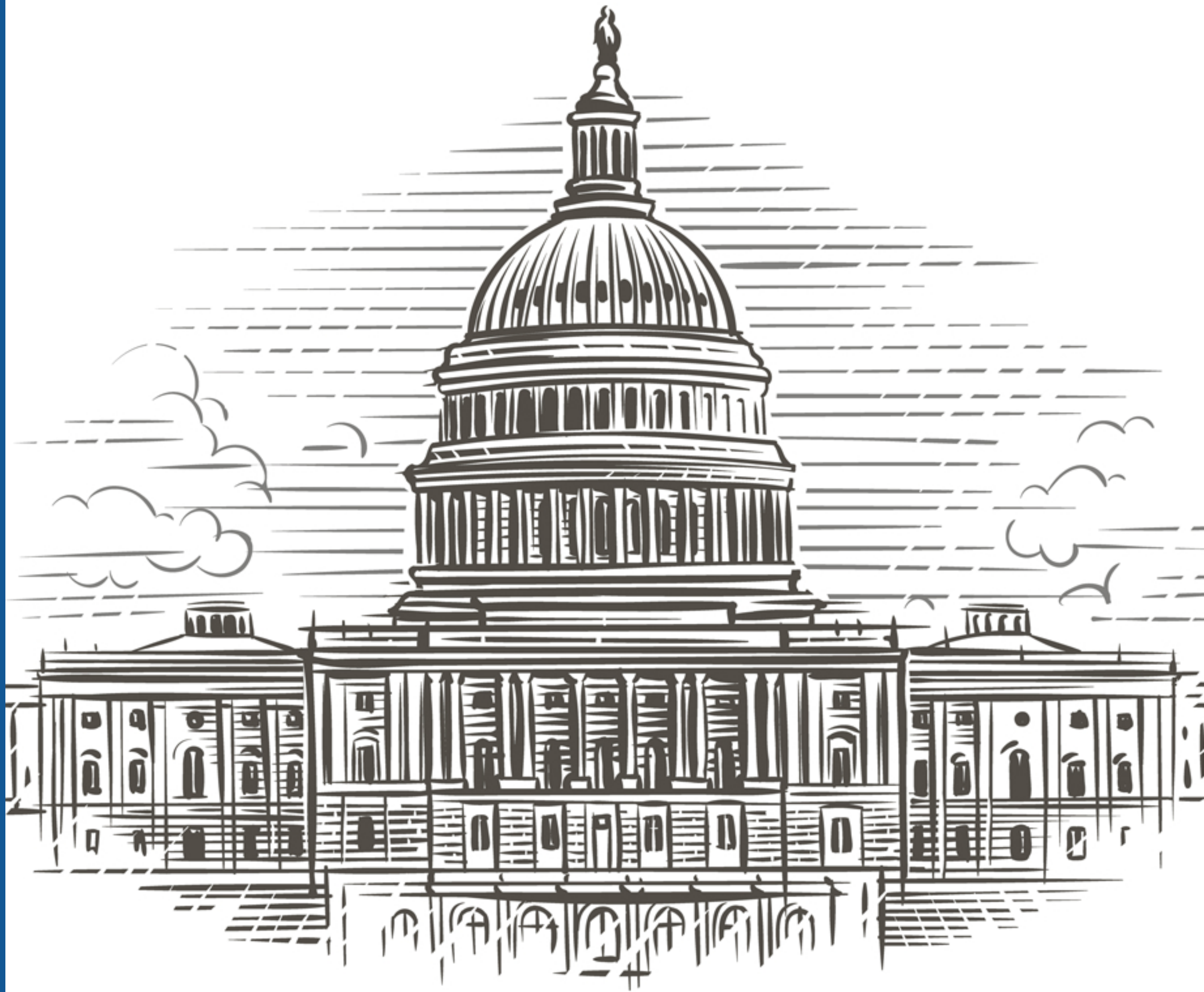




THE INTEGRITY DIGEST

OCTOBER 5, 2023



THE CEO'S CORNER



THE CEO'S CORNER

Greetings, IntegrITS Family! As we enter the fall season and the beginning of Q4 CY2023, I am proud of the hard work and dedication you all have provided to our customers. More specifically, I am honored that the IntegrITS Team continues to provide such superior service to the Warfighter. This work is meaningful and rewarding, but it can also pose challenges—as we are currently experiencing with the threat of a government shutdown.

While many of us directly interact with the government and understand that IntegrITS is affected by government regulations and policies, not everyone may be familiar with the intricate budgeting process that guides our federal government's financial decisions. Understanding this can be beneficial both professionally and personally, so I wanted to provide a brief overview of the budgetary process in this month's CEO's Corner.



The CEO's Corner

1. Setting the Stage:

The U.S. federal budget reflects the nation's priorities. It determines how much the government will spend, where those funds will be allocated, and how it will raise the money. At the highest level, the process involves the President, Congress (both the House and the Senate), and numerous federal agencies.

2. Beginning with the President:

Every February, the President submits a budget request for the upcoming fiscal year (which begins on October 1st) to Congress. This request is based on information and feedback from federal agencies, which began their budget preparation almost a year in advance.

3. Congressional Action:

Once the President's budget request is submitted, Congress takes the helm. Here's how the process usually unfolds:

- **Committees:** The House and Senate Budget Committees each produce a budget resolution. These resolutions guide the work of congressional committees and set broad spending and revenue parameters.
- **Appropriations:** There are 12 appropriations subcommittees in each chamber. These subcommittees hold hearings to understand the needs of each agency and then draft bills that set the specific funding levels for federal programs.
- **Reconciliation:** If there's a need to adjust tax laws or entitlement programs to keep the budget in line with the budget resolution, Congress uses a process called "reconciliation." This process allows for expedited consideration of certain tax, spending, and debt limit legislation.

4. Approving the Budget:

Both the House and Senate must pass the 12 appropriations bills. Once passed, they are sent to the President for approval. The President can either sign them into law or veto them.



The CEO's Corner (cont.)

5. When Disagreements Arise:

If Congress cannot agree on appropriations bills or the President vetoes them, this can lead to a "continuing resolution (CR)" (a type of legislation that provides temporary funding) or even a government shutdown until disagreements are resolved.

6. Mandatory vs. Discretionary Spending:

It's worth noting that much of the federal budget (nearly 60% in recent years) consists of "mandatory" spending, which includes entitlements like Social Security, Medicare, and Medicaid. These do not need annual approval. The rest is "discretionary" spending, which funds everything from the military to education and requires annual approval.

7. Continuing Resolution:

We are currently operating under a Continuing Resolution (CR) through November 17, 2023. This type of legislation is used by the United States Congress to fund government agencies if a formal appropriations bill hasn't been signed into law by the end of the Congressional fiscal year. Here's how a continuing resolution works:

- **Need for a CR:** The U.S. government's fiscal year starts on October 1 and ends on September 30. Congress is supposed to pass 12 appropriations bills before the start of the fiscal year to fund the federal government. If they don't, a CR can be used as a stopgap to continue funding.
- **Duration:** CRs can last for any duration that Congress chooses. Some can last for a few days, others for weeks, and some for months. The idea is to give Congress more time to finalize the appropriations bills.
- **Funding Levels:** Typically, a CR funds agencies at the same level as the previous fiscal year. However, Congress can (and sometimes does) adjust these levels. The funding provided is often termed "anomalies" to address unique or pressing concerns.
- **Limitations:** CRs generally do not allow for the initiation of new programs or the discontinuation of old ones. It maintains the status quo and extends the funding for the duration of the resolution.



The CEO's Corner (cont.)

- **Consequences of No CR:** If Congress doesn't pass a CR (or the individual appropriations bills) and the President doesn't sign one into law, then portions of the federal government can shut down due to lack of funding. Essential services, like those related to public safety, will continue, but many federal employees could be furloughed, and many services could be halted.

8. Government Shutdown

A government shutdown occurs when the legislative branch fails to appropriate funds for the upcoming fiscal year or when the President refuses to sign legislation funding the government. Essentially, the government doesn't have the authority to spend money. The implications and effects of a government shutdown can be complex, but here are some of the basics:

- **Non-Essential Services Cease:** Most immediate and visible impacts involve the suspension of what are deemed "non-essential" government services. This can include services like national parks, museums, and certain public works. Visitors to national parks, for example, might find gates closed or limited services.
- **Furlough of Government Employees:** Many government employees are furloughed, meaning they are temporarily laid off and not paid. These employees are generally involved in the non-essential services mentioned above. Essential employees, such as military personnel, law enforcement, air traffic controllers, and more, often continue to work but might not receive pay until the shutdown is resolved.
- **Delayed Government Services:** Many government operations slow or stop—meaning there can be delays in services like processing passport or visa applications, tax return reviews, and other services.
- **Social Services:** Some social services funded by the federal government might be disrupted. This includes potential delays or interruptions in funding for programs such as SNAP (food stamps), WIC, and housing assistance.
- **Research and Development:** Projects, studies, and research activities funded by the government can be halted or delayed.
- **Health and Safety:** Some health and safety inspections might be delayed, impacting food safety and workplace safety oversight.



The CEO's Corner (cont.)

- **Government Contracts:** Contractors working for the government might not be paid or might have their work suspended, affecting the private sector as well.
- **Back Pay:** Historically, Congress has approved back pay for federal workers furloughed during shutdowns, but there's no guarantee this will happen in every shutdown.

The exact details of a government shutdown can vary depending on the specific agencies and programs involved, the duration of the shutdown, and the decisions made by agency leadership. Put simply, not all shutdowns are the same. This is a high-level overview of a very complex process directly impacting our industry and company.

While the current budgetary roller coaster remains, we will continue to monitor the situation. We understand the potential challenges and uncertainties that many of our employees will face in the event of a government shutdown. We want to reassure everyone that we are committed to supporting our staff during these unprecedented times.

As we follow the government's budgetary developments, we will ensure that you are kept informed about any company-related decisions or changes. Please ensure you're checking your emails regularly and staying in touch with your team leads. Let's hope together that this is all resolved quickly, and without a shutdown. I'm grateful for all of you, and pray that you have an incredible October!



October Birthdays

We are wishing a happy birthday to our teammates who are celebrating birthdays in October!

Michael Beckers

Gabe Bitolas

Austin Booker

Clarence Carter, Jr

Clarence Carter, III

Vincent Disanza

Mark Fuller

Barbara Gibson

Ernesto Gonzalez

Thomas Grady

William Jackson

Mitchell James

Luis Ortega

Ryan Rubi

Matthew Tamane

Q3 New Hires

A warm welcome to our new hires who joined IntegrITS in the third quarter of 2023! We are so honored to have you on our team.

Nicholas Cordero

Brisa Darby

Erin Moore

Paul Tate





October Anniversaries

Whether you've been with us for one year or twenty, we don't take it for granted that you are a member of the IntegrITS family. Thank you for your hard work and commitment to your team.

If you see someone from your department on this list, be sure to congratulate them this week!

Steve Browning, 22 years
Gerald Clark, 13 years
Marcus Coney, 13 years
JT Crockford, 13 years
Anthony Daniel, 13 years
Lance Hayden, 6 years
Rodney Tilk, 6 years
Diane Weaver, 6 years
Jep Rosario, 5 years

Floyd Buckley, 4 years
Chester Gorriceta, 4 years
Arturo Hernandez, 4 years
Alex Hobbs, 2 years
Edward O'Rourke, 2 years
Zack Springer, 2 years
Nate Dowd, 1 year
Jose Gutierrez, 1 year





Tip of the Week

This week's tip is for our Halloween enthusiasts! HGTV pulled together a huge list of DIY Halloween decoration ideas and tutorials. Click [here](#) to check it out.



Employee Referral Bonus Program

At the end of each quarter, everyone who refers a prospective employee *who makes it to the interview process* will be entered into a raffle for a \$500 gift card. We will select two winners from this pool of contestants—meaning two people have the chance to win a \$500 gift card each quarter! Furthermore, we will enter all employees who refer a job applicant into another raffle (regardless of the stage they make it to in the hiring process), with the winner receiving a \$250 gift card.

We have a number of job openings across multiple IntegrITS locations ([*IntegrITS Opportunity Central*](#)). Let's work together to find the best candidates for these open positions!



COMING SOON

Join us on the third Thursday of October for another Team Spotlight.

COMMENTS/QUESTIONS

If you have any comments or questions about this week's newsletter, email us at news@integrits.com.

We have also created a website where we are storing the archives of all our newsletters to date: <https://integrits.com/digest-archives/>.

Copyright © 2023 Integritys Corporation, All rights reserved.
You are receiving this email because you are one of our incredible IntegrITS Employees, or you are an extended member of the IntegrITS Family.

Our mailing address is:
Integritys Corporation
5205 Kearny Villa Way Ste 200
San Diego, CA 92123-1420