



GSA Administrator

MEMORANDUM FOR: HEADS OF SERVICES AND STAFF OFFICES  
REGIONAL ADMINISTRATORS  
REGIONAL COMMISSIONERS

FROM: MARTHA JOHNSON *Martha Johnson*  
ADMINISTRATOR (A)

SUBJECT: GSA PLAN FOR SHUTDOWN IN THE EVENT OF A LAPSE IN  
APPROPRIATIONS

This memorandum provides additional guidance in the event of a lapse in appropriations and supplements GSA Order ADM 4220.1G, "Operations in absence of appropriations". In the event of a lapse in appropriations, all GSA Services and Staff Offices must act in accordance with this memorandum and GSA Order ADM 4220.1G. This memorandum is supported by attachments providing greater detail on agency actions in the event of a Government shutdown.

1. IMPLEMENTATION DATE. All GSA Services and Staff Offices should continue regular operations, other than travel, through April 8, 2011. Employees should report to work as scheduled on April 8.

If a new appropriation or continuing resolution is not enacted, or likely to be enacted, by midnight, April 8, this shutdown plan will be activated. Unless otherwise instructed, and after midnight on Friday, employees may not use any Government-provided information technology, including laptops, computers, blackberries, and cell phones, except to intermittently check for updates on furlough or recall (return to work) status.

If there is a lapse in appropriations, all non-excepted and excepted employees will report to duty on the first work day after the funding lapse. Non-excepted employees will perform orderly shutdown activities necessary to implement this plan. Non-excepted employees who are able to perform shutdown activities from a remote location may do so if an existing telework agreement is in place. In addition, non-excepted employees may conduct shutdown activities from a remote location without an existing telework agreement if they are able to complete shutdown activities in 15 minutes or less.

Non-excepted employees on leave or a regularly scheduled alternative work schedule day-off should confirm with their supervisors whether they are required to report to the official worksite or may perform shutdown activities remotely.

In the event of a lapse in appropriations, all non-excepted employees will be furloughed and released by 12 PM.

2. **PERSONNEL.** All employees who are not excepted or exempt from a lapse in appropriations will be furloughed.
  - a. **Excepted employees.** Excepted employees are engaged in activities that directly or indirectly provide for the protection of life or property and as defined in GSA Order ADM 4220.1G. Employees who are closing down operations or performing excepted activities must report for duty as directed throughout the lapse period. These employees are working for "delayed pay" and will not be paid until the funding lapse is over. Excepted employees will be notified of their "excepted" status by their supervisors.
  - b. **Exempt employees.** Employees who are supported by funding sources not subject to annual Congressional action (e.g., the Acquisition Services Fund, Recovery Act funds) are exempt if funds are available for obligation in the accounts and at levels required to accomplish valid customer orders. These employees may remain on duty, be furloughed, or be recalled to duty as needed and as long as funds are available.
  - c. **Non-Excepted employees.** Employees who are not excepted or exempt must not continue to work while on furlough. It is illegal for a manager to accept work of employees for non-excepted activities during a lapse in funding. This is not a "telework" situation. Employees who are not excepted or exempt may not use Government-provided information technology while on furlough, except to intermittently check for updates on furlough or recall (return to work) status.
3. **TRAVEL.** Services and Staff Offices must recall non-excepted employees from official travel. Heads of Services and Staff Offices must ensure that these employees return to their duty stations by April 8, 2011, to the greatest possible extent. In the event of a funding lapse, any remaining non-excepted employees in travel status will be immediately recalled to their duty stations.
4. **CONTRACTS.** Under a lapse in appropriations, goods and services may be purchased only in the minimum amount necessary to support excepted activities. Excepted activities include: (1) actions necessary to shut-down operations; (2) actions necessary for the direct and indirect protection of life and property; and (3) activities funded by certain multi-year and no-year appropriations that are not affected by the lapse, such as the Acquisition Services Fund and the Recovery Act.
  - a. **New obligations.** New contracts, contract options, and task orders may be incurred only for excepted activities involving the protection of life and property; as necessary for shutting down operations; or against funding sources exempt from the funding lapse. GSA cannot incur obligations or make expenditures against lapsed appropriations and will not process any invoices for payment, except for fund accounts not impacted by the funding lapse.

- b. Existing contracts. Most existing contracts will continue during a lapse in appropriations; however, some contracts may have to be suspended or, in rare cases, terminated. All contracts for recurring services must be reviewed to ensure the supplies or services are still needed during a Government shut-down. If a need (or partial need) no longer exists, the Contracting Officer must review the terms and conditions and determine whether the contract should remain unfunded, if a stop work order is allowed, or if a termination for convenience is necessary. Contract terminations must be reviewed by the Office of General Counsel prior to issuance.
5. REIMBURSABLE WORK. Under a lapse in appropriations, GSA can perform work for other agencies through reimbursable agreements, including PBS Reimbursable Work Authorizations, only if the customer agency certifies in writing that funds remain available. Customer certifications must specify whether funds are available because the function is excepted or because the funding source is exempt from a lapse in appropriations. GSA personnel may remain on duty and obligations may be incurred only at the minimum level needed to meet customer requirements.
6. CASCADING PLANS. Heads of Services and Staff Offices are encouraged to prepare more detailed plans for the implementation of GSA Order ADM 4220.1G and this memorandum. However, all plans must be cleared by the Chief Financial Officer and General Counsel before dissemination or implementation. In the event of a conflict, GSA ORDER ADM 4220.1G and this memorandum supersede all other guidance.

- Attachment A – Agency Shut-Down Plan
- Attachment B – Payroll Operations
- Attachment C – Time and Attendance
- Attachment D – Budget and Financial Management Operations
- Attachment E – Acquisition Operations

## Attachment A – AGENCY SHUT-DOWN PLAN

1. **INITIATION.** All non-expected and expected employees will report to their duty station or an approved telework location on the first business day after a lapse in appropriations. Non-expected employees previously scheduled to be on leave, in training, or on a regularly scheduled alternative work schedule day-off should confirm with their supervisors whether they are required to report to the official worksite or may perform shutdown activities remotely. Managers must ensure each employee knows his or her status as “exempt”, “expected”, or “non-expected” and will release all non-expected employees no later than 12 PM the same day.

### 2. EMPLOYEE NOTIFICATION PROCEDURES.

a. **Preparation.** When a lapse in appropriations is anticipated, the Office of the Chief People Officer (OCPO) will compile a list of expected employees and confirm that “expected” status is appropriate for employees so designated. OCPO will prepare personnel actions to furlough non-expected employees once authorization is received.

Services and Staff Offices will notify each employee of his or her status as an exempt, expected, or non-expected employee. OCPO will issue formal notice of furlough. Formal notification will be sent to employees via the GSA email system (or by other means if the employee does not have access to a Government issued email). Formal notification to employees will be sent only if there is a shut-down.

b. **Issuing notice.** On the first business day following the lapse in appropriations, all managers will confirm that employees have received notice and record any cases in which the manager was not able to communicate with an employee either in person, by email, by fax or by phone. Employees must acknowledge receipt of the formal notice of furlough immediately and in writing, typically by an electronic “reply” as set forth in the notice. Other forms of written acknowledgement may be used when the employee does not have access to e-mail.

Managers must make every effort to contact employees on leave to inform them of the furlough. At minimum, a detailed voice mail or email should be delivered to non-expected employees, directing them to not perform any work activities and to remain away from the work place until normal operations are resumed.

c. **Employee actions.** Upon notification of furlough and after acknowledging receipt of notice, employees should update their out of office replies for email and voicemail. Non-expected employees will shut down their offices, discontinue work, and must leave the workplace by 12 PM the same day. Non-expected employees must not take work home and are prohibited from working remotely for the duration of the shutdown. Non-expected employees are prohibited from using Government-provided information technology while on furlough, except to intermittently check for updates on furlough or recall (return to work) status.

## Attachment B – PAYROLL OPERATIONS

1. **PERSONNEL.** Excepted employees will continue to report to work as usual, but may have limited duties. Exempt employees may continue to report to work or may be furloughed. If an absence of appropriations extends over a longer period of time, more exempt employees may be furloughed. Non-excepted employees or exempt employees who are furloughed may not continue to work during a lapse in appropriations. More detailed information on excepted, exempt, and non-excepted activities is provided in Attachment D.
  - a. Excepted employees. “Excepted” employees are engaged in activities that directly or indirectly provide for the protection of life or property and as defined in GSA Order ADM 4220.1G. Employees who are closing down operations or performing excepted activities must report for duty as directed throughout the lapse period. These employees are working for “delayed pay” and will not be paid until the funding lapse is over. Excepted employees will be notified of their “excepted” status by their supervisors.
  - b. Exempt employees. Employees who are supported by funding sources that are not subject to annual Congressional action (e.g., the Acquisition Services Fund, Recovery Act funds) are exempt if funds are available for obligation in the accounts and at levels required to accomplish valid customer orders. These employees will be notified by their supervisors whether they will be furloughed or may continue to work as normal. Exempt employees who are not furloughed will continue to be paid for their services as normal.
  - c. Non-Excepted employees. Employees who are furloughed must not continue work while on furlough. It is illegal for a manager to accept work of employees for non-excepted activities during a lapse in funding. This is not a “telework” situation and employees may not use Government-provided information technology while on furlough, except to intermittently check for updates on furlough or recall (return to work) status.
  
2. **EXCEPTED AND EXEMPT EMPLOYEE PAY.** Excepted employees will not be paid during a lapse in appropriations. Generally, employees whose salary is paid from funds identified in Attachment D as “exempt” will continue to be paid, unless they are furloughed.
  - a. Salary payments. Excepted employees will not be paid during a lapse in appropriations. Excepted employees will be in a delayed pay status, and will be paid for work performed during the furlough once normal Government operations are restored. For all employees, salary payments for the pay period ending April 9, 2011 will be processed as normal and employees will be paid as scheduled. Exempt employees will be paid for hours worked during a lapse in appropriations, as scheduled.

If a funding lapse begins or ends in the middle of a pay period, all employees will be paid for hours worked during normal Government operations and will be paid on the regularly scheduled pay date.
  - b. Leave. Excepted employees may take unpaid leave during a lapse in appropriations (with appropriate approval), but paid leave is not available. Exempt employees may request and take paid leave according to established procedures.

- c. Health and life insurance. Employee health and life insurance coverage will not be interrupted by a lapse in appropriations. Excepted employees will owe the employee share of the premiums for any pay periods they are in a delayed pay status, and the National Payroll Branch (NPB) will begin collecting those premiums from the first available payroll after normal Government operations are restored. Payroll deductions will continue for exempt employees.
  - d. Retirement benefits. CSRS or FERS retirement deductions will not be taken while an employee is in delayed pay status, and the Government matching payment for TSP and the Government share of FERS payments will not be paid. Once normal Government operations are restored, CSRS or FERS deductions, the Government share of FERS payments, and TSP matching payments will be made up for excepted employees. Payroll deductions will continue for exempt employees.
  - e. Other payroll deductions. Voluntary payroll deductions and garnishment deductions will not be taken while an excepted employee is in a delayed pay status. Deductions will resume when the excepted employee returns to duty status, but amounts "missed" during the funding lapse will not be made up. Mandatory deductions will also not be paid during delayed pay, but the repayment schedule depends on a number of factors and will be considered on a case-by-case basis. Payroll deductions will continue for exempt employees.
3. **NON-EXCEPTED EMPLOYEE PAY.** Non-excepted employees will not be paid during a lapse in appropriations. These employees will be furloughed and in a non-pay status until normal Government operations have been restored.
- a. Salary payments. Furloughed employees will not be paid during the lapse in appropriations. For all employees, salary payments for the pay period ending April 9, 2011 will be processed as normal and employees will be paid as scheduled. Employees who are scheduled to work April 9 or 10 who are furloughed on those days will not be paid for those days except for up to four hours to complete shutdown activities.

If a funding lapse begins or ends in the middle of a pay period, all employees will be paid for hours worked during normal Government operations and will be paid on the regularly scheduled pay date.

- b. Leave. Employees may not use paid leave in lieu of furlough. Scheduled, paid leave will be cancelled for furloughed employees during the furlough period. Furloughed employees will not earn sick or annual leave during the furlough period. Furloughed employees will not be paid for any holidays falling within the furlough period.
- c. Health and life insurance. Employee health and life insurance coverage will not be affected by the furlough and will continue. Employees will owe the employee share of the premiums for any pay periods they are furloughed, and the National Payroll Branch (NPB) will begin collecting those premiums from the first available payroll after a return to duty.

- d. Retirement benefits. CSRS or FERS retirement deductions will not be taken during a furlough and amounts “missed” during the furlough will not be collected. The Government matching payment for TSP and the Government share of FERS payments will not be paid during a furlough and will not be made up after.
- e. Payroll deductions. Voluntary payroll deductions and garnishment deductions will not be taken while an employee is on furlough. Deductions will resume when the employee returns to duty, but amounts “missed” during the furlough will not be collected. Mandatory deductions will also not be paid under furlough, but the repayment schedule depends on a number of factors and will be considered on a case-by-case basis.
- f. Outside employment. Employees are subject to the ethics rules and criminal conflict of interest statutes while on furlough. Non-excepted employees may engage in outside employment or activity while on furlough. The GSA Supplemental Standards of Conduct requires employees to obtain their supervisor's written approval before they begin work with a prohibited source (5 C.F.R. § 6701.106), with or without compensation.

If an employee begins seeking outside employment with a prohibited source prior to and in anticipation of a furlough, he or she must obtain his or her supervisor's written approval before the furlough. Non-career SES are subject to additional restrictions, found at 5 C.F.R. 2636 Subpart C, which include outside earned income limitations and a prohibition on receiving outside earned income for serving as an officer or board member, or in a position which involves a fiduciary relationship.

Employees should contact the Office of General Counsel if they have any questions about engaging outside employment.

- g. Unemployment benefits. Non-excepted employees *may be* eligible for unemployment compensation while furloughed. State unemployment compensation requirements differ, and employees should submit their questions to the appropriate State office. Employees who collect unemployment benefits while on furlough will be required to repay the State for benefits received if Congress later acts to pay employees for the furlough period.

## Attachment C – TIME AND ATTENDANCE REPORTING

1. **TIME AND ATTENDANCE REPORTING.** Normal Electronic Time and Attendance Management System (ETAMS) processing schedules will remain in effect during the lapse in appropriations. Time and Attendance cards will be processed and salary payments for exempt employees will be disbursed as scheduled based on the GSA 2011 Payroll Calendar.
  
2. **TIMEKEEPING DURING A LAPSE IN APPROPRIATIONS.** The National Payroll Branch (NPB) will initialize the ETAMS Timecard for all employees on the first Sunday of each biweekly pay period. For all employees, timecards will initialize and be automatically populated with the ETAMS code 35 “Furlough due to lack of funds.” The Furlough time shown will be based on the employee’s base schedule.
  - a. Excepted and Non-excepted employees. Timekeepers for excepted, non-excepted, and furloughed exempt employees will record the entire 80 hours for each pay period as furlough. Timecards will be collected as normal, and should be certified by 11 AM local time on the Monday after the pay period ends. Once normal Government operations are restored, timekeepers must process amended timecards to pay excepted employees for the hours worked during the funding lapse.
  - b. Exempt employees. Timekeeping for exempt employees who are not furloughed will continue as normal. Timekeepers for exempt employees who are not furloughed must delete the code 35 furlough hours from weeks 1 and 2 of the timecard and record the time the employee has worked during the pay period, as well as any relevant exception codes (e.g., annual or sick leave). Exempt employee timecards will be collected as normal, and should be certified by 11 AM local time on the Monday after the pay period ends. Exempt employees who are not furloughed will receive their salary deposits in their financial institution as normal.
  
3. **SPECIAL PROCEDURES WHEN A LAPSE COVERS LESS THAN A FULL PAY PERIOD.** In the event that a lapse in appropriations occurs in the middle of a pay period, the ETAMS system will perform a mass update to add furlough hours to Week 2 on all employee timecards. Timekeepers should record Week 1 time by close of business on the last business day of the Continuing Resolution. NPB will provide separate guidance in the event that a funding lapse begins or ends in the middle of a week.
  - a. Excepted and non-excepted employees. Timekeepers for excepted and non-excepted employees should record hours worked and exception codes (e.g., annual or sick leave) for Week 1 only. Do not update Week 2, since the ETAMS system will perform a mass update to add the furlough hours. Timekeepers should record Week 1 time by close of business on the last business day of the Continuing Resolution, and certifiers must certify timecards by 11 AM local time on the following Monday. Excepted and non-excepted employees will receive a salary deposit in their financial institution for Week 1 hours.



b. Exempt employees. On the first Sunday after the lapse in appropriations, ETAMS will perform a mass update to populate all employee timecards to populate Week 2 only with code 35 furlough hours. Timekeepers for exempt employees who are not furloughed must delete the code 35 furlough hours from Week 2 of the timecard and record the time the employee has worked during the entire pay period, as well as any relevant exception codes (e.g., annual or sick leave). Exempt employee timecards will be collected as normal, and should be certified by 11 AM local time on the Monday after the pay period ends. Exempt employees who are not furloughed will receive their salary deposits in their financial institution as normal.

4. **REQUIRED ACTIONS ONCE FUNDING IS RESTORED.** Once the Government has returned to normal operations, timekeepers for excepted employees must complete amended timecards to delete code 35 furlough hours and record actual hours worked and exception codes for each pay period worked during the funding lapse. This will generate the appropriate salary payments to excepted employees. After the amended timecards are certified, the employees will then receive their salary deposit in the next regularly scheduled bi-weekly salary payment.

## Attachment D – BUDGET AND FINANCIAL MANAGEMENT OPERATIONS

### 1. BUDGET IMPACT BY SERVICE AND STAFF OFFICE.

#### a. Public Buildings Service (PBS).

- i. Federal Buildings Fund (FBF). The FBF relies on annual appropriations Acts to provide new obligational authority to authorize new spending. PBS employees identified as non-excepted or non-exempt will be furloughed. However, work on capital projects funded in prior years' appropriations may continue on a limited basis.
  - Construction and line-item Repairs and Alterations projects. Projects funded from prior-year appropriations may retain the minimum number of employees necessary to protect the Government's interest in these projects as "excepted" employees. Excepted employees will be in a deferred pay status until the funding lapse is resolved. New obligations may be incurred and the Office of the Chief Financial Officer (OCFO) will process invoices for payment during a lapse.
  - Non-Prospectus (Basic) Repairs and Alterations, Rental of Space, and Building Operations. Only the minimum amount necessary to continue excepted activities may be obligated for these projects. New obligations may not be incurred. The OCFO will process invoices for payment against valid obligations incurred prior to the funding lapse when an invoice is received and receipt and acceptance is recorded in Pegasys by the receiving organization. Excepted personnel will be in a deferred pay status until the funding lapse is resolved.
  - Installment Acquisition Payments are not an excepted activity. New obligations may not be incurred, however the OCFO will make payments against valid obligations that existed prior to a lapse in appropriations.
- ii. Federal Buildings Fund – Recovery Act. Funds appropriated to the FBF in the Recovery Act are available until September 30, 2011, and are not subject to a lapse in appropriations. PBS may continue with these projects in the event of a lapse in appropriations, and may continue to incur obligations until September 30, 2011. The OCFO will continue to make payments against valid invoices. This fund may continue to make salary payments during a lapse in appropriations, subject to the most recent Congressional expenditure plan.
- iii. Reimbursable Work Authorizations (RWA). RWAs must be supported by a written certification from the customer that funds are available in the absence of appropriations. Customer certifications must specify whether funds are available because the function is excepted or because the funding source is exempt from a lapse in appropriations. Employees assigned to those projects may be designated as "excepted" and will be in a deferred pay status until the funding lapse is resolved. New obligations may be incurred only at the minimum level needed to meet customer requirements.
- iv. Real Property Disposal. Salaries and related expenses for this program are provided from the Operating Expenses annual appropriation, which is subject to a lapse in appropriations. This activity is not specifically identified as an excepted activity in

GSA Order ADM 4220.1G. However, activities necessary to protect life or assets on vacant properties already in the disposal process may be considered excepted and a minimum number of GSA personnel may be “excepted” on a case-by-case basis to protect those assets. Excepted employees who are recalled to duty will be in a deferred pay status.

b. Federal Acquisition Service (FAS).

- i. Acquisition Services Fund (ASF). The ASF is not directly affected by a lapse in appropriations. Activities under a lapse in appropriations are limited by the cash balance in the Fund. Most activities will be curtailed, to ensure that the ASF does not disperse into a negative cash balance. FAS employees are considered “exempt” from a lapse in appropriations and may remain on duty and will be paid as normal; however, employees who are otherwise exempt may be furloughed or recalled at any time during the absence of appropriations. The ASF may continue to incur obligations. The OCFO will continue to process invoices for payment.
- ii. Reimbursable Work pursuant to Interagency Agreements. Assisted acquisition or other service orders where FAS manages customer funds must be supported by a written certification from the customer that funds are available in the absence of appropriations. Customer certifications must specify whether funds are available because the function is excepted or if the funding source is exempt from a lapse in appropriations.
- iii. Personal Property Utilization and Donation. Salaries and related expenses for this program are provided from the Operating Expenses annual appropriation, which is subject to a lapse in appropriations. FAS may incur new obligations against the Operating Expenses appropriation only in the minimum amount necessary to continue excepted activities as identified in GSA Order ADM 4220.1G and to protect property. The OCFO will not process invoices for payment against new obligations, but will process invoices against valid obligations incurred prior to the funding lapse. Non-excepted employees will be furloughed. Excepted personnel will be in a deferred pay status until the funding lapse is resolved.
- iii. Transportation Audits. This activity is not an excepted activity pursuant to GSA Order ADM 4220.1G. The OCFO will process invoices for payment against existing obligations. All employees are non-excepted employees and will be furloughed; however, employees may be recalled to duty as needed to protect assets.

c. GSA Staff Offices. The following Offices may obligate only the minimum amount necessary to continue excepted activities. However, activities necessary to protect assets may be considered “excepted” on a case-by-case basis. The OCFO will not process invoices for payment against new obligations. Non-excepted employees will be furloughed. Excepted employees are identified in GSA Order ADM 4220.1G and will be in a deferred pay status until the funding lapse is resolved.

- Office of the Administrator and Regional Administrators,
- Office of the Chief Financial Officer,
- Office of the Chief Information Officer,

- Office of the Chief People Officer,
  - Office of Citizen Services and Innovative Technologies,
  - Office of Civil Rights,
  - Office of Congressional and Intra-Governmental Affairs,
  - Office of Communications and Marketing,
  - Office of Emergency Response and Recovery,
  - Office of General Counsel,
  - Office of Government-wide Policy,
  - Office of Inspector General,
  - Office of Small Business Utilization, and
  - The Civilian Board of Contract Appeals
- d. Office of Inspector General (OIG) – Recovery Act. Funds appropriated to the OIG in the Recovery Act are available until September 30, 2013, and are not subject to a lapse in appropriations. OIG may continue with Recovery Act work in the event of a lapse in appropriations, and may continue to incur obligations. The OCFO will continue to make payments against valid invoices. This fund may continue to make salary payments during a lapse in appropriations
- e. Electronic Government Fund. The Electronic Government Fund is a no-year appropriation and is not directly affected by a lapse in appropriations. GSA may continue to incur obligations, subject to the most recent Congressional expenditure plan. The OCFO will continue to make payments against valid invoices.
- f. Integrated Acquisition Environment (IAE). IAE activities are not subject to a lapse in appropriations. Activities under a lapse in appropriations are limited by the cash balance in the ASF. Most activities will be curtailed, to ensure that the ASF does not disperse into a negative cash balance. Salary costs of the IAE are funded by the Office of Government-wide Policy appropriation and, as such, are subject to a lapse in appropriations. Therefore, only the minimum number of employees necessary to continue excepted activities may remain on duty in an “excepted” status and will be working for deferred pay. IAE may continue to incur obligations, and the OCFO will continue to process invoices for payment.
- g. Acquisition Workforce Training Fund (AWTF). AWTF is not subject to a lapse in appropriations. However, the activities funded under this account are not needed under a lapse in appropriations and this activity is not an excepted activity pursuant to GSA Order ADM 4220.1G. New obligations will not be incurred and personnel associated with this activity will be furloughed. The OCFO will continue to process invoices for payment.
- h. Office of Former Presidents. Pensions for former Presidents will continue to be paid under a lapse in appropriations. Office staff salary payments from this account will be discontinued, but office staff may continue to work and be paid from non-Federal sources. New obligations may not be incurred.

2. BUDGET IMPACT BY GSA FUND ACCOUNT.

	<b>Will employees be paid during a funding lapse?</b>	<b>Can I incur new obligations?</b>	<b>Will the OCFO process payment on invoices?</b>
<b>Federal Buildings Fund:</b>			
Construction & Acquisition and prospectus-level Repairs & Alterations projects	No, excepted employees will remain on duty but in a "delayed pay" status.	Yes, for projects funded from prior-year appropriations.	Yes, for projects funded from prior-year appropriations.
Basic Repairs and Alterations, Special Emphasis Programs, Rental of Space, and Building Operations	No, excepted employees will remain on duty but in a "delayed pay" status.	Yes, in the minimum amount to continue excepted activities.	Only for work completed against valid obligations in place before the funding lapse.
Installment Acquisition Payments	N/A	No.	Only for work completed against valid obligations in place before the funding lapse.
Reimbursable Work Authorizations	No, excepted employees may remain on duty but in a "delayed pay" status.	Yes, but only if the customer certifies that funds are available and only at the minimum level required to meet customer requirements.	Maybe. Whether GSA can pay invoices depends on the specific nature of the customer funding.
<b>Federal Buildings Fund, Recovery Act</b>	Yes, employees coded to this fund may continue work and will be paid.	Yes.	Yes.

	<b>Will employees be paid during a funding lapse?</b>	<b>Can I incur new obligations?</b>	<b>Will the OCFO process payment on invoices?</b>
<b>Expenses, Disposal</b>	N/A	Yes, in the minimum amount to continue excepted activities.	Yes.
<b>Real Property Relocation</b>	N/A	No.	Yes, for work completed against valid obligations in place before the funding lapse.
<b>Unconditional Gifts Fund</b>	N/A	No, this is not an excepted activity.	No.
<b>Acquisition Services Fund:</b>			
Customer-Funded Work	Yes, employees funded by the ASF are "exempt" and may be paid unless furloughed.	Yes, but for assisted service orders where FAS manages customer funds, the customer must certify that funds are available.	Yes.
FAS Operating Expenses (not the appropriation "Operating Expenses")	Yes, employees funded by the ASF are "exempt" and will be paid unless furloughed.	Yes.	Yes.
Integrated Acquisition Environment	No, excepted employees will remain on duty but in a "delayed pay" status.	Yes.	Yes.

	<b>Will employees be paid during a funding lapse?</b>	<b>Can I incur new obligations?</b>	<b>Will the OCFO process payment on invoices?</b>
<b>Transportation Audits</b>	No, this activity has not been identified as "excepted".	No, this is not an excepted activity.	Yes, for work completed against valid obligations in place before the funding lapse.
<b>Government-wide Policy</b>	No, excepted employees will remain on duty but in a "delayed pay" status.	Yes, in the minimum amount to continue excepted activities.	Only for work completed against valid obligations in place before the funding lapse.
<b>Operating Expenses</b>	No, excepted employees will remain on duty but in a "delayed pay" status.	Yes, in the minimum amount to continue excepted activities.	Only for work completed against valid obligations in place before the funding lapse.
<b>Office of Inspector General</b>	No, excepted employees will remain on duty but in a "delayed pay" status.	Yes, in the minimum amount to continue excepted activities.	Only for work completed against valid obligations in place before the funding lapse.
<b>Office of Inspector General, Recovery Act</b>	Yes, employees coded to this fund may continue work and will be paid.	Yes.	Yes.
<b>Electronic Government Fund</b>	N/A	Yes, but only at the minimum level required to meet current needs.	Yes.

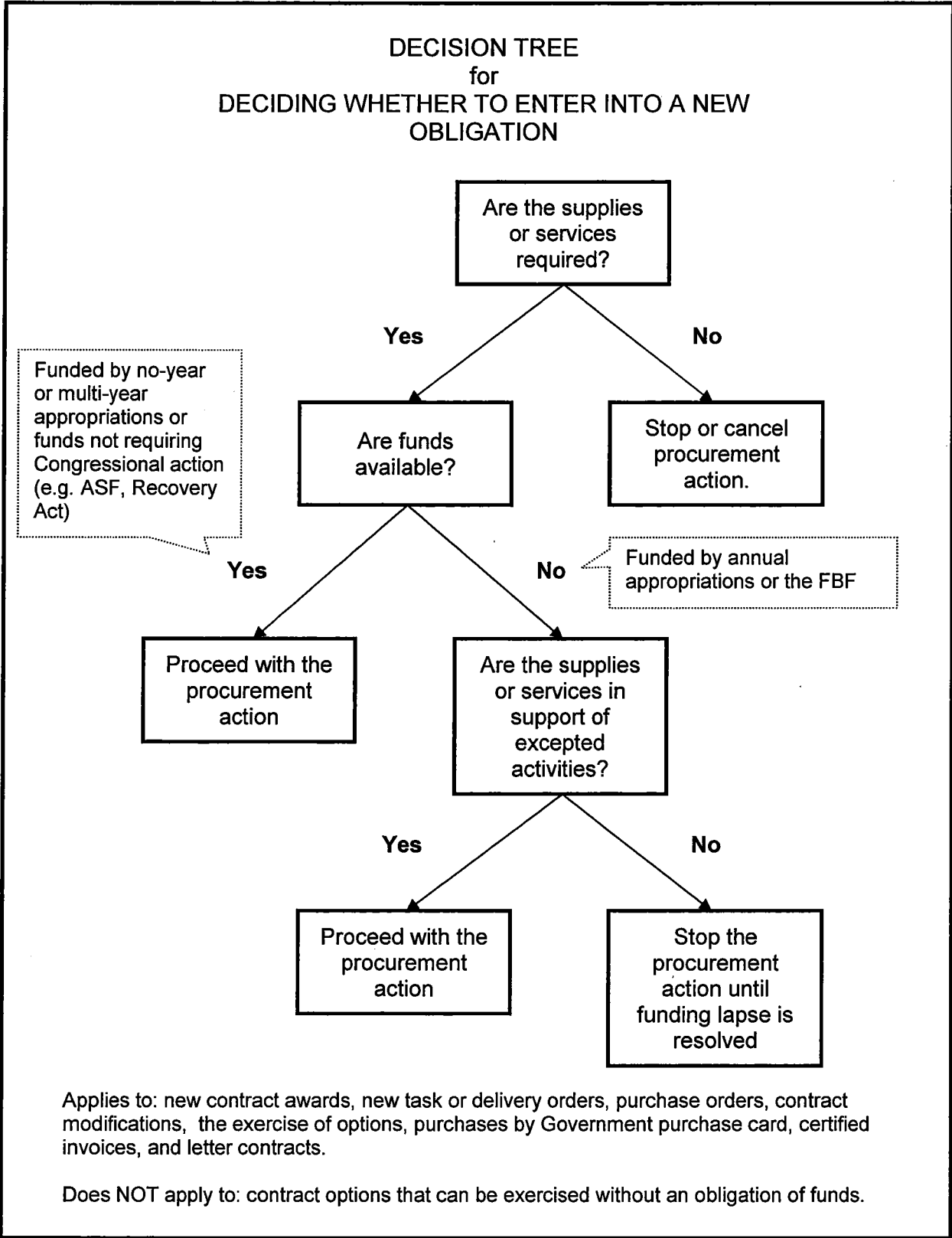
	<b>Will employees be paid during a funding lapse?</b>	<b>Can I incur new obligations?</b>	<b>Will the OCFO process payment on invoices?</b>
<b>Allowances and Office Staffs of Former Presidents</b>	GSA will continue to provide for Presidential pensions but will not pay salaries for office staffs.	No.	Only for work completed against valid obligations in place before the funding lapse.
<b>Acquisition Workforce Training Fund</b>	No, this activity has not been identified as "excepted".	No, this activity has not been identified as "excepted".	Yes, for work completed against valid obligations in place before the funding lapse.
<b>Federal Citizen Services Fund</b>	No, excepted employees will remain on duty but in a "delayed pay" status.	Yes, in the minimum amount to continue excepted activities.	Only for work completed against valid obligations in place before the funding lapse.
<b>Working Capital Fund</b>	No, excepted employees will remain on duty but in a "delayed pay" status.	Yes, in the minimum amount to continue excepted activities.	Yes.



## Attachment E – ACQUISITION OPERATIONS

1. **IN GENERAL.** Under a lapse in appropriations, Contracting Officers may not continue to make purchases of goods and services, except when required to support excepted activities. Excepted activities include: (1) actions necessary to shut-down operations; (2) actions necessary for the direct and indirect protection of life and property; and (3) activities funded by certain multi-year and no-year appropriations, or funds that do not require Congressional action (“mandatory” appropriations). The Federal Buildings Fund relies on annual appropriations Acts for new obligational authority and is subject to a lapse in appropriations.
  
2. **REIMBURSABLE WORK.** GSA may continue to make purchases of goods and services for other agencies through reimbursable agreements if customer funds are available. The Contracting Officer must obtain written certification from the customer agency that funds remain available under a lapse in appropriations, and that the goods or services are still needed. Customer certifications must specify whether funds are available because the function is excepted or because the funding source is exempt from a lapse in appropriations.
  
3. **NEW OBLIGATIONS.**
  - a. **Definition.** New obligations include all types of actions that obligate the Government to a future expenditure of appropriated funds. New obligations include: new contract awards, new task or delivery orders, purchase orders, contract modifications including the exercise of options, purchases by Government purchase card, certified invoices, and letter contracts.
  
  - b. **Rule.** Under a lapse in appropriations, Contracting Officers may not continue to make purchases of goods and services, except when required to support activities that are “excepted” or when using funds that are “exempt”. This rule includes reimbursable work. Contract options for additional quantities or to extend the term of the contract may not be exercised unless it is determined that the additional goods and services are needed during a shutdown of Government operations or the options may be exercised without an obligation of funds (e.g., options made pursuant to the FAR clause at 52.232-18, “Availability of Funds”).
  
  - c. **Consultation.** Contracting Officers should consult with program staff and the Office of General Counsel (OGC) to determine whether to exercise a contract option. Contracting Officers may notify a contractor of the Government’s *intent* to exercise an option, but may not commit the Government to exercise an option if funds are not available (unless the option is contingent upon the availability of appropriations).
  
4. **EXISTING CONTRACTUAL OBLIGATIONS.**
  - a. **Definition.** Existing obligations include all commitments that obligate the Government to a future expenditure of appropriated funds. Existing obligations include: executed contracts, task or delivery orders, purchase orders, contract modifications, and letter contracts.

- b. Rule. If a contract is fully obligated before the lapse in appropriations and the goods or services are still required, the contract is in full force and effect and no additional actions are required. However, if the contract is for recurring services, the Contracting Officer must verify whether the goods and services are needed at the same levels during a shutdown of Government operations and may, if applicable, issue a stop work order or termination for convenience (full or partial).
  - c. Consultation and Mandatory Legal Review. Contracting Officers should consult with program staff before issuing a termination for convenience or stop work order because of a lapse in appropriations. Contracting Officers should review contract terms and conditions to determine which options are available and in the best interest of the Government. Contract termination actions must be reviewed by OGC prior to issuance (see paragraph 6c of GSA Order ADM 5000.4A).
5. **CONTRACTOR NOTIFICATION**. The Contracting Officer or Contracting Officer's Technical Representative should consult the terms of the contract or order before responding to a contractor's questions regarding the impact of Government shutdown or building closures on the contractor's work obligations. If contract or order costs are calculated on a Time and Materials or Labor-Hour basis and the contract continues in effect, but the contractor employee could not access a Government facility because it was closed, contract payment will not be made for the missed hours. This does not preclude the contractor from compensating the contractor's employee.



Attachment E – Decision Tree 2, Existing Obligations

