



FOOTHILL-DE ANZA
COMMUNITY COLLEGE DISTRICT

Executive Summary

PUBLISHED SEPTEMBER 2026

The Economic Value of the Foothill-De Anza Community College District





THE FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT (FHDA) yields a diverse portfolio of institutional benefits, reinforcing its role as a cornerstone of county advancement. The colleges play a key role in helping students increase their employability and achieve their individual potential. The colleges draw students to the region, generating new dollars and opportunities for Santa Clara County. The colleges provide students with the education, training, and skills they need to have fulfilling and prosperous careers. Furthermore, the colleges are places for students to meet new people, increase their self-confidence, and promote their overall health and well-being.

FHDA District functions as a critical driver of both individual upward socioeconomic mobility and county economic vitality. The colleges support a variety of industries in Santa Clara County, serve businesses in the county, and benefit society as a whole in California from an expanded economy and improved quality of life. Additionally, the benefits created by FHDA extend to the state and local government through increased tax revenues and public sector savings.

This study measures the economic impacts created by FHDA on the business community and the benefits the colleges generate in return for the investments made by their key stakeholder groups—students, taxpayers, and society. The following two analyses are presented:

Economic impact analysis

Investment analysis

All results reflect employee, student, and financial data, provided by FHDA, for fiscal year (FY) 2024-25. Impacts on the Santa Clara County economy are reported under the economic impact analysis and are measured in terms of added income. The returns on investment to students, taxpayers, and society in California are reported under the investment analysis.



Santa Clara County, California

The colleges **draw students to the region, generating new dollars and opportunities** for Santa Clara County.

Economic impact analysis



FHDA promotes economic growth in the county through its direct expenditures and the resulting expenditures of students and businesses in the county. The colleges serve as employers and buyers of goods and services for their day-to-day and construction operations. The colleges' activities attract students from outside Santa Clara County, whose expenditures benefit county vendors. In addition, the colleges are primary sources of higher education to Santa Clara County residents and suppliers of trained workers to county industries, enhancing overall productivity in the county workforce.

Operations spending impact



FHDA adds economic value to the county as an employer of county residents and a large-scale buyer of goods and services. In FY 2024-25, the colleges employed 2,418 full-time and part-time faculty and staff, 18% of whom lived in Santa Clara County. Total payroll at FHDA was \$201.3 million, much of which was spent in the county on groceries, mortgage and rent payments, dining out, and other household expenses. In addition, the colleges spent \$139.7 million on expenses related to facilities, supplies, and professional services (excluding construction).

FHDA's operations spending added **\$215.5 million** in income to the county during the analysis year. This figure represents the colleges' payroll, the multiplier effects generated by the in-county spending of the colleges and their employees, and a downward adjustment to account for funding that the colleges received from county sources. The \$215.5 million in added income is equivalent to supporting **1,998 jobs** in the county.

Construction spending impact



FHDA invest in construction each year to maintain facilities, create additional capacities, and meet growing educational demands. While the amount varies from year to year, these quick infusions of income and jobs have a substantial impact on the county economy. In FY 2024-25, FHDA's construction spending generated **\$6.9 million** in added income, which is equivalent to supporting **47 jobs**.

Impacts created by
FHDA in FY 2024-25



Operations spending impact

\$215.5 million

+



Construction spending impact

\$6.9 million

+



Student spending impact

\$20.3 million

+



Alumni impact

\$1.4 billion



Total economic impact

\$1.7 billion

OR



Jobs supported

11,293



Student spending impact



Some in-county students, referred to as retained students, would have left Santa Clara County if not for the existence of the colleges. While attending the colleges, these retained students spent money on groceries, accommodation, transportation, and other household expenses. This spending generated **\$20.3 million** in added income for the county economy in FY 2024-25, which supported **230 jobs** in Santa Clara County.

Alumni impact



The education and training the colleges provide for county residents has the greatest impact. Since the colleges were established, students have studied at FHDA and entered the county workforce with greater knowledge and new skills. Today, many of the colleges' former students are employed in Santa Clara County. As a result of their education from the colleges, the students receive higher earnings and increase the productivity of the businesses that employ them. In FY 2024-25, FHDA alumni generated **\$1.4 billion** in added income for the county economy, which is equivalent to supporting **9,018 jobs**.

Total impact

FHDA added **\$1.7 billion** in income to the county economy during the analysis year, equal to the sum of operations and construction spending impacts; the student spending impact; and the alumni impact. This contribution that FHDA provided on their own is nearly as large as the entire Transportation & Warehousing industry in Santa Clara County.

FHDA's total impact can also be expressed in terms of jobs supported. The \$1.7 billion impact supported **11,293 county jobs**, using the jobs-to-sales ratios specific to each industry in the county. For instance, among non-education industry sectors, the spending of FHDA and their students and the activities of their alumni in the Health Care & Social Assistance industry sector supported 1,197 jobs in FY 2024-25. If the colleges did not exist, these impacts would not have been generated in Santa Clara County.

FHDA's impact by industry (jobs supported)



1,197

Health Care & Social Assistance



993

Professional & Technical Services



836

Other Services (except
Public Administration)



766

Arts, Entertainment, & Recreation



749

Retail Trade

The **\$1.7 billion** total impact supported **11,293 county jobs**.



Investment analysis



An investment analysis evaluates the costs associated with a proposed venture against its expected benefits. The analysis presented here evaluates FHDA as an investment from the perspectives of students, taxpayers, and society in California. As with the economic impact analysis, this analysis considers only FY 2024-25 activities.

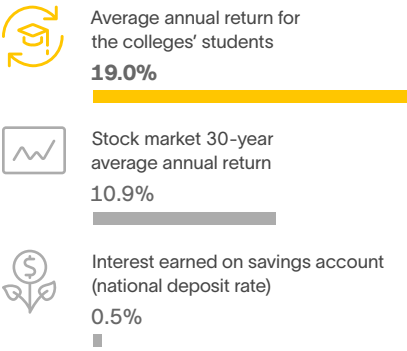
Student perspective

 In FY 2024-25, the colleges served an unduplicated headcount of 52,753 students. In order to attend the colleges, the students paid for tuition, fees, books, and supplies. They also took out loans and will incur interest on those loans. Additionally, students gave up money they would have otherwise earned had they been working instead of attending college. The total investment made by FHDA students in FY 2024-25 amounted to a present value of \$244.6 million, equal to \$75.1 million in out-of-pocket expenses (including future principal and interest on student loans) and \$169.5 million in forgone time and money.

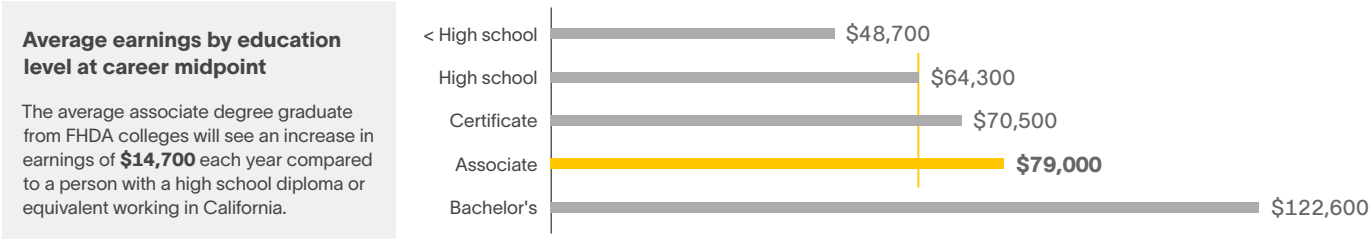
In return for their investment, FHDA's students will receive a stream of higher future earnings that will continue to grow throughout their working lives. For example, the average associate degree graduate from the colleges in FY 2024-25 will see annual earnings \$14,700 higher than a person with a high school diploma or equivalent working in California. Over a working lifetime, the benefits of an associate degree over a high school diploma will amount to an undiscounted value of \$602,700 in higher earnings per graduate. The present value of the cumulative higher future earnings that FHDA's FY 2024-25 students will receive over their working careers is \$1.6 billion.

The students' benefit-cost ratio is 6.5. In other words, for every dollar students invest in an education at FHDA in the form of out-of-pocket expenses and forgone time and money, they will receive a cumulative value of \$6.50 in higher future earnings.

Students see a high rate of return for their investment in FHDA



Source: Forbes' S&P 500, 1994-2025; FDIC.gov, January 2024



Average earnings by education level at career midpoint

The average associate degree graduate from FHDA colleges will see an increase in earnings of **\$14,700** each year compared to a person with a high school diploma or equivalent working in California.

Source: Lightcast employment data

Annually, the students' investment in FHDA has an average annual internal rate of return of 19.0%, which is impressive compared to the U.S. stock market's 30-year average rate of return of 10.9%.

Taxpayer perspective



FHDA generates more in tax revenue than it receives. These benefits to taxpayers consist primarily of taxes that the state and local government will collect from the added revenue created in the state. As FHDA's students will earn more, they will make higher tax payments throughout their working lives. Students' employers will also make higher tax payments as they increase their output and purchases of goods and services. By the end of the FY 2024-25 students' working lives, the state and local government will have collected a present value of \$702.4 million in added taxes.

Benefits to taxpayers will also consist of savings generated by the improved lifestyles of students attending FHDA and the corresponding reduced government services. Education is statistically correlated with a variety of lifestyle changes. The education that FHDA students receive will generate savings in three main categories: 1) health care, 2) justice system, and 3) income assistance. Improved health will lower students' demand for national health care services. In addition, costs related to the justice system will decrease. FHDA's students will be more employable, so their reduced demand for income assistance such as welfare and unemployment benefits will benefit taxpayers. For a list of study references, contact FHDA for a copy of the main report. Altogether, the present value of the benefits associated with an education through FHDA will generate \$59.1 million in savings to state and local taxpayers.

Total taxpayer benefits amount to \$761.5 million, the present value sum of the added tax revenue and public sector savings. Taxpayer costs are \$240.2 million, equal to the amount of state and local government funding FHDA received in FY 2024-25. These benefits and costs yield a benefit-cost ratio of 3.2. This means that for every dollar of public money invested in FHDA in FY 2024-25, taxpayers will receive a cumulative present value of \$3.20 over the course of the students' working lives. The average annual internal rate of return for taxpayers is 7.5%, which compares favorably to other long-term investments in the public sector.

For every dollar of public money invested in FHDA, taxpayers will receive a cumulative value of **\$3.20** over the course of the students' working lives.

Social perspective



Society as a whole in California benefits from the presence of FHDA in two major ways. Primarily, society benefits from an increased economic base in the state. This is attributed to the added income from students' increased lifetime earnings (added student income) and increased business output (added business income), which raise economic prosperity in California.

Benefits to society also consist of the savings generated by the improved lifestyles of FHDA's students. As discussed in the previous section, education is statistically

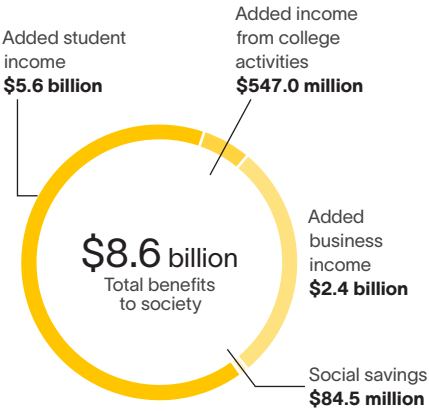


correlated with a variety of lifestyle changes that generate social savings. Note that these costs are avoided by the consumers but are distinct from the costs avoided by the taxpayers outlined above. Health care savings include avoided medical costs associated with smoking, obesity, substance abuse, and depression. Justice system savings include avoided costs to the government and society due to less judicial activity. Income assistance savings include reduced welfare and unemployment claims. For a list of study references, contact FHDA for a copy of the main report.

Altogether, the social benefits of FHDA equal a present value of \$8.6 billion. These benefits include \$5.6 billion in added student income, \$2.4 billion in added business income, \$547.0 million in added income from college activities, as well as \$84.5 million in social savings related to health, the justice system, and income assistance in California. People in California invested a present value total of \$585.5 million in FHDA in FY 2024-25. The cost includes all the colleges’ expenditures and student costs.

The benefit-cost ratio for society is 14.6, equal to the \$8.6 billion in benefits divided by the \$585.5 million in costs. In other words, for every dollar invested in FHDA, people in California will receive a cumulative value of \$14.60 in benefits. The benefits of this investment will occur for as long as FHDA’s FY 2024-25 students remain employed in the state workforce.

Social benefits in California from FHDA



Source: Lightcast impact model

Summary of investment analysis results

The results of the analysis demonstrate that FHDA is a strong investment for all three major stakeholder groups—students, taxpayers, and society. As shown, students receive a great return for their investments in an education through the colleges. At the same time, taxpayers’ investment in FHDA returns more to government budgets than it costs and creates a wide range of social benefits throughout California.

Summary of investment analysis results

 Student perspective		 Taxpayer perspective		 Social perspective	
Present value benefits \$1.6 billion		Present value benefits \$761.5 million		Present value benefits \$8.6 billion	
Present value costs \$0.2 billion		Present value costs \$240.2 million		Present value costs \$0.6 billion	
Net present value \$1.3 billion		Net present value \$521.3 million		Net present value \$8.0 billion	
Benefit-cost ratio	Rate of return	Benefit-cost ratio	Rate of return	Benefit-cost ratio	Rate of return
6.5	19.0%	3.2	7.5%	14.6	n/a*

* The rate of return is not reported for the social perspective because the beneficiaries are not necessarily the same as the original investors.

Conclusion

*The results of this study demonstrate that FHDA creates value from **multiple perspectives**.*

The colleges benefit businesses in the county by increasing consumer spending in the county and supplying a steady flow of qualified, trained workers to the workforce. FHDA enriches the lives of students by raising their lifetime earnings and helping them achieve their individual potential. The colleges benefit state and local taxpayers through increased tax receipts and a reduced demand for government-supported social services. Finally, FHDA benefits society as a whole in California by creating a more prosperous economy and generating a variety of savings through the improved lifestyles of students.

About the study

Data and assumptions used in the study are based on several sources, including the FY 2024-25 academic and financial reports from FHDA, industry and employment data from the U.S. Bureau of Labor Statistics and U.S. Census Bureau, outputs of Lightcast's Multi-Regional Social Accounting Matrix model, and a variety of studies and surveys relating education to social behavior. The study applies a conservative methodology and follows standard practice using only the most recognized indicators of economic impact and investment effectiveness. For a full description of the data and approach used in the study, please contact the FHDA system for a copy of the main report.



Lightcast provides colleges and universities with labor market data that help create better outcomes for students, businesses, and communities. Our data, which cover more than 99% of the U.S. workforce, are compiled from a wide variety of government sources, job postings, and online profiles and résumés. Hundreds of institutions use Lightcast to align programs with regional needs, drive enrollment, connect students with in-demand careers, track their alumni's employment outcomes, and demonstrate their institution's economic impact on their region. Visit lightcast.io/solutions/education to learn more or connect with us.