



Considerations for a Federal Government Shutdown

Updated: December 20, 2024

NOTE: This is a list of items research institutions should consider in the event of a government shutdown to manage federally sponsored projects. ***This is not official guidance*** but rather an accumulation of past shutdown experiences with information and guidance that has been received to date. *This list* will be updated as more information is available.

Campus Notification

- **Coordinate a campus communication plan (e.g., notices, websites, etc.)** with proactive preparation tips. Communicate with campus leaders about the potential impacts and consider developing tools to monitor the burn rate of expenses on federal awards.

Proposals & Application Systems

- **Proposal preparation systems** are expected to still be online during a shutdown. However, it is expected that proposals will not be processed by agencies until normal operations resume. Watch for announcements from agencies for extensions of deadline dates, but these may not be issued until after the shutdown. There is a possibility that the Grants.gov Contact Center will remain available. However, it's unclear if all Help Desks systems will remain functional.
- **Peer reviews/study sections** are not expected to occur, which may impact faculty who are reviewers and potential delays in start dates for those whose proposals are awaiting review (if the shutdown is prolonged). Institutions may need to grapple with payment issues related to canceled travel.

Award Management

- **Drawing cash and payments.** This depends on the agency and the system the agency uses. However, we recommend processing requests for payments now, noting payments should be processed in compliance with UG § 200.305 Federal payment or contract terms and conditions.
- **Continue working on federal awards, but note exceptions:**
 1. **Faculty working in federal labs/facilities and possibly on cooperative agreements and joint awards may** be most immediately affected. They could receive notification that they are not permitted to work on associated awards during the shutdown.

2. **Faculty working at a federal agency on an IPA agreement** should immediately contact the agency to determine next steps.
 3. **For federal contracts**, “Stop Work” orders may be implemented, in which case, those employees can no longer be paid with federal funds allocated to that contract. Also, be aware of limitation of funds or limitation of costs terms in contracts.
- **The longer the duration of the shutdown, the more likely your institution will need to float funds** if activities are allowed to continue but sponsors are not processing incremental funding actions.
 - **Federal personnel** WILL NOT be available. While each agency may articulate emergency contact procedures, as a rule, do not expect federal personnel to be available. They will not be available for scheduled campus visits or project status meetings.
 - **Pay attention to awards that have closed and are near their closeout deadline**, particularly if the deadline falls during the institution’s winter break – continue to submit final reports if possible (e.g. if sponsor systems are operational).
 - **Process No Cost Extensions (NCEs)**. Notify Principal Investigators (PIs) with awards set to end during the lapse to see if they intend to submit an NCE. Ideally, submit NCE requests before the shutdown, as any NCE requiring agency approval may not be processed until normal operations resume.
 - **Subrecipients/vendors**. Communicate expectations with subrecipients, subcontractors, and vendors. For example, will their invoices be paid as usual or after normal federal operations resume, or must they stop spending? For awards where reimbursement may be unlikely during the shutdown, attempt to obtain and process subrecipient invoices and draw down funds ASAP.
 - **Pay attention to programs where the appropriation authority** is scheduled to expire soon.¹
 - **For those with hospital affiliations**, reimbursement of Medicare funds should be available, though if possible, check in advance.
 - **Institutional management of cash flow** will be affected. To the extent you are involved in reporting to Senior Management, the Board of Trustees, etc., recognize this will be a challenge.
 - **No issuance of new awards**. Agencies will likely not issue new notices, awards, or other actions during the shutdown.
 - **NSF postdoc fellows** paid directly by NSF may not receive stipend payments. An institution can use the NSF [Advanced Search function](#) (in “Keyword,” enter the institution’s name, and for “Award Instrument,” select Fellowship) to find any postdoc fellows who may be impacted.

Resources to Watch

[Agency Contingency Plans](#)

¹ Awards subject to *31 U.S. Code § 1552 - Procedure for appropriation accounts available for definite periods* have no more than five-years of availability for expenditure before the appropriation cancels, at which point "account ends, the account shall be closed and any remaining balance (whether obligated or unobligated) in the account shall be canceled and thereafter shall not be available for obligation or expenditure for any purpose.