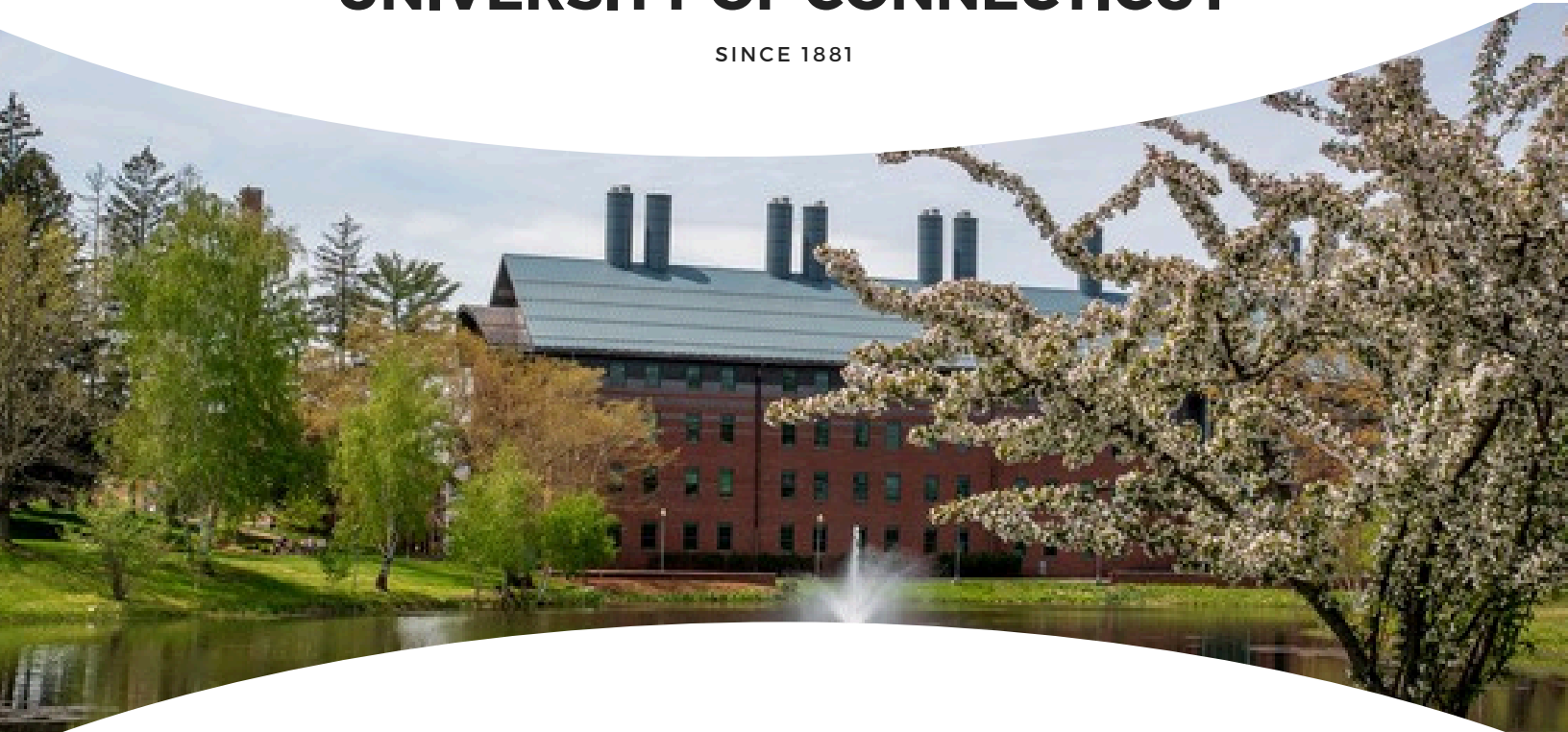




UNIVERSITY OF CONNECTICUT

SINCE 1881



ANNUAL ECONOMIC IMPACT

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Executive Summary

This report presents an analysis of the statewide economic impact of the University of Connecticut for Fiscal Year 2024.

Overview of the University of Connecticut

The University of Connecticut (UConn) is a leader of academic excellence, innovation and economic vitality in the State of Connecticut. From its humble beginnings as an agricultural school in 1881, UConn—the flagship public university of the state has developed into a research and innovation powerhouse that consistently ranks among the top public institutions in the country.

With 14 schools and colleges, UConn offers over 115 degree programs that range from associate's to doctoral levels. This comprehensive academic portfolio is strategically designed to align with the evolving global economic landscape, producing a skilled workforce that drives innovation within and beyond the State of Connecticut.

The university has a reputation for excellence in research and development, with annual expenditures exceeding \$375 million. This positions UConn at the forefront of cutting-edge research, attracting substantial federal funding and fostering industry partnerships that catalyze economic growth. In FY 2024, UConn secured \$368 million in external funding and sponsored awards, with \$278 million allocated to its main and regional campuses and \$90 million to UConn Health. This robust research activity not only advances knowledge but also translates into tangible economic benefits through technology transfer and the creation of high-value startups.

UConn's impact on Connecticut's human capital is profound. With a student body of nearly 32,000, including 24,356 undergraduates and 7,976 graduate and professional students, UConn is a primary source of skilled talent for the state. The university's commitment to serving Connecticut is evident in its student demographics, with 72% of undergraduates and 64% of graduate students being state residents. This focus on educating Connecticut's workforce is further amplified by UConn's extensive alumni network, with 158,744 of its 287,244 global alums residing in the state, forming a critical mass of skilled professionals across various industries.

The university's economic impact is significant. It employs over 10,609 full-time faculty and staff, and its yearly salary exceeds \$1 billion. Additionally, UConn's economic impact is increased by its operations and capital expenditures, resulting in a ripple effect that benefits employment and businesses across Connecticut.





UConn Health, which includes the School of Medicine, School of Dental Medicine, and John Dempsey Hospital, expands the university's economic impact. As the state's only public academic medical center, UConn Health provides world-class healthcare while also driving biomedical research and innovation, making a substantial contribution to Connecticut's developing life sciences sector.

UConn's dedication to making higher education accessible and promoting social mobility is demonstrated by its strong financial aid program. In FY 2023, UConn awarded \$601.3 million in financial aid, including \$285.1 million in scholarships and grants. This investment in human capital ensures that a UConn education is still accessible to students irrespective of their social or economic status.

UConn's impact extends far beyond traditional metrics, encompassing a wide range of activities that enhance Connecticut's quality of life and attract visitors from across the state and beyond. At the heart of this impact is UConn's exceptional athletic program, which has become a major draw for sports enthusiasts and a source of pride for the entire state.

While UConn's impact on Connecticut's economy is numerous and multifaceted this economic impact study focuses specifically on three foundational components: operational expenditures, capital investments, and the combined economic activity generated by student and visitor spending.

Economic Impact

This study uses the REMI (Regional Economic Models, Inc.) PI+ model that was designed for Connecticut's economy. REMI enables dynamic multi-year modeling through direct, indirect and induced multipliers by tracing spending pathways as they circulate through the state's economy to generate direct, indirect, and induced impacts in the state.

Direct Impact: The direct impact refers to the economic activity that is directly generated by the University itself. This includes the salaries and wages paid to UConn's employees as well as the goods and services that the university purchases from Connecticut vendors.

Indirect Impact: The indirect impact refers to the economic activity that is generated by businesses and organizations that supply goods and services to the University. For example, when UConn purchases goods and services from vendors, those vendors may in turn use the revenue from these sales to purchase goods and services from other businesses, creating a ripple effect in the local economy.

Induced Impact: The induced impact refers to the economic activity that is generated by the spending of individuals who are employed by the University. For example, when UConn hires faculty and staff members, those individuals may use their salaries and wages to purchase goods and services from local businesses, supporting jobs and economic activities in the local economies.

Outputs of the REMI PI+ model include:

- **Economic Output:** represents the total value of goods and services produced as a result of UConn's presence and activities
- **Employment:** Jobs supported, including full-time and part-time positions
- **Labor Income:** Wages, salaries, and benefits generated
- **Value Added:** UConn's contribution to Connecticut's Gross State Product
- **Tax Revenue:** Additional state and local tax revenues attributable to UConn's activities

The economic impact estimates are based on the following three components:

- \$3.1 billion in operational expenditures by UConn and UConn Health

- \$272.6 million in capital expenditures by UConn and UConn Health
- \$406.9 million in estimated student and visitor spending

The analysis adjusts for economic leakage by including only expenditures that occurred within the state while excluding expenditures that would have occurred regardless of UConn's presence. This conservative approach ensures we capture the University's true economic impact on Connecticut.

The major findings of the study are as follows:

Total Economic Impact:

- 48,575 jobs supported statewide
- \$4.81 billion generated in labor income
- \$5.15 billion in value added (contribution to state GDP)
- \$8.46 billion in total economic output
- \$429 million in state revenue

Impact Breakdown by Source:



Operations:

- 44,187 supported jobs
- \$4.50 billion in labor income
- \$4.69 billion in value-added
- \$7.67 billion in economic output



Student and Visitor Spending:

- 2,609 supported jobs
- \$172 million in labor income
- \$283 million in value-added
- \$473 million in output



Capital Spending:

- \$1,779 supported jobs
- \$136 million in labor income
- \$177 million in value-added
- \$315 million in economic output

Campus-Specific Impacts:

◦ **Storrs Campus:**

- 25,182 jobs supported, \$2.41 billion in labor income, \$2.70 billion in value-added, \$4.35 billion in output

◦ **UConn Health:**

- 20,737 jobs supported, \$2.11 billion in labor income, \$2.22 billion in value-added, \$3.65 billion in output

◦ **Hartford Campus:**

- 1,278 jobs supported, \$147 million in labor income, \$135 million in value-added, \$222 million in output

◦ **Stamford Campus:**

- 648 jobs supported, \$65 million in labor income, \$68 million in value-added, \$111 million in output

◦ **Avery Point Campus:**

- 492 jobs supported, \$53 million in labor income, \$52 million in value-added, \$85 million in output

◦ **Waterbury Campus:**

- 238 jobs supported, \$24 million in labor income, \$25 million in value-added, \$41 million in output

Key Insights:

- For every dollar spent on operations, UConn generates approximately \$1.76 in economic output, demonstrating a significant multiplier effect
- UConn's operation contributes nearly 3% to Connecticut's real GDP, demonstrating its substantial role in the State's economy
- UConn supports approximately 1 out of every 35 jobs in Connecticut

- **Regional Impact:**

- While the Storrs Campus and UConn Health are the most significant contributors, the Regional Campuses play important roles in their local economies, supporting jobs and generating economic activity across the state.

- **Student Spending:**

- Off-campus student and visitor spending contribute substantially to the local economy, supporting over 2,609 jobs and generating \$473 million in economic output.

- **Capital Investment:**

- UConn's ongoing capital project program improves the University's facilities and significantly boosts the construction sector and related industries. UConn's capital spending supports 1,779 jobs and generates \$315 million in economic output.

This economic impact study demonstrates UConn's position as a major driver of economic development in Connecticut. In addition to being one of the State's largest employers, UConn serves as an important engine for research, innovation, and sustainable economic growth. Our analysis reveals how UConn's operations create significant ripple effects throughout the State's economy, supporting jobs and generating revenue across diverse sectors, from advanced manufacturing to healthcare and professional services.

