

Supporting Statement

Federal Aviation Administration Acquisition Management System (OMB 2120-0595)

JUSTIFICATION

1. Explain the circumstances making 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.

The information collection is for Federal Aviation Administration's (FAA) Acquisition Management System (AMS). The AMS establishes policies and internal procedures for FAA acquisition. Section 348 of Public Law 104-50 directed FAA to establish an acquisition system; Section 348 states, in part:

“the Federal Aviation Administration shall develop and implement, not later than January 1, 1996, an acquisition management system for the Federal Aviation Administration that addresses the unique needs of the agency and, at a minimum, provides for more timely and cost-effective acquisitions of equipment and materials.”

The information collection is necessary to solicit, award, and administer contracts for supplies, equipment, services, facilities, and real property to fulfill FAA's mission.

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.

The information collection is carried out as an integral part of FAA's acquisition process. Various portions of the AMS describe information needed from vendors seeking or already doing business with FAA. Our contracting offices collect the information to plan, solicit, award, administer and close individual contracts. Our small business office collects information to promote and increase small business participation in FAA contracts. AMS requires information collection through documents and forms in the following areas (specific information collected varies by the nature of each contracting action):

- *Market survey information:* used to identify products and services available to meet FAA needs.
- *Requests for information and draft procurement documents:* used to obtain vendor comments on requirements identified as satisfying an FAA need.
- *Screening information requests:* used to evaluate vendor-specific technical solutions, capabilities, and others qualifications that may result in a contract for a defined FAA need.
- *Cost and pricing data:* used to determine reasonableness of prices offered by vendors for an FAA requirement.

- *Other information supporting a vendor proposals (such as bonding and insurance information):* used to determine vendor eligibility to receive contract award and to satisfy other statutory and policy requirements for contract award.
- *Subcontracting plans:* used to set goals and monitor progress for small business participation in awarded contracts.
- *Process and system descriptions (such as accounting system, property system, and purchasing system):* used to determine adequacy of vendor processes and controls to properly account for costs, property, quality assurance, etc..
- *Cost Accounting Standards disclosures and related information:* used to determine if vendor processes are in place to properly classify, account for, and charge costs under contracts.
- *Contractor records for audit, contract compliance, and reporting purposes (such as financial information, labor standards, and quality reports):* used to ensure compliance with laws, regulations, policy and contract terms.
- *Contract performance records:* used to measure of contract cost and schedule performance.
- *Small business declaration:* used as evidence of eligibility for contracts restricted to small business.
- *Small business utilization information:* used to help ensure FAA satisfies goals to increase economic opportunity for small businesses.

3. Describe whether, and to what extent, the collection of information involves the use of automated electronic mechanical, or other technological collection techniques, e.g. permit 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.

We use information technology to reduce the collection burden. We exchange information requests and submissions, including electronic signature when possible, electronically through email and web portals. We also use electronic acquisition aids and rely on other existing Government-wide web portals to collect information. AMS forms are in electronic format.

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.

We continuously review existing and proposed AMS requirements to eliminate and minimize duplication in information collection. A configuration control group for AMS meets periodically for this purpose. Although each contracting action is unique, data collection requirements maximize use of data already maintained or regularly submitted by vendors doing business with the Federal Government. When possible, we use information collected through other Government sources, such as vendor data in the Central Contractor Registration. The information collected from vendors is needed to protect Government and taxpayer interests when contracting for products and services.

5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe methods used to minimize burden.

The information collection does not have a significant economic impact on small business or small entities. AMS processes were designed to minimize burden on vendors doing business with FAA, including small businesses. Flexibility in AMS allows acquisitions to be tailored to a particular set of circumstances. This has generally had a positive impact on small businesses and resulted in small businesses receiving a higher volume of contracts.

6. Describe the consequences 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.

There are policy and legal obstacles to reducing or eliminating the burden. If the collection is not conducted or collected less frequently, it would negatively impact our ability to conduct acquisitions, effectively monitor contractor performance and ensure compliance with laws, regulation, and policy. In larger terms, it could adversely affect fielding needed air traffic control systems, equipment and services and would impact our mission to provide a safe and efficient aviation system. Also, if information is not collected or is collected less frequently, the risk of waste, fraud or abuse grows substantially.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner inconsistent with 5 CFR 1320.5(d)(2)(i)-(viii).

There are no special circumstances that would cause information collection to be inconsistent with the guidelines of 5 CFR 1320.5(d)(2)(i)-(viii).

8. Describe efforts to consult with persons outside the agency to obtain their views on data 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.

A 60-day notice for public comments in advance of this resubmission was published on November 10, 2015 (80 FR 69773). No comments were received.

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

We do not provide payments or gifts of any kind to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

We do not give respondents assurance of confidentiality. We do, however, protect certain proprietary information and rights in data when appropriately designated by vendors and contractors.

11. Provide additional justification for any questions of a sensitive nature.

We do not collect sensitive information.

12. Provide estimates of hour burden of the collection of information.

Two methodologies for identifying requirements for information collection are possible and can be identified in the AMS. The first methodology relies on AMS forms and on forms completion requirements. The other methodology relies on analysis of sometimes only generalized wording of the AMS itself to determine what specific elements of information are required, e.g. a broad requirement for vendor cost data or for market survey data. In the present estimates, we rely on the forms as the primary focus for calculating the burden hours and costs, supplemented in certain cases, as necessary, by recourse to the AMS text. The information collection burden on the public based on a summary of all applicable forms and items is:

| Form # | Frequency of Response per Year | Burden Hours Per Response | Annual Burden Hours |
|---------------|---------------------------------------|----------------------------------|----------------------------|
| Various* | 264,238 | Variable | 2,000,719 |

Forms are reproduced in the “Procurement Toolbox” portion of AMS. AMS is online at: <http://fast.faa.gov>

While forms are explicit as to what elements of information are required, the basis for the requirement resides in sometimes broadly worded provisions of AMS. Some examples of the requirements in AMS are:

| AMS Citation | Nature of Burden |
|---------------------|--|
| § 3.2.1.2 | Market Survey Information |
| § 3.2.1.3 | Pre-release of Documents |
| § 3 2.2.3 | Screening Information Request Qualification Information Screening Information Request for Offer |
| § 3 2.3 | Cost and Pricing Data |
| § 3.2.3 | Contract Cost Principles |
| § 3 2.3 | Cost Accounting Standards |

We estimate that the applicable hourly burden rate for the public to produce the information required is approximately \$98 per hour. This is based on a rate of \$82.00, adjusted for inflation, published by the Business Advisory Council on Federal Reports. Application of this estimated hourly rate to the burden hours allocated to the respondents / record keepers derives a total cost to the public of \$165,206,832.

Revised Total Annual Burden Hours = 2,000,719

13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information.

We estimate no additional costs associated with this collection.

14. Provide estimates of annualized cost to the Federal Government.

Data from FAA’s PRISM System show approximately 4,856 FAA active contracts that will require the contractors to be responsible, broken down as follows:

| Category | Total Contracts | Contracts Over \$1 Million |
|--|-----------------|----------------------------|
| Small Business Contracts | 1360 | 187 |
| Small Business - Section 8(a) Socially and Economically Disadvantaged Business Contracts | 540 | 143 |
| Single Source other than Small Business | 1038 | 177 |
| Competitive other than Small Business | 1809 | 387 |
| Construction Contracts | 109 | 62 |
| Total | 4,856 | 956 |

Note: There are an additional approximately 6,356 real property lease agreements.

We estimate the Government’s burden to review and evaluate the information to be 828,342 hours. This includes all AMS acquisition activities (solicitation, evaluation, award, and administration) requiring information and record keeping. We apply an average hourly rate of \$56.89, that includes the salary of a GS-12 step 5, and also includes a benefits rate of 21%, and an overhead rate of 17%. Based on this, we estimate that the Government’s total burden cost to be approximately \$47,123,970.

15. Explain the reasons for any program changes or adjustments reported in items 13 or 14 of the OMB Form 83-I.

The decrease in burden is because information will no longer be collected for the American Recovery and Reimbursement Act of 2009.

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.

Generally there is no requirement for any information collected under AMS to be published for statistical use.

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.

We are seeking approval to not display an expiration date. Because many recurring forms, including standard forms, are available for both on- and off-line use, it would not be practical to keep the forms dated and to be required to destroy dated, unused stock or to change electronic versions.

18. Explain each exception to the certification statement identified in Item 19, “Certification for Paperwork Reduction Act Submissions,” of OMB Form 83-1.

There are no exceptions.

On Block 9 of the attached draft form (Percent completed), how does FAA typically collect this information, i.e. is this based on budget amounts or schedule, or a combination? It seems it might be useful to have more insight into schedule, performance, and budget data on the recovery act projects.

Block 9 has been removed on the more current draft of the form. This newer draft is attached in the ROCIS system and replaces the previously attached one.