

SUPPORTING STATEMENT – PART A

Defense Federal Acquisition Regulation Supplement (DFARS) Part 204, Administrative Matters, and Related Clause at 252.204; OMB Control Number 0704-0225

A. JUSTIFICATION

1. Need for the Information Collection

DFARS 204.404-70(a) prescribes the use of the clause at DFARS 252.204-7000, Disclosure of Information, when the contractor will have access to or generate unclassified information that may be sensitive and inappropriate for release to the public. This clause requires contractors to obtain contracting officer approval to release unclassified information outside of the contractor's organization, unless the information is already in the public domain or part of a project determined in writing to be fundamental research in accordance with certain agency directives and memoranda. In requesting such approval, the contractor must identify the specific information that will be released, the medium that will be used, and the purpose of the release.

2. Use of the Information

Upon receipt of a contractor's request, the Government reviews the information provided by the contractor to determine if it is sensitive or otherwise inappropriate for release for the stated purpose. These requests for disclosure are typically only received on research and development contracts or large dollar systems or operations contracts.

3. Use of Information Technology

Information technology is used 100% of the time to reduce burden. Where both the Government agency and contractors are capable of electronic interchange, contractors may submit this information collection requirement electronically. This information collection complies with the Government Paperwork Elimination Act, Pub. L. 105-277, Title XVII.

4. Non-duplication

As a matter of policy, DoD reviews the Federal Acquisition Regulation to determine if adequate language already exists. The language in DFARS part 204 applies solely to DoD and is not considered duplicative of the language in FAR part 4. Since the nature of the reporting requirement is contract specific, similar information is not readily available.

5. Burden on Small Business

The collection of this information is not expected to have a significant impact on a substantial number of small businesses or other small entities. The requirements for this information collection are determined on a case-by-case basis, as the circumstances dictate. The

burden applied to small businesses is the minimum consistent with applicable laws, Executive orders, and prudent business practices.

6. Less Frequent Collection

The nature of the reporting requirement is contract specific and the information is not readily available elsewhere; therefore, collection is required on a case-by-case basis pursuant to the contract clause requirements. The consequences of not collecting this data or collecting the data less frequently are: (1) impairment to the effective and efficient management of releasable information by DoD public affairs, and (2) the technical, legal, and security ramifications associated with the disclosure of unclassified information that is sensitive and inappropriate for release to the public.

7. Paperwork Reduction Act Guidelines

There are no special circumstances for collection. Collection of this information is consistent with the guidelines at 5 CFR 1320.5(d)(2).

8. Consultation and Public Comments

a. This information collection is consistent with the guidelines in 5 CFR 1320.6. In accordance with 5 CFR 1320.8(d), public comments were solicited in the *Federal Register* on February 27, 2020 ([85 FR 11352](#)). No comments were received.

b. A DoD subject matter expert reviewed the validity of the information collection requirements of the clause to provide updated estimates of the public burden. The burden, included in paragraph 12 below, reflects the validation of the need for the collection requirement, judgement, and best estimates of the DoD subject matter specialist.

c. A notice of submission to OMB for clearance of this information collection was published in the *Federal Register* on May 28, 2020 ([85 FR 32020](#)).

9. Gifts or Payment

DoD will not provide a payment or gift to respondents of this information collection requirement.

10. Confidentiality

This information is disclosed only to the extent consistent with statutory requirements, current regulations, and prudent business practices. The collection of information does not include any personally identifiable information (PII) and records are not retrievable by PII; therefore, no Privacy Impact Assessment or Privacy Act System of Records Notice is required.

11. Sensitive Questions

No sensitive questions are involved in the information collection.

12. Respondent Burden, and its Labor Costs

a. Estimation of Respondent Burden

According to data obtained from Electronic Document Access (EDA), DoD awarded an average of 30,358 new awards in FY 2017-FY 2018 that contain the DFARS clause 252.204-7000. These 30,358 new awards were made to an average of 5,451 uniquely identifiable vendors in FY 2017-FY 2018. The data exclude contracts awarded under commercial item FAR part 12 procurements, for research, and task/delivery orders. Based on prior history and reporting, DoD estimates that ten percent of new contract actions that include DFARS clause 252.204-7000 will respond to the reporting requirement. Using the information above, the number of respondents is calculated as 545 ($5,451 * .10 = 545$) and the number of responses is calculated as 3,036 ($30,358 * .10 = 3,036$). Data was obtained for FY 2019, however, there appeared to be an aberration that could not be accounted for that reflected 270,850 awards, or an approximate increase in awards of a magnitude of 9 times over the prior two years and significantly over the level of the data used for the prior update in FY 2017. Therefore, the FY 2019 data was not used in the burden calculations, and only EDA data for FY 2017-FY 2018 was used.

The estimate of hours spent developing and submitting a request is based on estimates from contracting professionals familiar with processing requests for release of unclassified information. We estimate the total cost as follows:

| Estimation of Respondent Burden Hours: 252.204-7000 | |
|---|-----------|
| Number of respondents | 545 |
| Responses per respondent | 5.57 |
| Number of responses | 3,036 |
| Hours per response | 3 |
| Estimated hours (number of responses multiplied hours per response) | 9,108 |
| Cost per hour ¹ (hourly wage) | \$39 |
| Annual public burden (estimated hours multiplied by cost per hour) | \$355,212 |

¹ Based on the salary table for GS-9/step 5 salary (\$28.73 an hour for base salary) plus 36.25 percent burden, is \$39.14 rounded to the nearest dollar, to \$39. The burden rate used is that mandated by OMB memorandum M-08-13 for use in public-private competition, as updated by OMB for the current year. Reference Salary Table 2020-RUS, Effective January 2020, found at www.opm.gov.

13. Respondent Costs Other Than Burden Hour Costs

It is not anticipated that the information collection will generate any additional annualized costs to respondents other than the labor burden costs addressed in Item 12.

14. Cost to the Federal Government

In the table below, the number of respondents and the number of responses are based on the same information and calculated in the same manner as discussed in paragraph 12.

The estimate of hours spent reviewing and processing a request is based on estimates from contracting professionals familiar with processing requests for release of unclassified information.

| Estimation of Respondent Burden Hours: 252.204-7000 | |
|---|-----------|
| Number of respondents | 545 |
| Responses per respondent | 5.57 |
| Number of responses | 3,036 |
| Hours per response | 2 |
| Estimated hours (number of responses multiplied hours per response) | 6,072 |
| Cost per hour ² (hourly wage) | \$39 |
| Annual public burden (estimated hours multiplied by cost per hour) | \$236,808 |

15. Reasons for Change in Burden

This is a revision of a currently approved public information collection review. There has been a change in burden estimates since the last time this collection was reviewed.

The number of respondents under Items 12 and 14 changed because the Government changed the variables upon which the final number is based. In the FY 2017 submission, the Government determined the total number of respondents for both the public and the Government to be an estimated ten percent of the total contracts awarded for that fiscal year that were above the simplified acquisition threshold (SAT).

² Based on the salary table for GS-9/step 5 salary (\$28.73 an hour for base salary) plus 36.25 percent burden, rounded to the nearest dollar, or \$39 an hour. The burden rate used is that mandated by OMB memorandum M-08-13 for use in public-private competition, as updated by OMB for the current year. Reference Salary Table 2020-GS, Effective January 2020, found at www.opm.gov.

With this submission, the Government is able to query deeper into the Electronic Document Access (EDA) and define more discriminating data variables (i.e., number of contracts containing the clause). The number of total responses and total hours under Items 12 and 14 also changed because they are based on the number of respondents (discussed above).

The cost per hour for both Federal and contractor responses increased from \$32 to \$39 per hour because: (1) OPM has increased the GS hourly wage for a GS-9, step 5 employee since 2016, and (2) the total dollar amount is rounded to the nearest dollar, instead of cent. The following chart shows the changes in burden from 2017 to the updated 2020 estimates.

| 0704-0225 ICR | 2017 | 2020 | Change |
|--------------------------|-----------|-----------|-----------|
| Number of respondents | 1,196 | 545 | -651 |
| Responses per respondent | 2.35 | 5.57 | +3.22 |
| Number of responses | 2,806 | 3,036 | +230 |
| Hours per response | 3 | 3 | - |
| Estimated hours | 8,418 | 9,108 | +690 |
| Cost per hour | \$32 | \$39 | +\$7 |
| Annual public burden | \$269,376 | \$355,212 | +\$85,836 |

16. Publication of Results

Results of this collection will not be published.

17. Non-Display of OMB Expiration Date

DoD does not seek approval to not display the expiration date for OMB approval of the information collection.

18. Exceptions to "Certification for Paperwork Reduction Submissions"

There are no exceptions to the certification accompanying this Paperwork Reduction Act submission.