

SUPPORTING STATEMENT

OMB Control Number 0704-0386 — Defense Federal Acquisition Regulation Supplement Part 219, Small Business Programs, and Associated Clauses in Part 252

A. JUSTIFICATION

1. Need for the Information Collection

Part 219 of the Defense Federal Acquisition Regulation Supplement (DFARS) prescribes policies and procedures for applying small business management considerations in the acquisition of supplies and services. The clause at DFARS 252.219-7003, Small Business Subcontracting Plan (DoD Contracts), paragraph (e) includes a written notification requirement for contractors who have identified specific small business concerns in their small business subcontracting plans. The intent of this notification is to alert the administrative contracting officer of any substitutions of those small business concerns with firms that are not small businesses.

2. Use of the Information

The information collected, on an as-needed basis under paragraph (e) of the clause at DFARS 252.219-7003, is used by the administrative contracting officer to improve administration under the small business subcontracting program. The administrative contracting officer uses the information to assess the contractor's compliance with approved subcontracting plans and to evaluate the contractor's performance in complying with its subcontracting plan. This is a valuable source of past performance information that procuring contracting officers use during source selection. Paragraph (e) does not require a specific format; rather, it allows the use of contractor-specified formats.

3. Use of Information Technology

Information technology is used to the maximum extent practicable. Contractors may submit the information electronically, and DoD may process the data collected electronically via Electronic Data Interchange. This means of collection was adopted to reduce input errors and increase efficiency. It is estimated that approximately 90% of the responses will be collected electronically.

4. Non-duplication

As a matter of policy, DoD reviews the Federal Acquisition Regulation (FAR) to determine if adequate language already exists. The DFARS language applies solely to DoD and is not considered duplicative of any language in the FAR. There is no similar information available from any other source.

5. Burden on Small Business

Small businesses are not required to submit small business subcontracting plans and are therefore not required to comply with the notification requirement. However, small businesses are expected to benefit from the improved administration of subcontracting plans and consideration of compliance in past performance.

6. Less Frequent Collection

Information required by DFARS 252.219-7003(e) is collected as the need arises to keep the administrative contracting officer apprised of a contractor's compliance with its approved subcontracting plans. Under the current procedure, the prime contractor proposes, and the contracting officer negotiates and ultimately approves, the contractor's subcontracting plan. Consistent with section 1322 of Public law 111-240, the "Small Business Jobs Act of 2010," (15 U.S.C. 637(d)(6)), the approved subcontracting plan is monitored by the administrative contracting officer to ensure the contractor has provided proper notification for any substitutions of firms that are not small business concerns. Less frequent collection would impede the administrative contracting officer's ability to monitor the contractor's performance with regard to the negotiated subcontracting plan.

7. Paperwork Reduction Act Guidelines

There are no special circumstances that require the collection to be conducted in any manner listed in 5 CFR 1320.5(d)(2). The collection of this information is consistent with the general information collection guidelines in 5 CFR 1320.6.

8. Consultation and Public Comments

a. Public comments were solicited in the *Federal Register* at [82 FR 34647](#) on July 26, 2017, as required by 5 CFR 1320.8(d). No public comments were received.

b. A notice of submission to OMB for clearance of this information collection was published in the *Federal Register* on September 27, 2017 ([82 FR 44999](#)).

9. Gifts or Payment

No payment or gift will be provided to respondents, other than remuneration of contractors under their contracts.

10. Confidentiality

The information collected will be disclosed only to the extent consistent with prudent business practices and statutory requirements. No assurance of confidentiality is provided to respondents.

11. Sensitive Questions

No sensitive questions are involved.

12. Respondent Burden, and its Labor Costs

a. Estimation of Respondent Burden

The estimated number of respondents, responses per respondent, and hours per response for this information collection requirement are based on consultations with DoD personnel. It is estimated that no more than 41 contracts would be subject to the requirement of 252.219-7003(e), with an estimate of one response per respondent and 1 hour per response. The estimated cost of \$52 per hour is based on the 2016 GS-12/Step 5 rate of \$38.56 plus a fringe benefit rate of 36.25 percent. The 36.25 percent fringe benefit was taken from OMB Memorandum M-08-13 dated March 11, 2008.

Estimation of Respondent Burden Hours: DFARS 252.219-7003(e)	
Number of respondents	41
Responses per respondent	1
Number of responses	41
Hours per response	1
Estimated hours (number of responses multiplied hours per response)	41
Cost per hour (hourly wage)	\$52
Annual public burden (estimated hours multiplied by cost per hour)	\$2,132

13. Respondent Costs Other Than Burden Hour Costs

There are no nonrecurring costs, i.e., capital and start-up operation and maintenance costs.

14. Cost to the Federal Government

The estimated hours per response is based on the time required for the Government to receive, review, and analyze the information submitted by the contractor. They were developed as a result of discussions with DoD personnel. The estimated cost of \$52 per hour is based on the 2016 GS-12/Step 5 rate of \$38.56 plus a fringe benefit rate of 36.25 percent. The 36.25 percent fringe benefit was taken from OMB Memorandum M-08-13 dated March 11, 2008.

Estimation of Federal Government Costs: 252.219-7003(e)	
Number of responses	41
Hours per response	1
Estimated hours (number of responses multiplied hours per response)	41
Cost per hour (hourly wage)	\$52
Annual cost to Government (estimated hours multiplied by cost per hour)	\$2,132

15. Reasons for Change in Burden

There are no program changes or adjustment to estimated burden hours. The increase in total annual cost reflected in Item 12 is an adjustment attributed to the using a GS-12 journeyman rate in the General Schedule salary table, rather than a GS-11, and the application of the most recent fringe benefit cost factor.

16. Publication of Results

The results of the information collection will not be published.

17. Non-Display of OMB Expiration Date

We do not seek approval not to display the expiration date for OMB of the information collected.

18. Exceptions to "Certification for Paperwork Reduction Submissions"

There are no exceptions to the certification statement identified in Item 19 of OMB Form 83-1.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

Statistical methods will not be employed.