

# Study: University Makes \$13 Billion Impact On State

**In this time of economic uncertainty**, a report from the Institute of Government and Public Affairs shows that the University of Illinois – with a student body of nearly 70,000 and more than 23,000 faculty and staff on all three campuses – pumps more than \$13 billion into the state's economy every year.

The study, compiled by three faculty members of the University's IGPA, found that for every dollar the state spent on the U of I, the system generated more than \$17 into the Illinois economy. The University's direct spending of \$4.3 billion on payroll, supplies, services and capital improvements has an indirect impact of \$8.7 billion, multiplying the system's economic benefit.

Directly or indirectly, the University is responsible for more than 150,000 jobs, with alumni adding more than \$21 billion to the state's economic output in 2008 as their wages and salaries rippled through the economy.

"We know the University of Illinois provides value to the state by educating future generations, by conducting research that adds to productivity and by offering many other opportunities that help strengthen our state," said Robert F. Rich, director of IGPA. "Our task with this report was to quantify the full impact of the University on the state's economy." The report was presented to the UI Board of Trustees at its January meeting.

UI economists Geoffrey Hewings, Robert Resek '57 BUS and Darren Lubotsky and research assistant Finley Edwards, MS '07 LAS, looked at the direct and indirect impact of University-paid wages and salaries, materials and services purchased by the University, and capital spending; the increase in earning power that higher education provides for students; increases to state and local tax revenue because of the increased income a UI education provides; the economic benefits of increased productivity; and a variety of nonmonetary benefits that

higher education provides for students and society.

The report found that the UI student body reaps approximately \$13 billion in additional lifetime earnings and that a University education creates nearly \$1.3 billion in future tax revenue for the state each year. The state contributes approximately \$726 million to the University, so there is a net gain of \$535 million annually.

"This report shows that the University of Illinois makes a significant, positive impact on the economy of the state of Illinois," Rich said.

For more information on the topic, visit [www.uillinois.edu/impact](http://www.uillinois.edu/impact).

## Commencement Guide Mailed To Students

**All students who have graduated** from the Urbana-Champaign campus since August 2008 should receive a Commencement Guide to Activities booklet at their home address sometime during the last two weeks in March. The Guide is a brochure containing detailed participation instructions. Graduates who have not received a copy by April 1 and who would like to participate in the May 17 exercises should contact the Committee on Commencement at [commencement@uillinois.edu](mailto:commencement@uillinois.edu) or 217/333-8834.

## Trustees Select New Chairman

**Niranjan S. Shah**, a member of the University of Illinois Board of Trustees since 2003, was unanimously selected as its chairman in January.

The first Asian-American to hold the office, the 64-year-old Shah succeeds Trustee **Lawrence C. Eppley** '82 BUS, MAS '82, JD '85 LAW, who served in that post for six consecutive years.



**Niranjan S. Shah, second from right, the new chairman of the University of Illinois Board of Trustees, meets with (from left), Loren R. Taylor, president and CEO of the UI Alumni Association; Tom Vogelsinger '73 BUS, MBA '74, chairman of the UIAA Board of Directors; and UI President B. Joseph White.**

"Larry Eppley is to be commended for his service as board chair," Shah said. "He provided a steady hand on the helm as the board set University policy on a multitude of issues, and the U of I is on the right track as a result."

In accepting the board chairmanship, Shah said that among the trustees' primary concerns in the year ahead will be vigilant stewardship of the University's assets and resources; continued recruitment and retention of high-quality faculty and the support of state-of-the-art research facilities; and ways to expand financial assistance for students.

"Given the state's current fiscal situation, it will require innovative governance and administration on our part to manage," said Shah, who looks to strengthen partnerships with the UI Alumni Association and UI Foundation to help address the resources issue.

The chairman and chief executive of Globetrotters Engineering Corp., Shah has served on public and private education boards during the past two decades.

Roberta Dupuis-Devlin Photo