

*UAF College of Rural and Community Development
Kuskokwim Campus Impact Study*

Prepared for:
Kuskokwim Campus



Research-Based Consulting

Juneau
Anchorage

December 2009

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Summary of Findings

Kuskokwim Campus (KuC), part of the University of Alaska Fairbank's College of Rural and Community Development, contracted with McDowell Group, an Alaska research and consulting firm, to assess the economic and social impacts of the campus in the Kuskokwim region and statewide. To fully understand the impacts of the campus, in addition to quantitative data, the study team gathered qualitative information through interviews with college administration, local government officials, community leaders, and prominent individuals within the business community. Three particular comments express many of the interviewees' thoughts about how KuC impacts the region:

There are scores of students' lives that have been changed forever — not just the students, but their families. All sorts of people have gone through KuC who can, and will, make solid contributions to the community.

KuC brings young students into the community and gives them a perspective of what it is like to be a college student. It exposes them to career opportunities in many different areas, and it makes an impact on these young peoples' lives. It allows them to see what happens beyond their world and what opportunities exist, which makes a big difference in their lives down the road. They are able to see more than just what is in front of them because their world view is so limited right now by staying in a village of 50 to 100 people. The fact that the university provides this exposure now cannot be measured, but will be very important for the future. It shows the kids that they don't have to leave the community, but they can still do so much.

KuC is very aware of the culture around here. They help with cultural events. They are very, very supportive and respect the traditional ways of doing things and use local knowledge when possible.

Following is a brief summary of the key findings of this study.

KuC provides academic and vocational opportunities that allow the region's residents to obtain an education while maintaining their residence, family, and jobs.

KuC, through various programs, provides educational opportunities at all levels, including Adult Basic Education and GED preparation, certificates and associates degrees in technical and applied fields, and bachelor's and Master's degrees. Courses can be delivered in a traditional classroom setting, via distance delivery or by campus faculty traveling to the villages to present intensive short courses.

Leaving the region to further their education can be extremely difficult financially and emotionally for residents, especially villagers. Residents value the ability to maintain their family life and stay employed while continuing their education at KuC, especially women in the region. Nearly three-quarters of KuC Fall 2008 students were women, 40 percent were age 40 or older, and 70 percent were Native. Many of these Native women work and raise families while continuing their education.

KuC enables economic advancement for residents.

Students who attend KuC increase their earning potential. In a region with a limited cash economy, any increase in the educational or skill level of the region's residents can open up previously unavailable opportunities. Residents who are able to acquire a GED through KuC have a significantly better chance of finding employment. Those who obtain certificates and degrees are more likely to obtain jobs with higher wages. The opportunity for economic advancement is especially important for Alaska Native families in the region.

KuC provides opportunities to engage youth in the region.

KuC works hard to encourage the region's youth to graduate from high school and attend college. The campus provides opportunities for young students to become more engaged in education through a combination of hands-on opportunities and academic education in a culturally based setting.

Even though the effects of these efforts can take years to materialize, in the long-term, increasing the number of high school graduates and those who attend college will have a very positive effect on region.

KuC contributes economically to the region and the state.

The study also looked at the economic impacts of campus spending on payroll, goods and services, and campus renovation in the region and statewide.

KuC's payroll expenditures, including campus employees and those involved in campus renovation work, in FY 2008 totaled \$5 million in the region (almost all in Bethel) and direct spending on goods, services, student aid, and campus renovations was \$1 million. KuC's direct spending resulted in about 80 full-time or part-time jobs in the region in FY 2008.

Statewide, the direct and indirect impacts of KuC campus spending resulted in about 120 jobs and total estimated economic activity of about \$10 million.

Introduction and Methodology

Kuskokwim Campus (KuC) contracted with McDowell Group to assess the economic impact of the campus on the regional economy and analyze the school's qualitative benefits to residents of the Kuskokwim River region. Economic impacts include spending by KuC and its employees, as well as the circulation of those dollars throughout the regional and statewide economies. Qualitative benefits are difficult to measure in dollars, but are equally important. They include the campus's production of educated individuals who will enhance the region's workforce, and its effect on area residents' quality of life.



Introduction

KuC is a community campus within the University of Alaska Fairbank's (UAF) College of Rural & Community Development. UAF is part of the University of Alaska (UA) system, the only public university in Alaska, serving more than 33,000 students annually throughout the state via three regional hubs: University of Alaska Fairbanks, University of Alaska Anchorage, and University of Alaska Southeast.

Serving roughly 300 to 400 students each semester, KuC offers access to a range of degree and certificate programs on campus, as well as through UAF and University of Alaska Anchorage (UAA) via distance delivery.

Methodology

The economic impact section of this study examines the cumulative effects of KuC-related payroll and expenditures within the region and statewide. This study is similar to the impact analysis of the University of Alaska statewide system, conducted by McDowell Group in 2007. Following the general methodology of that study, regional and statewide economic multipliers were applied to KuC-associated expenditures to measure indirect and induced impacts.

Multipliers are derived from a widely used input/output model, IMPLAN, along with McDowell Group's project experience and analysis.¹ IMPLAN multipliers may be modified, based on McDowell Group experience in measuring multipliers in Alaska rural and urban economies. To assist the research team with this study, KuC, UAF College of Rural and Community Development, UAF Planning Analysis and Institutional Research, UAF Financial Services, and UA Statewide Budget and Planning provided information on revenue, expenditures (including detailed campus spending and employee payroll and benefits), student enrollment, and demographics.

¹ Minnesota IMPLAN Group, Inc., IMPLAN Professional version 2.0

Qualitative information was gathered through interviews with campus administration, local government officials, community leaders, and prominent individuals within the business community to capture their opinions of KuC's impacts in Bethel and the Kuskokwim region.

Profile of Campus and Programs

Kuskokwim Campus

Located in Bethel, about 80 miles inland on the banks of the Kuskokwim River, KuC has a mission of “preparing professional, community, and cultural leaders in an active and relevant learning environment.” The campus serves an area greater than 57,800 square miles, with roughly 25,000 residents, representing 56 tribes and living in 47 rural villages.

KuC is the only rural campus in Alaska that has on-campus housing. Full-time students who attend courses on campus are eligible for student housing in Sackett Hall, including meal services. The residential suites are clustered around a central common area with two attached two-bed rooms. Each suite contains a bathroom, refrigerator, cable, phone, and wireless internet. A central kitchen provides all meals for the students. The 10 suites have a total capacity of 40 beds. Campus administration reports that occupancy in campus housing is high.



KuC Degrees, Programs and Events

KuC offers academic, vocational, and community interest courses. Courses can be attended in person, through distance delivery, or at intensive training and course sessions delivered by faculty traveling to the villages.

KuC offers students access to many different programs, ranging from vocational certificates to master’s degrees. To address industry-specific needs in the region, KuC partners with regional organizations and other university campuses to provide access to on-site and off-site programs. Industry-specific needs include blending college courses with traditional learning. For example, students in Bethel can now complete a Rural Human Services (RHS) certificate in two years. The program is designed for Alaskan village-based human services workers and blends Alaska Native traditions and resources with Western aspects of education in a classroom setting.

Several programs are offered at KuC for assisting incoming students, including the Emerging Scholars Program (ESP), which is designed to assist all full-time freshmen to transition to college-level academic and social life. The ESP includes a weeklong Learning to Learn Camp, where freshmen learn about college and get to know each other in preparation for the upcoming semester.

Academic Programs

In general, KuC degree and certificate programs are offered in conjunction with UAF and UAA, requiring students to take a mixture of in-person and distance-learning courses. Academic programs accessible from KuC include:

- **Certificates** — Community Health, Early Childhood Education, Ethnobotany, Information Technology Specialist, Rural Human Services, Tribal Management, Applied Business Management, Office Management and Technology, Yup'ik Language Proficiency
- **Associate of Arts** — General Studies
- **Associate of Applied Science** — Community Health, Early Childhood Education, Information Technology Specialist, Human Services, Applied Business, Applied Accounting, Renewable Resources, Tribal Management, Yup'ik Language Proficiency, Interdisciplinary, Office management and Technology, Apprenticeship Technology
- **Bachelor of Arts** — Education, Rural Development, Social Work, Childhood Development and Family Studies, Interdisciplinary, Yup'ik Language and Culture
- **Bachelor of Arts and Sciences** — Education
- **Master of Arts** — Rural Development, Community Psychology
- **Master of Education** — Education

KuC Campus Outreach

KuC offers a range of programs to meet the needs of the communities in its service area. Following are some of the specific programs that provide the tools necessary for residents to increase their skills and their quality of life.

DISTANCE EDUCATION PROGRAM

In addition to traditional, classroom-based courses, KuC offers a variety of distance education courses. Distance education includes audio conference, online and Elluminate Live (E-Live) classes, and independent study. E-Live classes are web-based and delivered in real-time so that students and the course instructor are interacting simultaneously from different physical locations.

KuC's distance education program works in two directions. It extends the campus's courses and degree programs to students who are unable to get to the Bethel campus because of geography or schedule. It also allows Bethel-based students to take courses and complete degree programs offered through other UA campuses. As with the rest of the UA system, distance education at KuC is increasing in popularity. In academic year 2008, approximately 13 percent of KuC student credit hours were delivered via distance.

REGIONAL TRAINING

KuC provides specialized training, certificates, and licenses for businesses and workers. These classes include first aid/CPR, boiler operation, English as a Second Language (ESL), waste water operation, water treatment, fire extinguisher inspection, hazardous materials handling, asbestos removal, workplace basics, Certified

Public Managers program, and emergency wilderness training. These types of classes help strengthen the skill level of the regional workforce.

ADULT BASIC EDUCATION (ABE/GED) PROGRAM

Considered an important component of KuC, the adult education program provides basic education at the high school level for Kuskokwim region adults, allowing them to obtain their GED. These courses help with reading, writing, mathematics, and computer skills, as well as teaching them household budgeting, resume writing, and preparation for Public Safety's Department of Motor Vehicles driver's test. Many students use these courses to transition to other higher education courses and vocational training.

PERSONAL ENRICHMENT

Not measured by standard university metrics is KuC's Lifelong Learning program. Lifelong learning courses and lectures are available to the public and provide opportunities for increased community engagement. Classes are generally taught by part-time adjunct professors in Bethel or in surrounding villages and include topics such as health and fitness, beginning yoga, judo, driver's education, sewing a traditional qaspeq, and Alaska Native language classes.

EDUCATIONAL TALENT SEARCH

This federally-funded program is geared toward students at risk of not graduating from high school. Most students come from low-income families and are first-generation college students. The one-week camps offer subjects, such as robotics, that are likely to engage students. The program also offers some college-prep programming for older high school students.

ALASKA NATIVE SCIENCE AND ENGINEERING PROGRAM (ANSEP) BOOT CAMP

This program is designed for students who show an interest in science, technology, engineering and math. One recent ANSEP camp was held in Nash Harbor on Nunivak Island, where students captured, measured, and cataloged various specimens of aquatic life, as well as recorded river conditions and other environmental data. The program provides academic support and retention activities to encourage educational success.

Student Enrollment

Enrollment

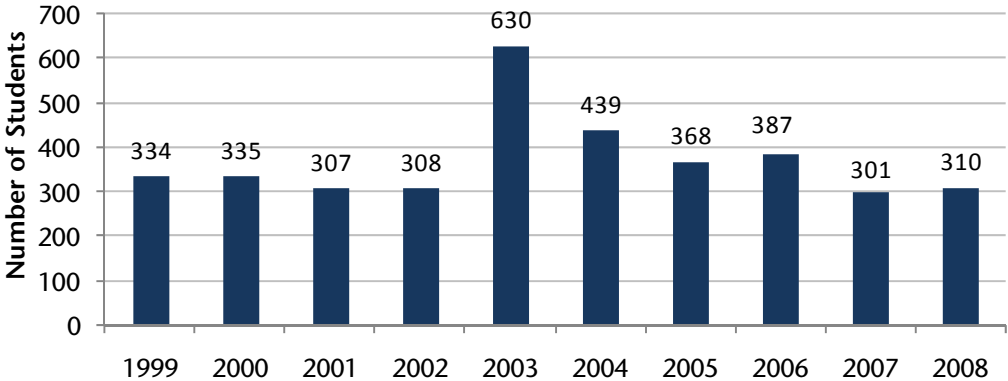
On average, KuC enrolls 250 to 600 students each semester. This student population includes all students receiving instruction from KuC, regardless of their degree program location. For example, some KuC students are enrolled in degree programs based in Fairbanks or Anchorage, but complete general requirements at KuC. About 40 percent of the KuC student population enrolls in programs at other UA campuses. Student enrollment is measured in two ways: headcount and student credit hours (SCH). Headcount measures the number of students enrolled in any number of classes, while SCH accounts for the number of course credits each student is taking. For example, 10 students taking one three-credit course each is reflected by a headcount of 10 and total SCH of 30. Ten students taking 12 credits each (full-time) is reflected by a headcount of 10 and total SCH of 120. Within the higher education arena, SCH is considered the more accurate measure of a school's production and is more closely associated with its revenue stream. Both measures will be presented in the following sections.



Enrollment Trends

The following chart presents the 10-year trend for fall student enrollment at KuC. According to campus administration, there was a large spike in enrollment in 2003 related to implementation of the No Child Left Behind Act. More than 300 paraprofessionals, teacher's aids, and staff were required to take classes that year.

Figure 1
Student Enrollment Trends, Fall 1999 - Fall 2008



Source: UA Statewide Planning and Budget.

KuC had Fall 2008 enrollment of 310 students and 1,820 SCH. The table below shows fall semester enrollment and SCH trends. Student enrollment declined by 29 percent since Fall 2004, but increased by 3 percent from Fall 2007 to Fall 2008. SCH declined by 3.7 percent from 2004 to 2008 but increased by 28 percent from 2007 to 2008.

Table 1
Student Enrollment Trends, Fall 2004 - Fall 2008

Year	Count	Credit Hours
2004	439	1,889
2005	368	1,661
2006	387	1,653
2007	301	1,424
2008	310	1,820

Source: UA Statewide Planning and Budget.

Student Enrollment Characteristics and Demographics

Student Enrollment Characteristics

In Fall 2008, more than three-quarters of KuC students were enrolled part-time, with 21 percent enrolled full-time. Half of the enrolled students were degree-seeking. Three-hundred-twenty students enrolled in at least one non-credit course (some of them also may have been enrolled in for-credit classes).

Table 2
Student Enrollment Characteristics, Fall 2008

	Count	% of Total
For-credit enrollment		
Part-time	245	79%
Full-time	65	21
Degree-seeking*	157	51
Non-degree seeking	153	49
Total enrollment in for-credit classes	310	100%
Total enrollment in non-credit classes**	320	

Source: UAF Planning, Analysis, and Institutional Research and UA in Review, 2009.

*Degree-seeking status is determined at the UA statewide level; the students counted as degree-seeking are enrolled at KuC but may be degree-seeking at any of the three MAUs (UAF, UAA, UAS).

**Non-credit head count is an unduplicated head count of all students taking one or more noncredit courses. Some of these students may also have been enrolled in for-credit classes.

Student Demographics

STUDENT ORIGIN

Nearly all students enrolled at KuC in Fall 2008 originated from within the state of Alaska, with 60 percent originating from within the KuC service area. Approximately 38 percent of students originated from other areas of the state.

Table 3
Origin Student, Fall 2008

	Enrollment	% of Total Enrollment
In-state enrollment		
Kuskokwim Campus service area	225	73%
Other Alaska communities	80	26
Total in-state enrollment	305	98%
Other U.S. states	3	1
International	2	1
Total enrollment	310	100%

Source: UAF Planning, Analysis, and Institutional Research. Figures have been rounded.

*Origin is the location of a student when first enrolling at the university and may differ from a student's current citizenship, visa, or state residency status. For Alaskan students entering the university, the origin is recorded as a city or village. For students of other states, the origin is recorded as the state from which the student comes. In the case of a foreign student, the origin at entry is recorded as the student's home country.

COMMUNITY ORIGIN

In Fall 2008, students enrolled at KuC came from more than 75 Alaska communities, with roughly one-third originating from KuC's home community of Bethel. The following table shows the number of students from communities in the KuC service area. A complete list of in-state student communities of origin is available in the appendix of this report.

Table 4
Communities of Origin* and Student Count within KuC Service Area, Fall 2008

	Students	% of All KuC Enrolled Students
Bethel	108	35%
Hooper Bay	11	4
Akiachak	9	3
Kwigillingok	8	3
Akiak	6	2
Chefornak	6	2
Quinhagak	6	2
Kwethluk	5	2
Toksook Bay	5	2
Alakanuk	5	2
Emmonak	5	2
Kasigluk	4	1
Tuntutuliak	4	1
Tununak	4	1
Pilot Station	4	1
St. Mary's	4	1
Chevak	3	1
Kotlik	3	1
Kipnuk	3	1
Napakiak	3	1
Napaskiak	3	1
Nunapitchuk	3	1
Atmautluak	2	1
Kalskag	2	1
Kongiganak	2	1
Crooked Creek	1	<1
Mekoryuk	1	<1
Tuluksak	1	<1
Marshall	1	<1
Mountain Village	1	<1
Scammon Bay	1	<1
Russian Mission	1	<1
Total in service area	225	73%

Source: UAF Planning, Analysis, and Institutional Research

*Origin is the location of a student when first enrolling at the university and may differ from a student's current citizenship, visa, or state residency status. For Alaskan students entering the university, the origin is recorded as a city or village. For students of other states, the origin is recorded as the state from which the student comes. In the case of a foreign student, the origin at entry is recorded as the student's home country.

OTHER DEMOGRAPHICS

In Fall 2008, the average age among KuC students was 35 years old, five years older than the average UA student. Students age 40 and older represented 40 percent of the student population while students between the ages of 20 and 24 represented 17 percent. Alaska Native students made up 70 percent of the population and eight out of 10 students were female.

Table 5
Student Demographics, Fall 2008

	Count	% of Total
Gender		
Female	244	79%
Male	66	21
Ethnicity		
White	42	14%
Alaska Native	218	70
Other	8	3
Not reported	42	14
Average age		35 years old

Source: UA Statewide Planning and Budget.

GRADUATES



KuC has graduated between 22 and 57 students annually between 1999 and 2008. During that 10-year period, KuC awarded 148 certificates, 126 associate degrees, and 34 baccalaureate degrees. In FY 2008 the campus awarded 25 associate degrees, 30 certificates, and two baccalaureate degrees.

Table 6
Degrees and Certificates Awarded, FY 2008

Associate Degrees	25
Baccalaureate Degrees	2
Certificates	30
Total	57

Source: College of Rural and Community Development

KuC Revenue and Expenditures

Direct impacts of KuC include spending related to college activities: payroll, goods and services, and student aid, among others. Direct impacts also include KuC expenditures on capital projects, such as the construction of new buildings and the purchase of equipment.

The analysis of KuC's regional and statewide impacts is premised with a presentation of its revenue and revenue sources.

Revenue

Funding for KuC comes from a number of sources, including State of Alaska general funds, student tuition, federal receipts and auxiliary receipts. The following table details KuC revenue sources and funding amounts for FY 2007 and FY 2008.

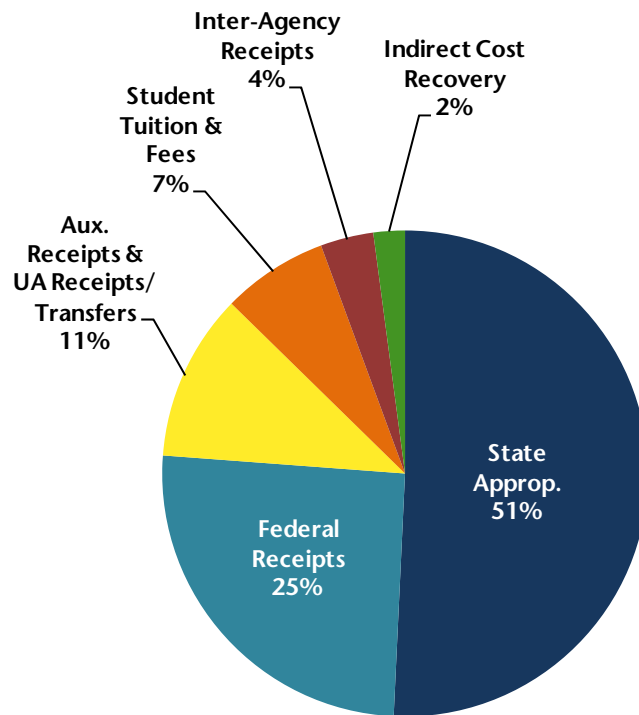
Total revenue for KuC decreased from \$6 million in FY 2007 to \$5.5 million in FY 2008. In FY 2008, state appropriations accounted for half of KuC revenues with federal receipts making up 25 percent.

Table 7
Revenue Sources, by Funding Source, FY 2007 – FY 2008

Source	FY 2007	FY 2008
Unrestricted		
State appropriations	\$2,726,800	\$2,816,300
Student tuition and fees	407,000	391,600
Educational program funding	27,200	-
Indirect cost recovery	131,200	116,100
UA receipts	340,500	271,200
UA intra-agency transfers	13,400	6,900
Restricted		
Federal receipts	\$1,728,100	\$1,411,400
Auxiliary receipts	673,800	535,800
Total revenue	\$6,048,000	\$5,549,300

Source: UA Statewide Planning and Budget, Unit Level Report, 2008. Figures have been rounded.

Figure 2
Revenue Sources, by Percentage of Total Funding, FY 2008



Description of Revenue Sources

State appropriations include receipts from the State of Alaska’s general operating fund.

Federal receipts include restricted funds, such as grants and contracts, where spending is dictated by the specific federal funding agency.

Student tuition and fees are generated by tuition charged to students for instructional programs, as well as fees charged for specific activities or items such as materials and labs.

Educational program funding is revenue from a variety of sources used to fund specific educational activities.

Indirect cost recovery revenues are generated from federal and other restricted grants, and are used to help offset administrative and support costs that cannot be efficiently tracked directly to grant programs. When the university receives a grant, it records the revenue for the actual project in restricted receipts and the revenue for indirect costs in indirect cost recovery.

Auxiliary receipts are associated with all self-supported activities of KuC. They include all revenues from the campus bookstore, the dormitory and dormitory food service.

UA receipts and transfers include unrestricted revenues from course and facility-use fees, educational testing fees, revenue from administrative services and other miscellaneous sources.

Expenditures

In FY 2008, KuC expenditures totaled approximately \$5.7 million, with \$4.4 million spent on wages and benefits. Expenditures for contract services totaled \$709,000, while goods were about \$276,000, and travel expenses nearly \$222,000. Student aid and miscellaneous spending totaled approximately \$63,000.

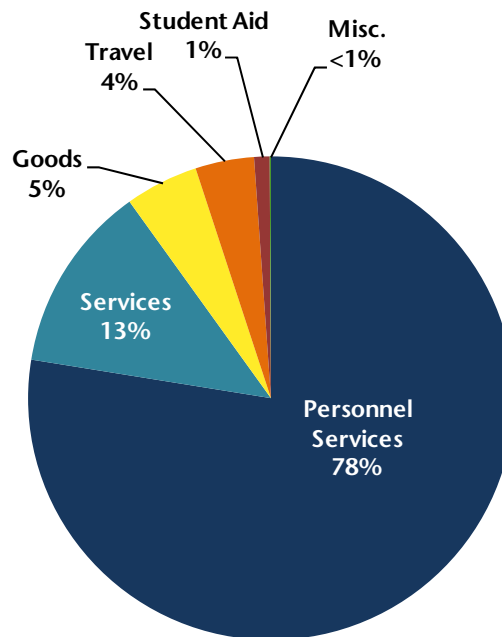
Table 8
Expenditures, by Type, FY 2008

Type	Amount	% of Total Spending
Personnel services (wages and benefits)	\$4,385,000	78%
Contracts (services)	709,000	13
Travel	221,900	4
Commodities (goods)	276,100	5
Student aid	58,200	1
Capital and equipment	-	-
Misc.	5,100	<1
Total expenditures	\$5,655,300	100%

Source: UA Statewide Planning and Budget, Unit Level Report, 2008. Figures have been rounded.

More than three-quarters of KuC spending was allocated to personnel services, which includes employee payroll and benefits. Thirteen percent was spent on services.

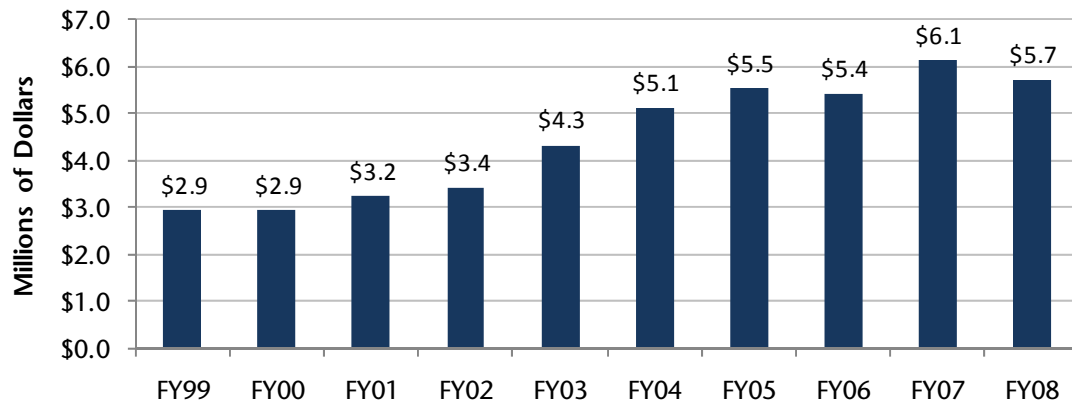
Figure 3
Expenditures, by Percentage of Spending, FY 2008



Expenditure Trends

KuC expenditures increased 110 percent from \$2.9 million in FY 1999 to \$6.1 million in FY 2007. Spending in FY 2008 at \$5.7 million was 7 percent lower than in FY 2007.

Figure 4
Expenditure Trends, FY 1999 - FY 2008



Source: UA Statewide Planning and Budget.

Spending on Goods and Services

The study team analyzed detailed spending data provided by UAF Financial Services for KuC nonpersonnel spending. Ratios were developed for expenditures by location and applied to the KuC spending data in Table 8 of this document.

KuC had nonpersonnel expenditures of approximately \$1.3 million in FY 2008. Of these nonpersonnel expenditures, approximately \$750,000 occurred in Bethel and about \$43,000 in other service area communities. Expenditures occurred with more than two dozen regional entities or businesses as well as many individual payments for student aid. KuC spent approximately \$114,000 elsewhere in the state, primarily in Anchorage and Fairbanks. Most of KuC nonpersonnel expenditures (90 percent) were made within the State of Alaska.

ADDITIONAL KUC RELATED CAPITAL SPENDING

An additional \$1.3 million was spent by UAF in FY 2008 for a remodel of the campus's cultural center kitchen, and new siding and roofing and interior renovations, such as flooring, carpets, walls, and doors in two other buildings. This spending, which comes from "Fund 5 accounts," is money spent by UAF on major capital projects on behalf of the campus. These funds, however, are not included in KuC's budget and therefore are not included in the previous table of KuC expenditures. To show the full extent of KuC's spending impacts, the study team included Fund 5 spending in the economic impacts analysis section of this report.

The study team estimated employment, spending on wages and benefits, and capital expenditures related to the renovation project, based on data provided by UAF Facilities Services and interviews with construction

company managers who worked on the projects. Roughly 40 to 50 percent of expenditures on this type of renovation projects are spent on wages and benefits. Direct employment for the project was estimated to be about 15 to 20 temporary jobs including design, project management and construction.

Table 9
KuC-Related Capital Spending, FY 2008

Type	Amount
Wages and benefits	\$529,000
Capital expenditures (materials, equipment and supplies)	778,000
Total expenditure	\$1,307,000

Source: UAF Facilities Services and McDowell Group analysis. Note: Figures have been rounded.

Employment and Payroll

Based on average annual employment, KuC was one of Bethels' top 15 employers in 2007, the last year comparative results are available. KuC is a significant contributor of payroll to the community. Employment during the Fall 2007 and Spring 2008 semesters averaged from 60 to 75 jobs. Typical staff levels are illustrated in the table below. In Spring 2008, the campus employed 17 regular faculty and 30 regular staff, as well as 10 adjunct faculty, 11 temporary staff, and a few students. When the full academic year is considered (winter break and summer staffing employment is substantially lower), annual average employment at KuC is about 61 people.



Almost all of the FY 2008 faculty and staff lived in Bethel, with the exception of two faculty living in Alaska, outside the region. Nearly all of KuC's \$4.4 million in FY 2008 payroll (99.7 percent) was paid to Bethel-based faculty and staff.

Table 10
Employment, Spring 2008

	Employment
Faculty regular	17
Faculty temporary	10
Staff regular	30
Staff temporary	11
Student employment	3
Total employment	71

Source: UAF College of Rural and Community Development

Economic Impacts of KuC

The economic impact estimates below are based on a widely used input/output model, IMPLAN, which estimates multipliers for determining the effects of employment and payroll on regional and statewide economies. There are three types of economic impacts related to KuC spending and employment:

- **Direct impacts:** Campus spending on goods, services, student aid and payroll.
- **Indirect impacts:** Jobs and income in businesses providing goods and services to the campus. For example, vendors who conduct business with KuC in turn buy fuel and other supplies, rent office space, and purchase services from other local providers, in support of their day-to-day business operations. This spending creates additional jobs and income in the region (and statewide).
- **Induced impacts:** Jobs and income created as a result of campus employees spending their payroll dollars in the local economy (these are sometimes termed “induced” impacts).

Indirect and induced economic impacts, often described as multiplier effects, are important components of the overall economic impact of the KuC. In general, however, multiplier effects for Alaska are limited, especially for rural areas, as few goods are actually produced in the state.

KuC Spending Impacts

Based on KuC’s direct annual average employment of 59 full-time/part-time individuals in the region, the campus had an indirect and induced impact of about 4 additional jobs within the Bethel region and statewide employment of 61 resulted in 30 additional jobs statewide. The additional payroll associated with this indirect and induced employment totaled about \$326,000 within the region and about \$2.0 million statewide. KuC’s FY 2008 total direct spending of \$5.4 million within the region resulted in estimated total economic activity of about \$6 million within the region. KuC’s statewide spending of \$5.5 million resulted in estimated total economic activity of nearly \$8 million statewide in FY 2008.

Table 11
Economic Impacts of KuC Spending, FY 2008

	Direct	Indirect & Induced	Total
Kuskokwim Region			
Employment	59	4	63
Labor income (payroll and benefits)	\$4,374,000	\$326,000	\$4,700,000
Campus spending	1,016,000	272,000	1,288,000
Total spending impact	\$5,390,000	\$598,000	\$5,988,000
Statewide (including Kuskokwim Region)			
Employment	61	34	95
Labor income (payroll and benefits)	\$4,385,000	\$1,973,000	\$6,358,000
Campus spending	1,156,000	624,000	1,781,000
Total spending impact	\$5,541,000	\$2,597,000	\$8,139,000

Source: UA Statewide Planning and Budget and McDowell Group

Additional Capital Expenditure Impacts

An additional \$1.64 million was spent on behalf of KuC in FY 2008 for the renovation of the campus's cultural center kitchen, and for new siding, roofing, flooring, carpeting, walls, and doors on two other buildings. Based on direct employment of about 17 individuals, the project had an indirect and induced impact of a couple of additional jobs in Bethel and seven additional jobs in the remainder of the state. The additional payroll associated with this indirect and induced employment totaled about \$58,000 within the region and \$614,000 statewide.

Total direct project spending in Bethel was about \$677,000 and resulted in total estimated economic activity of about \$745,000 in the region. Project spending statewide was \$1.2 million and resulted in total estimated economic activity of about \$1.9 million statewide.

Table 12
Economic Impacts of Additional KuC-Related Spending, FY 2008

	Direct	Indirect & Induced	Total
Kuskokwim Region			
Employment	17	2	19
Labor income (payroll and benefits)	\$640,000	\$58,000	\$698,000
Campus spending	37,000	9,800	47,000
Total spending impact	\$677,000	\$67,800	\$745,000
Statewide (including Kuskokwim Region)			
Employment	17	9	26
Labor income (payroll and benefits)	\$640,000	\$288,000	\$928,000
Campus spending	603,000	326,000	929,000
Total spending impact	\$1,243,000	\$614,000	\$1,857,000

Source: UAF Facilities Services and McDowell Group analysis.

Summary of Economic Impacts

The following table summarizes the total impacts of KuC direct and additional capital expenditures.

In FY 2008, the campus had total direct spending in Bethel of about \$6.1 million, which resulted in estimated total economic activity of \$6.7 million in the region. Statewide direct spending for KuC was about \$6.8 million and resulted in an estimated \$10 million in total economic activity.

Table 13
Summary of Economic Impacts of Direct Campus Spending
and Additional Capital Expenditures, FY 2008

	Direct	Indirect & Induced	Total
Kuskokwim Region			
Employment	76	6	82
Labor income (payroll and benefits)	\$5,014,000	\$384,000	\$5,398,000
Campus spending	1,053,000	282,000	1,335,000
Total spending impact	\$6,067,000	\$666,000	\$6,733,000
Statewide (including Kuskokwim Region)			
Employment	78	43	121
Labor income (payroll and benefits)	\$5,025,000	\$2,261,000	\$7,287,000
Campus spending	1,760,000	950,000	2,710,000
Total spending impact	\$6,785,000	\$3,211,000	\$9,997,000

Source: UA Statewide Planning and Budget, UAF Facilities Services, and McDowell Group analysis.

Community Value of KuC

To illustrate the qualitative impact of KuC, the study team conducted interviews with a variety of local community leaders, gathering their viewpoints on KuC's contribution to their community. Below is a summary of general themes that emerged from these interviews.

CONTINUUM OF EDUCATION

KuC helps provide residents an avenue to continue their education, whether for personal interest, academic betterment, or vocational skills development. As one interviewee put it, "It is a stepping stone for education. People can go here or start here and go to other universities if they wish. It really helps our young people become prepared for their futures, whatever it is. It gives a lot of opportunity for people, both young and old to further themselves." Another interviewee stated, "KuC provides access to continuing education for skills development. People can take classes that enhance their employment skills or something fun, like learning how to knit or making a kuspuk."

For many, leaving their community for an education is a hardship. Leaving family, jobs, and other responsibilities behind is a deterrent in pursuing their education. KuC offers the ability to gain an education while not having to leave the community. Many of the interviewees pointed out the relative ease of continuing an education while staying at home. "You don't have to move away just to take some higher courses (400-level). It was nice and convenient for me. I worked full-time and went to school full-time. It worked out pretty well." Another interviewee stated, "A lot of people are able to be employed while pursuing their education. Not having to move away and being able to work while going to school really made a big change in pursuing an education."

KuC works hard to engage students before they reach college age. "UAF is collaborating in the Yukon Kuskokwim area with students K-12, which makes it possible for them to be exposed to the local university through dual credits or summer programs. The "Talent Search" offered through KuC bring students into the community and gives them a perspective of what it is like to be a college student. It exposes them to career opportunities in many different areas, and it makes an impact on these young peoples' lives. It allows them to see what happens beyond their world and what opportunities exist, which makes a big difference in their lives down the road. They are able to see more than just what is in front of them because their worldview is so limited right now by staying in a village of 50 to 100 people. The fact that the university provides this exposure now cannot be measured, but will be very important for the future. It shows the kids that they don't have to leave the community, but they can still do so much."

PREPARING AND TRANSITIONING STUDENTS

Many of the interviewees noted how hard it was for students to continue their education past high school because of the culture shock of attending college courses in a setting other than their home community. KuC provides a familiar environment for the students and helps them transition if they are coming from communities smaller than Bethel. As one interviewee stated, "They provide a service for students from this region who might not otherwise feel comfortable attending school in an urban area, even within Alaska."

Another stated how it helped young people by making them more comfortable and showing them what they can accomplish while staying in the community. “I think one thing they do well is they have done a great service for the young people in the region. Instead of having to leave the area, and move to urban areas, they can stay here and complete their education. It provides a quality service, an educational service, and these young folks who don’t want to leave the area and want to stay connected to their communities and families, have the opportunity to do so. The campus understands the way of life out here, and makes suggestions to meet the students’ unique needs coming from villages.”

Currently there are several programs offered at KuC for assisting incoming students, including the Emerging Scholars Program (ESP), which is designed to assist all full-time freshmen to transition to college’s academic and social life. The ESP includes week long summer Learning to Learn Camps, where freshmen learn about college and get to know each other in preparation for the upcoming semester.

One of the interviewees had gone to college before these programs were in place, attending UAF after growing up in the village of Bethel. “I went from a small village by myself to the big city in Fairbanks. A little help on the transition would have been easier on me. Instead I had to learn the hard way, but I made it. Students have an easier time making it with help like they have now. KuC helps in the transition to school and to city life, if they want.”

One interviewee summed up the feeling of many:

Without KuC, students would be forced to go to the bigger city [to continue their education]. In my opinion, if you’re dealing with villagers who haven’t experienced anything outside the village, the transition [to university] is very important. That piece of transition would be missing without KuC. A villager traveling to Fairbanks would be suffering culture shock. The dropout rate tends to go up because the village support and connectedness is not there. KuC provides the transition.

SUPPORTING THE COMMUNITY

When talking about KuC, interviewees noted how it did more than allow people to pursue an education; it is a place that supports the community and the region. Many interviewees mentioned how KuC contributes to the community, allowing them to use campus space and resources. The interviewees were quick to point out that KuC was a part of the community and how it is very respectful of its role in providing an education and resources in an area rich in tradition.

When asked about how KuC contributes and supports the community, interviewees stated:

There are a lot of ways they contribute. The cultural center is used by a lot of different groups including the school district.

Faculty members are valuable members of the community.

I only have great, great things to say about them. They are a real asset to our community.

KuC is very aware of the culture around here. They help with cultural events. They are very, very supportive and respect the traditional ways of doing things and use local knowledge when possible.

I feel very good about the university contributions. Since I have been here so long, I have been able to see them develop and grow over the years.

They have the only library in the whole region. Access to the library is allowed by all community members, 28,000 people in the service area. Every community member who wants to have access to reading material and media are able to get what they need.

We also have a lot of activities that happen at the KuC's cultural center. Events are sponsored by private companies, nonprofits, and the college itself. There are tribal gatherings, and tribal members meet to determine the direction of the community and organizations. High school prom is also held there.

IMPROVING QUALITY OF LIFE

Another theme from the interviews was how students' quality of life improved when they became more employable and earned higher wages as a result of taking classes at KuC. Peoples' lives also were enriched by taking academic or special interest classes. As one interviewee stated, "There are scores of students' lives that have been changed forever — not just the students, but their families. All sorts of people have gone through KuC who can, and will, make solid contributions to the community." Another stated, "I believe that it contributes a great deal. One way is by having an institution of higher learning for not only the community but the region. It has offerings beside academic courses, such as vocational and special interest courses as well."

One of the ways KuC makes people more employable is by providing opportunities for residents to take classes and receive their GED. Many jobs require a high school diploma or GED, and by taking just a few classes, an individual can have more job opportunities available to them. As an interviewee stated, "The GED thing is huge. They crank out a lot of GEDs. Sixty some graduated just a few weeks ago. These people are now a whole lot more employable than they were before they got their GED. There are many jobs they can now apply for."

For those who have already attended university or received certificates, KuC offers them job opportunities that might not have been available without the campus. As one interviewee stated, "From my knowledge, KuC has been very good about hiring educated people who are from the region. These people would not have a job without KuC, and many would not have the training possible for these jobs. Quite a few people from this area do have higher credentials beyond undergraduate, and that makes them valuable here."

WORKFORCE DEVELOPMENT

Workforce development and preparing for the latest job opportunity trends is another way KuC contributes to the region. As one interviewee stated, "[KuC] is meeting the workforce needs of the delta, from construction trades to health careers. Whatever the community demands, KuC helps to provide it by working with the communities and the organizations in them."

Many of the interviewees stated how they wanted even more workforce development to be put into place, as it would be good for the region and for the state. Some of the statements follow:

They say that they need the jobs to be there in order for them to teach the courses for people to be hired, but the jobs are going to come, so we have to be prepared.

Health fields are also always going to be needed. These fields bring in a long of money and give people good stable careers. We have to make sure we are ready for the future.

Something the advisory board has been discussing is more relevant courses for workforce development in the region — things like court development, tribal organization, and management. We also need paraprofessional training for the fields of health careers and construction. We need to train for the mid-level positions for industries that are here or potentially soon to be here. We are looking into things for the mining, gas and oil industries.

Wade Hampton is the poorest region in the U.S. We need more training opportunities. What they offer is great, but we need more, especially in these hard economic times.

Without KuC the medical field in the region would be affected. Dental health assistants, all kinds of folks would not have been trained.

Several certified teachers would not have acquired teaching certificates without KuC.

The follow table includes KuC Fall 2008 student communities of origin from Alaska outside the KuC service area.

Origin and Student Count from Alaska Communities Outside KuC Service Area, Fall 2008

10 to 12 students

Anchorage (11)

5 to 9 students

Fairbanks (5)

2 to 4 students

Nome, Tok, Dillingham, Fort Yukon, Juneau, Kodiak, False Pass, Galena, Haines, Ketchikan, Kotzebue, Manokotak, Seward, Sitka, Tyonek

1 student

Akhiok, Arctic Village, Barrow, Chenega Bay, Eagle River, English Bay, Gakona, Girdwood, Holy Cross, Iliamna, Kenai, Koyuk, Koyukuk, McGrath, Nenana, New Stuyahok, North Pole, Palmer, Pedro Bay, Point Hope, Savoonga, Stebbins, Sterling, Unalakleet, Wasilla, White Mountain

Source: UAF Planning, Analysis, and Institutional Research

*Origin is the location of a student when first enrolling at the university and may differ from a student's current citizenship, visa, or state residency status. For Alaskan students entering the university, the origin is recorded as a city or village. For students of other states, the origin is recorded as the state from which the student comes. In the case of a foreign student, the origin at entry is recorded as the student's home country.