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Final Paper—Review of GPO's Procedures to Plan and Prepare for a Government Shutdown, Report Number 27-01

The Office of the Inspector General (OIG) conducted a review of GPO's Procedures to Plan and Prepare for a Government Shutdown in response to Congressional staff inquiries. This paper focuses on answering those inquiries—namely, how GPO plans and prepares for government shutdowns, including which functions and personnel are considered excepted. Because this review was not a traditional inspection, we did not make any findings or recommendations. However, we identified some vulnerabilities and potential solutions, which are included for consideration.

We appreciate the courtesies extended to our staff throughout this review. If you have any questions or comments about this report, please contact Connie Greene, Assistant Inspector General for Inspections, at cgreene@gpo.gov or (202) 512-1597.

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Attachment

Review of GPO's Procedures to Plan and Prepare for a Government Shutdown, Report No. 27-01

INTRODUCTION

Objective

Review GPO's procedures for planning and preparing for a government shutdown.

Scope

We reviewed GPO's planning and preparation for Government-wide shutdowns, including which functions and personnel are considered excepted. We focused our efforts on the recent government shutdown in Fiscal Year (FY) 2026, Quarter 1. We reviewed the entire Agency, with a focus on three business units (BUs) that generate revenue: Government Secure and Intelligent Documents (GSID), Government Integrated Print Services (GIPS), and Government Publication and Print Procurement (GP3), as well as three support organizations/executive offices that have significant involvement in shutdowns: Agency Acquisitions (AA), Agency Human Capital (AHC), and Agency Financial Management (AFM).

Background

Context of the Project

A government shutdown (or shutdown furlough) occurs when there is a lapse in annual appropriations.[1] During a shutdown, agencies have to cease any activities funded by annual appropriations that are not excepted by law. In some cases, an agency may have very little time to implement a shutdown due to the unpredictability of budget negotiations.

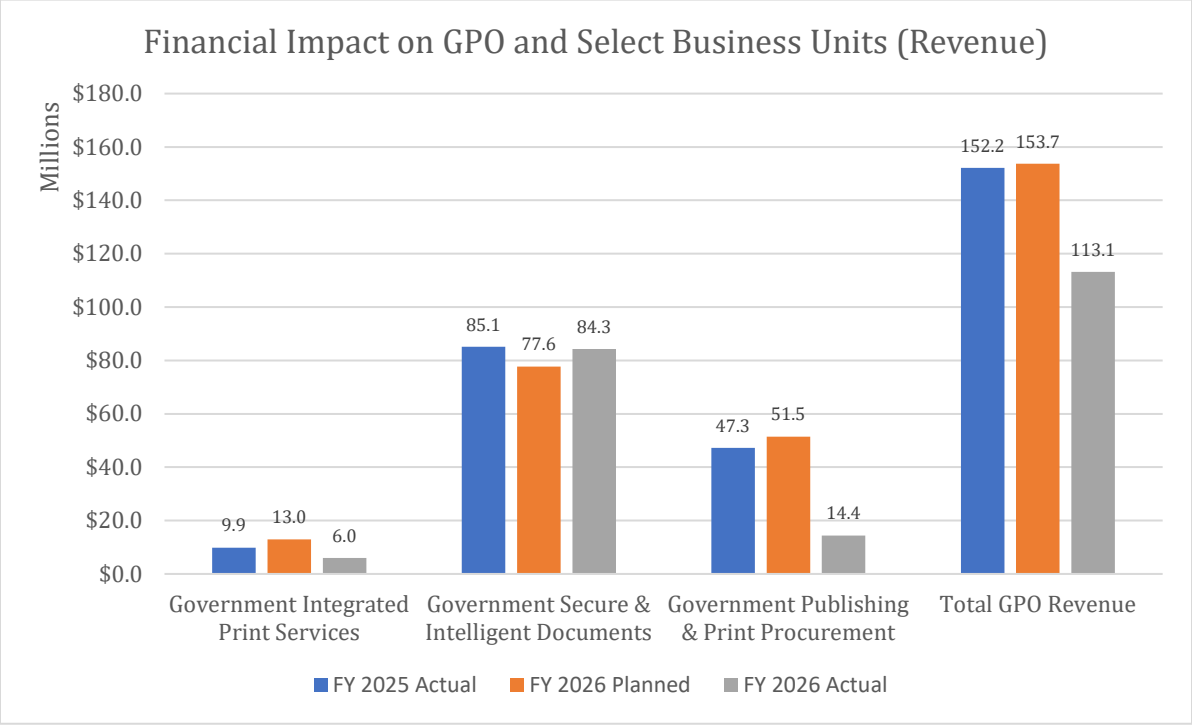
The Issue

According to an internal agency review, the 2025 shutdown had a significant financial impact on GPO. GPO generated $113.1 million out of an anticipated $153.7 million, a 26.5% drop in gross revenue. The three revenue-generating BUs we examined had differing impacts on their gross revenues. GIPS generated $6.03 million, down from the anticipated $12.98 million in gross revenue, a 53.5% drop. GP3 generated $14.4 million out of an anticipated $51.5 million, a 72% drop. GSID was less affected due to the continuing demand

[1] The GPO revolving fund provides funding for a significant amount of GPO activities, with only a portion of GPO functions funded through annual appropriations. The GPO revolving fund is "available without fiscal year limitation," 44 U.S.C. § 309, but Congress authorizes expenditures from the fund in the annual appropriations bill. Accordingly, all GPO activities, whether funded through the revolving fund or annual appropriations, are subject to a shutdown in the absence of an appropriation bill. *See* Gov't Accountability Office, B-241730.2, [Comments on GPO Operation During Appropriation Shortfall] (1991).

for passports, resulting in minimal loss of gross revenue. GSID passport production generated $78. 5 million out of an anticipated $68.4 million, a 15% increase. However, GSID smart card production generated only $5.9 million out of an anticipated $9.3 million, a 37% drop. All revenue figures are estimates provided by AFM. Revenue declined due to reduced demand from both the Legislative and Executive branches during the shutdown. Figure 1 illustrates the financial impact; FY 2025 data is provided for comparison.

Figure 1. Financial Impact of Government Shutdown on GPO



Source: Office of the Inspector General (OIG)

Prior Evaluation Coverage:

GPO Study. *Results and Findings from October/November 2025 Lapse in Appropriations*, January 21, 2026. This was an agencywide, non-Office of the Inspector General (OIG) study of the impacts of the government shutdown on GPO. Complete financial data was not available at the time of publication.

Congressional Research Service Report. *Government Shutdowns and Executive Branch Operations: Frequently Asked Questions (FAQ)*. January 15, 2026.

Criteria

Laws and Regulations

- 31 U.S.C. §1341, *Antideficiency Act.*

GPO Standards

- GPO Directive 640.10D, *Contingency Plan for Funding Lapse*, September 27, 2023.

Other

- U.S. Office of Personnel Management (OPM) *Guidance for Shutdown Furloughs,* September 2025.
- U.S. Office of Personnel Management (OPM) *Guidance for Shutdown Furloughs*, January 2026.
- Executive Office of the President of the United States, Office of Management and Budget (OMB) Circular A-11 *Preparation, Submission, and Execution of the Budget,* August 29, 2025.

Methodology

The project team:

- Interviewed managers within GSID, GIPS, GP3, AA, AHC, and AFM,
- Reviewed laws and regulations, GPO Directives, policies, and procedures; and
- Reviewed shutdown-related GPO documentation.

This project was conducted in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation*, December 2020 (Blue Book).

RESULTS

The duration of the shutdown (October 1 through November 12, 2025) served as a stress test for GPO. While there were no significant shortfalls in GPO's support to the Legislative or other branches, the shutdown did uncover some vulnerabilities.

Shutdown Preparation

GPO prepares for government shutdowns in accordance with GPO Directive 640.10D, *Contingency Plan for Funding Lapse*, September 27, 2023. The directive provides guidance as to which functions and employees are considered excepted, how to designate them as such, and procedures for the orderly shutdown of GPO.

GPO performs a wide range of functions, from supporting Congress, to producing passports and smart cards, to helping government agencies contract with private vendors for printing. Its business units (BUs), support organizations, and executive offices serve different purposes, have distinct responsibilities during government shutdowns, and are affected differently by them. As a result, detailed operational planning and shutdown preparations are decentralized. Managing Directors of BUs, along with their counterparts in support organizations and executive offices, have broad latitude to plan, prepare, and manage shutdowns based on their unique requirements and responsibilities. Many BUs and support organizations have developed their own internal checklists, risk analyses, and shutdown procedures.

Agency Leadership

The GPO Director and Deputy Director provide situational awareness of the likelihood of a government shutdown during executive meetings with BU Managing Directors and equivalents, who then initiate preparations for potential government shutdowns. In addition to internal GPO guidance documents, BUs and support organizations often refer to OPM Guidance for Shutdown Furloughs[2] as a best practice. Each BU and support organization reviews its excepted personnel and functions annually, and again if a government shutdown appears possible after a continuing resolution ends.

Business Units

While some BUs can execute an orderly shutdown after one to two days of notice and preparation—GSID and GIPS are largely able to do so as their requirements are limited to notifying excepted and furloughed personnel of their status provided they have sufficient reserve stocks of critical supplies—others require more lead time e.g. GP3. GP3 serves as a liaison between other Federal agencies and private vendors, its personnel must coordinate

[2] The most recent version is dated January 2026. At the time of the FY 2026 Quarter 1 shutdown, the most recent version was dated September 2025.

between multiple organizations. This involves obtaining confirmation from other agencies on whether print jobs are considered excepted or should be canceled or delayed. Additionally, GP3 ensures that Federal agencies will have someone physically present to receive the print jobs. This information is then transmitted to the vendors so that only the appropriate products are produced and delivered. The required coordination takes approximately two weeks and is done at the expense of revenue-generating work.

Support Organizations and Executive Offices

Support organizations and executive offices also play significant roles in any government shutdown. For example, AHC ensures all excepted and furloughed personnel are properly designated in the Human Capital Dashboard. Based on guidance from agency leadership and input from BUs, AA must determine which contracts and orders will continue during shutdowns and transmit that information to vendors. AFM ensures all payroll activities and payments to vendors cease during the shutdown, even for excepted functions, to prevent the agency from violating the Antideficiency Act.

Excepted Functions

GPO's excepted functions are specified in GPO Directive 640.10D. Managing Directors of BUs make decisions on specifics with input from the Office of the General Counsel (OGC). The directive lists four functions as excepted:

i. Support of the constitutional legislative functions of Congress, based on instructions given to GPO by the Speaker of the House and the Majority Leader of the Senate during the 1995 shutdown.
ii. Publication of the Federal Register of regulations affecting life and property.
iii. Associated dissemination of legislative and regulatory content via GovInfo.
iv. Activities in support of the discharge of the President's constitutional duties and powers, including activities in support of the Department of State.

GPO BUs rely on the Legislative and Executive branch agencies' judgment as to which of their requested print jobs are considered excepted.

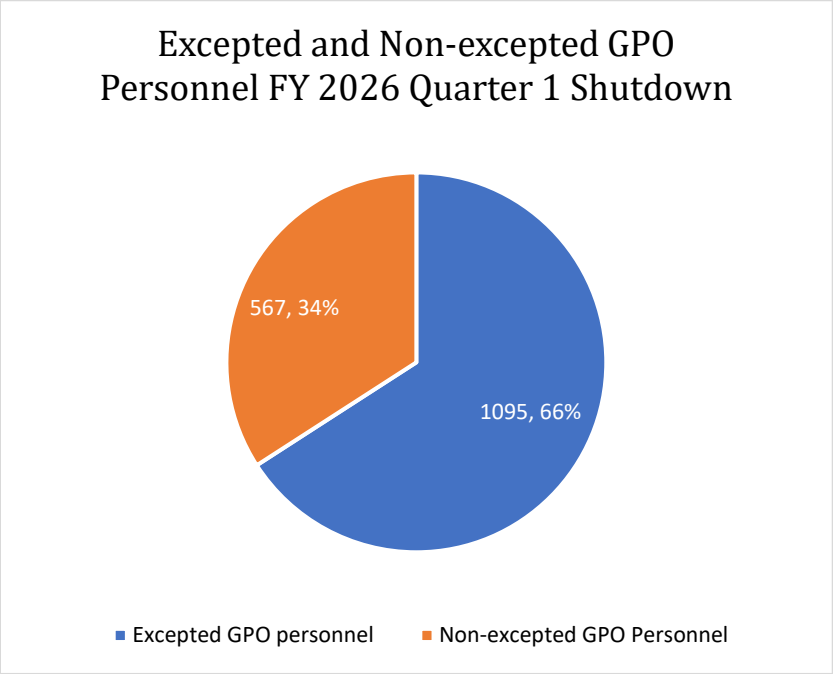
Excepted Personnel

GPO Directive 640.10D lists three categories of excepted personnel:

i. Personnel performing emergency work involving the safety of human life or the protection of property.
ii. Personnel involved in the orderly suspension of agency operations.
iii. Personnel performing other functions excepted from the furlough (the four excepted functions listed above).

Furloughed personnel can be subsequently excepted to perform excepted functions if required. They can likewise be re-furloughed.

Figure 2. GPO Personnel FY 2026 Quarter 1 Shutdown



Source: OIG

A majority of employees (1,095 out of 1,662 or 66%) were considered excepted during the FY 2026, Quarter 1 shutdown. See Figure 2.

Vulnerabilities`

During fieldwork, we identified three vulnerabilities to GPO. First, some BUs incur substantial opportunity costs when preparing for a government shutdown. Second, an extended government shutdown could deplete GPO's stock of critical supplies, impacting GPO's ability to support its customers. Third, a shutdown creates a significant financial impact on GPO and its vendors.

Opportunity Cost

There is a substantial opportunity cost for some BUs due to the required preparation for government shutdowns. As previously discussed, GP3 loses 1-2 weeks of productivity when it transitions to prepare for shutdowns, and no new contracts are processed during that timeframe. As government shutdowns are fairly unpredictable, this time requirement could be incurred multiple times in a year, leading to significant revenue loss.

Critical Supply Exhaustion

Exhaustion of reserve stocks of critical supplies could lead to performance shortfalls. While the Quarter 1 government shutdown resulted in no significant lapses in the performance of excepted functions, it provided insight into the conditions under which lapses could occur. GSID generally maintains a 60-day supply of critical supplies for passports and smartcards. A significant reason more is not maintained is the lack of secure storage space. Three vendors of critical passport components informed GSID that they would not be able to ship supplies on credit after October 2025. This meant that had the shutdown lasted another 60 days or more past November 1, passport production could have ceased.[3] Timelines during future shutdowns will depend on vendors' financial exposure at the time. GIPS maintains a 90-day supply of critical supplies for its functions supporting Congress and Executive agencies. This suggests that storage space may not be optimally distributed between BUs.

Financial Impact

A shutdown creates a financial impact on both GPO and its vendors. GPO's gross revenue dropped 26.5% during the shutdown. October 2025 was GPO's first unplanned monthly loss since 2022. In addition to revenue loss, GPO lost approximately $100,000 in prompt payment discounts from vendors. Finally, GPO incurred overtime to clear backlogs following the shutdown. Many of GPO's vendors continued to ship supplies to GPO during the shutdown on credit only. However, some had to stop or risk bankruptcy, and the shutdown threatened their viability.

Potential solutions to address vulnerabilities

- Given the substantial opportunity cost for GP3, review the criteria that business units, support organizations, and executive offices use to initiate preparation for government shutdowns and revise if appropriate.
- Review reserve stocks by business unit and determine if adequate.
- Review agencywide storage and secure storage space for critical supplies. Reallocate or allow for contingency reallocation if appropriate.
- Conduct outreach to customers to solicit increased orders in advance of shutdowns to mitigate financial exposure to GPO and vendors, to the extent consistent with applicable appropriations laws.

[3] Approximately January 1, 2026, or 90 days from the start of the shutdown, assuming GSID had a full 60 day supply on November 1.