PPR Supporting Statement

A. Justification. Requests for approval shall:

1.   Circumstances Making the Collection of Information Necessary

The Standard Form - Performance Progress Report (SF-PPR) was developed to serve as a government-wide standard for recipients of Federal funds to report on their performance under Federal grants and cooperative agreements. There are several factors which led to the development of this standard.

First, performance reporting is an integral part of the President's Management Agenda (PMA). Second, the requirement for grantees to report on performance is OMB grants policy. Specific citations are contained in: (1) OMB Circular A-102, ***Grants and Cooperative Agreements with State and Local Governments***, also known as the "Common Rule" [codified at 45 CFR Part 92] and (2) OMB Circular A-110, ***Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations*** [codified at 2 CFR Part 215]. Attachment 1 contains the grantee performance reporting requirements as excerpts from these OMB grant policies.

Furthermore, under Public Law 106-107, the **Federal Financial Assistance Management Improvement Act of 1999** (PL106-107), the Federal agencies and the Office of Management and Budget are required to streamline and simplify reporting procedures. Attachment 2 contains the text of the relevant portions of this statute at 31 USC 6101 [note Sections 5(a)(1), 5(a)(3), 5(a)(5), 5(a)(6), 6(a)(1)(B), and 6(a)(2)(B)]. Under the CFO Council's Grants Policy Committee (GPC), a Post Award Work Group is tasked with developing the government-wide standards to streamline reporting and thereby meet the statutory requirements. The SF-PPR was developed by the Grants Policy Council's Post-Award Work Group after considerable effort to reach consensus among 26 grant-making agencies whose multiple programs needed to be considered to arrive at a government-wide performance reporting standard for grants and cooperative agreements.

Also relevant are the two General Accounting Office (GAO) reports that evaluated the progress in meeting the requirements of PL 106-107. GAO-05-355, ***Grants Management: Additional Actions Needed to Streamline and Simplify Processes***, was published in April 2005; GAO-06-566, ***Grantees' Concerns with Efforts to Streamline and Simplify Processes***, was published in July 2006. Both reports noted that "efforts toward common grant-reporting systems are moving slowly" and that grantees are concerned that progress has been inadequate. The SF-PPR will alleviate these concerns and will serve as a standard to simplify grantee performance reporting.

Finally, the Grants Management Line of Business (GMLoB) is an E-Gov initiative under the PMA whose purpose is to provide end-to-end grants management (that is, over the entire life cycle of a grant from announcement to closeout) under a consortia-based approach to consolidate grant systems across agencies by identifying and selecting agencies and their systems that can serve as shared service providers or centers of excellence to be used by other agencies. In February 2006, OMB named the Administration for Children and Families (ACF) within the Department of Health and Human Services (HHS) as one of three GMLoB consortia providers. The ACF Grants Center of Excellence (CoE) provides grants management system services to six operating divisions within HHS and ten grant-making agencies external to HHS:

Corporation for National and Community Service
Denali Commission
Department of State
DHHS/Administration on Aging
DHHS/Administration on Children and Families
DHHS/Centers for Medicare Services
DHHS/Health Research and Services Administration
DHHS/Indian Health Services

DHHS/Office of Public Health Services
Department of Transportation
Environmental Protection Agency
Institute of Museum and Library Services
Social Security Administration
Department of the Treasury
USDA/Food Safety and Inspection Service
Veterans Administration

In order to move forward with streamlined grantee performance reporting, the HHS/ACF Grants CoE continues to sponsor the SF-PPR.

2. **Purpose and Use of the Information Collection**

As a new collection, the SF-PPR is a set of uniform reporting formats that will be used by grantees to meet the performance requirements contained in the terms and conditions of their Federal awards. The SF- PPR consists of a cover page (which matches the SF-424 grant application cover page), an optional cover page continuation sheet (SF-PPR-2) and six optional formats to report on program-specific performance. As a defined set of standard formats, the SF-PPR facilitates the collection of Congressionally-mandated and needed program-specific and agency-specific information by allowing the information to be collected uniformly.

Federal program managers may opt to only require their respondents to submit the cover with a simple narrative. Alternatively, programs may opt to require the cover page, the continuation page, and one or more of the six optional formats. These optional formats include: SF-PPR-A, Performance Measures; SF-PPR-B, Program Indicators; SF-PPR-C, Benchmark Evaluations; SF-PPR-D, Table of Activity Results; SF-PPR-E, Activity-Based Expenditures; and SF-PPR-F, Program/Project Management.

The OMB Clearance Number for the SF-PPR is to be employed for use by ACF and the Grants CoE partners defined in Section A.1. of this Supporting Statement. Grants CoE partners may seek PRA support and technical guidance for adoption of the SF-PPR directly from ACF.

The Grants Policy Committee Post-Awards Workgroup shall provide PRA support, policy recommendations and technical guidance to all Federal agencies and departments in the adoption and implementation of the SF-PPR format.

The SF-PPR may be used by agencies for performance and progress reporting for The American Recovery and Reinvestment Act of 2009.

3. **Use of Improved Information Technology and Burden Reduction**

The SF-PPR uniform reporting formats will support systematic electronic data collection, making it easier for both grantee and grantor communities to provide electronic options. Common elements across forms and programs will improve performance

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 performance reporting. As a set of performance reporting standards, the SF-PPR will provide better opportunities for third-party vendors to build electronic solutions. While implementation of the SF-PPR is anticipated to primarily involve electronic submissions, agencies may accept paper SF-PPR reporting as well.

ACF has conducted a proof of concept pilot with its discretionary grant program offices. All discretionary grant programs are migrating their current performance reporting collections into the SF-PPR format. The ACF Office of Information Services is the sponsor of this pilot and has managed its implementation across the agency in conjunction with the ACF Office of Grants Management and the ACF Division of Grants Policy. Program offices may elect to collect performance and progress reporting in paper format or electronically through ACF's On-Line Data Collection (OLDC) web-based application. Program offices that have converted or are in process of converting expiring information collections include: Administration for Native Americans, Administration on Children, Youth, and Families, Assets for Independence, Family and Youth Services Bureau, Office of Community Services, Compassion Capital Fund, and the Office of Head Start. Program offices currently collecting reporting data electronically in the SF-PPR format include the Administration on Developmental Disabilities and the Office of Refugee Resettlement.

4. **Efforts to Identify Duplication and Use of Similar Information**

The SF-PPR will provide uniformity in the collection of performance information and should result in fewer unique collection instruments. OMB has cleared thousands 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. Once the SF-PPR is established as a standard, agencies will be

encouraged to adopt its use for meeting performance reporting requirements and will phase out use of unique reporting forms. This will result in considerably less complex reporting burden on the grantee.

5.   **Impact on Small Businesses or Other Small Entities**

Regarding any impact on small businesses, the SF-PPR formats include a short version (SF-PPR-B), a medium version (SF-PPR-A), and a longer version (SF-PPR-C). The SF-PPR also provides agencies with the option to require only the SF-PPR cover page which includes a short narrative.

6.   **Consequences of Collecting the Information Less Frequently**

The consequences of grantees not reporting on performance range from an agency withholding future funds for the project to an agency making additional terms and conditions on the award. Attachment 1 contains the excerpts from OMB grant policies that state requirements for performance reporting. These requirements are part of the award terms and conditions.

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

The SF-PPR does not require special circumstances.

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

The 60-day Federal Register notice was published on Monday, March 30, 2009 [74 FR 14135]. The 30-day Federal Register notice was published on Thursday, June 11, 2009. Summary comments and responses are below:

Row #	Agency Comment	Source	Commenter	Resolution
1	These comments are in response to your Federal Register notice (74 FR 14134), March 30, 2009, announcing your intent to seek renewal of OMB Control No. 0970-0334, Performance	DOI	D. Bieniewicz	No response required.

Row #	Agency Comment	Source	Commenter	Resolution
	Progress Report (SF-PPR). The Department of the Interior requests that performance reports for our grant programs and cooperative agreements be included in this information collection request. The Department of the Interior applauds and wholeheartedly supports efforts to standardize performance reporting for grants and cooperative agreements. To eliminate the need to seek any further OMB approval for reports, we recommend that the estimated burden include all attachments that an agency may require for reporting purposes. Having one OMB approval to cover performance reporting for all Federal grant-making agencies will result in considerable savings to each agency, as well as OMB, by reducing staff time and fiscal resources necessary to seek OMB approval for performance reports for each grant program. Please contact me if you need additional information, including the estimated number of responses and burden hours for the Department of the Interior.			
2	Please provide copies of the proposed Performance Progress Report (SF-PPR) so that we may have a basis for determining the effect on our agency as a basis for providing comment.	Kansas Dept. of Social & Rehabilitation Svcs.	K. Hockenbarger	Provided to requestor.

9. **Explanation of Any Payment or Gift to Respondents.**

The SF-PPR does not involve a payment or gift to respondents.

10. **Assurance of Confidentiality Provided to Respondents**

ACF uses the OLDC system to pilot test the SF-PPR. When the SF-PPR data collection is done electronically through OLDC, data submissions are to a secure system environment. Respondents will be required to be authenticated, via ID and password. Electronic

reporting is optional for respondents and may elect to submit the SF-PPR in paper format.

11. **Justification for Sensitive Questions**

1. The SF-PPR currently does not include questions of a sensitive nature. Any agency that may desire inclusion of such questions in that agency's use of the SF-PPR will require a separate request to OMB.

12. **Estimates of Annualized Burden Hours and Costs**

 Burden hour charts for the Grants Center of Excellence :

Form Name	Number of Respondents	Number of Responses per Respondent	Average Burden Hours per Response	Burden per Response
Performance Progress Report (SF-PPR)	131,281	1	0.42	55,138.02
Cover Page Continuation (SF-PPR-2)	86	1	0.33	28.38
Performance Measures (SF-PPR-A)	430	1	0.75	322.50
Program Indicators (SF-PPR-B)	8,961	1	3	26,883
Benchmark Evaluations (SF-PPR-C)	248	1	1.50	372
Table of Activity Results (SF-PPR-D)	4,238	1	0.75	3,178.50
Activity Based Expenditures (SF-PPR-E)	2,616	1	0.33	863.28
Program/Project Management (SF-PPR-F)	45	1	0.50	22.50

Estimated Total Annual Burden Hours: 86,808.18

On average, the hourly cost equivalent of the PPR burden is $60.00 per hour, for a total cost equivalent of $5,208,490.80 across all agencies.

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

Current reporting requirements are contained in the grant award terms and conditions. The SF-PPR does not require additional recordkeeping by the respondents. Use of the SF-PPR is expected to reduce grantee reporting burden by way of several improvements: reporting via the SF-PPR will be exclusively electronic; much of the data on the SF-PPR 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 SF-PPR formats currently exist in production on ACF's OLDC web-based application. There would be no additional cost to the Federal Government.

15. **Explanation for Program changes or Adjustments**

A program change has been made to the SF-PPR for this clearance: The burden hours have increased to account for expanded use of the SF-PPR by agencies beyond ACF.

16.   **Plans for Tabulation and Publication and Project Time Schedule**

No plan to publish results of the SF-PPR collections.

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 (no exception to the certification statement)