



DEPARTMENT OF THE TREASURY
BUREAU OF THE FISCAL SERVICE
WASHINGTON, DC 20227

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Lapse Planning

In response to the June 2015 data call requesting updates to the bureau Lapse Plans in the event of a possible shutdown at the start of Fiscal Year 2016, please find attached the Bureau of the Fiscal Service (Fiscal Service) Lapse Plan.

The attached Fiscal Year 2016 Lapse Plan is a single plan for Fiscal Service that contains no substantive changes from the Fiscal Service December 2014 submission. However, as the recent data call requested that Treasury components with plan changes since 2013 provide an updated plan and the necessity for it, Fiscal Service is providing its attached updated plan. Fiscal Service made changes in its plan due to the financial consolidation of Fiscal Service components. Specifically, when the lapse occurred in October 2013, Fiscal Service was not financially consolidated, and thus implemented three separate lapse plans for three components: the Bureau of the Public Debt (BPD), the Administrative Resource Center, and the Financial Management Service (FMS). Following enactment of the Fiscal Service Fiscal Year 2014 unified appropriation, BPD and FMS were financially consolidated, and a single lapse plan was developed. In line with the guidance provided, neither the procurement information nor the employee rosters and related information are included in this submission.

BUREAU OF THE FISCAL SERVICE FY 2016 LAPSE PLAN

1. GENERAL.

The Bureau of the Fiscal Service (Fiscal Service) is required by the Department of the Treasury to have a lapse plan in the event of a lapse in appropriations. In accordance with the Office of Management and Budget (OMB) and Office of Personnel Management (OPM) guidance, the shutdown plan allows for the following:

- operation of functions to perform and maintain the national financial critical infrastructure
- designated mission essential functions, which include
 - resources for functions necessarily implied by statute
 - emergency protection of life or property
- an orderly shutdown of specific activities and release of non-excepted employees associated with non-excepted activities (We estimate that four hours will be needed for the immediate shutdown of operations).

The foundation of the Fiscal Service shutdown plan is communication. Fiscal Service employees at all levels should know:

- a shutdown of operations is imminent and why
- what activities will be shut down
- their excepted, non-excepted, or exempt status
- their rights as a furloughed employee; and
- how they will be notified to return to work

Communication of shutdown procedures and diligent dissemination of shutdown information to all Fiscal Service employees are the cornerstones to an orderly shutdown of operations.

During a lapse in appropriation, regardless of the length of time, Fiscal Service will continue to provide resources necessary to support disbursements to Social Security recipients, maintain certain government-wide accounting activities, as well as activities related to tax collection. Disbursements to Social Security recipients are necessarily implied by statute. Fiscal Service will also continue the Shared Services and Debt Collection Program activities. Maintaining certain government-wide accounting activities and activities related to tax collection are considered under OMB guidance to be essential activities, as they protect life and property by preserving essential elements of the monetary and banking system of the United States. Fiscal Service's Shared Services activities are funded by the Treasury Franchise Fund to which customers pay for services received while the Debt Collection Program activities are funded through fee revenues and other reimbursable funding sources; thus both programs are funded by other than annual appropriations.

In addition, in the event of a lapse in the Fiscal Service's annual appropriation, an

indefinite appropriation is made available under 31 U.S.C § 3129 to fund those Fiscal Service activities and associated expenses related to conducting Treasury's borrowing responsibilities. Thus, those functions will also continue.

2. ASSUMPTIONS

- A. Congress and the President will not agree to an appropriations bill that ensures federal funding.
- B. Official notification for shutdown of operations will occur on the 1st workday after the effective date of the shutdown, prompting a rapid transition from shutdown preparation phase to shutdown implementation.
- C. Official furlough notification will be given to non-excepted employees and is effective on the 1st workday after the effective date of the shutdown. It is anticipated that the shutdown period will not exceed 30 days.

3. REFERENCES

- A. Anti-Deficiency Act, 31 U.S.C. 1341 and 1342
- B. Balanced Budget and Emergency Deficit Control Act of 1985, Section 252
- C. Budget Enforcement Act of 1990
- D. Department of Justice opinion dated August 16, 1995
- E. OMB Bulletin 80-14 (dated August 28, 1980), Supplement 1
- F. OMB Circular A-11
- G. First and Second Liberty Bond Acts, 31 U.S.C 3129
- H. Debt Collection Statute, 31 U.S.C. 3711(g)(7)
- I. OMB Memorandum M-13-22, dated September 17, 2013

SECTION I – SHUTDOWN PREPARATION

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- B. Current List of Functions
 - 1. Payments – disbursements to Social Security recipients are necessarily implied by statute; other payments that are legally required to be made will also continue.
 - 2. Government-wide accounting – some of these activities are considered under

OMB guidance to be essential activities as they protect life and property by preserving essential elements of the monetary and banking system of the United States; some activities may be suspended as necessary.

3. Retail and Wholesale Securities Services – in the event of a lapse of the bureau’s annual appropriation, an alternate indefinite appropriation becomes available to fund those bureau activities and associated expenses related to conducting Treasury’s borrowing responsibilities.
4. Collections – these activities are considered under OMB guidance to be essential, as they protect life and property by preserving essential elements of the monetary and banking system of the United States.
5. Summary Debt Accounting and Government Agency Investment Services – these activities will continue to the extent necessary to support Treasury’s borrowing responsibilities; thus the alternate appropriation will fund the continued services.
6. Debt Collection – these activities are funded through fee revenues, thus are funded by other than annual appropriations.
7. Shared Services – the Office of Shared Services and a portion of Information and Security Services areas provide services to paying customers through the Treasury Franchise Fund, thus are funded by other than annual appropriations.

C. Employee Notification Procedures – Human Capital Division

1. Develops steps to be used to advise employees of the potential shutdown of operations and their excepted, non-excepted or exempt status in advance of official shutdown notification.
2. Notifies employees, including issuing furlough letters and information on health/life insurance coverage. Answers employee questions concerning pay, leave, benefits and time in service.
3. Coordinates with the National Treasury Employees Union (NTEU) to ensure labor-management partnership during shutdown planning and implementation.
4. Develops employee notification procedures for employees in travel/training status when shutdown notification is given.
5. Prepares return to work procedures to recall all furloughed employees to duty.

D. Procurement and Budget Areas

1. Identifies contracts for award using no-year, multi-year, advance appropriations, etc., for continuation of award of contracts.
2. Identifies contracts essential to the Fiscal Service mission, especially those related to benefit payments, issuance of obligations, and maintenance of necessary government-wide accounting systems. Develops an action plan for continuation of services.
3. Notifies all contractors regarding the actions to be taken in the event of a funding lapse and/or contingency. Once authorized, notifications will be issued to contractors via e-mail.

4. Processes actions for no-year projects based on management prioritization.
5. Posts Excepted/Essential contracts to the intranet and directs Contracting Officer's Representatives (CORs) to the listing.
6. Contacts CORs via e-mail who will then notify affected program staff about potential and actual impacts to their contract performance.
7. Managers inform employees that no new contracts funded by annual appropriations are to be entered into and that no purchase orders are to be issued.
8. In accordance with the Federal Acquisition Regulations, contracting officers issue stop work orders or notices to proceed, as appropriate, to contractors.

E. Customer Notification

1. All program areas notify their respective customers in writing of their plans for operations during a shutdown.
2. Customers will be provided with primary and alternate points of contact to ensure, at a minimum, an avenue of communication is provided.

SECTION II – SHUTDOWN IMPLEMENTATION

A. Employee Notification

1. All Fiscal Service employees will be provided written notification of the possibility of a shutdown.
2. Based on determinations made by the Commissioner, Deputy Commissioners, and Assistant Commissioners, Fiscal Service will provide three letters: one letter to employees designated as Excepted, another letter to employees designated as Non-Excepted, and a third letter to employees designated as Exempt. Letters will be distributed through the Assistant Commissioner offices to ensure all employees receive the appropriate notices in a timely fashion.

B. Chronological Order of Actions

1. The Commissioner and the Executive Board will meet to review plans including procedures for notification of furlough for non-excepted employees.
2. Notice to NTEU on the status of the shutdown and possible actions. The Labor Relations Office will serve as the focal point for communications with NTEU.
3. Employee Letter issued to workforce on the status of shutdown and possible actions.
4. All employees notified of position status – excepted, non-excepted, and exempt – as well as plans and requirements.
5. Furlough Questions and Answers communication issued to workforce.
6. Each Assistant Commissioner will ensure previously identified employees are aware of their designated status for Fiscal Service to comply with shutdown requirements.
7. Assistant Commissioners will provide the Human Capital Division with a list of

- employees on travel, training, and extended leave status.
8. Assistant Commissioners will evaluate project priorities and make changes, if necessary, based on reduced staffs operating under the funding hiatus.
 9. All employees must report for duty on the first work day of shutdown. For employees not designated as exempt, no paid leave will be granted, alternate work schedule days will be cancelled and employees on detail will be required to report to their Fiscal Service home office.
- C. Non-excepted staff will be engaged in activities incidental to shutting down their respective operations, securing their workstations, and duties necessary to assuring the rapid restart of operations when funding is renewed.
1. If an appropriations bill has not been approved, non-excepted staff will be given furlough notices and dismissed until funding is approved by Congress.
 2. Each workday after the shutdown is implemented – non-excepted employees continue to monitor local news media reports and call the Fiscal Service Emergency Notification phone number. Fiscal Service may also use the Automated Call Tree Notification System to notify employees. Non-excepted employees must report to duty upon receipt of notification from Fiscal Service.
 3. In case of extended furlough, Fiscal Service management will continue to review the appropriate number of retained staff in order to ensure that it is adequately staffed to meet critical needs.
- D. Guard Force/Building Security
1. Guard force operations supporting Fiscal Service's Regional Payment and Debt Collection Centers will remain as normal.
 2. Guard force operations supporting Fiscal Service Headquarters buildings in the Maryland and Washington Districts will operate on a holiday and weekend schedule.
 3. Guard force operations supporting Parkersburg, WV will remain as normal.

SECTION III – REACTIVATION OF FUNCTIONS

- A. The Department will notify Fiscal Service that an appropriations bill has been enacted and authorize the reestablishment of all operations/functions that were curtailed during the period of lapsed funding.
- B. Upon receipt of notification concerning the enactment of an approved budget for FY 2016 or a new Continuing Resolution, employees will return to work at the start of the next business day.
- C. Employees will report to their immediate supervisor for accountability and for guidance concerning the restart of operations.

1. Estimated time to complete shutdown of non-excepted activities	4 Hours
2. Number of employees expected to be on board prior to implementation of shutdown plan	3,396
3. Total number of excepted/exempt employees	2,686
4. Number of employees to be retained under the plan because:	
a. Their compensation is financed by other than annual appropriations;	2,449
b. They are necessary to perform activities expressly authorized by law;	0
c. They are necessary to perform activities necessarily implied by law;	164
d. They are necessary to the discharge of the President's constitutional duties and powers; or	0
e. They are necessary to protect life and property.	73