



THE UNDER SECRETARY OF THE NAVY
WASHINGTON DC 20350-1000

FEB 21 2013

MEMORANDUM FOR DISTRIBUTION

SUBJECT: Planning Guidance for Potential Civilian Furloughs

- References:**
- (a) Letter from Secretary of Defense Leon Panetta to the Honorable Joseph R. Biden, Jr., President of the Senate, dated 20 February 2013
 - (b) DoD Fact Sheet: Year-Long Sequestration and Continuing Resolution
 - (c) Secretary of Defense Memorandum for Department of Defense Civilian Employees, subject: Preparations for Potential Sequestration on 1 March 2013 and Furlough Notifications, dated 20 February 2013
 - (d) DoD Fact Sheet: Furlough Planning

1. On 20 February 2013, as required by statute, Secretary of Defense Leon Panetta notified the President of the Senate, Speaker of House, and other Congressional leaders of the possibility that the Department of Defense may be forced to furlough members of its civilian workforce (see reference (a)). These furloughs could result from the budgetary impacts of a year-long Continuing Resolution coupled with the across-the-board Federal spending cuts required by the Budget Control Act of 2011, commonly referred to as "sequestration" (see reference (b)).
2. As outlined in reference (c), the Administration is working closely with Congress to reach an agreement on a balanced deficit reduction plan that would avoid sequestration. In the event these efforts fail, then civilian furloughs could result. To prepare our people for this possibility, DoD published some general facts about the mechanics of implementing furloughs (see reference (d)). This memorandum provides commanders and budget submitting officers with further Department of the Navy (DON) guidance to plan for furloughs if they become necessary.
3. The impact of furloughs on our civilian workforce is not lost on DON leadership, and we hope to avert them if possible. However, simple prudence dictates that we plan for the worst and prepare our people for the possibility that furloughs may indeed occur. The following guidance reflects a consistent DoD-wide approach that will impact the entire Department in a similar manner.

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4. If sequestration triggers, all appropriated fund employees, regardless of the funding source, would be subject to administrative furlough. Few, if any, exceptions will be granted, and any exception must come from one of the following six categories:

a. Civilians deployed in a combat zone or civilian mariners deployed onboard ships at sea (Military Sealift Command ships in a maintenance status overseas are subject to furlough of civilian mariners);

b. Civilians directly responsible for safety of life or property – only to the extent needed to prevent unacceptable risk or catastrophic gaps in the safety and protection of life or property;

c. Civilian employees paid with non-appropriated funds;

d. Employees exempt by law (i.e., employees appointed by the President with the advice and consent of the Senate – (PAS));

e. Foreign nationals;

f. All medical service civilian employees are subject to furlough except those that provide 24-hour inpatient care or emergency service, and personnel providing ancillary services directly supporting the 24-hour inpatient care and emergency services.

5. To prepare for the administrative furlough, all employees will initially be defaulted to furlough status. Absent approval from the Assistant Secretary of the Navy (Manpower and Reserve Affairs) (ASN (M&RA)) and the Secretary of the Navy, BSO Commanders are limited to identifying those civilian employees who meet the stringent exception requirements outlined subparagraphs (a) through (f) above. Exceptions previously identified during shutdown or emergency (unplanned) events do not apply to administrative furlough exceptions — mission critical employees, while still identified as such, are not excepted during an administrative (planned) furlough. Any additional DON requests for exceptions will be submitted for consideration to the Office of the Secretary of Defense (Personnel & Readiness).

6. Any requests for exceptions must be submitted to the ASN (M&RA) by 27 February 2013 for consideration and approval by the Secretary of the Navy. Requests for exceptions should be submitted via the Director, Office of Civilian Human Resources in the format found in enclosure (1). This form will provide us with details on requested furlough exemptions as well as an estimate of lost furlough labor savings accompanying the requested exemptions.

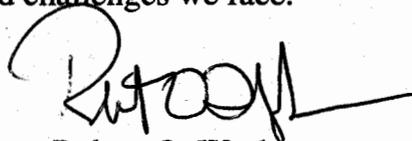
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7. All administrative furloughs will be limited to 176 hours, approximately 22 workdays. For general planning, furloughs typically will be executed in increments of approximately 16 hours per pay period to mitigate the impact on the mission and employees. The hours/time for the administrative furloughs will be determined by Budget Submitting Office (BSO) Commanders and shall be dependent upon mission requirements. Plans to deviate from the general planning guidelines will be coordinated with ASN (M&RA) as there are potential ramifications to the employees and commands if modified plans are adopted. BSO Commanders may delegate the coordination and scheduling of the furloughs as appropriate for carrying out the mission requirements. (Note: Scheduling of furlough days for employees is subject to local bargaining requirements.)

8. During the furlough, DON leaders and managers must control leave and absences for the military and civilian workforce in order to mitigate the impact of the furlough on mission and readiness. Major Commands and the United States Marine Corps may not use contract funding or premium pay (e.g., compensatory time or overtime) to offset lost time under the furlough. Further, where employees are excepted from the administrative furlough, managers may deny paid personal leave if mission requirements are jeopardized.

9. We recognize that over the course of the furlough, DON's civilian workforce capability will be reduced by approximately 20 percent. Our Sailors and Marines will not be expected to replace that capacity and services will be negatively impacted. Additionally, the DON cannot transfer inherently governmental work to the contractor workforce. Finally, our furloughed civilians are prohibited by law from working from home or on-site (officially or unofficially) during their furlough days — employees and their supervisors will be subject to Anti-Deficiency Act violations and may be subject to disciplinary action.

10. We will continue to work with DoD to mitigate the impacts of the fiscal uncertainty on our workforce and our mission. I appreciate your dedication and ongoing service against the backdrop of the unprecedented challenges we face.



Robert O. Work

Enclosure: 1. Department of the Navy Civilian Personnel Furlough Exception Request

Distribution:

Echelon 1 and 2 Activities

Budget Submitting Office

SUBJECT: Department of the Navy Planning for Potential Civilian Furlough

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