

## *I. Executive Summary*

---

America's Urban Campus is a consortium of 22 of Chicago's largest not-for-profit higher education institutions.<sup>1</sup> The consortium is focused on fostering better collaboration among member schools, and positioning Chicago as a global destination for higher education.

America's Urban Campus colleges and universities account for 96% of total higher education enrollment in the city of Chicago. They enhance the quality of life for students, alumni, and residents of the city of Chicago in many ways. While the total historical, cultural, social, and economic benefits that these universities provide to the city of Chicago are in some ways immeasurable, in this report we present a broad array of data and research that demonstrate the importance of these institutions to the economic, social, and cultural fabric of Chicago.

### REPORT PURPOSE

America's Urban Campus (AUC) commissioned Anderson Economic Group (AEG) to perform an analysis on a range of topics related to the activities of colleges and universities in Chicago. The purposes of this report are to:

- Estimate the total economic footprint of the 22 colleges and universities in America's Urban Campus, including the total spending, earnings, and employment that they support in the city of Chicago.
- Present aggregate information about the universities' students and alumni.
- Provide a summary of important cultural and social programs, innovation and entrepreneurship initiatives, global programs, and partnerships carried out by these colleges and universities.

### OVERVIEW OF APPROACH

**Economic Footprint.** We define *economic footprint* as the employment, earnings, and spending in the region that are related to all economic activity by America's Urban Campus colleges and universities. We estimate the economic footprint based on three sources of economic activity and only include the portion of spending which occurs in the city:

- College and university operational and construction spending;
- Student spending; and
- Visitor spending.

We then estimate the total direct and indirect spending, employment, and earnings supported by America's Urban Campus colleges and universities in the city of Chicago using industry-specific and regional multipliers. The direct effects

---

1. Throughout this report, we count the City Colleges of Chicago as one entity, though it consists of a network of seven community colleges and other academic programs.

include spending, employment, and earnings at the colleges and universities, as well as spending by their students and visitors. The indirect effects occur as spending re-circulates through the city's economy, further supporting additional spending, employment, and earnings. The economic footprint presented in this report is based on activity during the 2017 fiscal year for each institution.

We rely on data provided by colleges and universities on the amount of payroll and non-payroll spending that went to Chicago businesses and households. We also rely on data from the Integrated Postsecondary Education Data System (IPEDS).

See "Appendix A. Methodology" on page A-1 for more details on our methods and important assumptions.

## OVERVIEW OF FINDINGS

We found that America's Urban Campus colleges and universities make enormous economic, social, and cultural contributions to Chicago's economy. Our main findings are as follows:

### PART I: ECONOMIC FOOTPRINT OF AMERICA'S URBAN CAMPUS

*1. America's Urban Campus colleges and universities collectively paid Chicago residents \$4.2 billion in salaries, wages, and benefits in 2017. These institutions and their students spent \$3.4 billion at Chicago businesses.*

In 2017, the 22 AUC colleges and universities paid Chicago residents \$4.2 billion in salaries, wages, and benefits and spent nearly \$1.4 billion for goods and services at Chicago businesses. Students that attended these institutions spent over \$2 billion at Chicago businesses. In addition, visitors spent nearly \$45 million at Chicago businesses while they were visiting an America's Urban Campus college or university.

See "Sources of Economic Footprint" on page 18 for more information.

*2. America's Urban Campus colleges and universities collectively supported \$7.6 billion in spending at Chicago businesses in 2017.*

In 2017, the 22 AUC colleges and universities directly and indirectly supported \$7.6 billion in spending at Chicago businesses. These institutions supported \$3.0 billion in spending due to payroll expenses and \$1.9 billion in spending due to non-payroll expenses. Their students supported \$2.7 billion and visitors supported \$61 million in spending. Table 1 on page 3 shows the combined output supported by AUC members, their students, and visitors in Chicago.

This economic footprint estimate is conservative because it only includes the citywide spending supported by the universities, students, and visitors. It does not include other potential links to the city economy that the schools may have through alumni or partner institutions. For example, it excludes activity associated with the 701 startups cultivated at AUC institutions. Collectively, these companies raised \$702 million, of which \$348 million was from startups commercializing university technologies.

See “Total Economic Footprint in Chicago” on page 19 for more information.

**TABLE 1. Economic Footprint of the AUC Colleges and Universities, Output in Chicago, FY 2017 (millions)**

	Direct	Indirect	Total
Payroll Spending	\$1,184	\$1,837	\$3,021
Non-payroll Spending	\$1,352	\$511	\$1,862
Student Spending	\$2,064	\$630	\$2,694
Visitor Spending	\$45	\$16	\$61
<b>Total</b>	<b>\$4,644</b>	<b>\$2,994</b>	<b>\$7,638</b>

*Note: Estimates may not sum to total due to rounding*

*Source: Anderson Economic Group analysis using base data from America’s Urban Campus institutions, College InSight, BLS Consumer Expenditure Survey 2017, and U.S. Bureau of Economic Analysis*

3. America’s Urban Campus colleges and universities collectively supported almost 87,000 jobs and over \$4.9 billion in earnings in the city in 2017. One in every 15 jobs in the city is supported by these colleges and universities.

Spending by the colleges and universities, their students, and their visitors supports jobs and earnings at the universities themselves and at local businesses. We estimate that, in addition to the 38,146 Chicago residents that work for the 22 AUC colleges and universities, there are 48,721 Chicago residents whose jobs are supported by college, university, student, and visitor spending. This represents a total of 86,867 jobs for city residents that are related to AUC college and university activities, accounting for 6.7% of total employment in Chicago.<sup>2</sup> See Table 2 on page 4 for details.

In addition to the \$3.1 billion in salaries, wages, and benefits paid directly to Chicago residents by the schools each year, we estimate that an additional \$1.9 billion in earnings for Chicago residents are supported by economic activity of the member schools, and their students and visitors. This represents a total of

2. According to the 2016 American Community Survey, the total headcount of employed civilians was 1.3 million in the city of Chicago.

\$4.9 billion in earnings in the city associated with the operations at America’s Urban Campus institutions, as well as spending by students and visitors.

See “Total Economic Footprint in Chicago” on page 19 for more information.

**TABLE 2. Economic Footprint of AUC Colleges and Universities, Employment and Earnings in Chicago, FY 2017**

	Direct	Indirect	Total
Jobs (head count)	38,146	48,721	86,867
Earnings (billions)	\$3.1	\$1.9	\$4.9

*Note: Estimates may not sum to total due to rounding*

*Source: Anderson Economic Group analysis using base data from America’s Urban Campus institutions, U.S. Bureau of Economic Analysis*

## **PART II: SOCIAL AND CULTURAL IMPACT OF AMERICA’S URBAN CAMPUS**

*4. America’s Urban Campus colleges and universities participate in over 1,150 distinct partnerships and programs with Chicago Public Schools. The programs spanned the city with almost 321,000 student attendees and more than 7,300 students and faculty from America’s Urban Campus institutions providing support.*

All America’s Urban Campus institutions have a stake in improving education for students in the city’s K-12 schools. As such, they all participate in partnerships and programs across the city with Chicago Public Schools (CPS). According to data provided by the colleges and universities, there were over 1,150 distinct America’s Urban Campus partnerships and programs involving CPS schools. Over 6,000 students and almost 1,300 faculty and staff at AUC institutions participated. Student attendance in these programs totaled nearly 321,000. These are conservative estimates of the total scope of the partnership between CPS and America’s Urban Campus schools, as it reflects only the portion of AUC schools that provided attendance estimates.

See “America’s Urban Campus and Chicago Public Schools” on page 28 for more information.

*5. America’s Urban Campus colleges and universities provide important links between Chicago and the rest of the world. These institutions have established 19 campus locations worldwide and nearly 550 international partnerships. Their nearly 500 study abroad and exchange programs served over 3,200 students in 2017.*

As of 2017, America’s Urban Campus colleges and universities had established 19 international campus locations, as well as 543 strategic alliances and memoranda of understanding (MOU), spanning over 80 countries. In addition, Amer-

ica's Urban Campus institutions have strengthened their international presence through involvement in study abroad and student and faculty exchange programs. Over 3,200 students at AUC institutions participated in study abroad and student exchange programs in 2017.

See “Global Partnerships” on page 31 for more information.

*6. America's Urban Campus colleges and universities provide support to local communities through programs in health care, legal services, violence prevention, economic development, and programs for veterans.*

These programs help to spur economic development and support communities. This support is exemplified by AUC members' widespread commitment to violence prevention. Over the past few years AUC has supported several workshops to open a dialogue about violence prevention and released a “Snapshot Report of Programs in Higher Education Addressing Racism, Poverty, and Violence” that acts as a database for the various programs at member institutions. The accompanying heat map (shown on page 45) provides insight on the geographic location of these programs across the city and where there might be gaps in services.

See “Social Services and Economic Development in America's Urban Campus” on page 40 for more information.

### **PART III: STUDENTS AND ALUMNI OF AMERICA'S URBAN CAMPUS**

*7. The 180,000 known alumni of America's Urban Campus colleges and universities residing in Chicago account for one in every four college-educated residents in the city.*

One of the most important impacts of higher education on a region is the attraction and retention of a talented and well-trained workforce. Of the 1.2 million alumni worldwide that graduated from America's Urban Campus colleges and universities, 14% of them continue to live in the city of Chicago. This does not include the alumni that live in the suburbs of Chicago and commute into the city on a daily basis. One in four Chicago residents with a bachelor's degree or higher attained that degree at one of AUC's 22 colleges and universities.<sup>3</sup>

See “America's Urban Campus Alumni” on page 58 for more information.

---

3. According the 2012-2016 American Community Survey, 773,942 of Chicago residents 25 years or older have a post-secondary degree (including associate's degree, bachelor's degree, and graduate or professional degree).

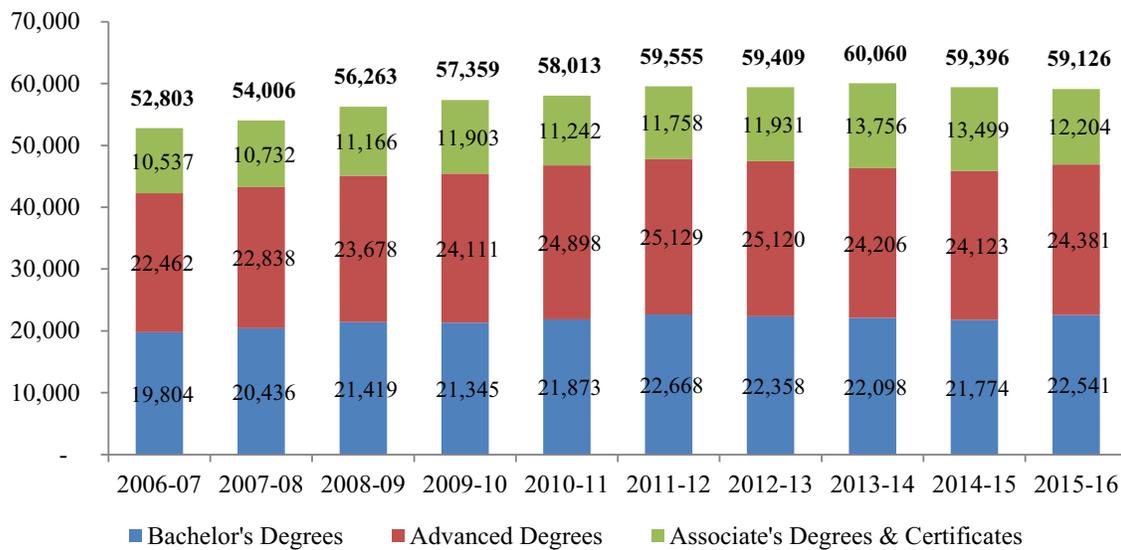
8. All of the 22 America’s Urban Campus colleges and universities enrolled nearly 213,000 students in the fall of 2016. These institutions awarded more than 59,000 degrees and certificates in the 2015-16 academic year, a 12% increase since 2007.

America’s Urban Campus colleges and universities enrolled nearly 213,000 students in 2016. Students come from across the state, country, and the world to attend AUC institutions. Students from Chicago made up about 20% of enrollment, while 36% were from elsewhere in Illinois, and the remaining came from other U.S. states and nearly 180 foreign countries.

As shown in Figure 1 below, degree and certificate completions grew by 12% for America’s Urban Campus colleges and universities over the past decade, from nearly 53,000 in 2007 to over 59,000 in 2016. The largest share of this increase was from growth in bachelor’s degrees. Degrees completed at AUC institutions are primarily concentrated in the liberal arts fields.

See “America’s Urban Campus Students and Degrees” on page 50 for more information.

**FIGURE 1. Completions by Level of Degree at America’s Urban Campus Institutions, 2006-07 to 2015-16**



Source: Anderson Economic Group analysis using base data from America’s Urban Campus institutions; IPEDS

**ABOUT ANDERSON ECONOMIC GROUP**

Anderson Economic Group, LLC is a boutique consulting firm, with offices in East Lansing, Michigan; Chicago, Illinois; and New York, New York. The experts at AEG specialize in strategy, business valuation, public policy, and market analyses. They have conducted nationally-recognized economic and fis-

---

**Executive Summary**

cal impact studies for private, public, and non-profit clients across the United States.

The consultants at Anderson Economic Group have extensive experience in evaluating the economic benefits of higher education institutions in Illinois and across the country. For more information, please see “Appendix B. About Anderson Economic Group” on page B-1 or visit [www.AndersonEconomicGroup.com](http://www.AndersonEconomicGroup.com).