

Greetings from IUPUI

June 2009

Recently, the **Indiana Business Research Center** (IBRC), part of Indiana University's Kelley School of Business, undertook a study of the **economic impact** of IU's campuses statewide, including IUPUI.

City leaders called for the establishment of IUPUI in 1969 because they wanted to improve Indiana's **economic competitiveness** with **access to higher education**. IUPUI answered the call by providing a comprehensive range of academic programs at the state's population center that made it **affordable and convenient** for central Indiana residents to improve their earning power and enhance their quality of life.

The IBRC study considered both "core" and "collateral" benefits, to determine the value added, **the impact that would not exist "but for"** our being here.

The short answer? The **direct and ripple effects** of IUPUI's presence in the capital city accounts for **\$2.5 billion** of central Indiana's economic activity.

How did the IBRC calculate \$2.5 billion of impact?

First, it examined the **"core" benefits** that derive from our central mission of education and research, such as where alumni settle to work after graduation or the extent to which IUPUI's academic programs support the state's economic development priorities. Second, it examined the **"collateral" benefits** by calculating the impact of university spending and the value of civic engagement in the community.

The IBRC study showed **90 percent** of our students are **Indiana residents**. For **undergraduates**, the rate is even higher: **96 percent**. Of the 19,700 people who received degrees at IUPUI between 1998 and 2002, **72 percent of our alumni** were **residing in Indiana** as of 2008, their education allowing even more significant contributions to their communities. Most of these were in Marion and Hamilton County.

Between 2002 and 2007, **21,800 degrees** (bachelor's, master's, professional, doctoral) were earned at IUPUI. More than a fourth (**27 percent**) were in fields related to the **life sciences**, a top economic development priority for Indiana.

IUPUI also leads the state in professional degrees (such as law, dentistry, and medicine) conferred by Indiana's universities.

Because so many alumni remain in Indiana, their lifetime **wage-earning potential** remains in state with them. The IBRC study also calculated that impact.

The typical **male IUPUI graduate can expect to earn \$2.1 million** in lifetime earnings—64 percent more than an associate degree recipient. This increases to \$2.5 million with a master's degree and \$2.9 million with a professional degree.

The typical **female can expect \$1.5 million over her lifetime**—50 percent more than with an associate degree. With an advanced degree, her earning potential goes up to \$1.8 million with a master's and \$2.4 million with a professional degree.

The IBRC quantified IUPUI's **impact through university research** by determining that, in addition to IUPUI's employment of 7,051 faculty and staff, university research expenditures account for an **additional 13,210 jobs** in the region.

IUPUI averages **\$166 million in annual research expenditures** supported by contracts and grants from external sources. These funds, three-fourths of which are from the federal government, are spent mainly in Indiana on goods, services, and the employment of well-educated people who contribute to the state's economy.

Between 2004 and 2007, IUPUI research generated **483 new invention disclosures, 178 new patent applications, and 64 new patents**. Since 2000, technologies developed at IUPUI have generated 11 startup companies, 9 related to life sciences, employing 160 in the Indianapolis area.

More than 100 of these jobs are with **ANGEL Learning**, course management software developed by Professor of Computer and Information Technology Ali Jafari and David Mills, one of Ali's students, a 1999 School of Engineering and Technology graduate. **Blackboard Inc.** just purchased ANGEL Learning for **\$95 million**.

The IBRC also measured the **impact of civic contributions**, such as the value of service learning programs, **voluntarism**, and charitable contributions. The economic benefit of voluntarism by members of the IUPUI community is **\$3.4 million** annually. Furthermore, IUPUI students, staff, and faculty contributed **\$4.3 million** to Indianapolis-area **charitable organizations** in 2006-07 alone.

As the IBRC analysis shows, we have those 1968 visionaries to thank for having the wisdom to see **what a difference a university campus can make!**

Charles R. Bantz
Chancellor

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