# MANAGEMENT AND BUDGET

#### **Federal Funds Update Call**

Avery Prine, & Kerry York-Myles | Federal Funds Implementation Team

# July 3<sup>rd</sup>, 2025 Agenda

#### **Presentation (15 minutes)**

- 1. Introduction: Team & Purpose
- 2. Updates: Disruptions, NOFOs, EOs and Guidance
- 3. Topic Area Spotlight: Continuity Planning Overview with Nathaniel Dempsey

**Questions and Group Discussion (15 minutes)** 

## Team Intro & Overview

#### **Mission:** Partner with Minnesota entities to access and deploy federal funds to accelerate state goals.



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#### **Our Focus Areas**

- 1. Monitor the federal landscape
- 2. Advance the resourcing of strategically significant projects
- Monitor and evaluate federal funds deployment
- 4. Curate, develop & share federal funding technical assistance

#### Purpose of this call

#### While we can't provide clarity right now, we can:

- Share information to facilitate risk analyses
  - Tracking reimbursement blockages
  - Tracking cancellations
  - Tracking NOFOs
  - Tracking guidance and EOs
- Provide a space for others to share information and strategies
- Build a support network of people working through similar problems

#### Federal Developments

- The President says the administration may develop a <u>"temporary pass"</u> for immigrants working in specific industries, specifically farming.
- The Government Accountability Office found that the administration's withholding of library museum funding was a violation of the <u>Impoundment Act</u>.
- The Department of Veterans Affairs has imposed new guidelines on VA hospitals nationwide that remove language that explicitly prohibited doctors from discriminating against patients based on their political beliefs or marital status.
- Federal Judge ruled that the EPA's termination of environmental justice grants was <u>unlawful and</u> <u>violated the Administrative Procedure Act</u>.
- <u>SCOTUS</u> limits lower court judges' ability to block executive branch policies nationwide via nationwide injunctions.
- Administration freezes <u>\$6.8 Billion in federal education dollars</u>.
- Budget reconciliation bill passed the Senate on Wednesday and is moving towards a final House vote and expected to pass today.

#### Resources

#### Upcoming

- Thursday, July 17 Federal Funds Update: Overview of the President's FY 2026 Skinny Budget
- Thursday, July 24 <u>MyFedTrainer Webinar: Compliance with a Small Grants Department</u>
  - This webinar will review key requirements in the Code of Federal Regulations (CFR) <u>Uniform Guidance</u> and how small organizations can leverage current (and potentially new) resources. The session will highlight what organizations with small grants departments can do to be as efficient as possible.
  - Webinar registration is currently \$50.

#### Ongoing

- Disruption Trackers: <u>Temporary Disruptions, Permanent Cancellations, and Court Ordered Reversals</u>
- Lawyers for Good Government: <u>Fund Protection Clinic</u>
- MN TA Collaborative: <u>Technical Assistance Provider Directory</u>
- Environmental Protection Network: <u>Federal Funding Management Webinars and Office Hours</u>
- Impala Ecosystem: <u>Minnesota Philanthropic Hub</u> (for MN-based nonprofits, foundations and members of the Minnesota Council of Foundations)

## Open NOFO's of note since June 5th, 2025

#### Trends

- 13 new postings from DOI's Bureau of Land Management focused on natural resource management and fire safety; awards range from \$25K to \$3M; all are due on 7/23/25
- Postings from HHS make up the largest share of new NOFOs in the last 3 weeks with 41 open opportunities; majority is research funding

New IIJA Notices of Funding Opportunity (NOFOs)	Category	Award Ceiling	Deadline
Low- or No-Emission Program	Transportation	N/A	7/14/2025
Buses and Bus Facilities Program	Transportation	\$39,810,323	7/14/2025
United States Marine Highway Program (USMHP)	Transportation	\$14,042,621	7/15/2025
Plant Conservation and Restoration Management Program	Natural Resources	\$3,000,000	7/23/2025
Bridge Investment Program, Large Bridge Project Grants	Transportation	\$3,000,000,000	8/1/2025
Competitive Highway Bridge Program	Transportation	\$75,000,000	8/4/2025
Port Infrastructure Development Program	Transportation	N/A	9/10/2025



#### Federal Funds Implementation Team 7/3/25

Nathaniel Dempsey | Policy Nerd

Enterprise Continuity | Minnesota Management and Budget

# Today's Journey: Risk

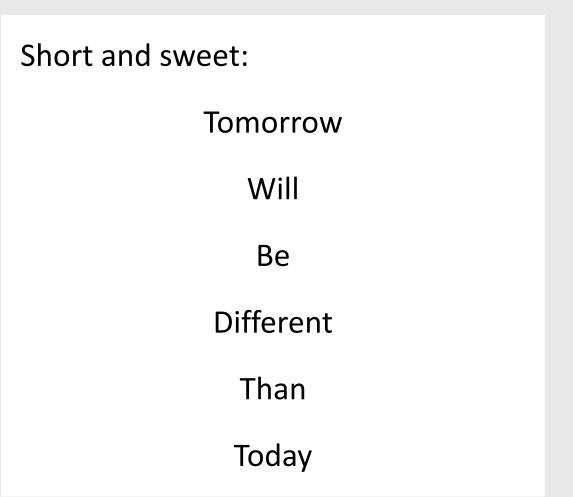
#### Managing in a season of ambiguity

- Defining risk
- Sustaining a culture of preparedness and resilience
- Applying principles to funding scenarios

#### Two frameworks of risk management

#### Harvard Business School:

...systematic process of identifying, assessing, and mitigating threats or uncertainties that can affect your organization. It involves analyzing risks' likelihood and impact, developing strategies to minimize harm, and monitoring measures' effectiveness...



# What is risk

Natural Disasters	Technological Disasters	Employee Turnover
Legal Risk	Political Risk / Franchise Risk	Employee Misconduct
Interest Rate Risk FFIT July 2025	Inaccurate Planning Assumptions	Employee Mistakes / Operating Errors

## Foundational principles

- Mission, vision, values, strategies, priorities, etc.
- Know your team
  - Build relationships before difficult situations arise
- Understand your administrative work plans and processes
  - Formal process mapping, documentation, and business process analysis
  - Informal conversations about how things get done
- Do the impact analysis

Existential question in grants management

 In case you don't have anything else keeping you up at night →

# Whose program

# is it anyway?

## Applying risk principles to funding scenarios

- Get everybody at the table
  - legal, HR, finance, IT, business continuity, internal controls, facilities, safety, comms, etc.
- Develop consensus around alignment with organizational goals
- Assess quantitative and qualitative impacts
- Program sustainability and organizational survivability
- A resilient mindset views challenges as opportunities
  - Awareness, education, advocacy, process improvement, cultivation of new partners, etc.
- Mitigate risks vs. accept risks

# **Open Forum**

- What is on your mind?
- What do we want to learn?
- What do we want to change?
- What do we want to discuss collectively regarding what comes next?



# Thank You!

#### **Nathaniel Dempsey**

#### Enterprise Continuity | Minnesota Management and Budget



# Supplemental Info

#### Al screening for words and themes

- Analysis has shown that words associated with themes in issued executive orders and federal agency guidance are being removed or replaced on federal websites.
- Federal agencies may be conducting Al screening for these or similar words in federal grant applications and reporting.
- Applications and reports that omit these words or themes may not trigger additional review.

The New York Times				
accessible	discriminated	inclusive	privilege	
activism	discrimination	inclusive leadership	privileges	
activists	discriminatory	inclusiveness	promote diversity	
advocacy	disparity	inclusivity	promoting diversity	
advocate	diverse	increase diversity	pronoun	
advocates	diverse backgrounds	increase the diversity	pronouns	
affirming care	diverse communities	indigenous community	prostitute	
all-inclusive	diverse community	inequalities	race	
allyship	diverse group	inequality	race and ethnicity	
anti-racism	diverse groups	inequitable	racial	
antiracist	diversified	inequities	racial diversity	
assigned at birth	diversify	inequity	racial identity	
assigned female at birth	diversifying	injustice	racial inequality	
assigned male at birth	diversity	institutional	racial justice	
at risk	enhance the diversity	intersectional	racially	
barrier	enhancing diversity	intersectionality	racism	
barriers	environmental quality	key groups	segregation	
belong	equal opportunity	key people	sense of belonging	
bias	equality	key populations	sex	
biased	equitable	Latinx	sexual preferences	
biased toward	equitableness	LGBT	sexuality	
biases	equity	LGBTQ	social justice	

#### A Note on Recent Guidance

# **Example Guidance: Department of Labor**. "Starting on March 17, 2025, grant recipients are required to submit a justification with each payment request submitted to PMS."

## **Reminders/Best Practices**

- Grants with signed agreements appear to be somewhat stable for the time being
- Some grants may be terminated for convenience—check terms and conditions
  - The standard terms and conditions are being amended by EPA to make grants easier to cancel for convenience
  - Stay consistent with terms and conditions
- Get any directives in writing
- Know that calls may be recorded
  - Folks from the federal government and potentially DOGE in particular are joining meetings.
- Reporting and funding applications: anticipate use of AI screening for key words.
- Court cases continue: Covid and FEMA fund cancellations were blocked; reductions in force blocked, then unblocked.