

Technical Proposal

Economic Impact of Historic Preservation Activities in West Virginia

A Research Proposal to the
West Virginia Division of Culture and History, State Historic Preservation Office

Solicitation No. DCH13101

Submitted by

Bureau of Business & Economic Research
College of Business & Economics
West Virginia University

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1. Overview

Because residents of West Virginia value expressions of their cultural heritage, the preservation of structures and communities of historic significance is an articulated State value. While such efforts may be personal and private, or initiated by corporations or foundations, the focus of this study is the economic impact of two particular State programs.

We propose to assess the economic impact of two programs that are provided by the West Virginia Division of Culture & History: a) The historic preservation tax credit that is provided by the West Virginia and US Federal governments, as well as, b) the West Virginia Development Grant Program, part of the West Virginia historic preservation grant program. We will exploit two methodologies to provide these assessments. First, we will utilize economic impact analysis to quantify the effects of these programs on economic outcomes such as employment, business sales, employee compensation, and select tax revenues in West Virginia. Second, we will conduct a series of case studies from urban and regional areas to provide further illustration of the effect of the historic preservation programs. Finally, the project will provide an economic model for the Division of Culture and History to use in the future to update our results.

1.1 Qualifications

1.1.1 Project Team

This proposal represents a collaborative effort of the West Virginia University Bureau of Business & Economic Research (BBER), the Marshall University Center for Business and Economic Research (CBER), and the University of Cincinnati Economics Center, each of which brings unique capabilities to the Project Team. The Project Team is led by West Virginia University's BBER, with the other two schools' research organizations serving as sub-contractors.

West Virginia University Since the 1940s, the mission of the BBER has been to serve the people of West Virginia by providing the state's business and policymaking communities with reliable data and rigorous applied economic research and analysis that enables the state's leaders to design better business practices and public policies. BBER research is disseminated through policy reports and briefs, through large public forums, and through traditional academic outlets. BBER researchers are widely quoted for their insightful research in state and regional news media. The BBER's research and education/outreach efforts to public- and private-sector leaders are typically sponsored by various government and private-sector organizations.

The BBER has research expertise in the areas of public policy, health economics, energy economics, economic development, economic impact analysis, economic forecasting, tourism and leisure economics, and education policy, among others. The BBER has a full-time staff of three PhD economists, two master's-level economists, and one bachelor's-level economist. This staff is augmented by graduate

student research assistants. The BBER also collaborates frequently with affiliated faculty from within the College of Business and Economics as well as from other parts of WVU.

Marshall University The CBER was established in 1994 to enhance regional economic development endeavors. CBER began by providing services to and support for the business community through leveraging expertise within the Lewis College of Business. In 1998, CBER merged with the Applied Research Division at Marshall University, adding additional researchers and expertise. CBER left the College of Business in 2004, becoming a subsidiary of part of the Marshall University Research Corporation (MURC), a 501(C)(3) organization established by Marshall University to administer externally funded projects. In 2011, CBER became part of the Nick J. Rahall, II Appalachian Transportation Institute (RTI). Over its nearly two decades of service, CBER has grown from a small center with only two full-time staff members to include a staff of 15 researchers and associates.

CBER provides economic, policy and financial research, data analysis and other related services to its clients. The Center's clientele include state and local governments, nonprofit organizations, trade associations and private firms in the State of West Virginia and the surrounding region. All research efforts undertaken at CBER are conducted with a strong and deliberate objective to remain a nonpartisan organization dedicated to being a resource for information. CBER focuses on the quality and integrity of its research products without taking an advocacy position within larger contextual debates.

University of Cincinnati For 25 years, the Economics Center at the University of Cincinnati has been providing valuable insights through high quality economic analyses to equip leaders in making sound decisions for their business, organization or community. Our commitment to improving the community is integral to our research and is consistent with the educational mission of the Economics Center. We believe that by educating our citizens to understand economic concepts and financial topics, we are building a stronger community for the future.

The Research and Consulting Division of the Economics Center provides the knowledge building blocks that help clients make better finance, policy, and economic development decisions. Our custom approach and critical data analysis empower business and civic leaders to respond to changing economic conditions, strengthen local economies and improve the quality of life for their communities. Every year, the Economics Center works on community and economic development, economic impact, and modeling and forecasting projects for dozens of clients.

1.1.2 Relevant Experience

Economic Impact of West Virginia Higher Education Institutions (WVU, 2010)

This study computed the economic impact of higher education institutions in West Virginia, which includes the economic impact of 10 public four-year academic institutions and the West Virginia Higher Education Policy Commission. The impacts were computed based on these institutions' annual operating purchases for the fiscal year of 2008 and their annualized capital expenditures. The study found that these institutions generated approximately \$7.9 billion of business sales, which includes \$1.5

billion of employee compensation, and \$73 millions of assorted state taxes. These impacts generate approximately 40,600 jobs in the state.

Economic and Community Impacts of the Revitalized Music Hall (UC, 2012)

Music Hall is one of Cincinnati's greatest cultural treasures. Located in the historic neighborhood of Over-the-Rhine, Music Hall is home for many local performing arts groups. Built in 1878, Music Hall has suffered from years of degradation to its infrastructure.

The Economics Center first examined the economic impacts resulting from the \$150 million renovation as well as from annual operations of Music Hall post-renovation activities. Additionally, study described the impact of Music Hall as an anchor for an urban arts & culture axis, as well as its role in encouraging additional investment in redevelopment of the surrounding Over-the-Rhine neighborhood.

Deerfield Township TIF Revenue Forecast Model (UC, 2009)

About 20% of the commercial property in Warren County is located in one of Deerfield Township's Tax Increment Financing (TIF) districts. To gain a better understanding of the outlook for this revenue stream, the Township asked the Economics Center to analyze a range of economic data and develop a simple spreadsheet model for projecting future property values and the consequent revenues from the Township's TIF districts.

In addition to the model, the Township received a four-page model user's guide and a training session. According to the Township's Fiscal Officer, "The TIF Model is intuitive, easy and flexible for reporting to the Township Trustees to help them understand the resources that Deerfield Township may have available."

Making an Impact: 2012 Economic Impact & Benefits of the Cincinnati Zoo & Botanical Garden (UC, 2013)

In this and other recent studies, the client asked that the analysis be complemented by a "deeper dive" into particular programs through the use of field research and interviews that provided a more compelling story that went beyond the numbers generally used to describe economic impacts. The results have been extremely useful in client efforts to "tell the story" of their impact.

2. Project Tasks

2.1. Task 1: Economic Impact Analysis of State and Federal Historic Rehabilitation Tax Credits

The West Virginia and Federal Rehabilitation Investment Tax Credit Program offers a 20% income tax credit to eligible owners for the rehabilitation of historic private residences listed in the National Register of Historic Places. The beneficiaries may continue to receive the credit for up to five years. The economic impacts these rehabilitation projects generate are attributable to the tax credit program,

without which owners may not have enough incentives to invest in the projects. By the same token, rehabilitation projects not participating in the tax credit program are outside the scope of this study.

This study will use the IMPLAN input-output modeling system to calculate the direct, indirect and induced, and total economic impacts of the rehabilitation projects that received tax credits during the last ten years. This input-output model estimates the impacts by tracing the recirculation of funds in West Virginia economy. A purchase from the initial supplier causes that supplier to hire employees and purchase from its suppliers, who in turn have their own suppliers and employees, and so on. The types of impacts computed include business sales, employment, and taxes.

The WVSHPO will provide the data required to compute the economic impact. More specifically, this study requires data on the total dollar amount of the projects broken down at least by major expenditure items such as employee compensation and different construction materials. Data on the number of workers, if available, will enable this study to compute the employment impact more accurately. If such data is not available this study will utilize other information to estimate the employment numbers.

2.2. Task 2: Economic Impact Analysis of the State Development Program

The West Virginia State Historic Preservation Office administers two grant programs: (1) Survey and Planning Grants and (2) State of West Virginia Development Grants. This study, however, focuses only on examining the impact of the state grant development program. This program offers matching grants for construction projects involving buildings listed in the National Register of Historic Places. At least 50% of the total cost of the project must be provided by the beneficiaries or third parties. Similarly, the economic impacts generated by these projects are attributable to the development grant program, without which the beneficiaries may not have enough incentives to invest.

To compute the direct, indirect and induced, and the total economic impact of this program during the last ten years, this study requires data on the total dollar amount of the projects broken down at least by major expenditure items such as employee compensation and construction materials, as well as data on the number of workers employed in the projects, if available. The WVSHPO will provide these data.

2.3. Task 3: Piggy-back Effect Analysis of the Tax Credit Program

Given limited resources, the state government aims to allocate the state's tax revenues for the most efficient investments. By providing the tax credit for historic preservation projects the state loses tax revenues that would have been available to fund other development projects. The question is do the historic preservation projects supported by the tax credit program generate more significant impact than if the same amount of tax revenues is allocated for other development projects. This question represents the piggy-back effect of the tax credit program.

This study computes the piggy-back impact of the tax credit program by comparing the magnitude of the economic impact generated by projects supported by the tax credit program to that generated by other development projects. The results will depend on which other development projects will be used for comparison. In theory, resources, in this case tax revenues, are always used for the most efficient projects. In practice, however, the allocation of tax revenues is regulated. This study will examine possible scenarios of how the tax revenues, that would have been collected if the tax credit program were not offered, would be allocated.

2.4. Task 4. Development of Model and Methodology for Annual Updates

Building heavily upon the work completed within the economic impact tasks, the study team will distill down the necessary inputs used to measure the effects of the tax credit and development grant programs (alone and in tandem) to develop model(s) for the WV SHPO. These models will allow WV SHPO to make annual updates to estimations made during the contract period. The study team will coordinate with the WV SHPO to produce a spreadsheet or database tool (dependent upon preference) that meets the needs of the office while maintaining as high a level of user-friendly application as possible.

The model will also incorporate survey instruments designed to collect information from tax credit and development grant program participants that may be implemented across multiple platforms and collect information within a functional format. Data collected through the survey instruments can then be combined with data from publicly available sources to produce the annual update estimates as needed. The study team will provide to the WV SHPO all necessary documentation regarding the instruments produced as well as instruction in their application.

2.5. Task 5: Case Studies

This study will provide a minimum of four case studies chosen to most fully represent the range of historic preservation activities that involve State and federal historic rehabilitation tax credits and State development grant programs. The purpose of the case studies is to create a more compelling story of how these initiatives impact the State. The WVSHPO will provide ten project files, from which a set of case studies will be selected – with the objective of representing as fully as possible the project mix, in terms of urban and rural locations, tax and grant projects, historic districts and individual properties, and residential and commercial uses. The case studies portion of the report will be approached as a way in which to complement the economic impact tasks by interviewing people involved with these projects in the state to illustrate ways in which the ripple effects discussed in the preceding sections of the study really do occur. Additionally, a literature review will approach the value of heritage preserved, such as through the discussion of topics such as contrasting home values inside and outside of historic districts that have similar existing conditions, but differ in value.

3. Project Timeline

Task	Month # 1	Month # 2	Month # 3	Month # 4	Month # 5
Project Management					
Kick-off meeting with WVSHPO					
Monthly progress reports					
Task 1. Economic Impact Analysis of State and Federal Historic Rehabilitation Tax Credits					
Collect, organize, and assemble data					
Conduct economic impact analysis					
Prepare Task 1 report					
Task 2. Economic Impact Analysis of the State Development Program					
Collect, organize, and assemble data					
Conduct economic impact analysis					
Prepare Task 2 report					
Task 3. Piggy-back Effect Analysis of the Tax Credit Program					
Develop a model for piggy-back effect analysis					
Conduct piggy-back effect analysis					
Perpare Task 3 report					
Task 4. Development of Model and Methodology for Annual Updates					
Develop a general model for updates					
Incorporate results of Task 1 into the model					
Write instructions on how to conduct an update					
Provide training to WV SHPO staff					
Task 5. Case Studies					
Identify cases					
Collect data through interview/survey					
Create case study summaries					
Prepare/revise case study report					
Report and Presentation					
Integrate reports -> submit as a draft					
Present study results					
Prepare final report incorporating feedbacks					

4. Key Personnel

John Deskins, Ph.D. serves as Director of the Bureau of Business and Economic Research (BBER) and Associate Professor of Economics at West Virginia University. He received his Ph.D. in Economics in 2005 from the University of Tennessee. Deskins' research has focused on U.S. state economic development, small business economics, and government tax and expenditure policy, primarily at the U.S. state level. Recent research topics have examined the relationship between state tax policy and entrepreneurial activity, the role of education spending in state economic growth, the extent to which tax planning activity has eroded state tax bases, and the degree to which small businesses can enhance state economic growth. His work has appeared in outlets such as *Public Finance Review*, *Economic Development Quarterly*, *Small Business Economics*, *Public Budgeting and Finance*, *Regional Studies*, *Annals of Regional Science*, *Tax Notes*, and *State Tax Notes*. His work has also appeared in the books *Taxing Corporate Income in the 21st Century*, published by Cambridge University Press, and *What Role for Property Taxes?*, published by the Lincoln Institute of Land Policy.

Christiadi Ph.D. serves as Research Associate Demographer for the Bureau of Business and Economic Research (BBER). He received his Ph.D. in Economics in 2005 from West Virginia University (WVU). His research interests include urban-regional and labor-demographic economics, with a primary focus on migration. His work has appeared in *Journal of Regional Science* and *Papers in Regional Science*. Christiadi joined the BBER in 2009. He serves as the BBER and West Virginia representative for the FSCPE program. He is responsible for the annual production of the West Virginia Population Projections for the state's 55 counties and conducting studies analyzing how West Virginia demographic patterns and trends may affect the state economy as a whole. Christiadi is also in charge of the development and maintenance of the BBER demographics website dedicated to providing one-stop access to demographic and socioeconomic data concerning West Virginia and its regions. He has also conducted a variety of economic impact and labor market studies. His recent projects include a supply-demand analysis of West Virginia post-secondary graduates and the economic impact of WVU football.

Jeff Rexhausen, MSP is Senior Research Associate for the Economics Center. He is an economist and planner who has spent thirty years working with leaders from the public, private, and non-profit sectors to design and implement projects in response to diverse community issues. This experience has involved state, regional, local, and private economic development organizations in every region of the nation. Mr. Rexhausen has specialized in developing analysis tools to assist clients in assessing development feasibility and the economic and fiscal impacts of projects and organizations. Prior to taking his position at the Economics Center, Mr. Rexhausen worked in several consulting firms as a vice president of research, project manager, and economic analyst. He has also worked in the public sector at the Northern Kentucky Area Development District and Oak Ridge National Laboratory.

Megan Ryan, MCP is a Research Associate for the Economics Center. She is responsible for producing reports and presentations in the research and consulting division while serving as a principle investigator for a variety of projects. Megan has gained practical experience at the Historic Charleston Foundation (Charleston, SC), the Port of Greater Cincinnati Development Authority (Cincinnati, OH), and The Catalytic Development Funding Corporation of Northern Kentucky (Covington, KY). These roles have increased her interests in cultural heritage preservation, urban real estate development, and the many facets of economic development. She earned her Master's Degree in Community Planning with a specialization in economic development from the University

of Cincinnati's College of Design, Art, Architecture, and Planning; and her Bachelor of Science in Psychology with minors in Historic Preservation and Community Planning and Spanish from the College of Charleston in South Carolina.

Kent Sowards, MBA currently serves as the Associate Director of Marshall University's Center for Business and Economic Research (CBER) and as the Research Coordinator of the Nick J. Rahall, II Appalachian Transportation Institute (RTI). Sowards has held various positions during his 15 years at CBER where he has focused on education and taxation issues, providing legislative testimony and policy analysis. He has served as a member of (WV) Governor Joe Manchin's Tax Modernization Project and on the Vision Shared Rural Broadband Economic Development Steering Committee. He serves on the Association for University Business and Economic Research (AUBER) Board of Directors, the Transportation Research Board's Inland Water Transportation (AW020) Committee as well as the River Valley Child Development Services (RVCDS) Board of Directors. Kent also serves as the Chair of the Research Subcommittee and on the Director's Advisory Council for the Multimodal Transportation Infrastructure Consortium (MTIC), a collaborative University Transportation Center funded through the US Department of Transportation. Sowards received his bachelor's degree in Management from Marietta College and his M.B.A. from Marshall University. He is currently completing his Ph.D. in Political Science at Kent State University.

Curriculum Vita

John Deskins

EDUCATION

Ph.D., Economics, University of Tennessee, 2005.

Dissertation: *Essays on the Behavioral Effects of Tax Policy*

Advisor: William Fox

Fields of Specialization: Public Economics and Industrial Organization

B.A. and B.S., *cum laude*, Economics and Management, Emory & Henry College, 2000.

RESEARCH INTERESTS

Behavioral Effects of Tax Policy, State and Local Government Expenditures,
Corporate Taxation, Tax Compliance, State/Regional Economic Development,
Small Business Economics

EMPLOYMENT

West Virginia University: Director, Bureau of Business & Economic Research, 2013 – present;
Associate Professor of Economics, 2013 – present; Faculty Research Associate, Regional
Research Institute, 2013 - present.

Creighton University: Associate Professor of Economics, 2011 – 2013; Assistant Professor of
Economics, 2005 – 2011.

University of Tennessee: Graduate Research Assistant, Center for Business and Economic
Research, 2001 – 2005; Graduate Teaching Associate, Summers, 2001 – 2004.

WORKING PAPERS

3. “What Factors Entice States to Manipulate Corporate Income Tax Apportionment
Formulas?” with Brian Hill.
2. “Can State Tax Policies Be Used to Promote Small Business Growth?” with Erin Borchers.
1. “On the Relative Distortions of State Sales and Corporate Income Taxes,” with Donald
Bruce and William Fox.

PUBLICATIONS IN REFERRED JOURNALS

13. Bruce, Donald, John Deskins, and Tami Gurley-Calvez. “Depreciation Rules and Small
Business Longevity” *Journal of Entrepreneurship and Public Policy*, Forthcoming.
12. Bruce, Donald, and John Deskins. “Can State Tax Policies Be Used to Promote
Entrepreneurial Activity?” *Small Business Economics*, 38(4), 2012.
11. Deskins, John, and Matthew T. Seevers. “Are State Expenditures to Promote Tourism
Effective?” *Journal of Travel Research*, 50(2), March 2011.
10. Deskins, John, and Brian Hill. “State Taxes and Economic Activity Revisited: Have
Distortions Changed?” *The Annals of Regional Science*, 44(2), April 2010.
9. Deskins, John, and Brian Hill. “Have State Tax Interdependencies Changed Over Time?”
Public Finance Review, 38(2), March 2010.
8. Deskins, John, Brian Hill, and Laura Ullrich. “Education Spending and State Economic
Growth: Are All Dollars Created Equal?” *Economic Development Quarterly*,

- 24(1), February 2010.
7. Wijeweera, Albert, and John Deskins. "Do Recent Data Provide Evidence that the US Trade Deficit Will Correct Itself?" *Applied Economics Letters*, 17(1), 2010.
 6. Deskins, John, Sally Deskins, and Brian Hill. "How Do State Arts Appropriations Affect State Economic Growth?" *The Review of Regional Studies*, 39(3), 2009.
 5. Goss, Ernie, Edward A. Morse, and John Deskins. "Have Casinos Contributed to Rising Bankruptcy Rates?" *International Advances in Economic Research*, 15(4), November 2009.
 4. Alm, James, John Deskins, and Michael McKee. "Do Individuals Comply on Income Not Reported by Their Employer?" *Public Finance Review*, 37(2), March 2009.
 3. Bruce, Donald, John Deskins, Brian Hill, and Jonathan Rork. "(Small) Business Activity and State Growth: Does Size Matter?" *Regional Studies*, 43(2), March 2009.
 2. Bruce, Donald, Deborah A. Carroll, John A. Deskins, and Jonathan C. Rork. "Road to Ruin? A Spatial Analysis of State Highway Spending" *Public Budgeting & Finance*, 27(4), Winter 2007.
 1. Bruce, Donald, John Deskins, and William F. Fox. "Has Internet Access Taxation Affected Internet Use?" *Public Finance Review*, 32(2), March 2004.

BOOK CHAPTERS

2. Deskins, John, and William F. Fox. "Measuring Behavioral Responses to the Property Tax." In *Challenging the Conventional Wisdom on the Property Tax*, R. Bahl, J. Martinez-Vazquez, and J. Youngman, editors, Lincoln Institute of Land Policy, 2010.
1. Bruce, Donald, John Deskins, and William F. Fox. "On the Extent, Growth, and Efficiency Consequences of State Business Tax Planning." In *Taxing Corporate Income in the 21st Century*, A. Auerbach, J. Hines, and J. Slemrod, editors, Cambridge University Press, 2007.

OTHER ACADEMIC PUBLICATIONS

5. Deskins, John, Tami Gurley-Calvez, and Eric Thompson. "Understanding Small Business Activity at the State Level." Washington, DC: U.S. Small Business Administration, Report Number 392, February 2012.
4. Bruce, Donald, John Deskins, and Tami Gurley-Calvez. "An Investigation of Depreciation Deductions by Small Businesses." *Tax Notes*, August 9, 2010.
3. Bruce, Donald, John Deskins, Brian Hill, and Jonathan Rork. "Small Business and State Growth: An Econometric Investigation." Washington, DC: U.S. Small Business Administration, Report Number 292, February 2007.
2. Bruce, Donald, and John Deskins. "State Tax Policies and Entrepreneurial Activity." Washington, DC: U.S. Small Business Administration, Report Number 284, November 2006.
1. Bruce, Donald, John Deskins, and William F. Fox. "Has Internet Access Taxation Affected Internet Use?" *State Tax Notes*, 32(7), May 17, 2004.

CONFERENCE PROCEEDINGS

3. Deskins, John, Brian Hill, and Mark Tuttle. "How Does State and Local Education Spending Affect State Economic Growth in the Long-Run?" 2010, *Proceedings of the One-Hundred First Annual Conference on Taxation*, National Tax Association.
2. Bruce, Donald, Deborah Carroll, and John Deskins. "The Hand That Rocks the Cradle:

How State Economic Development Incentives Affect Local Infrastructure Provision,” 2006, *Proceedings of the Ninety-Eighth Annual Conference on Taxation*, National Tax Association.

1. Bruce, Donald, John Deskins, and Mohammad Mohsin. “State Tax Policies and Entrepreneurial Activity: A Panel Data Analysis,” 2004, *Proceedings of the Ninety-Sixth Annual Conference on Taxation*, National Tax Association.

PUBLISHED RESEARCH REPORTS

5. “Tennessee Revenue Tracking and Forecasting,” with William Fox. Prepared monthly for the Tennessee Department of Revenue, May 2002 – April 2005.
4. “Work Requirements and Welfare: Work or Education First?” with Donald Bruce. Prepared for the Tennessee Department of Human Services. Knoxville, TN: Center for Business and Economic Research, The University of Tennessee, June 2004.
3. “Welfare Policy in Tennessee: Recent Research and Unanswered Questions,” with Matthew N. Murray et al. *An Economic Report to the Governor of the State of Tennessee*. Knoxville, TN: Center for Business and Economic Research, The University of Tennessee, January 2004.
2. “Work Requirements for Welfare Recipients in Tennessee,” with Donald Bruce and Angela Thacker. Prepared for the Tennessee Department of Human Services. Knoxville, TN: Center for Business and Economic Research, The University of Tennessee, June 2003.
1. “Designing Tennessee’s Lottery,” with Matthew N. Murray et al. *An Economic Report to the Governor of the State of Tennessee*. Knoxville, TN: Center for Business and Economic Research, The University of Tennessee, February 2003.

RESEARCH GRANTS

5. U.S. Small Business Administration, “What Types of Entrepreneurs Contribute Most to State Economic Growth?” with Tami Gurley-Calvez and Eric Thompson, 2010-2011.
4. U.S. Small Business Administration, “Do Depreciation Rules Influence Small Business Activity?” with Donald Bruce and Tami Gurley-Calvez, 2008-2009.
3. HDR Inc., “The Economic Consequences of Developing the I-80 Corridor in Nebraska,” with Ernie Goss and Eric Thompson, 2007.
2. U.S. Small Business Administration, “An Econometric Investigation of the Relationship Between Small Business Activity and Economic Growth Among the States: 1988-2002,” with Donald Bruce, Brian Hill, and Jonathan Rork, 2005-2006.
1. U.S. Small Business Administration, “State Tax Policies and Entrepreneurial Activity,” with Donald Bruce, 2004-2005.

Kent N. Sowards

Curriculum Vita

Employment

Center for Business and Economic Research

Marshall University - Huntington, WV

Associate Director

June 2012 - Present

Director of Data and Survey Services

October 2003 – June 2012

Research Associate

January 2000 – October 2003

Nick J. Rahall II Appalachian Transportation Institute

Marshall University - Huntington, WV

Research Coordinator

June 2012 - Present

Senior Policy Analyst

July 2010 – June 2012

Policy Analyst

November 2007 – July 2010

Data and Survey Specialist

October 2003 – November 2007

Education

Ph.D., Political Science, Kent State University - Kent, OH

Anticipated May 2014

Concentrations in Public Policy and American Politics

Dissertation Title: *Is the Source More Relevant than the Destination? The Impact of School Funding Formula Distributions on Student Performance in Appalachia*

Dissertation Advisor: Dr. Renee J. Johnson

M.B.A., Marshall University – Huntington, WV

1999

B.A., Management, Marietta College – Marietta, OH

1998

Peer-Reviewed Publications

Hoornbeek, John, Kent N. Sowards, and Brian Kelly. 2012. **Small Communities and the Limits of E-Government Engagement: A Northeast Ohio Case Study**. In *E-government and Civic Engagement: Factors and Determinants of E-Democracy*, Manoharan and Holzer, eds.

Kent, Calvin A. and Kent N. Sowards. 2009. **Property Taxation and Equity in Public School Finance**. *Journal of Property Tax Assessment and Administration* 6(1): pp. 25-42.

Burton Mark L., Michael J. Hicks, and Kent N. Sowards. 2007. **Transportation and Market Feasibility Analysis for Innovative Coal Combustion By-Products: WoodBrik™ in Greenbrier County, West Virginia**. *International Journal of Environment and Waste Management* 1(2/3): pp. 128-144.

Areas of Specialization

Applied business and economic research, tax policy and analysis, transportation policy research, K-12 public education, legislative research and testimony, grant writing

Conference Presentations

Measuring the Effects of Arts and Cultural Activities within the Context of Economic Impact Analysis. 66th annual Association for University Business and Economic Research (AUBER) Conference. Honolulu, HI.	October 28, 2012
Fiscal Federalism, Pork Barrel Spending, and Legislative Experience: An Analysis of the Disparities Across the U.S. 2012 Midwest Political Science Association Conference. Chicago, IL.	April 13, 2012
Boot Prints in Black Dust: The Coal Industry and Migration in West Virginia. 64th annual Association for University Business and Economic Research (AUBER) Conference. Charleston, WV.	October 19, 2010
The West Virginia Coal Economy. West Virginia Coal Association Annual Meeting. White Sulphur Springs, WV.	August 8, 2009
Panelist - West Virginia Tax Forum – Ten Years After the Governor’s Commission on Fair Taxation. Charleston, WV.	July 21, 2009

Memberships, Professional Organizations, Certifications

Transportation Research Board – Inland Water Transportation (AW020); Committee Member	2013 – present
Association for University Business and Economic Research (AUBER) – Board of Directors	2012 – present
Multimodal Transportation and Infrastructure Consortium – Director’s Advisory Council; Research Advisory Committee Chair	2012 – present
International Association of Assessment Officers – Associate Member	2012 – present

Grants, Fellowships, Awards and Honors

US Department of Transportation – University Transportation Centers Program 2011 (Lead writer)	\$3.5 million – 2012 \$3.5 million – 2011
(WV) Governor Joe Manchin’s Tax Modernization Project	2006 - 2010
Vision Shared Rural Broadband Economic Development Steering Committee	2005

Computer Skills

STATA, IMPLAN, Microsoft Office Suite

Legislative Testimony

Education Subcommittee C of the West Virginia Legislature

Status and Recommendations on the School Aid Formula	August 2009
WV Teacher Salaries Update	January 2009
Statewide Levies for Support of Local Education (Revised)	January 2009
WV Teacher Salaries and Alternatives for Improvement	November 2008
State Funding Mechanisms for ESL/LEP Students	July 2008
Funding Mechanisms for English as a Second Language	June 2008
Financing Special Education and LEP Students	November 2007
Support of Special Education in State School Finance	August 2007
Tax Circuit Breakers and School Funding Implications	February 2007
Status and Recommendations on the School Aid Formula	June 2006
Impact of Local Share Percentage Changes	January 2006
Teacher Salaries and Benefits in WV Border Counties	December 2005
Comparative Analysis of State Support for Education	November 2005
WV Wage and Teacher Salary Comparisons	October 2005
Statewide Levies for Support of Local Education	September 2005
Initial Assessment of the WV Public School Support Program	August 2005

Finance Subcommittee B of the West Virginia Legislature

The Impact of Coal on the West Virginia State Budget	July 2010
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Joint Commission on Economic Development

Feasibility Analysis for an ATV Trail System in Central WV	January 2013
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Joint Constitutional Revision Committee of the West Virginia Legislature

Reductions in Property Tax Revenue for Various Homestead Exemption Levels	March 2009
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Selected Research Projects and Reports

Economic Impact of Milton's Pumpkin Park. With Elizabeth Eastham.	Ongoing
An Analysis of Truck Size and Weight – Phase II – Infrastructure and Cost	Ongoing
Economic Impact of Marshall University. With Elizabeth Eastham.	Ongoing
An Analysis of Truck Size and Weight – Phase I - Safety Impacts	June 2013
Economic Impact of the Big Sandy Superstore Arena. With Jennifer L. Price and Elizabeth Eastham.	January 2013
Consolidation Study for Motor Carrier Services. With Jennifer Walton, Andrew Martin and Chandra Inglis-Smith.	January 2013

A Shared Vision for Shale Gas Development. With Christine Risch and Alicia Copley.	May 2013
Workforce Evaluation of WV's 3rd Congressional District: Baseline Characteristics Report. With Elizabeth Eastham.	May 2012
Economic Impacts of Labor Supply in Construction of a Gas Processing Plant in Marshall County, West Virginia. With Christine Risch, Calvin A. Kent and Elizabeth Eastham.	November 2011
Economic Impact Study of the Clay Center for Arts and Sciences of West Virginia. With Calvin A. Kent, Emily Hagan and Christine Risch.	September 2011
Quality Rating and Improvement System Cost Implementation Study. With Calvin A. Kent, Jennifer Price, and Judy A. Curry.	July 2011
Right from the Start (RFTS) Program Evaluation. With Calvin A. Kent, Elizabeth Eastham, and Emily Hagan.	April 2011
Economic Impacts and Valuation Associated with the Construction and Operation of New and Renovated Kanawha County Public Library Facilities. With Emily Hagan and Calvin A. Kent.	March 2011
The Estimation of Potential Economization from Quality Initiatives Related to perinatal and Antenatal Care. With Calvin A. Kent, Emily Springer and Jade Brooks.	May 2010
Attitudes Toward the New Economy and the Creative Class in West Virginia.	March 2009
The Economic Impact of Cedar Lakes Conference Center. With Calvin A. Kent and Jennifer L. Price.	April 2008
An Estimation of Potential Cost Savings Resulting from Reduced Complications During Delivery Of First-Time Mothers in the State of West Virginia.	October 2007
People at Risk: The Financial Crisis in West Virginia Public Health. With Calvin A. Kent, Phil Rutsohn, and Asish Chandra.	November 2007
Economic Implications Related to Completion of the Coalfields Expressway. With Calvin A. Kent.	December 2006
The 2006 Report of the West Virginia Tax Modernization Project. Project Team Member.	October 2006

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PUBLICATIONS

"The Joint Choice of an Individual's Occupation and Destination," with Brian Cushing, the *Journal of Regional Science*, V48, n5, 2008

"Examining Geographic and Occupational Mobility: A Loglinear Modelling Approach," with Ge Lin, *Papers in Regional Science*, V85, n4, November 2006

"Testing a Method to Estimate County-Level Demand for Educational Attainment," with Scott Loveridge and Brian Cushing, *Socio-Economic Planning Sciences*, 39, September 2005

GRANT AWARDS

Housing Count Review for the preparation for the upcoming 2010 Census, U.S. Census Bureau, June 2009-March 2010, \$7,538.

San Joaquin County Data Center, Federal grant distributed through San Joaquin Council of Government, Aug 2007-Aug 2008, \$50,000.

SELECTED RESEARCH REPORTS

"West Virginia Occupational Demand and Academic Program Supply Forecasts Through 2020," June 2013.

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"The Shrinking of the West Virginia Working Age Population," September 2011

"West Virginia Population Projection by Age, Sex, and County," August 2011

"Economic Impact of Casinos in West Virginia," January 2011, with Amy Higginbotham and Tom Witt

"West Virginia Demographics, Challenges Ahead," December 2010

"Retaining the Young and Highly Educated Workforce in West Virginia," July 2010

"Why West Virginia Population is Aging Faster than the Nation," December 2009

"West Virginia Population Projection by Age, Sex, and County," September 2009

"Economic Impact of West Virginia Higher Education Institutions FY 2008," Fall 2009, with Amy Higginbotham, Eric Pennington, and Tom Witt

"The Economic Impact of San Joaquin County Agriculture Sector," with Jeff Michael, Regional Analyst, September 2008

"Economic Significance of San Joaquin County Out-Commuters & In-Commuters," Regional Analyst, Jan 2008

"San Joaquin County Working Resident Commute Pattern," Regional Analyst, October 2007

"Outlook for the Stockton Housing Market," 2006, with Sean Snaith

"The Economic Impact of the Port of Stockton," 2006

"The Economic Impact of Non-Profit Organizations in San Joaquin County," 2006

"A Tale of Two Cities," with Sean Snaith, 2006

"The Economic Impact of Gypsum Manufacturing," 2005

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Mr. Rexhausen has previously worked in several consulting firms as a vice president of research and development, project manager, and economic analyst. In these roles, he has:

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- Provided economic development assistance to dozens of communities on projects ranging from comparisons of fiscal costs and benefits to market feasibility studies to analyses of economic and demographic trends and issues.

Other Public Sector Professional Experience

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- Worked as Research Assistant at Oak Ridge National Laboratory on a range of environmental and other impact assessments and other program evaluation projects.

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- Mr. Rexhausen has given presentations at national professional conferences and various regional programs on subjects such as economic development, affordability and financial capability, economic considerations in major infrastructure projects, and balancing economic and environmental considerations.

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CATALYTIC DEVELOPMENT FUNDING CORPORATION OF NKY, COVINGTON, KY

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Examined developer tools and funding sources for the Director of Finance to develop a resource guide that markets the area's assets in order to recruit qualified developers; performed an urban housing stock inventory to identify development opportunities in Covington, Kentucky; provided administration support for dynamic not-for-profit

PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY, CINCINNATI, OH

Transportation & Logistics Intern (Summer 2012)

Implemented an exhaustive audit of river terminals, real estate, and commodity flow along the Ohio River in order to identify the transportation assets in the Cincinnati region, and to pinpoint industrial redevelopment opportunities within the Port Authority's jurisdiction

HISTORIC CHARLESTON FOUNDATION, CHARLESTON, SC

Volunteer Coordinator (December 2010-May 2011)

Coordinated and supervised volunteer trainings, lectures, assignments, and appreciation events for the Foundation's 750 volunteers for 2 fundraising events: the Annual Festival of Houses and Gardens and the Charleston International Antiques Show responsible for funding the Foundation's preservation mission Easements and Technical Outreach Intern (August 2010-December 2010)

Processed request for alteration forms for repairs or alterations to easement and covenant properties; performed annual inspections of easement and covenant properties

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SKILLS Microsoft Office Suite expert; Salesforce proficient

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UC Real Estate Roundtable and Alpha Rho Epsilon Real Estate Fraternity (Secretary)
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Economic Impact of West Virginia Higher Education Institutions

FY 2008

By
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May 2010

Funding for this report was provided by the West Virginia Higher Education Policy Commission. The report includes financial and other data provided by member HEPC institutions and central office. The opinions herein reflect those of the authors and do not reflect those of the Higher Education Policy Commission and the governing board of West Virginia University.

Executive Summary

The contributions of public four-year academic institutions to their states are diverse and extensive. West Virginia is fortunate to have a public higher education system with a high standard of excellence that is competitive in the changing national and global environment and has the capacity to deliver the programs and services necessary to meet regional and statewide needs. Many of the program and services benefits are quantifiable; however, there are a number of programs whose benefits are neither immediately apparent nor easily quantified. For example, college and professional graduates make higher incomes over their lifetimes, which strengthen their local and state economies. This study focuses on one directly measureable benefit associated with public four-year academic institutions' operations – the economic impact of their expenditures on the West Virginia economy.

The economic impacts presented in this study encompass ten public four-year academic institutions as well as the main office of the West Virginia Higher Education Policy Commission (HEPC). The academic institutions include:

- Bluefield State College
- Concord University
- Fairmont State University
- Glenville State College
- Marshall University
- Shepherd University
- West Liberty University
- West Virginia School of Osteopathic Medicine
- West Virginia State University
- West Virginia University (including the West Virginia University Institute of Technology)

The economic impacts estimated in this report are for fiscal year (FY) 2008 (July 1, 2007 – June 30, 2008). The impacts were calculated using financial statements from all institutions and the HEPC main office and the IMPLAN® input-output modeling system. Among the economic impacts estimated are business volume, employment, employee compensation, and assorted state taxes.

Highlights of the FY 2008 total economic impacts (direct, indirect, and induced) of all public four-year academic institutions and the HEPC main office include:

- Total number of jobs created was approximately 40,600
- Total business volume generated was \$7.9 billion.
- Total employee compensation was \$1.5 billion.
- Total assorted state taxes (consumer sales and use, personal income, corporate net income, and business franchise) resulting from these business activities was \$73 million.

Table of Contents

Introduction and Overview	1
West Virginia Higher Education Policy Commission and Member Institutions Total Economic Impact....	1
Bluefield State College	2
I. Highlights of Bluefield State College FY 2008.....	2
II. Current Setting	2
A. Employment	2
B. Enrollment.....	4
C. Tuition, Fees, and Financial Aid	8
III. Economic Impact of Bluefield State College.....	9
Concord University.....	10
I. Highlights of Concord University FY 2008	10
II. Current Setting	10
A. Employment	11
B. Enrollment.....	12
C. Tuition, Fees, and Financial Aid	16
III. Economic Impact of Concord University	17
Fairmont State University	18
I. Highlights of Fairmont State University FY 2008.....	18
II. Current Setting	18
A. Employment	18
B. Enrollment.....	20
C. Tuition, Fees, and Financial Aid	24
III. Economic Impact of Fairmont State University.....	25
Glenville State College	26
I. Highlights of Glenville State College FY 2008.....	26
II. Current Setting	26
A. Employment	26
B. Enrollment.....	28
C. Tuition, Fees, and Financial Aid	32
III. Economic Impact of Glenville State College.....	33

Marshall University	34
I. Highlights of Marshall University FY 2008	34
II. Current Setting	34
A. Employment	34
B. Enrollment	36
C. Tuition, Fees, and Financial Aid	40
III. Economic Impact of Marshall University	42
Shepherd University	43
I. Highlights of Shepherd University FY 2008	43
II. Current Setting	43
A. Employment	43
B. Enrollment	45
C. Tuition, Fees, and Financial Aid	49
III. Economic Impact of Shepherd University	50
West Liberty University	51
I. Highlights of West Liberty University FY 2008	51
II. Current Setting	51
A. Employment	51
B. Enrollment	53
C. Tuition, Fees, and Financial Aid	57
III. Economic Impact of West Liberty University	58
West Virginia School of Osteopathic Medicine	59
I. Highlights of West Virginia School of Osteopathic Medicine FY 2008	59
II. Current Setting	59
A. Employment	59
B. Enrollment	61
C. Tuition, Fees, and Financial Aid	64
III. Economic Impact of West Virginia School of Osteopathic Medicine	65
West Virginia State University	66
I. Highlights of West Virginia State University FY 2008	66
II. Current Setting	66
A. Employment	66
B. Enrollment	68

C. Tuition, Fees, and Financial Aid	72
III. Economic Impact of West Virginia State University.....	73
West Virginia University.....	74
I. Highlights of West Virginia University FY 2008.....	74
II. Current Setting	74
A. Employment.....	74
B. Enrollment.....	76
C. Tuition, Fees, and Financial Aid	80
III. Economic Impact of West Virginia University.....	82
West Virginia Higher Education Policy Commission Main Office.....	83
I. Economic Impact of West Virginia Higher Education Policy Commission Main Office.....	84
Non-quantifiable Economic Impacts	85
Appendix A: Economic Impact Definitions.....	87

Introduction and Overview

The West Virginia Higher Education Policy Commission (HEPC) is responsible for developing, establishing, and overseeing the implementation of a public policy agenda for the state's four-year colleges and universities. HEPC oversees four-year public higher education institutions to ensure that they are adhering to their missions and visions as they relate to public policy on education. The HEPC also does a great deal of research into the characteristics of these colleges and universities, including on their enrollment and finances as reported by the institutions. The HEPC is part of an overall effort by the state to ensure the success and sustainability of public institutions of higher learning and the students who attend these institutions. The focus of this study is to quantify the directly measurable benefits to the West Virginia economy associated with HEPC institutions and central office.

The results of this report include all public four year institutions and the HEPC central office. These institutions provide a vast array of educational opportunities and help fulfill HEPC's mission to the state. Table 1 lists each institution that will be directly studied in this report.

Scope of Institutions Covered In This Study	
Institution	Location
Bluefield State College	Bluefield, WV
Concord University	Athens, WV
Fairmont State University	Fairmont, WV
Glenville State College	Glenville, WV
Marshall University	Huntington, WV
Shepherd University	Shepherdstown, WV
West Liberty University	West Liberty, WV
West Virginia School of Osteopathic Medicine	Lewisburg, WV
West Virginia State University	Institute, WV
West Virginia University	Morgantown, WV
Note: Economic impact will include all associated research corporations, alumni associations, and foundations. This study specifically excludes affiliated health care institutions including physician practice plans and hospitals.	

This study will quantify the direct, indirect and induced, and total economic impacts of the HEPC institutions and central office during fiscal year (FY) 2008 (July 1, 2007 – June 30, 2008). The economic impacts will focus on indicators such as employment, business volume, employee compensation, and selected state taxes and be estimated using the IMPLAN® input-output modeling system¹. Total purchases by these organizations include the annual operating purchases and annualized major capital expenditures. In addition, purchases by faculty, staff, and students are considered in the analysis. Through these direct expenditures and employment, additional

¹ Details on the IMPLAN® modeling system can be found at their website (<http://www.implan.com>).

expenditures and employment are generated via economic multipliers from suppliers' and employees' re-spending with the West Virginia economy. Direct, indirect, and induced economic impacts of the academic institutions are measured in this study. Expenditures by these institutions such as operating expenses (payroll, fringe benefits, rent, utilities, maintenance, construction, supplies, etc.) and capital expenses represent the direct economic impact. Indirect economic impacts are the economic activities (e.g. sales, wages, etc) that result from purchases from suppliers of these institutions. For example, a college may purchase supplies from an office supply store. The office supply store, in turn, purchases manufactured goods, utility services, and pays employee wages, among other expenditures. The continued backward linkages from organizations buying from their suppliers, and suppliers purchases from their suppliers, etc result in a continued re-spending of these funds. The induced economic impact of the institutions represents the expenditures by households of the income they received associated with the direct and indirect impacts. For example, the individuals employed in an institution earn wages and salaries, a portion of which they spend locally on the consumption of goods and services. The economic multipliers associated with the indirect and induced economic impacts are a clear indication of the strong economic linkage between these colleges and universities and the rest of the West Virginia economy. The sum of the direct, indirect, and induced economic impacts is the total economic impact of the institutions. Additionally, this study will identify other non-quantifiable economic impacts associated with the operation of the West Virginia HEPC. The economic region in this study consists of the entire West Virginia economy.

The economic multipliers used in this report are provided by the IMPLAN® input-output modeling system. IMPLAN® is a nationally recognized modeling software and data system. The use of IMPLAN® in this project permits estimation of the indirect, induced, and total economic impacts of employment, business volume, and employee compensation by major industry. Using these results, West Virginia University's Bureau of Business and Economic Research (BBER) estimates the impact of HEPC institutions and central office on the West Virginia economy. Additionally, assorted state tax revenues are estimated for personal income, corporate net income, business franchise, sales, and use taxes resulting from the economic activity generated from the operation of HEPC.

The economic impacts in the following report are measured in terms of business volume, employee compensation, employment and assorted state taxes and are conservative. As in any economic impact analysis, this study was limited due to lack of available and comparable data. Economic impact estimates presented in this report do not reflect expenditures of students or visitors of each academic institution. The economic contributions of affiliated organizations outside of the alumni associations, foundations, and research corporations are also not estimated in this report. Details of other non-quantifiable economic impacts can be found in the last section of the report.

West Virginia Higher Education Policy Commission and Member Institutions Total Economic Impact

The economic impact of the West Virginia Higher Education Policy Commission (WVHEPC) and member institutions for FY 2008 is the accumulation of the economic impacts of the following entities:

- Bluefield State College
- Concord University
- Fairmont State University
- Glenville State College
- Marshall University
- Shepherd University
- West Liberty University
- West Virginia School of Osteopathic Medicine
- West Virginia State University
- West Virginia University (including the West Virginia University Institute of Technology)
- West Virginia Higher Education Policy Commission Main Office

For FY 2008, WVHEPC and member institutions' total economic impact on the state economy was \$7.9 billion of business volume (Table 1). This economic activity generated 40,600 jobs and \$1.5 billion in employee compensation². The WVHEPC and member universities and colleges' activities generated an estimated \$73 million of tax revenue for the state through consumer sales and use tax, personal income tax, corporate net income tax, and business franchise tax. State appropriations to member institutions for FY 2008 totaled \$371.3 million which means that every dollar the legislature spent on these academic institutions turned into \$21 in the state.

Table 1: Economic Impact of West Virginia Higher Education Policy Commission and Member Institutions (FY 2008)			
	Direct	Indirect & Induced	Total
Business Volume (millions 2008\$)	\$4,229.5	\$3,711.9	\$7,941.4
Employee Compensation (millions 2008\$)	\$854.3	\$648.5	\$1,502.8
Employment (jobs)	18,800	21,700	40,600
Assorted State Taxes (millions 2008\$)			\$73.0
Note: Columns may not sum due to rounding.			

² Note that employee compensation and employment include all salaries, wages and benefits paid to the institutions' faculty and staff as well as compensation and employment that correspond with each institution's alumni association, foundation and research and development corporation for FY 2008.

Bluefield State College

I. Highlights of Bluefield State College FY 2008

- For FY 2008, the total business volume impact of Bluefield State College was \$96.5 million.
- The college directly employed 270 faculty and staff and had a total employment impact of 520 jobs in the state for FY 2008.
- For FY 2008, Bluefield State College's economic activity generated an estimated \$22 million in employee compensation.
- State appropriations to the college totaled approximately \$6.3 million for FY 2008 which means that every dollar the legislature spent on the college turned into \$15 in the state economy.
- Seventy-eight Promise Scholars attended Bluefield State College in the 2007-2008 school year.
- Enrollment at the college totaled 1,887 for Fall 2007 with 89.6% of enrollment in-state students.

II. Current Setting

Bluefield State College was established as an all-black teachers' college in 1895 and became fully integrated in 1951. The mission of Bluefield State is to prepare students for an increasingly diverse global community, both on the job market and in personal lives. It also focuses on developing student activity in citizenship and community service. In order to fulfill their mission of preparing students for the marketplace and future graduate study, Bluefield State focuses mainly on a variety of four and two-year career and technical programs.

A. Employment

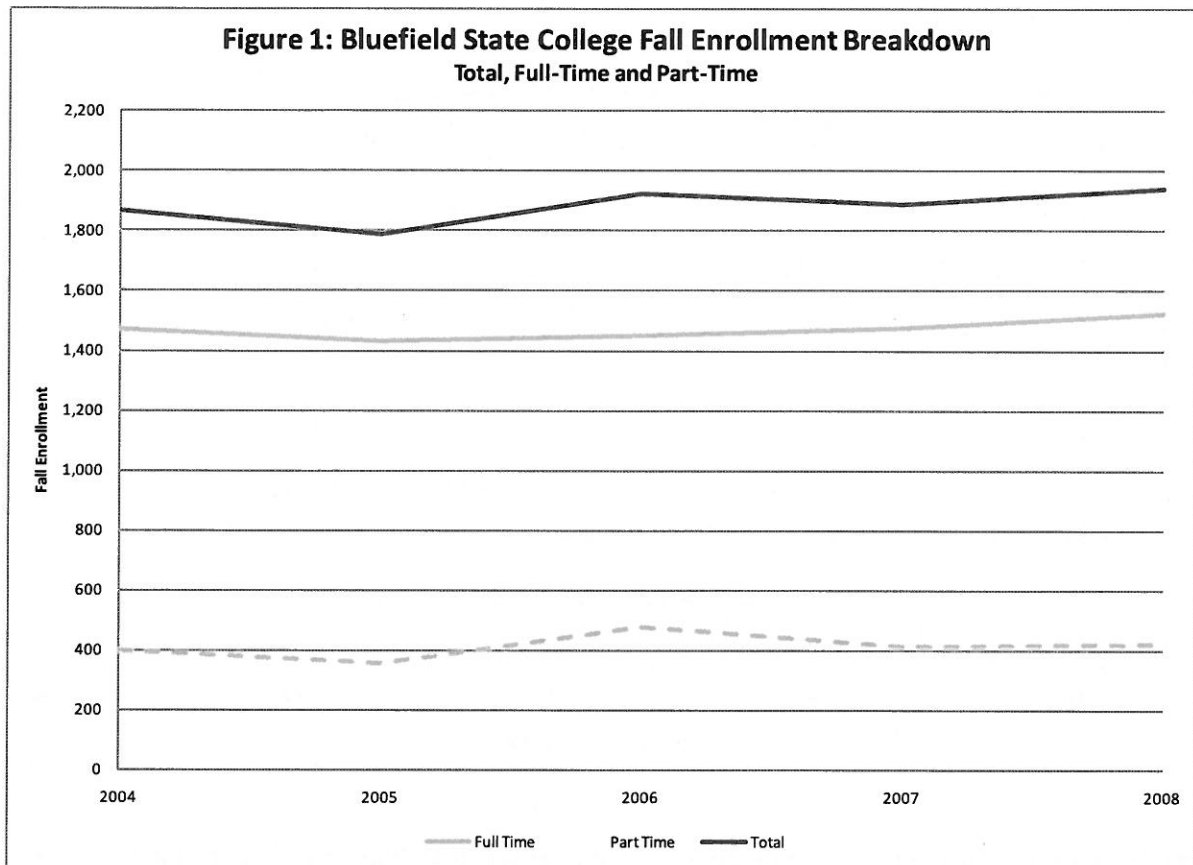
Bluefield State College employs over 250 faculty and staff (Table 1). Thirty-six percent of full time employees are faculty on campus. Bluefield State College's faculty consists of almost 30 professors, 15-20 associate professors, 22-23 assistant professors, and five instructors, lecturers or other. The college also employs over 50 part-time faculty. The college's staff consists of over 100 classified staff and 24 non-classified staff.

Table 1: Bluefield State College Fall Employment		
	2007	2008
Faculty		
Professor	28	29
Associate Professor	20	16
Assistant Professor	23	22
Instructor	3	3
Lecturer	1	1
Other	1	1
Part-time	55	74
Total	131	146
Staff		
Classified	111	104
Full Time	104	97
Part Time	7	7
Non Classified	24	24
Full Time	23	22
Part Time	1	2
Total	135	128

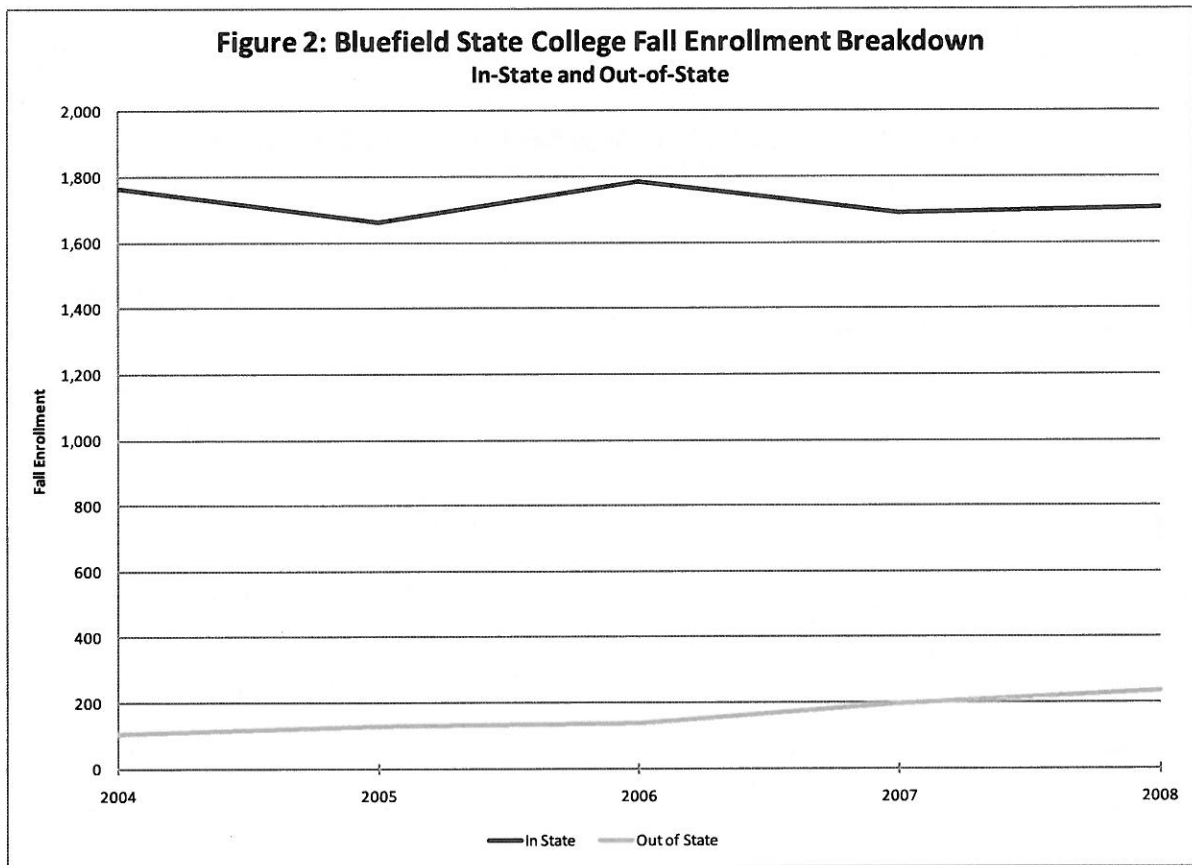
Table 2: Bluefield State College Faculty Characteristics		
	2007	2008
Average Age	54	55
# Tenured	50	50
% Tenured	66%	69%
% Male	55%	54%
% Female	45%	46%

Table 2 outlines the characteristics of the full-time faculty at Bluefield State College. The average age of the faculty on campus is around 55 years old with approximately 55 percent of them being male. Fifty faculty members have shown a strong record of published research, teaching and service to be tenured.

B. Enrollment

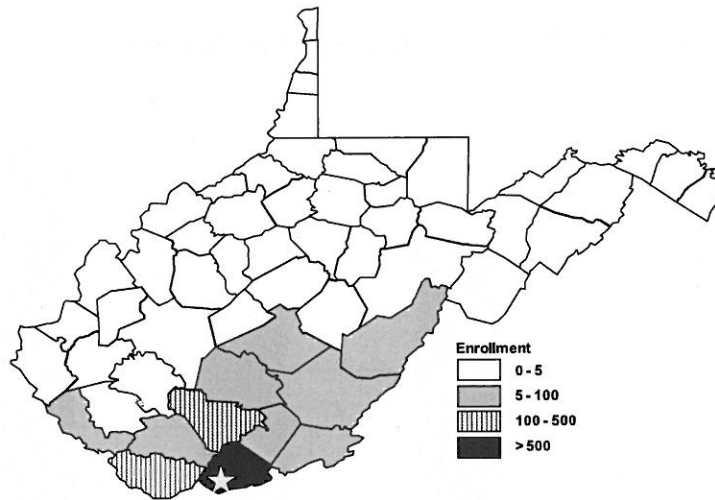


From the fall of 2004 to the fall of 2008, Bluefield State College has had enrollment ranging between 1,790 and 1,950 (Figure 1). Approximately 78 percent of total enrollment each year consisted of full-time students while the number of part-time students enrolled varied between 350 and 475.



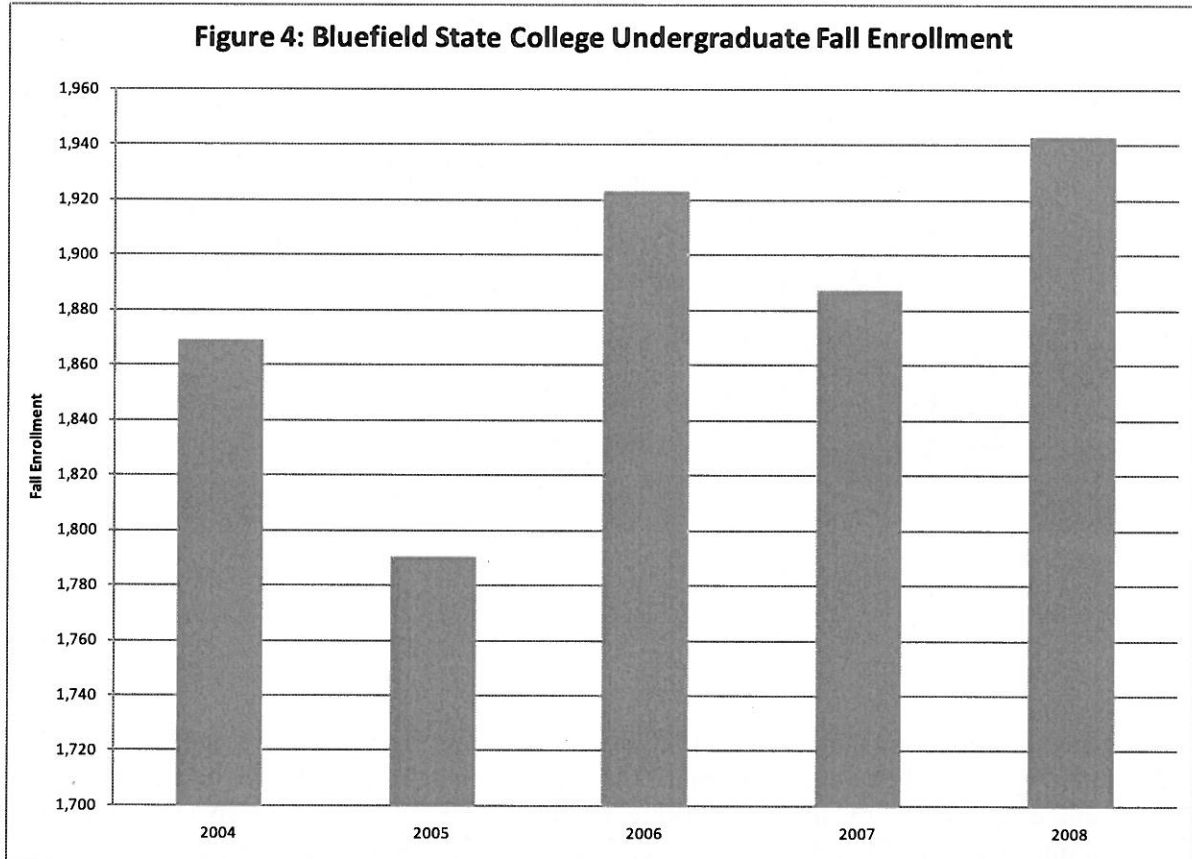
In-state students make up over 85 percent of total enrollment at Bluefield State College (Figure 2). From 2004 to 2008, in-state enrollment at the college has increased from 1,470 to 1,524. While a majority of the students are from West Virginia, the number of out-of-state student at the college has been increasing. In fact, from 2004 to 2008, out-of-state enrollment has increased by 123.6 percent.

**Figure 3: Bluefield State College In-State Enrollment
Fall 2007**



The in-state enrollment for Bluefield State comes mainly from the south and southeastern region of the state (Figure 3). Fifty-eight percent of the enrolled in-state students live locally in Mercer County, and 89 percent of the in-state enrollment comes from Mercer and the five surrounding West Virginia counties of Wyoming, Monroe, Summers, McDowell, and Raleigh.

Undergraduate enrollment for Bluefield State in the fall has been increasing, though, as Figure 4 shows, unsteadily. The college enrolled 1,943 undergraduate students in 2008, an almost 3 percent increase over the previous year. From 2004-2008, undergraduate enrollment has increased by an average of 1 percent per year.



Bluefield State College offers accredited associate and bachelor degrees under each of its five academic schools: School of Arts and Sciences; School of Business; School of Education; School of Engineering, Technology, and Computer Science; and School of Nursing and Allied Health. The number of associate's degrees awarded by Bluefield State has fallen by more than half since 2004 (Table 3). However, the institution has also seen a rise in the number of bachelor degrees awarded. The amount of Bachelor's degrees awarded has increased by an average of 1.4 percent per year since 2004.

Table 3: Bluefield State College Degrees/Certificates Awarded					
	2004	2005	2006	2007	2008
Associate	194	110	96	86	92
Bachelor	197	204	224	220	207

C. Tuition, Fees, and Financial Aid

Student tuition and fees have steadily increased over the three fiscal years shown in Table 4. Collective tuition and fees for undergraduate students have increased an average of 5.8 percent per year. Tuition and fees for West Virginia residents, the main component of the student population at Bluefield, increased the most at an 8 percent increase per year on average, while tuition for non-residents rose by 5 percent each academic year.

Table 4: Bluefield State College Tuition and Fees			
	2006-07	2007-08	2008-09
Resident	\$3,648	\$3,984	\$4,272
Metro	\$5,720	\$5,976	\$6,288
Non Resident	\$7,760	\$8,160	\$8,568

Students enrolled in Bluefield State College during the 2007-2008 and 2008-2009 academic years received a significant amount of financial aid assistance in the form of Federal Pell Grants, Federal Supplemental Educational Opportunity Grants, Promise Scholarships, and other federal and state grants and scholarships as shown in Table 5.

Table 5: Bluefield State College Financial Aid Assistance to Students					
(number of students receiving aid)					
School Year	Federal Pell Grant	Federal Supplemental Educational Opportunity Grant (SEOG)	Other Federal Grants & Scholarships	Promise Scholars	Other State Grants and Scholarships
2007-2008	1,110	127	30	78	417
2008-2009	1,119	68	10	83	587

III. Economic Impact of Bluefield State College

For FY 2008, Bluefield State College's total economic impact on the state economy was \$96.5 million of business volume (Table 6). This economic activity generated 520 jobs and \$22 million in employee compensation³. Bluefield State College's activity generated an estimated \$0.9 million of tax revenue for the state through consumer sales and use tax, personal income tax, corporate net income tax, and business franchise tax.

Table 6: Economic Impact of Bluefield State College on West Virginia (FY 2008)			
	Direct	Indirect & Induced	Total
Business Volume (millions 2008\$)	\$50.9	\$45.6	\$96.5
Employee Compensation (millions 2008\$)	\$14.0	\$8.0	\$22.0
Employment (jobs)	270	250	520
Assorted State Taxes (millions 2008\$)			\$0.9
Note: Columns may not sum due to rounding.			

The economic impacts estimated for Bluefield State College on the state of West Virginia for FY 2008 include the following activities of the institution: Bluefield State College operations and capital expenditures, Bluefield State College Foundation Inc., and Bluefield State College Research and Development Corporation.

³ Note that employee compensation and employment include all salaries, wages and benefits paid to the institution's 266 faculty and staff as well as compensation and employment that correspond with the Foundation and the Research and Development Corporation for FY 2008.

Concord University

I. Highlights of Concord University FY 2008

- Direct expenditures from Concord University totaled \$92.6 million for FY 2008, leading to a total economic impact of \$138.9 million in business volume.
- For FY 2008, Concord University's economic activity generated 615 jobs and approximately \$26.1 million in employee compensation.
- Total assorted state taxes resulting from the economic activities of the university in FY 2008 totaled \$0.9 million.
- For every dollar the state legislature spent in FY 2008 on Concord University turned into \$14 in the state economy.
- For Fall 2007, Concord University had a high concentration of students from southern West Virginia but also had statewide representation with only five counties having no students enrolled at Concord.
- Concord University's student enrollment was almost 5,000 full and part time students in Fall 2007.

II. Current Setting

Concord University was founded as the Concord State Normal School in 1872. Since this time, Concord has risen to the pinnacle of regional educational attainment and recently was named a state university. It is located in Mercer County, West Virginia, a southern county that borders both the states of Virginia and Kentucky. The university's mission is to "provide quality, liberal arts based education, to foster scholarly activities, and to serve the regional community.

Concord University has eight goals: to foster the skills, knowledge, and attitudes of students as described in the "Educational Goals of Concord University," to provide high quality programs to promote student learning, to achieve and maintain enrollment of 2800, to achieve and sustain financial stability, to create a learning community that involves all faculty and staff, to provide selected services to the community, to incorporate technology into the University curriculum, to maintain personnel salaries competitive with peer institutions, and to provide excellent facilities and equipment.

A. Employment

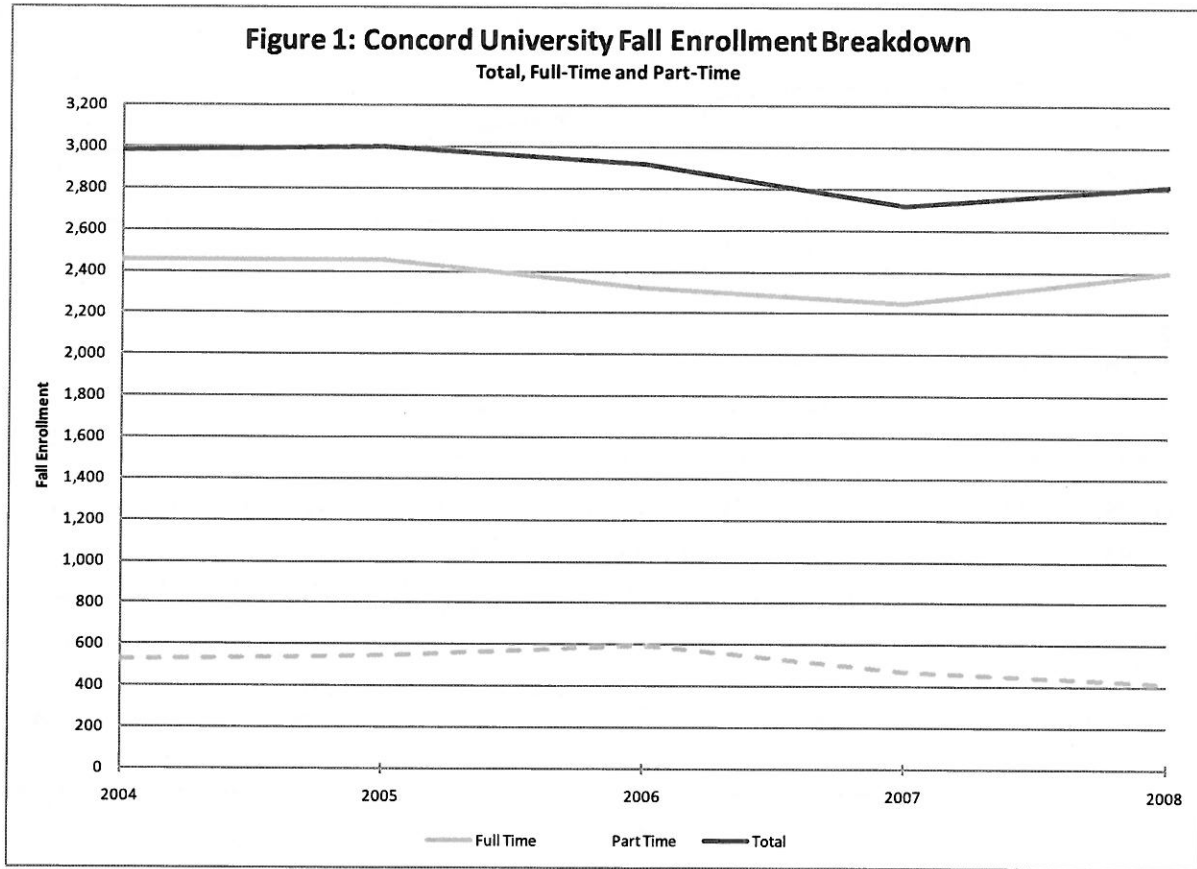
Concord University employs over 330 faculty and staff (Table 1). Approximately forty-one percent of full time employees are faculty on campus. Concord University's faculty is made up of 20 professors, 30 associate professors, 37-44 assistant professors, and 13 instructors. The university also employs 89 part-time faculty. There have been about 120 classified staff, and 23 non-classified staff employed at Concord. Employment at the institution between 2007 and 2008 has remained almost unchanged.

Table 1: Concord University Fall Employment		
	2007	2008
Faculty		
Professor	19	19
Associate Professor	31	30
Assistant Professor	37	44
Instructor	13	13
Lecturer	-	-
Other	3	4
Part-time	89	89
Total	192	199
Staff		
Classified	120	119
Full Time	114	115
Part Time	6	4
Non Classified	23	23
Full Time	23	23
Part Time	-	-
Total	143	142

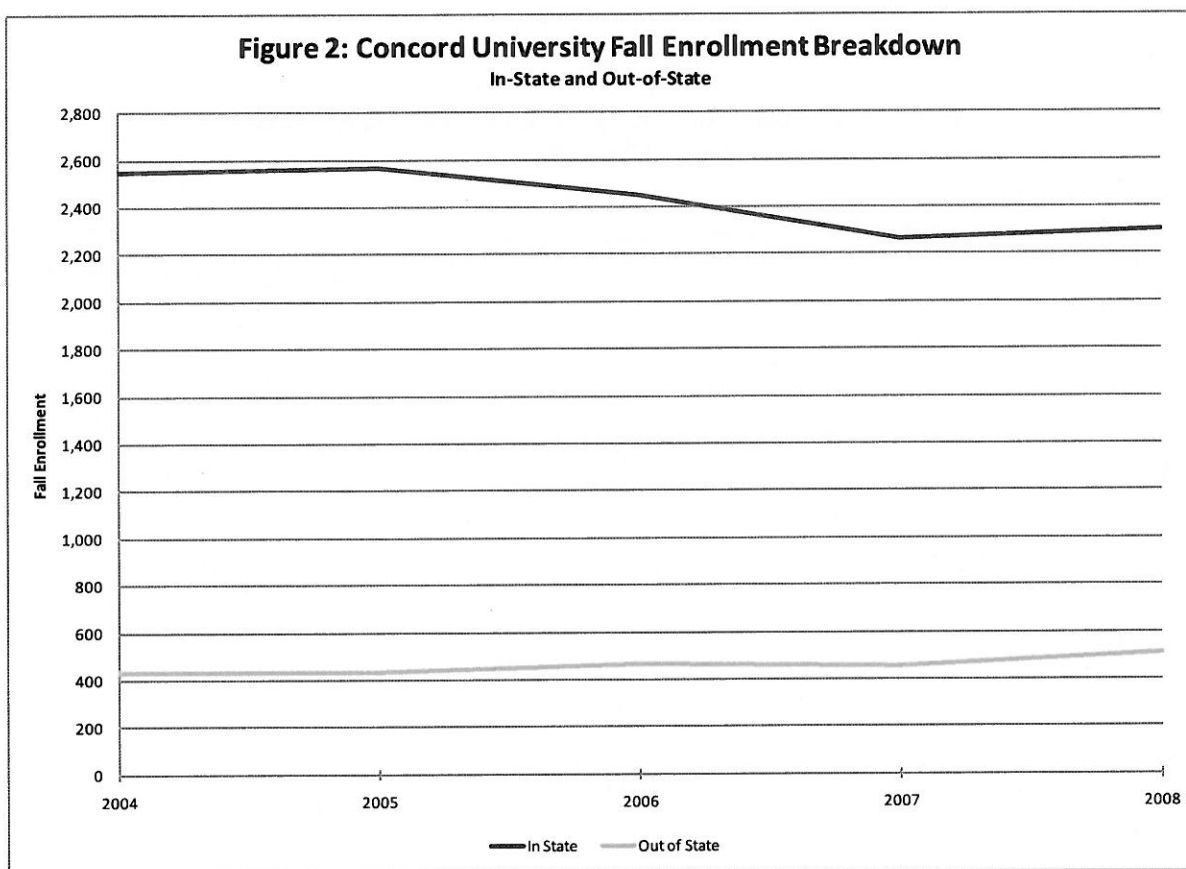
Table 2 outlines the characteristics of the full-time faculty at Concord University. The average age of the faculty on campus is 48 years old with between 54 and 57 percent of them being male. Forty-three professors have been tenured at Concord University.

Table 2: Concord University Faculty Characteristics		
	2007	2008
Average Age	48	48
# Tenured	43	42
% Tenured	43%	40%
% Male	54%	57%
% Female	46%	43%

B. Enrollment

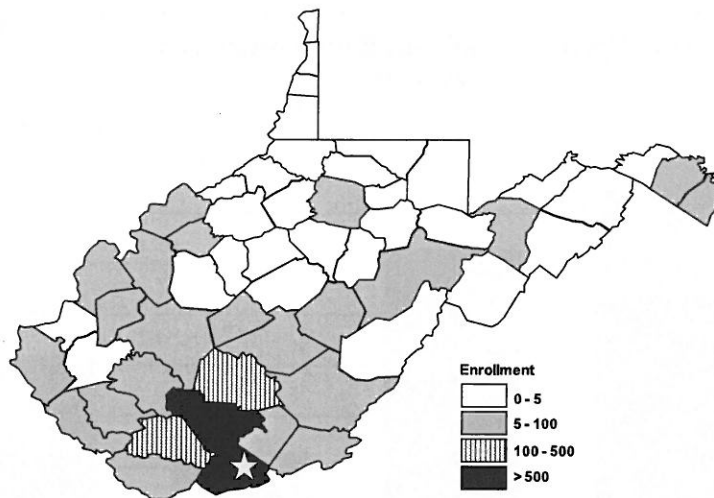


From the fall of 2004 to the fall of 2008, Concord University has had enrollment ranging between 2,700 and 3,000 (Figure 1). Between 80 and 85 percent of total enrollment each year consisted of full-time students while the number of part-time students enrolled varied between 400 and 600.



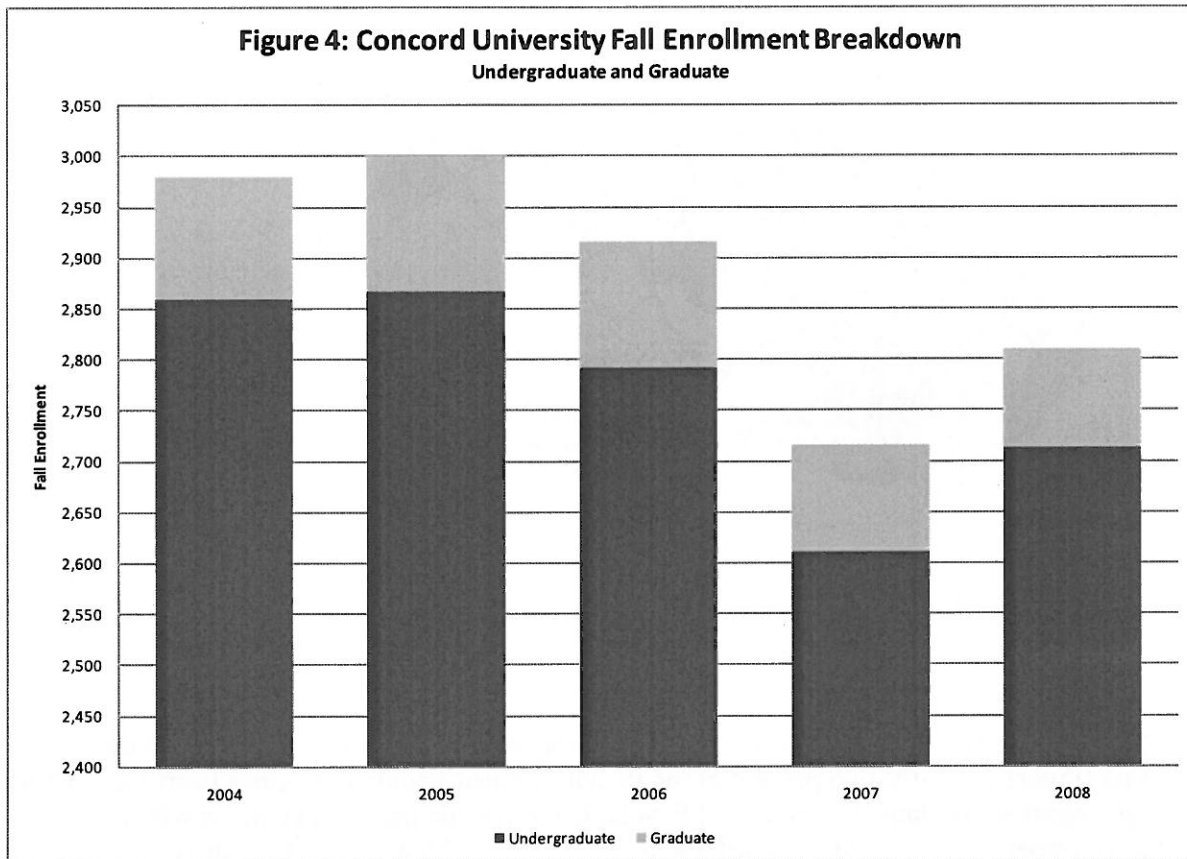
In-state students make up over 85 percent of total enrollment at Bluefield State College (Figure 2). From 2004 to 2008, in-state enrollment at the university has increased from 1,470 to 1,524. While a majority of the students are from West Virginia, the number of out-of-state students at the university has been increasing. Between 2004 and 2008, the number of out of state students has increased by 18.6 percent.

**Figure 3: Concord University In-State Enrollment
Fall 2007**



Concord University has an in-state student population from many different areas of West Virginia (Figure 3). Fifty-two percent of the in-state student population comes from Mercer and Raleigh counties. Adding Wyoming and Fayette Counties, the next two counties with the greatest number of students at Concord, the four counties make up 61% of the in-state students at Concord. Though Concord has a high concentration of students from southern West Virginia, it truly has statewide representation. Only five counties have zero representation at Concord.

From 2004 to 2008, fall enrollment has on average declined by 1.4 percent annually at Concord University (Figure 4). This change in the enrollment level is attributed to the number of undergraduates. The number of students enrolled in graduated programs at Concord University has remained consistent at 3 to 4 percent of total enrollment.



Concord University has only awarded one or two associate degrees over the past five years as shown in Table 3. The number of bachelor degrees awarded has varied between 350 and 450. The number of bachelor degrees awarded in 2008 was 12.5 percent higher than the previous year, its lowest year in this period. The number of master degrees awarded has tripled since 2005.

Table 3: Concord University Degrees/Certificates Awarded					
	2004	2005	2006	2007	2008
Associate	-	1	2	2	1
Bachelor	446	400	398	350	400
Masters	16	9	25	27	24

C. Tuition, Fees, and Financial Aid

Undergraduate tuition and fees for in-state students have increased by the same percentage as the undergraduate non-resident fees (Table 4). The 2008-2009 period tuition increase was 3.7 percent over the previous year, and the 2007-2008 increase was 5 percent over the previous year. Room and board for undergraduates has also increased by about the same percentage.

Table 4: Concord University Tuition and Fees			
	2006-07	2007-08	2008-09
Tuition and Fees			
Undergraduate			
Resident	\$4,204	\$4,414	\$4,578
Non Resident	\$9,338	\$9,806	\$10,170
Graduate			
Resident	\$4,520	\$4,746	\$4,922
Non Resident	\$7,940	\$8,336	\$8,646
Room and Board			
Undergraduate	\$6,070	\$6,280	\$6,530

Concord University students have received a significant amount of financial aid assistance during the 2007-2008 and 2008-2009 school years (Table 5). Between 439 and 462 at Concord University received Promise Scholarships while over a thousand received Federal Pell Grants.

Table 5: Concord University Financial Aid Assistance to Students					
(number of students receiving aid)					
School Year	Federal Pell Grant	Federal Supplemental Educational Opportunity Grant (SEOG)	Other Federal Grants & Scholarships	Promise Scholars	Other State Grants and Scholarships
2007-2008	1,055	267	65	439	591
2008-2009	1,136	259	61	462	745

III. Economic Impact of Concord University

The economic contributions of Concord University in FY 2008 to the West Virginia economy were significant. For FY 2008, Concord University's total economic impact on the economy was \$138.9 million of business volume (Table 6). This economic activity generated \$26.1 million in employee compensation and 615 jobs⁴. Concord University's activity generated an estimated \$0.9 million of tax revenue for the state through consumer sales and use tax, personal income tax, corporate net income tax, and business franchise tax.

Table 6: Economic Impact of Concord University on West Virginia (FY 2008)			
	Direct	Indirect & Induced	Total
Business Volume (millions 2008\$)	\$92.6	\$46.3	\$138.9
Employee Compensation (millions 2008\$)	\$18.0	\$8.1	\$26.1
Employment (jobs)	340	275	615
Assorted State Taxes (millions 2008\$)			\$0.9
Note: Columns may not sum due to rounding.			

The economic impacts estimated for Concord University on the state of West Virginia for FY 2008 include the follow activities of the institution: Concord University operations and capital expenditures and Concord University Foundation.

⁴ Note that employee compensation and employment include all salaries, wages and benefits paid to the institution's 335 faculty and staff as well as compensation and employment that correspond with the Foundation for FY 2008.

Fairmont State University

I. Highlights of Fairmont State University FY 2008

- Total business volume impact of Fairmont State University on the state of West Virginia was \$423.8 million for FY 2008.
- Fairmont State University directly employed approximately 600 faculty and staff and had a total employment impact of 1,800 jobs for FY 2008.
- For FY 2008, the university's economic activity generated an estimated \$72.9 million in employee compensation.
- For FY 2008, state appropriations to Fairmont State University totaled \$20.4 million which means that every dollar the legislature spent on the institution turned into \$20 in the state economy.
- Approximately 4,500 full and part time students were enrolled at Fairmont State University in Fall 2007 with 6.2 % from out-of-state.
- Fairmont State University awarded over 830 associate, bachelor and master degrees in 2008.

II. Current Setting

Fairmont State University, founded in 1865, is a major state university. The institution shares its campus with Pierpont Community and Technical College. The university offers over 90 baccalaureate degrees and graduate programs to over 7,000 students in a variety of fields. In line with its mission of providing opportunities for students to achieve their professional and personal goals and encouraging responsible citizenship for the common good, Fairmont State University has an extension in Clarksburg as well, in order to further serve the West Virginian community.

A. Employment

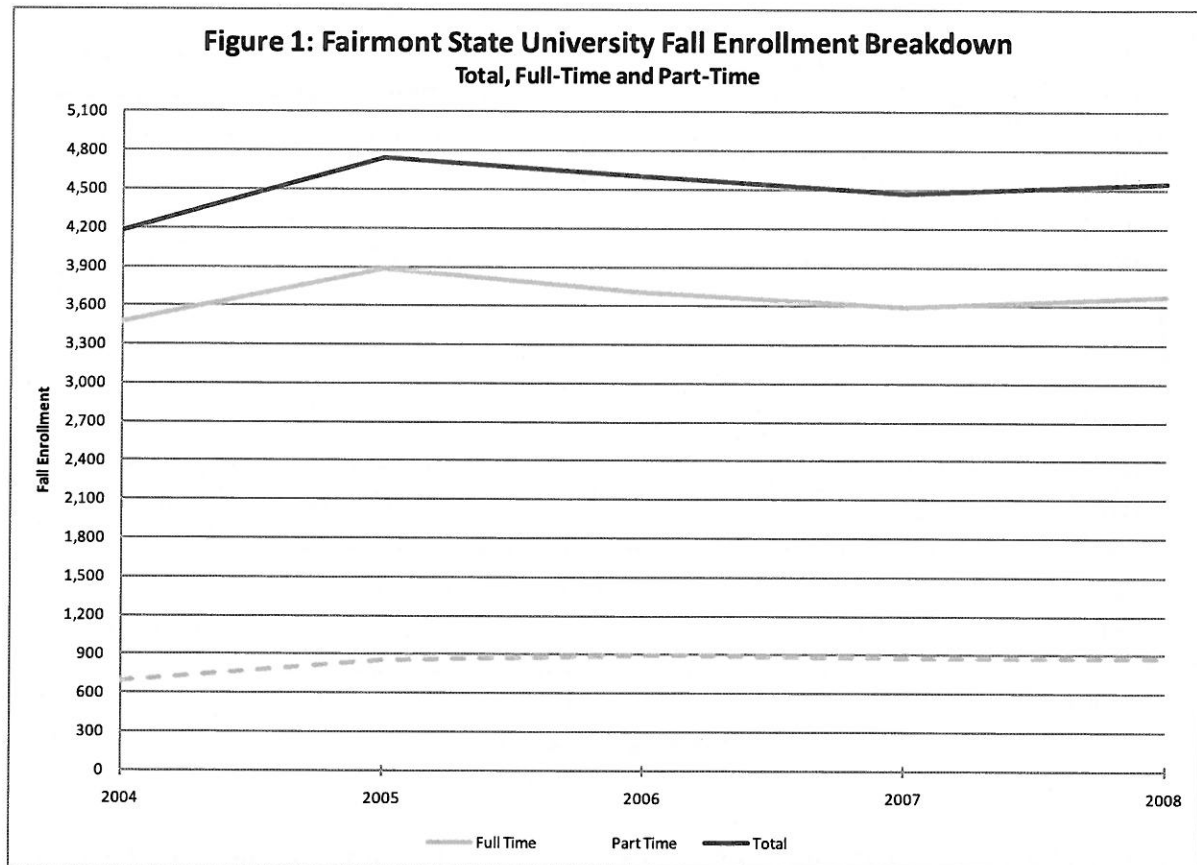
Fairmont State University employs between 560 and 590 faculty and staff (Table 1). Fairmont State University's full time faculty consists of 51 professors, 33 associate professors, 67-75 assistant professors, and 20 instructors, lecturers or other. The college's staff consists of almost 200 classified staff and 100 non-classified staff.

Table 1: Fairmont State University Fall Employment		
	2007	2008
Faculty		
Professor	51	51
Associate Professor	34	33
Assistant Professor	75	67
Instructor	18	19
Lecturer	-	-
Other	2	2
Part-time	141	95
Total	321	267
Staff		
Classified	166	199
Full Time	144	140
Part Time	22	59
Non Classified	99	98
Full Time	96	95
Part Time	3	3
Total	265	297

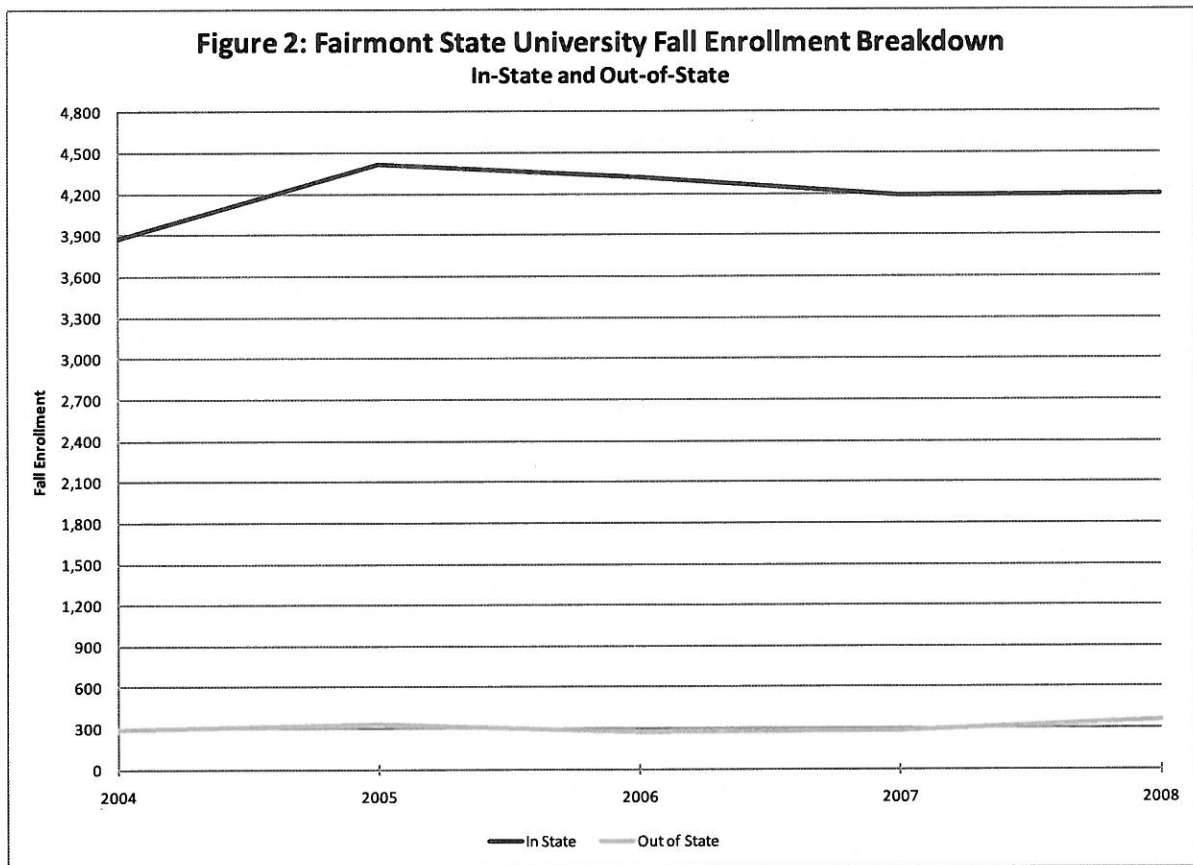
Table 2 outlines the characteristics of the full-time faculty at Fairmont State University. The average age of the faculty on campus is 49 years old with between 54 and 53 percent of them being male. Over eighty professors are tenured at Fairmont State University as of 2008.

Table 2: Fairmont State University Faculty Characteristics		
	2007	2008
Average Age	49	49
# Tenured	80	83
% Tenured	45%	48%
% Male	54%	53%
% Female	46%	47%

B. Enrollment

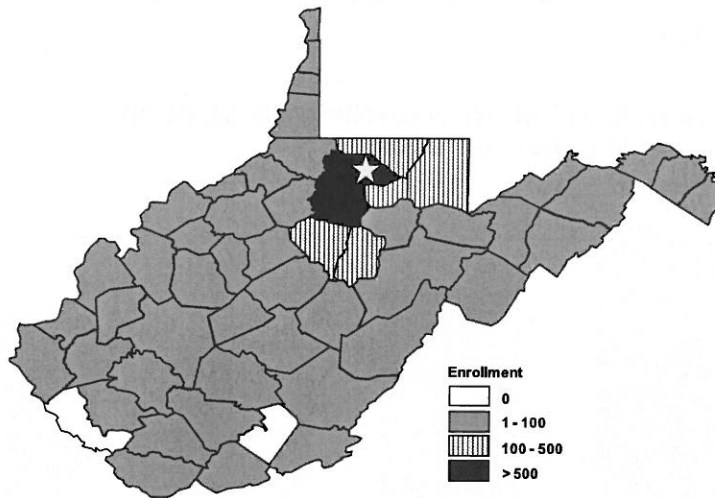


From the fall of 2004 to the fall of 2008, Fairmont State University had enrollment ranging between 4,200 and 4,750 (Figure 1). Approximately 80 percent of total enrollment each year consisted of full-time students while the number of part-time students enrolled varied between 650 and 900.



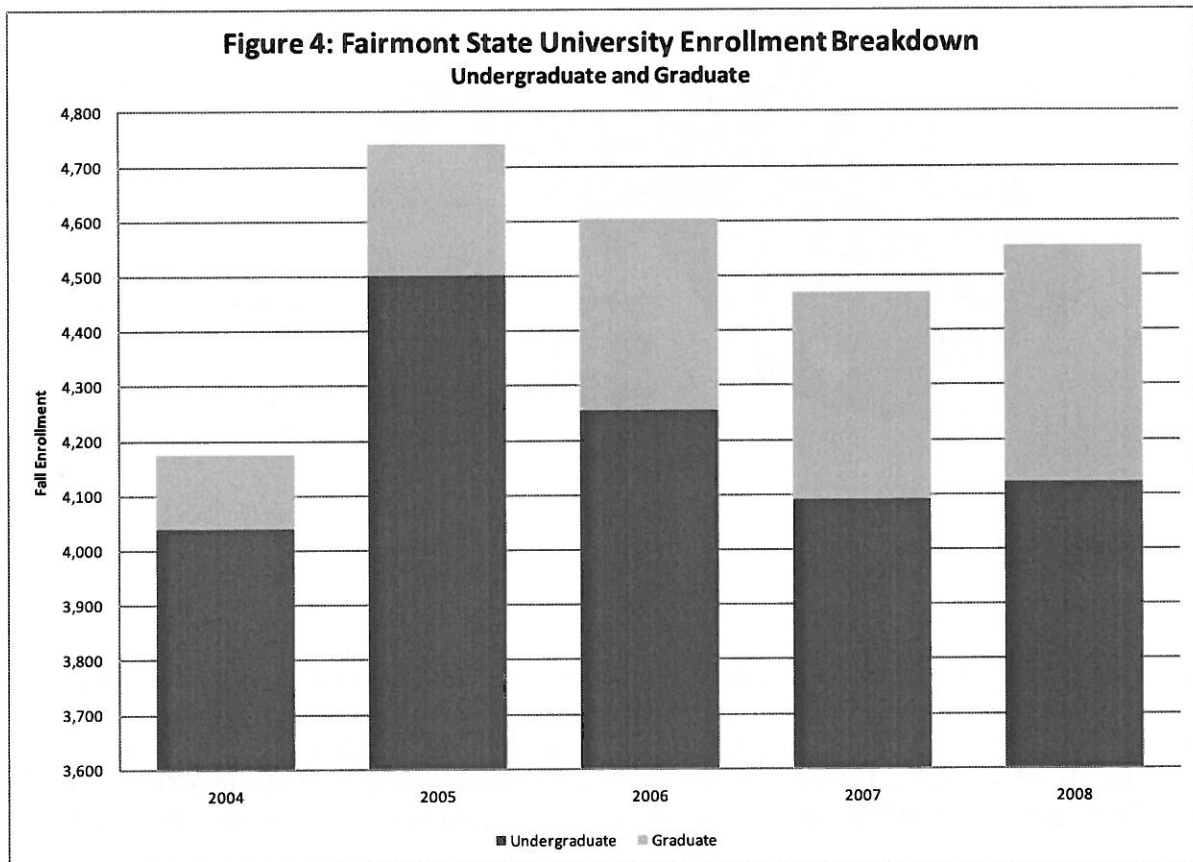
In-state students make up 92 percent of total enrollment at Fairmont State University (Figure 2). From 2004 to 2008, in-state enrollment at the college has increased by 8 percent. While a majority of the students are from West Virginia, the number of out-of-state students at the college has been steady, ranging between 277 and 360.

**Figure 3: Fairmont State University
In-State Enrollment
Fall 2007**



Fairmont State University's main campus is located in Marion County with a smaller regional campus located in Harrison County. The university draws most of its student population from these two counties while also attracting students from 51 of the remaining 53 counties in the state. Lewis, Monongalia, Preston, Taylor, and Upshur counties each had 100 to 500 students attending Fairmont State University, while the rest of the counties had less than 100 students each.

Fairmont State University has increased its fall enrollment from its low of 4,173 in 2004 (Figure 4). After a large increase of nearly 15 percent in 2005, total enrollment declined by about 3 percent per year through 2007. Enrollment, however, increased by 2 percent in 2008. Part of what kept enrollment strong at Fairmont State was the continued increase in graduate enrollment. Graduate enrollment in 2008 increased by approximately 15 percent over the previous year, and by 223.1 percent from 2004, a very significant increase. Graduate enrollment accounted for just short of 10 percent of total enrollment.



While the number of bachelor degrees awarded at Fairmont State University has remained consistent, the number of associate and master degrees has increased a hundred fold as shown in Table 3. This shows the increasing popularity and awareness brought to Fairmont State University's programs.

Table 3: Fairmont State University Degrees/Certificates Awarded					
	2004	2005	2006	2007	2008
Associate	1	68	73	78	107
Bachelor	624	606	661	671	645
Masters	3	27	47	65	85

C. Tuition, Fees, and Financial Aid

Table 4: Fairmont State University Tuition and Fees			
	2006-07	2007-08	2008-09
Tuition and Fees			
Undergraduate			
Resident	\$4,332	\$4,614	\$4,804
Non Resident	\$9,266	\$9,960	\$10,370
Graduate			
Resident	\$4,726	\$5,034	\$5,240
Non Resident	\$10,216	\$10,982	\$11,430
Room and Board			
Undergraduate	\$5,813	\$6,201	\$6,397

The increase in student tuition and fees has been consistent for both graduates and undergraduates, residents and non-residents. Tuition and fees have increased by an average of 5.5 percent over this three-year period. Room and board for undergraduates at Fairmont State University's main campus has increased at a slightly lower average rate of 5 percent.

Table 5: Fairmont State University Financial Aid Assistance to Students					
(number of students receiving aid)					
School Year	Federal Pell Grant	Federal Supplemental Educational Opportunity Grant (SEOG)	Other Federal Grants & Scholarships	Promise Scholars	Other State Grants and Scholarships
2007-2008	1,736	100	32	549	1,111
2008-2009	1,742	213	31	505	1,569

To assist in the payment of tuition and fees, Fairmont State University students received over 1,700 Federal Pell Grants and over 500 Promise Scholarships during each of the 2007-2008 and 2008-2009 academic years (Table 5).

III. Economic Impact of Fairmont State University

Fairmont State University significantly contributed to the West Virginia economy during FY 2008. Fairmont State University's total economic impact on the West Virginia economy was \$423.8 million of business volume in FY 2008 (Table 6). This economic activity generated almost \$73 million in employee compensation in the state and accounted for approximately 1,800 jobs⁵. Fairmont State University's activity generated an estimated \$4 million of tax revenue for the state through consumer sales and use tax, personal income tax, corporate net income tax, and business franchise tax.

Table 6: Economic Impact of Fairmont State University on West Virginia (FY 2008)			
	Direct	Indirect & Induced	Total
Business Volume (millions 2008\$)	\$220.1	\$203.7	\$423.8
Employee Compensation (millions 2008\$)	\$38.0	\$34.9	\$72.9
Employment (jobs)	600	1,200	1,800
Assorted State Taxes (millions 2008\$)			\$4.0
Note: Columns may not sum due to rounding.			

The economic impacts estimated for Fairmont State University on the state of West Virginia for FY 2008 include the following activities of the institution: Fairmont State University operations and capital expenditures, Pierpont Community and Technical College, and Fairmont State University Foundation

⁵ Note that employee compensation and employment include all salaries, wages and benefits paid to the institution's 584 faculty and staff as well as compensation and employment that correspond with the Foundation for FY 2008.

Glenville State College

I. Highlights of Glenville State College FY 2008

- For FY 2008, Glenville State College's economic activity generated 650 jobs and \$22.9 million in employee compensation.
- Direct expenditures from the college totaled \$77.6 million for FY 2008, leading to a total economic impact of \$149.6 million in business volume.
- For FY 2008, total assorted state taxes resulting from the economic activities of Glenville State College totaled \$1.4 million.
- State appropriations to the college totaled \$6.1 million for FY 2008 which means that every dollar the legislature spent on Glenville State turned into \$24 in the state economy.
- Braxton, Calhoun, and Gilmer counties accounted for 46.4 % of total in-state student enrollment at Glenville State College in Fall 2007.
- For the 2007-2008 academic year, Glenville State College had 129 Promise Scholars.

II. Current Setting

Founded in 1872 to serve the central West Virginian regional community, Glenville State College has grown phenomenally, both in size and in educational stature. Focused on providing quality educators to the state and to the country, the college has seen its student population surpass the local population, and has seen the range of programs offered become more diverse and expansive. Glenville State devotes its resources to finding and evaluating innovative programs, as well as training a workforce that can compete in a global marketplace and serve others.

A. Employment

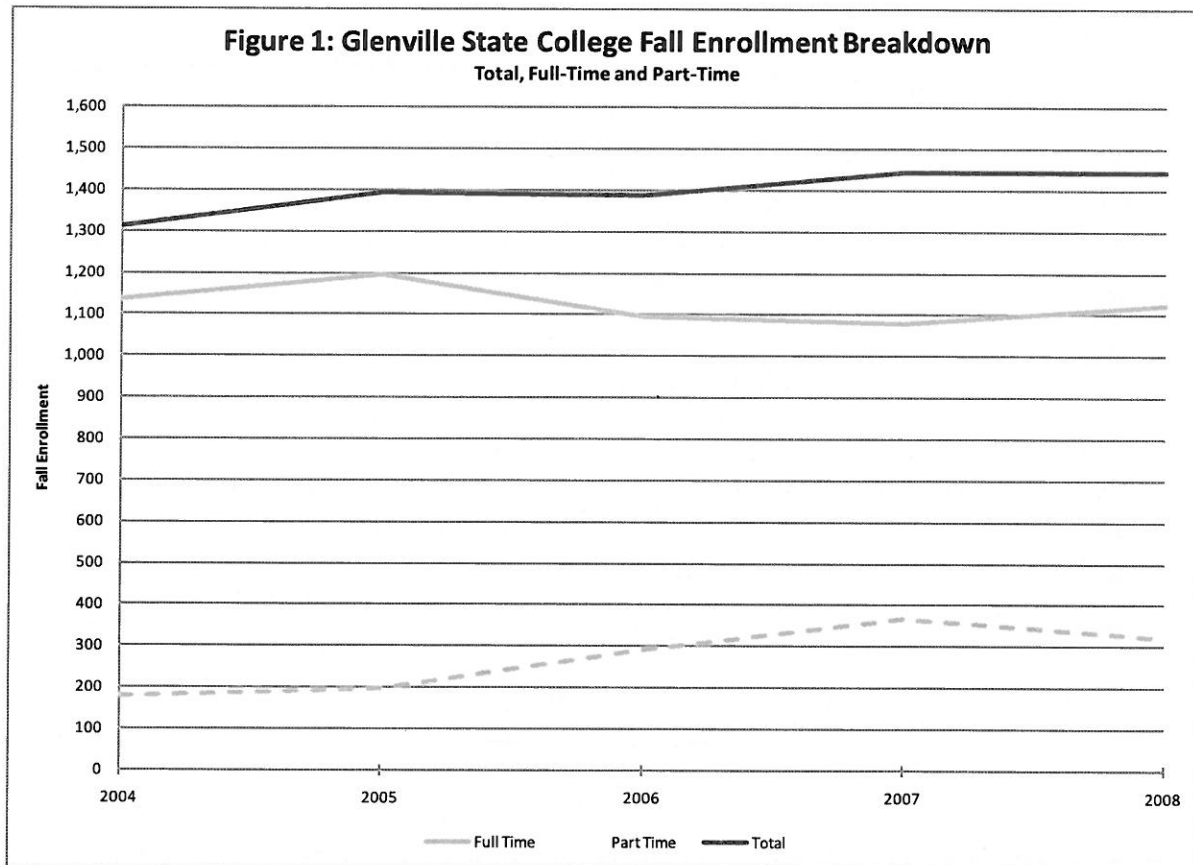
Glenville State College employs approximately 220 faculty and staff (Table 1). More than a quarter of the full time employees are faculty on campus. Glenville State College full time faculty consists of 8-9 professors, 16 associate professors, 20 assistant professors, and 12-16 instructors and other. The college's staff consists of almost 84-88 classified staff and 53-64 non-classified staff.

Table 1: Glenville State College Fall Employment		
	2007	2008
Faculty		
Professor	9	8
Associate Professor	16	16
Assistant Professor	20	20
Instructor	10	14
Lecturer	-	-
Other	2	2
Part-time	27	24
Total	84	84
Staff		
Classified	84	88
Full Time	74	78
Part Time	10	10
Non Classified	53	64
Full Time	32	37
Part Time	21	27
Total	137	152

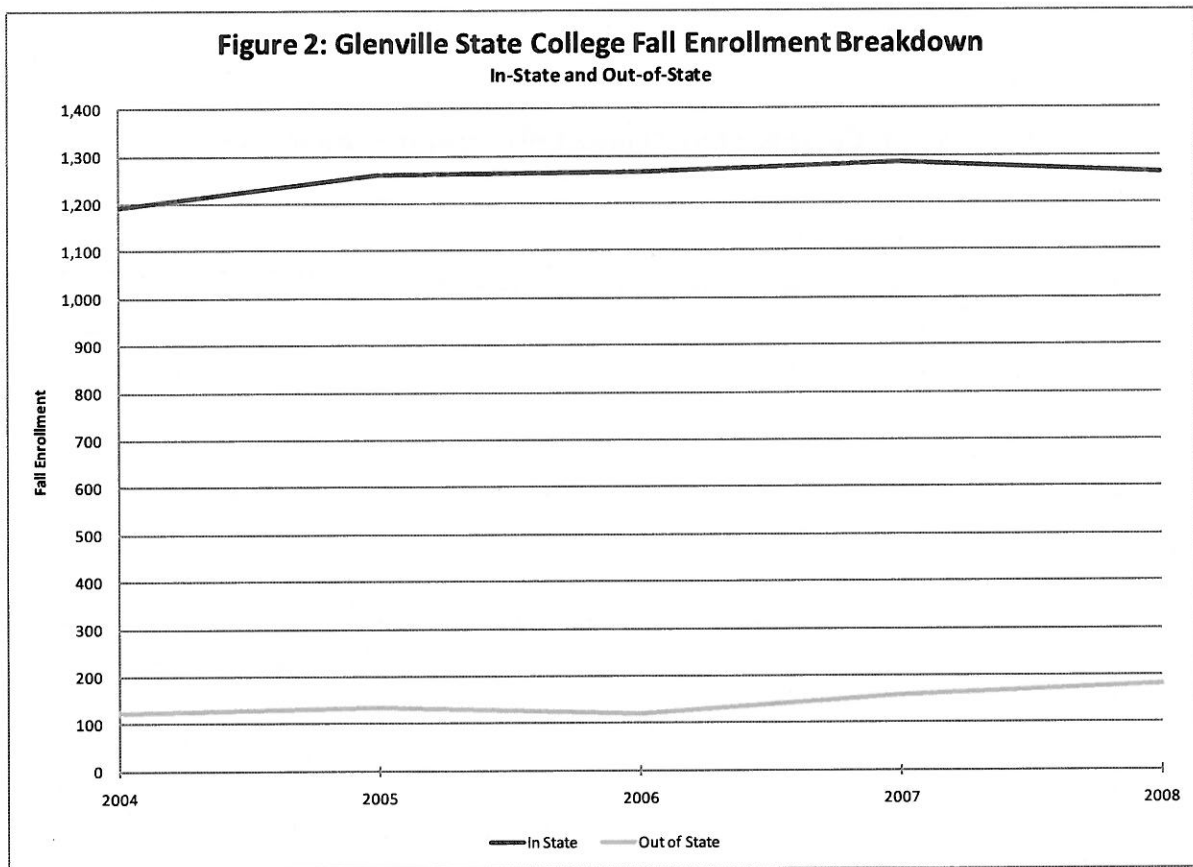
Table 2 outlines the characteristics of the full-time faculty at Glenville State College. The average age of the faculty on campus is 48 years old with between 60 and 63 percent of them being male. Twenty professors are tenured at Glenville State College as of 2008.

Table 2: Glenville State College Faculty Characteristics		
	2007	2008
Average Age	48	48
# Tenured	21	20
% Tenured	37%	33%
% Male	63%	60%
% Female	37%	40%

B. Enrollment

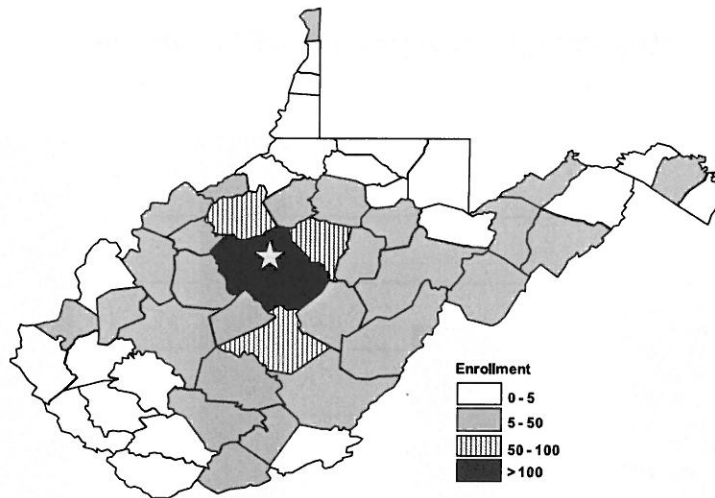


Though the number of full-time students enrolled at Glenville State College has dipped slightly, the total number of students has increased due to an uptick in part-time enrollment (Figure 1). Enrollment has varied between 1,300 and 1,450, with total enrollment increasing by almost 10 percent from 2004 to 2008.



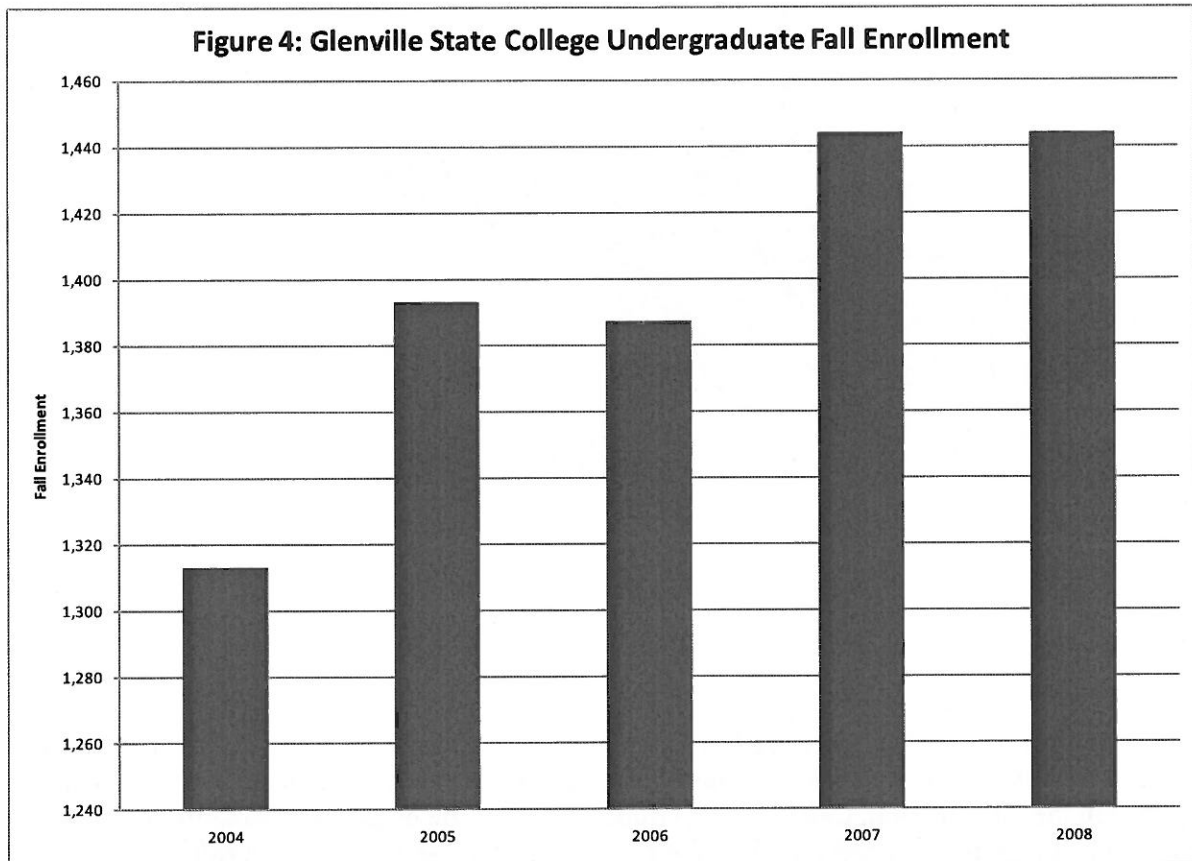
In-state students make up 87.5 percent of total enrollment at Glenville State College (Figure 2). From 2004 to 2008, in-state enrollment at the college has increased from 1,191 to 1,264. The number of out-of-state students enrolling at Glenville State College began to increase in 2006, rising from 121 to 180, an almost fifty percent increase.

**Figure 3: Glenville State College In-State Enrollment
Fall 2007**



Glenville State College has a diverse in-state population coming from many different counties. In 2007, only two counties, Jefferson and Wyoming, had no representation at Glenville State College in the fall. Braxton, Calhoun, and Gilmer counties, the biggest contributors to the in-state student enrollment, accounted for 46.4 percent of total in-state student enrollment.

Glenville State College has increased its undergraduate fall enrollment from 1,313 to 1,444 over the span of five years (Figure 4). That is an average increase of 20 students per year. Enrollment for 2008 did not change from 2007; however, an increase of four percent did take place between 2006 and 2007.



Glenville State College has awarded approximately 30 associate degrees from 2005-2008 (Table 3). The college has awarded an average of 186 bachelor degrees per year. The number of total degrees awarded by Glenville State College has decreased by 13 since 2007, an almost five percent decrease.

Table 3: Glenville State College Degrees/Certificates Awarded					
	2004	2005	2006	2007	2008
Associate	50	31	32	30	31
Bachelor	182	200	182	188	174

C. Tuition, Fees, and Financial Aid

Glenville State College applied three levels of tuition and fees for its undergraduates with the implementation of a metro category in the 2008-2009 academic year. For undergraduate residents and non-residents, tuition and fees have increased by approximately 7.5 percent each year. Room and board increased by 6.15 percent between 2006 and 2007, but between 2007 and 2008 it jumped by 9.65 percent.

Table 4: Glenville State College Tuition and Fees			
	2006-07	2007-08	2008-09
Tuition and Fees			
Undergraduate			
Resident	\$3,882	\$4,174	\$4,486
Metro	-	-	\$7,400
Non Resident	\$9,294	\$9,990	\$10,738
Room and Board			
Undergraduate	\$5,370	\$5,700	\$6,250

A significant number of Glenville State students have received financial aid assistance in the form of Federal Pell Grants, Federal Supplemental Educational Opportunity Grants (SEOG), Promise Scholarships, and other federal and state grants and scholarships. For the 2007-2008 academic year, 685 Federal Pell Grants were awarded to Glenville State College students while 129 Promise Scholarships were awarded. For the 2008-2009 academic year, the number of Federal Pell Grants awarded increased while the number of Promise Scholars declined to 119.

Table 5: Glenville State College Financial Aid Assistance to Students					
(number of students receiving aid)					
School Year	Federal Pell Grant	Federal Supplemental Educational Opportunity Grant (SEOG)	Other Federal Grants & Scholarships	Promise Scholars	Other State Grants and Scholarships
2007-2008	685	198	0	129	416
2008-2009	696	163	5	119	487

III. Economic Impact of Glenville State College

The economic contributions of Glenville State College to the West Virginia economy are important. Glenville State College's total economic impact on the West Virginia economy was \$149.6 million of business volume in FY 2008 (Table 6). This economic activity generated almost \$23 million in employee compensation in the state and accounted for approximately 650 jobs⁶. Glenville State College's activity generated an estimated \$1.4 million of tax revenue for the state through consumer sales and use tax, personal income tax, corporate net income tax, and business franchise tax.

Table 7: Economic Impact of Glenville State College on West Virginia (FY 2008)			
	Direct	Indirect & Induced	Total
Business Volume (millions 2008\$)	\$77.6	\$71.9	\$149.6
Employee Compensation (millions 2008\$)	\$10.6	\$12.3	\$22.9
Employment (jobs)	250	400	650
Assorted State Taxes (millions 2008\$)			\$1.4
Note: Columns may not sum due to rounding.			

The economic impacts estimated for Glenville State College on the state of West Virginia for FY 2008 include the following activities of the institution: Glenville State College operations and capital expenditures and Glenville State College Foundation

⁶ Note that employee compensation and employment include all salaries, wages and benefits paid to the institution's 221 faculty and staff as well as compensation and employment that correspond with the Foundation for FY 2008.

Marshall University

I. Highlights of Marshall University FY 2008

- Direct expenditures from Marshall University totaled \$772.6 million for FY 2008, leading to a total economic impact of \$1.5 billion in business volume.
- For every dollar the state legislature spent in FY 2008 on Marshall University turned into \$20 in the state economy.
- Marshall University directly employed approximately 2,000 faculty and staff and had a total employment impact of 6,000 jobs for FY 2008.
- For FY 2008, the university's economic activity generated an estimated \$289.7 million in employee compensation.
- In Fall 2007, 69.4 % of students were undergraduates and less than a third of students enrolled at Marshall University were graduate students.
- Enrollment at Marshall University from five West Virginia counties, Cabell, Kanawha, Mason, Putnam, and Wayne exceeded 500 students.

II. Current Setting

Marshall University was founded as Marshall Academy in 1837, and named after one of the most influential Chief Justices of the United States. Becoming a full university in 1961, Marshall has since expanded into a diverse, extensive, and multi-campus institution that offers a wide array of baccalaureate programs and, beginning in the 1990s, graduate programs. Marshall's vision is to better each individual by facilitating "learning through the preservation, discovery, synthesis, and dissemination of knowledge." By encouraging their staff and students with responsibilities and goals, Marshall has become one of the foremost learning institutions in the state.

A. Employment

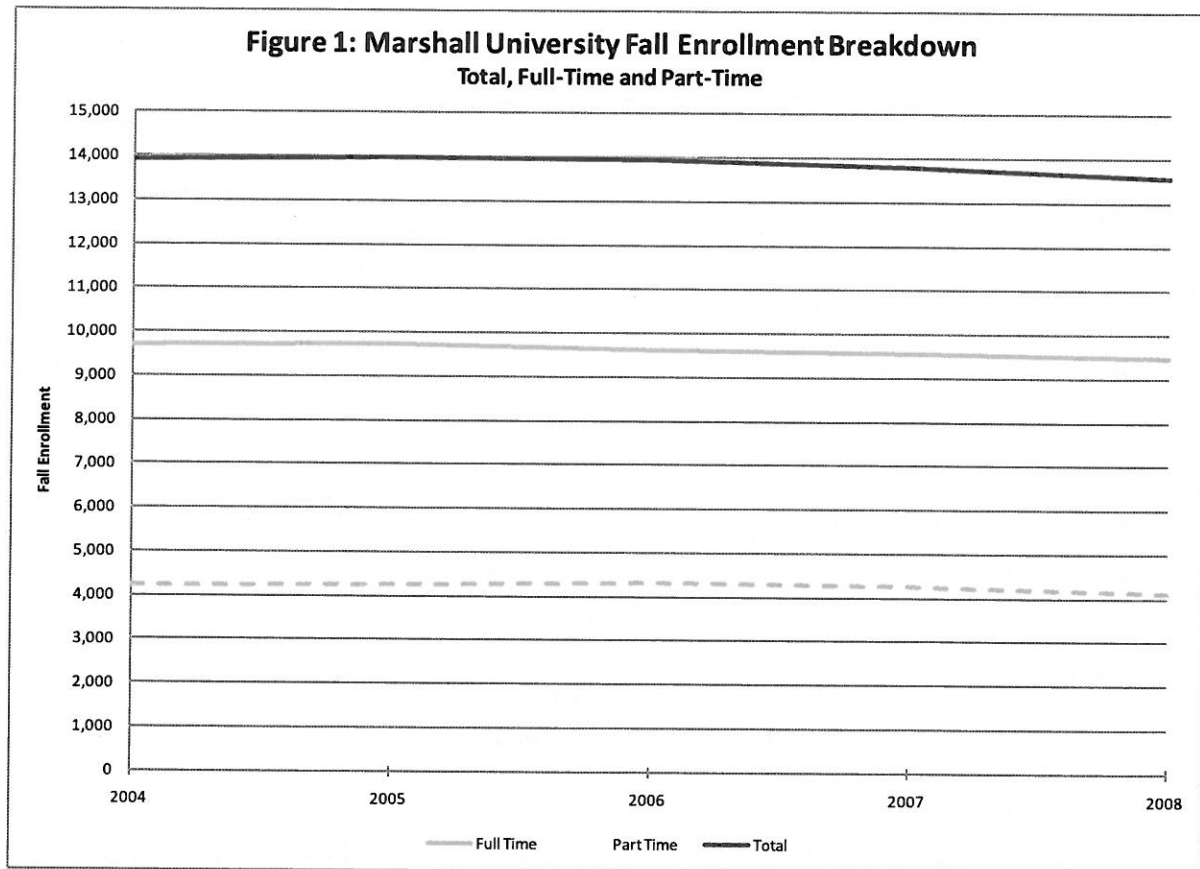
Marshall University has a total of approximately 1,900 faculty and staff (Table 1). Approximately 25 percent of faculty are professors at Marshall University while 30 percent of all faculty are employed on a part-time basis. Over 75 percent of the over 800 staff members are categorized as classified staff at the university.

Table 1: Marshall University Fall Employment		
	2007	2008
Faculty		
Professor	282	272
Associate Professor	172	180
Assistant Professor	212	215
Instructor	37	41
Lecturer	-	-
Other	56	59
Part-time	348	337
Total	1,107	1,104
Staff		
Classified	659	633
Full Time	638	614
Part Time	21	19
Non Classified	173	186
Full Time	169	176
Part Time	4	10
Total	832	819

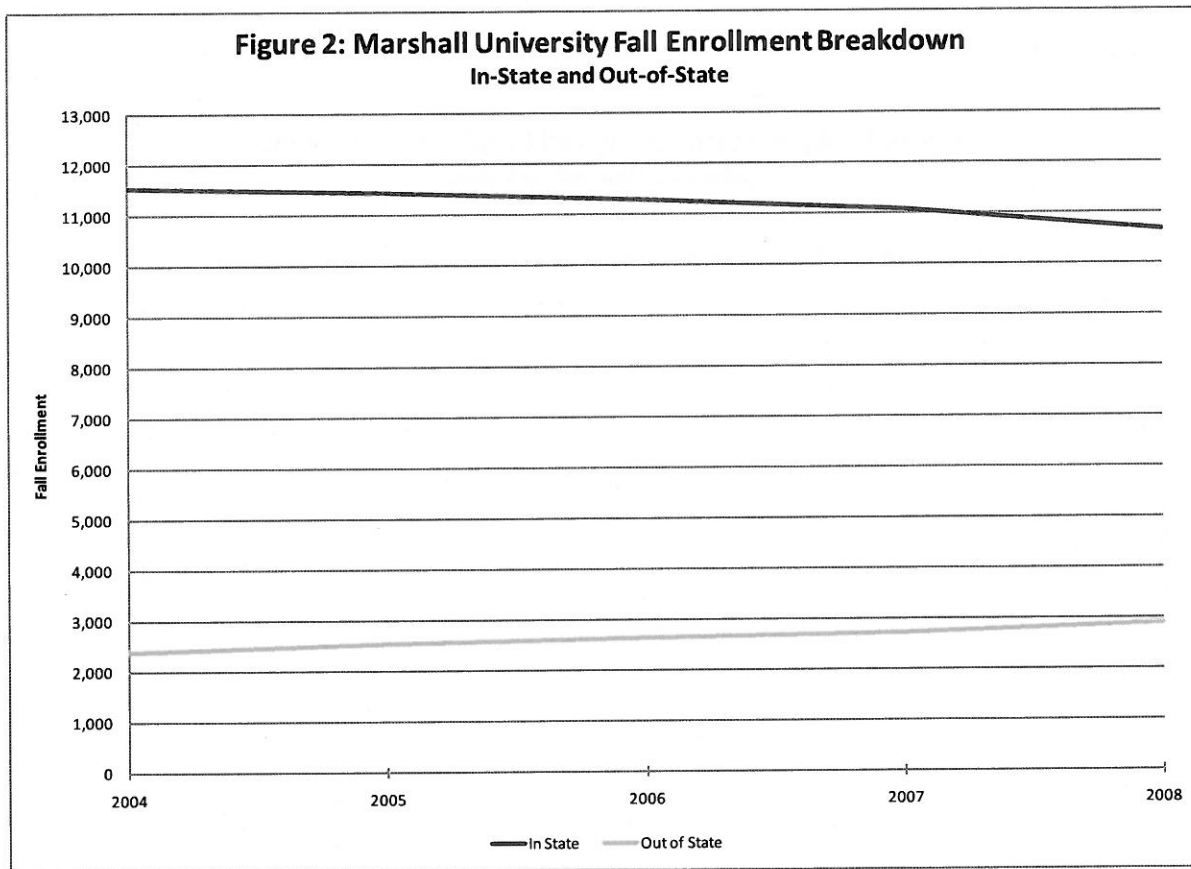
Table 2 shows the characteristics of the faculty at Marshall University. The average age of the faculty is exactly 50 years old. 287 to 289 faculty members have become tenured. The ratio of male to female faculty is 60 to 40.

Table 2: Marshall University Faculty Characteristics		
	2007	2008
Average Age	50	50
# Tenured	289	287
% Tenured	63%	62%
% Male	61%	60%
% Female	39%	40%

B. Enrollment

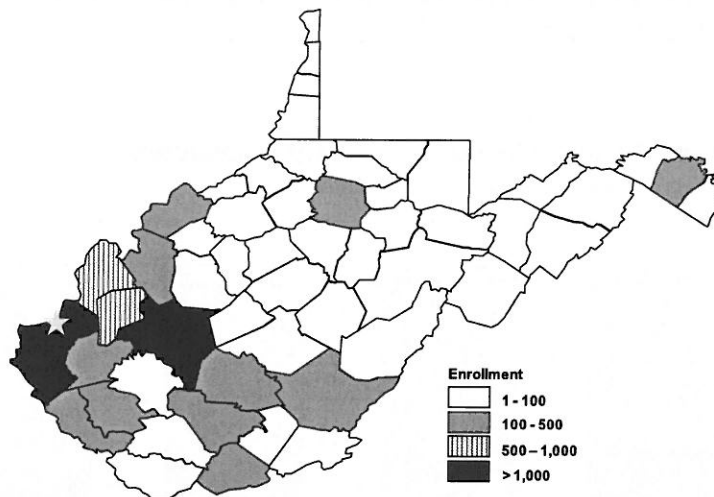


From the fall of 2004 to the fall of 2008, Marshall University had a pretty stable fall enrollment, with only a three percent decrease over this time period (Figure 1). Approximately 71 percent of total enrollment each year consisted of full-time students while the number of part-time students enrolled varied between 4,108 and 4,328.



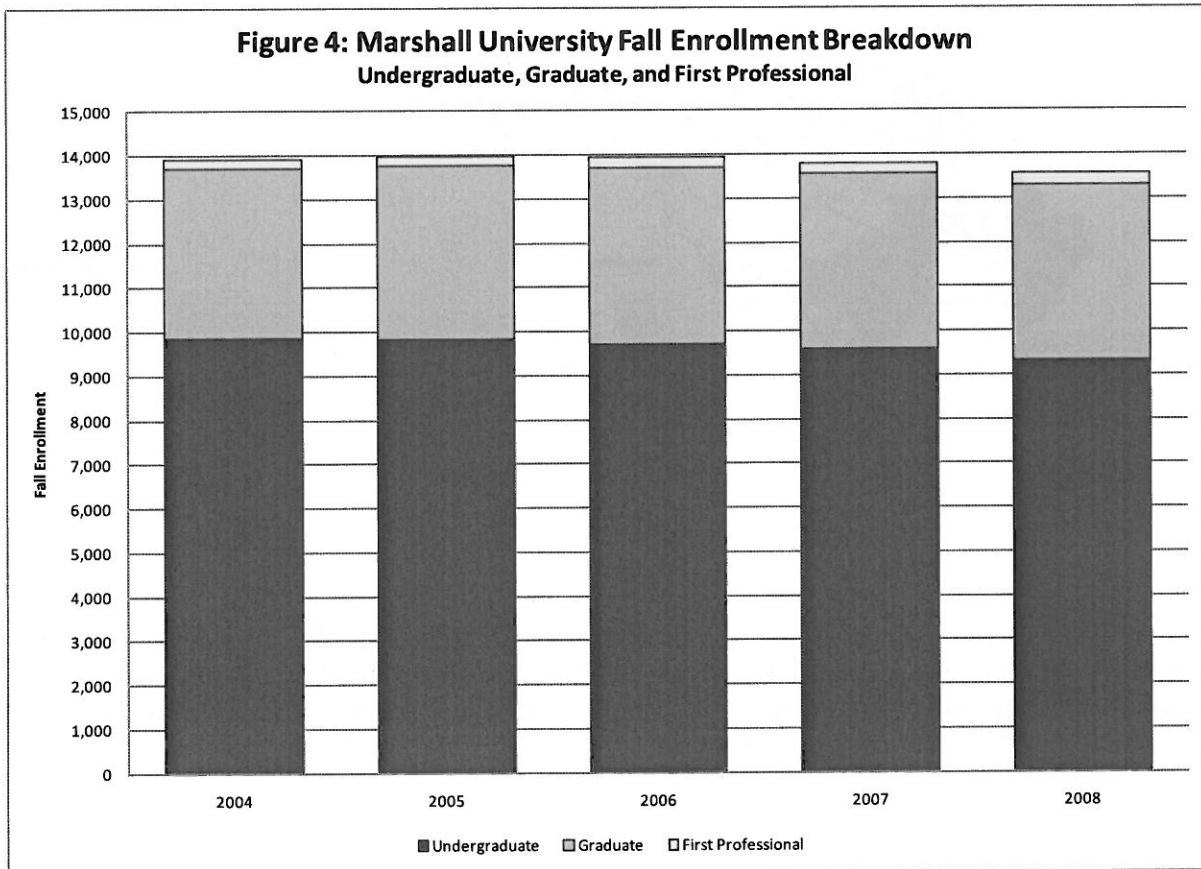
Based on students' residence, 78 percent of total fall enrollment at Marshall University was in-state students (Figure 2). That was an approximately four percent decrease over the previous year. In-state enrollment has decreased by an average of 1.9 percent each year. However, there has been an increase in out-of-state enrollment at Marshall University. The university has increased out-of-state enrollment by an average of 5.2 percent each year, showing an above average increase from 2007 to 2008 of 6.7 percent.

**Figure 3: Marshall University
In-State Enrollment
Fall 2007**



For the fall of 2007, Marshall University attracted students from all 55 West Virginia counties. Enrollment from five counties, Cabell, Kanawha, Mason, Putnam, and Wayne exceeded 500 students. The university attracted between 1 and 100 students from 39 counties most of which were located in the northern part of the state.

Marshall offers many different degrees, and has three different breakdowns for enrollment: undergraduate, graduate, and first professional (Figure 4). In 2008, 68.6 percent of students were undergraduates. Almost a third of the students at Marshall University were graduate students. The composition of the student population at Marshall University has been changing, with undergraduates making up almost one percent less of total enrollment than in 2004. On the contrary, the smallest group at Marshall, the first professionals, increased their percentage of total enrollment from 1.4 percent to 2 percent.



From 2004 to 2008, Marshall University has awarded between 2,450 and 2,550 associate, bachelor, master, doctoral, and first professional degrees and certificates each year (Table 3). Bachelor degrees are the most prevalent degree attained at Marshall University during this time period accounting for on average 57 percent of total degrees.

Table 3: Marshall University Degrees/Certificates Awarded					
	2004	2005	2006	2007	2008
Associate	90	84	96	100	111
Bachelor	1,487	1,433	1,389	1,450	1,400
Masters	871	861	945	872	885
Doctoral	10	11	25	17	15
First Professional	43	46	47	42	50
Certificates	37	29	17	4	22
Total	2,538	2,464	2,519	2,485	2,483

C. Tuition, Fees, and Financial Aid

Table 4 depicts the average tuition and fees implemented by Marshall University from the 2006-2007 academic year to the 2008-2009 academic year. The most striking increase in fees at the university came from undergraduate room and board. It increased by five percent between 2006 and 2007, but jumped by 12 percent between 2007 and 2008. While increases in resident fees have been mostly stable at around 5 and 5.5 percent each year, tuition and fees for metro and non-residents have increased. Undergraduate metro residents faced a 5.8 percent increase in tuition and fees during 2008 compared to a 2.8 percent increase in 2007. Undergraduate non-residents faced similar increases.

Table 4: Marshall University Tuition and Fees			
	2006-07	2007-08	2008-09
Tuition and Fees			
Undergraduate			
Resident	\$4,150	\$4,360	\$4,598
Metro	\$7,382	\$7,592	\$8,030
Non Resident	\$11,054	\$11,264	\$11,702
Graduate			
Resident	\$4,386	\$4,606	\$4,860
Metro	\$8,072	\$8,292	\$8,748
Non Resident	\$12,328	\$12,548	\$13,004
Room and Board			
Undergraduate	\$6,279	\$6,594	\$7,397

To help pay for tuition and fees, students enrolled at Marshall University received a significant number of federal and state assistance (Table 5). Approximately 4,000 students at Marshall received federal assistance in the form of Federal Pell Grants, Federal Supplemental Educational Opportunity Grants, or other federal grants and scholarships. Over 1,500 students at the university received promise scholarships for during both the 2007-2008 and 2008-2009 academic years.

Table 5: Marshall University Financial Aid Assistance to Students

(number of students receiving aid)

School Year	Federal Pell Grant	Federal Supplemental Educational Opportunity Grant (SEOG)	Other Federal Grants & Scholarships	Promise Scholars	Other State Grants and Scholarships
2007-2008	3,316	438	136	1,653	1,584
2008-2009	3,210	636	178	1,512	2,010

III. Economic Impact of Marshall University

The economic contributions of Marshall University on the West Virginia economy are significant for FY 2008. Marshall University's total economic impact on the West Virginia economy was \$1.5 billion of business volume in FY 2008 (Table 6). This economic activity generated almost \$290 million in employee compensation in the state and accounted for approximately 6,000 jobs⁷. Marshall University's activity generated an estimated \$13.6 million of tax revenue for the state through consumer sales and use tax, personal income tax, corporate net income tax, and business franchise tax.

Table 6: Economic Impact of Marshall University on West Virginia (FY 2008)			
	Direct	Indirect & Induced	Total
Business Volume (millions 2008\$)	\$772.6	\$684.6	\$1,457.2
Employee Compensation (millions 2008\$)	\$170.0	\$119.7	\$289.7
Employment (jobs)	2,000	4,000	6,000
Assorted State Taxes (millions 2008\$)			\$0.0
Note: Columns may not sum due to rounding.			

The economic impacts estimated for Marshall University on the state of West Virginia for FY 2008 include the following activities of the institution: Marshall University operations and capital expenditures including the Community and Technical College, Marshall University Foundation Inc., and Marshall University Research Corporation.

⁷ Note that employee compensation and employment include all salaries, wages and benefits paid to the institution's 1,923 faculty and staff as well as compensation and employment that correspond with foundation, alumni association, and research corporation for FY 2008.

Shepherd University

I. Highlights of Shepherd University FY 2008

- The economic activity of Shepherd University in FY 2008 generated \$371.7 of business volume in the state of West Virginia.
- Shepherd University directly employed approximately 600 faculty and staff and had a total employment impact of 1,600 jobs for FY 2008.
- For FY 2008, the university's economic activity generated an estimated \$57 million in employee compensation.
- State appropriations to the university totaled \$10.7 million for FY 2008 which means that every dollar the legislature spent on Shepherd University turned into \$18 in the state economy.
- In 2008, Shepherd University awarded over 700 bachelor and master degrees.
- Total enrollment at Shepherd University for academic year 2007-2008 exceeded 4,100 students with 43.7 % of those students from outside of West Virginia.

II. Current Setting

The West Virginia Legislature established Shepherd University in 1872, though the school first opened in 1871 with 42 students. Over the next 130 years, Shepherd University has grown into an established and diverse degree granting program, offering a variety of baccalaureate programs targeting many different career options. By being a regional educational center, it instills the area with a focus on learning, engagement, integrity, accessibility, and community. Through these values, Shepherd University has generated competitive students and contributes a great deal to the regional economy.

A. Employment

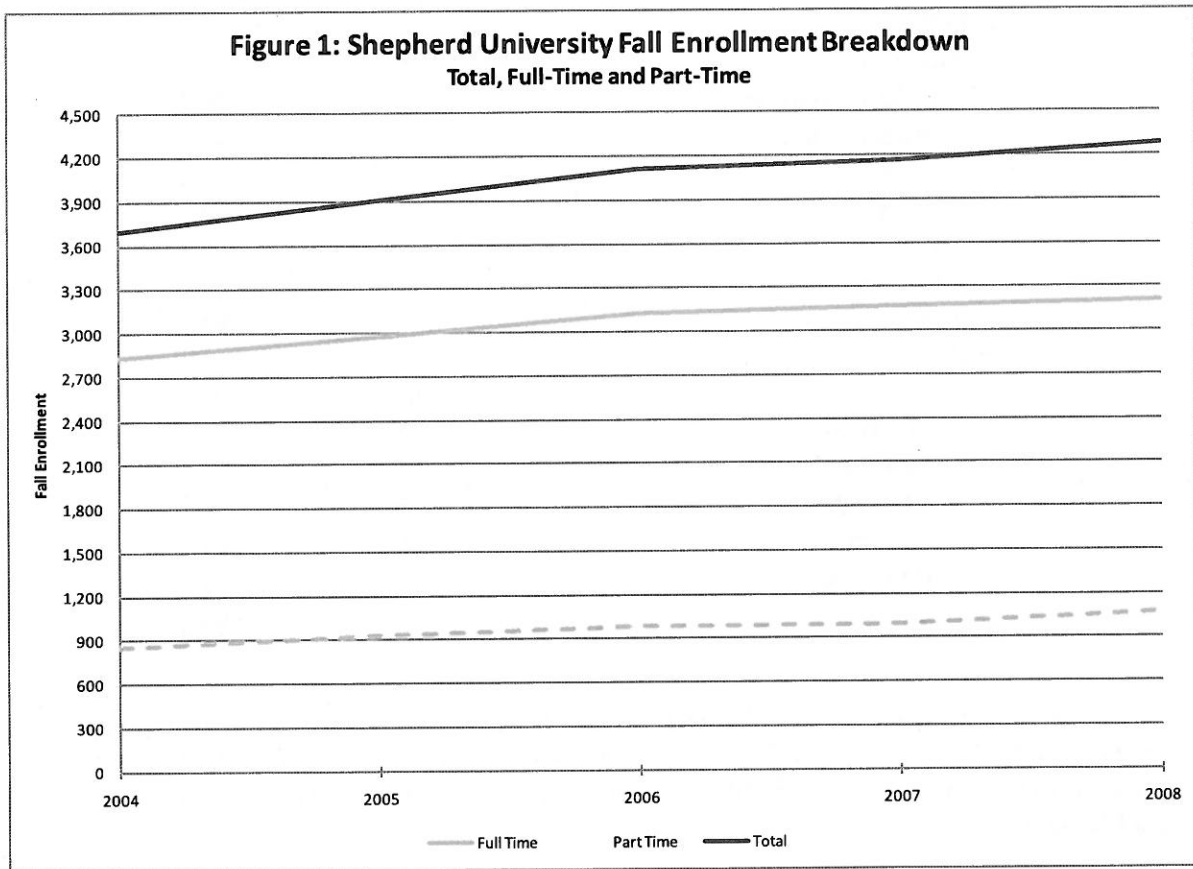
Shepherd University employed a total of 561 faculty and staff in 2008 (Table 1). Shepherd employs 31 professors, 31-34 associate professors, 38-44 assistant professors, 1 instructor, and 34-36 lecturers. Shepherd also employs between 245 and 256 classified and non-classified staff.

Table 1: Shepherd University Fall Employment		
	2007	2008
Faculty		
Professor	31	31
Associate Professor	34	31
Assistant Professor	38	44
Instructor	-	1
Lecturer	36	34
Other	-	-
Part-time	156	164
Total	295	305
Staff		
Classified	182	191
Full Time	147	154
Part Time	35	37
Non Classified	63	65
Full Time	59	61
Part Time	4	4
Total	245	256

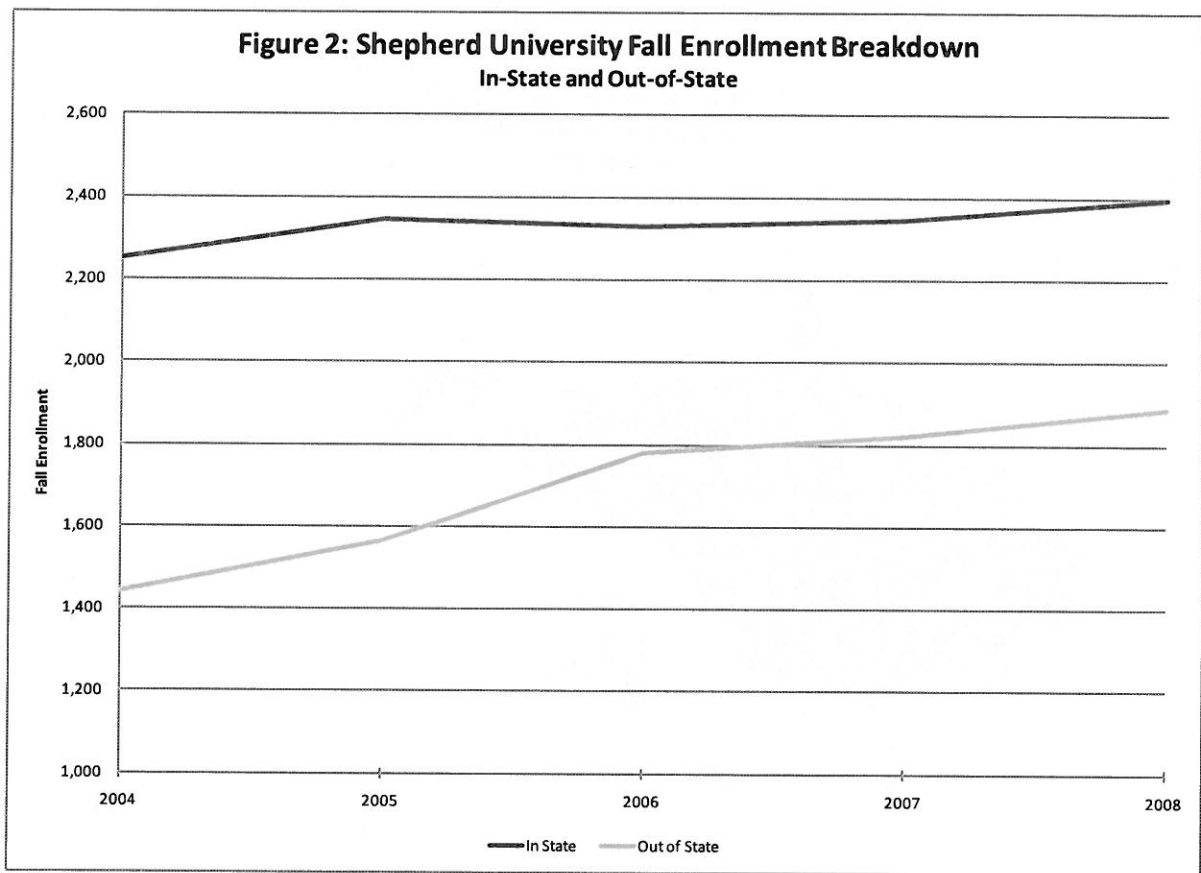
Table 2 shows the different faculty characteristics at Shepherd University. The average age of Shepherd faculty is 51. Sixty-two faculty members were tenured as of 2008, which was a decrease from the previous year. Fifty-five percent of the faculty was male, compared to 45 percent female.

Table 2: Shepherd University Faculty Characteristics		
	2007	2008
Average Age	51	51
# Tenured	66	62
% Tenured	57%	53%
% Male	58%	55%
% Female	42%	45%

B. Enrollment

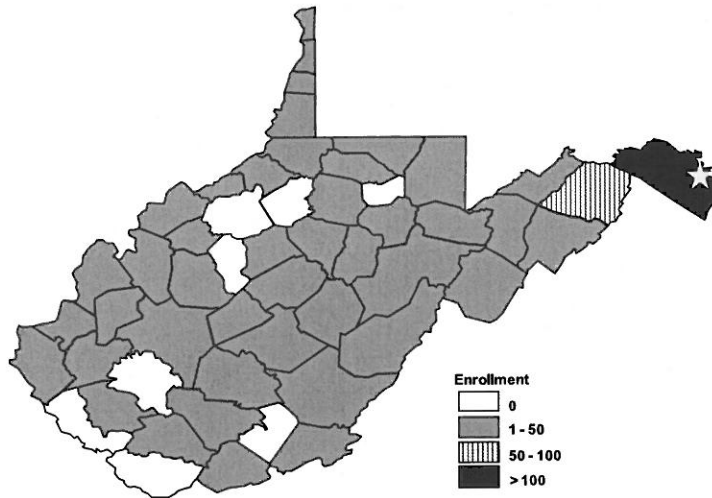


Fall enrollment at Shepherd University has steadily increased from 2004 to 2008 (Figure 1). In total, 2008 saw a 2.8% increase in enrollment over 2007. On average, the enrollment at Shepherd University has increased by 3.8 percent a year. Full-time students made up 74.9 percent of fall enrollment in 2008. The percentage of total enrollment that has been accounted for by full-time students has declined by 2 percent since 2004 due to an increase in the number of part-time students.



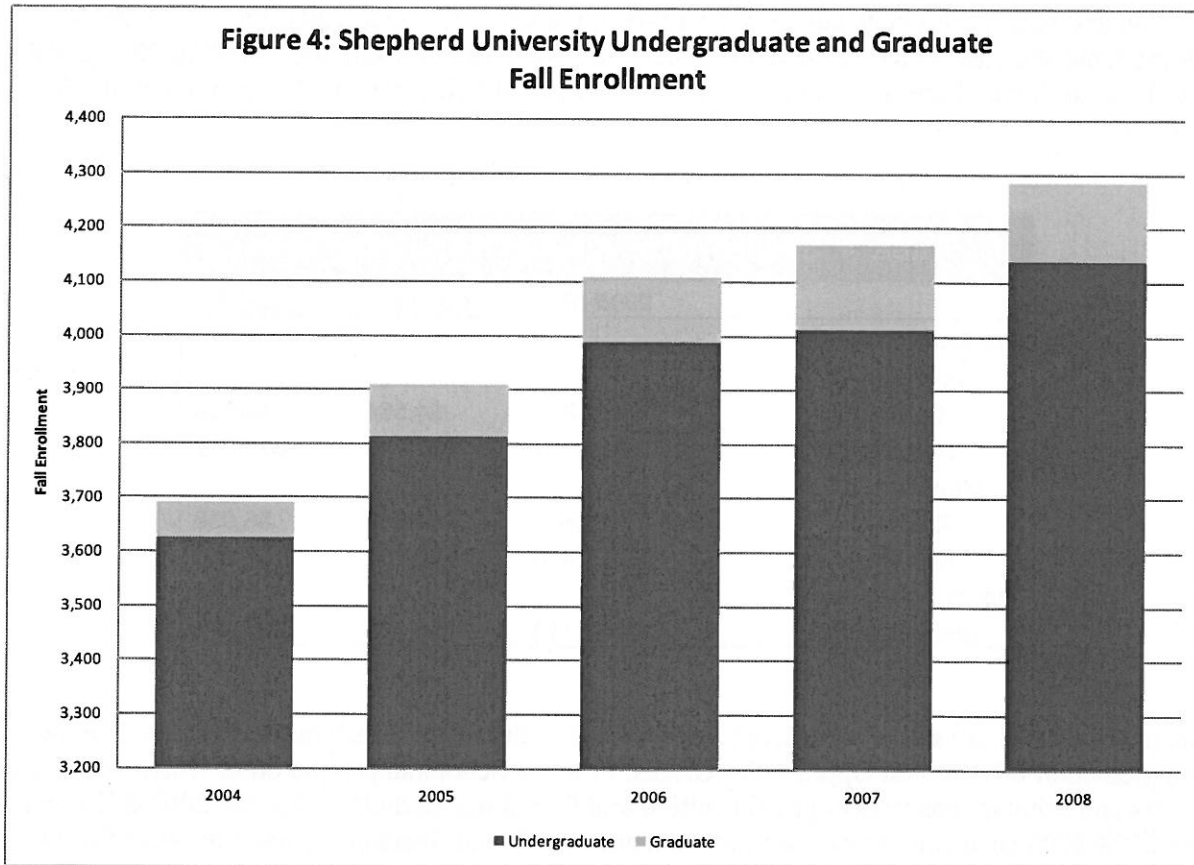
From 2004 to 2008, Shepherd University experienced 1.6 percent increase in the number of students from within the state and a 7.1 percent increase in out-of-state students (Figure 2). In 2008, 55 percent of Shepherd University's total enrollment was students from within West Virginia while out-of-state students made up 45 percent of the student population.

**Figure 3: Shepherd University
In-State Enrollment
Fall 2007**



Shepherd University's student population consists of residents from 47 of West Virginia's 55 counties (Figure 3). Shepherd University, which is located in Jefferson County, attracted between 50 to 100 students from Hampshire County and over 100 students from Berkeley, Jefferson, and Morgan counties.

Since 2004, both the graduate and undergraduate student population at Shepherd University has increased as shown in Figure 4. In fact, the undergraduate population has increased by over 14 percent from 2004 to 2008. While undergraduates have made up over 95 percent of the university's student body, students enrolled in graduate programs has increased by 118 percent.



The number of bachelor and master degrees awarded has steadily increased at Shepherd University. The number of bachelor degrees awarded has increased by 23 percent since 2004, and the number of master degrees has increased almost 11 times the level of degrees in 2004.

Table 3: Shepherd University Degrees/Certificates Awarded					
	2004	2005	2006	2007	2008
Bachelor	537	558	589	642	662
Masters	5	12	19	48	54

C. Tuition, Fees, and Financial Aid

Undergraduate tuition and fees at Shepherd University has increased approximately 12 percent from academic year 2006-2007 to 2008-2009 from both in-state and out-of-state students. Tuition and fees for graduate students, however, have fallen from the 2006-2007 level. In fact, all graduate students noticed a 16 to 17 percent decline in tuition from 2006-2007 to 2007-2008. Graduate tuition and fees then increased in 2008-2009 but below the level implemented in 2006-2007.

Table 4: Shepherd University Tuition and Fees			
	2006-07	2007-08	2008-09
Tuition and Fees			
Undergraduate			
Resident	\$4,348	\$4,564	\$4,898
Non Resident	\$11,464	\$12,036	\$12,812
Graduate			
Resident	\$5,640	\$4,662	\$5,058
Non Resident	\$8,040	\$6,732	\$7,236
Room and Board			
Undergraduate	\$6,718	\$6,986	\$7,221

Shepherd University students received financial aid in the form of Federal Pell Grants, Federal Supplemental Educational Opportunity Grants, Promise Scholarships, and other federal and state grants and scholarships to help pay for tuition and fees at the institution. For the 2007-2008 and the 2008-2009 academic years, over 330 students enrolled in Shepherd University were Promise Scholars and over 900 received Federal Pell Grants.

Table 5: Shepherd University Financial Aid Assistance to Students					
(number of students receiving aid)					
School Year	Federal Pell Grant	Federal Supplemental Educational Opportunity Grant (SEOG)	Other Federal Grants & Scholarships	Promise Scholars	Other State Grants and Scholarships
2007-2008	920	153	7	355	455
2008-2009	964	218	10	338	701

III. Economic Impact of Shepherd University

The economic contributions of Shepherd University are noteworthy. Shepherd University's total economic impact on the West Virginia economy was \$371.7 million of business volume in FY 2008 (Table 6). This economic activity generated almost \$57 million in employee compensation in the state and accounted for approximately 1,600 jobs⁸. Shepherd University's activity generated an estimated \$3.5 million of tax revenue for the state through consumer sales and use tax, personal income tax, corporate net income tax, and business franchise tax.

Table 6: Economic Impact of Shepherd University on West Virginia (FY 2008)			
	Direct	Indirect & Induced	Total
Business Volume (millions 2008\$)	\$193.3	\$178.4	\$371.7
Employee Compensation (millions 2008\$)	\$26.4	\$30.5	\$56.9
Employment (jobs)	600	1,000	1,600
Assorted State Taxes (millions 2008\$)			\$3.5
Note: Columns may not sum due to rounding.			

The economic impacts estimated for Shepherd University on the state of West Virginia for FY 2008 include the following activities of the institution: Shepherd University operations and capital expenditures, Shepherd University Alumni Association, and Shepherd University Foundation

⁸ Note that employee compensation and employment include all salaries, wages and benefits paid to the institution's 561 faculty and staff as well as compensation and employment that correspond with alumni association and foundation for FY 2008.

West Liberty University

I. Highlights of West Liberty University FY 2008

- Direct expenditures from West Liberty University totaled \$98.5 million for FY 2008, leading to a total economic impact of \$189.5 million in business volume.
- West Liberty University's economic activity in FY 2008 generated almost \$32 million in employee compensation in the state and accounted for approximately 850 jobs.
- In FY 2008, every dollar the state legislature spent on West Liberty University turned into \$21 in the state economy.
- For FY 2008, total assorted state taxes resulting from West Liberty University's economic activity totaled \$1.8 million.
- Out-of-state students accounted for approximately 31 % of total student enrollment at West Liberty University in Fall 2007.
- For academic year 2007-2008, West Liberty University students received 900 Federal Pell Grants and over 230 Promise Scholarships.

II. Current Setting

Recently approved to become a university by the West Virginia Higher Education Policy Commission, West Liberty University offers a variety of undergraduate and post-graduate degrees that allow students to succeed in the marketplace. Established in 1837, West Liberty University is located in West Liberty, West Virginia, and provides a great deal of services to the northern panhandle region of the state, as well as the states of Ohio and Pennsylvania. The University provides services and programs to further their mission: "To provide students with an environment that enables them to acquire the knowledge, skills, competencies, ethics and values necessary to make a positive contribution to society and the business profession and to grow both professionally and personally."

A. Employment

West Liberty University employed 327 faculty and staff in 2008 (Table 1). Approximately 40 percent of full time employees are faculty. West Liberty University employs 18-24 professors, 32-34 associate professors, 26-28 assistant professors, 13-18 instructors, and 4 lecturers. Over

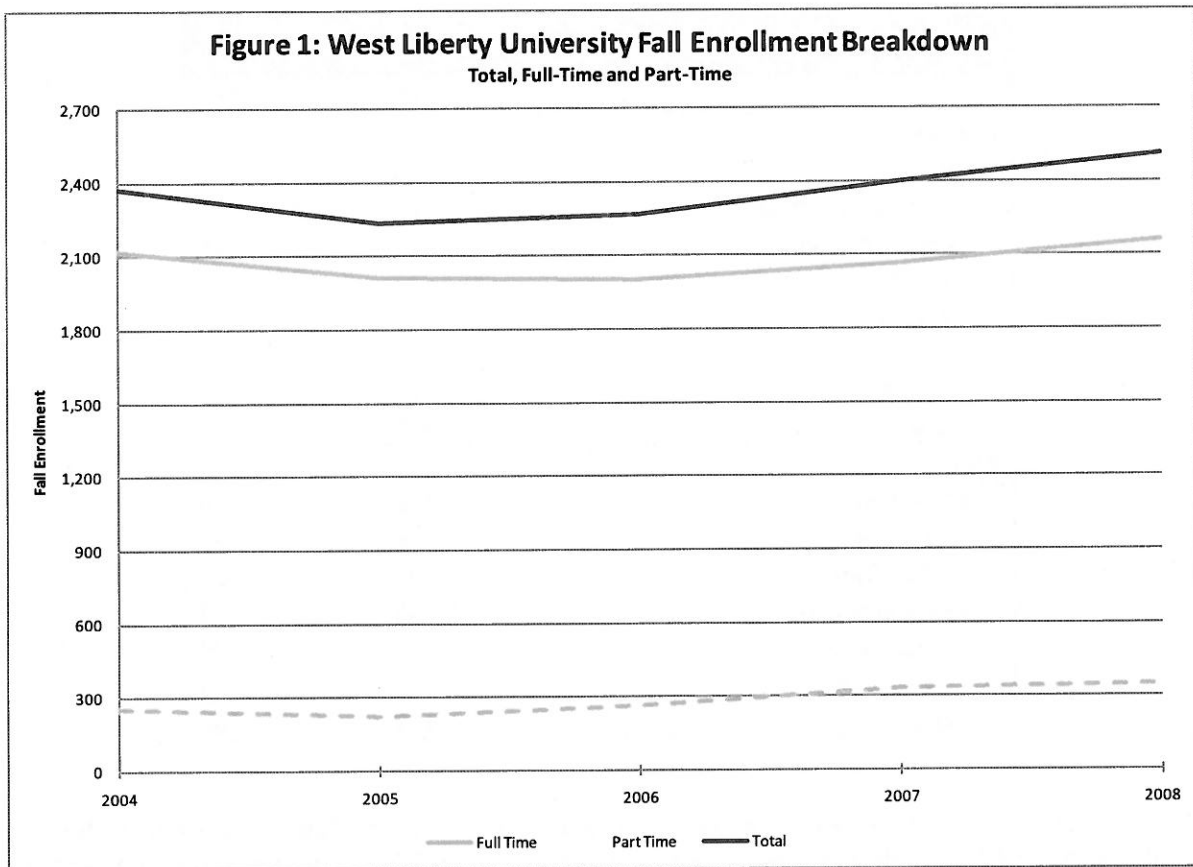
half of the employees are staff. Classified staff makes up the biggest portion, with 116 employees.

Table 1: West Liberty University Fall Employment		
	2007	2008
Faculty		
Professor	24	18
Associate Professor	34	32
Assistant Professor	26	28
Instructor	13	18
Lecturer	4	4
Other	-	-
Part-time	64	75
Total	165	175
Staff		
Classified	109	116
Full Time	86	90
Part Time	23	26
Non Classified	33	36
Full Time	25	28
Part Time	8	8
Total	142	152

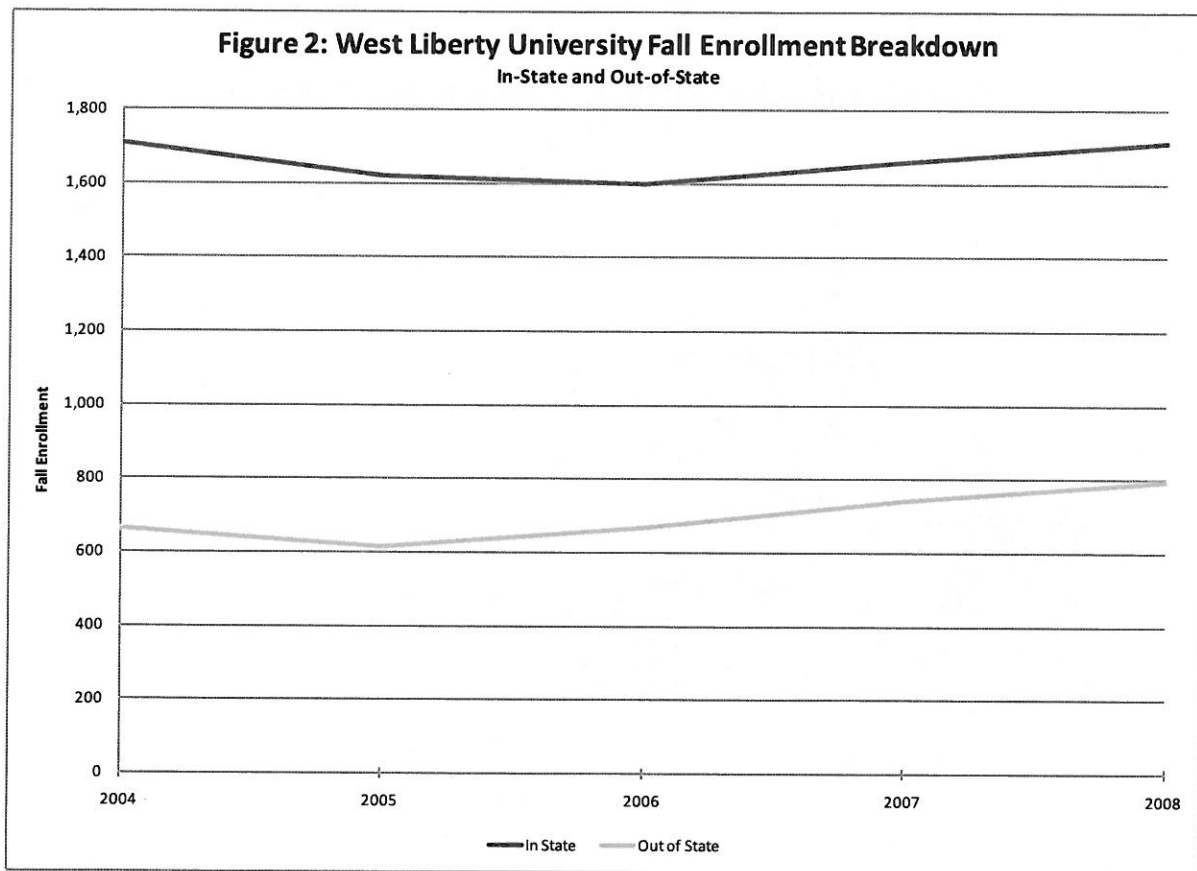
Table 2 displays the West Liberty University faculty characteristics. The average age of the faculty is about 50, though it dropped to a year younger in 2008. The number of tenured faculty has decreased between 2007 and 2008 by ten members. The ratio of male to female faculty members in 2008 was 62 to 38.

Table 2: West Liberty University Faculty Characteristics		
	2007	2008
Average Age	50	49
# Tenured	43	33
% Tenured	43%	33%
% Male	60%	62%
% Female	40%	38%

B. Enrollment

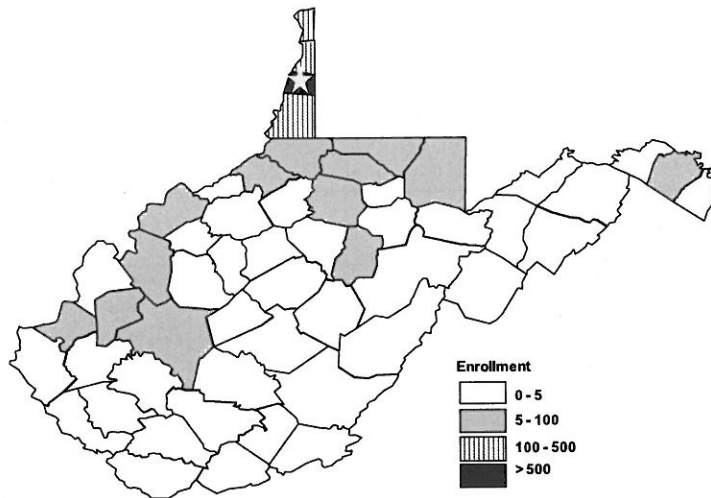


Total enrollment for West Liberty University decreased for a period, and then increased (Figure 1). Total enrollment for 2008 was an increase of 4.5 percent over the previous year. Full time students made up about 86 percent of that enrollment, and part-time student enrollment varied between 200 and 400 students. Since 2004, enrollment at West Liberty University has increased by 5.7 percent.



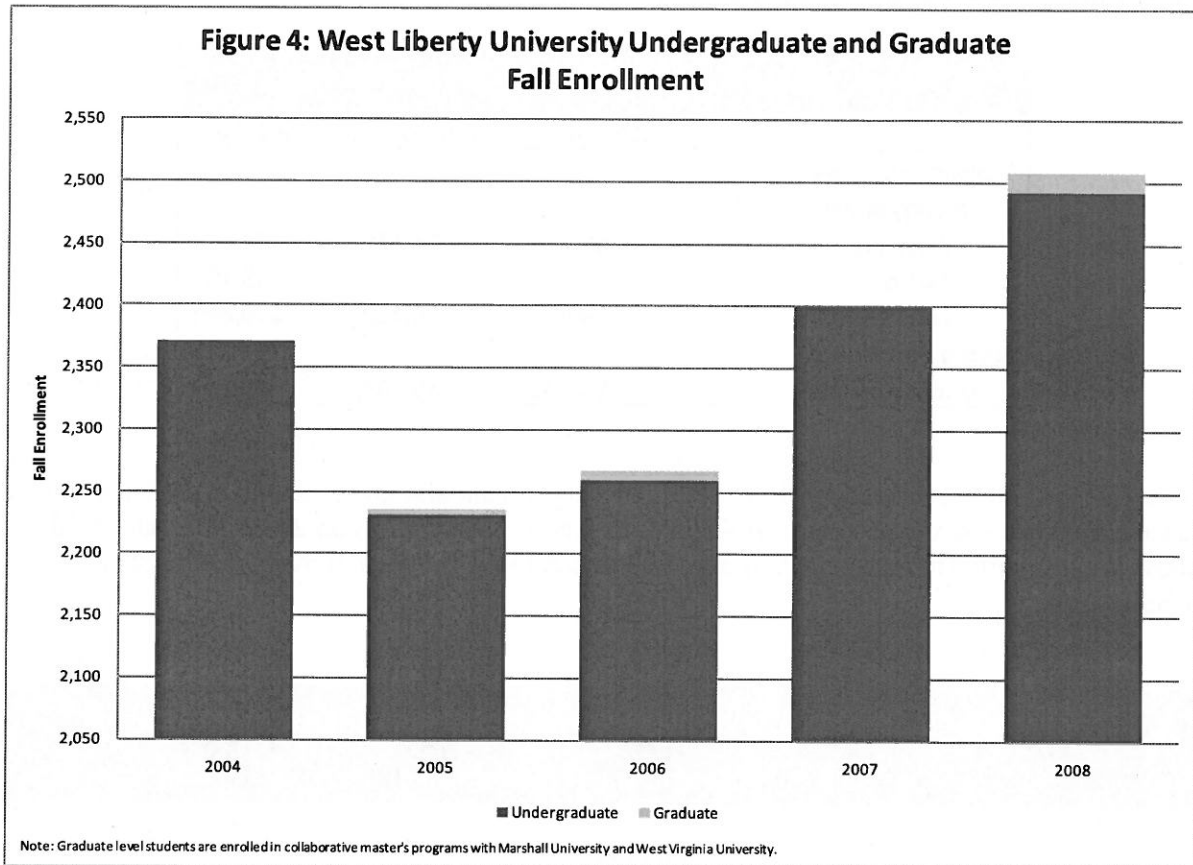
In-state and out-of state enrollment at West Liberty University have taken dips and then increased, either back to the highest points or higher. West Liberty increased its in-state and out-of-state enrollment by 3.3 and 7.3 percent, respectively. West Liberty University reached, and then overshot its 2004 in-state and out of state enrollments by .6 and 5.4 percent, respectively.

**Figure 3: West Liberty University In-State Enrollment
Fall 2007**



Most of West Liberty University's students come from the northern panhandle and northeastern parts of West Virginia. Another significant portion comes from several western counties. 36 percent of students come from Ohio County, where West Liberty University is located. Seventy one percent of the students enrolled come from Ohio County and the other three counties in the northern panhandle.

Total fall enrollment at West Liberty University fell from 2004 to 2005 but has since increased each year through 2008 (Figure 4). In fact, undergraduate enrollment, which accounts for 99 percent of total enrollment, fell by 6 percent from 2004 to 2005 and then rose by an average of 4 percent each year afterwards.



West Liberty University offers its students both associate and bachelor degree programs. From 2004 to 2008, the university has annually awarded between 30 to 40 associate degrees and between 350 to 450 bachelor degrees (Table 3).

Table 3: West Liberty University Degrees/Certificates Awarded					
	2004	2005	2006	2007	2008
Associate	38	30	33	31	32
Bachelors	426	419	374	365	350

C. Tuition, Fees, and Financial Aid

West Liberty University's tuition and fees for undergraduates are categorized by residency of the student. Tuition and fees at West Liberty have increased by an average of 5.7 percent for all groups of students (Table 4). Room and board for undergraduates increased by a total of 8 percent from 2006-2007 academic year to the 2008-2009 academic year.

Table 4: West Liberty University Tuition and Fees			
	2006-07	2007-08	2008-09
Tuition and Fees			
Undergraduate			
Resident	\$3,944	\$4,172	\$4,464
Metro	-	-	\$8,192
Non Resident	\$9,632	\$10,192	\$10,896
Room and Board			
Undergraduate	\$5,778	\$5,984	\$6,282

West Liberty University students have received a significant amount of financial assistance from federal and state sources as shown in Table 5. In fact, for academic year 2007-2008 and 2008-2009, West Liberty students received over 900 Federal Pell Grants and over 230 Promise Scholarships.

Table 5: West Liberty University Financial Aid Assistance to Students					
(number of students receiving aid)					
School Year	Federal Pell Grant	Federal Supplemental Educational Opportunity Grant (SEOG)	Other Federal Grants & Scholarships	Promise Scholars	Other State Grants and Scholarships
2007-2008	900	183	9	239	382
2008-2009	913	132	7	258	596

III. Economic Impact of West Liberty University

The economic contributions of West Liberty University are noteworthy. West Liberty University's total economic impact on the West Virginia economy was \$189.5 million of business volume in FY 2008 (Table 6). This economic activity generated almost \$32 million in employee compensation in the state and accounted for approximately 850 jobs⁹. West Liberty University's activity generated an estimated \$1.8 million of tax revenue for the state through consumer sales and use tax, personal income tax, corporate net income tax, and business franchise tax.

Table 6: Economic Impact of West Liberty University on West Virginia (FY 2008)			
	Direct	Indirect & Induced	Total
Business Volume (millions 2008\$)	\$98.5	\$90.9	\$189.5
Employee Compensation (millions 2008\$)	\$16.0	\$15.6	\$31.6
Employment (jobs)	350	500	850
Assorted State Taxes (millions 2008\$)			\$1.8
Note: Columns may not sum due to rounding.			

The economic impacts estimated for West Liberty University on the state of West Virginia for FY 2008 include the following activities of the institution: West Liberty University operations and capital expenditures and West Liberty University Foundation

⁹ Note that employee compensation and employment include all salaries, wages and benefits paid to the institution's 307 faculty and staff as well as compensation and employment that correspond with capital expenditures and foundation for FY 2008.

West Virginia School of Osteopathic Medicine

I. Highlights of West Virginia School of Osteopathic Medicine FY 2008.

- West Virginia School of Osteopathic Medicine directly employed approximately 200 faculty and staff and had a total employment impact of 350 jobs for FY 2008.
- For FY 2008, the West Virginia School of Osteopathic Medicine's economic activity generated an estimated \$26.3 million in employee compensation.
- Direct expenditures from West Virginia School of Osteopathic Medicine totaled \$70.9 million for FY 2008, leading to a total economic impact of \$136.7 million in business volume.
- State appropriations to the institution totaled \$7.9 million for FY 2008 which means that every dollar the legislature spent on West Virginia School of Osteopathic Medicine turned into \$17 in the state economy.
- Total enrollment at West Virginia School of Osteopathic Medicine for Fall 2007 totaled 591 with approximately 64.5 % of students from outside of West Virginia.
- The West Virginia School of Osteopathic Medicine attracted students from 15 West Virginia counties in the Fall of 2007 with the highest levels of in-state students from Cabell, Fayette, Greenbrier, Kanawha, Monongalia, and Raleigh counties.

II. Current Setting

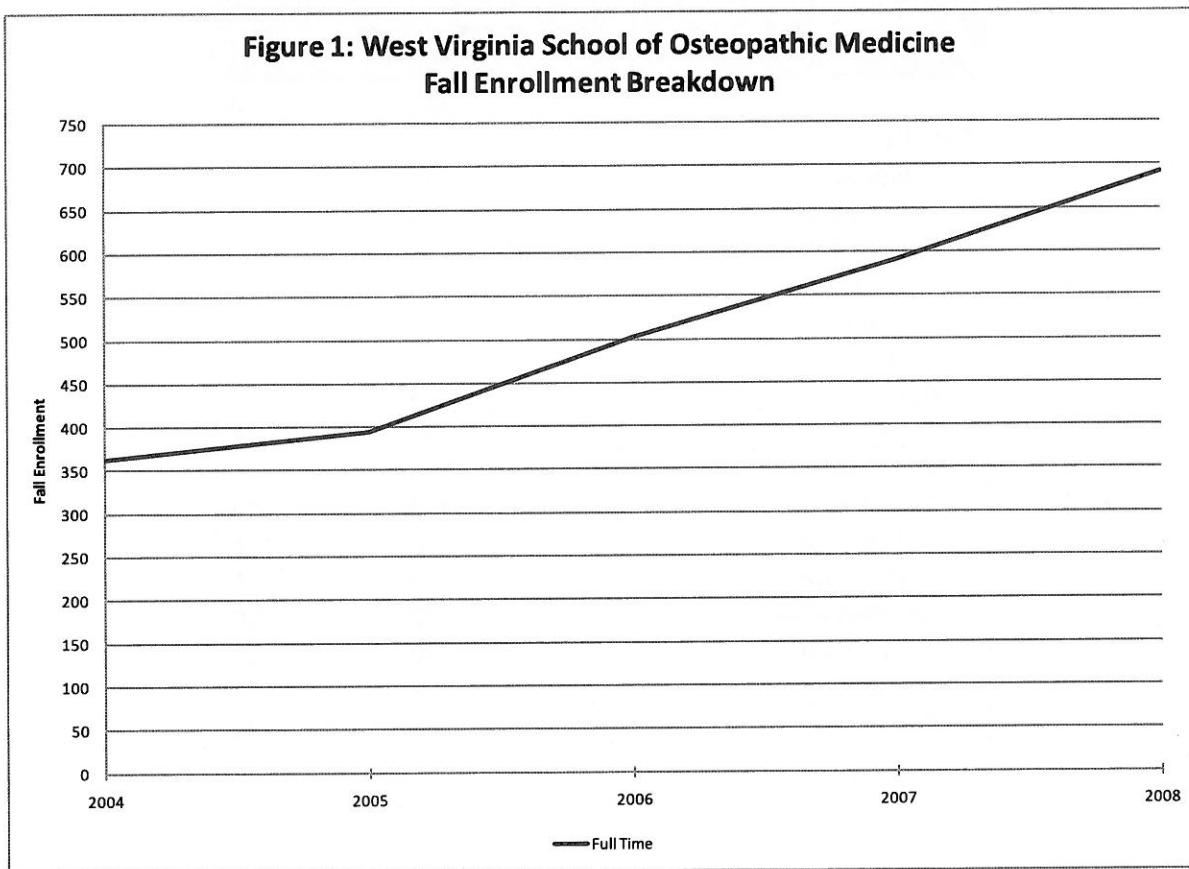
West Virginia School of Osteopathic Medicine (WVSOM) was founded as a private school in 1974, and became a public institution in 1976. Located in the Greenbrier Valley, the school provides a four-year medical education program that focuses on providing students with the tools and skills they need to work in the increasingly diverse and advanced medical field. The school emphasizes family, rural, primary, and preventive care, and allows students personal clinical and patient care experience in order to hone their abilities. West Virginia School of Osteopathic Medicine also helps students contribute to the regional community, through their service with other physicians and medical experts.

A. Employment

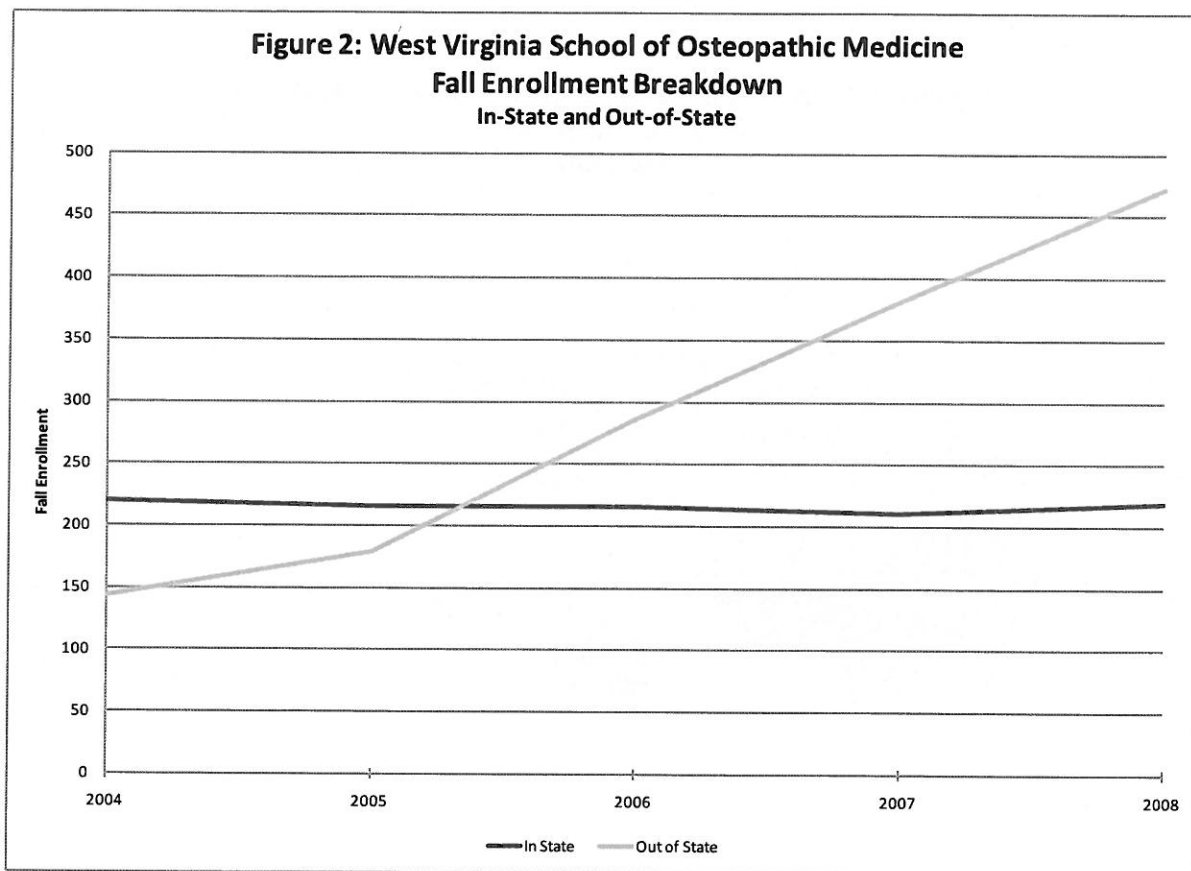
West Virginia School of Osteopathic Medicine employed 194 faculty and staff in 2008. Approximately 34 percent of full time employees are faculty including professors, associated professors, and assistant professors. The institution also employs a little over 40 classified and non-classified staff.

Table 1: WV School of Osteopathic Medicine Fall Employment		
	2007	2008
Faculty		
Professor	23	24
Associate Professor	6	9
Assistant Professor	19	16
Instructor	-	-
Lecturer	-	-
Other	-	-
Part-time	3	3
Total	51	52
Staff		
Classified	119	119
Full Time	115	114
Part Time	4	5
Non Classified	22	23
Full Time	20	22
Part Time	2	1
Total	141	142

B. Enrollment

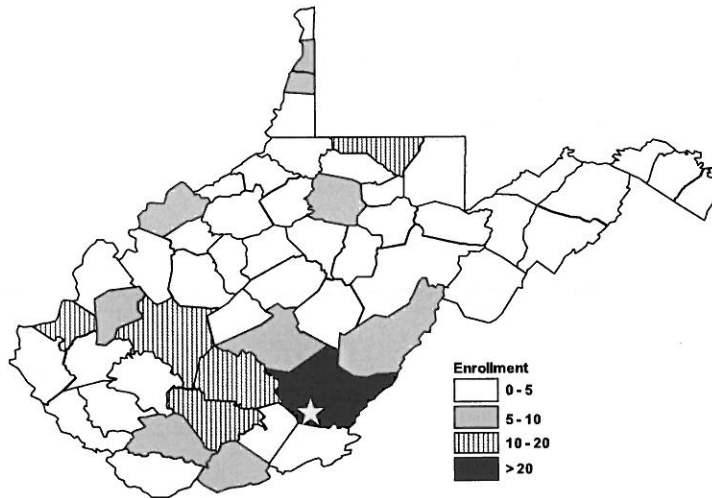


West Virginia School of Osteopathic Medicine has experienced average annual growth in fall enrollment of approximately 18 percent from 2004 to 2008 (Figure 1). This increase in enrollment has led to an enrollment level of almost 700 students at the school.



From the breakdown in Figure 2 we can see that the main component of fall enrollment growth came from out-of-state students. This is the only school in the state in which enrollment of out-of-state students has surpassed the enrollment of in-state students. For 2008, out-of-state enrollment was more than three times greater than it was in 2004. Enrollment of in-state students has remained steady at approximately 220 students.

**Figure 3: West Virginia School of Osteopathic Medicine
In-State Enrollment
Fall 2007**



The West Virginia School of Osteopathic Medicine is located in Greenbrier County (Figure 3). The academic institution attracted students from 15 West Virginia counties in the fall of 2007 with the highest levels of in-state students from Cabell, Fayette, Greenbrier, Kanawha, Monongalia, and Raleigh counties.

The number of first professional degrees awarded has been consistently increasing since 2004 as shown in Table 2. The number of degrees awarded rose in 2006 to above 90, along with all the enrollment components.

Table 2: WV School of Osteopathic Medicine Degrees/Certificates Awarded					
	2004	2005	2006	2007	2008
First Professional	68	79	96	94	97

C. Tuition, Fees, and Financial Aid

Both resident and non-resident tuition and fees at the West Virginia School of Osteopathic Medicine increased by five percent between 2006 and 2007 (Table 3). Tuition and fees increased by three percent for the 2008 school year.

Table 3: WV School of Osteopathic Medicine Tuition and Fees			
	2006-07	2007-08	2008-09
Resident	\$18,886	\$19,830	\$20,426
Non Resident	\$46,736	\$49,073	\$50,546

III. Economic Impact of West Virginia School of Osteopathic Medicine

The economic contributions of the WVSOM are significant. WVSOM's total economic impact on the West Virginia economy was \$136.7 million of business volume in FY 2008 (Table 4). This economic activity generated \$26.3 million in employee compensation in the state and accounted for approximately 580 jobs¹⁰. WVSOM's activity generated an estimated \$1 million of tax revenue for the state through consumer sales and use tax, personal income tax, corporate net income tax, and business franchise tax.

Table 4: Economic Impact of the West Virginia School of Osteopathic Medicine on West Virginia (FY 2008)			
	Direct	Indirect & Induced	Total
Business Volume (millions 2008\$)	\$70.9	\$65.8	\$136.7
Employee Compensation (millions 2008\$)	\$15.0	\$11.3	\$26.3
Employment (jobs)	200	380	580
Assorted State Taxes (millions 2008\$)			\$1.0
Note: Columns may not sum due to rounding.			

The economic impacts estimated for WVSOM on the state of West Virginia for FY 2008 include the following activities of the institution: WVSOM operations and capital expenditures and WVSOM Foundation.

¹⁰ Note that employee compensation and employment include all salaries, wages and benefits paid to the institution's 192 faculty and staff for FY 2008.

West Virginia State University

I. Highlights of West Virginia State University FY 2008.

- West Virginia State University's total economic impact on the West Virginia economy was \$254.1 million of business volume in FY 2008.
- For FY 2008, West Virginia State University's economic activity generated \$60.7 million in employee compensation in the state
- The university's economic activity accounted for approximately 1,350 jobs in West Virginia in FY 2008.
- In FY 2008, every dollar the state legislature spent on West Virginia State University turned into \$16 in the state economy.
- In Fall 2007, West Virginia State University had a total student enrollment of 3,296 students, 90.1 % of which were in-state students.
- West Virginia State University awarded over 375 bachelor and master degrees in 2008.

II. Current Setting

West Virginia State University is the only historically black university in West Virginia. Founded in 1891, it has since become a racially integrated land-grant institution focused on maintaining a rich racial and cultural diversity. With this diversity, WVSU hopes to meet its mission of providing for the educational and economic needs of the state and region by providing innovative teaching and applied research. Examples of such provisions include non-traditional teaching methods and distance-learning capabilities that provide education beyond the main campus of the university.

A. Employment

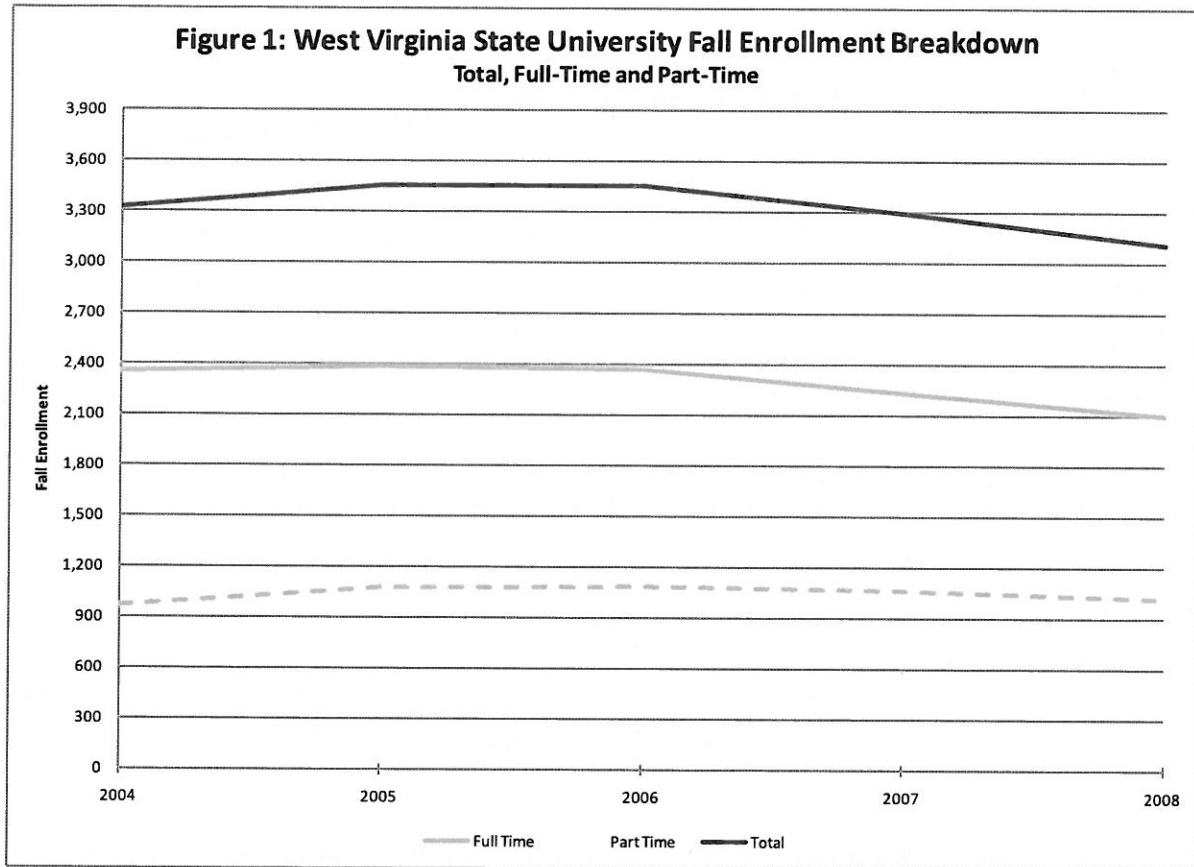
West Virginia State University employs over 440 faculty and staff as shown in Table 1. Approximately 47 percent of total employment at the university is faculty. Faculty consists of professors, associate professors, assistant professors, instructors, and part-time faculty. Over 80 percent of staff are categorized as full-time classified staff.

Table 1: West Virginia State University Fall Employment		
	2007	2008
Faculty		
Professor	29	27
Associate Professor	42	36
Assistant Professor	44	44
Instructor	10	13
Lecturer	-	-
Other	4	5
Part-time	81	83
Total	210	208
Staff		
Classified	195	195
Full Time	195	192
Part Time	-	3
Non Classified	37	43
Full Time	36	42
Part Time	1	1
Total	232	238

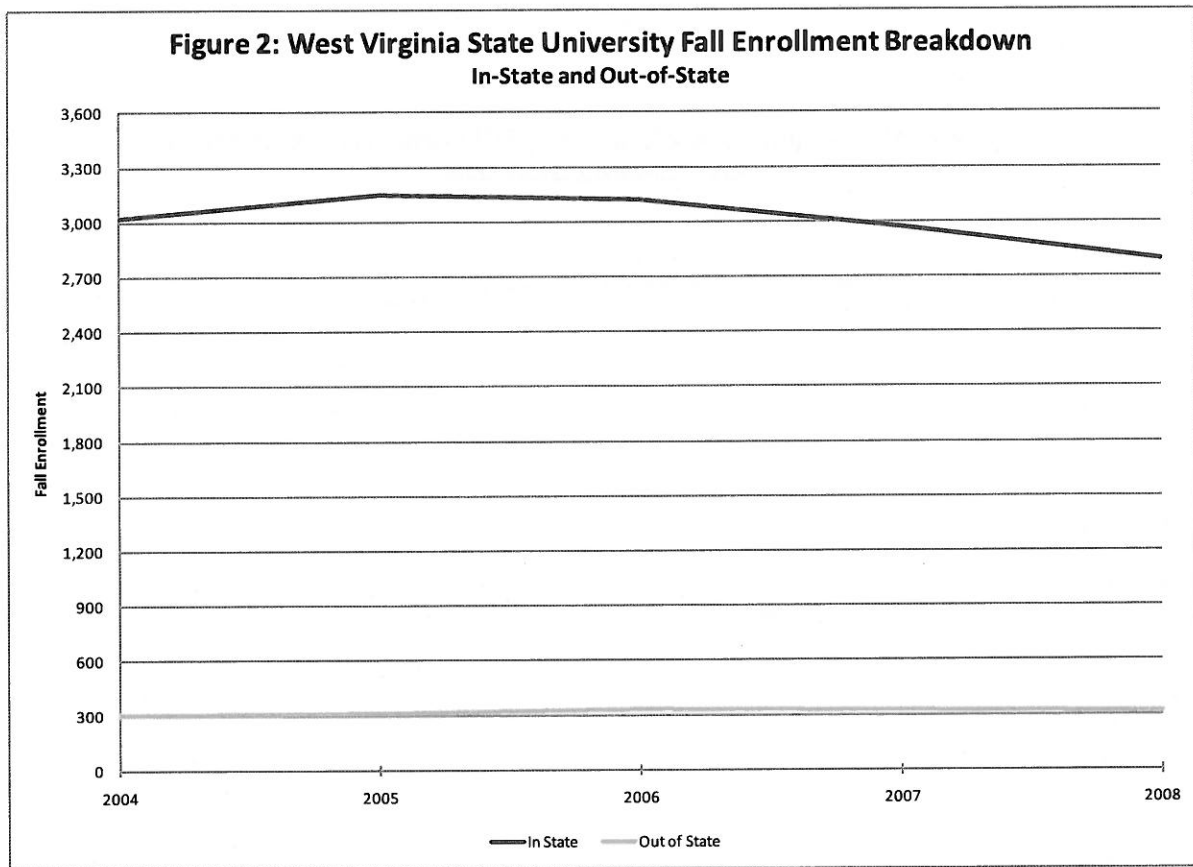
West Virginia State University's full time faculty have an average age just over 50 with approximately 60 percent of them male (Table 2). The number of tenured faculty members accounts for over 55 percent of total full time faculty.

Table 2: West Virginia State University Faculty Characteristics		
	2007	2008
Average Age	52	53
# Tenured	71	66
% Tenured	57%	55%
% Male	59%	61%
% Female	41%	39%

B. Enrollment

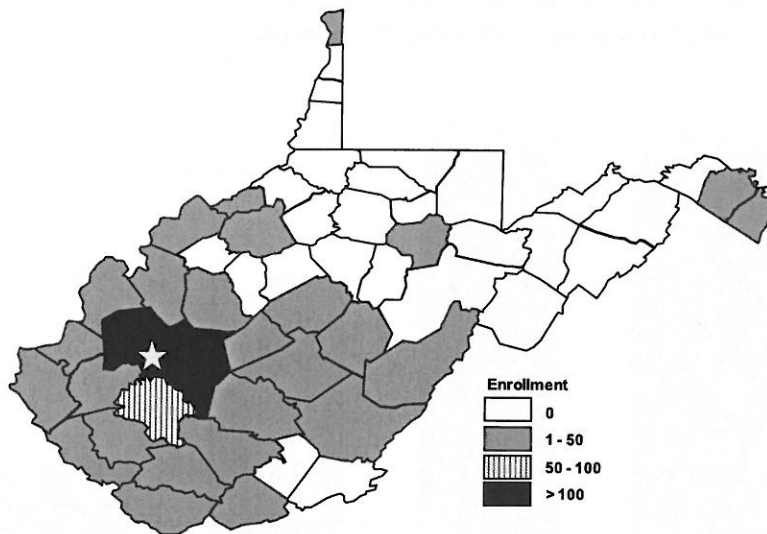


Total fall enrollment at West Virginia State University has fallen since 2006 as shown in Figure 1. In fact, the university experienced a fall in enrollment from the 2007 to 2008 of 5.6 percent. Full-time enrollment has been the major contributor to this drop. Part time enrollment has fallen, but not as significantly as full-time enrollment.



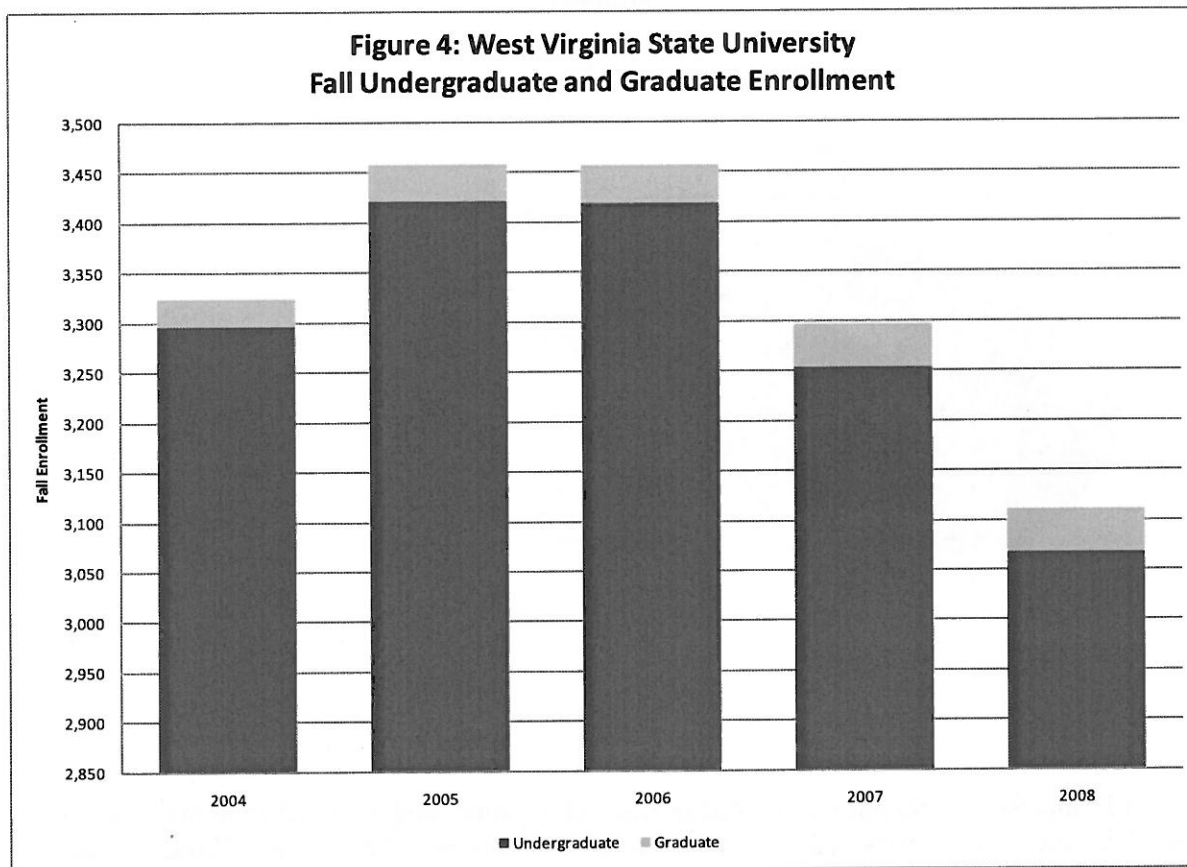
The number of out of state students enrolling in West Virginia State University has remained consistent from 2004 to 2008 (Figure 2). In-state enrollment has dropped by about 200 students since 2004, a drop of almost seven percent.

**Figure 3: West Virginia State University
In-State Enrollment
Fall 2007**



West Virginia State University is located in Kanawha County and attracted students from 29 of West Virginia's 55 counties in 2007. More than 50 students each from Boone, Kanawha, and Putnam counties were enrolled at the university. Student from these three counties accounted for approximately 93 percent of the university's in-state student population.

Undergraduate enrollment makes up the majority of enrollment at West Virginia State University as shown in Figure 4. While it is evident from the figure that undergraduate enrollment has fallen, graduate enrollment has increased from 28 students in 2004 to 42 students in 2008.



West Virginia State University has annually awarded more than 375 degrees since 2004 (Table 3). The majority of degrees awarded are bachelor degrees at the university while 5 to 10 master degrees have been awarded.

Table 3: West Virginia State University Degrees/Certificates Awarded					
	2004	2005	2006	2007	2008
Bachelors	438	473	464	442	372
Masters	-	6	7	9	5

C. Tuition, Fees, and Financial Aid

From school year 2006-2007 to 2008-2009, tuition and fees at West Virginia State University for undergraduates and graduates from West Virginia increased by 17.7 percent. Out-of-state tuition and fees for all levels of education also increased by 17.7 percent. During these three years, room and board at the university rose from \$4,925 to \$5,375, an increase of 9 percent.

Table 4: West Virginia State University Tuition and Fees			
	2006-07	2007-08	2008-09
Tuition and Fees			
Undergraduate			
Resident	\$3,796	\$4,156	\$4,466
Non Resident	\$8,894	\$9,738	\$10,466
Graduate			
Resident	\$4,174	\$4,570	\$4,912
Non Resident	\$9,782	\$10,710	\$11,510
Room and Board			
Undergraduate	\$4,925	\$5,075	\$5,375

Several students enrolled at West Virginia State University have received financial assistance in the form of Federal Pell Grants, Federal Supplemental Educational Opportunity Grants, Promise Scholarships and other federal and state grants and scholarships. In fact, approximately 125 students enrolled at the university were Promise Scholars.

Table 5: West Virginia State University Financial Aid Assistance to Students					
(number of students receiving aid)					
School Year	Federal Pell Grant	Federal Supplemental Educational Opportunity Grant (SEOG)	Other Federal Grants & Scholarships	Promise Scholars	Other State Grants and Scholarships
2007-2008	1,531	384	110	124	600
2008-2009	1,432	457	71	126	718

III. Economic Impact of West Virginia State University

The economic contributions of the West Virginia State University are significant. West Virginia State University's total economic impact on the West Virginia economy was \$254.1 million of business volume in FY 2008 (Table 6). This economic activity generated \$60.7 million in employee compensation in the state and accounted for approximately 1,350 jobs¹¹. West Virginia State University's activity generated an estimated \$2.3 million of tax revenue for the state through consumer sales and use tax, personal income tax, corporate net income tax, and business franchise tax.

Table 6: Economic Impact of West Virginia State University on West Virginia (FY 2008) (millions 2008\$)			
	Direct	Indirect & Induced	Total
Business Volume (millions 2008\$)	\$134.7	\$119.3	\$254.1
Employee Compensation (millions 2008\$)	\$39.4	\$21.3	\$60.7
Employment (jobs)	650	700	1,350
Assorted State Taxes (millions 2008\$)			\$2.3
Note: Columns may not sum due to rounding.			

The economic impacts estimated for West Virginia State University on the state of West Virginia for FY 2008 include the following activities of the institution: West Virginia State University operations and capital expenditures, West Virginia State University Research Corporation and West Virginia State University Foundation.

¹¹ Note that employee compensation and employment include all salaries, wages and benefits paid to the institution's 442 faculty and staff as well as compensation and employment that correspond with foundation and research corporation for FY 2008.

West Virginia University

I. Highlights of West Virginia University FY 2008.

- Direct expenditures from West Virginia University totaled almost \$2.5 billion for FY 2008, leading to a total economic impact of \$4.7 billion in business volume.
- West Virginia University directly employed 13,500 faculty and staff and had a total employment impact of 26,500 jobs in the state for FY 2008.
- For FY 2008, West Virginia University's economic activity generated an estimated \$884.4 million in employee compensation.
- State appropriations to West Virginia University totaled approximately \$213.7 million for FY 2008 which means that every dollar the legislature spent on the university turned into \$21 in the state economy.
- Over 31,000 students were enrolled at West Virginia University's campuses in Fall 2007 with more than 4,400 students receiving Promise Scholarships.
- In 2008, West Virginia University awarded 3,892 bachelor, 1,667 graduate, and 367 first professional degrees.

II. Current Setting

Founded in 1867 as the state's public land-grant institution, West Virginia University contributes to the state in a diverse and extensive manner. WVU's mission is to provide high quality programs of instruction at the undergraduate, graduate and professional levels; to stimulate and foster both basic and applied research and scholarship; to engage in and encourage other creative and artistic work; and to bring the resources of the University to all segments of society through continuing education, extension, and public service activities. In line with this mission, WVU provides extensive teaching, research, service, and resources to the state's government, communities, businesses, and general public.

A. Employment

West Virginia University consists of Potomac State, West Virginia University Institute of Technology and West Virginia University main campus and subsidiary and employs over 6,700 faculty and staff (Table 1).

Table 1: West Virginia University Fall Employment

	Potomac State		WVU IT		WVU Main		Total	
	2007	2008	2007	2008	2007	2008	2007	2008
Faculty								
Professor	13	14	25	27	463	449	501	490
Associate Professor	3	2	17	21	431	450	451	473
Assistant Professor	6	6	26	25	594	672	626	703
Instructor	16	18	7	7	110	143	133	168
Lecturer	-	-	5	7	42	33	47	40
Other	-	-	9	-	347	376	356	376
Part-time	58	53	114	31	949	887	971	1121
Total	96	93	203	118	2,936	3,010	3,085	3,371
Staff								
Classified	82	93	133	129	2,699	2,652	2,914	2,874
Full Time	59	63	115	108	2,515	2,468	2,689	2,639
Part Time	23	30	18	21	184	184	225	235
Non Classified	34	37	20	14	650	710	704	761
Full Time	22	21	16	14	616	682	654	717
Part Time	12	16	4	0	34	28	50	44
Total	116	130	153	143	3,349	3,362	3,618	3,635

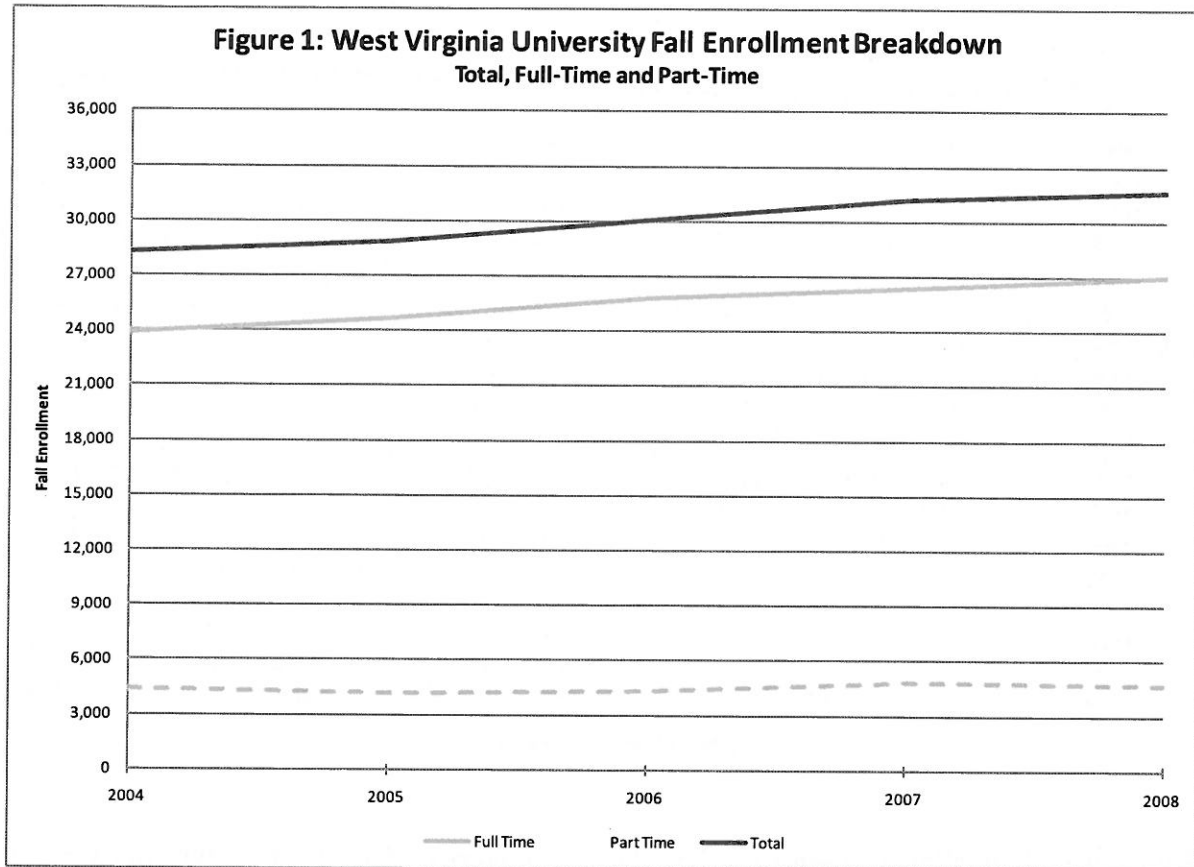
Note: Employment includes medical schools.

The average age of full time faculty at the three parts of West Virginia University ranges from 45 to 51 years of age (Table 2). At least 44 percent of full time faculty at Potomac State, West Virginia University Institute of Technology and West Virginia University are tenured. The ratio of men to women faculty varies across the three parts of the university and across academic years. In fact, the percentage of faculty that are women varies from 34 percent to 48 percent. .

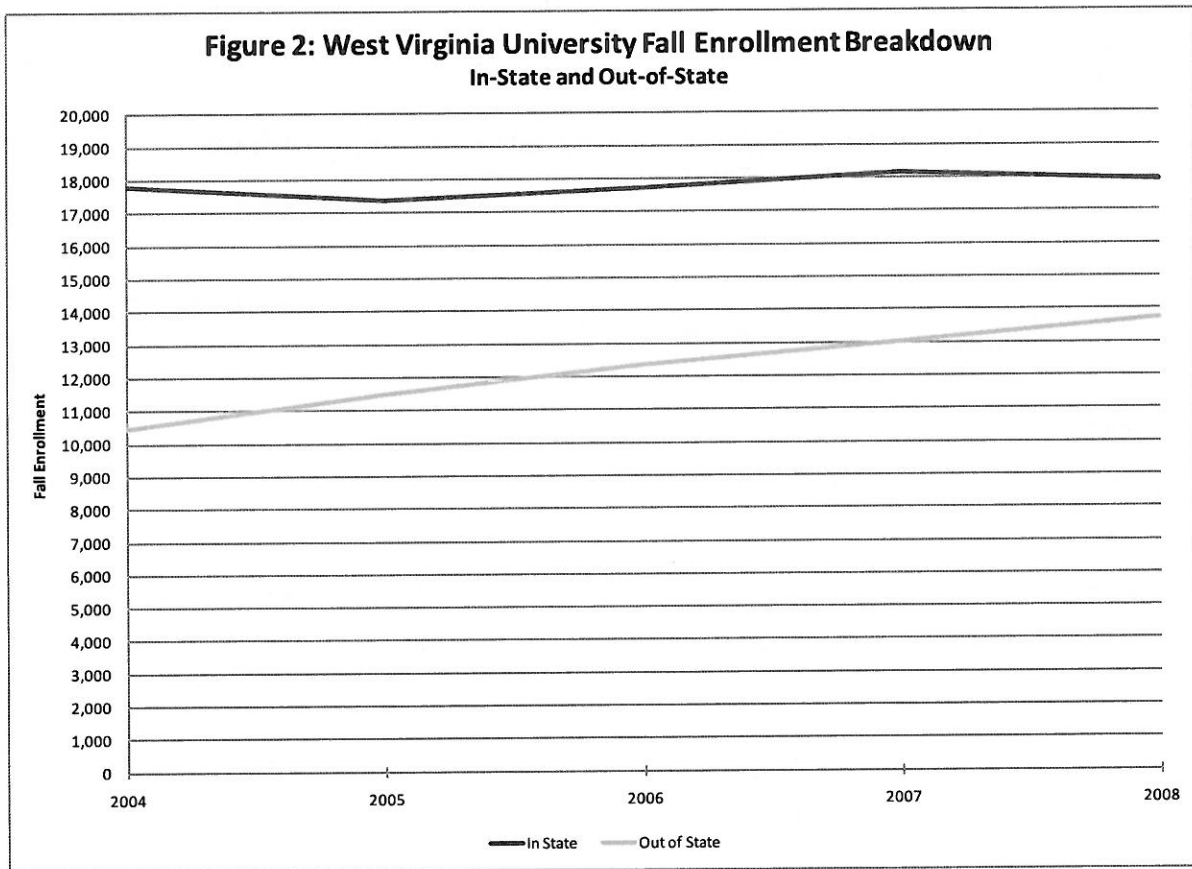
Table 2: West Virginia University Faculty Characteristics

	Potomac State		WVU IT		WVU Main	
	2007	2008	2007	2008	2007	2008
Average Age	48	45	51	51	50	49
# Tenured	18	18	35	39	408	407
% Tenured	47%	45%	44%	45%	52%	47%
% Male	53%	53%	59%	62%	66%	63%
% Female	47%	48%	41%	38%	34%	37%

B. Enrollment

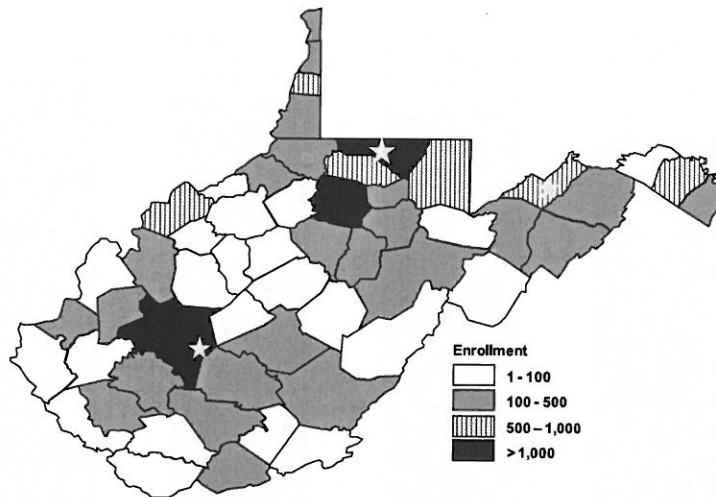


Total fall enrollment at West Virginia University, including Potomac State, West Virginia Institute of Technology and West Virginia University main campus and subsidiaries, has risen from 2004 to 2008 (Figure 1). This increase in 3,400 students is attributable to a 13 percent rise in full-time student enrollment. Part-time enrollment at the university has ranged between 4,200 and 4,900.

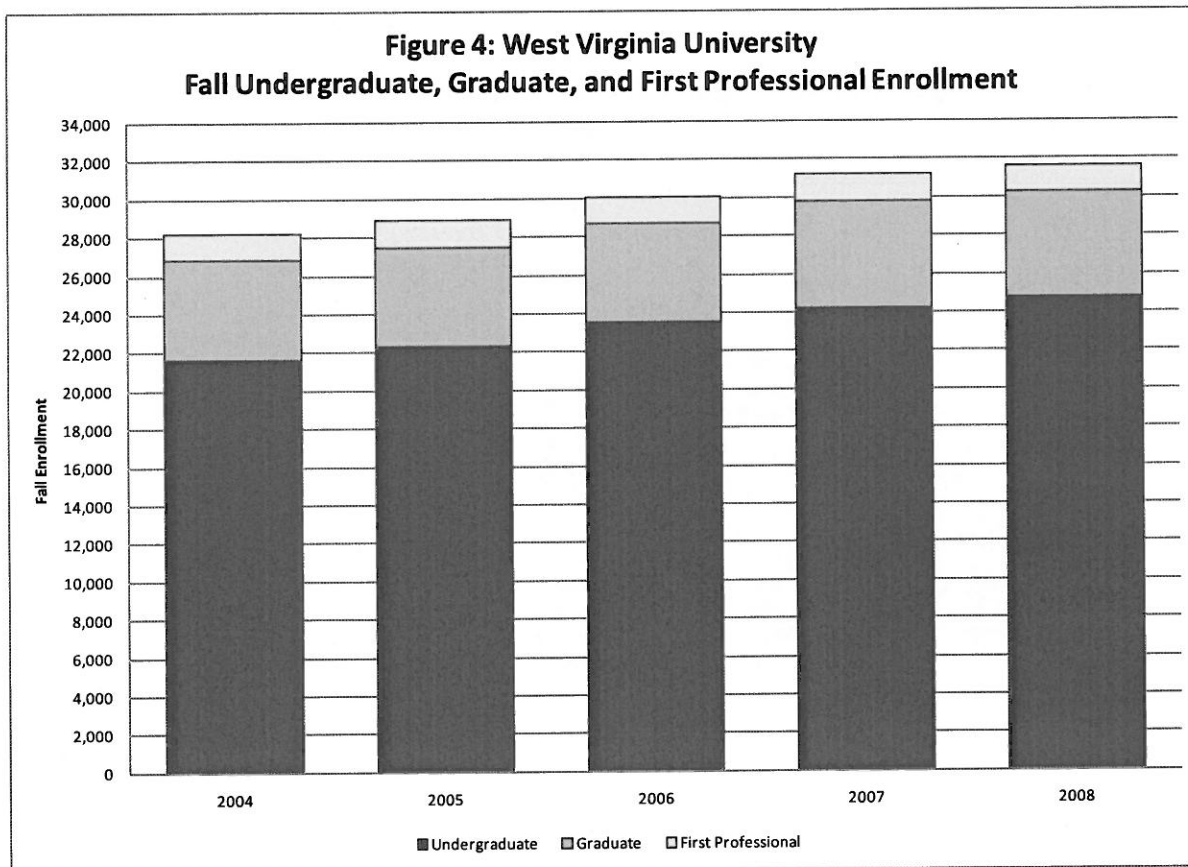


While total fall enrollment at West Virginia University has risen from 2004 to 2008, the number of in-state students has fluctuated, as shown in Figure 2. In fact, in-state enrollment has varied from approximately 17,300 to over 18,100 during this time period. Out-of-state enrollment at the university has steadily risen by an annual average of 7 percent.

**Figure 3: West Virginia University In-State Enrollment
Fall 2007**



West Virginia University's main campus is located in Morgantown while Potomac State College of West Virginia University is located in Mineral County and the West Virginia University Institute of Technology is located in Kanawha County. With the campuses spread across the state it is no surprise that fall 2007 student enrollment for West Virginia University came from all 55 West Virginia counties. More than 1,000 students were enrolled in the university from Harrison, Kanawha, and Monongalia while 500 to 1,000 students were attracted from 6 other West Virginia counties.



From 2004 to 2008, undergraduate enrollment at West Virginia University has risen by 14 percent (Figure 4). Graduate and first professional enrollment at the university has remained steady over this period, ranging from 5,100 to 5,600 for graduates and 1,360 to 1,420 for first professionals.

West Virginia University has awarded over 28,000 bachelor, graduate, and first professional degrees from 2004-2005 to 2008-2009 (Table 3). Over 60 percent of degrees awarded are bachelor's degrees. Each year the university awards over 330 first professional degrees in the following areas: medical profession, dental profession, law, and pharmacy.

Table 3: West Virginia University Degrees/Certificates Awarded					
	2004	2005	2006	2007	2008
Bachelors	3,157	3,372	3,620	3,790	3,892
Graduate	1,658	1,787	1,607	1,731	1,667
First Professional	337	351	396	355	367

C. Tuition, Fees, and Financial Aid

From 2007-2008 to 2008-2009 tuition and fees at West Virginia University overall has increased, as shown in Table 4. Undergraduate tuition and fees have increased by 8 percent for undergraduates at West Virginia University Institute of Technology and West Virginia University main campus while Potomac State's undergraduate tuition and fees have increased by over 10 percent. Room and board has risen by 8, 20 and 12 percent at Potomac State, West Virginia University Institute of Technology and West Virginia University main campus respectively.

Table 4: West Virginia University Tuition and Fees

	Potomac State ¹		WVU IT		WVU	
	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09
Tuition and Fees						
Undergraduate						
Regular						
Resident	\$2,596	\$3,374	\$4,598	\$4,964	\$4,722	\$5,100
Metro	\$4,642	\$5,558	-	-	-	-
Non Resident	\$8,360	\$9,286	\$11,808	\$12,748	\$14,600	\$15,770
Health Professions						
Resident	-	-	-	-	\$5,650	\$6,102
Non Resident	-	-	-	-	\$17,690	\$19,106
Graduate/First Professional						
Graduate						
Resident	-	-	\$5,102	\$5,512	\$5,196	\$5,612
Non Resident	-	-	\$12,976	\$14,010	\$15,064	\$16,270
Medical Profession						
Resident	-	-	-	-	\$19,204	\$20,164
Non Resident	-	-	-	-	\$41,866	\$43,960
Dental Profession						
Resident	-	-	-	-	\$11,920	\$12,754
Non Resident	-	-	-	-	\$29,960	\$32,656
Law						
Resident	-	-	-	-	\$9,856	\$10,644
Non Resident	-	-	-	-	\$22,432	\$24,010
Pharmacy						
Resident	-	-	-	-	\$7,266	\$7,848
Non Resident	-	-	-	-	\$20,294	\$21,918
Room and Board						
Undergraduate	\$6,156	\$6,660	\$5,700	\$6,844	\$6,826	\$7,635

1: Potomac State Tuition and Fees are for bachelor degree students. Lower tuition and fees are required for associate degree students.

Several students enrolled at West Virginia University have received financial assistance in the form of Federal Pell Grants, Federal Supplemental Educational Opportunity Grants, Promise Scholarships and other federal and state grants and scholarships. In fact, over 4,400 students received the Promise Scholarship in academic years 2007-2008 and 2008-2009 while over 5,200 received Federal Pell Grants.

Table 5: West Virginia University Financial Aid Assistance to Students
(number of students receiving aid)

School Year	Federal Pell Grant	Federal Supplemental Educational Opportunity Grant (SEOG)	Other Federal Grants & Scholarships	Promise Scholars	Other State Grants and Scholarships
2007-2008	5,348	909	55	4,431	2,715
2008-2009	5,233	1,010	47	4,460	3,661

III. Economic Impact of West Virginia University

The economic contributions of the West Virginia University are significant. West Virginia University's total economic impact on the West Virginia economy was \$4.7 billion of business volume in FY 2008 (Table 6). This economic activity generated \$884.4 million in employee compensation in the state and accounted for approximately 26,500 jobs¹². West Virginia University's activity generated an estimated \$43.2 million of tax revenue for the state through consumer sales and use tax, personal income tax, corporate net income tax, and business franchise tax.

Table 6: Economic Impact of West Virginia University¹ on West Virginia (FY 2008)			
	Direct	Indirect & Induced	Total
Business Volume (millions 2008\$)	\$2,497.4	\$2,191.7	\$4,689.0
Employee Compensation (millions 2008\$)	\$500.0	\$384.4	\$884.4
Employment (jobs)	13,500	13,000	26,500
Assorted State Taxes (millions 2008\$)			\$43.2
1: Includes: WVU main campus, Potomac State, WVU Institute of Technology, WVU Alumni Association, and WVU Foundation.			
Note: Columns may not sum due to rounding.			

The economic impacts estimated for West Virginia University on the state of West Virginia for FY 2008 include the following activities of the institution: West Virginia University main campus and subsidiary operations and capital expenditures, Potomac State at West Virginia University operations and capital expenditures, West Virginia University Institute of Technology operations and capital expenditures, West Virginia University Alumni Association, West Virginia University Research Corporation and West Virginia University Foundation.

¹² Note that employee compensation and employment include all salaries, wages and benefits paid to the institution's 6,703 faculty and staff as well as compensation and employment that correspond with alumni association, foundation, and research corporation for FY 2008.

West Virginia Higher Education Policy Commission Main Office

The West Virginia Higher Education Policy Commission (WVHEPC), which is located in Charleston, West Virginia, provides state-level policy oversight for the public colleges and universities in the state. It is responsible for developing, gaining consensus, and overseeing the implementation of a higher education public policy agenda. It consolidates institutional information for the purpose of reporting to the Interim Governing Board, governmental agencies and to the legislature. The WVHEPC ensures that the Board's decisions are communicated and implemented at the individual institution level. The WVHEPC consists of two parts: the administrative functions of the commission and the West Virginia Network for Educational Telecommuting (WVNET). WVNET was created in 1975 to provide central computing facilities and wide-area network communications services as a resource for the public colleges and universities in the state.

In addition, the WVHEPC is responsible for various other functions including the following:

- Coordination of a statewide master plan for public higher education institutions
- Development of a single budget for higher education that reflects recommended appropriations, with proposed priority funding percentage allocations to the individual institutions
- Fiduciary responsibilities for capital funds, purchasing guidelines, and monitoring higher education trends
- Coordination and assistance with the promulgation of rules and the legislative rule making process with the Legislative Oversight Commission on Education Accountability (LOCEA)
- Assistance in academic program reviews, program approvals and deletions, and long-range planning
- Administration of several state-level programs for state and federal student financial assistance, including the Higher Education Grant Program

The WVHEPC consists of ten members; seven of who are appointed by the governor, and three ex-officio members: Secretary of Education and the Arts, State Superintendent of Schools, and Chairperson of the West Virginia Council for Community and Technical College Education.

For FY 2008, the WVHEPC employed fifty-three employees in the following divisions: Academic Affairs, Administrative Services, Chancellor's Office, Finance and Facilities, Financial Aid and Outreach Services, Health Sciences, Human Resources, Legal Services, Policy and Planning, and Science and Research.

I. Economic Impact of West Virginia Higher Education Policy Commission Main Office

The economic contributions of the West Virginia Higher Education Policy Commission's Main Office on the West Virginia economy in FY 2008 are summarized in Table 1. WVHEPC's total economic impact on the West Virginia economy was \$34.4 million of business volume in FY 2008 (Table 1). This economic activity generated almost \$9.3 million in employee compensation in the state and accounted for approximately 130 jobs¹³. WVHEPC's activity generated an estimated \$0.3 million of tax revenue for the state through consumer sales and use tax, personal income tax, corporate net income tax, and business franchise tax.

Table 1: Economic Impact of West Virginia Higher Education Policy Commission Main Office on West Virginia (FY 2008)			
	Direct	Indirect & Induced	Total
Business Volume (millions 2008\$)	\$20.8	\$13.6	\$34.4
Employee Compensation (millions 2008\$)	\$6.9	\$2.4	\$9.3
Employment (jobs)	100	80	180
Assorted State Taxes (millions 2008\$)			\$0.3
Note: Columns may not sum due to rounding.			

¹³ Note that employee compensation and employment include all salaries, wages and benefits paid to the WVHEPC's 53 employees as well as compensation and employment that correspond with capital expenditures for FY 2008.

Non-quantifiable Economic Impacts

Any economic impact study has limitations which should be noted by the reader. These are listed as follows:

- Students of the institution, especially out-of-state students, spend significant amounts of money within the state for items such as rent, groceries, books, transportation, retail items, and other miscellaneous goods and services that they would have not spent if they were not enrolled in the institution. No estimates are provided for the economic impact of the students. The omission of these economic contributions means that the estimated impacts underestimate the economic impact of the institution to West Virginia.
- The presence of a college or university in a community may be a 'draw' to other types of businesses, which do not supply goods and services directly or indirectly to the educational institution. These businesses use student interns and employees with specialized skills such as science, computer programming, business, or health care. Often these businesses employ students full-time upon graduation.
- The institution's faculty, staff, and students have numerous visitors during the course of the year. No estimates are provided of the economic contributions of faculty, staff or student visitors or for visitors to all athletic events, cultural activities, lecturers, and other programs and services provided by the academic institution. The omission of the economic contributions of these visitors means that the estimated impacts underestimate the economic contributions of the institution to West Virginia.
- The economic contributions of affiliated organizations to the academic institution are not estimated in this report due to lack of information.
- Alumni of higher education institutions return to their institutions for alumni reunions and to take advantage of educational programs. In some cases after a return visit they decide to relocate to the area. Faculty and staff retirees from various institutions often continue residing these communities. This study does not consider the economic contributions associated with alumni relocating to these communities nor the impacts of the institution's retirees residing in the state.
- In some economic impact studies, estimates were made of the impacts on financial institutions such as interest- and non-interest bearing financial accounts. Due to continued deregulation of financial institutions and changes in geographically based statistical reports on financial institutions, it was deemed to be very difficult to ascertain an estimate of this impact; however the overall economic impact enhances the financial resources in the community.

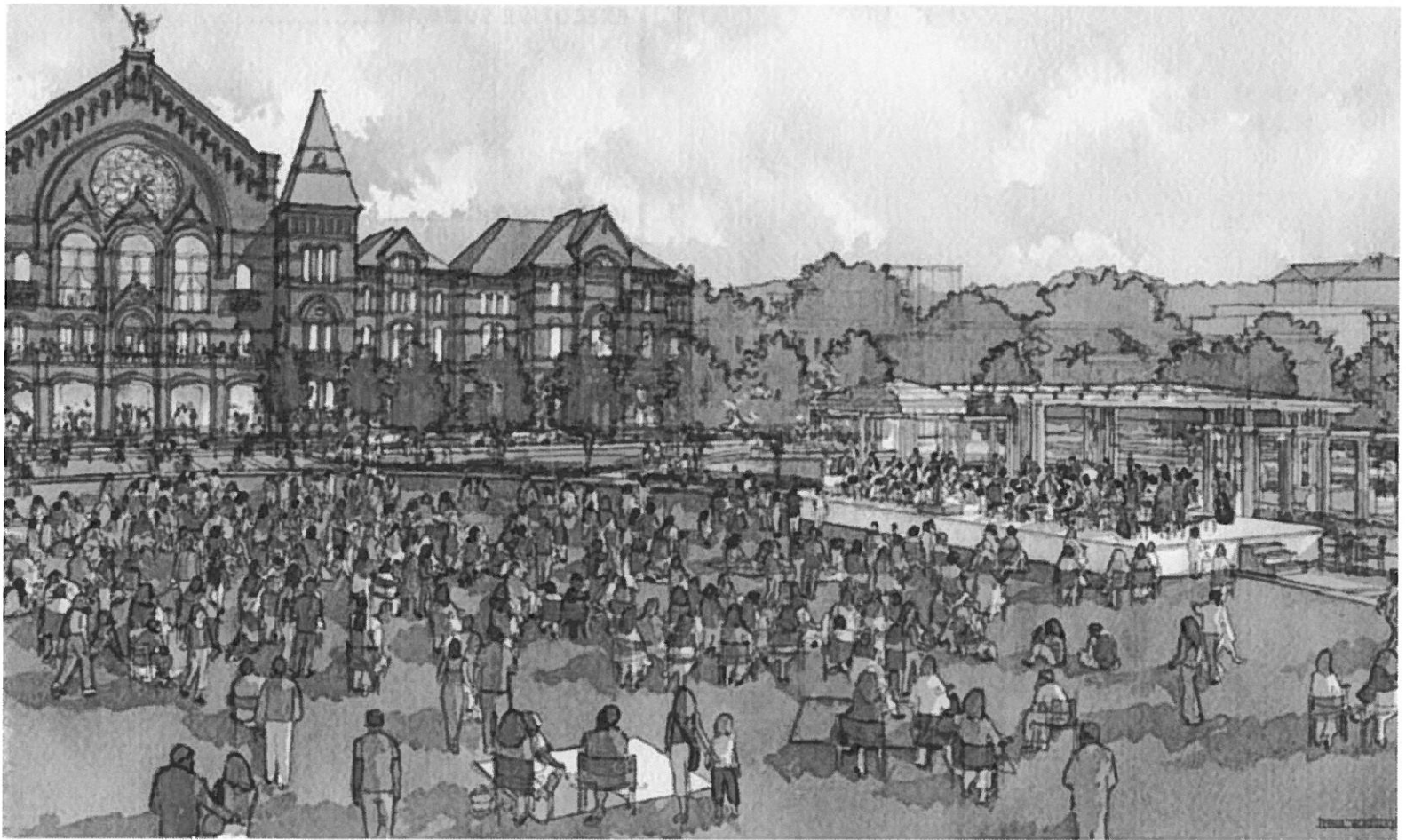
- The results from this economic impact study are not necessarily comparable with those from studies of other institutions. In part, this may be due to differences in impact methodology and the regional focus of the studies.
- Many economic contributions of a higher education organization are only realized after the year in which the expenditures are made. In cases where academic research leads to intellectual property which transferred to private job creating businesses in West Virginia, the impacts are realized in a future year and may well continue or expand over time. Services provided by the institutions which enhance the productivity of existing business and lead to the retention of jobs which would otherwise be lost are not 'captured' within this research methodology. Finally, the greatest long term economic impact from education and medicine is the expansion in the stock and quality of human capital available for employment. It is well documented that investments in human capital result in excellent rates of return to individuals and society.
- The estimated state assorted taxes associated with the total economic impact of each institution exclude workers compensation and unemployment compensation payments from the institutions. Real and personal property taxes paid to localities by businesses and employees are also not estimated within this study. Thus, the total assorted state taxes are an underestimate of the actual taxes remitted at the state and local levels.

Appendix A: Economic Impact Definitions

Business Volume:	Sales plus net increase in finished inventories and the value of intra-corporate shipments. Equals output (see below) plus the cost of goods sold in retail and wholesale trade.
Employment:	The number of jobs in a business, industry, or region. Also, the number of jobs attributable to an impact (see below). This is a measure of the number of full-time and part-time positions, not necessarily the number of employed persons. Jobs are annual average by place of work. A job year is equivalent to one job for one year.
Employee Compensation:	Wages and salaries plus employers' contribution for social insurance (social security, unemployment insurance, workers compensation, etc.) and other labor income (pension contributions, health benefits, etc.). By place of work unless otherwise stated.
Impacts:	The results of the recirculation of funds throughout a regional economy due to the activity of a business, industry, or institution. Estimated by tracing back the flow of money through the initial businesses' employees and suppliers, the businesses selling to the employees and suppliers, and so on. Thus, they are a way to examine the distribution of industries and resources covered in the costs of the initial activity.
Output:	For most sectors, measured as sales plus net inventories and the value of intra-corporate shipments. For retail and wholesale trade, measured as gross margins (i.e. sales minus cost of goods sold, also equal to the mark-up on goods sold).
Value Added	A measure of the value created by a business or industry or attributable to an impact (see above). Equal to the value of production minus the cost of purchased goods and services. Also equal to employee compensation plus capital income (profits, interest paid, depreciation charges), and indirect business taxes (e.g. severance, excise). Corresponds to the aggregate concepts of gross domestic product (GDP).

ECONOMIC AND COMMUNITY IMPACTS OF THE REVITALIZED MUSIC HALL

05/01/2012



WASHINGTON PARK

TABLE OF CONTENTS

1	EXECUTIVE SUMMARY.....	4
---	------------------------	---

2	INTRODUCTION.....	12
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3	ECONOMIC IMPACT OF RENOVATION.....	18
---	------------------------------------	----

4	ECONOMIC IMPACT OF OPERATIONS.....	24
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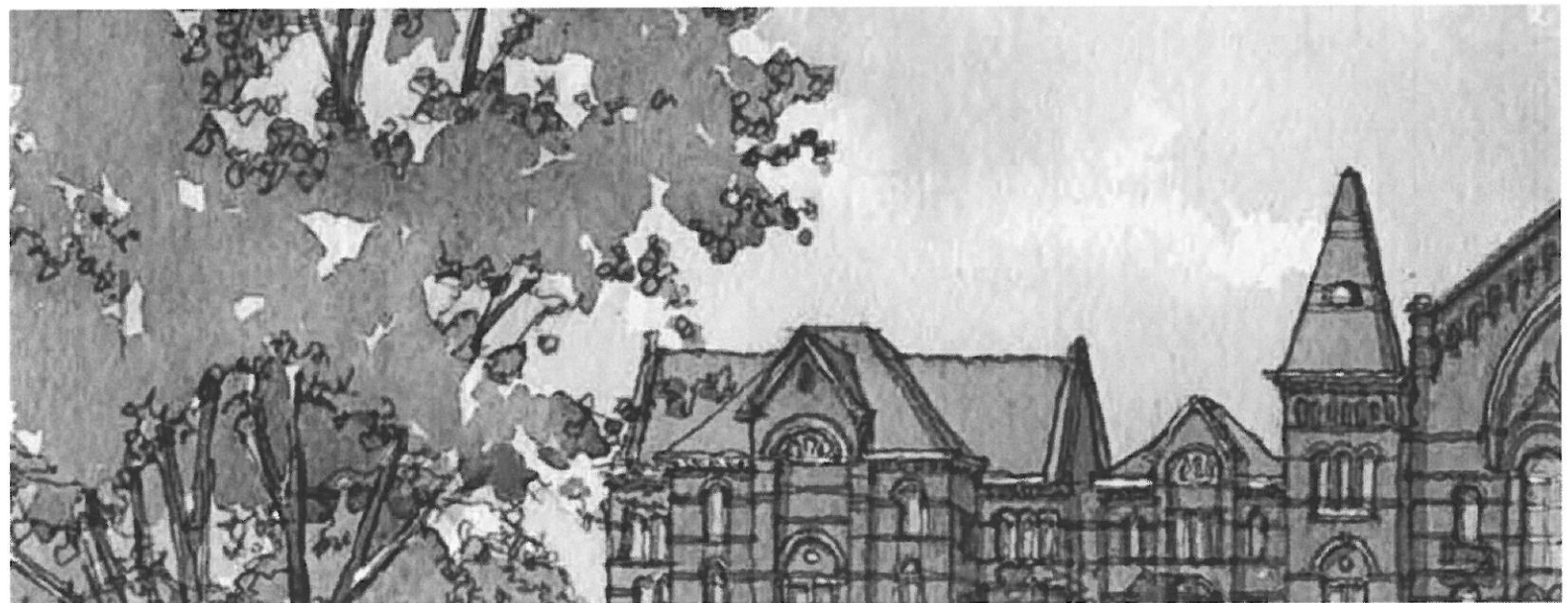
5	MUSIC HALL'S CHANGING URBAN ENVIRONMENT.....	32
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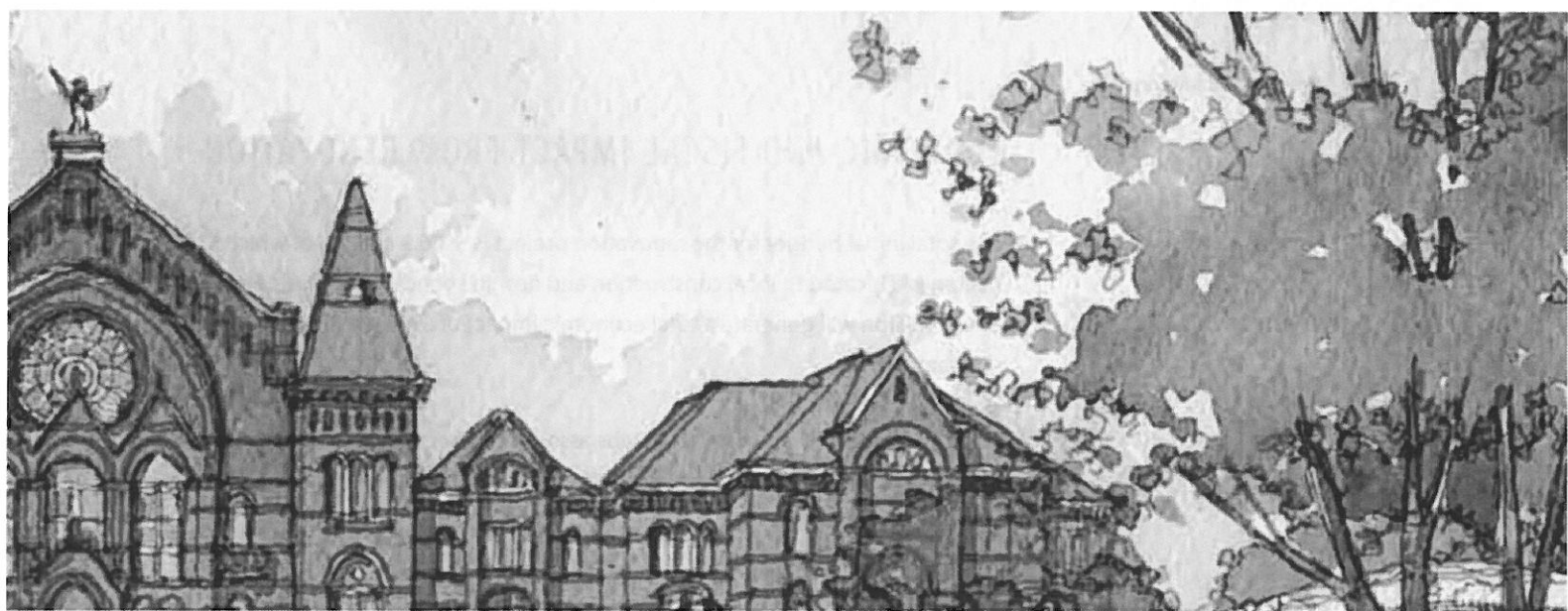
6	MUSIC HALL AT THE AXIS OF ARTS, CULTURE, AND ENTERTAINMENT.....	44
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7	CONCLUSION.....	56
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8	APPENDIX.....	62
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1 | EXECUTIVE SUMMARY





EXECUTIVE SUMMARY

The proposed revitalization and future operations of Cincinnati's famed Music Hall will have a considerable impact on the Greater Cincinnati regional economy.

The first part of this report studies the economic impact of renovation expenditures, anticipated operations of Music Hall in 2015, as well as the fiscal impacts generated from both. The operations impact is measured from the projected operating expenditures of the four resident companies- Cincinnati Ballet, Cincinnati Opera, Cincinnati Symphony Orchestra, and May Festival.

The second part of this report details the position of Music Hall as an influential anchor within its urban context. The location of Music Hall is shown in relation to other arts institutions and to the substantial investment in the area. Changing demographic and social indicators are illustrated and discussed relative to Music Hall. Connectivity is analyzed between Music Hall and the existing and proposed arts, entertainment, and cultural clusters within the area. And finally Music Hall is understood in relative terms to other arts organizations in attendance, revenue, and employment measures.

"This outstanding institution has made a valuable contribution to the artistic life of your City. It has provided a home for many arts that enrich the cultural diversity, expand the intellectual horizons and give endless pleasure to the area's citizens."

President Jimmy Carter

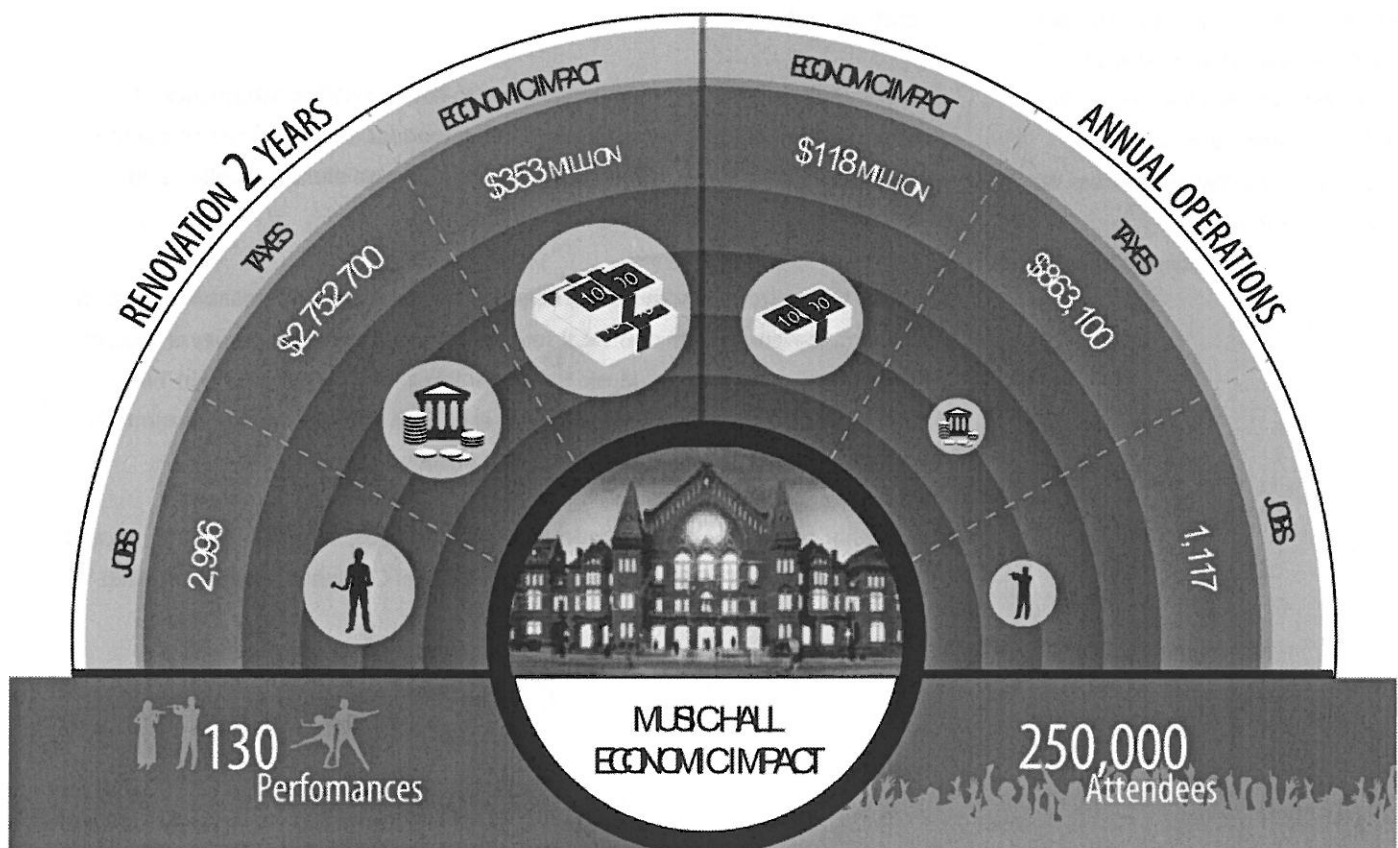
ECONOMIC AND FISCAL IMPACT FROM RENOVATION

- The total initial budget for the renovation project is \$166.3 million, of which \$149.7 million is allocated to local construction and design spending for Music Hall. This \$149.7 million will generate a total economic impact of \$353.4 million in the local economy.
- The renovation will generate 1,442 jobs associated directly with the construction and design activities. Expenditures for the renovation will generate an additional 1,554 for a total impact on employment of 2,996 jobs.

- These renovation activities will also generate direct household earnings in the region amounting to \$63.7 million. This will generate an additional indirect household earnings impact of \$61.1 million, resulting in a total earnings impact of \$124.7 million.
- Renovation activities will generate \$2.75 million in income and sales tax revenues for Hamilton County, City of Cincinnati, and other taxing jurisdictions within the county.

I've been coming to Music Hall for 40 years. When I was young, we came because we thought it was wonderful. Both the music and the space. Over time, I'd want it to be even more friendly. At intermission, people are faced with choices. Music Hall should provide an opportunity for people to interact during intermission. When we enter lobby, it's full and the noise level is high but this only adds to the excitement for the performance.

Anonymous patrons



ANNUAL ECONOMIC AND FISCAL IMPACT FROM OPERATIONS

□ The experience at Music Hall includes coming to a hall that continues to be a great grand concert hall. The acoustics are built for singing, so it continues to be wonderful. The dignity of the auditorium should be preserved while making it more comfortable for all Americans. This Hall is very grand in a casual country. This place is above that and has class. We must preserve that feel. □

Anonymous patrons

- Combined, Music Hall and the four resident companies project an annual operating expenditure of \$55.3 million for 2015 that will generate a total annual economic impact of \$118.3 million, including visitor spending impact in the Greater Cincinnati¹ region. So, for every thousand dollars spent on operations, the local economy grows by \$2,140.
- The economic activity from Music Hall's operations will generate \$19.4 million in direct household earnings which in turn will result in a total of \$38.9 million in total household earnings impact annually in the local economy and 1,117 full and part-time jobs.
- Music Hall's performing members expect to have an annual attendance of approximately 249,200, out of which 37,400 attendees are projected to comprise non-local visitors. The non-local visitor spending on dining, lodging, and transportation is estimated at \$1.9 million.
- When this visitor spending is combined with a projected \$3.5 million in resident company revenues from non-local sources in the form of grant money and ticket sales to non-local patrons, Music Hall generates a total of \$5.4 million in 'new money' for the Greater Cincinnati region each year. This new money accounts for roughly ten percent of Music Hall's annual economic impact.
- Together, these economic activities will generate \$863,100 annually in income and sales tax revenues for Hamilton County, the City of Cincinnati, and other taxing jurisdictions within the region.

¹ Greater Cincinnati is the Cincinnati Metropolitan Statistical Area, which includes a 15-county region including Hamilton, Butler, Warren, Clermont, and Brown Counties in southwestern Ohio; Boone, Kenton, Campbell, Gallatin, Grant, Pendleton, and Bracken Counties in northern Kentucky; and Franklin, Dearborn, and Ohio Counties in southeastern Indiana.

OTHER BENEFITS

- The existence of Music Hall provides numerous non-economic benefits to the community at large. Such non-economic benefits are not measurable by an economic impact analysis.
- Due to its location, Music Hall makes a significant contribution to the revitalization of downtown Cincinnati. Expenditures by the resident companies and spending by non-local visitors downtown result in more jobs for the area.
- Upon its renovation it is more likely to attract performing companies and visitors from outside the region. This will generate additional non-local revenue streams for the region. This will also result in making Cincinnati a more desirable place for relocating families and businesses. Such positive spillover effects are not measured by this study.
- Numerous education performances are conducted at Music Hall thus serving as a powerful cultural amenity for the region.
- This study does not include economic impacts generated from grants and other valuable contributions made to Music Hall including volunteer services of individuals and corporations.

MUSIC HALL AS AN ANCHOR OF THE ARTS AND A CHANGING COMMUNITY

People rarely come to single building. They want to experience more geographically. Music Hall is situated in a great geographical place, and it benefits from this beautiful area. The experience is not just about Music Hall but the whole corridor an entire destination. The area can and should be a branded arts entertainment district instead of just Music Hall.

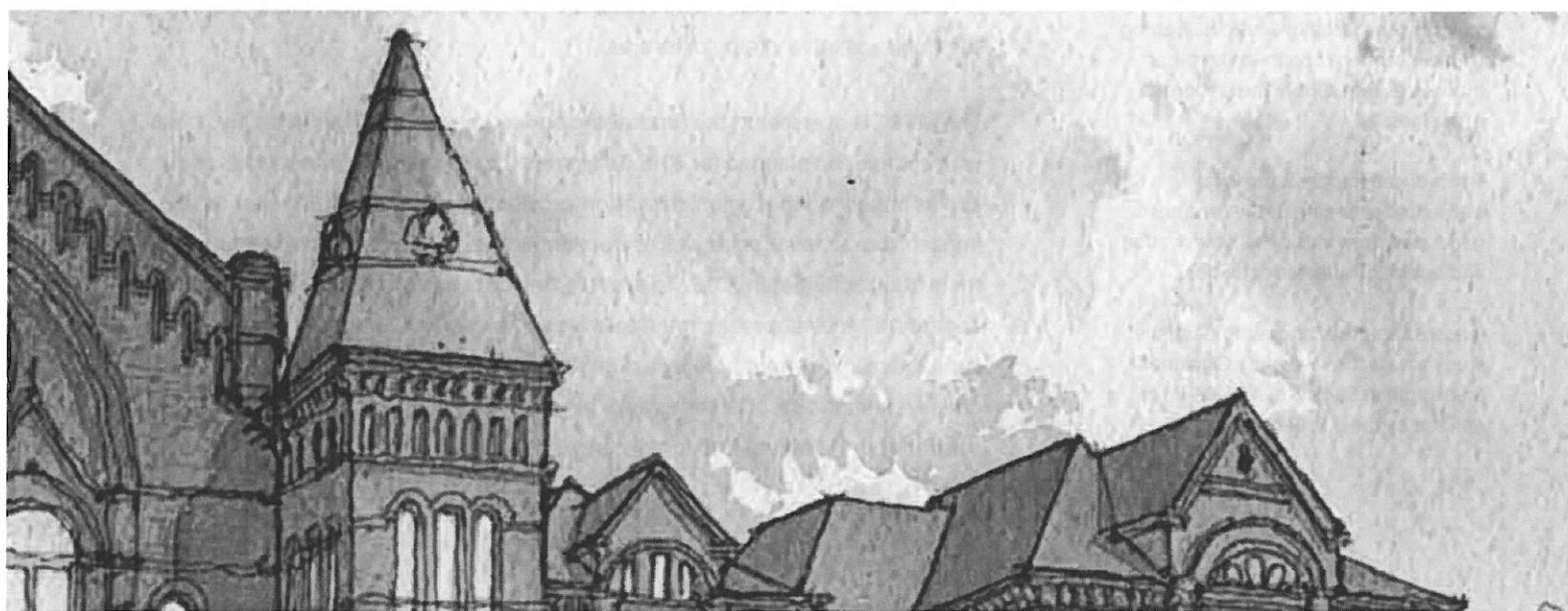
Anonymous patrons

- Music Hall is at a good location relative to existing and proposed commercial entertainment areas. It is an important attraction along the proposed Cincinnati Streetcar route that will connect these vital districts.
- Music Hall is at the center of an area of extensive investment and its presence has been an important stabilizing influence. Its revitalization will be a supporting factor in regard to future development of this area.
- Demographic changes in the area favor interest in future cultural arts programming which Music Hall will be able to satisfy.
- Policing around and for the Music Hall area has had a positive impact on the district. The presence of Music Hall makes Over-the-Rhine a safer place.
- Music Hall is the original building block of the most concentrated cluster of arts venues in the entire region. Its revitalization will strengthen and make more sustainable this important urban asset.
- Music Hall serves as a western anchor to the Over-the-Rhine art and culture offerings and its positioning promotes connectivity among the visible arts areas. A revitalized Music Hall will build on that capacity.

-
- Continued entertainment programming hosted by Music Hall is an important component of the urban entertainment experience in the City and Over-the-Rhine. Expanded programming in the revitalized Music Hall, especially within the renovated outdoor performing space of Washington Park, will provide a full spectrum of entertainment choices and enhanced synergy among entertainment clusters in the area.
 - Comparable attendance, employment, and revenue figures among area arts venues illustrates the predominance of Music Hall and illustrates the importance of the present and future Music Hall to the creative vitality of the city and its immediate area.

2 | INTRODUCTION





INTRODUCTION

Music Hall is considered one of Cincinnati's greatest cultural treasures. Located in the historic neighborhood of Over-the-Rhine, which is continuing to experience significant revitalization, Music Hall is home for the Cincinnati Symphony Orchestra, Cincinnati Opera, Cincinnati Ballet, and the May Festival Chorus, in addition to hosting many other local performing arts groups.

Built in 1878, Music Hall suffers from years of degradation to its infrastructure and lacks the modern features of similar venues locally and across the country. The Music Hall Revitalization Corporation (MHRC) recognizes the need to restore and upgrade Music Hall not only to remain relevant and competitive as a cultural center, but also to complement the extensive new development occurring around Cincinnati's urban center.

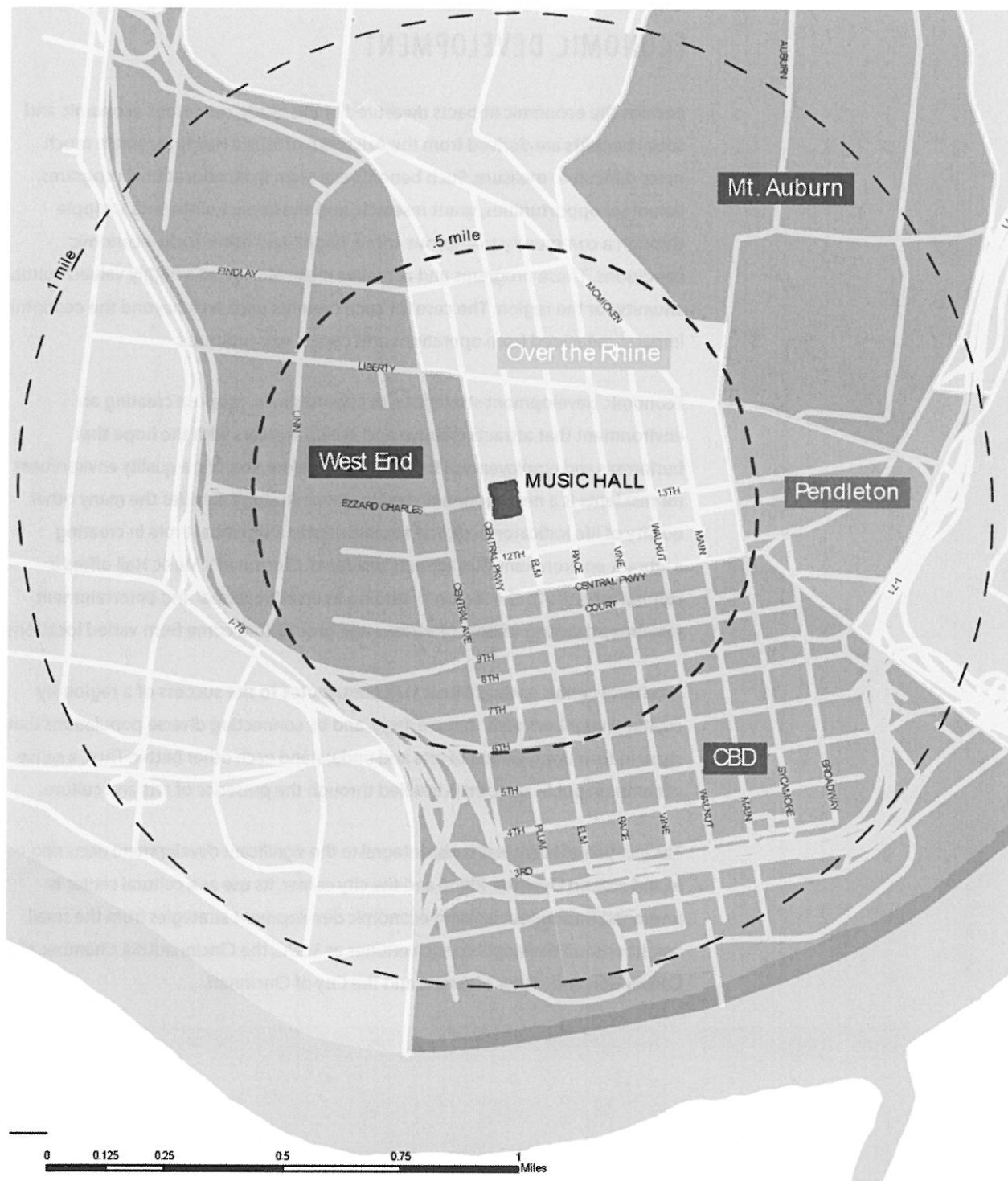
Music Hall should also be appreciated as a complement to important areas of arts and entertainment in the downtown basin. This is particularly true in Over-the-Rhine where Music Hall currently functions as a prominent part of a regionally significant cluster of arts institutions as well as the western anchor of an arts and entertainment district linkage. Through relative attendance, employment, and revenue measures, Music Hall is visualized as a sustaining factor in the support of the fragile creative vitality of its area.

The MHRC is overseeing the fundraising and renovation of Cincinnati's Music Hall, with completion planned for 2015. To express the magnitude of this revitalization and its impact on the region, this report provides a description of the economic impact from renovation as well as from annual operations of Music Hall post renovation activities in 2015. To allow for the appreciation of the extent of recent and future redevelopment in the area around Music Hall, this report also shows cumulative investment here by a number of measures. The changing context is equally dramatic in social terms and this is illustrated as well. A half-mile radius, a comfortable 15 minute walking distance, was used as a study area for this survey.

Definitions

- The economic impact of any business includes three elements, as defined here: the direct impact, the indirect impact, and the induced impact.
- The direct impact of Music Hall comprises the purchases of local resources (labor, goods, and services) for building renovations and overall Music Hall operations.
- The indirect impact is the purchases of local resources made by local businesses in order to produce the goods and services purchased by Music Hall, along with consequent purchases by other businesses that supply the first group of businesses.
- The induced impact is the local household spending of the earnings generated from Music Hall's renovation and operations related activities.
- In assessing the economic impact, the study area is the 15-county Cincinnati Metropolitan Statistical Area (MSA) as defined by the U.S. Census Bureau.

DOWNTOWN BASIN NEIGHBORHOODS



PLACE THEORY AND ECONOMIC DEVELOPMENT

Besides the economic impacts measured in this study, numerous economic and social benefits are derived from the existence of Music Hall that remain much more difficult to measure. Such benefits can stem from educational programs, volunteer opportunities, grant research, and the impact of the arts to ripple through a community to improve crime, blight, and other socio-economic conditions. These programs and activities make Music Hall a highly valued cultural amenity for the region. The case for such benefits goes well beyond the economic impacts measured from operations and capital expenditures.

Economic development strategists, in current times, propose creating an environment that attracts creative and skilled workers with the hope that businesses and employers will follow. And, therefore, creating a quality environment for residents is a new economic development strategy. Besides the many other quality of life indicators, cultural amenities play a significant role in creating a vibrant environment that attracts residents. Cincinnati's Music Hall offers a cultural amenity to the region in serving as an educational and entertainment resource attracting visitors of various age groups that come from varied locations.

A cultural center such as Music Hall contributes to the success of a region by creating neighborhoods that are lively, and by connecting diverse populations that share in their appreciation of arts and understand each other better. Thus, a sense of common public concern is instilled through the presence of arts and culture.

The location of Music Hall is also integral to the significant development occurring in and around Over-the-Rhine and the city center. Its use as a cultural center is leveraged throughout existing economic development strategies from the small neighborhood developer to such entities as 3CDC, the CincinnatiUSA Chamber, the Convention and Visitor's Bureau, and the City of Cincinnati.

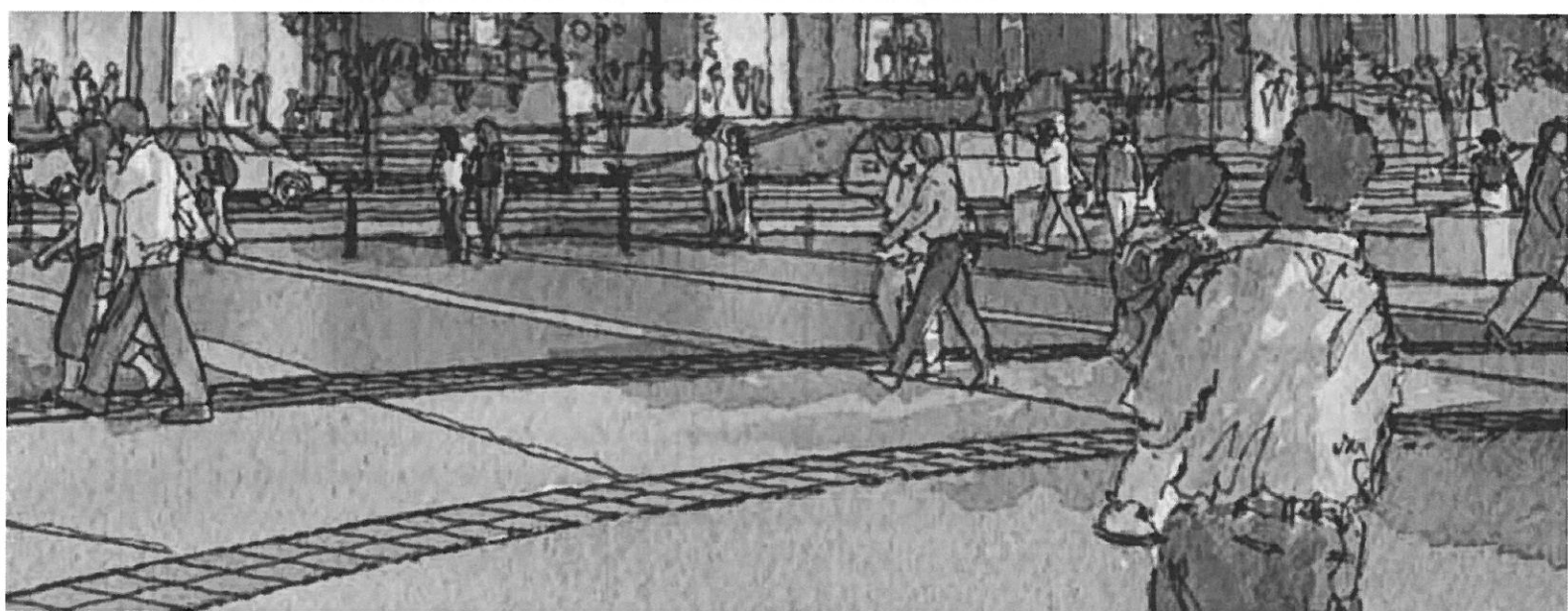
Music Hall's revitalized status will make it more likely to attract international performing companies and visitors from around the world. This additional impact contributes to global awareness for the City of Cincinnati and the attraction of additional non-local revenue streams for the region. This will also result in making Cincinnati a more competitive City for attracting new businesses, families and the young professional creative class. These are important elements that, in tandem with other investments, can produce economic impacts far beyond the scope of this report.



Shine on Over The Rhine
by: Chuck Eilerman

3 | ECONOMIC IMPACT OF RENOVATION





ECONOMIC IMPACT OF RENOVATION

The extensive renovations planned for Music Hall are expected to add significant value to the existing building and facilities, as well as for its performers and patrons. Besides making Music Hall comparable to other such facilities nationally, the construction work will spur substantial economic activity in the local region.

The renovation entails construction to strengthen the structural integrity of the building, upgrade existing interior items such as seating and lighting, and update ventilation, electrical and mechanical systems in the building, including safety measures such as fire suppression systems. The construction project also includes restoration of the building's exterior, which will help to define Music Hall as a destination for artistic performances and encourage re-investment in the surrounding neighborhood.

Large projects, such as the revitalization of Music Hall, can have a significant impact on the local economy because they involve the use of local contractors in building and related trades, and the purchases of large quantities of material from local businesses. The total initial budget for the renovation project is \$166.3 million, of which \$116.1 million is local construction cost and \$33.6 million are design and related costs. The remaining costs, \$10.1 million for non-local construction purchases and \$6.5 million for real estate acquisition, do not technically generate local economic activity and therefore are omitted from the impact analysis. The potential economic impacts of the construction project are comprised of the direct spending for the project, as well as the indirect and induced economic activity generated as a result of the construction.

The MHRC will allocate \$149.7 million of the total budgeted \$166.3 million to local construction and design spending for Music Hall. This cost includes local spending for construction, design, and miscellaneous costs (which includes renovation expenditures for a restaurant, consultants' fees, financing and travel related costs).

■ MUSIC HALL RENOVATION EXPENDITURES

Local Construction Costs	\$116,094,000
Local Design and Miscellaneous Costs	\$33,589,000
Total Local Spending	\$149,683,000
Non-Local Construction costs	\$10,145,000
Real Estate Acquisition Cost	\$6,500,000
Total Estimated Renovation Cost	\$166,328,000

The total economic impact of the local construction and design spending is calculated to be about \$353.4 million, as shown in the table below. Thus, the \$149.7 million that MHRC spends on construction projects is estimated to generate an additional \$203.7 million in economic activity.

■ ECONOMIC IMPACT OF RENOVATION

Direct Spending	\$149,683,000
Indirect and induced Impact	\$203,714,300
Total Economic Impact	\$353,397,300

As a result of the proposed renovation of the Music Hall, additional jobs and economic activity will be generated in the region. The renovation will generate 1,442 jobs associated directly with the construction and design activities. Expenditures for the renovation will generate an additional 1,554 for a total impact on employment of 2,996 jobs.

ECONOMIC AND COMMUNITY IMPACTS OF THE REVITALIZED MUSIC HALL

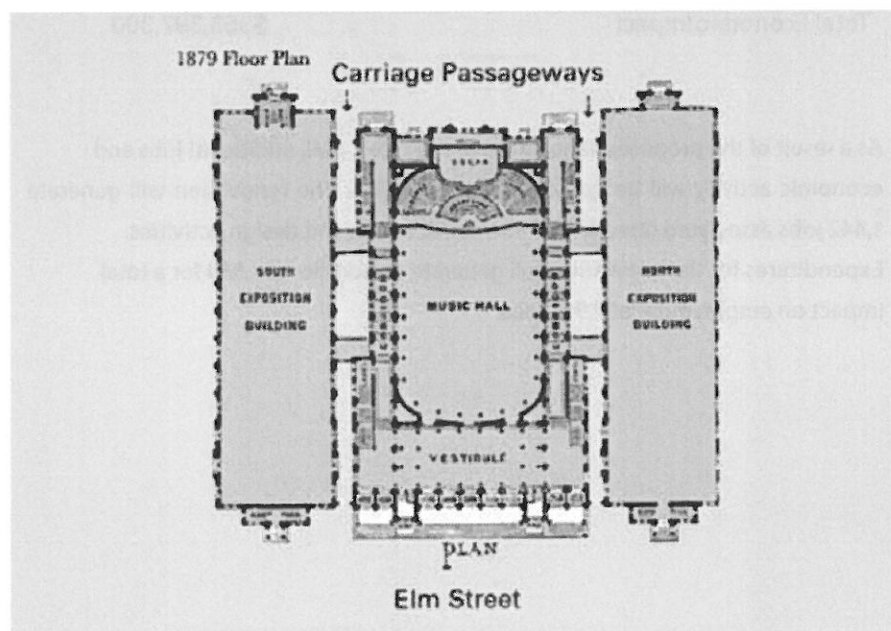
RENOVATION IMPACT ON EMPLOYMENT

Direct Employment	1,442
Indirect and induced Impact	1,554
Total Impact on Employment	2,996

These renovation activities will also generate household earnings in the region amounting to \$124.7 million. This is derived from the total direct earnings from overall construction, projected to be \$63.7 million. These renovation activities are estimated to then generate an additional indirect household earnings impact of \$61.1 million.

RENOVATION IMPACT ON EARNINGS

Direct Earnings	\$63,659,100
Indirect and induced Impact	\$61,089,700
Total Impact on Earnings	\$124,748,800



Source: <http://www.spmhcincinnati.org/Music-Hall-Today/Three-Buildings-in-One.php>

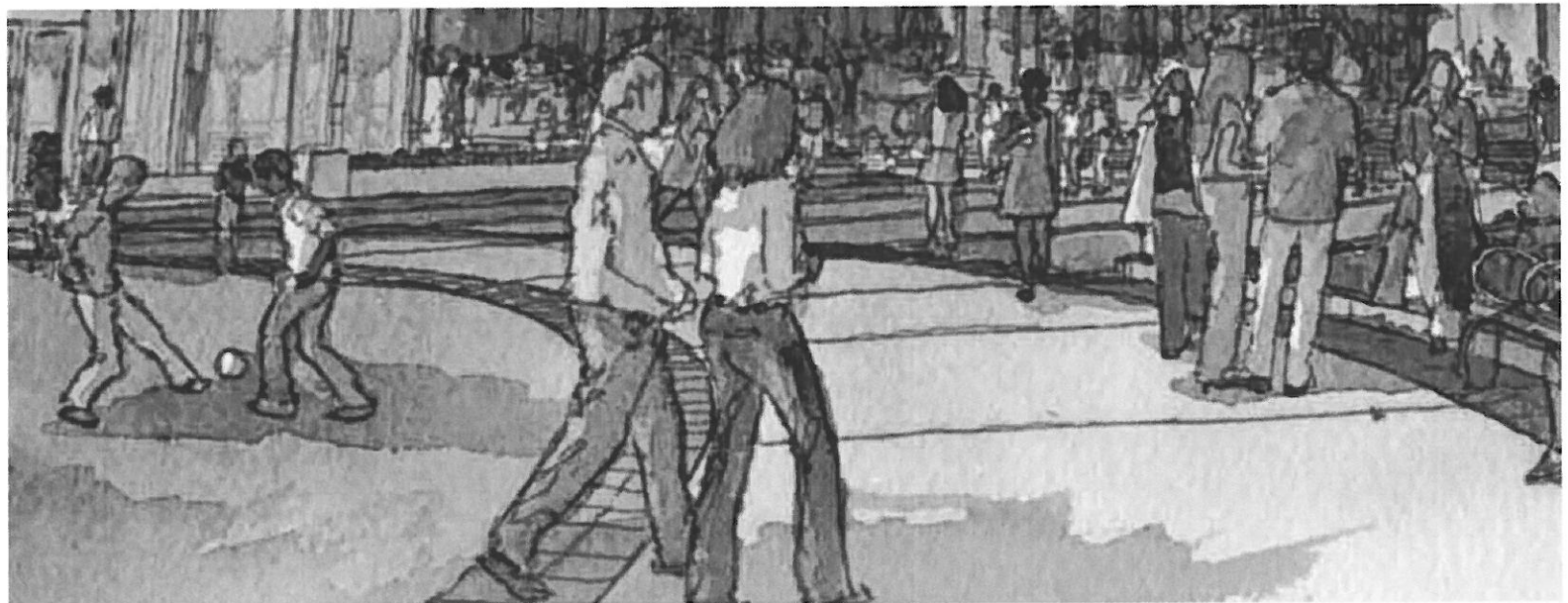
The revitalization of Music Hall is expected to bring \$2.75 million to local jurisdictions as tax revenues. The fiscal revenue from construction will mainly be in the form of sales taxes and income taxes. As shown in the following table, the City of Cincinnati will receive about \$1.85 million of all tax revenues, Hamilton County will receive \$488,600, and the balance of \$414,100 is divided in various ways among other jurisdictions within the region.

II LOCAL FISCAL IMPACTS FROM RENOVATION

Local Fiscal Impacts from Renovation

		Cincinnati	Hamilton County	Others
By Tax Type	Sales Tax		\$488,600	\$47,600
	Income Tax	\$1,850,000		\$366,500
Overall Fiscal Impact	\$2,752,700			

4 | ECONOMIC IMPACT OF OPERATIONS





ECONOMIC IMPACT OF OPERATIONS

When Music Hall reopens in 2015 after its renovation, its combined annual operating expenditures and non-local visitor spending are expected to generate a total annual economic impact of \$118.3 million. The operations will generate a total annual earnings impact of \$38.9 million and 1,117 jobs in the local economy. This chapter details the annual operating expenditures of the four resident companies and the combined annual economic impacts expected to be generated from their expenditures as well as the impacts from non-local revenues and visitor spending.

The economic impact of the renovated Music Hall's operations starting 2015 begins with direct expenditures by its four resident companies, supplemented by Music Hall's spending for other operations and administration. Expenditures are paid for out of revenues that are obtained primarily through membership, admissions (ticket sales), contributions, endowment income, grants, and other public sales such as from gift shops. Total revenue for Music Hall in 2015 is expected to be \$55.3 million.

During 2015, the combined operating expenditures of the four resident companies is projected at \$55.3 million as shown in the table below. The Cincinnati Symphony Orchestra leads with \$39.9 million in operating expenditures, followed by the Cincinnati Ballet (\$6.1 million), the Cincinnati Opera (about \$6.0 million), and the May Festival (about \$2.0 million). Operational costs associated with other events taking place at Music Hall, and those for general administration are projected at nearly \$1.3 million. The table below shows the operating expenditures of each organization projected for 2015.

2015 ANNUAL OPERATING EXPENDITURE PROJECTIONS

Cincinnati Ballet	\$6,131,100
Cincinnati Opera	\$5,998,900
Cincinnati Symphony Orchestra	\$39,900,000
May Festival	\$1,988,000
Music Hall Admin and Other Spending	\$1,274,300
Total Operating Expenditures	\$55,292,300

These operating expenditures will create additional indirect and induced economic impacts annually within the Greater Cincinnati area. As shown in the table below, total operating expenditures or direct spending by Music Hall and its resident companies will generate an additional \$59.2 million in economic activity within the Cincinnati region. When these expenditures and impacts are combined, the economic impact of Music Hall's operations comes to \$114.5 million.

■ ANNUAL ECONOMIC IMPACT OF OPERATIONS, 2015

Direct Spending of Music Hall and its Companies	\$55,292,300
Indirect and induced Impact	\$59,184,900
Total Economic Impact	\$114,477,200

The indirect and induced impact is generated by local firms and employees who supply resources to Music Hall and its resident companies to support their operations. The size of indirect and induced impact emphasizes the importance of locally produced arts performances. Local resources are utilized heavily in producing a concert, for example, and the resulting income flows to local households. This is not the case for non-locally produced forms of entertainment because the income flows to households outside of the region.

ECONOMIC AND COMMUNITY IMPACTS OF THE REVITALIZED MUSIC HALL

HOUSEHOLD INCOME AND EMPLOYMENT IMPACTS

The impact of Music Hall and its resident companies on household income and employment begins with the wages and benefits the organizations pay to their own employees. The indirect impacts are produced, as other businesses hire and pay employees to meet the demands of the performances. All of these activities generate household income and contribute in supporting full and part-time jobs in the Greater Cincinnati region as these businesses³ in turn hire people to support their activities.

Music Hall and the four resident companies are projected to spend a combined \$19.4 million on wages and benefits in 2015. This will generate an additional \$18.3 million in indirect and induced impact resulting in a total earnings impact of \$37.7 million in the Greater Cincinnati region.

ANNUAL EARNINGS IMPACT OF OPERATIONS, 2015

Direct Spending of Music Hall and the Resident Companies	\$19,402,300
Indirect and induced Impact	\$18,288,900
Total Economic Impact	\$37,691,200

Altogether, the resident companies will employ 461 individuals, including 214 full-time and 247 part-time positions. Music Hall will account for another 47. Combined, this results in a total direct and indirect employment creation of 1,071 jobs for the Cincinnati region. This overall impact on employment is the sum of all jobs created or maintained as a result of the economic activity generated by Music Hall and its resident companies.

ANNUAL EMPLOYMENT IMPACT OF OPERATIONS, 2015

Direct Employment	508
Indirect and induced Impact	563
Total Impact on Employment	1,071

³ Most likely impacted businesses will include business services, theatrical supplies and services, retail and dining establishments.

Music Hall's resident companies expect to attract a combined attendance of 249,200 in 2015 through a projected 130 regular and educational (youth oriented) performances. The Cincinnati Symphony Orchestra and May Festival combined attendance is expected to comprise 68.1 percent (169,700) of the total. The following table shows projected 2015 attendance for each resident company. An estimated 15 percent ⁴ (37,400) of total attendance will be comprised of non-local visitors.

ANNUAL PROJECTED ATTENDANCE, 2015

Cincinnati Ballet	57,000
Cincinnati Opera	22,500
Cincinnati Symphony Orchestra and May Festival	169,700
Total Attendance	249,200
Non-local Attendance	37,400

⁴ The percentage of non-local visitors is an estimate used in the 2007 Arts and Economic Prosperity study conducted by Americans for the Arts. The study used a survey of 1,021 visitors asking them to provide the zip code of their primary residence

ECONOMIC IMPACT OF OFF-SITE VISITOR SPENDING AND OTHER NON-LOCAL REVENUES:

THE NEW MONEY IMPACTS

The non-local visitors, in addition to attending performances at Music Hall, often dine out, shop and incur transit and accommodation related expenses while in town. Therefore, off-site visitor spending creates additional economic impact for a region. It is estimated that \$50.29⁵ will be spent per visitor during their visit/stay in the Greater Cincinnati region in connection to attending the Music Hall performance. The 2007 Arts and Economic Prosperity study conducted by Americans for The Arts in Cincinnati states that "...when a community attracts cultural tourists, it harnesses significant economic rewards". This is due to the fact that higher per person spending was found in the categories of lodging, meals, and transportation in the case of visitors than for local attendees.

Off-site spending by visitors for dining, transportation, lodging and other retail purchases in conjunction with their attendance at performances in Music Hall is estimated at \$1.9 million. These expenditures will generate additional indirect and induced impacts as the businesses where these visitors spend their money make expenditures of their own. This 'multiplier' effect brings the total impact of this visitor spending to \$3.9 million for the year 2015 as shown in the following table. An additional earnings impact of about \$1.2 million and 46 jobs will be generated from this visitor spending. This off-site spending by visitors accounts for three to four percent of the overall economic impact figures for Music Hall operations.

■ ANNUAL IMPACT OF OFF-SITE VISITOR SPENDING AS SHARE OF TOTAL IMPACT OF OPERATIONS, 2015

	Direct	Total Impact	Earnings Impact	Employment Impact
Visitor Spending	\$1,879,500	\$3,860,600	\$1,175,200	46
Total Impact of Operations	\$57,171,800	\$118,337,800	\$38,866,400	1,117
Visitor Spending Share		3.3%	3.0%	4.1%

⁵ Spending estimate per non-local visitor adapted from the 2007 Arts and Economic Prosperity study conducted by Americans for the Arts and adjusted for inflation.

An estimated \$3.5 million of the total revenues for the Music Hall will come from outside the region in the form of grant money and ticket sales to non-local patrons. All of this revenue in addition to the non-local visitor spending is a cash inflow to the region, i.e., new money. Altogether, the amount of new money coming into the region is projected to be \$5.4 million. This non-local revenue will generate a total economic impact of \$7.2 million along with \$2.4 million in household earnings and 67 jobs.

Off-site visitor spending and non-local revenues will generate a combined 'new money' impact of approximately \$11.1 million with \$3.5 million in household earnings and 113 jobs in the region. This 'new money' impact, which accounts for nearly ten percent of Music Hall's annual economic impact, is especially important in replenishing the local economy with new dollars.

■ ANNUAL IMPACT OF NON-LOCAL REVENUES, 2015

	Direct	Total Impact	Earnings Impact	Employment Impact
Visitor Spending	\$1,879,500	\$3,860,600	\$1,175,200	46
Other Non-local revenue	\$3,483,500	\$7,212,200	\$2,374,600	67
Total 'New Money' Impact	\$5,363,000	\$11,072,800	\$3,549,800	113

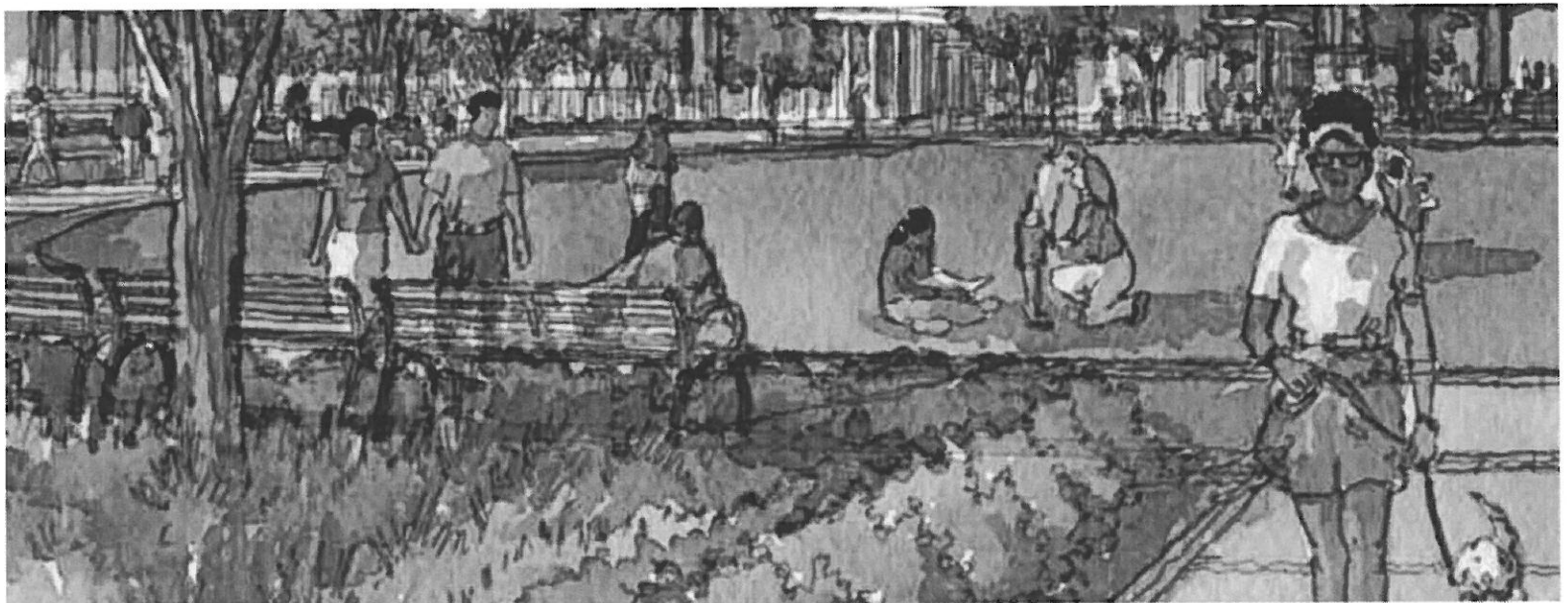
The operations of Music Hall are expected to bring a total of \$863,100 to local jurisdictions in sales and income tax revenues. As shown in the following table, the City of Cincinnati will receive about \$578,400 of all tax revenues, Hamilton County will receive \$156,300, and the balance of \$128,400 is divided in various ways among other jurisdictions within the region.

■ LOCAL ANNUAL FISCAL IMPACTS FROM OPERATIONS, 2015

		Cincinnati	Hamilton County	Others
By Tax Type	Sales Tax		\$156,300	\$15,200
	Income Tax	\$578,400		\$113,200
Overall Fiscal Impact	\$863,100			

5

MUSIC HALL'S CHANGING URBAN ENVIRONMENT



Enormous investments by individuals and effective public-private partnerships are bringing exciting new opportunities for living, working and playing to the neighborhoods around Music Hall. These efforts are changing downtown's urban environment and strengthening the best qualities of what already exists.

Music Hall enjoys a key geographic location in the urban basin and will continue to benefit from this changing environment. This location puts it in proximity to existing and emerging vibrant arts and entertainment districts. This linkage will only grow stronger with the implementation of the connecting Cincinnati Streetcar Line. Stable residential areas exist that support Music Hall and improved areas are planned and in progress that will tangibly impact Washington Park itself.

Overall, the population closest to Music Hall is growing and becoming more prosperous. Current policies and management practices have had a marked positive impact on this area.



ECONOMIC AND COMMUNITY IMPACTS OF THE REVITALIZED MUSIC HALL



The Banks

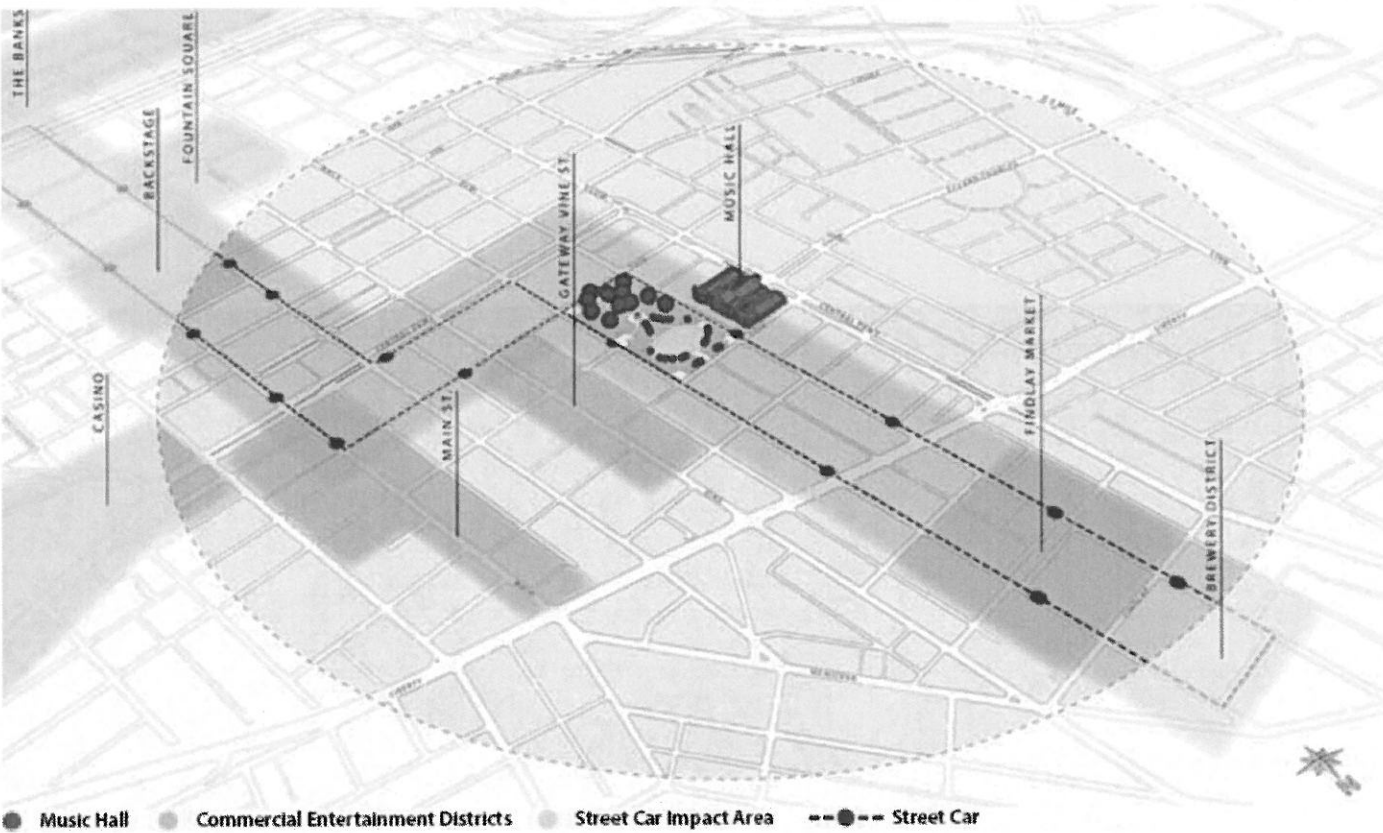


Back Stage



Fountain Square

DISTRICT CONNECTIVITY

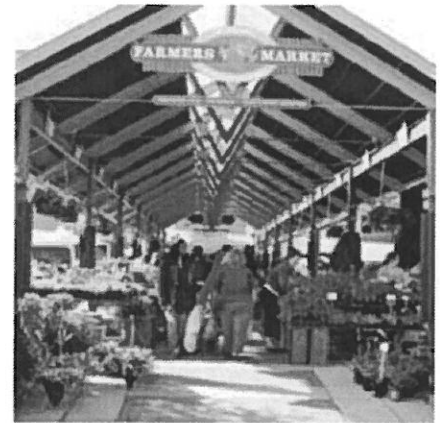




Main Street



Vine Street Gateway Quarter



Findlay Market

Music Hall is well positioned among recognized and emerging areas of commercial entertainment within the basin. The closest of which is the recently developed OTR Gateway district on Vine Street which houses an active cluster of restaurants and bars as well as design retail. The well established Main Street Arts and Entertainment district is also nearby and consists of a vibrant cluster of art venues, arts retail, and entertainment. At the edge of a half mile radius from Music Hall are the Backstage and Fountain Square districts organized around the Aronoff Theater, the Contemporary Arts Center and various entertainment venues. This area draws the lion share of downtown entertainment visitors and insures that the Central Business District remains an 18 hour environment. Also of note are four emerging districts. Findlay Market is a cultural attraction that supports a growing cluster of boutique food and beverage offerings. Themed entertainment is proposed north of Findlay market as the "Brewery District." And at the river's edge and relatively remote from Music Hall is The Banks district, new in 2010, which is rapidly accumulating mainstream restaurant and bars attractive to a regional clientele who can also enjoy the adjacent sports venues. Finally the forthcoming Horseshoe Casino, at the eastern edge of the basin, will draw 6 million visitors annually for gaming and entertainment and the adjacent blocks may evolve into a late night entertainment area.

While Music Hall itself is somewhat remote from several of these most populous commercial entertainment areas, it will have the benefit of the Cincinnati Streetcar loop which will effectively tie together all of these established and emerging commercial entertainment areas. The potential positive effect of this streetcar link cannot be understated, effectively giving the programming of the revitalized Music Hall a practical synergy with other relevant districts and access to millions of visitors annually who may be inclined to travel without cars throughout the basin.

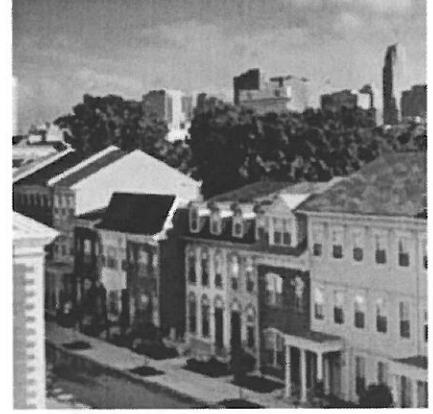
ECONOMIC AND COMMUNITY IMPACTS OF THE REVITALIZED MUSIC HALL



Prospect Hill

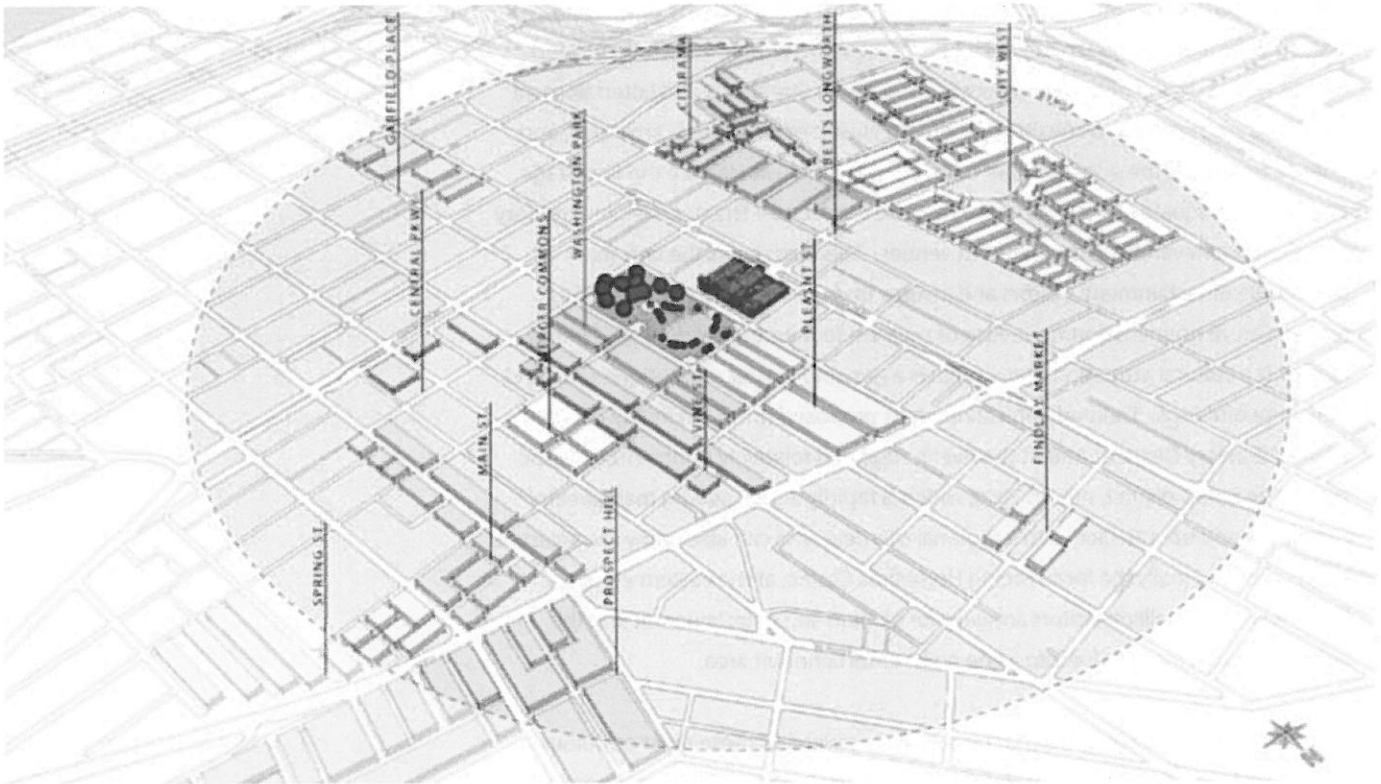


Betts Longworth



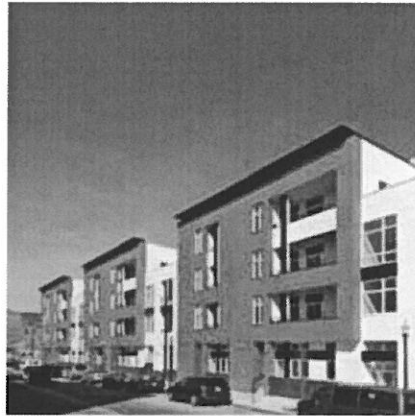
CityWest

HOUSING DEVELOPMENT





Central Parkway Lofts



New Residential Construction on Vine



Infill Single Family Housing on Pleasant Street

Within the basin the stabilization of existing residential areas and the extensive current and proposed redevelopment of others continue to have a substantial impact on the community around Music Hall. Over the last three decades, individual urban pioneers have championed the historic preservation of discrete areas of these neighborhoods. Prospect Hill, the Spring Street area, Orchard and Main Streets, Betts Longworth, and the Dayton Street Historic District are all such examples of saving and restoring historic building assets that might have been lost. Accordingly residents and property owners in these areas are highly committed both emotionally and economically to maintaining an increasingly unique urban environment. Major residential adaptive reuse projects and new condominium construction around Garfield Place and along Central Parkway contribute to this trend. Reconstruction of housing developments in the West End, led by public agencies for mixed income and market rate housing for the Citirama and the massive CityWest project have significantly improved the dynamics of residential occupancy. Public-private partnerships continue to plan and implement new market rate housing at various locations proximate to Music Hall including the Findlay Market Area, Vine Street, and Mercer Commons. And of critical importance to Music Hall and Washington Park itself is the already underway rehabilitation and new infill construction of housing at the edge of the park and in the Pleasant Street area just north of it.

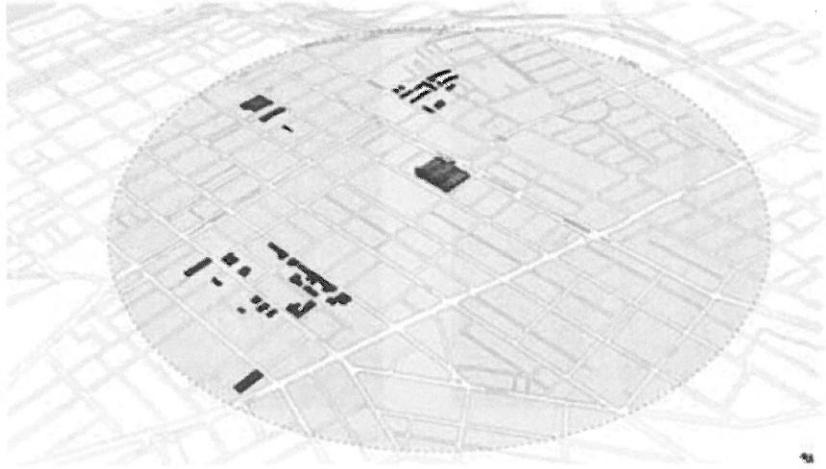
Investment in residential projects throughout the area, as measured in building permits issued is truly impressive, with 3,723 projects in the years 1993-2011. The following pages include illustrations designed to visualize the extent of redevelopment of not only residential but also commercial and institutional development in the study area.

ECONOMIC AND COMMUNITY IMPACTS OF THE REVITALIZED MUSIC HALL

DEVELOPMENT TRENDS

Phase I: Affordable Housing development 1985-

Development in this phase was spurred by Low Income Housing tax incentives and included several affordable housing developments of new construction: Bracket Village on Walnut Street and near City Hall. Early redevelopment of Main Street for entertainment, art galleries, and market rate housing in historic rehab buildings is also visible.



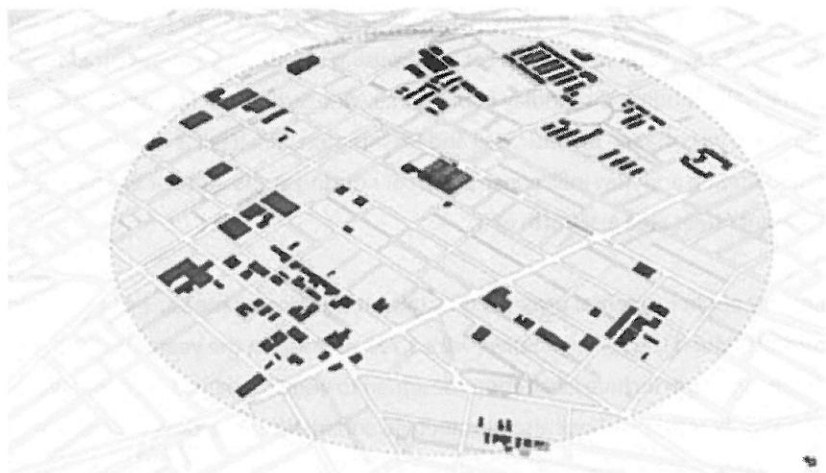
Phase II: Garfield Place and Betts Longworth

A major new market rate housing development occupied the blocks around Piatt Park in this period. Adaptive reuse and rehabilitation in this area and in Betts Longworth alongside single family development in CityRama. Above Central Parkway, the intact historic buildings of Main Street continued to be filled with new market rate housing, arts and entertainment uses.



Phase III: Condos on Main and Central

Condominiums emerged as a popular housing choice and spurred conversions of smaller apartments in the Main Street corridor as well as major adaptive reuse projects along Central Parkway including the Emery Center, Hale Justice, and the American Building. The massive Laurel Homes and Lincoln Court public housing areas were redeveloped under federal HOPE VI programs largely into new single family housing. Findlay Market experienced a rehabilitation of the market and surroundings.





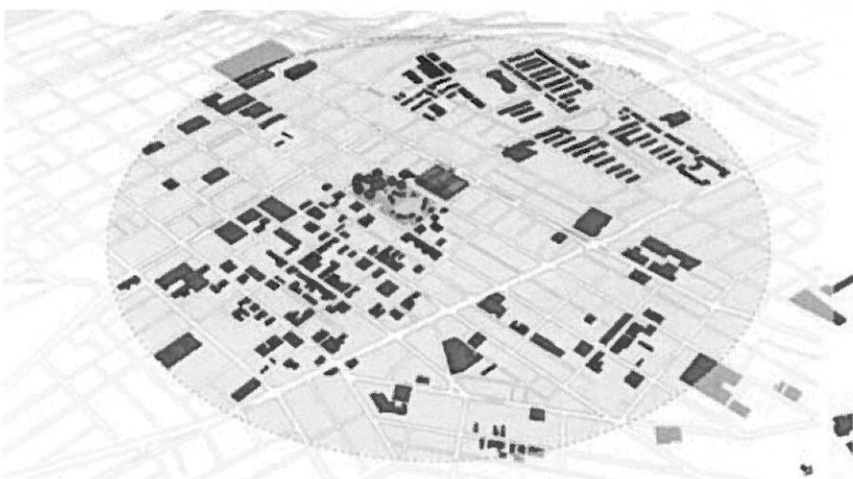
Phase IV: CityWest and the convention center expansion

CityWest nears buildout in this period contributing more single family housing to the immediate area. A major expansion of the convention center significantly expands capacity and brings more visitors to downtown and the lower part of Vine street, in Over-the-Rhine, is slowly stabilized. And the Cincinnati Art Academy relocates to OTR from Mt. Adams bringing its vibrant student and faculty population to live and work.



Phase V: Gateway Quarter and Findlay to the Present

A major redevelopment strategy comes to fruition for 3CDC in the Gateway quarter which effectively creates a new branded district along with supporting housing along Vine, and at the edge of Washington Park including the foot of Pleasant Street. Eric Kunzel's dream of an arts campus begins to be realized with the new SCPA building below Washington Park. Redevelopment continues apace in the Findlay Market district.

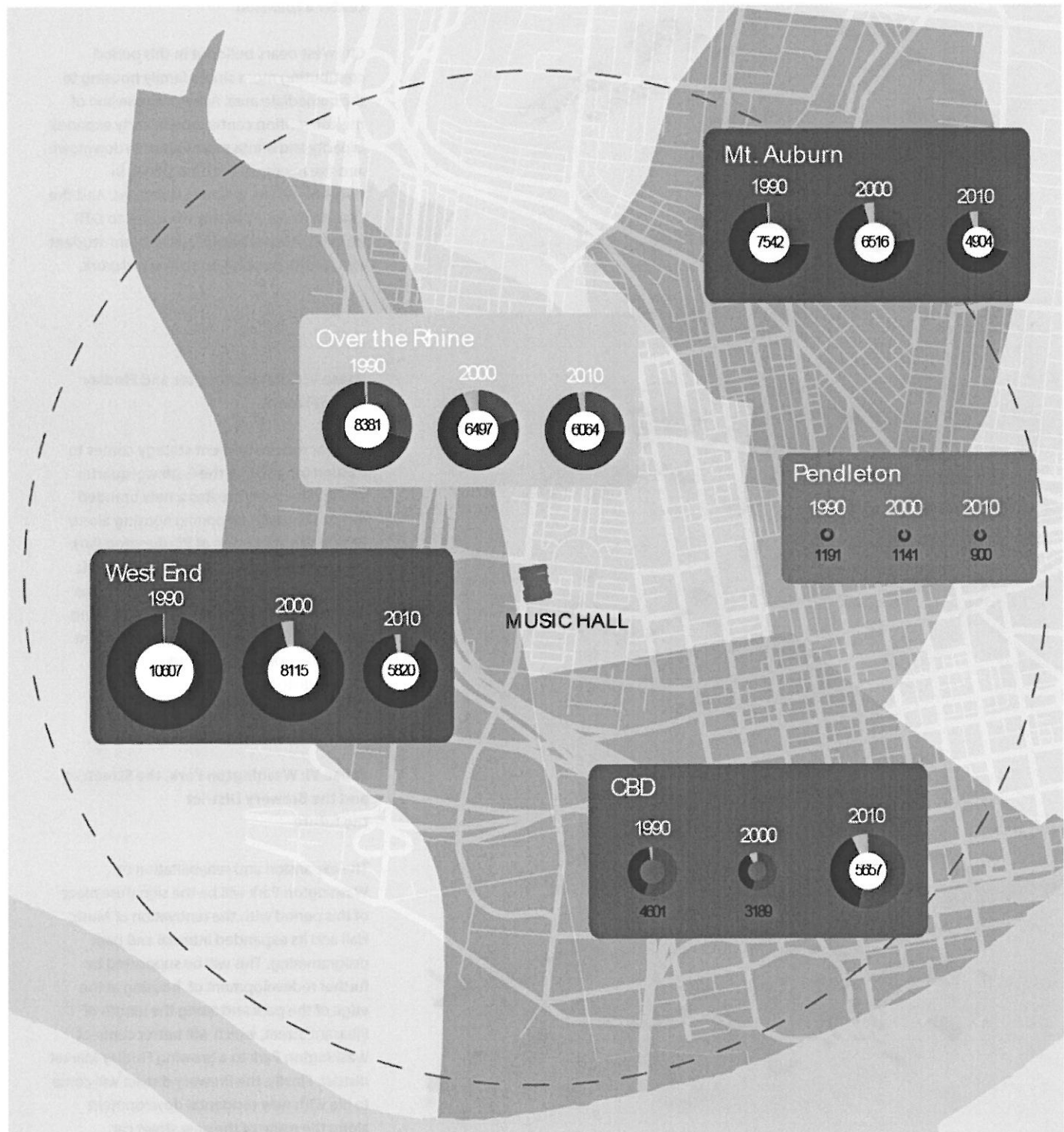


Phase VI: Washington Park, the Streetcar and the Brewery District the future

The expansion and rehabilitation of Washington Park will be the signature piece of this period with the renovation of Music Hall and its expanded internal and park programming. This will be supported by further redevelopment of housing at the edge of the park and along the length of Pleasant Street, which will better connect Washington Park to a growing Findlay Market district. Finally, the Brewery district will come to life with new residential development along the route of the new street car.

ECONOMIC AND COMMUNITY IMPACTS OF THE REVITALIZED MUSIC HALL

DEMOGRAPHIC TRENDS



● Black ● White ● Other ○ Income

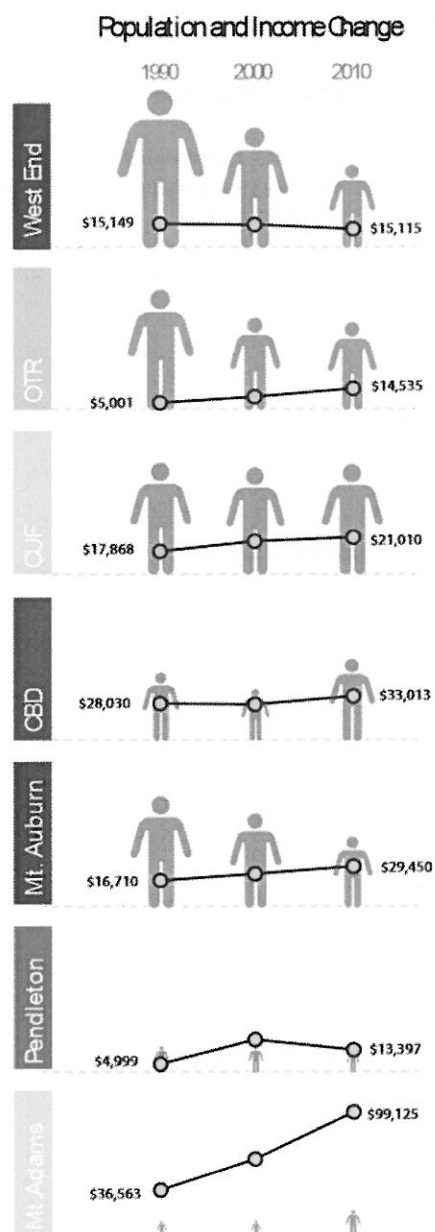
A survey of socio-economic indicators yields evidence of positive trends in income and population changes among neighborhoods within a one mile radius of Music Hall.

Median household income rose in almost all of these neighborhoods and remained relatively flat in the remainder, which is impressive given the recent economic downturn. Mt. Adams, whose residents make up a demographic profile perhaps most likely to engage with Music Hall programming, is the least populous of these neighborhoods, but has grown and has experienced remarkable income growth by nearly 300% between 1990 and 2010.

Anomalies exist for population change in the West End and Over-the-Rhine which should not be interpreted negatively. The West End experienced substantial population loss as a result of the reconstruction of the Laurel Homes and Lincoln Court public housing projects which reduced the number of residential units available by 1,000. These units, reserved for low income families by the Cincinnati Metropolitan Housing Authority were replaced with a smaller number of mixed income single family housing which will result in home ownership rates and median household income for the neighborhood to trend higher as the project is fully built out.

Additionally both Over-the-Rhine and the West End experienced population loss as a result of federal housing policy that changed application of housing subsidies for low income families. Policy vouchers for housing subsidies were provided directly to low income families rather than to the rental property owners. This gave these families the option of moving to other neighborhoods that offered amenities more appropriate to households with children. Landlords also reduced the inventory of available subsidized housing in the area. Population numbers in 2000 and 2010 reflect this migration and it is notable that while the strongest impact of this policy took place before 2000, since then OTR population has only declined by 7%. This may suggest that incoming residents replaced some portion of departing families. Flat median income growth in this period, despite replacement of low income households, may be a result of the entry level incomes of younger new residents who are attracted to rehabbed urban housing as it became available.

The big success story of population change in the basin is the growth in residency in the Cincinnati Central Business District which nearly doubled in the last decade and may represent a new mixture of lifestyle and income profiles that favor Music Hall programming. Additional population growth is expected in the CBD and the West End. According to the 2002 Over-the-Rhine Comprehensive Plan, the existing habitable housing units with the reasonable addition of 2,000 more would bring a population of more than 15,000 people to the neighborhood.

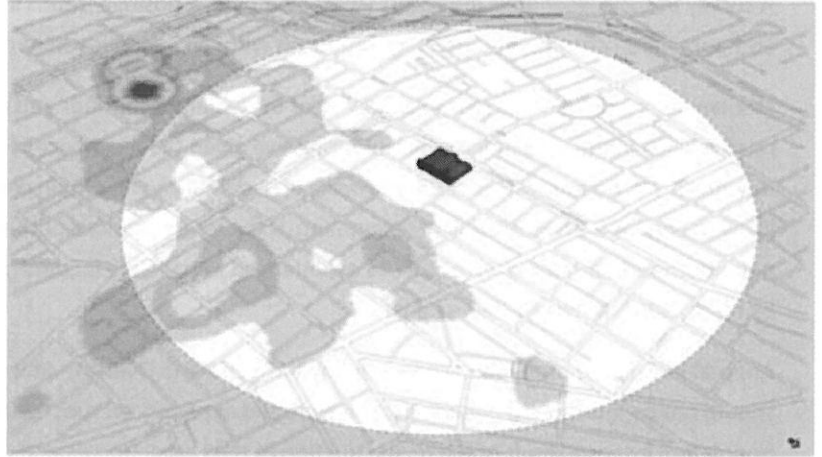


ECONOMIC AND COMMUNITY IMPACTS OF THE REVITALIZED MUSIC HALL

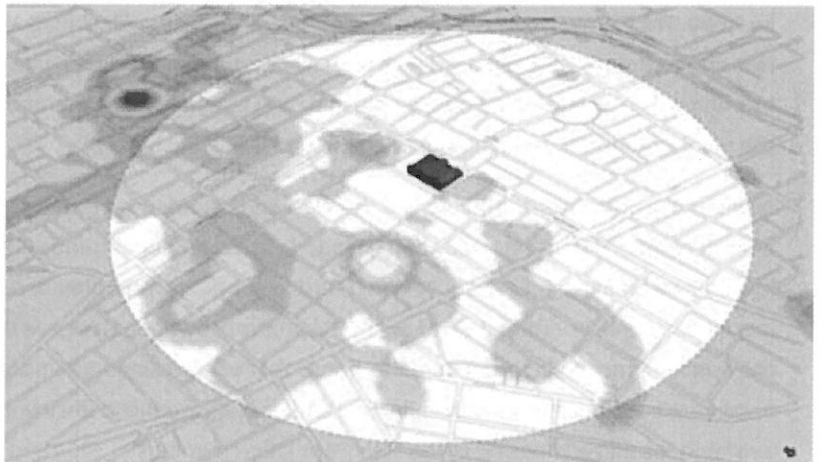
SAFETY TRENDS

PROPERTY CRIME 2000

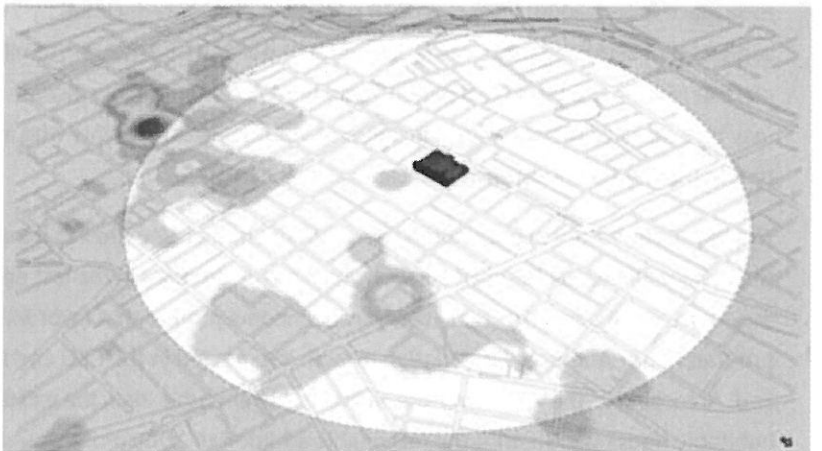
Property crime surveyed in 1990, 2000, and 2010 show a steady decrease and migration away from Music Hall

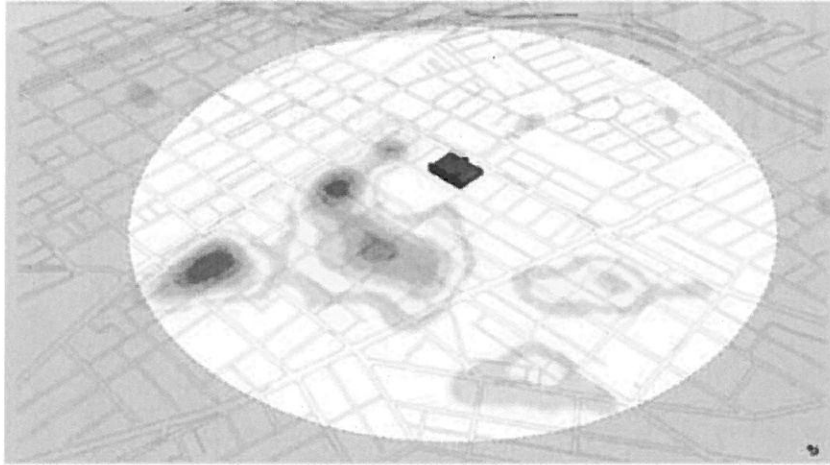


PROPERTY CRIME 2005



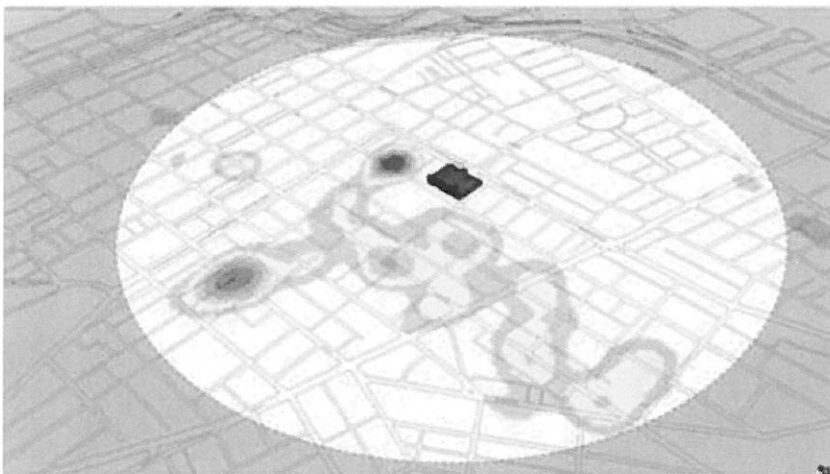
PROPERTY CRIME 2010



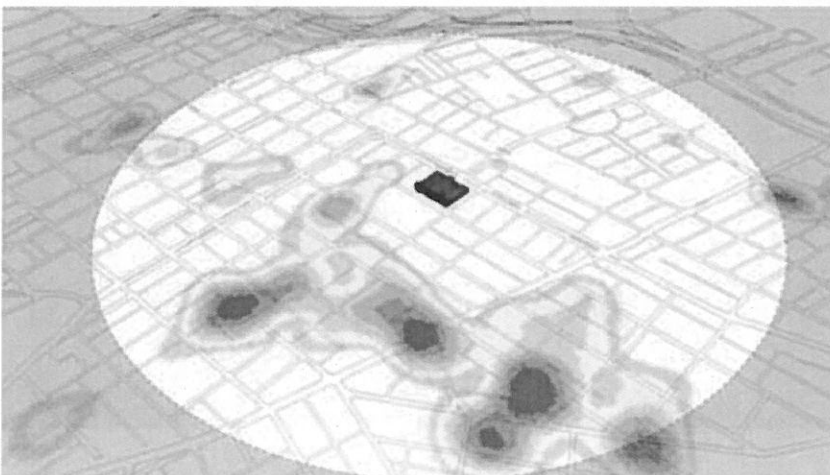


VIOLENT CRIME 2000

Violent crime surveyed in 1990, 2000, and 2010 show a steady migration away from Music Hall. Although crime has intensified in certain hot spots, the overall number of incidents has declined.



VIOLENT CRIME 2005



VIOLENT CRIME 2010

	2000	2005	2010
Property Crime	2,274	2,351	1,562
Violent Crime	1,277	1,287	947
Total	3,551	3,638	2,509



6 | MUSIC HALL AT THE AXIS OF ARTS, CULTURE & ENTERTAINMENT

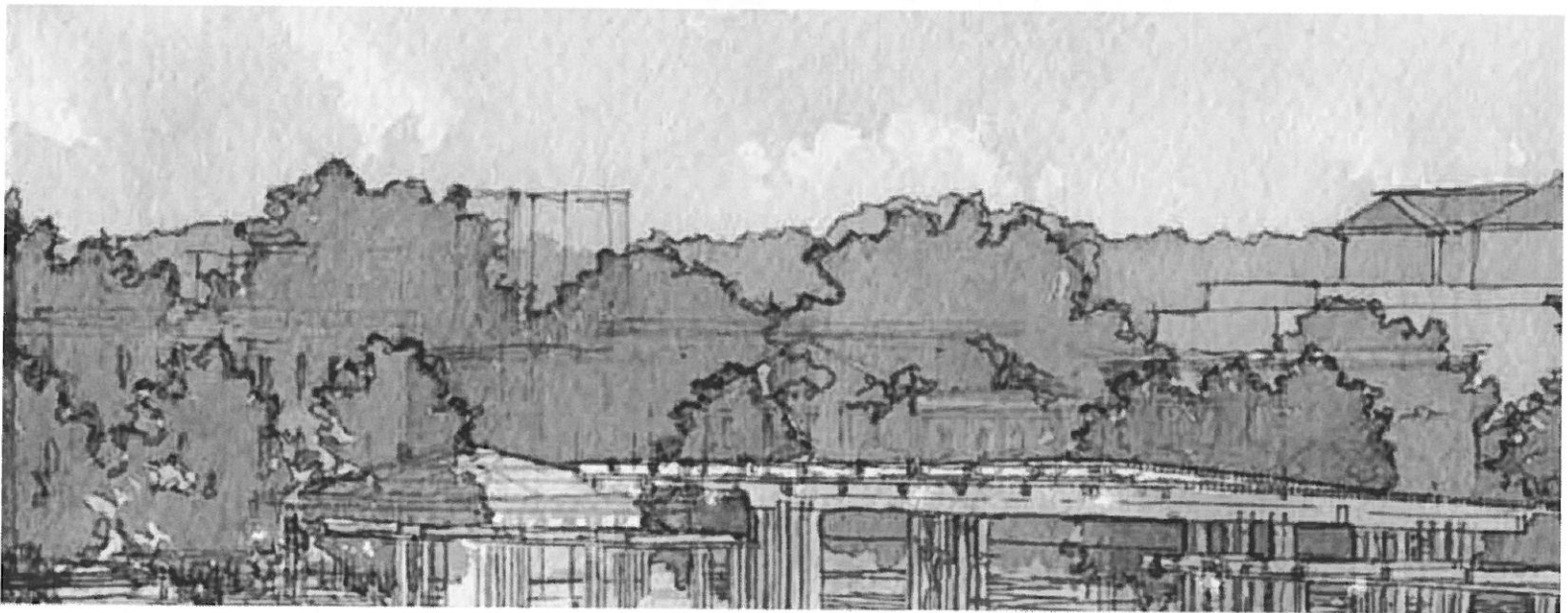


As the City's center resumes its position as a regional entertainment, arts, and cultural destination, Music Hall will be able to take advantage of its location to draw visitors from other synergistic arts and entertainment venues.

Music Hall is nearly at the geographic center of an axis of the arts within the basin which stretches from the Freedom Center to Findlay Market, and from the Cincinnati Museum Center to the Pendleton Arts Center. Music Hall is also integral to the seemingly scattered arts institutions in Over-the-Rhine.

When these institutions are considered with synergistic uses such as art galleries and entertainment we can see that Music Hall is part of a vital linkage among both arts activities and among entertainment activities in the basin and its immediate area.

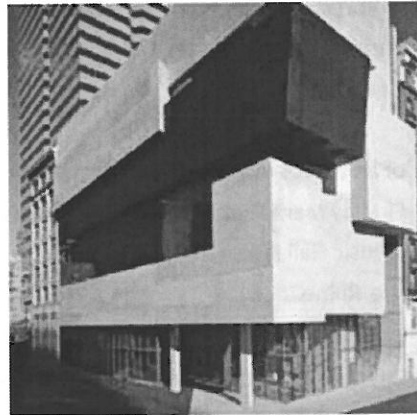
Ultimately, relative employment, revenue, and attendance figures indicate that Music Hall participates in and materially supports a creative economy. Its role in the vibrant cultural environment makes it a critical asset for the city and region.



ECONOMIC AND COMMUNITY IMPACTS OF THE REVITALIZED MUSIC HALL



Aronoff Center

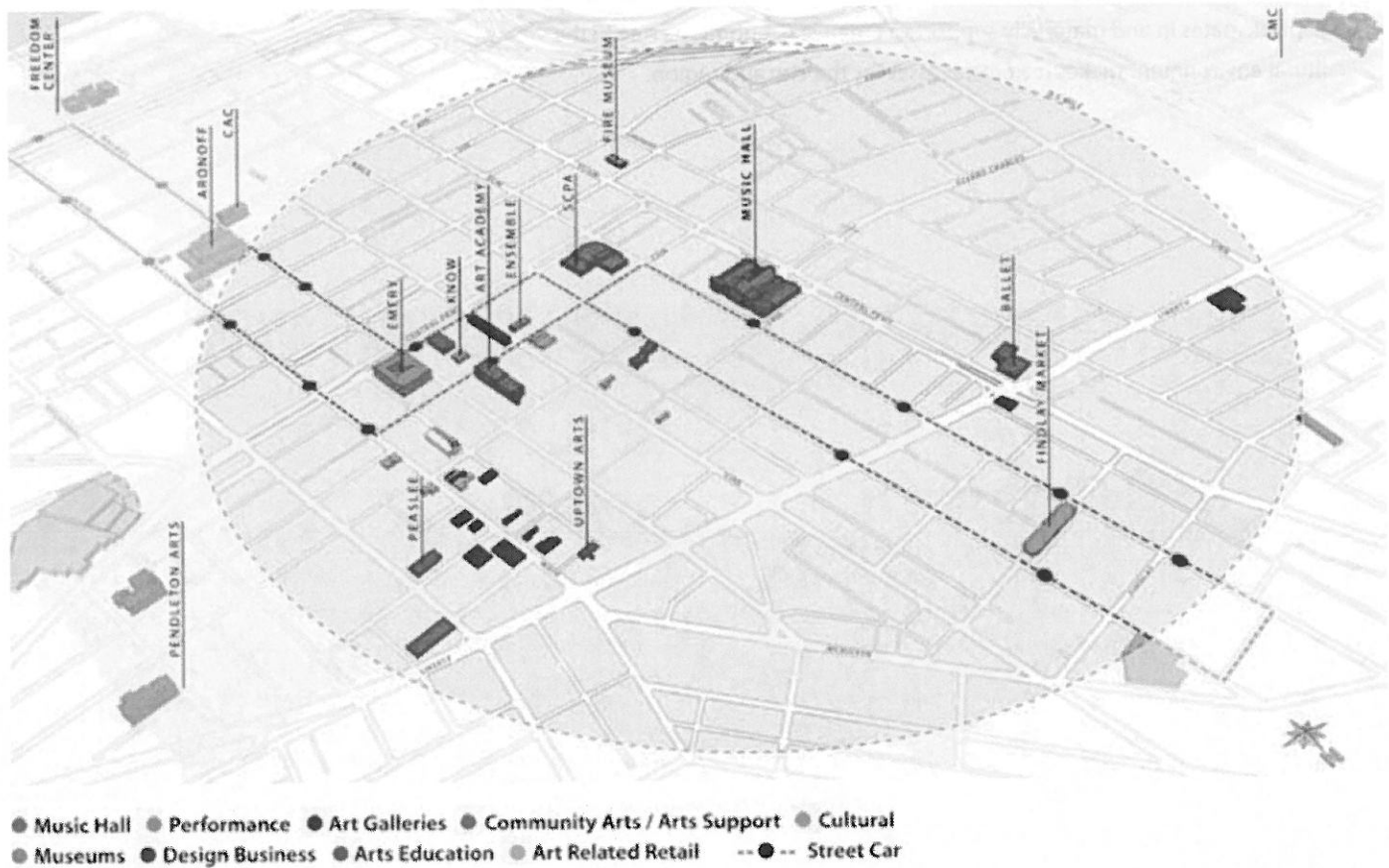


Contemporary Arts Center



Art Academy of Cincinnati

THE AXIS OF THE ARTS, ENTERTAINMENT, AND CULTURE





The Ensemble Theater



The Know Theater



School for the Creative and Performing Arts

The area within one half mile of Music Hall boasts the greatest density of art venues and organizations in the entire region. These include major venues such as the Cincinnati Ballet's Mickey Jarson Kaplan Performance Studio, Memorial Hall, Auditoria of the new School for Creative and Performing Arts, the Ensemble Theater, The Know Theater, and the soon to be renovated Emery Theater. Two well established art education programs, The School for Creative and Performing Arts and The Art Academy of Cincinnati, have chosen to relocate to the area closest to Music Hall in new and renovated buildings. A critical mass of art galleries exists on Main Street and benefits from monthly gallery walks. And neighborhood focused youth and adult art programs are available in three locations including Uptown Arts, The Peaslee Center, and the Emmanuel Center located on Washington Park.

Within walking distance is the Aronoff Center and the Contemporary Arts Center which together are a major regional attraction. The forthcoming Cincinnati Streetcar will link the riverfront Freedom Center Museum to Music Hall and Washington Park. Finally, the Cincinnati Museum Center and the Pendleton Arts Center, which houses more than 200 fine art studios and has its own gallery walk, are equidistant but easily accessible from Music Hall at roughly three quarters of a mile.

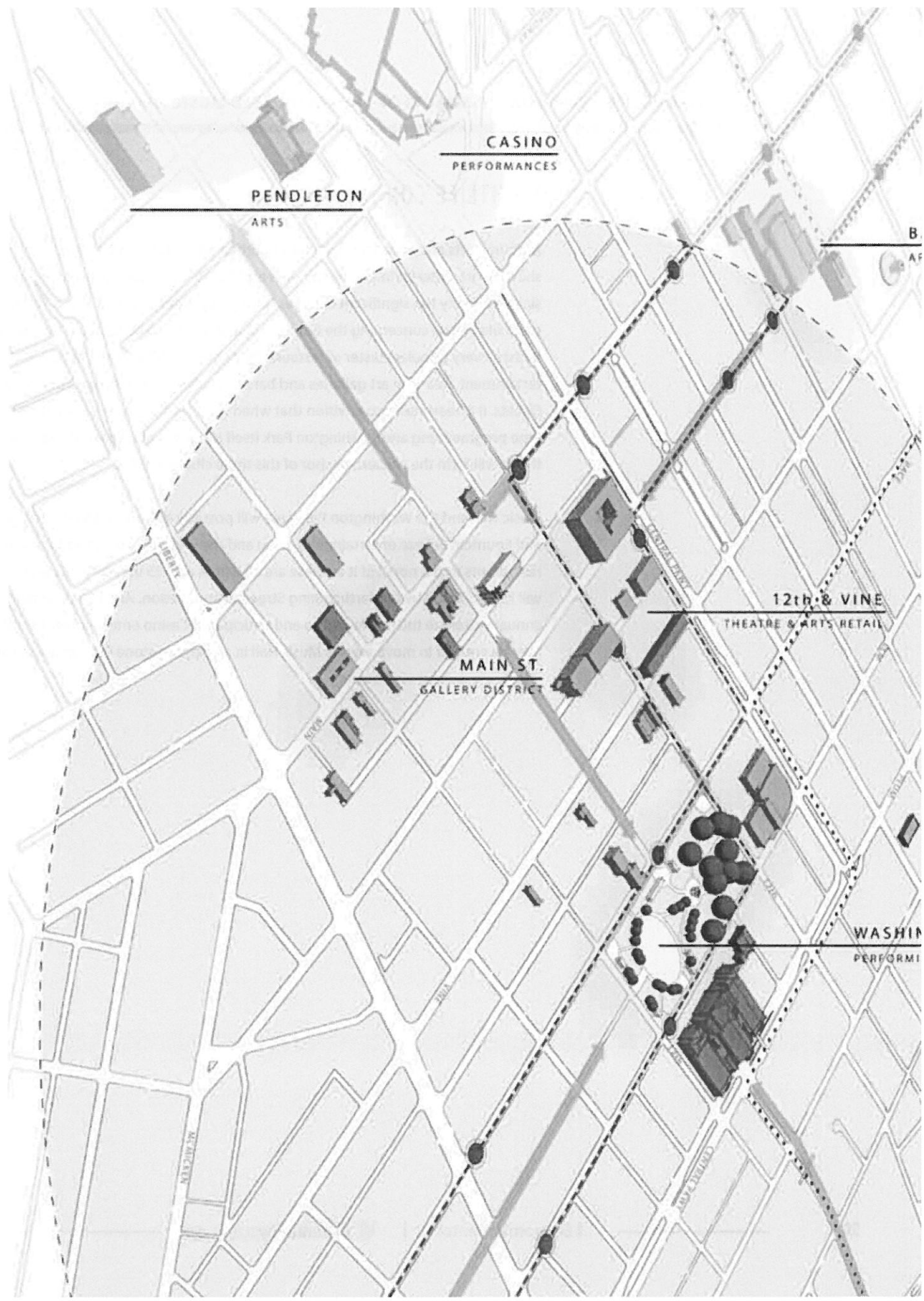
ARTS CONNECTIVITY

When considering the proximity of arts related programming and entertainment venues, it is clear that Music Hall is well situated to take advantage of connections among these synergistic activity clusters.

The sites of art and design related retail, design studios, art support organizations like Arts Wave, cultural venues like Findlay Market and other related uses capitalize upon the proximity to Music Hall and the all-encompassing urban fabric of arts and culture. Main Street with its eclectic arts and design cluster is well known and appreciated. The 12th Street and Vine Street area is becoming a destination for theater and design arts. And the Washington Park district with the SCPA, venues in Memorial Hall and Music Hall, as well as the forthcoming programming of Washington Park for outdoor entertainment, promises to make this area a hub of activity. The important linkage between these clusters along 12th Street and along 13th Street is very clear, and will credibly strengthen as each one draws visitors that will seek experiences among the others.

Likewise connections to the Backstage Arts venues to the south and the cultural asset of Findlay Market to the North are reasonably close with a 10-15 minute walk and a future convenient and attractive streetcar ride. Beyond this, linkages for visitors to the Pendleton Arts Center and the Cincinnati Museum Center can and should be strengthened with shuttles and pedestrian/bike amenities to augment already existing designated bus service among cultural destinations around the city.

- Music Hall ● Arts Related ● Retail ● Design Business ● Cultural --●-- Street Car Metro Bus Lines



NIGHTLIFE CONNECTIVITY

Nighttime arts and entertainment are key urban attractions for the region. By showing art, entertainment, restaurants and bars it is possible to see that Music Hall already has significant linkages to close-by entertainment areas. This is particularly true concerning the Gateway district centered at 12th and Vine which boasts a very popular cluster of restaurants. Again, the Main Street arts and entertainment area with art galleries and bars is relatively close along 12th and 13th Streets. It is reasonable to envision that when Music Hall is hosting robust nighttime programming and Washington Park itself is the site of active outdoor events, that it will form the western anchor of this three cluster linkage.

Music Hall and the Washington Park area will possibly draw from the Backstage and Fountain Square entertainment areas and the scattering of active bars and restaurants to the north of it as these are all within a 10-15 minute walk. Again this will be facilitated by the forthcoming Streetcar connection. And the six million annual visitors to the future Casino and anticipated Casino entertainment district may be enticed to move toward Music Hall in a stepping stone fashion along the vitality clusters on 12th Street.

-
- CASINO
NIGHTLIFE
- THEATRE
- LIBERTY
- MAIN ST.
ART NIGHTLIFE
- 12th & VINE
THEATRE, NIGHTLIFE
- WASHINGTON
PERFORMANCE

MAIN ST.
ART NIGHTLIFE

12th & VINE
THE WIRE NIGHTLIES

WASHING
PERFORMANCE

Economic Impact Study of the Clay Center for Arts and Sciences of West Virginia



Prepared for:
Clay Center for the Arts and
Sciences of West Virginia



Prepared by:
Center for Business and
Economic Research
Marshall University

Economic Impact Study of the Clay Center for the Arts and Sciences of West Virginia

Prepared for:

Clay Center for the Arts and Sciences of West
Virginia

9/12/2011



ECONOMIC IMPACT STUDY OF THE CLAY CENTER FOR THE ARTS AND SCIENCES OF WEST VIRGINIA

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Disclaimer:

The contents of this report reflect the views of the authors who are responsible for the accuracy of the data presented herein. The views expressed in this report are those of the authors and do not reflect the official policy or position of Marshall University or its governing bodies. The use of trade names, if applicable, does not signify endorsement by the authors.

Table of Contents

Executive Summary	5
Introduction to the Clay Center.....	7
The West Virginia Symphony Orchestra	9
A Review of the Cultural Amenities Literature	10
Surveys.....	11
Input/output Models.....	12
Contingent Valuation	12
Conclusions Drawn from the Literature	13
Methodology	13
Economic Impact Analysis	13
Operating Impact	14
Intangible Benefits	16
Member Profile	19
Respondent Type and Location	19
Respondent Behavior Related to Clay Center Performances	20
Respondent Behavior Related to Clay Center Museum Activities	24
Demographics	27
Future Activity and Commentary	29
Focus Group Insights	30
Conclusions.....	31
References.....	33
Appendix A – Attendee Origin by Zip Code	35
Appendix B – Attendee Survey	37

Table of Figures

Figure 1: Season Ticket Holder Status.....	21
Figure 2: Quantity of Season Tickets Purchased	21
Figure 3: Respondents Attending Performances within the Last Year.....	22
Figure 4: Status as a Museum Member.....	24
Figure 5: Respondents Visiting the Museum/Galleries/Theater within the Last Year	25

Table of Tables

Table 1: Clay Center Attendance.....	7
Table 2: Program and Workshop Attendance for FY 2009-10.....	9
Table 3: Employment Impact.....	14
Table 4: Total Employment Impact by Industry	15
Table 5: Personal Income Impact	15
Table 6: Total Spending Impact.....	16
Table 7: School Attendance for FY 2009-10.....	19
Table 8: Contact List and Respondent Comparison	19
Table 9: Largest Zip Code Representation by Respondent Type	20
Table 10: Season Ticket Holders for Other	22
Table 11: Primary Method for Obtaining Information Regarding Upcoming Performances.....	23
Table 12: Additional Activities and/Errands during Latest Visit to Clay Center Event.....	23
Table 13: Status as a Museum Member.....	24
Table 14: Visits to the Clay Center Museum, Galleries or Film Theater within the Past Year....	25
Table 15: Typical Party Size for Visitors to the Clay Center Museum,	26
Table 16: Additional Activities and/Errands during Latest Visit	26
Table 17: Primary Method for Obtaining Information	27
Table 18: Adults in Respondent Households.....	27
Table 19: Children Under 18 Years of Age in Respondent Households	28
Table 20: Respondents by Age Grouping.....	28
Table 21: Respondents by Household Income Grouping	29
Table 22: Likelihood of Attending Future Performances	29
Table 23: Likelihood of Visiting Museum, Galleries, or Film Theater	30
Table 24: Likelihood of Becoming a Museum Member or Purchasing Season Tickets	30

ECONOMIC IMPACT STUDY OF THE CLAY CENTER FOR THE ARTS AND SCIENCES OF WEST VIRGINIA

Executive Summary

West Virginia is very fortunate to have the Clay Center for the Arts and Sciences within its borders. To find a similar world-class facility with the programs and facilities the Clay Center possesses, one would have to travel long distances and discover that there are only a tiny handful which provide the range of amenities which are available at the Clay Center. Few combine a world-class performance hall with a symphony orchestra, planetarium, art gallery, science center and educational programs targeted primarily for youth. While similar features might be found in major urban areas, they would be housed in different locations under alternative forms of organization rather than within a single, easily accessible location.

The kids enjoy it – that's the most important thing.

– Clay Center Attendee surveyed in June 2011

The West Virginia Symphony Orchestra (WVSO) is housed at the Clay Center. While the WVSO is a separate organization and operates independently from the Center, its major performances take place in the

Clay Center's performance hall. The WVSO's headquarters are also in the Clay Center.

While the Clay Center is often considered to be the premier cultural and arts center for the State, the economic impact of the Center also makes it a major business enterprise, creating jobs and income which would not be available if it were not for its presence. Marshall University's Center for Business and Economic Research was employed by the Center to prepare a study to document these impacts for the year 2009-2010. What follows are highlights from the full report.

- Roughly 227,000 attendees to the Clay Center within the study year including:
 - Over 50,000 school age children flocking to the Clay Center for hands on experiences in science and the arts
 - Roughly 77,000 visitors attending the museum and galleries
 - Nearly 31,000 experiencing WVSO performances
 - Another 31,000 patrons enjoying the talents of performers appearing at the Center
- Total employment of 379 positions generated by activities related to the Clay Center and the WVSO
- Over \$16 million in output added to the State's economy from activities of the Center and the WVSO
- \$6.7 million of personal income for West Virginia residents from Clay Center and WVSO operations

- Total volunteer hours of 4,252 represent an annual value of \$30,827 if these volunteers were paid the federal minimum wage of \$7.25
- Community enthusiasm and support for the Clay Center and WVSO is evidenced by \$4 million in contributions and memberships
- The Clay Center is a cultural amenity which attracts and retains highly-skilled workers and technology industries to the State
- Those who attend the functions at the Clay Center are unanimous in endorsing its value and consider it to be a State “treasure.”

*I am very pleased we have the Clay Center.
I have had nothing but good experiences there.
– Clay Center Attendee surveyed in June 2011*

Many of the major benefits of the Clay Center and the WVSO cannot be fully expressed in quantifiable terms alone. But that failure should not serve to discount the contribution those benefits make to enrich the lives of West Virginians and visitors

to the region. Programs for children in the arts and sciences create excitement and enthusiasm which will open new doors of possibility for their future lives. The outreach programs of the Center bring educational and cultural opportunities to areas of the State which would otherwise be missing. The esteem a community and state enjoy from having a facility which is virtually unique in its scope and program is yet another way in which the Clay Center contributes to the positive image of the State. As more than one respondent to the patron survey responded, West Virginia is indeed fortunate to have the Clay Center.

Introduction to the Clay Center

The **Clay Center for the Arts and Sciences** opened July 12, 2003 in Charleston, West Virginia, and provides visual arts, performing arts and the sciences. The Clay Center presents the community and the region with performances, art and science programs and workshops, educational opportunities for students and an art gallery.

Included within the Clay Center's 240,000 square foot premises are the **Maier Foundation Performance Hall**, the **Bessie and Rome H. Walker Theater** and the **Charles M. Avampato Discovery Museum**. The Maier Foundation Performance Hall is a 1,900 seat theater that not only hosts a wide variety of performances but is also home to the West Virginia Symphony Orchestra. The black box theater, the Walker Theater, can accommodate approximately 150-200 people. A black box theater can be configured in a variety of ways, as a theater in the round, a cabaret setting or a classroom.

The Performance Hall is magnificent! The museum is a jewel.

– Clay Center Attendee surveyed in June 2011

The Avampato Discovery Museum is an innovative facility which provides two floors of interactive science exhibits for children and families. Also included within the Museum is the 9,000 square foot **Juliet Museum of Art** that features both traveling exhibitions and portions of the Museum's Permanent Collections. **The ElectricSky™ Theater**, also located within the Museum, presents planetarium shows and large format films on a large domed screen. The **Douglas V. Reynolds Intermezzo Café** is also a part of the Museum which offers food options for Museum visitors. Attendance, as measured by ticket sales and member visits, to the Clay Center for FY 2009-10 is illustrated in Table 1.

Table 1: Clay Center Attendance

Admission Category	Annual Attendance (FY 2009-10)
Museum only	35,486
Museum and film	13,564
Museum and planetarium	6,371
Museum, film and planetarium	11,098
Planetarium only	2,679
Film only	7,127
Film and planetarium	171
Total museum/gallery attendance	76,496
Clay Center performances	31,099
Clay Center school performances	6,680
WVSO performances	30,645
WVSO school performances	5,909

Along with daily ticket sales, the Clay Center also provides an opportunity for patrons to become supporting members. With seven membership levels¹, patrons can choose a membership category suitable to their preferences. For FY 2009-10, the Clay Center sold 2,100 memberships. The Clay Center is also supported by 120 volunteer ushers, art docents and teen museum volunteers representing 4,252 hours annually. The volunteer hours represent an annual value of \$30,827 if these volunteers were paid the federal minimum wage of \$7.25.

The Maier Foundation Performance Hall hosts a wide variety of performances every year. Performances include comedic performers, dance performances, theater shows, music performers and Broadway shows. For FY 2009-10, the Clay Center performance season, including eight season performances, four headliners and Broadway shows, had a total attendance of 31,099. The Clay Center partnered with organizations such as the Charleston Light Opera Guild for the performances of Peter Pan and the Unity Church for the Woody Hawley Concert Series. The Clay Center also hosts a number of school performances such as interactive performances,

It's Fantastic! Lucky to have the Clay Center.

– Clay Center Attendee surveyed in June 2011

theatre productions and educational performances. These school performances had attendance of 6,680 for FY 2009-10.

Besides hosting performances, the Clay Center facilities can be rented for special events such as weddings and/or wedding receptions, convention receptions, parties, meetings, lectures, community theater productions and many other events. All the public spaces in the Center are available for rental including the Maier Performance Hall, the Walker Theater, the Founders' Lounge, the Benedum Grand Lobby, Clay Center Classrooms, the Clark Performance Place Terrace, the ElectricSky™ Theater, the Juliet Museum of Art, the Greater Kanawha Valley Foundation Science Center, the Douglas V. Reynolds Intermezzo Café, and the Susan Runyan Maier Sculpture Garden. For FY 2009-10, 198 people, groups or organizations rented some portion of the Clay Center. Seventy-six of those rentals were in the Maier Performance Hall and 43 were West Virginia Symphony Orchestra-related rentals.

In addition to its normal operations, the Clay Center also provides a wide variety of programs and workshops for children, families and adults. Programs include hands-on art and science projects, live science demonstrations, after school programs, summer programs, book clubs, educational lectures and many others. Table 2 illustrates the programs, number of offerings and attendance for these programs in FY 2009-10. Descriptions of the following programs are detailed in the Intangible Benefits section of this report.

¹ <http://theclaycenter.org/membership/memberbenefits/default.aspx>

Table 2: Program and Workshop Attendance for FY 2009-10

Program	Number of Offerings	Annual Attendance
Lunchtime Lectures	11	665
Science Café at Taylor Books	5	121
Adult Workshops	9	130
Reading Art Book Club	6	48
Summer Discovery Camps	7 (full week programs)	135
2nd Saturdays at Capitol Market	12	220
After School Explorers	12	216
Whizbang Workshops	10	185
Clay Community Arts	n/a	400
Milton's Marvels Demos	780	5,800
Family Gingerbread	2	110

Many of the programs, workshops and other events are made possible by contributions from community members, including corporations, foundations and individuals, in-kind gifts and museum membership. Other groups, including the Collectors Club and Friends of the Clay Center, also raised funds to support the Center. Collectors Club works to contribute financial support to acquire works of art for the permanent collection of the Museum. The Friends of the Clay Center is a membership support group which is responsible for the Center's fundraising events. In FY 09-10, these gifts, memberships and support contributed over \$789,300 to the Clay Center's revenue. These contributions represent approximately 18 percent of the Clay Center's total revenues for FY 09-10. Without this community support, the Clay Center would not provide either the quality or number of programs it currently provides. The bullets below detail the revenue support categories:

- Annual support campaign contributed over \$60,000
- Over \$211,000 in major gifts were donated
- The Collectors Club supported the Center with over \$100,000
- Donations of in-kind gifts and other gifts totaled over \$17,300
- Friends of the Clay Center funded over \$88,000
- Over \$313,000 contributes to the Clay Center from membership sales
- Corporate sponsorships of over \$325,000
- Grants and Foundation support of \$1.5 million.

The West Virginia Symphony Orchestra

Also housed within the Clay Center facility is the West Virginia Symphony Orchestra (WVSO). With 230 musicians, the WVSO presents more than 50 concerts annually throughout the State

including concerts in Beckley, Elkins, Fairmont, Martinsburg, Lewisburg, Hurricane, Monroe County, Parkersburg and other WV communities. The WVSO has performed programs such as the Capitol Conference Center Symphonic Series, the ZMM Pops Series and the City National Bank Family Discovery Series. The WVSO has also participated in collaborations with the Charleston Ballet and other West Virginia art organizations. For FY 2009-10, the WVSO had an attendance of 30,645. The WVSO also hosted school shows which had an attendance of 5,909.

A Review of the Cultural Amenities Literature

Cultural amenities such as the Clay Center have been subject for investigation to determine the impacts they have on the economic, social and cultural vitality of a region. These studies were consulted to determine the methodologies used for making these determinations and to compare the results of this study with those found elsewhere. What follows is a synthesis of those inquiries.

Cultural industries are a subtle necessity for an enriched community. Culture within a given area can be used to cultivate pride, to create a regional identity and ultimately to capture and promote public value (Gard 1970). Socially, such industries provide entertainment and a means of community networking. Economically, they create a competitive advantage by fostering a creative workforce (National Governors Association Center for Best Practices 2009). Combined attributes arising from the presence of strong cultural industries “represent an increasingly potent source of localized competitive advantage and are a critical element of the contemporary creative city” (Scott 2006).

To grow in an increasingly global economy, communities must employ skilled workers whose jobs cannot be outsourced to cheaper labor markets. A culturally rich society attracts the entrepreneurs and workers at the heart of these advanced jobs.

According to Bayard (2005), creative industries “create a highly desirable quality of life that draws businesses and knowledge workers to further stimulate the economy.” When a community nurtures its cultural

sector, it is nurturing its own long-term economic development.

*Love the Clay Center, glad it's here, it has made a
world of difference in Charleston.*

– Clay Center Attendee surveyed in June 2011

The cultural industry is comprised of art museums, science museums, performance halls and heritage events, to name just a few. 2005 national estimates of these industries show direct employment of roughly 2.6 million full-time equivalent jobs (Americans for the Arts 2007). Furthermore, it is a sector rich in volunteer labor; Oklahoma’s nonprofit culture organizations received nearly 850,000 hours of volunteer work in 2008 (Oklahoma Arts Council 2010).

Studies to measure the economic impact of cultural organizations are key when art and creative centers compete for government-based funding. When more demands are placed on state budgets, expenditures on cultural amenities are often the first to be cut (Cohen, Schaffer and

Davidson 2003). In order to gain policy-makers' approval, the cultural sector must prove its ability to generate jobs, create government revenue and increase spending in the region.

However, it is often difficult to assign a dollar value to cultural goods and services. Throsby (2004) recognizes that there are "fundamental issues at stake concerning the true value of cultural goods and how that value should be constructed." The intrinsic benefits of the arts are often difficult to define tangibly as they "lie beyond the traditional quantitative tools of the social sciences" (McCarthy, et al. 2004, 37).

Cultural goods also behave differently than other products in the market place. For example, there is an 'option demand' where an individual values the choice of using and an existence value from the worth of the cultural amenity to the community as a whole (Clark and Kahn 1988). The estimation of the value derived from "arts and culture is complicated by the fact that much of this value is not tied up in the use of the good" and is further complicated as portions of benefits from the arts contains an element of value derived in the present from the heritage created for future generations (Brooks 2004). Considering the unique characteristics of cultural goods, a broad scope of information and various approaches to analysis are required to get a complete picture of a cultural institution's economic impact.

Different methods provide alternate perspectives on the functions of an institution. For example, willingness-to-pay analysis captures social externalities, and input-output analysis captures financial benefit to other businesses. A brief explanation of a sampling of the various methods and how they have been applied to similar studies, as well as potential problems associated with each follows below.

Surveys

Surveys of the audience and organization itself are a means of accessing a range of information. Questionnaires for the organization are often needed to provide financial statistics about payroll, expenditures and sources of revenue. It is important that financial records be measured consistently for accurate comparison. A nation-wide study, Arts & Economic Prosperity III, surveyed 6,080 organizations in 156 regions

The public speaks...

I agree that this museum rivals museums in other cities. I travel a lot and would easily put this museum up against most of the others I have seen.



...the Clay Center was the first place I actually listened to a symphony live. Yes I know you all are thinking... but it's in West Virginia! I know... but this center is beautiful inside and the orchestra can rival the offerings in many states.



This is a unique place compared to other performing arts venues in that it includes not only an 1800 seat theatre/black box theatre, but also an art gallery, an IMAX, and a kids science/learning museum....it's fun and there is a place for the "audience"... definitely worth the stop.

- Retrieved from yelp.com on July 5, 2011.

regarding expenses and revenue sources (Americans for the Arts 2007). Of the 156 regions, 152 included some variation of audience surveys.

To maintain accuracy, audience surveys must be carefully constructed due to the variety of patrons and the different impacts produced by certain types of patrons. Thoughtfully developed surveys provide objective data that may be deployed to produce reliable studies. Survey data can be used in place of projections and/or estimates of consumer participation, activities and expenditures. Survey data increases the reliability of study results.

In using surveys it is important to isolate participants by residence. Visitors from outside the region of the museum bring in outside dollars to the community. Local visitor expenditures may have been spent in the community on other activities regardless of the existence of the cultural institution. The existence of a cultural facility, however, may keep local dollars at home rather than having residents seek the cultural amenity elsewhere.

To illustrate the problem posed by relying upon surveys, Vander Stoep's (2004) assessment of Michigan's museums used audience surveys to calculate the economic impact of all museums in the state of Michigan. An analysis of that survey data showed that over-night visitors were over-represented in the survey sample and biased expenditure numbers upward. The choice to employ expenditure data acquired from audience surveys must be weighed against the potential biases inherent in the collected data.

Input/output Models

The economic impact goes beyond the cultural facility's payroll and attendance costs. When an organization pays salaries or makes other expenditures those payments are re-spent by those who receive them. This process continues through a process known as an economic multiplier.

Input/output models are used to track these transactions. IMPLAN² (IMpact analysis for PLANning) is one of the most widely used multiplier calculators. It uses social accounting matrices to estimate the total effect of economic transactions using historical data from 440 industry categories. Among the many examples, Lawton and Rowe (2010) employed this model

*West Virginia is extremely, extremely fortunate
to have the Clay Center.*

– Clay Center Attendee surveyed in June 2011

in their study of Maine museums. The 14 museums involved in the study and the visitors to these museums spent \$71 million, but the total impact of this spending was estimated at \$148 million, resulting in a crude spending multiplier of 2.1.

Outputs such as Employment

and Payroll each have their own multiplier as well, and tax revenue generated is calculated for the total impact of all sales, jobs and income created.

Contingent Valuation

While input/output models calculate actual monetary contributions to the economy of an arts facility, there is still a cultural value to the community which remains unaccounted. Typically,

² <http://implan.com/V4/Index.php>

contingent-valuation models, such as willingness-to-pay (WTP) calculate the market value of a good provided to the public at a discounted rate or free. These models place a value on the good or service based on what the user would have paid if the service had been offered at market price.

The implicit theoretical framework for contingent valuation considers the utility function of an individual or household based upon a level of a public good or service in the market (Noonan 2003). These methods are most commonly used to evaluate non-priced goods and services by examining the economic implications of not having them (Griffiths, King and Aerni 2006). However, traditional WTP models are controversial in their application to cultural amenities because of the “priceless” nature of such amenities. Furthermore, WTP assumes that consumers have complete information. Yet with arts and other cultural amenities, demand for the good is based on an acquired taste and hence “dynamically unstable” (Throsby 2003).

Conclusions Drawn from the Literature

Ultimately, a community that encourages a strong cultural sector enhances the long-term potential for economic development. Further, the value that a “community can obtain from the arts is based on the benefits that the community as a whole realizes from the esteem in which the community is held because of the arts available in the local area” (McCarthy, et al. 2004). One extensive review of economic studies found that next to the availability of a qualified labor force, quality of life, including cultural amenities, was the most important factor in the location of business using high skilled workers (Portland Development Commission 2002). Beyond creative achievements, arts entities and projects are expected to produce impacts on local social capital that are measurable and positive. This presents significant challenges to those who wish quantify such impacts (Newman, Curtis and Stephens 2003).

Methodology

In order to determine the economic value of the Clay Center and the WVSO, CBER used the IMPLAN© model. IMPLAN© (see Footnote 2) is an input-output model which takes the mathematical relationships between industries in a regional economy and relates them to the socio-economic characteristics of that economy. Based on these relationships, the economic impacts of an industry or organization can be determined. The result is an estimate of the income, output and jobs which can be attributed to that entity. For the purposes of this analysis, the region is the State of West Virginia.

It is a very nice facility for West Virginia...I would give it a 10.

– Clay Center Attendee surveyed in June 2011

Economic Impact Analysis

The most important component of an economic impact study is output, which estimates the total production of goods and services from the presence of an organization in an area. Output is the result of direct spending on labor, supplies, equipment and services. That spending creates income for workers and suppliers that is re-spent many times in the region. Spending on a project

is redistributed as those who receive the income use it to purchase goods and services elsewhere in the region. Their spending creates even more spending from the incomes received. This is called a “multiplier effect.” Economic impact analysis measures the extent of this spending as it passes through many rounds of redistribution. Of course, not all income is spent in any single area as individuals demand goods and services from other areas, resulting in spending leakages. Re-spending has both “indirect” and “induced” effects which create the additional impact. Indirect spending arises from establishments that provide employment and materials in support of the spending of the direct income they received. The induced effect measures the spending of income by households as a result of the employment generated from direct and indirect spending.

Operating Impact

The analysis of operating impacts is the estimate of permanent output, income and jobs created by the Clay Center and the WVSO. These results are annual based on the fiscal year ending June 2010. The primary operating activities of the Clay Center are those associated with contracting for independent artists and performers, advertising performances and events, maintaining electronic and communications equipment, payments to utilities and building services. The Center’s primary expense is for artists and performers. Because a significant portion of the expenses associated with performers occur outside West Virginia, that spending is “leaked” outside the State’s economy.

Table 3 describes the employment impact of the Clay Center and the WVSO in the fiscal year ending June 2010. The Clay Center employs 59 people full-time and several part-time that equate to five full-time equivalents. The WVSO employs 18 people full-time plus 230 part-time musicians. From a combined perspective this forms a base of 312 full and part-time positions. The distribution of salaries, income and benefits paid out to these individuals, as they are later re-spent within the economy, produce 67 additional jobs in other industries for a total employment impact is 379 full and part-time jobs. Table 4 describes the distribution of these jobs by groups of industries, including the base employment by the Center and the WVSO.

Table 3: Employment Impact

	Jobs
Direct Impact	312 jobs (Full and Part-time)
Additional Impact	67 jobs in other industries
Total Employment Impact	379

Table 4: Total Employment Impact by Industry

Jobs by Industry Group		
	Direct Employment	Additional Employment
Agriculture, Mining, Utilities, Construction, Manufacturing		5
Wholesale Trade, Transportation, Retail		12
Healthcare, Professional and Business Services		26
Arts & Recreation	312 (full and part-time)	4
Accommodations, Food and Other Services		13
Government		7
TOTAL		67

Table 5 provides estimates of the impact in terms of personal income. The distribution of salaries, income, and benefits paid out to Center and WVSO employees (roughly \$4.5 million) creates an additional \$2.2 million in income within the regional economy. This equates to a total impact on personal income in the State of West Virginia of roughly \$6.7 million.

Table 5: Personal Income Impact

Personal Income	
Direct Impact	\$4.5 million
Additional Impact	\$2.2 million
Total Income Impact	\$6.7 million

Averaging figures from the last two years of operations provides an annualized figure of total expenditures for the Clay Center and WVSO at approximately \$9.4 million. While a portion of that amount goes to import goods and services (from other states), the portion that stays in the West Virginia economy is used to buy local goods, services and labor. The net additional economic activity, the estimated amount of output added to the State economy after leakages of business and household income, and the positive multiplier effects of demand are both taken into account.

Clay Center and WVSO patrons/visitors also spend money at other establishments, primarily restaurants and retail, as part of their visits. Estimates from prior attendance and surveying by CBER as part of this analysis suggest that roughly 9 percent of these patrons/visitors are not West Virginia residents. Thus, their spending can be considered an additional impact resulting from the presence of the Clay Center. West Virginia patrons/visitors, on the other hand, would likely be making such expenditures within the state regardless of the existence of the Clay Center and to attribute this spending to the Clay Center would thus be inappropriate. Expenditure patterns for Center and WVSO patrons/visitors residing in other states were estimated at roughly \$190,000 annually. Approximately 70 percent of that figure arose from restaurant and hotel spending, while the balance was made of retail and related expenditures.

Table 6 illustrates the direct expenditures and additional impacts from those expenditures by type. The total direct output (expenditures) of \$9.4 million creates \$6.7 million of additional output within the state of West Virginia. The estimated \$190,000 from out-of-state patron/visitor expenditures creates \$110,000 of added local output within the state. This produces a total impact to the state from Center and WVSO operations (and their indirect/induced benefits) in the fiscal year ending June 30, 2010 of roughly \$16.4 million.

Table 6: Total Spending Impact	
Output Impact (Total Spending)	
Total Direct Output	\$9.4 million
Direct Output	\$4.5 million (made up of \$2.0 million of local business spending and \$2.5 million of household spending)
Multiplier Effects	\$2.2 million of additional local business and household income spent within West Virginia
Additional State Output	\$6.7 million
Spending by Out-of-State Patrons	\$0.2 million
Additional Impact of Local Spending by Out-of-State Patrons	\$0.1 Million
Total Output	\$16.4 Million

Intangible Benefits

The Clay Center provides a variety of services such as special events and programs, classes and lectures, book clubs, outreach events and much more. Such programs and events are available for children, families and adults. The programs and events provide a variety of intangible benefits to those patrons who attend, including increased education and stronger communities. It is difficult to attach a specific dollar amount to the programs and the benefits provided by the Clay Center to the surrounding community and its residents.

The programs and events of the Clay Center are illustrated below. These events and programs provide many social and community benefits. Many are free to the public or are available as part of admission to the museum.

We love that they have all the hands on things for the children.

– Clay Center Attendee surveyed in June 2011

- *Family Fun Days* are special events that occur throughout the year with science and art activities. Themes for Family Fun Days include exploring the science of water, solving a mystery with clues, an Earth Day event, interactive lab projects and a dinosaur night. Most Family Fun Days activities are included in the price of gallery admission.
- *Fun Lab* is a regular program that provides educational experiences for children, including art projects, music projects, and other hands-on activities. Most Fun Lab activities are included in the price of gallery admission.
- *Milton's Marvels of Science* provides live science demonstrations, including topics such as earth science, biology, physics and chemistry. Milton's Marvels activities are included in the price of gallery admission. Milton's Marvels was offered 780 times in FY 09-10 with an estimated attendance of 5,800.
- *Wee Wednesdays* is a program for preschoolers every Wednesday. This program includes story time and related activities designed especially for preschool-aged children. Wee Wednesdays activities are included in the price of gallery admission.
- *Kidstronomy* is a program designed to introduce children to earth science and astronomy. The Starlab portable planetarium is utilized in many of these sessions. Kidstronomy activities are included in the price of gallery admission.
- *After School Explorers Club* is a workshop that is designed for children in grades 2-6. The workshop includes a science demonstration, hands-on experiments and other activities. The After School Explorers Club ranges in price from \$12-\$15 per session or \$60-\$75 for an entire series. The After School Explorers Club was offered 12 times in FY 09-10 and had attendance of 216 students.
- *Summer Discovery Camps* include a variety of week long summer programs for school-aged children. The Camps include such topics such as physics, acting, filmmaking and interactive art. The prices for the Summer Discovery Camps range from \$30-\$75, depending on the camp. In FY 09-10, Summer Discovery Camps were offered seven times with an attendance of 135 children.
- *Science Café* is a program for adults, which includes guest presenters discussing a wide variety of science-related topics. For FY 09-10, Science Café was offered five times with an attendance of 121.
- *Adult Workshops* provide a wide variety of educational opportunities for adults, including acting workshops, business practices, stained glass, digital photography, open drawing studios and others. The cost to attend an adult workshop ranges from \$30-\$60. For FY 09-10, adult workshops were offered nine times with an attendance of 130.
- *Reading Art Book Club* is a book club for adults that focuses on books about the exciting world of art and includes art lectures, discussions and a view of the permanent art collection of the Clay Center. The cost of the Reading Art Book Club ranges from \$12-\$15. Reading Art Book Club was offered six times with an attendance of 48 during FY 09-10.
- *Lunchtime Lectures* provides adults with a lecture series of community presenters on a wide variety of topics including gardening, outdoor events and history. Lunchtime Lectures are free to the public. For FY 09-10, the Lectures were offered 11 times with an attendance of 665.
- *Outdoor Programs* include an opportunity for community members to experience the outdoors including the New River Gorge, campfires at the Kanawha State Forest, family hikes and other events.

- *Student Workshops* provide students with a hands-on experience in the Clay Center. Topics for the student workshops include Under the Sea, Crime Busters, Grand Canyon, Space Science and science demonstrations. These workshops cost approximately \$2 per student.
- *Summer Fun Day* is a day free of admission that the Clay Center and WVSO provide to the community each year. It includes visits the galleries, attending performances and films and playing with instruments.

Assigning a value to free or reduced-price programs requires estimating the difference in charges levied by the Clay Center and the potential price charged in the market for activities. If a difference between the price charged by the Clay Center and the market price exists, a Contingency Valuation methodology can measure that uncompensated benefit received by the community. To do this, the fees for similar programs must be compared to the fees charged by the Clay Center. Since the Clay Center is unique in the U.S. in the programs it offers, it was impossible to find comparable venues for purposes of comparison.

While the Clay Center hosts a number of educational programs within its facility, it also hosts many outreach activities. In an effort to enhance the quality of life throughout the State, the Clay Center provides educational opportunities beyond its walls. The Clay Center and the WVSO also distribute access funds to schools within the State and outside of the State to allow students to visit the Clay Center and attend WVSO and Clay Center performances. During FY 2009-

I really enjoy it for myself and our grandchildren enjoy it!

– Clay Center Attendee surveyed in June 2011

2010, the Clay Center distributed \$136,161 in access funds and the WVSO distributed \$19,777 allowing students who may not otherwise have access to visit and experience the Clay Center.

In 2006, Clay Community Arts was created to provide community-based educational opportunities in the arts throughout the State. This program provides students with music lessons from local instructors for instruments such as the guitar, keyboard, violin, steel drums, dulcimer and variety of brass and woodwind instruments. In addition to free lessons, students are given free instruments to continue their learning. Currently, this program has provided lessons to over 650 students in Clay, Kanawha, Lincoln, Mason and Mingo counties. In FY 09-10, 400 students attended weekly lessons or summer camps.

As an additional outreach activity, the Clay Center hosts 2nd *Saturdays at the Capitol Market*. On the second Saturday of every month, the Clay Center provides an art or science activity for the entire family. These activities are also free to the general public. For FY 09-10, 2nd *Saturdays at the Capitol Market* were offered 12 times with an estimated attendance of 220 people.

Another method of outreach for the Clay Center includes bringing an art or science session to a classroom or special event. These outreach events can be geared for any age group or number of students. Sample outreach events include interactive presentations, hands-on workshops or assembly demos on a variety of topics such as chemistry, physics, insects, the Solar System, health presentations and many more.

The Clay Center also provides opportunities for distance learning. Distance learning allows students to interact with museum educators through live videoconferencing. Distance learning provides students the opportunity to learn about topics such as global warming, animal adaptations, chemistry, health science and more.

While outreach activities and distance learning are provided by the Clay Center, a number of students visit the Clay Center every year. Table 7 illustrates the number of students who visited the Clay Center in FY 2009-10. To support teachers and educators, the Clay Center also provides teacher training, related curriculum for teachers, educators' guides and additional resources. The materials help the students learn interactively when visiting the Clay Center.

Table 7: School Attendance for FY 2009-10

	Museum	Museum and a Performance
Total school attendance	27,716	32,262

Constituent Profile

In an effort to better understand the behavior and expenditure patterns of the visitors to the Clay Center, the CBER conducted a survey of 2009-2010 attendees using a list of more than 6,900 visitors and attendees as provided by Clay Center Staff. Conducted by telephone using trained interview consultants, the survey was administered throughout the month of June 2011. It should be noted that while the contact list of attendees was from 2009-2010, the attendees answered the questions based on information from 2010-2011. The economic impact data discussed previously is based on FY2009-2010. A total of 439 valid survey responses were gathered. Overall results from that data collection, as well as responses disaggregated by respondent type where appropriate, are provided below.

Respondent Type and Location

The contact list supplied to CBER was broken down into three classifications: performance attendees, museum/galleries visitors and patrons of both performances and the museum/galleries. A comparison of the contact list with respondents to the survey is provided in Table 8. Respondents to the survey, by type, are illustrated in Figure 1.

Table 8: Contact List and Respondent Comparison

Classification	Original Contact List Percentage	Respondent Percentage
Performance attendees	45.7%	50.6%
Museum/galleries visitors	44.8%	37.8%
Patrons of both performances and the museum/galleries	9.5%	11.7%

Using the contact list provided, the zip code and corresponding city were calculated for all respondents. Charleston, WV, zip codes reasonably dominated the observations across all respondent types with surrounding communities such as South Charleston, St. Albans and Hurricane, WV, also well represented. The zip codes with the highest representation for each respondent type are illustrated in Table 9.

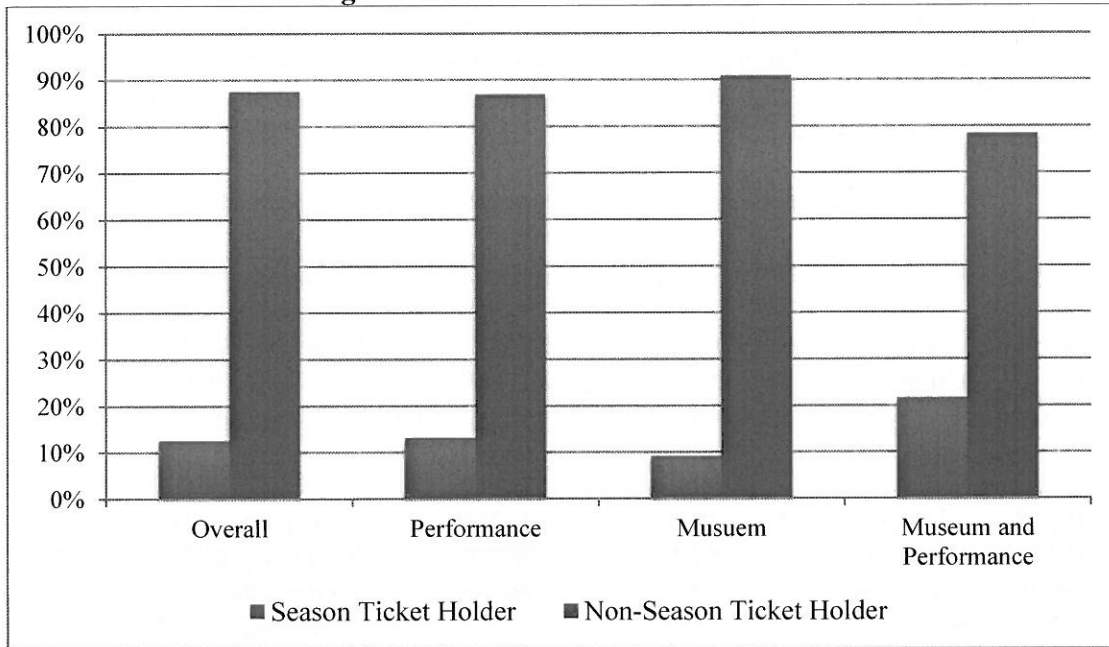
Table 9: Largest Zip Code Representation by Respondent Type

Overall					
25314	Charleston, WV	12.2%	25304	Charleston, WV	4.4%
25177	St. Albans, WV	5.5%	25309	South Charleston, WV	3.9%
25311	Charleston, WV	5.5%	25313	Charleston, WV	3.0%
25302	Charleston, WV	5.1%	25560	Scott Depot, WV	3.0%
25526	Hurricane, WV	4.6%	7 Zip Codes with 1.8%		
Performance Attendees Only					
25314	Charleston, WV	10.0%	25309	South Charleston, WV	5.0%
25311	Charleston, WV	6.8%	25302	Charleston, WV	4.1%
25526	Hurricane, WV	5.9%	26105	Vienna, WV	2.7%
25177	St. Albans, WV	5.0%	5 Zip Codes with 2.3%		
Museum Patrons Only					
25314	Charleston, WV	12.8%	25302	Charleston, WV	4.3%
25177	St. Albans, WV	6.7%	25526	Hurricane, WV	3.7%
25304	Charleston, WV	6.7%	25705	Huntington, WV	3.7%
25311	Charleston, WV	4.9%	25306	Charleston, WV	3.1%
25313	Charleston, WV	4.9%	25560	Scott Depot, WV	3.1%
Museum Patrons and Performance Attendees					
25314	Charleston, WV	19.6%	25071	Elkview, WV	3.9%
25302	Charleston, WV	11.8%	25177	St. Albans, WV	3.9%
25304	Charleston, WV	5.9%	25301	Charleston, WV	3.9%
25560	Scott Depot, WV	5.9%	25309	South Charleston, WV	3.9%
25064	Dunbar, WV	3.9%	19 Zip Codes with 2.0%		

Respondent Behavior Related to Clay Center Performances

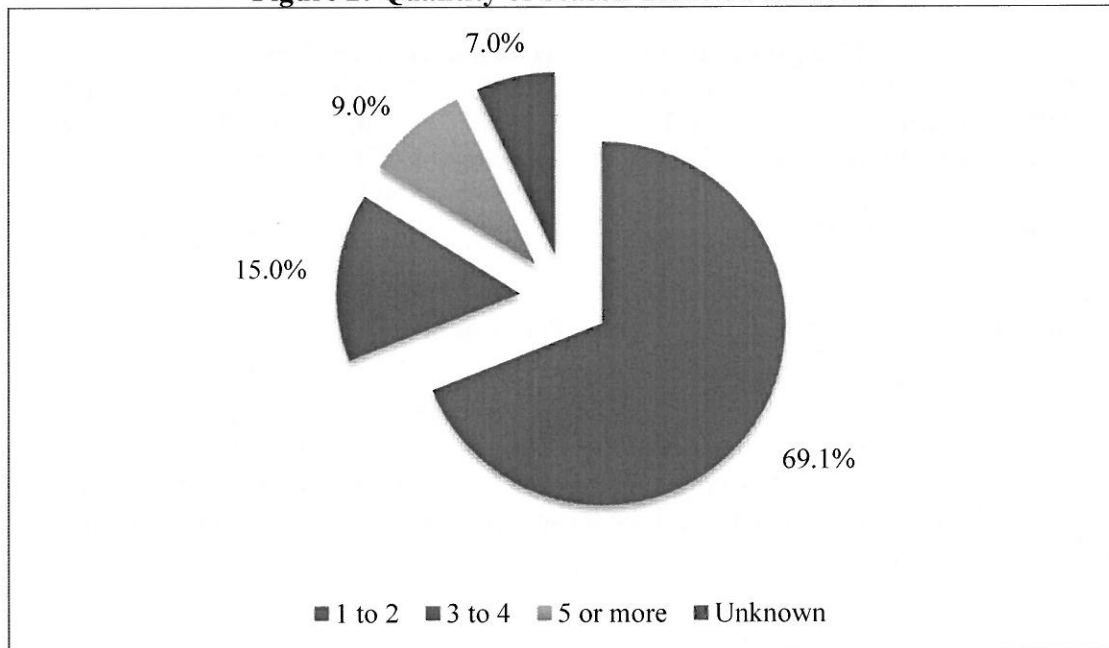
Respondents were asked if they were Clay Center season ticket holders, and if so, how many season tickets they purchased. An overwhelming majority (87.5 percent) of total respondents indicated that they were not season ticket holders. The percentage of respondents denoting that they were not season ticket holders ranged between 9.1 (for museum visitors) and 21.6 percent (for patrons of both the performances and the museum) respectively. This data is represented graphically in Figure 1.

Figure 1: Season Ticket Holder Status



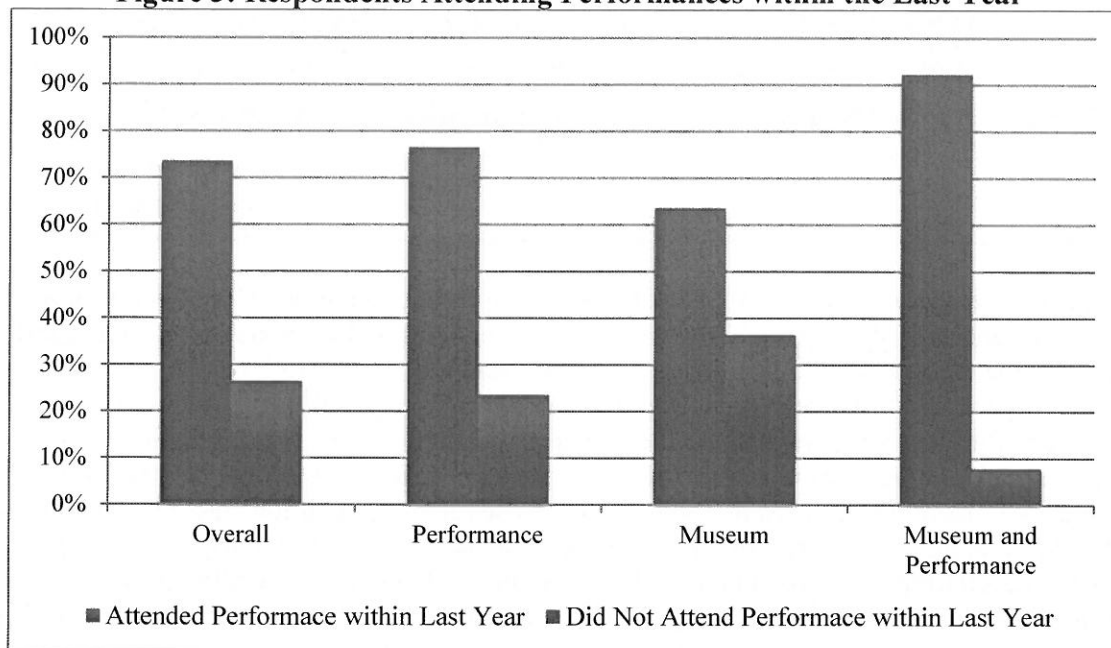
Of those respondents indicating that they were season ticket holders, approximately 69 percent replied that they purchased two tickets or fewer. Figure 2 provides additional detail. The low number of responses for season ticket holders across the different respondent types makes further disaggregation of this variable unadvisable.

Figure 2: Quantity of Season Tickets Purchased



Nearly three-quarters of total respondents reported attending a Clay Center Performance within the last year. The corresponding figures for Performance attendees only and Museum visitors only were approximately similar. However, more than 90 percent of the patrons of both the performances and the museum indicated that they had attended a performance over the same time span. This is illustrated in further detail in Figure 3.

Figure 3: Respondents Attending Performances within the Last Year



When asked if they were season ticket holders for any other performing arts series, an overwhelming majority provided a negative response. Detailed responses across respondent type are provided in Table 10.

Table 10: Season Ticket Holders for Other Performing Arts Series

Respondent Type	Yes	No
Overall	1.8%	98.2%
Performance	1.2%	98.8%
Museum	3.8%	96.2%
Museum and Performance	0.0%	100.0%

The primary methods respondents reported for obtaining information about upcoming Clay Center performances were remarkably consistent across the various respondent types. Mailings were reported with the highest frequency for all types of respondents (25.8 to 47.1 percent). Three methods in particular (mailings, newspaper, and email notifications) accounted for the majority of responses across all visitor types. Further detail is provided in Table 11.

Table 11: Primary Method for Obtaining Information Regarding Upcoming Performances

Overall		Performance		Museum		Museum and Performance	
Mailing	29.3%	Mailing	28.2%	Mailing	25.8%	Mailing	47.1%
Newspaper	16.7%	Newspaper	18.3%	E-Mail	17.7%	E-Mail	17.6%
E-Mail	16.0%	E-Mail	14.1%	Newspaper	16.1%	Newspaper	11.8%
Brochure	10.0%	Word of Mouth	11.3%	Brochure	11.3%	Brochure	5.9%
Word of Mouth	9.3%	Brochure	9.9%	Word of Mouth	8.1%	Radio	5.9%
						Television	5.9%
						Word of Mouth	5.9%

Respondents were prompted to think back to their most recent visit to the Clay Center for a performance and describe any ancillary activities they undertook during the outing and report approximate levels of expenditures for each of those activities. Only 13.2 percent of total respondents provided full details regarding extra activities or expenditures. The total observations for these variables are small and warrant caution in their interpretation. While these estimates should not be extrapolated to the wider population of total respondents, they are provided for illustrative purposes in Table 12. Of those reporting additional activities undertaken during a visit to the Clay Center for a performance, the most common activity was visiting a restaurant, accounting for more than half of the responses. Per client expenditures here represent the average expenditure for each activity across all respondents undertaking additional activities.

Table 12: Additional Activities and Errands during Latest Visit to Clay Center Event

Additional Activities	Percentage	Per Client Expenditure
Visit restaurant	58.6%	\$29.48
Visit bar/nightclub	1.7%	\$0.26
Overnight hotel stay	1.7%	\$0.00
Parking	15.5%	\$0.59
Retail shopping	15.5%	\$3.28
Souvenir shopping	3.4%	\$0.00
Visiting other attraction	0.0%	\$0.00
Other	3.4%	\$0.52
		\$34.13

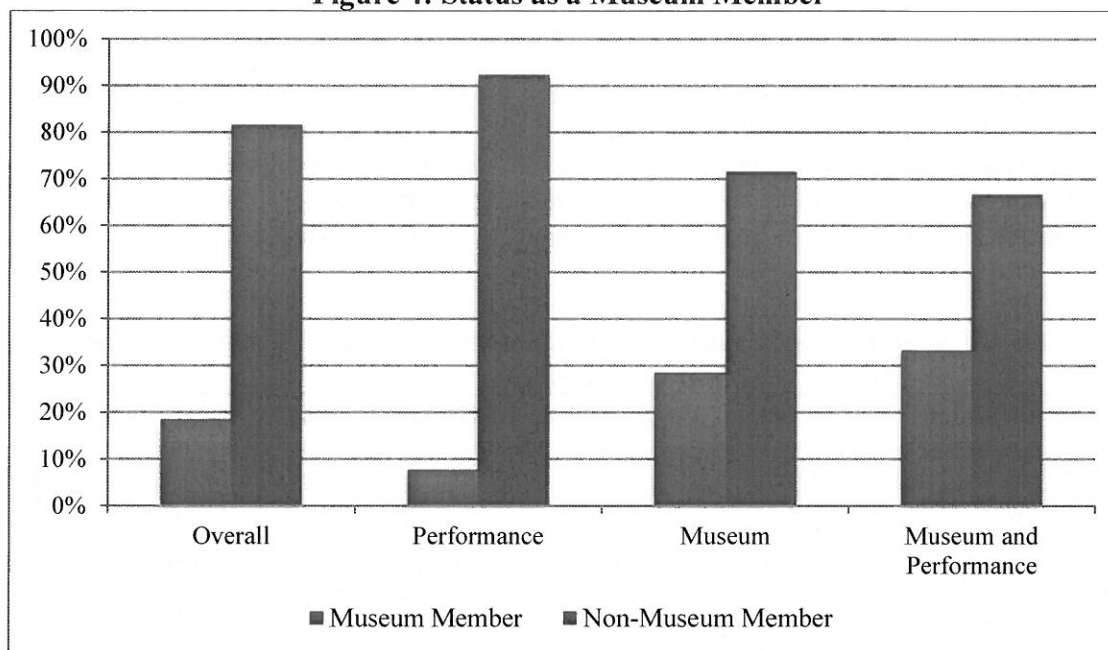
Respondent Behavior Related to Clay Center Museum Activities

Respondents were asked to indicate whether or not they were a Clay Center Museum member. Table 13 and Figure 4 illustrate the vast majority of respondents replied that they were not museum members. Overall, only 18.5 percent of respondents classified themselves as museum members.

Table 13: Status as a Museum Member

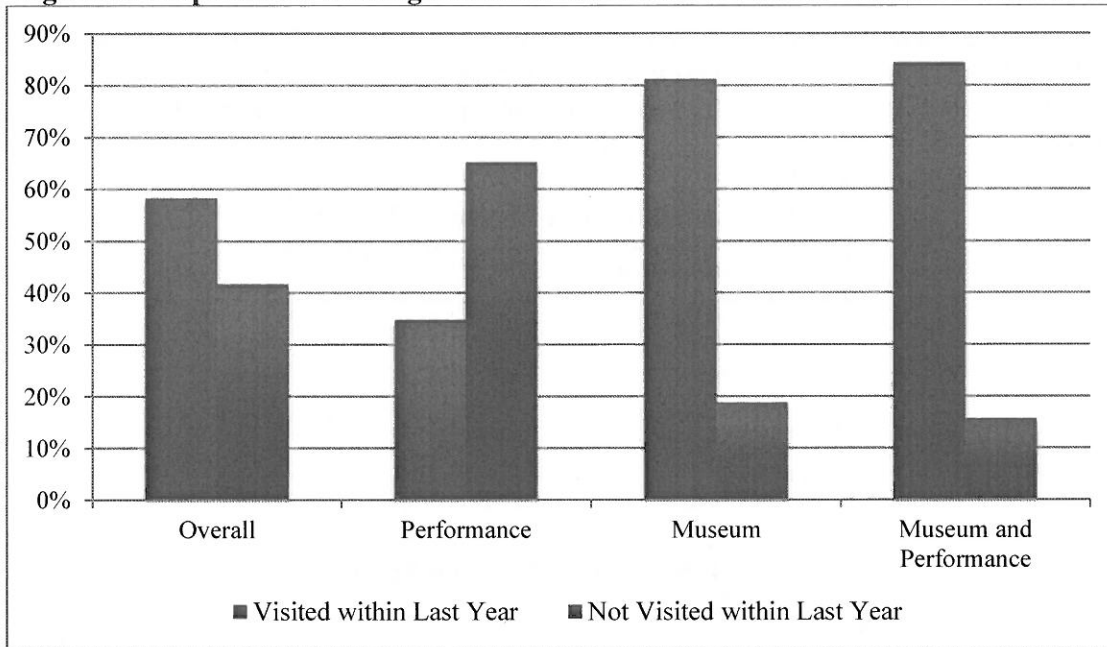
Respondent Type	Yes	No
Overall	18.5%	81.5%
Performance	7.7%	92.3%
Museum	28.5%	71.5%
Museum and Performance	33.3%	66.7%

Figure 4: Status as a Museum Member



More than half of total respondents indicated that they had visited the Clay Center museum, galleries or theater within the last year. While only a little more than one-third of performance-only attendees reported visiting the museum (etc.), more than 80 percent of museum (only) visitors and patrons of both the museum and performances reported a visit within the last year. Figure 5 provides additional detail.

Figure 5: Respondents Visiting the Museum/Galleries/Theater within the Last Year



Of those respondents indicating that they had visited the Clay Center museum, galleries or film theater within the last year, more than half reported between two and five visits. Across the respondent types, answers reflecting either one or two to five visits accounted for at least two-thirds of respondents. Patrons of both the museum and performances reported the highest rates of visits in the 'six to ten' or 'more than ten' categories. Additional detail is provided in Table 14.

Table 14: Visits to the Clay Center Museum, Galleries or Film Theater within the Past Year

Number of Visits	Overall	Performance	Museum	Museum and Performance
Just once	26.2%	35.1%	21.6%	23.3%
Two to Five	55.5%	58.4%	57.5%	44.2%
Six to ten	7.4%	2.6%	8.2%	14.0%
More than ten	9.8%	2.6%	11.2%	18.6%
Unsure or no answer	1.2%	1.3%	1.5%	0.0%

Table 15 presents responses regarding the typical size of visitor groups to the Clay Center museum, galleries or film theater as provided by survey respondents. Across all respondent types, the most common party size is three to four total in each group, ranging from 44 percent (for museum only visitors) to nearly 70 percent (for patrons of both the museum and performances).

**Table 15: Typical Party Size for Visitors to the Clay Center Museum,
Galleries or Film Theater**

Additional Visitors	Overall	Performance	Museum	Museum and Performance
No additional / just myself	1.6%	3.9%	0.7%	0.0%
One	13.7%	14.3%	14.9%	7.0%
Two or three	50.0%	50.6%	44.0%	69.8%
Four or five	27.3%	22.1%	31.3%	23.3%
Six to ten	4.7%	3.9%	6.7%	0.0%
More than 10	2.3%	5.2%	1.5%	0.0%
Unsure or no answer	0.4%	0.0%	0.7%	0.0%

Respondents were prompted to think back to their most recent visit to the Clay Center museum, galleries or film theater to describe any ancillary activities they undertook during the outing and report approximate levels of expenditures for each of those activities. 33.9 percent of total respondents provided full details regarding extra activities or expenditures in association to visits to the museum, galleries or film theater. The total observations for these variables warrant caution in their interpretation. While these estimates should not be extrapolated to the wider population of total respondents, they are provided for illustrative purposes in Table 16. Of those reporting additional activities undertaken during a visit to the Clay Center museum, galleries or film theater, the most common activity was visiting a restaurant, which accounted for more than half of the responses. Per client expenditures here represent the average expenditure for each activity across all respondents undertaking additional activities.

**Table 16: Additional Activities and Errands during Latest Visit
to Clay Center Museum, Galleries or Film Theater**

Additional Activities	Percentage	Per Client Expenditure
Visit restaurant	59.1%	\$24.27
Visit bar/nightclub	0.7%	\$0.00
Overnight hotel stay	2.0%	\$1.34
Parking	13.4%	\$0.32
Retail shopping	12.1%	\$9.03
Souvenir shopping	3.4%	\$0.13
Visiting other attraction	0.7%	\$1.01
Other	8.7%	\$1.71
		\$37.81

The primary methods respondents reported for obtaining information about upcoming Clay Center activities, films or exhibits were consistent across the various respondent types and also mirror those methods referenced by respondents regarding Clay Center performances. Mailings were reported with the highest frequency for all types of respondents (24.6 to 29.4 percent). Three methods in particular (mailings, newspaper and email notifications) accounted for the majority of responses across all visitor types. Further detail is provided in Table 17.

Table 17: Primary Method for Obtaining Information Regarding Upcoming Activities, Films or Exhibits

	Overall		Performance		Museum		Museum and Performance
Mailing	27.6%	Mailing	27.2%	Mailing	29.4%	Mailing	24.6%
E-Mail	16.0%	E-Mail	17.5%	E-Mail	15.0%	E-Mail	18.5%
Newspaper	15.2%	Newspaper	15.5%	Newspaper	15.0%	Newspaper	13.8%
Brochure	12.1%	Brochure	12.6%	Brochure	11.7%	Brochure	13.8%
Word of Mouth	8.5%	Word of Mouth	9.7%	Word of Mouth	6.5%	Word of Mouth	12.3%
				Other	6.5%	Other	12.3%

Demographics

For classification purposes, respondents were asked a set of questions regarding demographics concerning their household size, age and household incomes. While virtually all respondents provided answers to the household size and age grouping questions, nearly a quarter of respondents declined to provide information regarding their household incomes.

The majority of respondents indicated the presence of two adults and no children in their household. Museum only visitors and patrons of both the museum and performances reported higher rates of children under 18 in their households. Please see Table 18 and Table 19 for additional detail.

Table 18: Adults in Respondent Households

Adults in Household	Overall	Performance	Museum	Museum and Performance
One	21.3%	24.8%	14.9%	26.0%
Two	65.3%	58.4%	75.2%	64.0%
Three	8.9%	10.7%	6.2%	10.0%
Four	4.2%	5.6%	3.7%	0.0%
Five	0.2%	0.5%	0.0%	0.0%

Table 19: Children Under 18 Years of Age in Respondent Households

Children in Household	Overall	Performance	Museum	Museum and Performance
Zero	60.5%	72.3%	50.3%	40.8%
One	13.4%	14.6%	10.6%	18.4%
Two	17.2%	9.4%	23.6%	30.6%
Three	5.9%	2.3%	9.9%	8.2%
Four	1.9%	1.4%	2.5%	2.0%
Five	0.5%	0.0%	1.2%	0.0%
Six	0.7%	0.0%	1.9%	0.0%

Slightly higher rates of respondents within the “35 to 44” age category were observed for museum visitors and patrons of both the museum and performances when compared to performance-only attendees. The reverse held true for the “55 to 64” age grouping, seeing higher rates for performance-only attendees in that grouping when compared to patrons of both the museum and performances. Details of responses regarding age grouping are provided in Table 20.

Table 20: Respondents by Age Grouping

Age Group of Respondent	Overall	Performance	Museum	Museum and Performance
18 to 24	2.3%	2.7%	2.4%	0.0%
25 to 34	12.3%	13.6%	12.1%	7.8%
35 to 44	20.5%	12.2%	27.9%	31.4%
45 to 54	20.0%	23.5%	15.2%	21.6%
55 to 64	23.2%	27.6%	18.8%	17.6%
65 and over	18.2%	15.8%	21.8%	17.6%
No answer	3.4%	4.5%	1.8%	3.9%

More than one quarter of total respondents declined to provide household income information. Noteworthy among the income responses was the rate of incomes in the “\$200,000 or more” who were identified as patrons of both the Clay Center museum and performances. A full breakdown of household income ranges by respondent type is provided in Table 21.

Table 21: Respondents by Household Income Grouping

Household Income Range	Overall	Performance	Museum	Museum and Performance
Under \$25,000	3.4%	2.3%	4.8%	3.9%
\$25,000 to \$49,999	15.3%	14.0%	17.0%	15.7%
\$50,000 to \$74,999	18.9%	18.1%	21.8%	13.7%
\$75,000 to \$99,999	9.3%	10.9%	7.9%	7.8%
\$100,000-\$199,000	17.1%	21.3%	12.7%	13.7%
\$200,000 or more	8.2%	5.9%	6.1%	25.5%
No answer	27.8%	27.6%	29.7%	19.6%

Future Activity and Commentary

Respondents were also asked to rate the likelihood of attending future performances, visiting the museum, galleries or film theater and becoming a museum member or season ticket holder using a five-point Likert scale. The scale provided choices ranging from “Highly Unlikely” to “Highly Likely”, with additional options of both “Somewhat Unlikely”, “Somewhat Likely” and a neutral midpoint.

The majority of those surveyed across all types of respondents indicated that they were either “Somewhat Likely” or “Highly Likely” to attend future Clay Center performances. Only 6.3 percent of total respondents indicated they were not likely to attend in the future. A full breakdown by respondent type regarding future attendance to Clay Center performances is provided in Table 22.

Table 22: Likelihood of Attending Future Performances

Attend Performances in the Future	Overall	Performance	Museum	Museum and Performance
Highly Unlikely	4.4%	2.3%	6.8%	5.9%
Somewhat Unlikely	1.9%	1.4%	3.1%	0.0%
Neither	6.0%	5.1%	8.6%	2.0%
Somewhat Likely	13.0%	8.8%	21.0%	5.9%
Highly Likely	74.8%	82.5%	60.5%	86.3%

Again, the majority of those surveyed across all types of respondents indicated that they were either “Somewhat Likely” or “Highly Likely” to attend the Clay Center museum, galleries or film theater in the future. This held in higher rates for museum visitors and patrons of both performances and the museum in comparison to performance-only attendees. Nearly one-third of performance-only attendees provided a neutral response in regards to future visits to the museum, galleries or film theater. Please see Table 23 for more detail.

Table 23: Likelihood of Visiting Museum, Galleries, or Film Theater

Visit Museum, Galleries, or Film Theater in the Future	Overall	Performance	Museum	Museum and Performance
Highly Unlikely	6.7%	9.2%	4.3%	3.9%
Somewhat Unlikely	5.6%	8.3%	1.9%	5.9%
Neither	21.5%	32.3%	11.7%	7.8%
Somewhat Likely	14.8%	14.7%	17.3%	5.9%
Highly Likely	51.4%	35.5%	64.8%	76.5%

When asked about the likelihood of becoming either a museum member or season ticket holder, a large number of respondents across most respondent types indicated that it was “Highly Unlikely”. It should be noted, however, that nearly half of those respondents identified as patrons of both the museum and performances indicated that they were “Highly Likely” to either retain or pursue that status in the future. Full detail regarding future museum membership and/or season ticket purchases is provided in Table 24.

Table 24: Likelihood of Becoming a Museum Member or Purchasing Season Tickets

Become a Museum Member or Purchase Season Tickets in the Future	Overall	Performance	Museum	Museum and Performance
Highly Unlikely	36.3%	46.1%	29.6%	17.6%
Somewhat Unlikely	12.5%	11.1%	16.0%	5.9%
Neither	17.1%	18.4%	14.2%	19.6%
Somewhat Likely	9.0%	7.8%	11.1%	7.8%
Highly Likely	25.0%	16.6%	29.0%	49.0%

Upon completing the survey, respondents were given the opportunity to provide any comments regarding the Clay Center. More than three-quarters of respondents provided some form of additional comment.

Focus Group Insights

In an effort to collect additional intangible information pertaining to the Clay Center and its operations, a focus group discussion was conducted with 14 Clay Center board members. The discussion hour allowed members to state effective operations of the Clay Center, how the organization can improve and visions for the future.

The attending members of the board did not lack answers when questioned about the benefits of the Clay Center. The board members noted that the organization provides quality educational outreach programs, exposure to arts and science for the community and school children and music outreach programs. Members also noted that the Clay Center provides a wide variety of

performances which have been successful. Members also discussed that the Clay Center provides more than just performances, but provides an infusion of culture, diversity and new experiences into the local area. While it was mentioned that this is difficult to quantify, the change in West Virginia culture benefits both individuals and businesses.

While the Clay Center has been successful in many areas, the board members in attendance also noted areas where the organization and its operations can improve. Multiple members discussed the idea that more memberships should be sold to improve the financial situation of the Clay Center. Another idea mentioned was to create partnerships with other museums through brochure distribution and website links to increase visitor numbers and awareness. Other ideas mentioned to specifically improve the financial position of the Clay Center included raising more money for the endowment fund, increasing membership revenues and expanding government support.

Members were also asked to describe their vision and ideas for the Clay Center. One member proposed adding a small theater which would seat about 500 to 600 people. Another member recommended initiating a Junior Board to incorporate younger patrons from middle school age to the college level. The members were largely in agreement of future recommendations for the Clay Center, including additional community outreach projects, co-branded events and partnerships with other businesses and increasing visibility of the Clay Center.

Conclusions

The results of the research are robust. As one major study reported:

“...high-skilled technical workers can choose where they want to live... Because they can pick and choose their locations, they choose those with quality amenities... Managers like to live in nice places just as much as workers... Executives consistently rank both labor supply and quality of life as top location factors... [Regions] can build their economic base by focusing on what is desirable to technology workers” (Portland 2002).

The Clay Center and the WVSO provide an important art, science and cultural amenity which are consistent with what is needed for West Virginia’s economic development. As demonstrated in this report, when a community nurtures its cultural sector, it is nurturing its own long-term economic development.

The Clay Center is having a significant economic impact on the region, in addition to the amenity value it creates. The 227,000 attendees who visited the Clay Center and enjoyed the WVSO testify to its worth and importance to the State. Providing an enriching opportunity for 60,000 youth creates the prospect of a new creative and technology savvy workforce.

If the Clay Center was a traditional business its economic impact would be impressive. With 379 jobs created, over \$16 million in output and \$6.7 million in personal income, the Center and the WVSO are major businesses. Add to these figures the unpaid hours of the volunteers and the economic impact is obvious.

The value of the Clay Center to those who visited and participated was established by the responses received from the answers provided by patrons to a phone survey. Many of these answers have been provided throughout the report. Over 86 percent of those attending a performance and visiting the museum are “highly likely” to continue to participate in the future. This percentage speaks to the value the patrons place on the activities of the Clay Center.

This study has shown that the Clay Center and the WVSO are an essential part of the cultural vitality of the State. Without the Clay Center, a significant business would not be present and jobs would be lost. The contribution the Clay Center makes to attract the types of jobs and firms the State needs for economic development cannot be overlooked. Unfortunately, while not all the benefits of having a world class facility are capable of being expressed in terms of money, such benefits are real. The positive image of the State to which the Clay Center makes a major contribution sends a message that West Virginia values the quality of life of its residents.

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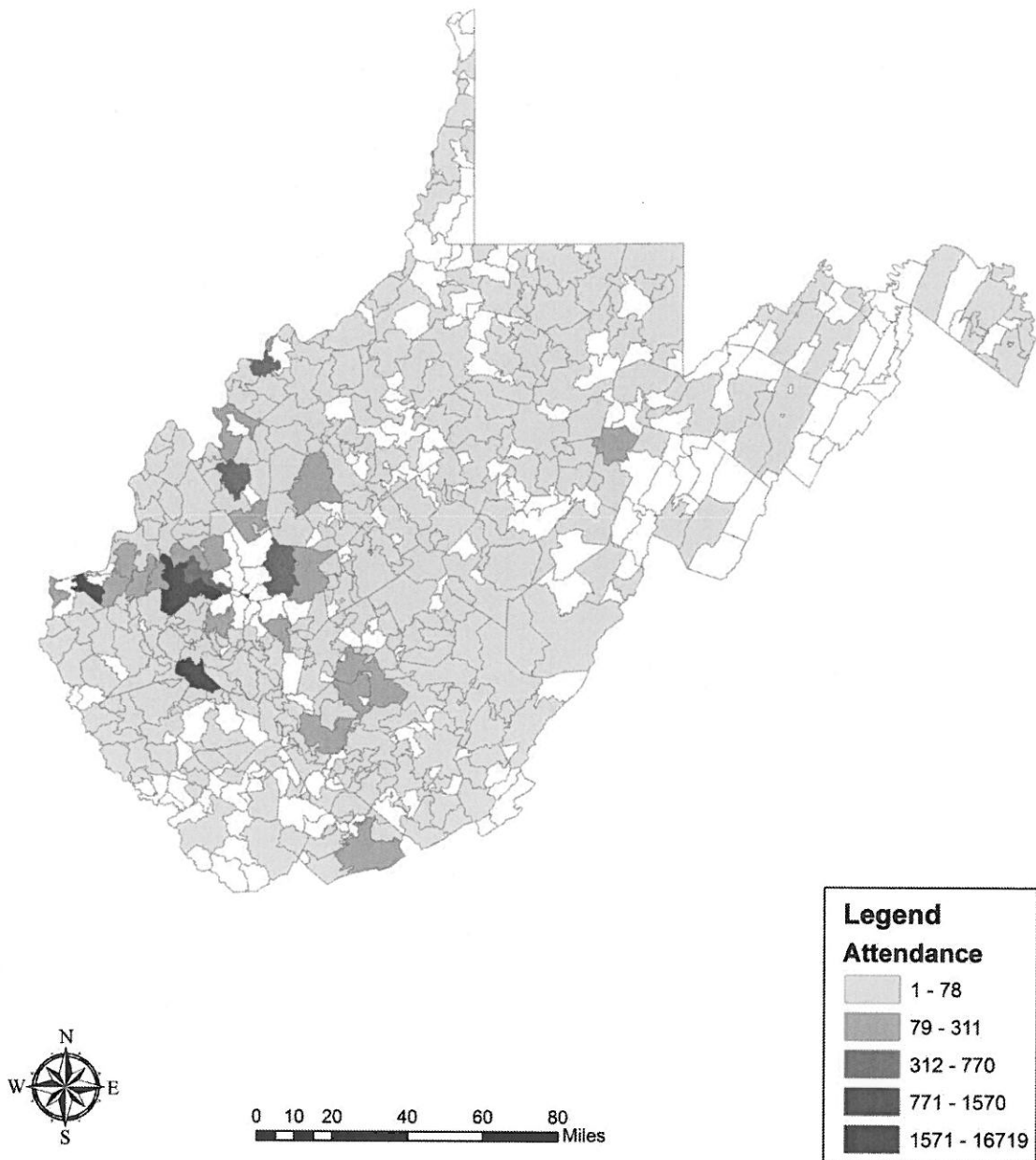
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Appendix A – Attendee Origin by Zip Code

Clay Center Attendance by West Virginia Zip Code



Appendix B – Attendee Survey

CLAY CENTER FOR THE ARTS AND SCIENCES IN WEST VIRGINIA - Attendee Survey

Hello! My name is _____ and I'm calling from Marshall University's Center for Business and Economic Research on behalf of the Clay Center for the Arts and Sciences of West Virginia. We are contacting visitors to help us understand their experiences with the Center. Would you be willing to help us out by answering a few questions?

Our interviews must be with an adult 18 or over. Are you at least 18 years of age? YES NO
(SURVEYOR, IF NO, ask if someone else in the household is available to answer the questions.
IF NO ONE ELSE is available, then thank and ask if there is a better time to reach someone to respond to the survey.)

1. Are you a current Clay Center Season Ticket Holder? YES NO
2. Have you attended a Clay Center performance within the past year? YES NO

NOTE: IF NO TO BOTH Q1 and Q2, skip to Q9.

IF YES then continue to Q3.

3. For Clay Center Season Ticket Holders – how many season tickets do you buy? _____
4. Approximately how many Clay Center performances have you attended in the past year? _____
5. Approximately how many performances at the Clay Center have you attended in total? _____
6. Are you a season ticket holder to any performing arts series *other than* at the Clay Center? YES NO
7. How do you usually hear about upcoming Clay Center performances?

<input type="checkbox"/> Clay Center Website	<input type="checkbox"/> Performer/Artist Website	<input type="checkbox"/> Other Website
<input type="checkbox"/> Newspaper	<input type="checkbox"/> Brochure	<input type="checkbox"/> E-Mail
<input type="checkbox"/> Television	<input type="checkbox"/> Radio	<input type="checkbox"/> Mailing
<input type="checkbox"/> Social Media	<input type="checkbox"/> Word of Mouth	<input type="checkbox"/> Other _____

8. Thinking of your last visit to the Clay Center for an event, what other activities or errands did you undertake?
NOTE: For affirmative answers: Approximately how much money did you spend during that activity?

Activity	Expenditure	Activity	Expenditure
<input type="checkbox"/> Visit restaurant		<input type="checkbox"/> Retail shopping	
<input type="checkbox"/> Visit bar/nightclub		<input type="checkbox"/> Souvenir shopping	
<input type="checkbox"/> Overnight hotel stay		<input type="checkbox"/> Visiting other attraction	
<input type="checkbox"/> Parking		<input type="checkbox"/> Other _____	

9. Are you a current Clay Center museum member? YES NO
10. Have you visited the Clay Center museum, galleries or film theater within the past year? YES NO
NOTE: IF YES THEN ASK Q11. IF NO SKIP TO Q15.
11. Approximately how many times have you visited the Clay Center museum, galleries or film theater within the past year?

<input type="checkbox"/> Just once	<input type="checkbox"/> Two to Five	<input type="checkbox"/> Six to ten
<input type="checkbox"/> More than ten	<input type="checkbox"/> Unsure or no answer	
12. Thinking about your typical visit to the Clay Center museum, galleries or film theater, how many people (in addition to yourself) generally accompany you?

<input type="checkbox"/> None/just myself	<input type="checkbox"/> One	<input type="checkbox"/> Two or three
<input type="checkbox"/> Four or five	<input type="checkbox"/> Six to ten	<input type="checkbox"/> More than 10
<input type="checkbox"/> Unsure or no answer		

13. Now thinking about your last visit to the Clay Center museum, galleries or film theater, what other activities or errands did you undertake?

NOTE: For affirmative answers: Approximately how much money did you spend during that activity?

Activity	Expenditure	Activity	Expenditure
<input type="checkbox"/> Visit restaurant		<input type="checkbox"/> Retail shopping	
<input type="checkbox"/> Visit bar/nightclub		<input type="checkbox"/> Souvenir shopping	
<input type="checkbox"/> Overnight hotel stay		<input type="checkbox"/> Visiting other attraction	
<input type="checkbox"/> Parking		<input type="checkbox"/> Other _____	

14. How do you usually hear about upcoming activities, films or exhibits at the Clay Center galleries?

- | | | |
|--|---|--|
| <input type="checkbox"/> Clay Center Website | <input type="checkbox"/> Performer/Artist Website | <input type="checkbox"/> Other Website |
| <input type="checkbox"/> Newspaper | <input type="checkbox"/> Brochure | <input type="checkbox"/> E-Mail |
| <input type="checkbox"/> Television | <input type="checkbox"/> Radio | <input type="checkbox"/> Mailing |
| <input type="checkbox"/> Social Media | <input type="checkbox"/> Word of Mouth | <input type="checkbox"/> Other _____ |

The remaining questions are for classification purposes only.

15. Including yourself, how many persons 18 years of age and older live in your household?
 _____ (Number) ☐ Don't know ☐ Refused

16. How many children 17 years of age or younger live in your household?
 _____ (Number) ☐ Don't know ☐ Refused

17. Please indicate into which of the following broad age groups you fall.
- | | | |
|-----------------------------------|-----------------------------------|--------------------------------------|
| <input type="checkbox"/> 18 to 24 | <input type="checkbox"/> 25 to 34 | <input type="checkbox"/> 35 to 44 |
| <input type="checkbox"/> 45 to 54 | <input type="checkbox"/> 55 to 64 | <input type="checkbox"/> 65 and over |

18. In which of the following ranges does your household income fall?
- | | | |
|---|---|---|
| <input type="checkbox"/> Under \$25,000 | <input type="checkbox"/> \$25,000 to \$49,999 | <input type="checkbox"/> \$50,000 to \$74,999 |
| <input type="checkbox"/> \$75,000 to \$99,999 | <input type="checkbox"/> \$100,000-\$199,000 | <input type="checkbox"/> \$200,000 or more |

19. Please rate the following statements on a scale of 1 to 5, with 1 being "Highly unlikely" and 5 being "Highly likely".

	Highly Unlikely	Somewhat Unlikely	Neither Likely or Unlikely/Unsure	Somewhat Likely	Highly Likely
I will attend performances at the Clay Center in the future.	1	2	3	4	5
I will visit the museum, galleries, or film theater in the future.	1	2	3	4	5
I will buy/renew a membership to the Clay Center.	1	2	3	4	5

20. What comments, if any, do you have regarding your experiences with the Clay Center for the Arts and Sciences of West Virginia?

Thank you very much for your participation! We appreciate your assistance in helping us better understand the relationship between the Clay Center and its patrons. Should you have any questions regarding this survey please contact Kent Sowards at (304) 696-4817.

REQUEST FOR QUOTATION
DCH13101 Analysis Report on Economic Benefits of Historic Preservation Activities in
West Virginia

REQUEST FOR QUOTATION
West Virginia Division of Culture and History,
State Historic Preservation Office
Research and Impact Analysis Report on the Economic Benefits of Historic
Preservation Activities in West Virginia
RFQ # - DCH13101

Pricing Page:

Qty:	Description	Unit Price	Extended Price
1	To Perform the Services of Research and Impact Analysis Report on the Economic Benefits of Historic Preservation Activities in West Virginia as described in the specifications.	\$ <u> — </u>	\$ <u>34,000</u>

GRAND TOTAL:

\$ 34,000

Basis for Award: Lowest Grand Total Meeting Specifications

Signature: John Deskins Date: 10-7-2013
Company Name: WVU, Bureau of Business-Economic Research
Address: PO Box 6527
Morgantown, WV 26505
Phone: 304-293-7876 Fax: 304-293-7061
Email: john.deskins@mail.wvu.edu



MAKING AN IMPACT

2012 Economic Impact & Benefits of
the Cincinnati Zoo & Botanical Garden



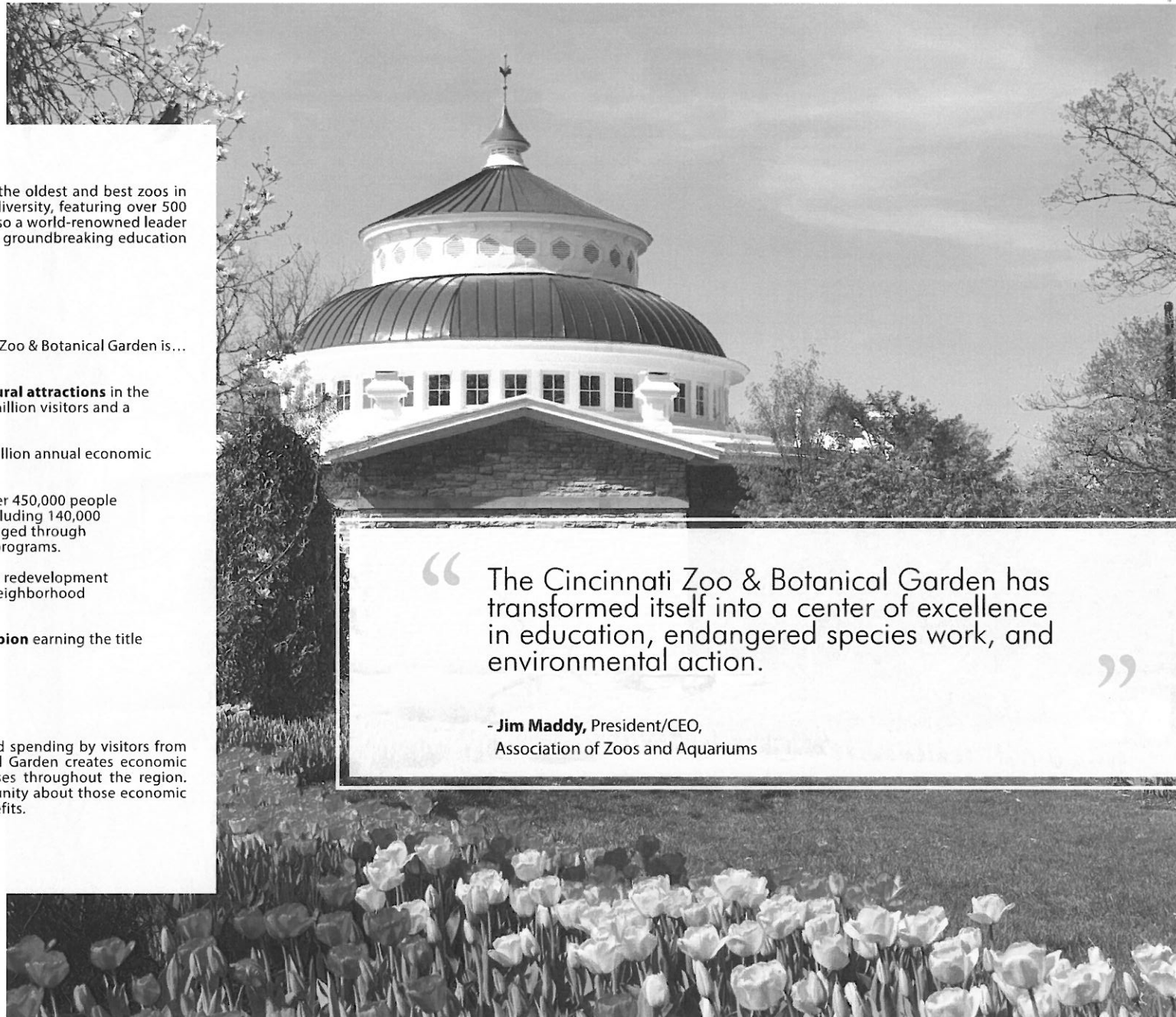
INTRODUCTION

The Cincinnati Zoo & Botanical Garden is one of the oldest and best zoos in the nation. At its core lies an abundance of biodiversity, featuring over 500 species of animals and 3,000 plant species. It is also a world-renowned leader in the areas of endangered species reproduction, groundbreaking education collaboratives, and green practices.

As a center of excellence in its field, the Cincinnati Zoo & Botanical Garden is...

- one of the **premier recreational and cultural attractions** in the Cincinnati tri-state region, exceeding 1.4 million visitors and a quarter million members in 2012.
- an **economic engine**, providing a \$143 million annual economic impact to the region.
- an **invaluable educational asset** with over 450,000 people participating in educational programs, including 140,000 pre-school and school-aged children engaged through field trips, camps, overnights, and family programs.
- an **award-winning partner** in community redevelopment economic growth, working with diverse neighborhood organizations and community leaders.
- a **conservation and sustainability champion** earning the title of "Greenest Zoo in America."

Through its spending, its contracted services, and spending by visitors from outside the area, the Cincinnati Zoo & Botanical Garden creates economic benefits for numerous households and businesses throughout the region. This document constitutes a report to the community about those economic impacts and a number of related community benefits.

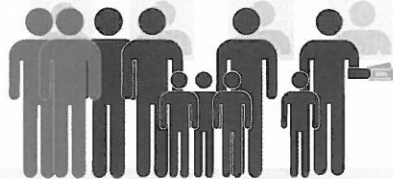


“ The Cincinnati Zoo & Botanical Garden has transformed itself into a center of excellence in education, endangered species work, and environmental action. ”

- Jim Maddy, President/CEO,
Association of Zoos and Aquariums

VISITOR SPENDING

WELCOME TO THE CINCINNATI ZOO



1.44 MILLION VISITORS

IN 2012 **20%** WERE FROM OUTSIDE THE METRO REGION



64%

OF SUPPORT FOR ZOO OPERATIONS
COMES FROM VISITOR SPENDING.

+



\$60.4M

**VISITOR
IMPACT**

CINCINNATI
ZOO
BOTANICAL GARDEN
TOTAL EXPENDITURES:
\$37.1 MILLION

CAPITAL



25%

OF ZOO'S TOTAL SPENDING
IS FOR CAPITAL PROJECTS.



\$20.9M

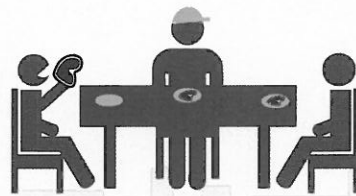
**CAPITAL
IMPACT**

OPERATIONS



75%

OF ZOO'S TOTAL SPENDING
IS FOR OPERATIONS.



\$61.7M

**OPERATIONS
IMPACT**

“ The Cincinnati Zoo and Botanical Garden is a world-class, year-round attraction that enhances the profile and reputation of our city. ”

-Robert H. Castellini,
Chief Executive Officer, The Cincinnati Reds

TOTAL IMPACT

\$143,000,000

NEARLY **3.9** TIMES THE ZOO'S SPENDING, AND ALSO PRODUCING

\$51,700,000

IN HOUSEHOLD EARNINGS AND BENEFITS

AND

1,700 JOBS

1,700 total jobs created

with \$51,730,000 in wages & benefits

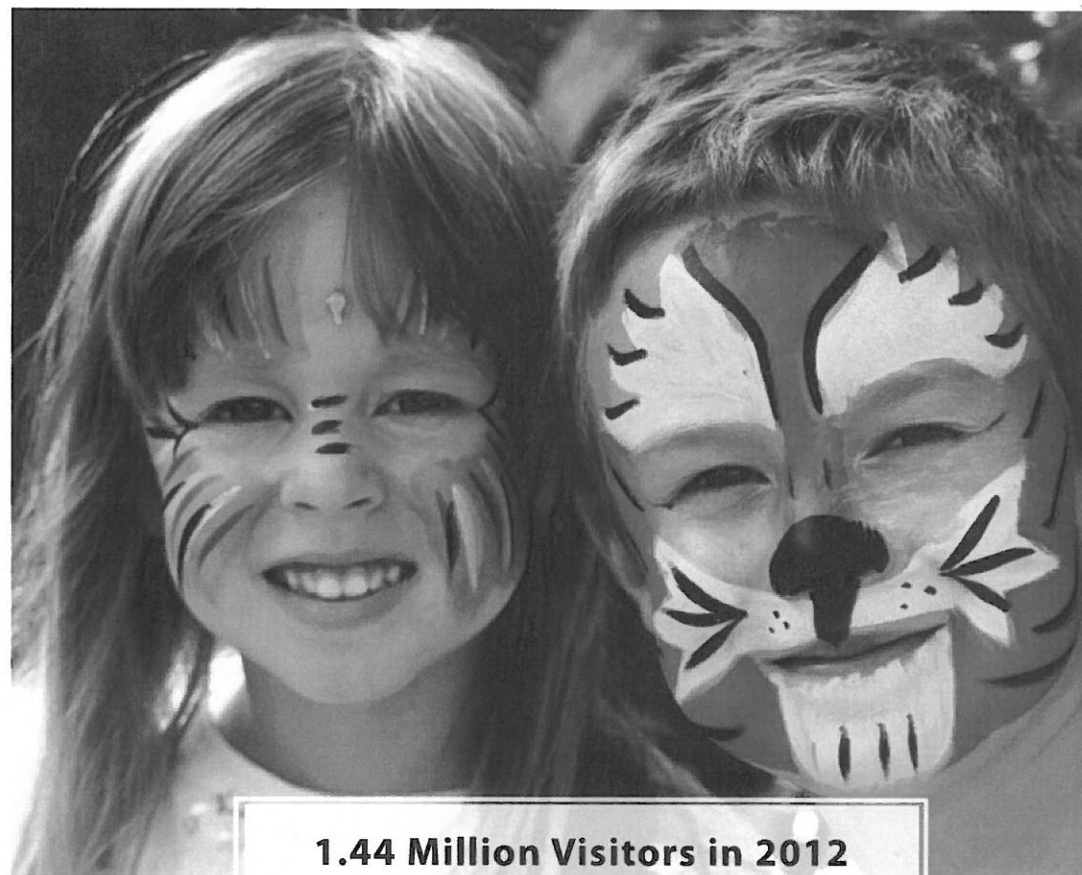
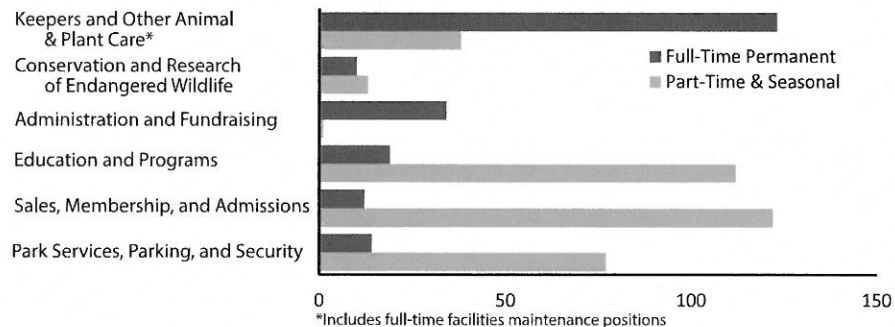
JOB AND WAGES CREATED, BY SOURCE OF SPENDING



58% of full-time jobs involve caring for Zoo assets

most seasonal jobs are part of providing positive visitor experiences

ZOO JOBS, BY TYPE OF OCCUPATION

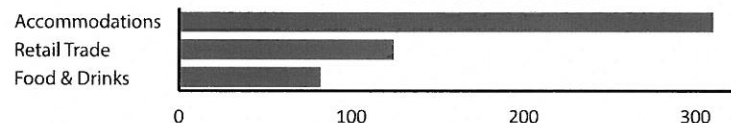


1.44 Million Visitors in 2012

45% of Over 1,000 Indirect Jobs

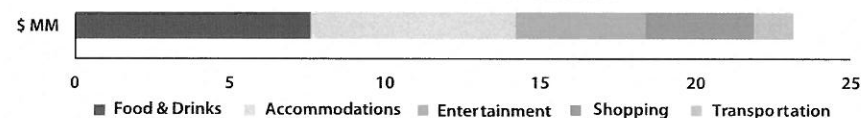
are in sectors most affected by visitor spending

THREE INDUSTRY SECTORS WITH MOST INDIRECT JOBS FROM ZOO



- The Zoo has achieved a 36% increase in attendance since 2006. Non-local visitors increased 30% to 287,700, and surveys show the zoo is a top driver of both new and repeat visitors to the region.
- Spending at local stores, restaurants, hotels, and other businesses reached \$23,231,000.

NON-LOCAL VISITOR SPENDING



Regional Asset

boosting the local economy

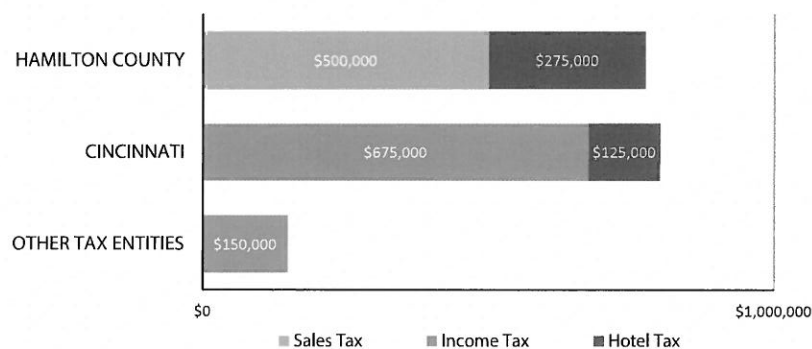
- Although the Zoo primarily benefits local residents, nearly half of the Zoo's economic impact (45.6%) can be attributed to visitors to the region.
- With more than 1,000 media stories a month, coverage of the Cincinnati Zoo & Botanical Garden generates regional, national, and international visitor interest. On major stories, media crews come to Cincinnati and also contribute to the local economy.
- Non-local support for the Zoo also includes \$2,643,000 in donations.

“Because of its outstanding quality, the Zoo is a featured item in our talent attraction efforts. It helps us tell a very positive story about Cincinnati.”

—**Scott Hamlin**, Executive VP / COO,
Cincinnati Children's Hospital Medical Center

\$1.74 Million in Tax Revenue

generated for the City, County & other entities



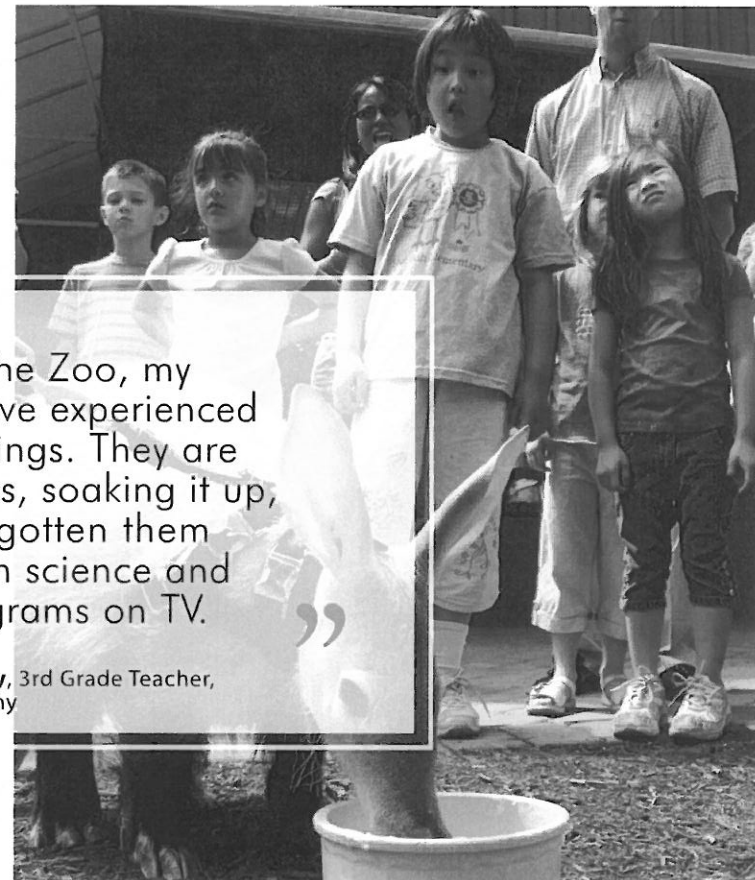
Fostering Curiosity

and a passion for the natural world

- School field trips brought 83,500 students to the Zoo.
- The Zoo promotes group learning through multi-sensory encounters. Teachers appreciate Zoo staff's professionalism and value students learning from one another.
- The "Living Classroom Education Access Fund" gives free field trips and resources to qualifying schools.
- 74% of visitors say visiting the Zoo has inspired them to consider doing something to help protect or conserve wildlife.

“Thanks to the Zoo, my students have experienced amazing things. They are like sponges, soaking it up, and it has gotten them interested in science and nature programs on TV.”

—**Natalie Yankosky**, 3rd Grade Teacher,
Rockdale Academy

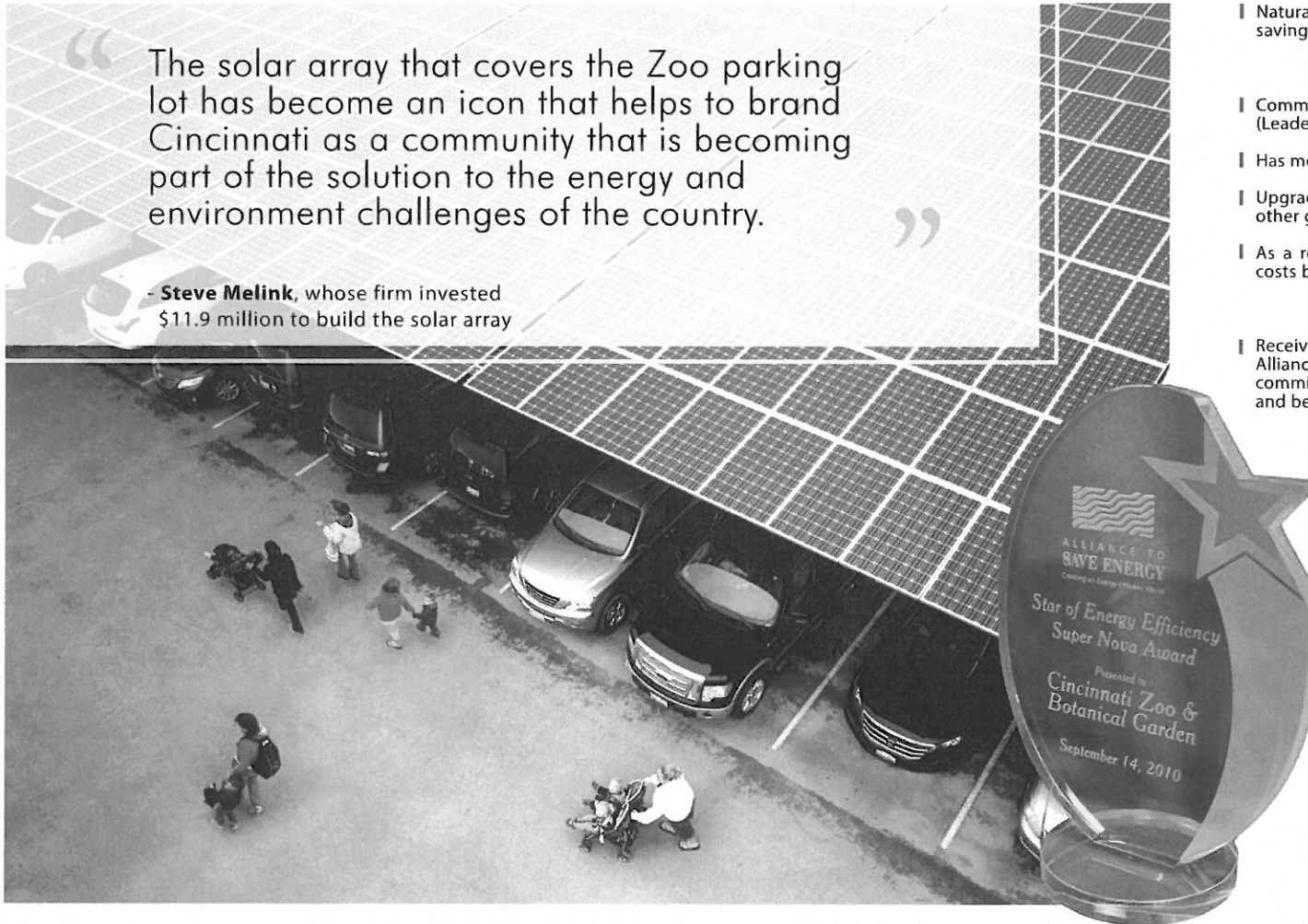


Green Investment Impact

“The solar array that covers the Zoo parking lot has become an icon that helps to brand Cincinnati as a community that is becoming part of the solution to the energy and environment challenges of the country.”

- **Steve Melink**, whose firm invested \$11.9 million to build the solar array

- | Natural resource conservation efforts began in 2006 and the savings were invested in green projects, producing more savings.
- | Commitment to building all new projects to LEED (Leadership in Energy & Environmental Design) standards.
- | Has more LEED-certified buildings than any other zoo in the country.
- | Upgraded existing buildings with energy efficient fixtures and other green technology.
- | As a result, increased building space by 25% while reducing utility costs by over \$1 Million per year.
- | Received the “Star of Energy Efficiency Super Nova” Award from the Alliance to Save Energy for its investment in green buildings and commitment to educating visitors about energy efficient technologies and best practices.
- | Parking lot solar canopy is the largest, urban, publicly accessible solar array nationally and powers up to 20% of the Zoo on a sunny day.
- | CO₂ impact of solar canopy is equal to planting 500 mature trees.
- | Partnership with Metropolitan Sewer District which contributed \$1.8 Million to storm water projects.
- | Capture and use of storm water plus other water-saving measures reduced water use to 1/3 of pre-2006 level.
- | Composting diverts nearly 600 tons of organic waste from entering the landfill annually.
- | In 2012, the Zoo set a goal of becoming a zero landfill facility.



"Greenest Zoo In America"

LED light fixtures; Plumbing upgrades

Lords of the Arctic

LED light fixtures; Plumbing upgrades

Jungle Trails

**LED light fixtures;
Plumbing upgrades**

Manatee Springs

Biofuel

Zoo Train

LEED Silver, 2012

Shipping & Receiving

LEED Gold, 2012

Cat Canyon

Composting

beginning 2011

LEED Gold, 2010

Zoo Gift Shop

LED light fixtures; Plumbing upgrades

Jungle Trails

Pervious Concrete

Dury Avenue Parking Lot

MSD Stormwater Retention

LEED GOLD, 2013

Africa

GRA 2013 4-Star

Base Camp Cafe

Green Roof

Giraffe Ridge

LEED Silver, 2006

Harold C. Schott
Education Center

Rain Garden

Harold C. Schott Education Center

Go Green Garden

LEED Platinum, 2009

Historic Vine Street Village

LEED Gold, 2009

Zoo Pavilion

Pervious Concrete

Vine Street Parking Lot

Solar Array, 2011



Sustainability Initiatives

The Cincinnati Zoo & Botanical Garden has been dedicated to the conservation of plants and animals since 1875. Proclaimed the "Greenest Zoo in America" in 2010, the Zoo has continued to lead the way in sustainability initiatives by greening its daily operations and reducing its impact on the environment. Through green building, solid waste management, renewable energy, water conservation, storm water management, energy efficiency and community outreach, the Zoo has strengthened its sustainability program to have a positive impact on the planet.

KEY



LEED Projects
and Solar Array



Other Green Projects

Connecting Community

through neighborhood improvement projects

- Created garden and hoophouse to support community kitchen and market at **Gabriel's Place**.
- Worked with community partners to develop **Northern & Larona Park** from a vacant lot.
- Created **Forest & Vine gateway** by replacing vacant, deteriorated buildings with well-maintained landscape and green space.
- Other recent projects include **City Barn community garden**, **greenhouse at North Avondale Montessori School**, and **tree planting** and **home energy retrofit** in Avondale.

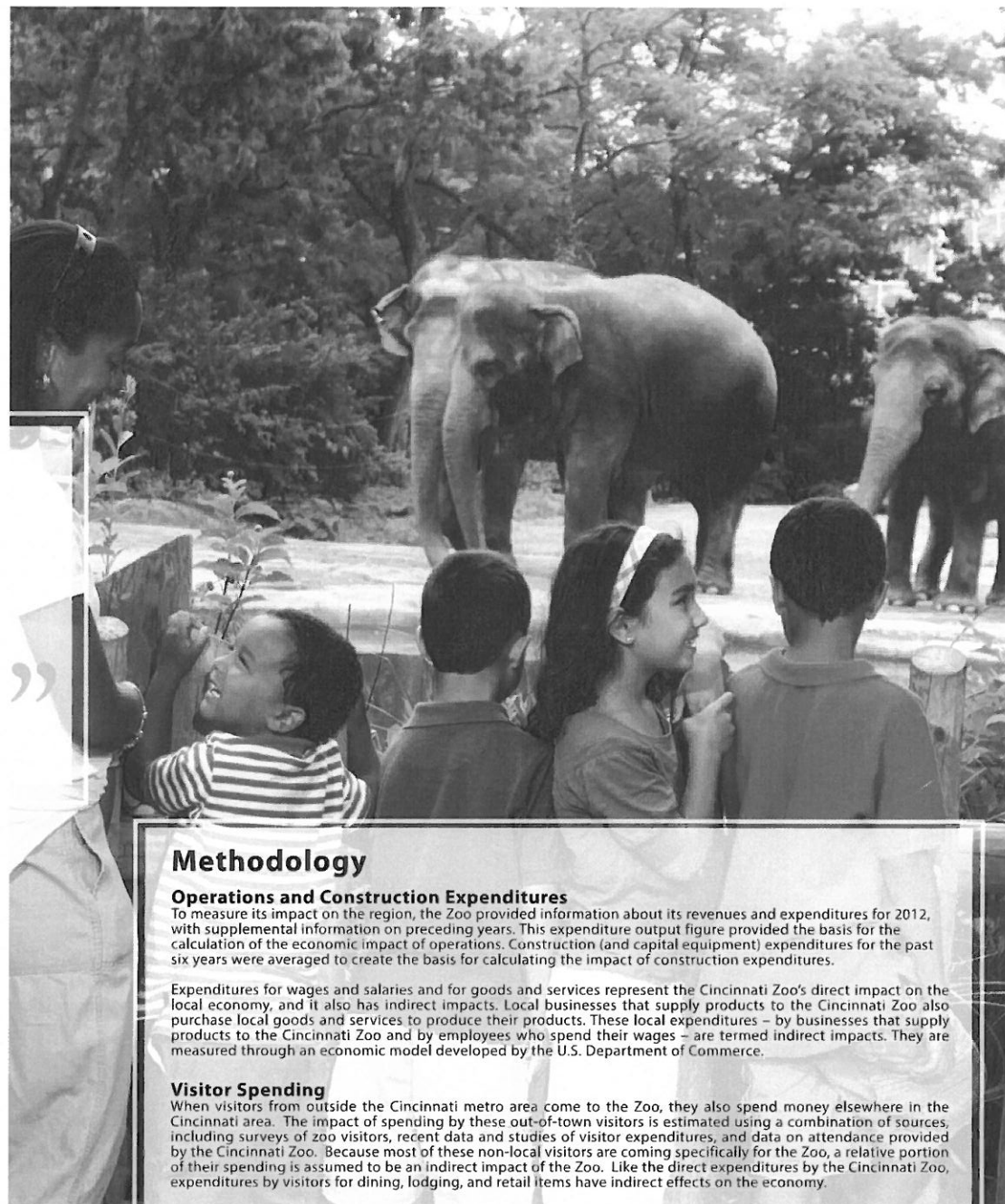
“ The people at the Zoo have a tremendous spirit of partnership and community support. Through a variety of events and programs, they are fostering community redevelopment ... by providing resources to help bring about renewal in these neighborhoods.

—Beth Robinson, CEO, Uptown Consortium

150,000 people received Zoo Outreach experiences

through off-site animal encounters and other educational programs

- Frisch's Outreach Program provides interactive learning experiences with live animal encounters in individual classrooms.
- Other educational offerings include: Wildlife Comes to You, Wings of Wonder Bird Program, and Cat Ambassador Program.
- Community group donations provided 11,000 tickets through the Marvin Lewis Community Fund and Children's Hospital & Ronald McDonald House.



Methodology

Operations and Construction Expenditures

To measure its impact on the region, the Zoo provided information about its revenues and expenditures for 2012, with supplemental information on preceding years. This expenditure output figure provided the basis for the calculation of the economic impact of operations. Construction (and capital equipment) expenditures for the past six years were averaged to create the basis for calculating the impact of construction expenditures.

Expenditures for wages and salaries and for goods and services represent the Cincinnati Zoo's direct impact on the local economy, and it also has indirect impacts. Local businesses that supply products to the Cincinnati Zoo also purchase local goods and services to produce their products. These local expenditures – by businesses that supply products to the Cincinnati Zoo and by employees who spend their wages – are termed indirect impacts. They are measured through an economic model developed by the U.S. Department of Commerce.

Visitor Spending

When visitors from outside the Cincinnati metro area come to the Zoo, they also spend money elsewhere in the Cincinnati area. The impact of spending by these out-of-town visitors is estimated using a combination of sources, including surveys of zoo visitors, recent data and studies of visitor expenditures, and data on attendance provided by the Cincinnati Zoo. Because most of these non-local visitors are coming specifically for the Zoo, a relative portion of their spending is assumed to be an indirect impact of the Zoo. Like the direct expenditures by the Cincinnati Zoo, expenditures by visitors for dining, lodging, and retail items have indirect effects on the economy.

About the Economics Center

The Research and Consulting division of the Economics Center provides the knowledge building blocks that help clients make better policy and economic development decisions. Our dynamic approach and critical data analysis empower leaders to respond to changing economic conditions, strengthen local economies and improve the quality of life for their communities.

Principal Investigator: Jeff Rexhausen.
Report designed by Anastasia Gentry and Stuart Wilson.

www.economicscenter.org

Rev. 07/12

State of West Virginia

VENDOR PREFERENCE CERTIFICATE

Certification and application* is hereby made for Preference in accordance with **West Virginia Code**, §5A-3-37. (Does not apply to construction contracts). **West Virginia Code**, §5A-3-37, provides an opportunity for qualifying vendors to request (at the time of bid) preference for their residency status. Such preference is an evaluation method only and will be applied only to the cost bid in accordance with the **West Virginia Code**. This certificate for application is to be used to request such preference. The Purchasing Division will make the determination of the Resident Vendor Preference, if applicable.

1. Application is made for 2.5% resident vendor preference for the reason checked:

- ____ Bidder is an individual resident vendor and has resided continuously in West Virginia for four (4) years immediately preceding the date of this certification; or,
- ____ Bidder is a partnership, association or corporation resident vendor and has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or 80% of the ownership interest of Bidder is held by another individual, partnership, association or corporation resident vendor who has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or,
- ____ Bidder is a nonresident vendor which has an affiliate or subsidiary which employs a minimum of one hundred state residents and which has maintained its headquarters or principal place of business within West Virginia continuously for the four (4) years immediately preceding the date of this certification; or,

2. Application is made for 2.5% resident vendor preference for the reason checked:

- ____ Bidder is a resident vendor who certifies that, during the life of the contract, on average at least 75% of the employees working on the project being bid are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; or,

3. Application is made for 2.5% resident vendor preference for the reason checked:

- ____ Bidder is a nonresident vendor employing a minimum of one hundred state residents or is a nonresident vendor with an affiliate or subsidiary which maintains its headquarters or principal place of business within West Virginia employing a minimum of one hundred state residents who certifies that, during the life of the contract, on average at least 75% of the employees or Bidder's affiliate's or subsidiary's employees are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; or,

4. Application is made for 5% resident vendor preference for the reason checked:

- ✓ Bidder meets either the requirement of both subdivisions (1) and (2) or subdivision (1) and (3) as stated above; or,

5. Application is made for 3.5% resident vendor preference who is a veteran for the reason checked:

- ____ Bidder is an individual resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard and has resided in West Virginia continuously for the four years immediately preceding the date on which the bid is submitted; or,

6. Application is made for 3.5% resident vendor preference who is a veteran for the reason checked:

- ____ Bidder is a resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard, if, for purposes of producing or distributing the commodities or completing the project which is the subject of the vendor's bid and continuously over the entire term of the project, on average at least seventy-five percent of the vendor's employees are residents of West Virginia who have resided in the state continuously for the two immediately preceding years.

7. Application is made for preference as a non-resident small, women- and minority-owned business, in accordance with West Virginia Code §5A-3-59 and West Virginia Code of State Rules.

- ____ Bidder has been or expects to be approved prior to contract award by the Purchasing Division as a certified small, women- and minority-owned business.

Bidder understands if the Secretary of Revenue determines that a Bidder receiving preference has failed to continue to meet the requirements for such preference, the Secretary may order the Director of Purchasing to: (a) reject the bid; or (b) assess a penalty against such Bidder in an amount not to exceed 5% of the bid amount and that such penalty will be paid to the contracting agency or deducted from any unpaid balance on the contract or purchase order.

By submission of this certificate, Bidder agrees to disclose any reasonably requested information to the Purchasing Division and authorizes the Department of Revenue to disclose to the Director of Purchasing appropriate information verifying that Bidder has paid the required business taxes, provided that such information does not contain the amounts of taxes paid nor any other information deemed by the Tax Commissioner to be confidential.

Under penalty of law for false swearing (West Virginia Code, §61-5-3), Bidder hereby certifies that this certificate is true and accurate in all respects; and that if a contract is issued to Bidder and if anything contained within this certificate changes during the term of the contract, Bidder will notify the Purchasing Division in writing immediately.

Bidder: WVU, BBE R

Signed: John Oeshin

Date: 10-7-2013

Title: Director, BBE R

RFQ No. DCH13101STATE OF WEST VIRGINIA
Purchasing Division**PURCHASING AFFIDAVIT**

MANDATE: Under W. Va. Code §5A-3-10a, no contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and: (1) the debt owed is an amount greater than one thousand dollars in the aggregate; or (2) the debtor is in employer default.

EXCEPTION: The prohibition listed above does not apply where a vendor has contested any tax administered pursuant to chapter eleven of the W. Va. Code, workers' compensation premium, permit fee or environmental fee or assessment and the matter has not become final or where the vendor has entered into a payment plan or agreement and the vendor is not in default of any of the provisions of such plan or agreement.

DEFINITIONS:

"Debt" means any assessment, premium, penalty, fine, tax or other amount of money owed to the state or any of its political subdivisions because of a judgment, fine, permit violation, license assessment, defaulted workers' compensation premium, penalty or other assessment presently delinquent or due and required to be paid to the state or any of its political subdivisions, including any interest or additional penalties accrued thereon.

"Employer default" means having an outstanding balance or liability to the old fund or to the uninsured employers' fund or being in policy default, as defined in W. Va. Code § 23-2c-2, failure to maintain mandatory workers' compensation coverage, or failure to fully meet its obligations as a workers' compensation self-insured employer. An employer is not in employer default if it has entered into a repayment agreement with the Insurance Commissioner and remains in compliance with the obligations under the repayment agreement.

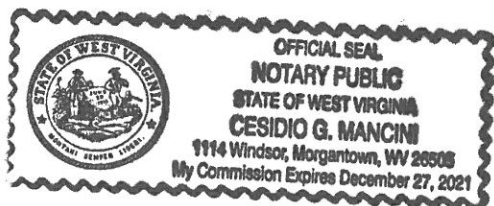
"Related party" means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceeds five percent of the total contract amount.

AFFIRMATION: By signing this form, the vendor's authorized signer affirms and acknowledges under penalty of law for false swearing (W. Va. Code §61-5-3) that neither vendor nor any related party owe a debt as defined above and that neither vendor nor any related party are in employer default as defined above, unless the debt or employer default is permitted under the exception above.

WITNESS THE FOLLOWING SIGNATURE:Vendor's Name: WVU, BBERAuthorized Signature: John DeBruin Date: 10-7-2013State of West VirginiaCounty of Mingo, to-wit:Taken, subscribed, and sworn to before me this 4 day of October, 2013.My Commission expires Dec. 27, 2021.

AFFIX SEAL HERE

NOTARY PUBLIC

Purchasing Affidavit (Revised 07/01/2012)

CERTIFICATION AND SIGNATURE PAGE

By signing below, I certify that I have reviewed this Solicitation in its entirety; understand the requirements, terms and conditions, and other information contained herein; that I am submitting this bid or proposal for review and consideration; that I am authorized by the bidder to execute this bid or any documents related thereto on bidder's behalf; that I am authorized to bind the bidder in a contractual relationship; and that to the best of my knowledge, the bidder has properly registered with any State agency that may require registration.

WVU, Bureau of Business & Economic Research
(Company)

John Deskins
(Authorized Signature)

John Deskins, Director
(Representative Name, Title)

304-293-7876 304-293-7061
(Phone Number) (Fax Number)

10-7-2013
(Date)

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.: DCH13101

Instructions: Please acknowledge receipt of all addenda issued with this solicitation by completing this addendum acknowledgment form. Check the box next to each addendum received and sign below. Failure to acknowledge addenda may result in bid disqualification.

Acknowledgment: I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.

Addendum Numbers Received:

(Check the box next to each addendum received)

- | | |
|--|--|
| <input checked="" type="checkbox"/> Addendum No. 1 | <input type="checkbox"/> Addendum No. 6 |
| <input type="checkbox"/> Addendum No. 2 | <input type="checkbox"/> Addendum No. 7 |
| <input type="checkbox"/> Addendum No. 3 | <input type="checkbox"/> Addendum No. 8 |
| <input type="checkbox"/> Addendum No. 4 | <input type="checkbox"/> Addendum No. 9 |
| <input type="checkbox"/> Addendum No. 5 | <input type="checkbox"/> Addendum No. 10 |

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. I further understand that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

WVU, Bureau of Design + Economic Resch
 Company

John O. Quinn
 Authorized Signature

10-7-2013
 Date

NOTE: This addendum acknowledgment should be submitted with the bid to expedite document processing.