**OMB No. 0704-0386**

**Supporting Statement**

**DFARS 252.219-7003(g)**

**A.** **Justification**

**1. Requirement.** This is a request for a reinstatement of the information collection requirements in the Department of Defense (DoD) previously approved under OMB Clearance Number 0704-386. DFARS 252.219-7003 (g) includes a notification requirement for prime contractors that have identified small businesses in subcontracting plans. Prime contractors are to notify the administrative contracting officer of any substitutions of firms that are not small businesses for the firms listed in the subcontracting plan.

**2. Purpose**. DFARS Part 219 prescribes policies and procedures for applying small business management considerations in the acquisition of supplies and services. The information collected under DFARS 252.219-7003 (g) is used by the administrative contracting officer to improve administration under the small business subcontracting program and to evaluate a contractor’s past performance in complying with its subcontracting plan.

**3. Information Technology.** Improved information technology is used to the maximum extent practicable. Contractors are now allowed to submit required notification information electronically, and DoD may process the data collected electronically via Electronic Data Interchange. This means of collection was adopted to reduce input errors and increase efficiency.

**4. Duplication**. As a matter of policy, DoD reviews the Federal Acquisition Regulation (FAR) to determine if adequate language already exists. The proposed DFARS language applies solely to DoD and is not considered duplicative of any language in the FAR. No similar information is available elsewhere.

**5. Small Business**. Small businesses are not required to submit small business subcontracting plans and are therefore not directly affected by the notification requirement. However, small businesses are expected to benefit from the improved administration of subcontracting plans and consideration of compliance in past performance.

**6. Consequences for non-collection**. Information required by 252.219-7003 (g) is collected on an occasional basis as the need arises to keep the administrative contracting officer apprised of a contractor’s compliance with approved subcontracting plans. Under the current procedure, the prime contractor proposes, and the contracting officer negotiates and ultimately approves, the contractor’s subcontracting plan. Consistent with section 1322 of Public law 111-240, the “Small Business Jobs Act of 2010,” (15 U.S.C. 637(d)(6)) , the approved subcontracting plan is monitored by the administrative contracting officer to ensure the contractor has provided proper notification for any substitutions of firms that are not small business firms. This notification is required for DoD to assess compliance with approved subcontracting plans. It is also a valuable source of past performance information for procuring contracting officers during the source selection phase of a solicitation.

**7. Special circumstances**. There are no special circumstances that require the collection to be conducted in any manner listed in 5 CFR 1320.5 (d) (2). The collection of this information is consistent with the general information collection guidelines in 5 CFR 1320.6.

**8. Public comments and consultation**. Public comments were solicited in the Federal Register (Volume 75, Page 69423, Docket Number 2010-28495) on November 12, 2010. No comments were received when the period for public comments closed on January 11, 2011.

**9. Payment to respondents**. No payment or gift will be provided to respondents to this information collection requirement.

**10. Confidentiality**. This information is disclosed only to the extent consistent with prudent business practices and current regulations and statutory requirements.

**11. Sensitive questions**. No sensitive questions are involved.

**12. Estimate of Public Burden**.

|  |  |
| --- | --- |
|  Number of Respondents Note (1) |  41 |
| Responses per Respondent (1)  | 1 |
| Annual responses | 41 |
| Hours per response (1) | 1 |
| Total Hours | 41 |
| Cost per Hour (2) | $36.00 |
| Total annual cost to public | $1,476.00 |

Notes:

 (1) The estimates of hourly burdens for this information collection requirement are based on consultations with DoD personnel. We estimate that no more than 41 contracts would fall into the circumstances of this requirement, with an estimate of one response per respondent and 1 hour per response.

(2) The cost per hours is based on the 2010 rate of $27.31 for a GS-11, step 5 plus a fringe benefit rate of 32.85 percent rounded to the nearest dollar. The 32.85 percent fringe benefit rate is derived from Circular No. A-76, Revised Supplemental Handbook (May 29, 2003).

**13. Estimated nonrecurring costs**. We estimate that there are no nonrecurring costs, i.e., capital and start-up operation and maintenance costs.

**14. Estimated cost to Government**.

|  |  |
| --- | --- |
| A. Total annual responses Note (1) |  41 |
| B. Hours per response (2)  | 1 |
| C. Total annual hours | 41 |
| D. Cost per hour (1) | $36.00 |
| E. Total annual cost to Government | $1,476.00 |

Notes:

(1) See Item 12 above.

(2) The estimated hours per response is based on the time required for Government receive, review, and analyze the information submitted by the contractor in accordance with Part 219. The estimate was developed as a result of discussions with DoD personnel.

**15. Program changes**. The changes to Items 12 and 14, above, are due to using more current cost per hour data.

**16. Publication**. Results of this information collection will not be published.

**17. Expiration Date**. We do not seek approval not to display the expiration date for OMB of the information collected.

**18. Certification**. There are no exceptions to the certification statement identified in Item 19 of OMB Form 83-1.

**B. Collections of Information Employing Statistical Methods**

Statistical methods will not be employed.