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UNIVERSITY BUDGET CUTS TO COST ARIZONA 722 JOBS



A cut of \$20 million to Northern Arizona University's budget in the next five months won't just affect NAU, say two university economics professors. The cuts will cost Flagstaff around 722 jobs, according to their calculations. Professor Ronald Gunderson and faculty colleague John Eastwood have created studies in the past that look at the impact NAU has on Flagstaff. Gunderson calculated that for every \$100 spent by NAU, another \$48 is generated in the greater Flagstaff economy. Gunderson also calculated that for every 100 jobs that exist at NAU, another 39 additional jobs related to NAU's presence, estimated at \$42,000 a job, are created in the greater Flagstaff economy. The cut proposed to NAU from the state legislature, 15.25% of \$134.7 million from the three state universities, would amount for an additional \$9.8 million for a total \$30.3 million impact from the cut. A loss of the equivalent of 100 jobs at NAU would mean the loss of an extra 39 jobs in the Flagstaff economy. So a budget cut of \$30.3 million roughly equates to about 722 jobs.

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