

Supporting Statement for Paperwork Reduction Act Submission
3090-0027 – Contract Administration, Quality Assurance—
(GSAR Parts 542 and 546; GSA Form 1678, DD Form 250, and GSA Form 308)

A. Justification

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.

The information collection requirement of the General Services Administration Acquisition Regulation (GSAR) clause 552.242-70, Status Report of Orders and Shipments, was established to monitor the current delivery status of orders placed with GSA-FAS supply contractors to ensure that timely corrective action could be taken by the Government in the event the contractor's performance was delinquent. The clause is in solicitations and indefinite delivery requirements contracts for stock replenishment items. The GSA Form 1678, Status Report of Orders and Shipments, was developed for GSA-FAS supply contractors to use to meet the requirements of GSAR clause 552.242-70, which is prescribed at GSAR 542.1107. When GSA-FAS issues direct delivery orders, data from this form is the only notification to FAS that timely shipment has been made to customer agencies.

GSA consolidated all of the requirements supplementing the Federal Acquisition Regulation (FAR) clause 52.246-2, Inspection of Supplies—Fixed-Price, into two clauses (GSAR 552.246-70 and 552-246-71) and established a program providing for Government reliance on contractors to inspect supplies under certain contracts that provide for source inspection instead of relying on Government personnel to inspect supplies. GSAR clause 552.246-70, Source Inspection by Quality Approved Manufacturer, is used when source inspection is performed by a quality approved manufacturer. The use of this clause allows GSA to make the most efficient use of its inspectors by devoting them to the contracts that require inspection by the Government, to checking contracts that require inspection by the Government, to checking the contractors' inspection system, and to inspecting supplies under contracts where complaints are received regarding the quality or supplies. The GSAR clause 552.246-71, Source Inspection by Government (previously GSAR clause 552.246-72), is used when source inspection is performed by Government personnel. These clauses are prescribed at GSAR 546.302-70 and 546.302-71 respectively.

GSAR clause 552.246-70 requires contractors to report requisite information and certify performance of inspection using the DD Form 250, Material Inspection Receiving Report, or computer formatted equivalents of the DD Form 250 for shipments to military facilities and allows contractors additional alternatives (company letterhead or invoice documents) when shipping to civilian facilities. This flexibility should reduce the paperwork burden on contractors, while continuing to protect the Government interests. GSAR clause 552.246-71, requires the contractor to prepare the DD Form 250 for

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deliveries to military facilities (or computer formatted equivalents), or the GSA Form 308 for deliveries to civilian facilities.

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 Contract Administration Office (CAO) reviews the information from the GSA Form 1678 to ensure that pending orders are shipped in a timely manner to customer agencies or to GSA warehouses. When shipment is delinquent, the requisite information is available to the CAO to take corrective action to prevent loss to the Government either through notice to the contractor to correct its delinquency or to recommend to the appropriate office that the contract be terminated for default.

Information contained on the DD Form 250 and GSA Form 308 is used by various contract administration offices and other support offices to document contract quality assurance, acceptance of supplies and services, shipments, and to justify payments. The information contained on the form is essential for monitoring contract progress. Contract administration cannot be effective without this information.

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.

We 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. 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.

This requirement is being issued under the General Services Administration Acquisition Manual. No duplication has been identified.

5. If the collection of information impacts small businesses or other small entities (item 5 of OMB 83-I), describe any 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.

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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.

Collection of the information on the GSA Form 1678 on a less frequent basis would prevent the government from taking timely action in the event of delinquent performance and, in some cases, may preclude the Government from exercising its rights in a manner that would not cause further loss to the Government.

The data reported on the DD Form 250 and GSA Form 308 is maintained by contractors as standard operating practice and is entered on the appropriate form when a shipment is made. A copy of the form accompanies the shipment with the other copies distributed pursuant to instructions provided by the Government under the contract.

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;**
- **Prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **Submit more than an original and 2 copies of any document;**
- **Retain records, other than health, medical, government contracts, grant-in-aid, or tax records, for more than 3 years;**
- **In connection with a statistical survey, that is not designed to produce valid, reliable results that can be generalized to the universe of study;**
- **Require the use of a statistical classification that has not been reviewed and approved by OMB;**
- **Include 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**
- **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.**

Collection is consistent with guidelines in 5 CFR 1320.6. There are no special circumstances for collection.

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.

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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.

Under the procedures established for development of the GSAM, agency and public comments were solicited and each comment addressed before finalization of the text. A notice in the Federal Register at 63 FR 42402, August 7, 1998, made this requirement available to the public and requested comments. No major problems regarding these requirements were reported.

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

Not applicable.

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

This information is disclosed only to the extent consistent with prudent business practices and current regulations.

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.

No sensitive questions are involved.

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**

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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 in Item 13 of OMB Form 83-I; and**
- 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 in Item 13.**

A. Status Report of Orders and Shipments (GSA Form 1678 and GSAR clause 552.242-70). Time required to read and prepare information is estimated at 5 minutes (.083) per completion.

Annual Recordkeeping Burden and Cost

The estimated number of respondents annually is 2,800, with each respondent responding 12 times. The total annual responses are estimated to be 33,600, with each response requiring .083 hours for a total of 2,789 hours.

The estimated annualized cost to the public is \$72,514 (Using the above reference, 33,600 total annual responses at .083 hours per request = 2,789 hours x \$26.00 per hour, average wages plus overhead (\$14.74/hr plus 75 percent OH) based on a GS 6, step 1 salary of \$30,762 = \$72,514.

Total Annual Requests	33,600
Estimates hours/response	<u>.083</u>
Estimated total burden/hours	2,789
Average Cost/hour	<u>\$26</u>
Total Cost to Public	\$72,514

B. Source Inspection Requirements (552.246-70, 552.246-71, DD Form 250 and GSA Form 308). Time required to read and prepare information is estimated at 3 minutes (.05) per completion.

Annual Recordkeeping Burden and Cost

The estimated number of respondents annually is 1,804 with each respondent responding 46.16 times. The total annual responses are estimated to be 83,269, with each response requiring .05 hours for a total of 4,163 hours.

The estimated annualized cost to the public is \$108,238 (Using the above reference, 83,269 total annual responses at .05 hours per request = 4,163 hours x \$26.00 per hour,

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average wages plus overhead (\$14.74/hr plus 75 percent OH) based on a GS 6, step 1 salary of \$30,762 = \$108,238.

Total Annual Requests	83,269
Estimates hours/response	<u>.05</u>
Estimated total burden/hours	4,163
Average Cost/hour	<u>\$26</u>
Total Cost to Public	\$108,238

C. Totals (A & B) Time required to read and prepare information is estimated at 4 minutes (.067) per completion.

The estimated number of respondents annually is 4,604 with each respondent responding 25.38 times. The total annual responses are estimated to be 116,869, with each response requiring .067 hours for a total of 7,830 hours.

The estimated annualized cost to the public is \$197,500. Using the above reference, 116,869 total annual responses at .067 hours per request = 7,830 hours x \$26.00 per hour, average wages plus overhead (\$14.74/hr plus 75 percent OH) based on a GS 6, step 1 salary of \$30,762 = \$108,238.

Total Annual Requests	116,869
Estimates hours/response	<u>.067</u>
Estimated total burden/hours	7,830
Average Cost/hour	<u>\$26</u>
Total Cost to Public	\$203,580

13. Provide an estimate for the total annual cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14.)

- **The cost estimate should be split into two components: (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 take into account 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 time 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**

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purchasing or contracting out information collection 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.**

See response number 12.

14. Provide estimates of annualized costs to the Federal Government. Also, provide a description of the method used to estimate cost, which should include qualification 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. Agencies may also aggregate cost estimates from Items 12, 13, and 14 in a single table.

Time required for Governmentwide review is estimated at .25 hrs per report.

Annual Reporting Burden and Cost

Estimate of the burden hours to the Federal Government is 29,217 hours. Reviewing and processing each response should take approximately .25 hours; the total number of responses is estimated to be 116,869 each year. 116,869 responses x .25 hours = 29,217 hours.

Based on the 29,217 burden hours to the Government, using the annual salary of a, GS 9, step 1 salary of \$41,815, average. wages/yr plus overhead (\$20/hr. plus 100% OH) includes fringe benefits, \$40.00 per hour x 29,217 hours - \$116,869.

Reviewing Time/hr	.25 hours
Requests/year	<u>116,869</u>
Review Time/year	29,217 hours
Average Cost/hr	<u>\$40</u>
Total Government Cost	\$116,869

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

The regulatory requirements have not changed. Revised salary amounts have been included in the computations.

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.

Results will not be tabulated or published.

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.

Not applicable.

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

Not applicable.