

**SUPPORTING STATEMENT
FOR PAPERWORK REDUCTION ACT SUBMISSION
9000-0073, ADVANCE PAYMENTS**

1. **Administrative requirements.** Advance payments may be authorized under Federal contracts and subcontracts. Advance payments are the least preferred method of contract financing and require special determinations by the agency head or designee. Specific financial information about the contractor is required before such payments can be authorized (see FAR 32.4 and 52.232-12).
2. **Uses of information.** The information is used to determine if advance payments should be provided to the contractor.
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 consistent with guidelines in 5 CFR 1320.6.
8. **Efforts to consult with persons 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* at 74 FR 30091, June 24, 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 1 hour per completion.

Estimated respondents/yr.....	500
Responses annually.....	<u>x 1</u>
Total annual responses.....	500
Estimated hrs/response.....	<u>x 1</u>
Estimated total burden/hrs.....	500
Estimated cost to public (\$20 + 75% OH).....	\$17,500

14. **Estimated cost to the Government.** Time required for Governmentwide review is estimated at 2 hours per response.

Annual Reporting Burden and Cost

Reviewing time/hr.....	2
Responses/yr.....	x <u>500</u>
Review time/yr.....	1,000
Average wages/hr.....	<u>x \$16</u>
Average wages/yr.....	\$16,000
Benefits and overhead.....	<u>+ 100%</u>
Total Government cost.....	\$32,000

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.