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# Education + Discovery + Innovation:

Economic and Community Impact of the  
University of Louisiana at Lafayette

This economic and community impact analysis on the University of Louisiana at Lafayette was prepared by Appleseed, an independent consulting firm, using primarily fiscal year 2015 data for the economic impact modeling and other economic development and community impact assessments. The report results may be viewed at [louisiana.edu/impact](http://louisiana.edu/impact)

The University of Louisiana at Lafayette,  
a member of the University of Louisiana System



Appleseed is a New York City-based consulting firm, founded in 1993, that provides economic research and analysis and economic development planning services to government, nonprofit and corporate clients.

80 Broad Street, Room 611, New York, NY 10004  
P: 212.964.9711 | F: 212.964.2415  
[www.appleseedinc.com](http://www.appleseedinc.com)







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## EXECUTIVE SUMMARY







**T**he University of Louisiana at Lafayette has an extensive impact on the state and in the Acadiana region defined by One Acadiana<sup>1</sup> as nine parishes<sup>2</sup> in south central Louisiana. UL Lafayette is the largest member institution of the University of Louisiana System and the state's second-largest university.

This report assesses UL Lafayette's contributions to the vitality of the state's and region's economies by extending educational, economic and cultural opportunities to residents, and by conducting research intended to solve some of the most pressing problems facing the state, U.S. and world. It focuses primarily on fiscal year 2015.

The following highlights are key findings.

- The region's overall educational attainment level attributable to Acadiana residents who are UL Lafayette graduates added nearly \$2.6 billion to the region's gross domestic product.
- University-related spending and off-campus spending by students and visitors who came to the University from outside Acadiana supported 5,062 full-time-equivalent jobs in Acadiana, with earnings totaling nearly \$230.1 million and \$449.5 million in economic output in Acadiana.
- UL Lafayette's total impact on Louisiana's statewide economic output in fiscal year 2015 (\$379.3 million) was equivalent to 6.83 times the state's contribution to University revenues (\$55.6 million).

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1. One Acadiana is the former Greater Lafayette Chamber of Commerce.

2. The nine parishes are Acadia, Evangeline, Iberia, Jefferson Davis, Lafayette, St. Landry, St. Martin, St. Mary and Vermilion parishes (or counties).



# The Impact of UL Lafayette as an Enterprise

- At the start of fiscal year<sup>3</sup> 2015, UL Lafayette directly employed 1,919 people, excluding graduate assistants. Almost 92 percent worked full-time in faculty or other professional, administrative and support jobs. Nearly 95 percent of all University non-student employees were Acadiana residents, and 3.7 percent lived elsewhere in Louisiana. The University employed 615 part-time graduate assistants, for a total of 2,534 employees. On average, it employs about 2,125 undergraduate students each year in part-time jobs.
- In fiscal year 2015, gross salaries and wages paid to University employees, including graduate assistants, totaled \$99.3 million, of which nearly 97 percent was paid to Louisiana residents.
- UL Lafayette supports business and jobs in Louisiana through its investments in University construction and purchases of goods and services from in-state suppliers.

3. UL Lafayette's fiscal year begins July 1 and ends June 30.



In fiscal year 2015, the University:

- > invested \$56.5 million in construction projects, directly supporting 424 FTE jobs in Louisiana – all in Acadiana – in construction and related industries, and
- > spent \$40.1 million on purchases of goods from Louisiana businesses, directly supporting 285 FTE jobs in Louisiana, including 235 FTE jobs in Acadiana.





*For every dollar in state funds contributed to the University's budget in FY 2015, UL Lafayette generated \$6.83 in statewide economic impact.*

- Combining the impact of spending by the University, its students and visitors, and taking into account the indirect and induced (or “multiplier”) effects of this combined spending, we estimate that in fiscal year 2015, UL Lafayette directly and indirectly accounted for:
  - > over \$379 million in statewide economic output<sup>4</sup> and 4,323 FTE jobs in **Louisiana**;
  - > at least \$449 million in economic output in Acadiana and 5,062 FTE jobs in **Acadiana**;
  - > more than \$492 million in economic output in Lafayette Parish and 5,525 FTE jobs in **Lafayette Parish**.<sup>5</sup>
- If UL Lafayette were a private enterprise, it would have ranked as the third-largest private employer in Acadiana in 2015.

4. Economic output is a measure of the total sales by companies in the parish, Acadiana or the state, including the “sale” of labor by employees who are paid for their work, generated by University spending.

5. The actual impact of spending by the University is greater at the state level than at the regional or parish level. Because at the state level we count only the impact of spending by out-of-state students and visitors to UL Lafayette, the reported impact of student and visitor spending is higher at the regional and parish levels than at the state level. As a result of this difference, the combined impact of University, student and visitor spending is also higher at the parish and regional levels than at the state level.



# Entrepreneurship and Economic Development



UL Lafayette has long been a source of entrepreneurial energy that Louisiana needs to translate ideas, technology and talent into successful businesses.

- The University helps educate the next generation of entrepreneurs in Acadiana and Louisiana through:
  - > courses and degree programs offered in its eight colleges and Graduate School;
  - > AcceleRagin', an incubator program that assists students who are developing their own businesses;
  - > opportunities, such as Cajun Code Fest, an annual "code-a-thon" competition, in which teams develop the most user-friendly software tool or app intended to address pressing topics, such as aging, childhood obesity and diabetes; and
  - > opportunities for internships or part-time employment.
- UL Lafayette supports translation of the results of University research into new products, services, businesses and jobs through its Office of Innovation Management. Between fiscal year 2010 and fiscal year 2016, it entered into nine agreements for commercial use of technologies first developed at the University, and helped to launch several startup companies in Acadiana.
- Hundreds of businesses in Louisiana were started by UL Lafayette students, alumni, faculty or staff. Some have licensed technology from the University; some have research partnerships with UL Lafayette. These businesses range from self-employed professionals, artists and artisans to companies employing more than 1,000 people.





- UL Lafayette supports aspiring entrepreneurs and small business owners through the work of two affiliated centers. In fiscal year 2015, the Louisiana Procurement Technical Assistance Center, on the University campus, helped 1,374 clients obtain 437 contracts with a total value of \$152.6 million. Also in fiscal year 2015, the Lafayette office of the Louisiana Small Business Development Center assisted with the creation of 19 startups with a total capitalization of more than \$5.5 million, and provided counseling services to 398 businesses throughout Acadiana.
- University Research Park, a 143-acre section of campus, is home to several UL Lafayette and government research centers; federal, state and local government agencies; a hotel; and a variety of private-sector tenants. We estimate that in addition to approximately 50 University employees who work in the Park, over 500 people are employed by the Park's other tenants.
- Building on its strengths in computer science, informatics and engineering, the University played a central role in attracting three major technology companies – CGI, Enquero and Perficient – to Lafayette. As of summer 2016, about 40 percent of those employed by CGI in Lafayette were UL Lafayette graduates.
  - > By 2020, these three companies are expected to employ nearly 1,000 people in the region. Employment is expected to rise in subsequent years to 1,600. Their choice of Lafayette as a place to grow is an important step in Acadiana's evolution as "Silicon Bayou."

*Number of Acadiana companies assisted by the Louisiana Small Business Development Center in FY 2015: 398.*



# Developing Louisiana's Human Capital



Total enrollment in fall 2014<sup>6</sup> (the beginning of fiscal year 2015) was 18,796, the highest in school history at the time.

- For-credit enrollment for the beginning of fiscal year 2015 totaled 17,195, including 15,574 undergraduates (90.6 percent of total for-credit enrollment) and 1,621 graduate students (9.4 percent).
- About 90 percent of all degree-seeking undergraduate students were Louisiana residents and about 56 percent were Acadiana residents at the beginning of fiscal year 2015. Among all graduate students, approximately 59 percent were Louisiana residents; about 40 percent were Acadiana residents. The University attracted students from 52 U.S. states and territories and 84 countries.
- At the beginning of fiscal year 2015, about 10 percent of all degree-seeking undergraduates came to UL Lafayette from outside Louisiana, including 2.4 percent who came from outside the U.S. Nearly 41 percent of all graduate students were from outside Louisiana, including nearly 23 percent who were from outside the U.S.
- During fiscal year 2015, UL Lafayette awarded 3,089 undergraduate and graduate degrees. As of fiscal year 2015, UL Lafayette had awarded a total of 118,514 degrees and certificates since it was established in 1898.
- In 2015, The Education Trust ranked UL Lafayette 21st among 489 U.S. public colleges and universities for its progress in improving graduation rates among its minority students, and first in Louisiana. The University increased its overall student two-year retention rate from 73.25 percent in 2009 to 76.1 percent in 2015.

6. A university's fall enrollment is its official annual enrollment.





- As of summer 2015, 69,235 UL Lafayette graduates – about 68 percent of all living University graduates whose addresses were known – lived in Louisiana. Of those, 47,838, or 47 percent, lived in Acadiana. An additional 23,498, or 23 percent, lived elsewhere in the U.S. and 9,491, or 9.3 percent, lived outside the U.S.
- Using data on educational attainment published by the U.S. Census Bureau, we estimate that about 54 percent of all Acadiana residents age 25 and older who hold at least a bachelor's degree are UL Lafayette graduates. About 9.4 percent of all Louisiana residents age 25 and older who hold at least a bachelor's degree are UL Lafayette graduates.

*Increase in the region's GDP attributable to the degrees earned at UL Lafayette by 47,800 Acadiana residents: \$2.6 billion.*

- Based on Census Bureau data, we estimate that in 2014, annual earnings of Acadiana residents who hold bachelor's or graduate degrees from UL Lafayette were about \$710 million higher than they would have been without that level of education. That figure is equivalent to more than 5.9 percent of the total wages and salaries of all Acadiana residents.
- We estimate that the increase in the region's overall educational attainment level, attributable to Acadiana residents with degrees from UL Lafayette, added \$2.58 billion to the region's GDP, the equivalent of 9.0 percent.

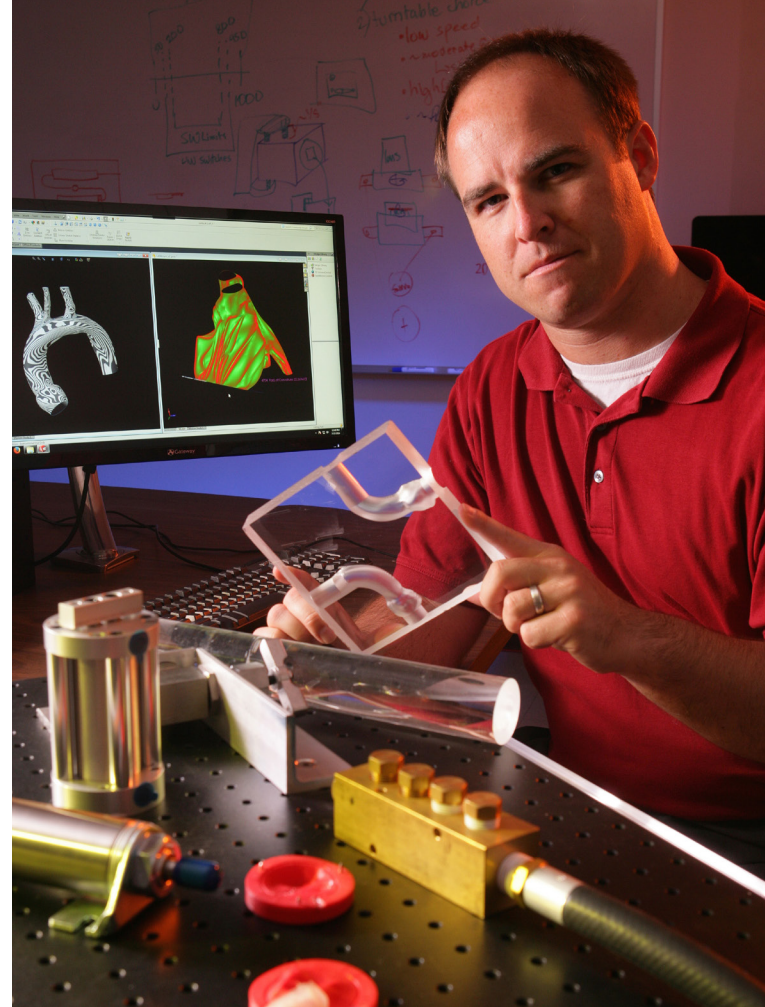


# The Impact of University Research

- In fiscal year 2015, UL Lafayette spent \$77.3 million on research, an increase of more than 73 percent since fiscal year 2005.
- Growth in research spending has helped UL Lafayette move up through the ranks of U.S. research universities. The University rose from 179th in 2012 to 160th in 2015, as reported by the National Science Foundation, based on total research spending by more than 1,000 research universities.
- UL Lafayette conducts research in a number of fields critical to Louisiana's economy that drive the state's innovation and growth, including life sciences; computer science and informatics; coastal protection and water resources; energy technology; and Cajun and Creole cultures.
- In fiscal year 2015, UL Lafayette's spending on industry-funded research totaled nearly \$14.5 million, about 19 percent of total research spending. Among the top 200 research universities in the U.S., UL Lafayette ranks in the top 10 when measured by the percentage of its research spending funded by private industry.







*Between 2005 and 2015, total research spending at UL Lafayette rose by more than 73%.*





# Culture and Community

- UL Lafayette contributes to the vitality of Acadiana's economy through its commitment to preserving and promoting the region's unique cultural heritage. It does this through, for example:
  - > research and educational programs of centers such as the Center for Louisiana Studies and the Ernest J. Gaines Center;
  - > degree programs in francophone studies, traditional music and other areas relevant to the region's cultures; and
  - > its involvement in major cultural events, such as the annual Festivals Acadiens et Créoles and annual Festival International de Louisiane, which attract hundreds of thousands of visitors each year.
- The University is a cultural resource for Acadiana through student performances in theater, music and dance; exhibitions of student work in the visual arts; and the Hilliard University Art Museum.
- Through programs such as the Community Design Workshop, UL Lafayette helps Acadiana address issues in community development. The CDW, for example, produced design proposals for the I-49 Lafayette Connector and how it might be integrated into neighborhoods along its proposed route.
- UL Lafayette also helps strengthen Acadiana through community service performed by students, faculty and staff.
- It is estimated that students, faculty and staff performed a total of 332,200 hours of community service work in fiscal year 2015 that was valued at more than \$7.5 million.







*Hours of community service work performed by UL Lafayette students, faculty and staff in FY 2015: 332,200 valued at more than \$7.5 million.*





# UL Lafayette and the Future of the Louisiana Economy

During the next five to 10 years, UL Lafayette's impact on Louisiana's and Acadiana's economies is, for several reasons, likely to be even greater than it is today.

## ***Long-term impact of enrollment and new academic programs***

- The University will increase student enrollment and the number of degrees it awards in engineering, computer science and several other areas that are aligned with the needs of the state and region. In May 2017, it announced a new graduate degree program in informatics. It will introduce a graduate degree program in geosciences.
- UL Lafayette will help more Louisiana residents gain access to the educational opportunities it offers. It will do this through continued expansion of its online programs, technology infrastructure, distance learning capacity, and initiatives such as the structuring of additional "2 + 2" programs in collaboration with the state's community colleges.



- The University's recent and continuing success in raising graduation rates for all students, and among underrepresented minority students in particular, will result in rising levels of educational attainment in the state. That trend, in turn, will translate into stronger economic growth and higher incomes for Louisiana and Acadiana residents.

## ***Research growth and increased emphasis on business development***

- The University has grown its research and development expenditures in the last decade and expects to increase its annual research spending to more than \$100 million during the next few years. This will directly support increased employment at the University, and will accelerate the production of ideas and innovations that will help drive economic growth.



- During the next few years, UL Lafayette's investment in its entrepreneurial education and technology commercialization programs will pay off even more. As the number of new businesses created by University students, alumni, and faculty increases – along with new businesses created to commercialize technologies first developed at the University – so will the University's impact on Louisiana's economy.
  - As CGI, Enquero and Perficient have shown, UL Lafayette is a powerful resource for attracting companies to Acadiana. Together with Louisiana Economic Development, Lafayette Economic Development Authority, One Acadiana and others, UL Lafayette can build on this success to attract other growth companies as well.
  - A recent partnership between the New Iberia Research Center and Crown Bioscience, a global drug discovery and development company, broadens the region's biomedical research sector. The University's partnership with Denmark-based Falck Safety Services positions the region as an epicenter for safety training for transportation and energy industries.
- Collaborations between UL Lafayette and international companies like these reflect the University's commitment to expanding economic opportunities for the state and region.





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