

**SUPPORTING STATEMENT
HOMELAND SECURITY ACQUISITION REGULATION (HSAR)
OMB CONTROL NO. 1600-0003
POST-AWARD CONTRACT INFORMATION**

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

The Department of Homeland Security (DHS) collects information, when necessary, in administering public contracts for supplies and services. The information is used to determine compliance with contract terms placed in the contract as authorized by the Federal Property and Administrative Services Act (41 U.S.C. 251 et seq.), the Federal Acquisition Regulation (FAR) (48 CFR Chapter 1), and the Homeland Security Acquisition Regulation (HSAR) (48 CFR Chapter 30). There are no forms associated with this collection. Respondents submit information based on the terms of the contract; the instructions in the contract deliverables mandatory reporting requirements; and correspondence from acquisition personnel requesting post-award contract information. DHS estimates an average burden of fourteen (14) hours for the development of each response or report. The least active contracts and the simplest contracts will have little to no data to report. The most active and complex contracts, however, will contain more reporting requirements. DHS believes that some of this information is already readily available as part of a company's business processes and that the largest businesses use computers to compile the data. However, a significant amount of time is spent correlating information to specific contract actions and gathering information for more complex contract actions.

What follows is a list of contract clauses containing post-award information requests. The estimated average response time of fourteen (14) hours is for the submission of information required by the clauses below. The highlighted clauses are most frequently incorporated into contracts and are also the most labor intensive.

- **3052.204-70 Security requirements for unclassified information technology resources.** *(Required for all solicitations and contracts that require submission of an IT Security Plan)* This clause applies to all contractor systems connected to a DHS network and those contracts where the Contractor must have physical or electronic access to sensitive information contained in DHS unclassified systems. The contractor is asked to prepare, provide and maintain an IT Security Plan.
- **3052.204-71 Contractor employee access.** *(Required when contractor employees require recurring access to Government facilities or access to sensitive info)* Contractors may be subject to background investigations and will have to provide information as required by the DHS Security Office. The information requested is in addition to the information requested through Standard Form (SF) 86.
- **3052.205-70 Advertisements, Publicizing Awards, and Releases.** *(Required for all contracts exceeding Simplified Acquisition Threshold)* Contractors may have to

provide copies of information related to advertisements and release statements to receive approval for publication.

- 3052.209-72 Organizational Conflict of Interest. (Included in solicitations and contracts where a potential organizational conflict of interest exists and mitigation may be possible) Contractors will have to provide information related to actual or potential conflicts of interest and a mitigation plan.
- 3052.209-75 Prohibited Financial Interests for Lead System Integrators. (Required in solicitations and contracts for the acquisition of a major system when the acquisition strategy envisions the use of a lead system integrator or when the contractor will be the lead system integrator) Contractors will have to provide information related to changes in financial interests.
- **3052.215-70 Key personnel or facilities.** *(Required in solicitations and contracts when the selection for award is substantially based on the offeror's possession of special capabilities regarding personnel or facilities)* Contractors will have to provide notice of and documentation related to changes in key personnel for evaluation, including, resumes; description of the duties the replacement will assume; description of any change in duties and confirmation that such change will not negatively impact contract performance.
- **3052.219-70 Small Business subcontracting plan reporting.** *(Generally included in solicitations and contracts that offer subcontracting possibilities and are expected to exceed \$700,000)* Contractors must use Electronic Subcontracting Reporting System (eSRS) to submit subcontracting reporting data.
- 3052.223-70 Removal or disposal of hazardous substances – applicable licenses and permits. *(Required in solicitations and contracts involving the removal or disposal of hazardous waste material)* Contractors will have to provide evidence of licenses and permits to perform hazardous substance removal.

The prior information collection request for OMB No. 1600-0003 was approved through August 31, 2015 by OMB.

2. Purpose of Use of the Information Collection

The information requested is used by the Government's contracting officers and other acquisition personnel, including technical and legal staff, for various reasons such as determining the suitability of contractor personnel accessing DHS facilities; to ensure no organizational conflicts of interest exist during the performance of contracts; to ensure the contractor maintains applicable licenses and permits for the removal and disposal of hazardous materials; and to otherwise ensure firms are performing in the Government's best interest. Failure to collect this information would adversely affect the quality of products and services DHS receives from contractors. For example, potentially, contractors who are lead system integrators could acquire direct financial interests in major systems the contractors are contracted to procure, which would compromise the

integrity of acquisitions for the Department. In addition, contractors who own, control or operate a business providing protective guard services could possess felony convictions during the performance of contracts, putting the Department at risk. Furthermore, contractors could change key personnel during the performance of contracts and use less experienced or less qualified personnel to reduce costs, which would adversely affect DHS's fulfillment of its mission requirements.

3. Use of Improved Information Technology and Burden Reduction

Many sources of the requested information use automated word processing systems, databases, spreadsheets, project management and other commercial software to facilitate preparation of material to be submitted. With Government-wide implementation of e-Government initiatives, it is commonplace within many of DHS's Components for submissions to be electronic.

4. Efforts to Identify Duplication and Use of Similar Information

The information collected from the public under this request complements but does not duplicate vendor information available to the Government-wide acquisition community through Integrated Award Environment (IAE) systems including the System for Award Management (SAM). The SAM is the official U.S. Government system that consolidated the capabilities of the Central Contractor Registration (CCR), the Online Representations and Certifications Application (ORCA), the Excluded Parties List System (EPLS) and the Past Performance Information Retrieval System (PPIRS).

DHS Components are encouraged to require only the minimum post-award contract information essential to proper protection of the Government's interests and compliance with regulation, e.g., contractor performance evaluation.

5. Impact on Small Business or Other Small Entities

Information collection may or may not involve small business contractors, depending on the particular transaction. The burden applied to small businesses is the minimum consistent with the objective of ensuring contract compliance and protecting the interest of the Government.

6. Consequences of Collection the Information Less Frequently

Less frequent incidence of collecting such information as resumes indicating the level of contractor expertise, permits and licenses, and inspection reports will negatively affect the quality of products and services DHS receives from contractors. Potentially, contractors could perform on contracts without sufficient experience and expertise and could perform contracts with outdated licenses and negative inspection reports, placing the Department's operations in jeopardy.

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

Not Applicable. There are no special circumstances that would cause an information collection to be conducted in any manner indicated above.

8. Efforts to Consult Outside the Agency

On May 14, 2015, at 80 FR 27695, DHS/OCPO published a 60-Day Notice in the Federal Register allowing for public comment. Comments were due on July 13, 2015 and none were received from the public in response to the notice. On July 30, 2015, at 80 FR 45542, DHS/OCPO published a 30-Day Notice in the Federal Register allowing for public comment.

9. Explanation of Payments and Gifts to Respondents

Not Applicable. There will be no payment or gifts made to respondents.

10. Assurance of Confidentiality Provided to Respondents

Disclosure/non-disclosure of information is handled in accordance with the Freedom of Information Act, other disclosure statutes, and Federal and agency acquisition regulations.

11. Justification for Sensitive Questions

Not Applicable. Questions posed as a means of obtaining contract administration information are of a business rather than a personal or private nature.

12. Estimates of Annualized Burden Hours and Costs

Annual Estimated Burden: The annual estimated burden is 499,170 hours.

Example Table:

Table A: 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		11,885	3	14	499,170	\$67.86	\$33,872,678
Total		11,885					\$33,872,678

- The burden hour estimate is based upon Federal Procurement Data System (FPDS) data related to DHS’s award of definitive contracts; an estimated average of three reports per respondent, and an estimated burden of 14 hours for the development of each response/report.
- The overall estimated 14 hour average is based on the estimated time allotted for preparing and responding to the information requests identified in each clause, keeping in mind that the clauses that take the longest to respond to are also the most frequently requested. The hourly estimate per clause is as follows:

1. 3052.204-70 Security requirements for unclassified information technology resources=14 hours
 2. 3052.204-71 Contractor employee access=14 hours
 3. 3052.205-70 Advertisements, Publicizing Awards, and Releases=4 hours
 4. 3052.209-72 Organizational Conflict of Interest=8 hours
 5. 3052.209-75 Prohibited Financial Interests for Lead System Integrators=4 hours
 6. 3052.215-70 Key personnel or facilities=14 hours
 7. 3052.219-70 Small Business subcontracting plan reporting=12 hours
 8. 3052.223-70 Removal or disposal of hazardous substances – applicable licenses and permits=1 hour
- The average hourly wage rate is based upon the U.S. Department of Labor, Bureau of Labor Statistics' website (www.bls.gov). The wage rate category selected is for Professional and Technical services in 2014. The rate is estimated to be \$67.86 (\$48.47 x 1.4), which includes the wage rate multiplier.

13. Estimates of annualized capital and start-up costs.

Post award, DHS does not require contractors to purchase software to access any specific system. Information submitted requires the use of basic systems such as Microsoft Office suite. For these reasons, DHS believes there will be no costs associated with annualized capital and start-up costs.

14. Annualized Cost to the Federal Government

The annualized cost to the Federal Government for reviewing all materials submitted by respondents post award is outlined in the below table. The collected information is essential to determine compliance with contract terms and to determine whether such firms are otherwise performing in the Government’s best interest. These reviews are conducted by acquisition personnel including contracting officers and technical and legal staff.

Annual Estimated Cost: The annual estimated cost is \$6,638,961.

Example Table:

Table B: Estimated Annualized Hours and Costs to the Federal Government

No. of Respondents	Responses per Respondent Annually	Total Annual Responses	Avg. Burden per Response (in hours)	Total Annual Burden (in hours)	Avg. Hourly Wage Rate	Annual Government Costs
11,885	3	35,655	4	142,620	\$ 46.55	\$6,638,961
Total						\$6,638,961

The annual cost estimate is based upon the total estimated annual responses received; an estimated combined total of 4 hours for contracting officers and technical and legal staff to review each response/report; and the approximate hourly rate for a GS-11, Step 4, federal employee located in the District of Columbia, as provided by OPM.gov for 2014, \$46.55, which includes the wage rate multiplier (33.25 X 1.4).

15. Explanation of Program Changes or Adjustments

The burden estimates provided in response to Item 12 above are based upon definitive contract award data reported by DHS and its Components to the Federal Procurement Data System (FPDS) for Fiscal Year 2014. No program changes occurred, however the burden was adjusted to reflect an increase in the number of respondents within DHS for Fiscal Year 2014.

16. Plans for Tabulation and Publication

There is no planned publication of information for statistical use.

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

The OMB control number and expiration date will be displayed on the information collection.

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

Not applicable. There are no exceptions to the certification statement.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

The collection does not employ statistical methods.