

# **Economic Impacts of the University of Florida in 2009-10**

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# **Economic Impacts of the University of Florida in 2009-10**

## **Summary Highlights**

Economic impacts of the University of Florida and affiliated organizations on the Florida economy for the fiscal year 2009-10 included:

- Total revenues of \$4.27 billion, with \$2.00 billion from sources outside of Florida;
- Total spending of \$5.83 billion for University operations, personnel, capital outlays, healthcare services, technology spin-off businesses, direct support organizations, students, and campus visitors;
- Total spending within Florida of \$4.92 billion and \$2.51 billion in spending from sources outside the state;
- Direct employment of 41,434 jobs for faculty, staff and other non-permanent personnel at the University of Florida, Shands Healthcare, and associated Direct Support Organizations;
- Total employment impacts of 106,118 fulltime and part-time jobs in Florida including regional multiplier effects of spending from outside revenues;
- Total output or revenue impacts of \$8.76 billion;
- Total value added impacts of \$5.17 billion, equivalent to 0.71 percent of Florida's 2009 Gross State Product.
- Output impacts of \$2.88 billion for healthcare services provided by Shands hospitals and Faculty Practice Clinics;
- Output impacts of \$1.43 billion from University technology spin-off businesses located in the State;
- Output impacts of \$290 million from visitors to academic, athletic and cultural events facilities;
- Labor income (employee compensation and proprietor income) impacts of \$3.46 billion;
- Indirect business tax impacts to local, state, and federal governments of \$410 million.
- Total output impacts increased by 14.6 percent between FY 2005-06 and FY 2009-10 in inflation-adjusted terms, and total employment impacts increased by 30.9 percent (excluding technology spin-off companies).

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# Economic Impacts of the University of Florida in 2009-10

## Introduction

The University of Florida (UF) is one of the largest comprehensive public universities in the United States, with an enrollment of approximately 50,000 students. In addition to the main campus in Gainesville, the University has statewide operations at numerous Research and Education Centers, Shands Hospitals and clinics, and Extension Offices in all 67 counties of the state. UF has a significant economic impact to the state through its academic and physical operations, capital outlays, allied organizations, healthcare services, spending by faculty, staff, students, and visitors, and technology spin-off business enterprises. The purpose of this report is to provide an economic impact assessment of UF on the state of Florida in the 2009-10 fiscal year (FY), and to compare results to a previous study for FY 2005-06 <sup>1</sup>. A new feature of this updated analysis is to evaluate the regional economic impacts of University-related technology spin-off companies. It should be noted that this study addresses only the monetary and employment impacts of UF on State's economy; it does not assess the University's benefits to the human capital and earnings of the State's workforce. A recent study by the *Center for Fiscal and Economic Policy* addressed some of these issues for the Florida State University System (SUS) as a whole <sup>2</sup>.

## Methods and Information Sources

This economic impact analysis was based on information provided by a variety of sources. Information on University revenues and expenditures for FY2009-10 (ending June 30, 2010), including operating and non-operating expenditures, personnel salaries and benefits, and capital outlays were provided by the UF Division of Finance and the University of Florida Annual Financial Report. Operating revenues and expenditures for Shands Hospital, Health Science Center Faculty Practice Associates, Direct Support Organizations such as the Athletic Association and Research Foundation, and other minor business enterprises were obtained from their respective annual financial statements as well as the UF Division of Finance. Data on employment were obtained from the UF Division of Human Resources and the Office of Institutional Planning and Research. Expenditures for UF construction projects were treated as new final demand for the State of Florida, as is conventional for economic impact analysis. The proportion of UF expenditures for operations, payroll, and non-construction capital outlays designated as new final demand was determined by the overall share of UF revenues

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<sup>1</sup> *Economic Impacts of the University of Florida and Affiliated Organizations in 2005-06*, UF Office of University Relations, available at <http://www.urel.ufl.edu/communityRelations/economic.html>

<sup>2</sup> *Florida's State University System: An Investment that Creates Jobs!* Alex Krivosheyev and Michael Walsh, Florida Center for Fiscal and Economic Policy, May, 2010. Available at: <http://www.fcfe.org/attachments/20100505--StateUniversitiesAreProvenJobCreators.pdf>

originating from outside the State based on analysis of the source of funds. Estimated retail spending by students was based on “Cost of Attendance” data provided by the Office of Institutional Planning and Research, and was assumed to occur 100 percent inside the State. The proportion of nonlocal funding for student expenditures was determined by the aggregate sources of financial aid utilized by students for tuition and living expenses and their home residence. Total spending by visitors to University facilities and functions was estimated from visitor counts provided by various UF organizations and average per-visitor-day spending estimates provided by VISIT FLORIDA® and the Alachua County Visitors and Convention Bureau.

Total economic impacts of spending by UF, affiliated organizations, students, visitors, and spin-off technology enterprises were estimated with a regional economic input-output model for the state of Florida constructed using *IMPLAN Version 3* software and associated databases<sup>3</sup>. This procedure models the specific structure of the state’s economy in terms of its particular mix of industries, and the typical linkages between such industries, employees, households, and governments, with respect to commodity production, purchases or consumption, and domestic and foreign trade. It also accounts for taxes paid to local state and federal governments, and transfer payments such as welfare and retirement, and capital investment. Regional input-output models enable the derivation of economic multipliers which capture the effects of input purchases (indirect effects), and household spending by employees (induced effects) for new final demand to the state’s economy, as well as the direct spending and employment associated with all sources of revenue for UF. These economic multipliers are used to estimate economic impact measures of output or revenue, employment (fulltime and part-time jobs), value added, labor-income, and indirect business taxes to local state and federal governments. Total economic impacts in this case were estimated with the direct effects multipliers applied to in-state spending amounts, and indirect and induced multipliers applied to in-state spending that was derived from sources outside of Florida, with each expense item assigned to the appropriate *IMPLAN* sector.

For economic impact analysis, it is important to distinguish the ultimate source of revenues and the destination of expenditures with regard to the study region, in this case is the State of Florida. Revenues that originate from outside the State represent new resources that generate multiplier effects in the economy through subsequent rounds of spending. The share of spending that occurs outside the State for imported goods and services represents a leakage and generates no impacts for the state’s economy. In general, the share of spending inside of Florida was based on the state average percentage of total purchases of the particular commodity or service being purchased. These percentages are called regional purchase coefficients and were econometrically estimated within the *IMPLAN* modeling software.

Once the source and destination of spending is determined for the University, and its related organizations, employees, students and visitors, total impacts can be calculated. In each case, the total impact consists of four

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<sup>3</sup> MIG, Inc. *IMPLAN Version 3*, Social Accounting and Impact Analysis Software, and 2009 regional data file for Florida, Hudson, Wisconsin, 2010.

distinct parts: 1) direct spending inside the state by all UF entities from revenues derived from in-state sources, 2) direct spending within the state by UF from revenues derived from out-of-state sources, 3) indirect spending by University vendors for inputs needed to provide purchases the University made with out-of-state revenues, and 4) induced spending by households of University employees whose earnings were funded with out-of-state revenues.

The estimated economic impacts of spending by UF employees were based upon typical household expenditure patterns for income brackets representative of UF Faculty, staff, and temporary employees. Impacts of spending by employees of Shands Hospital and other University component units were estimated as part of the overall operating expenses for those units. Expenses for Shands and health-science faculty medical practices were assigned to the *IMPLAN* sectors for *Hospitals* and *Offices of Healthcare Practitioners* respectively. Depreciation expenses on fixed assets were excluded from the analysis since this does not represent a cash transaction which has a current local economic impact.

Student spending on tuition and on-campus housing was not included in the analysis since these dollars were captured by University revenues and spending. Sales by UF vendors for campus food services, bookstores, and vending concessions were not included in this analysis since their activity is captured in the spending of employees, students and visitors. Some program expenditures and transfers from Direct Support Organizations (DSO) to the University were included under operating expenses in the UF Annual Financial Report. After reviewing financial reports for each DSO, these operating expenditures were adjusted to remove any amounts for support, transfers, grants or aid for UF or its students or faculty. Operating expenditures by these organizations were assigned to the *IMPLAN* sector for *Grantmaking, Giving and Social Advocacy Organizations*, with the exception of the University Athletic Association expenditures, which were assigned to the sector for *Spectator Sports*. Spending by visitors was only included for unaffiliated persons, i.e., excluding University faculty, staff and students.

To evaluate the economic impacts of UF technology based spin-off businesses started by UF employees or students, or, from patents and copyrights developed at UF, data on the number jobs created by these businesses was collected for Progress Park in Alachua, Florida and from the UF TechConnect Program, provided by the UF Office of Technology Licensing. These job numbers were converted into revenues using national averages available for each type of business within the *IMPLAN* industrial sector scheme. The estimated revenues of these fifty companies were allocated between 16 different *IMPLAN* sectors. Most of these spin-off businesses were involved in biological or medical technology. Among Spin-offs that had begun manufacturing activities, the most common types were *Biological Product (except diagnostic) Manufacturing* (*IMPLAN* sector 135); *Surgical and Medical Instrument Manufacturing*, (sector 305); and, *Custom Computer Programming Services*, (sector 371). Spin-off businesses that had not yet begun production activities were classified as *Scientific Research and Development Services* (*IMPLAN* sector 376).

## Revenues to the University of Florida and Affiliated Organizations

Total revenues to the University of Florida and its affiliated organizations in FY 2009-10 are summarized in Table 1 and Figure 1. Revenues for FY 2009-10 totaled over \$4.27 billion, and of this amount, an estimated \$2.00 billion, or 46.9 percent, originated from sources outside the State of Florida. Shands Healthcare was responsible for \$1.69 billion or 39.6 percent of total revenues, of which 47 percent were estimated to come from outside Florida (primarily Medicare and Medicaid). Grants and contracts for sponsored research activities totaled \$672 million, of which nearly 74 percent, or \$496 million, came from outside the State. State appropriations to UF for the 2009-10 fiscal year amounted to \$593 million including nearly \$41 million in federal government (*American Recovery & Reinvestment Act*) funds, which represented 13.9 percent of total University revenues. Transfers from component units (mostly Direct Support Organizations) totaled nearly \$473 million. Student tuition and fees net of scholarships together with federal and state financial aid received totaled \$388 million for fiscal year 2009-10. Sales and services for auxiliary enterprises, educational departments and component units totaled \$130 million. Dormitory and housing revenues from on-campus student residents totaled \$50 million. Interest and investment income amounted to \$31 million, and miscellaneous other revenues were \$11 million for FY 2009-10 (Table 1 and Figure 1).

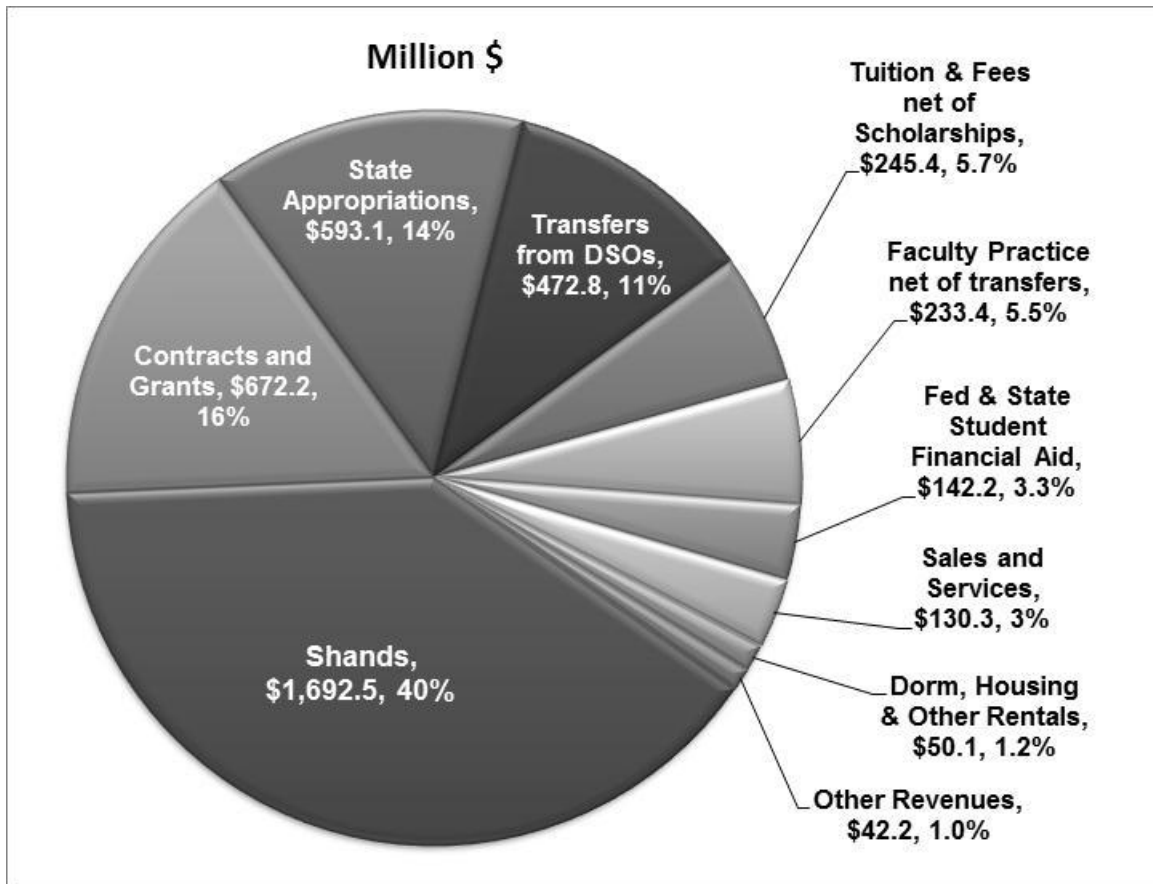
**Table 1. Revenues to the University of Florida and Affiliated Organizations in FY 2009-10**

Source	Total Amount (million \$)	Amount from Outside Florida (million \$)	Percent from Outside Florida
Shands Healthcare	\$1,692.5	\$795.5	47.0%
Contracts and Grants	\$672.2	\$496.1	73.8%
State Appropriations	\$593.1	\$40.9	6.9%
Transfers from Direct Support Organizations	\$472.8	\$236.4	50.0%
Tuition & Fees net of Scholarship	\$245.4	\$164.7	67.1%
Faculty Clinical Practices net of transfers	\$233.4	\$109.7	47.0%
Fed & State Student Financial Aid	\$142.2	\$74.1	52.1%
Sales and Services	\$130.3	\$28.0	21.5%
Dorm, Housing & Other Rentals	\$50.1	\$26.3	52.6%
Other Revenues	\$42.2	\$1.8	4.2%
<b>Total</b>	<b>\$4,274.1</b>	<b>\$2,003.8</b>	<b>46.9%</b>

Sources: UF Finance and Accounting; UF Annual Financial Report, 2009-10; Shands Hospital, UF Foundation.



**Figure 1. Summary of Revenues to the University of Florida and Affiliated Organizations in FY 2009-10**



### **Expenditures by the University of Florida, Affiliated Organizations, Students and Visitors**

Expenditures by the University of Florida, affiliated organizations, students, and visitors in FY 2009-10 are summarized in Table 2 and Figure 2. Excluding certain non-cash transactions such as depreciation, these University related expenditures totaled \$5.83 billion for the fiscal year, of which an estimated \$4.92 billion occurred inside the state of Florida (Table 2). This spending generates direct economic impacts for the State. Purchases or spending by Florida businesses, government agencies, and residents that occurs outside the State represent an economic leakage that does not generate economic impacts for Florida. Based on the estimated sources of revenues for the University, its affiliated organizations, students, and visitors, a total of \$2.51 billion, or 42.9 percent of total UF related expenditures inside Florida, were funded from out-of-state sources. This spending is important because it generates secondary indirect and induced economic impacts for the State. Spending for University operations, including personnel expenditures, totaled \$1.75 billion for FY 2009-10 (Table 2). Nearly 72 percent, or \$1.25 billion, of these operational expenditures consisted wages, salaries, benefits and taxes for employees. The next largest category of operational expenditures was for Miscellaneous/Other at \$96 million, followed by nearly \$82 million for Professional Services. The University

spent \$79 million on supplies and nearly \$57 million on utilities. Almost \$1.58 billion of Operations spending occurred within the State, with \$731 million of this spending being funded from out-of-state sources. Capital outlays by the University and affiliated organizations totaled \$406 million for FY 09-10, including \$321 million in building construction and renovation, and \$36 million in purchases of laboratory, scientific and technical equipment.

Expenditures related to Healthcare Services totaled \$2.03 billion for FY 09-10, with the bulk of these expenditures being made by Shands Hospitals (\$1.53 billion), Florida Clinical Practice Associates (\$292 million), and Jacksonville Physicians (\$170 million). A total of \$725 million of in-State healthcare spending was funded from out-of-state sources (Table 2).

Direct support organizations (DSO) had operating expenses of \$179 million, excluding transfers supporting the University. Most of these expenditures were made by the University Athletic Association (\$83 million), the University of Florida Foundation (\$30.2 million), and the UF Research Foundation (\$13.7 million). A total of \$38.6 million of in-State spending by these DSOs was funded from out-of-state sources (Table 2).

Estimated revenues/expenditures of \$543 million for UF spin-off enterprises were based on employment data. Most of these spin-offs are associated with bio-medical research, resulting in \$476 million of these dollars being utilized in bio-tech related industry sectors. It was assumed that 100 percent of these revenues/expenditures were derived from out-of-State sources, either because these firms are funded with venture capital or because they provide unique products or services that are marketed world-wide.

Total student spending was estimated at \$727 million, with \$279 million for off-campus housing, \$157 million for food and beverages, \$104 million for Personal items and Health Insurance, \$115 million for Books, Supplies and Computers, \$40 million for clothing, and \$33 million for transportation. A total of \$174 million in student spending was sourced from outside the state of Florida (Table 2).

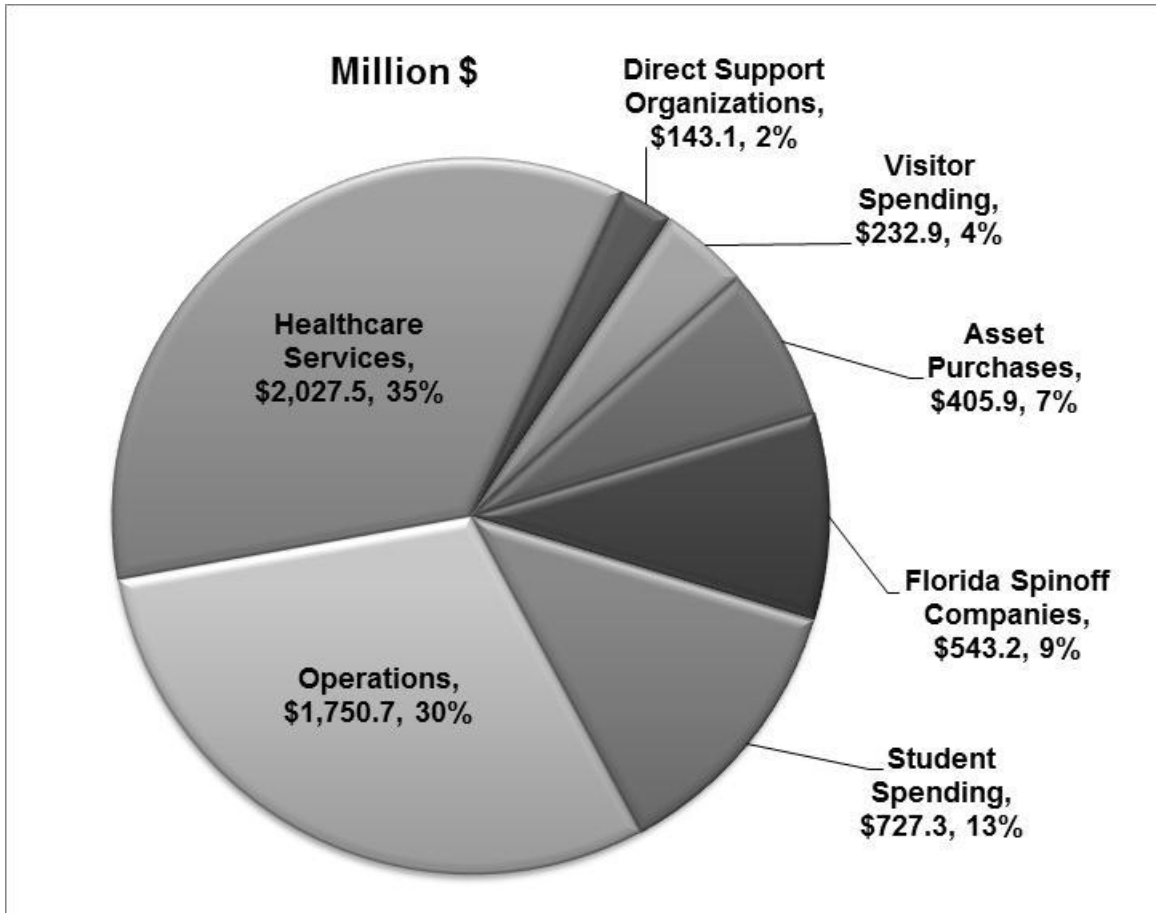
Spending by unaffiliated visitors to University related venues or events was estimated to total \$233 million for FY 2009-10. About 62 percent (\$144 million) of this spending was associated with academic, healthcare or cultural related functions throughout the State. The remaining thirty-eight percent of visitor spending ( \$88.7 million) was associated with various University athletic activities, mostly on the main campus in Gainesville. In contrast, the distribution of almost \$50 million in spending by out-of-State visitors, which generated secondary impacts, was approximately evenly divided between athletic and non-athletic venues (Table 2).

**Table 2. Expenditures by the University of Florida, Affiliated Organizations, Students and Visitors in FY 2009-10**

Activity or Entity	Total Expenditures (million \$)	Expenditures In-State (million \$)	Expenditures from Outside Sources (million \$)
<b>Operations</b>	<b>1,750.71</b>	<b>1,577.81</b>	<b>731.07</b>
Personnel	1,254.02	1,254.02	581.05
Miscellaneous/Other	96.11	50.79	23.54
Professional Services	81.74	73.09	33.87
Supplies	79.13	32.87	15.23
Utilities	56.77	45.25	20.97
Building Maintenance & Repair	40.20	39.14	18.14
Travel	37.83	15.61	7.23
Finance & Insurance	36.59	24.59	11.39
Equipment	28.94	18.77	8.70
<b>Asset Purchases</b>	<b>405.93</b>	<b>349.36</b>	<b>236.80</b>
Building/Structures	321.45	319.82	222.02
Lab/Science/Tech	35.83	10.17	4.71
Office equipment	24.84	8.05	3.73
Library	7.61	2.42	1.12
Furniture	5.49	1.74	0.81
Other Capital Outlay	10.71	7.16	4.41
<b>Healthcare Services</b>	<b>2,027.46</b>	<b>1,541.60</b>	<b>724.55</b>
Shands Hospitals	1,533.67	1,072.50	504.07
Florida Clinical Practice Associates	292.29	277.68	130.51
Jacksonville Physicians	170.13	161.62	75.96
Faculty Dentistry Associates	16.22	15.40	7.24
Public Health Professions	7.13	6.77	3.18
Veterinary Medicine Associates	5.93	5.63	2.65
Other Faculty Practices	2.10	1.99	0.94
<b>Direct Support Organizations</b>	<b>143.10</b>	<b>106.40</b>	<b>38.58</b>
University Athletic Association	82.84	66.09	13.22
UF Foundation	30.16	20.18	15.34
UF Research Foundation	13.75	9.20	6.99
UF Alumni Assoc.	5.29	3.54	0.98
UF Leadership & Ed. Foundation	2.83	1.89	0.53
Gator Boosters	2.61	1.75	0.49
Other Direct Support Organizations	5.62	3.76	1.04
<b>Florida Spin-off Companies</b>	<b>543.24</b>	<b>543.24</b>	<b>543.24</b>
Biological/Medical Technology	475.51	475.51	475.51
Electronics	9.91	9.91	9.91
Telecommunications	4.36	4.36	4.36
Computers and Networking	10.71	10.71	10.71
Scientific research and development services	29.35	29.35	29.35
Other	13.40	13.40	13.40
<b>Student Spending</b>	<b>727.30</b>	<b>598.77</b>	<b>173.59</b>
Housing	279.05	195.33	56.63
Food	156.47	143.99	41.74
Personal & Health Insurance	103.77	83.80	24.30
Books, Supplies and Computer	115.62	109.18	31.65
Clothing	39.70	37.71	10.93
Transportation	32.70	28.75	8.34
<b>Visitor Spending</b>	<b>232.90</b>	<b>198.35</b>	<b>49.97</b>
Cultural & academic venues	144.23	123.19	24.93
Athletic events	88.67	75.16	25.04
<b>Grand Total</b>	<b>5,830.63</b>	<b>4,915.53</b>	<b>2,507.61</b>

Note: Expenditures by healthcare services, direct support organizations, and other enterprises, are for operations, net of transfers to the University. Depreciation was also excluded from University Operations and Shands Healthcare expenditures. Florida Spin-off company expenditures were assumed to equal revenues, which were estimated from IMPLAN output per employee data.

**Figure 2. Summary of Expenditures by the University of Florida, Affiliated Organizations, Students and Visitors in FY 2009-10**



### **Economic Impacts of the University of Florida, Affiliated Organizations, Students and Visitors**

The estimated total employment, output, value added, labor income and indirect business tax impacts associated with the University of Florida for fiscal year 2009-10 are shown in Table 3, and Figures 3, 4, 5, 6 and 7. These impacts represent not only the direct effects of University related expenditures, but also the indirect and induced effects calculated using regional economic multipliers for in-state spending funded by revenues from outside sources (see methods).

**Table 3. Total Economic Impacts in the State of Florida by the University of Florida, Affiliated Organizations, Students and Visitors in FY 2009-10**

Activity or Entity	Employment Impacts	Output Impacts	Value Added Impacts	Labor Income Impacts	Indirect Business Taxes Impacts
	Jobs*	-----Million \$-----			
<b>Operations</b>	<b>45,901</b>	<b>2,340.18</b>	<b>1,459.17</b>	<b>887.48</b>	<b>128.30</b>
Personnel	41,503	1,780.40	1,117.43	676.84	99.54
Miscellaneous	1,303	149.55	92.76	55.95	7.71
Professional Services	774	94.66	56.14	42.10	2.82
Utilities	399	81.01	53.84	24.05	6.94
Building Maintenance & Repair	655	69.24	39.51	29.12	2.08
Supplies	499	58.81	34.13	21.78	2.90
Finance & Insurance	286	45.20	28.93	15.26	2.26
Equipment	255	33.09	20.06	12.98	2.18
Travel	227	28.20	16.37	9.41	1.88
<b>Asset Purchases</b>	<b>6,458</b>	<b>720.22</b>	<b>404.02</b>	<b>292.45</b>	<b>22.71</b>
Building/Structures	6,138	668.69	378.58	276.35	20.67
Lab/Science/Tech	90	17.50	8.03	5.16	0.43
Office equipment	37	12.02	3.97	2.07	0.20
Library	25	4.05	1.99	1.18	0.09
Vehicles	45	3.97	2.97	2.22	0.44
Furniture	18	2.92	1.43	0.85	0.07
Other Capital Outlay	104	11.08	7.06	4.61	0.81
<b>Healthcare Services</b>	<b>28,888</b>	<b>2,877.44</b>	<b>1,663.85</b>	<b>1,278.13</b>	<b>80.74</b>
Shands Hospitals	21,350	1,995.20	1,113.92	846.02	56.03
Florida Clinical Practice Associates	4,432	522.37	325.76	255.98	14.54
Jacksonville Physicians	2,579	304.05	189.61	148.99	8.46
Faculty Dentistry Associates	246	28.98	18.07	14.20	0.81
Public Health Professions	108	12.74	7.94	6.24	0.35
Veterinary Medicine Associates	142	10.37	6.21	4.86	0.45
Other Faculty Practices	32	3.75	2.34	1.84	0.10
<b>Direct Support Organizations</b>	<b>2,125</b>	<b>180.49</b>	<b>112.85</b>	<b>91.83</b>	<b>9.57</b>
University Athletic Association	1,215	92.57	62.66	52.80	6.66
UF Foundation	511	48.97	28.12	21.36	1.68
UF Research Foundation	219	22.32	12.82	9.74	0.77
UF Alumni Assoc.	56	5.39	2.92	2.50	0.13
UF Leadership & Ed. Foundation	30	2.88	1.56	1.33	0.07
Gator Boosters	35	2.66	1.68	1.45	0.11
Other Direct Support Organizations	59	5.72	3.10	2.65	0.14
<b>Florida Spin-off Companies</b>	<b>8,098</b>	<b>1,433.98</b>	<b>666.94</b>	<b>431.54</b>	<b>47.66</b>
Biological/Medical Technology	6,776	1,255.32	568.83	361.02	166.18
Electronics	155	24.59	12.19	8.08	3.27
Telecommunications	56	11.07	4.87	3.27	1.25
Computers and Networking	245	28.86	17.22	13.09	3.06
Scientific research and development services	686	84.07	49.24	36.40	9.93
Other	180	30.07	14.59	9.67	4.04
<b>Student Spending</b>	<b>10,795</b>	<b>918.01</b>	<b>656.74</b>	<b>350.91</b>	<b>91.37</b>
Housing	2,267	296.58	211.79	60.67	27.88
Food	3,101	219.29	148.67	95.91	20.86
Personal & Health Insurance	1,435	129.52	87.19	55.56	10.01
Books, Supplies & Computer	2,545	169.64	130.67	89.67	19.10
Clothing	878	58.41	45.38	24.77	8.38
Transportation	569	44.57	33.05	24.33	5.13
<b>Visitor Spending</b>	<b>3,853</b>	<b>289.85</b>	<b>201.47</b>	<b>129.44</b>	<b>29.83</b>
Cultural & academic venues	2,320	168.84	118.78	76.46	18.19
Athletic events	1,533	121.01	82.69	52.98	11.64
<b>Grand Total</b>	<b>106,118</b>	<b>8,760.19</b>	<b>5,165.04</b>	<b>3,461.79</b>	<b>410.18</b>

Note: total impacts represent direct effect multiplier applied to in-state spending, plus indirect and induced effects multipliers applied to in-state expenditures funded from sources outside Florida. \* Employment impacts represent fulltime, part-time, and seasonal jobs.

## Employment Impacts

Direct employment by the University of Florida and affiliated organizations in the Fall semester of 2010 was calculated to total 41,434 fulltime and part-time jobs (Table 4). The University itself has an employment of 26,271 jobs, 13,484 of which are permanent, and 12,787 temporary. Shands healthcare accounts for an additional 13,500 jobs at all its hospitals and clinics. Another 1,663 jobs are involved in the operation of various Direct Support Organizations. The multiplier (indirect and induced) employment impacts resulting from spending by the University and related organizations are estimated to have generated an additional 64,648 jobs for Florida's economy in 2010. Thus, the estimated total employment impact of the University and its affiliated organizations for the State in 2009-10 was 106,118 fulltime and part-time jobs (Table 3 and Figure 3). This represents an implied employment multiplier of 2.56 total jobs, per direct job.

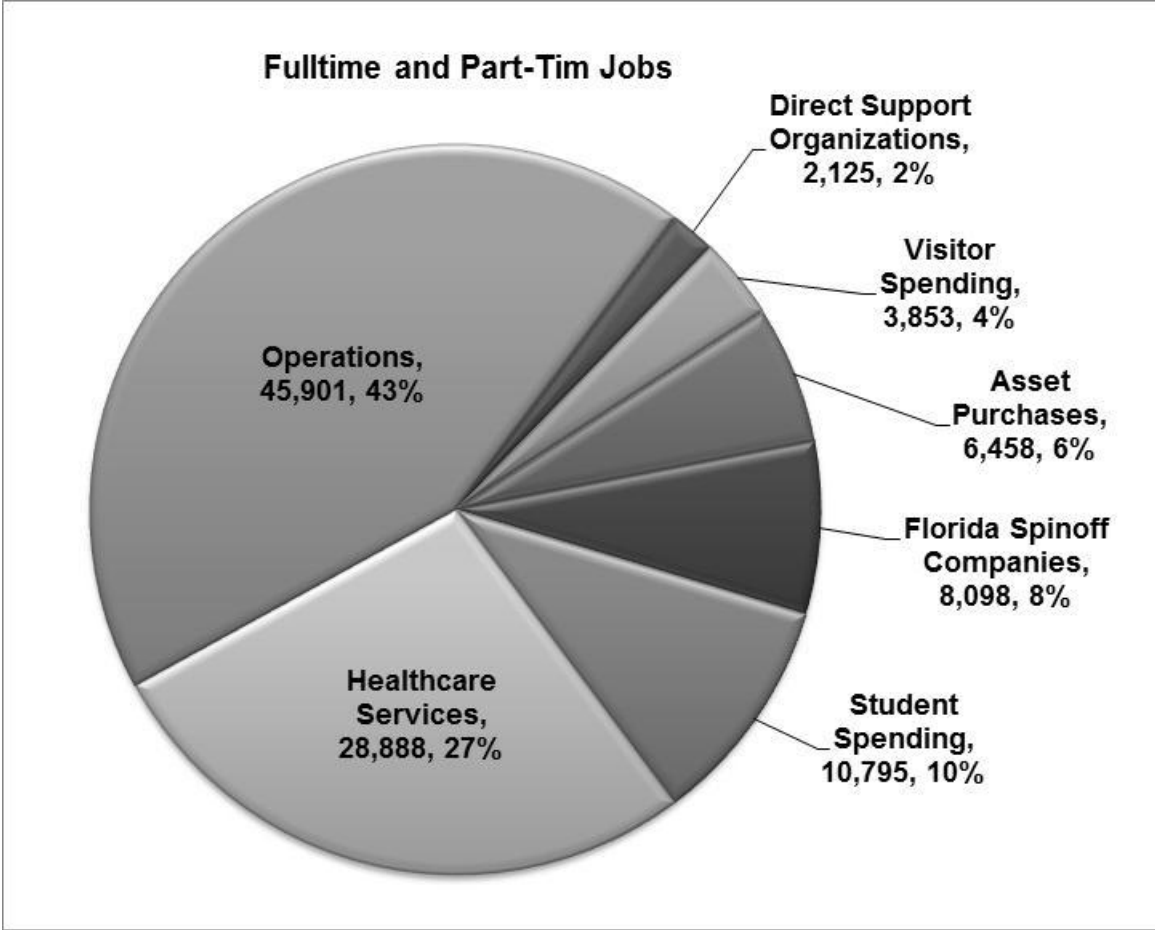
Total employment impacts of University Operations were 45,901 jobs (43 percent) followed by Shands and other University related healthcare services at 28,888 jobs, or 27 percent of the total. Job impacts from spending by UF students led to 10,795 jobs for the State. Technology spin-off company spending created 8,098 jobs. University asset purchases created 6,458 jobs for the State. Job impacts from spending by University visitors were estimated at 3,853 jobs for the State, and operational expenditures by Direct Support Organizations generated 2,123 jobs.

**Table 4. Direct Employment at the University of Florida and Affiliated Organizations in 2010**

Entity / Type of Employee	Full and Part-time Jobs
<b>University of Florida</b>	<b>26,271</b>
Regular Faculty	2,980
Administrative Faculty	133
Clinical Faculty	923
Librarians	81
Extension Agents	302
PK Yonge Lab School	76
Career Faculty	233
Post Doc/Research Associates	590
TEAMS	6,698
USPS	1,468
Total Regular UF Employees	<u>13,484</u>
Other Personal Services *	12,787
<b>Shands Hospitals</b>	<b>13,500</b>
<b>Direct Support Organizations</b>	<b>1,663</b>
University Foundation	255
University Athletic Association	1,408
<b>Total UF and Affiliated Organizations</b>	<b>41,434</b>

\* Non-Permanent Employees, mainly students

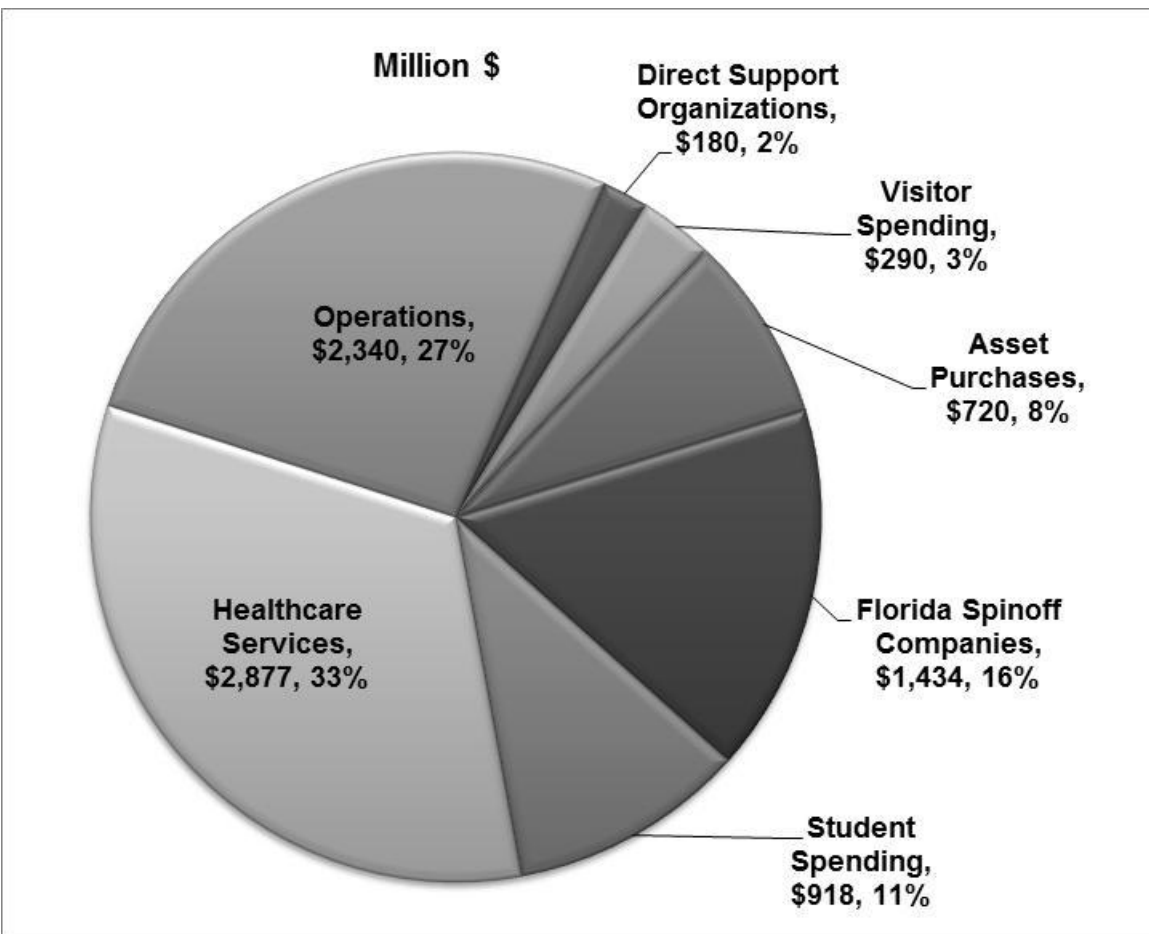
**Figure 3. Summary of Employment Impacts of the University of Florida, Affiliated Organizations, Students and Visitors in FY 2009-10**



## Output Impacts

Output or revenue impacts on the State of Florida from UF related activities were estimated to total \$8.76 billion dollars for FY 2009-10 (Table 3 and Figure 4). Among specific UF entities, some \$2.88 billion in output impacts, or 33 percent of the total, resulted from activities associated with Shands Healthcare and Faculty Clinic Practices. University Operations, including personnel expenditures, generated \$2.34 billion (27 %) of these total output impacts. UF technology spin-off companies contributed \$1.43 billion (16%) to these output impacts. Eleven percent of the total output impacts (\$918 million) were generated by student spending, not including tuition and campus housing. Asset purchases by UF led to \$720 million in output impacts for the State, while visitor spending and direct support organizations created \$290 and \$180 million in output impacts respectively (Figure 4).

**Figure 4. Summary of Output Impacts of the University of Florida, Affiliated Organizations, Students and Visitors in FY 2009-10**

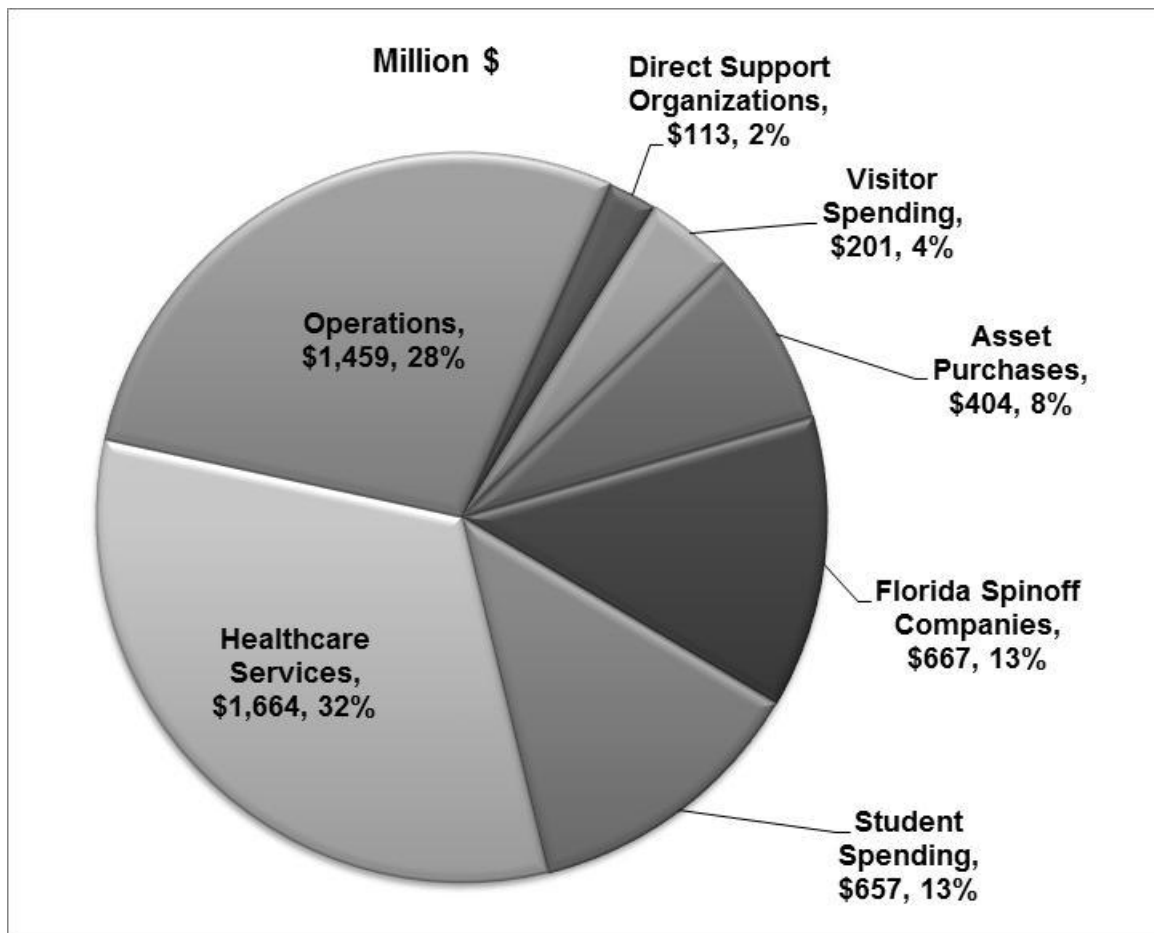




### Total Value Added Impacts

Total value added is comprised of labor income to individuals, business profits, other property-related income and taxes. The total value added impact of the University of Florida on the State was estimated to equal \$5.17 billion for FY 2009-10. This represented approximately 0.71 percent of the Florida's \$729.5 billion Gross State Product (GSP) for 2009.<sup>4</sup> GSP is the broadest measure of economic activity, which is equivalent to the Gross Domestic Product at the national level. Value added impacts for the major components of the University on Florida were \$1.66 billion for Healthcare services, \$1.46 billion from UF Operations, \$667 million for technology spin-offs, \$657 million for student spending, \$404 million due to Asset Purchases, \$201 million from Visitor Spending, and \$113 million for Direct Support Organizations (Table 3 and Figure 5).

**Figure 5. Summary of Value-added Impacts of the University of Florida, Affiliated Organizations, Students and Visitors in FY 2009-10**

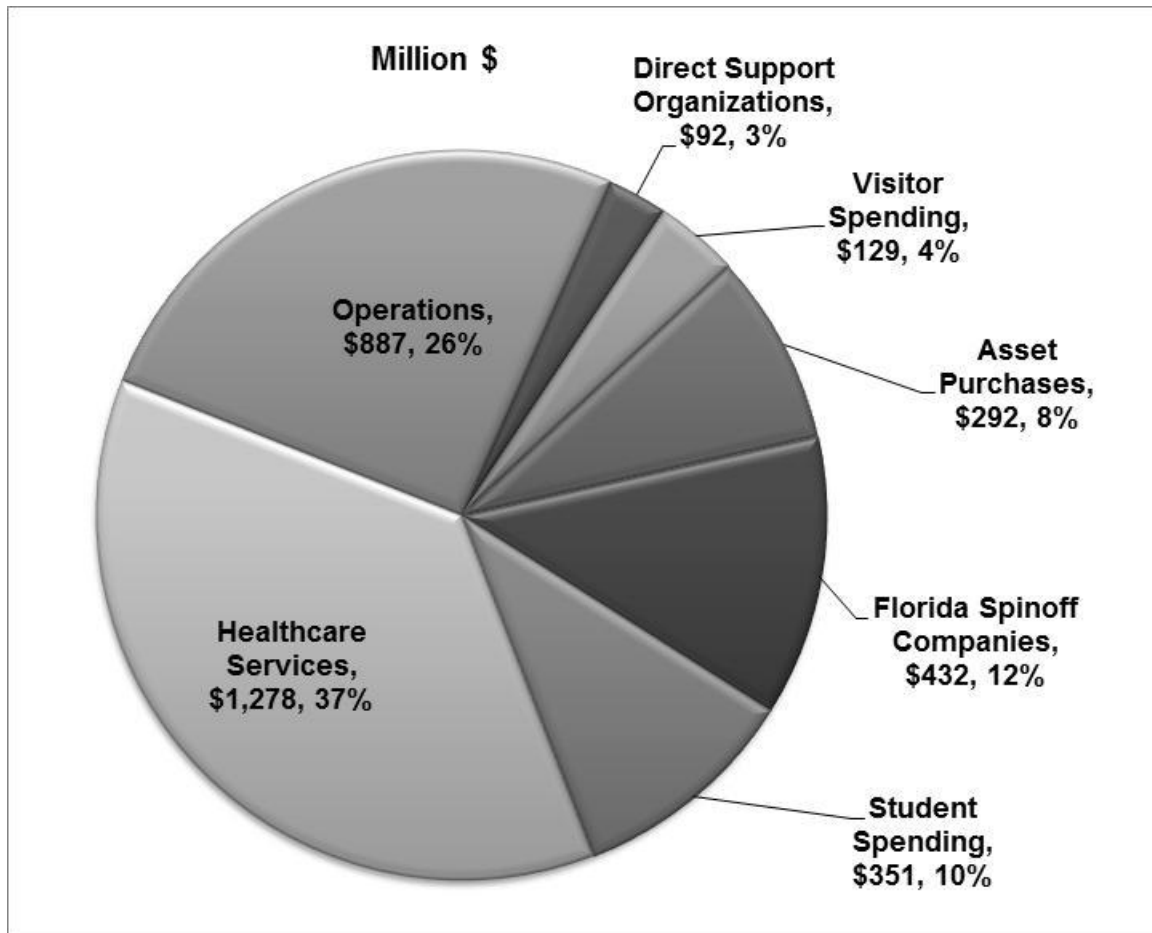


<sup>4</sup> Bureau of Economic Analysis, Regional Economic Accounts, "Gross Domestic Product by State", <http://www.bea.gov/regional/gsp/>

## Labor Income Impacts

Labor Income is a major component of value-added that represents all forms of employee compensation as well as self-employed (proprietor) income. Total labor income impacts to the State from University related activities were estimated at \$3.46 billion for FY 2009-10 (Table 3, Figure 6). Healthcare Services generated \$1.28 billion in these impacts, or 37 percent of the total. This is the highest share of all types of impacts for Healthcare Services because healthcare tends to be both labor intensive and have above average employee compensation. Labor income impacts from University operations were estimated at \$887 million for FY 2009-10, representing 26 percent of the total. The ranking of the remaining University components in terms of Labor Income impacts was identical to those for value-added, with spin-offs contributing \$432 million (12%), student spending contributing \$351 million (10%), asset purchases generating \$292 million (8%), visitor spending creating \$129 million (4%), and direct support organizations contributing \$92 million (3%) (Figure 6).

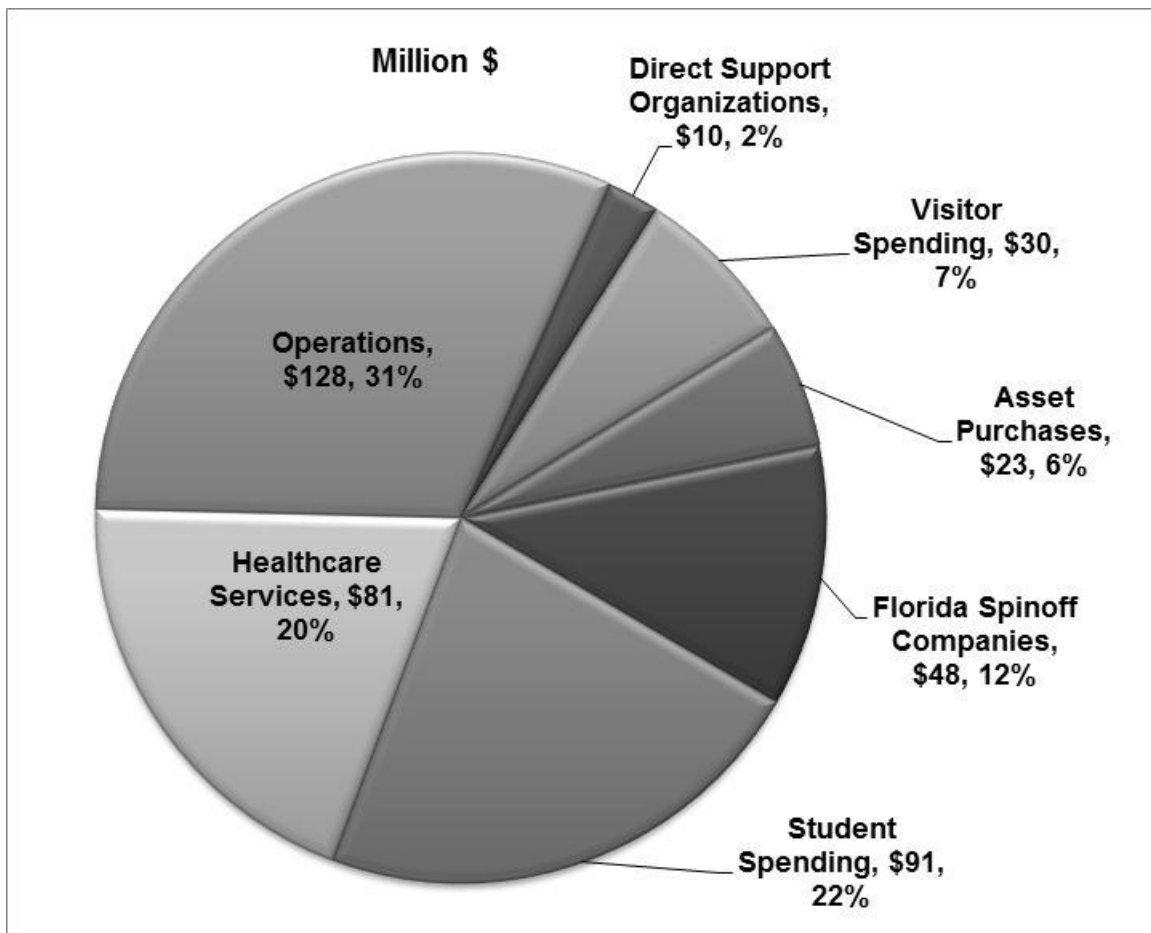
**Figure 6. Summary of Labor Income Impacts of the University of Florida, Affiliated Organizations, Students and Visitors in FY 2009-10**



## Indirect Business Tax Impacts

Indirect Business Taxes (IBT) are another component of value-added that includes sales, excise, and property taxes as well as fees and licenses paid by businesses during normal operations, but does not include taxes on profits or income. These types of impacts were included in the analysis to help compare State support to taxes generated by the University. Total IBT impacts from University related activities in FY 2009-10 were estimated at \$410 million (Table 3, Figure 7). Thirty-one percent of IBT impacts were generated by regular University operations. In contrast to the other types of impacts, Student Spending was the second largest source of impacts, at \$91 million or 22 percent of the total. The importance of student spending for IBT impacts is primarily due to sales taxes generated through student retail purchases. University technology spin-off businesses generated \$48 million in IBT impacts for the State, representing 12 percent of total impacts. The contribution to IBT impacts by the remaining University activities included \$23 million for asset purchases, \$30 million from visitor spending, and \$10 million from direct support organizations.

**Figure 7. Summary of Indirect Business Impacts of the University of Florida, Affiliated Organizations, Students and Visitors in FY 2009-10**



## Student Attendance and Spending

Data on University of Florida student enrollment is shown in Table 5. Enrollment for the fall 2009 semester was 50,844 students, of which 43,115 were Florida residents and 7,729 were non-residents. Total cumulative enrollment for the fall, spring, and summer semesters in FY 2009-10 was 128,374 student-semester. Overall, 74 percent (107,730) of enrolled student semesters were Florida residents and 16 percent (20,644) were out-of-state. About two-thirds (85,697) of the University's total student-semester consisted of undergraduate students, with 24 percent (31,415) graduate student-semester and 9 percent (11,262) professional student semesters. Nearly 95 percent (81,106) of undergraduate student-semester were Florida residents compared to 55 percent (17,436) of graduate student-semester and 82 percent (9,188) of professional student-semester.

**Table 5. UF Student Enrollment by Residency and College Level in FY 2009-10**

Level	2009 Fall Semester			2009-10 Fall, Spring, & Summer Semesters		
	In-State	Out-of-State	Total	In-State	Out-of-State	Total
Undergraduate	32,808	1,738	34,546	81,106	4,591	85,697
Graduate	6,577	5,246	11,823	17,436	13,979	31,415
Professional	3,730	745	4,475	9,188	2,074	11,262
Total	43,115	7,729	50,844	107,730	20,644	128,374

Sources: Office of Institutional Planning and Research, <http://www.ir.ufl.edu/factbook/enroll.htm>, and Division of Student Affairs, Housing and Resident Education.

Student expenditures were calculated from cost of attendance data together with enrollment numbers for resident and non-resident students of each classification for FY 2009-10. Student living expenditures were discounted by 25 percent for the summer semester since the length of this term is 12 weeks instead of 16. University revenues from on-campus student housing and commissions paid by food, vending, and bookstore service providers were deducted from student expenditures to avoid double-counting. The proportion of student spending designated as new dollars was determined by the proportion of non-resident students and the proportion of student financial aid that originated from outside the State. The geographic source of funds for student aid and loans was determined from data provided by the UF Office of Institutional Planning and Research<sup>5</sup>. Financial aid designated for University tuition and fees was used to determine the proportion of those payments that originated from outside the State of Florida, but was not otherwise reflected in the impact analysis since these monies were captured by University revenues and spending. Financial aid was assumed to be distributed uniformly among all classifications of students, and aid in the form of loans, grants or scholarships was treated identically.

The Fall 2009 semester student budget is shown in Table 6. The average cost per in-state undergraduate student-semester was \$8,361, with housing (\$2,430) and tuition (\$2,186) being the largest items. The semester budget

<sup>5</sup> Office of Institutional Planning and Research, University of Florida Fact Book - Summary of Student Aide [http://www.ir.ufl.edu/oirapps/factbooktest/tuition/stu\\_aide.aspx](http://www.ir.ufl.edu/oirapps/factbooktest/tuition/stu_aide.aspx).

for out-of-state undergraduate students was \$9,686 higher, due exclusively to higher out-of-state tuition rates. Tuition costs dominated budgets of both graduate and professional students. Tuition costs for professional students shown in Table 6 are a weighted average for all types. The other primary difference in semester cost of attendance for graduate and professional students was higher housing costs (Table 6). Total FY 2009-10 student spending, excluding tuition, was estimated at \$727 million, of which \$606 million was by Florida residents and \$121 million by non-residents (Table 7). When accounting for the share of student aid that came from in-state and out-of-state sources, student non-tuition expenditures of in-state (local) dollars totaled \$522 million, and non-tuition spending of out-of-state (nonlocal) dollars totaled \$205 million.

**Table 6. Spending Per UF Student by Residency and Classification, Fall Semester 2009**

Budget Item	In-state Under-graduate	Out-of state Under-graduate	In-state Graduate	Out-of-state Graduate	In-state Professional	Out-of-state Professional
Dollars						
Tuition & Fees	2,186	11,872	4,738	13,435	9,367	19,171
Books & Supplies	495	495	495	495	495	495
Housing	2,430	2,430	3,104	3,104	3,104	3,104
Food	1,320	1,320	1,320	1,320	1,320	1,320
Transportation	270	270	270	270	270	270
Computer	474	474	474	474	474	474
Clothing	328	328	328	328	328	328
Personal, Health Insurance	859	859	859	859	859	859
Total	\$8,361	\$18,047	\$11,587	\$20,284	\$16,216	\$26,020

Source: Office of Institutional Planning and Research, University of Florida Common Data Set (CDS) Annual Expenses  
[http://www.ir.ufl.edu/OIRAPPS/commondataset/g\\_annexpense.aspx](http://www.ir.ufl.edu/OIRAPPS/commondataset/g_annexpense.aspx)

**Table 7. Total Fiscal Year 2009-10 (Fall, Spring and Summer Semesters) Student Expenditures by Residence Adjusted for University Revenues**

Budget Item	In-State Students	Out-of-State Students	Total Students	Local*	Non-local*
Million Dollars					
Tuition & Fees	326.85	263.76	590.60	221.96	368.64
Books & Supplies	50.38	9.56	59.94	43.29	16.65
Housing	229.50	49.55	279.05	198.08	80.96
Food	130.11	24.69	154.80	111.80	43.00
Transportation	27.48	5.21	32.70	23.61	9.08
Computer	48.20	9.15	57.34	41.41	15.93
Clothing	33.37	6.33	39.70	28.67	11.03
Personal/health Insurance	87.22	16.55	103.77	74.94	28.83
Subtotal excluding tuition	<u>\$606.26</u>	<u>\$121.04</u>	<u>\$727.30</u>	<u>\$521.81</u>	<u>\$205.49</u>
Total	\$933.11	\$384.79	\$1,317.90	\$743.77	\$574.13

\* Combined local and nonlocal expenditures account for student residency and the proportion of student aid dollars that originate from in-state and out-of-state sources for each type of student.

## Visitor Attendance and Spending

### Athletic Events

UF Visitor expenditures were estimated from the number of unaffiliated (not UF employee, student, or family) visitor days to UF events, facilities or attractions, and average travel expense data for Florida in 2009 provided by *VISIT FLORIDA*<sup>6</sup>. Data on attendance to various athletic events were provided by the University Athletic Association and the management of the O'Connell Center. Visitor attendance and spending for UF athletic events is detailed in Table 8. Overall, about 64 percent of the estimated 1.3 million athletic visitors were estimated to be unaffiliated with UF, and about 9.4 percent of total visitors were estimated to come from outside the State. Football was the dominant venue for athletic visitors, accounting for 770,550, or 59 percent of total attendance, and nearly 88 percent of athletic visitor spending. Total visitor spending for athletic events was estimated at \$88.7 million, including \$30.6 million by out-of-state visitors. This is a substantially higher value than estimated in the 2005-06 study because the out-of-state visitor attendance to home football games was revised upward, and one-half of the attendees to the Georgia game in Jacksonville, Florida were also treated as out-of-state visitors.

**Table 8. University of Florida Athletic Event Attendance and Expenditures by Spectators, FY 2009-10.**

Sport	Overall Attendance	Non-Affiliated Attendance	Out-of-state Attendance	In-state Visitor Spending	Out-of-state Visitor Spending	Total Spending
	Person-nights			Thousand Dollars		
Football	770,550	559,387	114,185	48,677	29,066	77,743
Basketball	216,181	108,091	3,243	2,099	321	2,421
Baseball	126,195	63,098	1,893	3,596	550	4,147
Gymnastics	47,507	23,754	713	790	121	911
Volleyball	44,294	22,147	664	297	45	343
Softball	27,633	13,817	414	460	70	530
Soccer	17,867	8,934	268	233	36	269
Swimming/Diving	14,025	7,013	210	57	9	65
Track, Indoors	3,400	1,700	51	737	113	850
Lacrosse	7,539	3,770	113	125	19	145
Tennis	5,497	2,749	82	91	14	105
Track & Field	14,400	10,080	1,440	706	244	951
Other	10,000	5,000	150	166	25	192
<b>Total</b>	<b>1,305,088</b>	<b>829,536</b>	<b>123,427</b>	<b>58,037</b>	<b>30,634</b>	<b>88,671</b>

Sources: University Athletic Association, Stephen C. O'Connell Center, [www.gatorzone.com](http://www.gatorzone.com).

<sup>6</sup> *VISIT FLORIDA*®, Alachua County Visitors and Convention Bureau, “2009 Estimates of Florida Visitors”, Tallahassee, and Gainesville, FL.

## Cultural and Academic Venues and Events

The University of Florida provides an array of events and facilities that draw visitors for healthcare, educational, and cultural purposes including Shands healthcare, commencements, orientations, conventions, continuing education, lectures, presentations, recitals and concerts. Estimated visitation and spending at these UF related venues and events are shown in Table 9. For FY2009-10, it is estimated that there were a total of 3.4 million non-athletic visitor-days to University related venues and events, of which 2.4 million were by non-affiliated persons. Total spending by in-state visitors was estimated at \$114 million, and spending by out-of-state visitors was estimated at over \$30 million. All together, there was \$144 million in spending associated with non-athletic related visits to University related events and facilities. Visits and spending associated with Shands healthcare dominated this class of visitation, followed by visitation to the Florida Museum of Natural History and University commencement exercises (Table 9).

**Table 9. University of Florida Non-Athletic Event Attendance and Visitor Expenditures in FY 2009-010**

Venue / Facility / Event	Overall Visitor-Days	Non-Affiliated Visitor-Days	In-State Visitor-Days	Out-of-State Visitor-Days	In-State Visitor Spending	Out-of-State Visitor Spending	Total Visitor Spending
O'Connell Center							
Concerts & other non-athletic events	67,470	33,735	33,398	337	\$2,598,805	\$57,248	\$2,656,053
UF Commencements (grads & guests)	97,883	65,582	55,744	9,837	\$4,623,995	\$1,669,380	\$6,293,375
Local High School Commencements	11,800	11,800	824	118	\$68,914	\$20,025	\$88,939
Harn Museum of Art	88,195	44,098	43,657	441	\$3,406,431	\$74,833	\$3,481,265
University Auditorium	22,650	8,291	8,208	83	\$640,480	\$14,070	\$654,550
Phillips Performing Arts and Baugham Center							
Phillips Commencement	15,723	10,534	8,954	1,580	\$742,755	\$268,153	\$1,010,908
Phillips HS Graduation	3,952	3,952	3,912	40	\$305,283	\$6,707	\$311,990
Phillips Unaffiliated local	33,562	6,712	6,377	336	\$497,567	\$56,955	\$554,522
Phillips Affiliated local	20,737	2,074	1,970	104	\$153,716	\$17,595	\$171,312
Baugham Center	4,713	2,357	2,121	236	\$165,486	\$39,990	\$205,475
Florida Museum of Natural History	188,544	143,293	78,811	64,482	\$6,368,749	\$10,942,604	\$17,311,352
Career Resource Center							
Employer participants in events	709	709	355	355	\$65,923	\$120,317	\$186,240
Student Interviews	220	220	110	110	\$20,456	\$37,334	\$57,790
Preview							
Freshmen Prospective Students	6,400	6,400	6,144	256	\$1,179,525	\$86,886	\$1,266,412
Freshmen family members	7,900	7,900	7,584	316	\$1,410,321	\$107,250	\$1,517,571
Transfer students	2,400	2,400	2,304	96	\$188,652	\$16,291	\$204,943
Family weekend	2,300	2,300	2,208	92	\$410,600	\$31,225	\$441,824
Athletic camps (All costs in tuition)	8,262	7,436	0				
Band Camp (All cost in tuition)	200	180	0				
UF Conferences & Continuing Ed.	14,967	13,470	10,523	2,982	\$2,174,931	\$1,811,887	\$3,986,818
IFAS Conferences & Continuing Ed.	9,073	8,166	6,730	1,480	\$1,936,790	\$705,833	\$2,642,623
Shands Healthcare							
Admissions	85,450	64,088					
Emergency Room Visits	211,449	158,587	152,085	6,502	\$1,505,638	\$1,103,399	\$2,609,037
Outpatient Visits	1,116,312	837,234	802,907	34,327	\$7,948,783	\$5,825,223	\$13,774,006
Accompanying Admissions	85,450	64,088	61,460	2,628	\$6,619,233	\$891,803	\$7,511,036
Accompanying Emergency Rm. Visits	105,725	79,293	76,042	3,251	\$5,982,251	\$551,700	\$6,533,951
Accompanying Outpatient Visits	1,116,312	837,234	802,907	34,327	\$63,164,726	\$5,825,223	\$68,989,949
College of Veterinary Medicine Hospitals	16,000	12,000	10,800	1,200	\$907,416	\$203,640	\$1,111,056
<b>Totals</b>	<b>3,367,008</b>	<b>2,442,423</b>	<b>2,194,344</b>	<b>165,597</b>	<b>\$113,727,906</b>	<b>\$30,499,642</b>	<b>\$144,227,548</b>

## Comparison of Economic Impacts for FY 2005-06 and FY 2009-10

A comparison between 2005-06 and 2009-10 University expenditures and economic impacts is presented in Table 10. Revenues/expenditures by UF technology spin-off companies were excluded from this comparison because these were not evaluated in the earlier study. Spending and impact values in Table 10 were inflated to January 2010 price levels using the Consumer Price Index.<sup>7</sup>

Overall University-related expenditures increased by 11.3 percent in inflation-adjusted terms between FY 05-06 and FY 09-10. Employment impacts increased nearly 31 percent from 2005-06 estimates to 98,021 jobs (excluding technology spin-off jobs). Output or revenue impacts on the State increased by 14.6 percent to \$7.3 billion, excluding technology spin-off impacts. Spending categories with the largest increases were Asset Purchases, Visitor Spending, and Operations. Asset Purchases and Visitor spending also saw the largest percentage increases in employment, output impacts. Healthcare spending saw a relatively small decline in spending and monetary economic impacts.

**Table 10. Comparison of UF-Related Expenditures and Economic Impacts for FY2005-06 and FY2009-10**

Entity	Spending (million \$)			Employment Impact (jobs)			Output (Revenue) Impact (million \$)		
	FY05-06*	FY09-10	Percent Change	FY05-06	FY09-10	Percent Change	FY05-06*	FY09-10	Percent Change
Operations + Other	473.1	773.4	63.5%	4,850	4,399	-9.3%	552.5	559.8	1.3%
Personnel	1,232.2	1,254.0	1.8%	31,232	41,503	32.9%	1,615.9	1,780.4	10.2%
Asset Purchases	197.6	405.9	105.5%	2,883	6,458	124.0%	308.3	720.2	133.6%
Healthcare Services	1,924.7	1,750.7	-9.0%	25,863	28,888	11.7%	2,967.3	2,877.4	-3.0%
Direct Support Org.	111.6	143.1	28.2%	1,301	2,125	63.4%	120.9	180.5	49.3%
Student Spending	688.1	727.3	5.7%	7,422	10,795	45.5%	725.9	918.0	26.5%
Visitor Spending	122.2	232.9	90.7%	1,344	3,853	186.8%	103.9	289.9	178.9%
<b>Total</b>	<b>4,749.4</b>	<b>5,287.4</b>	<b>11.3%</b>	<b>74,894</b>	<b>98,021</b>	<b>30.9%</b>	<b>6,394.6</b>	<b>7,326.2</b>	<b>14.6%</b>

\* Adjusted to January, 2010 CPI Price Levels; Conversion factor = (CPI, Jan. 2010) / (CPI, Jan. 2006) = 216.681/98.3 = 1.0927.  
Excludes spending and impacts by UF technology spin-off enterprises in FY 2009-10.

There are a variety of issues that complicate the comparison of the values estimated in this study with those of the study for fiscal year 2005-06. First, the IMPLAN modeling software had a significant revision in 2009, as well as the annual economic database updates that reflect changes in the mix of industries in the state and trade flows. These changes can alter estimated trade-flows and impact multipliers from one year to the next. Also, a greater proportion of revenue and expenditure data were acquired from supplemental financial spreadsheets provided by the UF Finance and Accounting Department for this year's study. In contrast, there was a greater reliance on the University's annual financial report for the 2005-06 study. Finally, there were significant increases in visitor expenditure budgets as provided by *VISIT FLORIDA*.

<sup>7</sup> Bureau of Labor Statistics, U.S. Department of Labor, CPI - All Urban Consumers - U.S. city average  
<http://ftp.bls.gov/pub/special.requests/cpi/cpiiai.txt>