

PAPERWORK REDUCTION ACT SUBMISSION

Please read the instructions before completing this form. For additional forms or assistance in completing this form, contact your agency's Paperwork Clearance Officer. Send two copies of this form, the collection instrument to be reviewed, the Supporting Statement, and any additional documentation to: **Office of Information and Regulatory Affairs, Office of Management and Budget, Docket Library, Room 10102, 725 17th Street NW, Washington, DC 20503.**

1. Agency/Subagency originating request U.S. Department of Health and Human Services	2. OMB control number b. <input type="checkbox"/> None a. <u>0990</u> - <u>0220</u>
3. Type of information collection (<i>check one</i>) a. <input type="checkbox"/> New collection b. <input type="checkbox"/> Revision of a currently approved collection c. <input checked="" type="checkbox"/> Extension, without change, of a currently approved collection d. <input type="checkbox"/> Reinstatement, without change, of a previously approved collection for which approval has expired e. <input type="checkbox"/> Reinstatement, with change, of a previously approved collection for which approval has expired f. <input type="checkbox"/> Existing collection in use without an OMB control number	4. Type of review requested (<i>check one</i>) a. <input checked="" type="checkbox"/> Regular b. <input type="checkbox"/> Emergency - Approval requested by: ___/___/___ c. <input type="checkbox"/> Delegated
3a. Public Comments Has the agency received public comments on this information collection? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	5. Small entities Will this information collection have a significant economic impact on a substantial number of small entities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
6. Requested expiration date a. <input checked="" type="checkbox"/> Three years from approval date b. <input type="checkbox"/> Other Specify: ___/___/___	
7. Title Voluntary Academic and Industry Partner Surveys to Implement Executive Order 12862 and 5 U.S.C 305 for the Dept. of Health and Human Services	
8. Agency form number(s) (<i>if applicable</i>) n/a	
9. Keywords industry survey, Balanced Scorecard	
10. Abstract To comply with E.O. 12862 and 5 U.S.C. 305, the Department of Health and Human Services plans to continue surveying its grant recipients and contractors in order to compile and evaluate their opinions about the Department's grants and acquisition processes and organizations. Our ultimate goal is to improve our business processes and organizations.	
11. Affected public (<i>Mark primary with "P" and all others that apply with "X"</i>) a. <input type="checkbox"/> Individuals or households d. <input type="checkbox"/> Farms b. <input checked="" type="checkbox"/> Business or other for-profit e. <input checked="" type="checkbox"/> Federal Government c. <input type="checkbox"/> Not-for-profit institutions f. <input type="checkbox"/> State, Local or Tribal Government	12. Obligation to respond (<i>Mark primary with "P" and all others that apply with "X"</i>) a. <input checked="" type="checkbox"/> Voluntary b. <input type="checkbox"/> Required to obtain or retain benefits c. <input type="checkbox"/> Mandatory
13. Annual reporting and recordkeeping hour burden a. Number of respondents <u>2500</u> b. Total annual responses <u>1700</u> 1. Percentage of these responses collected electronically <u>100</u> % c. Total annual hours requested <u>382</u> d. Current OMB inventory <u>1577</u> e. Difference <u>(1195)</u> f. Explanation of difference 1. Program change <u>(1195)</u> 2. Adjustment	14. Annual reporting and recordkeeping cost burden (<i>in thousands of dollars</i>) a. Total annualized capital/startup costs <u>0</u> b. Total annual costs (O&M) <u>0</u> c. Total annualized cost requested <u>0</u> d. Current OMB inventory <u>0</u> e. Difference <u>0</u> f. Explanation of difference 1. Program change 2. Adjustment
15. Purpose of information collection (<i>Mark primary with "P" and all others that apply with "X"</i>) a. <input type="checkbox"/> Application for benefits e. <input checked="" type="checkbox"/> Program planning or management b. <input checked="" type="checkbox"/> Program evaluation f. <input type="checkbox"/> Research c. <input type="checkbox"/> General purpose statistics g. <input type="checkbox"/> Regulatory or compliance d. <input type="checkbox"/> Audit	16. Frequency of recordkeeping or reporting (<i>check all that apply</i>) a. <input type="checkbox"/> Recordkeeping b. <input type="checkbox"/> Third party disclosure c. <input checked="" type="checkbox"/> Reporting 1. <input type="checkbox"/> On occasion 2. <input type="checkbox"/> Weekly 3. <input type="checkbox"/> Monthly 4. <input type="checkbox"/> Quarterly 5. <input type="checkbox"/> Semi-annually 6. <input type="checkbox"/> Annually 7. <input type="checkbox"/> Biennially 8. <input checked="" type="checkbox"/> Other (describe) <u>every 3 years</u>
17. Statistical methods Does this information collection employ statistical methods? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	18. Agency contact (<i>person who can best answer questions regarding the content of this submission</i>) Name: <u>Gary R. Boyd</u> Phone: <u>202-205-4321</u>

19. Certification for Paperwork Reduction Act Submissions

On behalf of this Federal agency, I certify that the collection of information encompassed by this request complies with 5 CFR 1320.9.

Note: The text of 5 CFR 1320.9, and the related provisions of 5 CFR 1320.8(b)(3), appear at the end of the instructions. *The certification is to be made with reference to those regulatory provisions as set forth in the instructions.*

The following is a summary of the topics, regarding the proposed collection of information, that the certification covers:

- (a) It is necessary for the proper performance of agency functions;
- (b) It avoids unnecessary duplication;
- (c) It reduces burden on small entities;
- (d) It uses plain, coherent, and unambiguous terminology that is understandable to respondents;
- (e) Its implementation will be consistent and compatible with current reporting and recordkeeping practices;
- (f) It indicates the retention period for recordkeeping requirements;
- (g) It informs respondents of the information called for under 5 CFR 1320.8(b)(3):
 - (i) Why the information is being collected;
 - (ii) Use of information;
 - (iii) Burden estimate;
 - (iv) Nature of response (voluntary, required for a benefit, or mandatory);
 - (v) Nature and extent of confidentiality; and
 - (vi) Need to display currently valid OMB control number;
- (h) It was developed by an office that has planned and allocated resources for the efficient and effective management and use of the information to be collected (see note in Item 19 of the instructions);
- (i) It uses effective and efficient statistical survey methodology; and
- (j) It makes appropriate use of information technology.

If you are unable to certify compliance with any of these provisions, identify the item below and explain the reason in Item 18 of the Supporting Statement.

Signature of Senior Official or designee



Date

11-30-2006

**Supporting Statement
(Parts A & B)
for
Voluntary Academic and Industry “Partner” Surveys
to Implement Executive Order 12862 and 5 U.S.C. 305
for the Department of Health and Human Services**

The Office of Acquisition Management Policy (OAMP) under the Assistant Secretary for Administration and Management (ASAM) and the Office of Grants (OG) under the Assistant Secretary for Resources and Technology (ASRT), Office of the Secretary, Department of Health and Human Services (DHHS) request that the Office of Management and Budget (OMB) extend its existing approval under Clearance No. 0990-0220 for DHHS to undertake voluntary surveys of DHHS’ partners in academia and industry (e.g., Principal Investigators, business offices, and vendors) through January 31, 2010. To comply with Executive Order 12862, *Setting Customer Service Standards* (the EO), DHHS again plans to systematically survey its grant recipients and contractors to compile their evaluations of the Department’s grants and procurement processes, and to improve the way we conduct business with them.

These voluntary surveys will continue to be a collaborative effort, with OAMP and OG providing leadership, oversight, and a methodology; and the DHHS Operating Divisions (OPDIVs) conducting the surveys for their own operations. Each OPDIV will conduct web-based surveys of its partners to obtain feedback for improving business processes. The grant recipients and contractors to be surveyed are sufficiently familiar with the Department and its OPDIVs to make this feedback extremely useful. These surveys will give OAMP, OG, and each of the OPDIVs an opportunity to understand and evaluate grant and procurement quality standards, as well as to incorporate best industry or public sector standards into OPDIV practices.

As HHS’ functional manager for procurement policy and oversight, OAMP has given nine decentralized OPDIVs the tools, training, software programs, and guidance they need to compile and examine their own contractor survey data. Further, OAMP is responsible for: (i) developing the contractor survey instrument; (ii) preparing the web-based notices, alert notices, and other survey reminder notices; (iii) facilitating the conduct of OPDIV surveys; (iv) fostering OPDIV improvement initiatives resulting from the survey efforts; (v) monitoring response rates; (vi) ensuring compliance with the required statistical methodology; and (vii) gauging overall survey administration progress, through regular meetings of OAMP’s Acquisition Balanced Scorecard Users Group (consisting of subject matter experts from each OPDIV).

Similarly, OG has assumed the same responsibilities for the grants functional staff in the OPDIVs, with the OG regular Executive Committee on Grants Administration Policy (ECGAP) sub-group meetings providing subject matter experts from each OPDIV.

With this clearly defined methodology, each OPDIV grants and contracting office will: (a) select its own sample; (b) conduct its own web-based surveys using LMI’s electronic survey system; (c) compile its own survey data; and (d) analyze the office-unique survey results.

Essentially, OAMP’s and OG’s original goals remain the same: to promote this survey effort as a useful self-assessment, self-improvement, and benchmarking tool, while ensuring that data reliability is maintained, by working cooperatively with each of the following eleven

OPDIVs: Administration on Aging¹, Agency for Children and Families¹, Centers for Medicare and Medicaid Services; Program Support Center; Centers for Disease Control and Prevention; Food and Drug Administration; Health Resources and Services Administration; Indian Health Service; National Institutes of Health; Substance Abuse and Mental Health Services Administration; Agency for Healthcare Research and Quality.

A. Justification

1. Need and Legal Basis

To comply with Executive Order 12862, *Setting Customer Service Standards* (the EO), DHHS again plans to survey its grant recipients and contractors to understand better how they feel about the Department's grants and procurement processes, and to improve the way we conduct business with them.

In addition to the EO, 5 U.S.C. 305(b), "Systematic agency review of operations" states, ". . . each agency shall review systematically the operations of each of its activities, functions, or organizational units, on a continuing basis." The purposes of the reviews ". . . include determining the degree of efficiency and economy in the operation of the agency's activities, functions, or organization units." These surveys will form a part of that review for acquisition and grants offices within DHHS.

2. Information Users

These surveys form an important part of the DHHS Balanced Scorecard (BSC) in these areas. The three surveys (employees and managers, program offices, and vendors/grant recipients) in each functional area provide data for the four perspectives in the BSC: financial, customer, business processes, and learning and growth. The previous survey data, collected under Clearance No. 0990-0220, were used to gauge the overall health of DHHS' grants and acquisition processes, as well as to target opportunities for improvement. The results indicated that our contractors and grant recipients are generally satisfied with DHHS' grants and acquisition processes, but that there is some room for improvement.

Specifically, DHHS and its OPDIVs consider the following three criteria in selecting improvement areas: (1) low performance scores (i.e., performance gap analysis); (2) high importance to management; and (3) likely success (i.e., "low-hanging fruit"). Moreover, we consider the following three factors in developing and implementing our organizational improvement efforts: (1) considering resource availability; (2) forming project improvement teams; and (3) recognizing and rewarding improvement efforts.

The application of the above criteria and factors resulted in the identification of qualitative performance gaps and the selection of appropriate and realistic improvement targets for timeliness, quality, efficiency, and cooperation. This analytical approach culminated in concrete improvements to DHHS' business processes, such as realigning procurement offices to strengthen partnerships with contractors, streamlining the contract payment process to reduce the time for payment; and expanding post-award orientation meetings to increase productivity. The same methodology will be used in the future to continue organizational momentum for improvement. Further, we will continue to properly use ordinal data and frequency distributions to target improvement efforts and gauge performance trends over time.

¹ For Grants only. AoA and ACF have no internal contracting office.

The survey information will continue to be used by each OPDIV to improve the efficiency, quality, and timeliness of its processes, as well as to strengthen its partnership with academia and industry. Although the survey instruments are brief—with only basic information requested to measure satisfaction and to obtain feedback on areas that may require improvement—we expect the data, comments, and suggestions offered by our respondents to help improve the performance of OPDIV systems and contain costs. Finally, these surveys will help DHHS comply with the EO and 5 U.S.C. 305.

3. *Improved Information Technology*

Under previous data collection efforts, DHHS transitioned from mail surveys to Web-based surveys, which are now the norm. Web-based surveys are easier for our grant recipients and contractors to complete, and they have reduced—and will continue to reduce—the survey administration burdens and costs for our OPDIVs, as well. HHS establishes a unique Internet address for each survey effort. Hard copies of our contractor survey instrument may be found at Enclosures 1 and 2.

4. *Duplication of Similar Information*

We do not have or collect similar information from other sources. OAMP's well-established Acquisition Balanced Scorecard Users Group and the similar OG Executive Committee on Grants Administration Policy (ECGAP) serve as independent steering committees to maintain survey administration quality and avoid duplication of effort.

5. *Small Businesses*

The survey instrument is brief, with only very basic information requested to measure satisfaction and to obtain feedback on areas that may require improvement. To minimize burdens, DHHS has formulated questions simply and directly, used close-ended (not open-ended) questions, made the questionnaire answerable within 15 minutes, grouped questions into categories for ease of response, and pretested the questionnaire to ensure minimal burden. While small entities continue to be important academic and industry partners for our grants and contracting offices, we do not foresee any significant economic impact on them from conducting this survey.

6. *Less Frequent Collection*

Previous clearances called for acquisition surveys to be completed every 24 to 36 months. Our survey schedule has been revised to provide for less frequent collection of that data, i.e., the surveys will now be done only on a 36-month cycle. The revised schedule allows improvement efforts to be fully implemented before respondents are re-surveyed.

We do not have similar information from other sources. Without this information, we will have no access to the priorities our academic and industry partners place on potential improvement efforts. Absent this data, our OPDIVs would be unable to develop reliable improvement plans for raising satisfaction levels. Only by continuing to collect this data will we be able to identify performance gaps, select improvement targets, streamline our processes, assess improvement efforts, track performance progress and vendor and grant recipient satisfaction, and establish performance benchmarks. Lastly, this data is necessary for compliance with the EO.

7. Special Circumstances

We are using a voluntary survey and requesting timely responses, and there are no special circumstances requiring additional justification.

8. Federal Register Notice/Outside Consultation

For information published on April 6, 2007 in the *Federal Register* notice, please see the Vol.72 Page 17160. In addition, DHHS remains in close contact with industry and the research community to obtain their views on the availability, disclosure, and reporting of survey information. In addition, DHHS has thoroughly pretested the survey instrument with outside potential respondents to ensure that it is clear, reasonable, and free of undue burdens.

9. Payment/Gift to Respondent

Respondents receive no remuneration for completing surveys.

10. Confidentiality

Through DHHS’ survey introduction and the face page of the DHHS survey instrument, each OPDIV grants and contracting office assures survey respondents that their individual responses will not be reported—thus, helping to achieve a high response rate. Response aggregates are adequate for complying with the EO. The surveys are voluntary, and an independent third party, such as the Logistics Management Institute (LMI), administers all web-based surveys. For vendors, background information is limited to business category, the type of product or service offered by the contractor, acquisition method, and the number of years of doing business with us. For grant recipients, background data requests the type of organization, title of respondent, number of competing applications submitted and funded, and number of non-competing continuations submitted.

11. Sensitive Questions

No sensitive information is requested.

12. Burden Estimate (Total Hours & Wages)

Type of Respondent	Form Name	No. of Respondents	No. Responses per Respondent	Average Burden per Response (in hours)	Total Burden Hours
Vendor	ABS Survey (vendors)	800	1	12/60	160
Grant Recipient	GBS Survey (Grantees)	1333	1	10/60	222
Total		2133	1		382

Estimated Cost in Dollars:

Type of Respondent	Total Burden Hours	Hourly Wage Rate	Total Respondent Costs
Vendor	160	\$25.00	\$4000.00
Grant Recipient	222	\$25.50	\$5661.00
Total	382		\$9661.00

For the

Acquisition Balanced Scorecard, in line with the actual, previous data collection experience, DHHS expects to conduct a total of nine OPDIV-level surveys over the next 3 years. The total number of vendors to be surveyed is expected to be fewer than 3,000, with an average response time of 12 minutes. Given an 80 percent response rate, and an average response time of 12 minutes per respondent, the burden per 36-month cycle is 480 hours. This represents an annualized burden of 160 hours (480 hours divided by three). In addition, each respondent is expected to incur an average cost of less than \$5.00. The costs to the agency and to the public are considered very low.

Extending the survey cycle (from 24 to 36 months) and streamlining the survey questionnaire and process, results in the expectation of a reduced annual burden of 160 hours—320 hours fewer than previously cleared.

For the Grants Balanced Scorecard, also based on prior experience, DHHS expects to conduct a total of 11 OPDIV-level surveys [again, all web-based] on a 36-month cycle over the next 3 years. The total number of grant recipients expected to be surveyed is about 5,000, with an average response time of 10 minutes. Given an 80 percent response rate with an average response time of 10 minutes per respondent, the burden per 36-month cycle is 666 hours. This represents an annualized burden of 222 hours (666 hours divided by 3). In addition, each respondent is expected to incur an average cost of about \$4.25. Again, the costs to the agency and to the public are considered very low.

13. *Capital Costs (Maintenance of Capital Costs)*

None. Since this is an attitudinal survey on partner satisfaction, existing reporting and record keeping practices are more than sufficient. There are no additional records required for this survey, and no record retention effects.

14. *Cost to Federal Government*

Consistent with our previous data collection effort, $\frac{1}{4}$ of an existing FTE will continue to be used, per 36-month cycle, to conduct each survey effort (including identifying the universe of potential survey recipients, drawing the sample, compiling and analyzing data, reporting on results, etc). Because we use a web-based survey, no significant printing and mailing costs are associated with each survey effort.

In addition, DHHS expects to incur an average of about \$5,000 per survey effort for survey consultant support from the Logistics Management Institute or similar provider—to help us improve the electronic processing and analysis of performance data.

15. *Program or Burden Changes*

The previous justification (2003/2004) anticipated much larger numbers of respondents than have actually occurred for both Grants and Acquisition. We estimated 8,180 respondents annually, but we have actually experienced 6400 respondents over three years. Because of the burden and cost, surveys anticipated to be conducted in one or two years have been spread across three. The number of respondents declined as duplicate grant recipients and duplicate contractors were eliminated and as erroneous email addresses were purged. Additionally, the surveys have been shortened and streamlined and are now 100% administered via Internet.

Consequently, the annual burden is expected to be less than one-third the burden identified under the earlier data collection effort. As explained under #12, extending the survey

cycle for Acquisition (from 24 to 36 months) and streamlining the survey questionnaire and process result in a reduced annual burden of 160 hours—320 hours fewer than previously cleared. Similarly, Grants’ estimate decreased from 1097 hours to 222—a reduction of 875 hours. The total reduction is 1195 hours.

16. *Publication and Tabulation of Data*

Because of the sensitivity of the data, each OpDiv collects, analyzes, and maintains its survey data locally. There is no central repository for all OpDiv survey data. Given the limitations of ordinal data, each OpDiv, commonly with contractor support, will analyze the frequency distributions of its survey responses. Those sub-elements showing lower levels of satisfaction will be highlighted for OPDIV management review as prime candidates for our continuous improvement process.

In addition, aggregate survey information will be used to help develop GPRA improvement targets. In addition, each office will issue benchmarking or other reports to both OAMP/OG and its OPDIV management as survey efforts are conducted and analyzed.

17. *Expiration Date*

The approval number and expiration date will be placed at the front of the electronic survey or mail survey booklet, as appropriate.

18. *Certification Statement*

No exceptions are taken to the certification statement.