

**SUPPORTING STATEMENT
FOR INFORMATION COLLECTION SUBMISSION
9000-0136, COMMERCIAL ITEM ACQUISITIONS**

FAR Section(s) Affected: 52.212-3

A. Justification.

1. **Administrative requirements.** The Federal Acquisition Streamlining Act of 1994 reformed Federal acquisition statutes to encourage and facilitate the acquisition of commercial items and services by the Federal Government. Accordingly, the Federal Acquisition Regulation (FAR) was amended to include streamlined/simplified procedures for the acquisition of commercial items. As part of the FAR streamlined/simplified procedures, FAR Provision 52.212-3, "Offeror Representations and Certifications - Commercial Items," was implemented to combine the multitude of individual provisions used in Government solicitations into a single provision for use in commercial acquisitions.

2. **Use of the information.** Contracting officers use the information in a prospective contractor's response to FAR 52.212-3 to determine a contractor's eligibility for award, and to incorporate terms and conditions into the contract award.

3. **Use of information technology.** We use improved 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.

4. **Efforts to identify duplication.** These requirements are issued under the FAR which has been developed to standardize Federal procurement practices and eliminate unnecessary duplication.

5. **If collection of information impacts small businesses or other entities, describe methods used to minimize burden.** The burden applied to small businesses is the minimum consistent with applicable laws, Executive orders, regulations, and prudent business practices.

6. **Describe consequence to Federal program or policy activities if the collection is not conducted or is**

conducted less frequently. Collection of information on a basis other than solicitation-by-solicitation is not practical.

7. Special circumstances for collection. Collection is consistent with guidelines in 5 CFR 1320.6.

8. Efforts to consult with persons outside the agency.

A. A 60-day notice was published in the *Federal Register* at 84 FR 48619 on September 16, 2019. No comments were received.

B. A 30-day notice was published in the *Federal Register* at 84 FR 65981, on December 2, 2019.

9. Explanation of any decision to provide any payment or gift to respondents, other than remuneration of contractors or guarantees. Not applicable.

10. Describe assurance of confidentiality provided to respondents. This information is disclosed only to the extent consistent with prudent business practices, current regulations, and statutory requirements.

11. Additional justification for questions of a sensitive nature. No sensitive questions are involved.

12 & 13. Estimated Total Annual Public Hour and cost burden. For purposes of estimation, the total number of vendors registered in SAM will serve as the number of possible respondents. As of August 2019, there were 430,324 vendors registered in SAM. Based on the data reported to the Federal Procurement Data System (FPDS), it is estimated that 60% of contracts awarded in FY19 were for services and 40% were for supplies. Applying the same ratio to the total number of vendors registered in SAM, there are an estimated 258,194 service vendors and 172,130 supply vendors registered in SAM.

All vendors are required to complete FAR 52.212-3 as part of their SAM record in order to be eligible for contract award and must update FAR 52.212-3 annually. As an additional certification responsibility within FAR 52.212-3, supply vendors must maintain lists of various country end products. Therefore, the number of responses for supply contractors is estimated to be two per respondent per year (i.e., one required initial entry/or annual review and one update per year); the number of

responses for service contractors is estimated to be 1.1 per respondent per year (i.e., one required initial entry/or annual review per year for all respondents and one update per year for 10% of the respondents); and, the number of responses per respondent per year is estimated to be 1.46 (i.e., (total # of responses per respondent per year for supply contractors + total # of responses per respondent per year for service contractors)/number of respondents for contractors)).

We estimate the preparation time by contractors to be 30 minutes per response at \$48.00 an hour (rounded to the nearest dollar) based on the Office of Personnel Management (OPM) 2019 salary for a GS-12, step 5, plus 36.25 percent overhead. The 36.25 percent overhead rate is derived from Office of Management and Budget (OMB) Memorandum M-08-13, dated March 11, 2008.

Annual Reporting Burden for Contractors

Number of respondents	430,324
Number of responses per respondent per year.	x <u>1.46</u>
Total annual responses	628,273
Preparation time per response.	x <u>.5</u>
Total response burden hours.	314,137
Average wage (\$35.02 + 36.25% OH).	x <u>\$48.00</u>
Estimated cost to public	\$15,078,576

14. Estimated cost to the Government. For purposes of estimation, the total number of base contract awards valued greater than \$10,000 that used commercial item acquisition procedures, as reported to FPDS-NG, will serve as the total annual responses. According to agency data submissions to the FPDS in FY 2018, 489,961 base awards valued greater than \$10,000 using commercial item acquisition procedures were awarded by Federal agencies. We estimate the time needed by the Government to review and analyze each response to be 10 minutes per response at \$33.00 an hour (rounded to the nearest dollar) based on the OPM 2019 salary for a GS-09, step 5, plus 36.25 percent overhead. The 36.25 percent overhead rate is derived from OMB Memorandum M-08-13, dated March 11, 2008.

Total annual responses.	489,961
Review time per response.	x <u>0.167</u>
Total burden hours.	81,823
Average wages + overhead (\$24.15/hr + 36.25% OH) x	<u>\$33.00</u>

Total Government cost \$2,700,159

15. Explain reasons for program changes or adjustments reported in Item 13 or 14. The number of respondents and the number of responses changed because they are fluid numbers that fluctuate based on changing variables (e.g., time, vendor capabilities, and available resources). The average hourly wage for both Government and contractor responses increased because OPM increased the GS hourly wage for both GS-9 and GS-12 employees. The number of responses per respondent per year changed because a substantial amount of the requested data in 52.212-3 remains consistent for a vendor from year to year. The remaining data that may change is either linked to another module in SAM that is not captured under this collection, or applies to only supply vendors. The total annual responses also changed because we changed the variables for the data in an effort to gain greater accuracy. Instead of utilizing the number of base awards exceeding the simplified acquisition threshold, we used the number of all base awards valued greater than \$10,000 that used commercial item acquisition procedures, as reported in FPDS-NG.

16. Outline plans for published results of information collections. Results will not be tabulated or published.

17. Approval not to display expiration date. Not applicable.

18. Explanation of exception to certification statement. Not applicable.

B. Collections of Information Employing Statistical Methods. Statistical methods are not used in this information collection.