

LAPSE IN APPROPRIATIONS NOTICE TO CONTRACTORS

To All Judiciary Contractors:

The Western District of North Carolina U.S. District Court and U.S. Probation Offices are issuing this notice to apprise the Judiciary contractor community of Judiciary-wide plans regarding contract actions that may be necessary if contract funding is affected by a lapse in appropriations, better known as a federal government shutdown.

Unless notified in writing by a contracting officer, all Judiciary contractors must continue to fulfill their contractual obligations to the Judiciary in the event of a government shutdown, i.e., contractors must continue to comply with all terms, conditions, and delivery and performance requirements specified in their contracts during the period covered by a lapse in appropriations.

The Judiciary will not provide a separate notification or communication for contracts that will not be affected by the lapse in appropriations.

The budget for the upcoming fiscal year has not yet been enacted, which could result in a temporary loss of funding for contracted supplies and services and limit the Judiciary's ability to manage its contracts. Congress has yet to agree on a proposed budget to fund the judiciary for fiscal year 2026 (October 1, 2025, through September 30, 2026).

During a government shutdown, non-excepted government activities must cease and performance under contracts may be affected. A shutdown, a sovereign act of the government, may prevent contractors and the Judiciary from fulfilling their contractual obligations to each other due to circumstances beyond their control. In other cases, the government may cancel planned procurements, reduce the scope of contracts, stop work under contracts, or terminate contracts.

Should Judiciary contracting officers determine that any of these actions are necessary, or that contractors or the Judiciary will be unable to fulfill their obligations due to a shutdown, a contracting officer will provide contractors with prompt notice and instructions for each affected contract.

Payment processing is NOT an excepted activity and invoice payments will resume upon Congress enacting funding for fiscal year 2026.

Thank you for your continued support and business with the federal Judiciary, and for your cooperation as we work together to manage a potential lapse in appropriations.