

**SUPPORTING STATEMENT
FOR INFORMATION COLLECTION SUBMISSION
9000-0082, ECONOMIC PURCHASE QUANTITY—SUPPLIES**

A. Justification.

1. **Administrative requirements.** The provision at FAR 52.207-4, Economic Purchase Quantity—Supplies, invites offerors to state an opinion on whether the quantity of supplies on which bids, proposals, or quotes are requested in a solicitation is economically advantageous to the Government. Each offeror who believes that acquisitions in different quantities would be more advantageous is invited to (1) recommend an economic purchase quantity, showing a recommended unit and total price, and (2) identify the different quantity points where significant price breaks occur. This information is required by 10 U.S.C. 2384a and 41 U.S.C. 3310. The provision is included in solicitations for supplies, unless—

- The solicitation is for a contract under the General Services Administration's multiple award schedule contract program; or,
- If the contracting officer determines that—
 - The Government already has the data;
 - The data is otherwise readily available; or,
 - It is impracticable for the Government to vary its future requirements.

2. **Uses of information.** The information is used by contracting officers, inventory managers, and requirements development activities to acquire supplies at the total cost and unit cost most advantageous to the Government, without exceeding the quantity reasonably expected to be necessary, as required by statute and to develop a database for future acquisitions of the items of supply.

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 generally consistent with guidelines in 5 CFR 1320.6.

8. **Efforts to consult with person outside the agency.** A 60 day notice was published in the Federal Register at 84 FR 10828 on March 22, 2019. No comments were received. A 30-day notice published at 84 FR 35118 on July 22, 2019.

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 hours and cost burden.

Based on input from Federal acquisition subject matter experts, the Government estimates that 3,000 offerors each provide 25 recommendations to the Government in response to the provision annually. The estimated number of responses remains as a valid assumption for the average among small and large companies providing the information for this collection. The estimated hours per response remains at one hour.

Estimated respondents/yr.....	3,000
Responses annually.....	<u>x 25</u>
Total annual responses.....	75,000
Estimated hrs/response.....	<u>x 1</u>
Estimated total burden/hrs.....	75,000
Average wages* ¹	
Estimated cost to public.....	\$4,050,000

*The estimated cost per response is \$54.

14. **Estimated cost to the Government.** Time required for Governmentwide review is estimated at 1 hour per response.

Annual Reporting Burden and Cost

Reviewing time/hr.....	1
Responses/yr.....	<u>x 75,000</u>
Review time/yr.....	75,000

¹ The cost of \$54 per hour is based on the equivalent of GS-12, Step 5, of \$39.85, plus overhead of \$14.45 (36.25%), is \$54.30, rounded to the nearest dollar \$54. The 36.25% overhead rate reflects OMB Memorandum M-08-13 for use in public-private competitions. The OPM Salary Schedule rates used for the “Rest of the U.S.” includes locality pay of 15.37%.

Average wages/hr(\$54).....	<u>x \$54</u>
Total Government cost.....	\$4,050,000

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). Costs are adjusted based on an update to the wage rates for the personnel preparing or reviewing the information.

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.