

**OMB CASE 0704-0248
SUPPORTING STATEMENT**

A. JUSTIFICATION

1. Requirement. This information collection requirement is approved under OMB Control Number 0704-0248, for Defense Federal Acquisition Regulations Supplement (DFARS) Appendix F, Material Inspection and Receiving Report and related forms. Appendix F contains procedures and instructions for the use, preparation, and distribution of the following: electronic Wide Area WorkFlow (WAWF) Receiving Report (RR); the DD Form 250, Material Inspection and Receiving Report, or the DD Form 250 series equivalents.

2. Purpose. This requirement provides for the collection of information used by the Government to process reports of material inspection and acceptance, shipping, and payment requests under DoD contracts.

3. Information Technology. Contractors primarily submit reports electronically via WAWF. Contractors must sign the forms and electronic signatures are accepted.

4. Duplication. As a matter of policy, DoD reviews the Federal Acquisition Regulation to determine whether adequate language already exists. This information collection does not duplicate any other requirement.

5. Small Business. The information collections associated with small businesses are the minimum consistent with applicable laws, Executive Orders, regulations, and prudent business practices.

6. Consequences for Non-collection. The frequency for collecting this information was reviewed by the DoD specialists who are most knowledgeable of the requirements and the need for the information. Every attempt has been made to keep the frequency of collection to a minimum without jeopardizing the ability of the Government to assure that contractors are performing their contractual requirements. Collecting this information less frequently would impede Government personnel from performing their administrative functions in an effective and efficient manner and delay payments to contractors.

7. Special Circumstances. Collection is consistent with the guidelines in 5 CFR 1320.5(d). The information will not be collected in a manner that requires an explanation of special circumstances.

8. Public Comments and Consultation. Public comments were solicited in the Federal Register on July 16, 2014 ([79 FR 41539](#)), as required by 5 CFR 1320.8(d). One unrelated comment was received in response to the request for comments. The comment took issue with the physical location of a particular military installation and does not pertain in any way to this information collection requirement.

9. Payment to Respondents. No payment or gift will be provided to respondents, other than remuneration of contractors consistent with the terms and conditions of their contracts.

10. Confidentiality. The information collected will be disclosed only to the extent consistent with prudent business practice, current regulations, and statutory requirements. No assurance of confidentiality is provided to respondents.

11. Sensitive Questions. No sensitive questions are involved.

12. Estimate of Public Burden Hours and Associated Annualized Cost. The estimates of public burden hours and associated annualized cost to respondents for this information collection requirement were based on data available in WAWF for Fiscal Year (FY) 2013. Where definitive information was not available, we relied on the judgment and expertise of technical specialists within DoD.

In accordance with DFARS clause 252.232-7003, Electronic Submission of Payment Requests and Receiving Reports, Contractors are required to submit electronic payment requests and receiving reports in WAWF in nearly all cases. In accordance with DFARS clause 252.246-7000, this is accomplished by using the electronic WAWF RR; use of the paper DD Form 250 (or equivalent) is authorized only on an exception basis. In addition, when contractors utilize WAWF in accordance with 252.232-7003 and Appendix F, the IUID information required by DFARS clause 252.211-7003 is automatically transmitted to the IUID Registry.

According to data available in WAWF, there were 74,000 distinct awardees and a total of 2,000,000 WAWF RRs submitted in FY 2013. Based on estimates from technical experts within DoD, WAWF RRs make up 85% of the total reports submitted. Paper DD Form 250

(or equivalent) submissions make up the other 15% of the total. It is also estimated that 80% of respondents are currently utilizing the WAWF RR, while the other 20% of respondents utilize the paper DD Form 250 (or equivalent).

Prior inquiries with contractors that use the WAWF RR extensively have indicated that it takes no more than one minute to prepare the forms electronically. For those contractors that manually prepare the forms, we estimate that it takes approximately 30 minutes to prepare each form.

Based on the above information, DoD estimates the total burden as follows:

a. WAWF RR (Electronic):

Number of respondents (80%)	74,000	
Responses per respondent	27	*
Total annual responses (85%)	2,000,000	
Hours per response	1	minute
Total hours	33,333	

b. DD Form 250 or equivalent (Paper):

Number of respondents (20%)	18,500	
Responses per respondent	19	*
Total annual responses (15%)	352,941	
Hours per response	30	minutes
Total hours	176,471	

c. Sum Total Electronic and Paper:

Number of respondents (100%)	92,500	
Responses per respondent	25	*
Total annual responses (100%)	2,352,941	
Hours per response	5	minutes **
Total hours	209,804	
Cost per hour	\$31	***
Total annual cost to Public	\$6,503,924	

* Calculated by dividing total annual responses by the number of respondents, then rounding off.

** Calculated by multiplying total hours by 60 and dividing by total annual responses, then rounding off.

*** Based on a GS-09, step 5 salary or \$22.57/hour (2014 base schedule) plus 36.25 percent burden, then rounding off.

13. Estimated Nonrecurring Costs. There are no estimated annual cost burdens apart from the hour burdens in items 12 and 14.

14. Estimated Annual Cost to the Government. We estimate it will take the Government five minutes to review and analyze the information in each response. The total estimated annualized cost to the Government is as follows:

Total annual responses	2,352,941
Hours per response	5 minutes
Total burden hours	196,078
Cost per hour	\$31*
Total annual cost to government	\$6,078,418

* Based on a GS-09, step 5 salary or \$22.57/hour (2014 base schedule) plus 36.25 percent burden, then rounding off.

15. Reasons for change in burden. The following program changes have occurred since the last submission:

The current public burden estimate of 209,804 hours is 43,276 hours (approximately 26%) more than the prior burden estimate of 166,528 hours for this information collection requirement. Although the total burden hour estimate has increased since the last submission, it is believed that individual respondents are experiencing a reduction in burden hours due to wider use of WAWF and improvements such as pre-population of most receiving report data elements from either the contract or a prior receiving report in WAWF. The number of respondents submitting the electronic WAWF RR in lieu of the paper DD Form 250 has increased significantly; however, the WAWF RR can be completed in a fraction of the amount of time it takes to complete a paper DD Form 250. Both considerations are factored into the revised estimates.

In the current environment, DoD also has more accurate data from which to base the burden hour estimates. The prior burden hour estimates were based on the expertise of DCMA technical specialists regarding the number of potential respondents, the number of inspections of deliveries at source and at destination, and the number of invoices for each shipment. DoD is now able use WAWF to identify both the number of distinct awardees that submitted a WAWF RR and the number of WAWF RRs submitted for a given fiscal year. This data allows for more accurate estimating of burden hours and accounts for the burden increase with this submission.

The adjustment in annualized costs is the result of the increase in estimated burden hours and use of the current wage rates for 2014.

16. Publication. Results of this information collection will not be tabulated or published.

17. Expiration Date. DoD does not seek approval to not display the expiration dates for OMB approval of the information collection.

18. Certifications. There are no exceptions to the certification accompanying this Paperwork Reduction Act submission.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

Statistical methods will not be employed.