

**Supporting Statement for Paperwork Reduction Act Submission  
National Credit Union Administration Authorization Agreement for Electronic Funds  
Transfers Payments  
(Automated Clearinghouse Program Data Form)  
3133-0135  
2006**

**A. JUSTIFICATION**

**1. Explain the circumstances that make the collection of information necessary, including identification of any legal or administrative requirements that necessitate the collection.**

The National Credit Union Administration is required under the Debt Collection Improvement Act of 1996 to issue payments to credit unions and all other entities electronically effective January 2, 1999.

**2. Indicate how, by whom and for what purpose the information is to be used and the consequence to the federal program or policy activities if the collection of information was not conducted.**

The information will be used by NCUA to update the database of vendor (credit union) electronic routing and transit data to enable transmittal of funds and payments.

If the information is not collected, NCUA will not be able to make payment electronically through the Automated Clearing House (ACH), and will be in non-compliance with the Debt Collection Improvement Act of 1996.

**3. Describe any considerations of the use of improved information technology to reduce burden and any technical or legal obstacles to reducing burden.**

There are no circumstances in which technology could reduce the burden of this form.

**4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

The information collection of electronic routing and transit data from credit unions is unique to each credit union and not duplicated anywhere.

**5. If the collection of information impacts small business or other small entities (Item 5 of OMB Form 83-1) describe any methods used to minimize burden.**

The collection of this information does not burden small businesses.

**6. Describe the consequence to the 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.**

The information will be collected once; subsequent collections will take place as current credit unions change depository information or newly-chartered credit unions come into our system.

\*In 2005, Treasury did not renew their contract with our former ACH processor, Mellon Bank. Therefore, the NCUA was required to choose a new ACH processor -- "Pay.Gov." Consequently, we were forced to do a one-time distribution of the form to all of our credit unions --approximately 9,050-- to update their information under this new system.

We do not anticipate having to do this again in the near future. Therefore, the collection of information will continue to only include newly-chartered credit unions and/or current credit unions with a change in depository information. We estimate this to be no more than 250 credit unions on an annual basis.

It is essential that electronic data is accurate and up-to-date for all credit unions.

**7. Explain any special circumstances that would cause a collection to be conducted in a manner inconsistent with 5 CFR, Section 1320.5(d)(2).**

There are no circumstances that exist for this scenario.

**8. Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, the frequency of collection, the clarity of instructions and record keeping, the disclosure of reporting format, and the data elements to be recorded, disclosed, or reported.**

Because this data is required by Federal law, no consultation efforts have been attempted. We request only the essential information.

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

We do not provide any type of payments or gifts to respondents.

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

Confidentiality is governed by Treasury, Federal Reserve System, and by NAACHA through regulation.

**11. Provide additional justification for any question of a sensitive nature.**

There is no additional justification for any question of a sensitive nature.

**12. Provide estimates of the hour burden:**

**The burden to each credit union is estimated to be 15 minutes per credit union.**

The cost to the respondent is low since the information is readily known and available. We have received the information from all credit unions that can use ACH. From now on, this form will only be used by new credit unions coming into our system and old credit unions that have changed their electronic addresses, i.e.; changed correspondent financial institutions. Based on the current credit union population and the time it would take to read, understand, and complete

the form requesting the information, the estimated hour burden follows:

	Federal Credit Unions	State Credit Unions	Total
Remaining Respondents	150*	100*	250*
Frequency	Once	Once	Once
Annual Hour Burden	37.5	25.0	62.5

\*In 2005, the agency distributed forms to all of the credit unions due to a mandatory change in the EFT collection process. The total forms distributed were approximately 9,050. NCUA estimates a one-time cost during the first year of the new ACH processor. The estimated one time costs for the respondents are: One credit union employee - 15/60 hr @ \$21.62 per hour = \$5.40 per credit union.  $\$5.40 \times 9,050 = \$48,870.00$  one time potential cost.

The above numbers (in the chart) reflect the anticipated newly chartered and/or credit unions who will have a change in depository information in the forthcoming years.

**13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information (Do not include the cost of any hour burden shown in items 12 and 14).**

See question 12.

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

The estimated costs to the Federal Government are minimal and the form can be printed from the NCUA website and faxed to our office.

**15. Explain the reasons for any program changes or adjustments reported in items 13 or 14 of the OMB Form 83-1.**

The program has been rendered mandatory by the Debt Collection Improvement Act signed by President Clinton on April 26, 1996. As stated above, Treasury did not renew their contract with Mellon lockbox –our former ACH processor. Consequently, our agency was required to switch over a collection process called Pay.Gov. Because of this transition, we changed the form to include the new collection process, and explained to the credit unions that they needed to “re-sign up” for EFT. Thus, the form has an additional section giving the credit unions the opportunity to check a box if they are interested in paying their invoices by using Pay.Gov. The remainder of the form still contains the same data with minor aesthetic formatting changes.

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

The information on the ACH form is confidential, and will not be published.