NYC Office of
Human Capital
Development

Following the Money:
An Analysis of FY2013-FY2014 Funding for NYC Workforce Development and Adult Education

UPDATED March 31, 2014

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Introduction

What Does This Funding Analysis Cover?

Close to **$500 million** was invested in fiscal year 2013 across New York City government to support adult education and workforce development programs. Even more will be invested in fiscal year 2014. This array of funding and services help people develop skills, credentials, and the ability to get good jobs with the employers that need them. It is the lifeblood of a growing economy.

OHCD conducted a **comprehensive inventory of this funding**, including data from 15 agencies, 2 libraries and CUNY. This document presents OHCD's summary analysis of the amounts and types of funding invested in fiscal years 2013 and 2014 of the publicly-supported adult education and workforce developments programs available in New York City as offered and managed by City agencies and its partners. Specific attention is paid to:
* the source of the funding,
* the agency that receives the funding, and
* the type of programs and services that agencies offer with the funding.

This information is designed to provide policymakers and the general public with a **common baseline** understanding of the kinds of resources that power our City in preparing New Yorkers to secure quality employment and providing businesses with the talent they need to succeed. Armed with this information, we can help ensure that all funding is put to best use and fully leveraged to deliver the results New Yorkers expect and deserve.

What Questions Are Answered in This Funding Analysis?

1. **Sources of Funding – Where the money comes from**
   - For publicly-supported workforce development and adult education programs, what percentage of the total funding comes from federal, state, city, and private sources?
   - How much funding from each source went to each agency?

2. **Funding for Agencies – Who uses the money**
   - What is the share of total funding received and used by each agency?
   - How much funding flowed between agencies?
   - What is the expected difference in funding from FY2013 to FY2014?

3. **Funding for Programs – What the money is used for**
   - What is the share of funding that goes to different types of programs?
   - Which funding sources and agencies support each program type?

How Are Terms Defined in This Funding Analysis?

- "**System**" refers to New York City's public agencies that administer workforce development and adult education programs and services.

- "**FY**" refers to New York City's fiscal year, which starts on July 1 and ends on June 30.

  o For example, FY2013 is the fiscal year that began on July 1, 2012 and ended on June 30, 2013.

- "**Inter-Agency Fund Flows**" refer to the amount of funding transferred from one City agency to another. This amount is positive when an agency receives more funding from other agencies than it gives, and it is negative when agency gives more than it receives.

- The **Appendices** at the end of this report spell out the **names of agencies** and **funding sources** for readers not familiar with their shortened acronyms.

What Should Be Considered When Reviewing This Report?

- Agencies' FY2014 numbers reflect their adopted budgets as of November 19, 2013. These numbers are subject to change as agencies amend their budgets.

- In order to account for funds that flow between agencies, a distinction is made between funds that agencies touch "first" and funds that agencies touch "last."

  - For instance, if HRA transferred funds that they received from a federal source to DYCD for a program that DYCD manages, then HRA touched the funds "first" and DYCD touched the funds "last."

  - This distinction is made in order to ensure that funds are not counted twice and to distinguish those agencies that are closer to implementation.

- Except where specifically stated, the data in this report reflects the "last" agency to manage or use funding as it flows through system.

- Because CEO uses the funding it receives from the City to fund other agency programs, it is treated as a city funding source, labeled "City – CEO."

- Numbers that are reported in this analysis may be slightly off due to rounding errors.

What Is Not Included in This Funding Analysis?

- There is a vast range of adult education and workforce development services and activities available in New York City. This analysis does not include funding that flows directly from federal, state or private funding sources to service providers where there is no involvement from city agencies.

- Except for Slide 12, funding data does not include the National Emergency Grant (NEG) funding for Hurricane Sandy recovery.

- In addition to the funding that is included in this analysis, ACS also budgets $399,995,985 for child care that assists parents who are applying, receiving or transitioning off cash assistance in finding and maintaining work.
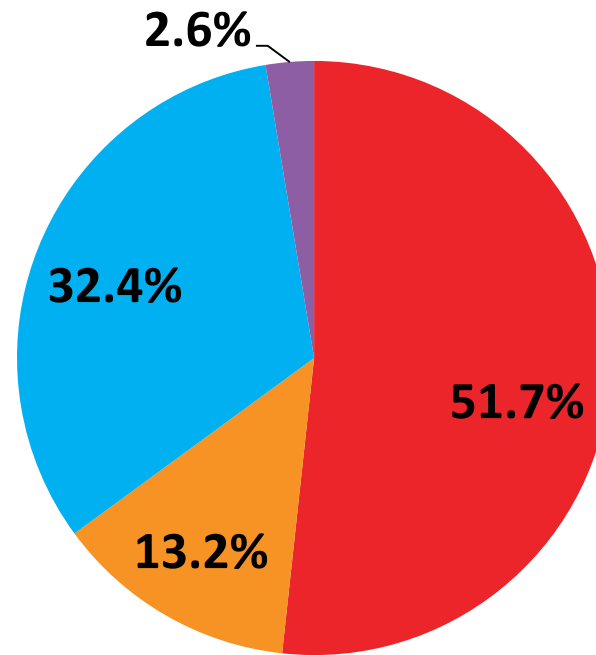
Sources of Funding

Where Is the System's Total Funding Coming from?

FY2013

3.6%

45.9%

34.9%

15.6%

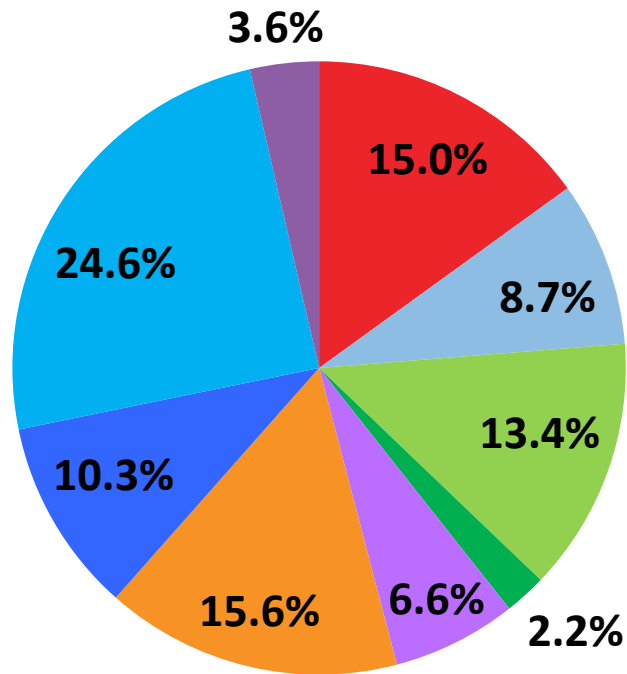$488,731,645

FY2014

2.6%

51.7%

32.4%

13.2%
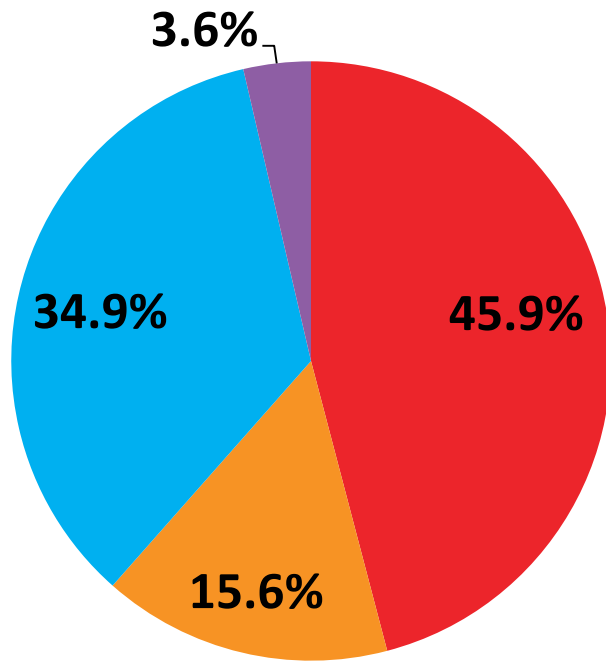
$518,369,145

- Federal
- State
- City
- Private

What Are the Breakdowns for Federal and City Sources?

In this slide, the federal and city sources are further dissected from the prior slide

FY2013
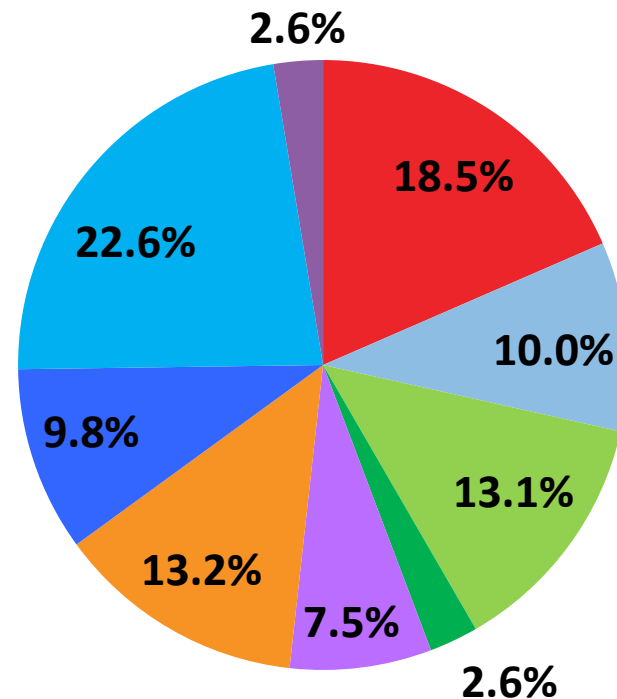
FY2014

Legend:
- TANF/ FFFS
- SNAP E&T
- WIA Title I
- WIA Title II
- Other Federal
- State
- City - CEO
- City - Other
- Private

FY2013: 3.6%, 15.0%, 8.7%, 13.4%, 2.2%, 6.6%, 15.6%, 10.3%, 24.6%

$488,731,645

FY2014: 2.6%, 18.5%, 10.0%, 13.1%, 2.6%, 7.5%, 13.2%, 9.8%, 22.6%

$518,369,145

How Much Have NEG Funds Increased Total Funding?

$505,847,312

$554,600,478

$540,000,000

$32,588,620

NEG will raise funding by 0.7%-7.0%

$3,642,713

$520,000,000

$500,000,000

$17,115,667

NEG raised funding by 3.5%

$518,369,145

$480,000,000

$460,000,000

$488,731,645

$440,000,000

$420,000,000

$400,000,000

2013

2014

■ NEG Approved Budget
■ NEG Authorized/Spent
■ Non-NEG Funds
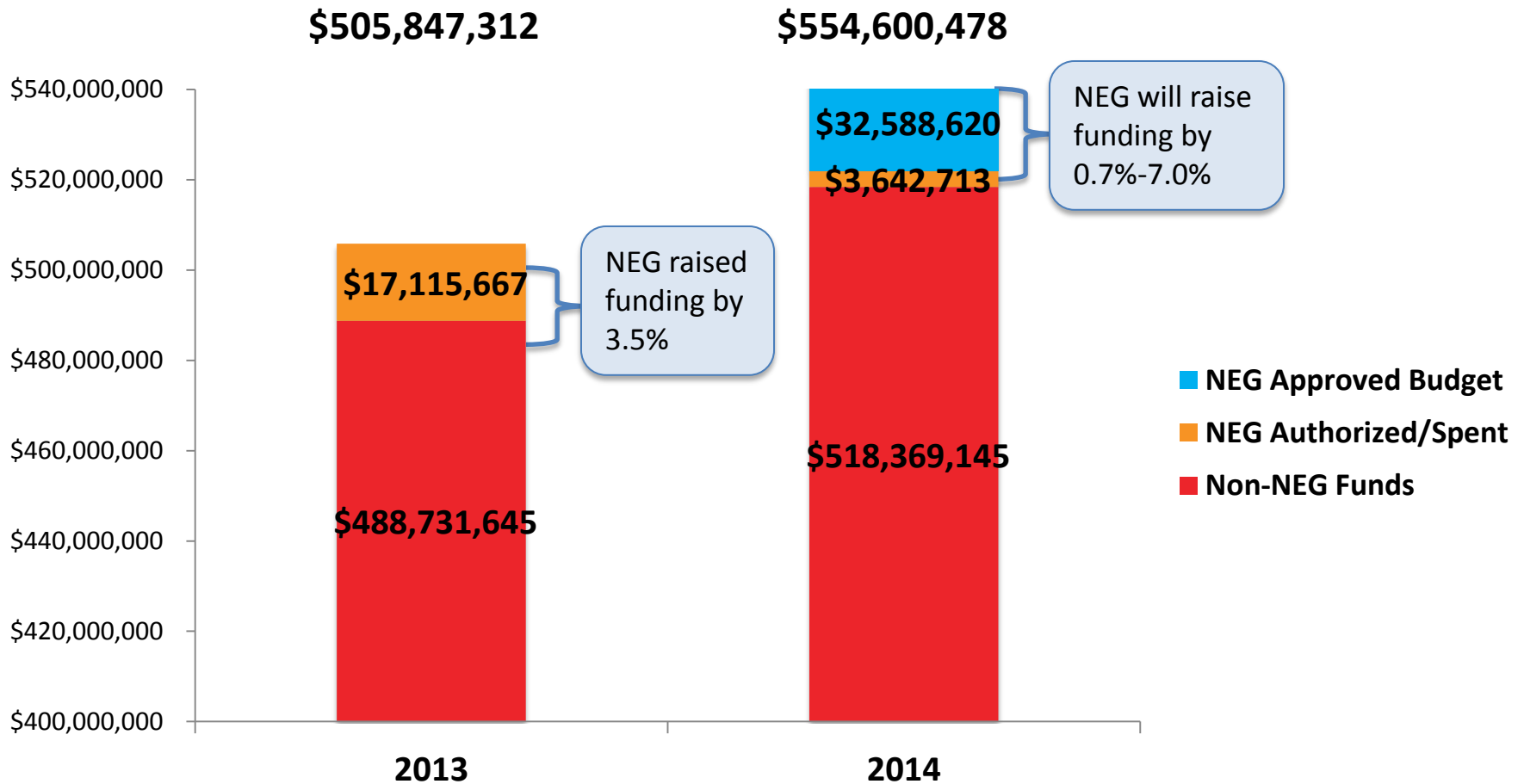
Who Received Funding from Each Funding Source?

$224,355,552 $268,092,030 $76,290,167 $68,539,648 $170,342,749 $168,183,041 $17,740,367 $13,554,425

Percentage of Funds from Each Source

Legend:
- HRA
- DYCD
- SBS
- CUNY
- DOE OACE
- DPR
- EDC
- CEO
- Other [1]

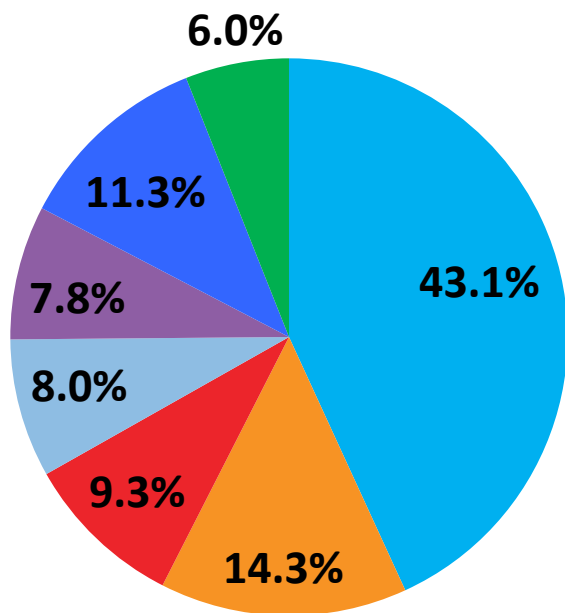| 2013 | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 |
| Federal | | State | | City | | Private | |
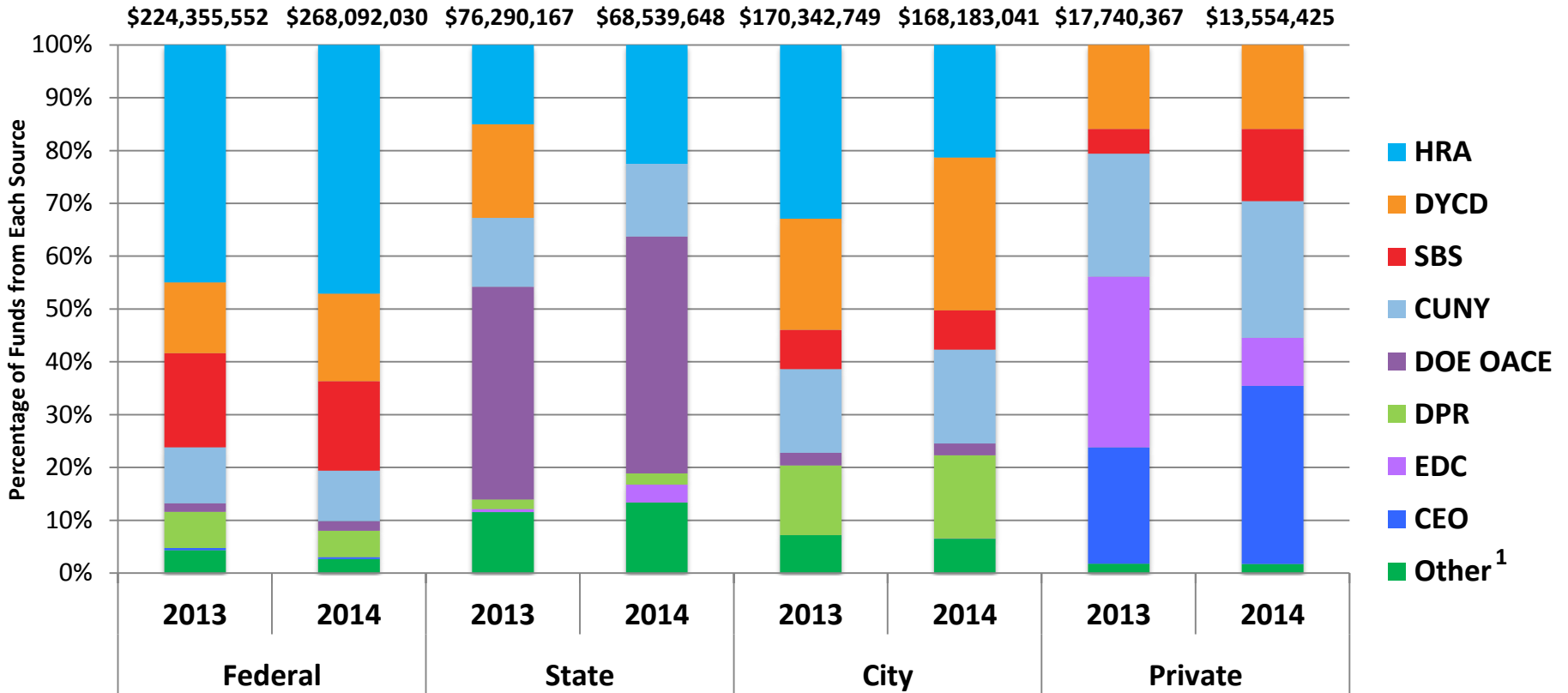
[1] "Other" includes DFTA, NYCHA, DOP, DSNY, HHC, DOC, DOHMH, and two Libraries (QPL & BPL)

Funding for Agencies

How Much of Total Funding Does Each Agency Touch First?

FY2013

6.0%
11.3%
7.8%
8.0%
9.3%
14.3%
43.1%

$488,731,645

FY2014

4.3%
10.9%
7.6%
8.1%
10.4%
15.8%
42.9%
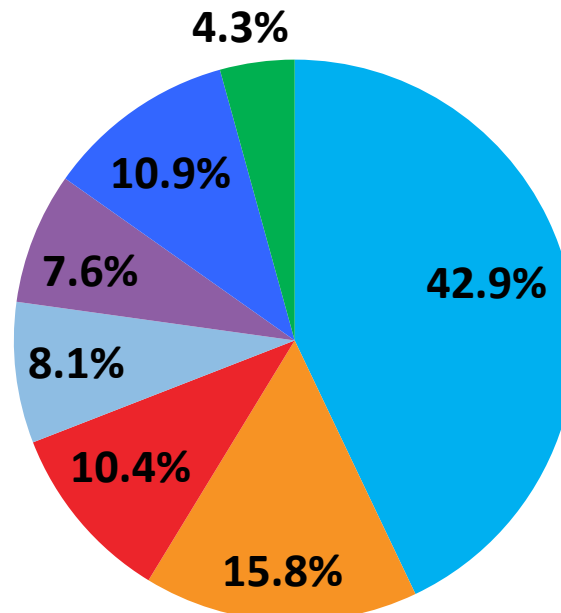
$518,369,145

- HRA
- DYCD
- SBS
- CUNY
- DOE-OACE
- CEO
- Other[2]

[2] "Other" includes DFTA, NYCHA, EDC, DOP, DPR, DSNY, HHC, DOC, DOHMH, and two Libraries (QPL & BPL)

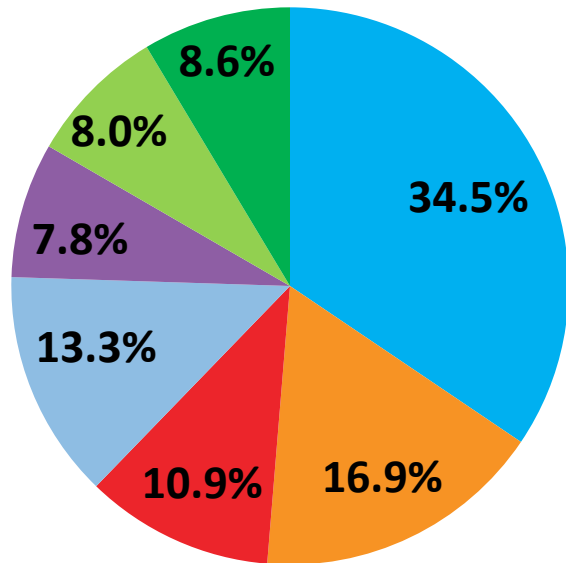# How Much of Total Funding Does Each Agency Touch Last?

FY2013

- HRA: 34.5%
- DYCD: 16.9%
- SBS: 10.9%
- CUNY: 13.3%
- DOE OACE: 7.8%
- DPR: 8.0%
- Other[3]: 8.6%

$488,731,645

FY2014

- HRA: 34.3%
- DYCD: 18.4%
- SBS: 11.5%
- CUNY: 13.2%
- DOE OACE: 7.6%
- DPR: 8.0%
- Other[3]: 7.1%

$518,369,145

Legend

- HRA
- DYCD
- SBS
- CUNY
- DOE OACE
- DPR
- Other[3]

[3] "Other" includes DFTA, NYCHA, EDC, CEO, DOP, DSNY, HHC, DOC, DOHMH, and two Libraries (QPL & BPL)
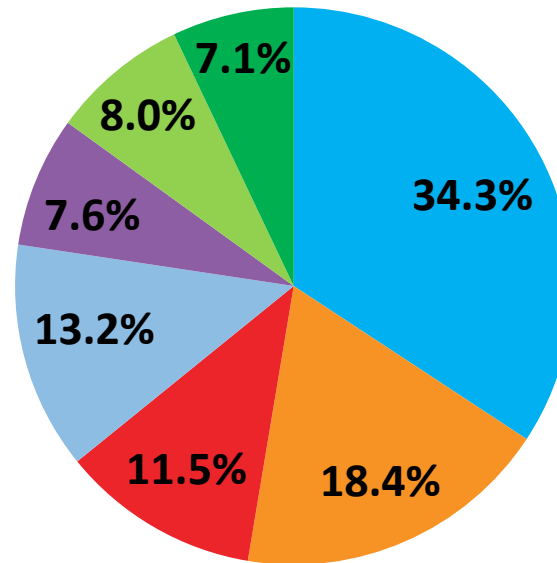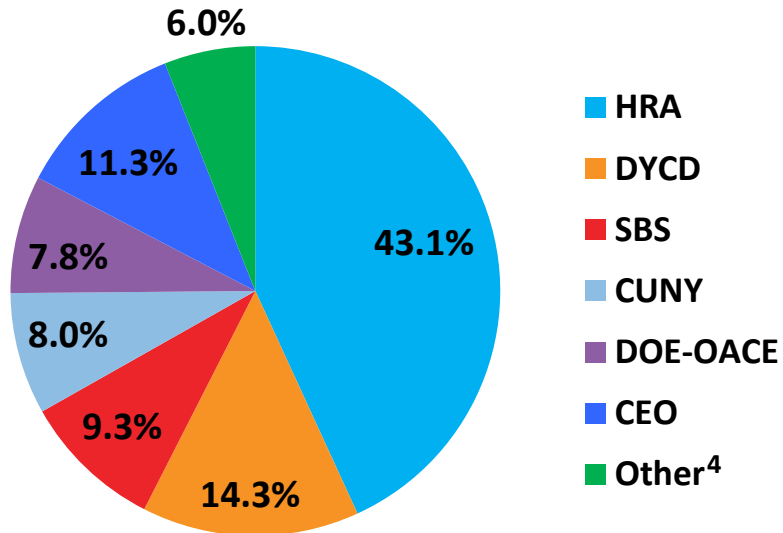
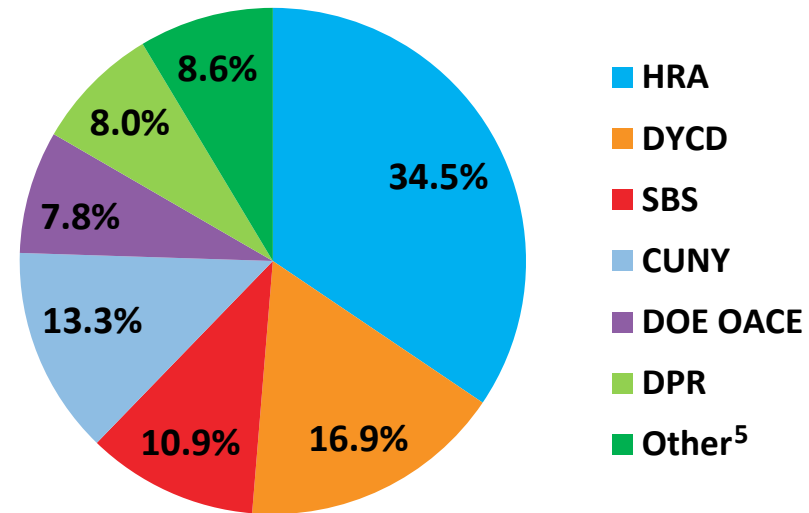# How Much Funding Flowed Between Agencies in FY2013?

	Funds Touched First	Net Inter-Agency Fund Flows	Funds Touched Last
HRA	$210,880,992.87	$(42,503,941.72)	$168,377,051.15
DYCD	$70,119,026.00	$12,258,059.00	$82,377,085.00
SBS	$45,544,333.38	$7,889,616.94	$53,433,950.32
CUNY	$39,332,072.04	$25,511,915.72	$64,843,987.76
DOE-OACE	$38,044,323.00	$300,000.00	$38,344,323.00
DFTA	$5,432,039.00	$-	$5,432,039.00
NYCHA	$5,153,362.00	$-	$5,153,362.00
EDC	$6,059,304.00	$112,665.28	$6,171,969.28
CEO	$55,391,828.99	$(50,500,289.22)	$4,891,539.77
Libraries	$8,016,518.00	$1,010,967.00	$9,027,485.00
DOHMH	$4,757,846.00	$-	$4,757,846.00
DOP	$-	$4,178,387.00	$4,178,387.00
DPR	$-	$39,332,842.00	$39,332,842.00
DSNY	$-	$1,186,278.00	$1,186,278.00
HHC	$-	$1,200,000.00	$1,200,000.00
DOC	$-	$23,500.00	$23,500.00

How Do Inter-Agency Funds Change Distribution in FY2013?

Before Flow-Throughs

- HRA 43.1%
- DYCD 14.3%
- SBS 9.3%
- CUNY 8.0%
- DOE-OACE 7.8%
- CEO 11.3%
- Other[4] 6.0%

Legend:
- HRA
- DYCD
- SBS
- CUNY
- DOE-OACE
- CEO
- Other[4]

After Flow-Throughs

- HRA 34.5%
- DYCD 16.9%
- SBS 10.9%
- CUNY 13.3%
- DOE OACE 7.8%
- DPR 8.0%
- Other[5] 8.6%

Legend:
- HRA
- DYCD
- SBS
- CUNY
- DOE OACE
- DPR
- Other[5]

$488,731,645

[4] "Other" includes DFTA, NYCHA, EDC, DOP, DPR, DSNY, HHC, DOC, DOHMH, and two Libraries (QPL & BPL)

[5] "Other" includes DFTA, NYCHA, CEO, EDC, DOP, DSNY, HHC, DOC, DOHMH, and two Libraries (QPL & BPL)

How Do Inter-Agency Funds Change Distribution in FY2014?

Before Flow-Throughs

■	HRA
■	DYCD
■	SBS
■	CUNY
■	DOE-OACE
■	CEO
■	Other[6]

After Flow-Throughs

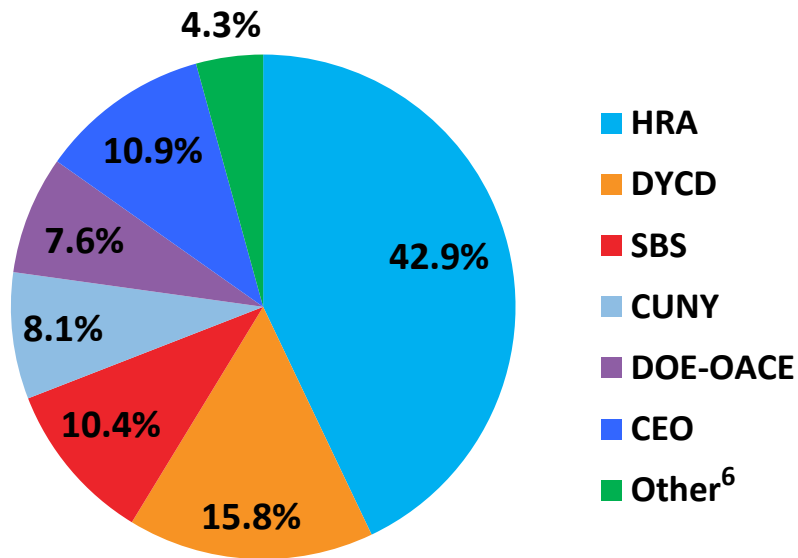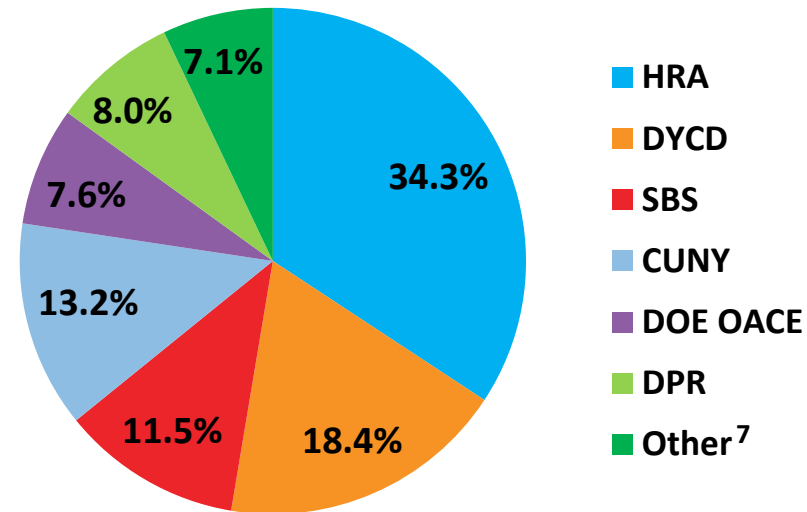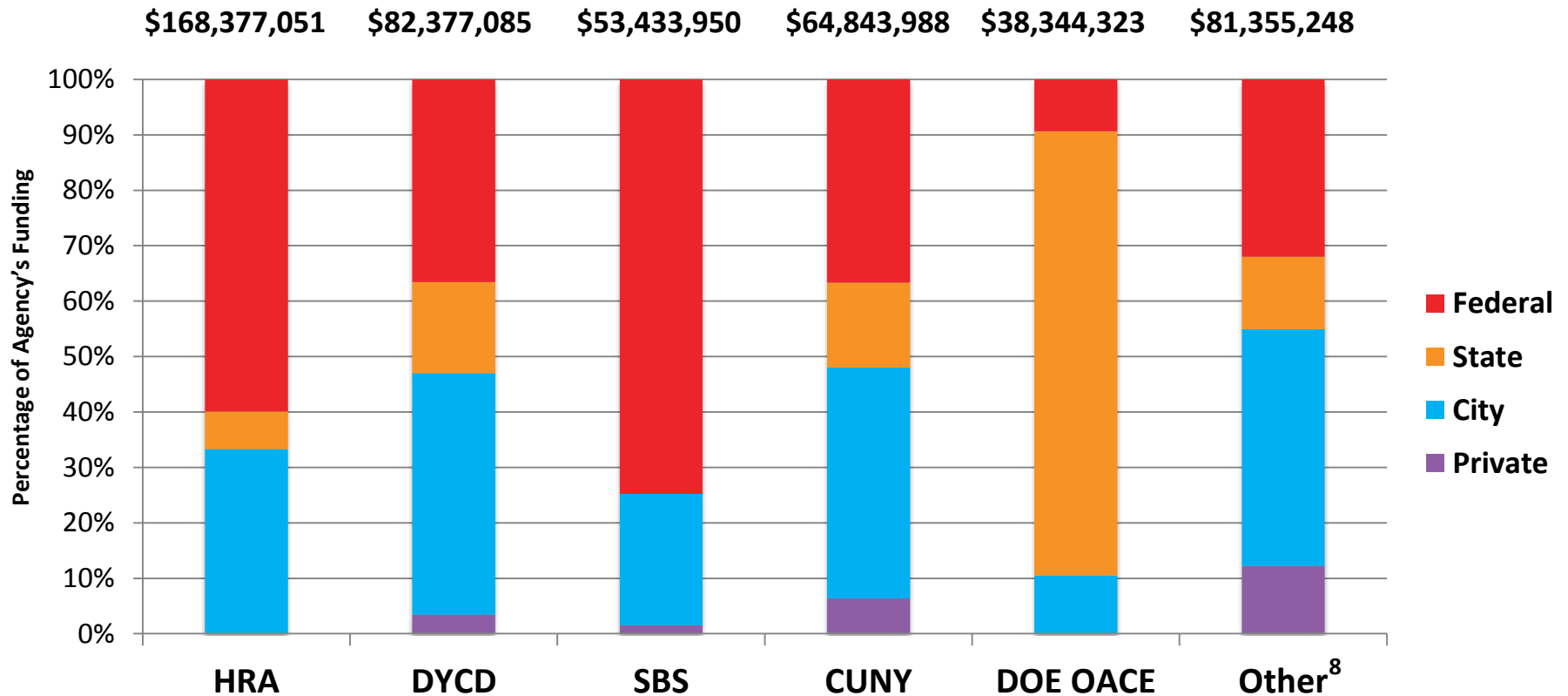|	
■	HRA
■	DYCD
■	SBS
■	CUNY
■	DOE OACE
■	DPR
■	Other[7]

$518,369,145

[6] "Other" includes DFTA, NYCHA, EDC, DOP, DPR, DSNY, HHC, DOC, DOHMH, and two Libraries (QPL & BPL)

[7] "Other" includes DFTA, NYCHA, CEO, EDC, DOP, DSNY, HHC, DOC, DOHMH, and two Libraries (QPL & BPL)

Where Did Agencies' Funding Come from in FY2013?

$168,377,051 $82,377,085 $53,433,950 $64,843,988 $38,344,323 $81,355,248

Percentage of Agency's Funding

- Federal
- State
- City
- Private

HRA   DYCD   SBS   CUNY   DOE OACE   Other[8]

[8] "Other" includes DFTA, NYCHA, EDC, CEO, DOP, DPR, DSNY, HHC, DOC, DOHMH, and two Libraries (QPL & BPL)

How Is Funding Budgeted to Change FY2013 to FY2014?

	HRA	DYCD	SBS	CUNY	DOE OACE	CEO	Other[9]
% Change	5.5%	15.7%	11.8%	5.7%	2.5%	12.6%	-1.1%
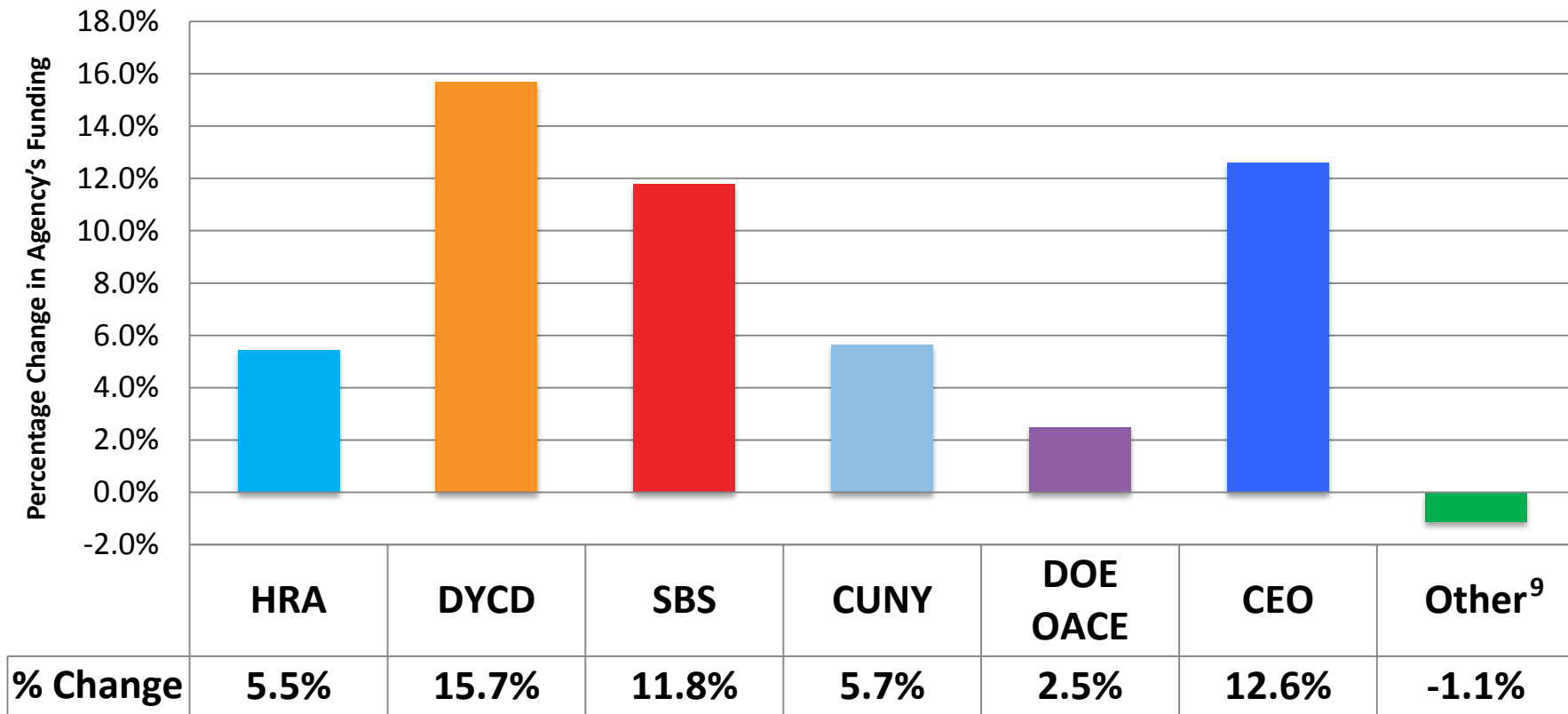
[9] "Other" includes DFTA, NYCHA, EDC, CEO, DOP, DPR, DSNY, HHC, DOC, DOHMH, and two Libraries (QPL & BPL)

Funding for Programs

How Are Program Services Defined in this Report?

- **Education** = Adult basic education, adult secondary education, high school equivalency (e.g., GED) preparation, adult literacy, English for speakers of other languages, and/or career & technical education

- **Training** = Occupational skills training

- **Employment** = Job search training, recruitment and placement, work readiness, and/or career counseling/advisement

- **Subsidized Employment** = Subsidized work experience, in the form of employment or internships, which may also include the employment services listed above

- **Work Support** = Support services aimed at reducing barriers to employment, such as transportation or health issues

- **Miscellaneous** = Service coordination, central administrative costs, or employer support services, such as assistance with acquiring financing and licenses

# What Should Be Considered to Understand Program Data?

- Programs providing multiple services are labeled accordingly.

  o For instance, a program that provides both training and employment services is labeled as "training + employment."

  o However, the proportion of funds going to each service is not always equal. For instance, programs with subsidized work direct large portions of their funding toward the work subsidies, which means that for these programs more funding goes to employment services than other services, such education or training.

- Some agencies provide "work support" as part of their programs but do not expense it separately, while others have separate budgets for work supports.

  o This means, while some agencies may provide work supports as part of their programs, it will not show up as "work support" funding if they do not expense it separately.

How Much Funding Flowed to the 3 Main Program Types?

This slide only includes funding for programs with education, training and/or employment services

FY2013
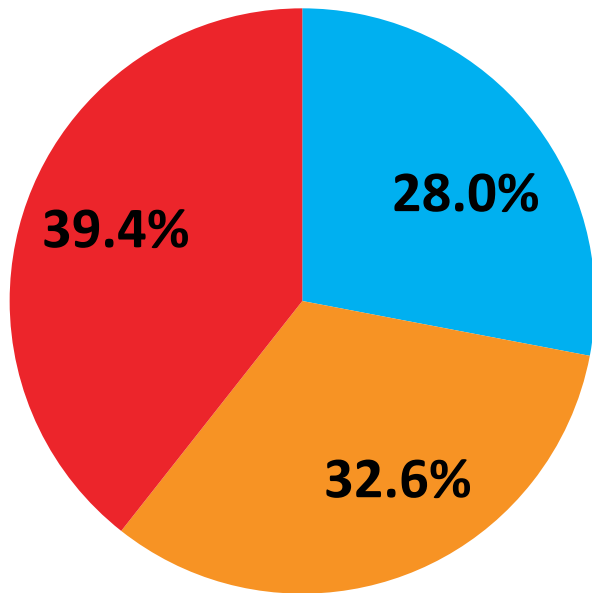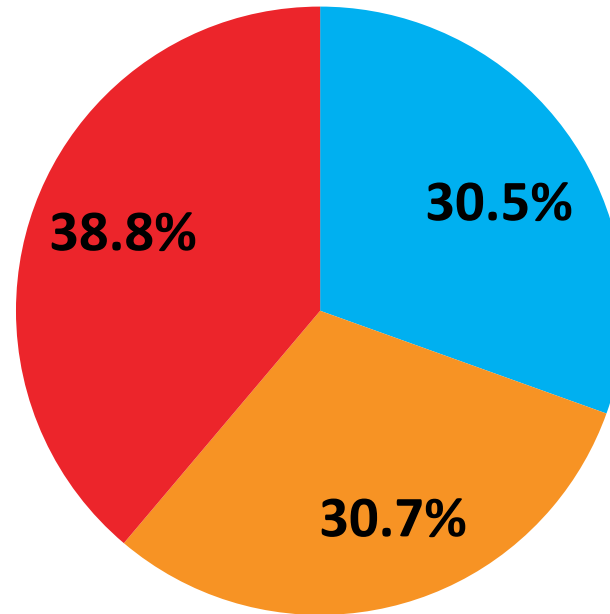
- 28.0% (Education or Training without Employment)
- 32.6% (Education or Training with Employment)
- 39.4% (Employment without Education or Training)

$413,925,280*

FY2014

- 30.5% (Education or Training without Employment)
- 30.7% (Education or Training with Employment)
- 38.8% (Employment without Education or Training)

$445,645,060*

Legend:
- ■ Education or Training without Employment
- ■ Education or Training with Employment
- ■ Employment without Education or Training

*These totals do not include funding for Work Support or Miscellaneous services

How Much Funding Flowed to More Specific Program Types?

In this slide, program types are further broken out from the program types listed in the prior slide

FY2013

2.5%
12.8%
16.4%
15.6%
7.3%
1.7%
10.3%
33.4%

$488,731,645

FY2014

2.5%
11.5%
18.9%
15.8%
7.3%
1.0%
9.6%
33.4%

$518,369,145

- Education
- Training
- Employment
- Education + Employment
- Training + Employment
- Education + Training + Employment
- Work Support
- Miscellaneous

How Much Funding Went to Subsidized Work in FY2013?

This slide builds off the prior slide by separating out programs that offer subsidized work

- Education — 16.4%
- Training — 7.3%
- Unsubsidized Employment — 20.5%
- Subsidized Employment — 12.9%
- Education + Unsubsidized Employment — 1.5%
- Education + Subsidized Employment — 8.9%
- Training + Employment — 1.7%
- Education + Training + Unsubsidized Employment — 12.8%
- Education + Training + Subsidized Employment — 2.8%
- Work Support — 12.8%
- Miscellaneous — 2.5%

$488,731,645

Which Program Types Did Each Funding Source Support?

What Were the Funding Sources by Program Type in FY2013?

| | $80,038,775 | $35,855,374 | $163,016,636 | $50,491,752 | $8,195,327 | $76,327,417 | $62,713,238 | $12,093,127 |

Legend:
- TANF/ FFFS
- SNAP E&T
- WIA Title I
- WIA Title II
- Other Federal
- State
- City - CEO
- City - Other
- Private

Y-axis: Percentage of Program's Funding (0% – 100%)

X-axis categories: Education, Training, Employment, Education + Employment, Training + Employment, Education + Training + Employment, Work Support, Miscellaneous

What Program Types Did Each Agency Fund in FY2013?

$168,377,051 $82,377,085 $53,433,950 $64,843,988 $38,344,323 $6,171,969 $4,891,540 $70,291,739
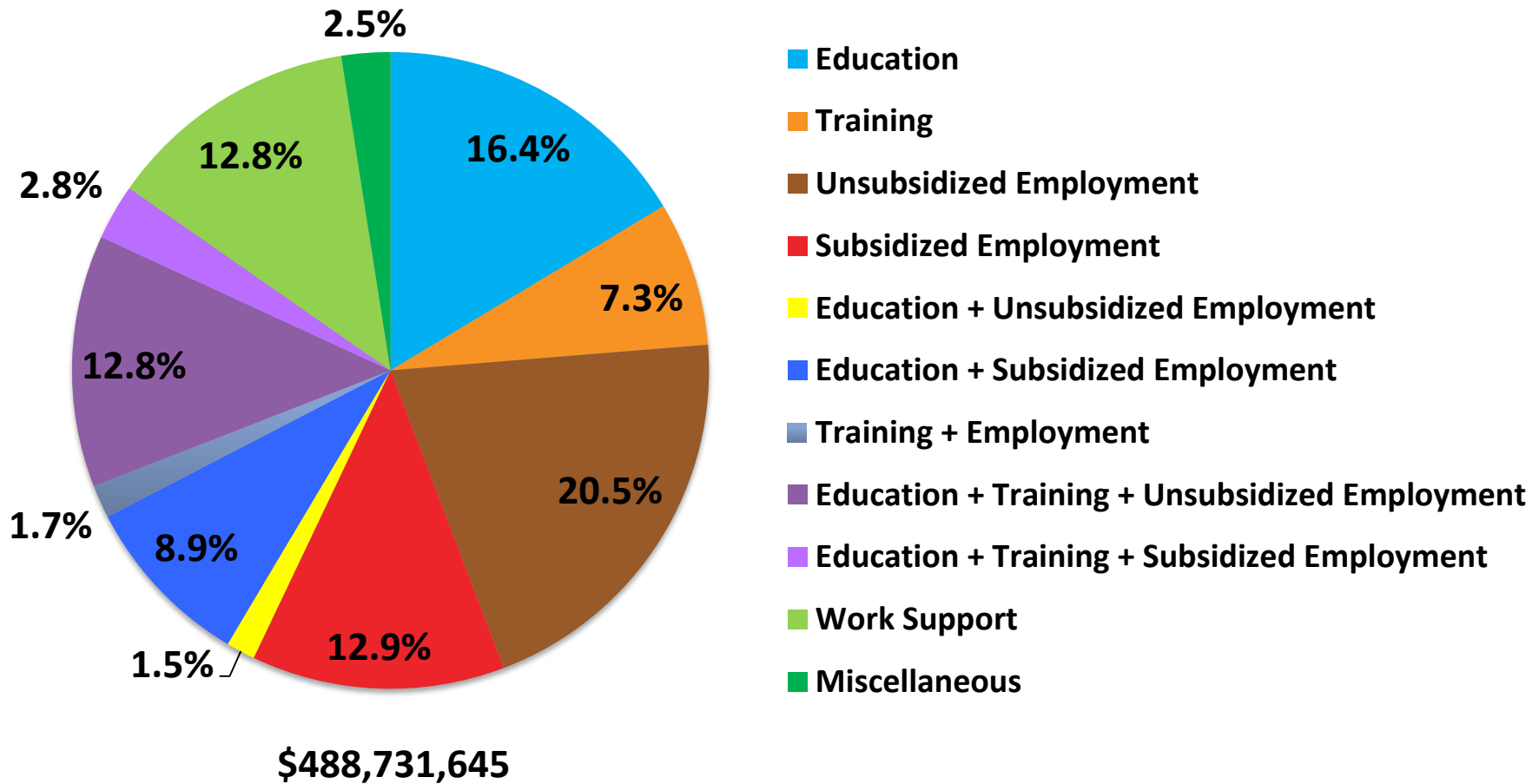
Legend:
- Education
- Training
- Employment
- Education + Employment
- Training + Employment
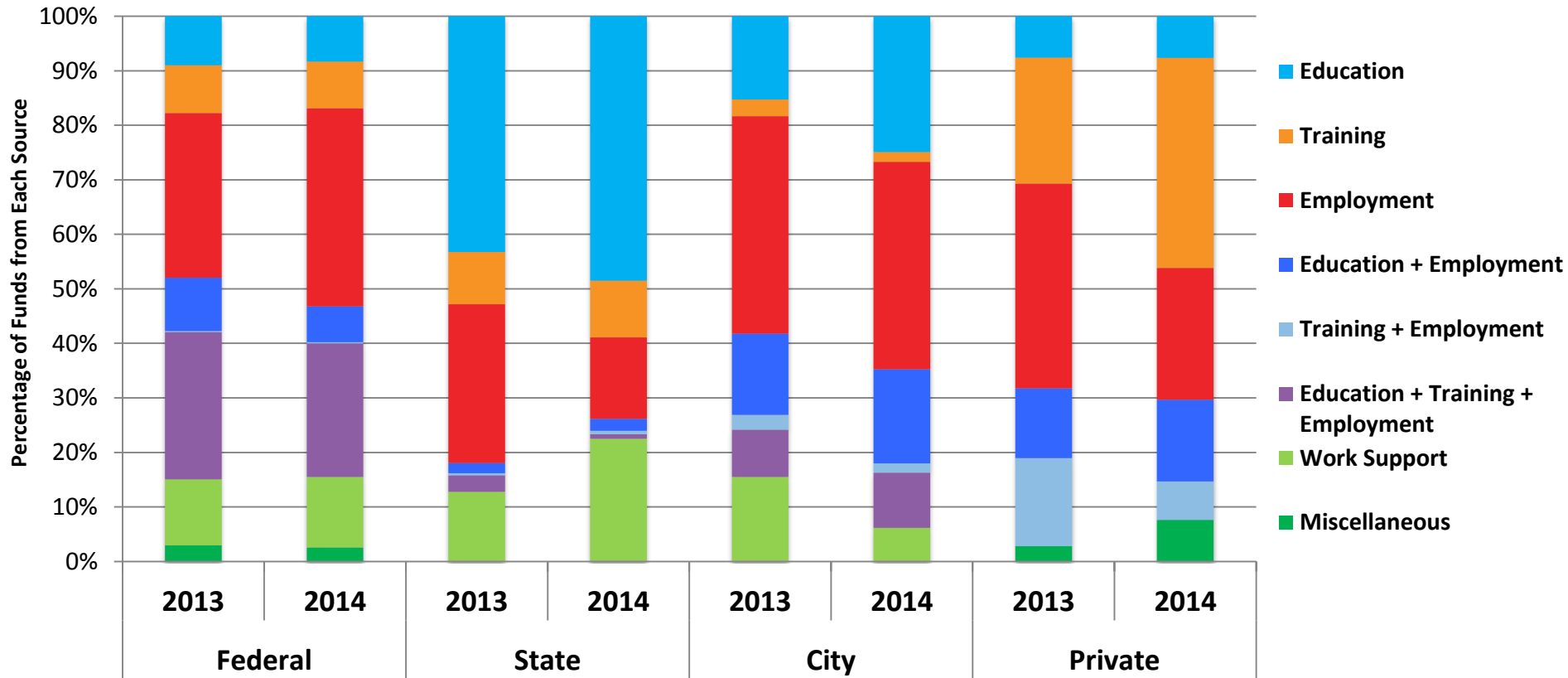- Education + Training + Employment
- Work Support
- Miscellaneous

Y-axis: Percentage of Agency's Funding (0% to 100%)

X-axis categories: HRA, DYCD, SBS, CUNY, DOE OACE, EDC, CEO, Other[10]

[10] "Other" includes DFTA, NYCHA, DOP, DPR, DSNY, HHC, DOC, DOHMH, and two Libraries (QPL & BPL)

How Much of Agencies' Funds Went to Subsidized Work in FY2013?

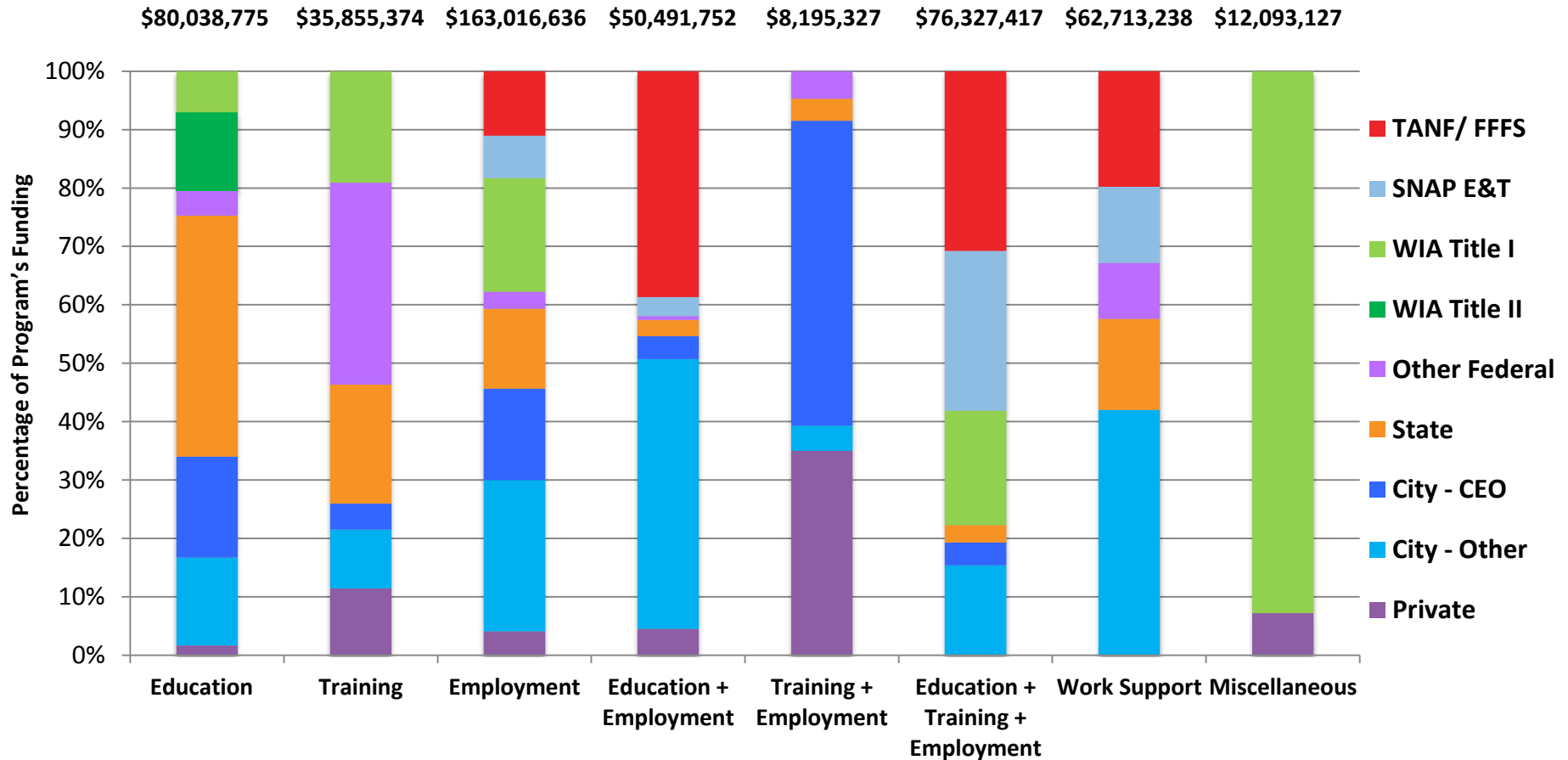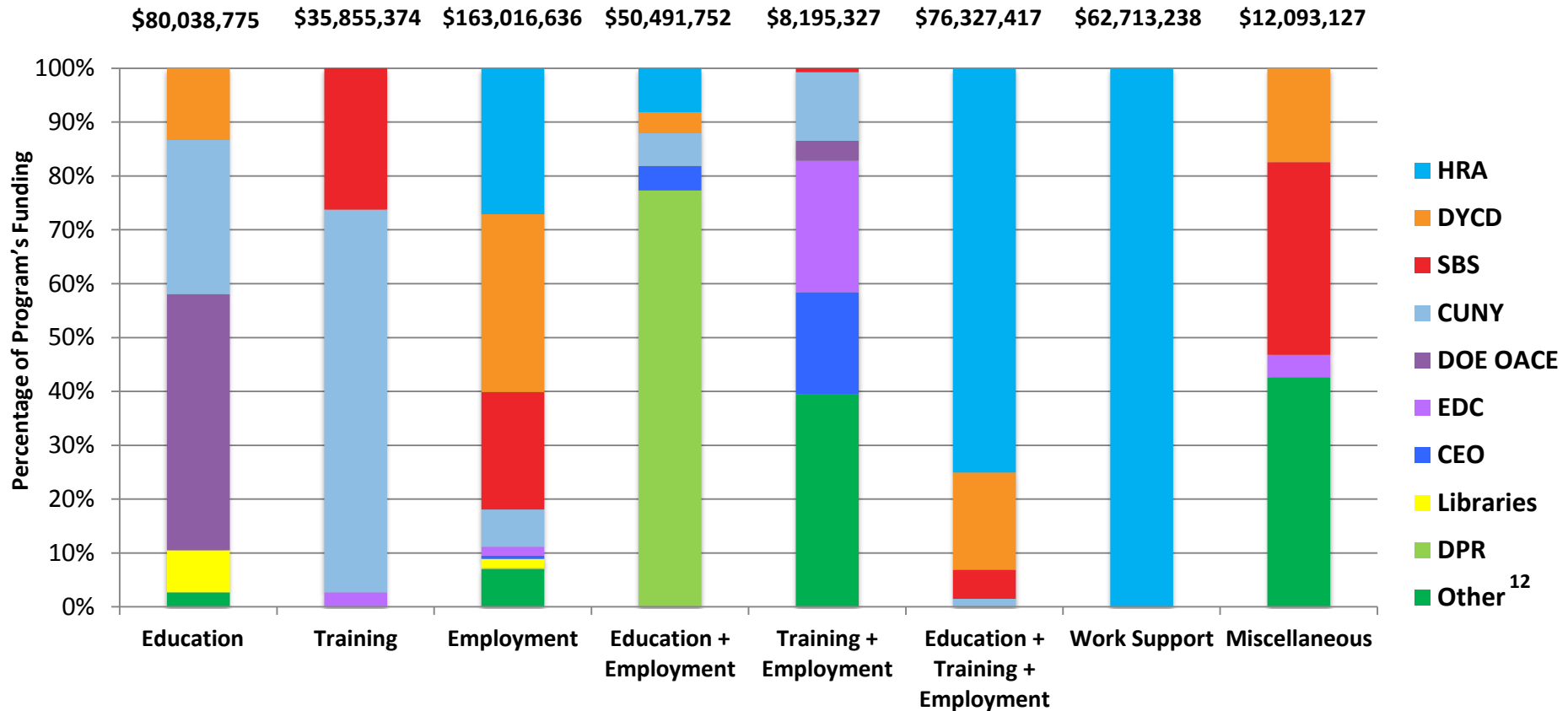This slide builds off the prior slide by separating out programs that offer subsidized work

$168,377,051 $82,377,085 $53,433,950 $64,843,988 $38,344,323 $6,171,969 $4,891,540 $70,291,739

Legend:
- Education
- Training
- Unsubsidized Employment
- Subsidized Employment
- Education + Unsubsidized Employment
- Education + Subsidized Employment
- Training + Employment
- Education + Training + Unsubsidized Employment
- Education + Training + Subsidized Employment
- Work Support
- Miscellaneous

Y-axis: Percentage of Agency's Funding

X-axis categories: HRA, DYCD, SBS, CUNY, DOE OACE, EDC, CEO, Other[11]

[11] "Other" includes DFTA, NYCHA, DOP, DPR, DSNY, HHC, DOC, DOHMH, and two Libraries (QPL & BPL)

Which Agencies Funded Each Program Type in FY2013?

$80,038,775 $35,855,374 $163,016,636 $50,491,752 $8,195,327 $76,327,417 $62,713,238 $12,093,127

Percentage of Program's Funding (y-axis: 0% to 100%)

Program types (x-axis): Education, Training, Employment, Education + Employment, Training + Employment, Education + Training + Employment, Work Support, Miscellaneous

Legend: HRA, DYCD, SBS, CUNY, DOE OACE, EDC, CEO, Libraries, DPR, Other [12]

[12] "Other" includes DFTA, NYCHA, DOP, DSNY, HHC, DOC and DOHMH

Which Agencies Funded Subsidized Work in FY2013?

This slide builds off the prior slide by separating out programs that offer subsidized work
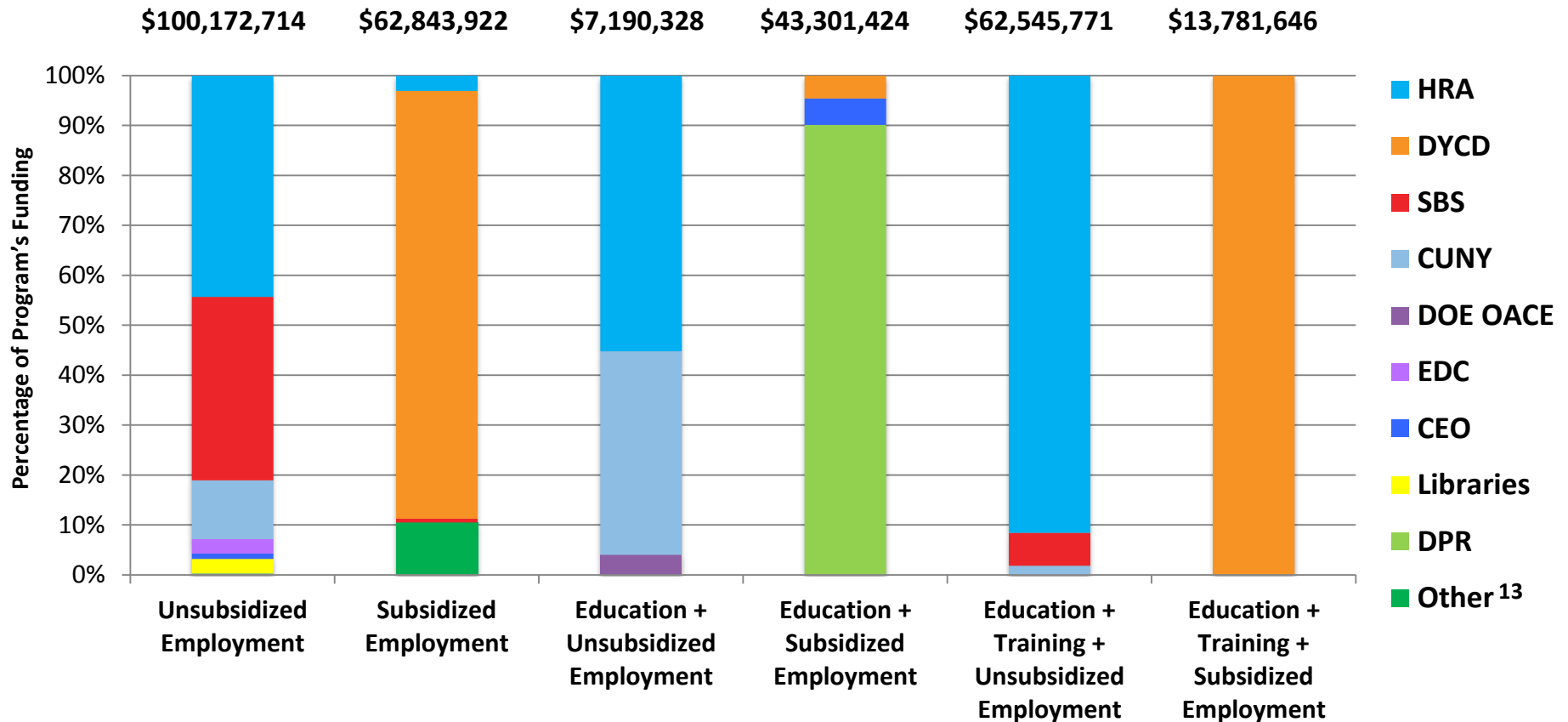
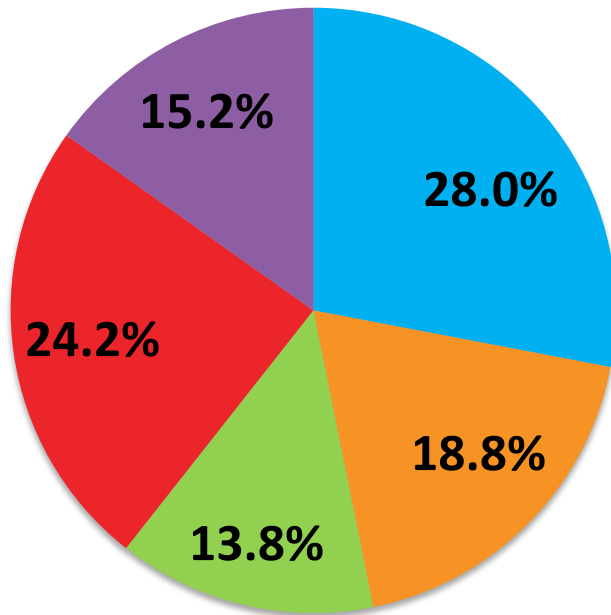[13] "Other" includes DFTA, NYCHA, DOP, DSNY, HHC, DOC and DOHMH
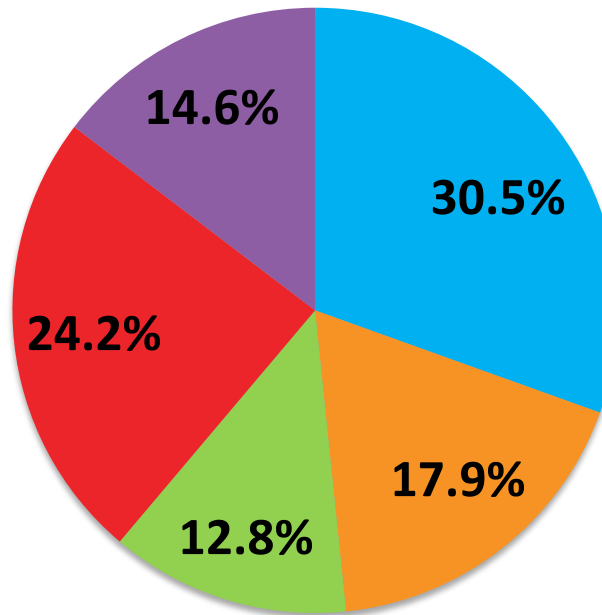
How Much Funding Goes to Mixed-Service Programming?

This slide builds off slide 25 by separating out programs that offer subsidized work

FY2013

- 28.0%
- 18.8%
- 13.8%
- 24.2%
- 15.2%

$413,925,280*

FY2014

- 30.5%
- 17.9%
- 12.8%
- 24.2%
- 14.6%

$445,645,060*

Legend:
- Education or Training without Employment
- Education or Training with Unsubsidized Employment
- Education or Training with Subsidized Employment
- Unsubsidized Employment without Education or Training
- Subsidized Employment without Education or Training

*These totals do not include funding for Work Support or Miscellaneous services

Conclusion

What Are Some Key Findings about Funding Sources?

- **Approximately 1/3** of total funding (34.9% in FY2013 and 32.4% in FY2014) for the City's public workforce development and adult education programs comes from local dollars alone.

    o It is widely accepted that local funding provides the most flexibility and room for innovation. Given the conditions and restrictions that come with federal and state funding, it could be useful for the City to ensure this local funding fills important gaps and complements federal and state funding in ways that maximize and expand their total impact.

- **About 16%** of total funding (15.6% in FY2013 and 15.7% in FY2014) for the City's public workforce development and adult education programs comes from the federal Workforce Investment Act (WIA).

    o As this report clearly demonstrates, there are a wide variety of funding sources that support workforce development and adult education in New York City. WIA is often equated with the public workforce development system. New York City does effectively leverage WIA dollars to connect individuals to employment and fill companies' open positions, to provide occupational skills training to fill labor market shortages, to support services for disconnected youth and youth at-risk of dropping out of school, and to provide adult education. However, WIA is one part of a much broader set of resources and programs that enable the City to provide New Yorkers with education, training and employment services.

What Are Some Key Findings about Funding Sources?

- **Private sources** contribute to the City's public workforce development and adult education programs.

  - Though City programs are, by definition, administered or managed by City government, these programs receive millions of dollars from the private philanthropic sector. While a small portion of the overall mix of funding (3.6% in FY2013 and 2.6% in FY2014), the amount came to over $17 million in FY2013 and over $13 million in FY2014.

  - Particularly at a time when federal, state, and local governments are feeling increased budgetary pressures, every dollar matters, and it is thus especially important to strengthen public-private partnerships into the future. In 2001, a group of foundations and corporate funders formed as the New York City Workforce Funders to discuss the rapid changes then underway in workforce development and to find collaborative ways to build a more effective system of training and financial support for organizations that provide workforce services in New York City. Collectively, these funders increased their annual private giving for direct and intermediary services, as well as capacity building, from $18.4 million in 2004 to $58.3 million in 2012. These investments benefit low-income individuals, businesses, and communities. While these dollars do not flow through the City's budget, and are not captured in this report, they can help to offset any decline in public funding that may occur in response to calls for budget cuts.

What Are Some Key Findings about Program Services?

- **Almost half** of the State funding that flows to the City (43.2% in FY2013 and 48.5% in FY2014) is directed to **education** services.

- **Roughly 40%** of private funding that flows to the City (39.3% in FY2013 and 45.6% in FY2014) include **training** services.

- **A greater proportion** of federal and city funding is, meanwhile, put toward **employment** services than the proportion of state and private funding.

  o Funding sources often come with certain constraints and can inhibit collaboration. They drive important decisions, such as target populations, eligible services, data collected, outcomes measured. However, with many agencies receiving funding from a multitude of sources, there could be an important strategic opportunity to explore and advocate for new models for blending funding in ways that provide agencies with greater flexibility, such as the performance partnership model being pursued by the U.S. Office of Management and Budget. Recognizing the restrictions that accompany funding sources, blended funding models would intentionally merge and align a set of resources as well as administrative, regulatory and statutory requirements to fully serve the target population, improve outcomes, and promote accountability for results.

What Are Some Key Findings about Program Services?

- **Only 1/3** of total funding (32.6% in FY2013 and 30.7% in FY2014) goes to programs that offer education and/or training services *in addition* to employment services.

  - It is widely accepted that both sides of the coin – skill development and job search assistance – are important components of services for jobseekers. The majority of City programs do not provide both, though. As agencies tend to emphasize (and perhaps specialize in) providing certain services, the City could explore more ways to connect New Yorkers with a comprehensive set of services. For example, it could be beneficial to develop and strengthen interagency programs or referral systems to ensure that jobseekers have easy and sufficient access to the suite of services that will best help them to develop successful and sustainable career pathways.

  - To date, it is not clear whether New Yorkers are served more effectively by a one-stop service that offers skill development and job search assistance or by different services at different agencies that, together, provide skill development and job search assistance. The City could pursue research to understand which arrangement works better, and for which populations.

A Final Note

This report provides a **comprehensive inventory of the funding** for New York City's public workforce development and adult education system in FY2013 and FY2014.

To enhance the value of this funding analysis, it should be followed by a **comprehensive demographic and performance analysis** that seeks to understand which populations are being served by the City's various programs and what outcomes are being realized by those populations. This research will help uncover where there are gaps in service and help determine which programs work best for which populations.

As one step in that direction, in response to decades of advocacy efforts led by various members of the workforce and education communities, OHCD successfully spearheaded and rallied a strong coalition to help pass a new state law (A7911b-Rozic/S5773a-Savino). Passed by the legislature on June 22, 2013 and signed by Governor Andrew Cuomo on October 23, 2013, the law enables sharing of critical wage reporting data between public entities and the State for purposes of program evaluation. It will greatly enhance the City's ability to evaluate the performance of workforce and education programs by making more accessible the **dates, places, wages and industries of employment** for individuals. The statute goes into effect on December 22, 2013. By harnessing this data, City government will be empowered to better assess strengths and shortcomings of programs, ultimately helping the City to wisely invest limited public and private resources.

Appendices: Glossaries of Acronyms

Appendix A: What Are Agencies' Full Names?

ACS:	NYC Administration for Children's Services
BPL:	Brooklyn Public Library
CEO:	NYC Center for Economic Opportunity
CUNY:	The City University of New York
DFTA:	NYC Department for the Aging
DOC:	NYC Department of Corrections
DOE-OACE:	NYC Department of Education, Office of Adult and Continuing Education
DOHMH:	NYC Department of Health and Mental Hygiene
DOP:	NYC Department of Probation
DPR:	NYC Department of Parks and Recreation
DSNY:	NYC Department of Sanitation
DYCD:	NYC Department of Youth and Community Development
EDC:	NYC Economic Development Corporation
HHC:	NYC Health and Hospitals Corporation
HRA :	NYC Human Resource Administration
NYCHA :	NYC Housing Authority
QPL:	Queens Public Library
SBS:	NYC Department of Small Business Services

Appendix B: What Are Funding Sources' Full Names?

City-CEO : City funding that is managed and distributed by the NYC Center for Economic Opportunity

NEG: National Emergency Grant

SNAP E&T: Supplemental Nutrition Assistance Program Employment & Training

TANF/FFFS: Temporary Assistance for Needy Families/Flexible Fund for Family Services

WIA: Workforce Investment Act

NYC Office of Human Capital Development

Created by Mayor Michael R. Bloomberg in 2012, OHCD is responsible for
supporting, strengthening and advancing
an integrated workforce development and adult education system for New York City.

In partnership with more than a dozen City agencies as well as
business leaders, education and training providers, members of our
NYC Workforce Investment Board, and community stakeholders,
OHCD takes a collaborative approach to realize its mission.

**OHCD aspires to build a strong, inclusive City of opportunity and growth
where every person who wants to improve their education, skills and job
prospects *can* and where every business that needs to find talent *does*.**