

**Federal Acquisition Regulation (FAR)**  
**Government Property**  
**OMB Control No. 9000-0075**  
**Justification - Part A Supporting Statement**

**FAR sections affected:** 52.245-1(f) & (j); 52.245-9(d)(1); and Standard Forms 1428, and 1429

Overview of Information Collection:

- This justification supports clearance of an extension of the collection.

There are no program changes. The FAR requirements remain the same. This extension includes adjustments to the burden due to use of the latest data available in the Federal Procurement Data System (FPDS), and the calendar year 2025 Office of Personnel Management (OPM) General Schedule (GS) Salary Table for the rest of the United States as explained in item 15.

1. Need & Method for the Information Collection. This clearance covers the information that contractors must submit to comply with the following FAR requirements:

- a. FAR clause 52.245-1, Government Property
  - i. Paragraph (f)(1)(ii) requires contractors to document the receipt of Government property.
  - ii. Paragraph (f)(1)(ii)(A) requires contractors to submit a written statement to the Property Administrator containing all relevant facts, such as cause or condition and a recommended course(s) of action, if overages, shortages, or damages and/or other discrepancies are discovered upon receipt of Government-furnished property.
  - iii. Paragraph (f)(1)(iii) requires contractors to create and maintain records of all Government property accountable to the contract, including Government-furnished and Contractor-acquired property. Property records shall, unless otherwise approved by the Property Administrator, contain the following:
    - (1) The name, part number and description, National Stock Number (if needed for additional item identification tracking and/or disposition), and other data elements as

necessary and required in accordance with the terms and conditions of the contract.

(2) Quantity received (or fabricated), issued, and balance-on-hand.

(3) Unit acquisition cost.

(4) Unique-item identifier or equivalent (if available and necessary for individual item tracking).

(5) Unit of measure.

(6) Accountable contract number or equivalent code designation.

(7) Location.

(8) Disposition.

(9) Posting reference and date of transaction.

(10) Date placed in service (if required in accordance with the terms and conditions of the contract).

When approved by the Property Administrator, contractors may maintain, in lieu of formal property records, a file of appropriately cross-referenced documents evidencing receipt, issue, and use of material that is issued for immediate consumption.

iv. Paragraph (f)(1)(iv) requires contractors to periodically perform, record, and disclose physical inventory results during contract performance, including upon completion or termination of the contract.

v. Paragraph (f)(1)(vii)(B) requires contractors, unless otherwise directed by the Property Administrator, to investigate and report all incidents of Government property loss as soon as the facts become known. Such reports shall, at a minimum, contain the following information:

(1) Date of incident (if known).

(2) The data elements required under paragraph (f)(1)(iii) (A) of FAR 52.245-1.

(3) Quantity.

(4) Accountable contract number.

(5) A statement indicating current or future need.

(6) Unit acquisition cost, or if applicable, estimated sales proceeds, estimated repair or replacement costs.

- (7) All known interests in commingled material of which includes Government material.
- (8) Cause and corrective action taken or to be taken to prevent recurrence.
- (9) A statement that the Government will receive compensation covering the loss of Government property, in the event the Contractor was or will be reimbursed or compensated.
- (10) Copies of all supporting documentation.
- (11) Last known location.
- (12) A statement that the property did or did not contain sensitive, export controlled, hazardous, or toxic material, and that the appropriate agencies and authorities were notified.

- vi. Paragraph (f)(1)(viii) requires contractors to promptly disclose and report Government property in its possession that is excess to contract performance.
- vii. Paragraph (f)(1)(ix) requires contractors to disclose and report to the Property Administrator the need for replacement and/or capital rehabilitation.
- viii. Paragraph (f)(1)(x) requires contractors to perform and report to the Property Administrator contract property closeout.
- ix. Paragraph (f)(2) requires contractors to establish and maintain Government accounting source data, particularly in the areas of recognition of acquisitions, loss of Government property, and disposition of material and equipment.
- x. Paragraphs (j)(2) and (3) require contractors to submit inventory disposal schedules to the Plant Clearance Officer using the Standard Form (SF) 1428, Inventory Disposal Schedule and if needed the SF 1429, Inventory Disposal Schedule-Continuation Sheet. Paragraph (j)(2)(iv) requires contractors to provide the following information:
  - (1) Any additional information that may facilitate understanding of the property's intended use.

- (2) For work-in-progress, the estimated percentage of completion.
- (3) For precious metals in raw or bulk form, the type of metal and estimated weight.
- (4) For hazardous material or property contaminated with hazardous material, the type of hazardous material.
- (5) For metals in mill product form, the form, shape, treatment, hardness, temper, specification (commercial or Government) and dimensions (thickness, width, and length).

b. FAR 52.245-9, Use and Charges. Paragraph (d)(1) of this clause requires contractors submitting a government property rental request to: identify the property for which rental is requested, propose a rental period, and compute an estimated rental charge by using the Contractor's best estimate of rental time in the formulae described in paragraph (e) of this clause.

2. Use of the Information. This information is used to facilitate the management of Government property in the possession of the contractor.

3. Use of Information Technology. Federal agencies use 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. In addition, the forms are available online, screen fillable, and digital signature capable.

4. Non-duplication. These requirements are issued under the FAR, which has been developed to standardize Federal procurement practices and eliminate unnecessary duplication.

5. Burden on Small Business. The burden applied to small businesses is the minimum consistent with applicable laws, Executive orders, regulations, and prudent business practices.

6. Less Frequent Collection. Collection of information on a basis other than contract-by-contract is not practical.

7. Paperwork Reduction Act Guidelines. Collection is consistent with guidelines in 5 CFR 1320.5(d)(2).

8. Consultation and Public Comments.

A. A 60-day notice was published in the *Federal Register* at 90 FR 11970, on March 13, 2025. A comment was received; however, it did not change the estimate of the burden.

**Comment:** The proposed collection should be reviewed in the same timeline of other agencies. The accuracy of the government property and reporting of the details and information of the case is crucial for record keeping purposes. Reports should be generated within each agency for analysis, perhaps with a certain threshold indicator on a continuous basis to determine significant changes in cost, to determine if the cost is valid or in need of revision to correct original documents.

**Response:** Consistent with the comment, agencies manage Government property closely. This is a request to the Office of Management and Budget to extend the clearance of a previously approved information collection requirement regarding Government property. There are no program changes. The FAR requirements remain the same.

B. A 30-day notice was published in the *Federal Register* at 90 FR 22290, on May 27, 2025.

9. Gifts or Payment. This collection does not provide any payment or gift to respondents, other than remuneration of contractors.

10. Privacy & Confidentiality. This information is disclosed only to the extent consistent with prudent business practices, current regulations, and statutory requirements.

11. Sensitive Questions. No sensitive questions are involved.

12. Burden Estimate.

Summary of the Public Burden				
FAR Requirement	Respondents	Annual Responses	Burden hrs	Reporting cost to the public
Reporting				
FAR 52.245-1(f)(1)(ii)	4,702	9,404,000	2,351,000	\$136,358,000
FAR 52.245-1(f)(1)(ii)(A)	752	1,505	752	\$43,635
FAR 52.245-1(f)(1)(vii)(B)	470	940	940	\$54,543

FAR 52.245-1(f)(1)(viii) and (x), FAR 52.245-1(j)(2) and (3), and the SF 1428	3,150	25,203	50,405	\$2,923,516
FAR 52.245-1(f)(1)(ix)	31	31	62	\$3,600
FAR 52.245-9(d)(1)	470	1,881	1,881	\$109,086
<b>Total Reporting</b>	<b>4,702+</b>	<b>9,433,560</b>	<b>2,405,041</b>	<b>\$139,492,379.53</b>
Recordkeeping				
FAR 52.245-1(f)(1)(iii) and (iv), and FAR 52.245-1(f)(2)	Recordkeepers	Annual Records	Burden hrs	Recordkeeping cost to the public
<b>Total Recordkeeping</b>	<b>4,702</b>	<b>5,642,400</b>	<b>2,256,960</b>	<b>\$130,903,680</b>

+All other respondents are a subset of the universe of 4,702 unique entities.

FPDS shows 23,539 active awards made to 4,702 unique vendors for fiscal years 2019 through 2023 where the contract uses equipment or property furnished by the government.

### **Reporting Burden**

(a) FAR 52.245-1(f)(1)(ii). On average, it is estimated that 4,702 contractors prepare 2,000 receiving reports each per year, and it takes 15 minutes to prepare each receiving report. It should be noted that creation of a receiving report is standard industry practice for property receipts.

Estimated number of respondents/yr.....	4,702
Responses per respondent.....	<u>x 2,000</u>
Total annual responses.....	9,404,000
Estimated hrs/response.....	<u>x 0.25</u>
Estimated annual burden hours.....	2,351,000
Hourly rate*.....	<u>x \$58</u>
Estimated annual cost to the public.....	\$136,358,000

(b) FAR 52.245-1(f)(1)(ii)(A). It is estimated that 16 percent<sup>1</sup> (16% of 4,702 = 752) of contractors prepare two discrepancy reports each per year, and it takes 30 minutes to prepare each discrepancy report.

Estimated number of respondents/yr.....	752
Responses per respondent.....	<u>x 2</u>
Total annual responses.....	1,505
Estimated hrs/response.....	<u>x 0.5</u>
Estimated annual burden hours.....	752
Hourly rate*.....	<u>x \$58</u>
Estimated annual cost to the public.....	\$43,635

(c) FAR 52.245-1(f)(1)(vii)(B). It is estimated that 10 percent (10% of 4,702 = 470) of contractors reports lost or damaged property each year and, that each contractor losing property would make two reports per year. It is estimated that on average, it takes one hour for contractors to retrieve, prepare, and submit the information.

Estimated number of respondents/yr.....	470
Responses per respondent.....	<u>x 2</u>
Total annual responses.....	940
Estimated hrs/response.....	<u>x 1</u>
Estimated annual burden hours.....	940
Hourly rate*.....	<u>x \$58</u>
Estimated annual cost to the public.....	\$54,543

(d) FAR 52.245-1(f)(1)(viii) and (x), FAR 52.245-1(j)(2) and (3), and the SF 1428. It is estimated that 67 percent<sup>2</sup> (67% of 4,702 = 3,150) of contractors generate excess/surplus Government property each year requiring the submission of a SF 1428. It should be noted that use of the Plant Clearance Automated Reutilization Screening System (ostensibly an automated SF 1428) is standard practice for the Department of Defense and the National Aeronautics and Space Administration. On average, it is estimated that contractors submit eight inventory schedules each year and that it will take approximately two hours to store, retrieve, prepare, or correct, and submit the information.

Estimated number of respondents/yr.....	3,150
Responses per respondent.....	<u>x 8</u>
Total annual responses.....	25,203
Estimated hrs/response.....	<u>x 2</u>

<sup>1</sup> This is estimated using the last extension ratio of 16%.

<sup>2</sup> This is estimated using the last extension ratio of 67%.

Estimated annual burden hours.....	50,405
Hourly rate*.....	x \$58
Estimated annual cost to the public.....	\$2,923,516

(e) FAR 52.245-1(f)(1)(ix). It is estimated that 0.66 percent<sup>3</sup> (0.66% of 4,702 = 31) of contractors submit an annual report identifying the need for major repair, replacement, and other capital rehabilitation work. These reports are extensive in nature, and it is estimated that it would take approximately two hours to store, retrieve, prepare, and submit the information.

Estimated number of respondents/yr.....	31
Responses per respondent.....	x 1
Total annual responses.....	31
Estimated hrs/response.....	x 2
Estimated annual burden hours.....	62
Hourly rate*.....	x \$58
Estimated annual cost to the public.....	\$3,600

(f) FAR 52.245-9(d)(1). Government property is provided to contractors on a rent-free use basis. However, it is estimated that 10 percent (10% of 4,702 = 470) of all contractors use property that requires rental payments. It is estimated that 448 contractors submit four quarterly reports, and that it takes one hour to store, retrieve, prepare, and submit the report.

Estimated number of respondents/yr.....	470
Responses per respondent.....	x 4
Total annual responses.....	1,881
Estimated hrs/response.....	x 1
Estimated annual burden hours.....	1,881
Hourly rate*.....	x \$58
Estimated annual cost to the public.....	\$109,086

### **Recordkeeping Burden**

(g) FAR 52.245-1(f)(1)(iii) and (iv), and FAR 52.245-1(f)(2). All 4,702 contractors are required to keep property records. On average, it is estimated that each contractor maintains 1,200 items of property. Since the recordkeeping requirement varies per category of property, it is estimated that it will take on average 24 minutes to prepare each record.

Recordkeepers/yr.....	4,702
Records per recordkeeper.....	x 1,200

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<sup>3</sup> This is estimated using the last extension ratio of 0.66%.



Total annual records.....	5,642,400
Review hours/record.....	$\times \underline{0.4}$
Annual recordkeeping burden hours.....	2,256,960
Hourly rate*.....	$\times \underline{\$58}$
Annual recordkeeping burden cost to the public...	\$130,903,680

**\* Hourly rate calculation:** The hourly rate is calculated by applying a 36.25 percent fringe factor and a 12 percent overhead factor to a base hourly rate, and then rounding it to the nearest whole dollar. The base hourly rate is derived from the OPM 2025 General Schedule (GS) Locality Pay Table for a GS-11/step 5 salary (\$39.40 per hour), rounded to the nearest whole dollar (\$58), for the rest of the U.S. ("Salary Table 2025-RUS"). The fringe factor is derived from OMB memorandum M-08-13. The overhead factor is derived from the OMB Circular No. A-76 Revised Supplemental Handbook.

**Note:** SF 1423, Inventory Verification Survey, and the SF 1424, Inventory Disposal Report are used by the Government. Plant clearance officers use the SF 1423 to verify, in accordance with agency procedures, accepted inventory disposal schedules within 20 days following acceptance, see FAR 45.602-1(b)(1). Plant clearance officers prepare an SF 1424 after disposition of the property identified on an inventory disposal schedule and the crediting of any related proceeds, see FAR 45.605.

13. Estimated nonrecurring costs. Not applicable.

14. Estimated cost to the Government. The time required for Government review of the information submitted by the contractor is estimated to be approximately one hour.

Total annual responses.....	9,433,560
Review time per response (hours).....	$\times \underline{1}$
Review time per year (hours).....	9,433,560
Hourly rate*.....	$\times \underline{\$58}$
Estimated annual cost to the Government.....	\$547,146,456

15. Reasons for changes. There are no program changes. The FAR requirements remain the same. This extension includes adjustments to the public and Government burden estimates based on the following:

- The estimated cost per hour is based on use of the calendar year 2025 OPM GS wage rates for the rest of the U.S.

- The estimated number of respondents and annual responses were based on current FPDS data.

Reporting Public Burden	2022	2025	Change
Responses	14,367,368	9,433,560	-4,933,808
Hours	4,442,877	4,662,001	+219,124
Cost	\$217,700,973	\$270,396,060	+\$52,695,087

16. Publicizing Results. Results will not be tabulated or published.
17. OMB Not to Display Approval. Approval to *not* display the expiration date for OMB approval of the information collection is not sought.
18. Exceptions to "Certification for Paperwork Reduction Submissions". There is no exception to the certification statement.
19. Surveys, Censuses, and Other Collections that Employ Statistical Methods. Statistical methods are not used in this information collection. A Part B supporting statement is not needed, or required, and therefore was not completed.