

# Connecticut's Efforts at Maximizing Federal Revenues

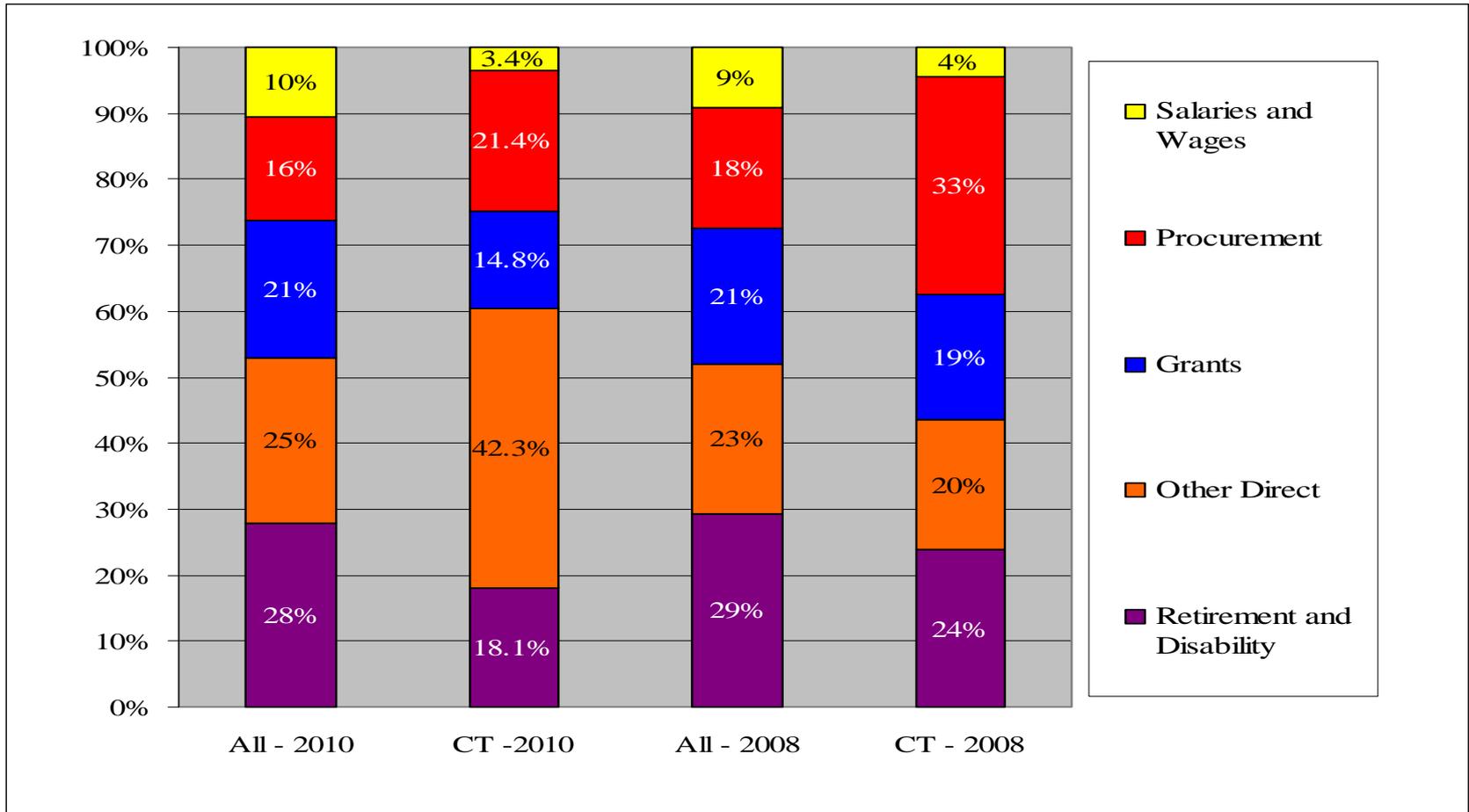
Overview  
June 2012

# Federal Revenue to States

<b>Federal Fiscal Year 2010</b>	<b>All (\$)</b>	<b>CT (\$)</b>	<b>CT Percentage of Federal Revenues</b>
Retirement and Disability	914,844,364,284	10,148,333,174	1.11%
Other Direct	818,981,840,384	23,672,760,907	2.89%
Grants	684,464,911,908	8,308,373,272	1.21%
Procurement	520,982,616,559	11,981,207,959	2.30%
Salaries and Wages	342,932,897,310	1,902,731,935	0.55%
Total	3,282,206,630,445	56,013,407,247	1.71%

Unless otherwise noted, all data and figures are based on the *Consolidated Federal Funds Report for Fiscal Year 2010*, the same report in other years, the related *Federal Aid to States* or the *Catalogue of Federal Domestic Assistance*.

# Distribution of Federal Revenue



The “all” columns represent all federal funds distributed to states. The “CT” columns show the category distribution of federal funds sent to Connecticut.

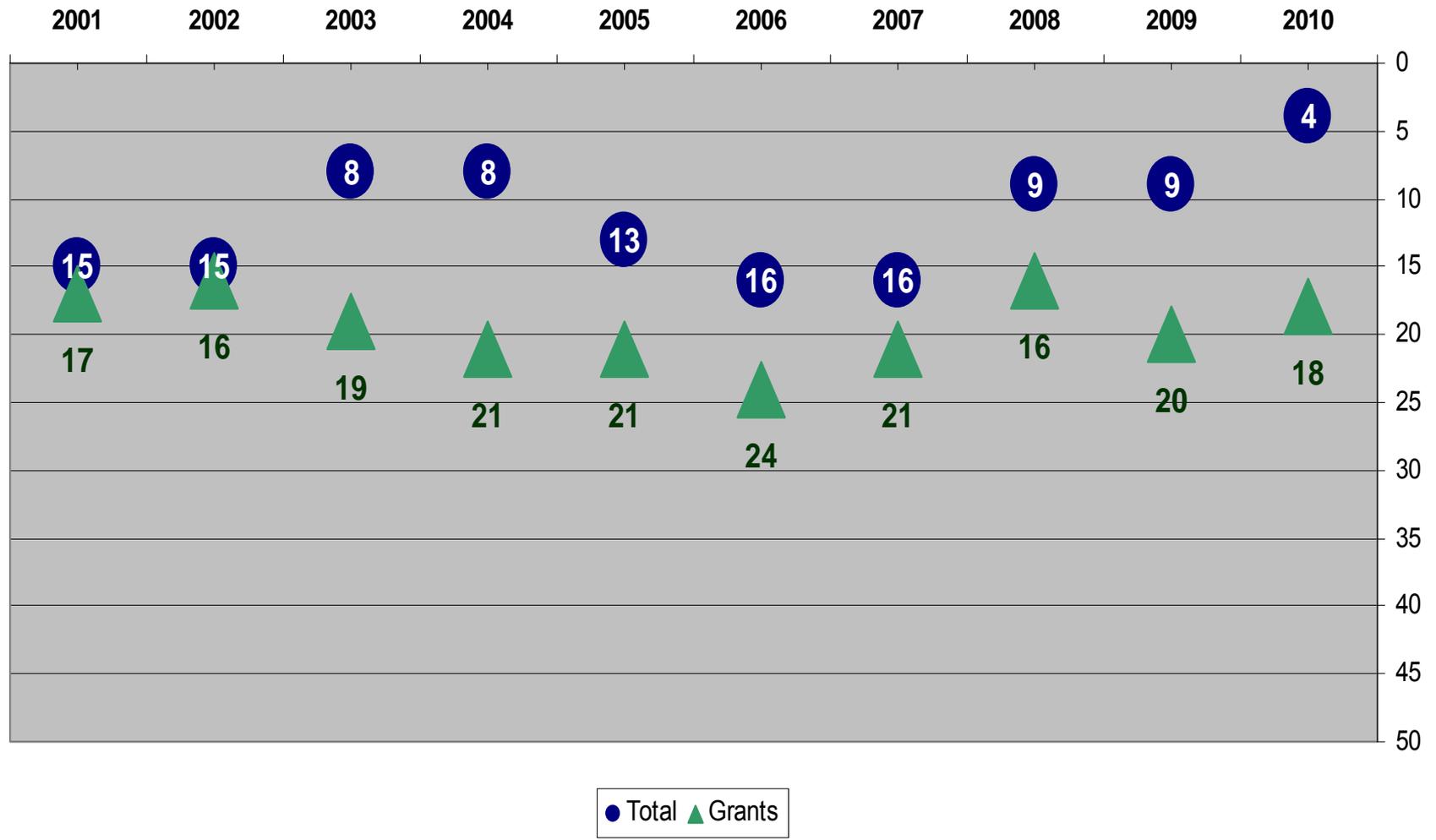
# Connecticut Population

- Ranked 29<sup>th</sup> most populated state in both 2010 and 2000
- 1.16% of the U.S. population in 2010
  - Down slightly from 1.21% in 2000
- Percentage of population can serve as benchmark for “CT’s share” of federal funds

# CT Share of All Federal Revenues

- In FFY 2010, over \$56 billion was sent to Connecticut from the federal government
  - 1.71% of all federal revenues sent to states
    - 1.21% of all federal grant revenues
  - Includes funds to:
    - State and local government
    - Organizations (e.g., businesses, non-profits, contractors)
    - Individuals

### Federal Funds Per Capita Rank



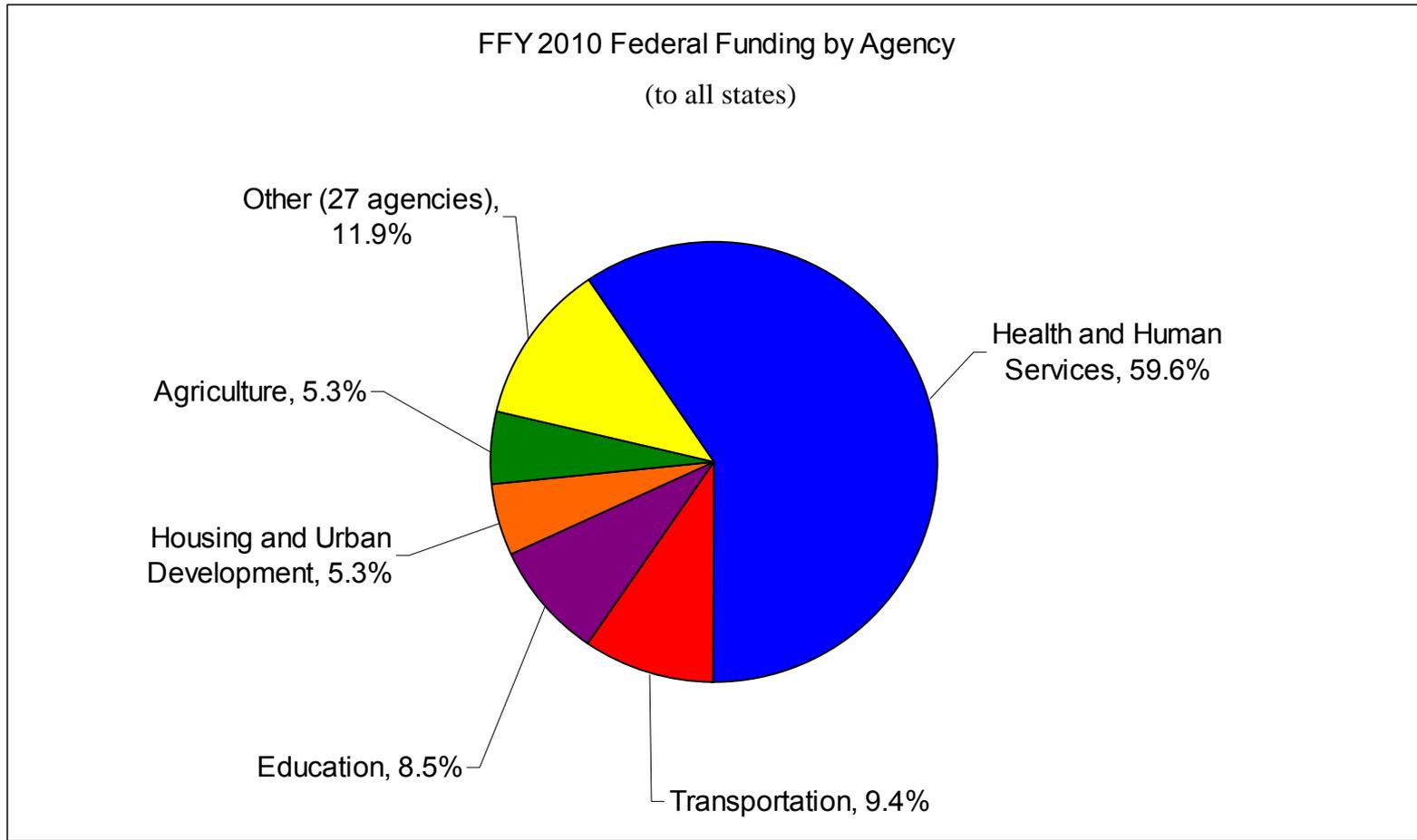
# Federal Revenues

Grants

# Federal Programs

- Catalogue of Federal Domestic Assistance
  - Lists 2,241 federal assistance programs
    - Includes all federal revenues (e.g., Medicare, procurement)
    - Many unfunded programs are listed
- Consolidated Federal Funds Report (FFY10)
  - 1,192 Funded Grants
- Most grant funds come from 5 federal agencies

# Percentage of all grant funds by federal agency



# Grant Funding: Types of Recipients

**Grant Funding** to a state can be to:

## **State and Local Governments**

- Grants or payments to state and local government agencies
- Payments for specific in-kind products that are distributed by local and/or state governments – e.g., school lunch or breakfast programs

## **Other Entities**

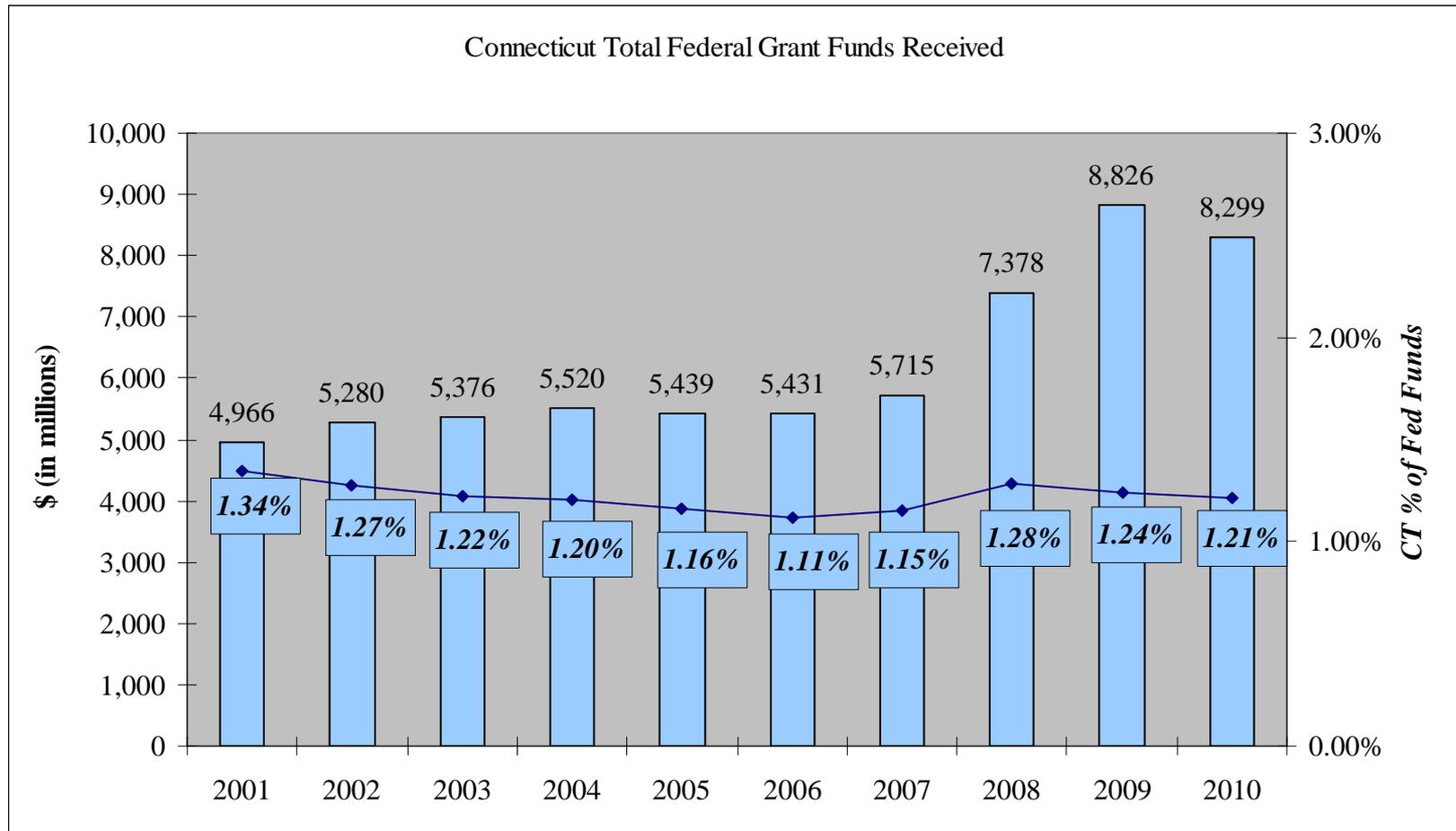
- Grants or payments to **regional commissions and organizations**
- Grants or payments to **nonprofits, higher education institutions, and hospitals both public and private**

## **Individuals**

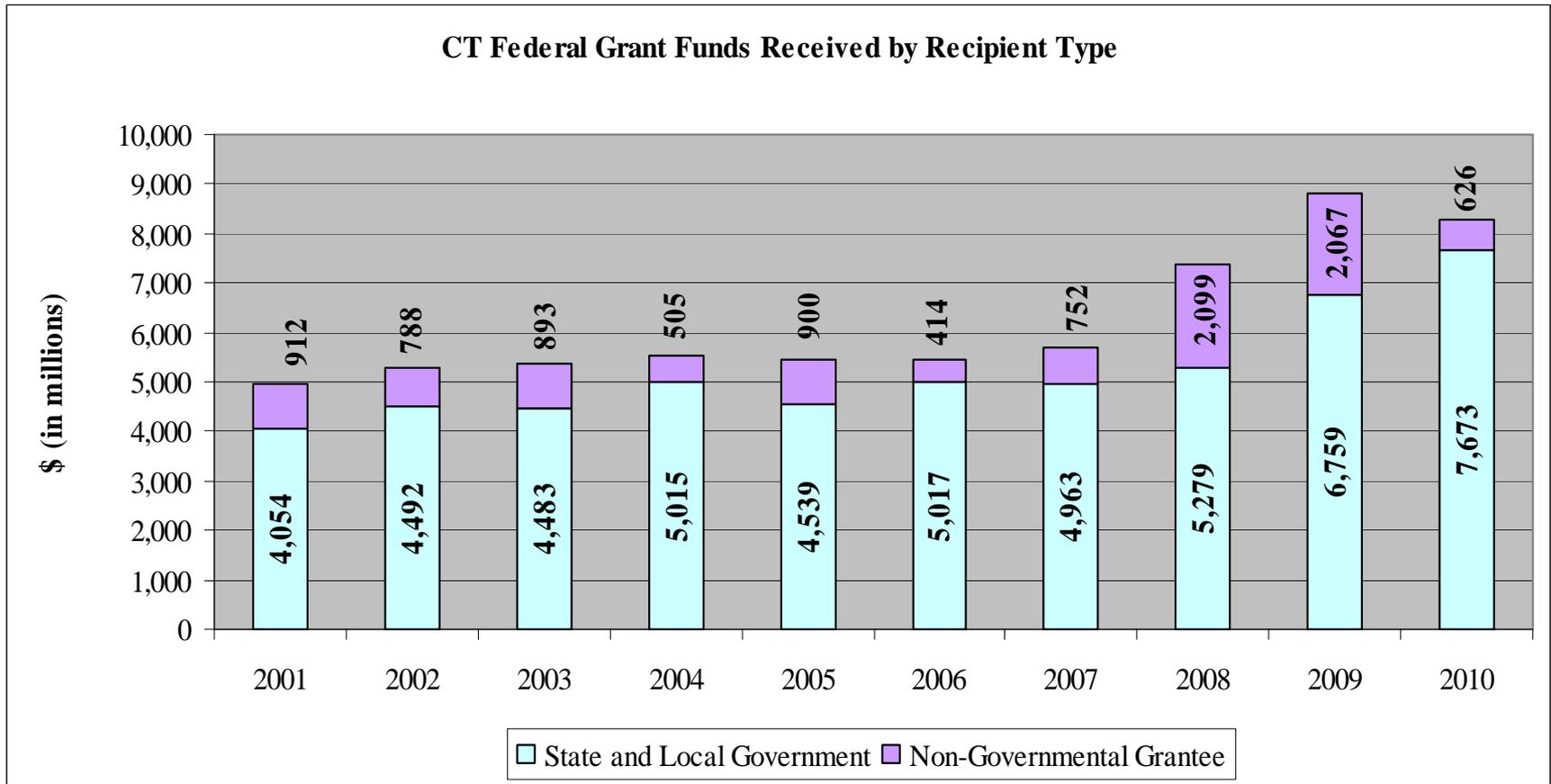
# Federal Grants to CT

- \$8.3 billion sent to CT
  - 551 federal grants (of 1,192 funded)
  - 1.21% of all federal grant funds
    - Slightly over 1.16% population benchmark
- CT grant revenues distribution
  - \$7.7 billion to state and local government
  - \$0.6 billion to individuals and organizations

# CT Share of All Federal Grants



# Most Grant Funding in CT Goes to State and Local Governments



# Grant Types

# Grant Types

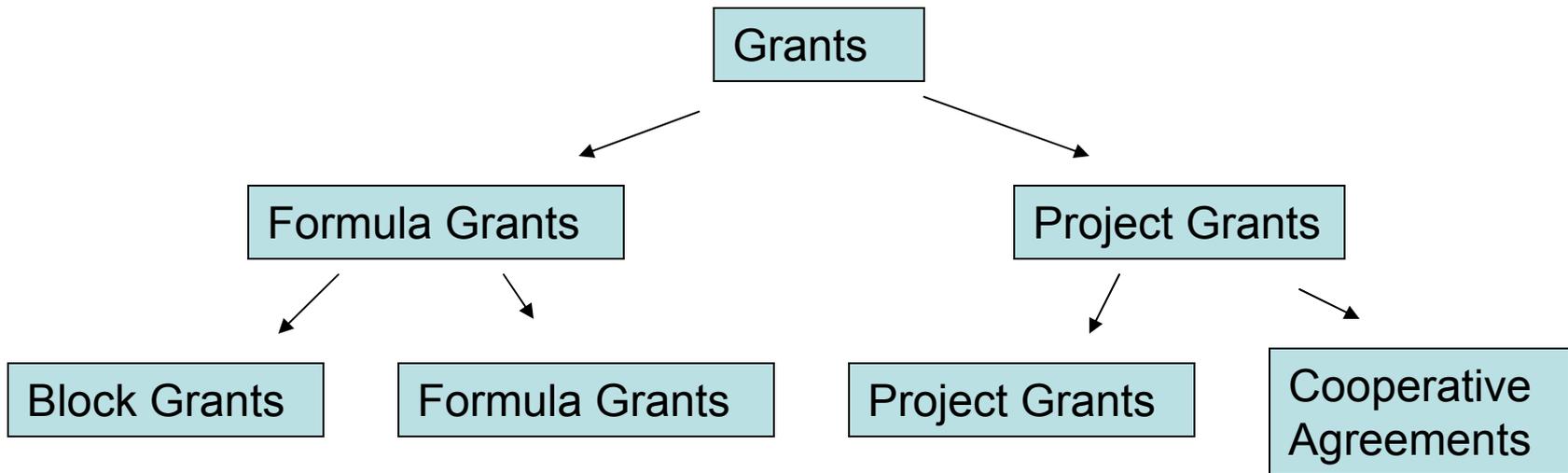
## Formula Grants:

- Allocations are based on distribution formulas prescribed by federal law or regulation
- Fewer In Number
- Larger amounts
- Activities of a continuing nature not confined to a specific project
- States have some influence on grants amounts by choosing options, covered services, or waiver submissions, etc.
- Often state requirements
- Formula grants include **entitlement programs** like Medicaid or **block grants** like Temporary Assistance for Needy Families; Community Development Block Grants

## Project Grants:

- Also known as **competitive** grants or
- **cooperative agreements** (depending on the degree of federal participation)
- More numerous, but smaller \$ amounts
- Funding, for fixed or known periods, of specific projects
- Requires application
- Project grants can include research grants, training grants, traineeships, experimental and demonstration grants, evaluation grants, planning grants, technical assistance grants, survey grants, and construction grants
- Increasing shift in federal funding from formula to competitive grants
- Program examples: “Race To The Top” education grants; Forensic Casework DNA backlog grants

# Federal Grants Types



# State Requirements

- May considerably impact what a state receives
- Can apply to either type of grant
- **Maintenance of Effort** — States cannot spend any less of its own funding on the program than it did for some prior period – year, grant period, etc.
- Also known as **supplanting prohibition**, where federal funds cannot substitute for prior state funding
- **Matching funds** – Requiring that the state (or other recipient) contribute some portion of the grant amount received
  - Federal reimbursement rates may differ by state
    - for example, CT is one of 14 states that has a the lowest Medicaid matching rate of 50%, while 5 states have a reimbursement rate at 70% or above
- **Time-limited** – States must then decide to pick up the costs or let the program end

# Connecticut Funding by Grant Types

- Formula grants

- Received funds for most formula grants
  - 158 of 193
  - 82% participation
- \$6 billion to CT
  - 1.19% of federal funds

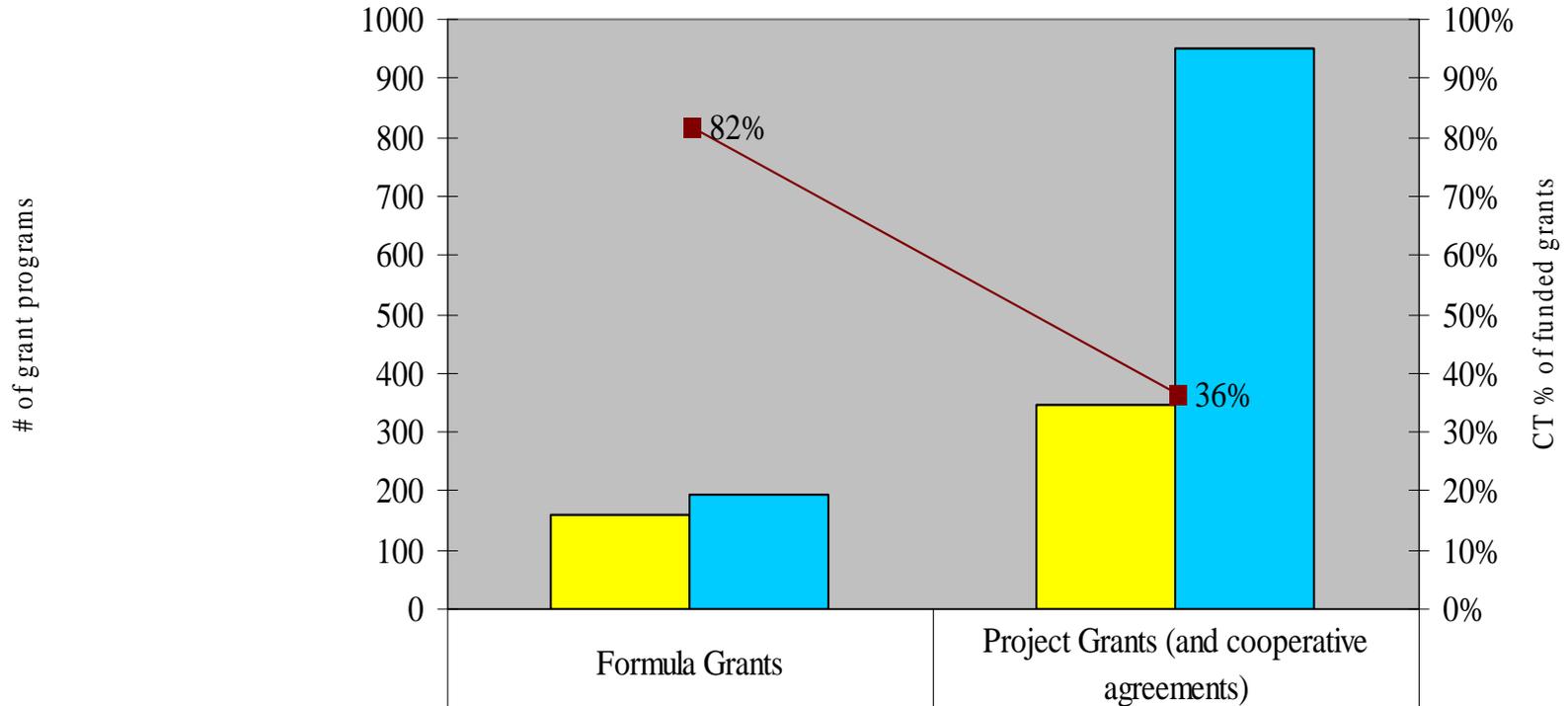
- Project grants

- Received funds for over a third of project grants
  - 345 of 949
  - 36% participation
- \$1.9 billion to CT
  - 1.37% of federal funds

# Formula and Project Grants

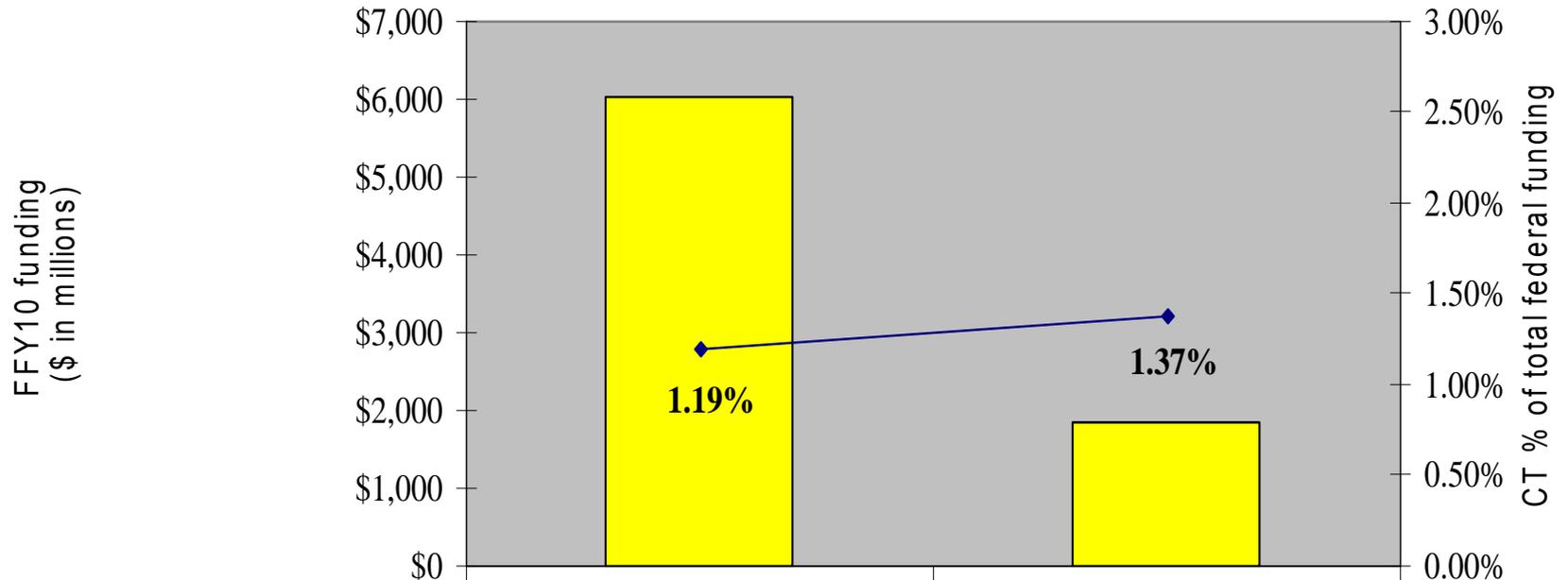
- Formula grants
  - 73.9% of total federal grant funding
  - 72.5% of CT federal grant funding
- Project grants
  - 68.5% of the number all grants offered
  - 62.5% of the number of funded CT grants
- Formula grants are fewer in number but carry greater funding than project grants

## CT Participation by Grant Type (number of programs)



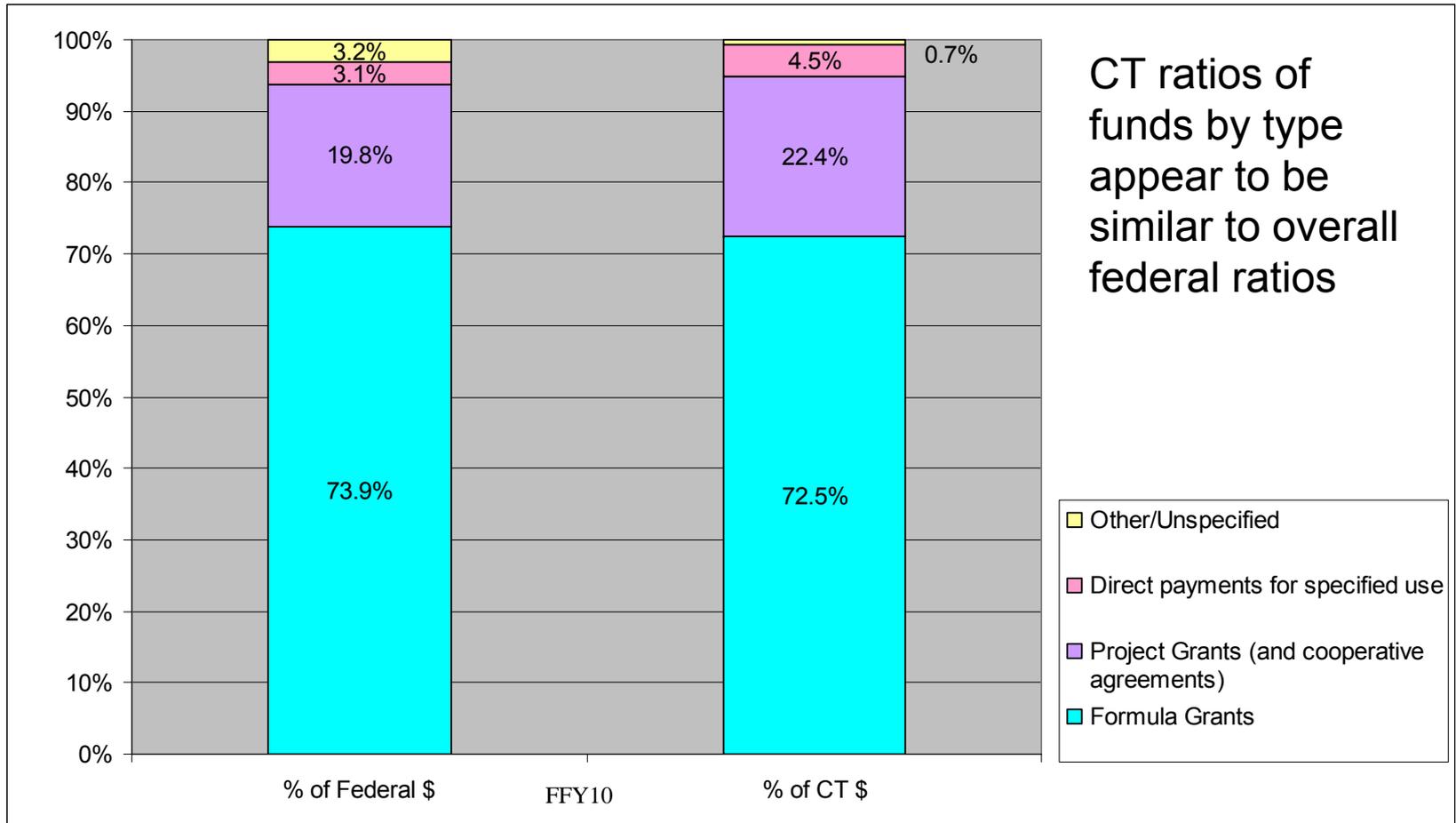
<span style="display: inline-block; width: 15px; height: 15px; background-color: yellow; border: 1px solid black;"></span> # of funded grants in CT	158	345
<span style="display: inline-block; width: 15px; height: 15px; background-color: cyan; border: 1px solid black;"></span> # of funded grants U.S.	193	949
<span style="display: inline-block; width: 15px; height: 15px; background-color: red; border: 1px solid black;"></span> % of US grants sent to CT	82%	36%

### CT Funding by Grant Type

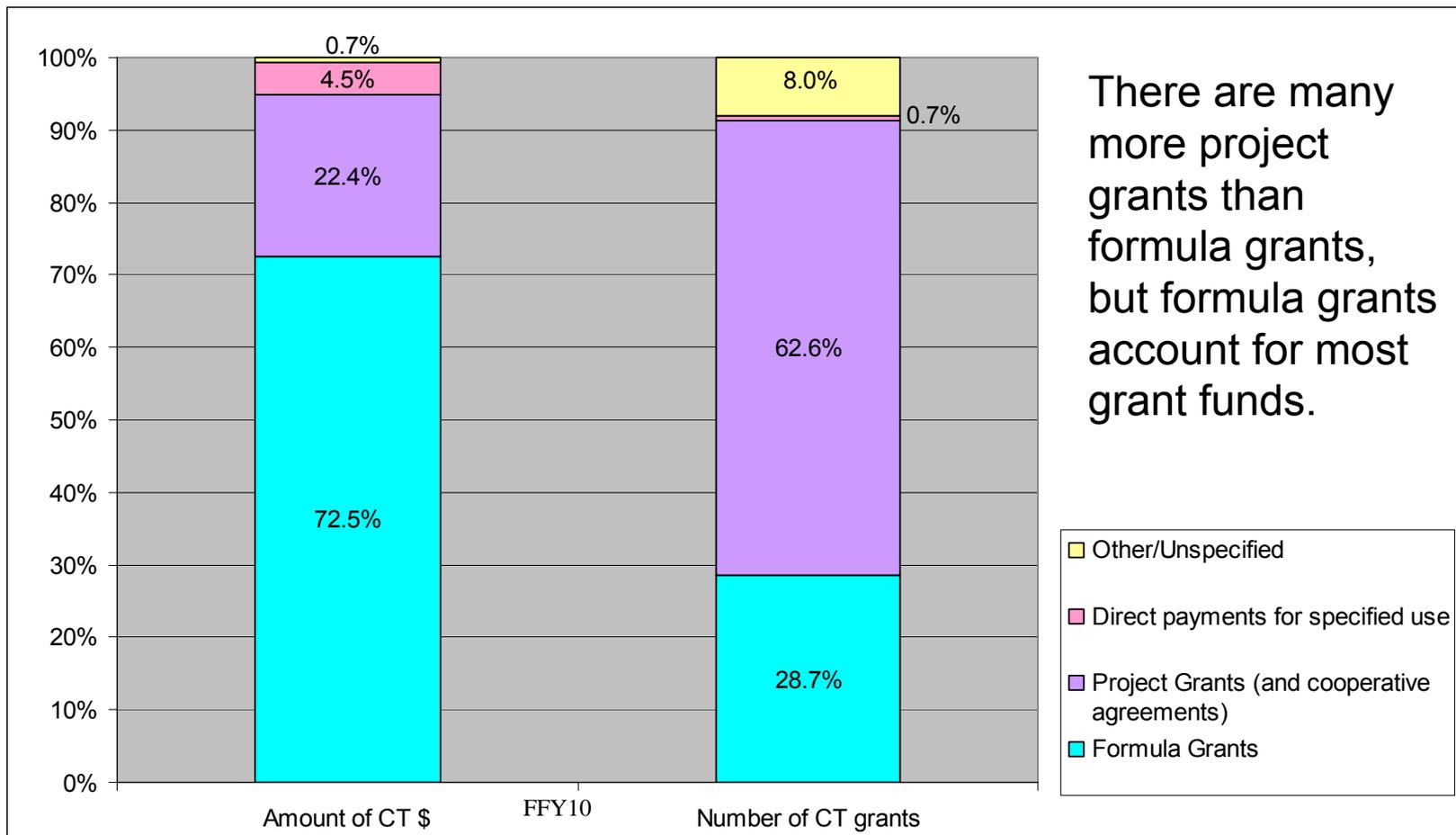


	Formula Grants	Project Grants (and cooperative agreements)
Federal Grant \$ to CT (in millions)	\$6,020	\$1,859
CT % of Fed Funds	1.19%	1.37%

# Percentage of Funds by Grant Type



# Amount Per Grant Varies by Grant Type



# Individual Programs

# Ten Grants Account for 66% of \$

Grant Program Title	Total Funding (\$ in millions)	% of CT Grant \$	% of Total Federal \$
Medical Assistance Program (Medicaid)	\$3,557	42.82%	1.25%
Highway Planning And Construction	\$656	7.89%	1.40%
Section 8 Housing Choice Vouchers	\$364	4.38%	2.01%
Temporary Assistance For Needy Families	\$267	3.21%	1.59%
Special Education-Grants To States	\$132	1.59%	1.15%
Education Jobs Fund	\$110	1.33%	1.23%
Low Income Home Energy Assistance	\$108	1.30%	2.13%
Allergy, Immunology And Transplantation Research	\$102	1.23%	1.86%
National School Lunch Program	\$95	1.15%	0.62%
Broadband Technology Opportunities Program (Btop)	\$94	1.13%	2.42%
Other	\$2,823	33.97%	1.23%
<b>Total</b>	<b>\$8,308</b>	<b>100.00%</b>	<b>1.21%</b>

# Expected Grant Levels

- 1,192 Funded Federal Grants
- CT received 551 grants
  - 298 over the 1.16% “expected share” based on % of population
  - 253 under the “expected share”
- No funding for CT for 641 grants
  - Includes 10 grants of more than \$1 billion total federal funds
  - 3 categories:
    - Ineligible
    - Did not apply
    - Unsuccessful application

# Other State Comparisons

# Comparison of State Grants on Per Capita Income Basis

State	2010 per capita income	Rank	Difference from CT	2010 per capita grant amt	Rank	\$ Diff. from CT	2010 per capita grant amt	Rank	\$ Diff. from CT
				<b>All Grants</b>			<b>Grants to Government Only</b>		
Connecticut	\$54,239	1	--	\$2,322	18		\$2,147	18	--
Massachusetts	\$51,304	2	-\$2,935	\$3,413	4	+\$1,091	\$2,309	15	+\$162
New Jersey	\$51,139	3	-\$3,100	\$1,758	43	-\$564	\$1,855	32	-\$292
Maryland	\$49,023	4	-\$5,216	\$2,501	15	+\$179	\$1,876	31	-\$271
New York	\$48,596	5	-\$5,643	\$3,256	8	+\$934	\$3,165	7	\$1,019
Wyoming	\$44,961	6	-\$9,278	\$3,999	2	+\$1,677	\$4,180	2	+\$2,033
Virginia	\$44,276	7	-\$9,963	\$1,528	48	-\$794	\$1,331	50	-\$816
National	\$39,937	--	-\$14,302	\$2,187	-	-\$135	\$2,041		-\$106

# Comparison of States on Median Household (HH) Income Basis (All Grants Rec'd in State)

State	2010 Median HH income	Rank	Difference from CT	2010 per HH grant amt	Rank	Difference from CT
New Hampshire	\$66,707	1	+\$255	\$4,453	46	-\$1,600
Connecticut	\$66,452	2	--	\$6,053	18	--
Maryland	\$64,025	3	-\$2,427	\$6,698	14	+\$645
New Jersey	\$63,540	4	-\$2,912	\$4,809	41	-\$1,244
Massachusetts	\$61,333	5	-\$5,643	\$8,775	4	+\$2,772
Colorado	\$60,442	6	-\$6,010	\$4,458	45	-\$1,595
Virginia	\$60,363	7	-\$6,089	\$1,528	48	-\$4,001
New York	\$49,826	25	-\$16,881	\$8,624	6	+\$2,571
Nationwide	\$49,445	--	-\$17,007	\$5,854	--	-\$199



# Next Steps

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- Analyze Connecticut's current structure for identifying, seeking, and maximizing federal grant funds
  - Identify model agencies
- Identify model states and their structures and resources
- Continue to inventory grants, assess Connecticut's participation, and identify opportunities that exist for improvement

# Other Types of Funding

## Direct Assistance

- Staff reviewing programs to identify those where state government might have some impact on what individuals or programs might get
- Not grants to states but direct assistance to individuals – 22 different programs in CT
- Assistance to others – not individuals – 44 different programs in CT
- For example, have identified Supplemental Nutrition Assistance Program (**SNAP**) as one that states have an impact -- √
- Various Veterans and housing programs – under review -- ?
- Determined that Medicare – hospital coverage, prescription drugs, and supplemental -- is not -- X