



THE SECRETARY OF THE NAVY
WASHINGTON DC 20350-1000

October 5, 2013

MEMORANDUM FOR CHIEF OF NAVAL OPERATIONS
COMMANDANT OF THE MARINE CORPS

SUBJECT: Supplemental Guidance for Continuation of Operations in the Absence of Available Appropriations

Reference: (a) DEPSECDEF memo of 25 Sep 13
(b) Military Operations and Activities Necessary for National Security (As of September 20, 2013)

As you are aware, annual appropriations provided under the Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 13-6) expired at 11:59 PM on Monday, September 30, 2013. I hope that as soon as possible the Congress will pass a continuing resolution (CR) or an appropriations bill for Defense activities during Fiscal Year 2014. In the interim, we must continue to take prudent steps to support our Sailors, Marines, their families, and civilians who continue to be committed in the ongoing war effort and otherwise provide for our national security and defense.

By reference (a), the Deputy Secretary of Defense provided instructions to the Secretaries of the Military Departments and others concerning the continuation of essential operations in the event of possible expiration of the Department's appropriations. As stated in the memorandum, the responsibility and authority for determining which functions are excepted from shutdown reside with the Secretaries of the Military Departments and Heads of the Department of Defense (DoD) Components. Unless previously approved by me or otherwise delegated in this memorandum, I shall determine which missions, functions, and activities are excepted from a lapse-in-appropriations shutdown.

Military Operations and Activities. In accordance with references (a) and (b) and unless otherwise limited by this memorandum, I am delegating to the Chief of Naval Operations (CNO) and the Commandant of the Marine Corps (CMC) the authority to determine which United States Navy (USN) and United States Marine Corps (USMC) military operations and activities, respectively, are excepted from shutdown. Such delegation shall not extend to the USN and the USMC activities, functions, and missions within the following categories in reference (a):

- Acquisition and Logistic Support; and
- Financial Management.

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The CNO and CMC must abide by the requirements set forth in this memorandum and references (a) and (b) with respect to excepted military operations and activities that require the need to enter into contracting actions, make exception determinations for civilians, or approve temporary duty (TDY/TAD) travel. The CNO and CMC may further delegate this authority as they deem appropriate but not lower than a Flag or General Officer or Senior Executive Service (SES) member.

Immediate Emergency Action. In the event of a man-made or natural disaster that poses a present threat to the safety of human life or the protection of property, the CNO and CMC, or their designees, may further delegate their authority under this memorandum. Such delegation shall expire after 48 hours, unless extended by me. Under these circumstances, and consistent with reference (a), contracting officers shall abide by their warrant levels, and their contracting actions in direct support of the excepted response shall not exceed a total of \$1 million for any single event. Approval authorities may also require the return to work of civilian personnel who are needed to directly support the response. Such civilian personnel shall be excepted to execute these emergency duties for a period not longer than 48 hours, unless extended by me.

In addition to the guidance provided in reference (a) regarding military personnel, civilian personnel, TDY travel, and contracts, the following additional guidance applies:

Military Personnel. I am delegating to the CNO and the CMC the authority to determine which non-TDY/TAD movement of military personnel is excepted from shutdown. The CNO and CMC may further delegate this authority as they deem appropriate but not lower than a Flag or General Officer or SES member.

Civilian Personnel. Initial reporting of civilian personnel in each of the excepted activities was previously provided by each Budget Submitting Office. I have delegated to Admiral John M. Richardson, Director, Naval Nuclear Propulsion Program, the authority to except any civilian DON employees necessary to support the Manual of the Judge Advocate General investigation of the events that occurred on September 16, 2013, in Building 197 on the Washington Navy Yard. Unless otherwise provided in this memorandum, I must approve all additional exceptions for civilian personnel assigned to the DON, its two uniformed services, its commands, its installations, and all other DON components.

Temporary Duty (TDY/TAD) Travel. Per reference (a), the only authorized TDY/TAD travel during the shutdown period is that which is:

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- Required for the direct return of personnel whose TDY/TAD has been terminated as part of an orderly shutdown;
- In direct support of the war in Afghanistan; and other named military operations and activities set forth in reference (b);
- Other travel directly related to safety of life and protection of property as set forth in reference (a); or
- Travel directly related to the foreign relations of the United States, e.g., negotiating international agreements.

I am delegating to the CNO and CMC the authority to approve in writing TDY/TAD travel that is in direct support of the war in Afghanistan and other named military operations and activities as set forth in reference (b); TDY/TAD travel that is required for the direct return of personnel whose TDY/TAD has been terminated; and, TDY/TAD travel that is directly related to training which has already been approved by me. The CNO and CMC may delegate this authority as they deem appropriate but not lower than officers in the rank of Vice Admiral or Lieutenant General, or SES member. All other TDY/TAD travel may be approved in writing only by me, in accordance with reference (a).

I retain TDY/TAD approval authority for all four- and three-star flag and general officers who are assigned to the DON, its two uniformed services, its commands, its installations, and all other DON components; travel related to ceremonies, social functions, or public speaking engagements, irrespective of source of funding, particularly since such travel as a general matter is not directly related to safety of life and protection of property; and, military personnel assigned to the Office of the Secretary of the Navy.

All travel and related expenses must be carefully scrutinized to ensure execution of only that travel which is absolutely necessary to achieve the mission. Prior to granting permission for TDY/TAD travel, the approving authority should specifically justify in writing whether the travel could be deferred and whether there are alternative means of achieving the mission. The size of travel parties should also be kept to an absolute minimum.

Contracts. The DON, including its two uniformed services, commands, installations, and other DON components, may continue to enter into new contracts, place task orders under existing contracts, and exercise options to obtain supplies and services necessary to carry out or support excepted activities even though there are no available appropriations. This authority, however, may be exercised only when determined to be

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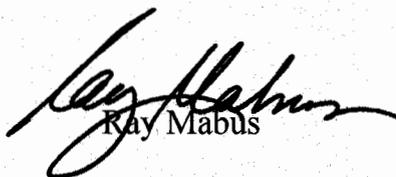
necessary, i.e., where delay in contracting would endanger national security or create a risk to human life or property. For DON contract actions, including those funded by working capital funds, that support an excepted activity, my approval is required for any contracting action of \$1 million or greater. Only Heads of Contracting Activities may approve contracting actions that carry out or support excepted activities that are less than \$1 million but exceed the simplified acquisition threshold.

This contracting process is intended to strike a balance between executing the Department's essential business, and stopping non-essential work. We will continuously monitor this policy during the government shutdown and adjust it if necessary.

With the delegations in the memorandum comes the responsibility for ensuring that all reports required by the DoD and/or the Department of the Navy (DON) are submitted in a complete and timely manner. I reserve the right to adjust the delegations based on a review of the submitted reports.

The DON Assistant for Administration is directed to issue guidance to implement the process for the consideration and approval of requests for exception determinations. Such guidance shall include reporting requirements.

Approval authorities shall strictly adhere to the letter and spirit of reference (a) and this memorandum. They are also encouraged to consult with personnel, comptroller, and legal experts to ensure such adherence and to minimize disruptions for our committed military and civilian personnel as well as the mission of the DON.


Ray Mabius

cc:

Assistant Secretary of the Navy (Research, Development and Acquisition)
Assistant Secretary of the Navy (Manpower and Reserve Affairs)
General Counsel
Assistant Secretary of the Navy (Financial Management and Comptroller)
Assistant Secretary of the Navy (Energy, Installations and Environment)
Department of the Navy Assistant for Administration
Director, Naval Criminal Investigative Service
Chief of Information
Chief of Legislative Affairs

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Chief of Naval Research

Chief Information Officer

Judge Advocate General

Inspector General

Auditor General

Director, Sexual Assault Prevention and Response Office

Director, Office of Small Business Programs