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American Society of Association Executives (ASAE)
1101 K St. NW, Suite 500,
Washington, DC 20005

To Whom It May Concern:

On behalf of the National Special Districts Association (NSDA), thank you for the opportunity to provide comments regarding the Office of Management and Budget's proposed revisions to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200).

While NSDA advocates for special districts—units of local government—we offer these comments from our perspective as a national nonprofit association with multiple state level associations in our membership representing over 10,000 Special Districts. Both NSDA and our members provide education, technical assistance, grant compliance resources, cybersecurity guidance, professional development, and best practices that strengthen stewardship of federal financial assistance. Several proposed revisions could unintentionally weaken the nonprofit associations that help grant recipients successfully administer federal programs.

Nonprofit Associations are an extension of the Federal Grants Infrastructure

National and state nonprofit membership associations are an essential component of the federal grants ecosystem. Associations translate complex federal requirements into practical guidance, provide training and technical assistance, develop model policies and compliance resources, and disseminate best practices across thousands of public and nonprofit organizations.

By leveraging member dues and private resources, associations expand the federal government's training and technical assistance capacity without additional taxpayer expense. This partnership strengthens recipient performance, improves compliance, reduces audit findings, and increases the effectiveness of federal investments. Policies that discourage participation in professional associations ultimately shift greater education and oversight responsibilities back to federal agencies while reducing recipient capacity.

Professional Memberships and Education Improve Grant Stewardship

NSDA is concerned that proposed limitations on reimbursement for professional memberships, publications, and educational conferences do not recognize their direct role in effective grants management.

Professional associations are educational organizations. Memberships provide access to compliance guidance, legal and regulatory updates, cybersecurity resources, procurement and financial management training, and other technical expertise that helps recipients administer federal awards responsibly. Likewise, conferences provide structured continuing education that enables practitioners to remain current on evolving federal requirements and emerging risks.

These modest investments reduce compliance errors, strengthen accountability, and represent a cost-effective means of improving federal grant administration.

Public Policy Education Should Not Be Treated as Grant Risk

NSDA respects existing prohibitions on the use of federal funds for lobbying activities. However, the final rule should clearly distinguish prohibited lobbying from legitimate public policy education, technical assistance, and intergovernmental collaboration conducted with non-federal resources.

Professional associations routinely provide objective technical expertise to policymakers on issues affecting public service delivery to improve the program delivery. These educational activities are fundamental to informed policymaking and should not be considered in applicant risk assessments. Federal grant evaluations should remain focused on objective measures of financial management, internal controls, organizational capacity, and program performance.

Conclusion

NSDA supports OMB's commitment to strengthening accountability and stewardship of federal financial assistance. We respectfully encourage OMB to recognize nonprofit membership associations as essential partners in achieving those same objectives.

Professional associations improve compliance, strengthen organizational capacity, reduce administrative burdens, and help ensure that federal investments deliver their intended public benefit. We urge OMB to preserve recipients' ability to invest in professional memberships, educational programming, technical publications, and collaborative learning opportunities while ensuring that grant eligibility and risk assessments remain based on objective measures of grants management and financial stewardship.

Thank you for considering our comments. We appreciate the opportunity to participate in this important rulemaking process and welcome continued dialogue regarding the indispensable role nonprofit associations play in supporting effective and accountable administration of federal financial assistance.

Respectfully submitted,

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