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THE DEPUTY SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

SEP 26 1995

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS  
CHAIRMAN, JOINT CHIEFS OF STAFF  
UNDER SECRETARIES OF DEFENSE  
DIRECTOR OF DEFENSE RESEARCH AND ENGINEERING  
ASSISTANT SECRETARIES OF DEFENSE  
GENERAL COUNSEL  
INSPECTOR GENERAL  
DIRECTOR OF OPERATIONAL TEST AND EVALUATION  
ASSISTANTS TO THE SECRETARY OF DEFENSE  
DIRECTOR OF ADMINISTRATION AND MANAGEMENT  
DIRECTORS OF THE DEFENSE AGENCIES

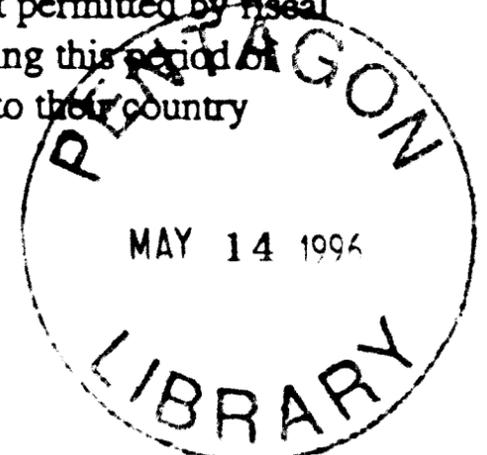
SUBJECT: Suspended Operations of the Department of Defense in the Absence of an Appropriations

The Director of the Office of Management and Budget has directed all Executive Branch departments and agencies to prepare contingency plans to suspend operations in the absence of an appropriation. Attached is the contingency plan for the Department of Defense.

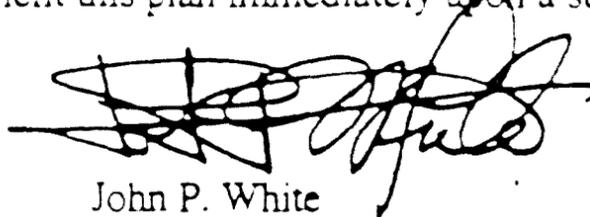
Let me emphasize that I consider this similar to military contingency planning. We hope fervently that it is never needed or executed, but we must be ready should the circumstances develop where we have no current appropriation to sustain planned operations.

At the outset of this planning process, I instructed the coordination team that they must develop a detailed plan with two objectives. First, the plan must protect our national security. I must be able to assure the President that, if implemented, this plan would still provide to him the resources necessary to accomplish any likely mission we might be assigned. I am confident this plan will meet that goal, and I thank the Chairman and the Joint Staff for their diligence in developing the specific implementation details for national security purposes.

Second, to the maximum extent possible, I asked for a plan that protects our military and civilian personnel. I believe this plan does so to the maximum possible extent. Unfortunately, there will be significant disruption in the quality of life for our military and civilian personnel. We cannot protect everything if there is no appropriation. To the maximum extent permitted by fiscal law, this plan grants flexibility to local commanders to mitigate disruption during this period of suspended operations. Our military and civilian personnel who give so much to their country deserve no less.



We do not know if or when we might need to initiate this plan. You should take such steps as are required to be prepared to implement this plan immediately upon a subsequent directive.

A handwritten signature in black ink, appearing to read "John P. White", with a stylized, overlapping flourish above the name.

John P. White

Attachment

DOD CONTINGENCY PLAN  
FOR THE SUSPENSION OF  
OPERATIONS IN THE ABSENCE  
OF APPROPRIATIONS

SEPTEMBER 26, 1995

## NATIONAL SECURITY

<p><b>Exempt</b></p>	<ul style="list-style-type: none"> <li>• Those units identified in and those administrative, logistics and maintenance functions required to support JSCP FY 96 major regional contingency tasking.</li> <li>• Those units and personnel tasked in direct support of the Single Integrated Operations Plan (SIOP).</li> <li>• Those activities and functions of the Combatant Commander's, Subordinate Component Commander's and Supporting Commander's headquarters and OSD, Joint Staff, Service and DoD Agency staffs necessary to ensure operations and maintenance integrity of essential C4I systems.</li> <li>• Those units and activities required to operate, maintain, assess and disseminate the collection of intelligence data necessary to support tactical and strategic indications, warning and supporting force enhancement roles.</li> <li>• Forward based combat, combat support and combat service support units.</li> <li>• Those forward deployed units executing CJCS or CINC operations/deployment orders, those units in operational work-up status to execute those orders and those units and activities required in direct support of those tasks.</li> <li>• Those units and personnel supporting ongoing international treaties, commitments, essential peacetime engagement and counterdrug operations.</li> <li>• Those units and personnel preparing for or participating in operational exercises.</li> </ul>
<p><b>Non-Exempt</b></p>	<ul style="list-style-type: none"> <li>• Those forces identified in JSCP FY 96 as available T+91 and beyond will operate only to the extent that FY 96 funds will not be obligated.</li> <li>• All other units not in direct support of exempted units, functions or activities will operate only to the extent that FY 96 funds will not be obligated.</li> <li>• Technical intelligence information collection, analysis and dissemination functions not in direct support of exempted activities (e.g., general political and economic intelligence unrelated to ongoing or contingency military operations, support of acquisition programs, support to operational test and evaluation, intelligence policy security promulgation and development, systems development and standards, policy and architecture).</li> <li>• Training exercises not essential to the execution of wartime, contingency or OPLAN tasking.</li> <li>• Basic, skill, and qualification training which will obligate FY 96 funds will stand-down until such action forces the cancellation of follow-on classes/courses.</li> </ul>

<b>Explanatory Notes</b>	<ul style="list-style-type: none"><li>• Exempted units/personnel will conduct essential operational training necessary to execute operational, contingency and wartime tasking.</li><li>• Post deployment units will minimize all operations which will obligate FY 96 funds required to prepare for follow-on operational or OPLAN tasking.</li><li>• Operational exercises are those exercises required to prepare units for operational, contingency or wartime taskings.</li><li>• Training exercises are those exercises designed to improve skill and task proficiency but not necessarily oriented towards specific operational, contingency or wartime taskings.</li></ul>
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## MILITARY AND CIVILIAN PERSONNEL

<b>Exempt</b>	<ul style="list-style-type: none"> <li>• All active duty military personnel and reserves on active duty shall report to duty -- duty assignments may be changed by local commanders to supplement exempt activities.</li> <li>• Reserve Components personnel in direct support of exempted activities.</li> <li>• Guard and Reserve military technicians in units identified in JSCP FY 96 as available T+90 or less.</li> <li>• Senate confirmed officials appointed by the President and their immediate office personnel.</li> <li>• Civilian personnel in direct support of exempted activities.</li> <li>• Additional civilian personnel designated by the Secretary of Defense.</li> <li>• Minimum number of personnelists to support exempt personnel once orderly shutdown has occurred.</li> <li>• Civilians paid through prior appropriations, revolving, trust or nonappropriated funds.</li> <li>• Support to international special events or commitments, as authorized by the Secretary of Defense.</li> <li>• Host national funded foreign national employees.</li> <li>• Foreign national employees governed by country-to-country agreements that prohibit furloughs.</li> </ul>
<b>Non-Exempt</b>	<ul style="list-style-type: none"> <li>• Civilian personnel not in direct support of exempted activities.</li> <li>• Military Personnel Selection Boards and Administrative Boards.</li> </ul>
<b>Footnote</b>	<ul style="list-style-type: none"> <li>• Military personnel shall show up for duty pursuant to Title 37, US Code.</li> <li>• Following a lapse in appropriations, a minimum number of essential civilian personnel will be retained to execute an orderly shutdown within a short, but reasonable timeframe and may continue to work until the shutdown is completed.</li> <li>• Civilian personnel paid directly with RDT&amp;E appropriations may continue to work until prior years' RDT&amp;E balances are exhausted.</li> <li>• Civilian personnel whose salaries are paid with annual appropriations and later reimbursed from another source (e.g., the Foreign Military Sales Trust Fund) are not exempt.</li> </ul>

## PROTECTION OF LIFE AND PROPERTY

<b>Exempt</b>	<ul style="list-style-type: none"><li>• Functions or activities to the extent necessary to protect life and property and for response to emergencies are exempt, including fire protection, physical security, law enforcement/counter terrorism, intelligence support to terrorist threat warnings, Explosive Ordnance Disposal operations, emergency salvage, subsafe program, nuclear reactor safety and security, air traffic control and harbor control, search and rescue, utilities, housing and food services for military personnel, and trash removal.</li><li>• Emergency repair &amp; non-deferrable maintenance to utilities, power distribution system buildings or other real property including BEQ, BOQ and housing for military personnel.</li><li>• Repair of equipment needed to support exempted services, including fire trucks, medical emergency vehicles, police vehicles, or material handling vehicles.</li><li>• Voice and data communications that support exempt activities.</li><li>• Civilian personnel directly involved in the exempted activities, including security guards, individuals to monitor and maintain alarms and control systems, utilities, and emergency services. This category includes the National Communications System personnel who staff the National Coordinating Center for Telecommunications and civilian personnel at the White House Communications Center.</li><li>• Minimum number of personnel for receipt/safekeeping of material delivered during shutdown.</li><li>• Minimum number of personnel to control hazardous material and monitor existing environmental remediations.</li><li>• Minimum number of personnel required to perform statutory responsibilities of the Defense Mapping Agency for marine and aeronautical navigation.</li><li>• Security maintenance and ADP operators associated with protecting property at the Defense Clearance &amp; Investigations Index facility that supports DoD law enforcement efforts.</li><li>• Oil spill/hazardous waste cleanup, environmental remediation, and pest control, only to the extent necessary to prevent imminent danger to life, or property.</li><li>• Civilian Army Corps of Engineer personnel with responsibilities to local and state governments that involve imminent threats to life or property.</li><li>• Civilian specialists responsible for safe storage or transportation of hazardous materials, including ammunition, chemical munitions, photographic processing operations.</li><li>• USD(A&amp;T) personnel responsible for providing emergency reporting response and input to the National Response Team and coordinating with EPA and other agencies on fire, safety, occupational health, environmental, explosive safety for vector borne disease management.</li></ul>
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<b>Non-Exempt</b>	<ul style="list-style-type: none"><li>• Environmental activities which are not necessary to prevent imminent threat to life or property are not exempted.</li><li>• No new remediation activities except those exempted above, may be started.</li></ul>
<b>Footnote</b>	<ul style="list-style-type: none"><li>• Unit commanders may, on their authority, require return to work of civilian personnel in the event of developments (natural disasters, accidents, etc.) that pose an imminent danger to life or property.</li></ul>

# ADP AND COMMUNICATIONS

<b>Exempt</b>	<ul style="list-style-type: none"><li>• ADP centers, including megacenters, supporting exempt functions with a minimum number of civilian personnel.</li><li>• Operations and maintenance of command, control and communications systems.</li><li>• Telecommunications centers and phone switches on installations.</li><li>• Secure conference capability at military command centers.</li></ul>
<b>Non-Exempt</b>	<ul style="list-style-type: none"><li>• Personnel and activities associated with planning and acquisition of future ADP, telecommunications, and command and control systems.</li></ul>

## DOD MEDICAL/DENTAL CARE

<b>Exempt</b>	<ul style="list-style-type: none"> <li>• Direct patient care in DoD facilities (including Uniformed Service Treatment Facilities) including doctors, nurses, medical technicians, dentists, pharmacists, and essential support personnel (cooks, custodians, etc.).</li> <li>• contingency planning in major medical command headquarters.</li> <li>• All inpatient care in Medical Treatment Facilities.</li> <li>• All acute and emergency outpatient care in DoD medical and dental facilities.</li> <li>• DoD health care contracts for inpatient care/acute outpatient care, including medical supplies.</li> <li>• Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) and TRICARE contracts.</li> <li>• Veterinary Services that support exempted activities (i.e., food supply and service inspections).</li> <li>• Minimum civilian personnel necessary to provide certification of eligibility for health care benefits.</li> </ul>
<b>Non-Exempt</b>	<ul style="list-style-type: none"> <li>• Civilian administrative staff in Medical Treatment Facilities and dental facilities not involved in exempted patient care.</li> <li>• Civilian personnel in major medical command headquarters who are not involved in contingency planning.</li> <li>• Elective surgery in DoD Medical Treatment Facilities for non-active duty personnel (both CONUS and OCONUS).</li> <li>• Routine physicals, preventive dental procedures, or other routine medical procedures (including vaccinations) in DoD Medical Treatment Facilities for non-active duty personnel (both CONUS and OCONUS).</li> <li>• Persian Gulf Illness Hotlines.</li> </ul>

## EDUCATION

<b>Exempt</b>	<ul style="list-style-type: none"> <li>• Educational activities deemed necessary for immediate support of exempted activities.</li> <li>• Educational activities not otherwise exempted if undertaken by active duty military personnel for other active military personnel only.</li> <li>• Installation education centers may continue to operate using borrowed military manpower so that private agencies such as colleges and universities may provide courses already paid for.</li> </ul>
<b>Non-Exempt</b>	<ul style="list-style-type: none"> <li>• At installation education centers, new registrations which require FY 1996 funding will not be conducted.</li> <li>• Education other than for exempted activities.</li> <li>• Department of Defense Dependents Schools and Section 6 Schools. Installation commanders may elect to provide supervision and recreational programs for eligible students during the period of suspended operations using nonappropriated fund personnel to the maximum extent practicable and augmented by borrowed military personnel as necessary.</li> </ul>
<b>Footnote</b>	<ul style="list-style-type: none"> <li>• Training of active duty personnel, reserve component personnel, and military technicians is governed by the National Security exemption.</li> <li>• Civilians whose training or education is not exempted will be furloughed and civilian personnel on TDY for such purposes should be returned to their home stations as part of the orderly closedown of operations. Military personnel already attending training at non-exempt activities and civilian personnel on PCS orders attending training or educational activities should stay in place.</li> <li>• Civilian instructors at military schools, training centers, and military academies will be subject to the same furlough criteria as other employees. In other words, if the activity has not been identified as part of the National Security exemption, or as a protection of life and property exemption, the instructors will be furloughed. However, the schools may continue to operate, if feasible, using military instructors and borrowed military personnel.</li> </ul>

## RECRUITING

<b>Exempt</b>	<ul style="list-style-type: none"><li>• Military recruiters may continue to staff recruiting offices and may contact prospective recruits providing the office lease and communications systems have been paid with FY 1995 funding.</li><li>• Military staff of Military Enlistment Processing Stations (MEPS) will report for duty.</li><li>• Recruiting advertising purchased with FY 1995 funds will continue to be aired and/or printed</li></ul>
<b>Non-Exempt</b>	<ul style="list-style-type: none"><li>• Official vehicles cannot be used to transport recruiters or prospective recruits.</li><li>• New enlistment contracts cannot be executed.</li><li>• New recruits will not be allowed to report to MEPS, or to report for induction.</li><li>• Civilian administrative staff and contract physicians assigned to MEPS will not report for duty.</li><li>• Local advertising using FY 1996 funding will not be placed.</li></ul>
<b>Footnotes</b>	<ul style="list-style-type: none"><li>• The Secretary of Defense reserves the right to reverse the guidance and resume normal recruiting activities after a lapse of 5 working days to avoid longer term disruption that would impair readiness.</li><li>• Resumption of recruiting activity is not automatic after 5 days and can be triggered only by direction of the Secretary of Defense.</li></ul>

## PERMANENT CHANGE OF STATION (PCS) and TEMPORARY DUTY (TDY)

<b>Exempt</b>	<ul style="list-style-type: none"> <li>• FY 1995 funded, or obligated, PCS moves for active duty, reserve, and civilian personnel may continue till completion and will be paid.</li> <li>• TDY travel for active duty, reserve, and civilian personnel funded and completed in FY 1995 will be paid.</li> <li>• Government transportation tickets funded with FY 1995 appropriations will remain valid.</li> <li>• PCS moves and TDY travel for active duty, reserve, and civilian personnel engaged in exempted activities can be authorized during a lapse in FY 1996 appropriations, but payment cannot be made until appropriations become available.</li> </ul>
<b>Non-Exempt</b>	<ul style="list-style-type: none"> <li>• PCS moves and TDY travel for active duty, reserve, and civilian personnel engaged in non-exempt activities during a lapse in FY 1996 appropriations will not be authorized.</li> <li>• Non-exempt civilian personnel and reservists on TDY during a lapse in FY 1996 appropriations will return to home station as part of DoD's orderly shutdown procedures.</li> </ul>
<b>Footnotes</b>	<ul style="list-style-type: none"> <li>• Should a Continuing Resolution Act (CRA) be authorized for any part of FY 1996, PCS moves and TDY travel for active duty, reserve, and civilians can be authorized and funded until expiration of the CRA.</li> <li>• PCS moves of military personnel terminating their service and returning to their home of record will continue to be processed as part of the orderly closedown of operations.</li> </ul>

## DBOF/OTHER REVOLVING FUNDS

<b>Exempt</b>	<ul style="list-style-type: none"><li>• DBOF/Revolving Fund activities may continue to operate until cash reserves are exhausted.</li><li>• When cash reserves are exhausted, DBOF/other revolving fund activities in direct support of exempted activities must continue.</li><li>• DBOF activities may continue to accept orders financed with appropriations enacted prior to FY 1996, or unfunded orders from exempt organizations. Unfunded orders will be posted to accounts receivable and not actually billed until appropriations are enacted.</li><li>• BRAC activities may continue to operate until all unobligated balances are exhausted.</li></ul>
<b>Footnotes</b>	<ul style="list-style-type: none"><li>• Prudent management actions should be taken to sustain operations and minimize operational impact resulting from late approval of appropriations.</li><li>• Inter-DBOF billings will be suspended.</li><li>• FY 1996 ledger transactions to military personnel accounts will be suspended.</li><li>• Managers may perform advance billing.</li><li>• Prudent management actions which could be taken to conserve cash reserves include: delay of training, minimal travel, reduction in supplies, and other actions consistent with management objectives.</li></ul>

## CONTRACTING ACTIVITIES

<b>Exempt</b>	<ul style="list-style-type: none"> <li>• Contracts for functions that would otherwise be exempt if performed by government employees.</li> <li>• New contracts for exempted activities.</li> <li>• Administration of contracts for functions/activities that are exempt including combat support and combat service support..</li> <li>• Receipt, recordation and safe storage of material shipped and/or delivered under existing contracts.</li> <li>• Contract payment so long as DPAS remains operational pursuant to DBOP instructions and a valid invoice or bill, properly certified for payment, is presented..</li> </ul>
<b>Non-Exempt</b>	<ul style="list-style-type: none"> <li>• Administration of existing contracts, except for exempted functions noted above.</li> <li>• Negotiation, preparation and execution of new contracts except those for exempted activities.</li> <li>• Supervision and inspection of ongoing construction contracts, unless the civilian salaries are paid directly from prior years' MILCON appropriations.</li> <li>• Contract reconciliation and closeout procedures.</li> </ul>
<b>Footnote</b>	<ul style="list-style-type: none"> <li>• For contract actions, options, and modifications, not within the scope of the original contract, in direct support of exempt activities, the contracting officer will cite one of three authorities for these obligations: (1) the Constitution as interpreted by Attorney General opinions for general support of National Security operations, (2) 41 U.S.C. 11 for obligations covered by the Pool and Storage Act, and (3) 31 U.S.C. 1342 for obligations for protection of life and property against imminent danger.</li> </ul>

## LEGAL ACTIVITIES

<b>Exempt</b>	<ul style="list-style-type: none"><li>• Litigation activities associated with imminent legal action, only so long as courts and administrative boards remain in session after a lapse in FY 1996 appropriations.</li><li>• Legal support for exempted activities.</li><li>• Activities required for treaty monitoring.</li><li>• All counterdrug activities.</li></ul>
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**AUDIT AND INVESTIGATION COMMUNITY**

<b>Exempt</b>	<ul style="list-style-type: none"><li>• Personnel participating in an ongoing criminal investigation or working undercover.</li><li>• Personnel required to support an emergent criminal investigation if authorized by the respective head of agency.</li></ul>
<b>Non-Exempt</b>	<ul style="list-style-type: none"><li>• All other members of the audit and investigation community.</li></ul>

## TRUST FUNDS

<b>Exempt</b>	<ul style="list-style-type: none"><li>• Trust funds conducting exempted activities (for example, retirement homes).</li><li>• Trust funds with management activities routinely paid from trust fund resources.</li><li>• Trust funds managed by Defense Finance and Accounting Service (DFAS) so long as DFAS operates.</li><li>• Trust funds managed by borrowed military personnel.</li></ul>
<b>Non-Exempt</b>	<ul style="list-style-type: none"><li>• All other trust fund activities.</li></ul>

## MORALE WELFARE & RECREATION/NONAPPROPRIATED FUNDS

<b>Exempt</b>	<ul style="list-style-type: none"><li>• Activities funded entirely through NAF<sup>2</sup> sources.</li><li>• Child Care Activities.</li><li>• MWR activities to the extent operated by NAF<sup>2</sup> personnel.</li><li>• MWR activities using borrowed military personnel to replace civilian employees paid by appropriated funds.</li></ul>
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## FINANCIAL MANAGEMENT

<b>Exempt</b>	<ul style="list-style-type: none"><li>• Minimum essential personnel needed to record new obligations incurred in the performance of exempt functions/operations, and to manage DBOF cash.</li><li>• Upward adjustment of obligations and the reallocation of prior-year unobligated funds in support of exempt functions/operations.</li></ul>
<b>Non-Exempt</b>	<ul style="list-style-type: none"><li>• Preparation of the FY 97 budget amendment.</li><li>• Closing of accounts that expire on 9/30/95.</li><li>• Preparation of year-end closing statements.</li><li>• Preparation of financial reports for FY 95.</li><li>• Investigation of antideficiency act violations.</li><li>• Research and correction of problem disbursements.</li><li>• Any adjustment to prior-year funds (except as noted above) including those related to programs and contracts that do not support exempt functions/operations.</li><li>• Approval of the use of currently available funds to pay obligations against closed accounts.</li></ul>

DOD CONTINGENCY PLAN

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