

SUPPORTING STATEMENT

A. JUSTIFICATION

1. This is a request for an extension of the expiration date of the information collection requirement currently approved under OMB Control Number 0704-0253. This request concerns information related to Contractor Performance System Reviews (CPSRs). FAR Subpart 44.3 requires CPSRs under certain circumstances. Defense FAR Supplement 244.305-70(a)(2) requests the contractor, within 15 days after completion of a CPSR, to submit its plan for correcting deficiencies or making improvements in its purchasing system. The approval for 0704-0253 expires on October 31, 2007.
2. The administrative contracting officer considers this plan before making a decision on granting, withholding, or withdrawing purchasing system approval at the conclusion of a CPSR.
3. The contractor may submit its plan electronically. The contractor must sign the plan. Electronic signature is accepted.
4. As a matter of policy, DoD reviews the DFARS to determine whether adequate language already exists. This information collection does not duplicate any other requirement.
5. This collection is not expected to have a significant impact on small entities because CPSRs generally are only considered for contractors whose sales to the Government (excluding sales under sealed bid procedures and sales of commercial items pursuant to Part 12) are expected to exceed \$25 million annually.
6. The collection of this information is necessary to allow the Administrative Contracting Officer to decide whether to grant, withhold, or withdraw purchasing system approval at the conclusion of a CPSR. In accordance with FAR 44.102(b), review and approval of the contractor's purchasing system in accordance with FAR 44.3 allows the consent to subcontract requirements at FAR 44.2 to be waived, thereby eliminating the requirement for the contracting officer's written consent for prime contractors to enter into particular subcontracts.
7. There are no special circumstances that require the collection to be conducted in any manner listed in 5 CFR 1320.5(d)(2).
8. Collection is consistent with the guidelines in 5 CFR 1320.5. Under the procedures established for development of the DFARS, agency and public comments were solicited by publication of a notice in the Federal Register at 72 FR 35981 on July 2, 2007 (Tab A). No comments were received.
9. No payment or gift will be provided to respondents, other than remuneration of contractors under their contracts.

10. The information collected will be given only to the extent consistent with prudent business practice, current regulations, and statutory requirements. No assurance of confidentiality is provided to respondents.

11. No sensitive questions are involved.

12. Estimate of public burden. Approximately 90 contractors per year are required to submit plans. We estimate each plan takes an average of 16 hours to prepare and submit. DCMA specialists involved in the management of CPSRs developed the estimates based on CPSR activity.

Number of respondents	90
Number of responses per respondent per year	<u>X 1</u>
Total annual responses	90
Hours per response	<u>X 16</u>
Total burden hours	1,440
Average wages	<u>X \$34</u>
Total public cost	\$48,960

Wages based on a 2007 GS-11, step 5 salary, plus 32.85 percent burden.

13. None

14. Estimated annual reporting cost to the Government.

We estimate it will take the Government 1 hour to review and verify the information in each response. The estimate was developed by the DCMA specialists involved in the management of CPSRs, and was based on current CPSR activity.

Total annual responses	90
Hours per response	<u>X 1</u>
Total burden hours	90
Average wages	<u>X \$34</u>
Total Government cost	\$3,060

Wages are based on a 2007 GS-11 step 5 salary, plus 32.85 percent burden.

15. The estimate of burden hours is unchanged. The increased costs reflect updating the labor hourly rate to reflect the 2007 salary for GS-11, step 5.

16. Results of this information will not be tabulated or published.

17. We do not seek approval to not display the expiration dates for OMB approval of the information collection.

18. There are no exceptions to the certification accompanying this Paperwork Reduction Act submission.

B. Collections of Information Employing Statistical Methods

Statistical methods will not be employed.