

SUPPORTING STATEMENT
ACQUISITION SERVICES INFORMATION REQUIREMENTS
(OMB Control No. 3064-0072)

INTRODUCTION

The Federal Deposit Insurance Corporation (FDIC) is requesting a three-year renewal of the information collection for its collection (3064-0072) associated with Acquisition Services Information Requirements. The collection of information involves the submission of various forms by contractors who wish to do business with the FDIC or are currently under contract with the FDIC, and by government agencies or commercial businesses that provide FDIC with past performance information. The current clearance for the collection expires on March 31, 2019. There is no change in the method or substance of the collection. However, the FDIC has reviewed its previous PRA submission and has updated its methodology to better account for the burdens associated with requests for proposals and price quotations as well as requests for information (RFIs).

A. JUSTIFICATION

1. Circumstances and Need

The Federal Deposit Insurance Act (12 U.S.C. Section 1819) empowers the FDIC to enter into contracts using private sector contractors to provide goods or services. This Act also provides that FDIC may promulgate policies and procedures to administer the powers granted to it, including the power to enter into contracts. The authority to establish policies and procedures and generate the contracting program has been delegated by the Board of Directors to the Director, Division of Administration. Therefore, pursuant to such policies, the Acquisition and Corporate Services Branch, Division of Administration, FDIC Headquarters in Washington D.C., has developed forms and clauses to facilitate the procurement of goods and services from private sector contractors.

In order to obtain competitive proposals and contracts from vendors interested in providing goods or services to the FDIC, the FDIC uses the Solicitation/Award request (Form 3700/55). This form is completed by the FDIC and is used in connection with a request for proposal and a request for price quotations.

In anticipation of a particular contract solicitation, the FDIC may first conduct market research to narrow down the list of potential contractors. This is done through an RFI. Following the RFI process, potential firms may be notified if they are to be included in the next phase of the acquisition process.

The FDIC Background Investigation Questionnaire for Contractor Personnel and Subcontractors (Form 1600/04), Background Investigation Questionnaire for Contractors (Form 1600/07), Integrity and Fitness Representations and Certifications (Form 3700/12),

and Leasing Representations and Certifications (Form 3700/44) are a result of the implementation of 12 CFR Part 366. The FDIC adopted 12 CFR Part 366 (Part 366) pursuant to Section 12(f)(3) and (4) of the Federal Deposit Insurance Act, 12 U.S.C. 1822(f)(3) and (4), and the rulemaking authority of the FDIC found at 12 U.S.C. 1819. Pursuant to those sections and consistent with the goals and purposes of titles 18 and 41 of the U.S. Code, Part 366 establishes the minimum standards of integrity and fitness that contractors, subcontractors, and employees of contractors and subcontractors must meet if they perform any service or function on behalf of the FDIC. Part 366 includes regulations governing conflicts of interest, ethical responsibility, and use of confidential information in accordance with 1822(f)(3); and the prohibitions and the submission of information in accordance with 1822(f)(4). Part 366 applies to a person who submits an offer to perform or performs, directly or indirectly, a contractual service or function on behalf of the FDIC.

In addition, the evaluation of an offeror's past performance under formal contracting procedures is a mandatory technical evaluation criterion in the FDIC's standard solicitation document. In support of the evaluation of the past performance criterion, the FDIC Past Performance Questionnaire (Form 3700/57) was developed to be submitted by other government agencies or commercial businesses who are doing business, or have done business, with the contractor that the FDIC is evaluating.

The FDIC Contractor Representations and Certifications form (Form 3700/04A) must be completed by any offeror that responds to a solicitation for an award over \$100,000.

Finally, in connection with a contract proposal, the FDIC seeks a commitment from an FDIC contractor to ensure, to the maximum extent possible consistent with applicable law, the fair inclusion of minorities and women in its workforce and the workforces of its applicable subcontractors. The commitment is asserted by the FDIC Fair Inclusion of Minorities and Women form (Form 3700/59), which is a contract clause implementing Section 342(c)(2) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5452). The clause asserts the FDIC's right to request documentation from the contractor that demonstrates the contractor's good faith effort to include minorities and women in its workforce and subcontractors' workforces.

2. Use of Information Collected

The information requested is used to determine the qualifications, fitness and integrity of contractors wishing to enter into contracts or leases with the FDIC and to obtain past performance information pertaining to specific contractors. The forms have legal significance since their submission represents formal offers and/or averments, which, if fraudulent, are punishable under provisions of both civil and criminal law. The past performance information collected is used to compare and evaluate technical capabilities of multiple offerors. Such evaluations may take place on items ranging in complexity from routine office equipment to highly specialized services. The Fair Inclusion documentation collected will be used to help determine whether a contractor has made a good faith effort to include minorities and women in its workforce.

3. Use of Technology to Reduce Burden

Electronic copies of the following forms are available on FDIC's external website. These forms will be used by contractors that propose on FDIC contracts, contractors doing business with FDIC, and government agencies or commercial businesses that provide past performance information to FDIC. All of the forms, except 3700/57, require a signature. FDIC currently does not have electronic signature capability.

FDIC Background Investigation Questionnaire for Contractor Personnel and Subcontractors, Form 1600/04
FDIC Background Investigation Questionnaire for Contractors, Form 1600/07
FDIC Integrity and Fitness Representations and Certifications, Form 3700/12
FDIC Leasing Representations and Certifications, Form 3700/44
FDIC Past Performance Questionnaire, 3700/57
FDIC Contractor Representations and Certifications, Form 3700/04A
FDIC Fair Inclusion of Minorities and Women, 3700/59

In addition, FDIC Solicitation/Award, Form 3700/55 is completed by the FDIC and is used in connection with a request for proposal and a request for price quotations.

4. Efforts to Identify Duplication

The information collected does not duplicate information existing elsewhere. In addition, the FDIC uses option provisions in contracts when an increase in the same or similar products and services can be reasonably anticipated. This approach eliminates excessive solicitation of the same or similar items when competition was used initially and a determination that the price obtained through the option is reasonable.

5. Minimizing Burden on Small Entities

The amount of information collected varies with the competitiveness and complexity of the procurement. The number of entities considered small, according to the Small Business Administration, is difficult to estimate given that acquisition services vary greatly. However, in general, procurement requirements are less complex for small firms. Therefore, the amount of information collected from a small firm is generally less burdensome than for a major solicitation responded to by a large firm.

6. Consequences of Less Frequent Collections

The information is collected on an "as-needed" basis to support legislative requirements.

7. Special Circumstances

None.

8. Consultation with Persons Outside the FDIC

A notice seeking public comment for a 60-day period was published in the *Federal Register* on August 16, 2018 (83 FR 40768). No comments were received.

9. Payment or Gift to Respondents

None.

10. Confidentiality

Any information deemed to be of a confidential nature would be exempt from public disclosure in accordance with the provisions of the Freedom of Information Act (5 U.S.C. 552).

11. Information of a Sensitive Nature

The forms related to this information collection contain Personally Identifiable Information¹, including name, address, telephone number, customer account number and/or social security number. This information is necessary to assist the FDIC in determining the qualifications, fitness and integrity of contractors wishing to enter into contracts or leases with the FDIC and to obtain past performance information pertaining to specific contractors.

The Systems of Records Notices associated with this collection may be viewed at the following link: <https://www.fdic.gov/regulations/laws/rules/2000-4000.html>. The applicable Privacy Impact Assessment is available at <https://www.fdic.gov/about/privacy/assessments.html>.

¹ The term “Personally Identifiable Information” refers to information which can be used to distinguish or trace an individual’s identity, such as their name, social security number, biometric records, etc. alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother’s maiden name, etc.

12. Estimates of Hourly Burden and Annualized Cost

Summary of Annual Burden							
	Type of Burden	Obligation to Respond	Estimated Number of Respondents	Estimated Frequency of Responses	Estimated Time per Response	Frequency of Response	Total Annual Estimated Burden
Request for Proposal and Price Quotation (includes Basic Safeguards) - Solicitation/Award (Form 3700/55)	Reporting	Required to Obtain or Retain Benefits	656	1	6.55	On Occasion	4,297
Request for Information	Reporting	Voluntary	140	1	12.00	On Occasion	1,680
Background Investigation Questionnaire for Contractor Personnel and Subcontractors (Form 1600/04)	Reporting	Required to Obtain or Retain Benefits	2,400	1	0.33	On Occasion	792
Background Investigation Questionnaire for Contractors (Form 1600/07)	Reporting	Required to Obtain or Retain Benefits	200	1	0.5	On Occasion	100
Integrity and Fitness Representations and Certifications (Form 3700/12)	Reporting	Required to Obtain or Retain Benefits	12	1	0.33	On Occasion	4
Leasing Representations and Certifications (Form 3700/44)	Reporting	Required to Obtain or Retain Benefits	15	1	1	On Occasion	15
Past Performance Questionnaire (Form 3700/57)	Reporting	Required to Obtain or Retain Benefits	984	1	0.75	On Occasion	738
Contractor Representations and Certifications (Form 3700/04A)	Reporting	Required to Obtain or Retain Benefits	12	1	0.33	On Occasion	4
Fair Inclusion of Minorities and Women (Form 3700/59)	Reporting	Required to Obtain or Retain Benefits	100	1	2	On Occasion	200
TOTAL HOURLY BURDEN							7,830 hours

Annualized Cost of Internal Hourly Burden:
 $7,830 \text{ hours} \times \$104.06 \text{ per hour}^2 = \$814,789.80.$

² The total burden cost for the ICR utilizing data gathered from the Bureau of Labor Statistics (BLS) as of March 2018. According to the May 2017 National Industry-Specific Occupational Employment and Wage Estimates for the Depository Credit Intermediation sector the average of median wages for Lawyers (231011) and Management Occupations (110000) is \$65.62 per hour. The wage information reported by the BLS in the Specific Occupational Employment and Wage Estimates does not include health benefits and other non-monetary benefits. According to the March 2018 Employer Cost of Employee Compensation data compensation rates for health and other benefits are 35.5 percent of total compensation. The wage information has been adjusted for inflation according to the BLS data on the Consumer Price Index for Urban Consumers (CPI-U) so that it is contemporaneous with the non-wage compensation statistic. The inflation rate was 2.28 percent between May 2017 and March 2018. Therefore, the average of the estimated adjusted wage for Lawyers and Management Occupations is \$104.06 per hour.

13. Total Annual Cost Burden

None.

14. Annual Cost to the Federal Government

None.

15. Reason for Program Changes or Adjustments

The annual burden for this information collection is estimated to be 7,830 hours. This represents an increase of 5,496 hours from the current burden estimate of 2,334 hours. This increase is not due to any new requirements imposed by the FDIC. Rather, it is due to FDIC's reassessment of the burden hours associated with the contracting process and to better account for the burdens associated with requests for proposals and price quotations as well as RFIs.

16. Publication

No publication is made of this collection of information.

17. Display of Expiration Date

Not applicable.

18. Exceptions to Certification

None.

B. STATISTICAL METHODS

Not applicable.