RURAL DEVELOPMENT
PLAN FOR OPERATIONS IN THE ABSENCE OF APPROPRIATIONS
January 2024

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.

Rural Development 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. Category I (Compensation Financed by a Resource Other Than Annual Appropriations) funding is only authorized for limited activities, and when funding is not authorized or no longer available all employees will either be furloughed or moved to either Excepted or Exempted and will show in Category V (Necessary to Protect Life and Property).

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 (Antideficiency Act Resources | U.S. GAO) 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 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. The Director of State Operations, 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 supporting RD and Farm Loan Program (FLP) loan customers.as outlined in respective plan for operations during a lapse in appropriations.

   • 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 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 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 with discretionary funding 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 after any lapse in appropriations is over.

• No new obligation activities related to supplemental loan and grant programs that are available and have associated but limited administrative funds associated with those programs will be made during the shutdown period. All pending program design and application review actions, including the related loan and grant award and closing activities, must be documented and secured to allow for timely processing after the end in lapse in appropriations. In circumstances during the shutdown, the Under Secretary for Rural Development may increase exception function staffing by adding employees with the required skillset to continue the design and implementation efforts around these supplemental programs. Therefore, staff may be added to review and prepare for award any loan or grant applications submitted under these programs. Award and obligation of these programs will not continue as the administrative funds provided under these programs allows for activities that are directly in support of these programs, activities and the staff required to execute award and obligation are not considered to meet this requirement.

• Servicing Office (SO) staff will review all Single Family Housing (SFH) foreclosure and Real-Estate Owned property pending actions to ensure these properties are secured. A status of pending actions, such as foreclosure sales and property preservation needs, will be developed by the Servicing Office staff as part of orderly shutdown activities. All pending foreclosure sales must be reviewed to ensure excepted RD 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.

• Rental assistance will only continue if a threat to RD's property interests becomes imminent (day 30) (see also Excepted Activities), and funding remains available under existing rental assistance agreements.

• 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, Servicing Office Director, Associate Chief Financial Officer Accounting and Finance, Associate Chief Financial Officer for Budget and Policy, 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 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 expeditious 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 Under Secretary for Rural Development to avoid voluntary work and to refrain from using mobile or information technology equipment.

- The 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 Under Secretary or Chief Financial Officer for Rural Development will notify the 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 during the shutdown will be cancelled. If the shutdown extends beyond the travel and training period cancelled, the 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 original period. 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. (Please see below Section IV - Exempt/Excepted Functions and Employees Retained During a Lapse in Appropriations.) This property includes RD and FLP loans portfolio, which exceeds $265 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 a funding lapse, borrower remittances details could be lost in our payment application processes. Process requirements have nightly systemic mandates that if proper routines are not run, files are refreshed or removed or overwritten that include remittance details. 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 information necessary to update our financial systems. The potential consequence of such inability is the loss of Government property, because the two portfolios of RD and FSA represent over $230 billion and over 1.3 million mortgages where collections could not be documented, nor could future collections be enforced. Furthermore, protective advances necessary to preserve Real Estate Owned (REO) properties in foreclosure would need to continue, in order to ensure that the properties are covered or to provide emergency property repairs to protect the Government’s interest in the properties.

Included among these excepted activities are:

- Processing nightly and monthly 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, and Farm Service Agency (FSA) loans on the two financial systems (GLS and PLAS) that are shared between RD and FSA. This assures the nightly mandated systems requirements have been met.
  
  - 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 includes the notices for Escrow for Taxes and Insurance. If these notices and related collection of the escrowed funds are not received, the properties would be a risk of no insurance coverage which would again impact the property itself. 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 allow RD to ensure that escrowed funds to pay insurance and tax payments are collected and remitted on time, thus reducing the probability of insurance policy cancellations and tax foreclosure actions 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. As mentioned above this process will ensure that remittance details are retained, thus protecting the Government’s assets.
  
  ➢ Ensuring that Multi-Family Housing collections are received and reconciled as part of collection and tenant certifications activity processed via MINC will continue. On and after the 30th calendar day of a funding lapse, RD will assign the minimum number of employees needed to disburse Rental Assistance payments, pursuant to the exception for the protection of property (RD’s security interest), on the presumption that, after 30 days, the threats to RD’s property will have become and will continue to be imminent.

- 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. This activity is necessary to preserve RD interest in the asset and prevent any potential mechanics leans (some having priority above mortgage liens) from being assessed to the properties serving as collateral for the loans.

- Ensuring disbursements only occur as necessary to protect Rural Development’s interest in the properties. Necessary disbursements include those related to Construction Loan and Grants. Excepted staff will be required to perform this activity throughout a lapse in appropriations. Necessary disbursements do not include those related to non-construction loans, grant activity, nor Guaranteed Loss Claims.

- Foreclosure sales scheduled through the Servicing Office 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 Under Secretary for Rural Development may increase excepted function staffing to add employees to perform the following:
  
  - Reviewing construction loans and grants to determine if protection disbursements are necessary;
  - Continuing the design and implementation efforts around exempt programs;
  - Reviewing active contract operations and invoices to determine if payments should occur, but only with respect to contracts needed to protect Government property;
  - Ensuring correct billing statement are provided to ensure appropriate remittances are made in order to protect the governments assets.
  - Balancing available monthly financial activity such as general ledger, trial balances, internal financial statements, and fiscal year-end (FYE) activities as applicable to the extent needed to ensure financial system integrity and avoid a loss of data that would threaten property interests;
  - Processing of direct loan servicing actions if appropriate.

Conducting Calendar Year End and End of Year activities as necessary to the extent needed to ensure financial system integrity and avoid a loss of data that would threaten property interests.

III. 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.

IV. Exempt/Excepted Functions and Employees Retained During a Lapse in Appropriations

Rural Development has certain staff deployed to continue working on programs under the Inflation Reduction Act (IRA). Under these IRA programs the direct staff and contracts are exempt, and staff will continue during a lapse in funding. The four RD IRA programs are:

• RBCS - Rural Energy for America Program (REAP)
• RBCS - Higher Blended Infrastructure Incentive Program (HBIIP)
• RUS Electric - Powering Affordable Clean Energy Program (PACE)
• RUS Electric – Empowering Rural America Program (NewERA)

Rural Development has certain staff deployed to assist the Department of Homeland Security (DHS) with maintaining support for the Southwest Border Operations. The exception applicable to most excepted DHS employees is commonly known as the “necessary for safety of human life or protection of property” exception. As Rural Development staff have been deployed to assist with this activity, those staff are also considered excepted from any lapse in appropriations.

Rural Development also has certain staff that may be deployed to assist with disaster recovery efforts where a Presidentially Declared Disaster has occurred. In these situations, staff may be excepted and deployed to assist with recovery efforts that support the protection of Rural Development property. In certain situations where this staff is assigned as part of an exempt FEMA support team, the RD staff will also be exempt.
ATTACHMENT A

RURAL DEVELOPMENT
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DETAILED LIST OF ACTIVITIES

The following plan addresses procedures for shutdown activities.

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

The Under Secretary for Rural Development, Deputy Under Secretary for Rural Development, Rural Development Chief of Staff, Administrators, Director of State Operations, 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 Under Secretary for Rural Development, Deputy Under Secretary for Rural Development, Rural Development Chief of Staff, Administrators, Director of State Operations, 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.
- Communicate strategy to customers/constituents/contacts outside the Agency that is necessary regarding the activities that will continue during a lapse.
- Hold mail delivery at all RD State Offices that are not housing staff under immediate continuing activities.
  - Reminder to re-initiate mail when staff return to the offices.

There will be daily communications by the 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 of the operating status of their contracts.
  - Stop work orders shall be issued to all contracts that will not continue operations during funding lapse.
- Coordinating with Government Purchase Cardholders to ensure pending deliveries are accounted for coinciding with government personnel availability to physically accept goods, when possible. In the event the government is unavailable to take receipt, Cardholders will contact vendor to place items on shipping hold until further notice.
- Ensuring all exempt and excepted contracts required to continue work have adequate government oversight via COTR and CO. This is especially important for Finance Office Investment and Disbursement Contracts and the Servicing Office National Default Management Services contract as they support activities for the preservation of property.
  - 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 Finance Office Investment and Disbursement Contracts and the Servicing Office National Default Management Services contract 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 conducted by the Finance Office and Servicing Office.

**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 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.

**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 Under Secretary for Rural Development on the status of the shutdown procedures with the Department contacts previously identified.
The Chief Financial Officer and the Director of the Servicing Office and will complete identification of employees whose presence at work will be required to perform functions associated with the orderly cessation of program activities. The Chief Enterprise Officer will ensure designated St. Louis employees’ ability to reenter the facility when required.

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 Under Secretary for Rural Development determines the shutdown is complete.

There will be daily communications by the 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 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.