Supporting Statement for Paperwork Reduction Act Submission

VA Form 0896A

A. Justification

1. In accordance with Public Law 109-461(a)(4), “The Secretary shall establish a review mechanism to ensure that, in the case of a subcontract of a Department contract that is counted for purposes of meeting a goal established pursuant to this section, the subcontract was actually awarded to a business concern that may be counted for purposes of meeting that goal.”
2. In order to implement the review mechanism requirement, the VA Office of Small and Disadvantaged Business Utilization (OSDBU) will utilize a new VA Form (0896A) to collect information from prime contractors. A copy of VA form 0896A is attached to this justification as “Attachment B.” OSDBU personnel will coordinate with subcontractors to have them verify the information reported by the prime contractors. This will be a new data collection process.
3. This new process will involve the use of electronic submissions of information via email. Contractors will submit information on VA Form 0896A. In the event that a contractor does not have the capability to submit the form as an email attachment, it can also be provided as a hardcopy. VA plan explore the utilization of information technology as a means to gather the information at a later date. The time to go through the contracting process, develop the software, and budget for the funding would significantly delay implementation of this congressionally mandated process.  We will pursue use of information technology after our process is implemented.  Once the acquisition of an information technology solution is achieved, we will replace the form with the information technology solution.
4. The purpose of this data collection is to obtain new information. It will not be a duplication of information already collected. In accordance with federal acquisition regulations (FAR) 19.704 and 52.219-9, prime contractors submit their subcontracting plans to VA contracting officers. The VA contracting officers submit the subcontracting plans to the OSDBU for review and concurrence. The FAR does not require that subcontracting plans provide the specific dollar amount of or percentage of contract value that are applicable to individual subcontractors. The VA needs the ability to determine the actual dollar amounts expended by prime contractors with the subcontractors they identify on their subcontracting plans in order to comply with the “review mechanism” requirement established by PL 109-461. Therefore, the new VA form will be utilized to obtain information from prime contractors to collect information regarding their subcontracts with Service Disabled Veteran Owned Small Businesses (SDVOSB) and Veteran Owned Small Businesses (VOSB). Submission of the form will not replace the requirement for Prime Contractors to enter subcontracting information in the electronic subcontracting reporting system (eSRS). The eSRS reorting is for overall accomplishments by prime contractors. The VA form 0896A is to be utilized for reporting that is specific to individual firms that are awarded subcontracts by prime contractors. Prime contractors will fill-out the form and submit it to the OSDBU office either via e-mail (email address: vacoosdbusub@va.gov) or they can mail it the OSDBU office. VA OSDBU personnel will utilize the information reported on the form by the prime contractors and request that the SDVOSB and VOSB firms subcontracted by the prime contractors review it and verify if it is accurate. The OSDBU will utilize the information reported by both the prime contractors and the subcontractors in order to compile annual reports to reflect the level of accuracy in the reporting being accomplished by the prime contractors. This will allow the VA to comply with the “review mechanism” requirement of PL 109-461.
5. It is not anticipated that this new process would negatively impact small businesses. In fact, the purpose of this new process is to benefit small businesses by maximizing the utilization of small business in fulfilling VA acquisition requirements. Very little time would be expended (probably less than 20 minutes) by small businesses to provide the information.
6. The consequence of not implementing this new data collection process would be the failure of the VA to adhere to federal law. Public law 109-461 specifically requires that the VA review data that is currently not collected. This new data collection process would enable the OSDBU office to compile the data necessary to report on prime contractor adherence to their approved subcontracting plans and to analyze reasons for deviations, conduct trend analysis, and to make recommendations to VA leadership on how to improve subcontracting goal accomplishments.
7. There are no special circumstances that require the collection of information to be conducted along the lines discussed in the bulleted items in the general instructions that accompany OMB form 83-I.
8. A public notice that gave the public an opportunity to provide comment on the VA’s intent to collect information was published in the Federal Register on May 27, 2009 (page number 25302). No comments were received.
9. No gifts will be provided to any respondents to the data collection process that will be implemented. No payments are anticipated to any respondents to the data collection process.
10. An assurance of confidentiality is not provided respondents in this data collection process. This collection of information is limited to data that will enable the VA to review if subcontracting dollars are being expended with SDVOSB and VOSB firms in accordance with the information provided by prime contractors. The amount of contract dollars expended with individuals firms will be obtained. Proprietary or sensitive product data will not be collected.
11. There are no special circumstances that require the collection of information to be conducted along the lines discussed in the bulleted items in the general instructions that accompany OMB form 83-I.
12. The estimated total annual responses from the prime contractors are 323. This estimate is based upon the fact that 119 individual subcontracting plans and 204 commercial subcontracting plans have been submitted by current prime contractors. This projection is based upon the assumption that 100% of the prime contractors will submit VA form 0896A. FAR 19.704 (10) (i) and (ii) states that the prime contractors shall “cooperate in any studies or surveys as may be required,” and “submit periodic reports so that the Government can determine the extent of compliance by the offeror with the subcontracting plan.” OSDBU personnel will contact the SDVOSB and VOSB firms and ask them to verify the data submitted by the prime contractors. Utilization of email to verify the information from the subcontractors is anticipated to be the primary means of verification.
13. The estimated total annual hours requested per prime contractor (323) will be two hours per subcontracting plan submitted. Total time estimate is 646 hours.
14. No cost burden to respondents is anticipated. The information required would be readily available to them. As prime contractors, they are already required to cooperate in any studies or surveys and to provide periodic reports.
15. This is a new data collection.
16. The information collected will be analyzed in order to compile annual reports to reflect the level of accuracy in the reporting being accomplished by the prime contractors. These reports will be submitted to VA leadership and potentially to other interested parties (such as members of congress). It is anticipated that the reports would consist of spreadsheets that reflect the subcontracting dollars that prime contractors agreed to expend with SDVOSB and VOSB firms via their subcontracting plans and the actual dollars they expended, as determined by this new data collection process. As the data is collected, reasons for discrepancies between the two figures will be analyzed.
17. Approval is not being sought to not display the expiration date for OMB approval of the information collected.
18. There are no exceptions to the certification statement identified in Item 20 of OMB form 83-I.

B. Statistical Methods

The data collection does not employ statistical methods.