

## FEDERAL PROCUREMENT TO MARYLAND

This report is a general compilation and analysis of Federal procurement to Maryland by the Maryland Governor's Grants Office (GGO). GGO is tasked with a variety of functions, including the measurement and evaluation of Federal funds flowing back to Maryland.

Procurement generally refers to goods and services purchased by the Federal government from individuals and businesses. Federal funds flow to states through five primary categories: retirement/disability (primarily Social Security), direct payments (primarily Medicare), procurement, salaries/wages, and grants. In Federal Fiscal Year (FFY) 2008, the single largest source of Federal funds to Maryland was Federal procurement, representing nearly 33% of all Federal funds flowing to Maryland.

The primary source of information on all federal funds, including federal procurement, still comes from the US Bureau of the Census via its Consolidated Federal Funds Reports. Information is compiled so it can be searched in a variety of ways but the [www.USASpending.gov](http://www.USASpending.gov) website has become the primary way of researching how federal procurement dollars are distributed.

The largest share of federal funds coming into Maryland, by far, is through procurement, increasing from 32.9% of the total in FFY 2008 to 37.2% in FFY 2009.

### TOTAL FEDERAL FUNDS TO MARYLAND Federal Fiscal Year 2009

<u>Category</u>	<u>\$ Amount</u>	<u>% of Total</u>
<i>Procurement</i>	34.3 billion	37.2
<i>Retirement/Disability</i>	18.4 billion	20.0
<i>Salaries/Wages</i>	13.2 billion	14.3
<i>Other Direct Payments</i>	14.3 billion	15.5
<i>Grants</i>	11.8 billion	12.8
<b>Total \$</b>	<b>92.2 billion</b>	<b>100%</b>

It is unusual for a state to have federal procurement be the single largest source of federal funds as can be seen in the following chart that lists the same five categories for the entire country.

### TOTAL FEDERAL FUNDS TO ALL STATES/TERRITORIES Federal Fiscal Year 2008

<u>Category</u>	<u>\$ Amount</u>	<u>% of Total</u>
<i>Procurement</i>	550.8 billion	17.0
<i>Retirement/Disability</i>	881.1 billion	27.2
<i>Salaries/Wages</i>	299.4 billion	9.2
<i>Other Direct Payments</i>	762.9 billion	23.6
<i>Grants</i>	744.1 billion	23.0
<b>Total \$</b>	<b>3,238.4 billion</b>	<b>100%</b>

Maryland is ranked #4 among the 50 states in per capita amount of federal government expenditure, due in large part to our #3 ranking in procurement. Using Maryland's total population of 5,699,478 (as of July 1, 2009), and the hypothetical situation of these funds being evenly allocated to each resident of Maryland, the following chart shows per capita federal funds coming back into Maryland.

**PER CAPITA FEDERAL FUNDS TO MARYLAND**  
Federal Fiscal Year 2009

<u>Category</u>	<u>\$ Amount</u>	<u>Rank Among the 50 States</u>
<i>Procurement</i>	6,024.96	3
<i>Retirement/Disability</i>	3,236.96	15
<i>Salaries/Wages</i>	2,321.76	3
<i>Other Direct Payments</i>	2,279.91	25
<i>Grants</i>	2,071.22	38
<b>Total \$</b>	<b>16,169.03</b>	<b>4</b>

As mentioned above, the federal website, [www.USASpending.gov](http://www.USASpending.gov), allows for the tracking of data closer to real-time for both federal grants and federal contracts. USASpending.gov also allows you to search for the contractors that receive the largest amount of federal procurement in Maryland, permitting more detailed research on the types and locations of contracts, as well as information that tracks back to individual federal agencies.

An important adjunct to the USASpending website is the [www.Recovery.gov](http://www.Recovery.gov) website which permits searching for similar information for ARRA contracts (a relatively small percentage of all federal procurement). This website provides a mapping function that many people find useful in tracking where ARRA contracts are located.