United States Department of the Treasury

Departmental Offices (DO)

Lapse of Appropriations Plan

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1 Background

In the event of a lapse in appropriated funding, Departmental Offices of the Treasury Department (DO) must be prepared for conditions that would necessitate a significant reduction in DO operations during a short hiatus (1-5 days).

This plan lists responsible offices (see Section 3) and includes a breakdown by program/policy office of those reduced functions (see Section 5).

If a lapse exceeds five days, additional personnel may be recalled to perform excepted functions, including the following:

- Operations Staff for trash and building maintenance
- Conference and meeting staff for Executive and Dignitary support/clearance
- Policy experts to address issues related to domestic and international economic affairs, developments in the financial markets, sanctions of rogue nations, and terrorist financing.

2 Authority

The Anti-Deficiency Act restricts the conduct of business by agencies during a lapse of appropriations. The Act generally prohibits agency heads and their employees from making or authorizing expenditures or obligations in excess of appropriations, and from accepting voluntary services for the United States or employing others to perform personal services in excess of that authorized by law, except in cases of emergency involving the safety of human life or the protection of property.

Certain DO functions may continue even in the absence of an annual appropriations bill or continuing resolution. The principal guidance on the types of functions that may continue in this scenario is found in the Attorney General's opinion dated January 16, 1981, as updated by the Office of Legal Counsel in an August 16, 1995 memorandum. Those opinions authorize the continuation of agency functions that satisfy any of the following criteria (referred to as "excepted" functions):

- Those that have a continuing source of funding;
- Those that are expressly authorized by Congress to continue even without funding;
- Those for which authority to obligate funds can be necessarily implied by statute;
- Those that are necessary to ensure the safety of human life or the protection of property;
- Those that are necessary for the discharge of the President's constitutional duties.

OMB Circular A-11 Summary of Impacts for Departmental Offices

Summary of Impacts is subject to change due to projected hiring before the end of the fiscal year.

1. An estimated time (to the nearest half day) to complete shutdown activities	Not in excess of half a day
2. Total number of agency employees expected to be on-board before implementation of the plan	2025
3. Total number of employees to be retained under the plan for each of the following categories:	
a. Their compensation is financed by a resource other than annual appropriations	700
b. Expressly authorized to continue even without funding	0
c. Authorized by necessary implication	94
d. Necessary for safety of human life or protection of property	49
e. Discharge of President's Constitutional duties / PAS	28
Total	871

Responsible Offices

The following offices have primary responsible for managing and updating this plan:

- Office of the General Counsel (OGC)
- Office of the Assistant Secretary for Management (ASM), primarily the Office of Financial Management (OFM), the Office of Human Resources (OHR), and the Office of Emergency Preparedness (OEP)
- Policy Office Management and Senior Administrative Contacts (SAC)

3 Departmental Offices Funding Lapse Operational Guidance

3.1 Personnel

The Office of Human Resources (OHR) will coordinate the process of identifying Treasury staff that will be excepted in the event of a lapse of appropriations. The list will then be sent to the OFM and to OGC for review and approval, and then submitted to the OEP.

OHR will also manage the process of employee notification in the event of a lapse in appropriations. OHR, working with DO managers, will plan to provide advance notice of a possible furlough, or exception from furlough, no less than three calendar days before the proposed furlough start date (additional advance notice will be provided if feasible).

In unforeseen emergency situations (e.g., an immediate and unexpected loss of agency funding), the agency may issue furlough notices and place employees in furlough status during the notice period.

3.2 Contracts

The Office of Financial Management (OFM) will create an up to date contract inventory by using data available from the DO procurement system (PRISM) as well as program office input. OFM representatives will then work with program office staff to review each contract and task/delivery order to determine its status in the event of a lapse in appropriations. Once the contract inventory is updated, a list of excepted contracts will be sent to OGC for review and approval before being officially submitted to Lapse Planning coordinator and the IRS / Bureau of the Fiscal Service (BFS) procurement office.

IRS and BFS Procurement offices will post all excepted contracts on their public web sites. All contractors will be sent an email with instructions to check this website to confirm their contract status.

3.3 Financial Agency Agreements

Certain program offices within DO use Financial Agency Agreements (FAA) in order to meet Treasury program missions. The FAA coordinator will work with program offices to identify FAAs that may continue in the event of a lapse of appropriations. The completed FAA list will be included with the contract inventory and submitted to OGC for review prior to being officially submitted to the Treasury Lapse Planning Office.

Once OGC has reviewed and approved the inventory, the FAA coordinator will inform the agents of the status of their FAAs; approved FAAs may continue to support Treasury in the event of a lapse of appropriations.

Assignments Under the Intergovernmental Personnel Act (IPA)

Some program offices within DO use IPAs in order to meet their missions. The Office of Human Resources will identify all staff operating under an IPA that is excepted (along with the proper exception code), and will include this with the HR staff inventory.

3.4 Funding by carry-over balance or prior year appropriations

If an office has funding that is not subject to annual appropriations (for example, offices with carryover funding such as the Franchise Fund Shared Services Program (SSP), or offices that have mandatory funding, such as the Office of Financial Research), then contract activities and personnel paid for with such funding are exempt from furlough while funding is available. If/when any such funding/carryover balance is exhausted, contracts and personnel funded by it will then be subject to furlough. Additionally, offices may have contracts awarded with mandatory appropriations; such contracts can continue in the

event of a lapse, but only as long as there are government personnel available for contract administration.

4 Excepted Functions

During a lapse of appropriations, certain program offices within DO may remain functional to perform or support excepted functions. Other DO offices have a source of funding that is not annually-appropriated and would continue to operate in the event of a lapse. This section identifies program offices within DO that will remain functional in the event of a lapse of appropriations, as well as a description of the duties and responsibilities that would be performed.

4.1 Office of the Secretary

The Office of the Secretary will continue to perform the following functions during a lapse of appropriations:

- Compile and synthesize policy recommendations from within the Treasury Department and from the Federal Reserve and other economic advisors in order to give policy options to the President
- Coordinate and communicate with critical economic leaders
- Provide market and economic updates to the President
- Essential support for the above-listed functions

4.2 Domestic Finance

The Office of Domestic Finance will continue to perform the following functions during a lapse of appropriations:

- Take action to address disruptions in the financial system, to ensure safety, soundness, and liquidity of the financial system, and maintain confidence in the financial system
- Continue all Small Business Lending Fund (SBLF) operations, which are funded by non-annual appropriations
- Support Financial Stability Oversight Council (FSOC), which is funded by non-annual appropriations
- Continue all operations of Office of Financial Research (OFR), which is funded by non-annual appropriations and will continue to support the FSOC in evaluating risks to the U.S. Financial System
- Continue all operations of the Office of Financial Stability (OFS), which is funded through non-annual appropriated sources
- Continue the State Small Business Credit Initiative (SSBCI) program operations, which fund state programs that promote lending and investment in small business and which are funded by non-annual appropriations.
- Minimal accounting functions to prevent the cessation of government-wide financial reporting
- All Critical Infrastructure Protection (CIP) functions will continue to operate

- Continue Treasury payment/collection programs to meet the Government's obligations
- Manage the Government's cash position
- Continue Treasury borrowing/debt programs to meet the Government's financial obligations and avoid, or minimize, disruptions to Treasury's financing schedule
- Continue to make publicly available official Treasury interest rates

4.3 International Affairs

The Office of International Affairs will continue to perform the following functions during a lapse of appropriations:

- Oversee operations of the Exchange Stabilization Fund (ESF)
- Monitor international financial markets, maintain communication with other participants in those markets, and coordinate Treasury activity with respect to other participants, including the various G-groups
- Coordinate U.S. activities with respect to international financial institutions, especially votes of U.S. executive directors on decisions by the boards of those institutions
- Detailee representation at certain international financial institutions to support Presidentially-appointed Executive Directors or Act in those roles
- Technical assistance to foreign countries and governments (positions funded through non-annual appropriated sources)
- Attaché representation in designated world posts
- Caretaker functions related to statutory deadlines for, and national security exigencies related to, the Committee on Foreign Investment in the United States (CFIUS); other CFIUS activities will be suspended.
- Other support as necessary to support the President’s constitutional authorities.

4.4 Terrorism and Financial Intelligence

The Office of Terrorism and Financial Intelligence (TFI) will continue to perform the following functions during a lapse of appropriations:

- Monitor and disseminate intelligence reporting on anticipated or actual events to Treasury leadership and other law enforcement, intelligence and military authorities; maintain SCI/collateral communication connectivity with NSC and intelligence community (Watch Officers excepted for protection of life and property)
- Administer the Specially Designated Nationals (SDN) list and enforce economic and trade sanctions as directed by the Secretary
- Implement and administer new sanctions on foreign countries or targeted individuals or entities through newly issued Executive Orders (EO) as directed by the Secretary
- Develop and provide policy recommendations in response to national security incidents as directed by the Secretary
- Participate in national security policy and intelligence forums responsible for development of response to any national security incident (e.g., NSC Counterterrorism Security Group) as directed by the Secretary
- Ensure continuity of key regulatory and enforcement actions to preclude exploitation by adversaries during national security event/emergency
- Limited communications with financial sector participants, including finance ministries and central bank authorities of foreign states, regarding threats and emergent conditions, as directed by the Secretary

- Limited IT support to service those positions excepted from furlough
- Limited handling of incoming inquiries (Hotline calls)
- Limited analytic support (Bank Secrecy Act data, intelligence information, and international financial intelligence unit information including Egmont Secure Web (ESW) case support) to federal law enforcement agencies
- Use of Section 314 (a) Patriot Act authority, which enables federal law enforcement agencies, through FinCEN, to reach out to financial institutions to locate accounts and transactions of persons that may be involved in illegal activity
- Operations funded by other than annual appropriations, including TEOAF

4.5 Economic Policy

The Assistant Secretary for Economic Policy will continue to perform the following functions during a lapse of appropriations:

- Respond to requests from the Secretary and other Administration officials for economic information and analysis for the purposes of policy making; understanding the economic consequences of various policy actions is essential for developing policies that have a positive impact on the U.S. and global economy.

4.6 Tax Policy

The Office of Tax Policy will continue to perform the following functions during a lapse of appropriations:

- Continue to work with the President and the Secretary to develop policies to restore appropriations, which may include tax provisions.
- Provide Revenue Estimates and analysis for pending appropriations negotiation and budget reconciliation negotiations.
- Essential support for the above functions.

4.7 Treasurer of the United States

The Treasurer of the United States will continue to perform her usual functions during a lapse of appropriations because she is a Presidential appointee not covered by the leave system in 5 U.S.C. chapter 63. Other staff in the Office of the Treasurer will be furloughed.

4.8 Legislative Affairs

Legislative Affairs will continue to perform the following functions during a lapse of appropriations:

- Advise the Secretary on Congressional relations matters in order to assist in the formulation of policy related to a restoration of annual appropriations and similar budget matters.
- Communicate Treasury's positions to the Congress related to restoring appropriations, and keep the Department informed of Congressional objectives, concerns, activities, and interests related to a funding hiatus.

4.9 Public Affairs

Public Affairs will perform the following functions during a lapse of appropriations:

- Provision of advice to excepted officials within the Department and its bureaus on communicating issues and priorities of public interest during, and related to a funding hiatus.

4.10 General Counsel

The Office of the General Counsel will continue to perform the following functions during a lapse of appropriations:

- Provision of legal and policy advice by the General Counsel and limited support staff to the Secretary and other excepted Departmental officials to facilitate the performance of excepted functions throughout the Department.

4.11 Assistant Secretary for Management (ASM)

The Office of the ASM will continue to perform the following functions during a lapse of appropriations:

- Provide management and policy support to Departmental Offices and Treasury Bureaus to enable the Department to perform excepted functions.
- Information Technology management for excepted personnel and excepted bureaus. The following functions will continue to enable excepted personnel to access and use IT systems.
    - Managing and operating essential IT infrastructure services including telecommunications and Treasury's network services such as E-mail, voice mail, and internet (e.g. Treasury's Public Website).
    - Maintaining Treasury's computer security incident response and emergency operations capability to monitor and protect Treasury's technology infrastructure and ensure emergency communications.
    - Supporting Treasury's classified IT systems.
    - Maintaining basic support to excepted Federal entities for the automated personnel system, HR Connect, an HR Line of Business (HR LoB).
- Department-wide and DO financial management. Functions will continue to enable excepted personnel to access and use budget, travel, and contract management systems. Limited work for continuing operations, procurement, contracts, and budget will also be performed.
- DO human capital management for personnel performing excepted functions and limited activities necessitated by the lapse.
- Treasury-wide and DO emergency management core functions.
- DO Operations. Facilities management and engineering staff will operate to enable excepted personnel to access and safely use Treasury facilities. Additional staff may be required for a lapse extending beyond five days or to support events.
- Office of DC Pensions (funded by non-annual appropriations). Implement and maintain the Secretary's responsibilities under Title XI of the Balanced Budget Act of 1997, Public Law 105-33, including ensuring timely and accurate Federal benefit payments associated with the District of Columbia Retirement Programs for police officers, firefighters, teachers, and judges.

5.12 Treasury Franchise Fund Shared Services Programs (SSP)

SSP will continue to operate in the absence of annual appropriations, subject to existing cash reserve availability and continued funding from non-appropriated customers. SSP will provide centralized administrative support to the customers that remain operational during a lapse and that would require SSP support for their continuing services.