

**SUPPORTING STATEMENT  
FOR INFORMATION COLLECTION SUBMISSION  
9000-0078, MAKE-OR-BUY PROGRAM**

**A. Justification.**

1. **Administrative requirements.** Price, performance, and/or implementation of socio-economic policies may be affected by make-or-buy decisions under certain Government prime contracts. This information collection requirement pertains to information that an offeror/contractor must submit in response to the requirements of the provisions in 15.407-2, Make-or-buy programs, and the related clause at 52.215-9, Changes or Additions to Make-or-Buy Program, of the Federal Acquisition Regulation (FAR).

Accordingly, FAR 15.407-2, Make-or-Buy Programs—

(a) Sets forth circumstances under which a Government contractor must submit for approval by the contracting officer a make-or-buy program, i.e., a written plan identifying major items to be produced or work efforts to be performed in the prime contractor's facilities and those to be subcontracted;

(b) Provides guidance to contracting officers concerning the review and approval of the make-or-buy programs; and

(c) Prescribes the contract clause at FAR 52.215-9, Changes or Additions to Make-or-Buy Programs, which specifies the circumstances under which the contractor is required to submit for the contracting officer's advance approval a notification and justification of any proposed change in the approved make-or-buy program.

The estimated burden to the public under this clearance changed from 450 hours to 237 hours (TAB B) based upon a decrease in the number of respondents to 79 from 150 based upon a survey of selected agencies. The estimated annual cost per hour decreased from \$72 to \$43.35/hour as a result of incorporating the FY 2012 General Schedule salary table. The burden to the Government decreased as well based upon the decrease in the number of respondents (see Tab C).

2. **Uses of information.** The information is used to assure the lowest overall cost to the Government for required supplies and services.

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 81 FR 12493 on March 9, 2016. No comments were received. A 30-day notice was published in the *Federal Register* at 81 FR 31240 on May 18, 2016.

9. **Explanation of any decision to provide any payment or gift to respondents, other than remuneration 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 hour and cost burden.** An informal survey, conducted in January 2016, of the primary agencies that would require submission of the information for this collection indicated that the total estimated annual burden remains a valid estimate. Additionally, a review of the estimated burden by agency experts revealed that the estimated burden was realistic.

Time required to read and prepare information is estimated at 8 hours per response.

We estimated an hourly rate equivalent to a GS-12, Step-5, or \$42.08 per hour, plus 36.45 percent overhead burden which is the rate mandated by OMB for A-76 public-private competitions, and rounded to the nearest whole dollar or \$57.00.

Annual Public Burden and Cost

Respondents/yr.....	150
Responses per respondent.....x	<u>3</u>
Total annual responses.....	450
Hrs/response.....x	<u>8</u>
Total burden hours.....	3,600
Cost per hour.....x	<u>\$55.00</u>
Total Public cost.....	\$205,200

The estimated cost per response is approximately \$456.

14. **Estimated cost to the Government.** Time required for Government review is estimated at 8 hours per response. We estimated an hourly rate equivalent to a GS-12, Step-5, or \$42.08 per

hour, plus 36.45 percent overhead burden which is the rate mandated by OMB for A-76 public-private competitions, and rounded to the nearest whole dollar or \$57.00.

Annual Government Burden and Cost

Estimated total annual responses.....		450
Review time per response .....	x	<u>8</u>
Total burden hours.....		3,600
Cost per hour.....	x	<u>\$55.00</u>
Total Government cost.....		\$205,200

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 requirements in the FAR remain unchanged. The estimated responses and burden hours for the public remain the same.

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.