

SUPPORTING STATEMENT – PART A

Defense Federal Acquisition Regulation Supplement Part 251, Use of Government Sources by Contractors, and Related Clause at 252.251;
OMB Control Number 0704-0252

Summary of Changes from Previously Approved Collection

- Increase in estimated cost results from using hourly labor rates for fiscal year 2023.
- Increase in estimated burden due to an increase in the number of contract awards that included DFARS clause 252.251-7000 and the number of unique awardees who received those contracts.

1. Need for the Information Collection

This justification supports the extension of a currently approved collection under OMB Control Number 0704-0252 for Defense Federal Acquisition Regulation Supplement (DFARS) part 251, Use of Government Sources by Contractors, and a related clause at DFARS 252.251. DFARS 251.107 prescribes the use of the clause at DFARS 252.251-7000, Ordering From Government Supply Sources, in solicitations and contracts that include Federal Acquisition Regulation (FAR) clause 52.251-1, Government Supply Sources. FAR clause 52.251-1 is included in solicitations and contracts when the contracting officer authorizes the contractor to acquire supplies or services from a Government supply source.

DFARS clause 252.251-7000 implements the policies and procedures set forth in FAR subpart 51.1 pertaining to contractor use of and ordering from Government supply sources. In particular, when placing an order under a Federal Supply Schedule (FSS) contract, FAR 51.103(a) requires contractors to provide a copy of their written authorization to use Government supply sources with their order. As such, this DFARS clause requires contractors to provide a copy of the contracting officer's authorization to use the Government source of supply when placing an order under a FSS, Personal Property Rehabilitation Price Schedule (part of the FSS), or Enterprise Software Agreement (for example, a Blanket Purchase Agreement under a FSS contract).

2. Use of the Information

The authorization to be submitted pursuant to this requirement provides the terms and conditions under which the contracting officer has authorized the contractor to use Government sources of supply. The authorization is used by the Government source of supply to verify that a contractor is authorized to place such orders and under what conditions.

3. Use of Information technology

Information technology is used 100% of the time to reduce burden. Where both the DoD and contractors are capable of electronic interchange, the information collection requirement is submitted electronically.

4. Non-duplication

As a matter of policy, DoD reviews the FAR to determine if adequate language already exists. The language in DFARS part 251 implements the policies set forth in FAR part 51 related to contractor requirements, but does not duplicate any information already provided to contractors under FAR clause 52.251-1. Since the nature of the reporting requirement is contract specific, similar information is not readily available.

5. Burden on Small Business

The burden applied to small businesses is the minimum consistent with applicable laws, Executive orders, and prudent business practices.

6. Less Frequent Collection

This information is collected only when a contractor is placing an order under a FSS, a Personal Property Rehabilitation Price Schedule, or an Enterprise Software Agreement. DoD reviewed the frequency and determined that it is the minimum necessary to ensure compliance with FAR 51.103(a).

7. Paperwork Reduction Act Guidelines

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 (88 FR 66823). No comments were received in response to this notice.

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

b. Consultation

Subject matter experts were consulted regarding the renewal of this information collection.

9. Gifts or Payment

DoD will not provide a payment or gift to respondents under this information collection requirement, other than remuneration of contractors under their contracts.

10. Confidentiality

This information is disclosed only to the extent consistent with statutory requirements, current regulations, and prudent business practices. The collection of information does not include any personally identifiable information; therefore, no Privacy Impact Assessment or Privacy Act 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

a. Estimation of Respondent Burden

The estimated respondent burden is based on data from the Federal Procurement Data System (FPDS) and the Procurement Integrated Enterprise Environment (PIEE) for fiscal years 2020 through 2022 and estimates of processing times from DoD specialists involved in the processing of the collected information. The number of respondents is based on an annual average of the FPDS data, in conjunction with PIEE data, which indicates an average of 15,347 new contracts were awarded annually that included DFARS clause 252.251-7000. These 15,347 new contract awards were made to approximately 1,684 unique contractors.

The Government assumes that the contracting officer executes a contract-specific authorization for each new contract that contains DFARS clause 252.251-7000; therefore, 15,347 authorizations were issued to contractors annually. The Government estimates that, for each of the 15,347 authorizations issued, a contractor will provide a copy of the authorization to at least one FSS holder. Based on this information, the total number of responses is also estimated at 15,347. As some contractors may receive more than one contract subject to this requirement, the number of responses per respondent is derived as follows: 15,347 responses divided by 1,684 unique contractors equals 9.1 responses per respondent. The Government estimates that it will take contractors 30 minutes to prepare the authorization document to be submitted with the FSS order. At an estimated cost of \$42.26 per hour, the total estimation of the respondent burden is as follows:

Estimation of Respondent Burden Hours: 252.251-7000	
Number of respondents	1,684
Number of responses per respondent	9.1
Number of total annual responses	15,347
Hours per response	0.5
Annual respondent burden hours	7,674

b. Labor Cost of Respondent Burden

Labor Cost of Respondent Burden: 252.204-7000	
Number of total annual responses	15,347

Hours per response	9.1
Cost per hour (hourly wage)	\$42.26
Labor burden per response	\$21.13
Annual labor burden	\$324,282

Note: Based on the 2023 salary table for GS-9/step 5 salary (\$31.02 an hour for base salary and locality pay) from the OPM General Schedule for Rest of the United States (https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/20Tables/html/RUS_h.aspx) plus fringe (1.3625%) consistent with OMB Memo M-08-03, dated March 11, 2008. The burden rate is \$42.26.)

13. Respondent Costs Other Than Burden Hour Costs

There are no annualized costs to respondents for this information collection other than the labor burden costs addressed in Item 12.

14. Cost to the Federal Government

DFARS 252.251-7000 requires contractors to provide a copy of the contracting officer’s authorization to use the Government source of supply when placing an order under a FSS. To calculate the cost to the Government, the Government uses the number of respondents and responses per respondent discussed in paragraph 12. The Government estimates that it will take 30 minutes to review the authorization document submitted with the FSS order. At an estimated cost of \$42.26 per hour, the total estimation of the Government burden is as follows:

Estimation of Federal Government Burden Hours: 252.251-7000	
Number of responses	15,347
Hours per response	0.5
Estimated hours (rounded)	7,674
Cost per hour (hourly rate)	\$42.26
Cost per response	\$21.13
Annual public burden	\$324,282

15. Reasons for Change in Burden

There is no change in the information collection requirements covered under OMB Control Number 0704-0252. The change in burden is a result of the following:

a. The number of contract awards that included DFARS clause 252.251-7000 and the number of unique business entities that are being awarded those contracts increased since 2020.

b. The current OPM GS hourly rates for calendar year 2023 to calculate the cost per hour have increased from the 2020 rates. The change in burden is as follows.

0704-0252 ICR	2020	2023	Change
Number of respondents	1,414	1,684	270
Number of responses	11,058	15,347	4,289
Estimated hours	5,529	7,674	2,145
Annual public burden	\$215,631	\$324,282	\$108,651

16. Publication of Results

Results of this information collection will not be published.

17. Non-Display of OMB Expiration Date

DoD is not requesting approval to omit display of the expiration date of OMB approval on the information collection.

18. Exceptions to “Certification for Paperwork Reduction Submissions”

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