

**SUPPORTING STATEMENT
FOR INFORMATION COLLECTION SUBMISSION
9000-0070, PAYMENTS**

1. **Administrative requirements.** Firms performing under Federal contracts must provide adequate documentation to support requests for payment under these contracts. The documentation may range from a simple invoice to detailed cost data. The information is usually submitted once, at the end of the contract period or upon delivery of the supplies or services, but could be submitted more often depending on the payment schedule established under the contract (see FAR 52.232-1 through FAR 52.232-4, and FAR 52.232-6 through 52.232-11).
2. **Uses of information.** The information is used to determine the proper amount of payments to Federal contractors.
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.** A 60-day notice was published in the Federal Register at 80 FR 76492 on December 9, 2015. No comments were received. A 30-day notice was published in the Federal Register at 81 FR 10249 on February 29, 2016.
9. **Explanation of any decision to provide any payment or gift to respondents, other than remunerations 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 on invoices (beyond that provided as a normal business practice) is estimated at an average of 15 minutes for Federal contracts. Estimates range from low as one minute (for such actions as small purchases and fixed-price contracts) to as high as 30 minutes for more complicated actions. The figure below is a weighted average.

Estimated respondents/yr.....	80,000
Responses annually.....	<u>x 120</u>
Total annual responses.....	9,600,000
Estimated hrs/response.....	<u>x .25</u>
Estimated total burden/hrs.....	<u>2,400,000</u>
Estimated cost to public (\$39.10/hr).....	\$93,837,995

* The average hourly wage is based on OMB Circular A-76 guidance for quantifying the cost of efforts: (1) the complexity level was deemed to be at the GS-09/5 level, to which the FY15 hourly rate was applied; and (2) a 36.25% fringe/overhead burden was applied to the hourly rate.

The estimated hourly cost to the public is \$9.7747911 /hr.

14. **Estimated cost to the Government.** Time required for Government review is estimated at 10 minutes for simple submissions, one hour for moderately complex submissions, and four hours for difficult submissions. Further, it is estimated that 10 percent of actions will be difficult, 20% will be moderately complex, and 70% will be simple. The figure below is a weighted average.

Annual Reporting Burden and Cost

Reviewing time/hr.....	.23889
Responses/yr.....	<u>x 9,600,000</u>
Review time/yr.....	1,920,000
Average wages/hr.....	<u>x \$39.1*</u>
Total Government cost.....	\$89,667,418

* The average hourly wage is based on OMB Circular A-76 guidance for quantifying the cost of efforts: (1) the complexity level was deemed to be at the GS-09/5 level, to which the FY15 hourly rate was applied; and (2) a 36.25% fringe/overhead burden was applied to the hourly rate.

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.