

**THE SUPPORTING STATEMENT**  
**45 CFR PART 95**

**A. Justification. Requests for approval shall:**

**1. Circumstances Making the Collection of Information Necessary**

The purpose of this request is to obtain an extension to OMB's approval of the reporting and recordkeeping requirements contained in rules at 45 CFR Part 95, Subpart F. These rules pertain to state requests for HHS approval of federal financial participation (FFP) in the costs of ADP systems, equipment and services which support states' administration of HHS' public assistance programs. OMB has approved the reporting requirement contained in 45 CFR Part 95, Subpart F under OMB No. 0992-0005.

There is a final rule for 45 CFR Part 95, Subpart F. that will revise the submission thresholds and therefore reduce the information collection burden. The NPRM was published March 7, 2008. The final rule is anticipated to be published by November 2010, but since we can not rely on the publication date for the final rule, we are requesting a three year extension based on the current regulations and submission requirements.

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

HHS reviews state requests and supporting information for FFP in ADP systems equipment and services acquisitions. This review determines if the state's proposal to acquire ADP systems equipment and services is necessary for efficient and effective administration of HHS public assistance programs, supported by sound project planning and management and, therefore, eligible for FFP. The prior approval of IT planning and procurement documents ensures full and open competition, the protection of software ownership rights to application software developed with FFP and reduces the risk of failed IT projects.

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

HHS allows transmission of documents by e-mail and large files are sometimes submitted as diskettes, as long as the cover letter transmitting the APD or IT contract has a scanned or faxed signature from a State authorized requestor. One of the program offices, the Office of Child Support Enforcement, has begun an analysis of a web-based APD submission process. Since many of the regulatory requirements will change with the publication of the final rule on APD reform, OCSE is starting our effort to develop a web-based submission process. We have created a Sharepoint application called Approve IT! This Sharepoint application permits States and Tribes to post requests electronically. We have tested the State postings with one State, Massachusetts and plan to roll out to additional States in Federal fiscal year 2011.

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

The information collection is unique to HHS grant-in-aid programs. We do not require a specific submittal format as long as all the required information is submitted. Our guidance recommends that the States submit the same documentation that they submit for State IT approval.

### **5. Impact on Small businesses of other small entities**

Not applicable. Respondents are state and territorial governments.

### **6. Consequences of Collection the Information Less Frequently**

If the collection of information is not made, the Federal Government would have to seek other ways to determine if state systems expenditures warrant federal funding. Without prior approval of the IT plans and procurements, the risk of inappropriate expenditures and failed IT projects would be higher. The frequency of the Advance Planning Document Update is annual, to ensure that States have budget authority for the State share of IT expenditures. However, for those States that have multi-year IT authority, the Federal program offices have discretionary authority to approve Federal match for a longer period of time. The pending NPRM on APD reform does revised some of the submission thresholds based on risk.

### **7. Special Circumstances Relating the the Guidelines of 5 CFR 1320.5**

No special circumstances are involved.

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

HHS published a notice in the Federal Register on April 13, 2010. The only comment received was from the State of Texas, Attorney General's office, that has jurisdiction over the State child support program. They recommended permitting the submitting State or Territory to simply provide a short statement referring the reviewer to the earlier or base Advance Planning Document. – This is already permitted under the regulation, so ACF needs to remind the individual Federal analysts that this is permitted.

Comment - Texas felt that the Federal agency's estimate of the burden is not accurate, their State staff spent six months on its annual APDU. They recommended changing the submission thresholds.

Response– The final rule on APD reform will dramatically change the submission thresholds. The final rule is anticipated to be published in December 2010, before the current information collection budget expires.

Comment -They recommended that the Federal program agency provide more specific guidance on when system studies should be included in APDs. The example they mentioned were business and operational studies that doesn't result in actual system enhancements.

Response– We agree. We will be issuing guidance on this topic.

Comment -Texas also recommended that the collection of information could be minimized if the Federal regulations contained definitive requirements as opposed to having to consult multiple sources such as IM, AT and guidance documents. They recommended a Federal Help Desk where States could contact for consistent answers to questions related to Part 95 requirements. Texas indicated that they are aware of the NPRM on APD reform but concerned that automating APD for major systems projects would created a more disjointed and cumbersome process for States and the agency.

Response – ACF is currently undergoing a connectivity review which may result in recommendations for reorganization in this area. In the interim, the four program offices meet at least monthly to discuss cross-cutting issues, a Federal Enterprise Architecture workgroup has been formed which has developed guidance that was jointly issued by all four programs. And for States with system projects that encompass more than one program, the program offices meet frequently depending on the complexity of the project. For example, we have bi-monthly teleconfernces with the Louisiana OneDSS staff.

### **9 Explanation of Any Payment of Gift to Respondents**

Not applicable

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

The information collected and records maintained are not of a confidential nature.

### **11. Justification for Sensitive Questions**

The information collected and records maintained are not of a sensitive nature.

### **12. Estimates of Annualized burden hours and costs.**

#### ANUAL BURDEN ESTIMATES

INSTRUMENT	NUMBER OF RESPONDENTS	NUMBER OF RESPONSES PER RESPONDENT	AVERAGE BURDEN HOURS PER RESPONSE	TOTAL BURDEN HOURS
Advance Planning Documents	50	1.84	60	5,520
RFP and Contract	50	1.54	1.5	115.5

Emergency Funding Requests	27	1	1	27
Service Agreements	14	1	1	14
Biennial Reports	25	1	1.5	37.5
Est. Total annual burden hours				5,714

The monetary value of these hours is 5714 times \$50 equals \$285,700.

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

There are no additional direct costs to respondents

### **14. Annualized Cost to the Federal Government**

We estimate on an annual basis that 21.13 GS-14 full time equivalent federal employees (14.0 which are CMS) are required to oversee the program which includes: technical assistance to the States in complying with these regulations provided by both regional and central office staff in APD preparation, and reviewing RFPs and contracts submitted for review and approval. The annual cost is \$2,116,212 [ $\$100,152 \text{ (GS14-step5)} \times 21.13 = \$2,116,212$ ] across the entire department.

ACF migrated from a tracking system known as State Systems Approval Information System (SSAIS), to a Sharepoint application known as Approve IT, which reduced annual costs in half, from \$60,000 a year to \$30,000. In addition, CMS will be using the new Sharepoint application in 2011 and the application permits the States and Tribes to submit their requests electronically.

### **15. Explanation for Program Changes or Adjustments**

We made no adjustments or program changes for this request. There is a final rule on Part 95, APD reform that is currently in clearance that will make substantial changes to the information collection burden. The estimated publication date of that final rule is Nov –December 2010.

### **16. Plans for Tabulation and Publication and project time schedule**

Not applicable

### **17. Reason(s) Display of OMB Expiration Date is inappropriate**

The information collection is not derived from forms or questionnaires. However, the expiration date for OMB approval of the information collection is posted on the various program's Federal website where States receive guidance and technical assistance on submitting the required documentation.. An example is: [http://www.acf.hhs.gov/programs/cse/stsys/dsts\\_plan\\_apd.html](http://www.acf.hhs.gov/programs/cse/stsys/dsts_plan_apd.html)

### **18. Exceptions to Certification for Paperwork Reduction Act Submissions**

APD- No form or questionnaire, Guidance – State Systems APD Guide Sept 1996  
 RFP and Contracts-  
 Emergency Funding Requests – No guidance  
 Service Agreements- No guidance  
 Biennial Security Requirements-

## **B. Collections of Information Employing Statistical Methods**

### **1. Respondent Universe and Sampling Methods**

The Agency is not employing statistical methods in collection of this information. Each State must provide the various planning and procurement documents for prior approval. However, there are two areas where we have developed guidance documents that recommend utilization of statistical methods that could reduce the information collection burden on States. DHHS have provided guidance to States related to allocating costs among various programs, (the Cost Allocation Methodology Toolkit) and Child Support has developed guidance related to calculating annual cost benefits, (CBA-Revenue Stream Module).

### **2. Procedures for the Collection of Information**

Not Applicable

### **3. Methods to Maximize Response Rates and Deal with Nonresponse**

Not Applicable

### **4. Test of procedures or Methods to be Undertaken**

Not Applicable

### **5. Individuals Consulted on Statistical Aspects and Individuals Collecting and/or Analyzing Data.**

Not Applicable