

**Supporting Statement for Paperwork Reduction Act Submission
3090-0243 – General Services Administration Acquisition Regulation
(GSAR) Economic Price Adjustment**

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 General Services Administration Acquisition Manual (GSAM) has prescribed in GSAM 538.1203(c)(41) the use of GSAR Clause 552.238-63, Economic Price Adjustment – Supplies and/or Services with an Established Catalog Price, in GSAM 538.1203(c)(42), the use of GSAR Clause 552.238-64 Economic Price Adjustment – Supplies and/or Services with Market Pricing without an Established Catalog Price and in GSAM 516.203-4, the use of GSAR Clause 552.216-71, Economic Price Adjustment – Special Order Program Contracts. GSAR Clauses 552.238-63 and 552.238-64 require the FSS contractor to submit certain pricing information when a request for price increases is submitted to the contracting officer under a FSS contract. GSAR Clause 552.216-71 requires the SOP contractor to submit certain pricing information when a request for price increases is submitted to the contracting officer under SOP contracts. EPA clauses are used as a convenience to provide for a predetermined manner for adjusting prices based upon the occurrence of specific contingencies.

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 FSS and SOP contractors submit certain requests for price adjustments to the contracting officer along with pricing information supporting the need for a price adjustment consistent with terms of the FSS and SOP contracts. The contracting officer uses the information to determine whether the requested price adjustment is fair and reasonable. Without the pricing information, contracting officers would have no basis for determining the reasonableness of the price change.

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. A general-purpose computer with modem is required. EPA modification requests are generally submitted manually. However, EPA modifications in connection with GSAR Clauses

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552.238-63 and 552.238-64 may be submitted by contractors via the e-Mod system, if elected.

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 request for information does not duplicate any other requirement.

5. If the collection of information impacts small businesses or other small entities (item 5), describe any methods used to minimize burden.

The collection burden applies equally to small organizations that want a Schedule contract and is the minimum necessary to meet the specific program objectives.

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.

An inability to track the Government's marketplace. Tracking the marketplace allows GSA to provide commercially available equipment types required by the Government. Incurring administrative costs associated with contracting for "Special Item Numbers" for which there is little or no demand. The estimated volume of each National Stock Number (NSN) item could not be included in solicitations. To include an estimated volume in solicitations is beneficial to the contracting officer in negotiating prices and to the vendor in giving estimated prices of the volume.

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**

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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.

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.

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.

Comments for 552.238-64 were sought through the *Federal Register* notice published at 74 FR 4595, January 26, 2009. There were no public comments received.

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

Not applicable. GSA makes no such payments under this collection.

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

The information collected will be disclosed only to the extent consistent with prudent business practices, current regulations, and in accordance with the requirements of the Freedom of Information Act. No assurance of confidentiality is provided to respondents.

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

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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 & 13. Provide estimated total annual public hours and cost burden.

We based the estimated hour burden of the collection of information on information obtained from subject matter experts familiar with the approximate number of solicitations/contracts likely to contain this clause and the range of processing times, depending on the complexity of the contract. The burden addressed in this information collection requirement is the total burden of submitting the required information.

Estimated respondents/yr.		30,000
Annual responses	x	<u>1</u>
Total annual responses		30,000
Estimated hrs/response	x	<u>1</u>
Estimated total burden/hrs		30,000
Cost per hour	x	<u>\$43.15</u>
Estimated cost to public		\$1,294,500

The estimated cost of \$43.15 per hour is based on the equivalent of a GS-12, step 5 salary (Salary Table 2009-DCB Washington-Baltimore, DC-MD-VA-WV, Effective January 2009).

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.

Data submitted by respondents is collected and stored electronically. Individual submissions are not reviewed. Retrieval of cumulative data requires approximately 300 hours and costs the Government \$12,945.

Reviewing Time/hr		300 hours
Requests/year		<u>1</u>
Review Time/year		300 hours
Average Cost/hr		<u>\$43.15</u>
Total Government Cost		\$12,945

\$43.15 per hour is based on GS-12, step 5 salary (Salary Table 2009-DCB Washington-Baltimore, DC-MD-VA-WV, Effective January 2009).

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15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14.

The differences that exist between the justifications for the collection as it previously existed and as it exists now are based on current data updating the number of FSS Schedule contractors and SOP contractors from a previous count of 6,557. An estimated annualized cost to the public is provided. Also, estimated annualized cost to the Government was increased to account for the increase in salary from a GS 5/step 4 to a GS 12/step 5

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. Data collected will be used for internal administration of contracts.

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”.

Not applicable.

B. Collections of Information Employing Statistical Methods

Statistical methods are not used in this information collection.