

## SUPPORTING STATEMENT – PART A

### Defense Federal Acquisition Regulation Supplement, Appendix F, Inspection and Receiving; OMB Control Number 0704-0248

#### Summary of Changes from Previously Approved Collection

- Decrease in burden hours results from using more current usage data. A DoD subject matter expert estimates that the decrease is likely due to the data from 2020 aggregating the number of users over multiple years instead of only including the data from the prior fiscal year.

#### 1. Need for the Information Collection

a. This justification supports renewal of OMB Control Number 0704-0248. This information collection concerns Defense Federal Acquisition Regulation Supplement (DFARS) Appendix F, Material Inspection and Receiving Report.

b. Appendix F contains procedures and instructions for submission of contractor payment requests and receiving reports using Wide Area WorkFlow (WAWF). 10 U.S.C. 4601 requires electronic submission and processing of claims for contract payments under DoD contracts but allows an exemption if electronic submission is unduly burdensome. DoD has designated WAWF as the platform for contractors to submit payment requests and supporting documentation, including receiving reports. WAWF supports the use, preparation, and distribution of the electronic equivalent for the DD Form 250, Material Inspection and Receiving Report, and the DD Form 250 series equivalents for property repairs and energy-related overland or waterborne shipments.

#### 2. Use of the Information

Receiving reports showing Government acceptance or approval of contract deliverables are required to permit payment of contractor invoices. Federal Acquisition Regulation (FAR) 32.905(c) requires that invoice payments are supported by a receiving report or other Government document to authorize the payment. The receiving report must include the contract number, date, description, quantities of supplies received or services performed, as well as identification of the designated Government official who accepted the supplies or services.

#### 3. Use of Information Technology

Information technology is used approximately 100 percent of the time to collect the information. Contractors submit payment requests and receiving reports to WAWF via Electronic Data Interchange, Secure File Transfer Protocol, or via direct input through the WAWF website.

In accordance with DFARS clause 252.232-7003, Electronic Submission of Payment Requests and Receiving Reports, contractors are required to submit electronic payment requests and receiving reports in WAWF in nearly all cases. This is accomplished by using the electronic

WAWF receiving report, and any other method is only authorized on an exception basis as described in paragraph (d) of DFARS clause 252.232-7003.

#### 4. Non-duplication

As a matter of policy, DoD reviews the FAR and DFARS to determine whether adequate language already exists. This information collection does not duplicate any other requirement.

#### 5. Burden on Small Business

This information collection does not impose a significant burden on small businesses, because the use of electronic tools facilitates timely and accurate payments, which can improve cash-flow management and reduce operating costs. Manual, i.e., non-electronic, practices and processes involving paper invoices and receiving reports can result in redundant data entry, misplaced documents, higher than necessary transaction processing fees, and payment delays. Considering that WAWF is available to all DoD contractors at no cost and facilitates timely and accurate payments, DoD estimates that most small businesses would prefer WAWF over other methods. With few exceptions, the processing of payment requests and receiving reports through WAWF is only limited by access to the internet, which is rare in today's commercial marketplace.

#### 6. Less Frequent Collection

The nature of the reporting requirement is contract specific, and the information is not readily available elsewhere. Therefore, collection is required on a case-by-case basis pursuant to the contract clause requirements. The consequences of not collecting this data or collecting the data less frequently include delayed payment to DoD contractors.

#### 7. Paperwork Reduction Act Guidelines

This collection of this information is consistent with the guidelines at 5 CFR 1320.5(d)(2).

#### 8. Consultation and Public Comments

##### a. Public Notice

i. Public comments were solicited in a 60-day notice published in the *Federal Register* on September 28, 2023, at 88 FR 66821. No comments were received in response to this notice.

ii. A 30-day notice for this collection was published in the *Federal Register* on December 22, 2023, at 88 FR 88594.

##### b. Consultation

A DoD subject matter expert reviewed the validity of the information collection requirements of the clause to provide updated estimates of the public burden. The

burden, included in Item 12 below, reflects the validation of the need for the collection requirement, judgement, and best estimates of the DoD subject matter expert.

9. Gifts or Payment

DoD will not provide a payment or gift to respondents as an incentive to participate in this information collection, other than remuneration to contractors under their contracts.

10. Confidentiality

This information is disclosed only to the extent consistent with statutory requirements, current regulations, and prudent business practices. No assurance of confidentiality is provided to respondents. The collection of information does not include any personally identifiable information (PII) and records are not retrievable by PII; therefore, no Privacy Impact Assessment or System of Record Notice is required.

11. Sensitive Questions

No sensitive questions are involved in the information collection.

12. Respondent Burden and its Labor Costs

According to fiscal year (FY) 2022 data available in WAWF, there were approximately 126,047 individual contractor personnel using WAWF. These users represent 89,058 unique entities (companies), and they processed approximately 2.6 million receiving reports during FY 2022.

Prior inquiries with contractors that use the WAWF electronic receiving reports extensively have indicated that it takes no more than one minute to prepare the forms electronically. This reduced timeframe is because many WAWF receiving report data elements are prepopulated from either the contract or a previously submitted receiving report. As a conservative approximation, an estimate of three minutes per report (0.05 per hour) is used to accommodate time to upload any required documentation/attachments and to account for the very few manual (paper) DD Form 250 reports that may be processed outside of the WAWF system.

Estimation of Respondent Burden: DFARS Appendix F	
Number of respondents	126,047
Responses per respondent (rounded)	21
Number of total annual responses	2,643,899
Hours per response (3 minutes)	0.05
Annual respondent burden hours	132,195
Cost per hour (hourly wage)(See Note)	\$42

Cost per response	\$2.10
Annual labor burden	\$5,552,188

Note for Labor rate calculation: Cost per hour is \$42, based on OPM GS-09, step 5, base hourly rate for 2023 (\$31.02) plus the 36.25% civilian personnel full fringe benefit rate from OMB Memo M-08-13, rounded to the nearest dollar (\$42). The OPM rate used includes locality pay area for the rest of the U.S.

13. Respondent Costs Other Than Burden Hour Costs

DoD does not estimate any annual cost burden apart from the hourly burden in Item 12 above.

14. Cost to the Federal Government

The estimate of the time it will take the Government representative to review and analyze the each response is three minutes. The labor cost represents the full cost to the Government associated with this information collection. The estimated cost to the Government is shown in the following table:

Estimation of Government Burden: Appendix F	
Number of responses	2,643,899
Number of hours (3 minutes)	0.05
Burden Hours	132,195
Cost per hour (See Note)	\$42
Cost to the Government	\$5,552,188

Note for Labor rate calculation: Cost per hour is \$42, based on OPM GS-09, step 5, base hourly rate for 2023 (\$31.02) plus the 36.25% civilian personnel full fringe benefit rate from OMB Memo M-08-13, rounded to the nearest dollar (\$42). The OPM rate used includes locality pay area for the rest of the U.S.

15. Reasons for Change in Burden

The change in burden estimation is shown in the following table:

Change in Burden	2020	2023	Difference
Number of respondents	148,885	126,047	-22,838
Total annual responses	2,900,000	2,643,899	-256,101
Total Hours	145,000	132,195	-12,805
Cost per hour	\$39.00	\$42.00	+3.00

Total Cost	\$5,665,000	\$5,552,188	-\$112,812
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The changes in burden were relatively insignificant, and the data indicate stability, most likely attributed to familiarity with WAWF capabilities. The overall decrease in burden is approximately 1.8%, which is the result of an approximately 8.9% decrease in the actual number of reports in fiscal year 2022 versus fiscal year 2019. The hourly rate increase in 2023 offset the decrease and resulted in only a 1.8% decrease in burden. The number of respondents decreased in 2023; however, a WAWF subject matter expert estimates that the decrease is likely due to the data from 2020 aggregating the number of users over multiple years instead of just the data on users from the prior fiscal year.

16. Publication of Results

Results of this information collection will not be published.

17. Non-Display of OMB Expiration Date

DoD does seek approval to omit the display of the expiration date of the OMB approval of the information collection.

18. Exceptions to “Certification for Paperwork Reduction Submissions”

There are no exceptions to the certification accompanying this Paperwork Reduction Act submission.