
From: Michael Kerr Public - ASAM
Sent: Tuesday, February 05, 2013 4:00 PM
Subject: Preparations for Potential Sequestration on March 1

THIS E-MAIL IS INTENDED FOR ALL DOL FEDERAL EMPLOYEES

As you are likely aware, the American Taxpayer Relief Act of 2012 delayed until March 1, 2013 the across-the-board spending cuts (also known as "sequestration") that face all Federal agencies. The Administration remains focused on working with Congress to reach agreement on a balanced deficit reduction plan that avoids these cuts. Should these cuts occur, they would be harmful not only to our agency, but to critical domestic and defense priorities across the government and across the country.

However, given that less than one month remains until these cuts would take effect and given that the delay enacted by Congress would give us less time in which to make the required cuts, our senior leadership team is engaged in extensive planning efforts to determine how we would deal with sequestration. I know many of you have questions, so I wanted to take this opportunity to provide some additional details.

In planning how to implement a possible sequestration, our guiding principle is to protect our ability to perform our mission on behalf of the American people. As public servants, this is our first and foremost responsibility.

To this end, we are carefully considering how to use the various tools at our disposal to reduce costs in order to mitigate as much as possible the disruption to our operations, our programs, and all of you. We will use any and all flexibilities we have to protect our core operations and mission. However, our ability to do so will be limited by the rigid nature of the cuts imposed by Congress. As a result, we are closely examining contracts, grants, and other forms of expenditures across the Department to determine where we can reduce costs. In many cases, this could mean making cuts to vital programs or curtailing spending on contracts. We will also take steps, wherever possible, to cut operational or administrative costs in areas such as travel, training, facilities, and supplies.

We may also have to consider placing employees on temporary furlough, or taking other personnel actions, should sequestration occur. **With respect to furloughs, should we have to pursue this unfortunate course of action, let me assure you that all affected employees would be provided at least 30 days' notice prior to executing a furlough.** We will also continue to engage in discussions with employee unions as appropriate, to ensure that any furloughs are applied in a fair and appropriate manner. If you have questions on this issue, I would encourage you to go to the Office of Personnel Management website, which has helpful information and answers to frequently asked questions regarding furloughs (found at www.opm.gov/furlough, under the "administrative furlough" section).

Your Agency Head will be following up in the near term with additional information regarding our initial plans for implementation of sequestration, and how these plans will affect the day-to-day operations of our agency.

Thank you for your patience as we navigate these difficult issues, and for all that you do for our agency and the American people.