

INDUSTRY KEYNOTE

Navigating Federal Changes and Financial Challenges in Government

Recognizing the moment and the opportunity

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TRANSFORM 
TRANSFORM EVERYTHING

Trump Signs Sweeping Immigration Order on Day One

Reuters, January 20, 2025

Markets React Cautiously to Trump’s Economic Revival Plan

The Wall Street Journal, January 25, 2025

Trump Reverses Climate Commitments, Reopens Federal Lands for Drilling

The Guardian, February 2, 2025

Healthcare Overhaul Bill Clears House, Faces Senate Scrutiny

CNN, February 18, 2025

Education Department Announces New School Choice Incentives

Fox News, March 12, 2025

President Trump Meets with NATO Leaders Amid Tensions Over Defense Spending

BBC News, February 10, 2025

U.S. Withdraws from Global Digital Tax Agreement

Financial Times, April 5, 2025

Trump Launches Federal Workforce Reduction Initiative

Politico, March 1, 2025

Trump Signs Executive Order to Restructure DOJ Oversight

Al Jazeera, March 20, 2025

Trump’s 'Big, Beautiful' Bill Sparks Medicaid Showdown

CNN, April 28, 2025

Mass Deportations, Tariffs, and a 'Department of Government Efficiency'

CNN, April 29, 2025

Trump’s Rat-a-Tat Executive Orders Overwhelm America

CNN, April 29, 2025

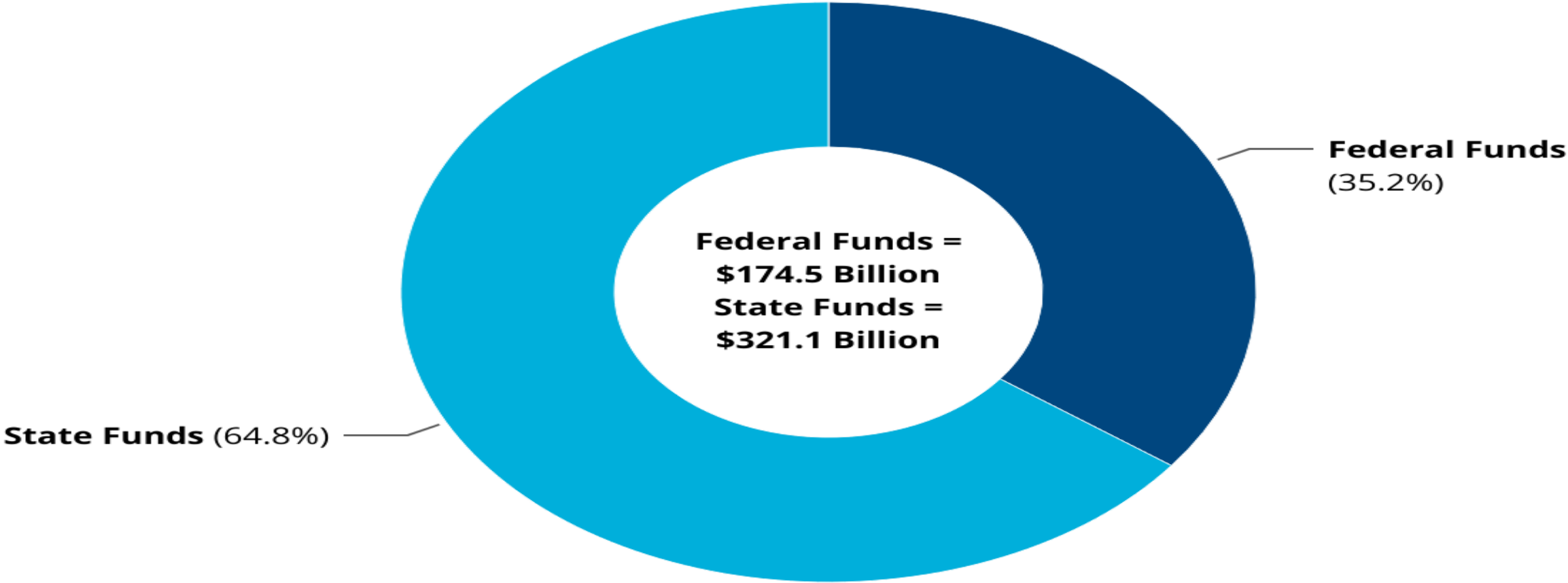
The 100 Days That Shook Up The World

Fox News, April 29, 2025

If you feel overwhelmed, you’re not alone

Federal Funds Make Up Over One-Third of California's State Budget

Enacted 2025-26 Expenditures = \$495.6 Billion



Note: State funds reflect General Fund, special fund, and bond fund dollars.
Source: Department of Finance



Agenda



Understand Key Executive Actions Directly Affecting State and Local Governments



Identify the Key Actions to take in Response



Create a Plan for Thriving, not Surviving

Key Executive Actions

Policy Theme: Deregulation

Ensuring Lawful Governance and Implementing the President's DOGE Deregulatory Initiative

Directs all agencies to review all regulations issued by their agency and identify and work with Office of Information and Regulatory Affairs within OMB to rescind all that overreach scope of authority, conflict with administration priorities, and/or cause undue regulatory burden.

Reducing Anti-Competitive Regulatory Barriers

Directs Agencies to complete a review of all regulations subject to their rulemaking authority and identify those that create monopolies, increase barriers to entry, reduce competition and/or create undue procurement burdens, etc.

Plus:

Restoring Common Sense to Federal Procurement

Establishing the US Investment Accelerator

Commencing the Reduction of the Federal Bureaucracy

Continuing the Reduction of the Federal Bureaucracy

Other Investment and Industry Specific Executive Orders

Policy Theme: Streamlining and Reducing Government

Eliminating Waste and Saving Taxpayer Dollars by Consolidating Procurement

Agencies and General Services Administration (GSA) to create plans for consolidation of procurement for all common goods and services under the GSA and submit a plan to Office of Management and Budget (OMB) for doing so.

Designates GSA as the executive agent for all Government-wide acquisition contracts for information technology.

Administrator to rationalize Government-wide indefinite delivery contract vehicles for information technology for agencies across the Government, including identifying and eliminating contract duplication, redundancy, and other inefficiencies on an ongoing basis.

Ensuring Commercial, Cost-effective Solutions in Federal Contracts

Directs agencies to procure commercially available products and services, including those that can be modified to fill agencies' needs, to the maximum extent practicable,.

Agencies to review all open solicitations for non-commercial acquisitions and justify an intended acquisition of a non-commercial (customized) solution and request an exception

Plus:

Restoring Common Sense to Federal Procurement

Policy Theme: Financial Transparency and Data Sharing

Implementing the President's Department of Government Efficiency Cost Efficiency Initiative (DOGE)

- Directs agencies to create systems to share information with DOGE for financial transparency.
- Various agencies directed to provide DOGE with direct access to systems as part of financial transparency and cost saving efforts.

Protecting America's Bank Account Against Fraud, Waste, and Abuse

- OMB Director shall issue guidance directing all other agencies to consolidate transactional financial management services under a single provider approved by the Department of the Treasury.
- Treasury shall develop a plan to centralize and manage all payments previously disbursed by other agencies to ensure seamless continuity of Government payments.

Stopping Waste, Fraud, and Abuse by Eliminating Information Silos

Agencies must ensure designated Federal officials have full and prompt access to all unclassified agency records, data, software systems, and information technology systems, including data generated by State programs that receive federal funding for identification and elimination of waste, fraud, and abuse. This includes authorizing and facilitating both the intra- and inter-agency sharing and consolidation of unclassified agency records, and data within third-party databases.

Policy Theme: Streamlining and Reducing Government

Commencing (and Continuing) the Reduction of the Federal Bureaucracy

Purpose to drastically reduce the size of the federal government while increasing its accountability. Non-statutory elements and functions of governmental entities shall be eliminated. Additional agencies eliminated and/or denied funding in subsequent EOs.

Implementing the President's Department of Government Efficiency Cost Efficiency Initiative (DOGE)

- Review all existing contracts and grants and, where appropriate, terminate or modify them to reduce overall Federal spending or reallocate spending to promote efficiency and advance the policies of the Administration.
- Conduct a comprehensive review of each agency's contracting policies, procedures, and personnel and issue guidance on signing new contracts or modifying existing contracts.
- Provide the Administrator of DOGE with a monthly informational report on contracting activities.
- Build a system within each agency that centrally records approval for federally funded travel for conferences and other non-essential purposes and all payments with a description of each for DOGE review.
- Update real property database, identify leases for termination and identify property for disposition

DOGE Mandate 1

DOGE is identifying areas of potential waste, fraud, and abuse of public funds.

<https://doge.gov/>

Reduce Spending

- Waste – Inefficient use of funds.
- Fraud – Breaking the law.
- Abuse – Technically legal but deliberately exploiting a program.
- DOGE has no authority to implement cuts or changes. Just share their discoveries and make recommendations.

Cascade

- The impacts will cascade (not trickle) to State and Local Governments who receive about 35% of their funding directly from the Federal Government.
- Other industries that will be impacted include:
 - Healthcare
 - Education/Research
 - Non-Profit
 - Media

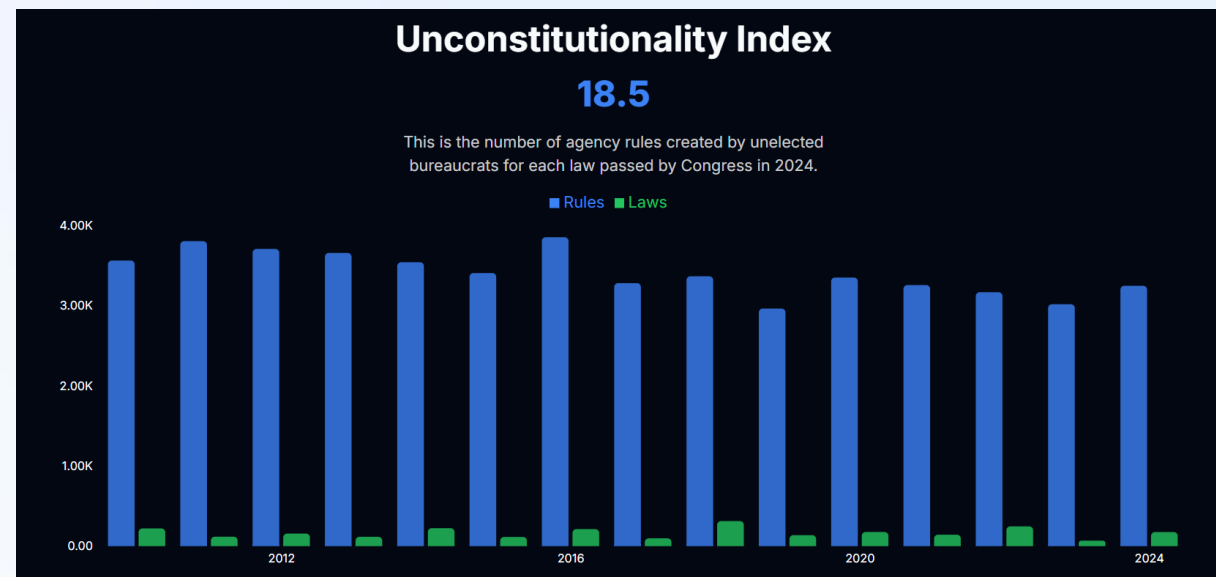
DOGE Mandate 2

DOGE is identifying regulations and entire programs that are deemed unconstitutional (Chevron Doctrine).

<https://doge.gov/>

Large swaths of the US public sector at all levels will lose their reason to exist.

- Most of the public attention has been on cost cutting but the second mandate will have much longer-term consequences.
- The end of the Chevron Doctrine means about 78,000 of the 190,000 pages of the Federal Regulations Register are subject to re-examination and possible elimination*.



Every DOGE has its Day



Not an actual DOGEling.

- Many Public Sector organizations will have a DOGE-like program applied to them.
- The question will be a variation of:

Can you describe the value that you create in terms of outcomes?

- Could you answer this question today?

Policy Theme: Technology Investment and AI

Removing Barriers to American Leadership in Artificial Intelligence

- Rescinds all existing EOs regulating artificial intelligence.
- Requires an AI dominance action plan within 180 days.

Defending American Companies and Innovators from Overseas Extortion and Unfair Fines and Penalties

- Evaluates taxes, regulations, and policies imposed on US companies by foreign governments that might undermine the global competitiveness of US companies and propose countermeasures.
- Challenges the practices of other countries in their regulation and taxation of US digital companies, including limitations to cross-border data flows and requiring regional operations (digital sovereignty).

Plus:

- Establishment of the Strategic Bitcoin Reserve
- Establishes the National Nanotechnology Advisory Panel
- Strengthening American Leadership in Digital Financial Technology
- Preparing Americans for High Paying Skilled Trade Jobs of the Future
- Advancing Artificial Intelligence in Education for American Youth
- Deploying Advanced Nuclear Reactor Technologies for National Security
- Promoting the Export of the American AI Technology Stack

Critical Executive Orders with Direct SLG Impact: Elections

Preserving and Protecting the Integrity of American Elections

- Elections Assistance Commission to require in its national mail voter registration form documentary proof of United States citizenship.
- Requires state and local officials to document the type of identity presented and grants them access to the relevant federal databases to verify identification as part of the voter registration process.
- Directs Homeland Security to review the state's voter registration lists and available records concerning list maintenance.
- Attorney General shall take appropriate action for States that fail to comply with the list maintenance requirements of the National Voter Registration Act and the Help America Vote Act.
- EAC to amend Voluntary Voting System Guidelines and issue guidance establishing standards for voting systems to protect election integrity and within 180 days re-certify voting systems under the new standards.
- Additional security and procedural requirements are established for mail-in ballots and their counting.
- Attorney General to seek information-sharing agreements with the chief State election official of each State to provide the Department of Justice with detailed information on all suspected violations of State and Federal election laws.
- Funding by Election Assistance Commission, Homeland Security and FEMA will be prioritized to those in compliance with these rules, guidelines and certifications

Critical Executive Orders with Direct SLG Impact: Cybersecurity

Achieving Efficiency Through State and Local Preparedness

Directs the Assistant to the President for National Security Affairs (APNSA) and Assistant to the President for Economic Policy and the heads of relevant executive departments and agencies to:

- Publish a National Resilience Strategy that articulates the priorities, means, and ways to advance the resilience of the Nation.
- Review and recommend changes to all critical infrastructure policies in coordination with the Director of the Office of Science and Technology Policy
- Review and recommend changes to all national continuity policies to streamline and modernize.
- Review all national preparedness and response policies and processes and recommend revisions to move away from an all-hazards approach, informed by the findings of the Federal Emergency Management Agency Council
- Coordinate the development of a National Risk Register that identifies, articulates, and quantifies natural and malign risks to our national infrastructure, related systems, and their users.
- Directs Secretary of Homeland Security to re-evaluate the current national preparedness and continuity framework and propose changes to it as well as policies, within one year. Goal is to ensure state and local governments and individuals have improved communications with federal officials and a better understanding of the Federal role

Policy Theme: Funding Contingent on Compliance

Ending Illegal Discrimination and Restoring Merit-Based Opportunity

- Rescinds all DEI policy for federal organizations and investigation of education policies; encourages private industry to eliminate theirs as well.
- Impacts all federal contracting regulations, specifically impacting preferences given to minority- and women-owned businesses.
- Rescinds Johnson's 1965 Equal Employment Opportunity EO.
- Requires review and cancellation of contracts that may violate the new EO.
- Requires new guidance to be issued for state and local government to remove contracting and grant preferences.

Protecting American Communities from Criminal Aliens

- Attorney General and Secretary of Homeland Security will publish a list of States and local jurisdictions that obstruct the enforcement of Federal immigration laws (sanctuary jurisdictions) and notify them regarding its defiance.
- Identify appropriate Federal funds to sanctuary jurisdictions, including grants and contracts, for suspension or termination as appropriate.
- Pursue all necessary legal remedies and enforcement measures to end these violations and bring such jurisdictions into compliance.
- Ensure eligibility verification is conducted for individuals receiving Federal public benefits from private entities in a sanctuary jurisdiction.

Improving Oversight of Federal Grantmaking

Each (federal) agency to designate a senior appointee responsible for:

- creating a process to review new funding opportunity announcements and discretionary grants to ensure they are consistent with agency priorities and the national interest.

The new review process must include

- Review by a senior appointee
- Coordination with OMB
- Review by designated SMEs
- Simplified requirements written in plain language
- Interagency coordination to reduce duplication of funding purposes and redundancies.

Agency heads shall designate one or more senior appointees to review discretionary awards on an annual basis for consistency with agency priorities and substantial progress.

Policy Implications

The impact of the federal administration priorities on state and local government will vary based on individual state policies and budget strategies.

Local governments will be impacted both directly by federal policy and funding changes as well as their state's response.

Many states are already implementing DOGE-like programs or have existing oversight and watchdog mechanisms.

Additionally, many states are already facing budget cuts and will implement their own spending and program reforms to generate efficiency and savings.

As federal funding for programs is cut (or refused), leadership will likely look to operational cuts like IT to divert funding to programs.

Policy Implications cont.

Many states have EEO language similar to federal clauses in their contracting/grant-making guidelines, including contracting preferences to MBE/WBE organizations. They will likely be provided guidance to change that language.

States may need to justify long-term investments by aligning them with DOGE and state cost-reduction goals.

Alignment to federal policies will predicate receipt of programmatic funding (both formula/block funding and competitive grant programs) in the future. This will result in cascading program operational and reporting changes, which will have downstream IT system requirements to reflect these program changes..

Regulatory changes due to the rescission of Equal Employment Opportunity (EEO) guidance and others will impact state and local government contracts, especially those indirectly funded by the federal government where funding may be contingent on compliance with federal guidelines.

Had Enough Yet?

But wait! There's More!

HR 1 “Big Beautiful Bill” Enacted

Summary of H.R. 1 Changes to Medicaid, CHIP, and SNAP

- Work requirements for expansion adults aged 19–64 of 80 hours per month of qualifying activities
- Beginning in 2028 cost sharing required including mandatory copayments up to \$35 per service for adults above 100 percent of the federal poverty level, excluding primary care, mental health, and substance use services
- Eligibility redeterminations by states required every six months for expansion populations
- Reduction of federal matching funds by 10 percent for states covering undocumented immigrants with state dollars
- Delay of CMS modernization rules on eligibility and enrollment systems until 2035
- States must contribute 5–25% of SNAP benefits based on error rates
- Federal reimbursement for admin cut from 50% → 25%
- Immigrant eligibility restricted
- Nutrition education eliminated; internet costs excluded from shelter; other utility deduction caps added
- Thrifty Food Plan inflation-lock

Medicaid Program Changes

Provision	Section	Description	Estimated 10-Year Federal Funding Reduction
Work requirements for expansion adults (80 hrs/month)	§ 44101	Mandatory for ages 19–64 by December 31, 2026	\$344 billion
Copayments up to \$35 for adults >100% FPL	§ 44102	Applies to non-primary care, mental health, or substance use services	\$63 billion
Eligibility redeterminations every 6 months	§ 44103	Increased churn and administrative burden	\$63 billion
Immigrant coverage penalty (10% FMAP cut)	§ 44106	For states using own funds to cover undocumented immigrants	\$100 billion
Delay of CMS modernization rules until 2035	§ 44107	Includes eligibility and enrollment streamlining	\$167 billion

Medicaid

New Work Requirements

Section Reference: Title VII, Subtitle A, Section 71001

Change: States must implement community engagement (work) requirements for certain Medicaid beneficiaries.

Eligibility Impact: Individuals who fail to meet these requirements may lose Medicaid eligibility.

Exemptions: Include medically frail individuals, pregnant women, full-time students, caregivers, and others.

State Obligations:

- Must notify enrollees of the requirement and how to comply.
- Must provide multiple forms of outreach (mail, electronic, phone, etc.).
- Potential Impact: Could reduce Medicaid rolls, especially among low-income adults not meeting work thresholds.

Medicaid

Work Requirement Implementation

States must:

- Notify enrollees in advance.
- Track compliance and exemptions.
- Provide multiple communication formats.

Administrative Burden: Likely to increase significantly, requiring new systems and staff.

Centers for Medicare and Medicaid (CMS) Modernization

Moratorium on CMS Rule

Section Reference: Section 71102

Change: A 10-year moratorium (until Sept. 30, 2034) on implementing the CMS rule titled “Streamlining the Medicaid, CHIP, and Basic Health Program Application, Eligibility Determination, Enrollment, and Renewal Processes” (89 Fed. Reg. 22780).

Affected Regulations: Includes parts of 42 CFR §§ 431, 435, 447, and 457.

Impact: Prevents simplification of enrollment and renewal processes, potentially increasing administrative burden and reducing access.

SNAP Program Changes

Provision	Section	Description	Estimated 10-Year Federal Funding Reduction
Expanded work requirements (ages 18–64)	§ 10102	Removes exemptions for veterans, homeless, foster youth	\$92 billion
State cost-sharing for SNAP benefits (5–25%)	§ 10105	Based on payment error rates, starts FY 2028	\$128 billion
Reduction of federal admin reimbursement (50% → 25%)	§ 10106	States must cover more of admin costs	\$27 billion
Restrictions on immigrant eligibility	§ 10108	Excludes certain lawfully present groups	\$4 billion
Elimination of SNAP-Ed nutrition education	§ 10107	Ends funding after FY 2025	\$5.5 billion
Utility deduction limits (Heat & Eat rule)	§ 10103	Restricts shelter cost calculations	\$6 billion
Internet cost exclusion from shelter expenses	§ 10104	Reduces allowable deductions	\$11 billion
Thrifty Food Plan cost-neutrality mandate	§ 10101	Limits future benefit increases	\$37 billion

SNAP Changes

Work Requirements Tightened

Section Reference: Title I, Subtitle A, Section 10102

Change: Amends 7 U.S.C. § 2015(o) to:

- Raise the age range for work requirements.
- Narrow exemptions (e.g., only parents of children under 14 are exempt).
- Standardize enforcement across states.

New Waiver Rules:

Noncontiguous states (excluding Guam and the Virgin Islands) may request exemptions if they show a “good faith effort” to comply.

Impact: Could lead to benefit loss for many able-bodied adults without dependents (ABAWDs), especially in states with stricter enforcement.

SNAP Changes

Eligibility Restrictions

Section Reference: Amendment to 7 U.S.C. § 2015(f)

Change: Clarifies that only:

U.S. citizens,

Lawful permanent residents,

Certain Cuban/Haitian entrants,

Individuals under Compacts of Free Association are eligible.

Impact: Tightens eligibility for non-citizens, potentially reducing participation.

Impacts to States and Localities

Estimated Impacts

Enrollment: Likely decrease in Medicaid and SNAP participation due to stricter eligibility and work requirements.

Administrative Costs: Increased costs for states to implement and monitor new rules.

Health & Nutrition Outcomes: Risk of worsened outcomes for vulnerable populations losing access.

Legal Challenges: Potential for litigation over work requirements and rule delays.

Local Government Impacts

- Local governments not fiscally liable
- Indirect mandates via state performance pressure and funding cuts likely
- Technology upgrades may be pushed downstream

Legislative Summary

HR 1 Timelines

Timeline per H.R. 1

FY2025 & FY2026:

- States may **choose either year's error rate** as the baseline for future cost-share calculations.
- This option allows states to select the lower of two rates to minimize fiscal exposure.

FY2027:

- Federal share of administrative costs **drops from 50% to 25%**.
- States must absorb **75% of administrative expenditures**, increasing operational pressure.

FY2028:

- **Benefit cost-sharing** begins, with state liability tied to their most recent validated error rate.
- Applies to actual SNAP benefits paid to recipients — not just admin costs.

SNAP Federal Funding Changes by Error Rates

Error Rate Tier (State-Level)	State Share of SNAP Benefit Costs	Federal Share
Less than 6%	5%	95%
6% to 8%	15%	85%
8% to 10%	20%	80%
Greater than or equal to 10%	25%	75%

- The federal government remains the majority funder of benefits, but states with higher error rates face steep increases in required contribution.
- States will be required to cover 75% of administrative costs beginning in FY 2027, regardless of error rate tier.

Implications

Implications

- States in the **$\geq 10\%$ error range** could face **tens to hundreds of millions** in new liability if rates are not reduced by FY2028.
- The combination of lower admin match (FY2027) and benefit cost-share (FY2028) creates a two-year **fiscal cliff**.
- States must identify funding to cover 75% of administrative costs for this program regardless of their error rates.
- States must validate and correct errors before FY2026 to avoid being locked into high-cost tiers.

Error Rate and Share of Cost

Source: [USDA SNAP
FY 2024 Error Rates](#)

Cost-Share Tier	Error Rate Range	State/Territory Group
25% Share	≥10%	Alaska, DC, Florida, Georgia, California, Connecticut, Delaware, Illinois, Maine, Maryland, Massachusetts, Michigan, Mississippi, New Jersey, New Mexico, New York, Oklahoma, Oregon, Pennsylvania, Rhode Island, Virginia
20% Share	8%–9.99%	Arizona, Arkansas, Colorado, Indiana, Kansas, Kentucky, Minnesota, Missouri, Montana, North Carolina, Ohio, South Carolina, Tennessee
15% Share	6%–7.99%	Alabama, Hawaii, Iowa, Louisiana, North Dakota, New Hampshire, Texas, Washington
5% Share	<6%	Idaho, Nebraska, Nevada, South Dakota, Utah, Vermont, Virgin Islands, Wisconsin, Wyoming

Sample State Analysis (West)

State	FY2024 Benefits	FY2024 Admin (State Share)	FY2024 Error Rate	Cost-Share Tier	Delay Eligible	FY2025 Liability	FY2027 Liability	FY2030 Liability
California	\$12.38B	\$896M	10.98%	25%	 No	\$4.99B	\$5.72B	\$6.26B
Oregon	\$1.60B	~\$48M	14.06%	25%	 Yes	\$400M	\$448M	\$480M
Nevada	\$1.01B	~\$36M	5.94%	5%	 No	\$86M	\$95M	\$65M
Washington	\$1.92B	~\$105M	6.06%	15%	 Yes	\$285M	\$319M	\$285M
Hawaii	\$517M	~\$22M	6.68%	15%	 No	\$77M	\$91M	\$157M

A Word about the Current Federal Government Shutdown...

As of publication date, the US Federal Government is still shut down, pending a bi-partisan agreement for at least a short term continuing resolution.

Implications

- **Non-essential employees are furloughed**
- **Limited operations continue**
- **No new grants are being awarded or distributed**
- **Prior fiscal year obligations honored**
- **Expect delayed reimbursements**
- **State rainy day funds will be leveraged**
- **Opportunity costs/deferrals pending federal funding certainty**

A Confluence of Crisis?

Workforce Retirements

The “Silver Tsunami” is here....for real this time and we have yet to solve our recruitment and retention challenges

Exponential IT and AI

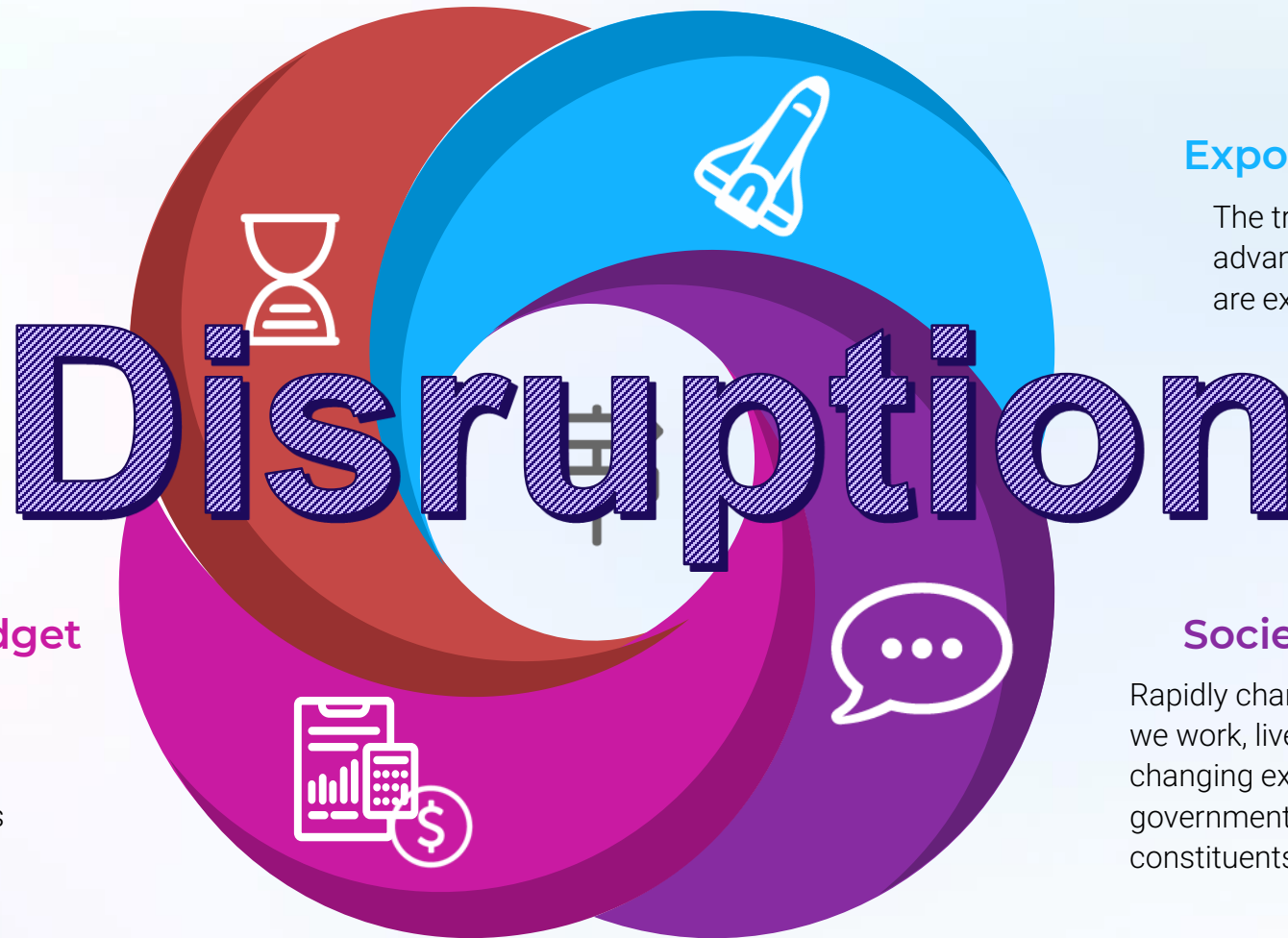
The trajectory of technology is advancing at an exponential rate, as are expectations of end users.

Policy, Economy and Budget

Changing administrative priorities, economic uncertainty and structural budget deficits are further destabilizing government operations

Societal Shifts

Rapidly changing approaches to how we work, live and socialize are changing expectations from government employees, leaders and constituents





INNOVATION IS A STATE OF MIND

Get Ready. Get Creative. Get Moving!

Get Ready



Monitor Federal Rule Changes

Track evolving federal agency guidance, especially from OMB, DOGE, Treasury, and CMS. These changes will affect eligibility, reporting, and funding compliance.



Understand Funding Dependencies

Federal funding is increasingly contingent on compliance with new mandates (e.g., voter registration, DEI reversals, Medicaid/SNAP reforms).



Ensure Audit Readiness

Build internal checklists for compliance verification and documentation protocols aligned with new federal expectations.

Get Ready-

Understand the Shifting Landscape

Federal Shifts, Local Impacts: What Auditors Need to Know

- ✓ Federal executive orders are reshaping funding, compliance, and oversight.
- ✓ DOGE mandates and HR 1 introduce new cost-sharing, eligibility, and audit requirements.
- ✓ Auditors must prepare for increased scrutiny and documentation standards.

Get Ready-

Monitor
Regulatory
Changes

Stay Ahead of the Curve

- Track updates from OMB, Treasury, CMS, and DOGE.
- Monitor changes to voter registration, Medicaid/SNAP eligibility, and procurement rules.
- Recommendation: Assign a compliance lead to monitor federal rulemaking and guidance.

Get Ready-

Understand
Funding
Dependencies

Compliance = Funding

- Federal funding increasingly tied to compliance with new mandates.
- Noncompliance may result in suspended grants or reduced reimbursements.
- Recommendation: Map funding streams to compliance requirements and identify risk areas.

Get Creative

How must Services be delivered differently?

1

Leverage Technology for Oversight

Use ERP systems, BI dashboards, and audit trail tools to track expenditures, grant compliance, and program performance.

2

Use AI for Audit Support

Introduce responsible AI use for:

- Predictive risk modeling (e.g., error rates in SNAP)
- Pattern detection in financial anomalies
- Automating document review and flagging inconsistencies

3

Initiate Cross-Agency Collaboration

Partner with IT to ensure systems are updated for new reporting and eligibility rules.

Get Creative –

Use
Technology for
Oversight

Modern Tools for Modern Audits

- ERP systems and BI dashboards improve transparency and reporting.
- Real-time eligibility validation reduces error rates and fiscal exposure.
- Recommendation: Collaborate with IT to ensure systems support new regulations and audit requirements.

Get Creative – AI in Auditing

Responsible AI for Smarter Oversight

- Use AI to detect anomalies, model risk, and automate document review
- AI can assist with compliance tracking and fraud detection.
- Recommendation: Pilot AI tools in high-risk areas (e.g., SNAP error rates, ADA compliance, procurement and fiscal policies, etc.).

Get Creative –

Collaborate
Across
Departments

Break Silos, Build Solutions

- Work with IT, finance, and program leads to align audit practices with new mandates.
- Recommendation: Form cross-functional compliance teams to address federal changes.

Get Going!

Drive action toward modernization and fiscal resilience.



Modernize Audit Tools

Invest in modern audit platforms, real-time validation systems, and AI-enhanced case review tools.



Prepare for Cost Sharing Impact

Assess your County's exposure to SNAP and Medicaid cost-sharing changes and build contingency plans.



Validate SNAP Error Rates Early

Work with County and State agencies to correct and validate error rates before FY2026 to avoid higher fiscal liability.

Get Going –

Prepare for Cost Sharing and Funding Cuts

The Fiscal Cliff is Real

- SNAP and Medicaid changes will increase county oversight and reporting burdens.
- Failure to comply with EOE, DEI, Immigration, Voter Registration, ADA and other federal policies will mean withheld funding.
- Recommendation: Begin cost exposure analysis and contingency planning now.

Get Going –

Validate Error Rates

Error Rates = Liability

- FY2026 error rates will determine future cost-share tiers.
- Recommendation: Audit current processes and correct errors before the deadline.

Get Going –

Modernize Audit Tools

Audit Smarter, Not Harder

- Modern audit platforms and AI-enhanced case review can reduce burden.
- AI can be fed policies (and scan for them) for compliance validation
- Recommendation: Invest in scalable tools that support compliance and transparency.

AI Tools You Can Use

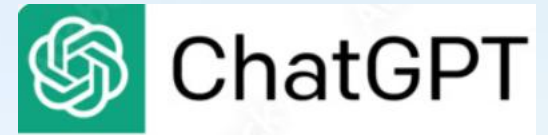
- Real-time eligibility validation
- Predictive error risk modeling
- ERP/BI integration
- Mobile intake and recertification tools

Recommendation: Prioritize use cases for AI based on your County's greatest exposures.

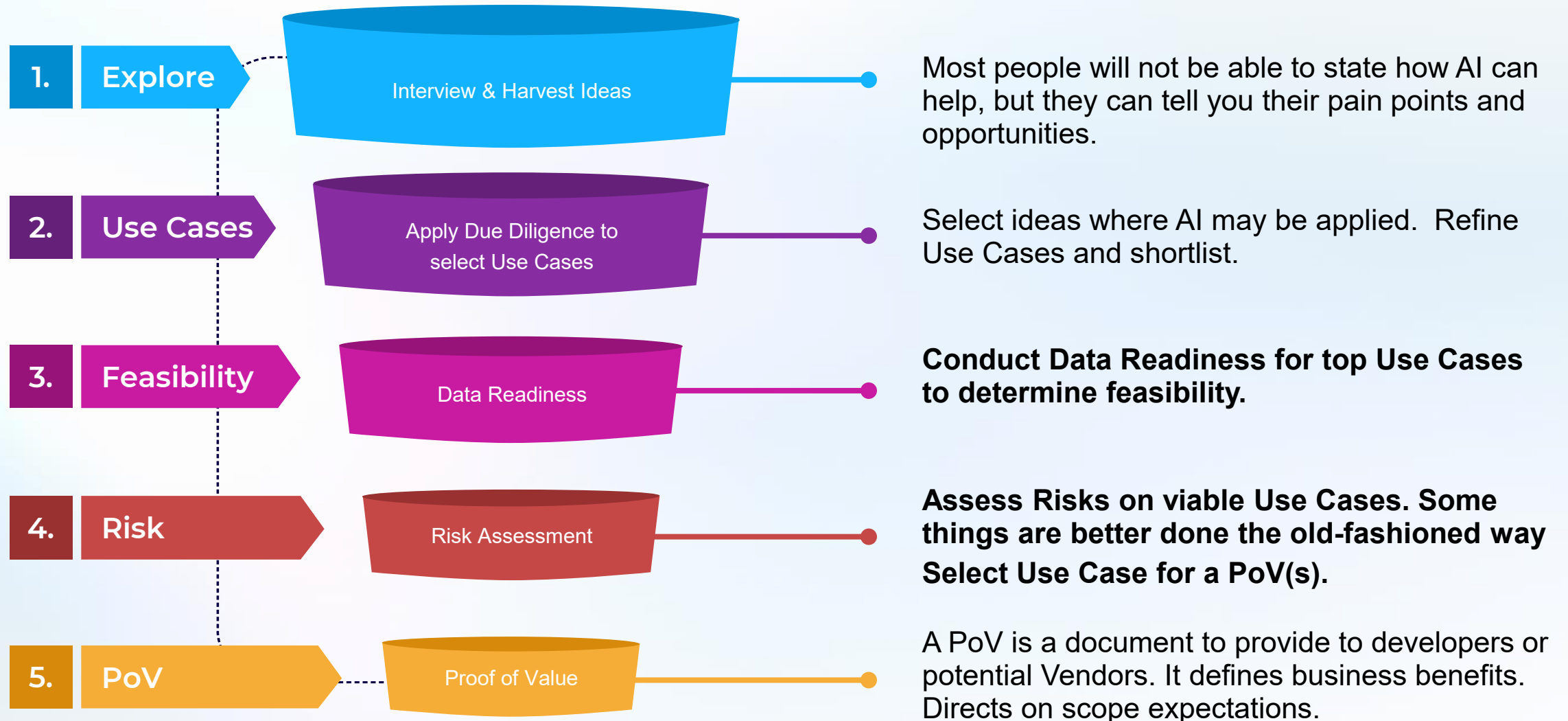
Recommendation: Develop internal guidelines for AI use in audit processes.



stability.ai



The AI Formula for Success



Conclusion

Get Ready

The landscape is changing. Auditors must lead with insight and innovation.



Get Creative

Adopt tools to support identifying process changes and validating compliance with evolving regulations.



Get Going!

Collaborate amongst departments and with fellow Counties for best practice responses and tools.



Get Help from InfoTech

This is not a Crisis. It is a paradigm shift.
We have the resources to help you accomplish it.

Thank you!

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