

Export-Import Bank of the United States

Plan for Orderly Termination of EXIM Bank Operations in the Event of Failure to Enact Regular Appropriations or a Continuing Resolution

December 18, 2018

Introduction – Use of Carryover Appropriations

In its appropriations for FY 2018, EXIM received \$110,000,000 for administrative expenses, of which \$16,500,000 (or 15%) “may remain available until September 30, 2019” (the end of FY2019). The two year funds received in FY 2018 have already been appropriated and remain available for use in FY 2019, regardless of the status of new annual appropriations. EXIM may use unobligated amounts from the FY 2018 administrative expense appropriation, up to a maximum of \$16,500,000. EXIM intends to use the unobligated amounts for staff compensation and benefits. It is anticipated such amounts will not be fully expended until approximately February 2, 2019. Thereafter, there will be a short-term interruption in EXIM’s operations as described below.

Plan for Short-Term Interruption Following Full Expenditure of Available Appropriations

EXIM Bank currently has 373 employees. Under this plan, in the event of a furlough, EXIM Bank expects to retain 18 employees, i.e., @4.8% percent of EXIM Bank’s workforce, and 10 contractors. This number excludes 66 employees and 8 contractors in an on-call status. It is expected that this plan can be implemented within one-half day.

1. OMB, OPM, GSA and the Department of the Treasury will be notified that lapse of appropriations activities of EXIM Bank are being initiated.
2. All exporters and commercial banks will be notified that EXIM Bank is temporarily closed. All new obligations as well as delegated authority to exporters and/or banks under insurance and guarantee programs (such as the Working Capital Delegated Authority Program) will be suspended during a lapse in appropriations.
3. The Bank will continue to process and deposit funds received in connection with its guarantee and insurance programs.
4. The Bank will pay claims under its guarantee and insurance programs, which carry the full faith and credit of the U.S.-Government. The Bank is committed to pay within a specified time and payment does not require passage of annual appropriation legislation. This requires claims analysis, a certifying officer, cash control and an approving official. No payments will be made under third-party contracts unless permitted by law.
5. No employee travel after the funding lapse will be authorized and employees on extended TDY will be furloughed. Employees who are on travel prior to the funding lapse will cease all business activities and return home in a reasonable amount of time.

6. Furloughing of employees in all divisions of EXIM Bank will be initiated except for those detailed in this plan.

7. Five Division of Human Capital (DHC) employees will remain for a limited period of time to process furloughs and related human capital actions.

8. EXIM Bank will maintain and service IT network systems to support payment of guarantee and insurance claims with existing resources and the support of service contractors.

9. A limited number of individuals are being placed in an on-call status in the event of direct loan disbursements coming due where the disbursement can be made through ministerial actions and failure to disburse would jeopardize an already approved credit and is required to protect property or assets.

10. A limited number of individuals will be on-call in the event of an imminent or actual default or restructuring that requires the protection of property or asset.

11. GSA/EXIM Bank have ongoing renovations in the Lafayette Building, where EXIM Bank's headquarters are located. GSA/EXIM Bank continue renovations to prevent Damages for Delay claims of contractors that are paid for with previously-obligated - funds and will continue in the event of a lapse of appropriations. EXIM Bank has a Director of Capital Planning and Facilities Services (DCPS) and a contractor, Building Health Sciences (BHS), responsible for ensuring that employees are not subject to asbestos, lead or other toxins and pollutants. The DCPS and BHS are necessary to ensure the health and safety of essential employees during the funding lapse as well as the workspace of employees who will return from furlough.

12. This plan does not account for the activities of the Office of the Inspector General.

Additional Actions if the Short-Term Interruption is Extended

13. As mentioned above, the Bank will pay claims under both its guarantee and insurance programs. Depending upon volume and ability to process the Bank's legal obligations, additional staff may be recalled to handle claims processing.

14. A limited number of employees may be recalled to disburse funds and process shipment documents relating to operative loan and guarantee transactions. Payments will be made under third-party contracts to the extent permitted by law.

15. The status of Bank assets and obligations will be reviewed on a regular basis and any other adjustments in personnel status will be made as needed.

**EXPORT-IMPORT BANK OF THE UNITED STATES
CONTINGENCY PLAN FOLLOWING FULL EXPENDITURE OF AVAILABLE
APPROPRIATIONS - ONE PAGE SUMMARY**

I. Services and programs that will remain operational:

NAME OF SERVICE/PROGRAM	REASON
Payment of claims under guarantee and insurance programs	Authorized under necessary implication doctrine to maintain the full faith and credit of the United States Government
Processing of payments received under direct loan program	Authorized under necessary implication doctrine and for the protection of property
On-call status only: processing direct loan disbursements due where failure to disburse would jeopardize an approved credit; protection of property or assets in the event of imminent or actual default.	Authorized under necessary implication doctrine and for the protection of property

II. Services and programs that will be closed:

- Closing of and disbursements under approved EXIM Bank transactions not yet operative
- All IT services and systems not related to the functions listed above
- All administrative support activities unless related to ensure orderly lapse of appropriations
- All asset monitoring and recovery activities except those listed above
- Approval of new direct loans, guarantees, insurance and working capital loans
- All business development activity

III. Key citizen services that will be impacted:

- No new EXIM Bank financing -- U.S. exporters will be unable to obtain any new EXIM Bank financing which may result in loss of export sales
- Delayed closings and non-emergent loan disbursement that may negatively affect delivery of U.S. exports
- Preliminary commitments will not be converted into final commitments which may result in the loss of export sales
- Processing of amendment and waiver requests will not occur -- this may materially delay transaction performance or cause extra costs to be incurred; it may also result in the delay or loss of exports sales.
- U.S. Exporter education — EXIM Bank will be unable to provide access to EXIM Online and other services.

IV. Employees.

- Total Agency Employees: 373
- Total Employees Furloughed: 307 (66 are on-call)