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AUTHOR Williams, James W.  
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ABSTRACT

The primary objective of the Economic Impact study was to provide specific information about the economic impact on various communities as a result of expenditures by the University and University-oriented persons. The particular communities involved in this study were Port Gibson, Vicksburg, Fayette, Natchez, and Jackson. This report describes, measures, and projects the major cash flows from University-oriented persons and the various communities mentioned previously. (Author)

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ECONOMIC IMPACT OF A  
PREDOMINATELY BLACK COLLEGE

By  
James W. Williams

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Economic Impact Study  
Alcorn State University

INTRODUCTION

The primary objective of the Economic Impact study was to provide specific information about the economic impact upon various communities as a result of expenditures by the University and the University-oriented persons. The particular communities involved in this study were Port Gibson, Vicksburg, Fayette, Natchez and Jackson. This report describes, measures, and projects the major cash flows from University-University oriented persons and the various communities mentioned previously. It must be noted that expenditures for construction and renovation were not specifically included in this study. These expenditures are considered to be non-recurring as they are not on an annual basis. However, during the past several years the University's expenditures for construction and renovation have been approximately three million dollars per year. The specific areas of impact cannot be noted as this information could not be obtained.

PROCEDURE

Following his research emphasizing the procedures of several surveys related to Economic Impact Studies, Dr. James W. Williams, Director of Institutional Research at Alcorn State University, formulated questionnaires to be utilized for securing some of the appropriately needed information in this study. A list of the names and addresses of two hundred forty-six faculty and staff members was obtained from a previous study done by Dr. Williams (Survey of the Inner-Campus Mail Distribution, November, 1973). On April 25, two hundred twenty-one questionnaires, along with a cover letter requesting that the questionnaire be completed and returned in the self-addressed envelope which was provided, were personally delivered to faculty and staff members whose names appeared on the list. (See Appendix for copies of the questionnaire and letter.) The remaining twenty-five questionnaires belonging to employees who were not available at the time of distribution were mailed to them the same day. Forty-nine persons working in Buildings and Grounds whose names were not on the list were sent questionnaires and self-addressed envelopes to the Buildings and Grounds Main Office on May 16. In total, two hundred ninety-five questionnaires were distributed.

Notices reminding those with questionnaires to return them to the Office of Institutional Research were mailed on May 13. (See Appendix) In an effort

to reinforce the necessity of the return of the questionnaires, personal contact was made by the research assistant with faculty and staff on May 15 and 16 and again on June 6. Assistance in the completion of the questionnaire was given to all persons who so requested on these dates.

Approximately seven weeks were allowed for questionnaires to be sent to the Office of Institutional Research. A total of seventy-six questionnaires were returned during this seven week period.

When the majority of the returns had been received, a coding system was devised and the information on the questionnaires was recorded on computer data sheets. On June 12, when all returns were in, these data sheets were sent to the Alcorn State University Computing Center for processing.

A modified version of the faculty-staff questionnaire was developed for the students. In an effort to obtain a sample representative of all student classifications, classes composed of students of various majors and academic levels were selected to participate contingent upon the consent of the instructor. Between April 25 and May 10, a total of 485 questionnaires were completed by students in classes taught by Mr. G. Dod, Business; Dr. R. Wells, English; Dr. G. Bunner, Education; Dr. V. Prince, Social Science; Dr. P. Alford, Mathematics; Dr. B. Dod, Physical Science; Dr. E. Hjermsstad, Special Education; Mr. J. Hoyt, Social Science; Mr. G. Parker, Education; Mr. R. Fortenberry, Business; Dr. G. Sewell, Social Science; and Dr. R. Brady, Chemistry.

A system was formulated for coding the questionnaire information on computer data sheets. The completed data sheets were used by the Office of

Institutional Research to record the information on computer data cards.

These cards were sent to the Computer Center in late July.

Additional economic data was obtained from the offices of the Purchasing Agent, Business Manager and Cafeteria. This data and the computer data was analyzed and recorded in the Office of Institutional Research. The results of this study are on the following pages.



ECONOMIC IMPACT OF ALCORN STATE UNIVERSITY  
 FAYETTE, MS. 1973-74

Number of students from Jefferson County for Fall 73-74 . . . . . 189  
 Number of vendors from Fayette as indicated on the current list . . . . . 12  
 Amount paid to vendors from July, 1973 to June, 1974 . . . . . \$60,854  
 Total student expenditures for food, clothings, transportation,  
 recreation, professional services, housing, etc. as indicated  
 by a survey done during the spring semester 1974 \$93,600  
 Faculty and staff expenditures as indicated by a survey done during  
 the spring semester of 1974.

	<u>Monthly Projections</u>	<u>Yearly Projections</u>
Residential Expenditures (Jefferson County)	\$ 1,500	\$ 18,000
Food Expenditures	2,412	28,944
Personal Services and Articles	974	18,444
Insurance Premiums	-	-
Interest on Loans	135	1,620
Contributions and Gifts	-	-
Furniture and Home Furnishings	360	4,320
Entertainment and Hobbies	525	6,300
Transportation	468	5,616
Miscellaneous	<u>3,192</u>	<u>38,304</u>
Totals	<u>\$11,103</u>	<u>\$133,236</u>
Total projected yearly expenditures . . . . .		\$287,690
The Multiplier Effect of 1.7 (computed by Mississippi Research and Development Center) produces a yearly economic impact of . . . . \$489,073		

ECONOMIC IMPACT OF ALCORN STATE UNIVERSITY  
JACKSON, MS. 1973-74

Number of students from Hinds County for Fall 73-74 . . . . .	119
Number of vendors from Jackson as indicated on the current list . . . .	190
Amount paid to vendors from July, 1973 to June, 1974 . . . . .	\$ 149,910
Cafeteria expenditures for food and supplies 1973-74 . . . . .	\$ 191,203
Total student expenditures for food, clothing, transportation, recreation, professional services, housing, etc. as indicated by a survey done during the spring semester 1974 . . . . .	\$ 118,800
Faculty and staff expenditures as indicated by a survey done during the spring semester of 1974.	

	<u>Monthly Projections</u>	<u>Yearly Projections</u>
Residential Expenditures (Hinds County)	\$ 500	\$ 6,000
Food Expenditures	4,725	56,700
Personal Services and Articles	4,043	48,516
Medical and Health	2,079	24,948
Other Professional Services	187	2,244
Insurance Premiums	5,499	65,988
Interest on Loans	1,579	18,948
Contributions & Gifts	698	8,376
Furniture and Home Furnishings	1,836	22,032
Entertainment and Hobbies	1,311	15,732
Transportation	17,467	209,604
Miscellaneous	189	2,268
Totals	<u>\$40,113</u>	<u>\$481,356</u>
Total projected yearly expenditures . . . . .		\$941,269

The Multiplier Effect of 1.7 (computed by Mississippi Research and Development Center) produces a yearly economic impact of \$1,600,157





ECONOMIC IMPACT OF ALCORN STATE UNIVERSITY  
NATCHEZ, MS. 1973-74

Number of students from Adams County for Fall 73-74 . . . . .	184
Number of vendors from Natchez as indicated on the current list . . . . .	49
Amount paid to vendors from July, 1973 to June, 1974 . . . . .	\$108,632
Cafeteria expenditures for food and supplies 1973-74 . . . . .	\$30,574.39
Total student expenditures for food, clothings, transportation, recreation, professional services, housing, etc. as indicated by a survey done during the spring semester 1974 . . . . .	\$ 75,600

Faculty and staff expenditures as indicated by a survey done during  
the spring semester of 1974.

	<u>Monthly Projections</u>	<u>Yearly Projections</u>
Residential Expenditures (Adams County)	\$ 2,000	\$ 30,000
Food Expenditures	11,058	132,696
Personal Services & Articles	7,290	87,480
Medical and Health	-	-
Other Professional Services	2,145	29,832
Insurance Premiums	337	4,044
Interest on Loans	2,145	25,740
Contributions & Gifts	473	5,676
Furniture and Home Furnishings	1,386	16,632
Entertainment & Hobbies	4,140	46,680
Transportation	8,540	103,080
Miscellaneous	270	3,240
Totals	<u>\$40,175</u>	<u>\$482,100</u>

Total projected yearly expenditures . . . . . \$696,906

The Multiplier Effect of 1.7 (computed by Mississippi Research and  
Development Center) produces a yearly economic impact of \$1,184,740



ECONOMIC IMPACT OF ALCORN STATE UNIVERSITY.  
PORT GIBSON, MS. 1973-74

Number of students from Claiborne County for Fall 73-74 . . . . . 244  
 Number of vendors from Port Gibson as indicated on the current list . . . . . 40  
 Amount paid to vendors from July, 1973 to June, 1974 . . . . . \$70,355  
 Total student expenditures for food, clothing, transportation,  
 recreation, professional services, housing, etc, as indicated  
 by a survey done during the spring semester 1974. . . . . \$111,600  
 Faculty and staff expenditures as indicated by a survey done during  
 the spring semester of 1974.

	<u>Monthly Projections</u>	<u>Yearly Projections</u>
Residential Expenditures (Claiborne County)	\$ 4,000	\$ 75,000
Food Expenditures	6,174	74,088
Personal Services and Articles	3,242	38,904
Medical & Health	1,365	16,380
Other Professional Services	23	276
Insurance Premium	1,890	22,680
Interest on Loans	620	7,440
Contributions & Gifts	735	8,820
Furniture and Home Furnishings	378	4,536
Entertainment & Hobbies	998	11,976
Transportation	7,881	94,572
Miscellaneous	276	3,312
<b>Totals</b>	<u>\$27,582</u>	<u>\$330,984</u>
<b>Total projected yearly expenditures</b>		<b>\$512,739</b>

The Multiplier Effect of 1.7 (computed by Mississippi Research and  
 Development Center) produces a yearly economic impact of \$871,656



ECONOMIC IMPACT OF ALCORN STATE UNIVERSITY  
VICKSBURG, MS. 1973-74

Number of students from Warren County for Fall 73-74 . . . . .	143
Number of vendors from Vicksburg, as indicated on the current list. . . . .	54
Amount paid to vendors from July, 1973 to June, 1974 . . . . .	\$46,889
Cafeteria expenditures for food and supplies 1973-74 . . . . .	\$26,000
Total student expenditures for food, clothing, transportation, recreation, professional services, housing, etc. as indicated by a survey done during the spring semester 1974 . . . . .	\$93,000
Faculty and staff expenditures as indicated by a survey done during the spring semester of 1974.	

	<u>Monthly Projections</u>	<u>Yearly Projections</u>
Residential Expenditures (Warren County)	\$ 750	\$ 9,000
Food Expenditures	9,509	114,108
Personal Services & Articles	8,570	102,840
Medical and Health	2,744	32,928
Other Professional	60	720
Insurance Premiums	552	6,624
Interest on Loans	607	7,284
Contribution and Gifts	936	11,232
Furniture and Home Furnishings	3,198	38,376
Entertainment & Hobbies	1,344	16,128
Transportation	10,172	122,064
Miscellaneous	156	1,872
Totals	\$38,442	\$461,304
Total projected yearly expenditures . . . . .		\$627,193

The Multiplier Effect of 1.7 (computed by Mississippi Research and  
Development Center) produces a yearly economic impact of \$1,066,228



ECONOMIC IMPACT OF ALCORN STATE UNIVERSITY  
 OTHER - FACULTY AND STAFF  
 1973-74

	<u>Monthly Projections</u>	<u>Yearly Projections</u>
Residential Expenditures	-	-
Food Expenditures	\$ 2,767	\$ 33,204
Personal Services and Articles	4,347	52,164
Medical and Health	1,188	14,256
Other Professional Services	362	4,344
Insurance Premiums	6,075	72,900
Interest on Loans	4,504	54,048
Contributions and Gifts	3,927	47,124
Furniture and Home Furnishings	1,259	15,108
Entertainment and Hobbies	1,458	17,496
Transportation	15,246	182,952
Miscellaneous	113	1,356
Totals	<u>\$41,246</u>	<u>\$494,952</u>

ECONOMIC IMPACT OF ALCORN STATE UNIVERSITY  
 OTHER - STUDENTS  
 1973-74

	<u>Monthly Projections</u>	<u>Yearly Projections</u>
Total Expenditures	\$25,500	\$306,000

CHARACTERISTICS OF FACULTY & STAFF  
RESPONDENTS TO ECONOMIC IMPACT QUESTIONNAIRE

<u>Characteristics</u>	<u>Number</u>
Male	42
Female	34
Married	40
Single	36
Faculty	37
Staff	39

Home Ownership

Yes	26
No	50

Total value of 26 who own a home \$609,000  
Average value of home per person \$ 23,423

CHARACTERISTICS OF STUDENT RESPONDENTS  
TO ECONOMIC IMPACT QUESTIONNAIRE

<u>Characteristics</u>	<u>Number</u>
Male	158
Female	319
Married	35
Single	442
Freshman	105
Soph.	112
Junior	175
Senior	72
Not Given	9

CONCLUSIONS

Alcorn State University, a long-time member of the Western Mississippi community, is a significant economic force in the area. The total direct impact of the University in the five areas studied exceeds 3 million dollars a year. This includes direct expenditures of University employees, students and general financial expenditures of the University. Also, the full impact can only be determined after a Multiplier Factor is applied. The total impact utilizing the Multiplier Factor exceeds 5 million dollars a year.

In addition to the direct expenditures, the University adds other unique benefits to the area. For example, it is a source of cultural and social resource. It offers opportunities for continuing education and training for citizens of the area. The faculty and staff of the University represents a pool of business, education, and scientific experts available to the surrounding communities.

