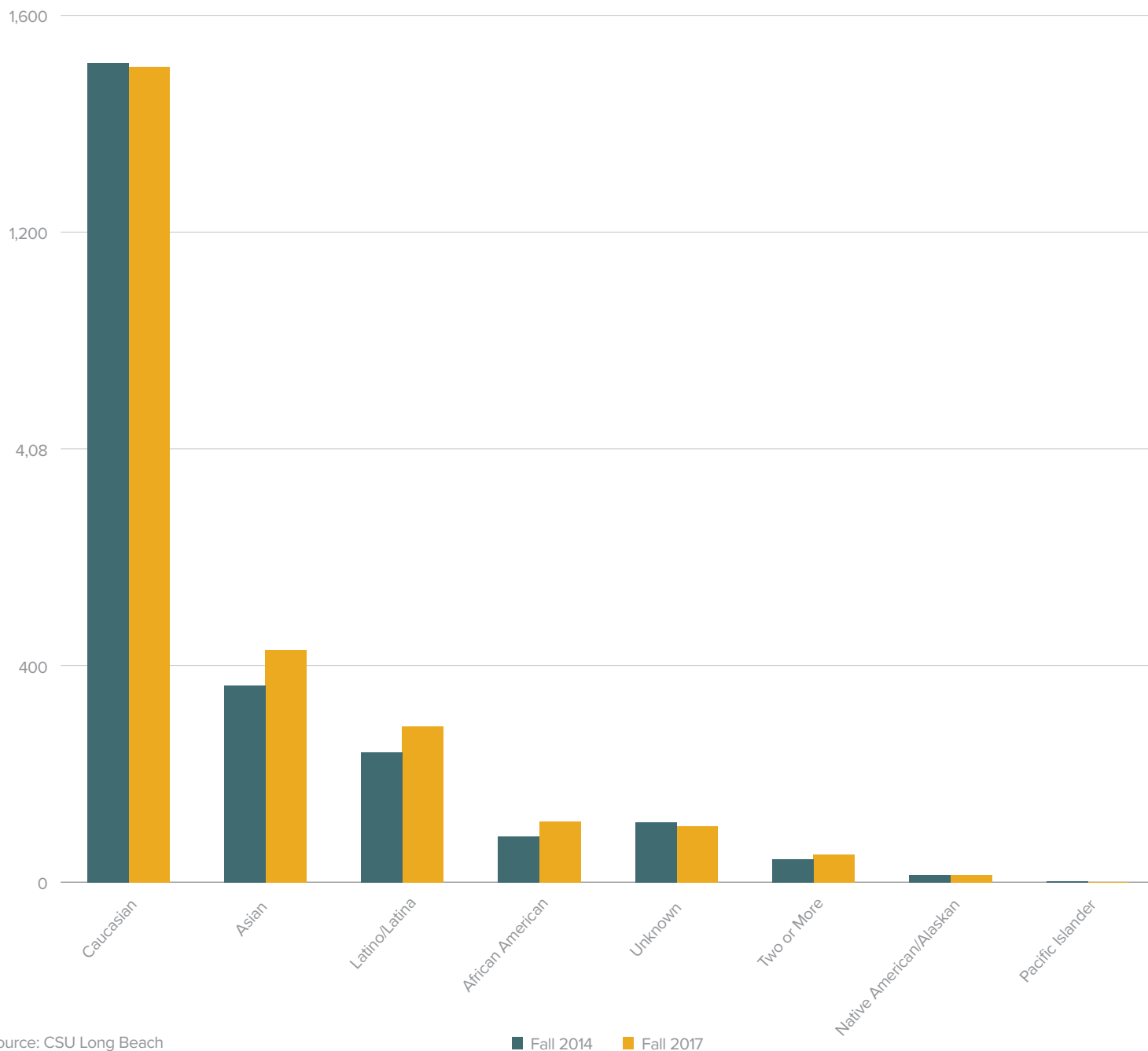
RACE/ETHNICITY	CITY OF LONG BEACH	LOS ANGELES COUNTY	ORANGE COUNTY
Hispanic	43.2 %	48.6 %	34.2 %
White	28.1	26.0	40.4
Asian	13.2	14.6	20.3
Black	12.3	7.8	1.6
Two or more	2.1	2.2	2.9
Other	1.1	0.8	0.6

Source: U.S. Census/American Community Survey (1-Year Estimates); Analysis by Beacon Economics

Although most CSU Long Beach’s faculty identify as white, the university is committed to hiring and retaining more non-white faculty in an effort to bring racial and ethnic diversity to campus. For example, about 60% of the faculty identified as white in the Fall 2017 semester, representing a 4% decrease in share from Fall 2014. During this period, nearly all other racial/ethnic groups saw an uptick in their share. Asian faculty members, for instance, went from 15% of the faculty in 2014 to 17% in 2017. Likewise, Latino/Latina faculty members increased their representation by about 1.5% during this time.⁵

FACULTY BY RACE/ETHNICITY

FALL 2017



Source: CSU Long Beach

⁵For more information on CSU Long Beach’s commitment to a racially and ethnically diverse faculty, please see the university’s diversity plan: <http://web.csulb.edu/depts/oed/policies/faculty-staff-diversity-plan.html>



INTERNSHIP ENGAGEMENT

Some of the most valuable experiences that CSU Long Beach students gain come through internships. Internships enable students to connect the dots between theory and application while acquiring real-world skills that are useful to potential employers. In fact, many CSU Long Beach students ultimately get hired by the companies with which they intern. For example, a survey conducted by the university from May 2016 to August 2017 revealed that 29 of 38 employers in Long Beach hired 130 CSU graduates who interned during this time.

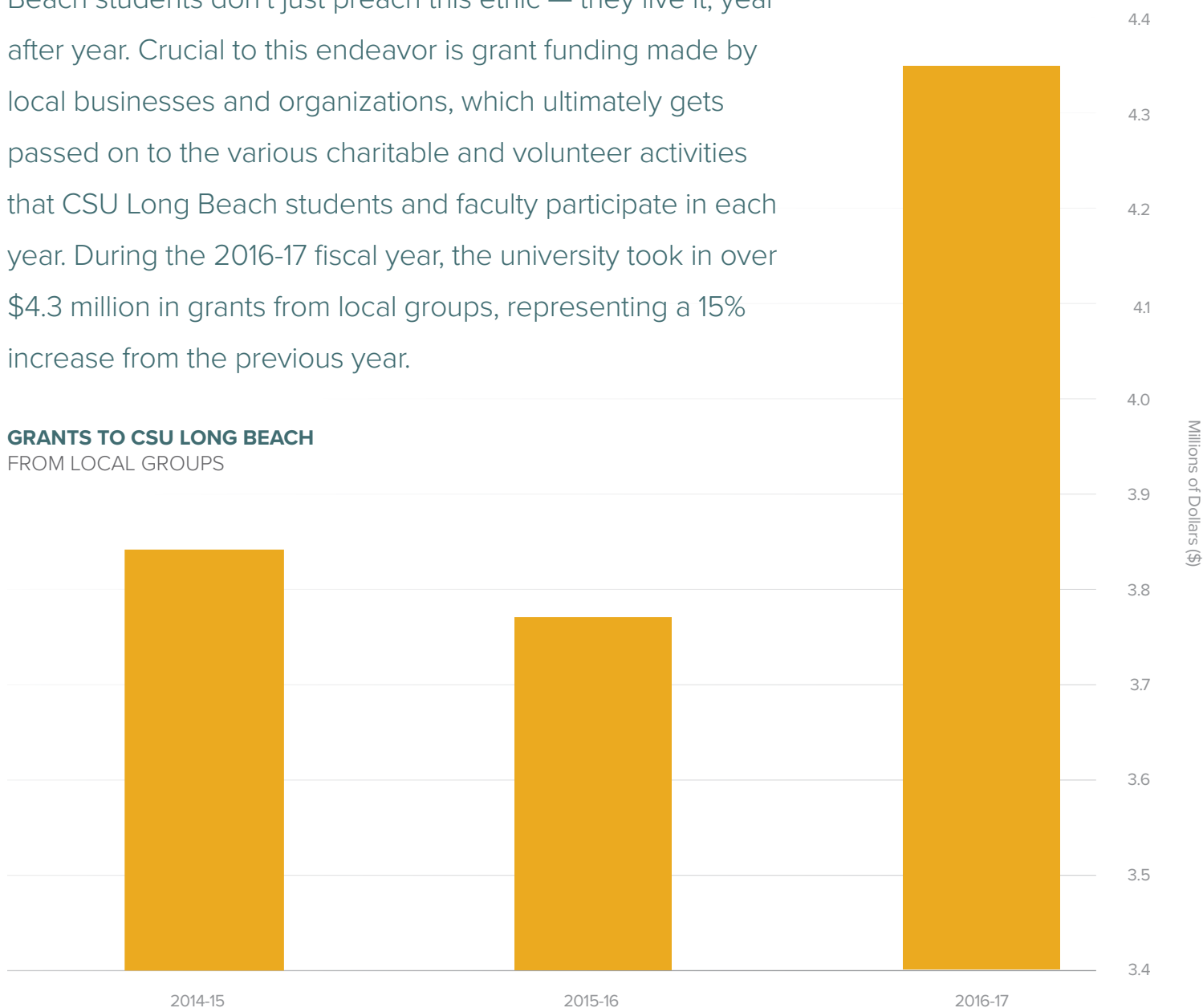
CSU Long Beach students gain internships in a variety of fields and formats. For instance, during the Fall 2017 semester, over 100 students interned either online or through a hybrid program. Among many others, CSU Long Beach students have interned at:

- California Resources Corp.
- City of Long Beach (various departments)
- Long Beach 908 Magazine
- Long Beach Community Action Partnership / PADNET
- Long Beach Opera
- Long Beach Water Department
- Long Beach Mayor's Office
- Partners of Parks
- Riviera Advisors Inc.
- Special Olympics Southern California

SOCIAL SERVICE & PHILANTHROPIC EFFORTS

CSU Long Beach is committed to serving its surrounding community and instilling this value in its students. But Long Beach students don't just preach this ethic — they live it, year after year. Crucial to this endeavor is grant funding made by local businesses and organizations, which ultimately gets passed on to the various charitable and volunteer activities that CSU Long Beach students and faculty participate in each year. During the 2016-17 fiscal year, the university took in over \$4.3 million in grants from local groups, representing a 15% increase from the previous year.

GRANTS TO CSU LONG BEACH
FROM LOCAL GROUPS



Source: CSU Long Beach



At the university-level, the Center for Community Engagement provides educational experiences for students by collaborating with the colleges on opportunities to participate in initiatives that meet societal needs and conduct action-oriented research that makes significant contributions to the community. These experiences combine classroom instruction with meaningful community service, giving students real-world learning experiences that enhance their academic learning while providing a tangible benefit for the community.

Each college department also has its own community outreach and engagement programs in which students volunteer and give back to the public. For example, Arts Bridge is an outreach program provided to the greater Long Beach community by the College of the Arts. CSU Long Beach students in this program provide hands-on learning activities to elementary school teachers and students who have limited access to art education. Participating CSU Long Beach students serve in this program under the supervision of a university mentor and are paid for their time. A similar program, Arts for Life, provides free or low-cost art education experiences to anyone in the area. Although the program is put on by the Carpenter Performing Arts Center, many CSU Long Beach art students participate each year. Other art-related charitable activities include:

Bob Cole Conservatory of Music Exploration Days: Local high school music students are welcomed on campus to experience what it's like to be a music major in college. Also, the conservatory regularly sends student ensembles to local residential facilities and nursing homes to perform.

Educational Performance in Community: An ensemble-outreach effort organized by the Theater Arts Department with the goal of building bridges among groups through theater.

University Art Museum Plugged In: Classroom outreach efforts for fourth-grade students to align with state and national standards in visual arts, social studies, language arts and math. Students are encouraged to create art projects that stimulate critical thinking, awareness of being a responsible citizen and collaborative process skills.

The College of Business Administration also hosts a plethora of charitable activities each year. The Community Scholars Program, for example, sets out to encourage high school students to consider enrolling in college, showing them how to achieve their educational goals. Business students that participate in this program create workshops that focus on college readiness topics. High school students are also brought to the CSU Long Beach campus to experience what it's like to be a college student. Other programs put on by the business school include:

The Ukleja Center for Ethical Leadership: Helps business students build solid ethical foundations and meet with local business leaders who exemplify ethical business practices.

Marketing Business Center: Offers local small and medium-sized businesses professional marketing services managed by CSU business students.

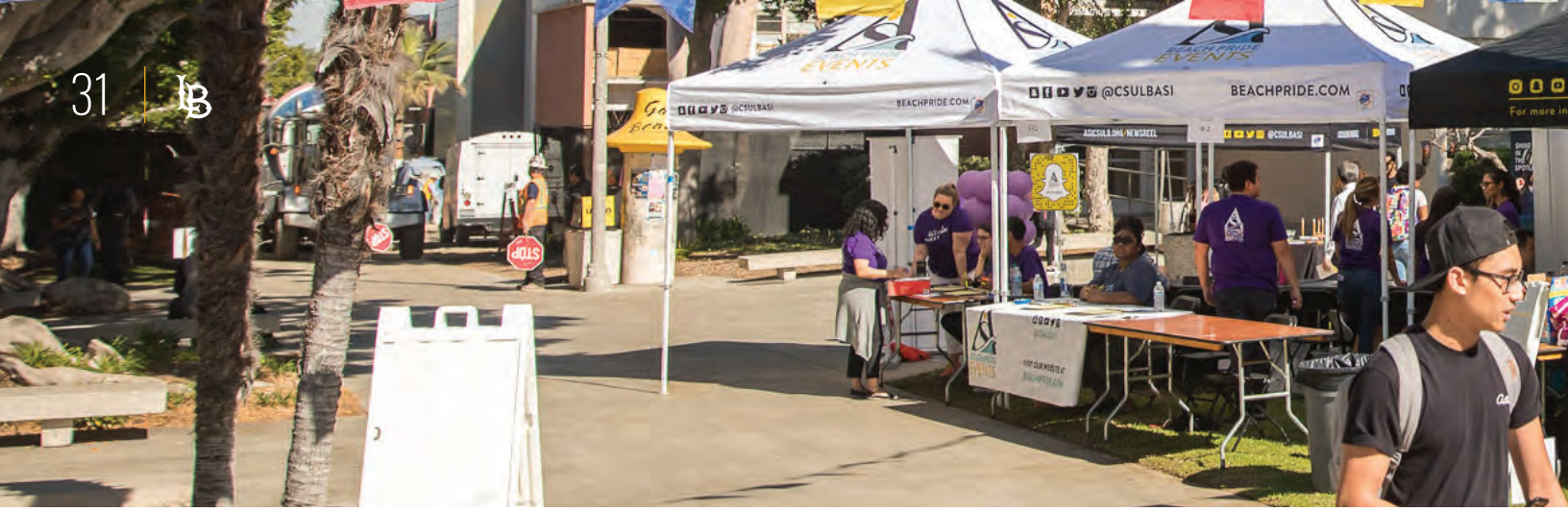
Volunteer Income Tax Assistance: Free income tax preparation to low-income, elderly, nonresident, disabled or non-English-speaking individuals and students.

Beta Alpha Psi and Accounting Society: Students in this group perform a minimum of nine hours of community service each year, with most doing more.

CSU Long Beach's College of Education participates in a number of charitable activities, such as STEM (Science Technology Engineering and Mathematics) at the Beach. This is a weeklong STEM camp for students who attend Title 1 middle schools (those with more than 40% of students from low-income families) in the Long Beach Unified School District. Each day, campers participate in two hours of hands-on activities with STEM professionals and two hours of robotics for a total of 20 hours of activities. Other programs include:

Long Beach Trauma Recovery Center: Trauma and mental health care for victims of crime and their families, especially for underserved crime victims, at no cost. The program also trains interns that go on to help victims of violent crime.

The Community Clinic for Counseling and Educational Services: This clinic provides services to individuals with mental health, developmental or learning challenges while training Long Beach graduate students enrolled in the College of Education. Clients are mostly local community members.



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Charitable programs operated by the College of Engineering include the Mathematics, Engineering and Science Achievement Schools Program. This serves low-income and educationally disadvantaged students at the pre-college and college levels. The program also partners with local middle and high schools to prepare students for attending college and studying STEM. Other programs facilitated by this college include:

Future Girls @ the Beach: Connects female high school students with CSU Long Beach engineering students and industry mentors to encourage them to study engineering.

Science and Career Fairs: Frequently, CSU engineering students participate in high school career fair events to answer questions from prospective students and their parents.

College of Engineering Tours: Opportunities for local, prospective college students to visit the Long Beach campus and labs and engage with engineering students. The tours are offered monthly.



The Department of Mathematics and Statistics hosts charitable programs throughout the year, such as the Elementary Science Learning Academy workshops. These are held every Saturday for local elementary school teachers, and address various needs of the educators. The following programs are also put on by the department:

CSULB Math Day at the Beach: Mathematics competition for high school students. About 220 high school students from over 30 schools participate each year.

Science Learning Center: Student volunteers provide a variety of hands-on science learning opportunities to local K-8 students.

NGSS Rollout: A professional development workshop for local K-12 teachers to implement Next Generation Science Standards in their classrooms.

SEE US Succeed: A two-week summer science camp program that provides hands-on, inquiry-based investigations for Long Beach Unified K-5 students experiencing homelessness.

One of many charitable programs at the College of Health and Human Service is the CSULB Speech-Language Clinic. This university-based clinic provides comprehensive diagnostic and therapeutic services for children and adults with speech and language disorders, such as autism spectrum disorders, fluency disorders and others. Other programs include:

LifeFit @ the Beach: A health and fitness facility for Long Beach residents aged 49 and above, as well as CSULB employees of all ages to promote intergenerational relationships.

After School Adapted Physical-Activity Program: Provides physical fitness, fundamental movement skills, cooperative games and sport experiences for children with special needs and disabilities aged 6 to 12.

Camp Nugget: A four-week summer camp providing health-related physical fitness, fundamental motor skills, aquatics, cooperative games and sport experiences to 50 children with special needs and disabilities aged 5 to 12.

Center for Latino Community Health, Evaluation and Leadership Training: Develops health programs for underserved Latino communities, provides technical assistance to organizations already serving in this capacity, and furnishes Latino communities with research and education to help develop health programs and policies.



The College of Liberal Arts makes many important charitable contributions to the local and regional community in the following ways:

CLA students serve the local community through hundreds of internship and service learning placements in local and regional non-profit organizations. Examples include:

- Providing support staff for Bridges and nonviolence event groups.
- Teaching communication skills at YMCA and afterschool care programs.
- Mediating disputes in Superior and Small Claims Court.
- Developing a training program for construction supervisors for Rebuilding Together Long Beach.

Students and faculty in dozens of courses that take on projects for local and regional groups. Some examples include:

- Planning awareness and fundraising events for such groups as the Youth Music Program at Roger's Middle School.
- A carnival for Operation Jump Start
- A yoga class to benefit Guide Dogs of America.
- An obstacle course event to benefit the Wounded Warrior Project.
- A painting night for the Women's Shelter of Long Beach.

Speakers and training events that are of interest to affinity groups in the region. Examples include:

- Eugene and Eva Schlesinger Teacher Training Workshop on the Holocaust – Each summer this event hosts between 30-40 middle school teachers to develop curriculums pertaining to the Holocaust.
- Solanki Lecture – Hosted by the Yadunandan Center for India Studies, the Solanki lecture is an annual event that draws hundreds of community members for an in-depth lecture pertaining to India.
- Economic Forum – Hosted by the Office of Economic Research, the Economic Forum is an annual event that highlights various industries in the region and offers a forecast of the regional economy.

CSU Long Beach’s Division of Student Affairs also hosts several community-focused programs throughout the year. These include:

Associated Students Inc. DACA Renewal Workshop: This workshop helps Deferred Action for Childhood Arrival (“Dreamers”) students renew their permits free of charge in collaboration with Future Underrepresented Educated Leaders, the Dream Success Center and the Long Beach Immigrant Rights Coalition.

ASI Beach Streets: A public event in which popular streets in Long Beach are shut down to encourage alternative forms of transportation.

Dean of Students College Against Cancer: This group raises money for cancer research.

The Compton Initiative: A nonprofit organization that paints houses, schools and churches in Compton on quarterly workdays in partnership with volunteers from CSU Long Beach and other organizations.

Association for the Advancement of Foster Youth/ Guardian Scholars: An outreach event held once a year to promote foster youth education. This event encourages middle and high school students to pursue a college education.

Upward Bound Program: This event raises money for the Children’s Cancer Research Fund. CSU Long Beach volunteers help ensure that runners stay on course and cheer them along the route, distribute medals and assist with cleanup.

In addition to the charitable and philanthropic efforts conducted by the colleges of CSU Long Beach, similar efforts are undertaken by these university organizations:

- CSULB Alumni Association
- The Annual and Special Giving Office
- Associated Students Inc.
- Beach Athletics
- Library Services
- Earl Burns Miller Japanese Garden
- President’s Scholarship Program
- University Art Museum
- Women & Philanthropy

ALUMNI OWNED **BUSINESSES**

CSU Long Beach also impacts the local community through businesses owned by its alumni. As of 2017, 751 local establishments were owned by Long Beach alumni, including 245 in the City of Long Beach. Moreover, 674 alumni-owned establishments were in Orange County as of 2017. These establishments provide jobs to thousands of workers, helping support their families and providing solid tax revenue to local coffers.

CONCLUSION

California State University, Long Beach is well known and recognized for its presence and contributions to the Long Beach community and the broader Los Angeles-Orange County region. As this report describes, the university makes a significant ongoing contribution to the economy, as well.

During the 2016-17 fiscal year, CSU Long Beach had a notable economic impact on the economies of Long Beach, Los Angeles County and Orange County. These impacts were caused by the university's direct expenditures — spending on operations, capital improvements, employee compensation (payroll), student spending, visitor spending and research spending. These direct expenditures had indirect and induced (secondary) impacts on these economies. The indirect impacts came through increased business-to-business spending, while the induced impacts came through increased household and individual spending. Furthermore, these impacts helped to generate millions of dollars in tax revenue for local governments. Therefore, CSU Long Beach had a total impact on these regions that was larger than its initial spending.

CSU Long Beach also benefited its students and community through its social impacts. These included the numerous charitable activities that students and faculty participate in each year. The university also benefited its community by providing a world-class education. Education is often the best path to success and prosperity for many people, especially those from underserved and underrepresented communities. In this regard, CSU Long Beach goes above and beyond by fostering an extremely diverse student body.



APPENDIX

TABLES

OUTPUT IMPACT

IN MILLIONS

IMPACT TYPE	CITY OF LONG BEACH	LOS ANGELES COUNTY	ORANGE COUNTY
Direct Effect	392.1	704.5	235.9
Indirect Effect	84.0	213.8	74.1
Induced Effect	85.6	218.4	78.5
Total Effect	561.7	1,136.7	388.5

Note: Totals may not be precise because of rounding.

EMPLOYMENT IMPACT

IMPACT TYPE	CITY OF LONG BEACH	LOS ANGELES COUNTY	ORANGE COUNTY
Direct Effect	2,758	5,325	1,991
Indirect Effect	457	1,131	390
Induced Effect	503	1,277	467
Total Effect	3,717	7,733	2,848

Note: Totals may not be precise because of rounding.

EMPLOYEE COMPENSATION IMPACT

IN MILLIONS

IMPACT TYPE	CITY OF LONG BEACH	LOS ANGELES COUNTY	ORANGE COUNTY
Direct Effect	133.4	253.3	86.4
Indirect Effect	29.2	75.7	25.9
Induced Effect	29.4	77.2	27.5
Total Effect	192.0	406.3	139.8

Note: Totals may not be precise because of rounding.

FISCAL IMPACT
IN MILLIONS

IMPACT TYPE	CITY OF LONG BEACH	LOS ANGELES COUNTY	ORANGE COUNTY
Property Tax	5.6	18.6	7.4
Sales Tax	4.0	8.1	1.8
Other Taxes	1.9	4.7	0.9
Total	11.5	31.5	10.2

Note: Totals may not be precise because of rounding.

MODEL USED FOR THE ECONOMIC AND FISCAL IMPACT ANALYSIS

Multipliers are used by economists to explain how spending in a given industry affects the industries down its supply chain, as well as the overall economy. For example, a multiplier might show how for every \$1 spent in a certain industry, an additional \$0.25 in economic activity is generated in the economy: a 1.25 multiplier.

Expenditures made on different types of goods and services can lead to different multipliers. Similarly, expenditures made in the same industry in different regions can generate different economic impacts. Why do multiplier effects differ across industries and regions? An expenditure can have a large multiplier if it induces economic activity in industries whose employees have a high propensity to spend their take-home pay. Also, if the regional industry does not import many materials from outside the region, its multiplier effect on the

local economy will be high. On the other hand, if imports are high, the multiplier effect will be lower, because spending in the local economy “leaks out” into other regions.

The multiplier effects of these expenditures were estimated with the help of Version 3 of the IMPLAN modeling system. IMPLAN (which stands for Impact Analysis for Planning) is a widely used, industry standard input-output economic model owned by the IMPLAN Group. Within a specified timeframe, input-output models help elucidate the interactions that take place between a given economic agent or activity and the broader economy (or economies, if more than one region is studied). For this analysis, the timeframe is one year (the 2016-17 fiscal year) and the economic agent is CSU Long Beach.

DEFINITION OF TERMS

OUTPUT: The value of industry production. In IMPLAN, these are annual production estimates for the year of the data set and are in producer prices. For manufacturers, output is sales plus or minus change in inventory. For service sectors, output is equal to sales. For retail and wholesale trade, output is equal to gross margin.

EMPLOYMENT: The annual average of monthly jobs in a given industry. Another way to define employment is “full-time equivalent.”

EMPLOYEE COMPENSATION: All forms of employment income, including wages and benefits.

HOW TAX REVENUE IMPACTS WORK

As a public, state-funded university, CSU Long Beach is exempt from paying many local and state taxes (although it does pay some, such as sales taxes on items purchased directly). Therefore, the fiscal/tax impact that the university has on the economies of Orange County, Los Angeles County and the City of Long Beach is generated through the secondary impacts that result from the direct impact.

For example, when CSU Long Beach makes a direct expenditure on a catering service, the caterer must purchase supplies, which equates to an indirect (supply chain) impact, resulting in some amount of taxes being paid on the part of the caterer. Moreover, the caterer must hire workers, who ultimately use some fraction of their earned income to make purchases on goods and services, which equates to an induced impact and also results in taxes being paid on the part of the worker. The sum of these taxes generated by the indirect and induced impacts equal the fiscal/tax impact of CSU Long Beach.

ABOUT BEACON ECONOMICS

Beacon Economics is one of California’s leading economic research and consulting firms, specializing in economic and revenue forecasting, economic and fiscal impact analysis, regional economics and public policy analysis. Known for delivering independent and rigorous research, the firm provides its clients with economic and data analysis that strengthens strategic decision-making about investment, revenue and policy. Clients range from the state of California to Fortune 500 companies to major cities and universities. Visit beaconecon.com online.

