

**Supporting Statement
For Paperwork Reduction Act Submission
9000-0079, Travel Costs**

FAR parts affected: 31.205-46

A. JUSTIFICATION.

1. **Administrative requirements.** The Federal Acquisition Regulatory Council is combining OMB Control Nos. for the Federal Acquisition Regulation (FAR), to reduce the administrative burdens associated with renewing the information collections.

This justification supports revision and extension of the expiration date of OMB Control No. 9000-0079 and combines it with the previously approved information collection OMB Control No. 9000-0088; the consolidated information collection will have the new title "Travel Costs".

Upon approval of this consolidated information collection, OMB Control No. 9000-0088 will be discontinued. The burden requirements previously approved under the discontinued Number will be covered under OMB Control No. 9000-0079.

This clearance covers the information that a contractor must submit to comply with the requirements in FAR 31.205-46 regarding travel costs as follows:

- a. FAR 31.205-46(a)(3)- In special or unusual situations, costs incurred by a contractor for lodging, meals, and incidental expenses, may exceed on a daily basis the per diem rates in effect as set forth in the Federal Travel Regulation (FTR) for travel in the conterminous 48 United States. The actual costs may be allowed only if the contractor provides the following:
 1. FAR 31.205-46(a)(3)(ii) - A written justification for use of the higher amounts approved by an officer of the contractor's organization or designee to ensure that the authority is properly administered and controlled to prevent abuse.
 2. FAR 31.205-46(a)(3)(iii) - Advance approval from the contracting officer if it becomes necessary to exercise the authority to use the higher actual expense method repetitively or on a continuing basis in a particular area.

3. FAR 31.205-46(a)(3)(iv) - Documentation to support actual costs incurred including a receipt for each expenditure of \$75.00 or more.

b. FAR 31.205-46(c) requires firms to maintain and make available manifest/logs for all flights on company aircraft. As a minimum, the manifest/log must indicate:

1. Date, time, and points of departure;
2. Destination, date, and time of arrival;
3. Name of each passenger and relationship to the contractor
4. Authorization for trip; and
5. Purpose of trip.

The information required by (1) and (2) and the name of each passenger (required by (3)) are recordkeeping requirements already established by Federal Aviation Administration regulations. This information, plus the additional required information, is needed to ensure that costs of owned, chartered, or leased aircraft are properly charged against Government contracts and that directly associated costs of unallowable activities are not charged to Government contracts.

2. Uses of information. The information is used by contracting officers to ensure that the Government does not reimburse contractors for excessive travel costs. Also, the information is used by Government auditors to identify allowable and unallowable costs under Government contracts.

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 contract-by-contract is not practical. Similar information is not already available to the contracting officer or buyer.

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 83 FR 38312 on August 6, 2018. No comments were received. A 30 day notice published in the *Federal Register* at 83 FR 53873 on October 25, 2018. No comments were received.

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.**

a. **FAR 31.205-46(a)(3).** Reporting cost to the public is caused by the compliance with the conditions for authority to exceed the stated per diem limit. The requirement documentary evidence is consistent with the applicable travel regulations. The Federal Procurement Data System (FPDS) shows 324,716 awards for Product and Service Code (PSC) Category R were made in Fiscal Year 2017. However, we believe there are only approximately 1% of these that would result in the use of the actual expense method. The estimated cost per response is \$9.36.

Annual Public Burden and Cost

Estimated respondents/year	3,247
Responses per respondent/year	<u>x 10</u>

Total responses/year	32,470
Estimated hours per response	<u>x.25</u>
Estimated total burden hours	8,118
Estimated cost to public (\$37.44**)	\$303,938

b. FAR 31.205-46(c). Time required to read and prepare information is estimated at 2 hours per aircraft (and 3 aircraft per firm). The Federal Procurement Data System (FPDS) shows 159,402 unique vendors in Fiscal Year 2017. However, we believe there are only approximately 0.5% of these that might use a company aircraft. The estimated cost per response is approximately \$108.60.

Annual Public Burden and Cost

Estimated recordkeepers	797
Records per recordkeeper per year	x 3
Total annual records	2,391
Estimated hours per record	<u>x 2</u>
Total recordkeeping burden hours	4,782
Estimated cost to public (\$54.30***)	\$259,663

14. Estimated annual cost to the Government.

a. FAR 31.205-46(a)(3). Time required for Governmentwide review is estimated at 0.25 hours per response.

Annual Government Burden and Cost

Reviewing time(hr)/response	—	0.25
Responses/yr		<u>x 32,470</u>
Review time/yr		8,118
Burdened hourly wage*		<u>x \$37.44**</u>
Total Government cost		\$ 303,938

b. FAR 31.205-46(c). Time required for Governmentwide review is estimated at 2 hours per response.

Annual Government Burden and Cost

Reviewing time(hr)/review		2
Reviews/yr		<u>x 797</u>
Review time/yr		1,594
Burdened hourly wage*		<u>x 54.30***</u>
Total Government cost		\$86,554

*The average hourly wage is based on OMB Circular A-76 guidance for quantifying the cost of efforts, includes: (1) the complexity level; and (2) a 36.25% fringe and overhead burden rate, the one mandated by OMB memorandum M-08-13 for use in public-private competition, as updated by OMB for the current year. Reference Salary Table 2018-RUS, Effective January 2018, found at www.opm.gov.

**The average hourly wage based on the complexity level deemed to be at the OPM GS-9/step 5 level (\$27.48/hour) plus 36.25% equals \$37.44.

***The average hourly wage based on the complexity level deemed to be at the OPM GS-12/step 5 level (\$39.85/hour) plus 36.25% equals \$54.30.

15. Explain reasons for program changes or adjustments reported in Item 13 or 14. a. The decrease of responses from 58,000 to 32,470 and the decrease in burden hours from 14,500 to 8,118 is an adjustment due to the assumptions made for the estimate. b. The decrease of recordkeepers from 3,000 to 797 and the associated decrease in estimated burden hours from 18,000 hours to 4,782 hours is an adjustment due to the assumptions made for the estimate. The overall increase is due to the consolidation of previously approved OMB Control Nos. 9000-0079 and 9000-0088 under OMB Control No. 9000-0079 retitled "Travel Costs".

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.