

March 2025



MISSISSIPPI STATE
UNIVERSITY™

2024 Impact Assessment

*Strengthening Mississippi through
Research and Innovation*

Prepared by Mississippi State University's NSPARC

Mississippi State University
2024 Impact Assessment
Strengthening Mississippi through Research and Innovation

March 2025

TABLE OF CONTENTS

Executive Summary	i
Summary of Methodology	ii
Summary of Findings	iii
Introduction	1
About MSU	1
Analytical Strategy	2
Utilization of Mississippi’s SLDS.....	2
Enhanced Collaboration	2
Modeling Software.....	3
Key Indicators Reported.....	3
IMPACT ASSESSMENT RESULTS	
Results: <i>University Employment and Operations</i>	5
Modeling Approach and Assumptions	5
Annual Impact of MSU’s Employment and Operations	5
Results: <i>Office of Research and Economic Development (ORED)</i>	6
Modeling Approach and Assumptions	6
Annual Impact of MSU’s ORED.....	7
Results: <i>Division of Agriculture, Forestry, and Veterinary Medicine (DAFVM)</i>	8
Modeling Approach and Assumptions	8
Annual Impact of MSU’s DAFVM	8
Results: <i>Alumni Working in Mississippi</i>	9
Modeling Approach and Assumptions	10
Annual Impact of MSU’s Alumni	11
Results: <i>Off-Campus Student Spending</i>	12
Modeling Approach and Assumptions	12
Annual Impact of MSU’s Student Spending.....	12
Results: <i>Visitation to Campus</i>	13
Modeling Approach and Assumptions	13
Annual Impact of MSU’s Visitors	14
Total Annual Impact of Mississippi State University	15

PREPARED BY MISSISSIPPI STATE UNIVERSITY'S NSPARC

NSPARC, the National Strategic Planning & Analysis Research Center at Mississippi State University, is a trusted source for research addressing critical challenges faced by government, economic and workforce development professionals, educational institutions, nonprofits, and the private sector. Drawing on a team of social scientists, economists, data engineers, data analysts, and machine learning experts, NSPARC facilitates informed decision-making.

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For information about NSPARC, contact us at nsparc@nsparc.msstate.edu or 662-325-9242.

Mississippi State University 2024 Impact Assessment

Strengthening Mississippi through Research and Innovation

EXECUTIVE SUMMARY

Mississippi State University (MSU) is a major economic engine for Mississippi, generating billions in wages, tax revenue, and business activity. As the state's leading research institution, MSU drives innovation, attracts investment, and strengthens the workforce through education, research, and outreach.

With **\$320 million in annual research expenditures**, MSU ranks among the top 100 research universities nationwide and accounts for 53% of all R&D spending in Mississippi's public and private institutions. Its influence extends far beyond campus, fueling growth and economic development across the state.

The latest economic impact analysis shows that MSU supports \$3.9 billion in wages and more than 80,000 jobs statewide. With approximately 1.2 million jobs in Mississippi, this means MSU supports **one out of every 15 jobs in the state**.

MSU delivers a **25:1 return on investment** for every tax dollar received from state legislative appropriations, generating over **\$450 million in state and local tax revenue** through jobs, earnings, and campus expenditures.

A major contributor to this impact is the Division of Agriculture, Forestry, and Veterinary Medicine (DAFVM), which includes MSU Extension, the Mississippi Agricultural and Forestry Experiment Station (MAFES), the Forest and Wildlife Research Center (FWRC), and the College of Veterinary Medicine (CVM). Together, DAFVM contributes \$1.7 billion through research, outreach, and direct support to Mississippi's agricultural and business sectors.

MSU's alumni network also plays a vital role in the state's economy. Alumni education, training, and expertise drives more than \$1.2 billion in increased productivity and business activity across Mississippi.

Beyond financial impact, MSU serves as a catalyst for innovation, workforce development, and industry advancement. Through cutting-edge research, strategic partnerships, and a commitment to education and outreach, the university drives long-term economic growth and competitiveness. As MSU strengthens its leadership in research and technology transfer, its contributions will remain essential to Mississippi's prosperity, ensuring opportunities for businesses, communities, and future generations of Mississippians.



SUMMARY OF METHODOLOGY

This study follows the framework established by EMSI, now known as Lightcast, in the 2019 MSU impact assessment. EMSI provided a blueprint for evaluating MSU’s economic contributions, and this updated analysis maintains methodological consistency with their study, while also incorporating improvements and modernizations in data collection and analysis strategies.

This study employs the Regional Economic Models, Inc. (REMI) PI+ input-output model, a widely used dynamic forecasting tool that integrates historical data on employment, earnings, spending, demographics, and industry trends. A Mississippi-specific version of REMI PI+ is used to ensure accurate representation of the state’s economy. The model is calibrated using data from the U.S. Bureau of Economic Analysis, the U.S. Bureau of Labor Statistics, the U.S. Census Bureau, and other public sources, allowing for a robust and comprehensive assessment of MSU’s economic impact.

Two key enhancements have been made to the methodology in this study:

Improved Data Access: By executing the core of this analysis through MSU’s NSPARC, this study benefited from access to the Mississippi State Longitudinal Data System (SLDS). The SLDS is one of the most comprehensive data systems in the country, integrating administrative records from more than 25 education, workforce, and human service agencies. This allows for a more precise evaluation of the impact of MSU on students, employees, and on the state’s broader workforce.

Expanded University Collaboration: This study directly involved multiple MSU units, centers, and divisions across campus in both the planning and the execution of this analysis. Leveraging expertise across campus has enhanced the accuracy and depth of findings. Two primary collaborating entities include MSU’s Office of Research and Economic Development (ORED) and DAFVM.



TAKING CARE OF WHAT MATTERS



SUMMARY OF FINDINGS

MSU plays a pivotal role in Mississippi's economy, serving as a catalyst for employment, income generation, and tax revenue. As the state's leading research institution, MSU's influence extends beyond academics, driving workforce development, industry innovation, and economic growth across multiple sectors.

This study evaluates MSU's comprehensive economic contributions, focusing on six key areas that illustrate the university's impact on employment, personal income, and public revenue. From direct university employment and research investments to student and visitor spending, MSU generates significant economic activity that supports thousands of jobs statewide.

The following report detail MSU's statewide impact, emphasizing how its operations, research, workforce pipeline, and external engagements drive Mississippi's economic success.

University Employment and Operations: MSU directly employs nearly 5,000 full-time and more than 500 part-time faculty and staff, while its operational spending supports an additional 5,353 jobs statewide. In total, these activities generate \$653 million in wages and earnings and contribute \$74.4 million in state and local tax revenue.

Office of Research and Economic Development (ORED): MSU's \$320 million in research spending translates directly into \$320 million in income for Mississippians, supporting 5,630 jobs statewide. These research-driven activities also generate \$33.1 million in state and local tax revenue, underscoring MSU's role in driving innovation and economic growth.

Division of Agriculture, Forestry, and Veterinary Medicine (DAFVM): MSU's agricultural, forestry, and veterinary research and outreach support some of Mississippi's largest industries, generating nearly \$1.7 billion in personal income. These activities sustain more than 43,500 jobs statewide, highlighting MSU's critical role in rural economic development, industry growth, and workforce training.

Alumni: More than 42,000 MSU alumni live and work in Mississippi, bringing specialized skills and training that enhance productivity, support business growth, and drive economic expansion. Their impact extends beyond their own employment, sustaining an additional 21,300 jobs statewide and generating \$1.2 billion in personal income.

Student Spending: MSU students contribute \$41.6 million to Mississippi's economy through daily expenses on housing, food, transportation, and personal needs. This spending supports nearly 1,000 jobs in consumer-driven industries, including retail, hospitality, and services.

Visitor Spending: With nearly 650,000 visitors each year, MSU is a key driver of Mississippi's tourism and hospitality sector. Visitor spending generates \$24.2 million in wages and supports more than 650 jobs in hotels, restaurants, entertainment, and retail, further strengthening the university's economic impact.



Mississippi State University 2024 Impact Assessment

Strengthening Mississippi through Research and Innovation

INTRODUCTION

This study evaluates Mississippi State University's (MSU) economic impact on Mississippi in 2024, analyzing six key areas to quantify how the university's operations, research, alumni, and affiliated spending drive economic growth statewide. By assessing MSU's role in job creation, income generation, and industry advancement, the analysis provides a comprehensive look at the university's contributions to Mississippi's economy. The findings illustrate how MSU serves as a catalyst for innovation, workforce development, and long-term prosperity across the state.

ABOUT MSU

Established on February 28, 1878, MSU is a comprehensive, public, doctoral degree-granting institution. MSU was founded as a land-grant university under the 1862 Morrill Act, which aimed to expand access to higher education and promote practical fields like agriculture, engineering, and military science.

Land-grant institutions have a threefold mission: education, research, and public service. A defining feature of a land grant university is its Extension Service, which translates academic research into real-world solutions. Through outreach programs, community engagement, and agricultural support, MSU Extension works directly with Mississippians, businesses, and local governments to foster economic growth and innovation.

As Mississippi's leading research university, MSU plays a pivotal role in workforce development, equipping professionals with the expertise needed to excel in high-demand industries and drive economic growth across the state and beyond. MSU's leadership in research and innovation underscores its commitment to shaping Mississippi's future.

- ❖ **Mississippi's Research Leader:** MSU leads the state in research expenditures and ranks among the nation's top 100 research universities, ranking 66th among public universities.
- ❖ **Driving Innovation:** MSU accounts for 53% of all R&D spending among Mississippi's public and private institutions.
- ❖ **Nationally Ranked Programs:** MSU ranks 11th in agricultural sciences and 13th in natural resources and conservation nationwide.
- ❖ **Sustained Growth:** MSU is the only public university in Mississippi to grow in enrollment for nine of the last 10 years, increasing by 11%.



ANALYTICAL STRATEGY

This study builds upon the 2019 impact assessment conducted by EMSI (now known as Lightcast), maintaining methodological consistency while incorporating enhanced data collection and analysis strategies.

A key enhancement of this study was the collaboration between NSPARC, a university research center, and experts across various MSU units, ensuring a more comprehensive assessment of the university's economic impact. This was particularly critical in areas tied to MSU's land-grant mission, where the university's research, outreach, and workforce development efforts extend beyond traditional academic functions and the Starkville campus.

This section outlines the modeling software utilized, key collaborations leveraged during research planning and execution, and the expanded data sources integrated to enhance the precision and depth of this study's modeling efforts.

UTILIZATION OF MISSISSIPPI'S SLDS

This study benefited from access to Mississippi's Statewide Longitudinal Data System (SLDS), operated by MSU's NSPARC. Mississippi's SLDS is one of the nation's most comprehensive state data systems, aggregating de-identified administrative records from over 25 education, workforce, and human service agencies. These data enabled a comprehensive analysis of MSU alumni living and working in Mississippi, providing unmatched insight into their employment outcomes and the industry growth driven by their MSU education and skills.

ENHANCED COLLABORATION

To ensure a comprehensive and accurate assessment, this study directly engaged the following key university units, leveraging their expertise to capture MSU's contributions to Mississippi's economy:

Office of Research and Economic Development (ORED): ORED provided data and insight into MSU's externally funded research expenditures and commercialization efforts. Units under the ORED umbrella also provided information on university operations and research, their direct support for local businesses (e.g., CAVS-E) and their role in fostering entrepreneurial ventures and start-ups (e.g., the E-Center and the Office of Technology Management).

Division of Agriculture, Forestry, and Veterinary Medicine (DAFVM): DAFVM directly quantified a substantial portion of the direct and indirect economic benefits of MSU's land-grant mission, including research, outreach, and workforce development within Mississippi's agricultural and rural sectors. Units under the DAFVM umbrella provided information on their impacts across Mississippi's agricultural, forestry, and veterinary industries (e.g., MAFES, FWRC, CVM), as well as the impact of their service, outreach, and technology transfer initiatives (e.g., MSU Extension).

Additional University Contributors: Data on student enrollment, student spending, game-day travel by in-state and out-of-state visitors, tourism, and student activities were also contributed by numerous partnering units across campus, including the MSU Office of Institutional Research, MSU Alumni Association, MSU Athletics, MSU Student Activities, and many others.

MODELING SOFTWARE

This study estimates the economic impact of MSU using the Regional Economic Models, Inc. (REMI) PI+ input-output model. REMI PI+ is a dynamic forecasting model that incorporates historical data on employment, earnings, spending, demographics, and industry trends. While many input-output models exist, this analysis uses a Mississippi-specific version of REMI PI+, tailored to the state's economy. By integrating observed data on the university's operations, students, research, and innovations, this model provides reliable economic impact estimates.

REMI PI+ is calibrated using data from the U.S. Bureau of Economic Analysis, the U.S. Bureau of Labor Statistics, the U.S. Census Bureau, and other public sources. Its state-specific design, combined with time-series, demographic, and behavioral econometric components, allows for a comprehensive assessment of the impact that MSU has on the state's economy.

KEY INDICATORS REPORTED

While the REMI PI+ model generates a wide range of outputs and estimates, this study focuses on three primary economic indicators that capture the practical and measurable impacts of MSU's activities across the state.

Wages and Salaries: The estimated total annual income generated through direct and indirect employment linked to MSU.

This metric extends beyond MSU employee salaries, encompassing wages earned across various industries driven by university-related economic activity.

Jobs: The estimated total number of jobs supported by MSU, both within and beyond the university.

This reflects how MSU's research, student spending, industry collaborations, and workforce training drive job creation across multiple sectors.

Tax Revenue: The estimated total state and local tax revenue generated by MSU's direct and indirect economic contributions.

This includes taxes from employment, consumer spending, and university-related business activity, demonstrating MSU's role in supporting public services and infrastructure.

Impact Assessment Results



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RESULTS:

UNIVERSITY EMPLOYMENT AND OPERATIONS

MSU employs 4,925 full-time and 526 part-time faculty and staff, excluding intermittent workers, graduate assistants, and rehired retirees. The university paid these employees \$405.6 million in wages and salaries.

MSU also spent:

- ❖ \$168.2 million on services.
- ❖ \$30.2 million on commodities.
- ❖ \$21.2 million on utilities.

In total, the university's operating expenses reached \$916.2 million.

MODELING APPROACH AND ASSUMPTIONS

This analysis evaluates MSU's economic impact through three primary spending categories: wages and benefits, physical operations and maintenance, and purchases of goods and services.

Each spending category was mapped to its corresponding North American Industry Classification System (NAICS) sector, with adjustments for the portion spent out of state. To reflect Mississippi's business landscape and the availability of goods and services, this analysis assumes a 50% spending leakage, representing the share of expenditures that leave the state.

The remaining expenditures were allocated to the appropriate industry sectors in the REMI PI+ model to estimate their indirect and induced impacts across Mississippi's economy.

A second model was developed to assess the opportunity cost of state funds appropriated to MSU in a scenario where the university did not exist and could not utilize the funding. In this hypothetical case, it was assumed that these funds would instead be spent on goods, services, and infrastructure benefiting Mississippi taxpayers.

Using the REMI PI+ model, the analysis estimated the total economic impact of these alternative expenditures, including their indirect and induced effects. The resulting benefits were then subtracted from MSU's total estimated impact providing a net comparison of the university's overall economic contribution.

ANNUAL IMPACT OF MSU'S EMPLOYMENT AND OPERATIONS

Table 1 presents the statewide economic impact of MSU operations after accounting for the opportunity cost of state funds that could have been allocated elsewhere.

MSU's activities generated an estimated \$653 million in personal income across Mississippi, encompassing wages for MSU employees and earnings for workers in industries supported by university spending and construction projects.



These operations supported a total of 10,804 jobs statewide, including 4,925 full-time and 526 part-time positions directly tied to MSU, as well as 5,353 indirect jobs created through supply chain effects and the economic activity driven by university expenditures.

Additionally, MSU’s operational spending contributed \$74.4 million in state and local tax revenue with \$51.9 million allocated to the state and \$22.5 million benefitting local governments.

TABLE 1: ANNUAL IMPACT OF MSU’S EMPLOYMENT AND OPERATIONS

	Annual Estimated Impact
Personal Income	\$653,007,034
Total Jobs	10,804
<i>Direct (Full-Time)</i>	4,925
<i>Direct (Part-Time)</i>	526
<i>Indirect</i>	5,353
Tax Revenue	\$74,446,921
<i>State Tax Revenue</i>	\$51,936,404
<i>Local Tax Revenue</i>	\$22,510,517

RESULTS:

OFFICE OF RESEARCH AND ECONOMIC DEVELOPMENT (ORED)

With \$320 million in annual research expenditures, MSU is the state’s leader in research investment, driving workforce development and real-world innovation. As a hub for scientific discovery, technological advancement, and industry collaboration, millions in external funding flow through ORED into transformative projects that shape industries, fuel entrepreneurship, and drive economic growth across Mississippi.

From engineering and aerospace to cybersecurity, data analytics, and national defense, ORED supports high-impact research that expands economic opportunities, strengthens industry competitiveness, and enhances the quality of life for communities statewide.

MODELING APPROACH AND ASSUMPTIONS

The modeling approach for research expenditures aligns closely with that of operational expenditures, ensuring consistency in analysis. Research expenses are mapped to their corresponding NAICS sectors, capturing industry-specific spending within the state. This industry mapping is derived from the fields of study reported by MSU, allowing for a precise representation of how research funding flows into Mississippi’s economy.

ANNUAL IMPACT OF MSU’S ORED

Table 2 presents the statewide economic impact of MSU’s research activities, conducted through ORED.

The \$320 million in research spending translated one-to-one into \$320 million in personal income statewide, meaning that for every dollar spent on research at MSU, a dollar of income was generated elsewhere in Mississippi.

This research spending supported 5,630 jobs across the state, including 388 jobs directly created at partnering businesses benefiting from MSU’s research or at start-ups incubated at MSU before launching independently. An additional 5,242 jobs were indirectly created through ORED’s activities in high-tech industries, professional services, and supply-chain businesses that support MSU’s research initiatives.

While MSU employs faculty and staff conducting research, these positions were not included in this portion of the analysis, as they are already accounted for in the *University Employment and Operations* assessment. As a result, all reported jobs reflect employment within partnering businesses or the broader state economy.

Driven by the jobs and wages supported statewide, MSU’s research activities generated an estimated \$33.1 million in total tax revenue, including \$23.1 million in state tax revenue and \$10 million in local tax revenue.

TABLE 2: ANNUAL IMPACT OF RESEARCH AT MSU
OFFICE OF RESEARCH AND ECONOMIC DEVELOPMENT

	Annual Estimated Impact
Personal Income	\$319,977,345
Total Jobs	5,630
<i>Direct</i>	388
<i>Indirect</i>	5,242
Tax Revenue	\$33,114,723
<i>State Tax Revenue</i>	\$23,101,824
<i>Local Tax Revenue</i>	\$10,012,899

RESULTS:

DIVISION OF AGRICULTURE, FORESTRY, AND VETERINARY MEDICINE (DAFVM)

Mississippi's agriculture, forestry, and veterinary industries are essential to the state's economy, and MSU's DAFVM plays a vital role in driving their growth, resilience, and innovation. As a cornerstone of MSU's land-grant mission, DAFVM provides cutting-edge research, hands-on extension services, and workforce training that directly benefit farmers, foresters, veterinarians, and rural communities across Mississippi.

Through MSU Extension, MAFES, FWRC, CVM, and other specialized research and outreach units, DAFVM transforms scientific discovery into real-world solutions, ensuring Mississippi's largest industries remain competitive, sustainable, and prepared for future challenges.

MODELING APPROACH AND ASSUMPTIONS

This analysis incorporates USDA research to quantify the economic benefits of university-driven agricultural and natural resource research and outreach in Mississippi. The USDA has developed peer-reviewed methodologies for valuing agricultural research across the Southeastern United States, assessing the impact of university-led research, extension programs, and technology transfer on farm productivity.

This USDA research concludes that agricultural and natural resource productivity in Mississippi increases between 7.9% and 12.1% as a result of DAFVM's experiments and technology transfers. For this current study, the midpoint of this range (10%) was used to estimate the broader economic benefits of these productivity gains.

Additionally, NSPARC worked directly with DAFVM to assess the economic impact of 23 statewide research, outreach, and community development programs. These initiatives ranged from homestead education and agricultural training to 4-H outreach, volunteerism, and rural development projects. To ensure accuracy, DAFVM researchers modeled the impact of each program individually.

ANNUAL IMPACT OF MSU'S DAFVM

Table 3 presents the statewide economic impact of MSU's DAFVM research activities.

DAFVM's activities contributed an estimated \$1.7 billion in personal income across Mississippi, supporting wages and earnings for farmers, agribusinesses, veterinary professionals, and forestry-related industries.

These activities supported 43,505 jobs statewide, all of which were indirect jobs created through research-driven innovation, industry partnerships, applied agricultural solutions, and community development efforts.

The MSU faculty and staff conducting DAFVM's activities were not included in this portion of the analysis, as they are already accounted for in the *University Employment and*



Operation assessment and are not included in this section. As a result, all reported jobs reflect employment generated within the broader state economy.

DAFVM’s activities generated \$210.6 million in total tax revenue, including \$152.9 million in state tax revenue and \$57.7 million for local municipalities.

**TABLE 3: ANNUAL IMPACT OF RESEARCH AT MSU
DIVISION OF AGRICULTURE, FORESTRY, AND VETERINARY MEDICINE**

	Annual Estimated Impact
Personal Income	\$1,669,830,547
Total Jobs	43,505
<i>Direct</i>	0
<i>Indirect</i>	43,505
Tax Revenue	\$210,641,052
<i>State Tax Revenue</i>	\$152,959,446
<i>Local Tax Revenue</i>	\$57,681,606

RESULTS:

ALUMNI WORKING IN MISSISSIPPI

MSU graduates form the backbone of Mississippi’s workforce, bringing specialized skills, industry expertise, and leadership to businesses across the state. From engineering and healthcare to agriculture and business, MSU alumni drive economic expansion, enhance productivity, and fuel innovation across key industries. Their higher earning potential benefits both individual graduates and the state’s economy, stimulating growth through increased consumer spending, business investments, and job creation.

This study quantifies the economic contributions of MSU’s alumni – defined as graduates who earned an MSU degree – by measuring the impact of their labor income alongside their employers’ non-labor income. This approach provides a precise and meaningful assessment of the university’s long-term influence on the workforce.

A key enhancement in this study is the use of the Mississippi’s SLDS. By integrating MSU graduate records, MSU Alumni Association data, and Mississippi statewide employment records, this analysis offers unprecedented accuracy in measuring the real-world employment and earnings of MSU alumni. Unlike previous methodologies, this study quantifies the employment of actual MSU graduates, rather than using estimates, providing a verifiable assessment of their economic impact.

MODELING APPROACH AND ASSUMPTIONS

This study analyzes 35 years of alumni records to assess the long-term economic contributions of MSU graduates.

To measure alumni earnings, this study leverages statewide wage records from Mississippi's SLDS to determine the actual annual earnings of those currently employed in Mississippi. However, not all these earnings can be attributed solely to an MSU education, as alumni may have attained some level of education elsewhere. To isolate MSU's impact, this study calculates the earnings difference between MSU alumni and the average income of an associate degree graduate in Mississippi, as reported by the U.S. Census Bureau. This earnings gap represents the added value of an MSU education and its role in advancing alumni careers.

A potential challenge in this analysis is the variation in earnings between seasoned professionals who graduated 35 years ago and recent graduates entering the workforce. However, this study captures the current population of working MSU alumni which aligns with the U.S. Census Bureau's earnings data that includes individuals at various career stages. This ensures a balanced and accurate evaluation of MSU's role in increasing alumni earning potential.

The total ("gross") earnings of these alumni are then adjusted to account for the likelihood that, in the absence of MSU, many of its working alumni would have simply been replaced by graduates from other institutions or by out-of-state workers. Including this reduction leaves a "net" earnings figure that more accurately reflects the university's contribution. As this income circulates through the economy, it generates secondary earning effects by increasing the demand for goods, services, and business activity. To model this impact, these earnings are converted into industry-specific business sales based on their employment sectors and integrated into the REMI PI+ economic model.

More specifically, the following calculations are performed:

Adjusting for Out-of-State Labor Effects: The Gross Initial Labor Income is reduced by 50% to account for out-of-state workers filling some of the jobs held by MSU alumni. This adjustment results in the Net Initial Income, which isolates the earnings impact specific to Mississippi's economy.

Applying a Non-Labor Multiplier: A non-labor multiplier is applied to estimate the induced economic effects of alumni's earnings circulating through Mississippi's businesses and households. This accounts for the secondary economic benefits generated by alumni spending on goods, services, and investments within the state.

Linking Earnings to Industry Sales: The model assumes that employers would not pay higher wages unless these earnings were tied to increased productivity and business revenues. To reflect this relationship, the Net Initial Income is converted into industry-specific sales estimates and mapped to their corresponding NAICS sectors.



Final Impact Modeling with REMI PI+: The industry-specific sales estimates are then input into the REMI PI+ model, which calculates the total economic impact of MSU alumni, including their contributions to employment, personal income, and tax revenue generation across Mississippi.

ANNUAL IMPACT OF MSU’S ALUMNI

The results of this analysis show that 42,109 alumni are currently living and working in Mississippi. This sustained presence underscores MSU’s long-term impact on the state’s workforce.

Table 4 presents the estimated statewide economic impact of these retained alumni. Collectively, MSU alumni generated \$1.2 billion in personal income statewide, supporting household spending, local businesses, and economic growth across Mississippi.

The MSU alumni working in Mississippi drive business growth, entrepreneurship, and workforce development throughout the state. Their contributions generate economic activity that supports an additional 21,328 jobs across the state.

Additionally, MSU alumni activity generated \$124.6 million in total tax revenue, including \$86.9 million in state tax revenue and \$37.7 for local governments.

TABLE 4: ANNUAL IMPACT OF MSU’S ALUMNI

	Annual Estimated Impact
Personal Income	\$1,205,595,299
Total Jobs	21,328
<i>Direct</i>	0
<i>Indirect</i>	21,328
Tax Revenue	\$124,566,384
<i>State Tax Revenue</i>	\$86,901,245
<i>Local Tax Revenue</i>	\$37,665,139

RESULTS:

OFF-CAMPUS STUDENT SPENDING

MSU enrolled 22,657 students in 2023, with 62.5% (14,161) from Mississippi and 37.5% (8,496) from out of state. According to the MSU Office of Financial Aid and Scholarships, a typical undergraduate living off-campus spends approximately \$20,000 per year on room and board, transportation, and personal expenses, while a typical graduate student spends about \$24,000 annually.

MODELING APPROACH AND ASSUMPTIONS

While all students contribute to the local economy, not all their spending can be fully attributed to MSU. Many students would still live, work, and spend money in Mississippi even if they were not enrolled at MSU – some would attend other in-state colleges, while others would enter the workforce.

To estimate MSU-attributable student spending, two key assumptions were applied. First, out-of-state students would not have relocated to Mississippi if MSU did not exist. Second, 10% of in-state students would have left Mississippi to pursue education elsewhere.

These assumptions result in an estimated 8,496 out-of-state students and 1,416 in-state students whose spending would have been lost without MSU.

It is also assumed that these students reflect the broader MSU student population in terms of undergraduate vs. graduate enrollment and on-campus vs. off-campus living arrangements, based on historical trends. Expected expenditures were calculated using specific spending estimates for each group. Additionally, student employment data was used to estimate on-campus wages, which were deducted from total expenditures, as these earnings would not exist without MSU.

ANNUAL IMPACT OF MSU'S STUDENT SPENDING

After applying these assumptions, the direct local spending of these students totaled \$98.5 million, broken down as follows:

- ❖ \$50.1 million on personal expenses and transportation.
- ❖ \$48.4 million on room and board.

Table 5 presents the statewide economic impact of these expenditures, reflecting the spending that would be lost if these students had not enrolled at MSU.

Student spending on housing, food, transportation, entertainment, and personal expenses generated \$41.6 million in personal income statewide, supporting wages and earnings for individuals employed in businesses that benefit directly or indirectly from student expenditures.

This spending supported 989 jobs across Mississippi, primarily in restaurants, retail stores, transportation services, and other consumer-driven industries. While some students also work on campus, these positions were not included in the model, meaning all 989 jobs reflect employment sustained in the broader state economy.

Additionally, this economic activity generated \$4.3 million in total tax revenue, with \$3 million in state tax revenue and \$1.3 million in local tax revenue.

TABLE 5: ANNUAL IMPACT OF STUDENT SPENDING

	Annual Estimated Impact
Personal Income	\$41,627,668
Total Jobs	989
<i>Direct</i>	0
<i>Indirect</i>	989
Tax Revenue	\$4,309,556
<i>State Tax Revenue</i>	\$3,006,475
<i>Local Tax Revenue</i>	\$1,303,080

RESULTS:

VISITATION TO CAMPUS

An estimated 650,000 visitors came to MSU In Academic Year 2024, driving economic activity across the region. Whether attending graduation ceremonies, athletic events, academic conferences, campus tours, or student orientation, these visitors inject millions of dollars into the local economy, supporting restaurants, hotels, retail stores, and entertainment venues. Their spending reinforces MSU’s role as a major driver of tourism and hospitality spending in Mississippi.

MODELING APPROACH AND ASSUMPTIONS

To accurately estimate the economic impact of MSU visitors, this study used updated data from key university units, including Athletics, Student Activities, and other event-hosting departments. When current visitor data was unavailable, a 1.9% growth factor was applied to the 2019 figures, reflecting student enrollment growth over that period.

This analysis assumes that in-state visitors would have spent their money elsewhere in Mississippi, so only out-of-state visitors – whose spending introduces new dollars into the state – are included.

Visitor spending estimates were sourced from Visit Mississippi and allocated across specific industries, including accommodations, dining, retail, entertainment, and transportation.

These spending patterns were then entered into the REMI PI+ model to calculate the total economic impact of MSU’s visitor economy.

ANNUAL IMPACT OF MSU’S VISITORS

Table 6 presents the statewide economic impact of MSU’s visitors, including those attending athletic events, academic conferences, campus tours, and other university-related activities.

MSU visitors contributed \$24.2 million in personal income across Mississippi, supporting wages and earnings for individuals employed in hotels, restaurants, retail stores, transportation services, and entertainment venues that benefit from university-driven tourism.

Their spending supported 665 jobs statewide, all of which were indirect positions created by demand for food services, lodging, retail, and travel accommodations. While MSU does not directly employ these individuals, visitor spending plays a critical role in sustaining Mississippi’s hospitality and service industries.

Additionally, visitor spending generated \$2.5 million in total tax revenue, including \$1.75 million in state tax revenue and \$759,000 in local tax revenue. These contributions help fund public services and infrastructure, reinforcing the broader economic benefits of MSU’s ability to attract visitors to the state.

TABLE 6: ANNUAL IMPACT OF MSU’S VISITORS

	Annual Estimated Impact
Personal Income	\$24,205,301
Total Jobs	665
<i>Direct</i>	0
<i>Indirect</i>	665
Tax Revenue	\$2,510,099
<i>State Tax Revenue</i>	\$1,751,120
<i>Local Tax Revenue</i>	\$758,979

TOTAL ANNUAL IMPACT OF MISSISSIPPI STATE UNIVERSITY

Table 7 presents the total annual economic impact of MSU on Mississippi. The analysis shows that MSU’s operations, research, students, alumni, and visitors collectively support \$3.9 billion in wages and sustain more than 80,000 jobs statewide. With Mississippi’s total employment at approximately 1.2 million jobs, as reported by the U.S. Bureau of Labor Statistics, MSU's activities and student contributions support one out of every 15 jobs in the state.

Through these jobs, wages, and extensive support for business and industry, MSU generates \$449.6 million in annual tax revenue, including \$319.7 million in state tax revenue and \$129.9 million for local municipalities.

These results highlight MSU’s exceptional return on investment for taxpayers. For every \$1 invested by the state, MSU generates \$25 in income across Mississippi’s economy – a 25:1 return on annual state appropriations.

TABLE 7: TOTAL ANNUAL IMPACT OF MISSISSIPPI STATE UNIVERSITY

	Annual Estimated Impact
Personal Income	\$3,914,243,193
Total Jobs	82,921
<i>Direct (Full-Time)</i>	5,313
<i>Direct (Part-Time)</i>	526
<i>Indirect</i>	77,082
Tax Revenue	\$449,588,734
<i>State Tax Revenue</i>	\$319,656,514
<i>Local Tax Revenue</i>	\$129,932,220

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