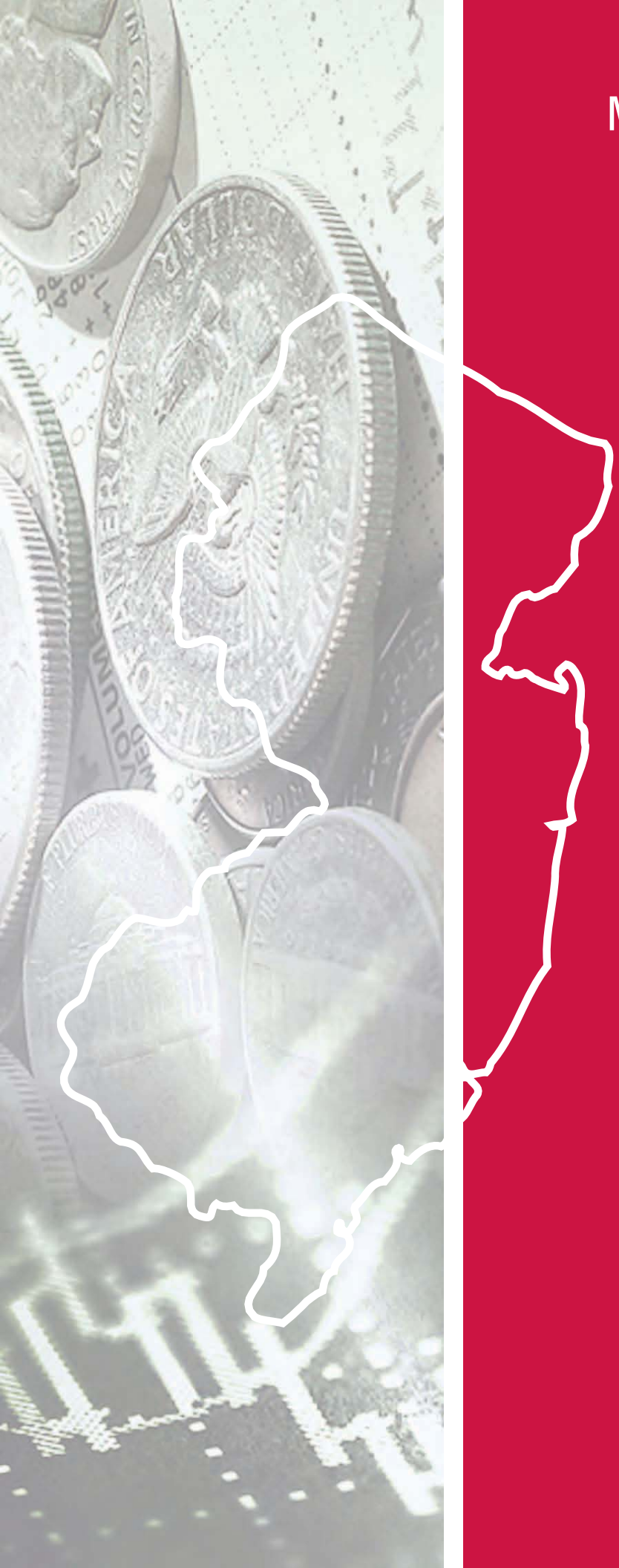


MONTCLAIR STATE UNIVERSITY

Economic Impact Report 2006-2007

An Investment in New Jersey's Future

MONTCLAIR STATE UNIVERSITY

President's Message

Montclair State University takes great pride in the caliber and commitment of its students and the quality of the education it provides to them. Montclair State's many thousands of graduates have gone on to lead purposeful and productive lives and have contributed to society in innumerable ways.

While the University exists for this educational purpose, it is also, itself, a positive contributor to the economy and quality of life of the state and the region. Montclair State employs thousands of workers, makes voluminous purchases from local vendors, and attracts tens of millions of dollars in out-of-state funding.

Over recent years, the University has experienced significant growth in enrollments, expansion of academic programs, and the addition of new and renovated facilities. In short, we are running a bigger and better university than we were just a few short years ago, and these advances have enabled us to contribute even more to New Jersey.

As Montclair State begins its second century, we are determined to ensure that the University continues to be an outstanding educational resource and engine of growth for New Jersey and the nation.

Dr. Susan A. Cole

Returning the State's Investment

As it approaches its Centennial, Montclair State University can take pride in its rich history of bold educational innovation and vital service to the state. Although the University's core mission lies in higher education, it is also an integral part of the New Jersey economy and a steady driver of its growth. In fact, its impact extends well beyond its students and employees to create income and employment for thousands of people throughout the state, many of whom have no direct connection to the University. Returning the state's investment many times over, this tangible economic benefit makes Montclair State an exceptional investment for New Jersey.

2006 Highlights

- **The economic activity traceable to Montclair State ($338.2 million) was almost four and a half times larger than its state appropriation ($77.3 million) in 2006.***

- **Montclair State accounts for a large and growing number of jobs.** Including both jobs at the University and jobs that result from its in-state expenditures, about 7,332 New Jersey jobs were attributable to Montclair State in 2006, an increase of 6% over 2004.

- **Montclair State provides more jobs for New Jerseyans than most large companies.** If the University had been a public corporation in January 2003, it would have ranked 39th in terms of New Jersey-based employees, ahead of such prominent companies as J.P. Morgan Chase, A&P, Aventis Pharmaceuticals, and GM.

- **Montclair State supports New Jersey vendors,** making almost 82% of its purchases from in-state vendors.

- **Montclair State serves as a major source of funds available for investment,** about $115 million.

- **Montclair State brings significant amounts of money into New Jersey,** about $23 million from out-of-state sources in 2006.

- **Montclair State has rapidly increased seats available to New Jersey students,** boosting graduate enrollments by 12% and undergraduate enrollments by more than 21% since fall 2000.

- **The skills Montclair State provides its students stay in New Jersey.** About ninety percent of students who earned degrees between 1990 and 2006 work in New Jersey.

- **Montclair State achieved all these positive outcomes as New Jersey's support for the University's operations declined from** 55.2% of its operating budget in 1995 to 32.9% in 2006.

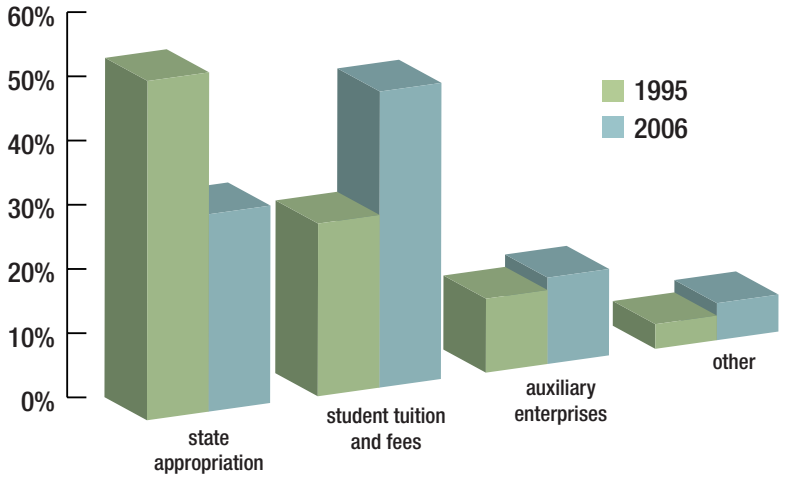
*Unless otherwise noted, all references are to *fiscal* years.

Sources of Revenue

University revenue in 2006 was $235 million. Montclair State is a public university, but while the state budget increased 54.8% between 2000 and 2007, New Jersey's appropriation for its nine state colleges and universities rose only 1.2%, and although the state debt rose 117.8% during that period, not one dollar of that $17.8 billion in new state debt went to those schools. To put that in perspective, between 2005 and 2007, New Jersey's appropriations for higher education rose 5.0% versus a U.S. average of 14.4% — the state ranked 46th in the nation — and between 2006 and 2007, New Jersey's appropriations actually *dropped* by 2.7%, sending its one-year ranking to 50th in the nation. The state appropriation of $77.3 million to the University in 2006 amounted to less than 0.3% of the state budget, and state appropriations provided only 32.9% of the University's operating budget, down sharply from 55.2% in 1995.

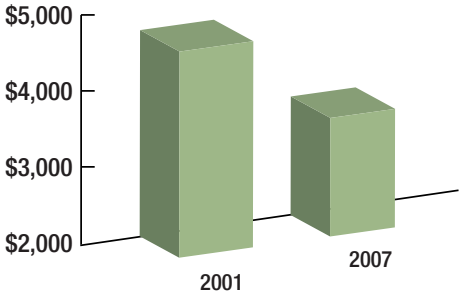
While the state budget increased 54.8% between 2000 and 2007, New Jersey's appropriation for its nine state colleges and universities rose only 1.2%.

Sources of Revenue, 1995 versus 2006



As a result of declining state support for higher education and Montclair State's conscious decision to address growing demand by New Jersey's high school graduates for places in the state's public universities, the University's per-student state allocation plummeted by a quarter — from $4,795 to $3,608 — between 2001 and 2007. (To put those numbers in context, New Jersey's average per-student support for K-12 education is nearly $13,000.) Among New Jersey's dozen senior public institutions, Montclair State ranks dead last in its per-student state allocation. As a result, the University has become more dependent on other revenue sources. Student tuition and fees in particular rose from 28% of revenue in 1995 to 48.5% in 2006.

Montclair State's Declining Per-Student State Allocation



The University has redoubled its efforts to attract private money. The Montclair State University Foundation has received about $72 million in gifts and pledges from more than 30,000 donors over the last 20 years, and the Foundation is now in the midst of an ambitious $50 million "Campaign for the Second Century." The University is also aggressively seeking grants and contracts to supplement its budget. It succeeded in attracting almost $31 million of such money from 2000 to 2006, of which more than half came from non-state sources.

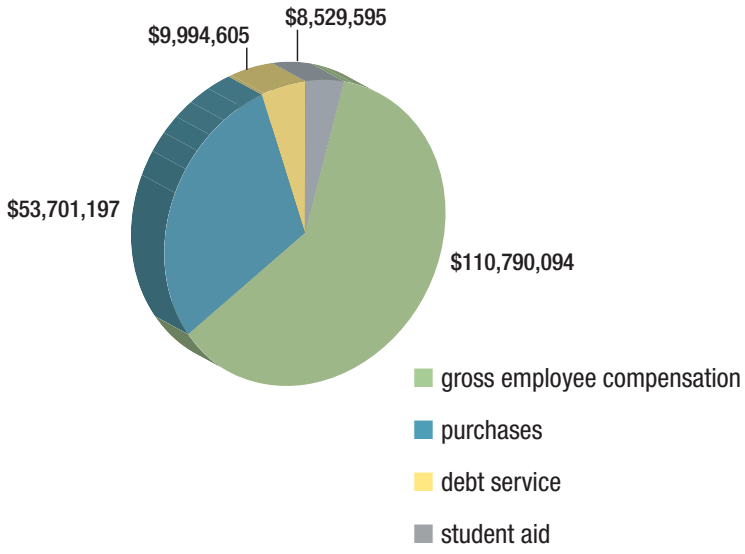
Montclair State brought almost $23 million into New Jersey from out-of-state sources in 2006. The primary source of these funds was charges to out-of-state students, which amounted to $11.2 million. Federal student assistance accounted for another $9 million.

Major construction projects, including the beautiful Alexander Kasser Theater, provide construction jobs in the state.

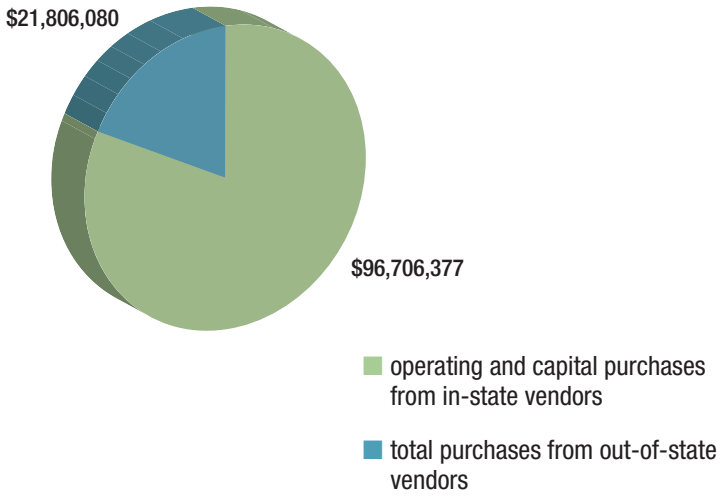
Expenditures

Montclair State spent $183 million on operating expenditures and another $64.8 million on capital expenditures in 2006. Gross employee compensation accounted for 60.5% of the operating budget, followed by purchases from vendors (29.3%), debt service (5.5%), and student aid (4.7%). Of the $118.5 million of purchases from vendors for both operating and capital expenditures, almost 82% went to New Jersey vendors.

Expenditures, 2006



Supporting New Jersey Vendors, 2006

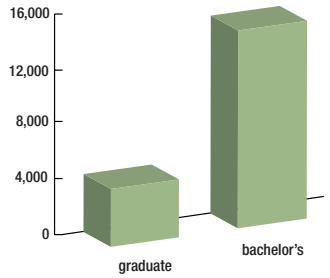


Training a Work Force

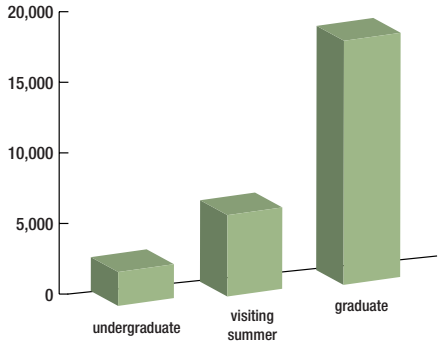
New Jersey cannot compete economically without a sophisticated work force, yet in 2006, it ranked a disappointing 45th among states in seats for students in public, four-year institutions of higher education on a per capita basis. New Jersey ranked 50th — dead last in the entire nation — in seats per 100 high school graduates. New Jersey is far and away the largest net exporter of students in the entire United States: more than 24,000 students, or about 57% of high school graduates who attend four-year colleges, leave the state. (All three of New Jersey's neighbors — New York, Pennsylvania, and Delaware — are net *importers* of college students.) Many of these expatriates never return to live or work in New Jersey, thereby denying the state the benefits of their intelligence, ambition, and energy. That prospect grows even more threatening given that over the next decade, New Jersey ranks among the top dozen states in the nation in its expected increase in high school graduates. This population spike will further restrict access to public higher education. Those students who are left out will be forced to attend college elsewhere or, worse, forgo college altogether. With its knowledge-driven economy, New Jersey has no choice but to increase capacity in its historically under-built system of higher education.

The second largest university in New Jersey, Montclair State has been doing its part to address this grave problem. In academic years 2000 to 2006, it conferred 14,520 baccalaureate and 4,408 graduate degrees. The University has served comparable numbers of non-degree students: During those same years, non-degree undergraduate enrollments in the fall and spring totaled 2,287, visiting summer enrollments amounted to 5,769, and non-degree graduate programs enjoyed enrollments of 19,085. More to the point, Montclair State has been growing quickly: Between fall 2000 and fall 2006, it boosted undergraduate enrollments by more than 21% and graduate enrollments by more than 12%. Adopted in the fall of 2002, the University's Strategic Plan commits it to increasing the size of the student body to at least 18,000.

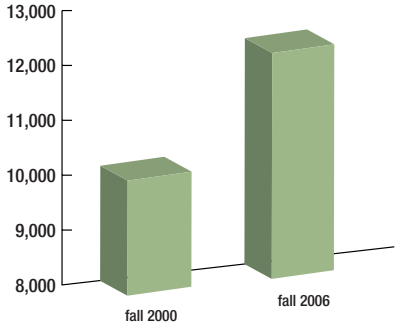
Degrees Conferred
AY2000-06



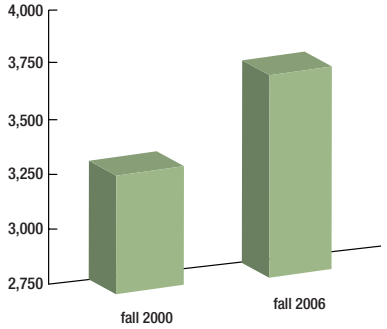
Non-Degree Enrollments
AY2000-06



Growth in Undergraduate Enrollments

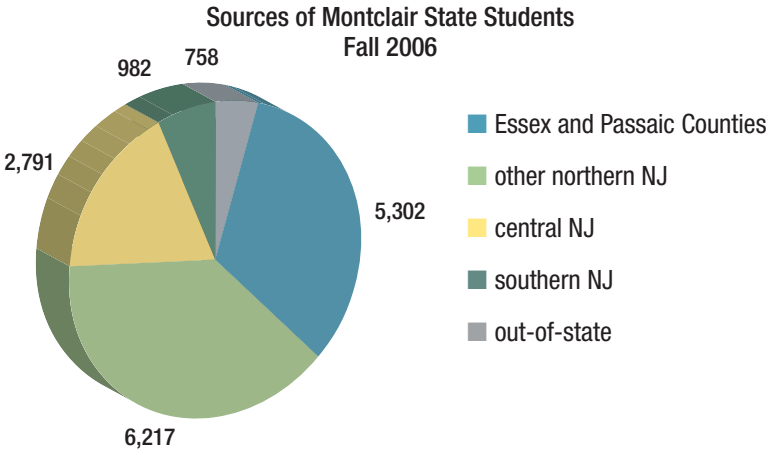


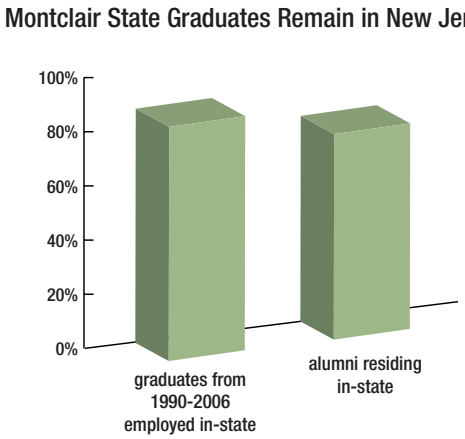
Growth in Graduate Enrollments



Montclair State is a true opportunity university. In the fall of 2006, 35.6% of full-time, first-time freshmen were minority students, and 32.9% of these freshmen estimated that their family income was below $50,000. Only 38.7% of these students had a father and 38.6% a mother who had earned a college degree, so many students were the first member of their family to attend college. Montclair State draws students from an ever-widening geographic base. In the fall of 2006, although 33% of all degree and non-degree undergraduate and graduate students hailed from Essex and Passaic Counties, 39% came from the rest of northern New Jersey (Bergen, Hudson, Morris, and Sussex Counties), 17% from central New Jersey, and 6% from the south of the state. Every one of New Jersey's 21 counties was represented. The 5% of students who came from elsewhere were particularly diverse: 32 states and the District of Columbia and 99 foreign countries were represented, with the largest international contingents coming from Kenya (32), India (28), and the Republic of Korea (25).

Although it attracts growing numbers of out-of-state applicants, Montclair State's primary contribution is to the human capital of New Jersey, amply repaying the state for its investment in their education. Of students who earned degrees between 1990 and 2006 whose employers are known to the University, 90% work in New Jersey. Of the 84,272 living graduates whose whereabouts are known, almost 79% live in New Jersey. The skills of many of these graduates would have been lost to New Jersey if they had attended out-of-state universities.





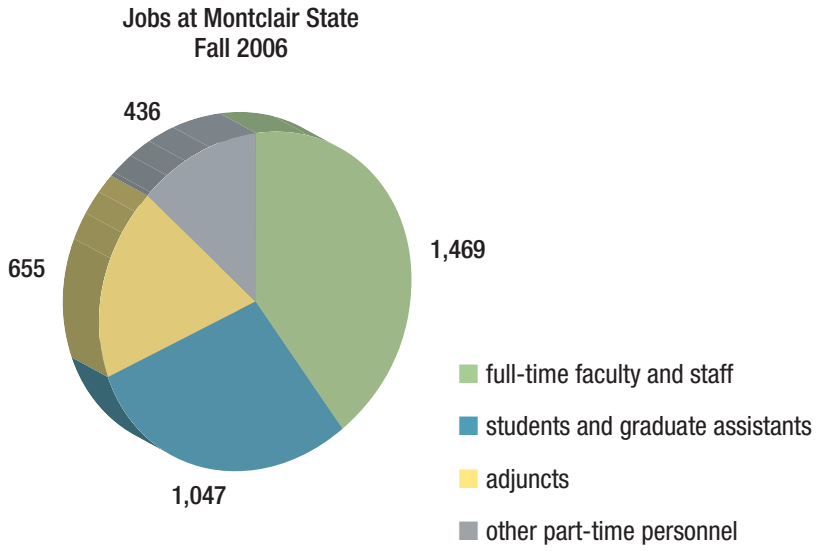
A Major New Jersey Employer

Montclair State University has a strong, direct impact on the state economy by means of the jobs it provides. In October 2006, the University employed 3,607 people. If the University had been a public corporation in January 2003, it would have ranked 39th in terms of New Jersey-based employees, just after IBM, and ahead of such prominent companies as J.P. Morgan Chase, A&P, Aventis Pharmaceuticals, and GM.

Top 100 Employers—Public Corporations
(as of December 31, 2002)

rank	company	NJ-based employees
37	The Chubb Corp.	3,743
38	IBM	3,700
	Montclair State	**3,581**
39	J.P. Morgan Chase	3,540
40	A&P	3,511
41	Aventis	3,500
42	Metropolitan Life	3,383
43	General Motors	3,369

About 92% of Montclair State's employees live in-state, paying New Jersey property, income, and sales taxes. And the University draws its employees from across New Jersey. Many employees live in Essex and Passaic Counties, but more than 52% live elsewhere in the state, including about 680 employees from central and southern New Jersey.



Stimulating New Jersey's Economy

To calculate their short-term economic impact, many universities have relied on the Ryan-New Jersey Model, a modified form of the classic Caffrey and Isaacs Model developed for the American Council on Education. These models estimate an institution's economic impact by means of the direct and indirect contributions it makes to cash flow in its host economy. Montclair State's direct, in-state expenditures (including capital expenditures) totaled $97.1 million in 2006. University employees and students accounted for another $42.4 million and $29.6 million respectively, making for total direct expenditures within New Jersey of $169.1 million.*

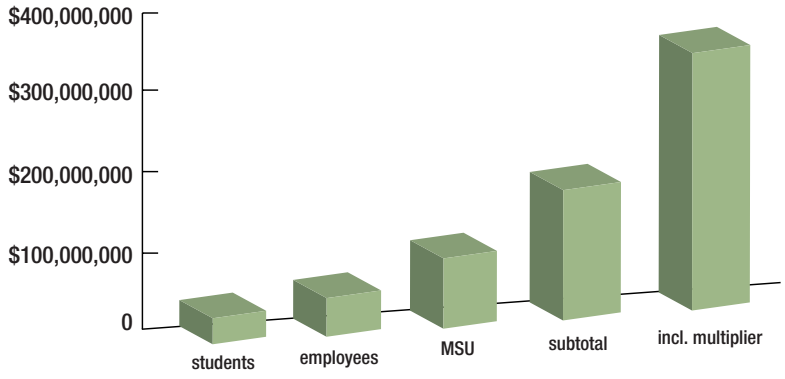
This figure actually underestimates the University's true impact. First, it does not attempt to include the effects of hosting visitors at athletic, artistic, and other events. From 2000 through 2006, athletic events at Montclair State enjoyed attendance of over 201,000 spectators. Even without counting more than 179,000 children who enjoyed shows on campus, theatrical performances alone drew almost 161,000 guests to the campus during the same period. Of that number, about 105,000 were paying. Attendance at the University's art gallery rose by 20% between 2000 and 2003 and another 10% from 2004 to 2005, when it attracted about 7,500 visitors. Despite being closed for renovations for half the year, the gallery attracted in excess of 5,000 visitors in 2006. Second, as Montclair State's Mission Statement declares, "The University will serve as a center for the creation of new knowledge and for the development of innovative applications of existing knowledge." Given Montclair State's growing collaboration with industries like pharmaceuticals, its experience sponsoring highly regarded conferences focusing on issues related to business, and the breadth of expertise represented by its faculty, the University is a major resource supporting the New Jersey business community.

Finally, to measure short-term economic impact accurately, it is necessary to apply a multiplier to direct spending to capture the indirect, "ripple effect" of an institution's expenditures. The individuals and businesses whose incomes are directly affected by an institution's spending themselves spend or invest some of those dollars locally, creating additional income and employment for thousands of people, many of whom have no direct connection to the institution. Economic impact studies produced by other universities in the region conservatively estimate that every dollar spent generates another dollar's worth of in-state economic activity. If this multiplier of 2 is applied to estimate the combined effect of direct and indirect spending, Montclair State's total short-term economic impact on New Jersey in 2006 becomes $338.2 million — almost four and a half times the state's $77.3 million appropriation to the University.

* This report relies on data from the U.S. Census Bureau, the U.S. Department of Labor's Bureau of Labor Statistics, and the U.S. Department of Commerce's Bureau of Economic Analysis to derive conservative estimates of consumer spending.

University graduates are likely to spend more, save and invest more, and pay more in taxes than peers who lack university degrees, and at least 67,000 Montclair State alumni are spending, saving, and investing their money and paying taxes here in New Jersey.

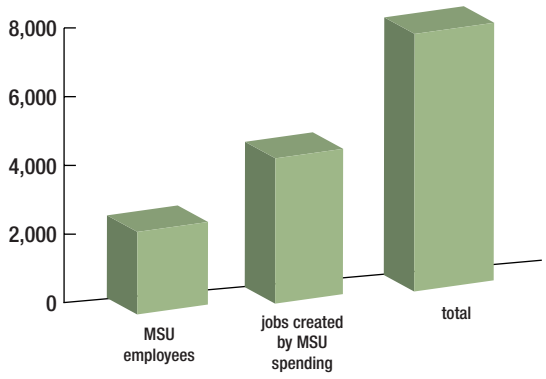
In-State Expenditures Attributable to Montclair State, 2006



Spending naturally translates into jobs. Applying a conservative coefficient to expenditures of $169.1 million yields an estimate of 4,701 jobs attributable to direct spending by the University, its employees, and its students. Even without counting graduate assistants and student workers, when its own employees are included, a total of 7,332 New Jersey jobs could be attributed to Montclair State in 2006, and in just two short years, between 2004 and 2006, the University's contribution to New Jersey's labor market grew 6%. Montclair State not only drives job growth, but also heightens wages and salaries throughout the state. Because the University both stimulates demand for local businesses and directly competes with them for employees, average compensation in the area is higher than would be the case without it. As a result, Montclair State's presence benefits *all* workers in New Jersey.

The University also makes a sizeable contribution to New Jersey's credit base. At the end of 2006, Montclair State's cash balance in banks totaled $22.2 million, and the market value of Montclair State University Foundation investments and other University investments amounted to $30 million and $33.5 million respectively. University and employee contributions to retirement systems added another $9.7 million, and it is estimated that Montclair State employees who are New Jersey residents generated roughly $19.9 million in savings and mortgage payments. All told, the University was thus a source of almost $115.3 million in investment funds.

New Jersey Jobs Attributable to Montclair State, 2006



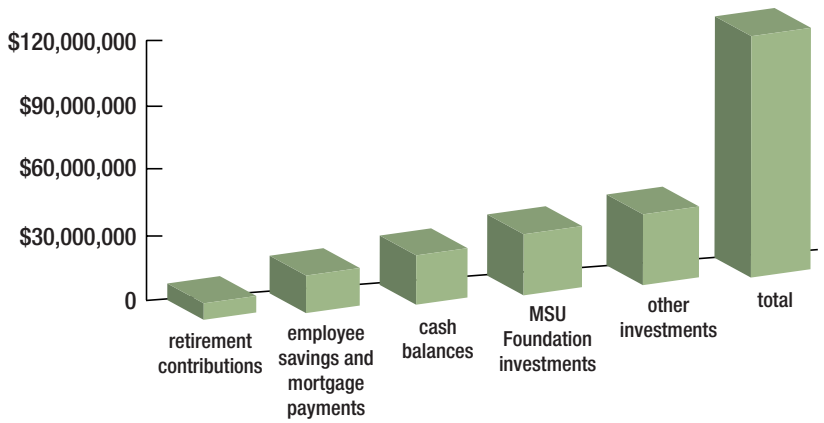
The Long-Term Economic Impact of Higher Education

All the facts and figures cited above speak only to Montclair State's short-term impact. The University's long-term impact is measured by its contribution to students' earnings. There is a powerful relationship between education and economic success. The U.S. Census Bureau projects that the work-life income of the average associate's degree earner will exceed the total income of the average high school graduate by about $400,000, and that the average bachelor's degree earner can expect to make about $500,000 more over his or her lifetime than someone with an associate's degree. University graduates are thus likely to spend more, save and invest more, and pay more in taxes than peers who lack university degrees, and at least 67,000 Montclair State alumni are spending, saving, and investing their money and paying taxes here in New Jersey.

Conclusion

Montclair State University is committed to serving the educational needs of New Jersey. The University has also had a significant impact on New Jersey by serving as an engine of economic growth for the entire state. And because Montclair State's impact has only grown over time, with enrollments and expenditures having risen for years, the University has continued to make a positive and stabilizing contribution to New Jersey's economy even as other sectors have experienced downturns. Although this contribution comes as a by-product of the University's core mission of teaching and scholarship, it represents a tangible economic impact that materially benefits the citizens of New Jersey and returns their investment many times over.

Montclair State as a Source of Investment Funds, 2006



Calculation Variables Used in 2006-2007 Economic Impact Study		
Variable	Estimate	Source
Estimate of non-housing expenditures for "complete income reporters" in the New York Metropolitan Statistical Area	0.75	2004-05 Consumer Expenditure Survey, Bureau of Labor Statistics, U.S. Dept. of Labor (Table 21)
Estimate of in-state expenditures for employees and students	0.75	2002 Economic Census, U.S. Census Bureau
Estimate of the percentage of state residents who rent	0.33	2005 American Community Survey, U.S. Census Bureau
Estimate of the state-wide median monthly rent	$935	2005 American Community Survey, U.S. Census Bureau
Estimate of annual in-state spending on non-housing items by non-local, full-time employees	$2,000	Based on economic impact studies conducted at CUNY and other regional universities
Estimate of average annual college-related expenditures by full-time students	$2,094	MSU Financial Aid Office (as reported in 2005-06 Common Data Set)
Estimate of average annual college-related expenditures by part-time students	$1,300	MSU Financial Aid Office
Coefficient for estimating jobs attributable to expenditures	0.0000278	2003 Bureau of Economic Analysis, U.S. Dept. of Commerce
Multiplier	2.0	Based on economic impact studies conducted at Rutgers and other regional universities

Appendix: A Note on Methodology

The methodology used to calculate short-term economic impact is commonly referred to as the Ryan/New Jersey model. It represents a modified form of the classic economic impact model developed by Caffrey and Isaacs for the American Council on Education.[†] A number of institutions have relied on the Ryan/New Jersey model over the past two decades, and it has undergone several modifications.[††]

The major difference between the Caffrey and Isaacs and Ryan/New Jersey models is that the latter substitutes estimated values derived from available data for information collected from surveys of faculty, staff, and students. Many institutions found that they needed to make this substitution because survey response rates were often very low due to the sensitive nature of the information being requested.

The calculation variables substituted for survey data are: (1) an estimate of non-housing expenditures for an average middle-income family in New Jersey; (2) an estimate of in-state expenditures for employees and students; (3) an estimate of the percent of New Jersey residents who rent; (4) an estimate of the median rent in New Jersey; (5) an estimate of in-state spending on non-housing items by non-local, full-time employees; (6) an estimate of average annual college-related expenditures by full-time students; (7) an estimate of average annual college-related expenditures by part-time students; (8) the coefficient for estimating jobs attributable to University expenditures; and (9) the "multiplier." The table to the left presents the calculation variables used in this study and their sources.

[†] John Caffrey and Herbert H. Isaacs, 1971, *Estimating the Impact of a College or University on the Local Economy*, Washington, D.C.: American Council on Education.

[††] Research and Planning Committee, 1983, *Handbook for Conducting a Study of the Economic Impact of a Community College*, Lincroft, NJ: Council of County Colleges of New Jersey. G. Jeremiah Ryan, 1985, "A Shortcut to Estimating Economic Impact," *Community/Junior College Quarterly* 9:197-214. College Outcomes Evaluation Program, 1989, *Procedures Manual for the Assessment of Community/Society Impact at New Jersey Institutions of Higher Education*, Trenton, NJ: New Jersey Department of Higher Education. College Outcomes Evaluation Program, 1990, *Handbook for Calculating Short-Term Economic Impact at New Jersey's Institutions of Higher Education*, Trenton, NJ: New Jersey Department of Higher Education. G. Jeremiah Ryan and Patricia Malgieri, 1992, *Economic Impact Studies in Community Colleges: The Short Cut Method, Second Edition*, Resource Paper No. 48, National Council for Resource Development.

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MONTCLAIR STATE UNIVERSITY

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MONTCLAIR STATE UNIVERSITY

A Report on Contributions to the Community 2008

100 years 1908-2008

MONTCLAIR STATE UNIVERSITY

LITTLE FALLS

CLIFTON

MONTCLAIR

NEWARK

Montclair State provides economic, educational, and community-service benefits to its host communities.

As it celebrates its Centennial, Montclair State can take pride in its rich history of bold educational innovation and vital service to the state. The University has provided tangible economic benefits, educational benefits, and community-service benefits to its host counties of Essex and Passaic, its host communities of Montclair, Clifton, and Little Falls, and the nearby city of Newark.

Highlights

Montclair State has 2,273 alumni living in Clifton, 885 in Little Falls, 1,473 in Montclair, and 943 in Newark.

- **In fiscal year 2007, Montclair State generated $76.5 million worth of economic activity in its host communities of Montclair, Clifton, and Little Falls and another $4.7 million of economic activity in Newark.**

- **Montclair State boosts local employment.** In the fall of 2007, 333 of Montclair State's 1,516 full-time employees — more than a fifth of the total — were residents of Clifton, Little Falls, or Montclair. These local, full-time employees earn annual salaries of $23 million. Seventy-one full-time employees from Newark earn annual salaries of $2.7 million. An additional 1,500 local and Newark residents not employed by Montclair State owe their jobs to the economic activity generated by the University.

- **Montclair State supports local vendors.** In fiscal year 2007, the University purchased more than $10.4 million worth of goods and services from vendors in its host communities and another $1 million from vendors in Newark.

- **Montclair State draws hundreds of thousands of visitors to the area.** During academic years 2000 through 2007, athletic events at Montclair State enjoyed attendance of over 229,000, theatrical performances attracted attendance of about 179,000, and children's performances drew attendance of 212,000, with 18,400 of those seats going to children from Little Falls, Montclair, and Clifton.

- **Montclair State educates local youth.** In academic years 1997 through 2007, 4,830 students from Montclair, Clifton, and Little Falls and another 1,532 from Newark enrolled at Montclair State. In fall 2007 alone, the University enrolled a total of 1,260 students from our host communities and another 437 from Newark.

- **Montclair State assists local school districts.** The Montclair State University Network for Educational Renewal promotes the renewal of public schools and teacher education by means of collaboration between and among the University and the school districts of Montclair, Clifton, Little Falls, Newark, and 20 other towns. A wide variety of other University programs assist neighboring school districts and individual schools.

- **Montclair State assists local nonprofit organizations.** Through the University's Service-Learning Program, hundreds of Montclair State students are serving over 1,300 residents of Montclair, more than 300 residents of Clifton, and over 500 residents of Newark.

ECONOMIC BENEFITS

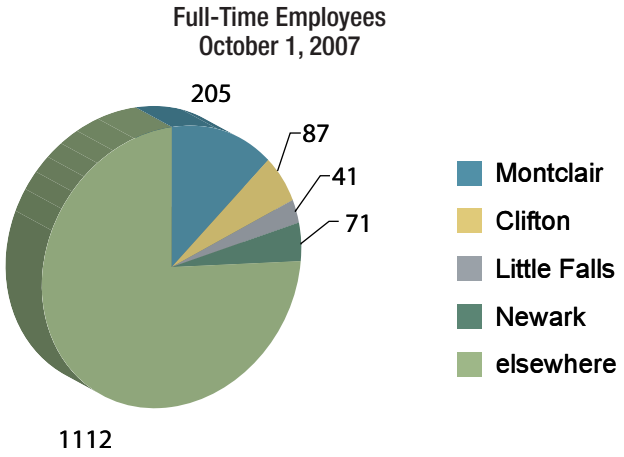
Although the University's core mission lies in higher education, it is also an integral part of the local economy and a steady driver of its growth.

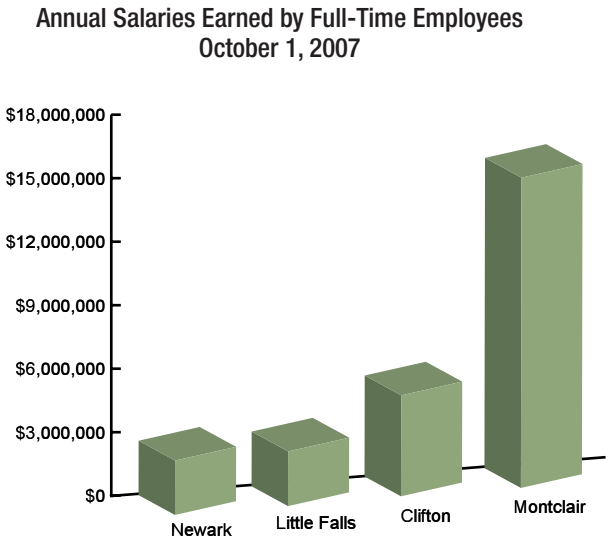
Montclair State has a strong, direct impact on its host communities by means of the jobs it provides.

A Major Employer

Montclair State has a strong, direct impact on its host communities by means of the jobs it provides. In the fall of 2007, 333 of Montclair State's 1,516 full-time employees — more than a fifth of the total — were residents of Little Falls, Montclair, or Clifton. These full-time employees earn annual salaries of $23 million, and the University employed an additional 175 local residents on a part-time basis. Newark provided 71 full-time and 17 part-time employees, with its full-time employees earning annual salaries of $2.7 million.

Montclair State provides over 1,500 full-time jobs.



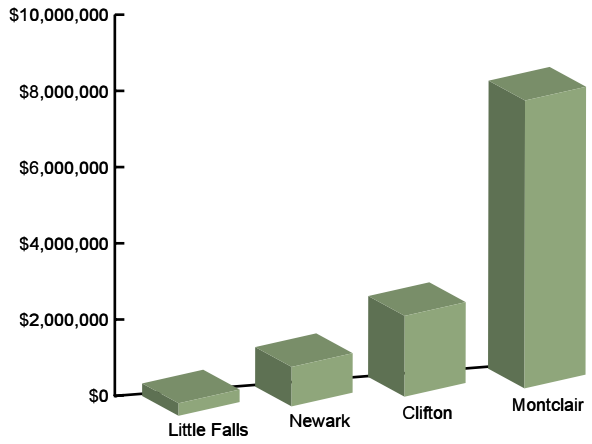


Theatrical performances draw attendees from throughout the region and the greater New York City area.

Stimulating the Local Economy

The University's economic impact extends well beyond its own staff to create income and employment for hundreds and hundreds of people in our host communities, many of whom have no direct connection to Montclair State. To calculate their total economic impact, many universities rely on the Ryan-New Jersey Model, which estimates an institution's economic impact by means of the direct and indirect contributions it makes to cash flow in its host economy. Montclair State's direct expenditures (including capital expenditures) in its host communities in fiscal year 2007 totaled $51 million, including $10.4 million by the University, $11 million by employees, and $29.6 million by students. [1]

University Purchases from Local Vendors, FY2007



This figure of $51 million actually underestimates the University's true economic impact. First, it does not attempt to include the effects of hosting visitors at athletic, artistic, and other events. During academic years 2000 through 2007, athletic events at Montclair State enjoyed attendance of over 229,000. During that period, theatrical performances drew attendance of about 156,000 paying customers. At the same time, TheatreWorks USA enjoyed attendance of 212,000 for children's performances at the University, and 18,400 of those seats went to children from Clifton, Little Falls, and Montclair. The University's art gallery attracted about 19,000 visitors in academic years 2005-07.

[1] This report relies on data from the U.S. Census Bureau, the U.S. Department of Labor's Bureau of Labor Statistics, and the U.S. Department of Commerce's Bureau of Economic Analysis to derive conservative estimates of consumer spending.

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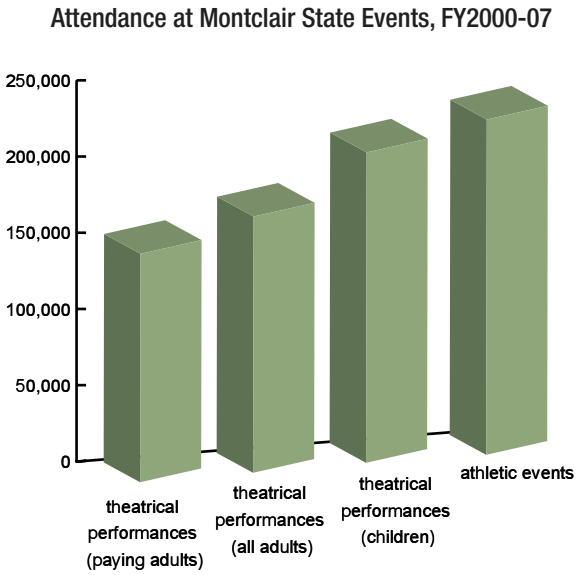
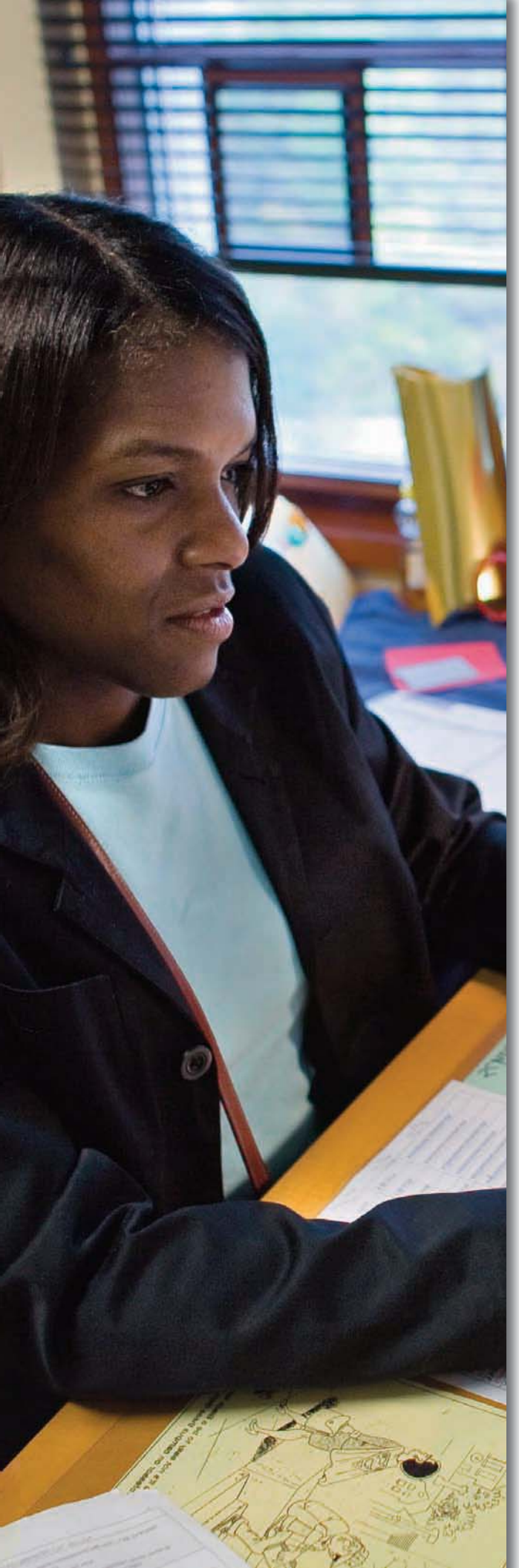


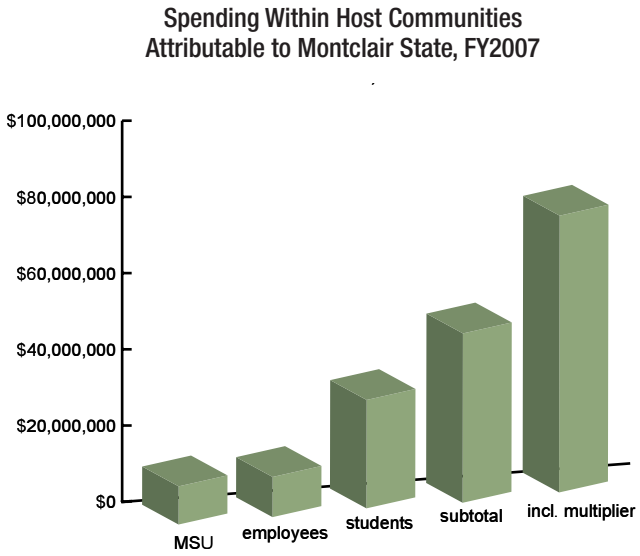
In fiscal year 2007, Montclair State's total economic impact on Little Falls, Montclair, and Clifton amounted to $76.5 million and its economic impact on Newark totaled $4.7 million.

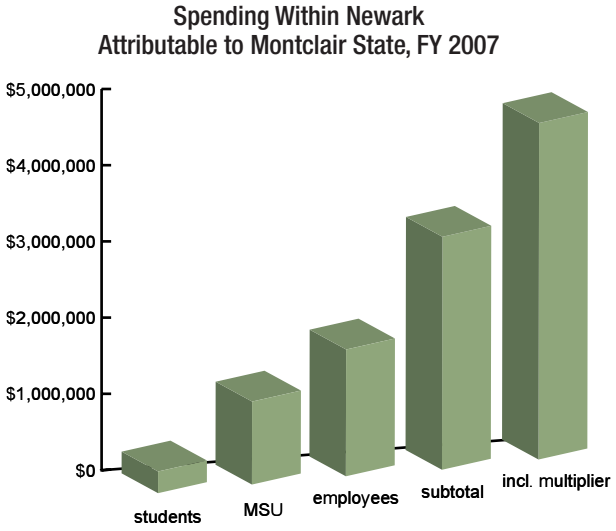
Second, as Montclair State's Mission Statement declares, "The University will serve as a center for the creation of new knowledge and for the development of innovative applications of existing knowledge." Montclair State's growing collaboration with regional industries and its sponsorship of highly regarded conferences focusing on issues related to business are a major resource supporting the local business community.

Finally, to measure economic impact accurately, it is necessary to apply a multiplier to direct spending to capture the indirect, "ripple effect" of an institution's expenditures. The individuals and businesses whose incomes are directly affected by an institution's spending themselves spend or invest some of those dollars locally, creating additional income and employment for many people outside the institution. Economic impact studies produced by other universities in the region estimate that every dollar spent generates another dollar's



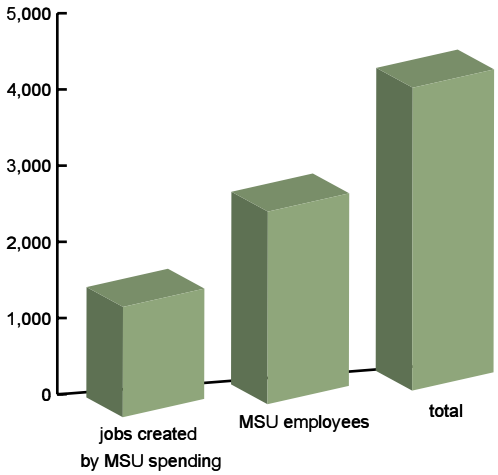
worth of local economic activity. If we apply an even more conservative multiplier of 1.5 to estimate the combined effect of direct and indirect spending in fiscal year 2007, Montclair State's total economic impact on Little Falls, Montclair, and Clifton amounted to $76.5 million and its economic impact on Newark totaled $4.7 million.





Spending naturally translates into jobs. Applying a conservative coefficient to Montclair State's local expenditures yields an estimate of 1,416 jobs generated in our host communities and another 88 in Newark by direct spending by the University, its employees, and its students. Even without counting graduate assistants and student workers, when its own full- and part-time employees are included, a total of 4,138 jobs in the area could be attributed to Montclair State in 2007.

Local Jobs Attributable to Montclair State, FY2007



Montclair State not only drives job growth, but also heightens wages and salaries. Because the University both stimulates demand for local businesses and directly competes with them for employees, average compensation in the area is higher than would be the case without the presence of the University. As a result, the University's presence benefits *all* workers in Montclair, Clifton, and Little Falls. And because Montclair State's economic impact has only grown over time, with enrollments and expenditures having risen steadily for years, the University has made a positive and stabilizing contribution to local communities' economies even as other sectors have experienced downturns.

EDUCATIONAL BENEFITS

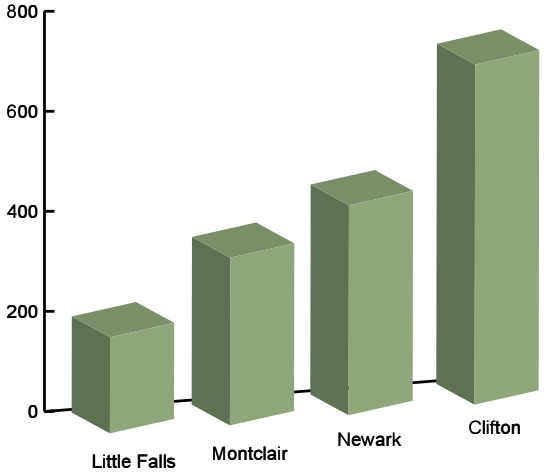
Enrolling Local Applicants

New Jersey cannot compete economically without a highly prepared work force, but in 2006, New Jersey ranked a disappointing 45th among states in per-capita seats for students in public, four-year institutions of higher education. New Jersey ranked 50th — dead last in the entire nation — in seats per high school graduate. New Jersey is far and away the largest net exporter of students in the entire United States: more than 26,600 students, or about 57 percent of high school graduates who attend four-year colleges, leave the state.

Close to 70% of the applicants accepted from Clifton, Montclair, and Little Falls enroll at the University.

It is a great advantage to have a high-quality institution of higher education in the neighborhood, and local students take full advantage of it. In academic years 1997 through 2007, Montclair State accepted a total of 6,955 applicants from Little Falls, Montclair, and Clifton, and 4,830 — close to 70 percent — of those applicants enrolled at the University. During that same period, Montclair State accepted 2,751 applicants from Newark, 1,532 of whom (56 percent) enrolled. In fall 2007, the University enrolled a total of 1,260 students from our host communities and another 437 from Newark.

Total Local Enrollments, Fall 2007



It is a great advantage to have a high-quality institution of higher education in the neighborhood, and local students take full advantage of it.

COLLEGE OF EDUCATION AND HUMAN SERVICES PROGRAMS

Montclair State collaborates closely with local elementary schools.

The Montclair State University Network for Educational Renewal — The University's educational benefits extend far beyond enrolling local applicants. The Montclair State University Network for Educational Renewal (MSUNER) promotes the renewal of public schools and teacher education by means of collaboration between and among Montclair State and 24 local school districts. As active members of MSUNER, the Montclair, Clifton, Little Falls, and Newark school districts profit from a wide array of programs. Among other things, the University dispatches student teachers, sponsors mini-courses on professional development, runs annual summer conferences, promotes educational leadership among administrators as well as teachers, and enrolls clinical faculty, who may apply for all grant opportunities, attend special professional development activities, co-teach mini-courses, and mentor Montclair State student teachers.

Participants in the MSU Network for Educational Renewal, AY2007

Activity	Montclair	Clifton	Little Falls	Newark
Student Teachers (from MSU)	88	37	12	85
Professional Development Series	17	46	5	10
Summer Conference	11	16	5	27
Leadership Associates	28	0	0	24
Clinical Faculty	108	102	17	117

The Arts Initiative at Benjamin Franklin Elementary School (Newark) — Newark Public Schools and the Newark Museum partner with Montclair State faculty and students, elementary school teachers, schoolchildren and their families, and museum staff to infuse arts education into the Benjamin Franklin School.

The Bradford School (Montclair) — Montclair State collaborates especially closely with this elementary school. Every Bradford student participates in at least one University-designed teaching experience during each of the year's three marking periods, student teachers from the University apprentice in Bradford classrooms, Bradford students have access to Montclair State facilities, and University professors teach seminars at Bradford.

Future Educators Association Clubs — Montclair State recruits and supports future teachers for Newark's schools with a special emphasis on teachers of color. The University supports 16 Future Educators clubs in Newark elementary and high schools, hosts campus visits, and holds an annual conference for middle school clubs.

New Jersey Consortium for Urban Education — Montclair State collaborates with New Jersey City University, William Paterson University, Kean University, Newark, and other urban school districts in New Jersey to recruit, prepare, and support new teachers for positions in mathematics, the sciences, and special education.

P-3 Modified Alternate Route Program — Since 2002, this program at Montclair State has provided the courses necessary for nearly 1,000 teachers to apply for P-3 licensure. The program primarily targets teachers in Abbott districts employed in pre-kindergarten through third grade classrooms, more than 150 of which are in Newark.

Partnership for Instructional Excellence in Quality Education — This P-12 program recruits, prepares, mentors, and retains both new and continuing urban teachers for Newark Public Schools. More than 200 teachers and administrators from elementary through high schools participate in activities to build a strong teacher development continuum.

Prudential Teaching Scholars — This three-year project recruits, prepares, and supports 45 new math and science teachers for Newark high schools. In combination with other induction curricula, intensive mentoring ensures that Prudential Scholars succeed, and that they will be inclined to remain in urban teaching.

Teacher Recruitment for Urban Schools of Tomorrow — This project has recruited 45 new, postbaccalaureate mathematics and science teacher candidates, many of whom have become teachers in Newark and other urban public school districts in New Jersey.

Thinking Skills in Teaching and Learning — This project has enrolled more than 500 Newark teachers over the past 21 years. At a time when teacher turnover is a serious problem, more than 95 percent of these teachers have remained in their districts.

The Urban Teaching Academy — In collaboration with Essex and Passaic County Community Colleges, this initiative is improving the recruitment and retention of new teachers at Newark Public Schools and corresponding early childhood centers. Montclair State has already prepared nearly 100 new teachers.

COLLEGE OF THE ARTS

The University's art gallery attracted 19,000 visitors during academic years 2005-2007.

Arts Days — Offered throughout the year at no charge, these full days of activities engage students through hands-on workshops in dance, music, theater, and the visual arts as well as live theater, music, and dance performances, career talks, and audition/interview preparation sessions. Montclair State conducts targeted outreach at three high schools in Montclair, one each in Clifton and Little Falls, and 16 in Newark.

Arts Education/Curriculum

- American Spring — After attending a performance of "Machinal," Montclair High School students will, in April 2008, prepare a mock-trial team to reenact and explore the civil-liberties themes of the play in preparation for a classroom visit and discussion by a scholarly interpreter and the cast.
  In another "American Spring" program, Newark students will spend a day at the Montclair Art Museum with University staff examining Modernist art and then watch a presentation of Martha Graham's "Steps in the Streets" performed by Montclair State dance majors.
- Ballroom! — This February 2007 program developed an appreciation for different styles of dance among students at the Bradford School and culminated in a performance opportunity on the stage of the University's Memorial Auditorium.
- Montclair Reads! — The University has developed arts-based activities in support of this town-wide literacy project. For example, about 600 students in grades K-8 from the Bradford School and Glenfield Middle School participated on campus in the creation of a collective work of art, *The Mandala*.
- New Jersey Core Curriculum Content Standards (NJCCCS)— The University is assisting Essex County Technical Schools, which serve Newark students, in the design and implementation of a 9- to 12-week visual/performing arts component to align the existing curriculum with the NJCCCS.
- The Workshop: An Arts-Based Model — This 12-week (September-December 2008), arts-inspired program will cater to the autism spectrum disorder community by providing motivational and experiential program modules.

Enrichment/Performance Opportunities

- Art Galleries Tour + Workshop — Available to school groups and families, this program offers an age-appropriate tour of the current show or the University's permanent collection, lively discussion and review, and a hands-on arts project related to the discussion. The program serves more than 500 K-12 students annually from public schools in Montclair, Clifton, Little Falls, and Newark.
- "In Tune with Autism" — A concert benefiting the autism spectrum disorder community will be held for the third year in May 2008.
- Intergenerational master class in dance — Liz Lerman will teach a class in April 2008 that involves dancers of all ages. The University has teamed up with the Montclair Arts Council Creative Aging Initiative to host senior citizens and teach the class on campus with the participation of University dance students.
- Pre- or post-performance talks — During the 2007-08 season, Montclair State is hosting ten talks based on the work presented. Free and open to the public, they have included meetings with four composers and a special dialogue with choreographer Bill T. Jones and John Rockwell, former dance critic for *The New York Times*.

- The Preparatory Center for the Arts — This center serves approximately 300 Essex and Passaic County students from age four up, offering comprehensive musical education.
- Wednesdays at One Concerts — These concerts are free and open to the general public.

Community Organizations/Affiliations — University faculty and staff lend their time and expertise to such community organizations as the Montclair Arts Council, the Montclair Office of Art and Cultural Affairs, the Montclair Public Schools Arts Advisory Board, and, in Newark, the Essex County Advisory Board of the Arts, the Essex County Division of Cultural and Historic Affairs, and the Theater Academy at The New Jersey Performing Arts Center.

Professional Development for Teachers — Approximately 60 teachers from schools in Clifton, Little Falls, and Montclair attended Theatre Day for Teachers, a training and networking event, held in January 2008.

COLLEGE OF SCIENCE AND MATHEMATICS PROGRAMS

Local high school students conduct scientific studies of the Passaic River under the guidance of professors and staff from Montclair State University.

Adopt a Professor— This program provides faculty members who are "adopted" by K-12 classes in surrounding communities, specifically to enhance science and math instruction.

The Center for Environmental Management and Analysis — The Center addresses issues of energy, air and water quality, solid and hazardous waste, sediment and land contamination, and coastal resource management. It has partnered with business, government, consultants, and nonprofit organizations to solve environmental problems.

The New Jersey School of Conservation — The oldest university-operated environmental education center in the nation, the School annually provides environmental education programs for nearly 9,000 elementary and secondary school students and nearly 1,000 teachers from about 100 schools.

The Passaic River Institute — The Institute conducts problem-oriented research, delivers environmental education programs, and hosts conferences and workshops. Its biennial Passaic River Symposium, for example, brings together 300 community members, industry leaders, and scientists. Students and teachers from Passaic Valley High School in Little Falls are participating in a river study funded by the Environmental Protection Agency.

PharmFest — Held every other year, PharmFest brings together over 300 college students, high school students, educators, community members, and professionals from the pharmaceutical industry for discussion and information sharing.

Professional Resources in Science and Mathematics — This center fosters partnerships among Montclair State, school districts, museums, industry, and other science centers to improve K-16 science, mathematics, and technology teaching. It has provided planning assistance to 25 New Jersey school districts, curriculum development training to 700 teachers, and science and math enrichment programs to 14,000 K-12 students.

The Rainforest Connection Live! — Live videoconference programs link researchers at a tropical forest research center in Panama with 450 students in New Jersey and 2,600 nation-wide. The program enables professionals to stimulate student enthusiasm for their respective fields, especially among urban schoolchildren who have little firsthand experience with nature.

The Margaret and Herman Sokol Science Lecture Series — This series, which has featured such eminent speakers as Oliver Sacks, Brian Greene, Rita Colwell, and Nobel laureate Roald Hoffmann, is open to the public and heavily attended by residents of all our host communities.

Telescope Night — Every Thursday evening when the weather is clear, telescopes are set up outside for the general public to view the constellations, the moon, planets, double stars, and nebulae. Groups like the Girls Scouts and Cub Scouts, astronomy enthusiasts, and elementary school classes from surrounding communities attend these sessions.

Upward Bound Project — This intensive, five-week, residential summer program annually provides 50 public school students from Newark and other cities the skills and motivation to complete an undergraduate course of study in the sciences that might lead to enrollment in a medical, dental, veterinary, podiatry, or optometry school. The summer program is followed by 20 Saturday academic sessions during the school year.

Weston Scholars — As many as 48 talented, motivated students from Montclair High School who demonstrate high potential for achievement in science, mathematics, and related fields attend this summer program each year to work on research projects with Montclair State scientists.

SCHOOL OF BUSINESS PROGRAMS

Volunteer Income Tax Assistance — For several years, Montclair State accounting majors have been assisting older adults and low-income residents from Clifton and neighboring communities with the preparation of their federal and state income tax returns. The program is conducted at the Clifton Public Library on Saturdays from February until April. In 2007, students helped 88 individuals.

COLLEGE OF HUMANITIES AND SOCIAL SCIENCES PROGRAMS

Montclair State's Center for Hearing and Balance provides audiology services for area residents.

The Joseph and Elda Coccia Institute for the Italian Experience in America — The Institute sponsors lectures, seminars, presentations, and exhibits that welcome local residents. It offers programs for children through an Italian language and culture summer program, and for high school students through its Annual New Jersey Italian and Italian-American Student Symposium, and Teach the Teachers Symposium. The 2007 student symposium hosted over 400 New Jersey high school and college students and teachers.

Speech–Language–Hearing Services

- Center for Hearing and Balance — Since March 2006, the Center has provided diagnostic services to about 230 community residents who have, or suspect they have, hearing loss, auditory processing problems, or balance problems.
- Screenings — In October 2007, University staff and students provided speech, language, and hearing screenings to children enrolled in the Montclair Child Development Center (Head Start). It has also provided hearing screenings to the Clifton community surrounding St. Phillips Church.
- Communication Disorders Center — In 2007, Montclair State began providing speech and language therapy and diagnostic services to local residents.

EDUCATIONAL OPPORTUNITY PROGRAMS

Educational Opportunity Fund — This program offers special admissions criteria, financial aid, and academic support services to provide greater access to higher education for under-represented, low-income students, students of color, and other educationally disadvantaged students. University staff recruit at Montclair High School and a dozen Newark high schools and college fairs. In fall 2007, the University admitted an additional 149 students to this program for a total enrollment of 739.

Human Relations and Leadership Development Association — Students who have developed a record of service activities through participation in high school, church, community, or employment-related activities or organizations exercise these skills by joining the Student Leadership Corps, which carries out 40 projects and annually provides over 2,000 hours of labor to human service organizations in surrounding communities.

The Health Careers Program — This program prepares highly motivated and academically capable students of color from disadvantaged backgrounds for careers in health professions or the sciences. In fall 2007, Montclair State admitted an additional 27 students to this program for a total enrollment of 103.

ADDITIONAL PROGRAMS AT MONTCLAIR STATE UNIVERSITY

The Children's Center provides services to over 100 children from Little Falls, Montclair, and Clifton.

The Children's Center — The Center provides a nurturing environment in which children with disabilities from birth to six years of age learn, play, and grow alongside typically developing peers of the same age. In fall 2007, the Children's Center provided services to about 280 children (180 inside and 100 outside the Center), of whom 114 were from Little Falls, Montclair, or Clifton.

Clifton High School at Montclair State — Each year, a group of high-achieving seniors from Clifton High School has the opportunity to enroll in courses at Montclair State. In academic years 2006-08, 104 Clifton students took advantage of this program.

Information Technology Support for Public Schools — The University provided support for the Blackboard course-management system to Passaic Valley High School in Little Falls. In particular, staff supported a 24-hour "Around the World" videoconference in May 2007. Afterwards, students and instructors and their counterparts overseas accessed a Blackboard community created by Montclair State to discuss topics raised during the videoconference. Thanks to additional training supplied by the University, courses are migrating to Moodle, an inexpensive, open-source alternative to Blackboard. Montclair State has also trained administrators at Montclair Public Schools in Moodle.

Sprague Library — Adult residents of Essex and Passaic Counties make full use of the University's library resources, including borrowing privileges. Materials not held in the collection can be obtained through interlibrary services. Whether in person, over the phone, or by e-mail, staff offer reference assistance and instruct high school students in the use of a library.

GRANT ACTIVITY

In fiscal years 2006 and 2007, Montclair State was awarded a total of $13 million in grants, and millions of dollars have gone for local education projects. To cite a few recent grants:

- From December 2006 through July 2007, Montclair State received $814,000 from the New Jersey Department of Education to study the effectiveness of 15 school districts, including Newark's.
- From September 2004 through August 2007, the New Jersey Department of Education awarded the University close to $2.3 million to improve the quality of science and math education for grades 5-8. Clifton, Little Falls, and Montclair Public Schools were among 26 participating school districts.
- The Department of Education followed up this grant with a $675,000 award to Montclair State from July 2007 through June 2008 for a partnership designed to improve the teaching and learning of science and mathematics in grades 3-5. Montclair Public Schools is one of 26 participating school districts.
- The U.S. Department of Education has awarded the University $2.46 million from 2002 through 2008. In conjunction with other institutions of higher education and the school districts of Newark, Paterson, and Jersey City, the program aims to recruit, prepare, and retain teachers through an alternate route of certification.

Nationally recognized for its teacher preparation programs, the University received three major grants in mid-2007 to improve the teaching of math and science in New Jersey schools:

- $2.8 million from the National Science Foundation to promote math and science education in middle schools by having the University's graduate students serve as teaching fellows in five northern New Jersey school districts;
- $1.6 million from The Prudential Foundation to recruit, educate, and mentor 45 new math and science teachers to work in the Newark public schools; and
- $2.4 million from the New Jersey Department of Education to have Montclair State faculty work with third- and fourth-grade math and science teachers in 26 school districts, including Montclair Public Schools.

Together, these grants will enable Montclair State to work with 30 school districts, impacting 257 teachers, and touching more than 10,000 students.

SERVICE LEARNING PROJECTS FOR NONPROFIT ORGANIZATIONS

Intergenerational activities provide social service benefits for area residents.

COMMUNITY SERVICE BENEFITS

The University integrates service to the community with academic coursework. Current priorities include service to the elderly, substance abuse prevention, and peer mentoring. Hundreds of University students are serving over 1,000 residents of Montclair, more than 300 Clifton residents, and over 500 residents of Newark. (Figures of community residents served are from academic year 2006-2007 and the fall of 2007.)

American Civil Liberties Union of New Jersey — In October 2007, the "Race Still Matters" conference in Newark gathered community members, leaders, and organizations to discuss issues of racial justice in New Jersey and develop comprehensive solutions for lasting change. Montclair State students provided assistance to the 387 community members at the conference and in planning, preparing, and promoting the event.

American Red Cross (Montclair) — Montclair State students assist with such activities as blood banks and food drives. The University holds two blood drives a semester, and sometimes an additional drive over the summer. Montclair State occasionally holds bone marrow registration drives in conjunction with the blood drives.

Boys and Girls Club of Clifton — Montclair State students facilitate programs for approximately 350 middle school children on substance abuse, alcoholism, and teen pregnancy.

Family Services Bureau of Newark — Montclair State students help provide mental health services, counseling, crisis intervention, substance-abuse services, specialty services, and an employee-assistance program.

First Montclair House — Montclair State students play games with older adults and work together on semester-long projects.

Hispanic Development Corporation (Newark) — Montclair State students assist this community outreach program in the provision of ESL classes, computer training, employee assistance, literacy programs, and immigration services.

Life Management — Montclair State students assist agency staff with activities that serve approximately 150 isolated, homebound, older adults of northern Essex County.

Mobile Meals of Essex — Montclair State students package meals, update emergency contact files, and conduct research on the medical conditions of more than 200 clients.

Montclair Board of Education

- STARS Program — Montclair State students provide tutoring and guidance to over 200 elementary school children in an after-school literacy and math enrichment program.
- Glenfield Middle School — Montclair State students mentor 35 at-risk children.

Montclair High School

- Special Education — Montclair State students tutor 27 special-education high school students.
- Writer's Room — Montclair State students serve as writing coaches for 58 middle and high school students.
- Sister to Sister — Montclair State students mentor 30 high school girls by means of a weekly rap and lecture series.

The Montclair Inn — Montclair State students help 35 older adults by organizing and participating in discussion groups, baking sessions, language instruction, and games.

Montclair Recreation — Montclair State students help set up and clean up afternoon meetings for older adults at the American Red Cross.

Montclair YMCA — Montclair State students participate in exercise and activity programs for 50 older adults.

Pine Ridge Manor (Montclair) — Montclair State students collect oral histories from residents regarding memorable experiences and document how those experiences have an impact on their lives today.

Protestant Community Centers (Newark) — Montclair State students help the Centers provide education, literacy training, recreation and wellness activities, and housing assistance to over 60 at-risk children and disadvantaged residents.

Senior Care and Activities Center — Montclair State students assist the Montclair Recreation Department by leading group activities, discussion groups, craft activities, and sing-alongs for 80 older adults.

Toni's Kitchen (Montclair) — Montclair State students help with the preparation and clean up of hot meals for over 50 community residents.

Union Congregational Church (Montclair)

- The Side Door — Montclair State students chaperone weekly, after-school activities for 100 middle school children.
- Suburban Cultural Educational Enrichment Program — Montclair State students mentor and tutor at-risk, elementary school-aged children.

Van Dyk Manor (Montclair) — Montclair State students assist during meal time, serve as group leaders at current event sessions, document oral histories, photograph events, provide entertainment, and celebrate birthdays with 60 nursing home residents.

OTHER COMMUNITY-SERVICE COLLABORATIONS

The University provides training for local law enforcement agencies.

Aid to Local Police — In addition to handling all campus calls for service, emergencies, investigations, and traffic violations, the highly trained members of the Montclair State University Police Department regularly assist the police forces of Montclair, Clifton, and Little Falls with motor vehicle stops and accident investigations, burglaries, translation services, traffic coordination, and emergency response, among other things. University Police provide training opportunities for other police agencies, including seminars on violence against women, an active shooter drill, and a terrorist bombing drill — one of the first of its kind in New Jersey. University Police also generate substantial revenues for our host communities from motor vehicle violations and criminal summonses. In 2006, for example, University Police issued over 1,200 motor vehicle summonses and made 229 arrests, which resulted in significant fines and fees, all of which revenue is paid to the courts and municipalities of jurisdiction. More than $100,000 in fines and fees for arrests and motor vehicle summonses was collected that year for the State and the municipality in Little Falls alone.

Aid to Local Fire Departments — Montclair State receives valuable services from the fire departments of its host communities and provides a number of services in return. The University's Department of Fire Safety has annually provided the Montclair Fire Department with fit-testing equipment to ensure that breathing equipment fits each firefighter properly. This service, which has also been offered to Clifton and Little Falls, would have cost over $100 per firefighter. The University provides fire extinguisher equipment for training. Montclair State permits local fire departments to conduct training at its buildings. Little Falls used a University building that was coming down in 2007 to hold a department drill, for example, and Montclair firefighters staged their physical fitness test on campus. The University contributed $5,000 to help Little Falls mark the 100th anniversary of its fire department. In January 2008, in what Little Falls hopes to make an annual event, Montclair State hosted a Little Falls Fire Department training seminar for 250 firefighters from as far away as Oakhurst, New Jersey.

Supporting the education of local K-12 students is an important mission of the University.

Aid to Local Charities — A variety of student organizations assist local charities. To cite just a few examples, Active Students Serving in Society Together (ASSIST) holds biweekly coffeehouses and semiannual dances to raise money for such charities as: Apostles' House Soup Kitchen (Newark), Meals on Wheels of Essex County, the children's ward at Mountainside Hospital (Montclair), New Jersey Battered Women's Services (Newark), and Planned Parenthood of Metropolitan New Jersey (Montclair). The Newman Catholic Center has gathered supplies for interfaith food pantries throughout Essex County and donated food to St. John's Soup Kitchen in Newark.

Assessment Center — The Center provides individualized educational and psychological evaluations for school-age children who are experiencing learning or behavioral difficulties. Referrals come from community members, and school personnel may recommend for evaluation students who would not be eligible for assessment services at school. Services are offered on a sliding-scale basis to ensure access for all families.

Community Board Service — The staff of Montclair State's Center for Career Services and Community-based Learning address issues of public concern by sitting on the governing boards of bodies like the Montclair Public Schools Health and Wellness Advisory Board, the Montclair School/Community Tutorial Advisory Board, the Mountainside Community Benefits Committee, Programs for Parents, and United Way of North Essex.

Montclair Arts Council — Current and ongoing partnership projects include: recruitment of older adults for the University's Older Adult Tuition Waiver Program; needs assessment for community-based, older adult creative services; attracting and transporting older adults to theatrical performances at discounted rates; and design of an intergenerational master dance class at Montclair State.

Project Excellence — Run in cooperation with the Township of Montclair, Trinity Presbyterian Church, and the United Way of North Essex, this summer program helps 30 to 40 young people develop interpersonal and problem-solving skills, gain a sense of empowerment, and grasp what it takes to plan, research, and prepare for a career.

Services to Seniors Resource Center — This resource center offers rich social and learning environments for approximately 280 senior citizens and helps integrate seniors within the larger community. It provides University students with materials, activity guides, orientations, and workshops to give them creative ideas for working with seniors.

Service-Learning Conference — Held at Montclair State in collaboration with campus and community partners, the Annual K-16 Service-Learning Conference brings the combined knowledge and experience of national leaders and University faculty members, staff, and students to bear on the vital role played by engaged learning.

CONCLUSION

In addition to fulfilling its core missions of education and scholarship, Montclair State University significantly and tangibly benefits our host communities of Montclair, Clifton, Little Falls, and nearby Newark by serving as an engine of economic growth and providing innumerable community services. Dedicated to building positive relationships with local governments, private and nonprofit organizations, the business community, and the community at large, the University is a powerful force for good in Essex and Passaic Counties, the state, and the region.

LITTLE FALLS

CLIFTON

MONTCLAIR

NEWARK

Variables Used in Host Community Economic Impact Calculations		
Variable	Estimate	Source
Estimate of non-housing expenditures for "complete income reporters" in the New York Metropolitan Statistical Area	0.75	2004-05 Consumer Expenditure Survey, Bureau of Labor Statistics, U.S. Dept. of Labor (Table 21)
Estimate of in-area expenditures for employees and students	0.65	2002 Economic Census, U.S. Census Bureau
Estimate of the percentage of local area residents who rent	0.39	2006 American Community Survey, U.S. Census Bureau
Estimate of the local area's median monthly rent	$1,030	2006 American Community Survey, U.S. Census Bureau
Estimate of annual in-area spending on non-housing items by non-local, full-time employees	$2,000	Based on economic impact studies conducted at CUNY and other regional universities
Estimate of average annual college-related expenditures by full-time students	$2,094	Montclair State University Financial Aid Office (as reported in 2005-06 Common Data Set)
Estimate of average annual college-related expenditures by part-time students	$1,300	Montclair State University Financial Aid Office
Coefficient for estimating jobs attributable to expenditures	0.0000278	2003 Bureau of Economic Analysis, U.S. Dept. of Commerce
Multiplier	1.5	Based on economic impact studies conducted at Rutgers and other regional universities; assumes "leakage" to commercial centers in Bergen County and West Paterson

Appendix: A Note on Methodology

The methodology used to calculate economic impact is commonly referred to as the Ryan/New Jersey model. It represents a modified form of the classic economic impact model developed by Caffrey and Isaacs for the American Council on Education.[2] A number of institutions have relied on the Ryan/New Jersey model over the past two decades, and it has undergone several modifications.[3]

The major difference between the Caffrey and Isaacs and Ryan/New Jersey models is that the latter substitutes estimated values derived from available data for information collected from surveys of faculty, staff, and students. Many institutions found that they needed to make this substitution because survey response rates were often very low due to the sensitive nature of the information being requested.

The calculation variables substituted for survey data are: (1) an estimate of non-housing expenditures for an average middle-income family in New Jersey; (2) an estimate of employees' and students' expenditures within the local area; (3) an estimate of the percentage of local residents who rent; (4) an estimate of the median rent in the local area; (5) an estimate of spending on non-housing items in the local area by non-local, full-time employees; (6) an estimate of average annual college-related expenditures by full-time students; (7) an estimate of average annual college-related expenditures by part-time students; (8) the coefficient for estimating jobs attributable to University expenditures; and (9) the "multiplier." The tables on pages 20 and 21 present the calculation variables used in this study and their sources.

Variables Used in Newark Economic Impact Calculations

Variable	Estimate	Source
Estimate of non-housing expenditures for "complete income reporters" in the New York Metropolitan Statistical Area	0.75	2004-05 Consumer Expenditure Survey, Bureau of Labor Statistics, U.S. Dept. of Labor (Table 21)
Estimate of in-area expenditures for employees and students	0.65	2002 Economic Census, U.S. Census Bureau
Estimate of the percentage of local area residents who rent	0.75	2006 American Community Survey, U.S. Census Bureau
Estimate of the area's median monthly rent	$787	2006 American Community Survey, U.S. Census Bureau
Estimate of in-area spending on non-housing items by non-local, full-time employees	$20	Represents 1% of estimate used in Montclair State's statewide economic impact study
Estimate of average annual college-related expenditures by full-time students	$21	Represents 1% of estimate used in Montclair State's statewide economic impact study
Estimate of average annual college-related expenditures by part-time students	$13	Represents 1% of estimate used in Montclair State's statewide economic impact study
Coefficient for estimating jobs attributable to expenditures	0.0000278	2003 Bureau of Economic Analysis, U.S. Dept. of Commerce
Multiplier	1.5	Based on economic impact studies conducted at Rutgers and other regional universities; assumes "leakage" to NYC and other commercial centers in Essex, Bergen, and Passaic Counties

[2] John Caffrey and Herbert H. Isaacs, 1971, *Estimating the Impact of a College or University on the Local Economy*, Washington, D.C.: American Council on Education.

[3] Research and Planning Committee, 1983, *Handbook for Conducting a Study of the Economic Impact of a Community College*, Lincroft, NJ: Council of County Colleges of New Jersey. G. Jeremiah Ryan, 1985, "A Shortcut to Estimating Economic Impact," *Community/Junior College Quarterly* 9:197-214. College Outcomes Evaluation Program, 1989, *Procedures Manual for the Assessment of Community/Society Impact at New Jersey Institutions of Higher Education*, Trenton, NJ: New Jersey Department of Higher Education. College Outcomes Evaluation Program, 1990, *Handbook for Calculating Short-Term Economic Impact at New Jersey's Institutions of Higher Education*, Trenton, NJ: New Jersey Department of Higher Education. G. Jeremiah Ryan and Patricia Malgieri, 1992, *Economic Impact Studies in Community Colleges*: The Short Cut Method, Second Edition, Resource Paper No. 48, National Council for Resource Development.

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