

Economic Impact of George Mason University

*on the Commonwealth of Virginia,
Northern Virginia, and its host jurisdictions*



by

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October 2013

Total Impact of George Mason University

The total economic impact of George Mason University on the economy of Northern Virginia¹ in FY2012 was 1.14 billion, and the university's presence supported 11,618 full-time equivalent (FTE) jobs in the region. Fairfax County², which hosts the university's main campus, was the primary beneficiary of its impacts, as it experienced \$706 million in economic activity related to the university, supporting 4,972 jobs. The other two jurisdictions that host campuses—Prince William³ (\$116 million, 964 jobs) and Arlington (\$93 million, 240 jobs)—also realized significant benefits from the university's presence. The university's activities also generate a significant amount of economic activity in other parts of Virginia. The university's cumulative impact on the Virginia economy during FY2012 was \$1.56 billion in total output and 16,023 jobs.

Figure 1.

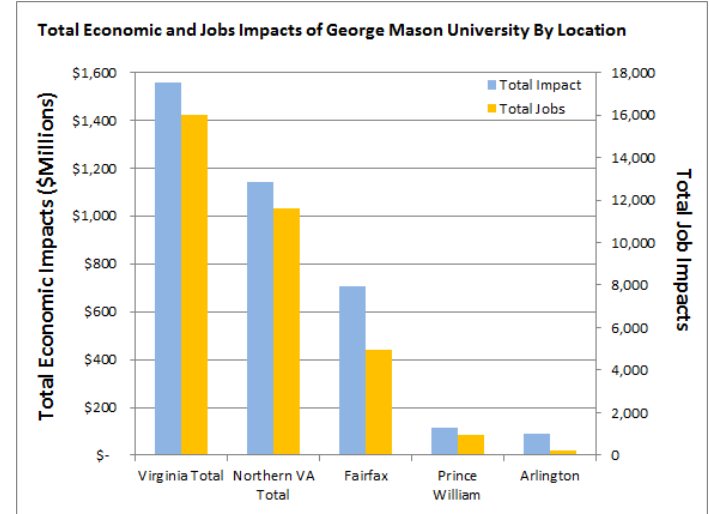


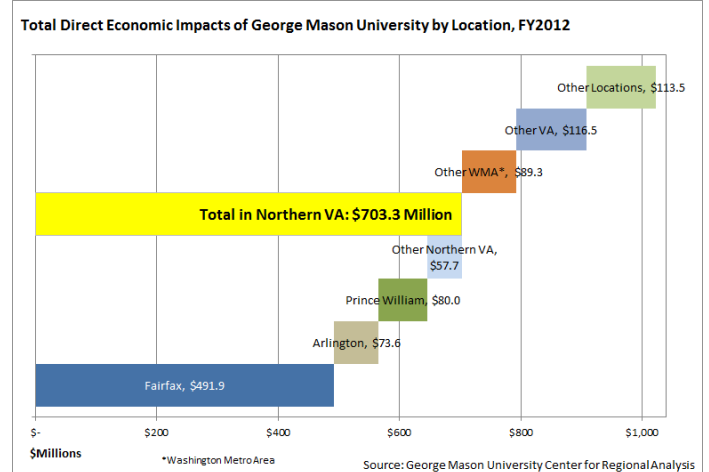
Table 1. Total Economic Impact by Location and Type

	Wages and Benefits			Procurement	Capital	Vendors (Payroll)	Student Spending	Visitor Spending	Foundation Spending	Total Impacts						
Fairfax	\$	368.57	\$	65.91	\$	29.65	\$	10.63	\$	202.77	\$	13.86	\$	14.13	\$	705.53
Arlington		57.07		5.11		0.01		0.39		15.31		-		14.61		92.50
Prince William		71.99		4.54		1.53		3.67		34.18		0.05		0.40		116.35
Northern VA Total	\$	632.87	\$	102.09	\$	36.85	\$	19.27	\$	298.17	\$	15.48	\$	38.47	\$	1,143.19
WMA* Total		840.84		143.39		74.81		24.53		346.32		17.14		51.30		1,498.33
Virginia Total	\$	747.50	\$	169.55	\$	209.65	\$	24.52	\$	344.09	\$	17.97	\$	45.04	\$	1,558.32

* WMA = Washington Metropolitan Area

George Mason University's economic impacts begin with the direct spending by the university, its students, and affiliated enterprises. During FY2012 the total amount of direct spending attributable to Mason was \$1.02 billion. About \$793 million of total direct spending (78 percent) remained within the WMA, and \$703 million (69 percent) was spent in Northern Virginia. Within Northern Virginia, Mason accounted for \$492 million in direct spending in Fairfax, \$80 million in Prince William, \$74 million in Arlington, and \$58 million in other jurisdictions.

Figure 2.



¹ Defined as the portion of the Washington metropolitan area (WMA) located in Virginia.

² Includes the independent cities of Fairfax and Falls Church.

³ Includes the independent cities of Manassas and Manassas Park.

Table 2. Total Jobs Impacts by Location and Type

	Wages and Benefits	Procurement	Capital	Vendors (Payroll)	Student Spending	Visitor Spending	Foundation Spending	Total Impacts
Fairfax	2,577	537	145	74	1,418	106	115	4,972
Arlington	126	21	0	1	34	-	59	240
Prince William	598	40	8	30	284	0	4	964
Northern VA Total	6,423	1,114	282	196	3,026	158	420	11,618
WMA* Total	8,988	1,617	601	262	3,702	198	579	15,948
Virginia Total	7,872	1,899	1,680	258	3,624	185	504	16,023

* WMA = Washington Metropolitan Area

Figure 3.

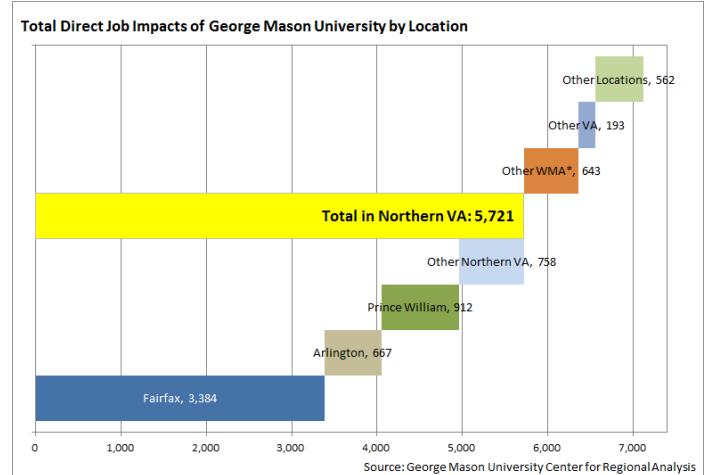


Figure 4.

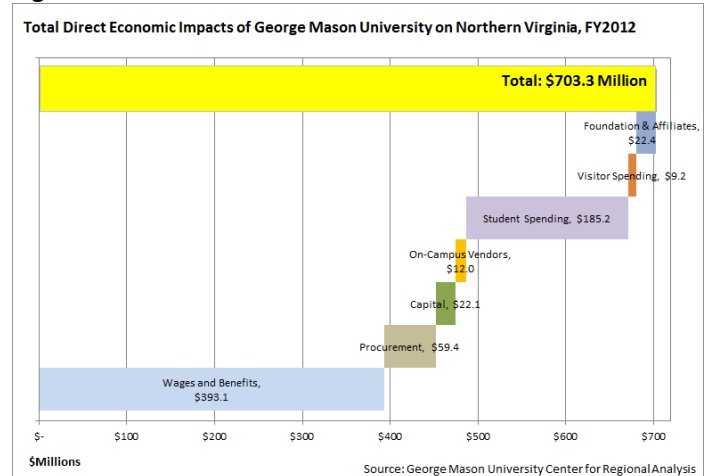


Table 3. George Mason University Direct Economic Impact Summary, FY2012

	Wages and Benefits	Procurement	Capital	On-Campus Vendors	Student Spending	Visitor Spending	Foundation & Affiliates	Total Impacts
Fairfax	\$ 259.56	\$ 43.08	\$ 20.59	\$ 7.49	\$ 142.80	\$ 9.18	\$ 9.23	\$ 491.93
Arlington	46.03	3.87	0.01	0.31	12.35	-	11.07	73.64
Prince William	49.65	2.98	0.99	2.53	23.57	0.03	0.26	80.02
Other Northern VA	37.85	9.41	0.48	1.64	6.48	-	1.80	57.67
Northern VA Total	\$ 393.09	\$ 59.35	\$ 22.07	\$ 11.97	\$ 185.20	\$ 9.21	\$ 22.36	\$ 703.25
Other WMA*	56.56	10.60	18.37	1.15	-	-	2.66	89.33
WMA Total	\$ 449.65	\$ 69.95	\$ 40.44	\$ 13.12	\$ 185.20	\$ 9.21	\$ 25.02	\$ 792.58
Other Virginia	9.23	25.42	80.45	1.23	-	-	0.15	116.48
Other Locations	26.02	64.62	9.32	0.55	-	-	12.98	113.49
University Total	\$ 484.90	\$ 159.99	\$ 130.21	\$ 13.67	\$ 185.20	\$ 9.21	\$ 38.16	\$ 1,021.34

* WMA = Washington Metropolitan Area

George Mason University has facilities located throughout the Northern Virginia region. Beyond its three campuses—Fairfax, Arlington, and Prince William—the university also maintains a variety of instructional, research, and outreach facilities. This includes the Mason Enterprise Center’s locations in Fairfax, Leesburg, and Manassas, the Community Business Partnership in Springfield, a classroom facility in Loudoun, the Herndon Training Center at the Center for Innovative Technology, and the Smithsonian-Mason School of Conservation in Front Royal.

1. Virginia

2. Northern Virginia

3. George Mason University Host Counties

- **Fairfax** – includes Fairfax County and the independent cities of Fairfax and Falls Church
- **Arlington** – includes Arlington county
- **Prince William** – includes Prince William County and the independent cities of Manassas and Manassas Park.

In addition to the 17 jurisdictions in Northern Virginia, the WMA includes seven additional jurisdictions: the District of Columbia, five counties in Maryland, and Jefferson County, West Virginia.

George Mason University Locations

This map illustrates the geographical distribution of George Mason University's campuses and facilities across Northern Virginia and the Washington Metro Area. The map includes the following details:

- Geographic Scope:** The map covers parts of Virginia (W.V., Jefferson, Loudoun, Clarke, Warren, Rappahannock, Fauquier, Culpeper, Stafford, Spotsylvania) and Maryland (Frederick, Montgomery, D.C., Alex., Charles).
- Legend:**
 - Host Counties:** Indicated by a red outline.
 - Northern VA Region:** Shaded in yellow.
 - Washington Metro Area:** Shaded in gray.
- Campuses and Facilities:**
 - Arlington Campus:** Located in Arlington, VA.
 - Prince William Campus:** Located in Prince William, VA.
 - Fairfax Campus:** Located in Fairfax, VA.
 - Other locations:** MEC-Leesburg, Loudoun, Mason in Loudoun, Herndon Training Center, Fairfax Innovation Ctr, Smithsonian-Mason, and Community Business Partnership.
- Infrastructure:** Major highways (I-81, I-66, I-270, I-495, I-95) and the Potomac River are shown.
- Scale and Orientation:** A scale bar (0 to 32 miles) and a north arrow are included.

Wages and Benefits

George Mason University employed 9,718 people in FY2012, of whom 4,015 worked full-time, 2,314 worked part-time, and 3,389 were students. Assuming that part-timers work an average of 20 hours per week and students work 15 hours per week, Mason employs a total of 6,443 full-time equivalent (FTE) workers. About 88 percent of its employees work at the Fairfax campus, with six percent based in Prince William, five percent in Arlington, and less than one percent in all other locations.

The impacts of Mason employees are measured by where they live, as their housing expenditures and most of their retail and service purchases occur there. About 79 percent of Mason employees live in Northern Virginia, including 45 percent in Fairfax, 10 percent in Arlington, 12 percent in Prince William, and 12 percent in other areas. Nine percent of Mason employees live in the other sections of the WMA (Washington, DC, Suburban Maryland, or Jefferson County, WV), and the remaining 12 percent live outside the WMA.

The university paid a total of \$362.3 million in salaries to its employees in FY2012, of which 81 percent was paid to Northern Virginia residents, including 53 percent to Fairfax residents. Residents of Arlington and Prince William each accounted for about 10 percent of earnings. Another 11 percent was paid to other WMA residents and the remaining eight percent to other locations.

Another related source of earnings is supplemental income by its instructional and research faculty. Faculty members typically earn non-salary income from outside sources like consulting, lecture fees, publishing royalties. National research suggests that the typical instructional and research faculty member earns an average of 20 percent above base earnings from these sources. By this measure, it is estimated that Mason faculty members earned an additional \$29.1 million in supplemental income during, FY2012, of which \$22.0 million was earned by residents of Northern Virginia.

In addition to the direct wages paid to employees, the university also provides fringe benefits to all of its full-time and many of its part-time employees. These benefits include health, disability, and unemployment insurance premiums, as well as retirement contributions and flexible spending accounts. Since some of these funds go into deferred compensation accounts, they do not have the direct impacts on the economy as do wages, but they do support state unemployment insurance programs and the financial institutions that manage retirement accounts. In FY2012 the university spent a total of \$93.5 million on employee benefits, with a similar geographic distribution as wages. These benefits include current year retirement benefits paid to the university's estimated 685 living retirees. Most of these retirees (66 percent) reside in Northern Virginia.

Table 4. University Employment by Job Location, FY2012

	Full-Time	Part-Time	Students	Total
Fairfax	3,604	1,852	3,103	8,560
Arlington	183	155	181	519
Prince William	181	279	93	553
Other*	46	28	12	86
University Total	4,015	2,314	3,389	9,718

* Includes Loudoun and Herndon sites, plus remote employees

Table 5. University Employment by Employee Residence FY2012

	Full-Time	Part-Time	Students	Total
Fairfax	2,078	988	1,326	4,391
Arlington	390	223	322	934
Prince William	503	394	287	1,184
Other Northern VA	328	199	673	1,200
Northern VA Total	3,298	1,804	2,608	7,710
Other WMA*	409	201	199	808
WMA Total	3,707	2,004	2,807	8,518
Other Virginia	98	92	-	190
Other Locations	210	217	582	1,010
University Total	4,015	2,314	3,389	9,718

* WMA = Washington Metropolitan Area

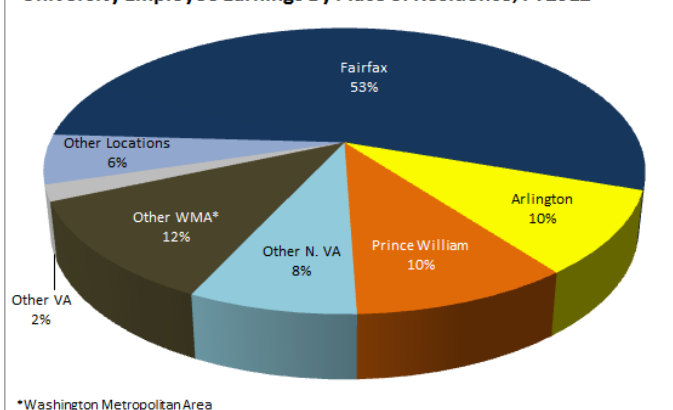
Table 6. University Wages and Current Period Benefits By Employee Residence, FY 2012

	Base Wages	Faculty Supp.	Benefits	Total
Fairfax	\$ 192.8	\$ 16.4	\$ 50.4	\$ 259.6
Arlington	34.6	2.7	8.7	46.0
Prince William	37.7	1.7	10.3	49.6
Other Northern VA	29.1	1.2	7.5	37.9
Northern VA Total	\$ 294.2	\$ 22.0	\$ 76.9	\$ 393.1
Other WMA*	40.7	5.2	10.6	56.6
WMA Total	\$ 334.9	\$ 27.2	\$ 87.5	\$ 449.6
Other Virginia	6.9	0.4	2.0	9.2
Other Locations	20.5	1.5	4.1	26.0
University Total	\$ 362.3	\$ 29.1	\$ 93.5	\$ 484.9

\$s in millions

* WMA = Washington Metropolitan Area

Figure 6. University Employee Earnings By Place of Residence, FY2012



Procurement

George Mason University spent a total of \$290.2 million on procurement during FY2012. Among the four major categories of procurement, current year Capital expenses, at 45 percent, represented the largest share of all procurement spending, followed by Services (31 percent). Goods (16 percent) and Leases, Rentals & Utilities (8 percent) accounted for far smaller shares of spending.

The locations of vendors were determined by making reasonable assumptions about how and where vendors do business. For vendors with billing addresses in the WMA, it was assumed that all business activity was performed at the billing location. For each vendor located outside the WMA region, it was documented whether or not the company had a local sales or service office and made assumptions regarding how much, if any, of the business activity generated by the university's procurement spending was likely to have been within the WMA and, if so, in which jurisdiction(s).

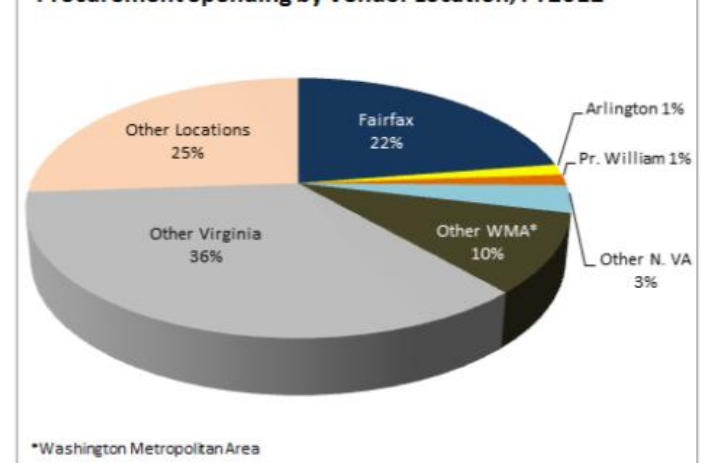
Just 29 percent of the university's procurement spending stayed within Northern Virginia. Of this amount the majority was spent in Fairfax (22 percent); Arlington and Prince William received just one percent apiece of procurement dollars. Another 10 percent of procurement spending occurred in other parts of the WMA, so 39 percent of total procurement spending was to vendors within the metro area. Another 36 percent of procurement was to vendors located elsewhere in Virginia, so a total of 65 percent of this spending remained within Virginia. The remaining 25 percent was to vendors located outside of the both the WMA and the Commonwealth of Virginia.

Table 7. George Mason University Procurement Spending By Category and Location, FY2012

	Goods	Services	Leases, Rentals & Utilities	Capital	Total
Fairfax	\$ 1.3	\$ 36.4	\$ 5.3	\$ 20.6	\$ 63.7
Arlington	0.0	3.9	0.0	0.0	3.9
Prince William	0.6	1.2	1.2	1.0	4.0
Other Northern VA	0.8	6.7	1.9	0.5	9.9
Northern VA Total	\$ 2.7	\$ 48.2	\$ 8.5	\$ 22.1	\$ 81.4
Other WMA*	1.1	8.6	1.0	18.4	29.0
WMA Total	\$ 3.8	\$ 56.7	\$ 9.4	\$ 40.4	\$ 110.4
Other Virginia	6.0	11.6	7.8	80.5	105.9
Other Locations	36.1	22.8	5.8	9.3	73.9
University Total	\$ 45.9	\$ 91.0	\$ 23.1	\$ 130.2	\$ 290.2

* WMA = Washington Metropolitan Area

Figure 7. Procurement Spending by Vendor Location, FY2012



The shares of local versus non-local spending differ significantly among the four major categories. For Services, which typically are performed on-site at one of the university's campuses, 53 percent of spending was within Northern Virginia. By contrast, just six percent of spending on Goods was within Northern Virginia. Since Goods purchases depend on the locations of manufacturers, and the region's manufacturing base is small, there are in many cases no local vendors that can provide the goods needed by the university. Additionally, few of purchases related to research—books, scientific equipment, raw materials, etc.—are available within the region, and must be purchased from outside vendors. More procurement spending for Leases, Rentals, and Utilities (37 percent within Northern Virginia) and Capital⁴ (17 percent) stays within the region than for Goods, but a majority of each category still goes to vendors outside the region.

The “leakage” of sales to vendors located outside the region creates ongoing opportunities for businesses that are currently located or may want to locate in Northern Virginia, as Mason's operations require many of these goods and services year after year.

⁴ Capital spending impacts are based on the location of contractors, and not the location of projects.

On-Campus Vendors

Several private vendors operate on George Mason University's campuses under contracts with the university. These vendors provide food services, transportation, books, and shipping to students and the university community. Sodexo, which manages most of the on-campus dining operations, accounts for about 75 percent of the total business volume conducted by such vendors. Other prominent vendors include Barnes & Noble, UPS, Standard Parking, and Reston Limousine.

Vendors operating on Mason campuses spent \$35.9 million on all payroll and operating expenses in FY2012. The shares of students as percentages of total daily populations on each campus were applied to on-campus spending to determine that \$27.9 million (78 percent) of on-campus spending was from Mason students. The remaining \$8.0 million (\$22 million) was by staff and visitors.

On-campus vendors supported a total of 595.6 FTE jobs, with a total payroll of \$14.9 million. About 80 percent of vendor employees live in Northern Virginia, so 478.8 of the FTE jobs and \$12.0 million of the payroll go to residents of the region. Fairfax (299.4 FTE jobs, \$7.5 million payroll) and Prince William (101.2 FTE jobs, \$2.5 million payroll) are the primary locations of the employees of on-campus vendors. Though vendors do make significant contributions to the regional economy, they mostly support low-wage jobs. The average wage per FTE job among on-campus vendors in FY2012 was just \$25,005.

Among the \$21.4 million in operating expenses it is unknown how much was spent within the region, so these expenses are not counted as direct impacts of the university.

Table 8. Payroll Impacts of On-Campus Vendors

	FTE Jobs	Payroll
Fairfax	299.4	\$ 7.5
Arlington	12.5	\$ 0.3
Prince William	101.2	\$ 2.5
Other Northern VA	65.7	\$ 1.6
Northern VA Total	478.8	\$ 12.0
Other WMA*	45.9	\$ 1.1
WMA Total	524.7	\$ 13.1
Other Virginia	49.0	\$ 1.2
Other Locations	21.9	\$ 0.5
All Vendors	595.6	\$ 14.9

* WMA = Washington Metropolitan Area

Student Spending

Students at George Mason University impact local and regional economies by spending their money on housing, retail goods, dining, entertainment, and services. The magnitude and nature of these impacts depends on a number of inter-related factors.

The total student enrollment at George Mason University during the Fall 2012 semester was 32,961, including all types of students at all locations. The enrollment level dropped slightly to 32,557 in Spring 2013, a decrease of one percent. Summer enrollment is far smaller; total enrollment during the Summer 2012 term was 12,571. Among students in Fall 2012, 62 percent were enrolled full-time and 38 percent were part-time. Most undergraduates (79 percent) were full-time students, while most graduate, doctoral, and law students (67 percent) were only enrolled part-time.

About three quarters (76 percent) of students in Fall 2012 were primarily enrolled at the Fairfax campus. The Arlington and Prince William campuses each accounted for about eight percent of enrollment, and the other eight percent were either enrolled at other locations (Loudoun or Herndon), or were enrolled on a remote basis.

The majority of Mason's student body was already living in the WMA prior to enrolling at the university. For the Fall 2012 semester, 70 percent of incoming students had addresses within the metro area before they matriculated. These shares were virtually equal for both undergrad and graduate/professional/law students. It is assumed that the 30 percent of students who were not living in the region prior to enrolling moved to the area specifically to study at the university.

Only a small share of Mason students resides in on-campus housing. In Fall 2012 there were 5,748 students living in on-campus dorms or apartments, representing about 17 percent of total enrollment. Nearly all of these were undergraduates living on the Fairfax campus; only about 10 graduate students lived in the on-campus housing available at the Prince William campus.

All of the above characteristics of the university's student body affect how student spending impacts the local and regional economies. Full-time students who moved to the area specifically to attend Mason have the greatest impacts, as all of their expenditures in the area can be attributed to the university's presence. Full-time students who already lived in the area prior to enrollment have some spending impacts, but many live with their parents or other family members, so they may not impact the housing market—for the purposes of this report it is assumed that 35 percent of undergraduates who live off-campus reside live rent-free with family members⁵. Impacts are not measured in this analysis from part-time students, as it is assumed that they would have been living locally and spending money whether or not they were enrolled at Mason.

Table 9. George Mason University Student Enrollment, All Campuses By Level, Status, and Term

	Summer 2012	Fall 2012	Spring 2013	Average
Undergraduate	7,626	20,653	20,476	16,252
Full-Time	579	16,265	15,806	10,883
Part-Time	7,047	4,388	4,670	5,368
Graduate/Doctoral	4,945	12,308	12,081	9,778
Full-Time	415	4,032	3,961	2,803
Part-Time	4,530	8,276	8,120	6,975
Total	12,571	32,961	32,557	26,030
Full-Time	994	20,297	19,767	13,686
Part-Time	11,577	12,664	12,790	12,344

Figure 8. University Enrollment by Campus, Fall 2012 Semester

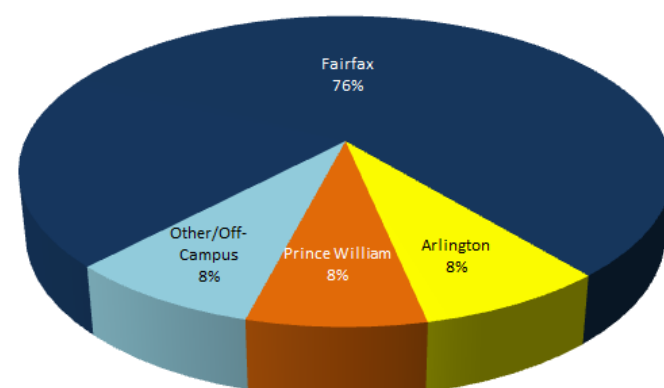
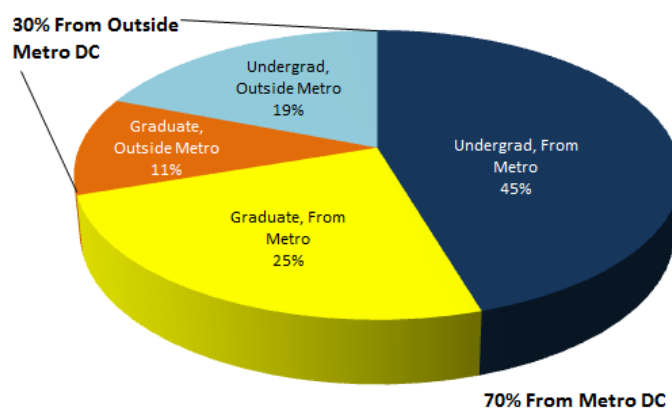


Figure 9. University Enrollment by Level and Residence Prior to Enrollment, Fall 2012 Semester



⁵ Estimate by Office of Institutional Research & Reporting

George Mason University has never conducted a survey of its students' spending patterns, so data on student spending were assembled from several other sources. These include: the university's internal financial aid data on cost of attendance; surveys of students at University of Florida (2010), University of Maryland (2007), and University of Virginia (2005); and several national research studies on student spending. CRA aggregated the results of these data and adjusted them to 2013 dollars using the CPI-U.

Based on this methodology, it is estimated that full-time students at George Mason University spend an average of \$736 per month (about \$8,800 per year) on all retail, dining, entertainment, services, transportation, and health purchases within the local economy. On-campus residents are assumed to spend less than other students, as most of their meal spending occurs on campus, so it is already measured in the direct impacts of the university's operations.

George Mason University students are estimated to have spent a total of \$119.0 million on all non-housing purchases in Northern Virginia during FY2012. As documented in the On-Campus Vendors section this amount includes \$27.9 million in spending at on-campus businesses. After removing these on-campus purchases, students accounted for \$91.1 million in non-housing purchases in the area in FY2012.

The largest share of student spending was for Retail and Other Goods, which alone produced \$35.8 million in sales during FY2012 (39 percent of student spending). Dining and Groceries (24 percent) and Entertainment (17 percent) also accounted for significant shares of spending. The remaining categories were Services (8 percent), Transportation (6 percent), and Health (6 percent).

Mason students also impact the region's housing market. The average full-time student living in paid, off-campus housing is estimated to spend \$750 per month; this figure accounts for the fact that many students live in roommate or other shared housing situations. There were 10,453 students in this category during FY2012, so the total impact on the housing market was \$94.1 million.

The combination of student spending for consumer goods and services and housing in Northern Virginia totaled \$185.2 million in FY2012. Of this amount \$142.8 million (77 percent) was spent in Fairfax, \$23.6 million (13 percent) in Prince William, and \$12.3 million in Arlington (7 percent). The remaining \$6.5 million was spent in other parts of the region.

Table 10. Full-Time Student Spending by Major Category and Location, FY2012
Excludes spending at on-campus businesses

Category	Fairfax	Arlington	Prince William	Other Locations	Total Spending
Goods & Services					
Dining and Groceries	\$ 12.7	\$ 3.2	\$ 4.5	\$ 1.1	\$ 21.4
Entertainment	13.1	0.4	1.5	0.2	15.3
Services	6.2	0.4	0.7	0.2	7.6
Health	4.3	0.5	0.5	0.2	5.5
Transportation	3.8	0.7	0.8	0.4	5.6
Retail & Other Goods	30.4	1.2	3.5	0.7	35.8
Subtotal	\$ 70.5	\$ 6.4	\$ 11.5	\$ 2.7	\$ 91.1
Housing	72.3	6.0	12.0	3.8	94.1
Grand Total	\$ 142.8	\$ 12.3	\$ 23.6	\$ 6.5	\$ 185.2

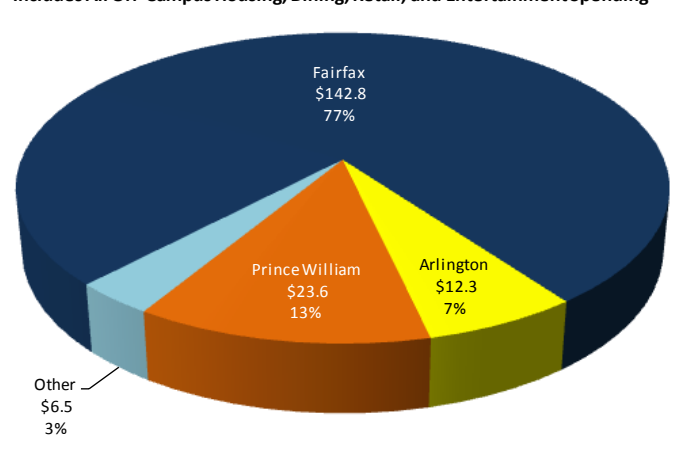
\$s in millions

Table 11. George Mason University Student Housing Spending
Based on Fall 2012 Enrollment

	Fairfax	Arlington	Prince William	Other Locations	Total Spending
Monthly Average per Student	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750
Annual Average per Student	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000
Off-Campus, Full-Time Students					
Undergraduate*	5,687	26	1,095	68	6,875
Graduate	2,342	638	244	354	3,578
Total	8,029	664	1,339	422	10,453
Total Housing Spending (\$M)	\$ 72.3	\$ 6.0	\$ 12.0	\$ 3.8	\$ 94.1

*Assumes that 35% of off-campus undergraduates do not pay for housing.

Figure 10.
Student Spending by Location (\$M), FY2012
Includes All Off-Campus Housing, Dining, Retail, and Entertainment Spending



Visitor Spending

George Mason University and its facilities welcome hundreds of thousands of visitors each year. Visitors to the university's campuses come for many reasons, including admissions visits, conferences, summer camps, orientation, graduations, athletic events, arts and music performances, and academic research. These visitors all impact the local and regional economies by generating spending at hotels, restaurants, and retailers in the area.

While it is not possible to accurately measure the total number of visitors or their spending impacts, economic impacts are presented for several key categories of visitors: orientation, camps and conferences, admissions visits, Mason Inn, and events at the Patriot Center, Center for the Arts, and Hylton Center for the Performing Arts. Combining all of these categories, it is estimated that the university hosted more than 800,000 visitor days⁶ during FY2012.

The vast majority (about 90 percent) of visitation to Mason's campuses was for events at the Patriot Center, Center for the Arts, or Hylton Center. According to estimates by each facility's management, about 93 percent of all attendees at these facilities' events were residents of the WMA, though. It is assumed that these residents would have spent the same amount of money on other recreational activities in the region if these facilities did not exist, so the spending impacts of local residents are not counted. In spite of this, these facilities do generate localized benefits in their surrounding areas, as evidenced by recent commercial revitalization activity in both Fairfax and Manassas.

Another source of activity is from visiting athletic teams competing against Mason's teams or in on-campus tournaments. Though there are no statistics available on these groups, Mason's own spending on its athletics travel is assumed to be a reasonable proxy for this amount. In FY2012 Mason's athletic teams spent a total of \$45,000 on lodging and meals related to their travel, so this amount is assumed to be the impact of visiting teams to the Fairfax campus. The Athletics Department reports that few visiting teams stay at the Mason Inn, and instead stay in off-campus hotels, due mainly to the fact that the Mason Inn does not participate in a national hotel rewards program. As such, these spending impacts are not redundant with those of the Mason Inn. Other travel expenses such as airfare and vehicle rental do not typically occur in the final destinations, so they are not counted.

Admissions visits also generate visitor activity to Mason's campuses. The Office of Admissions estimates that 20,439 people visited the Fairfax Campus during FY2012, of which 43 percent (8,789) traveled from outside of Virginia. These visitors are assumed to spend an average of one night in the local area.

A final source of visitor spending is related to academic conferences, meetings, research activities, and executive education programs through the Mason Enterprise Center (MEC). During FY2012 the Office of Global and International Strategies reported visits to Mason by 39 separate international delegations from 18 different countries, led by China and Korea. Since the volume of these visitors is not known, they cannot be counted as direct impacts.

The university generated an estimated total of 117,660 non-resident visitor days during FY2012. These visitors collectively spent an estimated \$9.21 million on lodging, dining, shopping, and other expenses related to their visits. Nearly this entire amount was spent around the Fairfax campus, with the Mason Inn being the largest generator of visitor spending impacts. Since few visitors to the three event venues came from outside the region, their collective spending impacts were less than \$600,000. Event performers at these venues are estimated to have spent an additional \$257,000 in the area on lodging and dining related to their visits.

Table 12. University Visitor Spending, FY2012

	Visitor Nights		Visitor Spending	
	From Outside		From Outside	
	Total	WMA ¹	Total	WMA ¹
Orientation (Overnight only)	1,500	1,500	\$ 0.30	\$ 0.30
Summer Camps/Conferences	35,531	35,531	\$ 1.58	\$ 1.58
Admissions Visits	20,439	8,789	\$ 4.09	\$ 1.76
Mason Inn	34,000	22,440	\$ 8.15	\$ 4.94
Patriot Center ²	463,689	37,100	\$ 5.01	\$ 0.40
Center for the Arts	203,975	10,200	\$ 3.06	\$ 0.15
Hylton Center	69,847	2,100	\$ 1.05	\$ 0.03
Visiting Athletic Teams	na	na	\$ 0.05	\$ 0.05
Totals	828,981	117,660	\$ 23.28	\$ 9.21

\$s in millions

¹ Washington Metropolitan Area

² Includes high school graduations and other non-ticketed events

⁶ Defined as one day spent locally by one person. For example, if one person spends 10 days in the area, it counts as 10 visitor days.

University Foundation Spending

Though it is not directly affiliated with the university, the non-profit George Mason University Foundation supports the university's capital and operating needs. The Foundation's funds originate from private gifts, which include endowments, real estate, and direct contributions. During FY2012 the Foundation spent a total of \$43.3 million, of which \$16.0 million was transferred directly to the university to be spent on employee salaries, scholarships, or other expenses. This spending is not measured here, as it is already counted as part of the university's direct spending.

The Foundation spent a total of \$27.3 million in non-university expenditures during FY2012. More than three quarters of these expenditures were for Transfers, Fees or Other (42 percent) or Grants and Scholarships (34 percent). The remaining expenditures were classified as Services (17 percent), Honoraria (4.4 percent), and Services (2.1 percent).

Most of the Foundation's outside spending (\$17.2 million, or 63 percent) remained within Northern Virginia. The greatest share (32 percent) was in Arlington, followed by Fairfax (29 percent), but only 0.5 percent of outside Foundation spending was in Prince William. About one-third of the Foundation's non-university spending (\$9.1 million) occurred outside of Virginia or the WMA. Most of this out-of-state spending (\$7.0 million) was in the Transfers, Fees, or Other category.

The university also has a separate Instructional Foundation, which had a budget of about \$2.3 million in FY2012. However, its funds were almost exclusively transferred to the university, so it does not significantly impact the area's economy.

Figure 11.
Foundation Spending by Location (\$M), FY2012
Includes only spending outside George Mason University

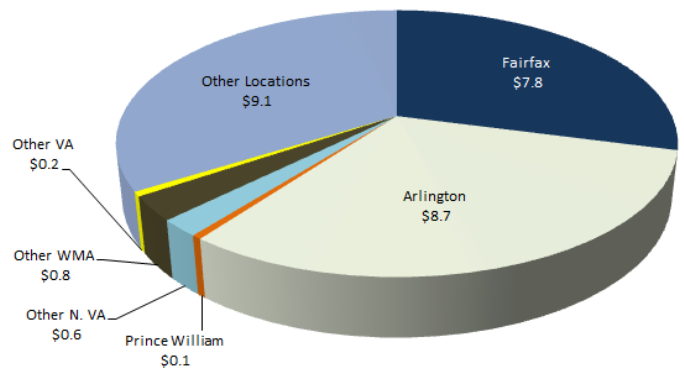


Table 13. George Mason University Foundation Expenditures, FY2012

Category	Fairfax	Arlington	Prince William	Other NoVa	Other WMA	Other Virginia	Other Locations	Total Spending
Paid to GMU								
Salaries and benefits	\$ 0.7	\$ 0.0	\$ 3.9	\$ 0.8	\$ 0.8	\$ 0.1	\$ 1.0	\$ 7.3
Scholarships	1.5	0.2	0.1	0.2	-	-	-	2.0
Other expenditures	5.9	0.6	0.4	0.9	0.6	0.8	1.6	10.6
Subtotal	\$ 5.1	\$ 0.4	\$ 4.1	\$ 1.4	\$ 1.4	\$ 0.9	\$ 2.5	\$ 16.0
Paid Outside GMU								
Grants and Scholarships	\$ 1.3	\$ 7.8	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.2	\$ 9.4
Honoraria	0.1	\$ 0.1	\$ 0.0	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.8	\$ 1.2
Goods	0.2	\$ 0.1	\$ 0.0	\$ 0.1	\$ 0.1	\$ 0.0	\$ 0.0	\$ 0.6
Services	2.0	\$ 0.7	\$ 0.0	\$ 0.3	\$ 0.6	\$ 0.1	\$ 1.0	\$ 4.7
Transfers, Fees, and Other	4.3	\$ 0.1	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 7.0	\$ 11.5
Subtotal	\$ 7.8	\$ 8.7	\$ 0.1	\$ 0.6	\$ 0.8	\$ 0.2	\$ 9.1	\$ 27.3
Grand Total	\$ 12.9	\$ 9.2	\$ 4.3	\$ 2.0	\$ 2.2	\$ 1.1	\$ 11.7	\$ 43.3

\$s in millions

University Enterprises and Affiliates

George Mason University, through its Office of Research and Economic Development, works with government agencies and businesses to contribute to the growth of Virginia's economy. The primary vehicle for the university's economic development activities is the Mason Enterprise Center (MEC). From its four locations throughout Northern Virginia MEC offers technical assistance, training, mentoring, and incubator services to startups and growing businesses. MEC works with more than 20,000 entrepreneurs each year to help them start or expand their businesses, and estimates that its services helped create or retain more than 10,000 jobs across the state in 2011. Since MEC is Virginia's federally-designated Small Business Development Center (SBDC), its activities are funded almost entirely via grants from the U.S. Small Business Administration.

From an economic impact standpoint, MEC wages, benefits, and operating costs are already reported as part of the university's impacts, so those cannot be counted separately. It can be argued that the positive impacts of MEC's business advisory services should not be counted either, as these would likely be provided by another operator if the university did not exist. However, there are three types of impacts related to MEC that can be attributed to Mason's involvement:

- **Incubator businesses:** MEC has taken the initiative to create a network of five business incubator facilities throughout the region—these did not exist before MEC became Virginia's official SBDC. For this reason, businesses that operated from an MEC incubator during FY2012 can be counted, as can active businesses that began in an MEC incubator. A survey of MEC's clients found that, between 2011 and 2012, these businesses increased their employment by 44 percent and their revenue by 30 percent.
- **Local investments in MEC facilities:** Local governments in Fairfax and Loudoun have each invested funds in the construction and maintenance of the facilities that house MEC's operations. These investments would not have been made if MEC had not been available as an end user.
- **Visitor impacts:** These impacts are discussed as part of visitor spending, and are not counted here.

In addition to the work of MEC, the Office also provides two other key types of economic development assistance. First, it collaborates with local governments in the region to improve business attraction and retention programs. Second, through its Office of Technology Transfer, it assists university faculty with obtaining patents and licenses that can then be applied to commercial activities. These impacts are very difficult to quantify, though, so they are not measured here.

Two affiliated organizations that are housed on Mason's campuses also contribute to the university's impacts:

- **American Type Culture Collection (ATCC)** – ATCC has maintained a repository of microorganisms for global research use since 1925, and has been affiliated with George Mason University since 1998. ATCC presently leases about 45,000 square feet of space in Discovery Hall on the Prince William Campus, where it conducts a variety of research and administrative functions. ATCC has its own independent facility located just off campus, where it maintains its repository, laboratory space, and all of its for-profit functions. In total, ATCC has 420 FTE employees and generates about \$90 million in annual revenues. While a portion of ATCC's activities can be attributed to Mason's presence in Prince William County, the exact Mason-related impacts of ATCC were not able to be quantified at this time.
- **Mercatus Center** – Mercatus is an economic policy research center that is housed on the Arlington Campus. While Mercatus is independently funded, it is explicitly affiliated with the university, and many of its researchers are also faculty members. Its impacts are thus limited to wages and benefits paid by the Center, and not Mason-related earnings. During FY2012 the Mercatus Center spent a total of \$10.8 million, of which \$5.1 million remained in Northern Virginia, and supported 64 jobs within the Northern Virginia region.

The university additionally hosts or is affiliated with a range of nonprofit organizations. These organizations are independent of the university, and therefore cannot be counted as part of the university's impacts. These include:

- **Association of Writers and Writing Programs (AWP)** – AWP is a nonprofit consortium of creative writing programs. AWP was founded in 1967, and was previously housed at other Old Dominion University. It moved to Mason in 1994, but is housed off-campus and remains independent. While it is affiliated with the university, if

Mason did not exist, the organization would find another location, most likely elsewhere in the Washington area and/or Virginia.

- **Osher Lifelong Learning Institute (OLLI)** – Created in 2000 by the Bernard Osher Foundation, OLLI provides continuing education for adults age 50 or older. The OLLI location at Mason is one of 117 similar centers across the country, and one of several in the Washington area and/or Virginia, along with American University, Hampton University, University of Maryland, and University of Virginia. It is very likely that OLLI would find another partner in Northern Virginia if Mason did not exist; its impacts therefore cannot be counted.
- **Mason Housing, Inc.** – This entity owns and operates the Masonvale housing complex in Fairfax. While Mason Housing does provide an important service to the university community, most of its budget is transferred to the university, so its impacts are already counted as part of the university's overall impacts.

Capital Outlays

Though impacts of George Mason University's FY2012 capital spending were already counted as part of the university's procurement activities, further discussion is warranted regarding the types of impacts generated by capital spending.

The university has invested more than \$726 million in the expansion and renovation of its physical facilities over the past five years, maintaining a relatively consistent level of capital outlays throughout the period. Projects undertaken since the beginning of FY2009 include: the Mason Inn, four new dormitory buildings with 1,500 beds, and the Rappahannock Parking Deck at the Fairfax Campus; Founders Hall at the Arlington Campus; the Hylton Center for the Performing Arts at the Prince William Campus; the Smithsonian-Mason School of Conservation in Front Royal; and the Campus Drive project that will ease travel between the east and west sides of the Fairfax Campus. Over the next decade Mason has plans for significant new capital investments, including additional dormitories in Fairfax, the redevelopment of the Arlington Original Building for instructional and housing uses, and the potential development of a Loudoun Campus.

These capital investments expand the university's capacity for a variety of academic, research, arts, and campus life activities, thus boosting the overall economic activity on and around its campuses. Also, during their construction periods these investments not only create and sustain jobs in the area, their multiplier effects reach manufacturers, suppliers, and retailers throughout Virginia.

Table 14. New Buildings and Facilities Constructed, FY2009-FY2013

Project	Approximate Cost	Location	Dorm Beds
Dormitories			
Eastern Shore Hall	51,800,000	Fairfax	200
Hampton Roads Hall	94,400,000	Fairfax	400
Housing 8B	18,800,000	Fairfax	300
Rogers & Whitetop Halls	55,700,000	Fairfax	600
Subtotal	220,700,000		1,500
Other Buildings			
Aquia Building	24,800,000	Fairfax	
Art & Design Building	27,200,000	Fairfax	
Beacon Hall	15,000,000	Pr. William	
Biomedical Research Lab	42,000,000	Pr. William	
Campus Drive Project	17,300,000	Fairfax	
Child Development Center	2,500,000	Fairfax	
Founders Hall	87,900,000	Arlington	
Hylton Performing Arts Center	46,000,000	Pr. William	
Mason Inn	53,200,000	Fairfax	
Nguyen Engineering Building	67,000,000	Fairfax	
Rappahanock Parking Deck	46,100,000	Fairfax	
Smithsonian-Mason School of Conservation	14,500,000	Front Royal	
Student Union I Addition	27,900,000	Fairfax	
University Hall	34,000,000	Fairfax	
Subtotal	505,400,000		
Total Capital Investments	726,100,000		