Texas Southern University

Executive Summary

PUBLISHED JUNE 2026

The Economic Value of Texas Southern University

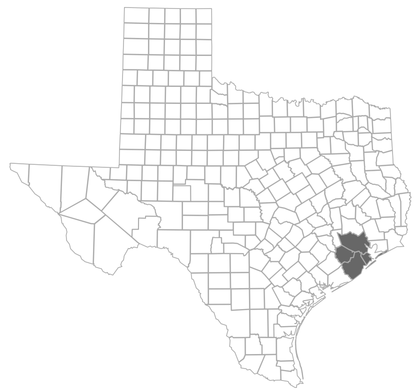
Reflects FY 2023-24

Lightcast

About the study

Data and assumptions used in the study are based on several sources, including the FY 2023-24 academic and financial reports from Texas Southern, industry and employment data from the U.S. Bureau of Labor Statistics and U.S. Census Bureau, outputs of Lightcast's Multi-Regional Social Accounting Matrix model, and a variety of studies and surveys relating education to social behavior. The study applies a conservative methodology and follows standard practice using only the most recognized indicators of economic impact and investment effectiveness. For a full description of the data and approach used in the study, please contact the university for a copy of the main report.

TEXAS SOUTHERN UNIVERSITY (Texas Southern) creates value in many ways. The university plays a key role in helping students increase their employability and achieve their individual potential. The university facilitates new research developments and draws visitors and students to the region, generating new dollars and opportunities for Texas Southern's Service Area.[1] Texas Southern provides students with the education, training, and skills they need to have fulfilling and prosperous careers. Furthermore, Texas Southern is a place for students to meet new people, increase their self-confidence, and promote their overall health and well-being.



Texas Southern's Service Area, Texas

Texas Southern influences both the lives of its students and the regional economy. The university supports a variety of industries in Texas Southern's Service Area, serves businesses in the region, and benefits society as a whole in Texas from an expanded economy and improved quality of life. Additionally, the benefits created by Texas Southern extend to the state and local government through increased tax revenues and public sector savings.

Texas Southern influences both the **lives of its students** and the **regional economy**.

This study measures the economic impacts created by Texas Southern on the business community and the benefits the university generates in return for the investments made by its key stakeholder groups—students and graduates, taxpayers, and society. The following two analyses are presented:

Economic impact analysis

Investment analysis

All results reflect employee, student, and financial data provided by the university for fiscal year (FY) 2023-24.[2] Impacts on the Texas Southern's Service Area economy are reported under the economic impact analysis and are measured in terms of added income. The returns on investment to students and graduates, taxpayers, and society in Texas are reported under the investment analysis.

1 For the purposes of this analysis, Texas Southern's Service Area is comprised of Brazoria, Fort Bend, Galveston, and Harris Counties.

2 Institutional data provided from Texas Southern includes IPEDS Finance, Institutional Characteristics, Financial Aid, and Enrollment surveys, Higher Educational Research and Development survey as well as institutional data files.

Economic impact analysis

Texas Southern promotes economic growth in the University's Service Area through its direct expenditures and the resulting expenditures of visitors, students, and businesses in the region. The university serves as an employer and buyer of goods and services for its day-to-day operations, construction, and research activities. The university's reputation and activities attract visitors and students from outside Texas Southern's Service Area, whose expenditures benefit regional vendors. In addition, Texas Southern is a primary source of higher education to the University's Service Area residents and a supplier of trained workers to regional industries, enhancing overall productivity in the regional workforce.

Operations spending impact

Contributions to the economy based off the university expenses for operations

Texas Southern adds economic value to the University's Service Area as an employer of regional residents and a large-scale buyer of goods and services. In FY 2023-24, payroll at Texas Southern was $111.9 million, much of which was spent in the region on groceries, mortgage and rent payments, dining out, and other household expenses. In addition, the university spent $96.1 million on expenses related to facilities, supplies, and professional services.[3]

Texas Southern's operations spending added **$174.0 million** in income to the region during the analysis year. This figure represents the university's payroll, the multiplier effects generated by the in-region spending of the university and its employees, and a downward adjustment to account for funding that the university received from regional sources. The $174.0 million in added income is equivalent to supporting **1,578 jobs** in the region.

Construction spending impact

Contributions to the economy based off the university expenses for capital construction

Texas Southern invests in capital projects each year to maintain its facilities, create additional capacities, and meet its growing educational demands. While the amount varies from year to year, these quick infusions of income and jobs have a substantial impact on the regional economy. In FY 2023-24, Texas Southern's

Impacts created by Texas Southern in FY 2023-24

Operations spending impact
$174.0 million
+
Construction spending impact
$2.0 million
+
Research spending impact
$20.7 million
+
Visitor spending impact
$18.7 million
+
Student spending impact
$61.6 million
+
Alumni impact
$1.3 billion

Total economic impact
$1.6 billion

OR

Jobs supported
15,676

3 Research employees and their payroll as well as non-pay expenses for research and construction are excluded from this impact as they are measured in the following impacts.

construction spending on a new on-campus athletics weight facility generated **$2.0 million** in additionally created income to the economy (or **$7.0 million** in net sales), which is equivalent to supporting **20 jobs** in the region.

Research spending impact

Contributions to the economy based off the university expenses for research employees and activities

Research activities impact the economy by employing people and requiring the purchase of equipment and other supplies and services. In FY 2023-24, Texas Southern spent $7.7 million on payroll to support research activities. This, along with $8.5 million in other research spending,[4] created a net total of **$20.7 million** in added income for the regional economy. This added income is equivalent to supporting **195 jobs**.

Visitor spending impact

Contributions to the economy based off the out-of-region visitors' expenses

Tens of thousands of visitors from outside the region were attracted to Texas Southern during the analysis year to attend various events and activities hosted by the university. While in the region, visitors spent money for lodging, food, transportation, and other personal expenses. The off-campus expenditures of the university's out-of-region visitors generated a net impact of **$18.7 million** in added income for the regional economy in FY 2023-24. This $18.7 million in added income is equivalent to supporting **247 jobs**.

Texas Southern University Museum's national cultural prominence

The University Museum at Texas Southern has emerged as one of the nation's most consequential cultural institutions within higher education, advancing the university's stature through visionary exhibitions, scholarly preservation, and transformative national partnerships. That prominence is now reflected in a landmark collaboration with the Smithsonian Institution and the National Museum of African American History and Culture, which selected Texas Southern as one of only five HBCUs featured in the national exhibition At the Vanguard: Making and Saving History at HBCUs. The exhibition positions the University Museum's distinguished collections alongside some of the most revered archives in Black higher education, affirming TSU's role as a national steward of African American artistic, intellectual, and cultural history.

This recognition builds upon the University Museum's longstanding tradition of presenting bold, internationally resonant exhibitions that challenge, inspire, and expand cultural discourse. In recent years, the museum has welcomed acclaimed presentations including the Jean-Michel Basquiat HBCU Exhibition Tour and Dark Matter, Dark Imaginarence, Dark Energy by celebrated artist and Texas Southern graduate Nathaniel Donnett, further solidifying its reputation as a dynamic center for contemporary Black artistic expression and critical scholarship.

Equally important is the museum's investment in cultivating future leaders in the arts and museum professions. That commitment is exemplified through Smithsonian Graduate Fellow Rita Reyes, the first graduate of Texas Southern's Museum Studies minor. Through her fellowship, Reyes is conducting pioneering research on the university's permanent collection, illuminating overlooked narratives and deepening public engagement with the institution's artistic holdings. Together, these achievements underscore how the University Museum continues to elevate Texas Southern onto the national stage—not only as a guardian of Black history and culture, but as a powerful force shaping its future interpretation and preservation.

4 Excludes indirect costs because indirect costs are not necessarily spent during the analysis year.

Student spending impact

Contributions to the economy based off the relocated and retained students' expenses

Around 48% of students attending Texas Southern originated from outside the region in FY 2023-24, and most of these students relocated to the University's Service Area to attend Texas Southern. These students may not have come to the region if the university did not exist. In addition, some in-region students, referred to as retained students, would have left the University's Service Area if not for the existence of Texas Southern. While attending the university, these relocated and retained students spent money on groceries, accommodation, transportation, and other household expenses. This spending generated **$61.6 million** in added income for the regional economy in FY 2023-24, which supported **899 jobs** in Texas Southern's Service Area.

The competitive legacy of the Texas Southern Debate Program

The Texas Southern Debate Team is internationally renowned, standing among the premier debate programs in America. The program embodies the academic rigor, intellectual distinction, and competitive excellence that define Texas Southern. Since its founding in 1949, the Debate Team has cultivated generations of influential leaders grounded in advocacy, critical inquiry, and civic engagement, preparing students to excel across the legal, corporate, medical, educational, media, and public sectors. Through disciplined preparation and an enduring tradition of achievement, the Texas Southern Debate Team has earned distinction as a dominant force in collegiate forensics and international competition.

That tradition of excellence has increasingly elevated Texas Southern onto the global stage. The Debate Team is a five-time International Forensics Association's international champion, affirming its ability to compete—and prevail—against elite institutions from around the world. The team has also secured a runner-up finish in recent competition, further solidifying its standing among the world's leading collegiate debate programs. These international accomplishments have elevated Texas Southern's academic profile worldwide, underscoring the institution's commitment to cultivating globally competitive scholars, communicators, and thought leaders.

Beyond championships and accolades, the Debate Team serves as a powerful ambassador for the university and the enduring legacy of excellence within HBCU education. Its alumni have distinguished themselves as attorneys, Fortune 100 executives, physicians, educators, university administrators, award-winning journalists, and elected officials. The program's continued success reflects the transformative opportunities available at Texas Southern, where students are empowered to refine their voices, confront complex global issues, and represent the university with distinction on some of the world's most prestigious competitive stages.

Alumni impact

Contributions to the economy based off the higher earnings of the university's former students and increased profits of their employers

The education and training Texas Southern provides for regional residents has the greatest impact. Since the establishment of the university, students have studied at Texas Southern and entered the regional workforce with greater knowledge and new skills. Today, thousands of former Texas Southern students are employed in the University's Service Area. As a result of their education from Texas

Southern, the students receive higher earnings and increase the productivity of the businesses that employ them. In FY 2023-24, Texas Southern alumni generated **$1.3 billion** in added income for the regional economy, which is equivalent to supporting **12,737 jobs**.

Total impact

Texas Southern added **$1.6 billion** in income to the University's Service Area economy during the analysis year, equal to the sum of the operations, construction, and research spending impacts; the visitor and student spending impacts; and the alumni impact. This contribution that the university provided on its own is over one-third as large as the entire Arts, Entertainment, & Recreation industry in the region.

Texas Southern's total impact can also be expressed in terms of jobs supported. The $1.6 billion impact supported **15,676 regional jobs**, using the jobs-to-sales ratios specific to each industry in the region. In addition, the $1.6 billion, or 15,676 supported jobs, stemmed from different industry sectors. For instance, among **non-education** industry sectors, the activities of Texas Southern and its alumni in the Professional & Technical Services industry sector supported 2,001 jobs in FY 2023-24. If the university did not exist, these impacts would not have been generated in Texas Southern's Service Area.

Texas Southern impacts by industry (jobs supported)

2,001	Professional & Technical Services
1,750	Health Care & Social Assistance
1,267	Arts, Entertainment, & Recreation
1,173	Retail Trade
1,031	Other Services (except Public Administration)*

*Due to the overall category of Public Administration being comprised of multiple sectors, it has been excluded in this summary. Please see the accompanying full report Table 3.9 for additional sector details.

Investment analysis

An investment analysis evaluates the costs associated with a proposed venture against its expected benefits. The analysis presented here evaluates Texas Southern as an investment from the perspectives of students and graduates, taxpayers, and society in Texas. As with the economic impact analysis, this analysis considers only FY 2023-24 activities.

Student perspective

Student return on investment for enrolling at Texas Southern

In FY 2023-24, Texas Southern served 9,393 students (unduplicated headcount). In order to attend the university, the students paid for tuition, fees, books, and supplies. They also took out loans and will incur interest on those loans. Additionally, students sacrificed money they would have otherwise earned had they been working instead of attending college. The total investment made by Texas Southern's students in FY 2023-24 amounted to a present value of $129.5 million, equal to $76.0 million in out-of-pocket expenses (including future principal and interest on student loans) and $53.5 million in forgone time and money.

In return for their investment, Texas Southern's students will receive a stream of higher future earnings that will continue to grow throughout their working lives. For example, the average Texas Southern bachelor's degree graduate from FY 2023-24 will see annual earnings that are $30,500 higher than a person with a high school diploma or equivalent working in Texas. Over a working lifetime, the benefits of a bachelor's degree over a high school diploma will amount to an undiscounted value of $1.3 million in higher earnings per graduate. The present value of the cumulative higher future earnings that Texas Southern's FY 2023-24 students will receive over their working careers is $888.3 million.

The students' benefit-cost ratio is 6.9. In other words, for every dollar students invest in Texas Southern in the form of out-of-pocket expenses and forgone time and money, they will receive a cumulative value of $6.90 in higher future earnings. Annually, the

Students see a high rate of return for their investment in Texas Southern

Average annual return for Texas Southern students
20.4%

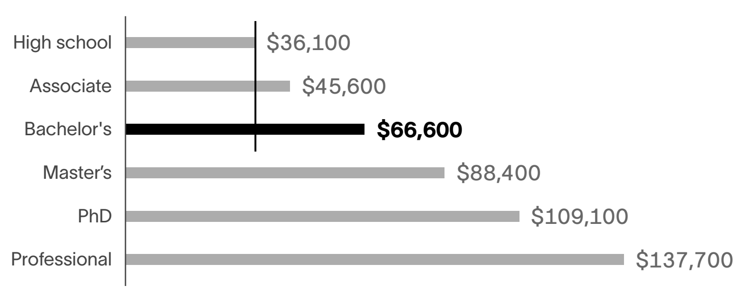
Stock market 30-year average annual return
10.9%

Interest earned on savings account (national deposit rate)
0.5%

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

Average earnings by education level at career midpoint

The average bachelor's degree graduate from Texas Southern will see an increase in earnings of **$30,500** each year compared to a person with a high school diploma or equivalent working in Texas. The highlighted salary reflects the career midpoint of Texas Southern's students, which is the point halfway between the workforce entry age and the retirement age, 18 and 67 years old.



Source: Lightcast employment data

students' investment in Texas Southern has an average annual internal rate of return of 20.4%, which is impressive compared to the U.S. stock market's 30-year average rate of return of 10.9%.

Texas Southern Aviation and industry partnership distinction

Texas Southern's Aviation Program is a growing driver of workforce development and economic impact within Houston's expanding aerospace sector. Through its strategic investment in infrastructure, industry partnerships, and applied training, the program is strengthening the regional talent pipeline for high-demand aviation careers as it continues its upward trajectory as the only internationally accredited aviation program in the state of Texas.

At the center of this expansion is Texas Southern at Houston Spaceport, a 20,000-square-foot hangar facility developed in partnership with the City of Houston and Houston Airports. The site operates as a satellite campus and includes a fleet of 12 Cirrus SR20 aircraft, enabling students to train on modern, industry-standard equipment in real-world flight environments. The facility also provides 4,500 square feet of classroom and administrative space, supporting expanded instruction and future coursework tied to aerospace engineering. An on-site 8,000-gallon fuel tank further improves operational efficiency and reduces long-term program costs, strengthening financial sustainability.

The program's economic impact is amplified through direct pipeline partnerships with major airlines. Texas Southern maintains a longstanding relationship with United Airlines, including scholarships and participation in the United Aviate program. The University is also part of Southwest Airlines' Destination 225° pilot pathway and has recently expanded engagement with Delta Air Lines through its Propel career development program. These partnerships ensure students are connected to structured hiring pathways and industry mentorship while still in training.

Additionally, collaboration with Republic Airways strengthens regional and national workforce alignment, expanding opportunities for flight experience and employment.

Together, these investments position the University as a key contributor to the aviation workforce pipeline, supporting Houston's role as a national hub for aerospace innovation while preparing a diverse next generation of pilots and aviation professionals.

Taxpayer perspective

State and local government return on investment in Texas Southern

Texas Southern generates more in tax revenue than it receives. These benefits to taxpayers consist primarily of taxes that the state and local government will collect from the added revenue created in the state. As Texas Southern students will earn more, they will make higher tax payments throughout their working lives. Students' employers will also make higher tax payments as they increase their output and purchases of goods and services. By the end of the FY 2023-24 students' working lives, the state and local government will have collected a present value of $242.0 million in added taxes.

Benefits to taxpayers will also consist of savings generated by the improved lifestyles of Texas Southern students and the corresponding reduced government services. Education is statistically correlated with a variety of lifestyle changes. The education that Texas Southern students receive will generate savings in three main categories: 1) health care, 2) justice system, and 3) income assistance. Improved health will lower students' demand for national health care services. In addition, costs related to the justice system will decrease. Texas Southern students will be more employable, so their reduced demand for income assistance such as welfare and unemployment benefits will benefit taxpayers. For a list of study references, contact the university for a copy of the main report. Altogether, the present value of the benefits associated with an education from Texas Southern will generate $12.6 million in savings to state and local taxpayers.

For every dollar of public money invested in Texas Southern, taxpayers will receive a cumulative value of **$3.40** over the course of the students' working lives.

Total taxpayer benefits amount to $254.6 million, the present value sum of the added tax revenue and public sector savings. Taxpayer costs are $75.1 million, equal to the amount of state and local government funding Texas Southern received in FY 2023-24. These benefits and costs yield a benefit-cost ratio of 3.4. This means that for every dollar of public money invested in Texas Southern in FY 2023-24, taxpayers will receive a cumulative present value of $3.40 over the course of the students' working lives. The average annual internal rate of return for taxpayers is 8.2%, which compares favorably to other long-term investments in the public sector.

KTSU and Texas Southern's media excellence

KTSU 90.9 FM has served as a defining voice of culture, civic engagement, and experiential learning at Texas Southern for more than five decades. Established in 1972, KTSU was created to provide a premier professional training environment for aspiring media practitioners while expanding opportunities for historically underrepresented voices within the communications industry. Since its founding, the station has grown into one of Houston's most respected public radio outlets, reflecting the University's enduring commitment to academic excellence, cultural preservation, and public service.

Broadcasting 24 hours a day, KTSU delivers a dynamic blend of jazz, blues, gospel, reggae, zydeco, neo-soul, R&B, public affairs programming, and community-centered news coverage that resonates throughout metropolitan Houston. As the only radio station in Houston with dedicated jazz programming, KTSU serves as a vital steward of one of America's most influential art forms while preserving and elevating the city's rich musical and cultural heritage. As one of the nation's leaders in jazz radio programming, KTSU has partnered with the Monterey Jazz Festival since 2019 to broaden the reach of jazz education programs.

The station has become both a cultural institution and a trusted civic resource, elevating conversations surrounding education, civic participation, economic and social issues, and the artistic traditions that define Houston's communities. Through strategic partnerships with organizations such as Houston Public Media, KTSU has expanded its reach and influence while amplifying the visibility of Texas Southern on a broader public stage. Nielsen Audio PPM rankings consistently place KTSU among the top 20 stations in the Houston-Galveston market, distinguishing it within one of the nation's most competitive media landscapes.

Equally significant is KTSU's role as a transformative professional laboratory for students pursuing careers in media and communications. Through immersive training in broadcasting, journalism, production, programming, and live event coverage, students gain the practical expertise necessary to emerge as highly skilled and employable communications professionals, reinforcing KTSU's enduring legacy as both a cultural beacon and a catalyst for professional achievement.

Social perspective

Society's return on investment in Texas Southern for the overall student and university costs

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

Benefits to society also consist of the savings generated by the improved lifestyles of Texas Southern students. As discussed in the previous section, education is statistically correlated with a variety of lifestyle changes that generate social savings. Note that these costs are avoided by the consumers but are distinct from the costs avoided by the taxpayers outlined above. Health care savings include avoided medical costs associated with smoking, obesity, substance abuse, and depression. Justice system savings include avoided costs to the government and society due to less judicial activity. Income assistance savings include reduced welfare and unemployment claims. For a list of study references, contact the university for a copy of the main report.

Altogether, the social benefits of Texas Southern equal a present value of $4.0 billion. These benefits include $2.6 billion in added student income, $1.2 billion in added business income, $205.6 million in added income from university activities, as well as $48.8 million in social savings related to health, the justice system, and income assistance in Texas. People in Texas invested a present value total of $310.2 million in Texas Southern in FY 2023-24. The cost includes all the university and student costs.

Texas Southern's Ocean of Soul on the global stage

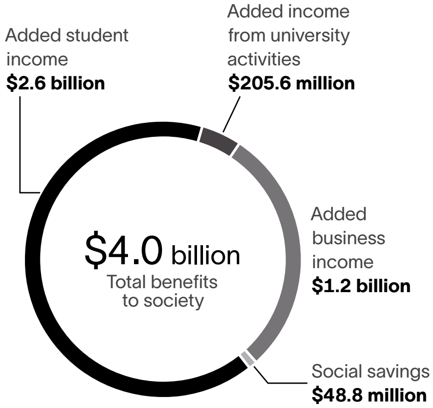
The Texas Southern Ocean of Soul Marching Band stands among the nation's most celebrated collegiate marching bands, embodying the tradition, artistry, and cultural excellence that define Texas Southern. Founded in 1945, the Ocean of Soul has become an internationally recognized symbol of Black musical brilliance, renowned for its electrifying precision, signature sound, and dynamic fusion of music, dance, and performance artistry. Today, the ensemble regularly places more than 250 student musicians, dancers, and auxiliary members on the field, showcasing the scale of talent and enduring legacy of HBCU band culture.

The Ocean of Soul's influence extends far beyond campus, elevating Texas Southern's profile on some of the world's largest stages. The band was featured in the landmark Beyoncé Bowl NFL Christmas Day performance with Beyoncé, reaching more than 60 million viewers worldwide. The Ocean has also performed with Lizzo, and collaborated with Kendrick Lamar, reinforcing its place at the intersection of music, entertainment, and popular culture. Performances tied to WrestleMania and the Pepsi National Battle of the Bands have brought the band's signature style to audiences across the nation and the world.

That visibility has also inspired transformative partnerships. Through its relationship with the Houston Livestock Show and Rodeo and support from the BeyGOOD Foundation, the Ocean of Soul continues to advance musical excellence and academic achievement, serving as both a cultural ambassador and one of the university's most powerful symbols of pride and global distinction.

The benefit-cost ratio for society is 13.0, equal to the $4.0 billion in benefits divided by the $310.2 million in costs. In other words, for every dollar invested in Texas Southern, people in Texas will receive a cumulative value of $13.00 in benefits. The benefits of this investment will occur for as long as Texas Southern's FY 2023-24 students remain employed in the state workforce.

Social benefits in Texas from Texas Southern



Source: Lightcast impact model

Summary of investment analysis results

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

Summary of investment analysis results

	Student perspective	Taxpayer perspective	Social perspective
Present value benefits	$888.3 million	$254.6 million	$4.0 billion
Present value costs	$129.5 million	$75.1 million	$0.3 billion
Net present value	$758.8 million	$179.5 million	$3.7 billion
Benefit-cost ratio	6.9	3.4	13.0
Rate of return	20.4%	8.2%	n/a*

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

Conclusion

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

The results of this study demonstrate that Texas Southern creates value from multiple perspectives. The university benefits businesses in the region by increasing consumer spending in the region and supplying a steady flow of qualified, trained workers to the workforce. Texas Southern enriches the lives of students by raising their lifetime earnings and helping them achieve their individual potential. The university benefits state and local taxpayers through increased tax receipts and a reduced demand for government-supported social services. Finally, Texas Southern benefits society as a whole in Texas by creating a more prosperous economy and generating a variety of savings through the improved lifestyles of students.