

THE IMPACT OF STONY BROOK UNIVERSITY

# Driving the Long Island Economy

As Long Island's only public research university, Stony Brook produces the educated workforce that drives the area's high-tech economy.



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## PART I: REPORT FINDINGS

1. The total operating budget for 2007-2008 is \$1.77 billion. Direct state tax support accounts for \$207.2 million, or 11.7 percent of the total (not including \$147.8 million in fringe benefits, which brings the state share up to almost 20 percent).
2. The average salary of employees at Stony Brook is \$76,010. This compares with a regional average salary in all industries of \$47,913.
3. Stony Brook economic development programs bring an additional \$59.4 million in economic revenue to the Long Island region (not including federal, state, and other revenue included in the operating budget).
4. Students and their families spend an additional \$175.6 million in the Long Island economy not captured in the operating budget. When this is added to the \$2.9 million spent by University student government—a non-operating budget item—this translates into an additional 2,588 local jobs.
5. Retired Stony Brook employees living on Long Island receive approximately \$97.3 million in income from state pension payments and Social Security. This translates into an estimated 1,421 local jobs.
6. In 2007-2008 Stony Brook operating expenditures (wages and salaries plus utilities, minus estimated employee expenditures for health care) are estimated to be \$929.1 million. The multiplier effect, or secondary impact, of Stony Brook operating expenditures, as determined by the Regional Input-Output Modeling System (RIMS II) developed by the Bureau of Economic Analysis of the U.S. Department of Commerce, generates an estimated \$1.73 billion in increased economic output to the regional economy and 28,989 additional jobs.

7. In 2007-2008 Stony Brook employees will have spent an estimated \$61.7 million on health care. The multiplier effect, or secondary impact, of employee health care expenditures generates an estimated \$123.6 million in additional economic output to the regional economy and 2,308 additional jobs.
8. In 2007-2008 Stony Brook expenditures on construction that do not appear in the operating budget are estimated to be \$152.3 million. An estimated \$91.4 million, or 60 percent, of construction spending stays within the Long Island economy. The multiplier effect, or secondary impact, of construction spending generates an estimated \$177.9 million in additional economic output to the regional economy and 2,431 additional jobs.
9. In 2007-2008 it is estimated that Stony Brook will spend \$802.9 million on equipment and supplies. An estimated \$200.7 million, or 25 percent, of equipment and supplies expenditures stays within the Long Island economy. The multiplier effect, or secondary impact, of spending on equipment and supplies generates an estimated \$372.7 million in additional economic output to the regional economy and 9,113 additional jobs.
10. In total, Stony Brook University's impact on the Long Island economy amounts to \$4.65 billion in increased output, or gross regional domestic product, and 59,859 jobs.
11. The economic impact of Stony Brook University accounts for almost 4 percent of all economic activity in the Nassau/Suffolk county region, and roughly 7.5 percent of total jobs in Suffolk County.
12. The regional economy receives \$4.7 billion from the state's direct investment of \$207.2 million in tax dollars. This represents a 2,300 percent return, or an economic gain of \$23 for every dollar the state invests.

## PART II: THE UNIVERSITY'S IMPACT ON THE LONG ISLAND ECONOMY

Stony Brook University is a crucial and irreplaceable asset to the Long Island economy. The University, Long Island's largest single-site employer, provides nearly 14,000 men and women with full- or part-time jobs. As Long Island's only public research university, Stony Brook produces the educated workforce that drives the area's high-tech economy. It is also one of Long Island's highest-paying employers with an average annual salary of approximately \$76,010. This compares with a figure of \$47,913 for all Long Island employers.<sup>i</sup>

Stony Brook's relatively high wage scale reflects the fact that its workforce consists of a high percentage of skilled scientists, academic professionals, medical practitioners, engineers, and technicians (see *Figure II-1 and Table II-1*).

One can see that Stony Brook is a large and important institution in terms of the region's economy simply by looking at the raw dollar amounts contained in the University's budget.

Stony Brook's total operating budget for 2007-2008 is \$1.77 billion, an increase of approximately \$872 million since the first study of Stony Brook's economic impact was conducted in 1994, and an increase of \$724 million, or roughly 69 percent, in the ten years since the 1998 impact study was completed. Today, by attracting a broad array of revenue sources, direct state tax support for the University of \$207.2 million is just 11.7 percent of the total budget (not including an estimated \$147.8 million in fringe benefits).<sup>ii</sup>

These total revenue numbers include salaries and wages of \$894.3 million, supplies and expenses of \$753.1 million, equipment purchases (objects or materials with a life span of three years or more and costing more than \$500) of \$49.8 million, and \$74.3 million in utility costs. The \$894.3 million in salaries and wages goes to pay for roughly 11,766 full-time equivalent employees, including 1,398 full-time and 564 part-time faculty, the largest number of employees in any college or university in the Long Island region.<sup>iii</sup> (See *Figures II-2, II-3, and II-4*.)

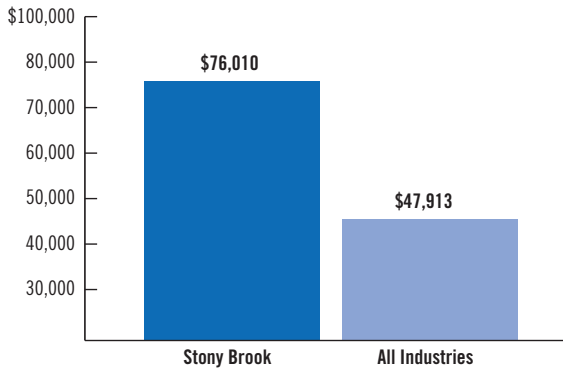
Looking at the programs and activities funded with these budget dollars and the sources to which revenues are allocated reveals the multitudinous nature of Stony Brook's mission, which includes undergraduate and graduate education, research,

economic development, medical care, and nursing home care. In 2007-2008 state tax support provides roughly 11.7 percent of the University's budget, but if one adds the fringe benefit costs paid by the state, it is closer to 20 percent. Research brings an additional 12 percent; self-sustaining operations such as residence halls, food service, etc., add 11 percent; and health care provides 57.3 percent of the total budget. On the expenditure side, the Health Sciences Center accounts for approximately 66.8 percent of the budget, while the Provost's Office, which includes the College of Arts and Sciences, accounts for 16.5 percent of the budget; the President's Office, which includes the Stony Brook Foundation, accounts for 3.2 percent of the budget; Student Affairs accounts for 2.4 percent; Administration accounts for 5.3 percent; and 5.8 percent goes toward economic development, research, University Advancement, University-wide services, and other smaller items (*see Figures II-5, II-6, and Table II-2*).

The raw budget numbers alone do not demonstrate to a sufficient degree just how integral Stony Brook is to the regional economy. Any organization that creates employment and income generates secondary effects in the area's economy in additional employment and income, which is the result of spending and respending income. These effects are distinct from the impact of direct expenditures and are generally categorized as indirect economic impacts. The total economic impact of the organization is then obtained by adding together the direct and indirect effects.

There are several factors that set Stony Brook apart from most other institutions of its size in either the public or private sectors, and that provide an indirect economic stimulus to the regional economy far beyond that which appears in the University's direct expenditures. These include the following: 1) Stony Brook's leading role in state-of-the-art economic development programs; 2) the economic impact of students and their families from outside of the region; 3) non-operating revenues paid by the state, which would be an expense for any other employer on Long Island; 4) capital spending on construction; 5) the income of Stony Brook retirees; 6) the impact of an associated national research institution—Brookhaven National Laboratory; and 7) the multiplier effect associated with research institutions, which roughly doubles Stony Brook's economic impact in terms of jobs and income.

*Figure II-1*  
**Average Annual Wages on Long Island**  
**Stony Brook vs. All Industries, 2007**



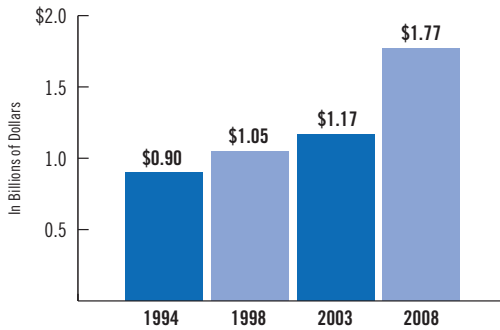
*Sources: 2007-2008 Stony Brook University Operating Budget; Stony Brook Office of Institutional Research; U.S. Bureau of Labor Statistics*

*Table II-1* **Stony Brook Employees**  
**Full-Time Equivalents, November 2007**

University Sector	NUMBER OF EMPLOYEES		
	State	Research Foundation	Total
West Campus	3,441.34	717.16	4,158.50
East Campus	1,118.44	1,323.95	2,442.39
Medical Center	4,741.43	0	4,741.43
Long Island State Veterans Home	423.75	0	423.75
<b>Total</b>	<b>9,724.96</b>	<b>2,041.11</b>	<b>11,766.07</b>

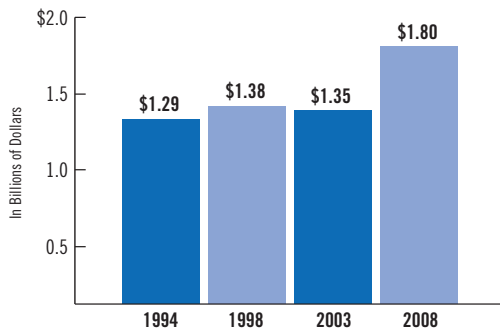
*Source: Office of Institutional Research*

*Figure II-2*  
**Stony Brook Operating Budget, Unadjusted**  
**Years in Which Economic Impact Analysis Was Conducted**



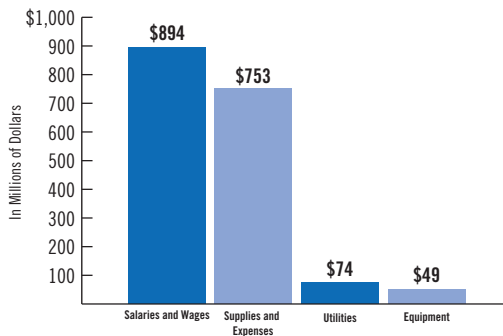
Source: Center for Regional Policy Studies

*Figure II-3*  
**Stony Brook Operating Budget, 2008 Dollars**  
**Years in Which Economic Impact Analysis Was Conducted**



Sources: Center for Regional Policy Studies; New York Metro Area Consumer Price Index; U.S. Bureau of Labor Statistics

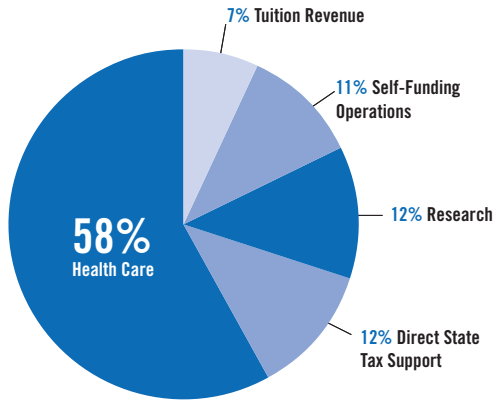
*Figure II-4*  
**Stony Brook University Operating Budget**  
**By Object**



Source: 2007-2008 Stony Brook University Operating Budget

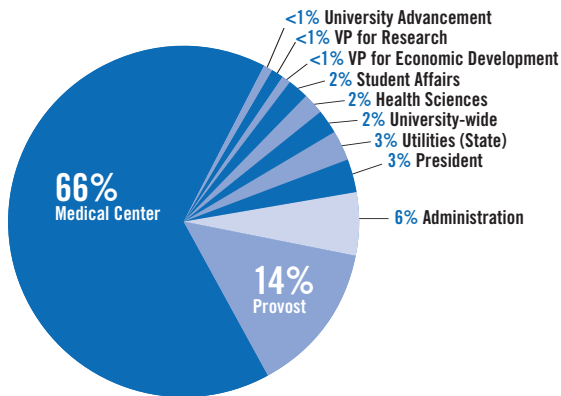


*Figure II-5*  
**Total Revenue by Source**  
**2007-2008, Stony Brook University**



Source: 2007-2008 Stony Brook University Operating Budget

*Figure II-6*  
**Budget Allocation by Division**  
**2007-2008, Stony Brook University**



Note: Numbers do not total 100% due to rounding.

Source: 2007-2008 Stony Brook University Operating Budget

*Table II-2 Revenue Summary by Object, 2007–2008, Stony Brook University*

Item	Total Allocation	Salaries and Wages	Supplies and Expenses	Equipment	Utilities
State Purpose*	\$317,659,062	\$247,546,883	\$15,882,825	\$2,010,321	\$52,219,033
Special Appropriation*	4,234,163	1,274,841	2,534,640	427,682	0
Income Fund Reimbursable*	82,000,000	29,215,793	45,316,431	7,281,776	186,000
State Univ. Tuition Reimbursable*	18,500,000	7,755,695	10,601,527	142,778	0
Dormitory Income Fund*	28,254,800	11,705,045	10,370,175	0	6,179,580
Dormitory IFR*	4,500,000	89,268	4,410,732	0	0
Hospital Income Fund	791,000,000	318,294,199	452,918,476	5,222,244	14,565,081
Hospital IFR*	3,600,000	2,188,777	618,723	792,500	0
Long Island State Veterans Home*	38,400,000	21,520,000	15,679,000	1,000	1,200,000
Stony Brook Foundation (Restricted)	32,681,452	2,529,216	28,378,395	1,773,841	0
Stony Brook Foundation (Unrestricted)	6,788,417	3,132,577	3,646,168	9,672	0
Stony Brook Foundation Agency	18,774,712	5,482,558	13,134,126	158,028	0
Stabilization Fund	20,102	0	0	0	0
Sponsored Research	149,403,291	70,951,564	48,792,803	29,658,924	0
RF Indirect Cost Support	41,173,650	14,268,692	26,003,737	901,220	0
RF Campus Royalties	6,795,291	1,956,318	4,405,138	433,835	0
RF Service and Facility	1,046,765	2,322,957	(1,303,752)	27,560	0
RF Other Agency	111,302	55,349	55,953	0	0
RF Service Agreements	11,658,467	10,786,923	871,544	0	0
Faculty Student Association	22,010,870	13,127,007	8,883,863	0	0
Clinical Practice	192,944,572	130,131,849	61,899,068	913,655	0
<b>Total</b>	<b>\$1,771,556,916</b>	<b>\$894,335,511</b>	<b>\$753,099,572</b>	<b>\$49,775,036</b>	<b>\$74,349,694</b>

\* Excludes fringe benefits.

Source: 2007–2008 Stony Brook University Operating Budget

## A. ECONOMIC DEVELOPMENT

Stony Brook University is truly unique in the amount of resources it possesses and provides to local businesses through both support and partnerships. Through a number of business development programs, including the Centers for Advanced Technologies, or “CATs”—which include the Center for Biotechnology, Center for Sensor Systems, Center for Visual Computing, Center for Cybersecurity, Center for Advanced Technology in Diagnostic Tools and Systems, Center for Port and Maritime Security, and Center for Emerging Technologies—the Long Island High Tech Incubator (LIHTI), Stony Brook University Software Incubator, Stony Brook University Calverton Business Incubator, Strategic Partnership for Industrial Resurgence (SPIR), Office of Technology Transfer and Licensing, and the Small Business Development Center (SBDC), Stony Brook provides technical, financial, strategic, and marketing expertise to new and growing businesses. In the 2006-2007 development cycle alone these programs added 1,243 jobs; 1,103 companies and/or clients; \$10.7 million in new investments; attracted \$126.3 million in federal, state, and other external funds; and resulted in more than \$48.7 million in additional corporate revenue. In fact, Stony Brook University’s LIHTI was ranked in 2002 as a top-performing technology incubator in a report produced by the National Business Incubation Association following a 12-month analysis of U.S. technology business incubation programs.

As impressive as these achievements are, Stony Brook’s economic development efforts will likely exceed in magnitude by many factors anything it has done to present with the recent creation of the Center for Excellence in Wireless and Information Technology (CEWIT). This bold new venture will be housed in a \$50 million, 100,000-square-foot facility on the newly acquired 245-acre Research and Development Campus adjacent to the West Campus. CEWIT has already received \$2.2 million in advance state funding (complemented by industry, sponsor, and campus funds, and in-kind donations) for early acquisition of critical research equipment, which will be installed temporarily in existing space. In the past three years nearly \$25 million in gifts has been received and faculty affiliates of Center programs have earned nearly \$40 million in competitive federal research awards. One of these projects, which has million-dollar federal support, encompasses developing implantable wireless sensor technology to identify cancer biomarkers in minute quantities at the site of their production in the body—and therefore at an early stage—and remotely trigger a therapeutic response, delivering

medication *in situ*. Center-inspired innovations are being readied for commercialization: Eleven U.S. patents have been issued in areas of Center research focus, and more than 20 additional patent applications are pending. These technological innovations include facilitating the WAN-LAN handoff, ad hoc routing for rapidly deployable wireless networks, and wireless video.<sup>iv</sup>

*Table II-3 is recreated from a table prepared by Stony Brook's Office of Economic Development in March 2008.*

Stony Brook University has also taken the lead in establishing a partnership in the management of Brookhaven National Laboratory (BNL) for the U.S. Department of Energy. BNL is a premier multipurpose national laboratory with an annual budget in excess of \$510 million, and by itself has an average annual impact on the regional economy of more than \$1.5 billion and 18,000 jobs. BNL recently reported it purchased \$40.2 million worth of supplies and services from Long Island businesses in fiscal year 2007. In addition to BNL's buying goods and services from Long Island vendors, most of the lab's approximately 2,700 employees live in Suffolk County and shop on Long Island. All told, employee salaries, wages, and fringe benefits amounted to \$283.8 million, or 55.6 percent of BNL's total budget.<sup>v</sup> The University is the contracted managing agency for BNL, so BNL will not be included in the total numbers generated in the economic impact model.

**Total Impact of Stony Brook Economic Development Programs**

<b>Jobs</b>	<b>Revenue Impact</b>
1,243	\$59.4 M*

*\* Corporate investment plus corporate revenue. Federal, state, and other sources are included in University operating budget figures.*

**Table II-3 Impact of Stony Brook University Economic Development Programs**

Indicator	CEWIT*	CAT Biotechnology*	CAT Sensor Systems
Number of Companies/Clients	92	21	18
Number of Projects	234	40	21
Company Investment	\$9,198,000	\$1,500,000	NA
Corporate Revenue	NA	NA	\$12,300,000
Federal/Other Support	\$109,976,385	\$1,500,000	\$6,400,000
New York State Support**	\$1,400,000	\$1,000,000	\$2,900,000
No. of Jobs Created/Saved	77	NA	60

\* CEWIT data from inception through 2007, excluding job data for 2006-2007.

Source: Office of the Vice President for Research

## B. STUDENTS AND FAMILIES

At roughly 23,155 students (Fall 2007), Stony Brook University has the largest enrollment of any four-year college or university on Long Island (*see Figure II-7*).

The economic impact of Stony Brook students on the regional economy is tremendous and includes costs of tuition, housing, room, board, transportation, entertainment, and other expenditures. Stony Brook's ability to attract students from outside of the Long Island region has grown considerably since the University's founding, giving an even greater boost to the local economy. Students who are not from the region represent spending on higher education and general living costs that would not have existed on Long Island had Stony Brook not attracted them here. Stony Brook has gained tremendous ground in attracting students from New York City, reversing the typical commuting patterns of city-bound suburbanites. In Fall 1962, 73 percent of undergraduates came from Nassau and Suffolk counties (45.8 percent, Nassau County; 27.2 percent, Suffolk County). Today (Fall 2007) 49 percent of undergraduates come from Long Island (14 percent Nassau County, 35 percent Suffolk County); 31 percent from New York City (in 1962 it was 17.5 percent); 8 percent from elsewhere in the state (in 1962 it was 9 percent); 5 percent come from other states (in 1962 it was 0.3 percent); and 6 percent are international students (in 1962 it was 0.2 percent). (*See Figure II-8 and Table II-4*.)

Much of the economic impact of student education and living is contained in the University budget, especially in the tuition, dormitory income, and Faculty Student Association funds, which total roughly \$166 million. A large part of student expenses, however, especially for those students who live off campus, is not captured in the University budget.

These expenses include off-campus meals and entertainment, clothing and other retail purchases, and family visitation expenses. *Table II-5* estimates what these additional student costs are annually for the average student. The analysis assumes that the average full-time

LIHTI	Software Incubator	Calverton	SPIR	SBDC	Total
16	5	8	74	869	1,103
NA	NA	NA	157	NA	452
NA	NA	NA	NA	NA	\$10,698,000
\$20,500,000	NA	NA	\$15,914,399	NA	\$48,714,399
NA	\$150,000	NA	\$2,300,000	NA	\$120,326,385
NA	NA	NA	\$770,000	NA	\$6,070,000
166	26	24	533	357	1,243

\*\* CAT Censor state funding reflects enhanced CAT award received in 2006.

student will receive overnight visitors once annually, and that the average student will spend approximately \$1,292 annually on outside meals, retail expenditures, entertainment, and services. The analysis assumes that part-time students will spend slightly less than half of that of full-time students on these items, at least as they pertain to enrollment at Stony Brook. The University in its publication *Financial and Residential Information* reports estimated costs for transportation and books.

The analysis finds that full-time students living on campus will spend an additional \$26.1 million annually on these non-budgetary or off-budget costs. Full-time students living off campus will spend an estimated \$139.1 million and part-time students will spend \$10.4 million. The total economic impact of off-budget student expenditures is estimated at \$175.6 million. Given the Long Island region's average annual wage of approximately \$47,913, off-budget student spending generates an estimated 2,546 jobs.

In addition to off-budget spending, the associate provost for enrollment and retention management estimates that student government, another off-budget expenditure item, spent approximately \$2.9 million for 2006-2007. Spending for student government generates approximately 42 jobs.

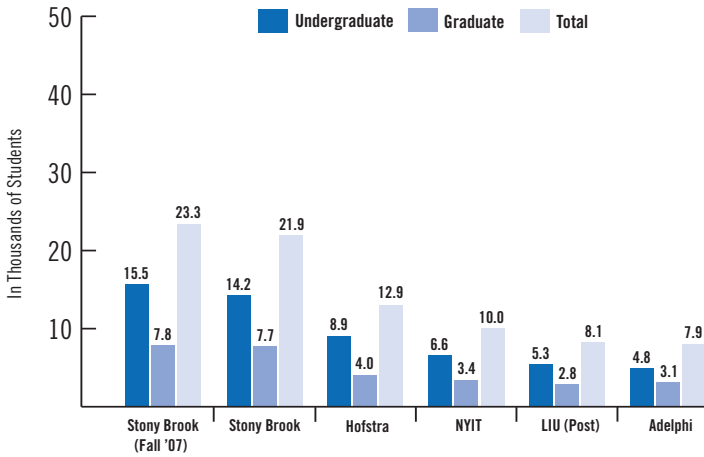
#### Total Impact of Off-Budget Student Spending and Student Government

Jobs	Revenue Impact
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2,588*	\$178.5 M*
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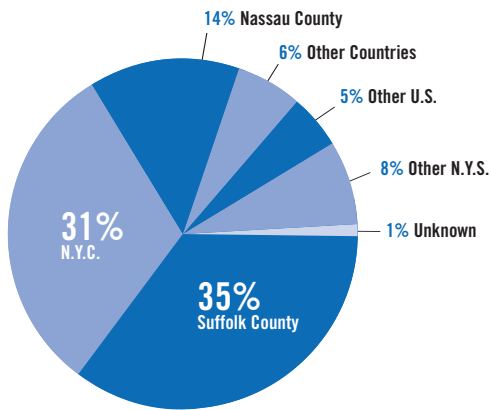
\* Jobs are calculated by dividing average Suffolk County salary (\$47,913) into 70 percent of revenue impact, allowing for 10 percent business profit and 20 percent business costs.

*Figure II-7*  
**Enrollment Comparison of Four-Year Institutions on Long Island, 2006**



Source: Long Island Business News

*Figure II-8*  
**Geographic Distribution of Undergraduates, Fall 2007  
 Stony Brook University**



Source: Stony Brook University Office of Institutional Research

*Table II-4* **Geographic Distribution of Students, Fall 2007**

Region	No. of Undergrads	% of Undergrads	No. of Grad Students	% of Grad Students	Total No. of Students	Total %
Suffolk County	5,439	35	3,713	48	9,152	40
Nassau County	2,136	14	826	11	2,962	13
New York City	4,749	31	896	11	5,645	24
Other N.Y.S.	1,229	8	329	4	1,558	7
Other U.S.	702	5	449	6	1,151	5
Other Countries	1,002	6	1,523	19	2,525	11
Unknown	110	1	52	1	162	1
<b>Total</b>	<b>15,367</b>	<b>100</b>	<b>7,788</b>	<b>100</b>	<b>23,155</b>	<b>100*</b>

\* Number exceeds 100 percent due to rounding.

Source: Office of Institutional Research

*Table II-5* **Student Expenses Not Captured in the University Budget, 2005-2006**

Estimated Annual Expenses	F/T On-Campus	F/T Off-Campus	P/T	Total
Family Visitation*	\$300	\$300	\$50	NA
Books	\$900	\$900	\$300	NA
Transportation	\$500	\$2,080	\$1,000	NA
Personal**	\$1,292	\$10,540***	\$1,000	NA
<b>Total "Off-Budget" Expenses</b>	<b>\$2,992</b>	<b>\$13,820</b>	<b>\$2,350</b>	<b>NA</b>
<b>No. of Students</b>	<b>8,736</b>	<b>10,067</b>	<b>4,422</b>	<b>NA</b>
<b>Total "Off Budget" Expenditures</b>	<b>\$26.1M</b>	<b>\$139.1M</b>	<b>\$10.4M</b>	<b>\$175.6M</b>

\* Includes overnight accommodations, meals, and entertainment

\*\* Includes off-campus meals, clothes and other retail items and services, entertainment, and non-University medical care

\*\*\* Includes a \$9,248 allowance for room and board for off-campus full-time students.

Source: Financial and Residential Information



## C. NON-OPERATING REVENUE PAID BY THE STATE

Fringe benefits for employees cover items such as medical insurance, Social Security, worker's compensation, unemployment insurance, and Medicare. Stony Brook's budget reflects fringe benefit payments for some University divisions but not others. Fringe benefits paid by the state, but not reflected in Stony Brook's budget, is approximately \$147.8 million.

### Total Impact of Fringe Benefits Paid by State

Jobs	Revenue Impact
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NA*	\$147.8 M*
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*\* Most fringe benefits consist of health care items. The impact of health spending by Stony Brook employees is estimated in the multiplier model.*

## D. CONSTRUCTION SPENDING

SUNY campuses spend money on construction through the SUNY Construction Fund and the Dormitory Authority. These funds are separate from the operating budget and are not reported there. Construction spending by Stony Brook is estimated at approximately \$152.3 million annually. This includes an estimated \$80 million for the Medical Center's current expansion and other construction projects, as well as West Campus projects totaling roughly \$72.3 million annually. This figure also includes the construction of the first facility on the new 245-acre Stony Brook Research and Development Campus adjacent to the University on land acquired in 2007; as of this writing, the Empire State Development Corporation board of directors has approved the release of \$47.7 million for the construction of a 100,000-square-foot facility for the New York State CEWIT.



*Rendering of the Center for Excellence in Wireless and Information Technology*

(The Dormitory Authority also bonds certain construction and renovation monies. These costs come to an estimated \$52 million for the 2007-2008 budget year, but these are paid through the Dormitory Authority IFR account, which is reflected in the operating budget.) An estimated 60 percent of that money (\$91.4 million) for contractors, supplies, materials, etc., stays within the Long Island economy.

Jobs	Revenue Impact
------	----------------

NA*	\$91.4 M*
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*\* Impact of construction spending by Stony Brook is estimated in the multiplier model.*

## E. RETIREE INCOME

The 1998 report *Something is Brewing on Long Island* and the 2003 follow-up report *The Economic Impact of Stony Brook* estimated that Stony Brook University accounted for roughly 7 percent of the 157,300 people then employed by state and local governments in Nassau and Suffolk counties. According to the New York State Labor Department, state and local employment on Long Island is currently 186,900 (25,600 state employees and 161,300 local government employees).<sup>vi</sup> Stony Brook, with roughly 11,295 employees living on Long Island (96 percent of Stony Brook's 11,766 total full-time equivalent employees), constitutes 6 percent of the state and local total. In attempting to estimate the amount of income received by Stony Brook retirees living on Long Island, it is assumed that 6 percent of retirees from the state pension system are made up of former Stony Brook employees and that Stony Brook retirees generate roughly 6 percent of retiree income in the region.

In 2007 there were approximately 44,378 state pension beneficiaries in Nassau and Suffolk counties receiving \$988.3 million in state pension benefits (\$579.4 million in Suffolk with 26,146 state pensioners; \$408.8 million in Nassau with 18,232 state pensioners).<sup>vii</sup> Stony Brook's 6 percent share of these state pension totals would realize roughly 2,663 Stony Brook state pension beneficiaries and \$59.3 million in state pension benefits.

In December 2006 (the latest year for which data is available), Social Security payments for Long Island retirees and disabled workers and their families amounted to approximately \$406.6 million for 351,775 beneficiaries (\$196.5 million for 173,920 beneficiaries in Suffolk County, \$210.1 million for 177,855 beneficiaries in Nassau County).<sup>viii</sup> Adjusted for inflation (\$418 million for 2007), this comes to an average of roughly \$1,188 per month, or \$14,256 annually, for Long Island Social Security retiree beneficiaries, their widows, and surviving children. When this number is applied to the 2,663 Stony Brook pensioners and their families living on Long Island, this comes to approximately \$38 million in Social Security benefits brought to Long Island by former Stony Brook University employees. The combined total of pension benefits and Social Security benefits accruing to Long Island from former Stony Brook employees is \$97.3 million (see *Figure II-9*).

### Total Estimated Income of Stony Brook Retirees Living on Long Island

Jobs	Revenue Impact
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1,421*	\$97.3 M*
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\* Jobs are calculated by dividing the average Suffolk County salary (\$47,913) into 70 percent of revenue impact, allowing for 10 percent business profit and 20 percent business costs.

Figure II-9

**Estimated State Pension and Social Security Benefits Paid to Stony Brook Retirees on Long Island**



Sources: Estimated from data provided by New York State and Local Retirement System's 2007 Comprehensive Annual Financial Report, New York State Office of the State Comptroller; OASDI Beneficiaries by State and County, 2006, U.S. Social Security Administration

## F. THE MULTIPLIER EFFECT ASSOCIATED WITH RESEARCH INSTITUTIONS

The multiplier effect is a basic economic concept that refers to changes in the level of activity that bring further changes in the level of other activities throughout the economy. When an injection of expenditure into a regional economy leads to an increase in regional income over and above the original injection, this is the multiplier effect. In other words, the multiplier effect is the effect from continuous respending of incomes. The multiplier indicates how many times the injection of original spending circulates through a local economy, after accounting for savings and spending of income outside of the region.<sup>ix</sup>

The multiplier effect can best be measured by means of an input-output model of the Long Island economy. The model used for this analysis is called the Regional Input-Output Modeling System (RIMS II) and was developed by the Bureau of Economic Analysis of the U.S. Department of Commerce. It describes inter-industry linkages on Long Island. For each major industry, it shows the industries from which inputs are purchased and to which outputs are sold. Thus, the model traces the multiplier process through successive rounds of respending.

The model contains multipliers for output, earnings, and employment. Total output is defined as the value of all goods and services produced on Long Island. The output multipliers demonstrate how each dollar of direct spending by Stony Brook affects total output within the Long Island economy. The earnings multipliers show how each dollar of direct Stony Brook spending is translated into increased earnings on Long Island. The employment multipliers show how many secondary jobs are created throughout the Long Island economy by Stony Brook spending.<sup>x</sup>

For this analysis the Stony Brook budget for 2007-2008 was disaggregated into four spending streams: operating expenditures (wages plus salaries plus utilities) less employee medical expenditures (some fringe benefits are reflected in the operating budget, a portion—15 percent—of which would be subtracted and assumed to be the average employee annual medical expenditure); employee medical expenditures (15 percent of fringe benefits); construction spending; and spending for supplies and equipment. Data on annual expenditures for construction were estimated from data supplied by the Office of the Vice President for Administration, the Dormitory Authority, and the Medical Center Finance, Accounting, and Budget Office. Most construction expenditures do not appear in the operating budget of the University, but some maintenance and renovation expenditure costs are reflected in the operating budget. Multipliers for research institutions were applied to operating expenditures less employee benefits. Multipliers for health services were applied to employee medical expenditures. Multipliers for construction were applied to construction spending. Multipliers for retail trade were applied to equipment spending.

## PART III: THE SECONDARY IMPACT OF STONY BROOK SPENDING, 2007-2008

### A. OPERATING EXPENDITURES MINUS EMPLOYEE MEDICAL EXPENDITURES

Total operating expenditures, consisting of wages and salaries plus utilities costs minus employee medical expenditures (at 15 percent of fringe included in the operating budget), are \$929.1 million. This figure was applied to the output, earnings, and employment multipliers for research and development institutions shown in Appendix A to derive the impacts shown in *Table III-1*. The key findings are as follows: The initial expenditure of \$929.1 million generated total Long Island output of more than \$1.7 billion. This includes the original direct expenditure of \$929.1 million. The model shows that the original expenditure generated Long Island earnings of \$742.9 million and approximately 28,989 jobs.

### B. EMPLOYEE MEDICAL BENEFITS

Employee medical expenditures were estimated at \$61.7 million (15 percent of fringe benefits, both included and excluded from the operating budget). This figure was applied to the multipliers for health services shown in Appendix B. The findings appear in *Table III-2*. Original spending of this magnitude by Stony Brook employees generates total Long Island output of \$123.6 million, including original spending. Long Island earnings would increase by approximately \$56.3 million and create 2,308 jobs, primarily in health services.

### C. CONSTRUCTION EXPENDITURES

Construction expenditures for 2007-2008 are estimated to be approximately \$152.3 million. This includes roughly \$80 million for hospital expansion and an estimated \$72.3 million for the West Campus Capital Plan projects.<sup>xi</sup> It is estimated that 60 percent of these expenditures, or nearly \$91.4 million, remain with the Long Island economy. This amount was applied to the construction multipliers shown in Appendix C. The results appear in *Table III-3*. The findings show that \$91.4 million in original spending would generate total Long Island output of \$177.9 million including the original expenditure. Earnings would rise by more than \$61.6 million and 2,431 secondary jobs would be created. The greatest impact would occur within the construction industry itself.

## D. EQUIPMENT AND SUPPLIES EXPENDITURES

Spending on equipment and supplies in the Stony Brook 2007-2008 budget is \$802.9 million. It is estimated that 25 percent of these expenditures will have remained within the Long Island economy.<sup>xii</sup> This is equivalent to \$200.7 million. This figure was applied to the multipliers for retail trade shown in Appendix D. The results appear in *Table III-4*. The original expenditure of \$200.7 million would generate output on Long Island of approximately \$372.7 million, including the original expenditure. Long Island earnings would increase by \$155.1 million and nearly 9,113 secondary jobs would be created. The greatest impact would occur in retail trade.

## E. TOTAL SECONDARY IMPACT OF STONY BROOK BUDGET

The table shows that direct spending by Stony Brook of \$1.28 billion (which includes state-paid employee health insurance) on Long Island generates Long Island output of \$2.4 billion, including the original expenditure, earnings of \$1.02 billion, and upward of 42,841 secondary jobs on Long Island. (*See Table III-5, which aggregates figures for the analysis.*)

### Total Multiplier or Secondary Impact of Stony Brook Spending on Long Island

Jobs	Output
42,841	\$2.4 billion

## F. ADDING IT ALL UP

*Table III-6* indicates that when all economic impacts of Stony Brook University are considered—including its operating budget, economic development programs, state-paid off-budget fringe benefits, off-budget student and family expenditures, off-budget retiree income, off-budget construction expenditures, and all associated economic multipliers—the impact on the Long Island economy includes \$4.7 billion in total output, or an increase to the gross domestic product of the region, and 59,859 jobs. Stony Brook University, therefore, accounts for nearly 4 percent of the entire regional gross domestic product of Nassau and Suffolk counties, 4 percent of all jobs in the region, and approximately 7.5 percent of all jobs in Suffolk County.<sup>xiii</sup> In fact, the Long Island regional economy receives \$4.7 billion from the state's direct investment of \$207.2 million in tax dollars. This represents a 2,300 percent return, or an economic gain of \$23 for every dollar the state invests. (*See Figures III-1, III-2, III-3, and III-4.*)

**Table III-1 Impact of Direct Spending of \$929.1 Million for Operating Expenditures on Long Island Output, Earnings, and Employment  
Stony Brook University Operating Expenditures Minus Employee Health Expenditures**

<b>OPERATING EXPENDITURES</b>			
<b>Industry</b>	<b>Increase in Output</b>	<b>Increase in Earnings</b>	<b>Increase in No. of Jobs</b>
<b>Agriculture and Mining</b>	\$2,880,351	\$1,300,804	93
<b>Construction</b>	20,812,859	9,570,199	372
<b>Manufacturing</b>	109,174,596	29,825,571	929
<b>Food</b>	15,052,157	3,252,009	93
<b>Printing and Publishing</b>	28,153,109	9,105,626	279
<b>Chemicals</b>	9,105,626	1,393,718	0
<b>Electronic Equipment</b>	10,034,771	3,623,667	93
<b>Instruments</b>	7,897,737	2,508,693	93
<b>Other</b>	39,024,111	9,941,857	372
<b>Trans., Communic., Utilities</b>	99,511,483	30,011,400	1,022
<b>Wholesale Trade</b>	47,943,908	18,768,739	557
<b>Retail Trade</b>	83,251,437	41,346,975	2,695
<b>Finance, Insurance, Real Estate</b>	190,939,400	25,644,416	836
<b>Services</b>	1,171,745,391	586,476,640	22,485
<b>Hotels, Amusements</b>	13,193,866	3,809,497	186
<b>Personal Services</b>	14,494,670	6,596,933	650
<b>Business Services</b>	1,012,675,682	516,326,155	18,211
<b>Food Establishments</b>	46,085,617	14,401,755	1,301
<b>Health Services</b>	41,997,377	24,529,441	929
<b>Miscellaneous Services</b>	43,298,180	18,025,423	836
<b>Households</b>	NA	2,787,437	372
<b>Total</b>	<b>\$1,726,259,426</b>	<b>\$742,944,743</b>	<b>28,989</b>

Source: Center for Regional Policy Studies



*Table III-2* Impact of Direct Spending of \$61.7 Million for Medical Expenditures on Long Island Output, Earnings, and Employment  
Stony Brook Employee Medical Expenditures, 2007-2008

Industry	MEDICAL EXPENDITURES		
	Increase in Output	Increase in Earnings	Increase in No. of Jobs
Agriculture and Mining	\$253,039	\$117,262	12
Construction	2,018,137	931,922	31
Manufacturing	9,714,212	2,431,639	74
Food	1,259,021	271,554	6
Printing and Publishing	1,438,000	462,875	12
Chemicals	2,116,883	320,927	6
Electronic Equipment	617,167	228,352	6
Instruments	1,203,476	382,644	12
Other	3,079,664	765,287	31
Trans., Communic., Utilities	6,406,195	1,771,270	56
Wholesale Trade	3,974,557	1,555,261	49
Retail Trade	6,264,247	3,110,523	204
Finance, Insurance, Real Estate	15,571,128	1,999,622	68
Services	79,398,559	44,417,523	1,814
Hotels, Amusements	771,459	222,180	12
Personal Services	1,221,991	561,622	56
Business Services	4,863,277	2,481,012	86
Food Establishments	3,184,583	993,639	93
Health Services	66,419,533	38,727,241	1,481
Miscellaneous Services	2,937,716	1,221,991	56
Households	0	209,837	31
<b>Total</b>	<b>\$123,600,073</b>	<b>\$56,335,021</b>	<b>2,308</b>

Source: Center for Regional Policy Studies

*Table III-3* Impact of Direct Spending of \$91.4 Million for Construction Expenditures on Long Island Output, Earnings, and Employment  
Stony Brook Construction Expenditures, 2007-2008

Industry	CONSTRUCTION EXPENDITURES		
	Increase in Output	Increase in Earnings	Increase in No. of Jobs
Agriculture and Mining	\$475,176	\$191,898	18
Construction	92,997,426	32,257,140	1,106
Manufacturing	21,995,166	5,948,838	219
Food	1,215,354	255,864	1
Printing and Publishing	1,407,252	456,900	18
Chemicals	1,471,218	228,450	9
Electronic Equipment	2,777,952	1,032,594	37
Instruments	447,762	1,462,080	0
Other	1,467,563	3,828,822	146
Trans., Communic., Utilities	7,812,990	2,476,398	82
Wholesale Trade	8,470,926	3,317,094	101
Retail Trade	10,490,424	5,208,660	347
Finance, Insurance, Real Estate	14,767,008	2,266,224	73
Services	20,898,606	9,914,730	484
Hotels, Amusements	886,386	255,864	18
Personal Services	1,160,526	530,004	55
Business Services	8,617,134	4,395,378	155
Food Establishments	3,216,576	1,005,180	91
Health Services	3,481,578	2,028,636	73
Miscellaneous Services	3,536,406	1,471,218	64
Households	0	0	27
<b>Total</b>	<b>\$177,907,722</b>	<b>\$61,580,982</b>	<b>2,431</b>

Source: Center for Regional Policy Studies

*Table III-4* Impact of Direct Spending of \$200.7 Million for Supplies and Equipment on Long Island Output, Earnings, and Employment  
Stony Brook University Equipment and Supplies Expenditures, 2007-2008

Industry	EQUIPMENT AND SUPPLIES		
	Increase in Output	Increase in Earnings	Increase in No. Jobs
Agriculture and Mining	\$642,297	\$281,005	20
Construction	5,640,174	2,589,261	80
Manufacturing	22,962,131	6,182,112	181
Food	3,050,912	662,369	20
Printing and Publishing	7,807,927	2,529,046	80
Chemicals	1,846,605	281,005	0
Electronic Equipment	1,144,092	421,508	20
Instruments	822,944	260,933	0
Other	8,289,650	2,027,251	60
Transportation, Communication, Utilities	21,316,244	5,800,748	181
Wholesale Trade	9,574,245	3,753,425	120
Retail Trade	218,200,459	108,387,681	7,166
Finance, Insurance, Real Estate	47,610,292	6,182,112	221
Services	46,727,134	21,878,254	1,144
Hotels, Amusements	2,308,256	662,369	40
Personal Services	3,231,559	1,485,313	141
Business Services	14,953,486	7,627,281	261
Food Establishments	8,309,722	2,589,261	241
Health Services	8,771,373	5,118,307	201
Miscellaneous Services	9,152,737	3,813,641	181
Households	0	582,082	80
<b>Total</b>	<b>\$372,672,976</b>	<b>\$155,054,599</b>	<b>9,113</b>

Source: Center for Regional Policy Studies

*Table III-5* **Impact of Spending \$1.25 Billion on Long Island Output, Earnings, and Employment  
Stony Brook University, 2007-2008**

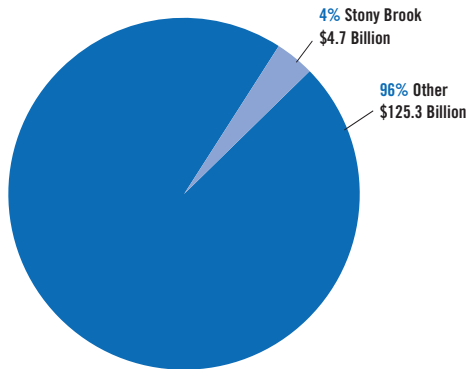
<b>Expenditure Category</b>	<b>Increase in Output</b>	<b>Increase in Earnings</b>	<b>Increase in No. of Jobs</b>
<b>Operating Expenditures (Less Employee Medical)</b>	\$1,726,259,426	\$742,944,743	28,989
<b>Employee Medical Expenditures</b>	123,600,073	56,335,021	2,308
<b>Construction Expenditures</b>	177,907,722	61,580,982	2,431
<b>Equipment Expenditures</b>	372,672,976	155,059,599	9,113
<b>Total</b>	\$2,400,440,197	\$1,015,920,345	42,841

*Table III-6* **Total Economic Impact on Long Island of Stony Brook University, 2007-2008**

<b>Economic Source</b>	<b>Total Output In Millions of Dollars</b>	<b>Total No. of Jobs</b>
<b>Stony Brook University Operating Budget</b>	\$1,771M	11,766
<b>Stony Brook Economic Development</b>	59.4	1,243
<b>Students/Families—Off Budget</b>	178.5	2,588
<b>State-Paid Fringe Benefits—Off Budget</b>	147.8	NA
<b>Stony Brook Retiree Income</b>	97.3	1,421
<b>Multiplier Effect—Operating Budget</b>	1,726	28,989
<b>Multiplier Effect—Employee Medical Expenditures</b>	123.6	2,308
<b>Multiplier Effect—Construction</b>	177.9	2,431
<b>Multiplier Effect—Equipment and Supplies</b>	372.7	9,113
<b>Total</b>	\$4,654.2M	59,859

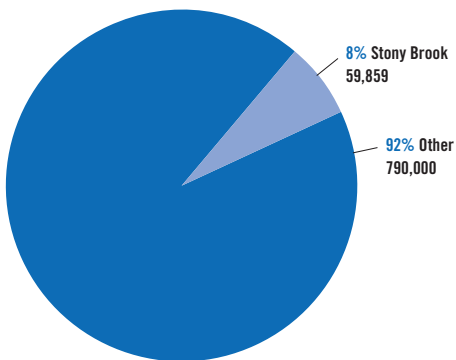
Source: Center for Regional Policy Studies

*Figure III-1*  
**Stony Brook University Impact**  
**Percentage of Regional Gross Domestic Product**  
**2007**



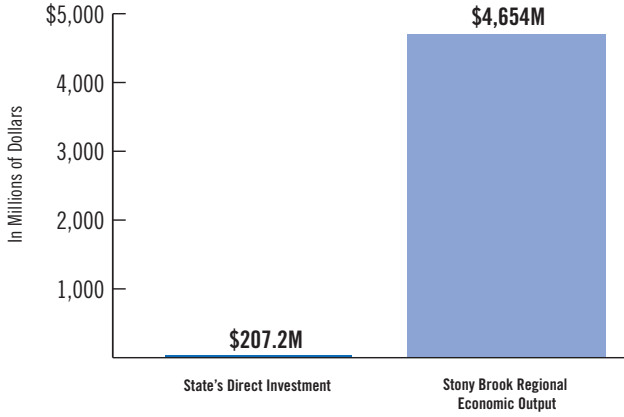
*Sources: Center for Regional Policy Studies; Quarterly Census of Employment and Wages, New York State Department of Labor*

*Figure III-2*  
**Stony Brook University**  
**Percentage of Total Jobs in Suffolk County**  
**2007**



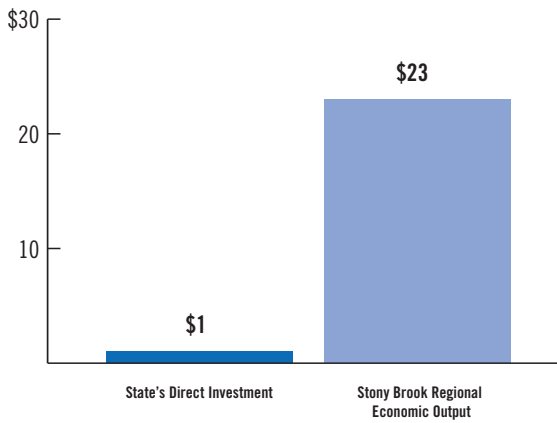
*Sources: Center for Regional Policy Studies; Quarterly Census of Employment and Wages, New York State Department of Labor*

*Figure III-3*  
**Return on State's Investment in Stony Brook University**



Source: Center for Regional Policy Studies

*Figure III-4*  
**Return on State's Investment in Stony Brook University Dollar for Dollar**



Source: Center for Regional Policy Studies

## PART IV: APPENDICES AND FOOTNOTES

### A. APPENDICES

*Appendix A* **Output, Earnings, and Employment Multipliers for  
Research and Development Laboratories  
Operating Expenditures**

Industry	Output Mult. *	Earnings Mult. *	Employment Mult. **
Agriculture and Mining	0.0031	0.0014	0.1000
Construction	0.0224	0.0103	0.4000
Manufacturing	0.1175	0.0321	1.0000
Food	0.0162	0.0035	0.1000
Printing and Publishing	0.0303	0.0098	0.3000
Chemicals	0.0098	0.0015	0.0000
Electronic Equipment	0.0108	0.0039	0.1000
Instruments	0.0085	0.0027	0.1000
Other	0.0420	0.0107	0.4000
Trans., Communic., Utilities	0.1071	0.0323	1.1000
Wholesale Trade	0.0516	0.0202	0.6000
Retail Trade	0.0896	0.0445	2.9000
Finance, Insurance, Real Estate	0.2055	0.0276	0.9000
Services	1.2611	0.6312	24.2000
Hotels, Amusements	0.0142	0.0041	0.2000
Personal Services	0.0156	0.0071	0.7000
Business Services	1.0899	0.5557	19.6000
Food Establishments	0.0496	0.0155	1.4000
Health Services	0.0452	0.0264	1.0000
Miscellaneous Services	0.0466	0.0194	0.9000
Households		0.0030	0.4000
<b>Total</b>	<b>1.8579</b>	<b>0.7996</b>	<b>31.2000</b>

\* Shows the impact of each dollar of spending by Stony Brook.

\*\* Shows the impact of each \$1 million in spending by Stony Brook.

Source: Center for Regional Policy Studies

*Appendix B* Output, Earnings, and Employment Multipliers for Health Services Expenditures

Industry	Output Mult.*	Earnings Mult.*	Employment Mult.**
Agriculture and Mining	0.0041	0.0019	0.2000
Construction	0.0327	0.0151	0.5000
Manufacturing	0.1574	0.0394	1.2000
Food	0.0204	0.0044	0.1000
Printing and Publishing	0.0233	0.0075	0.2000
Chemicals	0.0343	0.0052	0.1000
Electronic Equipment	0.0100	0.0037	0.1000
Instruments	0.0195	0.0062	0.2000
Other	0.0499	0.0124	0.5000
Trans., Communic., Utilities	0.1038	0.0287	0.9000
Wholesale Trade	0.0644	0.0252	0.8000
Retail Trade	0.1015	0.0504	3.3000
Finance, Insurance, Real Estate	0.2523	0.0324	1.1000
Services	1.2865	0.7197	29.4000
Hotels, Amusements	0.0125	0.0036	0.2000
Personal Services	0.0198	0.0091	0.9000
Business Services	0.0788	0.0402	1.4000
Food Establishments	0.0516	0.0161	1.5000
Health Services	1.0762	0.6275	24.0000
Miscellaneous Services	0.0476	0.0198	0.9000
Households	0.0000	0.0034	0.5000
<b>Total</b>	<b>2.0027</b>	<b>0.9128</b>	<b>37.4000</b>

\* Shows the impact of each dollar of spending by Stony Brook.

\*\* Shows the impact of each \$1 million in spending by Stony Brook.

Source: Center for Regional Policy Studies



*Appendix C* **Output, Earnings, and Employment Multipliers  
for Construction Expenditures**

<b>Industry</b>	<b>Output Mult.*</b>	<b>Earnings Mult.*</b>	<b>Employment Mult.**</b>
<b>Agriculture and Mining</b>	0.0052	0.0021	0.2000
<b>Construction</b>	1.0177	0.3530	12.1000
<b>Manufacturing</b>	0.2407	0.0651	2.4000
<b>Food</b>	0.0133	0.0028	0.0100
<b>Printing and Publishing</b>	0.0154	0.0050	0.2000
<b>Chemicals</b>	0.0161	0.0025	0.1000
<b>Electronic Equipment</b>	0.0304	0.0113	0.4000
<b>Instruments</b>	0.0049	0.0160	0.0000
<b>Other</b>	0.0161	0.0419	1.6000
<b>Trans., Communic., Utilities</b>	0.0855	0.0271	0.9000
<b>Wholesale Trade</b>	0.0927	0.0363	1.1000
<b>Retail Trade</b>	0.1148	0.0570	3.8000
<b>Finance, Insurance, Real Estate</b>	0.1616	0.0248	0.8000
<b>Services</b>	0.2287	0.1085	5.3000
<b>Hotels, Amusements</b>	0.0097	0.0028	0.2000
<b>Personal Services</b>	0.0127	0.0058	0.6000
<b>Business Services</b>	0.0943	0.0481	1.7000
<b>Food Establishments</b>	0.0352	0.0110	1.0000
<b>Health Services</b>	0.0381	0.0222	0.8000
<b>Miscellaneous Services</b>	0.0387	0.0161	0.7000
<b>Households</b>	0.0000	0.0000	0.3000
<b>Total</b>	1.9469	0.6739	26.6000

\* Shows the impact of each dollar of spending by Stony Brook.

\*\* Shows the impact of each \$1 million in spending by Stony Brook.

Source: Center for Regional Policy Studies

*Appendix D* **Output, Earnings, and Employment Multipliers  
for Retail Trade Expenditures**

<b>Industry</b>	<b>Output Mult.*</b>	<b>Earnings Mult.*</b>	<b>Employment Mult.**</b>
<b>Agriculture and Mining</b>	0.0032	0.0014	0.1000
<b>Construction</b>	0.0281	0.0129	0.4000
<b>Manufacturing</b>	0.1144	0.0308	0.9000
<b>Food</b>	0.0152	0.0033	0.1000
<b>Printing and Publishing</b>	0.0389	0.0126	0.4000
<b>Chemicals</b>	0.0092	0.0014	0.0000
<b>Electronic Equipment</b>	0.0057	0.0021	0.1000
<b>Instruments</b>	0.0041	0.0013	0.0000
<b>Other</b>	0.0413	0.0101	0.3000
<b>Trans., Communic., Utilities</b>	0.1062	0.0289	0.9000
<b>Wholesale Trade</b>	0.0477	0.0187	0.6000
<b>Retail Trade</b>	1.0871	0.5400	35.7000
<b>Finance, Insurance, Real Estate</b>	0.2372	0.0308	1.1000
<b>Services</b>	0.2328	0.1090	5.7000
<b>Hotels, Amusements</b>	0.0115	0.0033	0.2000
<b>Personal Services</b>	0.0161	0.0074	0.7000
<b>Business Services</b>	0.0745	0.0380	1.3000
<b>Food Establishments</b>	0.0414	0.0129	1.2000
<b>Health Services</b>	0.0437	0.0255	1.0000
<b>Miscellaneous Services</b>	0.0456	0.0190	0.9000
<b>Households</b>	0.0000	0.0029	0.4000
<b>Total</b>	1.8567	0.7725	45.4000

\* Shows the impact of each dollar of spending by Stony Brook.

\*\* Shows the impact of each \$1 million in spending by Stony Brook.

Source: Center for Regional Policy Studies

## B. FOOTNOTES

- <sup>i</sup> The Stony Brook figure is calculated by dividing total wages and salaries as provided in the 2007-2008 operating budget by the number of full-time equivalent employees provided by the Office of Institutional Research. The Long Island average salary is calculated from the average weekly wage given in *County Employment and Wages: Second Quarter 2007*, a report issued by the U.S. Bureau of Labor Statistics on January 17, 2008.
- <sup>ii</sup> Includes state support and special appropriations revenue sources as stated in the 2007-2008 operating budget.
- <sup>iii</sup> *Long Island Business News* (August 11-17, 2006)
- <sup>iv</sup> Office of the Vice President for Research,  
<http://ws.cc.stonybrook.edu/research/gallery1/page3/page3.html>
- <sup>v</sup> *The Impact of Brookhaven National Laboratory on the Long Island Economy*, Suffolk County Planning Commission (June 1995). The numbers in this report were adjusted for inflation. Diane Greenberg, "Brookhaven Lab Added Over \$40 Million to the Long Island Economy in 2007," *Laboratory News* (Jan. 28, 2008, [www.bnl.gov/bnlweb/pubaf/pr/PR\\_display.asp?prID=08-07](http://www.bnl.gov/bnlweb/pubaf/pr/PR_display.asp?prID=08-07))
- <sup>vi</sup> New York State Department of Labor, Work Force Industry Data, December 2007—unadjusted.
- <sup>vii</sup> *New York State and Local Retirement System Comprehensive Annual Financial Report, 2007*, New York State Comptroller's Office.
- <sup>viii</sup> *OASDI Beneficiaries by State and County, 2006*, U.S. Social Security Administration
- <sup>ix</sup> Choi, Vivian C. "On the Multiplier Effect" in Witt, Stephen F. and Moutinho, Luiz. *Tourism Marketing and Management Handbook* (New York, Prentice Hall International U.K. Ltd., 1989), page 531.

- <sup>x</sup> The RIMS II multiplier model from the U.S. Bureau of Economic Analysis is used, though various specific multipliers and the calculation of the number of jobs created was modified by the Center for Regional Policy Studies. For the number of jobs created, 80 percent of the total earnings increase is divided by the average wage for that industry as found in the New York State Department of Labor's *Quarterly Census of Employment and Wages* for the second quarter of 2007. This allows for 10 percent profit and 10 percent business costs. In all instances, these modifications have resulted in a more modest estimate of economic impact. The Suffolk County Planning Commission used this model in its report *The Impact of Brookhaven National Laboratory on the Long Island Economy* (Hauppauge, New York, June 1995).
- <sup>xi</sup> Mary Ann Provost of the Office for the Vice President for Administration provided the 2007-2008 construction figures for West Campus. Bernard Cooke, the Medical Center's director of Finance, Accounting, and Budget, provided the construction figure for the Medical Center.
- <sup>xii</sup> Mary La Corte of Purchasing provided data on procurement from Long Island vendors for the main campus, the Medical Center, the Research Foundation, and the Stony Brook Foundation. These purchases came to approximately 23 percent of total spending on equipment and supplies in the 2007-2008 budget. This is consistent with local procurement at Brookhaven National Laboratory, which estimates it spent roughly 22 percent of its entire procurement budget on Long Island. Diane Greenberg, "Brookhaven Lab Added Over \$40 Million to the Long Island Economy in 2007," *Laboratory News*, Jan. 28, 2008.
- <sup>xiii</sup> Total jobs from Quarterly Census of Employment and Wages, New York State Department of Labor, second quarter, 2007. Private-sector gross domestic product for Nassau/Suffolk counties is estimated at \$115 billion in 2007. When the government sector is added to the regional GDP, the amount rises to \$130 billion (*Long Island Index, 2007*, [www.longislandindex.org/gross\\_domestic\\_product.html](http://www.longislandindex.org/gross_domestic_product.html))

## PART V: CONTACT INFORMATION

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*The Impact of Stony Brook University  
on the Long Island Economy*

Spring 2008

Stony Brook University

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Stony Brook University is a crucial and irreplaceable asset to the Long Island economy. The University, Long Island's largest single-site employer, provides nearly 14,000 men and women with full- or part-time jobs. As Long Island's only public research university, Stony Brook produces the educated workforce that drives the area's high-tech economy.