

**SUPPORTING STATEMENT  
FOR PAPERWORK REDUCTION ACT SUBMISSION 9000-0068  
ECONOMIC PRICE ADJUSTMENT**

**A. Justification.**

1. **Administrative requirements.** FAR 16.203, Fixed-price contracts with economic price adjustment, and associated clauses at 52.216-2, 52.216-3 and 52.216-4 provide for upward and downward revision of the stated contract price upon occurrence of specified contingencies. In order for the contracting officer to be aware of price changes, the firm must provide pertinent information to the Government.

2. **Uses of information.** The information is used to determine the proper amount of price adjustments required under the contract.

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 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 at 74 FR 27025, on June 5, 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 15 minutes per completion.

Annual Public Burden and Cost

Number of respondents.....	5,346
Number of responses per respondent.....	<u>X 1</u>
Total responses.....	5,346
Preparation time per response.....	<u>X .25</u>
Total burden hours.....	1,337
Average wages (\$26 + 75% OH).....	<u>X \$46</u>
Estimated cost to the public.....	\$61,502

14. **Estimated cost to the Government.** Time required for Government-wide review is estimated at 15 minutes per response.

Annual Reporting Burden and Cost

Total annual responses.....	5,346
Review time per response.....	<u>X .25</u>
Total burden hours.....	1,337
Average wages and overhead (22/hr + 100% OH).....	<u>X \$44</u>
Total Government cost (hrs x \$22/hr + 100% OH).....	\$58,828

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 (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