

## Supporting Statement A

**Title:** NASA Property in the Custody of Award Recipients and Property Management System Analysis.

**OMB Control Number:** 2700-0017

**Type of information collection:** Reinstatement with change of a previously approved information collection.

**Abstract:** To ensure accurate reporting of Government-owned, contractor-held property on the financial statements and to provide information necessary for effective property management in accordance with Federal Acquisition Regulation (FAR) Part 45, National Aeronautics and Space Administration (NASA) obtains summary data annually from the official Government property records maintained by its award recipients with contracts, grants and cooperative agreements. The information is submitted via the NASA Form 1018, at the end of each fiscal year. Additional information submitted to approve the accuracy of the award recipient property management system compliance is submitted via NASA Form 1019, at the beginning of awards with NASA property in the hands of award recipients; and same information gathered by Federal agencies assisting NASA according to risk matrix. Information for property management system in accordance with FAR Part 45, NASA is the agency responsible for contract award administration shall conduct an analysis of the award recipient's property management policies, procedures, practices, and systems.

Changes to the collection:

### A. NASA Form 1018:

- (1) change name from NASA Property in the Custody of Contractors to NASA Property in the Custody of Award Recipients; due to NASA having awards that are contracts, grants and cooperative agreements and every organization is not a contractor, but contractors can receive grants and cooperatives along with contracts;
- (2) add the Grant and Cooperative Manual (GCAM), it covers the Agency's policies, procedures, and financial reporting for organizations with grants and cooperative agreements;
- (3) updated "CONTRACT NO." to "AWARD NO.";
- (4) improved the acquisition threshold in which award recipients can choose from \$100,000 or less to \$500,000 and above, \$1,000,000 and above; due to legacy awards in NESS that started at \$100,00 and would not allow award recipients to report over the threshold if NASA awarded them additional government furnished, or they acquired property on behalf of NASA. There is a new financial dollar threshold for federal agencies for awards \$1,000,000 to-date; and the NASA Form 1018 has been changed to reflect it.

### B. NASA Form 1019:

- (1) change from Property Management Survey Analysis to Property Management System Analysis (PMSA) due to NASA performing an analysis of the stewardship of award recipients' responsibilities for the management of property associated with their NASA awards and align with other Federal Industry Partners (FIPs);

- (2) heritage property was added to the reporting to capture award recipients with this type of property and the return to NASA prior to the period of performance is over;
- (3) corrective action request (CAR) was added when the assigned Government Property Administrator (GPA) observed a non-compliance that requirement while performing the PMSA. The non-compliance is documented for specific outcome area(s) and given to the NASA award recipient to give GPA a correction action plan to address the non-compliance. A CAR does not change the terms and conditions of the NASA award, nor does it waive the rights the Government has to enforce them;

**1. Explain the circumstances that make the collection of information necessary.**

National Aeronautics and Space Administration (NASA) gathers information on property (government furnished or acquired) associated to award recipients with contracts, grants and cooperative agreements on their NASA awards from cradle to grave during the entire period of performance. NASA ensures proper usage, oversight, and administration of property in NASA awards with annual/final reporting via NASA Electronic Submission System (NESS); and property management system analysis to view compliance with Federal/Agency policies and procedures.

NESS is a web-based system that allows NASA officials to track NASA property currently in the possession of contractors. Contractors must be able to submit NF1018 forms electronically, and NASA and Department of War, formerly Department of Defense (DoD) officials must be able to validate those NF1018 forms. This will allow for quicker processing of the NF1018s, enhanced tracking, and easy reporting.

NASA is revising this information collection in accordance with 31 USC 3512(b), requiring the establishment and maintenance of accounting systems that provide, in part:

- (1) complete disclosure of the financial results of the activities of the agency;
- (2) adequate financial information the agency needs for management purposes;
- (3) effective control over, and accountability for, assets for which the agency is responsible
- (4) complete property management system analysis (PMSA) to approve property management system for all recipients with NASA property in NF-1019 to populate NF1018 Section 20 a. and b. This will correct errors recipients receive in NF1018.

31 USC 3512(c) stipulates that agency heads “establish internal accounting and administrative controls that reasonably ensure that — revenues and expenditures applicable to agency operations are recorded and accounted for properly so that accounts and reliable financial and statistical reports may be prepared, and accountability of the assets may be maintained.”

31 USC 3515(b) requires that agency financial statements reflect “...the overall financial position of the offices, bureaus, and activities covered by the statement, including assets and liabilities thereof...”

The Statement of Federal Financial Accounting Standard (SFFAS) Number 6, “Accounting for Property, Plant and Equipment,” sets forth accounting standards for all Federally-owned property, plant and equipment (PP&E), including depreciation of such PP&E. SFFAS #6 paragraph 18 states “property, plant and equipment also includes ...property owned by the

reporting entity in the hands of others (e.g., state and local governments, colleges and universities, or Federal contractors)...” OMB guidance on “Form and Content of Agency Financial Statements” requires that agency financial statements be prepared in accordance with SFFAS Number 6.

The contracts and solicitations with property associated only. The [Federal Acquisition Regulation, 45.107\(a\) \(1\)](#) stipulates that the contracting officer shall insert clause 52.245-1, Government Property, in —

- (i) All cost reimbursement, time-and-material, and labor-hour type solicitations and contracts; and
- (ii) Fixed-price solicitations and contracts when the Government will provide Government property.
- (iii) Contracts or modifications awarded under FAR Part 12

[Property clause 52.245-1](#) (f) (iii) discusses the requirements for contractor maintenance of custodial Records of Government property. This section states, “The Contractor shall create and maintain records of all Government property accountable to the contract, including Government-furnished and Contractor-acquired property.”

(A) Property records shall enable a complete, current, auditable record of all transactions and shall, unless otherwise approved by the Property Administrator, contain the following:

- (1) The name, part number and description, manufacturer, model number, and National Stock Number (if needed for additional item identification tracking and/or disposition).
- (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.

Section (f)(1)(vi) Reports, states “The Contractor shall have a process to create and provide reports of discrepancies, loss of Government property, physical inventory results, audits and self-assessments, corrective actions; and other property related reports as directed by the Contracting Officer.”

The NASA FAR Supplement clause 1852.245-73, Financial reporting of NASA Property in the Custody of Contractors, further refines this requirement to give contractors direction on the submission of data associated with these forms.

aa and Federal Acquisition Regulation (FAR) 45.105, Contractors’ Property Management System Compliance. The agency responsible for contract administration shall conduct an analysis of the contractor’s property management policies, procedures, practices and systems.

NASA Fiscal Year 2023 Agency Financial Report showed that over \$40 billion of the Agency’s \$103,468 billion in capitalized property, plant and equipment was held by award recipients. The capital asset total equates to nearly 43% of the items in NASA’s capital inventories. To (1) meet the requirements referenced above, (2) to ensure accurate reporting of Government-owned, held property on the financial statements and (3) to provide information necessary for effective property management, at the end of each fiscal year NASA obtains data annually on the custodial Government property records maintained by its award recipients via the NASA Forms (NFs) 1018 and 1019. award recipients’ costs associated with the preparation of these reports is included in the remuneration they receive under their award(s).

## **2. Indicate how, by whom, and for what purpose the information is to be used.**

The NASA Office of Strategic Infrastructure/Logistics Management Division/Contract Program is Office of Procurement agent for government furnished and acquired property who uses the information collected to:

- meet CFR and FAR reporting requirements associated with its property management and accounting system
- ensure capital values are properly reflected on NASA financial statements

Without this important property management information, NASA would not be able to properly account for all of its property in the custody of award recipients and obtain an unqualified opinion on its financial statements. Awards are segregated by awarded NASA Centers; and information is only used for Contract Property Program Manager to complete overall management of the NASA Electronic Submission System (NESS) for annual/final financial reporting, period of performance, novation, property management system analysis, property disposition, internal/external audits; and financial/end of calendar year reporting to Office of Chief Financial Officer (OCFO) and Office of Management and Budget (OMB).

## **3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection.**

NASA award recipients are only required to transcribe property information from the records they already maintain, to the NASA Form 1018 via NASA Electronic Submission System (NESS) (<https://ness.nasa.gov/contractor>) for annual property submission and final property submission once period of performance is over.

Beginning with reporting for FY 1999, NASA implemented the NF1018 Electronic Submission System (NESS), a web-based system, for NF1018 reporting. This system has received widespread acceptance. During the most recent (2019) reporting period virtually all of the respondents utilized the NESS Electronic NF1018 PDF. Effective with the report due as of September 30, 2001, NASA eliminated the requirement for any paper copies if the NASA award recipient uses the NESS to report its government property assigned to the award. This process provides an additional incentive for recipients to submit electronically. In addition, NASA has provided the recipients with NF1018 reporting training, with substantial emphasis on the information being supplied for uploading into NESS and verified by the Government Property Administrator, Industrial Property Officer and Financial Property Accountant. The electronic form checks mathematical calculations and prompts users to facilitate proper form preparation.

The NESS promotes input accuracy by checking mathematical calculations. The NESS also incorporates user prompts to enable proper data entry completion. Access to the NESS is available to NASA award recipients at <https://ness.nasa.gov/contractor>.

**4. Describe efforts to identify duplication.**

The NASA Office of the Chief Financial Officer obtains award recipients property information periodically throughout the fiscal year from only its top 55 award recipients. Those submissions only capture information on property with values exceeding \$100,000 as of FY19 and \$500,000 and higher as of FY20; and now \$1,000,000 as of FY26. NASA's OCFO Property Accountants does not perform the same task as NASA's Industrial Property Officers and Government Property Administrators, and duplication of efforts are not necessary because the information is captured in the agency's Accountable Property System of Record (APSR)/NASA Electronic Submission System (NESS) in which OCFO has access. The NASA award recipients can only enter the NASA award number in NESS once for annual and or final property submission.

**5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

The FAR and CFR require all NASA award recipients, large and small, to maintain custodial property records and to submit property reports. Recipients of NASA awards are reimbursed for this work, either directly or indirectly through contract costs or prices. However, unlike larger business entities, small businesses with small holdings are not required to submit more frequent, reports to the agency related to property holdings.

All recipients with NASA awards are offered NASA Electronic Submission (NESS) annual training on several occasions starting June-September; and additional training is provided by NASA Headquarters Contract Property Program Manager and additional training when needed by the NASA Center Contract Property Offices. There is no significant amount of NASA property held by small businesses, hence, there is no significant impact on such organizations.

**6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

Should the collection not be conducted or conducted less frequently than annually, NASA could not rely upon the data on contractor-held property. NASA would not be in compliance with the NASA FAR Supplement and would not be able to receive an unqualified audit opinion on its financial statements.

**7. Explain any special circumstances that would cause an information collection to be conducted in an exceptional manner.**

There are no special circumstances associated with this collection.

**8. Provide the date and page number of publication in the Federal Register for the 60-day and 30-day FNRs, soliciting comments on the information collection prior to submission to OMB.**

**60-day FRN:** [90 FR 47346](#) on 10/01/2025. 1 Comment was received, reviewed and addressed below.

**30-day FRN:** [91 FR 10421](#) on 3/03/2026.

60-Day Comment received, attachments, and comments posted to the docket can be found in the following link: <https://www.regulations.gov/document/NASA-2025-0201-0001/comment>

**Response to public comment:**

“Thank you for the independent response to Docket ID# NASA-2025-0201.

**1.** NASA award recipients include contractors, research organizations, universities, etc. Everyone is not a contractor. As the NASA-HQ Contract Property Program Manager I believe it was appropriate to brand them NASA award recipients, who is everyone with a NASA award that have property (furnished or acquired on behalf of NASA).

All the information I reviewed from the independent response did not warrant comments. I crafted areas of clarification to the response.

**2. Accuracy of NASA’s Burden Estimate** – There are two different forms that serves one purpose, it is to account for NASA property in the custody of award recipients. Even though one is currently more automatic than the other, it is caught in the middle of an enterprise platform being delivered to capture all program data in one platform.

The Agency is unable to use manual submissions since the Paperwork Reduction Act (PRA) signed in 1980 (with reminder on the form instruction areas). NASA updated the Contract Property Program policy to ensure compliance with the PRA in April 2024. Office of Management and Budget (OMB) nor General Accounting Office (GAO) accepts manual copies. All data is delivered under the Contract Property Program system (NASA Electronic Submission System (NESS)) which is an automated work compliance workflow.

**3 (a). Establish a Standardized Digital Data Dictionary and Metadata Schema** – NASA’s current automatic system (NESS) under this program was mentioned in Section 2 with standardize terminology.

**3 (b). Create a clarified field guidance manual with AI-assisted examples** – NASA’s current automatic system (NESS) mentioned in earlier sections is not currently AI-assisted algorithms yet; but I am researching/reviewing improvements for near future usage.

**3 (c). Create real-time validation rules in the online submission portal** - There were some improvements suggested by the Contract Property Program Manager and executed in NESS for email notifications to people listed of approvals/disapprovals (what is being electronically submitted) to notification the period of performance countdowns, etc., The current NESS is auditable and allows internal/external approved entities to audit the work being performed and track all financial reporting. As mentioned in Section 2, a new enterprise platform is on the horizon.

**4 (a). Offer API-based submission for contractors with mature IT systems** –NASA award recipients (with contracts, grants and cooperative agreements) have NESS an automatic system. The 1018 form sits on the platform when award recipients submit their information it automatic generate the fields and prepares a report. As mentioned in Section 2, the other form is caught between an updated enterprise platform.

**4 (b). Automatically pre-populate recurring annual fields.** My observation of past reporting is accurate data. Reduction of annual administration can include NASA’s award recipients have all the data sent from their different departments with accuracy and up-to-date data. This will assist our award recipients with consistency in the reporting cycles.

**4 (c). Deploy AI-based anomaly detection before submission** - Per information mentioned in Section 2, NASA is looking for to AI layered platforms in the future.

**4 (d). Develop a modernized agile-based workflow for PMSA process** - NASA welcome communication with our award recipients. Their success is NASA success and communication is key to clarify and validate information for understanding of regulations and mutual agreements to follow them. NASA is very transparent with our award recipients on the Contract Property Program. It is very important that we stay in our framework to ensure everyone has the same expectations of what is done very well and any tweaking that is required in the future.

**Conclusion: National Impact** – NASA, other Federal Agencies, and other private organizations can participate in the current rewrite of Federal Acquisition Regulations (FAR) (including the FAR Part 45). NASA is a current participant, and the public can send in independent responses once they are posted. Every Federal Agency should also have supplements, additional policies and procedures that tells the whole story FAR Part 45 is only the framework.

THANK YOU for your comments in support of NASA’s mission.”

**9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

No gifts are provided by NASA, and no payments other than applicable remuneration.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

An initial Privacy Threshold Analysis (PTA) was The analysis determined that due to the nature of the collection, a Privacy Impact Assessment (PIA) is not required at this time.

**11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.**

No sensitive questions are asked in this collection.

**12. Provide estimates of the hour burden of the collection of information.**

Estimates for reporting requirements are based upon actual data for the NF1018 reports submitted during the 2019 reporting period.

A NF1018 and NF1019 reporting clause is included in all cost reimbursement awards with property and any other NASA award when it is known at the time of award that property will be provided to the recipient, or the recipient will acquire property to which the Government will have title. The actual number of recipients with reporting requirements will vary from year to

year due to fluctuations in the number of applicable contracts with a reporting requirement. Therefore, we can only provide an estimate of the requirement.

Annual property submissions are required for NASA awards with property associated. Only negative reports are required from award recipients who had property to report a final property submission at the end of their period of performance of the NASA award to ensure the completeness of the data in the Agency’s PP&E accounts and on its financial statements. We assumed an average of 1.5 hours for electronic reports from contractors with no property holdings (negative response), an average of 5 hours for contractors with total property less than \$1 million, and an average of 23 hours for contractors with total property over \$1 million. There is considerable work required to develop the data to be reported, particularly where the contractor holds substantial quantities of NASA’s property. Various calculations and determinations must be made prior to actual input of the data.

The table below provides estimated hours to complete the NF1018 and NF1019, estimated cost to the public.

Respondent Category Upper (reportable property)	Number of Respondents	Frequency of Reporting	Estimated response time per response	Burden Hours
Businesses or other for-profit with property over \$1.M in value	107	Annual	1380 minutes (23 hours)	2,461

Respondent Category Mid-Range (reportable property)	Number of Respondents	Frequency of Reporting	Estimated response time per response	Burden Hours
Businesses or other for-profit with property under \$1.M in value	230	Annual	300 minutes (5 hours)	1,150

Respondent Category Lower Limit (for negative reports)	Number of Respondents	Frequency of Reporting	Estimated response time per response	Burden Hours
Businesses or other for Profit with no property	389	Annual	90 minutes (1.5 hours)	583.5

<b>Totals</b>	<b>726</b>			<b>4,195 hours</b>
---------------	------------	--	--	--------------------

Explanation of difference: The variance between the upper, mid-range, and lower limit is due to the fact that the 726 NASA awards have varying levels of property to report, ranging from a total property level of \$13 billion to no property to report (negative responses). For those contracts that do not have property to report, the process only requires the completion of the NF1018 and approval of a supervisor. We estimate that the completion of the form without the need to report property takes 1.5 hours.

The upper limit of reporting takes into consideration those awards that must report a **significant** amount of property (total property over \$1 million) on an annual basis. We estimate that the maximum hours to complete the NF1018 and NF1019 for these awards is 23 hours.

For NASA awards with total property less than \$1 million (the mid-range), we estimate that the maximum hours to complete the NF1018 and NF1019 is 5 hours.

**13. Provide an estimate for the total annual cost burden to respondents or record keepers resulting from the collection of information.**

The “cost” associated with this information collection includes the cost of compiling the data, entering it on the NF1018, and submitting the completed NF1018 and NF1019. NASA award recipients are reimbursed for this “cost” through the remuneration they receive under their contracts.

NASA award recipients are required to maintain records for NASA property in their custody by the Federal Acquisition Regulation, Code of Federal Regulation and their awards, not as a result of this information collection.

**14. Provide estimates of annualized costs to the Federal government.**

The maximum potential of annualized cost to NASA is estimated to be \$296,376. This includes communication with contractors, receipt and processing of the reports, accounting system entry at NASA Center and Agency levels, input to Agency financial statements, problem resolution, system maintenance, contractor and NASA personnel training and policy development and maintenance. Hours to accomplish these activities were estimated and labor was priced conservatively at an average of \$53 per hour, including fringe benefits and burden. Implementation of the FASAB accounting standards has led to the need for increased monitoring of the accuracy of NASA award recipients’ NF1018s/NF1019s, thus increasing the cost to the Government.

Table below depicts the estimated cost to the government.

Action	Number of Respondents	Hours per Response	Total Government Hours	Cost p/Hour (\$53)	TOTAL COST
Communication with NASA Award Recipient	310	1	310	\$53	\$16,430
Receipt, Processing, and Verification of Reports	726	2	1,452	\$53	\$76,956
Accounting System	726	2	1,452	\$53	\$76,956

Entry					
Problem Resolution	100	2	200	\$53	\$10,600
System Maintenance	726	2	1,452	\$53	\$76,956
Training (NASA Personnel and NASA Award Recipients)	726	1	726	\$53	\$38,478

**15. Explain the reasons for any major program changes or adjustments to burden hours or annualized costs to respondents.**

There is no increase in burden associated with this renewal. Though an additional form – the NF-1019 – is now included, respondents completing the NF-1018 in previous cycles were already collecting the same information that the NF-1019 standardizes. As such, the addition of the NF-1019 is not expected to increase overall total burden hours.

**16. For collections of information whose results will be published, outline plans for tabulation and publication.**

The results of this collection of information will not be published.

**17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

NASA will display the expiration date within the required PRA Statement

**18. Explain any exception to the 5 CFR 1320.9 certification statement.**

This information collection complies with 5 CFR1320.9. NASA takes no exception to the regulatory provisions.

The NASA office conducting or sponsoring this information collection certifies compliance with all provisions listed above. Certifying individual must be a civil service employee.

Name: Ann Cuyler  
Title: NASA HQ Contract Property Program Manager  
Email address: Ann.Cuyler@nasa.gov  
Date: 2/6/2026