

SUPPORTING STATEMENT FOR PAPERWORK REDUCTION ACT SUBMISSIONS
31 CFR Part 208
Management of ACH Payments

A. Justification

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

- Section 31001 (x) of the Debt Collection Improvement Act (Chapter 10 of the Omnibus Consolidated Rescission and Appropriations Act of 1996) Pub. L. 104-134 requires Federal agencies to effect most payments via electronic funds transfer (EFT) to recipients beginning January 2, 1999. In order to effect payments electronically, the Financial Management Service (FMS) must collect from each recipient of payments from FMS the name of the financial institution, Routing and Transit Number (RTN) and account number of the financial institution where the payment is to be sent. Collection of this information is waived where the government or individual payment recipients invokes a waiver under 31 CFR Part 208.4 (a)(g).

- 2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

FMS must collect from each recipient of Federal payments the name of the financial institution, RTN, and account information of the financial institution where the payment is to be sent in order to effect the payment via electronic funds transfer.

- 3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.**

The bank account information will be collected electronically for some types of payment. For example, FMS has an automated system for travel whereby travel authorizations and vouchers are filed electronically. New Federal employees, retirees, and vendors must fill out a Direct Deposit form or an ACH Vendor/Miscellaneous Payments 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.**

This information is collected solely to effect payments electronically. This information is not collected through other forms. There is no other similar information that can be used to effect payments electronically.

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

The Direct Deposit forms used to collect this information have been in use for several years and were developed to minimize the burden on small entities.

- 6. Describe the consequence to 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.**

If this information is not collected, FMS will not be able to comply with the Act.

- 7. Explain any special circumstances that would cause an information collection to be conducted in a manner: *requiring respondents to report information to the agency more often than quarterly; *requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it; requiring respondents to submit more than an original and two copies of any document; etc.**

The collection of this information is conducted in a manner, which is consistent with the guidelines in 5 CFR 1320.6

- 8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.**

In a notice in the Federal Register dated January 27, 2010 (Volume 75, Number 17, Page 4451), FMS solicited comments on the final rule from the general public and other Federal agencies regarding its continuing information collection. No written comments were received.

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

No payment is made in exchange for this information.

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

The information collected is confidential in nature. Direct Deposit forms have a privacy act statement, which reads, "All information on this form, including the individual claim number, is required under 31 U.S.C. 3322, 31 CFR 209 and/or 210. The information is confidential and is needed to prove entitlement to payments. This information is used to process payment data from the Federal agency to the financial institution and/or its agent. Failure to provide the requested information may affect the processing of this form and may delay or prevent the receipt of payments through the Direct Deposit/Electronic Funds Transfer Program."

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

There are no questions that are of a sensitive nature.

12. Provide estimates of the hour burden of the collection of information. The statement should: *indicate the number of respondents, frequency of response, annual hour burden; and an explanation of how the burden was estimated.

Number of FMS respondents per year: 1,300

(Vendors - 1,200; personnel - 100)

Frequency of reports:

- Federal employee: one time when employee enters into Federal service,
- Federal retiree: one time when employee applies for retirement,
- Vendor: occasionally when vendor enters into new contract with recipient,
- Travel: none (information is collected when employee enters into Federal service)

Annual burden hours: 325 hours

15 minutes per form for each respondent

(15 minutes X 1,300 respondents ÷ 60 minutes to an hour)

Annual cost: \$3.75 per respondent (15 minutes at \$15 per hour)

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

None

- 14. Provide estimates of annualized costs to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies may also aggregate cost estimates from Items 12, 13, and 14 in a single table.**

Based on an internal analysis of the process required to effect a payment (check or EFT), there is no additional cost to FMS. In order to effect a payment, FMS has to input either the street address for a check payment or account information for an EFT payment.

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

N/A

- 16. For collections of information whose results will 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.**

Collected information will not be published.

- 17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

N/A

- 18. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I.**

N/A

- 19. Collection of Information Employing Statistical Methods**

Not applicable. Collection of information does not employ statistical methods.