

Abstract

Nonprofit organizations face critical operational deadlines and evolving regulatory challenges in September 2025. Federal electronic payment transitions mandate immediate action by September 30, while cybersecurity threats surge 30% year-over-year, requiring enhanced board governance and infrastructure investments. A landmark federal court victory protecting Harvard's \$2.6 billion research funding strengthens academic freedom protections for nonprofit research institutions against politically motivated funding cuts. Despite challenges, charitable giving reached record levels at \$592.50 billion in 2024, presenting strategic fundraising opportunities. Organizations must navigate new privacy laws in Delaware and Oregon, updated HHS grant requirements, and potential changes to Public Service Loan Forgiveness programs. State-level developments include Massachusetts pay transparency requirements and Pennsylvania annual filing obligations. The sector continues adapting to AI integration opportunities while addressing workforce retention challenges and federal funding uncertainties.

September 8, 2025 Navigator Update: Including Federal Electronic Payment Deadline, Harvard Victory, Record Charitable Giving, and More!

From Nonprofit Management Navigator




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Introduction


September 2025 brings immediate action requirements for nonprofit leaders as federal payment systems transition to electronic-only processing by September 30. Organizations must simultaneously address escalating cybersecurity threats, with attacks increasing 30% and boards facing possible fiduciary liability for data breaches. A significant federal court victory for Harvard University in protecting \$2.6 billion in research funding establishes important precedents for academic freedom and First Amendment protections that benefit nonprofit research institutions nationwide. While these operational challenges demand urgent attention, the sector benefits from record charitable giving growth of 5.5% in 2024, outpacing inflation for the first time in three years. Strategic organizations are leveraging this positive momentum while preparing for regulatory changes including updated HHS grant requirements, evolving privacy law compliance in multiple states, and potential modifications to employee benefit programs. This update provides essential guidance for navigating immediate deadlines while positioning organizations for sustainable success in an increasingly complex operating environment.


Priority Legend

Priority indicators help nonprofit leaders quickly identify which developments require their most immediate attention based on urgency and operational impact.

 Immediate Action  Requires Organizational Response  Monitor and Prepare

Nonprofit News

 **Executive Summary:** The nonprofit sector faces immediate operational deadlines with federal electronic payment transitions required by September 30, 2025. A landmark court ruling protecting Harvard's \$2.6 billion research funding establishes crucial First Amendment protections for nonprofit research institutions facing politically motivated federal funding cuts. Cybersecurity threats have increased 30%, creating board governance obligations and potential \$2 million breach costs. Positive developments include record charitable giving growth of 5.5% and significant federal security grant opportunities totaling \$274.5 million. Organizations must balance immediate compliance requirements with strategic positioning for continued growth and operational resilience.

 **Key Actions for This Section:** Organizations should take immediate steps to ensure operational continuity while capitalizing on growth opportunities:

- Establish electronic payment processing capabilities before September 30 federal deadline
- Document and leverage First Amendment protections when facing politically motivated funding challenges
- Implement formal cybersecurity governance policies and incident response plans
- Launch ambitious fundraising campaigns leveraging record giving growth momentum
- Apply for FEMA security grants with enhanced documentation and vulnerability assessments
- Develop AI integration strategies while maintaining focus on strategic planning over technology complexity

Harvard Wins Federal Court Victory Over \$2.6 Billion Research Funding Cuts

Federal Judge Allison Burroughs ruled the Trump administration unlawfully terminated Harvard's research grants, violating First Amendment rights and federal procedures. The judge found the government used antisemitism as a "smokescreen for ideologically motivated assault" on universities, restoring funding for over 900 research projects including cancer, Alzheimer's, and veteran suicide prevention studies. This landmark decision strengthens academic freedom protections for nonprofits and research institutions facing politically motivated funding cuts, though the administration plans to appeal.

Source: [Judge Hands Victory to Harvard in Funding Lawsuit, Ruling Trump Administration's Freeze Unconstitutional | News | The Harvard Crimson](#)

Federal Electronic Payment System Transition - September 30, 2025 Deadline

President Trump signed Executive Order 14247 on March 25, 2025, requiring the Secretary of Treasury to cease issuing paper checks effective September 30, 2025. All federal payments currently made by paper check—including Social Security benefits, tax refunds, vendor payments, and grant disbursements—will be made electronically. All executive departments and agencies must transition to electronic funds transfer methods, including direct deposit, prepaid card accounts, and other digital payment options. Organizations receiving federal payments must establish electronic processing capabilities to avoid disruptions. Nonprofit finance and HR departments must coordinate with banking institutions, update payroll systems, and ensure all federal payment recipients have proper electronic payment arrangements established immediately.

Source: [Modernizing Payments To and From America's Bank Account -- The White House](#)

Nonprofits Experience Record Charitable Giving Growth

Total charitable giving reached \$592.50 billion in 2024, growing 5.5% and outpacing inflation for the first time in three years. Four subsectors reached all-time highs: education, health, arts/culture/humanities, and environment/animals. Nonprofits should capitalize on this positive momentum by launching ambitious fundraising campaigns, investing in donor relationship building, and positioning their organizations within high-growth sectors to maximize funding opportunities.

Source: <https://givingusa.org/giving-usa-2025-u-s-charitable-giving-grew-to-592-50-billion-in-2024-lifted-by-stock-market-gains/>

FEMA Announces \$274.5 Million Nonprofit Security Grant Program for FY 2025

FEMA published the FY 2025 Nonprofit Security Grant Program funding opportunity on July 28, 2025, providing \$274.5 million for facility hardening and physical security enhancements to nonprofit organizations at high risk of terrorist or extremist attack. Projects must begin after September 1, 2025, and expire by February 28, 2028. Organizations need SAM registration, vulnerability assessments, and investment justifications. This represents one of the largest federal security grant opportunities for at-risk nonprofits.

Source: [Nonprofit Security Grant Program | FEMA.gov](#)

DOGE Reports \$205 Billion in Claimed Savings Through Federal Contract and Grant Terminations

DOGE reported on its website that federal agencies have terminated over 25,000 contracts and grants, claiming approximately \$205 billion in savings through August 2025. However, multiple analyses by news organizations and fact-checkers found significant discrepancies in DOGE's claimed savings figures, with some calculations showing actual verified savings of only \$8.5 billion from contract terminations. Nonprofit organizations holding federal contracts face continued scrutiny and potential termination under DOGE efficiency initiatives, with particular impact on organizations involved in international development, social services, and advocacy work.

Source: <https://doge.gov/savings>

OpenAI Launches \$50 Million People-First AI Fund for Nonprofit Innovation

OpenAI opened applications September 8, 2025, for its new \$50 million People-First AI Fund, providing unrestricted grants to U.S.-based 501(c)(3) nonprofit organizations through an application window closing October 8, 2025, with funds distributed by year's end. The initiative reflects input from the independent OpenAI Nonprofit Commission, which engaged more than 500 nonprofit and community leaders representing over 7 million Americans in a months-long listening process. The fund aims to make timely, impactful investments in systems, networks, and services that help people and communities stay healthy and thrive, with particular focus on education, healthcare, economic opportunity, and community-led research. Both established nonprofits and newer organizations without prior AI experience are eligible to apply for these unrestricted grants, which allow organizations flexibility to creatively implement AI solutions tailored to their unique challenges and community needs rather than requiring specific predetermined outcomes.

Source: <https://openai.com/index/supporting-nonprofit-and-community-innovation/>

Planned Foreign Aid Cuts Negatively Impact International Nonprofits

President Donald Trump has announced plans to cancel nearly \$5 billion in congressionally approved funding for U.S. international aid using a "pocket rescission" theory. The administration says it can cancel this funding with or without approval from lawmakers. International nonprofits face immediate funding disruptions and should prepare contingency plans, seek alternative funding sources, and potentially scale back operations while advocating for restoration of critical humanitarian aid programs.

Source: <https://www.washingtonpost.com/business/2025/08/29/trump-cancels-international-aid/>

Donor Advised Funds: Nonprofits Should Look Before They Leap

Donor advised funds (DAFs) have transformed philanthropy, growing to \$251.52 billion in assets by 2023. However, DAFs primarily redistribute existing charitable giving rather than creating new donations, as overall giving has remained stable at 2% of GDP. While DAFs offer access to committed charitable capital, their three-party structure changes traditional nonprofit donor relationships, requiring nonprofits to work through intermediary sponsors. The key

question for nonprofits isn't whether DAFs represent opportunity, but whether pursuing them maximizes the use of limited development resources compared to alternative fundraising strategies.

Source: [Donor Advised Funds Part 1 Strategic Assessment for Nonprofits](#)

Strategy and Planning Improve AI Nonprofit Integration

Despite widespread interest in AI, 76% of nonprofits lack formal AI strategies, limiting their success. Organizations with clear AI plans better navigate implementation challenges and align technology with their mission. Before adopting AI, assess your data readiness, staff expertise, budget, and ethical guidelines. Prioritize affordable, user-friendly solutions that integrate with existing systems. Focus on education and strategic planning rather than complex technology. Successful AI implementation requires balancing accessibility with your organization's capacity and resources.

Source: [What AI Means for Nonprofits in 2025: Insights from the AI Benchmark Report - TechSoup](#)

Cross-Sector Partnerships Drive Innovation in Community Impact Models

57% of nonprofit organizations cannot meet community demand, rising to 65% among low-income service providers, driving focus on community collaboration partnerships between nonprofits and local organizations, businesses, and individuals. Nonprofit-business collaboration has grown rapidly, with nonprofits needing to explore new approaches to maintain viability while operating with increased competition and expanding for-profit involvement in social services. Successful partnerships require addressing power dynamics, building trust through authentic community representation, and implementing equity-centered approaches to collaboration and resource sharing.

Source: [How cross-sector collaboration can create lasting change - Candid](#)

Nonprofit Boards Prioritize Cybersecurity Governance as Attacks Surge 30%

Nonprofit organizations experienced a 30% year-over-year increase in cyberattacks in 2024, with board members facing direct fiduciary liability for cybersecurity breaches affecting donor and client data. The average cost of a data breach for nonprofits now reaches up to \$2 million, including data recovery, legal fees, and reputational damage control. Boards must establish oversight policies for cybersecurity risks while working with managers to identify and prioritize organizational assets, requiring formal incident response plans that comply with federal, state, and local legal requirements.

Source: [The Crucial Role of Cybersecurity for Nonprofit Organizations in 2025 - BDO](#)

Critical CISA 2015 Safe Harbor Protection Expires September 30, 2025

The Cybersecurity Information Sharing Act expires September 30, 2025, eliminating liability protection for organizations sharing cyber threat intelligence with the federal government. The law facilitated threat warnings to thousands of organizations and is especially valuable for small-to-medium businesses. Without reauthorization, nonprofits lose legal protection from civil suits when participating in cybersecurity information sharing programs. Organizations should prepare for program disruptions and monitor Congressional reauthorization efforts.

Source: [US: CISA 2015 Safe Harbor at Risk as September 2025 Deadline Nears - Infosecurity Magazine](#)

Cloud Migration Accelerates for Nonprofits Seeking Operational Modernization

The Department of Developmental Services recently implemented a mandate requiring regional centers to migrate their data and operations to the cloud, aligning with broader objectives to modernize infrastructure, enhance data security, and improve service delivery. Salesforce is actively investing in Nonprofit Cloud for future innovation while maintaining NPSP support, with migration making sense when existing automation is difficult to maintain and organizations need tighter integration across programs, fundraising, and analytics. AWS offers promotional credits up to \$1,000 enabling nonprofits to implement cloud-based solutions without upfront infrastructure investment.


Source: [Transforming Non-profit Operations with Cloud Migration - TenisiTech](#)


Nonprofit Data Security Challenges Mount as Privacy Laws Expand

50% of NGOs, including the International Committee of the Red Cross, reported cyberattacks in recent months, but proper tools and digital measures can reduce future risks through robust encryption, access controls, and backup systems. Cloud technology enables organizations to store and access data from any location while scaling infrastructure as needed, but nonprofits must navigate new privacy law requirements in states like Delaware and Oregon. Organizations face compliance obligations including data access, correction, deletion, and portability requirements plus mandatory data protection assessments.

Source: [Digital Transformation for Nonprofits: Approaches and Best Practices - ModLogix](#)

Nonprofit Regulatory Developments

 **Executive Summary:** Federal regulatory updates require immediate attention with HHS Grants Policy Statement Version 2.0 effective October 1, 2025, and continued PPP loan audit enforcement extending through the decade. COVID-19 vaccine guidance has shifted to targeted populations, affecting healthcare and educational institutions' policies. The Department of Education is integrating AI technologies for student loan processing while Single Audit completion faces delays due to the missing 2025 Compliance Supplement.

 **Key Actions for This Section:** Organizations must proactively address regulatory compliance across multiple federal agencies:

- Review and update HHS grant management procedures before October 1 effective date
- Maintain comprehensive PPP loan documentation for ongoing audit risks through 2035
- Update vaccination policies and safety protocols based on revised FDA guidance
- Prepare for changing compliance requirements with DOE's AI integration initiatives
- Maintain detailed financial records while waiting for delayed Single Audit guidance

HHS Grants Policy Statement Update - Effective October 1, 2025

Version 2.0 of the Health and Human Services Grants Policy Statement, effective October 1, 2025, supersedes previous versions and provides updated information on award processes and legal requirements that apply to HHS grants. Nonprofits receiving HHS funding must review and update their grant management procedures to ensure compliance. Organizations should immediately assess current HHS grants, train staff on new requirements, and establish updated compliance monitoring systems before the October 1 effective date.

Source: <https://www.hhs.gov/grants-contracts/grants/grants-policies-regulations/index.html>

SBA Intensifies PPP Loan Audits and Enforcement Actions in 2025

The SBA and DOJ are ramping up PPP loan audits in 2025, requesting documentation regardless of loan amount, contrary to earlier expectations about safe harbor protections. The statute of limitations for fraud claims was extended to 10 years, meaning enforcement actions can continue into the next decade. Nonprofits must maintain thorough documentation of eligibility, fund usage, and compliance while preparing for potential audit requests and ongoing enforcement risks.

Source: [CARES Act update: Audit risks and compliance insights for 2025 | Nixon Peabody LLP](#)

FDA Restricts COVID-19 Vaccine Eligibility in Updated Guidance

The FDA approved updated COVID-19 vaccines in August 2025 but limited access to individuals 65+ and ages 5-64 with underlying conditions, changing from previous universal recommendations. Health Secretary Robert F. Kennedy Jr. no longer recommends shots for healthy children and pregnant people. Nonprofit healthcare providers and educational institutions must update vaccination policies, safety protocols, and public health messaging to reflect new federal guidance.

Source: [Pediatrician offers insight as FDA restricts COVID-19 vaccine eligibility • Florida Phoenix](#)

Department of Education Explores AI Integration for Student Loan Processing

The Department of Education announced in July 2025 that it is integrating AI technologies to improve student loan processing and fraud detection systems. The department's Office of Federal Student Aid now offers an AI Assistant ("Aiden") to help borrowers navigate repayment options and has enhanced Income-Driven Repayment processes. Nonprofits providing educational services or student support may benefit from these technological advances but should prepare for changing compliance requirements and new digital engagement expectations.


Source: <https://www.ed.gov/about/news/press-release/us-department-of-education-issues-guidance-artificial-intelligence-use-schools-proposes-additional-supplemental-priority>


Single Audit Completion Delays

The delayed 2025 Compliance Supplement prevents auditors from completing Single Audits for nonprofits with fiscal years ending June 30, 2025 or later. This affects federal funding compliance requirements and potential future grant releases. Organizations should maintain detailed financial records, communicate delays to stakeholders, and prepare for compressed audit timelines once final guidance becomes available.

Source: <https://www.gma-cpa.com/blog/what-the-delayed-2025-compliance-supplement-means-for-your-nonprofits-single-audit>

Nonprofit Human Resources Developments

 **Executive Summary:** Human resources challenges intensify with potential changes to Public Service Loan Forgiveness programs affecting recruitment and retention strategies. The Department of Labor proposes multiple regulation rescissions that could reduce compliance costs while creating operational uncertainty. Board recruitment trends shift toward skills-based approaches while volunteer retention remains challenging, with 18% of formal volunteers now serving online.

 **Key Actions for This Section:** HR leadership should address immediate workforce challenges while adapting to regulatory changes:

- Monitor PSLF program changes and assess impact on recruitment and retention strategies
- Prepare for DOL regulation changes affecting home care workers and employment services
- Update board recruitment practices to focus on competency-based job descriptions
- Develop flexible volunteer scheduling options and digital engagement programs
- Implement board rotation policies and succession planning pipelines

Public Service Loan Forgiveness Program Faces Potential Changes Under New Administration

The National Council of Nonprofits hosted a July 2025 webinar warning of potential changes to the Public Service Loan Forgiveness program that could affect nonprofit employees' eligibility for student loan forgiveness. The Trump Administration's proposed regulations may narrow qualifying employment or impose additional restrictions on participating organizations. Changes could significantly impact nonprofit recruitment and retention strategies, particularly for positions requiring advanced degrees in social work, education, and healthcare.

Source: [National Council of Nonprofits - Nonprofit Champion July 28, 2025](#)

DOL Proposes Multiple Labor Regulation Rescissions Affecting Nonprofit Employers

The Department of Labor published several proposed rules in July 2025 to rescind or amend labor regulations, including changes to home care worker exemptions under the Fair Labor Standards Act and Wagner-Peyser Employment Service staffing requirements. The proposals would restore broader companion care exemptions for domestic service workers and eliminate state merit staffing requirements for employment services. While potentially reducing compliance costs, these changes create uncertainty for nonprofits providing home care services or workforce development programs.

Source: [Office of Advocacy - DOL Proposes Recission or Amendments to Multiple Labor Regulations](#)

DOL Clarifies Fair Labor Standards Act Applications for Nonprofit Exempt Organizations

The Department of Labor's April 2024 FLSA overtime rule significantly impacted nonprofit organizations before being struck down by a federal district court in November 2024. The rule would have increased salary thresholds for overtime exemptions to \$43,888 (July 2024) and \$58,656 (January 2025). DOL estimates that 18.9% of nonprofit employees would have been reclassified as non-exempt under the rule, compared to 13.6% of for-profit employees. While the specific rule was vacated, nonprofits should prepare for future overtime threshold increases.

Source: <https://www.dol.gov/agencies/whd/overtime/rulemaking/faqs>

Skills-Based Board Recruitment Gains Momentum Over Traditional Donor-Focused Approach

Nonprofit boards are shifting toward competency-based job descriptions that specify gaps in areas like cybersecurity, lived experience, and policy advocacy, with 54% of nonprofits now capping board service at two or three consecutive terms. Organizations are partnering with specialized matching services and private sector companies to recruit board members based on strategic expertise rather than primarily fundraising capacity. The trend includes creating board composition matrices to identify skill gaps, establishing succession planning pipelines, and implementing board rotation policies.

Source: [Nonprofit Board Best Practices: The 2025 Deep-Dive Guide - Boardable](#)

🟡 Post-Pandemic Volunteer Retention Crisis Drives Virtual Engagement Innovation

More than 75.7 million people volunteered from September 2022 to September 2023, but recent data shows 18% of formal volunteers are now serving online, representing a major transition toward digital and virtual volunteering. Nearly half (46.8%) of nonprofit CEOs report recruiting sufficient volunteers as a big problem, with organizations struggling to find volunteers available during traditional workday hours and those with necessary skills. Organizations are responding by developing flexible scheduling options, mobile device management policies, and AI-powered volunteer matching systems.

Source: [Volunteer Statistics 2025: How Charitable Are We With Our Time? - Donorbox](#)

IRS, Accounting and Finance Developments

📄 **Executive Summary:** The IRS has streamlined tax-exempt organization procedures with electronic filing requirements and continuous-use publication formats. FASB issued ASU 2025-05 providing practical expedients for credit loss estimation on nonprofit receivables while maintaining stable interest rate environments that support organizational financial planning. Electronic filing requirements continue streamlining IRS processes while creating opportunities for compliance efficiency improvements.

⚡ **Key Actions for This Section:** Finance and accounting teams should address IRS compliance updates while implementing new accounting standards:

- Transition to electronic Form 1024 applications through Pay.gov for tax-exempt status
- Consider early adoption of ASU 2025-05 for organizations with significant fee-for-service revenues
- Use current Applicable Federal Rates for compliance with below-market loan requirements
- Evaluate ASU 2025-05 adoption for reducing quarterly reporting burden on receivables
- Take advantage of stable interest rate environment for financial planning and investment decisions

🟢 FASB Issues ASU 2025-05 on Credit Loss Measurement for Nonprofit Accounts Receivable

The Financial Accounting Standards Board issued Accounting Standards Update 2025-05 providing a practical expedient for nonprofits to simplify credit loss estimation on short-term receivables from ASC 606 exchange transactions. The update allows organizations to assume current conditions remain unchanged over the asset's life when developing forecasts, reducing compliance costs for fee-for-service receivables. Nonprofits with significant program service fees, tuition, or membership revenues can adopt this expedient early to materially reduce quarterly reporting effort.

Source: [GRF CPAs & Advisors - ASU 2025-05: What Nonprofits Need to Know about the New CECL Practical Expedient](#)

● **IRS Updates Publication 557 on Tax-Exempt Status Procedures**

The IRS revised Publication 557 in January 2025, converting it from annual revision to continuous-use format for tax year 2024 and subsequent years. The publication now reflects electronic filing requirements for Form 1024 applications effective January 2022, eliminating paper letter applications for most organization types. Tax-exempt organizations face streamlined application processes but must navigate new electronic submission requirements through Pay.gov.

Source: [IRS Publication 557 \(01/2025\), Tax-Exempt Status for Your Organization](#)

● **Consolidated IRS Technical Updates**

The IRS published several routine technical updates affecting nonprofits: Internal Revenue Bulletin 2025-36 containing September 2025 Applicable Federal Rates for various tax calculations; the Electronic Tax Administration Advisory Committee's 2025 annual report with recommendations for system improvements; and confirmation that interest rates remain unchanged for the third quarter 2025. Organizations should use current AFRs for compliance with IRS requirements on below-market loans, charitable deductions, and investment transactions, while benefiting from stable interest rate environments for quarterly planning.


Sources: [Internal Revenue Bulletin 2025-36](#) and [Electronic Tax Administration Advisory Committee Annual Report 2025](#)


● **Stable Financial Environment Supports Strategic Planning**

Third quarter 2025 interest rates remain unchanged, providing a stable financial environment for organizational planning and investment decisions. Current Applicable Federal Rates support favorable conditions for below-market loan compliance and charitable deduction calculations. The practical expedient provided by ASU 2025-05 offers material compliance relief for nonprofits with significant exchange transaction receivables, particularly benefiting organizations with fee-for-service models, educational institutions, and membership organizations with regular receivable cycles.

Sources: [Internal Revenue Bulletin 2025-36](#) and [GRF CPAs & Advisors - ASU 2025-05: What Nonprofits Need to Know about the New CECL Practical Expedient](#)

State Nonprofit News

 **Executive Summary:** State-level developments require immediate attention with Massachusetts pay transparency requirements effective October 29, 2025, and new EEO reporting obligations. Delaware and Oregon privacy laws impose comprehensive compliance requirements on nonprofits serving residents in those states. Infrastructure investment programs in New York provide significant funding opportunities while Pennsylvania mandates annual nonprofit filing.

 **Key Actions for This Section:** Organizations must address state compliance requirements while pursuing available funding opportunities:

- Update Massachusetts job posting templates and HR procedures for pay transparency compliance
- Establish dual EEO reporting processes for Massachusetts state requirements
- Implement privacy compliance programs for Delaware and Oregon operations
- Apply for New York infrastructure grants and veterans' nonprofit capital programs
- Update Pennsylvania compliance calendars for annual filing requirements by June 30

Massachusetts Pay Transparency Requirements Take Effect October 29, 2025

Massachusetts employers with 25 or more employees, including nonprofits, must disclose salary ranges in job postings and provide pay range information to employees upon request beginning October 29, 2025. Organizations must update hiring practices, job posting templates, and HR procedures to comply with disclosure requirements.

Source: [Massachusetts Office of the Attorney General - Pay Transparency in Massachusetts](#)

Massachusetts EEO Reporting Requirements

Massachusetts HB 4890/Chapter 141 takes effect October 29, 2025, requiring covered employers subject to EEO-1 data report filing requirements to submit copies of their EEO-1 data reports to the state secretary annually by February 1. Massachusetts nonprofits meeting federal EEO reporting thresholds must establish dual reporting processes and calendar reminders for state submission deadlines.

Source: <https://tnpa.org/get-involved/policy-in-the-states/>

Delaware and Oregon Privacy Laws Impact Nonprofits

Delaware's Personal Data Privacy Act became effective January 1, 2025, applying to nonprofits conducting business in Delaware or targeting Delaware residents who control or process personal data of 35,000+ residents. Oregon's Consumer Privacy Act extends to nonprofits beginning July 1, 2025, covering organizations serving Oregon residents who process personal data of 100,000+ consumers. Both laws provide only narrow exemptions for specific nonprofit activities while requiring comprehensive privacy compliance including data access, correction, deletion, and portability requirements plus mandatory data protection assessments.

Sources: [Davis Wright Tremaine - Delaware's New Personal Data Privacy Act](#) and [Oregon Department of Justice - Privacy Law FAQs for Nonprofits](#)

● New York Infrastructure Investment Programs

Governor Hochul announced several major infrastructure investments benefiting nonprofits: the Environmental Facilities Corporation executed \$3.4 billion in financial assistance agreements for 328 local water infrastructure projects during State Fiscal Year 2025; the third round of the Veterans' Nonprofit Capital Program making at least \$1.35 million available in grants ranging from \$25,000 to \$75,000 for organizations serving veterans. These programs address facility improvement needs for nonprofit organizations while requiring complex application processes and technical requirements.

Sources: [New York Governor's Office - Governor Hochul Celebrates Record \\$3.4 Billion Investment in Water Infrastructure](#); [DASNY - Grant Administration](#)

● Pennsylvania Annual Reports Nonprofit Filing Requirements

Pennsylvania now requires all nonprofit corporations to file annual reports every year regardless of officer changes, with no filing fee for nonprofit entities. The deadline for corporations (business and nonprofits) is June 30 of each year. Pennsylvania nonprofits must update compliance calendars and ensure registered office addresses are current to receive filing notices.

Source: <https://pano.org/pas-new-annual-filing-requirement-due-june-30-2025/>

● Illinois Charitable Organization Demographic Reporting

Illinois law effective January 1, 2025, requires nonprofits reporting grants of \$1 million or more to other charitable organizations to post aggregated demographic information on their websites within 30 days after filing their annual AG990-IL report. Large Illinois grantmaking nonprofits must develop demographic data collection systems and website posting procedures to ensure timely compliance.

Source: <https://tnpa.org/get-involved/policy-in-the-states/>

Summary

September 2025 presents nonprofit leaders with immediate action requirements alongside strategic growth opportunities and important legal precedents. The federal electronic payment deadline of September 30 demands urgent attention, while escalating cybersecurity threats require enhanced governance and infrastructure investments. Harvard University's landmark court victory protecting \$2.6 billion in research funding establishes crucial First Amendment and academic freedom protections that benefit all nonprofit research institutions facing politically

motivated federal funding challenges. Organizations benefit from record charitable giving growth and should leverage this momentum through ambitious fundraising campaigns. Regulatory developments across HHS, FDA, and Department of Labor create compliance challenges but also opportunities for operational efficiency. State-level changes in Massachusetts, Delaware, Oregon, and other jurisdictions require updated HR practices and privacy compliance programs. Success requires balancing immediate operational demands with strategic positioning for sustainable growth in an evolving regulatory environment while maintaining institutional independence and constitutional protections.

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