

SUPPORTING STATEMENT—PART A

OMB Control Number 0704-0253: Defense Federal Acquisition Regulation Supplement (DFARS) Part 244, Subcontracting Policies and Procedures

Summary of Changes from Previously Approved Collection

- Decrease in burden due to a change in process that resulted in a decrease in the number of responses and respondents.
- Increase in the hourly rate due to use of 2026 labor rates.

1. Need for the Information Collection

a. This justification supports renewal of OMB Control Number 0704-0253. This information collection concerns Defense Federal Acquisition Regulation Supplement (DFARS) subpart 244.3, Contractors' Purchasing Systems Reviews, which prescribes the use of the following clause and its alternate clause:

i. DFARS clause 252.244-7001, Contractor Purchasing System Administration—Basic, which is prescribed for use in solicitations and contracts containing the clause at FAR 52.244-2, Subcontracts.

ii. DFARS clause 252.244-7001, Contractor Purchasing System Administration—Alternate I, which is prescribed for use in solicitations and contracts that contain the clause at 252.246-7007, Contractor Counterfeit Electronic Part Detection and Avoidance System, but do not contain FAR 52.244-2, Subcontracts.

b. The basic clause and its alternate identify the criteria necessary for contractors to establish an acceptable purchasing system and imposes the following information collection requirements:

i. Paragraph (d) of the clauses requires the contracting officer to provide an initial determination to the contractor, in writing, of any material weaknesses in the contractor's purchasing system. "Material weakness," as defined at paragraph (a) of the clauses, means "a deficiency or combination of deficiencies in the internal control over information in contractor business systems, such that there is a reasonable possibility that a material misstatement of such information will not be prevented, or detected and corrected, on a timely basis." The initial determination will describe the material weakness in sufficient detail to allow the contractor to understand the weakness. Paragraph (d)(2) requires the contractor to respond within 30 days to the contracting officer's written initial determination that material weaknesses exist in the contractor's purchasing system. If the contractor disagrees with the initial determination, the contractor must state, in writing, its rationale for disagreeing.

ii. Paragraph (e) of both the clause and its alternate requires the contractor to respond within 45 days to the contracting officer's final determination that material weaknesses exist, and

to either correct the material weaknesses or submit an acceptable corrective action plan showing milestones and actions.

iii. The requirements of paragraphs (d)(2) and (e) are necessary to the extent the contracting officer (in consultation with the purchase system specialist or auditor) determines that initial/final system determinations are necessary. The requirements of paragraphs (d)(2) and (e) do not otherwise apply, i.e., where the contractor's purchasing system is acceptable and approved, and no material weaknesses exist.

2. Use of the Information

The contracting officer uses the information provided in the contractor's responses as a basis for either approving or disapproving the contractor's purchasing system. The contracting officer evaluates the contractor's response to an initial written determination that material weaknesses exist and notifies the contractor, in writing, of the contracting officer's final determination concerning—

- a. Remaining material weaknesses;
- b. The adequacy of any proposed or completed corrective action; and
- c. System disapproval (if the contracting officer determines that one or more material weaknesses remain).

3. Use of Information Technology

Information technology is used to collect the information (100%). Contractors typically submit corrective action plans electronically via email. The contractor must sign the plan; however, electronic signature is accepted.

4. Non-duplication

As a matter of policy, DoD reviews the Federal Acquisition Regulation (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 collection is not expected to impose a burden on small businesses, because contractor purchasing system reviews generally apply only to contractors whose sales to the Government (excluding sales under contracts awarded using FAR part 14 sealed bid procedures and under contracts for commercial products and commercial services awarded using FAR part 12 procedures) are expected to exceed \$50 million annually.

6. Less Frequent Collection

The collection of this information is necessary to allow the contracting officer to decide whether to approve or disapprove a contractor's purchasing system. Less frequent collection of the information would not permit contracting officers to render a sound and timely purchasing system approval. In addition, review and approval of the contractor's purchasing system in accordance with FAR 44.3 allows the "consent to subcontract requirements" at FAR 44.2 to be waived, thereby eliminating the requirement for the contracting officer's written consent for prime contractors to enter into particular subcontracts. If the requirement for consent is not waived, the contractor may not be able to meet contract terms, adversely impacting both the Government and the contractor.

7. Paperwork Reduction Act Guidelines

There are no special circumstances for collection. 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 the *Federal Register* on May 29, 2026 (91 FR 32014). One comment was received in response to this notice. A summary of the comment, and DoD's response, are included below:

Comment: The respondent expressed support for the information collection and noted that it is essential for cost control, supply chain integrity, and mission readiness. Regarding DoD's estimate of the annual burden of 8 hours per response, the respondent stated the estimate is plausible for straightforward cases, but the burden is likely understated for contractors with complex, multi-tier supply chains. The respondent recommended that DoD conduct an additional analysis by contractor size and complexity of the contractor's purchasing system and use the analysis to refine burden estimates. To reduce the burden on the public, the respondent made several recommendations, including DoD endorsement of artificial intelligence (AI) tools that contractors could use for compliance monitoring and response preparation, as well as use of AI tools to enable continuous monitoring in addition to DoD's existing contractor purchasing system reviews.

Response: DoD notes the respondent's support for the information collection. With respect to DoD's estimate of the annual burden, DoD does not have data on which to base a higher estimate. The public comment provided a brief rationale for increasing the estimate but did not provide an alternative number of hours. Regarding the recommendation to conduct an analysis by contractor size and purchasing system complexity, DoD will consider the feasibility of such an analysis. Regarding AI tools to reduce burden, DoD does not currently have such tools available to the contracting workforce or to contractors.

ii. A notice of submission to OMB for clearance of this information collection was published in the *Federal Register* on July 31, 2026 (91 FR 48379).

b. Consultation

Subject matter experts at the Defense Contract Management Agency (DCMA) 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 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. A Privacy Act Statement is not required for this collection because DoD is not requesting individuals to furnish personal information for a system of records. The collection of information does not include any personally identifiable information; therefore, no Privacy Impact Assessment or Privacy Act System of Records Notice is required.

11. Sensitive Questions

No sensitive questions are involved.

12. Respondent Burden and its Labor Costs

The estimated respondent burdens and labor costs are shown in the following table. The number of respondents (10) is based on the number of contractors whose purchasing systems are determined to have material weaknesses and are currently in a disapproved status plus the average number of contractor purchasing systems that are reviewed and ultimately disapproved each year. An average of 76 contractor purchasing systems were reviewed from fiscal years 2023 through 2025.

The cost per hour is based on the Office of Personnel Management (OPM) General Schedule (GS) hourly rate of \$48.61 for a GS-12, step 5 employee (including locality pay for the Rest of U.S. for calendar year 2026) plus the 36.25% civilian personnel full fringe benefit rate from Office of Management and Budget (OMB) memorandum M-08-13 ($\$48.61 + \$17.62 = \$66.23$, rounded to \$66).

Estimation of Respondent Burden: 252.244-7001 (Basic and Alternate)	
Number of respondents	10
Responses per respondent	2
Number of responses	20
Hours per response	8

Estimated hours (number of responses multiplied by hours per response)	160
Cost per hour (hourly wage)	\$66
Cost per response	\$528
Annual public burden (estimated hours multiplied by cost per hour)	\$10,560

13. Respondent Costs Other Than Burden Hour Costs

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

14. Cost to the Government

The estimated cost to the Government is shown in the following table. It is estimated that it will take the Government one hour to review and verify the information contained in each response. This estimate was developed by the DCMA specialists involved in the management of contract purchasing system reviews and was based on current activity.

The cost per hour is based on the OPM GS hourly rate of \$48.61 for a GS-12, step 5 employee (including locality pay for the Rest of U.S. for calendar year 2026) plus the 36.25% civilian personnel full fringe benefit rate from OMB memorandum M-08-13 ($\$48.61 + \$17.62 = \$66.23$, rounded to \$66).

Estimation of Cost to the Government: 252.244-7001	
Number of responses	10
Hours per response	1
Estimated hours (number of responses multiplied by hours per response)	10
Cost per hour (hourly wage)	\$66
Annual public burden (estimated hours multiplied by cost per hour)	\$660

15. Reasons for Change in Burden

DCMA has changed their process, which has resulted in a reduction of the number of contractors in “disapproved” status. The hourly rate is based on the GS-12 step 5 rate for 2026. DCMA subject matter experts state that workload is primarily administered by individuals at the GS-12 level. A summary of the changes is provided in the following table:

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Change in Burden	2023	2026	Difference
Number of respondents	22	10	-12

Total annual responses	44	20	-24
Total Hours	352	160	-192
Total Cost	\$21,472	\$10,560	-\$10,912

16. Publication of Results

Results of this information will not be tabulated or published.

17. Non-Display of OMB Expiration Date

DoD does seek approval to not display the expiration dates for 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.