## Contractor Conflicts of Interest (Renewal)

The Environmental Protection Agency (EPA) requests renewal of control number 2030-0023 (ICR 1550.12): *Contractor Conflicts of Interest* (Renewal).

## Short Characterization

The collection of this information is required to ensure that the Agency can effectively identify, evaluate, and take appropriate action concerning contractor conflicts of interest (COI). EPA contractors are required to disclose any actual or potential COI with regard to their employees, corporate affiliations, and business relationships. Contractors will be required to maintain a database of business relationships and report information to EPA on either an annual basis or when work is ordered under an Agency contract. Additionally, under some contracts, the contractor must request written approval from the contracting officer to enter a proposed contract subject to the restrictions of EPA’s *Limitation of Future Contracting* Clause that can be found at CFR 48 1552.209-74.

## Actions to Comply with Terms of Clearance

Previous Terms of Clearance: In accordance with 5 CFR 1320, the information collection is approved for three years. As terms of clearance, however, the agency is required to closely track the frequency with which this collection is used and (1) submit a request for revision if the actual burden exceeds the expected level approved in this ICR; and (2) ensure that the burden reflected in the renewal is accurate.

EPA received ICR renewal approval for control number 2030-0023 (ICR 1550.11) December 31, 2018, with Terms of Clearance, for a three-year period. (ICR Reference number 201704-2030-001.) The existing ICR is set to expire on December 31, 2021. EPA’s efforts to comply with the Terms of Clearance are discussed below.

Under the ICR’s Terms of Clearance, EPA was required to (1) submit a request for revision if the actual burden exceeds the expected level approved in this ICR; and (2) ensure that the burden reflected in the renewal is accurate.

(1) The actual number of COI plans increased from 45 in the previous filing to 56 in the current filing. (2) The program office has worked closely with EPA’s Regulatory Support Division to ensure the accuracy of this information and this filing.

**1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information**.

Federal Acquisition Regulation (FAR) Subpart 9.5, requires contracting officers to analyze acquisitions to identify and evaluate potential COI, and to avoid, neutralize, or mitigate significant COI before contract award. EPA’s information collection is required to fulfill the requirements of the FAR, protect the Government’s interests at contract award, and ensure this protection extends throughout the performance of Agency contracts.   
  
FAR Subpart 2.1 states organizational conflict of interest means “that because of other activities or relationships with other persons, a person is unable or potentially unable to render impartial assistance or advice to the Government, or the person’s objectivity in performing the contract work is or might be otherwise impaired, or a person has an unfair competitive advantage.” Depending on the contract terms, EPA requires the contractor to either certify annually or certify each time work is ordered under the contract that to the best of the Contractor's knowledge and belief, all actual or potential organizational COI have been reported to EPA. If the contractor cannot so certify, the firm must provide a disclosure statement describing all relevant information concerning any past, present, or planned interests bearing on whether it may have a COI. The contracting officer and advisers will use this information to evaluate potential conflicts and to determine the appropriate action necessary to avoid, mitigate, or neutralize the disclosed conflict.Summary of Comments submitted on Federal Register Notice

**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.**

EPA staff will use the COI plan and certifications to ensure contractors are complying with EPA's requirements for detecting and avoiding conflicts of interest. If contractors submit a certification stating they have no conflicts of interest, the contracting officer reviews the certificate and retains the information in the official contract file. If contractors disclose information showing they have an actual or potential COI the contracting officers and advisers (subject matter or technical experts, legal advisors, and procurement analysts) carefully review and analyze the disclosure to determine the appropriate course of action.  
  
Contracting officers document their determinations in the official contract file where they also retain the original information collected.   
  
In general, the information collected and the determinations made will be used by the Agency to ensure that contractors and the EPA are adequately addressing COI concerns, and that the Agency is making determinations consistent with the exercise of common sense, good judgment, and sound discretion to protect its programs.

**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.**

Contractor COI information is collected via electronic mail and is stored in the contractor’s file in the EPA Acquisition System(EAS), which is the electronic contract-writing system used at EPA.

**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 collection of information is not duplicative of information otherwise accessible to the Agency. The data is unique to each firm’s contract or order for work under a contract and is not available from any other source. EPA provisions have the same general objectives of identifying, mitigating, and avoiding COI as FAR Subpart 9.5. However, unlike the FAR, the EPA provisions include reporting and certification requirements to ensure that actual and potential conflicts of interest are reviewed not only prior to contract award, but also during the period of contract performance and after contract performance to ensure enforcement actions are not prejudiced. This is the only way that EPA can evaluate whether a contractor's work efforts, which may be initiated during the EPA contract performance period or in some cases, after contract completion, may present an unacceptable risk to the Agency.

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

Based on fiscal year 2018, 2019, and 2020 figures, approximately 40% of the Agency’s contracts are awarded to small businesses. Only the minimum information necessary to ensure that conflicts of interest do not exist is requested. Because the information requested is vital to monitoring contractor performance under Agency contracts, separate or simplified procedures cannot be developed for small businesses.  
  
EPA considered alternatives to the information collection, such as establishing different compliance or reporting requirements or simplifying the requirements for small entities. EPA also considered exempting small entities from all or part of the rule. However, separate or further simplified requirements are not practical, because the stated objectives cannot be met under such alternatives. An undisclosed COI poses the same risk to EPA whether it is a conflict involving a large or small business contractor. EPA believes the information collection, along with other established internal controls within the Agency, will prevent conflicts of interest that may jeopardize future actions.

**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.**

Depending on the type of contract, this information collection requires contractors to certify, either annually or for individual work orders, that they have no COI. If the contractor detects an actual or potential conflict, then the firm must disclose the nature of the conflict. The annual certification requirement is possible where the nature of the work the contractor is performing is sufficiently known in advance to allow certifying for an entire year. More frequently, EPA requires its contractors to certify or disclose with each order for work under the contract. This requirement, for reporting when specific work is ordered, is essential under contracts with a wide scope where it is not possible to know in advance the exact type of work needed or the exact location the work will be performed. For example, most Superfund contracts are performed at multiple sites and there is little or no advance notice of where such work will be assigned because of changing cleanup priorities. Therefore, a contractor is in a better position to identify its conflicts or potential conflicts when work is ordered, as compared to when the basic contract is awarded.   
  
There is also no set schedule for submission of requests for authorization to enter a contract for non-EPA work cited in the *Limitation of Future Contracting* clause. This clause identifies outside work that could pose a significant COI with work performed for EPA and may impair EPA contractor performance or harm enforcement actions. These requests are required to be submitted to the contracting officer when a contractor wants to request authorization to enter such high-risk contracts. Such requests are essential to provide EPA with the opportunity to protect its enforcement actions from an unacceptable risk of prejudice before it occurs. This is essential to protecting the Government interests.

**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;**

N/A

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

**N/A**

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

**N/A**

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

**N/A**

**• 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;**

**N/A**

**• 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**

**N/A**

**• 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.**

All collection activities described within this ICR do not meet or exceed any of the provisions requiring special justification per 5 CFR 1320.5(d)(2).

**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 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 3 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.**

In compliance with the Paperwork Reduction Act of 1995, public comments were previously requested via the *Federal Register* ([86 FR 18527](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.federalregister.gov%2Fdocuments%2F2021%2F04%2F09%2F2021-07331%2Fproposed-information-collection-request-contractor-conflicts-of-interest-renewal&data=04%7C01%7Cleftrict.pamela%40epa.gov%7Cc50290d8a35b4def1b9208d92747577c%7C88b378b367484867acf976aacbeca6a7%7C0%7C0%7C637584009619356649%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C1000&sdata=fyOYUOItyts4zwIaZ1LPbHj%2Bl%2Ba%2F%2BVYQjxpzlmAJk0M%3D&reserved=0)) on April 9, 2021 during a 60-day comment period ending June 8, 2021.  There were no relevant public comments pertaining to this subject matter.

To determine contractor burden associated with the information collection identified in this request, the following vendors were contacted but did not respond; therefore, the estimated burden figures from the existing ICR are considered to still be applicable.

The firms contacted are:

|  |  |  |
| --- | --- | --- |
| Name | Phone | Affiliation |
| Dalton Stupack | 509-578-3150 | Leidos Innovation Corp., Lrg Bus |
| Vijay Mallepalli | 409-983-4575 | Chemtex, Small Business |

The process each firm used for tracking contract work, reviewing the scope of work, and certifying there are no conflicts or disclosing the nature of an actual or potential conflict were virtually identical. The amount of effort involved varied on the size of the business, the number of affiliates, and the amount of contracting they do.

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

EPA does not provide payment or gifts to respondents for this collection.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy. If the collection requires a systems of records notice (SORN) or privacy impact assessment (PIA), those should be cited and described here.**

Some of the information submitted in response to our information request is confidential business information (CBI). The Agency will protect CBI from release, and will disclose it only to the extent consistent with 40 CFR part 2, subpart B, Agency regulations, and the contract terms.  
  
This information collection complies with the Privacy Act of 1978 and OMB Circular A-108, as revised and incorporated into OMB Circular A-130.

**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 have identified no sensitive questions in this collection.

**\*\*Sections 12, 13, 14 and 15 are being updated per OMB guidance, however EPA does not anticipate any significant data shifts from the previous approved filing. This information will be updated completely in the second filing as information is still being collected and updated. \*\*\***

**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. Instead, this cost should be included under ‘Annual Cost to Federal Government’.**

\*EPA is aggregating cost estimates from Items 12, 13, and 14 into a single table per OMB guidance.

Information Requested

*Data Items, including recordkeeping requirements*  
Data to be collected includes: (1) certification on either an annual basis or when work is ordered that conflicts have been disclosed or that none exist; (2) disclosure of actual and potential conflicts of interest under the contract; and (3) requests for authorization to enter into a certain future contract work, cited in the "Limitation of Future Contracting Clause” in the applicable contract.  
  
The recordkeeping requirements associated with this request include corporate recordkeeping consistent with a contractor's system for identifying, mitigating, and preventing conflicts of interest as described in its COI plan submitted to EPA. This COI recordkeeping includes maintaining a database of corporate clients and contracts in order to identify potential conflicts and maintain records of disclosures of conflicts to demonstrate compliance with a contractor's COI plan. NOTE: The term "database" as used in this section includes any system which permits a contractor to search its records for COI and may be manual or automated. The critical function of any database is that it gives the respondent the capability to identify any past, present, and future work which may be in conflict.

*Respondent Activities*  
Properly responding to EPA’s COI disclosure requests requires the contractor to first maintain a list of all current contracts they are working under and the nature of the work they are performing under the contract. Then, the contractor must analyze interrelations between the work the firm will be performing under the current contract and any work performed under other contracts to understand whether the new work would cause the contractor to be unable to render impartial assistance or advice to EPA, impair the firm’s objectivity, or give the firm an unfair competitive advantage. If the firm discovers no conflicts of interest, then it certifies this fact to the contracting officer. If the firm discovers an actual or potential problem, then the facts of the situation will be reported to the contracting officer for his or her response.

Collection Schedule  
Depending on the type of contract, this information collection requires contractors to certify, either annually or for individual work orders, that they have no COI. If the contractor detects an actual or potential conflict, then the firm must disclose the nature of the conflict. The annual certification requirement is possible where the nature of the work the contractor is performing is sufficiently known in advance to allow certifying for an entire year. More frequently, EPA requires its contractors to certify or disclose with each order for work under the contract. This requirement, for reporting when specific work is ordered, is essential under contracts with a wide scope where it is not possible to know in advance the exact type of work needed or the exact location the work will be performed. For example, most Superfund contracts are performed at multiple sites and there is little or no advance notice of where such work will be assigned because of changing cleanup priorities. Therefore, a contractor is in a better position to identify its conflicts or potential conflicts when work is ordered, as compared to when the basic contract is awarded.   
  
There is also no set schedule for submission of requests for authorization to enter a contract for non-EPA work cited in the "Limitation of Future Contracting Clause." This clause identifies outside work that could pose a significant COI with work performed for EPA and may impair EPA contractor performance or harm enforcement actions. These requests are required to be submitted to the contracting officer when a contractor wants to request authorization to enter such high-risk contracts. Such requests are essential to provide EPA with the opportunity to protect its enforcement actions from an unacceptable risk of prejudice before it occurs. This is essential to protecting the Government interests.

Estimating Respondent Burden  
Respondent burden in complying with the COI information collection is broken down into the following tasks.

* 1. Prepare COI Plan (one-time burden)
  2. Create a Database (one-time burden)
  3. Storage and Maintenance of Records (recurring burden)
  4. Search Data Base Records for Possible COI (recurring burden)
  5. Identify Potential COI, Record Decision, and Notify EPA (recurring burden)
  6. Request Approval for Future Contract (recurring)

Onetime costs, such as COI plan development and creation of a database will only be incurred by contractors and subcontractors who have never contracted with EPA.

Although the information collection requirements for small and large business are the same, EPA’s consultations with small businesses confirmed that the workload is generally less for small businesses because they have less complex organizational structures, fewer contracts, and less data to maintain and search than large businesses.

While the overall makeup of EPA contracts is 40% small business and 60% large business; it is difficult to accurately predict how that split will apply to respondents for this ICR. As mentioned, the COI process is more cumbersome for large businesses because they have more contracts and more business relationships. Therefore, they are also more likely to have a COI than a small business. Given the uncertainty involved, we determined it would be most prudent to use the estimated response times for large businesses in this ICR’s burden calculation.

It is anticipated that some of the work associated with COIs would be done by contractors in the normal course of business as a customary and usual business practice (CBP), such as maintaining records of who they do business with. The CBP in this ICR are based on knowledge of the business practices of anticipated respondents and from a review of information received from EPA contractors who provided data in response to our consultations. In our burden calculations, the burden attributable to CBPs is subtracted from the overall total burden to show the new estimated burden anticipated for this requirement. The calculations for CBP are described below for each category of effort.

Estimating Respondent Costs

*Estimating Labor Costs*  
For all tasks, based on historical data, it is calculated that 25% of the effort would be managerial, 50% would be technical, and 25% would be administrative. The mean hourly labor rates are from the May 2019 National Occupational Employment and Wage Estimates published by the U.S. Department of Labor’s Bureau of Labor Statistics. For business/financial management the rate was $67.17; for a conservation scientist (technical) the rate was $31.31; and for administrative staff the rate was $17.91. To calculate a fully loaded rate, an overhead of 100% was added to the hourly rate.

*Estimating the Respondent Universe and Total Burden Costs*

Respondents to this information collection activity are Agency contractors performing work for the Agency which requires protection from conflicts of interest. The number of EPA contractors who will be required to provide information under this collection is approximately 56 and is derived from the number of COI Plans submitted for review in 2018, 2019 and 2020.

Analysis of Annual Respondent Hourly Burden Per-Activity:

* + - 1. Prepare COI (COI) Plan. (Non-recurring one-time effort) In its initial request, EPA estimated 1,170 hours per plan as a non-recurring one-time cost, because once contractors have prepared a COI Plan, it will only be necessary to update and/or modify it. We continue to utilize the estimate of 1,170 hours per plan for any firms who have never previously done business with EPA or been a prime or subcontractor on a Federal Government contract involving COI provisions. For new respondents, we retain the original CBP of 50%. This results in an estimate of 585 hours for each of the estimated 11 new respondents. To allocate the 585 hours across the five-year period of performance we have divided the 585 by 5 to arrive at an average 117 hours per respondent per year to prepare the initial COI plan. Total burden per year for the 11 new respondents is 1,287.

ANNUAL BURDEN: 117 hours per respondent

* + - 1. Create Data Base. (Non-recurring one-time effort) Our estimate of 700 hours reflects EPA's best estimate based on information received from respondents. The CPB for this line item is 80%, resulting in total hours of 140. This line item is also a non-recurring one-time burden. Also, as described in task 1 above, these hours are allocated over a five-year period of performance and only for new respondents, which is anticipated to be 11 per year. Therefore, our estimate includes 140 hours per response for new respondents, divided by 5 years which equals 28 hours per year, times 11 respondents or 308 total burden hours per year for all new respondents.

ANNUAL BURDEN: 28 hours per respondent

* + - 1. Storage and Maintenance of Records. The estimate for storing and maintaining records is 154 hours per respondent, per year. Therefore, a total of 154 hours of storage and maintenance of records activity is associated with this collection request.

ANNUAL BURDEN: 154 hours per respondent

* + - 1. Search Data Base Records for Possible COI. The number of times work is ordered under an EPA contract varies greatly; however, for purposes of this ICR we retain the estimate, based on historical data that 75 work orders will be issued each year. Of this number, approximately 16% will be for the same Superfund site for which a previous work order has been issued. Since contractors are not required to submit more than one certification or disclosure per Superfund site, then it is expected that contractors will only do certifications or disclosures for 63 work orders per year.   
           
         The average time required to perform each search is estimated to be 8 hours. In our interviews with contractors, we found firms typically perform a key word search (key words such as type of work, location, names of affiliates) in an automated database. The database search would take less than an hour; however, an employee with the appropriate expertise must review the search findings for accuracy. Eight hours includes the database search time, ensuring the findings are appropriate, and possibly querying contractor project staff as well as records. Based on interviews with contractors, the CBP for this line item is 10%. Therefore, the hours associated with this collection request for data base searches is 7 hours.

ANNUAL BURDEN: 7 x 63 = 441 hours per respondent

* + - 1. Identify Potential COI, Record Decision. Execute Work Order or the Annual Certification, and Notify the EPA of the Decision. This category reflects the management and technical activity in the search and certification effort that a contractor must perform. In accordance with the contract terms, the contractor is required to submit either a onetime certification or individual certifications when work is ordered under the contract. Of the 63 worker orders requiring certification or disclosure, approximately 17% of cases (11 work orders per year) will qualify as needing only an annual certification. The remaining 52 orders will require individual certification or disclosure.

Our estimate is 28 hours to complete an annual certification (in 11 cases) and 4 hours to complete a per work order review (in 52 cases). The CBP factor for this task is very low because most of this effort is associated solely with EPA requirements. The estimate of 10% for CBP is associated with an identification of a COI on a private contract which requires management attention but may not require the documentation and certification process required by EPA.

ANNUAL BURDEN: 11 x 28 = 308 (annual certification)

52 x 4 = 208 (work order certifications)

Total: 516 hours per respondent

* + - 1. Request Approval to Contract. The estimate utilized is identical to that provided in the ICR for the proposed rule and for previous renewals. It is based upon an average estimate of five requests per respondent per year with an associated effort of 20 hours per request, or 100 hours per respondent. This review and approval time has remained constant over the years and is not expected to change during the three-year period covered by this renewal. This is exclusively a requirement for the Federal Government and therefore no CBP is assigned.

ANNUAL BURDEN: 100 hours per respondent

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Analysis of Annual Respondent Cost Per-Activity:** | | | | | | |
| Task & Labor Type Breakdown | | | Rate | Hours | Cost |  |
| New Respondents Only | | | | | | |
| Task 1 Prepare COI Plan | | | | | | |
|  | | Management | $ 135.24 | 29.25 | $3955.77 |  |
| Technical | $60.24 | 58.5 | $3524.04 |  |
| Administrative | $34.10 | 29.25 | $997.43 |  |
|  | |  |  | 117 | $8477.24 |  |
| Task 2 Create Database | | | | | | |
|  | | Management | $ 135.24 | 7 | $946.68 |  |
| Technical | $60.24 | 14 | $843.36 |  |
| Administrative | $34.10 | 7 | $238.70 |  |
|  | |  |  | 28 | $2028.74 |  |
| All Respondents | | | | | | |
| Task 3 Storage & Maintenance | | | | | | |
|  | | Management | $ 135.24 | 38.5 | $5206.74 |  |
| Technical | $60.24 | 77 | $4638.48 |  |
| Administrative | $34.10 | 38.5 | $1312.85 |  |
|  | |  |  | 154 | $11158.07 |  |
| Task 4 Search Database | | | | | | |
|  | | Management | $ 135.24 | 110.25 | $14910.21 |  |
| Technical | $60.24 | 220.50 | $13282.92 |  |
| Administrative | $34.10 | 110.25 | $3739.53 |  |
|  | |  |  | 441 | $31952.66 |  |
| Task 5 Certify/Disclose | | | | | | |
|  | | Management | $ 135.24 | 129 | $17445.96 |  |
| Technical | $60.24 | 258 | $15541.92 |  |
| Administrative | $34.10 | 129 | $4398.90 |  |
|  | |  |  | 516 | $37386.78 |  |
| Task 6 Request Approval to Contract | | | | | | |
|  | | Management | $ 135.24 | 25 | $3381.00 |  |
| Technical | $60.24 | 50 | $3012.00 |  |
| Administrative | $34.10 | 25 | $852.50 |  |
|  |  |  |  | 100 | $7245.50 |  |

**13. Provide an estimate for the total annual cost burden to respondents or record keepers**

**resulting from the collection of information. (Do not include the cost of any hour burden**

**already reflected on the burden worksheet).**

**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 consider**

**costs associated with generating, maintaining, and disclosing or providing the**

**information. 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 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 collections 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.**

\*EPA is aggregating cost estimates from Items 12, 13, and 14 into a single table per OMB guidance.

Estimating Capital and O&M Costs   
Because it will not be necessary for respondents to acquire any capital goods to provide the requested information, EPA has estimated no incurred capital/start-up costs. Operating and maintenance costs, which include such items as file storage, photo copying, and postage, are negligible.

Bottom Line Burden Hours and Cost Tables

*Respondent Tally*

Total annual respondent burden for new respondents (which includes all tasks) is 1,754.45 hours times 11 new respondents for a total of 19,299 hours.

Total annual respondent burden for respondents which are not new (performing only tasks 3 through 6) is 1,950 hours times 45 respondents for a total of 87,743 hours.

Annual time burden for all respondents, all tasks, is 69,757.52 hours. Estimated burden per respondent is (total hours divided by all 56 respondents) is 1245.67 hours per respondent.

For the 11 new respondents required to undertake tasks 1 and 2, annual costs for these activities are estimated to be $10,505.98 per respondent and $115,565.78 for the group.

All 45 respondents are expected to undertake tasks 3 through 6. Their anticipated annual costs for these activities are $87,743.01 per respondent and $4,913,608.56 for the group.

The total annual cost for all respondents is $5,029,174.34. The average annual cost per respondent is estimated to be $89,806.68.

|  |  |  |
| --- | --- | --- |
| **Analysis of Total Annual Labor Costs** | | |
|  | |  |
| Task 1 | $8,477.24 |  |
| Task 2 | $2,028.74 |  |
| Total: | $10,505.98 |  |
| Task 1&2 Total (for 11 New Respondents): | | $115,565.78 |
|  | |  |
| Task 3 | $11,158.07 |  |
| Task 4 | $31,952.66 |  |
| Task 5 | $37,386.78 |  |
| Task 6 | $7,245.50 |  |
| Total: | $87,743.01 |
| Task 3-6 Total (for 56 Respondents): | | $4,913,608.56 |
|  | | |
| Total All Respondents: | | $5,029,174.34 |
| Per Respondent: | | $89,806.68 |

*Agency Tally*  
Annual agency burden is estimated to be 5,292 hours and $416,199.20.

**14. Provide estimates of annualized costs 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.**

\*EPA is aggregating cost estimates from Items 12, 13, and 14 into a single table per OMB guidance.

Estimating Agency Burden and Costs  
The Agency based its burden estimates on actual experience in collecting, reviewing, and approving contractors’ COI submissions. Due to the complexity of the task, as well as the experience and skill required in reviewing contractors’ COI submissions, this effort is performed by a Grade 14 contracting officer. The contracting personnel who review the submissions also document their findings in the contracting file. No administrative support is used in this effort. The second task, reviewing the contractor’s COI plan is done before the contract is awarded on a one-time basis. The third task, reviewing certifications and disclosures, includes annual and by work order certifications and disclosures as well as requests. The fourth task is reviewing requests for approval of future contract.   
  
The hourly rate for a step five, GS-14 is $51.17 per [Office of Personnel Management Salary Table 2021-GS](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2017/general-schedule/). A rate of 65%, or $31.10, was added to cover overhead costs. The loaded rate equals $82.27 per hour.

|  |  |  |
| --- | --- | --- |
| **Annual Agency Burden/Cost Estimates** | | |
| Collection Activity | Burden Hours  (per year) | Cost  (based on rate of $82.27) |
| 1. Answer Respondent Questions | 250 | $ 20,567.50 |
| 2. Reviewing the contractor’s conflict of interest plan | 240 | $ 19,744.80 |
| 3a. Reviewing annual certifications or disclosures and documenting the file.  (11 x 2=22 hours) | 22 | $ 1,809.94 |
| 3b. Reviewing work order certifications or disclosures and documenting the file.  (52 x 45 =2,340 responses. 2,340 x 2 = 4,680 hours) | 4,680 | $ 385,023.60 |
| 4. Reviewing requests for approval for future contracting and documenting the contract file | 100 | $ 8,227.00 |
| Total: | 5,292 | $ 435,372.84 |

Agency Activities  
The Agency anticipates performing the information collection activities listed below, in conjunction with COI requirements.

* Analyzing the contract scope and inserting appropriate COI clauses in contracts;
* Collecting COI certifications or disclosures, or requests to review future contracts from the contractor;
* When a conflict is disclosed or a request for a future contract is made, analyzing the information provided and determining the appropriate measures to avoid, neutralize or mitigate the conflict; and
* Filing certifications of no conflict or documenting action on potential COI disclosures in the contract file.

Collection Methodology and Management

After conducting extensive market research, the Contracting Officer (CO) makes the determination whether a COI plan and clauses will be required from the responding contractors. The CO has responsibility for collecting, reviewing, and making COI determinations. Information is collected through specific COI related provisions and clauses for Superfund Programs and other requirements that provide contractors with directions on what they need to submit to the Agency depending on the work to be performed. Not all contracts will have the same COI clauses. The information and determinations will be filed in the specific contract files as the official record of the Agency decision. Most respondents will prepare their submissions electronically. Submissions are accepted in any format so long as the required information is provided.

**15. Explain the reasons for any program changes or adjustments reported on the burden worksheet.**

Reason for Changes in Burden  
There was a slight increase in burden because of the addition of 11 respondents. It is expected that year over year there will be some fluctuation. Overall, the increase from 45 to 56 is within a reasonable burden fluctuation.

**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 ending dates of the collection of information, completion of report, publication dates, and other actions.**

N/A

**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.**

N/A

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

N/A