



Appalachian Regional Commission

Lapse Plan

September 25, 2023

The following information is provided to detail the plan for Appalachian Regional Commission operations in the event of a lapse in appropriations.

Appropriations to the Commission have been made on a “no-year” basis and, specifically, “remain available until expended,” which means that ARC can incur obligations against such budget authority indefinitely, per OMB Circular A-11, Section 20. All funds for the administration of the Federal Co-Chair’s Office, funds for payment of the Federal share of the administrative expenses of the Commission, and funds for programmatic activities are derived from a “lump sum” no-year appropriation. Additionally, the Bipartisan Infrastructure Law (Infrastructure Investment and Jobs Act) provided additional no-year funding beyond that provided in annual appropriations. Such funding is available to support operations in the near term should the government experience a lapse in funding.

Thus, regardless of the status of the Commission’s full-year FY2024 appropriation, the Commission may continue to incur obligations to the extent that those obligations can be funded by balances from its prior “no-year” appropriations.

Most ARC business during a lapse period would involve the administration of grants that have already been awarded in prior year appropriated funds. Consequently, day-to-day administrative expenditure levels will be maintained initially.

Should the funding lapse extend for a prolonged period, it may be necessary for ARC to take steps to initiate an orderly shutdown of activities, as dictated by OMB Circular A-11, Section 124.3. This may entail the use of furloughs to shorten work weeks or to reduce staff to essential personnel only, the curtailment of travel or its complete cancelation, or the suspension or cancelation of non-essential contracts. ARC will delay the initiation of any new programmatic activities until an appropriation has been enacted.

Should a complete shutdown of ARC operations become necessary, the agency will furlough all employees except those necessary to complete shutdown activities and to protect government property. Those employees will work with OMB and GSA to secure files and records, protect confidential material and government property, make notifications of the suspension of ARC activities, and perform any necessary administrative functions relevant to the shutdown.

Lapse Plan Summary Overview	
Estimated time (to nearest half day) required to complete shutdown activities:	5
Total number of agency employees expected to be on board before implementation of the plan:	69.5
Total number of agency employees expected to be furloughed under the plan (unduplicated count):	0
Total number of employees to be retained under the plan for each of the following categories (may include duplicated counts):	
Compensation is financed by a resource other than annual appropriations:	69.5
Necessary to perform activities expressly authorized by law:	0
Necessary to the discharge of the President's constitutional duties and powers:	0
Necessary to protect life and property:	0
Brief summary of significant agency activities that will continue during a lapse:	
<ul style="list-style-type: none"> • Administration of grants that have already been awarded in prior year appropriated funds. • Review and approval of grants to be funded through Bipartisan Infrastructure Law. • Training or capacity building activities previously scheduled to serve the Region that can be performed remotely (with no staff travel required). • Financial management activities including those related to production of the Performance and Accountability Report and associated Audit. 	
Brief summary of significant agency activities that will cease during a lapse:	
<ul style="list-style-type: none"> • Programmatic activities not initiated in previous fiscal years. • ARC staff travel. 	