

**SUPPORTING STATEMENT
FOR PAPERWORK REDUCTION ACT SUBMISSION
OMB CONTROL NO.9000-0189
Certain Federal Acquisition Regulation Part 4 Requirements**

FAR sections affected: 52.204-3, 52.204-6, 52.204-7, 52.204-12, 52.204-13, 52.204-14, 52.204-15, 52.204-20, 52.204-23, 52.212-1(j), 52.212-3(b), and 52.212-3(l)

A. Justification.

1. Administrative requirements.

The Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA) are combining OMB Control Nos. for the Federal Acquisition Regulation (FAR) by FAR part. This consolidation is expected to improve industry's ability to easily and efficiently identify burdens associated with a given FAR part. The review of the information collections by FAR part allows improved oversight to ensure there is no redundant or unaccounted for burden placed on industry. Lastly, combining information collections in a given FAR part is also expected to reduce the administrative burden associated with processing multiple information collections.

This justification supports the revision of the expiration date of OMB Control No. 9000-0189 and combines it with the previously approved information collections under OMB Control Nos. 9000-0097 and 9000-0197, with the new title "Certain Federal Acquisition Regulation Part 4 Requirements". Upon approval of this consolidated information collection, OMB Control Nos. 9000-0097 and 9000-0197 will be discontinued. The burden requirements previously approved under the discontinued numbers will be covered under OMB Control No. 9000-0189.

This clearance covers the information that offerors and contractors must submit to comply with the following FAR requirements:

a. FAR 52.204-3, and 52.212-3(l) - Taxpayer Identification Number Information. When there is not a requirement to be registered in the System for Award Management (SAM), offerors are required to submit their Taxpayer Identification Number (TIN) information by the provision at FAR 52.204-3, Taxpayer Identification, for other than commercial acquisitions, and by paragraph (l) of the provision at FAR 52.212-3, Offeror Representations and Certifications - Commercial Products and Commercial Services, for commercial acquisitions.

b. FAR 52.204-6, 52.212-1(j), and 52.204-12 - Unique Entity Identifier. When there is not a requirement to be registered in SAM, offerors are required to submit their unique entity identifier by the provision at FAR 52.204-6, Unique Entity Identifier, for other than commercial acquisitions, and by paragraph (j) of the provision at FAR 52.212-1, Instructions to Offerors - Commercial Products and Commercial Services, for commercial acquisitions. The clause at FAR 52.204-12, Unique Entity Identifier Maintenance, requires contractors to maintain their unique entity identifier with the organization designated in SAM to issue such identifiers, for the life of the contract. The clause also requires contractors to notify contracting officers of any changes to the unique entity identifier.

c. FAR 52.204-7, 52.204-13, and 52.212-3(b) - SAM Registration and Maintenance. The provision at FAR 52.204-7, System for Award Management, requires offerors to be registered in SAM when submitting an offer or quotation, except in certain limited cases, and to continue to be registered through final payment of any award that results from such offer. The clause at FAR 52.204-13, System for Award Management Maintenance, requires contractors to make sure their SAM data is kept current, accurate, and complete throughout contract performance and final payment; this maintenance is, at a minimum, to be done through an annual review and update of the contractor's SAM registration. Paragraph (b) of the provision at FAR 52.212-3, Offeror Representations and Certifications - Commercial Products and Commercial Services, contains the equivalent of FAR 52.204-7 and 52.204-13, for commercial acquisitions.

d. FAR 52.204-14, and 52.204-15 - Service Contract Reporting Requirements. The clauses at FAR 52.204-14, Service Contract Reporting Requirements, and FAR 52.204-15, Service Contract Reporting Requirements for Indefinite-Delivery Contracts, require contractors to report the following information in SAM annually:

- (1) Contract number and, as applicable, order number.
- (2) The total dollar amount invoiced for services performed during the previous Government fiscal year under each contract.
- (3) The number of contractor direct labor hours expended on the services performed during the previous Government fiscal year.
- (4) Data reported by each first-tier subcontractor providing services under the contract if required to do so.

e. FAR 52.204-20, Predecessor of Offeror. This provision requires offerors to identify if the offeror is, within the last three years, a successor to another entity that received a Federal

Government award and, if so, to provide the Commercial and Government Entity (CAGE) code and legal name of the predecessor.

f. FAR 52.204-23, Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities. This clause requires contractors to report, in writing, to the contracting officer or, in the case of DoD, to the website at <https://dibnet.dod.mil>, any instance when the contractor identifies a covered article provided to the Government during contract performance, or if contractors are notified of such an event by subcontractors at any tier or any other source.

2. Uses of information.

a. FAR 52.204-3, and 52.212-3(l) - Taxpayer Identification Number Information. The TIN information may be used by the Government to collect and report on any delinquent amounts arising out of the offeror's relationship with the Government (31 U.S.C. 7701(c) (3)). If a contract is subject to the payment reporting requirements in FAR 4.904, the TIN may be matched with the Internal Revenue Service records to verify the accuracy of the TIN submitted by the offeror.

b. FAR 52.204-6, 52.212-1(j), and 52.204-12 - Unique Entity Identifier. The Government uses the unique entity identifier to identify contractors in reporting to the Federal Procurement Data System (FPDS). The FPDS provides a comprehensive mechanism for assembling, organizing, and presenting contract placement data for the Federal Government. Contracting officers use a notification provided under FAR 52.204-12 regarding any change to the unique entity identifier to modify contracts to reflect the updated unique entity identifier.

c. FAR 52.204-7, 52.204-13, and 52.212-3(b) - SAM Registration and Maintenance. The Government use the collected information to establish a common source of vendor data to increase visibility of vendor sources (including their geographical locations) for specific supplies and services.

d. FAR 52.204-14, and 52.204-15 - Service Contract Reporting Requirements. Section 743 of Division C of the Consolidated Appropriations Act, 2010 (Pub. L. 111-117) requires executive agencies covered by the Federal Activities Inventory Reform Act (Pub. L. 105-270), except DoD, to submit to the Office of Management and Budget (OMB) an annual inventory of activities performed by service contractors. DoD is exempt from this reporting requirement because 10 U.S.C 2462 and 10 U.S.C.

2330a(c) already require DoD to develop an annual service contract inventory. Civilian agencies use the service contract information provided by FAR clauses 52.204-14 and 52.204-15 to supplement agency annual service contract reporting requirements with the contractor-provided service contract reporting information.

e. FAR 52.204-20, Predecessor of Offeror. The information on predecessors is used to identify such entities in the Federal Awardee Performance and Integrity Information System (FAPIIS) to allow retrieval of integrity and performance data on the most recent predecessor of an apparent successful offeror to whom award is anticipated. FAR 9.104-6 requires contracting officers to consult FAPIIS before awarding a contract that exceeds the simplified acquisition threshold (SAT).

f. FAR 52.204-23, Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities. Agency personnel will use the collected information to identify and remove prohibited hardware, software, or services from Government use. This information collection is required to comply with section 1634 of Division A of the National Defense Authorization Act for Fiscal Year (FY) 2018 (Pub. L. 115-91).

3. Consideration of information technology. Federal agencies 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. These requirements are 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, 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 consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently.

a. FAR 52.204-3, 52.204-6, 52.212-1(j), and 52.212-3(l) – TIN Information and Unique Entity Identifier. These collections of information are required on a solicitation-by-solicitation basis.

b. FAR 52.204-12 - Unique Entity Identifier. The notification required by this clause is only provided in the event the contractor has a change to their unique entity identifier during the life of a contract.

c. FAR 52.204-7, 52.204-13, and 52.212-3(b) - SAM Registration and Maintenance. With regards to the SAM registration, offerors only register once, which is much less frequent than having to provide the information with every individual proposal submittal. The maintenance of SAM information required by FAR clause 52.204-13 is, at a minimum, to be done annually.

d. FAR 52.204-14, and 52.204-15 - Service Contract Reporting Requirements. If the information is not obtained from the applicable contractors, agencies will be unable to comply with the annual services inventory reporting requirements and analysis that are mandated by law (Section 743 of Division C of Pub. L. 111-117).

e. FAR 52.204-20, Predecessor of Offeror. The information is entered in SAM, so it need only be provided annually or when the information changes. This is the minimum frequency required to keep the information up to date.

f. FAR 52.204-23, Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities. If collection is not conducted or conducted less frequently could include the compromise of Government information systems, release and compromise of Government data, and harm to national security as section 1634 is meant to be a national security measure to protect Government information and information systems.

7. Special circumstances for collection. Collection is consistent with guidelines in 5 CFR 1320.5(d)(2).

8. Efforts to consult with persons outside the agency.

A. A 60-day notice was published in the *Federal Register* at 86 FR 67470, on November 26, 2021. No comments were received.

B. A 30-day notice was published in the *Federal Register* at 87 FR 4601, on January 28, 2022.

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.

Summary of Annual Cost to the Public

Estimated respondents/yr.....	393,680
Total annual responses.....	843,490
Estimated annual burden hours.....	419,401
Estimated cost to the public.....	\$ 18,991,695

a. FAR 52.204-3, and 52.212-3(l) - Taxpayer Identification Number Information.

As of January 5, 2022, SAM has 532,196 companies actively registered for contracts. It is estimated that most offerors are already in SAM. This is because FAR clause 52.204-7, System for Award Management, is required to be inserted in most solicitations and contracts except as provided in FAR 4.1102(a). FAR clause 52.204-7 requires vendors to provide their TIN in SAM. Offerors would only be required to submit their TIN under FAR provisions 52.204-3 or 52.212-3(l) (i.e., not through SAM) in those limited instances where the solicitation does not include FAR 52.204-7. It is estimated that SAM includes 80 percent of all offerors of government procurements. As such, it is estimated that 106,439 (20% of 532,196) offerors will be required to provide the TIN through FAR 52.204-3 or 52.212-3(l). It is estimated that these offerors, who are not registered in SAM, will respond to an average of three solicitations in a fiscal year. The estimated time for offerors to enter the TIN is approximately six minutes.

The burden is calculated as follows:

Estimated respondents/yr.....	106,439
Responses per respondent.....	<u>X 3</u>
Total annual responses.....	319,317
Estimated hours/response.....	<u>X 0.1</u>
Estimated annual burden hours.....	31,932
Hourly rate*.....	<u>X \$40</u>
Estimated cost to the public.....	\$1,277,268

b. FAR 52.204-6, 52.212-1(j), and 52.204-12 - Unique Entity Identifier.

As of January 5, 2022, SAM has 532,196 companies actively registered for contracts. It is estimated that most offerors are already in SAM. This is because FAR clause 52.204-7, System for Award Management, is required to be inserted in most solicitations and contracts except as provided in FAR 4.1102(a). FAR clause 52.204-7 requires vendors to provide their unique entity identifier in SAM.

Offerors would only be required to submit their unique entity identifier under FAR provision 52.204-6 or 52.212-1(j) (i.e., not through SAM) in those limited instances where the solicitation does not include FAR 52.204-7. It is estimated that SAM includes 80 percent of all offerors of government procurements. As such, it is estimated that 106,439 (20% of 532,196) offerors will be required to provide the unique entity identifier through FAR 52.204-6 or 52.212-1(j). It is estimated that these offerors, who are not registered in SAM, will respond to an average of three solicitations in a fiscal year. The estimated time for offerors to enter the unique entity identifier is approximately one minute.

The burden for offerors submitting their unique entity identifiers through the provisions is calculated as follows:

Estimated respondents/yr.....	106,439
Responses per respondent.....	<u>x 3</u>
Total annual responses.....	319,317
Estimated hours/response.....	<u>x 0.02</u>
Estimated annual burden hours.....	6,386
Hourly rate**.....	<u>x \$48</u>
Estimated cost to the public.....	\$306,544

Further, it is estimated that 15 percent of the 106,439 offerors who would be required to provide the unique entity identifier through FAR provision 52.204-6 (106,439 * 15% = 15,966 offerors) will be required to request a new unique entity identifier to submit to complete the provision. The historical estimate of approximately five minutes is used for the time to receive the unique entity identifier.

The burden for offerors to request a unique entity identifier is calculated as follows:

Estimated respondents/yr.....	15,966
Responses per respondent.....	<u>x 1</u>
Total annual responses.....	15,966

Estimated hours/response.....	x 0.08
Estimated annual burden hours.....	1,277
Hourly rate**.....	x \$48
Estimated cost to the public.....	\$61,309

With regards to the burden associated with FAR clause 52.204-12, it is estimated to be minimal and therefore not quantified. It is rare for a company to change its unique entity identifier mid-stream of a contract and therefore, we estimate that only a negligible number -- if any -- would be required to notify their contracting officer of such a change.

c. FAR 52.204-7, 52.204-13, and 52.212-3(b) - SAM Registration and Maintenance.

It is estimated that for current SAM vendors, an average of 1 hour is needed to update the information (i.e., maintenance) in the system. For new SAM registrants, it is estimated that 3 hours will be required for each respondent to fill out the documentation in the system.

The number of respondents that are required to register in SAM in a given year is estimated based on the number of entities that registered in SAM in FY 2021 for contract awards.¹ In FY 2021, there were 47,961 new registrants in SAM.

To estimate the number of respondents that are required to maintain their SAM information in a given year, FPDS data was pulled. For FY 2021, FPDS showed 72,282 contracts awarded in fiscal years 2017 through 2020 that were still being performed in FY 2021 (i.e., active contracts). Those 72,282 contracts were awarded to 29,289 unique entities. The 29,289 contractors are estimated to be required by FAR clause 52.204-13 to perform maintenance on their SAM account for FY 2021. The estimated burden does not take into account SAM registrants who are maintaining SAM with the expectation of providing an offer some time in the future (i.e., not maintaining due to FAR clause 52.204-13).

The burden for SAM Registration is calculated as follows:

Estimated respondents/yr.....	47,961
Responses per respondent.....	x 1
Total annual responses.....	47,961
Estimated hours/response.....	x 3
Estimated annual burden hours.....	143,883
Hourly rate**.....	x \$48

¹Entities that registered where the Purpose of Registration was "Financial Assistance Only", or "Intergovernmental Agency Transfer" were not included in the population since these entities are not covered by the FAR.

Estimated cost to the public..... \$ 6,906,384

The burden for SAM Maintenance is calculated as follows:

Estimated respondents/yr.....	29,289
Responses per respondent.....	<u>X 1</u>
Total annual responses.....	29,289
Estimated hours/response.....	<u>X 1</u>
Estimated annual burden hours.....	29,289
Hourly rate**.....	<u>X \$48</u>
Estimated cost to the public.....	\$1,405,872

d. FAR 52.204-14, and 52.204-15 - Service Contract Reporting Requirements. FAR clauses 52.204-14 and 52.204-15 are prescribed for use in contracts that are predominantly for services.

FPDS was used for this estimate. Contracts and task orders entirely funded by DoD are not covered. The reporting thresholds cover 2,595 fixed-price service contracts and task orders over \$500,000 and 13,565 cost-reimbursement, time-and-materials, and labor-hour service contracts and task orders above the SAT (\$250,000) awarded in FY 2021. Because reporting is required on an annual basis for a covered contract/task order, the burden in a given year is derived not only from the contracts/task orders awarded that year but the contracts/task orders awarded in previous years that are still in effect in the current year. In general, contracts and task orders have a period of performance of 5 years. Therefore, the total number of contracts and task orders on which reports would have been submitted in FY 2021 is estimated to be 80,800 (2,595 X 5 years plus 13,565 X 5 years).

Only one report is required for each contract and task order annually, and we estimate that it will take approximately 2 hours to prepare and submit the report.

The burden is calculated as follows:

Estimated respondents/yr.....	80,800
Responses per respondent.....	<u>X 1</u>
Total annual responses.....	80,800
Estimated hours/response.....	<u>X 2</u>
Estimated annual burden hours.....	161,600
Hourly rate*.....	<u>X \$40</u>
Estimated cost to the public.....	\$ 6,464,000

e. FAR 52.204-20, Predecessor of Offeror.

This covers the burden for providing the required information when the offeror is not required to register in SAM in accordance with the exceptions in FAR 4.1102(a).

FPDS data for FY 2021 was used to develop the estimated burden hours. The number of respondents is the number of contracts with an exception to the use of SAM in FPDS for FY 2021, which are 741. The responses per respondent are one per each (one response per offer). The Government estimates only 0.1 hours per response, because the vendor is only required to check one box, unless the vendor confirms that it is, within the last 3 years, a successor to an entity that had a federal award. In such case, the offeror is requested to provide the CAGE Code and legal name of that entity.

The burden is calculated as follows:

Estimated respondents/yr.....	741
Responses per respondent.....	<u>x 1</u>
Total annual responses.....	741
Estimated hours/response.....	<u>x 0.1</u>
Estimated annual burden hours.....	74.1
Hourly rate***.....	<u>x \$57</u>
Estimated cost to the public.....	\$ 4,224

f. FAR 52.204-23, Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities.

FPDS data indicates that the Government awarded contracts to a total of 120,907 unique entities in FY 2021. It is estimated that five percent of those entities (6,045) will submit approximately 5 written reports annually pursuant to FAR 52.204-23.

The burden is calculated as follows:

Estimated respondents/yr.....	6,045
Responses per respondent.....	<u>x 5</u>
Total annual responses.....	30,225
Estimated hours/response.....	<u>x 1.5</u>
Estimated annual burden hours.....	45,338
Hourly rate***.....	<u>x \$57</u>
Estimated cost to the public.....	\$ 2,584,238

* Based on the Office of Personnel Management (OPM) 2021 General Schedule (GS) 9/step 5 salary for the rest of the United States (\$29.02 per hour) plus a 36.25 percent fringe factor, rounded to

the nearest whole dollar (\$40). The fringe factor used is pursuant to the rate provided in OMB memorandum M-08-13 for use in public-private competition.

** Based on the Office of Personnel Management (OPM) 2021 General Schedule (GS) 11/step 5 salary for the rest of the United States (\$35.11 per hour) plus a 36.25 percent fringe factor, rounded to the nearest whole dollar (\$48). The fringe factor used is pursuant to the rate provided in OMB memorandum M-08-13 for use in public-private competition.

*** Based on the Office of Personnel Management (OPM) 2021 General Schedule (GS) 12/step 5 salary for the rest of the United States (\$42.08 per hour) plus a 36.25 percent fringe factor, rounded to the nearest whole dollar (\$57). 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.

Summary of Annual Cost to the Government

Total annual responses..... 827,524
Review time per year (hours).....301,846
Estimated annual cost to the Government.....\$ 13,616,566

a. FAR 52.204-3, and 52.212-3(l) - Taxpayer Identification Number Information.

Estimated annual responses.....319,317
Review time per response (hours).....x 0.02
Review time per year (hours)..... 6,386
Hourly rate*..... x \$40
Estimated annual cost to the Government..... \$ 255,454

b. FAR 52.204-6, 52.212-1(j), and 52.204-12 - Unique Entity Identifier.

Estimated annual responses.....319,317
Review time per response (hours)..... x .02
Review time per year (hours)..... 6,386
Hourly rate*..... x \$40
Estimated annual cost to the Government.....\$ 255,454

c. FAR 52.204-7, 52.204-13, and 52.212-3(b) - SAM Registration and Maintenance.

Estimated annual responses.....	77,124
Review time per response (hours).....	<u>x 1</u>
Review time per year (hours).....	77,124
Hourly rate*.....	<u>x \$40</u>
Estimated annual cost to the Government.....	\$ 3,084,960

d. FAR 52.204-14, and 52.204-15 - Service Contract Reporting Requirements.

Estimated annual responses.....	80,800
Review time per response (hours).....	<u>x 1.5</u>
Review time per year (hours).....	121,200
Hourly rate*.....	<u>x \$40</u>
Estimated annual cost to the Government.....	\$4,848,000

e. FAR 52.204-20, Predecessor of Offeror.

Estimated annual responses.....	741
Review time per response (hours).....	<u>x 0.1</u>
Review time per year (hours).....	74
Hourly rate***.....	<u>x \$57</u>
Estimated annual cost to the Government.....	\$ 4,224

f. FAR 52.204-23, Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities.

Estimated annual responses.....	30,225
Review time per response (hours).....	<u>x 3</u>
Review time per year (hours).....	90,675
Hourly rate***.....	<u>x \$57</u>
Estimated annual cost to the Government.....	\$ 5,168,475

15. Explain reasons for program changes or adjustments reported in Item A.13 or A.14.

There are no program changes. The FAR requirements remain the same. The burden has been adjusted by using the most currently available data from FPDS and SAM. The estimated cost to the public and to the Government was updated based on use of calendar year 2021 OPM GS wage rates for the rest of the United States.

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.