

OMB Announces Temporary Pause on Federal Financial Assistance Programs: Implications for Urban Indian Organizations

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FOR IMMEDIATE RELEASE

Washington, D.C. (January 28, 2025)– On January 27, 2025, Matthew J. Vaeth, Acting Director of the Office of Management and Budget (OMB) at the Executive Office of the President released a memorandum addressed to all heads of Executive Departments and Agencies with the subject line “Temporary Pause of Agency Grant, Loan, and Other Financial Assistance Programs.” The memorandum requires that Agency leadership “to the extent permissible under applicable law...temporarily pause all activities related to obligation or disbursement of all Federal financial assistance.”

Each Agency must “identify and review all Federal financial assistance programs and supporting activities consistent with the President’s policies and requirements.” To determine whether such programs and supporting activities are “consistent with the President’s policies and requirements” Department and Agency heads should refer to the series of thirty-four (34) executive orders released by the President since he took office on January 20, 2025. Relevant topics “includ[e], but are not limited to, foreign aid, nongovernmental organizations, DEI, woke gender ideology, and the green new deal.” The **temporary pause becomes effective today, January 28, 2025, at 5:00 p.m.** There is presently **no scheduled end date** for the pause. All activities related to open Notice of Funding Opportunities are subject to the pause. OMB may “grant exceptions allowing Federal agencies to issue new awards or take other actions case-by-case basis.”

Application to Urban Indian Organizations and Next Steps

Urban Indian Organizations (UIOs) receive federal funding from various sources, some, if not all, of which will be affected by the pause. Urban Indian Organizations (UIOs) are advised to discuss the potential implications of this memorandum with their finance and legal departments. Please note that federal agencies may be unable to respond to inquiries or questions. The Department of Health and Human Services has issued a pause on issuing documents and public communications until February 1, 2025.

Additional Information

The memorandum requires Federal Agencies to:

1. Immediately identify and notify OMB of any legally mandated actions or deadlines for assistance programs that will arise during the pause.
2. Submit detailed information of any programs, projects, or activities subject to this pause no later than February 10.
3. Carry out the following activities for each Federal financial assistance program:
 - a. Assign responsibility and oversight to a senior political appointee to ensure Federal financial assistance conforms to Administration priorities;
 - b. Review currently pending Federal financial assistance announcements to ensure

- Administration priorities are addressed, and, subject to program statutory authority, modify unpublished Federal financial assistance announcements, withdraw any announcement already published, and, to the extent permissible by law, cancel awards already awarded conflict with Administration priorities; and
- c. Ensure adequate oversight of Federal financial assistance programs and initiate investigations when warranted to identify underperforming recipients, and address identified issues up to and including cancellation of awards.

The memorandum defines “financial assistance program” as the term is defined in 2 CFR 200.1 meaning “assistance that recipients or subrecipients receive or administer in the form of:(i) Grants;(ii) Cooperative agreements;(iii) Non-cash contributions or donations of property (including donated surplus property);(iv) Direct appropriations; (v) Food commodities; and (vi) Other financial assistance,” but clarifies that the memorandum does not apply to Social Security benefits or Medicare.

Follow-up instructions provided by OMB on Federal Financial Assistance program analysis require all Federal agencies that provide Federal financial assistance complete a spreadsheet with information on any program that has funding or activities planned through March 15th. Agency heads must submit the completed spreadsheet to OMB no later than February 7th, 2025.

About NCUIH

The National Council of Urban Indian Health (NCUIH) is a national representative advocating for the 41 Urban Indian Organizations contracting with the Indian Health Service under the *Indian Health Care Improvement Act*. NCUIH is devoted to the support and development of quality, accessible health and public health services for American Indians and Alaska Natives living in urban areas.

NCUIH respects and supports Tribal sovereignty and the unique government-to-government relationship between our Tribal Nations and the United States. NCUIH works to support those federal laws, policies, and procedures that respect and uplift Tribal sovereignty and the government-to-government relationship. NCUIH does not support any federal law, policy, or procedure that infringes upon or in any way diminishes Tribal sovereignty or the government-to-government relationship.