



April 7, 2011

### In The Event of a Government Shutdown

"The department remains hopeful that a government shutdown will be averted. However, prudent management requires that we plan for an orderly shutdown should Congress be unable to pass a funding bill."

- Deputy Secretary of Defense William J. Lynn III

The Department of Defense is currently operating under a Continuing Resolution (CR), which essentially continues funding for most programs at the Fiscal Year 2010 level. The CR extends authorizations continuing operations through midnight on April 8. If the current continuing resolution expires at 12:01 a.m. on April 9, 2011 without passage of an FY 2011 appropriations bill or a further continuing resolution, Federal departments and agencies will be required to execute contingency plans for a lapse in appropriations (more commonly referred to as a "shutdown"). If a shutdown were to occur, the Navy would retain the ability and authority to continue to protect the nation's vital interests around the world, to safeguard the nation's security, and to execute the operations we're conducting right now, including in Libya and humanitarian aid missions in Japan.

#### Active-Duty and Reserve Component Sailors

- Active-duty and activated Reservists on orders will be required to report to work and will continue to <u>earn</u> wages in the event of an April 8 shutdown of the federal government, however they would have to wait to <u>collect wages</u> until Congress passes and the President signs a new appropriation or continuing resolution.
- Further guidance for military personnel will be communicated upon approval.

#### Department of the Navy Civilians

- All civilian employees are expected to report to work on their next regularly scheduled workday to conduct an orderly shutdown.
- Civilian employees whose salaries are funded through annual appropriations will not be able to work and will be furloughed, unless their duties qualify under the law as "excepted" (or "exempted") to continue to work during periods of lapsed appropriations.
- During a shutdown, non-excepted employees are not permitted to work as unpaid volunteers for the government.
- Federal agencies do not have the authority to pay their employees during a shutdown, regardless of whether the employees are working as "excepted" or furloughed as "non-excepted". "Excepted" employees will receive pay for hours worked when the Congress passes and the President signs a new appropriation or continuing resolution. Congress will also determine whether non-excepted employees will receive pay for the furlough period.
- Excepted activities will include inpatient and essential outpatient care in DoD medical treatment facilities; emergency dental care; non-appropriated funds activities such as mess halls and child care activities; certain legal activities to support ongoing litigation and legal assistance for deployed DoD personnel.

## Key Messages

- Navy personnel are encouraged to refer to the ASN (FM&C) website, <a href="www.finance.hq.navy.mil/fmc/">www.finance.hq.navy.mil/fmc/</a>, for updated guidance on the government shutdown.
- Lawmakers have until April 8<sup>th</sup> at midnight to either approve a new spending bill or pass another CR.
- The Navy will continue to plan for a shutdown, while supporting its people and conducting current operations.

# Facts & Figures

- In addition to the ASN (FM&C) website visit: <a href="http://www.opm.gov/furlough2011/">http://www.opm.gov/furlough2011/</a>, the Navy <a href="Facebook">Facebook</a> and Twitter pages for the latest guidance.
- If there is a government shutdown, the <u>Navy-Marine</u> <u>Corps Relief Society</u> will remain open. In the event there is an interruption to military pay, the Society will be prepared to assist with rapid, short-term, interest-free loans for essential items.