



# Office of Inspector General

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## Federal Deposit Insurance Corporation Office of Inspector General

Office Shutdown Plan  
During Periods of  
Lapsed Appropriations

April 2011

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## **FDIC Office of Inspector General Shutdown Plan During Periods of Lapsed Appropriations**

This plan provides policy guidance and instruction for actions to be taken by the Office of Inspector General (OIG) during periods when a shutdown has been ordered because appropriations have not been approved or are unavailable.<sup>1</sup> It has been developed in accordance with instructions from the Director, Office of Management and Budget (OMB) dated August 22, 1995; OMB Bulletin 80-14, dated August 28, 1980; and other relevant guidance.

### **Summary of Plan**

Based on directions from the Executive Office of the President, the Inspector General will determine when it is essential to close operations because of a lack of necessary appropriations. Whenever closure becomes essential, all employees except those determined by the Inspector General to be essential for the safety of human life or the protection of property will be furloughed.<sup>2</sup> During the furlough period, employees will be in a nonpay, nonduty status, will not be permitted to serve as unpaid volunteers, and must remain away from the work place unless and until recalled. No leave, telework, travel, training, or contractor oversight and monitoring will be authorized during the furlough period. Anyone in travel status must return immediately to their official duty station.

No new expense obligations may be incurred during a shutdown, except the minimal obligations necessary to close OIG operations. Obligations made from previous appropriations can continue to be used for their designated purposes. For example, at the discretion of the Inspector General certain tasks in its audits could continue by independent public accountants, if the contracts were already awarded between October 1, 2009 and the date appropriations lapsed.

The OIG's shutdown will be completed in one-half day after being directed. Employees will be informed of the furlough. Appropriate FDIC and other federal officials should be notified of the OIG's shutdown. The offices and equipment will be properly secured. Special Agents will not be authorized to carry weapons while on furlough. Arrangements will be made for a resumption of work once appropriations are approved.

OIG staff should continue to report for work until the Inspector General gives directions for a shutdown. OIG staff will be verbally and electronically notified of the lack of appropriations and the furlough. The Inspector General, or his designee, must initiate the notification to return to work and will notify OIG supervisors. Furloughs will be appropriately documented at a later

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<sup>1</sup> This plan only covers the FDIC OIG and not the FDIC. In a March 23, 2011 File Memorandum, Henry R. F. Griffin, Assistant General Counsel, FDIC Legal Division opined that “The FDIC is funded by assessments and does not use appropriated funds to pay its expenses, and therefore it will not be affected by a government shutdown. “

<sup>2</sup> According to 5 CFR, 752.402, a furlough means “the placing of an employee in a temporary status without duties and pay because of lack of work or funds or other nondisciplinary reasons.”

date.<sup>3</sup> Once appropriations have been approved, OIG supervisors will notify staff using arrangements made before the furlough.

### **Shutdown Process**

OMB typically issues a memorandum advising agencies to implement shutdown procedures and prepare to furlough employees. Notification of a shutdown will come only if the Congress has not enacted the appropriation, or a continuing resolution, or because the President expresses his intention to veto the appropriation bill. We should expect this notification on April 8, 2011, which is the date the current Continuing Resolution (CR) expires. Once the OIG receives OMB's instructions, the Inspector General will direct the office shutdown. Under this scenario employees will be expected to report to their duty station on Monday, April 11. The shutdown process itself should take one-half day.

When a shutdown occurs, all normal operations will cease and all further efforts will be devoted solely to closing down operations, protection of human life and health, and protecting government property.

Routine operations in process at the time the lapse begins should be brought to a close in a prompt and systematic manner, in order to limit the loss of time and resources already invested. The invested work is a form of government property and should be protected from loss. Automated computer processes will be continued to prevent loss of data.

Managers will advise employees who are scheduled to be on annual, sick, court, or military leave that if a lapse in appropriations occurs while they are on leave, their leave will be canceled and they will be placed in a furlough status.

If a shutdown appears imminent, the OIG should halt all travel that might have been planned for after the date of the shutdown. Employees will be expected to return to their duty station. Any necessary travel should be approved only by the Inspector General or Principal Deputy Inspector General.

All business meetings and training should be postponed once the shutdown is directed. To the extent possible, training organizations should be notified that participants may not attend due to the lapse of appropriations.

The OIG will notify appropriate FDIC officials and the Board of Directors of any OIG shutdown. This includes the Chairman; Vice Chairman; and the Director, Division of Administration. The Office of Investigations', Special Agents in Charge in the various regions should notify local FDIC officials as well. FDIC officials should be alerted to the possibility of the OIG's shutdown at least a week ahead of time so that any shutdown will not be unanticipated.

OIG executives and office supervisors should ensure that records and equipment are secured.

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<sup>3</sup> Employee time and attendance and other documentation reflecting a furlough will be submitted after operations resume.

The degree of security will vary according to sensitivity and value. Arrangements should also be made to halt access to OIG space by non-OIG personnel, except those who are responsible for maintaining security.

OIG executives and office heads will establish a means to notify staff when they should return to work. Home phone numbers have been requested from staff and callers have been designated in order to provide a means for receiving notification when to report back to work.

### **Employee Notification**

The OIG's Immediate Office is responsible for keeping abreast of the status of the OIG's appropriation and providing as much notice as possible to staff of a potential shutdown situation. As required by law, OIG employees must be furloughed during periods when appropriations are unavailable. Any furloughs will be made by verbal notice and electronic notice from OIG supervisors, generally at the GG-15 or above level. Such a notice will be given only after the Inspector General directs a shutdown based on instructions from the Executive Office of the President, or OMB.

Furloughed staff will receive no compensation for the period of the furlough unless authorized by the Congress. Employees will continue to receive compensation for pay periods worked prior to the shutdown.

### **Activities During Shutdown Period**

Most OIG activities, other than those excepted under the law, will remain curtailed during the shutdown. The Antideficiency Act imposes substantial restrictions on obligating funds or contracting for services beyond appropriated levels. The Antideficiency Act does not permit the OIG to accept voluntary services. The Inspector General may make exceptions where the failure to perform functions would result in an imminent threat to the safety of human life or the protection of property.

### **Excepted Employees**

The Inspector General may designate certain employees as excepted from furlough during the shutdown period. Staff whose services are required and will be excepted during the furlough period will be specifically notified by the Inspector General. The duties of staff that the Inspector General deems excepted will involve minimal obligations necessary (a) to close the office, (b) for the safety of human life, or (c) for the protection of property.

As of April 8, 2011 the OIG has 129 employees on board. The IG is a presidential appointee and will not be furloughed.

<b>Employees on board</b>	<b>Number Furloughed</b>	<b>Exempt/Retained<sup>4</sup></b>
129	128	

<sup>4</sup> A number of Special Agents may need to be designated as excepted due to scheduled criminal trials.

According to OMB guidance from 2000, "officials and employees who are asked to and do render services during the hiatus in funding cannot be guaranteed payment of salaries and wages. However, eventual payment is probable, either as a result of appropriations legislation or otherwise." Excepted employees should maintain their time cards for time worked during the shutdown and await instructions from Office of Management about processing at the completion of the shutdown. Staff travel during the furlough period will not be authorized except in the most unusual of circumstances. Any travel must be approved in advance of the furlough by the Inspector General or Deputy Inspector General.

### **Procedures for Payroll Processing and CHRIS Time & Attendance During OIG Shutdown**

The OIG's Human Resources works in conjunction with the FDIC, Human Resources Information Management & Payroll Systems staff on all payroll processing and administration of time and attendance. The Human Resources Information Management & Payroll Systems staff serves as the conduit between the National Finance Center (payroll processing) and the OIG. In the event of a government shutdown that affects the OIG, the FDIC's Personnel Systems staff would process, on behalf of the OIG's Human Resources, all actions necessary to effect an orderly shutdown of payroll and time and attendance. This includes the processing of furlough personnel actions and mass coding of time and attendance to stop the payment of funds due to a lack of continuing appropriations. They in turn would also process all of the necessary actions once there is a resumption of operations.

### **Resumption of Operations**

The length of any shutdown cannot be determined. News media reports will be a means that OIG staff can stay abreast of resolutions to the appropriations hiatus. In addition, the Inspector General will notify OIG executives when the furloughs are over. The message will be disseminated throughout the organization by the supervisory staff. All staff should report for duty at their duty station on the next regular work day, or request leave.