DATA THROUGH JUNE 2026

Federal and foundation funding for science: what the data says

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Disclosure: Independent analysis, presented in a personal capacity, not as part of my Duke role. SciRise is an independent venture and is not affiliated with, sponsored by, or endorsed by Duke University.

AGENDA

What this hour covers

I	The federal picture	~25 min
II	Foundations: real, capped, and squeezed	~15 min
III	The playbook: route, target, seed	~10 min
Q&A	Questions	~10 min

THE OPERATING MODEL

Four considerations

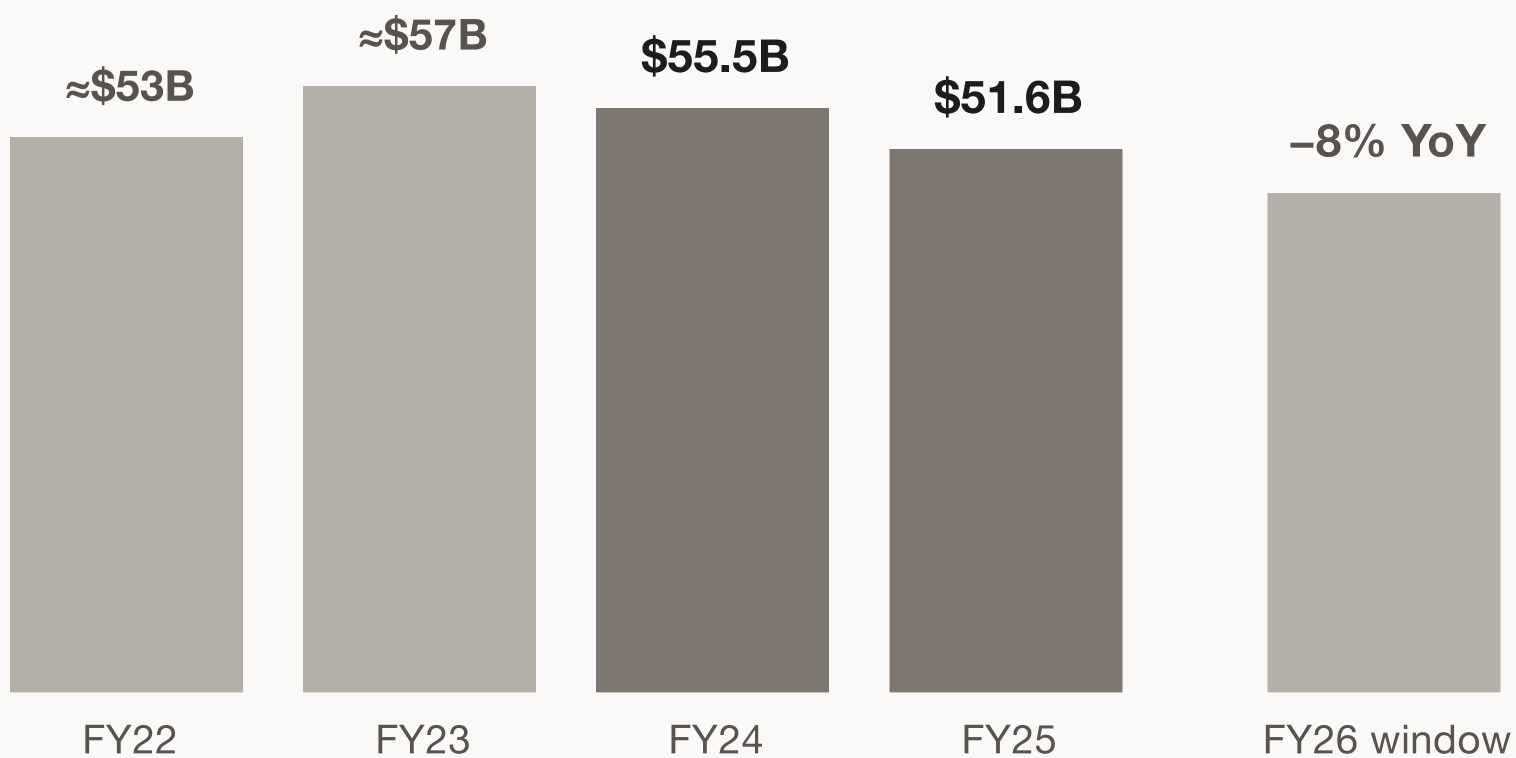
Federal	Route effort toward the agency, institute, and mechanism lanes that still function.
Philanthropy	Target the specific gaps federal just opened. Do not expect a backfill.
Catalyst funding	Treat philanthropic capital as seed money that builds durable funding.
Management	Track your new-award replacement rate, not annual obligations.

PART I

The federal picture

FEDERAL · TOTAL OBLIGATIONS

Total obligations are down only 7 to 8 percent



The FY26 window tracks FY25's pace.

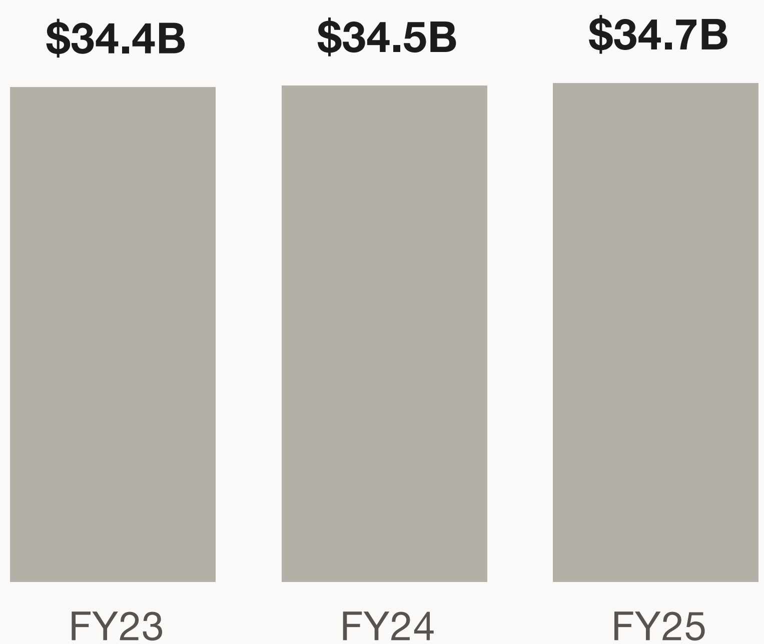
A gap a budget office can book to timing.

So what is the problem?

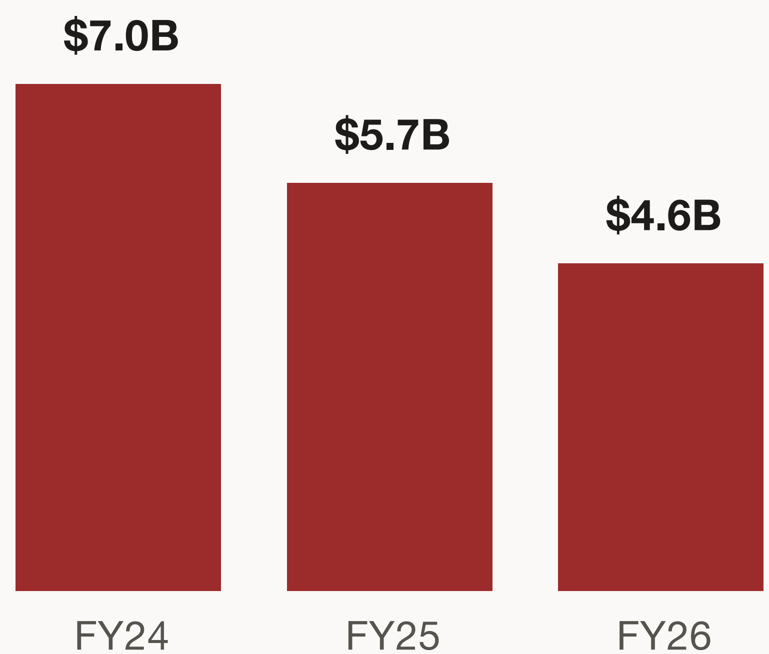
FEDERAL · NEW VS CONTINUATION

Continuations are stable; new awards are falling

CONTINUATIONS FULL YEAR



NEW COMMITMENTS OCT–JUN WINDOW



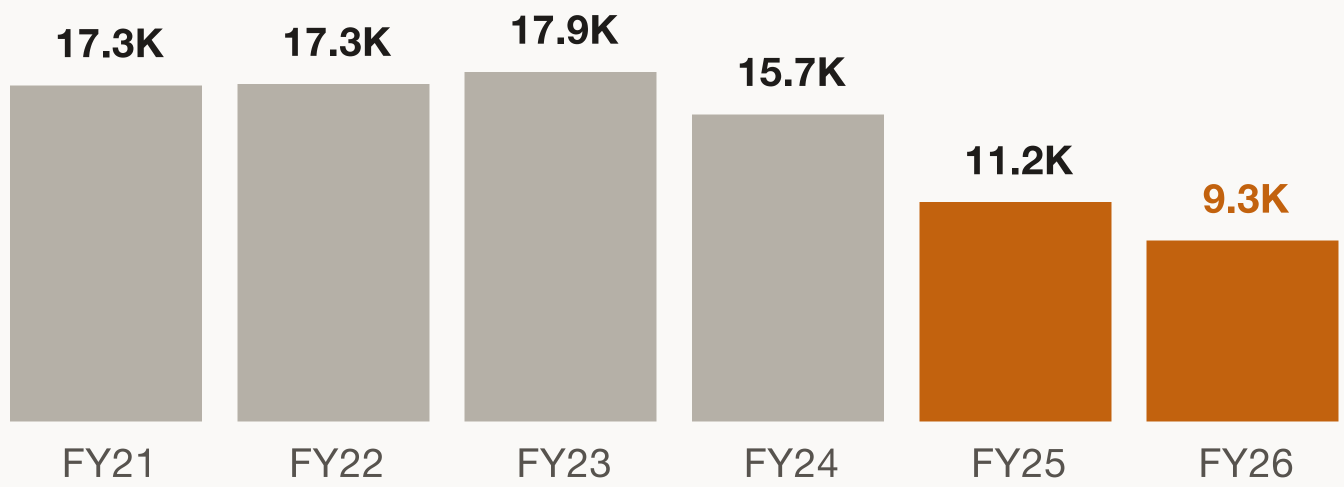
Budgets rest on the stable old base, so the top line barely moves.

Meanwhile new commitments are down ~20 percent a year, ~35 percent over two.

FEDERAL · AWARD COUNTS

Fewer but larger awards

NEW-AWARD COUNT OCT–JUN WINDOW



–48%

new awards from FY23 peak

+40%

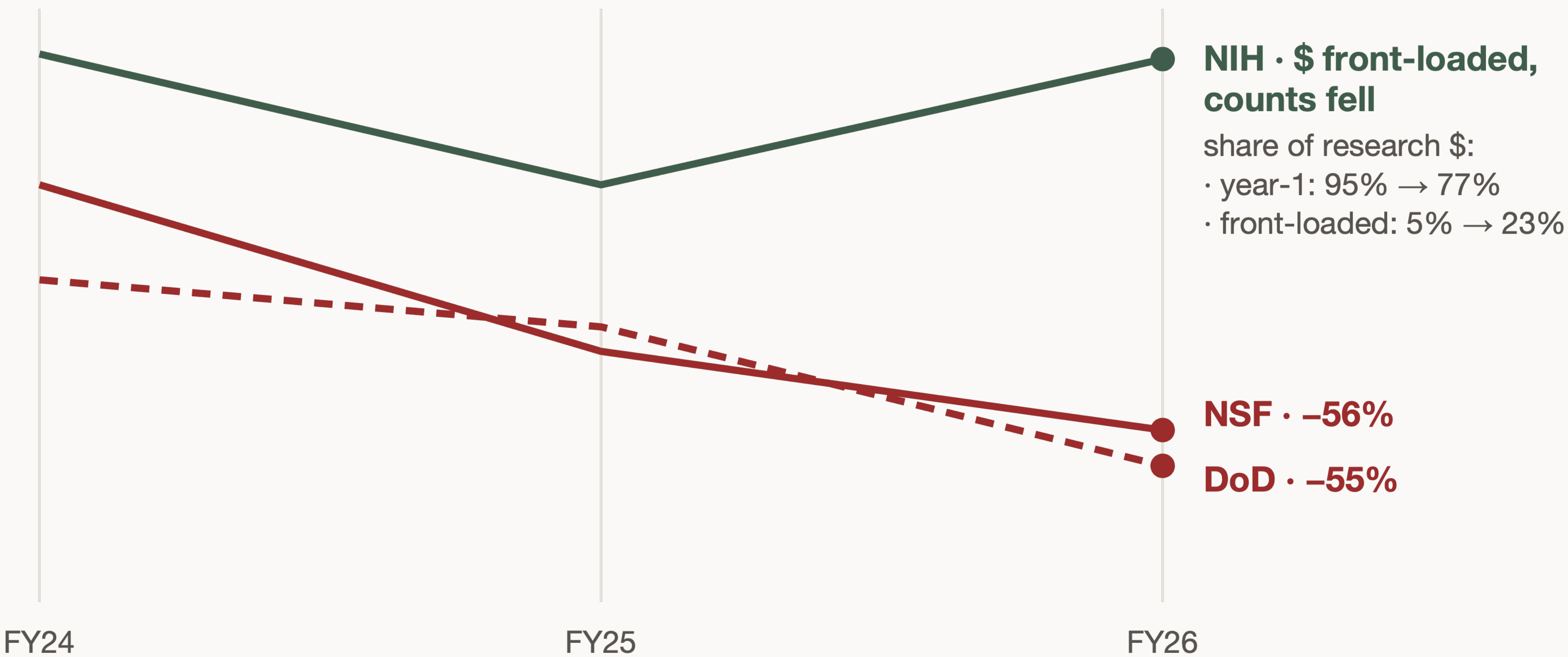
median NIH award: same dollars, fewer grants

–24%

training and career dollars: the pipeline of people impacted first

FEDERAL · BY AGENCY

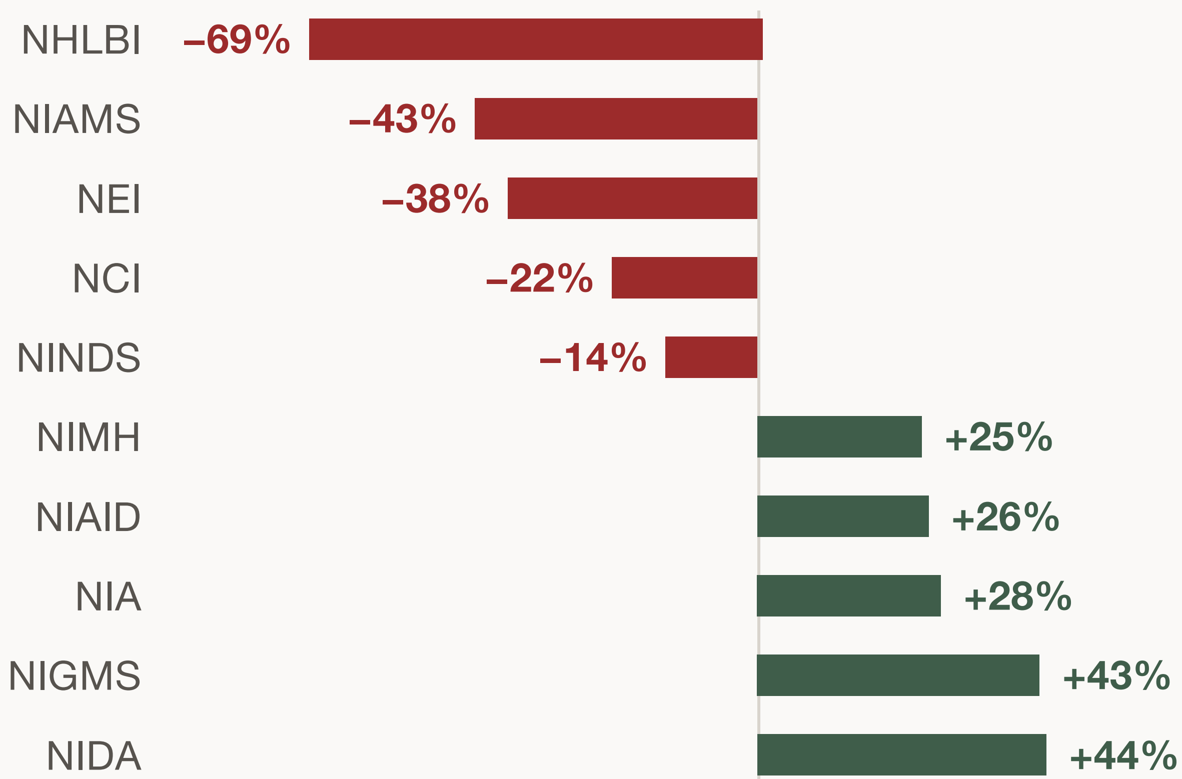
Agencies diverged



New-award commitments, Oct–Jun window. NASA held flat, a small base. DoD decline is contract-heavy.

FEDERAL · NIH

NIH institutes moved a hundred points apart



New-award $, FY24 → FY26 window, by institute

–69% to +44%

the range across institutes, NHLBI to NIDA

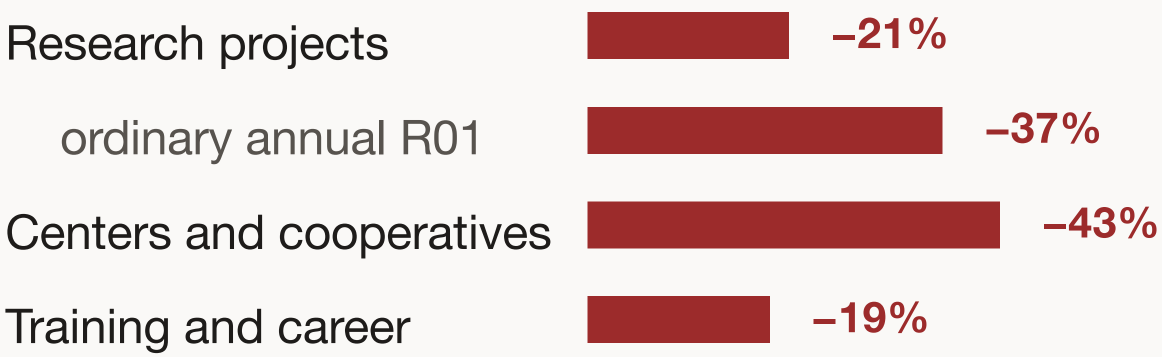
Ask which institutes your portfolio depends on, not whether NIH is up.

FEDERAL · NIH MECHANISM

Fewer grants of every kind, propped up by front-loading

NEW-AWARD COUNT BY GRANT TYPE

FY24 → FY26, OCT–JUN WINDOW



While big center funding fell (–43%), small whole-lab program funding gained (R35, NIGMS-only).

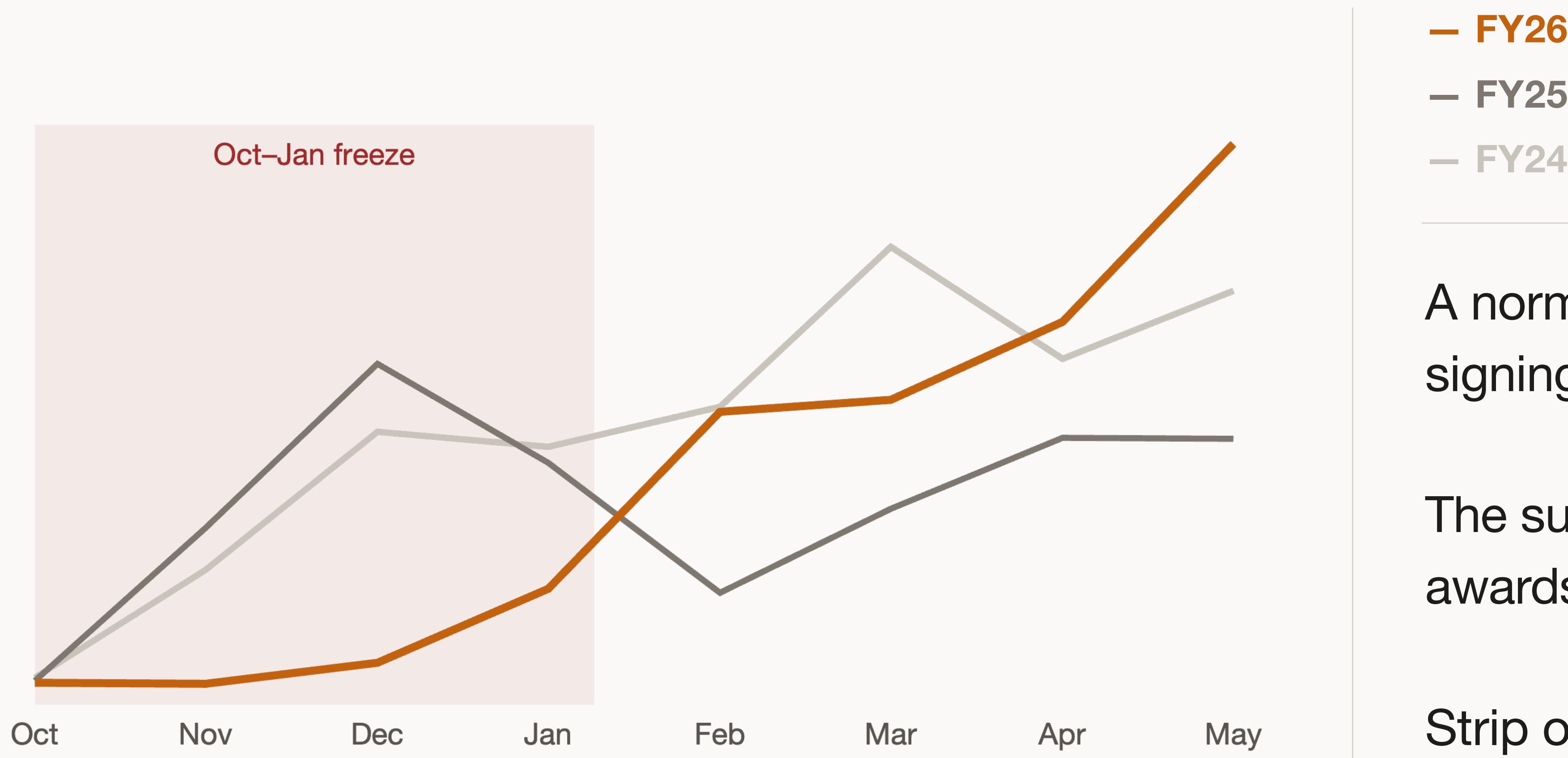
R01 success rate dropped to **13.0%** in FY25

Research-project dollars held (+2%) only because forward-funded awards jumped from **~5% to ~23%**

A federal budget policy choice, not more science

FEDERAL · NIH TIMING

NIH's new-award dollars came back in one spring



NIH new-award signings per month

A normal spring's worth of signing, arriving late.

The surge is ~76% ordinary awards signing late.

Strip out front-loaded awards and research $ fell ~18%.

FEDERAL · NIH: WHO GAINED, WHO LOST

NIH's flat dollars were also redistribution, not growth

TIER	ALL NIH	RESEARCH ONLY
Top 20	flat	+4%
Ranks 21–50	–1%	+7%
Other R1	**+11%**	**+17%**
R2	–15%	flat

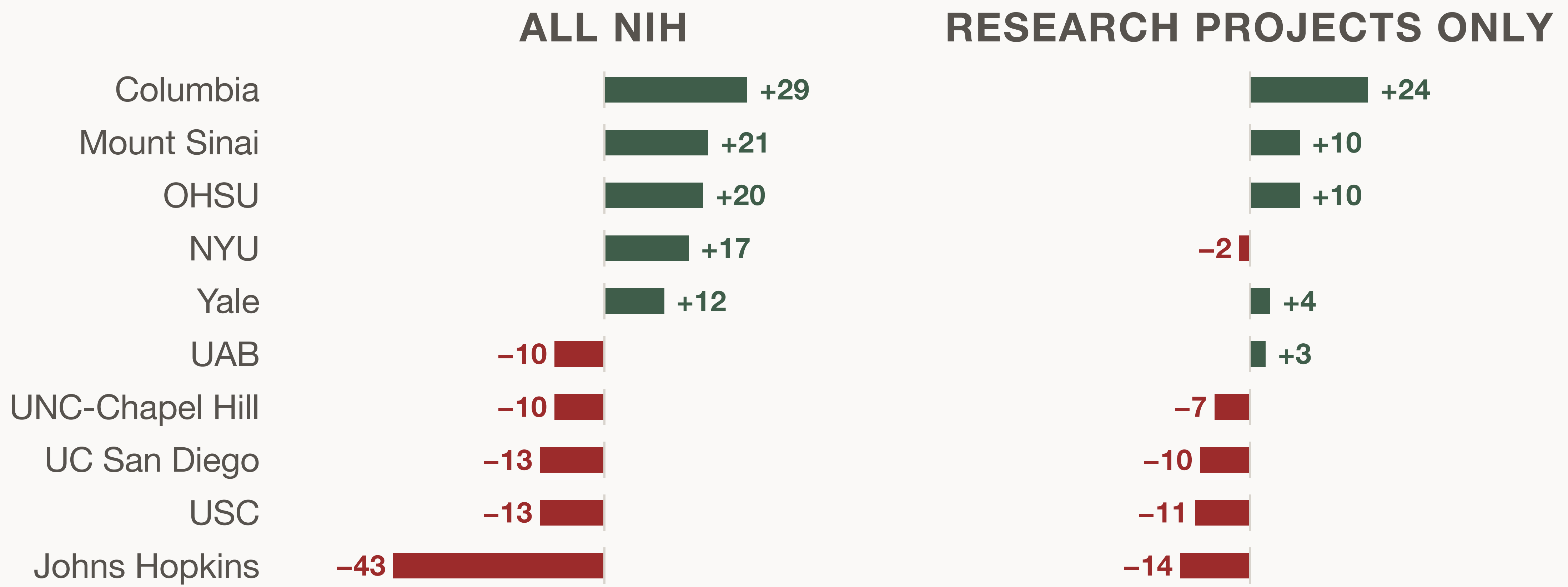
~95%

of the change was money moving between institutions, not new money

Down the ranking gradient, but only part way.

FEDERAL · NIH: THE NAMED MOVERS

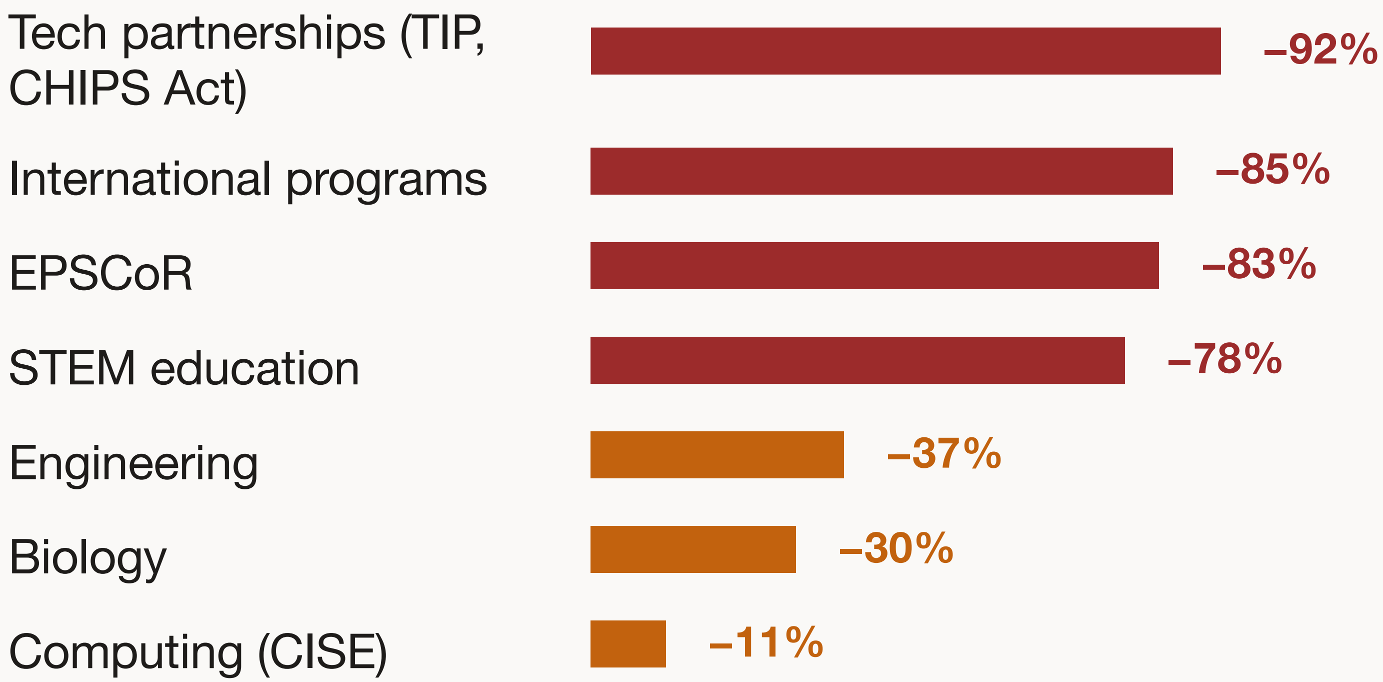
Inside the redistribution: some of the movers



Change in first-year NIH commitments, FY24 → FY26 window, $M. Swings that shrink in the right panel are center-award timing, not competitiveness.

FEDERAL · NSF

Every NSF directorate fell, some far harder



New-award $, FY24 → FY26 window, by directorate

Education, partnerships, place-based programs took the deepest cuts

Big cooperative agreements cut **–77%**, ordinary grants **–52%**, no front-loading offset

Unlike NIH, no front-loading masks the decline

FEDERAL · EXPOSURE

Exposure is three levels deep

	Holding or growing · new-award $	Declining	Gone
AGENCY	NIH dollars · NASA	NSF –56% · DoD –55%	DOE surge · Commerce, EPA · USAID
INSTITUTE, WITHIN NIH	NIGMS, NIA, NIAID, NIMH, NIDA	NHLBI, NCI, NEI, NIAMS	—
MECHANISM	Lab and forward-funded (R35, RF1)	R01 –37% · center –43% · training –19%	—

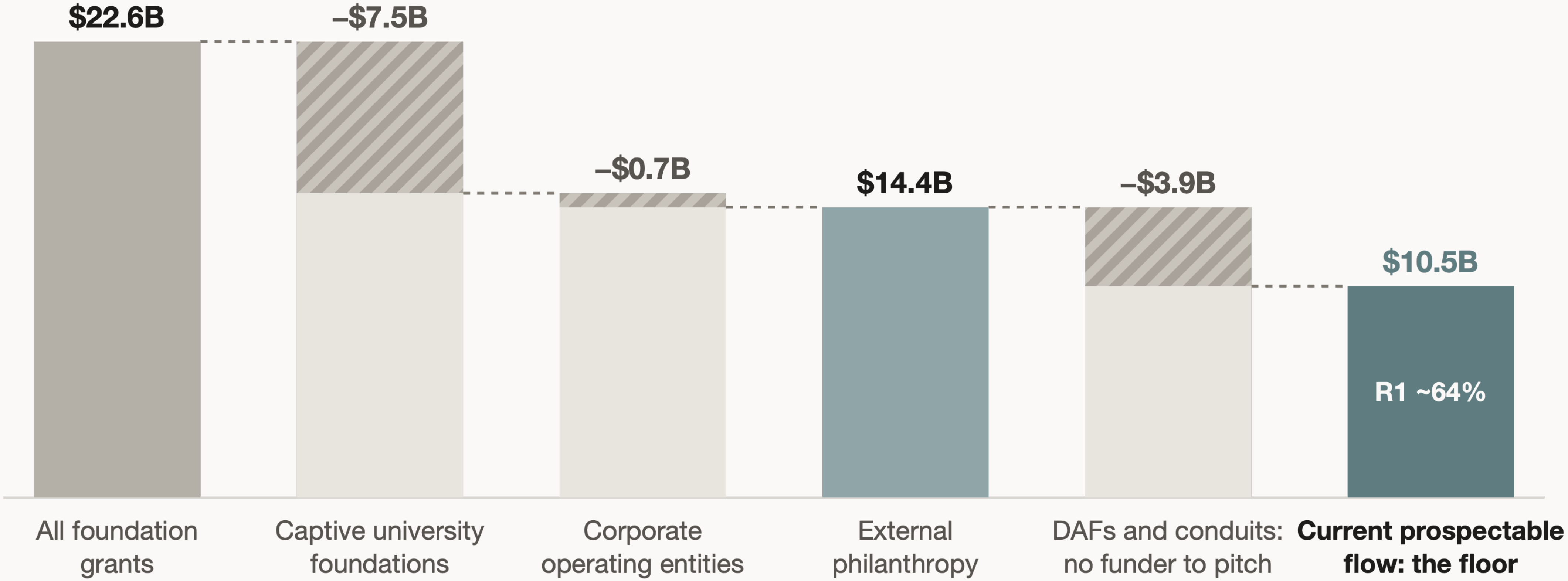
The pattern across agencies: cuts everywhere, deepest in tech partnerships (CHIPS) and where science meets workforce, geography, and demographics.

PART II

Foundations: real opportunity, but capped, and squeezed

PHILANTHROPY · THE BASE

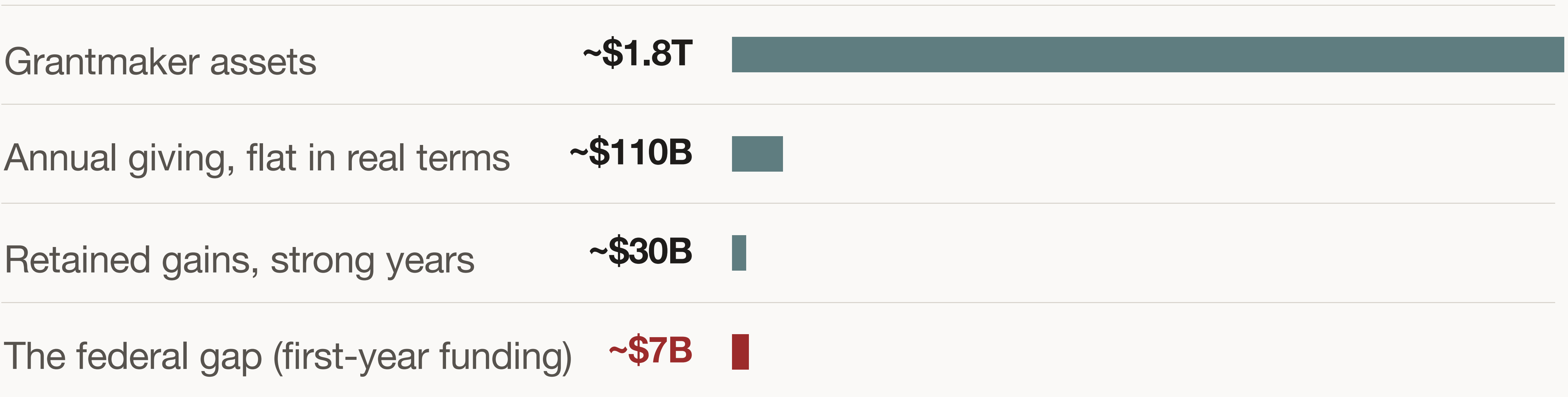
Not all university philanthropy is prospectable



The ~$10.5B that already flows from prospectable funders is the floor. The ceiling is some share of the ~$110B foundations give in total: higher, but unknown ceiling.

PHILANTHROPY · CAPACITY

Relief, but perhaps not replacement



Endowed foundations do out-earn their payout, by ~2 percent of assets a year, but that gain is reinvested to preserve the endowment in perpetuity: it barely beats inflation.

PHILANTHROPY · SCALE

Foundation giving is a fraction of the federal base

~5x

federal funding to universities (~$51.6B) vs foundation funding to universities (~$10.5B)

2 in 3

foundations responded in 2025 with rapid-response grants, ~30% raised payout

4,600

grantmakers fund universities, each to its own board and mission.

“Philanthropy alone cannot…fully replace cut federal funds.”

Elizabeth Alexander
President, Mellon Foundation

For the sector, intractable. For a single university, school, or department, a shortlist.

Source: Elizabeth Alexander, quoted in McAllister & Quinn, May 22, 2025.

PHILANTHROPY · THE OPPORTUNITY

Most of the opportunity is below the surface

Above waterline
usual suspects

~50 names most already engage: Gates, Lilly, Bloomberg, Mellon, RWJF. ~42% of university giving, $272B in assets. Increasingly crowded where the marginal proposal is low-yield.

WATERLINE

Below waterline
the opportunity

~4,600 non-obvious funders: the majority (~58%) of university giving and **~2x the assets** ($557B), spread across ~90x as many boards.

Everyone competes for the top. Most opportunity, sits below surface.

PHILANTHROPY · THE OVERLAP

Federal is retreating from topics foundations fund

NAMED FEDERAL CUTS

DEI and health-disparities research

Gender-identity and LGBTQ health · vaccine-hesitancy research

Climate at NSF: 118 projects, $100M+

Women's and maternal health, hit as collateral

FOUNDATION TOPIC FUNDING · 2023

Health	**$1.44B**
Climate and environment	**$0.29B**
Equity and DEI	**$0.20B**
Women's and maternal health	**$0.18B**

These are exactly the topics philanthropy supports, and more funders are stepping in.

PHILANTHROPY · POLICY PRESSURE

Monitor: foundations are under pressure

ENACTED	University endowment excise tax raised to tiers of 1.4 / 4 / 8 %
ENACTED	EO 14173 calls for civil-compliance investigations of foundations with ≥$500M in assets and universities with >$1B endowment
PROPOSED, KILLED	Private-foundation excise-tax hike to 10%
INVESTIGATION	Senate Judiciary Committee (Chair Sen. Grassley) probe of Gates, Rockefeller Brothers, and Ford

PHILANTHROPY · TARGETING

Target the gaps federal opened and what it won't fund

1	**Training pipeline**	NIH training and career dollars down 24%; NSF cut graduate research fellowships by ~50%
2	**Bridge funding**	keep interrupted programs alive, support transition
3	**Mission-aligned topics**	match cut fields to funders already there: disease, demographics, climate, education
4	**Catalyst grants**	seed higher-risk/reward science and programs designed to become financially self-sustaining

PART III

The playbook: route, target, seed

PLAYBOOK · MOVE 1

Move 1: route federal toward what functions

LEAN TOWARD

Growth institutes: NIGMS, NIA, NIAID, NIMH, NIDA

Stable agencies: NASA

LEAN AWAY

From NSF and DoD heavy pipelines, until they reopen

NHLBI-heavy portfolios

Act on the durable movers only, not one-cycle noise.

It is a marginal tilt: you cannot whipsaw faculty, and the winners crowd around fewer $.

PLAYBOOK · MOVE 2

Move 2: target philanthropy at gaps

1	**Training pipeline**	T, F, K $ down 24%; 100s of millions a year
2	**Bridge funding for stranded research**	Keep interrupted programs alive between cycles, lab-based or not
3	**Mission-aligned offsets**	Match cut fields to funders already there: disease, climate, education, equity

Find the funders that already fund the gap; do not budget on a windfall.

PLAYBOOK · MOVE 3

Move 3: grants as seed money, not operating funds

THE SEED · PHILANTHROPIC CAPITAL

Catalyst grants
first money in, from the annual payout

Program-related investments
loans and equity from corpus, beyond the 5 percent payout

WHAT IT UNLOCKS · DURABLE FUNDING

Follow-on capital
corporate co-funding and blended capital

Earned revenue
IP licensing; education and training programs

Spinouts and equity
translational work spun out; university keeps equity

Catalytic philanthropic capital that builds durable funding, not long-term annual asks.

THE OPERATING MODEL, RESTATED

Track new-award replacement, not annual obligations

Route	toward the lanes that still function.
Target	the specific gaps federal opened.
Seed	what can sustain itself; think beyond grants.
Watch	new-award replacement, quarterly: it shows your FY28 before the budget does.

Q&A

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