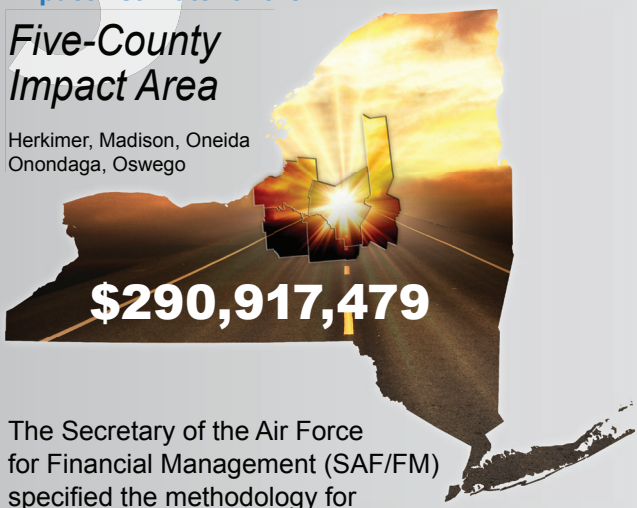


5

The Total Annual Economic
Impact Estimate for the

*Five-County
Impact Area*

Herkimer, Madison, Oneida
Onondaga, Oswego



The Secretary of the Air Force for Financial Management (SAF/FM) specified the methodology for computing the economic impact of an Air Force military installation. This methodology is consistent with that used by the Office of the Secretary of Defense (OSD) Base Realignment and Closure (BRAC) Commission.

The total economic impact of a military installation on its economic area is the product of annual payroll, annual expenditures, and the estimated annual dollar value of indirect jobs created. The economic area should include residences of the majority of the military and civilian employees at the installation. It is generally defined as a Metropolitan Statistical Area (MSA). 100.0% of the military personnel and 97.5% of the civilian personnel and on-site contractors employed at Information Directorate make their home in the economic impact area of Herkimer, Madison, Oneida, Onondaga, and Oswego counties.

Air Force Research Laboratory
Information Directorate

Comptroller
26 Electronic Parkway
Rome, NY 13441
315.330.3507



Economic Impact Analysis

FISCAL YEAR 2014

Air Force Research Laboratory
Information Directorate
Rome, New York

**COMPTROLLER
Information Directorate,
Rome, New York**

Approved for public release
[88ABW-2014-5367] distribution unlimited

Quick Reference Tables

TABLE 1

Personnel

Classification	Total	Multiplier	Impact Area Total
Appropriated Fund Military *	44	100.0%	44
Appropriated Fund Civilians*	687	97.5%	670
On-site Contractors**	435	97.5%	424
Total Personnel	1,166		1,138

TABLE 2

Annual Payroll

Classification	Total	Multiplier	Impact Area Total
Appropriated Fund Military	\$ 5,154,529	100.0%	\$ 5,154,529
Appropriated Fund Civilians	\$ 76,850,050	97.5%	\$ 74,928,799
On-site Contractors	\$ 51,794,802	97.5%	\$ 50,499,932
Total Annual Payroll	\$ 133,799,381		\$ 130,583,260

Table 1:

* SOURCE: WEB EIS, 30Sep2014

** SOURCE: AFRL/RI Comm-Computers System, 30Sep2014

Table 2 Source: AFRL/RI Budget Office, from official AF Accounting Records

The Secretary of the Air Force for Financial Management (SAF/FM) specified the methodology for compiling the economic impact of an Air Force installation. This methodology is consistent with the methodology of the Office of the Secretary of Defense (OSD) Base Realignment and Closure (BRAC) Commission. The economic impact area of the Information Directorate consists of the counties of Herkimer, Madison, Oneida, Onondaga, and Oswego. 100% of the military personnel and 97.5% of the civilian personnel and on-site contractors reside in these five counties.

Total annual payroll is a summation of total gross wages, payroll taxes and fringe benefits.

TABLE 3

Expenditures within the Impact Area

	Annual Expenditures
Facility Modernization/Sustainment	\$ 3,166,735
Service Contracts ¹	\$ 10,794,100
Research and Development ²	\$ 65,987,539
Materials, Equipment, and Supplies	\$ 18,946,949
Education ³	\$ 96,859
Travel (TDY) ⁴	\$ 1,788,673
Total Annual Expenditures	\$ 100,780,855

¹ Includes only contracts in the economic impact area or contracts requiring the use of locally supplied goods and services.

² Includes only Research and Development contracts granted to contractors in the economic impact area for scientific and technical work not elsewhere included.

³ Includes cost of registered classes and mileage reimbursement in the economic impact area.

⁴ Includes travel expenditures for military and civilian personnel on temporary duty at the Information Directorate.

SOURCE:

- Financial Status by EEIC, 30Sep2014, AFRL/RIFB for Facility Modernization/ Sustainment, Service Contracts, and Materials, Equipment, and Supplies
- WEB EIS, 30Sep2014 for Research and Development contracts
- AFRL/RIOW for education
- AFRL/RIOW for travel

NOTE:

AFRL/RI changed its expenditure valuation methods: (1) Current year contract obligations were used vice previous years' method of annualized contract face value awarded and (2) The scope of Facility Modernization/ Sustainment, Service Contracts, Materials, Equipment and Supplies is expanded to also include technical expenditures in the local economic area as well as support expenditures used in previous years. The directorate adopted these methods to more accurately report expenditure profiles.

TABLE 5

Total Annual Economic Impact Estimate FY 2014

	Total Impact
Total Annual Payroll (Table 2)	\$ 130,583,260
Total Annual Expenditures (Table 3)	\$ 100,780,855
Estimated Annual Dollar Value of Jobs Created (Table 4)	\$ 59,553,364
Grand Total Annual Economic Impact Estimate for Five-County Impact Area	\$ 290,917,479

TABLE 4

Estimate of Number and Dollar Value of Indirect Jobs Created

The number of **indirect jobs created** is the mathematical product of the actual number of Information Directorate jobs (Military, Civilians, and On-site Contractors) and the DoD Indirect Job Multipliers for the respective economic area.

The estimated **annual dollar value of jobs created** is the mathematical product of the number of indirect jobs created and the average annual pay in the economic area (as published by the Bureau of Labor Statistics, US Department of Labor).

Classification	Impacted Jobs (from Table 1)	Multiplier ¹	Impact Area Total
Appropriated Fund Military	44	0.35	15
Appropriated Fund Civilians	670	1.21	811
On-site Contractors	424	1.21	513
Total	1,138		1,339

Estimated Number of Indirect Jobs Created as a Result of the Information Directorate 1,339

Average Annual Pay for the Local Community² \$ 44,476

Estimated Annual Dollar Value of Jobs Created \$ 59,553,364

¹ Economic Impact Analysis (EIA), Indirect Job Multipliers for the Air Force Installations, Pg. 10 <http://www.saffm.hq.af.mil>

² Average Annual Pay for Utica-Rome, 2014, Economic News Releases. Table 1: Average Annual Wages for all Covered Workers by Metropolitan Area <http://www.bls.gov/cew/home.htm>

Total Jobs Impacted

Classification	Impacted Jobs	Dollar Value of Impacted Jobs
Appropriated Fund Military	44	\$ 5,154,529
Appropriated Fund Civilians	670	\$ 74,928,799
On-site Contractors	424	\$ 50,499,932
Total Direct Jobs (from Table 2)	1,138	\$ 130,583,260

Indirect Jobs Created as a Result of the Information Directorate (from Table 4) 1,339 \$ 59,553,364

Total Jobs Impacted – Direct & Indirect 2,477
Total Annual Dollar Value of Impacted Jobs – Direct & Indirect \$ 190,136,624

NOTE:

Direct jobs are the number of Military, Civilians, and On-site Contractors working at the Information Directorate in the Economic Impact Area in FY 2014.

Indirect jobs are the estimated number of jobs created as a result of the Information Directorate.