**SUPPORTING STATEMENT A FOR**

**PAPERWORK REDUCTION ACT SUBMISSION**

**NATIONAL PARK SERVICE CONCESSIONS, 36 CFR PART 51**

**OMB CONTROL NO. 1024-0029**

**Terms of Clearance:** None.

**1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection.**

The National Park Service (NPS) issues concession contracts to provide commercial visitor services in over 150 units of the National Park System under the authority of the NPS Concessions Management Improvement Act of 1998 (54 USC §§101911 et seq.). Private businesses under contract to the (NPS) manage food, lodging, tours, whitewater rafting, boating, and many other recreational activities and amenities in more than 100 national parks. These services gross more than $1 billion every year and provide jobs for more than 25,000 people during peak seasons.

The regulations at 36 CFR Part 51 primarily implement Title IV of the National Parks Omnibus Management Act of 1998 provides the legislative authority, policies, and requirements for the solicitation, award, and administration of NPS concession contracts.

Furthermore, 54 USC §§101911 et seq, provides that “all proposed concession contracts shall be awarded by the Secretary to the person, corporation or other entity submitting the best proposal, as determined by the Secretary through a competitive selection process. Such competitive process shall include simplified procedures for small, individually-owned, concessions contracts.”

**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. Be specific. If this collection is a form or a questionnaire, every question needs to be justified.**

We collect the following information associated with the administration of concessions:

* Description of how respondent will conduct operations to minimize disturbance to wildlife; protect park resources; and provide visitors with a high quality, safe, and enjoyable visitor experience.
* Organizational structure and history and experience with similar operations.
* Details on violations or infractions and how they were handled.
* Financial information and demonstration that respondent has credible, proven track record of meeting obligations.

**CONCESSIONER ANNUAL FINANCIAL REPORT (Forms 10-356, 10-356A, and 10-356B)**

The Concessioner Annual Financial Report provides concessioner financial information as required by each concession contract. This information is necessary to comply with the requirements placed on the Secretary of the Interior by Congress. Title IV, Section 407 of the National Parks Omnibus Management Act of 1998 (P.L. 105-391) requires that “a concessions contract shall provide for payment to the Government of a franchise fee or other such monetary consideration as determined by the Secretary, upon consideration of the probable value to the concessioner of the privileges granted by the particular contract involved. Such probable value shall be based upon a reasonable opportunity for net profit in relation to capital invested and the obligations of the contract.” 36 CFR Part 51, Subpart I require that concession contracts “provide for payment to the Government of a franchise fee or other monetary consideration as determined by the Director upon consideration of the probable value to the concessioner of the privileges granted by the contract involved.” In order to verify the accuracy of the report and payments of franchise fees, concessioners with gross receipts of over $1 million are required to have financial statements audited by an independent certified public accountant and have them express an opinion on the financial statements. Concessioners with gross receipts between $500,000 and $1 million must have a review opinion by an independent accountant, a lesser requirement and burden.

***Form 10-356, “Concessioner Annual Financial Report”***, is an accumulation of various financial statements commonly used by industry for reporting in conformance with generally accepted accounting principles. The information provides a comprehensive view of the concessioner’s financial situation at the end of its fiscal year and the concessioner’s activity over the preceding year. Careful analysis provides an effective tool in the decision-making process and for the tracking of concessioner and Government contractual obligations for payments and maintenance and construction requirements. The financial information being collected is necessary to provide insight into and knowledge of the concessioner’s operation so that this authority can be exercised, and franchise fees can be determined in a timely manner and without an undue burden on the concessioner. We collect the following information:

* Cover sheet provides identifying information and the concessioner’s certification as to the accuracy of the accompanying report.
* Schedule A is an income statement summarizing the financial activity (gross receipts, expenses, and net income) of the period being reported on.
* Schedule A-1 is a worksheet for calculating the comprehensive income.
* Schedule B is a worksheet for calculating the franchise fee.
* Schedule C is a balance sheet comparing the sources (liabilities and equity) with the uses (assets) of the capital of the company at the end of the fiscal year.
* Schedule D is a detail of the fixed assets reported on the balance sheet with a special listing of possessory interest or leasehold improvement assets (potential obligations of the Government).
* Schedule E is a statement of cash flows.
* Schedule F is space reserved for explanatory notes to the report.
* Schedule G is a breakdown of gross receipts by major departments.
* Schedule H is a detail of departmental income and expenses.
* Schedule I is a detail of general and administrative expenses.
* Schedule J lists ownership and compensation to officers and owners.
* Schedule K details the additions and disposals of fixed assets during the year.
* Schedule L is a supporting schedule for any amounts that need further explanation or detail.
* Schedule M contains various operational statistics commonplace for the major services provided in parks.
* Schedule P provides an accounting for those concessioners who have a contractual repair and maintenance reserve requirement.
* Schedule Q lists the projects from that reserve.

***Form 10-356A, “Concessioner Annual Financial Report (For Concessioners with Gross Receipts Less than $500,000)”* -** In an attempt to reduce administrative burden, concessioners with gross receipts under $500,000 submit only a shorter report (Form 10-356A). This “short form” is a simplified income statement, balance sheet, and operation statistics. Concessioners with gross receipts under $250,000 do not have to submit the balance sheet.

***Form 10-356B, “Concessioner Annual Financial Report (For Concessioners with Special Accounts and Utility Add-ons)”* -** A limited number of concessioners have special accounts in lieu of franchise fees or rate add-ons to offset high costs for unique operations. To reduce administrative burden, additional schedules for reporting on these unique contract inclusions are provided in a separate form. The additional schedules include:

* Schedule N provides an accounting for those concessioners who have Special Accounts.
* Schedule O lists expenditures from Special Accounts.
* Schedule R provides an accounting for those concessioners who have approved rate add-ons.

**PROPOSALS FOR CONCESSION OPPORTUNITIES**

The public solicitation process begins with the issuance of a prospectus to invite the general public to submit proposals for the contract. The prospectus describes the terms and conditions of the concession contract to be awarded, the procedures to be followed in the selection of the best proposal, and the information that must be provided.

We collect the following information from every offeror.

| **Form**  | **Form Name** | **Purpose** |
| --- | --- | --- |
| **N/A** | **Offeror’s Transmittal Letter** | This letter identifies the name of the entity offering a proposal to operate a concession contract and that entity’s contact information |
| **10-357A** | **Business Organization Information Form for Corporation, Limited Liability Company, Partnership or Joint Venture** | This form identifies the type of entity for the offeror, such as corporation, Limited Liability Company, partnership, etc. |
| **10-357B** | **Business Organization Information Form for Individual or Sole Proprietorship** | This form identifies the type of entity for the offeror, as an Individual or Sole Proprietor. |
| **10-358** | **Business History Information Form.** | We request information about the offeror’s business history to understand any adverse history that could affect future operations under a concession contract. |
| **10-359A** | [**Offeror Financial Statements and Projections**](https://www.reginfo.gov/public/do/DownloadDocument?objectID=67536501) **(small)** | This form provides information on the financial wherewithal of an offeror allowing NPS to determine if it has the ability to enter in to operation under the contracts. |
| **10-359B** | [**Offeror Financial Statements and Projections**](https://www.reginfo.gov/public/do/DownloadDocument?objectID=67536501) **(small)** | This form provides information on the financial wherewithal of an offeror allowing NPS to determine if it has the ability to enter in to operation under the contracts. |
| **N/A** | **Credit Report.** | We request offerors submit a credit report so that we can understand the offeror’s credit history and any risks of contracting with the entity |
| **N/A** | **Certificate of Business Entity Offeror** | We request offerors to certify the type of entity for the offeror, such as corporation, Limited Liability Company, partnership, etc. |

In addition to this standard information, we also collect additional information in narrative format. The amount of information or degree of detail requested varies widely, depending upon the size and scope of the business opportunity. For example, a much greater amount of detailed information would be required for a multi-unit lodging and food service operation (such as that at Yellowstone), than would be required for a small firewood sales operation. This additional information includes the following which coincide with the five principal selection factors:

* Proposals to protect, conserve and preserve resources of the park. These proposals respond to specific resource management objectives and issues at the park and contract in question.
* Proposals to provide necessary and appropriate visitor services at reasonable rates. These proposals respond to specific visitor service questions at the park and contract in question.
* The experience and related background of the offeror, including past performance and expertise of the offeror in providing the same or similar visitor services as those to be provided under the draft concession contract.
* The financial capability of the offeror to carry out its proposal. We ask for projected financials including initial investments, startup expenses, income statement, operating assumptions, cash flow statement, recapture of investments, and all associated assumptions.
* The amount of the proposed minimum franchise fee and other forms of financial consideration.

We use all of the information provided to objectively evaluate offers received for a particular business opportunity, assure that the park resources will be adequately protected, and determine which offeror will provide the best service to visitors.

**AMENDMENTS**

In accordance with 36 CFR 51.15, an offeror may not amend or supplement a proposal after the submission date unless requested by the Director of the National Park Service to do so and the Director provides all offerors that submitted proposals a similar opportunity to amend or supplement their proposals. Permitted amendments must be limited to modifying aspects of proposals resulting from a general failure of offerors to understand particular requirements of a prospectus or a general failure of offerors to submit particular information required by a prospectus.

In accordance with 36 CFR 51.32, if the Director determines that a proposal other than the responsive proposal submitted by a preferred offeror is the best proposal submitted for a qualified concession contract, then the Director must advise the preferred offeror of the better terms and conditions of the best proposal and permit the preferred offeror to amend its proposal to match them. An amended proposal must match the better terms and conditions of the best proposal. If the preferred offeror amends the proposal within the time period allowed, and the Director determines that the amended proposal matches the better terms and conditions of the best proposal, then the Director must select the preferred offeror for award of the contract.

**APPEALS**

Regulations at 36 CFR 51.47 state that any person may appeal to the Director, a determination that a concessioner is not a preferred offeror for the purposes of a right of preference in renewal and that the appeal must specify the grounds for the appeal. If the appellant does not identify the specific grounds on which it objects to the Director’s initial preferred offeror determination, the Director could make a final determination without fully understanding the appellant’s concerns or without taking into consideration important information the appellant may wish to submit in support of its position.

**REQUEST TO CONSTRUCT A CAPITAL IMPROVEMENT**

In accordance with 36 CFR 51.54, a request for approval to construct a capital improvement must include appropriate plans and specifications for the capital improvement. The request must also include an estimate of the total construction cost of the capital improvement. The estimate of the total construction cost must specify all elements of the cost in such detail as is necessary to permit the Director, NPS to determine that they are elements of construction cost. The approval requirements of this and other sections of 36 CFR part 51 also apply to any change orders to a capital improvement project and to any additions to a structure or replacement of fixtures.

**CONSTRUCTION REPORT**

In accordance with 36 CFR 51.55, a concessioner obtaining a leasehold surrender interest must submit a construction report to the NPS. The construction report must be supported by actual invoices of the capital improvement’s construction cost together with, if requested by the NPS, a written certification from a certified public accountant (CPA). The construction report must document, and any requested certification by the certified public accountant must certify, that all components of the construction cost were incurred and capitalized by the concessioner in accordance with Generally Accepted Accounting Principles (GAAP), and that all components are eligible direct or indirect construction costs. Invoices for additional construction costs of elements of the project that were not completed as of the date of substantial completion may subsequently be submitted to the Director for inclusion in the project’s construction cost.

**APPLICATION TO SELL OR TRANSFER CONCESSION OPERATION**

36 CFR part 51, Subpart J, provides that a concessioner must obtain NPS approval to assign, sell, convey, grant, contract for, or otherwise transfer: any concession contract; any rights to operate under or manage the performance of a concession contract as a sub-concessioner or otherwise; any controlling interest in a concessioner or concession contract; or any leasehold surrender interest or possessory interest obtained under a concession contract. The amount and type of information to be submitted varies with the type and complexity of the proposed transaction. Information includes, but is not limited to:

* Instruments proposed to implement the transaction.
* Narrative description of the proposed transaction.
* Opinion of counsel that the proposed transaction is lawful under all applicable Federal and State laws.
* Statement as to the existence and nature of any litigation relating to the proposed transaction.
* Description of the management qualifications, financial background, and financing and operational plans of any proposed transferee.
* Description of all financial aspects of the proposed transaction.
* Prospective financial statements (pro formas).
* Schedule that allocates in detail the purchase price (or, in the case of a transaction other than an asset purchase, the valuation) of all assets assigned or encumbered. In addition, the applicant must provide a description of the basis for all allocations and ownership of all assets.

RECORDKEEPING

In accordance with 36 CFR 51.98, a concessioner (and any sub-concessioner) must keep and make available to NPS, records for the term of the concession contract and for 5 years after the termination or expiration of the concession contract.

**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, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden and specifically how this collection meets GPEA requirements.**

Notice of the availability of current opportunities are advertised in the concessions prospectus via the Internet at fedbizopps.gov, and we publish each prospectus on our Concessions Program web page at <https://www.nps.gov/subjects/concessions/prospectuses.htm> . The forms associated with the prospectus are provided in either MS Word or Excel format.

The burden associated with the completion of the Concessioner Annual Financial Report (AFR) is essentially the time it takes to transcribing figures from the concessioner’s financial records in Excel worksheets. In 2008, we began using Excel files to electronically track and submit the AFR forms. Once all data is entered into each corresponding Excel worksheet, the forms are submitted to the NPS and the report is processed electronically.

At this time, the collection of information for the remaining information collection requirements is not available electronically, primarily due to the type of information requested (for example, plans and specifications, invoices, etc.), and the concessioner’s ability to provide responses electronically. If the information is available electronically, we will accept electronic submissions.

**4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

The requested information is unique to the applicant and each business opportunity. No similar information pertaining to business opportunities on park lands is collected by other NPS offices or other Federal agencies.

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

We collect the information necessary to allow us to evaluate all offers received and determine which offer is the best. As indicated in 36 CFR 51.12, solicitations for large, complex operations may be issued in two phases (qualifications and proposal). Solicitations for small entities, concession contracts awarded to a sole proprietorship or those likely to have annual gross receipts of less than $100,000 we will use the AFR short form (Form 10-365A) to reduce the burden by simplifying the administrative requirements (i.e., fewer operating and reporting requirement and shorter financial forms in the proposal package).

**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 we did not collect the information, we would be unable to: (1) objectively evaluate offers received for a particular business opportunity, (2) assure that the park resources will be adequately protected, and (3) determine which offeror will provide the best service to visitors at reasonable rates and with the greatest overall return to the Government. Once we issue a concessions contract, we require minimal information to ensure that businesses operate in accordance with NPS policy.

**7. Explain any special circumstances that would cause an information collection to be conducted in a manner:**

 **\* requiring respondents to report information to the agency more often than quarterly;**

 **\* requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**

 **\* requiring respondents to submit more than an original and two copies of any document;**

 **\* requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;**

 **\* in connection with a statistical survey that is not designed to produce valid and reliable results that can be generalized to the universe of study;**

 **\* requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**

 **\* that includes a pledge of confidentiality that is not supported by authority established in statute or 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; or**

 **\* 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.**

The only special circumstance that is inconsistent with OMB guidelines is the number of copies that we request. When the contract has a preferred offeror, we usually request two or three copies. For projects where we expect several offers, we request more copies to ensure sufficient copies for the reviewing panel. In a limited number of cases involving large construction projects, additional copies of some items for other submissions may be required.

**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 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and in response to the PRA statement associated with the collection over the past three years, and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.**

 **Describe efforts to consult with persons outside the agency 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 reported.**

**Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every three years — even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.**

On June 5, 2019, we published in the Federal Register (84 FR 26149) a notice of our intent to request that OMB renew this information collection. In the notice, we solicited comments for 60 days, ending on August 5, 2019. We did not receive any public comments in response to the notice. However, in addition to the Federal Register notice, we contacted six (6) former applicants by email, four of whom responded. We made several attempts by email and one follow-up phone call to receive responses from the remaining two non-respondents however those attempts failed to garner responses.

|  |  |
| --- | --- |
| Title | Organization |
| President | Crater Lake Hospitality LLC/ARAMARK |
| Vice President | Glacier Guides, Inc |
| Vice President | Everglades Guest Services, Inc.  |
| Chief Legal Officer | Xanterra Parks & Recreation, Trail Ridge Store |

We asked respondents to provide feedback on the following:

**1. Length of time needed to complete the forms**.

**Crater Lake Hospitality LLC:** AFRs can take upwards of 100 hours of work for Aramark including verification with outside audit firms.

**Glacier Guides, Inc.**: It takes 2 people about 120 hours each to submit a contract.

**Everglades Guest Services**: It varies depending on the contract. To complete the accounting portion of the report, then compare it to the audited financial statements, have the locations complete Schedule M, Operational Statistics and have the report reviewed by GSI management, the time ranges from 10 to 60 hours per Annual Financial Report.

**Xanterra**: Form 10-356: The estimated time is 15 hours. For one of the “smaller” concessions Xanterra operates, such as Rocky Mountain National Park, the total time it takes to complete this form is approximately 45 hours. For a larger concession, such as Yellowstone, the total time estimate is 90 hours.

|  |  |
| --- | --- |
| **Form** |  |
| **10-356A** | Xanterra has not submitted this form. |
| **10-356B** | Xanterra has not submitted this form |
| **10-357A** | The total estimated time is 1 hour. Xanterra agrees with this estimate |
| **10-357B** | The total estimated time is 1 hour. Xanterra agrees with this estimate |
| **10-358** | The total estimated time is 1 hour. Xanterra agrees with this estimate. |
| **10-359A** | The estimated time is 10 hours. Xanterra estimates that the time it takes to enter data into this form is approximately 100 hours. However, with prospectuses of the size Xanterra typically bids on, it usually takes many months and hundreds of labor hours to develop the data to build a financial model for a park bid before the data can be entered into the form. In terms of the form itself, Xanterra has experienced difficulty with the formatting of this particular form and reformats the document to facilitate data entry. |
| **10-359B**  | Xanterra has not bid on a prospectus of this size |

Proposal for Concession Opportunity: The estimated time is 240 hours. Xanterra estimates that it takes anywhere from 1,400 to 3,200 hours to prepare a proposal for a concession opportunity, depending on the size and complexity of the concession operation. Another variable is whether Xanterra is the incumbent or non-incumbent bidder on the concession. Non-incumbent bids take much longer than incumbent bids.

***NPS Response/Action Taken:*** *The NPS believes the collection of information is necessary to analyze current financial performance and to analyze financial capacity of prospective offerors. The NPS understands that different entities may have various reporting procedures and maintains that the burden hours are an estimate but appear reasonable by most respondents.*

**2. Are all of the documents collected necessary? Explain why or why not.**

**Everglades Guest Services:** No, Schedules D, E, K and L are not necessary. Our contracts with the NPS, are based on a percentage of our revenue as compensation to NPS. The detailed information on the depreciable fixed assets (Schedule D), annual additions and disposals of depreciable fixed assets (Schedule K), our breakdown of overhead costs (Schedule L) and our statement of cash flows (Schedule E) are not relevant to the franchise fee received by the NPS.

**Crater Lake Hospitality LLC**: Other than the AFR, these forms are new to Aramark. Thus, our insights are limited at this time.

**Glacier Guides, Inc.:** I do wonder why we submit personal financial information when we submit as a corp.

***NPS Response/Action Taken:*** *NPS uses the forms to understand the business structures. NPS believes the forms are necessary to understand operating structures and the cash flows and investments in each business. NPS did not change the forms based on the comments provided in this section.*

**3. Were the forms you filled out clear and easy to understand?**

**Everglades Guest Services:** Yes, the forms are clear and easy to understand. With the advent of new accounting rules (ASC 606), it might be helpful to add in an optional reconciliation form from audited financial statements to the AFR.

**Crater Lake Hospitality LLC:** Again, as this is our first time with all but the AFR, we have limited feedback.

***NPS Response/Action Taken:*** *NPS acknowledges and appreciates the comment regarding the Accounting Rules changes. We will analyze the implications for any potential updates and requirements to the reporting forms. However, at this time we did not make changes the forms, based on this comment.*

**4. Provide ideas to minimize the burden of the collection of information on respondents.**

**Everglades Guest Services:** In addition to the time put in by GSI to complete the AFR, our GSI staff must also provide information to our auditors so that they can complete the individual contract audited financial statements. The time spent by GSI on the individual contract audited financial statements ranges from 5 to 15 hours per contract.  The approximate audit fees for these statements ranges from $20,000 to $25,000 per contract. The cost to GSI could be minimized by changing the requirement from an audit (for contracts with revenue over $1 million) to a review or agreed upon procedures (such as testing revenue or testing revenue and specific direct expenses).

That would be consistent with many State Park contracts whereby an independent auditor performs these agreed upon procedures to provide assurance/comfort regarding the gross receipts and other key financial areas.

|  |  |
| --- | --- |
| **Form** |  |
| **10-356A** | Probably necessary. Not overly burdensome. Would take 2-3 hours to complete |
| **10-356B** | Probably necessary. Not overly burdensome |
| **10-357A** | Probably necessary. Takes about an hour to complete |
| **10-357B** | Probably necessary, though seems duplicative of 10-357A. Less than an hour to complete |
| **10-358** | Necessary. Takes about 15 minutes to complete. |
| **10-359A** | We do not understand what value this form has to NPS. We would do this pro forma, or something like it, anyway for internal purposes. It takes approximately 250 person-hours to complete |
| **10-359B**  | We understand that NPS needs to determine that a prospective concessioner is financially capable of meeting its obligations under the concession contract. Several of these tables, 5 and 7, could take 100 hours or more to complete. Table 8 would take approximately 80 hours to complete. The other tables would take between 30-60 minutes to complete |

***NPS Response/Action Taken:*** *The NPS utilizes the information gathered for two primary purposes. First, to analyze current operations through submittals of Annual Financial Reports. Second, to analyze the financial structure and proposed pro formas of potential offerors in order to determine if offerors understand the financial requirements of the Prospectus. The NPS notes that some forms are required only for small or large operations, therefore only one form (10-357A OR 10-357B for example) must be completed depending on the size of the operation. The NPS does not intend to change the forms at this time.*

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

No payments or gifts are provided to respondents.

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

Information is collected and protected in accordance with the Freedom of Information Act (5 U.S.C. 552) (FOIA). In accordance with the Freedom of Information Act, if respondents believe their proposal contains trade secrets or confidential commercial or financial information exempt from disclosure under the Freedom of Information Act, the cover page, as well as each page containing such information is to be labeled. Information in a proposal identified as trade secret information or confidential commercial and financial information will be used by the Government only for the purpose of determining whether the proposed transaction should be approved, except that if the same information is obtained from another source without restriction, it may be used without restriction. The Annual Financial Reports are handled and maintained in accordance with the Privacy Act (Interior, NPS-14, Concessioner Financial Statement and Audit Report Files. (Published November 10, 1983, 48 FR 51701)

**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 the agency 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.**

We do not ask sensitive 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, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**

 **\* If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens.**

 **\* Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here.**

We used the hourly rates (including benefits) listed in Table 2 of the Bureau of Labor Statistics news release USDL-19-1649, September 17, 2019, Employer Costs for Employee Compensation—June 2019, (<http://www.bls.gov/news.release/pdf/ecec.pdf>) to calculate the total annual burden for this collection. The hourly wage, plus benefits, for management, professional, and related workers is listed as $60.48 (covering the general manager, engineering technician, and accountant positions associated with the activities listed below).

We estimate that we will receive 1,382 annual responses totaling 159,892 burden hours. The total dollar value of the burden hours is approximately $9,670,268 (rounded) (159,892 hours x $60.48).

**Table 12.1 Total Estimated Annualized Burden**

|  |  |  |  |
| --- | --- | --- | --- |
| **Activity** | **Total Annual Responses** | **Completion Time per Response** | **Total Annual Burden Hours** |
| **CONCESSIONER ANNUAL FINANCIAL REPORT** |
| **Form 10-356**, “Concessioner Annual Financial Report” | 150 | 15 hours | 2,250 |
| **Form 10-356A**, “Concessioner Annual Financial Report (For Concessioners with Gross Receipts Less than $500,000)” | 350 | 4 hours | 1,400 |
| **Form 10-356B**, “Concessioner Annual Financial Report (For Concessioners with Special Accounts and Utility Add-ons)” | 30 | 2 hours | 60 |
| **PROPOSALS FOR CONCESSION OPPORTUNITIES**  |
| Large Concession (Forms: 10-357A, 10-357B, 10-358 and 10-359A) | 30 | 240 hours | 7,200 |
| Small Concession (Forms: 10-357A, 10-357B, 10-358 and 10-359B | 60 | 80 hours | 4,800 |
| **AMENDMENTS** | 1 | 1 hour | 1 |
| **APPEALS** | 1 | 30 minutes | 1 |
| **REQUEST TO CONTRUCT A CAPITAL IMPROVEMENT** |
| Large Projects | 31 | 16 hours | 496 |
| Small Projects | 89 | 8 hours | 712 |
| **CONSTRUCTION REPORT** |
| Large Project | 31 | 56 hours | 1,736 |
| Small Project | 89 | 24 hours | 2,136 |
| **APPLICATION TO SELL OR TRANSFER A CONCESSION OPERATION** | 20 | 80 hours | 1,600 |
| **RECORDKEEPING** |
| Large Concessions | 150 | 800 hours | 120,000 |
| Small Concessions | 350 | 50 hours | 17,500 |
| **TOTALS** | **1,382** |  | **159,892** |

**13. Provide an estimate of the total annual non-hour cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden already reflected in item 12.)**

**\* The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life) and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information (including filing fees paid for form processing). Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.**

**\* If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.**

 **\* Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.**

The total non-hour cost burden is $425,000.

**Proposals - $420,000**.

We estimate that the average cost per respondent is $3,000 for small operations and $8,000 for large operations. These costs include, but are not limited to expenses for:

* printing,
* travel for onsite visits, and
* professional fees

These costs will vary due to proximity to the proposed concession operation and the desired involvement of consultants and other professionals outside the company. There are no other costs associated with preparing and submitting an offer.

**Application to Sell or Transfer Concession Operation - $5,000.**

There are no other costs associated with preparing and submitting an application, other than expenses for printing, which is estimated to be approximately $250 per application (x 20 applications). Costs for legal and accounting fees and onsite visits are inherent in the transaction even if NPS approval were not required, and are not included in this estimate.

**14. Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information.**

We estimate that the total annual cost to the Federal Government to administer this information collection is $1,909,197. This total includes the salary costs for staff time to process and review applications at $1,834,197(rounded) and approximately $75,000 for printing.

To determine average hourly rates, we used Office of Personnel Management Salary Table 2019-RUS (<https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2019/RUS_h.pdf>) as an average nationwide rate. The benefits rate was calculated from Bureau of Labor Statistics news release (<http://www.bls.gov/news.release/pdf/ecec.pdf>). We multiplied hourly rates by 1.6 to account for benefits, in accordance with the same news release.

**14.1. Annualized Cost to the Federal Government**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Activity and Position** | **Grade/Step** | **No. of Responses** | **Estimated Time per Response****(hours)** | **Total Hours** | **Hourly Rate** | **Hourly Rate w/Benefits** | **Total Annual Cost** |
| **Proposals – Large Concession** |
| Supv. Concessions Specialist  | 13/5 | 30 | 40 | 1,200 | $48.17 | $77.07 | $92,484 |
| Concessions Specialist (2 FTE) | 11/5 | 30 | 80 | 2,400 | $33.80 | $54.08 | *($129,792 x 2)* $259,584 |
| Lawyer | 15/5 | 30 | 40 | 1,200 | $66.96 | $107.14 | $128,568 |
| **Proposals - Small Concession** |
| Supv. Concessions Specialist  | 13/5 | 60 | 16 | 960 | $48.17 | $77.07 | $73,987 |
| Lawyer  | 15/5 | 60 | 16 | 960 | $66.96 | $107.14 | $102,854 |
| **Amendments** |  |  |
| Supv. Concessions Specialist  | 13/5 | 1 | 4 | 4  | $48.17 | $77.07 | $308 |
| Lawyer  | 15/5 | 1 | 4 | 4  | $66.96 | $107.14 | $429 |
| **Appeals** |  |  |
| Supv. Concessions Specialist  | 11/5 | 1 | 20 | 20 | $48.17 | $54.08 | $1,082 |
| Lawyer  | 15/5 | 1 | 20 | 20 | $66.96 | $107.14 | $2,143 |
| **Request To Construct a Capital Improvement – Large Projects** |
| Supv. Concessions Specialist  | 13/5 | 31 | 16 | 496 | $48.17 | $77.07 | $38,227 |
| Concessions Specialist  | 11/5 | 31 | 16 | 496 | $33.80 | $54.08 | $26,824 |
| **Request To Construct a Capital Improvement – Small Projects** |
| Supv. Concessions Specialist  | 13/5 | 89 | 8 | 712 | $48.17 | $77.07 | $54,874 |
| Concessions Specialist  | 11/5 | 89 | 8 | 712 | $33.80 | $54.08 | $38,505 |
| **Construction Report – Large Projects** |
| Supv. Concessions Specialist  | 13/5 | 31 | 56 | 1,736 | $48.17 | $77.07 | $133,794 |
| Concessions Specialist  | 11/5 | 31 | 56 | 1,736 | $33.80 | $54.08 | $93,883 |
| **Construction Report – Small Projects** |
| Supv. Concessions Specialist  | 13/5 | 89 | 24 | 2,136 | $48.17 | $77.07 | $164,622 |
| Concessions Specialist  | 11/5 | 89 | 24 | 2,136 | $33.80 | $54.08 | $115,515 |
| **Application to Sell or Transfer Concession Operation** |
| Supv. Concessions Specialist  | 13/5 | 20 | 80 | 1600 | $48.17 | $77.07 | $123,312 |
| Lawyer  | 15/5 | 20 | 40 | 800 | $66.96 | $107.14 | $85,712 |
| **Form 10-356** |
| Financial Analyst  | 13/5 | 150 | 16 | 2,400 | $48.17 | $77.07 | $184,968 |
| **Form 10-356A** |
| Financial Analyst  | 13/5 | 350 | 4 | 1,400 | $48.17 | $77.07 | $107,898 |
| **Form 10-356A** |
| Financial Analyst  | 13/5 | 30 | 2 | 60 | $48.17 | $77.07 | $4,624 |
| **Total** | $1,834,197 |

**15. Explain the reasons for any program changes or adjustments in hour or cost burden.**

There are no changes or adjustments made to this ICR in this renewal.

**16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and and other actions.**

We do not publish the results of this information collection.

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

We will display the expiration date on all forms.

**18. Explain each exception to the topics of the certification statement identified in "Certification for Paperwork Reduction Act Submissions."**

There are no exceptions to the certification statement.