**Federal Acquisition Regulation (FAR)**

**Service Contracting**

**OMB Control No. 9000-0152**

**Justification – Part A Supporting Statement**

**FAR sections affected:** 52.237-10

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 offerors must submit to comply with the following FAR requirements:

**FAR 52.237-10, Identification of Uncompensated Overtime**. This provision requires offerors, when professional or technical services are acquired on the basis of the number of hours to be provided, to identify uncompensated overtime hours in excess of 40 hours per week, whether at the prime or subcontract level. This includes uncompensated overtime hours that are in indirect cost pools for personnel whose regular hours are normally charged direct.

2. Use of the Information. The contracting officer will use the collected information to perform an adequate cost realism analysis of the offerors’ proposed labor rates. Proposals which include unrealistically low labor rates, or which do not otherwise demonstrate cost realism, will be considered by the contracting officer in a risk assessment and evaluated appropriately. The primary purpose for obtaining the information and using it during the source selection process is to discourage the use of uncompensated overtime.

3. Use of Information Technology. Federal agencies use information technology to the maximum extent practicable. Where both the Government agency and offerors are capable of electronic interchange, the offerors may submit this information collection requirement electronically.

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 solicitation-by-solicitation is not practical. The collection is needed to comply with the statutory requirements of section 834 of Public Law 101-510 (10 U.S.C. 4507).

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

8. Consultation and Public Comments.

1. A 60-day notice was published in the *Federal Register* at 90 FR 11974, on March 13, 2025. A comment was received; however, it did not change the estimate of the burden.

**Comment**: This collection is in need of changes to improve efforts to avoid duplication of personnel service hours charged and possible overcharge of hours worked that are not part of the original agreement. This would be a significant cost savings measure for the government.

**Response**: The respondents’ input is appreciated. Any changes to the collection will require rulemaking. The solicitation provision at FAR 52.237-10 requires offerors to identify uncompensated overtime hours in excess of 40 hours per week in their offers. The contracting officer will use the collected information to perform an adequate cost realism analysis of the offerors’ proposed labor rates.

1. A 30-day notice was published in the *Federal Register* at 90 FR 22294, on May 27, 2025.
2. Gifts or Payment. This collection does not provide any payment or gift to respondents, other than remuneration of contractors.
3. Privacy & Confidentiality. This information is disclosed only to the extent consistent with prudent business practices, current regulations, and statutory requirements.
4. Sensitive Questions. No sensitive questions are involved.
5. Burden Estimate.

**FAR 52.237-10, Identification of Uncompensated Overtime.** An annual average of FPDS award data for fiscal years 2021

through 2023 shows 15,743 reported service contracts awarded valued above the simplified acquisition threshold ($250,000), 11,472 were competitively awarded. About 7 proposals will be received for each contract award. Of the total 80,304 (11,472 x 7) proposals received, only 25 percent or 20,076 proposals are expected to include uncompensated overtime hours. It is estimated that offerors will take about 30 minutes to identify and support any hours in excess of 40 hours per week included in their proposal or subcontractor’s proposal.

Estimated number of respondents/yr...................20,076

Responses per respondent..............................x 1

Total annual responses...............................20,076

Estimated hrs/response................................x 0.5

Estimated annual burden hours........................10,038

Hourly rate\*..........................................x $49

Estimated annual cost to the public............... $491,862

**\* 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-9/step 5 salary ($33.19 per hour), rounded to the nearest whole dollar ($49) 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.

1. Estimated nonrecurring costs. Not applicable.
2. Estimated cost to the Government. It is estimated that Government contracting officers will take about 15 minutes to review the offerors’ proposals and ascertain the cost realism of the proposed labor rates.

Total annual responses............................... 20,076

Review time per response (hours)..................... x 0.25

Review time per year (hours)......................... 5,019

Hourly rate**\***......................................... x $49

Estimated annual cost to the Government.............$245,931

1. 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.

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| **Reporting Public Burden** | **2022** | **2025** | **Change** |
| **Responses** | 19,738 | 20,076 | +338 |
| **Hours** | 9,869 | 10,038 | +169 |
| **Cost** | $394,760 | $491,862 | +$97,102 |

1. Publicizing Results. Results will not be tabulated or published.
2. OMB Not to Display Approval. Approval to *not* display the expiration date for OMB approval of the information collection is not sought.
3. Exceptions to "Certification for Paperwork Reduction Submissions." There is no exception to the certification statement.
4. 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.