



CPAs & ADVISORS

# FEDERAL FINANCIAL SOLUTIONS WORKING GROUP

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## Key Takeaways

FRIDAY,  
FEBRUARY 7, 2025



# FUNDING AND FINANCIAL CONCERNS

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- There is an urgent call-to-action to raise money to offset government funding. Organizations should seek alternate funding sources now.
- Consider new strategies for drawing down funds. For example, in one case a drawdown took 8 days. Is this the new normal?
- Member-based groups are seeing a decline in conference revenue, as federally funded agencies can no longer participate.
- Right now, the focus is on funding. What other ways can they come after nonprofits? Revoking nonprofit status?

## OPERATIONAL CHALLENGES

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- There is a concern about contractual obligations abroad (rental and operational costs/personnel costs). Labor laws abroad tend to favor the employee over the employer.
- Take a fresh look at your disaster recovery plan. No one planned for a total loss of federal funds without recourse in their business continuity plan or emergency plan.
- The way orders were written, the information is not clear, and it is difficult to interpret.
- Lots of confusion around the different agencies and the changing policies.
- It is recommended to stay connected with your staff, even if you do not know anything new.

# ADVOCACY AND LEGAL ACTIONS

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- Some participants suggested promoting the actions you are taking as an organization in response to the funding crisis.
- It is important to advocate for your organization/mission.
- Some organizations are looking into legal action.
- Many want to step up but are wary of retribution.
- Advocacy groups/coalitions are starting to form.

# COMPLIANCE AND POLICY ADJUSTMENTS

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- Review your program descriptions for compliance with new executive orders related to DEI. Remove policies contrary to this directive.
- Keep in mind that AI will be used to scan documents, so look for keywords. For example, use of the word “equity” in financial context could be conflated to be referencing DEI. Pick other words, like “net assets.”



# INTERNATIONAL AND DOMESTIC RELATIONS

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- Foreign agencies in some cases are stepping up to fill in short-term budget gaps.
- There are differences in treatment – 90-day notice for foreign awards (CFR 200), and different end dates for others.
- Look at local labor laws to figure out how to appropriately stop work.

## DATA PRESERVATION

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- It is necessary to preserve key data assets. Government websites are disappearing. Download or preserve what you can now.

## WILL YOU JOIN US?

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### Working Group: Federal Funding Solutions, Part 2

Feb 21, 2025 | 12:00 pm ET | Virtual Workshop