

The Economic Contributions of the University of Arizona Cooperative Extension

SNAP-Ed Program: An Application of IMPLAN

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Objective

In 2012, The University of Arizona Cooperative Extension (UA Extension) received \$5.7 million in competitive grant funds from the United States Department of Agriculture's Supplemental Nutrition Assistance Program-Education (SNAP-Ed) that were awarded by the Arizona Department of Health Services, accounting for more than 40% of Arizona's allocation of SNAP-Ed implementation funding.

In response to growing interest for the UA Extension program to demonstrate economic contributions, SNAP-Ed administrators collaborated with Extension economic analysts to use the input-output (I-O) modeling software, Impact Analysis for Planning (IMPLAN), to estimate the total economic contribution of the UA Extension SNAP-Ed program spending to the state of Arizona in 2012.

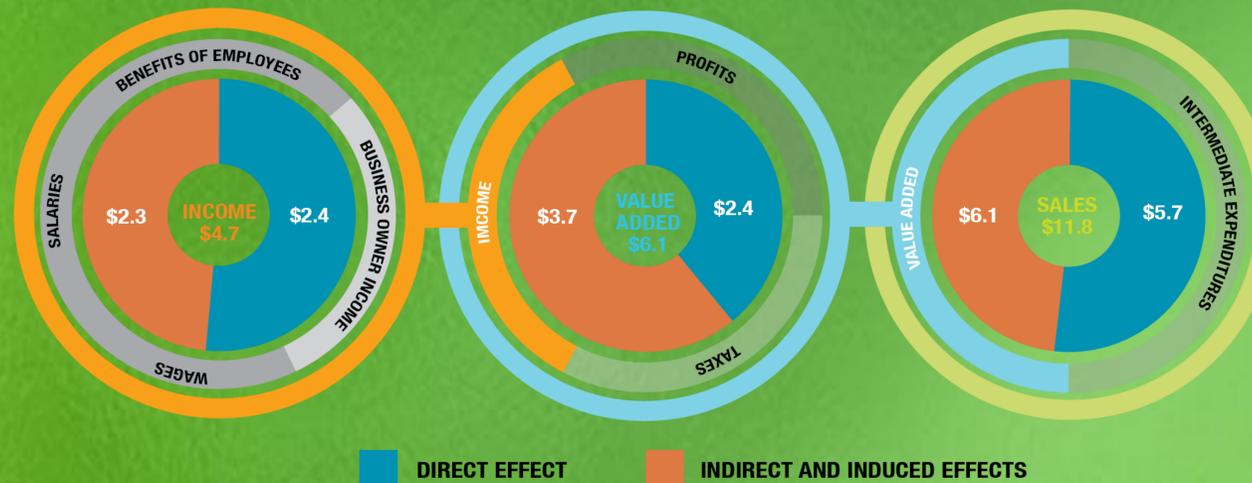


Methods

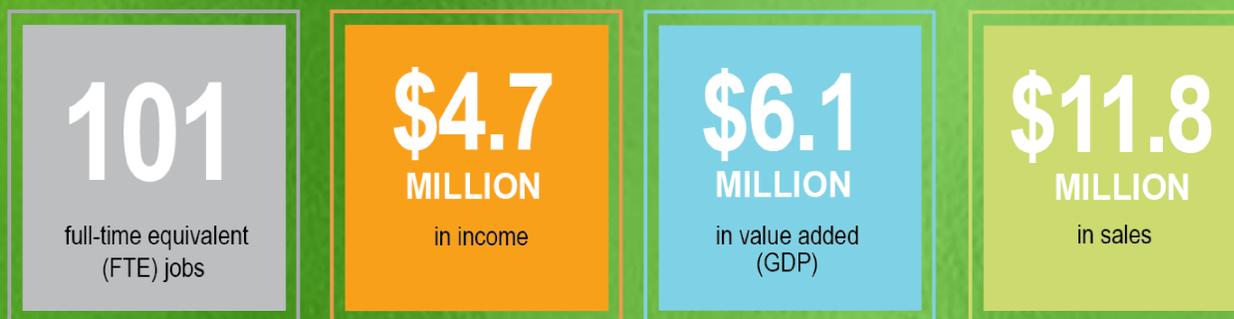
The IMPLAN program was used to estimate the net change in state economic activity from the UA Extension's SNAP-Ed spending in 2012. This economic contribution analysis included the expenditures for program implementation (**direct effects**) as well as the economic activity generated from resource suppliers or business-to-business transactions (**indirect effects**) and employee spending or household-to-business transactions (**induced effects**).

A **multiplier effect** or a ripple of economic activity in other industries of Arizona's economy was also analyzed. The **value added** net gain in economic activity included wages and salaries, profits, and taxes.

Income, Value Added, and Sales Supported Throughout Arizona by UA Extension SNAP-Ed Spending in 2012:



Accounting for Multiplier Effects, Spending by the UA Extension SNAP-Ed Program in 2012 Supported:



Key
Income: Total labor income earned, including employee wages, benefits, and proprietor income
Value Added: Net gain in economic activity, i.e. output (gross sales) minus the cost of inputs (including wages and salaries, profits, and taxes)
Sales: Output, or the total value of production or total economic activity, typically measured by gross sales

Results

In 2012, the UA Extension SNAP-Ed program received \$5.7 million in competitive grant funds, thus generating \$5.7 million in direct economic activity through program expenditures. This economic activity included purchases such as curricula, teaching materials, and food demonstration supplies, as well as paying wages and benefits to employ local residents to deliver and administer SNAP-Ed programming.

The total economic contribution of the UA Extension SNAP-Ed spending, including indirect and multiplier effects, was 101 full time equivalent jobs, \$4.7 million in labor income, \$6.1 million in value added, and \$11.8 million in total sales. Full results are available at:

<https://extension.arizona.edu/sites/extension.arizona.edu/files/pubs/az1662-2015.pdf>



Conclusion

The UA Extension SNAP-Ed Program contributes to Arizona's economy by securing funds from outside the state and utilizing them to encourage healthy eating and active living for people in low-income households in Arizona. Purchases made for conducting this work generate a ripple of economic activity in other Arizona industries.

Collaboration with Extension's economic analysts using I-O modeling to estimate the program's economic contributions can be used in other states to assess the effects of SNAP-Ed or other Extension programs on the economy.