

A. JUSTIFICATION

1. This is a request for extension of the information collection requirement currently approved under OMB Control Number 0704-0248, for Defense Federal Acquisition Regulations Supplement Appendix F, Material Inspection and Receiving Report and related forms. The approval for 0704-0248 expires March 31, 2008.
2. This information is used to process inspection and receipt of materials and payments to contractors.
3. Contractors may submit the forms electronically. The contractor must sign the forms. Electronic signatures are accepted.
4. As a matter of policy, DoD reviews the Federal Acquisition Regulation to determine whether adequate language already exists. This information collection does not duplicate any other requirement.
5. The information collections associated with small businesses are the minimum consistent with applicable laws, Executive Orders, regulations, and prudent business practices.
6. The frequency for collecting this information was reviewed by the DoD specialists who are most knowledgeable of the requirements and the need for the information. Every attempt has been made to keep the frequency of collection to a minimum without jeopardizing the ability of the Government to assure that contractors are performing their contractual requirements. Collecting this information less frequently would impede Government personnel from performing their administrative functions in an effective and efficient manner.
7. Collection is consistent with the guidelines in 5 CFR 1320.5(d). The information will not be collected in a manner that requires an explanation of special circumstances.
8. Public comments were solicited in the Federal Register on December 7, 2007 (72 FR 69197), as required by 5 CFR 1320.8(d). No comments were received in response to the request for comments.
9. No payment or gift will be provided to respondents, other than remuneration of contractors under their contracts.
10. The information collected will be disclosed 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. The estimated hour burden of the collection of information and the estimated annualized cost to respondents were based on discussions with quality assurance, contract administration specialists from the Defense Contract Management Agency (DCMA). Definitive information was not available; therefore, we relied on the judgment and expertise of those technical specialists.

DD 250 series forms are prepared in two media, as a computer-generated form and in hard copy. Contractors of various sizes use computer generated forms. The degree of automation ranges from the ability to generate a completed form merely by entering an identifier, such as, part number, serial number, job order, etc., to calling up the form on the computer screen and entering the data on the form. Contractors that use hard copy forms can minimize the entries by entering standard information on a form, copying it and then entering the peculiar information that pertains to the specific shipment.

DCMA estimates that there will be approximately 744,000 shipments per year where inspection is at source. DCMA quality assurance specialists estimate that there are approximately one and a half times as many deliveries where inspection is at destination. This adds an additional 1,116,000 deliveries to our estimate bringing the total to approximately 1.86 million. Based on DCMA estimates approximately 91 percent of the forms will be generated from a fully automated system. There are approximately 17,120 contractors that submit DD 250s or provide the equivalent information through wide area workflow- receipt and acceptance. We estimate that 80 percent use a fully automated system. Contractors that use a fully automated system, such as, Westinghouse and United Technologies, have indicated that it takes no more than 1 minute to prepare the forms. For those contractors that are not fully automated, we estimate that it takes approximately 30 minutes to prepare the forms.

DCMA contract administration specialists indicate that each form submitted as a shipping document will also be prepared and submitted as an invoice. According to DCMA contract administration specialists, many forms, when they are prepared as a shipping document, already contain the invoice information. In these situations, all the contractor need do is stamp the document as an invoice and submit it. In those cases where the invoice information is not provided on the shipping document, the contractor must add it to the forms. Where the contractor has a fully automated system, we estimate that it will take approximately 1 minute to prepare the forms. Where the contractor does not have a fully automated system, we estimate that it will take approximately 5 minutes to prepare and submit the forms.

I. As a shipping document:

	Fully Automated	Not Fully Automated	Total
a. Number of respondents	13,696	3,424	17,120
b. Responses per respondent	124	49	109*
c. Total responses	1,693,000	167,000	1,860,000
d. Hours per response	1 min	30 min	4 min**
e. Total hours	28,200	83,500	111,700

II. As an invoice:

a. Number of respondents	13,696	3,424	17,120
b. Responses per respondent	124	49	109*
c. Total responses	1,693,000	167,000	1,860,000
d. Hours per response	1 min	5 min	1.5min**
e. Total hours	28,200	13,900	42,100

III. Sum Total

a. Number of respondents			17,120
b. Responses per respondent			217*
c. Total responses	3,386,000	334,000	3,720,000
d. Hours per response	1 min	17.5 min	2.5 min**
e. Total hours	56,400	97,400	153,800

* Calculated by dividing c by a and rounding off.

** Calculated by dividing e by c and rounding off.

I. Total annual hours	153,800
II. Cost per hour	\$28*
III. Total annual cost to Public	\$4,306,400

* Based on a 2007 GS-09, step 5 salary (\$21.08/hour, 2007 base schedule) plus 32.85 percent burden.

13. We do not estimate any annual cost burden apart from the hour burdens in items 12 and 14.

14. We estimate the annualized cost to the Government as follows: We estimate it will take the Government 30 minutes to review and analyze the information in each response.

Total Annual Responses	3,720,000
Hours per response	<u>X .5</u>
Total Burden hours	1,860,000
Average wages	<u>X \$28</u>
	\$52,080,000

Wages are based on a 2007 GS-09, step 5 salary (\$21.08/hour, 2007 base schedule) plus 32.85 percent burden.

15. There are no program changes in this submission. The reduction in the estimated number of burden hours from 344,500 hours to 153,800 hours is based on current DCMA estimates of the number of shipments per year, which accounts for a decrease in the number of respondents by approximately 50 percent. The 50 percent drop in respondents is likely due to the fact that the number of respondents had not been updated since 1992. The adjustment in costs is also the result of using 2007 wage rates.

16. Results of this information collection 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.