

**SUPPORTING STATEMENT
FOR PAPERWORK REDUCTION ACT SUBMISSION
OMB CONTROL NO. 9000-0001
STANDARD FORM 28, AFFIDAVIT OF INDIVIDUAL SURETY**

FAR section affected: SF 28

A. Justification.

1. Administrative requirements. This clearance covers the information that offerors or contractors must submit to comply with the following Federal Acquisition Regulation (FAR) requirement:

- ***Standard Form (SF) 28, Affidavit of Individual Surety.*** This form is used by all executive agencies, including the Department of Defense (DoD), to obtain information from individuals wishing to serve as sureties to Government bonds. Offerors and contractors may use an individual surety as security for bonds required under a solicitation or contract for supplies or services (including construction). It is an elective decision on the part of the offeror or contractor to use individual sureties instead of other available sources of surety or sureties for Government bonds.

2. Uses of information. The contracting officer uses the information on the SF 28 to determine the acceptability of individuals proposed as sureties.

3. Consideration of information technology. We use improved information technology to the maximum extent practicable. Where both the Government agency and contractors are capable of electronic interchange, the contractors may submit this information collection requirement electronically.

4. Efforts to identify duplication. This requirement is issued under the FAR, which has been developed to standardize Federal procurement practices and eliminate unnecessary duplication.

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

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

6. Describe consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently. Collection of information on a basis other than solicitation-by-solicitation or contract-by-contract is not practical.

7. Special circumstances for collection. Collection is consistent with guidelines in 5 CFR 1320.6.

8. Efforts to consult with persons outside the agency.

A. A 60-day notice was published in the *Federal Register* at 85 FR 70151, on November 4, 2020. One comment was received; however, it did not change the estimate of the burden.

Comment: The commenter requested the FAR Council implement FAR Case 2017-003, Individual Sureties, and, once implemented, create the necessary reporting requirements that will mitigate, if not eliminate, instances where individual surety bonds are accepted with worthless assets or with assets that are beyond the control of contracting officials. Accordingly, the commenter finds the renewal/revision of the information collection premature because it is uncertain what types of information should be solicited on the SF 28.

Response: The renewal of the information collection is required to ensure compliance with the Paperwork Reduction Act as the current approval for OMB Control number 9000-0001 expires on February 28, 2021. As stated in section VII. of the final rule preamble for FAR Case 2017-003 (86 FR 3682), changes to the SF 28 are needed to update the language in the form to be consistent with the changes to the FAR text. The modification of the SF 28 does not impose additional information collection requirements.

B. A 30-day notice was published in the *Federal Register* at 86 FR 6650, on January 22, 2021.

9. Explanation of any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.
Not applicable.

10. Describe assurance of confidentiality provided to respondents. This information is disclosed only to the extent consistent with prudent business practices, current regulations, and statutory requirements.

11. Additional justification for questions of a sensitive nature. No sensitive questions are involved.

12 & 13. Estimated total annual public hour and cost burden.
Time required to read and prepare information is estimated at 0.3 hours per response.

The number of solicitations and contracts requiring the submission of bid guarantees, performance, or payment bonds, correlate roughly to the number of contract awards containing FAR clause 52.228-11, Pledge of Assets. Based on Fiscal Year (FY) 2020 data contained in the Electronic Document Access system (DoD official contract file system), 10,967 DoD contract awards, containing FAR clause 52.228-11 and a total obligated amount of over \$35,000, were made to 2,258 unique vendors. These contractors could be using corporate sureties under FAR 28.202, individual sureties under FAR 28.203, or pledging the contractor's own assets under FAR 28.204. Based on contracting officers' experience in the field, DoD, GSA, and NASA ("we") estimate that less than 0.1 percent of contractors are using individual sureties to meet the required bonding under contracts. Considering that all civilian agencies combined account for about the same as DoD, we estimate the number of respondents per year as 0.1 percent of the number of DoD unique vendors for FY 2020 (2.26) times 2, or 5 when rounded up to the nearest whole number. However, consistent with 5 CFR 1320.3 paragraph c, we estimate the number of respondents per year at 10. We assume two responses per year to account for a revision to the SF 28, if needed.

Estimated respondents/yr.....	10
Responses/respondent.....	x 2
Total annual responses.....	20
Estimated hrs/response.....	x 0.3
Estimated total burden hrs.....	6
Hourly rate*.....	x \$57

Estimated annual cost to the public..... \$ 342

* Based on the Office of Personnel Management (OPM) 2020 General Schedule (GS) 12/step 5 salary for the rest of the United States (\$41.66 per hour) plus a 36.25 percent fringe factor, rounded to the nearest whole dollar. The fringe factor used is pursuant to the rate provided in OMB memorandum M-08-13 for use in public-private competition.

14. Estimated cost to the Government. Time required for Governmentwide review is estimated at 1 hour per response.

Total annual responses.....	20
Review time per response (hours).....	x <u>1</u>
Review time per year (hours).....	20
Hourly rate*.....	x <u>\$57</u>
Estimated Government Cost	\$ 1,140

15. Explain reasons for program changes or adjustments reported in Item 13 and 14. The decrease of responses from 488 to 20 and the associated decrease in estimated burden hours from 146 to 6 is an adjustment due to a change in the methodology to be consistent with FAR Case 2017-003, Individual Sureties (proposed at 85 FR 7910 12 FEB 2020, finalized at 86 FR 3682 JAN 2021); and use of the most current data available.

16. Outline plans for published results of information collections. Results will not be tabulated or published.

17. Approval not to display expiration date. Not applicable.

18. Explanation of exception to certification statement. Not applicable.

B. Collections of Information Employing Statistical Methods.

Statistical methods are not used in this information collection.