

Military Economic Impact Analysis for East Tennessee

March 2011



Prepared by

The East Tennessee Military Affairs Council



*In Cooperation with
The Knoxville Chamber*



EAST TENNESSEE MILITARY AFFAIRS COUNCIL (ETMAC)

ETMAC is a non-profit organization that was founded in 1990 to recognize, encourage, support and advocate military activities in East Tennessee. In cooperation with the Knoxville Chamber, ETMAC:

- Informs community, business, education, and government leaders about East Tennessee military units, their missions, and their contribution to the local economy.
- Serves as a liaison between military units, military-related organizations, and the public.
- Helps the community avoid “loss by default” of military offices, detachments, and installations.
- Helps military people and their families understand that East Tennessee values them as members of the community.
- Promotes and supports military events and functions.
- Supports area military recruiters.
- Promotes the Employer Support of the Guard and Reserve (ESGR) Program.
- Supports charitable, scientific, and educational programs and events.

ETMAC sponsors and supports several military-related activities including:

- Annual Knoxville Veteran’s Day Luncheon
- Colonel Jack K. Westbrook (USAF, Ret.) Army and Air Force ROTC Scholarships, University of Tennessee
- Veteran’s Day Parade
- *HonorAir* Knoxville
- Tennessee Veterans Business Association Vendor Day and Job Fair
- Pearl Harbor Day Remembrance Ceremony

ETMAC membership is open to any individual, business, or organization. Visit the ETMAC website at www.ETMAC.org or contact the Knoxville Chamber at 865-637-4550 and ask for the “ETMAC representative.”

EXECUTIVE SUMMARY

This Military Economic Impact Analysis is an update of the last analysis completed in early 2003. Like the previous two analyses, the purpose is to provide business and civic leaders, and the public at large, a complete picture of the very significant contribution that the military and defense programs make to the economy of East Tennessee.

Methodology: The analysis follows standard Department of Defense methodology for determining the cumulative economic impact within fifty miles of Knoxville. The following factors are included:

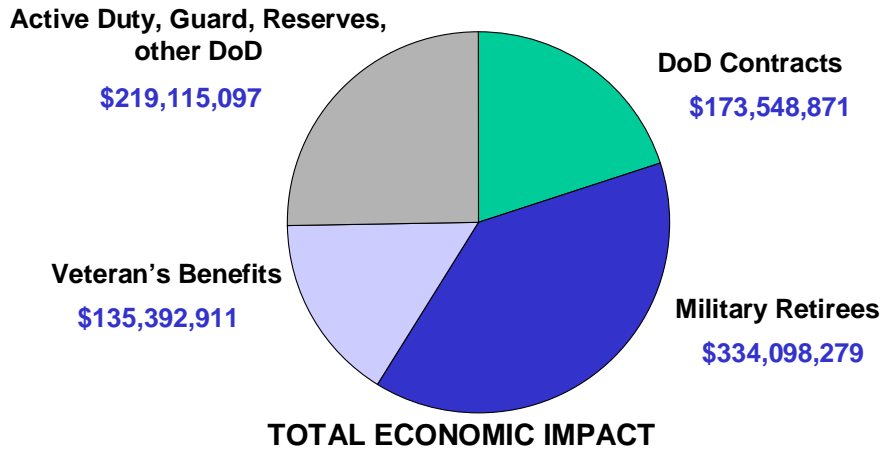
- Annual payroll of active duty, guard and reserve, and civilian personnel.
- Expenditure for construction, supplies, services, contracts, and materials.
- Indirect jobs resulting from the personnel and their salaries.
- Military contracts to private businesses.
- Other military expenditures including pay to military retirees, veterans' benefits, etc.

We included active duty, National Guard, and Reserve components of the Air Force, Army, Navy, and Marine Corps. The Department of Energy facility at Oak Ridge was not included as its impact is well publicized.

The total impact of the military activity in East Tennessee is estimated to be \$862.2 million for 2010



Economic Impact Analysis Results



\$862 Million

Supporting the Military in East Tennessee

For several reasons, this is a significant increase from the last analysis. First, there are now more than 8,000 military retirees in the sixteen counties within 50 miles of Knoxville, an increase of about 2,000 from 2003. Second, there has been a steady increase in military and civilian salaries as well as an approximate \$7,000 increase in the average salary for the indirect jobs created. Third, the Ben Atchley State Veterans Nursing Home opened in 2006, and there is a new, expanded Veterans Administration Outpatient Clinic in Knoxville. Finally, there are new DoD research and executive management programs at the University of Tennessee, expanded missions at McGhee Tyson Air National Guard Base, and an increase in DoD business contracts as a result of the Iraq and Afghanistan wars.

Clearly, the military is one of the major drivers of the economic activity in our area. As such, business and civic leaders should consider policies and actions that attract and retain this valuable resource to East Tennessee.

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PURPOSE OF THE ANALYSIS

This Military Economic Impact Analysis is an update of the last ETMAC analysis completed in early 2003. Its purpose is to estimate the economic effect the military bases, installations, and other related military activities have on the local area. It can provide business and civic leaders, and the public at large, a complete picture of the very significant contribution that the military and defense programs make to the economy of East Tennessee.

Unlike some areas that have a very large active duty military installation, the military presence in East Tennessee is characterized by a number of small- to medium-sized military units. The largest units are part of the guard or reserve components of their respective services. As such, the scope of their activities and number of personnel assigned may not be apparent on a daily basis since many of the personnel serve “part time.” There are relatively few active duty military personnel in the area. In addition, there is no large-scale defense contractor in the region. (The Department of Energy facility at Oak Ridge does support the Department of Defense).

Given the unique situation described above, one of ETMAC’s goals is to collect the various military and military-related economic data into a single document and then explain the cumulative effect. It is hoped that this analysis will raise the awareness of the importance of the military units to the economy of East Tennessee and also increase the appreciation of the public at large of the critical national defense missions these units perform.

METHODOLOGY AND SCOPE

This economic analysis uses the standard methodology and parameters of the DoD Economic Impact Analysis (EIA) Model. The total economic impact is computed by summing the payroll of all personnel, annual base/installation/activity expenditures for services, supplies, construction, maintenance, etc., and the estimated annual dollar value of indirect jobs created. As in the DoD model, the impact area is assumed to be within fifty miles of Knoxville. Appendix 1 contains additional details on the DoD EIA model.

We included active duty, National Guard, and Reserve components of the Air Force, Army, Navy, and Marine Corps as applicable, plus DoD contracts, various veterans' benefits, and military retiree pay. Data was provided by the individual units and organizations over the past several months and we have tried to obtain the most accurate, up to date information available.

Detailed data sheets for each unit included in the analysis can be found in Appendix 2. The Department of Energy activity at Oak Ridge was not included as the magnitude of that activity would dwarf others by comparison, and its impact is well publicized.

The following units, organizations, and activities in Table 1 were included in the analysis:

Table 1
Units, Organizations and Activities Included

Service	Unit	Location	Mission
US Army			
Active Duty	Army ROTC – Rocky Top Battalion	University of Tennessee - Knoxville	Officer training and commissioning
	US Army Recruiters	Throughout the Area	Recruit officer & enlisted members for the Army
National Guard	278 Armored Cavalry Regiment	Knoxville – Sutherland Ave	Reconnaissance, surveillance, and security
Reserves	489 th Civil Affairs Battalion	Army Reserve Center – Middlebrook Pike	Assist other military units – Create, restore, and maintain public order
	844 th Engineer Combat Battalion	Army Reserve Center – Middlebrook Pike	Heavy construction
	1 st Battalion, 100 th Regiment, 3 rd Brigade, 100 th Division	Army Reserve Center – Middlebrook Pike	Engineer training
	AMSA 148	Army Reserve Center – Middlebrook Pike	Heavy vehicle maintenance
	Troop C, 3/297th	Oak Ridge	Drill Sergeants; parent unit in Corbin, KY
US Navy			
Active Duty	USN Recruiters	Throughout the Area	Recruit officer & enlisted members for the Navy
Reserves	Naval and Marine Corps Reserve Center	Alcoa Highway – Reserve Center	Training, logistical, & administrative support to the fleet
US Marine Corps			
Active Duty	USMC Recruiters	Throughout the Area	Recruit officer & enlisted members for the Marine Corps
Reserves	Company D, 4 th Combat Engineer Battalion (includes some A/D)	Alcoa Highway – Reserve Center	Combat engineer support
	Detachment, Surgical Company A, 4 th FSSG	Alcoa Highway – Reserve Center	Medical support

Units, Organizations and Activities Included (con't)

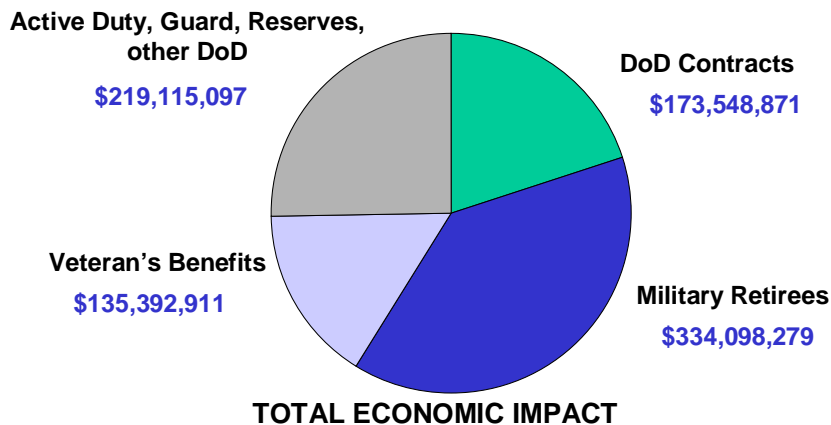
Service	Unit	Location	Mission
US Air Force			
Active Duty	AFROTC Detachment 800	University of Tennessee	Officer training and commissioning
	USAF Recruiters	Throughout the Area	Recruit officer & enlisted members for the USAF
National Guard	134 th Air Refueling Wing	McGhee Tyson ANGB	Aerial refueling
	119 th Command and Control Squadron	McGhee Tyson ANGB	Support to US Space Command/US Strategic Command – satellite imagery, warning systems, communications
	228 th Combat Communication Squadron	McGhee Tyson ANGB	Provide command and control communications for tactical air forces
	I.G. Brown ANG Training and Education Center	McGhee Tyson ANGB	Professional military education such as the Non-Commissioned Officer (NCO) Academy
	572 nd Air Force Band	McGhee Tyson ANGB	Support for USAF; public relations and recruiting
Other DoD			
Active Duty	Military Entrance Processing Station (MEPS)	Knoxville	Process and enlist members into all branches of the service
Various DoD Agencies	University of Tennessee	University of Tennessee	Research and Development, Executive Education and Training, etc.
Defense Contracts	Various	Counties within 50 miles of Knoxville	Manufacturing and services for DoD in 2010
Other Military			
Department of Veterans Affairs	VA Medical Center – Outpatient Clinic	Knoxville – Ray Mears Blvd.	Primary care, specialty care, extended care and related services for veterans
	Veteran’s Affairs – Advisor	University of Tennessee – Knoxville	Montgomery GI Bill education
	Other Benefits	Knoxville Area	Veterans’ rehabilitation, disability benefits, etc.
TN Department of Veterans Affairs	Ben Atchley State Veterans Nursing Home	Knoxville – One Veterans Way	Safe, secure, and pleasant home for veterans
Retirees	Retired Military Personnel	Within 50 miles of Knoxville	Retired pay

RESULTS AND CONCLUSIONS

The total economic impact for 2010 of the military activities is estimated at \$862 million as shown below.



Economic Impact Analysis Results



\$862 Million

Supporting the Military in East Tennessee

What has Changed: For several reasons, this is a significant increase from the amount reported in the last analysis. First, there are now more than 8,000 military retirees in the sixteen counties within 50 miles of Knoxville, an increase of about 2,000 from the last report. Second, there has been a steady increase in military and civilian salaries as well as an approximate \$7,000 increase in the average salary for the indirect jobs created. Third, the Ben Atchley State Veterans Nursing Home opened in 2006, and there is a new, expanded Veterans Administration Outpatient Clinic in Knoxville. This clinic has a larger staff, purchases more supplies and services, and treats more patients annually than the former facility. Finally, there are new DoD research and executive management programs at the University of Tennessee, expanded missions at the various units at McGhee Tyson Air National Guard Base, and there is an increase in DoD business contracts largely as a result of the Iraq and Afghanistan wars.

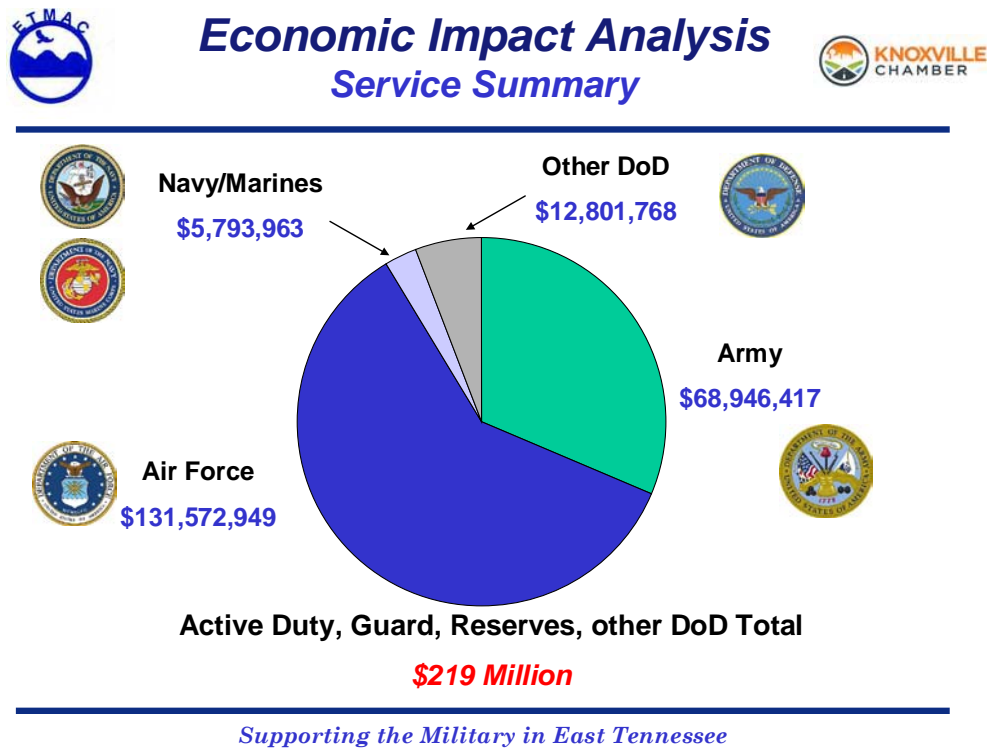
Retirees: The military retiree population is a major contributor to economic activity. More than 8,000 military retirees now live within a 50 mile radius of Knoxville and this speaks volumes to the desirability of this area. Most could live anywhere they choose, but more and more are coming to

East Tennessee. Their retirement pay and associated indirect jobs created account for more than one-third of the total economic impact.

Veteran’s Benefits. These include the Ben Atchley State Veterans Nursing Home, the Knoxville VA Outpatient Clinic, students attending the University of Tennessee on the Montgomery GI Bill, and expenditures for other veteran’s benefits such as disability and rehabilitation services.

When considered in its entirety, the military economic impact in East Tennessee clearly ranks among the largest in the area, including the Department of Energy – Oak Ridge Complex, the University of Tennessee, and the Tennessee Valley Authority.

Service Summary:



The U.S. Air Force is the largest service from an economic standpoint, and the combined units at McGhee Tyson Air National Guard Base contribute about \$123 million of the USAF total. The 278th Armored Cavalry Regiment is the largest Army contributor with almost \$37 million. The Naval/Marine Corps Reserve Center represents the bulk of the Navy/Marine economic impact. The “Other” category includes the DoD Military Entrance Processing Station, and two programs at the University of Tennessee: the Aerospace and Defense Masters of Business Administration, and the National Defense Business Institute and Center for Executive Education. All told, this represents more than 7,000 uniformed personnel.

Military Impact – Beyond Dollars: In addition to the purely economic factor, the military presence pays big dividends to the community in several other ways. Military personnel know the value of “service to others” and are valuable members of the community. In short, they “get involved.” Listed below are examples of the civic activities the active duty, guard, reserve personnel, as well as veterans and retirees, are supporting on a daily basis:

- President’s Reading Program – children in schools
- Youth sports
- Boys and Girls Clubs
- Boy and Girl Scouts
- Charity runs/walks
- Church leadership roles
- Civic events/color guards
- Combined Federal Campaign/United Way
- Military funerals
- Habitat for Humanity
- High School Career Counseling
- High School Junior ROTC
- Homeless Veterans Stand Down Volunteers
- Tennessee Veterans Business Association Vendor Day and Job Fair
- Service clubs such as Kiwanis and Rotary
- Keep Knoxville Beautiful Clean-up Program
- Red Cross Armed Forces Emergency Services Committee
- Veterans Day Parade
- Veterans Day Luncheon
- Youth mentoring

Military veterans and retirees are skilled, reliable, hard working, motivated, well educated and quickly become active in the local community. In most cases, the government will pay the relocation costs of a veteran moving into our area.

Clearly, the military is one of the major drivers of the economic activity in our area. As such, business and civic leaders must consider policies and actions that attract and retain this invaluable resource to East Tennessee.

Appendix 1

DoD ECONOMIC IMPACT ANALYSIS MODEL

PAYROLL

_____ # ACTIVE DUTY PERSONNEL	TOTAL ANNUAL SALARY _____
_____ # GUARD/RESERVE PERSONNEL	TOTAL ANNUAL SALARY _____
_____ # CIVILIAN PERSONNEL	TOTAL ANNUAL SALARY _____

\$ _____ **TOTAL PAYROLL**

OTHER EXPENDITURES

CONSTRUCTION _____
SERVICES _____
MATERIALS _____
CONTRACTS _____
UTILITIES _____
RENT _____
SUPPLIES _____
ENVIRONMENTAL _____
OTHER _____

\$ _____ **TOTAL OTHER EXPENDITURES**

INDIRECT JOBS

#ACTIVE DUTY x 0.41 =	_____	INDIRECT JOBS CREATED
#GUARD/RESERVE x 0.16 =	_____	INDIRECT JOBS CREATED
#CIVILIANS x 0.55 =	_____	INDIRECT JOBS CREATED

JOBS CREATED x \$ \$37,479 * = \$ _____ **IMPACT OF JOBS CREATED**

TOTAL ECONOMIC IMPACT = PAYROLL + EXPENDITURES + INDIRECT JOBS

Notes

1. Indirect jobs multipliers were obtained from the DoD EIA model and are based on the size of the employment base for each region. (AFMAN 65-506 Economic Impact Analysis).
2. The annual salary estimates for the indirect jobs are from the Bureau of Labor Statistics (BLS) files for Knoxville 2010: <http://www.bls.gov/ncs/ocs/sp/ncbl1354.pdf>

APPENDIX 2

Data Tables

ARMY ROTC		2009	ARMY -- Active Duty
	Personnel	Payroll	Comments
ACTIVE DUTY	5	\$411,228	
GUARD/RESERVE	2	\$126,000	
CIVILIAN	5	\$242,000	
OTHER	0	\$0	
Totals	12	\$779,228	
INDIRECT JOBS	5	\$187,395	Indirect Jobs x \$37,479 (Area Avg. Annual Pay)
Active Duty x 0.41	2.05		
Guard/Reserve x 0.16	0.32		
Civilian x 0.55	2.75		
EXPENDITURES		\$10,000	No expenditure breakdown available
Contract Services			
Materials/Supplies/Equip			
Utilities			
Healthcare			
Education			
TDY/TAD Expenses			
Other			
TOTAL ECO. IMPACT	17	\$976,623	Total Impact = Payroll + Indirect Job \$ + Expenditures
<i>Source: U.S. Army ROTC - Rocky Top Battalion University of Tennessee</i>			

Army Recruiters		2009	ARMY -- Active Duty
	Personnel	Payroll	Comments
ACTIVE DUTY	22	\$698,562	
GUARD/RESERVE	4	\$154,750	
CIVILIAN	0	\$0	
OTHER	1	\$25,000	
Totals	27	\$878,312	
INDIRECT JOBS	10	\$374,790	Indirect Jobs x \$37,479 (Area Avg. Annual Pay)
Active Duty x 0.41	9.02		
Guard/Reserve x 0.16	0.64		
Civilian x 0.55	0.00		
EXPENDITURES		\$1,020,055	
Contract Services		\$180,000	
Materials/Supplies/Equip		\$180,000	
Utilities		\$460,800	
Healthcare/ Education /TDY/TAD Expenses			
Rent		\$199,255	
TOTAL ECO. IMPACT	37	\$2,273,157	Total Impact = Payroll + Indirect Job \$ + Expenditures
<i>Source: U.S. Army - Knoxville Recruiting Company</i>			
278th Armored Cavalry Regiment		2009	ARMY -- National Guard
	Personnel	Payroll	Comments
ACTIVE DUTY	49	\$4,030,034	Note: The 278th is active in all 95 counties in TN. Data here
GUARD/RESERVE	843	\$18,653,904	covers only those counties within a 50-mile radius of Knoxville.
CIVILIAN	2	\$96,800	Since personnel categories were not available, assumed
OTHER (Military Technicians)	23	\$1,113,200	all personnel were guard/reserve
Totals	917	\$23,893,938	
INDIRECT JOBS	156	\$5,846,724	Indirect Jobs x \$37,479 (Area Avg. Annual Pay)
Active Duty x 0.41	20.09		
Guard/Reserve x 0.16	134.88		
Civilian x 0.55	1.10		

EXPENDITURES		\$6,909,957	Includes MILCON (military construction), contract feeding,
Contract Services		\$896,100	contract buses, on-site simulator training, office & janitorial supplies,
Materials/Supplies/Equip		\$28,800	and utilities.
Utilities		\$144,000	
MILCON		\$5,841,057	
TOTAL ECO. IMPACT	1,073	\$36,650,620	Total Impact = Payroll + Indirect Job \$ + Expenditures
<i>Source: U.S. Army - 278th Armored Cavalry Regiment</i>			
ARMY -- Reserves		2009	ARMY -- Reserves
	Personnel	Payroll	Comments
ACTIVE DUTY	41		Reserve units include: 489th Civil Affairs Battalion;
GUARD/RESERVE	914		844th Engineer Battalion; 1/100th Engineer Battalion;
CIVILIAN	96		321st Engineer Detachment; 630th Engineer Detachment;
OTHER	0		and Troop C, 3/297th in Oak Ridge
Totals	1,051	\$20,619,314	
INDIRECT JOBS	216	\$8,095,464	Indirect Jobs x \$37,479 (Area Avg. Annual Pay)
Active Duty x 0.41	16.81		
Guard/Reserve x 0.16	146.24		
Civilian x 0.55	52.80		
EXPENDITURES		\$331,239	
Contract Services		\$59,427	
Materials/Supplies/Equip			
Utilities		\$105,007	
Healthcare			
Construction		\$141,277	
TDY/TAD Expenses			
Other		\$25,578	
TOTAL ECO. IMPACT	1,267	\$29,046,017	Total Impact = Payroll + Indirect Job \$ + Expenditures

Naval Operations Support Center		2009	NAVY - Active Duty and Reserves
	Personnel	Payroll	Comments
ACTIVE DUTY	9		
GUARD/RESERVE	194		
CIVILIAN	1		
OTHER	0		
Totals	204	\$1,700,000	
INDIRECT JOBS	35	\$1,311,765	Indirect Jobs x \$37,479 (Area Avg. Annual Pay)
Active Duty x 0.41	3.69		
Guard/Reserve x 0.16	31.04		
Civilian x 0.55	0.55		
EXPENDITURES		\$200,000	
Contract Services			
Materials/Supplies/Equip			
Utilities/ Healthcare/ Education			
TDY/TAD Expenses			
Other			
TOTAL ECO. IMPACT	239	\$3,211,765	Total Impact = Payroll + Indirect Job \$ + Expenditures
<i>Source: U.S. Naval Operations Support Center - Knoxville</i>			
USMC Reserve/Recruiters		*2009	MARINES -- Active Duty and Reserves
	Personnel	Payroll	Comments
ACTIVE DUTY	25	\$808,440	Includes USMC recruiters
GUARD/RESERVE	150	\$373,472	
CIVILIAN	0	\$0	*Data not reported for 2009. Data shown is from April 2003 report.
OTHER	0	\$0	
Totals	175	\$1,181,912	
INDIRECT JOBS	34	\$1,274,286	Indirect Jobs x \$37,479 (Area Avg. Annual Pay)
Active Duty x 0.41	10.25		
Guard/Reserve x 0.16	24.00		
Civilian x 0.55	0.00		

EXPENDITURES		\$126,000	
Contract Services		\$17,000	
Materials/Supplies/Equip		\$10,000	
Utilities		\$0	provided by Navy
Healthcare		\$35,000	
Education		\$56,000	
TDY/TAD Expenses		\$8,000	
Other		\$0	
TOTAL ECO. IMPACT	209	\$2,582,198	Total Impact = Payroll + Indirect Job \$ + Expenditures
<i>Source: USMC. Company D, 4th CEB</i>			<i>Includes Engineer Bat. & Det, Surgical Co. A, 4th FSSG</i>
AFROTC - UT		2009	USAF -- Active Duty
	Personnel	Payroll	Comments
ACTIVE DUTY	6	\$506,480	Includes AFIT students (?)
GUARD/RESERVE	0	\$0	
CIVILIAN	0	\$0	
SCHOLARSHIP CADETS		\$783,000	
Totals	6	\$1,289,480	
INDIRECT JOBS	2	\$74,958	Indirect Jobs x \$37,479 (Area Avg. Annual Pay)
Active Duty x 0.41	2.46		
Guard/Reserve x 0.16	0.00		
Civilian x 0.55	0.00		
EXPENDITURES		\$112,000	
Contract Services		\$14,000	
Materials/Supplies/Equip		\$98,000	
Utilities			
Healthcare			
Education			
TDY/TAD Expenses			
Other			
TOTAL ECO. IMPACT	8	\$1,476,438	Total Impact = Payroll + Indirect Job \$ + Expenditures
<i>Source: U.S. Air Force - ROTC Detachment 800, University of Tennessee</i>			

AF Recruiters		2010	USAF -- Active Duty
	Personnel	Payroll	Comments
ACTIVE DUTY	5	\$156,755	
GUARD/RESERVE	0	\$0	
CIVILIAN	1	\$31,681	
Totals	6	\$188,436	
INDIRECT JOBS	3	\$112,437	Indirect Jobs x \$37,479 (Area Avg. Annual Pay)
Active Duty x 0.41	2.05		
Guard/Reserve x 0.16	0.00		
Civilian x 0.55	0.55		
EXPENDITURES		\$66,330	
Contract Services		\$0	
Materials/Supplies/Equip		\$15,840	
Utilities		\$39,490	
Healthcare		\$0	
Education		\$0	
TDY/TAD Expenses		\$11,000	
Other		\$0	
TOTAL ECO. IMPACT	9	\$367,203	Total Impact = Payroll + Indirect Job \$ + Expenditures
<i>Source: U.S. Air Force - 332nd Recruiting Squadron</i>			

McGhee Tyson ANGB -- All Units		2010	USAF -- Air National Guard
	Personnel	Payroll	Comments
ACTIVE DUTY	178	\$12,753,492	
GUARD/RESERVE	1,188	\$26,287,732	
CIVILIAN	484	\$31,539,699	Includes federal civilians, BX & Club, and other civilians
TRAINEES/CADETS	1,643	\$8,585,727	
Totals	3,493	\$79,166,650	
INDIRECT JOBS	529	\$19,826,391	Indirect Jobs x \$37,479 (Area Avg. Annual Pay)
Active Duty x 0.41	72.98		
Guard/Reserve x 0.16	190.08		<i>Five units located at this base include:</i>
Civilian x 0.55	266.20		<i>134th Air Refueling Wing</i>
EXPENDITURES		\$24,236,267	<i>228th Combat Communications Squadron</i>
Contract Services		\$10,861,541	<i>119th Air Control Squadron</i>
Construction		\$4,469,152	<i>I G Brown Training Education Center</i>
Environmental			<i>572nd Air Force Band</i>
RPM			
Supplies		\$8,905,574	
Other			
TOTAL ECO. IMPACT	4,022	\$123,229,308	Total Impact = Payroll + Indirect Job \$ + Expenditures
<i>Source: USAF McGhee Tyson ANGB</i>			Includes 134th ARW, 119th Cmd Control Sq, ,228th Combat Comm. Sq., I.G. Brown ANG TEC, and 572nd AF Band
AF – Univ. of TN Research		2010	USAF -- Other
		Amount	Comments
UT Research		\$6,500,000	UT provides research, development, training, and studies to the USAF in three major areas:(1) Acquisition & Integrated Life-Cycle Management System (ILCMS); (2) Continuous Process Improvement (CPI); (3) Leadership & Organizational Development
<i>Source: James Cody; Director, Aerospace/DoD Non-Degree Programs; UT Center for Executive Education</i>			

Military Entrance Processing Station		2009	Other DoD -- Active Duty
	Personnel	Payroll	Comments
ACTIVE DUTY	9	\$994,072	Payroll includes both Active Duty and Civilians
GUARD/RESERVE	0	\$0	
CIVILIAN	25	\$1,333,679	
OTHER	0	\$0	
Totals	34	\$2,327,751	
INDIRECT JOBS	17	\$637,143	Indirect Jobs x \$37,479 (Area Avg. Annual Pay)
Active Duty x 0.41	3.69		
Guard/Reserve x 0.16	0.00		
Civilian x 0.55	13.75		
EXPENDITURES		\$2,739,852	
Contract Services		\$1,425,378	
Materials/Supplies/Equip		\$50,800	
Utilities		\$431,908	
TDY/TAD Expenses		\$831,766	
Other Expenditures			
Other Services			
TOTAL ECO. IMPACT	51	\$5,704,746	Total Impact = Payroll + Indirect Job \$ + Expenditures
<i>Source: Military Entrance Processing Station</i>			
Aerospace & Defense MBA Program - UT		2010	Other DoD -- Active Duty
STUDENTS	19	\$1,026,000	Student expenses include: tuition, fees & meals.
EXPENDITURES			
TDY/TAD Expenses		\$71,022	Student lodging
TOTAL ECO. IMPACT	19	\$1,097,022	
<i>Source: Andrew W. White, Ed. D.; Director - Aerospace & Defense MBA; University of Tennessee</i>			

National Defense Business Institute & Center for Executive Education - UT		2010	Other DoD -- Active Duty
EXPENDITURES			
	Personnel	Expenses	Comments
Tuition, fees & conferences		\$6,000,000	
TOTAL ECO. IMPACT		\$6,000,000	
<i>Source: University of Tennessee</i>			
Ben Atchley State Veterans' Home		2009	State Veterans' Services
	Personnel	Payroll	Comments
ACTIVE DUTY	0	\$0	
GUARD/RESERVE	0	\$0	
CIVILIAN	242	\$7,365,230	
OTHER	0	\$0	
Totals	242	\$7,365,230	
INDIRECT JOBS	133	\$4,984,707	Indirect Jobs x \$37,479 (Area Avg. Annual Pay)
Active Duty x 0.41	0.00		
Guard/Reserve x 0.16	0.00		
Civilian x 0.55	133.10		
EXPENDITURES		\$2,998,104	
Contract Services			
Materials/Supplies/Equip		\$2,561,364	
Utilities		\$436,740	
TDY/TAD Expenses			
Other Expenditures			
Other Services			
TOTAL ECO. IMPACT	375	\$15,348,041	Total Impact = Payroll + Indirect Job \$ + Expenditures

DoD Prime Contracts		2009	Other DoD
DoD Contracts by County			
		Total Dollars	Comments
Anderson Co.		\$34,426,388	The DoD Prime Contract Awards shown here by county represent grand total award amounts from the Army, Air Force, Navy, Defense Logistics Agency, and all other defense agencies for FY 2010. Does not include any DOE contracts or spending.
Blount Co.		\$12,003,870	
Campbell Co.		\$1,213,034	
Claiborne Co.		\$707,710	
Hamblen Co.		\$810,541	
Knox Co.		\$124,221,347	
Loudon Co.		\$95,327	
Sevier Co.		\$70,654	
Total Area Dollars		\$173,548,871	
<i>Source: usaspending.gov</i>			
Top Ten Contractors -- \$\$			
Contractor	County	Total Amounts	Products
Aqua-Chem	Knox	\$77,200,000	Water purification equipment
Valley Apparel	Knox	\$15,259,496	Military clothing
Tennessee Valley Authority	Knox	\$14,883,038	Electric service
Energy Solutions	Anderson	\$11,174,373	Hazardous waste removal
Hickory Construction	Blount	\$10,199,059	Commercial construction
University of Tennessee	Knox	\$9,980,675	Research and development - electronics & environmental
SAIC	Anderson	\$9,717,234	Engineering & technical services
Sword & Shield Enterprise Security	Knox	\$5,328,327	ADP software/components/support equipment
Nucsafe	Anderson	\$3,425,000	Research and development - applied defense
Knox Higgins General Contractors	Anderson	\$3,169,619	School construction; office building maintenance
<i>Source: usaspending.gov</i>			

VA Outpatient Clinic - Knoxville		2010	Department of Veteran's Affairs
	Personnel	Payroll	Comments
VA Clinic Employees	86	\$8,065,435	
Patients	14,500		
Totals	86	\$8,065,435	
INDIRECT JOBS	47	\$1,761,513	Indirect Jobs x \$37,479 (Area Avg. Annual Pay)
Employees x 0.55	47.30		
EXPENDITURES		\$2,980,236	
Contract Services		\$670,158	includes security and facility contracts
Materials/Supplies/Equip		\$33,225	includes radiology, pharmacy and audiology supplies
Knoxville Lab Services		\$251,871	
Lease Payments		\$1,518,094	includes main, new and admin leases as well as utilities
Other Services		\$506,888	includes nursing, optometry, and travel
TOTAL ECO. IMPACT	133	\$12,807,184	Total Impact = Payroll + Indirect Job \$ + Expenditures
<i>Source: U.S. Veterans' Administration</i>			
Montgomery GI Bill - UT			
	Personnel	Payroll	Comments
ACTIVE DUTY	140		GI Bill recipient figures are from the 2002 report and dollar amount
GUARD/RESERVE	47		is current as of November 2010.
CIVILIAN DEPENDENTS	59		
Totals	246	\$1,241,898	
<i>Source: UT Admissions Office - Veterans' Affairs Advisor</i>			
Other Veteran's Benefits - Knoxville		2009	Department of Veteran's Affairs
	Personnel	Payroll	Comments
VETERANS	16,954	\$105,995,788	
TOTAL ECO. IMPACT	16,954	\$105,995,788	Includes disability payments, rehabilitation, etc.

Military Retirees			Other - DoD
	Personnel	Payroll	Comments
RETIREES	8,432	\$204,533,376	Data from DFAS - Cleveland, OH - (50-mile radius of Knoxville)
INDIRECT JOBS	3,457	\$129,564,903	Indirect Jobs = Retirees x 0.41 (Payroll = Ind Job x \$ \$37,479)
TOTAL ECO. IMPACT	11,889	\$334,098,279	
<i>Source: Defense Finance and Accounting Service</i>			

ETMAC Economic Impact		2010	Summary
Unit	Total Jobs	Total \$ Impact	Comments
Army ROTC	17	\$976,623	
Army Recruiters	37	\$2,273,157	
Army 278th Armored Cavalry	1,073	\$36,650,620	
Army - Reserves	1,267	\$29,046,017	
			Army Total = \$68,946,417
Naval Operations Support Center	239	\$3,211,765	
			Navy Total = \$3,211,765
Marine Reserve/Recruiters	209	\$2,582,198	
			Marines Total = \$2,582,198
Air Force ROTC - UT	8	\$1,476,438	
Air Force Recruiters	9	\$367,203	
Air Force --McGhee-Tyson ANGB	4,022	\$123,229,308	
UT Research		\$6,500,000	
			Air Force Total = \$131,572,949
Military Entrance Processing Station	51	\$5,704,746	
Aerospace & Defense MBA Program - UT	19	\$1,097,022	
National Defense Business Institute/Center for Executive Education - UT		\$6,000,000	
			Other DoD Total = \$12,801,768
Ben Atchley State Veterans' Home	375	\$15,348,041	
			State Veterans Services Total = \$15,348,041
VA Outpatient Clinic	133	\$12,807,184	
Montgomery GI Bill - UT	246	\$1,241,898	
Other Veteran's Benefits	NA	\$105,995,788	Includes disability payments, rehabilitation, etc.
			VA Benefits Total = \$120,044,870
			All VA Benefits Total = \$135,392,911
Retirees	11,889	\$334,098,279	
DoD Prime Contracts	NA	\$173,548,871	Contracts Total = \$173,548,871
Total Impact (All Units/Categories)	19,594	\$862,155,158	

APPENDIX 3

Acronyms

ACR	Armored Cavalry Regiment
A/D	Active Duty (personnel)
AFIT	Air Force Institute of Technology
AFMAN	Air Force Manual
AFROTC	Air Force Reserve Officer Training Corps
AMSA	Area Maintenance Support Activity
ANG	Air National Guard
ANGB	Air National Guard Base
ARW	Air Refueling Wing
BLS	Bureau of Labor Statistics
DoD	Department of Defense
DOE	Department of Energy
EIA	Economic Impact Analysis
ESGR	Employer Support for the Guard and Reserve
ETMAC	East Tennessee Military Affairs Council
FSSG	Force Service Support Group
JROTC	Junior Reserve Officer Training Corps (High School)
MEPS	Military Entrance Processing Station
MILCON	Military Construction
MGIB	Montgomery GI Bill
NCO	Non-Commissioned Officer
ROTC	Reserve Officer Training Corps
RPM	Real Property Maintenance
TAD	Temporary Assigned Duty
TDY	Temporary Duty In The Yonder

TEC	Training and Education Center
USAF	United States Air Force
USMC	United States Marine Corps
USN	United States Navy
UT	University of Tennessee
VA	(Department of) Veteran's Affairs