

1 Supporting Statement for Paperwork Reduction Act Submission

VA Supplier Perception Survey (SPS)

A. Justification

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

The VA Supplier Perception Survey (SPS) helps the VA further its goal of transforming the VA acquisition process in order to better serve our veterans. The SPS is part of an initial set of initiatives to build the foundation for strengthening VA logistics programs. The intended organizations for the implementation of these recommendations (that support and strengthen departmental logistics management and operations) include the VA Central Office (VACO), Veterans Health Administration (VHA) headquarters and field medical units, Veterans Benefits Administration (VBA) headquarters and field units, and National Cemetery Administration (NCA) headquarters and field units. All contractor recommendations and implementations must support a lean, efficient and effective VA Logistics and Supply Chain Management process.

The information is necessary in order to understand the perceptions of VA suppliers and areas where VA can improve its services. Within VA, the Office of Acquisition and Logistics (OAL) is charged with the responsibility for the VA Strategic Sourcing program. OAL strongly believes that Strategic Sourcing actions can help the Department meet these goals.

In 2013, the VA developed a set of 43 questions that has been used to survey 29,185 VA suppliers bi-annually. This comprehensive data set has been used to focus additional executive level meetings with industry, required policy or procedural changes, and additional SPS surveys to other groups of VA suppliers.

- 2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

The results of the VA Supplier Perception Survey will help the VA to develop Key Performance Indicators (KPI) in acquisition and logistics operations across the VA that will make up a balanced scorecard. Leadership at all levels will be able to better manage acquisition and logistics operations once the balanced scorecard is in place. The Supplier Perception Survey results will indicate which areas the VA must focus on in order to strengthen the public/private partnership and increase the effectiveness of the services and facilities that the VA provides veterans while also lowering the overall

cost to do so.

All information gathered by the Supplier Perception Survey will be maintained at the VA Office of Acquisition, Logistics and Construction

- 3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.**

The collection will be conducted via an online survey system. This approach was chosen to make responding to the survey easier for participants, and to decrease the time and cost of the survey process. The VA will provide the Supplier Perception Survey in electronic format. The format is common for the types of questions that the VA will ask our suppliers and is considered the easiest format for the suppliers to use and the cheapest for the VA to administer.

- 4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

A thorough search for similar surveys in the Federal Register back to 1994 did not identify any similar studies. The Bureau of Economic Analysis and the Census Bureau conduct surveys of domestic and international business, but their surveys do not ask how the government is performing in regards to contracts between the two as our survey asks.

- 5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-1), describe any methods used to minimize burden.**

Small businesses are among the suppliers emailed about the survey. The online delivery of the survey will make responding to the survey less of a burden for all participants.

- 6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

The information provided by VA suppliers is critical to help VA improve the quality of services delivered to our customers. The information gathered by this survey is a key component to the VA transformation effort. Improving the VA relationship with our suppliers is a proven technique to achieve our goal to deliver the best value of goods

and services at the best possible total cost of ownership. Without the information provided by the SPS we will not be able to target our efforts to improve the steps in our acquisition and logistics process that cause waste and inefficiency to the VA and our supply base.

- 7. Explain any special circumstances that would cause an information collection to be conducted more often than quarterly or require respondents to prepare written responses to a collection of information in fewer than 30 days after receipt of it; submit more than an original and two copies of any document; retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years; in connection with a statistical survey that is not designed to produce valid and reliable results that can be generalized to the universe of study and require the use of a statistical data classification that has not been reviewed and approved by OMB.**

There is no special circumstance requiring collection in a manner inconsistent with 5 CFR 1320.6 guidelines. VA consulted with Barbarium for their professional experience conducting similar surveys.

- 8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the sponsor's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the sponsor in responses to these comments. Specifically address comments received on cost and hour burden.**

The Department notice was published in the Federal Register on Tuesday, January 27, 2015, Volume 80, No. 17, pages 4336-4337. No comments were received.

VA will consider supplier feedback from each survey event in order to best shape survey questions to mitigate data collection work by the suppliers and ensure survey questions are clear.

- 9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

No payment or gifts will be provided to respondents.

- 10. Describe any assurance of privacy, to the extent permitted by law, provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

Respondents are promise confidentiality. Only aggregate data without personal identifications will be provided to VA from the contractor conducting the survey.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

No sensitive questions will be asked.

12. Provide estimates of the hour burden of the collection of information. The statement should:

- * Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**
- * If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I.**
- * Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.**

All 29,185 suppliers in the VA supply base are potential respondents. The estimated respondent per year is 1,500.

We expect that completing this electronic form would require minimal time for respondents because the questions do not exceed the knowledge and information normally possessed by a prudent person in the ordinary course of business dealings. The majority of the data requested on the form is routinely maintained by any business and should be readily available from existing records.

The burden estimate of the electronic survey is based on the estimate of the time it would take to complete the survey. We estimate that it would take an average of 30 minutes for a respondent to complete the electronic form, including referring to internal records to determine financial and minority status demographic questions.

The total number of respondents per year is 1,500 per 1 response X 30 minutes = 45000 / 60 = 750 annual burden hours. The 3 year total burden hour is 2,250 hours.

The total annual dollar value of the burden hours to respondents of the annual survey during is \$375,000.

Year	Total Annual Number of Respondents	Total Annual Number of Responses Per Respondent	Estimated Burden Hours Per Response	Total Annual Burden Hours	Dollar Value of Total Annual Burden Hours
2016	1,500	1	30 minutes	750 hours	\$375,000
2017	1,500	1	30 minutes	750 hours	\$375,000
2018	1,500	1	30 minutes	750 hours	\$375,000
Total	4,500	1	30 minutes	2,500 hours	\$1,125,000

13. Provide an estimate of the total annual [non-hour] cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).

- * The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life) and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information [including filing fees paid]. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.
- * If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.
- * Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government or (4) as part of customary and usual business or private practices.

14. Provide estimates of annualized cost to the Federal government. Also,

provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.

The estimated annual cost to the Government is \$668,139.00. This figure includes approximately \$133,627.80 and the consulting support of 6,888 hours at a weighted average hourly price of \$97 per hour for a total annualized cost to the government of \$668,139.00. There are no requirements for additional equipment or overhead.

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.

This office is not conducting SRM Forums at this time.

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

The implementation of the survey will take approximately 4-5 weeks, twice a year. Analytical techniques will include calculating means, developing crosstabs, and inferential statistics such as multiple regression, ANOVA and t—tests.

Aug 2015	Launch 4Q FY2015 survey
Sep 2015	Analyze 4Q FY2015 survey data
Oct 2015	Complete identification of suppliers for 4Q FY2015 survey
Nov 2015	Publish 4Q FY2015 survey data to VA website

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

We do not request exemption.

18. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I.

There are no exceptions to the certification statement identified in Item 19 of the OMB Form 83-I.