

HUMAN SERVICES FUNDS TRACKER

*Formerly known as the Federal Funds Tracker
Now updated to include State and City funding*

Annual Update
Fiscal Year 2022

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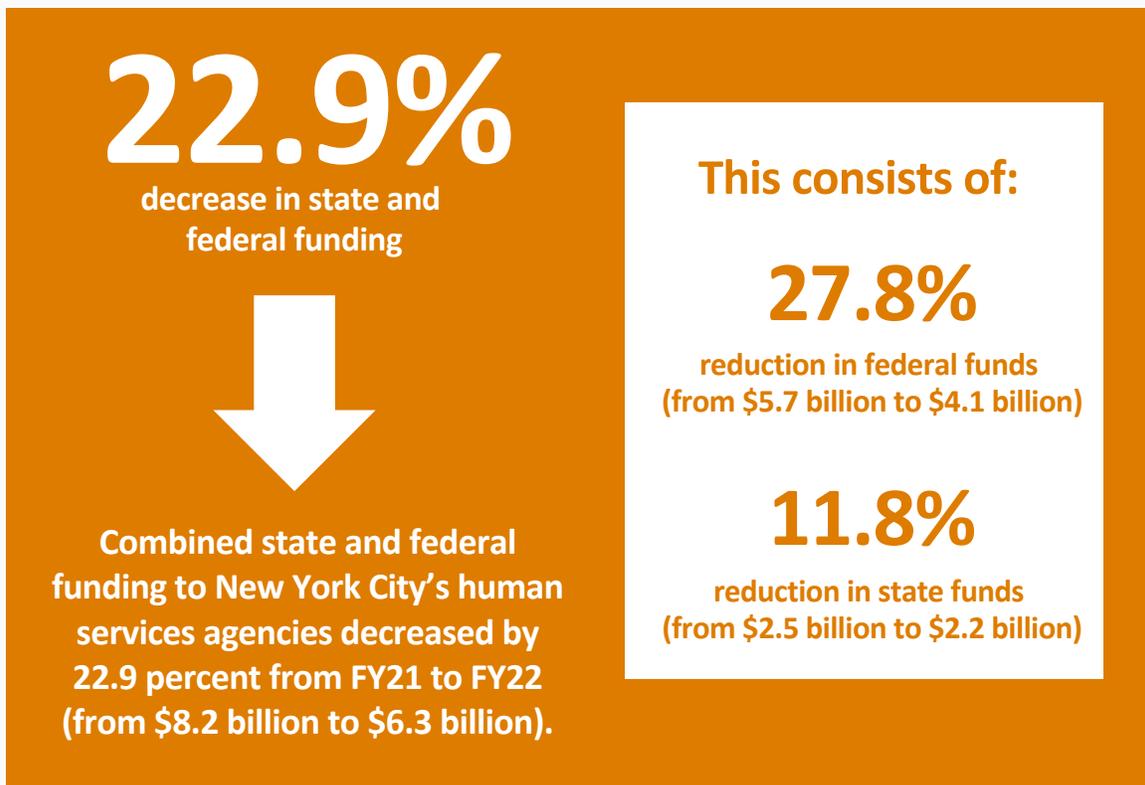


AT A GLANCE

In fiscal year 2022 (FY22), state and federal funding for key city agencies that support New York City's human services sector **was reduced across the board to its lowest level in over 10 years.**



As previously outlined by FPWA, New York City has been expecting a human services fiscal cliff in the wake of time-limited Covid-19 relief funding. This cliff has now hit the city, placing considerable strain on its human services agencies.



As federal and state funding has decreased, the city **has increasingly stepped in to fill the gap in funding for human services agencies**, stretching its smaller budget and scarcer resources. In 2010, it funded about half of agency budgets compared to federal and state sources. This has gradually increased over time to 68 percent this year.

The continual reductions in state and federal funding increase pressure on the city's budget and its human services agencies, particularly as they respond to the pandemic's ongoing effects.

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1. Introduction

Originally launched in 2019 as the Federal Funds Tracker, FPWA’s newly updated Human Services Funds Tracker (Funds Tracker) monitors federal and state funding to New York City’s human services agencies. By providing comprehensive data on flows of funding to city agencies over time, the Funds Tracker is a useful tool for analyzing the fiscal health of the NYC human services sector and potential policy implications of human services funding levels.

This report uses published fiscal data to provide an annual update and overview of funding for New York’s human services agencies over fiscal year 2022 (FY22).¹ The Funds Tracker initially tracked federal funding to four human services agencies: the Administration for Children’s Services (ACS), Department of Social Services (DSS), Department of Youth and Community Development (DYCD), and Department for the Aging (DFTA). In 2020, the Funds Tracker’s scope was expanded to include funding for: the Department of Health and Mental Hygiene (DOHMH), Department of Homeless Services (DHS), Housing Preservation and Development (HPD), and Small Business Services (SBS).

This is the first year that state funding information has been included alongside federal data, allowing for a more comprehensive view of the funding levels across these city agencies. It is important to monitor these funding flows as the New York City government has limited ability to control them, and some agencies rely on these funding sources for as much as three quarters of their overall funding. We also include city funding where available to show how the city’s cost burden has increased over time in response to decreasing federal and state funding.

The Funds Tracker uses data sourced from the NYC Comptroller’s Checkbook² and from the NYC Office of Management and Budget’s Budget Function Analysis.³

All figures used in this report refer to 2022 dollars; that is, figures have been adjusted for inflation to allow comparisons across years.

¹ The “fiscal year” used throughout this report refers to the New York City fiscal year, which extends from July 1 to June 30. Fiscal year 2022 ended June 30, 2022. The New York State fiscal year extends from April 1 through March 31, while the Federal Fiscal Year runs from October 1 to September 30; these fiscal years will be explicitly noted where used. We include FY23 information where available to complement our analysis to show how the share of funding by funding source has changed over time.

² We use “recognized” revenue data excluding revenue tagged with the closing classification of “Collected Unearned Revenue Roll” taken from the Checkbook NYC API for FY23.

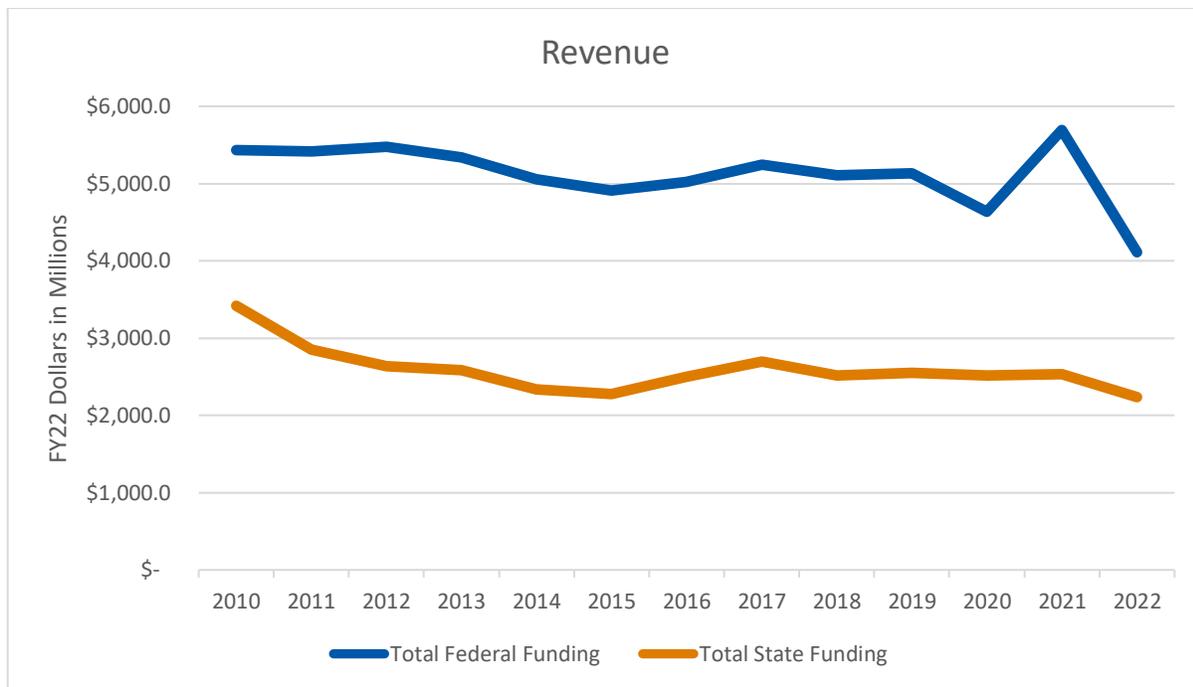
³ Checkbook NYC data is complemented by data from the NYC Office of Management and Budget’s Budget Function Analysis which is used for the Trends and Analysis of Human Services Funding by Agency and Share of Funding by Funding Source section of this report.

2. Overall Funding Levels

In fiscal year 2022 (FY22), funding for key city agencies that support New York City’s human services sector was reduced across the board. This was driven in part by the end of federal funding for key Covid-19 responses and compounded by reductions in state funding.

The eight human services agencies tracked by the Funds Tracker received federal grants totaling \$4.1 billion and state funding totaling \$2.2 billion during FY22. Together this is a **\$1.9 billion decrease in state and federal funds**, from \$8.2 billion to \$6.3 billion (22.9 percent decrease) from FY21 to FY22. This dramatic plunge marks the return of funding to pre-pandemic levels and a continuation of the downward trend since 2010. Since 2010, state and federal funds have fallen 28.3 percent from a high of \$8.8 billion (combined). **FY22 represents the lowest level of state and federal funding across all years of the Funds Tracker** (after adjusting for inflation).

Figure 1. Funding for New York City’s Human Services Agencies, Fiscal Years 2010 to 2022



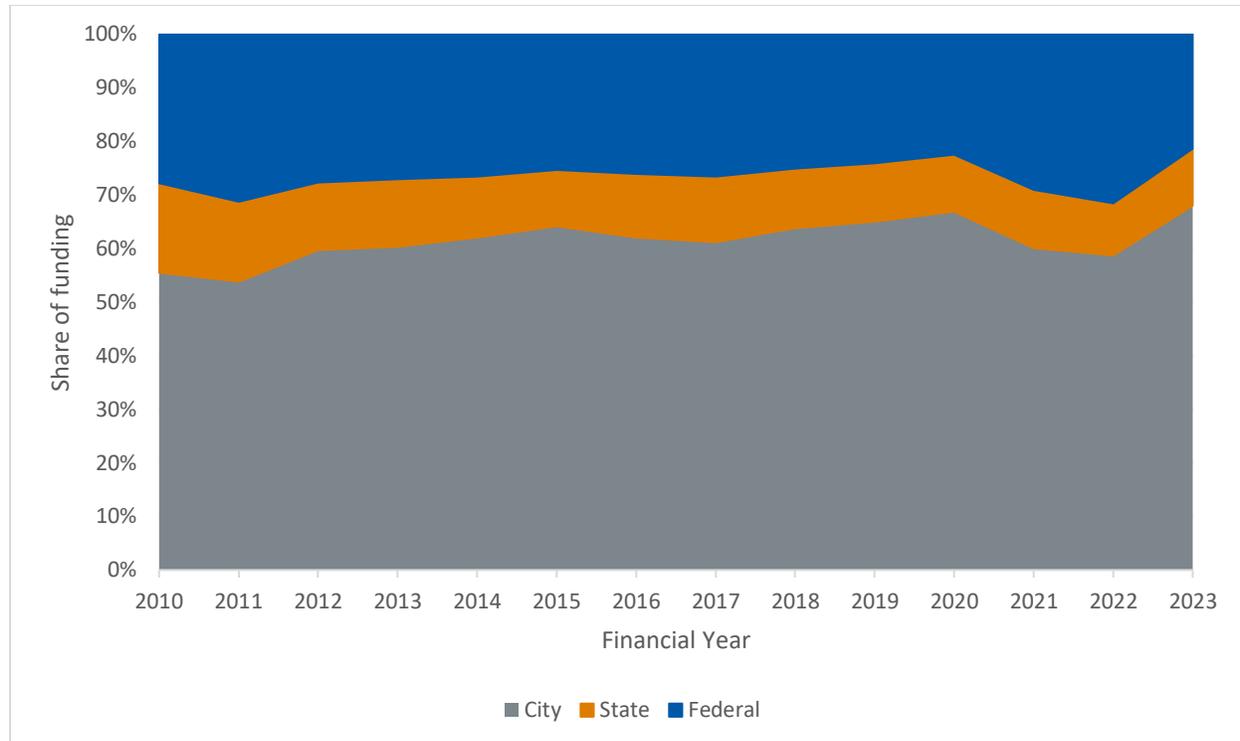
Over the past decade, city agencies have tended to receive twice the amount of funding from federal sources than from state sources. As a result, federal funding reductions have had the biggest impact on agencies in FY22. This is largely driven by the cessation of funding from federal relief bills, including the Families First Coronavirus Response Act, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), the Consolidated Appropriations Act of 2021 (CAA), and the American Rescue Plan (ARP).

The Funds Tracker shows that the real value of agency funding has been eroded over time as the Consumer Price Index (CPI) has increased by 30 percent since 2010 while funding has remained stagnant. That is, the real “buying power” of the funding that agencies receive has struggled to keep up with inflation, and state and federal funding levels have not increased to account for this. The city has made up the shortfall of these decreasing funding levels.

Change in cost burden across different levels of government⁴

Reductions in state and federal funding have impacted the city, which has been **required to fund a greater share of agency budgets** over time.

Figure 2. Share of Funding of Human Services Agencies, by Funding Source



Between the three funding sources, the city has gradually increased its share of funding while the share of state and federal funding has decreased.

Figure 3. Share of Funding Source of Human Services Agencies, 2010 to 2023

Funding Source	2010 (actual)	2023 (plan)
City	56%	68% ↑
State	17%	11% ↓
Federal	28%	21% ↓

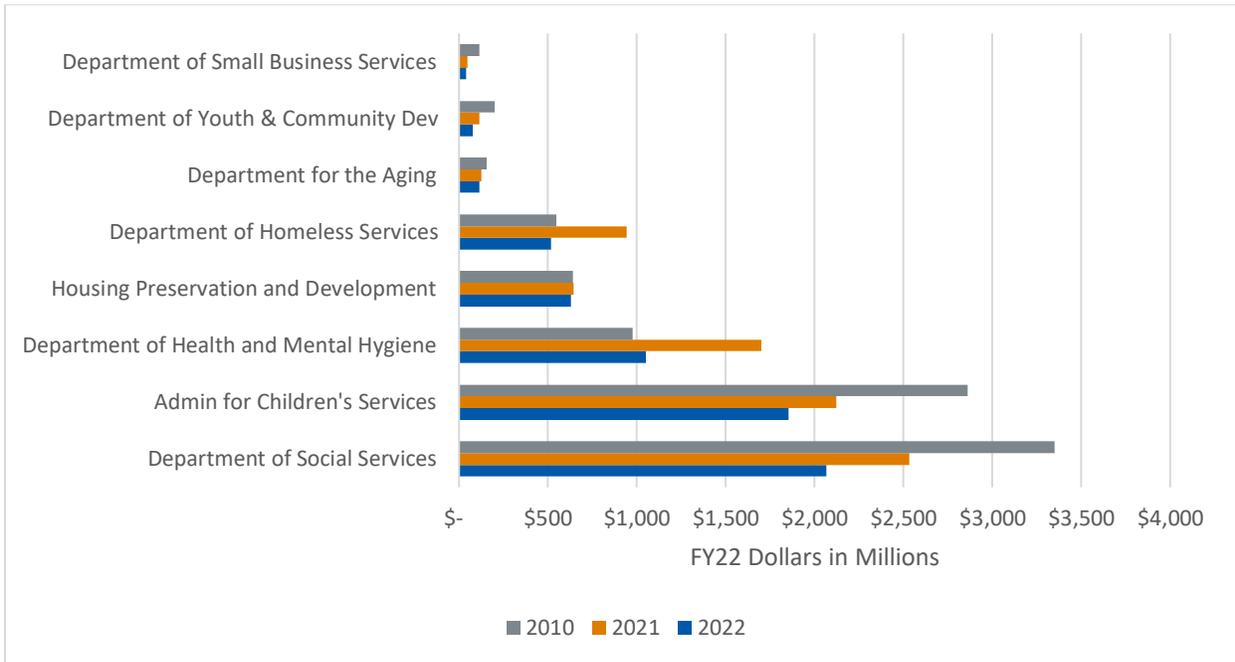
In 2023, the city is expected to increase its share of funding to 68 percent compared to state and federal funding sources. By making up the shortfall in funding, the city has ensured overall human services agency budgets have continued to grow, despite real state and federal funding reductions. This has increased the cost burden for the city despite the city having a smaller revenue base compared to the federal and state government.

⁴ This section uses Budget Function Analysis from the NYC Office of Management and Budget as opposed to revenue data from the Comptroller's Checkbook NYC API used for state and federal funding amounts. While budget functions do not directly align with revenue data, this spending data can complement Comptroller data to show where agencies focus their resources and how this might change over time. For this data, 2023 data is available and has been included so that the most recently available data across each source is used.

3. Funding Levels by Agency

Federal and state funding was reduced across all agencies but particularly across the biggest agencies—the Department of Social Services and the Administration for Children’s Services—compared to 2010 levels (Figure 4). When compared to FY21, the biggest reductions were seen in the Department of Homeless Services and the Department of Health and Mental Hygiene.

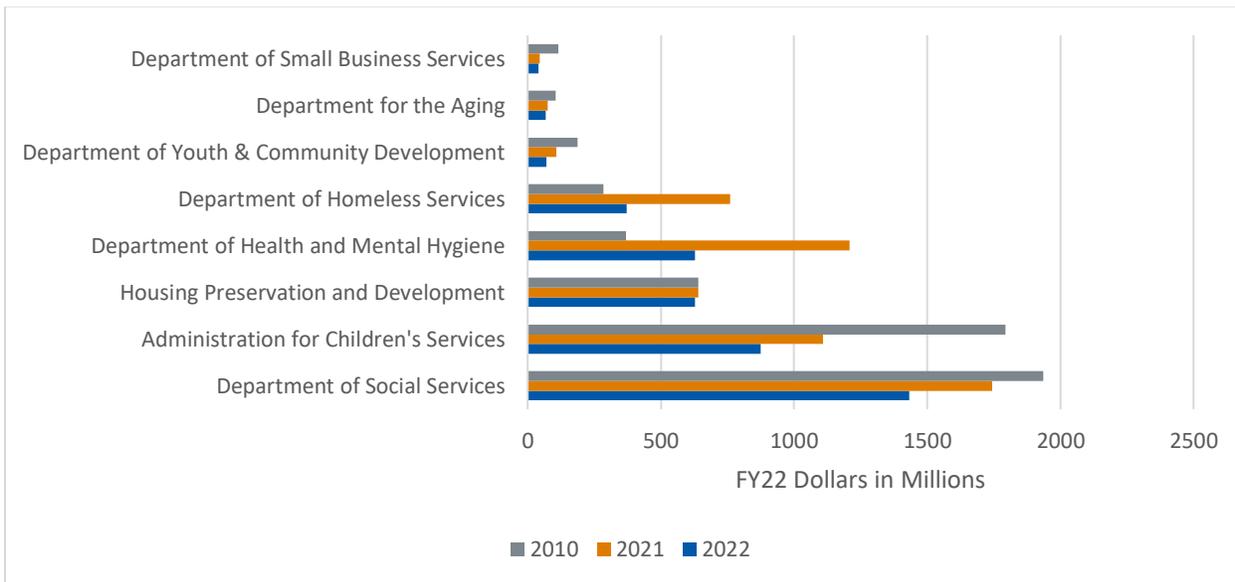
Figure 4. Combined State and Federal Funding by Agency, Fiscal Years 2010, 2021, and 2022



Federal funding trends by agency

This trend continues when looking only at federal funding (Figure 5).

Figure 5. Total Federal Funding by Agency, Fiscal Years 2010, 2021, and 2022

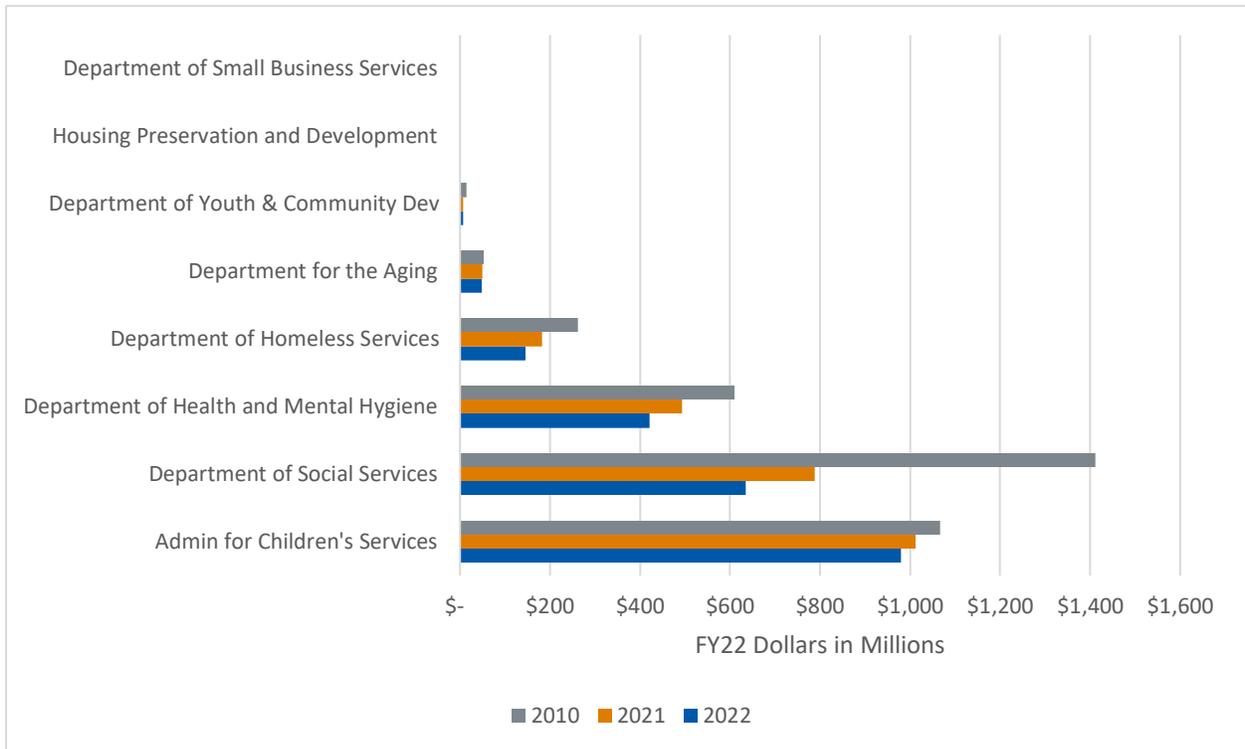


The Department of Social Services continues to be the biggest recipient of federal funds, receiving about a third of all federal funding. In FY22, it received grants totaling \$1.4 billion, a 17.9 percent reduction compared to FY21. The Department of Homeless Services and the Department of Mental Health and Hygiene received the greatest reductions in federal funding over the past two years, with funding reduced by 51.2 percent and 48.0 percent, respectively.

State funding trends by agency

Funding reductions were also evident when looking at state funding sources alone, with the Department of Social Services again weathering the hardest hit with a dramatic fall in funding since 2010 (Figure 6).

Figure 6. Total State Funding by Agency, Fiscal Years 2010, 2021, and 2022



Volatile fluctuations and reductions in funding levels present a risk that could affect agencies' ability to deliver services, particularly as they are still responding to the pandemic's impacts.

4. Funding Levels by Grant

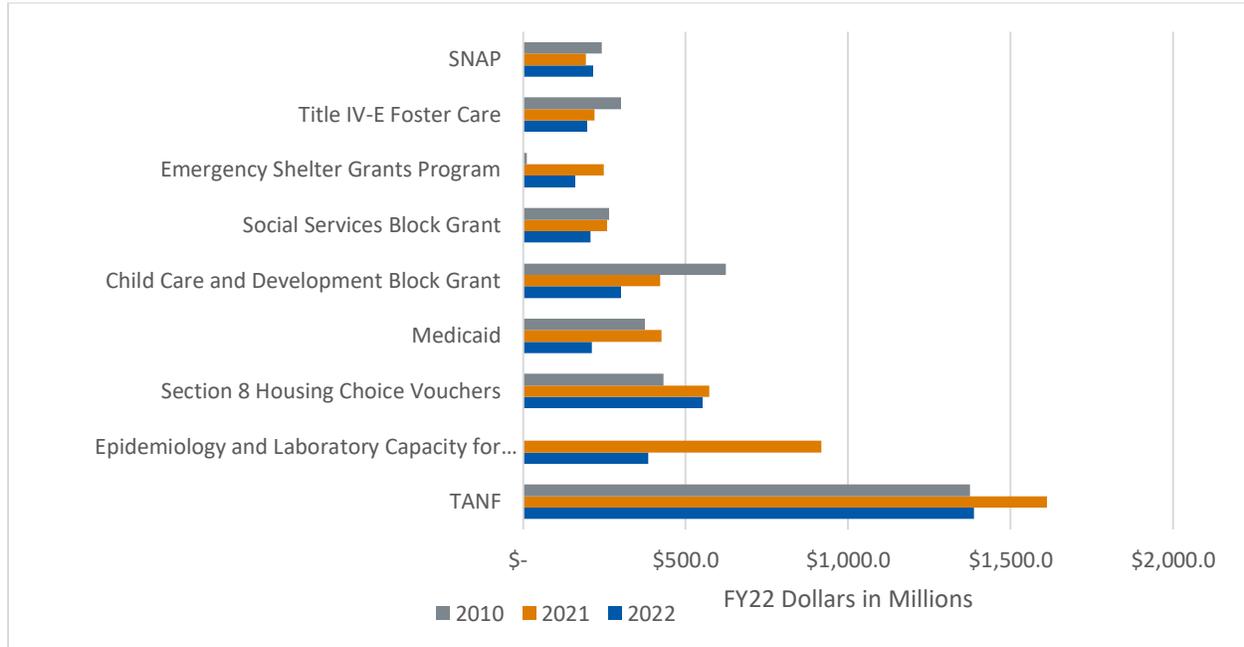
Federal funding trends by funding source/grant

Across all sources, the largest reduction in funding was seen in federal Epidemiology and Laboratory Capacity for Infectious Diseases, reflecting the winddown of the federal government's role in these functions compared to FY21. This is followed by reductions in funding for TANF and Medicaid. The reductions include:

- \$532.3 million for Epidemiology and Laboratory Capacity for Infectious Diseases (decrease of 58 percent)
- \$224.8 million for TANF (decrease of 13.9 percent)
- \$214.0 million for Medicaid (decrease of 50.4 percent).

However, funding levels for SNAP and Section 8 Housing Choice Vouchers remained at similar levels to FY21. Funding changes across the main federal grant programs can be seen in Figure 7.

Figure 7. Citywide Top Federal Grant Programs, Fiscal Years 2010, 2021 and 2022

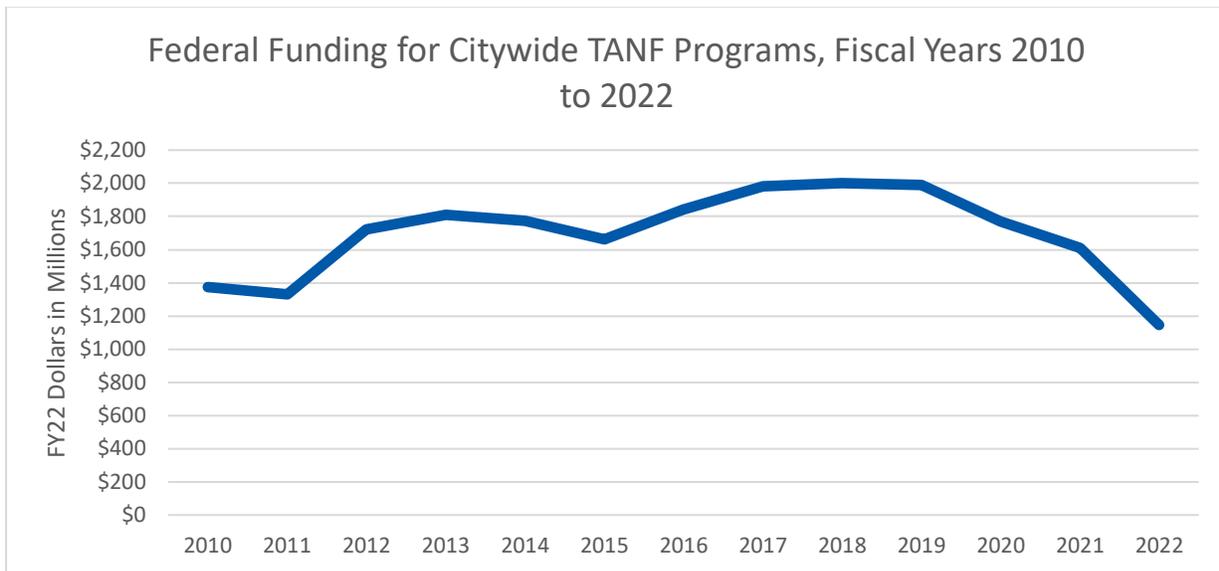


Of particular concern is the reduction in TANF and Medicaid, income support programs which are vital in addressing the most basic needs of New Yorkers experiencing economic hardship.

Recent TANF funding reductions put families at risk

Temporary Assistance for Needy Families (TANF), a federal program providing cash and other assistance to families and individuals with low incomes, is usually the largest federal grant to New York City human services agencies. For the fourth consecutive year, federal TANF funding to New York City fell in FY22. In FY22, city agencies received \$1.15 billion in TANF funding, down 28.9 percent from \$1.61 billion in FY21. This is the **lowest level of federal funding for TANF since the start of the Funds Tracker** (Figure 8), and it is especially concerning considering that the economic impacts of the Covid-19 pandemic are still affecting many households.

Figure 8. Federal Funding for Citywide TANF Programs, Fiscal Years 2010 to 2022

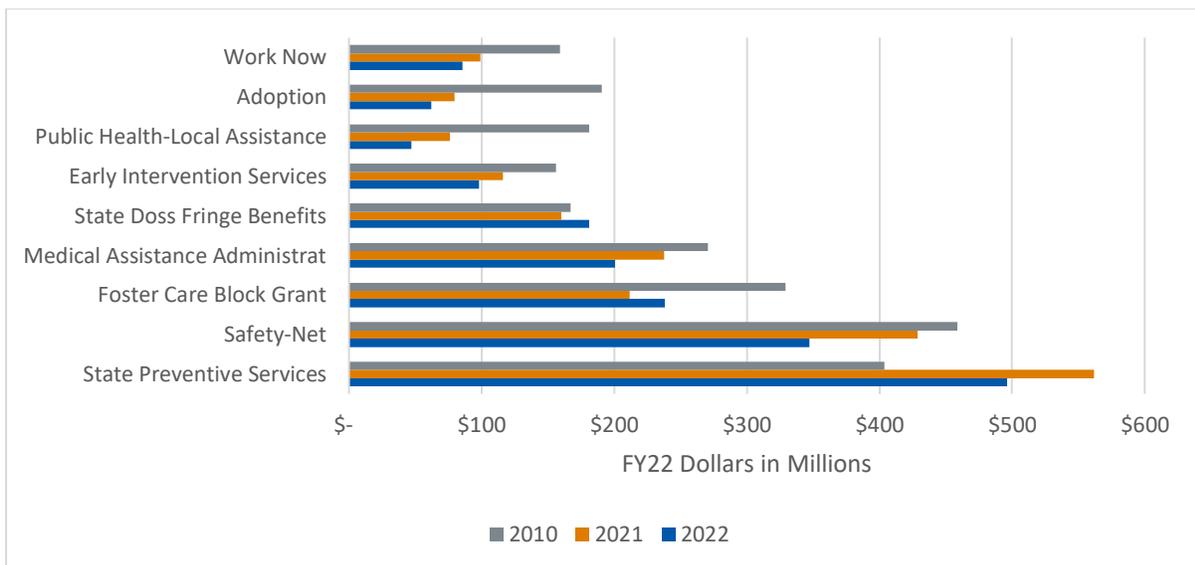


While six agencies administer TANF programs, DSS is home to the largest, accounting for about 70 percent of the city’s federal TANF funding. DSS’s federal grants for the program decreased by 15.3 percent. The reduction in TANF funding was most stark at the Department of Homeless Services, which saw its TANF funding reduced by 59.8 percent between FY21 and FY22.

State funding trends by funding source/grant

Figure 9 shows the top state funding sources over the past 10 years. All except State Preventative Services have decreased since the Funds Tracker’s 2010 baseline. State Preventative Services, which aims to build protective factors to strengthen families and prevent child abuse, was the largest source of state funding in FY22. This is despite its funding level decreasing 12 percent from FY21 to FY22 to \$496 million.

Figure 9. Citywide Top State Funding Sources, Fiscal Years 2010, 2021 and 2022



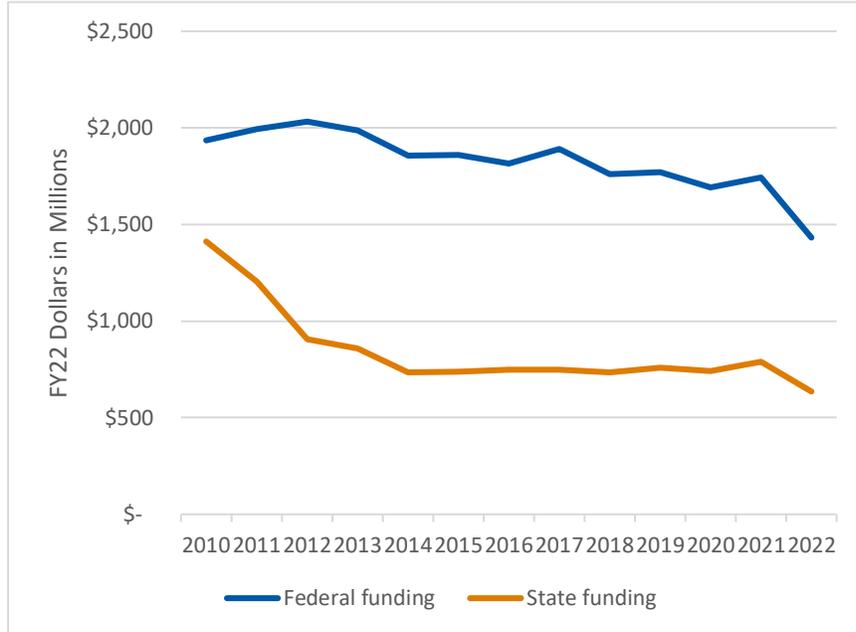
5. Trends and Analysis of Federal Human Services Funding by Agency

The remainder of this report will provide an agency-by-agency update on FY22 state and federal funding to the eight human services agencies monitored by the Funds Tracker: Department of Social Services (DSS), Administration for Children’s Services (ACS), Housing Preservation and Development (HPD), Department of Homeless Services (DHS), Department of Health and Mental Hygiene (DOHMH), Department for the Aging (DFTA), Department of Youth and Community Development (DYCD), and Small Business Services (SBS).

The update includes an overview of total state and federal funding to each agency from fiscal year 2010 to 2022, a breakdown of each agency’s top grants, the share of agency funding supported by the federal, state, city governments, and funding for agencies’ top program areas. It is important to note that the first three data series—topline federal funding, state funding and program grants—reflect actual spending in the preceding fiscal year, or budget actuals, as reported by the New York City Comptroller. The latter two data points—funding sources and funding program area—are only available as part of the New York City Financial Plan. These figures represent the modified budget, or the city’s budget estimates at end of the preceding fiscal year. While the two data sources do not perfectly reconcile with each other, they each provide a distinct, valuable, and timely look at the federal funding flowing into New York City. In the charts for funding by source, we also include FY23 data to capture the most recent information available, and to show how funding has changed over time over the greatest period possible.

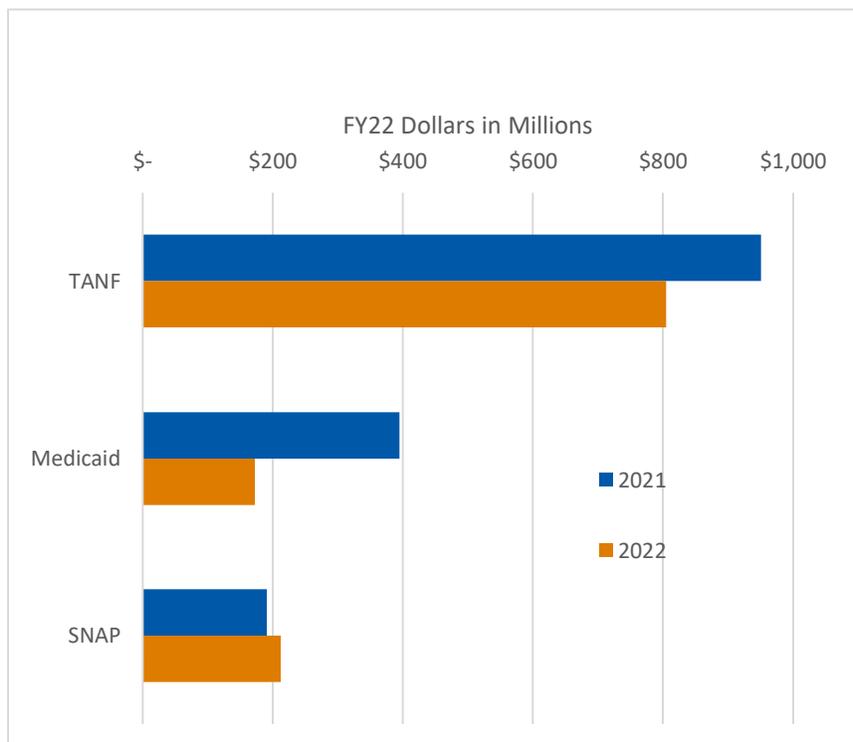
Department of Social Services (Human Resources Administration)

DSS Figure 1. State and Federal Funding, Fiscal Years 2010 to 2022



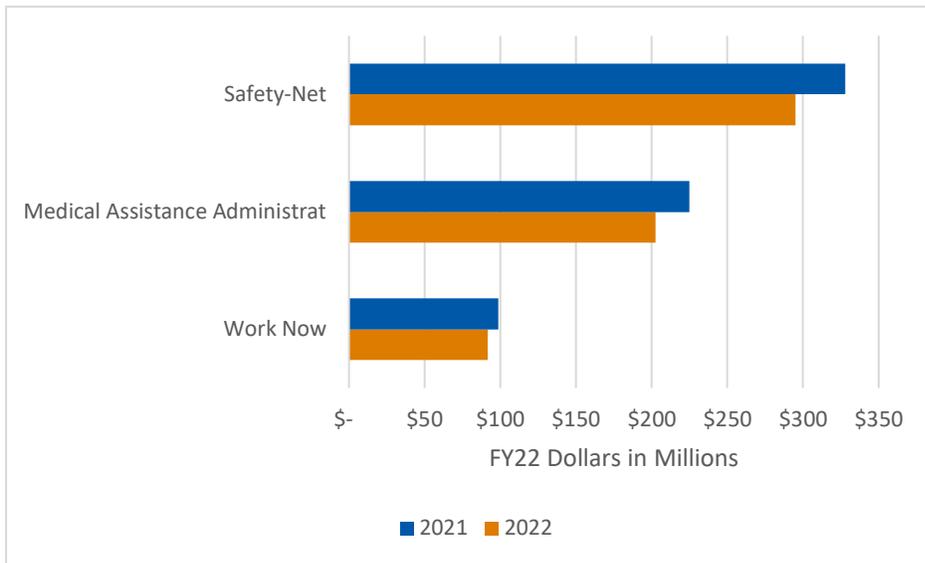
Total state and federal funding for the Department of Social Services (DSS) in fiscal year 2022 was 38.3 percent lower than 2010 funding and 18.4 percent lower than 2021. A reduction in funding for TANF and Medicaid was the main driver of this reduction between 2021 and 2022. This perpetuates the continual erosion of state and federal funding over preceding years, which has left agency funding at a decade-long low across both sources.

DSS Figure 2. Top Federal Grants, Fiscal Years 2021 and 2022



Temporary Assistance for Needy Families (TANF), a federal block grant that provides cash assistance and other supports to families with low incomes, remains DSS's largest source of federal funds. Funding to the program fell 15.3 percent from fiscal year 2021 to 2022, after adjusting for inflation. Medicaid funding dropped 56.2 percent, coming off highs in 2021 driven by both the CARES and ARP Acts. Funding for the Supplemental Nutrition Assistance Program (SNAP), rose 11.1 percent, regaining losses it experienced in FY21.

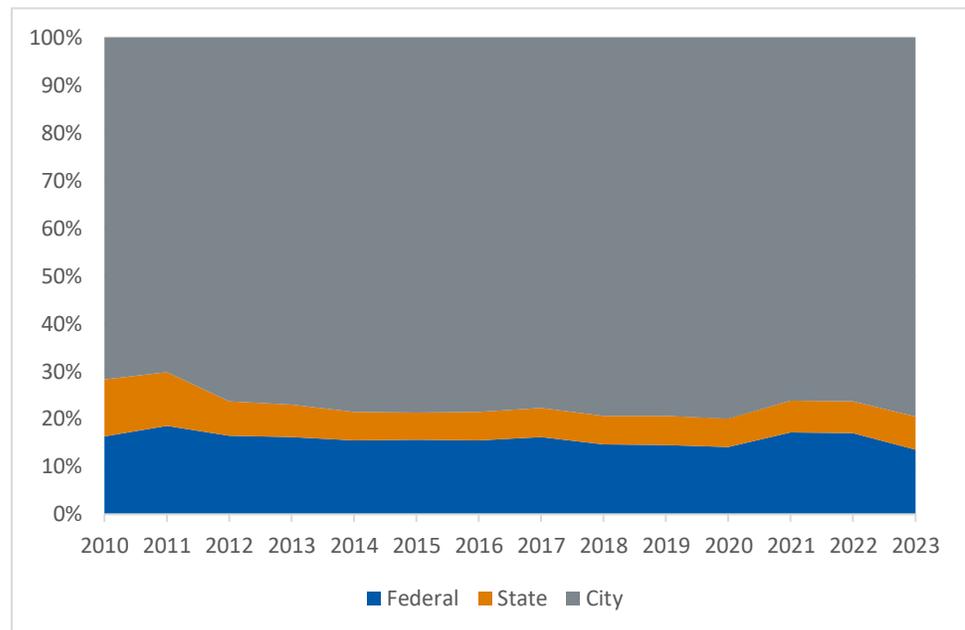
DSS Figure 3. Top State Grants, Fiscal Years 2021 and 2022



DSS also saw reductions in key state-funding streams. Its largest funding source, Safety Net Assistance, which provides funding for cash assistance to eligible needy individuals and families who are not eligible for TANF-funded Family Assistance, had its funding reduced by 10.1 percent.

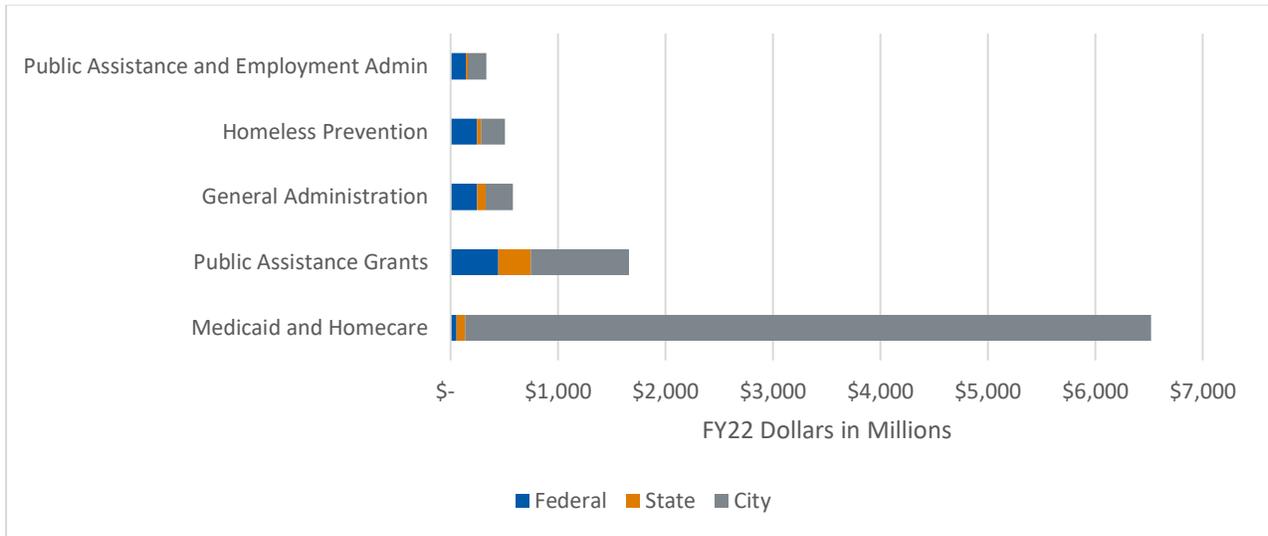
DSS Figure 4. Funding by Source

New York City provided 76.2 percent of DSS’s funding in FY22. Federal funding made up 16.9 percent of DSS funding with state funding making up 5 percent. While these shares have remained relatively stable over recent years, the share of state funding has decreased since 2010.



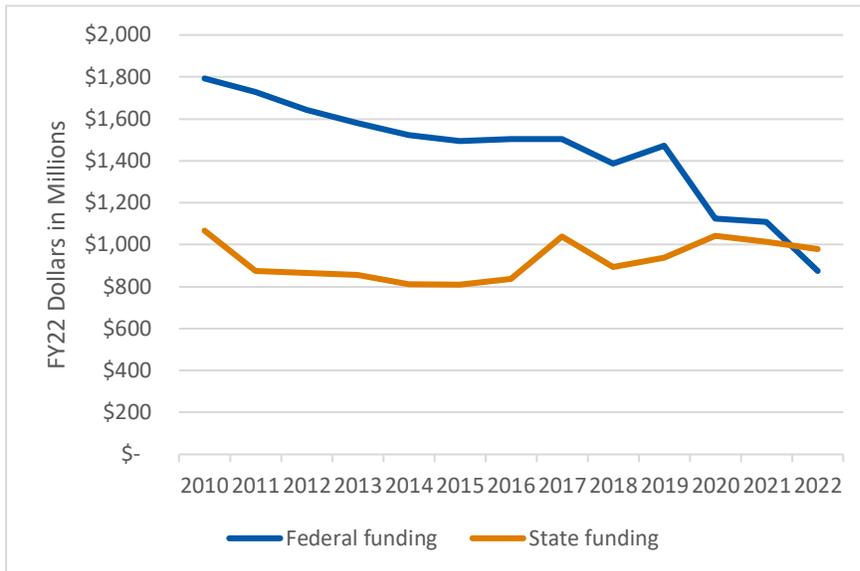
Funding can also be examined at a programmatic level (DSS Figure 5). Medicaid is by far DSS’s largest program area, yet federal funding accounts for a small part. (Federal support for DSS’s Medicaid program also flows to other program areas, including General Administration and Medicaid Administration). DSS’s Medicaid program is primarily funded by City funds. Public Assistance Grants receives the most federal funding, \$443.1 million, as DSS’s largest TANF-granting program area.

DSS Figure 5. Funding by Top 5 Programs, Fiscal Year 2022



Administration for Children’s Services

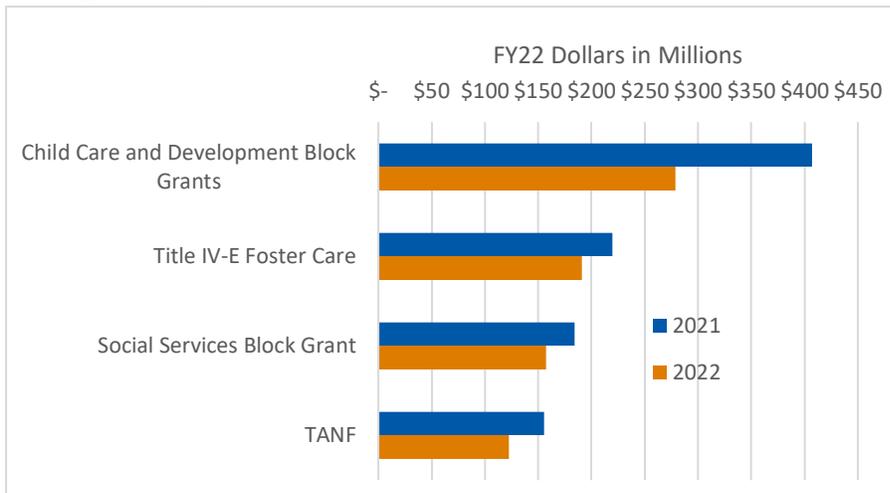
ACS Figure 1. State and Federal Funding, Fiscal Years 2010 to 2022



While the Administration for Children’s Services’ (ACS) state funding has remained relatively stable over the past 10 years, its federal funding has gradually decreased. Federal funding for the ACS fell by 21.2 percent from fiscal year 2021, after adjusting for inflation. This decrease follows a continuous decade-long decrease in federal ACS funding, which is now half of what it was in fiscal year

2010. This has seen state funding contribute a greater share of funds than federal funding in 2022.

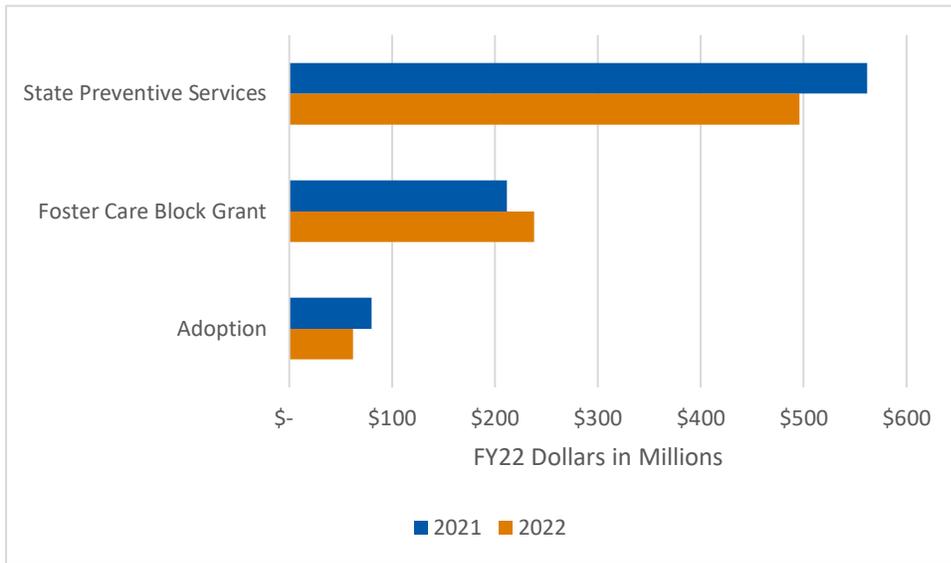
ACS Figure 2. Top Federal Grants, Fiscal Years 2021 and 2022



ACS’s largest federal grant, Child Care and Development Block Grants, which provide subsidized childcare for low-income families, fell 31.5 percent from the prior fiscal year, while the second largest, funding for foster care, fell 13.1 percent. Social Services Block Grants, which provide flexible funding

for a range of social services, fell 14.5 percent from the prior fiscal year. Most of this funding is budgeted for the agency’s preventive services program area. Finally, TANF funding also decreased, falling 21.3 percent from fiscal year 2021 to fiscal year 2022.

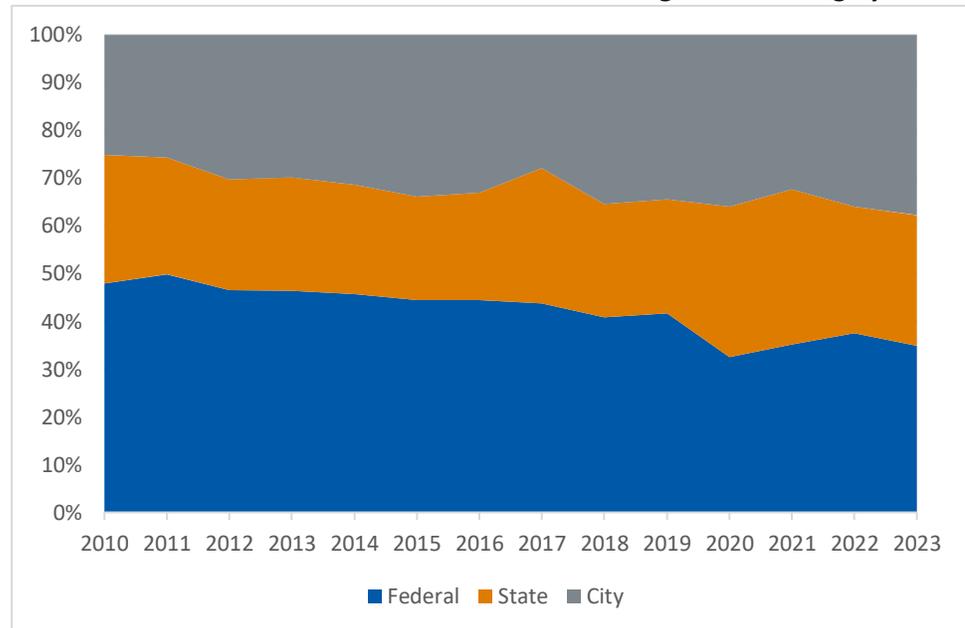
ACS Figure 3. Top State Grants, Fiscal Years 2021 and 2022



ACS saw state reductions in funding for State Preventative Services and the Adoption program. This was partially offset by an increase in funding for the Foster Care Block Grant.

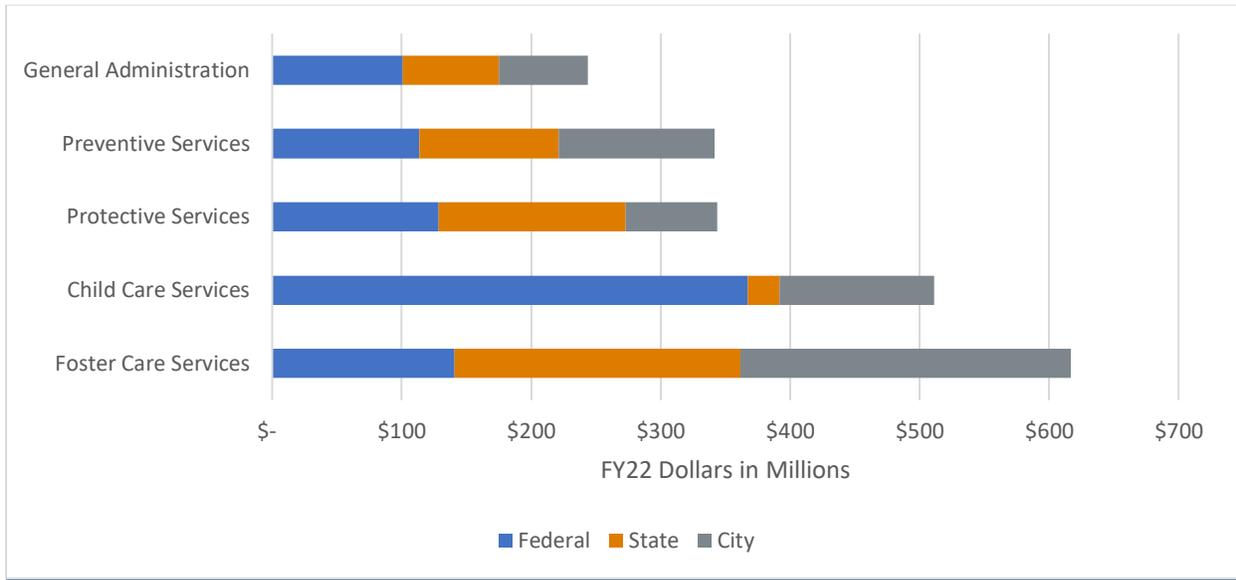
ACS Figure 4. Funding by Source

The City’s share of funding for ACS has increased over the years. In fiscal year 2022, ACS received a similar proportion of funding from federal, state and city sources. This included a state contribution of about 27.4 percent, making ACS the agency that receives the highest proportion of funding from the state.



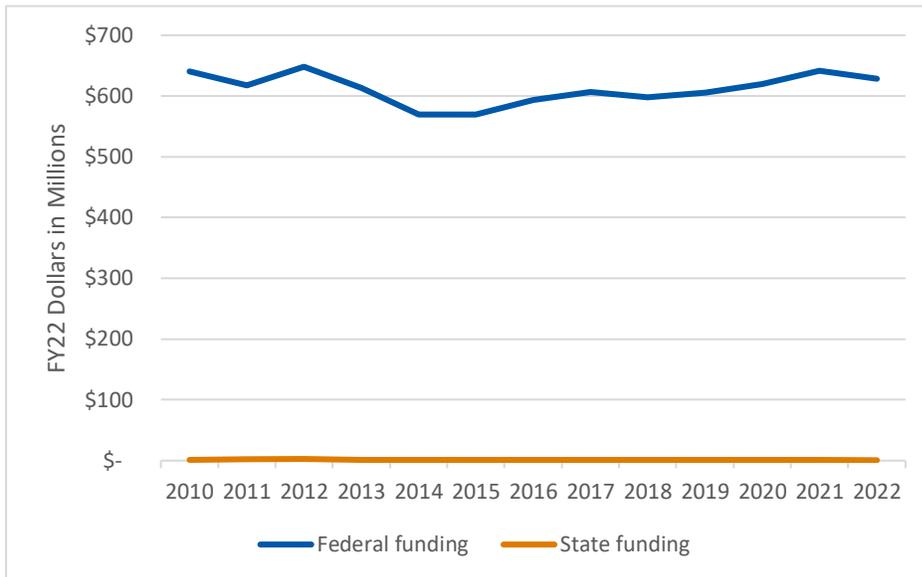
ACS’s two largest program areas—foster care services and childcare services—each account for approximately one-fifth of the agency’s total budget. ACS relies heavily on state and federal funds for these programs. Together, state and federal funds accounted for 58.6 percent of foster care funding and 76.6 percent of childcare services funding.

ACS Figure 5. Funding Sources by Top 5 Program Areas, Fiscal Year 2022



Housing Preservation and Development

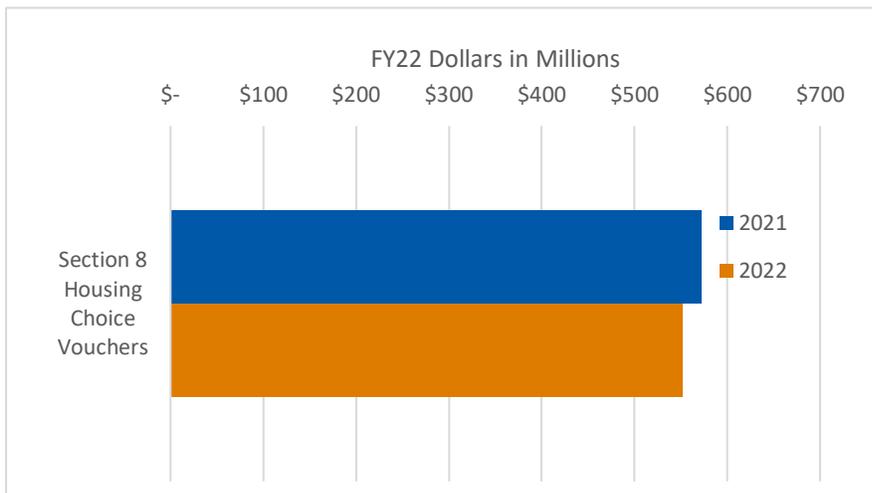
HPD Figure 1. Federal and State Funding, Fiscal Years 2010 to 2022



Housing Preservation and Development (HPD) receives a negligible amount of funding from state sources. Federal funding fell 2.1 percent between fiscal years 2021 and 2022. The agency’s funding levels have been broadly consistent over the past 10 years with funding never fluctuating more than 7 percent from

year to year.

HPD Figure 2. Top Federal Grant Programs, Fiscal Years 2021 and 2022

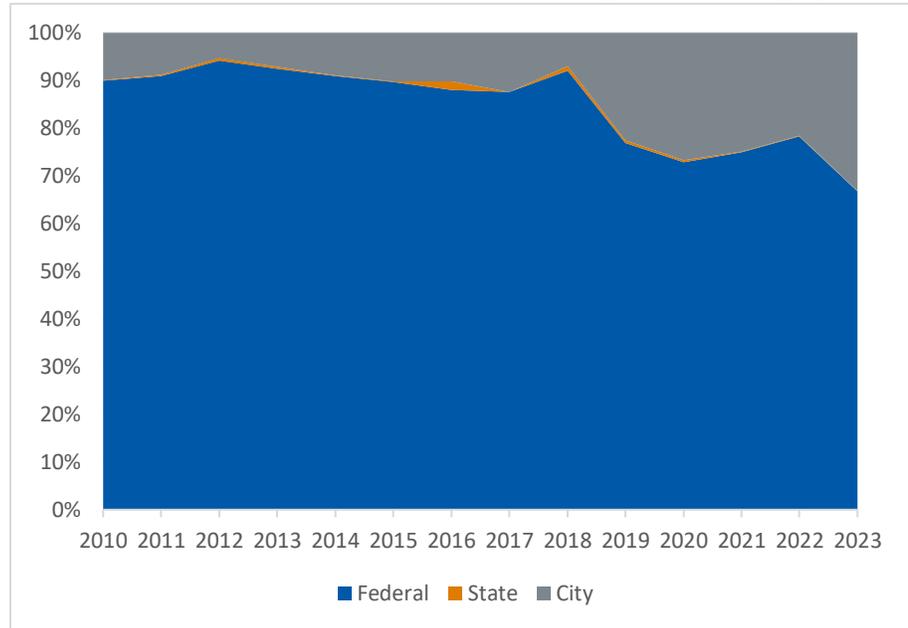


Section 8 Housing Choice Vouchers, which provides rental assistance to households with low incomes, account for the vast majority of HPD’s federal funds—87.8 percent. Funding for this program fell slightly by 3.7 percent in fiscal year 2022.

HPD receives a negligible amount of funding from state sources for its Safety Net Assistance and TANF programs (0.2 percent of all funding). Due to the small funding amount the figure for this funding has not been included.

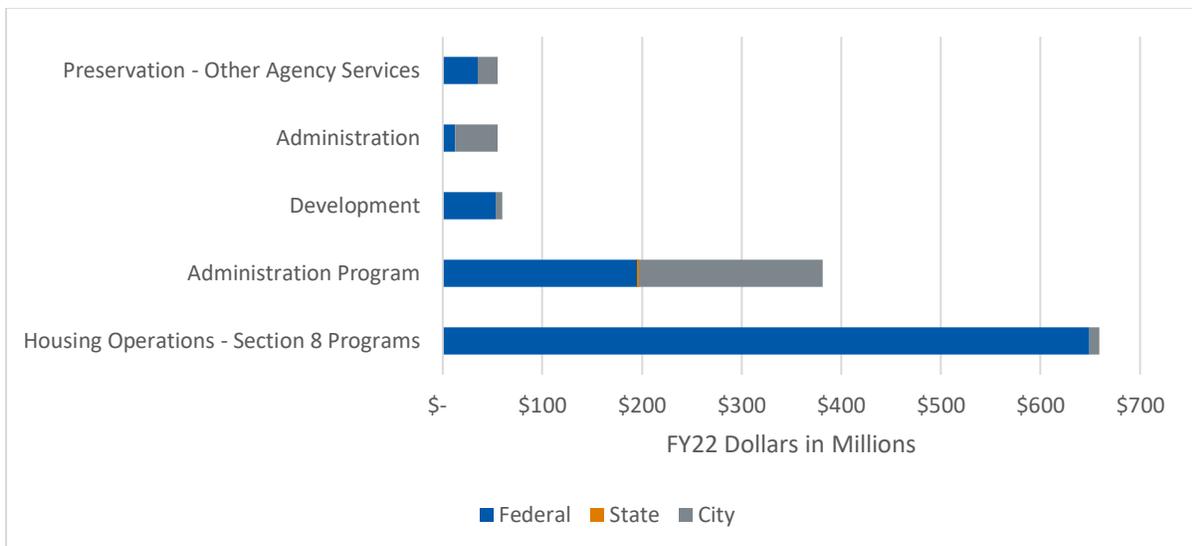
HPD Figure 3. Funding by Source

Federal funding made up 76.0 percent of HPD funding in fiscal year 2022. This makes HPD the agency most dependent on federal funding of all agencies in the Funds Tracker. Before fiscal year 2019, the federal government contributed at least 85 percent of the budget. Increasing city funding over the last three fiscal years has driven up the agency’s total budget and the city’s share of its funding.



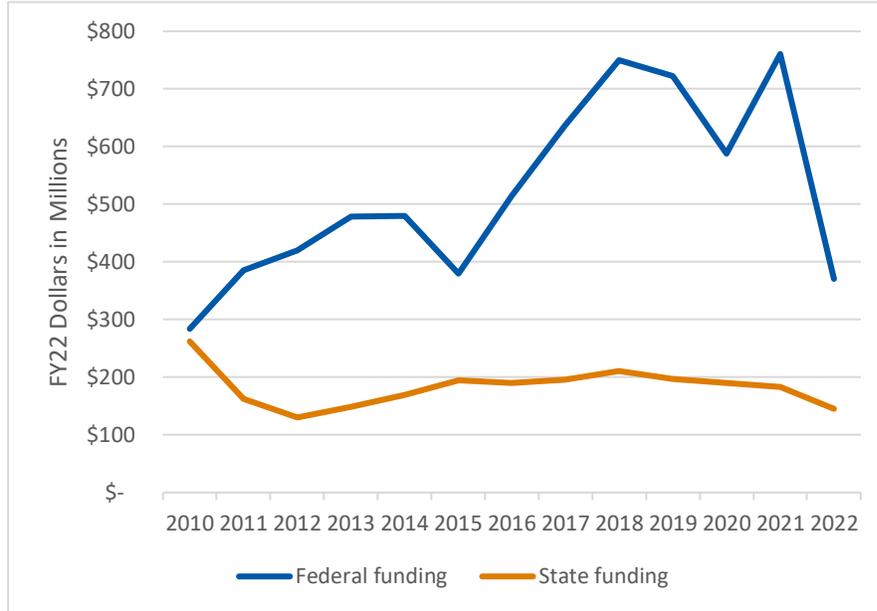
Housing Operations—Section 8 programs, which administers HPD’s Housing Choice Vouchers—was both the agency’s largest program area and its largest recipient of federal funding. The federal government contributed 98.5 percent of the program area’s total funding—more than half of the agency’s total federal funding. 51.1 percent of the “Administration Program,” HPD’s second largest program area, which includes agency functions that are not directly service related, was federally funded. Housing Preservation and Development receives negligible state funding and is reliant on federal funding for many of its programs.

HPD Figure 4. Federal Funding by Program Area, Fiscal Year 2022



Department of Homeless Services

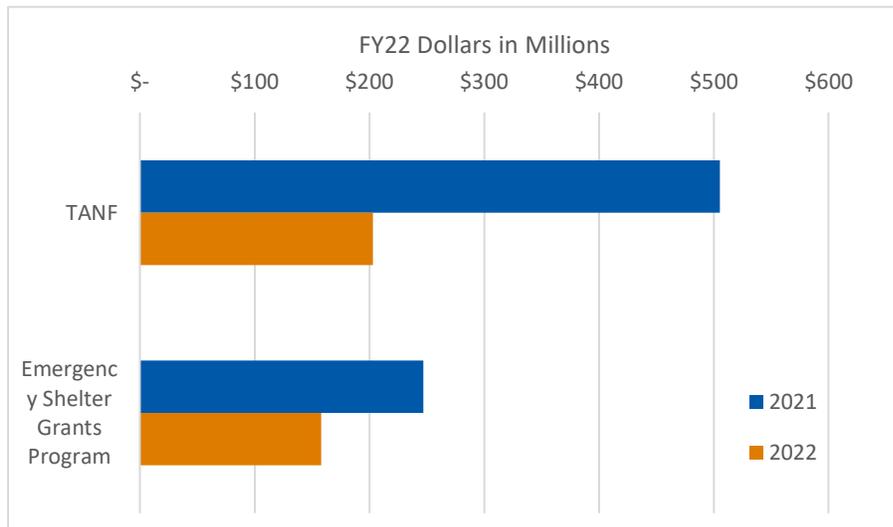
DHS Figure 1. Federal Funding, Fiscal Years 2010 to 2022



State funding for the Department of Homeless Services (DHS) has gradually decreased over the past 10 years but has still seen less variance from year to year than federal funding. DHS saw a sharp reduction in federal funding in fiscal year 2022, wiping out the increase it saw in fiscal year 2021. The agency’s receipt of \$370.8 million was 51.2 percent lower than fiscal year 2021, but still higher than in 2010, after

adjusting for inflation.

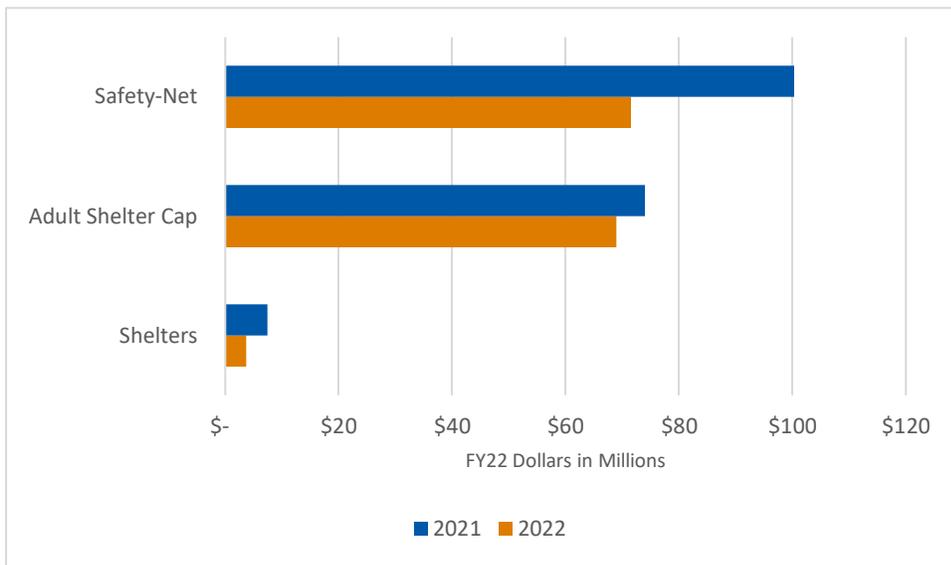
DHS Figure 2. Top Federal Grant Programs, Fiscal Years 2021 and 2022



DHS hosts the City’s second largest TANF program after DSS/HRA; however, funding plummeted between fiscal year 21 and fiscal year 22. The program took in \$203.3 million, 59.8 percent less than the prior year, after adjusting for inflation. This funding reduction accounted for almost the entire citywide reduction in TANF

funding. Additionally, DHS’s second largest source of federal funding, Emergency Shelter Grants Program, also fell in fiscal year 2022.

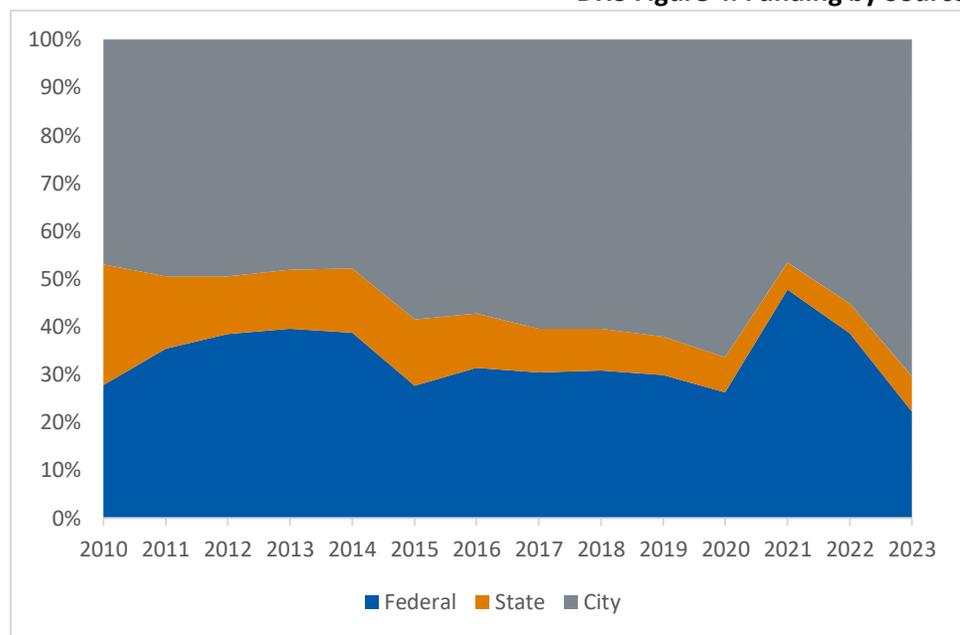
DHS Figure 3. Top State Grants, Fiscal Years 2021 and 2022



DHS saw a 29 percent drop in its state funding it receives for the Safety Net Assistance program. It saw smaller funding reductions in its other funding streams for adult shelter capital projects and shelters.

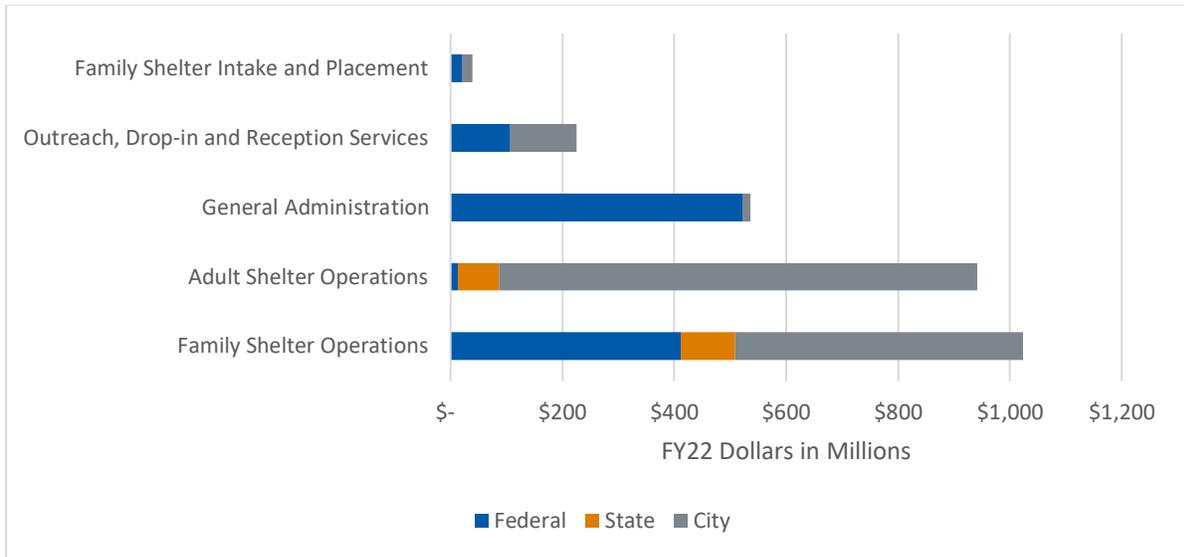
DHS Figure 4. Funding by Source

In fiscal year 2022, federal funds accounted for approximately 38.5 percent of DHS’s funding. This is a decrease from last year where the extraordinary influx of federal funds drove the federal government’s share of DHS funding to 51.6 percent. This marks a return in the direction of longer-term trends which has seen the city account for a growing share of DHS’s budgets.



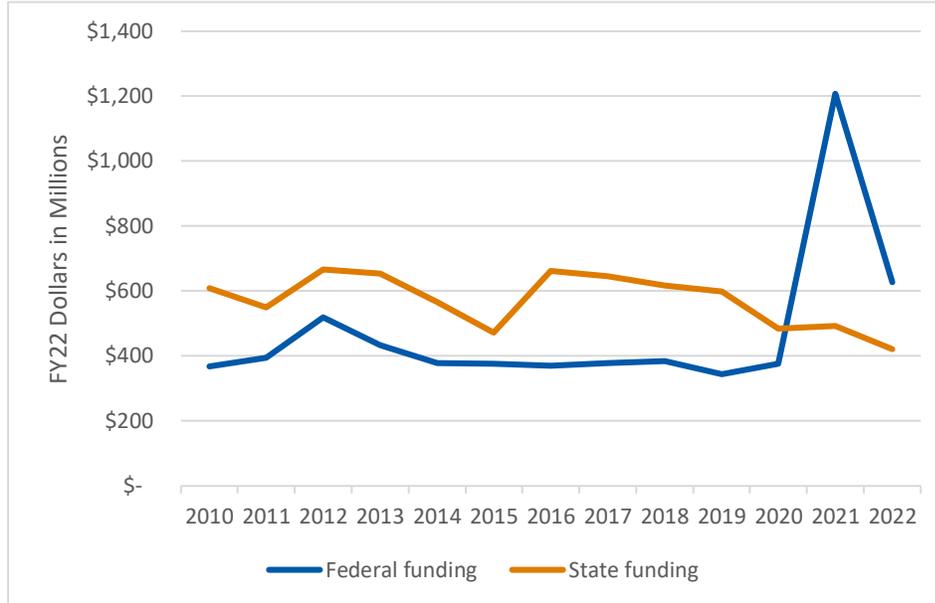
Family Shelter Operations was DHS’s largest program area, accounting for 36.3 percent of the agency’s budget. Adult Shelter Operations and General Administration saw their federal funding decrease following the cessation of Covid-19 funding.

DHS Figure 5. Federal Funding by Program Area, Fiscal Year 2022



Department of Health and Mental Hygiene

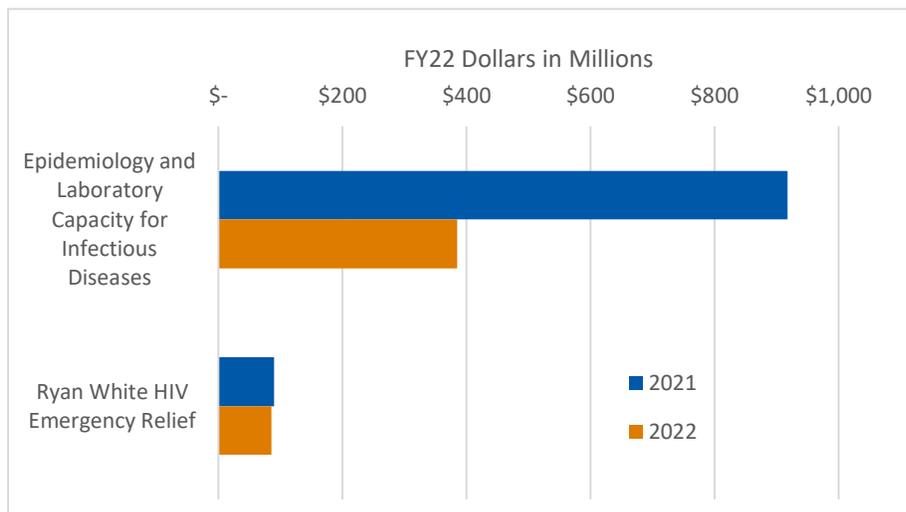
DOHMH Figure 1. Federal Funding, Fiscal Years 2010 to 2022



Unlike the other agencies in the Funds Tracker, up until 2020, the Department of Health and Mental Hygiene typically received more funding from state sources than from federal sources. This changed when the federal government dramatically increased its funding in response to the Covid-19 pandemic.

In 2022, the Department of Health and Mental Hygiene’s state funding was reduced by 14.6 percent from fiscal year 2021. The Department’s federal funding also fell in 2022 by 51.2 percent following record highs in fiscal year 2021, where Covid-19-related emergency spending more than tripled the agency’s federal funding. Despite the funding reductions and unlike most other agencies in the Funds Tracker, its 2022 funding is still higher than what it was in 2010.

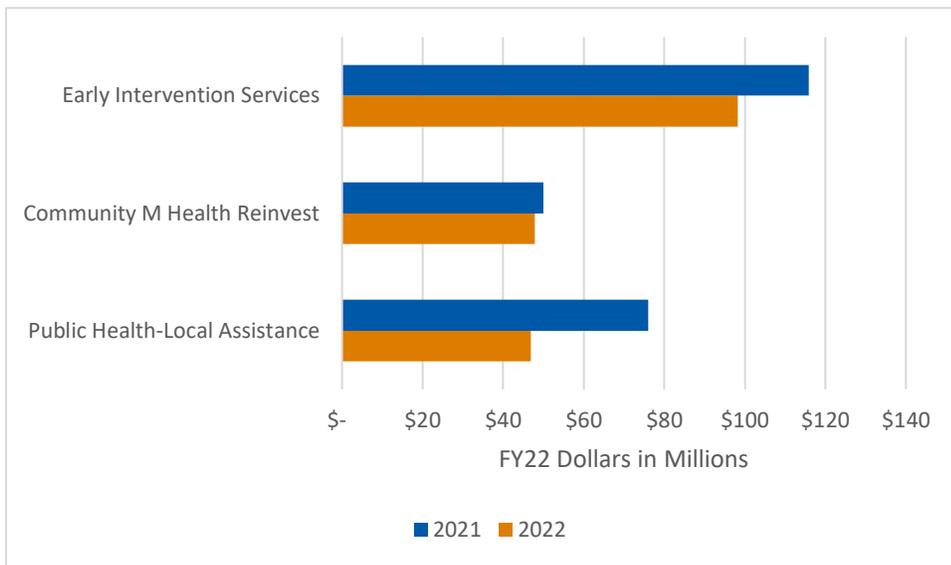
DOHMH Figure 2. Top Federal Grants, Fiscal Years 2021 and 2022



The Department of Health and Mental Hygiene’s decrease in federal funding can be accounted for by a reduction in the Epidemiology and Laboratory Capacity for Infectious Diseases Grant. The CDC-administered grant funds state and local health departments across the country to monitor,

respond to, and prevent infectious diseases. The agency’s next biggest federal grant is the Ryan White HIV Emergency Relief Grant, which saw its funding fall 1.5 percent after adjusting for inflation.

DOHMH Figure 3. Top State Grants, Fiscal Years 2021 and 2022

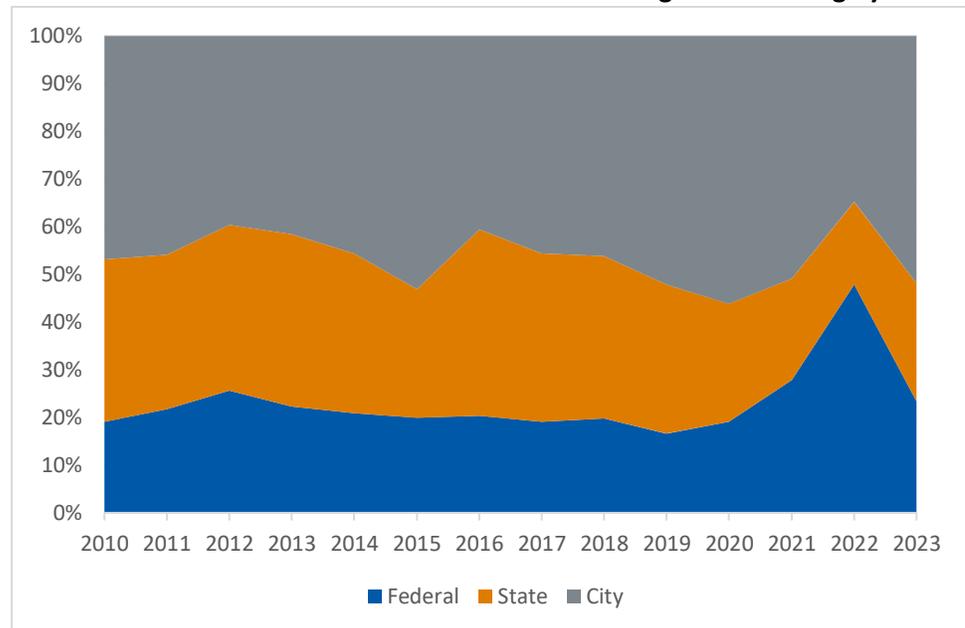


The Department of Health and Mental Hygiene also saw funding reductions in its three biggest state funding sources. Of these, the largest reduction was in the Public Health Local Assistance Program, which had its funding reduced by a third to \$47 million. This funding is used for General Public Health

Work under Public Work Law Article 6.

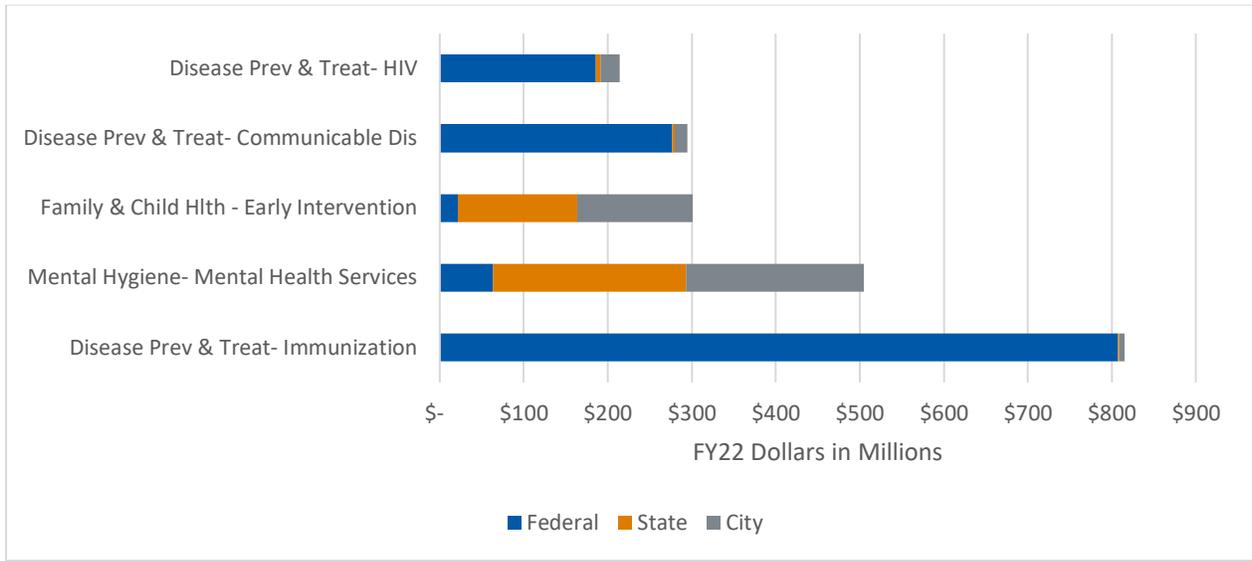
DOHMH Figure 4. Funding by Source

While the share of federal funding has decreased from its peak, it still accounted for a higher share of DOHMH’s budget than is observed in a typical year. Over time, the share of state funding has decreased.



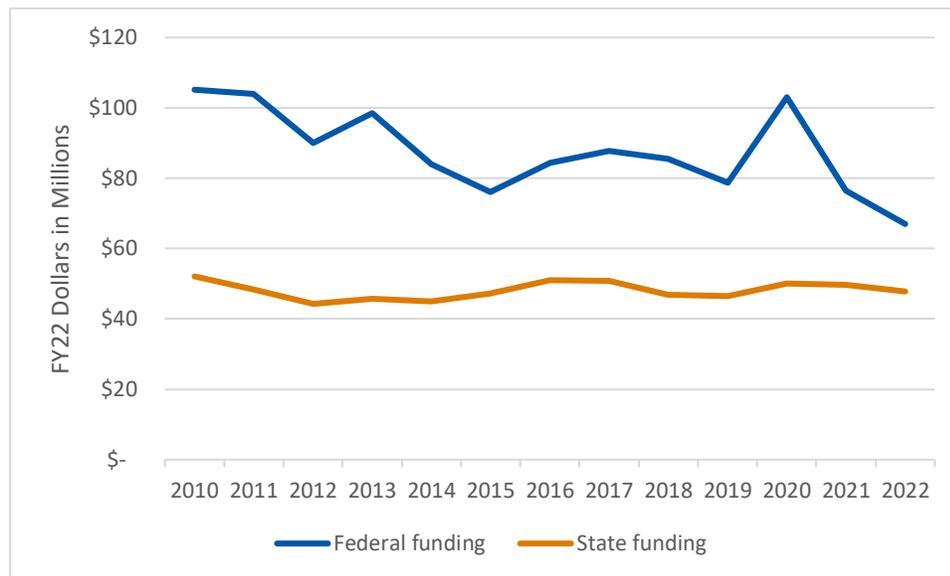
Three program areas account for more than three-quarters of all DOHMH’s federal funding in fiscal year 2022. Immunization received \$807.2 million, nearly all of the program area’s total budget. Prevention and Treatment of Communicable Diseases received \$276.7 million, and Prevention and Treatment of HIV received \$185.5 million. Mental Health Services received the largest amount of state funding at \$229.8 million.

DOHMH Figure 5. Federal Funding by Program Area, Fiscal Year 2022



Department for the Aging

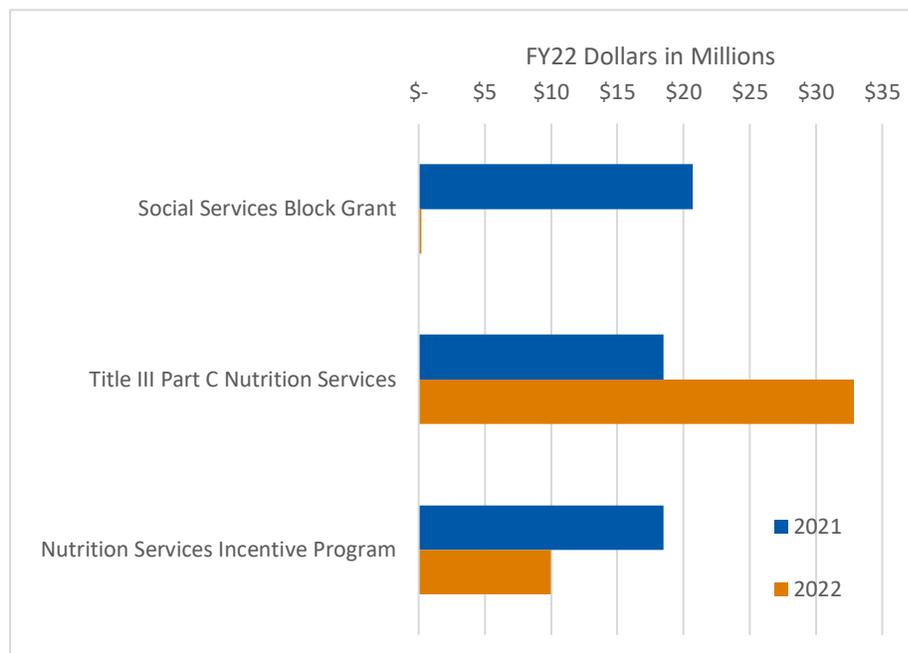
DFTA Figure 1. Federal Funding, Fiscal Years 2010 to 2022



State funding for the Department for the Aging has remained relatively consistent over the 12 years of the Funds Tracker. In 2022, its state funding decreased by 3.8 percent. Federal funding has fluctuated more over the years when compared to state funding. Federal funding fell 12.5 percent in fiscal year

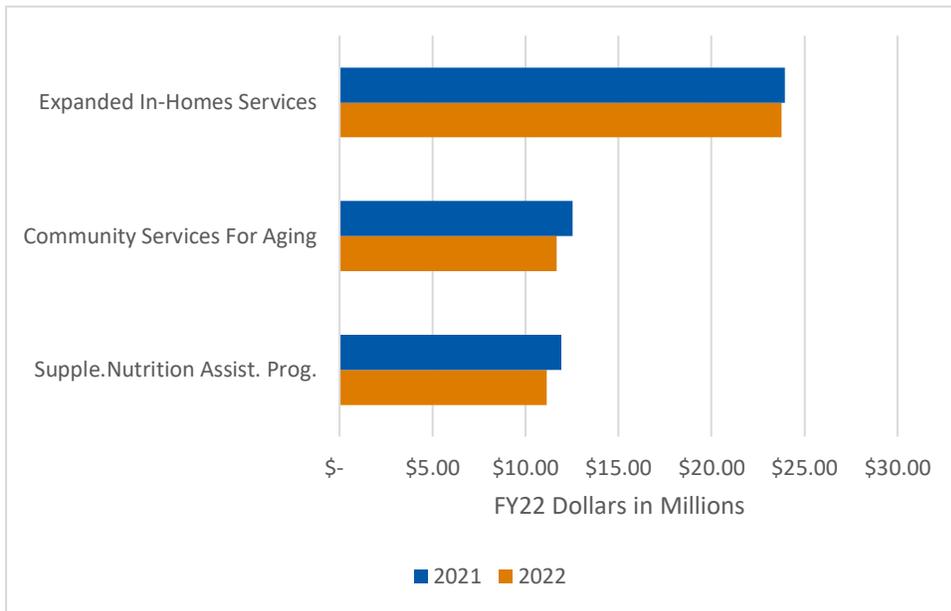
2022 to \$67 million. This is the lowest level since fiscal year 2015, after adjusting for inflation, and continues the downward trend in federal funding seen in recent years.

DFTA Figure 2. Top Federal Grants, Fiscal Years 2021 and 2022



In fiscal year 2022, the Department for the Aging’s Social Services Block Grant funding was slashed. Previously the Department’s biggest federal grant program, its funding decreased from \$20.7 million to \$0.2 million. However, funding for Title III Part C Nutrition Services increased by 77.7 percent to \$32.8 million.

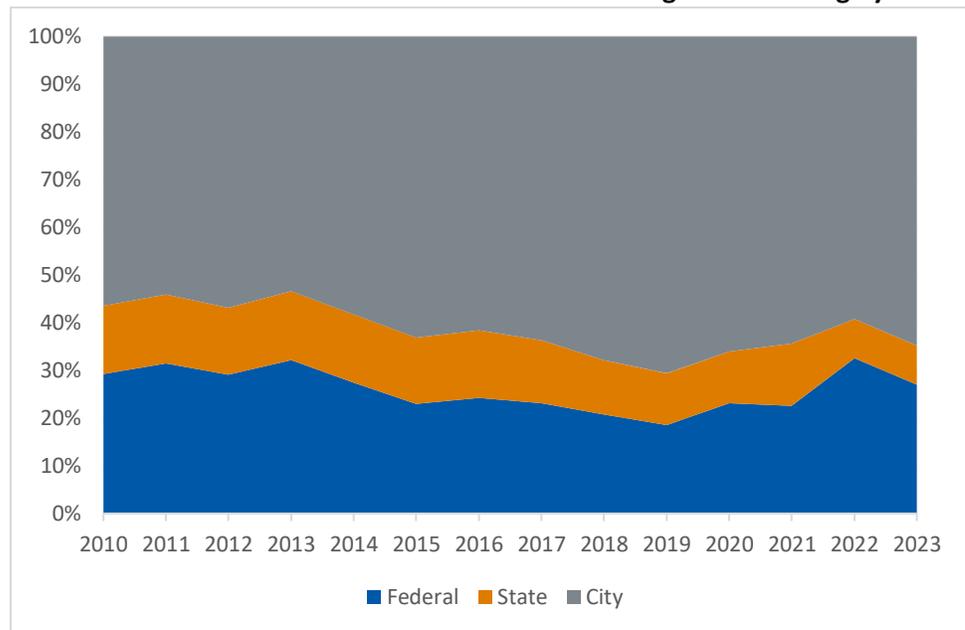
DFTA Figure 3. Top State Grants, Fiscal Years 2021 and 2022



2022 saw nominal funding levels for key DFTA programs kept constant between 2021 and 2022. As the Funds Tracker adjusts for inflation, this is presented as a slight decrease in real funding across programs such as Community Services for the Aging and the Supplemental Nutrition Assistance Program.

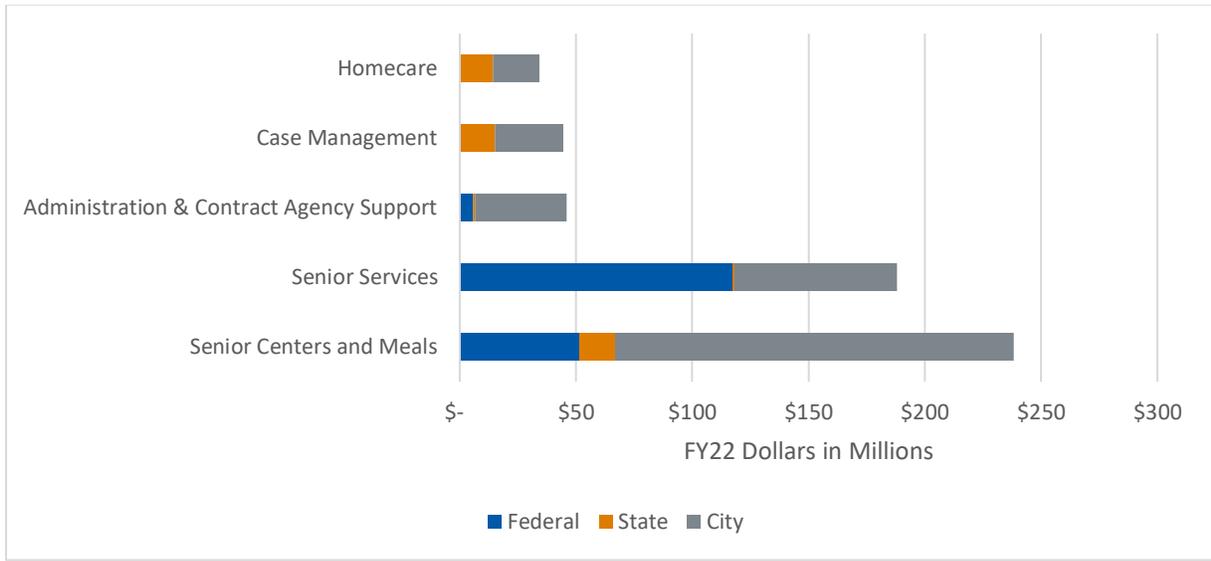
DFTA Figure 4. Funding by Source

Federal funding accounted for 32.4 percent of DFTA funding in fiscal year 2022, while state funding accounted for 8.2 percent. Like previous years, city funding accounted for more funding than all other sources combined.



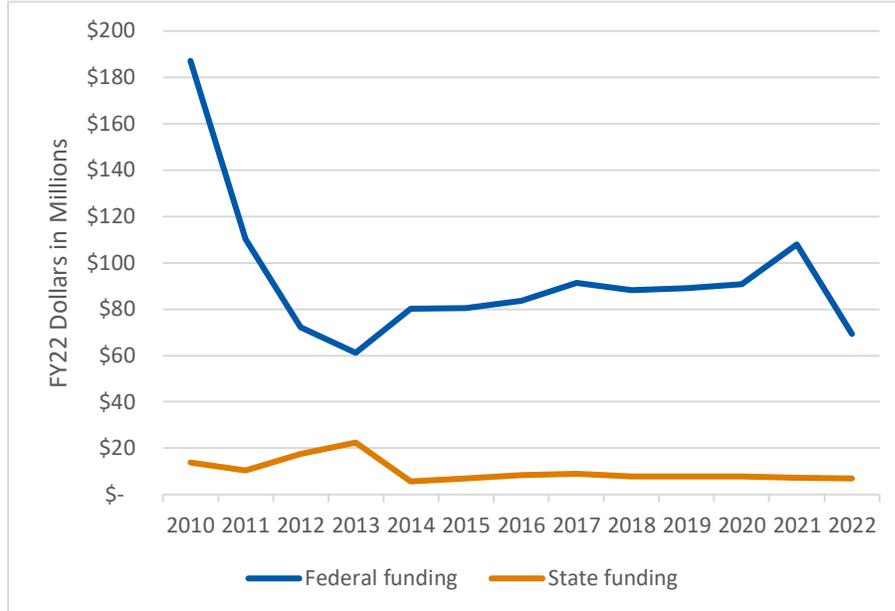
DFTA’s Senior Services program received over 60 percent of its funding from federal sources. Other than this program, DFTA’s programs were primarily funded by other sources.

DFTA Figure 5. Top 5 Program Areas, Fiscal Year 2022



Department of Youth and Community Development

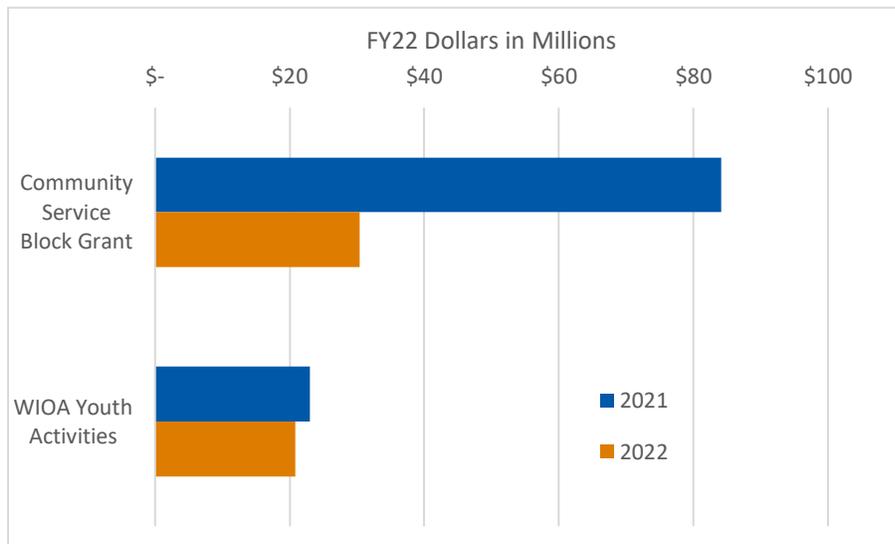
DYCD Figure 1. Federal Funding, Fiscal Years 2010 to 2022



The Department of Youth and Community Development receives a small amount of state funding in an average financial year, usually accounting for less than 10 percent of its state and federal grants. Federal funding fell 36 percent in fiscal year 2022 to \$69.2 million. Funding levels are still significantly below the Funds Tracker’s fiscal year 2010 baseline, when federal funding reached

\$187.1 million.

DYCD Figure 2. Top Federal Grant Programs, Fiscal Years 2021 and 2022

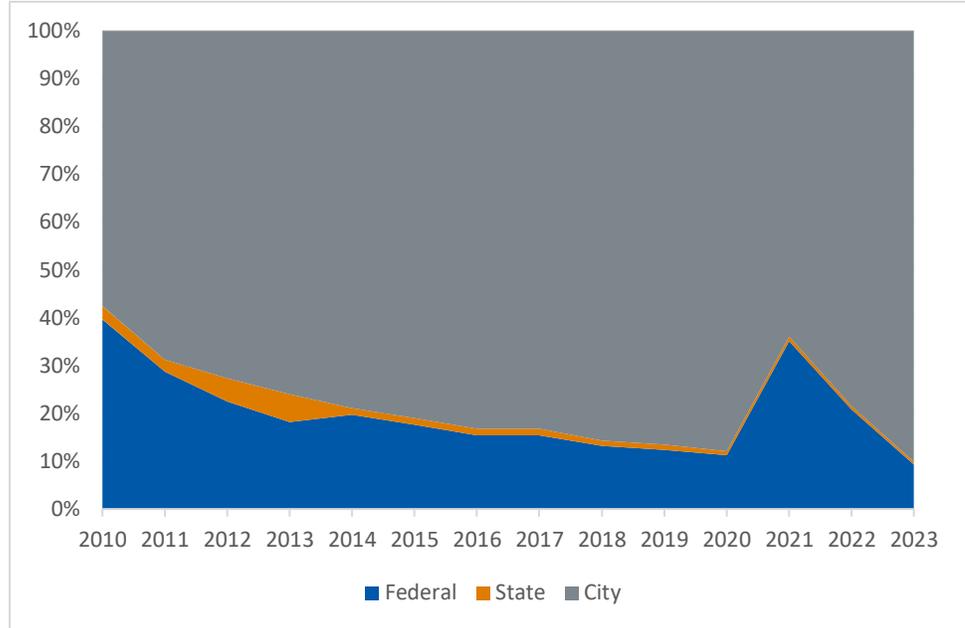


The Community Services Block Grants (CSBG) program provides funding for a range of services that support low-income households. Its funding dropped by 63.9 percent to \$30.4 million in fiscal year 2022. This is a decrease of more than \$53 million after 2021 saw record funding for the program following a supplemental appropriation made as

part of the CARES Act. WIOA (Workforce Innovation and Opportunity Act) Youth activities saw its funding decrease by 9.5 percent to \$20.8 million.

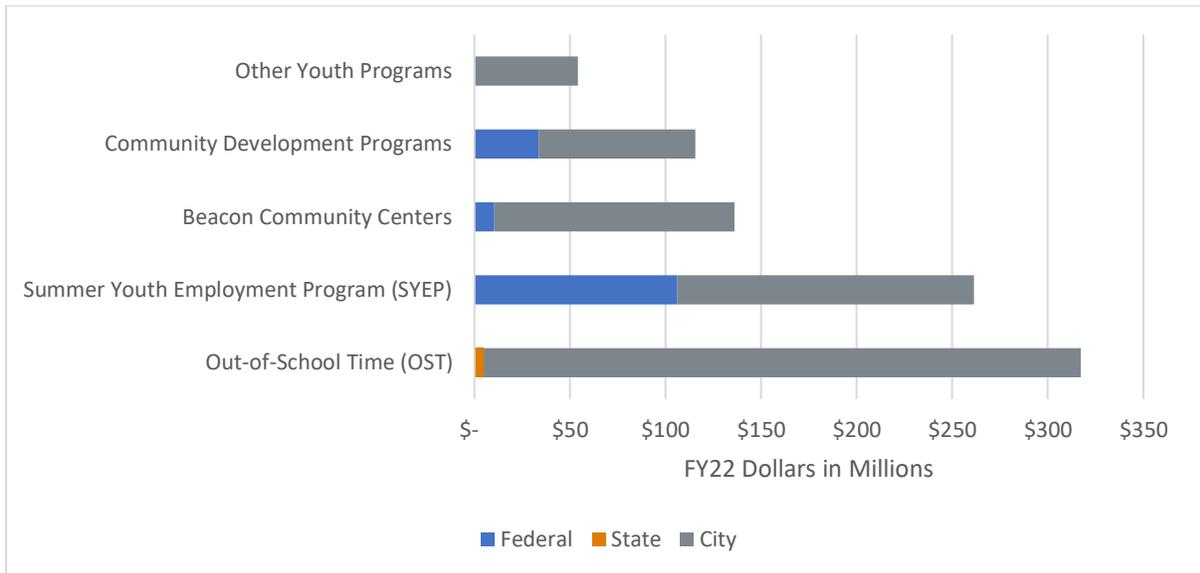
DYCD Figure 3. Funding by Source

DYCD continued to get the vast majority of its funding from the city in fiscal year 2022 (90 percent). Its share of funding from federal sources decreased to 9 percent from highs of 35 percent in fiscal year 2021.



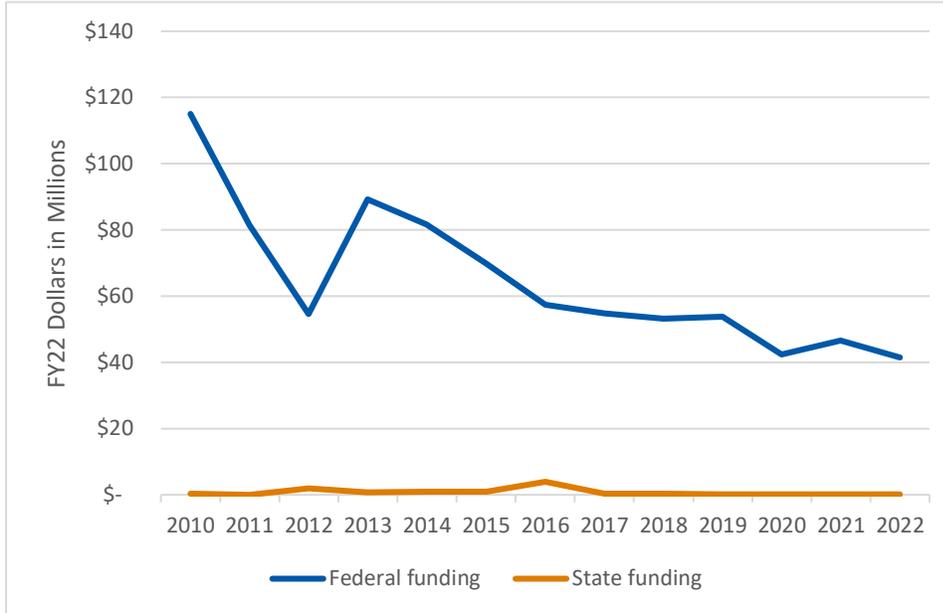
While last year more than half (61.1 percent) of DYCD’s fiscal year 2021 federal funding flowed to its Out-of-School Time program area, this year it received no federal funding. This reflects the end of federal government Covid-19 appropriations. In fiscal year 2022, the Summer Youth Employment Program received the most federal funding. DYCD received negligible funding from state grants.

DYCD Figure 4. Top 5 Program Areas, Fiscal Year 2022



Small Business Services

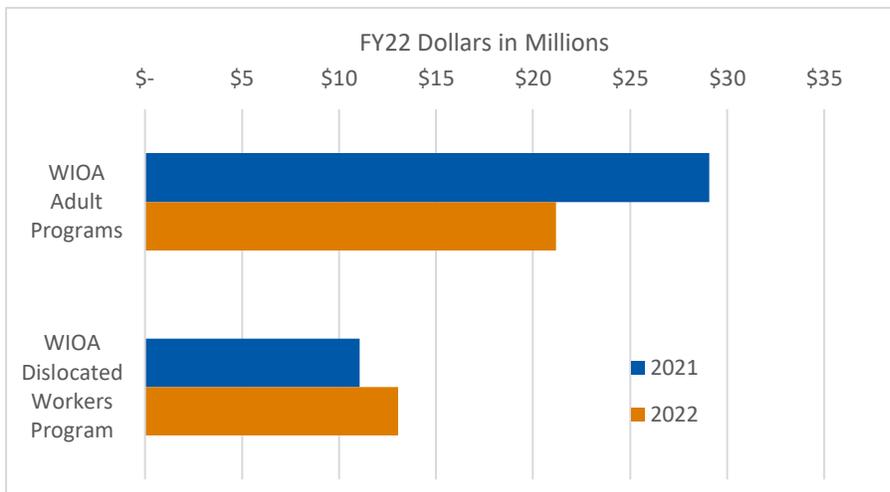
SBS Figure 1. Federal Funding, Fiscal Years 2010 to 2022



Small Business Services (SBS) receives a negligible amount of state funding each year. Federal funding fell 11 percent to \$41.5 million in fiscal year 2022. This brought federal funding for the agency to decade-long lows and was less than half the \$107.3 million the agency received in fiscal year 2010, after

adjusting for inflation.

SBS Figure 2. Top Federal Grants, Fiscal Years 2021 and 2022

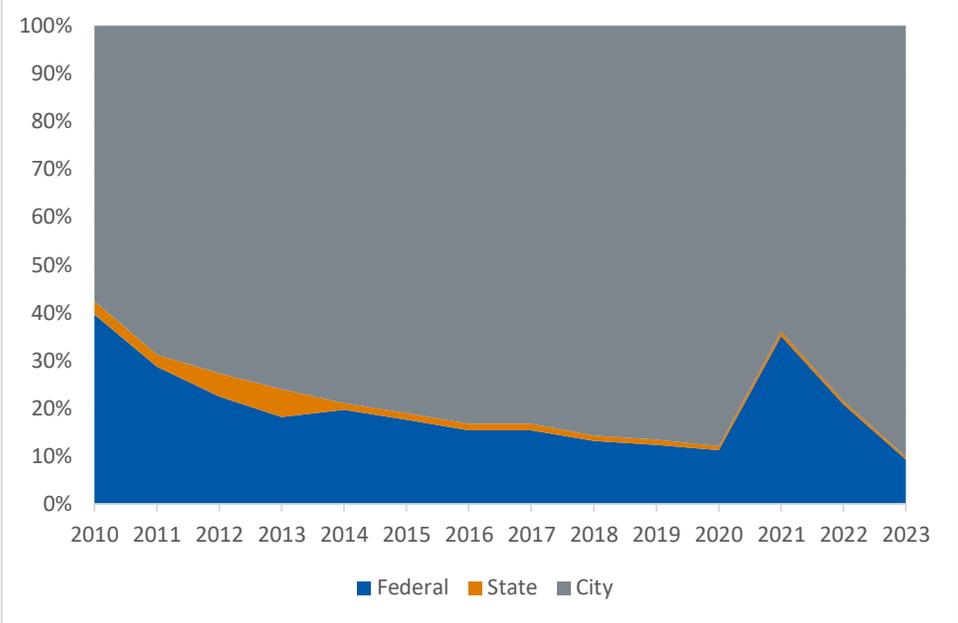


SBS's federal funding decrease was driven by a reduction in funding for its largest federal grant-receiving program area: Workforce Innovation and Opportunity Act (WIOA) Adult Programs, which provide career services and job training services. Funding for this program fell 27.2 percent to \$21.2 million. The reduction is

the result of the federal grant's unemployment-based allocation formula and New York's improvement in the unemployment rate as the economy recovered from the pandemic. This was partially offset by an increase in funding for the WIOA Dislocated Workers program, which rose 18.1 percent to \$13.05 million.

SBS Figure 3. Funding by Source

The federal government’s share of funding has decreased in recent years from the record highs set during the Covid-19 pandemic. This has been offset by increases in city funding.



Fiscal year 2022 saw a significant increase in federal funding for Business Development, which saw federal funds account for 92.8 percent of this program’s funding. Like fiscal year 2021, the New York City Economic Development Corporation was the largest recipient of federal funds for SBS. The Economic Development Corporation operates as an independent agency under contract with SBS. Most of the agency’s remaining federal funding supports tourism and its Workforce Development program area, which administered its WIOA grants.

SBS Figure 4. Federal Funding by Program Area, Fiscal Year 2022

