

**SUPPORTING STATEMENT FOR PAPERWORK REDUCTION
ACT SUBMISSION
OMB # 1405-0050
DEPARTMENT OF STATE ACQUISITION REGULATION
(DOSAR)**

A. JUSTIFICATION

1. The information collection covers requirements of the Department of State Acquisition Regulation (DOSAR), codified in the Code of Federal Regulations (CFR), Title 48, Chapter 6. It covers both pre-award and post-award acquisition requirements.

Pre-award actions are those actions leading up to the award of the contract. They include preparing the solicitation (including the Statement of Work or specifications; U.S. Government cost estimate; evaluation criteria; etc.); evaluating the bids/proposals submitted in response to the solicitation; negotiating with prospective contractors; and, awarding the contract.

Post-award actions are those actions taken after contract award through close-out of the contract. They include monitoring the contractor's performance; issuing modifications to the contract; dealing with unsatisfactory performance; issuing payments to the contractor; and, closing out the contract upon its completion.

The majority of contractual requirements are covered in the Federal Acquisition Regulation (FAR), CFR, Title 48, Chapter 1. This information collection, therefore, deals only with requirements that are not included in the FAR but are required by the DOSAR. Where necessary, we have separated the discussion of pre- and post-award requirements.

Pre-Award

The FAR requires the issuance of written solicitation documents for all acquisitions exceeding the simplified acquisition threshold. The U.S. Government evaluates the responses to these solicitations in accordance with established criteria. This evaluation constitutes the basis for determining which bidders or offerors receive contract awards.

DOSAR solicitation provisions that require collection of data from offerors are described below:

- a. DOSAR 652.206-70, *Competition Advocate/Ombudsman* - this provision provides a contact point for bidders or offerors who believe that a solicitation is competitively restrictive, as well as provides a contact point to hear other solicitation concerns.

- b. DOSAR 652.219-70, *Department of State Subcontracting Goals* - this provision provides the Department's subcontracting goals and requires large business offerors to submit a subcontracting plan when requested by the contracting officer (i.e., if the offeror is included in the competitive range), to enable DOS to perform a timely review and negotiate an acceptable plan that complies with FAR 52.219-9.
- c. DOSAR 652.225-70, *Arab League Boycott of Israel* – this provision requires offerors to certify that they are not taking or knowingly agreeing to take any action with respect to the boycott of Israel by Arab League countries. This certification is required by Section 565 of the Fiscal Year 94/95 Foreign Relations Authorization Act (P.L. 103-236), which has continuing effect.
- d. DOSAR 652.228-74, *Defense Base Act (DBA) Insurance Rates - Limitation* – this provision requires bidders and offerors that are covered under the Defense Base Act (DBA) to use the rates in the Department of State contract for DBA insurance to compute the cost of the insurance.
- e. DOSAR 652.236-71, *Foreign Service Buildings Act, As Amended* – this provision requires a bidder or offeror to provide information to determine if it is an American-owned firm. Under the Foreign Service Buildings Act, American-owned firms receive a 10 percent price evaluation preference for the construction, alteration, or repair of buildings or grounds abroad exceeding \$5 million.
- f. DOSAR 652.236-72, *Statement of Qualifications for the Omnibus Diplomatic Security and Antiterrorism Act* - this provision requires bidders and offerors to provide information to determine if the bidder or offeror is a United States person or a United States joint venture person. Under the Omnibus Diplomatic Security and Antiterrorism Act of 1986, diplomatic construction or design projects abroad exceeding \$10 million are limited to United States persons or United States joint venture persons.
- g. DOSAR 652.237-73, *Statement of Qualifications for Preference as a U.S. Person* - this provision requires bidders and offerors to provide information to determine if the bidder or offeror is a United States person or a United States joint venture person. Under the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991 (22. U.S.C. 4864), United States persons or United States joint venture persons receive a 10 percent price evaluation preference for local guard contracts abroad under diplomatic security programs.

Post-Award

The following clauses require some data collection from contractors:

- a. DOSAR 652.204-70, *Department of State Personal Identification Card Issuance Procedures* - this clause requires contractors and subcontractors to comply with DOS Personal Identification Card Issuance Procedures for all employees requiring frequent and continuing access to DOS facilities, or information systems. DOS Personal Identification Card Issuance Procedures are posted at <http://www.state.gov/m/ds/rls/rpt/c21664.htm>
- b. DOSAR 652.216-71, *Price Adjustment* - this clause allows the adjustment of contract prices for continuing services abroad when the host country government passes a law that affects the actual costs of direct labor. The clause requires that the contractor submit specific information to support the increase/decrease in the contract price.
- c. DOSAR 652.219-71, *8(a) Direct Awards* – this clause requires the contractor to notify the U.S. Government when the owner or owners upon whom 8(a) eligibility is based plan(s) to relinquish ownership or control of the firm.
- d. DOSAR 652.228-71, *Worker’s Compensation Insurance (Defense Base Act) – Services* - this clause requires that contractors subject to DBA insurance requirements submit a copy of the Department of Labor’s (DOL) approval if the contractor has a DBA self-insurance program approved by DOL.
- e. DOSAR 652.232-70, *Payment Schedule and Invoice Submission (Fixed-Price)*, and DOSAR 652.232-71, *Voucher Submission (Cost-Reimbursement)* - these clauses provide instructions to contractors on where to submit requests for payment, as well as some general information that the requests should contain in addition to the requirements of FAR 52.232-25, *Prompt Payment*.
- f. DOSAR 652.232-72, *Limitation of Funds* – this clause requires contractors to notify the U.S. Government when they believe that the funds obligated on the contract are insufficient to cover the work to be performed by a certain date.
- g. DOSAR 652.236-70, *Accident Prevention* – this clause requires that construction contractors submit a written accident prevention plan.
- h. DOSAR 652.245-71, *Accounting for Government Property* – this clause requires contractors to comply with DOS capitalized property reporting requirements.

2. Pre-Award

The information that bidders and offerors are required to submit is used by agency personnel -- contracting officers, cost and price analysts, program office technical experts, legal advisors, and management officials -- to determine which bids or proposals offer the best value to the U.S. Government. Without the information required by this collection, there would be no equitable basis for evaluating the capabilities of bidders and offerors and, consequently, no equitable basis for contractor selection. In addition, the Department would not be able to enforce or comply with existing Federal and DOS regulations concerning subcontracting with small and small disadvantaged businesses, DBA insurance computations, compliance with the Arab League boycott restrictions, and identification of American-owned firms or U.S. persons for purposes of evaluation preferences and limitations.

Post-Award

Post-award information collection requirements are required to process DOS Personal Identification Cards for all contractor and subcontractor employees requiring frequent and continuing access to DOS facilities or information systems; for contracting officers to adjust contract prices based on a change in the host country laws regarding direct service labor rates; to receive notification from 8(a) contractors when ownership or control changes; to advise contracting officers when funds obligated under a contract are insufficient to cover the work to be performed; to secure appropriate information from contractors regarding DBA self-insurance programs by DOL; to provide instructions on requests for payments; to receive plans for accident prevention on construction projects; and, for compliance with DOS capitalized property reporting requirements.

3. Per the requirements of FAR Subpart 4.5, the Department is using electronic commerce through the Government-wide point of entry (GPE), Federal Business Opportunities, located at <http://www.fedbizopps.gov> , as well as other Integrated Acquisition Environment (IAE)-sanctioned electronic acquisition methods, such as reverse auctioning. It is standard practice for contractor reverse auctioning submissions to be electronic.
4. The collection does not duplicate any existing collection of information. The Department adheres to the FAR guidance regarding solicitation content and format. Only information that is solicitation-specific is collected. The DOSAR includes some collection requirements that are not included in the FAR but are nevertheless required.

For pre-award activities, bidders and offerors must respond to each solicitation for which they wish to be considered. Because each acquisition is program or purpose-specific, similar information sufficient to satisfy the requirement for portions of the solicitation does not exist. The solicitation Statement of Work,

evaluation criteria, and special terms and conditions are unique to each acquisition.

For post-award activities, the information collection relates to specific circumstances not covered by the FAR. For example, because the Department is unique in having awarded a DBA insurance contract, specific coverage on that topic must be included in affected contracts. Similar information is not already available for use.

5. The impact on small businesses has been minimized. In particular, small businesses are not required to submit a subcontracting plan.
6. For pre-award activities, the basic principles of the solicitation process are prescribed by the FAR. Bidders and offerors must respond to each solicitation for which they wish to be considered. This collection cannot be conducted on a less frequent basis. The solicitation and contract selection process, including the collection of information, is intended to assure fairness in contractor selection as well as adhere to regulatory and statutory requirements. For post-award activities, the information collection requirements are only on an as-needed basis. They do not apply across the board and relate only to the occurrence of specific circumstances.
7. On occasion, the Department may have a need for offerors to submit information as part of a proposal that offerors consider to constitute proprietary trade secrets, or other confidential information. Such information is protected by the procedures of FAR 3.104-4 and DOSAR 603.104-4. FAR 52.215-1(e) sets forth procedures to be used by offerors when including in their proposals information that they do not want disclosed to the public for any purpose, or used by the U.S. Government for any purpose other than evaluation of the proposal. (See also FAR 27.404 and FAR 52.227-14). Contractor bid or proposal information is further protected under FAR 14.401 and 15.207.
8. On December 28, 2011, the Department published a 60 day Notice in the *Federal Register* requesting public comments. One comment was received. After reviewing the comment, the Office of the Procurement Executive has determined that the comment was unrelated to the information collection.
9. There are no payments or gifts to respondents.
10. This collection pertains to commercial business and other entities that are covered by the general confidentiality provisions of FAR 3.104 and 15.207 when submitting proposals to the U.S. Government.
11. There are no questions of a sensitive nature in this information collection.

12. The estimated total aggregated burden hours to respondents is 275,970 hours. Please see the Annualized Analysis (Respondents) on pages 8 and 9 for complete disaggregated information on computations.
13. The estimated annual cost burden to respondents is \$371,001. Please see the Annualized Analysis (Respondents) on pages 8 and 9 for complete information on computations.
14. The estimated annual cost to the Federal Government is \$1,477,372. Please see the Annualized Cost Analysis (Federal Government) on pages 10 through 12 for complete information on computations.
15. The Number of Responses has changed due to a calculation error in the previous submission. The total estimated annual cost burden and burden hours for industry remain unchanged. The total annualized cost and burden hours to the Department remain unchanged.
16. The collection of data will not be published for statistical use.
17. The expiration date will be displayed.
18. There are no exceptions to the certification statement.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

This collection does not employ statistical methods.

ANNUALIZED ANALYSIS (RESPONDENTS, Items 12 and 13)

Total Burden Costs and Hours to Respondents, Pre- and Post-Award

Cost Burden = \$371,001
 Burden Hours = 275,970

These burdens are broken down as follows:

A. Pre-Award

The annualized cost for the total number of respondents preparing proposals and bids for DOS acquisition solicitations is estimated to be \$359,478. This estimated figure represents the non-labor costs associated with producing the materials (paper, binders, diskettes, CDs), mailing or delivery costs, storage costs, travel (if required), fee-based services for access to amendments and updates, meals (after hours, weekends, etc.)

The amount of non-labor costs is stated as a percentage of labor costs. The percentages vary slightly depending on the dollar amount of the acquisition, but the average is 3 percent. (Total labor costs = \$11,982,608 X .03 = \$359,478)

The number of labor hours required to respond to solicitations was calculated, as follows:

Action	Hours Per RFP	Hours Per IFB
Read and discuss solicitation	16	1
Research the requirement	24	2
Develop project team	20	3
Prepare and respond	60	2
Totals	120	8

The number of hours were calculated as follows:

	<u>RFP</u>	<u>IFB</u>
Number of hours	120	8
Responses	X 2,200	200
Total Hours	264,000	1,600

Total Hours for Pre-Award 265,600

B. Post-Award

The annualized cost for the total number of respondents for the DOSAR clauses is \$11,523. This estimated figure represents the non-labor costs, estimated at 3 percent of labor hour costs. (Total labor costs = \$384,100 X .03 = \$11,523)

Annual Reporting Burden (computation):

652.204-70 = 2 hrs. x 75 contracts	=	150
652.216-71 = .5 hrs x 10 contracts	=	5
652.219-71 = .4 hrs. x 1 contract	=	0.4
652.228-71 = .5 hrs. x 30 contracts	=	15
652.232-70 = 1 hr. x 550 contracts x 6 times/yr.	=	3,300
652.232-71 = 2 hrs. x 275 contracts x 12 times/yr.	=	6,600
652.232-72 = 1 hr. x 50 contracts	=	50
652.236-70 = 3 hrs. x 50 contracts	=	150
652.245-71 = 1 hrs. x 25 contracts x 4 times/yr.	=	<u>100</u>
Total Hours		10,370.4

Description	Respondents	Responses
Pre-Award		
RFP	2,200	2,200
IFB	200	200
Post-Award		
652.204-70	75	75
652.216-71	10	10
652.219-71	1	1
652.228-71	30	30
652.232-70	550	3,300
652.232-71	275	3,300
652.232-72	50	50
652.236-70	50	50
652.245-71	25	100
Total	3,466	9,316

ANNUALIZED COST ANALYSIS (FEDERAL GOVERNMENT, Item 14)

Total Costs to Federal Govt., Pre- and Post-Award \$1,477,372

(Pre-Award Costs of \$1,250,580 + Post-Award Costs of \$226,792 = \$1,477,372)

These costs are broken down as follows:

A. Pre-Award

The annualized cost to the Department for preparing and processing procurement solicitations is estimated to be **\$1,250,580**. This estimated amount is based on the following:

Action	Hours x	Estimated Hourly Wage =	Estimated Cost (Rounded)
Develop requirement Proj. Ofcr. (GS-12)	8	\$35.01	\$280
Prepare specification Proj. Ofcr. (GS-12)	16	35.01	560
Proj. Mgr. (GS-14)	2	48.67	97
Support (GS-2)	2	11.98	24
Review specification Cont. Spec. (GS-11)	2	29.44	59
Cont. Ofct. (GS-13)	.5	41.38	21
Resolve deficiencies Cont. Spec. (GS-11)	2	29.44	59
Proj. Ofcr. (GS-12)	2	35.01	70
Cont. Ofcr. (GS-13)	.5	41.38	21
Develop solicitation Cont. Spec. (GS-11)	4	29.44	118
Support (GS-2)	1	11.98	12
Review solicitation Cont. Spec. (GS-11)	.5	29.44	15
Cont. Ofcr. (GS-13)	.5	41.38	21
Legal (GS-13)	1	41.38	41
Proj. Mgr. (GS-14)	1	48.67	49
Resolve review comments Cont. Spec. (GS-11)	1	29.44	29
Support (GS-2)	.5	11.98	6
Review proposals Cont. Spec. (GS-11)	2	29.44	59
Proj. Ofcr. (GS-12)	4	35.01	140
Total			\$1,681

Labor costs		\$1,681
Materials (equipment usage, paper, postage)		<u>630</u>
Per complex RFP		\$2,311
Per simple RFP at 80%		1,849
Per IFB at 80%		1,849
\$2,311 per complex RFP x 150 RFPs	=	\$346,650
\$1,849 per simple RFP x 400 RFPs	=	739,600
\$1,849 per IFB x 50 IFBs	=	<u>92,450</u>
		\$1,178,700
Recordkeeping = 6,000 hrs. x 11.98/hr.	=	<u>71,880</u>
		\$1,250,580

B. Post-Award

The annualized cost to the Department based on the individual clauses, as listed above, is **\$226,792**. The costs are broken down as follows:

Clause	Hours x	Estimated Hourly Wage =	Estimated Cost (Rounded)
652.204-70			
Cont. Spec. (GS-11)	.5	29.44	15
Proj. Ofcr. (GS-12)	2	35.01	<u>70</u>
			\$85
652.216-71			
Cont. Spec. (GS-09)	1	\$24.57	\$25
Cont. Ofcr. (GS-11)	.5	29.44	<u>15</u>
			\$40
652.219-71			
Cont. Spec. (GS-12)	.4	35.01	\$17
652.228-71			
Cont. Spec. (GS-11)	.5	29.44	\$15
652.232-70			
Cont. Spec. (GS-11)	.5	29.44	15
Finan. Clerk (GS-6)	1	16.60	<u>17</u>
			\$32
652.232-71			
Cont. Spec. (GS-11)	.5	29.44	15
Finan. Clerk (GS-6)	1	16.60	<u>17</u>
			\$32
652.232-72			
Cont. Spec. (GS-11)	1	29.44	\$29
652.236-70			
Cont. Spec. (GS-11)	1	29.44	29
Cont. Ofcr. (GS-12)	1	35.01	<u>35</u>
			\$64

652.245-71 Property Ofcr. (GS-12)	1	36.75	\$37
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The numbers for each vary as follows:

652.204-70 = 75 contracts/yr. x \$85	=	\$6,375
652.216-71 = 10 contracts/yr. x \$40	=	400
652.219-71 = 1 contract/yr. x \$17	=	17
652.228-71 = 30 contracts/yr. x \$15	=	450
652.232-70 = 550 contracts/yr. x \$32 x 6 times/yr.	=	105,600
652.232-71 = 275 contracts/yr. x \$32 x 12 times/yr.	=	105,600
652.232-72 = 50 contracts/yr. x \$29	=	1,450
652.236-70 = 50 contracts/yr. x \$64	=	3,200
652.245-71 = 25 contracts/yr. x \$37 x 4 times/yr	=	<u>3,700</u>
		\$226,792