

Supporting Statement for Paperwork Reduction Act

"Section 1512 Data Standards" for Reports under Section 1512 of the American Recovery and Reinvestment Act of 2009, Public Law 111-5

A. Justification.

1. Explain the circumstances that make the collection of information necessary.

Section 1512 of the American Recovery and Reinvestment Act of 2009 ("Recovery Act") requires recipients of Federal financial assistance, namely, grants, cooperative agreements, contracts and loans, to report on the use of funds. These reports are to be submitted to FederalReporting.gov, and certain information from these reports will later be posted to the publically available website Recovery.gov.

The information described in Section 1512 of the Recovery Act is captured in the "Section 1512 Data Standards." Where there is an existing source system that may contain this data and allow the data to be pre-populated into the report, it has been identified under the column heading "Existing Source Systems." The information not specifically described in Section 1512, such as "Awarding Federal agency to Which Report is Submitted" and "Federal Award Identifier Number/Federal Grant or Other Identifying Number Assigned by the awarding Federal agency," is needed to identify the award, entity receiving the award, and/or the activity being funded. As another example, a jobs narrative is requested to add context to the number provided by the recipient or subrecipient on jobs created and/or retained. Once the jobs reports have been appropriately checked and revised, if necessary, they will provide information on the jobs directly created or retained by the portions of the Recovery Act covered by the reporting requirements. The Recovery Board and others can use this information as part of their analysis of job created and retained and for use in reports. The Council of Economic Advisors (CEA) will also develop estimates of jobs created and retained and may use information provided in the Section 1512 job estimates and narratives in their analysis. A description of CEA's methodology and how it differs from the recipient reporting

in CEA's May 2009 report entitled "ESTIMATES OF JOB CREATION FROM THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009" which is at http://www.whitehouse.gov/assets/documents/Job-Years_Revised5-8.pdf

The "Section 1512 Data Standards" also cover the data information required to comply with the subaward and subcontract reporting provisions of the Federal Funding Accountability and Transparency Act of 2006, as amended (Public Law 109-282), which have not been previously defined by the Office of Management and Budget.

To help ensure the consistency of the reports submitted by assistance recipients, and to alleviate the burden on agencies to individually submit information collection requests under the PRA, the Recovery Board has developed a standard form for a set of data elements to be used by agencies in collecting section 1512 information from assistance recipients. Since the FAR Council has already put in place 1512 reporting requirements for contract recipients, this collection pertains only to recipients of Federal financial assistance.

All agencies awarding Recovery Act funds through grants, cooperative agreements, and loans will be required to use the standard data elements to collect information required under section 1512 of the Recovery Act unless OMB requires or authorizes use of additional data elements or a different set of data elements. The burden estimates of this information cover use of this data set by recipients in collecting information from their subrecipients and subcontractors, as well as submissions of information directly by the subrecipients and subcontractors to federalreporting.gov. Following are specific agencies allowed to use the standard data elements:

- Appalachian Regional Commission (ARC)
- Barriers Compliance Board
- Barry Goldwater Foundation
- CFDA Templates
- Christopher Columbus Fellowship Foundation
- Commodity Futures Trading Commission
- Corporation for National and Community Service (CNCS)

Delta Regional Authority
Denali Commission
Department of Agriculture (USDA)
Department of Commerce (DOC)
Department of Defense (DOD)
Department of Education (ED)
Department of Energy (DOE)
Department of Health and Human Services
Department of Health and Human Services (DHHS)
Department of Homeland Security (DHS)
Department of Housing and Urban Development (HUD)
Department of Justice (DOJ)
Department of Labor (DOL)
Department of State (DOS)
Department of the Interior (DOI)
Department of the Treasury (TREAS)
Department of Transportation (DOT)
Department of Veterans Affairs (VA)
Elections Assistance Commission (EAC)
Environmental Protection Agency (EPA)
Equal Employment Opportunity Commission (EEOC)
Federal Communications Commission (FCC)
Federal Maritime Commission (FMC)
Federal Mediation & Conciliation Service (FMCS)
Federal Trade Commission (FTC)
General Services Administration (GSA)
Government Printing Office (GPO)
Harry S. Truman Scholarship Foundation
Institute of Museum and Library Services (IMLS)
James Madison Memorial Fellowship Foundation
Japan-US Friendship Commission
Library of Congress (LOC)
National Aeronautics and Space Administration (NASA)
National Archives & Records Administration (NARA)
National Credit Union Administration (NCUA)
National Endowment for the Arts (NEA)
National Endowment for the Humanities (NEH)
National Gallery of Art (NGA)
National Labor Relations Board (NLRB)
National Science Foundation (NSF)
Office of Information Resources Management (OIRM)
Office of Personnel Management (OPM)
Overseas Private Investment Corporation (OPIC)
Pension Benefit Guaranty Corporation (PBGC)
Securities and Exchange Commission (SEC)
Small Business Administration (SBA)

Social Security Administration (SSA)
U.S. Nuclear Regulatory Commission (NRC)
U.S. Railroad Retirement Board (RRB)
United States Agency for International Development (USAID)
United States Institute of Peace
Woodrow Wilson International Center

2. Purpose and Use of the Information Collection

Recipients of Recovery Act funds must report on the Section 1512 requirements under the Recovery Act unless excluded from this requirement by OMB. If the data is used, especially given the unique data quality and data assurance of the data submitted, the Board will address information quality issues using any standards provided through OMB guidance and other processes. Guidance specific to 1512 reporting to agencies and recipients will be posted to federalreporting.gov once it is finalized. As indicated in the information collection instrument (standard data elements) many of the data elements will be pre-populated with data from existing source systems or from the data submitter's previous submissions to reduce burden on reporting entity and to help improve data consistency. This may still require the reporting entity to review and correct incorrect or outdated data.

3. Use of Improved Information Technology and Burden Reduction

Automated collection of the section 1512 data and information will make it easier for agencies and OMB to collect, synthesize and report data to recovery.gov. Common elements across forms and programs will improve Section 1512 data reporting by providing grantees with a single face across programs and agencies.

Electronic performance reporting will support the "pre-population" of forms with data from back-office systems, including program, grantee, and project-specific information, and will facilitate data validation against a database to further improve the accuracy of Section 1512 data reporting. As a set of performance reporting standards, the standard data elements will provide better opportunities for third-party vendors to build electronic solutions.

4. Efforts to Identify Duplication and Use of Similar Information

The "Section 1512 Data Standards" will provide uniformity in the collection of performance information and should result in fewer unique interpretations of the information collection instruments. OMB has cleared hundreds of grant-related performance reporting forms to date, which has resulted in considerable reporting burden on the grantee, particularly when the grantee receives funding from more than one Federal program. This will result in considerably less complex reporting burden on the recipients. Once the data set for section 1512 reports is established as a standard, the final standards will be posted to federalreporting.gov as described in agency award terms.

5. Impact on Small Businesses or Other Small Entities

Regarding any impact on small businesses, the standard data set is a streamlined and uniform list of data elements that will be used in collecting information required under Section 1512 of the Recovery Act. Use of this data set should put minimal reporting burden on recipients of assistance funds of any size. The section 1512 requirements for reporting covers information on the use of Recovery Act funds and detailed information on certain subgrant and subcontract awards and minimal information on certain vendor payments that are not part of subgrant and subcontract awards. The Central Contractor Registration (CCR)—a database of basic entity information for contractors and grant recipients that seek to do business with the Federal Government—gives a number of 471,593 registrants as of March 2009. The Dynamic Small Business database of CCR—gives a number of 324,250 small business profiles that are registered. While there are no reliable numbers for subcontracts/subawards awarded by grant and other assistance recipients, assuming that 20% of the 324,250 small businesses contract with the assistance recipients at either at the prime or subcontract/subrecipient level, then the number of small businesses to which the reporting requirement would apply is estimated to be 64,850. This impact would be felt only by those subcontractors that are required by the prime recipients to report the information. (Recipients have the option of reporting the information themselves.) "Vendors" as defined in OMB Circular A-133, would not report payments received from Federal assistance recipients. It also should be noted that recipients are allowed to report aggregate award information (i.e., not require subentity to report) if the subentity receives an

award below \$25,000 (Section 1512(c)(4) of the Recovery Act). Recipients who use this option may reduce the reporting burden on small entities that may be receiving small awards (i.e., under \$25,000).

6. Consequences of Collecting the Information Less Frequently

Since the reporting frequency specified in Sections 1512 of the Recovery Act is quarterly, the consequences of assistance recipients not reporting on performance could range from an agency suspending the current award to an agency terminating the award. Attachment 2 contains the excerpts from Section 1512 that state requirements for reporting on use of funds. These requirements are to be part of the award terms and conditions.

7. Special Circumstances relating to the Guidelines of 5 CFR 1320.5

The "Section 1512 Data Standards" under Section 1512 of the American Recovery and Reinvestment Act of 2009, Public Law 111-5 does not require special circumstances.

8. Comments in Response to the Federal Register Notice and Efforts to Consult Outside the Agency

N/A- This is an emergency information collection needed to ensure that recipients will be able to understand and collect the data under 1512 reporting requirements prior to the statutory deadline for the first report, which is October 10, 2009.

9. Explanation of Any Payment or Gift to Respondents

"Section 1512 Data Standards" does not involve a payment or gift to respondents.

10. Assurance of Confidentiality Provided to Respondents

Agencies that collect section 1512 data and information will do so in a secure system environment. Section 1512 information collections will be reviewed by federal agencies before the data/information is posted to the Recovery.gov

website in accordance with section 1512(d). OMB may require agencies and prime recipients of Recovery Act funds to use a central repository available through federalreporting.gov to submit section 1512 data and information. It is not anticipated that agencies will accept paper reports under this collection.

11. Justification for Sensitive Questions

The "Section 1512 Data Standards" currently does not include questions of a sensitive nature. Any agency that may desire inclusion of such questions will require a separate request to OMB.

12. Estimates of Annualized Burden Hours and Costs

Burden hour charts

I. Estimates are based on experience with use of the SF-PPR format cover sheet and SF-PPR-B, the SF-269, and SF-272, which cover some of the same information collections and reporting frequencies; estimates prepared by the federal acquisition community for a similar section 1512 Recovery Act information collection; and estimates of recipients that may use the approved data set to collect the same information from their subcontractors and subrecipients or require the subcontractors/subrecipients to report the information directly to federalreporting.gov (estimated at 97,275 (64,850 small entities + 32,425 large entities)):

	Number of Respondents	Number of Responses per Respondent	Average Burden Hours per Response	Burden per Response
Prime Recipient reporting	151,000	4	1.5	226,500
Direct Subrecipient reporting (small entities)	64,850	4	1.5	97,275
Direct Subrecipient reporting (large entities)	32,425	4	1.5	48,638
Total	248,275			372,413

Estimated Total Annual Burden Hours for all agencies: **1,489,650**
(372,413 X 4)

On average, the hourly cost equivalent of the information collection burden is \$68.00 per hour, for a total cost equivalent of \$101,296,200 across all agencies.

13. Estimates of Other Total Annual Cost Burden to Respondents and Record Keepers

Current reporting requirements are contained in the award terms and conditions of the grant or other assistance agreement. The "Section 1512 Data Standards" does not require additional recordkeeping by the respondents. If the standard data elements are made available electronically in a central location, it is expected to reduce grantee reporting burden by way of several improvements: much of the data on the will be "pre-populated" for the respondent, based on their user ID and specific grant award identifier; and providing a government-wide standard for any performance reporting will relieve the respondent from having to retain information in multiple different formats.

14. Annualized Cost to the Federal Government

The cost associated with collecting "Section 1512 Data Standards" will be building, operating and maintaining a central system and training and assisting federal and nonfederal users. It is not expected that federal agencies will modify their systems to collect the Section 1512 data. It is unclear what the annualized cost will be for this effort, but it is estimated to cost \$2,000,000 during the first year due to start-up costs.

15. Explanation for Program changes or Adjustments

New collection.

16. For collections of information whose results are planned to be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates and other actions.

No plan to publish results of the data collections made with the standard data elements although the data or information will be uploaded or posted to recovery.gov for anyone to use and analyze.

17. Reason(s) for Display of OMB Expiration Date is Inappropriate

N/A (not seeking approval to not display the expiration date for OMB approval of the information collection)

18. Exceptions to Certification for Paperwork Reduction Act Submissions

N/A - This is an emergency processing in accordance with the PRA.