

**Supporting Statement for Paperwork Reduction Act Submission
3090-0252 – Preparation, Submission, and Negotiation of Subcontracting Plans**

A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

The requirements of clause 552.219-72 are an extension to the existing policy for subcontracting plan submissions. In August 1994 the information collection requirement of the General Services Administration Acquisition Regulation (GSAR) clause 552.219-72, "Preparation, Submission, and Negotiation of Subcontracting Plans" was amended to require for all negotiated solicitations having an anticipated award value over \$500,000 (\$1,000,000 for construction), submission of a subcontracting plan with other than small business concerns when a negotiated acquisition meets all four of the following conditions:

- (1) When the contracting officer anticipates receiving individual subcontracting plans (not commercial plans),
- (2) When award is based on trade-offs among cost or price and technical and/or management factors under FAR 15.101-1,
- (3) The acquisition is not a commercial item acquisition, and
- (4) The acquisition offers more than minimal subcontracting opportunities.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

The contract specialist uses the information to conduct meaningful discussions/ negotiations concerning the goals proposed in the plan. The evaluation and negotiation of the goals are necessary to ensure that the mandatory statutes implemented in the Federal Acquisition Regulation are met. The consequences of not collecting this information reduce the ability to obtain reasonable subcontracting objectives without adversely affecting the timeliness and cost of the acquisition. Obtaining the subcontracting plan only from the apparent successful offeror would identify, after extensive negotiation, who the apparent awardee will be and reduces the incentive to negotiate challenging subcontracting goals without affecting price. Higher goals should not be negotiated if they will significantly increase the Government's cost (FAR 19.705(c)). Pressures on the Government to award the contract also reduces the apparent successful offeror's incentive to include subcontracting goals meeting the Government's expectations.

**Supporting Statement for Paperwork Reduction Act Submission
3090-0252 – Preparation, Submission, and Negotiation of Subcontracting Plans**

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

We use improved information technology to the maximum extent practicable. Where both the General Services Administration and contractors are capable of electronic interchange, the contractors may submit information requirements electronically.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

The nature of this requirement is such that it relates to a single procurement and cannot be duplicated

5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.

Small business concerns are exempted from the subcontracting plan requirement.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

Collection of the information on other than an individual procurement basis is not practical. The consequences of not collecting this information reduce the ability to obtain reasonable subcontracting objectives without adversely affecting the timeliness and cost of the acquisition.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner requiring respondents to:

- **Report information to the agency more often than quarterly;**
- **Prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **Submit more than an original and 2 copies of any document;**
- **Retain records, other than health, medical, government contracts, grant-in-aid, or tax records, for more than 3 years;**
- **In connection with a statistical survey, that is not designed to produce valid, reliable results that can be generalized to the universe of study;**
- **Require the use of a statistical classification that has not been reviewed and approved by OMB;**
- **Include a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and**

**Supporting Statement for Paperwork Reduction Act Submission
3090-0252 – Preparation, Submission, and Negotiation of Subcontracting Plans**

data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or

- **Submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information’s confidentiality to the extent permitted by law.**

None.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency’s notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.

Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported. Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years – even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

Notice of this proposed rulemaking was published in the Federal Register at 74 FR 446, on January 21, 1998 issue of the Federal Register. No comments were received in response to the notice.

9. Explain any decision to provide any payment or gift to respondents, other than reenumeration of contractors or grantees.

GSA makes no such payments or gifts to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for assurance in statute, regulation, or agency policy.

This information is disclosed only to the extent consistent with agency regulations and applicable statutes.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

**Supporting Statement for Paperwork Reduction Act Submission
3090-0252 – Preparation, Submission, and Negotiation of Subcontracting Plans**

No sensitive questions are involved.

12. Provide estimates of the hour burden of the collection of information. The statement should:

- **Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**
- **If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens.**
- **Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 13.**

On a yearly basis GSA contracting activities issue approximately 170 solicitations, other than multiple award schedule solicitations that meet the statutory thresholds requiring a subcontracting plan. Based on 6 other than small business respondents per solicitation, the number of subcontracting plans is estimated to be 1,020. It should take approximately 12 hours to develop a subcontracting plan. Using the hourly rate of \$20.92 and multiplying this rate times the number of burden hours results in the estimated burden cost to the public.

Estimated respondents/yr	1,020
Total Responses annually per respondent	1
Estimated hours/response	12
Estimated total burden hours	12,240 hours
Hourly rate	20.92
Estimated Burden to the Public	\$256,060

13. Provide an estimate for the total annual cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14.)

The cost estimate should be split into two components: (a) total capital and start-up cost component (annualized over its expected useful life) and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected

**Supporting Statement for Paperwork Reduction Act Submission
3090-0252 – Preparation, Submission, and Negotiation of Subcontracting Plans**

useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling, and testing equipment, and record storage facilities. If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate. Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995; (2) to achieve regulatory compliance with requirements not associated with the information collection; (3) for reasons other than to provide information or keep records for the Government or (4) as part of customary and usual business or private practices.

See response to question 12.

14. Provide estimates of annualized costs to the Federal Government. Also, provide a description of the method used to estimate cost, which should include qualification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies may also aggregate cost estimates from Items 12, 13, and 14 in a single table.

These subcontracting plans must be negotiated by contracting personnel and reviewed and approved by the Small Business Technical Advisor and the Small Business Administration Procurement Center Representative. The estimated time involved for each subcontracting plan is 7 hours and the salary basis is GS 9, step 5 salary of \$20.92.

Requests/year	1, 020
Reviewing time/hr	7
Review time /yr (7 times 1,020)	7,140 hours
Average wages/hr (Government Contract Specialist, grade 9, step 5)	20.92
Total Government Cost	\$149,368

15. Explain the reasons for any program changes or adjustments reported.

The number of solicitations issued by General Services Administration has decreased.

**Supporting Statement for Paperwork Reduction Act Submission
3090-0252 – Preparation, Submission, and Negotiation of Subcontracting Plans**

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

Results will not be tabulated or published. Data collected will be used for internal administration of contracts.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

GSA is not seeking such approval for this collection.

18. Explain each exception to the certification statement identified in the “Certification for Paperwork Reduction Act Submissions”.

None.