

Executive summary | November 2025

# Wipfli Tribal Government CFO Exchange

**Host:** Lisa Desotelle | Wipfli

**Subject matter specialist:** Kyle Aulerich | Wipfli

**Facilitator:** Morgan Coffin | Profitable Ideas Exchange



**WIPFLI**

# Introduction

Thirteen financial leaders and executives from sovereign governments met virtually to discuss pressing fiscal issues, share best practices and gain specialized insights.

The exchange focused on two critical areas: strategies derived from navigating the recent federal government shutdown and assessing the strategic implications, risks and opportunities presented by artificial intelligence (AI) and data governance. Executives shared preparedness tactics concerning emergency funding and discussed the importance of proactive internal policy development and contractual vigilance to protect organizational data sovereignty while leveraging technology for efficiency. The three most important themes discussed were: preparing for federal disruptions, protecting data sovereignty and leveraging AI for operational gains.





# Preparing for federal disruptions and ensuring continuity of essential services

Lisa Desotelle summarized the recent federal government shutdown and reopening. The real question now is, how can organizations quickly prepare for the next one, given the likelihood of another shutdown in the coming months?



- Tribes should set up emergency funds and maintain reserves to quickly provide aid during crises, avoiding council delays and authorization issues in events such as government shutdowns or power outages.
- Speed is critical during disruptions: One tribal executive shared that their tribe processed over 16,000 Emergency Nutritional Assistance Program payments in just 10 days, highlighting the challenge of convening councils under rules that require open meetings and formal postings.
- Approaches to emergency funding vary. Some tribes rely on general fund allocations that require Tribal Council requests, while others unlock preexisting emergency funds managed by specialized units once an official emergency is declared, helping to streamline access to capital.
- Recent disruptions prompted tribes to revisit general welfare ordinances, adding language for rapid service delivery, such as citizen application portals, without major budgetary disruption.

## CFO members made the following comments:

*“We’re revisiting our laws, including the general welfare ordinance. The goal is to update it so we can reach tribal members more efficiently and quickly, while minimizing disruption to the budget.”*

*“We have emergency funding reserves that can be used if a program needs support. However, any additional costs would ultimately roll up to the tribal council and come out of the general fund.”*

*“A key mitigation strategy we have involves utilizing an emergency management business unit, which automatically unlocks a dedicated pocket of emergency funds once an official emergency is formally declared.”*



# Protecting tribal data sovereignty during technology adoption

Kyle Aulerich, a partner with Wipfli's technology team, discussed how to secure the right to govern the collection, ownership and application of data and how it aligns with tribal values and policies.

- Tribes must develop clear AI policies and negotiate strong vendor contracts to prevent sensitive tribal data from being used for external model training, which helps protect sovereignty and institutional knowledge.
- Major risks include vendors using tribal data, such as casino revenue or grant details, to train general AI models, causing permanent loss of control over proprietary information. Tribal executives also noted challenges in securing contract language on sovereign immunity when adopting cloud solutions.

- To mitigate vendor risk, tribes should require contracts that mandate full data repatriation, prohibit data training or benchmarking, and allow audit rights of the AI supply chain.
- Participants agreed that using public-facing AI for sensitive tasks, like drafting grant proposals, risks exposing strategic plans and financial details. Safer options include internal, on-premises solutions or certified private modes, even if they limit data availability.

---

*“One topic that comes up a lot is sovereign immunity waivers while working with software vendors. We think it crucial to evaluate the options of including these within your partnership agreements, recognizing that it’s a process and could be difficult at the end of the day.”*

*“One concern we have is around using AI to draft proposals because it could expose sensitive data. For example, if someone asks the AI for funding opportunities in sustainable energy, it might return details about a specific organization’s grant. That kind of information shouldn’t be publicly accessible.”*



# Leveraging AI for operational efficiency and future growth

- Tribes are seeing major benefits from AI in daily operations, such as optimizing back-office finance functions and enabling 24/7 citizen self-service. Future priorities include developing sovereign, culturally aware language models and predictive welfare tools.
- Current AI use focuses on high-volume, repetitive tasks, including speeding up grant writing, automating payroll anomaly and fraud detection, and auto-categorizing expenses to improve efficiency and audit readiness.
- AI enhances citizen services through self-service portals and bots, allowing record updates, applications and service requests without staff intervention. Some tribes are customizing portals with AI features, raising questions about data usage in terms and conditions.

- A key future opportunity is creating an internal, sovereign large language model (LLM) that is air-gapped from the public internet and trained exclusively in tribal language, policies and procedures to help ensure accuracy and cultural respect.
- Concerns about job displacement were discussed, noting that AI currently augments roles rather than replaces them. Education is critical to help staff view AI as an enabler, not a threat.





*“We are constantly talking about promoting how powerful artificial intelligence is, what it’s going to do for the organization, but at the end of the day, there is also the actual risk of harm, not just the perceived risk.”*

---

*“A lot of folks have issues with the use of AI because they think they’ll lose their jobs or force us to move our data to the cloud, but the reality is that IT still needs to be there, people still need to be there. The key is to identify the areas that drive the most value for the end user. Getting hands-on and running low-risk pilots goes a long way to transform the culture from one of fear to one of excitement and innovation.”*

---

*“One feature I really like is auto expense categorization. When staff submit expenses through their mobile devices, the system automatically categorizes them, making the process easier for end users. Ultimately, the goal is to have everything organized and audit-ready.”*

# Enhancing governance through policy and education

- Tribes must establish mandatory AI policies and training programs to govern staff usage, standardize configurations and ensure a human gatekeeper validates all AI outputs to prevent data leakage or cultural misrepresentation.
- Adopting an AI policy is a critical first step. Leaders can use available AI policy templates if needed. They'll also need to enforce a moratorium on unapproved tools until internal rules are in place. Proper configuration prevents accidental sharing of tribal data.
- Human oversight remains the primary safeguard against errors like “hallucinations” or disrespecting cultural nuances; every AI-generated output should be reviewed before public use.
- Mandatory sovereignty training and education are essential, as staff must understand risks tied to public AI tools. Some tribes create internal committees to pilot low-risk AI applications and host demonstration days to build trust and foster learning.
- Think of integrating AI like welding a secure vault onto tribal data systems. The goal is to gain efficiency and predictive power while maintaining complete control over sensitive information and helping ensure outsiders cannot use tribal data to build their own tools.

*“Policies and procedures are critical because people are using artificial intelligence, and if we do not give them the guidance or training, they do not know the repercussions of how they are using it and what they are putting out into the world for the public to see.”*



# WIPFLI

[wipfli.com/tribal](https://wipfli.com/tribal)

"Wipfli" is the brand name under which Wipfli LLP and Wipfli Advisory LLC and its respective subsidiary entities provide professional services. Wipfli LLP and Wipfli Advisory LLC (and its respective subsidiary entities) practice in an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations, and professional standards. Wipfli LLP is a licensed independent CPA firm that provides attest services to its clients, and Wipfli Advisory LLC provides tax and business consulting services to its clients. Wipfli Advisory LLC and its subsidiary entities are not licensed CPA firms.