

Grants Professionals Association Member Impact Questionnaire: **Federal Grants & Government Shutdown**

EXECUTIVE SUMMARY: In October 2025, 14 days into the federal government shutdown, the Grants Professionals Association circulated a Member Impact Questionnaire to evaluate the impact and effect of the government shutdown on its members. Over 200 members responded to the survey describing a grants environment facing tighter eligibility, fewer or delayed opportunities, and increased administrative requirements. The shutdown is compounding an already uncertain environment, disrupting payments and reviews, clouding award timelines, and creating significant financial burdens.

MEMBER DETAILS: 202 responses reflective of GPA's varied membership, including grant seekers and grant administrators from across the country.

- Most were from **nonprofit organizations (79)** or **independent grant consultants (55)**, followed by **educational institutions and public agencies (28 each)**.
- Respondents came from a wide range of states, including **Texas, Utah, Arizona, Tennessee, and Pennsylvania**.

SHUTDOWN IMPACT: Most respondents report the shutdown has affected their work and a large number estimate that while the shutdown has not yet affected their work, it will soon. Some respondents already report visible impact to their organizations, including missed payments, lack of clarity around grant awards, and personnel layoffs.

Many respondents report a change in agency communication, including no communication at all or unclear guidance. For those receiving communications, they often reference drawdowns/payment system status, deadline updates, and staffing limitations. While most respondents feel they have several months of financial buffer approximately 15% of respondents estimate they can only last less than 3 months.

- A strong majority (**96 respondents**) said the October 2025 federal shutdown has already affected their organization or grant-funded work.
- Another **53 respondents** said the impact is “not yet, but likely soon.”
- Only about **49 respondents** reported no current impact — meaning over two-thirds of respondents are already feeling or anticipating disruption.
- Qualitative comments mention **delayed payments, halted reviews, and uncertainty about federal staff availability**. Some reported layoffs have already occurred due to the shutdown.

Agencies most affected: ED, EPA, HUD, HHS (including HRSA/SAMHSA/CDC), FEMA, DOJ, USDA

GRANTS LANDSCAPE: The government shutdown is compounding an already constrained grants environment. Roughly three-quarters (141 respondents) report noticeable changes in federal grant terms or NOFO (Notice of Funding Opportunity) requirements this year. The most common themes being shorter turnaround times to apply, new compliance and reporting burdens, restrictions or ambiguity around DEI-related activities, and tighter evaluation or match requirements.

REAL SHUTDOWN IMPACTS REPORTED BY RESPONDENTS:

A Pittsburgh-area nonprofit focused on workforce that received DOL and HHS funding estimated 20% of budget is impacted by government shutdown. A total of 11 staff were laid off including the respondent who said: **“I lost my job and don’t know how I’ll find a new one before the holidays with both the federal budget and my state’s budget not being approved.”**

A Missouri grants consultant whose client has seen programming and staff cuts as result of the shutdown, including a **\$3 million impact from EDA and SBA awards**.

The client of a Texas-based grants writer is still waiting for a HUD homelessness grant to post. The **nonprofit will have to dip into their reserve funding soon**, which is already strained, to keep their shelter open and continue providing services to families experiencing homelessness.

A Florida municipality reported being awarded a grant, but **funds are frozen during the shutdown**. In order to complete the project, local taxpayers may end up footing the increased costs.

A city in Florida is unable to draw down millions of dollars in federal grant money from FEMA for the fire department. In addition, **not being able to contact a federal program officer or grant manager** makes it difficult to communicate about grant requirements, reports, and compliance.

A foster care foundation in Arizona is exploring the possibilities in applying for federal dollars this year, we are stuck - waiting to hear what is available and **wondering to compile a request that omits wording such as "vulnerable populations" or "minorities" for example - which are in fact descriptive of the children and youth in foster care that we are trying to help**.

An Illinois recipient of a USDA grant reported **delays in processing additional financing and loans for their municipal water system project**. The congressional appropriation requires providing a certain amount of matching funding that the community is only able to afford to access by financing through the government agency that is also shut down.

A North Carolina education organization shared the shutdown has affected their students, most notably Veteran students. They are currently **exploring emergency resources for them due to their education and housing benefits not being received**.

An independent grant professional in Tennessee shared this about the impact on AmeriCorps VISTA members as there are no federal staff who they can contact with questions due to furloughs: **“AmeriCorps VISTA members dedicate themselves to a year of service to help build capacity in non-profit and government spaces with the long-term goal of reducing poverty in their community**. Between rescission of funds for many programs in April (with 26 states receiving funds back due to a preliminary injunction) to October's shutdown, members in service have had a very uncommon and unstable year, already operating on a meager stipend to cover basic living expenses. The shutdown has caused many members to stop receiving that stipend, although they are required to continue showing up for service. Even with the promise of backpay once the shutdown ends, many members had carefully weighed the ability to take such a stipend in the first place. I am impressed by their continued dedication in the face of uncertainty, and their resolve for continuing to do what they

wanted to do in the first place: support individuals in their community who are experiencing poverty. **I sincerely wish that choice didn't also put them at risk of poverty themselves."**