

## **SUPPORTING STATEMENT FOR REQUEST FOR APPROVAL UNDER THE PAPERWORK REDUCTION ACT AND 5 CFR 1320**

### **SECTION A. JUSTIFICATION**

1. Section 635(b) of the Foreign Assistance Act (FAA) authorizes USAID to contract with any corporation, international organization, or other body or persons in or outside of the United States in furtherance of the purposes and within the limitations of the FAA. Attachment 1 to this Justification contains the information collection requirements placed on the public by the USAID Acquisition Regulation (AIDAR), published as 48 CFR Chapter 7. These are all USAID unique procurement requirements. Information collection requirements for the pre-award stage are needed to ensure Agency contracting personnel can exercise prudent management in determining that an offeror either has or can obtain the ability to competently manage development assistance programs utilizing public funds. Information collection requirements during the post-award period are needed to administer public funds prudently. See Attachment 1 for brief statements of specific circumstances applicable to individual collections. Copies of the applicable sections of the AIDAR establishing the information collections are attached as Attachment 2.

2. The collections shown in Attachment 1 are required to award and administer USAID contracts. The most frequently used form is the Employee Biographical Data Sheet, AID Form 1420-17. Offerors (at the pre-award stage) and contractors (during contract administration) complete this form for employees and consultants who will work on the contract and whose salaries are reimbursable under the contract. The biographical data collected includes the individual's professional experience and education, which are an integral part of the technical evaluation to determine the offeror's capability to provide the services USAID requires. The contracting officer uses the information provided to determine if the individual meets the contract requirements and the proposed salary/rate is reasonable for the work to be performed. Unless USAID receives and reviews the required information, we are very limited in our ability to determine if the proposed individual meets the requirements for the position and if the costs related to the employees and consultants is within the market value for the type of work and is fair and reasonable. Most of our contracts are for technical and professional services; many of them cost-reimbursement type contracts in which the salaries of the individuals employed by the offerors/contractors are a significant part of the offeror's cost proposals. All other information collections shown on Attachment 1 are for post contract award purposes and are needed to properly administer the contract. The various types of information required by the AIDAR are reviewed by either the contracting officer, the contracting officer's representative, or the financial management officer. Without the information, USAID cannot prudently manage public funds.

3. USAID encourages the use of facsimiles, internet or other electronic technology. USAID has converted most of its forms, including the AID Form 1420-17, to electronic format; this form is available through the USAID internet website. An individual can complete the form electronically but must print it in order to sign it; the form can then be submitted electronically, although typically the offeror or contractor submit a paper copy in order to verify the signature. We must still obtain this form, as well as the other AIDAR information collections that require

an actual signature, in hardcopy until USAID's information systems have an approved safe and secure electronic signature technology. Most of the AIDAR information collections can be and are handled electronically, either through electronic mail or by facsimile. We are continually reviewing the AIDAR to simplify the submission requirements wherever possible.

4. We have reviewed these AIDAR requirements to ensure that they are not duplicated by other agency-specific or Government-wide policies. Of the information collection requirement/forms listed, no similar information is already available in USAID, or from any other source known to us, which can be used or modified for our purposes.

5. As we've reported in the past and further explained in item #12 below, while the hourly burden for the information collections under this submission falls on the public, the cost for most of these collections are reimbursable as either direct or indirect contract expenses. Thus, the public burden, including that for small businesses, is limited to costs related to submission of Biodata forms in accordance with AIDAR section 752.7001 (Item #5 in Attachment 1). Given that these costs can be reimbursed when included in the offeror's indirect costs and only affect offerors that do not have existing federal contracts, as we have done in the past, we are estimating that 25 percent of the submissions under the item#5 constitute a cost to the public.

As explained in more detail in Section 12 below, based on the active awards data for FY'2016, USAID currently has 92 cost-reimbursement contracts with small businesses. We are continuing to use the FY 2016 data to be able to easily compare the revisions made between the 60 day notice and 30 day notice. Given our estimate of approximately eight submissions per award and the hourly rate of \$63.44 (see section 12.c. for further details on these estimates), we anticipate that the total burden on the small businesses will be \$58,365. Additionally, this estimate of 30 minutes has also been revised to 5 hours based on public comments and reanalysis of the time it would take to gather data and verify the information. Based on these revised estimates we conclude that the collection of the information will not have a significant impact on a substantial number of small businesses or other small entities. Our estimate of approximately eight submissions is based on research from various regions included 46 contracts from nine countries. This research resulted in 624 biodata forms submitted in FY17 and FY18.

6. USAID cannot reduce the frequency of these information collection requirements without losing its ability to properly award and administer contracts using public funds.

7. One of the information collections included in this report allows for submission more frequently than the OMB guideline for reporting no more frequently than quarterly. AIDAR 752.7003 Documentation for Payment (Item #7 in Attachment 1) supplements the FAR payment clauses, FAR 52.216-7 Allowable Cost and Payment (for cost reimbursement contracts) and FAR 52.232-7 Payments Under Time-and-Materials and Labor Hour contracts. These clauses allow contractors to invoice for payment as frequently as once every two weeks, and more frequently for small businesses. The AIDAR clause requires this submission as part of the FAR invoice process. Collecting this information more frequently than quarterly allows contractors to be paid as work progresses and assists with cash flow.

8. USAID received comments on the previous Federal Register Notice of Public Information Collections published on February 6, 2018 (83 FR 5235 document number 2018-02336) from four respondents, Attachment 3). USAID responded to all comments and will be researching the use of the bio-data form for potential revisions prior to the next renewal. In addition to the Notice, we routinely communicate with our contractors through semi-annual “Partners Days” sponsored by the USAID Acquisition Ombudsman. USAID contractors fully participate in these sessions but have not questioned the need for any of these information collections.

9. Not applicable, since any payments are in the form of remuneration to contractors.

10. None of the information collections include a pledge of confidentiality. USAID shares or protects information as provided by law.

11. Information of a sensitive nature is not requested in these collections.

12. We estimated the hour burden for the information collections as shown below. The estimates are supported by Attachment 1, Information Collection Summary and Justification as follows:

Block 13, Form 83-I

Attachment 1

- a. Number of respondents (and frequency of responses) varies by item, see narrative a. below
- b. Total annual responses varies by item, see narrative b. below; includes percentage of these responses collected electronically
- c. Total annual hours requested see c. below

a. The "**Number of respondents**" and the frequency of responses vary by item, as summarized in Attachment 1 and explained herein. We based our estimates on the number of active contracts/task orders of record during fiscal year (FY) 2016, which was used in the 60 day notice. The data was taken from the Agency’s world-wide web-based Acquisition system, Global Acquisition and Assistance System (GLAAS). In FY 2016 USAID had 2,141 active contracts and orders, comprised of the following:

Table#1

|   |     |
|---|-----|
| Blanket Purchase Agreement Call (BPAC)              | 146 |
| Contract (other than BOA, DQC, IQC, PO, RC and PSC) | 487 |
| Delivery/Task Order                                 | 388 |
| GSA Schedule Order (DO)                             | 159 |
| Hybrid  | 8   |
| Other Federal Schedule Order                        | 18  |
| Purchase Order (PO)                                 | 934 |

|                            |              |
|----------------------------|--------------|
| Requirements Contract (RC) | 1            |
| <b>Grand Total</b>         | <b>2,141</b> |

We further aggregated this data by contract type or service category based on the information collection requirements for each individual item. Below is the list of categories used in our estimates:

Table#2

|   |       |
|---|-------|
| Contracts for ocean transportation        | 22    |
| Cost-reimbursement contracts and orders   | 567   |
| Fixed-Price contracts and orders          | 1,421 |
| Commercial Items                          | 1,100 |
| Purchase Order Commercial Items above150k | 23    |

Even though the same contractor may have multiple contracts and/or task orders, we estimate that contractors and prospective contractors will have a different respondent or respondents per contract or order for each type of submission.

For each collection, we used either the frequencies required by the submission prescription itself to estimate the number of submissions expected per year or, for those submissions triggered by events, we used our experience with how often these events occur per contract to estimate the average. We do not implement a new estimating method. As such, there are no differences in estimating methods from our last report.

The following submissions, identified by item number and AIDAR section in Attachment 1, are triggered by an event rather than being required at a regular frequency:

|    |                  |     |             |
|----|------------------|-----|-------------|
| #1 | 752.219-8        | #6, | 752.7002(j) |
| #3 | 752.245-71(c)(2) | #8, | 752.7004    |
| #4 | 752.247-70(c)    | #9, | 752.7032    |
| #5 | 752.7001         |     |             |

In Attachment 1, we indicate after each item the estimated number of respondents for that particular item, and for Items #4, #5, #7, #8 and #9, we also specify the frequency of responses by each respondent. For Items #1, #2, #3 and #6, that are usually triggered by an event, we have estimated that each respondent may make one submission per year. We do not implement a new estimating method. As such, there are no differences in estimating methods from our last report.

For Item #1, AIDAR 752.219-8 we used the same number of submissions per year as in the previous request (100 submissions) based on our past experience.

For Items #2, AIDAR 752.245-70 and Item #3, 752.245-71(c), as in the previous request, we estimate that approximately 60% of all contracts, excluding those for ocean transportation services and commercial items below the simplified acquisition threshold, would require the

annual report under item# 2 and 10% of those contracts would require an annual report under item# 3.

Frequency of reporting under Item #4, AIDAR 752.247-70(c) and Item #6, AIDAR 752.7002(j) is based on our past experience and remains unchanged.

For Item #5, AIDAR 752.7001, as with the previous request, we estimate eight submissions per year for each cost-reimbursement contract/order.

For Item #7, AIDAR 752.7003 we continue to estimate that contractors for each contract and task order will invoice biweekly, and this clause will apply each time. As with the previous submission, we use the total number of all awards, exclusive of all fixed price contracts and task orders to estimate the number of respondents.

For both Item #8, AIDAR 752.7004 and Item #9, AIDAR 752.7032, we revised the number of submissions per year to reflect the contract statistics in Item #12 above. Both clauses apply in all task orders, and in all contracts excluding the ocean transportation contracts and purchase orders. For Item#8, we continue to estimate that there are eight respondents per contract or task order per year, and for Item#9, we continue to estimate that there are three responses per contract or task order per year.

The total number of respondents is the sum of the number of respondents for each item, **4,873**.

Note: The considerable reduction in the number of respondents, as compared to the previous submission, is due a mathematical error we have identified in our previous calculations.

b. The "**Total annual responses**" is **36,467**, the sum of line D amounts (Number of submissions per year from Attachment 1). The number of responses was determined as explained in 12.a above (number of responses per year per respondent).

1. The last reported percentage for collections electronically was 38%, which remains unchanged for this period. While we strive to more extensive use of electronic mail as an acceptable method for submitting most of the responses, some must still be submitted on hard copy because they require a signature and USAID does not yet have adequate electronic signature capability.

c. The "**Total annual hours requested**" (line 13.c of Form 83-I) is the total of the response times from the public for each collection. In Attachment 1, this equates to the **Total Hour Burden, line E** under the public burden column, **69,894 hours, which is a revision from the** previous number of hours in the 60 day notice which was 49,482.

**The annualized cost for the Annual Public Burden** is also provided in Attachment 1 for each information collection. This cost is **\$4,434,044** and is the sum of all **line G** amounts in the far right hand column. The line G total has increased from \$3,139,106 in the 60 day notice to \$4,434,044 in the 30 day notice due to the increase of the annual burden hours and the number of hours required to complete each submission based on comments received from the public. The

hourly burden for these information collections falls on the public, but the cost for most of these collections falls under the federal cost burden, since they are either direct or indirect expenses reimbursable under federal contracts. The only exception is the burden of submissions for AIDAR section 752.7001 “Biographical Data” (Item #5 in Attachment 1) that are collected in a proposal submission at the pre-award stage. Costs related to this submission may be included in the offeror’s indirect costs, but if the offeror does not have existing federal contracts or if the proposal submission does not result in a contract award, then the cost is the responsibility of the offeror (submitter). We would need to conduct a large survey in order to accurately determine how many Biographical Data forms are submitted per year in unsuccessful proposals (i.e., proposals that do not result in a contract award) or from offerors with no existing federal contracts. As we have done in the past, we are estimating that 25 percent of the submissions are the cost to the public.

Therefore, **the annual public cost burden for this collection is** 25 percent of total cost burden for the Biographical Data sheet of \$1,438,819, which is **\$359,705**. The 60 day notice had the calculations of \$143,882, which is \$35,970. The increase is based on a comment received from the public that our estimate of 30 minutes was too low. Therefore, we have revised the estimate to five hours per submission. The remaining total cost burden, **\$6,963,763** is included in the annualized cost to the federal government (ref. Item 14, below). This amount is revised from \$5,992,560 as reported in the 60 day notice.

To estimate the annualized cost to respondents, we calculated the **hourly rate** based on estimated income per hour from the Bureau of Labor Statistics, and then applied the estimated amount for overhead and fringe benefits @100% of the salary. The calculation is therefore

$\$31.72/\text{hr} \times 100\% \text{ (fringe and overhead)} = \$63.44/\text{hr}$ .

Note: In the past we applied an escalation rate from the Consumer Price Index to a rate reported previously to determine the hourly rate for the public burden. We no longer find this to be the best approach and are using the information from the Bureau of Labor Statistics instead.

13. There are no capital and start-up costs, or operation, maintenance, or purchase of services components associated with the information collection. The total annual cost burden to respondents is addressed in either Item 12 or Item 14.

14. The estimate of the annualized cost to the federal government is the sum of the cost of federal employee effort for each collection (“Annual Federal Burden” in the column so labeled in Attachment 1) and the part of the cost of the Annual Public Burden (in the far right-hand column in Attachment 1) that is reimbursed by the government through contracts. As stated in Item 12 above, the only element of cost in the public burden that is a cost to the public is the amount reported at the end of Item 12 above, \$359,705. Again, the previous amount noted in the 60 day notice was \$35,970 and it was recalculated due to the public comments received. Therefore, the annualized cost to the federal government is the sum of all line G (Total cost burden) under the Annual Federal Burden, which is \$2,889,424 – this remains unchanged for the 30 day notice - plus the sum of all line G (Total cost burden) for the Annual Public Burden, which is \$4,434,044 less the amount reported in Item 12 above as a cost to the public is \$359,705. **The total**

**annualized cost to the federal government is therefore \$6,963,763.** This total amount is revised from the 60 day notice where the amount was \$5,992,560.

We estimated these costs as follows. For the federal cost burden, all federal salary costs in Attachment 1 are estimated using the base rate from the Office of Personnel Management Salary Table 2017 for the locality pay area of Washington-Baltimore, DC-MD-VA-WV. We used the salary of the federal employees who typically review the submission applied to the estimated amount of time the federal employees spend on each collection (line C under the Annual Federal Burden column in Attachment 1). For all Items except #1 and #4 that individual is typically a GS 13, Step 5, whose hourly rate for 2017, including the Washington, D.C. locality pay, is \$51.48. We applied a burden rate of 110% for fringe benefits and operational expenses as we have done in the past, to arrive at a burdened hourly rate for the federal burden of \$108.11. As explained earlier, we used the same number of hours for each submission as in the past, for both the federal and the public hour burden, since the submission requirements are basically the same. We applied the burdened hourly rate (line F) to the total burden hours (line E) to determine the total Annual Federal Burden (line G) for each item.

For Item #1, AIDAR 752.219-8, the federal burden is shared between the two federal employees who review this submission. One is a GS 13 Step 8 for one third of the effort, and the other is a GS 7 Step 5, for two thirds of the effort. We developed a composite hourly rate based on these proportions and applied the same burden rate of 110% for operational expenses, for an hourly burdened rate of \$73.17.

The total hourly burden for Item #4, AIDAR 752.247-70(c) is estimated based on the hourly rates of two federal employees normally processing this form (GS 11, step 5 at 90% of the time allotted and a GS-15, step 5 at 10% of the time allotted for each submission, a prorated hourly rate of \$39.65) plus 110% burden. The hourly rate is therefore estimated at \$83.29.

15. We are reporting two changes or adjustments in our estimating methodology since our last submission, both related to the frequency and number of some submissions. Below are the details of these adjustments.

For **Item #5**, AIDAR 752.7001 Biographical Data, as with the previous request, we estimate eight submissions per year for each task order. However we now rely on the actual number of active cost-reimbursement contracts and task orders recorded during the FY'13. Please refer to table #1 on page 3 for details. The considerable reduction in the number of submissions as compared to the previous reports is a result of both more precise data and Agency-wide shift to the use of firm-fixed price contracts to the maximum extent practicable.

Similarly, for **Item #7**, AIDAR 752.7003 Documentation for Payment, we continue to estimate that contractors for each contract and task order will invoice biweekly, and this clause will apply each time. However, to estimate the frequency of submission, we now use the total number of all awards, exclusive of all fixed price contracts and task orders. As with item #5, this change resulted in a reduction in the total number of submissions compared to our previous reports.

16. Not applicable.

17. Not applicable.

18. Since the information must be collected for a specific individual transaction, statistical survey methodology is not appropriate (certification statement (i) in Item 19 of the OMB 83-I).

SECTION B. Collections of Information Employing Statistical Methods.

The collection does not employ statistical methods.