

Supporting Statement for Department of Veterans Affairs (VA)
Acquisition Regulation (VAAR) Construction Provisions and Clauses,
OMB No. 2900-0422

A. Justification

1. This Paperwork Reduction Act (PRA) submission requests the extension of Office of Management and Budget (OMB) approval No. 2900-0422 for the Department of Veterans Affairs Acquisition Regulations (VAAR), as follows:

Clause 852.236-72, Performance of Work by the Contractor

Clause 852.236-80, Work Coordination

Clause 852.236-82, Payments Under Fixed-Price Construction Contracts (without NAS), including Supplement I (which will be renamed as "Alternate I")

Clause 852.236-83, Payments Under Fixed-Price Construction Contracts (with NAS), including Supplement I (which will be renamed as "Alternate I")

Clause 852.236-84, Schedule of Work Progress

Clause 852.236-88, Contract Changes

The information is necessary in order for the Department of Veterans Affairs to administer construction contracts and to carry out its responsibility to construct, maintain, and repair real property for the Department.

2.

a. VAAR clause 852.236-72, Performance of Work by the Contractor, requires contractors awarded a construction contract containing Federal Acquisition Regulation (FAR) clause 52.236-1, Performance of Work by the Contractor, to submit a statement designating the branch or branches of contract work to be performed by the contractor's own forces. The FAR clause requires the contractor to perform a minimum percentage of the work under the contract with its own forces. This VAAR clause implements this FAR clause by requiring the contractor to provide information to the contracting officer on just how the contractor intends to fulfill this contractual obligation. The information is used by the contracting officer to ensure that the contractor complies with the contract requirements.

b. VAAR clause 852.236-80, Work Coordination requires construction contractors, on contracts involving complex mechanical-electrical work, to furnish coordination drawings showing the manner in which utility lines will fit into available space and relate to each other and to the existing building elements. The intent of this information is to promote carefully planned work sequencing and proper trade coordination on construction contracts, to assure expeditious

2.

Various VAAR Construction Contract Clauses

solutions to problems, and to avoid or minimize additional costs to the contractor and the Government. The information is used by the contracting officer and the VA engineer assigned to the project to resolve any problems relating to the installation of utilities on construction contracts.

c. VAAR clause 852.236-82, Payments Under Fixed-Price Construction Contracts (without NAS), requires construction contractors to submit a schedule of costs for work to be performed under the contract. In addition, if the contract includes guarantee period services, Supplement I (which will be renamed as "Alternate I") requires the contractor to submit information on the total and itemized costs of the guarantee period services and to submit a performance plan/program. The information is needed to allow the contracting officer to determine the correct amount to pay the contractor as work progresses and to properly proportion the amount paid for guarantee period services. The information is used by the contracting officer to determine the correct amount to pay the contractor.

d. VAAR clause 852.236-83, Payments Under Fixed-Price Construction Contracts (with NAS), requires construction contractors to submit a schedule of costs for work to be performed under the contract. In addition, if the contract includes guarantee period services, Supplement I (which will be renamed as "Alternate I") requires the contractor to submit information on the total and itemized costs of the guarantee period services and to submit a performance plan/program. The information is needed to allow the contracting officer to determine the correct amount to pay the contractor as work progresses and to properly proportion the amount paid for guarantee period services. The contracting officer uses the information to determine the correct amount to pay the contractor. The difference between this clause and the one above, 852.236-82, is that this clause requires the contractor to use a computerized Network Analysis System (NAS) to prepare the cost estimate.

e. VAAR clause 852.236-84, Schedule of Work Progress, requires construction contractors, on contracts that do not require the use of a NAS, to submit a progress schedule. The information is used by the contracting officer to track the contractor's progress under the contract and to determine whether or not the contractor is making satisfactory progress.

3.

Various VAAR Construction Contract Clauses

f. VAAR clause 852.236-88, Contract Changes, supplements FAR clause 52.243-4, Changes. FAR clause 52.243-4 authorizes the contracting officer to order changes to a construction contract but does not specifically require the contractor to submit cost proposals for those changes. Although FAR clause 52.243-4 does not require contractors to submit any information, OMB control number 2900-0026 has been assigned to the FAR clause. However, it is not clear whether or not that FAR OMB control number covers the information required to be submitted by contractors under VAAR clause 852.236-88. In case it doesn't, that information collection has been included in this request for approval. VAAR clause 852.236-88 requires contractors to submit cost proposals for changes ordered by the contracting officer or for changes proposed by the contractor. This information is needed to allow the contracting officer and the contractor to reach a mutually acceptable agreement on how much to pay the contractor for the proposed changes to the contract. It is also used by the contracting officer to determine whether or not to authorize the proposed changes or whether or not additional or alternate changes are needed.

3. Except for clause 852.236-83, collection efforts do not involve the use of automation. The information required is specific and unique to each contract or situation and cannot be collected through the use of automation. For clause 852.236-83, the information to be submitted is generated through the use of a computerized NAS.

4. There are no duplicated efforts. Each reporting situation is unique and the data that must be submitted is unique to the specific construction contract involved.

5. There is no significant impact on small businesses.

6.

a. Failure to collect the information required by clause 852.236-72, Performance of Work by the Contractor, would result in the inability of the VA contracting officer to properly administer the contract and to enforce the requirements of FAR clause 52.236-1, Performance of Work by the Contractor. This FAR clause requires the contractor to perform at least a certain percentage of the contract with its own forces. The contracting officer must gather from the contractor information on what portions of the work the contractor proposes to perform with its own forces in order to properly administer the contract and to ensure that the contractor meets the requirements of this FAR clause.

4.

Various VAAR Construction Contract Clauses

b. Failure to collect the information required by clause 852.236-80, Work Coordination would result in construction contract delays and excess costs to the contractor and possibly to the Government. This clause requires the contractor to prepare and submit to the contracting officer a set of drawings showing how utility lines will fit into existing space, how the utility lines will relate to each other, and how the utility lines will be installed. If this necessary planning is not completed prior to commencement of construction, the utility lines may not fit into existing space or may interfere with each other or with existing building elements. This could cause delays to the project and could result in excess costs to the contractor and/or the Government.

c. Failure to collect the information required by clause 852.236-82, Payments Under Fixed-Price Construction Contracts (without NAS), including Supplement I (which will be renamed as "Alternate I"), would result in the inability of the contracting officer to determine how much to pay a contractor as work progresses on the contract or how much to pay a contractor for guarantee period services. This clause requires the contractor to submit a schedule of costs for work to be performed under the contract and, if the contract includes guarantee period services, to submit information on the total and itemized costs of the guarantee period services and to submit a performance plan/program. Without this information, the contracting office would be unable to properly allocate payments for work performed and would be unable to properly administer the contract.

d. Failure to collect the information required by clause 852.236-83, Payments Under Fixed-Price Construction Contracts (with NAS), including Supplement I (which will be renamed as "Alternate I"), would result in the inability of the contracting officer to determine how much to pay a contractor as work progresses on the contract or how much to pay a contractor for guarantee period services. This clause requires the contractor to submit a schedule of costs for work to be performed under the contract and, if the contract includes guarantee period services, to submit information on the total and itemized costs of the guarantee period services and to submit a performance plan/program. Without this information, the contracting office would be unable to properly allocate payments for work performed and would be unable to properly administer the contract. The difference between this clause and the one above, 852.236-82, is that this clause requires the contractor to use a computerized NAS to prepare the cost estimate.

5.

Various VAAR Construction Contract Clauses

e. Failure to collect the information required by clause 852.236-84, Schedule of Work Progress, would result in an inability of the contracting officer to properly administer the construction contract. This clause requires the contractor to submit a progress schedule. Without a schedule, the contracting officer would be unable to judge whether or not the contractor is properly pursuing completion of the work under the contract and is making satisfactory progress.

Failure to collect the information required by clause 852.236-88, Contract Changes, would result in an inability of the Government to properly authorize changes to a construction contract. This clause requires contractors to submit cost proposals for changes to a construction contract that either the Government requests or that the contractor proposes. Without cost data, the contracting officer would be unable to properly authorize contract changes or pay the contractor for those changes. Failure to collect this information would result in the contracting officer making all determinations as to cost, which, in turn, would result in extensive disputes and appeals by the contractor.

7.

a. For all clauses, the information is needed following the award of each contract or for each unique situation (e.g., for each proposed contract change) rather than quarterly. The information is only required once for each contract or situation (e.g., each proposed contract change).

b. Except of clause 852.236-81, either no time has been set for the submission of the data or at least 30 days have been allowed for the submission of data. Clause 852.236-81, Work Coordination, requires that the contractor submit the data no later than 20 days prior to the scheduled start of work on the contract. This may be, and most likely will be, significantly longer than 30 days after award of the contract (award of the contract serves as notice to the contractor that the information is required). The sooner the contractor can submit the data, the sooner the contractor can proceed with performance. It is in the best interest of both the contractor and the Government to expedite the submission of the data.

c. Except for clause 852.236-81, no more than an original and two copies of any document are required. Clause 852.236-81, Work Coordination, requires the contractor to submit six copies of the coordination drawings. This is required because drawings and blue prints are very large and usually cannot be easily copied. VA needs multiple sets of drawings in order to coordinate work involving multiple trades and often multiple job sites.

6.

Various VAAR Construction Contract Clauses

d. N/A. There are no records retention requirements on the part of the contractor, other than the normal Government contract retention requirements.

e. N/A. For all clauses, the information collections are not statistical surveys.

f. N/A. For all clauses, the information collections do not require the use of statistical data classification.

g. N/A. The information collections do not include a pledge of confidentiality.

h. N/A for clauses 852.236-81 and 852.236-84. For all clauses, the information collections do not require the submission of proprietary information. However, for all clauses other than 852.236-81 and 852.236-84, the information would be protected under the Freedom of Information Act and would not be released without first giving the contractor the right to object to its release.

8. Notice regarding use of this clause in all applicable solicitations was published in the Federal Register (72FR234) on December 6, 2007. There were no comments received.

9. N/A. No payments or gifts will be provided.

10. N/A. No assurances of confidentiality will be provided to respondents.

11. N/A. The request for information does not include any questions of a sensitive nature.

12.

a. Clause 852.236-72, Performance of Work by the Contractor

(1) Estimated number of respondents: 60. This is based on the fact that this clause is used only in contracts of \$1 million or more that are not set aside for small business or 8(a) awards.

(2) Estimated frequency of responses: 1. One response for each awarded contract.

(3) Estimated average burden per collection: 1 hour.

(4) Estimated total annual reporting burden: 60 hours.

7.

Various VAAR Construction Contract Clauses

(5) Estimated annualized cost: \$1,800 (60 hours at \$30.00 per hour, estimated salary rate, including benefits, based on the likelihood that an individual at a level similar to the average GS-11 VA contracting officer would provide this information).

b. Clause 852.236-80, Work Coordination

(1) Estimated number of respondents: 92. This is based on the fact that this clause is used only on contracts that involve complex mechanical-electrical work. In our opinion, this clause would most likely be used in contracts in excess of \$1 million, but certainly not all such contracts. However, for simplicity sake, we have included all such contracts in this count.

(2) Estimated frequency of responses: 1. One response for each awarded contract.

(3) Estimated average burden per collection: 10 hours.

(4) Estimated total annual reporting burden: 920 hours.

(5) Estimated annualized cost: \$ 41,400 (920 hours at \$45.00 per hour. The cost here is higher as it may involve more skills in producing the required drawings. Salary estimate, including benefits, is based on the likelihood that an individual at a technical/engineer level, similar to a GS-13, Step 5, would provide this information.)

c. Clause 852.236-82, Payments Under Fixed-Price Construction Contracts (without NAS), including Supplement I (which will be renamed as "Alternate I")

(1) Estimated number of respondents: 1,219. This is based on the fact that this clause is to be used in all construction contracts that do not include a requirement for the contractor to use a Network Analysis System (NAS). NAS would not be used in contracts of less than \$1 million, so this count is based on the number of contracts awarded in FY 2000 of less than \$1 million. Either clause 852.236-82 or clause 852.236-83 is included in all construction contracts, but not both.

(2) Estimated frequency of responses: 1. One response for each awarded contract.

8.

Various VAAR Construction Contract Clauses

(3) Estimated average burden per collection: 1 hour. This is a weighted average. For higher dollar value contracts (610 in FY 2000), it would take more time, for lower dollar value (609 in FY 2000), it would take very little time to prepare and submit the data. For many of those lower dollar value contracts, the contracting officer may not even require submission of the data, since there would be only one or two payments.

(4) Estimated total annual reporting burden: 1,219 hours.

(5) Estimated annualized cost: \$36,570 (1,219 hours at \$30.00 per hour, estimated salary rate, including benefits, based on the likelihood that an individual at a level similar to a GS-11, Step 5, VA contracting officer would provide this information).

d. Clause 852.236-83, Payments Under Fixed-Price Construction Contracts (with NAS), including Supplement I (which will be renamed as "Alternate I")

(1) Estimated number of respondents: 92. This is based on the fact that this clause would be used only in contracts that require the contractor to use a NAS, which would most likely in some, but not all, contracts over \$1 million. For simplicity sake, we counted all contracts over \$1 million awarded in FY 2000 in this total.

(2) Estimated frequency of responses: 1. One response for each awarded contract.

(3) Estimated average burden per collection: .5 hour. Contracts using NAS have all data computerized and the time needed to prepare and submit this report is greatly reduced.

(4) Estimated total annual reporting burden: 46 hours.

(5) Estimated annualized cost: \$1,380 (46 hours at \$30.00 per hour, estimated salary rate, including benefits, based on the likelihood that an individual at a level similar to a GS-11 VA contracting officer would provide this information).

9.

Various VAAR Construction Contract Clauses

e. Clause 852.236-84, Schedule of Work Progress

(1) Estimated number of respondents: 1,219. This is based on the fact that this clause is included in all construction contracts that do not include a requirement for the contractor to use a NAS. For simplicity sake, we included in the count all contracts valued below \$1 million awarded in FY 2000.

(2) Estimated frequency of responses: 1.5. One response for each awarded contract (1) and one response each time the contract completion date is extended by 15 days or more (estimated to be once for every other contract or .5).

(3) Estimated average burden per collection: 1 hour.

(4) Estimated total annual reporting burden: 1,828.5 hours (1,219 X 1.5 X 1).

(5) Estimated annualized cost: \$54,855 (1,828.5 hours at \$30.00 per hour, estimated salary rate, including benefits, based on the likelihood that an individual at a level similar to a GS-11 VA contracting officer would provide this information).

f. Clause 852.236-88, Contract Changes

(1) Estimated number of respondents: 243. The figure is based on the fact that 143 contract changes valued over \$25,000 each were recorded in the Federal Procurement Data System (FPDS) in FY 2000, 24 of which were valued at over \$100,000. In addition, we estimate that there were 100 changes valued below \$25,000.

(2) Estimated frequency of responses: 243. One response for each proposed contract modification or change.

(3) Estimated average burden per collection: 3 hours. This is a weighted estimate. The higher the dollar value of the change, the more time it takes to prepare the cost estimate. There were 143 contract modifications over \$25,000 reported in FPDS in FY 2000, but only 24 of those modifications exceeded \$100,000.

(4) Estimated total annual reporting burden: 729 hours.

10.

Various VAAR Construction Contract Clauses

(5) Estimated annualized cost: \$32,805 (729 hours at \$45.00 per hour. The cost here is higher as it may require more management involvement in gathering the data. Salary estimate, including benefits, is based on the likelihood that an individual at a management level, similar to a GS-13, would oversee the generation of this information.)

g. Grand Total, for All Respondents on All Clauses:

(1) Estimated number of respondents: 1,311. There were 1,311 construction contracts awarded in FY 2000, so this is the maximum number of respondents. Some of those respondents may have had to respond to more than one clause, depending on the size of their contract.

(2) Estimated frequency of responses: 2.2. Not every contract contains every clause. There were 1,311 contracts awarded in FY 2000 and a total of 2,925 responses shown above, or an average of 2.2 responses per contract.

(2)(a) Total Annual Responses, All Respondents: 3,543 (sum total of all responses for all clauses)

(3) Estimated average burden per collection: 1.67 hours. This is a weighted average for all clauses.

(4) Estimated total annual reporting burden: 4,802 hours (sum total of all burdens for all clauses).

(5) Estimated annualized cost: \$168,810 (sum total of all costs for all clauses).

13.

a. N/A. There are no capital costs or operating or maintenance costs.

b. N/A. Costs are not expected to vary widely.

c. N/A. There are no equipment costs.

11.

Various VAAR Construction Contract Clauses

14. Estimated annualized cost to the Government:

a. Clause 852.236-72, Performance of Work by the Contractor: \$900 (30 hours at \$30.00 per hour, based on the salary, including benefits, of the average GS-11 VA contracting officer).

b. Clause 852.236-80, Work Coordination: \$ 1,380 (46 hours at \$30.00 per hour, based on the salary, including benefits, of the average GS-11 VA contracting officer).

c. Clause 852.236-82, Payments Under Fixed-Price Construction Contracts (without NAS), including Supplement I (which will be renamed as "Alternate I"): \$36,570 (1,219 hours at \$30.00 per hour, based on the salary, including benefits, of the average GS-11 VA contracting officer).

d. Clause 852.236-83, Payments Under Fixed-Price Construction Contracts (with NAS), including Supplement I (which will be renamed as "Alternate I"): \$1,380 (46 hours at \$30.00 per hour).

e. Clause 852.236-84, Schedule of Work Progress: \$54,840 (1,828 hours at \$30.00 per hour, based on the salary, including benefits, of the average GS-11 VA contracting officer).

f. Clause 852.236-88, Contract Changes: \$21,870 (729 hours at \$30.00 per hour, based on the salary, including benefits, of the average GS-11 VA contracting officer).

g. Grand Total, Cost to the Government, All Clauses: \$116,940 (sum total of all clause costs).

15. N/A. There are no program changes.

16. N/A. The results will not be published.

17. This request seeks approval to not display the expiration date for OMB approval. This is an on-going requirement. VA has a continuing need for this information in order to properly administer construction contracts awarded by the Department. VA expects to continue use of these clauses indefinitely and an expiration date would only tend to confuse the public.

12.

Various VAAR Construction Contract Clauses

18. N/A. This submission does not contain any exceptions to the certification statements.

B. Collection of Information Employing Statistical Methods: N/A. Item 17 of Form OMB 83-I is not checked yes. Statistical methods will not be employed.