

**SUPPORTING STATEMENT
INFORMATION COLLECTION 9000-0145
USE OF DATA UNIVERSAL NUMBERING SYSTEM (DUNS) AS PRIMARY
CONTRACTOR IDENTIFICATION**

A. Justification

- 1. Administrative requirements.** The Data Universal Numbering System (DUNS) number is the nine-digit identification number assigned by Dun and Bradstreet Information Services to an establishment. The Government uses the DUNS number to identify contractors in reporting to the Federal Procurement Data System (FPDS). The FPDS provides a comprehensive mechanism for assembling, organizing, and presenting contract placement data for the Federal Government. Federal agencies report data on all contracts in excess of \$3,000 to the Federal Procurement Data Center that collects, processes, and disseminates official statistical data on Federal contracting. Contracting officers insert the Federal Acquisition Regulation (FAR) provision 52.204-6, Data Universal Numbering System (DUNS) Number in solicitations they expect will result in contracts in excess of \$3,000. This provision requires offerors to submit their DUNS number with their offer. If the offeror does not have a DUNS number, the provision provides instructions on obtaining one.
- 2. Uses of information.** Information is used to categorize data related to Federal contracts.
- 3. Consideration of information technology.** We use improved information technology to the maximum extent practicable. Where both the Government agency and contractors are capable of electronic interchange, the contractors may submit this information collection requirement electronically.
- 4. Efforts to identify duplication.** This requirement is issued under the Federal Acquisition Regulation (FAR) which has been developed to standardize Federal procurement practices and eliminate unnecessary duplication.
- 5. If the collection of information impacts small businesses or other entities, describe methods used to minimize burden.** The burden applied to small businesses is the minimum consistent with applicable laws, Executive orders, regulations, and prudent business practices.
- 6. Describe consequence to Federal program or policy activities if the collection is not conducted or is conducted less**

frequently. Collection of information on a basis other than solicitation-by-solicitation is not practical.

7. Special circumstances for collection. Collection of information is consistent with guidelines in 5 CFR 1320.6

8. Efforts to consult with persons outside the agency. A notice was published in the *Federal Register* at 81 FR 6860 on February 9, 2016. A 30-day notice was published in the *Federal Register* at 81 FR 24613, on April 26, 2016.

Two respondents submitted eight public comments on the extension of the previously approved information collection.

Comment: The respondent called on the Administration to replace the system it now uses to track bidders on federal contracts with a more open, efficient, and nonproprietary system, the Global Legal Entity Identifier (LEI). The respondent also called on the Administration to require contract bidders to identify the real people who own or control them - the beneficial owners.

Response: The respondent's comments are out of scope because the current FAR regulation, 4.607(b) only allows you to collect the DUNS number. The respondent's suggestion that the Administration replace the system it now uses to track bidders on federal contracts with a more open, efficient, and nonproprietary system, the Global Legal Entity Identifier (LEI), as well as require contract bidders to identify the real people who own or control them (the beneficial owners) is outside the scope of this collection.

Comment: The respondent urged the Administration to make public the beneficial owners of bidding firms. The Administration can do this without Congressional action, and it would be a major step toward making the procurement process more fair.

Response: The respondent's comments are out of scope because the current FAR regulation, 4.607(b) only allows you to collect the DUNS number. The respondent's suggestion that the Administration make public the beneficial owners of bidding firms is outside the scope of this collection.

Comment: The respondent stated that the U.S. government had the right to know who's bidding on federal contracts. Contracting officers need to know who is bidding to safeguard the use of taxpayer dollars. Legitimate businesses need to know who is bidding if they're to compete for contracts fairly.

Response: The respondent's comments are out of scope because the current FAR regulation, 4.607(b) only allows you to collect the DUNS number. The respondent's statement that the U.S. government had the right to know who's bidding on federal contracts, that contracting officers need to know who is bidding to safeguard the use of taxpayer dollars, and that legitimate businesses need to know who is bidding if they're to compete for contracts fairly is outside the scope of this collection.

Comment: The respondent called on the Administration to encourage Congress to pass the Incorporation Transparency and Law Enforcement Act (ITLEAA), legislation that would require the collection of the beneficial owners of the companies incorporated in all 50 states and for the information to remain updated.

Response: The respondent's comments are out of scope because the current FAR regulation, 4.607(b) only allows you to collect the DUNS number. The respondent's suggestion that the Administration encourage Congress to pass the Incorporation Transparency and Law Enforcement Act (ITLEAA), legislation that would require the collection of the beneficial owners of the companies incorporated in all 50 states and for the information to remain updated is outside the scope of this collection.

Comment: The respondent stated that requiring U.S. businesses to disclose beneficial owners will neither burden them, nor undermine their ability to compete globally. In fact, disclosing beneficial owners will create more competitive markets.

Response: The respondent's comments are out of scope because the current FAR regulation, 4.607(b) only allows you to collect the DUNS number. The respondent's statement that requiring U.S. businesses to disclose beneficial owners will neither burden them, nor undermine their ability to compete globally and in fact would create more competitive markets is outside the scope of this collection.

Comment: The respondent commented that the U.S. government should meaningfully engage civil society in a transparent process when exploring alternatives to existing entity identifiers.

Response: The respondent's comments are out of scope because the current FAR regulation, 4.607(b) only allows you to collect the DUNS number. The respondent's suggestion that the U.S. government should meaningfully engage civil society in a

transparent process when exploring alternatives to existing entity identifiers is outside the scope of this collection.

Comment: The respondent commented that the U.S. government should move to a non-proprietary identifier such as the Global Legal Entity Identifier (LEI) or a similar, open system that provides visibility spanning the entire hierarchy of entity ownership and includes information on the real people who own or control them (often called "beneficial owners").

Response: The respondent's comments are out of scope because the current FAR regulation, 4.607(b) only allows you to collect the DUNS number. The suggestion that the U.S. government should move to a non-proprietary identifier such as the Global Legal Entity Identifier (LEI) or a similar, an open system that provides visibility spanning the entire hierarchy of entity ownership and includes information on the real people who own or control them (often called "beneficial owners") is outside the scope of this collection.

Comment: The respondent commented that bidders for Federal Contracts and grants should be required to disclose information on their beneficial owners.

Response: The respondent's comments are out of scope because the current FAR regulation, 4.607(b) only allows you to collect the DUNS number. The respondent's suggestion that bidders for Federal Contracts and grants be required to disclose information on their beneficial owners is outside the scope of this collection.

9. Explanation of any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.
Not applicable.

10. Describe assurance of confidentiality provided to respondents. This information will be disclosed only to the extent consistent with prudent business practices and current regulatory and statutory requirements.

11. Additional justification for questions of a sensitive nature.
No sensitive questions are involved.

12.& 13. Estimated total annual public hour and cost burden.
The estimated time for offerors to enter the DUNS number is approximately 1 minute.

The number of unique large and small business contractors who received new awards or orders of \$3K or more in the Federal Procurement Data System database for Fiscal Year (FY) 2015 is 110,350. It is estimated that twenty percent (or 22,070) of the contractors would have been required to submit their DUNS number under FAR provision 52.204-6 on an average of three solicitations in FY11. The majority of contractors will not be required to submit their DUNS under FAR provision 52.204-6. This is due to the fact that FAR Clause 52.204-7, Central Contractor Registration (CCR), is required to be inserted in the majority of solicitations and contracts except as provided in 4.1102(a). FAR Clause 52.204-7 requires vendors to provide their DUNS number in CCR.

a. Estimated Annual Hour Burden

Number of Respondents to FAR 52.204-6 . . . 22,070
 Number of submissions per respondent. 3
 Total annual responses. 66,210
 Estimated time per response X .1666 hours
 Response burden hours 11,031

It is estimated that 15 percent of the 22,070 offerors or 3,311 offerors will be required to request a new DUNS number to submit under FAR provision 52.204-6. The historical estimate of approximately five minutes is used for the time to receive the DUNS number.

Number of new DUNS numbers requested. . . . 3,311
 Time needed to request a DUNS number. . . X .0833 hours
 Total hours to receive DUNS number 276

	Submission of DUNS under 52.204-6	New DUNS requested	
Number of Respondents	22,070	3,311	n/a
Number of submissions per respondent	3	1	n/a
Total annual responses	66,210	3,311	66,210
Preparation time per response	.02 hrs	.08333hrs	n/a

Total Response burden hours	1,324	276	1,600
Avg. Preparation time per response	n/a	n/a	.02417=1,600/66,210

Summary of Estimated Annual Burden:

Respondents: 22,070.
 Responses Per Respondent: 3.
 Annual Responses: 66,210.
 Hours Per Response: .1666.
 Total Burden Hours: 11,031.

b. Estimated Annual Cost

Total Burden Hours 11,031
 Cost per Hour X \$38*
 Cost to respondents \$ 419,178

* Based on the salary table for GS-11/step 5 salary (\$28.14 an hour for base salary) plus 36.25 percent burden, rounded to the nearest dollar, or \$38 an hour. The burden rate used is that mandated by OMB memorandum M-08-13 for use in public-private competition, as updated by OMB for the current year. Reference Salary Table 2016-GS, Effective January 2016, found at www.opm.gov).

14. **Estimated cost to the Government.** Time required for Governmentwide review of the requirement is approximately 1 minute per response.

Total annual responses..... 66,210
 Review time per responses.....X .02
 Total burden hours.....1,324
 Average cost per hour wage x 38*
 Total Government cost.....\$ 50,312

* Based on the salary table for GS-11/step 5 salary (\$28.14 an hour for base salary) plus 36.25 percent burden, rounded to the nearest dollar, or \$38 an hour. The burden rate used is that mandated by OMB memorandum M-08-13 for use in public-private competition, as updated by OMB for the current year. Reference Salary Table 2016-GS, Effective January 2016, found at www.opm.gov).

15. Explain reasons for program changes or adjustments reported in Item 13 or 14. This submission requests an extension of OMB approval of an information collection requirement in the FAR. The public burden has decreased due to the change in the number of unique vendors reported in FPDS for FY 2015.

16. Outline plans for published results of information collections. Results will not be tabulated or published.

17. Approval not to display expiration date. Not applicable.

18. Explanation of exception to certification statement. Not applicable.

B. Collections of Information Employing Statistical Methods.