

**SUPPORTING STATEMENT
FOR PAPERWORK REDUCTION ACT SUBMISSION
9000-00XX, Online Procurement Services — Industry Outreach Feedback Survey/Online
Procurement Services – Reverse Auction Service Providers Outreach Feedback Survey**

A. Justification.

- 1. Administrative requirements.** The National Defense Authorization Act for Fiscal Year 2006 Conference Report for H.R. 1815 (see page 4) directed the Office of Management and Budget (OMB), specifically the Administrator for Federal Procurement Policy, in consultation with the Federal Acquisition Regulatory Council to review the use of online procurement services, such as reverse auction services, and identify: (1) types of commercial item procurements that are suitable for the use of such services; and (2) features that should be provided by online procurement services that are used by federal agencies. To conduct this review, a survey will be issued to the Government and industry buying activities and to reverse auction service providers.
- 2. Uses of information.** The information collected through the surveys will be used to determine how the Government buying activities can most effectively use reverse auctions as a tool to support Government requiring activities and ensure that the U.S. taxpayer is best served. To view the two draft surveys entitled, Online Procurement Services—Government and Industry Outreach Feedback and Online Procurement Services—Reverse Auction Service Providers Outreach Feedback, visit www.acquisition.gov: Title: Online Procurement Services—Government and Industry Outreach Feedback; and Online Procurement Services—Reverse Auction Service Providers Outreach Feedback.
- 3. Consideration of information technology.** Improved information technology is used to the maximum extent practicable. Where both the Government agency and contractors are capable of electronic interchange, the contractors may submit this information collection requirement electronically.
- 4. Efforts to identify duplication.** The National Defense Authorization Act for Fiscal Year 2006 Conference Report for H.R. 1815 directed the Office of Management and Budget (OMB), specifically the Administrator for Federal Procurement Policy, in consultation with the Federal Acquisition Regulatory Council to review the use of online procurement services. GSA issued this requirement on behalf of OMB and OMB does not expect this review to duplicate, overlap or conflict with other government activities.
- 5. If the collection of information impacts small businesses or other entities, describe methods used to minimize burden.** The information collected is not expected to significantly burden small businesses. The burden applied to small businesses is the minimum consistent with applicable laws, Executive Orders, regulations, and prudent business practices and will be applied to large and small businesses that participate in responding to the survey. This information collection is not expected to have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601, *et seq.*, because the impact will be minimal.
- 6. Describe consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently.** The purpose of these two one-time surveys is to

determine how Government buying activities can most effectively use reverse auctions as a tool to support Government requiring activities and to ensure U.S. taxpayer dollars are best served. If this information is not collected, OMB will not be able to make a determination as to whether or not reverse auction tools will improve the acquisition process on many fronts – price, delivery time, competition, etc.

7. Special circumstances for collection. This information collection is consistent with guidelines in 5 CFR 1320.6.

8. Efforts to consult with persons outside the agency. Under the procedures established for development of the FAR, agency and public comments will be solicited and each comment addressed before the final notice is published. A 30 day and 60 day notice will be published in the Federal Register with a request for public comments.

9. Explanation of any decision to provide any payment or gift to respondents, other than ree-numeration of contractors or guarantees. Not applicable.

10. Describe assurance of confidentiality provided to respondents. This information is disclosed only to the extent consistent with prudent business practices, current regulations, and in accordance with the requirements of the Freedom of Information Act. No assurance of confidentiality is provided to respondents.

11. Additional justification for questions of a sensitive nature. Not applicable.

12 & 13. Estimated total annual public hour and cost burden.

This is not an annual survey. These two surveys will only be issued one time. Two respondent groups are identified and will receive similar surveys on Online Procurement Services: Government and industry buying activities; and reverse auction service providers. However, for the purposes of this collection we are only counting the industry buying activities and reverse auction service providers. The number of responses per respondent is one for each of the two surveys. Each respondent will only be required to complete one survey once. The estimated Number of Respondents: approximately 580 - 1000.

Annual Reporting Burden

The estimated number of industry respondents to the Government and Industry Buying Activities Survey (550) and to the Reverse Auction Survey (30) 580
 580
 Estimated Number of Responses per Respondent: x
1
 Total annual response
 580

Estimated hrs/per response:(30 minutes) x
0.50
 Estimated Total Burden/Hours:
 290

Cost per hour X
45.00

Total cost to the public
\$13,050

The salary above is based on the approximate salary of a GS 15, Step 1 (\$45.00) for the 2007 calendar year.

Estimated average time for industry to respond to Government and Industry Buying Activity Survey (15 minutes) 0.25 based on a pre-test of the draft instrument by Government employees. The data collection instrument for the Reverse Auction Service Providers Survey was pre-tested on a support contractor, a related business sector. The Reverse Auction Service Providers Survey instrument is similar to the Government and Industry Buying Activity Survey; therefore, the pre-test results for the Government and Industry Buying Activity Survey are used to estimate average response time for the Reverse Auction Service Providers Survey, which is 15 minutes (0.25 hours).

14. Estimated cost to the Government. Time required for Governmentwide review is estimated at 45 minutes per response. This estimate is based on receiving, reviewing and analyzing the information submitted by the contractor. The following salary is based on the approximate salary of a GS 14, Step 7 or 15, Step 1 (\$45.00) in the 2007 calendar year.

Annual Reviewing Burden and Cost

Total annual responses.....	580
Review time per response/hr.....	x <u>.45</u>
Total burden hours.....	261
Cost per hour.....	x <u>\$45.00</u>
Total cost to the Government	\$11,745.00

15. Explain reasons for program changes or adjustments reported in Item 13 or 14. Not applicable. This is a new one-time information collection request.

16. Outline plans for published results of information collections. OMB does not anticipate tabulating or publishing the results of the surveys but will use them to make a determination about the Government's use of auction tools.

17. Approval not to display expiration date. Not applicable.

18. Explanation of exception to certification statement. Not applicable.

B. Collections of Information Employing Statistical Methods. Statistical methods are not used in this information collection.

***** **163.**
H.R.1815: To authorize appropriations for fiscal year 2006 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year.
Sponsor: [Rep Hunter, Duncan](#) [CA-52] (by request) (introduced 4/26/2005) [Cosponsors](#) (1)
Committees: House Armed Services; Senate Armed Services
House Reports: [109-89](#); **Latest Conference Report:** [109-360](#) (in Congressional Record [H12739-13175](#))
Latest Major Action: Became Public Law No: 109-163 [**GPO:** [Text](#), [PDF](#)]
Note: Division A - Department of Defense. Division B - Military construction. Division C - Department of Energy defense activity.

24-864

2005
109TH CONGRESS 1ST SESSION
HOUSE OF REPRESENTATIVES
Report

109-360

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2006

CONFERENCE REPORT

TO ACCOMPANY

H.R. 1815

.....
The Senate amendment contained no similar provision.

The House recedes.

The conferees note that online procurement services, such as reverse auction services, are appropriate for the acquisition of some types of commercial items, but may not be suitable for others. For example, items that call for technical solutions, require modification, or will be acquired on a basis other than low-cost are unlikely to be suited to acquisition through reverse auction methods. There may be cases in which the use of commercially available online procurement services could limit access to federal agency contracts.

The conferees direct the Administrator for Federal Procurement Policy, in consultation with the Federal Acquisition Regulatory Council established pursuant to section 25 of the Office of

Federal Procurement Policy Act (41 U.S.C. 421), to review the use of online procurement services, such as reverse auction services, and identify: (1) types of commercial item procurements that are suitable for the use of such services; and (2) features that should be provided by online procurement services that are used by federal agencies.