

Executive summary | March 2025

# Wipfli Tribal Government CFO Exchange

**Host:** Lisa Desotelle | Wipfli

**SME:** Deron Kling | Wipfli

**Facilitator:** Austin Evans | Profitable Ideas Exchange



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Wipfli Tribal Government CFO Exchange

# Introduction

Eighteen chief financial officers (CFOs) and leaders of finance from tribal governments met virtually to discuss pressing issues and share best practices. The agenda was shaped by pre-interviews conducted with participants.

Lisa Desotelle, partner at Wipfli, hosted the exchange and Austin Evans of Profitable Ideas Exchange facilitated the discussion. Deron Kling, director at Wipfli, provided subject matter knowledge. The conversation focused on the following key topics:

- Navigating federal funding uncertainty
- Scenario planning
- Response planning
- Developing an action plan

# Navigating federal funding uncertainty

Participants expressed significant concern over the uncertainty surrounding federal funding due to recent administrative changes.

The Office of Management and Budget issued a directive on January 27, 2025, to temporarily pause all federal financial assistance programs, including grants and loans, as part of a broader review of federal spending.

This sudden freeze, which took effect on January 28, 2025, has created significant uncertainty for tribal nations that rely on federal funding for essential services such as healthcare, education and infrastructure. Although the freeze was rescinded shortly after, the initial disruption has left tribes scrambling to secure funding and plan for potential future uncertainties.



# Navigating federal funding uncertainty

The discussion also highlighted the impact of potential funding freezes and cuts on various tribal programs.

CFOs are actively taking steps to mitigate the impact of funding uncertainties. Some tribes have implemented hiring freezes and expenditure controls, while others are conducting comprehensive reviews of their grants and funding sources.

**“We also went through our entire 2024 audit and cross-referenced our CFDA with the list. Candidly, we felt like the government tipped their hand. So, we cross-referenced that workbook with our CFDA list to see what expenditures we already had that were linked to what the government had in mind.”**

For example, one tribe has put a 90-day freeze on new hires and organizational changes, while another is cross-referencing their audit data with federal funding

lists to identify potential vulnerabilities. These proactive measures are aimed at ensuring financial stability and continuity of essential services.

Additionally, tribes are looking to stay informed about the latest developments as a crucial part of effective decision-making.

Participants emphasized the importance of plugging into legitimate news sources and industry updates. Several CFOs mentioned subscribing to newsletters from reputable organizations, such as the National Congress of American Indians and the Native American Finance Officers Association, to stay updated on policy changes and funding opportunities.

Regularly attending webinars and conferences was also recommended to gain insights from experts and peers.



# Scenario planning

Scenario planning is an effective tool for managing uncertainty. CFOs are encouraged to review their policies and procedures, prioritize programs and understand the implications of potential funding changes. This involves assessing the impact of funding cuts, reductions or restorations on the population served.

**“We’re trying to determine whether or not the grants are going to go away, whether or not the grants may or may not become competitive, or whether or not they’re just going to be restored.”**

Understanding how each grant works, including reimbursement processes and compliance requirements, is essential. CFOs should evaluate the potential impact of funding changes on their programs and services. For instance, if a grant is reduced or eliminated, what would be the immediate and long-term effects on the community?

By conducting thorough reviews and engaging with grant administrators, tribes can better prepare for various scenarios and make informed decisions.



# Response planning

One leader noted that one of their cases filed in federal court is being scrutinized on third-party revenues and how that is being used in the context of an indirect cost proposal negotiation.

Having a well-defined response plan is crucial for managing crises effectively. This includes preparing for potential ICE enforcement actions and ensuring that both employees and community members know what to do in such situations.

Tribes are developing protocols to handle ICE interactions, including instructing staff to contact tribal law enforcement immediately. Clear communication and training are essential to ensure everyone understands their rights and responsibilities. Some tribes are also providing free tribal IDs so that members have proper identification.

**“We assess what’s developed in the news and then we craft a short communication, a very short memo on behalf of the Tribal Council. The Tribal Council has editorial review of that, and then that’s disseminated weekly to membership.”**

Effective communication is vital in times of uncertainty. Tribes are establishing regular communication channels to keep members informed about funding issues and administrative changes. This includes weekly newsletters, social media updates and community meetings.

Transparent and timely communication helps build trust and keeps everyone aligned.

# Developing an action plan

Deron Kling provided a comprehensive action plan for managing uncertainty, focusing on three main areas: **preparation**, **communication** and **rapid response**. This plan is designed to help tribes stay well-equipped to handle sudden changes and maintain stability.

## Preparation

- **Inventory programs:** Conduct a thorough inventory of all programs and funding sources to understand potential vulnerabilities.
- **Scenario planning:** Develop best-case, worst-case and most likely scenarios to guide decision-making.
- **Policy review:** Regularly review and update policies and procedures to ensure they are aligned with current realities.



# Developing an action plan

## Communication

- **Stakeholder identification:** Identify all key stakeholders, including tribal members, employees and external partners.
- **Regular updates:** Establish a consistent schedule for providing updates to stakeholders. This could be through newsletters, emails or community meetings.
- **Feedback mechanism:** Create channels for stakeholders to ask questions and provide feedback.

The roundtable concluded with a call to action for tribal leaders to remain proactive in their planning and communication efforts.

Participants were encouraged to continue sharing best practices and supporting each other in

## Rapid response

- **Information team:** Set up a team responsible for gathering and analyzing information from various sources.
- **Strategic team:** Establish a strategic team to make informed decisions based on the gathered information.
- **Management decision team:** Assign a team to handle day-to-day management and ensure smooth operations.
- **Tribal council leadership:** Ensure that the tribal council is informed and involved in decision-making processes.

navigating the challenges posed by federal funding uncertainties and administrative changes. By staying informed, planning and maintaining open communication, tribes can better manage the impacts of these uncertainties and help ensure the well-being of their communities.



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