

U.S. Department of Agriculture/Farm Service Agency
Kansas City Commodity Office
OMB Number 0560-0177
Commodity Offer Forms

FSA is requesting for a renewal and revision of the information collection approved for OMB 0560-0177. It will expire on November 30, 2013. Farm Service Agency (FSA), Kansas City Commodity Office (KCCO), is procuring, selling, and transporting agricultural commodities, and obtaining discharge and delivery survey information. The described forms below are still used and not included in Web-based Supply Chain System (WBSCM).

Justification

1. Circumstances making collection of information necessary:

The Food for Peace Act (specifically P.L. 480 Title II); Section 416(b) of the Agricultural Act of 1949; Food for Progress Act of 1985; 2002 and 2008 Farm Bills authorizing the McGovern-Dole International Food for Education Program; and Commodity Credit Corporation (CCC) Charter Act, all as amended, authorize the International Procurement Division (IPD) to procure, sell, and transport, as well as sample, inspect and survey, agricultural commodities at both domestic and foreign locations for use in international food aid programs. Commodity vendors submit competitive offers to sell U.S. agricultural commodities to the USDA, and steamship companies submit freight offers to transport the commodities to their overseas destinations for use in these programs. Receipt of competitive commodity and freight offers enables IPD to conduct a lowest-landed cost evaluation and determine the award scenario that is most advantageous to the Government to purchase commodities and have them transported for distribution under the various international food aid programs. To ensure a feasible award scenario, U.S. Port authorities submit their port capacity information for each solicitation (i.e., covering a specific shipping period) for consideration during the lowest-landed cost analysis. Warehouse operators/terminals must be inspected and approved for use by FSA to be considered qualified to provide space for the handling and storage of export food aid commodities. Commodity vendors under contract are required to submit Advance Shipping Notifications (ASNs) so that receivers of these commodities within the U.S. can arrange for their timely lifting for transport overseas via ocean-going vessels. Entities receiving product provide USDA good receipts and vendors submit invoices electronically. Commodities are distributed through the aforementioned food aid programs by private voluntary agencies, the World Food Program, and the U.S. Agency for International Development.

The Domestic Procurement Division issues solicitations to purchase or process agricultural commodities for domestic food assistance programs under the authorities of the following Sections of Public Law:

- 32/6E National School Lunch Program / Child & Adult Care Feeding Program
- 311 Nutrition Program / Agencies on Aging
- 4A Needy Indian Families / Needy Families Living in US Trust Territories
- 17 Commodity Supplemental Food Program / Women, Infants, & Children
- 104 Emergency Food Assistance Program
- 110 Soup Kitchens / Food Banks
- 416 Charitable Institutions / Non-Profit Summer Camp for Children
- 32C Food Banks in High Need Areas / Disaster Feeding

Vendors respond to USDA solicitations to purchase commodities by submitting offers electronically. Similar to the international purchase process described above, USDA evaluates offers for domestic food assistance programs electronically to determine the lowest cost to the Government to have the supplies delivered to various U.S. destinations. Vendors subsequently input

ASNs to advise program recipients when products have shipped. Good receipts and vendor invoices are also submitted electronically. Dairy processors are given the opportunity to participate under the price support program. Bid offers are received from dairy processors to remove surplus bulk butter, cheese or milk from the marketplace.

The above acts authorize Commodity Management Division and International Procurement Division to prepare and issue announcements for the purchase of grain. Without this information collection, CCC could not meet program requirements.

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

7 CFR, Chapter 14, Part 1485-Subchapter C

Form KC-334 (Discharge/Delivery Survey Summary) and Form KC-337 (Rate Schedule)

The Kansas City Commodity Office (KCCO) will collect the information electronically and by mail for the KC-334 form. This form is filled out by each survey company that KCCO has contracted to perform discharge surveys on the food aid cargo. They complete this form at each cargo discharge port and delivery location, by commodity, with the final forms sent as part of the survey report. (The preliminary data is sent usually by e-mail, after the shipment is completed.) The information on the form is a summary of the amount of cargo delivered versus manifested quantity, the amount and type of damage, etc. This information is used by KCCO/Contract Reconciliation Division, as a quick summary of losses for their claims filing purposes. The KC-337 provided along with proposal package in response to RFP is received by mail because a signature is required. The purpose of this form is to obtain rates that the survey companies charge to perform surveys, by country/region. The amount the survey companies charge, and other technical factors, are used by KCCO in determining which survey companies will be awarded the survey contracts. The information collected on these forms is not available from another source.

3. Use of information technology:

The KC-334 and KC-337 forms are in an electronic format, and can be accessed from the USDA web form web site.

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, handling and storage of agricultural commodities for CCCs domestic and export food donation and assistance 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 businesses or entities. WBSCM eases the burden on the small businesses cash flow, as the self-certification allows payment to the vendor more quickly. There are about 20 small businesses or entities in this collection.

6. Consequences if information collection were less frequent:

Information collection is required to procure, sell, handle, store, and transport agricultural commodities and services. Without this information, KCCO could not meet program requirements. Information collection is required to accept or cancel offers received from dairy processors at

anytime to remove surplus bulk butter, cheese or milk from the marketplace. Contractors' failure to notify KCCO about late shipments, may cause more disruption to the state distribution feeding programs.

7. Special circumstances:

- a) requiring respondents to report information to the agency more often than quarterly;
 - 1. **Offers are submitted bi-monthly, quarterly, or annually, but are submitted more frequently in emergencies or to make up a deficiency from a regular purchase.**
 - 2. **KC-337 is submitted annually, except for emergencies, which require a 45-day response**
 - 3. **KC-334 is submitted upon completion of shipment that requires a KCCO contracted surveyor.**
- b) requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it; **KCCO issues a solicitation, requiring competitive offers usually within 7-13 days, depending on program needs.**
- c) requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years; **No**
- d) in connection with a statistical survey that is not designated to produce valid and reliable results that can be generalized to the universe of study; **No**
- e) requiring the use of statistical data classification that has not been reviewed and approved by OMB; **Bid price analysis requires statistical data classification.**
- f) 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 compatible confidential use; **No**
- g) 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's 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 with a 60-day comment period was published on May 1, 2013 (78 FR 25416). No comments were received.

Below were contacted for consultation.

- BUNGE MILLING INC, CELIA UNDERWOOD, 11720 BORMAN DRIVE, ST LOUIS, MO 63146-4129.
- Ralcorp Holdings, Julie Cantwell, P.O. Box 618, St. Louis, MO 63188.
- Masters Gallery Foods Inc, Jim Jirschele, Highway PP, Plymouth, WI 53073.

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 the attached FSA-85-1.

Reporting Burden: 76 respondents will submit 858 reports annually that average approximately 15-30 minutes per response. The total reporting burden is 237 hours.

The estimated cost to the public is \$ 5,074. This figure represents 237 burden hours x \$21.41.

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

There are no capital and start-up costs associated with this information collection. The requested information is part of the respondent's normal business records.

14. Estimates of annualized cost to the Federal government:

The estimated annual cost to the Federal government is \$14,110. Cost for producing and distribution is estimated at \$ 2,643.91. Employee wages for producing the forms/applications is estimated at \$15,567.07.

15. Reasons for changes in burden:

The program change has decreased by 829 hours. The burden hours previously approved were 1066, and the current burden hours are 237.

The previous annual responses were 9,921, and the current annual responses are 858 responses. The annual number of respondents has decreased by 9,063.

The number of respondents is currently 76 and has decreased by 753 respondents.

The reason for the change is that three forms of KC-359, 366, 331, 327-Devlstat, 144 are obsolete and absorbed in WBSCM.

16. Tabulation, analysis and publication plans:

Purchase and sale contractor award information is available on the FSA Internet, on the WBSCM portal, FedBizOpps (<https://www.fbo.gov/>), and in the statistical overview pamphlet.

17. Reason display of expiration date of OMB approval is inappropriate:

The agency is seeking approval to not display the OMB expiration date on the forms associated with this information collection. Forms management practices issued by FSA, and followed by Management Services Division, require form stocks to be controlled by the version or edition date on the form. This date determines whether the form is current or obsolete for the purposes of the program requirement it is fulfilling. Offices are notified on the status of program forms and are instructed to use forms based on the version or edition date.

18. Exceptions to 83-1 certification statement:

There are no exceptions to OMB-83-1 certification statement.

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 contractors, vendors, steamship companies, freight forwarders, warehouse operators, and voluntary agencies. Our customers have direct contact with KCCO. Domestic 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 the program recipients of USDA commodities.