

OCT 16 2025

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NORTH CAROLINASTEPHANIE J. BUTLER, CLERK  
U.S. BANKRUPTCY COURT  
EASTERN DISTRICT OF NC**Operational Plan During Lapse in Appropriations (Activities During Phase 2)**

A lapse in appropriations to the Judiciary occurred October 1, 2025; however, the Judiciary has continued to fund operations using non-appropriated funds (Phase 1). This Plan is developed pursuant to the *Guide to Judiciary Policy*, Volume 13, Chapter 2, § 230.50 *et seq.* and will be implemented once operating funds are exhausted (Phase 2) on October 20, 2025. Nothing herein shall be interpreted in a manner inconsistent with the *Guide to Judiciary Policy* (hereinafter "*Guide*") or 31 U.S.C. §§ 1341, 1342.

All employees of this court are deemed essential to the operation of the Court. The Court adopts this plan for purposes of defining and carrying out excepted functions as allowed by law. Excepted functions include those functions more specifically set forth in the Order of Reference, entered by the United States District Court for the Eastern District of North Carolina on August 3, 1984, and the *Guide*, which are incorporated herein by reference. Additional functions may be determined as excepted by a judge of this court as necessary. Non-excepted functions are all other functions of the Court that cannot be performed during an appropriations lapse.

**I. Chambers**

Bankruptcy judges' salaries are fixed by statute and judges may not be furloughed. Pursuant to the *Guide*, the judges will continue to work during the appropriations lapse. Each judge will determine the extent of chambers support needed to carry out excepted functions and may otherwise furlough chambers staff. Each judge may authorize travel of chambers staff related to the holding of court or such other work deemed by the judge to be essential to the performance of his/her judicial duties.

**II. Clerk's Office****a. Human Resources/Budget Functions (Management Analyst)**

All routine Human Resources activities, except submitting separations (including retirements), submitting benefits changes, assisting with employment suitability activities, and furlough administration, are suspended. All budget reporting activities not required by the Administrative Office, including submission of the Electronic Status of Funds Report, are suspended.

**b. Procurement/Space and Facilities Functions (Procurement Specialist)**

Performance of contracts funded before Phase 2 may continue during a lapse in appropriations. New procurement actions will be suspended unless they are required to perform an excepted activity, and then will be performed only to the minimum extent necessary. Unless necessary to protect life or property, the Court will not procure new obligations, liquidate existing obligations, or engage in building management activities.

**c. Financial Functions (Financial Specialist)**

All other payments, including payments to bankruptcy trustees and payments of unclaimed funds will be suspended. Staff will continue to collect, receipt, reconcile, and deposit filing fees and registry funds. Staff will continue to prepare and submit month-end financial reports.

**d. Mail Processing (IT Staff)**

Staff will continue to process incoming mail and accept packages from couriers.

**e. Case Administration and Public Services (Operations Staff, including Financial Specialist)**

The *Guide* provides that bankruptcy activities should continue during a lapse in appropriations. Bankruptcy cases involve the preservation and protection of property. Accordingly, staff will continue to accept, process, and administer bankruptcy cases and adversary and miscellaneous proceedings. Staff will continue to process petitions, statements, schedules, lists, documents, pleadings and orders filed therein and shall maintain the docket of filings and actions. Staff will continue to assist the public and parties with matters within the jurisdiction of this court. Contingent on the availability of staff and the needs of the judges, the clerk may suspend standard processing deadlines other than for urgent matters. The court suspends all training and routine reporting not required by the Administrative Office during the lapse.

**f. Courtroom (Courtroom Deputies and Operations Staff)**

Staff will continue to support the judges in all activities related to the scheduling and holding of court and the resolution of cases and controversies, including the processing of appeals. The court suspends all routine reporting not required by the Administrative Office during a lapse.

**g. Information Technology (IT Staff)**

The court suspends all activities not related to either the support of judges or staff engaged in the foregoing functions or the maintenance, security, and support of the court's network, CM/ECF, and applications related thereto.

**h. Management**

The clerk, chief deputy, operations manager, and management analyst will ensure the on-going management and proper functioning of the clerk's office and will assist in performing excepted functions. Management will provide internal controls guidance and ensure implementation of separation of duties and/or compensating controls during the lapse.

**i. Travel**

All travel not required for an excepted activity is suspended. Any approved travel made during a lapse of appropriations cannot be reimbursed until appropriations are available.

**III. Furloughed Employees**

Should any furlough prove necessary, the court will provide a furlough schedule each week prior to an employee being on furlough. The furlough schedule will be made consistent with the needs of the court. Employees in furlough status should be prepared to perform excepted functions on furlough days if called upon by a judge or manager to do so. No leave will be granted during an appropriations lapse. If it is determined by the employee's manager that an employee needs to exercise leave during the lapse and that excepted activities can be accomplished without the employee during that time, the employee will be placed on furlough instead of placed on leave.



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David M. Warren, Chief Bankruptcy Judge