

Supporting Statement for Paperwork Reduction Act Submissions

Use of TARP Funds and Compliance with Executive Compensation Issues

A. Justification

1. The Emergency Economic Stabilization Act of 2008 (“Act”), Public Law No. 110-343, established the Troubled Asset Relief Program (“TARP”) and created the Office of the Special Inspector General for the Troubled Asset Relief Program (“SIGTARP”). SIGTARP is responsible for coordinating and conducting audits and investigations of any program established by the Secretary of the Treasury under the Act. One of SIGTARP’s primary areas of focus has been ensuring, to the fullest extent possible, transparency in the operation of TARP.

In order to address our obligation to bring transparency to the TARP process, to fulfill our mandated audit function, and to provide written answers to the growing concerns about : (1) the lack of information about how TARP recipients are using or plan to use funding provided by the Federal government under the various TARP programs; and (2) insufficient transparency regarding efforts to restrain excessive executive compensation, we have designed a questionnaire seeking narrative responses to address these questions.

2. SIGTARP will use the responses to the questionnaires to prepare one or more reports to Congress. Additionally, in the event that non-compliance issues are identified, SIGTARP will design and implement additional procedures—apart from this information collection effort—to resolve them.
3. The questionnaire seeks responses electronically via a Website mailbox.
4. The questionnaire does not seek duplicative information. Neither the TARP nor any other government agency—as far as we know—collects this information. Although the TARP sends out a monthly survey, it sends its survey only to the 20 largest recipients, and its survey does cover the issues addressed by the questionnaire.
5. This will not impact small businesses or entities.
6. Without the information sought by the questionnaire, SIGTARP will be unable to adequately assess use of TARP funds or the effectiveness of TARP programs over time. Further,, SIGTARP will be unable to assess whether the TARP funds were used in a manner to stimulate the economy, and determine whether fund recipients abided by executive compensation guidelines.
7. There are no special circumstances. To the extent that purported proprietary information is solicited, it will be treated by SIGTARP as confidential business information, and will not be disclosed in a manner that would reveal the individual operations of TARP recipients.

8. Following the initial emergency clearance of this collection, Treasury published a notice for public comment in the Federal Register Vol 74, pg 6946, February 11, 2009. No comments were received.
9. There are no payments or gifts to respondents.
10. See response to item 7, above.
11. There are no questions of a sensitive nature.
12. Estimated annual burden: SIGTARP seeks basic information that should be at the fingertips of the recipients of TARP assistance, and provides them with flexibility in responding. It is almost inconceivable that the recipients of TARP assistance have not created and have close at hand business plans or other information detailing the data sought by the questionnaire. Thus, the reporting burden should be minimal, as follows:

Number of Parties	Number of Responses Per Respondent	Estimated Average Time for Requirement (in hours)	Estimated Annual Burden (in hours)
350	350	2 to 5	700 to 1750

13. SIGTARP does not believe that respondents will have costs in addition to the hourly costs referenced in item 12, above. Business plans, information systems, and accounting records should exist as a consequence of the TARP fund recipients' normal operations.
14. The information sought by the questionnaire does not lend itself to standardized data collection instruments (i.e., survey forms), and, as a consequence, the questionnaire solicits narrative responses. Accordingly, given the flexibility afforded respondents and the likelihood that responses will vary in level of detail, it is impossible to accurately predict the effort needed to review, analyze, and summarize responses. However, this effort fulfills the core mission of SIGTARP, and should not be considered separate or in addition to normal operational costs.
15. There are no program changes or adjustments reported in items 13 or 14.
16. The information will be published in summary form in one or more future audit reports. The first such report is tentatively scheduled for release in September of 2009.
17. There is no approval being sought not to display the expiration date.
18. There are no exceptions to the certification statement.