

HR&A



CHAPMAN
UNIVERSITY

Chapman University Economic and Fiscal Impacts

July 2025

“

We are proud to call Orange our home and want to give back in every way that we can.

Daniele C. Struppa
President, Chapman University



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Executive Summary

PURPOSE OF STUDY

Chapman University is a vital part of the City of Orange (Orange) and Orange County. Its impacts help to uplift the economy and community of Orange.

Chapman University supports the local community in numerous ways, including economic activity generation, fiscal impacts, and local community involvement and support. The purpose of this study is to quantify and qualify Chapman's impact on Orange, Orange County, and California.



**ECONOMIC
ACTIVITY**



**FISCAL
IMPACTS**



**COMMUNITY
IMPACT**

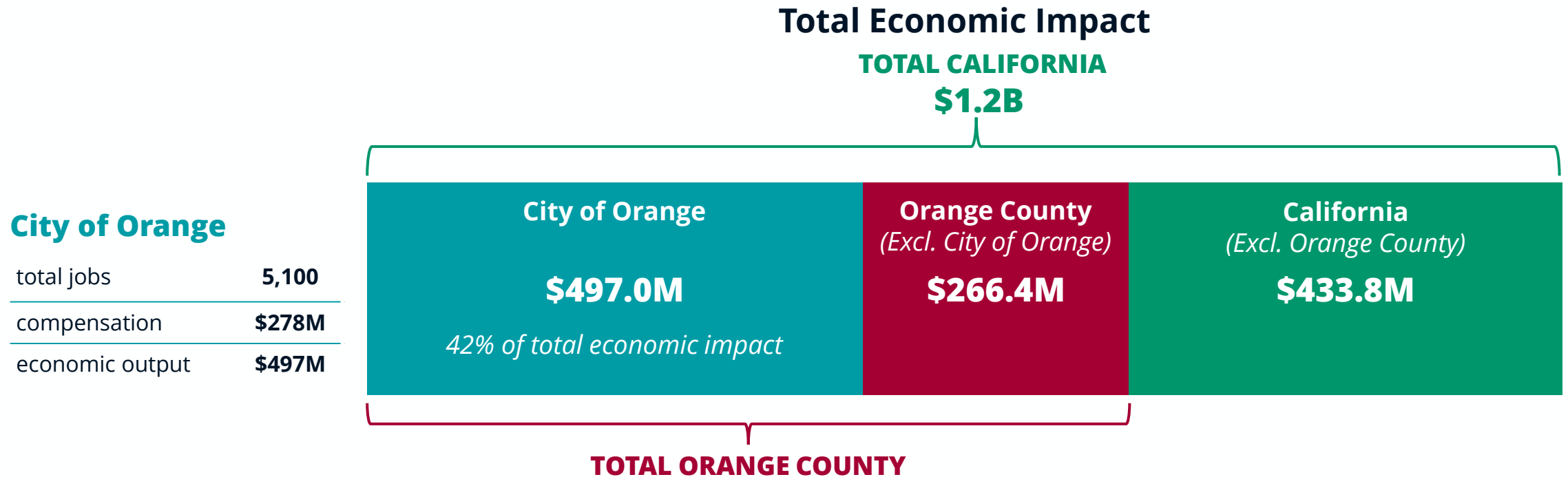


"Orange would not be the same without Chapman. You feel it. It is such an integral part."

Holiday Zimmerman; Founder, The HUB OC

ECONOMIC IMPACTS

Chapman is an important economic driver, generating \$1.2 billion in annual economic output throughout California. In Orange alone, Chapman generates almost \$500 million in economic output and supports 5,100 jobs.



Chapman University is the fourth largest employer in Orange after the medical institutions, supporting—both directly and indirectly—**one in 20 jobs in Orange**.

FISCAL IMPACT

Chapman University-related activities generate \$71.7 million in annual state and local taxes. Chapman University generates \$103 million on a federal tax level.

Chapman University's direct activities and university-related activities contribute fiscally to local municipalities, California, and the federal government. While a large share of the local taxes are collected by the City of Orange, other cities in Orange County and the region also benefit from Chapman University's presence.

Fiscal Impact of Chapman University-related Activity

Tax	City of Orange	Orange County	California
State and Local Taxes	\$19.4 M	\$37.5 M	\$71.7 M
Federal Taxes	\$21.1 M	\$47.2 M	\$103.2 M
Total	\$40.5 M	\$84.7 M	\$174.9 M

Despite Chapman University being a nonprofit organization of higher learning, the institution provides considerable property tax payments for both city and county agencies. Between 2021 and 2024, Chapman University paid more than **\$4.1 million** in taxes for property it owns in the City of Orange, and more than **\$7.0 million** to Orange County, respectively.

\$11.1M

Property taxes paid to city and county agencies 2021 - 2024



CHAPMAN'S COMMUNITY IMPACTS

The Chapman community has helped shape Orange through community involvement, its growing reputation, cultural offerings, and its engaged student body.



Community Involvement

Many Orange community events and organizations are enhanced by Chapman's involvement, including the State of the City, the HUB, the Chamber of Commerce, and the Farmers Market.



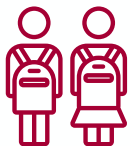
Growing Reputation

Chapman has a growing reputation and is an important contributor to Orange's vibrancy and success. Students are increasingly coming from other parts of California, the United States, and the world, which helps to bring young talent to Orange.



Cultural Significance

Chapman attracts world-class speakers, performers, and productions to Orange through the Musco Center for the Arts. Additionally, the Hilbert Museum is free and open to the community.



Chapman Students

Chapman students both volunteer, intern, and work at local organizations and Chapman-sponsored groups in the community, contributing more than 100,000 volunteer service hours annually.

PHILANTHROPIC AND CULTURAL CONTRIBUTIONS

Chapman University's financial and community contributions are also seen through philanthropic measures.

Chapman University makes a combined \$605,000 of annual payments to the City of Orange, on top of its property tax payments, to support city services.

Chapman students are active members of the Orange community and conduct over 110,000 hours of fieldwork per year in local schools, while Counseling and School Psychology graduates contribute another 60,000 post-grad hours and law students offer pro-bono community clinics.

Finally, Chapman is home to the Musco Center and the Hilbert Museum, both of which are significant cultural centers for the City of Orange.

\$188K

Annual charitable donations
in Orange County

\$605K

Annual Payments to the City

110K

Annual Hours of Fieldwork in
Local Schools



A photograph of a university campus scene. In the foreground, several students with backpacks are walking away from the camera on a paved walkway. The background features lush greenery, including tall palm trees and other trees with yellowing leaves. A brick building is visible on the right side. The overall atmosphere is bright and sunny.

02

Chapman Context

VISION STATEMENT

Chapman University provides educational leadership as a preeminent university committed to excellence, innovation, and accountability in all endeavors. Our dynamic, stimulating community is committed to value-centered personalized learning, with a curriculum distinguished by liberal arts and professional programs that reach beyond the boundaries of the classroom.



CHAPMAN CONTEXT

Chapman University, founded in 1861, is located in Orange, California, and offers a diverse array of academic offerings.

Chapman brings significant benefits to Orange, offering high quality educational opportunities; attracting high performing businesses looking for well-educated graduates; supporting the local community through staff, student, and visitor spending in retail centers, jobs on campus, and boosting residential markets; and often offering arts, culture, and sports amenities, among other benefits, that improve the quality of life in the area.

Chapman is a top private university in California. Everything from groundbreaking research to a collaborative learning environment is found at Chapman. As an R2 research institution, Chapman received \$16.7 million in external research funding in 2023 and produced more than 518 publications.

In addition to Chapman's robust research, students and alumni are important contributors to a variety of fields, but most notably film and television, including Matt and Ross Duffer (the creators of *Stranger Things*) and Hannah Einbinder (comedian and Emmy-nominated actress in *Hacks*).

10K

2023 Total Enrollment

Includes enrollment on the Rinker (Irvine) and Orange Campuses

#133

Overall rank in National Universities by *U.S. News & World Report* Ranking

50K+

Alumni worldwide

CHAPMAN CONTEXT

Chapman serves students from all over the world and prepares them to be global citizens.

Chapman serves a diverse population of students who are eager to learn. More than 40% of students identify as Persons of Color and 20% of students are first generation. Chapman's student body is 18% Latino or Hispanic, and this share has increased by 25% in the past five years. Chapman is in the process of becoming a Hispanic-Serving Institution (HSI).

Student success is Chapman's priority and is demonstrated through Chapman's 12:1 student-to-faculty ratio and almost 1,120 faculty members.

There are 175+ student organizations run by Chapman students, many of whom are involved in the broader Orange community.

40%

Students who identify as Persons of Color

20%

Students who are first generation

A **Hispanic-Serving Institution (HSI)** is defined by the U.S. Department of Education as an institution of higher education that is designated as an eligible institution and has an enrollment of undergraduate full-time equivalent students that is at least 25% Hispanic.



OUR PATH TO GREATNESS

In the next five years, Chapman will be focused on strengthening its existing academic offerings and building a strong community.

“Our Path to Greatness” is the first five-year plan of an ambitious fifteen-year institutional plan built around five priorities:

1. **Academic Excellence** will create a community of engaged faculty and students and allow them to nurture their intellectual curiosity.
2. **Expand Graduate Health Science Programs** on the Rinker Campus, providing more career opportunities and meeting community needs.
3. **Organizational Excellence** and investing in development tools, processes, and technology that allows Chapman faculty, staff, and administrators to deliver an outstanding Chapman Experience.
4. **Campus Projects Enhancing Community-Building** through place-making, infill development, and campus integration.
5. **Comprehensive Campaign** to help increase endowment to \$2 billion by 2037.



ACADEMICS

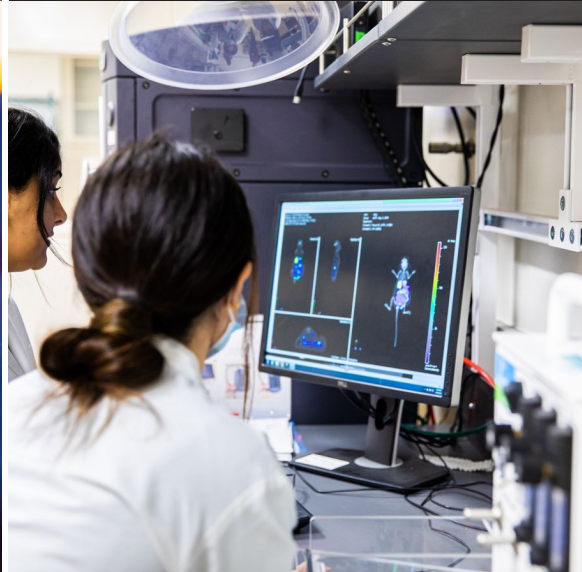
Chapman University's academic offerings continue to grow in reputation and many are national leaders.

DODGE COLLEGE



- **4th best film school** in the United States
- Graduates have worked on award winning shows and movies including **four alumni receiving Emmy nominations in 2023**

SCHOOL OF PHARMACY



- The School of Pharmacy has an **84% NAPLEX first-time pass rate** (relative to the 80% national average)
- 980 alumni have received site placements

ARGYROS COLLEGE



- **60th best business school** in the United States
- Chapman's goal is to rank in the top 50 business schools

CREAN COLLEGE



- Students are able to **cross register** in master's programs at Concordia University or Western University of Health Sciences

RELATIONSHIP WITH ORANGE

Chapman University is an integral part of Orange and is deeply involved with many of the city's most cherished traditions.

The University's physical location near the center of Orange is only the surface of Chapman's dedication to the city's success. Chapman is heavily involved in the Orange Chamber of Commerce by both serving in top levels of leadership and also helping to fund it. Additionally, Chapman sponsors many organizations in Orange, including the Community Foundation of Orange, Friendly Center, and the Youth Centers of Orange.

Furthermore, many of the local businesses downtown are bolstered by student, faculty, and staff spending.





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Economic Impacts

METHODOLOGY

Chapman University and its suppliers generate substantial impacts to the regional economy.

Each time a dollar is spent by the University, its students, or its visitors, money is brought into the regional economy. This sets off a chain reaction called the multiplier effect, where a share of that dollar will be re-spent in the region. This process can be quantified and measured within a geographic region often split into two categories. One-time spending is generally thought of as large, one-time capital expenditures while ongoing spending generates recurring impacts that can be expressed by total economic output, jobs generated, and employee wages supported. For this analysis, construction spending was compared against prior years and was determined to be a typical annual ongoing (rather than one-time) expenditure.

DRIVERS OF IMPACT

Economic impact is driven by three types of spending.

\$\$\$
University Payroll

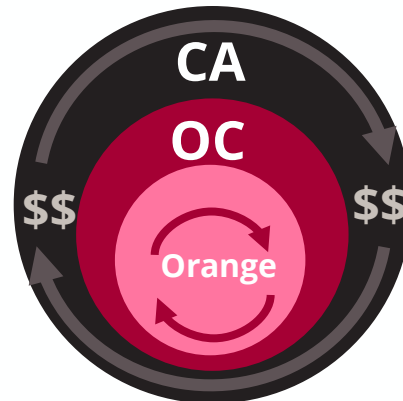
\$\$\$
University Expenses

\$\$\$
Visitor and Student Spending

\$\$\$
Annual Construction Expenditure

MULTIPLIER EFFECT

Some portion of this spending is recirculated within the regional economy, which translates to regional economic output and support for local jobs and wage.



ECONOMIC IMPACT METRICS

\$\$\$

ECONOMIC OUTPUT

EMPLOYEE COMPENSATION

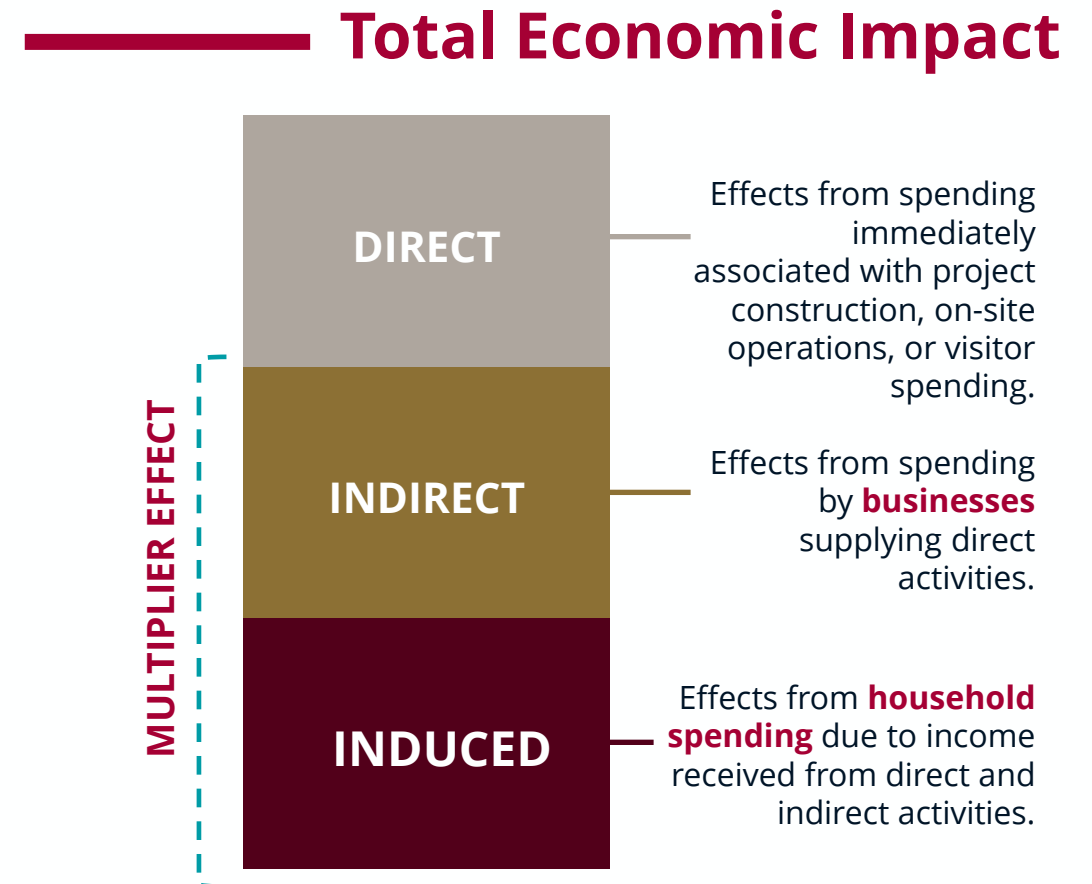
JOB SUPPORTED

METHODOLOGY

The total economic impact of a single investment is measured by evaluating its direct, indirect, and induced impacts.

Economic impacts consist of three components. The first, **direct impacts**, includes the economic activities directly related to capital investment, construction, and Chapman's operations. For this study, Chapman's direct impacts were estimated as (1) on-site construction spending, (2) university spending and on-site employee wages based on data provided by Chapman and (3) the additional offsite spending of Chapman students and visitors. **Indirect** and **induced impacts** are broadly generated by the purchases made by Chapman's suppliers (indirect) and household spending of students, visitors, and employees (induced).

Indirect and induced impacts are estimated using the IMPLAN input-output model, a widely accepted model that many public agencies use to estimate the consequences of new investments or changes in the economy. IMPLAN industry data for the State of California, Orange County, and Orange (compiled zip codes) were used to estimate impacts by industry for the year 2023. The resulting indirect and induced impacts (i.e., the multiplier effect) are summed with direct expenditures to arrive at a project's total impact.



INPUTS

HR&A used the following inputs to determine Chapman University's economic and fiscal impacts.

	Total	Operations	Salaries	Student Spending	Visitor Spending	Construction
Orange	\$217.7M	\$23.7M	\$31.6M	\$125.1M	\$4.0M	\$33.4M
Orange County	\$320.5M	\$47.0M	\$98.8M	\$134.1M	\$7.1M	\$33.4M
California	\$553.6M	\$116.9M	\$227.4M	\$167.6M	\$8.1M	\$33.4M

Operations

Chapman University provided their annual expenditures for both salaries and university operating expenditures for FY 2023.

The university operating expenditure includes maintenance, overhead, and other expenditures related to the University's operations. All operating expenses were run as originating in Orange.

Salaries include all staff and faculty working for Chapman. The salaries are distributed in the model based on where the salary earner lives, i.e. if a professor lives in Anaheim, their salary would be run through the model in the OC and California, but not in Orange.

Student Spending

Student spending was calculated using an estimated annual expense of \$16,540 per student, distributed across categories like retail and housing and varied base on where students lived.

Visitor Spending

Visitor spending was based on the number of visitors to athletic competitions, Musco, university tours, and other events. Spending was estimated based on share of overnight visitation and typical tourist spending.

Construction

Construction spending is an annual input, accounting for yearly capital project spending. All spending is captured in Orange.

ECONOMIC IMPACTS

Chapman University generates \$1.2 billion in economic output, supports 8,300 jobs, and \$51 million in compensation throughout California.

California

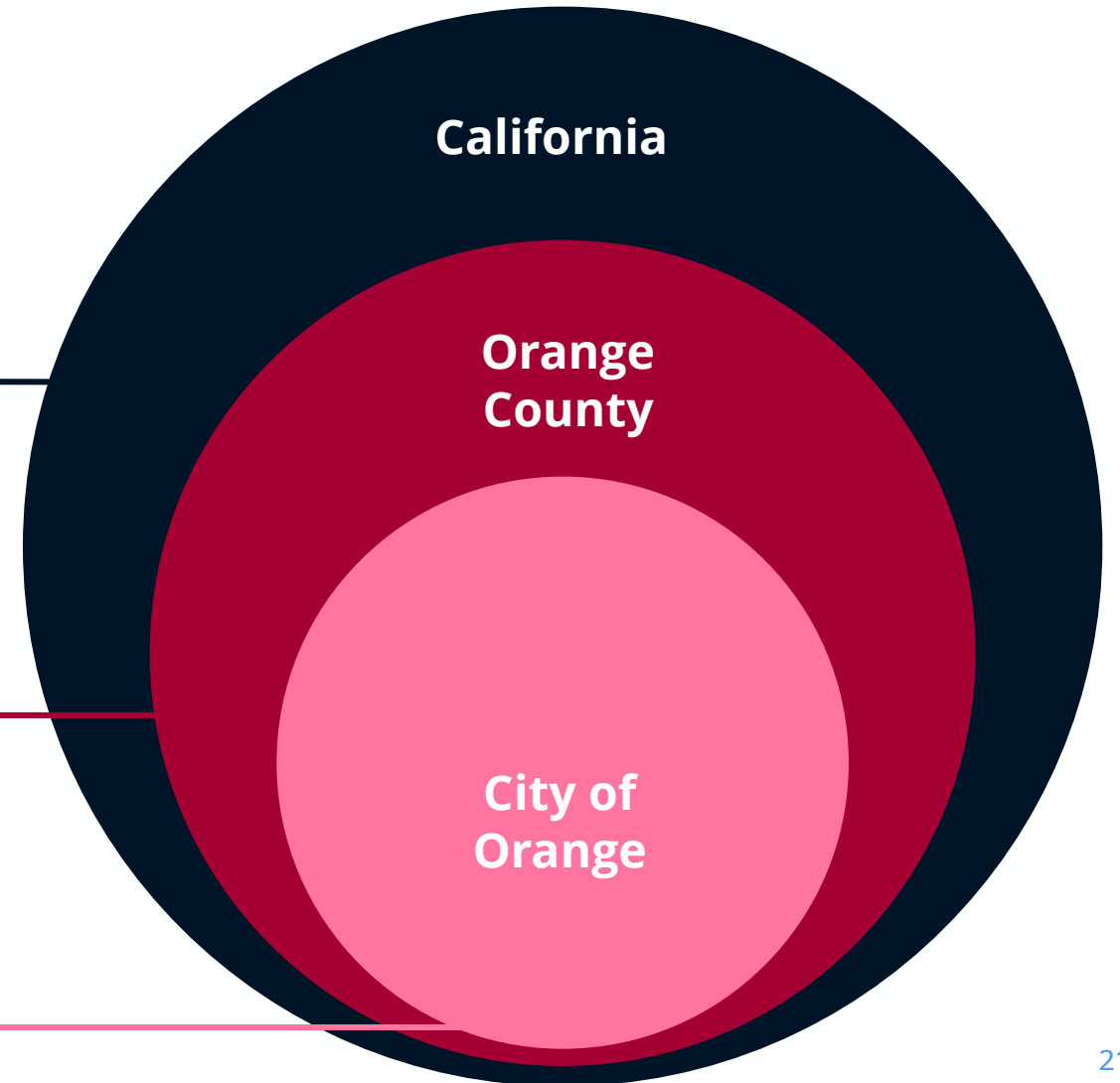
total jobs	8,300
compensation	\$51M
economic output	\$1.2B

Orange County

total jobs	6,400
compensation	\$370M
economic output	\$763M

City of Orange

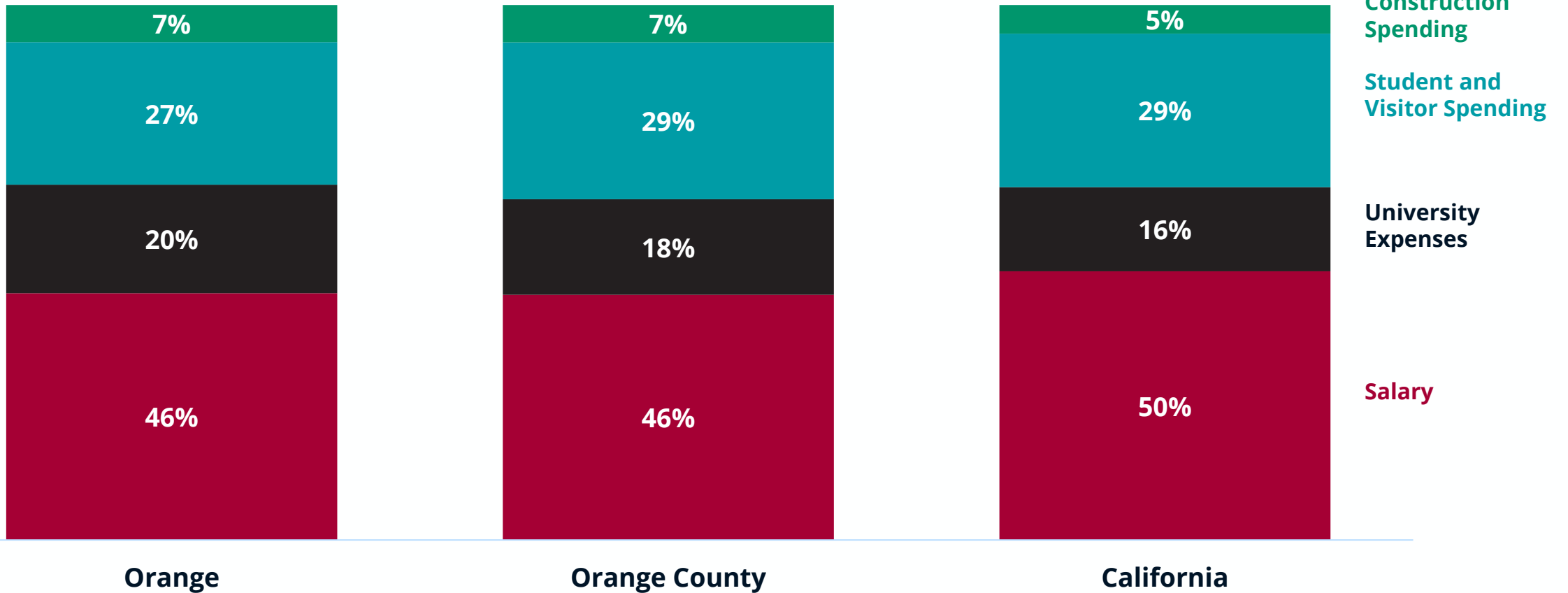
total jobs	5,100
compensation	\$278M
economic output	\$497M



ECONOMIC IMPACTS

Salaries at Chapman are the single largest driver of Chapman's economic impacts in Orange, Orange County, and California.

Share of Output by Input Category



CHAPMAN SUPPORTS THE LOCAL ECONOMY



The more attractive and sought after that Chapman becomes, the more it uplifts Orange.

Elizabeth Holloman

Former Executive Director, Orange Chamber of Commerce



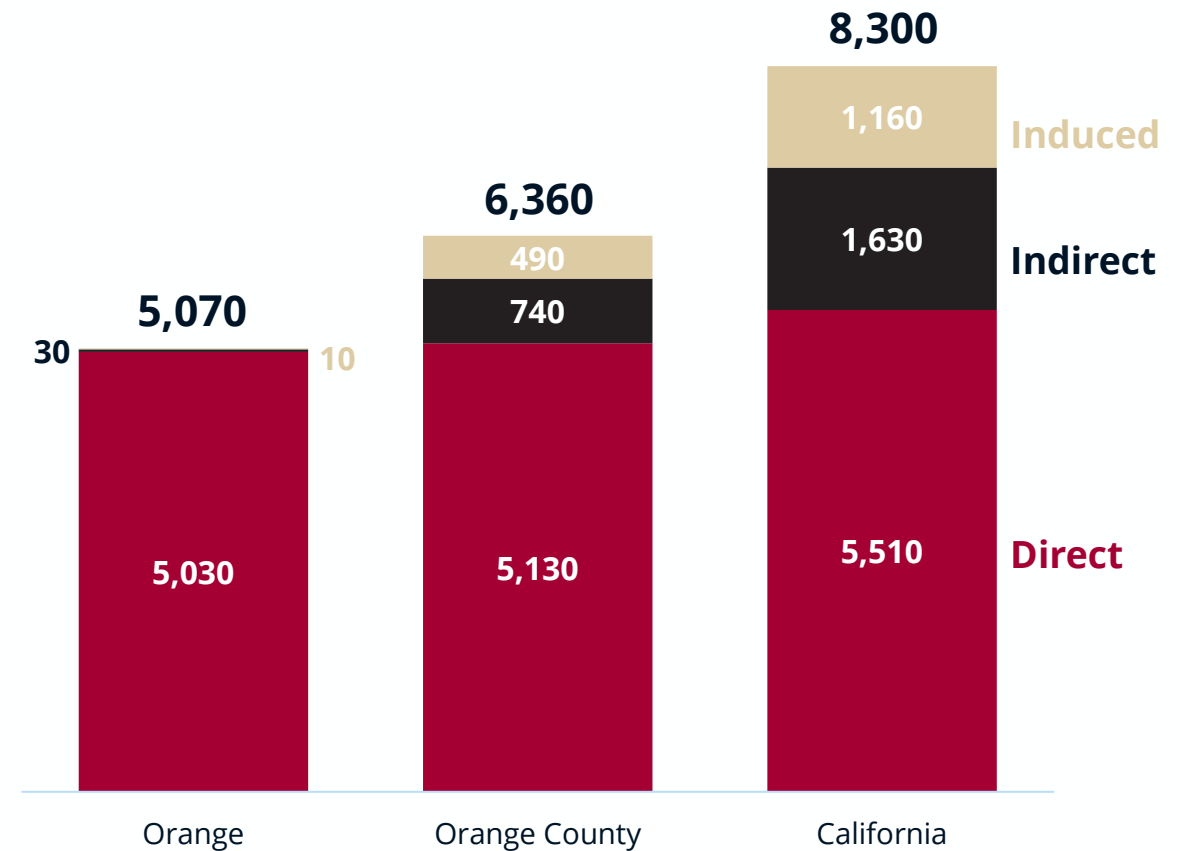
JOBS

Chapman University is the fourth largest employer in Orange after the medical institutions, supporting—both directly and indirectly—one in 20 jobs in Orange.

Chapman University employs 2,240 staff and faculty, including people who work at Chapman and external to the University. Chapman University's economic activity supports an estimated 5,070 jobs in Orange, which represents 5% (or one in 20) of the 106,000 total jobs in Orange. This includes jobs in retail, hospitality, and other industries that are supported by the activity at Chapman.

In Orange County and California, Chapman's economic activity supports 1,200 and 2,800 indirect and induced jobs respectively.

Total Employment by Geography



COMPENSATION

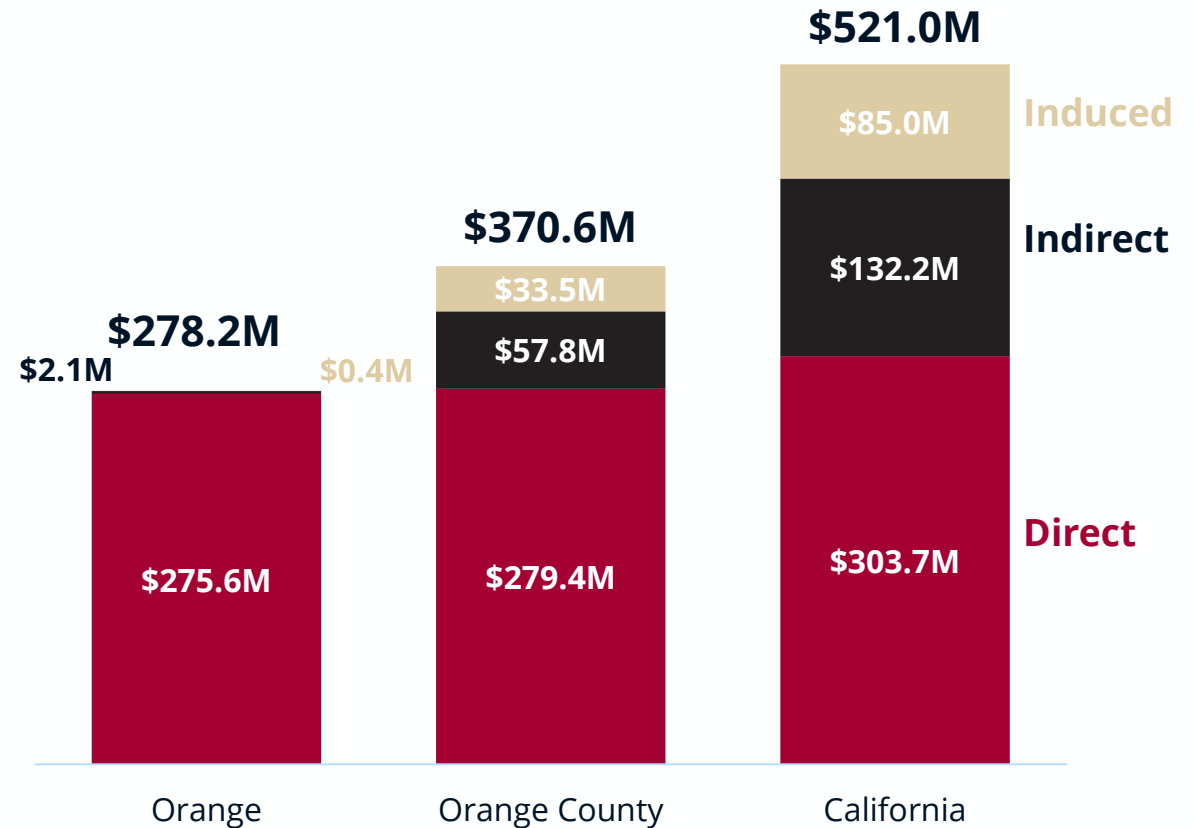
Chapman University supports \$278 million in labor income in Orange and almost two times that amount across California.

A majority of the labor income is derived from the impacts of Chapman salaries. While this number includes Chapman salaries, it also includes labor income supported by Chapman staff and faculty spending in the community. For example, when a Chapman professor buys coffee at a coffee shop on Glassell Street, that spending is supporting some labor income for the employees at the coffee shop.

The total labor income in Orange is \$278 million annually. The compensation impact is largely driven by Chapman University's labor spending on faculty and staff—\$229 million of staff and faculty salaries belong to Orange residents. This is equivalent to 2% of all earnings generated in Orange.

Across the entire state of California, Chapman University generates \$521 million of labor income.

Total Compensation by Geography



COMPENSATION

Many Chapman staff and faculty live in Orange. Staff and faculty also reside in Anaheim, Yorba Linda, and Long Beach among other places in Southern California.

Count of Chapman Staff and Faculty by ZIP Code of Residence

NUMBER OF CHAPMAN WORKERS RESIDING IN ZIPCODE

- 251+
- 101-250
- 51-100
- 26-50
- 1-25

ORANGE

Almost 30% of staff and faculty employed by Chapman University call Orange home.

ECONOMIC IMPACTS

Chapman University generates \$1.2 billion in economic output throughout California.

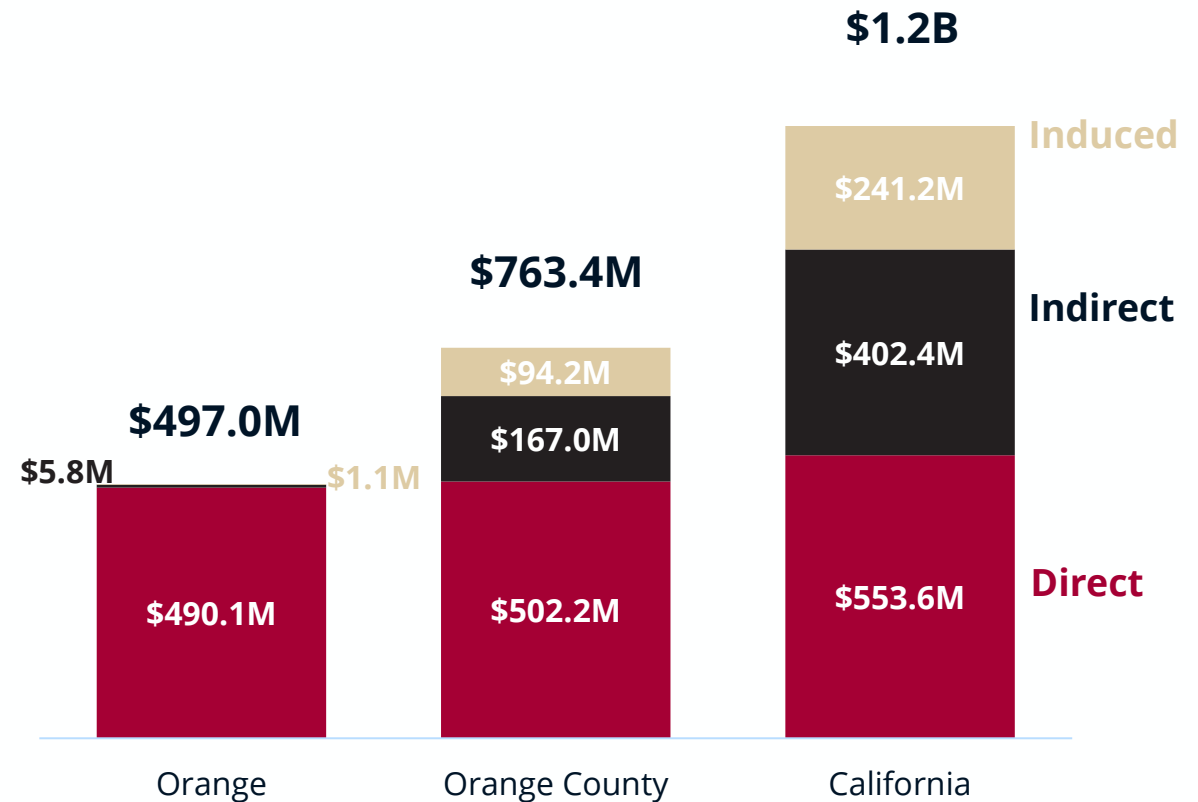
Chapman University has a significant impact in Orange. The overall economic output in Orange is \$497 million annually.

Across the entire state of California, Chapman University generates \$1.2 billion of economic output.

The largest contributor to Chapman's economic impact is salaries—this is true across Orange, Orange County, and in California. In Orange, almost 50% of the economic impact is composed impacts resulting from salaries (\$229 million).

The second largest driver of economic impacts are student and visitor spending. In Orange, students and visitors contribute to \$132 million annually to the Orange economy.

Total Economic Output by Geography



BEYOND THE NUMBERS ALUMNI IMPACT

Chapman University's economic impact is far more than can be measured; Chapman alumni are a vital part of the economic and social fabric in Orange County.


Chapman University has more than 50,000 alumni globally with 5,035 alumni located in Orange County, and almost 1,500 alumni making Orange their home. Furthermore, 46% of recent graduates decide to stay in Orange County. This pipeline of young talent helps to maintain Orange County's strong economy.

Chapman's alumni base are also making impacts in a variety of industries including the medical field, nonprofits, entertainment, and education.



*"My time at **Chapman University** played a significant role in helping me to co-found **The Little Market**, where we are dedicated to supporting the economic self-sufficiency of women in underserved communities worldwide... Chapman is doing incredible work to help students become global citizens, advocate for human rights, and make **a positive difference in and out of the campus.**"*

Hannah Skvarla '10 CEO + Co-founder, The Little Market



04

Fiscal Impacts

STATE AND LOCAL TAX

Chapman University-related activities generate \$71.7 million in state and local taxes.

Chapman provides considerable direct property taxes for both city and county agencies. In total, university-related activities in Orange generated \$19.4 million in annual state and local taxes.

In Orange County, Chapman’s economic impacts support \$37.5 million in state and local taxes, driven largely by sales and property taxes. In California, university-related activities drive \$71.7 million in taxes, with income, sales, and property taxes making up a majority of the fiscal impact in FY 2023.

Tax	Orange	Orange County	California
Corporate Profit	\$1.6M	\$2.4M	\$4.4M
Income	\$1.5M	\$8.1M	\$20.0M
Other	\$0.9M	\$1.4M	\$3.6M
Social Insurance	\$0.6M	\$1.0M	\$2.2M
Sales	\$7.4M	\$12.3M	\$21.2M
Property	\$7.4M	\$12.3M	\$20.3M
Total	\$19.4M	\$37.5M	\$71.7M



OTHER LOCAL IMPACTS

Chapman University financially supports the City of Orange directly.

Chapman University generates considerable direct property taxes for both city and county agencies. Between 2021 and 2024, Chapman University paid more than \$4.1 million to the City of Orange in property taxes and more than \$7.0 million to Orange County. In addition to these, Chapman makes annual payments to the City that total \$605,000.

Furthermore, Chapman gave back to the community in 2023-2024, contributing \$188,000 in charitable donations—50% of those to organizations located within the City of Orange.

Annual Contributions to the City of Orange (2023-2024)

City of Orange General Fund	\$500K
Upkeep of El Camino Real and Hart Park baseball/softball fields	\$43K
Police support during high-frequency times of the year	\$52K
Sponsor the City's community services programs and events	\$10K
Total	\$605K

Upon the purchase of Panther Village, Chapman University converted a hotel into a residence hall. As a part of the transformation, **Chapman offsets the lost transient occupancy taxes by paying \$500,000 annually to the City of Orange.**



FEDERAL TAX

Chapman University generates \$103 million on a federal tax level.

Tax	City of Orange	Orange County	California
Corporate Profit	\$2.5M	\$3.M	\$7.0M
Income	\$4.1M	\$20.2M	\$50.0M
Social Insurance	\$14.6M	\$23.2M	\$46.2M
Total	\$21.1M	\$47.2M	\$103.2M

In terms of federal tax generation (based on 2023 data), \$21.1 million of federal tax impacts are originating in Orange, \$47.2 million are originating in Orange County, and \$103.2 million are originating in California.





05

Other Impacts

GROWING REPUTATION

Chapman has a growing reputation and is an important contributor to Orange's vibrancy and success.

Chapman's academic rankings have been continuously climbing. In 2023, the Argyros School of Business climbed 12 spots to number 60. Furthermore, Chapman has continuously been ranked in the top five spots for film schools since 2021. These improved rankings have helped attract high caliber students from across the country.

In 2023, around 20% of the freshman class was from Orange County in comparison to the 46% of the freshman class that was from Orange County in 2000. This is important because it highlights Chapman's growing reputation across California and the United States, which helps expand Orange's talent base and is supportive of local businesses.



COMMUNITY



People see the campus as a part of the community. As a resident of Orange, it feels like Chapman is ours.

Dr. Martina Nieswandt
Vice President for Research and Graduate Education, Chapman University



CHAPMAN'S COMMUNITY INVOLVEMENT

Chapman is involved in and supports the Orange community through its many events and organizations—including donating more than \$75,000 annually to support community programs and events.

CHAMBER

- The Chamber of Commerce is supported by Chapman both in terms of funding and University involvement—Chapman University is one of the Chamber's key sponsors.



STATE OF THE CITY

- Chapman sponsors and provides the venue for the State of the City.



FARMERS MARKET

- Chapman offers the Farmers Market space and Educational Farm space free of charge to Orange Home Grown.



THE HUB

- More than 50 Chapman students support the HUB through work study programs annually.



COMMUNITY



We wouldn't be able to have the Farmers Market without Chapman University. The value we bring to the community should reflect back to the University.

Megan Penn

Executive Director, Orange Home Grown



Photo Credit: Orange Home Grown

CULTURAL SIGNIFICANCE

Chapman University brings speakers, performers, and productions to Orange through the Musco Center for the Arts.

The Musco Center for the Arts is a state-of-the-art venue that holds events and performances that are open to the public. The Musco Center attracts performances that would not otherwise come to Orange. Almost, 25,700 people attended events at the Musco Center in the 2022-2023 season. The Musco Center is the only large performance space in Orange and brings performances that are attractive to a wide diversity of Orange residence and regional visitors. Past performances and speakers include George Takei, the Heartbeat of Mexico series, Satinder Sartaaj, and many others.

The Hilbert Museum of California Art was recently expanded and is home to important California works of art. There are more than 5,000 pieces in the Hilbert's collection.



COMMUNITY

“ I cannot imagine our nonprofit, the HUB, the way we run our nonprofit, without Chapman University.”

Holiday Zimmerman
Executive Director, The HUB OC

The HUB OC

The HUB OC is a nonprofit that helps people in Orange through a variety of mechanisms, including youth centers and free after school care for children with families below the poverty line. The HUB has also partnered with the city to run a Resource Center for unhoused people. More than 50 Chapman students have worked with the HUB through their work-study program.



CHAPMAN STUDENTS

Chapman students are active in the Orange community, including volunteering and interning.

Chapman students are an integral part of the Orange community; where they are not only members of the workforce but many volunteer. Chapman education students conduct more than 110,000 hours of fieldwork per year in local schools, while Counseling and School Psychology graduates contribute another 60,000 post-grad hours.

Chapman students are heavily involved in Chapman sponsored events in the Orange community. Students in the Chapman University School of Pharmacy were heavily involved in the Orange COVID-19 response. Chapman community members administered between **1,000 and 1,200 COVID-19 vaccinations per day**. Students in the Crean College of Health and Behavioral Sciences provide **pro bono physical therapy services** and telehealth marriage and family **counseling**.

Additionally, students take it upon themselves to get involved in the community. Chapman students volunteer in organizations such as the HUB, the Farmers Market, and coach youth sports.



Chapman students in the Fowler School of Law provide more than 1,000 hours of free legal advice and services to Orange community members through a variety of law clinics, two of which are highlighted below.

The Bette and Wylie Aitken Family Protection Clinic

The Bette and Wylie Aitken Family Protection Clinic provides free legal advice and services to low-income and unhoused survivors of domestic violence, sexual assault, and related crimes. In any given year, 12 law students and a supervising professor provide legal services to at least 80 low-income survivors of violence and abuse.

The Alona Cortese Elder Law Center

The Alona Cortese Elder Law Center is a law office that educates upper-level law students and provides legal services to underserved members of the Orange community. In 2022-2023, the Center helped more than 200 people.

A photograph of a university campus with palm trees, students walking, and a brick building. The image is overlaid with a semi-transparent dark blue rectangle containing the text.

| 06

Appendix

ECONOMIC IMPACT METHODOLOGY

Economic impacts are quantified for discrete geographical areas. For the purposes of this study, HR&A estimated the economic impacts of Chapman’s annual operations and construction spending within the following three geographies:

- The City of Orange
- Orange County
- State of California

This analysis only considers direct operating expenditures and construction spending associated with Chapman that occur within these three geographies. In cases where the location of expenditures is unclear, HR&A applied conservative assumptions to estimate the proportion of spending occurring in the region.

OVERVIEW OF THE IMPLAN INPUT-OUTPUT MODEL

Economic impacts related to the annual operation and construction spending of Chapman were estimated using the IMPLAN input-output model and data specific to the three regions, as of 2023, which is the latest year for which model data was available when we began this work. Input-output analysis is an economic impact modeling method for understanding the interactions among the industries in a local economy that result from investment in a new capital project or other economic changes. In form, it resembles a giant matrix, or spreadsheet, in

which the “inflows” of goods and services needed by an industry (i.e., the purchasing sectors) are the columns and the rows consist of the outputs, or selling sectors. This enables analysis of the specific sectors in an area’s economy that are affected, and by how much, when a dollar’s worth of investment, new employment, or other measure of “final demand” is added to a particular sector or sectors. These inter-industry relationships can be expressed in terms of dollar impacts (measured in producer prices) or employment impacts and are expressed as annual figures.

ABOUT IMPLAN

IMPLAN (IMpact Analysis for PLANning), a social accounting and impact analysis software program, was developed in 1979 by the U.S. Forest Service in cooperation with the Federal Emergency Management Agency and the U.S. Bureau of Land Management to assist the Forest Service in land and resource planning and management. The program was updated and improved over subsequent years. In 1992, IMPLAN was transferred under a technology transfer agreement to the Minnesota IMPLAN Group, Inc. (MIG), which was run by three of the key University of Minnesota staff members who worked on the original program and subsequently developed the current modeling system. In 2013, IMPLAN was purchased by MIG, Inc. and privatized.

ECONOMIC IMPACT METHODOLOGY

ECONOMIC MODELING USING THE IMPLAN MODEL

IMPLAN is a widely accepted model that HR&A and many others, including many public agencies, use to estimate the economic consequences of new investment in, or other changes to, a local or regional economy. It explicitly accounts for impact “leakage,” or the fact that not all economic impacts are necessarily experienced inside the geographic area under study. The IMPLAN model can be used to generate estimates of direct, indirect, and induced employment, compensation (i.e., wages and benefits), and total economic output (i.e., a summary measure of all spending and economic activity), for both the construction phase of a project, and annually, once it has been completed and occupied.

“Employment” includes all individual full-time and part-time jobs, regardless of whether they are permanent or temporary, and self-employed persons as well as wage and salary workers.

“Direct” impacts includes total spending from Chapman University, Chapman salaries, and student and visitor spending spurred from Chapman students and visitors.

“Indirect” impacts are those resulting from goods and services purchased by Chapman or Chapman employees, students, and visitors to support their business operations and the ongoing circulation of these dollars in the economy.

“Induced” impacts result when direct and indirect employees (related to construction and annual operations) spend their compensation on consumer and other household-related goods and services. The indirect and induced effects are together sometimes referred to as the “multiplier effect” of the direct expenditures associated with an institution or construction project.

ECONOMIC IMPACTS FROM CHAPMAN UNIVERSITY’S ANNUAL OPERATIONS: METHODOLOGY

The annual economic impacts from Chapman’s annual operations were derived from the IMPLAN model. Five primary inputs were used: (1) salaries; (2) universities operations; (3) Chapman University student spending; (4) Chapman University visitor spending; and (5) annual construction spending by Chapman University, all from FY 2023. On the following page, an explanation is provided for how each set of data was treated in order to be input into the IMPLAN model. Note that in some cases, conservative estimates or adjustments were required due to lack of more detailed data, and thus the results presented herein may underestimate to some unknown degree the true economic impacts.

ECONOMIC IMPACT METHODOLOGY

Chapman Spending Data

HR&A thoroughly analyzed Chapman University's spending data by ZIP code from FY 2023 to determine the location of spending. Determining the location of vendor spending was critical in allowing us to assign specific economic impacts to the three study areas. This data included general operations data and research spending data. General university operation spending was inputted in the model under IMPLAN code 481: Junior colleges, colleges, universities, and professional schools. Research spending was inputted as IMPLAN code 464: Scientific research and development services.

Employee Wage Data

Chapman University provided HR&A with aggregated employee wage data sorted by ZIP code, allowing us to allocate the amount of wages in each of the analysis geographies for workers employed by Chapman University. HR&A included employee benefits, allowing us to arrive at a total employee compensation estimate for all on-site employees. These inputs were run as IMPLAN code 481: Junior colleges, colleges, universities, and professional schools.

Student Spending

HR&A estimated student spending using *The Economic Impact of Chapman University on Orange County 2017-18* report prepared by A Gary Anderson Center for Economic Research Chapman University to estimate total expenditure and distributions across spending categories. The IMPLAN spending categories used include:

- 406 Retail - Food and beverage stores
- 509 Full-service restaurants
- 510 Limited-service restaurants
- 448 Tenant-occupied housing
- Retail - Sporting goods, hobby, musical instrument and book stores
- 410
- 418 Transit and ground passenger transportation
- 408 Retail - Gasoline stores
- 409 Retail - Clothing and clothing accessories stores
- 517 Personal care services
- 411 Retail - General merchandise stores

ECONOMIC IMPACT METHODOLOGY

Construction Spending

HR&A estimated construction spending using data from Chapman University. HR&A used the annual spending numbers from FY 2022-23 as the model inputs for ongoing construction impacts. Construction spending was inputted as an ongoing impact because after examining University construction expenditures from 2013 to 2019 and 2022 to 2023, 2022 to 2023 reflects a typical year's spending on capital improvements and will likely occur into the future. The following IMPLAN codes were used to capture the construction spending in the model: 53 Construction of new educational and vocational structures, 59 Construction of other new residential structures, and 60 Maintenance and repair construction of nonresidential structures.

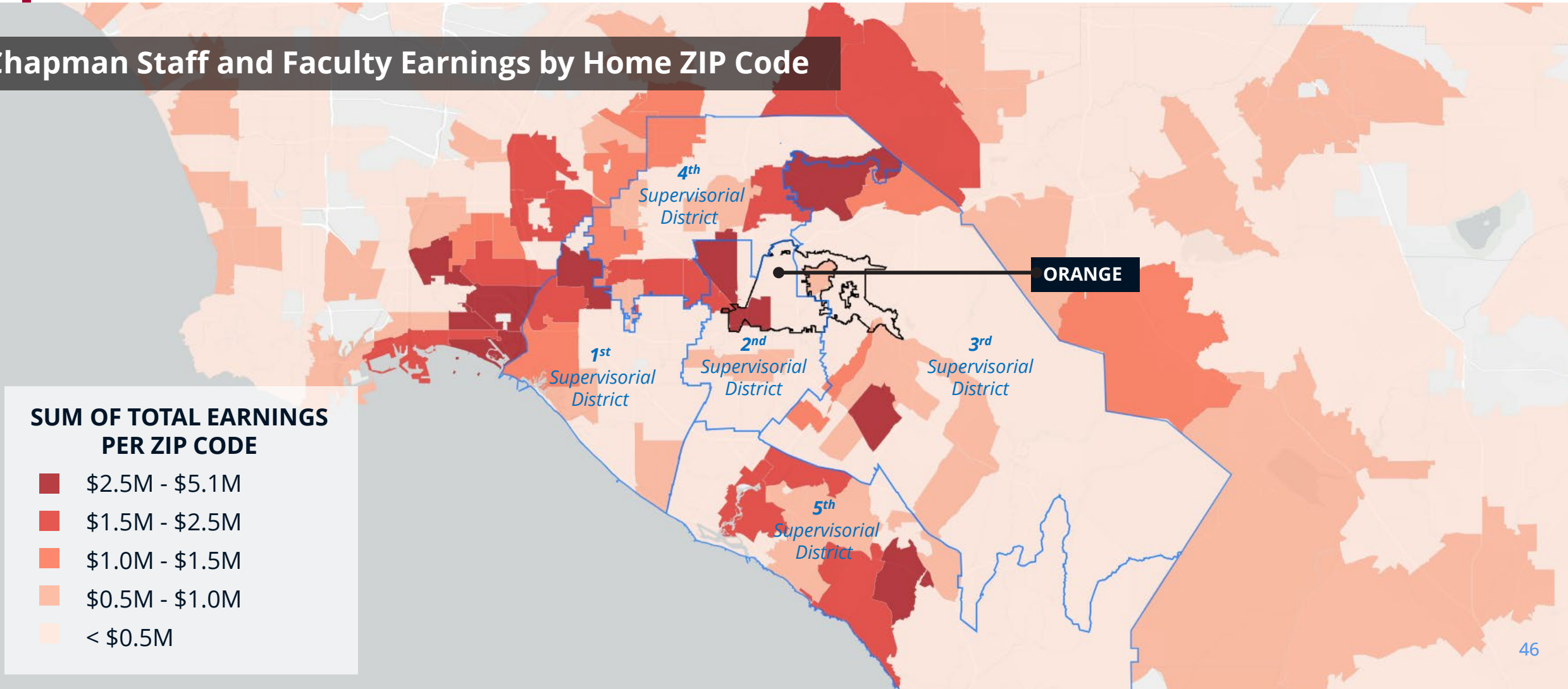
Visitor Off-Site Spending

HR&A estimated off-site visitor spending using a combination of 2022 visitor data provided by Chapman University as well as per capita visitor spending estimated through a variety of sources and typical spending patterns. Spending was distributed between Orange and Orange County based on the tourism amenities available in each geography.

COMPENSATION

While many staff and faculty live in Orange, they also reside in Anaheim, Yorba Linda, and Long Beach among other places in Southern California.

Chapman Staff and Faculty Earnings by Home ZIP Code



ECONOMIC IMPACTS: ORANGE

Chapman University generates \$497 million in economic output and supports 5,070 jobs and \$278 million in labor income.

Impact	Employment	Labor Income	Output
Direct	5,030	\$276M	\$490M
Indirect	30	\$2.1M	\$5.8M
Induced	10	\$442K	\$1.1M
Total	5,070	\$278M	\$497M

ECONOMIC IMPACTS: ORANGE COUNTY

Chapman University generates \$763 million in economic output and supports 6,360 jobs and \$371 million in labor income.

Impact	Employment	Labor Income	Output
Direct	5,130	\$279M	\$502M
Indirect	740	\$58M	\$167M
Induced	490	\$33M	\$94M
Total	6,360	\$371M	\$763M

ECONOMIC IMPACTS: CALIFORNIA

Chapman University generates 8,300 jobs and \$1,197M of output in California.

Impact	Employment	Labor Income	Output
Direct	5,510	\$304M	\$554M
Indirect	1,630	\$132M	\$402M
Induced	1,160	\$85M	\$241M
Total	8,300	\$371M	\$1,197M

INPUTS

HR&A used the following inputs to determine Chapman University's economic and fiscal impacts.

	Total	Operations	Student Spending	Visitor Spending	Construction
Orange	\$217.7M	\$55.3M	\$125.1M	\$4.0M	\$33.4M
Orange County	\$320.5M	\$145.9M	\$134.1M	\$7.1M	\$33.4M
California	\$553.6M	\$344.4M	\$167.6M	\$8.1M	\$33.4M

FISCAL IMPACTS: FEDERAL

Chapman University generates \$103 million on a federal tax level.

Impact	City of Orange	Orange County	California
Corporate Profit Tax	\$2.5M	\$3.8M	\$7.0M
Income Tax	\$4.1M	\$20.2M	\$50.0M
Other	-	-	-
Social Insurance Tax	\$14.6M	\$23.2M	\$46.2M
Total	\$21.1M	\$47.2M	\$103.2M

Methodology

HR&A used IMPLAN to estimate the fiscal impacts of Chapman University's annual impacts. This impact reflects the taxes paid by the University's employers, suppliers, and associated spending within each region. IMPLAN obtains taxes by level of government by combining data from the Annual Survey of State and Local Government Finances, which usually lags a year or two with respect to the IMPLAN data reference year, the most recent state government tax collections (also reported by the Census Bureau), and the most recent Census of Government Finance, which is like the Annual Survey, but covers every single unit of government.

State government revenue is assigned only at the state level (i.e., the data do not tell us how much state income tax came from a given county). Federal government revenue is known only at the national level from the National Income and Product Accounts.

Data for state and federal government revenue are allocated to counties based on proxies (e.g., personal income by county is used to allocate state government personal income tax revenue to counties).

IMPLAN distributes taxes based on a combination of finances data and proxies.

FISCAL IMPACTS: STATE AND LOCAL

IMPLAN estimates that Chapman University generates \$71.7 million of local and state taxes. The direct payments that Chapman pays to the City and County are likely included in those numbers.

Impact	City of Orange	Orange County	California
Corporate Profit Tax	\$1.6M	\$2.4M	\$4.4M
Income Tax	\$1.5M	\$8.1M	\$20.0M
Other	\$.9M	\$1.4M	\$3.6M
Social Insurance Tax	\$.6M	\$1.0M	\$2.2M
Sales Tax	\$7.4M	\$12.3M	\$21.2M
Property Tax	\$7.4M	\$12.3M	\$20.3M
Total	\$19.4M	\$37.5M	\$71.7M

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UNIVERSITY

Chapman University Economic and Fiscal Impacts

July 2025