

SUPPORTING STATEMENT
HOMELAND SECURITY ACQUISITION REGULATION (HSAR)
Various Homeland Security Acquisitions Regulations Forms
(OMB No. 1600-0002)

This justification supports a request for an extension of approval of OMB Control Number 1600-0002 to collect information under the Homeland Security Acquisition Regulation (HSAR), the agency acquisition regulatory supplement to the Federal Acquisition Regulation (FAR).

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

This information collection associated with the forms listed below is necessary in order to implement applicable parts of the HSAR (48 CFR Chapter 30). The four forms under this collection of information request are used by offerors, contractors, and the general public to comply with requirements in contracts awarded by the Department of Homeland Security (DHS) and the information collected is used by contracting officers to ensure compliance with terms and conditions of DHS contracts. The four forms are:

- 1) DHS Form 0700-01, Cumulative Claim and Reconciliation Statement (see (HSAR) 48 CFR 3004.804-507(a)(3);
- 2) DHS Form 0700-02, Contractor's Assignment of Refund, Rebates, Credits and Other Amounts (see (HSAR) 48 CFR 3004.804-570(a)(2);
- 3) DHS Form 0700-03, Contractor's Release (see (HSAR) 48 CFR 3004.804-570(a)(1); and
- 4) DHS Form 0700-04, Employee Claim for Wage Restitution (see (HSAR) 48 CFR 3022.406-9.

These four forms will be used by contractors and/or contract employees during contract administration to collect the following:

- DHS Forms 0700-01, 0700-02 and 0700-03 are used to collect information when applicable and prior to contract closure to determine whether there are excess funds are available for deobligation versus remaining (payable) funds on contracts; assignment or transfer all rights, title, and interest to the Government; and release from liability. The contracting officer obtains the listed DHS Forms 0700-01, 0700-02 and 0700-03 from the contractor for closeout, as applicable.
- DHS Form 0700-04 is used by contractor employees for claims for unpaid wages..

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2. Purpose of Use of the Information Collection

The purpose of use of the information collection is to ensure proper closing of physically complete contracts. The information will be used by DHS contracting officers to ensure compliance with terms and conditions of DHS contracts and to complete reports required by other Federal agencies such as the General Services Administration and the Department of Labor. If this information is not collected, the DHS could inadvertently violate statutory or regulatory requirements and the DHS's

interest concerning inventions and contractor's claims would not be protected.

3. Use of Improved Information Technology and Burden Reduction

The applicable four DHS forms will be available on the DHS Homepage (www.dhs.gov). These forms can be filled in electronically and can be submitted via email or facsimile to the specified Government point of contact. Since the responses must meet specific timeframes, a centralized mailbox or website would not be an expeditious or practical method of submission. The use of email or facsimile is the best solution and is most commonly used in the Government. The information requested by these forms is required by the HSAR. The forms are prescribed for use in the closeout of applicable contracts.

4. Efforts to Identify Duplication and Use of Similar Information

Efforts to avoid duplication of these requirements are accomplished by: (1) monitoring acquisition processes and procedures of the various DHS Components; (2) reviewing proposed and published changes to the FAR; and (3) providing one location for the final review and approval of all proposed acquisition regulations for DHS.

5. Impact on Small Business or Other Small Entities

Information collection may or may not involve small business contractors. The burden applied to small business is the minimum consistent with the goals of ensuring responsiveness to Government requirements. To reduce burden on small business and other small entities, the HSAR is continuously reviewed to determine whether the requirements remain valid.

6. Consequences of Collecting the Information Less Frequently

DHS Form 0700-01, Cumulative Claim and Reconciliation Statement: Less frequent incidence of collecting such information would result in inadequate closeout data. The office administering the contract would not have the necessary information to determine settlement of indirect costs and/or to adequately closeout cost-reimbursement, time-and-materials, and labor-hour contracts. DHS Form 0700-02, Contractor's Assignment of Refunds, Rebates, Credits and Other Amounts. DHS would not be allowed to collect funds to which it may be rightfully entitled. DHS Form 0700-03 Contractor's Release: DHS would not have legal protection from a contractor asserting later claims against a contract. Form DHS 0700-04 Employee Claim for Wage Restitution: Limit ability to withhold or suspend payments on contracts when claims arise from contractor employees claiming restitution under contracts. Overall, DHS's ability to meet requirements imposed by statutes and Federal regulations would be negatively impacted without these forms.

7. Special Circumstances Relating to the Guidelines of 5 CFR 1320.5

There are no special or identifiable circumstances that would cause or require the collection of information in a manner that is inconsistent with these guidelines.

8. Efforts to Consult Outside the Agency

This request for a Reinstatement without Change is being submitted following the Emergency Clearance Process. Upon approval of this request, DHS will follow the normal clearance process and seek public comments. DHS proposes no changes to the information being collected.

9. Explanation of Payments and Gifts to Respondents

There will be no payment or gifts made to respondents.

10. Assurance of Confidentiality Provided to Respondents

There are FAR and HSAR clauses that require protection of rights in data and proprietary information if requested and designated by an offeror or contractor. Additionally, disclosure/non-disclosure of information is handled in accordance with the Freedom of Information Act. There is no assurance of confidentiality provided to the respondents.

11. Justification for Sensitive Questions

There are the necessary assurances for these forms and the collection of private information or confidentiality for the respondents as provided in the FAR, HSAR and agency directives on the safeguarding of proprietary, confidential and sensitive information.

12. Estimates of Annualized Burden Hours and Costs

Annual Estimated Burden: The annual estimated burden is 9,537 hours.

Based on current activity, we expect an estimated 918 respondents.

* Submit forms to provide the data required by various FAR clauses to facilitate contract closeout:

* Submit claim form for nonpayment of wages. Information needed to seek restitution, via the Government Accountability Office (GAO) for contractor employees:

Table A.12: Estimated Annualized Burden Hours and Costs

Type of Respondent	Form Name / Form Number	No. of Respondents	No. of Responses per Respondent	Avg. Burden per Response (in hours)	Total Annual Burden (in hours)	Avg. Hourly Wage Rate	Total Annual Respondent Cost
Contractor	DHS Form 0700-01	918	1	1	918	\$28.25	\$25,933.50
Contractor	DHS Form 0700-02	918	1	1	918	\$28.25	\$25,933.50
Contractor	DHS Form 0700-03	7660	1	1	7660	\$28.25	\$216,395
Contractor	DHS Form 0700-04	41	1	1	41	\$28.25	\$1,158.25
Total		9,537			9,537		\$269,420.25

The asterisk (*) denotes that the requested information is, in the strictest sense of the word, contract administration data. It is not data of a general nature solicited from the public at large. This information is furnished to the Government by contractors who are being paid to meet all the terms and conditions of the contract.

13. Estimates of Other Total Annual Cost Burden to Respondents and Record Keepers

There are no record keeping, capital, start-up or maintenance costs associated with this information collection.

14. Annualized Cost to the Federal Government

There are no annualized costs to the Federal Government for this information collection.

15. Explanation for Program Changes or Adjustments

There has been an increase in the estimated annual burden hours previously reported for this collection. An adjustment in annual burden is necessary at this time in the amount of 902 actions and hours. The initial annual burden was based on a lower number of contract actions which related to the fact that DHS was a new agency with consolidated acquisition procedures, processes, and policies. Although there is an increase in the estimated burdened hours, DHS proposes no changes to the information being collected.

16. Plans for Tabulation and Publication

This information collection will not be published for statistical purposes.

17. Reason(s) Display of OMB Expiration Date is Inappropriate

DHS is not seeking an exception to not display the expiration date.

18. Exceptions to the Certificate of the Paperwork Reduction Act Submissions

DHS does not request an exception to the certification of this information collection.