This report documents current federal research funding and expenditures at eight major research institutions – Michigan State University, Northwestern University, Ohio State University, Purdue University, University of Chicago, University of Michigan, University of Minnesota and University of Wisconsin-Madison.

The report is based on actual financial and payroll records for the 8 institutions for 2011 and 2012 as well as published government data for 2010, 2011 and 2012.

It also projects the likely result of a 10% across the board decrease in federal funding.

SCOPE

Research funding represents an injection of external funds to the university and the academic community.

- Researchers at these eight universities generated over $6.1 billion in research activity in 2011 (the latest year for which figures are available).
- $3.47 billion of that research & development was funded by the federal government.
- A 10% reduction of federal research funding from 2011 levels would translate into a reduction of research funding by over $350 million.

EMPLOYMENT

Scientific research both creates new scientific knowledge and trains the next generation in the scientific method. The research enterprise also employs many technicians, clinicians and other support staff.

- In 2012, more than 50,000 individuals (equivalent to more than 22,000 FTE positions) were directly employed at these eight universities by federal research funding.
- A reduction of 10% in federal funding relative to 2012 levels would reduce the number of individuals working on federally funded research by almost 5,000.
- Most of the people affected would be graduate and undergraduate students; the second most common category would be technicians and research support.
Federal funding comes from many different agencies, but the greatest number and volume comes from the National Institutes of Health: about $1.6 billion for these eight institutions in FY2012.

- A 10% reduction in NIH funding relative to 2012 levels would reduce the funding for biomedical research at these universities by about $160 million.
- There would be $30.9 million less for research in genetics and $30.6 million less for research in the neurosciences.
- There would be $23.9 million less for cancer research and $21 million less for research in pediatric diseases.

The production of science requires the purchase of scientific equipment and technology as well as collaboration with private/public research organizations.

- In 2012, federal research funding supported the purchase of over $866 million of equipment, supplies and subcontracted services.
- Vendors in almost 1,700 counties do business with these researchers at eight universities.
- In 2012, vendors in each of more than 300 of those counties derived combined revenues of over $100,000.
- A 10% decrease in funding would reduce revenues by a combined total of more than $78 million in those 300 counties.
- The top ten states home to these vendors spanned the entire country, ranging from California to New York, from Texas to Michigan; in high technology industries, producing optical equipment and high-end manufacturing parts.

*Projections reflect a 10% decrease relative to the most recent year for which data is available.

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