**Supporting Statement for**

**OMB Control No. 9000-0048,**

**Authorized Negotiators and Integrity of Unit Prices**

**FAR Section Affected: 52.215-1(c)(2)(iv) and 52.215-14**

**A. Justification.**

**1.** **Administrative requirements**. This justification supports revision and extension of the expiration date of OMB Control No. 9000-0048 and combines it with the previously approved information collection OMB Control No. 9000-0080, with the new title “Authorized Negotiators and Integrity of Unit Prices”.

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| OMB Control # | Title | Expiration |
| 9000-0048 | Authorized Negotiators | 12/31/2018 |
| 9000-0080 | Integrity of Unit Prices | 12/31/2018 |

This clearance covers the information that offerors and contractors must submit to comply with the requirements in the Federal Acquisition Regulation (FAR) as follows:

**a. Authorized Negotiators - FAR 52.215-1(c)(2)(iv).** Firms offering supplies or services to the Government under negotiated solicitations must provide the names, titles, and telephone and facsimile numbers (and electronic addresses if available) of authorized negotiators to assure that discussions are held with authorized individuals. This provision is included in all competitive solicitations using the negotiated acquisition procedures of FAR part 15.

**b. Integrity of Unit Prices - FAR 52.215-14.** When requested by the contracting officer, this clause requires an offeror/contractor to identify the proposed supplies that it will not manufacture or to which it will not contribute significant value. When contracting without adequate price competition, this clause – used with its alternate - requires the contractor to identify the proposed supplies that it will not manufacture or to which it will not contribute significant value.

This clause, and its alternate (as applicable), is included in solicitations and contracts that use the negotiated acquisition procedures of FAR Part 15. The clause is not applied to: contracts at or below the simplified acquisition threshold (SAT), construction and architect-engineering services (PSC: AD6X, CXXX, YXXX), utility services (PSC: S1XX), service contracts where supplies are not required, commercial items, and contracts for petroleum products (PSC: 9130, 9620).

**2.** **Uses of information.**

**a. Authorized Negotiators - FAR 52.215-1(c)(2)(iv).** The information collected is utilized during contract negotiations and it becomes part of the official contract file.

**b. Integrity of Unit Prices - FAR 52.215-14.** When a contract action is priced on the basis of a cost estimate, this information will be used by contracting officers to determine whether the intrinsic value of an item has been distorted through allocation of overhead costs and whether such items should be considered for breakout.

**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 issued under the 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 published in the *Federal Register* at 83 FR 45129, on September 5, 2018. No comments were received. A 30-day notice published in the Federal Register at 83 FR 64127 on December 13, 2018.

**9.** **Explanation of any decision to provide any payment or gift to respondents, other than remuneration 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 hour and cost burden**.

**a. Authorized Negotiators - FAR 52.215-1(c)(2)(iv).**

A review of data in the Federal Procurement Data System (FPDS) shows that for Fiscal Year (FY) 2018, the Federal Government issued 88,502 competitive contract awards using negotiated acquisition procedures. As FPDS does not collect data on the number of solicitations issued, the Government assumes that for each of the 88,502 competitive contracts awarded in FY 2018, a corresponding competitive solicitation was also issued that included FAR provision 52.215-1.

On average, the Government receives 8 proposals in response to each competitive solicitation using negotiated procedures. FPDS does not collect data on the number of unique entities/offerors that respond to solicitations; therefore, the Government estimates 708,016 respondents to this provision per year (88,502 solicitations x 8 proposals/responses). A respondent must provide the information requested by the provision with each submission of a proposal. Time required to read and prepare information is estimated at 1 minute (.017 hour) per response. The estimated cost per response is $1.10.

Estimated respondents per year 708,016

Responses annually 1

Total annual responses 708,016

Estimated hrs/response 0.017

Total burden hours 12,036

Average wage\* $65

Estimated cost to the public $782,340

**b. (i) Integrity of Unit Prices - FAR 52.215-14.**

A review of FPDS shows that for FY 2018, the Federal Government competitively awarded 8,308 contracts to 4,794 unique entities that were subject to the application of this FAR clause. The Government does not collect data on frequency with which contracting officers require the identification of supplies under this clause. As such, the Government estimates that 1% of the applicable annual contract awards are required to identify supplies in accordance with the clause. A response is required for each contract, when requested. Therefore, the Government estimates 83 responses to the clause (8,308 x .01), from 48 unique entities (4,794 x .01), who provide approximately 1.7 responses annually (83/48). The estimated cost per response is $65.79.

The time required to prepare and submit the information is estimated at 1 hour per response. This estimate assumes automation of the contractor’s business systems.

Estimated respondents per year 48

Responses annually 1.7

Total annual responses 83

Estimated hrs/response 1

Total burden hours 83

Average wage\* $65

Estimated cost to the public $5,395

 **(ii). Integrity of Unit Prices - FAR 52.215-14 Alternate I.**

A review of FPDS shows that for FY 2018, the Federal Government awarded 6,586 noncompetitive contracts to 2,760 unique entities that were subject to the application of the alternate of this FAR clause. A response is required for each contract. The time required to prepare and submit the information is estimated at 1 hour per response. This estimate assumes automation of the contractor’s business systems. The estimated cost per response is $64.62.

Estimated respondents per year 2,760

Responses annually 2.4

Total annual responses 6,586

Estimated hrs/response 1

Total burden hours 6,586

Average wage\* $65

Estimated cost to the public $428,090

 **(iii). Summary - Integrity of Unit Prices - FAR 52.215-14 and Alternate I**

Estimated respondents per year 2,808

Responses annually 2.375

Total annual responses 6,669

Estimated hrs/response 1

Total burden hours 6,669

Average wage\* $65

Estimated cost to the public $433,485

**c. Total Public Burden Summary.**

Estimated total number of respondents 710,824
Total annual responses 714,685
Estimated total burden hours 18,705
Estimated total annual cost to the public $1,215,825

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

**a. Authorized Negotiators - FAR 52.215-1(c)(2)(iv).** Time required for Governmentwide review is estimated at 1 minute (.017 hours) per response.

Total annual responses 708,016

Review time per response (hrs) 0.017

Total review hours 12,036

Average wage\* $65

Total cost to the Government $782,340

**b. 1. Integrity of Unit Prices - FAR 52.215-14.** Time required for Governmentwide review is estimated at 30 minutes per response.

Total annual responses 83
Review time per response (hrs) 0.5
Total review hours 42
Average wage\* $65
Total cost to the Government $2,730

 **2. Integrity of Unit Prices - FAR 52.215-14 Alternate I .** Time required for Governmentwide review is estimated at 30 minutes per response.

Total annual responses 6,586
Review time per response (hrs) 0.5
Total review hours 3,293
Average wage\* $65
Total cost to the Government $214,045

**c. Summary.**

Total annual responses 714,685
Estimated total review hours 15,371
Estimated total annual cost to the Government $999,115

\*Wages based on the equivalent of a GS-13, Step 5, of $47.38, plus overhead of 36.25%, based on OMB memorandum M-08-13 for use in public-private competition, rounded to the nearest dollar. Reference Salary Table 2018-RUS, Effective January 2018, found at[www.opm.gov](http://www.opm.gov).

**15.** **Explain reasons for program changes or adjustments reported in Item 13 or 14**.

 The FAR requirements remain the same. The burden has been adjusted to reflect current data from FPDS and OMB.

 For FAR provision 52.215-1, the number of estimated respondents per year and responses per respondent has increased due to a change in the way the overall estimate is calculated. The changes to these elements do not impact the Government’s estimate of annual responses, which continues to be based on estimate that the Government typically receives 8 proposals to each competitively issued solicitation.

 For FAR clause 52.215-14, the burden has been adjusted to capture the submissions provided by offerors/contractors, when requested by the contracting officer in accordance with the clause.

**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.