Department of the Army

Shutdown Furlough – Lapse in Appropriations
Frequently Asked Questions (FAQs)

(September 2025)

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INTRODUCTION

Formal guidance and updates regarding Shutdown Furloughs due to lapses in appropriations are provided on the Office of Personnel Management (OPM) website under Shutdown Furloughs, which can be found at the following link: Furlough Guidance (opm.gov).

Department of Defense (DoD) guidance can be located at: Furlough-Compensation-Policy | DCPAS (osd.mil).

These FAQs respond to commonly asked questions within the Department of the Army. They are not intended to replace the OPM or DoD Guidance for Shutdown Furloughs, but rather to help human resources professionals and management officials in their furlough contingency planning.

GENERAL INFORMATION

Q1. Once a lapse in appropriations has occurred, may Commands notify employees and begin executing their orderly shutdown procedures before they have received the Army EXORD to commence shutdown activities?

A1. No, Commands should not begin executing orderly shutdown activities until they receive the Army EXORD with specific shutdown guidelines and procedures.

Q2. What constitutes an orderly shutdown for a non-excepted employee?

A2. The general expectation is that non-excepted employees report to work on their next scheduled workday following a lapse in appropriations for the purpose of carrying out orderly shutdown activities. The activities may include receiving and acknowledging furlough notices; completing any necessary time and attendance; setting up out of office notifications; securing files; and any other activities necessary to preserve the employee's work (see Q/A#4). Orderly shutdown activities should be completed as quickly as possible (i.e., no greater than 4 hours). Organizations are advised to check their in-force collective bargaining agreements regarding orderly shutdown activities for bargaining unit employees.

Q3. What is the difference between excepted and exempt employees?

A3. Exempt employees are those employees who are not funded by a lapsing appropriation (e.g., most Non-Appropriated Fund employees are always exempt). Generally, these employees will be unaffected by a lapse in appropriations. Excepted employees are those employees who are funded by a lapsing appropriation but are excepted from the furlough because they are performing work that, by law, may continue to be performed during a lapse in appropriations. This includes

emergency work where the suspension of such work would imminently threaten the safety of human life or the protection of property; work that is specifically excepted by statute (which provides the ability to incur obligations in advance of appropriations); and functions necessary to discharge the President's constitutional duties and powers. In some situations, positions that directly support these excepted functions, and are critical to performing them may also be excepted for the period of time needed to provide the direct support. Consult the current, specific OPM, DoD, and Army Shutdown Furlough guidelines and procedures for additional information.

Q4. Are non-excepted employees required to report to work to conduct an orderly shutdown and receive a notice of decision to furlough in the event of a shutdown?

A4. Non-excepted employees may be expected to report for work in person. However, supervisors may elect to notify employees via alternate means (see Q/A#5). Non-excepted employees with a valid telework agreement, and for whom shutdown activities would be de minimis (i.e., completed in 15 minutes or less) may be permitted to complete shutdown activities from a telework/remote work location (as applicable). Employees who are scheduled for a Regular Day Off (RDO) when a furlough begins are not required to report to work to perform shutdown activities on that day. Such employees shall report to work at the start of their next regularly scheduled tour of duty to complete shutdown activities, as appropriate. Organizations are reminded to check all in-force applicable collective bargaining agreements regarding reporting requirements and/or procedures for bargaining unit employees.

Q5. Must employees receive a written notice to be placed in a furlough status?

A5. Supervisors must provide each of their employees with a written notice of furlough. Supervisors may direct their employees to report to work to receive their notice of furlough in person or may send it through Army email and request a return acknowledgement. In situations where it is not feasible to provide the standard written notice prior to effecting a furlough, an alternate form of notice may be provided, such as by telephone or personal email followed up by standard written notice as soon as possible. Organizations are reminded to check all in-force applicable collective bargaining agreements for notification procedures for bargaining unit employees.

Q6. Who signs the written notice of decision to furlough?

A6. Written notices of decision to furlough are signed by the supervisor or other individual in the employee's supervisory chain.

Q7. When a lapse in appropriations requires a shutdown furlough, what is the Agency's obligation to bargain?

A7. As early as possible, management officials and supervisors should seek guidance from their

servicing CHRA labor relations specialist and legal office regarding any applicable labor relations obligations.

TRAVEL AND PERMANENT CHANGE OF STATION (PCS)

Q8. Can exempted employees using other multi-year funding go on Temporary Duty (TDY) without Headquarters, Department of the Army (HQDA) approval? If these employees can use multi-year funding and go TDY without HQDA approval, does the TDY need to be for only exempted or excepted activities?

A8. In the absence of a DoD Appropriations Act or continuing resolution, all TDY travel that would obligate appropriated funds (including no-year and multi-year funds) will not be undertaken or continued unless approved IAW the policies and processes established by the Department of the Army.

Q9. Are employees required to return from TDY during a lapse in appropriations?

A9. Generally, employees on TDY orders for non-excepted activities will be advised to return to their home station in an orderly manner. For short-term TDY, ordinarily the employee will return to the home station sooner than planned. For mid to long-term TDY, any return travel for a furloughed employee at the government's expense should occur promptly (the employee may take a day or two to complete travel as an orderly shutdown activity).

Q10: Are employees on PCS orders attending training or educational activities required to return during a lapse in appropriations?

A10: An employee on PCS orders attending training or education activities should remain in place, but not attend classes until further guidance is issued. However, if the employee's compensation is paid by an appropriation account or fund that has unobligated balances from prior year appropriations, then the employee may continue to attend class.

Q11. For PCS: At what point is a PCS considered in process? Orders issued? Household Goods picked up? Lease broken? Where does management need to draw the line?

A11. All PCS moves with a PCS order issued (Block 26 on the DD Form 1614) before the lapse in appropriations will continue in accordance with DoD 7000.14-R. Financial Management Regulation, Volume 3, Chapter 8, para 0811, PCS Obligations Recorded. PCS obligations shall be recorded against the fiscal year in which the request for order and corresponding order is issued. The order date reflects when the order was issued and must not be confused with the report date.

Q12. Can PCS continue for employees who are supporting excepted activities? For instance, PCS to fill a job with U.S. Forces Korea?

A12. PCS moves to an excepted activity that cannot be delayed are permitted to continue. PCS moves from an excepted activity will continue only to the extent the commander of the excepted activity determines it essential to the mission or required to enhance support of excepted activities.

GENERAL COMPENSATION

Q13. If I am furloughed, will I be paid on time?

A13. The furlough could potentially disrupt the payroll process, but if this occurs employees will be paid as soon as possible after the lapse in appropriations ends.

Q14. Once employees go back to work, will they be paid retroactively for the time spent on furlough?

A14. Yes. The Government Employee Fair Treatment Act of 2019 (S. 24) amended Title 31, USC 1341 to provide retroactive pay for Federal employees affected by a lapse in appropriations (occurring on or after December 22, 2018) as soon as possible after the lapse in appropriations ends, regardless of scheduled pay dates. Retroactive pay will be paid at the employee's "standard rate of pay" and will not include any time the employee had been previously (before the lapse) scheduled to be in a non-pay status (e.g., LWOP, suspension).

Q15. What happens to overseas allowances during the furlough period?

A15. A shutdown furlough does not interrupt overseas allowances, e.g., post allowance, education allowance, living quarters allowance, foreign transfer allowance, and temporary quarters subsistence allowance governed by Department State Standardized Regulations (DSSR), if an employee is in a non-pay status solely due to a lapse of appropriations (DSSR, section 030).

Q16. Will within-grade increases (WGI) for General Schedule (GS) employees and Federal Wage System (FWS) employees be affected during the furlough period?

A16. The effective date of WGI for eligible GS and FWS employees will not be affected by time in a furlough status.

FEDERAL EMPLOYEES' COMPENSATION ACT (FECA)

Q17. How is Continuation of Pay (COP) under the Federal Employees' Compensation Act (FECA) affected by a Government shutdown?

A17. The Department of Labor's Office of Workers' Compensation Program which administers FECA advises that, in the event of a Government shutdown, an employee who is disabled due to his or her injury is to be maintained in a COP status during the shutdown. Any employees who did not receive COP for a period of disability that occurred within the shutdown will receive it retroactively once the shutdown is over. In the event the Army is legally unable to pay COP to an employee because of a lapse in appropriations, the employee may file a claim for regular FECA wage loss compensation for that period.

Q18. Are employees who are injured while on furlough or Leave Without Pay (LWOP) eligible to receive workers' compensation?

A18. No. Workers' compensation is paid to employees only if they are injured while performing their duties. Employees on furlough or LWOP are not in a duty status for this purpose. An employee who is receiving workers' compensation payments will continue to receive workers' compensation payments from the Department of Labor, Office of Worker's Compensation Programs during a furlough and will continue to be charged LWOP. Any additional questions regarding Federal workers' compensation benefits should be directed to the Division of Federal Employees' Compensation, Office of Workers' Compensation Programs, U.S. Department of Labor.
See Federal Employees' Compensation Program | U.S. Department of Labor (dol.gov).

UNEMPLOYMENT COMPENSATION

Q19. Are employees entitled to unemployment compensation while on furlough?

A19. It is possible that furloughed employees may become eligible for unemployment compensation. State unemployment compensation requirements differ. Some States require a 1-week waiting period before an individual qualifies for payments. In general, the law of the State in which an employee's last official duty station in Federal civilian service was located will be the State law that determines eligibility for unemployment compensation benefits (see the Department of Labor website "Unemployment Compensation for Federal Employees" at: Unemployment Compensation for Federal Employees, Employment & Training Administration (ETA) - U.S. Department of Labor (doleta.gov)). Any questions should be submitted to the appropriate State (or District of Columbia) office. The Department of Labor's website provides links to individual State offices at Career One Stop - Local Help. The Department of the Army standardized SF-8, *Unemployment Compensation for Federal Employees (UCFE) Program*, is available at: ABC-C (ARMY Benefits Center - Civilian) - Unemployment Compensation.

LEAVE AND ATTENDANCE

Q20. What happens to leave during an emergency shutdown?

A20. Paid leave scheduled to take place during a lapse in appropriations (e.g., annual leave, sick leave, weather and safety leave, administrative leave, or any other paid leave) should be cancelled for all civilian employees. However, employees designated as excepted may be granted paid leave, subject to normal applicability and approval. While excepted employees have the option to use their paid leave (i.e., establish entitlement to paid leave to be paid after the lapse ends), they are not required to use leave to cover periods of authorized absence from work. Instead, they may choose to remain in the default status of being furloughed during any such authorized absence during the lapse. It is expected that employees will generally choose to allow the default furlough status to be applied to any approved absence, since Title 31, USC 1341(c)(2) provides retroactive pay for furlough periods without charge to leave (see Question # 13).

Q21. What happens if a non-excepted employee was approved for scheduled leave, and engaged in the activity for which they originally sought the leave (e.g., went on his/her vacation, or went to his/her medical appointment) during the shutdown? Should the employee's leave still be cancelled?

A21. Yes, the employee's leave should still be cancelled, and the employee should still be placed in a furlough status for the period of time during which the lapse in appropriations occurred; there is no legal authority to charge non-excepted employees for paid leave or other paid time off.

Q22. What happens if a civilian employee is serving or about to serve a suspension (i.e., adverse action) during the period of shutdown furlough?

A22. An employee may serve a suspension (i.e., pay suspended based on an adverse action) during what would have otherwise been a furlough period. A furloughed employee is not entitled to retroactive pay for furlough periods if the employee had been previously scheduled (i.e., scheduled before the lapse) to be in non-pay status during those periods. As an alternative, supervisors have the option of delaying the start of the suspension until after the shutdown ends, if feasible. Organizations are advised to check all in force applicable collective bargaining agreements to determine whether there are provisions regarding how suspensions are issued for bargaining unit employees during the period of a shutdown furlough.

Q23. May a non-excepted employee's AWS be changed (e.g., moving their RDO, or changing the duration of their workdays) after the pay period has begun for the purpose of completing orderly shutdown activities?

A23. No. Once the pay period has begun, work schedules of a non-excepted employee on an AWS

should not be changed. An employee should receive his or her written decision notice and conduct orderly shutdown activities on his or her next regularly scheduled workday.

Q 24. Will employees who have been approved for one of the Deferred Resignation Programs (DRP) be subject to furlough?

A24. Yes, employees that have been approved for DRP are still subject to furlough (until separated), regardless of whether they are on administrative leave. Accordingly, their timecards will need to reflect time spent in a furlough status (just as with any other employee), IAW the applicable HQDA EXORD.

EFFECTS ON POSITION AND APPOINTMENT

Q25. Does a shutdown furlough have an impact on completion of requirements for career tenure?

A25. Generally not, since 31 U.S.C. 1341(c)(2) allows employees to be retroactively placed into a pay status and therefore receive service credit for career tenure for the time spent on the furlough. However, an employee who was already in a scheduled nonpay status (e.g., LWOP, AWOL, suspension status) during a furlough period will not be placed retroactively in a pay status for those timeframes.

Q26. Does time spent in a furlough status due to a lapse in appropriations count toward the time-in-grade requirements for promotion purposes?

A26. Yes. Time spent in a furlough status counts towards time-in-grade for promotion.

Q27. Can a temporary or term appointment that was scheduled to expire during a furlough be extended?

A27. No. The duration of temporary or term appointments is based on calendar days, so there is no basis to extend these appointments if they expired during the lapse period. They would have had to have an extension action processed/closed prior to the lapse in appropriations with a duration lasting through the furlough period, in accordance with the provisions of the applicable appointing authority.

Q28. Can Pathways appointments that are not able to be converted on time due to a furlough be extended?

A28. No, unless they are on an appointment that provides the ability for an extension and an extension is approved under the provisions applicable to the particular appointing authority. There are no provisions to convert interns beyond the 180-day period after academic/work requirements have been completed. If a situation arises where a program participant was unable to be converted on time due to a furlough, the organization should consult with their servicing human resources office at

CHRA for further guidance as soon as possible. Situations should then be appropriately elevated to AG-1CP as necessary.

Q29. What should supervisors do if they have a probationary/trial period employee who is due for certification under 5 CFR 11 (Probationary and Trial Periods (Rule XI)) within 30 days of the lapse in appropriations?

A29. For probationary employees who have a probationary/trial period end date within 30 days following a lapse in appropriations, supervisors should complete certification steps *prior* to commencing the shutdown furlough. This ensures the employee is not terminated due to lack of timely certification during the lapse in appropriations.

BENEFITS

Q30. Federal Employees Health Benefits (FEHB): To what extent does a shutdown furlough affect FEHB coverage?

A30. The employee's FEHB coverage will continue even if the employer does not make the premium payments on time. Since the employee will be in a non-pay status, the enrollee share of the FEHB premium will accumulate and be withheld from pay upon return to pay status.

Q31. Can an employee submit a new application or a change to his/her health insurance plan due to a Qualifying Life Event (QLE) during a shutdown furlough?

A31. Yes, an employee who has a QLE during a shutdown furlough can enroll or make changes in enrollment in the FEHB program. Following the lapse, each employee who returns to pay status will automatically begin to repay their share of FEHB premium that accumulated during the lapse through payroll withholding. If FEHB premiums are not withheld from retroactive pay, one additional payment in addition to the current pay period amount will be withheld in each subsequent pay period until the employee's accumulated share of premiums have been paid. The effective date of the change is dependent upon the type of QLE. See Life Events (opm.gov) for additional information.

Q32. Federal Employees Group Life Insurance (FEGLI): To what extent does a shutdown furlough affect FEGLI coverage?

A32. Employees can maintain their FEGLI coverage for up to 12 months in a non-pay status. Once the lapse has ended, the employee will receive retroactive pay under 31 U.S.C. 1341(c)(2) and retroactive FEGLI premiums may be withheld from the first paycheck following the furlough. If FEGLI premiums are not withheld from retroactive pay, no more than one additional payment will be withheld in each subsequent pay period until all premiums have been paid.

Q33. Thrift Savings Plan (TSP): What is the effect of a shutdown furlough on TSP contributions, investments, and loans?

A33. Employees should refer to the TSP website, Bulletins | The Thrift Savings Plan (TSP) or contact ABC-C at (785) 240-222, (877) 276-9287.

Q34. Flexible Spending Account (FSAFEDS): To what extent does a shutdown furlough affect FSAFEDS coverage?

A34. Health Care Expenses: Payroll deductions will cease for any employee who does not receive pay. The employee remains enrolled in FSAFEDS, but eligible health care claims incurred during a non-pay status will not be reimbursed until the employee returns to a pay status and allotments are successfully restarted. The remaining allotments are recalculated over the remaining pay periods to match the participant's election amount.

Dependent Care Expenses: Eligible dependent care expenses incurred during a non-pay status may be reimbursed up to whatever balance is in the employee's dependent care account as long as the expense incurred during the non-pay status allows the employee (or spouse if married) to work, look for work or attend school full-time.

Q35. Long Term Care (LTC): To what extent does a shutdown furlough affect LTC coverage?

A35. LTC coverage will continue for enrollees who are furloughed or excepted from furlough and working without pay during a shutdown furlough based on a lapse in appropriations. Employees paying premiums via Direct Bill or Automatic Bank Withdrawal will continue to be billed, but the insurer will not terminate for nonpayment of premium during the lapse in appropriations. During a furlough, claims eligibility requests will not be reimbursed until all past due premiums are paid. At the end of the shutdown, LTC premiums will be paid from retroactive pay provided under 31 U.S.C. 1341(c)(2) or may be paid back from another source (i.e., automatic bank withdrawal) for LTC enrollees who elected to make payments directly to the Carrier. If missed premium payments are unable to be collected via automatic bank withdrawal or deductions from the enrollee’s payroll or annuity/pension, enrollees will be billed directly for the premium amount due. If the enrollee elected to pay their premium via automatic bank withdrawal, past due premiums will be collected by withdrawing up to two months of premiums from the enrollee’s bank account each month until it is current.

Visit the LTC website, LTCFEDS | The Federal Long Term Care Insurance Program (FLTCIP) for more information.

Q36. Federal Employees Dental and Vision Insurance Plan (FEDVIP): To what extent does a shutdown furlough affect FEDVIP coverage?

A36. Payroll deductions will cease for any employee who does not receive pay. BENEFEDS will

generate a bill to enrollees for premiums when no payment is received for two consecutive pay periods. The enrollee should pay premiums directly billed to him/her on a timely basis to ensure continuation of coverage.

Employees can mail direct bill premiums to:

BENEFEDS-FEDVIP
P.O. Box 414095
Boston, MA 02241-4095

Visit the FEDVIP website, https://www.benefeds.com for more information.

Q37. Retirement: If a shutdown furlough occurs during the employee's highest years of salary, what effect will time in a furlough status have on an employee's high-3 average pay?

A37. Once the lapse in appropriations ends, employees who would have been in pay status but for the lapse will receive retroactive pay for furlough periods pursuant to 31 U.S.C. 1341(c)(2). Thus, there will be no effect on such an employee's high-3 average pay. For additional information about the impact of the furlough on retirement, see OPM's Guidance for Shutdown Furloughs, reference b.

RETURNING TO WORK

Q38. How should non-excepted employees be notified to return to work after a shutdown furlough has ended?

A38. As a part of the orderly shutdown, all employees should be advised to monitor the OPM website and media reports for news about the approval of appropriations. Once a continuing resolution or appropriations are approved by Congress and the President, all furloughed employees are expected to return to work for their next regularly scheduled tour of duty or sooner if notified by their supervisor. Organizations are advised to check all in force applicable collective bargaining agreements regarding return-to-work notification for bargaining unit employees.

AG-1CP Points of Contact

Staffing and Classification Division: Tara Daley, tara.l.daley.civ@army.mil or alternatively Beverly Wrighten beverly.f.wrighten.civ@army.mil or Group Box, usarmy.belvoir.hqda-dcs-g-1.mbx.ag1cp-staffing classification@army.mil

Benefits and Compensation Division: Kari Ahouse, kari.m.ahouse.civ@army.mil (Benefits); Gary Buck gary.l.buck2.civ@army.mil (Travel); and Mandy Laughlin mandy.d.laughlin.civ@army.mil (Compensation and Alternate for Benefits and Travel).

Labor, Management, Employee Relations Division: Group Box, usarmy.belvoir.ag1cp.mbx.lerd@army.mil.

References

a. Title 31, USC, Chapter 13, Subchapter III Limitations, Exceptions, and Penalties.

b. OPM Guidance for Shutdown Furloughs, (https://www.opm.gov/policy-data-oversight/pay-leave/furlough-guidance/#url=Shutdown-Furlough).

c. Memorandum, OPM, Subject: Government Employee Fair Treatment Act of 2019, dated 23 January 2019, (https://chcoc.gov/content/government-employee-fair-treatment-act-2019)

d. Memorandum, OPM, Subject: Answers to Frequently Asked Post-Lapse Questions, dated February 8, 2019, (https://chcoc.gov/content/answers-frequently-asked-post-lapse-questions).

e. Defense Civilian Personnel Advisory Services, Shutdown Furlough Frequently Asked Questions, (https://www.dcpas.osd.mil/policy/compensation/furlough).

f. Department of Defense 7000.14-R. Financial Management Regulation, Volume 3, Chapter 8, (https://comptroller.defense.gov/Portals/45/documents/fmr/Volume_03.pdf).

g. Department of State Standardized Regulations (DSSR) (Government Civilians, Foreign Areas), 000 General Provisions, (https://aoprals.state.gov/content.asp?content_id=282&menu_id=75).