Date: September 26, 2013

To: University of Delaware Research Community

From: Charles G. Riordan, Vice Provost for Research

Subject: Possible Federal GovernmentShutdown

Please disseminate this information to the appropriate individuals in your college, department and centers.

We are writing to share information about your federal awards and proposals, and the effect that a government shutdown may have. We certainly hope this does not happen, but at this point, we should plan for the worst, while hoping for a resolution.

The Office of Management and Budget has issued a memorandum to all government agencies, which provide guidance in the event of a shutdown: “Planning for Agency Operations during a Lapse in Appropriations.” This memo includes Questions and Answers regarding Contracts and Grants, http://www.whitehouse.gov/sites/default/files/omb/memoranda/2013/m-13-22.pdf

Annual funding for the government expires on September 30, 2013. A lapse would mean that a number of government activities would cease due to a loss of appropriated funding. This will impact contract and grant work funded either directly to the University or as federal flow through.

1. Federal agency employees who are paid with annual appropriations and who perform an activity associated with contract or grant administration (including oversight, inspection, payment, or accounting) will generally not continue work during a funding hiatus. This means that normal, routine, ongoing operational and administrative activities performed by federal employees relating to contract or grant administration (including payment processing) cannot continue when there is a gap in funding.

2. Agencies have the ability to halt activity on grants, though this is not expected to happen for research. In general, active grant and contract activity funded with FY2013 (or prior year) appropriations can continue. However, agency personnel most likely will not be available for approvals, supervisory support, and other administrative functions.
   a. In addition, it is not certain what will be the functionality of automated payment systems. Consequently, institutions should recognize that there is some risk that requests for reimbursement will not be processed.
   b. Other electronic administrative systems may or may not be available, depending on each agencies internal approach.
   c. In the event of a shutdown, no new awards will be issued and most likely no new obligations will be made. If your award is incrementally funded and new funds are to be obligated in fiscal year 2014, this will not happen during the shutdown.
   d. Agencies have the ability to delay proposal deadlines to compensate for any lapse in government activity. Most likely, new grant applications will not be accepted, though this also may depend on each agencies internal approach.
3. Agency specific guidance should be made available on a case-by-case basis. Agencies are required by OMB to implement agency plans for operation during a shutdown. Most likely, each agency plan will not be identical. In addition, certain programs may have special operating instructions.

Contact your Contract and Grant Specialist in the Research Office if you receive any specific direction from sponsors in regards to a government shutdown.

The Research Office will continue to monitor the situation and communicate to the research community any necessary information as it becomes available.