



SOCIETY'S INVESTMENT

The Economic Value of the Centennial Education Center | October 2019

Benefits created by CEC extend to far more people than just its students. As students and employers enjoy higher earnings and increased output, society as a whole benefits from an expanded economy and a range of savings associated with the students' improved quality of life.

CEC RAISES PROSPERITY IN CALIFORNIA

- Students earn more because of the skills and qualifications they acquire at CEC. Further, employers earn more because the added skills of the students they hire make their businesses more productive.
- Together, increases in earnings and business output stimulate corresponding increases in earnings and employment throughout the state. Over their working lives, CEC's FY 2018-19 student population will increase the state's economic base by **\$486.2 million**.

CEC IMPROVES QUALITY OF LIFE

- As CEC students achieve higher levels of education, they are statistically more likely to develop good health habits. This leads to a present value of **\$3.8 million** in savings to students and to society as a whole for medical treatments related to smoking, alcoholism, obesity, drug abuse, and mental disorders.
- Students enjoy better employment opportunities as a result of their education at CEC. This makes them less likely to require earnings assistance and less likely to commit crimes. These effects translate to a present value of **\$6.3 million** in unemployment-related savings and **\$4 million** in law enforcement savings to society as a whole.
- Altogether, savings to society amount to a present value of **\$14.1 million**, equal to the sum of avoided costs related to health, crime, and unemployment.

BENEFITS TO SOCIETY OUTWEIGH SOCIAL COSTS

- In FY 2018-19, society invested **\$47.9 million** in CEC educations. This includes all CEC expenditures, all student expenditures, and all student opportunity costs. In return for this investment, society as a whole will receive a present value of **\$500.3 million** in benefits, the sum of the increased economic base and social savings that CEC's 2018-19 student population will generate in the state.
- For every dollar spent on CEC educations, society as a whole in California will receive a cumulative value of **\$10.40** in benefits, for as long as CEC's 2018-19 students remain active in the state workforce.

PRESENT VALUE OF SOCIAL SAVINGS

