

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

The forms are as follows:

- 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))
- 4) DHS Form 0700-04, Employee Claim for Wage Restitution (see (HSAR) 48 CFR 3022.406-9)

These forms will be prepared by individuals, contractors or contract employees during contract administration. The information collected includes the following:

- DHS Forms 0700-01, 0700-02 and 0700-03: Prepared by individuals, contractors or contract employees prior to contract closure to determine whether there are excess funds that are available for deobligation versus remaining (payable) funds on contracts; assignment or transfer of rights, title, and interest to the Government; and release from liability. The contracting officer obtains the forms from the contractor for closeout, as applicable. Forms 700-01 and 02 are mainly used for calculating costs related to the closeout of cost-reimbursement, time-and-materials, and labor-hour contracts; and, Form 700-03 is mainly used for calculating costs related to the closeout

of cost-reimbursement, time-and-materials, and labor-hour contracts but can be used for all contract types.

- DHS Form 0700-04 is prepared by contractor employees making claims for unpaid wages. Contracting officers must obtain this form from employees seeking restitution under contracts to provide to the Comptroller General. This form is applicable to all contract types, both opened and closed.

2. Purpose of Use of the Information Collection

The purpose of the information collected 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 (DOL). If this information is not collected, DHS could inadvertently violate statutory or regulatory requirements and DHS's interests concerning inventions and contractors' claims would not be protected.

3. Use of Improved Information Technology and Burden Reduction

The four DHS forms are available on the DHS Homepage (https://www.dhs.gov/sites/default/files/publications/CPO_HSAR_1_0.pdf). 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 and during contract administration.

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 businesses 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 (1) determine settlement of indirect costs; and (2)

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.
- DHS Form 0700-04 Employee Claim for Wage Restitution: DOL requires this form be completed by Contractor employees claiming restitution under contracts. If the form is not completed and submitted, payment may not be made to the employee.

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

A 60 Day Federal Register Notice requesting public comments was published at 83 FR 9531 on Tuesday, March 6, 2018. 6 comments unrelated to the collection were submitted.

A 30 Day Federal Register Notice requesting public comments was published at 83 FR 27013 Monday, June 11, 2018. No comments were received.

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 or non-disclosure of information is handled in accordance with the Freedom of Information Act. There is no assurance of confidentiality provided to the respondents.

No PIA is required as the information is collected from DHS personnel (contractors only). Although, the DHS/ALL/PIA-006 General Contacts lists PIA does provided basic coverage. And technically, because this information is not retrieved by personal identifier, no SORN is required. However, DHS/ALL-021 DHS Contractors and Consultants provides coverage for the collection of records on DHS contractors and consultants, to include resume and qualifying employment information.

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

The annualized burden hours and costs to respondents is outlined in the below table. The annual estimated burden is 56,238 hours and the annual estimated cost is \$2,858,015.16.

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	DHS Form 700-01	4836	1	1	4836	\$50.82	\$245,765.52
Contractor	DHS Form 700-02	4836	1	1	4836	\$50.82	\$245,765.52
Contractor	DHS Form 700-03	46528	1	1	46528	\$50.82	\$2,364,552.96
Contractor employees	DHS Form 700-04	38	1	1	38	\$50.82	\$1,931.16
Total					56238		\$2,858,015.16

- The burden hour estimate is based upon:
 - o As confirmed by DHS contracting activities, for all forms, an estimated average of 1 report per respondent, and an estimated average burden per response of 1 hour.
 - o For Forms 700-01 and 02, data reported in Federal Procurement Data System (FPDS) for fiscal year (FY) 2016 related to DHS’s closed out cost-reimbursement, time-and-materials, and labor-hour contracts.
 - o For Forms 700-03, data reported in FPDS related to DHS’s closed out and active cost-reimbursement, time-and-materials, and labor-hour contracts.
 - o For Form 700-04, data reported from DHS’s contracting activities for paid restitution claims for FY 2016.

- The average hourly earnings is based upon the DOL, Bureau of Labor Statistics’ website (www.bls.gov). The wage rate category selected is for [Professional and Technical services in 2016](#). The rate is estimated to be \$50.82 (\$36.30 x 1.4), which includes the wage rate multiplier.

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

The annualized cost to the Federal Government for reviewing all forms submitted by respondents is outlined in the below table. These reviews are conducted by acquisition personnel including contracting officers and technical and legal staff. The annual estimated cost is \$2,682,552.60.

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

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 700-01	4836	1	1	4836	\$47.70	\$230,677.20
Contractor	DHS Form 700-02	4836	1	1	4836	\$47.70	\$230,677.20
Contractor	DHS Form 700-03	46528	1	1	46528	\$47.70	\$2,219,385.60
Contractor employees	DHS Form 700-04	38	1	1	38	\$47.70	\$1,812.60
Total		56238			56238		\$2,682,552.60

The annual cost estimate is based upon the total estimated annual responses received; an estimated combined total of 1 hour for contracting officers and technical and legal staff to review each form; 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 2016, \$47.70, which includes the wage rate multiplier (34.07 X 1.4).

15. Explanation for Program Changes or Adjustments

The burden estimates provided in response to Item 12 above are based upon contracts reported by DHS and its Components to the FPDS for Fiscal Year 2016. No program changes occurred and there were no changes to the information being collected. However, the burden was adjusted to reflect an agency adjustment increase of 46701 in the number of respondents within DHS for Fiscal Year 2016, as well as an increase in the average hourly wage rate.

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.