Education / Innovation / Opportunity
The Economic Impact of Princeton University
The New Jersey Council on Higher Education has said that an excellent higher education system is key to New Jersey’s future—to its economy, to the jobs of today and tomorrow for its students, and to the quality of its culture.* Princeton University is proud to set a standard of excellence that is recognized throughout the world and pleased to share this summary of the significant and growing impact it has on the state’s economy. As a leading educator, employer, builder, purchaser and community partner, Princeton serves as an influential catalyst for the strength of New Jersey’s economic, intellectual and cultural life.

Princeton University is first and foremost an institution of higher education that advances learning through scholarship, research and teaching of unsurpassed quality, with a deep commitment to serve the nation and the world. The University educates nearly 8,000 undergraduates and graduate students each year and supports the work of more than 1,800 faculty members and researchers. While the University draws students from across the U.S. and more than 90 countries, enrollment figures also reflect its deep roots in New Jersey.

In the aggregate, financial aid to undergraduates from University sources totaled $120.3 million in fiscal year 2015, including an estimated $20.2 million provided to New Jersey students.

**$0**

- Amount paid for tuition, room and board by students with family incomes up to $65,000
- Amount paid for tuition by students with family incomes up to $140,000

*Strategic Priorities for New Jersey Higher Education, Governor’s Higher Education Council, April 2015.*
Princeton University is one of the largest employers in Mercer County, a research and innovation leader, a major purchaser of goods and services, and a sponsor of construction projects. An analysis by Appleseed Inc. — which takes into account the University’s nearly $601.9 million payroll, $453.6 million spent on the purchase of goods and services, $318.1 million spent on construction and maintenance, and off-campus spending by students and visitors to campus — estimated that in fiscal year 2015 the University directly and indirectly accounted for $1.58 billion in economic output in New Jersey, supporting 13,450 jobs with earnings totaling $970.7 million.

For more information and the full report by Appleseed, Inc., go to economicimpact.princeton.edu.
Princeton University consistently ranks among the largest, most stable employers in Mercer County with a workforce of more than 6,900 employees — more than 80 percent of whom live and pay taxes in New Jersey. In fiscal year 2015, the University paid nearly $602 million in employee salaries and $24.8 million in New Jersey state income and unemployment insurance taxes and paid family leave insurance. The University provides generous employee benefits — including $2.4 million in disability benefits — that relieve the burden on state resources and make Princeton a desirable place to work.

6,906 total employees

*For the purposes of this report, the Princeton area is defined as the municipality of Princeton plus portions of West Windsor, Plainsboro and South Brunswick townships.
When Robin Fitzgerald-Frink moved to New Jersey in 1997, she was a single mom caring for two small children. What began as a brief stint in an academic department has evolved into a long-time role as an administrative assistant and office manager in the Office of Research and Project Administration. After getting married and having two more children, Robin not only used Princeton’s tuition benefit program to help her and her two older kids attend college; the University also covered part of her preschooler’s day care costs. In addition, the CareBridge program helped Robin provide periodic in-home care for her ailing mother in California.

“I had an uncle who worked at Princeton for more than 30 years. ... I came here because I knew it was good for him and his family. His grandson now is a student here. My family as a whole has come full circle in our pursuit of a better life. It’s why we consider the University to be family. It’s a whole community.

For me, the University has been a blessing, both for the financial stability it provides and for the many relationships I’ve developed. I’ve had so many opportunities to grow and do things that I’ve loved doing.”
Arturo Pizano
Program manager for university relations
Siemens, Princeton, New Jersey

Siemens works with Princeton University and a number of other universities to support R&D and to tap pipelines of student talent for job recruitment. Pizano believes such partnerships contribute to a robust R&D ecosystem across New Jersey.

“Siemens is a global powerhouse focusing on the areas of electrification, automation and digitalization. This is an environment where new innovations are rapidly emerging and where you can’t accomplish everything through internal resources alone. We’re able to engage with Princeton’s faculty members and students, and this exchange of ideas and expertise helps shape the company’s technology roadmap.”
As a major research institution, Princeton University attracts hundreds of millions of federal research dollars to New Jersey each year—much of which is spent locally—to develop knowledge that addresses human needs. In recent years, Princeton has dramatically boosted its internally funded research spending. Research expenditures for fiscal year 2015, supported by external and internal funding sources, totaled $457.6 million. While most of the University’s research expenditures focus on basic research, there has been growing emphasis on developing real-world applications of basic research findings, programs to encourage entrepreneurism and research collaborations with industry partners.

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**Sources of Research Funding**

- **National Institutes of Health**: $42.4 million (9%)
- **National Science Foundation**: $57.8 million (13%)
- **Department of Defense**: $31.4 million (7%)
- **Department of Energy**: $134.6 million (29%)
- **Foundation**: $20.8 million (5%)
- **Industry/Corporate**: $8.9 million (2%)
- **Other Federal**: $16.1 million (4%)
- **Private/Other**: $6.4 million (1%)
- **State Government**: $0.4 million (0%)
- **Internal Funding**: $138.8 million (30%)
Princeton University is housed on a historic campus that has evolved over the centuries to keep pace with advancements in society, in technology and in new fields of study. In fiscal year 2015, the University spent a total of $318.1 million on construction and maintenance projects. Of this, $136.6 million was paid to businesses in New Jersey, including $22 million paid to businesses in Mercer County. From fiscal year 2007 to fiscal year 2015, the University invested nearly $2.5 billion in construction and maintenance projects, guided by the 2006–2016 Campus Plan. Over the next five years, the University projects that it will spend at least $1 billion on maintenance and construction, not including major construction projects that will be included in its new 2026 Campus Plan.
Robert Hearn
President, Ricasoli & Santin, Mercerville, New Jersey

Ricasoli & Santin has worked on new construction and renovation projects on the Princeton campus for roughly 30 years. The validation and prestige that comes with having the University as a long-term client has helped the firm grow its business and weather shifts in the region’s economy with greater stability.

“The University is a constant in an un-constant economy. Knowing that we’ll be invited to provide pricing and construction work for Princeton has definitely helped us. The downturn in the economy hit us hard about eight years ago, and the fact that the University goes out of its way to use local and small businesses has been a great source of stability to us as a local contractor.”
In 2015, the University contracted with AgriArk to haul away food waste from Princeton’s residential college dining halls. Once that material reaches AgriArk’s farm, it is processed into a variety of organic soil and hydroponic amendments that yield more nutrient-dense, pest-resistant crops and healthier animal feeds. The University’s clean, consistent supply of food waste has allowed the company to efficiently test and refine its method of creating rich, biologically diverse soils as a renewable technology. Within the next year, AgriArk expects to bring its products to market.

“We get to source a clean food waste stream and we provide Princeton a great service in return. Our trucks are there six days a week throughout the year, rain or shine.

Working with Princeton has been instrumental in allowing us to test our technology consistently and effectively. The University is our largest multiyear contract, which has helped us access greater support from financial institutions, and provided validation that we’re a functional and sustainable business.”
Catalyst for Opportunity

Princeton is a major purchaser of equipment, goods and services that advance its education and research mission, and it places a premium on relationships with local and regional suppliers. In fiscal year 2015, the University spent $453.6 million on purchases of goods and services. Nearly $137.3 million of this was paid to New Jersey vendors, including $35.0 million paid to Princeton-area businesses and $16.5 million paid to businesses in the rest of Mercer County.

As part of Princeton’s institution-wide commitment to fostering diversity and inclusion, the University’s procurement efforts make supplier diversity an integral part of the way in which it does business. The University is proud to count an increasing number of minority-owned, women-owned, veteran-owned and small business enterprises among its suppliers.

$453.6 million spent in total on goods and services

$137.3 million spent on goods and services in New Jersey

$35.0 million paid to businesses within the Princeton-area ZIP codes

$16.5 million paid to businesses in Mercer County outside the Princeton area

Princeton’s purchases of goods and services directly supported

366 FTE jobs in Mercer County

430 FTE jobs elsewhere in New Jersey
Catalyst for Exploration

Access to world-class experts and facilities; spaces for arts education, performances and other events; a premier art museum; an inviting campus setting; and an extensive local transportation system that is free and open to the public have created an environment that attracts visitors and serves as a resource for the local community.

Off-campus spending by students, faculty, staff, and visitors to the University contributes significantly to the vitality of Princeton’s regional economy. Students alone spent $59.7 million off campus in fiscal year 2015, the majority of which supported local establishments. In addition to those studying or working at the University, approximately 768,000 people visited the Princeton campus for admission visits, alumni gatherings, Commencement, lectures and conferences, athletic events, the art museum and arts performances, and other purposes. Off-campus spending by visitors from outside Mercer County totaled $49.7 million and generated, directly and indirectly, $63.4 million in economic output across Mercer County.

768,000 people visit the Princeton campus each year

**Student Spending**

$59.7 million spent off campus by students directly and indirectly accounted for

$54.7 million in economic output

**Visitor Spending**

$49.7 million spent off campus by visitors from outside Mercer County directly and indirectly accounted for

$63.4 million in economic output
Jack Morrison
President, JM Group, Princeton, New Jersey

As an owner of multiple restaurants, real estate investor and catalyst for amenities like the weekly farmer’s market in Hinds Plaza, Jack Morrison has long made Princeton a better place to live, learn and work. He values the opportunities that continually arise for local residents and businesspeople to join with University partners to create an integrated, active, healthy and successful community.

“I’ve been here 35 years and raised two kids here. The whole template of this community—the town and the University—is very unique and very special. The community is an integral part of our businesses, and the University makes up a good portion of our community.

We’re all stakeholders in the community and I’ve been able to see just how much the University is involved in. They’re at so many tables and involved in so many conversations that enhance the well-being and all different facets of community life.”
Roberto Hernandez
Program director, El Centro, Trenton, New Jersey

Founded in 1999, El Centro has been a trusted resource in the Trenton area’s Spanish-speaking community for those seeking help with basic needs, job training, English as a Second Language (ESL) training, parenting classes and immigration services. For more than 16 years, Princeton student volunteers have provided free ESL classes and connected clients to the services they need to become better integrated into the community and local economy.

“At the end of the day, it’s all about the relationships that we make. When the volunteers touch one individual, they touch the whole family. The ESL classes our clients take are important because they can then read nutrition labels, and make sense of what’s happening when their kids bring home their report cards. They can be better advocates for their children and themselves because they are more empowered. They are better parents, better neighbors and better community members based on the fact that they know better English.”
Throughout the year, you will find young children, K-12 students, adults and seniors taking advantage of educational opportunities on campus, whether through the Cotsen Children’s Library, the art museum, the Community Auditing Program, or programs that work intensively with underserved teens to prepare them for success in college and beyond. Students, faculty and staff give back to the community through ongoing volunteer service and donations of funds, food, furniture and equipment. The University contributes to a strong regional infrastructure through its support of community and civic organizations; maintenance of local roads; network of free, sustainable transit services; volunteer, training and funding support to public safety agencies; and provision of local affordable housing. Princeton also paid more than $16.3 million in property taxes, fees and voluntary contributions to local governments in fiscal year 2015.

“Princeton University takes pride in its longstanding partnership with the communities that surround it. Through on-campus learning opportunities, joint transportation and safety programs, community service projects, and initiatives that encompass the arts, entrepreneurship and many other areas, the University and its neighbors continue a vibrant tradition of cooperation founded on shared values, interests and histories.”

Christopher L. Eisgruber
President, Princeton University

Princeton University’s Community Partners*

*Partial list