## **Supporting Statement**

## A. Justification

- 1. This is a request for extension of OMB Control Number 0704-0286 that expires on 09/30/2007. The clearance covers Defense FAR Supplement (DFARS) Subpart 205.4, Release of Information, and a related clause at DFARS 252.205-7000, Provision of Information to Cooperative Agreement Holders. This information collection requirement pertains to contractor information provided to Cooperative Agreement Holders, in accordance with 10 U.S.C. 2416. We have updated the estimates for the number of respondents to reflect fiscal year 2006 data, the most current data available from the DD 350 database. In addition, since the threshold for this information release was increased from \$500,000 to \$1,000,000 in 2005 (revised by Section 816 of the National Defense Authorization Act for 2005, Pub. L. 108-375), the number of contractors to which the provision applies has decreased. The estimated number of discrete contractors awarded a contract for over \$1,000,000 was 6,588 for fiscal year 2006. As a result of using this updated data, the estimated public burden has decreased by 1,506 hours and the estimated annual cost has decreased by \$21,278 from the 2003 estimate.
- 2. This information collection requirement pertains to contractor information provided to cooperative agreement holders. DFARS 205.4 and 252.204-7000 require that defense prime contractors awarded contracts over \$1,000,000 provide to cooperative agreement holders, upon their request, a list of those appropriate employees or offices responsible for entering into subcontracts under defense contracts. The list must include the business address, telephone number, and area of responsibility of each employee or office. The contractor need not provide the list to a particular cooperative agreement holder more frequently than once a year. The cooperative agreement holders further disseminate the information to other firms within a geographic area defined in the individual cooperative agreements. The purpose of the cooperative agreements is for the agreement holders to provide procurement technical assistance to business entities within a specified geographic area. The list of points of contact regarding subcontracts under defense contracts that is provided to small entities by the cooperative agreement holders enables the small entities to more easily obtain subcontracts from defense contractors. This guidance implements 10 U.S.C. 2416.
- 3. Improved information technology is used to the maximum extent practicable. Where the DoD, the prime contractor, and the cooperative agreement holder are capable of electronic interchange, this information collection requirement may be accomplished electronically. This may reduce some of the burden, as it will make it easier for the cooperative agreement holders to compile lists of points of contact at defense prime contractors using a database program and perform periodic updates of the lists.

- 4. As a matter of policy, DoD reviews the Federal Acquisition Regulation (FAR) to determine whether adequate language already exists. The language in DFARS Subpart 205.4 and 252.205-7000 applies solely to DoD and is not duplicative of language in the FAR. Similar information is not otherwise available to DLA or to cooperative agreement holders.
- 5. The collections associated with small businesses are the minimum consistent with 10 U.S.C. 2416(a).
- 6. DoD specialists who are most knowledgeable of the requirements and the need for the information reviewed the information collection frequency. Every attempt has been made to keep the frequency of collection to a minimum, yet comply with the requirements of 10 U.S.C. 2416. Collecting this information less frequently than once a year from prime contractors that receive an award over \$1,000,000 would not comply with the requirement in 10 U.S.C. 2416(a) to provide the information to the cooperative agreement holders "in any year."
- 7. We will not collect information in a manner that requires an explanation of special circumstances.
- 8. We solicited public comments in the <u>Federal Register</u> on 5/22/2007 (copy attached), as required by 5 CFR 1320.8(d). We did not receive any comments in response to publication in the <u>Federal Register</u>.
- 9. We will not provide a payment or gift to respondents to this information collection requirement.
- 10. We will disclose the information collected only to the extent consistent with prudent business practices, current regulations, and in accordance with the requirements of the Freedom of Information Act. DoD does not provide an assurance of confidentiality to respondents.
- 11. No sensitive questions are involved.
- 12. Estimated Cost. The estimated costs were based on information generated from the DD 350 database system using fiscal year 2006 data and estimates of processing times from contracting professionals familiar with cooperative agreements. According to those specialists, there were 93 cooperative agreements administered by DLA last year. The DD 350 system indicates there were 6,588 contractors awarded contracts exceeding \$1,000,000 in fiscal year 2006. Estimating that 90 percent of the awardees had previously been awarded contracts over \$1,000,000, only 659 contractors would need to make initial information submissions. We estimate that this would take 2 hours to prepare the submissions and transmit them to the Government. The other 5,929

contractors only must provide updates of information previously developed and provided. We estimate that this would take 1 hour per contractor per year. Since the fiscal year 2006 data shows a decrease in the number of respondents (due to the rise in threshold), this results in an overall decrease in the estimate of annual public burden. We have estimated the public burden as follows--

Public burden	
Number of responses (original)	659
Avg. hours per response	<u>x 2</u>
Estimated Hours (original)	1,318
Number of responses (update)	5,929
Avg. hours per response	<u>x 1</u>
Estimated Hours (update)	5,929
Total Hours	7,247
Cost per hour <sup>1</sup>	x \$28.02
Total annual public burden	\$203,061

- 13. We do not estimate any annual cost burdens other than the burdens we describe in items 12 and 14.
- 14. Since DFARS 252.204-7000 requires that prime contractors submit the requested information directly to the cooperative agreement holders, the Government does not review or participate in any manner in the transaction. Thus, there is no Government burden associated with this requirement.
- 15. We used fiscal year 2006 historical data to update the fiscal year 2003 data used in our previous submission to compute public burden. This resulted in a total estimated burden of 7,247 hours, a decrease of 1,506 hours from our previous estimate. This primarily reflects a program change in the application of the information release requirement to contractors with contracts exceeding \$1,000,000 in lieu of the previous threshold of \$500,000. The total annual cost to the public has decreased by \$21,278. The total estimated hours reflect the use of electronic processes, such as e-mail and electronic databases. The decrease in the estimated number of respondents produced the decrease in the overall estimated public burden.
- 16. We will not publish the results of this information collection.

<sup>&</sup>lt;sup>1</sup> Based on 2007 GS-9, step 5 salary of \$21.09 per hour, plus 32.85 percent burden.

- 17. We do not seek approval not to display the expiration date for OMB approval of the information collection.
- 18. There are not exceptions to the certification accompanying this Paperwork Reduction Act submission. We will provide the information to respondents required by 50 CFR 1320.8(b)(3) in a separate <u>Federal Register</u> notice announcing the OMB approval of this collection of information.
- B. Collections of Information Employing Statistical Methods.

We will not tabulate results or employ statistical methods.