

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

2011 SHUTDOWN PLAN

March 4, 2011

I. PURPOSE

This plan establishes the policies and procedures to be followed by the Grain Inspection, Packers and Stockyards Administration (GIPSA) in the event of an absence of either enactment of appropriation legislation or passage of a Continuing Resolution providing funding for GIPSA programs.

II. POLICY

The Constitution provides that “no money shall be drawn from the treasury, but in consequence of appropriations made by law (U.S. Const. art. I section 9 cl 7).” The treasury is further protected through the Antideficiency Act, which among other things prohibits all officers and employees of the federal government from entering into obligations in advance of appropriations and accepting voluntary services for the United States, or employing personal services not authorized by law, except in cases of emergency involving the safety of human life or the protection of property (31 U.S.C. section 1342).

In accordance with the Office of Management and Budget’s Circular A-11, Preparation, Submission and Execution of the Budget,” dated July 2010 and the Office of Personnel Management’s guidance, provided at www.opm.gov, all GIPSA programs and activities will be suspended except those activities for user fee supported programs where funds are available. For programs supported by both user fee funds and appropriations, staff will be furloughed and activities will be discontinued proportionate to the appropriated funding level.

In essence, GIPSA would continue to provide inspection and weighing services that are supported by user fees. These activities are excepted activities.¹ Of the 682 total GIPSA staff year equivalents, this represents 383 staff year equivalents. The remaining 299 staff years will be subject to furlough in accordance with this plan (Attachment 1).

¹ For GIPSA excepted employees are those whose compensation is financed by a resource other than annual appropriations.

III. USER FEE ACTIVITIES

A. Direct Service Delivery (Funded by User Fees)

GIPSA's mission is to facilitate the marketing of cereals, oilseeds, and related agricultural products and protect fair trade practices, financial integrity, and competitive markets for livestock, meat, and poultry for the overall benefit of producers, consumers, and American agriculture. GIPSA's programs directly and significantly impact two key sectors of American agriculture – the livestock and grain (and related commodity) markets.

All grain and related commodity inspection and weighing program activities supported by user fees provided under the authority of the United States Grain Standards Act (USGSA) and the Agricultural Marketing Act of 1946 (AMA) will continue to be provided (see section IV for appropriated fund activities). These are excepted activities. Local managers will evaluate service requests and, with approval from the Field Management Division Director, will assign employees to revenue-generating functions. Offices will charge their existing user fee management codes for all activities provided during the duration of the shutdown.

All travel directly related to providing inspection service (i.e., revenue-producing work) will be approved by supervisors.

Reimbursable activities funded in advance by other USDA agencies (e.g., the pesticide data program, pesticide record keeping program, and National Institute of Standards and Technology agreement) will continue. These are excepted activities.

B. Internal Administrative and Program Support (Partially Funded by User Fees)

Internal support for user fee programs will be maintained at levels essential to ensure that GIPSA is able to provide inspection and weighing program activities. Internal GIPSA administrative and program support provided by Administrator and staff, Deputy Administrator of FGIS and staff, Civil Rights Staff, Information Technology Staff, Management and Budget Services, Field Management Division, and Technical Services Divisions that is funded by user fees will remain operational. Activities supported by both user fees and appropriated funds will be continued proportionate to the user fee funding level.

All employees funded entirely or in part by appropriated funds will report to work on the first workday of the shutdown to initiate shutdown procedures, unless previously notified by the Agency not to report. Not more than one-half day will be needed to complete the shutdown procedures. Supervisors will provide all

employees with their assignment of duties and other pertinent information for an orderly shutdown.

Employees working a non-standard schedule will immediately be placed on a standard work schedule.

Employees in this category are prohibited from using government equipment, such as blackberries, cell phones, and computers, when in furlough status (i.e., if an employee is authorized to work one-half day, then he/she can only use government-issued equipment during that time he/she is authorized to work).²

A new user fee management code will be used during the shutdown. If a shutdown occurs, managers and administrative officers will receive instructions about use of the new management code.

Employees in travel status who were identified to be furloughed will be ordered to return immediately to their duty stations. Their furlough will be implemented as soon as they return.

C. External Support

All providers of external support services, such as, National Finance Center (NFC) for billing, collections and payroll; Marketing and Regulatory Programs Business Service's Human Resources Division for a variety of personnel and administrative services; the Kansas City Computer Center for data processing; and the Office of Operations (OO) for South Building operations will be notified that GIPSA intends to continue the inspection operation and that their ongoing support will be required. If such support is not provided and/or if the level of support compromises the quality of service delivered to the industry, GIPSA may be forced to discontinue service.

IV. APPROPRIATED FUND ACTIVITIES

A. General

All activities supported by appropriated funds will be discontinued. This involves all activities conducted by GIPSA's Packers and Stockyards Program (PSP) and all compliance, standardization, methods development, and international monitoring activities conducted by GIPSA's Federal Grain Inspection Service (FGIS).

² All Government computers are subject to the Computer Fraud and Abuse Act of 1984 (Pub. L. 98473) and its 1986 revision (Pub. L. 99-474). Specifically, use of a government computer "without authorization of for purposes for which authorization has not been extended is a violation of Federal Law and can be punished with fines or imprisonment (P.L. 99-474). GIPSA interprets this law to also apply to other government-issued electronic devices, such as personal digital assistants (PDAs).

All employees funded entirely or in part by appropriated funds will report to work on the first workday of the shutdown to initiate shutdown procedures, unless previously notified by the Agency not to report. Not more than one-half day will be needed to complete the shutdown procedures. Supervisors will provide all employees with their assignment of duties and other pertinent information for an orderly shutdown.

Once the shutdown is initiated, employees in this category are prohibited from using government equipment, such as blackberries, cell phones, and computers.

B. Consequences of a Shutdown on Program and Service Delivery

A discontinuation of all PSP's activities will hinder the program's enforcement of the Packers and Stockyards Act. Similarly, a discontinuation of FGIS' compliance activities will impact the Agency's ability to ensure that the United States Grain Standards Act, applicable provisions of the Agricultural Marketing Act of 1946, and applicable regulations are implemented accurately and uniformly throughout the official grain inspection and weighing system. The inability to investigate alleged violations could hamper corrective action in the long term and could have an immediate impact on members of industry if marketing is disrupted or conducted under inappropriate conditions due to the violations.

Methods development activities include applied research or testing that produces new or improved techniques for measuring grain quality. Even a short-term disruption of methods development activities could impact projects where the ongoing collection and testing of new crop samples is critical.

GIPSA's international monitoring programs monitor the quality and weight of grain shipments between origin and destination ports; respond to grain quality or weight complaints received through the Foreign Agricultural Service or other sources; briefs representatives of importing countries both in the United States and abroad on the roles and responsibilities of GIPSA; and works with USDA sister agencies, the Food and Drug Administration, and cooperator organizations to increase awareness of GIPSA's roles and responsibilities in the United States and abroad. One potential impact of shutdown would be a delay in addressing a discrepancy of an urgent nature, should one arise. For example, an importer alleges a cargo is contaminated with a toxic substance. Such a situation could

have an adverse impact on the image of American agriculture as a supplier of high quality, wholesome products. Such a situation could also disrupt orderly trade if, for example, the vessel was detained, cargo was unnecessarily destroyed, or payment was withheld.

V. Timeline for Orderly Closure and Communications

Prior to Day 1, the following actions will be completed:

- GIPSA's Administrator will ensure that a review is conducted and documentation submitted to DM/OBPA to ensure a current understanding of available funding and other impacts on the plan by category of employees.
- GIPSA's Office of the Administrator will develop a communication plan to provide key information to internal and external customers.
- GIPSA's Administrator (or an appropriate designee) will issue a letter to all employees notifying them a potential furlough, including answers to commonly asked questions, such as the impact of a furlough on benefits, leave, and unemployment.
- GIPSA's Union/Management Coordinator will notify the Union of a potential furlough.*
- GIPSA's Director of Management and Budget Services will notify external suppliers of required external support.
- GIPSA managers will develop specific furlough and work schedules (hours and days).
- GIPSA supervisors, of employees who will be furloughed, will update a list of all employees in their work units, complete with telephone numbers (i.e., a telephone number at which each employee can be reached during a shutdown).
- GIPSA's Director of Management and Budget Services will provide MRP Business Services/Human Resources Division with list of employees who will continue to work.
- The Director of MRP Business Resources/Administrative Services Division will notify contractors about the status of their contracts.

First day of expiring Continuing Resolution (Note: if the Continuing Resolution expires at midnight on a Friday, Saturday or Sunday, shutdown procedures would be initiated on Monday morning):

- Initiate orderly shutdown procedures, which includes, among other things, a discussion between supervisors and employees about assignment of duties, restrictions pertaining to the use of government equipment, and other pertinent information.
- Managers at locations outside of Washington, D.C. will notify their mail rooms or local post offices to put a hold on mail deliveries.

One day after expiring Continuing Resolution and additionally as necessary:

- MRP Business Services/Human Resources Division will issue furlough notices to employees as appropriate.
 - GIPSA's Office of the Administrator will provide recurring status reports to OSEC.
 - GIPSA's Administrator calls into service COOP related staff, if needed.
- * Notification required if trust programs are shut down (Section VII below) and/or if there may be potential disruptions due to external service suppliers, such as NFC, not providing full support service while user fee programs remain operational.

VII. CONTINGENCY PLAN FOR USER FEE PROGRAM SHUTDOWN

In the event the Administration modifies the GIPSA shutdown plan to include user fee programs, all FGIS personnel, and internal administrative support personnel, will be furloughed and all offices will be closed.

Under the authority of the United States Grain Standards Act and the Agricultural Marketing Act of 1946, GIPSA's FGIS, as the primary USDA program involved in grain quality and quantity certification, provides inspection and weighing services for grains and commodities; monitors the performance of the national inspection network, which is comprised of licensed State and private inspection agencies; and maintains the Official U.S. Standards for Grain. The grain industry relies on FGIS to provide the necessary documents to complete trading transactions. These documents, required by private sales contracts, are submitted to financial institutions as proof of delivery. Financial payment is provided upon the review of these documents. Loading and transportation delays and the inability to provide these essential documents in a timely manner due to a Government shutdown will significantly affect the finances and economics of the highly competitive American grain and commodity marketing system serviced by FGIS.

ATTACHMENT 1

SUMMARY OF ACTIVITIES IN THE EVENT OF A GOVERNMENT SHUTDOWN

<u>Agency</u>	<u>Current On-Board Staff</u>	<u>Estimated Employment by Category</u>				<u>Total As % of Staff</u>
		I	II	III	Total	
GIPSA	682	0	383	0	383	56%
<p>KEY:</p> <p>Category I: Law Enforcement Health and Safety</p> <p>Category II: Financed from Available Funds; for GIPSA, the source of funding would be from user fees collected to cover the costs of providing grain and related commodity inspection and weighing services. The authority to charge, collect, spend, and deposit these funds is provided in sections 79(j)(1) and 79(a)(1)(1) of the United Grain Standards Act and section 1622(h) of the Agricultural Marketing Act of 1946. Additionally, reimbursable activities funded in advance by other USDA agencies (i.e., the pesticide data program, pesticide record keeping program, and National Institute of Standards and Technology agreement) will be captured under this category. These are GIPSA's excepted activities</p> <p>Category III: Protect Life and Property</p>						

ATTACHMENT 2

GIPSA PROGRAMS AND FUNDING SOURCE

Activity	Funding	Status
PSP	100% Appropriated	Shutdown
FGIS Compliance	100% Appropriated	Shutdown
FGIS Standardization	100% Appropriated	Shutdown
FGIS Methods Development	100% Appropriated	Shutdown
FGIS International Monitoring	100% Appropriated	Shutdown
FGIS Grain Inspection and Weighing	100% User Fees	Continued Service
FGIS Rice and Commodity Inspections	100% User Fees	Continued Service
GIPSA Administrative & Program Support	Partial User Fees	Continued Proportionate to the User Fee Funding Level