



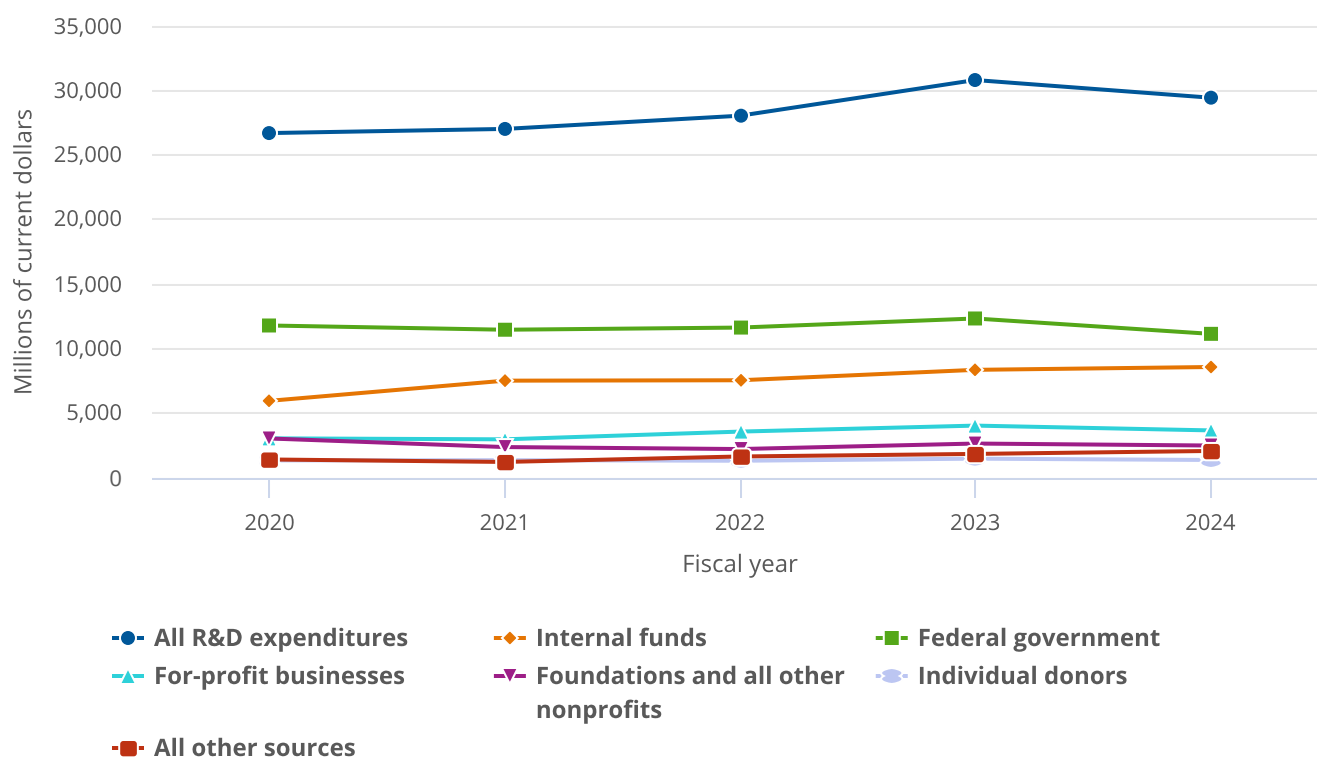
InfoBrief

U.S. Nonprofits Reported Decline in Spending on Internal R&D Activities in FY 2024; Increase in Funding for External R&D

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U.S. nonprofits spent an estimated \$29.4 billion on research and experimental development (R&D) performed within their organizations in FY 2024, a decline of 4% in current dollars from FY 2023 (figure 1).¹ In addition, nonprofits spent an estimated \$10.5 billion on grants and contracts provided to other organizations to conduct R&D, an increase of 33% from FY 2023 (figure 2).

Figure 1. Total expenditures for R&D performed by nonprofit organizations, by source of funds: FYs 2020–24

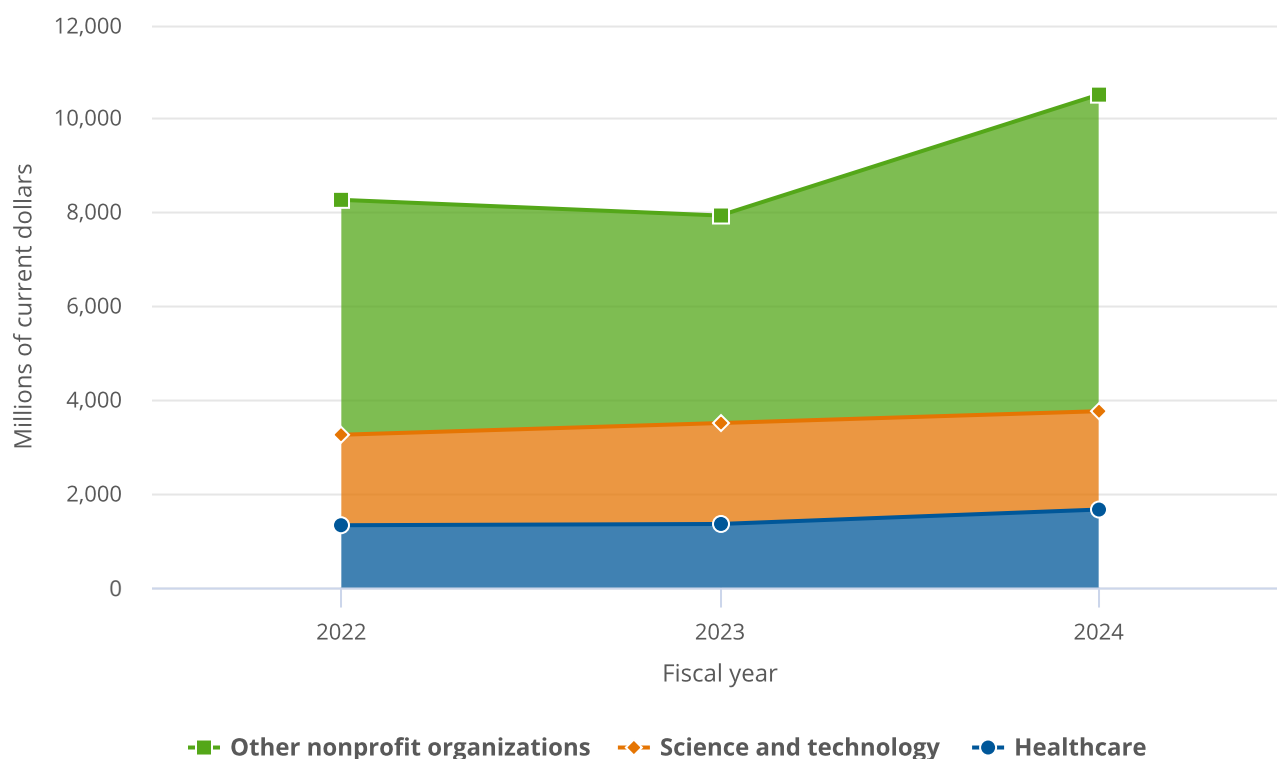


Note(s):

For for-profit businesses, more than 50% of the FY 2023 estimate is a combination of imputation and reweighting to account for nonresponse. These data exclude nonprofit universities and colleges and federally funded research and development centers administered by nonprofit organizations. All other sources includes state and local government, universities, and other miscellaneous sources. Detail may not add to total because of rounding.

Source(s):

National Center for Science and Engineering Statistics and Census Bureau, Nonprofit Research Activities module of the Annual Business Survey.

Figure 2. Funds provided by nonprofit organizations to others for R&D, by type of nonprofit organization: FYs 2022–24**Note(s):**

Nonprofit organizations are classified using the 2022 North American Industry Classification System code that accounts for the majority of their payroll. This classification may differ from the National Taxonomy of Exempt Entities Core Codes system used by the Internal Revenue Service and National Center for Charitable Statistics. These data exclude nonprofit universities and colleges and federally funded research and development centers administered by nonprofit organizations. Detail may not add to total because of rounding.

Source(s):

National Center for Science and Engineering Statistics and Census Bureau, Nonprofit Research Activities module of the Annual Business Survey.

Data in this InfoBrief are from the Nonprofit Research Activities (NPRA) FY 2024 module of the 2025 Annual Business Survey. The NPRA Survey was funded by the National Center for Science and Engineering Statistics (NCSES) within the U.S. National Science Foundation, and data collection was conducted by the Census Bureau.

Sources of Funding for Nonprofit R&D Performance

The largest funding source for nonprofit R&D performance in FY 2024 was the federal government, contributing \$11.2 billion, or 38%, of the total. Nonprofit organizations' internal funds were the next largest source at \$8.6 billion, or 29%, of the total (figure 1). For-profit businesses funded \$3.7 billion (13%), foundations and all other nonprofits contributed \$2.5 billion (9%), and individual donors contributed \$1.4 billion (5%). The remaining sources contributed a combined total of 7% to total nonprofit R&D performance.

The only specific source of funding showing an increase between FY 2023 and FY 2024 was the nonprofit organizations themselves (internal funds). Internally funded R&D expenditures increased 3% between FY 2023 and FY 2024, from \$8.4 billion to \$8.6 billion. Funding from the federal government declined 10% between FY 2023 and FY 2024, from \$12.4 billion to \$11.2 billion. Funding from businesses, foundations and all other nonprofits, and individual donors also experienced declines between 6% and 9% from FY 2023 to FY 2024.

Nonprofit R&D Performance by Type of R&D

Nonprofits reported that just over half (53%, or \$15.5 billion) of their FY 2024 R&D performance was categorized as basic research and 31% (\$9.3 billion) was applied research (table 1). The remaining 16%, or \$4.7 billion, was categorized as experimental development. A higher proportion of the nonfederally funded R&D total was spent on experimental development (20%) compared to the federally funded R&D total (10%). Conversely, a higher proportion of the federally funded R&D total was spent on applied research (38%) compared to the nonfederally funded total (27%).

Table 1. Total expenditures for R&D performed by nonprofit organizations, by type of R&D and source of funds: FY 2024

(Millions of current dollars)

Type of R&D	Total	Federally funded	Nonfederally funded
All R&D	29,449	11,162	18,287
Basic research	15,520	5,850	9,670
Applied research	9,271	4,250	5,021
Experimental development	4,657	1,062	3,596

Note(s):
These data exclude nonprofit universities and colleges and federally funded research and development centers administered by nonprofit organizations. Detail may not add to total because of rounding.

Source(s):
National Center for Science and Engineering Statistics and Census Bureau, Nonprofit Research Activities FY 2024 module of the 2025 Annual Business Survey.

Nonprofit R&D Performance by Field

The majority (74%, or \$21.7 billion) of nonprofit R&D spending was again concentrated in biological, biomedical, and health sciences in FY 2024, despite a 7% decline in expenditures in this field compared to FY 2023 (table 2). Although they each currently comprise small amounts of the total R&D spending within nonprofits, three fields experienced significant growth between FY 2023 and FY 2024. Research in mathematics, statistics, and computer and information sciences increased 19% to \$907 million in FY 2024, psychology and social sciences increased 17% to \$1.4 billion, and agricultural sciences and natural resources and conservation increased 9% to \$1.0 billion.

Table 2. Total expenditures for R&D performed by nonprofit organizations, by field: FYs 2023–24

(Millions of current dollars)

Field	FY 2023	FY 2024	% change
All R&D expenditures	30,817	29,449	-4.4
Sciences	27,514	26,138	-5.0
Agricultural sciences and natural resources and conservation	950	1,038	9.3
Biological, biomedical, and health sciences	23,473	21,718	-7.5
Geosciences, atmospheric sciences, and ocean sciences	577	570	-1.2
Mathematics, statistics, and computer and information sciences	761	907	19.3
Physical sciences	529	466	-11.9
Psychology and social sciences	1,225	1,438	17.4
Engineering	1,867	1,723	-7.7
Humanities	154	199	29.1
Other fields	1,282	1,390	8.4

Note(s):
These data exclude nonprofit universities and colleges and federally funded research and development centers administered by nonprofit organizations. Detail may not add to total because of rounding.

Source(s):
National Center for Science and Engineering Statistics and Census Bureau, Nonprofit Research Activities module of the Annual Business Survey.

Nonprofit R&D Funding to Others

In addition to reporting expenditures for R&D performed within their organizations, nonprofits also reported the amount spent in FY 2024 on funding for R&D conducted by others. In contrast with the decline in expenditures for R&D performed by the nonprofits themselves, nonprofit funding provided to other organizations for R&D increased 33% from \$7.9 billion in FY 2023 to \$10.5 billion in FY 2024 ([figure 2](#)). The majority of this funding (64%, or \$6.8 billion) came from nonprofits not working in healthcare or science and technology. External R&D funding provided by this category of nonprofits increased 53% between FY 2023 and FY 2024.

Nonprofit R&D Personnel

An estimated total of 163,828 employees² worked on R&D within U.S. nonprofit organizations in FY 2024, including 125,555 full-time equivalent (FTE) employees.³ Of the FTE total, 43% were classified as researchers, 35% were classified as technicians, and the remaining 22% were other support personnel ([table 3](#)). The total number of FTE employees working on R&D declined 13% from FY 2023.

Table 3. Full-time equivalent R&D employees of nonprofit organizations, by occupation category: FYs 2021–24

(Number)

Occupation category	FY 2021	FY 2022	FY 2023	FY 2024
All full-time equivalent R&D employees	137,947	136,206	143,650	125,555
Researchers	56,068	60,574	64,459	54,280
Technicians	49,530	48,256	51,364	43,759
Other support personnel	32,348	27,376	27,828	27,517

Note(s):
These data exclude nonprofit universities and colleges and federally funded research and development centers administered by nonprofit organizations. Detail may not add to total because of rounding.

Source(s):
National Center for Science and Engineering Statistics and Census Bureau, Nonprofit Research Activities module of the Annual Business Survey.

Survey Information and Data Availability

The NPRA FY 2024 module of the 2025 Annual Business Survey was conducted in 2025 with a sample of 8,000 nonprofit organizations representing 20,500 eligible nonprofit organizations in the United States.⁴ Higher education institutions and nonprofit-administered federally funded research and development centers are not included in this survey, as these populations are already included in NCSSES’s [Higher Education R&D Survey](#) and [FFRDC R&D Survey](#). The fiscal year referred to throughout this report was the nonprofit organizations’ fiscal year; for the majority of organizations reporting R&D performance, this fiscal year ended in either September or December of 2024.

The response rate for the NPRA FY 2024 module was 78%. The estimates in this InfoBrief are based on responses from a sample of the population and may differ from actual values because of sampling variability or other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant. Unless otherwise noted, all comparative statements in this InfoBrief have undergone statistical testing and are significant at the 90% confidence level. The variances of estimates in this report were calculated using the delete-a-group jackknife replication method. The complete set of data tables for FY 2024 is available at <https://nces.nsf.gov/surveys/nonprofit-research-activities/2024#data>. For more information, please contact NCSES.

NCSES has reviewed this product for unauthorized disclosure of confidential information and approved its release (NCSES-DRN26-032).

Notes

- 1 All amounts in this report are shown in current dollars.
- 2 See the [full set of data tables](#): table 10 for R&D personnel counts.
- 3 Employee numbers were reported both as total headcounts and as full-time equivalents (FTEs). Headcounts represent every individual employed by the organization during FY 2024 regardless of their total hours worked. The FTE counts convert the headcounts to a total of FTE employees using the following calculation: 1 FTE equals 40 hours per week for 52 weeks per year. If an employee works 20 hours per week, the employee counts as half of an FTE.
- 4 See the “[Technical Notes](#)” to the FY 2024 data tables for details on the survey frame and exclusions.

Suggested Citation

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Contact Us

National Center for Science and Engineering Statistics
Directorate for Social, Behavioral and Economic Sciences
U.S. National Science Foundation
Tel: (703) 292-8780
FIRS: (800) 877-8339
TDD: (800) 281-8749
E-mail: ncesweb@nsf.gov