

RURAL DEVELOPMENT CONTINGENCY PLAN August 2020

Scope

This plan of action is developed based on the latest guidance for shutdown planning and activities for this organization, as relayed by the Office of Management and Budget (OMB) and the Department. This plan is subject to amendment as developments require and provided such amendments are consistent with applicable law.

The Department is subject to seasonal variations and at one time up to 80 percent of employees may need to report to work during a furlough, but this would be on an intermittent basis. As Category I funding is not available all employees will either be furloughed or moved to either Excepted or Exempted and will show in Category V.

The functions and activities described herein are to be executed in accordance with all applicable statutes, regulations, policies, and delegations of authority.

OMB provides guidance on how to prepare for and operate during a funding gap in OMB Circular A-11. The circular establishes two policies regarding the absence of appropriations:

- 1) A prohibition on incurring obligations unless the obligations are otherwise authorized by law; and
- 2) Permission to incur obligations “as necessary for orderly termination of an agency’s functions,” but prohibition of any disbursement (i.e., payment).

The Anti-Deficiency Act (<http://www.gao.gov/legal/lawresources/antideficiency.html>) prohibits agencies from incurring obligations in advance of, or that exceed, an appropriation. Thus, with certain limited exceptions, an agency cannot incur obligations when the funding source for the obligation is an appropriation that has lapsed. Any activities that would incur a new obligation must be suspended and are prohibited. Activities that are under way that would lead to an increased obligation or incurred costs must cease.

There are, however, limited exceptions to this general rule, including obligations incurred performing activities that protect life and/or property, incurred to accomplish an orderly shutdown of the normal functions of the agency, or where such payment activity is necessarily implied.

An agency must otherwise continue certain activities despite a lapse in their appropriations because the lawful continuation of other funded or excepted activities “necessarily implies” that these additional activities will continue as well. A “necessary implication” can arise when an agency needs to incur obligations, even though there has been a lapse in the appropriation against which those obligations would be charged, in order to implement:

- 1) An “orderly shutdown” when there has been a lapse in appropriations (as the Department of Justice has explained, “authority may be inferred from the Anti-deficiency Act itself for federal officers to incur those minimal obligations necessary to closing their agencies”);

- 2) "Excepted" activities including functions:
 - a. Authorized by statute or other legal requirement expressly authorizing an agency to obligate funds in advance of appropriations;
 - b. That address emergency circumstances such that the suspension of the function would imminently threaten the safety of human life or the protection of property; or
 - c. That are necessary to the discharge of the President's constitutional duties and powers.

- 3) Congressionally authorized or appropriated functions for which Congress has provided funding that remains available during the lapse (including funds already obligated from the current fiscal year) where the suspension of the related activity (during the funding lapse) would prevent or significantly damage the execution of the terms of the statutory authorization or appropriation.

I. MAJOR PROVISIONS OF MISSION AREA PLAN

- When the likelihood of a shutdown is imminent, Rural Development (RD) will discuss the Plan for Operations and the Start-up Plan with the appropriate Labor Unions.
- If RD is informed that there will be an absence of appropriations authority, RD will, within two business days, inform all agency employees of their work status and assignments during the absence of appropriations. Employees will then be advised of their work status and assignments, and an orderly shutdown of non-excepted mission area operations will be impacted within four hours. It is understood that there may be a need for more than four hours to orderly shutdown facilities and some activities for programs.
- The Deputy Under Secretary for Rural Development will instruct field supervisors setting standards for office staffing to provide for an orderly shutdown of non-excepted mission area operations and the continuation of excepted activities. Personnel not needed to continue excepted activities or to assist with closing down non-excepted operations will be released within the first four business hours of an absence of appropriations. State Directors and their respective staff will be considered excepted to service existing Direct and Guaranteed Loans. Typically, RD employees deemed excepted will be in Washington, DC and St. Louis, MO. These employees will conduct excepted activities to preserve government property and provide financial services supporting RD and Farm Loan Program (FLP) loan customers.
- The Office of the Secretary is expected to provide approved language for consistent “out of office” signage, outgoing voice mail and email messages, and other public notification by headquarters and field offices that non-excepted functions have ceased. In the absence of such approved language, the Deputy Under Secretary for Rural Development will provide appropriate messages as part of the orderly shutdown activities.
- The orderly shutdown of non-excepted activities includes taking measures to secure files and data systems, securing RD and customer funds, making necessary contacts with contractors, customers, and partners outside the mission area, and canceling meetings, hearings, loan closings, and other previously arranged RD business not necessary for continued operations. All loan closings and related disbursement activities that have not been scheduled and recorded in the accounting systems prior to the lapse in appropriation must be rescheduled after return to normal operations. In circumstances during the shutdown, the Deputy Under Secretary for Rural Development may increase exception function staffing by adding employees with required skillset to review and process construction loan and grant disbursements, if such disbursements not processed will compromise the protection of RD’s interest and security of its properties and facilities.
- No new loans or grants will be made during the shutdown period except for emergency purposes and to protect the Government’s interest. All pending loan servicing actions, including guaranteed loss claims, must be documented and secured to allow for timely processing. To

reduce the negative impact on the guaranteed programs, guaranteed loan servicing will be continuing, including processing loss claims as necessary. In circumstances during the shutdown, the Deputy Under Secretary for Rural Development may increase exception function staffing by adding employees with the required skillset to review and process Guaranteed Loss Claims, as not reviewing and processing Guaranteed Loss Claims could compromise RD ability to continue those guaranteed programs.

- State Directors operating as noncentralized for Single Family Housing (SFH) foreclosure and Real Estate Owned activities will review all pending actions to ensure these properties are secured. A status of pending actions, such as foreclosure sales and property preservation needs, will be reported to the National Financial and Accounting Operations Center (NFAOC) staff as part of orderly shutdown activities. All pending foreclosure sales from noncentralized states must be reviewed to ensure excepted staff will be available as needed to support these actions.
- All pending Conditional Commitments related to guaranteed loans must be reviewed and if possible, provide issuance of the Loan Note Guarantee. In circumstances during the shutdown, the Deputy Under Secretary for Rural Development may increase exception function staffing by adding employees with the required skillset to review and process Conditional Commitments and Loan Note Guarantees, as not reviewing or processing such Commitments and Guarantees could compromise the protection of RD's interest and security in the properties and facilities.
- Notice will be provided to all Multi-Family Project Managers that rental assistance will continue if funding is available during the shutdown. This will be communicated through the MFIS portal.
- Supervisors will identify any other tasks necessary to continue excepted operations and for the orderly shutdown of non-excepted activities. Supervisors will also identify those employees needed to administer the excepted operations as necessary for the orderly shut-down of non-excepted operations. These plans are to be reviewed by the Administrators, Chief Operating Officer, Chief Financial Officer, Chief Enterprise Officer, NFAOC Director, Deputy Chief Financial Officer, Chief Information Officer, Procurement Director, and regional State Directors for their respective areas of jurisdiction, within specified timeframes. Upon timely completion of their review, the plans will be submitted to the Deputy Under Secretary for Rural Development for review and approval. The plan will be forwarded to the Office of the Secretary and all its appropriate jurisdictions, for final approval.
- All employees in travel status for non-excepted activities will be directed to return to their duty stations by midnight on the day of notification of the lapse in appropriations. If unforeseen circumstances prevent travelers from returning as required, the Agency will ensure travelers return to their duty station by the most expedient and cost-effective mode of transportation.
- Once final determinations, necessary notices, and bargaining with appropriate employee unions regarding the impact and implementation of the shutdown are completed, employees performing non-excepted functions will be notified and placed on furlough or other personnel action taken as appropriate for the circumstances. All employees placed on furlough will be informed by the

Office of the Secretary or the Deputy Under Secretary for Rural Development to avoid voluntary work and to refrain from using mobile or information technology equipment.

- The Deputy Under Secretary for Rural Development will review the sufficiency of excepted function staffing on a needed basis, releasing staff no longer needed or adding staff with such additional skills required to address unforeseen circumstances. The Deputy Under Secretary for Rural Development will notify the Acting Deputy Assistant Secretary for Administration and the Office of Budget and Program Analysis (OBPA) of any changes to the approved plan.
- Travel and training for RD operations will be suspended during the period of shutdown. All travel and training scheduled within 30 calendar days following the first day of the shutdown, will be canceled. If the shutdown extends beyond 30 calendar days, the Deputy Under Secretary for Rural Development may increase excepted function staffing by adding employees with required skillset to review and cancel training and travel scheduled beyond the 30th calendar day. All purchase card holders must be advised that all future orders are not allowed as part of the excepted activities.
- After shutdown operations are completed, RD state and area office employees located throughout the United States will be furloughed.

II. EXCEPTED ACTIVITIES

RD has no program activities that would continue in the absence of an appropriation. However, there are certain limited activities that are viewed as “excepted” for the purpose of preserving the Government’s property. This property includes RD and FLP loans portfolio, which exceeds \$243 billion and serves as collateral for loans, and borrowers’ funds paid to RD in escrow for real estate taxes and property insurance.

If the excepted activities to preserve Government property are not permitted during the absence of appropriations, borrower remittances could be lost in our payment lock box bank processes, and Personally Identifiable Information (PII) could be jeopardized. In addition, data could be lost because of overlays or overloads, and if processed back-to back, multiple batch updates of the LoanServ system could result in an inability to recover the financial system. Furthermore, protective advances for properties in foreclosure could not be made to protect the Government’s interest in the properties.

Included among these excepted activities are:

- Processing nightly updates for each RD financial system — Automated Multi-Family Accounting System (AMAS), Commercial Loan Servicing System (CLSS), LoanServ, Guaranteed Loan System (GLS), Program Funds Control System (PFCS), and Program Loan Accounting System (PLAS) — to include daily cash remittances and disbursements. Remittances represent funds returned to the Federal Government and will not be delayed. This effort will include:
 - Balancing and reconciling all RD loans, as well as those Farm Service Agency (FSA) loans on the two financial systems (GLS and PLAS) that are shared between RD and FSA.

- Ensuring that front-end applications, such as Management Agent Interactive Network Connection (MINC), Multi-Family Housing Information System (MFIS) including Pay.Gov, RD Utility Program Customer Initiated Payments, Lender Interactive Network Connection (LINC) including Application Authority Security Management (AASM), Guaranteed Annual Fees (GAF), Mortgage Account Information (MAI), and GLS remain available for borrower/lender cash remittances. Disbursements represent actual cash outlaid of government funds. Disbursing funds from time to time may be needed for the purpose to protect and preserve RD assets (e.g., placing protective bids at foreclosure sales to ensure that RD's loan collateral is not lost and paying for critical repairs necessary to preserve such property).
- Distributing billing statements and mail as necessary to ensure proper notice to borrowers is provided regarding principal and interest payments due. This includes insuring that all collections received in any form (electronic or paper) are submitted into the appropriate accounting system for initial application, including payments of escrowed funds. This does not include discrepancy processing of any collections that require manual intervention due to specialized servicing requirements.
- Ensuring that RD performs its fiduciary responsibilities in accounting for and processing customers' funds, such as loan escrow accounts, in an accurate and timely manner. This will help RD avoid creating unnecessary hardships for our customers and litigation risks for RD by processing escrowed funds to pay insurance and tax payments on time, thus reducing the probability of insurance policy cancellations and tax penalties being assessed. Fiduciary responsibilities also include:
 - Reconciling and submitting for initial processing of all collection activity. This includes electronic and paper collections for amortized payments and payoff activity.
 - Ensuring that Multi-Family Housing Rental Assistance and Voucher payments on existing contracts are made as part of collections and tenant certifications activity processed via MINC.
 - Existing RD loans and guarantees will be reviewed as necessary to protect Rural Development interest in the properties. Construction loans and grants will be reviewed periodically during the shutdown to perform the actions necessary, such as advancing funds for construction draws. Closed guaranteed loans will be reviewed periodically during the shutdown to determine if the Loan Note Guarantee can be issued and to review Guaranteed Loss Claims as necessary.
 - Ensuring disbursements only occur as necessary to protect Rural Developments interest in the properties. Necessary disbursements include those related to Construction Loan and Grants, Rental Assistance and MFH Voucher Payments, and Guaranteed Loss Claims. Necessary disbursements do not include those related to non-construction loan and grant activity. If existing Rental Assistance obligations are no longer available additional servicing options, may be provided to MFH projects in leu of Rental Assistance payments as appropriate.

- Manually reviewing all accounting system updates to ensure no new obligation activity that is not an excepted activity occurs and taking action to reverse any actions as necessary.
- Foreclosure sales scheduled through the NFAOC and non-centralized states will continue as planned. The subsequent recording of any deeds will occur when the shutdown ends.
- Ensuring that service contracts supporting excepted activities remain in place and are available to excepted staff during furlough. Prepare clear documentation on which contracts will remain available and any special provisions that must be observed during furlough. Although contracts will remain open, only invoices for services necessary to support the excepted activities will be approved for payment.
- In certain circumstances during the shutdown, the Deputy Under Secretary for Rural Development may increase excepted function staffing to add employees to perform the following:
 - Review construction loans and grants to determine if additional disbursements are necessary;
 - Review outstanding conditional commitments on outstanding guaranteed loans to determine if the loan note guarantee can be issued;
 - Review and process guaranteed loss claims;
 - Perform actions necessary to support foreclosure sales;
 - Update interest rates to issue correct billing statements and disbursements, as aforementioned;
 - Balance available monthly financial activity such as general ledger, trial balances, internal financial statements, and fiscal year-end (FYE) activities as applicable; and
 - Processing of direct and guaranteed loan servicing actions if appropriate; and
 - Conduct Calendar Year End and End of Year activities as necessary.

III. IMPACT OF PROGRAM SHUTDOWNS

Rural Development’s mission is to serve as a catalyst for economic and community development activities in rural areas through loans and grants to individuals, families, businesses, and communities.

On a short-term basis, RD would have limited operations, which would only encompass excepted activities, described in Section II, Excepted Activities. The short-term impact would extend beyond preserving the Government’s property. RD’s loan portfolio exceeds \$243 billion with over 1.5 million loans, making the agency one of the largest “banks” in the country. The unavailability of servicing actions not deemed excepted could have a negative impact on the financial stability of customers and mortgage lenders’ financial operations. For example, borrowers would not be able to secure much-needed loans, make loan payments, or reamortize loans.

There would also be a short-term tangible impact on the overall economy as employees and contractors will not receive compensation. Additionally, there would be intangible effects such as a demoralized workforce.

Albeit the impacts on these programs are described as short-term, the corrections required once operations resume will be coordinated and carefully executed to minimize further impact on RD’s portfolio.

The shutdown of RD loan and grant making activities for a prolonged period of more than two weeks would have an adverse impact on the rural economy. Should RD not be allowed to continue loan and grant making operations for an extended period, the long-term impact would be substantially more serious, as described below:

- No additional loans/grants would be available during the period except for emergency purposes and to protect the Government's interest. System generated disbursements for previously obligated Rental Assistance (RA) and Vouchers funds will continue.
- No loans or assistance for essential community facilities would be made, delaying the financing of health care, emergency response, and other essential services to rural communities. A long-term shutdown would place RD seriously behind its mission of improving quality of life and economic opportunity in rural areas with limited income. The current community facility loan program is one of the very few sources of financing for essential community facilities in rural areas.
- No loans or grants would be made or issued for modernizing rural America's utilities infrastructure. Borrowers or grantees would not be able to improve service or pay off short-term bridge loans. Invoices for construction contracts would be reviewed periodically during the shutdown to perform actions necessary, such as advancing funds to pay these invoices.
- Only limited disbursements of loans funds will be provided on existing obligations. Existing RD loans and guarantees will be reviewed as necessary to protect Rural Development's interest in the properties. Construction loans and grants will be reviewed periodically during the shutdown to perform the actions necessary, such as advancing funds for construction draws. Closed guaranteed loans will be reviewed periodically during the shutdown to determine if the Loan Note Guarantee can be issued.
- Single Family Housing guaranteed lenders may close loans only if they are in possession of a valid Conditional Commitment issued by Rural Development. Loans may not be closed unless a Conditional Commitment has been issued by the agency. Following a loan closing, a lender may request issuance of the Loan Note Guarantee following standard procedures; however, the request may not be reviewed for issuance until after the shutdown is over. The lender assumes the risk for the loan until the Loan Note Guaranteed request can be reviewed by Rural Development and a determination made to issue the Loan Note Guarantee.

IV. PROGRAMS OPERATING UNDER CONTINUING AUTHORITY

Rural Development has several programs that contain broad authorizations under no-year appropriations for the Secretary to utilize funds for necessary servicing actions, to make and insure loans and to make grants until the appropriated funds are expended.

Programs administered under no-year appropriations include the following:

- Rural Community Development Initiative Grants
- Community Facilities Direct Loans
- Community Facilities Guaranteed Loans
- Community Facilities Grants
- Community Facilities Economic Impact Initiative Grants
- Community Facilities Tribal College and University Grants
- Section 533 Housing Preservation Grants
- Section 542 Rural Housing Voucher Program
- Section 514 and Section 516 Farm Labor Housing Loan and Grant Program
- SFH 523 Mutual and Self-Help Housing Grants
- SFH 504 Very Low-Income Repair Grants
- SFH 509 Construction Defects
- Value Added Producer Grant Program
- Local Assistance Marketing Program Grants
- Business and Industry Guaranteed Loan Program
- Rural Community Development Grants (RCDG)
- Rural Economic Development Loans and Grants (REDLG) (including ReConnect)
- Rural Microenterprise Assistance Program (RMAP)
- Biorefinery Guaranteed Loans
- Rural Energy for America Program (REAP)
- Higher Blended Infrastructure Incentive Program
- Water and Waste Disposal Loan and Grant Program
- Section 306C Water and Waste Disposal Grants
- Section 306D Water and Waste Disposal Grants for Alaskan Villages
- Wastewater Revolving Fund Grants
- Solid Waste Management Grants
- Household Water Well Grants
- High Energy Cost Grants
- Distance Learning, Telemedicine and Broadband (including ReConnect) Loans and Grants

Programs under annual appropriation that may continue to expend funds include:

- Section 521 Rental Assistance Program

No new obligation activity under these programs will occur in the absence of appropriations except to the extent that servicing actions may be required to preserve the property of Rural Development, as identified in Section II, Excepted Activities. Disbursement of funds and the issuance of loan note guarantees will only occur as necessary to protect Rural Development's interest in the properties.

ATTACHMENT A

RURAL DEVELOPMENT PLAN FOR OPERATIONS IN THE ABSENCE OF APPROPRIATIONS

DETAILED LIST OF ACTIVITIES

The following plan addresses procedures for shutdown activities.

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

The Deputy Under Secretary for Rural Development, Chief of Staff, Administrators, Chief Operating Officer, and Chief Financial Officer will identify those functions that need to be performed that are solely associated with an orderly interruption of normal activities. Such functions may include but are not limited to:

- Identifying measures to secure records, personal property, real property, and facilities that will be maintained and protected until appropriate disposition is accomplished.
- Drafting communication strategy for communicating with Agency employees.
- Drafting communication strategy for making contacts outside the Agency that is necessary to communicate our status.
- Identify all potential meetings, hearings and other previously arranged Agency business that may need to be cancelled.
- Identify all essential employees and ensure that employees have been identified consistently and fairly in compliance with applicable personnel regulations.
- Identify employees whose presence at work will be required to perform functions associated with the orderly cessation of program activities. This includes employee name, title and function the employee will perform. Include backup coverage employees as "ad-hoc essential". Identify what Chief Information Officer systems support is needed to maintain essential financial services and information technology infrastructure (see Section II, Excepted Activities for list of automated systems), including contractor support. Identify what instructions and procedures Human Resources Management will provide to employees for the shutdown period. Provide pertinent documents to excepted and non-excepted employees prior to Day 1 to allow for more timely preparation.

- Identify appropriate Department contacts for communications purposes and orderly shutdown of the agency.
- Identify and contact employees in travel status and direct to return to duty station by the last day of available appropriation
- Initiate bargaining over furlough related topics.
- Identify physical facilities support services (security, access, custodial support, etc.) with relevant agencies, such as GSA.
- Identify any work initiated shortly before shutdown, such as SFH loan closings, which will likely be impacted during furlough and may require the need for additional resources.

First half of Day 1 (First business day appropriations are not available):

All employees will be directed to report to their supervisors to receive assignments of duties or other pertinent information for an orderly shutdown. For those employees on telework status, their “report” may be done by telephone.

The Deputy Under Secretary for Rural Development, Chief of Staff, Administrators, State Directors, and subordinate managers and supervisors will coordinate the following activities intended to suspend Agency operations:

- Communicate shutdown instructions and procedures to all employees.
- Distribute furlough notices to all employees at headquarters and field units who have been determined non-essential for the Agency’s discontinuation activities
- Contact any employees on leave and communicate that their leave is cancelled.
- Contact any employees in travel status and direct them to return to duty station.
- Ensure that all employees who are to be released complete timesheet entries and submit them to the approving official.
- Delay any employee transfer of station.
- Ensure all records, personal property, and real property are secured.
- Cancel all meetings, hearings and previously arranged Rural Development business.
- Validate existing communication strategy and employee contact information for future communications.

There will be daily communications by the Deputy Under Secretary for Rural Development on the status of the shutdown procedures with the Department contacts previously identified.

The Director of Human Resources will be responsible for:

- Providing instructions and procedures to managers and supervisors for all employees during the shutdown period. This will include provisions for calling back employees in the event it is determined they are needed to complete shutdown procedures.
- Providing specific instructions for employees to complete final time and attendance reports.

- Providing workers compensation eligibility information to employees.
- Ensuring individual furlough notices will be prepared, reviewed, and approved.
- Ensuring all employees timesheets are processed by the National Finance Center.
- Delaying hiring of new employees.

The Director of the Procurement Management Operations will be responsible for:

- Coordinating with all contracting officers (COs) and contracting officer technical representatives (COTRs) to notify all contractors and vendors that work is suspended.
- Coordinating with all COs and COTRs to notify applicable contractors and vendors that work is to continue, in the cases where excepted work requires the continued support of contractors' assistance. Preparing and sharing clear documentation on which contracts will remain available and any special provisions that must be observed during furlough. Ensuring that active contracts during furlough will not lapse during the potential furlough timeframe. This is especially important for NFAOC Investment and Disbursement Contracts as they support activities for the preservation of property.

The Chief Financial Officer will be responsible for ensuring that emergency Agency activities continue related to cash management, escrow, claims processing, and pay-off activities at the NFAOC.

Second half of Day 1:

Managers and supervisors will coordinate the following activities intended to discontinue Agency's operations:

- Document the status of cases and projects so that they can be resumed, transferred, or otherwise appropriately handled when Rural Development's lapse of appropriations is resolved. Develop mechanisms to track work accumulated and actions taken during the furlough as a basis for restarting upon return.
- Communicate the appropriate status of RD operations with external customers.
- Prepare files for permanent storage, transfer to related agencies, or other disposition, when applicable.
- Complete identification of employees whose presence at work will be required to perform functions associated with the orderly cessation of program activities. Share this information within all excepted employees. This includes:
 - Name of each employee required to continue shutdown operations;
 - Title and location of each employee identified; and
 - The function that each identified employee is to perform.
- Finalize and submit list of employees to the Office of the Deputy Under Secretary for Rural Development no later than the end of Day 2.

- Contact contractors and vendors, by COs and COTRs, to identify whether work is suspended or to be continued.
- Provide Contract names for URLA.

Day 2:

Only employees leading, directing, and performing work identified as “excepted” from shutdown procedures will continue to work. These employees will be directed to perform only those activities as enumerated above. As each shutdown function is completed, managers and supervisors must notify the manager or supervisor at the next highest level or, at headquarters, the respective program Administrator or Chief Operations Officer of completion and identify those employees who were responsible for the task.

Each employee whose shutdown function is completed will be furloughed immediately and formally notified by their supervisor or appropriate manager if the supervisor is not available.

There will be daily communications by the Deputy Under Secretary for Rural Development on the status of the shutdown procedures with the Department contacts previously identified.

The Director of the NFAOC will complete identification of NFAOC employees whose presence at work will be required to perform functions associated with the orderly cessation of program activities. The Director NFAOC will ensure designated NFAOC employees’ ability to reenter the facility.

Managers and supervisors will coordinate the following activities intended to discontinue Agency’s operations:

- Ensure all records; personal property and real property are secured.
- Validate existing communication strategy and employee contact information for future communication needs.

Excepted managers and senior officials will hold a daily meeting starting on Day 2 to address changes in plan or any other unforeseen circumstance.

Day 3 and through the second week of shutdown:

Only employees who were previously identified as required to perform functions necessary for orderly shutdown of program activities and those employees previously identified as required to perform functions that are excepted from the shutdown will report for work.

Employees will be directed to perform only those activities as enumerated earlier.

Employees completing shutdown functions, continue tasks as outlined under Day 2 for each succeeding day until the Deputy Under Secretary for Rural Development determines the shutdown is complete.

There will be daily communications by the Deputy Under Secretary for Rural Development on the status of the shutdown procedures with the Department contacts previously identified.

Third week and thereafter:

Only employees who were previously identified as required to perform functions necessary for orderly shutdown of program activities and those employees previously identified as required to perform functions that are excepted from the shutdown will report for work.

There will be communications by the Deputy Under Secretary for Rural Development at least weekly on the status of the shutdown procedures with the Department contacts previously identified.

RHS SFH has an open contract administered by the SFH Guaranteed Loan Division. The contractor is with Deloitte & Touche, LLC. This contract would not be affected by a temporary shutdown because the work is ongoing and current activity is already funded. Should the shutdown extend more than 3 weeks; the contractor will be notified to put any further activities on hold because of USDA's inability to monitor contract activities.

RD has open contracts administered by the Chief Information Officer and the SFH Direct Loan Division. The contractors are responsible for the implementation of the Uniform Residential Loan Application (URLA) requirements. If these requirements are not implemented as directed, the SFH guaranteed loan program will not be allowed to continue, thus impacting the ability of the program to continue. Staff will be deemed excepted to continue working on these contracts as necessary.