## U.S. Department of Agriculture Farm Service Agency Kansas City Commodity Office Long Term Contracting System (LTCS) OMB No. 0560-0249

The Farm Service Agency (FSA), Kansas City Commodity Office (KCCO) is requesting a 3year renewal for the Long Term Contracting System (LTCS), a web-based application that streamlines the bid entry and evaluation functions for Long-term, Indefinite-Delivery, Indefinite-Quantity (IDIQ) contracts. FSA/KCCO is requesting a clearance for information collections necessary for the procurement of agricultural commodities for domestic feeding programs.

## **Background:**

The automated process of the Long Term Contracting System (LTCS) has reduced the chance for misawards and significantly reduced recordkeeping errors associated with the former manual process of tracking contract data. The LTCS automatically ties together monthly allocation contracts with the applicable long-term contract, and since LTCS will access realtime data, users will always be able to access up-to-the-minute contract award information.

## 1. Circumstances making collection of information necessary:

The Domestic Procurement Division (DPD) issues invitations to purchase commodities for domestic feeding programs. DPD uses the following Sections of Public Law to meet their program needs:

Section 416 of the Agricultural Act of 1949, as amended (Section 416), Section 32 of the Act of August 24, 1935, as amended (Section 32), Section 6 (a) and (e), 13, and 17 of the National School Lunch Act, as amended, Section 3A of the Commodity Distribution Reform Act and WIC Amendments of 1987, Section 311 (a) of the Older Americans Act of 1965, as amended, Section 4 (a)(2) of the Agriculture and Consumer Protection Act of 1973, as amended, Section 17 of the Child Nutrition Act of 1966, as amended; The Emergency Food Assistance Act of 1983, as amended.

Commodity vendors respond to invitations by making offers electronically through the LTCS via the internet. Offers are received, evaluated, and awarded within LTCS.

## 2. How, by whom, and for what purpose is information used:

KCCO will generally issue invitations on an annual, semi-annual, monthly, or quarterly basis; however, invitations may be issued more frequently, depending on various program requirements. Through LTCS, vendors will complete and submit their competitive bids for agricultural commodities to be purchased by KCCO to meet domestic program needs. Interested vendors will submit a price per destination state for each product, along with

their available capacities per delivery period/month, and their answers to specific certification questions. The information collected is processed through the LTCS bid evaluation program to determine optimal awards. KCCO analyzes the results of the bid evaluation and awards contracts to the responsible and responsive bidders whose offers are most advantageous to USDA in terms of the lowest overall cost. It is necessary to collect the information in order to evaluate bids impartially.

## 3. Use of information technology:

Most of the DPD invitations are available on the FSA Commodity Operations website. Vendors bidding on long-term invitations complete and submit their offers on-line through LTCS, which records the system date/time that the offer was submitted and ensures that the data remains secured within the system until bid opening time. Vendors can access LTCS on-line prior to bid opening to submit, modify, or withdraw their offer. The website for this system is <a href="https://indianocean.sc.egov.usda.gov/COS/Main">https://indianocean.sc.egov.usda.gov/COS/Main</a>.

The bid entry process in LTCS is easier for the vendors to use than the bid entry process that the vendors used prior to LTCS (the Domestic Electronic Bid Entry System (DEBES). The DEBES will remain a viable option for other than long-term IDIQ invitations.

## 4. Efforts to identify duplication:

To the best of our knowledge, similar information is not collected by any other government office. These collections are necessary to support the procurement of agricultural commodities for domestic feeding programs. The information required is available only from participants, and is not accessible by KCCO unless provided by participants from their private records.

## 5. Methods to minimize burden on small business or entities:

Since the information requested is readily available from participants' records, these collections do not impose a special burden on small business or entities.

## 6. Consequences if information collection were less frequent:

This information collection is required to procure agricultural commodities for domestic feeding programs. Without this information, KCCO could not meet program requirements.

## 7. Special circumstances:

- requiring respondents to report information to the agency more often than quarterly; Offers are submitted quarterly, semi-annually, monthly, or annually, but may be submitted more frequently in emergencies or to make up a deficiency from a regular purchase.
- 2. requiring respondents to prepare a written response to a collection of information

in fewer than 30 days after receipt of it; **KCCO issues an invitation for bids, requiring competitive offers usually within 10 days, depending on program needs.** 

- 3. requiring respondents to submit more than an original and two copies of any document; **No**
- 4. requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years; **No**
- 5. in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study; **No**
- 6. requiring the use of a statistical data classification that has not been reviewed and approved by OMB; **No**
- 7. that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for confidential use; **No**
- 8. requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information confidentiality to the extent permitted by law. **No**

# 8. Federal Register Notice, summarization of comments and consultation with persons outside the agency:

A *Federal Register* notice was published on <u>Tuesday</u>, <u>March 25</u>, 2008, at 73 FR 15720. <u>No comments were received</u>.

We consulted with the three contractors listed below, and they indicated that the estimate of public burden outlined in the notice is accurate.

- Leprino Dairy Products Company, 1830 W. 38<sup>th</sup> Ave, Denver, CO 80211-2200; 303-480-2705
- Associated Milk Producers, Inc., 301 Brook Street, Portage, WI 53901, 608-742-2114
- Land O'Lakes, Inc.,4001 Lexington Ave N, St. Paul, MN 55126; 651-766-1422

## 9. Decision to provide any payment or gift to respondents:

There are no plans to provide any payment or gifts to respondents.

## **10.** Confidentiality provided to respondents:

Confidential business-related information is collected. Some vendors provide us with their home phone number, which is used when business related problems arise after normal business hours. All data collected is handled according to KCCO procedures in accordance with the Privacy Act and the Freedom of Information Act.

## **11.** Questions of a sensitive nature:

No sensitive information is collected.

## 12. Estimates of Burden:

See attached FSA-85-1. The total reporting burden is 920 hours. The estimated cost to the public is \$28,980. This figure represents 920 burden hours x \$31.50.

## 13. Total annual cost burden to respondents or record keepers:

There are no capital/start-up costs.

#### 14. Estimates of annualized cost to the federal government:

The estimated annual cost to the	Federal government is:	\$67,000
This figure consists of:	Production Operations	\$25,000
	Support staff:	\$41,000

#### 15. Reasons for changes in burden:

The burden hours have increased by 840 (980-80). This increase is due to respondents furnishing higher burden of hour totals when contacted by DPD. Also, this number will fluctuate, depending on the economy.

## 16. Tabulation, analysis, and publication plans:

There will be no tabulations, analysis, or publication of the information gathered. However, purchase contract award and item register information are available on the Internet. We analyze the data collected as part of the overall bid evaluation.

## 17. Reasons display of expiration date of OMB approval is inappropriate:

The agency is seeking approval to not display the OMB expiration date with this information collection because FSA/KCCO needs to do application programming in LTCS to include the expiration date which changes every three years.

#### **18.** Exceptions to 83-1 certification statement:

The agency is able to certify compliance with all provisions under Item 19 of OMB Form 83-1.

## **19.** How is this information collection related to the Customer Service Center? Will this information be part of their one stop shopping?

This information collection is not related to the USDA Customer Service Center. Our customers are Food and Nutrition Service (including, but not limited to, FNS headquarters and regional offices, state distributing agencies, recipient agencies, Indian tribal organizations, etc.) and of course, the program recipients of USDA commodities. We are customers of our contractors/vendors. They have direct contact with KCCO.