

Supporting Statement for Department of Veterans Affairs (VA)
Acquisition Regulation (VAAR) Section 809.504(d), and VAAR Clause 852.209-70
OMB No. 2900-0418

A. Justification

1. This Paperwork Reduction Act (PRA) submission requests a revision to Office of Management and Budget (OMB) approval No. 2900-0418 for collections of information required by Department of Veterans Affairs Acquisition Regulation (VAAR) by removing section 809.106-1, Conditions for preaward surveys, and reducing the burden associated with section 809.504 (d), Contracting officer's responsibilities, and VAAR clause 852.209-70, Organizational conflicts of interest.
2. VAAR section 809.504 (d) and VAAR clause 852.209-70 require offerors on solicitations for management support and consulting services to advise, as part of the firm's offer, whether or not award of the contract to the firm might involve a conflict of interest and, if so, to disclose all relevant facts regarding the conflict. The information is used by the contracting officer to determine whether or not to award a contract to the firm or, if a contract is to be awarded despite a potential conflict, whether or not additional contract terms and conditions are necessary to mitigate the conflict.
3. Collection efforts generally do not involve the use of automation. Offerors are required to provide specific information, unique to the particular solicitation.
4. There are no duplicated efforts. The data that must be submitted is unique to the particular solicitation.
5. There is no significant impact on small businesses.
6. Failure to collect the information could have a negative impact on both the offeror and VA.

Without the information on potential conflicts of interest required by VAAR section 809.504(d) and VAAR clause 852.209-70, the offeror might be subject to civil or legal penalties for seeking a contract that involved a conflict of interest and VA might not receive full benefits for award of such a contract.

7.

a. The information is needed for each offer rather than quarterly. The information is specific to and unique to that particular solicitation.

b. The information is submitted with each offer. The time for response is the same as the time for submission of the offer, which may be fewer than 30 days, especially for lower dollar value contracts. Generally, 30 days are allotted for responses.

- c. Only one copy of the information is required.
- d. There are no records retention requirements.
- e. This is not a statistical survey.
- f. This does not require the use of statistical data classification.

g. This does not include a pledge of confidentiality. However, if requested by the contractor, VA will agree to protect the material from unauthorized disclosure. The information would be subject to and protected by the Freedom of Information Act.

h. This does not require the submission of proprietary information. However, should a contractor believe the information is proprietary, VA will agree to protect the material from unauthorized disclosure in accordance with the Freedom of Information Act.

8. Notice regarding use of this clause in all applicable solicitations was published in the Federal Register on January 14, 2011 at page 16044. There were no comments received in response this notice.

9. No payments or gifts will be provided.

10. No assurances of confidentiality will be provided to respondents. However, should a contractor believe the information is proprietary, VA will agree to protect the material from unauthorized disclosure in accordance with the Freedom of Information Act.

11. The request for information does not include any questions of a sensitive nature.

12. The estimate of the public burden associated with this requirement is composed of two populations; those required to respond to VAAR section 809.504 (d) and VAAR clause 852.209-70 and those required to evaluate the information provided.

a. Paragraph (d) of VAAR section 809.504 and VAAR clause 852.209-70:

- (1) Estimated number of respondents: 102 (Note 1).
- (2) Estimated frequency of responses: 1 response for each solicitation.
- (3) Estimated average burden per collection: 1 hour.
- (4) Estimated total annual reporting burden: 102 hours.
- (5) Estimated annualized cost: \$7,140.00 (102 hours at \$70.03 per hour) (Note 2).

Note 1: The number of respondents is based on a senior analysts estimate that 10% of the offerors disclose organizational conflicts of interest, based on the types of services acquired by the VA. The VA issued 539 solicitations that contained the requirements of VAAR section 809.504 and VAAR clause 852.209-70 during Fiscal Year 2012. Analysis was conducted by running a report from the VA Electronic Contract Management System (eCMS). There were 1,018 (1,018 – 10% = 102) responses to the solicitation.

The estimated hours per response is based on the time required by the offerors to review, and prepare a statement with its offer which describes, all relevant facts concerning any past, present, or currently planned interest or actual or potential organizational conflicts of interest relating to the services to be provided under the solicitation.

Note 2: It is estimated that the review and statement will be prepared by a Senior Level Contracts Manager equivalent to a GS-14 level position. Based on General Schedule (GS) hourly salary for a GS-14 step 9, for FY2012 plus 36.25% per OMB Memo M-08-13 dated March 11, 2008 ($\$51.40 \times 136.25\% = \70.03 rounded to \$70.00).

13.

- a. There are no capital costs or operating or maintenance costs.
- b. Costs are not expected to vary widely.
- c. There are no equipment costs.

14. Estimated annualized cost to the Government: The time required for the Government to review the requirements is based on receiving, reviewing and analyzing the information submitted by the offeror.

a. Paragraph (d) of VAAR section 809.504 and VAAR clause 852.209-70: \$5,000 (500 hours at \$10 per hour to evaluate the information provided).

- (1) Total annual responses: 102.
- (2) Hours per response: 1
- (3) Total annual hours: 102 hours.
- (4) Cost per hour: \$44.60 hours (Note 3).
- (5) Total annual cost to Government: \$4,549.20

The estimates hours per response is based on the time required for the Government to receive, review, and analyze the information submitted by the contractor.

Note 3: It is estimated that the review and statement will be prepared by a Journeyman Contract Specialist equivalent to a GS-12. Based on a GS-12, step 5 salary, for FY2012 plus 36.25% per OMB Memo M-08-13 dated March 11, 2008 ($\$32.73 \times 136.25\% = \44.60).

15. This submission revises a currently approved collection. The annual burden is decreased as a result of removing the information collection under VAAR section 809.106-1. The information collection is no longer required; information is approved for collection at the Federal Acquisition Regulation level under OMB Approval 9000-0011. There are no program changes.

Additionally, the estimate of the public burden associated with this requirement under VAAR section 809.504 (d) and VAAR clause 852.209-70 was updated with current FY2012 data and as a result, the burden is reduced.

15. This submission revises a currently approved collection. The annual burden is decreased as a result of removing the information collection under VAAR section 809.106-1. The information collection is no longer required; Information is collected under FAR Clearance 9000-0011. Additionally, the estimate of the public burden associated with this requirement under VAAR section 809.504 (d) and VAAR clause 852.209-70 were reduced.

16. The results will not be published.

17. This request seeks approval to not display the expiration date for OMB approval. This is an on-going requirement. VA has a continuing need for this information in order to award contracts. VA expects to continue use of these VAAR sections and this VAAR clause indefinitely and an expiration date would only tend to confuse the public. _

18. This submission does not contain any exceptions to the certification statements.

B. Collection of Information Employing Statistical Methods: Statistical methods will not be employed _