

Federal Funding Best Practices



Agenda

- **Key Executive Orders (EO) and Their Impact on Funding**
 - Key Executive Orders / Memos to date
- **Analyze the Direction of Federal Funding**
 - Navigating the “new normal” of federal financial assistance
 - Grants Ecosystem
 - Impact from federal ➡ state ➡ local
- **Strategies to embrace the change and advocate for the future**
 - Advocacy for grant professionals

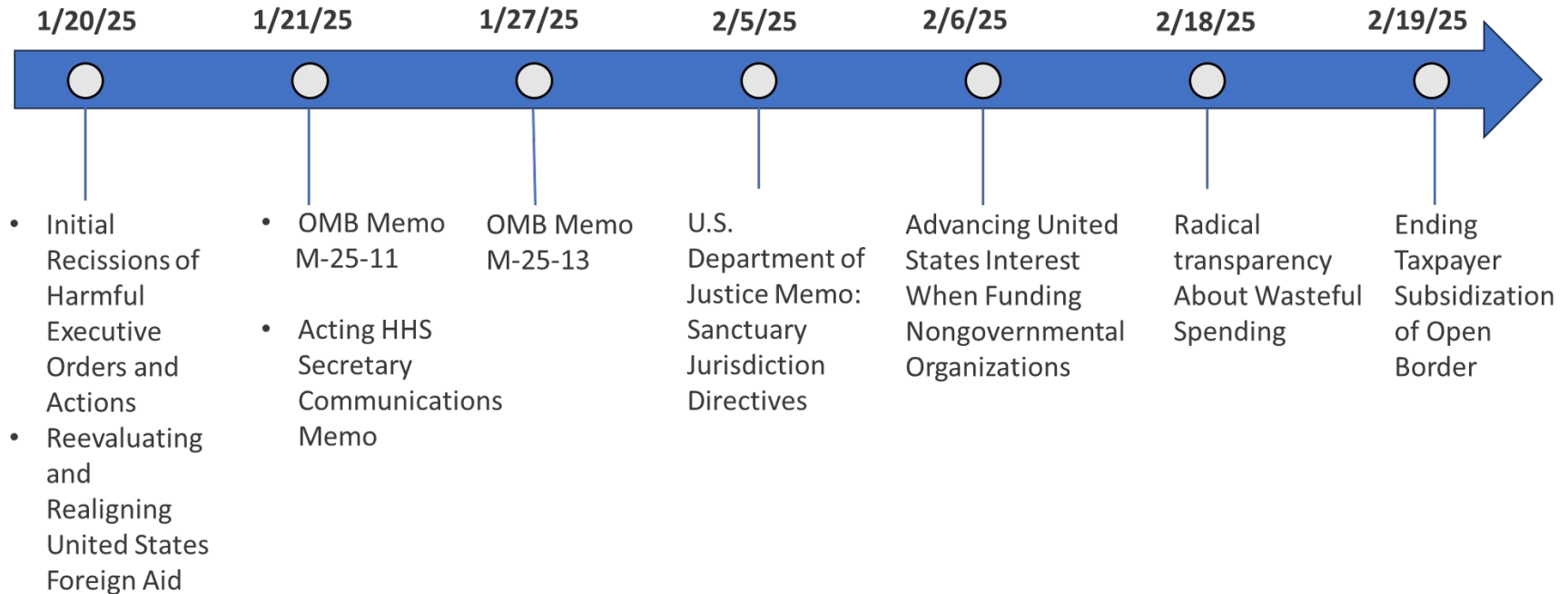
Actions not necessarily unprecedented

- Federal Agencies serving as fiscal agents
- Greater state control and partnership with federal government
 - Presidential Executive Order 12372

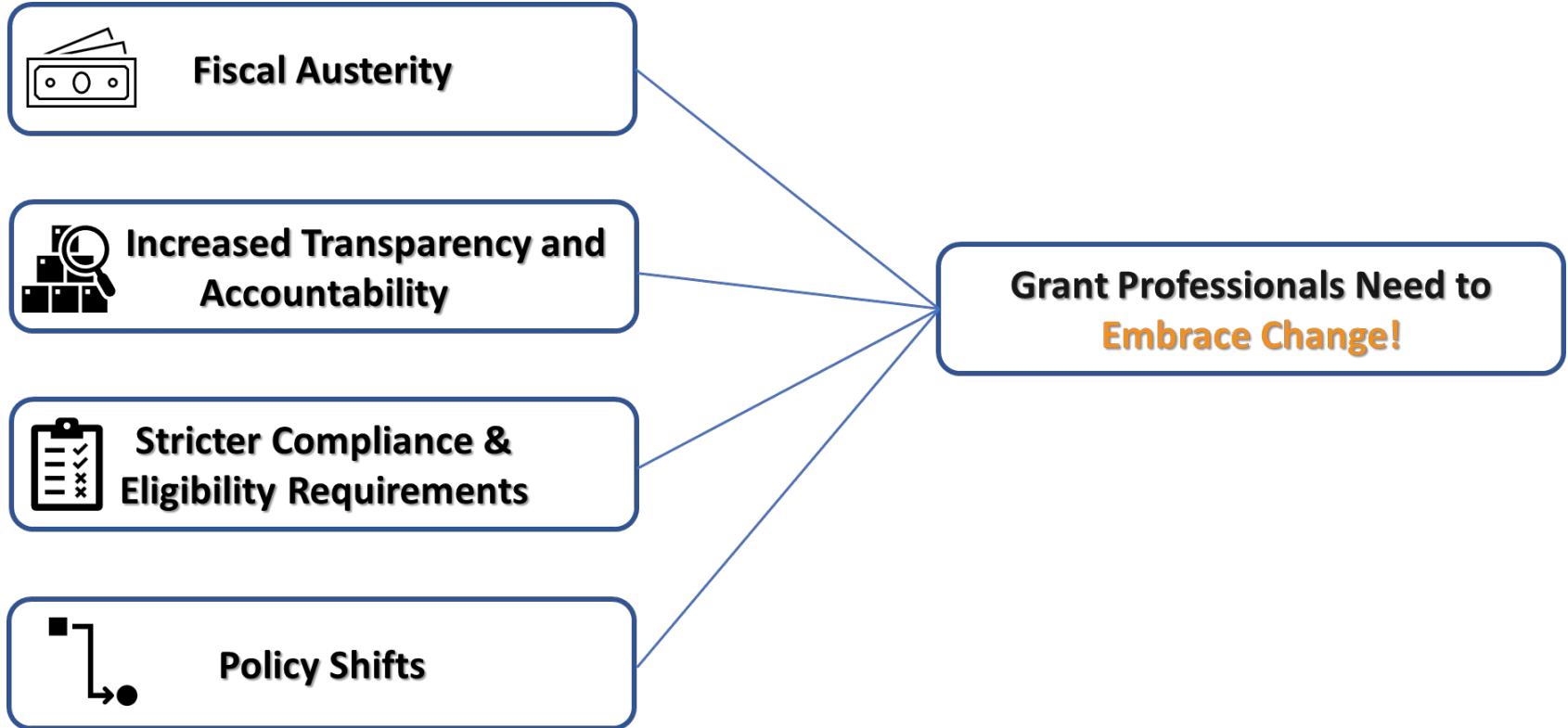
- Reduction in force of federal workforce
- Competitive Sourcing
 - OMB Circular A-76

- Across the board rescission
- Program/Policy changes

Executive Orders & Memos of Note



Executive Orders and Their Impacts



The Direction of Federal Financial Assistance

1. Greater Emphasis on Compliance and Measured Outcomes

2. Diversification of Funding Sources

3. Increased Demand for Grant Management Expertise

4. Increased Competition for Limited Funding

5. Expansion of State and Local Grant Opportunities

6. Need for Advocacy and Policy Engagement

What does this mean for local governments?



Strategic Grant
Planning



Alignment to
New Priorities

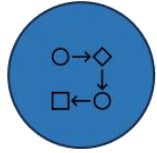


Deep
understanding
of compliance



Advocacy

How will DOGE and COGE affect local government funding?



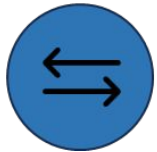
Streamline grant application and reporting processes



Increased oversight and performance-based funding models



Greater emphasis on reducing administration burdens while ensuring accountability



Potential shifts in funding distribution (State pass-through)

Strategies to Embrace and Affect Change

- ❖ **Review Grant Agreements and Compliance Requirements**
 - Ensure all current grants comply with existing requirements, such as reporting deadlines and fund usage
 - Anticipate the continued shifts in priorities of the new administration
- ❖ **Stay in Compliance**
 - Maintain communication and adherence to approved timelines and budgets, even without direct contact with federal program managers.
 - Implement projects without necessitating the unnecessary need for revisions/reviews.
- ❖ **Stay Informed on Policy Changes**
 - Monitor federal agencies for announcements, policy adjustments, and funding priorities.
 - Be proactive in seeking information as grantor websites may have delays in posting critical updates.

Strategies to Embrace and Affect Change...continued

❖ Engage with Key Stakeholders

- Foster relationships with new decision-makers, agency contacts, and program officers.
- Showcase your organization's mission and achievements to align with evolving priorities.

❖ Prepare for Increased Scrutiny

- Expect heightened oversight during the transition.
- Ensure thorough record-keeping, updated audits, and comprehensive financial and program documentation to prevent compliance issues, especially with the recent changes in the OIG community.

❖ Evaluate Current and Future Funding

- Assess how the new administration's focus aligns with your programs.
- Position your organization to pursue funding opportunities that match the updated agenda, including emerging areas or initiatives.
- Review existing portfolio and make adjustments to minimize exposure.
 - Terminology matters.

Seek out Safe Harbors

❖ **Guidance**

- Order of Legal Precedence - Constitution ➤ Federal Statutes ➤ Federal Regulations ➤ Executive Orders ➤ OMB Policies ➤ Agency and Other Specific Guidance
- The Uniform Guidance, officially titled "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards," is a federal regulation codified in Title 2 of the Code of Federal Regulations (2 CFR Part 200).

❖ **Procurement**

- Cooperative Purchasing
- State Procurement

❖ **Existing Policies/Internal Controls**

- Adherence is key
- Arbitrary and capricious decision making

❖ **Collaborate with Auditors**

- Single Auditors
- OIG Communities
- Pandemic Response Accountability Committee

Educate and Advocate

- ❖ **Not all legal instruments are contracts**
 - A grant is an agreement that transfers financial resources from one entity to another for a programmatic purpose.
 - A grant can be a contractual obligation but NOT all grants are contractual obligations.
 - Impacts of Federal Acquisition Rules, State and Local Procurement Rules
- ❖ **Not all grants have been frozen or eliminated**
 - Look beyond the rhetoric to fully understand what has and has not been impacted.
- ❖ **What is the project and who is it serving**
 - Go beyond minimum reporting requirements.
- ❖ **Why administrative and indirect cost are important**
- ❖ **Advocacy is not lobbying**
 - If the Administration is not hearing from anyone than the program deserved to be cut.
- ❖ **Be part of the new normal**
 - Politics aside, the federal financial assistance process is changing.

Local Infrastructure Hub

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