

**SUPPORTING STATEMENT
FOR PAPERWORK REDUCTION ACT SUBMISSION
OMB Control No: 3090-0290**

Central Contractor Registration Requirements for Prime Grant Recipients

A. Justification.

1. Administrative requirements.

The Central Contractor Registration (CCR) is the primary database for the U.S. Federal Government, and currently collects, validates, stores, and disseminates data in support of agency acquisition and financial assistance missions.

CCR validates awardee information and electronically shares the secure and encrypted data with Federal agency finance offices to facilitate paperless payments through electronic funds transfer (EFT). Additionally, CCR shares the data with Federal Government procurement, grant, and electronic business systems.

Both current and potential Federal Government vendors are required to register in CCR in order to be awarded contracts by the Federal Government. Vendors are required to complete a one-time registration to provide basic information relevant to procurement and financial transactions. Vendors must update or renew their registration at least once per year to maintain an active status. In addition, any recipients of Recovery Act funds, for all types of financial assistance, to include grants, are required to register into CCR.

This information collection requires information necessary for prime awardee registration into the FFATA Subaward Reporting System and review of its entity-related information. This will allow for prime awardee reporting of subaward and executive compensation data pursuant to the Act.

GSA requests OMB's emergency review and clearance of the revision to this new information collection by July 30, 2010. This information collection requires that all prime grant awardees, subject to reporting under the Federal Funding Accountability and Transparency Act register and maintain their registration in CCR. Emergency review and clearance of this Paperwork Reduction Act is essential to the implementation of the Federal Funding Accountability and Transparency Act ("**FFATA**," "**Transparency Act**," or "**Act**"). Without expedited OMB review and approval, prime grant awardees will be unable to report subaward and executive compensation data pursuant to FFATA's transparency requirements for new grant awards as of October 1, 2010. GSA requests OMB review and clearance of this information collection by July 30, 2010. This information collection requirement will also be included in the revised 2 CFR Part 170, as guidance to agencies on the requirement for prime grant recipients' CCR registration. Approval by this date will allow all federal agencies to properly notify potential grant awardees of the new information collection requirements associated with applicable grants. With such notification, potential grant awardees will have sufficient opportunity to manage

internal business processes and administrative systems to facilitate reporting beginning October 1, 2010.

2. Uses of information.

This revision reflects the new requirement for all prime grant awardees to register in the CCR database immediately as a term of the award, where such awardees are subject to the reporting requirements under the Transparency Act. The information required for CCR registration includes the entity's name, address, DUNS number, and type of organization. A full list of the data elements required can be found in the current CCR handbook, *available at <https://www.bpn.gov/ccr/handbook.aspx>*.

This information collection will facilitate reporting of subaward and executive compensation pursuant to the Transparency Act. Information provided by prime grant awardees in CCR will be used to pre-populate FSRS records to not only ensure that recipients can locate their grants for reporting purposes, but also minimize the burden of entering information previously provided to the Federal Government.

3. Consideration of information technology. We use improved information technology to the maximum extent practicable. Where both the Government agency and grant awardees are capable of electronic interchange, the prime awardees may submit this information collection requirement electronically.

4. Efforts to identify duplication. The Central Contractor Registration was developed to centralize awardee information. This collection will leverage the central clearinghouse capacity of CCR to ensure that prime grant awardees have minimal burden in providing the Federal Government with its identifying information. This will ensure that the information provided to the Federal Government **once** will be used multiple times to facilitate multiple reporting requirements for prime grant awardees pursuant to the Transparency Act.

5. If the collection of information impacts small businesses or other entities, describe methods used to minimize burden. The burden applied to small businesses is the minimum consistent with applicable laws, Executive orders, regulations and prudent business practices. Required registration into CCR will ensure that small businesses will not be required to provide the same entity identifying information to the Federal Government multiple times unnecessarily.

6. Describe consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently. If the collection of this data from Federal prime grant awardees is hampered or delayed, entity-related information will not be able to be pre-populated into the FFATA Subaward Reporting System (FSRS) and appropriately matched with applicable Federal grants for reporting. Requiring CCR registration for all prime grant awardees will ensure that prime awardees will have access to accurate information about their grants and facilitate the least burdensome reporting of subaward and executive compensation data under FFATA.

7. **Special circumstances for collection.** Collection is consistent with guidelines in 5 CFR 1320.6.

8. **Efforts to consult with person outside the agency.**

On June 6, 2008, the Office of Management and Budget (“OMB”) published proposed guidance to Federal agencies with an award term needed to implement requirements related to subaward reporting under the Transparency Act. [73 FR 32417] The guidance was proposed for adoption in a new part 33 within title 2 of the Code of Federal Regulations (“CFR”). We received comments from 75 entities in response to that *Federal Register* notice, including: 29 State agencies and two associations of State officials; 16 institutions of higher education and an association of research universities; six nonprofit organizations and an association of nonprofits; two local governmental organizations and an association of local government officials; two commercial firms; one individual; and 14 Federal agencies. Other commenters raised a number of matters that are related to subaward reporting under the Transparency Act but are not directly related to the content of the guidance. For example, we received comments that suggested:

- Specific data elements that should **either** be included, or excluded from information that will be required for each subaward.
- A need for better definitions of some data elements or clarification of the information desired in some data fields.
- Using the same information technology systems for submission of data on both: (1) subawards under Federal assistance awards subject to the Transparency Act’s requirements; and (2) sub-contracts that entities receiving Federal procurement contracts must submit under the Act.
- Other specific features that would be important to include in those information technology systems.

This Paperwork Reduction Act submission will ensure that prime awardee reporting burden will be minimized to the maximum extent possible to ensure efficient reporting based on the FFATA requirements.

The Notice published in the *Federal Register* at 75 FR 43166, on July 23, 2010, solicited public comments. Comments were received and discussed in the subsequent *Federal Register* published at 76 FR 4899, on January 27, 2011.

9. **Explanation of any decision to provide any payment or gift to respondents, other than remuneration of awardees.** Not applicable.

10. **Describe assurance of confidentiality provided to respondents.**

The information is disclosed only to the extent consistent with prudent business practices and current regulations.

11. **Additional justification for questions of a sensitive nature.** No sensitive questions are involved.

12 & 13. **Estimated total annual public hours and cost burden.**

Summary

| | Respondents | Hours/Response | Total Hours | Total Cost | Cost Calculation |
|---------------------|--------------------|-----------------------|--------------------|--------------------|---|
| | 23,358 | 1 hr/response | 23,358 | \$1,237,974 | \$53 cost/respondent x 23,358 respondents |
| | | | | | |
| TOTAL BURDEN | 23,358 | 1 hr/response | 23,358 | \$1,237,974 | |

It is estimated that an average of 1 hour will be required for each respondent to review and update for current registrants and to review and, prepare, and complete the registration for new registrants. The figure of 23,358 Grants Respondents was derived from the number of grantees who are not currently registered in CCR. This number is based on the total number of unique prime grant awardees reporting into USASpending.gov over all years (80,625)¹ minus the total number of Recovery Act-funded prime grant awardees, who are currently required under FederalReporting.gov to register in CCR (57,267).² The resulting remainder, 23,358, constitutes the total number of new prime grant awardees who may not be currently registered in CCR, and will, as a result of this revision, be required to register in the system. This figure may be an overestimate, given that prime grant awardees may also be Federal contractors, who, under this existing collection, are required to register in CCR. This figure may also be an overestimate to the extent that any grant awardee whose award amount is reimbursed through the Department of Treasury’s Secure Payment System is also already required to register in CCR. This may also be an overestimate because not all prime grant awardees will be required to register into CCR, if no reporting under FFATA is required. For example, certain grant awardee entities are exempt from FFATA reporting, to include those entities with a gross income from all sources less than \$300,000 in the previous tax year, will not be required to register into CCR. Because these are new statutory requirements for reporting, GSA has provided its best estimates based on available information. GSA will continue to review and revise these burden estimates as more information becomes available.

Based on these calculations, the total number of Contractors and non-Recovery-funded Grant Prime recipients who are required to register and maintain registration in 23,358 (Non-Recovery-Funded Prime Grant Awardees) Total Grants Respondents.

Annual Public Burden and Cost

Respondents 23,358

¹ Source: GSA USASpending.gov Program

² Source: Recovery.gov “Total Award Recipients by Type,” available at <http://www.recovery.gov/Transparency/RecipientReportedData/Pages/QuarterlySum.aspx> (last updated June 16, 2010).

| | |
|--------------------------------------|--------------------|
| Responses per respondent | <u>X 1</u> |
| Total responses | 23,358 |
| Preparation hours per response | <u>X 1</u> |
| Total response burden hours | 23,358 |
| Hourly rate | <u>X \$53</u> |
| Total Cost to public (\$24 + 75% OH) | \$1,237,924 |

14. Estimated annual cost to the Government. Time required for Government-wide review is estimated at 1 hour in receiving, reviewing, and analyzing the information submitted by the respondents.

Annual Government Burden and Cost

| | |
|--|------------------|
| Reviewing time/hr | 1 |
| Responses | <u>23,358</u> |
| Review time/yr | <u>23,355</u> |
| Average wages/hr (GS 11, step 5 hourly rate) | <u>X \$27.00</u> |
| Average wages/yr | 630,585 |
| Benefits and overhead | <u>100%</u> |
| Total Government cost | 1,261,170 |

The cost of \$27.00 per hour is based on GS-11, step 5 salary plus 32.45 percent burden.

15. Explain reasons for program changes or adjustments reported in Item 13 or 14. This is a revision of a currently approved public information collection.

16. Outline plans for published results of information collections. Results will not be tabulated or published.

17. Approval not to display expiration date. Not applicable.

18. Explanation of exception to certification statement. Not applicable.

B. Collections of Information Employing Statistical Methods.

Statistical methods are not used in this information collection.