

Supporting Statement for Department of Veterans Affairs Acquisition Regulation  
(VAAR) Section 832.202-4  
OMB 2900-0688

A. Justification

1. This Paperwork Reduction Act (PRA) submission requests a revision to Office of Management and Budget (OMB) approval No. 2900-0688 for collections of information required by Department of Veterans Affairs Acquisition Regulation (VAAR) by removing section 832.006-4, Procedures and reducing the burden associated with the section. An extension is requested for VAAR 832.202-4 Security for Government Financing.

2. VAAR 832.202-4 Security for Government Financing. FAR subpart 32.2 authorizes the use of certain types of Government financing on commercial item purchases. 41 United States Code (U.S.C.) 255(f) requires the Government to obtain adequate security for Government financing. However, FAR 32.202-4(a) (2) provides that, subject to agency regulations, the contracting officer may determine that an offeror's financial condition is adequate security.

VAAR 832.202-4 Security for Government Financing specifies the type of information that the contracting officer may obtain to determine whether or not the offeror's financial condition constitutes adequate security. The information that is gathered under section 832.202-4 will be used by the VA contracting officer to assess whether or not the contractor's overall financial condition represents adequate security to warrant paying the contractor in advance.

3. The collection of information will not involve automated, electronic, mechanical, or other technological collection techniques. However, contractors may elect to submit data via e-mail.

4. There are no duplicated efforts. The information collected is specific to the given situation.

5. There will be only minimal impact on any business, whether small or large. The amount of data submitted is at the discretion of the contractor. The contractor can choose to submit no data.

6. The consequences of not collecting the data required under VAAR section 832.202-4 may be that a contractor would not qualify for advance payment under a contract and might thereby experience difficulty completing the contract.

7.

a. Information is collected as needed, and only at the discretion of the contractor.

b. Information may be required in less than 30 days under VAAR section 832.202-4 to allow VA to make a decision on whether or not to make payments in advance. A quick decision may be necessary in order to ensure that the contractor has sufficient assets to perform the contract. A fast decision would be a benefit to the contractor.

c. No more than an original will be required.

d. There are no record 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.

h. This does not require the submission of proprietary information.

8. The Department notice was published in the Federal Register on November 25, 2014 at page 70284. No comments were received.

9. No payments or gifts will be provided.

10. No assurances of confidentiality will be provided to respondents.

11. N/A. 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 832.202-4 and those required to evaluate the information provided:

VAAR Section 832.202-4:

a. Estimated number of respondents: 10.

b. Estimated frequency of responses: On occasion. A response will be requested any time a contractor requests payment in advance and the contracting officer agrees to consider the request.

c. Estimated average burden per collection: 1 hour.

d. Estimated total annual reporting burden: 10 hours.

e. Estimated annualized cost: \$350 (10 hours at \$35 per hour, estimated salary rate, including benefits, based on the likelihood that an individual at a level similar to a GS-12, Management Analyst will gather and prepare the data).

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.

VAAR Section 832.202-4, annual estimated salary rate to analyze the data (10 hours at \$35 per hour): \$3,500

It is estimated that the review will be conducted by a Contracting Officer at the level of a GS-12.

15. This submission revises a currently approved collection. The annual burden is decreased as a result of removing the information collection under VAAR section 832.006-4. The information collection is no longer required; information is approved for collection at the FAR level under FAR Clearance OMB Approval 9000-0138. There are no program changes

16. The results will not be published.

17. This request seeks approval to not display the expiration date of OMB approval. This is an on-going requirement. There is a continuing and reoccurring need for this data whenever a contractor requests payment in advance and the contracting officer agrees to consider the request (832.202-4). VA anticipates allowing contractors to submit data as necessary for the foreseeable future 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

The data collection does not employ statistical methods.