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Lessons Learned from the 2019 USG Shutdown

Fourth Annual AGA Charleston, SC PDT 2019
November 21, 2019

Today's Discussion

- Timing
- The Most Important Thing
- The #1 Key to Survival and Recovery
- The Biggest Lessons Learned
- Questions

Perfect Timing!

Continuing Resolution through Today!

Keep (y)our fingers crossed!

What is the MOST Important Thing for any Organization?



Payroll!

For Payroll.....

Not All Government Shutdowns are Created Equal

- What guidance do we have?
- What work can we do?
- Who can work?
- Who has money and/or who can find alternative funding sources?
- When does the lapse start in the pay period?
- What day is payday?

Recent History of Government Lapse of Appropriations

Shutdown	Days	Agencies Agencies	Employees Furloughed	Cost to Government
1980	1	FTC only	1,600	\$700,000
1981	1		241,000	\$80–90 million
1984	1		500,000	\$65 million
1986	1	all	500,000	\$62.2 million
1990	3	all	2,800	\$2.57 million
Nov-95	5	some	800,000	\$400 million
1995–1996	21	some	284,000	
2013	16	all	800,000	\$2.1 billion
18-Jan	3	all	692,900	
2018–19	35	some	380,000	\$5 billion

OMB and OPM Leadership

- Since 2013, great strides have been made to provide coordination and leadership to federal agencies as a lapse begins, progresses and ends
- Daily calls with both OMB and OPM Leadership
- Required dates and milestones from all federal payroll providers
 - How many are being paid; how many are not being paid
 - How many days to get people paid once the lapse ends
- Governmentwide and agency, public-facing reporting mechanisms required

Crisis Management – Muscle Memory

“In a crisis you will likely have 50% of your staff operating at 50% capacity.”

“Organizations must insist on ruthless standardization of processes to survive a crisis.”

Lewis Curtis – Co-Founder and Director of Disaster Response Services, Microsoft Corporation

- The U.S. Department of State Bureau of the Comptroller and Global Financial Services (CGFS) rely on the ISO 9001:2015 standards and Capability Maturity Model Integration (CMMI) to perform its mission.

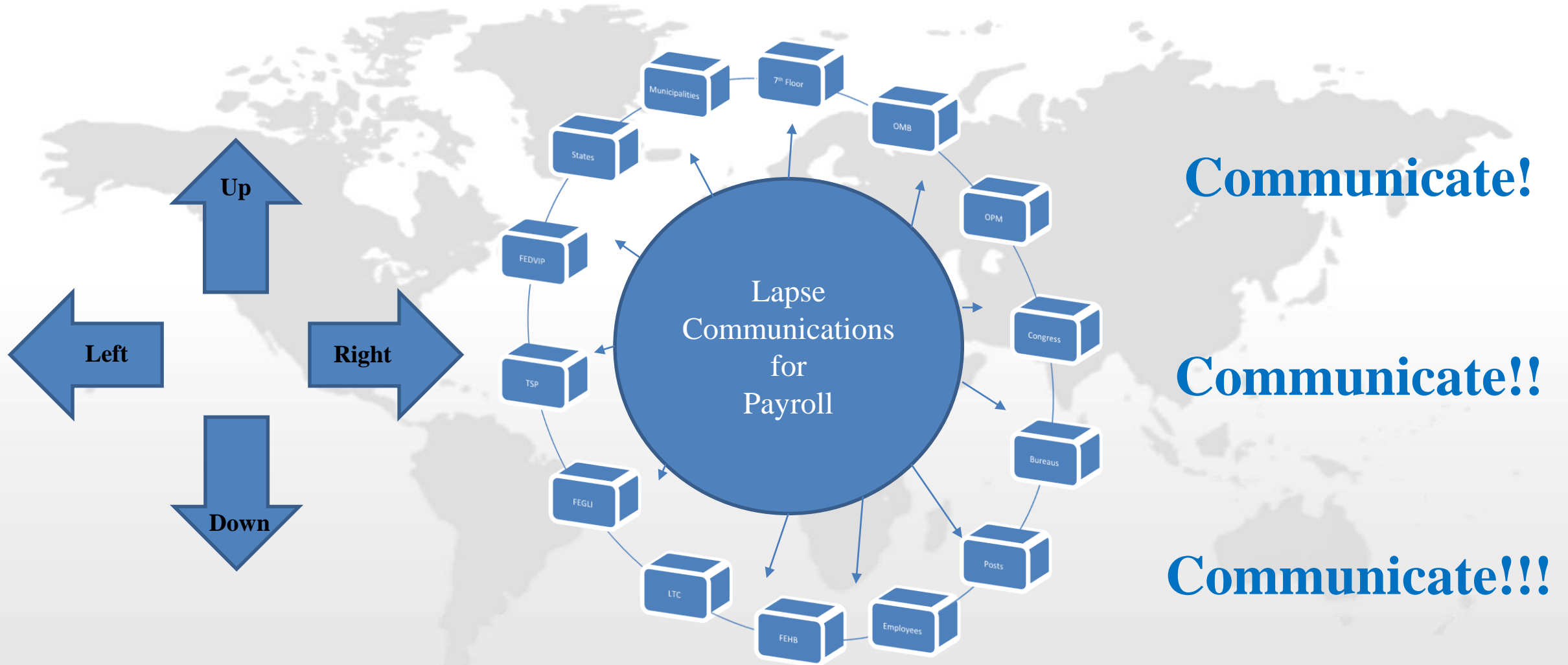
Crisis Management – Use the Crisis!

“You never let a serious crisis go to waste. And what I mean by that it's an opportunity to do things you think you could not do before.”

Rahm Emanuel – Former White House Chief of Staff and Mayor of Chicago

- We built communication channels with other agencies that, heretofore, didn't exist
- We built software which, heretofore, didn't exist
- We executed expedited payment mechanisms (with the Department of Treasury) that, heretofore, we were unaware existed

COMMUNICATION is #1 Key to Survival and Recovery!



Non-Essential?

How does that word make
you feel?

Employees (both Excepted and Non-Excepted)

- We had Excepted employees working to pay people without themselves getting paid
- We had Non-Excepted employees not working with no guarantee they would ever be paid
- We had Non-Excepted employees applying for unemployment insurance
- We had Excepted and Non-Excepted employees maxing out their credit cards and taking loans from family and friends

Some Examples from the 2018-2019 Lapse

- The Food and Drug Administration stops its routine inspections.
- Limited staffing at the Securities and Exchange Commission begins to affect reviews of company stock offerings and mergers and acquisitions.
- Only essential EPA employees who work on preventing public health threats at Superfund sites and disaster-response teams remain on the job.
- The National Park Service suspends services like trash collection and road maintenance, and closes certain parks.
- One of the Hubble Space Telescope's main instruments stops working, and engineers are unlikely to fix the problem during the shutdown.
- The Federal Communications Commission suspends most operations, including at the Consumer Complaint Center.

Jeff's Grandfather

“This is no way to run a railroad.”

Government Employee Fair Treatment Act of 2019

- The **Government Employee Fair Treatment Act of 2019** (GEFTA) is a United States **federal law** which requires retroactive pay and leave accrual for **federal employees** affected by the furlough as a result of the 2018–19 **federal government** shutdown and any future lapses in appropriations.
- Passed the Senate on January 10, 2019 (92–8)
- Passed the House of Representatives on January 11, 2019 (411–7)
- Signed into law by President Donald Trump on January 16, 2019

Biggest Lessons Learned

Government Matters

People Matter