AGENDA

1. Report: Economic Impact of the University of Minnesota - R. Bruininks/T. Mulcahy/P. Umbach (pp. 2-3)
Board of Regents Work Session

February 11, 2011

Agenda Item: Economic Impact of the University of Minnesota

☐ review  ☐ review/action  ☐ action  ☒ discussion

Presenters: President Robert H. Bruininks
Vice President of Research R. Timothy Mulcahy
Paul Umbach, Chief Executive Officer, Tripp Umbach

Purpose:

☐ policy  ☒ background/context  ☐ oversight  ☐ strategic positioning

In times of significant economic challenges, the University is increasingly asked to demonstrate the value it brings to the state and its taxpayers. This work session and initial report will quantify the University's statewide economic impact in broad terms and provide preliminary analysis to demonstrate the critical contributions the University makes to the economic vitality and quality of life of the state, region, and nation.

Outline of Key Points/Policy Issues:

The University is essential to Minnesota’s economic development ecosystem, both in terms of innovation through research and development, and in terms of education through world-class academic programs. The University has taken a proactive, leadership role in both of these areas for the state, and the results are clear and compelling: among them, $823 million in sponsored research awards, more than 12,000 additional students admitted in the last five years, and more than 1,200 additional degrees awarded per year than just five years ago. This report will translate these numbers and additional institutional data into key measures of the University of Minnesota’s direct and indirect statewide economic impact, including the economic return on the state’s investment in the University and the impact of the University on statewide employment.

Background Information:

Last fall President Bruininks commissioned an economic impact study that will provide a comprehensive and customized analysis of the overall impact of the five University of Minnesota campuses and more than 30 other locations statewide. The study measures factors such as business volume, employment, and government revenue impacts of the University’s operations across the entire state, along with detail at regional and county levels. The study
has been led by the Office of the Vice President for Research, and the Office of Planning and Analysis is handling internal data collection and overall project management.

The study is being conducted by Tripp Umbach, a national leader in providing economic impact analyses to leading research institutes, universities, hospitals, and academic medical centers. Tripp Umbach has completed more than 100 economic impact studies over the past 10 years. This initial report will share the firm's overarching, statewide results—further analysis will be done over the next few months to enable us to share more specific, localized results, and ultimately, we will incorporate the data collection strategy and IMPLAN (IMpact analysis for PLANning) modeling methodology, originally developed at the University of Minnesota and used by Tripp-Umbach, into our own performance framework. This report complements and builds upon a number of regular reports to the Board of Regents, including the annual research report, as well as our annual metrics and Transforming the U updates.