



Homeland Security

August 2, 2016

MEMORANDUM FOR: Heads of the Contracting Activity

FROM: Soraya Correa
Chief Procurement Officer

A handwritten signature in blue ink, appearing to read "Soraya Correa", written over the printed name and title.

SUBJECT: Homeland Security Acquisition Regulation Class Deviation
(Number 16-01) – Closeout Procedures for Over-Age Low-Risk Contracts

Purpose: This class deviation is issued to authorize DHS contracting activities to deviate from the requirements at the Homeland Security Acquisition Regulation (HSAR) 3004.804-5. See associated Federal Acquisition Regulation Class Deviation (Number 16-05) – Closeout Procedures for Over Age Low Risk Contracts for additional information.

Effective Date: Immediately.

Background: On March 30, 2016, DHS's Chief Procurement Officer and Chief Financial Officer issued a joint memorandum titled "Closeout Procedures for Over-Age Low-Risk Contracts." The procedures outlined in this memorandum were designed to help procurement staff more efficiently close contracts by applying risk-based management principles. The procedures were also designed to help improve upon significant weaknesses in DHS's budgetary accounting as referenced in the 2015 Agency Financial Report.

Deviation: This class deviation authorizes DHS contracting officers to use the procedures outlined in the memorandum regardless of the requirements under HSAR 3004.804-5, including any related forms or documentation requirements under HSAR 3004.804. The documentation required under HSAR 3004.804-5 supporting closeout action is waived.

Applicability: This class deviation applies to all closeout actions where low-risk closeout procedures are appropriate as outlined in the memorandum.

Expiration Date: This class deviation will remain in effect until the memorandum titled "Closeout Procedures for Over-Age Low-Risk Contracts" expires on March 30, 2017, or as extended.

Questions or comments about this class deviation may be directed to Eric Cho of the Office of the Chief Procurement Officer at (202) 447-0271 or eric.cho@hq.dhs.gov.