

**Supporting Statement for Paperwork Reduction Act Submission**  
**Surety Bond Guarantee Program**  
**Quarterly Contract Completion Report**  
**(SBA Form 2461)**  
**(Control # 3245-0395)**

The Small Business Administration (SBA) is requesting approval for an extension with change of SBA Form 2461, “Quarterly Contract Completion Report, which expires 1/31/21.

The following changes have been made to SBA Form 2461:

- Added a second page to provide detailed electronic submission instructions.
- Added two data collection fields to the form and changed “Contractor” to “Principal” in the collection fields to be consistent with the 13 CFR §115.22 language.
- Corrected the SBA email address in the General Information section at the top of page 1 of the form.

**1. Circumstances Necessitating the Collection of Information:**

Through its Surety Bond Guarantee (SBG) Program, SBA can guarantee bid, payment, and performance bonds for small and emerging contractors (also referred to as principals) on contracts up to \$6.5 million, and up to \$10 million with the signed certification of a Federal contracting officer. See, Section 411 of the Small Business Investment Act of 1958, as amended, 15 U.S.C. 694b. (a copy of this provision is attached). The bonds are required to bid on and secure construction, service, and supply contracts for federal, state, local, and private entities. SBA’s guarantee provides the incentive necessary for sureties to bond these small and emerging contractors, providing greater access to contracting opportunities.

The SBG Program consists of the Prior Approval Program and the Preferred Surety Bond (PSB) Program. In the Prior Approval Program, sureties must apply for each bond guarantee and must receive SBA’s approval prior to issuing bonds. PSB Sureties can issue, monitor, and service bonds without SBA’s prior approval.

SBG program regulations at 13 CFR 115.22 require sureties that participate in both programs to submit the Quarterly Contract Completion Report within 45 days after the end of each quarter that ends on December 31, March 31, June 30 and September 30 to report contracts successfully completed during the quarter.

## **2. How, By Whom, and For What Purpose Information Will Be Used:**

Sureties in both SBG programs are required to inform SBA when each contract for which SBA has guaranteed the bond has been successfully completed and provide a final accounting of any contractor and surety fees that are due to SBA or due to be refunded or rebated to the contractor or the surety as a result of any change in the amount of the contract. The data collected include the SBA Surety Bond Guarantee number, the principal's name, the original contract amount, the revised contract amount (if applicable), the contract completion date, the fee amounts paid to SBA by the surety and principal, the fee amounts due to SBA (if applicable), and the fee amounts to be refunded to the principal or rebated to the surety (if applicable). SBG program personnel use this information to monitor outstanding liability and fee transactions.

## **3. Technological Collection Techniques:**

Sureties can submit this form online through the electronic application system (e-App/Capital Access Financial System (CAFS)), [https://caweb.sba.gov/cls/dsp\\_login.cfm](https://caweb.sba.gov/cls/dsp_login.cfm). Currently, 100% of this information collection is submitted electronically. Surety companies may also print and complete a fillable PDF form and mail or email the information collection to SBA. Surety companies close out completed SBA guaranteed contracts in the e-App system per their associated guarantee application.

## **4. Avoidance of Duplication:**

Other than the basic program assigned identification information about the business, the information is not otherwise collected by SBA. Each Form 2461 submission must report contract activity during the specified reporting periods; any existing information would not meet the reporting requirement. The fact that certain identification information is auto-populated after the initial entry helps to reduce burden on the respondents. Impact on Small Businesses and Other Small Entities:

This information collection may impact small businesses or other small entities. This form will be submitted by sureties participating in the SBG Program.

## **5. Consequences If Collection of Information Is Not Conducted:**

The data collected on the Quarterly Contract Completion Report will be used by sureties to report the status of successfully completed contracts to SBA. If the information contained on SBA Form 2461 was not collected, and the final contract amount either increased or decreased, SBA would not know whether any additional fees are due SBA (if the final contract amount increased), or whether any fees should be refunded to the contractor or rebated to the surety (if the final contract amount decreased) in accordance with regulatory requirements, 13 CFR §115.22.

**6. Existence of Special Circumstances:**

Not applicable.

**7. Solicitation of Public Comments:**

Consistent with the Paperwork Reduction Act (5 U.S.C. 1320) and the implementing OMB regulations, 5 CFR 1320.8, SBA published the required public comment notice in the Federal Register on August 20, 2020 (85 FR 51535). The comment period closed on October 19, 2020; no comments were received.

**8. Payments or Gifts:**

Payments or gifts to respondents are not provided.

**9. Assurance of Confidentiality:**

The data collected can be accessed only by Agency personnel who have “a need to know”. Surety companies are notified with the application that disclosure of confidential information submitted to the Agency will be protected to the extent permitted by law, including the Freedom of Information Act (5 U.S.C. 552), the Privacy Act (5 U.S.C. 552a) and the Right to Financial Privacy Act (12 U.S.C. 3401). All information submitted to SBA through the electronic application system is protected by SBA’s electronic security controls in accordance with National Institute of Standards and Technology.

**10. Questions of a Sensitive Nature:**

No questions of a sensitive nature are asked. This information collection is retrieved by the name and Surety Bond Guarantee number of the small business applicant and not by any personal identifiers for the proprietor, partner, officer, director, owner, or other individuals.

**11. Estimation of the Hourly Burden of the Collection of Information:**

The estimated annual burden imposed by this information collection is based upon SBA's analysis of the Fiscal Year 2020 submissions in the SBG Program. SBA estimates that there will be a total of 172 electronic responses from 41 surety partners in Fiscal Year 2021. The electronic responses include reports that are submitted to SBA electronically by sureties.

The total estimated cost burden to respondents includes the cost to provide and maintain data. It consists of clerical duties, such as computer input, and professional responsibilities, including contract research of the information to be submitted.

Total Annual Responses = 172

Hours per Response = 30 minutes or .5 hours

Total Estimated Annual Burden Hours = 86 (hours)

The following estimated annual cost burden to respondents is based on median hourly wage rates for the class of respondents as reported in the [2019 BLS Occupational Employment Statistics](https://www.bls.gov/oes/current/oes_nat.htm). (May 2019 National Occupational Employment and Wage Estimates - [https://www.bls.gov/oes/current/oes\\_nat.htm](https://www.bls.gov/oes/current/oes_nat.htm) )

**Professional Employee Time –** ([Insurance Underwriters Equivalent - Htps://Www.Bls.Gov/Oes/Current/Oes132053.Htm](https://www.bls.gov/oes/current/oes132053.htm))

86 hours x \$33.67 = \$2,895.62

**Clerical Staff -** ([Secretaries And Administrative Assistants Equivalent](#))

86 hours x \$19.16 = \$1,647.76

The total estimated annual cost burden to respondents = **\$4,543.38**

## **12. Estimate of the Total Amount of Cost Burden for Submission:**

There is no additional cost to respondents that is associated with the Quarterly Contract Completion Report.

## **13. Estimated Annualized Cost to the Federal Government:**

The estimated annual cost to the Federal government includes duties related to the evaluation of information provided. The total Estimated Burden Hours to the Federal government, based on 6 minutes per response is 17.2 hours.

**Employee Time** – GS 13, Step 5 (DC/MD/VA Locality - [Salary Table 2020-Dcb](#))

17.2 hours x \$55.94 = **\$962.17**

**14. Explanation of Program Changes in Items 13 or 14 on OMB Form 83-1:**

The increase in the total annual responses from the previous submission and increase to the annual burden hours are due to an increase in surety regulatory compliance and a correction to the number of respondents processing the form from the previous submission.

**15. Collection of Information Whose Results Will Be Published:**

This collection of information will not be published, except for aggregated statistical data in various agency performance or budget reports.

**16. Expiration Date for Collection of Information:**

SBA will display the expiration date.

**17. Exceptions to Certifications in Block 19 on OMB Form 83-1:**

None.

**18. Collection of Information Employing Statistical Methods:**

Not Applicable.