




The Deputy Attorney General

Washington, D.C. 20530

March 5, 2013

MEMORANDUM FOR HEADS OF DEPARTMENT COMPONENTS

FROM: James M. Cole 
Deputy Attorney General

SUBJECT: Spending Restrictions Under Sequestration

On March 1, the President issued a sequestration order, which requires across-the-board reductions to most Federal Government accounts. For the Department of Justice, our total reduction is \$1.67 billion in fiscal year 2013 and, by law, must be taken from each program, project, and activity, so we have very little flexibility in how the cuts are applied throughout the Department. Because of this, the impacts of the reduction will vary across components—and the precise impacts cannot yet be determined. But make no mistake, this sequester has serious consequences for Department of Justice operations and employees, the administration of justice and for communities across the Nation.

Under these reduced funding levels, our guiding principle must be to protect our mission-critical operations on behalf of the public while limiting the harm to our employees to the fullest extent possible. To achieve this, we must heighten our scrutiny of all spending and redouble our efforts to reduce expenses throughout the Department. Please understand that our current funding situation does not mean “business as usual.”

General spending limitations: In accordance with the Office of Management and Budget’s February 27, 2013, memorandum to agencies, “Agency Responsibilities for Implementation of Potential Joint Committee Sequestration,” until further notice, Department components must strictly limit resource commitments. More specifically:

- **Hiring Restrictions:** As virtually every Department component recognized in its proposed sequestration impact statement, we must stop hiring. Every new hire may mean more furlough days for an existing employee in your component or elsewhere in the Department. Effective immediately, components may honor formal, existing written commitments, but you may not extend new employment offers for the next 30 days. If our funding situation is clarified earlier than that, we will lift, modify, or extend this restriction accordingly. The pre-hiring process, such as posting and processing vacancy announcements, holding interviews, and similar pre-appointment work may continue so that you can identify and act upon qualified applicants quickly once this restriction is no longer necessary.

- **Contracts:** Components must delay entering into new contracts or exercising options unless they support critical, necessary work or failure to keep a contract active will foreclose access to a needed procurement vehicle. Further, components should consider terminating or reducing contracts that are no longer affordable in fiscal year 2013 given the funding cuts we face. We recognize that some contracts will need to remain in force, while others can be reduced or postponed. Each component should make these decisions based on its proposed sequestration impact statement, the costs of modifying or terminating the contracts, and operational considerations.
- **Travel:** Travel necessary for our national security, law enforcement, and litigation-related mission work remains a priority. Travel for meetings, speeches, attending conferences, and other similar purposes should be eliminated unless such travel is important to carry out the mission. Any approvals should be made in light of the component's funding situation and in particular, the impact on its sequestration-related personnel decisions.
- **Training:** Components may continue mandatory training required to obtain or maintain law enforcement qualifications or required professional certifications. Other training should be canceled or postponed unless important to effectively carry out the Department's mission.
- **Conferences:** Components must postpone or scale back planned conferences unless they are necessary to maintain our core mission-critical operations. You should continue to use video conferencing where feasible and keep all conference costs to the bare minimum needed to support essential communications needs. Conference attendance should also be limited to those employees whose in-person attendance is critical, and particular care should be given to events that invite Department or federal attendees paid by organizations where staff face furloughs. In general, events already approved may continue if postponement will incur a significant financial penalty.
- **Non-Law Enforcement Employee Overtime:** Within the terms of applicable collective bargaining agreements, you should administratively control personnel-related costs (*e.g.*, overtime, compensatory time, credit hours) to the greatest possible extent without eroding capability in core mission-critical functions.
- **Monetary Awards:** Until further notice, components may not issue discretionary monetary awards to employees unless legally required.

Finally, I reiterate previous guidance that components closely coordinate with the Justice Management Division before using any prior year or multi-year balances available to your component. We must preserve the Department's options and flexibilities within our transfer authority to address our critical needs should the sequestration reductions continue.

In closing, I recognize that these are challenging times for our organizations and our workforce. Although we have already asked much from you and all of our dedicated employees, we are now compelled to ask even more, in order to overcome additional challenges to accomplishing the critical mission of the Department. The Attorney General and I are grateful

for your partnership in navigating through the current fiscal uncertainty and making sure we fulfill our responsibilities to protect the American people.