

# The Economic Value of Northern Virginia Community College **TAXPAYER INVESTMENT**



**S**TUDENTS and society as a whole enjoy a range of benefits due to their educational investments in Northern Virginia Community College (NOVA). A portion of these benefits accrues to state and local taxpayers in the form of higher tax receipts and a reduced demand for government-supported social services.



**FOR EVERY \$1...**

## NOVA increases tax revenue

- Approximately 94% of NOVA's students remain in Virginia upon completing their educational goals. Their higher earnings and their employers' increased output and spending result in increased tax revenue.
- Over the students' working lives, state and local governments in Virginia will collect a present value of \$856.5 million in the form of higher tax revenues.



**Taxpayers gain**  
**\$8.70**  
in added tax revenue and  
public sector savings

## NOVA reduces government costs

- NOVA students who achieve higher levels of education are statistically less likely to have poor health habits, commit crimes, or need income assistance such as welfare or unemployment benefits.

- The improved lifestyles of students result in a reduced demand for government-supported services. Better health leads to reduced health care costs. Reduced crime leads to a reduced burden on the criminal justice system. Further, increased employability leads to fewer claims for welfare and unemployment benefits.
- As a result, taxpayers in the state of Virginia will see a present value of \$45.4 million in savings to government over the students' working careers.

## NOVA is a strong investment for state and local taxpayers

- FY 2017-18, state and local taxpayers in Virginia paid \$116.6 million to support the operations of NOVA.
- For every dollar of public money spent on NOVA, taxpayers receive a cumulative return of \$7.70 over the course of students' working lives in the form of higher tax receipts and public sector savings.
- Taxpayers see an average annual internal rate of return of 17.4% on their investment in NOVA. This return compares favorably with other long-term investments in the public and private sectors.

