

**U.S. Department of Energy
Supporting Statement
Industrial Relations
OMB Control Number 1910-0600**

This supporting statement provides additional information regarding the Department of Energy (DOE or Department) request for processing of the proposed information collection, **Industrial Relations**. The numbered questions correspond to the order shown on the Office of Management and Budget (OMB) Form 83-I, "Instructions for Completing OMB Form 83-I."

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 information collection.**

This package requests renewal of the information collection from the DOE Facilities Management Contractors for contract administration, management oversight, and cost control. This information is used to ensure that Department contractors recruit and retain a workforce in accordance with the terms of their contract and in compliance with statutory and regulatory requirements as identified by contract.

The basic authority for collection of this data is the statute establishing the Department of Energy ("Department of Energy Organization Act," Public Law 95-91, of August 4, 1977). It vests the Secretary of Energy with the executive direction and management function, authority, and responsibilities for the Department, including contract management. The provisions of 42 U.S.C § 7254 state "The Secretary is authorized to prescribe such procedural and administrative rules and regulations as he may deem necessary or appropriate to administer and manage the functions now or hereafter vested in him"; and 42 U.S.C § 7256 (a) "The Secretary is authorized to enter into and perform such contracts, leases, cooperative agreements, or other similar transactions with public agencies and private organizations and persons, and to make such payments (in lump sum or installments, and by way of advance or reimbursement) as he may deem to be necessary or appropriate to carry out functions now or here after vested in the Secretary."

Special H clauses on pay and benefits are inserted into Department Management and Operations (M&O) and other facility management contracts. These clauses state the reports and information that the contractor agrees to provide upon award of the contract.

Please note: Department contractors are paid for providing this information because it is an allowable contract cost under Department of Energy Acquisition Regulations (DEAR) 970.5204-3, 970.5227-1, and 970.5232-3. In this sense, the collection of this information is different from requests for information imposed on the general public for which payment is not made.

- 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.**

This information is used by Heads of Contracting Activities, Contracting Officers, and Contracting Officers' Representatives and program managers for contract administration, management oversight, and cost control of Department Facilities Management Contracts.

For example: The Department monitors pension funding by review of the IRS required annual Actuarial Valuations. The Department tracks the size of the contractor workforce by entries in the Compensation and Benefits Report (CABR).

- 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.**

Department program managers and contractors continually work to apply the latest information technology (hardware and software) methods to reduce the information collection burden and improve the timeliness and usefulness of the management information collected. This includes automation of previously manual processes as appropriate, through the iBenefits system in which the Contractor uploads requested data.

- 4. Describe efforts to identify duplication.**

The collections contained in this package primarily apply to contract management or requests for collections in response to inter-agency requests. The data collected is not available from any other source and is not duplicated elsewhere, to our knowledge. Use of Pension Plan Actuarial Valuations and IRS form 5500 are examples of use of information already collected for Department needs.

- 5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

There are a few small businesses that have reimbursable prime contracts with DOE and are subject to the same collection requirements. As previously mentioned, these costs are reimbursable as well.

- 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.**

If these collections were not made, effective oversight and management of Department Facilities Management Contracts and Department mission accomplishment would not be possible.

The frequency of collection is dictated by sound management practice, external laws, regulations, Department orders, and contracts. If any of these conditions change and information collections can be reduced, reductions will be made and the contract documents are adjusted accordingly.

7. **Explain any special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines. (a) requiring respondents to report information to the agency more often than quarterly; (b) requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it; (c) requiring respondents to submit more than an original and two copies of any document; (d) requiring respondents to retain records, other than health, medical government contract, grant-in-aid, or tax records, for more than three years; (e) in connection with a statistical survey, that is not designed to product valid and reliable results that can be generalized to the universe of study; (f) requiring the use of statistical data classification that has not been reviewed and approved by OMB; (g) that includes a pledge of confidentiality that is not supported by authority established in stature of regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; (h) requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

Information collections in this package have been reviewed and justified by Department management, contract administration requirements, statutes, regulations, inter-agency reporting requirements, Departmental orders, or other internal Department requirements. To the best of our knowledge, collections are consistent with OMB guidelines.

8. **If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5CFR 320.8(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 in response to the comments. Specifically address comments received on cost and hour burden. Describe efforts to consult with persons outside DOE to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or report.**

The intention to extend this information collection package for a period of three years was published in the *Federal Register* on April 17, 2018 (Volume 83, Number 74), Page 16842. No comments were received.

Collection of this information is different from collections made of the general public in that this collection is made of Department contractors and is set forth in the contract. Contracts are between the Department and the contractor organization, and therefore consultation with outside agencies or other persons for these collections is not meaningful.

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

No payments or gifts other than those related to contracts are made.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

This information collection entails contractor workforce counts, aggregate dollar compensation, and benefits information. Collection of individual or confidential information is rarely involved. When the collection of confidential information is involved, the provisions for handling the information are set forth in the contract documents and related Departmental regulations.

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 DOE 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.

The information collected does not generate these types of questions.

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, DOE should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample fewer than 10 potential respondents is desirable.

The burden estimates provided represents the number of estimated labor hours for the contractor to furnish the data for each of the data collection categories. Contractors, at their option, or as agreed in the contract, may use commercially available data, generate their own data, or purchase professionally constructed data such as the Benefit Value Study.

There are 42 respondents. The collection of information is requested annually. The estimated annual total labor hour burden for this package is 4,093. Burden hours were estimated by determining the depth of the information requested. Much of the collection information requested is already maintained by the Contractor as standard business practices. Collections that are brief and are only asking for a small amount of information have less hours than requests that require a larger breadth of information.

Total number of unduplicated respondents (contractor): 42
Reports filed per person (contractor): 7.52
Total annual responses: 316

Total annual burden hours: 4,093 (This is an estimate of the time it takes for each collection item to be completed. The estimation is based on information that the contractor may collect as an industry practice, and/or whether a sub-contractor is needed to fulfill the requirement.)

Average Burden:

Per Collection: 13 hours

Per Applicant (contractor): 117 hours

Additional information regarding the Respondents, Collections, and Burden Hours is contained in the chart at the end of this document. The chart is entitled “Industrial Relations – OMB Control N. 1910-0600 2015 Renewal.”

13. Provide an estimate for the total annual cost burden to respondents or recordkeepers resulting from the collection of information.

This information collection is an allowable contract cost. Contractor collection costs are all charged to the Department. Therefore, there is no cost to the contractors for the collection of this data.

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

The annualized cost to the Federal government is estimated to be \$729,811. That is \$8127 per hour, times Burden Hours of 4,093, plus \$15,000 per Benefit Value Study at the group-buy (discount) rate and an average of 14 studies per year. (This assumes one hour of Federal Employee review per contractor Burden Hour.)

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

The number of respondents decreased by 53 (from 369 to 316) and the burden hours decreased by 4149 (from 8242 to 4093). The decrease in the number of respondents is due to an increase in the number of combined contracts as well as the requirements of participation for certain contractor types such as contractors whose parent organization are educational institutions. This also explains the decrease in the number of Benefit Value Studies. The decrease in burden hours is attributed to the Department’s efforts to increase efficiency and decrease burdensome requirements with a number of streamlined efforts that include eliminating duplicative requirements, and pairing down the information requested for the Annual Compensation Increase Plan.

The Pension Management Plan and Post-Retirement benefit Plan reviews were due to the need to increase oversight of contractor administration of pension plans and postretirement benefit plans that will ultimately require reimbursement from DOE. This has been an area of concern raised by the Government Accountability Office (GAO) in recent reports. In one report entitled: “Certain Postretirement Benefits for contractor employees are underfunded and program oversight could be improved” (GAO-04-539), GAO recommended that DOE institute a systematic management review of pertinent data to enhance consistency of benefit program evaluations. The collection of information during the Pension Management Plan

and Post-Retirement benefit review process enables the Department to implement the GAO recommendations.

Benefit Value Studies are actuarial studies using contractor methodology and assumptions to measure the relative worth of employee pension, welfare, and paid-time off programs. These studies are used to support Departmental oversight of contractor programs and ensure that benefits reimbursed by the Department are reasonable pursuant to the Federal Acquisition Regulations.

16. For collections whose results will be published, outline the plans for tabulation and publication.

There are no plans to publish this information.

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

The Department requests continued OMB approval to not display the expiration date to avoid the delay of reception of time sensitive information.

The Department is frequently called upon to review, and if warranted, approve contractor proposals for workforce restructuring and modification of benefit programs. For example:

- Plan amendments to avoid being disqualified due to discrimination in favor of highly-compensated-employees. This is usually time sensitive because the discrimination only becomes apparent during or at the end of the plan year. Corrective action must be taken quickly to reduce costs and avoid or minimize penalties.
- Workforce restructuring plans must be developed and presented to employees with adequate time for employees to make significant job-retirement decisions. In order to realize savings in the current year, the plan must be approved and promulgated some period before the end of the plan year.

18. Explain each exception to the certification statement identified in Item 19 of OMB Form 83-I.

No exceptions have been taken.

INDUSTRIAL RELATIONS		OMB CONTROL NO. 1910-0600		2018 RENEWAL	
No.	Collection Instruments (Annual)	Respondents 2015	Burden Hours 2015	Respondents 2018	Burden Hours 2018
1	Compensation and Benefits Report (CABR)	45	225 (45*5)	42	336 (42*8)
2	Cost Study	45	90 (45*2)	38	76 (38*2)
3	Pension Plan Actuarial Valuation Report	40	40 (40*1)	35	35 (35*1)
4	IRS Form 5300 & 5500 Series with Schedules	45	45 (45*1)	42	42 (42*1)
5	Benefit Value Study	24	192 (24*8)	38	304 (38*8)
6	Contractor Salary Wage and Increase Expenditure Report	40	1000 (40*25)	42	840 (42*20)
7	Compensation Increase Plan	45	5480 (45*122)	42	1680 (42*40)
8	Pension Management Plans	18	540 (18*30)	15	450 (15*30)
9	Post-Retirement Benefits Management Plans	27	405 (27*15)	22	330 (22*15)
	Totals	329	8017	≥316	4093

See form OMB 83-I, item 13, and Supporting Statement, item 12.

Collections 1 & 2 - information is contained in attachment 1: CABR Template.

Collection 3 & 4 - Form 5500 and Form 5500 Schedule SB- Single Employer Defined Benefit Plan Actuarial Information available at <https://www.dol.gov/agencies/ebsa/employers-and-advisers/plan-administration-and-compliance/reporting-and-filing/form-5500> .

Collection 5 - information provided in Supporting Statement, item 15.

Collection 6 - available at <https://www.energy.gov/sites/prod/files/cioprod/documents/350-1.pdf>.

Collection 7 - Federal Acquisition Regulations 31.205-6, COMPENSATION FOR PERSONAL SERVICES.

Collection 8 & 9 - information provided in Supporting Statement, item 15.