

MAR 5 2013



**Homeland  
Security**

Dear Industry Partner,

This is to advise the Department of Homeland Security (DHS) contractor community of the DHS plans regarding contract actions that may be necessary in the event contract funding is affected by sequestration decisions.

As you are aware, the Budget Control Act of 2011 requires sequestration of certain DHS funds. At this time, DHS is taking every step to mitigate the effects of these cuts, though it is possible that sequestration may result in a reduction in the funds designated to purchase certain supplies and services as well as reduction in the Government's capacity to administer DHS contracts. Such reductions may result in certain planned procurements being cancelled or reduced in scope and certain existing contracts being reduced in scope, terminated or partially terminated.

Should DHS determine that any of these actions are necessary, the Contracting Officer for each of the affected contracts will provide prompt appropriate notice to the contractor in accordance with the terms and conditions of the affected contract. Notices will contain the direction necessary to comply with the decision made by DHS regarding that contract as a result of sequestration. For planned procurements that will be cancelled or delayed, DHS will update the Acquisition Planning Forecast System to reflect delays and cancellations.

If a contract will not be affected by sequestration, DHS does not plan to provide any separate notifications or communications of that fact. Unless a contractor is provided a formal notification to the contrary, all DHS contractors must continue to comply with all terms, conditions, requirements and deliveries specified in their contract.

Thank you for your continued partnership with DHS, and for your cooperation as we work together to manage these unfortunate circumstances.

Sincerely,

A handwritten signature in black ink, appearing to read "Nick Nayak".

Nick Nayak  
Chief Procurement Officer