

**SUPPORTING STATEMENT  
FOR PAPERWORK REDUCTION ACT SUBMISSION  
9000-0080, INTEGRITY OF UNIT PRICES**

**A. Justification.**

1. **Administrative requirements.** The clause at FAR 52.215-14, Integrity of Unit Prices, requires offerors and contractors under Federal contracts awarded without adequate price competition to identify those supplies which they will not manufacture or to which they will not contribute significant value. This information is required by Section 501 of Public Law 98-577 and Section 927 of Public Law 99-500.

2. **Uses of information.** When a contract action is priced on the basis of a cost estimate, this information will be used by contracting officers to determine whether the intrinsic value of an item has been distorted through allocation of overhead costs and whether such items should be considered for breakout.

3. **Consideration of information technology.** 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. **Efforts to identify duplication.** This requirement is being issued under the Federal Acquisition Regulation (FAR) which has been developed to standardize Federal procurement practices and eliminate unnecessary duplication.

5. **If the collection of information impacts small businesses or other entities, 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 consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently.** Collection of information on a basis other than solicitation-by-solicitation is not practical.

7. **Special circumstances for collection.** Collection is generally consistent with guidelines in 5 CFR 1320.6.

8. **Efforts to consult with person outside the agency.** Under the procedures established for development of the FAR, agency and public comments were solicited and each comment addressed before finalization of the text. A notice published in the Federal Register 74 FR 25498, May 28, 2009. No comments were received.

9. **Explanation of any decision to provide any payment or gift to respondents, other than reenumeration of contractors or guarantees.** Not applicable.

10. **Describe assurance of confidentiality provided to respondents.** This information is disclosed only to the extent consistent with prudent business practices and current regulations.

11. **Additional justification for questions of a sensitive nature.** No sensitive questions are involved.

12 & 13. **Estimated total annual public hours and cost burden.** Time required to read and prepare information is estimated at 5 minutes per line item when the offer preparer is not familiar with the items requested. Estimate assumes automation of offerors' systems.

Estimated respondents/yr.....		1,000
Responses annually.....	x	<u>10</u>
Total annual responses.....		10,000
Estimated hrs/response.....	x	<u>1</u>
Estimated total burden/hrs.....		10,000
Average wages (\$24 + 75% OH).....	x	<u>\$42</u>
Estimated cost to public.....		\$420,000

14. **Estimated cost to the Government.** Time required for Governmentwide review is estimated at 30 minutes per line item.

Annual Reporting Burden and Cost

Total annual responses.....		10,000
Review time per response.....	x	<u>.5</u>
Total burden hours.....		5,000
Average wages (\$20/hr.+ 100% OH).....	x	<u>\$40</u>
Total Government cost.....		\$ 200,000

15. **Explain reasons for program changes or adjustments reported in Item 13 or 14.** This submission requests an extension of OMB approval of an information collection requirement in the Federal

Acquisition Regulation (FAR). The information collection requirement in the FAR remains unchanged.

**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.