

United States Department of the Treasury,
Departmental Offices (DO)



Lapse of Appropriations Plan

October 1, 2013

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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 5 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
- Economic policy experts to review and further analyze domestic and international economic issues and developments in the financial markets / regions (as needed)

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 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 be

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 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. Excepted employee counts (items c, d, e) were revised to reflect actual counts on 10/1/2013 (change made on 11/12/2013).

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	1976
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;	a. 777
b. They are necessary to perform activities expressly authorized by law;	b. 0
c. They are necessary to perform activities necessarily implied by law;	c. 95
d. They are necessary to the discharge of the President’s constitutional duties and powers;	d. 68
e. They are necessary to protect life and property.	e. 37

3 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 Customer Service Liaison (CSL) and the Office of Human Resources (OHR)
- Policy Office Management and Senior Administrative Contacts (SAC)

4 Departmental Offices Funding Lapse Operational Guidance

4.1 Personnel

OHR will manage the process of employee notification in the event of a lapse in appropriations. OHR and/or managers will provide advance informal notice of furlough, or exception from furlough, no less than three calendar days before the proposed furlough start date (additional notice will be provided whenever possible).

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. Additionally, prior communication of furlough planning may not be permissible per OMB/OPM guidance.

OHR shall initially 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 DO Lapse coordinator and to OGC for review and approval prior to officially submitting to the Treasury Lapse Coordinator.

4.2 Contracts

The Customer Service Liaison will create an up to date contract inventory by using data available from the DO procurement system (PRISM) as well as program office input. CSL representatives will then work with program office staff to code each contract to identify the excepted status. 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 Fiscal Service procurement office.

Internal Revenue Service (IRS) and Bureau of Fiscal Service (BFS) Procurement will post all excepted contracts on their public procurement web site (www.irs.gov and www.publicdebt.treas.gov/vendorinfo/vendor_info.htm). All contractors will be sent an email with instructions to check this website to confirm contract status (as excepted or not excepted).

4.3 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 those program offices to identify FAA's that must 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 Lapse coordinator.

Once OGC has approved the inventory, the FAA coordinator will notify the agents of their approval to continue to support Treasury in the event of a lapse of appropriations.

Intergovernmental Personnel Act (IPA)

Some program offices within DO use IPAs in order to meet their missions. Since IPAs are an HR function, the Office of Human Resources will have the responsibility to identify all staff under an IPA that is excepted (along with the proper exception code). OHR will include excepted staff assigned to Treasury under an IPA with the HR staff inventory.

5 Excepted Functions

During a lapse of appropriations, certain program offices within DO must remain functional in order to support excepted functions within the Department and other agencies. Certain other DO offices have a continued source of funding. 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 will be performed.

5.1 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

5.2 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
- Draft certification of terrorist act, in conjunction with Secretary of State and Attorney General, and implement procedures under the Terrorism Risk Insurance Act (TRIA),
- Continue all Small Business Lending Fund 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, which is funded through non-annual appropriated sources
- Continue the State Small Business Credit Initiative program operations, which fund state programs that promote lending and investment in small business and which are funded by non-annual appropriations.
- Continue operations for the Community Development Financial Institutions (CDFI) Fund, which has a continuing source of funding due to prior year balances.
- 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 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

5.3 *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
- Normal operations regarding reviews by the Committee on Foreign Investment in the United States (CFIUS) will be suspended, and CFIUS will be unable to accept any new notices for review until normal government operations resume.
- 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
- Technical assistance to foreign countries and governments (positions funded through non-annual appropriated sources)
- Attaché representation in designated world posts to locally support Presidentially appointed Executive Directors
- Support (and expertise) in ongoing policy process, including those described above, that is a priority for the Secretary and the President.

5.4 *Terrorism and Financial Intelligence (TFI)*

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 action to preclude exploitation by adversaries during national security event/emergency
- Limited communications with financial sector participants, to include 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) of the Patriot Act 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

5.5 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 economic 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.

5.6 Tax Policy

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

- Develop and implement Federal tax policies and programs. This office is responsible for revenue estimates and implementation of any budget plan and this function is necessary for providing advice to the President during a hiatus and once funding is restored.
- Continue to work with the President and the Secretary to develop policies to restore appropriations, which might include tax provisions
- Provide Revenue Estimates and analysis for pending appropriations negotiation and budget reconciliation negotiations
- Essential support for the above functions

5.7 Treasurer of the United States

The Treasurer of the United States will continue to perform the following functions during a lapse of appropriations:

- Advise the Secretary on matters relating to coinage, currency and the production of other instruments by the United States. This includes oversight of the U.S. Mint and Bureau of Engraving and Printing, which are funded through non-annually appropriated sources.

5.8 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
- Develop strategies to implement legislative initiatives, communicate Treasury's positions to the Congress, and keeps the Department informed of Congressional objectives, concerns, activities, and interests related to a funding hiatus
- Advise the Department on Congressional concerns during policy formation

5.9 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

5.10 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

5.11 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. This is necessary to ensure that the Department is able to function at a minimal level to allow for the performance of 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 be performed.

- DO human capital management for personnel performing excepted functions and limited activities necessitated by the shutdown
- Treasury-wide and DO emergency management core functions
- DO Operations. Facilities management and engineering staff to continue to enable excepted personnel to access and safely use the facilities of the Department of the Treasury. Additional staff may be required for a lapse extending beyond 5 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 (111 Stat. 251), including ensuring timely and accurate Federal benefit payments associated with the District of Columbia Retirement Programs for police officers, firefighters, teachers and judges.
- Inclusive of some Treasury-wide functions identified above, the Shared Services Programs, which support centralized administrative functions to the Department, will continue due to a continuing source of funding.