

**Supporting Statement for Information Collection Submission  
OMB Control No. 3090-0246, Packing List Clause**

**A. Justification**

**1. Administrative requirements.**

General Services Administration Acquisition Regulation (GSAR) clause 552.211-77, *Packing List*, and its Alternate I facilitate administration of Federal Supply Schedule contracts when orders for supplies are paid by Government commercial credit card. The clause lists the minimum requirements for packing lists or other suitable shipping documents when supplies are purchased, a normal commercial practice. Under the clause, the identification of cardholder name, telephone number and the term “Credit Card” is required, in addition to information contractors would normally include on packing lists. Alternate I apply to purchases made for supplies under Schedule 70 and the Consolidated Products and Services Schedule, and recovery purchases (GSAM 538.71) made under Federal Supply Schedules.

**2. Uses of information.**

It is a normal commercial practice to include a packing list that verifies placement of an order and identifies the items shipped. In addition to information contractors would normally include on packing lists, the clause requires the identification of cardholder name, telephone number and the term “Credit Card.”

The additional information is needed by the Government commercial credit cardholder in order to track products ordered and reconcile monthly statements. Since the cardholder and the consignee in most cases will be different, the additional information is necessary to ensure that the consignee, as recipient of the packing list, notifies the cardholder that the shipment has been received. This information is particularly useful and cost effective for the government when the micropurchase threshold has been raised in response to a contingency operation declaration under FAR subpart 18.2. Once verification of shipment has been made, the cardholder will then authorize payment for the supplies to the contractor. Without this information, cardholders will experience difficulty verifying receipt of orders, especially those placed by telephone, thus delaying payment to the contractors.

**3. Consideration of information technology.**

Information technology is used to the maximum extent practicable. Where both the General Services Administration and contractors are capable of electronic interchange, the contractors may submit information requirements electronically.

**4. Efforts to identify duplication.**

The nature of this requirement is such that it relates to a single procurement and cannot be duplicated.

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

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The burden applied to small business is the minimum burden consistent with applicable laws, Executive orders, regulations and prudent business practices.

**6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently.**

Collection of the information on a basis other than by individual order under Federal Supply Schedule contracts is not practicable. Without this information, payments for shipments of supplies to the government will be delayed.

**7. Special circumstances for collection.**

Collection is generally consistent with guidelines in 5 CFR 1320.6.

**8. Efforts to consult with persons outside the agency.**

A notice was published in the *Federal Register* at 77 FR 66466, on November 5, 2012. One respondent submitted public comments. The analysis of the public comments is summarized as follows:

**Comment:** The respondent commented that the extension of the information collection would violate the fundamental purposes of the Paperwork Reduction Act because of the burden it puts on the entity submitting the information and the agency collecting the information. The respondent opposes granting the extension of the information collection requirement.

**Response:** In accordance with the Paperwork Act (PRA), agencies can request OMB approval of an existing information collection. The PRA requires that agencies use the Federal Register notice and comment process to extend the OMB's approval every three years. This extension to a previously approved information collection pertains to the provision at GSAR 552.211-77, Packing List, which requires contractors to include a packing list that verifies the placement of the order and identifies the items shipped, a normal commercial practice. In addition to the information contractors would normally include on packing lists, the government requires identification of the name of the government credit cardholder, telephone number and the term "Credit Card" on the packing list in supply contracts.

The purpose of the information collection is to facilitate administration of government credit card purchases. Often the government credit cardholder is different from the consignee receiving shipment of the supplies. Providing the additional information ensures the recipient of the packing list, the consignee, notifies the government credit cardholder that the shipment has been received. Once notification of successful shipment has been received, the cardholder can then authorize payment. This feedback is essential for the cardholder to reconcile his/her monthly statements. Not granting this extension would increase costs to the Government during the reconciliation process and may delay payments to contractors for shipments of supplies.

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**Comment:** The respondent challenged the estimates used by the agency to calculate the public burden, stating that the burden was insufficient and inadequate to reflect the actual total burden. Specifically, the respondent noted that it was unclear as to how the estimated 4,000 information collection respondents were derived and the estimated number of packing lists in a given year. The respondent also found the “less than one minute per response estimate” to be unrealistically low. Therefore, the respondent stated the agency should utilize actual data from the last fiscal year or an estimate of the last three to five fiscal years, reassess the estimated burden, and revise it upwards to be more accurate as was done in FAR Case 2007-006.

**Response:** The burden is prepared taking into consideration the necessary criteria in OMB guidance for estimating the paperwork burden put on the entity submitting the information. Consideration is given to an entity in reviewing the instruction; using technology to collect, process and disclose information; adjusting existing practices to comply with requirements; searching data sources; completing and reviewing the response and transmitting or disclosing information. Estimated burden hours only include those actions that a company would take in excess of the normal course of business.

Packing lists accompanying shipments of supplies are customary in the normal course of business, including the information listed in paragraph (a) of clause 552.211-77. The public burden is limited to the annotation on the packing list the name and telephone number of the government credit cardholder and the phrase “Credit Card.”

While there is no centralized database for the collection of the packing lists in a fiscal year, the agency agreed with the respondent and examined the assumptions underlying the burden calculation using actual data to the maximum extent practicable. Actual data of purchase orders for supplies paid by government credit card was pulled from the government-wide Federal Procurement Data System (FPDS) for Fiscal Year (FY) 2012. The estimate of less than one minute was examined and adjusted as well. Thus, an adjustment has been made to the estimated burden based on the public comments received.

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

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.**

The public commenter stated that there was no explanation in the Federal Register of how

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the Agency developed the estimated number of annual responses, recommending the Agency provide the actual number of responses submitted annually, suggesting either the last fiscal year or an averaged estimate from the last three to five fiscal years be used. While there is no centralized database for the collection of the packing lists in a fiscal year, the agency agrees with the respondent and adjusted the burden calculation using actual data to the maximum extent practicable..

The annual reporting burden was calculated using actual data from the government-wide Federal Procurement Data System (FPDS) for Fiscal Year (FY) 2012, analyzing both GSA actions for supplies where the method of payment was made by government credit card, and non-GSA actions for supplies where both payment was by a government credit card and a GSA indefinite delivery contract for supplies was referenced. For GSA actions in FY 2012, FPDS data reveals there were 1,137 prime contract actions for supplies, excluding modifications, where the method of payment was made by purchase card totaling \$3,634,989. The GSA orders averaged \$3,197 per order. In FY 2012, there were 8,782 delivery orders government-wide for supplies where a government credit card was used and a GSA indefinite delivery order contract was referenced by non-GSA agencies. These non-GSA orders averaged \$14,345 per order. The total government credit card purchases amounted to 9,919 orders totaling \$125,976,954 and were supplied by 5,402 vendors.

To compute the number of respondents per year, recognizing some vendors received more than one order in FY 2012, the agency used the actual number of orders processed in FY 2012 as the number of respondents. Thus, the 9,919 figure is more accurate representation of “respondent” than the actual 5,402 vendors who supplied product in FY 2012. Since the information collection is based on the number of packing lists for each order and data was not available, the government estimated the number of packing slips using a rough yardstick of one packing slip per \$1,000 product ordered as most of the orders placed in FY 2012 were small. The average value of government-wide delivery orders was \$13,067. Thus, the agency estimated 13 packing lists per delivery order.

An adjustment is made to increase the estimated response time based on the public comment received which indicated that less than one minute was too low for the public to comply. The adjustment, however, did not allow an increase to create a packing list as suggested by the public commenter as packing lists are a normal commercial practice in shipping supplies. The agency did increase the response time to 3 minutes to allow for review as well as input of the required information above normal business practices into the packing list.

Estimated respondents per year.....	9,919
Responses annually.....	x 13
Total annual responses.....	128,947
Estimated hours per response.....	x.05
Estimated total burden/hrs.....	6,447
Estimated cost to public (\$18.50 <sup>1</sup> + 36.45% fringe <sup>2</sup> = \$25.24).....	\$162,722

<sup>1</sup> The cost of \$18.50 is based on a GS-5 Step 5 Salary (Salary Table January 2012)

<sup>2</sup> The 36.45% fringe benefit rate is derived from Circular A-76, Revised Supplemental Handbook (Memorandum M-07-02 dated October 31, 2007)

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**14. Estimated cost to the Government.**

Reviewing and processing each response should take approximately 2 minutes; the total number of responses is estimated to be 128,947 each year x .03333 hours = 4,298 hours.

Applying the hourly rate of a procurement assistant, grade 5, step 5, paid \$18.50 per hour to the 4,298 hours results in \$79,513 estimated annualized costs to the Federal Government.

Reviewing time/hr	.03333 hours
Requests/year	128,947
Review time/year	4,298 hours
Average cost/hr	<u>\$18.50</u>
Total Government cost	\$79,513

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

This submission requests an extension of OMB approval of an information collection requirement in the General Services Administration's Regulation (GSAR). The information collection requirement in the GSAR remains unchanged. However, a downward adjustment is made to the total burden based on consideration of the public comment to compute burden based on actual fiscal year data.

**16. Outline plans for published results of information collection.**

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.