

Supporting Statement for Paperwork Reduction Act

“Section 1512 Data Elements – Federal Financial Assistance” 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 Elements – Federal Financial Assistance.” The information not specifically described in Section 1512, which is set forth in OMB Guidance dated June 22, 2009, and December 18, 2009, is needed to identify the award, entity receiving the award, and/or the activity being funded.

This collection pertains only to recipients of federal financial assistance.

2. Purpose and Use of the Information Collection

The Recovery Act requires recipients of Recovery funds to report on the use of those funds. Under the Recovery Act, the data collected is to be transparent and therefore made available to the public on the website Recovery.gov.

3. Use of Improved Information Technology and Burden Reduction

Automated collection of the section 1512 data and information will make it easier for the collection, synthesizing, and reporting of 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 reporting will support the “pre-population” of forms in that much data from the initial collection will be copied forward into subsequent required quarterly reports, thereby lessening the reporting burden of recipients.

4. Efforts to Identify Duplication and Use of Similar Information

The “Section 1512 Data Elements – Federal Financial Assistance” 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 new collection, required by the Recovery Act and OMB guidance, will result in considerably less complex reporting burden on the recipients.

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. It should be noted that any impact on subrecipients would be felt only by those that are required by the prime recipients to report the information. (Prime recipients have the option of reporting the information themselves.) It also should be noted that recipients are allowed to report aggregate award information 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. Attached is the language of Section 1512, which states requirements for reporting on use of funds. These requirements are to be part of the award terms and conditions, pursuant to 2 CFR Part 176.

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

The “Section 1512 Data Elements – Federal Financial Assistance” 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

As explained in the 30-day notice published in the Federal Register on April 29, 2010, the Recovery Accountability and Transparency Board received four comments on this information collection. A summary of the comments, and the Board’s response, is attached.

9. Explanation of Any Payment or Gift to Respondents

“Section 1512 Data Elements – Federal Financial Assistance” does not involve a payment or gift to respondents.

10. Assurance of Confidentiality Provided to Respondents

Section 1512 data and information will be collected in a secure system environment. However, the section 1512 data elements reported will be posted to the website Recovery.gov for public viewing.

11. Justification for Sensitive Questions

The “Section 1512 Data Elements – Federal Financial Assistance” 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

Estimates are based on: (1) an analysis of the Recovery Act reporting that occurred in the first and second reporting periods (ending October 2009 and January 2010); (2) agency plans submitted to the Recovery Accountability and Transparency Board pursuant to the Recovery Act; and (3) public comments received in response to the Board’s previous Federal Register notices. Estimates of average burden hours per response also incorporate the fact that a copy-forward feature applied to FederalReporting.gov eliminates the need to re-enter most of the section 1512 data each quarter.

Estimated Number of Respondents	Frequency of Response	Estimated Average Burden Hours per Response	Total Annual Burden Hours
80,000	4	8.5	2,720,000

On average, the hourly cost equivalent of the information collection burden is \$68.00 per hour, for a total cost equivalent of \$184,960,000 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, and the “Section 1512 Data Elements – Federal Financial Assistance” does not require recordkeeping beyond that by the respondents. Much of the data will be “pre-populated” for the respondent, based on the DUNS number and specific grant award identifier. Further, after a respondent first reports on an award, many of the requisite data elements will be copied forward, pre-populating the form for subsequent reporting periods.

14. Annualized Cost to the Federal Government

The cost associated with collecting “Section 1512 Data Elements – Federal Financial Assistance” will be building, operating and maintaining the FederalReporting.gov 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 estimated that the annualized cost for these efforts will be approximately \$9,000,000 in the first year, decreasing annually as start-up costs are no longer incorporated.

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.

As set forth in the Recovery Act and OMB guidance, data collected pursuant to Section 1512 will be made available on Recovery.gov for the public to use and analyze.

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

N/A.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

N/A.