

SUPPORTING STATEMENT

Defense Federal Acquisition Regulation Supplement (DFARS) Part 217, Special Contracting Methods, and related provisions and clauses in Part 252.217; OMB Control Number 0704-0214

A. JUSTIFICATION

1. Need for the Information Collection

This justification supports a request for renewal and revision of a currently approved collection under OMB Control Number 0704-0214 for DFARS part 217, Special Contracting Methods, and related provisions and clauses at DFARS subpart 252.217. DFARS Part 217 and subpart 252.217 contain the following information collection requirements:

a. DFARS 217.7004, Exchange of Personal Property—Paragraph (a) of this section requires that solicitations which contemplate exchange (trade-in) of personal property and application of the exchange allowance to the acquisition of similar property (see 40 U.S.C. 481), shall include a request for offerors to state prices for the new items being acquired both with and without any exchange (trade-in allowance).

b. DFARS 217.7404-3, Undefined Contract Actions—Paragraph (b) of this section requires contractors to submit a “qualifying proposal” in accordance with the definitization schedule provided in the contract. A qualifying proposal is defined in DFARS 217.7401(c) as a proposal containing sufficient information for the DoD to do complete and meaningful analyses and audits of the information in the proposal, and any other information that the contracting officer has determined DoD needs to review in connection with the contract.

c. DFARS 217.7505, Acquisition of Replenishment Parts—Paragraph (d) of this section permits contracting officers to include in sole-source solicitations that include acquisition of replenishment parts, a provision requiring that the offeror supply with its proposal, price and quantity data on any Government orders for the replenishment part issued within the most recent 12 months (see 10 U.S.C. 2452 note, Spare Parts and Replacement Equipment, Publication of Regulations).

d. DFARS 252.217-7012, Liability and Insurance—Paragraph (d)(3) of this clause requires the contractor to show evidence of casualty, accident, and liability insurance under a master agreement for vessel repair and alteration.

e. DFARS 252.217-7012—Paragraphs (f) and (g) of the require the contractor to notify the contracting officer of any property loss or damage for which the Government is liable and to submit to the contracting officer a request, with supporting documentation, for reimbursement of the cost of replacement or repair.

f. DFARS 252.217-7026, Identification of Sources of Supply—This provision requires the apparently successful offeror to identify its sources of supply. The Government is required under 10 U.S.C. 2384 to obtain certain information on the actual manufacturer or sources of supplies it acquire.

g. DFARS 252.217-7028, Over and Above Work—Paragraphs (c) and (e) of this clause require the contractor to submit to the contracting officer a work request and proposal for “over and above work” or work discovered during the course of performing overhaul, maintenance, and repair efforts that is within the general scope of the contract, not covered by the line item(s) for the basic work under the contract, and necessary in order to satisfactorily complete the contract.

2. Use of the Information

The information described under section 1 of this justification is used by the Government as follows:

a. DFARS 217.7004(a)—Contracting officers use the information to contemplate exchange (trade-in) of personal property and application of the exchange allowance to the acquisition of similar property (see 40 U.S.C. 481). DFARS 217.7004 requires contracting officers to include a request for offerors to state prices for the new items being acquired both with and without any exchange (trade-in allowance). This allows the contracting officer to make an informed decision regarding the reasonableness of the prices for both the new and trade-in items.

b. DFARS 217.7404-3(b)—Contracting officers use this information to evaluate a contractor’s “qualifying proposal” in a timely manner. This collection requirement ensures the contracting officer has sufficient information and time to complete a meaningful analysis and audit for the purpose of determining price reasonableness in accordance with the definitization schedule.

c. DFARS 217.7505(d)—Contracting officers use this information to evaluate recent price increases for sole source replenishment parts. DFARS 217.7505 requires contracting officers to include a provision requiring the offeror to submit, with its proposal, price and quantity data on any Government orders for the replenishment part issued within the most recent 12 months. This provision is placed in sole-source solicitations that include the acquisition of replenishment parts.

d. DFARS 252.217-7012(d)(3)— Contracting officers use this information to determine that the contractor is adequately insured. The requirement at DFARS 252.217-7012(d)(3) supports prudent business practice by limiting the Government’s liability as a related party to the work the contractor performs.

e. DFARS 252.217-7012(d)(3)(f) and (g)—Contracting officers use this information to keep informed of lost or damaged property for which the Government is liable, and to determine

the appropriate course of action for replacement or repair of the property as required by DFARS 252.27-7012(f) and (g).

f. DFARS 252.217-7026—Contracting officers use this information to identify the apparently successful offeror’s sources of supply so that competition can be enhanced in future acquisitions. This collection complies with 10 U.S.C. 2384, Supplies: Identification of Supplier and Sources, which requires the contractor to identify the actual manufacturer or all sources of supply for supplies furnished under contract to DoD.

g. DFARS 252.217-7028(c) and (e)—Contracting officers use this information to determine the extent of “over and above” work before the work commences as specified in DFARS 252.217-7028. This requirement supports prudent business practice because it allows the Government to review the need and potential cost of pending work before the contractor begins performance.

3. Use of Information Technology

Where both the Government agency and contractors are capable of electronic interchange, contractors may submit this information collection requirement electronically. Information technology is used approximately 100% of the time to reduce burden. In compliance with 44 U.S.C. 3504(a)(1)(B)(vi), DoD provides the option for the electronic submission of information, when practicable, as a substitute for paper. In addition, Federal Acquisition Regulation (FAR) 2.101 defines the terms “in writing” and “written” to include electronically transmitted and stored information. Standardized or repetitive data is not involved. Contractors may, however, submit any required information in formats that are compatible with their automated systems.

4. Non-duplication

As a matter of policy, DoD reviews the FAR to determine whether adequate language already exists. The language in DFARS part 217 and the provisions and clauses at 252.217-7012, 252.217-7026, and 252.217-7028 apply solely to DoD and are not duplicative of language in the FAR. Similar information is not otherwise available to contracting officers.

5. Burden on Small Business

The burden applied to small business is the minimum consistent with applicable laws, Executive orders, regulations and prudent business practices. None of the information collection requirements are expected to have a significant impact on a substantial number of small business or other small entities. The requirements for information collections are only occasional, as the circumstances dictate.

6. Less Frequent Collection

Every attempt has been made to keep the frequency of collection to a minimum without jeopardizing the ability of the Government to assure that offerors and contractors are submitting adequate responses to meet the Government's needs. Contracting officers could not perform their administrative functions effectively and efficiently if the information were collected less frequently. The consequences for non-collection or less frequent collection are as follows:

- a. DFARS 217.7004(a)—Without the ability to obtain separate prices for new and trade-in items, the contracting officer could inadvertently overpay for a new item or receive less than a fair market value to trade-in items.
- b. DFARS 217.7404-3(b)—Failure to obtain a qualifying proposal increases the risk of delays in definitizing a contract action. In addition, the contracting officer would be unable to negotiate a fair and reasonable price due to the lack of adequate cost or pricing data.
- c. DFARS 217.7505(d)—The ability to obtain information regarding price increases of 25 percent or more in the last 12 months enables the contracting officer to mitigate the impact of potentially overpriced parts. An additional benefit is the ability to focus resources during proposal evaluation. These benefits would not be realized without the required information and could, potentially, cause the Government to overpay for some replenishment parts.
- d. DFARS 252.217-7012(d)(3)—Failure to verify the contractor's casualty, accident, and liability insurance would place unacceptable risk on the Government.
- e. DFARS 252.217-7012(f) and (g)—Requiring the contractor to notify the contracting officer of any property loss or damage for which the Government is liable allows the contracting officer to investigate the loss or damage in a timely manner. This minimizes the potential for further loss or damage. Failure to obtain documentation to support the cost of replacement or repair would hamper the contracting officer's ability to negotiate a fair and reasonable price.
- f. DFARS 252.217-7026—The authority to require a sole source vendor to identify its sources of supply enhances the Government's ability to promote competition and, possibly, negotiate a direct contract with the supplier. Without that ability, the Government's ability to promote competition would be difficult.

g. DFARS 252.217-7028(c) and (e)—Without the authority to require the contractor to submit to a work request and proposal, the contracting officer would be unable to assess proposed “over and above” items before work commences. This could result in unnecessary work being performed or, potentially, cause the Government to reimburse the contractor for work that should have been covered by the basic contract.

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. Subject matter experts within DoD were consulted regarding the renewal of this information collection in order to validate methodology and obtain current data from the Federal Procurement Data System (FPDS) database.

b. This information collection is consistent with the guidelines in 5 CFR 1320.6. In accordance with 5 CFR 1320.8(d), public comments were solicited in the *Federal Register* on December 18, 2017 ([82 FR 60004](#)). Six comments were received.

The six anonymous comments received were outside the scope of this information collection renewal notice. Therefore, no changes were made to the renewal as published in the 60-day notice.

The comments ranged from a discussion of: (1) CO2 effects on the Earth’s atmosphere; (2) A question as to why New England is blocking pipelines from the Marcellus domestically produced gas; (3) Comments critical of the U.S. President; (4) Recommendation to include local and state governments in Federal actions; (5) Endangered Species Act is under scrutiny and impact on natural gas exploration on the Act; and (6) Radical environmentalists should not be chosen over the American people.

c. A notice of submission to OMB for clearance of this information collection was published in the *Federal Register* on February 26, 2018 ([83 FR 8249](#)).

9. Gifts or Payment

DoD will not provide a payment or gift to respondents of this information collection requirement.

10. Confidentiality

This information is disclosed only to the extent consistent with prudent business practices and current regulatory, statutory, and Freedom of Information Act requirements. The collection of information does not include any personally identifiable information (PII) and records are not retrievable by PII; therefore, no Privacy Impact Assessment or Privacy Act System of Records Notice is required.

11. Sensitive Questions

No sensitive questions are involved in the information collection.

12. Respondent Burden, and its Labor Costs

a. DFARS 217.7004(a)—Solicitations that contemplate exchange (trade-in) of non-excess personal property and application of the exchange allowance to the acquisition of similar property (see 40 U.S.C. 481), shall include a request for offerors to state prices for the new items being acquired both with and without any exchange (trade-in allowance). The estimated public burden is as follows:

Estimation of Respondent Burden Hours: 217.7004(a)	
Number of respondents (1)	517
Responses per respondent (2)	4.1
Number of responses (3)	2,116
Hours per response (4)	1
Estimated hours (5)	2,116
Cost per hour (hourly wage) (6)	\$44
Annual public burden (7)	\$93,104

Notes:

(1) Contracts involving the exchange of personal property represent a very small percentage of the total number of contracts awarded by DoD each year. The number of contractors who are willing to accept trade-ins of personal property is also a relatively small subset of vendors who do business with DoD. According to FPDS data, in fiscal year (FY) 2016, 25,837 unique vendors were awarded DoD contracts or orders valued at greater than the micro-purchase threshold of \$3,500. According to subject matter experts, it is reasonable to estimate the number of annual respondents as 2 percent of the total unique awardees (517 respondents).

(2) The number of responses per respondent is calculated by dividing the number of responses by the number of respondents.

(3) Based on FPDS data, in FY 2016, DoD awarded 264,492 contracts and orders valued at greater than the micro-purchase threshold of \$3,500. According to subject matter experts, it is reasonable to estimate the number of annual responses as .8% percent of the total contracts and orders awarded (2,116 annual responses).

(4) According to subject matter experts, it is estimated that contractors will need one hour to comply with this information collection requirement.

(5) The estimated hours is calculated by multiplying the number of responses by the estimated hours per response.

(6) The fully burdened rate of \$44.00 was developed using the 2016 basic hourly salary (without locality) of \$32.17 for a GS-11, step 5, plus a burden of 36.25 percent (per Office of Management and Budget Circular A-76, Attachment C), which equals \$43.83. This rate was rounded to \$44.00.

(7) The total annual public burden is calculated by multiplying estimated hours by the cost per hour.

b. DFARS 217.7404-3(b)—Unless an exception applies, Contractor are required to submit a “qualifying proposal” in accordance with the definitization schedule contained in the contract, in accordance with 10 U.S.C. 2326. A qualifying proposal is one containing sufficient information for the DoD to do a complete and meaningful analyses and audits of the information in the proposal, and any other information that the contracting officer has determined DoD needs to review in connection with the contract. The estimated public burden is as follows:

Estimation of Respondent Burden: 217.7404-3(b)	
Number of respondents (1)	1,514
Responses per respondent (2)	4.9
Number of responses (3)	7,462
Hours per response (4)	12
Estimated hours (5)	89,544
Cost per hour (hourly wage) (6)	\$62
Annual public burden (7)	\$5,551,728

Notes:

(1) According to data available in FPDS for fiscal years 2015 through 2017, an average of 1,514 unique contractors (respondents) were awarded new letter contracts and undefinitized contract actions on an annual basis.

(2) The number of responses per respondent is calculated by dividing the number of responses by the number of respondents.

(3) One responses is required per undefinitized contract action. Based on FPDS data, there were an average of 1,311 letter contracts and 6,150 orders definitized each year between FY 2015 and FY 2017 for a total of 7,462 undefinitized contract actions (average annual responses).

(4) According to subject matter experts, it is estimated that contractors will require 12 hours to prepare and submit a qualifying proposal. This includes the time to ensure the proposal is adequate for evaluation by the Government.

(5) The estimated hours is calculated by multiplying the number of responses by the estimated hours per response.

(6) The fully burdened rate of \$62.00 was developed using the 2016 basic hourly salary (without locality) of \$45.86 for a GS-13, step 5, plus a burden of 36.25 percent (as required by the OMB Circular A-76, Attachment C), which equals \$62.48. This rate was rounded to \$62.00.

(7) The total annual public burden is calculated by multiplying estimated hours by the cost per hour.

c. DFARS 217.7505(d)—As required by contracting officers in solicitations that include the acquisition of replenishment parts valued at \$1 million, offerors shall include in their proposals price and quantity data on any Government orders for centrally managed replenishment parts when the price of the part has increased by 25 percent or more over the most recent 12-month period (see 10 U.S.C. 2452 note). The estimated public burden is as follows:

Estimation of Respondent Burden: 217.7505(d)	
Number of respondents (1)	266
Responses per respondent (2)	2.2
Number of responses (3)	596
Hours per response (4)	16
Estimated hours (5)	9,540
Cost per hour (hourly wage) (6)	\$44
Annual public burden (7)	\$419,760

Notes:

(1) According to data available in FPDS for fiscal years 2014 through 2016, an average of 709 unique contractors were awarded, on an annual basis, sole-source contracts for supplies valued at greater than \$1 million. It is estimated that 50% of those unique awardees (355)

received contracts for items that are not unique to DoD. Of those unique awardees, it is estimated that 75% (266 annual respondents) received contracts that resulted from a solicitation that included the information collection requirement.

(2) The number of responses per respondent is calculated by dividing the number of responses by the number of respondents.

(3) According to the FPDS data, an average of 1,590 sole-source contracts for supplies valued at greater than \$1 million were awarded annually. It is estimated that 50% (795) of those contracts for items that are not unique to DoD. Of those contracts, it is estimated that 75% (596 annual responses) received contracts that resulted from a solicitation that included the information collection requirement.

(4) According to subject matter experts, it is estimated that a contractor needs an average of 16 hours per response to track prices paid, identify price changes on previous Government contracts, document and review the price increases, and submit the required data to the contracting officer. The estimate is based on the assumption that most traditional defense contractors have an internal system for tracking contract prices at the line item level.

(5) The estimated hours is calculated by multiplying the number of responses by the estimated hours per response.

(6) The fully burdened rate of \$44.00 was developed using the 2016 basic hourly salary (without locality) of \$32.17 for a GS-11, step 5, plus a burden of 36.25 percent (per OMB Circular A-76, Attachment C), which equals \$43.83. This rate was rounded to \$44.00.

(7) The total annual public burden is calculated by multiplying estimated hours by the cost per hour.

d. DFARS 252.217-7012(d)(3)—Contractors are required to show evidence of insurance under master agreements for vessel repair and alteration. The estimated public burden is as follows:

Estimation of Respondent Burden: 252.217-7012(d)(3)	
Number of respondents (1)	191
Responses per respondent (2)	1.0
Number of responses (3)	191
Hours per response (4)	1
Estimated hours (5)	191
Cost per hour (hourly wage) (6)	\$36
Annual public burden (7)	\$6,920

Notes:

(1) The number of respondents equals the number of Master Ship Repair Agreement (MSRA) and Agreement for Boat Repair (ABR) holders. According to Volume VII, Chapter 3 of the Navy's Joint Fleet Maintenance Manual, both types of agreement holders are subject to the clause 252.217-7012. According to the subject matter experts and the Navy, there are 191 MSRA and ABR holders.

(2) It is estimated that each agreement holder will submit proof of insurance once per year. This assumes that proof of insurance is readily available to contracting officers and, therefore, it is unnecessary to request proof of insurance on every contract action.

(3) The estimated annual number of responses is calculated by multiplying the number of respondents by the number of responses per respondent.

(4) Subject matter experts estimate that it takes the MSRA and ABR holders one hour to gather and submit the requested insurance documentation to the contracting officer.

(5) The estimated hours is calculated by multiplying the number of responses by the estimated hours per response.

(6) The fully burdened rate of \$36.00 was developed using the 2016 basic hourly salary (without locality) of \$26.59 for a GS-9, step 5, plus a burden of 36.25 percent (per OMB Circular A-76, Attachment C), which equals \$36.23. This rate is rounded to \$36.00.

(7) The total annual public burden is calculated by multiplying estimated hours by the cost per hour.

e. DFARS 252.217-7012(f) and (g)—This clause requires the contractor to notify the contracting officer of any property loss or damage for which the Government is liable, and to submit to the contracting officer a request for reimbursement of the cost of replacement or repair with supporting documentation. The clause is prescribed for use in solicitations for, and in, master agreements for repair and alteration of vessels. The public burden is estimated as follows:

Estimation of Respondent Burden: 252.217-7012(f) and (g)	
Number of respondents (1)	191
Responses per respondent (2)	4.7
Number of responses (3)	900
Hours per response (4)	8
Estimated hours (5)	7,200
Cost per hour (hourly wage) (6)	\$36

Annual public burden (7)	\$260,848
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Notes:

(1) Again, according to the subject matter experts and the Navy, there are 191 MSRA and ABR holders (respondents).

(2) The number of responses per respondent is calculated by dividing the number of responses by the number of respondents.

(3) There is no database or other repository that can be used to discretely identify orders involving loss or damage; however, subject matter experts at the Navy agree that the previous estimate of approximately 900 orders for loss (responses) annually is still reasonable.

(4) Subject matter experts estimate that it takes the MSRA and ABR holders 8 hours to prepare and submit the notice of loss or damage to the contracting officer.

(5) The estimated hours is calculated by multiplying the number of responses by the estimated hours per response.

(6) The fully burdened rate of \$36.00 was developed using the 2016 basic hourly salary (without locality) of \$26.59 for a GS-9, step 5, plus a burden of 36.25 percent (per OMB Circular A-76, Attachment C), which equals \$36.23. This rate is rounded to \$36.00.

(7) The total annual public burden is calculated by multiplying estimated hours by the cost per hour.

f. DFARS 252.217-7026—This provision requires the apparent successful offeror to identify their source of supplies. The provision is prescribed for use in all solicitations for supplies when the acquisition is being conducted under other than full and open competition, except when—

- Using FAR 6.302-5, Authorized or Required by Statute;
- The contracting officer already has the information required by the provision (e.g., the information was obtained under other acquisitions);
- The contract is for subsistence, clothing or textiles, fuels, or supplies purchased and used outside the United States;
- The contracting officer determines that it would not be practicable to require offerors/contractors to provide the information, e.g., non-repetitive local purchases;
- The contract is for commercial items; or
- The contract is expected to be below the simplified acquisition threshold.

The public burden is estimated as follows:

Estimation of Respondent Burden: 252.217-7026	
Number of respondents (1)	989

Responses per respondent (2)	3.4
Number of responses (3)	3,387
Hours per response (4)	16
Estimated hours (5)	54,188
Cost per hour (hourly wage) (6)	\$36
Annual public burden (7)	\$1,950,768

Notes:

(1) According to FPDS for FY 2014 through 2016, on an annual basis, DoD awarded an average of 3,565 contracts that met the criteria provided in the provision prescription to 989 unique contractors, who were the successful offerors (respondents).

(2) The number of responses per respondent is calculated by dividing the number of responses by the number of respondents.

(3) Of the 3,656 contracts awarded on an annual basis (see Note (1)), subject matter experts estimate that only 95% of those contracts (3,387) required the successful offeror to submit a list of sources of supplies in accordance with the criteria outlined at DFARS 217.7303. The remaining 5% of contracts are estimated to be for major weapon systems, which are excluded from this reporting requirement under one of the discretionary provisions at 217.7303(a)(2) or 217.703(a)(3).

(4) According to subject matter experts, it is estimated that it will take an average of 16 hours to assemble, review, and submit a list of suppliers to the contracting officer.

(5) The estimated hours is calculated by multiplying the number of responses by the estimated hours per response.

(6) The fully burdened rate of \$36.00 was developed using the 2016 basic hourly salary (without locality) of \$26.59 for a GS-9, step 5, plus a burden of 36.25 percent (per OMB Circular A-76, Attachment C), which equals \$36.23. This rate is rounded to \$36.00.

(7) The total annual public burden is calculated by multiplying estimated hours by the cost per hour.

g. DFARS 252.217-7028(c) and (e)—This clause requires the contractor to submit a work request and a proposal for “over and above work” to the contracting officer before the work commences. The clause is prescribed for use in in solicitations and contracts containing requirements for over and above work. Contracts for the performance of maintenance, overhaul, modification, and repair of various items (e.g., aircraft, engines, ground support equipment, ships). The public burden is estimated as follows:

Estimation of Respondent Burden: 252.217-7028(c) and (e)	
Number of respondents (1)	2,191
Responses per respondent (2)	6.4
Number of responses (3)	13,977
Hours per response (4)	4
Estimated hours (5)	55,908
Cost per hour (hourly wage) (6)	\$36
Annual public burden (7)	\$2,012,688

Notes:

(1) According to FPDS for FY 2014 through 2016, on an annual basis, DoD issued an average of 13,977 modifications for supplemental work within scope or changes orders to contracts under the Product Service Code category “J” for maintenance, repair, and overhaul of aircraft, missiles, vehicles, and other types of vehicles and equipment to an average of 2,191 unique contractors (respondents).

(2) The number of responses per respondent is calculated by dividing the number of responses by the number of respondents.

(3) According to FPDS, there were an average of 13,977 number of modifications each year for over and above work to contracts for maintenance, repair, and overhaul of aircraft, missiles, vehicles, and other types of vehicles and equipment (see Note 1).

(4) According to subject matter experts, the previous estimate of 4 hours is reasonable. This is the amount of time required to evaluate the need for an over and above work request, estimate the cost for repairs, develop a fixed-price proposal, submit the request to the contracting officer, and negotiate a price.

(5) The estimated hours is calculated by multiplying the number of responses by the estimated hours per response.

(6) The fully burdened rate of \$36.00 was developed using the 2016 basic hourly salary (without locality) of \$26.59 for a GS-9, step 5, plus a burden of 36.25 percent (per OMB Circular A-76, Attachment C), which equals \$36.23. This rate is rounded to \$36.00.

(7) The total annual public burden is calculated by multiplying estimated hours by the cost per hour.

h. Total Public Burden—The following is the total estimated public burden for OMB Control Number 0704-0214:

Estimation of Respondent Burden: 0704-0214		
TOTALS	<i>Paragraphs 12.a. - g. (1)</i>	<i>Adjusted for Whole #s (2)</i>
Number of respondents	5,859	5,859
Responses per respondent	4.89	5
Number of responses	28,629	29,295
Hours per response	7.64	8
Estimated hours	218,687	234,360
Cost per hour (hourly wage)	\$47.08	\$48
Annual public burden	\$10,295,816.62	\$11,249,280

Notes:

(1) *Total for paragraphs 12.a. - g.:* The sum of the estimated number of respondents, number of response, estimated hours, and annual public burden calculated in paragraphs 12.a. through 12.g. were used to establish the total for these categories. Then, the total responses per respondent is calculated by dividing to the total number of responses by the total number of respondents; the total hours per response is calculated by multiplying the total estimated hours by the total number of responses; and, the total cost per hour is calculated by multiplying the total annual public burden by the total estimated hours.

(2) *Total adjusted for whole numbers:* The total number of responses, total hours per response, and total cost per hour are rounded up. Then, the total number of responses is calculated by multiplying the total number of respondents multiplied and the total responses per respondent; the estimated hours is calculated by multiplying the total number of responses and the total hours per response; and the total annual public burden is calculated by multiplying the total estimated hours and the total cost per hour.

13. Estimated nonrecurring costs. There are no nonrecurring costs, i.e., capital and start—up, or operation and maintenance costs for contractors.

14. Estimated cost to the Government. The total Government hourly and cost burden to review and process the submissions from contractors and offerors is estimated as follows:

Estimation of Government Burden: 0704-0214					
DFARS Requirement	Estimated Responses	Average Hours/Response	Estimated Hours	Cost/Hour	Annual Burden
217.7004(a)	191	2	382	\$36	\$13,752
217.7404(b)	900	10	9,000	\$36	\$324,000

217.7505(d)	3,387	3.5	11,854	\$36	\$426,731
252.217-7012(d)(3)	13,977	12.5	174,713	\$36	\$6,289,650
252.217-7012(f) and (g)	2,116	0.5	1,058	\$44	\$46,552
252.217-7026	7,462	4.3	32,087	\$62	\$1,989,369
252.217-7028(c) and (e)	596	2	1,193	\$44	\$52,470
Total (Sum of above) (1)	28,629	8.04	230,285	\$39.70	\$9,142,524
TOTAL (Adjusted for Whole #s) (2)	28,629	9.00	230,285	\$40.00	\$9,211,409

Notes:

(1) See methodology for obtaining total summarized in Note (1) to paragraph 12.h. of this supporting statement.

(2) See methodology for adjusting total for whole numbers summarized in Note (2) to paragraph 12.h. of this supporting statement.

15. Reasons for changes in burden. There is no change to the information collection requirements covered under OMB Control Number 0704-0214. The change in burden for this renewal is as follows:

Change in Burden: 0704-0214			
Totals	2015	2018	Change
Number of respondents	5,688	5,859	+171
Responses/respondent	17.96	5	+13
Number of responses	102,139	29,295	-72,844
Hours per response	8.68	8	-.68
Estimated hours	886,703	234,360	-652,343
Cost per hour	\$37.79	\$48	+\$7.21
Annual public burden	\$33,513,791	\$11,249,280	-\$22,264,511

The change in burden is the result of the following:

(a) The OPM GS hourly labor rates for FY 2016 was used to calculate the cost per hour.

(b) Current FPDS data for the past three fiscal years was used to establish the number of respondents and responses.

(c) For the estimate for 217.7004(a), FPDS data was obtained for contracts valued at or above the current micro-purchase threshold of \$3,500. The FPDS data for the previous approval was for awards valued at the prior micro-purchase threshold of \$3,000. In addition, it is estimated that the information collection applies to .8 percent of the contracts actions, an increase from .6 percent. Subject matter experts confirmed this increase is reasonable. In addition, according to these experts, the number of exchanges reviewed by the Government has decreased, which may be the result of adding coverage of exchange/sales to the Intermediate Government Property training. As a result, the estimated respondents and responses were both reduced by 1,057 respondents and 4,180 responses, an approximate 67% and 66% reduction, respectively. These revisions account for a total reduction of 4,180 hours and \$146,144.

(d) For the estimate for 252.217-7026, the FPDS data was further refined to include specific exclusions, such as certain supplies, awards by offices in the United States and those valued at greater than \$150,000. As a result, the total number of responses was reduced by 90% from 35,515 to 3,387 and the total number of respondents was reduced by 30% from 1,480 to 989. These revisions account for a total reduction of 514,052 hours and \$15,664,672.

(e) For the estimate for 252.217-7028, FPDS data was used to identify the number of modifications for supplemental agreement for work within scope (over and above work) to contracts for " for maintenance, repair, and overhaul of aircraft, missiles, vehicles, and other types of vehicles and equipment. This method was used in lieu of using the subject matter experts' best estimate. As such, the total number of responses was reduced by 73% from 51,500 to 13,977, and the average number of responses per respondent was significantly reduced by 96% from 156.3 to 6.4. Using FPDS data on modification also showed a significant increase in respondents from 327 to 2,191. These revisions account for a total reduction of 148,492 hours and \$4,323,712.

16. Publication. Results of this information collection will not be published.

17. Expiration date. We do not seek approval not to display the expiration date for OMB approval of the information collection.

18. Certification. There are no exceptions to the certification accompanying this Paperwork Reduction Act submission. The information to respondents required by 50 CFR 1320.8(b)(3) will be provided in a separate Federal Register notice announcing the OMB approval of this collection of information.

B. Collections of Information Employing Statistical Methods

Statistical methods are not used in this information collection.