

# Keene State College's Economic Impact on the City of Keene and Cheshire County



**K**EENE STATE COLLEGE is a vital economic force in the City of Keene and Keene's economic impact area, Cheshire County. In addition to the College's \$101 million operating budget and the spending power of 5,400 students, the College brings approximately 54,400 visitors a year to Keene, provides jobs to over 1,200 people, and draws federal and state money into the area for grants, research, and scholarships.

The College's 1,000 full- and part-time employees who live in Keene and the surrounding area receive over \$35 million in compensation. The most recent Bureau of Labor statistics estimate that the average person spends 80% of his or her discretionary income on housing, food, clothing, entertainment, transportation, child care, household services, furnishings and supplies, personal care, and health care. Using this conservative percentage, Keene State College employees spend approximately \$29 million dollars for goods and services in the local area. Additionally, health insurers pay an estimated \$5 million in benefits to local medical and dental care providers.

KSC's 5,400 undergraduate and graduate students spend an estimated \$25 million a year in the city of Keene. Students who live on the Keene State College campus spend approximately \$5 million a year on food, clothing, entertainment, travel, health care, and personal items. Students who live in Keene and the surrounding area spend approximately \$20 million a year on rent, transportation, and living expenses.

Keene State College has a profound academic, social, and cultural impact on southwestern New Hampshire. This study measures the economic benefits that the College brings to the City of Keene and its surrounding communities.

Keene State College contributes an estimated \$176 million a year to the City of Keene and the surrounding area. The College brings an estimated \$188 million to the state of New Hampshire annually.

Keene State College's impact on the city of Keene extends beyond the financial. The community service activities of Keene State's students, faculty, and staff (estimated at over 500,000 hours annually) are worth close to \$12 million, using hourly wage figures published by the Independent Sector,\* a leadership forum for non-profits in America.

The College offers many cultural, athletic, and alumni events that draw visitors to the area throughout the year. Approximately 54,400 people come to Keene State College for such activities as Homecoming, Parent Family Weekend, Alumni Reunion, Commencement, athletic events, open houses, Redfern Arts Center performances, the Children's Literature Festival, Elderhostel, and freshman orientation. These visitors spend an estimated \$1.2 million in the area.

The College purchases over \$13 million worth of goods and services in the Keene economic area and spends another \$15 million annually on building construction and renovation. The goods and services include stipends to school teachers, health care providers, and employees from the non-profit and for-profit sectors who provide learning experiences for students. The College also provides payments to the City of Keene for library services, the development of pedestrian and bicycle paths, and police and fire protection.

As a result of the employee spending (\$29m), benefits (\$5m), visitors (\$1.2m), College purchases and capital construction (\$28m), and student spending (\$25m), the College has a direct annual impact of \$88 million on the city of Keene and its surrounding communities. Keene State's direct economic impact on the state of New Hampshire is \$94 million per year.

In order to determine the total impact of a dollar spent in a local economy, a multiplier is used, based on the number of times that the dollar is expected to be re-spent before it leaves the area. This study used a conservative multiplier of 2.0. Applying this multiplier to the direct impact amount results in a total financial impact of \$176 million a year on the city of Keene and its surrounding communities. Keene State's total financial impact on the state of New Hampshire is \$188 million annually.

**KSC annually purchases about \$17 million worth of goods and services in the state of New Hampshire and spends approximately \$15 million on capital projects.**

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**Local community groups – including religious and nonprofit organizations, schools and school districts, city and state governance committees, and special interest groups – use Keene State's facilities and grounds for their meetings and events, at little or no cost.**

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**Keene State College faculty and staff contribute \$47,000 annually to the local area United Way and for scholarships, including one for employees of non-profits in the Monadnock region.**

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This study was prepared by  
Cristi L. Carson, Ph.D.  
Director, Institutional Research  
Keene State College  
229 Main Street  
Keene, NH 03431-1506  
603-358-2117  
ccarson@keene.edu

\* Independent Sector, [www.independentsector.org](http://www.independentsector.org)

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