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prepared by

Parker Phillips
assess. analyze. assert!



**KANSAS
WESLEYAN**
UNIVERSITY

**Building Community, Character AND Making
a Difference in Salina and Beyond**



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**KANSAS
WESLEYAN**
UNIVERSITY

The Power of AND

Kansas Wesleyan University (KWU) is a private, independent university for students seeking the offerings of a larger university, but with a level of personal attention found at smaller, liberal arts colleges. Located in Salina, Kansas, KWU is deeply invested in the region, financially supporting several cultural and educational ventures and working closely with local businesses and organizations to provide its students with internship and mentorship opportunities. KWU takes pride in fostering an intentional learning experience for students in and outside of the classroom or lab. Education includes an emphasis on character development and citizen collaboration, and the university has been recognized for best practices by regional accreditors, including the Higher Learning Commission. Inspired by the practice of “The Power of AND” to create a positive, inclusive and holistic experience, KWU students, faculty, staff and alumni are driven to have a positive effect in Salina, Kansas and beyond.

Kansas Wesleyan University
generates
\$46.4M
in economic
impact per year



\$272,978
in community
contributions

\$2.6M in state & local
tax revenue



Kansas alumni
generate

\$59.1M

in economic impact annually

Supports and sustains **351**
JOBS



Contributing to the Economy

The combined statewide economic contribution of KWU in 2021 was \$46.4 million. This includes a direct impact of \$28.2 million and indirect/induced impact of \$18.2 million. Operational and capital spending in Kansas generated \$38.6 million of the total impact, and \$7.8 million in impact was generated from student and visitor spending in 2021.

Supports and Sustains Jobs

As a result of operations, student spending and visitor spending, KWU supports 351 jobs (direct and indirect/induced). KWU employs 173 people.

Contributes to the State and Local Tax Base

In 2021, KWU, its suppliers, students and visitors contributed an estimated \$2.6 million in state and local taxes through spending in the local and statewide economy. Of this \$2.6 million, \$1.1 million was generated in local taxes exclusively.



Alumni Continue to Contribute to Kansas

KWU graduates live out the university's tagline, "The Power of AND," taking on leadership roles in their fields and contributing at all levels of the economy and government. Central Kansas particularly benefits from the community partnerships that the university has developed across the years. Many graduates remain in the area after graduation as nurses, educators, law enforcement, business leaders and a plethora of other professions that contribute to the region's high quality of life. Other KWU alumni have gone on to the Kansas governor's office, NASA and the highest levels of elite scholarship.

More than 3,100 alumni living and working in Kansas are continuing to have a positive economic effect on the region after graduation. KWU graduates are an integral part of the workforce of Kansas and impact the economy over their careers through their spending and the extra earning power from earning a KWU degree. Each year, KWU alumni generate \$59.1 million in economic output for the Kansas community, support and sustain 371 jobs and contribute \$3.7 million in state and local taxes. These impacts are based on the added value of earning a degree or credential from KWU, not alumni full wages.

Mission to Serve and Give Back

KWU is a vital community partner, investing in and providing opportunities for local residents to enjoy arts, culture, sports events and lectures. KWU is also a rich resource for community volunteers. Its students help meet local volunteer needs at public schools, YMCA, Big Brothers Big Sisters, Theatre Salina, clinics and more. Based upon assumptions derived from the U.S. Census Bureau and the Points of Light Foundation regarding donation amounts and volunteerism rates by age, income level and employment status, it is estimated that KWU staff, faculty and students give \$116,921 annually in charitable donations and volunteer for an estimated 12,966 hours, valued at \$156,057. In 2021, the combined effect of charitable giving and volunteerism totaled \$272,978. These benefits were in addition to the \$46.4 million in annual economic impact.



"Salina's a fantastic supporter of Kansas Wesleyan, and an important part of who we are and what we offer. While we want the message of KWU to spread across the Midwest, it is Salina – our home – that enables us to serve students in a real and practical way."

— Dr. Matt Thompson
President and CEO, Kansas Wesleyan University

KWU Student Profile

859



students enrolled

73.2%



student athletes

44.5%

of students from Kansas

22.3%



first generation to attend college

45+



majors offered

42%



Pell Grant eligible



Kansas Independent College Association

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Introduction

Kansas Wesleyan University (KWU) is a private, independent university for students seeking the offerings of a larger university, but with a level of personal attention found at smaller, liberal arts colleges. For 136 years, KWU has provided academic programming with a liberal arts foundation, granting BA, BS and MBA degrees. The average class size is 13 students, with a student-to-teacher ratio of 11:1. Located in Salina, Kansas, KWU is deeply invested in the region, financially supporting several cultural and educational ventures and working closely with local businesses and organizations to provide its students with internship and mentorship opportunities. KWU takes pride in fostering an intentional learning experience for students in and outside of the classroom or lab. Education includes an emphasis on character development and citizen collaboration, and the university has been recognized for best practices by regional accreditors, including the Higher Learning Commission. Inspired by the practice of “the Power of AND” to create a positive, inclusive and holistic experience, KWU students, faculty, staff and alumni are driven to have a positive effect in Salina, the state and beyond.

“The holistic experience is what should draw a potential employer to a KWU student. We live it out through the volume of quality activities, internships and other work-related opportunities available to our students that prepare them with a litany of skills for their careers.”

— Dr. Matt Thompson
President and CEO, Kansas Wesleyan University



Kansas Wesleyan University Mission

The mission of Kansas Wesleyan University is to promote and integrate academic excellence, spiritual development, personal well-being and social responsibility.

Kansas Wesleyan provides an educational program characterized by excellence, within a caring community, rooted in the liberal arts tradition. The call of the university is to develop both intellect and character, to stimulate creativity and a sense of discovery and to nurture the whole person — body, mind and spirit. Diversity is embraced in curriculum, faculty and students.

Kansas Wesleyan University prepares students not only for careers and professions, but also for lifelong learning. The university equips its students for responsible leadership in their communities, for useful service in and to the world and for stewardship of the earth.

Kansas Wesleyan University provides a setting in which faith and learning are integrated, as an encounter with the Christian proclamation is an integral part of the life of the university. The university fosters the lively discussion of faith and values, encouraging students to develop a thoughtful personal world view informed by Christian tradition.

Kansas Wesleyan University serves the church, community and the world by providing a variety of resources for educational, cultural and spiritual enrichment. The aim of the university is to discover, to build and to share a higher quality of life and a broader vision of the world.



About the Study

In January 2022, the Kansas Independent College Association (KICA) and KWU engaged Parker Philips, Inc. to measure the economic contribution of Kansas' private, independent colleges and universities. The goal of this analysis is to tell KWU's story from a numbers and narrative perspective. To develop this report, Parker Philips gathered student, financial and employment data about KWU, toured the campus, met with key faculty, staff and leadership, and researched secondary data and information to inform the writing and key messages.

**Financial and
Data Gathering**

**Narrative Building
through interviews,
college survey
and campus visit**

**Analysis and
Reporting**

The primary tool used in the performance of this study is the Input-Output model and data set developed by IMPLAN Group LLC. Financial data used in this study were obtained from KICA and included the following data points: operational expenditures, capital expenditures and payroll and benefits for employees for FY 21. Secondary data were used to estimate spending by visitors (day and overnight) and students (undergraduate and graduate) exclusive of tuition and fees. Additional information on the methodology and assumptions used to complete this study can be found in Appendix B.

The impact presented in this analysis is broken down into three categories: direct impact, indirect impact and induced impact. The indirect and induced impacts are commonly referred to as the "multiplier effect." The following graphic provides an overview of the types of impact detailed in this report.



DIRECT

Investment in construction and expenditures for operations

INDIRECT

Purchases from local suppliers

INDUCED

Household spending from earnings of direct and indirect expenditures

KANSAS WESLEYAN UNIVERSITY STUDY PROFILE

Data Source: Kansas Wesleyan University and Kansas Independent College Association
 Study Type: Economic Contribution Analysis
 Geography: Kansas
 Study Year: Fiscal Year 2021
 Methodology: IMPLAN



KWU Contributes to the State and Local Economy

KWU contributes to the local and statewide economy through its expenditures on operations, capital projects, wages, the spending of students off-campus and the spending of visitors to campus. The direct, day-to-day expenditures of KWU, combined with the student and visitor spending, cause a ripple effect throughout the statewide economy.

The total economic impact of KWU in 2021 totaled \$46.4 million. This contribution to the local and statewide economy is a point-in-time snapshot depicting how the expenditures of KWU and its faculty, staff, students and visitors make an impact.

OPERATIONS CONTRIBUTION

KWU operations and capital spending in 2021 contributed a total of \$38.6 million. KWU's operations generated \$23.3 million in direct economic impact, \$7.8 million in indirect economic impact and \$7.5 million in induced economic impact.





STUDENT SPENDING CONTRIBUTION

KWU students contributed a total of \$6.4 million to the state's economy in 2021 as a result of their spending. They generated \$4.1 million in direct economic impact, \$1.2 million in indirect economic impact and \$1.1 million in induced economic impact.

VISITOR SPENDING CONTRIBUTION

Visitor spending at KWU in 2021 contributed a total of \$1.4 million. Visitors to KWU generated \$829,729 in direct economic impact, \$313,129 in indirect economic impact and \$246,895 in induced economic impact.

KWU COMBINED ECONOMIC IMPACT (FY 21)

 Operations	\$23,256,991 Direct	\$7,799,086 Indirect	\$7,543,664 Induced
	Total \$38,599,741		
 Student Spending	\$4,147,976 Direct	\$1,200,768 Indirect	\$1,073,886 Induced
	Total \$6,422,630		
 Visitor Spending	\$829,729 Direct	\$313,129 Indirect	\$246,895 Induced
	Total \$1,389,753		
 Combined Economic Impact	\$28,234,696 Direct	\$9,312,983 Indirect	\$8,864,445 Induced
	Total \$46,412,124		



Creating and Sustaining Jobs Throughout Kansas

KWU supports a total of 351 full- and part-time jobs throughout the state. Beyond the direct jobs at the university, indirect and induced jobs include construction for campus projects, retail, restaurants, daycare, real estate and banking – to name a few.

OPERATIONS

KWU operations supported and sustained a total of 263 jobs: 173 direct jobs, 42 indirect jobs and 48 induced jobs.

STUDENT SPENDING

Students from KWU supported and sustained a total of 73 jobs as a result of student spending: 59 direct jobs, 7 indirect jobs and 7 induced jobs.

VISITOR SPENDING

Visitors to KWU supported and sustained a total of 15 jobs as a result of their spending: 11 direct jobs, 2 indirect jobs and 2 induced jobs.

Based on analysis by industry sectors, other jobs supported by the university outside of the higher-education and health-care sectors include jobs in real estate, retail and services (e.g., restaurants, child-care centers and entertainment).

KWU EMPLOYMENT CONTRIBUTION (JOBS, FY 21)

Operations	173 Direct	42 Indirect	48 Induced	Total Jobs 263
Student Spending	59 Direct	7 Indirect	7 Induced	Total Jobs 73
Visitor Spending	11 Direct	2 Indirect	2 Induced	Total Jobs 15
Combined Employment Impact	243 Direct	51 Indirect	57 Induced	Total Jobs 351

Source: Parker Philips using IMPLAN with data from KICA and KWU

Generating Local and State Tax Revenues

KWU's employees, suppliers and related constituencies contribute to the local and statewide tax bases. In FY 21, the university contributed an estimated \$2.6 million (\$1.5 million direct and \$1.1 million indirect and induced) through local spending (operational, capital, students and visitors), as well as direct and indirect support of jobs. At the state and local levels, KWU contributes to the tax bases through its purchasing. Specific taxes include employee and employer contributions to state and local social-insurance funds, sales and use taxes, personal property taxes, taxes paid on motor-vehicle licenses and payments of fines and fees.

KWU COLLEGE STATE AND LOCAL TAX IMPACTS (FY 21)

Sub County General	\$228,211 Direct	\$56,466 Indirect	\$118,435 Induced
Total \$403,112			
Sub County Special Districts	\$181,756 Direct	\$44,900 Indirect	\$93,877 Induced
Total \$320,533			
County	\$235,007 Direct	\$58,065 Indirect	\$121,489 Induced
Total \$414,561			
State	\$891,824 Direct	\$216,007 Indirect	\$389,111 Induced
Total \$1,496,942			
Total	\$1,536,798 Direct	\$375,438 Indirect	\$722,912 Induced
Total \$2,635,148			

Source: Parker Philips using IMPLAN with data from KICA and KWU



KWU Coyotes: Champions on the Field and in the Community

KWU is a local and regional sports favorite for the campus community, alumni and friends of the university. KWU is a member of the National Association of Intercollegiate Athletics (NAIA), primarily competing in the Kansas Collegiate Athletic Conference. KWU competes in 25 intercollegiate varsity sports throughout the academic year: men's sports include baseball, basketball, bowling, cross country, football, golf, soccer, tennis, track & field (indoor and outdoor) and volleyball; women's sports include basketball, bowling, cross country, flag football, golf, soccer, softball, tennis, track & field (indoor and outdoor) and volleyball; and co-ed sports include competitive cheer, competitive dance and eSports. Competition is fierce and a loyal fanbase is ready to cheer on the Coyotes to victory. The KWU Coyotes have won 80 team KCAC Championships since the 2004-05 season.

Off the field, KWU student-athletes contribute 10,000 annual service hours in the community, giving their time and expertise at local grade schools and the YMCA. This offers student-athletes a wonderful opportunity to learn leadership skills and be actively engaged with the community. In addition, KWU has a host family program that serves to connect community members with student-athletes as a support system while they are away from their home and family attending college. A major fundraising event, the Night with the Yotes, has a strong community following, providing a positive opportunity for those in the community to hear about the Coyote athletic program and to show support with their gifts.

KWU Alumni: Making a Difference in Kansas and Beyond

KWU graduates live out the university's tagline, "The Power of AND," taking on leadership roles in their fields and contributing at all levels of the economy and government. Central Kansas particularly benefits from the community partnerships that the university has developed over the years. Many graduates remain in the area after graduation as nurses, educators, law enforcement, business leaders and a plethora of other professions that contribute to the region's high quality of life. Other KWU alumni have gone on to the Kansas governor's office, NASA and the highest levels of elite scholarship.

Over 3,100 alumni living and working in Kansas are continuing to make a positive economic impact after graduation. KWU graduates are an integral part of the workforce of Kansas and impact the economy over their careers through their spending and the extra earning power from earning a KWU degree. Each year, KWU alumni generate \$59.1 million in economic output for the Kansas community, support and sustain 371 jobs and contribute \$3.7 million in state and local taxes. These impacts are based on the added value of earning a degree or credential from KWU, not alumni full wages. The graduates of KWU have made an impact throughout Kansas and beyond.



KWU CLASS OF 2002:

Dr. Stefanie Milam once said that "education is what you make of it." She has taken her KWU degree to NASA's Goddard Space Flight Center, where she serves as the James Webb Deputy Project Scientist for Planetary Science. She was instrumental in the launch of NASA's newest space telescope, the James Webb Space Telescope, in December of 2021. Milam appeared on many television programs, including "60 Minutes," to discuss the scientific importance of the launch. She has continued to give back to her alma mater, where she was the 2016 Commencement speaker.

KWU Gives Back

KWU is a vital community partner, investing in and providing opportunities for local residents to enjoy arts, culture, sports events and lectures. KWU is also a rich resource for community volunteers. Its students help meet local volunteer needs at public schools, YMCA, Big Brothers Big Sisters, Theatre Salina, clinics and more. Based upon assumptions derived from the U.S. Census Bureau and the Points of Light Foundation regarding donation amounts and volunteerism rates by age, income level and employment status, it is estimated that KWU staff, faculty and students give \$116,921 annually in charitable donations and volunteer for an estimated 12,966 hours, valued at \$156,057. In 2021, the combined impact of charitable giving and volunteerism totaled \$272,978. These benefits were in addition to the \$46.4 million in annual economic impact.

KWU CLASS OF 1976:

Governor William P. Graves used his KWU education as a stepping stone to become the longest-serving Republican governor in Kansas history. His public service through Kansas made a positive impact on the lives of Kansans. He won all four of his statewide elections (including to other offices) and won re-election to the Governorship in 1998 with 73% of the vote, giving him a legitimate claim to the title of Kansas' most popular governor. After leaving politics, Graves served as President of the American Trucking Association and a board member of the International Speedway Corporation, which was responsible for building Kansas Speedway in the Kansas City area.

“Kansas Wesleyan was great for me because it was a small enough university that I got the attention I needed academically. I got the opportunity to play sports...and I got involved in a lot more extracurricular kinds of things, like theatre...”

Governor William P. Graves

Class of 1976

Conclusion

The annual combined economic impact of operations and student and visitor spending (\$46.4 million) and Kansas-based alumni (\$59.1 million) totals \$105.5 million. KWU is an integral part of and partner with the Salina community from an economic and social perspective. Through investment in cultural institutions, theater, community engagement and partnership with local government, KWU is making a critical impact on the future of Salina and Kansas.





Appendix A: Terms & Definitions

Direct Economic Impact – All direct expenditures made by an organization due to its operating expenditures. These include operating expenditures, capital expenditures, and pay and benefits expenditures.

Direct Employment – Total number of employees, both full-time and part-time, at the organization based on total jobs, not FTEs.

Dollar Year – Presented in 2021 dollars.

Government Revenue/State and Local Tax Impact – Government revenue or tax revenue that is collected by governmental units at the state and local levels in addition to those paid directly by an organization. This impact includes taxes paid directly by the organization itself, employees of the organization and vendors who sell products to the organization, and at the household level.

IMPLAN Data Year – 2020

Indirect Economic Impact – The indirect impact includes the impact of local industries buying goods and services from other local industries. The cycle of spending works its way backward through the supply chain until all money is spent outside of the local economy, either through imports or by payments to value added (multiplier effect).

Indirect Employment – Additional jobs created as a result of an organization's economic impact. Local companies or vendors that provide goods and services to an organization increase their number of employees as purchasing increases, thus creating an employment multiplier.

Induced Economic Impact – The response by an economy to an initial change (direct effect) that occurs through re-spending of income received by a component of value added. IMPLAN's default multiplier recognizes that labor income (employee compensation and proprietor income components of value added) is not lost to the regional economy. This money is recirculated through household spending patterns causing further local economic activity (multiplier effect).

Induced Employment – Additional jobs created as a result of household spending by employees of an organization and the employees of vendors. This is another wave of the employment multiplier.

Multiplier Effect – The multiplier effect is the additional economic impact created as a result of the organization's direct economic impact. Local companies that provide goods and services to an organization increase their purchasing by creating a multiplier (indirect/supply-chain impacts). Household spending generated by employees of the organization and the organization's suppliers create a third wave of multiplier impact (induced/household-spending impacts).

Study Year – FY 2021

Total Economic Output/Economic Impact – Includes organizational spending on operations, capital expenditures, labor income expenditures and value added to the economy as a result of expenditures made by an organization. It is the combined impact of direct, indirect and induced impacts.



Appendix B: Data & Methods

Kansas Independent College Association provided the primary economic data used to complete the contribution analysis. Data supplied included operating expenditures, capital spending (three year average), pay and benefits, and total employees. Primary and secondary data were used to complete the input-output models in IMPLAN. The study approach and economic-impact findings are a conservative estimate of impact and are based on actual financial information. The study is a snapshot in time of Kansas' independent colleges and universities.

OVERVIEW AND THE IMPLAN MODEL

The most common and widely accepted methodology for measuring the economic impacts of economic sectors is input-output (I-O) analysis. At its core, an I-O analysis is a table that records the flow of resources to and from companies/organizations and individuals within a region at a given time. For a specified region such as a state, the I-O table accounts for all dollar flows among different sectors of the economy in a given period. With this information, a model can then follow how a dollar added into one sector is spent and represented in other sectors of the economy, generating outgoing ripples of subsequent economic activity. This chain of economic activity created by one event is called the “economic multiplier” effect.

The primary tool used in the performance of this study is the I-O model and data set developed and maintained by IMPLAN Group LLC (formerly Minnesota IMPLAN Group Inc.). IMPLAN is a widely accepted and used software model first

developed by the U.S. Forest Service in 1972. Data used in the baseline IMPLAN model and data set come largely from federal-government databases. The I-O tables themselves come from the Bureau of Economic Analysis. Much of the annual data on labor, wages, final demand and other market data come from the Bureau of Labor Statistics, the U.S. Census Bureau and other government sources.

Government agencies, companies and researchers use IMPLAN to estimate the economic activities associated with spending in a particular industry or on a particular project. The IMPLAN model extends conventional I-O modeling to include the economic relationships among government, industry and household sectors, allowing IMPLAN to model transfer payments such as taxes.

Producers of goods and services must secure labor, raw materials and other services to produce their product. The resources transferred to the owners of that labor or those raw materials and services are then used to secure additional goods and services or inputs to the products they sell. For example, an organization in a region may develop a company that produces tractors with a value of \$1 million. However, to produce that product, they may be required to spend \$500,000 in wages and benefits, \$200,000 to suppliers of tractor parts, \$100,000 for electricity, \$50,000 for transportation of goods and raw materials to and from the plant and \$50,000 in various professional services fees associated with operating a business (e.g., attorneys and accountants). The suppliers will, in turn, spend those resources on labor and raw



Appendix B: Data & Methods

materials necessary to produce tractors. Workers and the owners of the company will buy goods and services from other firms in the area (e.g., restaurants and gas stations) and pay taxes. The suppliers, employees and owners of this second tier will, in turn, spend those resources on other goods and services whether within the study region or elsewhere. The cycle continues until all of the money leaves the region.

IMPLAN METHODOLOGY

The model uses national production functions for more than 536 industries to determine how an industry spends its operating receipts to produce its commodities. These production functions are derived from U.S. Census Bureau data. IMPLAN couples the national production functions with a variety of county-level economic data to determine the impacts at a state and congressional-district level. IMPLAN collects data from a variety of economic data sources to generate average output, employment and productivity for each industry in a given county. IMPLAN combines this data to generate a series of economic multipliers for the study area. The multiplier measures the amount of total economic activity generated by a specific industry's spending an additional dollar in the study area. Based on these multipliers, IMPLAN generates a series of tables to show the economic event's direct, indirect and induced impacts to gross receipts, or output, within each of the model's more than 536 industries. The model calculates three types of effects: direct, indirect and induced. The economic impact of Kansas' independent colleges and universities is the sum of these three effects.

CONSIDERATIONS CONCERNING IMPLAN

There are three important points about the use of IMPLAN (or any other I-O model):

It is a fixed-price model. The model assumes that changes in consumption are not limited by capacity and do not affect prices. This assumption does not cause a problem for the analysis presented here, because we are taking a snapshot of Kansas' independent colleges and universities in a specific year. As in many studies using this type of model, the direct impacts are not calculated by the model; they reflect actual spending levels and patterns created by each college or university. Changing the level of direct spending allows us to calculate the magnitude of the indirect and induced effects associated with the initial level of spending.

Because the model continues to calculate additional spending until all of the money leaves the region (i.e., "leakage"), the larger and more economically diverse the region, the longer it will take for spending to leave the region and the larger the impact is likely to be. For example, an employee of a college or university may spend some amount of their income on buying a car. If there are no car manufacturers in the state or county, this spending will leave the region and the multiplier effect will stop. At the national level, a portion of that same spending by that same individual may go to a national auto producer. That spending would lead to more spending at the national level than would be captured by a more regional model. The national impact will be larger than the sum in the individual states, and the individual state impact will be larger than the sum of the impacts in its congressional districts.



