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Why Lindenwood College is Important to the St. Charles Community

Lindenwood College

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WHY LINDENWOOD COLLEGE IS IMPORTANT TO THE ST. CHARLES COMMUNITY

23.3 Million	The total direct and indirect economic impact of Lindenwood on St. Charles.
450 Employees	Lindenwood is the third largest private sector employee in St. Charles county.
\$6 Million	Lindenwood expenditures for construction and renovation since 1965.
\$3.6 Million	Lindenwood's gross payroll for 1981.
\$5.8 Million	Expenditures of Lindenwood faculty, staff and students.
\$1.8 Million	Expansion of local credit base through banking habits of Lindenwood faculty, staff and students.

THE LINDENWOOD COLLEGES AND THE ST. CHARLES ECONOMY

Lindenwood Construction Adds to Local Economy

Since 1965 Lindenwood has spent over \$6 million on construction and major renovation projects. This includes Young Science Hall, McCluer Hall, Fine Arts Building; The Student Center and the Stadium as new construction while major renovation is being done to Sibly Hall, Niccolls Hall, and Irwin Hall. Over \$1.4 million will be expended in 1981 for renovation alone.

What is the impact of this construction on the St. Charles economy? Approximately \$3.32 million has been spent for labor and an additional \$2.72 million has been spent locally for materials and equipment. New construction in the near future will exceed \$2 million.

In order to replace the Lindenwood campus buildings and equipment over \$140 million dollars would be needed.

Lindenwood Spends Money for People

Of the \$7.8 million in College expenditures over \$3.6 million (46%) is spent for salaries and wages. Lindenwood is the third largest employer in the private sector in St. Charles, currently employing 450 people. Because of the labor intensiveness of Lindenwood the direct impact of the college payroll is proportionately greater than most other business with smaller labor costs.

The Impact of Local Purchases

Lindenwood purchases \$2.77 million in goods and services in St. Charles. The operating budget for Lindenwood is \$7.8 million for the year 1981. If we deduct salaries and wages of \$3.6 million, the College will spend \$4.2 million for equipment, printing, supplies, maintenance goods, utilities, insurance, food service, travel, etc. An estimated two-thirds of this amount, some \$2.77 million, will be spent in St. Charles.

How Do College Employees Spend their Money

In 1981 over \$2.92 million will be spent by Lindenwood employees. The faculty and staff will spend the majority of this amount in St. Charles. Housing will account for \$610,000; food will account for \$580,000; automobile expenses of \$350,000; utilities of \$230,000; insurance of \$200,000; clothing of \$180,000; and taxes of \$90,000. In addition, approximately \$680,000 will be spent in other related areas.

Student Spending

In addition to the \$4.2 million which Lindenwood students pay for tuition, room and board they will also spend in excess of \$2.88 million in the St. Charles area. The majority of this money will be spent for rent, food, entertainment, and clothing. Further, they will spend over \$1 million on radios, televisions, stereos, and cars.

Lindenwood's Impact on the Financial Community

The banking habits of the College's faculty, staff, and students indicates that over \$1.8 million is secured in local banks. All of this money is available for expanding the local credit base. Beyond this the College itself has invested over \$3 million in endowment fund in St. Charles and St. Louis corporations. However, the endowment fund has not been included in this impact.

The Ripple Effect

All money expended has a "ripple" effect as it passes from one hand to another. In a recent study by the Independent Colleges and Universities of Missouri this effect was calculated at 1.99 for individual expenditures and 2.05 for institutional expenditures of the College. Using this formula, direct local Lindenwood related expenditures will exceed \$15.7 million. If we add related expenditures by students, faculty, staff, and visitors, this total reaches \$21.5 million.

All of this means that Lindenwood produces over \$21.5 million in money spent and respent. Due to inflation and College expenses this figure is rising at 15% per year.