

Economic Contributions of The University of Texas at San Antonio

Fiscal Year 2021

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Prepared by:

The University of Texas at San Antonio

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EXECUTIVE SUMMARY

In late 2021, The University of Texas at San Antonio (UTSA) unveiled a historic development. On December 16, UTSA announced that it had **achieved R1 Classification**, sometimes referred to as Tier One, from the Carnegie Classification of Institutions of Higher Education. This exclusive designation positioned the university at the forefront of research and innovation, among the top four percent of the country’s research universities.



“Carnegie R1 is a historic waypoint on our trajectory to transform UTSA into one of the nation’s great public research universities.”

Taylor Eighmy,
UTSA President

Obtaining R1 status strengthens UTSA’s rapid trajectory as a premier public research university and as a driver of economic opportunities and social mobility for the San Antonio Metropolitan Statistical Area¹ and Texas.

Among the several advantages that the R1 status provides² are:

- ➔ **Boosts economic development.** Tier One institutions bring new talent and businesses to Texas, diversifying its economy and helping to spur economic development in the State.
- ➔ **Increases local talent.** Tier One institutions attract the world’s brightest minds to study, work, and live in the San Antonio area.
- ➔ **Opens new collaborative opportunities.** The new designation can facilitate collaborative research, joint funding applications and research exchanges.
- ➔ **Addresses “brain drain.”** San Antonio area students no longer need to leave home to pursue a graduate degree from an R1 institution.

The new R1 Carnegie designation will benefit San Antonio’s economy, improving human capital and physical infrastructure in the region. In addition to UTSA’s existing collaborations with local research organizations such as UT Health San Antonio, Southwest Research Institute, Texas Biomedical Research Institute, among others; UTSA has fostered the construction and establishment of new research centers and institutes within the university—including the **National Security Collaboration Center, the School of Data Science, and the Cybersecurity Manufacturing Innovation Institute**—and the founding of the San Antonio Partnership for Precision Therapeutics.³

¹ The San Antonio Metropolitan Statistical Area includes eight counties: Atascosa, Bandera, Bexar, Comal, Guadalupe, Kendall, Medina, and Wilson.

² From Carnegie Classification R1 University | UTSA

³ From UTSA Today at: UTSA attains prestigious Carnegie R1 Classification, elevating San Antonio as a destination for innovation | UTSA Today | UTSA | The University of Texas at San Antonio

UTSA ECONOMIC CONTRIBUTIONS IN 2021



Despite unprecedented events caused by Covid-19 in 2021, UTSA continued to provide benefits to the San Antonio Metropolitan Statistical Area (SAMSA). Total UTSA contributions (including direct, indirect, and induced effects) in 2021 involved:

- ➔ Close to \$2.5 billion in total revenues (or output).
- ➔ Nearly 17,620 jobs supported in the area.
- ➔ As much as \$814.3 million in salaries and wages to workers.
- ➔ Over \$1.3 billion in gross regional product.
- ➔ Around \$33.2 million in State government revenues.
- ➔ Almost \$39.7 million in local government revenues.

The economic contributions study includes various expenditure categories. We evaluated the direct expenditures in the following broad categories:

- ➔ Expenditures for operations and maintenance, including salaries and wages.
- ➔ Capital and construction expenditures.
- ➔ Out-of-the-area student spending.
- ➔ Activities of the Institute for Economic Development.

Combined Economic Contributions* at the San Antonio MSA Level FY2021 in Millions of Dollars

Category	Total Output Contribution	Total Employment Contribution
Capital & Construction Expenditures	\$112.9	795
Operating Budget**	\$1,133.0	8,815
Students Expenditures	\$298.0	2,989
Institute for Economic Development	\$944.4	5,022
Total	\$2,488.3	17,621

* Includes direct, indirect, and induced contributions

** Includes the impacts from research, wages and salaries

Elaboration by J. Oyakawa

Capital and construction expenses amounted to **\$112.9 million** total contributions in 2021. One of several construction activities involved the construction of the School of Data Science and the National Security Collaboration Center, as part of the university's downtown campus expansion.

Operating budget expenses for FY2021 were **\$611.9 million**, including **\$348.9 million** in salaries and wages. These direct operating expenses generated a total output contribution (direct, indirect, and induced) of **\$1.1 billion** in the SAMSA region.⁴



⁴ The software IMPLAN has a new feature that allows the simultaneous analyses of the operating budget expenses with salary and wages expenses. This is different from the previous 2018 study, where budget expenses contributions excluded salary and wages contributions.

Student expenses accounted for **\$298.0 million** of total contributions (direct, indirect, and induced). As of the **Spring 2021 term**, 31,698 students enrolled at UTSA and 13,410 students (42.3 percent) were considered as out-of-SAMSA whose expenses were “new money” for the area. These out-of-SAMSA students directly spent **\$197.7 million** on living expenses (excluding tuition and, in some cases, accommodation expenses).

A sizable portion of the total contribution derived from the activities of the Institute for Economic Development.

Firms assisted by the IED generated a total economic contribution of **\$944.4 million** (direct, indirect, and induced).

A comparison of the 2018 and 2021 contributions indicates an increase of over 32.0 percent in total revenues (\$1.9 and \$2.5 billion, respectively). This difference is explained by a substantial increase in the IED contributions of over 106.0 percent, an increase in the operating budget contributions (inclusive of research expenditures, salary, and wages) of close to 12.6 percent,⁵ a significant increase in capital and construction contributions of nearly 73.7 percent, and an increase in students' contributions of around 9.1 percent.⁶

The IED's higher total contribution was due to the higher productivity of the new jobs and the jobs retained in specific manufacturing, wholesale, professional, and marketing industries when compared to the year 2018. Jobs in these industries generated high revenues per worker and had a significant effect on salaries and wages. The higher revenues increased the direct contributions of the firms involved, while higher salaries and wages increased the purchasing power of the employees' expenditures (the induced effect).

⁵ See Note 4 about the simultaneous analyses of the operating budget and salary and wages contributions in IMPLAN.

⁶ The increase in total contributions in the current report occurs despite the absence of contributions from visitors to athletics or academic events (like graduations) because a systematic collection of data from their presence in San Antonio is not available currently. On the other hand, the 2020 pandemic affected negatively all public events organized by UTSA, and therefore, their impacts were very limited by attendance restrictions in FY2021.

01

UTSA IS A PREMIER UNIVERSITY

R1 Schools in Texas



OVERVIEW

In February 2022, the Carnegie Classification of Institutions of Higher Education designated UTSA as an R1 institution, sanctioning the announcement made by UTSA officials in December.

Every five years, Carnegie announces the names of a limited number of universities across the country that have shown substantial progress in their research efforts. The criteria for achieving the R1 classification include measures such as research expenditures, personnel levels, and the number of doctoral degrees awarded by an institution.⁷

⁷ From UTSA's website at: <https://bold.utsa.edu/carnegie-r1/#:~:text=A%20Tier%20One%20Research%20University&text=In%20February%202022%2C%20the%20Carnegie,research%20universities%20in%20the%20nation.>

Obtaining the Carnegie R1 designation is an important breakthrough in UTSA’s aspiration of becoming a model for student success and a leading public research university.

To achieve this title, UTSA increased its annual research expenditures, expanded its pool of doctoral students, received national recognition for its researchers, and added members of the National Academy to its faculty.⁸

UTSA’s research activities have experienced tremendous growth. Over the past five years, the institution’s research spending has risen steadily

by 106 percent from **\$67.8 million** in FY2017 to **\$140.0 million** in FY2021. UTSA faculty have received significant funding grants over the past five years—more than three hundred each year—and have been a key factor in the realization of Carnegie designation. **Patents** by faculty grew from eight in FY2018 to **twenty-six** in FY2021. In this period, the number of members of the **National Academies** rose from five to **eleven**.

UTSA Total Research Expenditures 2017–2021 in Millions of Dollars

Category	Years				
	2017	2018	2019	2020	2021
Total Research Expenditures	\$67.8	\$70.0	\$81.0	134.0 ^a	140.0 ^a
				116.0 ^b	124.0 ^b

^a Includes Dell gift in FY20, FY21

^b Intrinsic Growth w/o Dell/CARES

Source: Office of the Vice President for Research, Economic Development and Knowledge Enterprise and Annual Financial Reports

UTSA Institute for Economic Development has also played a key role in expanding the knowledge economy and leveraging new opportunities to support local communities and small businesses through collaborative research approaches. These combined efforts have resulted in \$2.9 billion in direct economic impact **for the State of Texas**. In the current study, we estimated the institute’s contributions (direct, indirect, and induced effects) **for the San Antonio Metropolitan Statistical Area** in FY2021, and therefore, this assessment is not as large as the statewide impact.

⁸ Ibidem.

UNIVERSITY RANKINGS

The University of Texas at San Antonio has received several awards and recognitions from various organizations.

ELEVATING UTSA'S DISTINCTIVENESS



UTSA is ONE of 21

universities designated as both **HISPANIC SERVING INSTITUTIONS & TOP TIER**



UTSA is ONE of SIX

Tier One universities to hold three **NATIONAL CENTERS OF ACADEMIC EXCELLENCE** from the National Security Agency & Dept. of Homeland Security



UTSA is ONE of TEN

Tier One universities to have the **SEAL OF EXCELENCIA FOR LATINO STUDENT SUCCESS**

The CEO Magazine's global M.B.A. rankings evaluates M.B.A. programs based on quality of faculty, international diversity, class size, accreditation, faculty-to-student ratio, price, international exposure, work experience, professional development, gender parity and delivery methods. In April 2021 UTSA ranked in Tier One for North American MBA's.

The *Diverse: Issues in Higher Education* each year identifies the top one hundred institutions awarding degrees to minority students. It is the only national report on the ability of U.S. colleges and universities to award degrees to African-American, Asian American, Hispanic, and Native American students. In 2021, UTSA ranked as follows for the top 100-degree producers awarded to African Americans and Hispanics:



No. 9

Hispanic bachelor's degrees, all disciplines combined

No. 17

Hispanic master's degrees, all disciplines combined

The Hispanic Outlook on Education (formerly Hispanic Outlook in Higher Education) ranks the best American universities in terms of enrollment of Hispanic students. It also ranks schools who grant the most degrees to Hispanics in specific areas of study. The results for 2021 showed UTSA as:

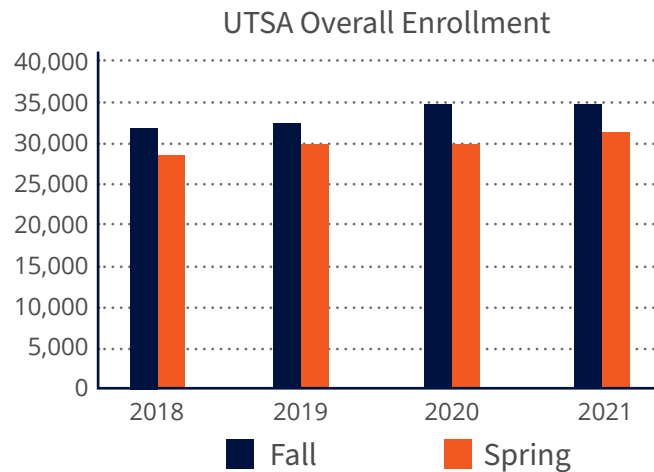
- No. 9** Top 100 total bachelor's degrees granted
- No. 8** Business Management, Marketing and Related Support Services
- No. 4** Computer and Information Science and Support Services
- No. 9** Education
- No. 3** Architecture and Related Services
- No. 10** Engineering
- No. 9** English Language and Literature/ Letter
- No. 8** Natural Resources and Conservation
- No. 5** Parks, Recreation, Leisure, Fitness and Kinesiology

In June 2021, The University of Texas at San Antonio received an unrestricted gift of **\$40 million from philanthropists MacKenzie Scott and Dan Jewett**, who say they chose the Hispanic serving institution for its commitment to students from disadvantaged backgrounds.⁹

⁹ Taken from: <https://www.diverseeducation.com/demographics/latinx/article/15109453/u-of-texas-at-san-antonio-receives-transformational-40m-gift>

ENROLLMENT

Despite recent declines in college enrollment at the national level, Di & Caldwell (2022), from 2018 to 2021, UTSA experienced significant increases in student enrollment. In 2021, UTSA fall enrollment increased by 7.6 percent from 2018.



Source: Institutional Research Office

ENROLLMENT BY ACADEMIC LEVEL

The majority of enrollment has consistently been the undergraduates, representing 85 percent of the student population in 2021. Moreover, according to these statistics, 5,268 students pursued graduate degrees.

Between 2016 and 2021, the student population for most academic levels has increased, with a slight drop in undergraduate enrollment in 2021.

Enrollment by Level

Level	Term											
	Fall 2016		Fall 2017		Fall 2018		Fall 2019		Fall 2020		Fall 2021	
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
Undergraduate	24,423	84%	26,105	85%	27,606	86%	27,932	86%	29,559	85%	29,466	85%
Post-Bac	403	1%	443	1%	496	2%	457	1%	524	2%	445	1%
Masters	3,392	12%	3,419	11%	3,340	10%	3,300	10%	3,760	11%	3,867	11%
Doctoral	741	3%	801	3%	822	3%	905	3%	899	3%	956	3%
Total	28,959	100%	30,768	100%	32,264	100%	32,594	100%	34,742	100%	34,734	100%

ENROLLMENT BY RACE/ETHNICITY

UTSA's status as a Hispanic-Serving Institution (HSI), with near 57 percent of enrollment identified as Latino. Along those lines, the university consistently receives national recognition as an HSI.

Enrollment by Race/Ethnicity

Race/Ethnicity	Term									
	Fall 2017		Fall 2018		Fall 2019		Fall 2020		Fall 2021	
	Count	%	Count	%	Count	%	Count	%	Count	%
American Indian or Alaskan Native	51	a	65	a	54	a	51	a	47	a
Asian	1,653	5%	1,819	6%	1,821	6%	1,899	5%	1,890	5%
Black or African-American	2,680	9%	2,760	9%	2,686	8%	2,812	8%	2,803	8%
Hispanic or Latino	16,276	53%	17,604	55%	18,168	56%	19,809	57%	19,969	57%
International	1,034	3%	950	3%	980	3%	927	3%	956	3%
Native Hawaiian or Other Pacific Islander	58	a	57	a	57	a	54	a	59	a
Two or More Races	979	3%	1,050	3%	1,091	3%	1,187	3%	1,202	3%
Unknown or Not Reported	519	2%	397	1%	277	1%	264	1%	253	1%
White	7,518	24%	7,562	23%	7,460	23%	7,739	22%	7,555	22%
Total	30,768	100%	32,264	100%	32,594	100%	34,742	100%	34,734	100%

a - Less than one percent enrollment Source: UTSA's Institutional Research Office

ENROLLMENT BY GENDER

The University of Texas at San Antonio had a total 34,734 enrolled students registered for the fall term of 2021. Breakdown by gender shows 16,421 male and 18,313 female students (male-female ratio: 47:53) attending UTSA.



Enrollment by Gender												
Gender	Term											
	Fall 2016		Fall 2017		Fall 2018		Fall 2019		Fall 2020		Fall 2021	
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
Female	14,721	51%	15,634	51%	16,393	51%	16,690	51%	18,043	52%	18,313	53%
Male	14,238	49%	15,134	49%	15,871	49%	15,904	49%	16,699	48%	16,421	47%
Total	28,959	100%	30,768	100%	32,264	100%	32,594	100%	34,742	100%	34,734	100%

Source: UTSA's Institutional Research Office

STEM ENROLLMENT



The importance of increasing the number of undergraduate students completing their studies in science, technology, engineering, and mathematics (STEM) continues to be a key objective, as recognized by the federal government.

At UTSA, the number of students enrolled by STEM from 2016 to 2021 remained stable at 32 percent of the student population.

Enrollment by STEM												
Program	Term											
	Fall 2016		Fall 2017		Fall 2018		Fall 2019		Fall 2020		Fall 2021	
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
STEM	9,354	32%	10,053	33%	10,657	33%	9,164	32%	10,142	32%	10,877	32%
Not STEM	19,605	68%	20,715	67%	21,607	67%	19,597	68%	19,671	68%	19,605	68%
Total	28,959	100%	30,768	100%	32,264	100%	32,594	100%	34,742	100%	34,734	100%

Source: UTSA's Institutional Research Office

FINANCIAL AID

Over the years, UTSA undergraduate students received grants, loans, scholarships, and work-study financial aid. In 2021, out of 29,151 undergraduate students, 21,403 students (73.2 percent) received some form of financial assistance (grants, loans, scholarships, and work-study aid).

In 2020, at the peak of the pandemic, the number of undergraduate students receiving financial aid was 22,308, close to 76.5 percent of the undergraduate enrollment. The average grant per undergraduate student, as of fall 2021, was \$3,313 and the average scholarship was \$2,196.

Veterans and their families received scholarships under the Hazlewood Act.¹⁰ The Act is a Texas government benefit that offers eligible veterans, spouses, and dependent children with an education benefit of up to 150 hours of tuition exemption at public institutions of higher education in Texas.¹¹

In 2021, of the 4,823 graduate students, 2,953 students, near 61.2 percent, received some form of financial assistance (grants, loans, scholarships, and work-study aid).

Like the undergraduate case, in 2020, during the pandemic, the number of graduate students receiving financial aid was 3,130, close to 67.4 percent of the graduate enrollment. The average grant for each graduate student in the fall 2021 was \$954 and the average scholarship was \$4,586.

¹⁰ In 2022, more than 2,400 veterans have been exempted from tuition and fees.

¹¹ Taken from <https://www.tvc.texas.gov/education/hazlewood-2/#:~:text=Deferment%20Request%20Form.-,The%20Hazlewood%20Act%20is%20a%20State%20of%20Texas%20benefit%20that,%2C%20books%2C%20or%20supply%20fees>

02

ECONOMIC CONTRIBUTIONS IN 2021

Economic contribution studies are useful ways to explain the benefits of universities to the regional economy. To make these studies transparent and dependable, they must follow proper methods, data, and assumptions as discussed in several studies, for example, in Caffrey and Isaacs (1971), and, more recently, the Association of Public and Land-Grant Universities¹² (2014), among others. Some of the issues include:

- ➔ The use of appropriate regional input-output matrices
- ➔ The correct definition of the study region
- ➔ The proper scope of university activities
- ➔ The use of suitable multipliers
- ➔ Avoid narrative about the return-on-investment from public funds
- ➔ Refrain from quantifying secondary impacts from difficult to measure economic and social spillovers.



Economic contribution studies quantify the **gross change in economic activity** associated with an industry, event, or policy in an existing regional economy.

Economic impact studies quantify the **net changes in new economic activity** associated with an industry, event, or policy in an existing regional economy.
(Watson et al., 2007).

¹² The Association of Public Land-Grant Universities, APLU, “is a research, policy, and advocacy organization dedicated to strengthening and advancing the work of public universities in the U.S., Canada, and Mexico. The association’s membership consists of 243 public research universities, land-grant institutions, state university systems, and affiliated organizations.” From the website <https://www.aplu.org/about-us/>

The current study used the well-known input-output software and database IMPLAN, which is recommended by several researchers, among them Swenson (2014). This software/database utilizes benchmark tables provided by the Bureau of Economic Analysis (BEA) as well as other statistical data to model transactions occurring within a region, state, or nation.

A part of IMPLAN is, in a general sense, like an accounting system of the economic transactions taking place between industries, businesses (universities), and consumers in an economy. It helps estimate the contributions on total output (revenues or sales), payroll, gross regional product, taxes, and employment. By expanding the analysis beyond the direct contributions, IMPLAN provides a more complete picture of the economic effects of transactions.

Economic impacts and economic contributions include direct, indirect, and induced effects. The direct effects result from the activities of the university. The indirect effects are the result of the activities from business suppliers supporting the university. The induced effects are the result of the affected workers spending their incomes on different goods and services in the region. We estimated these effects by applying IMPLAN to SAMSA.

Economic contribution studies quantify the gross change in economic activity associated with an industry, event, or policy in an existing regional economy. Economic impact studies quantify the net changes in new economic activity associated with an industry, event, or policy in an existing regional economy (Watson et al., 2007). The current report implements an economic contributions study for the year 2021.

In the current analysis, we estimate the expenditures from four categories:

- ➔ Expenditures for operations and maintenance.
- ➔ Capital and construction expenditures.
- ➔ Out-of-the-area student spending.
- ➔ Institute for Economic Development activities.

YEAR 2019 MULTIPLIERS

Data from IMPLAN 2019 was chosen for the contribution analyses.¹³ We did not use the available 2020 data because they show most of the industries receiving unprecedented handouts as government subsidies, which exceeded the amount of taxes collected in those industries. That would have skewed the multiplier effects in 2021. For the most part, 2019 multipliers are closer to the 2021 economic situation than the 2020 multipliers.¹⁴

The ratio of total contributions to direct spending is called a multiplier and can be expressed in dollars and employment. As mentioned before, direct effects are the changes in the university under analysis; indirect effects are the changes due to the suppliers' response to the direct effects; induced effects are the changes in spending from employees as income change due to direct and indirect activities.

¹³ The 2021 IMPLAN data was not yet available during the study.

¹⁴ Notes on IMPLAN 2020 data, available at <https://support.implan.com/hc/en-us/articles/4412244641179-2020-Data-Release-Notes>



Multipliers measure changes in economic activity because of direct effects. There are several types of multipliers; here we mention three to understand the differences. Type I multipliers are derived by dividing the sum of the direct and indirect effects by the direct effects. Type II multipliers are calculated by dividing the sum of direct, indirect, and induced effects by the direct effects. SAM multipliers are the third type to be described in this section.

IMPLAN default multipliers are the SAM type multipliers (where SAM stands for Social Accounting Matrix). These multipliers include the induced effects from household expenses, however, not at 100 percent, as in the case of Type II multipliers. SAM multipliers consider that households pay taxes (payroll or income), have savings, some employees are non-local who commute to work, and there are purchases from outside the area of analysis that represent leakages from the local economy and reduce the impacts of indirect expenditures.

While not all expenditures are spent locally, the study intends to measure the direct expenditures of each component within UTSA and estimate the additional economic contributions to the local region. In this sense, it is also important to look at the dollars that originated outside the study area. This can be in the form of out-of-area student expenditures, for example.

CAPITAL AND CONSTRUCTION EXPENDITURES CONTRIBUTIONS



The construction of new facilities implies the hiring of workers and the buying of equipment and other items from suppliers across several industries. Workers employed in these activities spend their salaries and wages on consumption goods and services, generating, in turn, more jobs.

Capital and construction expenditures accounted for **\$112.9 million** impacts. In 2021 began the construction of the \$90 million School of Data Science and National Security Collaboration Center, as part of the university downtown campus expansion.

Construction on the SDS–NSCC building was funded with **\$75 million** from **The University of Texas System Permanent University Fund** and a **\$15 million** gift from **San Antonio business leader Graham Weston**.

In 2021 there were renovations to the John Peace Library, improvements to the Main Building by eliminating water intrusion, and construction of the Mesquite Living Lab (MLL) to support the Environmental Science Department, among other projects like improvements for indoor classrooms located in the Business building, Multidisciplinary Studies building, Flawn Sciences building, Applied and Engineering Technology building, Arts building, Durango building, Engineering building, Frio Street building, Main building, McKinney Humanities building, and North Paseo building.

Like the previous 2008 and 2018 UTSA studies, due to the variability of construction expenditures over time, the current study used the average from past years, specifically five years, from 2017 to 2021, to determine an average amount for initial capital expenditures on construction, major equipment, and other improvements in 2021. Not only construction expenditures, but also furnishing and equipment, computer equipment, library books, and museum artifacts, among other items, are included in this section. The four-year average amounted to **\$72.8 million**. The table below illustrates these items and the corresponding IMPLAN sectors for the simulations.

Capital (including Construction) Expenditures, Average 2017–2021 in Millions of Dollars

Construction of Buildings	\$33.5	53
Remodeling of Buildings	\$10.4	53
Construction Improvement Grounds	\$0.4	53
Construction Improvement Facility	\$3.9	53
Utility Construction	\$1.0	54
Construction of Roads	\$0.3	54
Furnishings & Equipment Capitalization	\$6.8	137
Computer Equipment Capitalized	\$8.8	298
Motor Vehicles Passenger Car	\$0.6	450
Library Books & Other	\$0.9	425
Museum Artifacts	\$0.1	501
Construction in Progress & Intangible Assets	\$0.2	53
Computer Software Capital	\$4.0	428
Capital Interest Building	\$2.0	53
TOTAL	\$72.8	

Source: UTSA Accounting Services

For the simulations, the amount of \$72.8 million in capital expenditures is applied to different industries, but because several of these industries do not produce the necessary products, they “leak” outside the area and, therefore, the direct initial spending in the area diminishes to \$63.2 million. This initial spending generates secondary effects for a combined total of \$112.9 million. For 2021, capital expenditures in construction, equipment, and other improvements had a total employment contribution of 795 jobs, payroll contribution of \$35.1 million, a gross regional product of \$63.6 million, and revenues of \$1.2 million for the state and \$1.4 million for local governments.

Capital and Construction Expenditures Total Economic Contributions * at the San Antonio MSA level FY 2020-2021 In Millions of Dollars

Category	Initial Direct Spending	Total Output	Total Employment	Total Payroll	Total Gross Regional Product	Total State Revenues	Total Local Governments Revenues
Capital Expenditures	\$63.2	\$112.9	795	\$35.1	\$63.6	\$1.2	\$1.4

*Includes direct, indirect, and induced contributions.

Elaboration by J. Oyakawa

OPERATING BUDGET CONTRIBUTION

The software IMPLAN has a new feature that allows the simultaneous analyses of the operating budget expenses with research, salary, and wages expenses. This analysis is different from the previous 2018 study, where budget expenses contributions excluded restricted research, salary, and wages contributions. In the present study, these categories are integrated as additional items in the operating budget.

Operating Expenses FY 2020–2021 in Millions of Dollars

Category	Amount
Salaries and Wages	\$273.0
Payroll Related Costs	\$75.9
Membership Dues	\$1.2
Registration Fees, Meetings, Conferences	\$0.6
Professional Fees and Services	\$15.5
Other Contracted Services	\$9.3
Fees and Other Charges	\$0.6
Travel	\$3.0
Materials and Supplies	\$33.5
Utilities	\$12.3
Communications	\$2.4
Repairs and Maintenance	\$6.5
Rentals and Leases	\$2.7
Printing and Reproduction	\$1.4
Royalty Payments	\$0.0
Bad Debt Expense	\$0.0
Insurance Costs/Premiums	\$1.2
Scholarships and Fellowships	\$94.5
Depreciation and Amortization	\$59.0
Federal Sponsored Program Pass-Through to Other State Agencies	\$2.9
State Sponsored Program Pass-Through to Other State Agencies	\$0.4
Other Operating Expenses	\$16.0
TOTAL	\$611.9

Source: UTSA Office of Research Finance and Operations

The overall budget for FY2021 was **\$611.9 million**. Salaries and wages totaled \$273.0 million and other related costs and benefits totaled nearly \$75.9 million, for a combined amount of \$348.9 million. We deducted expenses like depreciation with \$59.0 million and a miscellaneous category for \$3.3 million with pass-through values.

In FY2021, the initial direct spending for operations of the university includes payments for professional services, printing, utilities, telecommunications, repair and maintenance, material and supplies, rentals, and travel, among other items.

Operating Budget Total Economic Contributions * at the San Antonio MSA level FY 2020-2021 In Millions of Dollars

Category	Initial Direct Spending	Total Output	Total Employment	Total Payroll	Total Gross Regional Product	Total State Revenues	Total Local Governments Revenues
Operating Budget	\$611.9	\$1,133.0	8,815	\$482.3	\$679.5	\$13.3	\$10.7

*Includes direct, indirect, and induced contributions.
Elaboration by J. Oyakawa

The university directly hired 5,408 full- and part-time employees and secondary contributions by businesses and employees' expenditures added jobs for a combined total of 8,815 jobs. Total payroll contributions amounted to \$482.3 million, and the total gross regional product contribution reached \$679.5 million. State revenues were \$13.3 million and local government revenues were \$10.7 million.

UTILIZATION OF HUB SUPPLIERS

Certification as a historically underutilized business (HUB) can increase the opportunities of companies owned by minority members, service-disabled veterans, and women to do business with the state of Texas. As small and minority businesses prosper, their owners and employees can provide a university education for their children and can offer good jobs for graduates in their regions across Texas.

During fiscal year 2021, Texas had 16,373 certified HUBs. About 23.02 percent of HUBs participated in state contracts as prime contractors or subcontractors, collectively receiving 10.5 percent of all statewide expenditures.¹⁵

¹⁵ Texas Comptroller <https://comptroller.texas.gov/data/purchasing/hub/fy21/>

¹⁶ From Fiscal Year 2021 Annual HUB Report, Texas Comptroller's Office.

¹⁷ Report available at <https://www.utsa.edu/compliance-and-risk-services/compliance/required-reports/HUB-reports.htm>

In 2021, UTSA ranked 26th among State agencies in Texas spending \$29.6 million with HUBs.¹⁶ Expenditures on HUBs across UTSA reached 27.6 percent. Based on this percentage, the university ranked 18th among state agencies with more than \$5.0 million in HUB expenses. Expenditures on HUBs across UTSA outperformed the state’s average of 10.5 percent.

There were 169 UTSA’s HUB awards in 2021, amounting near \$29.6 million in total; close to 35.5 percent of this amount went to Hispanic owned businesses. Out of the total number of awards, near 47.3 percent went to women owned businesses. In dollar amounts, Hispanic HUBs received close to \$9.1 million (30.8 percent of dollars awarded) whereas women businesses received close to \$10.1 million (34.1 percent of dollars awarded).¹⁷

Analysis of Awards for University of Texas at San Antonio

Certified Hub Group for Hub Credit	Total of Hub Vendors Receiving Awards	Percent of Hub Vendors Receiving Awards	Total Dollar Amount Awarded to Hubs in Millions	Percent of Hub Vendors Receiving Awards
Asian Pacific	10	5.9%	\$1.01	3.4%
Black	14	8.3%	\$8.70	29.4%
Hispanic	60	35.5%	\$9.11	30.8%
Native American	3	1.8%	\$0.08	0.3%
Service-Disabled Veteran	2	1.2%	\$0.60	2.0%
Woman	80	47.3%	\$10.07	34.1%
Total	169	100%	\$29.56	100%

Source: Institutional Compliance and Risk Services

OUT-OF-SAMSA STUDENT EXPENDITURES CONTRIBUTIONS

By spring 2021, 31,698 students had enrolled at the University of Texas in San Antonio. Of these, 18,288 (57.7 percent) were from the SAMSA while 13,410 (42.3 percent) were from out-of-SAMSA. This number includes online programs.

Many students remain in their local communities to attend college and their money would have circulated throughout the local economy even without the presence of the University. Only expenditures by out-of-SAMSA students is considered “new money,” money spent by residents from outside the San Antonio MSA, including foreign and out-of-state students. This amount does not include room and board paid by students living at the university’s dorms.

Students enrolled in online programs were also excluded from the analysis. After those deductions, only 41.5 percent of student enrollment (**13,162 students**) were considered as net out-of-SAMSA students bringing “new money” to the region. Most students reside in Texas, 30,298 (95.6 percent of the total), and 1,400 are non-Texan residents (4.4 percent of the total).

Enrollment Characteristics Spring 2021

Student Characteristics	Number of Students	Percentage
Total Enrollment	31,698	100%
Non-MSA Origin (including foreign)	13,410	42.31%
MSA Origin	18,288	57.69%
Texas Resident	30,298	95.58%
Non-Texas Resident (including foreign)	1,400	4.42%
Non-MSA Origin (including foreign) but Ex Online Program	13,162	41.52%



Texas residents pay lower tuition than non-Texas.

Source: UTSA's Institutional Research Office

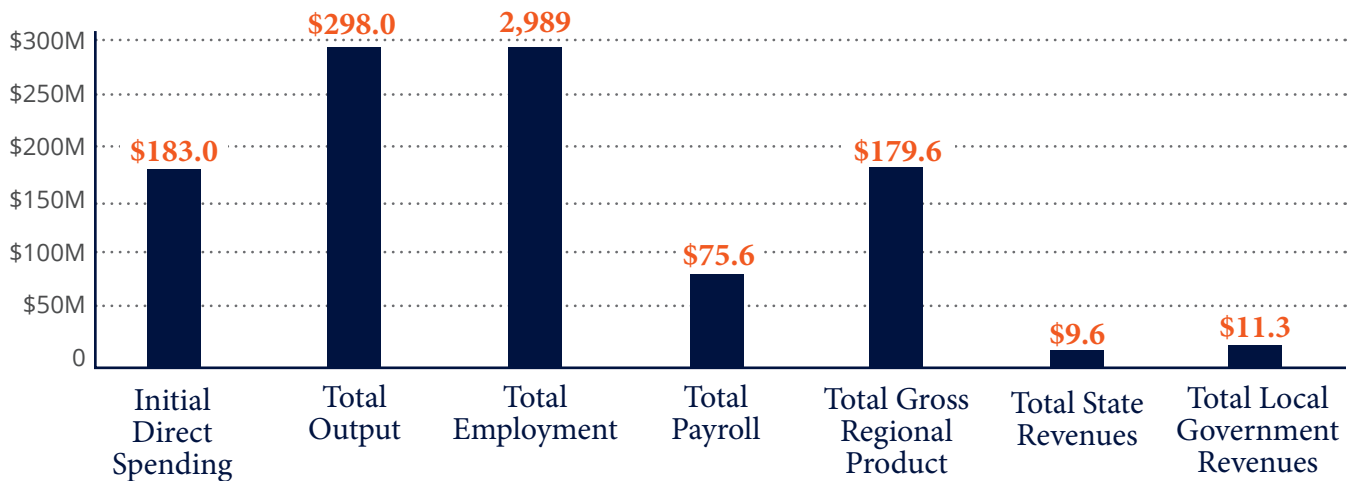
Enrollment Characteristics MSA and Non-MSA Spring 2021

Student Characteristics	Number of Students	Percentage
Non-MSA Origin (including foreign)	13,410	100%
Non-MSA Living On-Campus	980	7.31%
Non-MSA Living Off-Campus	12,430	92.69%

Source: UTSA's Institutional Research Office

Considering the direct expenditures from “new money” alone (purchases by students from outside of the region), an additional \$197.7 million is spent in local and non-local businesses because of the presence of UTSA. Because expenditures “leak” outside the local area, the direct spending for local businesses amounts only to \$183.0 million. The combined contribution of direct and secondary spending is close to \$298.0 million.

Student Expenditures Total Economic Contributions * at the MSA level FY 2020-2021



*Includes direct, indirect, and induced contributions
Elaboration by J. Oyakawa

These out-of-SAMSA student expenditures supported a combined total of direct and secondary jobs of 2,989 that contribute to the economic health of the area.

INSTITUTE FOR ECONOMIC DEVELOPMENT CONTRIBUTIONS

The Institute for Economic Development delivers economic and small business development services to San Antonio and the State of Texas. In 2021, the Institute merged internally with UTSA’s research arm to form a synergistic team to promote the UTSA Research, Economic Development, and Knowledge Enterprise division.

In addition to its San Antonio-based programs and centers, there are nine satellite centers associated with other institutions of higher education located throughout the southwest Texas/border area focusing specifically on small business development. Satellite centers are in Alpine, Austin/San Marcos, Corpus Christi, Eagle Pass, Edinburg, El Paso, Laredo, San Angelo, and Victoria.

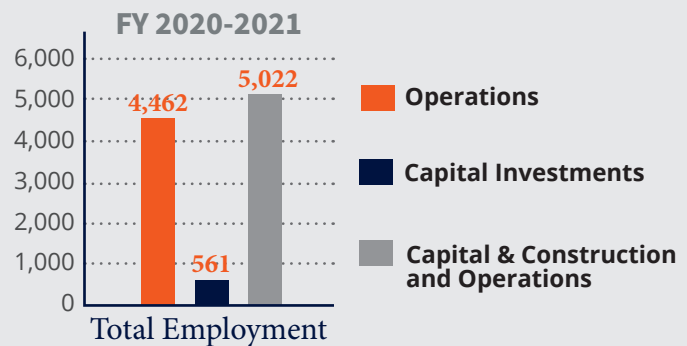
The UTSA Institute for Economic Development (IED) generated an overall direct economic impact of \$3.0 billion for the **Texas economy** in 2021. This impact includes several more regions than the eight counties included in the San Antonio Metropolitan Area (SAMS), so the size of the impact is significantly larger than presented here.

During the 2021 fiscal year, the Institute: served 40,693 business and community clients; provided trainings and workshops to 26,020 participants; delivered 10,329 consulting cases; helped start up 469 new businesses; and helped scale up 496 existing businesses.

Among the programs that are part of this multibillion-dollar impact are two initiatives set up by the institute to assist small business owners and entrepreneurs with COVID-19 pandemic relief, including financial assistance via the Small Business Administration Paycheck Protection Program (PPP) and Economic Injury Disaster Loans (EIDL) assistance.

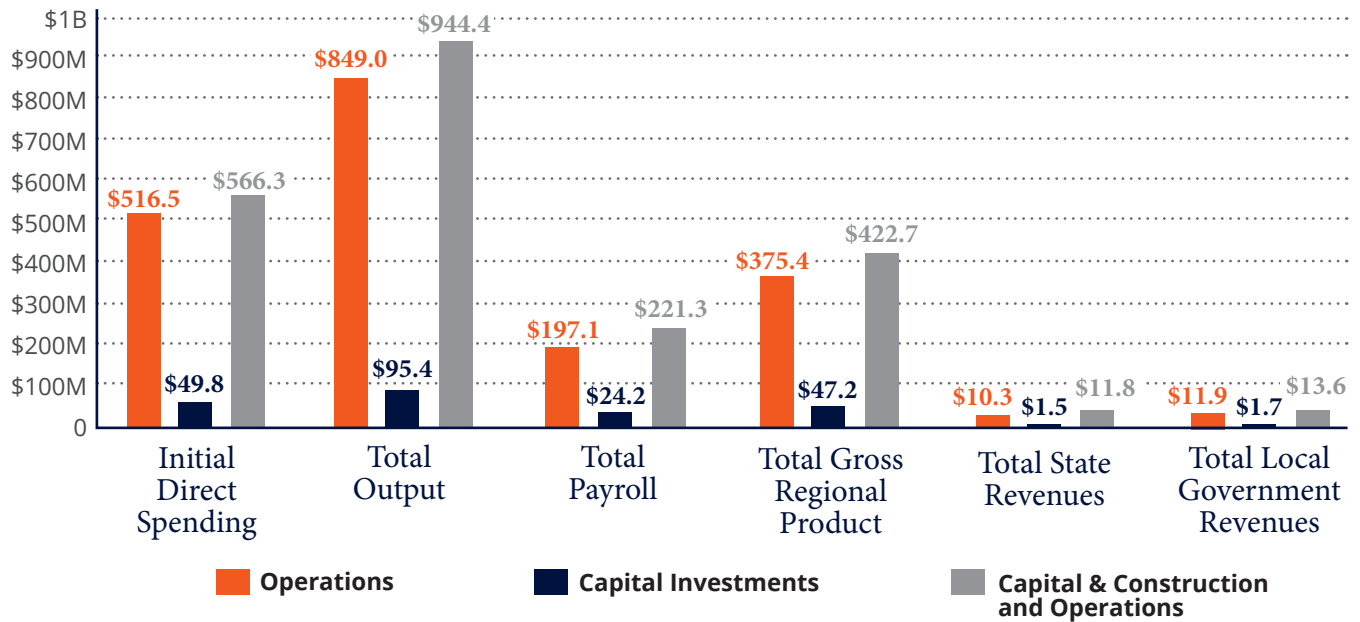
Like the other contributions analyzed, this section reports only the new and retained jobs in the SAMS to measure the contribution UTSA has had on the community.

When adjusted to reflect **only the operations contribution** to the area, the IED activities resulted in 4,462 new and retained jobs for a total economic output from operations of over **\$849.0 million**.



*Includes direct, indirect, and induced contributions
Elaboration by J. Oyakawa

IED Related Expenditures Total Economic Contributions * at the San Antonio MSA level FY 2020-2021



These small businesses also contributed to **capital investments with close to \$70.3 million**. We allocated these investments to four industries in the IMPLAN simulations in different percentages for each industry: maintenance and repair construction of nonresidential structures has a 55 percent share (sector 62), furniture and fixtures have a 15 percent share (sector 370), machinery and equipment has a 20 percent share (sector 272), and computer electronics have a 10 percent share (sector 298). The different shares correspond to information from previous studies of businesses opening new operations in San Antonio.

The amounts were adjusted to show the **capital expenditures** that applied to local businesses and resulted in a net initial direct spending of **\$49.8 million**. The combined initial and secondary contributions yielded a total output of **\$95.4 million** and 561 jobs supported.

Adding together operations and capital investments contributions translated into an initial direct spending of **\$566.3 million**, a total output of **\$944.4 million**, a total employment of 5,022 jobs, a total payroll of \$221.3 million, a total gross regional product of \$422.7 million, total state revenues of \$11.8 million and \$13.6 million for local governments.

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SUMMARY

In the year 2021, UTSA's direct and secondary contributions generated close to \$2.5 billion in annual output in the San Antonio MSA and supported 17,621 jobs. This total contribution in annual output corresponds to the direct and secondary effects of UTSA's capital, operations, personnel, out-of-SAMSA students, and IED client expenditures.

Combined Economic Contributions * at the San Antonio MSA Level FY 2020–2021 in Millions of Dollars

Category	Total Output Contribution	Total Employment Contribution
Capital & Construction Expenditures	\$112.9	795
Operating Budget**	\$1,133.0	8,815
Students Expenditures	\$298.0	2,989
Institute for Economic Development	\$944.4	5,022
Total	\$2,488.3	17,621

* Includes direct, indirect, and induced contributions

** Includes the impacts from research, wages and salaries

Elaboration by J. Oyakawa

Out of the total annual output contributions, close to \$1.1 billion correspond to the operations of the university, including faculty and staff expenditures in the local economy. Student expenditures account for \$298.0 million of the total. A sizable portion of the total contribution came from the activities of the Institute for Economic Development. The direct output of IED clients generated a total economic contribution of \$944.4 million.

Another look at these UTSA's contributions shows an initial direct contribution over \$1.4 billion producing close to \$2.5 billion total output contribution, paying \$814.3 million in payroll, generating over \$1.3 billion in gross regional product, \$33.2 million in State's revenues, and \$39.7 million in local governments' revenues.

Overall Expenditures Total Economic Contributions * at the San Antonio MSA Level FY 2020-2021 In Millions of Dollars

Category	Initial Direct Spending	Total Output	Total Employment	Total Payroll	Total Gross Regional Product	Total State Revenues	Total Local Governments Revenues
Overall Expenditures	\$1,424.4	\$2,488.3	17,621	\$814.3	\$1,345.3	\$33.2	\$39.7

*Includes direct, indirect, and induced contributions
Elaboration by J. Oyakawa

A comparison of the 2018 and 2021 contributions shows an increase of more than 32.0 percent in total revenues (\$1.9 and \$2.5 billion, respectively). This difference is explained by a substantial increase in the IED contributions, over 106.0 percent (\$457.3 and \$944.4 million, respectively), an increase in the operating budget contributions of close to 12.6 percent (\$1,006.8 and \$1,133.4 million, respectively), a significant increase in capital and construction contributions of nearly 73.7 percent (\$65.0 and \$112.9 million, respectively), and an increase in students' contributions of around 9.1 percent (\$273.0 and \$298.0 million, respectively).

The IED's higher total contribution was due to the higher productivity of the new jobs and the jobs retained in specific manufacturing, wholesale, professional, and marketing industries when compared to the year 2018. Jobs in these industries generated high revenues per worker and had a significant effect on salaries and wages. The higher revenues increased the direct contributions of the firms involved, while higher salaries and wages increased the purchasing power of the employees' expenditures (the induced effect).



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