



2014
ECONOMIC IMPACT

GROWTH ■ COLLABORATION ■ ENGAGEMENT

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INTRODUCTION

The University of Notre Dame du Lac is an independent Catholic institution of higher learning located on a 1,250-acre campus in South Bend, Indiana. In its mission statement, the University describes itself as “a Catholic academic community of higher learning ... dedicated to the pursuit and sharing of truth for its own sake.”

Both as a major regional enterprise in its own right and through its mission of education, research, and service to the community, Notre Dame is a major contributor to the economic vitality of the city of South Bend, St. Joseph County, and the state of Indiana. And as a national—(and increasingly, a global)—institution, Notre Dame also has a growing impact on the world beyond South Bend. This report describes—and where possible, quantifies—the University’s contribution to the ongoing development of the local economy and also how a growing partnership with this community benefits the University as well.

This study, available at impact.nd.edu, was conducted by Appleseed Economic Consultants, a firm that provides economic and social research and analysis, economic development planning, and strategic program development services.

SUMMARY OF KEY INFORMATION

The University directly and indirectly accounts for about **14,650** jobs and **\$1,302,949,300** in economic activity in St. Joseph County.

With **5,713** full- and part-time employees (excluding students and temporary workers) and a 2014 payroll of **\$458 million** (includes students and temporary workers), Notre Dame is the largest employer in St. Joseph County.

Between the fall of 2006 and the fall of 2013, Notre Dame's direct employment grew by **823**, a **17**

percent increase that helped the region recover from the recession.

Notre Dame spent more than **\$95** million annually in construction over the last six years, accounting in 2014 for **326** full-time-equivalent (FTE) jobs in the state of Indiana. Of the total FTE positions, **229** full-time-equivalent jobs were with contractors in St. Joseph County.

Over the next three years, Notre Dame will undergo the largest building boom in University history, spending **\$712 million** on construction, or an average of more than **\$237 million** each year.

University purchases of goods and services from local businesses (including health care) generated an economic impact of nearly **\$114 million** in 2014, supporting **931** jobs in St. Joseph County and **190** jobs elsewhere in Indiana.

The University generates more than **\$16 million** in state and local tax revenues.

Notre Dame students account for nearly **\$136 million** of economic activity annually through their off-campus spending, supporting **1,611** jobs in St. Joseph County.

\$1,302,9

annual total **economic impact**
in St. Joseph County

2.5 million visitors to Notre Dame generate an economic output of nearly **\$213 million** annually through their off-campus activity, supporting **3,258 FTE** jobs in St. Joseph County.

Each home football game in the fall of 2013 spurred **\$18.5 million** in economic impact from the nearly **370,000** visitors that came for football weekends that season.

Between 2010 and 2014, research spending at Notre Dame grew by **65 percent**, reaching **\$182 million**, and this innovation has created new jobs and companies in a growing

pipeline from inception at Innovation Park to realization at Ignition Park or elsewhere.

The pace of technology transfer activity at Notre Dame has increased significantly between fiscal year 2007 and fiscal year 2014, and the number of patents awarded annually has tripled. In the last five years, 66 patents have been issued.

There are **4,771** graduates living in St. Joseph County, and more than **10 percent** of all county residents with a bachelor's degree or higher received a degree from Notre Dame.

In the 2013-14 academic year, more than **5,000** Notre Dame students, faculty and staff logged **758,740** hours of volunteer work in the community.

University investments in St. Joseph County include partnering with the Northeast Neighborhood Revitalization Organization (NNRO) on 52 residential homes in the Triangle development, ND-LEEF (environmental research in St. Patrick's Park), a new boat house along the St. Joseph River, and the Notre Dame Center for Arts and Culture (downtown museum district).



14,650

jobs the University directly and indirectly generates

Economic Impact of the University of Notre Dame on St. Joseph County FY 2014

DIRECT SPENDING

Payroll	\$458.5
Purchasing & Construction	134.9
Students	93.2
Visitors	150.8

Total **\$837.4**

(Millions)

INDIRECT SPENDING

Employees	\$259.1
Vendors & Contractors	82.6
Students	42.5
Visitors	81.4

Total **\$465.6**

(Millions)

GROWTH

GROWING WITH OUR COMMUNITY

Each year, Notre Dame draws hundreds of millions of dollars in revenues from all over the world, yet most of the University's spending is local.

Combining the University's spending on payroll, purchasing, and construction with the University's

student and visitor spending—and adding a standard multiplier effect—we estimate that the University directly and indirectly accounts for about 14,650 jobs and \$1.303 billion in economic activity in St. Joseph County.

NEW JOBS

Notre Dame is the largest employer in St. Joseph County, with 5,713 full- and part-time employees (excluding students and temporary workers) and a payroll of \$458.5 million (including students and temporary employees). More than 92 percent of the jobs are full-time positions, and the wages and

benefits the University offers are above average for the region.

The University has continued its rapid growth in hiring, with total employment rising by nearly 17 percent between fall of 2006 and fall of 2013—an increase of about 823 jobs.

823

new jobs

=

17%

increase

2006 2013



5,713

full- and part-time employees, making Notre Dame
the largest employer in St. Joseph County



PURCHASING AND CONSTRUCTION

Notre Dame purchases of goods and services (excluding construction) in fiscal year 2014 from vendors located in St. Joseph County accounted for an economic impact of \$113.5 million. We estimate that in that year, University spending on goods and services directly accounted for approximately 931 full-time-equivalent jobs in St. Joseph County and 190 jobs elsewhere in Indiana.

In fiscal year 2014, Notre Dame spent \$76.8 million on construction and renovation of University facilities,

directly supporting 326 full-time-equivalent jobs with contractors in the state of Indiana, 229 of which are in St. Joseph County. Over the next three years, Notre Dame will undergo the largest building boom in University history, spending \$712 million on construction, or an average of more than \$237 million each year.

The University directly accounted for about \$16.1 million in state and local tax revenues in fiscal year 2014, including state income taxes withheld from its employees' salaries

and wages, county payroll taxes, property taxes paid on non-tax-exempt properties, and hotel taxes. The University is also making voluntary contributions totaling \$5.5 million over 10 years to the cities of South Bend, Mishawaka, the town of Roseland, and to St. Joseph County to help local governments face ongoing financial challenges.

MULTIPLIER EFFECT

The jobs and economic activity generated by University spending for payroll, purchasing, and construction are not limited to the direct impacts. Some of the money that Notre Dame pays to its employees and local suppliers is used to buy goods and services from other local companies; these companies, and their employees in turn, buy goods and services from still other local businesses.

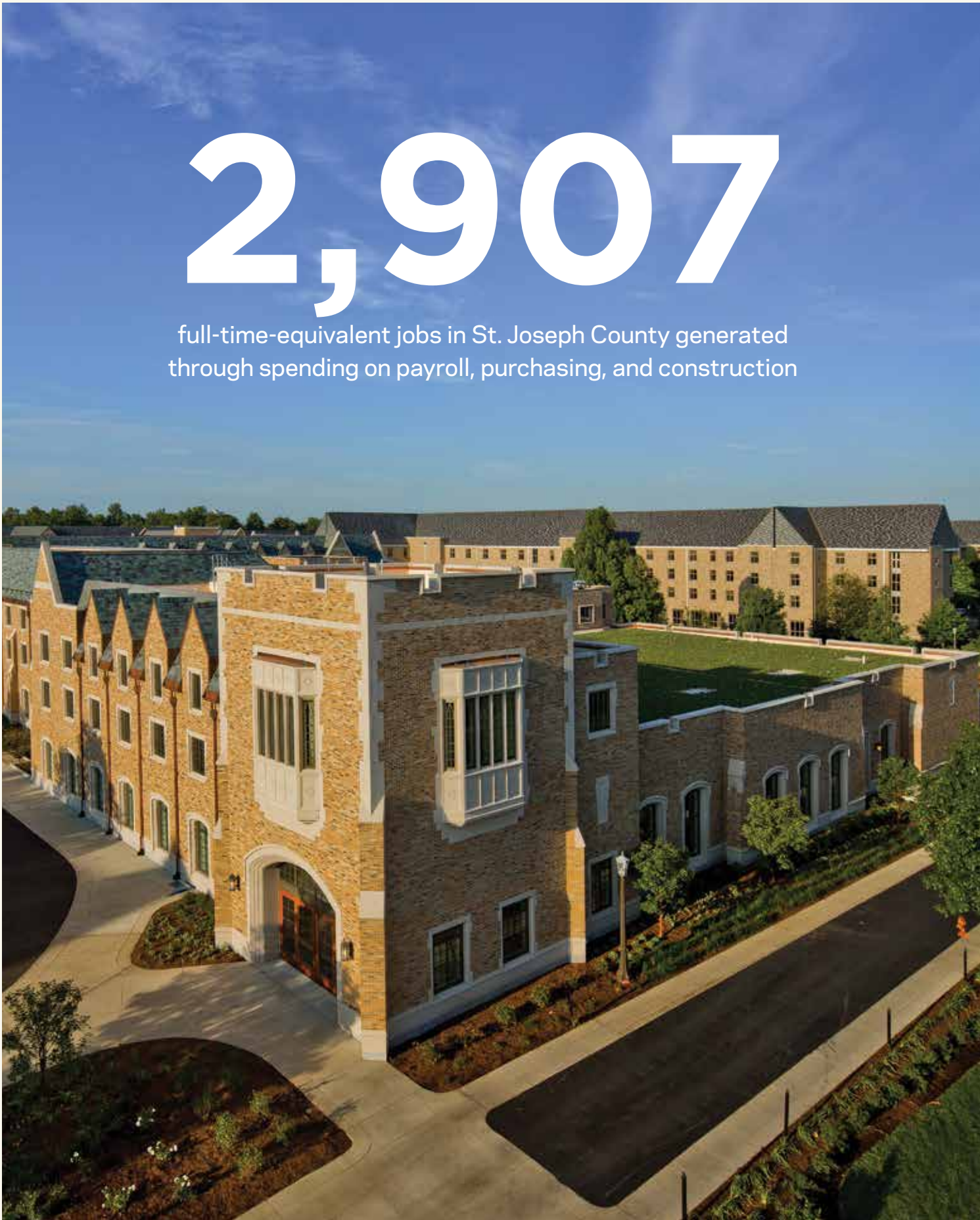
Through this "multiplier effect," we estimate that Notre Dame's spending on payroll, purchasing, and construction in fiscal year 2014 indirectly generated \$341.7 million in economic activity and 2,907 full-time-equivalent jobs in St. Joseph County.



\$16,100,000
in state and local tax revenues

2,907

full-time-equivalent jobs in St. Joseph County generated through spending on payroll, purchasing, and construction



QUALITY OF LIFE

Beyond the business opportunities and jobs created by the University's investment in its employees, purchases, and facilities, Notre Dame's growth enhances its ability to fulfill its mission and its ability to attract employees, students, and visitors to a thriving community, and contribute to an improving quality of life in the region.

NEW FACILITIES

New residence halls and classroom buildings, for example, increase enrollment and bring more spending to the region. Research facilities increase the flow of federal and corporate research funds to the region and have helped create new products and businesses. Sports facilities like the Compton Family Ice Arena continue to draw tens of thousands of visitors.

Current construction on the Campus Crossroads additions to the stadium, McCourtney Hall, Jenkins Hall, and

Nanovic Hall, two new residence halls, and a library renovation will add more than 1.4 million square feet of space to campus—the largest single building boom in campus history.

Off-campus expansion projects like a new boat house along the St. Joseph River, ND-LEEF's environmental research at St. Patrick's Park, and the Notre Dame Center for Arts and Culture bring new business, energy, and stability to our surrounding neighborhoods.



156,237
fans and participants
visited the Compton
Family Ice Arena last year



HOME OF THE FIGHTING IRISH



STUDENT SPENDING

Notre Dame students are local business customers. They eat at area restaurants, furnish their rooms from area stores, and purchase everything from groceries to gas in town. Undergraduates living in dorms spent an average of \$1,950 off-campus in fiscal year 2014, a number that increases

about seven-fold for off-campus and graduate students.

In fiscal year 2014, Notre Dame students directly and indirectly generated \$135.7 million in total off-campus spending, supporting 1,611 full-time-equivalent jobs in St. Joseph County.



**economic activity
in St. Joseph County
comes from the
effects of student off-
campus spending**

\$135,700,000

VISITOR SPENDING

More than a million visitors from outside St. Joseph County came to Notre Dame in fiscal year 2014, and these visitors spent an average of \$190 per trip, based on data from Visit South Bend Mishawaka.

We estimate that these visitors directly and indirectly accounted for a total of \$232.2 million in off-campus spending, supporting 3,258 jobs within the county in industries such as restaurant, hotel, retail, and entertainment.

Football weekends, for example, are estimated to generate \$18.5 million in economic activity. In 2013, football weekends drew 368,580 visitors to St. Joseph County, creating dramatic increases in local airline flights, as well as hotel room prices up to three times the average rate.



4,869

**jobs in St. Joseph County supported by
Notre Dame student and visitor spending**



\$18,500,000

economic activity generated each football weekend



COLLABORATION

BUILDING A BETTER FUTURE

Notre Dame is partnering with local governments, the business community, and neighborhood organizations to develop new sources of economic growth and innovation, aiming to advance its mission by bringing cutting-edge research to the world through new products and businesses.

In the emerging knowledge economy, human capital—the accumulated knowledge, skills, and experience of a community’s workforce—helps determine the speed and success of communities in adapting to new opportunities. As an educational institution at heart, Notre Dame is helping the region build human capital.

ENTREPRENEURIAL ENERGY

The University’s expanding research enterprise brings federal and other outside funding to the region, and attracts scientific and engineering talent as well. It is also a source of new knowledge and new ideas that feed innovation and economic growth.

Notre Dame Turbomachinery Laboratory illustrates how the University is working with public and private partners on research expected to create ripples of economic activity. The \$36 million project rising on

the grounds of the former Studebaker factories will be the nation’s foremost research and test facility for advancing the technology of the massive gas turbine engines used by commercial and military aircraft, power plants, and the oil and gas industry. City and University officials expect the project to draw to downtown’s Ignition Park other companies in the aeronautics industry that are hoping to supply parts or related services.

RESEARCH

Between fiscal years 2010 and 2014, research spending at Notre Dame grew by 65 percent, reaching \$182 million. Among universities without a medical school, Notre Dame has jumped 15 spots since 2010 and is now ranked 35th in the country in total research spending.

The University’s fundamental mission of being “a force for good in the

world” has fueled the growth of its research enterprise—because new cures, products, and businesses can bring our research addressing serious social problems to the world.

Between fiscal year 2007 and fiscal year 2014, the number of inventions disclosed by Notre Dame faculty and researchers rose by 35 percent.

Notre Dame faculty members, research scientists, and students are currently engaged in research that could produce gains in a wide range of fields. Five years ago, about two dozen faculty members used to present disclosures, or business ideas based on current research; today, a board in the lobby of Innovation Park now lists about 100 involved faculty, with many presenting multiple possibilities.



65%

growth in Notre Dame research spending
over five years, growing to

\$182

million

SUPPORTING INNOVATION

The University has directly supported new business ventures, and just as importantly, helped establish an environment that drives innovation and new business development.

In recent years, Notre Dame has actively promoted and supported the transfer of new research in University labs to companies that can commercialize developing technology. This entrepreneurial pipeline includes technology transfer, patent support, student internships, and training programs. In 2013, the University started a \$3.5 million Irish Innovation Fund to provide seed-stage investments in new ventures led by Notre Dame undergraduate or graduate students.

200

jobs have been
created by
Innovation Park

In 2011, the Proof of Technology Demonstration Center was created and provides three or four grants each year (typically in the range of \$35,000 to \$100,000) to University researchers to build prototypes, perform additional testing, etc.

Overall, the pace of technology transfer activity at Notre Dame has increased significantly between fiscal year 2007 and fiscal year 2014, and the number of patents awarded annually has tripled. In the last five years, 66 patents have been issued.

Innovation Park has become a hub of entrepreneurial energy for the University and community since it opened in 2009. The 55,000-square-foot facility is currently 97 percent full and looking to expand. Nearly 80 tenant companies formed there could spiral into hundreds of local jobs. For example, four successful ventures—Vennli, F Cubed, Nexus RV and Data Realty—have already created more than 200 jobs in the region.



| Entrepreneurs collaborate at Innovation Park.

Since it opened in 2009, Innovation Park has become the hub of entrepreneurial energy for the University and community.



ION PARK
→ Notre Dame



PREPARING FOR A NEW ECONOMY

The city of South Bend recently celebrated its 150th birthday by both recalling its industrial past and looking forward to its future in the new information economy. St. Joseph County and northern Indiana need people with the skills to

thrive in this technological environment, and Notre Dame provides its students and employees with opportunities to develop their talents. Through education and training, the University is helping to build a workforce for the new economy.

EDUCATION

The central mission of the University will always be to provide a preeminent Catholic education for its graduates. Advanced education drives higher wages for individual workers, studies show, but it also generates measurable economic benefits for geographic areas with more college graduates.

In the summer of 2014, there were 4,771 Notre Dame graduates who lived in St. Joseph County, out of 9,806 Notre Dame graduates living in Indiana. An estimated 10.6 percent of all county residents with a bachelor's degree or higher received one or more degrees from Notre Dame.

Notre Dame has placed an increased emphasis on internships, research, and international study, three areas that promise to prepare workers for an information-based global workplace. For instance, Notre Dame ranked 12th among U.S. doctoral universities for the percentage of undergraduates participating in study abroad programs when more than half did so in 2012-13.

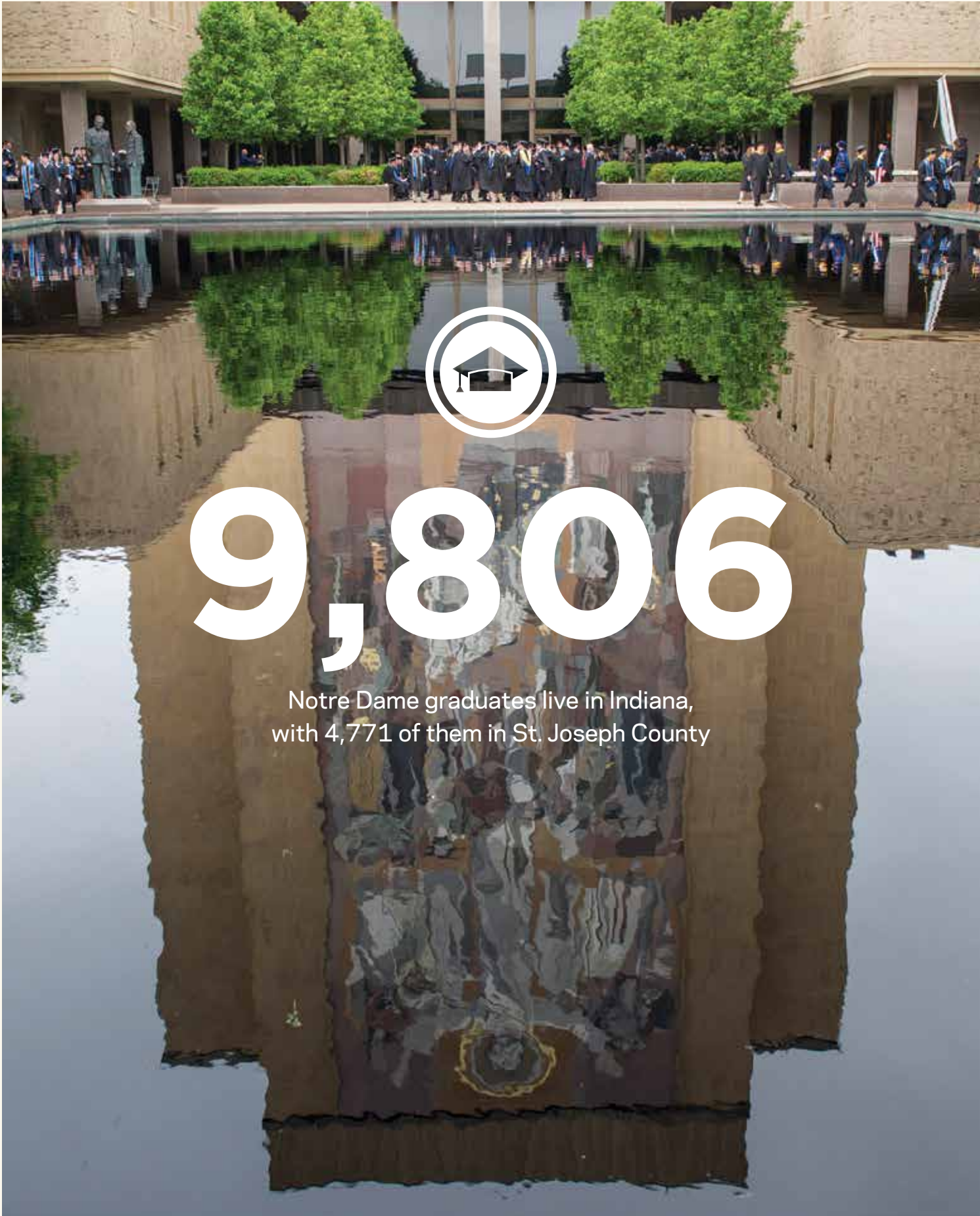
EMPLOYEE TRAINING

Each individual deserves an education and the opportunity to expand their future options, and that's why Notre Dame does not limit its development resources only to students. Through the Human Resources Department and the Office of Information Technology, the University provides its employees about 100 different training sessions each year. In 2014, 5,213 employees participated in these training sessions.

These programs range from classes for entry-level employees to earn a GED or improve their English to computer or leadership workshops for those climbing the economic ladder—and also include generous tuition benefits for employees and their children. Training and advancement are a few of the reasons *The Chronicle of Higher Education* has chosen Notre Dame for six years in a row as one of the best colleges to work for in its annual survey.

5,213

employees participated in
training sessions in fiscal 2014



9,806

Notre Dame graduates live in Indiana,
with 4,771 of them in St. Joseph County

ENGAGEMENT

HELPING EACH OTHER FLOURISH

Notre Dame recognizes that it can prosper only if the community that has been its home for more than 173 years is strong and thriving. For this reason—in addition to its Catholic faith—the University has increased its commitment to the surrounding communities through volunteer work and investment in its neighborhoods and residents.

The University has a great appreciation for the community and recognizes that an ongoing partnership provides mutual benefits that have helped make Notre Dame the institution it is today—and will be tomorrow.


COMMUNITY INVESTMENT

Notre Dame has invested steadily over the past decade in projects designed to strengthen neighborhoods in the community and expand

opportunities for neighborhood residents, ranging from the Center for the Homeless to the Robinson Community Learning Center.



758,400



SERVICE AND SCHOLARSHIP

The focal point for community-based learning and community service at Notre Dame is the Center for Social Concerns. In 2013-14, the center estimates that at least 4,830 students performed more than 348,000 hours of volunteer community service. In addition, Notre Dame estimates that more than 340 University employees were responsible for projects that generated 410,400 hours of volunteer community service that academic year—some as volunteers, and some as part of their work for the University.

One example at the Robinson Community Learning Center, founded by Notre Dame in 2001, illustrates this rich partnership. Nearly 400 volunteers there serve nearly 4,300 area children and adults each year in programs such as after-school tutoring and conflict resolution. Since 2008, the Robinson Shakespeare Company has grown from 12 participants in an after-school program to 30 company members and a range of activities, including in-class drama instruction to more than 400 students at schools throughout the community. A 2014 participant recently won second runner-up in a statewide Shakespeare

hours of volunteer community service in 2013-14 by more than 5,170 Notre Dame students, faculty, and staff

monologue competition in Indianapolis and was featured in a Notre Dame student documentary film. Watch his story on impact.nd.edu.

STRENGTHENING NEIGHBORHOODS

The University has continued its partnership with several other institutions, neighborhood residents

and community organizations with the Northeast Neighborhood Revitalization Organization, through which the neighborhood at its front gate has seen significant transformation. Investments in projects such as Eddy Street Commons, the Robinson Center, and Innovation Park have fostered partnerships to help spur development, infra-structure improvements, and a new private high school in this community. Recently, 42 of 52 new homes in the Triangle development behind Eddy Street Commons have been built, and 128 of 185 new nearby condominium units have been sold.

Spreading farther in the county, other University investments include, environmental research at St. Patrick's County Park through the ND-LEEF program, a new boat house along the St. Joseph River, and the Notre Dame Center for Arts and Culture in a downtown museum district.



\$625 million
in total investment in the Northeast Neighborhood since a partnership of the University, city, residents, and businesses began a revitalization effort

TEAMWORK

The vibrant relationships with community organizations and institutions make a wide range of services available to local residents. These partnerships also give Notre Dame students ample opportunities for community-based learning.

BUILDING PARTNERSHIPS

Notre Dame believes that learning takes place not only in classrooms and laboratories but also through experience, which is why active engagement in the community is essential.

University courses offering opportunities for community-based learning have more than doubled from 80 in 2005–06 to 196 in 2013–14. The 2013–14 enrollment in these courses totaled 3,338—27.5 percent of all University students.

These courses range from a case study of immigration in South Bend to an exploration of the criminal justice system alongside prisoners at the Westville Correctional Facility. Research collaboration is also growing, with examples ranging from chemical engineers assessing lead contamination in area homes to designing new logos and identity pieces for local nonprofits.

196

courses at Notre Dame, more than double the number from five years earlier, include community-based learning opportunities

A FUTURE TOGETHER

Notre Dame's contribution to the ongoing growth, transition, and service of the economy of South Bend, St. Joseph County, and Indiana is certain to continue during the next decade. Over the next three years, Notre Dame will undergo the largest building boom in University history, spending \$712 million on construction, or an average of more than \$237 million each year. Besides projects already started, future plans call for a new School of Architecture and the next phase of development at Innovation Park.

Research spending at Notre Dame grew by 360 percent since 2001, leading to increased hiring and more students—and a foundation of innovation that can lead to the development of new products, services, jobs, and businesses. A new emphasis on technology transfer and business development, now backed by new funding opportunities, has created a “entrepreneurial ecosystem” that is expanding from Notre Dame's Innovation Park to the city's Ignition Park. The future of the relationship between the community and Notre Dame has never appeared brighter.



\$237,000,000

per year in construction spending over the next three years at Notre Dame



