

Federal Funding Landscape

March 2025



Overview

The federal government cannot maintain direct service operations in every community across America. Instead, federal agencies strategically fund nonprofits with deep local roots and established presence. This partnership delivers essential services efficiently and responsively, maximizing impact while minimizing bureaucracy. This approach ensures federal resources translate into meaningful support for all citizens while being responsive to the different needs of local communities, making nonprofits indispensable to our community's stability.

To better understand the services supported locally by federal funding and the ability for nonprofit organizations to manage the federal funding freeze, United Way of Greater Cincinnati partnered with local funders, including Greater Cincinnati Foundation and Interact for Health, to release a local survey. Over the course of three weeks, 109 nonprofit organizations in the Greater Cincinnati region completed the survey. It's important to note that these results reflect point in time data.

Additionally, data was compiled across other sources to provide the broader context of federal funding for human services at a national level, state level and local level.

Key Takeaways

Federal funding, powered by nonprofit partnerships, enables the steady presence of support systems that our community relies. Stable federal funding to local communities is a foundational structure to ensure the continuity of services across the community and overall community well-being.

- **Public Investment is Maximized Through Local Partnerships**

- Nonprofits serve as essential partners in fulfilling government obligations to citizens
- Local expertise and community trust enhance the effectiveness of federal programs
- Partnerships leverage resources – federal investments help nonprofits secure additional funding
- Service delivery remains responsive to unique community needs and conditions

- **The Reach and Scale of Federally Funded Services in our Community**

- In 2022, over 625 nonprofit organizations across our tri-state region reported receiving \$1.3 billion in federal funding.
- In our recent survey, two-thirds of nonprofits reported federal funding of, at least 25% of their overall operating budget, and a critical source of revenue to deliver services to the community.
- With this critical support, nonprofit organizations in Greater Cincinnati reach thousands of community members, with individual programs serving anywhere from 200 to 250,000 people annually.
- Collectively, survey respondents indicated that more than 1.2 million services were delivered with federal funding. That's equivalent of providing a service to nearly 1 in every 2 people in the Greater Cincinnati region.



National & State Funding Landscape



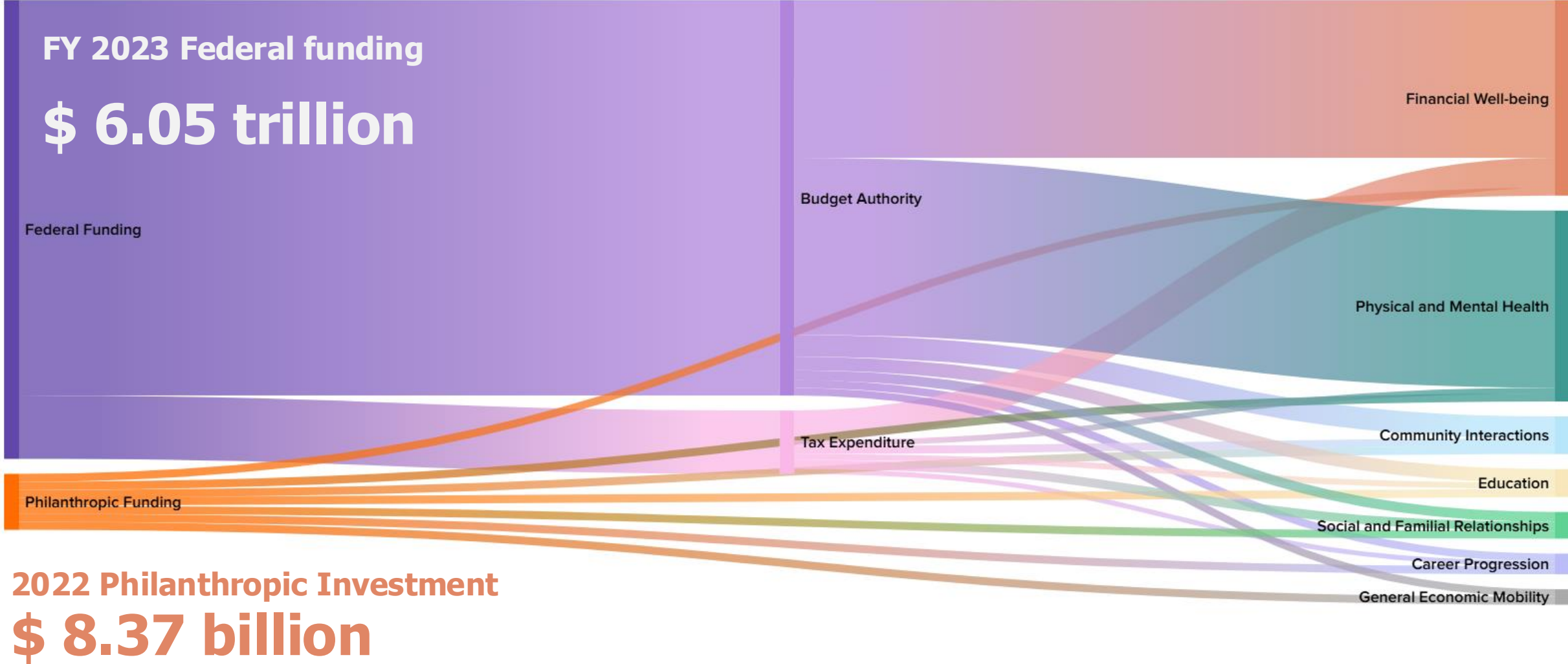
National Landscape

Recent policy changes and Executive Orders with direct implications to nonprofits and private organizations; including funding freezes across a variety of services and programs, termination of existing contracts for community services, and the removal of community datasets that many nonprofits use to inform their work.

Nationally, the federal government invests more than \$6 trillion dollars to programs that support economic stability and mobility, including critical services like Social Security, Medicaid and Medicare. In comparison, the largest philanthropic organizations invested only \$8.37 billion dollars in similar and complementary services.

The visual on the following slide provides more details on the scope and scale of those investments.

National: Federal Funding to Economic Mobility Experiences



Mobility Experiences. (2024, September 13). Capital Mapping Dashboard. Retrieved February 13, 2025, from Mobility Experiences website: [Link](#)

State Landscape

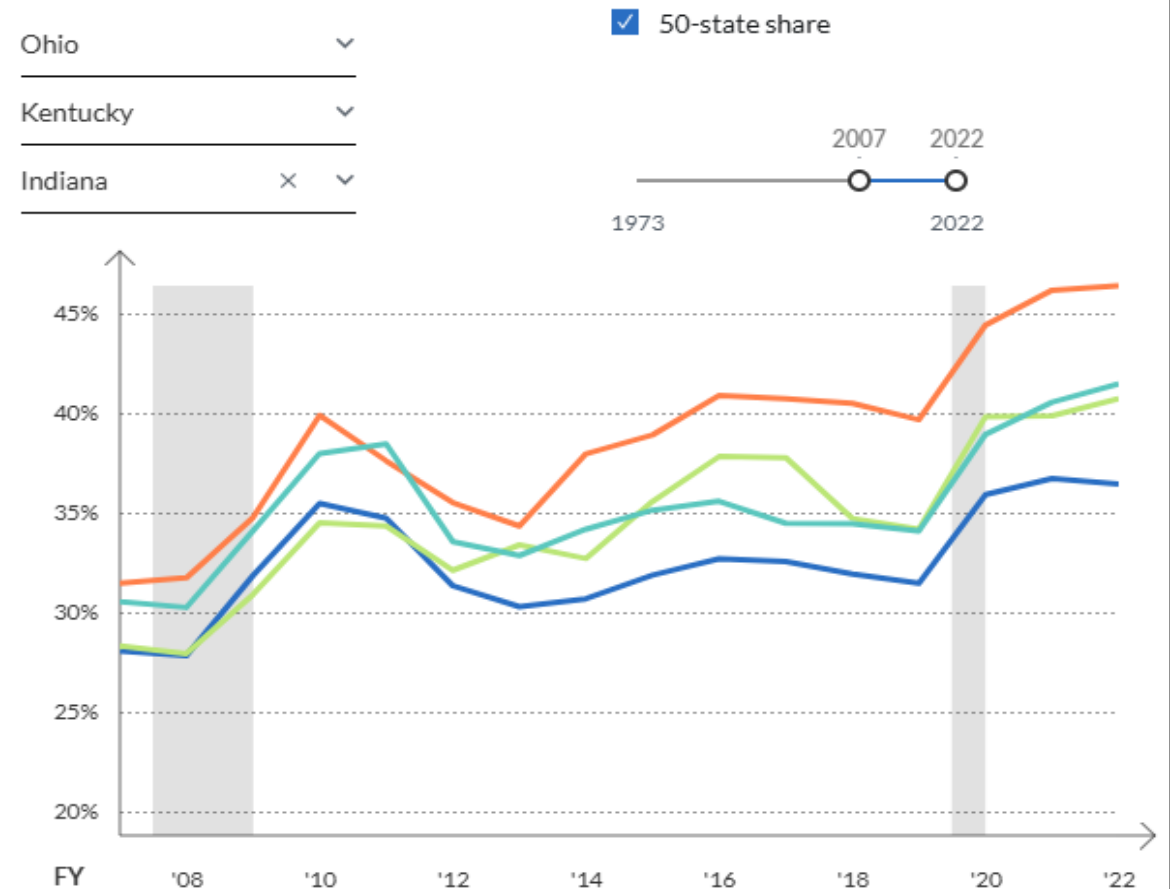
Across the U.S., Federal grants accounted for 36.4%, or \$1.11 trillion, of states' combined total revenue in fiscal 2022.

- Ohio received 41.5%, or \$39.9 billion, of its total revenue from federal grants in fiscal 2022
- Kentucky received 46.4%, or \$20.5 billion, of its total revenue
- Indiana received 40.7%, or \$24.5 billion, of its total revenue

Percentage of State Revenue from Federal Funds

Fiscal years 1973-2022

Recession 50-state share Ohio Kentucky Indiana



[Download Data](#)

Source: Pew analysis of data from the U.S. Census Bureau and National Bureau of Economic Research

Cincinnati Region: Federal Funding Overview

State	County	Federal Funding Reported on 2022 990s	# of Filers with Government Grants
Ohio	Brown	\$16,737,045	7
	Butler	\$57,040,365	61
	Clermont	\$46,556,513	24
	Hamilton	\$978,485,245	383
	Warren	\$25,986,517	34
Kentucky	Boone	\$5,212,953	11
	Bracken	\$243,801	1
	Campbell	\$24,954,986	21
	Gallatin	\$4,284,002	1
	Grant	\$175,818	2
	Kenton	\$119,715,122	45
	Pendleton	\$46,047	2
Indiana	Dearborn	\$28,673,893	25
	Franklin	\$3,382,020	3
	Ohio	\$1,033,333	5
TOTAL		\$1,312,527,660	625

In 2022, over 625 nonprofit organizations across our tri-state region reported receiving \$1.3 billion in federal funding.

Nearly \$1 billion was to 383 organizations located in Hamilton County, Ohio.



Local Funding Landscape

Survey Methodology



- **Purpose:** understand how changes in federal funding landscapes impact the Greater Cincinnati nonprofit sector
- **Audience:** Greater Cincinnati nonprofit partners
- **Timeline:** 1/31/25-2/20/25
- **# of respondents:** 109
- **Geographical footprint of respondents:**

Ohio Counties	Kentucky Counties	Indiana Counties
Adams	Boone	Dearborn
Brown	Bracken	Franklin
Butler	Campbell	Ohio
Clermont	Gallatin	Ripley
Clinton	Grant	Switzerland
Hamilton	Kenton	
Highland	Pendleton	
Warren		

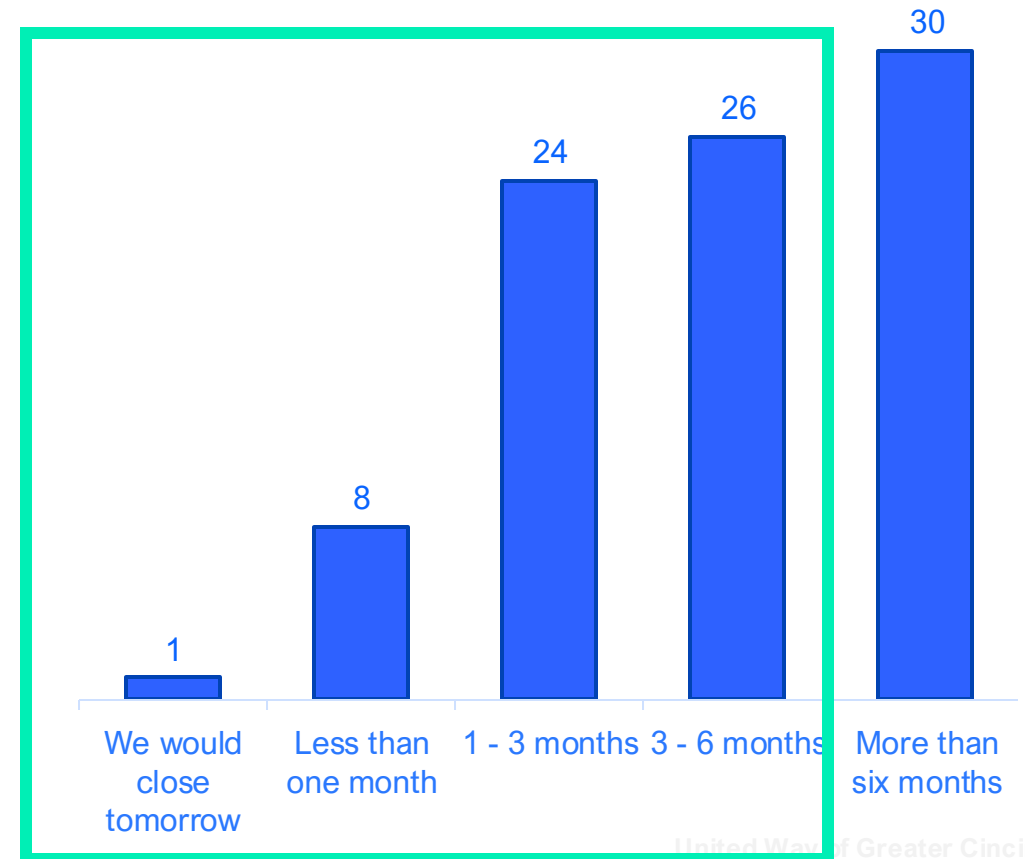


Local Landscape

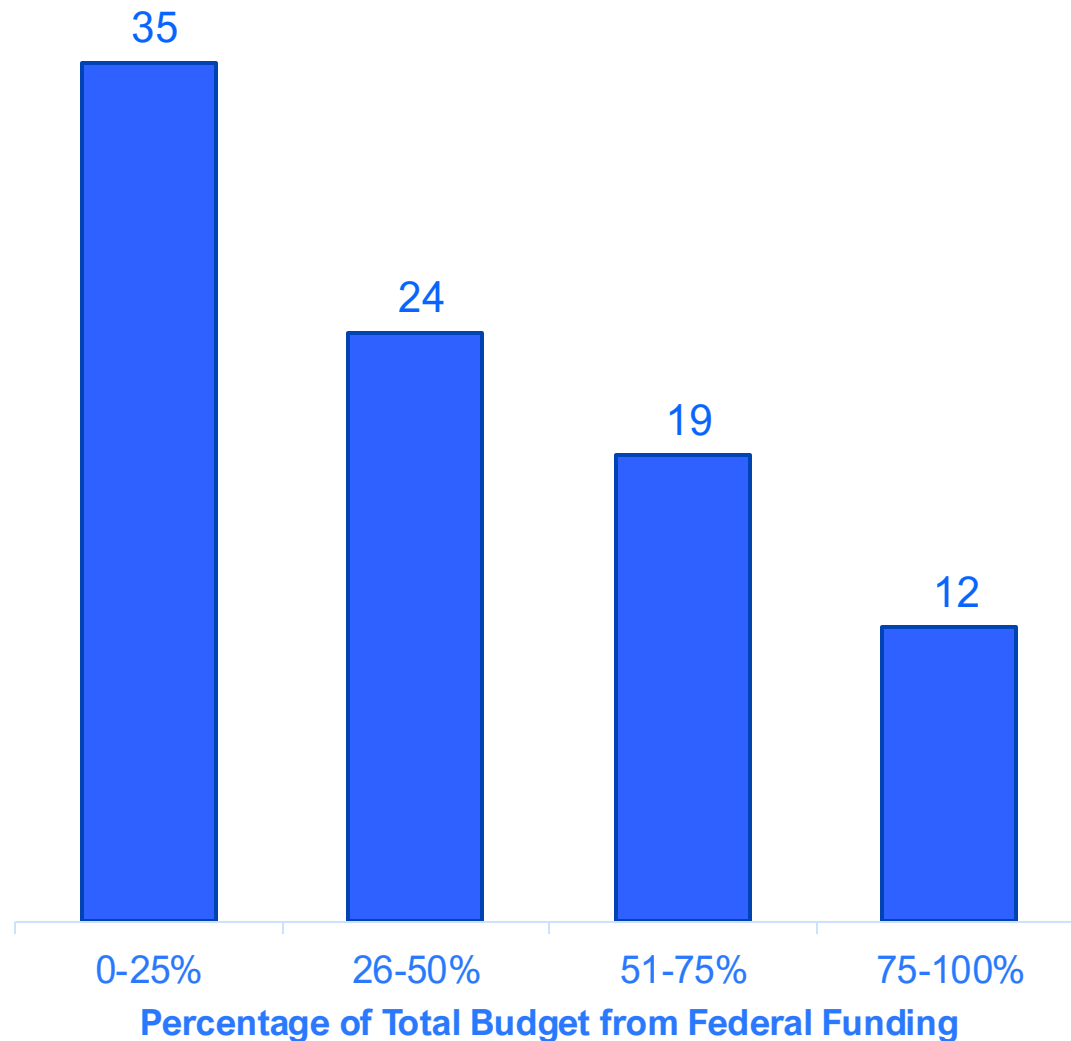
Key Insights

- **Immediate Impact to Critical Services:** Two out of three nonprofit service providers in our community would face difficult choices about service reductions or closures within just 6 months of federal funding disruption.
- **Continued uncertainty:** Nearly 50% of organizations have not received direct communication from program officers.
- **Limited Mitigation Strategies:** Many organizations identified pursuing private and corporate foundation funding as a primary mitigation strategy for loss of federal funding. Private philanthropy will be unable to meet all these requests.

If all federal funds were frozen, how long can your organization sustain current operations?

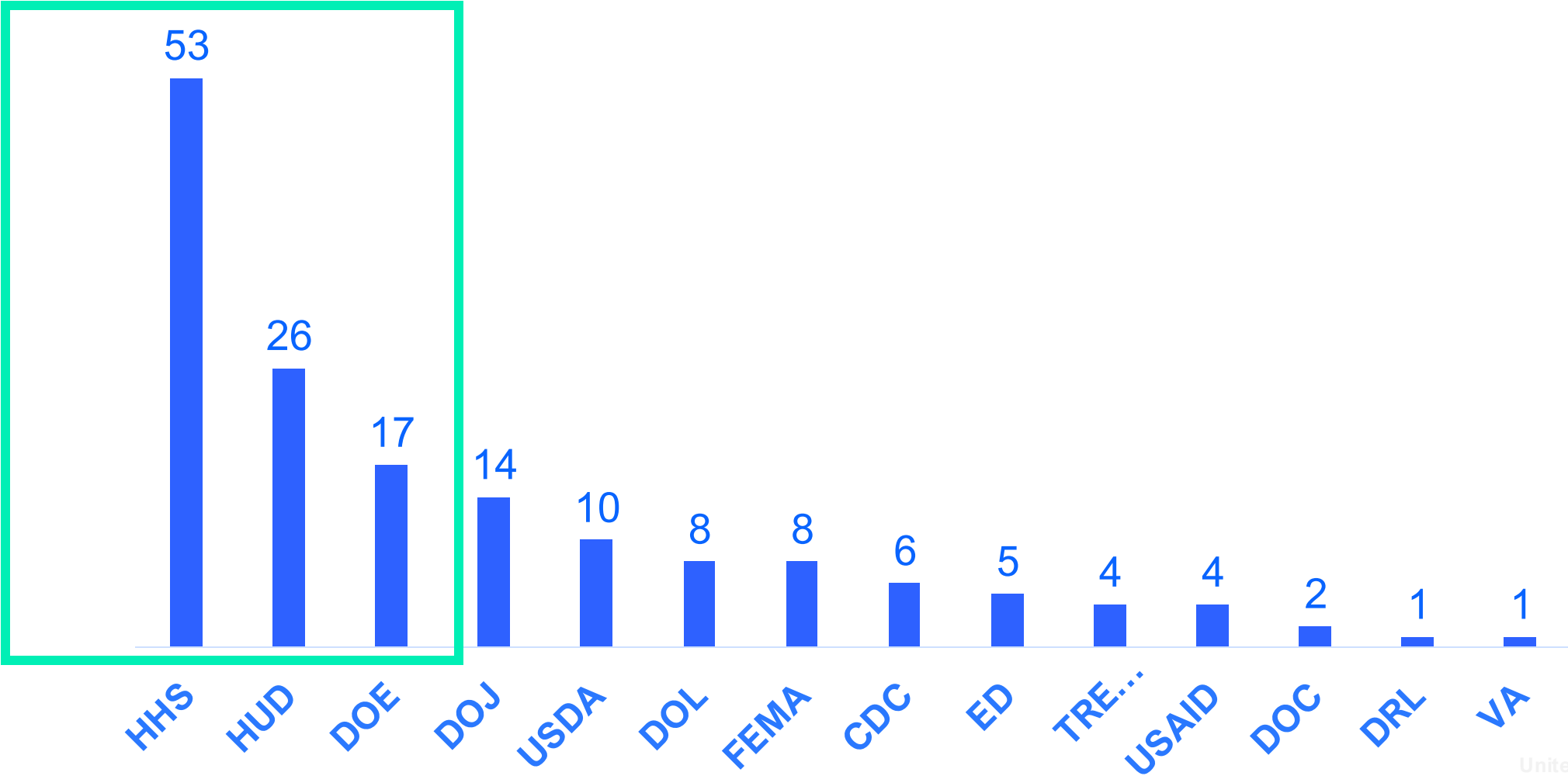


Almost two-thirds of nonprofits regionally receive at least 25% or more of their operating budget from federal funds



% of Budget	# of Responses	% of Responses
0-25%	35	39%
26-50%	24	27%
51-75%	19	21%
75-100%	12	13%

Most nonprofits in the region receive federal funding from the Departments of Health & Human Services, Housing and Urban Development and Education:





Local Landscape: Impacts on Community

Key Insights

- **Widespread Service Disruptions in Basic Needs Supports** – such as food assistance, emergency housing and rental assistance, and programs for unemployed individuals
- **Disproportionate Impact on Residents with Specific Needs** – Low-income children & youth, older adults, individuals with disabilities, people experiencing homelessness
- **Concerns for Increased Need for Services** - Furloughs and layoffs across the nonprofit and public sectors could create new strains on the human services providers

Top Community Needs Addressed with Funding

- Basic Needs & Housing
- Workforce Development
- Youth Education, Prevention, Leadership Development
- Behavioral/Mental Health Services
- Food Insecurity
- Other – includes Refugee & Immigrant Services, Services for Older Adults & Adult Day Programs
- Public Health
- Transportation
- Utility Assistance
- After School Care/Programming
- Employment, Entrepreneurship & Career Pathways
- Health Care Services
- Parent Support & Education Programs
- Substance Use



UNITED WAY
Greater Cincinnati